Analyze_ab_test_results_notebook

August 5, 2021

0.1 Analyze A/B Test Results

You may either submit your notebook through the workspace here, or you may work from your local machine and submit through the next page. Either way assure that your code passes the project RUBRIC. **Please save regularly.**

This project will assure you have mastered the subjects covered in the statistics lessons. The hope is to have this project be as comprehensive of these topics as possible. Good luck!

0.2 Table of Contents

Introduction

A/B tests are very commonly performed by data analysts and data scientists. It is important that you get some practice working with the difficulties of these

For this project, you will be working to understand the results of an A/B test run by an e-commerce website. Your goal is to work through this notebook to help the company understand if they should implement the new page, keep the old page, or perhaps run the experiment longer to make their decision.

As you work through this notebook, follow along in the classroom and answer the corresponding quiz questions associated with each question. The labels for each classroom concept are provided for each question. This will assure you are on the right track as you work through the project, and you can feel more confident in your final submission meeting the criteria. As a final check, assure you meet all the criteria on the RUBRIC.

Part I - Probability

To get started, let's import our libraries.

```
In [1]: import pandas as pd
        import numpy as np
        import random
        import matplotlib.pyplot as plt
        %matplotlib inline
        #We are setting the seed to assure you get the same answers on quizzes as we set up
        random.seed(42)
```

1. Now, read in the `ab_data.csv` data. Store it in `df`. **Use your dataframe to answer the questions in Quiz 1 of the classroom.**

a. Read in the dataset and take a look at the top few rows here:

```
In [2]: df = pd.read_csv('ab_data.csv')
        df.head()
```

Out[2]:

	user_id	timestamp	group	landing_page	converted
0	851104	2017-01-21 22:11:48.556739	control	old_page	0
1	804228	2017-01-12 08:01:45.159739	control	old_page	0
2	661590	2017-01-11 16:55:06.154213	treatment	new_page	0
3	853541	2017-01-08 18:28:03.143765	treatment	new_page	0
4	864975	2017-01-21 01:52:26.210827	control	old_page	1

b. Use the cell below to find the number of rows in the dataset.

```
In [3]: df.shape
```

```
Out[3]: (294478, 5)
```

c. The number of unique users in the dataset.

```
In [4]: df.nunique()
```

```
Out[4]: user_id         290584
        timestamp       294478
        group                2
        landing_page         2
        converted            2
        dtype: int64
```

d. The proportion of users converted.

```
In [5]: df.converted.mean()
```

```
Out[5]: 0.11965919355605512
```

e. The number of times the `new_page` and `treatment` don't match.

```
In [6]: df.query('(group == "treatment" and landing_page != "new_page") or (group != "treatment"
```

```
Out[6]: 3893
```

f. Do any of the rows have missing values?

```
In [7]: df.isnull().sum()
```

```
Out[7]: user_id         0
        timestamp       0
        group           0
        landing_page    0
        converted       0
        dtype: int64
```

2. For the rows where **treatment** does not match with **new_page** or **control** does not match with **old_page**, we cannot be sure if this row truly received the new or old page. Use **Quiz 2** in the classroom to figure out how we should handle these rows.

a. Now use the answer to the quiz to create a new dataset that meets the specifications from the quiz. Store your new dataframe in **df2**.

```
In [8]: df2 = df.drop(df.query('(group == "treatment" and landing_page != "new_page") or (group
        df2.head()
```

Out[8]:

	user_id	timestamp	group	landing_page	converted
0	851104	2017-01-21 22:11:48.556739	control	old_page	0
1	804228	2017-01-12 08:01:45.159739	control	old_page	0
2	661590	2017-01-11 16:55:06.154213	treatment	new_page	0
3	853541	2017-01-08 18:28:03.143765	treatment	new_page	0
4	864975	2017-01-21 01:52:26.210827	control	old_page	1

```
In [9]: # Double Check all of the correct rows were removed - this should be 0
        df2[((df2['group'] == 'treatment') == (df2['landing_page'] == 'new_page')) == False].sha
```

```
Out[9]: 0
```

3. Use **df2** and the cells below to answer questions for **Quiz3** in the classroom.

a. How many unique **user_id**s are in **df2**?

```
In [10]: df2.user_id.nunique()
```

```
Out[10]: 290584
```

b. There is one **user_id** repeated in **df2**. What is it?

```
In [11]: df2[df2['user_id'].duplicated() == True]
```

