Auto Losses and Bikeshare Analysis - Shahin Shakeri

I use R notebooks in RStudio cloud and the data is stored in the clound on my google drive. I submitted this notebook in original format which can be simply be opened in R desktop and run.

1- Auto Losses

1.a) Two door cars are correlated with more losses

1.b) Sedans have the lowest losses among the least costly losses. This doesn't mean the entire dataset follows this pattern.

```
Lowest<- Autoloss[order(Autoloss$Losses,decreasing=FALSE),][1:10,]
Lowest<-tapply(Lowest$Losses,Lowest$BodyStyle , mean)
Lowest

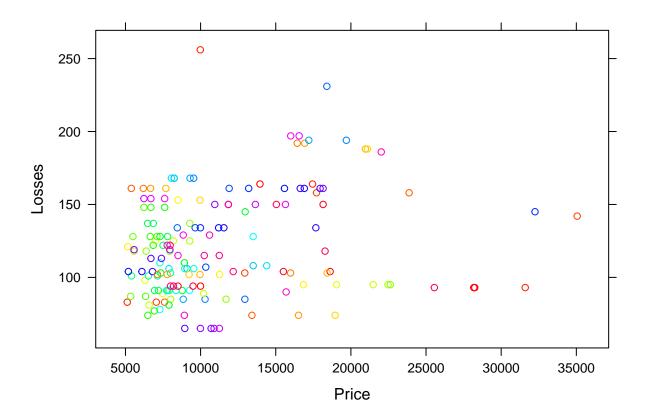
## convertible hardtop hatchback sedan wagon
## NA NA 68 65 74
```

1.c) Sedans and Hatchbacks have the widest spread of losses. The losses in sedan are skewed towards the lower end where in the other styles are more or less evenly distributed.

```
ByWheels<-tapply(Autoloss$Losses,Autoloss$BodyStyle,mean)
ByWheels
## convertible
                   hardtop
                              hatchback
                                              sedan
                                                           wagon
                                                        87.52941
     138.00000
                 132.60000
                              132.08333
                                          120.35443
boxplot(Losses~BodyStyle,data=Autoloss ,col = rainbow(15))
                                          0
250
                                          0
200
                            0
150
100
                            0
                        hardtop
         convertible
                                     hatchback
                                                     sedan
                                                                   wagon
```

1.d) Lower priced car have costlier loses than higher priced cars on average

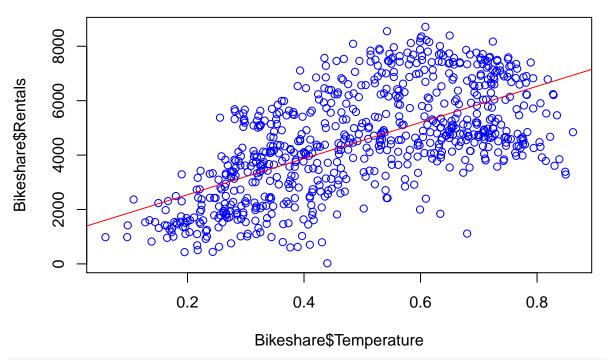
```
xyplot(Losses~Price,data=Autoloss, col = rainbow(50))
```



2 -Bikeshare

2.a) We run a simple regression for Rentals~Temperature

```
Bikeshare <- read.csv(url("https://drive.google.com/uc?export=download&id=1jtfh-qmyDM31_nU3AkPP_ZsepL-j
LModel=lm(Rentals~Temperature,data=Bikeshare)
{plot(Bikeshare$Temperature,Bikeshare$Rentals,col='blue')
abline(LModel,col="red")}
```



