

Northwind Sales Analysis

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4/14/2020

Introduction

The Situation

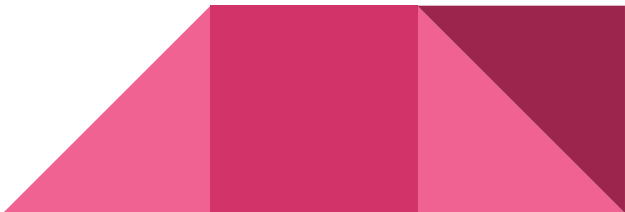
Northwind has a database that keeps track of the metrics of their business.

The Goal

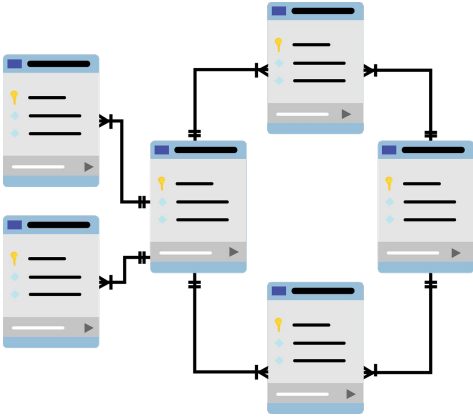
Report insights into improving company performance.

The Approach

The Northwind Database is analyzed using hypothesis testing.



Methodology: Hypothesis Testing




Gather Data



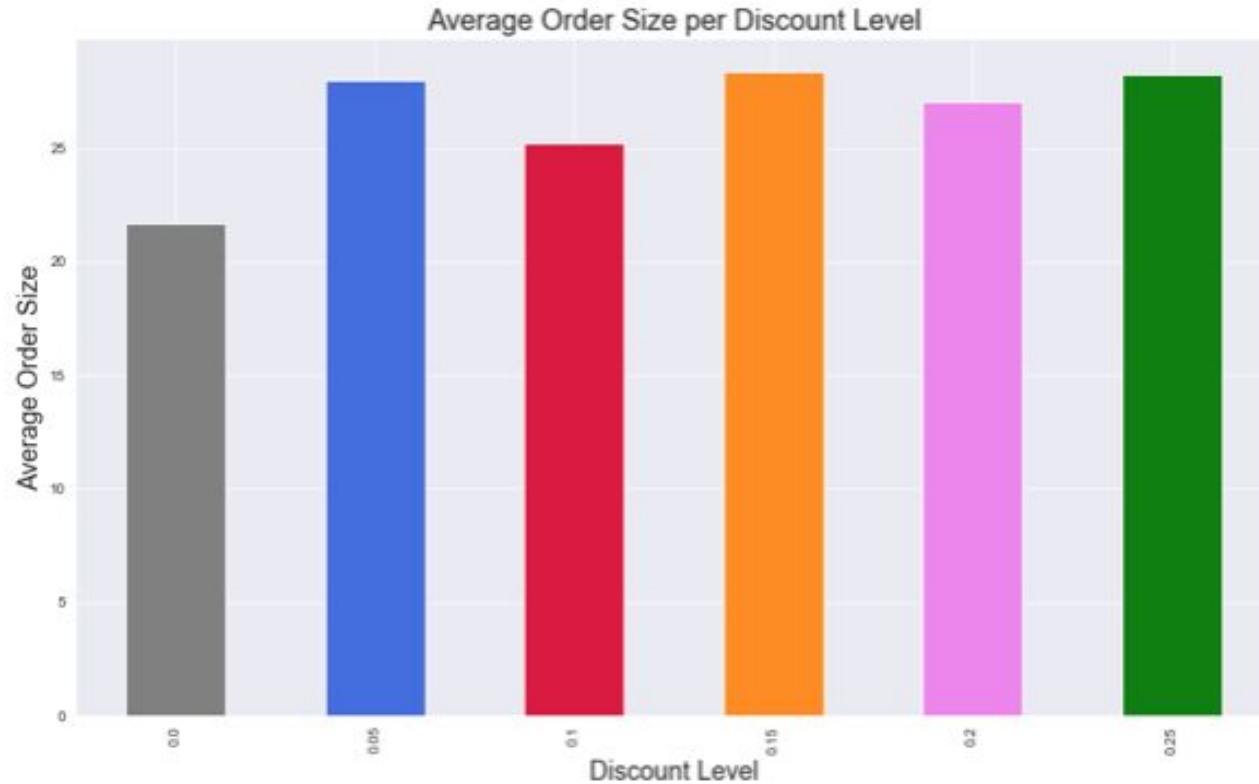
**Conduct
Experiments**



Draw Conclusions



Do discounts impact the number of products a
customer orders?



