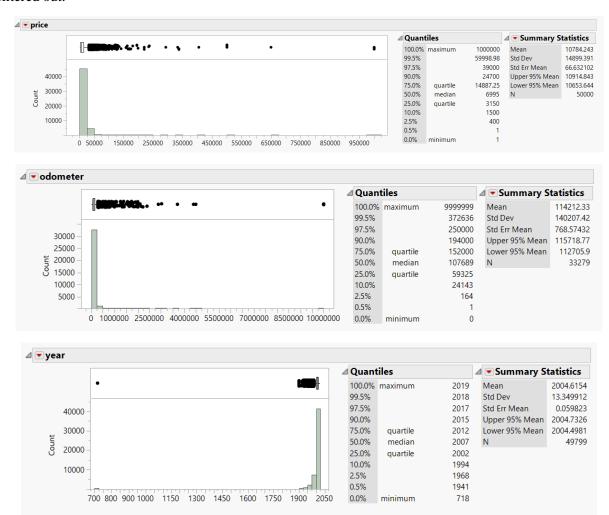
FINAL CASE STUDY

Submitted by- Shirish Pakki

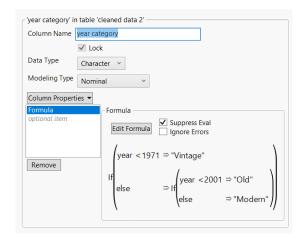
The final case relates to understanding and analysing the advertising trends related to automobile sales on Craigslist. The dataset contains a large sample of 50,000 national advertisements with various variables of the automobile like company, model, type, size, colour, transmission, title status along with geographic descriptors.

The final case analysis is meant to evaluate your skills in data cleaning, descriptive statistics and visualization and statistical data analysis using hypothesis testing for univariate and bivariate cases.

Distribution on price, odometer and year gave the following reading and all the extreme values were filtered out.



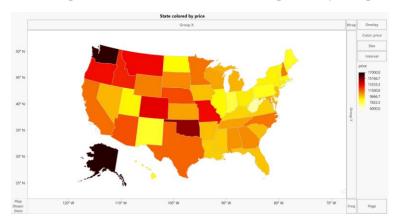
A variable 'year category' was created from Year which had 3 values- Vintage was 1970 or prior, Old was 1971 to 2000 and Modern, 2001 or later.



Descriptive Analysis

a) Create visualizations depicting differences in advertising trends across the country. Use JMP's mapping facility for this step and describe your observation.

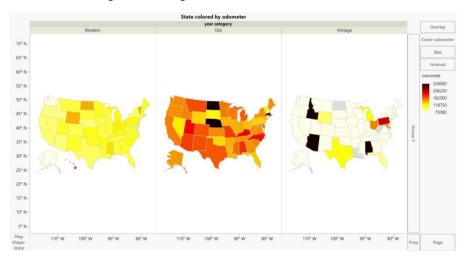
Observing price across the country, automobiles in Alaska and Washington are most expensive while West Virginia offered the cheapest vehicles. The east coast is comparatively cheaper than west coast.



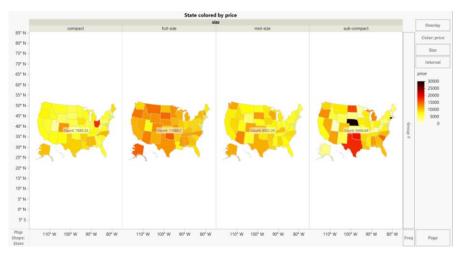
Odometer readings gave least for Alaska and Washington and highest for Hawaii. This gives an interesting observation that although the odometer readings are the lowest in Alaska and Washington, the prices are highest here too.



Vintage cars had the highest odometer readings in Idaho and Arizona while old cars with highest odometer readings were in North Dakota, Nebraska and lowest in New Hampshire. Modern cars didn't have very high odometer readings but the highest was in Hawaii and lowest Alaska and Washington.



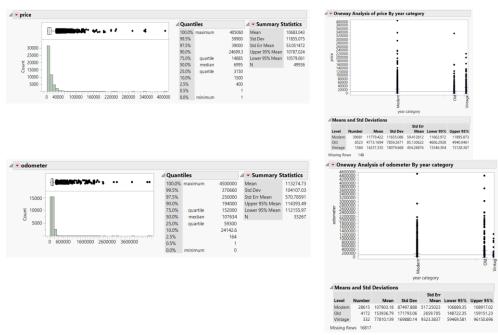
Taking price and type, Nebraska had the highest price for sub-compact vehicles while Utah had the lowest price for compact vehicles.



