Assignment

Team C

Data Collection Process

The data collection process took place in a primarily online setting. Main sources included searches through Google and NetPincer websites. The restaurants were selected in random fashion. Restaurants outside of Budapest, were selected from cities with the population ranging from 60 thousand to 200 thousand, in an attempt to increase coverage. The number of observations was limited to three to avoid bias. The cola beverage was chosen as a variable in order to avoid missing values. Due to high popularity, the assumption was that, Cola is available almost anywhere in some shape or form. In addition, no distinction was made between nominal brands of cola (e.g. Pepsi-Cola vs. Coca-Cola). In order to manage the geographic restrictions and the limited opening hours, a binary variable was selected. The variable measures if the observed restaurant serves pizza only or has additional items on the menu (e.g. pasta, soup, non-Italian cuisine, etc.). In case of further research, the variable can be used as a conditioning variable, to explore correlation between it and other variables. The main cahllenges faced during the collection of the data are listed below

- Some of the restaurants don't have an online presence, which makes it harder to record observations and thus increases the chance of incomplete coverage.
- Most of the places don't have a uniform menu features, meaning some of the places don't indicate the pizza size while others don't have cola on the menu. This resulted in missing values for some observations.
- Due to the pandemic and geographic restrictions, the available variable pool was decreased. For example, there was no opportunity to visit all of the restaurants and actually try the pizza, thus qualitative variables such as taste, crust texture, etc. were not available for analysis.

Descriptive Statistics for Margherita and Cola Prices in Hungary

Table 1: Summmary Statistics for Margherita (1) and Cola (2)

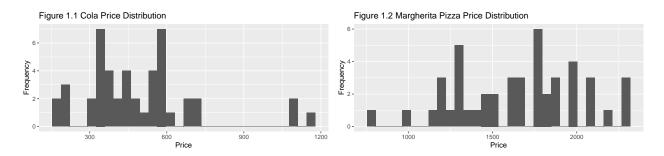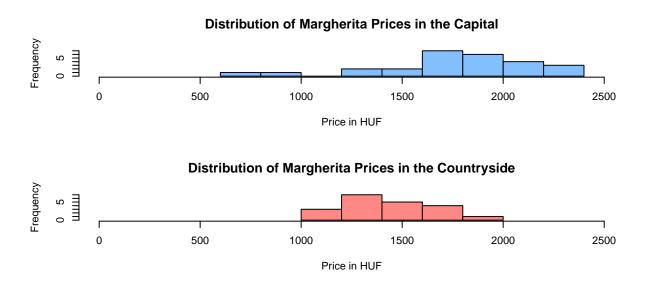| Mean	Median	Std.dev.	Min	Max	IQ range	Skewness	Observations
1651.6304	1690	365.4156	790	2300	572.5	-0.1165506	46
492.8261	450	218.7582	170	1160	240.0	0.1957690	46

Price Distributions

Figure 1.1 Cola Price Distribution

Figure 1.2 Margherita Pizza Price Distribution

Figure 2.1 Price Distributions Conditioned on Region

Distribution of Margherita Prices in the Capital

Distribution of Margherita Prices in the Countryside

Statistical Test Results

Table 2: Test Results

Region	mean_margherita_price	se_margherita_price	num_obs	t_stat
Capital	1797.462	74.84814	26	24.01478
Countryside	1462.050	53.69448	20	27.22906

Summary

We could conclude based on the t-stats that the average price of margherita pizza in the capital and in the countryside is not the same.