**MATH221, Week 5**

Why set a minimum sample size

Assume that an organization wants to create a 95% confidence interval for the average satisfaction level of its customers. To do this, it plans to contact customers by phone. It needs to figure out is how many customers to call. This is an important decision because taking samples costs money. The more customers they have to call, the more it will cost. So, the organization needs to identify the minimum sample size that will satisfy the confidence level and the margin of error desired.

In statistics we have formulas for determining the minimum sample size. There are also functions in Excel and calculators that make this task easier.