yulu-hypothesis-testing

March 1, 2024

1 Defining problem statement and analysizing basics metrics.

2 Business Problem

Yulu has recently suffered considerable dips in its revenues. They have contracted a consulting company to understand the factors on which the demand for these shared electric cycles depends. Specifically, they want to understand the factors affecting the demand for these shared electric cycles in the Indian market.

The company wants to know:-

- Which variables are significant in predicting the demand for shared electric cycles in the Indian market?
- How well those variables describe the electric cycle demands?

3 Importing dataset and libraries.

```
[4]: import pandas as pd
import numpy as np
import matplotlib.pyplot as plt
import seaborn as sns
from scipy import stats
import math
[5]: df = pd.read csv(r"bike sharing.csv")
```

4 Analysing the basic metrics

```
[6]: df.head()
[6]:
                                                workingday
                                                             weather
                    datetime
                              season
                                      holiday
                                                                      temp
                                                                              atemp
        2011-01-01 00:00:00
                                    1
                                                                    1
                                                                       9.84
                                                                             14.395
                                             0
                                                          0
     1 2011-01-01 01:00:00
                                    1
                                             0
                                                          0
                                                                      9.02
                                                                             13.635
     2 2011-01-01 02:00:00
                                    1
                                             0
                                                          0
                                                                       9.02
                                                                             13.635
     3 2011-01-01 03:00:00
                                    1
                                             0
                                                          0
                                                                    1
                                                                      9.84
                                                                             14.395
                                                          0
     4 2011-01-01 04:00:00
                                    1
                                             0
                                                                      9.84
                                                                             14.395
```

```
80
                         0.0
                                    8
      1
                                               32
                                                      40
                                               27
      2
               80
                         0.0
                                    5
                                                      32
      3
               75
                         0.0
                                    3
                                               10
                                                      13
      4
               75
                         0.0
                                    0
                                                       1
                                                1
 [7]: df.shape
 [7]: (10886, 12)
 [8]: print(f"Number of rows : {df.shape[0]}")
      print(f"Number of columns : {df.shape[1]}")
     Number of rows: 10886
     Number of columns: 12
 [9]: df.columns
 [9]: Index(['datetime', 'season', 'holiday', 'workingday', 'weather', 'temp',
             'atemp', 'humidity', 'windspeed', 'casual', 'registered', 'count'],
            dtype='object')
[10]: df.info()
```

casual registered

3

count

16

13

<class 'pandas.core.frame.DataFrame'>
RangeIndex: 10886 entries, 0 to 10885
Data columns (total 12 columns):

humidity windspeed

0.0

81

0

#	Column	Non-Null Count	Dtype		
0	datetime	10886 non-null	object		
1	season	10886 non-null	int64		
2	holiday	10886 non-null	int64		
3	workingday	10886 non-null	int64		
4	weather	10886 non-null	int64		
5	temp	10886 non-null	float64		
6	atemp	10886 non-null	float64		
7	humidity	10886 non-null	int64		
8	windspeed	10886 non-null	float64		
9	casual	10886 non-null	int64		
10	registered	10886 non-null	int64		
11	count	10886 non-null	int64		
dtypes: float64(3), int64(8), object(1)					
memory usage: 1020.7+ KB					

Changing datatype of below attributes: -

- datetime to datetime
- season to categorical

```
• workingday - to categorical
        • weather - to categorical
[11]: df['datetime'] = pd.to_datetime(df['datetime'])
      cat_cols= ['season', 'holiday', 'workingday', 'weather']
      for col in cat_cols:
        df[col] = df[col].astype('object')
[12]: df.info()
     <class 'pandas.core.frame.DataFrame'>
     RangeIndex: 10886 entries, 0 to 10885
     Data columns (total 12 columns):
          Column
                      Non-Null Count Dtype
          ----
                      _____
      0
          datetime
                      10886 non-null datetime64[ns]
          season
                      10886 non-null object
      1
      2
          holiday
                      10886 non-null
                                      object
      3
          workingday 10886 non-null
                                      object
      4
          weather
                      10886 non-null object
      5
          temp
                      10886 non-null float64
                      10886 non-null float64
      6
          atemp
      7
          humidity
                      10886 non-null int64
      8
          windspeed
                      10886 non-null float64
      9
          casual
                      10886 non-null int64
      10 registered 10886 non-null int64
      11 count
                      10886 non-null int64
     dtypes: datetime64[ns](1), float64(3), int64(4), object(4)
     memory usage: 1020.7+ KB
[13]: df.isna().sum()
[13]: datetime
                    0
      season
                    0
     holiday
                    0
      workingday
      weather
                    0
      temp
                    0
      atemp
                    0
     humidity
                    0
      windspeed
                    0
      casual
                    0
      registered
                    0
      count
      dtype: int64
```

