

Author: Rajkumar Ranjitham

Homoscedasticity vs Heteroscedasticity

Homoscedasticity :

Purpose: Make decision based on constant error variance of the predict value/model mostly for Linear Regression. And model is a stable model.

Criteria:

If below conditions are met then considered as Homoscedasticity.

Error variance = constant.

Error plot shape = Even spread.

Heteroscedasticity :

Purpose: Make decision based on increasing/decreasing error variance of the predict value/model. And Model is not a reliable/unstable model.

Criteria:

If below conditions are met then considered as Heteroscedasticity.

Error variance = increase / decrease.

Error plot shape = filter/cone spread.