

# INTRODUCTION TO DATA SCIENCE

This lecture is  
based on course by E. Fox and C. Guestrin, Univ of Washington

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WFAiS UJ, Informatyka Stosowana  
I stopień studiów

# Regression for predictions

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- ❑ **Primer**
- ❑ **Advanced**
  - ❑ **Linear regression**
  - ❑ **Multiple regression**
  - ❑ **Assesing performance**
  - ❑ **Ridge regression**
  - ❑ **Feature selection and lasso regression**
  - ❑ **Nearest neighbor and kernel regression**

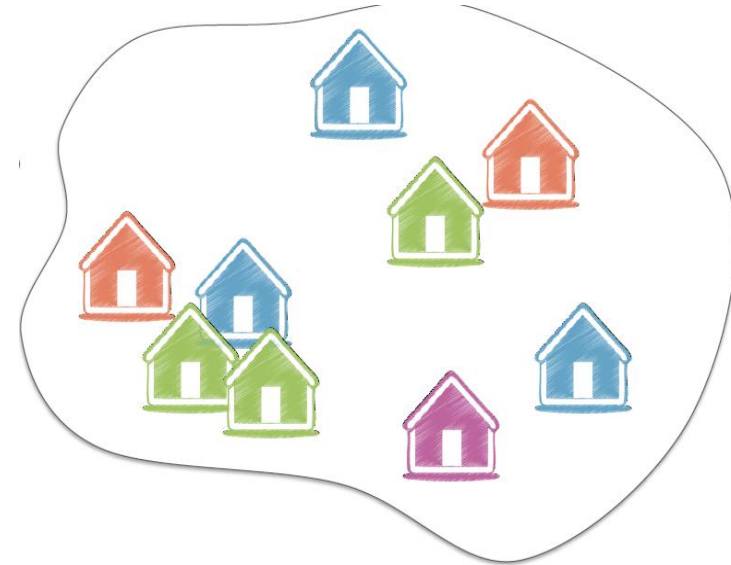
# How much is my house worth

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## □ Predicting value of the house



How much  
is worth?

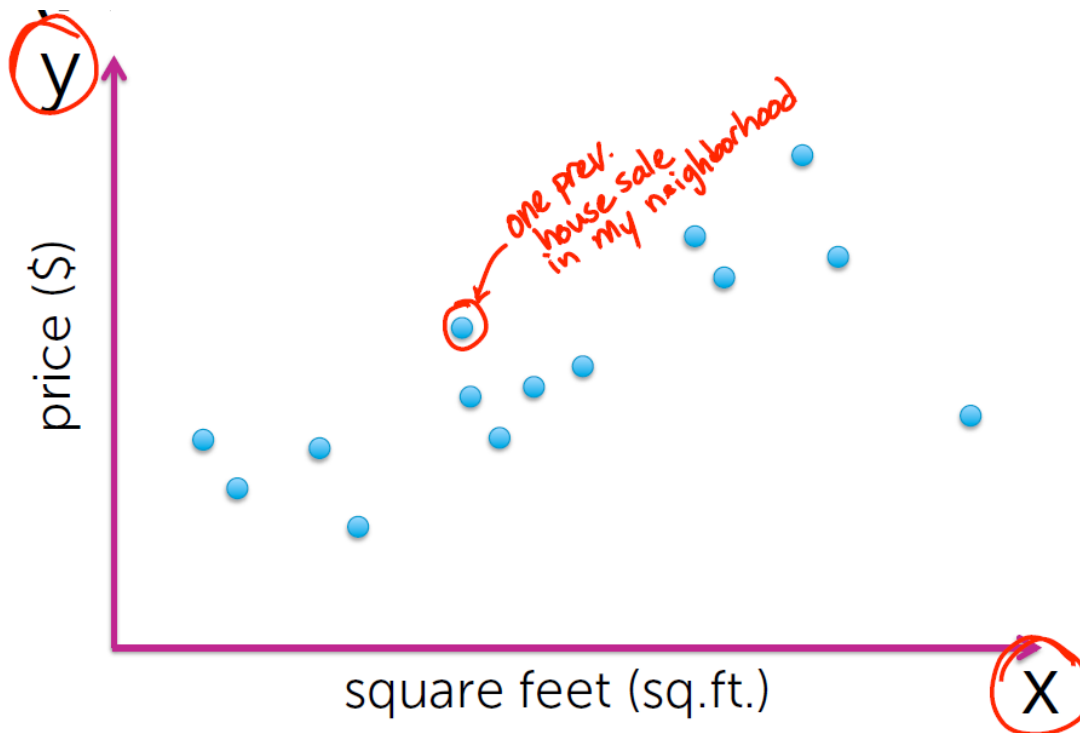


Lets look at the recent  
sales in the neighborhood.  
How much did they sell for?  
What do that houses look like?

# Naive: plot recent house sales

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- We take **observations** that we have and make a plot of them.



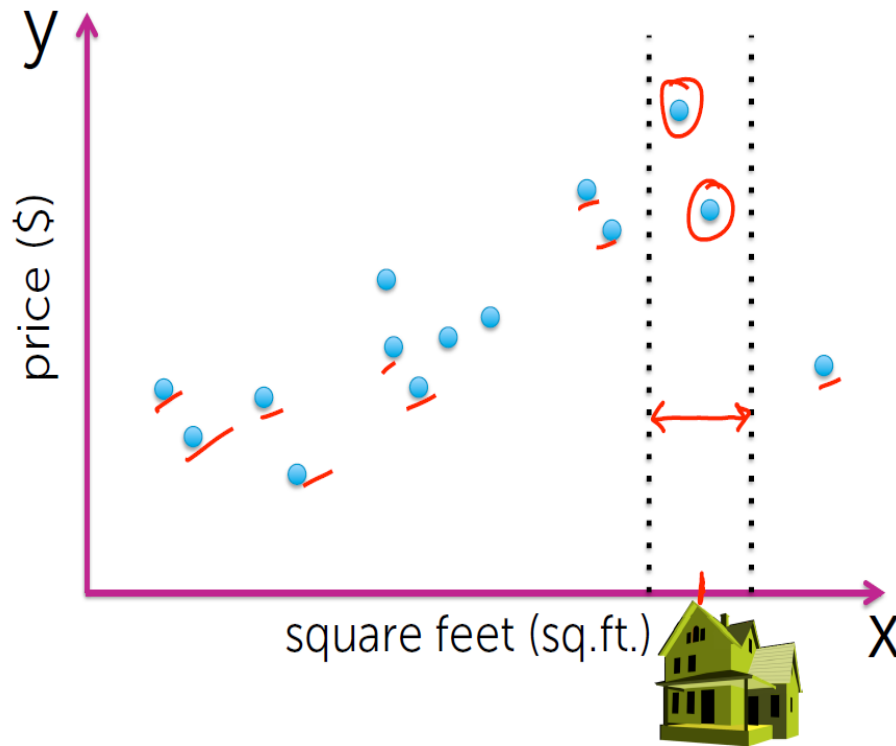
## Terminology:

