

# **A Quasi-Likelihood Approach to Zero-Inflated Spatial Count Data**

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The most important thing you can do,  
is do a lot of work.

— Ira Glass

To my grandfather,  
Thomas Thường Doãn Trần



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A. M.  
*Geneva, July 2012*

# Abstract

The increased accessibility of data that are geographically referenced and correlated increases the demand for techniques of spatial data analysis. The subset of such data comprised of discrete counts exhibit particular difficulties and the challenges further increase when a large proportion (typically 50% or more) of the counts are zero-valued. Such scenarios arise in many applications in numerous fields of research and it is often desirable to infer on subtleties of the process, despite the lack of substantive information obscuring the underlying stochastic mechanism generating the data. An ecological example provides the impetus for the research in this thesis: when observations for a species are recorded over a spatial region, and many of the counts are zero-valued, are the abundant zeros due to bad luck, or are aspects of the region making it unsuitable for the survival of the species?

In the framework of generalized linear models, we first develop a zero-inflated Poisson generalized linear regression model, which explains the variability of the responses given a set of measured covariates, and additionally allows for the distinction of two kinds of zeros: sampling (“bad luck” zeros), and structural (zeros that provide insight into the data-generating process). We then adapt this model to the spatial setting by incorporating dependence within the model via a general, leniently-defined quasi-likelihood strategy, which provides consistent, efficient and asymptotically normal estimators, even under erroneous assumptions of the covariance structure. In addition to this advantage of robustness to dependence misspecification, our quasi-likelihood model overcomes the need for the complete specification of a probability model, thus rendering it very general and relevant to many settings.

To complement the developed regression model, we further propose methods for the simulation of zero-inflated spatial stochastic processes. This is done by deconstructing the entire process into a mixed, marked spatial point process: we augment existing algorithms for the simulation of spatial marked point processes to comprise a stochastic mechanism to generate zero-abundant marks (counts) at each location. We propose several such mechanisms, and consider interaction and dependence processes for random locations as well as over a lattice.

**Keywords:** Generalized linear models (GLM), Generalized estimating equations (GEE), Zero-inflated Poisson (ZIP) models, Spatial analysis, Marked point processes.

AMS Subject Classification: 60G55, 62J12, 62M3, 82B20, 92D40.



# Résumé

La disponibilité croissante des données géographiquement référencées et corrélées augmente par conséquent l'exigence de techniques d'analyse des données spatiales. Le sous-ensemble de telles données comprenant les décomptes discrets présentent des difficultés particulières et les défis ne font qu'augmenter quand il y a une grande proportion (typiquement de plus de 50%) des décomptes qui prennent la valeur zéro. De tels scénarios se présentent en plusieurs applications dans des nombreux champs de recherche, là où il est en plus désirable d'en déduire des complexités du processus. Néanmoins, le manque d'information substantifique obscurcit le processus stochastique implicite qui génère les données. Un exemple écologique nous fournit la motivation de la recherche de cette thèse : quand les observations d'une espèce sont notées sur une région spatiale, et la majorité de celles-ci prennent la valeur zéro, les zéros sont-ils dûs à la malchance, ou indiquent-ils des aspects de la région qui la rendent inadéquate à la survie de l'espèce ?

Dans le cadre des modèles linéaires généralisés (GLM), dans un premier pas, nous développons un modèle linéaire généralisé de Poisson modifié en zéro, qui explique la variabilité des réponses étant donné un ensemble de covariables mesurées, et explique en outre la distinction des deux types des zéros : ceux qui sont dûs à l'échantillonnage (ceux dûs à la « malchance ») et ceux qui sont dûs à la structure (ceux qui fournissent de l'intuition sur le processus qui génère les données). Nous adaptons ensuite ce modèle au cadre spatial, en incorporant de la dépendance dans le modèle au moyen d'une stratégie de quasi-vraisemblance générale et flexible qui fournit des estimateurs consistants, efficaces et asymptotiquement normaux, même sous des hypothèses de covariance éronnées. En sus de cet avantage de robustesse à la malspecification du modèle, notre modèle de quasi-vraisemblance évite le besoin d'une spécification complète d'un modèle de probabilité, ce qui le rend très général et pertinent à des nombreuses applications.

En complément au modèle de régression mentionné ci-dessus, nous proposons de plus des méthodes pour la simulation d'un processus stochastique spatial modifié en zéro. Ceci est fait en décomposant le processus entier en un processus ponctuel spatial qui est en outre marqué et mélangé : nous augmentons les algorithmes de simulation des processus ponctuels spatiaux marqués existants pour inclure un mécanisme stochastique qui détermine si les marques des locations qui prennent la valeur zéro sont dûs à l'échantillonnage ou s'ils sont dûs à la structure. Nous considérons la simulation sur un réseau ainsi qu'en des locations aléatoires.

## Résumé

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Mots-clés : Modèles linéaires généralisés (GLM), équations d'estimation généralisées (GEE), modèles de Poisson modifiés en zéro (ZIP), analyse spatiale, processus ponctuels marqués.

# Riassunto

La crescente disponibilità di dati geolocalizzati e spazialmente correlati fa aumentare l'esigenza di tecniche di analisi di dati spaziali. In tale ambito, i dati che comprendono conteggi discreti presentano particolari difficoltà: da un punto di vista matematico, il calcolo integrale e differenziale vi hanno un'utilità limitata, mentre, da un punto di vista statistico, manca una base che fornisca per i dati non-gaussiani lo stesso livello di precisione di quelli continui. Le sfide non fanno che aumentare quando una proporzione grande (tipicamente oltre il 50%) di conteggi nulli. Simili scenari si presentano in diverse applicazioni ed in numerosi campi della ricerca ed è spesso necessario fare inferenze sui dettagli di un certo fenomeno nonostante la mancanza di informazioni sostanziali sul processo stocastico che soggiace alla generazione dei dati in esame. Un esempio in Ecologia fornisce la motivazione della ricerca di questa tesi: quando le osservazioni di una specie sono raccolte in una regione spaziale, e la maggioranza delle occorrenze sono nulle, gli zeri sono dati dalla “sfortuna” o indicano aspetti della regione che la rendono inadeguata alla sopravvivenza della specie?

Nel quadro dei modelli lineari generalizzati (GLM), in un primo passo sviluppiamo un modello di regressione lineare generalizzata di Poisson con inflazione di zeri, che spiega la variabilità delle risposte dato un insieme di predittori misurati, e che permette di distinguere due tipi di zeri: quelli dovuti al campionamento (alla “sfortuna”) e quelli strutturali (che forniscono un'intuizione sul processo generatore dei dati). In un secondo passo, adattiamo questo modello alla configurazione spaziale incorporandovi dipendenze attraverso una tecnica di quasi-verosimiglianza generale e flessibile, che fornisce stimatori consistenti, efficienti ed asintoticamente normali, anche in presenza di ipotesi di covarianza erronee. Oltre a questo vantaggio di robustezza contro la malspecificazione, il nostro modello di quasi-verosimiglianza supera il bisogno di specificazione completa di un modello di probabilità, cosa che lo rende molto generale e adatto a numerose applicazioni.

In complemento al modello di regressione summenzionato, proponiamo inoltre un algoritmo per la simulazione di un tale processo stocastico spaziale. Questo contributo è raggiunto frazionando l'intero processo in un processo puntuale con interazioni, spaziale, misto, marcato e tripartito: un primo meccanismo stocastico guida l'ubicazione aleatoria dove le osservazioni sono registrate, mentre un secondo genera in ogni locazione le realizzazioni discrete (i conteggi), molti dei quali prendono valore nullo. Il terzo componente stocastico determina se gli zeri sono quelli di campionamento, o se sono dati dalla struttura del processo senza inflazione di

## Riassunto

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zeri. Estendendo gli algoritmi di simulazione esistenti con l'inclusione di un meccanismo di generazione di zeri, il metodo proposto permette di generare processi puntuali di Poisson che sono inflazionati di zeri e correlati spazialmente.

Parole chiave: Modelli lineari generalizzati (GLM), equazioni di stima generalizzata (GEE), modelli di Poisson inflazionati di zeri (ZIP), analisi spaziale, processi puntuali marcati.

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# Notation

## Abbreviations

AR	Autoregressive
CAR	Conditionally autoregressive
CFTP	Coupling from the past (algorithm)
COZIGAM	Constrained zero-inflated generalized additive model
EM	Expectation-maximization (algorithm)
GAM	Generalized additive model
GEE	Generalized estimating equation
GLM	Generalized linear model
i.i.d.	Independent and identically distributed
GLMM	Generalized linear mixed model
MCMC	Markov chain Monte Carlo
MLE	Maximum likelihood estimate
Prob	Probability
SRS	Stochastic recursive sequence
Var	Variance
Vol	Volume
ZIGAM	Zero-inflated generalized additive model
ZIP	Zero-inflated Poisson

### Sets, Functions and Operators

The mathematical symbols for the classification of numbers will be depicted by boldfaced letters using the facility `\mathbf{}`, included in the add-on AMS Fonts package (`amsfonts`). While the facility `\mathbb{}` exists in the same package to produce the typeface style that is often seen in printed text, for instance in the notation for the real numbers as  $\mathbb{R}$ , the use of blackboard bold in print is incorrect as the double struck bold characters are meant as a substitute for boldface typing when writing by hand. See discussions given by Jean-Pierre Serre (2010) [Ser], and online at [com] and [MAT], for the use of boldfaced letters versus the blackboard bold typeface.

$[a, b[$	Left-closed, right-open, proper and bounded interval from $a$ to $b$ , $\{x \in \mathbf{R} : a \leq x < b\}$
$(a, b)$	Ordered pair
$\mathbf{R}$	Real numbers, $] -\infty, +\infty[$
$\mathbf{Z}$	Integers, $] -\aleph_0, \dots, -1, 0, 1, \dots, +\aleph_0[$
$\mathbf{R}_+$	Nonnegative real numbers, $[0, +\infty[$
$\mathbf{Z}_+$	Nonnegative integers, $[0, 1, 2, \dots, +\aleph_0[$
$\mathbf{N}$	Natural numbers, $[1, 2, \dots, +\aleph_0[$
$\mathbf{R}^d$	$d$ -dimensional Euclidean space
$\mathcal{C}^\infty$	Class of smooth (infinitely differentiable) functions
$\partial \mathbf{s}$	Neighborhood (disc) of the point $\mathbf{s}$
$\partial_i$	Set of neighbors of the cell $i$
$\mathbf{b}_1$	Unit ball in $\mathbf{R}^d$
$b(\mathbf{x}, r)$	Ball centered at the point $\mathbf{x}$ with radius $r$
$d_n(\mathbf{x})$	Nearest-neighbor distance, distance from the point $\mathbf{x}$ to its nearest neighbor
$\mathbf{1}(E)$	Indicator function, $\mathbf{1}(E) = \begin{cases} 1 & \text{if the event } E \text{ is true,} \\ 0 & \text{otherwise.} \end{cases}$
$\exp(\cdot)$	Exponential function, $\exp(x) = e^x$
$\log(\cdot)$	Natural logarithm, $\log(x) = \ln(x) = \log_e(x)$
$\text{logit}(\cdot)$	Logistic function, $\text{logit}(x) = \frac{1}{1 + e^{-x}}$
$\Gamma(\cdot)$	Gamma function, $\Gamma(u) = \int_0^{+\infty} e^{-t} t^{u-1} dt$

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$\mathcal{K}_v(\cdot)$	Modified Bessel function of the second kind of order $v$ , canonical solution to the Bessel differential equation $x^2 \frac{dy^2}{dx^2} + x \frac{dy}{dx} + (x^2 - v^2)y = 0$ with a purely imaginary argument, $\mathcal{K}_v(x) = \int_0^{+\infty} \exp(-x \cosh t) \cosh(vt) dt$
$\ \mathbf{x}\ $	Euclidean norm of the vector $\mathbf{x}$ , $\ \mathbf{x}\  = \sqrt{x_1^2 + x_2^2 + \dots + x_n^2}$
$\langle \mathbf{x}, \mathbf{y} \rangle$	Inner product of the vectors $\mathbf{x}$ and $\mathbf{y}$ , $\langle \mathbf{x}, \mathbf{y} \rangle = \sum_{i=1}^n x_i y_i$
$\hat{f}(\cdot)$	Fourier transform of the function $f(\cdot)$
$\hat{\bar{f}}(\cdot)$	Conjugate Fourier transform of the function $f(\cdot)$
$g^{-1}(\cdot)$	Link function, page 75
$\nu(\cdot)$	Variance function, page 76
$\mathbf{V}_\mu$	Diagonal matrix with entries given by values of the variance function $\nu(\cdot)$ , page 78
$k(\cdot)$	Kernel function, page 15
$K(\cdot)$	Ripley's $K$ function, page 46

### Mathematical Symbols

$\setminus$	Set exclusion
$A^c$	Complement of the set $A$
$\sim_A$	Reflexive relation on the set $A$
$ x $	Absolute value of the scalar $x$
$ B $	Area of the region $B$
$\mu_L(A)$	Lebesgue measure of a Lebesgue-measurable set $A$
$n(\mathbf{x})$	Nearest point to $\mathbf{x}$
$n_a(\mathbf{x})$	Number of points within a distance $a$ of the point $\mathbf{x}$
$N(A)$	Cardinality of the set $A$
$I_{(n \times n)}$	Identity matrix of dimension $n \times n$
$X^\top$	Transpose of the matrix $X$
$X^*$	Adjoint (conjugate transpose) of the matrix $X$ , $X^* = \bar{X}^\top$
$f'(\cdot)$	First-order derivative of the function $f(\cdot)$
$f''(\cdot)$	Second-order derivative of the function $f(\cdot)$
$\binom{n}{k}$	Binomial coefficient, $\binom{n}{k} = \frac{n!}{k!(n-k)!}$ , $0 \leq k \leq n$

## Notation

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### Random Variables and Probabilistic Operators

$Z(\cdot)$	Spatial random variable $Z : \mathcal{D} \subseteq \mathbf{R}^d \rightarrow \mathbf{R}$
$E[X]$	Expectation of the random variable $X$
$E[X Y]$	Conditional expectation of the random variable $X$ given the random variable $Y$
$\text{Var}(X)$	Variance of the random variable $X$
$\text{Cov}(X, Y)$	Covariance of the random variables $X$ and $Y$
$\Sigma$	Covariance matrix
$\ell(\cdot)$	Log-likelihood function
$S_{\boldsymbol{\beta}}$	Score function with respect to the parameter vector $\boldsymbol{\beta}$
$S_{\boldsymbol{\beta}}^{\text{Quasi}}$	Quasi-score function with respect to the parameter vector $\boldsymbol{\beta}$ , page 80
$I(\boldsymbol{\beta})$	Fisher information with respect to the parameter vector $\boldsymbol{\beta}$
$\xrightarrow[n \rightarrow \infty]{d}$	Convergence in distribution
$\stackrel{d}{=}$	Equality in distribution

### Probability Distributions

$\sim$	Distribution symbol of a random variable
$f_Z(\cdot)$	Probability density function or probability mass function of the random variable $Z$
$\mathcal{N}(\mu, \sigma^2)$	Normal distribution with mean $\mu$ and variance $\sigma^2$
$\chi^2(k)$	Chi-squared distribution with $k$ degrees of freedom
$\text{Exp}(\varepsilon)$	Exponential distribution with parameter $\varepsilon$
$\Gamma(k, \vartheta)$	Gamma distribution with shape parameter $k$ and scale parameter $\vartheta$
$\mathcal{P}(\lambda)$	Poisson distribution with parameter $\lambda$
$\mathcal{P}_{\text{Truncated}}(\lambda, n_0)$	Truncated Poisson distribution with parameter $\lambda$ and truncation point $n_0$
$\text{Unif}([0, 1])$	Uniform distribution on the interval $[0, 1]$
$\text{Unif}^{\text{Skew}}([0, 1])$	Skewed uniform distribution on the interval $[0, 1]$
$\text{ZIP}(\alpha, \lambda)$	Zero-inflated Poisson distribution with mixing probability $\alpha$ and Poisson parameter $\lambda$

**Notation Pertaining to Spatial Analysis**

$\mathcal{D}$	Index set of spatial coordinates, $\mathbf{s} = (s_1, s_2, \dots, s_d)^\top; \mathcal{D} \subseteq \mathbf{R}^d$ , page 7
$\mathcal{M}$	Mark space, page 110
$\Omega$	State space of a spatial point process, $\Omega = \bigcup_{i=0}^{\infty} \{\mathbf{x} \in \mathcal{D} : N(\mathbf{x}) = i\}$ , page 125
$\Omega^{\mathcal{D}}$	Finite configuration space, set of all realizations of a random variable $z(\mathbf{s}) \in \Omega$ for all $\mathbf{s} \in \mathcal{D}$ , finite point configurations $\{\mathbf{x} \subset \mathcal{D} :  \mathbf{x}  < +\infty\}$ , page 33, 119
$\mathcal{S}$	Natural state space of a Markov chain, $\{\mathbf{y} \in \Omega^{\mathcal{D}} : g_Y(\mathbf{y}) > 0\}$ , where $g_Y(\cdot)$ is the target distribution, page 124
$\gamma(\cdot)$	Semivariogram, page 13
$C(\cdot, \cdot)$	Covariogram, spatial covariance function, page 10
$r(\cdot, \cdot)$	Correlogram, spatial correlation function, page 10
$\mathbf{R}(\vartheta)$	Correlation matrix with entries given by some correlogram $r(\cdot, \cdot)$ , page 78
$b_Z(\mathbf{z}, \cdot)$	Spatial birth probability density function on $\mathcal{D}$ , page 122
$d_Z(\mathbf{z}, \cdot)$	Spatial death probability mass function on $\mathcal{D}$ , page 122



# Introduction

With the recent phenomena of globalization and the rapid advancement of technology comes the accessibility of new kinds of data revealing complex structures, and in turn the demand for methods to analyze and interpret them. Such is the case with data that are geographically referenced and correlated, which inspired a new demand for analysis and modeling techniques, forming the field of statistics that is now known as spatial analysis. Though the theoretical foundations stem from geophysical and environmental applications, there is no doubt regarding the breadth of the scope and relevance of such techniques, especially when considering that spatial variation may occur on the micro- as well as the macroscale. In situations where measurements are collected, analyzed and interpreted, often the data take the form of counts, and when objects or occurrences are counted, there is also the possibility that there are none to count. All of these characteristics are inherent to the scenario that provides the back-drop to the work of this thesis.

This scenario arises in a multitude of fields and applications, from engineering, such as in operations research, information technology; to applied sciences, for example in quality control, medicine, astrophysics, economics, sociology, psychology, epidemiology; to pure sciences, such as biology, chemistry and physics. Our motivating question that provides the impetus for the work in this thesis pertains to an application of ecology: when observations for a species are recorded over a spatial region, and many of the counts are zero-valued, are the abundant zeros due to bad luck, or are aspects of the region making it unsuitable for the survival of the species?

Methods for discrete data have been developed over the years as statistical methods have been developed, and while spatial analysis is a comparatively new field, interest has been so rampant that canonical results and a comprehensive methodology are already well established. Data sets comprising abundant zeros have also been studied and methods for them developed for nearly as long as spatial data, the situation for which proves to be no less challenging than that for spatial or discrete data. When there are so many zero counts in a data set (say 50% or more), it is tempting to ignore them and perform analysis purely on the observable counts, or to treat them as outliers or missing data. While such approaches have been concurrently developed in other fields of statistics, that is, methods to handle outliers and missing data, writing zeros off as such may have highly significant effects on the conclusions drawn from such analysis techniques: the zeros, in fact, may provide important and extremely informative

## **Introduction**

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insight into the underlying process.

When the underlying stochastic process generating the few counts that are actually observed is obscured by so many zeros, extracting information on the process becomes difficult. While methods have been, and are continuously being, developed to handle zero-inflated counts, there are important subtleties to consider that affect the specific strategies that handle zero-inflated data. One such nuance arises when we seek interpretation of the zeros as well as the counts. In such a scenario, simply separating the zeros from the counts and modeling each component independently is not conducive to achieving the goal, not if our objective is, for instance, to explain the occurrence or detect the stimulus for the dispersion of a certain species over a spatial region. With such an aim, the distinction between the zeros is important because it may signify whether there is an underlying biological stimulus inherent in the region as to why the species cannot survive, or whether the sampling techniques used so far are inadequate, which are two very different sources of zeros that have very different impacts on the conclusion drawn. This distinction has been picked up on in the past by researchers seeking to answer precisely this kind of question, but, to the best of our knowledge, not in a spatial context from a frequentist perspective using generalized linear models. Moreover, from the spatial analytic point of view, and again to the best of our knowledge, the investigation on how such zero-inflated counts arise has not been initiated. The work in this research strives to address both of these issues, since knowing *how* something originates is key to explaining *why* things are the way they are, which provides a sound basis for the development of methods to deal with them.

## **Main Research Contributions**

The type of data that we tackle in this thesis is marked spatial point processes, where the marks associated at each point of the spatial stochastic process represent the random species count at that location (point). In particular, we are interested in cases when these counts exhibit a large proportion of zeros of 50% or more; the size of the zero proportion is also considered to be random. We approach this scenario from two points of view: modeling and simulation.

From the modeling perspective, we propose our first research contribution in the form of a regression model for the variability of the count observations from a set of measured covariates. The main challenges associated with modeling zero-inflated spatial count data are the abundant zeros of the responses, particularly distinguishing between sampling and structural zeros; the discrete nature of count data, for which the same well-established and precise methods for handling Gaussian data are not applicable; and the spatial orientation and correlation of the recorded observations. Our approaches to each of these challenges draw in ideas from other domains and are tied together by developments that are grounded in the flexible, encompassing, and general theory of M-estimation.

To address the excessive zeros and the problem of differentiating between the two zero types, we develop a zero-inflated Poisson generalized linear model, building on existing results that

have been previously established to handle count data with abundant zeros. The randomness of the counts and their excessive zeros is modeled by a zero-inflated version of the classical Poisson distribution, which is often assumed for counts. The Poisson distribution also allows zero observations, which explains the structural zeros, those inherent to the process; the zero-inflation component provides for sampling zeros, those due to human or measurement error. Constructing our model in the framework of generalized linear models allows these components to be combined and modeled based on given covariate information, and moreover, simultaneously addresses the discrete nature of our data.

The estimation of our generalized linear model parameters are derived from maximum likelihood estimation, which is a special case of M-estimation, which also provides the unifying framework of the theory we implement to incorporate spatial dependence. Marginal models provide the flexibility that allows the inclusion of covariance matrices amongst generalized estimating equations, an idea that borrows from the theory of quasi-likelihood, which is also a special case of M-estimation; in specifying a spatial covariance matrix to incorporate, which either may be estimated from the data or postulated from theory, we allow for spatial dependence to be included in the model. Moreover, implementing the theory of quasi-likelihood returns consistent and efficient estimators, even under misspecification of the dependence structure, and without the requirement of a complete probability specification.

As a result, spatially-correlated, zero-inflated count data can be modeled from given covariate information, and the types of zeros that contribute to so many null responses can be differentiated. Spatial effects can also be included, even though they are generally difficult to determine precisely, which may also aggravate the intractability of a complete probability model. With our quasi-likelihood model, neither task is necessary, yet the distinction between structural and sampling zeros, and the consistency, efficiency and asymptotic normality of estimators are not compromised.

From the simulation perspective, we aim to grasp the mechanics of how such data is generated to propose our second research contribution. Doing this involves decomposing the entire process to consider each source of randomness individually. At the base of the process is the spatial nature of the data, that generates points (locations) in space in a random manner, which entails the study of spatial point processes. Imposed on these points is the random process that generates the counts observed at each of these points, which augments the study of spatial point processes to that of marked point processes. Marked point processes are complex statistical structures, not only due to the randomness of two stochastic processes coupled together which already presents considerable issues in terms of the number of parameters and the definition of moment structures, but also because there may be correlation within the mark-point couple, as well as correlation between other mark-point couples in space, which only further complicates the issues of parameters and moment structures. The large proportion of zeros contributes a third stochastic component to the marked point process.

In studying mechanisms that generate point processes and their adaptations to marked point

## Introduction

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processes, we further augment the mark distribution to a zero-inflated setting. In doing so, we propose two algorithms for the simulation of spatially-correlated zero-inflated count processes: one for points on a lattice, and one for zero-inflated multitype marked point processes exhibiting pairwise interaction. We also propose several stochastic mechanisms for the generation and inclusion of abundant zeros, which may be applied to either point configuration.

The aim of constructing such algorithms for generating data of such kind is towards the specification of clearly defined probabilities. Defining specific probabilities for such processes was the difficulty that inspired the previous approaches in the literature, such as that of the inclusion of random effects, the use of marginal models, and even our own quasi-likelihood approach, as means to avoid specifying a complete probability model. With clearly defined probabilities, the classical approach of full maximum likelihood becomes possible; our proposed algorithms provide a first step in this direction.

## Outline

This thesis is organized as follows: **Chapter 1** provides the preliminaries on spatial data in the form of an overview; we define and outline important aspects of each of the three types of spatial data: point-referenced data, areal unit data, and point pattern data. In particular, we provide complete specifications of focal points of spatial analysis, including a full construction of the celebrated Matérn class of isotropic correlograms by Fourier inversion and complete derivation the algorithm of kriging, which is the spatial analog of classical linear least squares estimation algorithms. We also provide the technical generation of Markov random fields via the specification of a Gibbs potential, and derive thinning and clustering constructions for spatial point processes. **Chapter 2** narrows in on the type of spatial data of the setting of this thesis, namely discrete, correlated, spatially-varying data exhibiting abundant zero responses, which corresponds to point pattern data. We provide definitions and constructions of canonical discrete probability distributions, and detail the technical challenges faced in our spatial data scenario. We then review the literature on existing approaches to these difficulties, and on applications where this scenario arises and where existing techniques have been implemented.

**Chapter 3** begins with a characterization of the unifying theory of generalized linear models for the analysis of non-Gaussian, clustered, correlated, longitudinal, and spatial data. It is in this framework that we construct the first research contribution of this thesis: a Poisson generalized linear model for spatial zero-inflated count data, and corresponding generalized estimating equations that allow for the incorporation of spatial dependence. **Chapter 4** provides the results of series of simulations and numerical experiments performed to test the finite sample performance of the model in a general setting under various data scenarios.

**Chapter 5** revisits point pattern spatial data and reviews existing algorithms for simulation of spatial point processes. We delve into further detail on the case of marked point processes,

where now covariate information and responses may be associated with the points (locations), to provide the theoretical framework for the second research contribution of this thesis: algorithms for the generation of zero-inflated Poisson marked processes on a lattice, and in space.

This thesis concludes with a discussion on the methods developed, and proposals for future research projects based on and stemming from this work.



# 1 Spatial Data

Data that are geographically referenced and perhaps temporally correlated arise in many fields of research. Examples include climatology, which may require techniques to analyze a meteorological study of temperature and precipitation data taken on a network of monitoring stations with a mean surface that reflects elevation and perhaps a trend in location; epidemiology, where the interest may lie in the analysis of public health data, such as occurrences of an infectious disease by county and/or year, given patient data such as family history and lifestyle information; and finance and marketing, which may be real estate marketing to predict sales of single family homes with demographic information on potential home buyers such as age, income bracket, level of education, as well as information on the house such as area, size, and other characteristics. In encountering such data, we are interested in statistical inference: modeling of trends and correlation structures; estimation of underlying model parameters; hypothesis testing or model comparison; and prediction at unobserved locations or time points. Though the aims are very familiar and what has inspired statistics as soon as any form of information was collated and there was a need for analysis and interpretation, spatial statistics in particular inspires the need for new techniques. While longitudinal (panel) data appears to be similar in nature, the added subtlety presented in spatial analysis is the establishment of a coordinate system, or a means of referencing points in relation to one another in space.

Spatial stochastic processes are collections of random variables  $Z(\cdot)$  indexed by the set  $\mathcal{D} \subseteq \mathbf{R}^d$ , which contains spatial coordinates  $\mathbf{s} = (s_1, s_2, \dots, s_d)^\top$

$$\{Z(\mathbf{s}) : \mathbf{s} \in \mathcal{D}\} \text{ or } \{Z(\mathbf{s}, \omega) : \mathbf{s} \in \mathcal{D}, \omega \in \Omega\},$$

to make randomness explicit, where  $(\Omega, \mathcal{F}, P)$  is a probability space composed of the sample space  $\Omega$ ,  $\sigma$ -algebra  $\mathcal{F}$ , and probability assignment  $P$ .

In many practical applications of spatial statistics, stochastic processes vary in the plane with  $d = 2$ ; the coordinates are given by the ordered pair  $\mathbf{s} = (x, y)^\top$  (longitude and latitude). Spatio-temporal stochastic processes are indexed by a set on a space-time manifold with

$d = 3$ ; the coordinates  $\mathbf{s} = (x, y, t)^\top$  comprise a time variable. Stochastic processes where  $d \geq 2$  are referred to by the general term of *random field*, which itself generates a vast and general subject encompassing statistics and probability, and relies heavily on theory drawn from geometry and topology. Spatial data take the form of realizations  $z = z(\mathbf{s})$  of random variables of spatial stochastic processes,  $Z : \mathcal{D} \subseteq \mathbf{R}^d \rightarrow \mathbf{R}$ , and may belong to one of three types, each characterized by the set  $\mathcal{D}$ :

- **Point-Referenced Data:**  $Z(\cdot)$  is observed at the location  $\mathbf{s} \in \mathbf{R}^d$ , where  $\mathbf{s}$  varies continuously over a fixed subset  $\mathcal{D} \subset \mathbf{R}^d$ .
- **Areal Unit Data:**  $\mathcal{D}$  is a fixed subset partitioned into finitely many areal units with well-defined boundaries; the units may be regularly shaped, as in the case of lattice or grid cell partitions, or irregularly shaped, as in the case of counties or postal code areas.
- **Point Pattern Data:**  $\mathcal{D}$  is a random subset, its index set provides the location of random events, which make up the spatial point pattern.  $Z(\cdot)$  may be an indicator random variable, or may provide additional covariate information, which produces a marked point pattern process.

We now provide an overview of each type of spatial data, detailing important aspects of each. Exhaustive documentation of each type, comprehensive theoretical foundations, and in particular what follows in the current chapter may be found in several canonical references, including those of Ripley (1981, 1984) [Rip81], [Rip84], Cressie (1993)[Cre93]; Chilès & Delfiner (1999) [CD99]; Wackernagel (2003) [Wac03]; Banerjee, Carlin & Gelfand (2004) [BCG]; Schabenberger & Gotway (2005) [SG05]; and The Handbook of Spatial Statistics (2010) [GDFG10], among others.

## 1.1 Point-Referenced Data

The basic component of point-referenced data is a spatial process indexed by location,  $\{Z(\mathbf{s}) : \mathbf{s} \in \mathcal{D}\}$  where  $\mathcal{D} \subset \mathbf{R}^d$ , which is conceptually similar to time series analysis where  $d = 1$ .

Referring back to the concept of spatial stochastic processes being random fields with  $d \geq 2$ , in constructing the theoretical basis for dealing with such data, it is important to note that the issue at hand is not the analysis and interpretation of a data set comprised of outcomes of  $n$  experiments conducted, but rather of  $n$  observations collected over a spatial region  $\mathcal{D}$  of a single experiment conducted. We aim to inference on the make-up of one generated random field, and not on the existence of several realizations (although more generally speaking, it may of course also be generated more than once). The above-mentioned epidemiological example provides an illustration of this concept: the spatial analysis of an infectious disease entails the occurrences of patients being diagnosed with the disease over a region (we may wish to predict where the disease may spread next, for instance), and not the disease occurring in the same region and affecting the same patients multiple times. Indeed, with an effective sample size of

one, the task of inferencing (or doing statistics with just one observed realization) proves to be challenging. However, as noted by Whittle (1954) [Whi54], imposing certain conditions on the stochastic properties of the random field provides a starting point towards modeling and prediction.

### 1.1.1 Stationarity

Let us assume that  $\{Z(\mathbf{s}) : \mathbf{s} \in \mathcal{D}\}$  has mean  $\mu(\mathbf{s}) = E[Z(\mathbf{s})]$  and that the variance of  $Z(\mathbf{s})$ ,  $\text{Var}(Z(\mathbf{s}))$ , exists for all  $\mathbf{s} \in \mathcal{D} \subseteq \mathbf{R}^d$ . This set-up provides a basis for the introduction of the concept of *stationarity*, which essentially reduces the task of dealing with absolute coordinates in the index set  $\mathcal{D}$  to considering only translations between points in  $\mathcal{D}$ .

**Definition 1.1.1.** *The random field  $\{Z(\mathbf{s}) : \mathbf{s} \in \mathcal{D}\}$  is said to be **strongly stationary** if for any  $n \geq 1$ , any set of  $n$  sites  $\{\mathbf{s}_1, \mathbf{s}_2, \dots, \mathbf{s}_n\}$  and any  $\mathbf{h} \in \mathbf{R}^d$ , the distribution of the collection of random variables  $\{Z(\mathbf{s}_1), Z(\mathbf{s}_2), \dots, Z(\mathbf{s}_n)\}$  is identical to that of  $\{Z(\mathbf{s}_1 + \mathbf{h}), Z(\mathbf{s}_2 + \mathbf{h}), \dots, Z(\mathbf{s}_n + \mathbf{h})\}$ ; i.e.*

$$\text{Prob}(Z(\mathbf{s}_1) \leq z_1, \dots, Z(\mathbf{s}_n) \leq z_n) = \text{Prob}(Z(\mathbf{s}_1 + \mathbf{h}) \leq z_1, \dots, Z(\mathbf{s}_n + \mathbf{h}) \leq z_n).$$

In other words, the spatial distribution of the random field is invariant under translation of members of its index set (coordinates): a strictly stationarity random field repeats over its region of definition, and the observation of  $Z(\mathbf{s})$  does not allow one to draw inferences about  $\mathbf{s}$ .

The specification of strong stationarity implies the existence of other types of stationarity. In contrast to strong stationarity which imposes conditions on the entire spatial distribution, *weak stationarity* relaxes the rigidity of such demands by imposing conditions only on second moments of the distribution.

**Definition 1.1.2.** *The random field  $\{Z(\mathbf{s}) : \mathbf{s} \in \mathcal{D} \subset \mathbf{R}^d\}$  is said to be **weakly stationary** if  $E[Z(\mathbf{s})] = \mu$  for all  $\mathbf{s} \in \mathcal{D}$ , and  $\text{Cov}(Z(\mathbf{s}), Z(\mathbf{s} + \mathbf{h})) = C(\mathbf{h})$  for all  $\mathbf{h} \in \mathbf{R}^d$  such that  $\mathbf{s}, \mathbf{s} + \mathbf{h} \in \mathcal{D}$ .*

In other words, for a weakly stationary random field, the mean is constant and the covariance relationship between the values of the process at any two locations can be summarized by a *covariogram*  $C(\cdot)$ , which depends only upon the *separation* (or *lag*) *vector*  $\mathbf{h} \in \mathbf{R}^d$ . Assuming weak stationarity immediately implies that the variance of a weakly stationary spatial process is the same everywhere, since  $\text{Cov}(Z(\mathbf{s}), Z(\mathbf{s} + \mathbf{0})) = C(\mathbf{0}) = \text{Var}(Z(\mathbf{s}))$  for all  $\mathbf{s} \in \mathcal{D}$ .

When all variances are assumed to exist, strong stationarity implies weak stationarity, though the converse need not be true, since in general, entire probability distributions cannot be defined only by the first and second moments. An important exception for which the converse does hold is that of Gaussian processes, since a normal distribution is completely specified by its mean and covariance (see Adler (1981) [Adl81] and Adler & Taylor (2007) [AT07] for more details in the context of random fields). The importance of Gaussian processes lies

in the consideration of asymptotics, and specifically, in the central limit theorem, where the long-run result of many experiments is approximately Gaussian (see, for instance, Lindgren (1976) [Lin76], Billingsley (1995) [Bil95], Le Cam & Yang (2000) [LCY00], Bartoszyński & Niewiadomska-Bugaj (2008) [BNB08]).

A yet weaker version of weakly stationarity is that of *intrinsic stationarity*, which requires only the existence of the first and second moments of the differences  $\{Z(\mathbf{s} + \mathbf{h}) - Z(\mathbf{s})\}$  for all points  $\mathbf{s} \in \mathcal{D}$  and any separation vector  $\mathbf{h} \in \mathbf{R}^d$ . Intrinsic stationarity provides no information on the joint distribution of  $\{Z(\mathbf{s}_1), Z(\mathbf{s}_2), \dots, Z(\mathbf{s}_n)\}$ , meaning that likelihoods cannot be constructed when the only information given on the stochastic process is intrinsic stationarity. Again, weak stationarity implies intrinsic stationarity; the converse need not be true. Cressie (1993) [Cre93] shows that the class of intrinsic stationary processes encompasses the class of weakly stationary processes.

The antipodal concepts of strict stationarity (being too rigid) and intrinsic stationarity (being too lax) to proceed in interesting directions for modeling, weak stationarity is often a sufficient assumption made about the spatial process. Admittedly, this can be unreasonable, with ramifications of inaccurate inference and false conclusions drawn when the assumption of weak stationarity is made about the process, and it is not. Nevertheless, a thorough understanding of concepts of stationarity is an important prerequisite to studying nonstationarity ([Whi54]).

### 1.1.2 Spatial Covariance

The covariogram  $C(\cdot)$  is a function that dictates the variability of a spatial stochastic process (it is the spatial covariance function), and as in classical statistics, is of considerable importance in spatial analysis and modeling.

**Definition 1.1.3.** A covariogram  $C(\cdot, \cdot)$  is a valid and well-defined spatial covariance function if and only if it is a positive-definite function; i.e.

$$\sum_{i=1}^n \sum_{j=1}^n a_i a_j C(\mathbf{s}_i - \mathbf{s}_j) \geq 0$$

for all locations  $\mathbf{s}$  in a given  $\mathcal{D}$  and all  $a_i, a_j \in \mathbf{R}$ . Recall that a function  $C : \mathbf{R} \rightarrow \mathbf{C}$  is said to be **positive-definite** if for any  $x_1, x_2, \dots, x_n \in \mathbf{R}$ , the  $n \times n$  matrix  $A$  with entries  $a_{ij} = C(x_i - x_j)$  is a positive semi-definite matrix; i.e. it is diagonalizable and all its eigenvalues are nonnegative. Provided that  $C(\mathbf{0}) > 0$ , the **correlogram**  $r(\cdot, \cdot)$  is given by  $r(\mathbf{s}_i - \mathbf{s}_j) := C(\mathbf{s}_i - \mathbf{s}_j) / C(\mathbf{0})$ .

This definition is intuitive, since the double sum corresponds to the variance of the linear combination of the coefficients  $\mathbf{a} = (a_1, a_2, \dots, a_n)^\top$  and the  $n$ -vector  $\mathbf{Z} = (Z(\mathbf{s}_1), Z(\mathbf{s}_2), \dots, Z(\mathbf{s}_n))^\top$ ,  $\text{Var}(\mathbf{a}^\top \mathbf{Z})$ .

The acclaimed theorem of Bochner (1932) [Boc32] from the field of harmonic analysis provides the construction of positive-definite functions; it states that a continuous function is positive-

definite if and only if it is the Fourier transform of a finite, nonnegative measure.

**Theorem 1.1.4** (Bochner, 1932 [Boc32]). *A continuous function  $C(\cdot)$  on  $\mathbf{R}^d$  is positive-definite if and only if it has the spectral representation*

$$C(\mathbf{h}) = \int_{\mathbf{R}^d} e^{i\mathbf{h}^\top \mathbf{x}} dF(\mathbf{x}),$$

where  $F(\cdot)$  is a finite, nonnegative measure on  $\mathbf{R}^d$ .

The validity of Bochner's theorem may be intuited via the relation between multiplication and conjugate products in the Fourier domain, in particular, by considering Fourier transforms of positive functions  $f(\cdot)$ . We consider the one-dimensional case for  $x \in \mathbf{R}$  to illustrate the idea behind the proof. For a function  $C(\cdot)$  taking the form

$$C(x) = \int_{-\infty}^{+\infty} e^{ix\omega} f(\omega) d\omega,$$

the conjugate Fourier transform of  $f(\cdot)$ , denoted by  $C^*(\cdot)$ , is

$$C^*(x) = \hat{\bar{f}}(\omega) = \int_{-\infty}^{+\infty} e^{ix\omega} \overline{f(\omega)} d\omega = \overline{\int_{-\infty}^{+\infty} e^{-ix\omega} f(\omega) d\omega} = \overline{C(-x)}.$$

In matrix notation, we may define a matrix  $A$  by  $C(\cdot)$  such that the elements of  $A$  are given by  $a_{ij} := C(x_i - x_j)$ . Then the conjugate of  $C(\cdot)$ ,  $C^*(\cdot)$ , admits the adjoint (conjugate transpose) of  $A$ ,  $\bar{A}^\top$ , since  $(\bar{A}^\top)_{ij} = (\bar{A})_{ji} = \overline{C(x_j - x_i)} = C^*(x_i - x_j)$ . In general, a matrix  $B$  is positive-definite if there exists some other matrix  $D$  such that  $B = DD^*$ , since

$$\langle B\mathbf{v}, \mathbf{v} \rangle = \langle DD^*\mathbf{v}, \mathbf{v} \rangle = \langle D^*\mathbf{v}, D^*\mathbf{v} \rangle = \|D^*\mathbf{v}\|^2 \geq 0.$$

By putting  $A = BB^*$ , we obtain positive-definiteness, and in particular the function  $C(\cdot)$  that defines the entries of  $A$  is the Fourier transform of  $\varphi(\cdot)$ , where  $f(\cdot) = |\varphi(\cdot)|^2$ .

The harmonic analytic proof is given in Bochner (1932) [Boc32], Bochner (1955) [Boc55] and Todorovic (1992) [Tod92]; a probabilistic proof may be found in Bingham & Parthasarathy (1968) [BP68]. In probability theory, we have by Bochner's theorem that the function  $C(\cdot)$  must be the characteristic function of a symmetric probability density function. For our purposes, the function  $C(\cdot)$  is the covariogram, and the function  $f(\cdot)$  is its corresponding spectral density (see for instance Sneddon (1995) [Sne95] for further detail on spectral theory and Fourier transforms).

Under the assumption of weak stationarity, the covariogram implies other important properties summarized in the following theorem.

**Theorem 1.1.5.** *The covariogram  $C(\cdot)$  of a weakly stationary spatial stochastic process possesses the following properties:*

- (i)  $C(\mathbf{0}) \geq 0$
- (ii)  $C(\cdot)$  is an even function:  $C(\mathbf{h}) = C(-\mathbf{h})$
- (iii)  $C(\mathbf{0}) \geq |C(\mathbf{h})|$
- (iv)  $C(\mathbf{h}) = \text{Cov}(Z(\mathbf{s}), Z(\mathbf{s} + \mathbf{h})) = \text{Cov}(Z(\mathbf{0}), Z(\mathbf{h}))$
- (v) If  $C_i(\cdot)$  are valid covariograms and  $b_i \geq 0$  for all  $i = 1, \dots, n$ , then  $\sum_{i=1}^n b_i C_i(\mathbf{h})$  is also a valid covariogram
- (vi) If  $C_i(\cdot)$  are valid covariograms for  $i = 1, \dots, n$ , then  $\prod_{i=1}^n C_i(\mathbf{h})$  is also a valid covariogram
- (vii) If  $C(\cdot)$  is a valid covariogram in  $\mathbf{R}^d$ , then it is also a valid covariogram in  $\mathbf{R}^p$  for  $p < d$

*Proof.* Properties (i) and (ii) follow from the definition of a classical covariance function; for Property (ii), we make a change of variables  $\mathbf{u} := \mathbf{s} + \mathbf{h}$ , so that  $C(\mathbf{h}) = \text{Cov}(\mathbf{s}, \mathbf{s} + \mathbf{h}) = \text{Cov}(\mathbf{u} - \mathbf{h}, \mathbf{u}) = \text{Cov}(\mathbf{u}, \mathbf{u} - \mathbf{h}) = C(-\mathbf{h})$ . Property (iii) that  $|C(\mathbf{h})|$  is finite and in particular smaller than  $C(\mathbf{0})$  is obtained by the Cauchy-Schwarz inequality. Since, as mentioned previously, a weakly stationary covariogram only depends upon the separation vector  $\mathbf{h}$  and does not depend on absolute coordinates of members of  $\mathcal{D}$ , the spatial process may be translated to the origin to obtain Property (iv). Properties (v) and (vi) follow as spatial analogs to classical covariance functions (see for instance Loève (1946) [Loè46]), by the definition of the covariogram given in Definition 1.1.3. A direct computation given independent random variables  $Z_1$  and  $Z_2$  shows that sums of covariances give covariances

$$\text{Cov}(Z_1 + Z_2, Z'_1 + Z'_2) = E[(Z_1 + Z_2)(Z'_1 + Z'_2)] = E[Z_1 Z'_1] + E[Z_2 Z'_2] = \text{Cov}(Z_1, Z'_1) + \text{Cov}(Z_2, Z'_2),$$

the case for multiple covariances extending accordingly, and similarly, products of covariances give covariances

$$\text{Cov}(Z_1 Z_2, Z'_1 Z'_2) = E[(Z_1 Z_2)(Z'_1 Z'_2)] = E[(Z_1 Z'_1)(Z_2 Z'_2)] = \text{Cov}(Z_1 Z'_1, Z_2 Z'_2).$$

An argument for Property (vii) is given by Matérn (1986) [Mat86] that covariance functions are Hermitian and since  $\mathbf{R}^n \subset \mathbf{R}^{n+1}$ , the class of covariance functions on  $\mathbf{R}^{n+1}$  contains the class of covariance functions on  $\mathbf{R}^n$  so if  $C(\cdot)$  is a valid covariance function on  $\mathbf{R}^{n+1}$ , it is also valid on  $\mathbf{R}^n$ .  $\square$

### 1.1.3 Isotropy

Another stringent assumption, yet interesting in its simplicity and interpretability, which may be made on random fields of spatial stochastic processes is that of *isotropy*. To discuss this concept, we introduce the *semivariogram*.

**Definition 1.1.6.** *The semivariogram is a function  $\gamma : \mathbf{R}^d \rightarrow \mathbf{R}_+^d$  defined by*

$$\gamma(\mathbf{h}) := \frac{1}{2} \text{Var}(Z(\mathbf{s} + \mathbf{h}) - Z(\mathbf{s}));$$

$2\gamma(\cdot)$  is referred to as the **variogram**. If, in particular,  $\gamma(\cdot)$  is of univariate argument and depends only upon  $\|\mathbf{h}\|$  and  $E[Z(\mathbf{s} + \mathbf{h}) - Z(\mathbf{s})] = 0$ , the spatial stochastic process is said to be **isotropic**.

Under weak stationary, the semivariogram and covariogram are related by  $\gamma(\mathbf{h}) = C(\mathbf{0}) - C(\mathbf{h})$  and as such, it is common to see theory presented using both functions, though statisticians more commonly use the covariogram and geostatisticians tend to use the semivariogram. Use of the semivariogram is particularly convenient under the assumption of intrinsic stationary, by definition, since the expression for a semivariogram only makes sense, and can thus only be written, under the assumption of at least intrinsic stationarity. One should note, however, that the functions are not equally well-defined: the semivariogram  $\gamma(\cdot)$  may be determined from a given covariogram  $C(\cdot)$ , since by definition,

$$\begin{aligned} 2\gamma(\mathbf{h}) &= \text{Var}(Z(\mathbf{s} + \mathbf{h}) - Z(\mathbf{s})) = \text{Var}(Z(\mathbf{s} + \mathbf{h})) + \text{Var}(Z(\mathbf{s})) - 2\text{Cov}(Z(\mathbf{s} + \mathbf{h}), Z(\mathbf{s})) \\ &= C(\mathbf{0}) + C(\mathbf{0}) - 2C(\mathbf{h}) = 2(C(\mathbf{0}) - C(\mathbf{h})), \end{aligned}$$

which implies  $\gamma(\mathbf{h}) = C(\mathbf{0}) - C(\mathbf{h})$ . The converse, however, need not be true: the covariogram may not necessarily be determined from a semivariogram since it may not be identified; both the covariogram  $C(\cdot)$  and the semivariogram  $\gamma(\cdot)$  depend only upon the separation vector  $\mathbf{h}$ , and it is entirely possible for the latter to take the form  $\gamma(\mathbf{h}) = C(\mathbf{0}) - C(\mathbf{h}) + \text{constant}$ , thus posing a problem of identifiability. However, under the assumption of *ergodicity*, which essentially allows expectations over the sample space  $\Omega$  to be estimated by spatial averages (I see Adler (1981) [Adl81] and Cressie (1993) [Cre93] for further detail), both the covariogram  $C(\cdot)$  and the semivariogram  $\gamma(\cdot)$  are well-defined: A sufficient condition for ergodicity (Adler (1981) [Adl81]) is that

$$C(\mathbf{h}) \xrightarrow[\|\mathbf{h}\| \rightarrow \infty]{} 0.$$

Thus, for an ergodic spatial process,  $\lim_{\|\mathbf{h}\| \rightarrow \infty} \gamma(\mathbf{h}) = \lim_{\|\mathbf{h}\| \rightarrow \infty} C(\mathbf{0}) - C(\mathbf{h}) = C(\mathbf{0})$ , and via a change of variables for notational convenience, we have  $C(\mathbf{h}) = C(\mathbf{0}) - \gamma(\mathbf{h}) = \lim_{\|\mathbf{u}\| \rightarrow \infty} \gamma(\mathbf{u}) - \gamma(\mathbf{h})$ , so  $C(\mathbf{h})$  is well-defined as long as  $\lim_{\|\mathbf{h}\| \rightarrow \infty} \gamma(\mathbf{h})$  exists. Under ergodicity, intrinsic stationarity also implies weak stationarity.

**Definition 1.1.7.** *Given an isotropic variogram, we may define*

- the **nugget** of the process,  $\gamma(0^+) = \lim_{\|\mathbf{h}\| \rightarrow 0^+} \gamma(\|\mathbf{h}\|) = \tau^2 > 0$
- the **sill** of the process,  $\sigma_Z^2 = \lim_{\|\mathbf{h}\| \rightarrow \infty} \gamma(\|\mathbf{h}\|)$
- the **range** of the process,  $a = \inf \left\{ \mathbf{h} : \gamma(\|\mathbf{h}\|) = \lim_{\|\mathbf{h}\| \rightarrow \infty} \gamma(\|\mathbf{h}\|) \right\}$ , i.e. the lag  $\mathbf{h}$  beyond which  $Z(\mathbf{s})$  and  $Z(\mathbf{s} + \mathbf{h})$  are no longer correlated; the **effective range**  $a_0$  is defined by

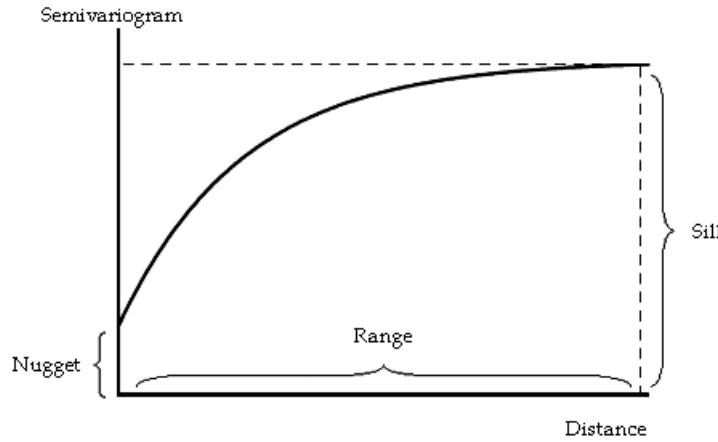


Figure 1.1: The Nugget, Range, and Sill of a Variogram.

*a corresponding effective separation  $\mathbf{h}_0$ , the distance that gives the range at which the correlation decreases to 0.05*

These notions are illustrated in Figure 1.1.

The *nugget effect* that  $\gamma(0^+) = \tau^2 > 0$  arises, but cannot happen mathematically for  $L^2$ -continuous or mean squared continuous processes; *i.e.* processes  $Z(\cdot)$  for which  $E[(Z(\mathbf{s} + \mathbf{h}) - Z(\mathbf{s}))^2] \rightarrow 0$  as  $\mathbf{h} \rightarrow 0$ . For

$$\lim_{\mathbf{h} \rightarrow 0} E[(Z(\mathbf{s} + \mathbf{h}) - Z(\mathbf{s}))^2] = \lim_{\mathbf{h} \rightarrow 0} 2(C(\mathbf{h}) - C(\mathbf{0})),$$

if  $C(\mathbf{h}) \not\rightarrow C(\mathbf{0})$  as  $\mathbf{h} \rightarrow 0$ , the random field cannot be mean squared continuous at  $\mathbf{s}$ . If we expect continuity of the random field, the only explanation for the nugget effect is measurement error. To illustrate measurement in the context of modeling, we decompose the process to comprise an independent mean effect  $\mu(\cdot)$ , an independent spatial random effect  $\omega(\cdot)$  with corresponding variance  $\sigma^2$ , and an independent pure error effect  $\varepsilon(\cdot)$  with corresponding variance  $\tau^2$ ,

$$Z(\mathbf{s}) = \mu(\mathbf{s}) + \omega(\mathbf{s}) + \varepsilon(\mathbf{s}).$$

See Cressie (1993) [Cre93] for further detail on this decomposition. This gives a variance of  $\text{Var}(Z(\mathbf{s})) = \sigma^2 + \tau^2$ , and for the covariance, we have

$$\text{Cov}(Z(\mathbf{s}), Z(\mathbf{s}')) = \text{Cov}(\omega(\mathbf{s}) + \varepsilon(\mathbf{s}), \omega(\mathbf{s}') + \varepsilon(\mathbf{s}')) = \sigma^2 r(\mathbf{s} - \mathbf{s}')$$

and  $\lim_{(\mathbf{s}-\mathbf{s}') \rightarrow 0} \sigma^2 r(\mathbf{s} - \mathbf{s}') = \sigma^2$ . Note, however, that in the spatial context, unlike in the context of time series analysis, such a decomposition is not unique. Recall that the Wold decomposition theorem due to Wold (1954) [Wol54] states that there exists a unique decomposition for any weakly stationary time series into the sum of a purely deterministic and a purely non-deterministic time series, which are uncorrelated and both weakly stationary (see Hamilton

(1994) [Ham94] and Gouriéroux & Monfort (1997) [GM97] for further detail). In the spatial setting, however, notions of past, present and future are not obvious to define, which limits the existence of an analogous Wold decomposition theorem for spatial data. In  $\mathbf{Z}^2$ , however, a notion of the past can be defined by considering half-planes and Wold-type decomposition theorems have been established for such a space, for instance, by Körezlioğlu & Loubatian (1986) [KL86].

In contrast to isotropy, the concept of *anisotropy* stipulates that association depends upon the direction and distance of the separation vector between locations.

**Example 1.1.1.** *Geometric anisotropy* generates elliptical contours,

$$C(\mathbf{s}_1 - \mathbf{s}_2) \propto r((\mathbf{s}_1 - \mathbf{s}_2)^\top A(\mathbf{s}_1 - \mathbf{s}_2)),$$

for some positive-definite matrix  $A$ . Contours of constant association in the case of geometric anisotropy are elliptical; in particular, the corresponding to  $r = 0.05$  provides the effective range for each spatial direction.

**Example 1.1.2.** *Geometric product anisotropy* extends geometric anisotropy,

$$C(\mathbf{s}_1 - \mathbf{s}_2) \propto r_1((\mathbf{s}_1 - \mathbf{s}_2)^\top A_1(\mathbf{s}_1 - \mathbf{s}_2))r_2((\mathbf{s}_1 - \mathbf{s}_2)^\top A_2(\mathbf{s}_1 - \mathbf{s}_2)),$$

for positive-definite matrices  $A_1, A_2$ .

Geometric and product geometric anisotropy are particular cases of *range anisotropy*, which suggests the parallel definitions of *sill anisotropy*, where given a semivariogram  $\gamma(\cdot)$ ,  $\lim_{c \rightarrow \infty} \gamma(c \cdot \mathbf{h} / \|\mathbf{h}\|)$  depends on  $\mathbf{h}$ , implying that the process is not ergodic, and of *nugget anisotropy*, where a given semivariogram  $\gamma(\cdot)$ ,  $\lim_{c \rightarrow 0} \gamma(c \cdot \mathbf{h} / \|\mathbf{h}\|)$  depends on  $\mathbf{h}$ , implying that no pure error can be introduced to the mode.

There exists a variety of parametric forms as candidates for isotropic covariograms; we mention a few here. Other models can be found in Cressie (1993) [Cre93] and Schabenberger & Gotway (2005) [SG05].

**Example 1.1.3.** A weakly stationary random field has a representation via the convolution of a kernel function and white noise random field ([SG05]); the covariogram of such a random field is itself the convolution of the kernels  $k(\cdot)$ ,

$$C(\mathbf{h}) = \sigma^2 \int_{\mathbf{u}} k(\mathbf{u}) k(\mathbf{u} + \mathbf{h}) d\mathbf{u},$$

where  $\sigma^2$  is the white-noise variance. Choosing the indicator function for the sphere in  $\mathbf{R}^d$  with diameter  $1/\vartheta$ ,  $\mathbf{1}(\|\mathbf{u}\| \leq 1/(2\vartheta))$ , as a kernel function (see Chilès & Delfiner (1999) [CD99])

generates the *spherical* class of isotropic covariograms,

$$C(\|\mathbf{h}\|) = \begin{cases} 0 & \text{if } 1/\vartheta \leq \|\mathbf{h}\|; \\ \sigma^2 \int_{\vartheta/\|\mathbf{h}\|}^1 (1-u^2)^{(d-1)/2} du & \text{if } 0 < \|\mathbf{h}\| \leq 1/\vartheta; \\ \tau^2 + \sigma^2 & \text{otherwise.} \end{cases}$$

For the case that  $d = 3$ , the spherical covariogram and its corresponding semivariogram are given by

$$C(\|\mathbf{h}\|) = \begin{cases} 0 & \text{if } 1/\vartheta \leq \|\mathbf{h}\|; \\ \sigma^2 \left(1 - \frac{3}{2}\vartheta\|\mathbf{h}\| + \frac{1}{2}(\vartheta\|\mathbf{h}\|)^3\right) & \text{if } 0 < \|\mathbf{h}\| \leq 1/\vartheta; \\ \tau^2 + \sigma^2 & \text{otherwise.} \end{cases}$$

$$\gamma(\|\mathbf{h}\|) = \begin{cases} \tau^2 + \sigma^2 & \text{if } 1/\vartheta \leq \|\mathbf{h}\|; \\ \tau^2 + \sigma^2 \left(\frac{3}{2}\vartheta\|\mathbf{h}\| - \frac{1}{2}(\vartheta\|\mathbf{h}\|)^3\right) & \text{if } 0 < \|\mathbf{h}\| \leq 1/\vartheta; \\ 0 & \text{otherwise.} \end{cases}$$

The property that the correlation is exactly zero at a separation distance  $\|\mathbf{h}\| = 1/\vartheta$  for the spherical class is, according to Stein (1999) [Ste99], a statistical disadvantage in practical modeling and applications in its unrealism.

**Example 1.1.4.** The *exponential* class of covariograms and corresponding semivariograms are given by

$$C(\|\mathbf{h}\|) = \begin{cases} \sigma^2 e^{-\vartheta\|\mathbf{h}\|} & \text{if } \|\mathbf{h}\| > 0; \\ \tau^2 + \sigma^2 & \text{otherwise.} \end{cases}$$

$$\gamma(\|\mathbf{h}\|) = \begin{cases} \tau^2 + \sigma^2 (1 - e^{-\vartheta\|\mathbf{h}\|}) & \text{if } \|\mathbf{h}\| > 0; \\ 0 & \text{otherwise.} \end{cases}$$

In contrast to the spherical model, for the exponential model, the sill is only reached asymptotically, meaning that strictly speaking, the range  $a = 1/\vartheta$  is infinite and it is for such models that working with the effective range is meaningful. To find the effective range, note that for  $\|\mathbf{h}\| > 0$ , we have

$$C(\|\mathbf{h}\|) = \lim_{\|\mathbf{u}\| \rightarrow \infty} \gamma(\|\mathbf{u}\|) - \gamma(\|\mathbf{h}\|) = \tau^2 + \sigma^2 - \left(\tau^2 + \sigma^2 (1 - e^{-\vartheta\|\mathbf{h}\|})\right) = \sigma^2 e^{-\vartheta\|\mathbf{h}\|},$$

however, since  $\gamma(\mathbf{0}) = \tau^2$ , we set  $C(0) = \tau^2 + \sigma^2$ , so

$$C(\|\mathbf{h}\|) = \begin{cases} \tau^2 + \sigma^2 & \text{if } \|\mathbf{h}\| = 0, \\ \sigma^2 e^{-\vartheta\|\mathbf{h}\|} & \text{if } \|\mathbf{h}\| > 0. \end{cases}$$

With this specification, the correlation between two points at distance  $\|\mathbf{h}\|$  apart is  $e^{-\vartheta\|\mathbf{h}\|}$ ; as expected, we have  $e^{-\vartheta\|\mathbf{h}\|} = 1$  for  $t = 0^+$  and  $e^{-\vartheta\|\mathbf{h}\|} \rightarrow 0$  when  $t \rightarrow \infty$ . For the exponential model, when  $e^{-\vartheta\|\mathbf{h}_0\|} = 0.05$ , the effective range  $a_0 \approx 3/\vartheta$  since  $\log(0.05) \approx -3$ .

The exponential model is the equivalent of a time series covariance function of autoregressive order one  $AR(1)$  in continuous time and is used in the modeling of longitudinal data by Jones (1993) [Jon93] and repeated measures by Schabenberger & Pierce (2002) [SP02] in addition to spatial data.

