Analyze_AB_Test_Results

November 11, 2020

1 Analyze A/B Test Results

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

For this project, we will be working to understand the results of an A/B test run by an e-commerce website. our 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.

```
[1]: # importing the needed libraries
import pandas as pd
import numpy as np
import seaborn as sns
import matplotlib.pyplot as plt
import random
import timeit
%matplotlib inline
```

Part I - Probability

```
[2]: random.seed(42)
```

```
[3]: # reading the "ab_data" dataset

AB_data= pd.read_csv('ab_data.csv')
```

```
[4]: AB_data.head(10)
```

```
[4]:
        user_id
                                    timestamp
                                                   group landing_page
                                                                         converted
                 2017-01-21 22:11:48.556739
     0
         851104
                                                 control
                                                              old_page
                                                                                 0
     1
         804228
                 2017-01-12 08:01:45.159739
                                                 control
                                                              old_page
                                                                                 0
     2
                 2017-01-11 16:55:06.154213
                                                                                 0
         661590
                                               treatment
                                                              new_page
     3
         853541
                 2017-01-08 18:28:03.143765
                                                                                 0
                                               treatment
                                                              new_page
     4
                 2017-01-21 01:52:26.210827
         864975
                                                              old_page
                                                                                 1
                                                 control
     5
         936923
                 2017-01-10 15:20:49.083499
                                                 control
                                                              old_page
                                                                                 0
         679687
                 2017-01-19 03:26:46.940749
                                               treatment
                                                              new_page
                                                                                 1
```

```
7
    719014 2017-01-17 01:48:29.539573
                                                       old_page
                                                                         0
                                           control
            2017-01-04 17:58:08.979471
8
    817355
                                         treatment
                                                       new_page
                                                                          1
9
    839785
            2017-01-15 18:11:06.610965
                                         treatment
                                                       new_page
                                                                          1
```

user_id: the id associated with each user and it's unique; hence no two users share the same id. timestamp: is the date and time as when the user accessed the page. group: 1- treatment, which are the people who got experemented on using the new page. 2- control, which are the people who kept using the old page, and they're used as a baseline measure. landing_page: the old and the new page. converted: 0 for the users who did not pay for the company's product, and 1 for who did.

```
[5]: #the number of rows
all_users=AB_data.shape[0]
all_users
```

[5]: 294478

[6]: AB_data.info()

<class 'pandas.core.frame.DataFrame'>
RangeIndex: 294478 entries, 0 to 294477
Data columns (total 5 columns):

```
Column
                  Non-Null Count
                                    Dtype
0
   user_id
                  294478 non-null
                                    int64
1
   timestamp
                  294478 non-null
                                    object
2
    group
                  294478 non-null
                                    object
3
    landing_page
                  294478 non-null
                                    object
    converted
                  294478 non-null
                                    int64
```

dtypes: int64(2), object(3)
memory usage: 11.2+ MB

```
[7]: # the number of unique useres in the dataset
unique_users= AB_data['user_id'].nunique()
unique_users
```

[7]: 290584

```
[8]: # getting the number of users converted
converted_users= (AB_data.query('converted==1')['user_id'].nunique())
converted_users
```

[8]: 35173

```
[9]: # the proportion of users converted
prop_converted_users= converted_users/unique_users
prop_converted_users
```

```
[9]: 0.12104245244060237
```

```
[10]: print("The proportion of the converted users equals approximately {0: .0%}".

→format(prop_converted_users))
```

The proportion of the converted users equals approximately 12%

[11]: 3893

```
[12]: # missing values
if (AB_data.isnull().values.any()) == False:
    print("There's no missing value in ab_data dataset.")
elif (AB_data.isnull().values.any()) == True:
    null_num= AB_data.isnull().sum()
    if (null_num==1):
        print("There's {} missing value in ab_data dataset.".format(null_num))
    elif (null_num>1):
        print("There're {} missing values in ab_data dataset.".format(null_num))
```

There's no missing value in ab_data dataset.

```
[13]: AB_data_new= AB_data.copy()
```

