

27 Lecture 27: April 11

Last time

- Biased estimation:
 - Ridge Regression
 - Lasso Regression
- Model selection

Today

- Analysis of Variance (JF chapter 8)
 - one-way anova
 - two-way anova

Additional reference

[Course notes](#) by Dr. Jason Osborne.

Analysis of Variance

The term analysis of variance is used to describe the partition of the response-variable sum of squares into “explained” and “unexplained” components, noting that this decomposition applies generally to linear models. For historical reasons, analysis of variance (abbreviated ANOVA) also refers to procedures for fitting and testing linear models in which the explanatory variables are categorical.

One-way ANOVA

Suppose that there are *no* quantitative explanatory variables, but only a single factor (categorical data). For example, for a three-category classification, we have the model

$$Y_i = \alpha + \gamma_1 D_{i1} + \gamma_2 D_{i2} + \epsilon_i \quad (1)$$

employing the following coding for the dummy regressors:

Group	D_1	D_2
1	1	0
2	0	1
3	0	0

The expectation of the response variable in each group (i.e. in each category or level of the factor) is the population group mean, denoted by μ_j for the j th group. Equation 1 produces

the following relationship between group means and model parameters:

$$\text{Group 1: } E(Y_i | D_{i1} = 1, D_{i2} = 0) = \alpha + \gamma_1 \times 1 + \gamma_2 \times 0 = \alpha + \gamma_1$$

$$\text{Group 2: } E(Y_i | D_{i1} = 0, D_{i2} = 1) = \alpha + \gamma_1 \times 0 + \gamma_2 \times 1 = \alpha + \gamma_2$$

$$\text{Group 3: } E(Y_i | D_{i1} = 0, D_{i2} = 0) = \alpha + \gamma_1 \times 0 + \gamma_2 \times 0 = \alpha$$

There are three parameters (α , γ_1 and γ_2) and three group means, so we can solve uniquely for the parameters in terms of the group means:

$$\hat{\alpha} = \mu_3$$

$$\hat{\gamma}_1 = \mu_1 - \mu_3$$

$$\hat{\gamma}_2 = \mu_2 - \mu_3$$

Not surprisingly, α represents the mean of the baseline category (Group 3) and that γ_1 and γ_2 captures differences between the other group means and the mean of the baseline category.

notations

Because observations are partitioned according to groups, it is convenient to let Y_{jk} denote the k th observation within the j th of m groups. The number of observations in the j th group is n_j , and the total number of observations is $n = \sum_{j=1}^m n_j$. Let $\mu_j \equiv E(Y_{jk})$ be the population mean in group j .

The one-way ANOVA model is

$$Y_{jk} = \mu + \alpha_j + \epsilon_{jk}$$

where μ represents the general level of response variable in the population; α_j represents the effect on the response variable of membership in the j th group; ϵ_{jk} is an error variable that follows the usual linear-model assumptions: $\epsilon_{jk} \stackrel{iid}{\sim} \mathcal{N}(0, \sigma^2)$.

By taking expectations, we have

$$\mu_j = \mu + \alpha_j$$

The parameters of the model are, therefore, underdetermined, for there are $m+1$ parameters (including μ) but only m population group means (recall the dummy variable trap introduced in collinearity). To produce easily interpretable parameters and that estimates and generalizes usefully to more complex models, we impose the sum-to-zero constraint

$$\sum_{j=1}^m \alpha_j = 0$$

With the sum-to-zero constraint, we solve for the parameters

$$\hat{\mu} = \frac{\sum \mu_j}{m}$$

$$\hat{\alpha}_j = \mu_j - \hat{\mu}$$

The fitted Y values are the group means for the one-way ANOVA model:

$$\hat{Y}_{jk} = \hat{\mu} + \hat{\alpha}_j$$

and the regression and residual sums of squares therefore take particularly simple forms in one-way ANOVA:

$$RegSS = \sum_{j=1}^m \sum_{k=1}^{n_j} (\hat{Y}_{jk} - \bar{Y})^2 = \sum_{j=1}^m n_j (\bar{Y}_j - \bar{Y})^2$$

$$RSS = \sum_{j=1}^m \sum_{k=1}^{n_j} (Y_{jk} - \hat{Y}_{jk})^2 = \sum_{j=1}^m \sum_{k=1}^{n_j} (Y_{jk} - \bar{Y}_j)^2$$

and can be presented in an ANOVA table.