Out[11]:

	user_id	timestamp	group	landing_page	converted
2893	773192	2017-01-14 02:55:59.590927	treatment	new_page	0

c. What is the row information for the repeat **user_id**?

```
In [12]: df2[df2.duplicated(['user_id'])]
```

Out[12]:

	user_id	timestamp	group	landing_page	converted
2893	773192	2017-01-14 02:55:59.590927	treatment	new_page	0

d. Remove **one** of the rows with a duplicate **user_id**, but keep your dataframe as **df2**.

```
In [13]: df2 = df2.drop_duplicates('user_id')
```

```
In [14]: df2[df2['user_id'].duplicated() == True]
```

```
Out[14]: Empty DataFrame
         Columns: [user_id, timestamp, group, landing_page, converted]
         Index: []
```

4. Use **df2** in the cells below to answer the quiz questions related to **Quiz 4** in the classroom.

a. What is the probability of an individual converting regardless of the page they receive?

```
In [15]: df2.converted.mean()
```

```
Out[15]: 0.11959708724499628
```

b. Given that an individual was in the `control` group, what is the probability they converted?

```
In [16]: control_convert = df2[df2['group']=='control']['converted'].mean()
         control_convert
```

```
Out[16]: 0.1203863045004612
```

c. Given that an individual was in the `treatment` group, what is the probability they converted?

```
In [17]: treatment_convert =df2[df2['group']=='treatment']['converted'].mean()
         treatment_convert
```

```
Out[17]: 0.11880806551510564
```

d. What is the probability that an individual received the new page?

```
In [18]: df2[df2['landing_page']=='new_page']['user_id'].count()/df2['user_id'].count()
```

```
Out[18]: 0.50006194422266881
```

e. Consider your results from parts (a) through (d) above, and explain below whether you think there is sufficient evidence to conclude that the new treatment page leads to more conversions.

```
In [19]: different = treatment_convert - control_convert

         different
```

```
Out[19]: -0.0015782389853555567
```

- Conversion total: 11.95%
- Group Control conversion: 12.03%
- Group Treatment conversion: 11.88%

They are very close so there is no sufficient evidence that new page leads to more conversions.

Part II - A/B Test

Notice that because of the time stamp associated with each event, you could technically run a hypothesis test continuously as each observation was observed.

However, then the hard question is do you stop as soon as one page is considered significantly better than another or does it need to happen consistently for a certain amount of time? How long do you run to render a decision that neither page is better than another?

These questions are the difficult parts associated with A/B tests in general.

1. For now, consider you need to make the decision just based on all the data provided. If you want to assume that the old page is better unless the new page proves to be definitely better at a Type I error rate of 5%, what should your null and alternative hypotheses be? You can state your hypothesis in terms of words or in terms of p_{old} and p_{new}, which are the converted rates for the old and new pages.

- H0= Pnew - Pold <= 0
- H1= Pnew - Pols > 0

2. Assume under the null hypothesis, p_{new} and p_{old} both have "true" success rates equal to the **converted** success rate regardless of page - that is p_{new} and p_{old} are equal. Furthermore, assume they are equal to the **converted** rate in **ab_data.csv** regardless of the page.

Use a sample size for each page equal to the ones in **ab_data.csv**.

Perform the sampling distribution for the difference in **converted** between the two pages over 10,000 iterations of calculating an estimate from the null.

Use the cells below to provide the necessary parts of this simulation. If this doesn't make complete sense right now, don't worry - you are going to work through the problems below to complete this problem. You can use **Quiz 5** in the classroom to make sure you are on the right track.

