

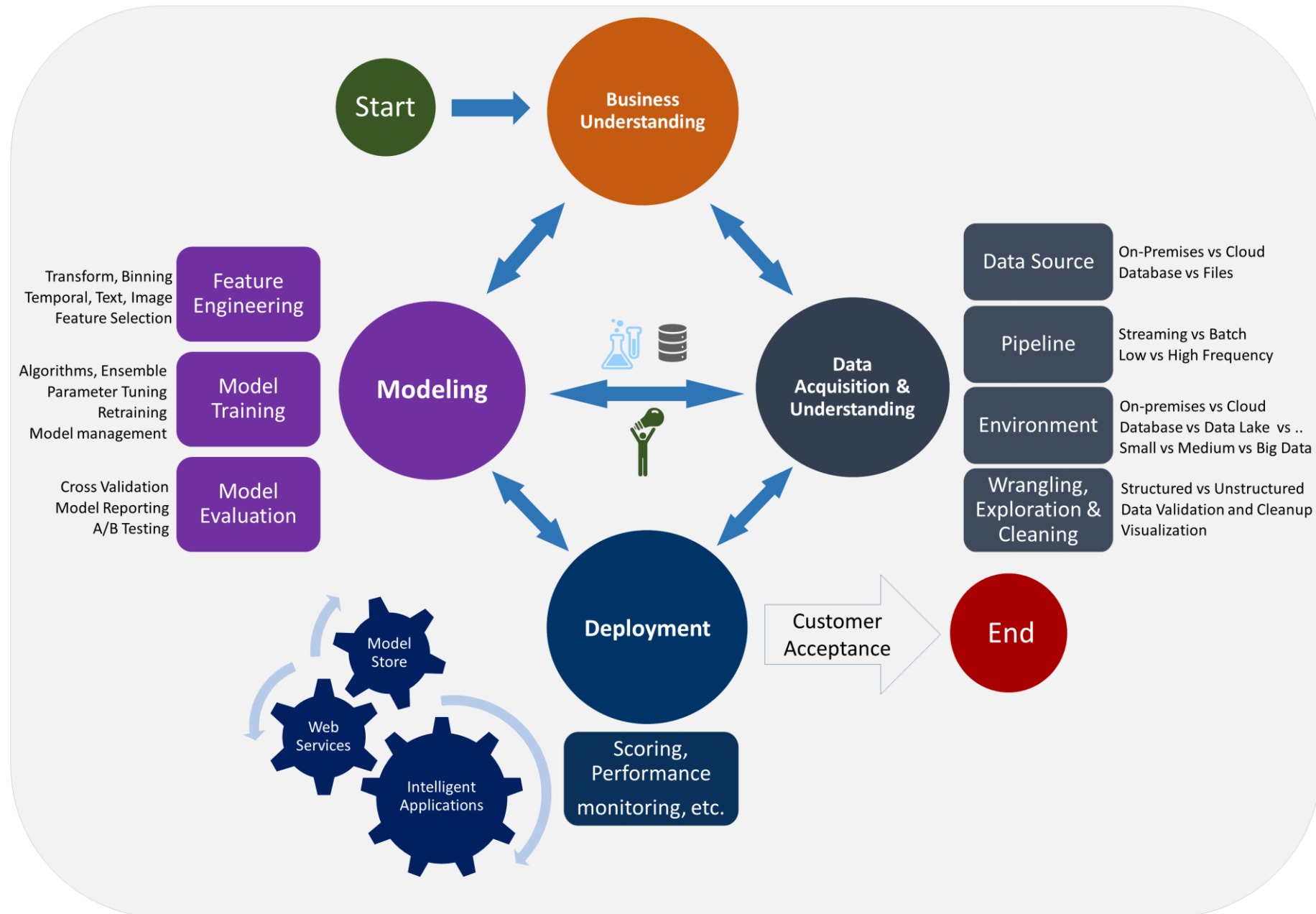
Module 3: Data Science



Data Mining? Statistical Modeling? Predictive Analytics?

