



EXERCISE SESSION 2

The objectives of this session are to :

- Become familiar with BIOGEME;
 - Estimate and interpret **Binary Logit** models with the dataset of your choice.
1. Select a dataset among *Airline Itinerary Choice (Boeing)*, *Choice-Lab Marketing*, *Mode Choice in the Netherlands* and *Residential Telephone Services*.
 2. Download the file (.zip) corresponding to the case study of your choice from the webpage. This file contains some models that we propose (.mod), a data file (.dat), and description and interpretation of the proposed models (.pdf).
 3. For each model (following the order of the .pdf file):
 - Try to understand the proposed model with the help of the description. Estimate the model and interpret the obtained results.
 - Compare your interpretations with the ones we have provided.
 4. Develop new model specifications using your own hypotheses. Estimate these models and interpret the obtained results. Compare with the proposed models to see if there is any improvement. In order to help you in your work, we propose the following improvements :
 - Test some alternative specific parameters instead of generic ones, and;
 - Add some socio-economic variables.

Remarks and hints:

- The files containing the model specifications can be modified using GNU-Emacs or Wordpad. Notepad is not recommended.
- Under the ‘Utilities’ section of the BIOGEME webpage (<http://biogeme.epfl.ch>), you can find an excel file which helps you to perform the statistical test in order to compare two nested models, i.e. the ‘Loglikelihood ratio test’.
- Descriptions of the variables contained in the different datasets can be found in the .pdf files which describe the different case studies (cf. exercise session 1).

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