Interpreting Linear Regression Coefficients

- In our model 3, β_1 is 7.966e-01 and our β_2 is 2.991e-01
- If the sign of β were positive, it means that our independent variable is correlated with our dependent variable. It means that whether increase in β, also will cause to increase in dependent variable or not.
- In here we can see that the magnitude for R.D Speed is bigger than magnitude for the Marketing Speed. Be careful about it. It's a little tricky in Regression.
- In here you might say that the R.D. Speed has a higher impact on our dependent variable than the Marketing Speed. Well, it is only true when both of their units are same. For example, both of them are in dollars.
- If the unit of R.D. Speed is in cents and the units of the Marketing Speed is in dollars then it means that Marketing Speed has a higher impact.
- We always measure in units of dependent variable. For example, if one of independent variable were in cents but the dependent variable was in dollars that we measure in dollars
- Every time we run a model, its coefficient changes, it's because that the coefficients only talk about the additional effect of every single variable and with this consideration that other coefficients are fixed.