Week\$Proj

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Load data

Load the dataset and convert categorical variables to factors.

```
library(ggplot2)
data(mtcars)
head(mtcars, n=3)
##
                   mpg cyl disp hp drat
                                             wt qsec vs am gear carb
## Mazda RX4
                  21.0
                         6 160 110 3.90 2.620 16.46 0
## Mazda RX4 Wag 21.0
                         6 160 110 3.90 2.875 17.02
## Datsun 710
                  22.8
                         4 108 93 3.85 2.320 18.61 1 1
                                                                      1
dim(mtcars)
## [1] 32 11
mtcars$cyl <- as.factor(mtcars$cyl)</pre>
mtcars$vs <- as.factor(mtcars$vs)</pre>
mtcars$am <- factor(mtcars$am)</pre>
mtcars$gear <- factor(mtcars$gear)</pre>
mtcars$carb <- factor(mtcars$carb)</pre>
attach(mtcars)
## The following object is masked from package:ggplot2:
##
##
       mpg
```

Exploratory Analysis

Exploratory Box graph that compares Automatic and Manual transmission MPG. The graph leads us to believe that there is a significant increase in MPG when for vehicles with a manual transmission vs automatic.

Statistical Inference

```
testResults <- t.test(mpg ~ am)
testResults$p.value</pre>
```

```
## [1] 0.001373638
```

The T-Test rejects the null hypothesis that the difference between transmission types is 0.

testResults\$estimate

```
## mean in group 0 mean in group 1
## 17.14737 24.39231
```

The difference estimate between the 2 transmissions is 7.24494 MPG in favor of manual.

Regression Analysis

Fit the full model of the data

```
fullModelFit <- lm(mpg ~ ., data = mtcars)
summary(fullModelFit) # results hidden
summary(fullModelFit)$coeff # results hidden</pre>
```

Since none of the coefficients have a p-value less than 0.05 we cannot conclude which variables are more statistically significant.

Backward selection to determine which variables are most statistically significant

```
stepFit <- step(fullModelFit)
summary(stepFit)
summary(stepFit)$coeff</pre>
```

The new model has 4 variables (cylinders, horsepower, weight, transmission). The R-squared value of 0.8659 confirms that this model explains about 87% of the variance in MPG. The p-values also are statistically significantly because they have a p-value less than 0.05. The coefficients conclude that increasing the number of cylinders from 4 to 6 with decrease the MPG by 3.03. Further increasing the cylinders to 8 with decrease the MPG by 2.16. Increasing the horsepower is decreases MPG 3.21 for every 100 horsepower. Weight decreases the MPG by 2.5 for each 1000 lbs increase. A Manual transmission improves the MPG by 1.81.

Residuals & Diagnostics Residual Plot See Appendix Figure II

The plots conclude:

- 1. The randomness of the Residuals vs. Fitted plot supports the assumption of independence
- 2. The points of the Normal Q-Q plot following closely to the line conclude that the distribution of residuals is normal
- 3. The Scale-Location plot random distribution confirms the constant variance assumption
- 4. Since all points are within the 0.05 lines, the Residuals vs. Leverage concludes that there are no outliers

```
sum((abs(dfbetas(stepFit)))>1)
```

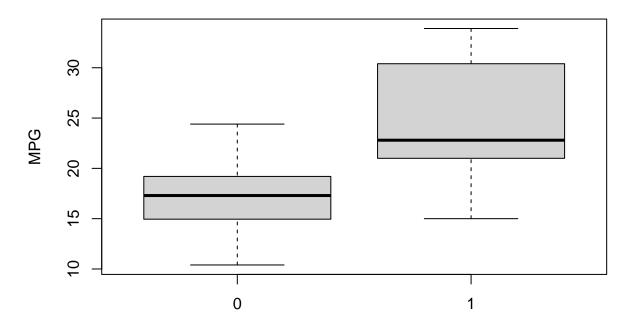
[1] 0

Conclusion There is a difference in MPG based on transmission type. A manual transmission will have a slight MPG boost. However, it seems that weight, horsepower, & number of cylinders are more statistically significant when determining MPG.

Appendix Figures

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MPG by Transmission Type



Transmission Type (0 = Automatic, 1 = Manual)