Key Findings:

- Orders with discounts have a 26% increase in size compared to non-discounted items
- Recommended Discount Level: 5%

Do discounts impact the number of products a customer orders?



Do discounts impact the amount of revenue on
a customer order?

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Key Findings:

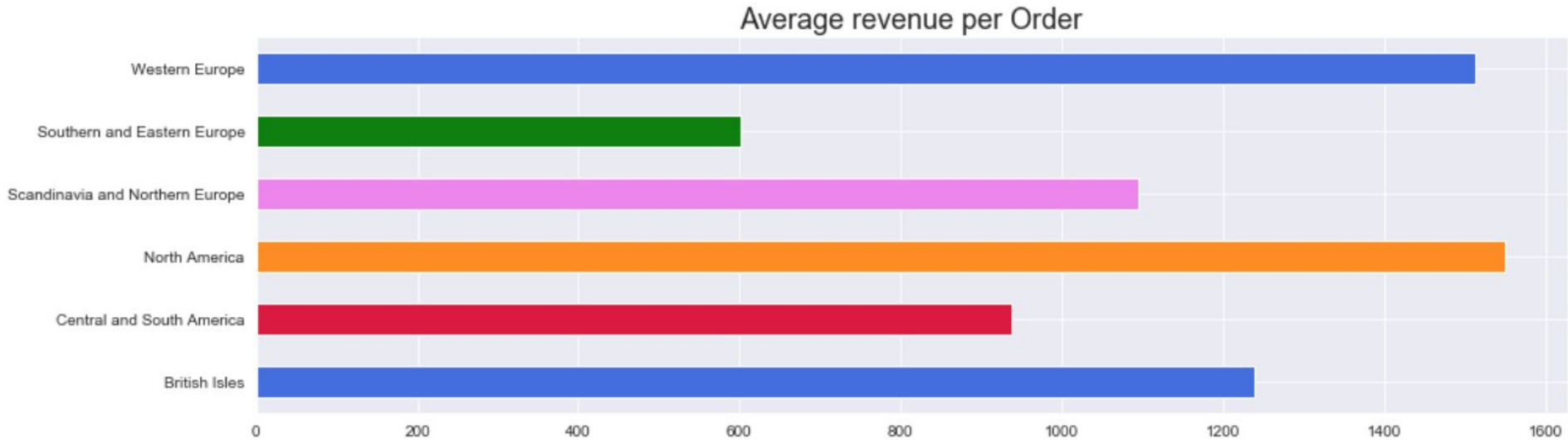
- Orders with discounts have a 17% increase in revenue
- Recommendation is to offer a 5% discount



