

Automobile transmission type and fuel mileage

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Executive summary

We analyze the fuel consumption of various automobiles from early 1970s in order to determine whether the transmission type, manual or automatic, significantly affects fuel consumption. Based on a linear model, our results indicate that a manual transmission is connected with better gas mileage ($\alpha < 0.05$). The other covariates present in the linear model are the vehicle weight and the quarter-mile (dragstrip) time.

Introduction

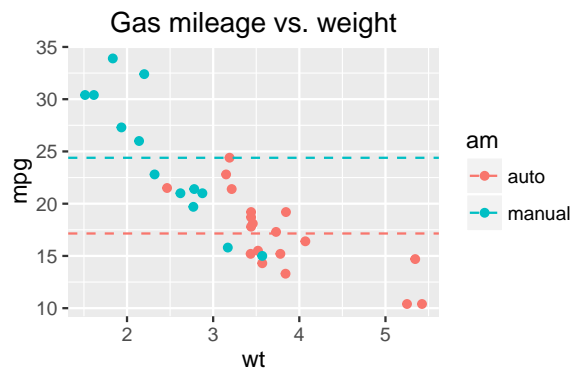
We investigate the gas mileage of the cars in the dataset `mtcars` provided by the R dataset package.

The aim of the analysis is to answer two questions: is an automatic or manual transmission better for gas mileage (measured in mpg, miles traveled per one US gallon of fuel consumed), and how the gas mileage is quantitatively affected by the transmission type.

Data description and exploratory analysis

The data consists of design and performance data of 32, as published in the *Motor Trends* magazine printed in the United States in 1974. For a description of the dataset, see the help page of `mtcars` in R. As suggested by Henderson and Velleman (1981), a new variable `pwr` (hp/1000 lbs) is created for the power-to-weight ratio and used instead of the engine power in order to reduce multicollinearity of the covariates.

As a first glance to the data, we plot the gas mileage¹ (measured in miles per gallon) against the vehicle weight, with transmission type being differentiated by color.



Linear model for gas mileage

Next we try to isolate the effect of the transmission type by fitting a linear model to the data. This entails also model selection, i.e., which variables best explain the variability of MPG, without overfitting. The dataset contains variables which we would expect to be correlated to at least some degree, such as engine displacement and power, and power-to-weight ratio and quarter-mile time (see the Appendix for a pairs plot). In order to keep the model interpretable, we consider the following variables whose connection to gas mileage has a logical explanation: weight, engine displacement, power-to-weight ratio, quarter-mile time, and transmission type.

We approach the model fitting by starting from a model with `am` as the only regressor. Additional regressors are then added, one at a time, always choosing the one which results in the smallest deviance for the resulting model. The ANOVA table resulting from this process is presented below.

```
## Analysis of Variance Table
##
## Model 1: mpg ~ am
## Model 2: mpg ~ am + wt
## Model 3: mpg ~ am + wt + qsec
## Model 4: mpg ~ am + wt + qsec + pwr
## Model 5: mpg ~ am + wt + qsec + pwr + disp
##   Res.Df    RSS Df Sum of Sq      F    Pr(>F)
## 1      30 720.90
## 2      29 278.32  1    442.58 73.5205 4.704e-09 ***
## 3      28 169.29  1    109.03 18.1126 0.0002392 ***
## 4      27 162.50  1      6.79  1.1271 0.2981472
## 5      26 156.51  1      5.99  0.9945 0.3278420
## ---
## Signif. codes:  0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1
```

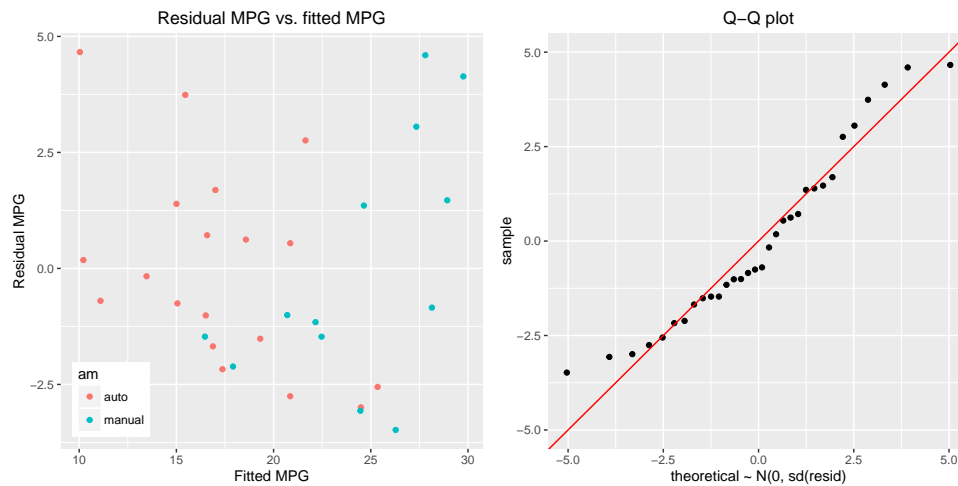
Model 3, with weight, quarter mile time, and transmission type as the regressors, gives the best fit (in the sense that deviance is minimized) where the attained significance leads us to reject the null hypothesis that the added regressor is not significant. Adding the power-to-weight ratio `pwr` would result in a “better” fit in the sense of smaller residual sum of squares, but the P value of 0.29 indicates that this would lead to overfitting.

The coefficients of the 3-regressor model are

	Estimate	Std. Error	t value	Pr(> t)
(Intercept)	9.62	6.96	1.38	0.18
<code>ammanual</code>	2.94	1.41	2.08	0.05
<code>wt</code>	-3.92	0.71	-5.51	0.00
<code>qsec</code>	1.23	0.29	4.25	0.00

The coefficient `ammanual` quantifies the effect of the transmission type when weight and 1/4 mile time has been adjusted for. The P value is less than 0.05, so we conclude that, with a 95 % probability, `ammanual` differs from zero and thus the gas mileage difference between manual and automatic transmissions is statistically significant. According to our model, using a manual transmission as opposed to automatic leads to a 2.94 mpg *increase* in the gas mileage. The respective confidence interval is [0.05, 5.83].

The coefficients `wt` (weight) and `qsec` (quarter-mile time) indicate that each 1000 lbs increase in weight leads to a gas mileage decrease of -3.92 and each additional second in a quarter-mile run is connected with a 1.23 increase in gas mileage.



There is no obvious pattern present in the residuals (left panel), which supports our model selection. The Q-Q plot shows that the distribution of the residual quantiles is roughly approximated by a normal distribution (red line).

Sources

- Ronald R. Hocking, “The Analysis and Selection of Variables in Linear Regression,” *Biometrics* **32** (1976), pp. 1–49. <http://www.jstor.org/stable/2529336>
- Harold V. Henderson and Paul F. Velleman, “Building Multiple Regression Models Interactively,” *Biometrics* **37** (1981), pp. 391–411. <http://www.jstor.org/stable/2530428>

Source code

Complete R Markdown source is available in GitHub: https://github.com/tvoipio/JHU_RM_Project

Appendix: pairs plot of selected variables

```
paircols <- c("mpg", "wt", "disp", "hp", "qsec", "pwr")
ggpairs(mtcars, aes(color = am),
        columns = match(paircols, names(mtcars)))
```

