

How to read and interpret confusion matrix:

		Prediction		
		Buy (+)	Not Buy (-)	Total
True state of nature	Buy	a	b	a+b
	Not Buy	c	d	c+d
	Total	a+c	b+d	a+b+c+d

$$\text{Misclassification error} = \frac{b + c}{a + b + c + d} \times 100\%$$

$$\begin{aligned} \text{Percentage of correctly classified customers} \\ = \frac{a + d}{a + b + c + d} \times 100\% \end{aligned}$$

$$\text{Sensitivity} = \frac{a}{a + b} \times 100\%$$

$$\text{Specifity} = \frac{d}{c + d} \times 100\%$$

$$\text{False positive} = \frac{c}{c + d} \times 100\%$$

$$\text{True positive} = \frac{a}{a + b} \times 100\%$$

$$\text{False negative} = \frac{b}{a + b} \times 100\%$$

$$\text{True negative} = \frac{d}{c + d} \times 100\%$$