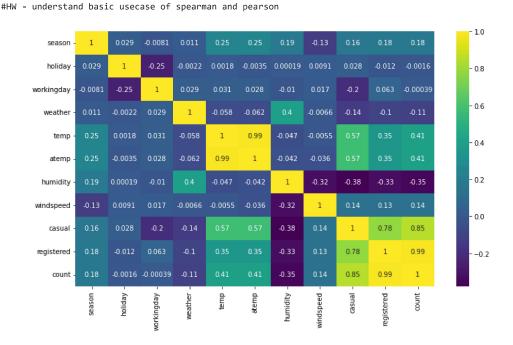
▼ Problem Statement:

```
# Importing required libraries -
import pandas as pd
import numpy as np
import seaborn as sbn
import matplotlib.pyplot as plt
from scipy import stats
from scipy.stats import ttest ind # T-test for independent samples
from scipy.stats import shapiro # Shapiro-Wilk's test for Normality
from scipy.stats import levene # Levene's test for Equality of Variance
from scipy.stats import f_oneway # One-way ANOVA
from scipy.stats import chi2_contingency # Chi-square test of independence
# from scipy.stats import kstest # KS test for Normality
import warnings
warnings.simplefilter('ignore')
from pydrive.auth import GoogleAuth
from pydrive.drive import GoogleDrive
from google.colab import auth
from oauth2client.client import GoogleCredentials
auth.authenticate_user()
gauth = GoogleAuth()
gauth.credentials = GoogleCredentials.get_application_default()
drive = GoogleDrive(gauth)
link = 'https://drive.google.com/file/d/1094fXnmvrx6jRgI6S-SeZ3tfnKjCDY0i/view?usp=sharing'
id = link.split("/")[-2]
downloaded = drive.CreateFile({'id':id})
downloaded.GetContentFile('bike_sharing.csv')
# Loading the dataset -
df=pd.read_csv('bike_sharing.csv')
df.sample(10)
```

	datetime	season	holiday	workingday	weather	temp	atemp	humidity	windspeed	casual	registered	count
1822	2011-05-02 20:00:00	2	0	1	2	25.42	30.305	69	8.9981	44	174	218
880	2011-03-01 03:00:00	1	0	1	1	9.02	10.605	69	19.0012	0	2	2
3577	2011-08-18 23:00:00	3	0	1	2	28.70	33.335	74	8.9981	20	94	114
218	2011-01-10 09:00:00	1	0	1	2	5.74	6.060	50	16.9979	2	92	94
1042	2011-03-07 23:00:00	1	0	1	1	11.48	15.910	48	0.0000	0	22	22
9261	2012-09-09 06:00:00	3	0	0	1	21.32	25.000	77	12.9980	11	24	35
10077	2012-11-05 06:00:00	4	0	1	2	12.30	14.395	49	19.0012	4	135	139
1912	2011-05-06 14:00:00	2	0	1	1	24.60	31.060	40	30.0026	86	127	213
715	2011-02-13 03:00:00	1	0	0	2	8.20	11.365	69	7.0015	4	8	12
5333	2011-12-16 07:00:00	4	0	1	2	15.58	19.695	46	19.9995	5	226	231

```
# Shape of the dataset -
print("No. of rows : ", df.shape[0])
     No. of rows: 10886
df.info()
     <class 'pandas.core.frame.DataFrame'>
     RangeIndex: 10886 entries, 0 to 10885
    Data columns (total 12 columns):
     # Column
                     Non-Null Count Dtype
                     -----
     0
         datetime
                     10886 non-null
                     10886 non-null
      1
         season
                                     int64
                     10886 non-null int64
         holiday
      3
         workingday 10886 non-null
                                     int64
                     10886 non-null int64
         weather
                     10886 non-null
      5
                                     float64
         temp
                     10886 non-null float64
      6
         atemp
                     10886 non-null int64
         humidity
      8
         windspeed
                     10886 non-null float64
         casual
                     10886 non-null int64
      10 registered 10886 non-null int64
                     10886 non-null int64
      11 count
     dtypes: float64(3), int64(8), object(1)
    memory usage: 1020.7+ KB
# Checking for null values -
(df.isna().sum() / len(df)) * 100
     datetime
                  0.0
    season
                  0.0
     holidav
                  0.0
    workingday
                  0.0
    weather
                  0.0
     temp
                  0.0
     atemp
                  0.0
     humidity
                  0.0
     windspeed
                  0.0
     casual
                  0.0
     registered
                  0.0
     count
                  0.0
    dtype: float64
# Checking for duplicate rows -
dup_rows = df[df.duplicated()]
print("No. of duplicate rows: ", dup_rows.shape[0])
     No. of duplicate rows: 0
def dist_check(df, col_name):
  print("Unique values : ", df[col_name].unique())
 print("Value counts : ")
  print(df[col_name].value_counts())
col_list = ['workingday', 'holiday', 'weather', 'season']
for col in col_list:
 print(col, " -")
  dist_check(df, col)
  print("\n")
    workingday -
    Unique values : [0 1]
     Value counts :
         7412
         3474
    Name: workingday, dtype: int64
    holiday -
    Unique values : [0 1]
    Value counts :
    0
         10575
           311
    Name: holiday, dtype: int64
    weather -
    Unique values : [1 2 3 4]
    Value counts :
         7192
```

```
2 2834
3 859
4 1
Name: weather, dtype: int64
season -
Unique values : [1 2 3 4]
Value counts :
4 2734
2 2733
3 2733
1 2686
Name: season, dtype: int64
```