**Example 1.1.5.** When  $|v| \leq 2$ , the *powered exponential class* of covariograms and corresponding semivariograms are generated by

$$C(\|\mathbf{h}\|) = \begin{cases} \sigma^2 e^{-(\vartheta \|\mathbf{h}\|)^v} & \text{if } \|\mathbf{h}\| > 0; \\ \tau^2 + \sigma^2 & \text{otherwise.} \end{cases}$$

$$\gamma(\|\mathbf{h}\|) = \begin{cases} \tau^2 + \sigma^2 (1 - e^{-(\vartheta \|\mathbf{h}\|)^v}) & \text{if } \|\mathbf{h}\| > 0; \\ 0 & \text{otherwise.} \end{cases}$$

Note that the exponential class is a particular case of the powered exponential class.

### The Matérn Class of Isotropic Correlograms

The 1960 doctoral thesis of Matérn [Mat60] (revised in 1986 [Mat86]) provides the general and versatile so-named Matérn class of everywhere-continuous covariograms for isotropic spatial processes which has proven to be seminal in modeling in many applications, such as that of geostatistics, in modeling geothermal field temperatures by Mateu, Porcu, Christakos & Bevilacqua (2007) [MPCB07], and wind fields by Wikle, Berliner & Milliff (2003) [WBM03], Fuentes, Chen, Davis & Lackmann (2005) [FCDL05], Xu, Wikle & Fox (2005) [XWF05]; agriculture, in modeling soil data by Minasny & McBratney (2005) [MM05], and Lesch & Corwin (2008) [LC08] and crop yields by Clifford & Tuesday (2004) [CT04]; physics, in modeling heat diffusion processes by Kelbert, Lenenka & Ruiz-Medina (2005) [KLRM05] and predicting photometric redshift by Way, Foster, Gazis & Srivastava (2009) [WFGS09]; epidemiology, in modeling occurrence of cancer by Baladandayuthapani, Veerabhadran, Mallick, Hong, Lupton, Turner & Carroll (2008) [BMH<sup>+</sup>08]; and urban development by Duan, Gelfand & Sirmans (2010) [DGS10], among others. Moreover, the Matérn class generalizes and encompasses two other important models commonly used in geostatistical applications, including the exponential family given above in Example 1.1.4; its form is given in the following definition.

**Definition 1.1.8.** *The Matérn class of isotropic covariograms takes the form*

$$C(\|\mathbf{h}\|) = \frac{2\sigma^2}{\Gamma(v)} \left( \frac{\vartheta \|\mathbf{h}\|}{2} \right)^v \mathcal{K}_v(\vartheta \|\mathbf{h}\|),$$

where  $\sigma^2$  denotes the variance of the spatial process; the parameters  $\vartheta$  and  $v$  pertain to the range of spatial dependence and the smoothness of the process, respectively; and  $\mathcal{K}_v(\cdot)$  is the modified Bessel function of the second kind of order  $v$ . Its corresponding spectral density function takes the form

$$f(\omega) = \sigma^2 \frac{\vartheta^{2v}}{\Gamma(v)\Gamma(\frac{1}{2})} (\vartheta^2 + \omega^2)^{-(v+\frac{1}{2})}.$$

The smoothness of a random field is dependent on the fractal dimension (see Adler (1981) [Adl81]), a local property determined by the asymptotic behavior of the covariogram at an infinitesimally small separation, whose value depends upon the smoothness parameter  $\nu$  for a random field possessing a Matérn covariance structure: the larger the value of  $\nu$ , the smoother the process  $Z(\cdot)$ . Moreover, in two dimensions  $d = 2$ , the process is  $[\nu]$  times  $L^2$ -differentiable (or mean squared differentiable). In contrast, the strength of spatial dependence is characterized by the range parameter  $\vartheta$  which decays exponentially with separation. Together, this enables the Matérn class of covariograms the cover a wide range of behaviors while maintaining the interpretability of the parameters.

Alternative parameterizations of this class exist in Stein & Handcock (1993) [SH89], Handcock & Wallis (1994) [HW94] and Stein (1999) [Ste99], and may be used depending on the objective or application. Alternative parameterizations may give more convenient representations of corresponding spectral density functions and subclasses of the Matérn class, or to make the effective range more explicit.

We now build upon the framework given in Matérn (1986) [Mat86] and give the explicit construction of this class based on Fourier inversion, which makes use of Bochner's theorem and uses results from the theory of stationary processes; we will construct the class of correlograms, the correlogram being proportional to the covariogram. The notation used for the variable in the correlation (time) domain will be  $\mathbf{x}$  with its norm denoted by  $\nu = \|\mathbf{x}\| = \sqrt{x_1^2 + \dots + x_d^2}$ ; the variable in the spectral (or frequency) domain will be  $\boldsymbol{\omega}$  with its norm denoted by  $w = \|\boldsymbol{\omega}\| = \sqrt{\omega_1^2 + \dots + \omega_d^2}$ . Other notation in this construction follows Matérn (1986) [Mat86].

The construction of the Matérn class of isotropic spatial correlations begins by considering the isotropic correlation function

$$r_1(\nu) = e^{-a^2\nu^2} \iff r_1(\mathbf{x}) = \exp\{-a^2(x_1^2 + \dots + x_d^2)\}.$$

This is a particular case of the more general form of the characteristic function of the multivariate normal distribution

$$\varphi(\boldsymbol{\omega}) = \exp\{-\boldsymbol{\omega}^\top A \boldsymbol{\omega}\},$$

where  $\boldsymbol{\omega}^\top A \boldsymbol{\omega}$  is a non-negative quadratic form. Following a result of Cramér (1940) [Cra40], characteristic functions for random variables constitute correlation functions under certain regularity conditions. Thus,  $r_1(\nu)$  is indeed a correlation function.

By Bochner's theorem, the spectral density is given by the  $d$ -dimensional inverse Fourier

transform.

$$\begin{aligned} f_1(w) = f_1(\omega) &= \frac{1}{(2\pi)^d} \int_{\mathbf{R}^d} e^{-i(\omega_1 x_1 + \dots + \omega_d x_d)} e^{-a^2(x_1^2 + \dots + x_d^2)} dx_1 \dots dx_d \\ &= \frac{1}{(2\pi)^d} \int_{-\infty}^{+\infty} e^{-i\omega_1 x_1 - a^2 x_1^2} dx_1 \dots \int_{-\infty}^{+\infty} e^{-i\omega_d x_d - a^2 x_d^2} dx_d. \end{aligned}$$

Without loss of generality, we calculate  $g(\omega_1) := \int_{-\infty}^{+\infty} \underbrace{e^{-i\omega_1 x_1 - a^2 x_1^2}}_{h(x_1, \omega_1)} dx_1$ . Notice that since  $(x_1, \omega_1) \mapsto h(x_1, \omega_1)$  is  $\mathcal{C}^\infty$  on  $\mathbf{R}$  (with an integrable component  $x_1$  over  $\mathbf{R}$ ), and  $\left| \frac{\partial}{\partial \omega_1} h(x_1, \omega_1) \right| = |x_1| e^{-a^2 x_1^2}$ , and  $|x_1| \mapsto |x_1| e^{-a^2 x_1^2}$  is integrable on  $\mathbf{R}$ , then we may differentiate under the integral sign. This gives

$$\begin{aligned} g'(\omega_1) &= \int_{-\infty}^{+\infty} -ix_1 e^{-i\omega_1 x_1} e^{-a^2 x_1^2} dx_1 = -i \int_{-\infty}^{+\infty} e^{-i\omega_1 x_1} \cdot x_1 e^{-a^2 x_1^2} dx_1 \\ &= -i \left[ \underbrace{\int_{-\infty}^{+\infty} \cos(\omega_1 x_1) \cdot x_1 e^{-a^2 x_1^2} dx_1}_{(*)_1} - i \underbrace{\int_{-\infty}^{+\infty} \sin(\omega_1 x_1) \cdot x_1 e^{-a^2 x_1^2} dx_1}_{(*)_2} \right]. \end{aligned}$$

We compute  $(*)_1$  by integration by parts, putting

$$\begin{aligned} s'(x_1) &= x_1 e^{-a^2 x_1^2} dx_1 \rightsquigarrow s(x_1) = -\frac{1}{2a^2} e^{-a^2 x_1^2} \\ t(x_1) &= \cos(\omega_1 x_1) \rightsquigarrow t'(x_1) = -\omega_1 \sin(\omega_1 x_1) dx_1 \end{aligned}$$

so that

$$\begin{aligned} (*)_1 &= \int_{-\infty}^{+\infty} \cos(\omega_1 x_1) \cdot x_1 e^{-a^2 x_1^2} dx_1 \\ &= \cos(\omega_1 x_1) \cdot -\frac{1}{2a^2} e^{-a^2 x_1^2} \Big|_{-\infty}^{+\infty} - \int_{-\infty}^{+\infty} \omega_1 \sin(\omega_1 x_1) \cdot \frac{1}{2a^2} e^{-a^2 x_1^2} dx_1 \\ &= -\frac{\omega_1}{2a^2} \int_{-\infty}^{+\infty} \sin(\omega_1 x_1) e^{-a^2 x_1^2} dx_1. \end{aligned}$$

Similarly, we compute  $(*)_2$  as

$$(*)_2 = \int_{-\infty}^{+\infty} \sin(\omega_1 x_1) \cdot x_1 e^{-a^2 x_1^2} dx_1 = \frac{\omega_1}{2a^2} \int_{-\infty}^{+\infty} \cos(\omega_1 x_1) e^{-a^2 x_1^2} dx_1.$$

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This gives

$$\begin{aligned} g'(u_1) &= -i \cdot -\frac{\omega_1}{2a^2} \left[ \int_{-\infty}^{+\infty} \sin(\omega_1 x_1) e^{-a^2 x_1^2} dx_1 + i \int_{-\infty}^{+\infty} \cos(\omega_1 x_1) e^{-a^2 x_1^2} dx_1 \right] \\ &= -\frac{\omega_1}{2a^2} \left[ -i \int_{-\infty}^{+\infty} \sin(\omega_1 x_1) e^{-a^2 x_1^2} dx_1 + \int_{-\infty}^{+\infty} \cos(\omega_1 x_1) e^{-a^2 x_1^2} dx_1 \right] \\ &= -\frac{\omega_1}{2a^2} \int_{-\infty}^{+\infty} e^{-i\omega_1 x_1} e^{-a^2 x_1^2} dx_1 = -\frac{\omega_1}{2a^2} g(\omega_1). \end{aligned}$$

We have a differential equation in the form of a logarithmic derivative  $\frac{g'(\omega_1)}{g(\omega_1)} = -\frac{\omega_1}{2a^2}$ , whose solution is given by

$$g(\omega_1) = c_0 \cdot \exp \left\{ - \int \frac{\omega_1}{2a^2} d\omega_1 \right\}.$$

We can find the constant  $c_0$  by

$$\begin{aligned} c_0 = g(0) &= \int_{-\infty}^{+\infty} e^{-a^2 x_1^2} dx_1 \text{ by a change of variables } y := ax_1 \rightsquigarrow xy = adx_1 \\ &= \frac{1}{a} \int_{-\infty}^{+\infty} e^{-y^2} dy = \frac{\sqrt{\pi}}{a}. \end{aligned}$$

Thus,

$$g(\omega_1) = \frac{\sqrt{\pi}}{a} \exp \left\{ - \frac{\omega_1^2}{4a^2} \right\}.$$

The spectral density given by the  $d$ -dimensional inverse Fourier transform is thus

$$\begin{aligned} f_1(\boldsymbol{\omega}) &= \frac{1}{(2\pi)^d} \int_{-\infty}^{+\infty} e^{-\omega_1 x_1 - a^2 x_1^2} dx_1 \cdots \int_{-\infty}^{+\infty} e^{-i\omega_d x_d - a^2 x_d^2} dx_d \\ &= \frac{1}{(2\pi)^d} \cdot \left( \frac{\sqrt{\pi}}{a} \right)^n \prod_{j=1}^d \exp \left\{ - \frac{\omega_j^2}{4a^2} \right\} = \frac{1}{(2a)^d} \pi^{-d/2} \exp \left\{ - \frac{1}{4a^2} \sum_{j=1}^d \omega_j^2 \right\}. \end{aligned}$$

Since we assume that we have an isotropic spatial process, setting  $w = \|\boldsymbol{\omega}\| = \sqrt{\omega_1^2 + \cdots + \omega_d^2}$  gives the spectral density in the following univariate form

$$f_1(w) = \frac{1}{(2a)^d} \pi^{-d/2} \exp \left\{ - \frac{w^2}{4a^2} \right\}.$$

After an example of Loève (1946) [Loè46], we have the following theorem that sums of covariance functions are themselves covariance functions.

**Theorem 1.1.9.** Denote the class of all covariance functions for processes in  $\mathbf{R}^d$  by  $\mathcal{C}$ . Let  $\mu(u)$  be a measure on  $\mathcal{U}$ , and suppose that  $C(x, y; u)$  is integrable over the subset  $\mathcal{V} \subset \mathcal{U}$  for every

pair  $(x, y)$ , and write

$$C(x, y) = \int_{\mathcal{V}} C(x, y; u) d\mu(u).$$

If  $C(x, y; u) \in \mathcal{C}$  for all  $u \in \mathcal{U}$ , then  $C(x, y) \in \mathcal{C}$ .

This result implies that  $\int_{\mathbf{R}} e^{-a^2 v^2} dH(a)$  belongs to the subclass of everywhere continuous, stationary, and isotropic correlation functions, where  $H(a)$  is an arbitrary one-dimensional distribution; application to the probability density of the gamma distribution  $\Gamma(\cdot, \cdot)$  with parameters  $(\alpha, \beta)$  and parameterizing so that  $x \leftrightarrow a^2$ ,  $\alpha \leftrightarrow s > 0$ ,  $\beta \leftrightarrow b^2$ , gives

$$f_{\Gamma}(x; \alpha, \beta) = \frac{x^{\alpha-1} \beta^{\alpha} e^{-\beta x}}{\Gamma(\alpha)} = e^{-a^2 b^2} \frac{b^{2s}}{\Gamma(s)} a^{2(s-1)},$$

where  $\Gamma(\cdot)$  denotes the gamma function, defined by  $\Gamma(s) = \int_0^{+\infty} e^{-t} t^{s-1} dt$ . This parameterization applied to the form in Theorem 1.1.9 gives an everywhere continuous, stationary, and isotropic correlation function as follows

$$\begin{aligned} r_2(v) &= \int_0^{+\infty} e^{-a^2 v^2} \cdot e^{-a^2 b^2} \frac{b^{2s}}{\Gamma(s)} a^{2(s-1)} da^2 \\ &= \int_0^{+\infty} \exp\{-a^2(v^2 + b^2)\} \frac{b^{2s}}{\Gamma(s)} a^{2s-2} da^2 \quad \text{Put } t := a^2(v^2 + b^2) \\ &= \int_0^{+\infty} e^{-t} \frac{b^{2s}}{\Gamma(s)} \frac{t^{s-1}}{(v^2 + b^2)^{s-1}} \frac{dt}{(v^2 + b^2)} \\ &= \frac{1}{\Gamma(s)} \frac{b^{2s}}{(v^2 + b^2)^s} \underbrace{\int_0^{+\infty} e^{-t} t^{s-1} dt}_{\Gamma(s)} = \left(\frac{b^2}{v^2 + b^2}\right)^s = \left(1 + \frac{v^2}{b^2}\right)^{-s}. \end{aligned}$$

By Bochner's theorem, the corresponding spectral density of the correlation function  $r_2(v)$  is given by

$$\begin{aligned} f_2(w) &= f_2(\omega) = \frac{1}{(2\pi)^d} \int_{\mathbf{R}_+^d} e^{-i(\omega_1 x_1 + \dots + \omega_d x_d)} \left(1 + \frac{1}{b^2}(x_1^2 + \dots + x_d^2)\right)^{-s} dx_1 \dots dx_d \\ &= \frac{1}{(2\pi)^d} \int_{\mathbf{R}_+^d} e^{-i(\omega_1 x_1 + \dots + \omega_d x_d)} \int_0^{+\infty} e^{-a^2(x_1^2 + \dots + x_d^2)} e^{-a^2 b^2} \frac{b^{2s}}{\Gamma(s)} a^{2(s-1)} da^2 dx_1 \dots dx_d. \end{aligned}$$

We know that the spectral density of  $r_1(v) = e^{-a^2 v^2}$  is

$$f_1(w) = f_1(\omega) = \int_{\mathbf{R}^d} e^{-i(\omega_1 x_1 + \dots + \omega_d x_d)} e^{-a^2(x_1^2 + \dots + x_d^2)} dx_1 \dots dx_d = \frac{1}{(2a)^d} \pi^{-d/2} \exp\left\{-\frac{w^2}{4a^2}\right\},$$

thus the spectral density  $f_2(w) = f(\omega)$  of  $r_2(v)$  is given by

$$f_2(w) = f_2(\omega) = 2^{-d} \pi^{-d/2} \frac{b^{2s}}{\Gamma(s)} \int_0^{+\infty} \exp\left\{-\frac{w^2}{4a^2} - b^2 a^2\right\} a^{2s-d-2} da^2 = c_2 w^{s-d/2} \mathcal{K}_{s-d/2}(wb),$$

where  $c_2$  is a constant, and  $\mathcal{K}_{s-d/2}(\cdot)$  is the modified Bessel function of the second kind of order  $s - d/2$ .

Now, we notice that for  $s > d/2$ , the correlation function  $r_2(v)$  possesses the form of a spectral (frequency) domain representation, so that up to a multiplicative constant,  $f_3(w) := r_2(w)$  with  $w \leftrightarrow v$  is a spectral density, thus integrates to 1, that is,

$$f_3(w) = c_d(s, b) \left(1 + \frac{w^2}{b^2}\right)^{-s} \iff \int_{\mathbf{R}_+^d} \left(1 + \frac{\|\omega\|^2}{b^2}\right)^{-s} d\omega_1 \cdots d\omega_d = \frac{1}{c_d(s, b)}.$$

Since  $r_2(v)$  and  $f_2(w)$  are Fourier transform pairs, we have

$$\begin{aligned} r_2(v) &= r_2(\mathbf{x}) = \int_{\mathbf{R}_+^d} e^{i\omega^\top \mathbf{x}} f_2(\omega) d\omega = \left(1 + \frac{\|\mathbf{x}\|^2}{b^2}\right)^{-s} \\ f_2(w) &= f_2(\omega) = \frac{1}{(2\pi)^d} \int_{\mathbf{R}_+^d} e^{-i\omega^\top \mathbf{x}} r_2(\mathbf{x}) d\mathbf{x} = c_2 (\|\omega\|)^{s-d/2} \mathcal{K}_{s-d/2}(\|\omega\|^2 b) \end{aligned}$$

so

$$f_2(0) = \frac{1}{(2\pi)^d} \int_{\mathbf{R}_+^d} r_2(\mathbf{x}) d\mathbf{x} \iff f_2(0) = \frac{1}{(2\pi)^d} \frac{1}{c_d(s, b)} \iff c_d(s, b) = \frac{1}{(2\pi)^d f_2(0)}$$

and  $c_d(s, b)^{-1}$  may be calculated by evaluating  $f_2(w)$  at  $w = 0$ ,

$$f_2(0) = c_2 w^{s-d/2} \mathcal{K}_{s-d/2}(wb) \Big|_{w=0}$$

The result on limiting forms for small arguments for modified Bessel functions (Abramowitz & Stegun (1964) [AS64]) that  $\mathcal{K}_v(z) \approx \frac{1}{2} \Gamma(v) \left(\frac{z}{2}\right)^{-v}$ , which we apply to get

$$\begin{aligned} f_2(0) &= c_2 w^{s-d/2} \mathcal{K}_{s-d/2}(wb) \Big|_{w=0} \approx c_2 w^{s-d/2} \frac{1}{2} \Gamma\left(s - \frac{d}{2}\right) \left(\frac{1}{2} wb\right)^{-(s-d/2)} \\ &= c_2 \frac{1}{2} \Gamma\left(s - \frac{d}{2}\right) \left(\frac{b}{2}\right)^{-(s-d/2)} \end{aligned}$$

Setting  $v := s - d/2$ , this gives

$$c_d(s, b) = \frac{1}{(2\pi)^d} \frac{2}{c_2} \frac{1}{\Gamma(v)} \left(\frac{b}{2}\right)^v \quad \text{and} \quad f_3(w) = \frac{1}{(2\pi)^d} \frac{2}{c_2} \frac{1}{\Gamma(v)} \left(\frac{b}{2}\right)^v \left(1 + \frac{w^2}{b^2}\right)^{-s}.$$

The Fourier transform of the spectral density  $f_3(w) := r_2(v)$  with  $v \leftrightarrow w$  gives a correlation function on  $\mathbf{R}^d$

$$r_3(v) = c_2^{-1} \frac{2}{\Gamma(v)} \left(\frac{b}{2}\right)^v v^v \mathcal{K}_v(bv) \propto \frac{2}{\Gamma(v)} \left(\frac{bv}{2}\right)^v \mathcal{K}_v(bv)$$

This is precisely the Matérn class of isotropic correlograms; a change of notation of the variables for the parameters  $b \leftrightarrow \vartheta$  and  $\nu = \|\mathbf{x}\| \leftrightarrow \|\mathbf{h}\|$  gives the parameterization given in Definition 1.1.8, up to a constant of proportionality.

Note that when  $\nu = 3/2$ , convenient closed-form expressions for the covariogram and semivariogram are obtained:

$$C(\|\mathbf{h}\|) = \begin{cases} \sigma^2(1 + \vartheta\|\mathbf{h}\|)e^{-\vartheta\|\mathbf{h}\|} & \text{if } \|\mathbf{h}\| > 0; \\ \tau^2 + \sigma^2 & \text{otherwise.} \end{cases} \quad (1.1)$$

$$\gamma(\|\mathbf{h}\|) = \begin{cases} \tau^2 + \sigma^2(1 - (1 + \vartheta\|\mathbf{h}\|)e^{-\vartheta\|\mathbf{h}\|}) & \text{if } \|\mathbf{h}\| > 0; \\ 0 & \text{otherwise.} \end{cases} \quad (1.2)$$

The following definition gives other correlogram models which are members of the Matérn class.

**Definition 1.1.10.** *In the case that  $\nu \rightarrow \infty$ , the limiting correlogram model is known as the Gaussian model<sup>1</sup>*

$$r(\|\mathbf{h}\|) = e^{-\vartheta\|\mathbf{h}\|^2}.$$

When  $\nu = 1$ , we obtain the Whittle model

$$r(\|\mathbf{h}\|) = \vartheta\|\mathbf{h}\|\mathcal{K}_1(\vartheta\|\mathbf{h}\|)$$

When  $\nu = 1/2$ , the Matérn class gives the exponential model presented previously in Example 1.1.4: using the result that  $\mathcal{K}_{1/2}(t) = \sqrt{\frac{\pi}{2t}}e^{-t}$  and  $\Gamma(\frac{1}{2}) = \sqrt{\pi}$ , we have  $r(\|\mathbf{h}\|) = e^{-\vartheta\|\mathbf{h}\|}$ . The Gaussian model is also a particular case of the powered exponential class presented in Example 1.1.5. Examples of these models are shown in Figure 1.2.

We note here that other constructions exist for members of Definition 1.1.8 given in Definition 1.1.10, in particular by an observation established by Whittle (1954) [Whi54] that a process  $Z(t)$  in  $\mathbf{R}$  with exponential correlation (presented in Example 1.1.4) can be represented by the stochastic differential equation

$$\left( \frac{d}{dt} + b \right) Z(t) = \varepsilon(t),$$

where  $\varepsilon(t)$  is a white noise process, which is also known as the *elementary stochastic differential equation in  $\mathbf{R}$* . As such, the exponential correlogram model has also been referred to by Whittle (1954) [Whi54] as the elementary correlogram, though Schabenberger & Gotway (2005) [SG05] argue that it is more fitting to refer to the Gaussian correlogram as the elemen-

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<sup>1</sup>The name is due to the functional similarity between the spectral density of a process with such a correlogram and the Gaussian (normal) probability density function  $\mathcal{N}(\cdot, \cdot)$ . The Gaussian correlogram is a simplistic model that unrealistically assumes an infinitely differentiable process, thus is an impractical choice of correlogram for most applications and is of little interest in spatial modeling. Noting the unfortunate connotation that suggests a parallel importance of the Gaussian distribution to the spatial domain, Schabenberger & Gotway (2005) [SG05] go so far as to use the lowercase notation to distinguish the “gaussian” correlogram model from the Gaussian probability distribution and to dispel the connotation.

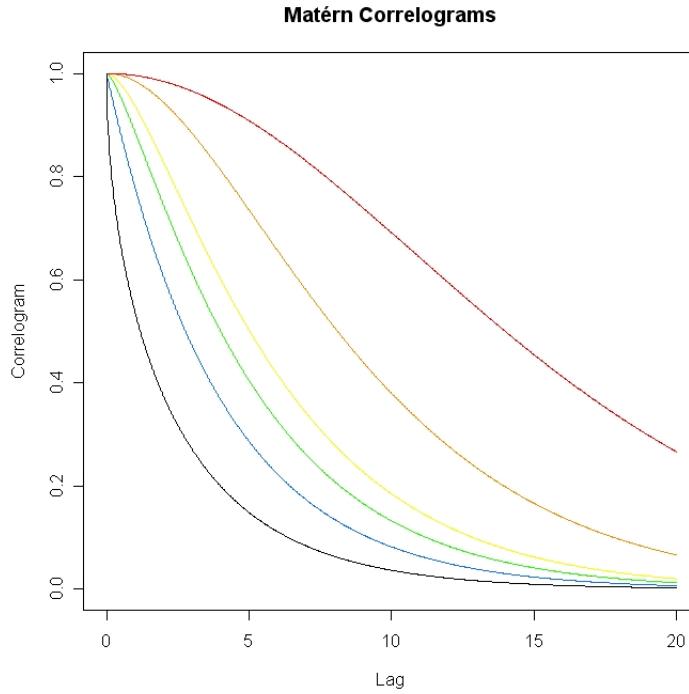


Figure 1.2: Correlograms constructed from the Matérn class of correlograms for different values of the smoothness parameter  $\nu$ ,  $\vartheta = 0.25$  and  $\sigma^2 = 1$ : the model for  $\nu \rightarrow \infty$  is the Gaussian model shown by the red outermost curve; moving inwards, the curves are represented by values of  $\nu = 1.5, 1, 0.75, 0.5$  and  $0.25$ , respectively.

tary correlogram. It is also the continuous-time analog of the correlation structure of an autoregressive time series of order one  $AR(1)$ . In  $\mathbf{R}^2$ , the stochastic Laplace equation

$$\left( \frac{\partial^2}{\partial x_1^2} + \frac{\partial^2}{\partial x_2^2} - b^2 \right) Z(x_1, x_2) = \varepsilon(x_1, x_2)$$

generates the Whittle correlation function

$$r(\|\mathbf{h}\|) = \vartheta \|\mathbf{h}\| \mathcal{K}_1(\vartheta \|\mathbf{h}\|),$$

where  $\mathcal{K}_1(\cdot)$  denotes the modified Bessel function of the second kind of order 1, which corresponds to a Markov process. These alternative constructions for isotropic correlogram models by Whittle (1954) [Whi54] consider backwards and forwards autoregressive processes along a ray, and their corresponding Fourier transform pairs of radial densities. The result is a correlation function corresponding to a stochastic differential equation of Laplace type, whose solution also relies on Bessel functions and consequently, the Matérn class of covariograms has also been referred to as the Whittle class or the Whittle-Matérn class of covariograms in the literature. A historical discussion on the name of this class is given by Guttorp & Gneiting (2006) [GG06], in which the verdict is to refer to the class of covariograms defined by

Definition 1.1.8 by the name of Matérn.

The construction of covariograms in the field of spatial statistics is a vast topic of research in itself and many interesting questions have been posed and addressed regarding characteristics of spatial covariance functions. In addition to notions of stationarity and isotropy, when extending the domain to encompass spatio-temporal stochastic processes  $\{Z(\mathbf{s}, t) : \mathbf{s} \in \mathcal{D} \subseteq \mathbf{R}^d, t \in \mathbf{R}\}$ , those of *symmetry* and *separability* now also come into consideration.

**Definition 1.1.11.** *A stationary covariogram is said to be **fully symmetric** if*

$$C(\mathbf{h}, u) = C(\mathbf{h}, -u) = C(-\mathbf{h}, u) = C(-\mathbf{h}, -u),$$

*or more generally, for non-stationary covariance functions,*

$$\text{Cov}(Z(\mathbf{s}, t), Z(\mathbf{s} + \mathbf{h}, t + u)) = \text{Cov}(Z(\mathbf{s}, t + u), Z(\mathbf{s} + \mathbf{h}, t)).$$

*A covariogram is said to be **separable** if it may be factored into a product of purely spatial and purely temporal covariances*

$$C(\mathbf{h}, u) = \frac{C(\mathbf{h}, 0) \cdot C(\mathbf{0}, u)}{C(\mathbf{0}, 0)}.$$

The notion of symmetry provides an interesting and intuitive “transport” effect in spatio-temporal applications, particularly in the domain of atmospheric and geophysical applications as exemplified by Cressie & Huang (1999) [CH99] and by Gneiting (2002) [Gne02] where symmetry provides a comparison of East to West and West to East covariation which might be desirable, for instance, to assess the presence of prevailing winds or ocean currents and mathematically corresponds to the construction of even functions. The notion of separability, while unrealistic in applications to data since it does not allow for interaction between spatial and temporal effects, provides mathematical tractability and computational efficiency, and in particular presents a special case of full symmetry. The suitability such assumptions in modeling have been examined by tests developed for symmetry and separability, such as those by Lu & Zimmerman (2005) [LZ05]; Mitchell, Genton & Gumpertz (2005) [MGG05]; Scaccia & Martin (2005) [SM05]; and Fuentes (2006) [Fue06].

Cressie & Huang (1999) [CH99] provide constructions for classes of stationary and nonseparable covariograms via Fourier inversion and applying the space-time analog of Bochner’s theorem that positive-definite functions on  $\mathbf{R}^d \times \mathbf{R}$  are of the form

$$C(\mathbf{h}, u) = \iint e^{i\boldsymbol{\omega}^\top \mathbf{h} + i\tau u} dF(\boldsymbol{\omega}, \tau),$$

where  $F(\cdot, \cdot)$  is the distribution function of a nonnegative, finite measure on  $\mathbf{R}^d \times \mathbf{R}$ . The construction of spectral distribution functions with closed-form solutions to their corresponding multivariate Fourier integrals thus gives valid space-time covariograms. Gneiting (2002) [Gne02] further simplifies this construction by completely avoiding the integrability criterion, giving a general parametric form for stationary and nonseparable covariance functions via a

composition of any completely monotone function  $\varphi(\cdot)$ , and any positive function  $\psi(\cdot) \geq 0$  with a completely monotone derivative,

$$C(\mathbf{h}, u) = \frac{\sigma^2}{(\psi(|u|^2))^{d/2}} \varphi\left(\frac{\|\mathbf{h}\|^2}{\psi(|u|^2)}\right).$$

The construction of valid space-time covariograms has been studied extensively and many techniques have been proposed, including by, among others, Cox & Isham (1988) [CI88]; Kyriakidis & Journel (1999) [KJ99]; Christakos (2000) [Chr00]; De Iaco, Myers & Posa (2001, 2002a, 2002b, 2003, 2011) [DIMP01], [DIMP02a], [DIMP02b], [DIMP03] [DIMP11]; Fuentes & Smith (2001) [FS01]; Ma (2002, 2003a-c, 2005a-c) [Ma02], [Ma03c], [Ma03a], [Ma03b], [Ma05a], [Ma05b], [Ma05c]; Wikle (2002) [Wik02]; Kolovos, Christakos, Hristopulos & Serre (2004) [KCHS04]; Stein (2005) [Ste05]; Gneiting, Genton & Guttorp (2006) [GGG06]; Porcu, Gregori & Mateu (2006) [PGM06]; Fuentes, Chen & Davis (2008) [FCD08]; Jun & Stein (2008) [JS08b]; Apanasovich & Genton (2010), [AG10]; and Gneiting, Kleiber & Schlather (2010) [GKS10].

#### 1.1.4 Variogram Fitting and Exploratory Data Analysis

Historically, in choosing a parametric variogram model, we start by plotting the empirical semivariogram due to Matheron (1963) [Mat63] is first plotted, which is based on the method of moments and the spatial analog of the sample variance:

$$\hat{\gamma}(\|\mathbf{h}\|) = \frac{1}{2|s(\|\mathbf{h}\|)|} \sum_{(\mathbf{s}_i, \mathbf{s}_j) \in s(\|\mathbf{h}\|)} (Z(\mathbf{s}_i) - Z(\mathbf{s}_j))^2, \quad (1.3)$$

where  $s(\|\mathbf{h}\|)$  is the set of pairs such that  $\|\mathbf{s}_i - \mathbf{s}_j\| = \|\mathbf{h}\|$ , and  $|s(\|\mathbf{h}\|)|$  is the number of distinct pairs in  $s(\|\mathbf{h}\|)$ . It may be necessary to partition the region into intervals  $I_1 = (0, \|\mathbf{h}_1\|)$ ,  $I_2 = (\|\mathbf{h}_1\|, \|\mathbf{h}_2\|)$ , ...,  $I_K = (\|\mathbf{h}_{K-1}\|, \|\mathbf{h}_K\|)$  for  $0 < \|\mathbf{h}_1\| < \|\mathbf{h}_2\| < \dots < \|\mathbf{h}_K\|$ , represent each interval by its midpoint and redefine

$$s(\|\mathbf{h}_k\|) = \{(\mathbf{s}_i, \mathbf{s}_j) : \|\mathbf{s}_i - \mathbf{s}_j\| \in I_k\} \text{ for } k = 1, 2, \dots, K.$$

Though useful for exploratory data analysis, this estimator is empirically dependent on the mean square average and thus sensitive to outliers. Also, it uses differences in data rather than the data itself, and components of the sum will be dependent within and across bins, while  $s(\|\mathbf{h}_k\|)$  varies across bins. Moreover, if  $Z(\cdot)$  is assumed to be normal  $Z \sim \mathcal{N}(\cdot, \cdot)$ , the squared differences will have a distribution that is a multiple of the skewed  $\chi^2$  distribution  $\chi^2(\cdot)$ . Fitting of the empirical semivariogram may be carried out by least squares methods, such as weighted least squares or generalized least squares, which tend to perform better than the method of moments, and presents a familiar likelihood or Bayesian estimation problem.

An exploratory data analysis procedure for assessing anisotropy consists in plotting directional semivariograms. This is done by choosing angle classes  $\eta_i \pm \varepsilon$  with  $i = 1, 2, \dots, L$ , where  $\varepsilon$  is the half-width of the angle class, and  $L$  is the number of angle classes. For instance, we could take

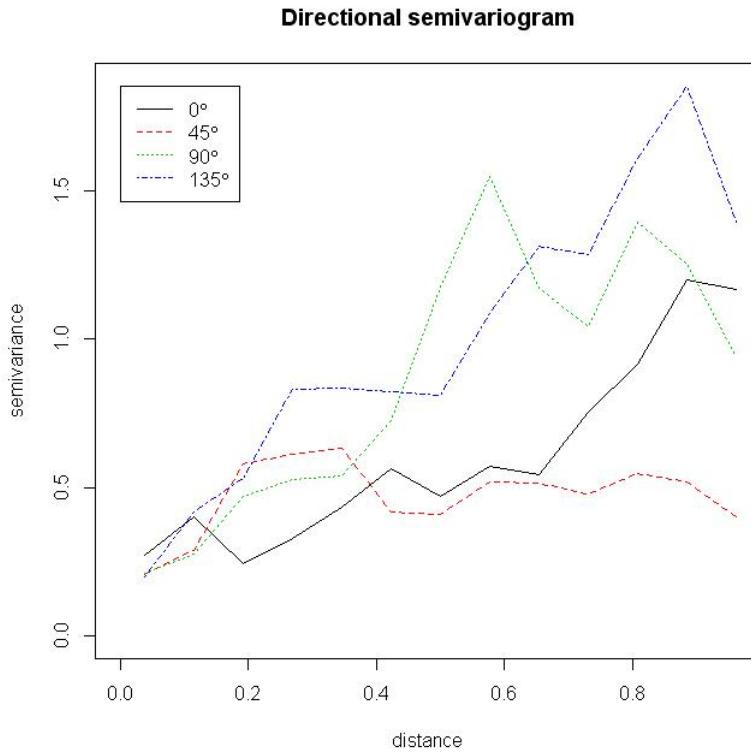


Figure 1.3: Example directional semivariograms plotted using the `geoR` package by Ribeiro & Diggle (2001) [RJD01] for direction angles  $0^\circ, 45^\circ, 90^\circ, 135^\circ$ .

$\varepsilon = 22.5^\circ$  and  $L = 4$  to obtain four cardinal directions measured counterclockwise from the  $x$ -axis:  $0^\circ, 45^\circ, 90^\circ, 135^\circ$ . Information on the underlying geometry and spatial characteristics of the region  $\mathcal{D}$  is certainly relevant in choosing directions, however, the choice of the number of directions and angle classes seems to have little influence and may be arbitrary ([BCG]). For a given angle class, Matheron's empirical semivariogram estimator provides a directional semivariogram for the angle  $\eta_i$ . Theoretically, all types of anisotropy can be assessed from these directional semivariograms, although in practice, determining whether the sill, nugget and range varies with direction can be difficult ([BCG]). Moreover, directional semivariograms are not generated based on information comprising sample sizes nor variation and so are recommended by Banerjee, Carlin & Gelfand (2004) [BCG] to be used purely for exploratory purposes. An example of directional semivariograms is shown in Figure 1.3.

Empirical semivariogram contour plots may be used to assess deviances from isotropy, with isotropy being depicted by circular contours, while geometric anisotropy is implied by elliptical contours, as previously mentioned in Example 1.1.1. To construct an empirical semivariogram plot, for each of the  $\binom{N}{2}$  pairs of sites in  $\mathbf{R}^2$ , the separation distances are computed along each axis,  $\|\mathbf{h}_x\|$  and  $\|\mathbf{h}_y\|$ . Since the sign of  $\|\mathbf{h}_y\|$  depends upon the order of the sites, we impose that  $\|\mathbf{h}_y\| \geq 0$ , taking  $(-\|\mathbf{h}_x\|, -\|\mathbf{h}_y\|)$  when  $\|\mathbf{h}_y\| < 0$ . We then aggregate these pairs into rectangular

bins  $B_{ij}$  and compute the empirical semivariogram for  $B_{ij}$ ,

$$\gamma_{ij}^* = \frac{1}{2N(B_{ij})} \sum_{\{(k,\ell):(\mathbf{s}_k-\mathbf{s}_\ell) \in B_{ij}\}} (Z(\mathbf{s}_k) - Z(\mathbf{s}_\ell))^2,$$

where  $N(B_{ij})$  is the number of sites in bin  $B_{ij}$ . Labeling the center of the  $(i,j)^{\text{th}}$  bin by  $(x_i, y_j)$ , a three-dimensional plot of  $\gamma_{ij}^*$  against  $(x_i, y_j)$  yields an empirical semivariogram surface. A contour plot of a smoothed version of this surface produces the empirical semivariogram plot.

### 1.1.5 Kriging

Kriging belongs to the family of linear least squares estimation algorithms, which allows for the interpolation of values of a random field over an unobserved block  $B$ , whose location and geometry are known. Named after Krige (1951) [Kri51], a South African mining engineer whose seminal work on empirical methods for geostatistical data inspired the general approach (see Cressie (1990) [Cre90] for a historical discussion on the origins of kriging), it is a method of optimal spatial prediction that minimizes the mean-squared prediction error via solving a set of *kriging equations*, given the observations of a random field  $\mathbf{Z} = (Z(\mathbf{s}_1), \dots, Z(\mathbf{s}_n))^\top$ ,

$$\sigma_e^2 = E[(Z(B) - p(\mathbf{Z}, B))^2],$$

where  $p(\cdot, \cdot)$  is the predictor. Notice that no distributional assumptions are required for  $Z(\mathbf{s}_i)$ .

When in particular the block  $B$  is an unknown point  $\mathbf{s}_0$ , we have the following definition.

**Definition 1.1.12.** Assuming a constant mean and that the variance structure of  $\mathbf{Z}$  is given by a stationary variogram  $2\gamma(\mathbf{h}) = \text{Var}(Z(\mathbf{s} + \mathbf{h}) - Z(\mathbf{s}))$  for  $\mathbf{h} \in \mathbf{R}^d$ , and that the predictor takes the form  $p(\mathbf{Z}, \mathbf{s}_0) = \sum_{i=1}^n \lambda_i Z(\mathbf{s}_i)$  with  $\sum_{i=1}^n \lambda_i = 1$ , a Lagrange constrained optimization of

$$\min_{(\lambda_1, \dots, \lambda_n)} \left\{ E \left[ Z(\mathbf{s}_0) - \left( \sum_{i=1}^n \lambda_i Z(\mathbf{s}_i) \right)^2 \right] \right\} \text{ subject to } \sum_{i=1}^n \lambda_i = 1.$$

generates a set of kriging equations, whose solution gives the **ordinary kriging estimate**.

As in Matheron (1971) [Mat71] and Cressie (1993) [Cre93], among others, the ordinary kriging optimization problem writes

$$\min_{\lambda_1, \dots, \lambda_n, m} \left\{ E \left[ \left( Z(\mathbf{s}_0) - \sum_{i=1}^n \lambda_i Z(\mathbf{s}_i) \right)^2 \right] - m \left( \sum_{i=1}^n \lambda_i - 1 \right) \right\},$$

where  $m$  is the Lagrange multiplier. Notice that the constraint on the weights  $\lambda_i$  is not necessarily an affine combination;  $\lambda_i$  may take negative values. This constraint implies

$$\left( Z(\mathbf{s}_0) - \sum_{i=1}^n \lambda_i Z(\mathbf{s}_i) \right)^2 = - \sum_{i=1}^n \sum_{j=1}^n \frac{\lambda_i \lambda_j (Z(\mathbf{s}_i) - Z(\mathbf{s}_j))^2}{2} + 2 \sum_{i=1}^n \frac{\lambda_i (Z(\mathbf{s}_0) - Z(\mathbf{s}_i))^2}{2},$$

so that the objective function rewrites as

$$-\sum_{i=1}^n \sum_{j=1}^n \lambda_i \lambda_j \gamma(\mathbf{s}_i - \mathbf{s}_j) + 2 \sum_{i=1}^n \lambda_i \gamma(\mathbf{s}_0 - \mathbf{s}_i) - 2m \left( \sum_{i=1}^n \lambda_i - 1 \right).$$

Solving the first order conditions gives the following kriging equations for  $i = 1, \dots, n$ ,

$$-\sum_{i=1}^n \lambda_i \gamma(\mathbf{s}_i - \mathbf{s}_j) + \gamma(\mathbf{s}_0 - \mathbf{s}_i) - m = 0, \text{ and } \sum_{i=1}^n \lambda_i = 1.$$

The optimal  $\lambda_1, \dots, \lambda_n$  can be obtained from

$$\begin{pmatrix} \lambda_1 \\ \vdots \\ \lambda_n \\ m \end{pmatrix} = \begin{pmatrix} \gamma_Z(\mathbf{0}) & \gamma_Z(\mathbf{s}_1 - \mathbf{s}_2) & \cdots & \gamma_Z(\mathbf{s}_1 - \mathbf{s}_n) & 1 \\ \gamma_Z(\mathbf{s}_1 - \mathbf{s}_2) & \gamma_Z(\mathbf{0}) & \cdots & \vdots & \vdots \\ \vdots & \vdots & \ddots & \vdots & \vdots \\ \gamma_Z(\mathbf{s}_1 - \mathbf{s}_n) & \cdots & \cdots & \gamma_Z(\mathbf{0}) & 1 \\ 1 & \cdots & \cdots & 1 & 0 \end{pmatrix}^{-1} \begin{pmatrix} \gamma_Z(\mathbf{s}_0 - \mathbf{s}_1) \\ \vdots \\ \gamma_Z(\mathbf{s}_0 - \mathbf{s}_n) \\ 1 \end{pmatrix}.$$

The constant mean assumption of ordinary kriging may present some limitations, which may be relaxed by specifying a mean surface which then results in *universal kriging*. Under universal kriging, the mean surface is unknown, and the variogram is unknown; replacing these quantities by estimates in the kriging equations fails to take into consideration the uncertainty of these estimates, so we consider kriging with Gaussian processes and likelihood-based methods, working with the covariance function.

Given covariate values  $\mathbf{x}(\mathbf{s}_i)$  with  $i = 0, 1, \dots, n$  whose collective values are presented in a matrix  $\mathbf{X}$ , suppose that we have the linear model

$$\mathbf{Z} = \mathbf{X}\boldsymbol{\beta} + \boldsymbol{\epsilon} \text{ with } \boldsymbol{\epsilon} \sim \mathcal{N}(\mathbf{0}, \Sigma).$$

For a spatial covariance structure without nugget effect, the covariance matrix  $\Sigma$  is specified as  $\Sigma = \sigma^2 H(\varphi)$ , where the  $(n+1) \times (n+1)$  matrix  $H(\varphi)$  has pairwise correlation entries  $H(\varphi)_{(i,j)} = r(\varphi, d_{ij})$ ; here,  $r(\cdot)$  is a valid correlogram on  $\mathbf{R}^d$ , and  $d_{ij} = \|\mathbf{s}_i - \mathbf{s}_j\|$  denotes the distance between  $\mathbf{s}_i$  and  $\mathbf{s}_j$ . For a model with a nugget effect, we set  $\Sigma = \sigma^2 H(\varphi) + \tau^2 I_{(n+1)}$ , where  $\tau^2$  is the nugget-effect variance, and  $I_{(n+1) \times (n+1)}$  is the  $(n+1) \times (n+1)$  identity matrix.

To obtain the function  $f(\mathbf{z})$  that minimizes the mean squared prediction error

$$\min_{f(\mathbf{z})} E \left[ (Z(\mathbf{s}_0) - f(\mathbf{z}))^2 \mid \mathbf{z} \right]$$

that takes into consideration the conditional distribution of  $Z(\mathbf{s}_0)$  given  $\mathbf{z}$ , we apply the law of iterated expectations, which gives

$$E \left[ (Z(\mathbf{s}_0) - f(\mathbf{z}))^2 \mid \mathbf{z} \right] = E \left[ \{Z(\mathbf{s}_0) - E[Z(\mathbf{s}_0 | \mathbf{z})]\}^2 \mid \mathbf{z} \right] + \left\{ E[Z(\mathbf{s}_0 | \mathbf{z})] - f(\mathbf{z}) \right\}^2,$$

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and we note that the following inequality holds

$$E\left[\{Z(\mathbf{s}_0) - f(\mathbf{z})\}^2 \mid \mathbf{z}\right] \geq E\left[\{(Z(\mathbf{s}_0) - E[Z(\mathbf{s}_0)|\mathbf{z}])^2 \mid \mathbf{z}\right]$$

for any function  $f(\mathbf{z})$ . In particular, we have equality, meaning that the minimal error is attained, when  $f(\mathbf{z}) = E[Z(\mathbf{s}_0)|\mathbf{z}]$ .

We now consider estimation of this best predictor  $f(\mathbf{z}) = E[Z(\mathbf{s}_0)|\mathbf{z}]$ , albeit in the unrealistic situation where all population parameters  $(\boldsymbol{\beta}, \sigma^2, \varphi, \tau^2)$  are known. In general, if we have

$$\begin{pmatrix} \mathbf{Z}_1 \\ \mathbf{Z}_2 \end{pmatrix} \sim \mathcal{N}\left(\begin{pmatrix} \boldsymbol{\mu}_1 \\ \boldsymbol{\mu}_2 \end{pmatrix}, \begin{pmatrix} \Omega_{11} & \Omega_{12} \\ \Omega_{21} & \Omega_{22} \end{pmatrix}\right),$$

with  $\Omega_{21} = \Omega'_{12}$ , then  $\mathbf{Z}_1|\mathbf{Z}_2$  follows a normal distribution, with mean and variance given by

$$E[\mathbf{Z}_1|\mathbf{Z}_2] = \boldsymbol{\mu}_1 + \Omega_{12}\Omega_{22}^{-1}(\mathbf{Z}_2 - \boldsymbol{\mu}_2) \text{ and } \text{Var}(\mathbf{Z}_1|\mathbf{Z}_2) = \Omega_{11} - \Omega_{12}\Omega_{22}^{-1}\Omega_{21}.$$

We can apply this to our framework by setting  $\mathbf{Z}_1 = Z(\mathbf{s}_0)$  and  $\mathbf{Z}_2 = \mathbf{z}$ , so

$$\begin{aligned} \Omega_{11} &= \sigma^2 + \tau^2, \\ \Omega_{22} &= \Sigma = \sigma^2 H(\varphi) + \tau^2, \\ \Omega_{12} &= \boldsymbol{\gamma}^\top = (\sigma^2 r(\varphi, d_{01}), \sigma^2 r(\varphi, d_{02}), \dots, \sigma^2 r(\varphi, d_{0n})), \end{aligned}$$

which gives mean and variance

$$E[Z(\mathbf{s}_0)|\mathbf{z}] = \mathbf{x}(\mathbf{s}_0)^\top \boldsymbol{\beta} + \boldsymbol{\gamma}^\top \Sigma^{-1}(\mathbf{z} - \mathbf{X}\boldsymbol{\beta}) \text{ and } \text{Var}(Z(\mathbf{s}_0)|\mathbf{z}) = \sigma^2 + \tau^2 - \boldsymbol{\gamma}^\top \Sigma^{-1} \boldsymbol{\gamma}.$$

In the more realistic case where the model parameters  $(\boldsymbol{\beta}, \sigma^2, \varphi, \tau^2)$  are unknown, we modify  $f(\mathbf{z})$  to

$$\hat{f}(\mathbf{z}) = \mathbf{x}(\mathbf{s}_0)^\top \hat{\boldsymbol{\beta}} + \hat{\boldsymbol{\gamma}}^\top \hat{\Sigma}^{-1}(\mathbf{z} - \mathbf{X}\hat{\boldsymbol{\beta}}), \quad (1.4)$$

where

$$\begin{aligned} \hat{\boldsymbol{\gamma}}^\top &= (\hat{\sigma}^2 r(\hat{\varphi}, d_{01}), \hat{\sigma}^2 r(\hat{\varphi}, d_{02}), \dots, \hat{\sigma}^2 r(\hat{\varphi}, d_{0n})) \\ \hat{\Sigma} &= \hat{\sigma}^2 H(\hat{\varphi}) \\ \hat{\boldsymbol{\beta}} &= \hat{\boldsymbol{\beta}}_{WLS} = (\mathbf{X}^\top \hat{\Sigma}^{-1} \mathbf{X})^{-1} \mathbf{X}^\top \hat{\Sigma}^{-1} \mathbf{z}; \end{aligned}$$

$\hat{\boldsymbol{\beta}}_{WLS}$  denotes the weighted least squares estimator. To simplify notation, we can write  $\hat{f}(\mathbf{z}) = \boldsymbol{\lambda}^\top \mathbf{z}$ , where  $\boldsymbol{\lambda} = \hat{\Sigma}^{-1} \hat{\boldsymbol{\gamma}} + \hat{\Sigma}^{-1} \mathbf{X} (\mathbf{X}^\top \hat{\Sigma}^{-1} \mathbf{X})^{-1} (\mathbf{x}(\mathbf{s}_0) - \mathbf{X}^\top \hat{\Sigma}^{-1} \hat{\boldsymbol{\gamma}})$ .

In the case that  $\mathbf{x}(\mathbf{s}_0)$  is unobserved, it may be estimated jointly along with  $Z(\mathbf{s}_0)$  by iterating

between Equation (1.4) and a corresponding one for  $\hat{\mathbf{x}}(\mathbf{s}_0)$ , where

$$\hat{\mathbf{x}}(\mathbf{s}_0) = \mathbf{X}^\top \boldsymbol{\lambda},$$

which we obtain by multiplying both sides of the above expression by  $\mathbf{X}^\top$  and simplifying. This procedure is essentially an implementation of an expectation-maximization (EM) algorithm due to Dempster, Laird & Rubin (1977) [DLR77], with the computation of  $\hat{\mathbf{x}}(\mathbf{s}_0)$  being the expectation (E) step, and the updating of  $\boldsymbol{\lambda}$  being the maximization (M) step. See, for instance, Cressie (1993) [Cre93], Stein (1999) [Ste99] and Schabenberger & Gotway (2005) [SG05] for detail on the multitude of existing kriging types.

## 1.2 Areal Unit Data

Spatial data may be collected over irregularly-shaped areal units, such as geographical regions, which includes the particular case of regularly-shaped, grids of cells or pixels. For such data, inferential concerns include the existence and detection of spatial patterns, and how to infer on data over a new set of units.

### 1.2.1 Measures of Spatial Association

A primary concept useful in the initial exploration of areal unit data is given in the following definition.

**Definition 1.2.1.** *Given measurements  $z_1, z_2, \dots, z_n$ , associated with areal units  $1, 2, \dots, n$ , the entries  $w_{ij}$  of the **proximity matrix**  $W$  spatially connect units  $i$  and  $j$ , with  $w_{ii} = 0$ .*

Some possibilities for the specification of  $w_{ij}$  include

- (i)  $w_{ij} = 1$  if areal units  $i$  and  $j$  share a common boundary, or common vertex;
- (ii)  $w_{ij}$  may be an inverse distance between units;
- (iii)  $w_{ij} = 1$  if the distance between units is less than some specified threshold.

$W$  is typically symmetric but need not be; for instance,  $W$  is asymmetric in the case of irregular areal units and for specification (iii) of  $w_{ij}$  entries above. An alternative matrix  $\tilde{W}$  may be defined by standardizing row  $i$  by  $w_{i+} = \sum_{j=1}^n w_{ij}$  so that the matrix is now row stochastic, i.e.  $\tilde{W}\mathbf{1} = \mathbf{1}$ , but no longer symmetric; here  $\mathbf{1}$  denotes the vector where all components of the vector take the value 1. This notion of the proximity matrix may be extended to defining a proximity matrix  $W^{(1)}$  of first-order neighbors (all units within distance  $d_1$ ), second-order neighbors (all units more than  $d_1$  apart, but at most  $d_2$  apart), and so on.

A standard statistic used to measure the degree of spatial association among areal units on a global scale is Moran's  $I$  due to Moran (1950) [Mor50], which is essentially an areal covariogram

that takes the form

$$I = n \frac{\sum_{i=1}^n \sum_{j=1}^n w_{ij}(z_i - \bar{z})(z_j - \bar{z})}{\sum_{i \neq j} w_{ij} \sum_{i=1}^n (z_i - \bar{z})^2}.$$

Moran's  $I$  is the spatial analog of the lagged autocorrelation coefficient for measuring association in time series analysis. Values of  $I$  are mostly (but not strictly) supported on the interval  $[-1, 1]$ ; negative, respectively positive, values indicate negative, respectively positive, spatial correlation, so that a value of  $I = -1$  corresponds to perfect dispersion,  $I = 1$  corresponds to perfect correlation, and  $I = 0$  corresponds to a random spatial pattern. Moran's  $I$  has mean  $-1/(n-1) \approx 0$  and can also be used as a test statistic for random spatial scatter. For example, for black and white images, to determine black regions, Moran's  $I$  may be used to count the number of black-black edges and black-white edges.

While Moran's  $I$  is an areal covariogram, Geary's  $C$  due to Geary (1954) [Gea54] is an areal variogram that also measures spatial association but on a more local scale, and takes the form

$$C = (n-1) \frac{\sum_{i=1}^n \sum_{j=1}^n w_{ij}(z_i - z_j)^2}{\sum_{i \neq j} w_{ij} \sum_{i=1}^n (z_i - \bar{z})^2}.$$

In the same manner that covariograms and variograms are inversely related, so too are Moran's  $I$  and Geary's  $C$  approximately inversely related. It is the spatial analog of the Durbin-Watson statistic to predict autocorrelation in time series analysis, and has nonnegative support on the interval  $[0, 2]$  with mean 1 and values between  $[0, 1[$  signifying positive spatial association, values between  $]1, 2]$  signifying negative spatial association, and a value of 1 signifying no spatial correlation.

Both Moran's  $I$  and Geary's  $C$  are asymptotically normal  $\mathcal{N}(\cdot, \cdot)$  when  $z_i, i = 1, 2, \dots, n$ , are independent and identically distributed. More detail can be found on these statistics in Ripley (1981) [Rip81] and Banerjee, Carlin & Gelfand (2004) [BCG].

### 1.2.2 Local and Global Modeling

Given the data set  $\mathbf{z} = (z_1, z_2, \dots, z_n)$ , the joint distribution  $f_{\mathbf{Z}}(\mathbf{z}) = f_{\mathbf{Z}}(z_1, z_2, \dots, z_n)$  determines the set of full conditional distributions  $\{f_{Z_i|\mathbf{Z}}(z_i|z_j) : j \neq i\}$ . Under certain regularity conditions, *Brook's lemma* due to Brook (1964) [Bro64] proves the converse; *i.e.* it is possible to recover the unique joint distribution from the set of full conditional distributions. In particular, for Brook's lemma to hold, we require *compatibility* of the conditional distributions and *positivity* of the probability distribution.

To illustrate the notion of compatibility, we consider the example from Banerjee, Carlin & Gelfand (2004) [BCG], where we have two conditional random variables  $Y_1(\cdot)$  and  $Y_2(\cdot)$ ,

$$Y_1|Y_2 \sim \mathcal{N}(\alpha_0 + \alpha_1 Y_2, \sigma_1^2) \text{ and } Y_2|Y_1 \sim \mathcal{N}(\beta_0 + \beta_1 Y_1^3, \sigma_2^2).$$

By the law of iterated expectations, the marginal means may be computed by

$$E[Y_1] = E[E[Y_1|Y_2]] = E[\alpha_0 + \alpha_1 Y_2] = \alpha_0 + \alpha_1 E[Y_2], \quad (1.5)$$

$$E[Y_2] = E[E[Y_2|Y_1]] = E[\beta_0 + \beta_1 Y_1^3] = \beta_0 + \beta_1 E[Y_1^3]. \quad (1.6)$$

Notice that the first expression, Equation (1.5), specifies a linear relationship between  $E[Y_1]$  and  $E[Y_2]$ , and in order for the second expression, Equation (1.6), to be compatible with the first,  $E[Y_1^3]$  would require a linear relationship with  $E[Y_1]$ , which is only true in trivial cases; the two mean specifications are therefore incompatible. Thus, the conditional distributions  $f_{Y_1|Y_2}(y_1|y_2)$  and  $f_{Y_2|Y_1}(y_2|y_1)$  are *incompatible* in determining the joint distribution  $f_{Y_1,Y_2}(y_1, y_2)$  and avoidance of such ambiguity of conditional distributions becomes of interest for the purposes of recovering the joint distribution. Conditions for compatibility are discussed extensively in Arnold & Strauss (1991) [AS91].

**Definition 1.2.2.** *We consider the representation of a random field as a random variable taking values in a **configuration space**  $\Omega^{\mathcal{D}}$ , with a configuration (realization)  $z \in \Omega^{\mathcal{D}}$  of the form  $\{z(\mathbf{s}) : \mathbf{s} \in \mathcal{D}\}$  where  $z(\mathbf{s}) \in \Omega$ , the sample space for all  $\mathbf{s} \in \mathcal{D}$ ; we assume that there are  $n$  elements in  $\mathcal{D}$ .*

A probability distribution  $f_Z(\cdot)$  on a finite configuration space  $\Omega^{\mathcal{D}}$  with  $n$  elements in  $\mathcal{D}$  is said to satisfy the **positivity condition** for all  $i = 1, \dots, n$  and  $z_i, z'_1, \dots, z'_{i-1}, z'_{i+1}, \dots, z'_n \in \Omega$  if

$$f_{Z_i}(z_i) \implies f_{\mathbf{Z}'}(z'_1, \dots, z'_{i-1}, z_i, z'_{i+1}, \dots, z'_n) = 0,$$

where  $f_{Z_i}(\cdot)$  denotes the marginal probability distribution at location  $\mathbf{s}_i \in \mathcal{D}$ .

These regularity conditions of compatibility and positivity together provide the necessary assumptions for the important result of Brook (1964) [Bro64] to recover the global, joint distribution from local, conditional probability specifications.

**Theorem 1.2.3** (Brook, 1964). *For any  $Z, Z'$  taking values in  $\Omega^{\mathcal{D}}$  with strictly positive probability distributions satisfying the compatibility and positivity conditions, we have*

$$\frac{f_{\mathbf{Z}}(\mathbf{z})}{f_{\mathbf{Z}'}(\mathbf{z}')^n} = \prod_{i=1}^n \frac{f_{Z_i|\mathbf{Z}, \mathbf{Z}'}(z_i|z_1, \dots, z_{i-1}, z'_{i+1}, \dots, z'_n)}{f_{Z'_i|\mathbf{Z}, \mathbf{Z}'}(z'_i|z_1, \dots, z_{i-1}, z'_{i+1}, \dots, z'_n)}.$$

This gives the joint distribution for the data set  $\mathbf{z} = (z_1, z_2, \dots, z_n)$ ,

$$f_Z(\mathbf{z}) = \prod_{i=1}^n \frac{f_{Z_i|\mathbf{Z}, \mathbf{Z}'}(z_i|z_1, \dots, z_{i-1}, z'_{i+1}, \dots, z'_n)}{f_{Z'_i|\mathbf{Z}, \mathbf{Z}'}(z'_i|z_1, \dots, z_{i-1}, z'_{i+1}, \dots, z'_n)} \cdot f_{\mathbf{Z}'}(z'_1, \dots, z'_n)$$

*Proof.* This expression for the joint distribution is obtained by noticing that

$$f_{\mathbf{Z}}(\mathbf{z}) = \frac{f_{Z|\mathbf{Z}}(z_n|z_1, \dots, z_{n-1})}{f_{Z'|\mathbf{Z}}(z'_n|z_1, \dots, z_{n-1})} \cdot f_{\mathbf{Z}, \mathbf{Z}'}(z_1, \dots, z_{n-1}, z'_n),$$

and then computing in a recursive manner

$$f_{\mathbf{Z}, Z'}(z_1, \dots, z_{n-1}, z'_n) = \frac{f_{\mathbf{Z}, Z'}(z_{n-1} | z_1, \dots, z_{n-2}, z'_n)}{f_{\mathbf{Z}, Z'}(z'_{n-1} | z_1, \dots, z_{n-2}, z'_n)} \cdot f_{\mathbf{Z}, Z'}(z_1, \dots, z_{n-2}, z_{n-1}, z'_n),$$

and so on. Notice that the above recursive computations are feasible due to the positivity condition and strictly positive probability distributions, which imply that  $f_{\mathbf{Z}, Z'}(z_1, \dots, z_i, z'_{i+1}, \dots, z'_n) > 0$  for all  $i = 1, \dots, n$ .  $\square$

Thus, the global, joint distribution  $f_{\mathbf{Z}}(z_1, \dots, z_n)$  is determined by the local, conditional distributions up to a constant of proportionality for any fixed  $\mathbf{z}' \in \Omega^{\mathcal{D}}$ . If it is a proper distribution, the normalizing constant is determined by the fact that it integrates to 1.

