

2. Hypothesis Testing

12 September 2024 09:09

HYPOTHESIS TESTING

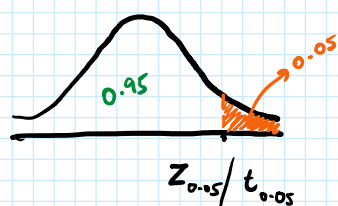
Null hypothesis (H_0): States that sample observation is purely a result of chance

Alternate hypothesis (H_1): Complement of H_0

Three types of H_0

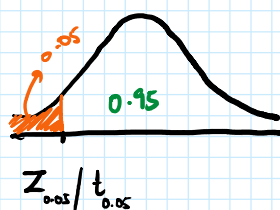
$$H_0: \mu \leq \mu_0$$

$$H_1: \mu > \mu_0$$



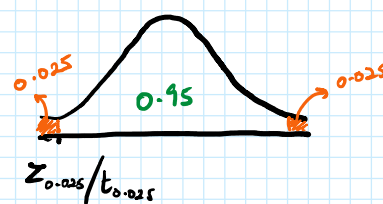
$$H_0: \mu \geq \mu_0$$

$$H_1: \mu < \mu_0$$



$$H_0: \mu = \mu_0$$

$$H_1: \mu \neq \mu_0$$



NOTE:

While setting H_0 , always oppose the claim

NOTE:

If no level of confidence given in question, take it as 0.95