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Justify Your Alpha: A Primer on Two Practical Approaches

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Abstract

The default use of an alpha level of 0.05 is suboptimal for two reasons. First, decisions 17 based on data can be made more efficiently by choosing an alpha level that minimizes 18 the combined Type 1 and Type 2 error rate. Second, it is possible that in studies with 19 very high statistical power p-values lower than the alpha level can be more likely when 20 the null hypothesis is true than when the alternative hypothesis is true (i.e., Lindley's 21 paradox). This manuscript explains two approaches that can be used to justify a better 22 choice of an alpha level than relying on the default threshold of 0.05. The first approach 23 is based on the idea to either minimize or balance Type 1 and Type 2 error rates. The 24 second approach lowers the alpha level as a function of the sample size to prevent Lindley's paradox. An R package and Shiny app are provided to perform the required 26 calculations. Both approaches have their limitations (e.g., the challenge of specifying relative costs and priors), but can offer an improvement to current practices, especially when sample sizes are large. The use of alpha levels that are better justified should improve statistical inferences and can increase the efficiency and informativeness of 30 scientific research.

32 Keywords: Hypothesis Testing, Type 1 Error, Type 2 Error, Statistical Power

Word count: 7413 words

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Scientists regularly need to make dichotomous decisions when they perform lines
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   of research. Should a pilot study be performed, or not? When multiple possible
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   manipulations or measures are available, which should be used for the next study?
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   Should the design of a study include a possible moderator, or can it be ignored? Should
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   a research line be continued, or abandoned? These decisions come with costs and
   benefits for the scientist, as well as for society, when bad decisions lead to research
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   waste. In a Neyman-Pearson approach to hypothesis testing (J. Neyman & Pearson,
   1933) studies are designed such that erroneous decisions that determine how we act are
   controlled in the long run at some desired maximum level. If resources were infinite we
   could collect enough data to make the chance of a wrong decision incredibly small by
   using an extremely low alpha level while still achieving very high statistical power.
   However, since resources are limited, researchers need to decide how to choose the rate
   at which they are willing to make errors (Wald, 1949). After data is collected
   researchers can incorrectly act as if there is an effect when there is no true effect (a
48
   Type 1 error) or incorrectly act as if there is no effect when there is a true effect (a
   Type 2 error). With the same number of observations, a reduction in the Type 1 error
   rate will increase the Type 2 error rate (and vice versa).
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        The question how error rates should be set in any study requires careful
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   consideration of the relative costs of a Type 1 error or a Type 2 error. Regrettably,
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   researchers rarely provide such a justification and predominantly use an alpha level of
   5%. In the past, the strong convention to use a 5% alpha level might have functioned as
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   a de facto prespecification of the alpha level, which was useful given that the alpha level
   needs to be decided upon before the data is analyzed (Uygun-Tunc, Tunc, & Lakens,
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   2021). Nowadays, researchers can transparently preregister a statistical analysis plan in
   an online repository, which makes it possible to specify more appropriate but less
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   conventional alpha levels. Even though it is possible to preregister non-conventional
   alpha levels, there is relatively little practical guidance on how to choose an alpha level
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for a study. This article explains why error rates need to be justified and provides two
practical approaches that can be used to justify the alpha level. In the first approach
the cost of Type I and Type II error rates are balanced or minimized and in the second
approach the alpha level is lowered as a function of the sample size.

# Why Do We Use a 5% Alpha Level and 80% Power?

We might naively assume that when all researchers do something, there must be a 67 good reason for such an established practice. An important step towards maturity as a scholar is the realization that this is not the case. Neither Fisher nor Neyman, two 69 statistical giants largely responsible for the widespread reliance on hypothesis tests in 70 the social sciences, recommended the universal use of any specific threshold. Ronald A. 71 Fisher (1971) writes: "It is open to the experimenter to be more or less exacting in respect of the smallness of the probability he would require before he would be willing 73 to admit that his observations have demonstrated a positive result." Similarly, J. 74 Neyman and Pearson (1933) write: "From the point of view of mathematical theory all 75 that we can do is to show how the risk of the errors may be controlled and minimized. The use of these statistical tools in any given case, in determining just how the balance 77 should be struck, must be left to the investigator." 78

Even though in theory alpha levels should be justified, in practice researchers tend to imitate others. R. A. Fisher (1926) notes: "Personally, the writer prefers to set a low standard of significance at the 5 per cent point, and ignore entirely all results which fail to reach this level." This sentence is preceded by the statement "If one in twenty does not seem high enough odds, we may, if we prefer it, draw the line at one in fifty (the 2 percent point), or one in a hundred (the 1 percent point)." Indeed, in his examples Fisher often uses an alpha of 0.01. Nevertheless, researchers have copied the value Fisher preferred, instead of his more important take-home message that the significance level should be set by the experimenter. The default use of an alpha level of 0.05 can already be found in work of Gosset on the t-distribution (Cowles & Davis, 1982; Kennedy-Shaffer, 2019), who believed that a difference of two standard deviations (a

<sub>90</sub> z-score of 2) was sufficiently rare.

The default use of 80% power (or a 20% Type 2, or beta (b) error) is similarly 91 based on personal preferences by Cohen (1988), who writes: "It is proposed here as a 92 convention that, when the investigator has no other basis for setting the desired power value, the value .80 be used. This means that beta is set at .20. This value is offered for 94 several reasons (Cohen, 1965, pp. 98-99). The chief among them takes into consideration the implicit convention for alpha of .05. The beta of .20 is chosen with the 96 idea that the general relative seriousness of these two kinds of errors is of the order of .20/.05, i.e., that Type I errors are of the order of four times as serious as Type II 98 errors. This .80 desired power convention is offered with the hope that it will be ignored whenever an investigator can find a basis in his substantive concerns in his specific 100 research investigation to choose a value ad hoc."

We see that conventions are built on conventions: the norm to aim for 80% power 102 is built on the norm to set the alpha level at 5%. This normative use of statistics was 103 criticized in a statement by the American Statistical Association (Wasserstein & Lazar, 104 2016), who wrote: "We teach it because it's what we do; we do it because it's what we 105 teach." The real lesson we should take away from Cohen is to determine the relative 106 seriousness of Type 1 and Type 2 errors, and to balance both types of errors when a 107 study is designed. If a Type 1 error is considered to be four times as serious as a Type 2 108 error, the weighted error rates in the study are balanced with a 5% Type 1 error rate and a 20% Type 2 error rate. 110

## Justifying the Alpha Level

In 1957 Neyman wrote: "it appears desirable to determine the level of significance in accordance with quite a few circumstances that vary from one particular problem to the next" (Jerzy Neyman, 1957). Despite this advice, the mindless application of null hypothesis significance tests, including setting the alpha level at 5% for all tests, is so universal that it has been criticized for more than half a century (Bakan, 1966; Gigerenzer, 2018). The default use of a 5% alpha level might have been difficult to

abandon, even if it was a mediocre research practice, without an alternative approach in which alpha levels are better justified.

