Analyze_ab_test_results_notebook

October 20, 2019

Data Analysis Project 3 - Analyze A/B Test Results

Student Name: Tadhi Al-Ali Submit Date: Friday, 25 October

0.1 Analyze A/B Test Results

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

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

0.2 Table of Contents

- Section ??
- Section ??
- Section ??
- Section ??

Introduction

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

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

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

Part I - Probability

To get started, let's import our libraries.

```
In [1]: import pandas as pd
    import numpy as np
    import random
    import matplotlib.pyplot as plt
```

```
%matplotlib inline
#We are setting the seed to assure you get the same answers on quizzes as we set up
random.seed(42)
```

- 1. Now, read in the ab_data.csv data. Store it in df. Use your dataframe to answer the questions in Quiz 1 of the classroom.
 - a. Read in the dataset and take a look at the top few rows here:

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

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

Out[3]: 294478

c. The number of unique users in the dataset.

Out[4]: 290584

d. The proportion of users converted.

Out [5]: 0.11965919355605512

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

In [6]: # Table that show the number of times where the new_page and treatment don't match.

pd.crosstab(df.group, df.landing_page, margins=True)

```
Out[6]: landing_page new_page old_page All
    group
    control 1928 145274 147202
    treatment 145311 1965 147276
    All 147239 147239 294478
```

The unique values of the table are control and treatment for groups, the new_page and old_page for landing_page. So, there are 1928 where new_page was associated with control and there are 1965 where old_page was associated with treatment. Then, I figure out that the number of times where new_page and treatment don't match is 1928 and add it to 1965 so equal to 3893.

In [7]: # Another way to find the number of times where new_page and treatment don't match

```
df.query('landing_page == "new_page" and group == "control"').count()[0] + df.query('landing_page == "new_page" and group == "new_
Out[7]: 3893
             f. Do any of the rows have missing values?
In [8]: #Search if there any missing values
                                        df.info()
<class 'pandas.core.frame.DataFrame'>
RangeIndex: 294478 entries, 0 to 294477
Data columns (total 5 columns):
user id
                                                                                294478 non-null int64
                                                                                294478 non-null object
timestamp
                                                                                294478 non-null object
group
                                                                               294478 non-null object
landing_page
                                                                               294478 non-null int64
converted
dtypes: int64(2), object(3)
```

