EXERCISE SESSION 2: QUESTIONS FOR STUDENTS

Try to answer the following questions by consulting the textbook (see chapter suggested in today's reading) and the lecture slides of today's class:

1. What are the 5 elements to develop a choice framework reflecting the decision-making process?

2. What is the most common decision rule that is assumed to be applied by decision-makers in the derivation of *discrete choice* models?

3. How are the choice probabilities related to random utility maximization?

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