Usually when the number of areal units is very large, it is preferable to model and work with the full conditional distributions since intuitively, the full conditional distribution of  $Z_i$  should only depend upon the neighbors of cell  $i$ . We fix some neighbor structure among cells via the proximity matrix (e.g. put  $w_{ij} = 1$  if cells  $i$  and  $j$  are adjacent, and 0 if not), denote the set of neighbors of cell  $i$  by  $\partial_i$ , and suppose that we specify a set of full conditional distributions such that

$$f_{Z_i | \mathbf{Z}}(z_i | z_j, j \neq i) = f_{Z_i | \mathbf{Z}}(z_i | z_j \in \partial_i).$$

The study of when this set of full conditional distributions uniquely determines the joint distribution motivates the study of *Markov random fields*. Formally, they are given by the following definition.

**Definition 1.2.4.** *For a reflexive relation  $\sim_{\mathcal{D}}$  on  $\mathcal{D}$ , where  $i$  is a neighbor of  $j$  and  $j$  is a neighbor of  $i$ , the relational sets make up the the set of neighborhoods  $\Delta = \{\partial_i : i = 1, \dots, n\} = \{(\mathbf{s}_i, \mathbf{s}_j) \in \mathcal{D} \times \mathcal{D} : \mathbf{s}_i \sim_{\mathcal{D}} \mathbf{s}_j\}$ , which generates the graph  $\mathcal{G} = (\mathcal{D}, \Delta)$  as a topology on  $\mathcal{D}$  with neighborhoods  $\partial_i$  associated with an element  $\mathbf{s}_i$  by the following:*

- $\partial_i = \{\mathbf{s}_k \in \mathcal{D} : \mathbf{s}_k \sim_{\mathcal{D}} \mathbf{s}_i\};$
- $\mathbf{s}_i \notin \partial_i;$
- $\mathbf{s}_k \in \partial_i \Rightarrow \mathbf{s}_i \in \partial_k.$

A random field  $\{Z(\mathbf{s}) : \mathbf{s} \in \mathcal{D}\}$  is a **Markov random field** with respect to the topology  $\mathcal{G} = (\mathcal{D}, \Delta)$  if for all  $\mathbf{s} \in \mathcal{D}$ ,

$$Z(\mathbf{s}) \perp Z(\mathcal{D} \setminus \{s \cup \partial_i\}) | Z(\partial_i).$$

In other words, the random variable  $Z(\cdot)$  is conditionally independent of all other sites in  $\mathcal{D}$ , given its values in  $\partial_i$ . Extensive work on Markov random fields has been done and there exists a multitude of references on the theory including those by Griffeath (1976) [Gri76], Kindermann & Snell (1980) [KS80], Isham (1981) [Ish81], Rozanov (1982) [Roz82] and Adler

(1985), reprinted in [Adl04]. The work of Besag (1974) in [Bes74] presents a starting point for the application of the theory of Markov random fields to areal unit data.

To construct Markov random fields, we look at the specification of a *Gibbs measure* and the family of probability distributions that it generates, which play an important role. Arising from the domain of physics, it describes thermodynamic probabilities relating the temperature  $T$  and energy of a system  $\mathcal{E}(\cdot)$  via

$$\text{Prob}(Z = z) \propto \exp\left\{-\frac{1}{T}\mathcal{E}(z)\right\},$$

the latter of which is expressed in terms of a *potential* describing local interactions. The following definitions describe this notion formally.

**Definition 1.2.5.** A **clique** is a set of cells  $C$  such that each element is a neighbor of every other element; it is a complete subgraph. A **Gibbs potential** on  $\Omega^{\mathcal{D}}$  relative to the set of all neighborhoods  $\Delta$  is a collection  $\{\varphi_C\}_{C \subset \mathcal{D}}$  of functions  $\varphi_C : \Omega^{\mathcal{D}} \rightarrow \mathbf{R} \cup \{+\infty\}$  such that  $\varphi_C \equiv 0$  if  $C$  is not a clique, and for all  $z, z' \in \Omega^{\mathcal{D}}$  and all  $C \subset \mathcal{D}$ ,  $\{z(C) = z'(C)\} \implies \{\varphi_C(z) = \varphi_C(z')\}$ . The energy function  $\mathcal{E}(\cdot)$  is said to **derive from the potential**  $\{\varphi_C\}_{C \subset \mathcal{D}}$  if  $\mathcal{E}(z) = \sum_C \varphi_C(z)$ . The **Gibbs distribution** (also known as the **Boltzmann distribution** in the statistical mechanics literature) is a class of probability distributions specified by

$$\text{Prob}(Z = z) \propto \exp\left\{-\frac{1}{T} \sum_C \varphi_C(z)\right\}.$$

A joint Gibbs distribution thus takes the form

$$f_{\mathbf{Z}}(z_1, z_2, \dots, z_n) \propto \exp\left\{-\frac{1}{T} \sum_k \sum_{\varkappa \in \mathcal{K}} \varphi_C^{(k)}(z_{\varkappa_1}, z_{\varkappa_2}, \dots, z_{\varkappa_k})\right\},$$

where  $\varphi_C^{(k)}(\cdot)$  indicates that the Gibbs potential has  $k$  members (it is a Gibbs potential of order  $k$ ), and  $\mathcal{K}$  is the collection of all subsets of size  $k$  from  $\{1, 2, \dots, n\}$  indexed by  $\varkappa = (\varkappa_1, \varkappa_2, \dots, \varkappa_k)^{\top}$ .

**Example 1.2.1.** For continuous data on  $\mathbf{R}$ , we may choose a joint distribution to be a pairwise difference of the form

$$f_{\mathbf{Z}}(z_1, z_2, \dots, z_n) \propto \exp\left\{-\frac{1}{2\tau^2} \sum_{i=1}^n \sum_{j=1}^n (z_i - z_j)^2 \mathbf{1}(i \sim_{\mathcal{D}} j)\right\}.$$

The full conditional distributions  $f_{Z_i|\mathbf{Z}}(z_i|z_j, j \neq i)$  are thus specified by a normal distribution

$$\mathcal{N}\left(\frac{1}{n_i} \sum_{j \in \partial_i} z_j, \frac{\tau^2}{n_i}\right),$$

where  $n_i$  denotes the number of neighbors of  $i$ .

An important result in the theory of Markov random fields is the *Hammersley-Clifford theorem*, the proof of which was given by Hammersley and Clifford in an unpublished paper in 1971. This theorem states that if a Markov random field with the collection of local specifications  $\{f_{Z_i|Z}(z_i|z_j \in \partial_i)\}$  uniquely specifies a joint distribution  $f_Z(z_1, z_2, \dots, z_n)$ , then the joint distribution must be a Gibbs distribution. A proof may be found in Besag (1974) [Bes74].

**Theorem 1.2.6** (Hammersley-Clifford, 1971). *Let  $f_Z(\cdot)$  be the distribution of a Markov random field with respect to the graph  $\mathcal{G} = (\mathcal{D}, \Delta)$ , which satisfies the positivity condition. Then*

$$f_Z(z) \propto \exp\{-\mathcal{E}(z)\}$$

for some energy function  $\mathcal{E}(\cdot)$  deriving from a Gibbs potential  $\{\varphi_C\}_{C \subset \mathcal{D}}$  associated with the topology  $(\mathcal{D}, N)$ .

Geman & Geman (1984) [GG84] prove that the converse is also true under certain conditions, namely that starting from a joint Gibbs distribution, a Markov random field may be recovered, and thus provide equivalence between Markov random fields and Gibbs distributions.

**Theorem 1.2.7.** *If  $Z$  is a random field with a Gibbs distribution  $f_Z(z) = \frac{1}{T} \exp\left\{-\sum_{C \in \mathcal{D}} \varphi_C(z)\right\}$  over  $\mathcal{G} = (\mathcal{D}, N)$ , then  $Z$  is a Markov random field over the topology  $(\mathcal{D}, N)$  with local conditional probabilities given by*

$$f_{Z,i}(z) = \text{Prob}\left(Z(\mathbf{s}) = z(\mathbf{s}) | Z(\partial_i) = z(\partial_i)\right) = \frac{\exp\left\{-\sum_{C \ni s_i} \varphi_C(z)\right\}}{\sum_{\omega \in \Omega} \exp\left\{-\sum_{C \ni s_i} \varphi_C(z)\right\}}.$$

*Proof.* It is enough to show that  $\text{Prob}\left(Z(\mathbf{s}_i) = z(\mathbf{s}_i) | Z(\mathcal{D} \setminus \{\mathbf{s}_i\}) = z(\mathcal{D} \setminus \{\mathbf{s}_i\})\right) = f_{Z,i}(z)$ , since  $f_{Z,i}(\mathbf{s}_i)$  depends only upon  $z(\mathbf{s}_i)$  and  $z(\partial_i)$ . We note that by definition of the Gibbs potential,

$$\text{Prob}\left(Z(\mathbf{s}_i) = z(\mathbf{s}_i) | Z(\mathcal{D} \setminus \{\mathbf{s}_i\}) = z(\mathcal{D} \setminus \{\mathbf{s}_i\})\right) = \frac{f_Z(z)}{\sum_{\omega \in \Omega} f_{\Omega, Z}(\omega, z(\mathcal{D} \setminus \{\mathbf{s}_i\}))}.$$

We can rewrite the Gibbs distribution as  $f_Z(z) = \frac{1}{T} \exp\left\{-\sum_{C \ni s_i} \varphi_C(z) - \sum_{\{C \ni s_i\}^c} \varphi_C(z)\right\}$ , and

$$f_{\Omega, Z}(\omega, z(\mathcal{D} \setminus \{\mathbf{s}_i\})) = \frac{1}{T} \exp\left\{-\sum_{C \ni s_i} \varphi_C(\omega, z(\mathcal{D} \setminus \{\mathbf{s}_i\})) - \sum_{\{C \ni s_i\}^c} \varphi_C(\omega, z(\mathcal{D} \setminus \{\mathbf{s}_i\}))\right\}.$$

Given that  $C$  is a clique,  $\mathbf{s}_i \not\in C$  implies that  $\varphi_C(\omega, z(\mathcal{D} \setminus \{\mathbf{s}_i\})) = \varphi_C(z)$ ; i.e. the Gibbs potential function  $\varphi_C(\cdot)$  does not depend on  $\omega$ . By factoring out

$$\exp\left\{-\sum_{C \ni s_i} \varphi_C(\omega, z(\mathcal{D} \setminus \{\mathbf{s}_i\}))\right\} = \exp\left\{-\sum_{\{C \ni s_i\}^c} \varphi_C(z)\right\}$$

and simplifying, we get, as desired,

$$\text{Prob}(Z(\mathbf{s}_i) = z(\mathbf{s}_i) | Z(\mathcal{D} \setminus \{\mathbf{s}_i\}) = z(\mathcal{D} \setminus \{\mathbf{s}_i\})) = \frac{\exp \left\{ - \sum_{C \ni \mathbf{s}_i} \varphi_C(z) \right\}}{\exp \left\{ - \sum_{C \ni \mathbf{s}_i} \varphi_C(\omega, z(\mathcal{D} \setminus \{\mathbf{s}_i\})) \right\}} = f_{Z,i}(z).$$

□

Furthermore, this result provides the sufficiency to sample from a Markov random field by sampling from its Gibbs distribution, a technique referred to as *Gibbs sampling*. To formalize this algorithm, we consider how a given random field with a Gibbs probability distribution  $f_Z(\cdot)$  arises as a stationary distribution of a Markov random field, or a field-valued Markov chain. Recall that a *Markov chain* is a sequence of random variables  $Z_1, Z_2, \dots, Z_n$  that possess the *Markov property* of “memorylessness” where given the present state, the future and past states are independent:

$$\text{Prob}(Z_{n+1} = z | Z_1 = z_1, Z_2 = z_2, \dots, Z_n = z_n) = \text{Prob}(Z_{n+1} = z_{n+1} | Z_n = z_n).$$

The set of feasible values of  $Z_i$  form a countable set denoted by  $S$ , known as the state space of the chain. (See for instance Doob (1990, reprinted from the 1953 original) [Doo90] for the complete theory of Markov chains.) Assuming the existence of an irreducible aperiodic homogeneous Markov chain with state space  $\Omega$  and stationary distribution  $f_Z(\cdot)$ , the Hammersley-Clifford theorem and the result of Geman & Geman (1984) [GG84] provide equivalence to the random field with Gibbs distribution via a distribution that is close to  $f_Z(\cdot)$  for large enough  $n$ , and thus a simulation of  $f_Z(\cdot)$ .

The first step in Gibbs sampling is to identify a chain  $Z_n$  with  $f_Z(\cdot)$  as its stationary distribution; take a strictly positive probability distribution  $g_S(\cdot)$  on  $\mathcal{D}$  and the transition from the current state  $Z_n = z_n$  to the new state  $Z_{n+1} = z_{n+1}$  defined by the transition probability

$$\text{Prob}(Z_{n+1} = z_{n+1} | Z_n = z_n) = g_S(\mathbf{s}) f_{Z|Z}(z_{n+1}(\mathbf{s}) | z_n(\mathcal{D} \setminus \{\mathbf{s}\})) \mathbf{1}(z_{n+1}(\mathcal{D} \setminus \{\mathbf{s}\}) = z_n(\mathcal{D} \setminus \{\mathbf{s}\})). \quad (1.7)$$

Essentially, the new state  $z_{n+1}$  is obtained from the current state  $z_n$  by fixing one site  $\mathbf{s}$  to be changed at a time, which is chosen with probability  $g_S(\mathbf{s})$  independently of the past; once  $\mathbf{s}$  has been fixed, the current state  $z_n = (z(\mathbf{s}), z(\mathcal{D} \setminus \{\mathbf{s}\}))$  is updated to  $z_{n+1} = (z_{n+1}(\mathbf{s}), z_n(\mathcal{D} \setminus \{\mathbf{s}\}))$  with probability  $p(z_{n+1}(\mathbf{s}) | z_n(\mathcal{D} \setminus \{\mathbf{s}\}))$ . The Markov chain corresponding to this transition probability is aperiodic and irreducible.

**Proposition 1.2.8.**  *$f_Z(\cdot)$  is the stationary distribution of the Markov chain defined by the transition probability given in Equation (1.7).*

*Proof.* By definition of stationarity,

$$f_Z(z_n) \text{Prob}(Z_{n+1} = z_{n+1} | Z_n = z_n) = f_Z(z_{n+1}) \text{Prob}(Z_{n+1} = z_n | Z_n = z_{n+1}).$$

We will show that the transition probability given in Equation (1.7) satisfies this balance condition. Applying Equation (1.7) to the left-hand side of the balance condition gives

$$\begin{aligned} p(z_n) \text{Prob}(Z_{n+1} = z_{n+1} | Z_n = z_n) &= f_Z(z_n) g_{\mathbf{s}}(\mathbf{s}) f_{Z|Z}(z_{n+1}(\mathbf{s}) | z_n(\mathcal{D} \setminus \{\mathbf{s}\})) \mathbf{1}(z_{n+1}(\mathcal{D} \setminus \{\mathbf{s}\}) = z_n(\mathcal{D} \setminus \{\mathbf{s}\})) \\ &= f_Z(z_n) g_{\mathbf{s}}(\mathbf{s}) \frac{f_Z(z_n)}{\text{Prob}(Z_n(\mathcal{D} \setminus \{\mathbf{s}\}) = z_n(\mathcal{D} \setminus \{\mathbf{s}\}))}. \end{aligned}$$

Noticing that

$$\begin{aligned} p(z_{n+1}) q(\mathbf{s}) \frac{p(z_{n+1}(\mathbf{s}), z_n(\mathcal{D} \setminus \{\mathbf{s}\}))}{\text{Prob}(Z_n(\mathcal{D} \setminus \{\mathbf{s}\}) = z_n(\mathcal{D} \setminus \{\mathbf{s}\}))} &= \frac{p(z_n)}{\text{Prob}(Z_n(\mathcal{D} \setminus \{\mathbf{s}\}) = z_n(\mathcal{D} \setminus \{\mathbf{s}\}))} q(\mathbf{s}) p(z_{n+1}(\mathbf{s}), z_n(\mathcal{D} \setminus \{\mathbf{s}\})) \\ &= f_Z(z_{n+1}) g_{\mathbf{s}}(\mathbf{s}) \frac{f_Z(z_n)}{\text{Prob}(Z_n(\mathcal{D} \setminus \{\mathbf{s}\}) = z_n(\mathcal{D} \setminus \{\mathbf{s}\}))} \end{aligned}$$

precisely gives us the balance condition.  $\square$

The Gibbs distribution is stationary in the sense that  $Z_n \sim f_Z$  implies  $z_{n+1} \sim f_Z$ . In a multivariate setting with  $N$  components and  $f_Z(\cdot, \dots, \cdot)$ , the basic step of Gibbs sampling consists in selecting a component  $i \in \{1, \dots, N\}$  at random and updating the new value of  $z_{n+1}^{(i)}(\mathbf{s})$  with probability

$$f_{Z|Z}(z_{n+1}^{(i)}(\mathbf{s}) | z_n^{(1)}(\mathbf{s}), \dots, z_n^{(i-1)}(\mathbf{s}), z_n^{(i+1)}(\mathbf{s}), \dots, z_n^{(N)}(\mathbf{s})),$$

given the present values of the other components; these are the full conditional distributions. We note here that Gibbs sampling is a special case of the Markov chain Monte Carlo (MCMC) Metropolis-Hastings algorithm, where the specified target distribution of the Markov chain constructed is the stationary Gibbs distribution. Advances in computational and sampling methods have popularized the Bayesian perspective of spatial modeling from a hierarchical viewpoint, which considers nested, hierarchical conditional distributions of several components of a spatial process, namely the process itself, the process parameters, and the prior distributions of the process parameters. See Banerjee, Carlin & Gelfand (2004) [BCG] for an in-depth discussion of hierarchical spatial modeling and Bayesian methods.

### Conditionally Autoregressive (CAR) Models

The construction of local and global modeling between Markov random fields and Gibbs distributions on random fields spans a wide range of spatial models, including the class of *conditional autoregressive (CAR) models* first introduced by Besag (1974) [Bes74] and later developed by Besag, York & Mollié (1991) [BYM91], which is the spatial analog of the time series autoregressive models, and specifies spatial covariance indirectly through the full conditional distributions.

For the Gaussian case, the full conditional distributions are specified to be normal,

$$Z_i|z_j, j \neq i \sim \mathcal{N}\left(\sum_j b_{ij} z_j, \tau_i^2\right).$$

These are compatible, so we may apply Brook's lemma to obtain the joint distribution

$$f_{\mathbf{Z}}(z_1, z_2, \dots, z_n) \propto \exp\left\{-\frac{1}{2} \mathbf{z}^\top D^{-1}(I_{(n \times n)} - B)\mathbf{z}\right\},$$

where  $B = \{b_{ij}\}$  and  $D$  is an  $n \times n$  diagonal matrix with  $D_{ii} = \tau_i^2$ , suggesting a multivariate normal distribution with mean  $\boldsymbol{\mu}_{\mathbf{z}} = \mathbf{0}$  and symmetric covariance matrix  $\Sigma_{\mathbf{z}} = (I_{(n \times n)} - B)^{-1}D$ , if  $D^{-1}(I_{(n \times n)} - B)$  is symmetric.

In order to ensure that  $D^{-1}(I_{(n \times n)} - B)$  is symmetric, we require  $\frac{b_{ij}}{\tau_i^2} = \frac{b_{ji}}{\tau_j^2}$  for all units  $i, j$ .

With a symmetric proximity matrix  $W$ , this condition is satisfied by putting

$$b_{ij} = \frac{w_{ij}}{w_{i+}} \text{ and } \tau_i^2 = \frac{\tau^2}{w_{i+}},$$

where  $w_{i+} := \sum_j w_{ij}$ , which yields full conditional distributions  $p(z_i|z_j, j \neq i)$  specified by normal distributions

$$\mathcal{N}\left(\frac{\sum_j w_{ij} z_j}{w_{i+}}, \frac{\tau^2}{w_{i+}}\right)$$

and the corresponding joint distribution is

$$f_{\mathbf{Z}}(z_1, z_2, \dots, z_n) \propto \exp\left\{-\frac{1}{2\tau^2} \mathbf{z}^\top (D_w - W)\mathbf{z}\right\},$$

where  $D_w$  is a diagonal matrix with  $(D_w)_{ii} = w_{i+}$ . It turns out that  $(D_w - W)\mathbf{1} = \mathbf{0}$ , so  $\Sigma_{\mathbf{z}}^{-1}$  is singular (it is not of full rank, and therefore a finite integral expression does not exist), thus  $\Sigma_{\mathbf{z}}$  does not exist, and therefore the joint distribution is improper. Another way to see this is to rewrite the joint distribution as

$$f_{\mathbf{Z}}(z_1, z_2, \dots, z_n) \propto \exp\left\{-\frac{1}{2\tau^2} \sum_{i \neq j} w_{ij} (z_i - z_j)^2\right\},$$

which reveals the impropriety of the joint distribution through the pairwise difference specification, since now any constant may be added to the  $Z_i$  yet leaves the joint distribution invariant. As such, this model cannot generate data, however can be used to model random spatial effects; it is also known as an *intrinsic autoregressive (IAR) model*.

A solution to the problem of impropriety is to replace  $D_w - W$  by  $D_w - \psi W$  where  $\psi$  denotes a propriety parameter, and choose  $\psi$  so that  $\Sigma_{\mathbf{z}} = (D_w - \psi W)^{-1}$  exists. This is the case if  $\psi \in (1/\lambda_{(1)}, 1/\lambda_{(n)})$  where  $\lambda_{(1)} < \lambda_{(2)} < \dots < \lambda_{(n)}$  are the ordered eigenvalues of  $D_w^{-1/2} W D_w^{-1/2}$ .

This gives full conditional distributions specified by

$$Z_i | z_j, j \neq i \sim \mathcal{N} \left( \psi \sum_j w_{ij} Z_j, \frac{\tau^2}{N(\partial_i)} \right).$$

Note that CAR models specify  $\Sigma_Z^{-1}$  and not  $\Sigma_Z$  as in the case of the modeling of point-referenced data, so they do not directly model association. When  $\Sigma_Z^{-1}$  is a diagonal matrix with  $(\Sigma_Z^{-1})_{ii} = 1/\tau_i^2$ , this corresponds to conditional independence.

### 1.3 Point Pattern Data

For point pattern data, the specified region  $\mathcal{D}$  is bounded and the locations  $\mathbf{s}_i, i = 1, 2, \dots, n$  occur randomly. Crude features of patterns may appear in the occurrence of the locations, such as complete randomness, clustering, repulsion, and regular or systematic pattern structures. Examples of point pattern data are patterns of growth of trees in a forest, or patterns of disease occurrences. Point pattern data may also occur over time, such as the construction of homes and urban development in a residential area.

In the present chapter, we consider only the locations, and assume that there are no variables at the locations;  $Z$  is then an indicator random variable, and the points are *events* of the point process. In Chapter 5, we will revisit point pattern data and extend the stochastic process to include additional covariate and/or observation information at the points, giving rise to *marked point pattern processes*; further detail on such processes will be provided therein.

#### 1.3.1 Poisson Processes

We consider a counting process: Let  $N(B)$  denote the number of points in some subset  $B \subset \mathcal{D}$ ; we wish to determine its distribution.

**Definition 1.3.1.** *When  $N(B)$  is driven by an **intensity** (or **intensity surface**)  $\lambda(\mathbf{s})$ , we have a **Poisson process** if we have the following:*

- (i)  $N(B) \sim \mathcal{P}(\lambda(B))$  where  $\lambda(B) = \int_B \lambda(\mathbf{s}) d\mathbf{s}$
- (ii) For disjoint subregions  $B_1$  and  $B_2$  of  $\mathcal{D}$ ,  $N(B_1)$  and  $N(B_2)$  are independent

Notice that Property (i) implies Property (ii), but the converse need not be true: the number of events in  $B$  can be Poisson-distributed  $\mathcal{P}(\cdot)$  with its parameter defined by the spatial intensity, but events can still be independent in disjoint subsets. Property (ii) is referred to as *complete randomness* by Stoyan, Kendall & Mecke (1987) [SKM87].

**Definition 1.3.2.** *Definition 1.3.1 can be further characterized into specific types of Poisson processes:*

- When the intensity surface is constant,  $\lambda(\mathbf{s}) = \lambda \in ]0, +\infty[$ , we have a **homogeneous Poisson process**, which corresponds to spatial homogeneity or complete spatial randomness, and  $\lambda(B) = \lambda|B|$  where  $|B|$  denotes the area of  $B$ . A point process is **homogeneous** if the intensity is constant,  $\lambda(\mathbf{s}) = \lambda$ .
- When  $\lambda(\mathbf{s})$  is not constant but fixed, we have an **inhomogeneous Poisson process**.
- When  $\lambda(\mathbf{s})$  is random, we have a **doubly stochastic Poisson** or **Cox process**.

More generally, from a measure-theoretic perspective,  $N(B)$  counts the number of points in  $B$  for all subsets  $B$  and it is a counting measure. The counting measure is equivalent to a point pattern in the sense that if the point pattern is random, then the values of  $N(B)$  will be random.

The intensity surface is determined by the integrated intensity at the point level over the region (Borel set)  $B$  and has a statistical interpretation in terms of moments, thus providing a form of summary statistic over the surface on which the points occur. Other more sophisticated measures on the spatial distribution of points are discussed further on in this section. The *first-order intensity* or *intensity measure*  $\lambda(\cdot)$  gives the expectation of the counting process

$$E[N(B)] = \lambda(B) = \int_B \lambda(\mathbf{s}) d\mathbf{s}, \text{ where } \lambda(\mathbf{s}) = \lim_{|\partial\mathbf{s}| \rightarrow 0} \frac{E[N(\partial\mathbf{s})]}{|\partial\mathbf{s}|}, \quad (1.8)$$

for some neighborhood (disc)  $\partial\mathbf{s}$  of  $\mathbf{s}$ . Note that the intensity here is defined as a limit since it depends on the points in  $\mathcal{D}$  by region.

The *second-order intensity*  $\lambda_2(\cdot, \cdot)$  determines the dependence between events as a function of event locations over two regions subsets  $A$  and  $B$  of  $\mathcal{D}$ ; it is the covariance of the counting process,

$$E[N(A)N(B)] = \int_A \int_B \lambda_2(\mathbf{s}_i, \mathbf{s}_j) d\mathbf{s}_i d\mathbf{s}_j, \text{ where } \lambda_2(\mathbf{s}_i, \mathbf{s}_j) = \lim_{\substack{|\partial\mathbf{s}_i| \rightarrow 0 \\ |\partial\mathbf{s}_j| \rightarrow 0}} \frac{E[N(\partial\mathbf{s}_i)N(\partial\mathbf{s}_j)]}{|\partial\mathbf{s}_i||\partial\mathbf{s}_j|}. \quad (1.9)$$

This expression motivates a representation in terms of the density of the *second-order factorial moment measure* of the process  $Z$ , the measure  $\alpha^2$  on  $\mathbf{R}^{2d}$ ,

$$\int_{\mathbf{R}^{2d}} f(\mathbf{z}_1, \mathbf{z}_2) d\alpha^2(\mathbf{z}_1, \mathbf{z}_2) = E \left[ \sum_{\substack{\mathbf{z}_1, \mathbf{z}_2 \in Z, \\ \mathbf{z}_1 \neq \mathbf{z}_2}} f(\mathbf{z}_1, \mathbf{z}_2) \right], \quad (1.10)$$

where  $f(\cdot, \cdot)$  is any nonnegative measurable function on  $\mathbf{R}^{2d}$ , which defines a density over any two convex, compact Borel sets each in  $\mathbf{R}^d$ ,  $B_1$  and  $B_2$  by

$$\alpha^2(B_1 \times B_2) = \int_{B_1} \int_{B_2} \rho^2(\mathbf{z}_1, \mathbf{z}_2) d\mathbf{z}_1 d\mathbf{z}_2 \quad (1.11)$$

and thus  $\rho^2(\cdot, \cdot)$  is referred to by Stoyan, Kendall & Mecke (1987) [SKM87] as the *second-order*

*product density.* In terms of these definitions, we have

$$E\left[\sum_{\mathbf{z}_1, \mathbf{z}_2 \in Z, \mathbf{z}_1 \neq \mathbf{z}_2} f(\mathbf{z}_1, \mathbf{z}_2)\right] = \iint f(\mathbf{z}_1, \mathbf{z}_2) \rho^2(\mathbf{z}_1, \mathbf{z}_2) d\mathbf{z}_1 d\mathbf{z}_2.$$

More general, higher-order intensities, moment measures, and product densities may be defined as needed; complete constructions of these are provided by Stoyan, Kendall & Mecke (1987) [SKM87] and Illian, Penttinen, Stoyan & Stoyan (2008) [IPSS08], for example.

For a homogeneous Poisson process, the first-order intensity is characterized by  $\lambda(\mathbf{s}) = \lambda$  and  $E[N(B)] = \lambda|B|$ ; the second-order intensity is characterized by  $\lambda_2(\mathbf{s}_i, \mathbf{s}_j) = \lambda^2$  and  $E[N(A)N(B)] = \lambda^2|A||B|$ .

### Motion Invariance

As in the case of point-referenced data, there exist analogous notions of stationarity and isotropy for point processes given in the following definition.

**Definition 1.3.3.** A point process is **stationary** if the second-order intensity depends only upon the differences between event locations

$$\lambda_2(\mathbf{s}_i, \mathbf{s}_j) = \lambda_2(\mathbf{s}_i - \mathbf{s}_j).$$

It is moreover **isotropic** if the second-order intensity depends only upon the distance of differences between event locations

$$\lambda_2(\mathbf{s}_i, \mathbf{s}_j) = \lambda_2(\|\mathbf{s}_i - \mathbf{s}_j\|) = \lambda_2(\|\mathbf{h}\|).$$

Stationarity together with isotropy provides **motion invariance** of the point process.

By these definitions, we have translation invariance of the distribution of the point process  $N(B) \sim N(B + \mathbf{h})$  under stationarity, and rotation invariance  $N(B) \sim N(PB)$  under isotropy, where  $P$  is an orthogonal matrix such that  $PB = \{\mathbf{s}^* = P\mathbf{s} : \mathbf{s} \in B\}$ . The inhomogeneous Poisson process is a nonstationary point process.

Assuming stationarity, we have

$$\text{Cov}(N(A), N(B)) = \int_A \int_B \lambda_2(\mathbf{s}_i - \mathbf{s}_j) d\mathbf{s}_i d\mathbf{s}_j + \lambda|A \cap B| - \lambda^2|A||B|;$$

and for the covariance density function of the point process,

$$C(\mathbf{s}_i - \mathbf{s}_j) = \lambda_2(\mathbf{s}_i, \mathbf{s}_j) - \lambda(\mathbf{s}_i)\lambda(\mathbf{s}_j).$$

Notice that if the points  $\mathbf{s}_i$  and  $\mathbf{s}_j$  are uncorrelated and thus  $C(\mathbf{s}_i - \mathbf{s}_j) = 0$ , then  $\lambda_2(\mathbf{s}_i, \mathbf{s}_j) = \lambda(\mathbf{s}_i)\lambda(\mathbf{s}_j)$ , analogous to the cross-product expectation expression of the classical covariance.

ance  $\text{Cov}(X, Y) = E[XY] - E[X]E[Y]$  and the corresponding definition of noncorrelation  $\text{Cov}(X, Y) = 0 \iff E[XY] = E[X]E[Y]$ . Under noncorrelation of  $\mathbf{s}_i$  and  $\mathbf{s}_j$ ,  $\text{Cov}(N(A), N(B)) = 0$ . If in addition to stationarity we have isotropy of the point process, there is no spatial dependence if  $\lambda_2(\|\mathbf{h}\|) = \lambda^2$ . The interpretation of second-order intensity is difficult beyond these associations ([SG05]), and involves the concept of the *Palm distribution*, which will be sketched in the following section.

### 1.3.2 The Palm Distribution and the Papangelou Intensity

Often in studying point processes, the construction of certain functions or distributions is considered with reference to a “typical” point of the point process  $Z$ , by which we mean a point that is chosen according to some selection procedure by which every point of the process has the same chance of being selected; this is a recurring theme in discussing concepts in the following subsection and later on in Chapter 5. Mathematically, the occurrence of this typical point is described by the Palm distribution, whose probabilities are conditional probabilities of events of point processes, given that “some point”, the typical point, has been observed at a particular location.

While intuitively accessible, the Palm distribution is a technically difficult concept because it aims to describe distributional characteristics that are independent of the specific position of a random point  $\mathbf{x} \in \mathbf{R}^d$  since these characteristics should be the same throughout space when we assume stationarity, and because of this, we consider without loss of generality a point at the origin  $\mathbf{o}$ : the probability that there is an event of a stationary point process exactly at  $\mathbf{o}$ , however, is zero. Describing the probability that the point process  $Z$  has some property, given that it has a point located at  $\mathbf{o}$  thus becomes difficult to quantify.

**Definition 1.3.4.** *The Palm probability  $\text{Prob}_{\mathbf{o}}$  is defined by the relation*

$$\lambda \text{Vol}(W) \text{Prob}_{\mathbf{o}}(Z \in \mathcal{A}) = E \left[ \sum_{\mathbf{x} \in Z \cap W} \mathbf{1}((Z - \mathbf{x}) \in \mathcal{A}) \right],$$

where  $W$  is some test set of positive volume  $\text{Vol}(W)$ . The event  $Z \in \mathcal{A}$  serves to denote the possession of some property  $\mathcal{A}$  by  $Z$ ;  $Z$  then belongs to the class of processes that possess property  $\mathcal{A}$ , which is well-defined for point processes that have events at  $\mathbf{o}$ . The indicator function  $\mathbf{1}((Z - \mathbf{x}) \in \mathcal{A})$  takes the value 1 if the shifted point process  $(Z - \mathbf{x})$  possesses property  $\mathcal{A}$  and also takes the value 0 otherwise.

Mecke (1967) [Mec67] provided this definition of the Palm probability, having proved that the definition of  $\text{Prob}_{\mathbf{o}}(Z \in \mathcal{A})$  holds and is well-defined irrespective of the set  $W$ . Stoyan, Kendall & Mecke (1987) [SKM87] and Møller & Waagepetersen (2007) [MW07] provide the technical construction of the Palm distribution in full detail with the complete measure-theoretic foundations.

A similar related quantity which also plays an important role in the construction of more tech-

nical characteristics that often arise in the literature on point process theory is the *Papangelou intensity*. The underlying intuition of the Papangelou intensity is the conditional probability of an event of a point process occurring in an infinitesimally small ball centered at a location  $\mathbf{x} \in \mathbf{R}^d$ , given information on the remainder of the point process lying outside the ball.

**Definition 1.3.5.** *The Papangelou intensity for a point process  $Z$  in  $\mathbf{R}^d$  with a density  $f_Z(\cdot)$  is defined by*

$$\begin{aligned}\lambda^*(\mathbf{x}) &= \lim_{\delta \rightarrow 0} \frac{1}{\text{Vol}(b(\mathbf{x}, \delta))} \text{Prob}(\text{one event occurs in } b(\mathbf{x}, \delta) | \sigma[Z \setminus b(\mathbf{x}, \delta)]) \\ &= \frac{f_Z(\mathbf{x} \cup \mathbf{y})}{f_Z(\mathbf{x})},\end{aligned}$$

where  $\mathbf{x} \in \Omega^{\mathcal{D}}$ ,  $\mathbf{y} \in \mathcal{D} \setminus \mathbf{x}$  and  $\sigma[Z \setminus b(\mathbf{x}, \delta)]$  denotes the information on the process  $Z$  outside of  $b(\mathbf{x}, \delta)$ .

The Papangelou intensity provides a relation to the density  $f_Z(\cdot)$  under *heredity*.

**Definition 1.3.6.** *A function  $g_Z : \Omega^{\mathcal{D}} \rightarrow \mathbf{R}_+$  is **hereditary** if  $g_Z(\mathbf{z}) > 0$  implies that  $g_Z(\mathbf{x}) > 0$  for  $\mathbf{x} \subset \mathbf{z}$ .*

If the density  $f_Z(\cdot)$  is hereditary, there is an injective correspondence between  $f_Z(\cdot)$  and  $\lambda^*(\cdot)$ .

### Edge Corrections

The consideration of the typical point motivates the consideration of *edge corrections*, which is an important issue since often the construction of functions and estimators involves information on neighborhoods or proximity of the points in a point pattern, which may be restricted or problematic for points lying close to or on the boundary of the region of study. Often, although data is only given for some region of study  $A$ , the implicit assumption is that the point pattern is assumed to be infinite and characteristics aiming to provide information on the process should be relevant independent of  $A$ .

One important identity that plays an important role in many functions often used in constructions involving point processes is the *nearest neighbor*; for example, nearest-neighbor distances are often used to define distribution functions, and are generally useful for gaining an understanding of the distribution of points over space. However, when only an observation region  $A$  is given, the identification of the nearest neighbor may not always be immediate; the nearest neighbor of a point close to the edge may actually lie outside the observation region  $A$ . This is the most frequently occurring difficulty in the construction of functions to study characteristics of spatial point processes. Correcting for this complication usually involves excluding those points  $\mathbf{s}_i$  in the observation region  $A$  for which the nearest neighbor cannot be well-specified and determined, or considering only pairs  $(\mathbf{s}_i, \mathbf{s}_j)$  for which both members lie within  $A$ . In both cases, the retained points or pairs are reweighted to compensate for any loss

of information. Other more sophisticated methods of edge correction exist and are discussed in Illian, Penttinen, Stoyan & Stoyan (2008) [IPSS08].

### 1.3.3 Descriptive Statistics for Complete Spatial Randomness

Exploratory analysis methods for point pattern data aim to check for complete spatial randomness; that is, checking for a homogeneous Poisson process. A crude way of doing this is based on areal unit counts, by first partitioning  $\mathcal{D}$  into nonoverlapping cells  $B_1, \dots, B_n$  of equal area such that  $\bigcup_{i=1}^n A_i = \mathcal{D}$  (typically  $\mathcal{D}$  is assumed to be bounded by a rectangle, then the partitions themselves would also be rectangular and comprise  $r$  rows and  $c$  columns), then computing the mean of cell counts  $\bar{N}$  and the sample variance of counts  $s_N^2$ , and finally examining the ratio  $s_N^2/\bar{N}$ , which should be close to 1 under complete spatial randomness, since recall that for a Poisson random variable  $X$ , we have  $E[X] = \text{Var}(X) = \lambda$ . This idea can be extended to a goodness-of-fit test based on Pearson's  $\chi^2$  test

$$X^2 = \sum_{i=1}^r \sum_{j=1}^c \frac{(n_{ij} - \bar{n})^2}{\bar{n}} = \frac{(rc-1)s^2}{\bar{n}} \sim \chi^2_{(rc-1)} \quad (1.12)$$

where  $n_{ij}$  is the number of events in the  $(i, j)^{\text{th}}$  cell and  $\bar{n} = n/(rc)$  is the expected number of events in a cell under complete spatial randomness. Pearson's  $\chi^2$  statistic is used to test the hypothesis that the  $n$  points are distributed uniformly and independently over  $\mathcal{D}$ , *i.e.* testing whether the cell counts are independent and identically-distributed Poisson  $\mathcal{P}(\cdot)$  random variables with common mean, under complete spatial randomness. While the  $X^2$  statistic given in Equation 1.12 is indeed the Pearson's  $\chi^2$  statistic for contingency tables, the double sum notation emphasizes the partition of  $\mathcal{D}$  into rows and columns, and the degree of freedom associated with the estimation of  $\bar{n}$  is not lost since in the point pattern setting,  $n$  is known. Basic and relatively simple, this goodness-of-fit test based on Pearson's  $\chi^2$  test performs well when the expected number of events per cell is greater than 1, and  $rc > 6$  ([Dig83], [SG05]) and thus depends on the size of the cells.

Distance-based methods also exist to test complete spatial randomness, and while they are more computationally intensive, they also circumvent the problem of choice of shape and number of cells, which, as in Pearson's  $\chi^2$ -type goodness-of-fit test, affects the outcome of the test. One such method consists in defining functions  $G(\cdot)$ , the nearest-neighbor distance between events, and  $F(\cdot)$ , the nearest-neighbor distance between a given event  $\mathbf{s}_i$  and the next nearest event. For a given event and given distance  $d$ , under a homogeneous Poisson process, the expected number of additional events occurring within distance  $d$  of the reference event is the intensity multiplied by the surrounding area of the surface subtended by the distance  $d$ , *i.e.*  $\lambda\pi d^2$ . Under complete spatial randomness,

$$G(d) = F(d) = 1 - e^{-\lambda\pi d^2},$$

Let  $\hat{G}_D(\cdot)$  denote the empirical cumulative distribution function of the  $n$  nearest-neighbor

distances, *i.e.* the nearest-neighbor distances for  $\mathbf{s}_1$ , for  $\mathbf{s}_2$ , up to  $\mathbf{s}_n$ ; let  $\hat{F}_D(\cdot)$  denote the empirical cumulative distribution function arising from the  $m$  nearest-neighbor distances associated with a randomly selected set of  $m$  points in  $\mathcal{D}$ . We impose an edge correction measure if  $d > b_i$  where  $b_i$  is the distance from  $\mathbf{s}_i$  to the edge of  $\mathcal{D}$ . We then construct a theoretical Q-Q plot by comparing  $\hat{G}_D(\cdot)$  with  $G(\cdot)$  and  $\hat{F}(\cdot)$  and  $F_D(\cdot)$ ; shorter tails suggest shorter distances between events so there may be a tendency of clustering, while longer tails suggest longer distances between events so there may be a tendency of repulsion or inhibition between events.

### Ripley's $K$ Function

A more general distance-based method to determine the existence of complete spatial randomness is to consider a function  $K(\cdot)$  of the number of points within a distance  $a$  of an arbitrary point, which measures clustering by examining the expected number of points in a neighborhood of any point proportional to the area of a circle of radius  $a$ ,

$$K(a) = \frac{1}{\lambda} E[\text{number of points within distance } a \text{ of an arbitrary point}].$$

Under isotropy, we expect the number to be the same for any reference point and under complete spatial randomness, we have  $K(a) = \frac{\lambda \pi a^2}{\lambda} = \pi a^2$ . Regularity is implied by  $K(a) < \pi a^2$ , while clustering is implied by  $K(a) > \pi a^2$ . The  $K$  function may be estimated by

$$\hat{K}(a) = \frac{1}{n\hat{\lambda}} \sum_i \sum_j \frac{1}{\delta_{ij}} \mathbf{1}(\|\mathbf{s}_i - \mathbf{s}_j\| \leq a),$$

where  $\delta_{ij}$  is an edge correction, which we define to be the proportion of the area of the circle centered at  $\mathbf{s}_i$  with radius  $\|\mathbf{s}_i - \mathbf{s}_j\|$  within  $\mathcal{D}$ ; we then compare the computed estimate  $\hat{K}(a)$  with  $K(a) = \pi a^2$  under complete spatial randomness.

For stationary and isotropic point processes, the function  $K(\cdot)$  was formally defined in terms of the second-order intensity  $\lambda_2(\cdot)$  by Ripley (1976) [Rip76] to detect deviations from spatial homogeneity, and is also known as the *reduced second-order moment measure function*:

$$K(\|\mathbf{h}\|) = \frac{2\pi}{\lambda^2} \int_0^{\|\mathbf{h}\|} u \lambda_2(u) du. \quad (1.13)$$

Notice that this specification of  $K(\cdot)$  presents the advantage that if the  $K$  function is known for a point process, the second-order intensity may be recovered:

$$\lambda_2(\|\mathbf{h}\|) = \frac{\lambda^2}{2\pi\|\mathbf{h}\|} \frac{dK(\|\mathbf{h}\|)}{d\|\mathbf{h}\|}.$$

The following examples list other functions depending on the second-order intensity that determine the dependence in point patterns have simple relations to  $K(\cdot)$ .

**Example 1.3.1.** The *pair correlation function* is defined as

$$r^{\text{pair}}(\|\mathbf{h}\|) = \frac{1}{2\pi\|\mathbf{h}\|} \frac{dK(\|\mathbf{h}\|)}{d\|\mathbf{h}\|}. \quad (1.14)$$

To obtain a construction of the pair correlation function, first notice that the probability of a point of  $Z$  occurring in an infinitesimally small ball  $b(\mathbf{x}, d\mathbf{x})$  centered at  $\mathbf{x}$  of volume  $d\mathbf{x}$  is  $\lambda d\mathbf{x}$ . For a second point at a distance  $a$  from  $\mathbf{x}$ , we consider the probability  $p_2(\mathbf{x}, \mathbf{y})$  that a point occurs both in  $b(\mathbf{x}, d\mathbf{x})$  and in an infinitesimally small ball  $b(\mathbf{y}, d\mathbf{y})$  centered at  $\mathbf{y}$  of volume  $d\mathbf{y}$ , which can be expressed in terms of the second-order product density  $\rho^2(\cdot, \cdot)$  defined in Equation (1.11) as  $p_2(\mathbf{x}, \mathbf{y}) = \rho^2(\mathbf{x}, \mathbf{y}) d\mathbf{x} d\mathbf{y}$ .

Under isotropy,  $p_2(\cdot, \cdot)$  and  $\rho^2(\cdot, \cdot)$  depend only on the length of the separation vector  $\|\mathbf{h}\|$ , which gives

$$p_2(\|\mathbf{h}\|) = r^{\text{pair}}(\|\mathbf{h}\|) \lambda d\mathbf{x} \lambda d\mathbf{y} \text{ where } r^{\text{pair}}(\|\mathbf{h}\|) = \frac{\rho^2(\|\mathbf{h}\|)}{\lambda^2}. \quad (1.15)$$

Under complete spatial randomness, we find  $p_2(\|\mathbf{h}\|) = \lambda d\mathbf{x} \lambda d\mathbf{y}$ , which means that  $r^{\text{pair}}(\|\mathbf{h}\|) = 1$ , indicating that there is no correlation between the point positions. This is also true for larger separations, the events of a point occurring in  $b(\mathbf{x}, d\mathbf{x})$  and in  $b(\mathbf{y}, d\mathbf{y})$  are independent, thus when  $\|\mathbf{h}\| \rightarrow \infty$ , the pair correlation function always takes the value 1.

**Example 1.3.2.** *Besag's L function* due to Besag (1977) [Bes77] is given by

$$L(\|\mathbf{h}\|) = \sqrt{\frac{K(\|\mathbf{h}\|)}{\pi}}. \quad (1.16)$$

This adaptation of the  $K$  function has certain statistical and representational advantages. Since  $L(\cdot)$  is defined by a square root, it is proportional to the length of the separation vector  $\|\mathbf{h}\|$  as opposed to  $\|\mathbf{h}\|^2$ , as in the case of the  $K$  function; thus, for Poisson point processes,  $L(\|\mathbf{h}\|) = \|\mathbf{h}\|$  and in identifying complete spatial randomness, the study of the  $L$  function amounts to comparison to a line, as opposed to a parabolic curve in the case of the  $K$  function. Also, the square root tends to stabilize the fluctuations of estimated  $K$  functions as  $\|\mathbf{h}\|$  grows.

### 1.3.4 Estimating the Intensity

In studying the intensity of events on a local level, a basic method involving  $\lambda(\cdot)$  considers  $\lambda(\partial\mathbf{s}) = \int_{\partial\mathbf{s}} \lambda(\mathbf{s}) d\mathbf{s} \approx \lambda(\mathbf{s}) |\partial\mathbf{s}|$  for some neighborhood  $\partial\mathbf{s}$  of point  $\mathbf{s}$ : imposing a lattice over the surface area of the domain  $\mathcal{D}$  and considering any given grid cell  $A_\ell$ , we assume that the intensity is constant over  $A_\ell$  and estimate  $\hat{\lambda}(\mathbf{s}) = \hat{\lambda} = N(A_\ell)/|A_\ell|$ . More sophisticated methods of obtaining estimates  $\hat{\lambda}(\mathbf{s})$  for spatially varying  $\mathbf{s}$  exist and borrow from methods of kernel density estimation.

In kernel density estimation, given random realizations  $z_1, z_2, \dots, z_n$  from the distribution of a

random variable  $Z$ , an estimate of the density function  $f_Z(\cdot)$  at  $z_0$  depends on the number of realizations within a distance  $h$  from  $z_0$  and is given by

$$\hat{f}_Z(z_0) = \frac{1}{nh} \sum_{i=1}^n k\left(\frac{z_i - z_0}{h}\right),$$

where the kernel function  $k(\cdot)$  might be the standard uniform density on  $u \in [-1, 1]$ ,  $k(u) = \mathbf{1}(|z_i - z_0| \leq h)$ , which gives equal weights to all points within a window  $z_0 \pm h$ , or more sophisticated modal kernels (examples include the Gaussian kernel, the quadratic kernel, or the minimum variance kernel). In practice, however, the choice of kernel function plays a secondary role to the choice of bandwidth, which controls the smoothness of the estimate. If the bandwidth  $h$  is small,  $\hat{f}_Z(z_0)$  estimates  $f_Z(z_0)$  approximately unbiasedly, but with a large variance. There is a trade-off between variance and bias that depends on the bandwidth  $h$ : as  $h$  increases, the estimate becomes smoother and the variance decreases, however bias increases. See Silverman (1986) [Sil86] and Wand & Jones (1995) [WJ95] for further details on nonparametric smoothing and kernel density estimation.

Kernel density estimation gives the estimate of the probability of observing an event at a location  $\mathbf{s}$ , and integrates to 1 over the domain  $B$ . The intensity and density are proportional since  $\lambda(\mathbf{s}) = f_B(\mathbf{s}) \int_B \lambda(\mathbf{u}) d\mathbf{u}$ , and a kernel intensity estimate for is given by

$$\hat{\lambda}_h(\mathbf{s}) = \frac{1}{h^2} \sum_i k\left(\frac{\|\mathbf{s} - \mathbf{s}_i\|}{h}\right) \text{ for } \mathbf{s} \in \mathcal{D},$$

where  $k(\cdot)$  is a radially symmetric bivariate probability density function, which is usually taken to be bivariate normal. An important difference to note between kernel density estimation and kernel intensity estimation is that in the latter case, it is not the average that is considered, as in the former case, by dividing by  $n$ ; rather, the intensity is cumulated over the surface.

### Mosaics: Dirichlet-Voronoi Tessellation

A structure important towards the end of intensity estimation in the sense that it aids in the efficiency of computation algorithms is that of *tessellation*, which divides the space  $\mathbf{R}^d$  into nonoverlapping polyhedra. A canonical reference on the theory of tessellation is given by Okabe, Boots, Sugihara & Chiu (2000) [OBSC00] that in addition provides a history on the development of tessellation, which has been applied independently across a number of fields including ecology by Matérn (1960) [Mat60] and Pielou (1977) [Pie77], as well as meteorology and metallurgy.

The common tessellation model applied throughout these applications, and perhaps the most important, is that of *Dirichlet-Voronoi tessellation*, which was developed by Dirichlet (1850) [Dir50] and Voronoi (1908) [Vor08] from foundations of number theory, and have been used in the statistical analysis of geometric structures by Finney (1979) [Fin79] and Medvedev, Voloshin

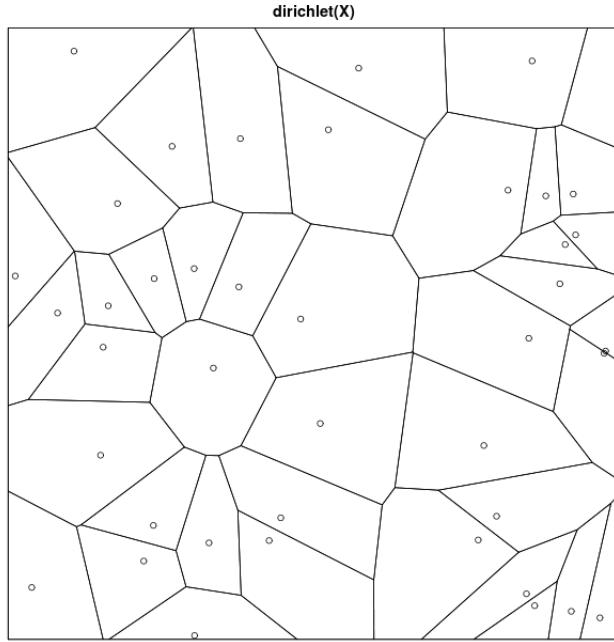


Figure 1.4: Example Dirichlet-Voronoi tessellation in  $\mathbf{R}^2$ .

& Naberukhin (1988) [MVN88]. Its use in the statistics of point processes was discussed by Sibson (1980) [Sib80] as a means to interpolate data and obtain a smooth surface at points that are distributed irregularly, which also was the motivation of the work by Thiessen & Alter (1911) [TA11], who also suggested the Dirichlet-Voronoi tessellation independently. This idea was developed further by Bernardeau & Van de Weygaert (1996) [BvdW96] and Okabe, Boots, Sugihara & Chiu (2000) [OBSC00].

**Definition 1.3.7.** For a point process  $Z$  in  $\mathbf{R}^d$ , the unique **nearest point**  $n(\cdot)$  of a typical point  $\mathbf{x} \in \mathbf{R}^d$  defines the **Voronoi cell** by

$$T(\mathbf{y}) = \{n(\mathbf{x}) = \mathbf{y} : \mathbf{x} \in \mathbf{R}^d\}.$$

The points on the boundary of cells have two or more nearest points in  $Z$ , and the Dirichlet-Voronoi cells  $T(\cdot)$  are all convex polyhedra though some may be unbounded. If all polyhedra are bounded then the  $T(\mathbf{y})$  for all  $\mathbf{x} \in \mathbf{R}^d$  constitute the **Dirichlet-Voronoi tessellation** of  $\mathbf{R}^d$  relative to  $Z$ .

A graphical example of a Dirichlet-Voronoi tessellation in  $\mathbf{R}^2$  is given in Figure (1.4). The polyhedra  $T(\mathbf{y})$  are almost surely bounded for a stationary process  $Z$  with a finite positive intensity  $\lambda > 0$ , so the Dirichlet-Voronoi tessellation exists and is well-defined for such a process, and is itself also stationary with mean cell volume  $E[\text{Vol(cell)}] = 1/\lambda$ . In general, distributional properties of cells, in particular the distribution of the volume of the cells, and the tessellation as a whole are taken into consideration to estimate the intensity. There exist

other tessellation models for the analysis of point processes; one other important tessellation for point processes where every node almost surely touches exactly three cells in  $\mathbf{R}^2$  or four cells in  $\mathbf{R}^3$  is the *Delaunay tessellation* or *triangulation*, constructed by the triangles that are defined by the points of the point process whose cells share the same node.

### 1.3.5 Modeling Point Processes

Determining whether a point process is a homogeneous Poisson process is a natural starting point to the statistical analysis of point processes: the rejection of complete spatial randomness then leads to the natural question of which model generated the observed process. A multitude of point process models exist and have been documented in detail in for instance Diggle (1983) [Dig83], Cressie (1993) [Cre93], Stoyan, Kendall & Mecke (1995) [SKM87], Møller & Waagepetersen (2007) [MW07], and Illian, Penttinen, Stoyan & Stoyan (2008) [IPSS08]. Large classes of complex point process models may be generated by applying operations, which may be applied individually or in combinations, to existing simpler models. We outline the operations that may be applied herein, and give an illustrative example by applying them to the Poisson process; details of the models and the complete theory of these constructions may be found in the aforementioned references. The simulation of core point processes to which the following operations may be applied is discussed in further detail in Chapter 5.

An operation that may be applied to a basic point process  $\{Z(\mathbf{s}) : \mathbf{s} \in \mathcal{D}\}$  is that of *thinning*, which eliminates events in a process according to a thinning rule based on some probability  $p$ . The resulting process is a *thinned process*  $\{Z_p(\mathbf{s}) : \mathbf{s} \in D \subset \mathcal{D}\}$ , taking values in a random subset  $D \subset \mathcal{D}$ .

**Definition 1.3.8.** *Thinning may be applied to a process according to the following **thinning rules**:*

- **$p$ -thinning:** *Each event in  $\mathcal{D}$  is considered individually and deleted with probability  $1 - p$ ; the constant  $p$  is referred to as the **retention probability**. Deletion is independent of the location of the event, and of whether or not other events in  $\mathcal{D}$  were deleted.*
- **$p(\mathbf{s})$ -thinning:** *The retention probability now depends on the location of the event  $\mathbf{s}$  and is given by a deterministic **thinning function**  $p(\cdot)$  on  $\mathbf{R}^d$  with support  $[0, 1]$ . Deletion of an event occurs with probability  $1 - p(\mathbf{s})$ , and is again independent of whether or not other events in  $\mathcal{D}$  were deleted.*
- **$P(\mathbf{s})$ -thinning:** *The thinning function is now a random function; i.e. thinning is now based on a random field  $\{P(\mathbf{s})\}_{\mathbf{s} \in \mathbf{R}^d}$ , independent of  $\mathcal{D}$  and whether or not other events in  $\mathcal{D}$  were deleted.*

Notice that the above thinning rules are independent thinnings, since deletion is independent of the operation on other points. These thinning rules may naturally be extended to dependent

thinnings, which are relevant to applications of spatial point processes, for example in the study of evolution of plant communities, where competition for natural resources within a region may influence the survival of another plant in the proximity ([IPSS08]).

Given the characteristics of the basic process  $\{Z(\mathbf{s}) : \mathbf{s} \in \mathcal{D}\}$ , the characteristics of the thinned process  $\{Z_p(\mathbf{s}) : \mathbf{s} \in D\}$  may be derived. For a basic process with intensity  $\lambda(\cdot)$ , the intensity of a  $p$ -thinned process is  $\lambda_p(\mathbf{s}) = p\lambda(\mathbf{s})$ ; if the basic process is stationary, so too is the  $p$ -thinned process. The  $p$ -thinned process of a basic homogeneous Poisson process yields a homogeneous Poisson process. The deleted events from  $p$ -thinning also form a homogeneous Poisson process, which is independent from that formed by the retained events of  $p$ -thinning. To generate data realizations of a homogeneous Poisson process with intensity  $\lambda$ , we sample from a Poisson distribution with parameter  $\lambda|\mathcal{D}|$ ,  $n \sim \mathcal{P}(\lambda|\mathcal{D}|)$ , to obtain  $n$ ; given this  $n$ , we then sample  $n$  locations uniformly over the region  $\mathcal{D}$ . Uniform patterns may be generated over an irregular region by enclosing the region in a larger rectangular surface and generating uniform patterns over the rectangular surface according to the described sampling schemes, retaining the points that fall in the irregular region.

Similarly, the intensity of a  $p(\mathbf{s})$ -thinned process is given by  $\lambda_p = p(\mathbf{s})\lambda(\mathbf{s})$ . Stationarity of the basic process does not guarantee stationarity of the  $p(\mathbf{s})$ -thinned process, as demonstrated by the following counterexamples.

**Example 1.3.3.** The  $p(\mathbf{s})$ -thinning rule applied to a stationary point process generates a *second-order intensity-reweighted point process*, a nonstationary process. The idea behind the construction of such a process is due to Baddeley, Møller & Waagepetersen (2000) [BMW00], and involves adapting the constant intensity estimator discussed previously by variable intensity estimators to accommodate nonstationary processes. The point process correlation-type function

$$\rho(\mathbf{s}_i, \mathbf{s}_j) = \frac{\lambda_2(\mathbf{s}_i, \mathbf{s}_j)}{\lambda(\mathbf{s}_i)\lambda(\mathbf{s}_j)}$$

(which we note is constant and equal to 1 in the case of an inhomogeneous Poisson process, since then we have  $\lambda_2(\mathbf{s}_i, \mathbf{s}_j) = \lambda(\mathbf{s}_i)\lambda(\mathbf{s}_j)$ ) is taken to be isotropic  $\tilde{\rho}(\|\mathbf{h}\|) = \frac{\lambda_2(\|\mathbf{h}\|)}{\lambda^2}$ . Processes for which such a specification of  $\tilde{\rho}(\cdot)$  exists are second-order intensity-reweighted point processes.  $p(\mathbf{s})$ -thinned processes of stationary basic processes are characterized by this property ([IPSS08]).

**Example 1.3.4.** Inhomogeneous Poisson processes can be constructed by  $p(\mathbf{s})$ -thinning of a homogeneous process by following the algorithm of Lewis & Shedler (1979) [LS79] for simulating heterogeneous-intensity Poisson processes: To generate an inhomogeneous Poisson process on  $B$  with intensity  $\lambda = \beta(\mathbf{s})$ , first generate a homogeneous Poisson process on  $B$  with intensity  $\lambda = \max_B \{\beta(\mathbf{s})\}$ , and then thin this process according to the retention probability  $p(\mathbf{s}) = \beta(\mathbf{s})/\lambda$ . See Illian, Penttinen, Stoyan & Stoyan (2008) [IPSS08] for more details on this algorithm.

For a  $P(\mathbf{s})$ -thinned process, the retention probability is given by the mean of the random

thinning field and the intensity is  $\lambda_p(\mathbf{s}) = pE[P(\mathbf{s})]$ . If the basic process is a stationary and the random thinning field is a stationary random field, then the  $P(\mathbf{s})$ -thinned process is also stationary. A basic homogeneous Poisson process thinned by  $P(\mathbf{s})$ -thinning yields a Cox process. See Schabenberger & Gotway (2005) [SG05] and Illian, Penttinen, Stoyan & Stoyan (2008) [IPSS08] for further properties of thinned processes.

