



Introduction to Statistics

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- We encounter data and conclusions based on data every day.
- Statistics is the scientific discipline that provides methods to help us make sense of data.
- Statistical methods are used in business, medicine, agriculture, social sciences, natural sciences, and applied sciences, such as engineering.
- The field of statistics teaches us how to make intelligent judgments and informed decisions in the presence of uncertainty and variation.

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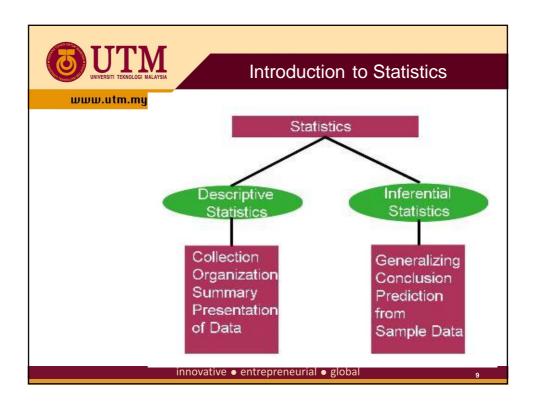


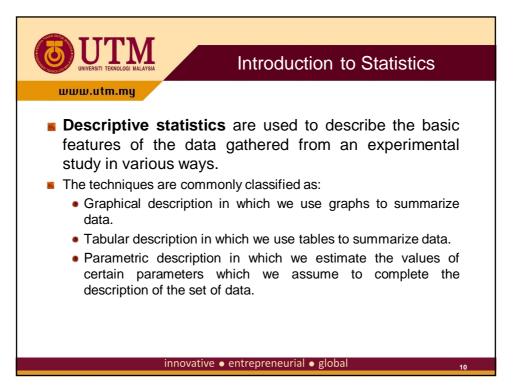
Introduction to Statistics

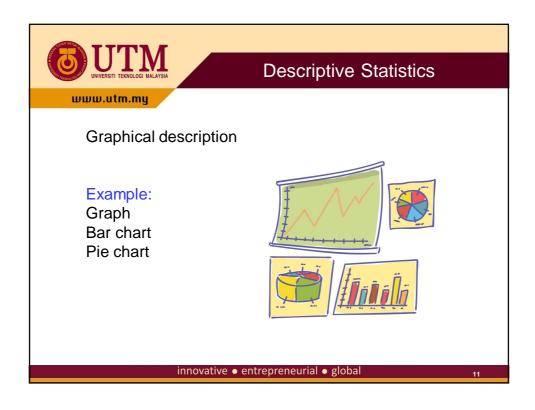
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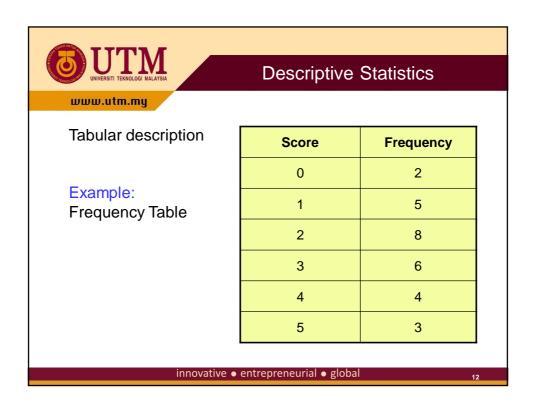
- Statistics is the scientific application of mathematical principles to the collection, analysis, and presentation of numerical data.
- Statistics is a discipline which is concerned with:
 - designing experiments and other data collection,
 - summarizing information to aid understanding,
 - drawing conclusions from data, and
 - estimating the present or predicting the future.
- There are 2 main branches of statistics:
 - Descriptive
 - Inferential

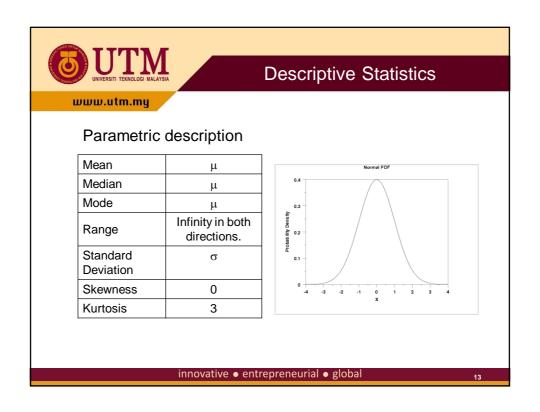
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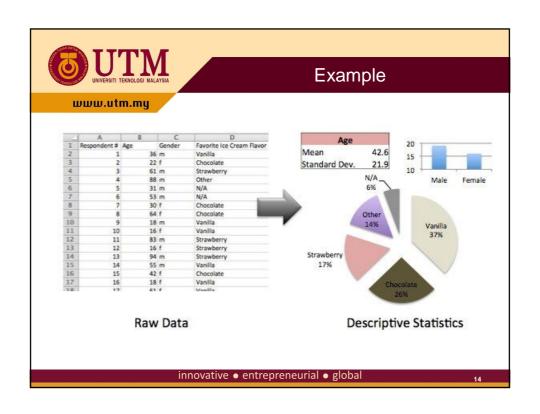