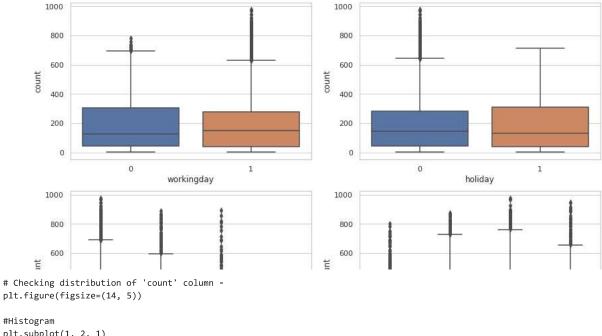
from the correlation we can verify some logical points:

- feeling temperature or aparent temprature and temp are highly correlated, because they are most of the times approximately the same have a very small difference
- count, causal, registered are all correlated to each other because all of them are linked as per: causal + registered = count

```
# Dropping highly correlated columns -
dfn = df.drop(columns=['casual', 'registered', 'atemp'])

# Outlier Detection using Boxplots -
sbn.set(style="whitegrid")
fig = plt.figure(figsize=(8, 25))
fig.subplots_adjust(right=1.5)

for plot in range(1, len(col_list)+1):
    plt.subplot(5, 2, plot)
    sbn.boxplot(x=dfn[col_list[plot-1]], y=dfn['count'])
plt.show()
```

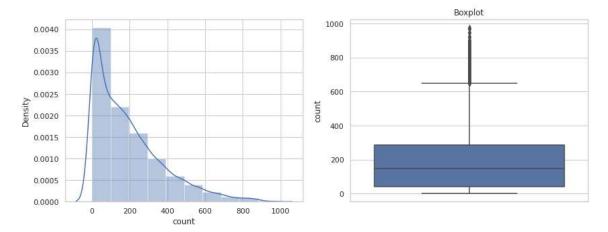


```
#Histogram
plt.subplot(1, 2, 1)
sbn.distplot(dfn['count'], bins=10)

#Boxplot
plt.subplot(1, 2, 2)
```

pit.subplot(1, 2, 2)
sbn.boxplot(y=dfn['count'])
plt.title('Boxplot')

plt.show()



We can see that outliers are present in the given columns. We need to figure out a way to deal with them before starting with the tests.

We have multiple options available on how to proceed with these outlier values.

