# MAS187/AEF258 

University of Newcastle upon Tyne

## Contents

1 Collecting and Presenting Data ..... 5
1.1 Introduction ..... 5
1.1.1 Examples ..... 5
1.1.2 Definitions ..... 5
1.1.3 Surveys ..... 6
1.2 Sampling ..... 7
1.2.1 Simple Random Sampling ..... 7
1.2.2 Stratified Sampling ..... 8
1.2.3 Systematic Sampling ..... 8
1.2.4 Multi-stage Sampling ..... 8
1.2.5 Cluster Sampling ..... 9
1.2.6 Judgemental sampling ..... 9
1.2.7 Accessibility sampling ..... 9
1.2.8 Quota Sampling ..... 9
1.2.9 Sample Size ..... 10
1.3 Frequency Tables ..... 10
1.3.1 Frequency Tables ..... 10
1.3.2 Continuous Data Frequency Tables ..... 12
1.4 Exercises 1 ..... 14
2 Graphical methods for presenting data ..... 15
2.1 Introduction ..... 15
2.2 Stem and Leaf plots ..... 15
2.2.1 Using Minitab ..... 17
2.3 Bar Charts ..... 19
2.4 Multiple Bar Charts ..... 22
2.5 Histograms ..... 24
2.6 Exercises 2 ..... 30
3 More graphical methods for presenting data ..... 31
3.1 Introduction ..... 31
3.2 Percentage Relative Frequency Histograms ..... 31
3.3 Relative Frequency Polygons ..... 34
3.4 Cumulative Frequency Polygons (Ogive) ..... 38
3.5 Pie Charts ..... 41
3.6 Time Series Plots ..... 43
3.7 Scatter Plots ..... 46
3.8 Exercises 3 ..... 48
4 Numerical summaries for data ..... 49
4.1 Introduction ..... 49
4.2 Mathematical notation ..... 49
4.3 Measures of Location ..... 50
4.3.1 The Mean ..... 50
4.3.2 The Median ..... 52
4.3.3 The Mode ..... 53
4.4 Measures of Spread ..... 54
4.4.1 The Range ..... 54
4.4.2 The Inter-Quartile Range ..... 54
4.4.3 The Sample Variance and Standard Deviation ..... 55
4.5 Summary statistics in MINITAB ..... 57
4.6 Box and Whisker Plots ..... 58
4.7 Exercises 4 ..... 61
5 Introduction to Probability ..... 62
5.1 Introduction ..... 62
5.1.1 Definitions ..... 62
5.2 How do we measure Probability? ..... 63
5.2.1 Classical ..... 63
5.2.2 Frequentist ..... 63
5.2.3 Subjective/Bayesian ..... 64
5.3 Laws of Probability ..... 64
5.3.1 Multiplication Law ..... 64
5.3.2 Addition Law ..... 65
5.3.3 Example ..... 65
5.4 Exercises 5 ..... 66
6 Decision Making using Probability ..... 67
6.1 Conditional Probability ..... 67
6.2 Tree Diagrams ..... 69
6.3 Expected Monetary Value and Probability Trees ..... 71
6.4 Exercises 6 ..... 73
7 Discrete Probability Models ..... 74
7.1 Introduction ..... 74
7.2 Permutations and Combinations ..... 74
7.2.1 Permutations ..... 74
7.2.2 Combinations ..... 76
7.3 Probability Distributions ..... 78
7.3.1 Expectation and the population mean ..... 79
7.3.2 Population variance and standard deviation ..... 79
7.4 The Binomial Distribution ..... 80
7.5 The Poisson Distribution ..... 83
7.6 Exercises 7 ..... 86
8 Continuous Probability Models ..... 87
8.1 Introduction ..... 87
8.2 The Uniform Distribution ..... 88
8.2.1 Mean and Variance ..... 90
8.3 The Exponential Distribution ..... 90
8.3.1 Mean and Variance ..... 91
8.4 The Normal Distribution ..... 92
8.4.1 Notation ..... 93
8.4.2 Probability calculations and the standard normal distribution ..... 93
8.5 Exercises 8 ..... 98

## Chapter 2

## Graphical methods for presenting data

### 2.1 Introduction

We have looked at ways of collecting data and then collating them into tables. Frequency tables are useful methods of presenting data, they do however have their limitations. With large amounts of data graphical presentation methods are often clearer to understand. Here we look at methods for presenting graphical representations of data of the types we have seen previously.