There are two main reasons to abandon the universal use of a 5% alpha level. The 120 first reason to carefully choose an alpha level is that decision-making becomes more 121 efficient (Mudge, Baker, Edge, & Houlahan, 2012). If researchers use hypothesis tests to 122 make dichotomous decisions from a methodological falsificationist approach to 123 statistical inferences (Uygun-Tunç, Tunç, & Lakens, 2021), and have a certain 124 maximum sample size they are willing or able to collect, it is typically possible to make 125 decisions more efficiently by choosing error rates such that the combined cost of Type 1 126 and Type 2 errors is minimized. If we aim to either minimize or balance Type 1 and 127 Type 2 error rates for a given sample size and effect size, the alpha level should be set 128 not based on convention, but by weighting the relative cost of both types of errors. 129 The second reason is most relevant for large data sets (Harford, 2014). As the 130 statistical power increases, some p-values below 0.05 (e.g., p=0.04) can be more likely 131 when there is no effect than when there is an effect. This is known as Lindley's paradox 132 (Bartlett, Jordan, & Mcauliffe, 1957; Cousins, 2017; Jeffreys, 1935, 1936b, 1936a; Lin, 133 Lucas Jr, & Shmueli, 2013; Lindley, 1957), or sometimes the Jeffreys-Lindley paradox (Spanos, 2013), as Harold Jeffreys discussed the paradox long before Lindley 135 (Wagenmakers & Ly, n.d.). The distribution of p-values is a function of the statistical power (Cumming, 2008), and the higher the power, the more right-skewed the 137 distribution becomes (i.e., the more likely it becomes that small p-values are observed). When there is no true effect p-values are uniformly distributed, and 1% of observed 139 p-values fall between 0.04 and 0.05. When the statistical power is extremely high, not 140 only will most p-values fall below 0.05, most will also fall below 0.01. In Figure 1 we see 141 that with high power very small p-values are more likely to be observed when there is 142 an effect than when there is no effect (e.g., the black curve representing p-values when 143 the alternative is true falls above the dashed horizontal line for a p-value of 0.01). But 144 observing a p-value of 0.04 is more likely when the null hypothesis (H0) is true than 145

when the alternative hypothesis (H1) is true and we have very high power, as illustrated

by the fact that the density of the \*p\*-value distribution is higher under H0 than under H1 at 0.04 in Figure 1.

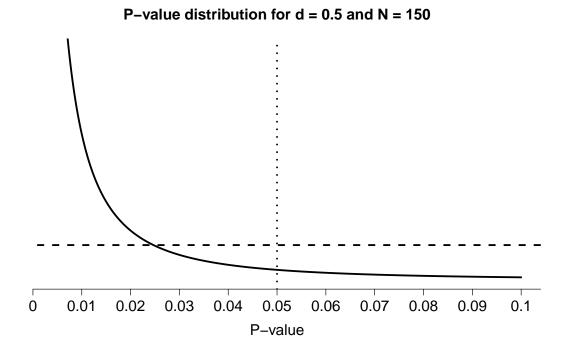


Figure 1. P-value distributions for a two-sided independent t-test with N=150 and d=0.5 (black curve) or d=0 (horizontal dashed line) which illustrates how p-values just below 0.05 can be more likely when there is no effect than when there is an effect.

Although it is not necessary from a Neyman-Pearson error-statistical perspective, 149 researchers often want to interpret a significant test result as evidence for the 150 alternative hypothesis. In other words, in addition to controlling the error rate, 151 researchers might be interested in interpreting the relative evidence in the data for the 152 alternative hypothesis over the null hypothesis. If so, it makes sense to choose the alpha 153 level such that when a significant p-value is observed, the p-value is actually more likely 154 when the alternative hypothesis is true than when the null hypothesis is true. This 155 means that when statistical power is very high (e.g., the sample size is very large), the 156 alpha level should be reduced. For example, if the alpha level in Figure 1 is lowered to 157 0.02 then the alternative hypothesis is more likely than the null hypothesis for all 158 significant p-values that would be observed. This approach to justifying the alpha level 159 can be seen as a frequentist/Bayesian compromise (Good, 1992). The error rate is 160

controlled, but at the same time the alpha level is set to a value that guarantees that
whenever we reject the null hypothesis, the data is more likely under the alternative
hypothesis than under the null.

# 164 Minimizing or Balancing Type 1 and Type 2 Error Rates

If both Type 1 as Type 2 errors are costly, then it makes sense to optimally reduce 165 both errors as you design studies. This idea is well established in applied statistics 166 (Cornfield, 1969; DeGroot, 1975; Kim & Choi, 2021; Lindley, 1953; Mudge, Baker, Edge, & Houlahan, 2012; Pericchi & Pereira, 2016) and leads to studies where you make 168 decisions most efficiently. Researchers can choose to design a study with a statistical 169 power and alpha level that minimizes the weighted combined error rate. For example, a 170 researcher designs an experiment where they assume H0 and H1 are a-priori equally 171 probable (the prior probability for both is 0.5). They set the Type 1 error rate to 0.05 172 and collect sufficient data such that the statistical power is 0.80. The weighted 173 combined error rate is 0.5 (the probability H0 is true)  $\times$  0.05 (the probability of a Type 174 1 error) + 0.5 (the probability that H1 is true)  $\times$  0.20 (the probability of a Type 2 175 error) = 0.125. This weighted combined error rate might be lower if a different choice 176 for Type 1 and Type 2 errors was made. 177

Assume that in the previous example data will be analyzed in an independent 178 t-test and the researcher was willing to collect 64 participants in each condition to 179 achieve the 0.05 Type 1 error rate and 0.8 power. The researcher could have chosen to 180 set the alpha level in this study to 0.1 instead of 0.05. If the Type 1 error rate is 0.1, 181 the statistical power (given the same sample size of 64 per group) would be 0.88. The 182 weighted combined error rate is now  $(0.5 \times 0.1 + 0.5 \times 0.12) = 0.11$ . In other words, 183 increasing the Type 1 error rate from 0.05 to 0.1 reduced the Type 2 error rate from 0.2 to 0.12 and the combined error rate from 0.125 to 0.11. In the latter scenario, our total 185 probability of making an erroneous decision has become 0.015 smaller. As shown below, 186 this approach can be extended to incorporate scenarios where the prior probability of 187 H0 and H1 differ. Mudge, Baker, Edge, and Houlahan (2012) and Kim and Choi (2021)

show that by choosing an alpha level based on the relative weight of Type 1 errors and
Type 2 errors and assuming beliefs about the prior probability that H0 and H1 are
correct, decisions can be made more efficiently than when the default alpha level of 0.05
is used. Kim (2020) also provides an R-package to justify the alpha level based on
decision-theoretic approaches, which provides solutions for a smaller set of power
functions than the package accompanying this paper, and only allows users to minimize
the costs of errors.