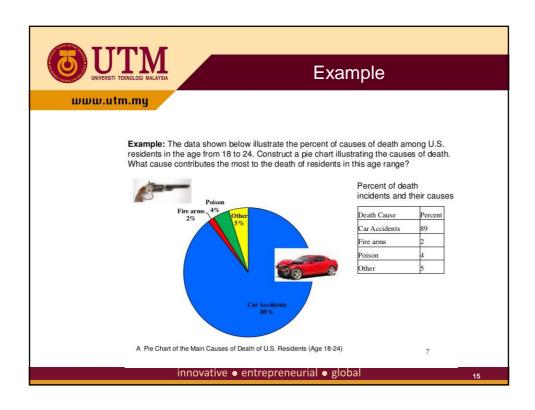


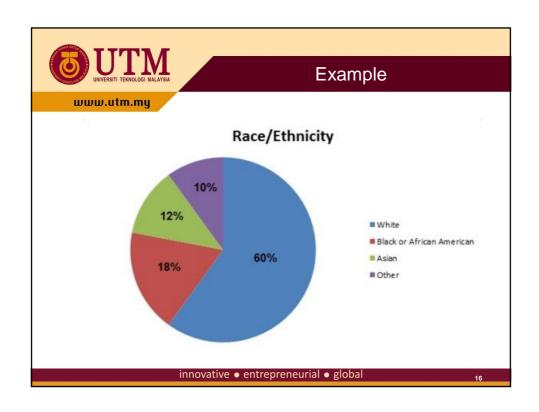


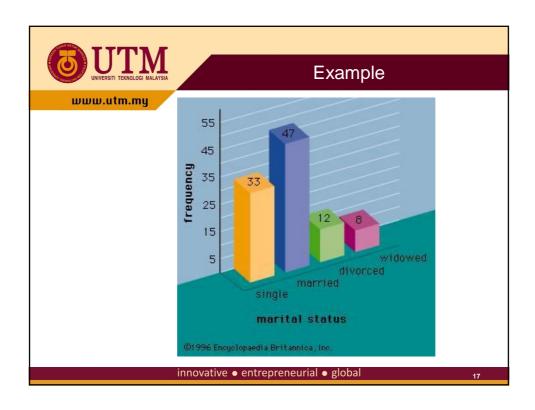


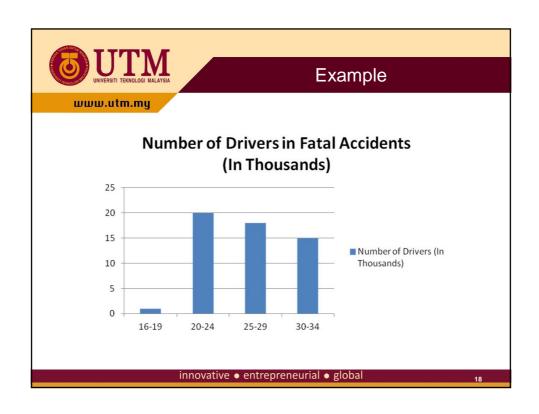


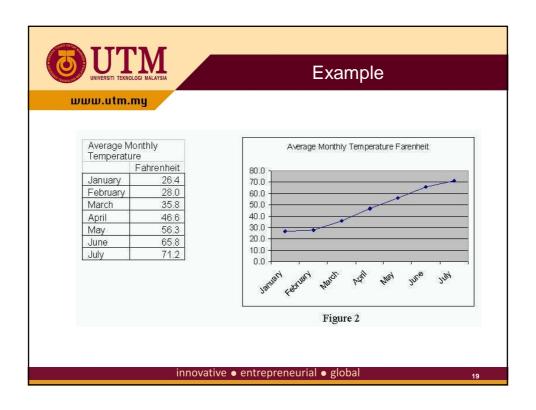


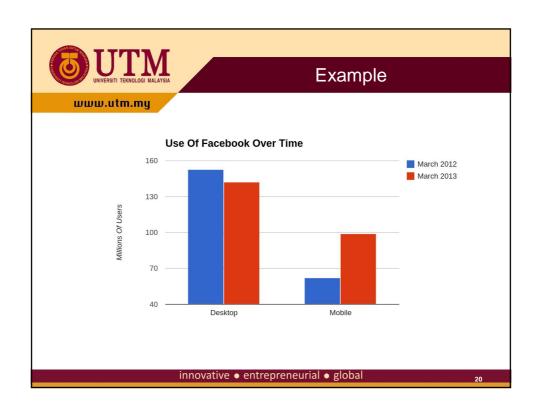


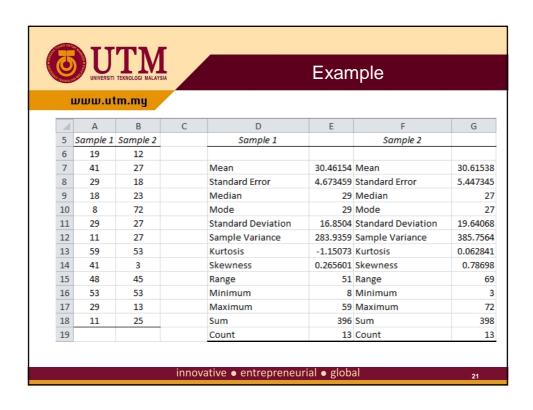


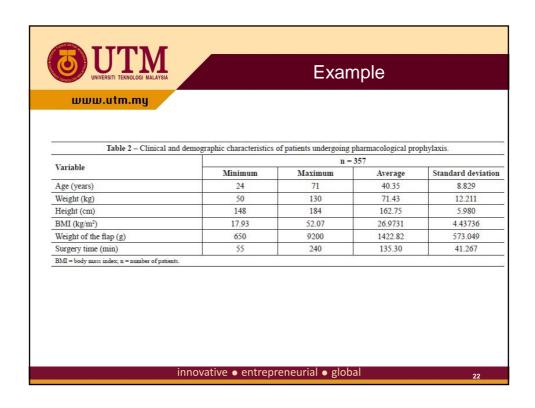


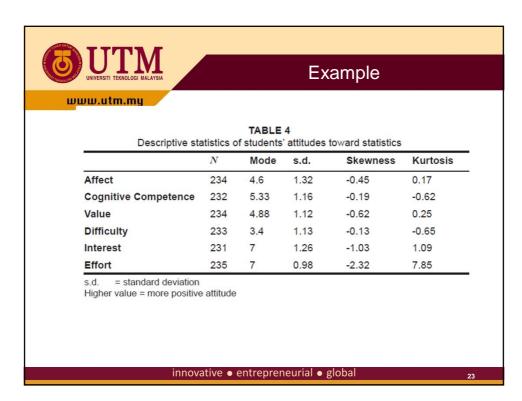


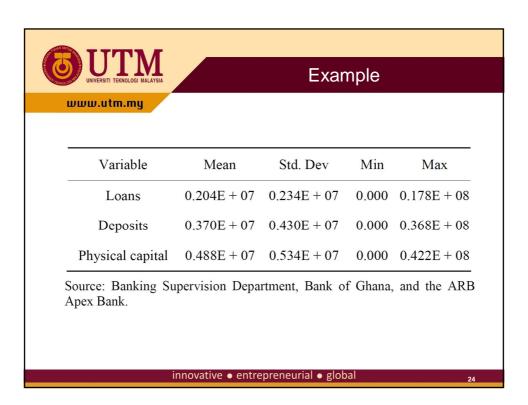


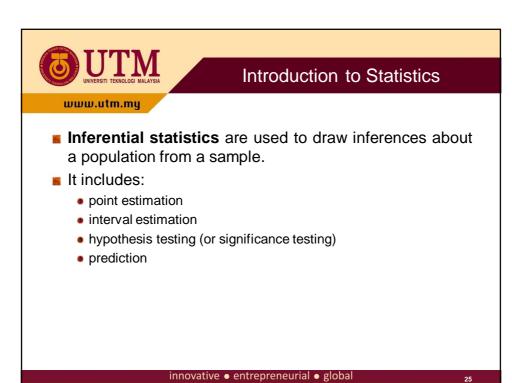


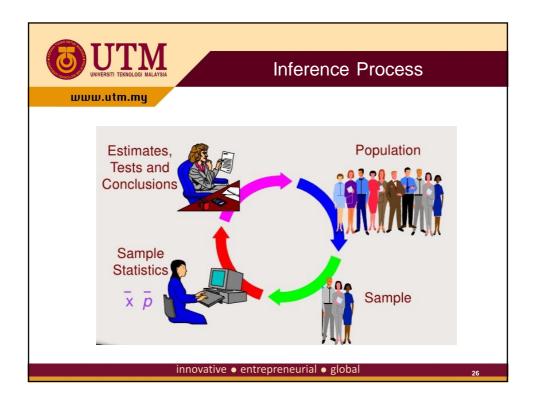


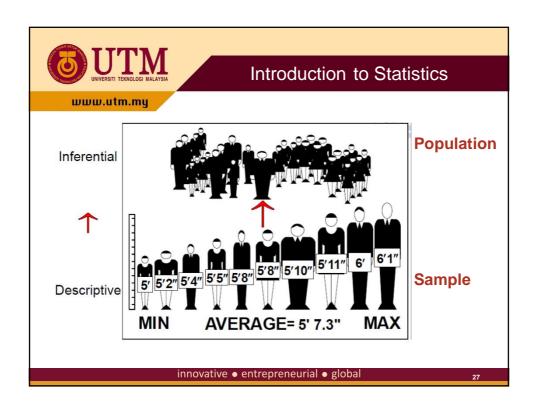


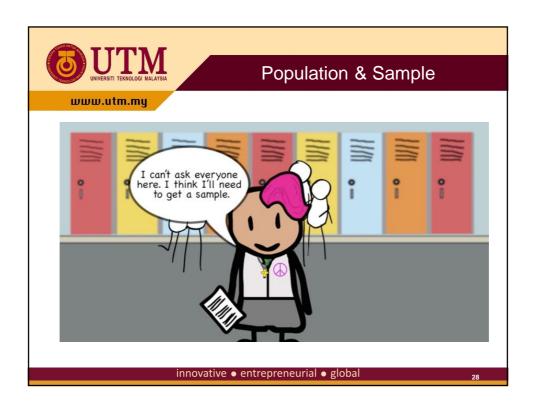


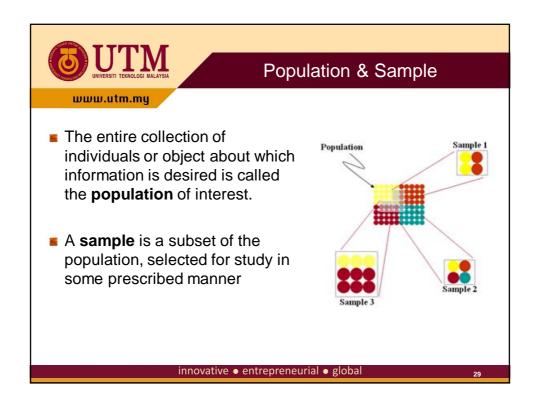


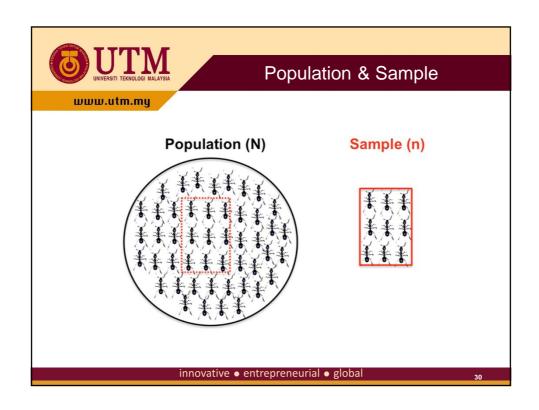


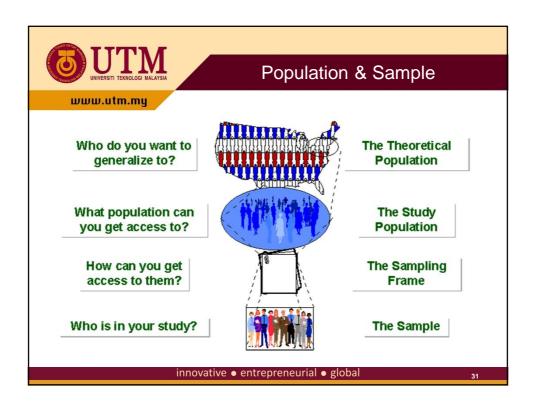


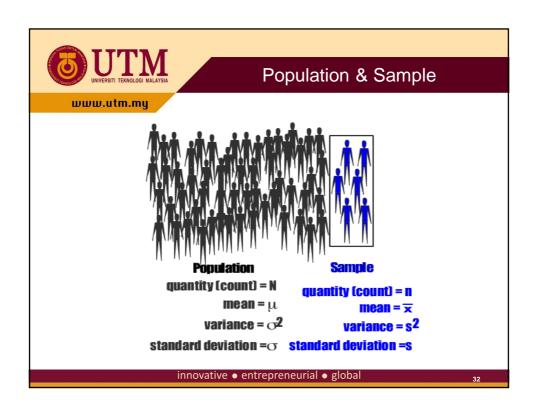


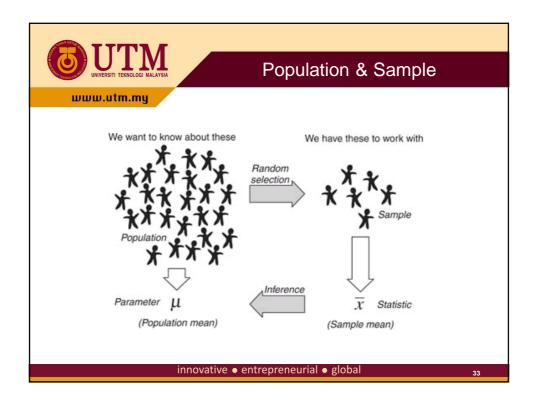


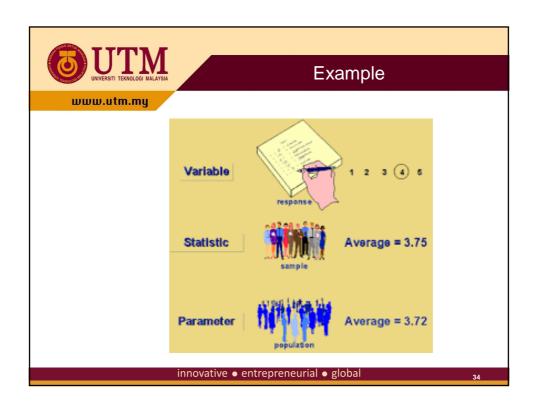


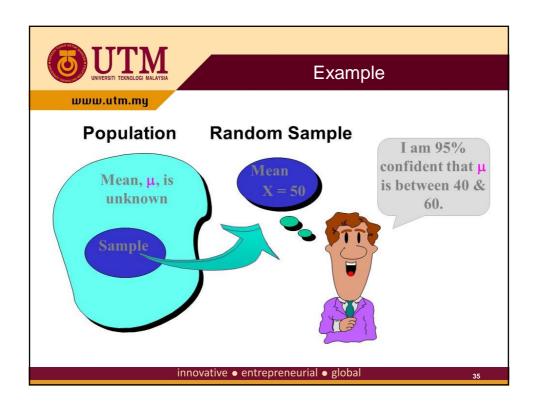


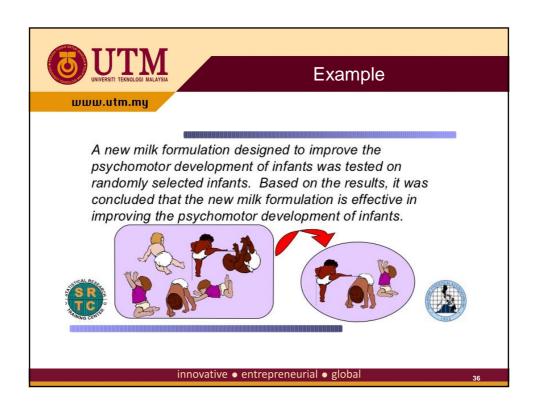


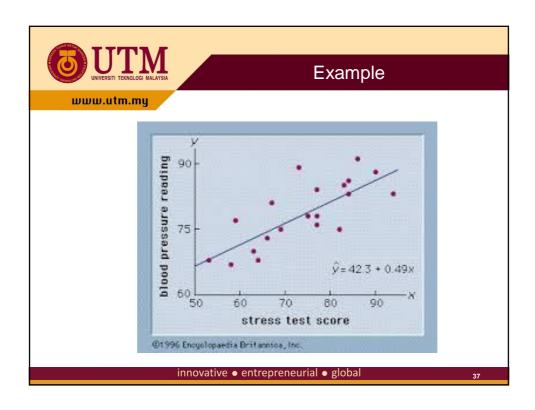


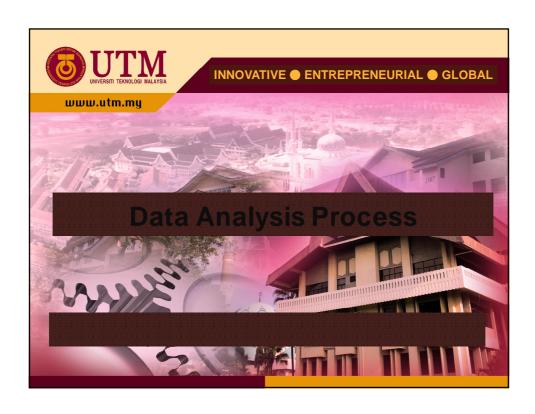


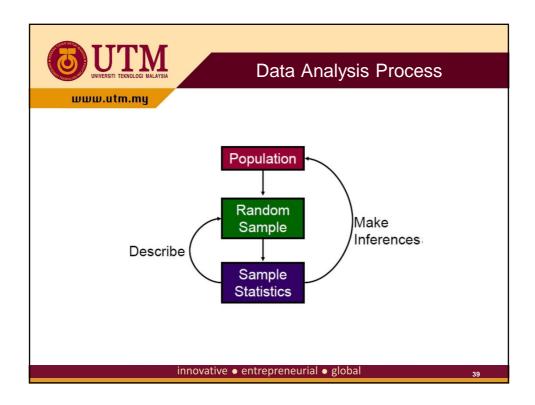