According to the following data, there are no values missing

290585 non-null object

290585 non-null object

memory usage: 11.2+ MB

group

landing_page

- 2. For the rows where **treatment** does not match with **new_page** or **control** does not match with **old_page**, we cannot be sure if this row truly received the new or old page. Use **Quiz 2** in the classroom to figure out how we should handle these rows.
 - a. Now use the answer to the quiz to create a new dataset that meets the specifications from the quiz. Store your new dataframe in **df2**.

```
290585 non-null int64
converted
dtypes: int64(2), object(3)
memory usage: 13.3+ MB
In [11]: df.to_csv('ab_edited.csv', index=False)
In [12]: df2 = pd.read_csv('ab_edited.csv')
In [13]: # 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[13]: 0
In [14]: #Check the new data frame
         df2.head()
Out[14]:
            user id
                                      timestamp
                                                      group landing_page converted
            851104 2017-01-21 22:11:48.556739
                                                    control
                                                                old_page
         1 804228 2017-01-12 08:01:45.159739
                                                   control
                                                                old_page
                                                                                  0
         2 661590 2017-01-11 16:55:06.154213 treatment
                                                                                  0
                                                                new_page
         3 853541 2017-01-08 18:28:03.143765 treatment
                                                                                  0
                                                                new_page
             864975 2017-01-21 01:52:26.210827
                                                    control
                                                                old_page
                                                                                  1
  3. Use df2 and the cells below to answer questions for Quiz3 in the classroom.
In [15]: df2.info()
<class 'pandas.core.frame.DataFrame'>
RangeIndex: 290585 entries, 0 to 290584
Data columns (total 5 columns):
                290585 non-null int64
user_id
                290585 non-null object
timestamp
group
                290585 non-null object
                290585 non-null object
landing_page
                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 [16]: #How many unique user_ids are in df2?
         df2.user_id.nunique()
Out[16]: 290584
  b. There is one user_id repeated in df2. What is it?
In [17]: sum(df2['user_id'].duplicated())
```

```
Out[17]: 1
In [18]: df2[df2.user_id.duplicated(keep=False)].user_id
Out[18]: 1876
                 773192
         2862
                 773192
         Name: user_id, dtype: int64
In [19]: \#Find the duplicate id
         df2[df2.duplicated('user_id')]
Out[19]:
               user_id
                                                         group landing_page converted
                                          timestamp
                773192 2017-01-14 02:55:59.590927
         2862
                                                    treatment
                                                                   new_page
                                                                                      0
  c. What is the row information for the repeat user_id?
In [20]: df2[df2.user_id.duplicated(keep=False)]
Out[20]:
               user_id
                                          timestamp
                                                         group landing_page
                                                                              converted
         1876
                773192 2017-01-09 05:37:58.781806 treatment
                                                                                      0
                                                                    new_page
                773192 2017-01-14 02:55:59.590927 treatment
         2862
                                                                   new_page
                                                                                      0
In [21]: #Another way to find the row information for the repeat user_id
         df2[df2.user_id == 773192]
Out [21]:
               user_id
                                          timestamp
                                                         group landing_page
                                                                              converted
         1876
                773192 2017-01-09 05:37:58.781806 treatment
                                                                    new_page
         2862
                773192 2017-01-14 02:55:59.590927 treatment
                                                                    new_page
                                                                                      0
In [22]: df2.info()
<class 'pandas.core.frame.DataFrame'>
RangeIndex: 290585 entries, 0 to 290584
Data columns (total 5 columns):
                290585 non-null int64
user id
                290585 non-null object
timestamp
                290585 non-null object
group
landing_page
                290585 non-null object
converted
                290585 non-null int64
dtypes: int64(2), object(3)
memory usage: 11.1+ MB
  d. Remove one of the rows with a duplicate user_id, but keep your dataframe as df2.
In [23]: #Remove one of the rows with a duplicate user_id
         df2.drop_duplicates('user_id', inplace=True)
In [24]: #Confirm removal of one of the lines
         df2[df2.user_id == 773192]
```

```
Out[24]:
               user_id
                                                           group landing_page converted
                                           timestamp
               773192 2017-01-09 05:37:58.781806 treatment
         1876
                                                                     new_page
                                                                                        0
In [25]: df2.info()
<class 'pandas.core.frame.DataFrame'>
Int64Index: 290584 entries, 0 to 290584
Data columns (total 5 columns):
                290584 non-null int64
user_id
timestamp
                290584 non-null object
                290584 non-null object
group
landing_page
                290584 non-null object
                290584 non-null int64
converted
dtypes: int64(2), object(3)
memory usage: 13.3+ MB
   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 [26]: # The probability of an individual converting regardless of the page they receive
         df2['converted'].mean()
Out[26]: 0.11959708724499628
  b. Given that an individual was in the control group, what is the probability they converted?
In [27]: #Probability of a user converted in control group
         df2.query('group =="control"').converted.mean()
Out[27]: 0.1203863045004612
  c. Given that an individual was in the treatment group, what is the probability they con-
     verted?
In [28]: #Probability of a user converted in treatment group
         df2.query('group =="treatment"').converted.mean()
Out [28]: 0.11880806551510564
  d. What is the probability that an individual received the new page?
In [29]: #Probability of a user landing on new_page
         (df2.landing_page == "new_page").mean()
```

Out [29]: 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.

According to the above data:

Given that an individual was in the control group, the probability they have converted is 0.120386.

Given that an individual was in the treatment group, the probability they have converted is 0.118808.

