

Why Do Airlines Sell Too Many Tickets?



VOCABULARY

- *Bumped off a Flight more passengers have shown up for the flight than the airline can accommodate
- *Binomial distribution a statistical distribution giving the probability of obtaining a specified number of successes in a specified number of independent trials of an experiment with a constant probability of success in each
- *Infuriating annoys someone very much

COMPREHENSION

- 1. What is overbooking?
- 2. What do overbooking strategies use to make predictions?
- 3. What do we call the probability of success or failure outcome in a survey?
- 4. How do we find the amount of tickets to sell for the highest revenue?
- 5. What types of motivation, besides profit maximization, could be at play when overbooking a flight?
- 6. What might be the ethical responsibilities associated with overbooking. Could these responsibilities vary in different areas?



Why Do Airlines Sell Too Many Tickets?



LET'S TALK

 Should airlines be allowed to overbook flight 	nts? What is your opinion?
---	----------------------------

- 2. Think about other areas or businesses in which overbooking takes place.
- 2. Do you think being too aware of your health can become a bad thing?