Regression Model - Course Project

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Motor Trend: Analysis on Variables and the Impact on Miles per Gallon

1) Executive Summary

The purpose of this analysis is to examine a collection of cars and determine the relationship between vechicle variables (e.g. number of cyclinders) and fuel economy (i.e. miles per gallon).

This analysis will seek to answer the following questions:

- 1. Is an automatic or manual transmission better for MPG?
- 2. Quantify the MPG difference between automatic and manual transmissions?

2) Data Processing

2.1) Loading Libraries

Load necessary libraries for data analysis and developing results.

```
library(ggplot2)
library(dplyr)
# GGally for the ggpairs function
library(GGally)
# ggfortify
library(ggfortify)
```

2.2) Loading Data

Load necessary mtcars dataset.

```
data(mtcars)
```

2.3) Modifying Data

The variables "cyl" (# cyclinders), "vs" (engine shape), "am" (transmission), "gear" (# of gears) will be converted to factor variables since they are not continuus.

```
data(mtcars)

mtcars_data <- mtcars # creating a new mtcars dataframe to be modified

mtcars_data$cyl <- as.factor(mtcars_data$cyl)

mtcars_data$vs <- as.factor(mtcars_data$vs)</pre>
```

```
# Set levels for the engine shape (V-shaped or Straight)
levels(mtcars_data$vs) <- c("V-shaped", "Straight")

mtcars_data$am <- as.factor(mtcars_data$am)
# Convert 0 = Automatic and 1 = Manual
levels(mtcars_data$am) <- c("Automatic", "Manual")

mtcars_data$gear <- as.factor(mtcars_data$gear)</pre>
```

3) Exploratory Data Analyses

```
head(mtcars_data,4) # Sample of the first 4 rows of data
```

```
mpg cyl disp hp drat
                                                                     am gear
                                            wt qsec
## Mazda RX4
                         6 160 110 3.90 2.620 16.46 V-shaped
                                                                 Manual
                         6 160 110 3.90 2.875 17.02 V-shaped
## Mazda RX4 Wag
                 21.0
                                                                 Manual
                                                                           4
## Datsun 710
                  22.8
                        4 108 93 3.85 2.320 18.61 Straight
                                                                           4
                                                                 Manual
## Hornet 4 Drive 21.4
                         6 258 110 3.08 3.215 19.44 Straight Automatic
                                                                           3
##
                  carb
## Mazda RX4
                     4
## Mazda RX4 Wag
                     4
## Datsun 710
                     1
## Hornet 4 Drive
```

```
dim(mtcars_data) # Dimensions of the mtcars_data
```

```
## [1] 32 11
```

In order to understand the relationship between transmission type and fuel economy we will develop a box plot to show the impact automatic/manual has on MPG.

Please refer to **Fig. 1** in the Appendix.

After review of Fig. 1, it can be seen that manual transmissions results in higher MPG. However, it is not clear if other variables are also influencing this outcome, and if manual transmission vechicles have higher MPG with all else equal. To do so a pair graph will be developed.

TK) Appendix

Fig. 1

```
Fig_1 <- ggplot(mtcars_data, aes(am, mpg))
Fig_1 + geom_boxplot(aes(fill = am)) + xlab("Transmission")</pre>
```

