

## Bayes estimate of Bernoulli(p) with Beta prior distribution

Consider the random variable  $X$

$$X \sim \text{Ber}(p)$$

Prior distribution:  $p \sim \text{Beta}(\alpha, \beta)$ ,

i.e.,

$$\pi(p) = \frac{p^{\alpha-1}(1-p)^{\beta-1}}{B(\alpha, \beta)}$$

where  $B(\alpha, \beta)$  is the beta function, here it works as a normalizing constant.

The posterior distribution can be expressed as

$$\begin{aligned} \pi(p|X_1, \dots, X_n) &\propto L(X_1, \dots, X_n|p)\pi(p) = \left[ \prod_{i=1}^n p^{x_i}(1-p)^{(1-x_i)} \right] \frac{p^{\alpha-1}(1-p)^{\beta-1}}{B(\alpha, \beta)} \\ &\propto p^{\alpha-1+\sum_{i=1}^n x_i} \times (1-p)^{\beta-1+\sum_{i=1}^n (1-x_i)} = p^{\alpha'-1}(1-p)^{\beta'-1} \end{aligned}$$

where

$$\alpha' = \alpha + \sum_{i=1}^n x_i$$

$$\beta' = \beta + \sum_{i=1}^n (1 - x_i) = \beta + n - \sum_{i=1}^n x_i$$

Notice that, as we simplify our expression, we drop any constant terms that do not depend on  $p$ .

The next step is to identify what distribution this is. We can use the following statement:

**General property: only one probability distribution is proportional to a functional form.**

$$\pi(p|X_1, \dots, X_n) \propto p^{\alpha'-1}(1-p)^{\beta'-1} \propto \frac{p^{\alpha'-1}(1-p)^{\beta'-1}}{B(\alpha', \beta')}$$

So the posterior distribution is

$$\text{Beta}(\alpha', \beta') = \text{Beta}\left(\alpha + \sum_{i=1}^n x_i, \beta + n - \sum_{i=1}^n x_i\right)$$

In this cases, the posterior distribution  $\pi(p|X_1, \dots, X_n)$  is in the same probability distribution family as the prior probability distribution  $\pi(p)$ . The prior and posterior are then called **conjugate distributions**, and the prior is called a **conjugate prior**.

[https://en.wikipedia.org/wiki/Conjugate\\_prior](https://en.wikipedia.org/wiki/Conjugate_prior)