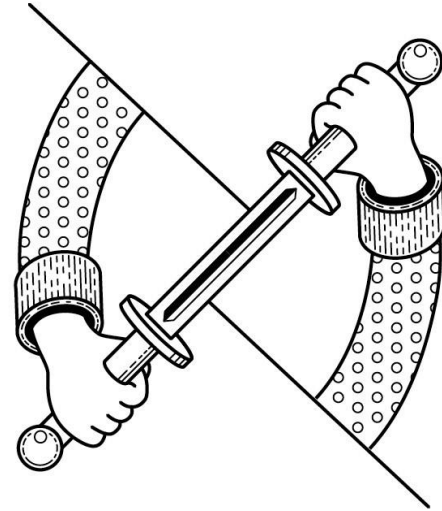# Decoding Discounts

Unveiling the Impact on Eniac's Revenue and Sales Volume

The Power of Discounts: A Double-Edged Sword?

- Exploring the Impact of Product Discounting at Eniac.

- A Strategic Debate: Growth Tool or Revenue Reducer?

- Our Objective: Unveil the True Impact of Discounts.

General Overview: The Impact of Discounts on Product Categories

Products Sold per Category with and without discounts
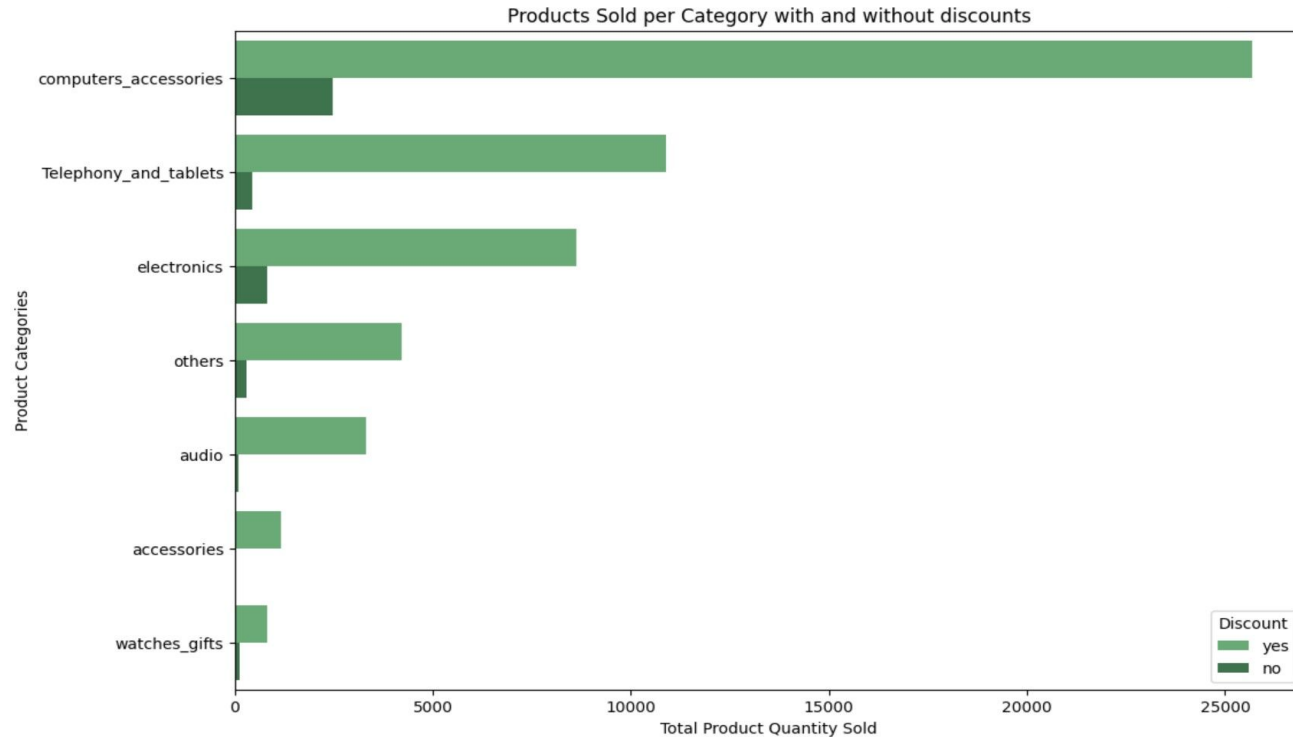
The Impact of Discount Types on Sales Volume in General

Classification of Discounts:

- Low Discount: Less than 10% of the price
- Medium Discount: Between 10% and 20% (inclusive) of the price
- High Discount: More than 20% off of the price
- No Discount: 0%