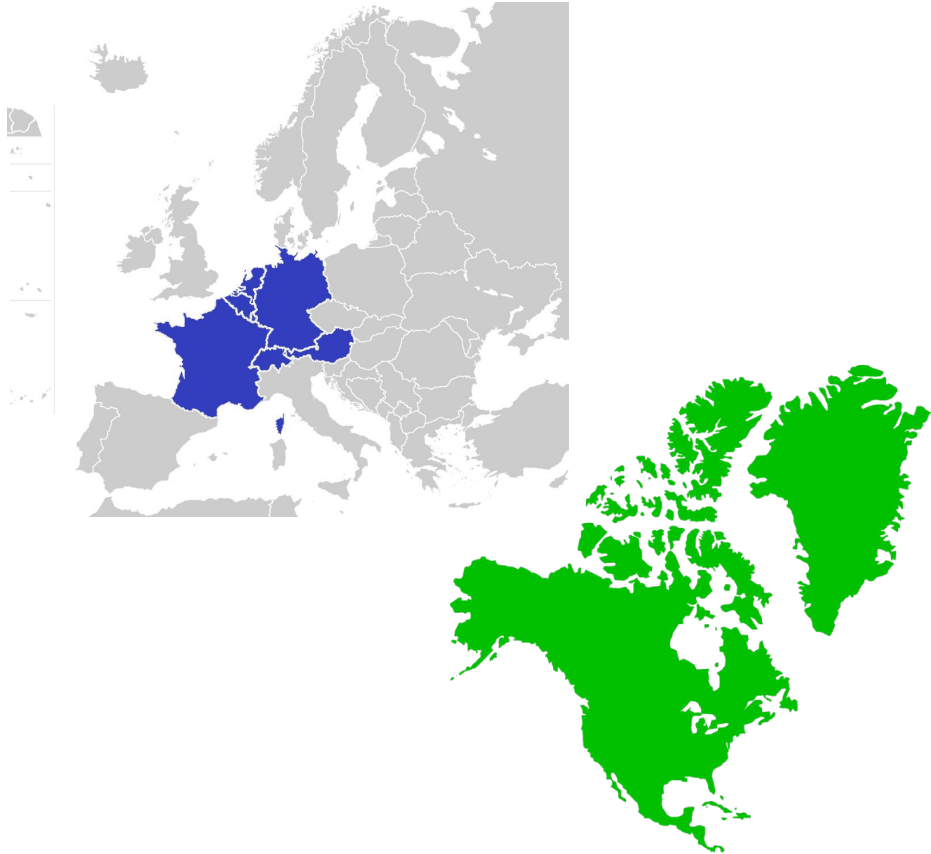


Do discounts generate more revenue in different regions?

Do discounts generate more revenue in different regions?



Western Europe and North America



Key Findings:

- Discounts do not significantly impact revenue on orders in these regions
- Recommendation: Offer discounts on a rare basis, offering no more than 5% discount

Central and South America



Key Findings:

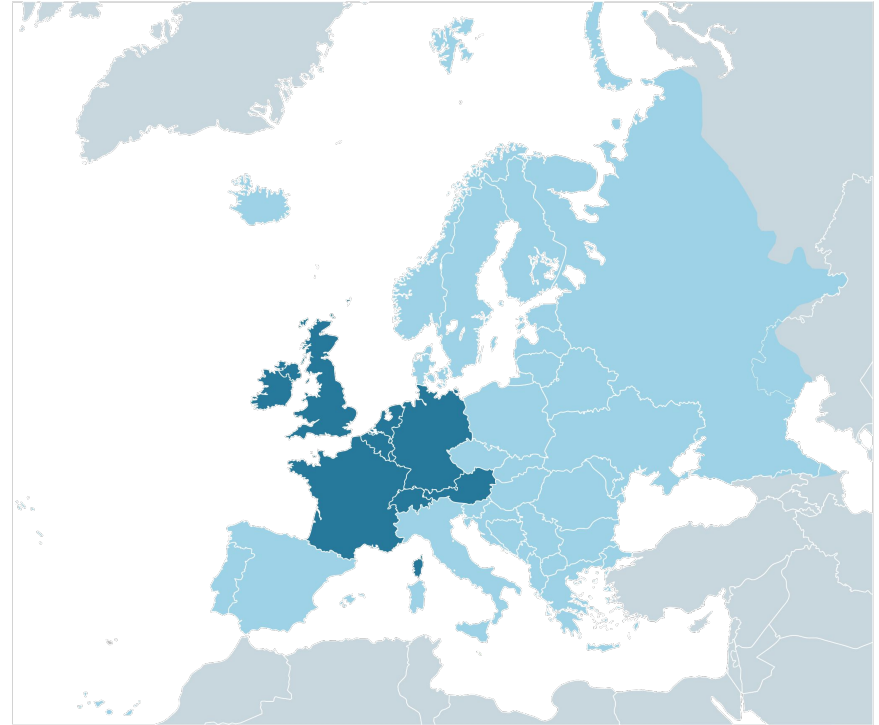
- Smaller market and less revenue generated
- Recommendation: Offer a 10% discount or no discount



Southern, Eastern , Northern Europe, Scandinavia, and the British Isles

Key Findings:

- Less discounts are used in these regions
- Recommendation: Look for opportunities to use 5% discounts in these regions





How are the different offices performing in sales?

How are the different offices performing in sales?

- Tacoma has the largest revenue
- Each city is averaging about \$600 per order
- Recommendations:

Consider opening an office in Western Europe as its the largest market

Possibly expand the current London office to focus on the European market



Recommendations Summary

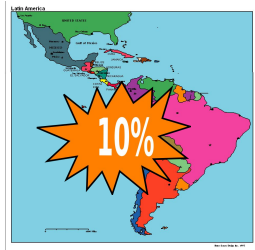
North America and Europe

Offer a 5%
discount for
optimal revenue



Latin America

Offer a 10%
discount for
optimal revenue



New Office

Open an
additional
branch in
Western Europe



Future Work Analysis Work

- Look at the time of year that discounts are offered to see if that impacts revenue
- Focus on quarterly performance of each office to see how time of year affects sales





Thank you for your time.