In [1]:  In [2]:  Out[2]:  Out[3]:  Out[4]:  Out[5]:  Out[6]:	Introduction Part I - Probability Part II - A/B Test Part III - Regression Conclusions  Part I - Probability To get started, let's import our libraries.  import pandas as pd import numpy as np import random import matplot1lib.pyplot as plt %matplotlib inline #We are setting the seed to assure you get the same answers on quizzes as 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:  df=pd.read_csv('/content/ab_data.csv') df.head()  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.  df.shape  (294478, 5)  c. The number of unique users in the dataset.  df['user_id'].nunique()
In [2]: [ Out[2]: _ Out[3]: [ Out[4]: [ Out[5]: [ Out[6]: [ Out[6]	import matplotlib.pyplot as plt  **matplotlib inline  **#we are setting the seed to assure you get the same answers on quizzes as 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:  df=pd.read_csv('/content/ab_data.csv')  df.head()  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.  df . shape  (294478, 5)  c. The number of unique users in the dataset.
<pre>In [3]: [ Out[3]:  In [4]: [ Out[4]:  Out[5]:  In [6]: [ Out[6]: </pre>	o. Use the cell below to find the number of rows in the dataset.  df.shape  (294478, 5)  c. The number of unique users in the dataset.
<pre>In [5]: [ Out[5]:  In [6]: [ Out[6]: </pre>	<pre>df['user_id'].nunique() 290584</pre>
f	<pre>d. The proportion of users converted.  converted=df.query('converted==1')   proportion = len(converted['converted'])/ len(df['user_id'])   proportion  0.11965919355605512 e. The number of times the new_page and treatment don't match.  New_page_No_treatment=df.query('landing_page=="new_page"')   New_page_No_treatment= New_page_No_treatment.query('group!="treatment"')   treatment_No_New_page=df.query('group=="treatment"')   treatment_No_New_page= treatment_No_New_page.query('landing_page!="new_page")</pre>
	2. For the rows where <b>treatment</b> does not match with <b>new_page</b> or <b>control</b> does not
In [8]:	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.  #I will do tow df and i will Customize ech of them than i will add in df2  Np_treatment=df.query('landing_page=="new_page"')  Np_treatment=Np_treatment.query('group=="treatment"')  Op_control=df.query('landing_page=="old_page"')  Op_control=Op_control.query('group=="control"')  df2=Np_treatment.append(Op_control)  df2.info() <class 'pandas.core.frame.dataframe'=""> Int64Index: 290585 entries, 2 to 294476 Data columns (total 5 columns):  # Column Non-Null Count Dtype</class>
In [9]:	<pre>0  user_id    290585 non-null int64 1  timestamp    290585 non-null object 2  group    290585 non-null object 3  landing_page    290585 non-null object 4  converted    290585 non-null int64 dtypes: int64(2), object(3) memory usage: 13.3+ MB  # Double Check all of the correct rows were removed - this should be 0 df2[((df2['group'] == 'treatment') == (df2['landing_page'] == 'new_page')) 0  3. Use df2 and the cells below to answer questions for Quiz3 in the classroom.</pre>
in [10]: Out[10]:	df2.user_id.nunique()  290584  b. There is one user_id repeated in df2. What is it?  sum(df2.user_id.duplicated())  df2[df2.user_id.duplicated()]
out[12]:	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?         df2[df2.user_id.duplicated()]         user_id         timestamp         group         landing_page         converted           2893         773192         2017-01-14 02:55:59.590927         treatment         new_page         0
In [14]: In [15]: Out[15]:	d. Remove one of the rows with a duplicate user_id, but keep your dataframe as df2.  df2=df2.drop(index=2893)  sum(df2.user_id.duplicated())  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 [16]:	#i will calculate the mean of (converted) for both recive old or new page convert=df2.converted.mean() convert  0.11959708724499628  df2.head()  user_id timestamp group landing_page converted  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 6 679687 2017-01-19 03:26:46.940749 treatment new_page 1 8 817355 2017-01-04 17:58:08.979471 treatment new_page 1 9 839785 2017-01-15 18:11:06.610965 treatment new_page 1  o. Given that an individual was in the control group, what is the probability they converted?  control=df2.query('group=="control"') P_control_converted=control['converted'].mean() P_control_converted
n [19]:	0.1203863045004612  c. Given that an individual was in the treatment group, what is the probability they converted?  treatment=df2.query('group=="treatment"') P_treatment_converted=treatment['converted'].mean() P_treatment_converted  0.11880806551510564  d. What is the probability that an individual received the new page?
