2 sample T tests

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- $t = \dfrac{difference}{standard\ error}$

- Difference is the difference in their means and the standard error would be the combine standard

  error of the two samples

  $$t = \frac{\bar{X}_1 - \bar{X}_2}{\sqrt{\dfrac{s_1^2}{N_1} + \dfrac{s_2^2}{N_2}}}$$

- Degree of freedom = N1+N2-2

You have two choices to go to eat. One is Hauz Khas and the other is Defence colony. You don't want to spend a lot of money, so you decide to figure out if there is a significant difference in the meal prices of these places. Use alpha 0.05.

- Null Hypothesis: The two prices are similar i.e. Means are same
- Alternate Hypothesis: Prices of the two places are significantly different

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