There is a small difference between the probability of users converted from treatment group and from control group. So, we cannot conclude that the new treatment page leads to more conversions.

```
# Part II - A/B Test
```

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

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

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

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

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

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

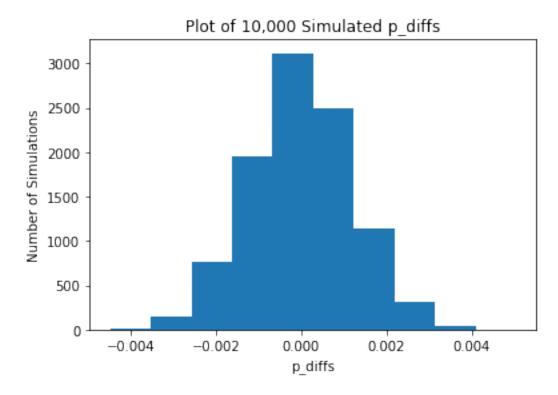
Use the cells below to provide the necessary parts of this simulation. If this doesn't make complete sense right now, don't worry - you are going to work through the problems below to complete this problem. You can use **Quiz 5** in the classroom to make sure you are on the right track.

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

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

```
In [31]: #Find the proportion of converted rate assuming p_new and p_old are equal
         p_old = df2['converted'].mean()
         p_old
Out[31]: 0.11959708724499628
  c. What is n_{new}, the number of individuals in the treatment group?
In [32]: #Number of users landing on new page
         n_newPage = df2.query('group == "treatment"').shape[0]
         n_newPage
Out[32]: 145310
  d. What is n_{old}, the number of individuals in the control group?
In [33]: #Number of users landing on old page
         n_oldPage = df2.query('group == "control"').shape[0]
         n_oldPage
Out[33]: 145274
  e. Simulate n_{new} transactions with a conversion rate of p_{new} under the null. Store these n_{new} 1's
     and 0's in new_page_converted.
In [34]: #Draw samples from a binomial distribution
         new_page_converted = np.random.binomial(n_newPage,p_new)
         new_page_converted
Out[34]: 17539
  f. Simulate n_{old} transactions with a conversion rate of p_{old} under the null. Store these n_{old} 1's
     and 0's in old_page_converted.
In [35]: #Draw samples from a binomial distribution
         old_page_converted = np.random.binomial(n_oldPage,p_old)
         old_page_converted
Out[35]: 17216
  g. Find p_{new} - p_{old} for your simulated values from part (e) and (f).
In [36]: p_diff = (new_page_converted/n_newPage) - (old_page_converted/n_oldPage)
         p_diff
Out [36]: 0.002193474258553263
```

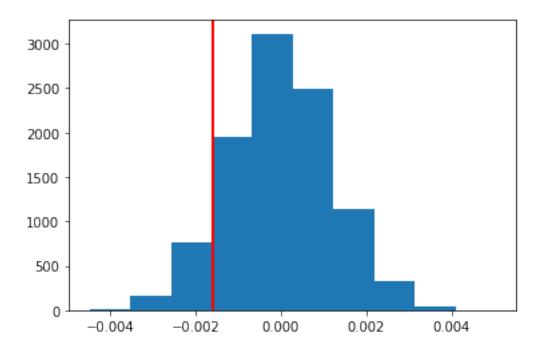
i. Plot a histogram of the **p_diffs**. Does this plot look like what you expected? Use the matching problem in the classroom to assure you fully understand what was computed here.



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

Out [39]: -0.001578238985355567

Simulated differences in conversion rates for null Hypothesis



Out[41]: 0.9014

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

First, the actual difference represents the difference between converted rates of new page and old page due to our data.

Second, the p-diffs represents the simuated difference between converted rates of new page and old page due to the 10000 simulated samples.

Thirdly, the percentage of the p-value is 90.4 which determines the probability of obtaining our observed statistic, if the null hypothesis is true.

When having a large p-value, the statistic is more likely to come from our null hypothesis.

So, there is no statistical evidence to reject the null hypothesis which states that old pages are the same or slightly better than the new pages.