- 1. Try to understand if these values make any sense according to the business problem. If yes, then we can keep them as it is.
- 2. In case these outliers are some invalid values which do not make much sense, we can remove them using the IQR.
- 3. Or we can apply a log transformation on the data to reduce the effect of these outliers.

1. -

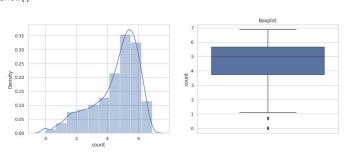
- The outliers in the given data set are the no. of bike rides per session/day. These values could sometimes be higher than expected due to increase in the crowd on certain days/occasions.
- These data values are important for capturing variations in the data. Hence, in this case, the ideal approach of dealing with outliers would be to leave them as it is.
- But since the tests that we are going to apply are based on the assumption that the dataset is normal or near normal, we will drop those outlier values using the IQR method.

```
# 2.
# Checking distribution after applying log transformation -
plt.figure(figsize=(14, 5))
```

```
#Histogram
plt.subplot(1, 2, 1)
sbn.distplot(np.log(dfn['count']), bins=10)

#Boxplot
plt.subplot(1, 2, 2)
sbn.boxplot(y=np.log(dfn['count']))
plt.title('Boxplot')

plt.show()
```



```
# # 3.
# # Outlier Treatment using IQR (not needed but, we can do it) -
# q1 = dfn['count'].quantile(0.25)
# q3 = dfn['count'].quantile(0.75)
# iqr = q3-q1
# dfn = dfn[(dfn['count']>(q1-1.5*iqr) ) & (dfn['count']<(q3+1.5*iqr))]
# print("No. of rows : ", dfn.shape[0])</pre>
```

▼ Aggregating the total no. of bike rides based on the given factors -

```
# 1. Workingday -
pd.DataFrame(dfn.groupby('workingday')['count'].describe())
```

	count	mean	std	min	25%	50%	75%	max
workingday								
0	3474.0	188.506621	173.724015	1.0	44.0	128.0	304.0	783.0
1	7412.0	193.011873	184.513659	1.0	41.0	151.0	277.0	977.0

2. Holiday pd.DataFrame(dfn.groupby('holiday')['count'].describe())

		count	mean	std	min	25%	50%	75%	max
holi	day								
0	,	10575.0	191.741655	181.513131	1.0	43.0	145.0	283.0	977.0
1		311.0	185.877814	168.300531	1.0	38.5	133.0	308.0	712.0

3. Season pd.DataFrame(dfn.groupby('season')['count'].describe())

	season	count	mean	std	min	25%	50%	75%	ma
	1	2686.0	116.343261	125.273974	1.0	24.0	78.0	164.0	801.
	2	2733.0	215.251372	192.007843	1.0	49.0	172.0	321.0	873.
4	3	0700 N	224 447424	107 151001	1 0	60 V	10E 0	2470	∩77 →

```
# 4. Weather -
pd.DataFrame(dfn.groupby('weather')['count'].describe())
```

		count	mean	std	min	25%	50%	75%
W	eather							
	1	7192.0	205.236791	187.959566	1.0	48.0	161.0	305.0
	2	2834.0	178.955540	168.366413	1.0	41.0	134.0	264.0
4	3	0E0 0	440 046000	120 501207	4.0	വാ ഗ	74 0	161 0

- ▼ Ques. 1 Is there any significant difference between the no. of bike rides on weekdays and weekends?
- ▼ Step 1: Define the null and alternate hypothesis

 $H_0:$ The demand of bikes on weekdays is greater or similar to the demand of bikes on weekend.

 H_a : The demand of bikes on weekdays is less than the demand of bikes on weekend.

Let μ_1 and μ_2 be the average no. of bikes rented on weekdays and weekends respectively.

Mathematically, the above formulated hypothesis can be written as:

$$H_0: \mu_1 >= \mu_2$$

 $H_a: \mu_1 < \mu_2$

Ques. What is the difference between a t-test and a z-test?