• holiday - to categorical

[14]: df.nunique()

```
[14]: datetime
                  10886
     season
                     4
                     2
     holiday
     workingday
                     2
     weather
                     4
                    49
     temp
                    60
     atemp
     humidity
                    89
     windspeed
                    28
     casual
                    309
     registered
                    731
     count
                    822
     dtype: int64
[15]: def is_unique(i):
       print(df[i].unique())
[16]: cols = ["season", "holiday", "workingday", "weather"]
     for ele in cols:
       print(ele)
       print(is__unique(ele))
       print("****************")
    season
    [1 2 3 4]
    None
    ********
    holiday
    [0 1]
    None
    ********
    workingday
     [0 1]
    None
     ********
    weather
     [1 2 3 4]
    None
    ********
[17]: def distribution(i):
       print(df[i].value_counts(normalize = True)*100)
     columns = ["season","holiday","workingday","weather"]
```

```
for ele in columns:
       print(ele)
       print()
       print(distribution(ele))
       print("**************************")
     season
     4
         25.114826
     2
         25.105640
     3
         25.105640
     1
         24.673893
     Name: season, dtype: float64
     ********
    holiday
     0
         97.14312
     1
          2.85688
     Name: holiday, dtype: float64
     ********
     workingday
     1
         68.087452
         31.912548
     Name: workingday, dtype: float64
     ********
     weather
     1
         66.066507
     2
         26.033437
     3
          7.890869
     4
          0.009186
     Name: weather, dtype: float64
     None
     ********
[18]: df.describe()
[18]:
                                         humidity
                                                     windspeed
                                                                     casual
                  temp
                               atemp
            10886.00000
                        10886.000000
                                     10886.000000
                                                  10886.000000
                                                               10886.000000
     count
                           23.655084
     mean
               20.23086
                                        61.886460
                                                     12.799395
                                                                   36.021955
     std
               7.79159
                            8.474601
                                        19.245033
                                                      8.164537
                                                                   49.960477
               0.82000
                            0.760000
                                         0.000000
                                                      0.000000
                                                                   0.000000
     min
```

47.000000

7.001500

4.000000

25%

13.94000

16.665000

50%	20.50000	24.240000	62.000000	12.998000	17.000000
75%	26.24000	31.060000	77.000000	16.997900	49.000000
max	41.00000	45.455000	100.000000	56.996900	367.000000
	registered	count			
count	10886.000000	10886.000000			
mean	155.552177	191.574132			
std	151.039033	181.144454			
min	0.000000	1.000000			
25%	36.000000	42.000000			
50%	118.000000	145.000000			
75%	222.000000	284.000000			
max	886.000000	977.000000			

- 1. There are no missing values in the dataset.
- 2. Casual and registered attributes might have outliers because their mean and median are very far away to one another and the value of standard deviation is also high which tells us that there is high variance in the data of these attributes.

5 Minimum datetime and maximum datetime

```
[19]: print(df['datetime'].min(), df['datetime'].max())
# number of unique values in each categorical columns
df[cat_cols].melt().groupby(['variable', 'value'])[['value']].count()
```

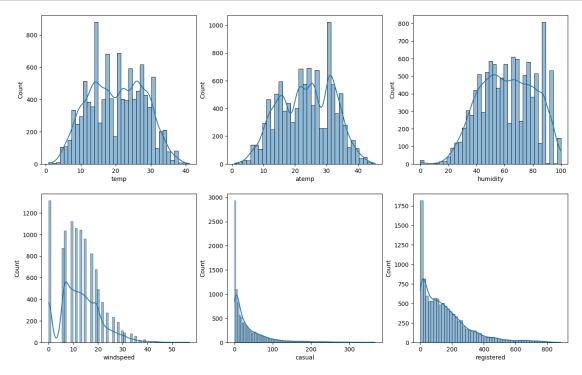
2011-01-01 00:00:00 2012-12-19 23:00:00

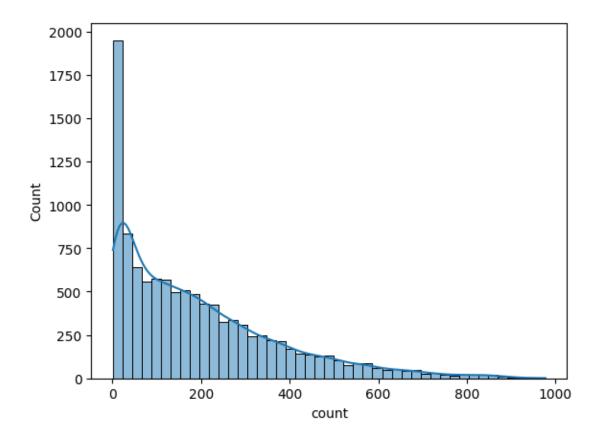
[19]:			value
	variable	value	
	holiday	0	10575
		1	311
	season	1	2686
		2	2733
		3	2733
		4	2734
	weather	1	7192
		2	2834
		3	859
		4	1
	workingday	0	3474
		1	7412