Winer (1962) writes: "The frequent use of the .05 and .01 levels of significance is a 196 matter of convention having little scientific or logical basis. When the power of tests is 197 likely to be low under these levels of significance, and when Type 1 and Type 2 errors 198 are of approximately equal importance, the .30 and .20 levels of significance may be 199 more appropriate than the .05 and .01 levels." The reasoning here is that a design that 200 has 70% power for the smallest effect size of interest would not balance the Type 1 and 201 Type 2 error rates in a sensible manner. Similarly, and perhaps more importantly, one 202 should carefully reflect on the choice of the alpha level when an experiment achieves 203 very high statistical power for all effect sizes that are considered meaningful. If a study 204 has 99% power for effect sizes of interest, and thus a 1% Type 2 error rate, but uses the 205 default 5% alpha level, it also suffers from a lack of balance. This latter scenario is quite 206 common in meta-analyses, where researchers by default use a 0.05 alpha level, while the 207 meta-analysis often has very high power for all effect sizes of interest. It is also 208 increasingly common when analyzing large existing data sets or when collecting 209 thousands of observations online. In such cases where power for all effects of interest is 210 very high, it is sensible to lower the alpha level for statistical tests to reduce the weighted combined error rate and increase the severity of the test. 212

Researchers can decide to either balance Type 1 and Type 2 error rates (e.g.,
designing a study such that the Type 1 and Type 2 error rate are equal) or minimize
the weighted combined error rate. For any given sample size and effect size of interest
there is an alpha level that minimizes the weighted combined Type 1 and Type 2 error
rates. Because the chosen alpha level also influences the statistical power, and the Type

218 2 error rate is therefore dependent upon the Type 1 error rate, minimizing or balancing
219 error rates requires an iterative optimization procedure.

As an example, imagine a researcher who plans to perform a study which will be 220 analyzed with an independent two-sided t-test. They will collect 50 participants per 221 condition, and set their smallest effect size of interest to Cohen's d = 0.5. They think a 222 Type 1 error is just as costly as a Type 2 error, and believe H0 is just as likely to be 223 true as H1. The weighted combined error rate is minimized when they set alpha to 0.13 224 (see Figure 2, dotted line), which will give the study a Type 2 error rate of beta = 0.166225 to detect effects of d = 0.5. The weighted combined error rate is 0.148, while it would 226 have been 0.177 if the alpha level was set at  $5\%^1$ . 227

We see that increasing the alpha level from the normative 5% level to 0.13 reduced 228 the weighted combined error rate - any larger or smaller alpha level would increase the 229 weighted combined error rate. The reduction in the weighted combined error rate is not 230 huge, but we have reduced the overall probability of making an error. More 231 importantly, we have chosen an alpha level based on a justifiable principle, and clearly 232 articulated the relative costs of a Type 1 and Type 2 error. Perhaps counter-intuitively, 233 decision-making is sometimes slightly more efficient after increasing the alpha level from the default of 0.05 because a small increase in the Type 1 error rate can lead to a larger 235 decrease in the Type 2 error rate. Had the sample size been much smaller, such as n = 236 10, the solid line in Figure 2 shows that the weighted combined error rate will always be 237 high, but it is minimized if we increase the alpha level to alpha to 0.283. If the sample size had been n = 100, the optimal alpha level to minimize the weighted combined error 239 rate (still assuming H0 and H1 have equal probabilities, and Type 1 and Type 2 errors are equally costly) is 0.0509 (the long-dashed line in Figure 2). 241

<sup>&</sup>lt;sup>1</sup> For the same scenario, balanced error rates are alpha = 0.149 and beta = 0.149.

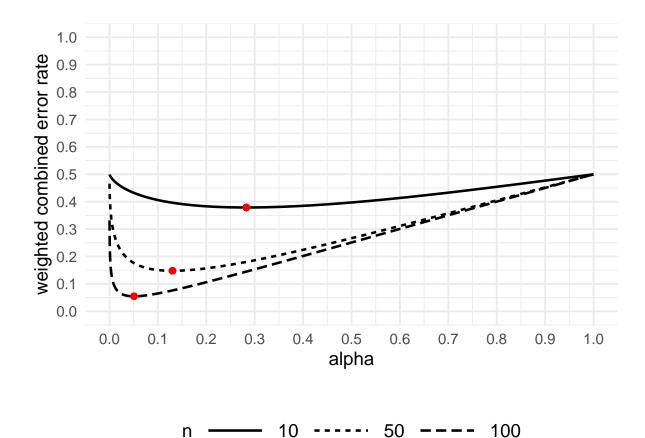


Figure 2. Weighted combined error rate (y-axis) for an independent t-test with n = 10, n = 50, and n = 100 per group and a smallest effect of interest of d = 0.5, for all possible alpha levels (x-axis).

#### Weighing the Relative Cost of Errors

Cohen (1988) recommended a study design with a 5% Type 1 error rate and a 243 20% Type 2 error rate. He personally felt "Type I errors are of the order of four times 244 as serious as Type II errors." However, some researchers have pointed out, following Neyman (1933), that false negatives might be more severe than false positives (Fiedler, 246 Kutzner, & Krueger, 2012). The best way to determine the relative costs of Type 1 and Type 2 errors is by performing a cost-benefit analysis. For example, Field, Tyre, 248 Jonzén, Rhodes, and Possingham (2004) quantify the relative costs of Type 1 errors 249 when testing whether native species in Australia are declining. In this example, the H1 250 is that the Koala population is declining and H0 the Koala population is not declining. 251

The Type 1 error would be to decide that the Koala population is declining, when in 252 fact it is not; a Type 2 error would be to decide that the Koala population is not 253 declining, when in fact it is. Field, Tyre, Jonzén, Rhodes, and Possingham (2004) 254 conclude that when it comes to the Koala population, given its great economic value, a cost-benefit analysis indicates the alpha level should be set to 1. In other words, one 256 should always act as if the population is declining because the relative cost of a Type 2 257 error compared to a Type 1 error is too high. Note that in this example, the decision 258 not to collect data is deterministically dominant (Clemen, 1997). The alpha of 1 shows that the results of the data collection will not influence future decisions in any way - it 260 is always beneficial to intervene. This is arguably rare, but not incredibly rare. If you 261 are bitten by an animal, it is possible to observe the animal for 10 days to see if it has 262 rabies, but given the costs and benefits, it is more cost-efficient to assume the animal has rabies and get a rabies shot. In psychology, it is possible that accurate pilot studies 264 to determine which two possible manipulations has a larger effect size will require a 265 larger sample than if one designs a study conservatively powered for the manipulation 266 that based on a personal prior is believed to have the smallest effect size. There are 267 similar situations where researchers might decide to skip a pilot study and immediately 268 perform the main experiment because this is the most rational choice. 269

An applied example where the decision is not deterministically dominant can be 270 found in Viamonte, Ball, and Kilgore (2006) who evaluate the benefits of a 271 computerized intervention aimed at improving speed of processing to reduce car 272 collisions in people aged 75 or older. They estimated that the risk of getting into an 273 accident for these older drivers is 7.1%. The cost of a collision was estimated to be 22,000, or 22,000 \* 0.071 = 1,562.84 per driver in the USA. Furthermore, they 275 estimate that the intervention can prevent accidents for 86% of drivers. Therefore, the probability of a collision after intervention is now (1-0.86) \* 0.071 = 0.00994. The total 277 cost of completing the intervention was estimated to be \$274.50. When the intervention is implemented, some drivers will still get into a collision, so the total cost of the 279 intervention and collisions is \$493.30 per driver (\$274.50 + 0.00994 \* \$22,000).

