1. Courage Soda and Dexter Soda compete for a market of 210 customers who drink soda each day.

Today, Courage has 80 customers and Dexter has 130 customers. Each day:

70% of Courage Soda's customers keep drinking Courage Soda, while 30% switch to Dexter Soda.

40% of Dexter Soda's customers keep drinking Dexter Soda, while 60% switch to Courage Soda.

a) Write a stochastic matrix *A* and a vector *x* so that *Ax* will give the number of customers for Courage Soda and Dexter Soda (in that order) tomorrow. You do not need to compute *Ax*.

$$A = \begin{pmatrix} 0.7 & 0.6 \\ 0.3 & 0.4 \end{pmatrix} \text{ and } x = \begin{pmatrix} 80 \\ 130 \end{pmatrix}.$$

b) Find the steady-state vector for *A*.

$$\begin{pmatrix} A - I \mid 0 \end{pmatrix} = \begin{pmatrix} -0.3 & 0.6 \mid 0 \\ 0.3 & -0.6 \mid 0 \end{pmatrix} \xrightarrow{R_2 = R_2 + R_1} \begin{pmatrix} 1 & -2 \mid 0 \\ 0 & 0 \mid 0 \end{pmatrix}$$

so $x_1 = 2x_2$ and x_2 is free. A 1-eigenvector is $\begin{pmatrix} 2 \\ 1 \end{pmatrix}$, so the steady state vector
is $w = \frac{1}{2+1} \begin{pmatrix} 2 \\ 1 \end{pmatrix} = \begin{pmatrix} 2/3 \\ 1/3 \end{pmatrix}.$

c) Use your answer from (b) to determine the following: in the long run, roughly how many daily customers will Courage Soda have?

As *n* gets large, $A^n \begin{pmatrix} 80\\130 \end{pmatrix}$ approaches $210 \begin{pmatrix} 2/3\\1/3 \end{pmatrix} = \begin{pmatrix} 140\\70 \end{pmatrix}$. Courage will have roughly 140 customers.

2. Let *W* be the set of all vectors in \mathbf{R}^3 of the form (x, x - y, y) where *x* and *y* are real numbers.

a) Find a basis for W^{\perp} .

b) Let $x = \begin{pmatrix} 2 \\ -2 \\ 1 \end{pmatrix}$. Find the projection x_W of x onto the subspace W and the orthogonal projection $x_{W^{\perp}}$ of x onto the subspace W^{\perp} .

Solution.

$$\begin{pmatrix} x \\ x - y \\ y \end{pmatrix} = \begin{pmatrix} x \\ x \\ 0 \end{pmatrix} + \begin{pmatrix} 0 \\ -y \\ y \end{pmatrix} = x \begin{pmatrix} 1 \\ 1 \\ 0 \end{pmatrix} + y \begin{pmatrix} 0 \\ -1 \\ 1 \end{pmatrix}, \text{ so } W \text{ has basis } \left\{ \begin{pmatrix} 1 \\ 1 \\ 0 \end{pmatrix}, \begin{pmatrix} 0 \\ -1 \\ 1 \end{pmatrix} \right\}$$

$$\text{To get } W^{\perp} \text{ we find } \text{Nul} \begin{pmatrix} 1 & 1 & 0 \\ 0 & -1 & 1 \end{pmatrix} \text{ which gives us}$$

$$x_1 = -x_3, \quad x_2 = x_3, \quad x_3 = x_3 \text{ (free)},$$

$$\text{so } W^{\perp} \text{ has basis } \left\{ \begin{pmatrix} -1 \\ 1 \\ 1 \end{pmatrix} \right\}.$$

b) Let *A* be the matrix whose columns are the basis vectors for $W: A = \begin{pmatrix} 1 & 0 \\ 1 & -1 \\ 0 & 1 \end{pmatrix}$. We calculate $A^T A = \begin{pmatrix} 1 & 1 & 0 \\ 0 & -1 & 1 \end{pmatrix} \begin{pmatrix} 1 & 0 \\ 1 & -1 \\ 0 & 1 \end{pmatrix} = \begin{pmatrix} 2 & -1 \\ -1 & 2 \end{pmatrix}$ and $A^T x = \begin{pmatrix} 1 & 1 & 0 \\ 0 & -1 & 1 \end{pmatrix} \begin{pmatrix} 1 \\ -1 \\ 2 \end{pmatrix} = \begin{pmatrix} 0 \\ 3 \end{pmatrix}$, and solve $A^T A v = A^T x$. $(A^T A \mid A^T x) = \begin{pmatrix} 2 & -1 \mid 0 \\ -1 & 2 \mid 3 \end{pmatrix} \rightarrow \begin{pmatrix} 1 & 0 \mid 1 \\ 0 & 1 \mid 2 \end{pmatrix} \implies v = \begin{pmatrix} 1 \\ 2 \end{pmatrix}$

Then final answer for x_W is $x_W = Av = \begin{pmatrix} 1 & 0 \\ 1 & -1 \\ 0 & 1 \end{pmatrix} \begin{pmatrix} 1 \\ 2 \end{pmatrix} = \begin{pmatrix} 1 \\ -1 \\ 2 \end{pmatrix}$, and $x_{W^{\perp}} = x - x_W = \begin{pmatrix} 2 \\ -2 \\ 1 \end{pmatrix} - \begin{pmatrix} 1 \\ -1 \\ 2 \end{pmatrix} = \begin{pmatrix} 1 \\ -1 \\ -1 \end{pmatrix}$.