



Definition

Suppose we have a *finite* set of outcomes Ω . A *categorical outcome variable* (or *categorical random variable*, *categorical variable*, *qualitative variable*) is an outcome variable $x : \Omega \rightarrow V$ where V is a finite set.

We call x a *binary outcome variable* (or *binary random variable*, *dichotomous random variable*) if $|V| = 2$.

Examples

For example, suppose $V = \{0, 1\}$.

