

PROBABILITY

HARI VENKATESWARLU - FWC22058

- 13.1.11** ¹ Two groups are competing for the position on the Board of directors of a corporation. The probabilities that the first and the second groups will win are 0.6 and 0.4 respectively. Further, if the first group wins, the probability of introducing a new product is 0.7 and the corresponding probability is 0.3 if the second group wins. Find the probability that the new product introduced was by the second group

Solution:

RV	Values	Description
X	{1,2}	Groups
Y	{3}	New Product

Table 2: Random variables(RV) X,Y

Event	Probability	Description
Pr (1)	0.6	First group winning
Pr (2)	0.4	Second group winning
Pr (3 1)	0.7	Introducing 3 if 1 wins
Pr (3 2)	0.3	Introducing 3 if 2 wins

Table 4: Probabilities

$$\Pr (2 | 3) = \frac{\Pr (2) \Pr (3 | 2)}{\Pr (1) \Pr (3 | 1) + \Pr (2) \Pr (3 | 2)} \quad (13.1.11.1)$$

$$= \frac{(0.4)(0.3)}{(0.6)(0.7) + 0.4(0.3)} \quad (13.1.11.2)$$

$$= \frac{2}{9} \quad (13.1.11.3)$$

¹Read question numbers as (CHAPTER NUMBER).(EXERCISE NUMBER).(QUESTION NUMBER)