FLEXIBLE CLASS SESSION
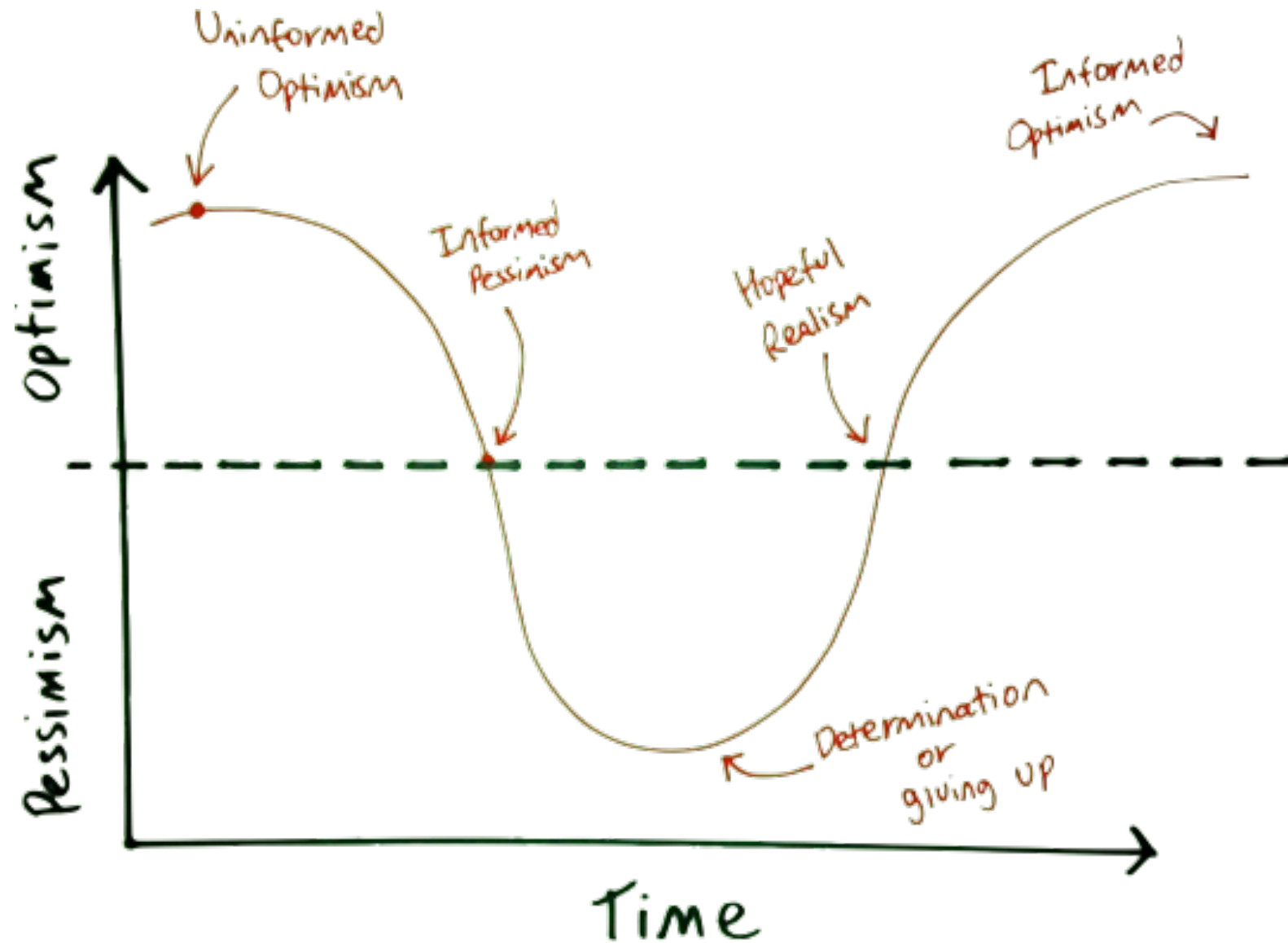
Chirayu Sariya

EMOTIONAL CYCLE OF CHANGE

LEARNING OBJECTIVES

‣ Work through a real-world dataset utilizing concepts from previous classes.