x – feature, covariate, or predictor

y – observation or response

# Predict by prizes of similar houses

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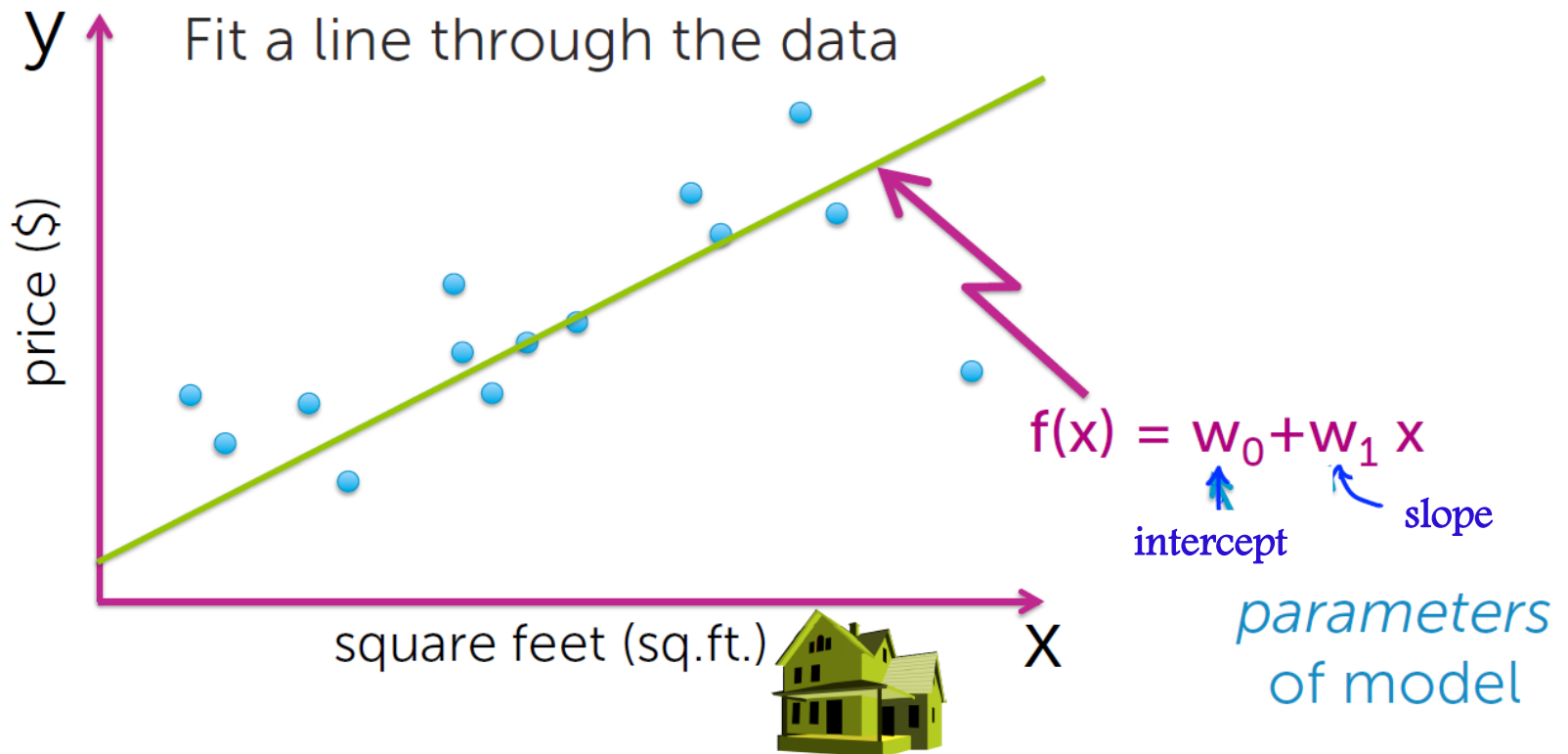
- Look at average price in range
- **Still only 2 houses!**
- Throwing out info from all other sales

Is it really reasonable to believe that there is no information there? We would like to leverage all available information.

# Linear regression: a model based relation

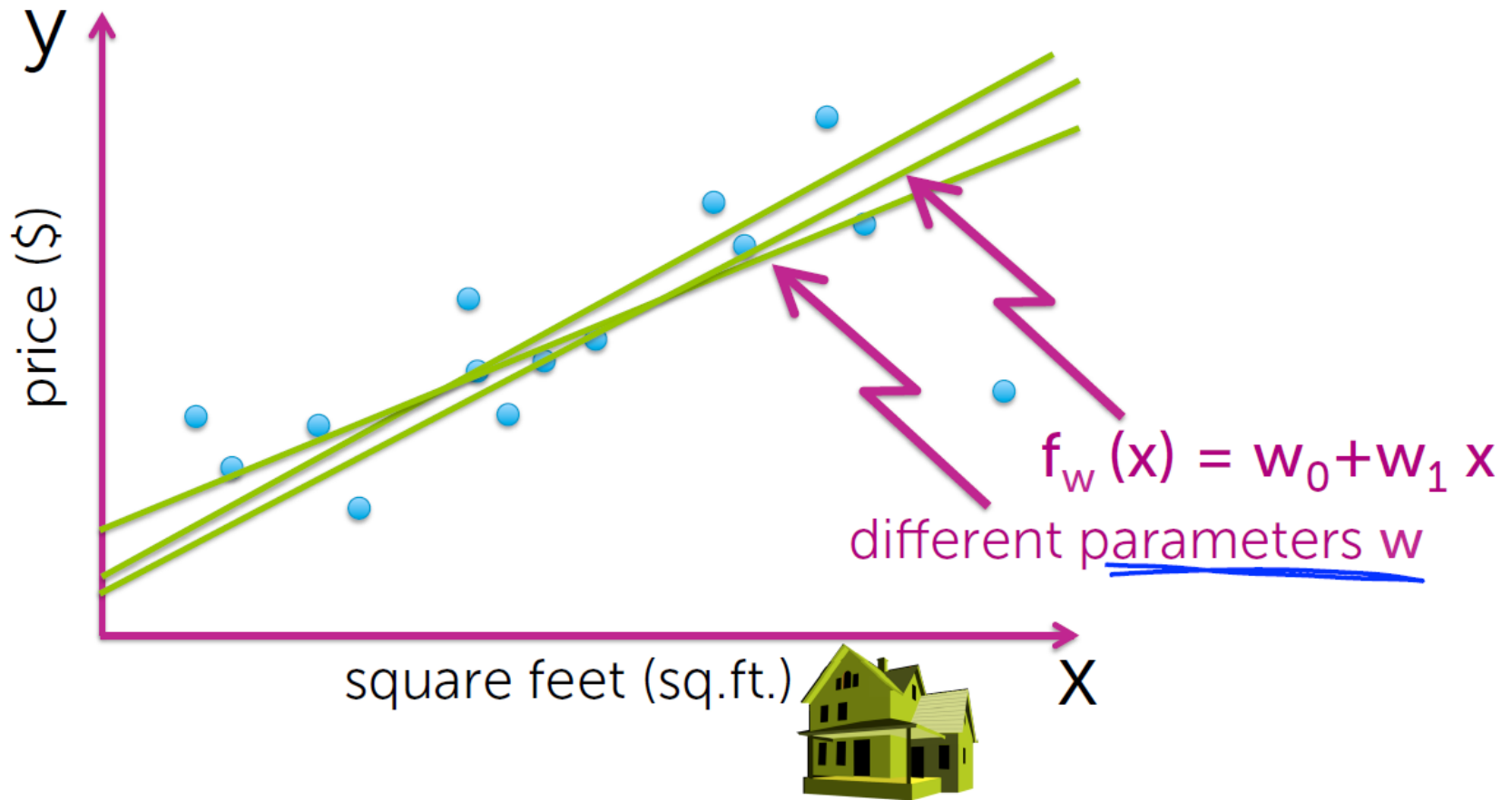
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## Use a linear regression model



