Quick Questions 7 Understanding Probability

- I. List the three types of probability.
 - A. Classical
 - B. Empirical
 - C. Subjective
- II. Place the letter of the appropriate definition, formula, or expression next to the concept it defines.

1. E 2. J 3. M 4. K 5. O 6. B 7. F 8. C 9. N 10. D 11. G 12. L 13. H 14. I 15. A

III. Identify these probability situations by placing in the space provided a C for Classical, E for Empirical, or S for Subjective.

1. C 2. C 3. E 4. S 5. S 6. E 7. C 8. S 9. E 10. S

- IV. The following data concerns the buying habits of people entering a retail store in relation to their gender. Please complete the chart.
- V. Using the above data, draw a Venn diagram and determine, using a formula, the probability of each of these events.
 - A. The probability of making a sale.

$$P(S) = \frac{S}{n} = \frac{56}{80} = .70 \to 70\%$$
 S \tilde{S}

B. The probability of a customer being female.

$$P(F) = \frac{F}{n} = \frac{20}{80} = .25 \rightarrow 25\%$$

$$F \qquad \tilde{F}$$

C. The probability of making a sale or a customer being male.

$$P(S \text{ or } M) = P(S) + P(M) - P(S \text{ and } M)$$
$$= P(\frac{56}{80}) + P(\frac{60}{80}) - P(\frac{42}{80}) = \frac{74}{80} = .925 = 92.5\%$$

D. The probability of making a sale or not making a sale.

$$P(S \text{ or } \widetilde{S}) = P(S) + P(\widetilde{S})$$
$$= P(\frac{56}{80}) + P(\frac{24}{80}) = \frac{80}{80} = 1.00 \rightarrow 100\%$$

Customer Buying Habits and Gender

Male

42

18

60

Female

14

6

20

Totals

56

24

80

Customer Gender

Yes

No

Totals

Making a Sale



- E. State the rule used to answer questions C and D. What condition is necessary to apply each rule?
 - 1. C was done with the general rule of addition because the events are not mutually exclusive.
 - 2. D was done with the special rule for addition because the events are mutually exclusive.