Ans.

- · A t-test looks at two sets of data that are different from each other, with no standard deviation or variance.
- · A z-test views the averages of data sets that are different from each other but have the standard deviation or variance given.
- The t test as compared with z test has its advantage for small sample comparison. As n increases, t approaches to z. The advantage of t test disappears, and t distribution simply becomes z distribution.
- . In other words, with large n, t test is just close to z test and one doen't lose anything to continue to use t test.
- In the past, for convenience, we use z table when n > 30. We don't have to do it anymore.
- In fact, all statistical packages use t test even n is large. This is easy, convenience with computer programming, and is correct. All statistical packages are good references.
- ▼ Step 2: Select an appropriate test

Note that the standard deviation of the population is not known.

```
weekday = dfn[dfn['workingday'] == 1]['count'].sample(2999)
weekend = dfn[dfn['workingday'] == 0]['count'].sample(2999)
```

Ques. Why do we take same no. of samples from two different populations for conducting the tests?

Ans.

- Unequal sample sizes can lead to unequal variances between samples, which affects the assumption of equal variances in tests like ttest, ANOVA, etc.
- Having both unequal sample sizes and variances dramatically affects the statistical power of a test.

```
print('The sample standard deviation of the bike rides on weekday is:', round(weekday.std(), 2))
print('The sample standard deviation of the bike rides on weekend is:', round(weekend.std(), 2))
The sample standard deviation of the bike rides on weekday is: 185.6
The sample standard deviation of the bike rides on weekend is: 173.65
```

As the sample standard deviations are different, the population standard deviations can be assumed to be different.

This is a one-tailed test concerning two population means from two independent populations. As the population standard deviations are unknown, the two sample independent t-test will be the appropriate test for this problem.

▼ Step 3: Decide the significance level

As given in the problem statement, we select $\alpha = 0.05$.

```
alpha = 0.05
```

Step 4: Calculate the p-value

```
def result(p_value, alpha):
    if p_value < alpha:
        print(f'As the p-value {p_value} is less than the level of significance, we reject the null hypothesis.')
    else:
        print(f'As the p-value {p_value} is greater than the level of significance, we fail to reject the null hypothesis.')

test_stat, p_value = ttest_ind(weekday, weekend, equal_var=False, alternative='less')
print('The p-value is: ', p_value)

result(p_value, alpha)

The p-value is: 0.5348641897459776
As the p-value 0.5348641897459776 is greater than the level of significance, we fail to reject the null hypothesis.</pre>
```

Observation: Since the p-value is greater than the 5% significance level, we fail to reject the null hypothesis. Hence, we have enough statistical evidence to say that the average no. of bike rides during weekdays is greater than or equal to those on weekends.

▼ Ques. 2 - Is there any significant difference between the no. of bike rides on regular days and holidays?

▼ Step 1: Define the null and alternate hypothesis

 $H_{
m 0}$: The demand of bikes on regular days is greater or similar to the demand of bikes on holidays.

 H_a : The demand of bikes on regular days is less than the demand of bikes on holidays.

Let μ_1 and μ_2 be the average no. of bikes rented on regular days and holidays respectively.

Mathematically, the above formulated hypothesis can be written as:

```
H_0: \mu_1 >= \mu_2
H_a: \mu_1 < \mu_2
```

▼ Step 2: Select an appropriate test

Again the standard deviation of the population is not known.

```
holiday = dfn[dfn['holiday'] == 1]['count'].sample(299)
regular = dfn[dfn['holiday'] == 0]['count'].sample(299)

print('The sample standard deviation of the bike rides on holidays is:', round(holiday.std(), 2))
print('The sample standard deviation of the bike rides on regular days is:', round(regular.std(), 2))

The sample standard deviation of the bike rides on holidays is: 170.35
The sample standard deviation of the bike rides on regular days is: 181.39
```

As the sample standard deviations are different, the population standard deviations can be assumed to be different.