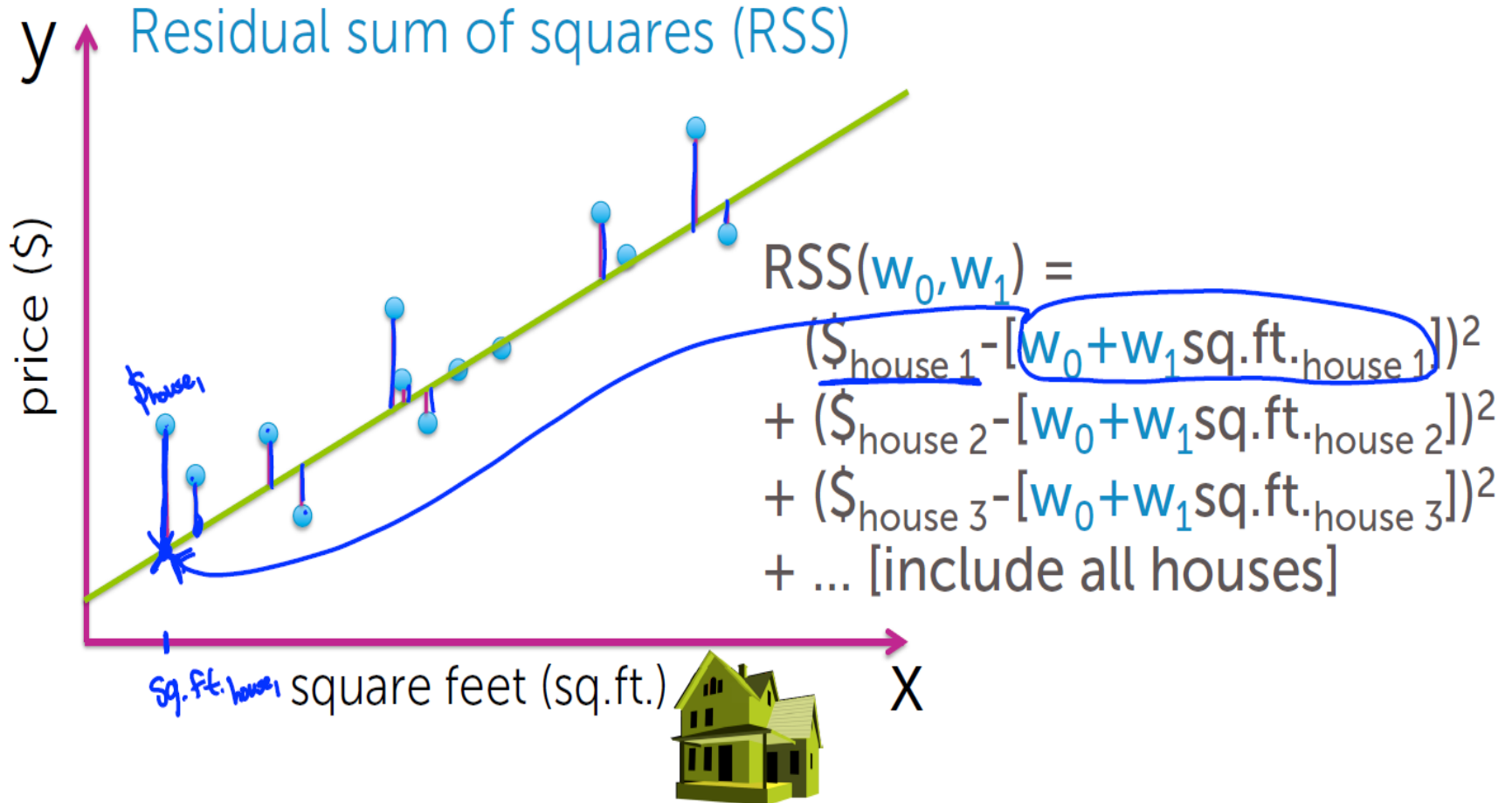
# Which line?

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# Defining a cost of a given line

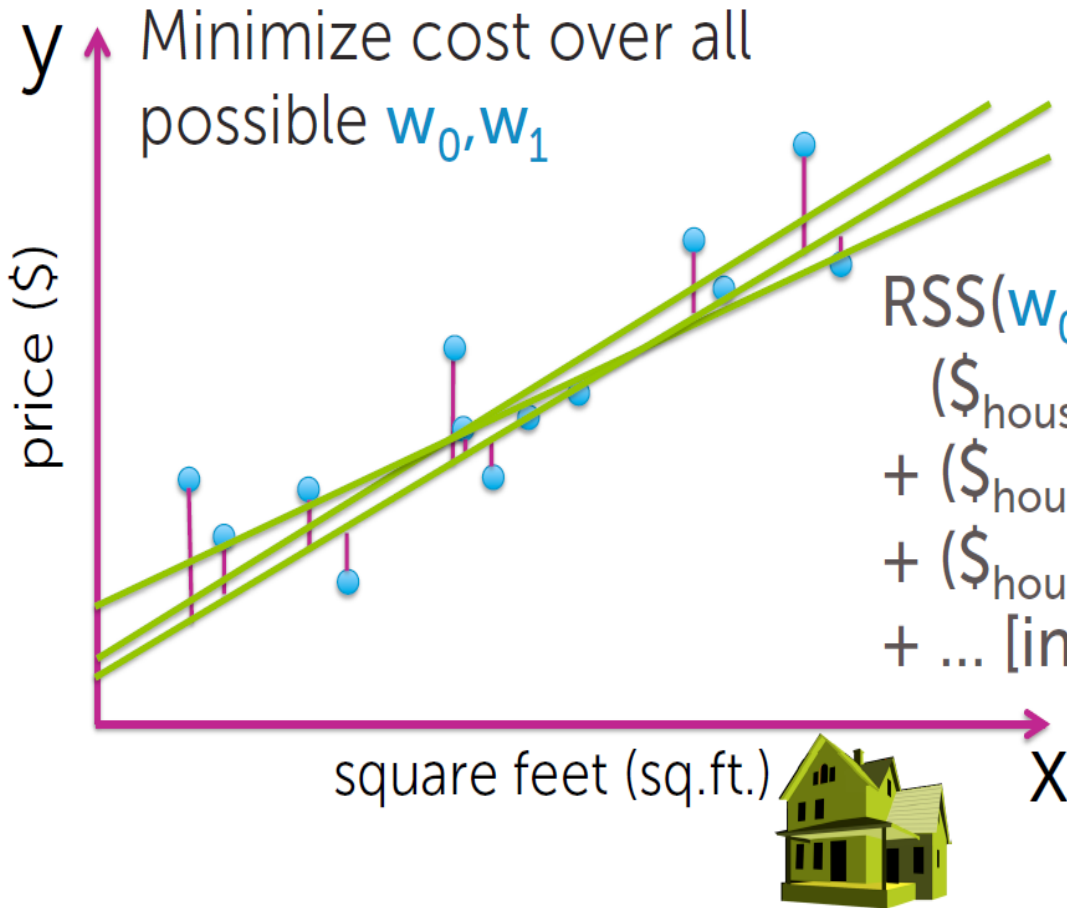
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# Find „best” line