a. What is the **conversion rate** for p_{new} under the null?

```
In [20]: p_new = df2['converted'].mean()
         p_new

Out[20]: 0.11959708724499628
```

b. What is the **conversion rate** for p_{old} under the null?

```
In [21]: p_old = df2['converted'].mean()
         p_old

Out[21]: 0.11959708724499628
```

c. What is n_{new}, the number of individuals in the treatment group?

```
In [22]: n_new =df2.query("group == 'treatment'").count()['user_id']
         n_new

Out[22]: 145310
```

d. What is n_{old}, the number of individuals in the control group?

```
In [23]: n_old =df2.query("group == 'control'").count()['user_id']
         n_old

Out[23]: 145274
```

e. Simulate n_{new} transactions with a conversion rate of p_{new} under the null. Store these n_{new} 1's and 0's in **new_page_converted**.

```
In [24]: new_page_converted = np.random.binomial(1, p_new , n_new)
         new_page_converted

Out[24]: array([0, 0, 0, ..., 0, 0, 1])
```

f. Simulate n_{old} transactions with a conversion rate of p_{old} under the null. Store these n_{old} 1's and 0's in **old_page_converted**.

```
In [25]: old_page_converted =np.random.binomial(1, p_old , n_old)
         old_page_converted

Out[25]: array([0, 0, 0, ..., 0, 0, 0])
```

g. Find p_{new} - p_{old} for your simulated values from part (e) and (f).

```
In [26]: diff = new_page_converted.mean() - old_page_converted.mean()
         diff

Out[26]: -0.00082798212342387323
```

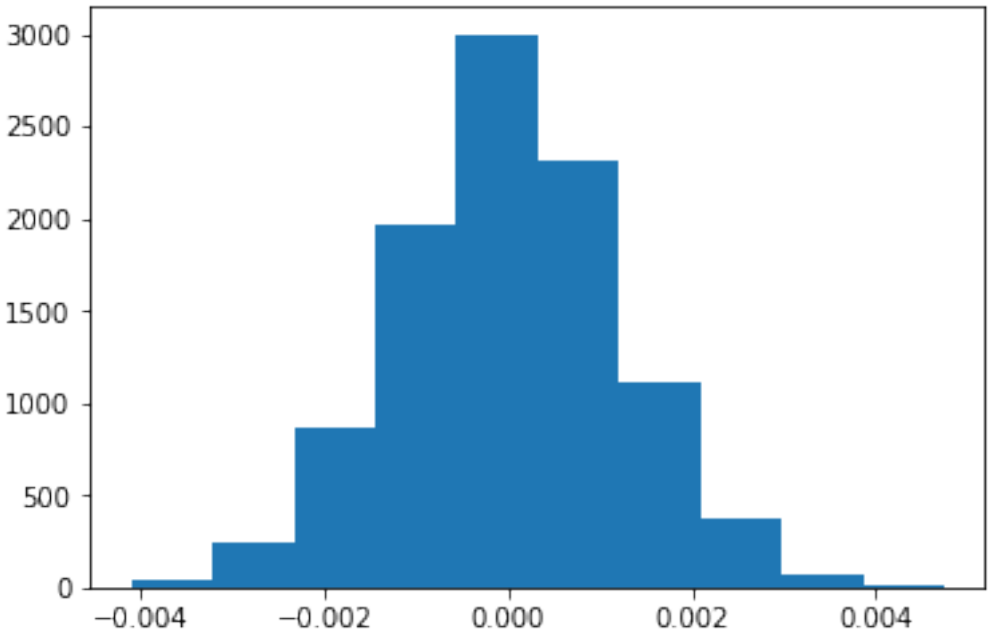
h. Create 10,000 p_{new} - p_{old} values using the same simulation process you used in parts (a) through (g) above. Store all 10,000 values in a NumPy array called **p_diffs**.

```
In [27]: p_diffs = []
         new_p = np.random.binomial(n_new,p_new ,10000)/n_new
         old_p = np.random.binomial(n_old, p_old ,10000)/n_old
         p_diffs = new_p - old_p
         p_diffs

Out[27]: array([  2.33801845e-03,  -2.95643273e-05,   1.27811636e-03, ...,
                  3.22576373e-03,  -4.56398640e-04,   2.79876257e-04])
```

i. Plot a histogram of the **p_diffs**. Does this plot look like what you expected? Use the matching problem in the classroom to assure you fully understand what was computed here.

```
In [28]: plt.hist(p_diffs);
```



j. What proportion of the **p_diffs** are greater than the actual difference observed in **ab_data.csv**?

```
In [29]: np.mean(p_diffs > different )
```

```
Out[29]: 0.90539999999999998
```

k. Please explain using the vocabulary you've learned in this course what you just computed in part **j.** What is this value called in scientific studies? What does this value mean in terms of whether or not there is a difference between the new and old pages?

