Data Science and Big Data Analytics

Experiment 3: Mean, Median, Mode, Variance, Standard Deviation, Hypothesis Testing

AIM: To calculate the mean, median, mode, variance, standard deviation and perform Hypothesis Testing.

DESCRIPTION:

Hypothesis testing is a key concept in statistics, analytics, and data science. There are four steps to perform Hypothesis Testing:

- Set the Hypothesis
- Set the Significance Level, Criteria for a decision
- Compute the test statistics
- Make a decision

z -tests are a statistical way of testing a hypothesis when either:

- We know the population variance, or
- We do not know the population variance but our sample size is large $n \ge 30$

t-tests are a statistical way of testing a hypothesis when:

- We do not know the population variance
- Our sample size is small, n < 30

CODE AND ANALYSIS:

1. Import and get to know the data

```
In [1]: from scipy.stats import ttest_1samp
   import statistics
   import numpy as np
   import pandas as pd
   import matplotlib.pyplot as plt
   from scipy import stats
   from statsmodels.stats import weightstats as stests
```

```
In [3]: salaries = pd.read_csv('Downloads/Salary.csv')
```

OUTPUT ANALYSIS: There are no null values in any of the fields and the data types are also correctly set, therefore code cleaning can be skipped.

2. Calculate the mean, median, mode, variance, standard deviation and plot the graphs

```
In [ ]: salaries = pd.read_csv('Downloads/Salary.csv')
    salaries_mean = np.mean(salaries)
    salaries_median = salaries.median()
    salaries_mode = salaries['Salary'].mode()
    salaries_variance = np.var(salaries)
    salaries_deviation = np.std(salaries)|
```

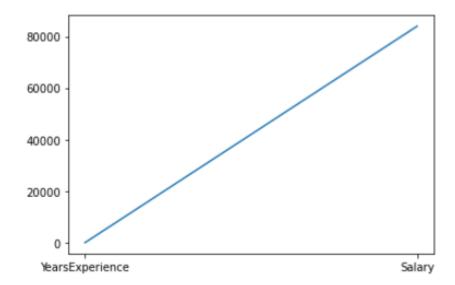
```
In [24]: print('Mean:')|
    print(salaries_mean)
    plt.plot(salaries_mean)
```

Mean:

YearsExperience 6.308571 Salary 83945.600000

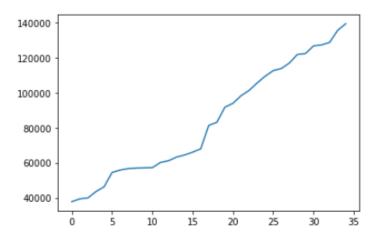
dtype: float64

Out[24]: [<matplotlib.lines.Line2D at 0x13cbc62fe80>]



```
In [25]: print('Median:')
          print(salaries_median)
          plt.plot(salaries_median)
          Median:
          YearsExperience
                                  5.3
                              81363.0
          Salary
          dtype: float64
Out[25]: [<matplotlib.lines.Line2D at 0x13cbc695430>]
           80000
           70000
           60000
           50000
           40000
           30000
           20000
           10000
             YearsExperience
                                                           Salary
In [26]: print('Mode:')
          print(salaries_mode)
          plt.plot(salaries_mode)
          Mode:
          0
                 37731
                 39343
          1
          2
                 39891
          3
                 43525
          4
                 46205
```

Out[26]: [<matplotlib.lines.Line2D at 0x13cbc6ed9a0>]



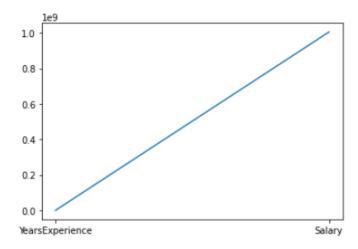
In [28]: print('Variance:') print(salaries_variance) plt.plot(salaries_variance)

Variance:

YearsExperience 1.272021e+01 Salary 1.004882e+09

dtype: float64

Out[28]: [<matplotlib.lines.Line2D at 0x13cba51b5e0>]



```
In [29]:
          print('Standard Deviation:')
          print(salaries_deviation)
          plt.plot(salaries_deviation)
          Standard Deviation:
          YearsExperience
                                  3.566541
          Salary
                              31699.876602
          dtype: float64
Out[29]: [<matplotlib.lines.Line2D at 0x13cbc7b8280>]
           30000
           25000
           20000
           15000
           10000
            5000
              0
             YearsExperience
                                                           Salary
```

