Analyze_ab_test_results_notebook

March 27, 2022

1 Analyze A/B Test Results

This project will assure you have mastered the subjects covered in the statistics lessons. We have organized the current notebook into the following sections:

- Section ??

Specific programming tasks are marked with a **ToDo** tag. ## Introduction

A/B tests are very commonly performed by data analysts and data scientists. 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 webpage, - Keep the old webpage, or - Perhaps run the experiment longer to make their decision.

Each **ToDo** task below has an associated quiz present in the classroom. Though the classroom quizzes are **not necessary** to complete the project, they help ensure you are on the right track as you work through the project, and you can feel more confident in your final submission meeting the <u>rubric</u> specification.

```
## Part I - Probability
To get started, let's import our libraries.
```

```
In [77]: 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)
```

1.0.1 ToDo 1.1

Now, read in the ab_data.csv data. Store it in df. Below is the description of the data, there are a total of 5 columns:

		Valid	
Data columns	Purpose	values	
user_id	Unique ID	Int64	
		values	
timestamp	Time stamp when	-	
	the user visited		
	the webpage		
group	In the current	['control',	
	A/B experiment,	'treatment'	
	the users are		
	categorized into		
	two broad groups.		
	The control		
	group users are		
	expected to be		
	served with		
	old_page; and		
	treatment group		
	users are matched		
	with the		
	new_page.		
	However, some		
	inaccurate rows		
	are present in the		
	initial data, such		
	as a control		
	group user is		
	matched with a		
	new_page.		
landing_page	It denotes	['old_page'	
	whether the user	'new_page']	
	visited the old or	new_page 1	
	new webpage.		
converted	It denotes	[0, 1]	
converted	whether the user	[0, 1]	
	decided to pay for		
	the company's		
	product. Here, 1		
	-		
	means yes, the user bought the		
	O		
	product.		

Use your dataframe to answer the questions in Quiz 1 of the classroom.

Tip: Please save your work regularly.

a. Read in the dataset from the ab_data.csv file and take a look at the top few rows here:

```
In [78]: #reading in our csv file
         df=pd.read_csv('ab_data.csv')
         df.head()
Out[78]:
            user_id
                                       timestamp
                                                       group landing_page 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
         2 661590 2017-01-11 16:55:06.154213 treatment
                                                                 new_page
                                                                                    0
             853541 2017-01-08 18:28:03.143765
                                                                                    0
                                                   treatment
                                                                 new_page
             864975 2017-01-21 01:52:26.210827
                                                     control
                                                                 old_page
                                                                                    1
   b. Use the cell below to find the number of rows in the dataset.
In [79]: #finding the number of rows in the dataset
         len(df)
Out[79]: 294478
   c. The number of unique users in the dataset.
In [80]: #finding the number of unique rows in the dataset
         df['user_id'].nunique()
Out[80]: 290584
   d. The proportion of users converted.
In [81]: #taking the sum of converted rows and dividing by the number of unique users to get tel
         df['converted'].sum()/df['user_id'].nunique()
Out[81]: 0.12126269856564711
   e. The number of times when the "group" is treatment but "landing_page" is not a new_page.
In [82]: #taking a count of the returned queries that group is treatment but landing page is not
         df.query("group == 'treatment' and landing_page!='new_page'")['user_id'].count()
Out[82]: 1965
   f. Do any of the rows have missing values?
In [83]: #taking a sum of the number of each row that has a null value
         df.isnull().sum()
Out[83]: user_id
         timestamp
                          0
                          0
         group
         landing_page
                         0
         converted
                          0
         dtype: int64
```

In [84]: #No there are no missing values

1.0.2 ToDo 1.2

In a particular row, the **group** and **landing_page** columns should have either of the following acceptable values:

user_id	timestamp	group	landing_page	converted
XXXX	XXXX	control	old_page	Χ
XXXX	XXXX	treatment	new_page	X

It means, the control group users should match with old_page; and treatment group users should matched with the new_page.

However, for the rows where treatment does not match with new_page or control does not match with old_page, we cannot be sure if such rows truly received the new or old wepage.

Use **Quiz 2** in the classroom to figure out how should we handle the rows where the group and landing_page columns don't match?