- The p-value is 0.905, whitch is higher than 0.05 so we fail to reject the null hypothesis.

l. We could also use a built-in to achieve similar results. Though using the built-in might be easier to code, the above portions are a walkthrough of the ideas that are critical to correctly thinking about statistical significance. Fill in the below to calculate the number of conversions for each page, as well as the number of individuals who received each page. Let `n_old` and `n_new` refer the the number of rows associated with the old page and new pages, respectively.

```
In [30]: import statsmodels.api as sm

         convert_old = df2[df2['group'] == 'control'].converted.sum()
         convert_new = df2[df2['group'] == 'treatment'].converted.sum()
         n_old = df2.query('landing_page == "old_page"').shape[0]
         n_new = df2.query('landing_page == "new_page"').shape[0]
```

```
/opt/conda/lib/python3.6/site-packages/statsmodels/compat/pandas.py:56: FutureWarning: The panda
  from pandas.core import datetools
```

m. Now use `stats.proportions_ztest` to compute your test statistic and p-value. Here is a helpful link on using the built in.

```
In [31]: z_score, p_value = sm.stats.proportions_ztest([convert_old,convert_new], [n_old,n_new],
         z_score, p_value
```

```
Out[31]: (1.3109241984234394, 0.90505831275902449)
```

n. What do the z-score and p-value you computed in the previous question mean for the conversion rates of the old and new pages? Do they agree with the findings in parts **j.** and **k.**?

- Our calculation of z-score and p-value will give the same result of part j and k, our p-value is large which suggest our statistic is likely to the null hypothesis. so, we fail to reject the null hypothesis and discover that new page is not better than old page!

Part III - A regression approach

1. In this final part, you will see that the result you achieved in the A/B test in Part II above can also be achieved by performing regression.

a. Since each row is either a conversion or no conversion, what type of regression should you be performing in this case?

- I prefered to use Logistic Regression.

b. The goal is to use **statsmodels** to fit the regression model you specified in part **a.** to see if there is a significant difference in conversion based on which page a customer receives. However, you first need to create in df2 a column for the intercept, and create a dummy variable column for which page each user received. Add an **intercept** column, as well as an **ab_page** column, which is 1 when an individual receives the **treatment** and 0 if **control**.

```
In [32]: df2['intercept'] = 1
         df2[['new_page', 'old_page']] = pd.get_dummies(df2['landing_page'])
         df2[['control', 'ab_page']] = pd.get_dummies(df2['group'])
         df2.drop(['new_page', 'control' ], axis=1, inplace=True)
         df2.head()
```

```
Out[32]:    user_id                   timestamp      group landing_page  converted  \
         0   851104  2017-01-21 22:11:48.556739    control     old_page          0
         1   804228  2017-01-12 08:01:45.159739    control     old_page          0
         2   661590  2017-01-11 16:55:06.154213  treatment     new_page          0
         3   853541  2017-01-08 18:28:03.143765  treatment     new_page          0
         4   864975  2017-01-21 01:52:26.210827    control     old_page          1

            intercept  old_page  ab_page
         0          1         1        0
```

```
1          1          1          0
2          1          0          1
3          1          0          1
4          1          1          0
```

c. Use **statsmodels** to instantiate your regression model on the two columns you created in part b., then fit the model using the two columns you created in part **b.** to predict whether or not an individual converts.

```
In [33]: log_mod = sm.Logit(df2['converted'], df2[['intercept',  'ab_page']])
         results = log_mod.fit()

Optimization terminated successfully.
         Current function value: 0.366118
         Iterations 6
```

d. Provide the summary of your model below, and use it as necessary to answer the following questions.

```
In [34]: results.summary2()

Out[34]: <class 'statsmodels.iolib.summary2.Summary'>
         """
                                 Results: Logit
         =================================================================
         Model:              Logit            No. Iterations:   6.0000
         Dependent Variable: converted        Pseudo R-squared: 0.000
         Date:               2021-07-31 18:08 AIC:              212780.3502
         No. Observations:   290584           BIC:              212801.5095
         Df Model:           1                Log-Likelihood:   -1.0639e+05
         Df Residuals:       290582           LL-Null:          -1.0639e+05
         Converged:          1.0000           Scale:            1.0000
         -----------------------------------------------------------------
                       Coef.   Std.Err.      z      P>|z|    [0.025   0.975]
         -----------------------------------------------------------------
         intercept    -1.9888    0.0081  -246.6690  0.0000  -2.0046  -1.9730
         ab_page      -0.0150    0.0114    -1.3109  0.1899  -0.0374   0.0074
         =================================================================

         """
```

