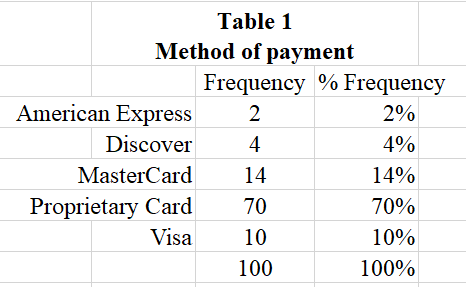
Pelican Stores

Pelican Stores, a division of National Clothing is a chain of women’s apparel stores operating throughout the country. The chain ran a promotion offering discounts to customers of other National Clothing stores. The discount coupons were not offered to regular customers. Sales made to people presenting the promotional coupons were considered sales that would not have otherwise been made.

# Percent Frequency Distributions for Key Variables

Table 1 presents a frequency distribution for method of payment. The proprietary card was used 70% of the time indicating purchases were made by regular customers. Figure 1 presents the method of payment as a histogram.



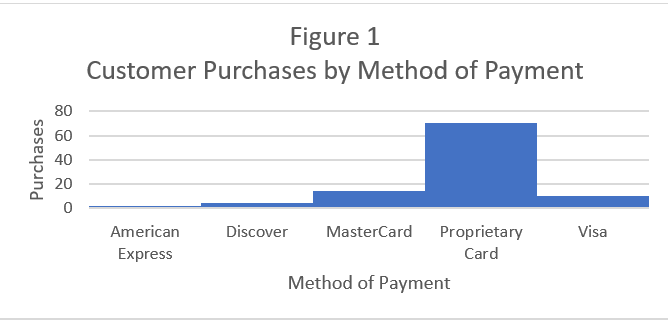


Table 2 presents a frequency distribution for number of items purchased. The majority of customers purchased 1 to 3 items (66%). Since 70% of customers were regular customers, they tended to purchase fewer items as there was no discount. Twenty-six percent (26%) of customers purchased between 4 and 6 items. The promotional discount may have encouraged these customers to purchase additional items they would not normally purchase. Only 8% of customers purchased 7 or more items. These 8 customers took full advantage of the promotional discount.

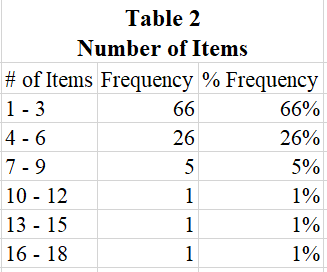
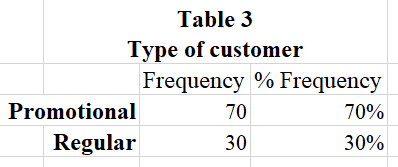


Table 3 presents a frequency distribution for type of customer. Seventy percent (70%) of customers were customers with the promotional discount. Since (as indicated in Table 1) 70% of customers used the proprietary card, some of the regular customers made purchases using a promotional discount.

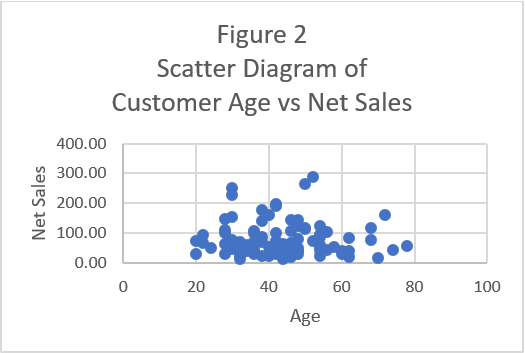


# Crosstabulation of Type of Customer versus Net Sales

Examination of a cross tabulation of type of customer versus net sales (see Appendix A) reveals that promotional customers in general spent more on purchases than regular customers. In fact, 5900 of the 7760 (76%) of the total sales were made by customers with promotional discounts.

# Scatter Diagram of Relationship Between Customer Age and Net Sales

Figure 2 presents a scatter diagram of the relationship between customer age and net sales. Customers range in age from 20 to approximately 80. There are more customers in the 25 to 45 age range. There does not appear to be a relationship between age and net sales.



This report presents results based on a preliminary investigation of customer purchases at Pelican Stores when a promotional discount was offered. Where appropriate suggestions have been made that could indicate the value of the promotional discount to sales. In summary, customers with promotional discounts spent more on purchases than regular customers. However, based on the number of proprietary card purchases there were regular customers also using the promotional discount.