In contrast to thinning, which involves the deletion of events, in a *clustering* operation, every point  $\mathbf{s}$  of a given point process is replaced by a cluster of points.

**Definition 1.3.9.** For a basic point process  $\{Z(\mathbf{s}) : \mathbf{s} \in \mathcal{D}\}$ , the **clustering operation** assigns to every  $\mathbf{s} \in \mathcal{D}$  a cluster  $D_{\mathbf{s}}$  of points, which themselves are finite point processes. The set-theoretic union

$$D = \bigcup_{\mathbf{s} \in \mathcal{D}} D_{\mathbf{s}}$$

is a **cluster point process**.

Due to the nature in which cluster point processes are generated, they are particularly well-suited to applications involving “parents” and “offspring”. For a Poisson cluster process, the basic (parent) point process is an inhomogeneous Poisson process with intensity  $\lambda(\mathbf{s})$ , for which  $D_{\mathbf{s}}$  random points (offspring) are produced by each event (parent). The positions of the offspring relative to their parents are determined by some bivariate distribution function  $f_{\mathbf{s}}(\cdot, \cdot)$ ; the final process is made up of the locations of the offspring only.

**Example 1.3.5.** A special case of the Poisson cluster process where the number of offspring of each parent is generated independently and identically following the probability mass function  $\text{Prob}(D_{\mathbf{s}} = k) = f_D$ , and the positions of the offspring relative to their parents are independently and identically distributed is known as a *Neyman-Scott process* due to Neyman & Scott (1972) [NS72].

To model  $\lambda(\mathbf{s})$  for inhomogeneous Poisson processes, the function  $\lambda(\cdot)$  can take several forms:

- $\lambda(\mathbf{s}) = \sigma \lambda_0(\mathbf{s})$ , with  $\sigma$  unknown
- $\lambda(\mathbf{s})$  is a tiled surface over a grid with the height of each tile given by  $\lambda_{\ell}$  for each location  $A_{\ell}$
- $\lambda(\mathbf{s}; \vartheta)$  is a parametric function, *i.e.* a spline surface
- $\lambda(\mathbf{s}; \vartheta) = \lambda f_{\mathbf{s}}(\mathbf{s}; \vartheta)$  where  $f_{\mathbf{s}}(\cdot)$  is a bivariate density function truncated to  $\mathcal{D}$ , so  $f_{\mathbf{s}}(\cdot)$  need not integrate to 1
- $\lambda(\mathbf{s})$  is a process realization, *e.g.*  $\lambda(\mathbf{s}) = e^{y(\mathbf{s})}$  where  $y(\mathbf{s})$  is a realization from a spatial Gaussian process

Regarding the computation of the likelihood of inhomogeneous Poisson processes, there are two approaches. The first is to consider the conditional distribution of the points  $\mathbf{s}_1, \mathbf{s}_2, \dots, \mathbf{s}_n$  given  $N(\mathcal{D}) = n$ ,

$$f_{\mathbf{s}|n}(\mathbf{s}_1, \mathbf{s}_2, \dots, \mathbf{s}_n | N(\mathcal{D}) = n) = \frac{1}{\lambda(\mathcal{D})^n} \prod_{i=1}^n \lambda(\mathbf{s}_i)$$

so the joint density can be seen as

$$f_{\mathbf{s}|n}(\mathbf{s}_1, \mathbf{s}_2, \dots, \mathbf{s}_n, N(\mathcal{D}) = n) = \frac{\lambda(\mathcal{D})^n e^{-\lambda(\mathcal{D})}}{n!} \cdot \frac{1}{\lambda(\mathcal{D})^n} \prod_{i=1}^n \lambda(\mathbf{s}_i)$$

and the likelihood becomes

$$\mathcal{L}(\lambda(\mathbf{s}), \mathbf{s} \in \mathcal{D} | \mathbf{s}_1, \dots, \mathbf{s}_n) = \prod_{i=1}^n \lambda(\mathbf{s}_i) e^{-\lambda(\mathcal{D})}.$$

An alternative approach is to partition  $\mathcal{D}$  into a fine grid. From the Poisson assumption, the likelihood will be a product over the grid cells

$$\mathcal{L}(\lambda(\mathbf{s}), \mathbf{s} \in \mathcal{D} | \mathbf{s}_1, \dots, \mathbf{s}_n) = \prod_{\ell} e^{-\lambda(A_\ell)} \lambda(A_\ell)^{N(A_\ell)}.$$

The product of the exponential terms is  $e^{-\lambda(\mathcal{D})}$ , regardless of the grid; as the grid becomes finer, we have  $N(A_\ell) = 1$  or  $0$ , depending on whether  $\mathbf{s}_i$  is in  $A_\ell$  or not.



## 2 Discrete Data and Zero-Inflation

The setting of this thesis is count data, representing the frequency of an occurrence, exhibiting abundant zeros over spatial regions. In relation to the three types of spatial data outlined in Chapter 1, our setting corresponds to point pattern spatial data; in particular, we focus on *marked* point pattern data. The points of the stochastic process specify the locations where data is gathered, *i.e.* where the observations are noted, and the stochastic process of the marks is discrete, specifies the observation counts at each random location, and depends on some covariate information; a large proportion of the marks associated at each location is zero-valued.

The consideration of discrete data often proves to be more challenging, with various subtleties to take into account, compared to continuous data. As pointed out in texts covering discrete data, such as that by Santner & Duffy (1989) [SD89], Zelterman (1999) [Zel99] and Molenberghs & Verbeke (2005) [MV05], one such difficulty from the statistical perspective is the lack of a well-defined core to non-Gaussian binary, ordinal, discrete and categorical data: the extensive methodology on linear regression, linear models, least-squares estimation, analysis of variance and design of experiments are fundamentally in-depth studies based on the normal distribution, while in the study of discrete and categorical data, there exists no such common ground. The theory of *linear mixed models* and *generalized linear models (GLMs)*, discussed in further detail in Chapter 3, is an important breakthrough towards a unified theory for discrete and categorical data and moreover encompasses continuous, Gaussian data. From the mathematical viewpoint, discrete settings require more care since often they limit the use of differential and integral calculus for computational purposes. This in turn affects the degree of accuracy on statistical analysis for discrete data, as remarked by Davison, Fraser & Reid (2006) [DFR06], for which methods commonly used are accurate to first order, for instance by normal approximations for maximum likelihood estimators, whereas third-order methods exist for continuous data, dramatically improving on accuracy. When in addition the discrete data exhibit abundant zero responses, typically 50% or more of the total number of observations in existing studies, recovering information in order to inference becomes yet more challenging. The fact that spatial data, as mentioned in Chapter 1, often constitutes observations from only

a single generation of a random field, and thus only a single experiment conducted, only adds to the difficulty of the context.

In the present chapter, we first recall definitions of some discrete distributions of interest and discuss challenges and subtleties associated with the framework of this thesis. We then give an overview of approaches to the problem and review the literature on the setting, detailing models and results previously established, highlighting those that have been developed for correlated and spatial data.

## 2.1 Discrete Distributions

In this section, we provide a summary of common univariate discrete distributions; concise documentation is given by Johnson, Kemp & Kotz (2005) [JKK05] and Wimmer & Altmann (1999) [WA99]. The selection given below are those that are most frequently used in our applications of interest and as components in modeling techniques discussed further on in this chapter.

### 2.1.1 The Binomial Distribution

For  $n$  independent trials with a probability  $p$  of a success, the number of successes can be represented as a random variable  $Z$  following a *binomial distribution* with parameters  $n$  and  $p$ . This situation arises when a fixed sample of size  $n$  is drawn from an infinite population where each unit of the population has an equal and independent probability  $p$  of success. This situation also occurs when a fixed sample of size  $n$  is drawn from a finite population where each unit of the population has an equal and independent probability  $p$  of success, and the units are sampled independently and sequentially with replacement.

**Definition 2.1.1.** *The binomial distribution is defined using the binomial expansion*

$$(p + (1 - p))^n = \sum_{z=0}^n \binom{n}{z} p^z (1 - p)^{n-z} = \sum_{z=0}^n \frac{n!}{z!(n-z)!} p^z (1 - p)^{n-z}$$

*as the distribution of a random variable  $Z \sim B(n, p)$  for which the probability mass function is given by*

$$f_Z(z) = \text{Prob}(Z = z) = \binom{n}{z} p^z (1 - p)^{n-z} \text{ for } z = 0, 1, 2, \dots, n,$$

*where the parameters  $p \in ]0, 1[$  and  $n$  is a positive integer. When  $n = 1$ , the distribution is referred to as the **Bernoulli distribution**,  $\text{Bernoulli}(p)$ .*

The mean and variance of the binomial distribution are given by

$$E[Z] = np \text{ and } \text{Var}(Z) = np(1 - p).$$

### 2.1.2 The Poisson Distribution

The *Poisson distribution* expresses the probability of a given number of events occurring over a fixed time interval, if these events occur with a known average rate and independently of the time since the last event.

**Definition 2.1.2.** For  $p = \lambda/n$ , and remarking that  $\lim_{n \rightarrow \infty} \left(1 - \frac{\lambda}{n}\right)^n = e^{-\lambda}$  and  $e^\lambda = \sum_{i=0}^{\infty} \frac{\lambda^i}{i!}$ , then we have

$$1 = (1 + (1 - p))^n = (1 - p)^n \left(1 + \frac{p}{1 - p}\right)^n \xrightarrow{n \rightarrow \infty} e^{-\lambda} \cdot e^\lambda,$$

and the **Poisson distribution** with parameter  $\lambda > 0$  is defined as the distribution of a random variable  $Z \sim \mathcal{P}(\lambda)$  for which the probability mass function is given by

$$f_Z(z) = \text{Prob}(Z = z) = \frac{e^{-\lambda} \lambda^z}{z!} \text{ for } z \in \mathbf{Z}_+.$$

The mean and variance of the binomial distribution are given by

$$E[Z] = \text{Var}(Z) = \lambda.$$

Poisson (1837) [Poi37] derived a distribution by considering the limit of a sequence of binomial distributions with probability mass function given by

$$f_X(x) = \text{Prob}(X = x) = \begin{cases} \binom{N}{x} p^x (1-p)^{N-x} & \text{if } x = 0, 1, 2, \dots, N, \\ 0 & \text{if } x > N, \end{cases}$$

where  $N$  tends to infinity and  $p$  tends to zero, while  $Np$  remains fixed and equal to  $\lambda$ . The resulting limit gives a summation over all finite and infinite subsets of the nonnegative integers,  $0, 1, 2, \dots$ , of the probability mass function of the Poisson distribution. The result had been previously established by de Moivre (1711) (reprinted in [HMM84]) although the approach considered by Poisson entailed the consideration of a very large number of trials  $N$  and a very small probability of success  $p$ , in addition to independence of the trials and consistency of probability between trials. Other derivations have also been given and are outlined in Johnson, Kemp & Kotz (2005) [JKK05]. We now give a version of the proof of the arisal of the Poisson distribution as the limiting distribution of the binomial distribution.

**Theorem 2.1.3** (Poisson limit, Poisson (1837) [Poi37]). If  $X_n$  is a binomial random variable with parameters  $n$  large and  $p = \lambda/n$  small, and  $Y$  is a Poisson random variable with parameter  $\lambda$ ,  $\lambda$  fixed, then for each fixed  $k$ , we have

$$\lim_{n \rightarrow \infty} \text{Prob}(X_n = k) = \text{Prob}(Y = k).$$

*Proof.* We begin by noting that  $\lambda = np$  and that the expectation  $E[X_n] = \lambda$  is fixed with respect

to  $n$ . Computing the limit of the binomial random variable, we find

$$\begin{aligned}\lim_{n \rightarrow \infty} \text{Prob}(X_n = k) &= \lim_{n \rightarrow \infty} \frac{n!}{(n-k)!k!} \left(\frac{\lambda}{n}\right)^k \left(1 - \frac{\lambda}{n}\right)^{n-k} \\ &= \lim_{n \rightarrow \infty} \frac{n!}{(n-k)!k!} \left(\frac{\lambda}{n}\right)^k \left(1 - \frac{\lambda}{n}\right)^n \left(1 - \frac{\lambda}{n}\right)^{-k} \\ &= \left\{ \lim_{n \rightarrow \infty} \frac{n!}{(n-k)!k!} \right\} \cdot \frac{\lambda^k}{k!} \cdot e^{-\lambda} \cdot 1.\end{aligned}$$

Since there are a fixed number of terms with respect to  $n$ , we compute each limit of the terms independently of

$$\begin{aligned}\frac{n!}{(n-k)!k!} &= \frac{n!}{(n-k)n^k} = \frac{n \cdot (n-1) \cdots (n-(k-1))}{n^k} \\ &= 1 \cdot \left(1 - \frac{1}{n}\right) \cdots \left(1 - \frac{k-1}{n}\right) \xrightarrow{n \rightarrow \infty} 1 \cdot 1 \cdots 1 = 1.\end{aligned}$$

Thus, we have, as desired,

$$\lim_{n \rightarrow \infty} \text{Prob}(X_n = k) = \frac{e^{-\lambda} \lambda^k}{k!} = \text{Prob}(Y = k).$$

□

### 2.1.3 The Negative Binomial Distribution

Analogous to the binomial distribution, the *negative binomial distribution* arises from the negative binomial expansion of

$$(1-p)^{-n} = \sum_{z=0}^{\infty} \binom{-n}{z} (-p)^z = \sum_{z=0}^{\infty} \binom{n+z-1}{z} p^z$$

for  $p \in ]0, 1[$  and  $n > 0$ . The negative binomial distribution models the number of failures before  $n$  successes, where there is a probability of success  $p$  on each trial.

**Definition 2.1.4.** *The negative binomial distribution with stopping parameter  $n > 0$  and Bernoulli success probability  $p \in ]0, 1[$  is defined as the distribution of a random variable  $Z \sim \text{NB}(n, p)$  with probability mass function given by*

$$f_Z(z; n, p) = \text{Prob}(Z = z) = \binom{n+z-1}{z} p^z (1-p)^n \text{ for } z = 0, 1, 2, \dots$$

When  $n = 1$ , the distribution is referred to as the **geometric distribution**,  $\text{Geom}(p)$ .

The mean and variance of the negative binomial distribution are given by

$$E[Z] = \frac{np}{1-p} \text{ and } \text{Var}(Z) = \frac{np}{(1-p)^2}.$$

Many alternative parameterizations and representations for the negative binomial distribution exist and are documented in Johnson, Kemp & Kotz (2005) [JKK05]; one such important one in terms of the gamma function  $\Gamma(\cdot)$  defined by  $\Gamma(u) = \int_0^{+\infty} t^{u-1} e^{-t} dt$  by noticing that

$$\binom{n+z-1}{z} = \frac{(n+z-1)(n+z-2)\cdots n}{z!} = \frac{\Gamma(n+z)}{z!\Gamma(n)}$$

is

$$f_Z(z; n, p) = \text{Prob}(Z = z) = \frac{\Gamma(n+z)}{z!\Gamma(n)} p^n (1-p)^z. \quad (2.1)$$

Under this formulation, the Poisson distribution may be derived by allowing the stopping parameter  $n$  tend towards infinity, while the Bernoulli success probability  $p$  tends to zero in such a manner that the mean of the distribution is maintained constant. Denoting this mean by  $\lambda$ , we have

$$\lambda = \frac{np}{1-p} \text{ implying } p = \frac{\lambda}{n+\lambda}.$$

This gives the following parameterization for the probability mass function

$$f_Z(z; n, p) = \frac{\Gamma(n+z)}{z!\Gamma(n)} p^z (1-p)^n = \frac{\lambda^z}{z!} \frac{\Gamma(n+z)}{\Gamma(n)(n+\lambda)^z} \frac{1}{(1+\lambda/n)^n},$$

which in the limit as  $n$  tends towards infinity gives the probability mass function of the Poisson distribution, as desired,

$$\lim_{n \rightarrow \infty} f_Z(z; n, p) = \lim_{n \rightarrow \infty} \frac{\lambda^z}{z!} \frac{\Gamma(n+z)}{\Gamma(n)(n+\lambda)^z} \frac{1}{(1+\lambda/n)^n} = \frac{\lambda^z}{z!} \cdot 1 \cdot e^{-\lambda} = \mathcal{P}(\lambda).$$

This parameterization of the negative binomial distribution converges to the Poisson distribution, with  $n$  governing the deviation of the process from the Poisson distribution.

## 2.2 Overdispersion

The phenomenon of the observed variance  $\text{Var}(Z)$  of the response variable exceeding the nominal variance, *i.e.* that dictated by the theoretical model, is known as *overdispersion*; the term was coined by McCullagh & Nelder (1983) [MN83], who pointed out that it is a frequent phenomenon in practice, particularly in ecological and epidemiological applications. Overdispersion arises whenever the mean and variance are functionally related, and in particular when the variance is determined once the mean is defined, which often occurs in modeling

count data; for instance, for data distributed as a Poisson random variable, the mean and variance are identically equal to the Poisson parameter  $\lambda$ . A practical instance in which overdispersion occurs is by the mechanism of clustering in a population, first studied by Lexis (1879) [Lex79] and discussed in further detail by McCullagh & Nelder (1983) [MN83] and Stigler (1986) [Sti86]. Failure to account for overdispersion may or may not affect the consistency of the estimates depending upon the approach taken as noted by Grogger & Carson (1991) [GC91], however does result in underestimated standard errors and may lead to faulty inference on regression parameters, as noted by Hinde & Demétrio (1998) [HD98], Ridout, Demétrio & Hinde (1998) [RDH98], Ridout, Hinde & Demétrio (2001) [RHD01] and Martin, Wintle, Rhodes, Kuhnert, Field, Low-Choy, Tyre & Possingham (2005) [MWR<sup>+</sup>05].

Poisson overdispersion tends to occur over unbounded ranges, a circumstance under which an assumption of a negative binomial distribution may be more appropriate since it consists of an extra parameter that arises in the expression of the variance, allowing for adjustment of the variance independently of the mean. Also, since an alternative parameterization for the negative binomial distribution exists that elucidates its convergence to the Poisson distribution as demonstrated in Section 2.1.3, the negative binomial distribution, under some circumstances, serves as a robust alternative to a Poisson distribution that may be approximated as a Poisson for large  $n$  (number of successes, or occurrences) but provides a more lenient variance when  $n$  is small. Under some modeling situations, the assumption of a negative binomial distribution instead of a Poisson is sufficient to appease the problem of overdispersion, such as in the study by Vitolo, Stephenson, Cook & Mitchell-Wallace (2009) [VSCMW09] of biannual counts of winter extratropical cyclones over Europe, and that by Villarini, Vecchi & Smith (2010) [VVS10] of annual counts of tropical cyclones in the North Atlantic ocean.

When the use of a negative binomial distribution in lieu of a Poisson distribution is insufficient, or in more general situations where there are no apparent means to address overdispersion, parametric modeling approaches using mixed models, such as those developed by Wang, Puterman, Cockburn & Le (1996) [WPCL96] and Lawless (1987) [Law87] among others, may be useful. In these approaches, the parameter of the model in question under which overdispersion arises is assumed to be randomly distributed according to another known distribution, thus resulting in a mixed parametric model, which relaxes the constraints on the variance of the original model. Williams (1982) [Wil82] uses such an approach to address overdispersion under a binomial model by assuming the binomial mean to be beta-distributed  $\mu_{\text{Binomial}} \sim \text{Beta}(\alpha, \beta)$  with parameters  $\alpha$  and  $\beta$ , and probability density function

$$f_Z(z; \alpha, \beta) = \frac{\Gamma(\alpha + \beta)}{\Gamma(\alpha)\Gamma(\beta)} z^{\alpha-1} (1-z)^{\beta-1},$$

resulting in a *beta-binomial model*; similar approaches have been explored by Ridout, Hinde & Demétrio (2001) [RHD01]. Another parametric modeling approach is the development of the generalized Poisson distribution by Consul & Jain (1973) [CJ73], which comprises an additional parameter, appeasing the overdispersion of the standard Poisson model.

**Definition 2.2.1.** For  $\lambda_1 > 0$  and  $|\lambda_2| < 1$ , the probability mass function for a random variable  $Z \sim GP(\lambda_1, \lambda_2)$  distributed according to the **generalized Poisson distribution** constructed by Consul & Jain (1973) [CJ73] is

$$f_Z(z; \lambda_1, \lambda_2) = \frac{\lambda_1(\lambda_1 + z\lambda_2)^{z-1} \exp\{-(\lambda_1 + z\lambda_2)\}}{z!} \text{ for } z \in \mathbf{Z}_+$$

with

$$f_Z(z; \lambda_1, \lambda_2) = 0 \text{ for } z \geq m \text{ if } \lambda_1 + m\lambda_2 \leq 0.$$

Such mixed models considered in the context of GLMs span the class of *generalized linear mixed models (GLMMs)* and allow for the inclusion of random effects in the linear predictor to model the mechanism of clustering at various levels in the model. Breslow & Clayton (1993) [BC93] develop methods for approximate inference under such models, which prove to be useful in addressing overdispersion, though they assume a continuous distribution for the random effects and are only applicable to unimodal data; further details are given by Molenberghs & Verbeke (2005) [MV05]. Conditional models have also been explored to address problems associated with overdispersion; in response to possible inconsistency of parameter estimates, Gurmu (1998) [Gur97], for example, considered the robustness merits of a semiparametric conditional model.

An approach of particular interest that adjusts for heterogeneity under overdispersed data is that of *quasi-likelihood*, discussed in further detail in the subsequent chapter, where a scale parameter that adjusts the standard errors is included in the model (McCullagh & Nelder (1983) [MN83]), by

$$\text{Var}(Z) = \varphi\sigma^2, \tag{2.2}$$

where  $\sigma^2$  denotes the variance of the original model in question under which overdispersion arises and  $\varphi$  is the *overdispersion parameter*, with  $\varphi > 1$  indicating the presence of overdispersion. If  $\varphi = 1$ , the form of the mean directly dictates the form of the variance and all moments of higher order. The technique of quasi-likelihood comprises attractive features of relatively lax distributional assumptions and robustness.

### 2.2.1 Zero-Inflation

Another frequent cause for overdispersion, which is the particular case upon which the work in this thesis is based is an abundance of zero-valued observations in the data, leading to *zero-inflation*. Zero-inflated data arises in many applications, ranging from biological (ecology, epidemiology, psychology, health, medicine), to economic (finance), to engineering (manufacturing). Lambert (1992) [Lam92] developed the well-known and important zero-inflated Poisson (ZIP) regression model, discussed in detail further on, to study defects on wiring boards in industrial manufacturing processes. An economic application with the aim of modeling the number of financial analysts covering firms registered in the Institutional Brokers

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Estimate System (I/B/E/S) as a proportion of the Center for Research in Security Prices (CRSP) database which comprised zero-inflated data was studied by Monod (2007) [Mon07]. Zero-inflated data arises in fields of psychology, epidemiology, health and medicine in studies of cognitive function in children by Cheung (2002, 2006) [Che02], [Che06], of risks associated with the use of marijuana by Simons, Neal & Gaher (2006) [SNG06], of the effect of feeding supplemental formula milk to nursing infants by Lee, Wang, Scott, Yau & McLachlan (2006) [HKA<sup>+</sup>06] and of the incidence of dental cavities by Gilthorpe, Frydenberg, Cheng & Baelem (2009) [GFCB09]. In ecology, gathering data on species often results in zero-inflated data when the species may not be observed at sampling sites, a few examples are the study of sitings of a rare species of possum (*Cercarteta mirifica*) by Welsh, Cunningham, Donnelly & Lindenmayer (1996) [WCDL96], of weekly counts of noisy friarbirds (*Philemon corniculatus*) by Dobbie & Welsh (2001) [DW01a], and of white pine weevil (*Pissodes strobi*) infestation on spruce trees by Ainsworth (2007) [Ain07].

In addition to problems of underestimated standard errors and misleading inference that arise from overdispersion, zero-inflated data may also present the problem of bimodality. There exist two common approaches to handling zero-inflated data, that of a *conditional model*, and that of a *mixture model*. Under a conditional model, the zeros are modeled separately from the counts; the latter, conditional on presence of observations, are assumed distributed according to a truncated form of a standard discrete probability distribution: the binomial, Poisson or negative binomial. Mixture models, however, provide for additional subtlety in interpreting the abundance of the zeros, since the occurrence of the zeros are distributed among both components of the model. Of course there are advantages and disadvantages associated with both models and there is a trade-off to take into consideration; this is discussed in further detail later on in the present chapter.

The distinction between types of zeros, that is, the additional subtlety of interpretation provided for by mixture models, was noted by Ridout, Demétrio & Hinde (1998) [RDH98], Kuhnert, Martin, Mengersen & Possingham (2005) [KMMP05], and Martin, Wintle, Rhodes, Kuhnert, Field, Low-Choy, Tyre & Possingham (2005) [MWR<sup>+</sup>05] in the context of ecological applications. The recorded zero observations may be *structural zeros*, which arise due to characteristics of the discrete stochastic process, such as unsuitability of a habitat in an ecological example, or immunity or resistance of a certain species or race in an epidemiological example, can be distinguished from *sampling zeros* that arise due to chance, for instance some species simply not being present at the time the measurement was taken, or sampling errors, such as the failure of an observer to detect an occurrence due to inexperience, or difficulty accessing habitat regions of the species. As pointed out by Martin, Wintle, Rhodes, Kuhnert, Field, Low-Choy, Tyre & Possingham (2005) [MWR<sup>+</sup>05], the choice of conditional or mixture model to use depends on the objective of the analysis: if we wish to study the instantaneous location of a species in a region, it would be more desirable to be able to distinguish between when a species is temporarily absent from the region at a time of measurement and when it is definitively absent (in which case, the *mixing probability*  $\alpha$  represents the probability of a sampling zero and the sources of error may be examined, as discussed by Kuhnert, Martin,

Mengerson & Possingham (2005) [KMMP05]). On the other hand, if the goal is to determine which sites are inhabitable by a species, treating all zeros as equal to be able to separate them completely from counts would be a sufficient, and the simpler, modeling approach.

## 2.3 Existing Models: A Review

In this section, we provide an overview of existing methods developed to handle overdispersion due to zero-inflation, including models that exist for correlated data and spatial data, offering both frequentist and Bayesian perspectives.

### 2.3.1 Models for Zero-Inflated Data

Among the approach of conditional models for zero-inflated data discussed above, examples are presented by Mullahy (1986) [Mul86] and Heilbron (1994) [Hei94]. Conditional models are also known as *two-component* models, *compatible* models and *hurdle* models, comprising of a zero mass distribution that models all zero observations, the “hurdle”, and a truncated standard discrete distribution. For some mean parameter  $\mu$  of a probability mass function  $f_Z(\cdot ; \mu)$ , the conditional model takes the form

$$\begin{aligned} \mathbf{1}(Z = 0) &\sim \text{Prob}(Z = 0)^{\mathbf{1}(Z=0)} (1 - \text{Prob}(Z = 0))^{(1-\mathbf{1}(Z=0))} \\ Z|\mathbf{1}(Z = 0) &\sim f_{\text{Truncated}}(z; \mu), \end{aligned}$$

where  $f_{\text{Truncated}}(\cdot ; \mu)$  denotes the truncated version of  $f_Z(\cdot ; \mu)$ . Independence between the linear predictor of the probability of observing a count (or of “clearing the hurdle”) and the conditional mean of the observations, given that counts are observed (or given that the “hurdle is cleared”) is often assumed. Parameterized in this manner, the orthogonality of the setup simplifies computation since the total likelihood is the sum of two independent likelihoods with no cross effects or terms in common to take into account and so that it is fully efficient to fit the two components separately, and additionally provides the attractiveness of a simplified interpretation of covariate effects. For instance, in an ecological application, the nonzero versus zero (presence versus absence) component of the model may indicate suitability of the habitat for a particular species, while the conditional mean, given suitability of the habitat, may represent the mean affluence of the species. The covariate effects on the suitability of the habitat may be interpreted independently of the covariate effects on affluence within the habitat.

For some mixing probability  $\alpha$ , the mixture model (also called the *zero-altered* and *zero-modified* model) for zero-inflated data takes the form

$$Z \sim \alpha \delta_0 + (1 - \alpha) f_Z(z; \mu), \tag{2.3}$$

where  $\delta_0$  denotes a degenerate distribution taking the value zero with probability one. The

probability mass function  $f_Z(\cdot; \mu)$  may be any of those used to model discrete data; common choices are the binomial, Poisson, generalized Poisson and negative binomial. We note that this model specification may also be used to address zero-*deflation*, where the proportion of zero counts causes *underdispersion*, when the variance is smaller than that stipulated by the standard model, though the mixture interpretation of the model would be irrelevant, since in this case, the mixing probability  $\alpha$  would be negative, thus, in the remainder of this thesis, we only consider the case where  $\alpha > 0$ . The first and second moments of the mixture model are given by

$$E[Z|\alpha, \mu] = (1 - \alpha)E_f[Z|\mu] \quad (2.4)$$

$$\text{Var}(Z|\alpha, \mu) = \alpha(1 - \alpha)E_f[Z|\mu]^2 + (1 - \alpha)\text{Var}_f(Z|\mu), \quad (2.5)$$

where  $E_f[\cdot|\mu]$  and  $\text{Var}_f(\cdot|\mu)$  denote the respective expectation and variance of a random variable distributed according to the probability mass function  $f_Z(\cdot; \mu)$ . Additional flexibility may be included in the construction of such models by allowing for randomness to be comprised in the mixing probability, and in aspects of the distribution  $f_Z(\cdot; \cdot)$  itself, such as the mean parameter  $\mu$ . By using a latent variable to indicate origination from the zero mass component (degenerate distribution) of the mixture model, a complete likelihood may be constructed and maximum likelihood estimates may be computed by iteratively, for instance by implementing the EM algorithm of Dempster, Laird & Rubin (1977) [DLR77], which is the approach taken by Lambert (1992) [Lam92]. Interval estimates are computed from the normal approximations of the asymptotic theory of the likelihood, which requires the surface of the log-likelihood to be approximately quadratic near the maximum likelihood estimates.

### 2.3.2 The Zero-Inflated Poisson (ZIP) Model

**Definition 2.3.1.** When the probability mass function  $f_Z(\cdot; \lambda)$  in Equation (2.3) takes the form of that of the Poisson distribution with parameter  $\lambda$ , the **zero-inflated Poisson (ZIP) distribution** is obtained for some random variable  $Z \sim \text{ZIP}(\alpha, \lambda)$ , with probability mass function

$$f_Z(z; \lambda) = \text{Prob}(Z = z) = \begin{cases} \alpha + (1 - \alpha)e^{-\lambda} & \text{if } z = 0; \\ (1 - \alpha)\frac{e^{-\lambda}\lambda^z}{z!} & \text{if } z > 0, \end{cases} \quad (2.6)$$

for  $z \in \mathbf{Z}_+$  and for some mixing probability  $\alpha > 0$ .

For the ZIP distribution, the first and second moments are given by

$$E[Z] = (1 - \alpha)\lambda =: \mu, \quad (2.7)$$

$$\text{Var}[Z] = \mu + \frac{\alpha}{1 - \alpha}\mu^2. \quad (2.8)$$

Assuming a ZIP distribution relaxes the variability by an additional amount of  $\frac{\alpha}{1 - \alpha}\mu^2$ .

Cohen (1963) [Coh91] and Johnson & Kotz (1969) [JK69] first discussed ZIP models in the absence of covariates, while Mullahy (1986) [Mul86], Lambert (1992) [Lam92] and Heilbron (1994) [Hei94] extended this to the regression context and constructed a broad class of regression models based on the ZIP distribution by allowing for association between various experimental factors and covariates, and the mixing probability  $\alpha$  and the Poisson mean  $\lambda$ . From this construction, a complete log-likelihood may be specified, which conveniently decomposes into the sum of two log-likelihoods of distributions belonging to the exponential family of distributions (the details of which are given in Chapter 3), allowing the use of weighted logistic and Poisson regression to estimate parameters. Score tests for overdispersion in GLMs, Poisson models as well as the ZIP model have also been widely developed, for instance by Dean & Lawless (1989) [DL89], Dean (1992) [Dea92], Van den Broek (1995) [vdB95], Ridout, Hinde & Demétrio (2001) [RHD01], Hall & Berenhaut (2002) [HB02] and Deng & Paul (2005) [DP05].

Angers & Biswas (2003) [AB03] analyze the ZIP model in the Bayesian framework, while Martin, Wintle, Rhodes, Kuhnert, Field, Low-Choy, Tyre & Possingham (2005) [MWR<sup>+</sup>05] propose a Bayesian technique of inclusion of an informative prior on the detection probability in order for sampling zeros to be included in the model. Rodrigues (2003) [Rod03] and Ghosh, Mukhopadhyay & Lu (2006) [GML06] provide general discussions on the interpretation of the ZIP and other zero-inflated regression models in the context of Bayesian analysis.

Shonkwiler & Shaw (1996) [SS96] and Crepon & Duguet (1997) [CD97] extend the ZIP distribution to comprise underlying bivariate Poisson processes, and subsequently, Li, Lu, Park, Kim, Brinkley & Peterson (1999) [LLP<sup>+</sup>99] extend the ZIP distribution to the multivariate setting, working from the original motivating application of Lambert (1992) [Lam92] of manufacturing, and assuming that most of the data is generated from the perfect state. In other applications, however, this may not be a reasonable hypothesis to assume, and without simplifying assumptions, multivariate extensions of zero-inflated distributions often result in a large number of parameters.

#### 2.3.3 Models for Correlated Zero-Inflated Data

Two possible approaches to account for possible correlation structures in zero-inflated models include the use of *generalized estimating equations (GEEs)* due to Liang & Zeger (1986) [LZ86], and the comprisal of *random effects*. Though Dobbie & Welsh (2001) [DW01a] augment the conditional model for zero-inflation to study spatial data and aim for spatial correlation to be incorporated within the model via the construction of GEEs for observed responses, the methodology is also suitable for longitudinal (count) data; this approach will be considered in close detail in the subsequent chapter. Hall & Zhang (2004) [HZ04] also consider a GEE approach under a mixture model for zero-inflated data that are longitudinally correlated via a clustering mechanism, by incorporating a GEE in the implementation of an EM algorithm: the weighted GLM in the maximization step is replaced by weighted GEEs. This procedure is

a generalization of the EM algorithm, developed by Rosen, Jiang & Tanner (2000) [RJT00] for more general forms of mixtures of marginal GLMs for correlated data, and referred to as the *ES (expectation-solution) algorithm*.

The ZIP model has also been extended by Monod (2007) [Mon07] to model longitudinal (panel) data comprising inherent correlation due to the nature of the repeated measures on the units and across time periods. Parametric random effects were included in the model through the mean of the nonzero Poisson component using the negative-binomial parametric approach of Lawless (1987) [Law87], assuming a gamma distribution for the random Poisson parameter  $\lambda_{it}$ . This approach, however, leads to difficulties in identifiability between the mixing probability  $\alpha$  and the parameters defining the gamma distribution, which indirectly determines the size of the Poisson parameter and thus the proportion of zeros that arise from the Poisson component of the model. Effectively, the problem arises in the intrinsic difficulty to distinguish between parameters that both contribute to the same effect in the generation of the data. Yau & Lee (2001) [YL01] include random effects into a two-part zero-inflated Poisson regression model for longitudinal data in both components, which balances the effects and addresses the aforementioned problem of identifiability when random effects are incorporated only in the Poisson component. Wang, Yau & Lee (2002) [WYL02] use a similar approach, including independent normal random effects in both components of a ZIP model describing zero-inflated data correlated by clustering. The approach of the inclusion of random effects was further extended to a multi-level ZIP regression model by Lee, Wang, Scott, Yau & McLachlan (2006) [HKA<sup>+</sup>06] where levels include observations, individuals and clusters; the model is fitted implementing an EM algorithm in conjunction with *penalized likelihood* techniques and *restricted maximized likelihood (REML) estimation* for the variance and covariance components. The introduction of random effects into ZIP models in the Bayesian setting has been approached by Kuhnert, Martin, Mengersen & Possingham (2005) [KMMP05], who analyze the impact of commercial cattle grazing on bird counts; random effects are introduced to account for variability between species, grazing regimes, and species within a regime.

The generalized Poisson distribution may also be replaced in the probability mass function of Equation (2.3), resulting in the zero-inflated generalized Poisson (ZIGP) distribution, which have been studied by Gupta, Gupta & Tripathi (1996) [GGT96] and Famoye & Singh (2006) [FS03]; Angers & Biswas (2003) [AB03] provide a Bayesian analysis of the ZIGP model. Extensions of the ZIGP model have also been considered to allow for regression on the overdispersion and zero-inflation parameters by Czado, Erhardt, Min & Wagner (2007) [CEMW07]. Gupta, Gupta & Tripathi (2004) [GGT05] and Famoye & Singh (2006) [FS03] give score tests for the ZIGP model.

Aspects of the above discussion also apply and have been studied for other probability mass functions fitted to Equation (2.3), notably the binomial and negative binomial distributions, as well as for conditional models. Zero-inflated binomial (ZIB) models have been considered by Cheung (2006) [Che06] and Vieira, Hinde & Demétrio (2000) [VHD00]. Hall (2000) [Hal00]

includes random effects for correlated zero-inflated data in a ZIB model to account for within-subject correlation and between-subject heterogeneity; the conditional expectation of the latent indicator variable for the zero component, given the counts and covariate effects, is computed, leading to the use of unweighted logistic regression, in contrast to weighted logistic regression as implemented by Lambert (1992) [Lam92].

Zero-inflated negative binomial (ZINB) models have also been considered, for instance by Greene (1994) [Gre94], and widely used in various applications: Martin, Wintle, Rhodes, Kuhnert, Field, Low-Choy, Tyre & Possingham (2005) [MWR<sup>+</sup>05] compare ZIP and ZINB models for describing bird counts of four different species in a mixed model, while Welsh, Cunningham, Donnelly & Lindenmayer (1996) [WCDL96] compare truncated Poisson and truncated negative binomial distributions in conditional models for counts of Leadbeater's possum (*Gymnobelideus leadbeateri*) in ecological applications; and Simons, Neal & Gaher (2006) [SNG06] use a ZINB model to study the risks associated with use of marijuana among a student population in an epidemiological context. A temporal mixed ZINB model was considered in studying catches of silky sharks (*Carcharhinus falciformis*) by Minami, Lennert-Cody, Gao & Román-Verdesoto (2007) [MLCGRV07], who found that a negative binomial distribution under a mixture model fit better than a Poisson distribution for their data due to the greater flexibility of an extra parameter in the variance specification. ZINB models have also been used for longitudinal studies, such as by Nødtvedt, Dohoo, Sanchez, Conboy, des Côteaux, Keefe, Leslie & Campbell (2002) [NDS<sup>+</sup>02] in analyzing outbreaks of gastrointestinal parasites in Canadian dairy cows.

Many of the aforementioned references mention the frequently occurring shortcomings of the ZIP model and computational difficulties of the ZINB models where iterative techniques for parameter estimation fail to converge; Famoye & Singh (2006) [FS03] remark that the ZIGP model provides an alternative to the ZIP and ZINB model under these difficulties. Score tests are also discussed, as well as in Ridout, Hinde & Demétrio (2001) [RHD01], Hall & Berenhaut (2002) [HB02], and Xiang, Lee, Yau & McLachlan (2006) [XLYM06], while Lee, Xiang & Fung (2004) [LXF04] study of influence of outliers on the score test for comparison of ZIP and ZINB models.

#### 2.3.4 The Zero-Inflated Generalized Additive Model (ZIGAM)

Both the conditional and mixing approaches to modeling zero-inflated data are often considered under generalized linear models, which are discussed in further detail in the subsequent chapter. An adaptation of the GLM which comprises properties of GLMs and additive models is the *generalized additive model* (GAM), developed by Hastie & Tibshirani (1990) [HT90], which specifies some distribution and a *link function*  $g^{-1}(\cdot)$  relating the mean  $\mu$  of the random variable  $Z$  to  $m$  predictor variables  $x_i$ ,  $i = 1, \dots, m$  via the fitting of functions  $f_i(\cdot)$ ,  $i = 1, \dots, m$  such that

$$g^{-1}(\mu) = x_0 + f_1(x_1) + \dots + f_m(x_m). \quad (2.9)$$

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The advantage of this type of model lies in the generality of methods of fitting for the functions  $f_i(\cdot)$ , which may be fit parametrically or nonparametrically, thus allowing for potentially better fits provided by other methods. GAMs are generally estimated using penalized maximum likelihood estimation, where the *penalized likelihood* takes the form

$$\ell(\eta) - \varkappa^2 J^2(\eta), \quad (2.10)$$

where  $\eta$  is an unknown regression function on the link scale,  $\ell(\cdot)$  is the log-likelihood,  $J^2(\cdot)$  is a *roughness penalty function*, and  $\varkappa$  is a smoothness parameter that governs the compromise between the smoothness of the function and the goodness-of-fit. The resulting estimating functions are *smoothing splines* under some regularity conditions; additional details on penalized likelihood and smoothing splines are given in Wahba (1990) [Wah90], Green & Silverman (1994) [GS94], and Wood (2000) [Woo00], for instance.

Just as components of models for zero-inflated data can be considered under GLMs, so can they be considered under GAMs, which as a result spans the class of *zero-inflated generalized additive models (ZIGAMs)* in which both the mixing probability and the mean of the nonzero-inflated exponential-family distribution are related to covariates via non- or semiparametric smooth predictors. Correlation is also easily comprised within GAMs. The use of GAMs for a conditional modeling approach to zero-inflated data was adapted by Barry & Welsh (2002) [BW02], who consider the model in two stages and first model the presence versus absence component, and then the response, given it is nonzero; the modeling components for both stages are fitted by GAMs. Liu & Chan (2010) [LC10] remark that under a continuous regular distribution of the response, the conditional modeling approach using GAMs of Barry & Welsh (2002) [BW02] is equivalent to modeling via a ZIGAM; otherwise, the two approaches differ in general.

The ZIGAM technique has also been studied and developed by Lam, Xue & Cheung (2006) [LXBC06] and Chiogna & Gaetan (2007) [CG07] using semiparametric approaches and by Fahrmeir & Osuna Echavarría (2006) [FOE06] and Xue-Dong (2009) [XD09] under the Bayesian framework, where the probability of zero-inflation is assumed to be an unknown constant due to issues of identifiability in the prediction of random effects.

When the stochastic mechanisms generating the zero-inflation process (the degenerate distribution) and the nonzero-inflated responses are distinct, the functional forms of the two smooth predictors for each component of the ZIGAM are unconstrained. Liu & Chan (2009) [LC09] develop the modeling approach to include the possibility of the two mechanisms of the zero-inflated stochastic process being related, resulting in a *constrained ZIGAM (COZIGAM)*; this is done by imposing a proportionality constraint up to an additive constant for the two smooth predictors on the mixing probability and mean of the nonzero-inflated exponential family distribution components of the zero-inflated distribution model. The constraint provides an advantage in estimation efficiency by reducing the number of parameters and contributes to the overall parsimony of the model. Model estimation of ZIGAMs and CO-

ZIGAMs is carried out by implementation of the EM algorithm (Dempster, Laird & Rubin (1977) [DLR77]); Liu & Chan (2009) [LC09] additionally provide a criterion for Bayesian model selection between constrained and unconstrained ZIGAMs, and between ZIGAMs and GAMs, taking into account the trade-offs. More recently, Liu & Chan (2011) [LC11] subsequently generalized the COZIGAM approach further to allow for partial constraints, resulting in the *partial COZIGAM (PCOZIGAM)*, which strives for the better model fit that the ZIGAM provides whilst maintaining the model parsimony attribute of the COZIGAM.

### 2.3.5 Other Approaches to Zero-Inflated Data

Another approach to modeling zero-inflated data is the use of a mixture of Poisson distributions which result in a Neyman Type A distribution due to Neyman (1939) [Ney39] in the study of the distribution of larvæ over a unit area of a field, which allows for the modeling of multi-modal data.

**Definition 2.3.2.** Consider a random variable  $Z$  that follows Poisson distribution with random parameter  $\psi$ , such that  $\psi \sim \varphi\mathcal{P}(\lambda)$  for  $\varphi > 0$ ; that is, the parameter  $\psi$  is a random variable that follows another Poisson distribution with parameter  $\lambda$ , multiplied by some  $\varphi > 0$ . The resulting distribution for  $Z \sim \text{Neyman}(\varphi, \lambda)$  is known as the **Neyman Type A distribution** and depends on parameters  $\varphi$  and  $\lambda$ ; the probability mass function is given by

$$f_Z(z; \varphi, \lambda) = \text{Prob}(Z = z) = \frac{e^{-\lambda}\varphi^z}{z!} \sum_{j=0}^{\infty} \frac{(\lambda e^{-\varphi})^j j^z}{j!} \quad \text{for } z \in \mathbf{Z}_+.$$

Dobbie & Welsh (2001) [DW01b] develop this idea and explore various parameterizations of the Neyman Type A distribution that include covariate information, and find that fitting of the models proves to be complicated due to the infinite sum and the fact that this distribution does not belong to the exponential family of distributions. Furthermore, the choice of parameterization and initial parameter estimates for convergence are important though often difficult to obtain. There exist other discrete distributions featuring the characteristic of multi-modality, such as the Pólya-Aeppli distribution.

**Definition 2.3.3.** The **Pólya-Aeppli distribution** with parameters  $\lambda > 0$  and  $p \in ]0, 1[$ , due to Pólya (1930) [Pól30] and his student Aeppli, describes the stochastic process of objects to be counted  $Z \sim \text{PA}(\lambda, p)$ ; the objects occur in clusters, where the number of clusters is distributed according to a Poisson distribution with parameter  $\lambda$ , while the number of objects per cluster  $Y$  is distributed according to a geometric distribution with probability mass function  $f_Y(y; p) = \text{Prob}(Y = y) = (1 - p)p^{y-1}$ ,  $y = 1, 2, \dots$ ,  $p \in ]0, 1[$ . The resulting distribution for  $Z$  has probability mass function given by

$$f_Z(z; \lambda, p) = \text{Prob}(Z = z) = e^{-\lambda} p^z \sum_{j=1}^z \binom{z-1}{j-1} \frac{1}{j!} \left( \frac{\lambda(1-p)}{p} \right)^j.$$

However, as with the Neyman Type A distribution, the Pólya-Aeppli distribution faces the same fitting difficulties as found by Dobbie & Welsh (2001) [DW01b]. The negative binomial, Neyman Type A, Pólya-Aeppli and the Luria-Delbrück distributions (the latter is due to Luria & Delbrück (1943) [LD43] and is derived from the Luria-Delbrück or fluctuation test experiment, which demonstrates that in bacteria, genetic mutations arise in the absence of selection, rather than as a response to selection; this work won the 1969 Nobel Prize in Physiology and Medicine) are examples of those modeling “contagious” discrete events belonging to a generalized class constructed by Gurland (1958) [Gur58]. The use of mixtures of discrete distributions to address overdispersed data can be found in Hinde & Demétrio (1998) [HD98].

An alternative perspective on zero-inflated mixture processes discussed in Ridout, Demétrio & Hinde (1998) [RDH98] is that via the consideration of a pure birth process model for the nonzero-inflated component,

$$\text{Prob}(Z(t + \delta t) = z + 1 | Z(t) = z) = \lambda_z \delta t + o(\delta t), \quad (2.11)$$

where  $\delta t$  denotes an infinitesimal segment of time. If  $\lambda_z = \lambda$  is independent of  $z$ , then the distribution of the nonzero-inflated component at the end of the period is Poisson with parameter  $\lambda$ , whereas a linear increase in  $\lambda_z$  with  $z$  signifies a negative binomial distribution. Faddy (1997) [Fad97] points out that in general, any discrete distribution may be constructed from a pure birth process model given an appropriate specification for  $\lambda_z$ . The specification of  $\lambda_z$  following a sequence of  $\lambda_z = \lambda_0$  for  $z = 0$ , and  $\lambda_z = \lambda_1$  for  $z > 0$  with  $\lambda_1 > \lambda_0$  allows for zero-inflation to be incorporated in the pure birth process. Ridout, Demétrio & Hinde (1998) [RDH98] suggest the use of log-linear models for the relation of  $\lambda_0$  and  $\lambda_1$  to covariates in regression contexts.

A similar perspective is given via threshold models, which may also be used to approach zero-inflation when the number of different nonzero observations  $m$  is small, as suggested by Saei, Ward & McGilchrist (1996) [SWM96]. A continuous latent variable  $V$  is considered, which defines a distribution by considering the intervals where  $V$  falls; if  $V$  falls within the interval  $(\vartheta_{z-1}, \vartheta_z]$  then the observation  $Z = z$  is observed. In this way, the cumulative distribution of  $Z$  is determined by the cumulative distribution function of  $V$ ,  $F(\vartheta_z) = \text{Prob}(Z \leq z)$ , which is modeled by the threshold parameters  $\vartheta_k$ , for  $k = -1, 0, 1, \dots, m$  with  $\vartheta_1 = -\infty$  and  $\vartheta_m = +\infty$ . The absence of distributional assumptions for  $Z$  made under this model allow for flexibility and thus provide a setting for the modeling of zero-inflated data. Saei & McGilchrist (1997) [SM97] consider the threshold model in the regression setting and include random effects in the linear predictor.

Zero-inflated modified power series by Gupta, Gupta & Tripathi (1995) [GGT95] provide another modeling approach to zero-inflated count data, via the general form for distributions including the ZIGP and the zero-inflated generalized negative binomial (ZIGNB) distributions, and thus the ZIP and ZINB distributions as well.

**Definition 2.3.4.** *A discrete random variable  $Z \sim \text{IMPSD}(\alpha, \vartheta)$  is said to follow an **inflated modified power series distribution**.*

**modified power series distribution (IMPSD) if**

$$f_Z(z; \alpha, \vartheta) = \text{Prob}(Z = z) = \begin{cases} \alpha + (1 - \alpha) \frac{a(z)[g(\vartheta)]^z}{f(\vartheta)} & \text{if } z = 0; \\ (1 - \alpha) \frac{a(z)[g(\vartheta)]^z}{f(\vartheta)} & \text{if } z > 0, \end{cases}$$

for  $z \in \mathbf{Z}_+$ , where  $\alpha \in ]0, 1[$ ,  $f(\cdot)$  is a function of  $\vartheta$  defined by  $f(\vartheta) = \sum_z a(z)[g(\vartheta)]^z$  and  $g(\cdot)$  is a function of  $\vartheta$ , such that  $f(\cdot)$  and  $g(\cdot)$  are positive, finite and differentiable, and the coefficients  $a(z)$  are nonnegative and independent of  $\vartheta$ .

When  $\alpha \in ]0, 1[$  is known,  $\vartheta = \lambda > 0$ ,  $|\alpha\lambda| < 1$ , and

$$g(\lambda) = \lambda e^{-\alpha\lambda}, \quad f(\lambda) = e^\lambda, \quad a(z) = \frac{(1 + \alpha z)^{z-1}}{z!},$$

the zero-inflated generalized Poisson (ZIGP) distribution is obtained.

The development of zero-inflated models for continuous data has also been considered, some references for these models are provided by Aitchison (1955) [Ait55], Stefánsson (1996) [Ste96], Syrjala (2000) [Syr00] and Fletcher, Mackenzie & Villouta (2005) [FMV05].

### 2.3.6 Models for Zero-Inflated Spatial Data

Much of the theory for correlated zero-inflated data mentioned above has been adapted to the spatial setting where zero-inflated discrete observations are interdependent and vary over a spatial region. Dobbie & Welsh (2001) [DW01a] augment the conditional model for zero-inflation to the context of spatial data and allow for spatial correlation to be comprised within the model via the construction of GEEs in the style of Liang & Zeger (1986) [LZ86]; this approach will be considered in further detail in the subsequent chapter. To the best of our knowledge, a GEE approach in the frequentist setting for zero-inflated correlated spatial data has not been established for a mixture model; the crux of this thesis is the development of such a model, inspired from the work of Dobbie & Welsh (2001) [DW01a], and motivated by ecological applications of modeling rare species.

Spatial association may also be comprised in random effects to be included in zero-inflated count models. Agarwal, Gelfand & Citron-Pousty (2002) [AGCP02] explore this approach in the Bayesian framework to yield a *hierarchical model*, in which parameters arising from prior distributions conditionally specify a process, which in turn conditionally specifies data. Figuratively, this can be illustrated by the flow diagram of Figure 2.1.

With recent computational advancements such as the development of Markov chain Monte Carlo (MCMC) methods, the fitting of such a complex structure of a series of conditional distributions has become more feasible and thus Bayesian spatial analysis has become a popular approach. Estimation of hierarchical models involves sampling from the posterior distribution

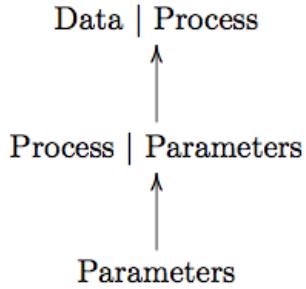


Figure 2.1: Stages of Hierarchical Modeling

of the process parameters, *i.e.* the joint distribution of the process and the parameters, given the data:

$$f_Z(\text{process, parameters} \mid \text{data}) \\ \sim f_Z(\text{data} \mid \text{process, parameters}) f_Z(\text{process} \mid \text{parameters}) f_Z(\text{parameters})$$

For the spatial ZIP model in this hierarchical Bayesian setting, Agarwal, Gelfand & Citron-Pousty (2002) [AGCP02] introduce random effects at the second level, in the modeling stage of the process given the parameters, and focus on the conditional autoregressive (CAR) model due to Besag (1974) [Bes74] and Besag, York & Mollié (1991) [BYM91]; further general details on CAR models are given in Chapter 1.2.2 and in Banerjee, Carlin & Gelfand (2004) [BCG]. In hierarchical modeling, the main issues of concern are posterior propriety, informative prior specification, and well-behaved simulation-based model fitting; these issues are addressed in the presence of abundant zero observations by Agarwal, Gelfand & Citron-Pousty (2002) [AGCP02], and in particular, techniques for proper prior specification of regression parameters were developed in order to assure posterior propriety under improper priors on the regression coefficients. The more general ZIGP model in the spatial context has also been studied in the Bayesian context by Gschlößl & Czado (2008) [GC08], where the underlying spatial dependence is modeled by CAR priors.

A modification on zero-inflated distribution models in the spatial settings was proposed by Rathbun & Fei (2006) [RF06], in which excess zeros are generated by a spatial *probit* model, following Heagerty & Lele (1998) [HL98], where an excess zero is generated whenever the value of the Gaussian random field in consideration falls below a certain threshold. The nonzero-inflated component is assumed Poisson, spatial random effects are introduced following Agarwal, Gelfand & Citron-Pousty (2002) [AGCP02]; Bayesian inference is used for the estimation of model parameters.

Zero-inflated spatio-temporal models have also been developed in the hierarchical Bayesian framework. Wikle & Anderson (2003) [WA03] extend the spatial ZIP models under the hierarchical Bayesian framework to spatio-temporal data, considering a spectral representation of the spatio-temporal process for the Poisson mean and modeling the “nuisance” spatial process

corresponding to zero-inflation by two indicator variables for “data-rich” and “data-sparse” grid boxes to account for boundary cases where no data are observed. Velarde, Migon & Pereira (2004) [VMP04] consider a conditional model for zero-inflated spatio-temporal rainfall data, separating the zeros (*i.e.* no rain) from the observations (*i.e.* the amount of rain); random effects with CAR priors are included in modeling of both the probability of rain and the amount of rain, and the chance of rain at a given time point is assumed to depend on the occurrence of rain at one or more previous time points. Ver Hoef & Jansen (2007) [VHJ07] provide a comparison of spatio-temporal ZIP models and two-component regression models in the Bayesian hierarchical setting, utilizing CAR models for the spatial effects and autoregressive models of order 1 ( $AR(1)$ ) for the temporal effects, in the modeling of the abundance of harbor seals (*Phoca vitulina*).

Spatial ZIGAMs were considered by Ciannelli, Fauchald, Chan, Agostini & Dingsør (2008) [CFC<sup>+</sup>08] in the ecological context, where fisheries trawl survey data may result in failed capture attempts (*i.e.* zero catches) due to the clustering nature of the behavior of fish swimming in schools, which may be influenced by food availability and irregular current patterns. For marine ecological data in particular, the approach of the spatial COZIGAM proves to be appropriate since sightings are often documented by capture attempts, and zero catches are influenced by the schooling nature of fish and are in addition subject to the current patterns in gathering (catching) the data, in which case the mechanisms behind the stochastic processes generating zero catches and nonzero catches are related. This approach has been implemented by Liu, Ciannelli, Decker, Ladd, Carol & Chan (2011) [LCD<sup>+</sup>11] in studying the distribution of a species of scyphomedusan jellyfish (*Chrysaora melanaster*), and by D’Onghia, Maiorano, Carlucci, Tursi, Pollice, Ribecco, Calculli & Arcuti (2011) [DMC<sup>+</sup>11] in studying the distribution of the deepwater rose shrimp (*Parapenaeus longirostris*). In an epidemiological context, the spatial COZIGAM has been used by Musio & Sauleau (2011) [MS11] to study cancer incidence by stratified covariates such as age, year, geographical unit of residence, which may result in interdependent zero-inflation and observation processes.



# 3 A Generalized Linear Model for Zero-Inflated Spatial Count Data

Methods of classical linear regression to explain the variability of the outcome based on measured covariate values are not always appropriate depending on the type of data in consideration, which is most notably the case with discrete data. A flexible adaptation to linear regression methods, which comprises classical linear regression, spans the class of *generalized linear models (GLMs)*, pioneered by Nelder & Wedderburn (1972) [NW72], and further developed and comprehensively documented by McCullagh & Nelder (1983) [MN83], allow certain assumptions (such as linearity between mean response and covariates, and independence of variances and covariances from the mean) of ordinary linear regression to be relaxed.

## 3.1 The Generalized Linear Model (GLM)

Let  $\{z_{st}\}$  be a set of independent outcomes and let  $\{\mathbf{x}_{st} \in \mathbf{R}^q\}$  be the corresponding vectors of covariate values for the outcomes.

There are three components to the specification of a GLM:

- the *linear predictor*, which relates the parameters of the model to the covariates via a linear function  $\mathbf{x}_{st}^\top \boldsymbol{\beta}$  of the vector of covariates  $\mathbf{x}_{st}$  to the components  $\beta_i$  of the parameter vector  $\boldsymbol{\beta} \in \mathbf{R}^q$  of  $q$  fixed unknown regression coefficients, usually  $\mathbf{x}_{st}^\top \boldsymbol{\beta}$ ;
- the *link function*  $g^{-1}(\cdot)$ , a monotonic known function of the mean that is linearly related to the covariates via

$$\begin{aligned}\boldsymbol{\mu} &= E[Z(\mathbf{s})] = g(\mathbf{x}_{st}^\top \boldsymbol{\beta}) \\ g^{-1}(\boldsymbol{\mu}) &= g^{-1}(E[Z(\mathbf{s})]) = \mathbf{x}_{st}^\top \boldsymbol{\beta},\end{aligned}\tag{3.1}$$

where  $\boldsymbol{\mu} = (\mu(\mathbf{s}_1), \mu(\mathbf{s}_2), \dots, \mu(\mathbf{s}_n))^\top$ , which allows nonlinear associations between the means of the data and covariates that often occur under binary, count, or skewed continuous data; and

- the distribution of the data  $z_{st}$ , assumed a member of an *exponential family of distributions*.

### 3.1.1 Exponential Families

**Definition 3.1.1.** A random variable  $Z$  follows a distribution belonging to an **exponential family** if the probability density function is of the form

$$f_Z(z; \vartheta, \varphi) = \exp\{\varphi^{-1}(z\vartheta - a(\vartheta)) + c(z, \varphi)\}$$

for unknown parameters  $\vartheta$  and  $\varphi$ , and for known functions  $a(\cdot)$  and  $c(\cdot, \cdot)$ .  $\vartheta$  and  $\varphi$  are respectively referred to as the **canonical parameter** and **scale parameter**.

The first two moments of an exponential-family distribution may be computed by recalling the property that  $\int f_Z(z; \vartheta, \varphi) dz = 1$  and taking the first- and second-order derivatives of both sides of the equation given in Definition (3.1.1) to obtain

$$\begin{aligned} \int (z - a'(\vartheta)) f_Z(z; \vartheta, \varphi) dz &= 0, \\ \int (\varphi^{-1}(z - a'(\vartheta))^2 - a''(\vartheta)) f_Z(z; \vartheta, \varphi) dz &= 0, \end{aligned}$$

which gives mean and variance

$$E[Z] = \mu = a'(\vartheta), \tag{3.2}$$

$$\text{Var}(Z) = \sigma^2 = \varphi a''(\vartheta). \tag{3.3}$$

We note that under this formulation, the implication arises that the mean and variance are in general functionally related by

$$\sigma^2 = \varphi a''((a')^{-1}(\mu)) = \varphi v(\mu); \tag{3.4}$$

the function  $v(\cdot)$  is referred to as the *variance function*. This functional relation between the mean and variance, as mentioned previously in Chapter 2, then implies the presence of overdispersion in GLMs.

Writing the probability density or mass function in the form of an exponential-family distribution allows a natural link function to be determined in a straightforward manner by considering the natural relationship between the parameter  $\vartheta$  and the mean of the data, which gives the *canonical link*  $g(\cdot) = a'(\cdot)$  when  $\vartheta_{st} = \mathbf{x}_{st}^\top \boldsymbol{\beta}$ , as in Equation (3.1). For the Poisson distribution, the probability mass function for  $z \in \mathbf{Z}_+$  is given in Definition 2.1.2 as

$$\mathcal{P}(\lambda) = f_Z(z; \lambda) = \frac{e^{-\lambda} \lambda^z}{z!} = \exp\{-\lambda + z \log \lambda - \log(z!)\}$$

which allows the immediate identification of the canonical link,  $\log \lambda = \log \mu = \mathbf{x}_{st}^\top \boldsymbol{\beta}$ .