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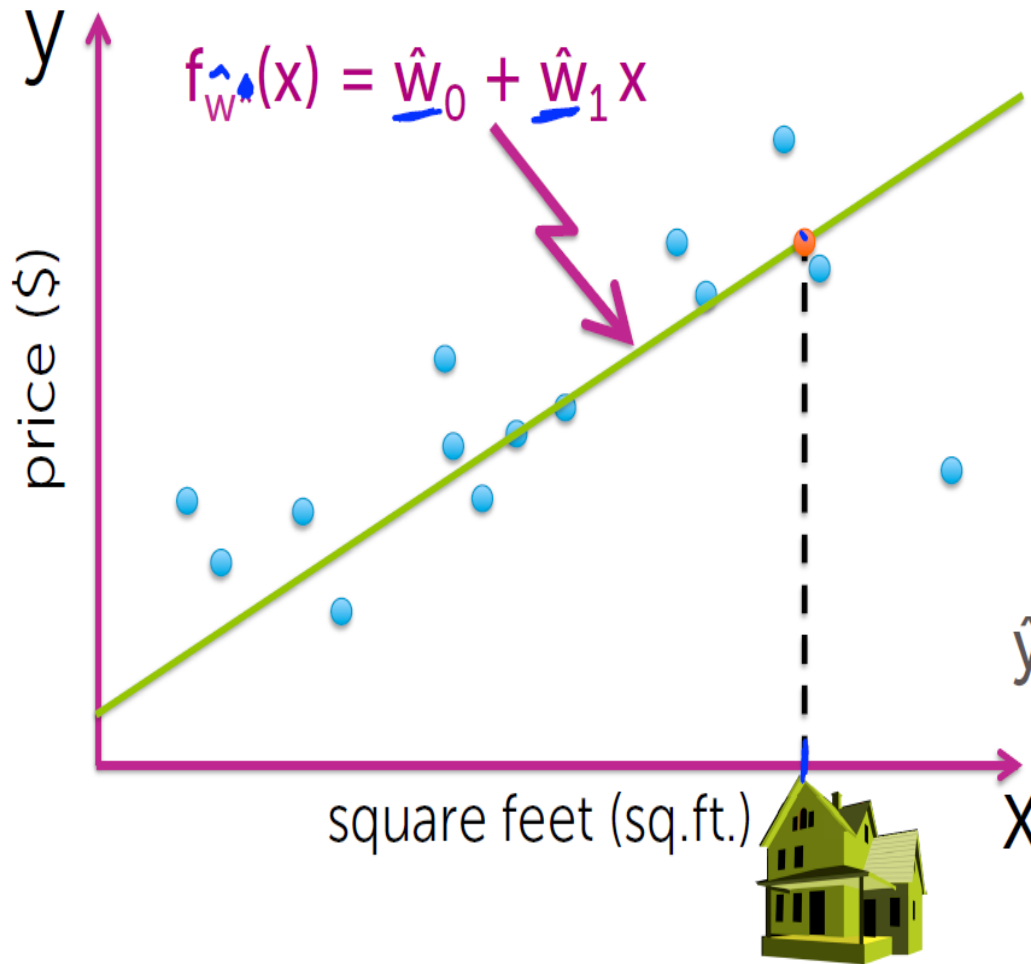
$$\begin{aligned} \text{RSS}(w_0, w_1) = & (\$_{\text{house 1}} - [w_0 + w_1 \text{sq.ft.}_{\text{house 1}}])^2 \\ & + (\$_{\text{house 2}} - [w_0 + w_1 \text{sq.ft.}_{\text{house 2}}])^2 \\ & + (\$_{\text{house 3}} - [w_0 + w_1 \text{sq.ft.}_{\text{house 3}}])^2 \\ & + \dots \text{ [include all houses]} \end{aligned}$$

↓

$$\hat{W} = (\hat{w}_0, \hat{w}_1)$$

# Predicting your house price

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Q. What do you think?  
Is it good analysis?

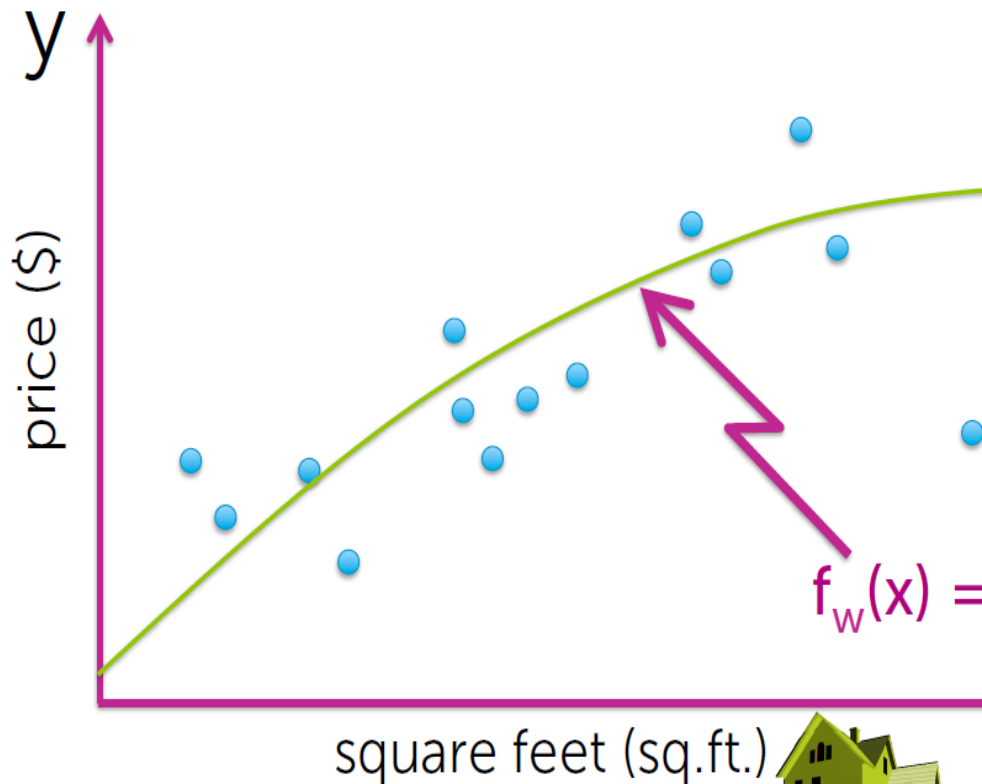
A. I am not sure that it has  
linear trend. Did you tried  
quadratic function?