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**.

converted	landing_page	group	timestamp	user_id	Out[85]:
0	old_page	control	2017-01-21 22:11:48.556739	851104	0
0	old_page	control	2017-01-12 08:01:45.159739	804228	1
1	old_page	control	2017-01-21 01:52:26.210827	864975	4
0	old_page	control	2017-01-10 15:20:49.083499	936923	5
0	old_page	control	2017-01-17 01:48:29.539573	719014	7
1	old_page	control	2017-01-22 02:05:21.719434	644214	15
0	old_page	control	2017-01-17 14:01:00.090575	847721	16
0	old_page	control	2017-01-24 11:55:51.084801	650559	18
0	old_page	control	2017-01-17 20:33:37.428378	935734	19
0	old_page	control	2017-01-23 11:38:29.592148	746742	25
1	old_page	control	2017-01-24 09:11:39.164256	913579	28
0	old_page	control	2017-01-13 17:22:57.182769	690284	30
0	old_page	control	2017-01-11 22:24:44.226492	710349	34
0	old_page	control	2017-01-23 17:48:50.491821	677533	35
1	old_page	control	2017-01-11 21:18:20.911015	831737	36
0	old_page	control	2017-01-16 00:05:29.983919	771087	40
0	old_page	control	2017-01-22 09:10:20.753218	896163	42
1	old_page	control	2017-01-08 14:49:37.335432	862225	43
0	old_page	control	2017-01-05 09:15:31.984283	939593	44
0	old_page	control	2017-01-18 13:55:31.488221	702260	45
0	old_page	control	2017-01-05 08:16:41.306478	670941	50
1	old_page	control	2017-01-18 17:18:04.790584	850231	51

```
55
                 2017-01-20 14:54:58.150621
         685794
                                                 control
                                                              old_page
                                                                                 0
57
         714733 2017-01-03 08:22:37.904146
                                                 control
                                                              old_page
                                                                                 0
58
                 2017-01-10 02:19:22.842142
         710967
                                                              old_page
                                                                                 0
                                                 control
                                                              old_page
59
         680201
                 2017-01-11 10:38:45.952887
                                                                                 0
                                                 control
60
         790863
                 2017-01-19 11:02:39.220320
                                                 control
                                                              old_page
                                                                                 0
                                                              old_page
61
         717595
                 2017-01-23 18:19:08.148166
                                                                                 0
                                                 control
62
                 2017-01-11 21:28:30.735359
                                                                                 0
         779854
                                                 control
                                                              old_page
63
         916307
                 2017-01-19 17:27:38.676600
                                                              old_page
                                                                                 0
                                                 control
294417
         924332
                2017-01-15 19:38:52.858024
                                               treatment
                                                              new_page
                                                                                 0
                 2017-01-06 17:54:07.563311
                                                                                 0
294422
         849625
                                               treatment
                                                              new_page
294424
         929723
                 2017-01-10 15:13:48.352399
                                               treatment
                                                              new_page
                                                                                 0
294427
         774769
                 2017-01-03 06:01:36.251836
                                               treatment
                                                              new_page
                                                                                 0
294430
         733871
                 2017-01-21 17:54:08.810964
                                                                                 1
                                               treatment
                                                              new_page
294432
         844588
                 2017-01-16 20:48:19.567178
                                               treatment
                                                                                 0
                                                              new_page
294433
         641244
                 2017-01-07 16:57:26.193171
                                                                                 0
                                               treatment
                                                              new_page
294434
         676072
                 2017-01-14 17:26:02.495442
                                                                                 0
                                               treatment
                                                              new_page
                 2017-01-07 13:43:39.202634
294435
         886374
                                               treatment
                                                              new_page
                                                                                 0
                 2017-01-03 23:06:45.459467
294437
         676732
                                                                                 0
                                               treatment
                                                              new_page
294439
         862218
                 2017-01-04 10:43:07.846494
                                               treatment
                                                              new_page
                                                                                 0
294441
         798826
                 2017-01-23 16:50:13.788528
                                                                                 0
                                               treatment
                                                              new_page
294442
         836721
                 2017-01-12 17:37:50.966955
                                                                                 0
                                               treatment
                                                              new_page
294444
         844901
                 2017-01-15 17:46:36.622726
                                               treatment
                                                              new_page
                                                                                 0
294445
         653124
                 2017-01-14 13:44:51.745491
                                                                                 0
                                               treatment
                                                              new_page
                 2017-01-18 14:49:49.064452
294446
         909437
                                               treatment
                                                              new_page
                                                                                 0
294448
                 2017-01-12 05:53:12.386730
         776137
                                               treatment
                                                              new_page
                                                                                 0
294449
         883344
                 2017-01-22 23:15:58.645325
                                                                                 0
                                               treatment
                                                              new_page
294450
         825594
                 2017-01-06 12:37:08.897784
                                                                                 0
                                               treatment
                                                              new_page
294454
         937338
                 2017-01-19 03:23:22.236666
                                                                                 0
                                               treatment
                                                              new_page
294455
         733101
                 2017-01-23 12:52:58.711914
                                                                                 0
                                               treatment
                                                              new_page
                 2017-01-02 16:43:49.237940
294456
         679096
                                               treatment
                                                              new_page
                                                                                 0
294457
         691699
                 2017-01-09 23:42:35.963486
                                                                                 0
                                               treatment
                                                              new_page
294458
         807595
                 2017-01-22 10:43:09.285426
                                                              new_page
                                                                                 0
                                               treatment
                 2017-01-16 15:24:46.705903
294460
         846225
                                                                                 0
                                               treatment
                                                              new_page
                 2017-01-03 19:41:51.902148
294462
         677163
                                               treatment
                                                              new_page
                                                                                 0
294465
         925675
                 2017-01-07 20:38:26.346410
                                               treatment
                                                              new_page
                                                                                 0
294468
         643562
                 2017-01-02 19:20:05.460595
                                                                                 0
                                               treatment
                                                              new_page
                 2017-01-04 03:36:46.071379
                                                              new_page
294472
         822004
                                               treatment
                                                                                 0
                 2017-01-16 12:40:24.467417
294477
         715931
                                                                                 0
                                               treatment
                                                              new_page
```

