### cars\_analysis\_final.R

#### rivka

#### 2024-12-22

```
#loading cars data and summarizing
# original data:
cars2 <- read.csv("C:/Users/rivka/Documents/college/intro to data science/final_project/auto-mpg(1).csv</pre>
summary(cars2)
##
                      cylinder
                                   displacement
                                                  horsepower
        mpg
                  Min. :3.000
##
  Min. : 9.00
                                  Min. : 68.0
                                                 Length:398
  1st Qu.:17.50
                 1st Qu.:4.000
                                  1st Qu.:104.2
                                                  Class : character
## Median :23.00 Median :4.000
                                  Median :148.5
                                                  Mode :character
                 Mean :5.455
## Mean :23.51
                                  Mean
                                        :193.4
##
   3rd Qu.:29.00
                 3rd Qu.:8.000
                                  3rd Qu.:262.0
  Max.
         :46.60 Max.
                         :8.000
                                  Max.
                                         :455.0
       weight
##
                  acceleration
                                   model.year
                                                    origin
                 Min. : 8.00 Min.
                                        :70.00
## Min.
          :1613
                                                Min.
                                                       :1.000
  1st Qu.:2224 1st Qu.:13.82 1st Qu.:73.00
                                                 1st Qu.:1.000
## Median :2804
                 Median :15.50 Median :76.00
                                                Median :1.000
## Mean
         :2970
                 Mean :15.57
                                 Mean :76.01
                                                Mean :1.573
   3rd Qu.:3608
                  3rd Qu.:17.18
                                 3rd Qu.:79.00
                                                3rd Qu.:2.000
##
  Max.
          :5140
                  Max. :24.80
                                 Max. :82.00
                                                Max. :3.000
##
     car.name
##
  Length:398
## Class :character
  Mode :character
##
##
##
### (diff tools i used in analyzing the data)
head(sort(cars2$car.name))
## [1] "amc ambassador brougham" "amc ambassador dpl"
## [3] "amc ambassador sst"
                               "amc concord"
## [5] "amc concord"
                               "amc concord d/1"
table(is.na(cars2$displacement))
##
## FALSE
    398
```

```
str(cars2)
                    398 obs. of 9 variables:
## 'data.frame':
## $ mpg
                 : num 18 15 18 16 17 15 14 14 14 15 ...
                 : int 888888888 ...
## $ cylinder
## $ displacement: num
                         307 350 318 304 302 429 454 440 455 390 ...
## $ horsepower : chr
                         "130" "165" "150" "150" ...
## $ weight
                         3504 3693 3436 3433 3449 4341 4354 4312 4425 3850 ...
                  : int
## $ acceleration: num 12 11.5 11 12 10.5 10 9 8.5 10 8.5 ...
## $ model.year : int 70 70 70 70 70 70 70 70 70 ...
                  : int 1 1 1 1 1 1 1 1 1 ...
## $ origin
                        "chevrolet chevelle malibu" "buick skylark 320" "plymouth satellite" "amc rebe
## $ car.name
                  : chr
### i decided to convert the column car name to car company since there is not enough data to analyze b
### looking at the car name column, i see that the car company is the first word in the name
# so i need to extract the first word from each car name to determine the car company
cars2$car_company <- sapply(strsplit(as.character(cars2$car.name), " "), `[`, 1)</pre>
# convert the car_company column to a factor
cars2$car_company <- as.factor(cars2$car_company)</pre>
# view the resulting dataset with the new car company column
head(cars2)
     mpg cylinder displacement horsepower weight acceleration model.year origin
## 1 18
                8
                           307
                                      130
                                            3504
                                                         12.0
                                                                      70
## 2 15
                8
                           350
                                      165
                                            3693
                                                         11.5
                                                                      70
                                                                               1
                                            3436
                                                         11.0
                                                                      70
                                                                               1
## 3 18
                8
                           318
                                      150
## 4 16
                8
                           304
                                      150
                                            3433
                                                         12.0
                                                                      70
                                                                               1
## 5 17
                8
                           302
                                      140
                                            3449
                                                         10.5
                                                                      70
                                                                               1
## 6 15
                8
                           429
                                      198
                                            4341
                                                         10.0
                                                                      70
##
                      car.name car company
## 1 chevrolet chevelle malibu
                                 chevrolet
## 2
            buick skylark 320
                                     buick
## 3
            plymouth satellite
                                  plymouth
## 4
                 amc rebel sst
                                       amc
## 5
                   ford torino
                                      ford
## 6
              ford galaxie 500
                                      ford
sort(unique(cars2$car_company))
## [1] amc
                      audi
                                    bmw
                                                  buick
                                                                cadillac
## [6] capri
                      chevroelt
                                    chevrolet
                                                                chrysler
                                                  chevy
## [11] datsun
                      dodge
                                    fiat
                                                  ford
## [16] honda
                                                                mercedes-benz
                      maxda
                                    mazda
                                                  mercedes
## [21] mercury
                      nissan
                                    oldsmobile
                                                  opel
                                                                peugeot
## [26] plymouth
                                    renault
                                                                subaru
                      pontiac
                                                  saab
## [31] toyota
                      toyouta
                                    triumph
                                                  vokswagen
                                                                volkswagen
## [36] volvo
                      VW
## 37 Levels: amc audi bmw buick cadillac capri chevroelt chevrolet ... vw
```

