# **Business Case: Yulu - Hypothesis Testing**

No null value in dataset

Yulu is India's leading micro-mobility service provider, which offers unique vehicles for the daily commute. Starting off as a mission to eliminate traffic congestion in India, Yulu provides the safest commute solution through a user-friendly mobile app to enable shared, solo and sustainable commuting.

Yulu zones are located at all the appropriate locations (including metro stations, bus stands, office spaces, residential areas, corporate offices, etc) to make those first and last miles smooth, affordable, and convenient!

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.

```
In [206]:
          import numpy as np
           import pandas as pd
           import matplotlib.pyplot as plt
           import seaborn as sns
           import warnings
          warnings.filterwarnings("ignore")
          df = pd.read_csv('Yulu.csv')
In [209]:
          df
Out[209]:
                          datetime season holiday workingday weather temp atemp humidity windspeed casual registered count
               0 2011-01-01 00:00:00
                                              0
                                                        0
                                                                   9.84
                                                                        14.395
                                                                                   81
                                                                                          0.0000
                                                                                                     3
                                                                                                             13
                                                                                                                   16
               1 2011-01-01 01:00:00
                                                        0
                                                                   9.02 13.635
                                                                                          0.0000
                                                                                                             32
                                                                                                                   40
               2 2011-01-01 02:00:00
                                      1
                                              0
                                                        0
                                                                   9.02 13.635
                                                                                   80
                                                                                          0.0000
                                                                                                     5
                                                                                                             27
                                                                                                                   32
               3 2011-01-01 03:00:00
                                      1
                                              0
                                                        0
                                                                   9.84 14.395
                                                                                   75
                                                                                          0.0000
                                                                                                     3
                                                                                                             10
                                                                                                                   13
                                                                1
               4 2011-01-01 04:00:00
                                              0
                                                        0
                                                                   9.84 14.395
                                                                                   75
                                                                                          0.0000
                                                                                                     0
           10881 2012-12-19 19:00:00
                                                                1 15.58 19.695
                                                                                   50
                                                                                         26.0027
                                                                                                    7
                                                                                                            329
                                                                                                                  336
           10882 2012-12-19 20:00:00
                                      4
                                              0
                                                        1
                                                                1 14.76 17.425
                                                                                   57
                                                                                         15.0013
                                                                                                    10
                                                                                                            231
                                                                                                                  241
           10883 2012-12-19 21:00:00
                                                                                                                  168
                                                                1 13.94 15.910
                                                                                         15.0013
                                                                                                            164
           10884 2012-12-19 22:00:00
                                      4
                                              0
                                                                1 13.94 17.425
                                                                                          6.0032
                                                                                                    12
                                                                                                            117
                                                                                                                  129
           10885 2012-12-19 23:00:00
                                      4
                                              0
                                                                                          8 9981
                                                                                                    4
                                                        1
                                                                1 13.12 16.665
                                                                                   66
                                                                                                             84
                                                                                                                   88
           10886 rows × 12 columns
  In [3]: df.shape #represents no. of rows and columns
  Out[3]: (10886, 12)
  In [4]: df.columns
  dtype='object')
  In [5]: df.isna().sum()
  Out[5]: datetime
           season
           holiday
           workingday
           weather
                         0
           temp
                         0
           atemp
           humidity
                         0
           windspeed
                         0
           casual
                         0
                         0
           registered
           count
           dtype: int64
```

```
In [6]: 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
                                                object
                              10886 non-null
            1
                 season
                                                int64
                              10886 non-null
                                                int64
            2
                 holiday
            3
                 workingday
                              10886 non-null
                                                int64
            4
                              10886 non-null
                 weather
                                                int64
            5
                 temp
                              10886 non-null
                                                float64
            6
                 atemp
                              10886 non-null
                                                float64
                 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
In [210]: #Converting the datatype of datetime column from object to datetime
           df['datetime'] = pd.to_datetime(df['datetime'])
           #Converting the datatype of few columns into categorical
cat_cols= ['season', 'holiday', 'workingday', 'weather']
for col in cat_cols:
               df[col] = df[col].astype('object')
In [193]: df.info()
           <class 'pandas.core.frame.DataFrame'>
           RangeIndex: 10886 entries, 0 to 10885
           Data columns (total 12 columns):
                              Non-Null Count Dtype
                Column
            #
            0
                              10886 non-null datetime64[ns]
                 datetime
            1
                 season
                              10886 non-null
                                                object
            2
                 holidav
                              10886 non-null
                                                object
                              10886 non-null
            3
                 workingday
                                                object
            4
                 weather
                              10886 non-null
                                                object
            5
                 temp
                              10886 non-null
                                                float64
            6
                 atemp
                              10886 non-null
                                                float64
                 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
 In [15]: df.describe()
Out[15]:
                         temp
                                     atemp
                                               humidity
                                                          windspeed
                                                                           casual
                                                                                     registered
                                                                                                      count
                  10886.00000
                              10886.000000
                                            10886.000000
                                                        10886.000000
                                                                     10886.000000
                                                                                  10886.000000 10886.000000
            count
                      20.23086
                                  23.655084
                                              61.886460
                                                           12.799395
                                                                        36.021955
                                                                                    155.552177
                                                                                                 191.574132
              std
                      7.79159
                                  8.474601
                                              19.245033
                                                            8.164537
                                                                        49.960477
                                                                                    151.039033
                                                                                                 181.144454
              min
                      0.82000
                                  0.760000
                                               0.000000
                                                            0.000000
                                                                         0.000000
                                                                                      0.000000
                                                                                                   1.000000
             25%
                      13.94000
                                  16.665000
                                              47.000000
                                                            7.001500
                                                                         4.000000
                                                                                     36.000000
                                                                                                  42.000000
             50%
                      20.50000
                                 24.240000
                                              62.000000
                                                           12.998000
                                                                        17.000000
                                                                                    118.000000
                                                                                                 145.000000
             75%
                      26.24000
                                  31.060000
                                              77.000000
                                                           16.997900
                                                                        49.000000
                                                                                    222.000000
                                                                                                 284.000000
             max
                     41.00000
                                 45 455000
                                             100.000000
                                                           56.996900
                                                                       367.000000
                                                                                    886 000000
                                                                                                 977 000000
 In [16]: df.describe(include='object')
Out[16]:
                           holiday workingday
```

```
In [19]: print(f"Data ranges from {df['datetime'].min()} to {df['datetime'].max()}")
```