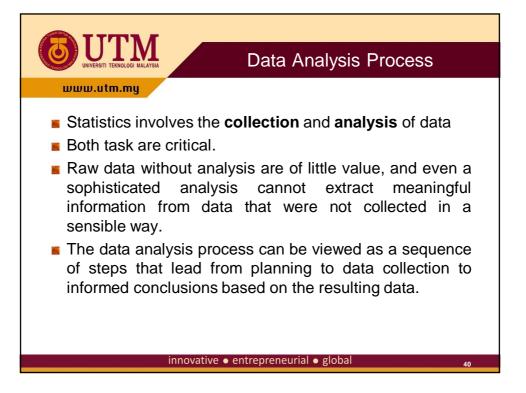














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- 6 steps:
 - Understanding the nature of the problem
 - Deciding what to measure and how to measure it
 - Data collection
 - Data summarization and preliminary analysis
 - Formal data analysis
 - Interpretation of results

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Data Analysis Process

- Understanding the nature of the problem
 - An understanding of the research problem
 - Know the goal of the research and what questions we hope to answer
 - Have a clear direction before gathering data to lessen the chance of being unable to answer the questions of interest using the data collected.



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- Deciding what to measure and how to measure it
 - In some cases, the choice is obvious, e.g.
 in a study of the relationship between the
 weight of a football player and position
 played, you would need to collect data on
 player weight and position.



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Data Analysis Process

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- but in other cases the choice of information is not as straightforward, e.g. in a study of the relationship between preferred learning style and intelligence, how would you define learning style and measure it and what measure of intelligence would you use?
- It is important to carefully define the variables to be studied and to develop appropriate methods for determining their values.





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Data collection

- Decide whether an existing data source is adequate or whether new data must be collected.
- If a decision is made to use existing data (secondary data), it is important to understand how the data were collected and for what purpose.



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Data Analysis Process

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- If new data are to be collected (primary data), a careful plan must be developed.
- The type of analysis that is appropriate and subsequent conclusions that can be drawn depend on how the data are collected.



