

# Dirichlet Model

## General Principles

To model the relationship between a vector outcome variable in which each element of the vector is a frequency from a set of more than two categories and one or more independent variables, we can use a *Dirichlet* model.

## Considerations

### Note

- We have the same considerations as for the [Multinomial model](#).

## Example

### Python

```
from BI import bi
import jax.numpy as jnp
import pandas as pd
import jax
# Setup device -----
m = bi('cpu')

# Import Data & Data Manipulation -----
# Import
from importlib.resources import files
data_path = files('BI.resources.data') / 'Sim data multinomial.csv'
m.data(data_path, sep=',')
```

```

# Define model -----
def model(income, career):
    # Parameter prior distributions
    alpha = m.dist.normal(0, 1, shape=(2,), name='a')
    beta = m.dist.half_normal(0.5, shape=(1,), name='b')
    s_1 = alpha[0] + beta * income[0]
    s_2 = alpha[1] + beta * income[1]
    s_3 = 0
    p = jax.nn.exp(jnp.stack([s_1[0], s_2[0], s_3[0]]))
    # Likelihood
    m.dirichlet(p[career], lambda_, obs=career)

# Run sampler -----
m.fit(model)

# Summary -----
m.summary()

```

## R

```

library(BI)
m=importbi(platform='cpu')

```

## Mathematical Details

We can model a vector of frequencies using a Dirichlet distribution. For an outcome variable  $Y_i$  with  $K$  categories, the *Dirichlet* likelihood function is:

$$Y_i \sim \text{Dirichlet}(\theta_i \kappa) \theta_i = \text{Softmax}(\phi_i) \phi_{[i,1]} = \alpha_1 + \beta_1 X_i \phi_{[i,2]} = \alpha_2 + \beta_2 X_i \dots \phi_{[i,k]} = 0 \kappa \sim \text{Exponential}(1) \alpha_k \sim \text{Normal}$$

Where:

- $Y_i$  is the outcome simplex for observation  $i$ .
- $\kappa$  is the concentration parameter, it controls the prior weight on each category.
- $\theta_i$  is a vector unique to each observation,  $i$ , which gives the probability of observing  $i$  in category  $k$ .

- $\phi_i$  give the linear model for each of the  $k$  categories. Note that we use the softmax function to ensure that the probabilities  $\theta_i$  form a simplex .
- Each element of  $\phi_i$  is obtained by applying a linear regression model with its own respective intercept  $\alpha_k$  and slope coefficient  $\beta_k$ . To ensure the model is identifiable, one category,  $K$ , is arbitrarily chosen as a reference or baseline category. The linear predictor for this reference category is set to zero. The coefficients for the other categories then represent the change in the log-odds of being in that category versus the reference category.

## **Reference(s)**