6 Univariate Analysis:

Try establishing a relation between the dependent and independent variable (Dependent "Count" & Independent: Workingday, Weather, Season etc)

```
[20]: # understanding the distribution for numerical variables
  num_cols = ['temp', 'atemp', 'humidity', 'windspeed', 'casual',
  'registered','count']
  fig, axis = plt.subplots(nrows=2, ncols=3, figsize=(16, 10))
  index = 0
  for row in range(2):
    for col in range(3):
        sns.histplot(df[num_cols[index]], ax=axis[row, col], kde=True)
        index += 1
  plt.show()
  sns.histplot(df[num_cols[-1]], kde=True)
  plt.show()
```

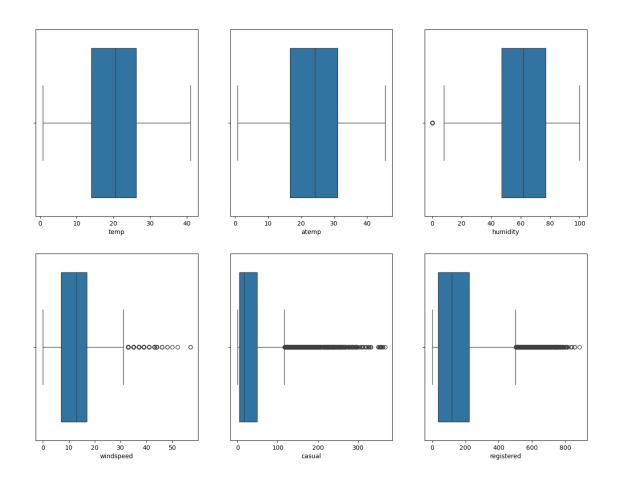


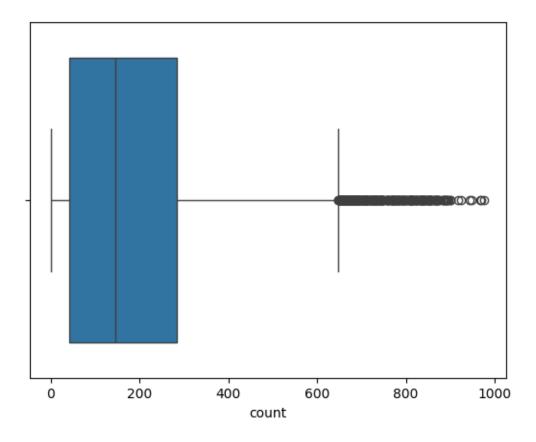


- Casual, registered and count somewhat looks like Log Normal Distribution.
- Temp, atemp and humidity looks like they follows the Normal Distribution.
- Windspeed follows the binomial distribution.

6.1 Plotting box plots to detect outliers in the data

```
[21]: fig, axis = plt.subplots(nrows=2, ncols=3, figsize=(16, 12))
   index = 0
   for row in range(2):
      for col in range(3):
            sns.boxplot(x=df[num_cols[index]], ax=axis[row, col])
            index += 1
   plt.show()
   sns.boxplot(x=df[num_cols[-1]])
   plt.show()
```





- Number of casual users and registered users keep changing based on different factors like weather, season. Hence a lot of outliers are seen in these two attributes.
- Windspeed changes as per change in weather. Rainy season has more windspeed as compared to summer. This might be the reason for outliers in windspeed data.

6.2 Countplot of each categorical column

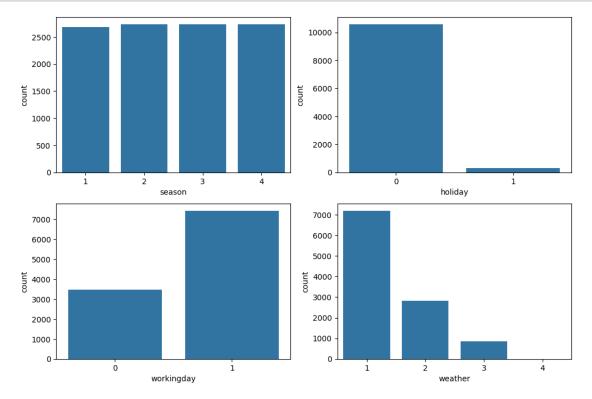
```
[22]: df.head()
    df[df["workingday"] == 1]["count"].sum()

    df[(df["workingday"] == 1) & (df["registered"])]["count"].sum()

    df[df["workingday"] == 0]["count"].sum()

    df[df["holiday"] == 1]["count"].sum()
```

```
fig, axis = plt.subplots(nrows=2, ncols=2, figsize=(12, 8))
index = 0
for row in range(2):
   for col in range(2):
     sns.countplot(data=df, x=cat_cols[index], ax=axis[row, col])
     index += 1
plt.show()
```

