I have used multiple regression model to estimate sales as a function of various advertising media. The model output statistics are given as –

R-Square is 0.85. The model explains around 85% variation in sales.

The standard error of estimate is 61.05 which is the prediction error likely to be made by using the regression model to predict sales. The average deviation between the predicted value and the actual sales is $61.05.

The p-value of F-test (ANOVA test) is <0.0001, which is less than 0.05 - so the model is significant at 95% confidence level.

For getting the significant predictors, p-value of t test < 0.05 for SEO, TV, Paid Search and Facebook and are thus statistically significant at 95% confidence level.

The regression equation is given by -

Sales = 143.67 + 3.12 SEO + 2.20 TV + 1.33 Paid Search + 1.32 Facebook

* Sales is driven by SEO, TV, Paid search and Facebook.
* As standardized Beta coefficient of SEO is the highest (3.12), advertising budget should be allocated to SEO to increase sales. For every $1 advertising spent on SEO, sales will likely increase by $3.12.