I made a copy to keep my original data intact, in case anything went wrong during the analysis process

```
[14]: AB_data_new.drop(AB_data_new.query('(landing_page != "new_page" and group ==_\

\( \times \) "treatment") or (landing_page == "new_page" and group != "treatment") or \( \times \) (landing_page != "old_page" and group == "control") or (landing_page ==_\
\( \times \)"old_page" and group != "control")').index, inplace=True)
```

I deleted the rows where treatment is not aligned with new_page or control is not aligned with old_page, because we cannot be sure if these rows truly received the new or old page. Hence it's useless to me.

```
[15]: # making sure that the dropping process went well by subtracting the number of □ → all users from our new updated dataset; the result should equal □ → NP_trmnt_NoLineUp which I already calculated check= all_users - AB_data_new.shape[0] check
```

```
[15]: 3893
```

```
[16]: # making sure that the droped rows were the intended ones, the result of the code should be 0

AB_data_new[((AB_data_new.landing_page == 'new_page')==(AB_data_new.group == 'treatment')) == False].shape[0]
```

[16]: 0

The dropping process went very well. The rows that has mismatching were eliminated successfully.

```
[17]: # the number of unique user_ids in AB_data_new
AB_data_new['user_id'].nunique()
```

[17]: 290584

```
[18]: AB_data_new.shape[0]
```

[18]: 290585

As it shows from the previous two cells that there's one repeated user id.

```
[19]: #the duplicated user_id with the row information
AB_data_new[AB_data_new.duplicated(subset=['user_id'], keep= False)]
```

```
[19]: user_id timestamp group landing_page converted 1899 773192 2017-01-09 05:37:58.781806 treatment new_page 0 2893 773192 2017-01-14 02:55:59.590927 treatment new_page 0
```

I got rid of one of the duplicates since the only difference between them is the timestame, and this difference does not affect my work.

```
[21]: # checking the success of the dropping process
AB_data_new[(AB_data_new['user_id'])==773192]
```

[21]: user_id timestamp group landing_page converted 2893 773192 2017-01-14 02:55:59.590927 treatment new_page 0

As we can see, there's only one user with the id **773192**.

```
[22]: # the number of converted users in AB_data_new
new_converted_users= AB_data_new.query('converted == 1')['user_id'].nunique()
new_converted_users
```

- [22]: 34753
- [23]: #the probability of an individual converting regardless of the page they receive new_prob_converted_users= new_converted_users/AB_data_new.shape[0]
- [24]: print("The probability of an individual converting regardless of the page they

 →receive equals {:.2%}".format(new_prob_converted_users))

The probability of an individual converting regardless of the page they receive equals 11.96%

- [25]: #the users who converted while they're in the control group

 control_converted_users= AB_data_new.query('group == "control" and converted ==_

 →1')['user_id'].nunique()

 control_converted_users
- [25]: 17489
- [26]: # all the users in the control group
 control_users= AB_data_new.query('group == "control"')['user_id'].nunique()
 control_users
- [26]: 145274
- [27]: #the probability that users converted while they were in the control group prob_control_converted_users= control_converted_users/control_users
- [28]: print("The probability that users converted while they were in the control

 →group equals {:.2%}".format(prob_control_converted_users))

The probability that users converted while they were in the control group equals 12.04%

- [29]: #the users who converted while they're in the treatment group
 treatment_converted_users= AB_data_new.query('group == "treatment" and

 →converted == 1')['user_id'].nunique()
 treatment_converted_users
- [29]: 17264
- [30]: # all the users in the treatment group
 treatment_users= AB_data_new.query('group == "treatment"')['user_id'].nunique()
 treatment_users
- [30]: 145310

```
[31]: #the probability that users converted while they were in the treatment group prob_treatment_converted_users= treatment_converted_users/treatment_users
```

```
[32]: print("The probability that users converted while they were in the treatment

→group equals {:.2%}".format(prob_treatment_converted_users))
```

The probability that users converted while they were in the treatment group equals 11.88%

```
[33]: # the numbers of users who received the new page

NewPage_users= AB_data_new.query('landing_page == "new_page"')['user_id'].

→nunique()

NewPage_users
```

