## Analyze\_ab\_test\_results\_notebook

#### October 23, 2018

- 0.1 Analyze A/B Test Results
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```
#### 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]: # read dataset
       df = pd.read_csv('ab_data.csv')
       # inspect dataset
       df.head(3)
Out[2]:
         user_id
                                                   group landing_page converted
                                    timestamp
       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
           661590 2017-01-11 16:55:06.154213 treatment
                                                            new_page
                                                                              0
```

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

```
In [3]: # I use shape function to see number of rows [first element]
    row_num = df.shape[0]
    print("Number of rows is: {}".format(row_num))
```

```
Number of rows is: 294478
```

c. The number of unique users in the dataset.

Converted users proportion is 11.96591935560551%

```
Out[6]: 0.11965919355605512
```

e. The number of times the new\_page and treatment don't line up.

```
In [7]: # rows where treatment group user lands incorrectly on old_page
    mismatch_grp1 = df.query("group == 'treatment' and landing_page == 'old_page'")
    print("Times treatment group user lands incorrectly on old_page is {}".format(len(mismat))
    # rows where control group user incorrectly lands on new_page
    mismatch_grp2 = df.query("group == 'control' and landing_page == 'new_page'")
    print("Times control group user incorrectly lands on new_page is {}".format(len(mismatch))
    # number of times the new_page and treatment don't line up is sum of above two values
    print("Times new_page and treatment don't line up is {}".format(len(mismatch_grp1) + len
```

Times treatment group user lands incorrectly on old\_page is 1965 Times control group user incorrectly lands on new\_page is 1928 Times new\_page and treatment don't line up is 3893

f. Do any of the rows have missing values?

### 0.4 All seen from above figures, no values are missing.

- 2. For the rows where **treatment** is not aligned with **new\_page** or **control** is not aligned with **old\_page**, we cannot be sure if this row truly received the new or old page. Use **Quiz 2** in the classroom to provide 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 [9]: # Delete Rows
        # drop rows for mismatched treatment groups
        df.drop(df.query("group == 'treatment' and landing_page == 'old_page'").index, inplace=T
        # drop rows for mismatched control groups
        df.drop(df.query("group == 'control' and landing_page == 'new_page'").index, inplace=Tru
        df.info()
<class 'pandas.core.frame.DataFrame'>
Int64Index: 290585 entries, 0 to 294477
Data columns (total 5 columns):
               290585 non-null int64
user_id
                290585 non-null object
timestamp
                290585 non-null object
group
                290585 non-null object
landing_page
                290585 non-null int64
converted
dtypes: int64(2), object(3)
memory usage: 13.3+ MB
In [10]: # save new clean dataset which contains no duplicates or records with missing or mismat
         # I will use this dataset in next sections
         df.to_csv('ab_edited.csv', index=False)
In [11]: # read newly created dataset into another dataframe
         df2 = pd.read_csv('ab_edited.csv')
In [12]: # Double Check all of the correct rows were removed - this should be 0
         df2[((df2['group'] == 'treatment') == (df2['landing_page'] == 'new_page')) == False].sh
```

```
Out[12]: 0
   3. Use df2 and the cells below to answer questions for Quiz3 in the classroom.
In [13]: # inspect df2
         df2.info()
<class 'pandas.core.frame.DataFrame'>
RangeIndex: 290585 entries, 0 to 290584
Data columns (total 5 columns):
user_id
                290585 non-null int64
timestamp
                290585 non-null object
                290585 non-null object
group
landing_page
                290585 non-null object
                290585 non-null int64
converted
dtypes: int64(2), object(3)
memory usage: 11.1+ MB
  a. How many unique user_ids are in df2?
In [14]: # unique user ids count is
         len(df2['user_id'].unique())
Out[14]: 290584
  b. There is one user_id repeated in df2. What is it?
In [15]: # check if duplicates in user_id
         # I know that one user id is repeated due to difference between #userids and #unique id
         sum(df2['user_id'].duplicated())
Out[15]: 1
In [16]: # inspect duplicate userid
         df2[df2.duplicated(['user_id'], keep=False)]['user_id']
Out[16]: 1876
                 773192
         2862
                 773192
         Name: user_id, dtype: int64
  c. What is the row information for the repeat user_id?
In [17]: #investigate details of rows with duplicate user ids
         df2[df2.duplicated(['user_id'], keep=False)]
```

773192 2017-01-09 05:37:58.781806 treatment

773192 2017-01-14 02:55:59.590927 treatment

timestamp

group landing\_page converted

0

0

new\_page

new\_page

Out[17]:

1876

2862

user\_id

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

In [18]: # delete duplicate record

```
# I choose one with timestamp as "2017-01-09 05:37:58.781806"
         time_dup = "2017-01-09 05:37:58.781806"
         df2 = df2[df2.timestamp != time_dup]
In [19]: # inspect number of entries in df2 after deleting duplicate record
         df2.info()
<class 'pandas.core.frame.DataFrame'>
Int64Index: 290584 entries, 0 to 290584
Data columns (total 5 columns):
user_id
                290584 non-null int64
timestamp
                290584 non-null object
                290584 non-null object
group
landing_page 290584 non-null object
converted
                290584 non-null int64
dtypes: int64(2), object(3)
memory usage: 13.3+ MB
In [20]: # as seen above, 290584 entries now as entry with index 1876 is deleted
         # I can confirm by checking unique values of user ids
         len(df['user_id'].unique())
Out [20]: 290584
   4. Use df2 in the below cells 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 [21]: # since values are 1 and 0, we can calculate mean to get probability of an individual of
         df['converted'].mean()
Out [21]: 0.11959667567149027
  b. Given that an individual was in the control group, what is the probability they converted?
In [22]: # for this i used group by column 'group'
         # then i compute the statistics using describe function
         # as conversions are assigned boolean values, we can use mean to find probability of co
         df_grp = df.groupby('group')
         df_grp.describe()
Out[22]:
                   converted
                                                                              user_id \
                                              std min 25% 50% 75% max
                                                                                count
                       count
                                  mean
         group
         control 145274.0 0.120386 0.325414 0.0 0.0 0.0 0.0 1.0 145274.0
```

```
treatment 145311.0 0.118807 0.323563 0.0 0.0 0.0 0.0 1.0 145311.0
                                                                     \
                                                      25%
                                                                50%
                                  std
                                            min
                   mean
group
          788164.072594 91287.914601
                                       630002.0
                                                 709279.5
control
                                                          788128.5
treatment
          787845.618446 91161.258854 630000.0
                                                 708746.5
                75%
                          max
group
          867208.25
                     945998.0
control
treatment
          866718.50
                     945999.0
```

# 0.4.1 Thus, given that an individual was in the control group, the probability they converted is 0.120386

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

```
In [23]: df_grp = df.groupby('group')
        df_grp.describe()
Out[23]:
                                                                          user_id \
                  converted
                      count
                                           std min 25%
                                                         50%
                                                              75% max
                                                                            count
                                 mean
        group
                   145274.0 0.120386
                                      0.325414
                                                0.0 0.0
                                                          0.0
                                                               0.0 1.0
                                                                        145274.0
        control
                                                               0.0 1.0
                                      0.323563 0.0 0.0 0.0
        treatment 145311.0 0.118807
                                                                        145311.0
                                                                             \
                                                              25%
                                                                        50%
                            mean
                                           std
                                                    min
        group
        control
                   788164.072594 91287.914601 630002.0
                                                         709279.5
                                                                  788128.5
        treatment 787845.618446 91161.258854 630000.0 708746.5
                                                                  787874.0
                         75%
                                   max
        group
                   867208.25
                              945998.0
        control
        treatment
                   866718.50
                             945999.0
```

# 0.4.2 Thus, given that an individual was in the treatment group, the probability they converted is 0.118807

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

```
# calculate total number of users
users=df.shape[0]
# thus, probability that an individual received the new page is new_user/users
new_user_p = new_user/users
print(new_user_p)
```

#### 0.5000636646764286

e. Use the results in the previous two portions of this question to suggest if you think there is evidence that one page leads to more conversions? Write your response below.

#### Evidence that one page leads to more conversions?

- Given that an individual was in the treatment group, the probability they converted is 0.118807
- Given that an individual was in the control group, the probability they converted is 0.120386
- I find that old page does better, but by a very tiny margin.
- Change aversion, test span durations and other potentially influencing factors are not accounted for. So, we cannot state with certainty that one page leads to more conversions. This is even more important due to almost similar perforamnce of both pages.

```
### 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.