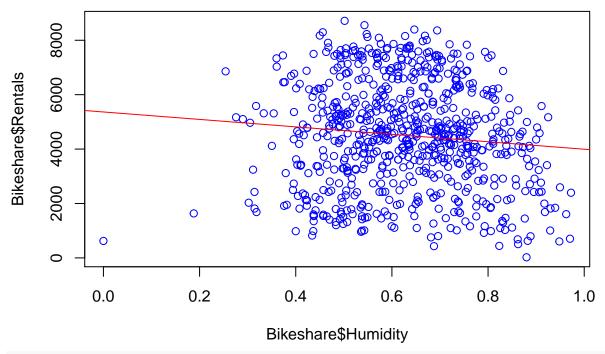
summary(LModel)

```
##
## Call:
## lm(formula = Rentals ~ Temperature, data = Bikeshare)
## Residuals:
##
      Min
               1Q Median
                               3Q
                                      Max
  -4615.3 -1134.9
                   -104.4 1044.3 3737.8
##
## Coefficients:
              Estimate Std. Error t value Pr(>|t|)
##
                                    7.537 1.43e-13 ***
## (Intercept)
                 1214.6
                            161.2
                 6640.7
                            305.2 21.759 < 2e-16 ***
## Temperature
## ---
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
## Residual standard error: 1509 on 729 degrees of freedom
## Multiple R-squared: 0.3937, Adjusted R-squared: 0.3929
## F-statistic: 473.5 on 1 and 729 DF, p-value: < 2.2e-16
```

For every 1 change to normalized Temperature, Rentals change by 6640.7. Accoring to small p <.05 this is significant

2.b) We run a simple regression for Rentals~Humidity

```
LModel=lm(Rentals~Humidity,data=Bikeshare)
{plot(Bikeshare$Humidity,Bikeshare$Rentals,col='blue')
abline(LModel,col="red")}
```



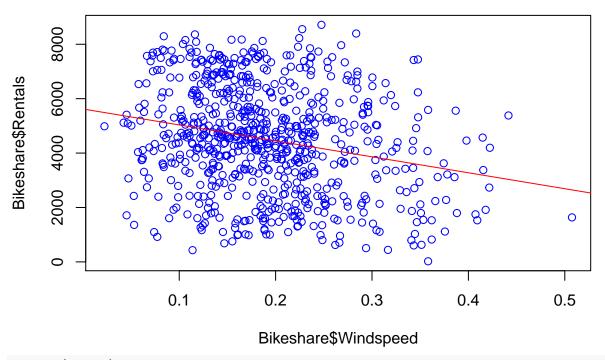
```
summary(LModel)
```

```
##
## Call:
## lm(formula = Rentals ~ Humidity, data = Bikeshare)
## Residuals:
##
      Min
               1Q
                   Median
                               3Q
                                      Max
  -4741.0 -1386.9
                     50.3
                          1439.3
                                   4036.8
##
## Coefficients:
              Estimate Std. Error t value Pr(>|t|)
##
## (Intercept)
                5364.0
                            322.7 16.623 < 2e-16 ***
## Humidity
               -1369.1
                            501.2 -2.732 0.00645 **
## ---
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
## Residual standard error: 1929 on 729 degrees of freedom
## Multiple R-squared: 0.01013,
                                   Adjusted R-squared:
                                                        0.008774
## F-statistic: 7.462 on 1 and 729 DF, p-value: 0.006454
```

For every 1 increase to normalized Humidity, Rentals change by -1369.1 . Accoring to small p <.05 this is significant but the R-squared: 0.01013 shows this is not a good model

2.c) We run a simple regression for Rentals~Windspeed

```
LModel=lm(Rentals~Windspeed,data=Bikeshare)
{plot(Bikeshare$Windspeed,Bikeshare$Rentals,col='blue')
abline(LModel,col="red" )}
```



summary(LModel)

```
##
## Call:
## lm(formula = Rentals ~ Windspeed, data = Bikeshare)
## Residuals:
##
       Min
                1Q
                   Median
                                3Q
                                      Max
   -4522.7 -1374.7
                     -74.6
                           1461.8
                                   4544.0
##
## Coefficients:
               Estimate Std. Error t value Pr(>|t|)
##
                 5621.2
                             185.1 30.374 < 2e-16 ***
## (Intercept)
## Windspeed
                -5862.9
                            900.0 -6.514 1.36e-10 ***
## ---
## Signif. codes: 0 '***' 0.001 '**' 0.05 '.' 0.1 ' ' 1
## Residual standard error: 1884 on 729 degrees of freedom
## Multiple R-squared: 0.05501,
                                   Adjusted R-squared:
## F-statistic: 42.44 on 1 and 729 DF, p-value: 1.36e-10
```

For every 1 increase to normalized Windspeed, Rentals change by -5862.9. Accoring to small p <.05 this is significant but R-squared: 0.05501 shows this is not significant

#3 Multiple Linear Regression