Higher Discounts = More Orders
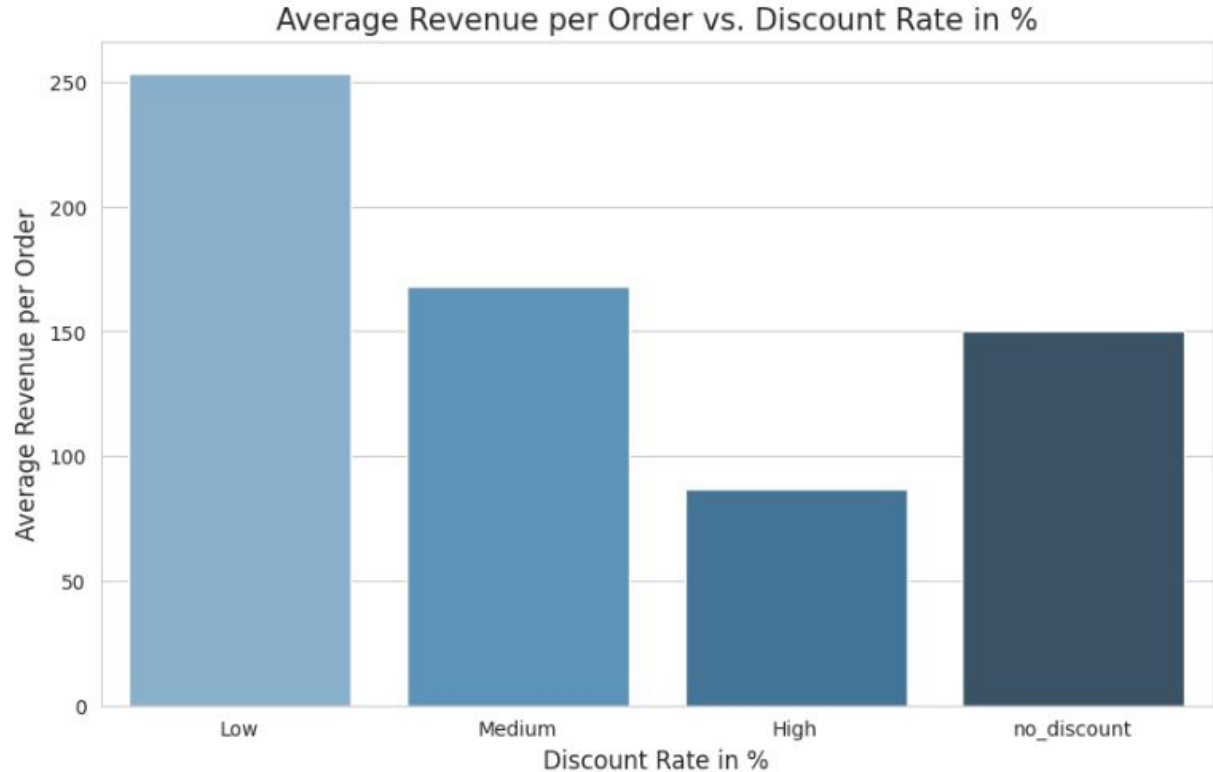

Number of Orders vs. Discount Rate in %

The Impact of Discounts on Average Revenue per Order

Discount percentage increases =>
the Average Revenue per order
decreases.

This suggests that discounts lead to
a decrease in the average revenue
per order.

Evidence for the Board's Viewpoint

Average Revenue per Order vs. Discount Rate in %

Analysis on the Category Computer Accessories

Average Difference to Original Price:
High discount: 40 Euros
Medium: 25.55 Euros
Low Discount: 11.11 Euros

Average Difference to Original Price:
High discount: 48.59 Euros
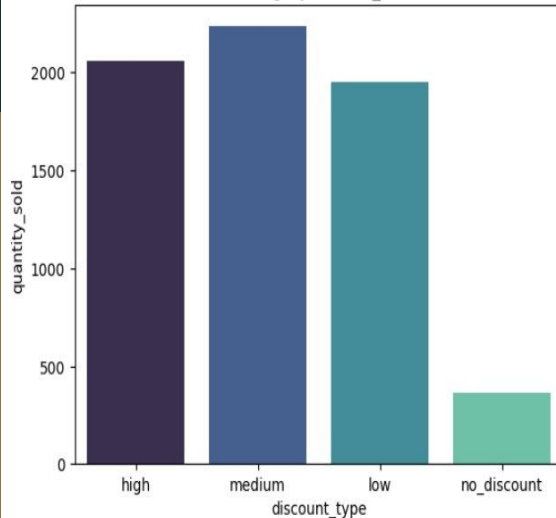Medium: 16.58 Euros
Low Discount: 5.66 Euros