#checking data type of data

```
cars2 <- subset(cars2, select = -car.name)</pre>
### i realized there are spelling mistakes and abbreviations to some car company categories,
# so combined the categories as appropriate
library(dplyr) #we will need to use "recode" from the library "dplyr"
## Warning: package 'dplyr' was built under R version 4.4.2
##
## Attaching package: 'dplyr'
## The following objects are masked from 'package:stats':
##
##
       filter, lag
## The following objects are masked from 'package:base':
##
##
       intersect, setdiff, setequal, union
cars2$car_company <- recode(cars2$car_company,</pre>
                            "chevroelt" = "chevrolet",
                            "chevy" = "chevrolet",
                            "mercedes-benz" = "mercedes",
                            "maxda" = "mazda",
                            "toyouta" = "toyota",
                            "vokswagen" = "volkswagen",
                            "vw" = "volkswagen")
# checking unique levels after correction
sort(unique(cars2$car_company))
## [1] amc
                                         buick
                                                    cadillac
                                                               capri
                   audi
                              bmw
## [7] chevrolet chrysler
                              datsun
                                         dodge
                                                    fiat
                                                                ford
## [13] hi
                  honda
                              mazda
                                         mercedes
                                                    mercury
                                                               nissan
## [19] oldsmobile opel
                              peugeot
                                         plymouth
                                                    pontiac
                                                               renault
## [25] saab
                   subaru
                              toyota
                                         triumph
                                                    volkswagen volvo
## 30 Levels: amc audi bmw buick cadillac capri chevrolet chrysler ... volvo
### looking at the data, i assume origin is a categorical data type, and its acceptable to assume horse
#changing origin to character type, and horsepower to integer type
cars2$horsepower <- as.integer(cars2$horsepower)</pre>
## Warning: NAs introduced by coercion
cars2$origin <- as.character(cars2$origin)</pre>
### i saw that after converting horsepower to integer, there are NA values in the horsepower variables
# substitute all horsepower NA values with the mean horsepower value
is.na(cars2$horsepower)
```

#delete car.name column because no longer needed

```
[13] FALSE FALSE FALSE FALSE FALSE FALSE FALSE FALSE FALSE FALSE
## [25] FALSE FALS
## [37] FALSE FALS
                                   [49] FALSE FALSE
## [61] FALSE FALS
## [73] FALSE FALS
## [85] FALSE FALS
## [97] FALSE FALS
## [109] FALSE FALSE
## [121] FALSE FALSE FALSE FALSE FALSE TRUE FALSE FALSE FALSE FALSE FALSE
## [133] FALSE FALSE
## [145] FALSE FAL
## [157] FALSE FALSE
## [169] FALSE FALSE
## [181] FALSE FALSE
## [193] FALSE FALSE
## [205] FALSE FAL
## [217] FALSE FAL
## [229] FALSE FAL
## [241] FALSE FAL
## [253] FALSE FALSE
## [265] FALSE FAL
## [277] FALSE FALSE
## [289] FALSE FAL
## [301] FALSE FALSE
## [313] FALSE FALSE
## [325] FALSE FALSE FALSE FALSE FALSE TRUE FALSE FALSE FALSE FALSE
## [337] TRUE FALSE FALS
## [349] FALSE FAL
## [361] FALSE FALSE
## [373] FALSE FALSE TRUE FALSE FALSE FALSE FALSE FALSE FALSE FALSE FALSE
## [385] FALSE FALSE
## [397] FALSE FALSE
cars2$horsepower[is.na(cars2$horsepower)] <- mean(cars2$horsepower, na.rm = TRUE)</pre>
### because of a error that arose due to unmatched data levels between training and testing data
### i gathered all car company categories that come up less than 3 times to a car company category call
# convert rare levels into "other" level
 # Count the occurrences of each level
level_counts <- table(cars2$car_company)</pre>
# Identify rare levels
rare_levels <- names(level_counts[level_counts < 3]) #levels with a frequency below 3 will be grouped
 # Replace rare levels with "Other"
cars2$car_company <- as.factor(ifelse(cars2$car_company %in% rare_levels,</pre>
                                                                                                                                                                                                                                                                                                                                                                                            "other",
                                                                                                                                                                                                                                                                                                                                                                                           as.character(cars2$car_company)))
# Check levels after modification
```