[290585 rows x 5 columns]

1.0.3 ToDo 1.3

Use **df2** and the cells below to answer questions for **Quiz 3** in the classroom.

a. How many unique user_ids are in df2?

```
In [87]: #using the shape to get the number of user_ids
         df2.shape[0]
Out[87]: 290585
   b. There is one user_id repeated in df2. What is it?
In [88]: #finding the duplicated and printing the user id
         ddf2=df2[df2['user_id'].duplicated() == True]
         ddf2.user_id
Out[88]: 2893
                 773192
         Name: user_id, dtype: int64
   c. Display the rows for the duplicate user_id?
In [89]: #displaying the row for that user id
         ddf2
Out[89]:
               user id
                                                          group landing_page converted
                                          timestamp
         2893
                773192 2017-01-14 02:55:59.590927 treatment
                                                                     new_page
                                                                                       0
```

d. Remove **one** of the rows with a duplicate **user_id**, from the **df2** dataframe.

```
In [90]: # Remove one of the rows with a duplicate user_id..

#dropping the row by using the index
df2= df2.drop(2893)

# Check again if the row with a duplicate user_id is deleted or not
ddf2=df2[df2['user_id'].duplicated() == True]
ddf2.user_id
Out[90]: Series([], Name: user_id, dtype: int64)
```

1.0.4 ToDo 1.4

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?

Tip: The probability you'll compute represents the overall "converted" success rate in the population and you may call it $p_{vovulation}$.

```
In [92]: #printing the values counts of converted 1 and not converted 0
         df2.converted.value_counts()
Out[92]: 0
              255831
               34753
         Name: converted, dtype: int64
In [93]: #printing the number of all converted
         df2.converted.sum()
Out [93]: 34753
In [94]: #taking the number of converted and dividing by the number of rows
         df2.query("converted == 1").count()[0]/df2rows
Out [94]: 0.11959708724499628
   b. Given that an individual was in the control group, what is the probability they converted?
In [95]: #taking the number in the control group that are converted and dividing by the total in
         cgroup =df2.query("group =='control' and converted == 1").count()[0]/df2.query("group =
         cgroup
Out [95]: 0.1203863045004612
   c. Given that an individual was in the treatment group, what is the probability they con-
verted?
In [96]: #taking the number in the treatment group that converted by the total number in the treatment
         tgroup = df2.query("group == 'treatment' and converted == 1").count()[0]/df2.query("group")
         tgroup
Out [96]: 0.11880806551510564
     Tip: The probabilities you've computed in the points (b). and (c). above can also
     be treated as conversion rate. Calculate the actual difference (obs_diff) between the
     conversion rates for the two groups. You will need that later.
In [97]: # Calculate the actual difference (obs_diff) between the conversion rates for the two
         obs_diff= df2.query("group =='treatment' and converted == 1").count()[0]/df2.query("group
         obs_diff
Out[97]: -0.0015782389853555567
   d. What is the probability that an individual received the new page?
In [98]: #taking the number that recieved the new page divided by the total rows
```

Out[91]: 290584

df2.query("landing_page == 'new_page'").count()[0]/df2rows

Out [98]: 0.50006194422266881

e. Consider your results from parts (a) through (d) above, and explain below whether the new treatment group users lead to more conversions.

