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Formulas for Calculations Demonstrated in this Module

Purpose	Formula/Term	Explanation
Interpreting regression analysis parameters	R-Squared	measures of goodness of fit--how close the data are to the fitted regression line. Higher the better!
Interpreting regression analysis parameters	p-value	gives the statistical significance of the regression analysis. Lower the better!
Interpreting regression analysis parameters	t-stat	measures the size of the difference relative to the variation in your sample size; tells whether or not a treatment caused a change in the population mean
To calculate price elasticity (PED)	$\text{PED} = (\text{Change in Sales} / \text{Change in Price}) * (\text{Price} / \text{Sales})$	how sensitive sales are to changes in price

✓ Complete