[1] FALSE FA

```
levels(cars2$car_company)
  [1] "amc"
##
                     "audi"
                                 "buick"
                                              "chevrolet"
                                                           "chrysler"
   [6] "datsun"
                     "dodge"
                                 "fiat"
                                              "ford"
                                                           "honda"
## [11] "mazda"
                     "mercedes"
                                              "oldsmobile" "opel"
                                 "mercury"
## [16] "other"
                     "peugeot"
                                 "plymouth"
                                              "pontiac"
                                                           "renault"
## [21] "saab"
                     "subaru"
                                              "volkswagen" "volvo"
                                 "toyota"
###splitting the data to training and testing splits before fitting it to regression models
library(rsample) # this library contains the training and testing functions
## Warning: package 'rsample' was built under R version 4.4.2
set.seed(123) ### setting seed so that i can get same results if i do it again in the future
split <- initial_split(cars2, prop = 0.754) ###trying the best to split the data to 300 train and 98 te
train_data <- training(split)</pre>
test_data <- testing(split)</pre>
#creating a full multiple linear regression
cars_lm = lm(mpg ~ ., data = train_data)
summary(cars_lm)
##
## Call:
## lm(formula = mpg ~ ., data = train_data)
## Residuals:
               1Q Median
##
                               3Q
                                      Max
## -7.6105 -2.3599 0.0271 1.8227 14.7348
## Coefficients:
##
                          Estimate Std. Error t value Pr(>|t|)
                        -1.492e+01 5.920e+00 -2.520 0.01232 *
## (Intercept)
## cylinder
                        -3.694e-01 4.013e-01 -0.921 0.35812
## displacement
                         2.543e-02 9.560e-03
                                               2.660 0.00829 **
## horsepower
                        -3.219e-02 1.700e-02 -1.893 0.05940 .
## weight
                        -6.743e-03 8.146e-04 -8.278 6.05e-15 ***
## acceleration
                        3.311e-02 1.236e-01 0.268 0.78890
                         7.389e-01 6.449e-02 11.458 < 2e-16 ***
## model.year
## origin2
                        -1.027e+00 3.179e+00 -0.323 0.74685
## origin3
                         2.417e+00 3.971e+00 0.609 0.54331
                         5.703e+00 3.525e+00 1.618 0.10691
## car_companyaudi
## car_companybuick
                         1.095e+00 1.275e+00 0.859 0.39125
## car_companychevrolet 8.223e-01 9.806e-01
                                                0.839 0.40245
## car_companychrysler
                         4.991e-01 2.590e+00 0.193 0.84733
                         2.642e+00 4.112e+00
                                               0.643 0.52105
## car_companydatsun
## car_companydodge
                         1.794e+00 1.121e+00
                                                1.601 0.11060
## car_companyfiat
                         5.426e+00 3.431e+00 1.581 0.11498
## car_companyford
                         4.093e-01 9.774e-01
                                                0.419 0.67577
```