[33]: 145310

```
[34]: # the probability that an individual received the new page prob_NewPage= NewPage_users/AB_data_new.shape[0] prob_NewPage
```

[34]: 0.5000619442226688

```
[35]: print("The probability that an individual received the new page equals {:.2%}". 

→format(prob_NewPage))
```

The probability that an individual received the new page equals 50.01%

Notwithstanding the page that the users received, the probability of them converting is 11.96%. And if we took into consideration that the users were in the contol group (hence received the old page), the probability of them converting is 12.04%. Moreover, if we took into account that the users were in the treatment group (hence received the new page), the probability of them converting is 11.88%. If we look at this point at the numbers, we would probably say that the old page did a better job making the users convert, though it's a negligible convert. **Yet**, we can hardly consider these numbers a sufficient evidence; because the resaults are pretty close to each other and couldn't help us decide whether any page would lead to more conversions or not.

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

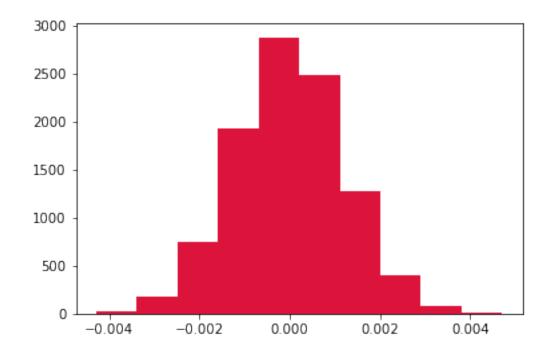
For now, let's consider for the sake of argument that I need to make the decision just based on all the data provided. If I want to assume that the old page is better unless the new page proves to be definitely better at a Type I error rate of 5%, the null hypotheses would be **H0**: $p_{new} - p_{old} < = 0$, and the alternative hypotheses would be **H1**: $p_{new} - p_{old} > 0$.

Let's 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, let's assume they are equal to the **converted** rate in **ab_data.csv** regardless of the page. we're going to perform the sampling distribution for the difference in converted between the two pages over 10,000 iterations of calculating an estimate from the null:

```
[36]: #the convert rate for
                             under the null
      p_new= AB_data_new.query('converted == 1')['user_id'].nunique()/AB_data_new.

→user_id.nunique()
      p new
[36]: 0.11959708724499628
[37]: #the convert rate for
                             under the null
      p_old= AB_data_new.query('converted == 1')['user_id'].nunique()/AB_data_new.
      →user_id.nunique()
      p_old
[37]: 0.11959708724499628
[38]: #the number of unique users who has new page using AB data new dataframe
      n_new= AB_data_new.query('landing_page == "new_page"')['user_id'].nunique()
      n new
[38]: 145310
[39]: #the number of unique users who has old page using AB data new dataframe
      n old= AB data_new.query('landing_page == "old_page"')['user_id'].nunique()
      n_old
[39]: 145274
[40]: #Simulate n transactions with a convert rate of p under the null
      new_page_converted= np.random.choice([0,1], n_new, p=(p_new, 1-p_new))
      new_page_converted
[40]: array([1, 1, 1, ..., 1, 1, 1])
[41]: #Simulate n transactions with a convert rate of p under the null
      old_page_converted= np.random.choice([0,1], n_old, p=(p_old, 1-p_old))
      old_page_converted
[41]: array([1, 1, 0, ..., 1, 1, 1])
                for the simulated values in the previous two cells
[42]: # -
      (new_page_converted.mean())-(old_page_converted.mean())
[42]: -0.0008170246352350308
[43]: #Simulate 10.000 -
                             values like what we just did
      new_converted_simulation = np.random.binomial(n_new, p_new, 10000)/n_new
      old converted simulation = np.random.binomial(n old, p old, 10000)/n old
      p_diffs = new_converted_simulation - old_converted_simulation
```

```
[44]: #Plotting a histogram of the p_diffs plt.hist(p_diffs, color='crimson')
```