10886

7192

4

10886

2

1

Data ranges from 2011-01-01 00:00:00 to 2012-12-19 23:00:00

7412

```
In [181]: df['datetime'].max() - df['datetime'].min() # total time period
```

Out[181]: Timedelta('718 days 23:00:00')

count

unique

top

frea

10886

4

2734

10886

10575

2

0

#### **OBSERVATION**

- · We have four seasons and four weather types in the dataset. Most data points occur in season 4 (winter) and weather type 1 (clear or cloudy). This suggests that consumers prefer renting bikes during winter on clear or cloudy days to enjoy the winter sun.
- Regarding the temperature, the data spans from 0.82 degrees Celsius to 41 degrees Celsius, with an average temperature of around 21 degrees Celsius. Conversely, the felt temperature ranges from 0.76 degrees Celsius to 45.45 degrees Celsius, and the average felt temperature is recorded as 23 65 degrees Celsius
- · Humidity values vary between 0 and 100, with an average humidity level of 61.9. As for windspeed, it falls within the range of 0 to 57, with an average windspeed of 12.8.
- The count of rented bikes per day varies from 1 to 977, with an approximate average of 192 rentals. Furthermore, the number of casual riders is lower than that of registered riders. Casual riders range from 0 to 367, with an average of 36, while registered riders range from 0 to 886, with an average of 151 riders per day.
- The data is given from Timestamp('2011-01-01 00:00:00') to Timestamp('2012-12-19 23:00:00'). The total time period for which the data is given is '718 days 23:00:00'.

```
In [20]: df.season.value_counts()
Out[20]: 4
               2734
               2733
               2733
          3
               2686
          Name: season, dtype: int64
 In [21]: df.weather.value_counts()
 Out[21]: 1
               7192
               2834
                859
          3
                  1
          Name: weather, dtype: int64
 In [22]: df.workingday.value_counts()
Out[22]: 1
               7412
               3474
          Name: workingday, dtype: int64
 In [24]: df.holiday.value_counts()
 Out[24]: 0
               10575
                 311
          Name: holiday, dtype: int64
In [183]: # setting the 'datetime' column as the index of the DataFrame 'df'
          df.set_index('datetime', inplace = True)
          # By setting the 'datetime' column as the index, it allows for easier and more efficient access,
               # filtering, and manipulation of the data based on the datetime values.
          # resampling the DataFrame by the year
          df1 = df.resample('Y')['count'].mean().to_frame().reset_index()
          # Create a new column 'prev_count' by shifting the 'count' column one position up
           to compare the previous year's count with the current year's count
          df1['prev_count'] = df1['count'].shift(1)
          # Calculating the growth percentage of 'count' with respect to the 'count' of previous year
          df1['growth_percent'] = (df1['count'] - df1['prev_count']) * 100 / df1['prev_count']
Out[183]:
```

	datetime	count	prev_count	growth_percent	
0	2011-12-31	144.223349	NaN	NaN	
1	2012-12-31	208.529549	144.223349	44.587925	

- This data suggests that there was substantial growth in the count of the variable over the course of one year.
- The mean total hourly count of rental bikes is 144 for the year 2011 and 208 for the year 2012. An annual growth rate of 44.59 % can be seen in the demand of electric vehicles on an hourly basis.

