13.2

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Source | Sum of Squares |  d.f. | Mean Square |  F |
| Regression | SSR | k | MSR = SSR/k | F = MSR/MSE |
| Error | SSE | n – k – 1  | MSE = SSE/(n – k – 1) |  |
| Total | SST | n – 1  |  |  |

MINITAB and MegaStat will do all the calculations and print the ANOVA table. Table 13.3 shows the ANOVA table for the home price regression with n = 30 observations and k = 3 predictors.

13.4 ANOVA TABLE

|  |  |  |  |
| --- | --- | --- | --- |
| Source | d.f. | SS | MS |
| Regression | 3 | 1,196,410 | 398,803 |
| Error | 26 | 379,332 | 14,590 |
| Total | 29 | 1,575,742 |  |

13.6

|  |  |  |
| --- | --- | --- |
| Predictor | Coefficient | SE |
| Intercept | 1225.4 | 397.3 |
| FloorSpace | 11.522 | 1.330 |
| Competing Ads | -6.935 | 3.905 |
| Price | -0.14955 | 0.08927 |