

DIFFERENCES BETWEEN CORRELATION AND REGRESSION

	CORRELATION		REGRESSION
1.	Measures the degree of relationship between variables.	1	Studies the nature of the relationship between variables.
2.	Variables are chosen randomly, meaning they should be random variables.	2	The value of one variable is chosen randomly after fixing the value of the other variable.
3	Used when there is no specific direction of dependency.	3	Applied when there is a clear direction of dependency.
4.	Does not establish a cause-and-effect relationship.	4	Indicates a cause-and-effect relationship between variables.
5.	Not used for prediction purposes.	5.	Used to predict the value of one variable based on the other.
6.	The coefficient of correlation is a relative measure.	6.	The coefficient of regression is an absolute measure.
7.	Applicable only when there is a linear relationship between variables.	7.	Applicable in cases of both linear and non-linear relationships.