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.

1. Enter the following formulas into the table:

| Column reference | Column label | Formula used | Description |
| :---: | :---: | :---: | :---: |
| B | Random shuffle | =RANDBETWEEN (1, 3) | This is used to randomly shuffle our prizes behind the doors. |
| C | Door \#1 |  | Assign a car or goat to this door. |
| D | Door \#2 |  | Assign a car or goat to this door. |
| E | Door \#3 |  | Assign a car or goat to this door. |


| F | Random selection | $\begin{aligned} & \text { ="Door } \\ & \text { \#"\&RANDBETWEEN }(1,3) \end{aligned}$ | Let's pick a door at random. |
| :---: | :---: | :---: | :---: |
| G | Prize if you stick | $\begin{aligned} & \text { =IF(F3="Door \#1",C3, } \\ & \operatorname{IF}(F 3=" D o o r ~ \\ & \# 2 ", D 3, E 3)) \end{aligned}$ | Here's what we win if we stick with that door. |
| H | Result if you stick | ```=IF(G3=",","Win", "Los e")``` | Did we win or lose by sticking? |
| I | Prize if you switch | =IF (G3=" | Here's what we win if we switch doors. |
| J | Result if you switch | $\begin{aligned} & =\text { IF (G3="Gun", "Win", "Los } \\ & \text { e") } \end{aligned}$ | Did we win or lose by switching? |

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


Our resulting simulation looks like this:

|  | A |  | в | c | D | E | F | G | H | 1 | , |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | =RANDBE <br> ,3) |  |  |  | ="Door <br> \#"\&Randbetween <br> $(1,3)$ | $\begin{aligned} & =\mathrm{IF}(\text { F3="Door } \\ & \text { \#1",C3, } \\ & \text { IF(F3="Door } \\ & \text { \#2", D3, E3)) } \end{aligned}$ | =IF(G3=" ", " Win", "Lose") | =IF(G3=" "细", " s", "细") | =IF(G3=" \&an","W <br> in", "Lose") |
|  | No. |  | Random shuff | Door | Doo | Door \#3 | Random | Prize if you stick | Result if you stick | Prize if you switch | Resultif you switch |
| 3 |  | 2 |  | (im | 5 | ¢ | Door \#1 | $\pi_{\text {max }}$ | Lose | 4 | Win |
| 4 |  | 23 |  | \% | m | e | Door \#2 | $1{ }^{10}$ | Lose | 8 | Win |
| 5 |  | 31 |  | 8 | m | [m | Door \#3 | [m | Lose | \% | Win |
| 6 |  | 43 |  | $1 m_{0}$ | ¢ | e | Door \#3 | - | Win | [m | Lose |
| 7 |  | 52 |  | m | 5 | m | Door \#3 | 4 | Lose | 5 | Win |
| 8 |  | 62 |  | \% | 5 | m | Door \#1 | \% | Lose | 5 | Win |
| 9 |  | 71 |  | 5 | \% |  | Door \#2 | \% | Lose | 5 | Win |
| 10 |  | 83 |  | \% | \% | 5 | Door \#2 | \% | Lose | 5 | Win |
| 11 |  | 91 |  | \% | \% | (m) | Door \#2 | \% | Lose | \% | Win |
| 12 |  | 101 |  | 8 | [m0 | [ma | Door \#3 | [im | Lose | 5 | Win |
| 13 |  | 111 |  | 8 | m | (40) | Door \#3 | \% | Lose | 5 | Win |
| $\stackrel{14}{14}$ |  | 121 |  | 8 | cin | \% | Door \#3 | \% | Lose | 8 | Win |

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.
o 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 "Monty Hall Problem

## Simulation in Excel."

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

