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  - ▶ two possible outcomes (success or failure)
  - ▶ probability of success is always the same ( $p$ )
  - ▶ the trials are independent
- ▶ other experiments:
  - ▶ “what is the probability of  $k$  successes if we do a Bernoulli trial  $n$  times?”
  - ▶ “how many successes do we expect if we do a Bernoulli trial  $n$  times?”

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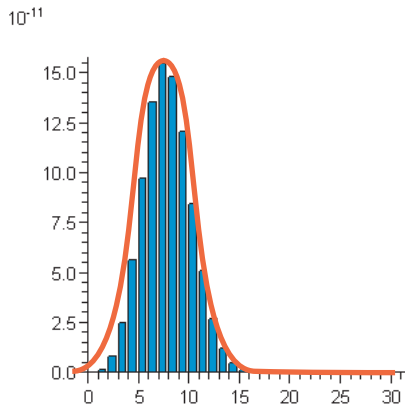
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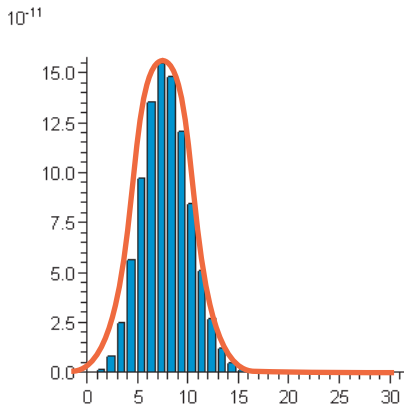
$$\left( N(x) = \frac{1}{\sigma\sqrt{2\pi}} e^{-\frac{(x-\mu)^2}{2\sigma^2}} \right)$$

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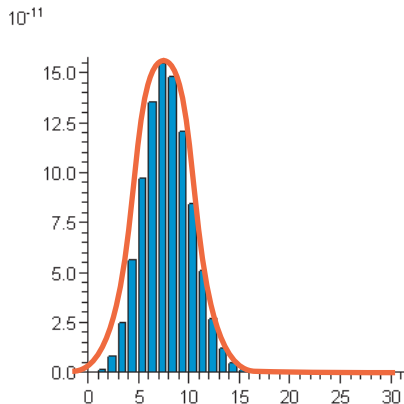


## A Longer Test



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- ▶ Want to quantify this.

# Normal Distributions

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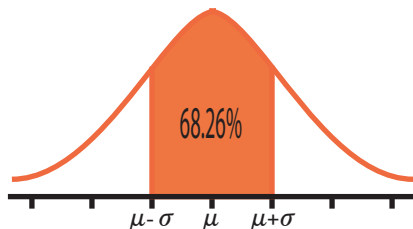
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- ▶ Between 100 and 115?
- ▶ Under 100?
- ▶ Between 70 and 130?

# Multiple Standard Deviations

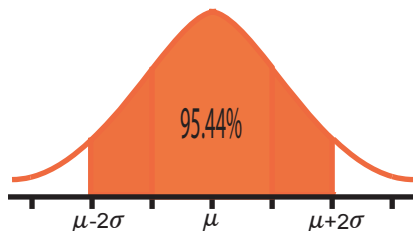
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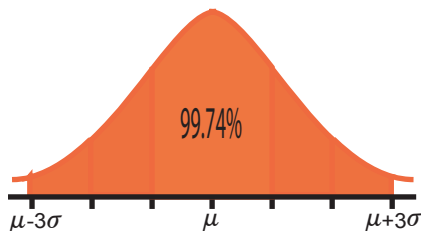
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- ▶ So what fraction of the population has IQ between 70 and 130?
- ▶ Between 55 and 145?
- ▶ Over 145?

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- ▶ Recall the multiple choice test
  - ▶ 30 multiple choice questions, each with 4 answers
  - ▶ Student is randomly answering each question
  - ▶  $\mu = 7.5$
  - ▶  $\sigma \approx 2.5$

# Multiple Choice Test - Revisited

- ▶ Recall the multiple choice test
  - ▶ 30 multiple choice questions, each with 4 answers
  - ▶ Student is randomly answering each question
  - ▶  $\mu = 7.5$
  - ▶  $\sigma \approx 2.5$
- ▶ Approximately, what is the probability that the student will score under 15?

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  - ▶ Standard deviation?
- ▶ If you sell 200 tickets, the airline will almost be under-full.
- ▶ Should incorporate these probabilities into the earlier decision theory model.

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  - ▶ Of 120?

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- ▶ To answer, define the z-score of some value  $x$ :
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$$z = \frac{x - \mu}{\sigma}$$
- ▶ Back to IQs ( $\mu = 100, \sigma = 15$ )
  - ▶ What is the z-score of 85?
  - ▶ Of 120?
- ▶ For any normal distribution, what is the z-score of  $\mu$ ?

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- ▶ A z-score table tells you what percent is below  $x$ .
- ▶ What percent of the population has IQ less than or equal to 120?

## Part of a z-score Table

<b>z</b>	<b>0.00</b>	<b>0.01</b>	<b>0.02</b>	<b>0.03</b>	<b>0.04</b>	<b>0.05</b>	<b>0.06</b>	<b>0.07</b>
<b>0.9</b>	.8159	.8186	.8212	.8238	.8264	.8289	.8315	.8340
<b>1.0</b>	.8412	.8438	.8461	.8485	.8508	.8531	.8554	.8577
<b>1.1</b>	.8643	.8665	.8686	.8708	.8729	.8749	.8770	.8790
<b>1.2</b>	.8849	.8869	.8888	.8907	.8925	.8944	.8962	.8980
<b>1.3</b>	.9032	.9049	.9066	.9082	.9099	.9115	.9131	.9147

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<b>z</b>	<b>0.00</b>	<b>0.01</b>	<b>0.02</b>	<b>0.03</b>	<b>0.04</b>	<b>0.05</b>	<b>0.06</b>	<b>0.07</b>
<b>0.9</b>	.8159	.8186	.8212	.8238	.8264	.8289	.8315	.8340
<b>1.0</b>	.8412	.8438	.8461	.8485	.8508	.8531	.8554	.8577
<b>1.1</b>	.8643	.8665	.8686	.8708	.8729	.8749	.8770	.8790
<b>1.2</b>	.8849	.8869	.8888	.8907	.8925	.8944	.8962	.8980
<b>1.3</b>	.9032	.9049	.9066	<b>.9082</b>	.9099	.9115	.9131	.9147

## Part of a z-score Table

- ▶ So  $\approx 90.82\%$  of the population has *IQ* less than 120.