The proportion of the p_diffs that are greater than the actual difference observed in ab_data.csv:

```
[45]: # distribution under the null hypothesis
null_v= np.random.normal(0, p_diffs.std(), p_diffs.size)
```

```
[46]: # number of users who converted in the new page and the old page

new_page_converted_users= AB_data_new.query('converted == 1 and landing_page ==

→"new_page"')['user_id'].nunique()

old_page_converted_users= AB_data_new.query('converted == 1 and landing_page ==

→"old_page"')['user_id'].nunique()
```

```
[47]: # actual convert rate

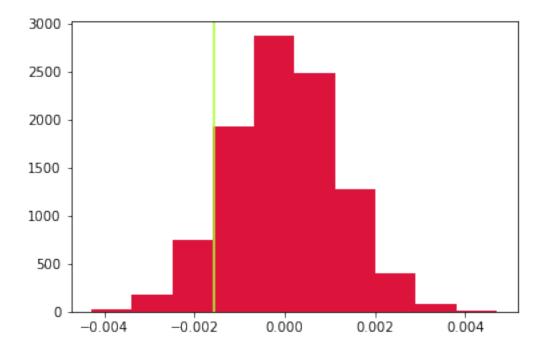
new_actual_convert= new_page_converted_users/n_new
old_actual_convert= old_page_converted_users/n_old
```

```
[48]: #observed difference in converted rate converte_observed_difference= new_actual_convert - old_actual_convert converte_observed_difference
```

[48]: -0.0015782389853555567

```
[49]: # the proportion of the p_diffs that are greater than the actual difference → observed in ab_data.csv
plt.hist(p_diffs, color='crimson')
plt.axvline(x=converte_observed_difference,color ='greenyellow')
```

[49]: <matplotlib.lines.Line2D at 0x7f8afec25460>



```
[50]: # the proportion of the p_diffs that are greater than the actual difference

→ observed in ab_data.csv

p_value1=(null_v > converte_observed_difference).mean()

p_value1
```

[50]: 0.9076

In scientific studies, there's a value calld the p-value. If we assumed that the null hypothesis was true and the p-value was less than 0.05, that would indicate there's a low probability in finding values remarkably greater-than, less-than or equal to converte_observed_difference. Since p_old (or p_new) does not fall within the critical region, we fail to reject the null hypothesis (p_old > Alpha -> 0.11959708724499628>0.05). Therefore, with a Type I error rate of 5% there's a higher probability of conversion in the old page than the new page. Also, the p_value is greater than

Alpha, hence we accept the null hypothesis. P-values are the probability of obtaining an effect at least as extreme as the one in our sample data, assuming the truth of the null hypothesis.

source: https://blog.minitab.com/blog/adventures-in-statistics-2/understanding-hypothesis-tests-significance-levels-alpha-and-p-values-in-statistics

```
[51]: # useing a built-in to achieve similar results to what we did above.
import statsmodels.api as sm

convert_old = old_page_converted_users
convert_new = new_page_converted_users
n_old=n_old
n_new=n_new
```

```
[52]: # using stats.proportions_ztest to compute my test statistic and p-value

Ztest_score, p_value2 = sm.stats.proportions_ztest(np.

→array([convert_new,convert_old]),np.array([n_new,n_old]), alternative =

→'larger')
```

```
[53]: Ztest_score, p_value2
```

[53]: (-1.3109241984234394, 0.9050583127590245)

The minus sign before the Ztest_score value indicats that the value is below the mean. Since the Ztest_score (which is 1.3109241984234394) is not greater than 1.96 (which is the the critical value with significance of 5%), we fail to reject the null hypothesis; which means that the old page has a better converted rate than the new page or equal to it. Moreover, the p-value (which is 0.9050583127590245) is not less than 0.05, and it is nearly similar to the p-vale that we calculated previously (which is 0.9026). And these conculsions proves that the z-test is consistent with what we achieved so far.