Table 1: General one-way ANOVA table

Source	Sum of Squares	df	Mean Square	F	H_0
Groups	$\sum n_j (\bar{Y}_j - \bar{Y})^2$	$m - 1$	$\frac{RegSS}{m-1}$	$\frac{RegMS}{RMS}$	$\alpha_1 = \dots = \alpha_m = 0$
Residuals	$\sum \sum (Y_{jk} - \bar{Y}_j)^2$	$n - m$	$\frac{RSS}{n-m}$		
Total	$\sum \sum (Y_{jk} - \bar{Y})^2$	$n - 1$			

Sometimes, the column of Source can also be denoted with Treatments (for Groups) and Error (for Residuals). And a balanced one-way ANOVA model has the same number of observations in one group (or treatment), in other words, $n_1 = \dots = n_m = \frac{n}{m}$.

one-way ANOVA example

The following data come from study investigating binding fraction for several antibiotics using $n = 20$ bovine serum samples:

Antibiotic	Binding Percentage	Sample mean
Penicillin G	29.6 24.3 28.5 32.0	28.6
Tetracyclin	27.3 32.6 30.8 34.8	31.4
Streptomycin	5.8 6.2 11.0 8.3	7.8
Erythromycin	21.6 17.4 18.3 19	19.1
Chloramphenicol	29.2 32.8 25.0 24.2	27.8

Question: Are the population means for these 5 treatments plausibly equal?

Answer:

How do we obtain standard errors of parameter estimates? (HW)

Two-Way ANOVA

The inclusion of a second factor permits us to model and test partial relationships, as well as to introduce interactions. Let's take a look at the patterns of relationship that can occur when a quantitative response variable is classified by two factors.

Patterns of Means in the two-way classification

Consider the following table:

	C_1	C_2	\dots	C_c	
R_1	μ_{11}	μ_{12}	\dots	μ_{1c}	$\mu_{1\cdot}$
R_2	μ_{21}	μ_{22}	\dots	μ_{2c}	$\mu_{2\cdot}$
\vdots	\vdots	\vdots		\vdots	\vdots
R_r	μ_{r1}	μ_{r2}	\dots	μ_{rc}	$\mu_{r\cdot}$
	$\mu_{\cdot 1}$	$\mu_{\cdot 2}$	\dots	$\mu_{\cdot c}$	$\mu_{\cdot\cdot}$

The factors, R and C (for “rows” and “columns” of the table of means), have r and c categories, respectively. The factor categories are denoted R_j and C_k . Within each cell of the design - that is, for each combination of categories $\{R_j, C_k\}$ of the two factors - there is a population cell mean μ_{jk} for the response variable. Extending the dot notation, we have

$$\mu_{j\cdot} \equiv \frac{\sum_{k=1}^c \mu_{jk}}{c}$$

is the marginal mean of the response variable in row j .

$$\mu_{\cdot k} \equiv \frac{\sum_{j=1}^r \mu_{jk}}{r}$$

is the marginal mean in column k . And

$$\mu_{\cdot\cdot} \equiv \frac{\sum_j \sum_k \mu_{jk}}{r \times c}$$

is the grand mean.