e. What is the p-value associated with **ab_page**? Why does it differ from the value you found in **Part II**? **Hint**: What are the null and alternative hypotheses associated with your regression model, and how do they compare to the null and alternative hypotheses in **Part II**?

- The p-value associated with ab_page equal to 0.1899 This value is different from the p-value in Part II, because the null and alternative hypothesis in part II the old page is btter or equal the new page but the null and alternative hypothesis in part III the old and new page is equals which mean have the same effect

f. Now, you are considering other things that might influence whether or not an individual converts. Discuss why it is a good idea to consider other factors to add into your regression model. Are there any disadvantages to adding additional terms into your regression model?

- Maybe when we add additional factors might influence the individual converts, this will give us another result we could find it!
- I think the disadvantages is the result will be complex to find beacuse of the new varibles we added.

g. Now along with testing if the conversion rate changes for different pages, also add an effect based on which country a user lives in. You will need to read in the **countries.csv** dataset and merge together your datasets on the appropriate rows. Here are the docs for joining tables.

Does it appear that country had an impact on conversion? Don't forget to create dummy variables for these country columns - **Hint: You will need two columns for the three dummy variables.** Provide the statistical output as well as a written response to answer this question.

```
In [35]: countries = pd.read_csv('./countries.csv')
         countries.head()
```

Out[35]:

	user_id	country
0	834778	UK
1	928468	US
2	822059	UK
3	711597	UK
4	710616	UK

```
In [36]: new_df = countries.set_index('user_id').join(df2.set_index('user_id'), how='inner')
         new_df.head()
```

Out[36]:

user_id	country	timestamp	group	landing_page	converted	intercept	old_page	ab_page
834778	UK	2017-01-14 23:08:43.304998	control	old_page	0	1	1	0
928468	US	2017-01-23 14:44:16.387854	treatment	new_page	0	1	0	1
822059	UK	2017-01-16 14:04:14.719771	treatment	new_page	1	1	0	1
711597	UK	2017-01-22 03:14:24.763511	control	old_page	0	1	1	0
710616	UK	2017-01-16 13:14:44.000513	treatment	new_page	0	1	0	1

```
In [37]: new_df[['CA', 'UK', 'US']] = pd.get_dummies(new_df['country'])
         new_df.head(10)
```

Out[37]:

user_id	country	timestamp	group	landing_page	converted	intercept	old_page	ab_page	CA	UK	US
834778	UK	2017-01-14 23:08:43.304998	control	old_page	0	1	1	0	0	1	0
928468	US	2017-01-23 14:44:16.387854	treatment	new_page	0	1	0	1	0	0	1
822059	UK	2017-01-16 14:04:14.719771	treatment	new_page	1	1	0	1	0	1	0
711597	UK	2017-01-22 03:14:24.763511	control	old_page	0	1	1	0	0	1	0
710616	UK	2017-01-16 13:14:44.000513	treatment	new_page	0	1	0	1	0	1	0
909908	UK	2017-01-06 20:44:26.334764	treatment	new_page	0	1	0	1	0	1	0
811617	US	2017-01-02 18:42:11.851370	treatment	new_page	1	1	0	1	0	0	1
938122	US	2017-01-10 09:32:08.222716	treatment	new_page	1	1	0	1	0	0	1
887018	US	2017-01-06 11:09:40.487196	treatment	new_page	0	1	0	1	0	0	1
820683	US	2017-01-14 11:52:06.521342	treatment	new_page	0	1	0	1	0	0	1

In [38]:
```
logit_mod_country = sm.Logit(new_df['converted'],new_df[['intercept', 'ab_page', 'US',
```

In [39]:
```
new_results = logit_mod_country.fit()
new_results.summary2()
```

```
Optimization terminated successfully.
         Current function value: 0.366113
         Iterations 6
```

