

## Application of Chi-Square in Market Research

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### *Abstract*

*Chi-square variable is defined as a square of standard normal variable. The Chi-square statistic is mostly used in testing the difference between the theoretical (expected) and observed frequencies (one-way tables) and the relationship between categorical variables (contingency tables). The null hypothesis says that the variables are independent. The null hypothesis tested is the hypothesis of insignificant difference or independence of two variables. The present article is an attempt to discuss the use of chi-square distribution in the marketing problems in order to testing the validity of a theoretical model and testing the association between two attributes. The article will help the reader to understand the use of chi-square statistics in categorical data analysis. The ideas presented in this article can be extended to many decision making situations in marketing problems.*

**Keywords:** Chi-Square, Null Hypothesis, Categorical, Cross Tabulation, Independence

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