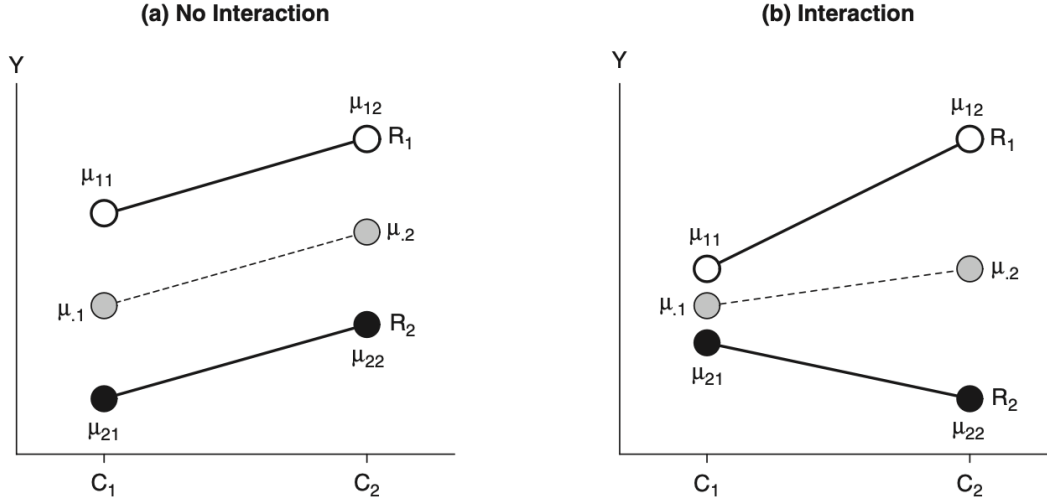


Figure 27.1: Interaction in the two-way classification. In (a), the parallel profiles of means (given by the white and black circles connected by solid lines) indicate that R and C do not interact in affecting Y . The R -effect – that is, the difference between the two profiles – is the same at both C_1 and C_2 . Likewise, the C -effect – that is, the rise in the line from C_1 to C_2 – is the same for both profiles. In (b), the R -effect differs at the two categories of C , and the C -effect differs at the two categories of R : R and C interact in affecting Y . In both graphs, the column marginal means $\mu_{.1}$ and $\mu_{.2}$ are shown as averages of the cell means in each column (represented by the gray circles connected by broken lines). JF Figure 8.2.

Two-way ANOVA model

The two-way ANOVA model, suitably defined, provides a convenient means for testing the hypotheses concerning interactions and main effects. The model is

$$Y_{ijk} = \mu + \alpha_j + \beta_k + \gamma_{jk} + \epsilon_{ijk}$$

where Y_{ijk} is the i th observation in row j , column k of the RC table; μ is the general mean of Y ; α_j and β_k are the main-effect parameters; γ_{jk} are interaction effect parameters; and ϵ_{ijk} are errors satisfying the usual linear-model assumptions (i.e. $\epsilon_{ijk} \stackrel{iid}{\sim} \mathcal{N}(0, \sigma^2)$). By taking expectations, we have

$$\mu_{jk} \equiv E(Y_{ijk}) = \mu + \alpha_j + \beta_k + \gamma_{jk}$$

We have $r \times c$ population cell means with $1 + r + c + r \times c$ model parameters. Similar to one-way ANOVA model, we add in additional constraints to make the model identifiable.

$$\begin{aligned}\sum_{j=1}^r \alpha_j &= 0 \\ \sum_{k=1}^c \beta_k &= 0 \\ \sum_{j=1}^r \gamma_{jk} &= 0 \quad \text{for all } k = 1, \dots, c \\ \sum_{k=1}^c \gamma_{jk} &= 0 \quad \text{for all } j = 1, \dots, r\end{aligned}$$

The constraints produce the following solution for model parameters in terms of population cell and marginal means (and we add a hat for their estimates using the sample means):

$$\begin{aligned}\mu &= \mu_{..} \\ \alpha_j &= \mu_{j.} - \mu_{..} \\ \beta_k &= \mu_{.k} - \mu_{..} \\ \gamma_{jk} &= \mu_{jk} - \mu - \alpha_j - \beta_k \\ &= \mu_{jk} - \mu_{j.} - \mu_{.k} + \mu_{..}\end{aligned}$$

Hypotheses with two-way ANOVA

Some interesting hypotheses:

1. Are the cell means all equal? (Equivalent to one-factor ANOVA's "overall F-test")
 $H_0 : \mu_{11} = \mu_{12} = \dots = \mu_{rc}$ vs. $H_a : \text{At least two } \mu_{ij} \text{ differ}$
2. Are the marginal means for row main effect equal?
 $H_0 : \mu_{1.} = \mu_{2.} = \dots = \mu_{r.}$ vs $H_a : \text{At least two } \mu_{j.} \text{ differ}$
which is equivalent as testing for no row main effects $H_0 : \text{all } \alpha_j = 0$ (why?)
3. Are the marginal means for column main effect equal?
 $H_0 : \mu_{.1} = \mu_{.2} = \dots = \mu_{.c}$ vs $H_a : \text{At least two } \mu_{.k} \text{ differ}$
4. Do the factors interact? In other words, does effect of one factor depend on the other factor? $H_0 : \mu_{ij} = \mu_{..} + (\mu_{i.} - \mu_{..}) + (\mu_{.j} - \mu_{..})$ vs $H_a : \text{At least one } \mu_{ij} \neq \mu_{..} + (\mu_{i.} - \mu_{..}) + (\mu_{.j} - \mu_{..})$
The null hypothesis is also equivalent as $H_0 : \text{all } \gamma_{jk} = 0$.