This is also a one-tailed test concerning two population means from two independent populations. As the population standard deviations are unknown, the two sample independent t-test will be the appropriate test for this problem.

Step 3: Decide the significance level

The significance level (a) is already set to 5% i.e., 0.05

Step 4: Calculate the p-value

```
test_stat, p_value = ttest_ind(regular, holiday, equal_var=False, alternative='less')
print('The p-value is : ', p_value)

result(p_value, alpha)

The p-value is : 0.3815072976598691
As the p-value 0.3815072976598691 is greater than the level of significance, we fail to reject the null hypothesis.
```

Observation: Since the p-value is greater than the 5% significance level, we fail to reject the null hypothesis. Hence, we have enough statistical evidence to say that the average no. of bike rides during regular days is greater than or equal to those on holidays.

Ques. 3 - Is the demand of bicycles on rent same for different weather conditions?

Step 1: Define the null and alternate hypothesis

 ${\cal H}_0\,$: The average no. of bike rides in different weather conditions are equal.

 H_a : The average no. of bike rides in different weather conditions are not equal.

Let μ_1 and μ_2 be the average no. of bikes rented on weekdays and weekends respectively.

▼ Step 2: Select an appropriate test

```
dfn = dfn[\sim(dfn['weather']==4)]
w1 = dfn[dfn['weather'] == 1]['count'].sample(750)
w2 = dfn[dfn['weather'] == 2]['count'].sample(750)
w3 = dfn[dfn['weather'] == 3]['count'].sample(750)
dfn.groupby(['weather'])['count'].describe()
               count
                            mean
                                        std min 25%
                                                         50%
                                                               75%
      weather
               7192.0 205.236791 187.959566
                                            1.0 48.0 161.0 305.0 97
         1
               2834.0 178.955540 168.366413 1.0 41.0 134.0 264.0
         2
```

This is a problem, concerning three independent population means. **One-way ANOVA** could be the appropriate test here provided normality and equality of variance assumptions are verified.

The ANOVA test has important assumptions that must be satisfied in order for the associated p-value to be valid.

- The samples are independent.
- · Each sample is from a normally distributed population.
- · The population variance of the groups are all equal.

Now, we will be using the following statistical tests to check the normality and euality of variance of the data set -

- · For testing of normality, Shapiro-Wilk's test is applied to the response variable.
- · For equality of variance, Levene test is applied to the response variable.
- ▼ Shapiro-Wilk's test -

We will test the null hypothesis

 $H_0:$ Count follows normal distribution

against the alternative hypothesis

 H_a : Count doesn't follow normal distribution

```
# Assumption 1: Normality
w, p_value = shapiro(dfn['count'].sample(4999))
print('The p-value is : ', p_value)

result(p_value, alpha)

The p-value is : 0.0
    As the p-value 0.0 is less than the level of significance, we reject the null hypothesis.
```

Levene's test -

We will test the null hypothesis

 H_0 : All the count variances are equal

against the alternative hypothesis

 H_a : At least one variance is different from the rest

```
#Assumption 2: Homogeneity of Variance
stat, p_value = levene(w1, w2, w3)
print('The p-value is : ', p_value)

result(p_value, alpha)

The p-value is : 1.0929778164452833e-13
    As the p-value 1.0929778164452833e-13 is less than the level of significance, we reject the null hypothesis.
```

Note: If these assumptions are not true for a given set of data (like in this case), it may still be possible to use the **Kruskal-Wallis H-test** or the **Alexander-Govern test** although with some loss of power.

Central Limit Theorem -

You all must have studies about the CLT in previous classes.

- According to this theorem, the distribution of sample means approximates a normal distribution as the sample size gets larger, regardless
 of the population's distribution.
- In other words, if we find the mean of a large number of independent random variables, the mean will follow a normal distribution, irrespective of the distribution of the original variables.
- In practice, sample sizes equal to or greater than 30-40 are often considered sufficient for the CLT to hold.

