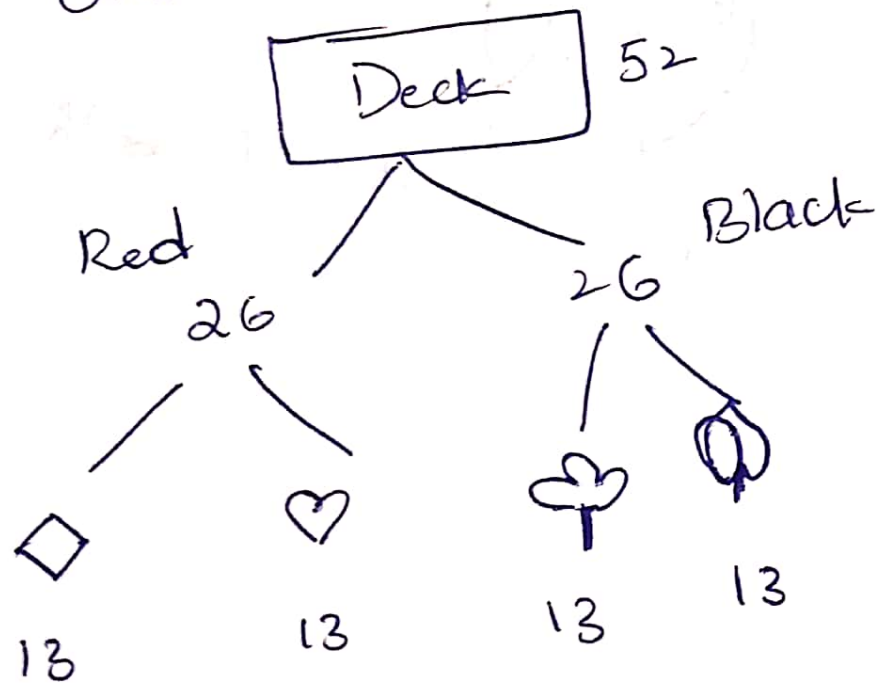


Conditional Probability

Probability with a condition on basis of another event occurring.



Condition on basis of

Probabilities

$$\diamond 9 - \frac{1}{52}$$

$$\heartsuit 9 - \frac{1}{52}$$

$$\text{Red} - \frac{26}{52} = \frac{1}{2}$$

$$7 - \text{Red} - \frac{2}{52}$$

Conditional Probability

$$P(A|B) = \frac{P(A \cap B)}{P(B)}$$

$P(A|B)$
 ↓
 Should Occur
 already occurred

A → Prob 7 ($2/52$)

B → Red Card ($26/52$)

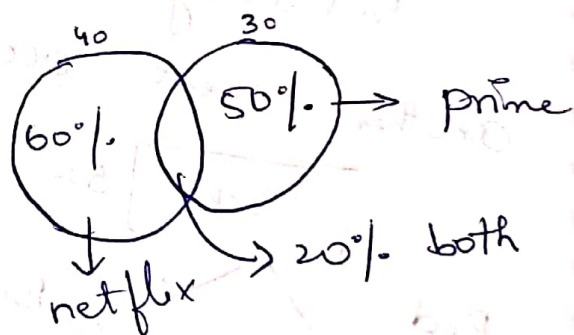
$$P(A \cap B) = \frac{2}{52}$$

$$P(A|B) = \frac{\frac{2}{52}}{\frac{26}{52}} = \frac{1}{13}$$

⑨ It is known that 60% people use netflix 50% use amazon prime 20% people use both. Among those who use netflix, what fraction also use prime.

$$P(P|n) = \frac{P(P \cap n)}{P(n)}$$

$$= \frac{20}{60}$$



(10) In a City, there are about 60% people have disease out of which 40% test positive and out of 40% who don't have disease have 10% testing positive. What is the total positive percentage out of the population.

1000 people

60% disease

600

40% test true

$$600 \times 40\%$$

$$= 240$$

40% without disease

400

10% test positive

$$400 \times 10\%$$

$$= 40$$

$$\text{Total population} = 240 + 40 = 280 \quad (28\%)$$

(11) In a population 80% of people like pizza, 40% like burgers & 30% people like both. What is the prob. of people liking burgers even they like pizza.

$$P(B|P) = \frac{P(B \cap P)}{P(P)} = \frac{30\%}{80\%} = \frac{3}{8}$$

Total Probability Law:-

$$P(A|B) = \frac{P(A \cap B)}{P(B)}$$

$$P(A \cap B) = P(A|B) \cdot P(B)$$

$$P(B) = \frac{P(A \cap B)}{P(A|B)}$$

The probability of an event occurring with multiple permutation and combination of its sample set.

► If there are multiple conditions we use ~~not~~ total probability law.

$$P(C) = P(C|A) * P(A) + P(C|B) * P(B) + P(C|D) * P(D) \dots P(C|N)$$

$$P(C) = \sum_{i=1}^n P(C_i|A_i) * P(A_i)$$

(12) In a given dataset, 30% of emails are spam, 70% of mails are not spam. - and purchase keyword occurs in 80% of spam mail, 10% of not spam mails. Overall what is the percentage of email have purchase?

Total 100 mails

Spam - 30% not Spam - 70%

30 $P(S)$

70 $P(S')$

Purchase - 80%

Purchase - 10%

24 $P(K|S)$

7 $P(K|S')$

Using general thinking - 31% emails.

$$P(K) = P(K|S) * P(S) + P(K|S') * P(S') \\ = 80\% \times 30\% + 10\% \times 70\%$$

$$P(K) = 31\%$$

Q12 5% of all linkedin users are premium users.

10% of premium users are actively seeking new jobs opportunities. Only 2% of non-premium users are actively seeking new job opp. What % people are actively seeking new job opp.

$$P(P) = 5\%$$

$$P(N) = 95\%$$

$$P(P|S) = 10\%$$

$$P(N|S) = 2\%$$

$$P(S) = P(P) * P(P|S) + P(N) * P(N|S)$$

$$= 5\% * 10\% + 95\% * 2\%$$

$$P(S) = 2.4\%$$

⑬ An e-commerce website shows two types of ads A and B - 60% of visitors see Type A ads, and 40% visitors see type B ads. The click through rate for A ads is 5%, while the click through rate for B ads is 3%. What is the overall click through rate?

$$P(A) = 60\% \quad P(C) = P(A) \times P(A|C) +$$

$$P(B) = 40\% \quad P(B) \times P(B|C)$$

$$P(A|C) = 5\%$$

$$= 60\% \times 5\% + 40\% \times 3\%$$

$$P(B|C) = 3\%$$

$$P(C) = 4.2\%$$

⑭ In a NPS Survey - it is seen that 70% are promoters, 20% are neutral, 10% are detractors. 90% promoters, 40% neutral, 5% of detractors recommend the product to a friend. What is the overall percentage of people who recommend the product?

$$P(P) = 70\%$$

$$P(P|f) = 90\%$$

$$P(f) = 70 \times 90\% +$$

$$P(N) = 20\%$$

$$P(N|f) = 40\%$$

$$20\% \times 40\% + 10\% \times 5\%$$

$$P(D) = 10\%$$

$$P(D|f) = 5\%$$

$$P(f) = 71.5\%$$