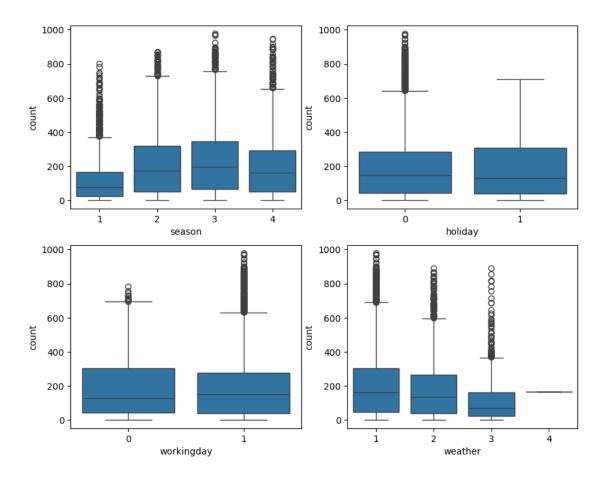


Data looks common as it should be like equal number of days in each season, more working days and weather is mostly Clear, Few clouds, partly cloudy, partly cloudy.

7 Bi-variate Analysis

7.1 Plotting categorical variables againt count using boxplots

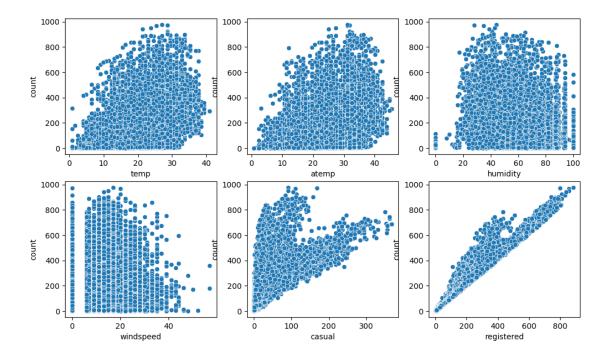
```
[23]: fig, axis = plt.subplots(nrows=2, ncols=2, figsize=(10, 8))
index = 0
for row in range(2):
    for col in range(2):
        sns.boxplot(data=df, x=cat_cols[index], y='count', ax=axis[row,col])
        index += 1
plt.show()
```



- In summer and fall seasons more bikes are rented as compared to other seasons.
- Whenever its a holiday more bikes are rented.
- It is also clear from the workingday also that whenever day is holiday or weekend, slightly more bikes were rented.
- Whenever there is rain, thunderstorm, snow or fog, there were less bikes were rented.

7.2 Plotting numerical variables againt count using scatterplot.

```
fig, axis = plt.subplots(nrows=2, ncols=3, figsize=(12, 7))
index = 0
for row in range(2):
   for col in range(3):
      sns.scatterplot(data=df, x=num_cols[index], y='count',ax=axis[row, col])
      index += 1
plt.show()
```



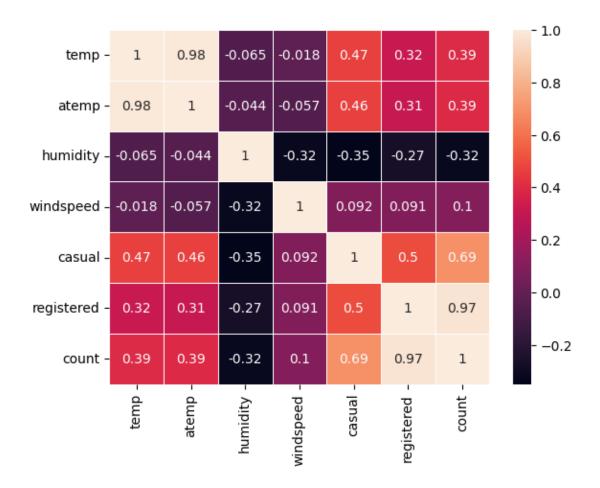
- Whenever the humidity is less than 20, number of bikes rented is very very low.
- Whenever the temperature is less than 10, number of bikes rented is less.
- Whenever the windspeed is greater than 35, number of bikes rented is less.