2.515e+00 4.132e+00 0.609 0.54336

## car\_companyhonda

```
## car_companymazda
                        2.742e-01 4.167e+00
                                              0.066 0.94759
                        5.679e+00 3.889e+00 1.460 0.14543
## car_companymercedes
## car_companymercury
                       1.761e-01 1.384e+00 0.127 0.89885
## car_companyoldsmobile 2.419e+00 1.464e+00 1.652 0.09979
## car_companyopel
                        3.549e+00 4.007e+00 0.886 0.37666
                        3.257e+00 2.148e+00 1.516 0.13072
## car_companyother
## car_companypeugeot 4.710e+00 3.566e+00 1.321 0.18764
## car_companyplymouth
                        2.373e+00 1.076e+00 2.206 0.02821 *
## car_companypontiac
                        3.600e+00 1.284e+00 2.804 0.00542 **
## car_companyrenault
                        6.091e+00 4.040e+00 1.508 0.13285
## car_companysaab
                        4.030e+00 3.800e+00 1.060 0.28993
                        6.142e-01 4.365e+00 0.141 0.88820
## car_companysubaru
                        5.945e-01 4.100e+00 0.145 0.88482
## car_companytoyota
## car_companyvolkswagen 5.845e+00 3.353e+00 1.743 0.08241 .
                        2.484e+00 3.609e+00 0.688 0.49198
## car_companyvolvo
## ---
## Signif. codes: 0 '*** 0.001 '** 0.01 '* 0.05 '.' 0.1 ' ' 1
## Residual standard error: 3.376 on 267 degrees of freedom
## Multiple R-squared: 0.8396, Adjusted R-squared: 0.8204
## F-statistic: 43.67 on 32 and 267 DF, p-value: < 2.2e-16
### equation: mpg ~ cylinder + displacement + horsepower + weight + acceleration + model.year + origin
#creating stepwise selection model (trying forward selection)
forward_lm <- step(cars_lm, direction = "forward")</pre>
## Start: AIC=761.07
## mpg ~ cylinder + displacement + horsepower + weight + acceleration +
      model.year + origin + car_company
summary(forward lm)
##
## Call:
## lm(formula = mpg ~ cylinder + displacement + horsepower + weight +
      acceleration + model.year + origin + car_company, data = train_data)
##
## Residuals:
##
      Min
               1Q Median
## -7.6105 -2.3599 0.0271 1.8227 14.7348
## Coefficients:
##
                         Estimate Std. Error t value Pr(>|t|)
                       -1.492e+01 5.920e+00 -2.520 0.01232 *
## (Intercept)
                                             -0.921 0.35812
                       -3.694e-01 4.013e-01
## cylinder
                       2.543e-02 9.560e-03
                                             2.660 0.00829 **
## displacement
                       -3.219e-02 1.700e-02 -1.893 0.05940 .
## horsepower
                       -6.743e-03 8.146e-04 -8.278 6.05e-15 ***
## weight
## acceleration
                        3.311e-02 1.236e-01
                                              0.268 0.78890
## model.year
                       7.389e-01 6.449e-02 11.458 < 2e-16 ***
                       -1.027e+00 3.179e+00 -0.323 0.74685
## origin2
                       2.417e+00 3.971e+00 0.609 0.54331
## origin3
```

```
## car_companyaudi
                         5.703e+00 3.525e+00
                                               1.618 0.10691
                         1.095e+00 1.275e+00 0.859 0.39125
## car_companybuick
## car_companychevrolet
                         8.223e-01 9.806e-01
                                               0.839 0.40245
## car_companychrysler
                         4.991e-01 2.590e+00
                                               0.193 0.84733
## car_companydatsun
                         2.642e+00 4.112e+00
                                               0.643 0.52105
## car companydodge
                         1.794e+00 1.121e+00
                                               1.601 0.11060
## car_companyfiat
                         5.426e+00 3.431e+00
                                               1.581 0.11498
                         4.093e-01 9.774e-01
                                               0.419 0.67577
## car_companyford
## car_companyhonda
                         2.515e+00 4.132e+00 0.609 0.54336
## car_companymazda
                         2.742e-01 4.167e+00 0.066 0.94759
## car_companymercedes
                         5.679e+00 3.889e+00 1.460 0.14543
                         1.761e-01 1.384e+00 0.127 0.89885
## car_companymercury
## car_companyoldsmobile 2.419e+00 1.464e+00
                                               1.652 0.09979
## car_companyopel
                         3.549e+00 4.007e+00 0.886 0.37666
                         3.257e+00 2.148e+00
                                               1.516 0.13072
## car_companyother
## car_companypeugeot
                         4.710e+00 3.566e+00
                                               1.321 0.18764
                                               2.206 0.02821 *
                         2.373e+00 1.076e+00
## car_companyplymouth
                         3.600e+00 1.284e+00