```
Hypothesis - H_0: p_{old} >= p_{new} - H_1: p_{old} < p_{new} In other words,
```

- $H_0: p_{new} \leftarrow p_{old}$
- $H_1: p_{new} > p_{old}$
- 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 **convert rate** for  $p_{new}$  under the null?

145274

e. Simulate  $n_{new}$  transactions with a convert rate of  $p_{new}$  under the null. Store these  $n_{new}$  1's and 0's in **new\_page\_converted**.

f. Simulate  $n_{old}$  transactions with a convert rate of  $p_{old}$  under the null. Store these  $n_{old}$  1's and 0's in **old\_page\_converted**.

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

0.0000000e+00]

0.0000000e+00

```
In [31]: # since new_page_converted and old_page_converted have different sizes, I cannot direct
# since, difference is only 36 values of thousands, I truncate the excess in new_page_
new_page_converted = new_page_converted[:145274]
p_diff = (new_page_converted/n_new) - (old_page_converted/n_old)
print(p_diff) #code to check values
[ 0.00000000e+00    0.00000000e+00    0.00000000e+00 ..., 6.88183883e-06
```

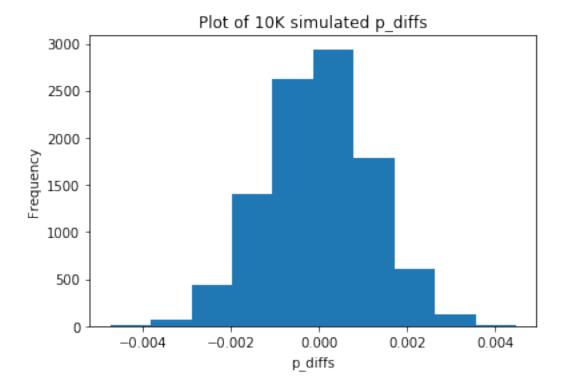
h. Simulate 10,000  $p_{new}$  -  $p_{old}$  values using this same process similarly to the one you calculated in parts **a. through g.** above. Store all 10,000 values in **p\_diffs**.

Here, value of size is different for n\_new and n\_old. So, computing difference will throw an error. Hence, we use mean function for both old and new page conversion simulations to overcome this problem of shape difference. We are still using probabilities as previous case.

```
In [33]: p_diffs = []

for _ in range(10000):
    new_page_converted = np.random.choice([1, 0], size=n_new, p=[p_new, (1-p_new)]).mea
    old_page_converted = np.random.choice([1, 0], size=n_old, p=[p_old, (1-p_old)]).mea
    diff = new_page_converted - old_page_converted
    p_diffs.append(diff)
```

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.



j. What proportion of the **p\_diffs** are greater than the actual difference observed in **ab\_data.csv**?

k. In words, explain 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?

#### 0.5 Answer:

- We are computing p-values here.
- As explained in the videos and quizzes, this is the probability of observing our statistic (or one more extreme in favor of the alternative) if the null hypothesis is true.
- The more extreme in favor of the alternative portion of this statement determines the shading associated with your p-value.
- Here, we find that there is no conversion advantage with new pages. We conclude that null
  hypothesis is true as old and new pages perform almost similarly. Old pages, as the numbers
  show, performed slightly better.
- 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.

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 [42]: z_score, p_value = sm.stats.proportions_ztest([convert_old, convert_new], [n_old, n_new print(z_score, p_value)
1.31092419842 0.905058312759
```

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.**?

```
In [43]: from scipy.stats import norm

print(norm.cdf(z_score))
# Tells us how significant our z-score is

# for our single-sides test, assumed at 95% confidence level, we calculate:
    print(norm.ppf(1-(0.05)))
# Tells us what our critical value at 95% confidence is
# Here, we take the 95% values as specified in PartII.1
```

- 0.905058312759
- 1.64485362695

**Answer:** - We find that the z-score of 1.31092419842 is less than the critical value of 1.64485362695. So, we accept the null hypothesis. - As regards the conversion rates of the old and new pages, we find that old pages are only minutely better than new pages. - These values agree with the findings in parts j. and k.

### Part III - A regression approach

- 1. In this final part, you will see that the result you acheived in the previous A/B test can also be acheived 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**

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 a colun 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**.

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

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

Method:			MLE	Df M	lodel:		1
Date:	T	Tue, 23 Oct	2018	Pseu	do R-squ.:		8.085e-06
Time:		08:5	57:13	Log-	Likelihood:		-1.0639e+05
converged:			True	LL-N	ull:		-1.0639e+05
				LLR	p-value:		0.1897
=========	=======		=====	=====	========	========	========
	coef	std err		Z	P> z	[0.025	0.975]
intercept	-1.9888	0.008	-246	.669	0.000	-2.005	-1.973
treatment	-0.0150	0.011	-1	.312	0.190	-0.037	0.007
	=======	:=======	======	=====	========	========	========

e. What is the p-value associated with **ab\_page**? Why does it differ from the value you found in the **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 the **Part II**?

```
Answer: - Our hypothesis here is: - H_0: p_{new} - p_{old} = 0 - H_1: p_{new} - p_{old}!= 0
```

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?