### 2.2 Stem and Leaf plots

Stem and leaf plots are a quick easy and way of graphically representing data. They can be used with both discrete and continuous data. The method for creating a stem and leaf plot is similar to that for creating a grouped frequency table. The first stage, as with grouped frequency tables, is to decide on a reasonable number of intervals which span the range of data. The interval widths for a stem and leaf plot must be equal. Because of the way the plot works it is best to make the width either an integer power of 10 (e.g. $1=10^{0}$ or $10=10^{1}$ or $100=10^{2}$ or $1000=10^{3}$ or $\ldots$ or $0.1=10^{-1}$ or $0.01=10^{-2}$ or $0.001=10^{-3}$ or $\ldots$ ) or 2 or 5 times a power of 10 (e.g. $20=2 \times 10^{1}$ or $0.05=5 \times 10^{-2}$ ). We can use 2 or 5 because these are factors of 10 . We are not free as a result of this condition to choose the boundaries of the intervals. Once we have decided on our class intervals we can construct the stem and leaf plot. This is perhaps best described by demonstration.

Consider the following data, $11,12,9,15,21,25,19,8$. The first step is to decide on a interval widths which can be the same as the stem unit. One obvious choice would be 10s. This would make the leaf unit 1 . The stem and leaf plot is constructed as below.

| 0 | 8 | 9 |  |  |
| :---: | :---: | :---: | :---: | :---: |
| 1 | 1 | 2 | 5 | 9 |
| 2 | 1 | 5 |  |  |
| Stem | Leaf |  |  |  |

$$
n=8, \quad \text { stem unit }=10, \quad \text { leaf unit }=1 .
$$

You can clearly see where the data have been put. The stem units are to the left of the vertical line, while the leaves are to the right. So, for example, our first observation, 11, is made up of a stem unit of one 10 and a leaf unit one 1 .

As an example where the interval width is not a power of 10 , consider the following observations

$$
17,18,15,14,12,19,20,21,24,15 .
$$

If you were to choose 10 as the stem unit and 1 as the leaf unit, the stem and leaf plot would look like

$$
n=10
$$

| 1 | 2 | 4 | 5 | 5 | 7 | 8 | 9 |
| :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- |
| 2 | 0 | 1 | 4 |  |  |  |  |

Stem unit $=10, \quad$ Leaf unit $=1$.

Here the interval width is 20 .
There is not much of a visible pattern in the data in this plot. If we choose $5 \times 10^{0}=5$ units as our interval width, the stem unit remaining as 10 's, again with 1 as our leaf unit, the stem and leaf plot would look as follows.

$$
\begin{aligned}
& n=10 \\
& 1 \\
& 1
\end{aligned} \left\lvert\, \begin{array}{lllll}
1 & 4 & & \\
1 & 5 & 5 & 7 & 8 \\
2 \\
2 & 0 & 1 & 4 & \\
\text { Stem unit }=10, \quad \text { Leaf unit }=1 .
\end{array}\right.
$$

Changing the interval width like this produces a plot which starts to show some sort of pattern in the data. Graphical presentations are intended to draw out such patterns.

Let us work through the following example. The observations in the table below are the recorded time in seconds it takes to get through to an operator at a telephone call centre.

| 54 | 56 | 50 | 67 | 55 | 38 | 49 | 45 | 39 | 50 |
| :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- |
| 45 | 51 | 47 | 53 | 29 | 42 | 44 | 61 | 51 | 50 |
| 30 | 39 | 65 | 54 | 44 | 54 | 72 | 65 | 58 | 62 |



## Stem Leaf

$$
\text { Stem unit }=\quad \text { Leaf unit }=
$$

If there is more than one significant figure in the data, the extra digits are cut not rounded to the nearest value, that is to say 2.97 would become 2.9. To illustrate this, consider the following data on lengths (in cm ) of items on a production line:

$$
2.97,3.81,2.54,2.01,3.49,3.09,1.99,2.64,2.31,2.22
$$

The stem and leaf plot for this is as follows.
$n=10$

| 1 | 9 |  |  |
| :--- | :--- | :--- | :--- |
| 2 | 0 | 2 | 3 |
| 2 | 5 | 6 | 9 |
| 3 | 0 | 4 |  |
| 3 | 8 |  |  |
| Stem unit $=1 \mathrm{~cm}, \quad$ Leaf unit $=0.1 \mathrm{~cm}$. |  |  |  |

Here the interval width is $5 \times 10^{-1}=0.5$. This allows for greater clarity in the plot.