                                               2.804 0.00542 **
## car_companypontiac
                                               1.508 0.13285
## car_companyrenault
                         6.091e+00 4.040e+00
## car_companysaab
                         4.030e+00 3.800e+00
                                               1.060 0.28993
## car_companysubaru
                         6.142e-01 4.365e+00
                                               0.141 0.88820
## car_companytoyota
                         5.945e-01 4.100e+00
                                               0.145 0.88482
## car_companyvolkswagen 5.845e+00 3.353e+00
                                               1.743 0.08241 .
                                               0.688 0.49198
## car companyvolvo
                         2.484e+00 3.609e+00
## ---
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
## Residual standard error: 3.376 on 267 degrees of freedom
## Multiple R-squared: 0.8396, Adjusted R-squared: 0.8204
## F-statistic: 43.67 on 32 and 267 DF, p-value: < 2.2e-16
### equation: mpg ~ cylinder + displacement + horsepower + weight + acceleration + model.year + origin
###did not eliminate any variables
#trying backward selection
backward_lm <- step(cars_lm, direction = "backward")</pre>
## Start: AIC=761.07
## mpg ~ cylinder + displacement + horsepower + weight + acceleration +
##
      model.year + origin + car_company
##
                 Df Sum of Sq
                                 RSS
                                        AIC
## - car_company
                 24
                       336.63 3379.9 744.55
                  2
                         7.76 3051.0 757.83
## - origin
## - acceleration 1
                         0.82 3044.1 759.15
## - cylinder
                  1
                         9.66 3052.9 760.02
## <none>
                              3043.3 761.07
## - horsepower
                        40.86 3084.1 763.07
                  1
## - displacement 1
                        80.65 3123.9 766.92
                       781.07 3824.3 827.61
## - weight
                  1
## - model.year
                      1496.35 4539.6 879.04
##
## Step: AIC=744.55
## mpg ~ cylinder + displacement + horsepower + weight + acceleration +
```

```
##
      model.year + origin
##
                 Df Sum of Sq
##
                                 RSS
                        1.42 3381.3 742.67
## - acceleration 1
## - cylinder
                  1
                       14.06 3394.0 743.79
## <none>
                              3379.9 744.55
                       46.01 3425.9 746.60
## - horsepower
                  1
## - displacement 1
                       127.08 3507.0 753.62
## - origin
                  2
                       283.10 3663.0 764.68
## - weight
                  1
                      1049.15 4429.0 823.65
## - model.year
                  1
                      1812.50 5192.4 871.35
##
## Step: AIC=742.67
## mpg ~ cylinder + displacement + horsepower + weight + model.year +
      origin
##
##
                 Df Sum of Sq
                                 RSS
                                        AIC
## - cylinder
                 1 14.38 3395.7 741.94
                              3381.3 742.67
## <none>
## - horsepower
                  1
                       93.30 3474.6 748.84
## - displacement 1
                     125.66 3507.0 751.62
## - origin
                  2
                       282.52 3663.8 762.74
## - weight
                      1297.23 4678.5 838.09
                  1
## - model.year
                      1816.66 5198.0 869.67
                  1
##
## Step: AIC=741.94
## mpg ~ displacement + horsepower + weight + model.year + origin
##
##
                 Df Sum of Sq
                                 RSS
                                        AIC
## <none>
                              3395.7 741.94
## - horsepower
                  1
                        88.81 3484.5 747.69
## - displacement 1
                       133.89 3529.6 751.55
## - origin
                  2
                       274.48 3670.2 761.26
## - weight
                      1331.33 4727.0 839.18
                  1
## - model.year
                      1808.05 5203.7 868.01
summary(backward_lm)
##
## Call:
## lm(formula = mpg ~ displacement + horsepower + weight + model.year +
##
      origin, data = train_data)
##
## Residuals:
               1Q Median
                               3Q
## -8.5429 -2.1777 -0.0065 1.9027 13.4328
##
## Coefficients:
                 Estimate Std. Error t value Pr(>|t|)
## (Intercept) -1.525e+01 4.927e+00 -3.095 0.00216 **
## displacement 2.256e-02 6.638e-03
                                      3.399 0.00077 ***
## horsepower -3.375e-02 1.219e-02 -2.768 0.00599 **
## weight
               -7.025e-03 6.555e-04 -10.718 < 2e-16 ***
```

