

Interpretation of Results

1. Contingency Table:

- The contingency table displays the counts of sales for each combination of "Category" and "Segment."
- For example, in the "Furniture" category, there are 37 sales from the "Consumer" segment, 20 from the "Corporate" segment, and 11 from the "Home Office" segment, totaling 68 sales for this category.

2. Chi-squared Statistic:

- The Chi-squared statistic is $\chi^2 = 5.73$. This value represents the difference between the observed frequencies (actual counts from the data) and the expected frequencies (what we would expect if there were no association between the variables).

3. P-value:

- The p-value is $p = 0.7665$, which is significantly higher than the common alpha level of 0.05. This indicates that we do not have enough evidence to reject the null hypothesis.

4. Degrees of Freedom:

- The degrees of freedom for this test are 9, calculated as $(r - 1)(c - 1)$, where r is the number of rows (categories) and c is the number of columns (segments). This helps determine the critical value for the Chi-squared distribution.

5. Expected Frequencies:

- The expected frequencies represent the counts we would anticipate for each cell in the contingency table if the "Category" and "Segment" were independent.
- For example, the expected frequency for "Furniture" in the "Consumer" segment is approximately 36.39. The expected counts across categories and segments are generally close to the observed counts, which can indicate whether any significant association exists.

Conclusion:

Given the results:

- **High P-value:** The high p-value (0.7665) suggests that there is no statistically significant association between "Category" and "Segment." Thus, we fail to reject the null hypothesis, indicating that the sales distribution across categories is likely independent of the customer segments.
- **Chi-squared Statistic:** The Chi-squared statistic (5.73) is relatively low, reinforcing the conclusion that any observed differences in the contingency table may be due to random variation rather than a systematic association.

Actionable Insights:

1. **Marketing Strategy:** Since there is no significant association, a uniform marketing approach across segments may be appropriate. This suggests that promotional efforts can be standardized

rather than targeted specifically to customer segments.

2. **Inventory Management:** Maintaining balanced stock levels across all categories, as no segment shows a strong preference for a specific category, could be beneficial.
3. **Further Investigation:** While this analysis shows no significant association, it may still be worthwhile to investigate other factors (e.g., pricing, seasonality, or customer demographics) that could influence purchasing behavior across different categories and segments.

Overall, the results indicate that customer segment preferences do not significantly affect the sales distribution across different product categories in this dataset.