Best guess of your  
house price:

$$\hat{y} = \hat{w}_0 + \hat{w}_1 \text{sq.ft.}_{\text{your house}}$$

# What about quadratic function?

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Actually that looks pretty good  
Maybe relation is not linear  
afterall?

$$f_w(x) = w_0 + w_1 x + w_2 x^2$$

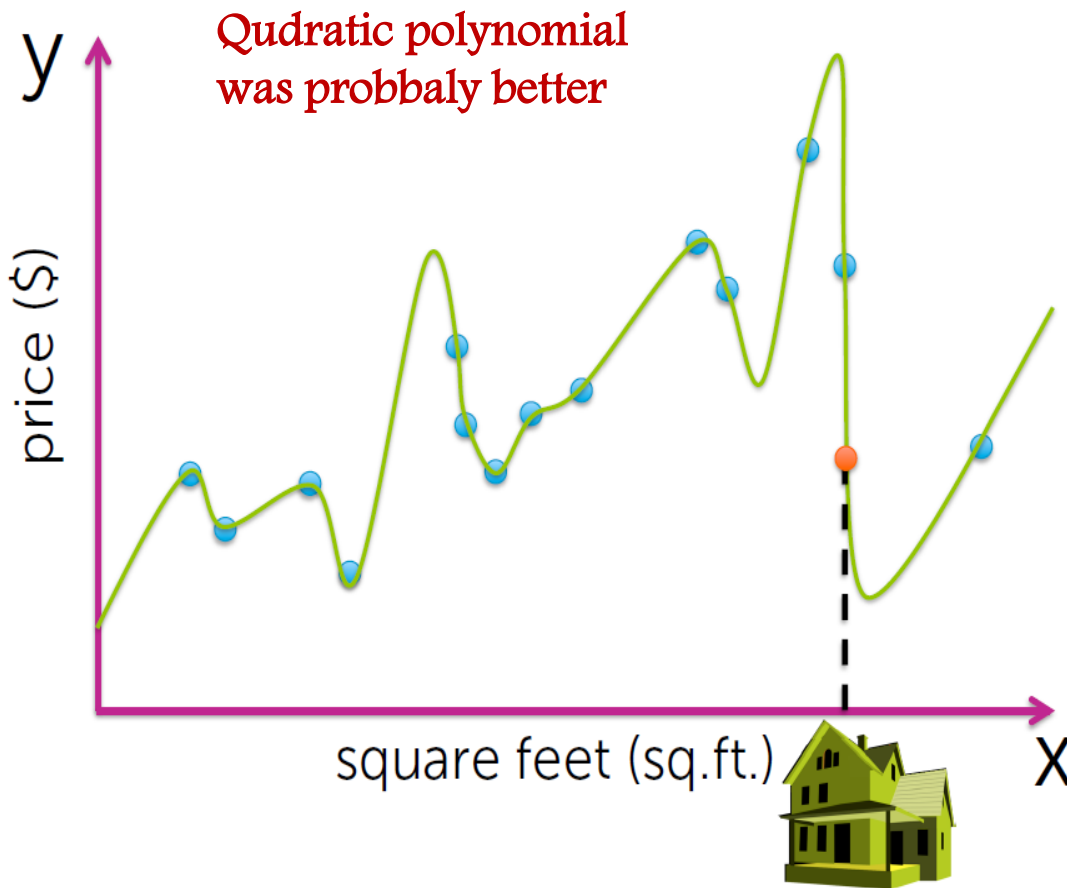
intercept

just another  
feature

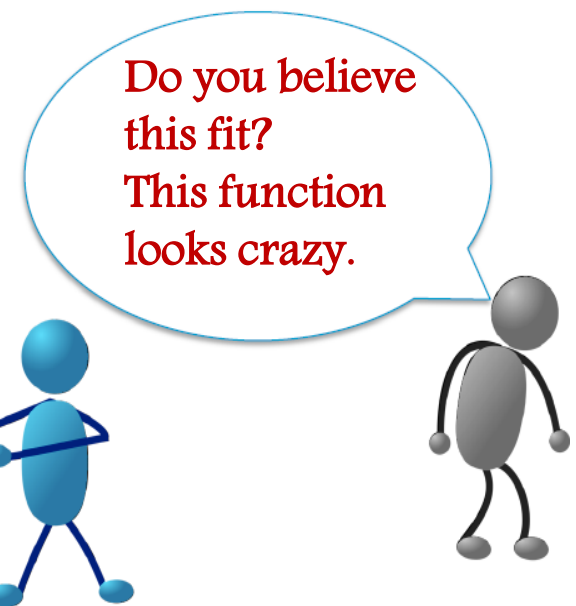
Still we call it „linear regression”  
because of being linear in w’s

# Or even higher order polynomial?

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**Minimizes RRS but bad predictions.**

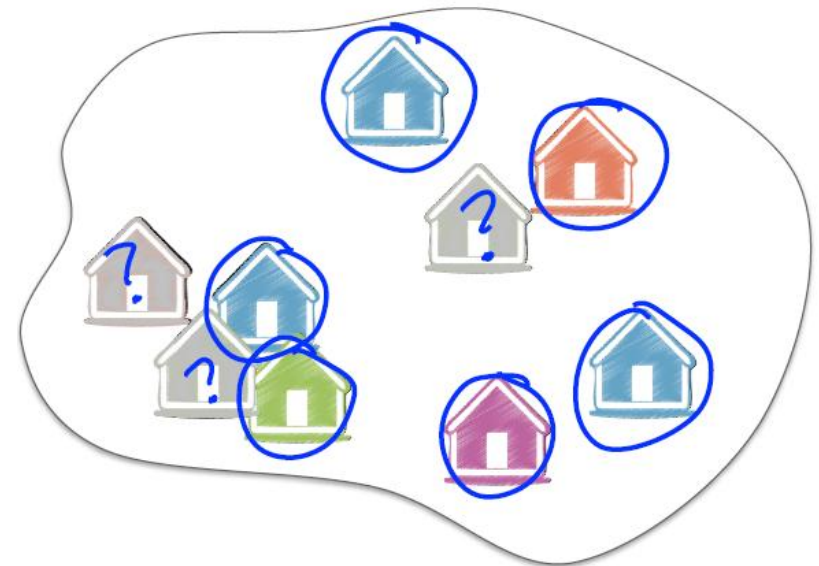


# How to choose model order/complexity

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- Want good predictions, but can't observe future
- **Simulate predictions**
  1. Remove some houses
  2. Fit model on remaining
  3. Predict heldout houses

