

ARITHMETIC MEAN

It is simple average of all items in a series. It is the simplest measure of central tendencies.

Formula

$$\bar{X} = \frac{X_1 + X_2 + X_3 + \dots + X_n}{N} = \frac{\sum X}{N}$$

Types of arithmetic mean

Arithmetic mean is of two types:

1. Simple arithmetic mean
2. Weighted arithmetic mean

Methods of calculating simple arithmetic mean

We know, there are three types of statistical series:

1. Individual series
2. Discrete series
3. Frequency distribution

Calculation of simple arithmetic mean

In case of individual series, arithmetic mean may be calculated by 2 methods:

1. Direct method
 2. Short-cut method
1. Direct method

$$\bar{X} = \frac{\sum X}{N} = \frac{\text{Total value of the items}}{\text{No. of items}}$$

Illustration.

Pocket allowance of 10 students is rupees 15,20,30,22,25,18,40,50,55,65.
Find out the average pocket allowance.

Solution:

Pocket allowance (Rs) (x)

15

20

30

22

25

18

40

50

55

65

$$\sum X = 340$$

$$\bar{X} = \frac{\sum X}{N} = \frac{15+20+30+22+25+18+40+50+55+65}{10} = \frac{340}{10} = 34$$

Average pocket allowance of the 10 students = Rs 34

2. Short-cut method:

This method is used when the size of item is very large.

$$d(\text{deviation}) = X - A$$

Formula:-

$$\bar{x} = A + \frac{\sum d}{N}$$

Calculation of small arithmetic mean in discrete series or frequency array

1. Direct method

2. Short-cut method

3. Step-deviation method

1. Direct method Formula:-

$$\bar{x} = \frac{\sum fX}{\sum f}$$

2. Short-cut method

Short-cut method of estimated mean of the discrete frequency series use the following formula

Formula:-

$$\bar{x} = A + \frac{\sum fd}{\sum f}$$

3. Step-deviation method

- (i) Step deviation d' is obtained by dividing the deviation (of the actual value from the assumed average) by the common factor. $d' = \frac{X-A}{C} = \frac{d}{C}$

Formula:-

$$\bar{x} = A + \frac{\sum fd'}{\sum f} \times C$$

Calculation of simple arithmetic mean in case of frequency distribution

1. Direct method

2. Short-cut method

3. Step-deviation method

1. Direct method

Formula:-

$$\bar{x} = \frac{\sum fm}{\sum f}$$

2. Short-cut method

Formula:-

$$\bar{x} = A + \frac{\sum fd}{\sum f} \times X$$

3. Step-deviation method

- (i) Find out deviation of the mid value from some assumed average That is, $d = m - A$

Formula:-

$$\bar{X} = A + \frac{\sum fd'}{\sum f} \times C$$

Weighted arithmetic mean calculation of weighted mean

Formula:

$$X^{-W} = \frac{\sum WX}{\sum W}$$

Combined arithmetic mean

Formula:

$$X^{-1,2} = \frac{X^{-1}N_1 + X^{-2}N_2}{N_1 + N_2}$$

When there are more than 2 parts series, the following formula is used to work out Combined Arithmetic Mean

$$\text{Formula: } X^{-1,2,3,\dots,n} = \frac{X^{-1}N_1 + X^{-2}N_2 + \dots + X^{-n}N_n}{N_1 + N_2 + \dots + N_n}$$