AMES HOUSING DATASET

ACTIVITY: AMES HOUSING DATASET

EXERCISE

DIRECTIONS

1. Go through the Data Dictionary to understand the dataset.
2. Create a new Jupyter Notebook to work through the Ames Housing Dataset.
   a. Document your analysis, thoughts and results as you work through the example.
3. Additional information about the dataset available at http://amstat.org/publications/jse/v19n3/decock.pdf

## DELIVERABLE

Jupyter notebooks

PREDICTING THE QUALITY OF WINE

BORDEAUX WINE

‣ Although wine is produced in a similar way, large differences in price and quality between years.

‣ Meant to be aged, so hard to tell if wine will be good when it is on the market.

‣ Expert tasters predict which ones will be good.

‣ Can Data Science be used to come up with a different system for judging wine?

PREDICTING THE QUALITY OF WINE

▸ March 1990 - Orley Ashenfelter, a Princeton economics professor, claims he can predict wine quality without tasting the wine.
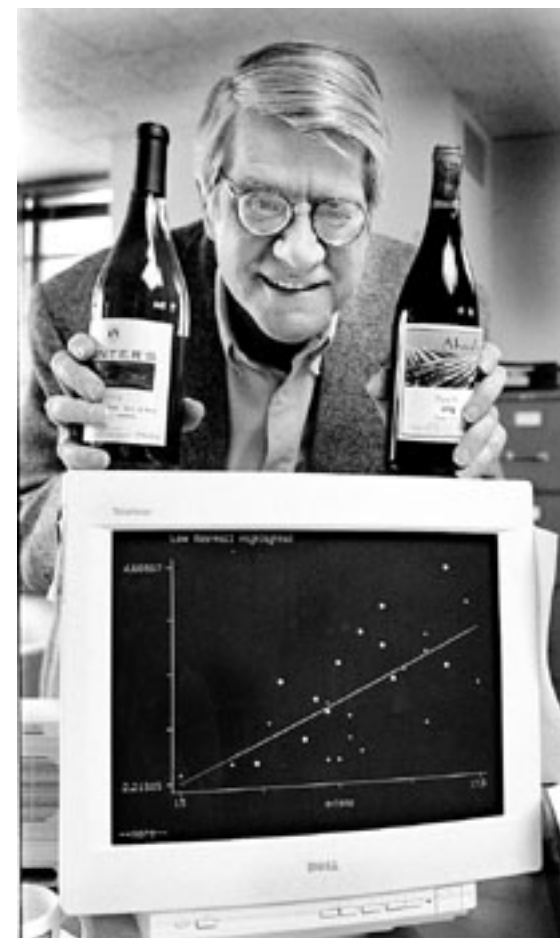
THE EXPERTS' REACTION

▸ Robert Parker, the world's most influential wine expert: "Ashenfelter is an absolute total sham". "rather like a movie critic who never goes to see the movie but tells you how good it is based on the actors and the director".

THE RESULTS

‣ Parker:
  • 1986 is "very good to sometimes exceptional"
‣ Ashenfelter:
  • 1986 is mediocre
  • 1989 will be "the wine of the century" and 1990 will be even better!

‣ In wine auctions,
  • 1989 sold for more than twice the price of 1986
  • 1990 sold for even higher prices!

‣ Later, Ashenfelter predicted 2000 and 2003 would be great
  • Parker stated that "2000 is the greatest vintage Bordeaux has ever produced"

THE RESULTS…CONTINUED

▸ A linear regression model with only a few variables can predict wine prices well.

▸ In many cases, outperforms wine experts' opinions.

▸ A quantitative approach to a traditionally qualitative problem.

Q & A

EXIT TICKET

DON'T FORGET TO FILL OUT YOUR EXIT TICKET