We can implement the intervention when it does not actually work, making a 281 Type 1 error. The waste is \$274.50 per driver, as this is what the intervention costs 282 even if it offers no benefits. If the intervention works, but it is not implemented, we 283 make a Type 2 error and the amount of money that is not saved is \$1,562.84 (the cost of doing nothing) - 493.30 (the cost if the intervention was implemented), for a waste of 285 1.069,54 per driver. This means that the relative cost of a Type 1 error compared to a 286 Type 2 error is 274.50 / 1.069,54 = 0.257, or the waste in money after a Type 1 error is 287 3.896 times (1.069,54/274.50) worse than a Type 2 error. This ratio reflects that theintervention is relatively cheap, and therefore a Type 1 error is not that costly, while 289 the potential savings if collisions are prevented is relatively large. Of course, quantifying 290 costs and benefits comes with uncertainties. The intervention might prevent more or 291 less accidents, the risks of an accident for drivers of 75 years or older might be greater or smaller, etcetera. Sensitivity analyses can be used to compute a range of the ratio of 293 the costs of Type 1 and Type 2 errors (see Viamonte et al., 2006). 294

Although it can be difficult to formally quantify all relevant factors that influence 295 the costs of Type 1 and Type 2 errors, there is no reason to let the perfect be the enemy 296 of the good. In practice, even if researchers don't explicitly discuss their choice for the 297 relative weight of Type 1 versus Type 2 errors, they make a choice in every hypothesis 298 test they perform, even if they simply follow conventions (e.g., a 5% Type 1 error rate 299 and a 20% Type 2 error rate). It might be especially difficult to decide upon the 300 relative costs of Type 1 and Type 2 errors when there are no practical applications of 301 the research findings, but even in these circumstances, it is up to the researcher to make 302 a decision (Douglas, 2000). It is, therefore, worth reflecting on how researchers can start to think about the relative weight of Type 1 and Type 2 errors. 304

First, if a researcher only cares about not making a decision error, but the researcher does not care about whether this decision error is a false positive or a false negative, Type 1 and Type 2 errors are weighed equally. Therefore, weighing Type 1 and Type 2 errors equally is a defensible default, unless there are good arguments to weigh false positives more strongly than false negatives (or vice versa). When deciding

upon whether there is a reason to weigh Type 1 and Type 2 errors differently, 310 researchers are in essence performing a multiple criterion decision analysis (Edwards, 311 Miles Jr., & Winterfeldt, 2007), and it is likely that treating the justification of the 312 relative weight of Type 1 and Type 2 errors as a formal decision analysis would be a massive improvement over current research practices. A first step is to determine the 314 objectives of the decision that is made in the hypothesis test, assign attributes to 315 measure the degree to which these objectives are achieved within a specific time-frame 316 (Clemen, 1997), and finally to specify a value function. In a hypothesis test, we do not 317 simply want to make accurate decisions, but we want to make accurate decisions given 318 the resources we have available (e.g., time and money). Incorrect decisions have 319 consequences, both for the researcher themselves, as for scientific peers, and sometimes 320 for the general public. We know relatively little about the actual costs of publishing a Type 1 error for a researcher, but in many disciplines the costs of publishing a false 322 claim are low, while the benefits of an additional publication on a resume are large. 323 However, by publishing too many claims that do not replicate, a researcher risks gaining 324 a reputation for publishing unreliable work. In addition, researcher might plan to build 325 on work in the future, as might peers. The costs of experiments that follow up on a 326 false lead might be much larger than the cost to reduce the possibility of a Type 1 error 327 in an initial study, unless replication studies are cheap, will be performed anyway and 328 will be shared with peers. However, it might also be true that the hypothesis has great 329 potential for impact if true and the cost of a false negative might be substantial 330 whenever it closes off a fruitful avenue for future research. A Type 2 error might be 331 more costly than a Type 1 error, especially in a research field where all findings are 332 published and people regularly perform replication studies to identify Type 1 errors in 333 the literature (Fiedler, Kutzner, & Krueger, 2012). 334

Another objective might be to influence policy, in which case the consequences of a Type 1 and Type 2 error should be weighed by examining the relative costs of implementing a policy that does not work against not implementing a policy that works. The second author once attended a presentation by a policy advisor who decided whether new therapies would be covered by the national healthcare system. She
discussed Eye Movement Desensitization and Reprocessing (EMDR) therapy. She said
that, although the evidence for EMDR was weak at best, the costs of the therapy
(which can be done behind a computer) are very low, it was applied in settings where
no good alternative therapies were available (e.g., inside prisons), and risk of negative
side-effects was basically zero. They were aware of the fact that there was a very high
probability that the claim that EMDR was beneficial might be a Type 1 error, but the
cost of a Type 1 error was deemed much lower than the cost of a Type 2 error.

Imagine a researcher plans to collect 64 participants per condition to detect a d = 347 0.5 effect, and weighs the cost of Type 1 errors 4 times as much as Type 2 errors. To minimize error rates, the Type 1 error rate should be set to 0.0327, which will make the 349 Type 2 error rate 0.252. If we would perform 20000 studies designed with these error 350 rates, and assume H0 and H1 are equally likely to be true, we would observe 0.5 (the 351 prior probability that H0 is true)  $\times$  0.0327 (the alpha level)  $\times$  20000 = 327 Type 1 352 errors, and 0.5 (the prior probability that H1 is true)  $\times$  0.252 (the Type 2 error rate)  $\times$ 353 20000 = 2524 Type 2 errors. Since we weigh Type 1 errors 4 times as much as Type 2 354 errors, we multiple the cost of the 327 Type 1 errors by 4, which makes  $4 \times 327 = 1308$ , 355 and to keep the weighted error rate between 0 and 1, we also multiply the 10000 studies 356 where we expect H0 to be true by 4, such that the weighted combined error rate is 357 (1308 + 2524)/(40000 + 10000) = 0.0766. Figure 3 visualizes the weighted combined 358 error rate for this study design across the all possible alpha levels, and illustrated the 359 weighted error rate is smallest when the alpha level is 0.0327. 360

If the researcher had decided to balance error rates instead of minimizing error rates, we recognize that with 64 participants per condition, we are exactly in the scenario Cohen (1988) described. When Type 1 errors are considered 4 times as costly as Type 2 errors, 64 participants per condition yield a 5% Type 1 error rate and a 20% Type 2 error rate. If we would increase the sample size, The Type 1 and Type 2 error rates would remain in a balanced 1:4 ratio, but both error rates would be smaller. With a smaller sample size, both error rates would be larger.