# Appendix A – Crosstabulation of Type of Customer versus Net Sales

|  |  |  |  |
| --- | --- | --- | --- |
| **Sum of Net Sales** | **Column Labels** |  |  |
| **Row Labels** | **Promotional** | **Regular** | **Grand Total** |
| 1 |  | 39.5 | 39.5 |
| 2 | 102.4 |  | 102.4 |
| 3 |  | 22.5 | 22.5 |
| 4 | 100.4 |  | 100.4 |
| 5 |  | 54 | 54 |
| 6 |  | 44.5 | 44.5 |
| 7 | 78 |  | 78 |
| 8 |  | 22.5 | 22.5 |
| 9 | 56.52 |  | 56.52 |
| 10 |  | 44.5 | 44.5 |
| 11 |  | 29.5 | 29.5 |
| 12 | 31.6 |  | 31.6 |
| 13 | 160.4 |  | 160.4 |
| 14 | 64.5 |  | 64.5 |
| 15 |  | 49.5 | 49.5 |
| 16 | 71.4 |  | 71.4 |
| 17 | 94 |  | 94 |
| 18 |  | 54.5 | 54.5 |
| 19 | 38.5 |  | 38.5 |
| 20 | 44.8 |  | 44.8 |
| 21 | 31.6 |  | 31.6 |
| 22 | 70.82 |  | 70.82 |
| 23 | 266 |  | 266 |
| 24 |  | 74 | 74 |
| 25 | 39.5 |  | 39.5 |
| 26 | 30.02 |  | 30.02 |
| 27 |  | 44.5 | 44.5 |
| 28 | 192.8 |  | 192.8 |
| 29 | 71.2 |  | 71.2 |
| 30 | 18 |  | 18 |
| 31 | 63.2 |  | 63.2 |
| 32 |  | 75 | 75 |
| 33 | 63.2 |  | 63.2 |
| 34 |  | 40 | 40 |
| 35 | 105.5 |  | 105.5 |
| 36 |  | 29.5 | 29.5 |
| 37 |  | 102.5 | 102.5 |
| 38 | 117.5 |  | 117.5 |
| 39 | 13.23 |  | 13.23 |
| 40 |  | 52.5 | 52.5 |
| 41 | 198.8 |  | 198.8 |
| 42 | 19.5 |  | 19.5 |
| 43 |  | 123.5 | 123.5 |
| 44 | 62.4 |  | 62.4 |
| 45 | 23.8 |  | 23.8 |
| 46 | 39.6 |  | 39.6 |
| 47 |  | 25 | 25 |
| 48 | 63.64 |  | 63.64 |
| 49 | 14.82 |  | 14.82 |
| 50 | 145.2 |  | 145.2 |
| 51 | 176.62 |  | 176.62 |
| 52 | 118.8 |  | 118.8 |
| 53 |  | 58 | 58 |
| 54 |  | 74 | 74 |
| 55 |  | 49.5 | 49.5 |
| 56 | 141.6 |  | 141.6 |
| 57 | 123.1 |  | 123.1 |
| 58 | 80.4 |  | 80.4 |
| 59 | 65.2 |  | 65.2 |
| 60 | 113 |  | 113 |
| 61 | 108.8 |  | 108.8 |
| 62 | 59.91 |  | 59.91 |
| 63 | 53.6 |  | 53.6 |
| 64 | 31.6 |  | 31.6 |
| 65 | 49.5 |  | 49.5 |
| 66 | 39.6 |  | 39.6 |
| 67 | 59.5 |  | 59.5 |
| 68 | 146.8 |  | 146.8 |
| 69 | 47.2 |  | 47.2 |
| 70 | 95.05 |  | 95.05 |
| 71 | 155.32 |  | 155.32 |
| 72 | 58 |  | 58 |
| 73 |  | 69 | 69 |
| 74 | 46.5 |  | 46.5 |
| 75 | 45.22 |  | 45.22 |
| 76 | 84.74 |  | 84.74 |
| 77 |  | 39 | 39 |
| 78 | 111.14 |  | 111.14 |
| 79 | 86.8 |  | 86.8 |
| 80 |  | 89 | 89 |
| 81 | 78 |  | 78 |
| 82 | 53.2 |  | 53.2 |
| 83 | 58.5 |  | 58.5 |
| 84 | 46 |  | 46 |
| 85 |  | 37.5 | 37.5 |
| 86 | 20.8 |  | 20.8 |
| 87 |  | 144 | 144 |
| 88 |  | 107 | 107 |
| 89 | 31.6 |  | 31.6 |
| 90 | 57.6 |  | 57.6 |
| 91 | 95.2 |  | 95.2 |
| 92 | 22.42 |  | 22.42 |
| 93 |  | 159.75 | 159.75 |
| 94 | 229.5 |  | 229.5 |
| 95 |  | 66 | 66 |
| 96 |  | 39.5 | 39.5 |
| 97 | 253 |  | 253 |
| 98 | 287.59 |  | 287.59 |
| 99 | 47.6 |  | 47.6 |
| 100 | 28.44 |  | 28.44 |
| **Grand Total** | **5900.3** | **1859.75** | **7760.05** |