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- Data summarization and preliminary analysis
 - Summarizing the data graphically and numerically
 - This initial analysis provides insight into important characteristics of the data and can provide guidance in selecting appropriate methods for further analysis.



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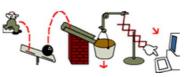
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Data Analysis Process

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- Formal data analysis
 - Select and apply the appropriate inferential statistical methods.



- Interpretation of results
 - What conclusions can be drawn from the analysis?
 - How do the result of the analysis inform us about the stated research problem or question?
 - How can our results guide future research?



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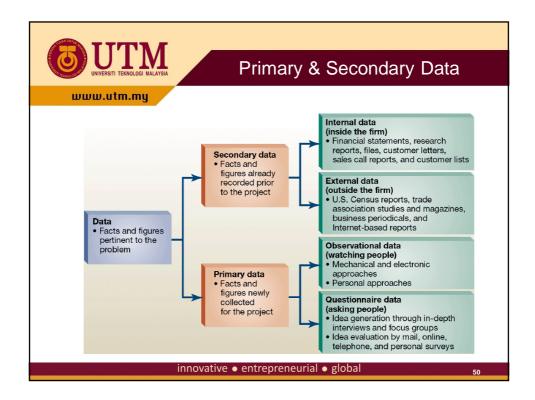


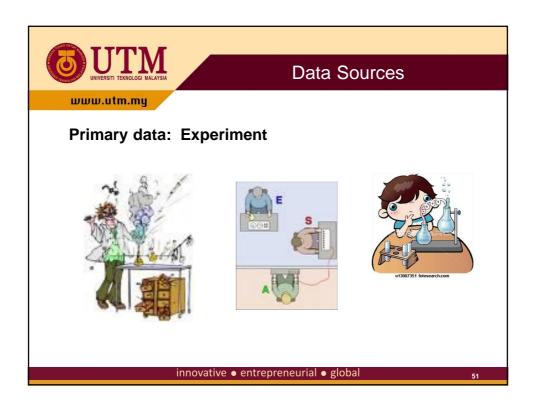
Primary & Secondary Data

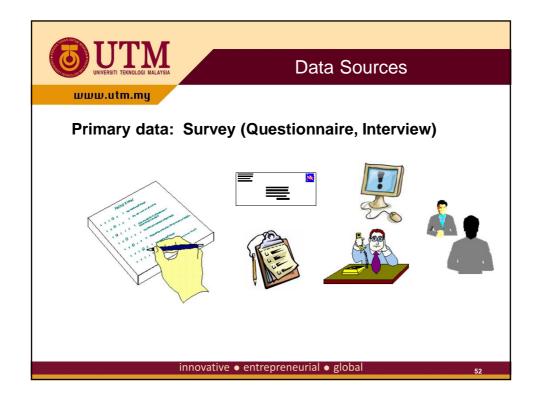
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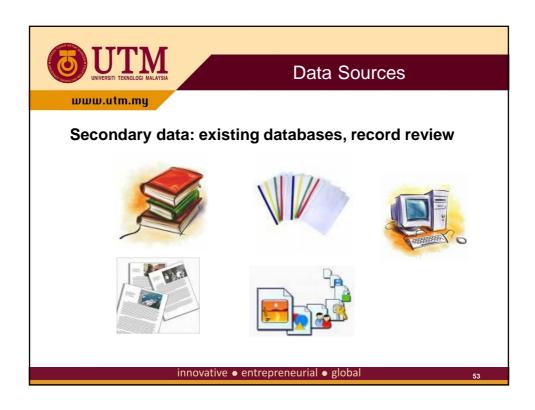
- Secondary data is data which has been collected by individuals or agencies for purposes other than those of our particular research study.
 - For example, if a government department has conducted a survey of, say, family food expenditures, then a food manufacturer might use this data in the organisation's evaluations of the total potential market for a new product.
- Primary data, by contrast, are collected by the investigator conducting the research.

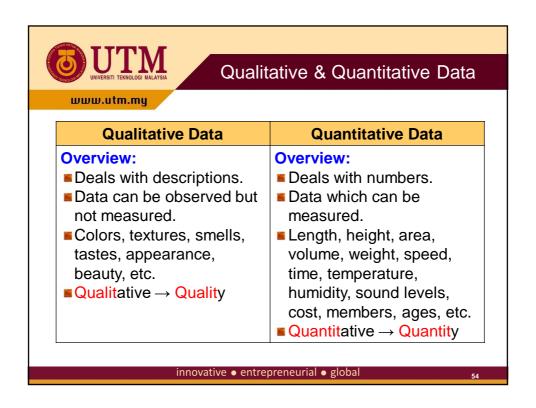
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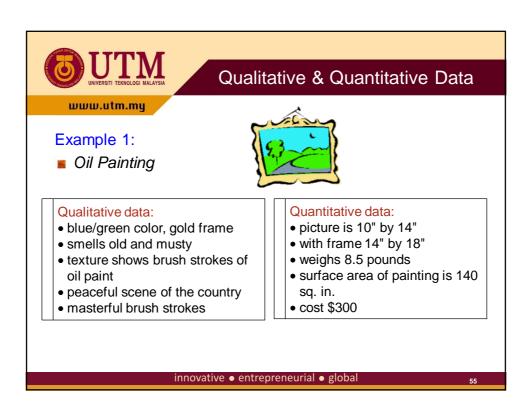