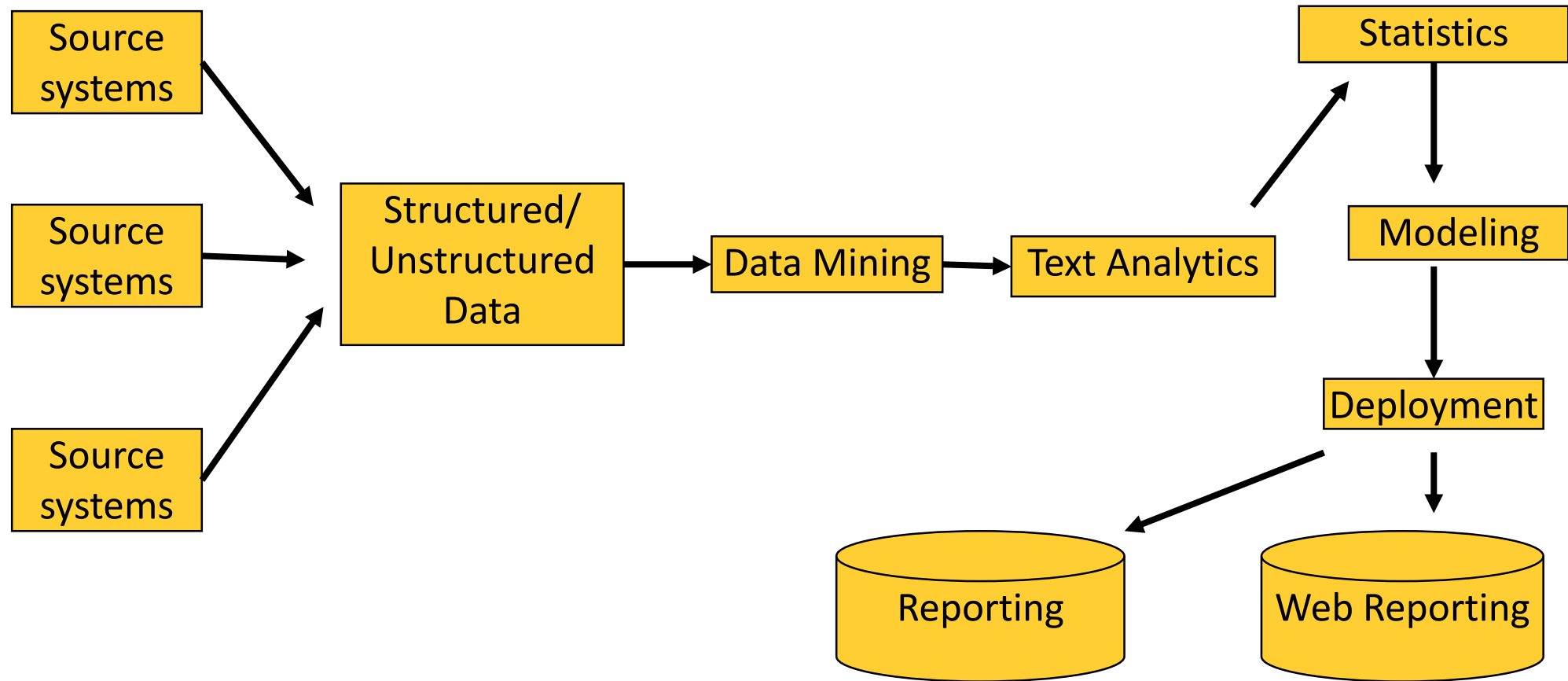
- **Predictive analytics** is the branch of advanced analytics which is used to make predictions about unknown future events. Predictive analytics uses techniques from data mining, statistics, modeling, machine learning, and artificial intelligence.
- **Data mining** is an analytics process designed to explore data (usually large amounts of data – also known as “big data”). Big data is defined by the volume, velocity, variety, variability and veracity. Data mining is a part of data cleaning that prepares data from multiple sources for analysis. This provides a complete view of the customer interactions.
- Data analysis is the process of inspecting, cleaning, transforming and modeling data with the objective of discovering useful information. **Statistical Analysis** enables to validate assumptions, hypothesis, and test them using standard statistical models.
- **Predictive modeling** provides the ability to automatically create accurate predictive models about future.

Data Science Lifecycle



Data Mining? Statistical Modeling? Predictive Analytics?

