STRINGFEST ANALYTICS

The Monty Hall problem in Excel: demo notes

Download the exercise file: monty-hall.xlsx

This thought experiment comes from the television show Let's Make a Deal!

- Behind three doors randomly lie two goats and a car, respectively.
- You pick a door.
- Monty opens another door: it has a goat.
- Do you stick to your door, or switch doors? Does it matter?

Let's simulate 1,000 rounds of the Monty Hall problem and see whether one strategy works better.

We will use emojis inside conditional formatting to make our simulations come to life. 🏂

You can insert emojis on Windows with the keyboard shortcut Ctrl + ; . For Mac, it's Ctrl + Cmd + Space.

Column	Column label	Formula used	Description	
reference				
В	Random	=RANDBETWEEN(1,3)	This is used to randomly	
	shuffle		shuffle our prizes behind the	
			doors.	
С	Door #1	=IF(\$B3=1,"🊙","🖓")	Assign a car or goat to this	
			door.	
D	Door #2	=IF(\$B3=2,",")	Assign a car or goat to this	
			door.	
E	Door #3	=IF(\$B3=3,"🚓","🖓")	Assign a car or goat to this	
			door.	

1. Enter the following formulas into the table:



F	Random	="Door	Let's pick a door at random.
	selection	<pre>#"&RANDBETWEEN(1,3)</pre>	
G	Prize if you	=IF(F3="Door #1",C3,	Here's what we win if we
	stick	IF(F3="Door	stick with that door.
		#2",D3,E3))	
Н	Result if you	=IF(G3="🚗","Win","Los	Did we win or lose by
	stick	e")	sticking?
I	Prize if you	=IF(G3="🖓", "🚗 ", "🏠 "	Here's what we win if we
	switch)	switch doors.
J	Result if you	=IF(G3="5","Win","Los	Did we win or lose by
	switch	e")	switching?

Conditional formatting is set to turn the cells with a car emoji green in columns C,
D, E, G and I.

Conditional Formatting Rules Manager ? X							
Show formatting rules for: Current Selection							
Edit Ru	ule X Delete Rule						
Rule (applied in order shown)	Format Applies to			Stop If Tru	Je		
Cell Value = "æ"	AaBbCcYyZz	=\$I:\$I,\$G:\$G,\$C:\$E	1				
					- 1		
					- 1		
		ОК С	ancel	Арр	ly		



	Α	В	С	D	E	F	G	Н	I.	J
			=TF(\$B3	=TF(\$B3	=TF(\$B3		=TE(E3="Door			
			=1 "-	=2 "	=3 "	="Door	#1" (3			
		TWEEN(1	امی ر <u>ب</u>	امما <u>ر</u> ـ	المها وح	#"&RANDBETWEEN	TE(E3="Door	=TF(G3="	=TE(G3="\$\"."	=TE(G3="\$\"."W
1		3))))	(1.3)	#2".D3.E3))	Win"."Lose")		in"."Lose")
		Random	/	, ,	/	(1)))	#2 3033C3//	win y cose y	Land 3 1/20 /	11 ; 2052)
2	No.	shuffle	Door #1	Door #2	Door #3	Random selection	Prize if you stick	Result if you stick	Prize if you switch	Result if you switch
3	1	2	52	æ	52	Door #1	S	Lose	æ	Win
4	2	3	5	52	a	Door #2	(m)	Lose	a	Win
5	3	1	a	5	52	Door #3	Seal .	Lose	@	Win
6	4	3	5	5	A	Door #3	a	Win	Seal .	Lose
7	5	2	5	a	5	Door #3	12	Lose	a	Win
8	6	2	5	a	5	Door #1	5	Lose	a	Win
9	7	1	a	5	52	Door #2	Seal .	Lose	@	Win
10	8	3	5	52	a	Door #2	Seal .	Lose	æ	Win
11	9	1	a	5	5	Door #2	1 miles	Lose	a	Win
12	10	1	a	5	5	Door #3	1 miles	Lose	@	Win
13	11	1	a	52	5	Door #3	12	Lose	æ	Win
14	12	1	a	Sia	52	Door #3	Seal of the seal o	Lose	æ	Win
11	1 1 2	n	(Re)	R	-	Deer #1	(hrs	Loso	_	M/in

Our resulting simulation looks like this:

- 3. We can now count the number of times we win by sticking versus switching:
 - a. =COUNTIF(\$H\$3:\$H\$1002,"Win")
 - b. =COUNTIF(\$J\$3:\$J\$1002,"Win")

It turns out that we win about two-thirds of the time when we switch. Why?

Interpretation

A contestant gains to benefit from switching in the Monty Hall problem because Monty reveals more information about the placement of the car after opening a door to one of the goats:

- When you pick the first door, you have a 33% chance of picking the car.
- That leaves 66% of the doors "unanswered."
- Monty opens another door: it has a goat. You *know* this door doesn't have a car.
 - You are now twice as likely to find the car in that second door than the first door, because the 66% likelihood has been "pushed into" one door.

Credits

My workbook demonstration is heavily borrowed from the post "<u>Monty Hall Problem</u> <u>Simulation in Excel</u>."



Special thank-you to Numberphile's <u>Monty Hall Problem video</u> and Statistics by Jim's <u>Monty</u> <u>Hall Problem blog post</u> for further understanding of the problem.

