**HOW TO WRITE THE EXECUTIVE SUMMARY**

**Q1: Executive Summary**

A statistical model was developed to predict sales given the ad spending on Day time TV, Children TV, and News paper ads. The model has a reasonable predictive power

* 67% of the variation in Sales is explainable by variations in Ad spending.
* The model is Statistically significant, and we may use it to predict sales.
* Ad spending on Children TV and Newspaper ads have a positive impact on Sales.
* Day Time TV ad spending has little to no impact on Sales.

Since Daytime TV ad spending is not contributing to increased sales, management should consider stopping advertising on daytime TV, and use that money to advertise on other channels.

**Q2: Executive Summary:**

A statistical model was developed to predict Performance rating using Score1, Score2, and Score3 as the predictors. The model has a reasonable predictive power.

* The model can explain about 79% of the differences in performance rating. It has a standard error of 6.5 points.
* The model is Statistically significant. It can be used to make predictions of performance rating after one year.
* Once Score1 and Score2 are predictors, Score3 is not able to improve the predictive accuracy. Hence it is not used in the model
* A predictive model with only Total Score as the predictor is far less accurate than the model with Score1, and Score2 as the predictors. So we recommend using the model with Score1 and Score2 as the predictors.

A review and perhaps redesign of the third part of the test (leading to Score3) is warranted. A redesigned Score3 could lead to a stronger predictive model.