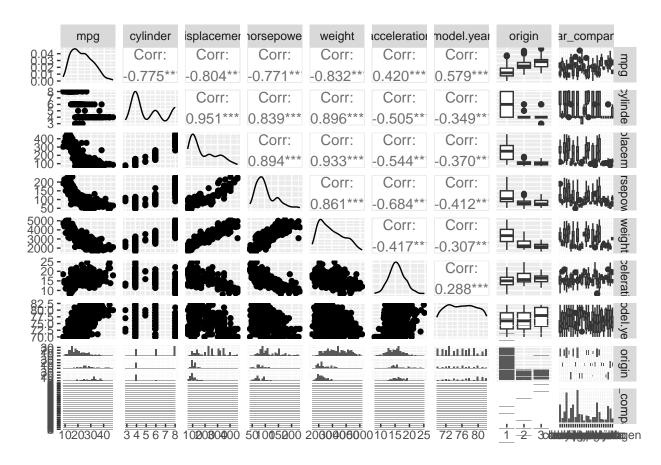
## model.year 7.602e-01 6.086e-02 12.490 < 2e-16 \*\*\*

```
2.844e+00 6.680e-01 4.258 2.79e-05 ***
## origin2
## origin3
                2.679e+00 6.405e-01 4.182 3.82e-05 ***
## ---
## Signif. codes: 0 '*** 0.001 '** 0.01 '* 0.05 '.' 0.1 ' ' 1
## Residual standard error: 3.404 on 293 degrees of freedom
## Multiple R-squared: 0.821, Adjusted R-squared: 0.8173
## F-statistic: 224 on 6 and 293 DF, p-value: < 2.2e-16
### equation: mpg ~ displacement + horsepower + weight + model.year + origin
\#\#adjusted R2, R2 , and residual standard error not improved but worsened
###eliminated car_company , acceleration, cylinder
#trying a stepwise both ways (backward and forward)
step_lm <- step(cars_lm, direction = "both")</pre>
## Start: AIC=761.07
## mpg ~ cylinder + displacement + horsepower + weight + acceleration +
      model.year + origin + car company
##
##
                 Df Sum of Sq
                                 RSS
                                        AIC
## - car_company 24
                       336.63 3379.9 744.55
## - origin
                  2
                        7.76 3051.0 757.83
## - acceleration 1
                         0.82 3044.1 759.15
## - cylinder
                 1
                         9.66 3052.9 760.02
## <none>
                              3043.3 761.07
## - horsepower
                  1
                       40.86 3084.1 763.07
                       80.65 3123.9 766.92
## - displacement 1
                       781.07 3824.3 827.61
## - weight
                  1
## - model.year
                  1
                     1496.35 4539.6 879.04
##
## Step: AIC=744.55
## mpg ~ cylinder + displacement + horsepower + weight + acceleration +
      model.year + origin
##
                 Df Sum of Sq
                                 RSS
                        1.42 3381.3 742.67
## - acceleration 1
## - cylinder 1
                       14.06 3394.0 743.79
## <none>
                              3379.9 744.55
## - horsepower
                       46.01 3425.9 746.60
                  1
## - displacement 1
                     127.08 3507.0 753.62
## + car_company 24
                       336.63 3043.3 761.07
                  2
                       283.10 3663.0 764.68
## - origin
                  1
## - weight
                      1049.15 4429.0 823.65
                 1 1812.50 5192.4 871.35
## - model.year
## Step: AIC=742.67
## mpg ~ cylinder + displacement + horsepower + weight + model.year +
##
      origin
##
                 Df Sum of Sq
                                 RSS
## - cylinder
                        14.38 3395.7 741.94
                  1
## <none>
                              3381.3 742.67
## + acceleration 1
                       1.42 3379.9 744.55
```

```
## - horsepower
                       93.30 3474.6 748.84
                  1
## - displacement 1
                       125.66 3507.0 751.62
## + car_company 24
                       337.23 3044.1 759.15
## - origin
                  2
                       282.52 3663.8 762.74
## - weight
                  1
                      1297.23 4678.5 838.09
## - model.year
                  1
                      1816.66 5198.0 869.67
## Step: AIC=741.94
## mpg ~ displacement + horsepower + weight + model.year + origin
##
##
                 Df Sum of Sq
                                 RSS
                              3395.7 741.94
## <none>
## + cylinder
                       14.38 3381.3 742.67
                  1
## + acceleration 1
                        1.74 3394.0 743.79
                       88.81 3484.5 747.69
## - horsepower
                  1
## - displacement 1
                       133.89 3529.6 751.55
## + car_company 24
                       341.76 3053.9 758.12
## - origin
                  2
                       274.48 3670.2 761.26
                  1
                      1331.33 4727.0 839.18
## - weight
## - model.year
                      1808.05 5203.7 868.01
summary(step_lm)
##
## Call:
## lm(formula = mpg ~ displacement + horsepower + weight + model.year +
##
      origin, data = train_data)
##
## Residuals:
      Min
               10 Median
                               3Q
                                      Max
## -8.5429 -2.1777 -0.0065 1.9027 13.4328
##
## Coefficients:
                 Estimate Std. Error t value Pr(>|t|)
## (Intercept) -1.525e+01 4.927e+00 -3.095 0.00216 **
                                      3.399 0.00077 ***
## displacement 2.256e-02 6.638e-03
## horsepower
             -3.375e-02 1.219e-02 -2.768 0.00599 **
               -7.025e-03 6.555e-04 -10.718 < 2e-16 ***
## weight
## model.year
                7.602e-01 6.086e-02 12.490 < 2e-16 ***
                2.844e+00 6.680e-01 4.258 2.79e-05 ***
## origin2
                2.679e+00 6.405e-01 4.182 3.82e-05 ***
## origin3
## ---
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
## Residual standard error: 3.404 on 293 degrees of freedom
## Multiple R-squared: 0.821, Adjusted R-squared: 0.8173
## F-statistic: 224 on 6 and 293 DF, p-value: < 2.2e-16
### equation: mpg ~ displacement + horsepower + weight + model.year + origin
###stepwise selection eliminated car_company, acceleration, cylinder just like backward selection
###but i will want to test it further with predictions and accuracy with test sample to see if its actu
### creating a SIMPLE linear regression with the variable that has the highest correlation to mpg
```

```
#checking correlation bet mpg and all other variables.
#install.packages("GGally")
library(GGally)
## Warning: package 'GGally' was built under R version 4.4.2
## Loading required package: ggplot2
## Warning: package 'ggplot2' was built under R version 4.4.2
## Registered S3 method overwritten by 'GGally':
    method from
##
          ggplot2
     +.gg
ggpairs(cars2, cardinality_threshold = 25)
## 'stat_bin()' using 'bins = 30'. Pick better value with 'binwidth'.
## 'stat_bin()' using 'bins = 30'. Pick better value with 'binwidth'.
## 'stat_bin()' using 'bins = 30'. Pick better value with 'binwidth'.
## 'stat_bin()' using 'bins = 30'. Pick better value with 'binwidth'.
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## 'stat_bin()' using 'bins = 30'. Pick better value with 'binwidth'.
```

