

Monty Hall Bell Ringer

Suppose you are at an arcade that rewards tickets for winning games. One game is a “double-or-nothing” style game where you pay 5 tickets to play and select one of two hidden choices. The choice’s outcome can either be winning 10 tickets (effectively doubling your winnings), or winning nothing at all (effectively losing 5 tickets for playing). Each outcome has an equal chance of occurring. You have a very large number of tickets that you want to maximize as much as possible. What is the optimal strategy in this scenario?

- A. The optimal strategy is to use all of your tickets to play the double-or-nothing game (if you get ticket back from the game, you won’t use them again).
- B. The optimal strategy is to pass up on the double-or-nothing game, and stay with the number of tickets you have right now.
- C. There is no optimal strategy for this situation.

Explain your reasoning as to why you chose A, B or C.