Scenario

We want to see whether there is any association between customers from different regions and purchasing a product from a specific purchase channel.

Hypothesis

H0: There is no significant association between region and purchase channel.

Ha: There is a significant association between region and purchase channel.

Sig. Level

0.05 or 5%

Appropriate Test

Chi-square test for independence

Performing Test

from scipy.stats import chi2_contingency

cross_tab = pd.crosstab(preprocessed_data['Region'], preprocessed_data['Purchase_Channel'])

chi2, p_value, dof, expected = chi2_contingency(cross_tab)
print("P-value:", p_value)

Decision & Conclusion

alpha = 0.05

if p_value < alpha:</pre>

print("Reject the null hypothesis. There is a significant association between region and purchase channel.")

èlse:

print("Fail to reject the null hypothesis. There is no significant association between region and purchase channel.")