

Statistical Modeling of Reselling Price of Suzuki Model Used Car in Colombo District

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Car reselling is a timely, very popular heading in Sri Lanka and a large number of cars are resold daily. A lot of people are in the practice of reselling their car every time based on different reasons. Many different factors affect the reselling price of used cars. This study aimed to identify the factors that influence the reselling price of used Suzuki cars in Colombo, Sri Lanka, and to find the best multiple linear regression model. For this study, the 90 reselling prices of Suzuki used cars in Colombo district were collected from January 2019 to March 2019. In this study, Mileage of the car in km, Age of the car in years, Model of the car (Swift, Alto, Wagon-R, A-star, and Spacia), Color of the car (Light, Dark) and Number of past owners of the car were considered as independent variables. In this research, a multiple linear regression model has been used to identify the factors that affect the reselling price of the car. Furthermore, the forward selection, backward elimination, and stepwise regression methods have been used to find the best multiple linear regression model. According to the final results of this study, the principal factors that affect the reselling price of used Suzuki cars in Colombo district were mileage of the car, age of the car, the model of the car, and the number of past owners of the car. Finally, the model obtained in this study will be useful for both buyers and sellers.

Keywords: Reselling price, Colombo, Used car, Suzuki car, Multiple linear regression