# **Univariate Analysis**

```
In [42]: col = ['season', 'holiday', 'workingday', 'weather']
           fig, axes = plt.subplots(nrows=2, ncols=2, figsize=(15, 10))
          for row in range(2):
    for column in range(2):
                   sns.countplot(x=col[index], data=df, ax=axes[row, column], palette="dark:#5A9")
          plt.show()
                                                                                    10000
              2500
                                                                                     8000
              2000
                                                                                     6000
            1500
                                                                                     4000
              1000
                                                                                     2000
               500
                 0 -
                                                                                        0
                                                                                                                     holiday
                                              season
                                                                                     7000
              7000
              6000
                                                                                     5000
              5000
                                                                                   4000
6001
            4000
                                                                                     3000
              3000
              2000
                                                                                     2000
```

weather

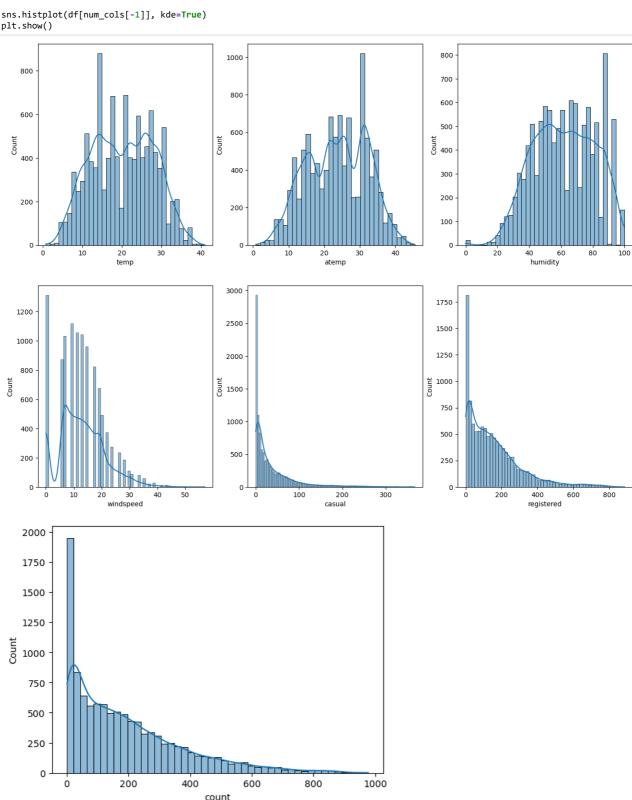
• The data appears typical, with an expected distribution of days across all seasons.

workingday

ò

• a higher occurrence of working days, and predominantly clear to partly cloudy weather conditions.

i



- Temperature ('temp') and 'feels-like' temperature ('atemp') follow a similar distribution, indicating a strong correlation between them.
- "Humidity values show some variability, with no significant outliers.
- Windspeed values vary widely, with some extreme values as outliers.
- The counts of casual and registered riders have distinct distributions, suggesting different patterns for these two rider categories. Casual riders
  exhibit more variability in daily counts compared to registered riders.
- The total count of rented bikes has a positive skew, indicating a few days with exceptionally high bike rental numbers.

```
In [57]: sns.boxplot(x='workingday', y='count', data=df)
                  plt.show()
                         1000
                          800
                           600
                           400
                          200
                               0
                                                                0
                                                                                    workingday
In [64]: 
plt.figure(figsize = (20,18))
    features = ['temp', 'atemp', 'humidity', 'windspeed', 'casual', 'registered', 'count']
    for i in range(len(features)):
        plt.subplot(3, 3, i+1)
        sns.boxplot(x = df[features[i]])
        plt.title('Outlier Analysis of {}'.format(features[i]))
                 plt.show()
                                      Outlier Analysis of temp
                                                                                                                  Outlier Analysis of atemp
                                                                                                                                                                                              Outlier Analysis of humidity
                                                                                                                                                                                                        40 60
humidity
                                   Outlier Analysis of windspeed
                                                                                                                  Outlier Analysis of casual
                                                                                                                                                                                              Outlier Analysis of registered
                                              30
windspeed
                                                                                                                          150 200
casual
                                                                                                                                                                                                          300
registered
                                      Outlier Analysis of count
```