### 2.2.1 Using Minitab

With the small data sets we have seen so far, it is obviously relatively easy to create the stem and leaf plots by hand. With larger data sets this would be more problematic and certainly time consuming. Fortunately there are computer packages that will create these plots for us. MINITAB is one such package and we will be using this as an example of what it is possible to achieve using computers. MINITAB is an application found on university PC clusters and is run by clicking on

```
Start > All Programs > Statistical Software > Minitab 14 > Minitab

You will see two windows: a session window and a worksheet. Data are entered into columns labelled C1, C2, C3 etc in the worksheet. Suppose C1 contains some data. To obtain a stem and leaf plot of these data you would need to do the following:

Graph > Stem-and-Leaf...

This brings up the window below. You need to type in C1 under Variable and click OK. If you want you can choose the stem unit by entering a value in Increment first, otherwise the programme selects this for you.


This creates a stem and leaf plot in the session window:


It is easy to see some of the advantages of a graphical presentation of data. For example, here you can clearly see that the data are centered around a value in the low 200's and fall away on either side. From stem and leaf plots we can quickly and easily tell if the data are symmetric or asymmetric. We can see whether there are any outliers, that is, observations which are either much larger or much smaller than is typical of the data. We could perhaps even tell whether the data are multi-modal. That is to say, whether there are two or more peaks on the graph with a gap between them. If so this might suggest that the sample might contain data from two or more groups.

\subsection*{2.3 Bar Charts}

Bar Charts are common and clear ways of presenting categorical data or any ungrouped discrete frequency observations. As with stem and leaf plots, various computer packages allow you to produce these with relative ease. First let us work through the process of producing these by hand. This will enable you to get a clear idea of how these charts are constructed.

Constructing a bar chart is a 5 step process:
1. First decide what goes on each axis of the chart. By convention the variable being measured goes on the horizontal ( \(x\)-axis) and the frequency goes on the vertical ( \(y\)-axis).
2. Next decide on a numeric scale for the frequency axis. This axis represents the frequency in each category by its height. It must start at zero and include the largest frequency. It is common to extend the axis slightly above the largest value so you are not drawing to the edge of the graph.
3. Having decided on a range for the frequency axis we need to decide on a suitable number scale to label this axis. This should have sensible values, for example, \(0,1,2, \ldots\), or \(0,10,20 \ldots\), or other such values as make sense given the data.
4. Draw the axes and label them appropriately.
5. Draw a bar for each category. When drawing the bars it is essential to ensure the following:
- the width of each bar is the same;
- the bars are separated from each other by equally sized gaps.

Recall the example on students' modes of transport:
\begin{tabular}{|c|c||c|c||c|c|}
\hline Student & Mode & Student & Mode & Student & Mode \\
\hline 1 & Car & 11 & Walk & 21 & Walk \\
2 & Walk & 12 & Walk & 22 & Metro \\
3 & Car & 13 & Metro & 23 & Car \\
4 & Walk & 14 & Bus & 24 & Car \\
5 & Bus & 15 & Train & 25 & Car \\
6 & Metro & 16 & Bike & 26 & Bus \\
7 & Car & 17 & Bus & 27 & Car \\
8 & Bike & 18 & Bike & 28 & Walk \\
9 & Walk & 19 & Bike & 29 & Car \\
10 & Car & 20 & Metro & 30 & Car \\
\hline
\end{tabular}

The first logical step is again to put these into a frequency table, giving
\begin{tabular}{|c|c|}
\hline Mode & Frequency \\
\hline Car & 10 \\
Walk & 7 \\
Bike & 4 \\
Bus & 4 \\
Metro & 4 \\
Train & 1 \\
\hline Total & 30 \\
\hline
\end{tabular}

We can then present this information as a bar chart:

Such graphs are easily drawn using MINITAB:
1. First enter the data in the worksheet, either in summary format or as raw data, with column C 1 containing the categories and the (raw or frequency) counts in column C 2 .
2. Graph > Bar Chart...