Your answer goes here. Since the actual difference 0.001578 is so small I don't feel that the treatment group leads to a significantly greater number of conversions.

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

Since a timestamp is associated with each event, you could run a hypothesis test continuously as long as you observe the events.

However, then the hard questions would be: - 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.

1.0.5 ToDo 2.1

For now, consider you need to make the decision just based on all the data provided.

Recall that you just calculated that the "converted" probability (or rate) for the old page is *slightly* higher than that of the new page (ToDo 1.4.c).

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 be your null and alternative hypotheses (H_0 and H_1)?

You can state your hypothesis in terms of words or in terms of p_{old} and p_{new} , which are the "converted" probability (or rate) for the old and new pages respectively.

Put your answer here.

```
0 = \text{Pnew} \le \text{H1} = \text{Pnew} >
```

1.0.6 ToDo 2.2 - Null Hypothesis H_0 Testing

Under the null hypothesis H_0 , assume that p_{new} and p_{old} are equal. Furthermore, assume that p_{new} and p_{old} both are equal to the **converted** success rate in the df2 data regardless of the page. So, our assumption is:

```
p_{new} = p_{old} = p_{population}
In this section, you will:
```

- Simulate (bootstrap) sample data set for both groups, and compute the "converted" probability *p* for those samples.
- Use a sample size for each group equal to the ones in the df2 data.
- Compute the difference in the "converted" probability for the two samples above.
- Perform the sampling distribution for the "difference in the converted probability" between the two simulated-samples over 10,000 iterations; and calculate an estimate.

Use the cells below to provide the necessary parts of this simulation. 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 hypothesis?

```
In [99]: df2.head()
Out [99]:
            user_id
                                       timestamp
                                                    group landing_page converted
                                                               old_page
         0 851104 2017-01-21 22:11:48.556739 control
                                                                                 0
            804228 2017-01-12 08:01:45.159739 control
                                                               old_page
                                                                                 0
         4 864975 2017-01-21 01:52:26.210827 control
                                                              old_page
                                                                                 1
             936923 2017-01-10 15:20:49.083499 control
         5
                                                              old_page
                                                                                 0
         7 719014 2017-01-17 01:48:29.539573 control
                                                               old_page
                                                                                 0
In [100]: #setting df2size as the total number of rows
          df2size=df2.shape[0]
In [101]: #taking the number converted using the new page and dividing by the total size to get
          pnewconv=df2.query("converted == 1").count()[0]/df2rows
          pnewconv
Out[101]: 0.11959708724499628
   b. What is the conversion rate for p_{old} under the null hypothesis?
In [102]: #taking the number of converted using the control group and dividing by total size to
          poldconv= df2.query("converted == 1").count()[0]/df2rows
          poldconv
Out[102]: 0.11959708724499628
   c. What is n_{new}, the number of individuals in the treatment group? Hint: The treatment group
users are shown the new page.
In [103]: #setting nnew to the number in the treatment group
          nnew = df2.query('group =="treatment"')
          #setting nnew to the unique user ids in nnew
          nnew = nnew.user_id.nunique()
Out[103]: 145310
   d. What is n_{old}, the number of individuals in the control group?
In [104]: #setting nnew to the number in the control group
          nold = df2.query('group == "control"')
          #setting nold to the unique users ids in nold
```

nold =nold.user_id.nunique()

nold

Out[104]: 145274

e. Simulate Sample for the treatment Group Simulate n_{new} transactions with a conversion rate of p_{new} under the null hypothesis. *Hint*: Use numpy.random.choice() method to randomly generate n_{new} number of values. Store these n_{new} 1's and 0's in the new_page_converted numpy array.

f. Simulate Sample for the control **Group** Simulate n_{old} transactions with a conversion rate of p_{old} under the null hypothesis. Store these n_{old} 1's and 0's in the old_page_converted numpy array.

g. Find the difference in the "converted" probability $(p'_{new} - p'_{old})$ for your simulated samples from the parts (e) and (f) above.

h. Sampling distribution Re-create new_page_converted and old_page_converted and find the $(p'_{new} - p'_{old})$ value 10,000 times using the same simulation process you used in parts (a) through (g) above.

