

Project: Question 7

Gabriel Berardi

1. Two-proportion Test to Compare the Proportion of Properties with Room Type “*Private room*”

Lastly, we are going to conduct a two-proportion test to formally compare the proportion of properties with room type of *Private room* between Barcelona and Edinburgh.

First of all, we should calculate how many of the listings in Barcelona and Edinburgh are “private rooms” and “non private rooms”:

```
##  
##           Non Private room Private room  
## Barcelona           9017           9821  
## Edinburgh           5505           3897
```

Let’s visualize this:



Then, we can conduct the two-proportion test:

```
##  
## 2-sample test for equality of proportions with continuity correction  
##  
## data:  bande_table  
## X-squared = 286.24, df = 1, p-value < 2.2e-16  
## alternative hypothesis: two.sided  
## 95 percent confidence interval:  
## -0.11918254 -0.09452459  
## sample estimates:  
##      prop 1      prop 2  
## 0.4786602 0.5855137
```

This provides a 95 % confidence interval for the difference between the proportion of the private rooms in Barcelona and Edinburgh. Since the p-value is well below 5 % and the confidence interval does not include 0 then there is sufficient evidence of a difference in the proportion of private rooms in Barcelona and Edinburgh. This difference is likely to lie between 0.12 and 0.09, with Barcelona having a higher proportion of private rooms compared to Edinburgh.