







In this section

- Define events without a definitive answer
- Define likelihood assigned to the events
- Make decisions according to the likelihood

Analytics Vidhya
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Terminology

- **Experiment:** An experiment could be something like – whether it rains in Delhi on a daily basis or not.
- **Outcome:** Outcome is the result of a single trial. If it rains today, the outcome of today's trial is “it rained”.
- **Event:** An event is one or more outcomes of an experiment. For the experiment of whether it rains in Delhi every day the event could be “it rained” or it didn't rain.
- **Probability:** This simply the likelihood of an event. So if there's a 60% chance of it raining today, the probability of raining is 0.6

Do I really need to know this ?



Yes! Definitely !

- High Chances to rain – carry your umbrella
- 85% chances to default a loan. Should I approve ? **NO**