Store all $(p'_{new} - p'_{old})$ values in a NumPy array called p_diffs.

```
In [108]: # Sampling distribution
    p_diffs = []
    for _ in range(10000):
        newconvsim = np.random.binomial(1, pnewconv, nnew)
        oldconvsim = np.random.binomial(1, poldconv, nold)
        p_diffs.append(newconvsim.mean() - oldconvsim.mean())
```

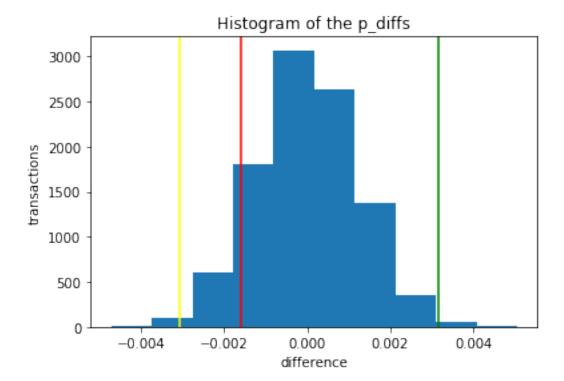
i. Histogram Plot a histogram of the **p_diffs**. Does this plot look like what you expected? Use the matching problem in the classroom to assure you fully understand what was computed here.

Also, use plt.axvline() method to mark the actual difference observed in the df2 data (recall obs_diff), in the chart.

Tip: Display title, x-label, and y-label in the chart.

```
In [109]: p_diffs = np.array(p_diffs)
```

```
plt.hist(p_diffs);
plt.axvline(obs_diff, color = 'red');
plt.axvline(np.percentile(p_diffs, 0.5), color = 'yellow');
plt.axvline(np.percentile(p_diffs, 99.5), color = 'green');
plt.ylabel('transactions');
plt.xlabel('difference');
plt.title('Histogram of the p_diffs');
```



j. What proportion of the **p_diffs** are greater than the actual difference observed in the df2 data?

```
propgreatdiff = (greaterthanobs)/(len(p_diffs))
          propgreatdiff
Out[111]: 0.9032
```

k. Please explain in words what you have just computed in part **j** above.

- What is this value called in scientific studies? - What does this value signify in terms of whether or not there is a difference between the new and old pages? *Hint*: Compare the value above with the "Type I error rate (0.05)".

Put your answer here. This is called the p value. Since the p-value of 0.9029 is larger than the Type I error rate of 0.05 we fail to reject the null hypothesis.

1. Using Built-in Methods for Hypothesis Testing 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 statements below to calculate the: - convert_old: number of conversions with the old_page - convert_new: number of conversions with the new_page - n_old: number of individuals who were shown the old_page - n_new: number of individuals who were shown the new_page

```
In [112]: df2.head(1)
Out[112]:
             user_id
                                       timestamp
                                                    group landing_page converted
             851104 2017-01-21 22:11:48.556739 control
                                                               old_page
In [113]: import statsmodels.api as sm
          # number of conversions with the old_page
          convert_old = df2.query("converted ==1 and landing_page == 'old_page'").shape[0]
          # number of conversions with the new_page
          convert_new =df2.query("converted ==1 and landing_page == 'new_page'").shape[0]
          # number of individuals who were shown the old_page
          n_old = df2.query("landing_page == 'old_page'").shape[0]
          # number of individuals who received new_page
          n_new = df2.query("landing_page == 'new_page'").shape[0]
          #displaying these values
          convert_old,convert_new,n_old,n_new
Out[113]: (17489, 17264, 145274, 145310)
  m. Now use sm.stats.proportions_ztest() to compute your test statistic and p-value. Here
```

is a helpful link on using the built in.

The syntax is:

```
proportions_ztest(count_array, nobs_array, alternative='larger')
```

where, - count_array = represents the number of "converted" for each group - nobs_array = represents the total number of observations (rows) in each group - alternative = choose one of the values from [two-sided, smaller, larger] depending upon two-tailed, left-tailed, or right-tailed respectively. >**Hint**: It's a two-tailed if you defined H_1 as $(p_{new} = p_{old})$. It's a left-tailed if you defined H_1 as $(p_{new} > p_{old})$.