Out[39]:
```
<class 'statsmodels.iolib.summary2.Summary'>
"""
                          Results: Logit
=================================================================
Model:              Logit            No. Iterations:   6.0000
Dependent Variable: converted        Pseudo R-squared: 0.000
Date:               2021-07-31 18:08 AIC:              212781.1253
No. Observations:   290584           BIC:              212823.4439
Df Model:           3                Log-Likelihood:   -1.0639e+05
Df Residuals:       290580           LL-Null:          -1.0639e+05
Converged:          1.0000           Scale:            1.0000
-----------------------------------------------------------------
               Coef.   Std.Err.     z      P>|z|    [0.025   0.975]
```

```
-----------------------------------------------------------------
intercept     -2.0300    0.0266  -76.2488  0.0000  -2.0822  -1.9778
ab_page       -0.0149    0.0114   -1.3069  0.1912  -0.0374   0.0075
US             0.0408    0.0269    1.5161  0.1295  -0.0119   0.0934
UK             0.0506    0.0284    1.7835  0.0745  -0.0050   0.1063
=================================================================

"""
```

h. Though you have now looked at the individual factors of country and page on conversion, we would now like to look at an interaction between page and country to see if there significant effects on conversion. Create the necessary additional columns, and fit the new model.

Provide the summary results, and your conclusions based on the results.

```
In [40]: new_df['US_new'] = new_df['US'] * new_df['ab_page']
         new_df['UK_new'] = new_df['UK'] * new_df['ab_page']

In [41]: logit_mod_country2 = sm.Logit(new_df['converted'],new_df[['intercept', 'US', 'UK', 'ab_

In [42]: new_results2 = logit_mod_country2.fit()
         new_results2.summary2()

Optimization terminated successfully.
         Current function value: 0.366109
         Iterations 6


Out[42]: <class 'statsmodels.iolib.summary2.Summary'>
         """
                                Results: Logit
         =================================================================
         Model:              Logit            No. Iterations:   6.0000
         Dependent Variable: converted        Pseudo R-squared: 0.000
         Date:               2021-07-31 18:08 AIC:              212782.6602
         No. Observations:   290584           BIC:              212846.1381
         Df Model:           5                Log-Likelihood:   -1.0639e+05
         Df Residuals:       290578           LL-Null:          -1.0639e+05
         Converged:          1.0000           Scale:            1.0000
         -----------------------------------------------------------------
                       Coef.   Std.Err.     z      P>|z|    [0.025   0.975]
         -----------------------------------------------------------------
         intercept     -2.0040    0.0364  -55.0077  0.0000  -2.0754  -1.9326
         US             0.0175    0.0377    0.4652  0.6418  -0.0563   0.0914
         UK             0.0118    0.0398    0.2957  0.7674  -0.0663   0.0899
         ab_page       -0.0674    0.0520   -1.2967  0.1947  -0.1694   0.0345
         US_new         0.0469    0.0538    0.8718  0.3833  -0.0585   0.1523
         UK_new         0.0783    0.0568    1.3783  0.1681  -0.0330   0.1896
         =================================================================

         """
```

Conclosion

- In conculosion i saw all the p-values are higher than 0.05 that's means that we fail to reject the null, so i can't say that the new page is better than the old page!

Finishing Up

Congratulations! You have reached the end of the A/B Test Results project! You should be very proud of all you have accomplished!

0.3 Directions to Submit

Before you submit your project, you need to create a .html or .pdf version of this notebook in the workspace here. To do that, run the code cell below. If it worked correctly, you should get a return code of 0, and you should see the generated .html file in the workspace directory (click on the orange Jupyter icon in the upper left).

Alternatively, you can download this report as .html via the **File** > **Download as** submenu, and then manually upload it into the workspace directory by clicking on the orange Jupyter icon in the upper left, then using the Upload button.

Once you've done this, you can submit your project by clicking on the "Submit Project" button in the lower right here. This will create and submit a zip file with this .ipynb doc and the .html or .pdf version you created. Congratulations!

```
In [43]: from subprocess import call
         call(['python', '-m', 'nbconvert', 'Analyze_ab_test_results_notebook.ipynb'])
```

```
Out[43]: 0
```