# Glossary

**alternatives**. The set of alternatives are the possible choices a decision maker can pick or rank.

**alternative-specific variable**. When a variable varies across alternatives, it is called alternative specific. An alternative-specific variable may vary across alternatives only or across both alternatives and cases.

**alternatives variable**. A numeric or string variable that identifies the alternatives. Some models require an alternatives variable and some do not.

**balanced**. When choice sets are the same for every case, we say that they are balanced.

**case**. This is a Stata term for the set of Stata observations representing a single decision. A case contains one observation for each of the possible alternatives that the decision maker could have chosen or ranked.

**case ID variable**. A variable that identifies the cases. For independent cross-sectional data, this variable identifies the decision makers.

**case-specific variable**. When a variable is constant within a case, it is called case specific.

**choice set**. The set of alternatives a decision maker could have chosen or ranked. The choice sets can vary across cases.

**discrete choice**. When each decision maker picks a single alternative from his or her set of possible alternatives, it is called a discrete choice.

**independence of irrelevant alternatives (IIA)**. The IIA property is true when adding another alternative to the set of alternatives does not change the relative probabilities of choosing alternatives from the initial set of alternatives.

**observation**. For choice models in Stata, there is a difference between Stata observations and statistical observations. We call a statistical observation a case. When we refer to an observation, we mean a Stata observation—one row in the dataset.

**panel data**. When decision makers make multiple choices at different time points, the data are panel data. A panel variable identifies decision makers, and a time variable identifies the time points.

**rank-ordered alternatives**. When each decision maker ranks his or her possible alternatives, we say we have rank-ordered alternatives.

**unbalanced**. When choice sets are not the same for every case, we say that they are unbalanced.

**utility**. Choice models are typically formulated using a latent continuous variable, called the utility, for each alternative. The largest value of the utility for each case represents the alternative chosen for discrete choices. For rank-ordered alternatives, the ranking of the values of the utilities gives the rank ordering of the choices.