8 Understanding the correlation between count and numerical variables.

```
[25]: #df.corr()['count']
sns.heatmap(df.corr(), annot=True, linewidth=.5)
plt.show()
```

<ipython-input-25-df3082b8665f>:2: FutureWarning: The default value of
numeric_only in DataFrame.corr is deprecated. In a future version, it will
default to False. Select only valid columns or specify the value of numeric_only
to silence this warning.

sns.heatmap(df.corr(), annot=True, linewidth=.5)



9 Hypothesis testing

10 Chi-square test to check if Weather is dependent on the season

- Null Hypothesis (H0): Weather is independent of the season
- Alternate Hypothesis (H1): Weather is dependent on the season
- Significance level (alpha): 0.05

```
Expected_values = val[3]
print(f'Expected_values : {val[3]}')
print()
nrows, ncols = 4, 4
dof = (nrows-1)*(ncols-1)
print(f"Degrees of freedom: {dof}")
alpha = 0.05
chi_sqr = sum([(o-e)**2/e for o, e in zip(data_table.values,Expected_values)])
chi_sqr_statistic = chi_sqr[0] + chi_sqr[1]
print(f"Chi-square test statistic: {chi_sqr_statistic}")
print()
critical_val = stats.chi2.ppf(q=1-alpha, df=dof)
print(f"Critical value: {critical_val}")
print()
p_val = 1-stats.chi2.cdf(x=chi_sqr_statistic, df=dof)
print(f"P-value: {p_val}")
print()
if p_val <= alpha:</pre>
 print("Since p-value is less than the alpha 0.05 we reject Null Hypothesis. ⊔
→This indicates weather is dependent on the season.")
 print("Since p-value is greater than the alpha 0.05 we do not reject the Null_{\sqcup}
 →Hypothesis")
```

Observed values:

```
Chi2ContingencyResult(statistic=49.158655596893624,
pvalue=1.549925073686492e-07, dof=9, expected_freq=array([[1.77454639e+03,
6.99258130e+02, 2.11948742e+02, 2.46738931e-01],
       [1.80559765e+03, 7.11493845e+02, 2.15657450e+02, 2.51056403e-01],
       [1.80559765e+03, 7.11493845e+02, 2.15657450e+02, 2.51056403e-01],
       [1.80625831e+03, 7.11754180e+02, 2.15736359e+02, 2.51148264e-01]]))
```

10.1 2- Sample T-Test to check if Working Day has an effect on the number of electric cycles rented:

- Null Hypothesis: Working day has no effect on the number of cycles being rented.
- Alternate Hypothesis: Working day has effect on the number of cycles being rented.
- Significance level (alpha): 0.05

indicates weather is dependent on the season.

```
[27]: data_group1 = df[df['workingday']==0]['count'].values
  data_group2 = df[df['workingday']==1]['count'].values
  print(np.var(data_group1), np.var(data_group2))
  np.var(data_group2)// np.var(data_group1)
```

30171.346098942427 34040.69710674686

[27]: 1.0

Before conducting the two-sample T-Test we need to find if the given data groups have the same variance. If the ratio of the larger data groups to the small data group is less than 4:1 then we can consider that the given data groups have equal variance.

```
[28]: stats.ttest_ind(a=data_group1, b=data_group2, equal_var=True)
```

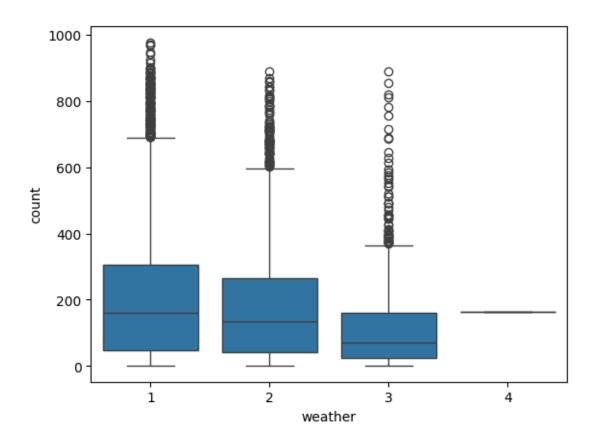
[28]: TtestResult(statistic=-1.2096277376026694, pvalue=0.22644804226361348, df=10884.0)

Since pvalue is greater than 0.05 so we cannot reject the Null hypothesis. We don't have the sufficient evidence to say that working day has effect on the number of cycles being rented.

