

- 1) Population: (ALL)
- 2) Parameter
- 3) Type of Test
- 4) Conditions
- 5) Hypothesis
- 6) Calculations, Statistics, Formula  
(STAT CRUNCH)  
p-value
- 7) Conclusion

1. We would like to determine if the typical amount spent per customer for dinner at a new restaurant in town is more than \$20.00. A sample of 36 customers over a three-week period were randomly selected and the mean amount spent was \$23.60. The standard deviation of the sample was found to be \$2.50. Conduct an appropriate hypothesis test to see if the typical amount spent per customer is more than \$20.00?

\* Population: All customers who go to a restaurant for dinner

\* Parameter: ( $\mu$ ) Mean amount of money spent on dinner per customer in \$.

\* Type of Test: 1-Samp T (test)

\* Conditions: Random Samp ✓  $10n < \text{Pop Size}$  ✓  $n \geq 30$  ✓

Hypothesis:  $H_0: \mu = 20$

(Parameters)  $H_a: \mu > 20$

(what we are testing)

1. We would like to determine if the typical amount spent per customer for dinner at a new restaurant in town is more than \$20.00. A sample of 36 customers over a three-week period were randomly selected and the mean amount spent was \$23.60. The standard deviation of the sample was found to be \$2.50. Conduct an appropriate hypothesis test to see if the typical amount spent per customer is more than \$20.00?

1-Samp T  $\bar{X} = 23.6$   $n = 36$   $S = 2.5$   $Z$  or  $t$   $\bar{X}$   $\mu$

Formula:  $\frac{\text{standardized value}}{\text{SD of statistic}} = \text{stat - param}$

$$H_0: \mu = 20$$

$$H_a: \mu > 20$$

Std. Error

$\approx .4167$

D.F. = 35

t-stat 8.64

P-value  $\approx .0001$

$$*t = \frac{\bar{X} - \mu_0}{\left(\frac{S}{\sqrt{n}}\right)}$$

7. Conclusion: (p-value  $\approx$  .0001)

$\bar{X} = 23.6$  ✓  
 $S = 2.5$   
 $n = 36$

$H_0: \mu = 20$

Since our p-value is less than 5%, we reject the  $H_0$ , which means the evidence suggests ( $H_a$ ) the mean amount of money spent on dinner per customer at the restaurant is more than \$20<sup>00</sup>.

P-value: There is approx. a .0001 chance that we would get a sample mean of \$23.6 or higher ( $H_a$ ) given the  $H_0$  ( $\mu = 20$ ) is true.

