Regression models on Motor Trend cars dataset

Molina Rafidison
11 Apr 2016

Report

Introduction

Looking at a data set of a collection of cars, we are interested in exploring the relationship between a set of variables and miles per gallon (MPG). We are particularly interested in the following two questions:

- "Is an automatic or manual transmission better for MPG?"
- "Quantifying the MPG difference between automatic and manual transmissions"

Exploratory data analysis

First load the needed packages which are datasets, ggplot2 and gridExtra.

Load the dataset from the datasets package and look at the basic information.

Look at the visual relationships of weight and acceleration on mileage per gallon according to transmission on Fig. 0 (cf. Appendix Fig. 0).

We convert am into a factor; it is the variable we are interested in.

```
mtcars$am <- factor(mtcars$am, labels = c("Auto", "Manual"))</pre>
```

And we plot transmission versus miles per gallon (cf. Appendix Fig. 1) to highlight any suspect behavior.

Statistical inference

From Fig. 1, the manual transmission seems to allow more mileage per gallon than the automatic transmission. We use a t-test.

```
tTest <- t.test(mpg ~ am, data = mtcars)

## [1] "P-value: 0.00137363833307103"

## [1] "-11.2801943550402" "-3.20968418746996"</pre>
```

The p value is statistically significant (< 0.05). Plus, 0 is not in the confidence interval. We reject the Null hypothesis and confirm that automatic transmission allows less mileage per gallon than manual one without considering any other variable.

Regression model

We use the linear regression to fit a model, starting with a backward removal method for building the regression model.

```
stepModel <- summary(step(lm(mpg ~ ., mtcars), trace = 0))

## [1] "Model: mpg ~ wt + qsec + am"

## [1] "Adjusted R-squared: 0.833556080257604"</pre>
```

This method tells us to keep the weight, the quarter mile time and thankfully the transmission. The model is not bad with an adjusted R-squared of 83%.

Test the model to optimize it by adding interaction from the transmission.

```
fineModel <- lm(mpg ~ (am*wt) + qsec, mtcars)</pre>
##
                Estimate Std. Error
                                      t value
                                                   Pr(>|t|)
## (Intercept)
                9.723053
                          5.8990407
                                     1.648243 0.1108925394
                                     4.098515 0.0003408693
## amManual
                          3.4352512
               14.079428
## wt
               -2.936531
                          0.6660253 -4.409038 0.0001488947
                          0.2520152 4.035366 0.0004030165
## qsec
                1.016974
## amManual:wt -4.141376 1.1968119 -3.460340 0.0018085763
## [1] "Adjusted R-squared: 0.880421944614729"
```

We reached a 88% adjusted R-squared that we will check to avoid bias thanks to the residual plots (cf. Appendix Fig. 2).

What we can say about the plots is that: the Residual vs. Fitted plot shows homoscedasticity that justifies the independence assumption; the residuals are approximately normally distributed according to the Normal Q-Q plot; the line representing the variance is rather constant on the Scale-Location plot; and everything is fine in the Residuals vs. Leverage plot.

Results

Conclusions

To answer the two questions initally asked:

Is an automatic or manual transmission better for MPG? We can conclude that choosing the best transmission for mileage per gallon depends on the weight and acceleration of a car.

Quantify the MPG difference between automatic and manual transmissions Choosing a manual transmission increases the mpg (+10.64 to +17.51) and so does the automatic transmission (+3.82 to +15.62). But the heavier the car, the more mpg decreases - -3.61 to -2.27 every 1,000 lbs - and even more with a manual transmission with -5.34 to -2.94 every 1,000 lbs. And the longer the quarter mile time, the slightly more mpg - +0.76 to +1.27 per second whatever the transmission.

That means that the heavier the cars with a quick acceleration the better thinking about an automatic transmission for better fuel efficiency. Small light cars would have a little bit more efficiency with manual transmission.

Appendix

Find figures related to the Report part.

Fig. 0

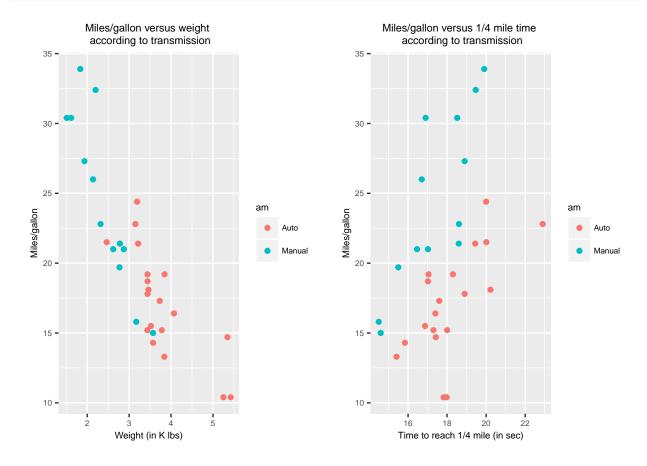


Fig. 1

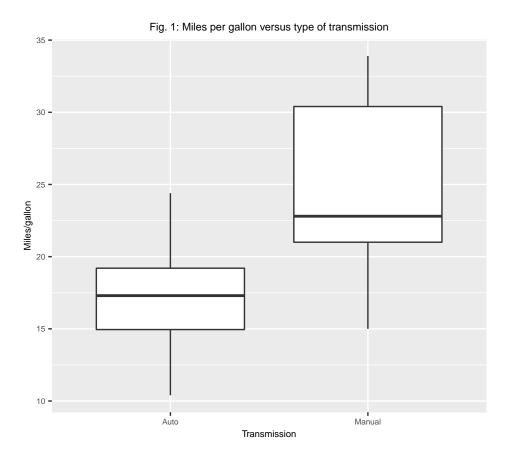


Fig. 2

```
par(mfrow = c(2,2))
plot(fineModel)
```