Predictive Analytics

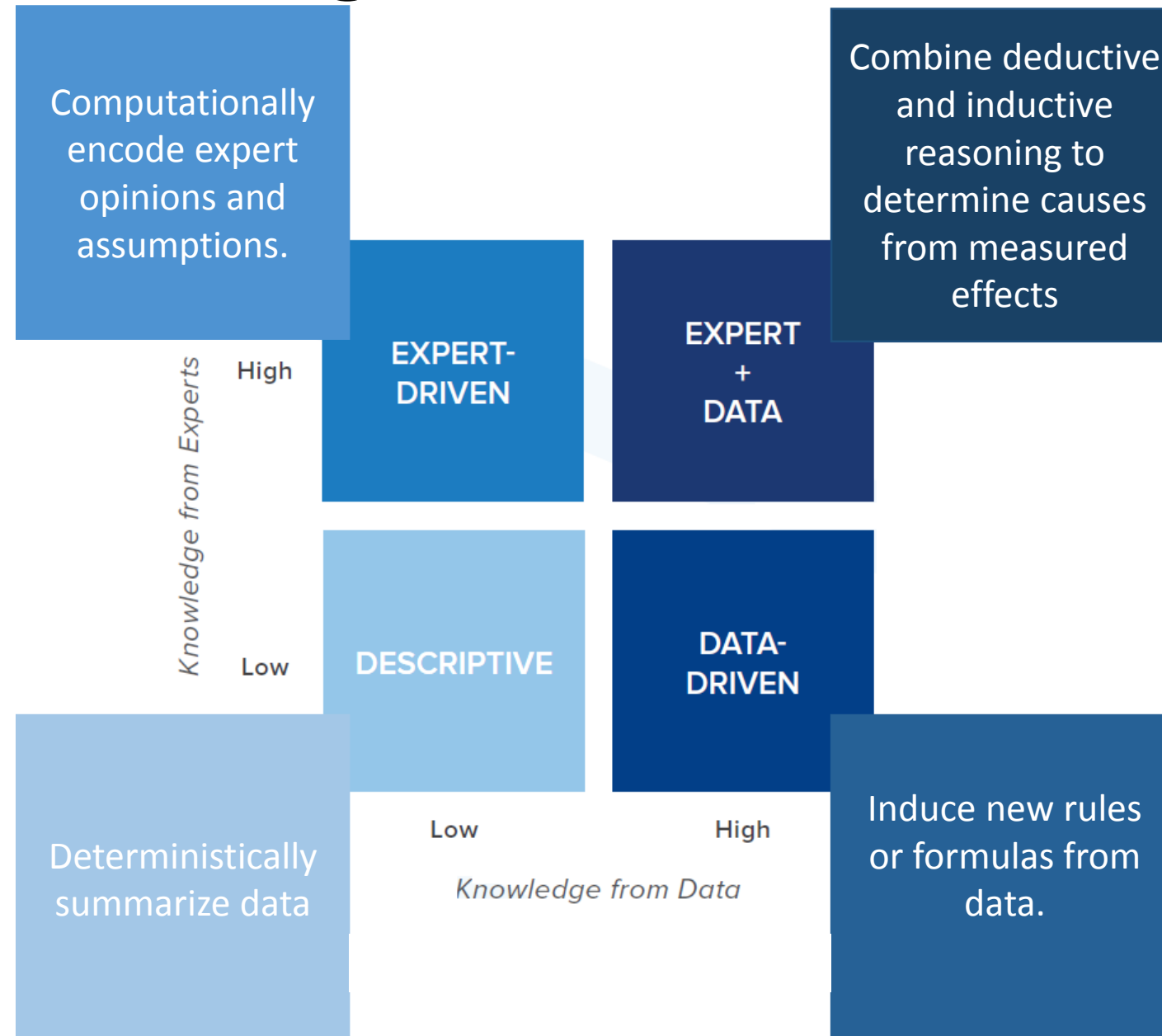


4 Levels of Knowledge Model

Sources of knowledge whether data or expert are independent. Combine data- and expert-driven approaches to maximize insight and value.

