QUESTION

A new car of a certain model may be assumed to have X minor faults where X has a Poisson distribution with mean μ . A report is sent to the manufacturer listing the faults for each car which has at least one fault. Write down the probability function of Y, the number of faults listed on a randomly chosen report card and find E(Y). Given E(Y)=2.5 find μ correct to 1 decimal place.

ANSWER

$$X \sim P(\mu)$$
 $p(x) = e^{-\mu} \frac{\mu^x}{x!}, x = 0, 1, 2 \dots$
 $P(X = 0) = p(0) = e^{-\mu} P(X \neq 0) = 1 - e^{-\mu}$

$$P(Y = y) = P(X = y | X \neq 0)$$

$$= \frac{P(X = y \text{ and } X \neq 0)}{P(X \neq 0)}$$

$$= \frac{P(X = y)}{P(X \neq 0)}$$

$$= \frac{e^{-\mu}\mu^{y}}{y!(1 - e^{-\mu})}, \quad y = 1, 2, \dots$$

$$E(Y) = \sum_{y=1}^{\infty} \frac{ye^{-\mu}\mu^{y}}{y!(1-e^{-\mu})}$$

$$= \frac{1}{1-e^{-\mu}} \sum_{y=0}^{\infty} \frac{e^{-\mu}\mu^{y}y}{y!}$$

$$= \frac{\mu}{1-e^{-\mu}}$$

Since the summation is E(x). Given $E(Y)=2.5=\frac{\mu}{1-e^{-\mu}}$, we know that $\mu<2.5$ and we can use trial and error to obtain $\mu\approx2.2$