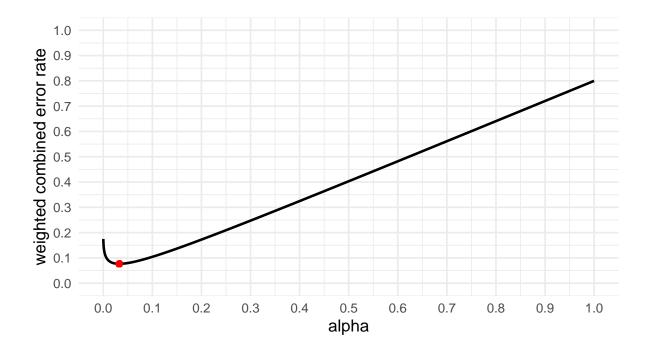


Figure 3. Weighted combined error rate (y-axis) for an independent t-test with n = 64 per group and a smallest effect of interest of d = 0.5, where Type 1 errors are weighed 4 times as much as Type 2 errors, for all possible alpha levels (x-axis).

## Incorporating Prior Probabilities

The choice for an optimal alpha level depends not just on the relative costs of 369 Type 1 and Type 2 errors, but also on the base rate of true effects (Miller & Ulrich, 370 2019). In the extreme case, in all studies a researcher designs H1 is true. In this case, 371 there is no reason to worry about Type 1 errors, because a Type 1 error can only happen 372 when the null hypothesis is true. Therefore, you can set the alpha level to 1 without 373 any negative consequences. On the other hand, if the base rate of true H1s is very low, you are more likely to test a hypothesis where H0 is true. Therefore, the probability of 375 observing a false positive becomes a more important consideration. Whatever the prior probabilities are believed to be, researchers always need to specify the prior 377 probabilities of H0 and H1. Researchers should take their expectations about the 378 probability that H0 and H1 are true into account when evaluating costs and benefits. 379

For example, let's assume a researcher performs 1000 studies. The researcher expects 100 studies to test a hypothesis where H1 is true, while the remaining 900

studies test a hypothesis where H0 is true. This means H0 is believed to be 9 times more likely than H1, or equivalently, that the relative probability of H1 versus H0 is 0.1111:1. However, the researcher decides to ignore these prior probabilities and designs a study that has the normative 5% Type 1 error rate and a 20% Type 2 error rate. The researcher should expect to observe 0.9 (the prior probability that H0 is true)  $\times$  0.05 (the alpha level)  $\times$  1000 = 45.00 Type 1 errors, and 0.1 (the prior probability that H1 is true)  $\times$  0.2 (the Type 2 error rate)  $\times$  1000 = 20.00 Type 2 errors, for a total of 65.00 errors.

However, the total number of errors does not tell the whole story, as Type 1 errors are weighed four times more than Type 2 errors. We therefore need to compute the weighted combined error rates w taking the relative cost of Type 1 and Type 2 errors into account, and the prior probabilities of H0 and H1, which can be done with the following formula from Mudge, Baker, Edge, and Houlahan (2012):

$$\frac{(cost_{T1T2} \times \alpha + prior_{H1H0} \times \beta)}{prior_{H1H0} + cost_{T1T2}}$$
(1)

For the previous example, the weighted combined error rate is  $(4 \times 0.05 + 0.1111)$ 395  $\times$  0.2) / (0.1111 + 4) = 0.054. If the researcher had taken the prior probabilities into 396 account when deciding upon the error rates, a lower combined error rate can be achieved. With the same sample size (64 per condition) the combined weighted error 398 rate was not as small as possible, optimally balanced error rates (maintaining the 4:1 ratio of the weight of Type 1 versus Type 2 errors) would require setting alpha to 0.011 400 and the Type 2 error rate to 0.402. The researcher should now expect to observe 0.9 (the prior probability that H0 is true)  $\times$  0.011 (the alpha level)  $\times$  1000 = 9.89 Type 1 402 errors, and 0.1 (the prior probability that H1 is true)  $\times$  0.402 (the Type 2 error rate)  $\times$ 403 1000 = 40.16 Type 2 errors. The weighted error rate is 0.0216. 404

Because the prior probability of H0 and H1 influence the expected number of
Type 1 and Type 2 errors one will observe in the long run, the alpha level should be
lowered as the prior probability of H0 increases, or equivalently, the alpha level should

be increased as the prior probability of H1 increases. Because the base rate of true
hypotheses is unknown, this step requires a subjective judgment. This can not be
avoided, because one always makes assumptions about base rates, even if the
assumption is that a hypothesis is equally likely to be true as false (with both H1 and
H0 having a 50% probability). In the previous example, it would also have been possible
minimize (instead of balance) the error rates, which is achieved with an alpha of 0.00344
and a beta of 0.558, for a total of 58.86 errors, where the weighted error rate is 0.0184.

The two approaches (balancing error rates or minimizing error rates) typically

The two approaches (balancing error rates or minimizing error rates) typically yield quite similar results. Where minimizing error rates might be slightly more efficient, balancing error rates might be slightly more intuitive (especially when the prior probability of H0 and H1 is equal). Note that although there is always an optimal choice of the alpha level, there is always a range of values for the alpha level that yield quite similar weighted error rates, as can be seen in Figure 3.

#### $_{121}$ Increasing the Alpha Level Above 0.05

Many empirical sciences have recently been troubled by a replication crisis 422 (Camerer et al., 2016; Open Science Collaboration, 2015), which has in part been caused by inflated alpha levels due to p-hacking (Simmons, Nelson, & Simonsohn, 424 2011), publication bias, and low statistical power (Lindsay, 2015). In light of this low replicability, a potential concern about allowing researchers to justify their alpha level is 426 that researchers can decide to increase the alpha level above the 0.05 threshold. This could increase the rate of false positives published in the literature compared to when 428 an alpha level of 0.05 remains the norm. An increase of the alpha level should only be 429 deemed acceptable when authors can justify that the costs of the increase in the Type 1 430 error rate is sufficiently compensated by the benefit of decreased Type 2 error rate. Furthermore, researchers should explicitly accompany claims by their error rates 432 throughout an article, especially when the alpha level is increased, and readers of claims made with higher alpha level should understand such claims are made with greater 434 uncertainty, and could very well be false.

There are circumstances under which optimal error rates will require an increase 436 of the alpha level, which will also increase the number of false positives in the literature. 437 Assuming the goal of scientists is to efficiently generate reliable knowledge, the proposal 438 to increase the alpha level (and thus to increase the Type 1 error rate in the literature) should only be adopted if the cost of an increase in Type 1 errors is compensated in 440 some way. So far we have focussed only on how the increase in the Type 1 error rate will lead to a greater reduction in the Type 2 error rate, which all else being equal, 442 should improve decision making in hypothesis tests. In practice, it might be a challenge to reach agreement on the weight of Type 1 and Type 2 errors among different 444 stakeholders. For example, where a team of researchers might believe a Type 1 and Type 2 error is equally costly, an editor of a journal might weigh Type 1 errors more 446 than Type 2 errors. We should also consider the possibility that researchers try to opportunistically specify the relative cost of Type 1 and Type 2 error rates to increase 448 their alpha level, and increase the probability of finding a 'significant' effect. Nevertheless, in some cases, it can be justified to increase the alpha level above 450 the 0.05 threshold. These will usually be cases where (1) the study will have directly 451 decision-making relevant implications (as in the above EDM example), (2) a 452 cost-benefit analysis is provided that gives a clear rationale for relatively high costs of a 453 Type 2 error, (3) the probability of H1 being false is relatively low, and (4) it is not 454 feasible to reduce overall error rates by collecting more data. In these cases, it will often 455 be desirable to justify the alpha level during the first phase of a Registered Report so 456 that the higher alpha level that will be used in a study can be discussed transparently 457 during peer-review. At the same time, given the complexity of weighing the costs and benefits of research, it is understandable if some journals consider such discussions too 459 great a burden for reviewers. If so, these journals could indicate that they limit deviations from an alpha level of 0.05 only where researchers increase the severity of 461 their test by lowering the alpha level. 462 Journals might also prefer to use a default alpha level of 0.05 to reduce the burden 463