The built-in function above will return the z_score, p_value.

Tip: You don't have to dive deeper into z-test for this exercise. Try having an overview of what does z-score signify in general.

```
In [114]: import statsmodels.api as sm
    # ToDo: Complete the sm.stats.proportions_ztest() method arguments
    #count = convert_old+convert_new

#nobs = n_old+n_new

z_score, p_value = sm.stats.proportions_ztest([convert_old, convert_new][::-1],[n_old, print(z_score, p_value)
```

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.**?

Tip: Notice whether the p-value is similar to the one computed earlier. Accordingly, can you reject/fail to reject the null hypothesis? It is important to correctly interpret the test statistic and p-value.

Put your answer here. That the standard deviation between our conversions is 1.31. The p-value is still about the 0.05 so we would still reject the null.

Part III - A regression approach

-1.31092419842 0.905058312759

1.0.7 ToDo 3.1

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 in the df2 data is either a conversion or no conversion, what type of regression should you be performing in this case?

Put your answer here. Since this is a classification it should use logistic regression.

b. The goal is to use **statsmodels** library to fit the regression model you specified in part **a.** above to see if there is a significant difference in conversion based on the page-type a customer receives. However, you first need to create the following two columns in the df2 dataframe: 1. intercept - It should be 1 in the entire column. 2. ab_page - It's a dummy variable column, having a value 1 when an individual receives the **treatment**, otherwise 0.

```
In [115]: #create the intecept column
         df2['intercept'] = 1
          #create the dummy variable column
          df2[['other_page','ab_page']] = pd.get_dummies(df2['group'])
          #dropping the other page
          df2 = df2.drop('other_page',axis=1)
          df2.head()
Out[115]:
            user_id
                                                    group landing_page converted \
                                       timestamp
             851104 2017-01-21 22:11:48.556739 control
                                                              old_page
                                                                                0
             804228 2017-01-12 08:01:45.159739 control
                                                              old_page
                                                                                0
            864975 2017-01-21 01:52:26.210827 control
                                                              old_page
                                                                                1
            936923 2017-01-10 15:20:49.083499 control
                                                              old_page
                                                                                0
             719014 2017-01-17 01:48:29.539573 control
                                                              old_page
                                                                                0
             intercept ab_page
          0
                    1
                     1
                              0
          1
          4
                     1
                              0
          5
                     1
                              0
          7
```

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

```
In [116]: log_mod = 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 [117]: results = log_mod.fit()
         results.summary2()
Optimization terminated successfully.
        Current function value: 0.366118
        Iterations 6
Out[117]: <class 'statsmodels.iolib.summary2.Summary'>
         11 11 11
                                Results: Logit
         ______
        Model:
                           Logit
                                          No. Iterations:
                                                          6.0000
         Dependent Variable: converted
                                          Pseudo R-squared: 0.000
         Date:
                          2022-03-27 23:44 AIC:
                                                          212780.3502
         No. Observations: 290584
                                          BIC:
                                                          212801.5095
         Df Model:
                                          Log-Likelihood:
                                                          -1.0639e+05
         Df Residuals:
                         290582
                                          LL-Null:
                                                          -1.0639e+05
```

Scale:

1.0000

1.0000

Converged:

	Coef.	Std.Err.	z	P> z	[0.025	0.975]
intercept ab_page	-1.9888 -0.0150		-246.6690 -1.3109			
=======	=======	=======	=======	======	:======	======

нин

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

Hints: - 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**? - You may comment on if these hypothesis (Part II vs. Part III) are one-sided or two-sided. - You may also compare the current p-value with the Type I error rate (0.05).

Put your answer here. The p-value is 0.905 for the A/B page test. This is for a one tailed test only testing for a positive effect of the new page. The regression section has a p-value of 0.1889. With the two tailed test under the regression approach section we are testing the page variable for the new and old page, not which direction it is going. This should account for the difference in p-values. While the ab_page was quite a bit higher than the 0.05 error rate. These recent results are slightly above the error rate of 0.05. This new slight difference shows that we should reject the null hypothesis. With such a large sample size I don't feel this is statistically significant.

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?