100 200

500 600

400

#### **Outlier Detection**

```
In [215]: columns_list = ['windspeed', 'casual', 'registered', 'count']

def outlier_info(df,columns_list):
    for col in columns_list:
        print("\nOutlier data for {}".format(col))
        Q1 = df[col].quantile(0.25)
        Q2 = df[col].quantile(0.75)
        IQR = Q3 - Q1
        lower_whisker = Q1 - (1.5 * IQR)
        upper_whisker = Q3 + (1.5 * IQR)

        outliers = df[(df[col] < lower_whisker) | (df[col] > upper_whisker)]
        outlier_count = len(outliers)

        print("Lower Whisker: {} \nQuartile 1 : {}\nMedian : {}\nQuartile 3 : {}\nIQR : {}\nUpper Whisker : {}".format(lower_print("Number of Outliers: {}".format(outlier_count))
        outlier_info(df,columns_list)

Outlier data for windspeed
```

```
Lower Whisker: -7.993100000000002
Quartile 1 : 7.0015
Median : 12.998
Ouartile 3 : 16.9979
IQR : 9.996400000000001
Upper Whisker: 31.992500000000003
Number of Outliers: 227
Outlier data for casual
Lower Whisker: -63.5
Ouartile 1 : 4.0
Median: 17.0
Quartile 3 : 49.0
IOR: 45.0
Upper Whisker: 116.5
Number of Outliers: 749
Outlier data for registered
Lower Whisker: -243.0
Quartile 1 : 36.0
Median : 118.0
Quartile 3 : 222.0
IQR : 186.0
Upper Whisker : 501.0
Number of Outliers: 423
Outlier data for count
Lower Whisker: -321.0
Quartile 1 : 42.0
Median : 145.0
Quartile 3 : 284.0
IQR : 242.0
Upper Whisker: 647.0
Number of Outliers: 300
```

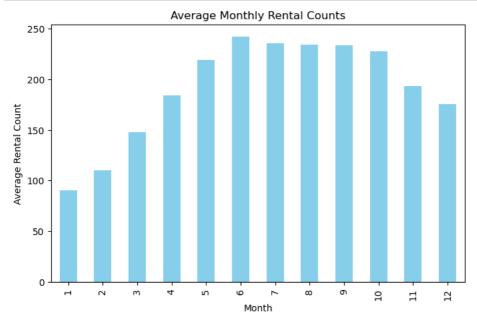
- windspeed median (12.998) is closer to the lower quartile (Q1: 7.0015) than the upper quartile (Q3: 16.9979). There are 217 outliers for windspeed, which suggests that there are a significant number of instances where windspeed is much higher or lower than the typical values.
- casual median (16.0) is closer to the lower quartile (Q1: 4.0) than the upper quartile (Q3: 46.0). There are 743 outliers for casual riders
- There are 242 outliers for registered riders, suggesting that there are days with an unusually high or low number of registered riders.
- There are 77 outliers for the total count, indicating that some days experience an exceptionally high or low number of bike rentals

## **Bivariate Analysis**

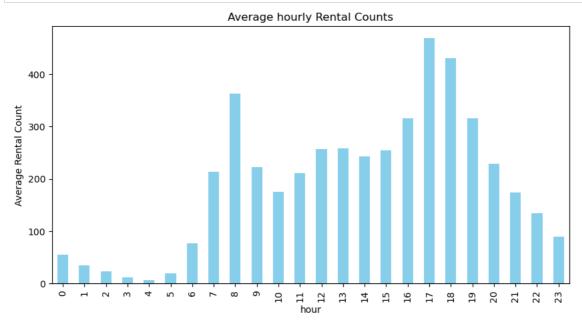
```
In [212]:
    df_copy= df.copy()
    # Extracting the month from the timestamp
    df_copy['month'] = df_copy['datetime'].dt.month

# Calculating the average hourly rental counts for each month
    monthly_averages = df_copy.groupby('month')['count'].mean()

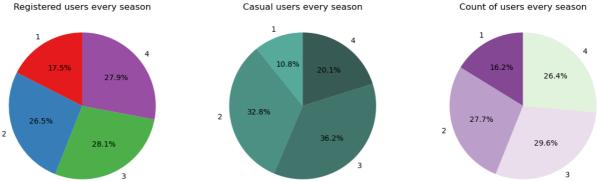
# Plot the average rental counts for each month
    plt.figure(figsize=(8, 5))
    monthly_averages.plot(kind='bar', color='skyblue')
    plt.xlabel('Month')
    plt.ylabel('Morth')
    plt.title('Average Rental Count')
    plt.title('Average Monthly Rental Counts')
    plt.show()
```



• The average hourly count of rental bikes is the lowest in the month of January followed by February and March.

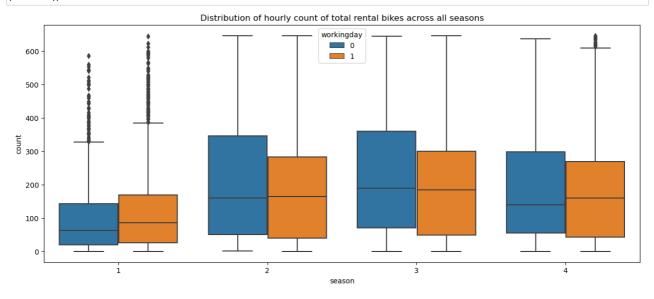


• There is a distinct fluctuation in count throughout the day, with low counts during early morning hours, a sudden increase in the morning, a peak count in the afternoon, and a gradual decline in the evening and nighttime.