n [20]: lut[20]: t	new_page=df2.query('landing_page=="new_page"') P_received_new_page = len(new_page['landing_page'])/ len(df2['user_id']) P_received_new_page  0.5000619442226688  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.  I think the vision is still not clear. We need more analysis and statistics. The numbers are very
	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
t F	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.  • $H_{null} (H_0) : P_{new} - P_{old} <= 0$ • $H_{alt} (H_1) : P_{new} - P_{old} > 0$ 2. Assume under the null hypothesis, $p_{new}$ and $p_{old}$ both have "true" success rates equal to the <b>converted</b> success rate regardless of page - that is $p_{new}$ and $p_{old}$ are equal. Furthermore, assume they are equal to the <b>converted</b> rate in <b>ab_data.csv</b> regardless of the page.  Use a sample size for each page equal to the ones in <b>ab_data.csv</b> .
n [21]:	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 $\mathbf{Quiz} 5$ in the classroom to make sure you are on the right track.  a. What is the $\mathbf{conversion} \ \mathbf{rate} \ \mathbf{for} \ p_{new} \ \mathbf{under} \ \mathbf{the} \ \mathbf{null}$ ?  #new_page=df2.query('landing_page=="new_page"') #converted_new_page=new_page.converted.mean() #converted_new_page=df2.converted.mean() converted_new_page=df2.converted.mean() converted_new_page=0.11959708724499628
n [22]:	b. What is the <b>conversion rate</b> for $p_{old}$ under the null?
n [24]:	$\label{eq:new_page} $$ new_page=df2.query('landing_page=="new_page"')$ numper_new_page=len(new_page.user_id)$ numper_new_page $$ 145310$ d. What is $n_{old}$, the number of individuals in the control group? \label{eq:new_page} $$ old_page=df2.query('landing_page=="old_page"')$ numper_old_page=len(old_page.user_id)$ numper_old_page $$ $$ 145374.$
n [25]: ut[25]:	e. Simulate $n_{new}$ transactions with a conversion rate of $p_{new}$ under the null. Store these $n_{new}$ it's and 0's in $new\_page\_converted$ .  converted_new_page=df2.converted.mean() converted_new_page2=1-converted_new_page numper_new_page=len(old_page.user_id) array=[0,1]  Simulate_new_page= np.random.choice(array, numper_new_page, p=[converted_new_simulate_new_page] array([1, 0, 1,, 1, 1, 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.  converted_old_page=df2.converted.mean() converted_old_page=len(old_page.user_id)
	numper_old_page=len(old_page.user_ld)
ŀ	<pre>variance_pnew_pold=Mean_Pnew - Mean_Pold variance_pnew_pold  -0.00025469113537179844  n. Create 10,000 p<sub>new</sub> - p<sub>old</sub> 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.  #converted_new_page=0.11959708724499628 #numper_new_page=len(old_page.user_id)==145310 #converted_old_page=0.11959708724499628 #numper_old_page=len(old_page.user_id)==145274 p_diffs=[] array=[0,1] i=0 while i&lt;10000: Simulate_new_page= np.random.choice(array,numper_new_page,p=[converted_new_page]</pre>
n [29]:	<pre>Simulate_old_page=np.random.choice(array, numper_old_page, p=[converted_of Mean_Pold=Simulate_old_page.mean() Mean_Pnew=Simulate_new_page.mean() variance_pnew_pold=Mean_Pnew - Mean_Pold p_diffs.append(variance_pnew_pold) i=i+1  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.  #Creat histogram for p_diffs to discover them  plt.hist(p_diffs,bins=30) plt.ylabel('Number_of_count'), plt.xlabel('The_Different')  (Text(0, 0.5, 'Number_of_count'), Text(0.5, 0, 'The_Different'))</pre>
	1t's Looks like a normal distribution
-	<pre>What proportion of the p_diffs are greater than the actual difference observed in ab_data.csv?  #we will calculate a actual difference control=df2.query('group=="control"') P_control_converted=control['converted'].mean() P_control_converted  treatment=df2.query('group=="treatment"') P_treatment_converted=treatment['converted'].mean() P_treatment_converted  actual_diff=P_treatment_converted - P_control_converted actual_diff</pre> -0.0015782389853555567