on readers to examine at which alpha level claims in their journal are made. Especially

if an increase in alpha levels was not evaluated by peers during the first phase of a 465 Registered Report, the evaluation of whether this alpha level was appropriate is left to 466 readers. In practice, the use of a higher alpha level will require readers to keep track of 467 the fact that the claim of the presence of an effect was less severely tested than it would have been with a default alpha, instead of keeping track of the fact that claims of the 469 absence of an effect were less severely tested than they would have been when the statistical power had been higher (i.e., by increasing the alpha level). In a science where 471 people only focus on significant effects and treat all significant effects as equally well supported, increasing alpha levels could lead to a sense of false certainty about a body 473 of work. If the practice to increase alpha levels becomes popular, it will be important to 474 examine whether varying alpha levels are taken into account when interpreting and 475 discussing research findings, and how negative side-effects can be mitigated.

Finally, the use of a high alpha level might be missed if readers skim an article. 477 We believe this can be avoided by having each scientific claim accompanied by the alpha 478 level under which it was made. Scientists should be required to report their alpha levels 470 prominently, usually in the abstract of a paper alongside a summary of the main claim. 480 The correct interpretation of a hypothesis test was never to label an effect as 'significant' 481 or 'nonsignificant' but to reject effects implied by the null model with a specific error 482 rate. Replacing 'the effect was significant' with 'we reject an effect size of 0 with a 10% 483 error rate' might end up improving the interpretation of hypothesis tests. Note that by 484 explicitly reporting the alpha level alongside a claim it will also become more visible 485 when researchers lower their alpha level, and this practice will therefore clearly 486 communicate whenever readers should be impressed by the fact that a claim passed an even more severe test than if a traditional alpha level of 0.05 would have been used. 488

## Sample Size Justification when Minimizing or Balancing Error Rates

So far we have illustrated how to perform what is known as a *compromise power*analysis where the weighted combined error rate is computed as a function of the

sample size, the effect size, and the desired ratio of Type 1 and Type 2 errors

(Erdfelder, Faul, & Buchner, 1996). However, in practice researchers will often want to justify their sample size based on an *a-priori power analysis* where the required sample size is computed to achieve desired error rates, given an effect size of interest (Lakens, 2021). It is possible to determine the sample size at which we achieve a certain desired weighted combined error rate. This requires researchers to specify the effect size of interest, the relative cost of Type 1 and Type 2 errors, the prior probabilities of H0 and H1, whether error rates should be balanced or minimized, and the desired weighted combined error rate.

Imagine a researcher is interested in detecting an effect of Cohen's d = 0.5 with a 501 two-sample t-test. The researcher believes Type 1 errors are equally costly as Type 2 502 errors and believes a H0 is equally likely to be true as H1. The researcher desires a 503 minimized weighted combined error rate of 5%. Figure 4 shows the optimal alpha level, 504 beta, and weighed combined error rate as a function of sample size for this situation. 505 We can optimize the weighted combined error rate as a function of the alpha level and 506 sample size through an iterative procedure, which reveals that a sample size of 105 participants in each independent condition is required to achieve the desired weighted 508 combined error rate. In the specific cases where the prior probability of H0 and H1 are equal, this sample size can also be computed directly with common power analysis 510 software by entering the desired alpha level and statistical power. In this example, 511 where Type 1 and Type 2 error rates are weighted equally, and the prior probability of 512 H0 and H1 is assumed to be 0.5, the sample size is identical to that required to achieve 513 an alpha of 0.05 and a desired statistical power for d = 0.5 of 0.95. Note that it might 514 be difficult to specify the desired weighted combined error rate for a power analysis when Type 1 and Type 2 errors are not weighted equally, and/or when H1 and H0 are 516 not deemed equally probable.

# Lowering the Alpha Level to Avoid Lindley's Paradox

Formally controlling the costs of errors can be a challenge, as it requires
researchers to specify the relative cost of Type 1 and Type 2 errors, prior probabilities,

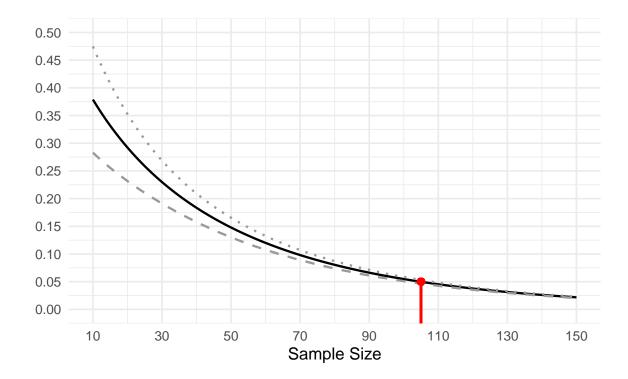


Figure 4. Weighted combined error rate (solid black line), alpha (lower grey dashed line), and beta (upper grey dotted line) for an independent t-test as a function of sample size when the alpha level is justified based on the goal to minimize the error rate at each sample size. The sample size corresponding to the red dot is the minimum required sample size to achieve a 5% weighted combined error rate.

and the effect size of interest. Due to this complexity, researchers might be tempted to fall back on the heuristic use of an alpha level of 0.05. Fisher (1971) referred to the default alpha level of 0.05 as a "convenient convention" and one can argue suffices as a low enough threshold to make scientific claims in a scientific system where we have limited resources and value independent replications (Uygun-Tunç, Tunç, & Lakens, 2021).

However, there is a well-known limitation of using a fixed alpha level that has lead statisticians to recommend choosing an alpha level as a function of the sample size.

This was suggestion of a flexible decision criterion was already mentioned by the statistician Harold Jeffreys in a letter he wrote to Fisher in 1934 (Wagenmakers & Ly, n.d.). Jeffreys later stated more explicitly that the critical value should increase with

the sample size: "The results show that the probability that such a term is needed is increased or decreased according as the coefficient is more or less than a certain multiple of its standard error; the multiple needed, however, increases with the number of observations." (Jeffreys, 1936b).

To understand the argument behind this recommendation, it is important to
distinguish between statistical inferences based on error control and inferences based on
likelihoods. An alpha level of 5% will limit incorrect decisions to a desired maximum (in
the long run, and when all test assumptions are met). However, from a likelihood
perspective it is possible that the observed data is much more likely when the null
hypothesis is true than when the alternative hypothesis is true, even when the observed
p-value is smaller than 0.05. This situation, known as Lindley's paradox, is visualized in
Figure 1.

