

Lesson 4:
Analyzing and Visualizing Results

SEARCH



RESOURCES



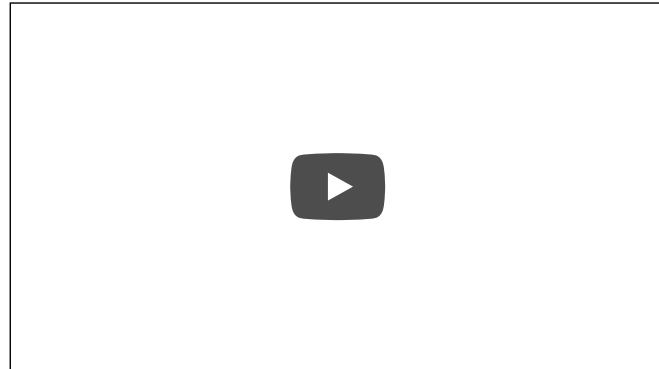
CONCEPTS



- ✓ 1. Analyzing and Visualizing Forecast...
- ✓ 2. Holdout Sample
- ✓ 3. Residual Plots
- ✓ 4. Visualizing Results
- ✓ 5. Calculating Error
- ✓ 6. Interpreting Measures of Error
- ✓ 7. Interpreting Error
- ✓ 8. Akaike Information Criterion (AIC)
- ✓ 9. Choosing the Best Model
- ✓ 10. Confidence Intervals
- ✓ 11. Outro

Using AIC to Compare Time Series Models

The video below briefly explains how Akaike Information Criterion (AIC) is used to compare time series models. Make sure you also read the notes below the video to better understand AIC in practice.



AIC in Practice

Take a look at this example of how AIC can be used to pick the best model (5-minute video): [Test ARIMA Models](#)

ARIMA and ETS Automation

Tony referenced the fact that many tools, such as Alteryx, will automate the model selection process. This is incredibly useful as it can save you a lot of time. The default setting on both tools in Alteryx will automate the selection of the parameters.

However, it's still important to understand the fundamentals of how the models work and how to interpret them effectively. If you build an ARIMA model using the ARIMA tool that automates the selection process, then you should still be able to explain what each term means and be able to explain the results.