

# Module 3 Project

Hypothesis testing the NorthWinds db

# Value Proposition - Grow Revenue

Statistical Analysis → Business Priorities

- Increase Sales
- Increase Prices
- Customer Satisfaction



# Project Outline

Explore Data

Sanitize / Validate / Process Data

Develop Hypotheses

Evaluate

Conclusions / Takeaways



# Does Discounting Matter?

- Top level - Discounting (all levels) impacts quantity  
but ...
- No statistical significant impact to Revenue
- 86% of Product IDs demand inelastic



# Recommendations

Key driver: Profit

## Competitive Advantages

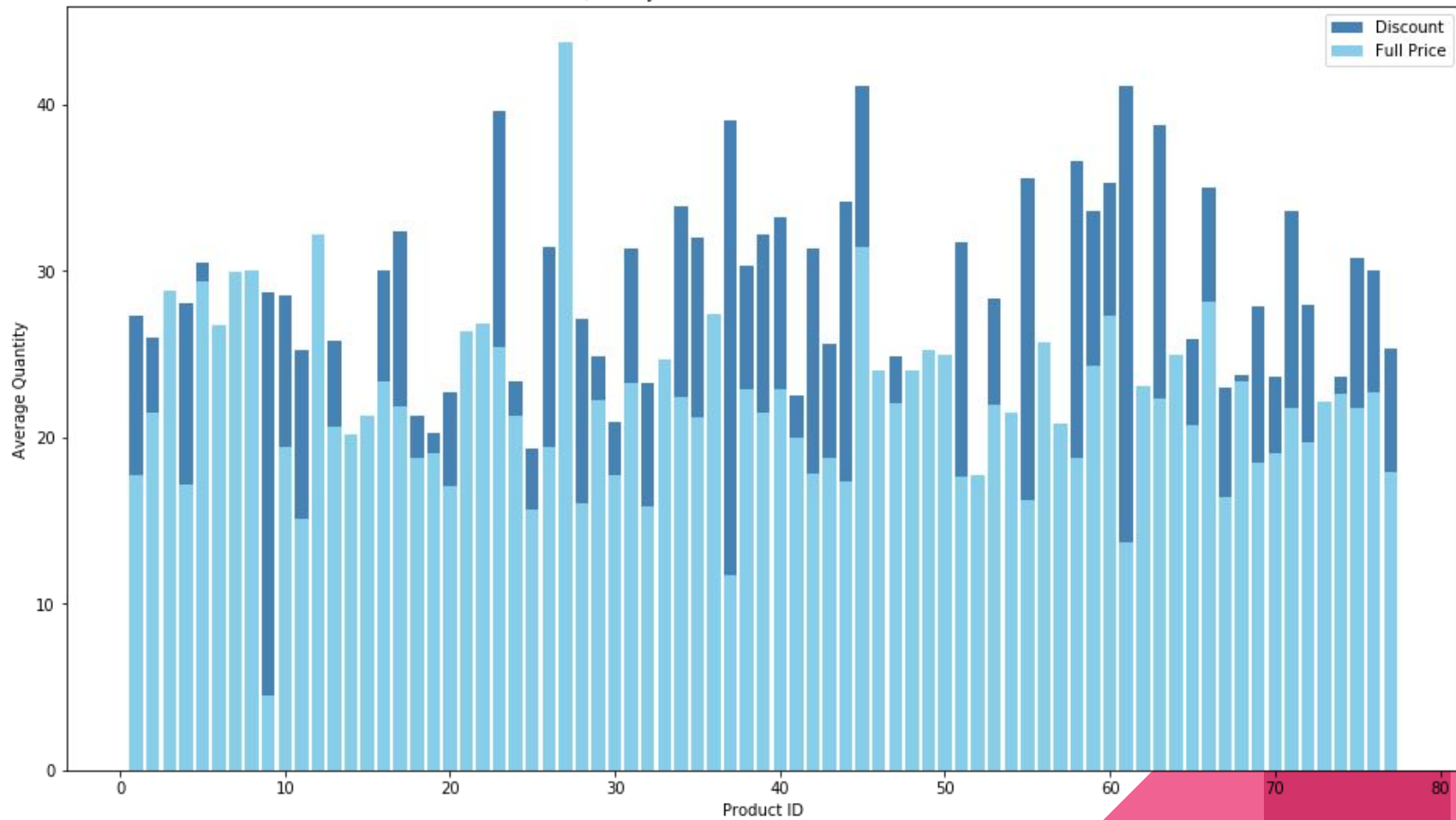
- Pricing Power
- Selective Discounting
- Supply Chain



# Appendix

NorthWinds db

Quantity Ordered - Full Price v Discount



# Hypothesis Testing Results - Product ID levels

Product ID	P-Value
4	0.049
7	0.047
11	0.033
26	0.036
55	0.018
57	0.008
58	0.011
61	0.025
69	0.043
71	0.038
72	0.048

