Logistic Regression

Logistic regression: predict a <u>categorical</u> dependent variable from a number of independent variables.

Will purchase health insurance: Yes / No

$\sim$

Age

$$\ln \frac{p}{1-p} = b_0 + b_1 X_1$$

y [yes/no]
(Took up offer?)

YES

$\geq$ 50%
< 50%

81%

42%

YES

NO

NO

18   35   45   60

X_1 [yrs]
(Age)