 $Source: \ https://www.google.com/url?sa=t\&rct=j\&q=\&esrc=s\&source=web\&cd=\&ved=2ahUKEwjt7f_rkvPsAhukEwjt7f_rkv$

Part III - A regression approach

Since each row is either a conversion or no conversion, Logistic Regression would be the ideal type of regression in this case. And also because we are intrested in knowing the odds of conversion, and Logistic Regression works with the categorical outcomes.

```
[54]: #creating a column for the intercept

AB_data_new['intercept'] = 1
```

we need an intercept term so that our regression output does not automatically predict probability 1/2 when our variables are all zero. source: https://www.quora.com/Why-do-we-add-a-column-of-1s-intercept-in-multiple-logistic-regression

```
[55]: #creating a dummy variable column for which page each user received

AB_data_new= AB_data_new.join(pd.get_dummies(AB_data_new['landing_page']))

AB_data_new.head()
```

```
[55]:
         user_id
                                                     group landing_page
                                     timestamp
                                                                          converted
          851104 2017-01-21 22:11:48.556739
      0
                                                   control
                                                                old_page
                                                                                   0
      1
          804228
                   2017-01-12 08:01:45.159739
                                                   control
                                                                old_page
                                                                                   0
      2
          661590
                   2017-01-11 16:55:06.154213
                                                treatment
                                                               new_page
                                                                                   0
          853541 2017-01-08 18:28:03.143765
                                                               new page
                                                                                   0
      3
                                                treatment
          864975 2017-01-21 01:52:26.210827
                                                                old_page
                                                                                   1
                                                   control
         intercept
                    new_page
                               old_page
      0
                  1
                            0
                                       1
                  1
                            0
      1
                                       1
      2
                  1
                            1
                                       0
      3
                  1
                            1
                                       0
      4
                  1
                            0
                                       1
[56]: # adding an ab page column, which is 1 when an individual receives the
       \rightarrow treatment and 0 if control
      AB_data_new['ab_page'] = pd.get_dummies(AB_data['group']) ['treatment']
      AB data new.head()
[56]:
         user_id
                                                     group landing_page
                                     timestamp
                                                                          converted
          851104 2017-01-21 22:11:48.556739
                                                   control
                                                                old_page
                                                                                   0
          804228 2017-01-12 08:01:45.159739
                                                   control
                                                                old_page
                                                                                   0
      1
      2
          661590 2017-01-11 16:55:06.154213 treatment
                                                               new_page
                                                                                   0
      3
          853541 2017-01-08 18:28:03.143765
                                                               new page
                                                                                   0
                                                treatment
          864975 2017-01-21 01:52:26.210827
                                                                old_page
                                                   control
                                                                                   1
         intercept
                    new_page
                               old_page
                                          ab page
      0
                  1
                            0
                                       1
                                                 0
                  1
                            0
                                       1
                                                 0
      1
      2
                            1
                                       0
                                                 1
                  1
      3
                  1
                            1
                                       0
                                                 1
                  1
                            0
                                       1
                                                 0
     I'm going to use statsmodels to import my regression model. Instantiate the model, and fit the
     model using the two columns I created above to predict whether or not an individual converts:
[57]: # Creating Logistic regression model for ab page and the converted variable
      Logistic_model1 = sm.Logit(AB_data_new['converted'],__
       →AB_data_new[['intercept', 'ab_page']])
     Results1 = Logistic_model1.fit()
[58]:
     Optimization terminated successfully.
               Current function value: 0.366118
```

Iterations 6

print(Results1.summary())

Logit Regression Results

========	:=======	========		=====			========
Dep. Variab	e: converted		erted	No. Observations:		290584	
Model: Logit		Logit	Df R	esiduals:		290582	
Method: MLE		MLE	Df Model:		1		
Date:	Wed, 11 Nov 2020		2020	Pseudo R-squ.:		8.077e-06	
Time:		21:51:19		Log-Likelihood:		-1.0639e+05	
converged:		True		LL-Null:		-1.0639e+05	
Covariance	Type:	nonro	bust	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	-1.973
ab_page	-0.0150	0.011	-1	.311	0.190	-0.037	0.007

As we can see, The p-value associated with ab_page is 0.190. This Logit Regression model is attempting to predict whether a user will convert based on whether their page is new or old. The null hypotheses is that there's no difference between the two groups (treatment and control). While the Alternative hypotheses is that there's difference. In Part II the assumption is that the old page is better except if the new page proves to be better at a Type I error rate of 5%. This part has different explanatory varibale or factor for the result in comparison to Part II.

