**Regularization Part 1 - Ridge Regression**

Below video explain about Ridge Regression;

<https://www.youtube.com/watch?v=Q81RR3yKn30>

Ridge regression is regularized linear regression model.

The main idea of Ridge Regression is to find a new line that doesn’t fit the training data as well. In other words we introduce a small amount of bias into how the new line is fit to the data. Introducing the small amount of bias ends up reducing variance significantly. In this way by starting with slight worse fit, Ridge regression can provide better long term predictions.

The ridge regression penalty resulted in a line that has a smaller slope. Which in turn reduces the sensitivity of dependent variable with the increase of Independent variable.