Answer: - should be consider other factors into the regression model as they might influence the conversions too. For instance student segments [new v/s returning candidates] might create change aversion or even, the opposite as a predisposition to conversion. Seasonality like new terms or New years might mean more interest in new skills/ resolutions. Timestamps are inl-cuded but without regionality, they do not indicate if seasonality was a factor or not. [as different countries follow different term and weather patterns. - Factors like device on which tests were taken or course which was looked at, prior academic background, age, might alter experience and ultimately, conversions. These are limitations which should be at least kept in mind while making the final decision. - The disadvantages to adding additional terms into the regression model is that even with additional factors we can never account for all influencing factors or accomodate them. Plus, small pilots and pivots sometimes work better in practice than long-drawn research without execution.

g. Now along with testing if the conversion rate changes for different pages, also add an effect based on which country a user lives. 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.

```
Out[47]:
            user_id country
             834778
                         IJK
             928468
         1
                         US
         2 822059
                         UK
         3
             711597
                         UK
             710616
                         UK
In [48]: df_new = countries_df.set_index('user_id').join(df2.set_index('user_id'), how='inner')
         df_new.head()
Out [48]:
                 country
                                                           group landing_page converted
                                            timestamp
         user_id
                      UK 2017-01-14 23:08:43.304998
                                                                                        0
         834778
                                                         control
                                                                      old_page
         928468
                      US 2017-01-23 14:44:16.387854
                                                       treatment
                                                                      new_page
                                                                                        0
         822059
                      UK 2017-01-16 14:04:14.719771
                                                                      new_page
                                                       treatment
                                                                                        1
                      UK 2017-01-22 03:14:24.763511
                                                                      old_page
         711597
                                                         control
                                                                                        0
                      UK 2017-01-16 13:14:44.000513 treatment
         710616
                                                                      new_page
                                                                                        0
In [49]: df_new['country'].value_counts()
Out[49]: US
               203619
         IJK
                72466
         CA
                14499
         Name: country, dtype: int64
In [50]: ### Create the necessary dummy variables
         df_new[['CA', 'US']] = pd.get_dummies(df_new['country'])[['CA', 'US']]
         df_new['country'].astype(str).value_counts()
Out[50]: US
               203619
         UK
                72466
         CA
                14499
         Name: country, dtype: int64
```

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.

```
Optimization terminated successfully.
      Current function value: 0.447174
      Iterations 6
Out[51]: <class 'statsmodels.iolib.summary.Summary'>
                         Logit Regression Results
      ______
      Dep. Variable:
                         converted No. Observations:
                                                        290584
      Model:
                            Logit Df Residuals:
                                                        290582
      Method:
                              MLE Df Model:
                                                            1
      Date:
                   Tue, 23 Oct 2018 Pseudo R-squ.:
                                                       -0.2214
                          09:00:11 Log-Likelihood:
                                                   -1.2994e+05
      Time:
                             True LL-Null:
                                                    -1.0639e+05
      converged:
                                  LLR p-value:
                                                         1.000
      _____
                                z P>|z|
                 coef std err
                                               Γ0.025
      _____
               -2.0375
      CA
                         0.026 -78.364 0.000
                                               -2.088
                                                        -1.987
      US
               -1.9967
                         0.007 -292.314
                                       0.000
                                                -2.010
                                                        -1.983
      ______
In [52]: np.exp(results.params)
Out[52]: CA
          0.130350
      US
          0.135779
      dtype: float64
In [53]: 1/_
Out [53]: 0.0001000100010001
In [54]: df.groupby('group').mean()['converted']
Out[54]: group
      control
               0.120386
      treatment
               0.118807
      Name: converted, dtype: float64
```

#### 0.6 Conclusions

In []:

- As in this logistic regression model too, I find that the values do not show a substantial difference in teh conversion rates for control group and treatment group.
- This indicates that I can accept the Null Hypothesis and keep the existing page as is.
- The performance of the old page was found better (by miniscule values only) as computed by different techniques.

- Hence, we accept the Null Hypothesis and Reject the Alternate Hypothesis.
- These inferences are strictly based on data on hand. This analysis acknowledges its limitations due to factors not included in the data.

#### 0.6.1 Reference

- Udacity Nanodegree Course
- https://pandas.pydata.org/pandas-docs/stable/generated/pandas.DataFrame.duplicated.html
- https://stackoverflow.com/questions/14657241/how-do-i-get-a-list-of-all-the-duplicate-items-using-pandas-in-python
- https://stackoverflow.com/questions/18172851/deleting-dataframe-row-in-pandas-based-on-column-value