It is under this context of GLMs that Lambert (1992) [Lam92] considered regression based on the zero-inflated Poisson distribution detailed in Chapter 2, that would span a wide-ranging and flexible class of regression models by considering various link functions and for the mixing probability  $\alpha$  and Poisson mean  $\lambda$ , and further inspire the same technique for other zero-inflated discrete distributions mentioned in Chapter 2, such as regression models based on the zero-inflated negative binomial distribution by Greene (1994) [Gre94]. Lambert (1992) [Lam92] considered the cases for covariates  $\mathbf{u}_{st}$  and  $\mathbf{x}_{st}$ , and parameter vectors  $\boldsymbol{\gamma}$  and  $\boldsymbol{\beta}$  where

$$\begin{aligned}\log\left(\frac{\alpha}{1-\alpha}\right) &= \mathbf{u}_{st}^\top \boldsymbol{\gamma}, \\ \log \lambda &= \mathbf{x}_{st}^\top \boldsymbol{\beta}.\end{aligned}$$

The covariates  $\mathbf{x}_{st}$  and  $\mathbf{u}_{st}$  may or may not coincide; in the former case, parsimonious models may be constructed in which the two linear predictors are related. Lambert (1992) [Lam92] details the simplest case, which she refers to as the ZIP( $\tau$ ) model for some scalar parameter  $\tau$ , where

$$\begin{aligned}\log\left(\frac{\alpha}{1-\alpha}\right) &= \tau \mathbf{x}_{st}^\top \boldsymbol{\beta}, \\ \log \lambda &= \mathbf{x}_{st}^\top \boldsymbol{\beta},\end{aligned}$$

and a computation yields  $\alpha = (1 + \lambda^{-\tau})^{-1}$ . This construction also provides the impetus behind the constrained zero-inflated generalized additive model (COZIGAM) of Liu & Chan (2009) [LC09], discussed in Chapter 2.

### 3.1.2 Maximum Likelihood Estimation and Inference

Estimation of the regression parameters of the vector  $\boldsymbol{\beta}$  may be carried out via *maximum likelihood estimation (MLE)*. For an exponential-family distribution, the log-likelihood function may be written assuming independence of the observations as

$$\ell(\boldsymbol{\beta}, \varphi; \mathbf{z}) = \frac{1}{\varphi} \sum_{s,t} (z_{st} \vartheta_{st} - a(\vartheta_{st})) + \sum_{s,t} c(z_{st}, \varphi). \quad (3.5)$$

The *score functions* are obtained by solving for the roots of the first-order derivative of the log-likelihood function above, Equation (3.5),

$$S(\boldsymbol{\beta}) = \sum_{s,t} \frac{\partial \vartheta_{st}}{\partial \boldsymbol{\beta}} (z_{st} - a'(\vartheta_{st})) = \mathbf{0}. \quad (3.6)$$

Since the mean and variance are functionally related according to Equations (3.2) and (3.3), with  $\mu_{st} = a'(\vartheta_{st})$  and  $v_{st} = v(\mu_{st}) = a''(\vartheta_{st})$ , we have

$$\frac{\partial \mu_{st}}{\partial \boldsymbol{\beta}} = a''(\vartheta_{st}) \frac{\partial \vartheta_{st}}{\partial \boldsymbol{\beta}} = v_{st} \frac{\partial \vartheta_{st}}{\partial \boldsymbol{\beta}},$$

and the score functions of Equation (3.6) may be rewritten as

$$S(\boldsymbol{\beta}) = \sum_{s,t} \frac{\partial \mu_{st}}{\partial \boldsymbol{\beta}} v_{st}^{-1} (z_{st} - \mu_{st}) = \mathbf{0}.$$

In general, the score functions are to be solved iteratively via numerical algorithms, such as iteratively reweighted least squares, the Newton method, or Fisher scoring. The root values of the components of  $\boldsymbol{\beta}$  are the *maximum likelihood estimates (MLEs)*,  $\hat{\boldsymbol{\beta}}_{\text{MLE}}$ , and once obtained, classical inference based on asymptotic likelihood theory becomes possible.

### 3.1.3 Generalized Linear Models for Spatial Data

Augmenting the theory of GLMs to spatial data entails respecifying the covariance matrix, which is classically assumed to be heterogeneous and of the form

$$\Sigma = \text{Var}(\mathbf{Z}(\mathbf{s})) = \varphi \mathbf{V}_\mu, \quad (3.7)$$

where  $\mathbf{V}_\mu$  is an  $n \times n$  diagonal matrix of the variance function given in Equation (3.4),  $v(\mu) = a''(\vartheta(\mu))$ . Rewriting the covariance matrix in terms of a vector  $\boldsymbol{\vartheta} \in \mathbf{R}^q$  of unknown parameters with  $q \ll n$  as

$$\Sigma(\boldsymbol{\vartheta}) = \text{Var}(Z(\mathbf{s})) = \sigma_0^2 \mathbf{V}_\mu^{1/2} \mathbf{R}(\boldsymbol{\vartheta}) \mathbf{V}_\mu^{1/2}, \quad (3.8)$$

where  $\mathbf{R}(\boldsymbol{\vartheta})$  is a correlation matrix with entries given by some valid and well-defined spatial correlogram  $r(\cdot, \cdot)$  according to Definition 1.1.3, and  $\mathbf{V}_\mu^{1/2}$  is a diagonal matrix of with entries given by the square root of Equation (3.4),  $\sqrt{v(\mu)} = \sqrt{a''(\vartheta(\mu))}$ , is one way of incorporating spatial covariance and inherent variance-mean effects of GLMs, following Wolfinger & O'Connell (1993) [WO93] and Gotway & Stroup (1997) [GS97]. For the particular case where we have noncorrelation and thus  $\mathbf{R}(\boldsymbol{\vartheta}) = I_{(n \times n)}$ , the spatial generalized linear model covariance matrix reduces to  $\Sigma(\boldsymbol{\vartheta}) = \sigma_0^2 \mathbf{V}_\mu$ , implying that the variance of the spatial process  $\sigma_0^2$  is equal to  $\varphi$  for distributions that are members of the exponential family. In particular, the parameter  $\varphi = \sigma_0^2$  measures overdispersion of the data, discussed in detail in Chapter 2.

## 3.2 M-Estimation: Marginal Models and Quasi-Likelihood Estimation

A procedure of robust statistics generating a broad and encompassing class of estimators is that of *M-estimation* (“M” for maximum likelihood-type, Huber (1981) [Hub81]), which involves finding the zeros of general *estimating functions* of the data; minima of sums of functions of the data give M-estimators. Estimating functions are often derivatives of statistical functions; many least squares and maximum likelihood estimators are M-estimators. M-estimation, in its generality, is often used in estimating characteristics of a population.

Proposed by Huber (1964) [Hub64], M-estimation corresponds to a generalization of MLE, which entails the computation of the solutions

$$\hat{\vartheta}_M = \arg \min_{\vartheta} \left\{ \sum_{i=1}^n \rho_H(x_i, \vartheta) \right\} \quad (3.9)$$

to some generalized estimating function  $\rho_H(\cdot, \cdot)$ , known as *Huber's  $\rho$ -function*. The function  $\rho_H(\cdot, \cdot)$  or its derivative, *Huber's  $\psi$ -function*  $\psi_H(\cdot)$ , when it exists, can be chosen so that the resulting estimators  $\hat{\vartheta}_M$  possess certain desired properties, such as efficiency and bias, depending on the correctness or stringency of distributional assumptions of the data.

Two concepts that arise as special cases of M-estimation provide the context for the results derived in this chapter. The first is that of *marginal models*: as opposed to the parametric random effects approach discussed in Chapter 2, marginal models make up a general class of regression models in which responses may be correlated without the need for full specification of the joint probability. The importance is placed on the relationship between the covariates and the marginal expectation of the outcome variable, and the modeling of dependence is regarded separately, as a means to obtain more efficient estimates. The estimates are consistent under the correct specification of the expectation structure ([LZ86]); the covariance structure is simply incorporated as a matrix amongst the *generalized estimating equations* (GEEs) of the GLM, which is a type of M-estimating function and a direct extension of quasi-likelihood theory. Marginal models are useful when the interest lies in learning about population averages, which is often the goal in epidemiological or ecological studies.

The lack of necessity for full specification of the joint probability for marginal models inspires the use of quasi-likelihood, the second special case of M-estimation, where the *quasi-likelihood function* and corresponding score equations need not correspond to a likelihood equation of a model, which allow for more generality to combine any link and variance function. The term was first introduced by Wedderburn (1974) [Wed74], who remarked that results from the theory of full likelihood and that of quasi-likelihood coincide for exponential-family distributions and the corresponding score functions, or *quasi-likelihood estimating equations*, give consistent estimates of the regression parameters  $\beta$  in the setting of a GLM, including for the situation of choices of link and variance functions that do not correspond to exponential-family distributions. In quasi-likelihood estimation, the mean response is assumed to follow a

parametric function of the covariates in keeping with the specification of a GLM, while the variance is assumed to be functionally related to the mean up to multiplication of unknown scale parameters, allowing for the inclusion of a *nuisance* (overdispersion) parameter  $\varphi$  in the variance

$$E[Z] = \mu, \quad (3.10)$$

$$\text{Var}(Z) = \varphi \nu(\mu). \quad (3.11)$$

Under quasi-likelihood, the variance function  $\nu(\cdot)$  is separate from the likelihood, and can be, though not necessarily, chosen according to a member of the exponential family of distributions. McCullagh & Nelder (1983) [MN83] extended the quasi-likelihood to include a variance-covariance matrix, and derived the asymptotic results for the resulting estimators. There may or may not be a true likelihood function for the associated mean and variance, as noted by Morris (1982) [Mor82]; quasi-likelihood methods require only the relationship between the mean and variance of the response to be specified. Gouriéroux, Monfort & Trognon (1984) [GMT84] suggest a general specification of the variance by

$$\text{Var}(Z) = \tilde{\nu}(\boldsymbol{\mu}),$$

where  $\tilde{\nu}(\cdot)$  is a general variance function that may be of the linear form of Equation (3.11),  $\varphi \nu(\boldsymbol{\mu})$ , and derive a *quasi-score function*

$$S^{\text{Quasi}}(\boldsymbol{\beta}) = \sum_{s,t} \mathbf{x}_{st} \mathbf{D}_{st}(\boldsymbol{\beta}) \nu(\boldsymbol{\beta}) (z_{st} - \mu_{st}(\boldsymbol{\beta})), \quad (3.12)$$

where  $\mu_{st}(\cdot)$  is the correct mean given by a link function  $g^{-1}(\cdot)$ , and  $\mathbf{D}_{st}(\cdot)$  is the derivative of the link function, and  $\tilde{\nu}(\cdot)$  may be assumed known, or allowed to be an arbitrary *working variance* determined by the modeler. Details of the technique are given by Fahrmeir & Tutz (1994) [FT94].

Aspects of quasi-likelihood methods have been studied under various classes of models and general settings; Nelder & Pregibon (1987) [NP87] furthered the concept to an extended quasi-likelihood technique, which also involves the study of the variance function. Green & Silverman (1994) [GS94] considered the use of quasi-likelihood approaches under non- and semiparametric generalized linear models, and developed penalized quasi-likelihood estimates in the style of Equation (2.10), using a roughness penalty approach to penalized least squares estimates with a weight function defined by the inverse of the variance-covariance matrix. Morgenthaler (1992) [Mor92] and Jung (1996) [Jun96] developed quasi-likelihood estimation methods for GLMs using robust fitting methods of least absolute deviations involving the median, and median regression.

Gotway & Stroup (1997) [GS97] provide a general overview of GLMs in categorical and discrete spatial data for analysis and prediction. The use of GEEs, marginal models, and quasi-likelihoods is a natural approach in the context of spatial data, as suggested by the similarity

between Equation (3.7) and the augmented matrix form of Equation (3.11) by McCullagh & Nelder (1983) [MN83]; indeed, the quasi-likelihood approach has been used for spatial biological applications, which is the motivation for the work presented in this thesis. Examples of the implementation of GEEs under biological spatial data can be found in the work of Albert & McShane (1995) [AM95] to model binary neuroimaging data and by Paradis & Claude (2002) to study comparative data in phylogenetic relationships. The methodology proves to be particularly useful in ecological contexts as reviewed in detail (along with other methods) by Dormann, McPherson, Araújo, Bivand, Bolliger, Carl, Davies, Hirzel, Jetz, Kissling, Kühn, Ohlemüller, Peres-Neto, Reineking, Schröder, Schurr & Wilson (2007) [DMA<sup>+</sup>07] for incorporating spatial correlation in models for data describing the distribution of species, and exemplified by Gumpertz, Wu & Pye (2000) [GWP00] for the modeling of outbreaks of southern pine beetles (*Dendroctonus frontalis* Zimm.) and by Bishop, Venables & Wang (2004) [BVW04] for the modeling of commercial catch data for fish populations. Another ecological application for marginal models of particular interest is the modeling of noisy friarbirds (*Philemon corniculatus*) where the data present a large proportion of zero observations; a marginal model approach was developed by Dobbie & Welsh (2001) [DW01a], whose construction provides the impetus for the model presented in this chapter and hence will be studied in detail in the following section.

### 3.3 The Two-Component Approach

In modeling the count observations  $Z_{st}$  of the distribution of a species abundant in zeros, Dobbie & Welsh (2001) [DW01a] consider a *two-component approach*, using a conditional model to first consider zeros versus nonzeros (absence versus presence), then conditional on presence (*i.e.* a nonzero observation), model values of the observation by a *zero-truncated Poisson distribution*; both components are considered in the context of generalized linear models, so that parameters depend linearly upon given a vector of covariates  $\mathbf{x}_{st} \in \mathbf{R}^q$  for  $s = 1, \dots, n$  units or subjects, and  $t = 1, \dots, T_s$  time points. This approach was first considered by Welsh, Cunningham, Donnelly & Lindenmayer (1996) [WCDL96] among others.

**Definition 3.3.1.**  $Z_{st} \sim \mathcal{P}_{\text{Truncated}}(\lambda_{st}, n_0)$  is said to follow a **truncated Poisson distribution** with parameter  $\lambda_{st} \in (0, \infty)$  and truncation point  $n_0 \in \mathbf{Z}$  if the probability that there exactly  $z_{st}$  occurrences is given by the probability mass function

$$\text{Prob}(Z_{st} = z_{st}; \lambda_{st}, n_0) = \frac{\lambda_{st}^{z_{st}}}{z_{st}!} \left( \sum_{z_{st}=n_0}^m \frac{\lambda_{st}^{z_{st}}}{z_{st}!} \right)^{-1}$$

for  $z_{st} = n_0, \dots, m$ .

In the two-component model of Dobbie & Welsh (2001) [DW01a], the zero observations are modeled completely separately from the nonzero observations with truncation point  $n_0 = 1$ ; the mixing probability  $\alpha_{st} = \alpha(\mathbf{u}_{st})$ , also allowed to depend on auxiliary covariate information  $\mathbf{u}_{st}$  (which need not necessarily differ from the covariate information  $\mathbf{x}_{st}$ , as discussed above

in Section 3.1.1 and in further detail in Lambert (1992) [Lam92] and in the COZIGAM model of Liu & Chan (2009) [LC09]), thus becomes the probability of observing a count, rather than the probability of observing an excess (sampling) zero as in the zero-inflated Poisson model previously discussed in Chapter 2:

$$Z_{st} \sim \begin{cases} \mathcal{P}_{\text{Truncated}}(\lambda_{st}, n_0) & \text{with probability } \alpha_{st}, \\ 0 & \text{with probability } (1 - \alpha_{st}). \end{cases}$$

The probability of observing a count  $z_{st} = 1, 2, \dots$  is

$$\text{Prob}(Z_{st} = z_{st} | \mathbf{x}_{st}) = \frac{(1 - \alpha_{st})e^{-\lambda_{st}} \lambda_{st}^{z_{st}}}{z_{st}!(1 - e^{-\lambda_{st}})}.$$

For such a two-component GLM, the link functions as proposed by Dobbie & Welsh (2001) [DW01a] are actually *pseudo-link* functions as they model the parameters of the respective processes of each component rather than their means. These pseudo-link functions are taken to be the logistic and log link functions

$$g_1^{-1}(\alpha_{st}) = \text{logit}(\alpha_{st}) = \log\left(\frac{\alpha_{st}}{1 - \alpha_{st}}\right) = \mathbf{x}_{st}^\top \boldsymbol{\beta}_1 \quad (3.13)$$

$$g_2^{-1}(\lambda_{st}) = \log(\lambda_{st}) = \mathbf{x}_{st}^\top \boldsymbol{\beta}_2 \quad (3.14)$$

for the first (presence versus absence) and second (non-zero, conditional on presence, or on positive response) components, respectively. Given this setting that assumes independence,  $\boldsymbol{\beta}_1$  and  $\boldsymbol{\beta}_2$  are orthogonal and the log-likelihood for the two-component model  $\ell(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2)$  is the sum of the logistic log-likelihood, denoted by  $\ell_1(\boldsymbol{\beta}_1)$

$$\ell_1(\boldsymbol{\beta}_1) = \sum_{z_{st}=0} \log\left(\frac{1}{1 + \exp\{\mathbf{x}_{st}^\top \boldsymbol{\beta}_1\}}\right) + \sum_{z_{st}>0} \log\left(\frac{\exp\{\mathbf{x}_{st}^\top \boldsymbol{\beta}_1\}}{1 + \exp\{\mathbf{x}_{st}^\top \boldsymbol{\beta}_1\}}\right),$$

and the truncated Poisson log-likelihood, denoted by  $\ell_2(\boldsymbol{\beta}_2)$

$$\ell_2(\boldsymbol{\beta}_2) = \sum_{z_{st}>0} [z_{st} \mathbf{x}_{st}^\top \boldsymbol{\beta}_2 - \log(1 - \exp\{-e^{\mathbf{x}_{st}^\top \boldsymbol{\beta}_2}\} - \log z_{st}!)],$$

from which estimating (score) equations can be derived for each component. Correlation is then introduced into the model via the score equations according to Diggle, Heagerty, Liang & Zeger (2002) [DHLZ02], which will be discussed further on in this chapter.

While this approach addresses the inadequacy of previous models that treat observations as independent, and allows for an excess of zero counts, the disassociation of all zeros from counts obscures the distinction between structural and sampling zeros. Consequently, zeros that occur due to inherent characteristics of the stochastic process (for example, the unsuitability of the measurement location for the survival, habitation, or reproduction of the noisy friarbird) cannot be distinguished from those that occur randomly, due to sampling errors

(for example, the failure to record a data measurement due to absence or inexperience of a birdwatcher). It turns out in the analysis of Dobbie & Welsh (2001) [DW01a], this obscurity does not pose any disadvantage due to assumptions that were plausibly made specific to the particular data set in question.

### 3.4 A Zero-Inflated Poisson Generalized Linear Model

We now adapt the conditional and marginal model approaches of Dobbie & Welsh (2001) [DW01a] to construct a mixture model adapted to GLMs and a corresponding quasi-likelihood method to derive GEEs for the zero-inflated Poisson model discussed in Chapter 2, comprising spatial dependence. Attributing some of the zeros to the Poisson distribution provides a more intuitive approach to the occurrence of zeros in the data, keeping an ecological application in mind, and allowing structural zeros to be differentiated from sampling zeros.

We follow the same set-up as Dobbie & Welsh (2001) [DW01a], assuming a vector  $\mathbf{x}_{st} \in \mathbf{R}^q$  of covariates of  $s = 1, \dots, n$  locations and  $t = 1, \dots, T_s$  variables (or time points, in the case of space-time data); the linear combination  $\mathbf{x}_{st}^\top \boldsymbol{\beta}_j \in \mathbf{R}$ , where  $\boldsymbol{\beta}_j$  is a  $(q \times 1)$  vector, and  $j = 1, 2$  corresponds to the mixing probability of the zero-inflated Poisson model  $\alpha_{st}$  and the Poisson parameter  $\lambda_{st}$ , respectively. Observations  $Z_{st}$  are distributed as

$$Z_{st} \sim \begin{cases} 0 & \text{with probability } \alpha_{st}, \\ \mathcal{P}(\lambda_{st}) & \text{with probability } 1 - \alpha_{st}. \end{cases} \quad (3.15)$$

Observations under the spatial zero-inflated Poisson generalized linear model with a general mixing probability  $\alpha_{st} = \alpha(\mathbf{x}_{st}^\top \boldsymbol{\beta}_1)$  and a general link function  $\lambda_{st} = \lambda(\mathbf{x}_{st}^\top \boldsymbol{\beta}_2)$  are generated by

$$\text{Prob}(Z_{st} = z_{st} | \mathbf{x}_{st}) = \alpha_{st} \mathbf{1}(z_{st} = 0) + (1 - \alpha_{st}) \frac{e^{-\lambda_{st}} \lambda_{st}^{z_{st}}}{z_{st}!}. \quad (3.16)$$

In particular, the probabilities of observing zeros and counts are

$$\text{Prob}(Z_{st} = 0 | \mathbf{x}_{st}) = \alpha_{st} + (1 - \alpha_{st}) e^{-\lambda_{st}}, \quad (3.17)$$

$$\text{Prob}(Z_{st} > 0 | \mathbf{x}_{st}) = 1 - \text{Prob}(Z_{st} = 0) = (1 - \alpha_{st})(1 - e^{-\lambda_{st}}). \quad (3.18)$$

We use the same link functions that Dobbie & Welsh (2001) [DW01a] use as pseudo-link functions, Equations (3.13) and (3.14):

$$g_1^{-1}(\alpha_{st}) = \text{logit}(\alpha_{st}) = \mathbf{x}_{st}^\top \boldsymbol{\beta}_1 \iff \alpha_{st} = \frac{1}{1 + \exp\{-\mathbf{x}_{st}^\top \boldsymbol{\beta}_1\}}, \quad (3.19)$$

$$g_2^{-1}(\lambda_{st}) = \log(\lambda_{st}) = \mathbf{x}_{st}^\top \boldsymbol{\beta}_2 \iff \lambda_{st} = \exp\{\mathbf{x}_{st}^\top \boldsymbol{\beta}_2\}. \quad (3.20)$$

While any differentiable function with support  $]0, 1[$  may be used to model the mixing proba-

bility  $\alpha_{st}$ , we choose the logistic function for its convenient form that simplifies computations of the score functions. Developed by Verhulst (1838) [Ver38], it has been commonly used in ecological and epidemiological applications, for example in modeling population growth or the spread of an infectious disease; the curve increases approximately exponentially during the initial stages, and as saturation is approached, growth slows and eventually stops. While our application of interest is also ecological, modeling the mixing probability as the growth of a population is not very intuitive: in our setting, the mixing probability represents the proportion of the sampling zeros of the process, which would not have any reason to grow exponentially nor saturate in regard to the structural zeros or the counts themselves.

Under these link functions, the probabilities (3.17) and (3.18) become

$$\text{Prob}(Z_{st} = 0 | \mathbf{x}_{st}) = \frac{1}{1 + \exp\{-\mathbf{x}_{st}^\top \boldsymbol{\beta}_1\}} \mathbf{1}(z_{st} = 0) + \frac{\exp\{-\mathbf{x}_{st}^\top \boldsymbol{\beta}_1\}}{1 + \exp\{-\mathbf{x}_{st}^\top \boldsymbol{\beta}_1\}} \exp\{-e^{\mathbf{x}_{st}^\top \boldsymbol{\beta}_2}\}, \quad (3.21)$$

$$\text{Prob}(Z_{st} = z_{st} | \mathbf{x}_{st}) = \frac{1}{1 + \exp\{-\mathbf{x}_{st}^\top \boldsymbol{\beta}_1\}} \mathbf{1}(z_{st} = 0) + \left( \frac{\exp\{-\mathbf{x}_{st}^\top \boldsymbol{\beta}_1\}}{1 + \exp\{-\mathbf{x}_{st}^\top \boldsymbol{\beta}_1\}} \right) \frac{\exp\{z_{st} \mathbf{x}_{st}^\top \boldsymbol{\beta}_2 - e^{-\mathbf{x}_{st}^\top \boldsymbol{\beta}_2}\}}{z_{st}!}. \quad (3.22)$$

### 3.4.1 Log-Likelihood and Score Equations

The log-likelihood for the spatial zero-inflated Poisson generalized linear model with general mixing probability  $\alpha_{st} = \alpha(\mathbf{x}_{st}^\top \boldsymbol{\beta}_1)$  and a general link function  $\lambda_{st} = \lambda(\mathbf{x}_{st}^\top \boldsymbol{\beta}_2)$  model is given by

$$\begin{aligned} \ell(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2 | \mathbf{x}_{st}, z_{st}) &= \sum_{s,t: z_{st}=0} \log(\alpha_{st} + (1 - \alpha_{st})e^{-\lambda_{st}}) + \\ &+ \sum_{s,t: z_{st}>0} [\log(1 - \alpha_{st}) + z_{st} \log(\lambda_{st}) - \lambda_{st} - \log(z_{st}!)], \end{aligned} \quad (3.23)$$

and denoting the derivative of  $\alpha_{st} = \alpha(\mathbf{x}_{st}^\top \boldsymbol{\beta}_1)$  with respect to  $\boldsymbol{\beta}_1$  by  $\alpha'_{st} \mathbf{x}_{st}$ , and similarly, the derivative of  $\lambda_{st} = \lambda(\mathbf{x}_{st}^\top \boldsymbol{\beta}_2)$  with respect to  $\boldsymbol{\beta}_2$  by  $\lambda'_{st} \mathbf{x}_{st}$ , the corresponding score equations are given by

$$\begin{aligned} S_{\boldsymbol{\beta}_1} &= \frac{\partial}{\partial \boldsymbol{\beta}_1} \ell(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2 | \mathbf{x}_{st}, z_{st}) = \sum_{s,t: z_{st}=0} \frac{\alpha'_{st} \mathbf{x}_{st} (1 - e^{-\lambda_{st}})}{\text{Prob}(Z_{st} = 0)} + \sum_{s,t: z_{st}>0} \frac{-\alpha'_{st} \mathbf{x}_{st}}{1 - \alpha_{st}} \\ &= \sum_{s,t} \alpha'_{st} \left( \frac{1 - e^{-\lambda_{st}}}{\text{Prob}(Z_{st} = 0)} \mathbf{1}(z_{st} = 0) - \frac{1}{1 - \alpha_{st}} \mathbf{1}(z_{st} > 0) \right) \mathbf{x}_{st} = \mathbf{0}, \end{aligned} \quad (3.24)$$

### 3.4. A Zero-Inflated Poisson Generalized Linear Model

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$$\begin{aligned}
S_{\beta_2} = \frac{\partial}{\partial \beta_2} \ell(\beta_1, \beta_2 | \mathbf{x}_{st}, z_{st}) &= \sum_{s,t: z_{st}=0} \frac{-(1-\alpha_{st})\lambda'_{st}\mathbf{x}_{st}e^{-\lambda_{st}}}{\text{Prob}(Z_{st}=0)} + \sum_{s,t: z_{st}>0} \left[ z_{st} \frac{\lambda'_{st}\mathbf{x}_{st}}{\lambda_{st}} - \lambda'_{st}\mathbf{x}_{st} \right] \\
&= \sum_{s,t} \lambda'_{st} \left( \frac{-(1-\alpha_{st})e^{-\lambda_{st}}}{\text{Prob}(Z_{st}=0)} \mathbf{1}(z_{st}=0) + \left( \frac{z_{st}}{\lambda_{st}} - 1 \right) \mathbf{1}(z_{st}>0) \right) \mathbf{x}_{st} = \mathbf{0}.
\end{aligned} \tag{3.25}$$

With link functions specified by Equations (3.19) and (3.20), the log-likelihood becomes

$$\begin{aligned}
\ell(\beta_1, \beta_2 | \mathbf{x}_{st}, z_{st}) &= \sum_{s,t: z_{st}=0} \log \left( \frac{1}{1 + \exp\{-\mathbf{x}_{st}^\top \beta_1\}} + \frac{\exp\{-\mathbf{x}_{st}^\top \beta_1\}}{1 + \exp\{-\mathbf{x}_{st}^\top \beta_1\}} \exp\{-e^{\mathbf{x}_{st}^\top \beta_2}\} \right) + \\
&\quad + \sum_{s,t: z_{st}>0} [-\mathbf{x}_{st}^\top \beta_1 - \log(1 + \exp\{-\mathbf{x}_{st}^\top \beta_1\}) + z_{st} \mathbf{x}_{st}^\top \beta_2 - \exp\{\mathbf{x}_{st}^\top \beta_2\} - \log(z_{st}!)].
\end{aligned} \tag{3.26}$$

By noticing that the derivative of the logistic function Equation (3.19) can be written as

$$\alpha'_{st} = \frac{\partial}{\partial \beta_1} \alpha_{st} = \alpha_{st} (1 - \alpha_{st}) \frac{\partial}{\partial \beta_1} (\mathbf{x}_{st}^\top \beta_1) = \alpha_{st} (1 - \alpha_{st}) \mathbf{x}_{st},$$

the score equations become

$$\begin{aligned}
S_{\beta_1} &= \sum_{s,t: z_{st}=0} \frac{1}{\text{Prob}(Z_{st}=0)} \frac{\mathbf{x}_{st} \exp\{-\mathbf{x}_{st}^\top \beta_1\}}{(1 + \exp\{-\mathbf{x}_{st}^\top \beta_1\})^2} (1 - \exp\{e^{-\mathbf{x}_{st}^\top \beta_2}\}) + \sum_{s,t: z_{st}>0} \left( \frac{-1}{1 + \exp\{-\mathbf{x}_{st}^\top \beta_1\}} \right) \mathbf{x}_{st} \\
&= \sum_{s,t: z_{st}=0} \frac{\alpha_{st}(1 - \alpha_{st})}{\text{Prob}(Z_{st}=0)} (1 - e^{-\lambda_{st}}) + \sum_{s,t: z_{st}>0} -\alpha_{st} \mathbf{x}_{st} \\
&= \sum_{s,t} \alpha_{st} \left( \frac{(1 - \alpha_{st})}{\text{Prob}(Z_{st}=0)} (1 - e^{-\lambda_{st}}) \mathbf{1}(z_{st}=0) - \mathbf{1}(z_{st}>0) \right) \mathbf{x}_{st} = \mathbf{0},
\end{aligned} \tag{3.27}$$

$$\begin{aligned}
S_{\beta_2} &= \sum_{s,t: z_{st}=0} \frac{-(1-\alpha_{st})\mathbf{x}_{st} \exp\{\mathbf{x}_{st}^\top \beta_2 - e^{\mathbf{x}_{st}^\top \beta_2}\}}{\alpha_{st} + (1 - \alpha_{st}) \exp\{-e^{\mathbf{x}_{st}^\top \beta_2}\}} + \sum_{s,t: z_{st}>0} (z_{st} \mathbf{x}_{st} - \mathbf{x}_{st} e^{\mathbf{x}_{st}^\top \beta_2}) \\
&= \sum_{s,t: z_{st}=0} (z_{st} - \lambda_{st}) \mathbf{x}_{st} \frac{\text{Prob}(Z_{st}=0) - \alpha_{st}}{\text{Prob}(Z_{st}=0)} + \sum_{s,t: z_{st}>0} (z_{st} - \lambda_{st}) \mathbf{x}_{st} \\
&= \sum_{s,t} (z_{st} - \lambda_{st}) \left( \frac{\text{Prob}(Z_{st}=0) - \alpha_{st}}{\text{Prob}(Z_{st}=0)} \mathbf{1}(z_{st}=0) + \mathbf{1}(z_{st}>0) \right) \mathbf{x}_{st} = \mathbf{0},
\end{aligned} \tag{3.28}$$

the probability ratio in Equation (3.28) representing an odds-ratio-type interpretation of the weighting and association between the two probability components from which zero observations arise. The score equation with respect to  $\beta_2$ , Equation (3.28), can alternatively be written following the form given by Liang & Zeger (1986) [LZ86] as

$$S_{\beta_2} = \mathbf{x}_s^\top \mathbf{D}_s (\mathbf{z} - \boldsymbol{\lambda}) = \mathbf{0}, \tag{3.29}$$

where  $\mathbf{x}_s, \mathbf{z}, \boldsymbol{\lambda}$  are  $(\mathbf{x}_{s1}, \dots, \mathbf{x}_{sT_s})^\top$ ,  $(z_{s1}, \dots, z_{sT_s})^\top$ , and  $(\lambda_{s1}, \dots, \lambda_{sT_s})^\top$  respectively, and  $\mathbf{D}_s$  is a

$T_s \times T_s$  diagonal matrix

$$\mathbf{D}_s = \begin{pmatrix} \frac{\text{Prob}(Z_{s1} = 0) - \alpha_{s1}}{\text{Prob}(Z_{s1} = 0)} \mathbf{1}(z_{s1} = 0) + \mathbf{1}(z_{s1} > 0) \\ \ddots \\ \frac{\text{Prob}(Z_{sT_s} = 0) - \alpha_{sT_s}}{\text{Prob}(Z_{sT_s} = 0)} \mathbf{1}(z_{sT_s} = 0) + \mathbf{1}(z_{sT_s} > 0) \end{pmatrix}. \quad (3.30)$$

Due to the interdependence, the score equations, Equations (3.27) and (3.28), need to be solved iteratively for values  $\hat{\boldsymbol{\beta}}_1$  and  $\hat{\boldsymbol{\beta}}_2$  such that  $S_{\boldsymbol{\beta}_1} = S_{\boldsymbol{\beta}_2} = \mathbf{0}$ . In simulation studies implemented in MATLAB, the Newton method will be used to solve the score equations. By Liang & Zeger (1986) [LZ86], the resulting estimators  $\hat{\boldsymbol{\beta}}_1$  and  $\hat{\boldsymbol{\beta}}_2$  obtained by solving these score equations give consistent estimators under correct specification of the expectation structure.

### 3.4.2 Asymptotic Behavior

M-estimation, and the particular case of MLE, provide the consistency, efficiency and asymptotic unbiasedness and distribution of the estimators derived from the optimization of the log-likelihood function detailed above. For unbiasedness, we compute the expectation of the score functions Equations (3.24) and (3.25) with general link functions with respect to  $\boldsymbol{\beta}_1$  and  $\boldsymbol{\beta}_2$  by noticing that  $\mathbf{1}(z_{st} \geq 0)$  can be viewed as a Bernoulli trial: since  $z_{st} = 0$  and  $z_{st} > 0$  are complementary events,

$$E[\mathbf{1}(z_{st} = 0)] = \text{Prob}(Z_{st} = 0) \quad (3.31)$$

$$E[\mathbf{1}(z_{st} > 0)] = \text{Prob}(Z_{st} > 0) = 1 - \text{Prob}(Z_{st} = 0), \quad (3.32)$$

we have

$$\begin{aligned} E[S_{\boldsymbol{\beta}_1}] &= \sum_{s,t} \alpha'_{st} \left( \frac{1 - e^{-\lambda_{st}}}{\text{Prob}(Z_{st} = 0)} E[\mathbf{1}(z_{st} = 0)] + \frac{1}{1 - \alpha_{st}} E[\mathbf{1}(z_{st} > 0)] \right) \mathbf{x}_{st} \\ &= \sum_{s,t} \alpha'_{st} \left( 1 - e^{-\lambda_{st}} - \frac{1}{1 - \alpha_{st}} (1 - \alpha_{st})(1 - e^{-\lambda_{st}}) \right) \mathbf{x}_{st} = \mathbf{0}. \end{aligned} \quad (3.33)$$

Similarly, by noticing that

$$\begin{aligned} E[(Z_{st} - \lambda_{st}) \mathbf{1}(z_{st} > 0)] &= E[(Z_{st} - \lambda_{st}) | Z_{st} > 0] \text{Prob}(Z_{st} > 0) \\ &= \left( \frac{\lambda_{st}}{1 - e^{-\lambda_{st}}} - \lambda_{st} \right) (1 - \text{Prob}(Z_{st} = 0)), \end{aligned} \quad (3.34)$$

we find

$$\begin{aligned} E[S_{\beta_2}] &= \sum_{s,t} \lambda'_{st} \left( \frac{-(1-\alpha_{st})e^{-\lambda_{st}}}{\text{Prob}(Z_{st}=0)} E[\mathbf{1}(Z_{st}=0)] + \frac{1}{\lambda_{st}} E[(Z_{st}) - \lambda_{st} | Z_{st} > 0] \right) \mathbf{x}_{st} \\ &= \sum_{s,t} \lambda'_{st} \left( -(1-\alpha_{st})e^{-\lambda_{st}} + \left( \frac{e^{-\lambda_{st}}}{1-e^{-\lambda_{st}}} \right) (1-\alpha_{st})(1-e^{-\lambda_{st}}) \right) \mathbf{x}_{st} = \mathbf{0}. \end{aligned} \quad (3.35)$$

To study the asymptotic distribution of the estimators, we require the Fisher information,  $I(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2)$ , which in our case is a  $2 \times 2$  block symmetric matrix, which we compute component-wise using Equations (3.24) and (3.25).

For the computation of  $E\left[\frac{\partial^2}{\partial \boldsymbol{\beta}_1 \partial \boldsymbol{\beta}_1^\top} \ell(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2 | \mathbf{x}_{st}, z_{st})\right]$ , we work from the expression of the score functions for general link functions  $\alpha_{st} = \alpha(\mathbf{x}_{st}^\top \boldsymbol{\beta}_1)$  and  $\lambda_{st} = \lambda(\mathbf{x}_{st}^\top \boldsymbol{\beta}_2)$  to first find

$$\begin{aligned} \frac{\partial^2}{\partial \boldsymbol{\beta}_1 \partial \boldsymbol{\beta}_1^\top} \ell(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2 | \mathbf{x}_{st}, z_{st}) &= \sum_{s,t} \left( (1-e^{-\lambda_{st}}) \left( \frac{\text{Prob}(Z_{st}=0)\alpha''_{st} - (1-e^{-\lambda_{st}})(\alpha'_{st})^2}{\text{Prob}(Z_{st}=0)^2} \right) \mathbf{1}(z_{st}=0) - \right. \\ &\quad \left. - \frac{(1-\alpha_{st})\alpha''_{st} + (\alpha'_{st})^2}{(1-\alpha_{st})^2} \mathbf{1}(z_{st}>0) \right) \mathbf{x}_{st} \mathbf{x}_{st}^\top, \end{aligned} \quad (3.36)$$

which gives

$$E\left[\frac{\partial^2}{\partial \boldsymbol{\beta}_1 \partial \boldsymbol{\beta}_1^\top} \ell(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2 | \mathbf{x}_{st}, z_{st})\right] = \sum_{s,t} \frac{(\alpha'_{st})^2}{(1-\alpha_{st})\text{Prob}(Z_{st}=0)} \left( \frac{\text{Prob}(Z_{st}=0)^2 - 1}{1-\alpha_{st}} + \alpha_{st}(1-e^{-\lambda_{st}}) \right) \mathbf{x}_{st} \mathbf{x}_{st}^\top. \quad (3.37)$$

When  $\alpha_{st}(\cdot)$  is modeled as a logistic function  $\alpha = \text{logit}(x)$  by Equation (3.19), we have  $\alpha' = \alpha(1-\alpha)$ , which yields

$$E\left[\frac{\partial^2}{\partial \boldsymbol{\beta}_1 \partial \boldsymbol{\beta}_1^\top} \ell(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2 | \mathbf{x}_{st}, z_{st})\right] = \sum_{s,t} \alpha_{st}^2 (1-\alpha_{st}) \left( e^{-\lambda_{st}} - \frac{1}{\text{Prob}(Z_{st}=0)} \right) \mathbf{x}_{st} \mathbf{x}_{st}^\top. \quad (3.38)$$

For  $E\left[\frac{\partial^2}{\partial \boldsymbol{\beta}_2 \partial \boldsymbol{\beta}_2^\top} \ell(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2 | \mathbf{x}_{st}, z_{st})\right]$ , we first compute

$$\begin{aligned} \frac{\partial^2}{\partial \boldsymbol{\beta}_2 \partial \boldsymbol{\beta}_2^\top} \ell(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2 | \mathbf{x}_{st}, z_{st}) &= \sum_{s,t} \left( -(1-\alpha_{st})e^{-\lambda_{st}} \left( \frac{\lambda''_{st} - (\lambda'_{st})^2}{\text{Prob}(Z_{st}=0)} + \frac{(1-\alpha_{st})e^{-\lambda_{st}}(\lambda'_{st})^2}{\text{Prob}(Z_{st}=0)^2} \right) \mathbf{1}(Z_{st}=0) + \right. \\ &\quad \left. + \left( z_{st} \frac{\lambda_{st}\lambda''_{st} - (\lambda'_{st})^2}{\lambda_{st}^2} - \lambda''_{st} \right) \mathbf{1}(Z_{st}>0) \right) \mathbf{x}_{st} \mathbf{x}_{st}^\top, \end{aligned} \quad (3.39)$$

and find

$$\begin{aligned} E\left[\frac{\partial^2}{\partial \boldsymbol{\beta}_2 \partial \boldsymbol{\beta}_2^\top} \ell(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2 | \mathbf{x}_{st}, z_{st})\right] &= \sum_{s,t} (1 - \alpha_{st}) \left( \frac{z_{st}(1 - e^{-\lambda_{st}}) - \lambda_{st}}{\lambda_{st}} \lambda''_{st} + \right. \\ &\quad \left. + \left( \frac{\alpha_{st} e^{-\lambda_{st}}}{\text{Prob}(Z_{st} = 0)} - \frac{z_{st}(1 - e^{-\lambda_{st}})}{\lambda_{st}^2} \right) (\lambda'_{st})^2 \right) \mathbf{x}_{st} \mathbf{x}_{st}^\top. \end{aligned} \quad (3.40)$$

When  $\lambda_{st}$  is modeled via the canonical link function  $\lambda(\cdot) = \exp(\cdot)$  by Equation (3.20), we have  $\lambda_{st}(\cdot) = \lambda'_{st}(\cdot) = \lambda''_{st}(\cdot)$ , and

$$E\left[\frac{\partial^2}{\partial \boldsymbol{\beta}_2 \partial \boldsymbol{\beta}_2^\top} \ell(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2 | \mathbf{x}_{st}, z_{st})\right] = \sum_{s,t} (1 - \alpha_{st}) \lambda_{st} \left( \frac{\alpha_{st} \lambda_{st} e^{-\lambda_{st}}}{\text{Prob}(Z_{st} = 0)} - 1 \right) \mathbf{x}_{st} \mathbf{x}_{st}^\top. \quad (3.41)$$

For the off-diagonal block elements, we have

$$\frac{\partial^2}{\partial \boldsymbol{\beta}_1 \partial \boldsymbol{\beta}_2^\top} \ell(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2 | \mathbf{x}_{st}, z_{st}) = \frac{\partial^2}{\partial \boldsymbol{\beta}_2 \partial \boldsymbol{\beta}_1^\top} \ell(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2 | \mathbf{x}_{st}, z_{st}) = \sum_{s,t} \frac{\alpha'_{st} \lambda'_{st} e^{-\lambda_{st}}}{\text{Prob}(Z_{st} = 0)^2} \mathbf{1}(Z_{st} = 0) \mathbf{x}_{st} \mathbf{x}_{st}^\top \quad (3.42)$$

and

$$E\left[\frac{\partial^2}{\partial \boldsymbol{\beta}_1 \partial \boldsymbol{\beta}_2^\top} \ell(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2 | \mathbf{x}_{st}, z_{st})\right] = E\left[\frac{\partial^2}{\partial \boldsymbol{\beta}_2 \partial \boldsymbol{\beta}_1^\top} \ell(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2 | \mathbf{x}_{st}, z_{st})\right] = \sum_{s,t} \frac{\alpha'_{st} \lambda'_{st} e^{-\lambda_{st}}}{\text{Prob}(Z_{st} = 0)} \mathbf{x}_{st} \mathbf{x}_{st}^\top. \quad (3.43)$$

When  $\alpha_{st}$  is modeled by a logistic function and  $\lambda_{st}$  by the canonical log link, we find

$$E\left[\frac{\partial^2}{\partial \boldsymbol{\beta}_1 \partial \boldsymbol{\beta}_2^\top} \ell(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2 | \mathbf{x}_{st}, z_{st})\right] = E\left[\frac{\partial^2}{\partial \boldsymbol{\beta}_2 \partial \boldsymbol{\beta}_1^\top} \ell(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2 | \mathbf{x}_{st}, z_{st})\right] = \sum_{s,t} \frac{\alpha_{st}(1 - \alpha_{st}) \lambda_{st} e^{-\lambda_{st}}}{\text{Prob}(Z_{st} = 0)} \mathbf{x}_{st} \mathbf{x}_{st}^\top. \quad (3.44)$$

Under certain regularity conditions, the theory of maximum likelihood estimation provides the following limiting properties for sequences of maximum likelihood estimators with sample sizes increasing to infinity:

- *Consistency*, in the sense that a subsequence of the sequence of MLEs converges in probability to the true value of the parameter that we wish to estimate  $\boldsymbol{\beta}_0$ ;
- *Asymptotic normality*, which provides the distribution of the MLE with the increasing sample size as normal, in the sense that

$$\sqrt{n}(\hat{\boldsymbol{\beta}} - \boldsymbol{\beta}_0) \xrightarrow[n \rightarrow \infty]{d} \mathcal{N}(\mathbf{0}, I(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2)^{-1}),$$

### 3.5. Introducing Spatial Dependence: Generalized Estimating Equations (GEEs)

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where  $\boldsymbol{\beta}_0$  denotes the true value of  $\boldsymbol{\beta}$ , and

$$I(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2) = - \begin{pmatrix} E\left[\frac{\partial^2}{\partial \boldsymbol{\beta}_1 \partial \boldsymbol{\beta}_1^\top} \ell(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2 | \mathbf{x}_{st}, z_{st})\right] & E\left[\frac{\partial^2}{\partial \boldsymbol{\beta}_1 \partial \boldsymbol{\beta}_2^\top} \ell(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2 | \mathbf{x}_{st}, z_{st})\right] \\ E\left[\frac{\partial^2}{\partial \boldsymbol{\beta}_2 \partial \boldsymbol{\beta}_1^\top} \ell(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2 | \mathbf{x}_{st}, z_{st})\right] & E\left[\frac{\partial^2}{\partial \boldsymbol{\beta}_2 \partial \boldsymbol{\beta}_2^\top} \ell(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2 | \mathbf{x}_{st}, z_{st})\right] \end{pmatrix},$$

whose entries are given by the results of the above computations, Equations (3.38), (3.41) and (3.44). Complete computations for each component of the Fisher information are given in Appendix A;

- *Efficiency*, in the sense that no asymptotically unbiased estimator has a lower asymptotic mean squared error than the MLE (*i.e.* the *Cramér-Rao lower bound* is achieved when the sample size tends to infinity).

To ensure consistency, the following regularity conditions are sufficient:

1. *Identifiability*: Different parameter values of the model must correspond to different distributions in order to avoid observational equivalence, and ensure a unique global maximum;
2. *Continuity*: The log-likelihood function is continuous with respect to the parameter for almost all values in the support of the data;
3. *Dominance*: There exists an integrable function by which the log-likelihood function is bounded in absolute value for all values of the parameter space.

To establish asymptotic normality and efficiency of the MLEs in addition to consistency, the additional assumptions that the true value of the parameter lies in the interior of the parameter space, away from the boundary, and of twice-differentiability of the likelihood, and existence and nonsingularity of the Fisher information are required.

## 3.5 Introducing Spatial Dependence: Generalized Estimating Equations (GEEs)

For the case when correlation in the data arises due to clustered and repeated data, Liang & Zeger (1986) [LZ86] developed generalized estimating equations that require only the correct specification of the mean, and allow for flexibility in the assumption of a “working” dependence structure. The equations are an extension developed directly from the theory of quasi-likelihood and M-estimation for repeated, longitudinal, or otherwise correlated data.

### 3.5.1 Generalized Estimating Equations for the Spatial Zero-Inflated Poisson Model

To incorporate dependence, Dobbie & Welsh (2001) [DW01a] consider derived responses, which comprise an indicator variable for the absence-presence component and a count for the nonzero component, conditional on presence. They proceed to model the dependence of the observed  $z_{st}$  to determine what is implied about the dependence between the derived responses. For their two-component model, they consider a single variance-covariance matrix that takes the structure of a  $2T_s \times 2T_s$  block matrix: the variance behavior for each component lie along the diagonal, while the off-diagonal blocks describe the covariance behavior between the presence-absence component and the positive count component. They then argue that in assuming a dependence structure of an autoregressive process of order 1  $AR(1)$ , the unconditional variance does not depend on the covariance behavior between the two components, and thus set the off-diagonal blocks to zero. Furthermore, they use the argument that the consistency of the estimators depends only on the correct specification of the mean functions of the derived responses, and not on the correct choice of correlation matrices, resulting in correct point estimates and “robust” ([LZ86]) or “empirically-corrected”<sup>1</sup> standard errors. New estimating equations are then rederived, again via a quasi-likelihood approach, and the corresponding robust estimators for the variances of the parameter estimators are given.

Following Dobbie & Welsh (2001) [DW01a] and Diggle, Heagerty, Liang & Zeger (2002) [DHLZ02] in the setting of marginal models, we introduce dependence by extending the score equations to comprise a variance-covariance matrix. Diggle, Heagerty, Liang & Zeger (2002) [DHLZ02] show that for marginal models under appropriate parameterizations, the score equations assume a form of GEEs,

$$\left(\frac{\partial \boldsymbol{\mu}}{\partial \boldsymbol{\beta}}\right)^T \text{Var}(\mathbf{Z})^{-1} (\mathbf{z} - \boldsymbol{\mu}) = \mathbf{0}, \quad (3.45)$$

where  $\boldsymbol{\mu}(\cdot)$  denotes a mean function of the parameter  $\boldsymbol{\beta}$  through a link  $\mu_j = g^{-1}(\mathbf{x}_j^\top \boldsymbol{\beta})$  for each element of the vector  $\boldsymbol{\mu}$ .

Dobbie & Welsh (2001) [DW01a] consider a  $2T_s \times 2T_s$  variance-covariance matrix describing the total interaction for the derived responses, comprising a block each for the within presence-absence covariance, the nonzero covariance, and between covariances for the two components, to be inserted to a combined form of the estimating equations for their two-component model.

Spatial covariance models inserted via the marginal model approach may be postulated empirically by variogram fitting from the data prior to inclusion (for instance, using Matheron’s method of moments-based estimator given in Equation (1.3), discussed in Chapter 1), or may

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<sup>1</sup>This terminology of “empirically-corrected”, while different from that given in the original publication by Liang & Zeger (1986) [LZ86], is preferred and adopted in order to avoid confusion with literature on robust statistics.

### 3.5. Introducing Spatial Dependence: Generalized Estimating Equations (GEEs)

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be hypothesized from the rich class of existing spatio-temporal covariance models. Dobbie & Welsh (2001) [DW01a] fit variograms and use an autoregressive processes of order 1 *AR*(1) to model both their presence-absence and count components. In their approach, since all zeros are modeled separately from counts, a covariance form needs to be specified for the presence-absence component, as well as the positive counts; they set the covariances of their derived responses between the presence-absence components and the positive counts to zero, arguing that there is no loss in making this assumption according to findings from an evaluation imposing an *AR*(1) dependence structure.

In our model setting, keeping in mind the ecological motivation of species counts and our goal of distinguishing between the zero types, a covariance form need not necessarily be specified for the component corresponding to the mixing probability, since the occurrence of a structural zero and a sampling zero need not be coinfluential. The unsuitability of a measurement location for the habitation of the species (hence, resulting in a zero-valued observation) does not necessarily influence the failure to record a data measurement due to absence or inexperience of the data-gatherer, or birdwatcher (which also results in a zero-valued observation), and vice versa, nor does the effect of a sampling zero occurring from human error influence the suitability of the habitat of the species. Thus, via an ecological justification, the main covariance component of interest is that referring to the underlying stochastic process of the distribution of the species throughout the observation region, *i.e.* the Poisson component of the spatial ZIP model. In addition, since we adopt the quasi-likelihood methodology, it remains true that the consistency of the estimators depends only on the correct specification of the mean functions, and not on the correct choice of correlation matrices.

Extending the score equations  $S_{\beta_2}$  to include a spatial variance-covariance matrix  $\text{Var}(Z_{\text{Structural}})$  for the Poisson component of our spatial zero-inflated Poisson model, the quasi-score functions become

$$S_{\beta_2}^{\text{Quasi}} = \Delta_s \text{Var}(Z_{\text{Structural}})^{-1}(\mathbf{z} - \boldsymbol{\lambda}) = \mathbf{0}, \quad (3.46)$$

where  $\Delta_s = \mathbf{x}_s^\top \mathbf{D}_s$ , the derivative component of the score functions corresponding to  $\beta_2$ . The spatial variance-covariance matrix  $\text{Var}(Z_{\text{Structural}})$  is assumed to be of the form of Equation (3.7) above, with the inclusion of an overdispersion parameter  $\varphi$ , and a Matérn correlogram model with parameters  $\vartheta$  and  $\nu$  for the matrix  $\mathbf{R}(\vartheta, \nu)$  given by Definition 1.1.8,

$$\text{Var}(Z_{\text{Structural}}) = \Sigma(\vartheta, \nu) = \varphi \mathbf{V}_\mu^{1/2} \mathbf{R}(\vartheta, \nu) \mathbf{V}_\mu^{1/2}, \quad (3.47)$$

where the entries of the diagonal matrix  $\mathbf{V}_\mu^{1/2}$  are given by the square-root of some variance function  $\sqrt{\nu(\cdot)}$  for the Poisson component of the generalized linear model. In simulation studies, the variance function will be taken to be that commonly used for Poisson regression, *i.e.*  $\nu(\lambda_{st}) = \lambda_{st}$ , and we will implement a Matérn correlogram model with parameter values set to  $\nu = 1.5$  and  $\vartheta = 0.25$ .

### 3.5.2 Asymptotic Behavior

Liang & Zeger (1986) [LZ86] showed that when the marginal mean is correctly specified by means of a link function in the context of GLMs, under mild regularity conditions, the resulting estimator  $\hat{\beta}_2$  obtained from solving the augmented quasi-score function, Equation (3.46), is consistent and asymptotically normally distributed with mean  $\beta_2$  and asymptotic covariance matrix

$$\text{Var}(\hat{\beta}_2) = V_0^{-1} V_1 V_0^{-1} \quad (3.48)$$

$$\text{where } V_0 = \sum_{s=1}^n \frac{\partial \mu_s^\top}{\partial \beta_2} \text{Var}(Z_{\text{Structural}})_s^{-1} \frac{\partial \mu_s}{\partial \beta_2^\top} \quad (3.49)$$

$$V_1 = \sum_{s=1}^n \frac{\partial \mu_s^\top}{\partial \beta_2} \text{Var}(Z_{\text{Structural}})_s^{-1} \text{Var}(\mathbf{Z}) \text{Var}(Z_{\text{Structural}})_s^{-1} \frac{\partial \mu_s}{\partial \beta_2^\top}. \quad (3.50)$$

Formally, the asymptotic behavior of the resulting estimators derived from the generalized estimating equations, which take the form of the quasi-score functions in Equation (3.46), are guaranteed by the following theorem, the proof of which is given in the appendix of Liang & Zeger (1986) [LZ86].

**Theorem 3.5.1** (Liang & Zeger, 1986). *Under the mild regularity condition that a weighted average of the estimated correlation matrices converges to a fixed matrix, and given that*

1.  $\hat{\theta}$  is  $\sqrt{n}$ -consistent given  $\beta_2$  and  $\varphi$ , where  $\theta$  denotes the vector of parameters defining the matrix  $\text{Var}(Z_{\text{Structural}})$  given in Equation (3.47), which, in particular, comprises  $\beta_2$ ;
2.  $\hat{\varphi}$  is  $\sqrt{n}$ -consistent given  $\beta_2$ ; and
3.  $\left| \frac{\partial \hat{\theta}}{\partial \varphi} \right| \leq \sum_{s=1}^n \left| \mathbf{x}_s^\top \mathbf{D}_s \mathbf{V}_{\mu,s} \mathbf{D}_s \right|$  where  $\mathbf{D}_s$  is the diagonal matrix of the derivative components of the link function (as in Equation (3.30), for instance) and  $\mathbf{V}_{\mu,s}$  is the diagonal matrix composed of the variance functions, which is  $O_p(1)$ ;

then  $\sqrt{n}(\hat{\beta}_2 - \beta_{2,0})$  is asymptotically multivariate normal, with zero mean and covariance matrix given by Equation (3.48).

#### Increasing Domain versus Infill Asymptotics

In discussing asymptotic behavior in the spatial setting, there is the additional complication of two asymptotic frameworks to consider: that of *increasing domain* asymptotics, where the minimum distance between two locations is bounded away from zero, which means that the spatial domain  $\mathcal{D}$  is unbounded; and *infill* asymptotics, where  $\mathcal{D}$  remains bounded and fixed, and the observations occur more densely within.

### 3.5. Introducing Spatial Dependence: Generalized Estimating Equations (GEEs)

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The asymptotic framework plays a role in drawing conclusions on the performance of estimators, and thus needs to be taken into consideration when studying the asymptotic behavior of parameter estimates for spatial models. Under infill asymptotics, it has been shown by Ying (1991) [Yin91], Stein (1999) [Ste99], and Zhang (2004) [Zha04] that covariance parameter estimates are not consistent, while under the regularity conditions of continuity, growth and convergence of the Fisher information, it has been shown by Mardia & Marshall (1984) [MM84] that maximum likelihood estimators of spatial regression models are asymptotically normal under increasing domain asymptotics. Intuitively, this difference in performance is unsurprising since the level of spatial correlation depends upon the proximity of the neighboring sampling points and thus is expected to differ over the two types of domains  $\mathcal{D}$  associated with the two different frameworks. Chen, Simpson & Ying (2000) [CSY00] study the one-dimensional spatial Ornstein-Uhlenbeck model with additive white noise, where parameter estimates turn out to be consistent under both asymptotic frameworks, however converge at different rates, while Zhang & Zimmerman (2005) [ZZ05] discuss criteria and considerations in reconciling and comparing the performance of estimators under the two asymptotic frameworks.

In reference to the discussion above on the asymptotic behavior of the parameter estimates for the regression model, and to the discussion in Mardia & Marshall (1984), we expect the results derived by Liang & Zeger (1986) [LZ86] to hold for increasing domain asymptotics. However, since their derivation is based on the method of moments and depends only upon the correctness of the mean structure thus allowing the specification of a working correlation matrix, which is indeed allowed to be erroneous at the cost of only efficiency of the estimators whilst consistency and asymptotic normality are maintained (see Molenberghs & Verbeke (2005) [MV05] for further details), it may also be theoretically plausible to assume high spatial correlation under the framework of infill asymptotics as part of the working correlation structure, and still achieve the same asymptotic behavior.

The mild regularity condition specified in Liang & Zeger (1986) [LZ86] of the convergence of a weighted average of the estimated correlation matrices to a fixed matrix holds under the framework of increasing domain asymptotics. The proof of Theorem 3.5.1 relies upon studying the generalized estimating equations derived by considering quasi-score functions for marginal models, Equation (3.46), are rewritten by appealing to the theory of M-estimation, and considering the problem as a minimization of a generalized estimating function (Huber's  $\rho$ -function, which is the objective function that defines the roots of Equation (3.9)),

$$\sum_{s=1}^n \rho_{H,s}(\boldsymbol{\beta}_2, \widehat{\boldsymbol{\vartheta}}(\boldsymbol{\beta}_2)) = \mathbf{0}.$$

The proof then proceeds by noting that  $\sqrt{n}(\widehat{\boldsymbol{\beta}}_2 - \boldsymbol{\beta}_{2,0})$  can be approximated by

$$\left[ \sum_{s=1}^n -\frac{\partial}{\partial \boldsymbol{\beta}_2} \frac{\rho_{H,s}(\boldsymbol{\beta}_2, \boldsymbol{\vartheta}(\boldsymbol{\beta}_2))}{n} \right]^{-1} \left[ \sum_{s=1}^n \frac{\rho_{H,s}(\boldsymbol{\beta}_2, \boldsymbol{\vartheta}(\boldsymbol{\beta}_2))}{\sqrt{n}} \right], \quad (3.51)$$

where the derivative component  $\partial \rho_{H,s}(\boldsymbol{\beta}_2, \boldsymbol{\vartheta}(\boldsymbol{\beta}_2)) / \partial \boldsymbol{\beta}_2$  is computed by the chain rule. It is by considering a Taylor expansion of the objective function (generalized estimating equation) of the model, in the form of the approximation given in Equation (3.51), with respect to a fixed  $\boldsymbol{\beta}_2$  that provides the Hessian matrix at the second order, which is required to stabilize asymptotically.

The complete computation of the Hessian matrix and associated Fisher information matrix for the log-likelihood function of the zero-inflated Poisson generalized linear model is given in Appendix A, where we see that each component consists of a factor of  $\mathbf{x}_{st}\mathbf{x}_{st}^\top$ , the covariates associated with each sampling location, which will indeed tend to stabilize as the size of the domain  $\mathcal{D}$  increases, as long as more samples are taken uniformly throughout the increasing domain. Similarly, a weighted average will converge and stabilize, as the argument involving the Taylor expansion also applies to the correlated case: the term associated with the second-order expansion will now involve a weighted quadratic form of the Hessian matrix with the correlation matrix, which does not affect the inclusion of the factor of covariates  $\mathbf{x}_{st}\mathbf{x}_{st}^\top$  associated with each sampling point, which again, will increase and tend to stabilize with sample size as the domain expands and more samples are taken uniformly across the entire domain.

## 4 Simulation Studies

In this chapter, we present the results of simulation studies carried out using MATLAB to test the finite sample performance of the spatial zero-inflated Poisson generalized linear model developed in Chapter 3, both in the independent case, and the case comprising spatial correlation.

