

# Introduction to Business Statistics

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# Part I – Chapters 1–4 and 12

## Outline

- Chapter 1 – Introduction: “What is Statistics?”
- Chapter 2 – Data
- Chapter 3 – Describing Categorical Data
- Chapter 4 – Describing Numerical Data
- Chapter 12 – The Normal Probability Model

# Chapter 1 – Introduction

## What is Business Statistics?

### Definition

Business Statistics? Business statistics is the science of good decision making in the face of uncertainty and is used in many disciplines such as financial analysis, econometrics, auditing, production and operations including services improvement, and marketing research. (JBES, 1993)<sup>a</sup>

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<sup>a</sup>from Wikipedia referencing the Journal of Business and Economic Statistics

- virtually all business decisions are based on information gathered from data
- statistics is about extracting helpful information from data
- data are objective
- note that data have to be representative (more later)

# Chapter 1 – Introduction

What is Business Statistics used for?

- Inventory management
- Price prediction
- Evaluation of advertisement

Why should you care?

“It made all the difference in my career and could in yours too.” (former manager & Vice President of M.I.S. at Hy-Vee in Des Moines)