- -- PART 1: NUMERICAL COMPARING VS. NUMERICAL VARIABLES
- -- We can use tools such as the correlation index calculation
- -- Is there a relationship between salary and the number of points per
- -- game?
- -- We can calculate the correlation index between the "salary\_m" column and
- -- the "points\_per\_game" column

SELECT CORR(salary\_m, points\_per\_game) AS corr\_salary\_ppgame
FROM players\_cleaned;

- -- Observation:
- -- There is a positive correlation (close to 0.8) between salary and
- -- points obtained in each game. This definitely seems to be a factor
- -- associated at higher salaries
- -- And we can "spun more finely" and see the correlation index between
- -- salary and variables like "field\_goals\_pctg", "three\_pt\_pctg",
- -- "two\_pt\_pctg", "free\_throws\_pctg"

## **SELECT**

ROUND(CORR(salary\_m, points\_per\_game):: numeric,2) AS corr\_salary\_ppgame,
ROUND(CORR(salary\_m, field\_goals\_pctg):: numeric,2) AS corr\_salary\_fieldgp,
ROUND(CORR(salary\_m, three\_pt\_pctg):: numeric,2) AS corr\_salary\_threegp,
ROUND(CORR(salary\_m, two\_pt\_pctg):: numeric,2) AS corr\_salary\_twogp,
ROUND(CORR(salary\_m, free\_throws\_pctg):: numeric,2) AS corr\_salary\_freetp
FROM players\_ cleaned;

- -- Note:
- -- There is no real correlation between salary and percentage of points
- -- earned for different categories (1 point, 2 points, 3 points, or
- -- percentage of total points)
- -- The most relevant factor is still the number of points per game

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-- Let's see what relationship exists between salary earned and player age
SELECT CORR(salary_m, age) AS corr_salary_age
FROM players_cleaned;
-- Note:
-- - The correlation index obtained is only 0.4, so there is no direct or
     inverse relationship between the players' salaries and their age.
-- And finally, let's see what relationship exists between the salary
-- earned and the number of games played.
SELECT CORR(salary_m, games_played) AS corr_salary_gp
FROM players cleaned;
-- Note:
-- - The correlation index is only 0.3, so there is no relationship between
     salary and the number of games played.
-- PART 2: CATEGORICAL COMPARING VS. NUMERICAL VARIABLES
-- -------
-- In this case, besides the name, we only have one categorical variable
-- ("position").
-- Let's try to answer the question: which positions are associated with
-- the highest salaries?
-- We can calculate the average salary for each position.
SELECT position, ROUND(AVG(salary_m),1) AS average_salary
FROM players_cleaned
GROUP BY position
ORDER BY average_salary DESC;
-- Observations:
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- -- It's clear that the PG-SG (point guard shooting guard) position has
- -- by far the highest average salary (\$21.5 million), followed by the SG-
- -- PG (shooting guard point guard) position with an average of \$16.7
- -- million and by the PG (point guard) and SF-SG (small forward -
- -- shooting guard) positions both with salaries around \$12 million.
- -- The lowest-paid position is SF-PF (small forward power forward) with
- -- an average of \$3 million.
- -- The best salaries definitely go to players with a more proficient
- -- profile, distributing playmakers and scoring points for the team.
- -- PART 3: MULTIVARIATE ANALYSIS
- -- -----
- -- We can combine categorical and numerical variables with different tools
- -- learned so far to perform a more in-depth analysis.
- -- For example, for each position (categorical variable), let's analyze not
- -- only the average salary but also the average points per game (which we -
- -- saw in the first part was the most relevant variable for defining
- -- salary)

SELECT position,

ROUND( AVG( salary\_m ),1) AS average\_salary ,

ROUND( AVG( points\_per\_game ),1) AS average\_ppg

FROM players\_cleaned

GROUP BY position

ORDER BY average\_salary DESC;

- -- Observations:
- -- This analysis allows us to verify once again that the PG-SG position
- -- is the one with the highest salary and that this is directly associated with the average
- -- points per game (which is 16.1 for these players)
- -- And again, the position with the lowest salary level is SF-PF, which in turn has the lowest average number of points per game (3.0)

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-- And we can also add an analysis of the average age to the previous
-- variables.

SELECT position,

ROUND( AVG( salary_m ),1) AS average_salary ,

ROUND( AVG( points_per_game ),1) AS average_ppg ,

ROUND( AVG( age),1) AS average_age

FROM players_cleaned

GROUP BY position

ORDER BY average_salary DESC;
```

## -- Observations:

- -- And here's another interesting fact: not only are the highest-paid
- -- players the most "veteran" (with an average age of 33), but also those
- -- with the lowest salaries have the youngest average age (23).