# **HYPOTHESIS**: HIGHER INCOME PERSONS DRIVE MORE EXPENSIVE CARS

Measure: Student or faculty/staff	Income - Car value	<u>Dependent variable</u> : car value Measure: Car value, L, M, H
Categorical/nominal		Categorical/ordinal
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STUDENT LOT	· · · · · · · · · · · · · · · · · · ·	<u>/STAFF LOT</u>
Case no.	Case no.	
1	14	
2	25	
3	32	
4	45	
5	52	
6	6_1	
7	74	
8	84	
9	95	
10	10 _1	
Pagada	21 & 2 = LOW 3 = MED	4 & 5 = HIGH
Necoue		7 K J – 111GH

# FREQUENCIES

CAR VALUES →	LOW	MED	HIGH	
LOW INC. (STUDENT LOT)				
HIGH INC. (F/S LOT)				

## PERCENTAGES

CAR VALUES →	LOW	MED	HIGH	
LOW INC. (STUDENT LOT)				
HIGH INC. (F/S LOT)				

## CHI-SQUARE

$$X^2 = \sum_{}^{} (O - E)^2$$

$$E$$

## FREQUENCIES OBSERVED

## FREQUENCIES EXPECTED

	LOW	MED	HIGH	
LOW – Student lot				
HIGH - F/S lot				

	LOW	MED	HIGH	
LOW – Student lot				
HIGH - F/S lot				

$$X^{2} = \sum_{i=1}^{2} \frac{(O - E)^{2}}{E} = \frac{1}{2} \frac{(O - E$$

## **OPERATIONALIZED CAR VALUES**

## LOW: \$1 to \$25,000

- Low end: Beaters
- High end: New or less than 2 years old Toyota Corolla or smaller, Nissan Altima or smaller, Mazda 323, Hyundai Sonata, compact American cars (Cavalier, Geo, Grand Am, etc.); near-luxury in excellent condition and less than 4 years old; older luxury in excellent condition (does not meet standards of higher category); older prestige in good condition (does not meet standards of higher category)

#### MED: More than \$25,000 to \$35,000

- New or less than 2 year old Toyota Camry, Nissan Maxima, Mazda 626, Chevy Camaro, Pontiac Bonneville, Grand Prix and Firebird, Chevrolet Impala, Ford LTD, Ford Explorer, and similar full and midsized domestic cars, minivans and SUV's
- Luxury in excellent condition and less than 4 years old
- Older Prestige in excellent condition (does not meet standards of higher category)

## HIGH: More than \$35,000

- New or less than 2 year old Lexus ES, smaller Infinity, lesser Mercedes or BMW, Corvette, Toyota Supra, Nissan 280Z, Mazda 929 or Millenia, Buick Century, Mitsubishi Diamante or 3000GT, Ford Expedition, Jeep Grand Cherokee, and similar cars and SUV's
- Prestige in excellent condition and less than 4 years old
- Older exceptionally expensive vehicles in good condition
- New or less than 2 year old Mercedes 300 series or higher, BMW 300 series or higher, Lexus LS or GS, full-sized Infinity, Cadillac STS, Lincoln MK-series or Continental, prestige SUV's including Mercedes, Range Rover and Lincoln Navigator, and similar cars and SUV's, other exceptionally expensive vehicles in excellent condition, including BMW 700-series and above and Mercedes 500 series and above