Sentiment Analysis, also known as opinion mining, is a subfield of Natural Language Processing (NLP) that focuses on identifying and categorizing opinions expressed in text, particularly to determine the writer's attitude towards a particular topic, product, or service. This attitude may be positive, negative, or neutral. The goal is to understand the sentiment behind the text content to aid in various decision-making processes.

Sentiment Analysis can be applied at different levels of granularity, such as:

1. **Document Level:** Determining the overall sentiment of a full document, such as a product review or an article.

2. **Sentence Level:** Identifying the sentiment of individual sentences within a text.

3. **Aspect Level:** Focusing on the sentiment related to specific aspects or features within the text. For example, in a review for a smartphone, aspects might include the battery life, camera quality, or screen size.

Techniques used in Sentiment Analysis include:

- **Rule-based Systems**: These rely on a set of manually crafted rules that seek to identify sentiment based on the presence of certain words or phrases, their position, and linguistic context. They might use lists of positive and negative words or phrases and apply rules about negation and intensification.

- **Machine Learning Approaches**: These involve training algorithms on large datasets of labeled text (where the sentiments are already marked). Once trained, these models can predict the sentiment of unseen text. Techniques can range from traditional machine learning methods like Support Vector Machines (SVM) and Naive Bayes to more advanced deep learning approaches, including Recurrent Neural Networks (RNNs), Convolutional Neural Networks (CNNs), and Transformers.

- **Hybrid Approaches**: Combining rule-based and machine learning methods to leverage the strengths of both approaches.

**Sentiment Analysis is widely used in various applications such as:**

- **Social Media Monitoring:** To gauge public opinion on certain topics, brands, or products.

- **Market Research and Consumer Feedback:** To understand customer satisfaction and areas for improvement in products or services.

- **Financial Markets:** Analyzing news and social media to predict stock market trends.

- **Politics and Public Policy:** Assessing public sentiment towards policies, politicians, or political events.

Despite its utility, Sentiment Analysis faces challenges such as detecting sarcasm, irony, and context-dependent meanings, which can lead to inaccuracies in sentiment prediction. Continuous advancements in NLP and machine learning are helping to mitigate these challenges.