Expert-driven approaches is preferred if:

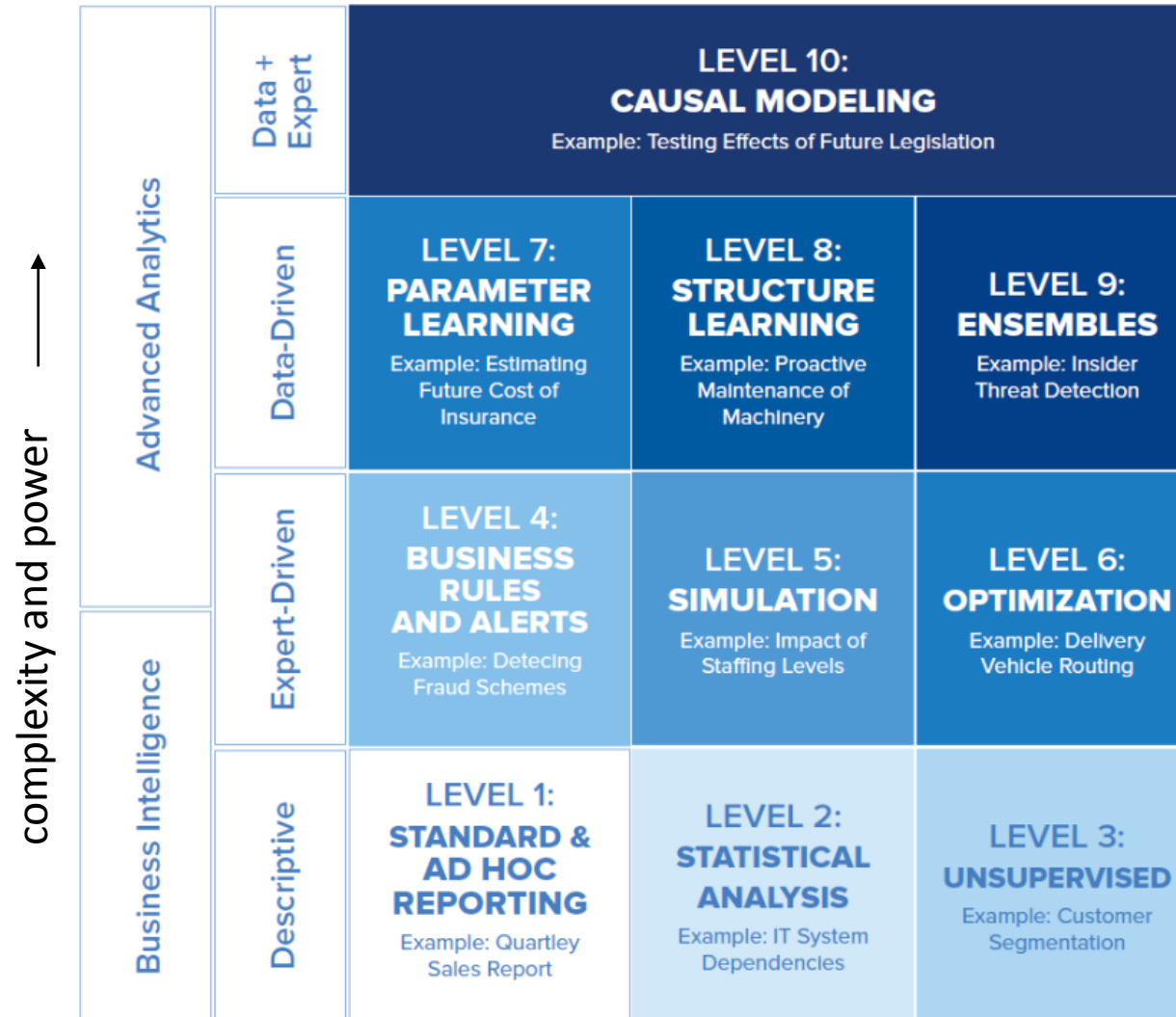
- an accepted premise
- the data is filtered
- poorly represents the full situation



Data –driven modeling:

