

Confidence interval for difference of means

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3:42 PM

Here we use the fact that

$$\frac{(\bar{X}_1 - \bar{X}_2) - (\mu_1 - \mu_2)}{\sqrt{\frac{\sigma_1^2}{n_1} + \frac{\sigma_2^2}{n_2}}} \text{ is a } z \text{ distribution.}$$

$(1-\alpha)100\%$

confidence interval would be

$$(\bar{X}_1 - \bar{X}_2) - z_{\alpha/2} \sqrt{\frac{\sigma_1^2}{n_1} + \frac{\sigma_2^2}{n_2}} < \mu_1 - \mu_2 < (\bar{X}_1 - \bar{X}_2) + z_{\alpha/2} \sqrt{\frac{\sigma_1^2}{n_1} + \frac{\sigma_2^2}{n_2}}$$

Que:- A study was conducted in which two

types of engines, A & B, were compared.

Gas mileage in miles per gallon, was measured.

$$n_A = 50$$

$$n_B = 75$$

$$\bar{X}_A = 36$$

$$\bar{X}_B = 42$$

$$\sigma_A = 6$$

$$\sigma_B = 8$$

Find a 96% confidence interval for $\mu_B - \mu_A$.

Soln

$$\bar{X}_B - \bar{X}_A = 42 - 36 = 6$$

$$\alpha = 0.04$$

$$Z_{0.02} = 2.05 \text{ (from table)}$$

Interval is

$$6 - 2.05 \sqrt{\frac{64}{75} + \frac{36}{50}} < \mu_B - \mu_A < 6 + 2.05 \sqrt{\frac{64}{75} + \frac{36}{50}}$$

$$3.43 < \mu_B - \mu_A < 8.57$$