Detecting Outliers

An observation that is unusually large or small relative to the data values we want to describe is called an *outlier*.

One method for determining outliers is based on the quartiles of a data set. *Quartiles* are values that partition the data set into four groups, each containing 25% of the measurements. The *lower quartile* is designated by Q_1 or Q_L ; the *middle quartile* is the median; the *upper quartile* is designated by Q_3 or Q_U .

Box plots like the one below are based on the *interquartile range* (IQR) – the distance between the lower and upper quartiles. IQR = $Q_U - Q_L = Q_3 - Q_1$

The middle 50% of the of the MPG ratings, those in the interquartile range, fall inside the box. The vertical lines emanating from the box are called *whiskers*. Values less than $Q_L - 1.5(IQR)$ or greater than $Q_U + 1.5(IQR)$ are identified as *potential outliers* because they are extreme values that represent relatively rare. Those potential outliers are identified by asterisks (*) in Minitab. Values less than $Q_L - 3(IQR)$ or greater than $Q_U + 3(IQR)$ are called *outliers* and are also identified by asterisks (*) in Minitab.



Let's revisit Minitab's calculation of descriptive statistics for the MPG distribution.

| Variable | Ν | Mean | Median | StDev | Minimum | Maximum | Q1 | Q3 |
|----------|-----|--------|--------|-------|---------|---------|--------|--------|
| MPG | 100 | 36.994 | 37.000 | 2.418 | 30.000 | 44.900 | 35.625 | 38.375 |

Use the above descriptive statistics to determine each of the following values:

Interquartile Range (IQR) =

 $Q_{\rm L} - 1.5({\rm IQR}) =$

 $Q_U + 1.5(IQR) =$

 $Q_L - 3(IQR) =$

 $Q_U + 3(IQR) =$