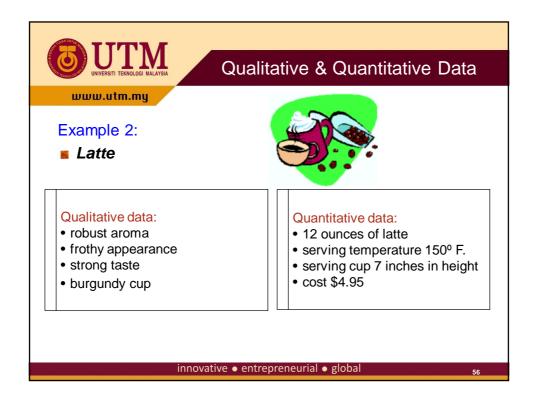


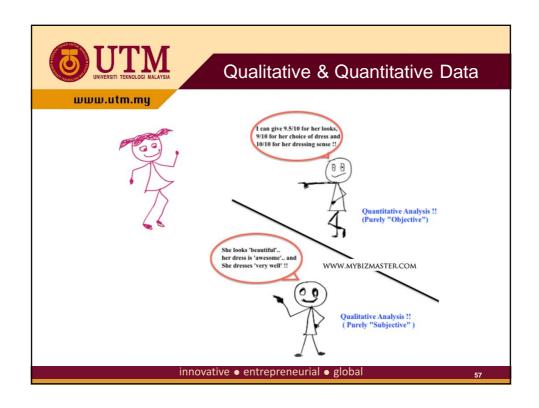


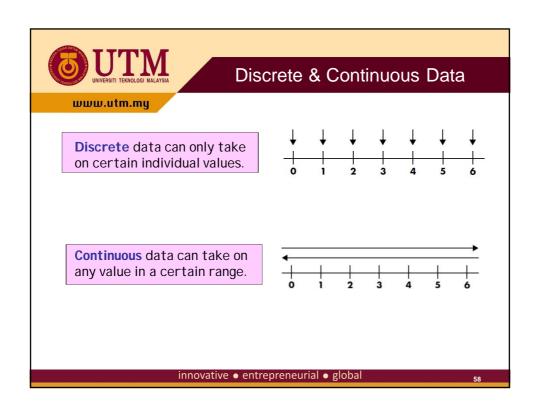














Discrete & Continuous Data

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Example 1

Number of pages in a book is a discrete variable.



Example 2

Length of a film is a continuous variable.



Example 3

Shoe size is a **Discrete** variable. E.g. 5, 5½, 6, 61 etc. Not in between.



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Discrete & Continuous Data

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Example 4

Temperature is a continuous variable.

Example 5

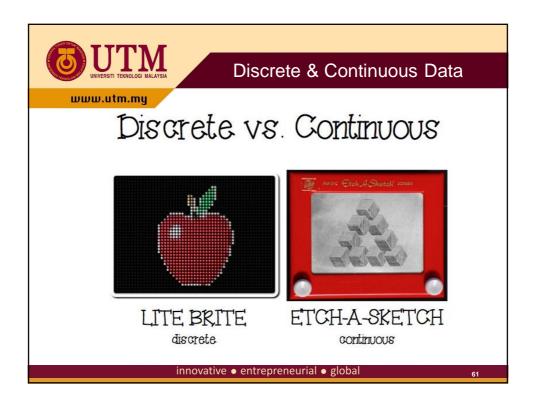
Number of people in a race is a discrete variable.

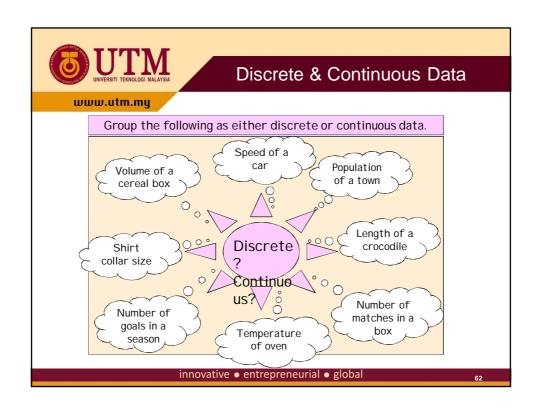
Example 6

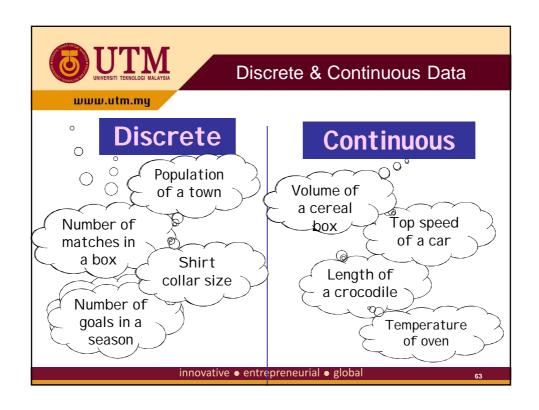
Time taken to run a race is a continuous variable

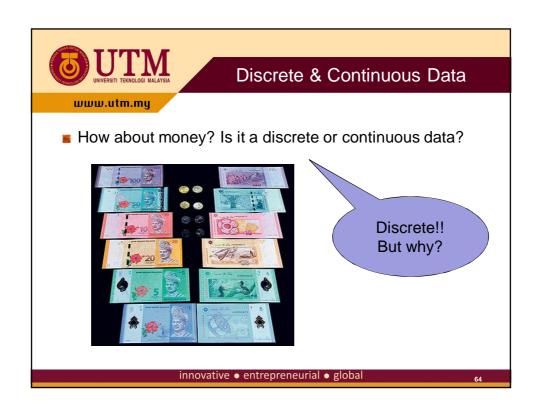


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Levels of Measurement

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- There are four levels of data measurement. Ranked from top to bottom in order of complexity and information content these are:
 - Nominal scale
 - Ordinal scale
 - Interval scale
 - Ratio scale

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Levels of Measurement

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- Each level of measurement is characterized by its properties.
 - Nominal measurement has just one property: CLASSIFICATION.
 - Ordinal measurement has two properties: CLASSIFICATION and ORDER.
 - Interval measurement has three properties: CLASSIFICATION, ORDER and EQUAL INTERVALS.
 - Ratio data has four properties: CLASSIFICATION, ORDER, EQUAL INTERVALS and TRUE ZERO.

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Levels of Measurement -Nominal Scales

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- Properties: classification
- Observations reflect: differences in kind
- Examples: gender, ethnic background, major in college
- Nominal measurement is simply concerned with sorting observations into categories.
- Because the single property of nominal data is classification it tells us nothing about differences in degree or amount.

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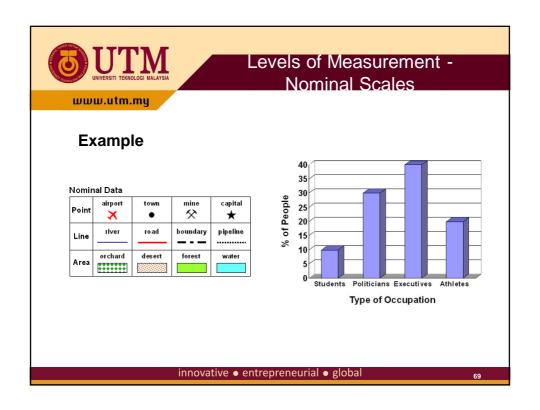


