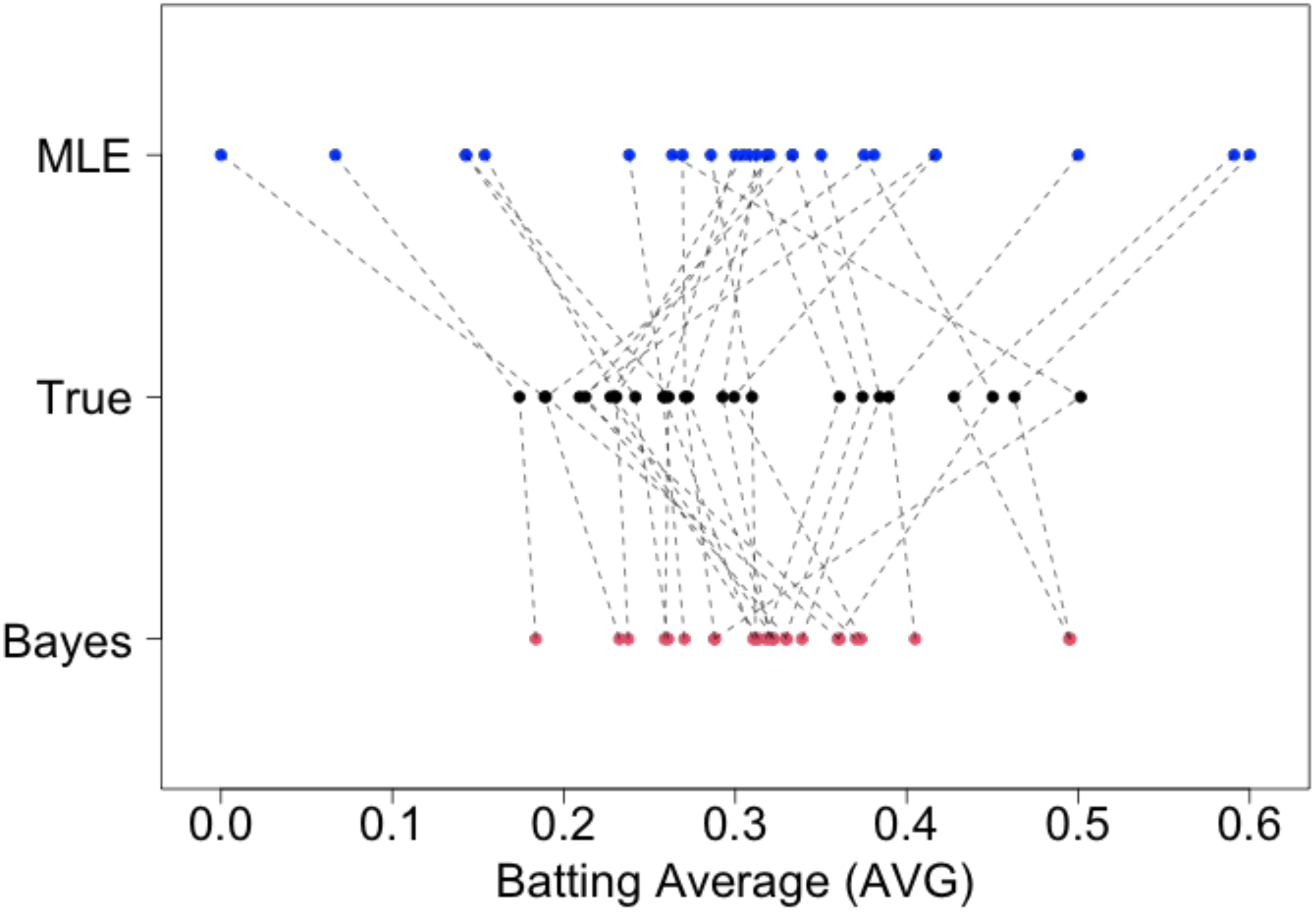
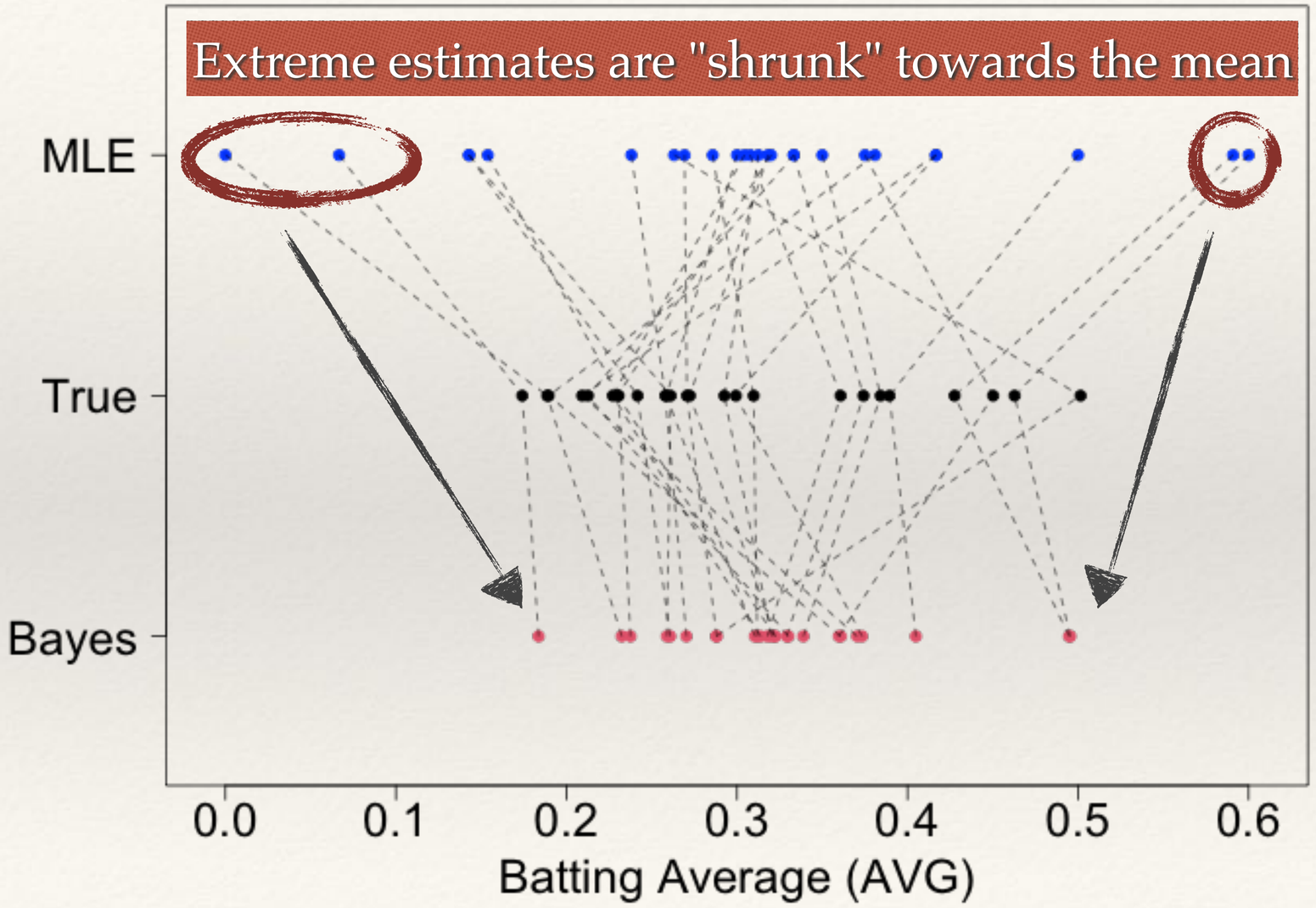
BATTING AVERAGES


MLE
True
Bayes
0.0
0.1
0.2
0.3
0.4
0.5
0.6
Batting Average (AVG)

Extreme estimates are "shrunk" towards the mean

BATTING AVERAGES



SHRINKAGE AND TYPES OF POOLING

1. **Complete pooling** Only one estimate for all players (underfitting)

3. **No pooling** Players are all independent, no information is shared (overfitting)

5. **Partial pooling** Players' estimates help inform each other. This means using an adaptive regularizing prior, as in the previous example.