Put your answer here. I don't think that the new landing page is much different than using the old one. It would be a good idea to add other factors into the regression model. Disadvantages are that the other factors may influence each other as well.

- **g. Adding countries** 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 df2 datasets on the appropriate rows. You call the resulting dataframe df_merged. Here are the docs for joining tables.
 - 2. Does it appear that country had an impact on conversion? To answer this question, consider the three unique values, ['UK', 'US', 'CA'], in the country column. Create dummy variables for these country columns. >Hint: Use pandas.get_dummies() to create dummy variables. You will utilize two columns for the three dummy variables.

Provide the statistical output as well as a written response to answer this question.

```
Out[118]:
             user_id country
              834778
                          UK
              928468
          1
                          US
          2
              822059
                          UK
          3
              711597
                          UK
          4
              710616
                          UK
In [119]: # Join with the df2 dataframe
          df3 = df2.set_index('user_id').join(countries.set_index('user_id'))
          df3.head()
Out[119]:
                                                  group landing_page
                                                                      converted \
                                     timestamp
          user_id
          851104
                   2017-01-21 22:11:48.556739 control
                                                             old_page
                                                                               0
          804228
                   2017-01-12 08:01:45.159739 control
                                                            old_page
                                                                               0
          864975
                   2017-01-21 01:52:26.210827 control
                                                            old_page
                                                                               1
          936923
                   2017-01-10 15:20:49.083499 control
                                                            old_page
                                                                               0
                   2017-01-17 01:48:29.539573 control
          719014
                                                            old_page
                                                                               0
                   intercept ab_page country
          user_id
          851104
                                     0
                                            US
          804228
                                            US
          864975
                                     0
                                            US
                           1
                                            US
          936923
                                     0
          719014
                           1
                                     0
                                            US
In [120]: # Create the necessary dummy variables
          df3[['US','UK','CA']] = pd.get_dummies(df3['country'])
          df3.head()
Out[120]:
                                     timestamp
                                                  group landing_page converted \
          user_id
          851104
                   2017-01-21 22:11:48.556739 control
                                                            old_page
                                                                               0
                   2017-01-12 08:01:45.159739
          804228
                                                control
                                                            old_page
                                                                               0
          864975
                   2017-01-21 01:52:26.210827
                                                control
                                                            old_page
                                                                               1
          936923
                   2017-01-10 15:20:49.083499 control
                                                                               0
                                                            old_page
                   2017-01-17 01:48:29.539573 control
          719014
                                                            old_page
                   intercept ab_page country US
                                                    UK
                                                        CA
          user_id
                                     0
          851104
                           1
                                                     0
                                            US
                                                 0
                                                         1
                           1
                                     0
                                            US
                                                     0
          804228
                                                 0
                                                         1
                           1
          864975
                                     0
                                            US
                                                 0
                                                     0
                                                         1
                                     0
          936923
                           1
                                            US
                                                         1
          719014
                           1
                                            US
                                                          1
```

h. Fit your model and obtain the results 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 are there significant effects on conversion. **Create the necessary additional columns, and fit the new model.**

Provide the summary results (statistical output), and your conclusions (written response) based on the results.

Tip: Conclusions should include both statistical reasoning, and practical reasoning for the situation.

Hints: - Look at all of p-values in the summary, and compare against the Type I error rate (0.05). - Can you reject/fail to reject the null hypotheses (regression model)? - Comment on the effect of page and country to predict the conversion.

```
In [121]: # Fit your model, and summarize the results
         log_mod = sm.Logit(df3['converted'],df3[['intercept','ab_page','US','CA',]])
         results = log_mod.fit()
         results.summary2()
Optimization terminated successfully.
        Current function value: 0.366113
        Iterations 6
Out[121]: <class 'statsmodels.iolib.summary2.Summary'>
                                 Results: Logit
         ______
         Model: Logit No. Iterations: 6.0000 Dependent Variable: converted Pseudo R-squared: 0.000
         Model:
                   2022-03-27 23:44 AIC:
         Date:
                                                           212781.1253

      No. Observations:
      290584
      BIC:
      212823.4439

      Df Model:
      3
      Log-Likelihood:
      -1.0639e+05

      Df Residuals:
      290580
      LL-Null:
      -1.0639e+05

      Converged:
      1.0000
      Scale:
      1.0000

         _____
                    Coef. Std.Err. z P>|z| [0.025 0.975]
         ______
         intercept -1.9794 0.0127 -155.4145 0.0000 -2.0044 -1.9544
         ab_page -0.0149 0.0114 -1.3069 0.1912 -0.0374 0.0075
         US
                   -0.0099 0.0133 -0.7433 0.4573 -0.0359 0.0162
         CA
         ______
         11 11 11
In [122]: #Creating dummy variables for an interaction between country and page on conversion
         df3['UKab'] = df3['UK']*df3['ab_page']
         df3['USab'] = df3['US']*df3['ab_page']
```