Meanwhile, let's consider other things that might influence whether or not an individual converts; such as the time (timestamp variable). We can look and see if the converted rate is determined by a particular time or day when the users are using the website. And we can do so by turning the timestamp variable into a categorical variable, where it segments the time into morning, afternoon, evening and past midnight, or into weekends and weekdays. As helping and productive as this might seem, by adding additional terms into our regression model we're adding up to the complexity of interpretation. Also, the added terms might not affect the outcome, or it might affect the other participating variables; which might result in erroneous outcomes.

Now along with testing if the conversion rate changes for different pages, we'll also add an effect based on which country a user lives. But first, we'll need to read in the countries.csv dataset and merge together our datasets on the appropriate rows:

```
[60]: # reading the "countries" dataset
countries= pd.read_csv('countries.csv')
countries.head(10)
```

```
[60]:
          user_id country
      0
           834778
                         UK
      1
           928468
                         US
      2
           822059
                         UK
      3
           711597
                         UK
      4
           710616
                         UK
      5
           909908
                         UK
                         US
      6
           811617
      7
                         US
           938122
```

```
9
                      US
          820683
[61]: # merging the two datasets on user_id
      ABData_and_countries= AB_data_new.merge(countries, on ='user_id', how='left')
      ABData_and_countries.head(10)
[61]:
         user_id
                                                                                  \
                                   timestamp
                                                  group landing_page
                                                                       converted
          851104
                  2017-01-21 22:11:48.556739
                                                             old_page
                                                                               0
                                                control
      1
          804228
                  2017-01-12 08:01:45.159739
                                                control
                                                             old_page
                                                                               0
      2
                  2017-01-11 16:55:06.154213
                                                                               0
          661590
                                              treatment
                                                            new_page
      3
          853541
                  2017-01-08 18:28:03.143765
                                              treatment
                                                            new_page
                                                                               0
      4
          864975
                  2017-01-21 01:52:26.210827
                                                control
                                                             old_page
                                                                               1
      5
          936923 2017-01-10 15:20:49.083499
                                                                               0
                                                control
                                                             old_page
      6
          679687
                  2017-01-19 03:26:46.940749
                                                                               1
                                             treatment
                                                            new page
      7
          719014 2017-01-17 01:48:29.539573
                                                                               0
                                                control
                                                             old_page
          817355 2017-01-04 17:58:08.979471 treatment
      8
                                                                               1
                                                            new_page
      9
          839785 2017-01-15 18:11:06.610965 treatment
                                                            new_page
                                                                               1
         intercept
                    new_page
                              old_page
                                        ab_page country
      0
                 1
                 1
                           0
                                     1
                                              0
                                                     US
      1
      2
                 1
                           1
                                     0
                                              1
                                                     US
      3
                                     0
                 1
                           1
                                              1
                                                      US
      4
                 1
                           0
                                     1
                                              0
                                                      US
      5
                           0
                                              0
                 1
                                     1
                                                      US
      6
                 1
                           1
                                     0
                                              1
                                                      CA
      7
                 1
                           0
                                     1
                                              0
                                                      US
      8
                 1
                           1
                                     0
                                              1
                                                      UK
                                     0
                                                      CA
                 1
                           1
                                              1
[62]: # getting the countries in country column to create the dummy variables
      countries.country.unique()
[62]: array(['UK', 'US', 'CA'], dtype=object)
[63]: # creating the dummy variables
      ABData_and_countries[['CA','UK','US']] = pd.
       [64]: ABData_and_countries.head(10)
[64]:
                                                  group landing_page
         user_id
                                   timestamp
                                                                       converted
      0
          851104 2017-01-21 22:11:48.556739
                                                control
                                                             old_page
                                                                               0
      1
          804228
                  2017-01-12 08:01:45.159739
                                                control
                                                             old_page
                                                                               0
      2
          661590
                  2017-01-11 16:55:06.154213 treatment
                                                            new_page
                                                                               0
      3
          853541
                  2017-01-08 18:28:03.143765 treatment
                                                            new_page
                                                                               0
```