Recall that the set-up of the model consists in a vector  $\mathbf{x}_{st} \in \mathbf{R}^q$  of covariates for dimensions  $s = 1, \dots, n$  and  $t = 1, \dots, T_s$  locations. The linear combination  $\mathbf{x}_{st}^\top \boldsymbol{\beta}_j$ , where  $\boldsymbol{\beta}_j$  is a  $(q \times 1)$  vector, and  $j = 1, 2$  corresponds to the mixing probability of the zero-inflated Poisson model  $\alpha_{st}$  and the Poisson parameter  $\lambda_{st}$ , respectively. Observations  $Z_{st}$  under the spatial zero-inflated Poisson generalized linear model are distributed as

$$Z_{st} \sim \begin{cases} 0 & \text{with probability } \alpha_{st}, \\ \mathcal{P}(\lambda_{st}) & \text{with probability } 1 - \alpha_{st}. \end{cases} \quad (4.1)$$

We assume logistic and canonical link functions to model the mixing probability  $\alpha_{st}$  and the Poisson parameter  $\lambda_{st}$ , respectively,

$$g_1^{-1}(\alpha_{st}) = \text{logit}(\alpha_{st}) = \mathbf{x}_{st}^\top \boldsymbol{\beta}_1 \iff \alpha_{st} = \frac{1}{1 + \exp\{-\mathbf{x}_{st}^\top \boldsymbol{\beta}_1\}}, \quad (4.2)$$

$$g_2^{-1}(\lambda_{st}) = \log(\lambda_{st}) = \mathbf{x}_{st}^\top \boldsymbol{\beta}_2 \iff \lambda_{st} = \exp\{\mathbf{x}_{st}^\top \boldsymbol{\beta}_2\}. \quad (4.3)$$

Under these link functions, the log-likelihood function is given by

$$\begin{aligned} \ell(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2 | \mathbf{x}_{st}, z_{st}) &= \sum_{s,t: z_{st}=0} \log \left( \frac{1}{1 + \exp\{-\mathbf{x}_{st}^\top \boldsymbol{\beta}_1\}} + \frac{\exp\{-\mathbf{x}_{st}^\top \boldsymbol{\beta}_1\}}{1 + \exp\{-\mathbf{x}_{st}^\top \boldsymbol{\beta}_1\}} \exp\{-e^{\mathbf{x}_{st}^\top \boldsymbol{\beta}_2}\} \right) + \\ &\quad + \sum_{s,t: z_{st}>0} [ -\mathbf{x}_{st}^\top \boldsymbol{\beta}_1 - \log(1 + \exp\{-\mathbf{x}_{st}^\top \boldsymbol{\beta}_1\}) + z_{st} \mathbf{x}_{st}^\top \boldsymbol{\beta}_2 - \exp\{\mathbf{x}_{st}^\top \boldsymbol{\beta}_2\} - \log(z_{st}!) ]. \end{aligned} \quad (4.4)$$

## 4.1 On the Concavity of the Log-Likelihood Function

Recall that for the concavity of a multivariate function, we have the following definition.

**Definition 4.1.1.** An  $n \times n$  symmetric matrix  $A$  is **negative-definite** if for any vector  $\mathbf{v} \neq \mathbf{0} \in \mathbf{R}^n$ ,  $\mathbf{v}^\top A \mathbf{v} < 0$ . If the Hessian matrix  $H$  of a multivariate function  $f : \mathbf{R}^n \rightarrow \mathbf{R}^n$  is negative-definite for all  $\mathbf{x} \in \mathbf{R}^n$ , then the function  $f(\cdot)$  is **strictly concave**.

An analytic examination of the concavity of the log-likelihood function for the spatial zero-inflated Poisson generalized linear model thus amounts to studying the eigenvalues of the Hessian matrix, computed in Section 3.3.2 of Chapter 3, to determine negative-definiteness of the Hessian. Due to its complicated form, we opted for a numerical examination of the concavity by running several simulations with several different starting values chosen arbitrarily for all components of both  $\boldsymbol{\beta}_1$  and  $\boldsymbol{\beta}_2$  vectors. All simulations converged to the same value and returned the same proposed optimum, providing evidence on strict concavity of the log-likelihood function.

## 4.2 Simulation Design: Parameter Settings and Data Generation

The parameter and data generation settings are summarized in Table (4.1). The number of replicates for each simulation was set to 500; the number of samples and locations was set to 1000. We compute the mean and standard error of the parameter vectors  $\boldsymbol{\beta}_1$  and  $\boldsymbol{\beta}_2$  for each simulation. The trace of the Fisher information matrix are also computed to provide a measure of total information. Starting points for the maximization were set to 0 for all components of both vectors  $\boldsymbol{\beta}_1$  and  $\boldsymbol{\beta}_2$ .

Simulations were coded to test the finite sample performance under two covariate scenarios: that where  $\mathbf{x}_{st}$  is continuous for all  $s$  and all  $t$ , which we assume to be drawn from a standard normal distribution; and that where  $\mathbf{x}_{st}$  is continuous, but contaminated, with one vector being a linear combination of two others, with error. Each of these two covariate scenarios were simulated for the independent case (*i.e.* no spatial dependence is assumed); and the case comprising spatial dependence where an assumed Matérn covariance is imposed on the model. The empirical semivariogram by the Matheron method of moments was also computed for a lattice.

For each simulation, the dimension of unknown parameters (number of covariates provided) for both  $\boldsymbol{\beta}_1$  and  $\boldsymbol{\beta}_2$  was set to  $q = 5$ . For the independent case, since the Poisson component is expected to behave well as it is a well-studied Poisson generalized linear model, we thus aim to test the model's performance at detecting the values of the components of the parameter vector  $\boldsymbol{\beta}_1$  corresponding to the mixing probability that distinguishes between structural and sampling components of the model. Each of the five components  $\beta_{2k}$ ,  $k = 1, \dots, 5$ , then, of the parameter vector  $\boldsymbol{\beta}_2$  corresponding to the parameter  $\lambda_{st}$  was set to 0.3 for all simulations, in order to control the value of the observations of the generated data within reasonable

count values, in keeping with the motivating work of Dobbie & Welsh (2001) [DW01a] of rare species counts, the distribution of which is summarized in Table (4.14). In order to test the performance of parameter estimation under various levels of zero proportions of the parameter vector  $\boldsymbol{\beta}_1$  corresponding to the mixing probability  $\alpha_{st}$  between the zero point-mass probability and the Poisson component, we run four separate simulations for each case: one with all components  $\beta_{1k}$  set to 0,  $k = 1, \dots, 5$ , for equal weighting between the two probability components of the model; one with all components  $\beta_{1k}$  set to  $-2$ , for a low level of overdispersion over the entire spatial region and a model that is largely dominated by the structural (Poisson) component; one with all components  $\beta_{1k}$  set to 2,  $k = 1, \dots, 5$ , for a high level of overdispersion over the entire spatial region and a high proportion of zero observations; and one with varying components  $\beta_{11} = -1.5, \beta_{12} = -0.75, \beta_{13} = 0, \beta_{14} = 0.75, \beta_{15} = 1.75$ .

For the spatially-correlated case, we are interested in the performance of the estimators derived from the generalized estimating equations. Since we adopt the working correlation assumption to introduce spatial dependence only into the Poisson component of the model, for simulation studies relating to the spatially-correlated case, we fix the parameter vector  $\boldsymbol{\beta}_1$  pertaining to the mixing probability to be 0 for each of the five components,  $\beta_{1k}, k = 1, \dots, 5$ . We test two cases for the parameter vector of the spatial Poisson generalized linear model  $\boldsymbol{\beta}_2$ : one with all components  $\beta_{2k}$  set to 0.01,  $k = 1, \dots, 5$ ; and one with all components  $\beta_{2k}$  set to 0.25. From the point of view of our ecological application, imposing higher values on  $\boldsymbol{\beta}_2$  would result in higher counts of the species; in keeping with the motivation derived from the work of Dobbie & Welsh (2001) [DW01a], any values of  $\boldsymbol{\beta}_2$  higher than 0.3 generates flock sizes of noisy friarbirds that greatly exceed the data set, summarized in Table (4.14). From a computational point of view, for higher values of  $\boldsymbol{\beta}_2$ , the structural variance matrix quickly becomes computationally singular, and imposing a stricter tolerance level would result in unreasonable computation times on a standard computer.

### 4.3 The Independent Case

Under spatial independence the parameters were fitted via maximum likelihood estimation; the log-likelihood function was coded and the MATLAB function `fminsearch` was called. The function starts at a given initial estimate and proceeds to find the minimum of a scalar multivariate function via the simplex-search unconstrained nonlinear optimization of Lagarias, Reeds, Wright & Wright (1999) [LRWW99], which does not use numerical nor analytic gradients; the algorithm compares function values at the vertices of a general simplex, and replaces the vertex with the highest value of another point. The termination tolerance on the option `TolX` was set to  $1.0 \times 10^{-5}$ , and the maximum number of allowed function evaluations and iterations were both set to 5000.

Consistent with the average proportion of zeros observed for each simulation case, the trace of the Fisher information matrix reflects and confirms that less information is available (as shown by a smaller value of the trace) where there is a higher proportion of zero observations.

## Chapter 4. Simulation Studies

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Table 4.1: Parameter and Data Generation Settings for Simulation Studies on the Spatial Zero-Inflated Poisson Generalized Linear Model

Replications		500
Number of Covariates	$q$	5
Samples	$s$	1000
Starting Values	$\beta_1$	(0, 0, 0, 0, 0)
	$\beta_2$	(0, 0, 0, 0, 0)
Continuous Covariates		$X_{(s,q)} \sim \mathcal{N}(0, 1)$ for all columns $q = 1, \dots, 5$
Correlated Continuous Covariates		$X_{(s,q)} \sim \mathcal{N}(0, 1)$ for columns $q = 1, 2$ , $X_{(s,3)} = 0.9X_{(s,1)} + 0.8X_{(s,2)} + \varepsilon$ , with $\varepsilon \sim \mathcal{N}(0, 1)$ , $X_{(s,q)} \sim \mathcal{N}(0, 1)$ for columns $q = 4, 5$
Independent Case:	$\beta_1$	(0, 0, 0, 0, 0)
Mixing Probability Parameter		(-2, -2, -2, -2, -2)
	$\alpha_{st}$	(2, 2, 2, 2, 2)
		(-1.5, -0.75, 0, 0.75, 1.5)
Independent Case:	$\beta_2$	(0.3, 0.3, 0.3, 0.3, 0.3)
Poisson Component Parameter		
	$\lambda_{st}$	
Spatially-Correlated Case:	$\beta_1$	(0, 0, 0, 0, 0)
Mixing Probability Parameter		
	$\alpha_{st}$	
Spatially-Correlated Case:	$\beta_2$	(0.01, 0.01, 0.01, 0.01, 0.01)
Poisson Component Parameter		
	$\lambda_{st}$	

Table 4.2: Results of Simulation 1.1.1: Independent Case with Continuous Covariates and  $\beta_{10} = (0, 0, 0, 0, 0)$  Executed by Log-Likelihood Optimization.

Average Proportion of Observed Zeros: 0.6876

Average trace value of the Fisher information matrix: 3480.499

$\beta_{10}$	$\hat{\beta}_1$	Mean	Standard Error	$\beta_{20}$	$\hat{\beta}_2$	Mean	Standard Error
0	$\hat{\beta}_{11}$	-0.0007	0.099	0.3	$\hat{\beta}_{21}$	0.2999	0.050
0	$\hat{\beta}_{12}$	0.0056	0.105	0.3	$\hat{\beta}_{22}$	0.2999	0.051
0	$\hat{\beta}_{13}$	-0.0048	0.102	0.3	$\hat{\beta}_{23}$	0.2976	0.051
0	$\hat{\beta}_{14}$	-0.0050	0.105	0.3	$\hat{\beta}_{24}$	0.2980	0.049
0	$\hat{\beta}_{15}$	-0.0033	0.106	0.3	$\hat{\beta}_{25}$	0.2982	0.051

For both continuous as well as correlated continuous covariates, we see that the zero-inflated Poisson generalized linear model performs well in estimating each of the parameter vectors  $\beta_1$  and  $\beta_2$ , with relatively low standard errors, which indeed cover the true value of the parameter.

### 4.3. The Independent Case

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Table 4.3: Results of Simulation 1.1.2: Independent Case with Continuous Covariates and  $\beta_{10} = (-2, -2, -2, -2, -2)$  Executed by Log-Likelihood Optimization.

Average Proportion of Observed Zeros: 0.6059.

Average trace value of the Fisher information matrix: 5223.474.

$\beta_{10}$	$\hat{\beta}_1$	Mean	Standard Error	$\beta_{20}$	$\hat{\beta}_2$	Mean	Standard Error
-2	$\hat{\beta}_{11}$	-2.0723	0.341	0.3	$\hat{\beta}_{21}$	0.2986	0.036
-2	$\hat{\beta}_{12}$	-2.0832	0.336	0.3	$\hat{\beta}_{22}$	0.2999	0.033
-2	$\hat{\beta}_{13}$	-2.0845	0.342	0.3	$\hat{\beta}_{23}$	0.2962	0.034
-2	$\hat{\beta}_{14}$	-2.0791	0.342	0.3	$\hat{\beta}_{24}$	0.3014	0.036
-2	$\hat{\beta}_{15}$	-2.0932	0.334	0.3	$\hat{\beta}_{25}$	0.2988	0.035

Table 4.4: Results of Simulation 1.1.3: Independent Case with Continuous Covariates and  $\beta_{10} = (2, 2, 2, 2, 2)$  Executed by Log-Likelihood Optimization.

Average Proportion of Observed Zeros: 0.7661.

Average trace value of the Fisher information matrix: 1524.525.

$\beta_{10}$	$\hat{\beta}_1$	Mean	Standard Error	$\beta_{20}$	$\hat{\beta}_2$	Mean	Standard Error
2	$\hat{\beta}_{11}$	2.0762	0.288	0.3	$\hat{\beta}_{21}$	0.3030	0.069
2	$\hat{\beta}_{12}$	2.0670	0.282	0.3	$\hat{\beta}_{22}$	0.3056	0.071
2	$\hat{\beta}_{13}$	2.0759	0.303	0.3	$\hat{\beta}_{23}$	0.3100	0.066
2	$\hat{\beta}_{14}$	2.0571	0.306	0.3	$\hat{\beta}_{24}$	0.3084	0.067
2	$\hat{\beta}_{15}$	2.0908	0.305	0.3	$\hat{\beta}_{25}$	0.3094	0.070

Table 4.5: Results of Simulation 1.1.4: Independent Case with Continuous Covariates and  $\beta_{10} = (-1.5, -0.75, 0, 0.75, 1.5)$  Executed by Log-Likelihood Optimization.

Average Proportion of Observed Zeros: 0.6865.

Average trace value of the Fisher information matrix: 3363.702.

$\beta_{10}$	$\hat{\beta}_1$	Mean	Standard Error	$\beta_{20}$	$\hat{\beta}_2$	Mean	Standard Error
-1.5	$\hat{\beta}_{11}$	-1.5392	0.191	0.3	$\hat{\beta}_{21}$	0.2958	0.042
-0.75	$\hat{\beta}_{12}$	-0.7707	0.158	0.3	$\hat{\beta}_{22}$	0.2982	0.044
0	$\hat{\beta}_{13}$	0.0025	0.145	0.3	$\hat{\beta}_{23}$	0.3004	0.046
0.75	$\hat{\beta}_{14}$	0.7608	0.161	0.3	$\hat{\beta}_{24}$	0.3020	0.046
1.5	$\hat{\beta}_{15}$	1.5251	0.189	0.3	$\hat{\beta}_{25}$	0.3013	0.047

We note in particular that the model performs well in estimating the parameter vector  $\beta_1$  that corresponds to the specification of the mixing probability  $\alpha_{st}$ , which thus provides a satisfactory plausibility to fix the parameter vector  $\beta_1$  and test the performance of the model comprising dependence for the spatially-correlated case in recovering values of the parameter vector  $\beta_2$ , corresponding to the Poisson parameter of the structural component of the model.

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Table 4.6: Results of Simulation 1.2.1: Independent Case with Correlated Continuous Covariates and  $\beta_{10} = (0, 0, 0, 0, 0)$ .

Average Proportion of Observed Zeros: 0.6902.

Average trace value of the Fisher information matrix: 7102.923.

$\beta_{10}$	$\hat{\beta}_1$	Mean	Standard Error	$\beta_{20}$	$\hat{\beta}_2$	Mean	Standard Error
0	$\hat{\beta}_{11}$	0.0128	0.127	0.3	$\hat{\beta}_{21}$	0.3058	0.058
0	$\hat{\beta}_{12}$	0.0063	0.123	0.3	$\hat{\beta}_{22}$	0.3027	0.055
0	$\hat{\beta}_{13}$	-0.0089	0.092	0.3	$\hat{\beta}_{23}$	0.2959	0.042
0	$\hat{\beta}_{14}$	0.0023	0.100	0.3	$\hat{\beta}_{24}$	0.2992	0.043
0	$\hat{\beta}_{15}$	0.0005	0.096	0.3	$\hat{\beta}_{25}$	0.2990	0.041

Table 4.7: Results of Simulation 1.2.2: Independent Case with Correlated Continuous Covariates and  $\beta_{10} = (-2, -2, -2, -2, -2)$ .

Average Proportion of Observed Zeros: 0.5851.

Average trace value of the Fisher information matrix: 12282.843.

$\beta_{10}$	$\hat{\beta}_1$	Mean	Standard Error	$\beta_{20}$	$\hat{\beta}_2$	Mean	Standard Error
-2	$\hat{\beta}_{11}$	-1.9807	0.750	0.3	$\hat{\beta}_{21}$	0.3027	0.055
-2	$\hat{\beta}_{12}$	-2.0167	0.748	0.3	$\hat{\beta}_{22}$	0.3008	0.040
-2	$\hat{\beta}_{13}$	-2.0954	0.498	0.3	$\hat{\beta}_{23}$	0.2967	0.031
-2	$\hat{\beta}_{14}$	-2.0512	0.592	0.3	$\hat{\beta}_{24}$	0.2999	0.030
-2	$\hat{\beta}_{15}$	-2.0595	0.581	0.3	$\hat{\beta}_{25}$	0.3009	0.029

Table 4.8: Results of Simulation 1.2.3: Independent Case with Correlated Continuous Covariates and  $\beta_{10} = (2, 2, 2, 2, 2)$ .

Average Proportion of Observed Zeros: 0.7950.

Average trace value of the Fisher information matrix: 1437.576.

$\beta_{10}$	$\hat{\beta}_1$	Mean	Standard Error	$\beta_{20}$	$\hat{\beta}_2$	Mean	Standard Error
2	$\hat{\beta}_{11}$	2.0957	0.474	0.3	$\hat{\beta}_{21}$	0.2944	0.108
2	$\hat{\beta}_{12}$	2.0964	0.464	0.3	$\hat{\beta}_{22}$	0.3022	0.096
2	$\hat{\beta}_{13}$	2.0992	0.365	0.3	$\hat{\beta}_{23}$	0.3079	0.077
2	$\hat{\beta}_{14}$	2.0851	0.380	0.3	$\hat{\beta}_{24}$	0.2965	0.073
2	$\hat{\beta}_{15}$	2.1074	0.383	0.3	$\hat{\beta}_{25}$	0.3056	0.074

### 4.3.1 Computing the Empirical Semivariogram

For the lattice case, we demonstrate how the Matheron method of moments estimator for the semivariogram is computed. For 1000 observations, we assumed a  $25 \times 40$  lattice and partitioned the observation vector corresponding to simulated data for Simulation 1.1.1 across the lattice to assign an observation to each point. The empirical semivariogram was then

Table 4.9: Results of Simulation 1.2.4: Independent Case with Correlated Continuous Covariates and  $\beta_{10} = (-1.5, -0.75, 0, 0.75, 1.75)$ .

Average Proportion of Observed Zeros: 0.6688.

Average trace value of the Fisher information matrix: 9054.700.

$\beta_{10}$	$\hat{\beta}_1$	Mean	Standard Error	$\beta_{20}$	$\hat{\beta}_2$	Mean	Standard Error
-1.5	$\hat{\beta}_{11}$	-1.4754	0.264	0.3	$\hat{\beta}_{21}$	0.3025	0.051
-0.75	$\hat{\beta}_{12}$	-0.7233	0.215	0.3	$\hat{\beta}_{22}$	0.3016	0.048
0	$\hat{\beta}_{13}$	-0.0267	0.166	0.3	$\hat{\beta}_{23}$	0.2966	0.039
0.75	$\hat{\beta}_{14}$	0.7673	0.167	0.3	$\hat{\beta}_{24}$	0.3011	0.037
1.5	$\hat{\beta}_{15}$	1.5211	0.202	0.3	$\hat{\beta}_{25}$	0.3047	0.041

computed according to Equation (1.3):

$$\hat{\gamma}(\|\mathbf{h}\|) = \frac{1}{2|s(\|\mathbf{h}\|)|} \sum_{(\mathbf{s}_i, \mathbf{s}_j) \in s(\|\mathbf{h}\|)} (Z(\mathbf{s}_i) - Z(\mathbf{s}_j))^2$$

The Matheron method of moments empirical semivariogram is plotted against the distances between points on the lattice in Figure 4.1. The flatness of the form is due to the independence of the data, and reveals a variance of 1.5, which will be adopted for the value of the overdispersion of the process in defining the spatial variance-covariance matrix to be inserted in the quasi-score functions (to thus obtain the GEEs) associated with the parameter vector  $\beta_2$ , Equation (3.47).

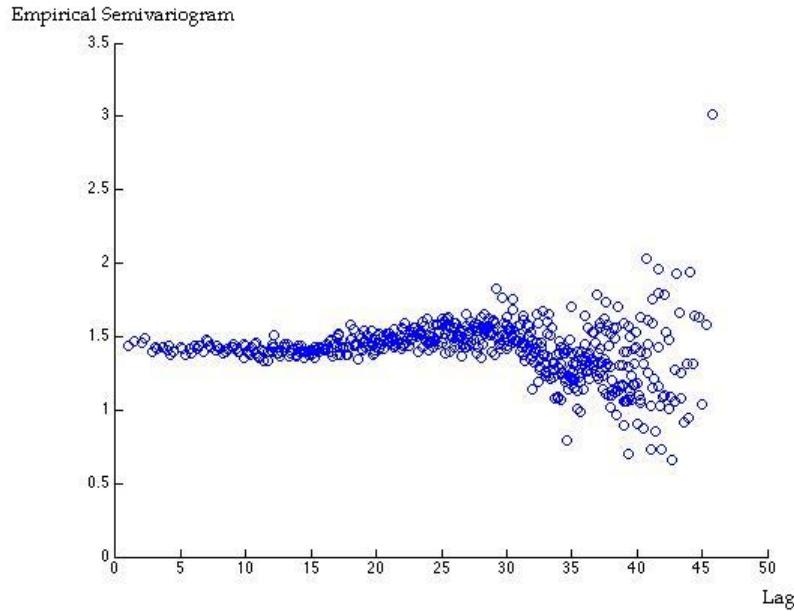


Figure 4.1: Matheron method of moments empirical semivariogram for the independent case.

## 4.4 The Spatially-Correlated Case: The Matérn Correlogram

To incorporate spatial dependence into the model, as discussed in Section 3.5 of Chapter 3, we augment the quasi-score functions associated with the parameter vector  $\boldsymbol{\beta}$ , which corresponds to the Poisson component of the model. This gives GEEs for the Poisson component of the model which take the form of Equation (3.46),

$$S_{\boldsymbol{\beta}_2}^{\text{Quasi}} = \Delta_s \text{Var}(Z_{\text{Structural}})^{-1}(\mathbf{z} - \boldsymbol{\lambda}) = \mathbf{0}, \quad (4.5)$$

where  $\Delta_s = \mathbf{x}_s^\top \mathbf{D}_s$ , the derivative component of the score functions corresponding to  $\boldsymbol{\beta}_2$  with  $\mathbf{x}_s = (\mathbf{x}_{s1}, \dots, \mathbf{x}_{sT_s})^\top$  and  $\mathbf{D}_s$  is given by Equation (3.30). The variance matrix of the structural (Poisson) component is given by Equation (3.47),

$$\text{Var}(Z_{\text{Structural}}) = \Sigma(\varphi, \boldsymbol{\lambda}, \vartheta, \nu) = \varphi \mathbf{V}_\mu^{1/2} \mathbf{R}(\vartheta, \nu) \mathbf{V}_\mu^{1/2}, \quad (4.6)$$

where the entries of the diagonal matrix  $\mathbf{V}_\mu^{1/2}$  are given by the square root of the variance function  $\sqrt{\nu(\cdot)}$  for the Poisson component of the generalized linear model, for which we assumed the canonical link, so

$$\sqrt{\nu(\boldsymbol{\beta}_2)} = \sqrt{\exp\{\mathbf{x}_{st}^\top \boldsymbol{\beta}_2\}}. \quad (4.7)$$

We implement a Matérn correlogram for the matrix  $\mathbf{R}(\vartheta, \nu)$ , given by a version of Definition 1.1.8 scaled by the variance of the process. It was remarked that when  $\nu = 1.5$ , the Matérn covariogram takes the convenient closed form of Equation (1.1); the correlogram for when  $\nu = 1.5$  becomes

$$r(\|\mathbf{h}\|) = (1 + \vartheta \|\mathbf{h}\|) e^{-\vartheta \|\mathbf{h}\|} \text{ for } \|\mathbf{h}\| > 0. \quad (4.8)$$

Taking advantage of the quasi-likelihood theory that needs only working assumptions (that is, they need not be correct) of the covariance structure, for the simulation studies, we will assume a value of  $\nu = 1.5$  and an arbitrarily-chosen value of  $\vartheta = 0.25$ . Finally, as mentioned previously in Section 4.3, the overdispersion parameter value will be set to  $\varphi = 1.5$ .

As for the score functions associated with the parameter vector  $\boldsymbol{\beta}_1$ , which pertain to the mixing probability  $\alpha_{st}$ , we will take advantage of the lenience on the second-order structure property of the quasi-likelihood theory and adopt the working assumption to leave them as is, of the form of Equation (3.27). Moreover, as discussed in Section 3.5 of Chapter 3, this is a valid working assumption, not just technically in terms of what quasi-likelihood theory allows, but also motivated from an ecological application, or just from common sense: zero-valued observations that arise from human or measurement error (sampling zeros), in principle, does not affect zero-valued observations that arise from underlying characteristics of the stochastic process explaining the nonzero observations (structural zeros).

#### 4.4. The Spatially-Correlated Case: The Matérn Correlogram

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The new score equations to be solved simultaneously allowing for spatial correlation, then, are

$$S_{\beta_1} = \sum_{s,t} \alpha_{st} \left( \frac{(1 - \alpha_{st})}{\text{Prob}(Z_{st} = 0)} (1 - e^{-\lambda_{st}}) \mathbf{1}(z_{st} = 0) - \mathbf{1}(z_{st} > 0) \right) \mathbf{x}_{st} = \mathbf{0}, \quad (4.9)$$

$$S_{\beta_2}^{\text{Quasi}} = \Delta_s (\varphi \mathbf{V}_\mu^{1/2} \mathbf{R}(\vartheta, \nu) \mathbf{V}_\mu^{1/2})^{-1} (\mathbf{z} - \boldsymbol{\lambda}) = \mathbf{0}. \quad (4.10)$$

As discussed in Chapter 3, in order to use an optimization algorithm that comprises use of the gradient, both score equations, Equations (4.9) and (4.10), need to be solved simultaneously due to interdependence. Implementation in MATLAB requires the function `fsoolve` which searches for roots using a Newton method, while in R, the equivalent functions and packages are `nleqslv` in the package `nleqslv`, `multirroot` in the package `rootSolve`, and `sane` in the package `BB` solves large systems of nonlinear equations via nonmonotone Barzilai-Borwein spectral methods. Optimization by searching for simultaneous solutions of the two score equations is a significantly more difficult task that is vastly more computationally intensive than by searching for the optimum of the log-likelihood function, which limits the application of the model on standard computers. A technical direction for improvement would then be to investigate more efficient methods of computation, and explore results of the domains of numerical analysis and optimization towards the end of increased computational efficiency. The results presented below are the estimates from one iteration of each covariate scenario and parameter setting, numerous iterations would most certainly require access to a computing cluster.

The component (block matrix) of the Fisher information matrix corresponding to the mixing probability  $\alpha_{st}$  is given by Equation (3.38), while the variance of the corresponding to the Poisson component of the model with the augmented score function is given by

$$\text{Var}(\hat{\beta}_2) = V_0^{-1} V_1 V_0^{-1} \quad (4.11)$$

$$\text{where } V_0 = \frac{\partial \boldsymbol{\mu}_s^\top}{\partial \beta_2} \text{Var}(Z_{\text{Structural}})_s^{-1} \frac{\partial \boldsymbol{\mu}_s}{\partial \beta_2^\top} \quad (4.12)$$

$$V_1 = \frac{\partial \boldsymbol{\mu}_s^\top}{\partial \beta_2} \text{Var}(Z_{\text{Structural}})_s^{-1} \text{Var}(\mathbf{Z}) \text{Var}(Z_{\text{Structural}})_s^{-1} \frac{\partial \boldsymbol{\mu}_s}{\partial \beta_2^\top}. \quad (4.13)$$

The empirical variance-covariance of the outcome vector  $\text{Var}(\mathbf{Z})$  is given by  $(\mathbf{z} - \boldsymbol{\lambda})(\mathbf{z} - \boldsymbol{\lambda})^\top$ .

We see that despite the extended computation time and the intrinsic difficulty of the problem of finding roots for a 10-variate function, the model was able to recover values for both parameter vectors  $\beta_1$  and  $\beta_2$  quite well under both covariate scenarios. The recovery of parameter values for the parameter vector  $\beta_{20}$  where all components were set to 0.01 was less precise on different magnitudes, as the true parameter values are close to zero on an order of two decimal places while the recovered estimates are close on an order of nine.

Upon closer investigation, we see that small values of  $\beta_2$  generate values of  $\log(\lambda_{st})$  that are also small, hence close to zero. This results in values of the parameter corresponding to the

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Table 4.10: Results of Simulation 2.1.1: Spatially-Correlated Case with Continuous Covariates and  $\beta_{20} = (0.01, 0.01, 0.01, 0.01, 0.01)$ .

$\beta_{10}$	$\hat{\beta}_1$	Estimate	$\beta_{20}$	$\hat{\beta}_2$	Estimate
0	$\hat{\beta}_{11}$	$-1.60 \times 10^{-09}$	0.01	$\hat{\beta}_{21}$	$1.57 \times 10^{-09}$
0	$\hat{\beta}_{12}$	$2.89 \times 10^{-10}$	0.01	$\hat{\beta}_{22}$	$1.22 \times 10^{-09}$
0	$\hat{\beta}_{13}$	$1.56 \times 10^{-09}$	0.01	$\hat{\beta}_{23}$	$1.24 \times 10^{-09}$
0	$\hat{\beta}_{14}$	$-2.61 \times 10^{-11}$	0.01	$\hat{\beta}_{24}$	$3.07 \times 10^{-09}$
0	$\hat{\beta}_{15}$	$2.01 \times 10^{-09}$	0.01	$\hat{\beta}_{25}$	$1.31 \times 10^{-09}$

Table 4.11: Results of Simulation 2.1.2: Spatially-Correlated Case with Continuous Covariates and  $\beta_{20} = (0.25, 0.25, 0.25, 0.25, 0.25)$ .

$\beta_{10}$	$\hat{\beta}_1$	Estimate	$\beta_{20}$	$\hat{\beta}_2$	Estimate
0	$\hat{\beta}_{11}$	$4.58 \times 10^{-06}$	0.25	$\hat{\beta}_{21}$	$2.478870 \times 10^{-01}$
0	$\hat{\beta}_{12}$	$-2.12 \times 10^{-06}$	0.25	$\hat{\beta}_{22}$	$2.489999 \times 10^{-01}$
0	$\hat{\beta}_{13}$	$2.07 \times 10^{-06}$	0.25	$\hat{\beta}_{23}$	$2.478930 \times 10^{-01}$
0	$\hat{\beta}_{14}$	$1.47 \times 10^{-06}$	0.25	$\hat{\beta}_{24}$	$2.500003 \times 10^{-01}$
0	$\hat{\beta}_{15}$	$-2.74 \times 10^{-06}$	0.25	$\hat{\beta}_{25}$	$2.500120 \times 10^{-01}$

Table 4.12: Results of Simulation 2.2.1: Spatially-Correlated Case with Correlated Continuous Covariates and  $\beta_{20} = (0.01, 0.01, 0.01, 0.01, 0.01)$ .

$\beta_{10}$	$\hat{\beta}_1$	Estimate	$\beta_{20}$	$\hat{\beta}_2$	Estimate
0	$\hat{\beta}_{11}$	$3.08 \times 10^{-10}$	0.01	$\hat{\beta}_{21}$	$3.86 \times 10^{-09}$
0	$\hat{\beta}_{12}$	$2.26 \times 10^{-09}$	0.01	$\hat{\beta}_{22}$	$1.42 \times 10^{-09}$
0	$\hat{\beta}_{13}$	$3.80 \times 10^{-09}$	0.01	$\hat{\beta}_{23}$	$7.07 \times 10^{-09}$
0	$\hat{\beta}_{14}$	$-6.13 \times 10^{-10}$	0.01	$\hat{\beta}_{24}$	$-6.92 \times 10^{-09}$
0	$\hat{\beta}_{15}$	$-5.57 \times 10^{-09}$	0.01	$\hat{\beta}_{25}$	$-2.76 \times 10^{-09}$

Table 4.13: Results of Simulation 2.2.2: Spatially-Correlated Case with Correlated Continuous Covariates and  $\beta_{20} = (0.25, 0.25, 0.25, 0.25, 0.25)$ .

$\beta_{10}$	$\hat{\beta}_1$	Estimate	$\beta_{20}$	$\hat{\beta}_2$	Estimate
0	$\hat{\beta}_{11}$	$-1.40 \times 10^{-10}$	0.25	$\hat{\beta}_{21}$	$2.500214 \times 10^{-1}$
0	$\hat{\beta}_{12}$	$3.18 \times 10^{-09}$	0.25	$\hat{\beta}_{22}$	$2.499769 \times 10^{-1}$
0	$\hat{\beta}_{13}$	$-7.89 \times 10^{-09}$	0.25	$\hat{\beta}_{23}$	$2.500119 \times 10^{-1}$
0	$\hat{\beta}_{14}$	$-2.96 \times 10^{-10}$	0.25	$\hat{\beta}_{24}$	$2.499974 \times 10^{-1}$
0	$\hat{\beta}_{15}$	$3.18 \times 10^{-09}$	0.25	$\hat{\beta}_{25}$	$2.500137 \times 10^{-1}$

structural component of the model, the Poisson parameter,  $\lambda_{st} = \exp\{\mathbf{x}_{st}^\top \boldsymbol{\beta}_2\}$ , which are close to 1. Poisson random variables with a parameter value of 1 tend to be small, with a large proportion of zeros, thereby increasing the overall proportion of zeros in the data, which,

Table 4.14: Distribution of Flock Size of Weekly Observations of Noisy Friarbirds Between 1 July 1992 and 30 June 1997 at 82 Sites in Canberra, Australia

Flock Size	0	1	2	3	4	5	6	7	8	>8
Proportion	0.683	0.136	0.111	0.031	0.018	0.007	0.007	0.001	0.003	0.002

despite the model's satisfactory performance in distinguishing the structural and sampling components exemplified in the simulation studies run for the independent case, nevertheless creates difficulty in extracting information on the process.

## 4.5 Example: Counts of Noisy Friarbirds

We were unable to obtain the actual motivating data set on counts of noisy friarbirds belonging to the Canberra Ornithologists' Group and analyzed by Dobbie & Welsh (2001) [DW01a] in order to fit our developed quasi-likelihood generalized linear model for zero-inflated spatial count data, although we are interested in examining the model's performance under a real-data scenario. Towards this end, we now provide an example of our model fit to a data set constructed by extrapolating from descriptions of and information on the data set provided in Dobbie & Welsh (2001) [DW01a]. The actual distribution of the size of flocks of weekly observations of noisy friarbirds between 1 July 1992 and 30 June 1997 at 82 sites in Canberra, Australia, given in the reference is given in Table (4.14); it is also mentioned that a total of 8504 noisy friarbirds were counted over the portion of the data set of 5 years selected for analysis, and that the largest flock size consisted of 15 birds.

While the focus of Dobbie & Welsh (2001) [DW01a] was to study temporal and seasonal trends in the flock size of noisy friarbirds, our main focus is on the spatial distribution and thus we will consider the counts for one given week. In particular, we will assume that the week in consideration is the one where the largest flock of 15 birds was observed, and distribute the number of remaining sites where flocks of 1 through 8 birds were observed and counted accordingly, in keeping with the proportions given in Dobbie & Welsh (2001) [DW01a].

In Dobbie & Welsh (2001) [DW01a], it was noted that the street addresses of the suburban locations where the birds were observed were also provided in the original data set, but not converted into geographical coordinates, and as such were not provided in the reference. However, given the information that the locations were suburban and that street addresses were provided, we can plausibly assume that the locations lie on a lattice, hinting at a street block-structure by which some suburbs are organized. We will consider 80 locations, in order to construct a regular  $8 \times 10$  lattice of locations.

Out of 80 locations, to mimick the information provided on the data in Dobbie & Welsh (2001) [DW01a], we will take 54 sites to count zero observations, which gives a proportion of 0.675 of zeros; of the remaining 26 sites where observations are nonzero, 1 will count a flock of

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Table 4.15: Constructed Distribution of Flock Size of Observations of Noisy Friarbirds for 1 Week at 80 Sites

Flock Size	0	1	2	3	4	5	6	...	15
Number of Locations	54	10	8	3	2	1	1	0	1
Proportion	0.675	0.125	0.1	0.0375	0.025	0.0125	0.0125	0	0.0125

15 noisy friarbirds, leaving 25 to associate flock sizes of 1 through 8 in accordance with the true proportions given in Table (4.14), in Dobbie & Welsh (2001) [DW01a]. The distribution of counts for our constructed data set is summarized in Table (4.15).

Since no information was provided in Dobbie & Welsh (2001) [DW01a] on the covariates other than that a selection of what was provided in the original data set supplied by the Canberra Ornithologists' Group, we will generate them randomly according to the simulation studies previously performed, and assume 5 continuous standard normal covariates provided at each location, and thus parameter vectors  $\beta_1 \in \mathbf{R}^5$  and  $\beta_2 \in \mathbf{R}^5$  for the sampling and structural components of the model, respectively.

Concerning the spatial covariance structure, no details were provided in Dobbie & Welsh (2001) [DW01a] on the distribution of the counts over the spatial region, however, they adopt the working assumption of an autoregressive correlation structure  $AR(1)$ . For our constructed data example, we will distribute the constructed counts presented in Table (4.15) over the lattice and to increase the plausibility of the existence of a spatial dependence structure, instead of randomly distributing the nonzero counts across the matrix, we will assume that the locations where the counts are high lie in the upper left-hand corner of the lattice, and arrange the counts to suggest positive spatial dependence. We segment the larger lattice into a  $2 \times 2$  block matrix, with dimensions of the  $(1, 1)$  block are  $5 \times 6$ , those of the  $(1, 2)$  block are  $5 \times 4$ , those of the  $(2, 1)$  block are  $3 \times 6$ , and those of the  $(2, 2)$  block are  $3 \times 4$ ; each of the  $(1, 2)$ ,  $(2, 1)$  and  $(2, 2)$  matrices have all elements equal to zero, while the  $(1, 1)$  block has the following configuration:

$$\begin{pmatrix} 4 & 6 & 3 & 2 & 1 & 1 \\ 5 & 15 & 3 & 2 & 1 & 0 \\ 4 & 3 & 2 & 2 & 1 & 0 \\ 2 & 2 & 2 & 2 & 1 & 0 \\ 1 & 1 & 1 & 1 & 1 & 0 \end{pmatrix}$$

Although this configuration does not suggest a weakly dependent nor isotropic correlation structure, we will nevertheless take advantage of the lenience on the second-order structure property of the quasi-likelihood and GEE theory to adopt the working assumption of a Matérn correlation structure, as specified in Equation (4.8), with  $\varphi = 1.5$ ,  $\nu = 1.5$  and  $\vartheta = 0.25$ , in keeping with the design of our simulation studies.

The results for the estimated parameter values recovered by the model are given in Table

(4.16). For the constructed data, the model estimates values of the components of  $\boldsymbol{\beta}_1$  close to zero, which corresponds to a value for the mixing probability  $\alpha_{st}$  of 0.5, suggesting that half of the total probability model that generates the data is driven by the degenerate point-mass distribution, while the other half is driven by a Poisson distribution with parameter given by  $\lambda_{st} = \exp\{\mathbf{x}_{st}^\top \boldsymbol{\beta}_2\}$ , where two of the components of the estimates are fairly low at two decimal places away from zero, while the other three components are similar to the values that were specified in the simulation design, which were chosen specifically to simulate data (counts or flock sizes) that were similar to the data observed in Dobbie & Welsh (2001) [DW01a], as mentioned earlier. Moreover, we see from the results of Simulation 1.1.1 in Table (4.2), the scenario that most closely resembles the parameter estimates recovered from the constructed noisy friarbird data, that the average proportion of observed zeros is 0.6876, which is close to that in the constructed data, 0.675. Since the parameter estimates recovered on the constructed data set are similar to those used in the simulation studies, which indicated that the model performs well, we conclude that the recovered parameter estimates on the constructed data set in this example are satisfactory and likely to be close to the true parameters that generate such observations for noisy friarbirds.

Table 4.16: Parameter Estimates for Constructed Noisy Friarbird Data.

$\hat{\boldsymbol{\beta}}_1$	Estimate	$\hat{\boldsymbol{\beta}}_2$	Estimate
$\hat{\beta}_{11}$	-0.005	$\hat{\beta}_{21}$	0.12
$\hat{\beta}_{12}$	-0.023	$\hat{\beta}_{22}$	0.06
$\hat{\beta}_{13}$	-0.074	$\hat{\beta}_{23}$	0.32
$\hat{\beta}_{14}$	-0.022	$\hat{\beta}_{24}$	0.31
$\hat{\beta}_{15}$	0.010	$\hat{\beta}_{25}$	0.04



## 5 Generating Point Processes for Zero-Inflated Spatial Data

In Section 1.3 of Chapter 1, the class of point pattern spatial data was introduced, where the elements of a bounded region  $\mathcal{D}$ , the locations  $\mathbf{s}_i$ ,  $i = 1, 2, \dots, n$ , occur randomly. As a data set, these locations may feature patterns in their occurrence; the locations may exhibit complete randomness, clustering, repulsion, or other regular pattern structures. A *point process* on  $\mathbf{R}^d$  is mathematically defined as a random variable  $N$  taking values in a measurable space  $(\mathbf{N}, \mathcal{X})$ , where  $\mathbf{N}$  is the collection of all sequences  $\{\mathbf{s}_i\}$  of points satisfying the *local finiteness condition*, meaning that each bounded subset of  $\mathbf{R}^d$  contains only finitely many points. The  $\sigma$ -algebra  $\mathcal{X}$  is defined as the smallest  $\sigma$ -algebra of subsets of  $\mathbf{N}$  that defines the mappings  $\varphi \mapsto \varphi(x)$ , with  $x$  varying across the bounded Borel sets.

Augmenting this spatial location process to now allow covariate information to be associated with each location, and observations to be measured at each location, generates *marked point processes*. Marked point pattern analysis entails not only the study of collections of objects randomly positioned in space, but also the *marks* associated with each object. These marks provide additional information on each individual object (location) and may be *quantitative* (continuous) or *qualitative* (discrete or categorical). The analysis and modeling of marked point processes are often complex; one reason for this is that locations and marks are often correlated. Examples of this behavior arise in many fields of science: in ecology, the number of counts of a species occurring at a location may be affected by the availability and competition for resources for survival at the location; in physics, the rotation velocity or strength of the magnetic field of a supermassive black hole may depend on its location and the proximity of other astrophysical objects in the sky. Another difficulty is the increased number of parameters and moment structures since we are dealing with a combination of random processes and the structures need to be defined for both components.

With the aim of constructing an algorithm for the simulation of zero-inflated Poisson processes in space, in this chapter, we focus on the case of qualitative marked point processes. We outline the foundations of and simulation algorithms for spatial point processes in the stationary setting, and build on this compound structure and existing generation methods to motivate a mixed, marked spatial point process to describe the behavior of spatially-varying species

that are sited rarely in our ecological application. We propose stochastic zero-abundant mark generation mechanisms for random locations, as well as for lattices.

## 5.1 Marked Point Processes

We will first outline in this section some basic theory on marked point processes to provide the foundation for the models proposed in this chapter. What follows may be found in references by Cox & Isham (1980) [CI80], Diggle (1983) [Dig83], Stoyan, Kendall & Mecke (1987) [SKM87], Daley & Vere-Jones (2003) [DVJ88], Møller & Waagepetersen (2007) [MW07], Illian, Penttinen, Stoyan & Stoyan (2008) [IPSS08] and Schneider & Weil (2008) [SW08], and in the book Case Studies in Spatial Point Process Modeling (2006) [BGM<sup>+</sup>06], for example.

**Definition 5.1.1.** Let  $N$  be a point process on  $B \subseteq \mathcal{D}$ . A **marked point process**  $Z$  is a sequence

$$Z = \{(\mathbf{s}_i, m(\mathbf{s}_i)) : \mathbf{s}_i \in N\},$$

with points in  $B$  and **mark space**  $\mathcal{M}$ , where  $m(\mathbf{s}_i) \in \mathcal{M}$  denotes the random mark attached to the point (location)  $\mathbf{s}_i \in B$ .

We consider  $\mathcal{M}$  to be a finite set or subset of  $\mathbf{R}^d$ , although more general cases exist and are discussed by Stoyan & Stoyan (1994) [SS94] and Schlather (2001) [Sch01]. *Multitype* point processes arise when  $\mathcal{M} = \{1, 2, \dots, k\}$ , i.e. when the marks correspond to  $k$  different categories of points; more general point processes may be reduced to multitype point processes by binning the mark space  $\mathcal{M}$  accordingly. Multitype point processes are equivalent to multivariate point processes when a  $k$ -tuple  $(Z_1, Z_2, \dots, Z_k)$  of point processes  $Z_1, Z_2, \dots, Z_k$  corresponds to  $k$  distinct types of points.

### 5.1.1 Marking Models

*Marking models* describe the behavior of the marks of a point pattern either *a posteriori*, which explains how the marks in a pattern may have arisen given the marks, or *a priori*, which explains how the marked points may have been generated. There has been much development on marking models to describe a wide range of behavior relevant in various applications, including ecology and forestry where interest lies in the evolution of plant communities and tree populations depending on their growth in the presence of competition for resources. Some propositions may be found in Pacala, Canham & Silander (1993) [PCS93], Adler (1996) [Adl96], Berger & Hildenbrandt (2000) [BH00], Bugmann (2001) [Bug01], Dubé, Fortin, Canham & Marceau (2001), Pretzsch (2002) [Pre05], Uriarte, Condit, Canham & Hubbell (2004) [UCCH04], Särkkä & Renshaw (2006) [SR06], and Comas & Mateu (2007) [CM07].

**Example 5.1.1.** A simple way of generating stationary marked point processes is via the *independently marked* or *randomly labeled* point process: the assumption underlying this generation is that the locations are given *a priori*, while the marks are i.i.d. random variables

according to some probability distribution. The construction of an independently marked point process is defined by considering a stationary point process  $N = \{\mathbf{s}_i\}$  together with a sequence of i.i.d. random variables  $\{m_i\}$ ; these two objects are combined arbitrarily to form  $Z = \{(\mathbf{s}_i, m(\mathbf{s}_i))\}$  where  $m(\mathbf{s}_i) = m_i$ .

Independently marked point processes are often used for modeling in applications, such as forestry and ecosystems. The *Boolean model* is a random set model which uses an independent marking model; in a forestry application, the characteristics (marks) associated with remaining trees in a managed forest exhibit random independent fluctuations, since those that exhibit extreme characteristics (perhaps as a result of ecological competition for scarce resources) are often removed. More details on the Boolean model can be found in Stoyan, Kendall & Mecke (1987) [SKM87] and Molchanov (1997) [Mol95].

**Example 5.1.2.** The *random superposition model* is often used for point processes with qualitative marks, where the setting motivates the decomposition of the point process into subprocesses generating  $\mathbf{n}_m \subseteq \mathbf{s}_i$ , the collection of points with some fixed mark  $m$ . The subprocesses are assumed independent and the entire marked point process is formed by their *superposition*, or their set-theoretic union. Such a construction indicates that the points in each of the subprocesses  $\mathbf{n}_m$  are distributed according to some dependence behavior among points of the same type, and are not affected by that among points of different types.

This behavior describes the two-component modeling assumptions of Dobbie & Welsh (2001) [DW01a] where zeros and counts of noisy friarbirds are segregated, and could be used in simulating conditional models for zero-inflated spatial point processes with counts. The random superposition model generates *population independence* in the ecology literature, such as by Goreaud & Pélissier (2003) [GP03] and Le Pichon, Gorges, Baudry, Goreaud & Boët (2009) [LPGB<sup>+</sup>09].

**Example 5.1.3.** Correlated marks are generated by the *random field model*, proposed by Mase (1996) [Mas96]. The marks associated with the points generated by a location process  $N = \{\mathbf{s}_i\}$  arise from an independent stationary random field  $\{Y(\mathbf{s})\}$ , where each mark  $m(\mathbf{s}_i)$  takes the value  $m(\mathbf{s}_i) = Y(\mathbf{s}_i)$ . The spatial dependence in the random field exhibits behavior in the mark space  $\mathcal{M}$ : if there is positive correlation in  $\{Y(\mathbf{s})\}$  then the points that are located within proximity of one another tend to have similar marks.

Marking models may also be constructed by taking into account the geometry of the point configuration in a certain neighborhood. One example is the *nearest-neighbor distance*  $d_n(\mathbf{s})$ , the distance from the point  $\mathbf{s} \in N$  to its nearest neighbor  $\mathbf{s}_1 \in N$ . Another example is the number of other points within a distance  $a := \|\mathbf{h}\| > 0$  from  $\mathbf{s}$ ,  $n_a(\mathbf{s}) = N(b(\mathbf{s}, a)) - 1$ . Statistical mark construction may also be implemented, where the marks take the form of a linear function of the location plus some random fluctuation. One simple example of a statistically constructed mark using the nearest-neighbor distance might be

$$m(\mathbf{s}) = c_0 + c_1 d(\mathbf{s}) + \varepsilon(\mathbf{s}),$$

where  $c_0$  and  $c_1$  are constants (parameters), and  $\varepsilon(\cdot)$  is some random error. Such a construction results in marked point processes with lower-valued marks in areas of high point density when  $c_1 > 0$ , and high-valued marks in areas of high point density when  $c_1 < 0$ . More sophisticated constructions also exist based on areas or volumes of Voronoi cells generated by a Dirichlet-Voronoi tessellation of the point pattern, defined in Definition 1.3.7.

### 5.1.2 Motion Invariance

As with unmarked point processes (point pattern data) discussed in Section 1.3 of Chapter 1, a definition of stationarity, analogous to Definition 1.3.3, also exists for marked point processes. Also, as with each of the three types of spatial data discussed in Chapter 1, such an assumption considerably simplifies the task of working with all the coordinates of the set  $\mathcal{D}$  and may be an unreasonable assumption to make, but a careful study of stationarity is an important condition before approaching the more complicated case of nonstationarity.

**Definition 5.1.2.** A marked point process  $Z$  is **stationary** if and only if the process itself  $Z = \{(\mathbf{s}_1, m(\mathbf{s}_1)), (\mathbf{s}_2, m(\mathbf{s}_2)) \dots\}$  and the translated process  $Z_{\mathbf{s}} := \{(\mathbf{s}_1 + \mathbf{s}, m(\mathbf{s}_1)), (\mathbf{s}_2 + \mathbf{s}, m(\mathbf{s}_2)) \dots\}$  by any vector  $\mathbf{s} \in \mathbf{R}^d$  are equal in distribution, i.e.

$$Z \stackrel{d}{=} Z_{\mathbf{s}} \text{ for all } \mathbf{s} \in \mathbf{R}^d.$$

Since a translated marked point process involves only translating the points (locations)  $\mathbf{s}_i$  while maintaining invariance of the marks  $m(\mathbf{s}_i)$ , stationarity of a marked point process  $Z = \{(\mathbf{s}_i, m(\mathbf{s}_i)) : \mathbf{s}_i \in N\}$  implies stationarity of the unmarked point process  $N$  generating the locations  $\mathbf{s}_i$ . The definition of *isotropy* for marked point processes is analogous; see Definition 1.3.3. In general, for marked point processes, Euclidean motions of marked point processes affect only the locations, but the marks remain unchanged.

The definition of stationarity provides insight as to what kind of marks may be suitable for marked point pattern processes when we wish to make such an assumption on the process: marks that are quantities relevant to the objects represented by the points (e.g. diameter, height) or constructed marks (e.g. distance between the point and its nearest neighbor) preserve stationarity of the process, while reference marks (e.g. distance between the point and some point of reference or origin of the system of coordinates) will be perturbed under translation.

Analogous to the intensity measure for unmarked point processes given in Equation (1.8), the *intensity measure*  $\Lambda(\cdot)$  of a marked point process  $Z$  is given by

$$\Lambda(B_1 \times B_2) = E[Z(B_1 \times B_2)] \tag{5.1}$$

for two convex compact Borel sets  $B_1, B_2 \subset \mathbf{R}^d$ . Under stationarity, for an unmarked point process  $N$ , the intensity measure  $\Lambda(\cdot)$  is a multiple of the Lebesgue measure  $\mu_L(\cdot)$  on  $\mathbf{R}^d$  over

some convex compact Borel set  $B$ ,  $\Lambda(B) = \lambda\mu_L(B)$  for the intensity  $\lambda$  of  $N$ , a nonnegative constant, which has the interpretation as the mean number of points of  $N$  per unit volume as defined in Equation (1.8). Analogously for stationary marked point processes, we have

$$\Lambda(B_1 \times B_2) = \lambda\mu_L(B_1 \times B_2)f_M(m),$$

where  $f_M(\cdot)$  denotes the distribution of the marks.

### 5.1.3 First-Order Characteristics

For a marked point process under stationarity, the first-order characteristics concern both the point process and the mark process. For the point process, the *intensity*  $\lambda$  introduced in Definition 1.3.1 measures the mean number of points per unit area or volume. For the mark process, if the marks are qualitative, then the *mark probability*  $p_m$  is the probability that some marked point has mark  $m$ .

**Definition 5.1.3.** *Let  $M$  denote the random variable denoting the mark of a typical point, then the **mark probability** is determined by the **relative intensity***

$$p_m = \text{Prob}(M = m) = \frac{\lambda_m}{\lambda} \text{ for } m = 1, 2, \dots,$$

where  $\lambda_m$  is the intensity of the subprocess  $N_m$  of  $N$ , which generates the points  $\{\mathbf{n}_m\}$  with mark  $m$ .

The mean number of points of the marked point process  $Z(\cdot)$  in the set  $B$  with the mark  $m$  is

$$E[Z(B \times \{m\})] = \lambda p_m |B|. \quad (5.2)$$

The case of quantitative marks entails the construction of the *mark distribution function*  $f_M(\cdot)$  to determine the distribution of the marks independently of the positions of the points, whilst maintaining probabilistic properties in order to assure well-posedness and correct definition. Since our setting concerns only qualitative marks, we refer the interested reader to Illian, Penttinen, Stoyan & Stoyan (2008) [IPSS08], for example, for a mathematical derivation.

Under stationarity, the following theorem due to Campbell (1909) [Cam09] provides a concise expression for the computation of the mean of a marked point process. More generally, Campbell's theorem provides the moment generating function for a shot noise process, from which the mean and variance may be computed in a straightforward manner by solving a volume integral.

**Theorem 5.1.4** (Campbell, 1909 [Cam09]). *For a marked point process, the mean expression*

can be computed by

$$E\left[\sum_{(\mathbf{s}, m(\mathbf{s})) \in Z} f_Z(\mathbf{s}, m(\mathbf{s}))\right] = \lambda \int_{\mathbf{R}^d} \sum_m p_m f_Z(\mathbf{s}, m) d\mathbf{s} = \lambda \sum_m p_m \int_{\mathbf{R}^d} f_Z(\mathbf{s}, m) d\mathbf{s}.$$

#### 5.1.4 The Palm Distribution Revisited

From the definition of the Palm distribution given in Chapter 1, Definition 1.3.4, together with a version of Campbell's theorem given in Theorem 5.1.4 for unmarked point processes, the *Palm mean*  $E_{\mathbf{o}}[\cdot]$ , important in the subsequent definitions of second-order characteristics, may be defined. The resulting formulation which gives this mean is known as the *Campbell-Mecke formula*:

$$E\left[\sum_{\mathbf{s} \in N} f_N(\mathbf{s}, N)\right] = \lambda \int_{\mathbf{R}^d} E_{\mathbf{o}}[f_N(\mathbf{s}, (N - \mathbf{s}))] d\mathbf{s} = \lambda E_{\mathbf{o}}\left[\int_{\mathbf{R}^d} f_N(\mathbf{s}, (N - \mathbf{s})) d\mathbf{s}\right], \quad (5.3)$$

where  $(N - \mathbf{s})$  denotes the point process translated by  $\mathbf{s}$ , as in Definition 1.3.4. Note here that the distribution of the points  $f_N(\cdot, \cdot)$  depends not only on  $\mathbf{s}$  but also the other points of the process  $N$ .

Palm distributions  $\text{Prob}_{\mathcal{M}}(\cdot)$  may also be defined for mark spaces  $\mathcal{M} \subseteq \mathbf{R}$ , which give the conditional distribution and expectation of  $Z$ , given that there is a point of  $Z$  with mark  $m \in \mathcal{M}$  at the origin  $\mathbf{o}$ . Analogously to Definition 1.3.4, the Palm distribution for a marked point process  $Z$  with marks  $m$  taking values in the mark space  $\mathcal{M}$  and some marked point occurring at the origin  $\mathbf{o}$  may be defined by

$$\lambda \text{Vol}(W) \text{Prob}_{\mathcal{M}}(Z \in \mathcal{A}) = E\left[\sum_{(\mathbf{s}, m(\mathbf{s})) \in Z} \mathbf{1}(\mathbf{s} \in W) \mathbf{1}(m(\mathbf{s}) \in \mathcal{M}) \mathbf{1}((Z - \mathbf{s}) \in \mathcal{A})\right], \quad (5.4)$$

where as before in Definition 1.3.4,  $W$  is some test set, and  $Z \in \mathcal{A}$  indicates that the marked point process  $Z$  has some well-defined property  $\mathcal{A}$ . The general definition given by the above of the Palm distribution may be refined so that the marked point occurring at the origin  $\mathbf{o}$  is of the particular type  $m$ , which allows Equation (5.4) to be written as

$$\text{Prob}_{\mathcal{M}}(Z \in \mathcal{A}) = \int_{\mathcal{B}} \text{Prob}_{(\mathbf{o}, m)}(Z \in \mathcal{A}) f_M(m) dm. \quad (5.5)$$

The Palm mean  $E_{(\mathbf{o}, m)}[\cdot]$  for marked point processes is given by an appropriate adaptation of the Campbell-Mecke formula in Equation (5.3). For some function  $f(\cdot, \cdot, \cdot)$  that depends on a point  $\mathbf{s} \in \mathbf{R}^d$ , a mark  $m \in \mathbf{R}$ , and a stationary marked point process  $Z$ ,

$$E\left[\sum_{(\mathbf{s}, m(\mathbf{s})) \in Z} f(\mathbf{s}, m(\mathbf{s}), Z)\right] = \lambda \int_{\mathbf{R}^d} \int_{-\infty}^{+\infty} E_{(\mathbf{o}, m)}[f(\mathbf{s}, m, (Z - \mathbf{s}))] f_M(m) dm d\mathbf{s}, \quad (5.6)$$

where  $E_{(\mathbf{o}, m)}[\cdot]$  denotes the expectation with respect to the Palm distribution where the marked

point occurring at the origin  $\mathbf{o}$  has mark of particular type  $m$ ,  $\text{Prob}_{(\mathbf{o}, m)}(\cdot)$ .

### 5.1.5 Second-Order Characteristics

Second-order characteristics are useful statistics for describing the variability of data; in the context of marked point processes, these entail describing not only the variability of the point process driving the random locations and that of the marks associated with each location, but also the correlations between marks and points. A selection of second-order variability measures for point processes with qualitative marks are given here; measures for quantitative marks may be found in the aforementioned references.

#### Multivariate $K$ Functions

Ripley's  $K$  function defined in Equation (1.13) as a measure of complete spatial randomness may be extended to the multivariate setting. The multivariate  $K$  function,  $K_{ml}(\cdot)$ , is defined by

$$\lambda_l K_{ml}(a) = E_{\mathbf{o}m}[N_l(b(o, a))] \text{ for } a \geq 0,$$

where  $E_{\mathbf{o}m}[\cdot]$  denotes the expectation under the Palm distribution for marks of type  $m$ , or the conditional expectation that the point located at  $\mathbf{o}$  is of type  $m$ .  $\lambda_l K_{ml}(a)$ , then, is the mean number of points of mark type  $l$  in a ball of radius  $a$  centered at some point of mark type  $m$ . When  $m \neq l$ , the point at  $\mathbf{o}$  is excluded; when  $m = l$ ,  $K_{ml}(a)$  is reduced to  $K_m(a)$ , the univariate  $K$  function for the subprocess  $N_m$ . By definition of  $K_{ml}(\cdot)$ , we have  $K_{ml}(a) = K_{lm}(a)$  for  $r \geq 0$ .

In considering disassociations between points and marks, *condensed*  $K_{ml}(\cdot)$  functions  $K_{m\cdot}(a)$  and  $K_{\cdot l}(a)$  may be considered, respectively. Formally, for  $a \geq 0$ , they are given by

$$\lambda K_{m\cdot}(a) = E_{\mathbf{o}m}[N(b(o, a) \setminus \{o\})] \iff K_{m\cdot}(a) = \sum_l p_l K_{ml}(a), \quad (5.7)$$

$$\lambda_l K_{\cdot l}(a) = E_{\mathbf{o}m}[N_l(b(o, a) \setminus \{o\})] \iff K_{\cdot l}(a) = \sum_m p_m K_{ml}(a), \quad (5.8)$$

where recall that  $p_l = \lambda_l / \lambda$ . The left-hand side of the equivalence of Equation (5.7) counts the mean number of points independent of their marks in a ball of radius  $a$  centered at some point of mark type  $m$ , excluding this point of reference. In the same manner, the left-hand side of the equivalence of Equation (5.8) counts the mean number of points of type  $l$  in a ball of radius  $a$  centered at some point, independent of its mark.