n [31]: ut[31]: n [32]:	<pre>#we will Make show p_diffs as array to able to del with it p_diffs_array=np.array(p_diffs) p_diffs_array_mean=p_diffs_array.mean()  diff=p_diffs_array_mean-actual_diff p_diffs_array_mean, diff  (8.918319864532686e-06, 0.0015871573052200895)  #What proportion of the p_diffs are greater than the actual difference to proportion_p_diffs_g_actual=(p_diffs_array &gt; actual_diff) proportion_p_diffs_g_actual=proportion_p_diffs_g_actual.mean() proportion_p_diffs_g_actual</pre>
n [33]: n [34]: n [34]:	<pre>import statsmodels.api as sm import scipy.stats as st New_page=df2.query('landing_page=="new_page"') New_page_converted= New_page.query('converted == 1')  Old_page=df2.query('landing_page=="old_page"') Old_page_converted= Old_page.query('converted == 1')  convert_old = len(Old_page_converted) convert_new = len(New_page_converted) n_old = len(Old_page) n_new = len(New_page)  /usr/local/lib/python3.6/dist-packages/statsmodels/tools/_testing.py:19: FutureWarning: pandas.util.testing is deprecated. Use the functions in the public API at pandas.testing instead.     import pandas.util.testing as tm  m. Now use stats.proportions_ztest to compute your test statistic and p-value. Here s a helpful link on using the built in.  z_score, p_value = sm.stats.proportions_ztest([convert_old, convert_new],[z_score, p_value]) z_score, p_value = sm.stats.proportions_ztest([convert_old, convert_new],[z_score, p_value]]  if also i can get the value of p_value from z_score p_values = st.norm.sf(abs(z_score))  n. What do the z-score and p-value you computed in the previous question mean for the</pre>
n [36]:	#z-score cumulative distribution  z_scores=st.norm.cdf(z_score)  #The critical value is 95% confidence. Let's explain this further  Residual=0.95 #out of 100%  critical_value=st.norm.ppf(Residual)  critical_value, z_scores  (1.6448536269514722, 0.9050583127590245)  So what we notice here: Notice that z_score = 1.3 On the other hand, we note that the critical value = 1.64 Therefore, we conclude that the critical value is greater than the value of z_scores, and this means that we fail to reject the null hypothesis, and this result we got is the same as we got in parts j. and k.  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?  Logistic Regression Because In logistic regression, the dependent variable is binary in nature (having two categories). Independent variables can be continuous or binary. In multinomial
k t	logistic regression, you can have more than two categories in your dependent variable.  b. The goal is to use <b>statsmodels</b> to fit the regression model you specified in part <b>a.</b> 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 <b>intercept</b> column, as well as an <b>ab_page</b> column, which is 1 when an individual receives the <b>treatment</b> and 0 if <b>control</b> .  #Create intercept column in df2 df2['intercept'] = 1  #Create dummy variable column #ab_page= pd.Series([])  #for i in range(len(df2)): #if df2['group'][i]== "treatment": #ab_page[i]= 1 #else: #ab_page[i]= 0
ut[37]: -	<pre>#df2.insert(6, "ab_page", ab_page)  #Create dummy variable column name ab_page in df2 df2['ab_page'] = pd.get_dummies(df2['group'])['treatment']  df2.tail(4)  user_id timestamp group landing_page converted intercept ab_page  294473 751197 2017-01-03 22:28:38.630509 control old_page 0 1 0</pre>
k	294474 945152 2017-01-12 control old_page 0 1 0  294475 734608 2017-01-22 control old_page 0 1 0  294476 697314 2017-01-15 control old_page 0 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.