10.2 ANNOVA to check if No. of cycles rented is similar or different in different weather and season.

- Null Hypothesis: Number of cycles rented is similar in different weather and season.
- Alternate Hypothesis: Number of cycles rented is not similar in different weather and season.
- Significance level (alpha): 0.05

10.2.1 Weather check



205.24 178.96 118.85 164.0

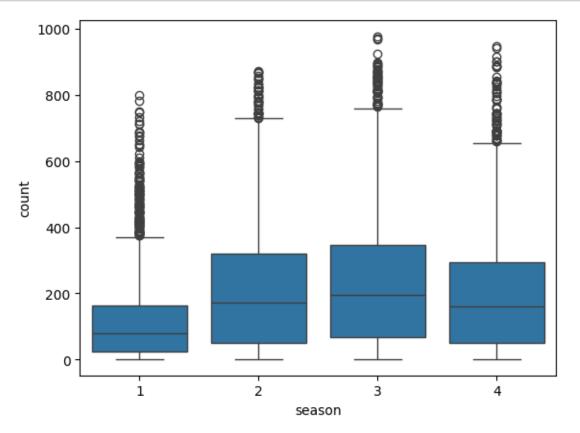
p_value : 5.482069475935669e-42

Reject HO

Different weathers have different number of cycles rented

Since P-value is very less we reject the null hypothesis. At least one or more weather conditions have different number of cycles rented.

10.2.2 Season check



116.34 215.25 234.42 198.99

p_value : 6.164843386499654e-149

Reject HO

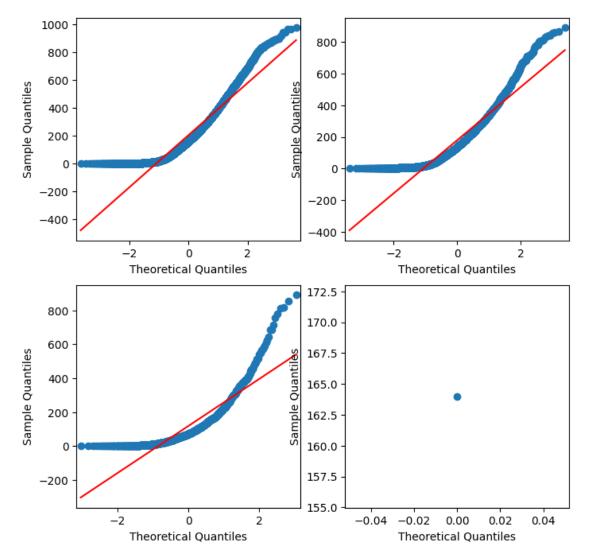
Different seasons have different number of cycles rented

10.3 Checking Assumptions of Anova test

10.3.1 QQ plot and histogram for weather

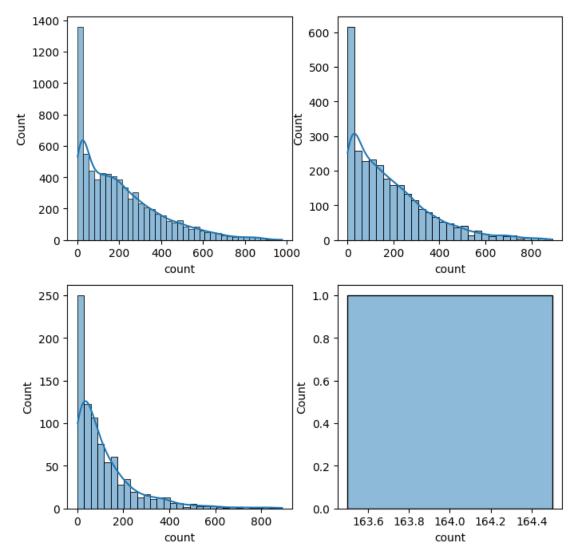
```
[36]: import numpy as np import statsmodels.api as sm import pylab as py
```

```
a = [count_g1,count_g2,count_g3,count_g4]
fig, axis = plt.subplots(nrows=2, ncols=2, figsize=(8, 8))
sm.qqplot(a[0], line = "s", ax = axis[0,0])
sm.qqplot(a[1], line = "s", ax = axis[0,1])
sm.qqplot(a[2], line = "s", ax = axis[1,0])
sm.qqplot(a[3], line = "s", ax = axis[1,1])
plt.show()
```



```
[37]: a = [count_g1,count_g2,count_g3,count_g4]
fig, axis = plt.subplots(nrows=2, ncols=2, figsize=(8, 8))
```

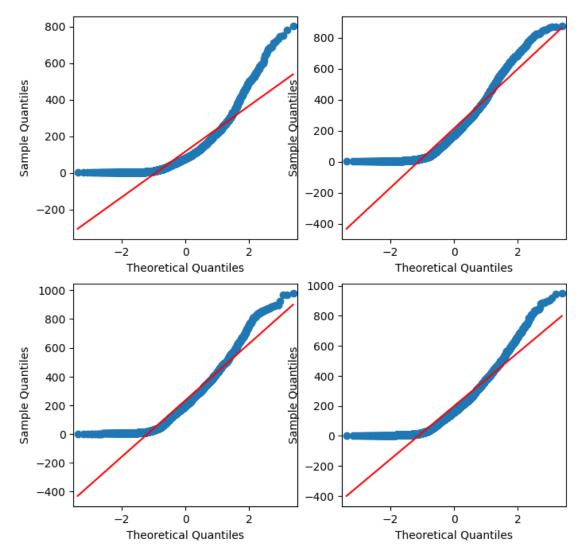
```
index = 0
for row in range(2):
   for col in range(2):
     sns.histplot(a[index], ax=axis[row, col], kde=True)
     index += 1
plt.show()
```