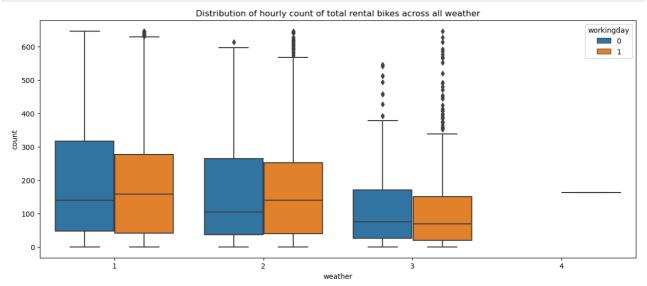
The count of rented bikes is highest during the fall season, followed by winter and summer, but it's notably lower in the spring season.

```
In [91]: plt.figure(figsize = (15, 6))
   plt.title('Distribution of hourly count of total rental bikes across all seasons')
   sns.boxplot(data = df, x = 'season', y = 'count', hue = 'workingday')
   plt.show()
```



The hourly count of total rental bikes is higher in the fall season, followed by the summer and winter seasons. It is generally low in the spring season.

```
In [92]: plt.figure(figsize = (15, 6))
   plt.title('Distribution of hourly count of total rental bikes across all weather')
   sns.boxplot(data = df, x = 'weather', y = 'count', hue = 'workingday')
   plt.show()
```



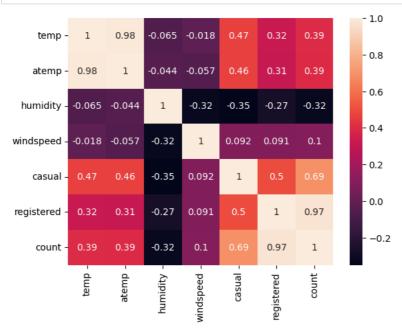
The count of hourly rentals for total bikes is most elevated during clear and cloudy weather conditions, with misty and rainy weather following in terms of rental frequency. Records for extreme weather conditions are notably scarce.

```
In [216]: corr_data = df.corr()
corr_data
```

#### Out[216]:

		temp	atemp	humidity	windspeed	casual	registered	count
	temp	1.000000	0.984948	-0.064949	-0.017852	0.467097	0.318571	0.394454
	atemp	0.984948	1.000000	-0.043536	-0.057473	0.462067	0.314635	0.389784
	humidity	-0.064949	-0.043536	1.000000	-0.318607	-0.348187	-0.265458	-0.317371
,	windspeed	-0.017852	-0.057473	-0.318607	1.000000	0.092276	0.091052	0.101369
	casual	0.467097	0.462067	-0.348187	0.092276	1.000000	0.497250	0.690414
	registered	0.318571	0.314635	-0.265458	0.091052	0.497250	1.000000	0.970948
	count	0.394454	0.389784	-0.317371	0.101369	0.690414	0.970948	1.000000

# In [217]: sns.heatmap(data = corr\_data, annot=True) plt.show()



- Minimal or negligible correlations are found among all other combinations of columns.
- No substantial positive or negative correlations (0.7 0.9) are present between any column pairs.
- Moderate positive correlations (0.5 0.7) are evident between [casual, count] and [casual, registered] columns.
- Slight positive correlations (0.3 0.5) are observed among [count, temp], [count, atemp], and [casual, atemp] column pairs.
- A robust correlation (> 0.9) can be observed between [atemp, temp] and [count, registered] columns.

# **Hypothesis Testing**

#### 1. Whether Working Day has an effect on the number of electric cycles rented?

STEP-1: Set up Null Hypothesis

Null Hypothesis (H0): Working day has no effect on the number of electric cycles rented.

Alternative Hypothesis (H1): Working day has an effect on the number of electric cycles rented.

STEP-2: Checking for basic assumpitons for the hypothesis

- Distribution check using QQ Plot
- Homogeneity of Variances using Levene's test

STEP-3: Compute the p-value and fix value of alpha.

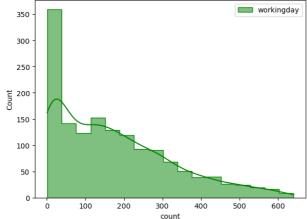
**alpha** = 0.05

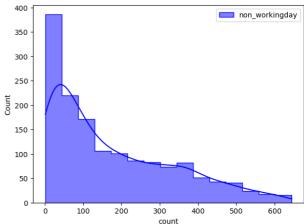
STEP-4: Compare p-value and alpha.