As with motion invariance, the underlying motivation defining  $K$  functions and their multivariate counterparts may provide insight on the use of marking model. Under independent marking, then all the condensed  $K$  functions coincide, *i.e.*  $K_{ml}(a) = K(a)$  for all  $m$  and  $l$ , where  $K(\cdot)$  denotes the  $K$  function for the point process  $N$ , independent of the marks. Under random superpositioning,  $K_{mm}(a) = K_m(a)$  where  $K_m(\cdot)$  is the  $K$  function for the subprocess  $N_m$ , and  $K_{ml}(a) = \text{Vol}(\mathbf{b}_1)^d a^d$  for  $m \neq l$ . Values for the functions  $K_{ml}(\cdot)$  that do not coincide when the

indices do not coincide signifies correlation between marks.

### Cross-Pair Correlation Functions

The pair correlation function  $r_{\text{pair}}(\cdot)$  defined in Equation (1.14) may be extended to  $\mathbf{R}^d$  as follows:

$$r^{\text{pair}}(a) = \frac{1}{\text{Vol}(\mathbf{b}_1)da^{d-1}} \frac{dK(a)}{da}. \quad (5.9)$$

For multivariate point processes, this correlation function is extended by defining the product densities  $\rho_{ml}(\cdot)$ ; in keeping with the construction discussed in Example 1.3.1, the term  $\rho_{ml}(a)d\mathbf{x}dy$  gives the probability that a point of type  $m$  occurs in an infinitesimally small ball  $b(\mathbf{x})$  with volume  $d\mathbf{x}$ , and that a point of type  $l$  occurs in an infinitesimally small ball  $b(\mathbf{y})$  with volume  $d\mathbf{y}$ , where the distance between the centers of the two balls is  $a$ . As for the multivariate  $K$  functions, whenever  $m = l$ , the second-order product density  $\rho^2(\cdot)$  for the subprocess  $N_m$  is obtained, and  $\rho_{ml}(a) = \rho_{lm}(a)$  for all  $m, l$ , and  $a \geq 0$ . Analogous to the construction given in Example 1.3.1, the cross-pair correlation functions may be defined in terms of  $\rho_{ml}(\cdot)$  by normalizing to obtain

$$r_{ml}^{\text{pair}}(a) = \frac{\rho_{ml}(a)}{\lambda_m \lambda_l} \text{ for } a \geq 0. \quad (5.10)$$

The symmetry of the product densities  $\rho_{ml}(\cdot) = \rho(\cdot)$  implies the symmetry of the cross-pair correlation functions  $r_{ml}^{\text{pair}}(a) = r_{lm}^{\text{pair}}(a)$  for all  $m, l$ , and  $a \geq 0$ . Similar to the definition of the pair correlation function given in Equation (1.14), the cross-pair correlation function also has a representation in terms of the derivative of the multivariate  $K$  function,

$$r_{ml}^{\text{pair}}(a) = \frac{1}{\text{Vol}(\mathbf{b}_1)da^{d-1}} \frac{dK_{ml}(a)}{da} \text{ for } a \geq 0. \quad (5.11)$$

As with the pair correlation function defined in Equation (1.14), we have  $r_{ml}^{\text{pair}}(a) \geq 0$  for all  $a \geq 0$ , and  $\lim_{a \rightarrow \infty} r_{ml}^{\text{pair}}(a) = 1$  for all  $m$  and  $l$ .

Along with motion invariance and the definition of the multivariate  $K$  functions, the cross-pair correlation functions are helpful in determining which marking model to use. Under independent marking, the product densities  $\rho_{ml}(\cdot)$  are defined by  $\rho_{ml}(a) = p_m p_l \rho(a)$  and the cross-pair correlation functions  $r_{ml}^{\text{pair}}(\cdot)$  are given by  $r_{ml}^{\text{pair}}(a) = r^{\text{pair}}(a)$  for  $a \geq 0$ , where  $r^{\text{pair}}(\cdot)$  is the pair correlation function of the point process  $N$ , defined as in Equation (1.14). Under random superpositioning, we have  $r_{mm}^{\text{pair}}(a) = r_m^{\text{pair}}(a)$  and  $r_{ml}^{\text{pair}}(a) = 1$  whenever  $m \neq l$ , where  $r^{\text{pair}}(a)$  is the pair correlation function for the subprocess of points  $N_m$ .

### Mark Connection Functions

A conditional approach to analyzing the correlation between two points is given by *mark connection functions*  $p_{ml}(a)$ , which dictates the conditional probability for two given points in the point process  $N$ , that two points at a distance  $a \geq 0$  from one another have marks  $m$  and  $l$ . Under motion invariance, we can pick the two points to be  $o$  and  $\mathbf{a}$ , where  $\mathbf{a}$  is any point at a distance  $a \geq 0$  from  $o$ . The mark connection function is then defined by

$$p_{ml}(a) = \text{Prob}_{\mathbf{o}a}(m(o) = m, m(\mathbf{a}) = l),$$

where  $\text{Prob}_{\mathbf{o}a}(\cdot)$  denotes probability under the Palm distribution. Empirically, mark connection functions are computed in terms of the partial correlation functions  $\rho_{ml}(\cdot)$ ; we have

$$p_{ml}(a) = \frac{\rho_{ml}(a)}{\rho(a)} = p_m p_l \frac{r_{ml}^{\text{pair}}(a)}{r^{\text{pair}}(a)} \text{ for } a > 0,$$

for well-posedness. When  $a = 0$ , we set  $p_{mm}(0) = 1$  and  $p_{ml}(0) = 0$  whenever  $m \neq l$  by means of the cross-pair product density,  $\rho_{ml}(\cdot)$ . Studying the asymptotic behavior of the mark connection function gives the range of the mark correlation,  $\lim_{a \rightarrow \infty} p_{mm}(a) = p_m^2$  and we have  $\lim_{a \rightarrow \infty} p_{ml}(a) = 2p_m p_l$  when  $m \neq l$ .

Under independent marking, the asymptotics of the mark connection function define the conditional probabilities, and we have  $p_{mm}(a) = p_m^2$  and  $p_{ml}(a) = 2p_m p_l$  when  $m \neq l$ . Under random superpositioning, we have

$$p_{mm}(a) = \frac{\lambda_m^2 r_m^{\text{pair}}(a)}{\lambda_m^2 r_m^{\text{pair}}(a) + \lambda_l^2 r_l^{\text{pair}}(a) + 2\lambda_m \lambda_l}$$

and  $p_{ml}(a) = 2p_m p_l$  for  $m \neq l$ , where  $r_m^{\text{pair}}(\cdot)$  is the pair correlation function for the subprocess  $N_m$ .

Another conditional approach was proposed by Shimatani (2001) [Shi01], which considers the probability that two points at a given distance  $a > 0$  from one another have marks different from  $m$  by

$$\tilde{p}_m(a) = 1 - p_{mm}(a).$$

#### 5.1.6 Other Complexities of Spatial Point Processes: Interaction Models

More complicated models exist for both unmarked and marked spatial point pattern processes, involving interaction among the points; one important class is that of *Markov point processes*, which are also known as *Gibbs point processes* in the statistical physics literature, such as in Ruelle (1969) [Rue69], where the concept was first derived. Such processes are constructed by constructing a density on a point process with respect to a Poisson process in such a way that a Markov property holds, thus enabling attraction or repulsion behavior to be modeled

within a spatial point process. The foundations, theory, construction and illustrations by applications of Markov point processes has been comprehensively and concisely documented by Van Lieshout (2000) [vL00].

A particular case of Markov point processes is that of the *pairwise interaction process*, where the correlation among the points are modeled additively by considering pairwise interactions, which will be revisited further on in this chapter in the construction of a zero-inflated marked Poisson process. Behavior that is more general than pairwise interaction is captured by *area-interaction point processes*, constructed by Baddeley & Van Lieshout (1995) [BvL95]. Marks, local scaling, clusters, inhomogeneity and extensions to  $\mathbf{R}^d$  further build upon the complexity of these types of processes, which have been discussed by Stoyan, Kendall & Mecke (1987) [SKM87], Møller & Waagepetersen (2007) [MW07], Schneider & Weil (2008) [SW08], and in the book Case Studies in Spatial Point Process Modeling (2006) [BGM<sup>+</sup>06].

## 5.2 Simulating Spatial Point Processes

Historically speaking, simulation of spatial point processes were first established in the field of statistical mechanics via *Metropolis-Hastings algorithms*, for example by Metropolis, Rosenbluth, Rosenbluth, Teller & Teller (1953) [MRR<sup>+</sup>53], Norman & Filinov (1969) [NF69] and Zamalin, Filinov & Norma (1977) [ZNF77], although the more recent work of Ripley (1976) [Rip76], Ripley & Kelly (1977) [RK77] and Baddeley & Møller (1989) [BM89] on simulation by *spatial birth and death processes* have been long considered as the classical simulation methods. The most recent breakthrough resulted in *perfect* or *exact* simulation, pioneered by Propp & Wilson (1996) [PW96], which then gave rise to a multitude of perfect samplers based on spatial birth and death models for the simulation of spatial point processes.

In this section, we outline the three simulation methods and propose the inclusion of zero-inflation methods to generate zero-inflated spatial point processes.

### 5.2.1 Metropolis-Hastings Algorithms

Metropolis-Hastings algorithms form a class of MCMC method to obtain random samples for probability distributions from which direct sampling is difficult. In the case of spatial point processes, often densities are *nonnormalized*, *i.e.* global, joint densities are expressed up to a constant of proportionality, which are often unknown or difficult to compute such as in Theorem 1.2.3. An example to illustrate this difficulty involves considering a spatial Poisson process  $Y \sim \mathcal{P}(\lambda)$  over  $\mathcal{D}$ , with mean surface  $\mu(\mathcal{D}) = \int_{\mathcal{D}} \lambda(\mathbf{s}) d\mathbf{s} < +\infty$ ; the density (probability mass function) of the Poisson process is then

$$f_Y(\mathbf{y}) = \exp \left\{ |\mathcal{D}| - \mu(\mathcal{D}) \right\} \prod_{\mathbf{s} \in \mathbf{y}} \lambda(\mathbf{s}). \quad (5.12)$$

As is the case in Theorem 1.2.3, often the densities are only specified up to a constant of proportionality, so  $f_Y(\cdot) \propto g_Y(\cdot)$  where  $g_Y : \Omega^{\mathcal{D}} \rightarrow \mathbf{R}_+$  is a known function that maps from the set of finite point configurations  $\Omega^{\mathcal{D}} = \{\mathbf{y} \subset \mathcal{D} : |\mathbf{y}| < +\infty\}$  (cf. Definition 1.2.2) to the nonnegative real numbers  $\mathbf{R}_+$ . The *normalizing constant* or *partition function* (the latter expression belongs to the terminology of statistical mechanics)  $c$  is then

$$c = \sum_{j=0}^{\infty} \frac{\exp\{-|\mathcal{D}|\}}{j!} \int_{\mathcal{D}^d} g_Y(\{\mathbf{y}_1, \mathbf{y}_2, \dots, \mathbf{y}_n\}) d\mathbf{y}_1 \cdots d\mathbf{y}_n. \quad (5.13)$$

The specification of nonnormalized distributions as target distributions thus often calls for the implementation of such an MCMC algorithm. MCMC algorithms such as Metropolis-Hastings generate Markov chains, previously discussed in Section 1.2.2 of Chapter 1, and defined in Equation (1.2.2), which form a sample of “approximate simulations” of some specified target distribution, which tends towards the target distribution itself as the number of samples tends towards infinity. Common Metropolis-Hastings algorithms for the simulation of spatial point processes are *reversible* in reference to the target distribution, meaning that if some random variable  $X$  is distributed according to the target distribution, then the pairs  $(X_n, X_{n+1})$  and  $(X_{n+1}, X_n)$  are identically distributed, and *irreducible*, meaning that the Markov chain generated can attain any state irrespective of the starting point. Reversibility in reference to the target distribution and irreducibility together imply that the limiting distribution of the Markov chain, if it exists, is necessarily the target distribution; irreducibility, in particular, establishes convergence of the Markov chain, and implies consistency of the Monte Carlo estimates.

Geyer & Møller (1994) [GM94] provide alternative simulation procedures for marked point processes on a general state space using a Metropolis-Hastings algorithm. For a marked Poisson process with nonnormalized density  $g_X(\cdot)$  on  $\mathcal{D} \times \mathcal{M}$  where  $\mathcal{D} \subseteq \mathbf{R}^d$  with  $|\mathcal{D}| < +\infty$  and  $\mathcal{M} \subseteq \mathbf{R}^d$ , and intensity  $\lambda(\cdot, \cdot)$  given by some density on  $\mathcal{M}$ ,  $\lambda(\mathbf{s}, m(\mathbf{s})) = f_M(m)$ , a Gibbs sampling scheme applied to a *continuum Ising model* generates a marked point process.

The *Ising model* was originally introduced in the field of statistical mechanics by Ising (1925) [Isi25] as a mathematical model for ferromagnetism. With the goal of finding phase transitions, the model consists of a set of binary variables representing the spin states of an electron,  $\{-1, +1\}$  (up or down) arranged on a graph, usually a lattice, where each spin interacts with its nearest neighbors on the lattice vertices. Numerical simulations to generate configurations of spins are carried out using a Metropolis-Hastings algorithm with respect to a Gibbs distribution with inverse temperature  $\eta = 1/T$  and computing the energy contribution  $\Delta E$  according to the energy function  $\mathcal{E}(\cdot)$ ; see Definition 1.2.5. The algorithm proceeds as follows:

**Algorithm 5.2.1** (Metropolis algorithm for numerical simulations of the Ising model.).

1. Pick a spin at random and compute the contribution to the energy involving this spin

and its nearest neighbors only;

2. Flip the value of the spin and compute the new contribution  $\Delta E$ ;
3. If the new energy is less, keep the new spin;
4. If the new energy is more, retain the new spin only with probability  $\exp\{-\eta\Delta E\}$ ;
5. Repeat.

Georgii & Häggström (1996) [GH96] propose an analogous continuum Ising model by considering a class of bivariate point processes with densities of the form

$$f_Z(\mathbf{z}_1, \mathbf{z}_2) \propto \beta_1^{N(\mathbf{z}_1)} \beta_2^{N(\mathbf{z}_2)} \prod_{\mathbf{z} \in \mathbf{z}_1} \prod_{\boldsymbol{\zeta} \in \mathbf{z}_2} \iota(\mathbf{z}, \boldsymbol{\zeta}) \quad (5.14)$$

for parameters  $\beta_1 > 0$ ,  $\beta_2 > 0$  and where  $0 \leq \iota(\cdot) \leq 1$  is an *interaction function* for some pairwise interaction process  $X$  with density

$$f_X(\mathbf{x}) \propto \prod_{\boldsymbol{\xi} \in \mathbf{x}} \iota(\boldsymbol{\xi}) \prod_{\{\boldsymbol{\xi}, \boldsymbol{\chi}\} \subseteq \mathbf{x}} \iota(\{\boldsymbol{\xi}, \boldsymbol{\chi}\}),$$

for  $\boldsymbol{\xi}, \boldsymbol{\chi} \in \mathbf{x} \subseteq \mathcal{D}$ , i.e.  $\iota(\cdot)$  is a nonnegative function which renders the right-hand side integrable in the context of a Poisson process. The interaction function may also be defined in terms of cliques, by Definition 1.2.5: An interaction function  $\iota : \Omega^{\mathcal{D}} \rightarrow \mathbf{R}_+$  is one such that if  $\iota(\mathbf{x}) \neq 1$  implies that  $\mathbf{x}$  is a clique.

**Example 5.2.1.** An example of a simple yet nontrivial pairwise interaction process is the *Strauss process* due to Strauss (1975) [Str75], with interaction function given by

$$\iota(a) = \gamma^{\mathbf{1}(a \leq R)}, \quad (5.15)$$

setting  $0^0 = 1$  by default. Here,  $\gamma \in [0, 1]$  is an interaction parameter, and  $R > 0$  is the range of interaction. The density takes the form

$$f_X(\mathbf{x}) \propto \beta^{N(\mathbf{x})} \gamma^{s_R(\mathbf{x})}$$

where  $\beta > 0$  is a parameter and  $s_R(\mathbf{x}) = \sum_{\{\boldsymbol{\xi}, \boldsymbol{\chi}\} \subseteq \mathbf{x}} \mathbf{1}(\|\boldsymbol{\xi} - \boldsymbol{\chi}\| \leq R)$  is the number of pairs at a distance  $R$  apart in  $\mathbf{x}$ .

If  $\gamma = 1$ , we obtain a Poisson process, while for  $\gamma < 1$ , there is repulsion between the pairs of points at a distance  $R$  apart in  $X$ . The special case where  $\gamma = 0$  is known as a *hard core process* with hard core  $R$ , since the points cannot be closer than  $R$  apart; realizations of a Strauss process appear more and more regular as  $\gamma$  decreases.

**Example 5.2.2.** The Strauss process has been extended to a *multiscale process* by Penttinen (1984) [Pen84] where the interaction function takes the form

$$\iota(a) = \gamma_i \text{ if } R_{i-1} \leq a \leq R_i, \quad (5.16)$$

with segmentation  $0 = R_0 < R_1 < \dots < R_k < R_{k+1} = +\infty$  for  $k \in \mathbf{N}$ ,  $\gamma_i > 0$ ,  $i = 1, 2, \dots, k$  and  $\gamma_{k+1} = 1$ , so that the process has range of interaction  $R = R_k$ . The density takes the form

$$f_X(\mathbf{x}) \propto \beta^{N(\mathbf{x})} \prod_{i=1}^k \gamma_i^{s_i(\mathbf{x})},$$

with  $s_i(\mathbf{x}) = \sum_{\{\xi, \chi\} \subseteq \mathbf{x}} \mathbf{1}(R_{i-1} \leq \|\xi - \chi\| \leq R_i)$ . For  $k = 1$ , the multiscale process reduces to a Strauss process.

The reference of Georgii & Häggström (1996) [GH96] also mentions further extensions of interactions for pairs of points of the same type and issues of uniqueness and phase transition for infinite extensions. Extending Equation (5.14) to  $k$ -variate point processes, the density then becomes

$$f_Z(\mathbf{z}_1, \mathbf{z}_2, \dots, \mathbf{z}_k) \propto \prod_{i=1}^k \beta_i^{N(\mathbf{z}_i)} \prod_{\zeta_1 \in \mathbf{z}_1} \dots \prod_{\zeta_k \in \mathbf{z}_k} \iota(\zeta_1, \zeta_2, \dots, \zeta_k) \quad (5.17)$$

where  $0 \leq \iota(\zeta_1, \zeta_2, \dots, \zeta_k) \leq 1$ .

The technique of Gibbs sampling was previously discussed in detail in Section 1.2.2 of Chapter 1, specifically on page 37. This algorithm may be extended to a  $k$ -component Gibbs sampler by means of the conditional distributions on a set  $A \subseteq \mathcal{D}$

$$Z_1 | (Z_2, \dots, Z_k) \sim \mathcal{P}(\lambda_{1, Z_2, \dots, Z_k}), \dots, Z_k | (Z_1, \dots, Z_{k-1}) \sim \mathcal{P}(\lambda_{k, Z_1, \dots, Z_{k-1}}), \quad (5.18)$$

where

$$\begin{aligned} \lambda_{1, Z_2, \dots, Z_k}(\mathbf{z}) &= \beta_1 \prod_{\zeta_2 \in Z_2} \dots \prod_{\zeta_k \in Z_k} \iota(\mathbf{z}, \zeta_2, \dots, \zeta_k) \\ &\vdots \\ \lambda_{k, Z_1, \dots, Z_{k-1}}(\mathbf{z}) &= \beta_k \prod_{\zeta_1 \in Z_1} \dots \prod_{\zeta_{k-1} \in Z_{k-1}} \iota(\zeta_1, \dots, \zeta_{k-1}, \mathbf{z}). \end{aligned}$$

**Algorithm 5.2.2** (Gibbs sampler for a continuum Ising model, Geyer & Møller (1994) [GM94]). Using a cyclic updating scheme, we generate a Markov chain  $Z_m = (Z_{m,1}, Z_{m,2}, \dots, Z_{m,k})$  where  $m \in \mathbf{Z}_+$  such that over a set  $A$ ,

1.  $Z_{m+1,1} | (Z_{m,2}, \dots, Z_{m,k}) \sim \mathcal{P}(\lambda_{1, Z_{m,2}, \dots, Z_{m,k}})$
2.  $Z_{m+1,2} | (Z_{m+1,1}, Z_{m,3}, \dots, Z_{m,k}) \sim \mathcal{P}(\lambda_{2, Z_{m+1,1}, Z_{m,3}, \dots, Z_{m,k}})$
- ⋮
- $k.$   $Z_{m+1,k} | (Z_{m+1,1}, \dots, Z_{m+1,k-1}) \sim \mathcal{P}(\lambda_{k, Z_{m+1,1}, \dots, Z_{m+1,k-1}}).$

### 5.2.2 Simulation Based on Spatial Birth and Death Processes

The fact that under suitable conditions, spatial birth and death processes, if run for sufficiently long, generate realizations of a finite point process was first noticed by Ripley (1976) [Rip76], Ripley & Kelly (1977) and Preston (1977) [Pre74], and discussed later on in detail by Baddeley & Møller (1989) [BM89], which then came to be considered as the standard simulation method in the field of point processes. *Birth and death processes* present a special case of a *continuous time Markov process*, where the size of the current population represent the states of the process, and the transition mechanisms from state to state are limited to births and deaths; when a birth occurs, the process transitions from state  $n$  to state  $n + 1$ , while when a death occurs, the process transitions from state  $n$  to state  $n - 1$ .

**Definition 5.2.1.** *The distribution of a spatial birth and death process*  $X_t \in \mathcal{F}$  with  $t \in \mathbf{R}_+$  *may be defined by a governing birth rate*  $b(\cdot, \cdot)$  *and death rate*  $d(\cdot, \cdot)$ , *which are nonnegative functions on*  $\Omega^{\mathcal{D}} \times \mathcal{D}$ . *For*  $\mathbf{x} \in \Omega^{\mathcal{D}}$ , *define*

$$\begin{aligned}\beta(\mathbf{x}) &= \int_{\mathcal{D}} b(\mathbf{x}, \xi) d\xi, \\ \delta(\mathbf{x}) &= \begin{cases} 0 & \text{if } \mathbf{x} = \emptyset \\ \sum_{\xi \in \mathbf{x}} d(\mathbf{x} \setminus \xi, \xi) & \text{if } \mathbf{x} \neq \emptyset \end{cases} \\ \alpha(\mathbf{x}) &= \beta(\mathbf{x}) + \delta(\mathbf{x}).\end{aligned}\tag{5.19}$$

We assume that  $\beta(\mathbf{x}) < \infty$  for all  $\mathbf{x} \in \Omega^{\mathcal{D}}$ .

- For  $\beta(\mathbf{x}) > 0$ , define a probability density function  $b_X(\mathbf{x}, \cdot)$  on  $\mathcal{D}$  by  $b_X(\mathbf{x}, \xi) = \frac{b(\mathbf{x}, \xi)}{\beta(\mathbf{x})}$ .
- For  $\delta(\mathbf{x}) > 0$ , define a probability mass function  $d_X(\mathbf{x}, \cdot)$  on  $\mathcal{D}$  by  $d_X(\mathbf{x}, \chi) = \frac{d(\mathbf{x} \setminus \chi, \chi)}{\delta(\mathbf{x})}$ .

The spatial birth and death process  $X_t$ ,  $t \geq 0$ , is a right-continuous and piecewise constant except at specific **jump times**  $T_1 < T_2 < \dots$  and **jumps** defined in the following manner: For the initial state  $\mathbf{x}_0 \in \mathcal{F}$ , set

$$\begin{aligned}T_0 &= 0, \\ X_0 &= \mathbf{x}_0, \\ J_n &= X_{T_n},\end{aligned}$$

for states  $n = 0, 1, 2, \dots$ . Conditioning on  $J_0, T_0, J_1, T_1, \dots, J_n, T_n$ , where  $J_n = \mathbf{x}$ , and with  $\alpha(\mathbf{x}) > 0$  gives

$$T_{n+1} - T_n \sim \text{Exp}(\alpha(\mathbf{x})),$$

where  $\text{Exp}(\varepsilon)$  denotes the **exponential distribution** with parameter  $\varepsilon > 0$  with probability density function  $f_Y(y; \varepsilon) = \varepsilon e^{-\varepsilon y} \mathbf{1}(y \in \mathbf{R}_+)$ .

Conditioning further on  $T_{n+1}$  means that either a birth or a death occurs at time  $T_{n+1}$ , where

- a birth occurs with probability  $\frac{\beta(\mathbf{x})}{\alpha(\mathbf{x})}$ , the jump  $J_{n+1}$  is defined by  $J_{n+1} = \mathbf{x} \cup \xi_n$ , where the new birth point  $\xi_n$  is generated by the density  $b_X(\mathbf{x}, \cdot)$ ; and
- a death occurs with probability  $\frac{\delta(\mathbf{x})}{\alpha(\mathbf{x})}$ , the jump  $J_{n+1}$  is defined by  $J_{n+1} = \mathbf{x} \setminus \chi_n$ , where the point to be deleted  $\chi_n$  from  $\mathbf{x}$  is chosen by the density  $d_X(\mathbf{x}, \cdot)$ .

By this construction, the jump chain  $J_0, J_1, J_2, \dots$  is a Markov chain. Moreover, the Markov property of ‘‘memorylessness’’ of the exponential distribution due to the implication that  $T - t | T > t \sim \text{Exp}(\varepsilon)$  if  $T \sim \text{Exp}(\varepsilon)$  for  $\varepsilon > 0$  and  $t > 0$  renders the spatial birth and death process  $X_t$  a continuous time Markov process, meaning that for any time  $t \geq 0$ , given  $X_t = \mathbf{z}$  and the past history  $X_s$  for  $s < t$ , the waiting time to the first jump in  $X_u$  for  $u > t$  is exponentially-distributed with parameter  $\alpha(\mathbf{x})$  and the distribution of the jump is still given by either a birth or a death as defined in the above Definition 5.2.1.

For the well-posedness of the spatial birth and death process in Definition 5.2.1, the cases of *absorption* and *explosion* need to be addressed. When  $\alpha(\mathbf{x}) = 0$ , the birth and death rates are offset exactly and absorption occurs, and we declare  $X_u = \mathbf{x}$  for  $u \geq T_n$  and  $T_k = \infty$  for  $k > n$ ; absorption will be disregarded since it is not relevant for the simulation of spatial point processes. When an infinite number of jumps may occur with positive probability in a finite time interval, the process is said to explode; we will similarly disregard the case of explosion of spatial birth and death processes, which is feasible via technical sufficient conditions (see Møller & Waagepetersen (2007) [MW07]).

**Algorithm 5.2.3** (Algorithm for the simulation of a spatial birth and death process, Møller & Waagepetersen (2007) [MW07]). For  $n = 0, 1, 2, \dots$ , initialize  $(T_n, J_n) = (t, \mathbf{x})$  and  $\alpha(\mathbf{x}) > 0$ . Where  $\text{Unif}([0, 1])$  denotes the uniform distribution on the interval  $[0, 1]$ , generate  $(T_{n+1}, J_{n+1})$  by

1. Sample  $R'_n \sim \text{Unif}([0, 1])$  and  $R''_n \sim \text{Unif}([0, 1])$ ;
2. Compute  $T_{n+1} = t + \frac{\log(-R'_n)}{\alpha(\mathbf{x})}$ ;
3. If  $R''_n \leq \frac{\beta(\mathbf{x})}{\alpha(\mathbf{x})}$ , sample  $\xi_n \sim b_X(\mathbf{x}, \cdot)$  and put  $J_{n+1} = \mathbf{x} \cup \xi_n$ ;
4. Otherwise, choose  $\chi_n$  to delete by sampling  $\chi_n \sim d_X(\mathbf{x}, \cdot)$  and put  $J_{n+1} = \mathbf{x} \setminus \chi_n$ .

$R'_n$ ,  $R''_n$ , and  $\xi_n$  or  $\chi_n$  are mutually independent, given the random variables used to generate  $(T_0, J_0, \dots, T_n, J_n)$ .

The above algorithm described in Example 5.2.3 can be slow, since  $\beta(\mathbf{x})$  needs to be computed and new birth points  $\xi_n$  need to be sampled from  $b_X(\mathbf{x}, \cdot)$ . The speed of the algorithm may

be improved by “embedding” the birth probability density function in a larger class, which is easier to compute; *i.e.* we suppose that some  $\tilde{b}(\mathbf{x}, \cdot)$  exists such that  $b(\mathbf{x}, \boldsymbol{\xi}) \leq \tilde{b}(\mathbf{x}, \boldsymbol{\xi})$  for all  $\boldsymbol{\xi} \in \mathcal{F}$ , and such that  $\tilde{\beta}(\mathbf{x}) = \int_{\mathcal{D}} \tilde{b}(\mathbf{x}, \boldsymbol{\xi}) d\boldsymbol{\xi} < \infty$  is easy to compute, and such that it is easy to sample from  $\tilde{b}(\mathbf{x}, \cdot) = \tilde{b}(\mathbf{x}, \cdot)/\tilde{\beta}(\mathbf{x})$ . An alternate algorithm can then be constructed to generate a spatial birth and death process; see Møller & Waagepetersen (2007) [MW07] for details.

### Simulation of a Spatial Point Process from a Spatial Birth and Death Process

The algorithm presented in Example 5.2.3, as well as its faster equivalent referenced in Møller & Waagepetersen (2007) [MW07] can be used for the simulation of spatial point processes  $N$  with nonnormalized density with respect to a Poisson process over the set  $A \subseteq \mathcal{D}$ . We assume that for all  $\mathbf{x} \in \Omega^{\mathcal{D}}$  and  $\boldsymbol{\xi} \in \mathcal{A} \setminus \mathbf{z}$ ,

$$g_N(\mathbf{x}) b_N(\mathbf{x}, \boldsymbol{\xi}) = g_N(\mathbf{x} \cup \boldsymbol{\xi}) d_N(\mathbf{x}, \boldsymbol{\xi}). \quad (5.20)$$

This is a *detailed balance condition* that provides reversibility with respect to  $g_N(\cdot)$  with the additional assumption that  $E[\beta(X)] < \infty$ , by the following proposition.

**Proposition 5.2.2.** *Under the detailed balance condition of Equation (5.20) and a finite expectation  $E[\beta(X)] < \infty$  where  $X \sim g_X(\cdot)$ , then  $X_t$  with  $t \geq 0$  is reversible with respect to  $g_X(\cdot)$ , i.e. if  $X_0 \sim g_X(\cdot)$  for any  $t > 0$ , the processes  $X_s$  with  $0 \leq s \leq t$  and  $X_{t-s} \leq s \leq t$  are identically distributed.*

The proof is provided by Møller & Waagepetersen (2007) [MW07].

From the detailed balance condition of Equation (5.20), we also obtain the fact that if  $X_0 \in \mathcal{S} := \{\mathbf{x} \in \Omega^{\mathcal{D}} : g_X(\mathbf{x}) > 0\}$ , the natural state space of the chain, then  $X_t \in \mathcal{S}$  for all  $t \geq 0$ . Under the additional assumption that if

$$\mathbf{x} \cup \boldsymbol{\xi} \in \mathcal{S} \text{ implies that the death rate } d_N(\mathbf{x}, \boldsymbol{\xi}) > 0, \quad (5.21)$$

then  $g_X(\cdot)$  is hereditary according to Definition 1.3.6, by construction. In addition, by the detailed balance condition,  $\alpha(\emptyset) = 0$  if  $\mathcal{S} = \emptyset$ , since

$$\alpha(\emptyset) = \int_A b_N(\emptyset, \boldsymbol{\xi}) d\boldsymbol{\xi} = \frac{1}{g_X(\emptyset)} \int_A g_X(\boldsymbol{\xi}) d_N(\emptyset, \boldsymbol{\xi}) d\boldsymbol{\xi}$$

and  $\alpha(\mathbf{x}) > 0$  for all  $\mathbf{x} \in \mathcal{S}$  if  $\mathcal{S} \neq \emptyset$ . Irreducibility is also provided by the detailed balance condition of Equation (5.20) and Condition (5.21), since the process can transition from any state in  $\mathcal{S}$  to  $\emptyset$ , and vice versa, from  $\emptyset$  to any state in  $\mathcal{S}$ . Given reversibility, heredity, and irreducibility, under further weak assumptions the process  $X_t$  converges to  $N$ , as with the case of associated Markov chains generated by Metropolis-Hastings algorithms discussed above.

### 5.2.3 Perfect Simulation

In terms of algorithms for Markov chains, *exactness* is said to be attained if the algorithm returns exact draws from a given target distribution at its completion; the running time of the algorithm may be random, but is nevertheless usually finite. In practice, however, exact algorithms will often exhibit limitations due to random number generators, and while the running time is finite, it may not return an answer within reasonable time frames. Because of these limitations, the term *perfect simulation* was adopted by Kendall (1998) [Ken98] and Kendall & Møller (2000) [KM00] to signify exact simulation in practice, although both terms exist in the literature. Perfect simulation is a particularly advantageous simulation method since it overcomes the issue of initialization to obtain an appropriate *burn-in*, *i.e.* the initialization of the algorithm followed by sufficiently many iterations until the initial state is “forgotten”. Additionally, perfect simulation provides i.i.d. samples, so asymptotic Monte Carlo estimates can easily be computed. The comparison of a perfect simulation algorithm with its nonperfect counterpart also allows the approximation error to be determined.

Propp & Wilson (1996) [PW96] propose a *coupling from the past* (CFTP) technique that generates a class of algorithms that provide perfect simulation. Its application to spatial point process setting, however, is difficult, due to technical limitations, though the contribution nevertheless has innovatively inspired the development of numerous perfect samplers for spatial point processes based on the spatial birth and death process approach discussed earlier. For completeness, we provide a general overview of CFTP algorithms and the special-case *Propp-Wilson* algorithm, and mention its limitations in modeling spatial point processes; we also provide a list of references of perfect samplers for spatial point processes.

#### Coupling From the Past (CFTP) Algorithms and the Propp-Wilson Algorithm

The construction of a discrete time Markov chain  $\{Y_n\}_{n=0}^{\infty}$  with invariant distribution  $\Pi$  on a state space  $\Omega = \bigcup_{i=0}^{\infty} \{\mathbf{x} \in \mathcal{D} : N(\mathbf{x}) = i\}$  can be obtained by a *stochastic recursive sequence* (SRS)

$$Y_{n+1} = \mathbb{J}(Y_n, R_n) \text{ for } n \in \mathbf{Z}_+, \quad (5.22)$$

where  $R_n$ ,  $n \in \mathbf{Z}_+$ , are i.i.d. random variables and  $\mathbb{J}(\cdot)$  is a deterministic *updating function*. Technical specifications and conditions on the SRS and updating function are given in Foss & Tweedie (1998) [FT98], though in practice, the updating function  $\mathbb{J}(\cdot)$  is provided numerically and  $R_n$  are generated via pseudorandom numbers. Negative times are allowed, and for  $\mathbf{x} \in \mathcal{S}$  and  $n \leq q$ , the state of a chain that starts at  $\mathbf{x}$  at time  $n$  is denoted at time  $t$  by

$$Y_n^t(\mathbf{x}) = \begin{cases} \mathbf{x} & \text{if } n = t, \\ \mathbb{J}\left(\dots \mathbb{J}(\mathbb{J}(\mathbf{x}, R_n), R_{n+1}) \dots, R_{t-1}\right) & \text{if } n < t. \end{cases} \quad (5.23)$$

For  $\mathbf{x} \in \Omega$ , the states  $Y_n^t(\mathbf{x})$  are *coupled* with the common random components  $R_n, R_{n+1}, \dots, R_{t-1}$ .

The *coupling construction* given in Equation (5.23) may be extended to a more general form comprising discrete or continuous time  $\mathbf{T} = \mathbf{Z}$  or  $\mathbf{R}$ , by defining a stochastic process  $Y_s^t(\hat{\mathbf{x}})$  on  $\Omega$ , for  $\hat{\mathbf{x}} \in \Omega$ ,  $s \in \mathbf{T}$  and  $t \in \mathbf{T} \cap [s, +\infty[$ , by

$$Y_s^t(\hat{\mathbf{x}}) = \begin{cases} \hat{\mathbf{x}} & \text{if } t = s, \\ \mathbb{J}(\hat{\mathbf{x}}, \{S_u; u \in [s, t[\cap \mathbf{T}\}) & \text{if } t \in \mathbf{T} \cap [s, +\infty[, \end{cases} \quad (5.24)$$

where  $S_u$ ,  $u \in \mathbf{T}$ , is a stationary stochastic process (*i.e.* one such that for any  $s \in \mathbf{T}$ ,  $\{S_t; t \in \mathbf{T}\} \stackrel{d}{=} \{S_{s+t}; t \in \mathbf{T}\}$  are equal in distribution), which provides the common denominator for  $Y_r^t(\hat{\mathbf{x}}) = Y_s^t(Y_r^s(\hat{\mathbf{x}}))$ ,  $r, s, t \in \mathbf{T}$ ,  $r < s < t$ , and  $Y_s^t(\hat{\mathbf{x}})$  to be coupled.

**Definition 5.2.3.** A random variable  $T \in \mathbf{T} \cap \mathbf{R}_+$  is a **stopping time** if for any  $s \in \mathbf{T} \cap ]0, +\infty[$ ,  $\{-T \geq -s\}$  is given by  $\{S_{-t}; -t \in \mathbf{T} \cap [-s, 0]\}$ .

The general setting of discrete- or continuous-time Markov chains, the generalized coupling construction given in Equation (5.24), and the definition of the stopping time given in Definition 5.2.3 gives the framework for the following proposition, which gives the properties of a CFTP algorithm. The proof is given in Møller & Waagepetersen (2007) [MW07].

**Proposition 5.2.4.** Given

- (i) a stationary process  $S_t$ ,  $t \in \mathbf{T}$ ,
- (ii) a state  $\hat{\mathbf{x}} \in \Omega$  such that for any  $A \subseteq \Omega$ ,

$$\text{Prob}(Y_0^t(\hat{\mathbf{x}}) \in A) \xrightarrow[t \rightarrow \infty]{} \Pi(A),$$

- (iii) a stopping time  $T \geq 0$  with  $\text{Prob}(T < \infty) = 1$  and

$$Y_{-t}^0(\hat{\mathbf{x}}) = Y_{-T}^0(\hat{\mathbf{x}}) \text{ for } -t \leq -T, \quad (5.25)$$

then

$$Y_{-T}^0(\hat{\mathbf{x}}) \sim \Pi.$$

Conditions (i) and (ii) are generally satisfied for MCMC algorithms; see for instance Berg (2004) [Ber] or Robert & Casella (2004) [RC04]. Constructing a CFTP algorithm, then, amounts to specifying an SRS or coupling construction, and determining the existence of a reasonable stopping time  $T$  so that Condition (iii) is satisfied for an MCMC algorithm satisfying Conditions (i) and (ii). For such a CFTP satisfying all assumptions of Proposition 5.2.4, a perfect simulation  $Y_{-T}^0(\hat{\mathbf{x}}) \sim \Pi$  is attained.

**Definition 5.2.5.** If the condition on the stopping time specified in Equation (5.25) is satisfied for all  $\hat{\mathbf{x}} \in \Omega$ , then an associated CFTP algorithm is a **vertical CFTP algorithm** and  $-T$  is a **vertical backward coupling time**, otherwise the CFTP algorithm is a **horizontal CFTP algorithm** and  $-T$  is then a **horizontal backward coupling time**.

The Propp-Wilson algorithm due to Propp & Wilson (1996) [PW96] is a vertical CFTP algorithm for an SRS with invariant distribution  $\Pi$  as in Equation (5.22) and the smallest vertical backward coupling time is denoted by  $-T_{PW}$  and defined by

$$T_{PW} = \inf\{n \in \mathbf{Z}_+ : Y_{-n}^0(\mathbf{x}_1) = Y_{-n}^0(\mathbf{x}_2) \text{ for all } \mathbf{x}_1, \mathbf{x}_2 \in \Omega\}, \quad (5.26)$$

that is,  $-T_{PW}$  is the first time before 0 when all chains coalesce.

**Algorithm 5.2.4** (Propp-Wilson algorithm, Propp & Wilson (1996) [PW96]). For  $j = 1, 2, \dots$  and for all  $\mathbf{x} \in \Omega$ , generate the SRS

$$Y_{-T_j}^{-T_j+1}(\mathbf{x}) = \mathbb{J}(\mathbf{x}, R_{-T_j}), \dots, Y_{-T_j}^0(\mathbf{x}) = \mathbb{J}(Y_{-T_j}^{-1}(\mathbf{x}), R_{-1})$$

until all  $Y_{-T_j}^0(\mathbf{x})$  coalesce. Return any  $Y_{-T_j}^0(\mathbf{x})$ .

The Propp-Wilson algorithm converges under the appropriate definition of the vertical backward coupling time defined by Equation (5.26) and the existence of some time  $t$  where there is a strictly positive probability of coalescence. Formally, the conditions for convergence of the Propp-Wilson algorithm is given by the following proposition, the proof of which is found in Møller & Waagepetersen (2007) [MW07].

**Proposition 5.2.6** (Convergence of the Propp-Wilson Algorithm, Propp & Wilson (1996) [PW96]).  
For  $t \in \mathbf{Z}_+$ , define the event of coalescence as

$$C_t = \{Y_0^t(\mathbf{x}_1) = Y_0^t(\mathbf{x}_2) \text{ for all } \mathbf{x}_1, \mathbf{x}_2 \in \Omega\}.$$

Then

$$\text{Prob}(T_{PW} < \infty) = 1 \text{ if and only if there exists } t \in \mathbf{Z}_+ : \text{Prob}(C_t) > 0. \quad (5.27)$$

If  $\text{Prob}(T_{PW} < \infty) = 1$ , then the associated Markov chain is **uniformly ergodic**, and

$$Y_{-T_{PW}}^0(\mathbf{x}) \sim \Pi \text{ for all } \mathbf{x} \in \Omega.$$

Recall that for some bounded linear operator  $P$  on a Banach (complete normed vector) space  $\mathcal{B}$ , when  $P$  satisfies  $\|\frac{1}{n}P^n\| \xrightarrow{n \rightarrow \infty} 0$ , then we have *uniform ergodicity*, i.e. convergence in operator norm of the averages  $\frac{1}{n}\sum_{i=1}^n P^i$ , if and only if  $(I - P)\mathcal{B}$  is closed, where  $I$  denotes the identity, or in the setting of Markov chains, irreducibility and aperiodicity. For the setting of a Markov chain with invariant distribution  $\Pi$ , uniform ergodicity corresponds to a “small” state space  $\Omega$ . The formal definition and corresponding theory may be found in Meyn & Tweedie (2009) [MT09], for instance; it involves conditions on elements under modes of convergence of the  $V$ -norm of the difference between the  $n$ -step probability of the Markov chain  $P^n(\mathbf{x}, \cdot)$  and the

invariant distribution  $\Pi$ ,

$$\|P^n(\mathbf{x}, \cdot) - \Pi\|_V = \frac{1}{2} \sup_{|\eta| \leq V} |E[\eta(Y_n) | Y_0 = \mathbf{x}] - \Pi(\eta)|,$$

where the supremum is taken over all functions  $\eta : \Omega \rightarrow \mathbf{R}$  with  $|\eta(\cdot)| \leq V(\cdot)$ .

The Propp-Wilson algorithm then converges and results in a perfect simulation, although the associated Markov chain is uniformly ergodic, which creates difficulties in applicability since the associated Markov chains of many MCMC algorithms are not uniformly ergodic ([MW07]). A monotone variant of the Propp-Wilson algorithm may, however, be applied to a continuum Ising model using a Gibbs sampler, following Example 5.2.2, since uniform ergodicity of the associated Markov chain of this Metropolis-Hastings algorithm holds, which is a rather rare occurrence; see Møller & Waagepetersen (2007) [MW07] for more details.

### Some Perfect Samplers for Spatial Point Processes

The Propp-Wilson algorithm may be adapted in order to circumvent the limitation of applicability due to its uniform ergodicity. Kendall (1998) [Ken98] and Kendall & Møller (2000) [KM00] construct a *dominating process* to serve as a stochastic maximum to achieve perfect simulation based on MCMC algorithms and spatial birth and death processes, which results in a *dominated CFTP algorithm* which yields conditions for a horizontal CFTP algorithm. The construction builds on the specific case of *locally stable* spatial birth and death processes where the death rate is constant, under which a useful coupling construction may be obtained which is also applicable in the dominated CFTP algorithm.

**Definition 5.2.7.** For some function  $\iota^* : \mathcal{D} \rightarrow \mathbf{R}_+$  such that  $c^* = \int_{\mathcal{D}} \iota^*(\xi) d\xi$  is finite, and for some nonnormalized density  $g_X : \Omega^{\mathcal{D}} \rightarrow \mathbf{R}_+$ , we have **local stability** if

$$g_X(\mathbf{x} \cup \xi) \leq \iota^*(\xi) g_X(\mathbf{x}) \text{ for all } \mathbf{x} \in \Omega^{\mathcal{D}}, \xi \in \mathcal{D} \setminus \mathbf{x}.$$

In particular, when  $f_X(\cdot) \propto g_X(\cdot)$  is locally stable, we have  $\lambda^*(\mathbf{x}, \xi) \leq \iota^*(\xi)$ , where  $\lambda^*(\cdot, \cdot)$  denotes the Papangelou intensity, given in Definition 1.3.5.

In the locally stable spatial birth and death process with constant death rate, the birth rate  $b(\cdot, \cdot)$  is taken to be  $b(\mathbf{x}, \xi) = \lambda^*(\mathbf{x}, \xi) \leq \iota^*(\xi)$  and the death rate  $d(\cdot, \cdot)$  is set to  $d(\cdot, \cdot) = 1$ . Details on the algorithm that yields the coupling construction, which then may be used in the dominated CFTP algorithm are given in Møller and Waagepetersen (2007) [MW07].

Other adaptations of the Propp-Wilson CFTP approach exist for the simulation of spatial point processes. Murdoch & Green (1998) [MG98] construct a *multigamma* coupler, which, however, also applies only to uniformly ergodic Markov chains. *Fill's algorithm* developed by Fill (1998) [Fil98] allows for the interruption of perfect simulation by independence of the output and running time, since it is a form of rejection sampling. Fill's algorithm has been

applied to continuum Ising models by Lund & Thöennes (1999) [LT04] and Thöennes (1999) [Thö99]. Ferrari, Fernández & Garcia (2002) [FFG02] develop perfect simulation methods for interacting point processes which result in another known *clan of ancestors* technique, which involves keeping track of births generated at each iteration of a dominated CFTP algorithm. Van Lieshout & Stoica (2006) [vLS06] construct perfect samplers for marked point processes, while Huber (2008) [Hub08] explores the effects of technical modifications of the algorithm on running time, and Ambler & Silverman (2010) [AS10] adapt the dominated CFTP technique, following Kendall & Møller (2000) [KM00], to area-interaction point processes. A complete documentation on the history and current research development of perfect sampling, including primers, tutorials, and links to code for perfect samplers, with an annotated bibliography reviews is maintained by Wilson at <http://dimacs.rutgers.edu/~dbwilson/exact/>.

## 5.3 Generating Zero-Inflated Point Processes

In our application of zero-inflated Poisson data in space, we consider two settings, where the points are arranged on a lattice as in the case of the Ising model, and where the points are randomly scattered in space following a Poisson process. The point processes in both settings are marked point processes, the points represent the locations where measurements were taken, and the marks at each location represent the number of species observed. We propose the generation of zero-inflated marks via the marking distribution and its associated mark for the marks at each location, and compose the zero-inflated marking distribution with algorithms that generate marked point processes. Choosing a marking model of random superpositioning allows for zeros to be generated in the same spirit as that of the underlying motivation of the conditional zero-truncation approach of Dobbie & Welsh (2001) where the interest does not focus on the distinction between structural and sampling zeros, while specifying a ZIP distribution for the mark distribution generates zeros for our application of interest, where we wish to distinguish between the two types of zeros. Though it is interesting to note that, as in the regression case, there exist two different approaches to simulation by considering the decomposition of the counts and zeros, simulation by either method results in a spatial zero-inflated point process where the marks are Poisson-distributed, with respect to a Poisson process on  $\mathcal{D} \times \mathcal{M}$  with intensity measure  $\lambda \times \lambda_m$ .

### 5.3.1 Zero-Inflated Lattice Counts

Jackson & Sellers (2008) [JS08a] propose methods of simulating correlated count data on a lattice. To generate data on a lattice, a conditionally-specified Poisson model is used, as is often the case with epidemiological data, for example by Ferrández, Lopez, Morales & Tejerizo (1995) [FLL<sup>+</sup>95] to model cancer mortality. Observations of a conditionally-specified Poisson

model are generated by

$$f_Z(z_i|z_j; \lambda_i) = \text{Prob}(z_i|z_j) = \frac{e^{-\lambda_i} \lambda_i^{z_i}}{z_i!}, \quad (5.28)$$

$$\lambda_i = \exp \left\{ \mu_i + \sum_{j=1}^n w_{ij} z_j \right\}. \quad (5.29)$$

$w_{ij}$  denotes entries of an  $n \times n$  proximity matrix  $W$  according to Definition 1.2.1 of locations  $i$  and  $j$ , where  $i, j = 1, 2, \dots, n$ ; default restrictions are also imposed, including symmetry:  $w_{ij} = w_{ji}$ , *i.e.* location  $i$  is a neighbor of location  $j$  means that location  $j$  is also a neighbor of location  $i$ , and  $w_{ij} = 0$  if  $j$  is not a neighbor of  $i$ .  $w_{ii}$  is set to 0. A conditional model allows the mean  $\mu_i$  to be determined from measured covariates  $\mathbf{x}_{st}$ , for instance as in the setting of Section 3.4 of Chapter 3,  $\mathbf{x}_{st}^\top \boldsymbol{\beta}$ , or by a GLMM approach to allow the inclusion of other random effects.

The difficulty that arises in implementation, however, is a condition of the Hammersley-Clifford theorem 1.2.6 that entries  $w_{ij}$  must be negative, indicating that implementation is only possible under negative, or at best nonpositive, spatial dependence. *Winsorization* of the probability mass function is a technique to circumvent this difficulty, when a conditionally-specified model is to be used under positive spatial dependence, described by Kaiser & Cressie (1997) [KC97]. A Winsorization is a transformation  $\zeta$  of the vector  $\mathbf{z}$  of observations  $z_i$  by

$$\zeta_i := z_i \mathbf{1}(z_i \leq u) + u \mathbf{1}(z_i > u) \quad (5.30)$$

for some constant  $u \in ]0, +\infty[$ ; the components of the Winsorized vector of observations  $\zeta$  now have support  $\{0, 1, 2, \dots, u\}$  while the previous vector of observations  $\mathbf{z}$  had supposed  $\mathbf{R}_+$ . The conditional probability mass function of the Poisson observations in Equation (5.28) becomes, following Winsorization,

$$f_\zeta(\zeta_i|\zeta_j; \lambda_i, j \neq i) = \text{Prob}(\zeta_i|\zeta_j; j \neq i) = \frac{e^{-\lambda_i} \lambda_i^{\zeta_i}}{\zeta_i!} \quad (5.31)$$

$$\lambda_i = \begin{cases} \exp \left\{ \mu_i + \sum_{j=1}^n w_{ij} \zeta_j \right\} & \text{if } \zeta_i \leq u - 1 \\ \exp \left\{ \mu_i + \sum_{j=1}^n w_{ij} (\zeta_j - \mu_j) \right\} - \varepsilon_i & \text{if } \zeta_i = u, \end{cases} \quad (5.32)$$

where the term  $\varepsilon_i$  is derived from the Taylor expansion of  $e^\lambda$ , and has support  $]0, \mu_i[$ ; see Kaiser & Cressie (1997) [KC97] for details.

In our adaptation of the above setting developed by Jackson & Sellers (2008) [JS08a], we augment the zero-inflated Poisson distribution to include the Winsorized Poisson probability mass function, Equation (5.31), instead of the Poisson component in the ZIP distribution defined in Equation (2.6); *i.e.* we impose Equation (5.31) to be the probability mass function in the general zero-inflated distribution of Equation (2.3), and retain the conditional specification

of the Poisson parameter  $\lambda$  as stated in Equation (5.32). This construction gives

$$f_{\zeta}^{\text{ZIP}}(\zeta_i | \zeta_j; \lambda_i, j \neq i) = \text{Prob}(\zeta_i | \zeta_j; j \neq i) = \begin{cases} \alpha_i + (1 - \alpha_i)e^{-\lambda_i} & \text{if } \zeta_i | \zeta_j = 0; \\ (1 - \alpha_i) \frac{e^{-\lambda_i} \lambda_i^{\zeta_i}}{\zeta_i!} & \text{if } \zeta_i | \zeta_j > 0, \end{cases} \quad (5.33)$$

where the mixing probability  $\alpha_i$  is conditionally modeled as  $\mu_i$  above, *i.e.* determined from measured covariates  $\mathbf{x}_{st}$ , for instance as in the setting of Section 3.4 of Chapter 3,  $\mathbf{x}_{st}^\top \boldsymbol{\beta}$ , and the Poisson parameter  $\lambda_i$  is given by Equation (5.32). As in Gilks, Richardson & Spiegelhalter (1996) [GRS96] for the conditionally-specified Poisson model, Kaiser & Cressie (1997) [KC97] and Jackson & Sellers (2008) [JS08a] for the Winsorized conditionally-specified Poisson model, we implement the Gibbs sampling technique described in Section 1.2.2 of Chapter 1, page 37 to sample from the joint distribution  $f_{\zeta}(\zeta_1, \zeta_2, \dots, \zeta_k)$ . Denote the random variable drawn at location  $i$  on iteration  $k$  by  $\zeta_i^{(k)}$  for iterations  $k = 1, \dots, K$ .

Spatial correlation will be comprised in the mixing probability  $\alpha_i$  and  $\mu_i$  components by the inclusion of random effects (as opposed to the marginal models approach taken in Chapter 3 for the regression setting) via a GLMM approach (*cf.* Section 2.2 of Chapter 2, page 61, following Definition 2.2.1), by rewriting

$$\log \lambda_i = \beta_{2,0} + \beta_{2,1}s_1 + \dots + \beta_{2,d}s_d + f_2(\mathbf{x}_{st}) + \sum_{j=1}^n w_{ij}\zeta_j \iff \mu_i = \beta_{2,0} + \beta_{2,1}s_1 + \dots + \beta_{2,d}s_d + f_2(\mathbf{x}_{st}), \quad (5.34)$$

where here  $s_1, s_2, \dots, s_d$  represent the  $d$  components of the location vector of a point  $\mathbf{s} \in \mathcal{D}$ , while the corresponding  $\beta_{2,0}, \beta_{2,1}, \dots, \beta_{2,d}$  make up a vector  $\boldsymbol{\beta}_2$  in keeping with the notation presented in Section 3.4 of Chapter 3 where  $\boldsymbol{\beta}_2$  corresponds to the Poisson component of the model, with an added intercept value, to dictate trend effects. For example, in the 2-dimensional case, where the location of some point  $\mathbf{s}$  on a lattice is determined by the ordered pair  $\mathbf{s} = (s_1, s_2)$ , putting

$$\log \lambda_i = \beta_{2,0} + \beta_{2,1}s_1 + \sum_{j=1}^n w_{ij}\zeta_j$$

will create an East to West trend effect when  $\beta_{2,1} > 0$ , and similarly a West to East trend effect when  $\beta_{2,1} < 0$ .  $f_2(\mathbf{x}_{st})$  allows for the inclusion of additional random effects due to other factors than location coordinates, where  $f_2(\cdot)$  is some known function and  $\mathbf{x}_{st}$  is measured covariate information; for example in Ferrández, Lopez, Morales & Tejerizo (1995) [FLL<sup>+</sup>95], the lattice points were actually taken to be regions, and additional random effects considered were the size of the region (lattice point), which was the population at risk for cancer. Similarly, spatial correlation and random effects may also be included in the mixing probability by setting

$$\alpha_i = g\left(\beta_{1,0} + \beta_{1,1}s_1 + \dots + \beta_{1,d}s_d + f_1(\mathbf{u}_{st}) + \sum_{j=1}^n w_{ij}\zeta_j\right), \quad (5.35)$$

where the  $s_1, \dots, s_d$  are point coordinates as above, and the corresponding  $\beta_{1,0}, \beta_{1,1}, \dots, \beta_{1,d}$

make up a vector  $\boldsymbol{\beta}_1$ .  $f_1(\mathbf{u}_{st})$  allows for the inclusion of random effects based on some measured covariate information, where  $\mathbf{u}_{st}$  need not be equal to  $\mathbf{x}_{st}$ , as discussed in Section 3.3 of Chapter 3 on page 81, and  $f_1(\cdot)$  is some known function, which also may or may not be equal to  $f_2(\cdot)$ .  $g(\cdot)$  is a link function, as in the setting of GLMs, *cf.* Section 3.1, Chapter 3.

**Algorithm 5.3.1** (Gibbs sampler for spatially-correlated zero-inflated Poisson data on a lattice).

1. Sample  $\zeta_1^{(k+1)}$  from

$$f_{\zeta}^{\text{ZIP}}(\zeta_1 | \zeta_2^{(k)}, \zeta_3^{(k)}, \dots, \zeta_n^{(k)}) = \text{Prob}(\zeta_1 | \{\zeta_j^{(k)} : j \neq 1\}) = \begin{cases} \alpha_1 + (1 - \alpha_1)e^{-\lambda_1} & \text{if } \zeta_2 | \zeta_j = 0; \\ (1 - \alpha_1) \frac{e^{-\lambda_1} \lambda_1^{\zeta_2}}{\zeta_2!} & \text{if } \zeta_2 | \zeta_j > 0, \end{cases}$$

$$\lambda_1 = \exp \left\{ \mu_1 + \sum_{j=2}^K w_{1j} \zeta_j^{(k)} \right\}$$

2. Sample  $\zeta_2^{(k+1)}$  from

$$f_{\zeta}^{\text{ZIP}}(\zeta_2 | \zeta_1^{(k)}, \zeta_3^{(k)}, \dots, \zeta_n^{(k)}) = \text{Prob}(\zeta_2 | \{\zeta_j^{(k)} : j \neq 2\}) = \begin{cases} \alpha_2 + (1 - \alpha_2)e^{-\lambda_2} & \text{if } \zeta_2 | \zeta_j = 0; \\ (1 - \alpha_2) \frac{e^{-\lambda_2} \lambda_2^{\zeta_2}}{\zeta_2!} & \text{if } \zeta_2 | \zeta_j > 0, \end{cases}$$

$$\lambda_2 = \exp \left\{ \mu_2 + \sum_{j: j \neq 2} w_{2j} \zeta_j^{(k)} \right\}$$

$\vdots$

$n$ . Sample  $\zeta_n^{(k+1)}$  from

$$f_{\zeta}^{\text{ZIP}}(\zeta_n | \zeta_1^{(k)}, \zeta_2^{(k)}, \dots, \zeta_{n-1}^{(k)}) = \text{Prob}(\zeta_n | \{\zeta_j^{(k)} : j \neq n\}) = \begin{cases} \alpha_n + (1 - \alpha_n)e^{-\lambda_n} & \text{if } \zeta_n | \zeta_j = 0; \\ (1 - \alpha_n) \frac{e^{-\lambda_n} \lambda_n^{\zeta_n}}{\zeta_n!} & \text{if } \zeta_n | \zeta_j > 0, \end{cases}$$

$$\lambda_n = \exp \left\{ \mu_n + \sum_{j=1}^{n-1} w_{nj} \zeta_j^{(k)} \right\}$$

Jackson & Sellers (2008) [JS08a] remark that the choice of starting values for initialization greatly influences the length of the burn-in, which then affects the overall rate of convergence to the target distribution. References on MCMC algorithms and simulation, such as that by Gilks, Richardson & Spiegelhalter (1996) [GRS96], may be consulted for the general procedure on appropriate initialization for rapid burn-in and convergence.

An additional limitation of the algorithm other than the issue of constructing an appropriate burn-in, which is the case with all MCMC algorithms, is the Winsorization approach to

overcome the stipulation of negative covariance in the Hammersley-Clifford theorem 1.2.6. The focus of the Winsorization technique involves determining an appropriate value for the constant  $u$ , the findings of Kaiser & Cressie (1997) [KC97] were that setting  $u$  to be least three times the value of the maximal mean  $\lambda_{\max}$  of the Winsorized conditionally-specified Poisson model,  $u \geq 3\lambda_{\max}$ , is sufficient to yield a simulated variable with a mean that is very close to that of its non-Winsorized counterpart in order to overcome problems of large biases in subsequent MLE of parameters. Simulations performed by Jackson & Sellers (2008) [JS08a] show that the Winsorization approach, according to their simulation definitions which largely followed the work of Kaiser & Cressie (1997) [KC97], is limited in the case of low-valued counts, which is a tendency of ecological applications of modeling species for which sitings are rare. In the data set of noisy friarbird counts studied by Dobbie & Welsh (2001) [DW01a] provided by the Canberra Garden Bird Survey, where a proportion of 0.683 of zero-valued observations, and the observed flock sizes were mostly between 1 and 5, with sitings of flocks of larger than five noisy friarbirds much rarer, and Winsorization, or some other technique to overcome the negative covariance stipulation, would be required in such ecological applications since positive spatial correlation for the observations of small counts is more likely to occur than negative spatial correlation. Nevertheless, Jackson & Sellers (2008) [JS08a] remark that the Winsorization approach does produce acceptable results that are close to those of Kaiser & Cressie (1997) [KC97] when the thresholding for  $u$  is set to be significantly higher than three orders of magnitude of the maximal mean  $\lambda_{\max}$ , of the order of nine.