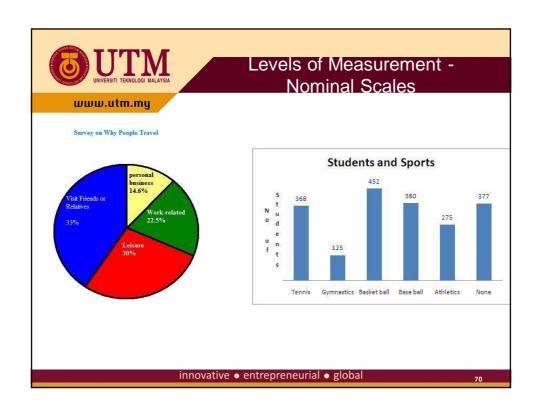
Levels of Measurement -Nominal Scales

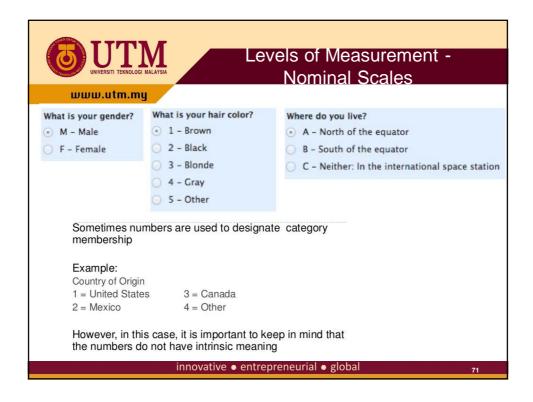
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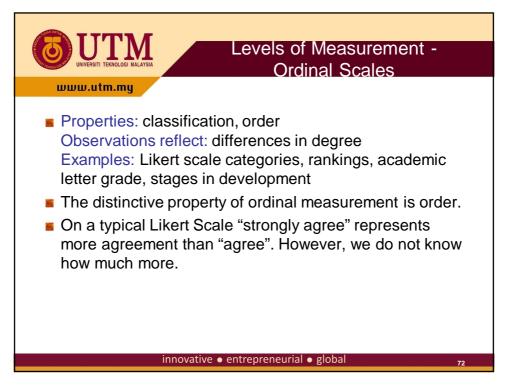
- Numbers assigned to categories (as identification codes) have no numeric value (we cannot add, subtract, divide or multiply nominal data) and any ordering of categories is arbitrary.
- This is the most primitive form of measurement. The presence vs. absence of something is a form of nominal measurement ("do you smoke?" YES, NO).
- Although it is considered a form of measurement the collection of nominal data is more easily thought of as a sorting method.

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Levels of Measurement -Ordinal Scales

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Example: The Likert Scale

	Strongly Agree	Agree	Neither	Disagree	Strongly Disagree
If the price of raw materials fell firms would reduce the price of their food products.	1	2	3	4	5
Without government regulation the firms would exploit the consumer.	1	2	3	4	5
Most food companies are so concerned about making profits they do not care about quality.	1	2	3	4	5
The food industry spends a great deal of money making sure that its manufacturing is hygienic.	1	2	3	4	5
Food companies should charge the same price for their products throughout the country	1	2	3	4	5

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Levels of Measurement -Ordinal Scales

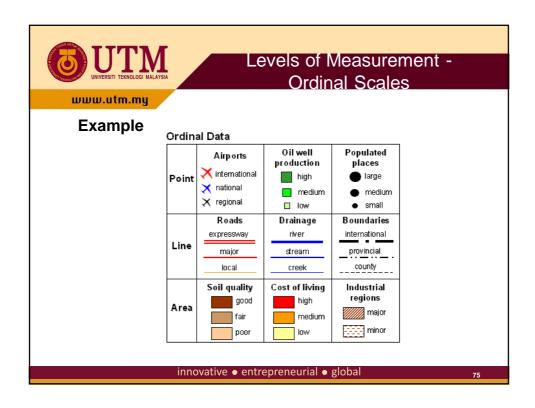
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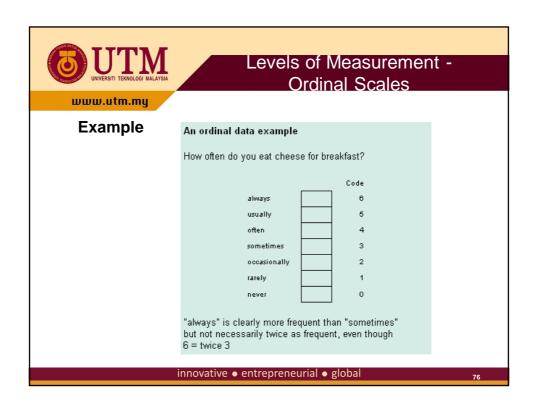
- Similarly if Jozan is ranked 1st for funniness, and Nabil is ranked 4th we have no way of knowing how much funnier Jozan is than Nabil.
- We cannot assume that they are four times funnier.
- They may be more or less than four times funnier.
- But we do know that they are more funny than Nabil, and more funny than the comedians ranked 2nd and 3rd places as well.
- We know about order but we have no information about the size of the interval between points.

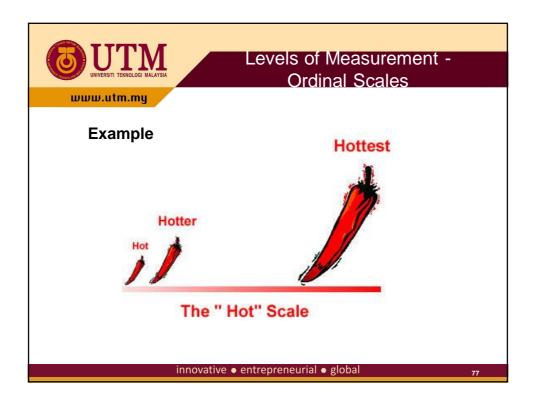


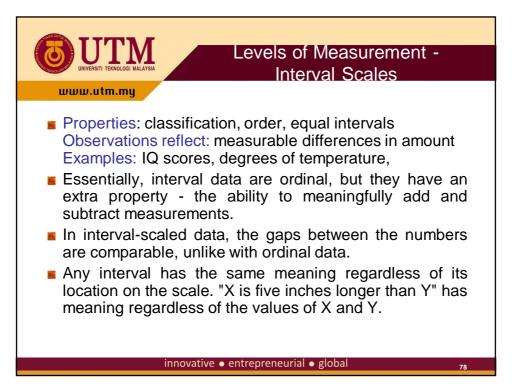


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Levels of Measurement -Interval Scales

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- However, ratios are meaningless on an interval scale because an interval scale has no true zero.
- Temperature scales are an example of this, so are decibel scales.
- Zero degrees Fahrenheit does not mean the total absence of temperature.
- Zero decibels does not mean there is no sound.