Hence, the sample size being large enough, we don't need to worry about the non-normality of distribution of the data set in hand before applying the tests.

Eventually, as the sample size gets larger, the distribution of sample means will fall into a normal or near normal shape.

Ques. What are some of the basic methods (other than statistical tests) to test the normality & homogeneity of variance?

A. To check for Normality -

0.003 0.002 0.001

```
# Method 1: Using a Histogram

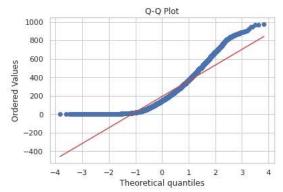
# You should see a 'Bell' shaped curve.

sbn.distplot(dfn['count'].sample(4999))

<Axes: xlabel='count', ylabel='Density'>

0.007
0.006
0.005
0.005
```

```
# Method 2: Using a Q-Q plot
# The linearity of points suggests that the data is normally distributed.
stats.probplot(dfn['count'], dist='norm', fit=True, plot=plt)
plt.title('Q-Q Plot')
plt.show()
```



KstestResult(statistic=0.14639452156041693, pvalue=4.588168862853853e-204, statistic_location=-1.0520229003098522, statistic_sign=-1)

```
# Method 3: Check skewness & kurtosis
# Skewness should be close to 0 and Kurtosis close to 3.

print("Skewness : ", df['count'].skew())
print("Kurtosis : ", df['count'].kurt())

    Skewness : 1.2420662117180776
    Kurtosis : 1.3000929518398334

## Method 4: Using KS Test to compare with the Gaussian CDF
zs = (dfn["count"] - dfn["count"].mean())/dfn["count"].std()
stats.kstest(zs, stats.norm.cdf)
```

B. To check for Homogeneity of Variance -

Step 3: Decide the significance level

The significance level (α) is already set to 5% i.e., 0.05

▼ Step 4: Calculate the p-value

```
One-way ANOVA -
```

```
test_stat, p_value = f_oneway(w1, w2, w3)
print('The p-value is : ', p_value)

result(p_value, alpha)

The p-value is : 2.2499705400872734e-20
   As the p-value 2.2499705400872734e-20 is less than the level of significance, we reject the null hypothesis.
```

Observation: Since the p-value is less than the 5% significance level, we reject the null hypothesis. Hence, we have enough statistical evidence to say that the average no. of bike rides in different weather conditions are not equal.

Ques. 4 - Is the demand of bicycles on rent same for different seasons?

Step 1: Define the null and alternate hypothesis

 $H_0:$ The average no. of bike rides in different seasons are equal.

 H_a : The average no. of bike rides in different seasons are not equal.

▼ Step 2: Select an appropriate test

```
s1 = dfn[dfn['season'] == 1]['count'].sample(2399)
s2 = dfn[dfn['season'] == 2]['count'].sample(2399)
s3 = dfn[dfn['season'] == 3]['count'].sample(2399)
s4 = dfn[dfn['season'] == 3]['count'].sample(2399)
```

dfn.groupby(['season'])['count'].describe()

		count	mean	std	min	25%	50%	75%	max
s	eason								
	1	2685.0	116.325512	125.293931	1.0	24.0	78.0	164.0	801.0
	2	2733.0	215.251372	192.007843	1.0	49.0	172.0	321.0	873.0
	3	2733.0	234.417124	197.151001	1.0	68.0	195.0	347.0	977.0
	4	2734.0	198.988296	177.622409	1.0	51.0	161.0	294.0	948.0

Step 3: Decide the significance level

The significance level (α) is already set to 5% i.e., 0.05

Step 4: Calculate the p-value

We have already performed tests for normality and homogeneity of variance. So we will be directly moving onto the One-way ANOVA test.

```
test_stat, p_value = f_oneway(s1, s2, s3, s4)
print('The p-value is : ', p_value)

result(p_value, alpha)

The p-value is : 1.6353629703459499e-147
  As the p-value 1.6353629703459499e-147 is less than the level of significance, we reject the null hypothesis.
```

Observation: Since the p-value is less than the 5% significance level, we reject the null hypothesis. Hence, we have enough statistical evidence to say that the average no. of bike rides in different seasons are not equal.