Testing hypotheses in two-way ANOVA

We follow the notations of JF for incremental sums of squares in ANOVA:

$$\begin{aligned}\mathbf{SS}(\gamma|\alpha, \beta) &= \mathbf{SS}(\alpha, \beta, \gamma) - \mathbf{SS}(\alpha, \beta) \\ \mathbf{SS}(\alpha|\beta, \gamma) &= \mathbf{SS}(\alpha, \beta, \gamma) - \mathbf{SS}(\beta, \gamma) \\ \mathbf{SS}(\beta|\alpha, \gamma) &= \mathbf{SS}(\alpha, \beta, \gamma) - \mathbf{SS}(\alpha, \gamma) \\ \mathbf{SS}(\alpha|\beta) &= \mathbf{SS}(\alpha, \beta) - \mathbf{SS}(\beta) \\ \mathbf{SS}(\beta|\alpha) &= \mathbf{SS}(\alpha, \beta) - \mathbf{SS}(\alpha)\end{aligned}$$

where $\mathbf{SS}(\alpha, \beta, \gamma)$ denotes the regression sum of squares for the full model which includes both sets of main effects and the interaction. $\mathbf{SS}(\alpha, \beta)$ denotes the regression sum of squares for the no-interaction model and $\mathbf{SS}(\alpha, \gamma)$ denotes the regression for the model that omits the column main-effect regressors. Note that the last model violates the principle of marginality because it includes the interaction regressors but omits the column main effects. However, it is useful for constructing the incremental sum of squares for testing the column main effects.

Additional readings: [Notes on 3 types of Sum of Squares](#) by Dr. Nancy Reid.

We now have the two-way ANOVA table

Table 2: Two-way ANOVA table

Source	Sum of Squares	df	H_0
R	$\mathbf{SS}(\alpha \beta, \gamma)$	$r - 1$	all $\alpha_j = 0$
	$\mathbf{SS}(\alpha \beta)$	$r - 1$	all $\alpha_j = 0 \mid$ all $\gamma_{jk} = 0$
C	$\mathbf{SS}(\beta \alpha, \gamma)$	$c - 1$	all $\beta_k = 0$
	$\mathbf{SS}(\beta \alpha)$	$c - 1$	all $\beta_k = 0 \mid$ all $\gamma_{jk} = 0$
RC	$\mathbf{SS}(\gamma \alpha, \beta)$	$(r - 1)(c - 1)$	all $\beta_k = 0$
Residuals	$\mathbf{TSS} - \mathbf{SS}(\alpha, \beta, \gamma)$	$n - rc$	
Total	\mathbf{TSS}	$n - 1$	

where the residual sum of squares

$$RSS = \sum_i \sum_j \sum_k (Y_{ijk} - \bar{Y}_{jk})^2$$

When test for the hypothesis, use the corresponding SS and df together with the residual SS and df to construct the F -statistic.

$$F = \frac{SS/df}{RSS/df_{residual}}$$

There are two reasonable procedures for testing main-effect hypotheses in two-way ANOVA:

1. Tests based on $\mathbf{SS}(\alpha|\beta, \gamma)$ and $\mathbf{SS}(\beta|\alpha, \gamma)$ (“type III” tests) employ models that violate the principle of marginality, but the tests are valid whether or not interactions are present.
2. Tests based on $\mathbf{SS}(\alpha|\beta)$ and $\mathbf{SS}(\beta|\alpha)$ (“type II” tests) conform to the principle of marginality but are valid only if interactions are absent, in which case they are maximally powerful.