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Levels of Measurement -Interval Scales

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- Furthermore, if it is 80 degrees outside today and it was only 40 degrees outside yesterday we cannot say that today is twice as hot as yesterday.
- Similarly a sound level of 80 dB is not twice as loud as a sound level of 40 dB.
- In short, if the data can be ordered and the arithmetic difference is meaningful, then the data are at least interval data.

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Levels of Measurement - Ratio Scales

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- Properties: classification, order, equal intervals, true zero Observations reflect: measurable differences in total amount
 - Examples: weight, income, family size, number of cows in a field
- Ratio data are the highest form of data measurement and the form we are most familiar with.
- For ratio data both differences and ratios are interpretable.
- Ratio data have a natural zero.

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Levels of Measurement - Ratio Scales

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- Examples of ratio scale data are number of computers you own, weight, height, a bank balance, number of people watching a movie, goals scored by Brazil in the World Cup, etc.
- Ratio data look a lot like interval data.
- However, the zero point has a special meaning in ratioscaled data: it indicates the absence of whatever property is being measured.

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Levels of Measurement - Ratio Scales

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- Ratio data always have the flavor of counting: when you measure the amount of money that you have, you are counting up coins and bills.
- When you are measuring your height, you are counting the number of inches off the ground to the top of your head.
- Both ratio and interval data make use of a wide range of statistical analysis tools.

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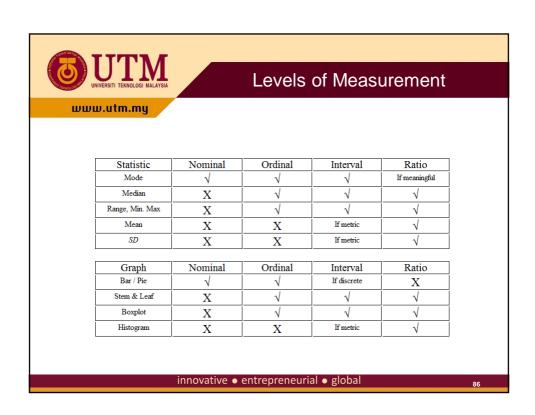
Levels of Measurement

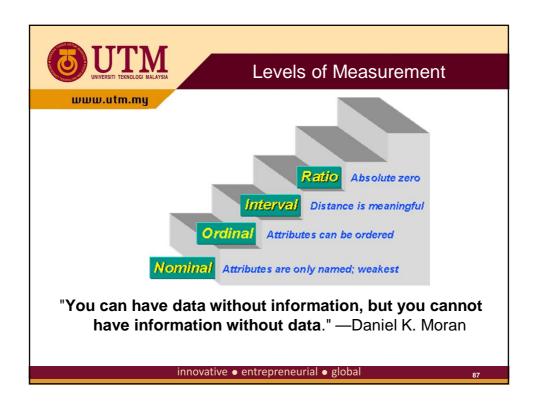
	NOMINAL	ORDINAL	INTERVAL	RATIO
Indicates Difference	x	X	х	Х
Indicates Difference & Direction		х	х	х
Indicates Amount of Difference			x	х
Absolute Zero				Х

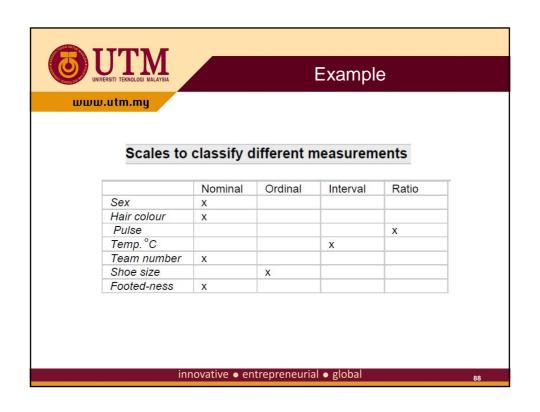
OK to compute	Nominal	Ordinal	Interval	Ratio
frequency distribution.	Yes	Yes	Yes	Yes
median and percentiles.	No	Yes	Yes	Yes
add or subtract.	No	No	Yes	Yes
mean, standard deviation, standard error of the mean.	No	No	Yes	Yes
ratio, or coefficient of variation.	No	No	No	Yes

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Level of Measurement	Properties	Examples	Descriptive statistics	Graphs	
Nominal / Categorical	Discrete Arbitrary (no order)	Dichotomous • Yes / No • Gender Types / Categories • colour • shape	Frequencies Percentage Mode	Bar Pie	
Ordinal / Rank	Ordered categories Ranks	Ranking of favourites Academic grades	Frequencies Mode Median Percentiles	Bar Pie Stem & leaf	
Interval	Equal distances between values Discrete (e.g., Likert scale) Metric (e.g., deg.F) Interval scales >5 can usually be treated as ratio	Discrete - Thoughts, behaviours, feelings, etc. on a Likert scale Metric - Deg. C or F	Frequencies (if discrete) Mode (if discrete) Median Mean SD Skewness Kurtosis	Bar (if discrete) Pie (if discrete) Stem & Leaf Boxplot Histogram (if metric)	
Ratio	Continuous / Metric / Meaningful 0 allows ratio statements (e.g., A is twice as large as B)	Age Weight VO ₂ max Deg. Kelvin	Mean SD Skewness Kurtosis	Histogram Boxplot Stem&Leaf (may need to round leafs)	









Exercise

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Identify the following as nominal level, ordinal level, interval level, or ratio level data.

- 1. Flavours of frozen yogurt
- 2. Amount of money in savings accounts
- 3. Students classified by their reading ability: Above average, Below average, Normal
- 4. Letter grades on an English essay
- 5. Religions
- 6. Commuting times to work
- 7. Ages (in years) of art students
- 8. Ice cream flavour preference
- 9. Years of important historical events
- 10. Instructors classified as: Easy, Difficult or Impossible

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Solution

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Identify the following as nominal level, ordinal level, interval level, or ratio level data.

- 1. Flavours of frozen yogurt Nominal
- 2. Amount of money in savings accounts Ratio
- 3. Students classified by their reading ability: Above average, Below average, Normal

- 4. Letter grades on an English essay Ordinal
- 5. Religions Nominal
- 6. Commuting times to work Ratio
- 7. Ages (in years) of art students Ratio
- 8. Ice cream flavour preference Ordinal
- 9. Years of important historical events Interval
- 10. Instructors classified as: Easy, Difficult or Impossible *Ordinal* innovative entrepreneurial global