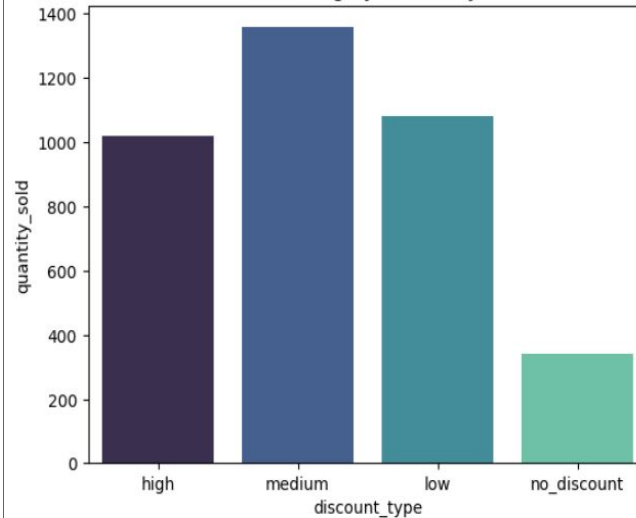**Average Difference to Original Price:**
High discount: 108.00 Euros
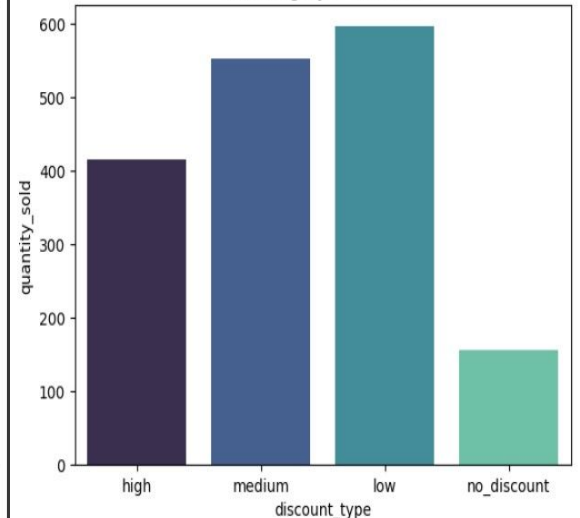Medium: 62.70 Euros
Low Discount: 32.86 Euros

Conclusion and Recommendations

- **Conclusion:**

  Discounts at Eniac **stimulate sales volumes but also decrease the average revenue** per order. To balance this trade-off, Eniac should adopt a data-driven approach to **optimize discounts and also diversity growth strategies** beyond just discounting.

- **Recommendation:**

  Eniac should **implement a data-informed discount strategy**, utilizing data analysis or A/B testing to strategically adjust discount levels. Additionally, Eniac should explore **other avenues for growth such as enhancing product quality, improving customer service**, and expanding the product range to ensure sustainable business growth.

Q&A

Thank you for your attention. We are now ready to answer any questions you may have.
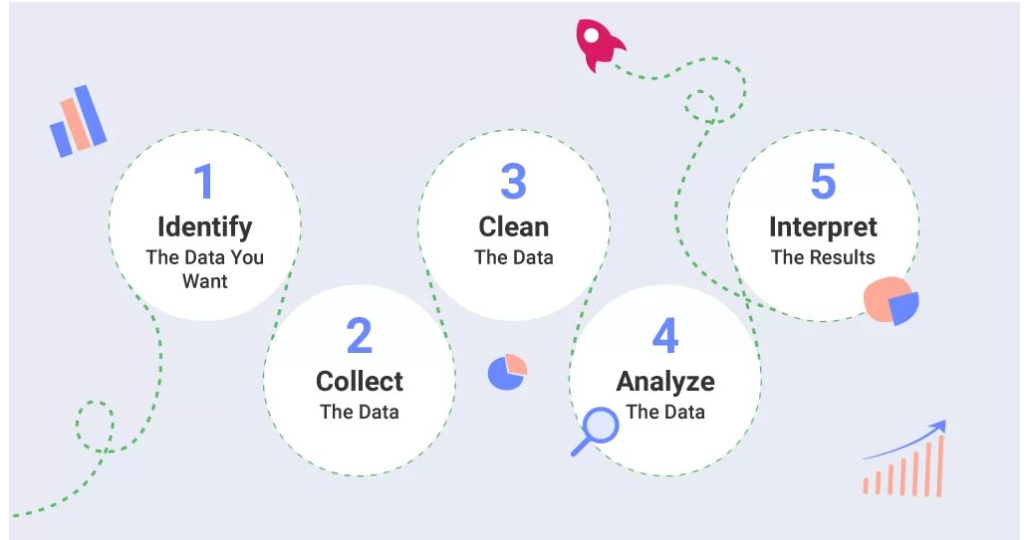
The Team:

Sergio David
Saddam
Mirella

Data Analysis Approach

- Data Sources: Orders, Order Lines, Products, Brands.

- Analysis Steps: Calculating Discounts, Examining Sales Volumes and Revenues.

Striking the Balance: Effect of Seasonality AND Discounts

Seasonality = More Orders?

Seasonality + High Discounts =

Most Orders AND Best Revenue?