## 'stat\_bin()' using 'bins = 30'. Pick better value with 'binwidth'.
## 'stat\_bin()' using 'bins = 30'. Pick better value with 'binwidth'.



#the lsr library will help in finding correlation between mpg and the categorical variables like origin library(lsr)

Max

16.2774

## Residuals:

Min

## Coefficients:

1Q

## -12.2141 -2.7874 -0.5502

Median

2.1071

Estimate Std. Error t value Pr(>|t|)

##

##

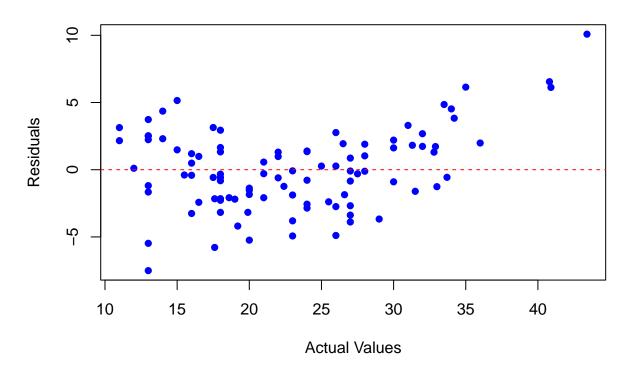
##

```
## (Intercept) 46.6842197 0.9154748
                                      50.99
                                              <2e-16 ***
## weight
               -0.0077543 0.0002967 -26.13
                                              <2e-16 ***
## ---
## Signif. codes: 0 '*** 0.001 '** 0.01 '* 0.05 '.' 0.1 ' 1
## Residual standard error: 4.398 on 298 degrees of freedom
## Multiple R-squared: 0.6962, Adjusted R-squared: 0.6952
## F-statistic: 682.9 on 1 and 298 DF, p-value: < 2.2e-16
### the R2 significantly dropped compared to other models, yet we will use it for the sake of testing a
### one more multiple linear regression according to my queses and observations.
### i made some variables as a log() in the equation because i saw there are non linear relationships t
### i also eliminated origin since it gave me a higher R2 after its elimination
my_lm <- lm(mpg ~ cylinder + log(displacement) + log(horsepower) + log(weight) + log(acceleration) + mo
summary(my_lm)
##
## lm(formula = mpg ~ cylinder + log(displacement) + log(horsepower) +
       log(weight) + log(acceleration) + model.year + car_company,
##
       data = train_data)
##
## Residuals:
      Min
               10 Median
                               3Q
                                      Max
## -7.4706 -1.8444 0.0417 1.4877 14.1409
## Coefficients:
##
                         Estimate Std. Error t value Pr(>|t|)
## (Intercept)
                        137.07729
                                    13.32270 10.289 < 2e-16 ***
                                     0.35688
## cylinder
                          0.58362
                                               1.635 0.10315
## log(displacement)
                         -0.28848
                                     1.92648 -0.150 0.88108
## log(horsepower)
                         -8.98911
                                     1.96748 -4.569 7.48e-06 ***
                                     2.89916 -4.966 1.22e-06 ***
## log(weight)
                         -14.39765
                                     1.97275 -2.782 0.00579 **
## log(acceleration)
                         -5.48760
## model.year
                          0.71314
                                     0.05788 12.320 < 2e-16 ***
                                     1.57867 2.120 0.03495 *
## car_companyaudi
                          3.34616
## car_companybuick
                          1.64133
                                     1.15334
                                              1.423 0.15586
## car_companychevrolet
                          0.21138
                                     0.90041
                                               0.235 0.81458
                          1.21509
                                     2.33982
                                              0.519 0.60397
## car_companychrysler
## car_companydatsun
                          3.45482
                                     1.17487
                                               2.941 0.00356 **
                                               1.020 0.30883
## car_companydodge
                          1.04943
                                     1.02925
## car_companyfiat
                          1.78950
                                     1.49568
                                               1.196 0.23258
                                     0.89655 -0.105 0.91625
## car_companyford
                          -0.09437
                          1.88522
                                     1.32801
                                               1.420 0.15689
## car_companyhonda
## car_companymazda
                          0.84170
                                      1.45827
                                               0.577
                                                      0.56429
                                     2.03962
                                               1.674 0.09525
## car_companymercedes
                          3.41473
## car_companymercury
                          -0.81767
                                     1.27083 -0.643 0.52050
                                               1.797 0.07349
## car_companyoldsmobile
                          2.40336
                                     1.33758
## car_companyopel
                          1.63407
                                     2.34515
                                               0.697 0.48654
                                               2.065 0.03989 *
## car_companyother
                          3.10328
                                     1.50289
                                     1.53439
                                               2.071
                                                      0.03930 *
## car_companypeugeot
                          3.17790
## car_companyplymouth
                          1.35405
                                     0.98988
                                               1.368 0.17249
## car_companypontiac
                                     1.14740
                                               2.927 0.00371 **
                          3.35881
```

