1 Lambda Structure

Dummy variables

Categorical variables

Dummy Variable Categorical data

A dummy variable is a numerical variable used in regression analysis to represent subgroups of the sample in your study. In research design, a dummy variable is often used to distinguish different treatment groups.

In the simplest case, we would use a 0,1 dummy variable where a person is given a value of 0 if they are in the control group or a 1 if they are in the treated group. Dummy variables are useful because they enable us to use a single regression equation to represent multiple groups. This means that we don't need to write out separate equation models for each subgroup.

References