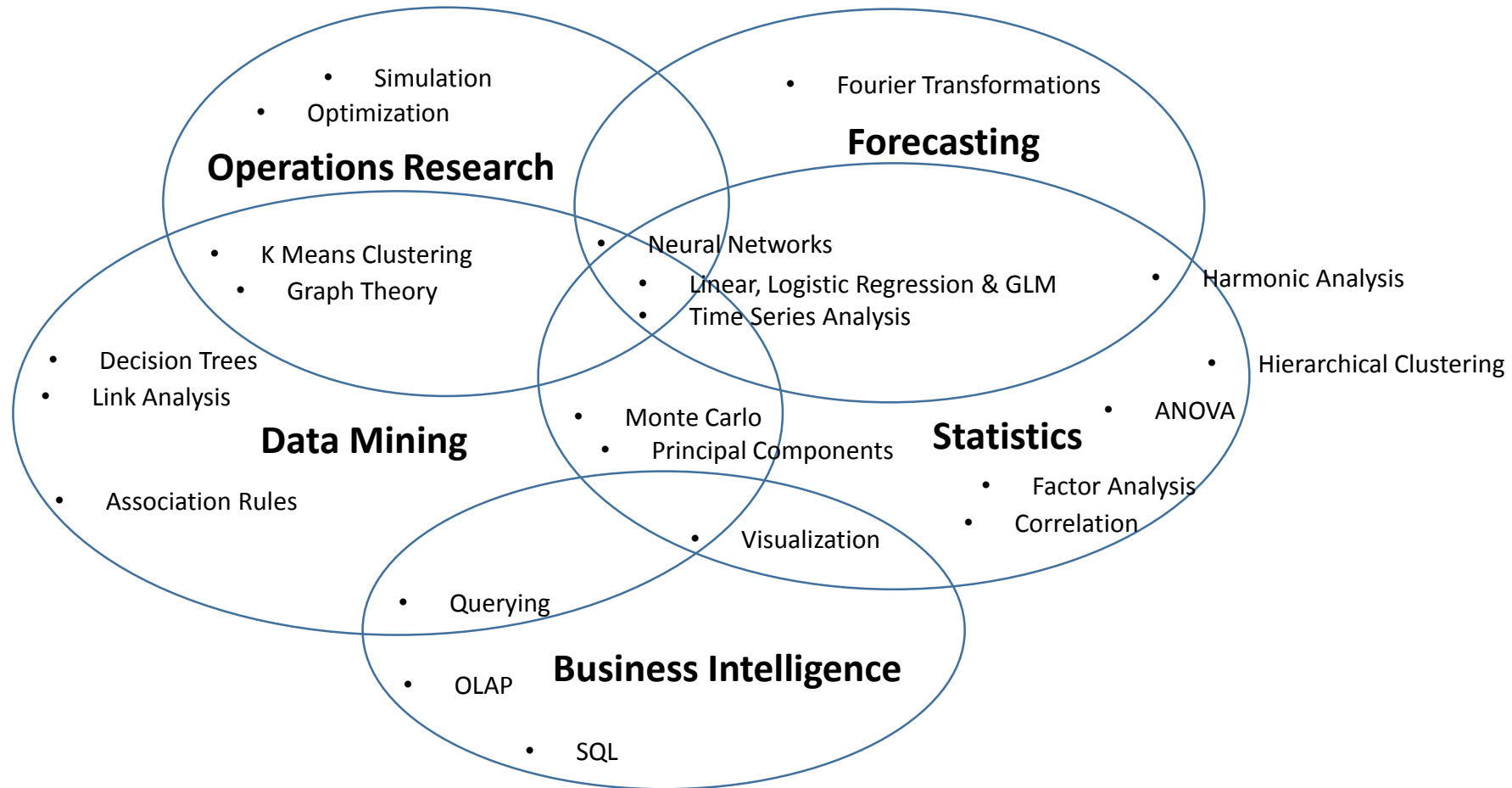
- is inductive
- graded superior to expert-driven ones.
- allow unknown rules or relationships to be discovered from the data
- are less susceptible to the biases and misconceptions common to human reasoning.

10 Levels of Analytics



Ten Levels of Analytics
complexity and power →

Analytic Techniques and their Disciplines



**Diagram developed by John Elder and Dustin Hux*