*We have to work with  
the data that we have*



# Training/test split

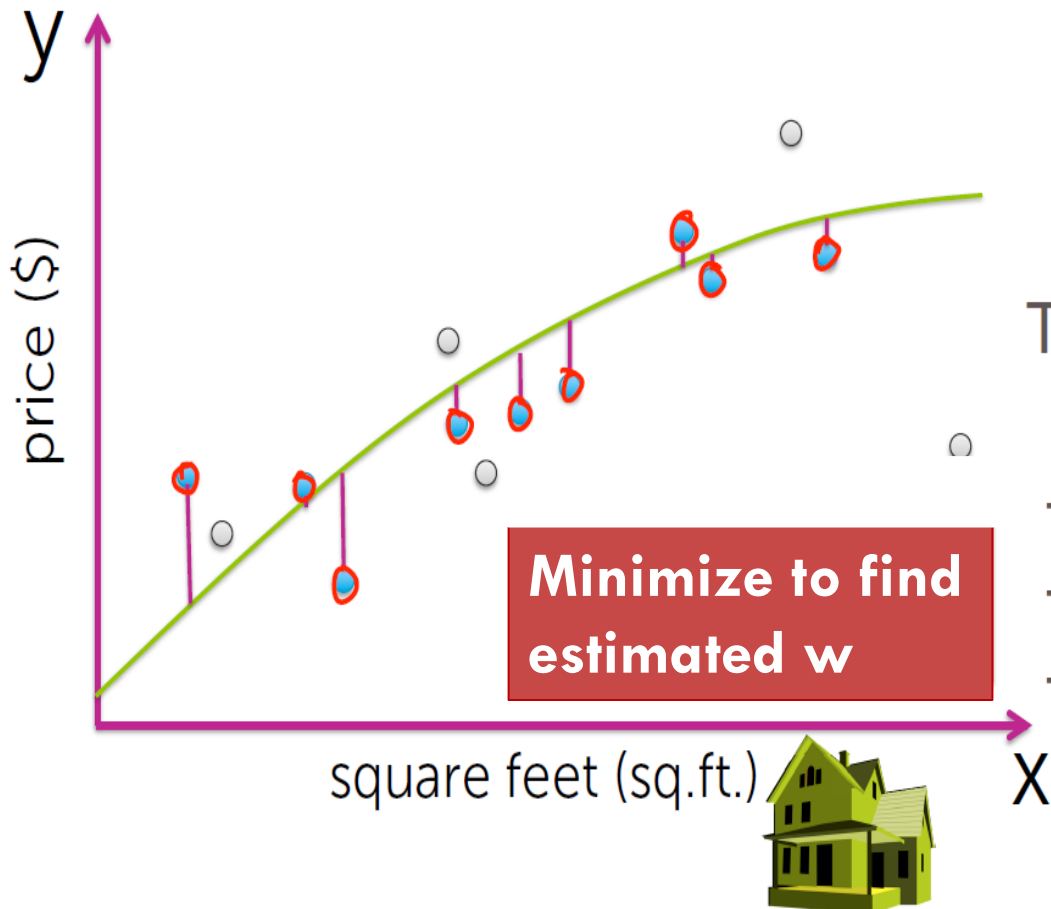
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- training set 
- test set 

# Training error

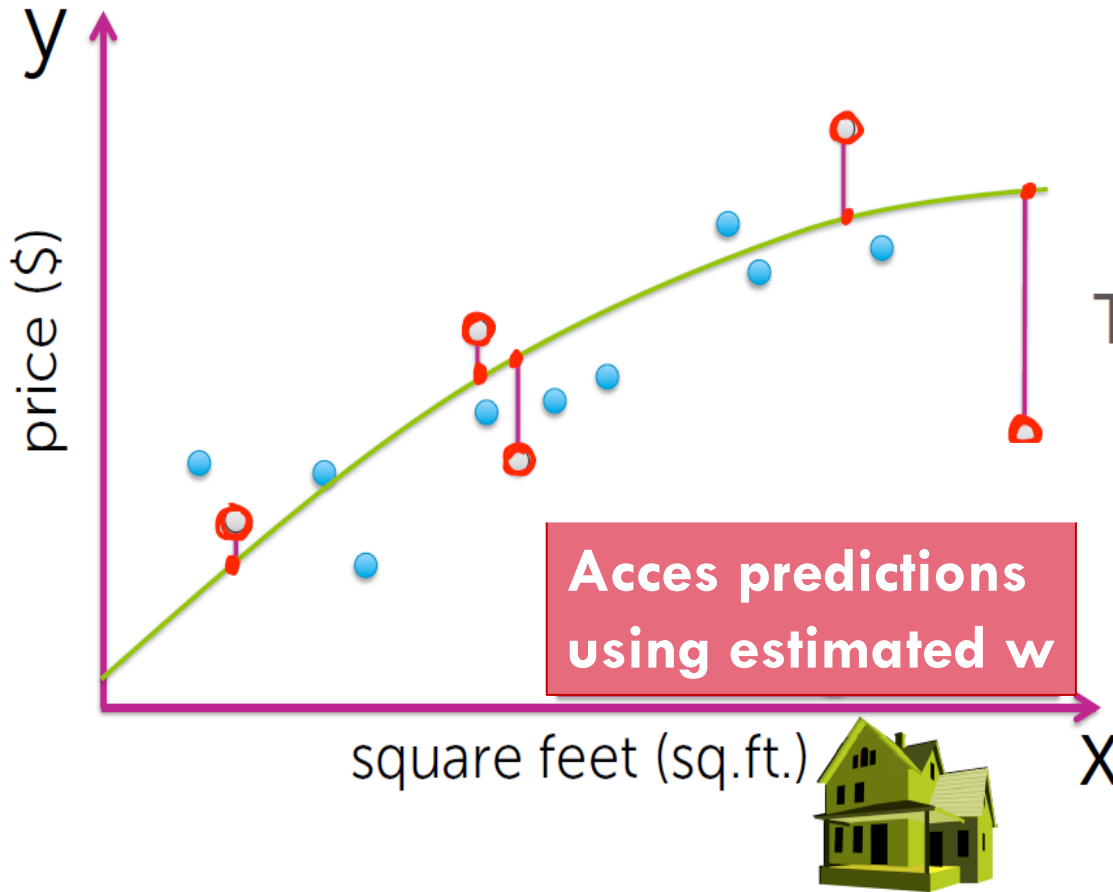
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$$\begin{aligned} \text{Training error } (w) = & (\$_{\text{train } 1} - f_w(\text{sq.ft.}_{\text{train } 1}))^2 \\ & + (\$_{\text{train } 2} - f_w(\text{sq.ft.}_{\text{train } 2}))^2 \\ & + (\$_{\text{train } 3} - f_w(\text{sq.ft.}_{\text{train } 3}))^2 \\ & + \dots \text{ [include all} \\ & \quad \text{training houses]} \end{aligned}$$