Some more jargon:

- Experimental unit (EU): entity to which experimental treatment is assigned.
For example, Assign fertilizer treatment to fields. Fields = EU.
- Measurement unit (MU): entity that is measured.
For example, Measure yields at several subplots within each field. MU: subplot
- Treatment structure: describes how different experimental factors are combined to generate treatments.
For example, Fertilizers: A, B, C; Irrigation: High, Low.
- Randomization structure: how treatments are assigned to EUs.
- Simplest treatment structure: single experimental factor with multiple levels. Ex. Fertilizers A vs B vs C.
- Simplest randomization structure: Completely randomized design – Experimental treatments assigned to EUs entirely at random.

Example: Honeybee data

Entomologist records energy expended (y) by $N = 27$ honeybees at $a = 3$ temperature (A) levels (20, 30, 40°C) consuming liquids with $b = 3$ levels of sucrose concentration (B) (20%, 40%, 60%) in a balanced, completely randomized crossed 3×3 design.

Temp	Suc	Sample		
20	20	3.1	3.7	4.7
20	40	5.5	6.7	7.3
20	60	7.9	9.2	9.3
30	20	6	6.9	7.5
30	40	11.5	12.9	13.4
30	60	17.5	15.8	14.7
40	20	7.7	8.3	9.5
40	40	15.7	14.3	15.9
40	60	19.1	18.0	19.9

1. What is the experimental unit?
2. What is the treatment structure?
3. Finish the table below

Source	df
A	
B	
$A \times B$	
Residual	
Total	

Answer:

4. Consider the model

$$Y_{ijk} = \mu + \alpha_i + \beta_j + (\alpha\beta)_{ij} + \epsilon_{ijk}$$

where $i = 1, 2, \dots, a$, $j = 1, 2, \dots, b$ and $k = 1, 2, \dots, n$ for a balanced design.

Deviation:

- total: $y_{ijk} - \bar{y}_{+++}$
- due to level i of factor A: $\bar{y}_{i++} - \bar{y}_{+++}$

- due to level j of factor B: $\bar{y}_{+j+} - \bar{y}_{+++}$
- due to levels i of factor A and j of factor B after subtracting main effects:

$$\bar{y}_{ij+} - \bar{y}_{+++} - (\bar{y}_{i++} - \bar{y}_{+++}) - (\bar{y}_{+j+} - \bar{y}_{+++}) = \bar{y}_{ij+} - \bar{y}_{i++} - \bar{y}_{+j+} + \bar{y}_{+++}$$

Use the following equations to calculate the Sum of Squares and fill out the ANOVA table.

$$\begin{aligned} SS[Total] &= \sum_i \sum_j \sum_k (y_{ijk} - \bar{y}_{+++})^2 \\ SS[A] &= \sum_i \sum_j \sum_k (\bar{y}_{i++} - \bar{y}_{+++})^2 \\ SS[B] &= \sum_i \sum_j \sum_k (\bar{y}_{+j+} - \bar{y}_{+++})^2 \\ SS[AB] &= \sum_i \sum_j \sum_k (\bar{y}_{ij+} - \bar{y}_{i++} - \bar{y}_{+j+} + \bar{y}_{+++})^2 \\ SS[E] &= \sum_i \sum_j \sum_k (\bar{y}_{ijk} - \bar{y}_{ij+})^2 \end{aligned}$$

where

$$\begin{aligned} \bar{y}_{ij+} &= \frac{1}{n} \sum_k y_{ijk} \\ \bar{y}_{i++} &= \frac{1}{b} \sum_j \bar{y}_{ij+} = \frac{1}{bn} \sum_j \sum_k y_{ijk} \\ \bar{y}_{+j+} &= \frac{1}{a} \sum_i \bar{y}_{ij+} = \frac{1}{an} \sum_i \sum_k y_{ijk} \\ \bar{y}_{+++} &= \frac{1}{a} \sum_i \bar{y}_{i++} = \frac{1}{b} \sum_j \bar{y}_{+j+} \\ &= \frac{1}{abn} \sum_i \sum_j \sum_k y_{ijk} \end{aligned}$$

Source	df	Sum of Squares	Mean Square	F
A				
B				
$A \times B$				
Residual				
Total				

Answer: