

$$f(X) = \beta_0 + \beta_1 C_1(X) + \beta_2 C_2(X) + \dots + \beta_K C_K(X)$$

1. Refer to Equation (1):

(a) In terms of X and Y , what does the parameter β_0 measure?

-> β_0 can be interpreted as the mean value of Y for $X < C_1$

(b) In terms of X and Y , what does the parameter β_K measure?

-> β_K represents the average increase in the response for X in $C_K \leq X < C_{K+1}$ relative to $X < C_1$