

#### UNDERSTANDING :

#### > POINT BISERIAL



is used to understand the strength of the relationship between two variables. Your variables of interest should include one continuous and one binary variable.

## POINT-BISERIAL CORRELATION?

$$r_{pb} = \frac{(\bar{y}_1 - \bar{y}_2).\sqrt{pq}}{s_y}$$

- 1) IF it's closer to 1 positive correlation
- 2) IF it's closer to -1 negative correlation
- 3) IF it's closer to 0 no correlation

### EXAMPLE

array([[1. , 0.8660254],

[0.8660254, 1. ]])

```
import numpy as np
import matplotlib.pyplot as plt
from scipy import stats
a = np.array([0, 0, 0, 1, 1, 1, 1])
b = np.arange(7)
print(stats.pointbiserialr(a,b))
print(stats.pearsonr(a, b))
np.corrcoef(a, b)

PointbiserialrResult(correlation=0.8660254037844386, pvalue=0.011724811003954649)
PearsonRResult(statistic=0.8660254037844386, pvalue=0.011724811003954649)
```

# LET'S-> DISCUSS AND AND ANALYZE

## LET'S -> ASSUMPTIONS FOR POINT-BISERIAL CORRELATION

Normally Distributed



No Outliers

02

**Equal Variances** 

03

