Prediction Success Table

- Predicted Success Tables and Indices were proposed originally by McFadden (1979)
- Prediction success table is a cross classification between the predicted and observed alternatives

Prediction Success Table

• Prediction success table is a cross classification between observed choices and predicted choices

	Predicted Choices				
Observed Choices	TW	Car	PT	Row Totals	Observed
					Share
ТW	25	1	4	30	30%
CAR	2	7	1	10	10%
PT	4	1	55	60	60%
Column Totals	31	9	60	100	100%
Predicted Share	31%	9%	60%		
% Correctly Predicted	83%	70%	92%		

Overall prediction success rate = 87%

Simple Method of Preparing Prediction Success Table

- Probability of choice of each alternative is computed for each observation in the data set using the calibrated utility function.
- The alternative mode with the highest probability is considered as chosen alternative, and this is compared with the alternative actually chosen.
- Prediction success table is then obtained by cross tabulation of these predicted and observed choices

Example of Simple Method

S.	Predicted			Observed		
No.	Probability			Choice		
	Car	TW	Bicycle	Car	TW	Bicycle
1	0.3	0.3	0.4	0	1	0
2	0.5	0.2	0.3	1	0	0
3	0.7	0.1	0.2	1	0	0
4	0.1	0.1	0.8	0	0	1
5	0.2	0.5	0.3	0	0	1

Prediction Success Table

Observed Choices	Predicted Choices			Row Totals	Observed Share (%)
	Car	TW	Bicycle		(70)
Car	1+1=2	0	0	2	40
TW	0	0	1	1	20
Bicycle	0	1	1	2	40
Column Totals	2	1	2	5	100
Predicted Share (%)	40	20	40	100	
% Correctly Predicted	100	0	50	60	

Exact Method

- Let the available data consist of observations of N individuals
- Let *J* is the number of alternatives available to each individual
- Let P_{ji} denote probability of individual *i* in the data set chooses alternative *j*
- Define $S_{jj} = 1$, if individual *i* is observed to choose alternative *j* and 0 otherwise
- For each pair of alternative define N_{lk} as

•
$$N_{lk} = \sum_{i=1}^{N} S_{li} P_{ki}$$

• And define, $n_{lk} = N_{lk}/N$

Exact Method

- N_{lk}= number of individuals who are observed to choose alternative / and predicted by the model to choose alternative k
- n_{lk}= proportion of individuals who are observed to choose alternative / and predicted by the model to choose alternative k
- Prediction success table is the $J \times J$ array whose (I,k) element is either N_{lk} or n_{lk}
- Proportion of trips correctly predicted for alternative I can be obtained as

$$C_l = \frac{N_{ll}}{\sum_k N_{lk}}$$

Overall proportion of choices successfully predicted by the model can be calculated as

$$C = \frac{\sum_{l=1}^{J} N_{ll}}{N}$$