df3['CAab'] = df3['CA']*df3['ab_page']

df3.head()

```
Out[122]:
                       timestamp group landing_page converted \
      user_id
      851104
            2017-01-21 22:11:48.556739 control
                                      old_page
                                                  0
      804228
            2017-01-12 08:01:45.159739 control
                                      old_page
                                                  0
            2017-01-21 01:52:26.210827 control
      864975
                                      old_page
                                                  1
      936923
            2017-01-10 15:20:49.083499 control
                                      old_page
                                                  0
      719014
            2017-01-17 01:48:29.539573 control
                                      old_page
            intercept ab_page country US UK CA UKab USab CAab
      user_id
                       0
      851104
                 1
                           US
                               0
                                 0 1
                                        0
                                                0
      804228
                 1
                      0
                            US 0 0 1
                                                0
                            US 0 0 1
                1
                      0
      864975
                                       0
                                           0
                                                0
      936923
                1
                      0
                            US 0 0 1
                                       0 0
                                                0
                1
                       0
                            US
                               0 0 1
      719014
                                       0 0
In [123]: #Fitting model to new dummy variables
      log_mod = sm.Logit(df3['converted'],df3[['intercept','ab_page','US','CA','USab','CAab'
      results = log_mod.fit()
      results.summary2()
Optimization terminated successfully.
     Current function value: 0.366109
     Iterations 6
Out[123]: <class 'statsmodels.iolib.summary2.Summary'>
                       Results: Logit
      _____
                  Logit
                             No. Iterations:
                                          6.0000
      Dependent Variable: converted Pseudo R-squared: 0.000
                  2022-03-27 23:44 AIC:
                                          212782.6602
                              BIC:
      No. Observations: 290584
                                          212846.1381
      Df Model:
                             Log-Likelihood: -1.0639e+05
      Df Residuals:
                  290578
                             LL-Null:
                                         -1.0639e+05
                                          1.0000
      Converged:
                  1.0000
                             Scale:
      ______
               Coef. Std.Err. z P>|z| [0.025 0.975]
      ______
              -1.9922 0.0161 -123.4571 0.0000 -2.0238 -1.9606
      intercept
              ab_page
      US
              CA
               USab
              CAab
```

 $\mathbf{H} \ \mathbf{H} \ \mathbf{H}$

Put your conclusion answer here. It does seem that the p-value for CA is above the error rate of 0.05. I would say that this country may have an effect on conversion rate but probably not a large one with a p value of 0.4558. Even after using the conversion dummy variables the p value is only 0.1023. I don't think that with such a large amount of data that this is statistically significant. Due to this we should fail to reject the null hypothesis. It seems that moving to a new page may not provide much of a benefit.

Final Check!

Congratulations! You have reached the end of the A/B Test Results project! You should be very proud of all you have accomplished!

Tip: Once you are satisfied with your work here, check over your notebook to make sure that it satisfies all the specifications mentioned in the rubric. You should also probably remove all of the "Hints" and "Tips" like this one so that the presentation is as polished as possible.

Submission You may either submit your notebook through the "SUBMIT PROJECT" button at the bottom of this workspace, or you may work from your local machine and submit on the last page of this project lesson.

- 1. Before you submit your project, you need to create a .html or .pdf version of this notebook in the workspace here. To do that, run the code cell below. If it worked correctly, you should get a return code of 0, and you should see the generated .html file in the workspace directory (click on the orange Jupyter icon in the upper left).
- 2. Alternatively, you can download this report as .html via the **File > Download as** submenu, and then manually upload it into the workspace directory by clicking on the orange Jupyter icon in the upper left, then using the Upload button.
- 3. Once you've done this, you can submit your project by clicking on the "Submit Project" button in the lower right here. This will create and submit a zip file with this .ipynb doc and the .html or .pdf version you created. Congratulations!