



Start-Tech Academy

# Regression - Introduction

## Marketing Problem

1. Effect of price change on revenue
2. Impact of Advertising budget on revenue
3. Importance of product placement in the store on the number of unit sold



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## Aim

Our aim is to find relationship between these variables



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## Tools

Tools like Linear Regression are used to model the relationship



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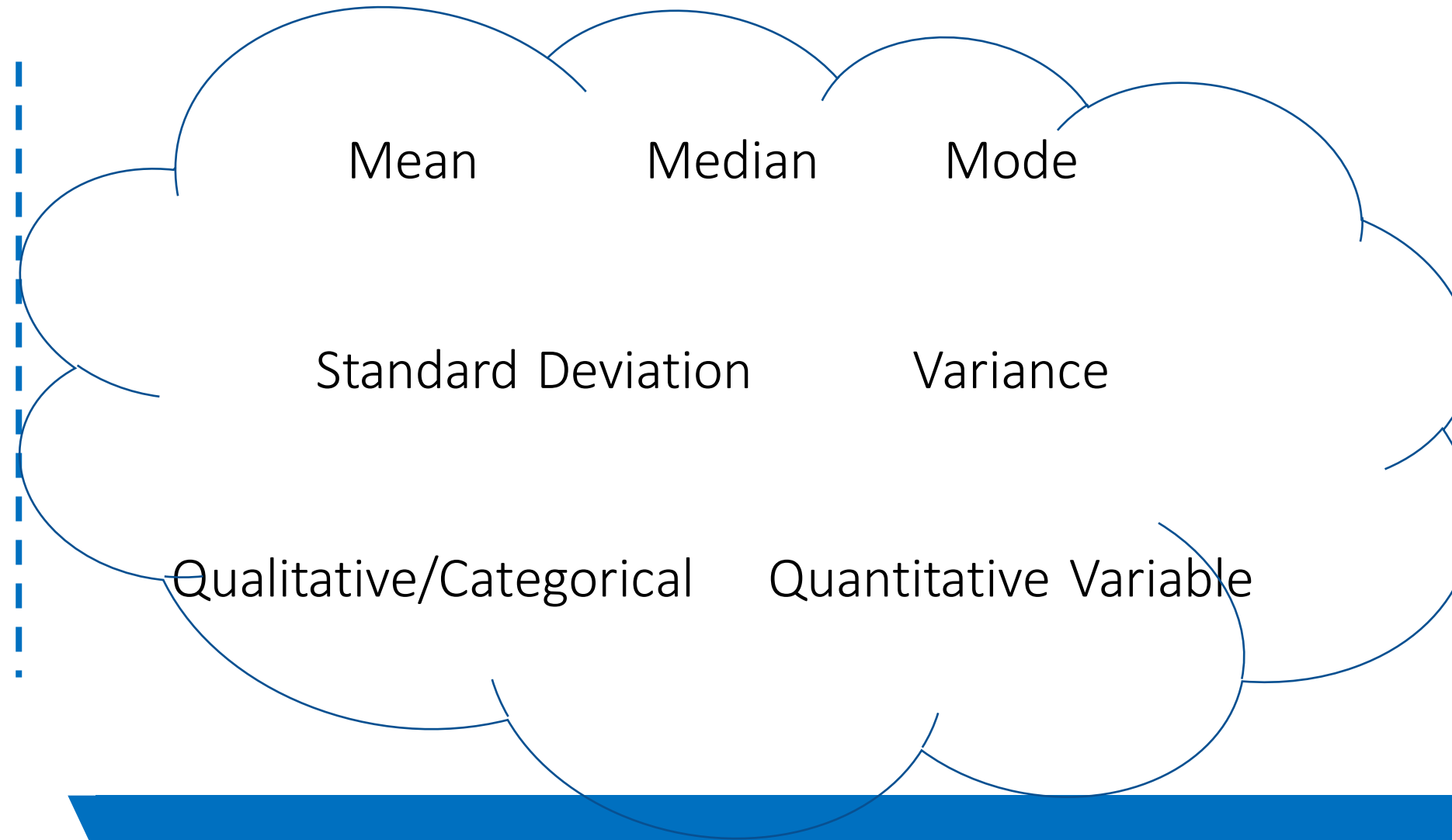
## Key Terminology

1. Depend/ Response variable – Variable we want to predict
2. Independent/ predictor variables – Variables used for prediction
3. Linear regression – Assumes a linear relationship between dependent and independent variables.
4. Equation =  $y = a_0 + a_1x_1 + a_2x_2 \dots \dots \dots + a_nx_n$



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## Basics of Statistics



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Next Steps

