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Hypothesis tests or significance tests include the calculation of a number known as p-value. This number is very important to complete our test. P-values are linked to test statistics and give us an estimate of evidence against a zero hypothesis. Statistical significance tests begin with a zero and alternative hypothesis. A zero hypothesis is a statement of any effect or a statement on the generally accepted state of affairs. An alternative hypothesis is what we're trying to prove. The working assumption in the hypothesis test is that the zero hypothesis is correct. We will assume that the conditions will be met for the specific test with which we are working. A simple random sample gives us sample data. From this data we can calculate the test statistics. The test statistics vary greatly depending on what parameters relate to our hypothesis test. Some general test statistics include: z - statistics for hypothesis tests concerning the average population, when we know the deviation of the population standard. t - Statistics for hypothesis tests regarding the population mean, when we do not know the deviation of the population standard. t - Statistics for hypothesis tests on the difference between two independent populations mean when we don't know the standard deviation of either of the two populations. z - statistics for hypothesis tests regarding the proportion of the population. Chi-square - statistics for hypothesis tests concerning the difference between the expected and actual calculation of categorical data. Testing statistics are useful, but it may be more useful to assign p-value to these statistics. P-value is the probability that if the zero hypothesis were correct, we would see statistics at least as extreme as the one observed. To calculate the p-value, we use the appropriate software or statistical table corresponding to our test statistics. For example, when calculating test statistics z, we use a standard normal distribution. The z values with large absolute values (e.g. over 2.5) are not very common and will give a small p-value. The z values that are closer to zero are more common and will give much more p-values. As we have noted, p-value is probability. This means that this is a real number of 0 and 1. While test statistics are one way of measuring how extreme statistics are for a particular sample, p-values are another way of measuring this. When we get a statistical sample, the question we always need is, Is this sample like this casually alone with a true zero hypothesis, or a zero hypothesis false? If our p-value value is small, it may mean one of two things: the zero hypothesis is correct, but we are just very lucky in getting our observed sample. Our sample is what it is related to the fact that the zero hypothesis False. In general, the lower the p-value, the more evidence that we are against our zero hypothesis. How small is the p-value we need in order to reject the reject Hypothesis? The answer to this question: It depends. The general rule is that the p-value should be less or equal to 0.05, but there is nothing universal about this value. As a rule, before testing the hypothesis, we choose the threshold value. If we have a p-value that is smaller or equal to that threshold, then we reject the zero hypothesis. Otherwise, we do not reject the zero hypothesis. This threshold is called the level of significance of our hypothesis test and is indicated by the Greek letter alpha. There is no alpha that always determines statistical significance. The easiest way to invest in the S-P 500 index is to buy stock exchanges or index funds that are collections of stocks grouped together, so that the performance of the fund mimics the S'P 500 index, the 500-stock index chosen by the credit rating agency Standard and Poor. Here's what you need to know about how to invest in the S-P 500. Passive Invest in the S-P 500, the S-P 500 provides people with little investment knowledge an easy way to make a broad, diversified investment with a single purchase. During its existence, the S'P 500 index has averaged a yield of about 10 percent per year, and you can invest in the S-P 500 in two ways: Index Funds To invest in the S-P 500, you can open an account with brokerage firms such as Scottrade, E-TRADE, Fidelity, Charles Schwab or TD Amtrade. Most brokerage companies have easy-to-use online platforms and you can buy and sell most types of investments for a transaction fee. If you have a 401K or AN IRA, the same site where you browse and manage your account will most likely include brokerage options. What is the Exchange Fund? An ETF is a basket of stocks that are bundled together to create a single fund, which can then be broken into shares and sold to individual investors. This gives investors a simple, affordable way to buy a portion of the S-P 500 index or another index. While the investor can certainly just go out and buy one share of the shares in all 500 companies in the S-P 500, apart from being incredibly expensive, that portfolio will not be cap weighted and will not match the performance of the S'P 500. With the SPDR S'P 500 ETF, each individual promotion costs less than $300, and the fund carefully balances the purchases of shares to ensure that it matches the S'P 500. This comes at a small price, however. The ETF management company charges the etf a cost ratio, which is essentially a small management fee. For the SPDR S-P 500 ETF, it is only 0.09 percent. Despite being the most popular, the SPDR S-P 500 ETF is not the only ETF that tracks the S-P 500. The iShares Core S'P 500 ETF and Vanguard S'P 500 ETF also do so. Each is operated by a different company and offers small differences in their cost ratio and their bug tracking, or how close the fund is S-P 500 performance. Read more: 11 things every investor should know about THE SPC What is an index fund? Index funds are mutual funds that, like ETFs, mimic the performance of a particular stock index. Although they are very similar in nature to ETFs, there are some differences in the index funds of the S-P 500 index index index index index index index index. First, ETFs are just like stocks that you can trade during the day, but mutual funds can only be bought at the end of the trading day. Index funds also have an advantage in how they can reinvest dividends paid by the shares they hold. ETFs must accumulate cash during the quarter, while index funds can simply reinvest immediately. Finally, there are some minor differences in the way capital gains are taxed for each. Overall, however, for the average person looking for an easy way to start investing, the differences between an ETF and an index fund of the S'P 500 are pretty minimal. If you plan to simply buy and hold the S-P 500, finding the lowest possible cost-benefit ratio is probably the most important consideration. Read more: Mutual Funds: All you need to know is why ETFs and index funds are good S'P 500 Investments as ETFs and index funds represent an investment approach known as passive management, meaning that they are not associated with trying to actively choose which stocks to own and just accept the results of the broader market as a whole. Not only is this a great way for a beginner to start investing, there's also a lot of evidence that even the most experienced market experts can't actually beat returns from the S-P 500 over time. About 90 percent of mutual funds are unable to outperform the S-P 500 once you consider the management fees they charge for the careful study and selection of shares. So more and more investors have taken if you can't beat them, join them approach and just chose the simple, inexpensive approach offered by investing in the S-P 500 with ETFs or index funds. Stocks and Bonds: How to choose the best investment Many people think marketing involves going with your gut sense and relying solely on intuition. In fact, marketing is not only a science, but also an art. Effective marketers develop detailed strategies based on four P