3. Select the appropriate data format (raw data or tabulated data), the columns containing the data, and the graph format


Note: options exist to configure the graph e.g. Label can be used to give the graph a title.
4. When ready click on OK

This procedure produces the chart


This bar chart clearly shows that the most popular mode of transport is the car and that the metro, walking and cycling are all equally popular (in our small sample). Bar charts provide a simple method of quickly spotting simple patterns of popularity within a discrete data set.

\subsection*{2.4 Multiple Bar Charts}

The data below gives the daily sales of CDs (in \(£\) ) by music type for an independent retailer.
\begin{tabular}{|l|rrr|r|}
\hline \multicolumn{1}{|c|}{ Day } & Chart & Dance & Rest & Total \\
\hline Monday & 12000 & 10000 & 2700 & 24700 \\
Tuesday & 11000 & 8000 & 3000 & 22000 \\
Wednesday & 9000 & 6000 & 2000 & 17000 \\
Thursday & 10000 & 5000 & 2500 & 17500 \\
Friday & 12000 & 11000 & 3000 & 26000 \\
Saturday & 19000 & 12000 & 4000 & 35000 \\
Sunday & 10000 & 8000 & 2000 & 20000 \\
\hline Total & 83000 & 60000 & 19200 & 162200 \\
\hline
\end{tabular}

Bar charts could be drawn of total sales per music type in the week, or of total daily sales. It might be interesting to see daily sales broken down into music types. This can be done in a similar manner to the bar charts produced previously. The only difference is that the height of the bars is dictated by the total daily sales, and each bar has segments representing each music type. This is done in MINITAB as follows:
1. Enter the data into the worksheet, the types of music in columns and the days as rows.
2. Graph > Bar Chart...
3. Select the appropriate data format and the Stack graph format.


\section*{4. Click OK}
5. Enter the column containing the Sales data under Graph variables and the Day and Music Type in the grouping dialogue box

6. Click OK.

The MINITAB worksheet and chart this procedure produces are


These types of charts are particular good for presenting such financial information or illustrating any breakdown of data over time, for example, the number of new cars sold by month and model.

\subsection*{2.5 Histograms}

Bar charts have their limitations. They can not be used to present data on continuous variables. When dealing with continuous variables a different kind of graph is required. This is called a histogram. At first sight these look similar to bar charts. There are however two critical differences:
- the horizontal ( \(x\)-axis) is a continuous scale. As a result of this there are no gaps between the bars (unless there are no observations within a class interval);
- the height of the rectangle is only proportional to the frequency if the class intervals are all equal. With histograms it is the area of the rectangle that is proportional to their frequency.

Initially we will only consider histograms with equal class intervals. Those with uneven class intervals require more careful thought.

Producing a histogram, is much like producing a bar chart and in many respects can be considered to be the next stage after producing a grouped frequency table. In reality it is often best to produce a frequency table first which collects all the data together in an ordered format. Once we have the frequency table, the process is very similar to drawing a bar chart.
1. Find the maximum frequency and draw the vertical ( \(y\)-axis) from zero to this value, including a sensible numeric scale.
2. The range of the horizontal ( \(x\)-axis) needs to include not only the full range of observations but also the full range of the class intervals from the frequency table.
3. Draw a bar for each group in your frequency table. These should be the same width and touch each other (unless there are no data in one particular class).

The frequency table for the data on service times for a telephone call centre was
\begin{tabular}{|c|c|}
\hline Service time & Frequency \\
\hline \(175 \leq\) time \(<180\) & 1 \\
\(180 \leq\) time \(<185\) & 3 \\
\(185 \leq\) time \(<190\) & 3 \\
\(190 \leq\) time \(<195\) & 6 \\
\(195 \leq\) time \(<200\) & 10 \\
\(200 \leq\) time \(<205\) & 12 \\
\(205 \leq\) time \(<210\) & 8 \\
\(210 \leq\) time \(<215\) & 3 \\
\(215 \leq\) time \(<220\) & 3 \\
\(220 \leq\) time \(<225\) & 1 \\