ut[38]:	<pre>log_reg = sm.Logit(df2.converted,df2[['ab_page','intercept']]).fit() log_reg  Optimization terminated successfully.</pre>
ut[39]:	Logit Regression Results           Dep. Variable:         converted         No. Observations:         290584           Model:         Logit         Df Residuals:         290582           Method:         MLE         Df Model:         1           Date:         Tue, 01 Dec 2020         Pseudo R-squ.:         8.077e-06           Time:         10:45:53         Log-Likelihood:         -1.0639e+05           Covariance Type:         nonrobust         LLR p-value:         0.1899
n [40]: ut[40]:	coef         std err         z         P> z          [0.025]         0.975]           ab_page         -0.0150         0.011         -1.311         0.190         -0.037         0.007           intercept         -1.9888         0.008         -246.669         0.000         -2.005         -1.973           Model:         Logit         Pseudo R-squared:         0.000           Dependent Variable:         converted         AIC:         212780.3502           Date:         2020-12-01 10:45         BIC:         212801.5095
	No. Observations:       290584       Log-Likelihood: -1.0639e+05         Df Model:       1       LL-Null: -1.0639e+05         Df Residuals:       290582       LLR p-value: 0.18988         Converged:       1.0000       Scale: 1.0000         No. Iterations:       6.0000         Coef.       Std.Err.       z       P> z  [0.025 0.975]         ab_page
i i i i i i i i i i i i i i i i i i i	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?  What is the p-value associated with ab_page? The p-value associated with ab_page is 0.19 Notic in Part II was 0.90 Why does it differ from the value you found in Part II? So in Part II was the null hypotheses gives the p_old is greater or equal(>=) p_new and the alternative hypotheses gives the p_old is less than(<) p_new. / But in Part     was the null hypotheses gives the p_old is equal(=) p_new and the alternative hypotheses gives the p_old is equal(=) p_new and the alternative hypotheses gives the p_old is not equal(!=) p_new.  If. 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? It is better to consider other factors because it is not possible to rely on one or two factors. It is better to consider all the factors that are relevant in our analysis and add them to the regression model, Yes, there are disadvantages if you add additional factors has a high correlation or high depending Withe anther factors, Why that? becuse that high correlation between them leads to Incorrect estimates and incorrect or inaccurate results in the
r Q k a t	regression mode.  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 <b>countries.csv</b> 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.
n [41]:	df_countries=pd.read_csv('/content/countries.csv')           df_country=df2.set_index('user_id').join(df_countries.set_index('user_id'))           df_country.head()           timestamp         group         landing_page         converted         intercept         ab_page         country           user_id         2017-01-11         treatment         new_page         0         1         1         US           853541         2017-01-08         treatment         new_page         0         1         1         US           679687         2017-01-19         treatment         new_page         1         1         CA           817355         2017-01-04         treatment         new_page         1         1         UK           839785         18:11:06.610965         treatment         new_page         1         1         CA
6 } S F	As for the country with the page, in fact, there were not enough results or clear evidence to be able to confirm whether the user turns the page or not according to the country.  In. 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.  I dont see the significant effects on conversion by countryes  df_country.country.unique()
	<pre>array(['US', 'CA', 'UK'], dtype=object)  df_country['CA_country'] = pd.get_dummies(df_country['country'])['CA']  df_country['UK_country'] = pd.get_dummies(df_country['country'])['UK']  df_country.head()</pre>
n [50]: ut[50]:	### ### ##############################
	839785 2017-01-15 treatment new_page 1 1 1 1 CA  log_reg_country = sm.Logit(df_country.converted, df_country[['ab_page','CA_log_reg_country]  Optimization terminated successfully.
	Dep. Variable:         converted         No. Observations:         290584           Model:         Logit         Df Residuals:         290578           Method:         Tue, 01 Dec 2020         Pseudo R-squ.:         3.482e-05           Date:         True         LL-Null:         -1.0639e+05           Covariance Type:         nonrobust         LLR p-value:         0.1920           Covariance Type:         0.01920         0.095         0.038         -0.045         0.047         0.006           CA_country         -0.057         0.019         -0.306
n [53]: [ ut[53]:	US_new       -0.0469       0.054       -0.872       0.383       -0.152       0.059         UK_new       0.0314       0.027       1.181       0.238       -0.021       0.084         Model: Logit Pseudo R-squared: 0.000         Dependent Variable: converted AIC: 212782.6602         Date: 2020-12-01 11:00       BIC: 212846.1381         No. Observations: 290584       Log-Likelihood: -1.0639e+05         Df Model: 5       LL-Null: -1.0639e+05         Df Residuals: 290578       LLR p-value: 0.19199
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	https://www.statology.org/z-score-python/ https://stackoverflow.com/ https://www.researchgate.net/post/Can_a_p-value_be_10 https://www.geeksforgeeks.org/logistic-regression-using-statsmodels/ https://www.listendata.com/2018/03/regression-analysis.html https://www.geeksforgeeks.org/python-pandas-dataframe-insert/ https://pandas.pydata.org/pandas-docs/stable/reference/api/pandas.DataFrame.join.html