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

```
In [42]: import statsmodels.api as sm

convert_old = sum(df2.query("group == 'control'")['converted'])
    convert_new = sum(df2.query("group == 'treatment'")['converted'])
    n_old = len(df2.query("group == 'control'"))
    n_new = len(df2.query("group == 'treatment'"))
```

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

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.?

The negative z-score and the value of p-value suggests that we should fail to reject the null hypothesis.

```
# 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?

Since each row is either a conversion or no conversion, I will use logistic regression

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

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

```
In [45]: logit = sm.Logit(df2['converted'], df2[['intercept', 'ab_page']])
```

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

```
In [46]: results = logit.fit()
      results.summary()
Optimization terminated successfully.
      Current function value: 0.366118
      Iterations 6
Out[46]: <class 'statsmodels.iolib.summary.Summary'>
                           Logit Regression Results
      ______
                                                         290584
290582
      Dep. Variable:
                          converted No. Observations:
                              Logit Df Residuals:
      Model:
      Method:
                                MLE Df Model:
               Sun, 20 Oct 2019 Pseudo R-squ.:
                                                          8.077e-06
      Date:

      Sun, 20 Oct 2019
      Pseudo R-squ.:
      8.077e-06

      13:39:52
      Log-Likelihood:
      -1.0639e+05

      Time:
      converged:
                                                         -1.0639e+05
                               True LL-Null:
      Covariance Type: nonrobust LLR p-value:
                                                              0.1899
      _____
                  coef std err z P>|z| [0.025 0.975]
       _____
      intercept -1.9888 0.008 -246.669 0.000 -2.005 ab_page -0.0150 0.011 -1.311 0.190 -0.037
                                                              -1.973
                                                              0.007
```

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

The p-value associated with ab_page column is 0.19 which is lower than the p-value calculated using the z-score function.

The p-value I obtained in the previous question corresponds to a one-tailed test while the test implied by the regression model is a two tailed test.

This is because a high p-value for ab_page in the regression model means that there is no correlation between the landing page type and the conversion rate. This implies that p_new is equal to p_old. which is the null hypothesis of a two tailed test:

```
Ho: p_new = p_old
H1: p_new!= p_old
```

CA

14499

Name: country, dtype: int64

The z-test in part II on the other hand is one-tailed since it has inequality signs in the hypotheses.

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?

Considering other factors is a good idea as these factors may contribute to the significance of our test results and leads to more accurate decisions. For intance, introducing the timestamp metric to determine in which part of the day the individuals converted the most.

One of the disadvantages of adding additional terms into the regression model is Simpson's paradox where the combined impact of different variables disappears or reverses when these variables are combined, but appears where these variables are tested individually.

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

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

```
In [50]: df_new.head()
Out[50]:
                                                            group landing_page \
                 country
                                            timestamp
         user id
         834778
                      UK 2017-01-14 23:08:43.304998
                                                          control
                                                                      old_page
         928468
                      US 2017-01-23 14:44:16.387854
                                                       treatment
                                                                      new_page
         822059
                      UK 2017-01-16 14:04:14.719771
                                                        treatment
                                                                      new_page
                      UK 2017-01-22 03:14:24.763511
         711597
                                                                      old_page
                                                          control
         710616
                      UK 2017-01-16 13:14:44.000513
                                                       treatment
                                                                      new_page
                  converted intercept
                                         ab_page
         user_id
         834778
                          0
                                      1
                                               0
                                      1
         928468
                          0
                                               1
         822059
                                      1
                                               1
                           1
         711597
                           0
                                      1
                                               0
                           0
         710616
                                      1
                                               1
In [51]: # Create the necessary dummy variables
         df_new[['CA','UK','US']] = pd.get_dummies(df_new['country'])
         df_new.head()
Out[51]:
                 country
                                            timestamp
                                                            group landing_page \
         user_id
         834778
                      UK 2017-01-14 23:08:43.304998
                                                          control
                                                                      old_page
                      US 2017-01-23 14:44:16.387854
         928468
                                                                      new_page
                                                       treatment
         822059
                      UK 2017-01-16 14:04:14.719771
                                                        treatment
                                                                      new_page
                      UK 2017-01-22 03:14:24.763511
         711597
                                                          control
                                                                      old_page
         710616
                      UK 2017-01-16 13:14:44.000513
                                                       treatment
                                                                      new_page
                  converted intercept ab_page CA
                                                      UK
                                                          US
         user_id
         834778
                          0
                                      1
                                               0
                                                   0
                                                       1
                                                            0
                          0
                                      1
         928468
                                               1
                                                   0
                                                       0
                                                            1
         822059
                           1
                                      1
                                               1
                                                   0
                                                            0
         711597
                           0
                                      1
                                               0
                                                   0
                                                       1
                                                            0
         710616
                                      1
                                                        1
                                                            0
```

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: 0.366116
```