\hline Total & 50 \\
\hline
\end{tabular}

The histogram for these data is

Normally, as with stem and leaf plots and bar charts we would get MINITAB to do this for us.
1. Enter the data in column C 1 of the worksheet. For illustrative purposes I have randomly generated 500 observations in this column.
2. Graph > Histogram...
3. Select the Simple graph format

4. Select C1 under Graph variables.


Note: various advanced options are available e.g. a title can be added by clicking Labels
5. When happy with your choices click OK.

These instructions produce the following histogram:


The histogram produced can be amended by right-clicking on the graph. For example, the intervals used in the histogram can be changed or, more simply, the number of intervals using

Edit bars > Binning
We can double the number of intervals (from 18 to 36 intervals) using the Binning dialogue box


This changes the histogram to


Histograms are useful tools in data analysis. They are easy to produce in MINITAB for large data sets and provide a clear visual representation of the data. Using histograms, it is easy to spot the modal or most popular class in the data, the one with the highest peak. It is also easy to spot simple patterns in the data. Is the frequency distribution symmetric, as the histograms produced above, or is it skewed to one side like the left-hand histogram in the following graphic.

Histograms also allow us to make early judgements as to whether all our data come from the same population. Consider the right-hand histogram in the graphic below. It clearly contains two separate modes (peaks), each of which has its own symmetric pattern of data. This clearly suggests that the data come from two separate populations, one centred around 85 with a narrow spread and one centred around 100 with a wider spread. In real situations it is unlikely that the difference would be as dramatic, unless you had a poor sampling method. However the drawing of histograms is often the first stage of more complex analysis.


Finally, be careful when drawing histograms of observations on variables which have boundaries on their ranges. For example heights, weights, times to complete tasks etc. can not take negative values so there is a lower limit at zero. Computer programs do not automatically know this. You should make sure that the lower limit of the first class interval is not negative in such cases.

\subsection*{2.6 Exercises 2}
1. The following table shows the weight in kilograms of 50 sacks of potatoes leaving a farm shop.
\begin{tabular}{|rrrrr|}
\hline 10.41 & 10.06 & 9.38 & 11.36 & 9.65 \\
11.24 & 10.58 & 8.55 & 10.47 & 8.22 \\
9.36 & 9.63 & 10.33 & 10.05 & 11.57 \\
11.36 & 10.82 & 8.93 & 10.08 & 9.53 \\
10.05 & 11.30 & 11.01 & 9.72 & 10.67 \\
9.91 & 10.26 & 10.67 & 10.21 & 8.18 \\
8.70 & 9.49 & 10.98 & 10.01 & 9.92 \\
9.27 & 11.69 & 9.66 & 9.52 & 10.40 \\
10.61 & 8.83 & 10.11 & 10.37 & 9.73 \\
10.72 & 10.63 & 12.86 & 10.62 & 10.26 \\
\hline
\end{tabular}

Display these data in a stem and leaf plot. Note the number of decimal places and adjust accordingly. State clearly both the stem and leaf units.
2. A market researcher asked 650 students what their favourite daily newspaper was. The results are summarised in the frequency table below. Represent these data in an appropriate graphical manner.
\begin{tabular}{|l|r|}
\hline The Times & 140 \\
The Sun & 200 \\
The Sport & 50 \\
The Guardian & 120 \\
The Financial Times & 20 \\
The Mirror & 80 \\
The Daily Mail & 10 \\
The Independent & 30 \\
\hline
\end{tabular}
3. Produce a histogram for the data on length of mobile phone calls in Exercises 1 (listed again below) and comment on it.
\begin{tabular}{|lllll|}
\hline 281.4837 & 293.4027 & 306.5106 & 286.6464 & 298.4445 \\
312.7291 & 327.7353 & 311.5926 & 314.8501 & 303.3484 \\
270.7399 & 293.9364 & 310.9137 & 346.4497 & 304.6044 \\
304.1124 & 320.7182 & 283.6594 & 337.5806 & 259.6408 \\
305.4378 & 317.9180 & 289.5667 & 286.9626 & 300.5140 \\
278.3108 & 300.1725 & 292.6725 & 312.9645 & 302.5770 \\
293.2735 & 267.5344 & 326.9056 & 257.7226 & 285.9805 \\
299.6535 & 293.9145 & 303.9191 & 323.7993 & 263.5242 \\
281.1613 & 306.9344 & 310.2583 & 301.6963 & 313.9611 \\
314.8500 & 292.0031 & 302.4314 & 267.9781 & 292.0917 \\
\hline
\end{tabular}```