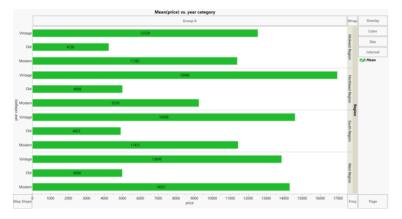
b) Run descriptive statistics for Price and Odometer variables. Now break them down by categorical Era variable (created in earlier step) and Region separately and analyse the differences. Now find a way to analyse Price and Odometer by Era and Region together to describe regional differences over time.

While the average price was \$10,683 taking each era, the mean price for vintage cars was \$14,237 while old cars priced \$4,773 and modern cars \$11,779.

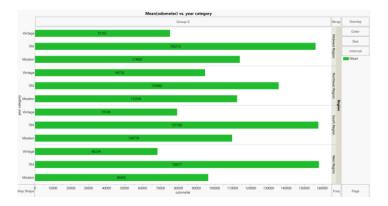
The mean odometer reading was 113,274 miles while vintage cars had 77,810 miles, old cars 153,936 and modern cars had 107,903 miles.



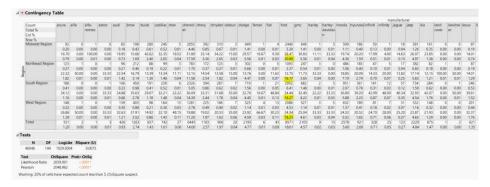
Taking both era and region to get mean price show vintage cars are most expensive in north east region old cars are more or less equally priced across the regions and north east had the cheapest modern cars and west had the highest.



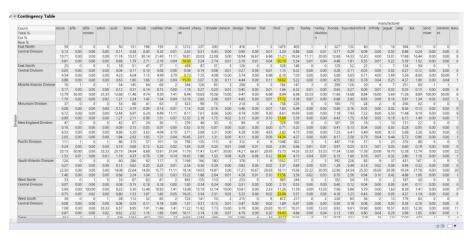
Mean odometer reading showed lowest for vintage cars in the west and highest for northeast. The highest miles for old cars was in West and lowest in North East. Modern cars had highest miles in Midwest and lowest in West.



c) What are the most popular cars by region and division of the country?



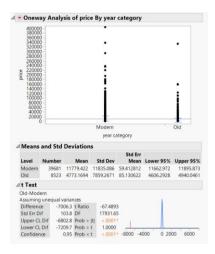
The highest number of cars on Craigslist appear to be Fords irrespective of region and division followed by Chevrolet.



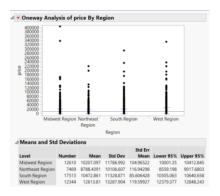
Hypothesis Testing

Run the following tests of hypothesis and provide relevant output and analysis in your own words.

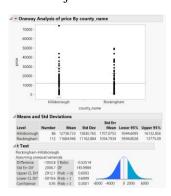
a) Are prices different by era Is there a statistically significant difference in list price of Old and Modern automobiles? Does the difference hold at the same level when broken down by region (compare confidence intervals of the price difference)?

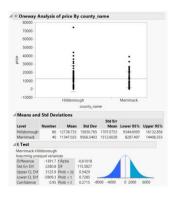


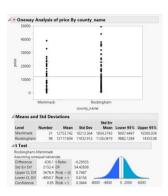
Old cars were cheaper than modern cars. Comparing the regions, Midwest and south cannot be compared as their confidence intervals overlap. Northeast regions offered the cheapest cars and west had highest.



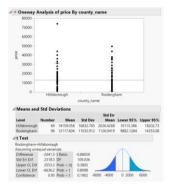
b) Within state differences: Hillsborough, Rockingham and Merrimack are the three biggest counties in NH. You are asked to analyse if there are differences in the kinds of cars being advertised in these counties. Run three pairwise tests of comparison of mean price for all eras for these counties. Now run the same tests just for Modern cars. Are the conclusions in the two kinds of tests different?

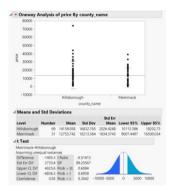


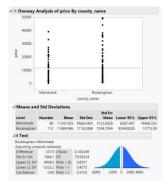




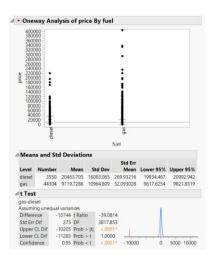
The means are too close to each other and so, it is not possible to compare the values. Also, the p-values are all high so all theories have failed to be rejected.

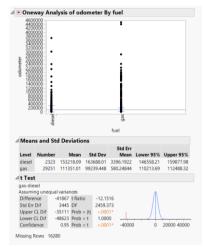






c) Difference in price by Fuel type: Compare Price and Odometer reading of Gas and Diesel vehicles using hypothesis testing and describe your findings. Now run the same tests for Northeast and South regions separately. Are the findings still the same? If not, then describe the differences in your own words.





Diesel engines are expensive than gas engines. Diesel engines also appear to have higher miles than gas engines. The same is the case for northeast and south regions.

