

Hypothesis Testing: Takeaways

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Concepts

- A **hypothesis** is a proposal of how the world works
- The null hypothesis states that the world will not be changed by a given intervention
- The alternative hypothesis is the opposite from the null hypothesis and always accompanies it
- Assuming that two groups are normally distributed, the difference of their means also follows a normal distribution
- A test statistic is a summary of the data helps you to decide which hypothesis to support
- We decide to reject or fail to reject the null hypothesis based on the p-value, which tells us the probability of observing our data assuming that the null hypothesis is true.
- We normally use a p-value threshold of 0.05 or 0.01 to decide to reject the null hypothesis.

Resources

- [What P-Value Tells You](#)
- [Difference Between A/B Testing and Hypothesis Testing](#)
- [Type I and Type II Errors](#)

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