Based on p-value, we will accept or reject H0.

```
    p-val < alpha : Reject H0</li>
    p-val > alpha : Accept H0
```

Visual Tests to know if the samples follow normal distribution





• From the above plot it seems distributions do not follow normal distribution

Distribution check using QQ Plot

```
In [106]: import matplotlib.pyplot as plt
import scipy.stats as stats

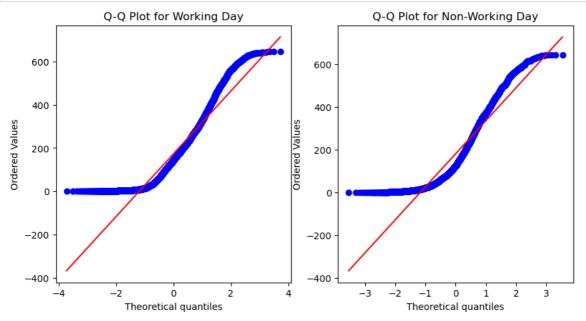
data_workingday = df[df['workingday'] == 1]['count']

data_non_workingday = df[df['workingday'] == 0]['count']

# Create Q-Q plots for both categories
plt.figure(figsize=(10, 5))
plt.subplot(1, 2, 1)
stats.probplot(data_workingday, dist="norm", plot=plt)
plt.title("Q-Q Plot for Working Day")

plt.subplot(1, 2, 2)
stats.probplot(data_non_workingday, dist="norm", plot=plt)
plt.title("Q-Q Plot for Non-Working Day")

plt.show()
```



-From the above plot it seems distributions do not follow normal distribution

#### Homogeneity of Variances using Lavene's test

p-value 0.00014923437145031318
The samples do not have Homogeneous Variance

#### Test Statistics: Shapiro-Wilk test for normality

```
In [127]: from scipy.stats import shapiro

    test_stat, p_value = stats.shapiro(df.loc[df['workingday'] == 1, 'count'].sample(1500))
    print('p-value', p_value)
    if p_value < 0.05:
        print('The sample does not follow normal distribution')
    else:
        print('The sample follows normal distribution')</pre>
```

p-value 3.0817910945225414e-30
The sample does not follow normal distribution

```
In [136]: test_stat, p_value = stats.shapiro(df.loc[df['workingday'] == 0, 'count'].sample(1500))
    print('p-value', p_value)
    if p_value < 0.05:
        print('The sample does not follow normal distribution')
    else:
        print('The sample follows normal distribution')</pre>
```

p-value 2.5944135982959068e-31 The sample does not follow normal distribution

Since the samples are not normally distributed, T-Test cannot be applied here, we can perform its non parametric equivalent test i.e., Mann-Whitney U rank test for two independent samples.

```
In [140]: from scipy.stats import mannwhitneyu

mwu_stat, p_val = mannwhitneyu(df[df['workingday'] == 1]['count'],df[df['workingday'] == 0]['count'])

print('P-value :',p_val)

if p_val < 0.05:
    print('Reject H0')
    print('Working day has effect on the number of electric cycles rented.')

else:
    print('Fail to reject H0')
    print('Working day has no effect on the number of electric cycles rented.')</pre>
```

P-value : 0.08466110521914866 Fail to reject H0 Working day has no effect on the number of electric cycles rented.

Hence, there is no statistically significant difference in the mean hourly count of total rental bikes between working and non-working days.

• In this context, we can conclude that the presence of working days does not have a significant impact on the bike rental count, as there is evident usage on non-working days as well. Yulu may consider strategies to engage more customers on working days and position itself as an appealing alternative for commuting purposes.

#### 2.(a) if No. of cycles rented is similar or different in different season

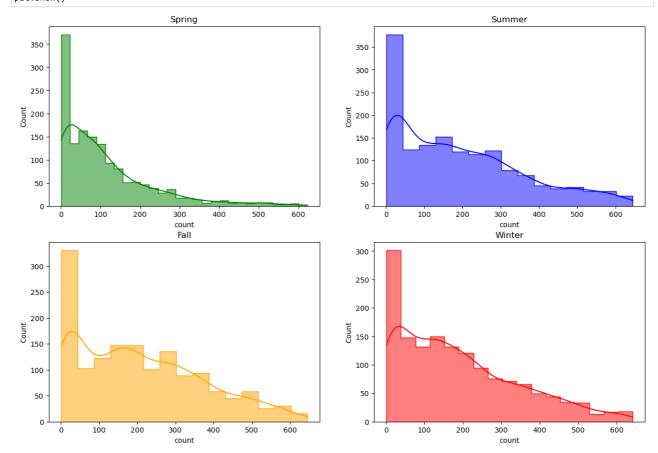
Null Hypothesis (H0) = There is not much difference between No. of cycles rented similar or different in different seasons