Ques. How does the increase in sample size affect hypothesis testing?

Ans. Increasing sample size makes the hypothesis test more sensitive, more likely to reject the null hypothesis when it is, in fact, false. Thus, it increases the power of the test.

Ques. 5 - Are the weather conditions significantly different during different seasons?

Step 1: Define the null and alternate hypothesis

 $H_0:$ Weather conditions are independent of the season.

 $H_a:$ Weather condition depends on the ongoing season.

▼ Step 2: Select an appropriate test

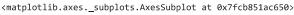
Although the data values in 'season' and 'weather' columns are numerical, as per our intuition, they still represent different catgories. Hence, we will encode them accordingly before moving onto the tests.

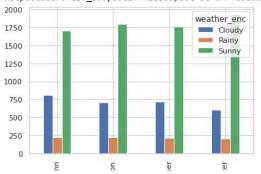
Here we will be comparing two different categorical variables, 'season' and 'weather'. So will perform a Chi-square test.

```
{\tt contigency=pd.crosstab(dfn.season\_enc,\ dfn.weather\_enc)} \\ {\tt contigency}
```

weather_enc	Cloudy	Rainy	Sunny	
season_enc				
Autumn	807	225	1702	
Monsoon	708	224	1801	
Summer	715	211	1759	
Winter	604	199	1930	

contigency.plot(kind='bar')





Step 3: Decide the significance level

The significance level (α) is already set to 5% i.e., 0.05

▼ Step 4: Calculate the p-value

```
chi2, pval, dof, exp_freq = chi2_contingency(contigency, correction=False)
print('Chi-square Statistic: {} \n P-value: {} \n Degree of Freedom: {} \n Expected Frequencies: {}'.format(chi2, pval, dof, exp_freq))

Chi-square Statistic: 46.10145731073249
P-value: 2.8260014509929343e-08
Degree of Freedom: 6
Expected Frequencies: [[ 711.81956821 215.75617823 1806.42425356]
[ 711.55920992 215.67726229 1805.76352779]
[ 699.06201194 211.8892972 1774.04869086]
[ 711.55920992 215.67726229 1805.76352779]]

result(pval, alpha)
```

As the p-value 2.8260014509929343e-08 is less than the level of significance, we reject the null hypothesis.

Observation: Since the p-value is less than the 5% significance level, we reject the null hypothesis. Hence, we have enough statistical evidence to say that the weather conditions are dependent on the ongoing season.

Insights and Recommendations

▼ EDA based insights -

- 1. Total 10,886 rows were present in the data set.
- 2. Neither missing values, nor duplicate rows were found.

- 3. 'temp' and 'atemp' columns were found to be highly correlated.

 Dropping one of them (atemp) to avoid multicollinearity.
- 'count', 'casual' and 'registered' columns were highly correlated.
 Dropping casual & registered columns to avoid multicollinearity.
- 5. Outlier values were found in the 'count' column.

Insights from hypothesis testing -

- 1. The no. of bikes rented on weekdays is comparatively higher than on weekends.
- 2. The no. of bikes rented on regular days is comparatively higher than on holidays.
- 3. The demand of bicycles on rent differs under different weather conditions.
- 4. The demand of bicycles on rent is different during different seasons.
- 5. The weather conditions are surely dependent upon the ongoing season.

Miscellaneous observations -

The distribution of 'count' column wasn't actually normal or near normal. Infact the column's distribution is found to be a bit skewed towards right.

Generic recommendations -

- · The demand of bikes on rent are usually higher during Weekdays.
- The demand of bikes on rent are usually higher during Regular days.
- The chances of person renting a bike are usually higher during Season 3.
- The chances of person renting a bike are usually higher during Weather condition 1.

We recommend the company to maintain the bike stocks accordingly.

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