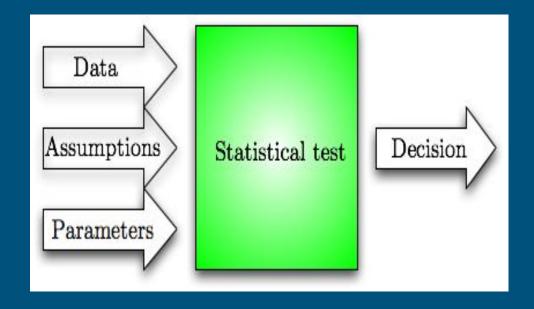
# Northwind Traders

Data Analysis and Hypothesis Testing

by Jonathan Bardey

### Methods Used

- Independent two-sample t-test
- Welch's t-test
- ANOVA
- Tukey HSD



### 1. Discounts and Products Ordered

- Discounts lead to an increase in the amount of product ordered.
- The amount of discount is not significant.

 Recommendation: Offer more discounts and keep them low - 5% is enough!



### 2. Alcoholic vs Non-Alcoholic Beverages



- Northwind makes ~6x as much revenue selling alcoholic beverages
- On a quantity per order basis, there is likely no difference

 Recommendation: Expand non-alcoholic beverage product line. More coffee varieties? Energy drinks?

### 3. Sales by Location



- Seattle office makes 2.5x the revenue of the London office
- No significant difference in revenue on a per order basis between 2 centers

• Recommendation: Further study into limiting factors of sales in London



## 4. Shipping Costs

 No significant difference in shipping costs between Northwind's 3 carriers.

• **Recommendation:** Keep the 3 carriers, negotiate for better rates



# Thank You