When you observe extreme results (very high/low values) in data, regression to the mean explains why those extremes tend to move closer to the average when measured again. Here’s how they relate

1. Observation:

Extreme outcomes like:-a student acing a test, a sports team winning unexpectedly, a stock surging) are often influenced by luck or randomness alongside skill or true performance.

Repeated measurements of these extremes such as retesting students, tracking next season’s performance) usually show less extreme results.

1. Regression to the Mean:

Why it happens: Extreme results are often “flukes” caused by temporary factors (luck, measurement error). Over time, randomness balances out, pulling results toward the average.