10.3.2 QQ plot and histogram for season.

```
[38]: b = [coun_g1,coun_g2,coun_g3,coun_g4]
fig, axis = plt.subplots(nrows=2, ncols=2, figsize=(8, 8))
```

```
sm.qqplot(b[0], line = "s", ax = axis[0,0])
sm.qqplot(b[1], line = "s", ax = axis[0,1])
sm.qqplot(b[2], line = "s", ax = axis[1,0])
sm.qqplot(b[3], line = "s", ax = axis[1,1])
plt.show()
```

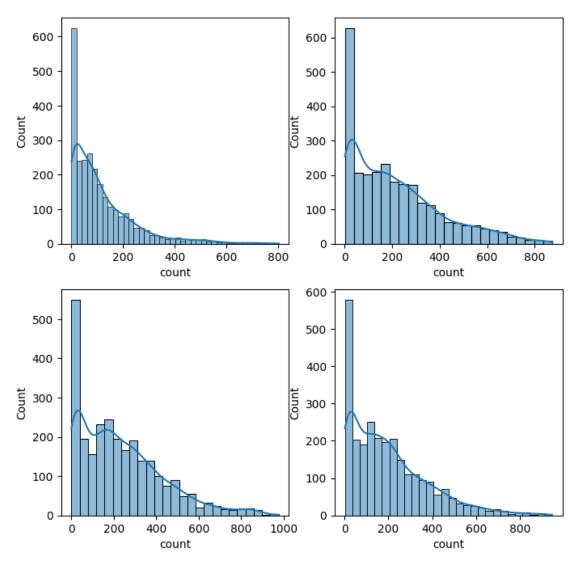


```
[39]: b = [coun_g1,coun_g2,coun_g3,coun_g4]

fig, axis = plt.subplots(nrows=2, ncols=2, figsize=(8, 8))

index = 0
for row in range(2):
   for col in range(2):
```

```
sns.histplot(b[index], ax=axis[row, col], kde=True)
index += 1
plt.show()
```



- 10.3.3 The above plots show data is not gaussian. Let us confirm the same via statiscal test.
- 10.3.4 Shapiro-Wilk test for Gaussian (Statistical Test for Normality)

Ha: Data is not Gaussian

```
Weather data
[40]: count_g1_subset = count_g1.sample(100)
# HO: Data is Gaussian
```

```
from scipy.stats import shapiro
from scipy.stats import levene

test_stat, p_value = shapiro(count_g1_subset)
print(p_value)
if p_value<0.05:
    print("Data is not gaussian")
else:
    print("Data is gaussian")</pre>
```

7.773400767518979e-08 Data is not gaussian

Season data

```
[41]: coun_g1_subset = coun_g1.sample(100)

# HO: Data is Gaussian
# Ha: Data is not Gaussian
from scipy.stats import shapiro
from scipy.stats import levene

test_stat, p_value = shapiro(coun_g1_subset)
print(p_value)
if p_value<0.05:
    print("Data is not gaussian")
else:
    print("Data is gaussian")</pre>
```

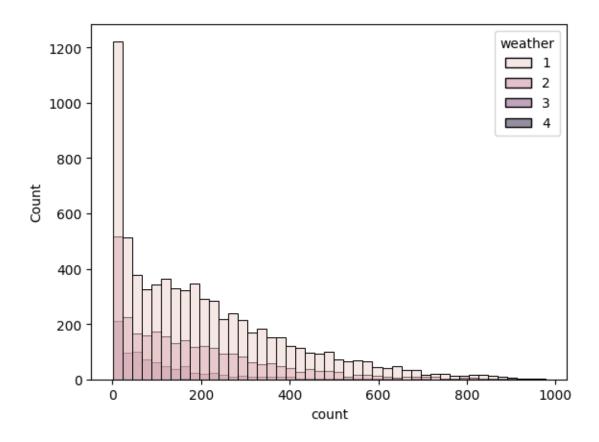
1.2687553785362127e-10

Data is not gaussian

10.3.5 Equal variance: Levene's Test

- Null Hypothesis: Variances is similar in different weather and season.
- Alternate Hypothesis: Variances is not similar in different weather and season.
- Significance level (alpha): 0.05