# Test error

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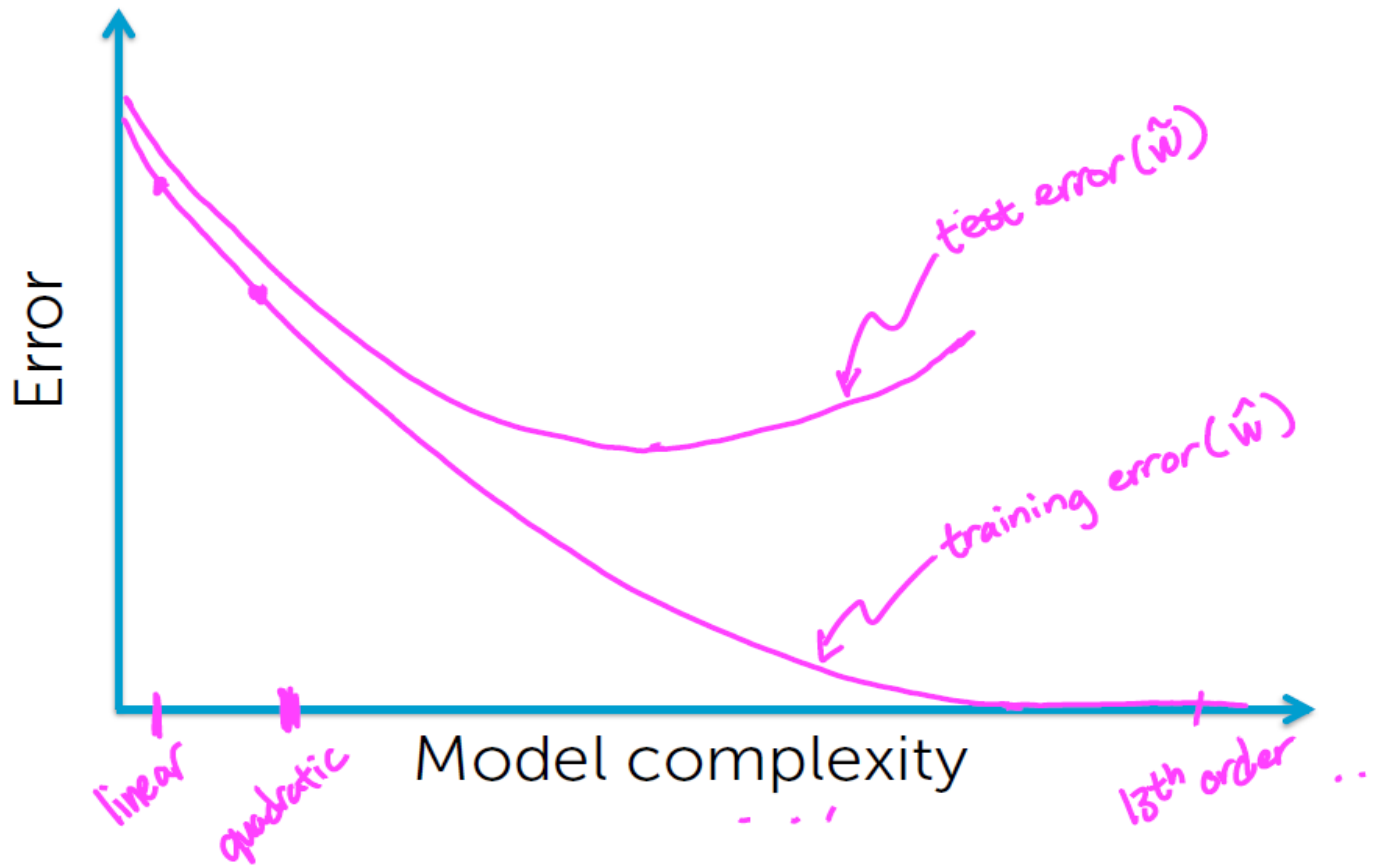
Test error  $\hat{w}$  =

$$\begin{aligned} & (\$_{\text{test } 1} - f_{\hat{w}}(\text{sq.ft.}_{\text{test } 1}))^2 \\ & + (\$_{\text{test } 2} - f_{\hat{w}}(\text{sq.ft.}_{\text{test } 2}))^2 \\ & + (\$_{\text{test } 3} - f_{\hat{w}}(\text{sq.ft.}_{\text{test } 3}))^2 \\ & + \dots \text{ [include all} \\ & \quad \text{test houses]} \end{aligned}$$