Alternate Hypothesis (H1) = There is significant difference between No. of cycles rented similar or different in different seasons

**alpha** = 0.05

if the samples follow normal distribution

```
In [142]: plt.figure(figsize=(15, 10))
          # Creating subplots for each season
          plt.subplot(2, 2, 1)
          sns.histplot(df.loc[df['season'] == 1, 'count'].sample(1500),
                       element='step', color='green', kde=True)
          plt.title('Spring')
          plt.subplot(2, 2, 2)
          sns.histplot(df.loc[df['season'] == 2, 'count'].sample(1500),
                       element='step', color='blue', kde=True)
          plt.title('Summer')
          plt.subplot(2, 2, 3)
          sns.histplot(df.loc[df['season'] == 3, 'count'].sample(1500),
                       element='step', color='orange', kde=True)
          plt.title('Fall')
          plt.subplot(2, 2, 4)
          sns.histplot(df.loc[df['season'] == 4, 'count'].sample(1500),
                       element='step', color='red', kde=True)
          plt.title('Winter')
          plt.show()
```



Since all the four plots are rightly skewed which shows that data is not normally distributed. Hence we cannot directly use Anova Test.

Homogeneity of Variances using Lavene's test

Hence we can use Kruskal - Wallis test here.

```
In [147]: #Ho: Season has no effect on number of rides book.
#Ha: Season affects the number of rides book.

from scipy.stats import kruskal

test_stat, p_value = kruskal(group1, group2, group3, group4)

print('p-value', p_value)
if p_value < 0.05:
    print('Reject H0')
else:
    print('Fail to rejecct H0')

p-value 6.376253250003707e-134
Reject H0
p-value 2.6643548968275643e-112</pre>
```

With a very low p-value (less than 0.05), we have strong evidence to reject the null hypothesis, indicating that the season does indeed influence the number of rented cycles.

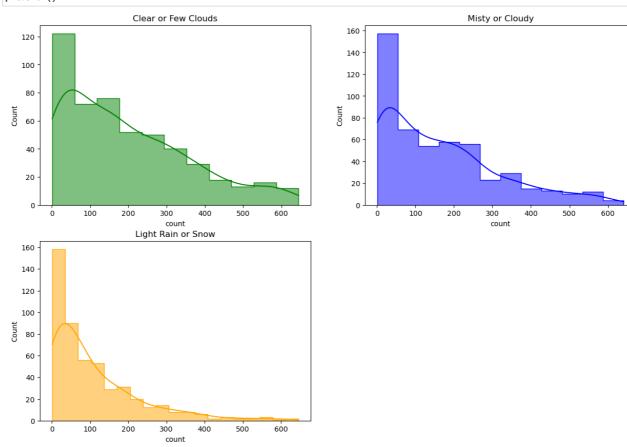
### 2.(b) if No. of cycles rented is similar or different in different weather

Null Hypothesis (H0) = There is not much difference between No. of cycles rented similar or different in different weather

Alternate Hypothesis (H1) = There is significant difference between No. of cycles rented similar or different in different weather

**alpha** = 0.05

if the samples follow normal distribution



- (wont be considering weather 4 as there in only 1 data point for weather 4 and we cannot perform a ANOVA test with a single data point for a group).
- Since all the three plots are rightly skewed which shows that data is not normally distributed. Hence we cannot directly use Anova Test

#### Homogeneity of Variances using Lavene's test

```
In [165]: #Checking for equal variance among different groups with Levene's Test

# Null Hypothesis(H0): Variance among the groups are equal.
# Alternate Hypothesis(Ha): Variance among the groups are not equal.

weather1 = df["count"][df["weather"]==1]
    weather2 = df["count"][df["weather"]==2]
    weather3 = df["count"][df["weather"]==3]
    weather4 = df["count"][df["weather"]==4]

levene_stat,p1_value = levene(weather1, weather2, weather3, weather4)

alpha = 0.05
    print("Levene test with Test Statistic: {}, and p-value: {}".format(levene_stat,p_value))
    if p1_value < alpha:
        print("Reject Ho: Variance among the groups are not equal")
    else:
        print("Failed to reject Ho: Variance among the groups are equal")</pre>
```

Levene test with Test Statistic: 58.369716883672965, and p-value: 2.7369378742733244e-40 Reject Ho: Variance among the groups are not equal

```
In [166]: #Ho: Weather has no effect on number of rides book.
    #Ha: Weather affects the number of rides book.
    test_stat, p_value = kruskal(weather1, weather2, weather3, weather4)

print('p-value', p_value)
    if p_value < 0.05:
        print('Reject H0')
    else:
        print('Fail to rejecct H0')

p-value 2.7369378742733244e-40
Reject H0</pre>
```

With a very low p-value (less than 0.05), we have strong evidence to reject the null hypothesis, indicating that the weather does indeed influence the number of rented cycles.

