Problem Statement: A German book retailer sent out offers to customers. You job is to build predictor variables and a machine learning model to predict how much each customer who received the contact point will spend. The outcome variable is logtarg. The test set is indicated by is.na(logtarg). The objective is to predict logtarg with minimum RMSE on the test set.

Files Given:

target.csv : The target.csv file has one record for every customer in the training and test sets

orders.csv: The orders.csv file has one record for every item ordered by a customer in the test or training set prior to the contact point.

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Description automatically generated

A screenshot of text

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A picture containing clock, meter

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Summary of summarized order

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correlation between different parameter

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A picture containing sitting, photo, old, white

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Overall signifance test

H0: every coefficient is 0

Ha : atleast one coefficient is non zero

as p< 0.05. Rejecting null hypothesis

also by looking at model tof and m are insignificant

So, this model is significant

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Residual plot

A close up of a map

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==)This model seems multiplicative model as there is a heteroscedasticity and outliers so we should use log log model