To prevent situations where a frequentist rejects the null hypothesis based on p <0.05, when the evidence in the test favors the null hypothesis over the alternative 545 hypothesis, it is recommended to lower the alpha level as a function of the sample size. The need to do so is discussed extensively by Leamer (1978). He writes "The rule of 547 thumb quite popular now, that is, setting the significance level arbitrarily to .05, is shown to be deficient in the sense that from every reasonable viewpoint the significance 549 level should be a decreasing function of sample size." The same point was already recognized by Jeffreys (1939), who discusses ways to set the alpha level in the 551 Neyman-Pearson approach to statistics: "We should therefore get the best result, with any distribution of alpha, by some form that makes the ratio of the critical value to the 553 standard error increase with n. It appears then that whatever the distribution may be, 554 the use of a fixed P limit cannot be the one that will make the smallest number of 555 mistakes." Similarly, Good (1992) notes: "we have empirical evidence that sensible P556 values are related to weights of evidence and, therefore, that P values are not entirely 557 without merit. The real objection to P values is not that they usually are utter 558 nonsense, but rather that they can be highly misleading, especially if the value of N is 559 not also taken into account and is large."

Lindley's paradox emerges because in frequentist statistics the critical value of a
test approaches a limit as the sample size increases (e.g., t = 1.96 for a two-sided t-test
with an alpha level of 0.05). It does not emerge in Bayesian hypothesis tests because
the inference criterium requires a larger test statistic as the sample size increases
(Rouder, Speckman, Sun, Morey, & Iverson, 2009; Zellner, 1971). One possible
inference criterium in Bayesian statistics is the Bayes factor (Kass & Raftery, 1995).

A Bayes factor contrasts the probability of the data under the competing
hypotheses considered. When comparing H1 to H0 it is given by Equation 2.

$$\frac{p(data|H_1)}{p(data|H_0)} \tag{2}$$

Note that the equation shows a crucial difference between *p*-values and Bayes factors: A *p*-value depends only on the probability of the data or more extreme data under H0, whereas the Bayes factor takes both H0 and H1 into account.

A Bayes factor of 1 implies equal evidence for H0 and H1. Although any 572 discretization inevitably results in loss of information, as a rule of thumb, Bayes factors 573 between 3 and 10 imply moderate evidence for H1 and Bayes factors larger 10 strong evidence (Jeffreys, 1939; Lee & Wagenmakers, 2013). To prevent Lindley's paradox 575 when using frequentist statistics one would need to adjust the alpha level in a way that the likelihood ratio (also called the Bayes factor) at the critical test statistic is not 577 larger than 1. With such an alpha level, a significant p-value will always be at least as 578 likely if H1 is true than if H0 is true, which avoids Lindley's paradox. Rouder, 579 Speckman, Sun, Morey, and Iverson (2009) and Faulkenberry (2019) developed Bayes factors for t-tests and Analysis of Variance (ANOVA) which can calculate the Bayes 581 factor from the test statistic and degrees of freedom. We developed a Shiny app that 582 lowers the alpha level for a t-test or ANOVA, such that the critical value that leads 583 researchers to reject H0 is also high enough to guarantee (under the assumption of the priors) that the data provide relative evidence in favor of H1. 585

There are two decisions that should be made when desiring to prevent Lindley's paradox, the first about the prior, and the second about the threshold for the desired

evidence in favor of H1. Both Learner (1978) and Good (1992) offer their own 588 suggestions. We rely on a unit information prior for the ANOVA and a Cauchy prior 589 with scale 0.707 for t-tests (although the package allows users to adjust the r scale). 590 Both of these priors are relatively wide, which makes them a conservative choice when attempting to prevent the Lindley's paradox. The choice for this prior is itself a 592 'convenient convention,' but the approach extends to other priors researchers prefer, and researchers can write custom code if they want to specify a different prior. A 594 benefit of the chosen defaults for the priors is that, in contrast to previous approaches that aimed to calculate a Bayes factor for every p-value (Colquhoun, 2017, 2019), 596 researchers do not need to specify the effect size under the alternative hypothesis. This 597 lowers the barrier of adopting this approach in situations where it is difficult to specify 598 a smallest effect size of interest or an expected effect size.

A second decision is the threshold of the Bayes factor used to lower the alpha 600 level. Using a Bayes factor of 1 formally prevents Lindley's paradox. It does mean that 601 one might reject the null hypothesis when the data provide just as much evidence for 602 H1 as for H0. Although it is important to note that researchers will often observe 603 p-values well below the critical value, and thus, in practice the evidence in the data will be in favor of H1 when H0 is rejected, researchers might want to increase the threshold 605 of the Bayes factor that is used to lower the alpha level to prevent weak evidence 606 (Jeffreys, 1939). This can be achieved by setting the threshold to a larger value than 1 607 (e.g., BF > 3). The Shiny app allows researchers to adjust the alpha level in a way that 608 a significant p-value will always provide moderate (BF > 3) or strong (BF > 10) 609 evidence against the null hypothesis.

To illustrate this approach to justifying the alpha level as a function of the sample size, imagine a researcher collected 150 observations in a within-subjects design where they aim to test a directional prediction in a dependent t-test. For any sample size and choice of prior, a p-value is directly related to a Bayes factor. Figure 5 shows the relationship of two-sided p-values and Bayes factors using a Cauchy prior with a r-scale of 0.707 given a sample size of 150 for a within-subjects t-test. To avoid Lindley's

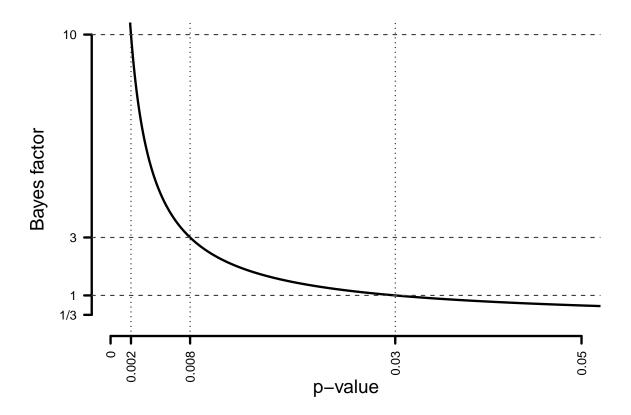


Figure 5. Relationship between p-value and Bayes factor for a one-sample t-test with 150 participants using a Cauchy prior.

paradox, the researcher would need to use an alpha level of 0.0302 for the one-sided t-test, given the chosen prior, as this choice for an alpha level guarantees that a significant p-value will correspond to evidence in favor of H1.

To give a practical example of how the alpha level can be justified to prevent
Lindley's paradox, we can re-examine a study by Pennycook and Rand (2019) who
investigated sharing of misinformation on social media. They report that Clinton
supporters were better able to discern fake news from real news than Trump supporters, F(1, 798) = 28.95, p < .001. However, given the large number of observations, which
likely provide very high power for all effect sizes that would be considered large enough
to be meaningful, one could have decided to reduce the alpha level so that any observed
significant \*p\*-value can also be interpreted as evidence for the alternative hypothesis.