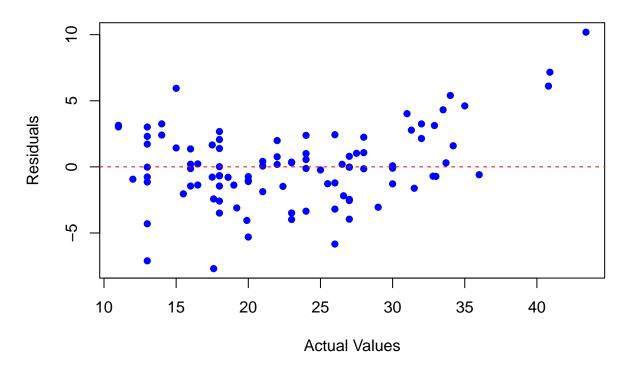
```
## car companyrenault
                           4.18780
                                      2.38596
                                                 1.755 0.08037 .
## car_companysaab
                                      2.04526 1.556 0.12095
                           3.18182
## car_companysubaru
                           1.27984 1.78601 0.717 0.47425
## car_companytoyota
                           1.33426
                                      1.13313
                                                 1.178 0.24003
## car_companyvolkswagen
                           1.88118
                                      1.23658
                                                 1.521 0.12937
## car companyvolvo
                           0.62039
                                      1.69961 0.365 0.71538
## ---
## Signif. codes: 0 '*** 0.001 '** 0.01 '* 0.05 '.' 0.1 ' ' 1
##
## Residual standard error: 3.081 on 269 degrees of freedom
## Multiple R-squared: 0.8654, Adjusted R-squared: 0.8504
## F-statistic: 57.66 on 30 and 269 DF, p-value: < 2.2e-16
### equation: mpg ~ cylinder + log(displacement) + log(horsepower) + log(weight) + log(acceleration) + .
### i got the best statistics through this regression, lets further assess with the prediction results
# predicting test sample on all five different models
full_pred <- predict(cars_lm, newdata = test_data)</pre>
step_pred <- predict(step_lm, newdata = test_data)</pre>
weight_pred <- predict(weight_lm, newdata = test_data)</pre>
my_pred <- predict(my_lm, newdata = test_data)</pre>
backward_pred <- predict(backward_lm, newdata = test_data)</pre>
# finding MAE of predictions of the three models
full_mae <- mean(abs(full_pred - test_data$mpg))</pre>
print(paste("Full MAE:", round(full_mae, 2)))
## [1] "Full MAE: 2.35"
step_mae <- mean(abs(step_pred - test_data$mpg))</pre>
print(paste("Step MAE:", round(step_mae, 2)))
## [1] "Step MAE: 2.41"
weight_mae <- mean(abs(weight_pred - test_data$mpg))</pre>
print(paste("Weight MAE:", round(weight_mae, 2)))
## [1] "Weight MAE: 3.25"
my_mae <- mean(abs(my_pred - test_data$mpg))</pre>
print(paste("My MAE:", round(my_mae, 2)))
## [1] "My MAE: 2.13"
backward_mae <- mean(abs(backward_pred - test_data$mpg))</pre>
print(paste("Backward MAE:", round(backward_mae, 2)))
## [1] "Backward MAE: 2.41"
```

```
#finding RMSE
full_rmse <- sqrt(mean((full_pred - test_data$mpg)^2))</pre>
print(paste("Full RMSE:", round(full_rmse, 2)))
## [1] "Full RMSE: 2.97"
step_rmse <- sqrt(mean((step_pred - test_data$mpg)^2))</pre>
print(paste("Step RMSE:", round(step_rmse, 2)))
## [1] "Step RMSE: 3.07"
weight_rmse <- sqrt(mean((weight_pred - test_data$mpg)^2))</pre>
print(paste("Weight RMSE:", round(weight_rmse, 2)))
## [1] "Weight RMSE: 4.19"
my_rmse <- sqrt(mean((my_pred - test_data$mpg)^2))</pre>
print(paste("My RMSE:", round(my_rmse, 2)))
## [1] "My RMSE: 2.88"
backward_rmse <- sqrt(mean((backward_pred - test_data$mpg)^2))</pre>
print(paste("Backward RMSE:", round(backward_rmse, 2)))
## [1] "Backward RMSE: 3.07"
# My model shows best results overall, with prediction and model fit
# in both MAE and RMSE this is the order best to worse: my, full, step/backward, weight
# lets bring in some residual plots and histogram to select 1 from the 2 best model which are so far th
# calculate residuals for my_pred (from the model i created) and full_pred (from the full model)
my_residuals <- test_data$mpg - my_pred
full_residuals <- test_data$mpg - full_pred</pre>
# Residuals plot
plot(test_data$mpg, full_residuals,
     xlab = "Actual Values",
     ylab = "Residuals",
     main = "Full Model Residuals Plot",
     col = "blue", pch = 16)
abline(h = 0, col = "red", lty = 2) # Add a horizontal reference line at 0
```

### **Full Model Residuals Plot**

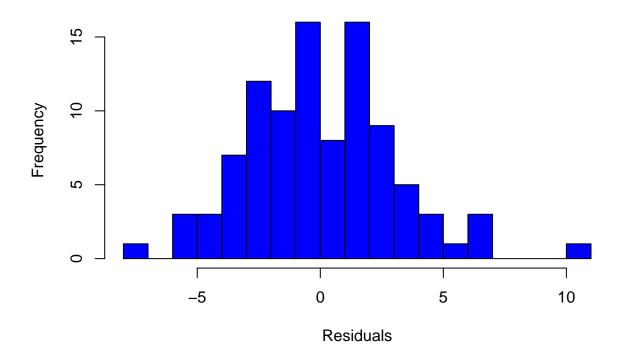


# **My Model Residuals Plot**



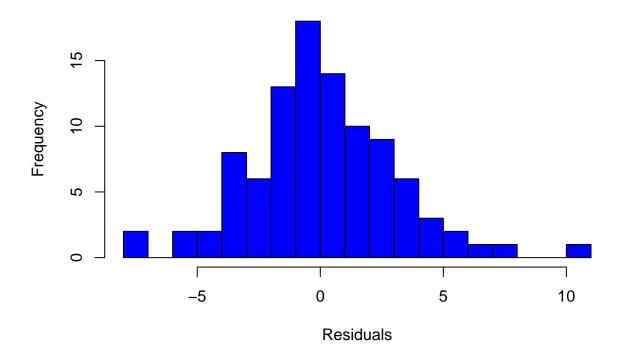
```
# Plot histogram for full_residuals (full model)
hist(full_residuals,
    main = "Histogram of Full Model Residuals",
    xlab = "Residuals",
    col = "blue",
    border = "black",
    breaks = 20)
```

# **Histogram of Full Model Residuals**



```
# plot histogram for my_residuals (my model)
hist(my_residuals,
    main = "Histogram of My Model Residuals",
    xlab = "Residuals",
    col = "blue",
    border = "black",
    breaks = 20)
```

# **Histogram of My Model Residuals**



# looking at the histograms and residuals plots we see how the "my model" is performing better
# (histogram of the "my modle" residuals shows a better normal distribution and the residuals plot have