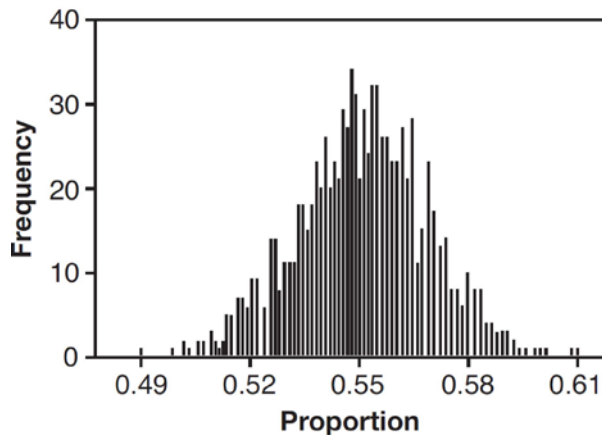


S.IC.B.4: Analysis of Data

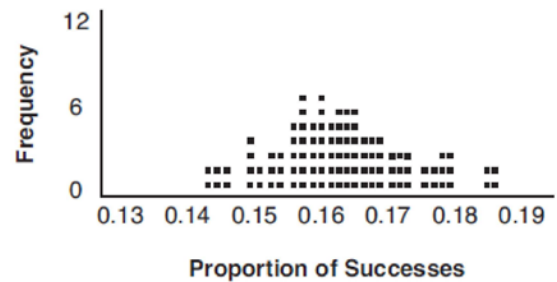
- 1 A candidate for political office commissioned a poll. His staff received responses from 900 likely voters and 55% of them said they would vote for the candidate. The staff then conducted a simulation of 1000 more polls of 900 voters, assuming that 55% of voters would vote for their candidate. The output of the simulation is shown in the diagram below.



Given this output, and assuming a 95% confidence level, the margin of error for the poll is closest to

- 1) 0.01
- 2) 0.03
- 3) 0.06
- 4) 0.12

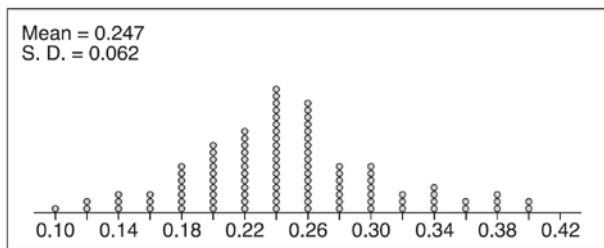
- 2 A study conducted in 2004 in New York City found that 212 out of 1334 participants had hypertension. Kim ran a simulation of 100 studies based on these data. The output of the simulation is shown in the diagram below.



At a 95% confidence level, the proportion of New York City residents with hypertension and the margin of error are closest to

- 1) proportion $\approx .16$; margin of error $\approx .01$
- 2) proportion $\approx .16$; margin of error $\approx .02$
- 3) proportion $\approx .01$; margin of error $\approx .16$
- 4) proportion $\approx .02$; margin of error $\approx .16$

- 3 Stephen's Beverage Company is considering whether to produce a new brand of cola. The company will launch the product if at least 25% of cola drinkers will buy the product. Fifty cola drinkers are randomly selected to take a blind taste-test of products *A*, *B*, and the new product. Nine out of fifty participants preferred Stephen's new cola to products *A* and *B*. The company then devised a simulation based on the requirement that 25% of cola drinkers will buy the product. Each dot in the graph shown below represents the proportion of people who preferred Stephen's new product, each of sample size 50, simulated 100 times.



Proportion Preferring Stephen's Product

Assume the set of data is approximately normal and the company wants to be 95% confident of its results. Does the sample proportion obtained from the blind taste-test, nine out of fifty, fall within the margin of error developed from the simulation? Justify your answer. The company decides to continue developing the product even though only nine out of fifty participants preferred its brand of cola in the taste-test. Describe how the simulation data could be used to support this decision.

S.IC.B.4: Analysis of Data

Answer Section

1 ANS: 2

$$ME = \left(z \sqrt{\frac{p(1-p)}{n}} \right) = \left(1.96 \sqrt{\frac{(0.55)(0.45)}{900}} \right) \approx 0.03$$

REF: 081612aai

2 ANS: 2

$$ME = \left(z \sqrt{\frac{p(1-p)}{n}} \right) = \left(1.96 \sqrt{\frac{(0.16)(0.84)}{1334}} \right) \approx 0.02$$

REF: 081716aai

3 ANS:

Yes. The margin of error from this simulation indicates that 95% of the observations fall within ± 0.12 of the simulated proportion, 0.25. The margin of error can be estimated by multiplying the standard deviation, shown to

be 0.06 in the dotplot, by 2, or applying the estimated standard error formula, $\left(\sqrt{\frac{p(1-p)}{n}} \right)$ or $\left(\sqrt{\frac{(0.25)(0.75)}{50}} \right)$

and multiplying by 2. The interval 0.25 ± 0.12 includes plausible values for the true proportion of people who prefer Stephen's new product. The company has evidence that the population proportion could be at least 25%. As seen in the dotplot, it can be expected to obtain a sample proportion of 0.18 (9 out of 50) or less several times, even when the population proportion is 0.25, due to sampling variability. Given this information, the results of the survey do not provide enough evidence to suggest that the true proportion is not at least 0.25, so the development of the product should continue at this time.

REF: spr1512aai