

# **HW-6**

**MS -Business Intelligence & Analytics**

Spring 2016

**BIA – 654 A**

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## **Ethics Statement**

I pledge on my honor that I have not given or received any unauthorized assistance on this assignment/examination. I further pledge that I have not copied any material from a book, article, the Internet or any other source except where I have expressly cited the source.

Signature Mohit Ravi Ghatikar

Date: 03/08/2016

## HW-6

1)

a)

	- Level	+ Level
Factor A	22	30
Factor B	Low	High
Factor C	40% less	Current Amount

Run Order	A	B	C	AC	BC	ABC	Response	Std Order
1	+	-	-	-	+	+	45	2
2	-	+	-	+	-	+	47	3
3	-	-	+	-	-	+	8	5
4	+	+	-	-	-	-	10	4
5	+	-	+	+	-	-	40	6
6	+	+	+	+	+	+	8	8
7	-	+	+	-	+	-	41	7
8	-	-	-	+	+	-	8	1

**b)** Estimated Main factor of A =  $\Delta A(+)/4 - \Delta A(-)/4$

$$= -0.25$$

Estimated Main factor of B =  $\Delta B(+)/4 - \Delta B(-)/4$

$$= 1.25$$

Estimated interaction of AC =  $\Delta AC(+)/4 - \Delta AC(-)/4$

$$= -0.25$$

**2a)**

Here we are interested to know if there are any systematic differences among the methods of appraisal. We want to know if the population means of A, B and C are different or not. So we have to use one-way ANOVA.

**2b)**

In this problem, we are interested to know if there is any difference between the mean scores of 4 Chardonnay wines. Hence we need to use one-way ANOVA with blocking, where the factor is Chardonnay wine and the blocking variable is Judges because we are not interested in any effect on Judge scores.

**2c)**

Here we are interested to know if there is an interaction between Education level and Gender. Therefore we need to use two-way ANOVA with the two factors being Education and Gender.

**3)**

We choose any one factor out of A, B, C, D and E. Therefore we will have  $2^5 = 32$  runs.

After one factor is fixed, then we need to find the best factor among the remaining four. Also each factor has 2 values. Therefore the number of runs with 4 factors and 2 runs is  $2^4 = 16$  runs.

For a combination of 4 factors we will have  $2^4 * 4 = 64$  runs.

Total number of runs =  $64 + 16 = 96$  runs.