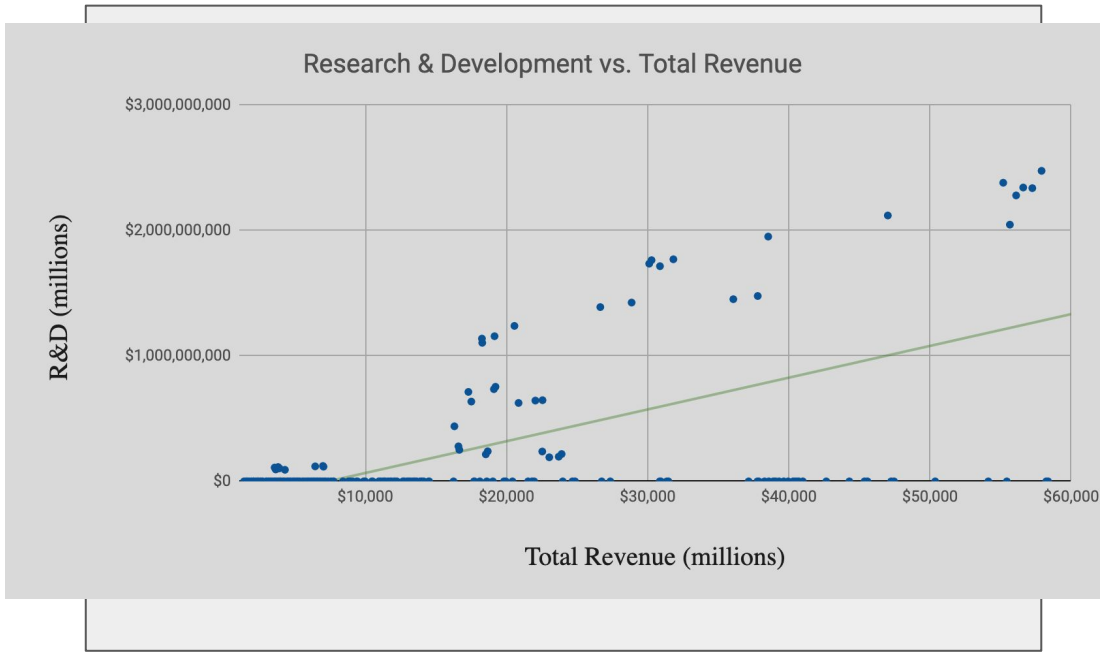


# Within the Industrials sector, is there any correlation between R&D and Revenue?



Firstly, while there is a positive correlation between the revenue reported and R&D expenditure within companies in the industrial sector, it's important to state the outliers. There are a few companies over 600B in revenue that are not shown here, but it's important to note that they also substantiate the positive correlation shown here. there are also a large amount of companies that report no expenditure for R&D, which does pull the trend line (in green) down quite substantially.

In both R&D expenditure and Revenue reported the mean is higher than the median, which results in a right, or positively skewed graph, as shown. The range of both revenue as well as R&D is very high, \$94.7B and \$4.6B respectively, which shows high variability.

The mean for revenue is \$20,683,325,105 while the average R&D expenditure is \$365,151,770, however the median value for R&D is still \$0, while the median for revenue is comparatively closer to its mean. this means that over 50% off companies listed report \$0 R&D expenditure. This has also affected the standard deviation as well as the SD for Revenue is over \$41B which means there is much more variability between how much revenue each company makes, and much less variability (1.2B) for the amount spent on R&D.

# Link to Google sheets doc

[https://docs.google.com/spreadsheets/d/1G7hoWnZ4neo2mn\\_U4aj1j6E2onwropoV/edit?usp=sharing&ouid=115800272338354122018&rtpof=true&sd=true](https://docs.google.com/spreadsheets/d/1G7hoWnZ4neo2mn_U4aj1j6E2onwropoV/edit?usp=sharing&ouid=115800272338354122018&rtpof=true&sd=true)

Links to blogs, articles, other resources in this project- N/A