

20. Regression Analysis

- Depending on type of data, On the basis of outcome, you decided whether to do classification or regression analysis for prediction
- outcome: continuous -> regression analysis

Regression Analysis - Real world applications:

1. Prediction of rain using temperature and other factors
2. Determining of Market trends
3. Prediction of road accidents due to rash driving



- Linear Regression: Used when input and output have linear relationship
- Non-linear regression: used when input and output have non-linear relationship

Linear Regression:

1. Linear regression
2. Multi-linear regression
3. Lasso regression
4. Ridge regression

Non-Linear Regression:

1. Polynomial regression
2. Decision tree regression
3. Random Forest regression
4. Support vector regression
5. K-Nearest Neighbour

20.1 Linear Regression Algorithm (Simple Linear)

- Linear regression is used when independent/input variable is single

$$y = mx + c$$

- m = slope of line (angle between x and y -axis)
- c = intercept (at how much distance the line is farther from y -axis)

$$m = \frac{y_2 - y_1}{x_2 - x_1}$$

- m is +ve if angle < 90
- m is -ve if angle > 90
- m is 0 if angle = 0