If the authors had justified their alpha level as a function of their sample size described

above, they would have set the alpha level to 0.010. Calculating the precise p-value of 9.77 x  $10^{-8}$  shows their result is still significant using this more stringent alpha level. In other words, Pennycook and Rand (2019) could have tested their claim more severely by reducing their alpha level as a function of sample size.

For small sample sizes it is possible to guarantee that a significant result is 633 evidence for the alternative hypothesis using an alpha level that is higher than 0.05. It 634 is not recommended to use the procedure outlined in this section to increase the alpha 635 level above the conventional choice of an alpha level (e.g., 0.05). This approach to the 636 justification of an alpha level assumes researchers first want to control the error rate, 637 and as a secondary aim want to prevent Lindley's paradox by reducing the alpha level 638 as a function of the sample size where needed. Figure 6 shows the alpha levels for 639 different values of N for between and within subjects t-test. We can see that 640 particularly for within-subjects t-tests the alpha level rapidly falls below 5% as the 641 sample size increases.

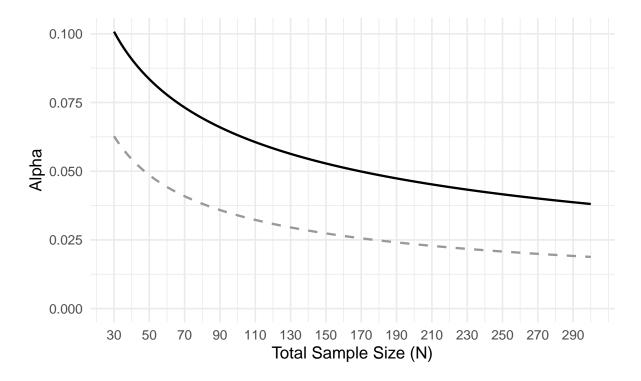


Figure 6. Optimal alpha level for within (grey dashed line) and between-sample (solid black line) two-sided t-tests.

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## When to Minimize Alpha Levels and When to Avoid Lindley's Paradox

When should we minimize or balance error rates and when should we avoid 644 Lindley's paradox? In practice, it might be most convenient to minimize or balance 645 error rates whenever there is enough information to conduct a power analysis, and if 646 researchers feel comfortable specifying the relative cost of Type 1 and Type 2 errors, 647 and have a decent empirically justified estimate of prior probabilities of the null and alternative hypothesis. This is more likely for applied research, as in the case of the test 649 of an intervention for older drivers discussed previously. When a study has direct policy 650 implications the costs of Type 1 error (the policy being implemented although it does 651 not work) in comparison to a Type 2 error (the policy is not implemented even though it does work) can often be assessed by means of cost-benefit analysis. It is important to 653 note that the approach which tries to minimize or balance error rates will in practice also reduce the alpha level as a function of sample size and should therefore avoid 655 Lindley's paradox in most applied cases (although it does not guarantee to do so). If researchers do not feel they can specify these parameters, they can fall back on the 657 approach to lower the alpha level as a function of the sample size to prevent Lindley's 658 paradox. This might often be the more feasible approach in basic research. 659 In addition, the two approaches differ with regard to their underlying philosophy 660 of science. The first is based on decision theoretical developments that build on a 661 Neyman-Pearson approach and might, therefore, be more attractive to researchers 662 whose inferential philosophy is based on statistical decision-theory. The second

Discussion

both statistical schools (Good, 1992).

As the choice of error rates is an important decision in any hypothesis test,
authors should always be expected to justify their choice of error rates whenever they

approach, on the other hand, offers a Bayes-Non-Bayes hybrid combining frequentist

and Bayesian statistics, which might be more attractive to researchers who care about

use data to make decisions about the presence or absence of an effect. As Skipper, 670 Guenther, and Nass (1967) remark: "If, in contrast with present policy, it were 671 conventional that editorial readers for professional journals routinely asked:"What 672 justification is there for this level of significance? authors might be less likely to indiscriminately select an alpha level from the field of popular eligibles." It should 674 especially become more common to lower the alpha level when analyzing large data sets or when performing meta-analyses, whenever each test has very high power to detect 676 any effect of interest. Researchers should also consider increasing the alpha level when the combination of the effect size of interest, the sample size, the relative cost of Type 1 678 and Type 2 errors, and the prior probability of H1 and H0 mean this will improve the 679 efficiency of decisions that are made. 680

A Shiny app is available that allows users to perform the calculations 681 recommended in this article. It can be used to minimize or balance alpha and beta by 682 specifying the effect size of interest and the sample size, as well as an analytic power 683 function. The effect size should be determined as in a normal a-priori power analysis 684 (preferably based on the smallest effect size of interest, for recommendations, see 685 Lakens (2021)). Alternatively, researchers can lower the alpha level as a function of the 686 sample size by specifying only their sample size. In a Neyman-Pearson approach to 687 statistics the alpha level should be set before the data is collected. Whichever approach 688 is used, it is strongly recommended to preregister the alpha level that researchers plan 689 to use before the data is collected. In this preregistration, researchers should document 690 and explain all assumptions underlying their decision for an alpha level, such as beliefs 691 about prior probabilities or choices for the relative weight of Type 1 and Type 2 errors.

In this paper, we presented two ways of justifying alpha levels, the first based on minimizing or balancing the relative costs of errors, and the second based on avoiding Lindley's paradox. Additional approaches to justifying the alpha level have been presented, such as Bayarri, Benjamin, Berger, and Sellke (2016), who propose to justify the alpha level based on the strength of evidence (1-beta)/alpha. We look forward to the development of additional approaches, and hope that in the future researchers will

699 have multiple tools in their statistical toolbox to justify alpha levels.

Throughout this manuscript we have reported error rates rounded to three 700 decimal places. Although we can compute error rates to many decimals, it is useful to 701 remember that the error rate is a long run frequency, and in any finite number of tests 702 (e.g., all the tests you will perform in your lifetime) the observed error rate varies 703 somewhere around the long run error rate. The weighted combined error rate might be 704 quite similar across a range of alpha levels, or when using different justifications (e.g., or 705 balancing versus minimizing alpha levels in a cost-benefit approach) and small 706 differences between alpha levels might not be noticeable in a limited number of studies 707 in practice. We recommend preregistering alpha levels up to three decimals, while 708 keeping in mind there is some false precision in error rates with too many decimals. 709

Because of the strong norms to use a 5% error rate when designing studies, there
are relatively few examples of researchers who attempt to justify the use of a different
alpha level. Within specific research lines researchers will need to start to develop best
practices to decide how to weigh the relative cost of Type 1 and Type 2 errors, or
quantify beliefs about prior probabilities. It might be a challenge to get started, but the
two approaches illustrated here provide one way to move beyond the mindless use of a
5% alpha level, and make more informative decisions when we test hypotheses.

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## Supplemental material

All code used to create this manuscript is provided at

https://github.com/Lakens/justify\_alpha\_in\_practice. Information about the

JustifyAlpha R package and Shiny app is available at

https://lakens.github.io/JustifyAlpha/index.html.

# Prior versions

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