Glossary terms from week 2

Terms and definitions from Course 4, Week 2

Addition rule (for mutually exclusive events): The concept that if the events A and B are mutually exclusive, then the probability of A or B happening is the sum of the probabilities of A and B

Bayes' theorem: A math formula for stating that for any two events A and B, the probability of A given B equals the probability of A multiplied by the probability of B given A divided by the probability of B; Also referred to as Bayes' rule

Bayes' rule: (Refer to **Bayes' theorem**)

Bayesian inference: (Refer to **Bayesian statistics)**

Bayesian statistics: A powerful method for analyzing and interpreting data in modern data analytics; Also referred to as Bayesian inference

Binomial distribution: A discrete distribution that models the probability of events with only two possible outcomes: success or failure

Classical probability: A type of probability based on formal reasoning about events with equally likely outcomes

Complement of an event: In statistics, refers to an event not occurring

Complement rule: A concept stating that the probability that event A does not occur is one minus the probability of A

Conditional probability: Refers to the probability of an event occurring given that another event has already occurred

Continuous random variable: A variable that takes all the possible values in some range of numbers

Dependent events: The concept that two events are dependent if one event changes the probability of the other event

Discrete random variable: A variable that has a countable number of possible values

Empirical probability: A type of probability based on experimental or historical data

Empirical rule: A concept stating that the values on a normal curve are distributed in a regular pattern, based on their distance from the mean

False positive: A test result that indicates something is present when it really is not

Independent events: The concept that two events are independent if the occurrence of one event does not change the probability of the other event

Multiplication rule (for independent events): The concept that if the events A and B are independent, then the probability of both A and B happening is the probability of A multiplied by the probability of B

Mutually exclusive: The concept that two events are mutually exclusive if they cannot occur at the same time

Normal distribution: A continuous probability distribution that is symmetrical on both sides of the mean and bell-shaped

Objective probability: A type of probability based on statistics, experiments, and mathematical measurements

Poisson distribution: A probability distribution that models the probability that a certain number of events will occur during a specific time period

Posterior probability: Refers to the updated probability of an event based on new data

Prior probability: Refers to the probability of an event before new data is collected

Probability: The branch of mathematics that deals with measuring and quantifying uncertainty

Probability distribution: A function that describes the likelihood of the possible outcomes of a random event

Random experiment: A process whose outcome cannot be predicted with certainty

Random variable: A variable that represents the values for the possible outcomes of a random event

Sample space: The set of all possible values for a random variable

Standard deviation: A statistic that calculates the typical distance of a data point from the mean of a dataset

Standardization: The process of putting different variables on the same scale

Subjective probability: A type of probability based on personal feelings, experience, or judgment

Z-score: A measure of how many standard deviations below or above the population mean a data point is

Terms and their definitions from the previous week

A

A/B testing: A way to compare two versions of something to find out which version performs better

C

Confidence interval: A range of values that describes the uncertainty surrounding an estimate

E

Econometrics: A branch of economics that uses statistics to analyze economic problems

I

Inferential statistics: A type of statistics that uses sample data to draw conclusions about a larger population

Interquartile range: The distance between the first quartile (Q1) and the third quartile (Q3)

L

Literacy rate: The percentage of the population in a given age group that can read and write

M

Mean: The average value in a dataset

Measure of central tendency: A value that represents the center of a dataset

Measure of dispersion: A value that represents the spread of a dataset, or the amount of variation in data points

Measure of position: A method by which the position of a value in relation to other values in a dataset is determined

Median: The middle value in a dataset

Mode: The most frequently occurring value in a dataset

P

Parameter: A characteristic of a population

Percentile: The value below which a percentage of data falls

Population: Every possible element that a data professional is interested in measuring

Q

Quartile: A value that divides a dataset into four equal parts

R

Range: The difference between the largest and smallest value in a dataset

Representative sample: A sample that accurately reflects the characteristics of a population

S

Sample : A subset of a population

Sampling: The process of selecting a subset of data from a population

Standard deviation: A calculation that measures how spread out values are from the mean of a dataset

Statistic: A characteristic of a sample

Statistical significance: The claim that the results of a test or experiment are not explainable by chance alone

Statistics: The study of the collection, analysis, and interpretation of data

Summary statistics: A method that summarizes data using a single number

V

Variance: The average of the squared difference of each data point from the mean

Mark as completed