8

887018

US

```
864975 2017-01-21 01:52:26.210827
4
                                      control
                                                  old_page
                                                                  1
   936923 2017-01-10 15:20:49.083499
                                                                  0
5
                                       control
                                                  old_page
   679687 2017-01-19 03:26:46.940749 treatment
                                                  new_page
                                                                  1
7
   719014 2017-01-17 01:48:29.539573
                                       control
                                                  old_page
                                                                  0
8
   817355 2017-01-04 17:58:08.979471 treatment
                                                  new_page
                                                                  1
   839785 2017-01-15 18:11:06.610965 treatment
                                                 new_page
                                                                  1
  intercept new_page old_page ab_page country
                                               CA UK US
0
                   0
                                     0
                            1
                                           US
                                                       1
1
          1
                   0
                            1
                                     0
                                           US
                                                   0
                                                       1
2
                   1
                            0
                                     1
                                           US
                                                   0
          1
                                                       1
3
         1
                  1
                            0
                                           US
                                                  0 1
                                                0 0 1
4
         1
                   0
                            1
                                           US
5
         1
                  0
                            1
                                     0
                                           US
                                                0 0 1
6
                  1
                            0
                                              1 0 0
         1
                                    1
                                           CA
7
                                           US 0 0 1
         1
                   0
                            1
                                     0
         1
                   1
                            0
                                           UK
                                                0 1
8
                                     1
                                                       0
9
                   1
                            0
                                           CA
                                                       0
```

[65]: Logistic_model2 = sm.Logit(ABData_and_countries['converted'], →ABData_and_countries[['intercept', 'new_page', 'UK', 'US']])

[66]: Results2 = Logistic_model2.fit()

Optimization terminated successfully.

Current function value: 0.366113

Iterations 6

[67]: print(Results2.summary())

Logit Regression Results

No. Observations: Dep. Variable: converted 290584 Logit Df Residuals: Model: 290580 Method: MLE Df Model: Date: 2.323e-05 Wed, 11 Nov 2020 Pseudo R-squ.: Time: 21:51:20 Log-Likelihood: -1.0639e+05 converged: True LL-Null: -1.0639e+05 LLR p-value: Covariance Type: nonrobust 0.1760

	coef	std err	z	P> z	[0.025	0.975]
intercept	-2.0300	0.027	-76.249	0.000	-2.082	-1.978
new_page	-0.0149	0.011	-1.307	0.191	-0.037	0.007
UK	0.0506	0.028	1.784	0.074	-0.005	0.106
US	0.0408	0.027	1.516	0.130	-0.012	0.093

Again, based on the p-value shown it does not appear that the country had an impact on the conversion.

Though we 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's significant effects on conversion.

```
[68]: #Creating a new intereacton variable between new_page and country US, UK and CA
      ABData_and_countries['UK_new_page'] = ABData_and_countries['new_page'] *__
      →ABData_and_countries['UK']
      ABData_and_countries['US_new_page'] = ABData_and_countries['new_page'] *__
       →ABData_and_countries['US']
      ABData_and_countries['CA_new_page'] = ABData_and_countries['new_page'] *__
       →ABData and countries['CA']
[69]: ABData_and_countries.head()
[69]:
         user_id
                                   timestamp
                                                  group landing_page
                                                                      converted \
      0
          851104
                  2017-01-21 22:11:48.556739
                                                            old_page
                                                control
          804228 2017-01-12 08:01:45.159739
                                                            old_page
                                                                               0
      1
                                                control
      2
          661590 2017-01-11 16:55:06.154213
                                                            new_page
                                                                               0
                                             treatment
          853541 2017-01-08 18:28:03.143765
                                                                               0
      3
                                              treatment
                                                            new_page
          864975 2017-01-21 01:52:26.210827
                                                            old_page
                                                                               1
                                                control
                                                                     UK_new_page
         intercept
                   new_page
                             old_page
                                        ab_page country
                                                         CA
                                                             UK
                                                                 US
      0
                 1
                           0
                                     1
                                              0
                                                     US
                                                          0
                                                              0
                                                                  1
                           0
      1
                 1
                                     1
                                              0
                                                     US
                                                          0
                                                              0
                                                                  1
                                                                                0
                                     0
                                              1
                           1
                                                     US
                                                          0
                                                                  1
                                                                                0
      3
                 1
                           1
                                     0
                                              1
                                                     US
                                                          0
                                                              0
                                                                  1
                                                                                0
                                                     US
      4
                 1
                                                          0
                                                                  1
         US_new_page
                     CA_new_page
      0
                   0
                   0
      1
                                0
      2
                                0
                   1
      3
                   1
                                0
      4
                   0
[70]: #Create logistic regression
      Logistic_model3 = sm.Logit(ABData_and_countries['converted'],__
       →ABData_and_countries[['intercept', 'new_page', 'US_new_page', L
       [71]: Results3 = Logistic model3.fit()
```