marketing, carefully selecting the right items to incorporate into their campaigns. Four P marketing are product, price, place and promotion. It is also known as a marketing mix. Advertising professor Neil Borden developed the term marketing mix in 1964, and it is widely used today to cover items that marketers rely on. Marketing professor E. Jerome McCarthy classified many of Borden's elements included in his blend of up to four major high-level groups, which today are known as four P marketing: the product, place and promotion. Since then, many marketers agree that two additional categories are now part of the marketing mix: process and people. Since modern marketing has changed significantly since the time when the term was coined, it is natural to Basics. Process elements and people help businesses reach their customers in the future. The first element of the four P marketing, a product, can be a tangible commodity or an intangible service offering. No matter what the business sells, they need to make sure they clearly spell out how their product meets the specific customer or demand requirements. When developing a product, the business needs to understand what the benefits of the product are to consumers and how this product differs from similar products out there. The business needs to establish what problem this product can solve for its target audience and what that audience is looking for in its ideal product. Deciding on a product for your business involves doing some detailed research on who your consumer is and what they need that they can't find already. If a small business owner selling home decor products wants to expand its product offering, for example, it should start by doing more research on its target audience. She wants to know whether they are primarily homeowners or tenants, what their income is, what their likes and dislikes are and where they love to shop. This will help her understand what product they want. After a small business owner conducted her research and decided that her consumer wanted handmade wooden signs for the home, for example, she would have to establish how her product is unique from its competitors. A small business owner needs to figure out what makes her, her product and her business different and relate to these points when working on the rest of the elements in the marketing mix. In addition to the product itself, the product also includes design and packaging as well as peripheral items such as warranties and return policies. To successfully sell a product, a marketer must set its full value, which is more than just the product itself. The way the product is packaged plays into the brand. For example, if a business sells environmentally friendly food, packing it in plastic bags goes against the company's mission. A consumer who is probably interested in sustainability may not be happy to find organic food wrapped in material that is not known to be environmentally friendly. Instead, that business can choose to pack food in recycled paper bags or simply discard bags and let customers use their own reusable bags. Once the business has established that product, it's time to make some price decisions. The price is what the end user is expected to pay in exchange for the product. Product pricing is not an easy feat because the way a product is priced affects the way it sells. When setting the price of a product, businesses must determine more than just the cost of materials for the product. Instead, it is very important to understand what the value of the product is to the consumer. For business, price profit, supply, demand and budget. The price of the product also affects distribution plans, mark-ups and prices for competitive products. Some industries rely on discounting strategies for the prices of their products. Several large online retailers often discount everything they offer at a certain percentage, getting consumers used to getting a certain discount and refusing to pay the full retail price. When deciding on how to price handmade wooden signs, for example, a small business owner will need to consider the cost of materials first. Then, it should see how competitor stores rated their similar products. This will give the business an idea that the consumer is willing to pay for such a product. If a small business owner can offer something to truly differentiate herself from her competition, she can charge a premium. For example, if she is the only one in the area who sells handmade wooden signs from recycled barn doors, she can charge significantly more than her competition because what she offers is of great value to her consumer. It is harder to find in this particular market, making it more desirable. Four P marketing and marketing strategy concepts rely on the business to establish the place where the sale of the product will occur. A place means making a product available to potential customers. Today, online stores play an important role in distribution. Many types of products and services are available for purchase online, as this is where many consumers shop. However, online stores do not work for all kinds of products or services. A critical factor is understanding where the target audience is stores. While putting a product online for sale can be a good way to gain business awareness, it may not be appropriate to sell what they offer. Products that promise exclusivity, such as designer jewelry brands, can only be sold in-store or by appointment. Other countries, promoting local trade, can only offer their products in regional markets. Where the product is sold should praise the rest of the marketing strategy. In the case of a small business owner who sells handmade wooden signs from recycled barn doors, an online store may not be the main choice. While some customers may choose to buy online, most of its customers will likely need to see the product in person before deciding to purchase. Because what it sells is palpable and what makes it unique are the materials used to create it, many customers may need to hold it in their hands and feel the texture of recycled wood. Since it charges a premium for its product, its consumers are more likely to feel differentiation to believe the value of what it has to offer. If a small business owner has a retail location where she sells other home decor items by selling her new product there is there Choice. In addition to her physical store, she can also choose to participate in local and regional craft fairs and home decor trade shows where she can show off her product to her target market. As well as dealing directly with its end-users, a small business owner can also attend interior design and decorating events to create a network of professionals who can use their products in their work. The place where the sale takes place can actually refer to several places. The key is to determine where the target audience of stores is and where they are most likely to be when making a final purchase decision. Sales promotions are special offers that are designed to attract customers to buy a product. These may include: coupons free incentive rewards program loyalty discount contests prizes result in sales promotions short-term sales increase. They are often associated with seasonal events such as religious or cultural holidays. For example, a small business owner can run a sale on her handmade signs just before Christmas, encouraging customers to buy them as gifts to their loved ones. What are the four main marketing strategies? It is a product, price, location and promotion. However, many marketers also rely on two additional strategies: process and people. The process involves optimizing the logistics side of the business. This allows businesses to offer their products at lower prices than their competitors, resulting in higher customer satisfaction. People are about hiring the right people to take business to the next level. A marketing organization needs people with the right skills to best promote, price and place their products. Products.