**Module 2 lingo sheet**

(What’s this all about? Here are some common terms that you should commit to memory. Memorizing them will make it easier for you to absorb and work with the concepts in this class, because you won’t have to spend mental energy remembering what the language is referring to.)

1. Potential outcomes related terms
   * **Lingo 8:** What is balance (in the context of an experiment)?
   * **Answer:** Balance is the idea that each treatment arm should be similar in terms of pretreatment variables
   * **Lingo 9:** What are pretreatment variables?
   * **Answer:** Pretreatment variables are ones measured or determined prior to treatment assignment
2. Basic elements of experiments
   * **Lingo 10**: What are “units of randomization”?
   * **Answer:** Units that you can both (1) sort randomly into treatment and control, (2) measure outcomes for
   * **Lingo 11:** What are “treatments”?
   * **Answer:** The treatment is the experience that you can control that differs between the units randomized to treatment and those randomized to control
3. Outcome metrics
   * **Lingo 12:** What is an Overall evaluation criteria?
   * **Answer:** The overall evaluation criteria is an outcome or combination of outcomes that is sufficient for decision making
   * **Lingo 13:** What is a proxy outcome?
   * **Answer:** A proxy outcome is an outcome which is not itself directly relevant, but highly correlated with the desired outcome.
4. Types of experiments
   * **Lingo 14:** What is a policy evaluation experiment?
   * **Answer:** Policy evaluation experiments are experiments where the treatment is a decision the business might implement
   * **Lingo 15:** What is a mechanism test experiment?
   * **Answer:** Mechanism tests experiments are experiments to investigate a theory about customer behavior or other business variables