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prospecting dataset				v Territoria
age-group	networth	status	credit_rating	class:prospect
youth 🚫	high (XX)	employed 🚫	fair 😥	no ·
youth (X)	high 🚫	employed 😥	excellent &	no
middle	high	employed	fair	yes
senior	medium	employed \	fair /	yes
senior	low 🗸	unemployed 🗸	fair	yes
senior 🔗 ,	low · 🚱	unemployed 🕅	excellent 😥	no ·
middle	low '-	unemployed >	excellent	yes
youth 💢	medium 🔇	employed 🚫	fair 🗶 /	no
youth .	low 🔾	unemployed	fair	yes
senior	medium 🗸	unemployed V	fair	yes
youth	medium V	unemployed V	excellent	yes
middle	medium V	employed V	excellent	yes
middle	high	unemployed V	fair	yes
senior 🔗	medium 🞉	employed X	excellent 🚫	no

status

You have been hired by a local electronics retailer and the above dataset has been given to you.

Manager Bayes Jr.9th wants to create a spreadsheet to predict is a customer is likely prospect. To that end

- 1)Compute prior probabilities for the Prospect Yes/No
- 2) Compute the conditional probabilities

P(age-group=youth|prospect=yes) and

P(age-group=youth|prospect=no)

where age-group is a predictor variable.

Compute the conditional probabilities for each predictor variable

(age\_group networth

3) Assuming the assumptic compute the posterior probability P(prospect | X) where X is one of the predictor variable.

Recommendation: Do this by hand and submit name=value format where name

**Prior Priorities P(prospect=yes)** Prior Priorities P(prospect=no)

**Conditional Probabilities:** 

P(age-group=youth|prospect=yes)

P(age-group=middle|prospect=yes)

P(age-group=senior|prospect=yes)

P(age-group=youth|prospect=no)

P(age-group=middle|prospect=no)

p(age-group=senior|prospect=no)

P(networth=high|prospect=yes)

P(networth=low|prospect=yes)

P(networth=medium|prospect=yes)

credit\_rating)

$$P(prospect = yes) = \frac{9}{14}$$
  $p(prospect = no) = \frac{5}{14}$ 

INDIVIOUAL PROBABILITIES OF EACH VARIABLE

p(net-worth = high | prospect = yes) = 
$$\frac{2}{9}$$

p(net-worth = high | prospect = no) =  $\frac{2}{5}$ 

p(net-worth = medium | prospect = yes) =  $\frac{4}{9}$ 

p(net-worth = medium | prospect = no) =  $\frac{2}{5}$ 

p(net-worth = low | prospect = yes) =  $\frac{3}{9}$ 

p(net-worth = low | prospect = yes) =  $\frac{3}{9}$ 

p(net-worth = low | prospect = no) =  $\frac{1}{5}$ 

P (credit\_rating = fair | prospect = no) = 2 P (credit\_rating = excellent | prospect = yes) = 3

P (credit\_rating = excellent | prospect = no) = 3
5

Prior probability => P(prospect=yes) = 9/14
Prior probability => P(prospect=no) = 5/14

P(age-group = youth | prospect = yes) = 
$$\frac{2}{9}$$
P(net -worth = low | prospect = yes) =  $\frac{3}{9}$ 
P(status = employed | prospect = yes) =  $\frac{3}{9}$ 
P(credit - rating = excellent | prospect = yes) =  $\frac{3}{9}$ 

Probability that the customer is likely not a prospect

4

POSTERIOR PROBABILITY => P(A(C)

LIKELIHOOP => P(CIA)

PRIOR PROBABILITY => P(A)

NORMALIZING CONSTANT > P(C)

$$=\frac{2}{9},\frac{3}{9},\frac{3}{9},\frac{9}{14}$$

$$= \frac{486}{91854} = 0.00529 /$$

$$=\frac{3}{5}\cdot\frac{1}{5}\cdot\frac{4}{5}\cdot\frac{3}{5}\cdot\frac{5}{14}$$

$$=\frac{180}{8750}=0.0205_{\parallel}$$

Normalizing (instart = 
$$0.00529 + 0.0205$$
  
=  $0.0259$ 

Posterior Probability for X= 29 ge-group= youth, net\_worth= low, \
status = employed, credit\_rady = excellent}

$$P\left(\text{prospect} = \text{Yes} \mid X\right) = \frac{0.00529}{0.0259} = 0.204 = 1.20$$