3. Perform Hypothesis Testing – one sample t-test, two independent sample t-test, z-test

```
In [34]: #take 20 salaries and checking whether avg salary is 55000
         #1 sample t-test popmean=55000 df<30 variance unknown
         df = pd.read_csv("Downloads/Salary.csv")
         print(df.Salary[0:20])
         salary_mean = np.mean(df.Salary[0:20])
         print(salary_mean)
         tset, pval = ttest_1samp(df.Salary[0:20], 55000)
         print('p-values',pval)
         if pval < 0.05: # alpha value is 0.05 or 5%
            print(" we are rejecting null hypothesis")
          else:
           print("we are accepting null hypothesis")
         0
               39343
               46205
         1
               37731
         2
         3
               43525
         4
               39891
         5
               56642
         6
               60150
         7
               54445
         8
               64445
         9
               57189
         10
               63218
         11
               55794
         12
                56957
               57081
         13
```

Name: Salary, dtype: int64 59304.25 p-values 0.20762262668116735 we are accepting null hypothesis **OUTPUT ANALYSIS:** Since the sample size is less than 30 and we do not know the population variance, t-test is suitable for hypothesis testing. For the 20 salaries, the average is indeed less than 55000, hence we are accepting the null hypothesis.

```
In [5]: #take 20 salaries and checking whether avg salary is 25000
        #1 sample t-test popmean=55000 df<30 variance unknown
        from scipy.stats import ttest_1samp
        import numpy as np
        df = pd.read_csv("Downloads/Salary.csv")
        print(df.Salary[0:20])
        salary_mean = np.mean(df.Salary[0:20])
        print(salary_mean)
        tset, pval = ttest_1samp(df.Salary[0:20], 25000)
        print('p-values',pval)
        if pval < 0.05: # alpha value is 0.05 or 5%
           print(" we are rejecting null hypothesis")
        else:
          print("we are accepting null hypothesis")
        0
              39343
              46205
        1
        2
              37731
        3
              43525
              39891
        5
              56642
        6
              60150
        7
              54445
        8
              64445
              57189
        10
              63218
              55794
```

```
Name: Salary, dtype: int64
59304.25
p-values 2.800037525837218e-09
we are rejecting null hypothesis
```

OUTPUT ANALYSIS: Since the sample size is less than 30 and we do not know the population variance, t-test is suitable for hypothesis testing. For the 20 salaries, the average is not less than 25000, hence we are rejecting the null hypothesis.

```
In [6]: #2 independent sample t-test df<30 variance unknown
          from scipy.stats import ttest_ind
          import numpy as np
          df = pd.read_csv("Downloads/Salary.csv")
          sal1=df.Salary[0:15]
          sal2=df.Salary[10:35]
          sal1 mean = np.mean(sal1)
          sal2_mean = np.mean(sal2)
          print("sal1 mean value:",sal1_mean)
print("sal2 mean value:",sal2_mean)
          sal1_std = np.std(sal1)
          sal2_std = np.std(sal2)
          print("sal1 std value:",sal1_std)
          print("sal2 std value:",sal2_std)
          ttest,pval = ttest_ind(sal1,sal2)
          print("p-value",pval)
          if pval <0.05:
            print("we reject null hypothesis")
          else:
            print("we accept null hypothesis")
          sal1 mean value: 52915.13333333333
          sal2 mean value: 97541.2
          sal1 std value: 8766.096173072456
          sal2 std value: 26942.53837039116
          p-value 4.666024428230427e-07
          we reject null hypothesis
```

OUTPUT ANALYSIS: Since the sample size is less than 30 and we do not know the population variance, t-test is suitable for hypothesis testing.

```
In [33]: #z test

ztest ,pval = stests.ztest(salaries['Salary'], x2=None, value=79000)
print(float(pval))
if pval<0.05:
    print("reject null hypothesis")
else:
    print("accept null hypothesis")

0.362977782994247
accept null hypothesis</pre>
```

OUTPUT ANALYSIS: Since the sample size is greater than 30, z-test is suitable for hypothesis testing. For the given salaries, the average is less than 79000, hence we are accepting the null hypothesis.