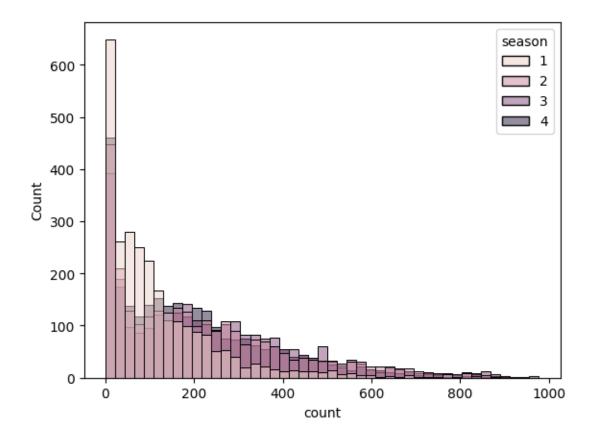
```
[42]: sns.histplot(data= df, x="count", hue= "weather", color = "o") plt.show()
```



```
[43]: # HO: Variances are equal
    # Ha: Variances are not equal
    levene_stat, p_value = levene(count_g1,count_g2,count_g3,count_g4)
    print(f'p-value : {p_value}')
    if p_value < 0.05:
        print("Reject the null hypthesis.Variances are not similar.")
    else:
        print("Variance are similar.")</pre>
```

p-value : 3.504937946833238e-35 Reject the null hypthesis. Variances are not similar.

```
[44]: sns.histplot(data= df, x="count", hue= "season", color = "o") plt.show()
```



```
[45]: # HO: Variances are equal
    # Ha: Variances are not equal
    levene_stat, p_value = levene(coun_g1,coun_g2,coun_g3,coun_g4)
    print(f'p-value : {p_value}')
    if p_value < 0.05:
        print("Reject the null hypthesis. Variances are not similar.")
    else:
        print("Variance are similar.")</pre>
```

p-value : 1.0147116860043298e-118 Reject the null hypthesis. Variances are not similar.

11 As per the QQ plots, histograms, Shapiro and Levene test the assumtions of Anova have failed. Hence we will use Kruskal test.

11.1 Weather

p_value : 3.501611300708679e-44 Since p-value is less than 0.05, we reject the null hypothesis Different weather have different number of cycles rented.

11.2 Season

p_value : 2.479008372608633e-151 Since p-value is less than 0.05, we reject the null hypothesis Different weather have different number of cycles rented.

12 Insights

- In summer and fall seasons more bikes are rented as compared to other seasons.
- It is seen there is increase in bike rentals on holidays.
- It is also clear from the workingday also that whenever day is holiday or weekend, slightly more bikes were rented.
- Whenever there is rain, thunderstorm, snow or fog, there were less bikes were rented.
- Whenever the humidity is less than 20, number of bikes rented is very very low.
- Whenever the temperature is less than 10, number of bikes rented is less.
- Whenever the windspeed is greater than 35, number of bikes rented is less.

- A 2-sample T-test on working and non-working days with respect to count, implies that the mean population count of both categories are the same.
- An ANOVA test on different seasons with respect to count, implies that population count
 means under different seasons are not the same, meaning there is a difference in the usage of
 Yulu bikes in different seasons.
- By performing an ANOVA test on different weather conditions except 4 with respect to count, we can infer that population count means under different weather conditions are the same, meaning there is a difference in the usage of Yulu bikes in different weather conditions.
- By performing a Chi2 test on season and weather (categorical variables), we can infer that there is an impact on weather dependent on season.
- The maximum number of holidays can be seen during the fall and winter seasons.
- There is a positive corelation between counts and temperature.
- There is a negative corelation between counts and humidity.

13 Recommendations

- In summer and fall seasons the company should have more bikes in stock to be rented. Because the demand in these seasons is higher as compared to other seasons.
- With a significance level of 0.05, workingday has no effect on the number of bikes being rented.
- In very low humid days, company should have less bikes in the stock to be rented.
- Whenever temperature is less than 10 or in very cold days, company should have less bikes.
- Whenever the windspeed is greater than 35 or in thunderstorms, company should have less bikes in stock to be rented.
- Consistent monitoring of seasonal weather forecast would help Yulu to be prepared for nature related decline in rented bikes due to rains, humidity, etc.
- As casual users are very less Yulu should focus on marketing startegy to bring more customers. for eg. first time user discount, friends and family discounts, referral bonuses etc.
- On non working days as count is low. We would recommend certain promotional campaigns to attracts uses on these days.
- In heavy rains as rent count is very low Yulu can introduce a different vehicle such as car or umbrella attached bike to encourage more users.