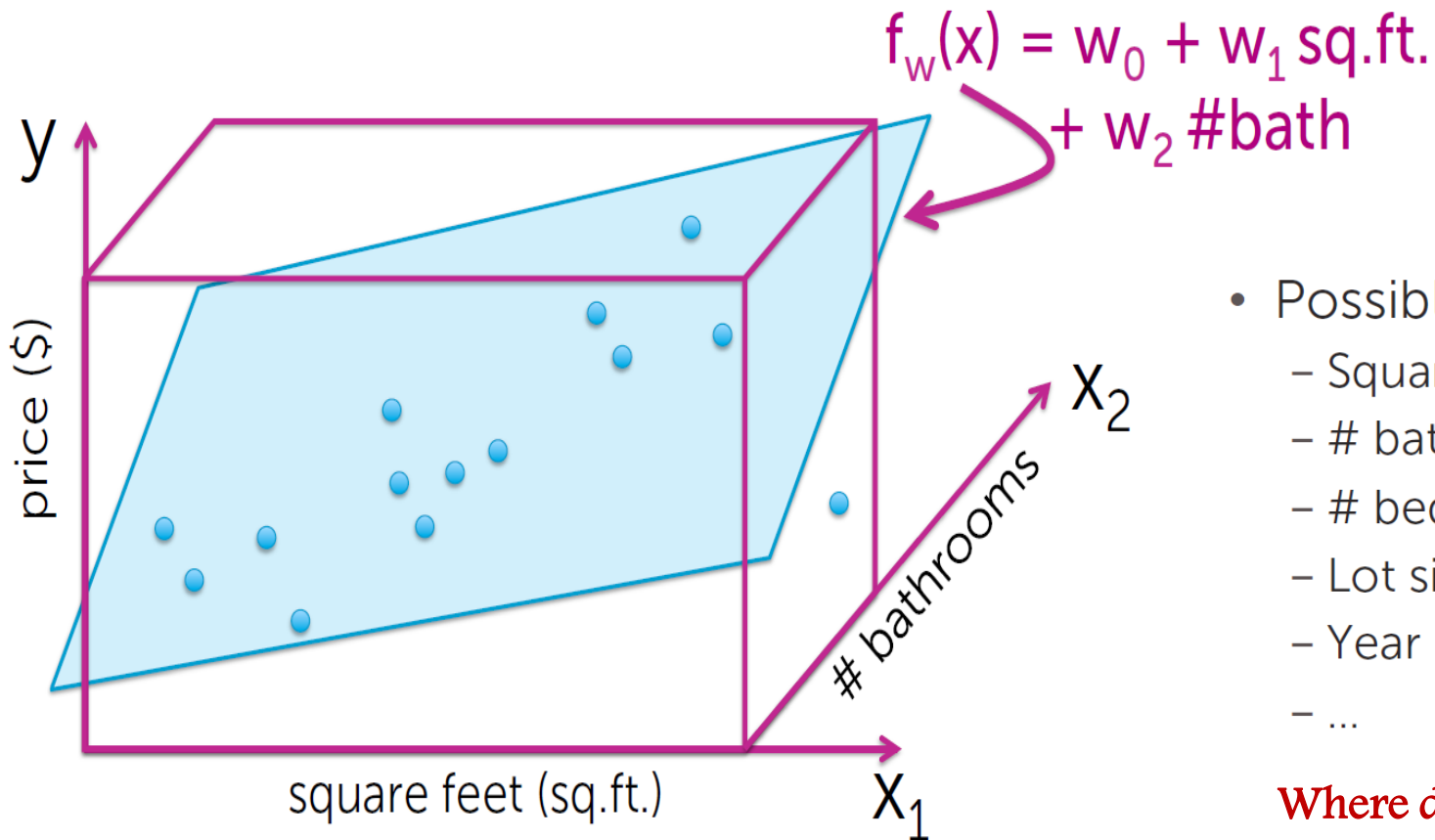
# Training/test curve

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# Add more features

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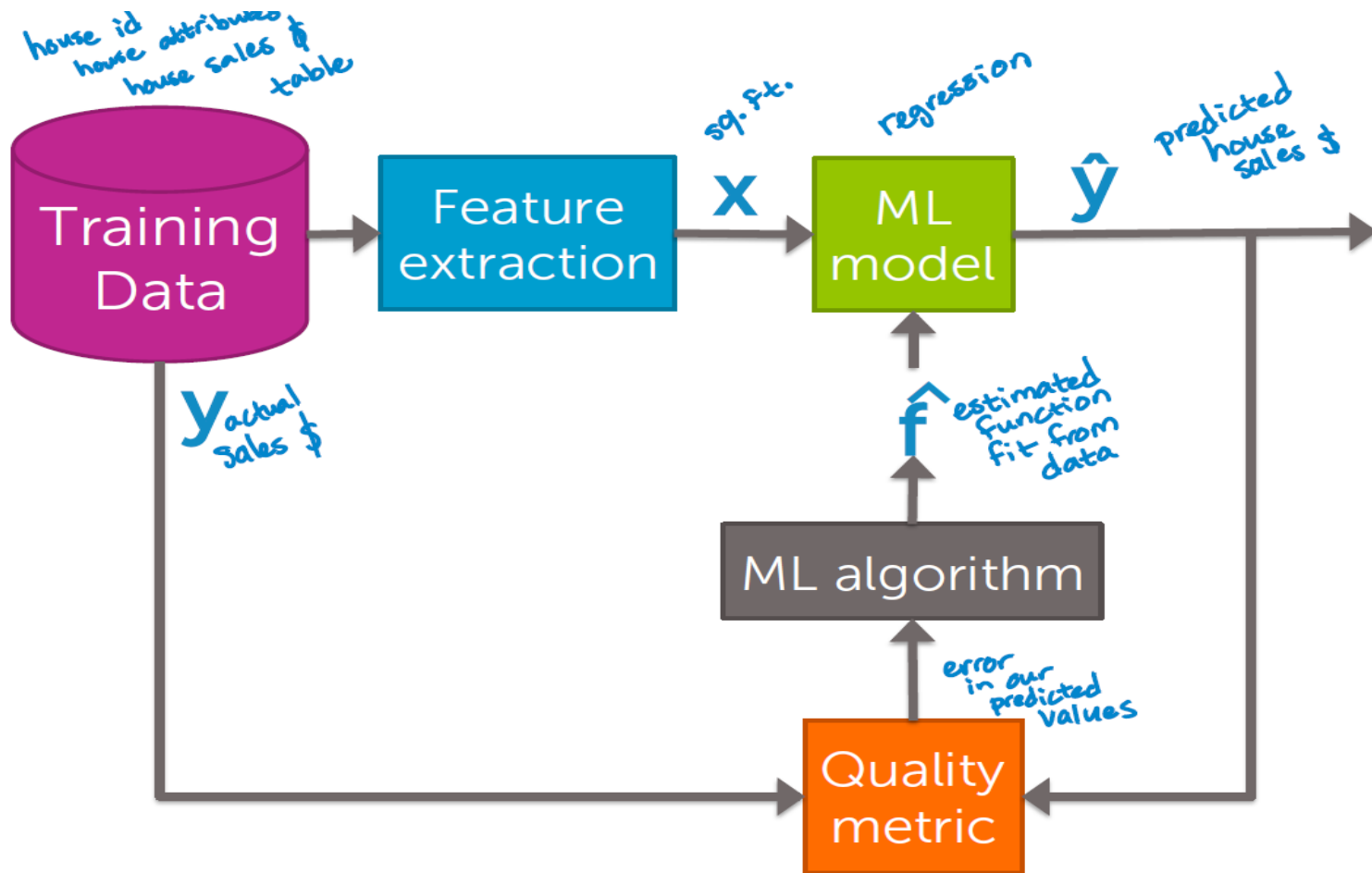


- Possible choices:
  - Square feet
  - # bathrooms
  - # bedrooms
  - Lot size
  - Year built
  - ...

**Where do we stop?**

# Regression ML block

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# We will discuss how to

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- Describe the input (features) and output (real-valued predictions) of a regression model
- Calculate a goodness-of-fit metric (e.g., RSS)
- Estimate model parameters by minimizing RSS (algorithms to come...)
- Exploit the estimated model to form predictions
- Perform a training/test split of the data
- Analyze performance of various regression models in terms of test error
- Use test error to avoid overfitting when selecting amongst candidate models
- Describe a regression model using multiple features
- Describe other applications where regression is useful