Regression analysis is a very widely used statistical tool to establish a relationship model between two variables. One of these variable is called predictor variable whose value is gathered through experiments. The other variable is called response variable whose value is derived from the predictor variable.

In Linear Regression these two variables are related through an equation, where exponent (power) of both these variables is 1. Mathematically a linear relationship represents a straight line when plotted as a graph. A non-linear relationship where the exponent of any variable is not equal to 1 creates a curve.

The general mathematical equation for a linear regression is −

y = ax + b

Following is the description of the parameters used −

* **y** is the response variable.
* **x** is the predictor variable.
* **A(slope)** and **b(intercept)** are constants which are called the coefficients.

A=(mean(x) \* mean(y) – mean(x\*y)) / ( mean (x)^2 – mean( x^2))

B=mean(y) – mean(x) \* m

Steps to Establish a Regression

A simple example of regression is predicting weight of a person when his height is known. To do this we need to have the relationship between height and weight of a person.

The steps to create the relationship is −

* Carry out the experiment of gathering a sample of observed values of height and corresponding weight.
* Create a relationship model using the **lm()** functions in R.
* Find the coefficients from the model created and create the mathematical equation using these
* Get a summary of the relationship model to know the average error in prediction. Also called **residuals**.

To predict the weight of new persons, use the **predict()**function in R.

x <- c(151, 174, 138, 186, 128, 136, 179, 163, 152, 131)

y <- c(63, 81, 56, 91, 47, 57, 76, 72, 62, 48)

lm(formula,data)

Following is the description of the parameters used −

* **formula** is a symbol presenting the relation between x and y.
* **data** is the vector on which the formula will be applied.

relation <- lm(y~x)

## predict() Function

### Syntax

The basic syntax for predict() in linear regression is −

predict(object, newdata)

Following is the description of the parameters used −

* **object** is the formula which is already created using the lm() function.
* **newdata** is the vector containing the new value for predictor variable.
* a <- data.frame(x = 170)
* result <- predict(relation,a)
* print(result)
* plot(y,x,col = "blue",main = "Height & Weight Regression",
* abline(lm(x~y)),cex = 1.3,pch = 16,xlab = "Weight in Kg",ylab = "Height in cm")

Multiple regression is an extension of linear regression into relationship between more than two variables. In simple linear relation we have one predictor and one response variable, but in multiple regression we have more than one predictor variable and one response variable.

The general mathematical equation for multiple regression is −

y = a + b1x1 + b2x2 +...bnxn

Following is the description of the parameters used −

* **y** is the response variable.
* **a, b1, b2...bn** are the coefficients.
* **x1, x2, ...xn** are the predictor variables.

We create the regression model using the **lm()** function in R. The model determines the value of the coefficients using the input data. Next we can predict the value of the response variable for a given set of predictor variables using these coefficients.

## lm() Function

This function creates the relationship model between the predictor and the response variable.

### Syntax

The basic syntax for **lm()** function in multiple regression is −

lm(y ~ x1+x2+x3...,data)

Following is the description of the parameters used −

* **formula** is a symbol presenting the relation between the response variable and predictor variables.
* **data** is the vector on which the formula will be applied.

## Example

### Input Data

Consider the data set "mtcars" available in the R environment. It gives a comparison between different car models in terms of mileage per gallon (mpg), cylinder displacement("disp"), horse power("hp"), weight of the car("wt") and some more parameters.

The goal of the model is to establish the relationship between "mpg" as a response variable with "disp","hp" and "wt" as predictor variables. We create a subset of these variables from the mtcars data set for this purpose.

input <- mtcars[,c("mpg","disp","hp","wt")]

print(head(input))

input <- mtcars[,c("mpg","disp","hp","wt")]

# Create the relationship model.

model <- lm(mpg~disp+hp+wt, data = input)

# Show the model.

print(model)

# Get the Intercept and coefficients as vector elements.

cat("# # # # The Coefficient Values # # # ","\n")

a <- coef(model)[1]

print(a)

Xdisp <- coef(model)[2]

Xhp <- coef(model)[3]

Xwt <- coef(model)[4]

print(Xdisp)

print(Xhp)

print(Xwt)

### Create Equation for Regression Model

Based on the above intercept and coefficient values, we create the mathematical equation.

Y = a+Xdisp.x1+Xhp.x2+Xwt.x3

or

Y = 37.15+(-0.000937)\*x1+(-0.0311)\*x2+(-3.8008)\*x3

### Apply Equation for predicting New Values

We can use the regression equation created above to predict the mileage when a new set of values for displacement, horse power and weight is provided.

For a car with disp = 221, hp = 102 and wt = 2.91 the predicted mileage is −

Y = 37.15+(-0.000937)\*221+(-0.0311)\*102+(-3.8008)\*2.91 = 22.7104