#### 3. if Weather is dependent on the season?

Null Hypothesis ( H0 ) - weather is independent of season

Alternate Hypothesis (HA) - weather is dependent of seasons.

```
alpha = 0.05
```

Since we have two categorical features, the Chi-square test is applicable here. Under H0, the test statistic should follow Chi-Square Distribution.

#### Out[174]:

```
        weather season
        1
        2
        3
        4

        1
        121.780963
        106.014006
        61.227488
        164.0

        2
        213.230814
        175.979710
        120.955157
        0.0

        3
        218.216612
        208.616580
        142.989744
        0.0

        4
        194.268720
        180.733164
        123.565611
        0.0
```

```
In [177]: from scipy.stats import chi2_contingency
    __, pValue, __, _ = chi2_contingency(contingency_table)
    print('p_value', pValue)
    if pValue < alpha:
        print('Reject Null Hypothesis')
    else:
        print('Failed to reject Null Hypothesis')</pre>
```

```
p_value 1.1638287008777175e-128
Reject Null Hypothesis
```

- · Hence, using chisquare test we reject the null hypothesis as p\_value is very less than alpha, season has some influence on the weather,
- a statistically significant association between weather and season is evident in terms of the number of rented bikes.

# Insights

- 1. The data spans from January 1, 2011, to December 19, 2012, covering a total period of 718 days and 23 hours.
- 2. The average hourly bike rental count is 144 for the year 2011 and 208 for the year 2012, indicating a substantial annual growth rate of 44.59% in electric vehicle demand on an hourly basis.
- 3. A clear seasonal pattern is evident in the bike rental count, with higher demand during the spring and summer months, a slight dip in the fall, and a further decrease in the winter.
- 4. The lowest average hourly bike rental count is observed in January, followed by February and March.
- 5. Throughout the day, there is noticeable fluctuation in the rental count, with low counts in the early morning, a sudden increase in the morning, a peak count in the afternoon, and a gradual decline in the evening and night.
- 6. More than 80% of the time, the temperature remains below 28 degrees Celsius.
- 7. Humidity levels are typically higher than 40% for over 80% of the time, indicating a range from optimal to slightly moist conditions.
- 8. Wind speeds are less than 20 for over 85% of the recorded data.
- 9. Bike rentals reach their peak during clear and cloudy weather, followed by misty conditions and rainy weather. Records for extreme weather conditions are scarce.
- 10. The mean hourly bike rental count is statistically similar for both working and non-working days.
- 11. Significant statistical dependence is observed between weather conditions and seasons concerning the hourly total bike rentals.
- 12. There is statistically significant dependence of weather conditions 1, 2, and 3 on seasons based on the average hourly total bike rentals.

#### Recommendations

Time-based Pricing: Explore the option of introducing a flexible hourly pricing model, offering reduced rates during periods of lower demand and slightly elevated rates during peak hours. Such a strategy can incentivize customers to opt for rentals during quieter intervals, promoting equilibrium in demand and resource optimization.

Seasonal Marketing: During the summer and fall seasons, particularly in clear or cloudy weather conditions, it's advisable for the company to maintain a larger inventory of bikes available for rental. This is because demand tends to be notably higher during these seasons compared to other times of the year.

**Weather-based Promotions**: Develop promotional campaigns tailored to different weather conditions, with a particular focus on clear and cloudy weather, which consistently yield the highest rental counts. Yulu can introduce weather-dependent discounts to attract and engage customers, leveraging the popularity of bike rentals during these favorable weather conditions.

Peak Ride Times: The data indicates that a significant portion of rides is scheduled during office opening and closing hours, suggesting that our primary customer base comprises working professionals. Therefore, Yulu should explore opportunities to offer incentives or establish partnerships with organizations to effectively promote our services to the working class.

**Inventory Management Enhancement**: Evaluate rental demand trends across various months and make inventory adjustments accordingly. In months characterized by reduced rental activity, such as January, February, and March, Yulu can streamline its inventory to prevent overstocking. Conversely, during peak months, it's crucial to maintain an ample supply of bikes to meet the heightened demand effectively.

Seasonal Bike Maintenance: In preparation for the high-demand seasons, prioritize comprehensive maintenance assessments for the entire bike fleet to guarantee their optimal performance. Implement regular inspections and servicing throughout the year to proactively address issues and enhance customer experience while minimizing breakdowns.

**Customer feedback & Reviews**: Foster an environment where customers are encouraged to share their feedback and write reviews about their biking experiences. The collection of such feedback serves as a valuable tool for pinpointing areas that require enhancement, gaining insights into customer preferences, and customizing services to align more closely with customer expectations.