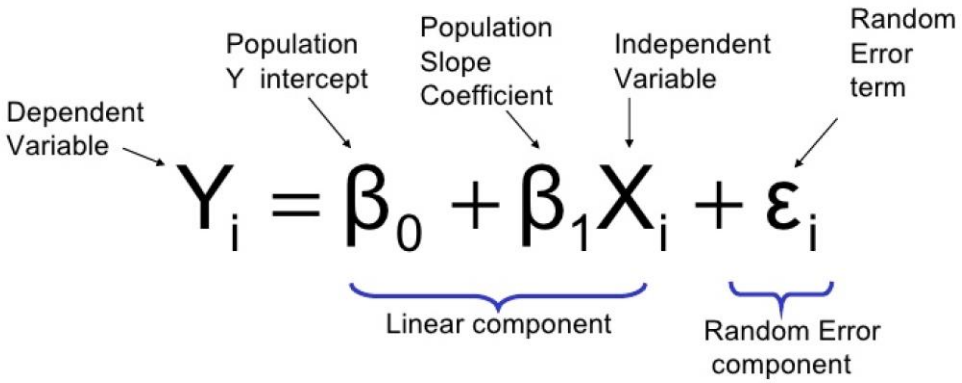
Steps in building regression model

1. Collect/extract data
2. Pre-process it.
3. Creating train and test datasets
4. Visualization and descriptive analytics of patterns present in the data
5. Model building (simple linear regression)
6. Validation and evaluation of model.



$$\hat{\beta}_0 = \bar{y} - \hat{\beta}_1 \bar{x};$$

$$\hat{\beta}_1 = \frac{\sum_{i=1}^{n} (x_i - \bar{x})(y_i - \bar{y})}{\sum_{i=1}^{n} (x_i - \bar{x})^2},$$