### 5.3.2 Zero-Inflated Counts for Marked Poisson Processes

For the generation of a marked Poisson process  $Z$ , we suppose that  $\mathcal{D} \subset \mathbf{R}^d$  is a compact subset with strictly positive Lebesgue measure  $0 < \mu_L(\mathcal{D}) < +\infty$  and  $\mathcal{M}$  is a complete, separable metric space. We further set  $\lambda_m$  to be a probability measure on the Borel  $\sigma$ -algebra,  $B(\mathcal{M})$ , so that the processes  $Z$  generated are of unit rate Poisson on  $\mathcal{D}$  with marks distributed by  $\lambda_m$ ; we obtain marked point processes  $Z$  with respect to the distribution of a Poisson process on  $\mathcal{D} \times \mathcal{M}$  with intensity measure  $\lambda \times \lambda_m$ .

**Definition 5.3.1.** *The Papangelou intensity for a marked point process* (cf. Definition 1.3.5) with density  $f_Z(\cdot)$  is given by

$$\lambda^*(\mathbf{z}, \boldsymbol{\zeta}) = \frac{f_Z(\mathbf{z} \cup \boldsymbol{\zeta})}{f_Z(\boldsymbol{\zeta})}$$

for  $f_Z(\boldsymbol{\zeta}) > 0$ .

As in Definition 1.3.5, the Papangelou intensity for a marked point process may be understood as the conditional probability of the occurrence of a marked point at  $\mathbf{s}$  with mark of type  $m$ , given the configuration of points and their associated marks elsewhere  $\boldsymbol{\zeta} \setminus \{(\mathbf{s}, m)\}$ . Further assumptions that we make are that the density  $f_Z(\cdot)$  is hereditary,  $f_Z(\mathbf{z}_2) > 0$  implies that  $f_Z(\mathbf{z}_1) > 0$  for all  $\mathbf{z}_1 \subseteq \mathbf{z}_2$ , cf. Definition 1.3.6, and that the density  $f_Z(\cdot)$  is locally stable, cf. Definition 5.2.7, or simply put, that the Papangelou intensity for the marked point process is bounded above by a positive, finite constant  $\Lambda^*$ .

**Definition 5.3.2.** *The density of a marked point process  $f_Z(\cdot)$  is said to be **repulsive** if  $\lambda^*(\mathbf{z}; \cdot)$  is decreasing with respect to set inclusion; **attractive** if increasing.*

As remarked by Van Lieshout & Stoica (2006) [vLS06], these definitions of repulsion and attraction for marked point processes are intuitive, since, for instance, in the case of repulsion, the decreasing conditional probability with set inclusion corresponds to the decreased chances that an additional marked point would appear in the process, if there exist already many.

Under this setting, we consider a variant of the *multitype pairwise interaction process* model, due to Ripley & Kelly (1977) [RK77] and further developed by Baddeley & Møller (1989) [BM89], in order to obtain spatial correlation, and proceed to adapt the perfect CFTP algorithm, carried over from the point process setting by Van Lieshout & Stoica (2006) [vLS06], for marked point processes to the zero-inflated setting.

**Definition 5.3.3.** *For a mark space  $\mathcal{M} = \{0, 1, 2, \dots, M\}$ , with  $M < \aleph_0$  and probability measure  $\lambda_m$  given by the uniform distribution  $\text{Unif}([0, 1])$ , the **multitype pairwise interaction process** (Ripley & Kelly (1977), [RK77] and Baddeley & Møller (1989), [BM89]) are generated by the density*

$$f_Z(\mathbf{z}) \propto \prod_{(\mathbf{s}, m) \in \mathbf{z}} \beta_m \prod_{(\mathbf{s}_i, i) \neq (\mathbf{s}_j, j) \in \mathbf{z}} \iota_{ij}(\|\mathbf{s}_i - \mathbf{s}_j\|), \quad (5.36)$$

where the second product is taken over all distinct pairs of marked points,  $\beta_m$  are scalar parameters, and  $\iota : \mathbf{R}_+ \rightarrow [0, 1]$  is a measurable interaction function for each considered pair of marks  $i, j \in \mathcal{M}$ , and symmetric in  $i$  and  $j$  so that  $\iota_{ij}(\cdot) = \iota_{ji}(\cdot)$ . The density that defined the multitype pairwise interaction process, Equation (5.36), is hereditary and locally stable; the upper bound is given by  $\Lambda^* = \max_{m \in \mathcal{M}} \beta_m$ . The Papangelou intensity for the multitype pairwise interaction process is given by

$$\lambda^*((\mathbf{s}, m); \zeta) = \beta_m \prod_{(\mathbf{s}_i, i) \in \zeta} \iota_{im}(\|\mathbf{s}_i - \mathbf{s}\|), \quad (5.37)$$

for  $(\mathbf{s}, m) \notin \zeta$ , which is repulsive with respect to set inclusion, cf. Definition 5.3.2, i.e. decreasing in  $\zeta$  with respect to set inclusion.

We modify above multitype pairwise interaction model to include a *skewed uniform distribution*, studied by Gupta, Chang & Huang (2002) [GCH02] and Nadarajah & Kotz (2007) [NK07], as probability measure on the mark space, instead of the uniform distribution, to inflate the occurrences of the zero values of the mark space.

**Definition 5.3.4.** *A random variable  $X$  is said to be distributed according to a **skewed uniform distribution** on the interval  $[-a, +a]$ ,  $\text{Unif}^{\text{Skew}}([-a, +a])$ , if it is continuous and has a probability density function given by*

$$f_X(x) = \frac{1}{a^2} (\max(\min(\vartheta x, a), -a) + a) \text{ for } -a < x < +a, \quad (5.38)$$

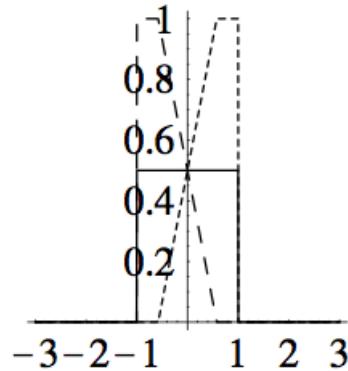


Figure 5.1: Some skew uniform densities illustrated by Gupta, Chang & Huang (2002) [GCH02].

where the **skew parameter**  $\vartheta \in \mathbf{R}$  and  $a > 0$ .

Some skew uniform densities illustrated by Gupta, Chang & Huang (2002) [GCH02] are illustrated in Figure 5.1. We consider the skewed uniform distribution on the interval  $]0, 1[$  as a probability measure for the multitype pairwise interaction process, so the probability density function  $f_X(\cdot)$  in Equation (5.38) becomes

$$f_X(x) = \max(\min(\vartheta x, 1), 0) + 1 \text{ for } 0 < x < 1,$$

and to obtain a positive skew (*i.e.* skewed towards the left, so that the bulk of the probability weighting of the cumulative distribution function lies to the left, so that zero values are more abundant), we consider positive values of the skew parameter  $\vartheta \in \mathbf{R}_+$ .

Alternatively, the multitype pairwise interaction model may also be modified to include a *zero-inflated uniform distribution* on the interval  $]0, 1[$  as probability measure on the mark space instead of the uniform distribution, which also serves to inflate the zeros of the mark space. This distribution is obtained by specifying a uniform distribution on the open unit interval  $]0, 1[$ ,  $\text{Unif}(]0, 1[)$ , in the general zero-inflated distribution of Equation (2.3) to obtain

$$X \sim \alpha\delta_0 + (1 - \alpha), \quad (5.39)$$

where  $\delta_0$  denotes a degenerate distribution taking the value zero with probability one. The mixing probability  $\alpha$  may be predefined and set constant, or allowed to depend upon covariates as in the GLM regression setting discussed in Chapter 3, or in the GLMM setting as in the definition of  $\alpha_i$  in Equation (5.35) of Algorithm (5.3.1).

The CFTP technique carried over to the marked point process context by Van Lieshout & Stoica (2006) [vLS06] is in fact a particular case of the Propp-Wilson CFTP algorithm 5.2.4, the dominated CFTP algorithm applied to a locally stable spatial birth and death process with constant death rate mentioned on page 128. We adapt this algorithm to the zero-inflated context via the modified multitype pairwise interaction process; Strauss or multiscale interaction may be

taken, given in Equations (5.15) and (5.16). A skewed uniform distribution may be taken as a probability measure for the mark space  $\mathcal{M}$  and specifying a positive skew parameter  $\vartheta \in \mathbf{R}_+$ , or a zero-inflated uniform distribution given by Equation (5.39) with mixing probability  $\alpha$  determined by measured covariates, for instance as in Equation (5.35) of Algorithm 5.3.1 above, a proposed Gibbs sampler for spatially-correlated zero-inflated Poisson data on a lattice.

**Algorithm 5.3.2** (Zero-Inflated Multitype Pairwise Interaction Process by Perfect Sampling). We denote by  $X_t$ ,  $t \leq 0$ , a collection of i.i.d. uniformly distributed random variables on  $]0, 1[$ , and initialize  $T = 1$ ;  $Z_0(\cdot)$  is a realization of a marked point process with respect to a Poisson process on  $\mathcal{D}$  with intensity  $\Lambda^*$ , where the marks are generated by the probability measure  $\lambda_m$ , which we set to be the skewed uniform distribution on  $[0, 1]$ ,  $\text{Unif}^{\text{skew}}([0, 1])$ .

1. Iterate  $Z(\cdot)$  (where the realization of the variable comprises of a location-mark pair) backwards in time to  $-T$  to obtain  $Z_{-T}(\cdot)$  via a spatial birth and death process with intensity  $\Lambda^* b(\cdot) \times \lambda_m$  and unit death rate  $d(\cdot) = 1$ ;
2. Generate a lower process  $L_{-T}^t(\cdot)$  and upper process  $U_{-T}^t(\cdot)$  forwards in time by
  - (a) putting  $L_{-T}^{-T}(\mathbf{z}) = \emptyset$  and  $U_{-T}^{-T}(\mathbf{z}) = Z_{-T}(\cdot)$ ;
  - (b) if the state of  $Z_{-T}^t(\mathbf{z})$  is to experience a birth at time  $t$ , i.e.  $Z_{-T}^t(\mathbf{z}) = Z_{-T}^{t-1}(\mathbf{z} \cup \zeta)$ , then delete  $\zeta = \{(\mathbf{s}, m)\}$  from  $L_{-T}^{t-1}(\mathbf{z})$  and  $U_{-T}^{t-1}(\mathbf{z})$  chosen with probability 1;
  - (c) if the state of  $Z_{-T}^t(\mathbf{z})$  is to experience a death at time  $t$ , i.e.  $Z_{-T}^t(\mathbf{z}) = Z_{-T}^{t-1}(\mathbf{z}) \setminus \zeta$ , then add the location-mark pair  $\zeta = (\mathbf{s}, m)$  to  $L_{-T}^t(\mathbf{z})$  if  $X_t \leq b_{\min}(U_{-T}^{t-1}(\mathbf{z}), L_{-T}^{t-1}(\mathbf{z}), \zeta)$  and to  $U_{-T}^t(\mathbf{z})$  if  $X_t \leq b_{\max}(U_{-T}^{t-1}(\mathbf{z}), L_{-T}^{t-1}(\mathbf{z}), \zeta)$
3. If coalescence occurs, i.e.  $U_{-T}^0(\mathbf{z}) = L_{-T}^0(\mathbf{z})$ , stop. Otherwise, set  $T = 2T$  and repeat, using the retained values of the random processes from previous iterations.
4. Return  $U_{-T}^0(\mathbf{z})$ .

The *birth thresholding probabilities* are given by

$$b_{\min}(U, L, \zeta) := \min \left\{ \frac{\lambda^*(\mathbf{z} \cup \zeta)}{\Lambda^*} : L \subseteq \zeta \subseteq U \right\}, \quad (5.40)$$

$$b_{\max}(U, L, \zeta) := \max \left\{ \frac{\lambda^*(\mathbf{z} \cup \zeta)}{\Lambda^*} : L \subseteq \zeta \subseteq U \right\}. \quad (5.41)$$

In specifying the multitype pairwise interaction model in Definition 5.36, it was remarked that the density for a marked point process generated by such a model is repulsive, as demonstrated by its Papangelou intensity for all  $\mathbf{z} \in (\mathcal{D} \times \mathcal{M}) \setminus \zeta$ . This repulsion, as defined in Definition 5.3.2, greatly simplifies the expressions of the birth thresholding probabilities defined by Equations (5.40) and (5.41). Under repulsion, the expressions for the intensity of the Poisson location process  $\Lambda^* b$  in terms of the minimal and maximal birth thresholding probabilities of

### 5.3. Generating Zero-Inflated Point Processes

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Equations (5.40) and (5.41) may be expressed in terms of the Papangelou intensity,

$$\Lambda^* b_{\min}(U, L, \zeta) = \lambda^*(\zeta; U), \quad (5.42)$$

$$\Lambda^* b_{\max}(U, L, \zeta) = \lambda^*(\zeta; L). \quad (5.43)$$

These simplified expressions for birth thresholding probabilities also apply to the respective expressions for the Papangelou intensities of other attractive or repulsive models, such as the *Widom-Rowlinson penetrable spheres model*, a type of area-interaction point process that is a special case of the continuum Ising model (see Baddeley & Van Lieshout (1995) [BvL95] and Møller & Waagepetersen (2007) [MW07] for a formal definition and further details), as well as the *Candy model*, developed by Van Lieshout & Stoica (2003) [vLS03] and implemented by Stoica, Descombes & Zerubia (2004) [SDZ04]. The general expressions for the birth thresholding probabilities are retained for other models that are neither attractive nor repulsive, since neither property is necessary for the implementation of the dominated CFTP algorithm for locally stable spatial birth and death processes with constant death rate adaptation by Van Lieshout & Stoica (2006) [vLS06] to the marked point process setting.



# Conclusion

In this thesis, we studied count data varying in space that are spatially correlated and moreover exhibit abundant zeros, typically of the order of 50% or more. When such a large proportion of observations are zero-valued, extracting information on the process becomes difficult, particularly when the nonzero responses are counts, and therefore non-Gaussian, yet at the same time, the interest increases in drawing conclusions to be able to say *why* there are so many zeros, and *how* so many zeros come about. These questions become particularly interesting and important when the underlying application is for instance ecological, as was the motivation for the work in this thesis, and the research contributions of this work aimed precisely to answer these two questions of “Why?” and “How?”.

As our first research contribution, we developed a zero-inflated Poisson linear regression model to explain the variability of the responses, including the abundant zeros, given a set of measured covariates. Our regression model allows for the distinction of the types, and therefore also sources, of zeros, which precisely answers the question of “Why?”. We circumvented the issue of non-Gaussianity of our data by constructing our model in the setting of generalized linear models, which also allowed us to address the second characteristic of spatial correlation of our data. Using a quasi-likelihood approach, we were able to introduce spatial correlation into the model by augmenting the quasi-score functions to include a spatial covariance matrix, and thus obtain generalized estimating equations, which return consistent, efficient and asymptotically normal estimators. The spatial covariance matrix may be estimated from the data, or postulated from rich classes of existing spatial covariance models, the tax of the choice is levied only on the execution time of fitting the model, since the theory of quasi-likelihood that we implement allows for erroneous assumptions of the second moment structure. In other words, our assumptions on the spatial covariance are allowed to be wrong! Moreover, our quasi-likelihood model overcomes the need for a rigorous probability model and the specification of a complete likelihood.

To answer the question of “How?”, we worked back to foundations of simulating stochastic processes. We considered existing simulation methods for spatial point processes by Markov chain Monte Carlo algorithms, spatial birth and death processes, and perfect simulation in the context of marked point processes, where each of the points in the process have associated covariate and observation information unique to that location. Effectively, this resulted in the study of the complexities of pairing two stochastic processes, which may interact with one

## Conclusion

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another (a within-type interaction), and which also may interact with other random pairs in space (a between-type interaction). We then proposed two algorithms as our second research contribution, which use elements from each of the three existing simulation procedures to generate marked point processes, both on a lattice, and randomly varying in space. We further introduced a third source of stochasticity by allowing the size of the zero proportion to be randomly determined, and proposed different ways of how it may be incorporated in both algorithms.

## Proposals for Future Research

A volte mi capita di cercare un libro  
che non è stato ancora scritto.  
— Corrado Alvaro

The context of zero-inflated spatially-correlated count data is an interesting setting consisting of many characteristics to adapt, explore and modify. In this thesis, we approached the setting from two points of view: that of modeling, and that of simulating. The components that we addressed and for which we developed techniques were spatial correlation and zero-inflation. Maintaining our focus on these components from these viewpoints, we now suggest modifications and possible improvements to our model and algorithms, as well as propose other interesting avenues of research to explore.

### Spatial Correlation

Dormann, McPherson, Araújo, Bivand, Bolliger, Carl, Davies, Hirzel, Jetz, Kissling, Kühn, Ohlemüller, Peres-Neto, Reineking, Schröder, Schurr & Wilson (2007) [DMA<sup>+</sup>07] give a review of methods for incorporating spatial correlation into the statistical modeling of species distributions; some approaches have been implemented and augmented in this thesis, such as spatial GLMs and GEEs in Chapter 3, and spatial GLMMs in Chapter 5. Others were discussed in this thesis, such as autoregressive models, CAR models and intrinsic autoregressive (IAR) models in Chapter 1. One autoregressive model that was not discussed was that of the *simultaneous autoregressive* (SAR) model, which was presented by Anselin (1988) [Ans01] and considers three different sources of spatial correlation and their simultaneous modeling: in the responses only (resulting in the *lagged-response* variant of the SAR), in the responses as well as the predictor variables (the *lagged-mix* variant of the SAR), and in the errors only (the *spatial error* variant).

Another approach to modeling spatial correlation is that of a *copula*, which is a joint cumulative distribution function  $\text{Cop}(\cdot)$  on the  $d$ -dimensional unit cube  $[0, 1]^d$  with uniform marginal distributions. Formally, a function  $\text{Cop} : [0, 1]^d \rightarrow [0, 1]$  is a *d-dimensional copula* if

- $\text{Cop}(x_1, \dots, x_{i-1}, 0, x_{i+1}, \dots, x_d) = 0$ : the copula is zero if at least one of its arguments is

zero;

- $\text{Cop}(1, \dots, 1, x, 1, \dots, 1) = x$ : the copula takes the value  $x$  if at least one of its arguments takes the value  $x$  where all others take the value 1;
- $\text{Cop}(\cdot)$  is *d-decreasing*: for each closed hyperrectangle  $\mathcal{R} = \prod_{i=1}^d [x_i, y_i] \subseteq [0, 1]^d$ , the copula-volume of  $\mathcal{R}$  is nonnegative,

$$\int_{\mathcal{R}} d\text{Cop}(x) = \sum_{\mathbf{z} \in \prod_{i=1}^d \{x_i, y_i\}} (-1)^{N(\mathbf{z})} \text{Cop}(\mathbf{z}) \geq 0.$$

The use of copulas in spatial statistics has been a recent topic of interest, with developments by Bárdossy (2006) [Bár06] and Kazianka & Pilz (2010) [KP10] in applications of geostatistics, by Durante & Jaworski (2009) [DJ10] and Bhat & Sener (2010) [BS09] in applications of social studies, economics and finance, and by Fuentes, Henry & Reich (2010) [FHR10] and Davison, Padoan & Ribatet (2011) [DPR12] in the modeling of spatial extremes. This approach to spatial correlation could also be explored within a zero-inflated spatial context.

### **Zero-Inflation**

Uni- and multivariate counting processes have been developed and documented by Jacobsen (1982) [Jac82], Fleming & Harrington (1991) [FH91], and Andersen (1993) [And93], and by Bäuerle & Grübel (2005) [BG05] using copula methods, a possible approach of interest could be to explore whether a zero-inflation mechanism can be comprised into this process.

The field of spatial extreme values within a zero-inflated context would also present interesting research opportunities: while the work in spatial extreme values under active development by authors of the aforementioned references in considerations of spatial correlation (as well as others such as Katz, Lantuéjoul, and Schlather, for instance), implicitly considers high-valued extremes, work comprising considerations of zero-inflation may be intuitively understood as a type of low-valued extreme. An interesting avenue of research would be to explore what intersection may exist of the theory of spatial extremes and of zero-inflation.

### **Modeling**

The GLM regression modeling approach considered in this thesis was based on the zero-inflated Poisson model. However, as detailed in the literature review in Chapter 2, other discrete distributions have also been zero-inflated, such as the binomial and negative binomial distributions; augmenting these distributions to the spatial regression context could be further modeling developments. Also mentioned in Chapter 2 are the developments of more sophisticated discrete distributions, such as that of the generalized Poisson and negative binomial distributions (*cf.* Section 2.3.4); these could also be augmented to the spatial context. While some members of the generalized class of “contagious” discrete distributions

## Conclusion

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constructed by Gurland (1958) [Gur58] (*cf.* Section 2.3.5) have previously been studied in the context of zero-inflation with lukewarm results, *e.g.* by Dobbie & Welsh (2001) [DW01b], it could be interesting to see whether fitting would be more feasible by modeling via other members of the class, in particular, the important Luria-Delbrück distribution due to Luria & Delbrück (1943) [LD43]. In general, a comprehensive task lies in the augmenting the zero-inflated discrete distributions discussed in Chapter 2 to the spatial setting, via GLM, GLMM or GAM regression.

An additional development to modeling and regression mentioned in the review by Dormann, McPherson, Araújo, Bivand, Bolliger, Carl, Davies, Hirzel, Jetz, Kissling, Kühn, Ohlemüller, Peres-Neto, Reineking, Schröder, Schurr & Wilson (2007) [DMA<sup>+</sup>07] is the method of *spatial eigenvector mapping (SEVM)*: the underlying idea is that the spatial configuration of data points can be used as covariates for prediction, which capture spatial effects at varying spatial resolutions. The eigenvectors that best reduce residual spatial correlation are retained as covariates; plotting these eigenvectors, following examples by Diniz-Filho & Bini (2005) [DFB05], for instance, determines the spatial correlation pattern. Such approaches to spatial correlation are more sophisticated than the Matheron approach and the direct Matérn postulation considered in simulations of our spatial quasi-likelihood model and may be explored, though we suspect they will be more computationally intensive.

## Simulation

To the best of our knowledge, our proposals for algorithms to simulate spatial marked point processes where the mark distribution is zero-inflated have not been previously suggested. Moreover, according to our review of the literature, the simulation of zero-inflated spatial data has not even been mentioned previously in scientific research, which opens up broad horizons for development. The ulterior motive behind development of simulation algorithms, which lies beyond the scope of this thesis, is the construction of a complete probability in order to employ full maximum likelihood. Comprised of spatial correlation and zero-inflation may also be developed and included in point process simulation algorithms via the research proposals mentioned above.

As detailed in Chapter 5, the three main existing simulation methods for spatial point processes include Metropolis-Hastings MCMC approaches, via the simulation of spatial birth and death processes, and perfect sampling. The work of Van Lieshout & Stoica (2006) [vLS06] augments perfect simulation to the case of marked point processes, and though we adapt just one approach to the spatially-correlated, zero-inflated Poisson setting, other mark and point process models and algorithms were studied in this reference, including the more specialized Widom-Rowlinson penetrable spheres model, and the more general Candy model; and a perfect Gibbs sampler, and CFTP technique based on clans of ancestors for marked point processes. A further development extending the work in this reference and this thesis is the introduction of zero-inflation to these, and other, models and algorithms.

# A Complete Derivation of the Fisher Information

Complete computations for each component of the Fisher information for the spatial zero-inflated Poisson generalized linear model presented in Chapter 3 are provided in this appendix. The computations of the second-order gradient and its expectation are given for each component, for the model under general link functions  $\alpha_{st}(\cdot)$  and  $\lambda_{st}(\cdot)$ , as well as those chosen for the implementation of the model in this thesis:

$$g_1^{-1}(\alpha_{st}) = \text{logit}(\alpha_{st}) = \mathbf{x}_{st}^\top \boldsymbol{\beta}_1 \iff \alpha_{st} = \frac{1}{1 + \exp\{-\mathbf{x}_{st}^\top \boldsymbol{\beta}_1\}},$$

$$g_2^{-1}(\lambda_{st}) = \log(\lambda_{st}) = \mathbf{x}_{st}^\top \boldsymbol{\beta}_2 \iff \lambda_{st} = \exp\{\mathbf{x}_{st}^\top \boldsymbol{\beta}_2\}.$$

In what follows, recall that

$$\text{Prob}(Z_{st} = 0) = \alpha_{st} + (1 - \alpha_{st})e^{-\lambda_{st}}, \quad (\text{A.1})$$

$$\text{Prob}(Z_{st} > 0) = 1 - \text{Prob}(Z_{st} = 0) = (1 - \alpha_{st})(1 - e^{-\lambda_{st}}). \quad (\text{A.2})$$

For the computation of the diagonal block terms of the Fisher information  $E\left[\frac{\partial^2}{\partial \boldsymbol{\beta}_1 \partial \boldsymbol{\beta}_1^\top} \ell(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2 | \mathbf{x}_{st}, z_{st})\right]$  and  $E\left[\frac{\partial^2}{\partial \boldsymbol{\beta}_2 \partial \boldsymbol{\beta}_2^\top} \ell(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2 | \mathbf{x}_{st}, z_{st})\right]$ , recall that the score functions under general link functions are given by

$$S_{\boldsymbol{\beta}_1} = \frac{\partial}{\partial \boldsymbol{\beta}_1} \ell(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2 | \mathbf{x}_{st}, z_{st}) = \sum_{s,t: z_{st}=0} \frac{\alpha'_{st} \mathbf{x}_{st} (1 - e^{-\lambda_{st}})}{\text{Prob}(Z_{st} = 0)} + \sum_{s,t: z_{st}>0} \frac{-\alpha'_{st} \mathbf{x}_{st}}{1 - \alpha_{st}}, \quad (\text{A.3})$$

$$S_{\boldsymbol{\beta}_2} = \frac{\partial}{\partial \boldsymbol{\beta}_2} \ell(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2 | \mathbf{x}_{st}, z_{st}) = \sum_{s,t: z_{st}=0} \frac{-(1 - \alpha_{st}) \lambda'_{st} \mathbf{x}_{st} e^{-\lambda_{st}}}{\text{Prob}(Z_{st} = 0)} + \sum_{s,t: z_{st}>0} \left[ z_{st} \frac{\lambda'_{st} \mathbf{x}_{st}}{\lambda_{st}} - \lambda'_{st} \mathbf{x}_{st} \right]. \quad (\text{A.4})$$

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## Appendix A. Complete Derivation of the Fisher Information

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Differentiating  $S_{\beta_1}$  with respect to  $\beta_1$  gives

$$\begin{aligned}
 \frac{\partial^2}{\partial \beta_1 \partial \beta_1^\top} \ell(\beta_1, \beta_2 | \mathbf{x}_{st}, z_{st}) &= \sum_{s,t: z_{st}=0} \frac{1}{\text{Prob}(Z_{st}=0)^2} \left( \alpha''_{st} \mathbf{x}_{st} \mathbf{x}_{st}^\top (1 - e^{-\lambda_{st}}) - \right. \\
 &\quad \left. - \alpha'_{st} \mathbf{x}_{st} (1 - e^{-\lambda_{st}}) (\alpha_{st} \mathbf{x}_{st} (1 - e^{-\lambda_{st}}))^\top \right) + \\
 &\quad + \sum_{s,t: z_{st}>0} \frac{(1 - \alpha_{st})(-\alpha''_{st} \mathbf{x}_{st} \mathbf{x}_{st}^\top) + \alpha'_{st} \mathbf{x}_{st} (-\alpha'_{st} \mathbf{x}_{st})^\top}{(1 - \alpha_{st})^2} \\
 &= \sum_{s,t: z_{st}=0} \frac{\text{Prob}(Z_{st}=0) (\alpha''_{st} \mathbf{x}_{st} \mathbf{x}_{st}^\top (1 - e^{-\lambda_{st}})) - (1 - e^{-\lambda_{st}})^2 (\alpha'_{st})^2 \mathbf{x}_{st} \mathbf{x}_{st}^\top}{\text{Prob}(Z_{st}=0)^2} + \\
 &\quad + \sum_{s,t: z_{st}>0} \frac{(1 - \alpha_{st})(-\alpha''_{st} \mathbf{x}_{st} \mathbf{x}_{st}^\top) - (\alpha'_{st})^2 \mathbf{x}_{st} \mathbf{x}_{st}^\top}{(1 - \alpha_{st})^2} \\
 &= \sum_{s,t: z_{st}=0} (1 - e^{-\lambda_{st}}) \left( \frac{\text{Prob}(Z_{st}=0) \alpha''_{st} - (1 - e^{-\lambda_{st}}) (\alpha'_{st})^2}{\text{Prob}(Z_{st}=0)^2} \right) \mathbf{x}_{st} \mathbf{x}_{st}^\top + \\
 &\quad + \sum_{s,t: z_{st}>0} \left( \frac{-(1 - \alpha_{st}) \alpha''_{st} - (\alpha'_{st})^2}{(1 - \alpha_{st})^2} \right) \mathbf{x}_{st} \mathbf{x}_{st}^\top,
 \end{aligned}$$

and finally,

$$\begin{aligned}
 \frac{\partial^2}{\partial \beta_1 \partial \beta_1^\top} \ell(\beta_1, \beta_2 | \mathbf{x}_{st}, z_{st}) &= \sum_{s,t} \left( (1 - e^{-\lambda_{st}}) \left( \frac{\alpha''_{st}}{\text{Prob}(Z_{st}=0)} - \frac{(1 - e^{-\lambda_{st}}) (\alpha'_{st})^2}{\text{Prob}(Z_{st}=0)^2} \right) \mathbf{1}(Z_{st}=0) - \right. \\
 &\quad \left. - \left( \frac{\alpha''_{st}}{1 - \alpha_{st}} + \frac{(\alpha'_{st})^2}{(1 - \alpha_{st})^2} \right) \mathbf{1}(Z_{st}>0) \right) \mathbf{x}_{st} \mathbf{x}_{st}^\top.
 \end{aligned}$$

Taking expectations gives

$$\begin{aligned}
 E \left[ \frac{\partial^2}{\partial \beta_1 \partial \beta_1^\top} \ell(\beta_1, \beta_2 | \mathbf{x}_{st}, z_{st}) \right] &= \sum_{s,t} \left( (1 - e^{-\lambda_{st}}) \left( \frac{\alpha''_{st}}{\text{Prob}(Z_{st}=0)} - \frac{(1 - e^{-\lambda_{st}}) (\alpha'_{st})^2}{\text{Prob}(Z_{st}=0)^2} \right) \text{Prob}(Z_{st}=0) - \right. \\
 &\quad \left. - \left( \frac{\alpha''_{st}}{1 - \alpha_{st}} + \left( \frac{\alpha'_{st}}{1 - \alpha_{st}} \right)^2 \right) (1 - \text{Prob}(Z_{st}=0)) \right) \mathbf{x}_{st} \mathbf{x}_{st}^\top \\
 &= \sum_{s,t} \left( (1 - e^{-\lambda_{st}}) \left( \alpha''_{st} - \frac{(1 - e^{-\lambda_{st}}) (\alpha'_{st})^2}{\text{Prob}(Z_{st}=0)} \right) - \right. \\
 &\quad \left. - \left( \frac{\alpha''_{st}}{1 - \alpha_{st}} + \frac{(\alpha'_{st})^2}{(1 - \alpha_{st})^2} \right) (1 - \text{Prob}(Z_{st}=0)) \right) \mathbf{x}_{st} \mathbf{x}_{st}^\top.
 \end{aligned}$$

Simplifying using Equations (A.1) and (A.2), and gathering terms of  $\alpha'_{st}$  and  $\alpha''_{st}$ , we obtain

$$E\left[\frac{\partial^2}{\partial \boldsymbol{\beta}_1 \partial \boldsymbol{\beta}_1^\top} \ell(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2 | \mathbf{x}_{st}, z_{st})\right] = \sum_{s,t} \left[ \left( (1 - e^{-\lambda_{st}}) - \frac{1}{1 - \alpha_{st}} + \frac{\text{Prob}(Z_{st} = 0)}{1 - \alpha_{st}} \right) \alpha''_{st} + \left( \frac{\text{Prob}(Z_{st} = 0)}{(1 - \alpha_{st})^2} - \frac{1 - e^{-\lambda_{st}}}{\text{Prob}(Z_{st} = 0)} - \frac{1}{(1 - \alpha_{st})^2} \right) (\alpha'_{st})^2 \right] \mathbf{x}_{st} \mathbf{x}_{st}^\top. \quad (\text{A.5})$$

The coefficient of  $\alpha''_{st}$  in Equation (A.5) simplifies to

$$\begin{aligned} (1 - e^{-\lambda_{st}}) - \frac{1}{1 - \alpha_{st}} + \frac{\text{Prob}(Z_{st} = 0)}{1 - \alpha_{st}} &= \frac{(1 - \alpha_{st})(1 - e^{-\lambda_{st}}) - 1 + \text{Prob}(Z_{st} = 0)}{\alpha_{st}} \\ &= \frac{1 - \text{Prob}(Z_{st} = 0) - 1 + \text{Prob}(Z_{st} = 0)}{1 - \alpha_{st}} = 0, \end{aligned}$$

while the coefficient of  $(\alpha'_{st})^2$  simplifies to

$$\begin{aligned} \frac{\text{Prob}(Z_{st} = 0) - 1}{(1 - \alpha_{st})^2} - \frac{1 - e^{-\lambda_{st}}}{\text{Prob}(Z_{st} = 0)} &= \frac{\text{Prob}(Z_{st} = 0)^2 - \text{Prob}(Z_{st} = 0) - (1 - \alpha_{st})^2(1 - e^{-\lambda_{st}})}{(1 - \alpha_{st})^2 \text{Prob}(Z_{st} = 0)} \\ &= \frac{\text{Prob}(Z_{st} = 0)^2 - \text{Prob}(Z_{st} = 0) - (1 - \alpha_{st})(1 - \text{Prob}(Z_{st} = 0))}{(1 - \alpha_{st})^2 \text{Prob}(Z_{st} = 0)} \\ &= \frac{\text{Prob}(Z_{st} = 0)^2 - 1 + \alpha_{st}(1 - \text{Prob}(Z_{st} = 0))}{(1 - \alpha_{st})^2 \text{Prob}(Z_{st} = 0)} \\ &= \frac{\text{Prob}(Z_{st} = 0)^2 - 1 + \alpha_{st}(1 - \alpha_{st})(1 - e^{-\lambda_{st}})}{(1 - \alpha_{st})^2 \text{Prob}(Z_{st} = 0)} \\ &= \frac{\text{Prob}(Z_{st} = 0)^2 - 1}{(1 - \alpha_{st})^2 \text{Prob}(Z_{st} = 0)} + \frac{\alpha_{st}(1 - e^{-\lambda_{st}})}{(1 - \alpha_{st}) \text{Prob}(Z_{st} = 0)}. \end{aligned}$$

This gives the desired expression for the expectation of the second-order derivative of the log-likelihood with respect to  $\boldsymbol{\beta}_1$  under general link functions,

$$E\left[\frac{\partial^2}{\partial \boldsymbol{\beta}_1 \partial \boldsymbol{\beta}_1^\top} \ell(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2 | \mathbf{x}_{st}, z_{st})\right] = \sum_{s,t} \frac{(\alpha'_{st})^2}{(1 - \alpha_{st}) \text{Prob}(Z_{st} = 0)} \left( \frac{\text{Prob}(Z_{st} = 0)^2 - 1}{1 - \alpha_{st}} + \alpha_{st}(1 - e^{-\lambda_{st}}) \right) \mathbf{x}_{st} \mathbf{x}_{st}^\top. \quad (\text{A.6})$$

## Appendix A. Complete Derivation of the Fisher Information

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When  $\alpha_{st}(\cdot)$  is modeled as a logistic function  $\alpha = \text{logit}(x)$ , we have  $\alpha' = \alpha(1 - \alpha)$ , which yields

$$\begin{aligned}
E\left[\frac{\partial^2}{\partial \beta_1 \partial \beta_1^\top} \ell(\beta_1, \beta_2 | \mathbf{x}_{st}, z_{st})\right] &= \sum_{s,t} \frac{\alpha_{st}^2(1-\alpha_{st})^2}{(1-\alpha_{st})\text{Prob}(Z_{st}=0)} \left( \frac{\text{Prob}(Z_{st}=0)^2 - 1}{1-\alpha_{st}} + \alpha_{st}(1-e^{-\lambda_{st}}) \right) \mathbf{x}_{st} \mathbf{x}_{st}^\top \\
&= \sum_{s,t} \frac{\alpha_{st}^2(1-\alpha_{st})}{\text{Prob}(Z_{st}=0)} \left( \frac{\text{Prob}(Z_{st}=0)^2 - 1 + \alpha_{st}(1-\alpha_{st})(1-e^{-\lambda_{st}})}{1-\alpha_{st}} \right) \mathbf{x}_{st} \mathbf{x}_{st}^\top \\
&= \sum_{s,t} \frac{\alpha_{st}^2(1-\alpha_{st})}{\text{Prob}(Z_{st}=0)} \left( \frac{\text{Prob}(Z_{st}=0)^2 - 1 + \alpha_{st}(1 - \text{Prob}(Z_{st}=0))}{1-\alpha_{st}} \right) \mathbf{x}_{st} \mathbf{x}_{st}^\top \\
&= \sum_{s,t} \frac{\alpha_{st}^2(1-\alpha_{st})}{\text{Prob}(Z_{st}=0)} \left( \frac{\text{Prob}(Z_{st}=0)(\text{Prob}(Z_{st}=0) - \alpha_{st}) - (1-\alpha_{st})}{1-\alpha_{st}} \right) \mathbf{x}_{st} \mathbf{x}_{st}^\top \\
&= \sum_{s,t} \frac{\alpha_{st}^2(1-\alpha_{st})}{\text{Prob}(Z_{st}=0)} \left( \frac{\text{Prob}(Z_{st}=0)(1-\alpha_{st})e^{-\lambda_{st}} - (1-\alpha_{st})}{1-\alpha_{st}} \right) \mathbf{x}_{st} \mathbf{x}_{st}^\top \\
&= \sum_{s,t} \alpha_{st}^2(1-\alpha_{st}) \left( e^{-\lambda_{st}} - \frac{1}{\text{Prob}(Z_{st}=0)} \right) \mathbf{x}_{st} \mathbf{x}_{st}^\top \\
&= \sum_{s,t} \alpha_{st} \alpha'_{st} \left( e^{-\lambda_{st}} - \frac{1}{\text{Prob}(Z_{st}=0)} \right) \mathbf{x}_{st} \mathbf{x}_{st}^\top. \tag{A.7}
\end{aligned}$$

Differentiating  $S_{\beta_2}$  with respect to  $\beta_2$  gives

$$\begin{aligned}
\frac{\partial^2}{\partial \beta_2 \partial \beta_2^\top} \ell(\beta_1, \beta_2 | \mathbf{x}_{st}, z_{st}) &= \sum_{s,t: z_{st}=0} \frac{1}{\text{Prob}(Z_{st}=0)} \left( \text{Prob}(Z_{st}=0) \left( -(1-\alpha_{st})(\lambda''_{st} \mathbf{x}_{st} \mathbf{x}_{st}^\top e^{-\lambda_{st}} + \right. \right. \\
&\quad \left. \left. + \lambda'_{st} \mathbf{x}_{st} (-\lambda'_{st} \mathbf{x}_{st} e^{-\lambda_{st}})^\top) \right) \right) + \\
&\quad + \sum_{s,t: z_{st}>0} \left( z_{st} \frac{\lambda_{st} \lambda''_{st} \mathbf{x}_{st} \mathbf{x}_{st}^\top - \lambda'_{st} \mathbf{x}_{st} (\lambda'_{st} \mathbf{x}_{st})^\top}{\lambda_{st}^2} - \lambda''_{st} \mathbf{x}_{st} \mathbf{x}_{st}^\top \right) \\
&= \sum_{s,t: z_{st}=0} \frac{1}{\text{Prob}(Z_{st}=0)} \left( \text{Prob}(Z_{st}=0) \left( -(1-\alpha_{st})(\lambda''_{st} \mathbf{x}_{st} \mathbf{x}_{st}^\top e^{-\lambda_{st}} - \right. \right. \\
&\quad \left. \left. - (\lambda'_{st})^2 \mathbf{x}_{st} \mathbf{x}_{st}^\top e^{-\lambda_{st}}) \right) - (1-\alpha_{st})^2 (e^{-\lambda_{st}})^2 (\lambda'_{st})^2 \mathbf{x}_{st} \mathbf{x}_{st}^\top \right) + \\
&\quad + \sum_{s,t: z_{st}>0} \left( z_{st} \frac{\lambda_{st} \lambda''_{st} \mathbf{x}_{st} \mathbf{x}_{st}^\top - (\lambda'_{st})^2 \mathbf{x}_{st}^\top}{\mathbf{x}_{st}} \lambda_{st}^2 - \lambda''_{st} \mathbf{x}_{st} \mathbf{x}_{st}^\top \right) \\
&= \sum_{s,t: z_{st}=0} \frac{1}{\text{Prob}(Z_{st}=0)} \left( -\text{Prob}(Z_{st}=0)(1-\alpha_{st})e^{-\lambda_{st}} \mathbf{x}_{st} \mathbf{x}_{st}^\top (\lambda''_{st} - (\lambda'_{st})^2) - \right. \\
&\quad \left. - (1-\alpha_{st})^2 (e^{-\lambda_{st}})^2 (\lambda'_{st})^2 \mathbf{x}_{st} \mathbf{x}_{st}^\top \right) + \\
&\quad + \sum_{s,t: z_{st}>0} \left( z_{st} \frac{\lambda_{st} \lambda''_{st} \mathbf{x}_{st} \mathbf{x}_{st}^\top - (\lambda'_{st})^2 \mathbf{x}_{st} \mathbf{x}_{st}^\top}{\lambda_{st}^2} - \lambda''_{st} \mathbf{x}_{st} \mathbf{x}_{st}^\top \right) \tag{A.8}
\end{aligned}$$

and finally

$$\begin{aligned} \frac{\partial^2}{\partial \boldsymbol{\beta}_2 \partial \boldsymbol{\beta}_2^\top} \ell(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2 | \mathbf{x}_{st}, z_{st}) &= \sum_{s,t} \left( - (1 - \alpha_{st}) e^{-\lambda_{st}} \frac{\text{Prob}(Z_{st} = 0) (\lambda''_{st} - (\lambda'_{st})^2) + (1 - \alpha_{st}) e^{-\lambda_{st}} (\lambda'_{st})^2}{\text{Prob}(Z_{st} = 0)} \mathbf{1}(Z_{st} = 0) + \right. \\ &\quad \left. + \left( z_{st} \frac{\lambda_{st} \lambda''_{st} - (\lambda'_{st})^2}{\lambda_{st}^2} - \lambda''_{st} \right) \mathbf{1}(Z_{st} > 0) \right) \mathbf{x}_{st} \mathbf{x}_{st}^\top. \end{aligned} \quad (\text{A.9})$$

Taking expectations gives,

$$\begin{aligned} E \left[ \frac{\partial^2}{\partial \boldsymbol{\beta}_2 \partial \boldsymbol{\beta}_2^\top} \ell(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2 | \mathbf{x}_{st}, z_{st}) \right] &= \sum_{s,t} \left[ - (1 - \alpha_{st}) e^{-\lambda_{st}} \left( \frac{\lambda''_{st}}{\text{Prob}(Z_{st} = 0)} - \frac{(\lambda'_{st})^2}{\text{Prob}(Z_{st} = 0)} + \right. \right. \\ &\quad \left. \left. + \frac{(1 - \alpha_{st}) e^{-\lambda_{st}} (\lambda'_{st})^2}{\text{Prob}(Z_{st} = 0)^2} \right) \text{Prob}(Z_{st} = 0) + \right. \\ &\quad \left. + \left( \frac{z_{st} \lambda''_{st}}{\lambda_{st}} - \frac{z_{st} (\lambda'_{st})^2}{\lambda_{st}^2} - \lambda''_{st} \right) (1 - \text{Prob}(Z_{st} = 0)) \right] \mathbf{x}_{st} \mathbf{x}_{st}^\top, \end{aligned}$$

which, after simplification and gathering terms of  $\lambda''_{st}$  and  $(\lambda'_{st})^2$ , yields

$$\begin{aligned} E \left[ \frac{\partial^2}{\partial \boldsymbol{\beta}_2 \partial \boldsymbol{\beta}_2^\top} \ell(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2 | \mathbf{x}_{st}, z_{st}) \right] &= \sum_{s,t} \left[ \left( - (1 - \alpha_{st}) e^{-\lambda_{st}} + \frac{z_{st}}{\lambda_{st}} - 1 - \frac{z_{st} \text{Prob}(Z_{st} = 0)}{\lambda_{st}} + \text{Prob}(Z_{st} = 0) \right) \lambda''_{st} + \right. \\ &\quad \left. + \left( (1 - \alpha_{st}) e^{-\lambda_{st}} - \frac{(1 - \alpha_{st})^2 (e^{-\lambda_{st}})^2}{\text{Prob}(Z_{st} = 0)} - \frac{z_{st}}{\lambda_{st}^2} + \frac{z_{st} \text{Prob}(Z_{st} = 0)}{\lambda_{st}^2} \right) (\lambda'_{st})^2 \right] \mathbf{x}_{st} \mathbf{x}_{st}^\top. \end{aligned} \quad (\text{A.10})$$

The coefficient of  $\lambda''_{st}$  simplifies to

$$\begin{aligned} \text{Prob}(Z_{st} = 0) - (1 - \alpha_{st}) e^{-\lambda_{st}} - 1 + \frac{z_{st} - z_{st} \text{Prob}(Z_{st} = 0)}{\lambda_{st}} &= -(1 - \alpha_{st}) + \frac{z_{st} (1 - \text{Prob}(Z_{st} = 0))}{\lambda_{st}} \\ &= -(1 - \alpha_{st}) + \frac{z_{st} (1 - \alpha_{st}) (1 - e^{-\lambda_{st}})}{\lambda_{st}} \\ &= (1 - \alpha_{st}) \left( \frac{z_{st} (1 - e^{-\lambda_{st}}) - \lambda_{st}}{\lambda_{st}} \right); \end{aligned}$$

the coefficient of  $(\lambda_{st})^2$  simplifies to

$$\begin{aligned} (1 - \alpha_{st}) e^{-\lambda_{st}} \left( \frac{\text{Prob}(Z_{st} = 0) - (1 - \alpha_{st}) e^{-\lambda_{st}}}{\text{Prob}(Z_{st} = 0)} \right) - \frac{z_{st} (1 - \text{Prob}(Z_{st} = 0))}{\lambda_{st}^2} &= \\ &= (1 - \alpha_{st}) e^{-\lambda_{st}} \left( \frac{\alpha_{st}}{\text{Prob}(Z_{st} = 0)} \right) - \frac{z_{st} (1 - \alpha_{st}) (1 - e^{-\lambda_{st}})}{\lambda_{st}^2} \\ &= (1 - \alpha_{st}) \left( \frac{\alpha_{st} e^{-\lambda_{st}}}{\text{Prob}(Z_{st} = 0)} - \frac{z_{st} (1 - e^{-\lambda_{st}})}{\lambda_{st}^2} \right). \end{aligned}$$

## Appendix A. Complete Derivation of the Fisher Information

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This gives the desired expression for the expectation of the second-order derivative of the log-likelihood with respect to  $\beta_2$  under general link functions,

$$\begin{aligned} E\left[\frac{\partial^2}{\partial \beta_2 \partial \beta_2^\top} \ell(\beta_1, \beta_2 | \mathbf{x}_{st}, z_{st})\right] &= \sum_{s,t} (1 - \alpha_{st}) \left( \frac{z_{st}(1 - e^{-\lambda_{st}}) - \lambda_{st} \lambda''_{st}}{\lambda_{st}} + \right. \\ &\quad \left. + \left( \frac{\alpha_{st} e^{-\lambda_{st}}}{\text{Prob}(Z_{st} = 0)} - \frac{z_{st}(1 - e^{-\lambda_{st}})}{\lambda_{st}^2} \right) (\lambda'_{st})^2 \right) \mathbf{x}_{st} \mathbf{x}_{st}^\top. \end{aligned} \quad (\text{A.11})$$

When  $\lambda_{st}(\cdot)$  is modeled by the canonical link  $\lambda = e^x$ , we have  $\lambda = \lambda' = \lambda''$ , which yields

$$\begin{aligned} E\left[\frac{\partial^2}{\partial \beta_2 \partial \beta_2^\top} \ell(\beta_1, \beta_2 | \mathbf{x}_{st}, z_{st})\right] &= \sum_{s,t} \lambda_{st} (1 - \alpha_{st}) \left( \frac{z_{st}(1 - e^{-\lambda_{st}}) - \lambda_{st}}{\lambda_{st}} - \left( \frac{\alpha_{st} e^{-\lambda_{st}}}{\text{Prob}(Z_{st} = 0)} - \frac{z_{st}(1 - e^{-\lambda_{st}})}{\lambda_{st}^2} \right) \lambda_{st} \right) \mathbf{x}_{st} \mathbf{x}_{st}^\top \\ &= \sum_{s,t} \lambda_{st} (1 - \alpha_{st}) \left( \frac{\alpha_{st} \lambda_{st} e^{-\lambda_{st}} - \text{Prob}(Z_{st} = 0)}{\text{Prob}(Z_{st} = 0)} \right) \mathbf{x}_{st} \mathbf{x}_{st}^\top. \end{aligned} \quad (\text{A.12})$$

We now give the computation of the off-diagonal block elements of the Fisher information, and verify that the matrix is indeed symmetric, *i.e.* that

$$E\left[\frac{\partial^2}{\partial \beta_1 \partial \beta_2^\top} \ell(\beta_1, \beta_2 | \mathbf{x}_{st}, z_{st})\right] = E\left[\frac{\partial^2}{\partial \beta_2 \partial \beta_1^\top} \ell(\beta_1, \beta_2 | \mathbf{x}_{st}, z_{st})\right].$$

Differentiating  $S_{\beta_2}$  with respect to  $\beta_1$  gives

$$\begin{aligned} \frac{\partial^2}{\partial \beta_1 \partial \beta_2^\top} \ell(\beta_1, \beta_2 | \mathbf{x}_{st}, z_{st}) &= \sum_{s,t: z_{st}=0} \frac{1}{\text{Prob}(Z_{st} = 0)^2} \left( \text{Prob}(Z_{st} = 0) (\alpha'_{st} \mathbf{x}_{st} (\lambda'_{st} \mathbf{x}_{st} e^{-\lambda_{st}})^\top) + \right. \\ &\quad \left. + (1 - \alpha_{st}) \lambda'_{st} \mathbf{x}_{st} e^{-\lambda_{st}} (\alpha'_{st} \mathbf{x}_{st} (1 - e^{-\lambda_{st}}))^\top \right) + 0 \\ &= \sum_{s,t: z_{st}=0} \frac{\text{Prob}(Z_{st} = 0) \alpha'_{st} \lambda'_{st} e^{-\lambda_{st}} \mathbf{x}_{st} \mathbf{x}_{st}^\top + (1 - \alpha_{st}) \alpha'_{st} \lambda'_{st} e^{-\lambda_{st}} (1 - e^{-\lambda_{st}}) \mathbf{x}_{st} \mathbf{x}_{st}^\top}{\text{Prob}(Z_{st} = 0)^2} \\ &= \sum_{s,t: z_{st}=0} \alpha'_{st} \lambda'_{st} e^{-\lambda_{st}} \left( \frac{\text{Prob}(Z_{st} = 0) + (1 - \alpha_{st})(1 - e^{-\lambda_{st}})}{\text{Prob}(Z_{st} = 0)^2} \right) \mathbf{x}_{st} \mathbf{x}_{st}^\top \\ &= \sum_{s,t: z_{st}=0} \alpha'_{st} \lambda'_{st} e^{-\lambda_{st}} \left( \frac{\text{Prob}(Z_{st} = 0) + 1 - \text{Prob}(Z_{st} = 0)}{\text{Prob}(Z_{st} = 0)^2} \right) \mathbf{x}_{st} \mathbf{x}_{st}^\top \\ &= \sum_{s,t} \frac{\alpha'_{st} \lambda'_{st} e^{-\lambda_{st}}}{\text{Prob}(Z_{st} = 0)^2} \mathbf{1}(z_{st} = 0) \mathbf{x}_{st} \mathbf{x}_{st}^\top, \end{aligned} \quad (\text{A.13})$$

and

$$\begin{aligned} E\left[\frac{\partial^2}{\partial \boldsymbol{\beta}_1 \partial \boldsymbol{\beta}_2^\top} \ell(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2 | \mathbf{x}_{st}, z_{st})\right] &= \sum_{s,t} \frac{\alpha'_{st} \lambda'_{st} e^{-\lambda_{st}}}{\text{Prob}(Z_{st} = 0)^2} \text{Prob}(Z_{st} = 0) \mathbf{x}_{st} \mathbf{x}_{st}^\top \\ &= \sum_{s,t} \frac{\alpha'_{st} \lambda'_{st} e^{-\lambda_{st}}}{\text{Prob}(Z_{st} = 0)} \mathbf{x}_{st} \mathbf{x}_{st}^\top. \end{aligned} \quad (\text{A.14})$$

Differentiating  $S_{\boldsymbol{\beta}_1}$  with respect to  $\boldsymbol{\beta}_2$  gives

$$\begin{aligned} \frac{\partial^2}{\partial \boldsymbol{\beta}_2 \partial \boldsymbol{\beta}_1^\top} \ell(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2 | \mathbf{x}_{st}, z_{st}) &= \sum_{s,t: z_{st}=0} \frac{1}{\text{Prob}(Z_{st} = 0)} \left( \text{Prob}(Z_{st} = 0) (\alpha'_{st} \mathbf{x}_{st} (\lambda'_{st} \mathbf{x}_{st} e^{-\lambda_{st}})^\top) - \right. \\ &\quad \left. - \alpha'_{st} \mathbf{x}_{st} (1 - e^{-\lambda_{st}}) (- (1 - \alpha_{st}) \lambda'_{st} \mathbf{x}_{st} e^{-\lambda_{st}})^\top \right) + 0 \\ &= \sum_{s,t: z_{st}=0} \frac{\text{Prob}(Z_{st} = 0) \alpha'_{st} \lambda'_{st} e^{-\lambda_{st}} \mathbf{x}_{st} \mathbf{x}_{st}^\top + (1 - \alpha_{st}) \alpha'_{st} \lambda'_{st} e^{-\lambda_{st}} (1 - e^{-\lambda_{st}}) \mathbf{x}_{st} \mathbf{x}_{st}^\top}{\text{Prob}(Z_{st} = 0)^2} \\ &= \sum_{s,t} \frac{\alpha'_{st} \lambda'_{st} e^{-\lambda_{st}}}{\text{Prob}(Z_{st} = 0)^2} \mathbf{1}(z_{it} = 0) \mathbf{x}_{st} \mathbf{x}_{st}^\top = \frac{\partial^2}{\partial \boldsymbol{\beta}_1 \boldsymbol{\beta}_2} \ell(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2 | \mathbf{x}_{st}, z_{st}), \end{aligned} \quad (\text{A.15})$$

and necessarily

$$E\left[\frac{\partial^2}{\partial \boldsymbol{\beta}_2 \partial \boldsymbol{\beta}_1^\top} \ell(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2 | \mathbf{x}_{st}, z_{st})\right] = \sum_{s,t} \frac{\alpha'_{st} \lambda'_{st} e^{-\lambda_{st}}}{\text{Prob}(Z_{st} = 0)} \mathbf{x}_{st} \mathbf{x}_{st}^\top = E\left[\frac{\partial^2}{\partial \boldsymbol{\beta}_1 \partial \boldsymbol{\beta}_2^\top} \ell(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2 | \mathbf{x}_{st}, z_{st})\right].$$

When  $\alpha_{st}(\cdot)$  is modeled as a logistic function, and  $\lambda_{st}(\cdot)$  is modeled by the canonical link,

$$E\left[\frac{\partial^2}{\partial \boldsymbol{\beta}_1 \partial \boldsymbol{\beta}_2} \ell(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2 | \mathbf{x}_{st}, z_{st})\right] = \sum_{s,t} \frac{\alpha_{st} (1 - \alpha_{st}) \lambda_{st} e^{-\lambda_{st}}}{\text{Prob}(Z_{st} = 0)} \mathbf{x}_{st} \mathbf{x}_{st}^\top = E\left[\frac{\partial^2}{\partial \boldsymbol{\beta}_2 \partial \boldsymbol{\beta}_1^\top} \ell(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2 | \mathbf{x}_{st}, z_{st})\right]. \quad (\text{A.16})$$

The final form of the Fisher information matrix  $I(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2)$  for the spatial zero-inflated Poisson generalized linear model is

$$I(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2) = - \begin{pmatrix} E\left[\frac{\partial^2}{\partial \boldsymbol{\beta}_1 \partial \boldsymbol{\beta}_1^\top} \ell(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2 | \mathbf{x}_{st}, z_{st})\right] & E\left[\frac{\partial^2}{\partial \boldsymbol{\beta}_1 \partial \boldsymbol{\beta}_2^\top} \ell(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2 | \mathbf{x}_{st}, z_{st})\right] \\ E\left[\frac{\partial^2}{\partial \boldsymbol{\beta}_2 \partial \boldsymbol{\beta}_1^\top} \ell(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2 | \mathbf{x}_{st}, z_{st})\right] & E\left[\frac{\partial^2}{\partial \boldsymbol{\beta}_2 \partial \boldsymbol{\beta}_2^\top} \ell(\boldsymbol{\beta}_1, \boldsymbol{\beta}_2 | \mathbf{x}_{st}, z_{st})\right] \end{pmatrix}.$$



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# ANTHEA MONOD

## EDUCATION

<b>Swiss Federal Institute of Technology (EPFL)</b> <i>Lausanne, Switzerland</i>	2008–2012
Doctor of Philosophy (Ph.D.) in Applied Mathematics – Statistics	
Advisor: Prof. Stephan Morgenthaler	
<b>University of Neuchâtel</b> <i>Neuchâtel, Switzerland</i>	2006–2007
Master of Science (M.Sc.) in Statistics – Diplôme postgrade en statistique	
Advisor: Prof. Yanyuan Ma, Texas A&M University	
<b>University of Chicago</b> <i>Chicago, USA</i>	2000–2004
Bachelor of Arts (B.A.) in Mathematics	

## ACADEMIC POSITIONS & EXPERIENCE

<b>Technion Israel Institute of Technology</b> <i>Haifa, Israel</i>	Starting October 2012
Postdoctoral Fellow	
Mentor: Prof. Robert J. Adler	
<b>Swiss Federal Institute of Technology (EPFL)</b> <i>Lausanne, Switzerland</i>	2009–2012
Graduate Student & Assistant	
<b>University of Neuchâtel</b> <i>Neuchâtel, Switzerland</i>	2007–2009
Swiss National Science Foundation Graduate Student & Assistant	
<b>University of Chicago</b> <i>Chicago, USA</i>	2001–2004
Exam Reader & Teaching Assistant	

**Academic Services and Memberships:** Referee for The International Journal of Biostatistics; Member of The International Environmetrics Society (TIES); Member of the French Statistical Society (Société française de statistique).

**Teaching and Assistantships:** B.Sc. Architecture – Mathematics and Geometry; B.Sc. Microengineering – Analysis; B.Sc. Economics – Applied Statistics; B.Sc. Biology & Pharmaceutics – Mathematics; M.Sc. Mathematics – Biostatistics; M.Sc. Statistics – Inferential Statistics and Test Theory; M.Sc. Finance – Econometrics; Ph.D. Geosciences – Statistics; Supervision of independent study semester projects.

## PUBLICATIONS

*Random Effects Modeling and the Zero-Inflated Poisson Distribution*  
In preparation.

*Modeling Count Panel Data with a Zero-Inflated Poisson Model*  
Quaderni di Statistica **14** (2012), 173–176.

*Generalized Estimating Equations for Zero-Inflated Spatial Count Data*  
Proceedings of the 2011 European Regional Conference of The International Environmetrics Society (TIES): “Spatial Data Methods for Environmental and Ecological Processes, 2nd Edition”, ISSN:2037-7738 (2011), 103–106.

*Generalized Estimating Equations for Zero-Inflated Spatial Count Data*  
Procedia Environmental Sciences **7** (2011), 281–286.

*An Analysis on Count Panel Data Using a Zero-Inflated Poisson Model*  
M.Sc. thesis, University of Neuchâtel, 2007.

INVITED TALKS & CONFERENCE PRESENTATIONS

<b>Methods and Models for Latent Variables</b> University of Naples Federico II, Italy Modeling Count Panel Data with a Zero-Inflated Poisson Model	17–19.5.2012
<b>Spatial<sub>2</sub>: Spatial Data Methods for Environmental and Ecological Processes</b> 2011 European Regional Conference of The International Environmetrics Society (TIES) University of Foggia, Italy Generalized Estimating Equations for Zero-Inflated Spatial Count Data	1–2.9.2011
<b>1st Conference on Spatial Statistics 2011: Mapping Global Change</b> University of Twente, Enschede, The Netherlands Generalized Estimating Equations for Zero-Inflated Spatial Count Data	23–25.3.2011
<b>University of Franche-Comté</b> <i>Besançon, France</i> Seminar: Laboratoire de Mathématiques Kriging and Correlograms for Spatial Stochastic Processes	19.5.2009
<b>University of Neuchâtel</b> <i>Neuchâtel, Switzerland</i> Seminar: Institut de Statistique Kriging and Correlograms for Spatial Stochastic Processes	5.5.2009

PROFESSIONAL EXPERIENCE

<b>World Economic Forum</b> <i>Geneva, Switzerland</i> Intern & Research Assistant	2006
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<b>Webster Capital, LLC – Chicago Mercantile Exchange</b> <i>Chicago, USA</i> Derivatives Trader	2004–2005
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MISCELLANEOUS

**Languages:** English (native); French (fluent); Italian (fluent); Indonesian (proficient); Vietnamese (proficient); German (basic); Hebrew (basic).

**Hobbies:** Sports (Tennis, Running, Spinning, Scuba Diving, Laser Sailing, Skiing, Hiking); Reading (currently: *Le Bardo Thödol – Livre des morts tibétain, suivi de “Commentaire psychologique du Bardo-Thödol” de Carl Gustav Jung*); Cooking; Traveling.

**Date and Place of Birth:** 13 June 1982, Houston, Texas, USA