Iterations 6

710616

Out[52]: <class 'statsmodels.iolib.summary.Summary'>

Logit Regression Results

______ Dep. Variable: converted No. Observations: 290584 Model: Logit Df Residuals: 290581 Method: MLE Df Model: 2 Date: Sun, 20 Oct 2019 Pseudo R-squ.: 1.521e-05 13:39:54 Log-Likelihood: -1.0639e+05 Time: True LL-Null: -1.0639e+05 converged: Covariance Type: nonrobust LLR p-value: 0.1984 ______ z P>|z| coef std err Γ0.025 _____ -1.9967 0.007 -292.314 0.000 -2.010 -1.983 -0.0408 0.027 -1.518 0.129 -0.093 0.012 0.746 0.456 0.0099 0.013 -0.016 0.036 ______

Out[53]: country timestamp group landing_page \ user_id 834778 UK 2017-01-14 23:08:43.304998 control old_page US 2017-01-23 14:44:16.387854 treatment 928468 new_page UK 2017-01-16 14:04:14.719771 treatment 822059 new_page 711597 UK 2017-01-22 03:14:24.763511 old_page control 710616 UK 2017-01-16 13:14:44.000513 treatment new_page converted intercept ab_page CA UK US CA_page UK_page user_id 1 0 0 0 0 834778 0 1 0 1 928468 0 1 0 0 1 0 0 1 0 1 0 1 822059 1 0 1 711597 1 0 0 1 0 0

1

1 0 1 0

```
Optimization terminated successfully.

Current function value: 0.366109

Iterations 6
```

Out[54]: <class 'statsmodels.iolib.summary.Summary'>

Logit	Regression	Results
LOGIC	Hegreparon	ILEDUTIO

========		-======	======	====	=========	=======	========
Dep. Variab	le:	conve	rted	No. (Observations:		290584
Model:		L	ogit	Df Re	esiduals:		290578
Method:			MLE	Df Mo	odel:		5
Date:	Sur	n, 20 Oct	2019	Pseud	do R-squ.:		3.482e-05
Time:		13:3	9:55	Log-l	Likelihood:	=	1.0639e+05
converged:			True	LL-N1	ull:	=	1.0639e+05
Covariance :	Гуре:	nonro	bust	LLR 1	p-value:		0.1920
========	========		======	=====	==========	=======	=======
	coef	std err		Z	P> z	[0.025	0.975]
intercept	-1.9865	0.010	-206.	344	0.000	 -2.005	-1.968
ab_page	-0.0206	0.014	-1.	505	0.132	-0.047	0.006
CA	-0.0175	0.038	-0.	465	0.642	-0.091	0.056
UK	-0.0057	0.019	-0.	306	0.760	-0.043	0.031
CA_page	-0.0469	0.054	-0.	872	0.383	-0.152	0.059
UK_page	0.0314	0.027	1.	181	0.238	-0.021	0.084

11 11 11

1 Conclusions

From the regression above, I figure out that the p-value is higher in UK than in Canada, which means that users in the UK are more likely to convert, but still not enough evidence to reject the null hypothesis.

will fail to reject the null and conclude that there is not sufficient evidence to suggest that there is an interaction between country and page received that will predict whether a user converts or not.

Also, there is no sufficient evidence to suggest that the new page results in more conversions than the old page.