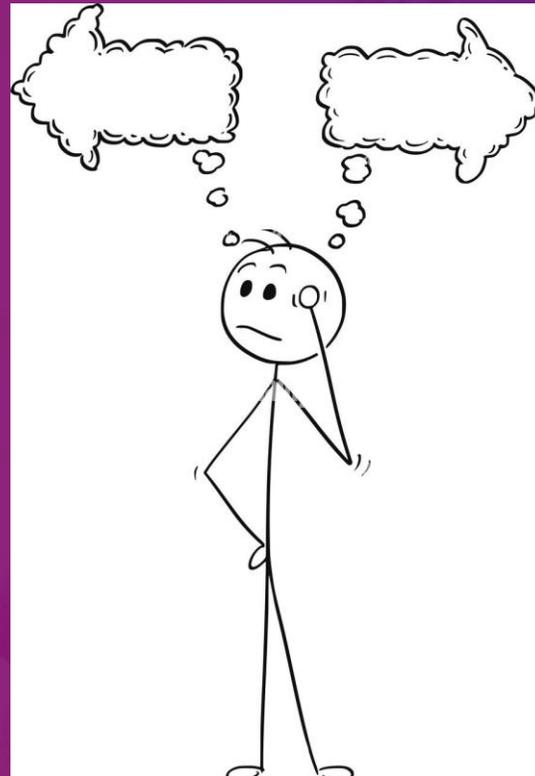


# DISCRETE CHOICE THEORY

2022

2022



# DISCRETE CHOICE THEORY

2022

2022

$$\text{Utility(Uber)} = \sum \text{coefficients} * \text{variables}$$

$$\text{Utility(Lyft)} = \sum \text{coefficients} * \text{variables}$$

Variables : Price, Comfort

$$\text{Probability(Uber)} = \frac{\exp(\text{Utility of Uber})}{\exp(\text{Utility of Uber}) + \exp(\text{Utility of Lyft})}$$

# MULTINOMIAL LOGIT MODELLING

2022

2022

$$\text{Utility(Uber)} = \sum \text{coefficients} * \text{variables}$$

$$\text{Probability(Uber)} = \frac{\exp(\text{Utility of Uber})}{\exp(\text{Utility of Uber}) + \exp(\text{Utility of Lyft})}$$

Knowns: Probability(Uber), Variables

Unknowns: Coefficients