Optimization terminated successfully.

Current function value: 0.366109

Iterations 6

[72]: print(Results3.summary())

Logit Regression Results

Dep. Variable:	converted	No. Observations:	290584
Model:	Logit	Df Residuals:	290578
Method:	MLE	Df Model:	5
Date:	Wed, 11 Nov 2020	Pseudo R-squ.:	3.482e-05
Time:	21:51:21	Log-Likelihood:	-1.0639e+05
converged:	True	LL-Null:	-1.0639e+05
Covariance Type:	nonrobust	LLR p-value:	0.1920

coef	std err	z	P> z	[0.025	0.975]
-2.0040	0.036	-55.008	0.000	-2.075	-1.933
-0.0674	0.052	-1.297	0.195	-0.169	0.034
0.0469	0.054	0.872	0.383	-0.059	0.152
0.0783	0.057	1.378	0.168	-0.033	0.190
0.0118	0.040	0.296	0.767	-0.066	0.090
0.0175	0.038	0.465	0.642	-0.056	0.091
	-2.0040 -0.0674 0.0469 0.0783 0.0118	-2.0040 0.036 -0.0674 0.052 0.0469 0.054 0.0783 0.057 0.0118 0.040	-2.0040 0.036 -55.008 -0.0674 0.052 -1.297 0.0469 0.054 0.872 0.0783 0.057 1.378 0.0118 0.040 0.296	-2.0040 0.036 -55.008 0.000 -0.0674 0.052 -1.297 0.195 0.0469 0.054 0.872 0.383 0.0783 0.057 1.378 0.168 0.0118 0.040 0.296 0.767	-2.0040 0.036 -55.008 0.000 -2.075 -0.0674 0.052 -1.297 0.195 -0.169 0.0469 0.054 0.872 0.383 -0.059 0.0783 0.057 1.378 0.168 -0.033 0.0118 0.040 0.296 0.767 -0.066

[73]: np.exp(Results3.params)

[73]: intercept 0.134794 new_page 0.934776 US_new_page 1.048001 UK_new_page 1.081428 UK 1.011854 US 1.017682

dtype: float64

The new_page's p-value is 0.195 which quite similar to the previous ones. As we can see from the Logit Regression Results, the new_page's coefficient differe from US_new_page's and UK_new_page's. Also, z-score for the variables weren't large enough for predicting conversion rate, and the p-values are grearter than 0.05 except for the intercept. For that reason, the location of the user who's using the page is irrelevant in terms of conversion rate. Moreover, the probability of conversion is 7.0% for every unit new_page decreases, holding all other varibles constant. Also, the likelihood of conversion for UK and new_page's users is 1.08 higher than CA and new_page's users, and 1.18% for the users in UK than CA, holding all other varibles constant. Additionally, the likelihood of conversion for US and new_page's users is 1.04 higher than CA and new_page's users, and 1.75% for the users in US than CA, holding all other varibles constant. In the end, we don't have enough evidence to reject the null hypothesis based on our A/B testing. So under these circumstances, there's no point in switching to the new page, when the old page is working just as well.