draft_2-Copy1

August 17, 2020

```
[1]: import pandas as pd
     import numpy as np
     import matplotlib.pyplot as plt
     import seaborn as sns; sns.set(style='whitegrid')
     from scipy import stats
     %matplotlib inline
[2]: df = pd.read_csv('data/QVI_dataframe',index_col=['DATE'], parse_dates=['DATE']).
      →sort_index()
     df.head(3)
[2]:
                 STORE_NBR LYLTY_CARD_NBR TXN_ID PROD_NBR \
    DATE
                       229
                                    229079 230838
                                                           77
     2018-07-01
     2018-07-01
                        21
                                      21037
                                              17576
                                                           62
     2018-07-01
                        40
                                      40204
                                              37044
                                                           81
                                              PROD_NAME PROD_QTY
                                                                   TOT_SALES \
    DATE
     2018-07-01 Doritos Corn Chips Nacho Cheese 170g
                                                                2
                                                                          8.8
     2018-07-01
                      Pringles Mystery
                                           Flavour 134g
                                                                2
                                                                          7.4
     2018-07-01
                       Pringles Original
                                            Crisps 134g
                                                                2
                                                                          7.4
                             LIFESTAGE PREMIUM_CUSTOMER
                                                                   BRAND
                                                          SIZE
    DATE
     2018-07-01 OLDER SINGLES/COUPLES
                                                  Budget
                                                           170
                                                                 Doritos
     2018-07-01
                                              Mainstream
                                                           134 Pringles
                              RETIREES
     2018-07-01
                        YOUNG FAMILIES
                                                                Pringles
                                                  Budget
                                                           134
    Creating month and year column.
[3]: df['month'] = df.index.month
     df['year'] = df.index.year
     df['year-month'] = df.index.to_period('M')
    Creating separete dataframe for trial period and test period.
```

[4]: pre_trial_df, trial_df = df['2018-07':'2019-01'], df['2019-02':'2019-04']

Separating trial stores selected by client.

```
[5]: trial = pre_trial_df.query('STORE_NBR == 77 or STORE_NBR == 86 or STORE_NBR == ω 88')
```

0.1 Selecting control stores

The client has selected store numbers 77, 86 and 88 as trial stores and want control stores to be established stores that are operational for the entire observation period. We would want to match trial stores to control stores that are similar to the trialstore prior to the trial period of Feb 2019 in terms of:

Creating dataframe with the possible control stores to be selected and removing stores that don't have full observation periods.

```
[6]: possible_control = pd.concat([pre_trial_df, trial, trial]).

→drop_duplicates(keep=False)
```

```
[7]: possible_control['month'] = possible_control.index.month possible_control['year'] = possible_control.index.year
```

Monthly overall sales revenue

```
[8]: year
                  2018
                                                                     2019
                    7
                             8
                                      9
                                                               12
                                                                       1
    month
                                              10
                                                      11
     STORE NBR
                         168.40
                                           175.4
                                                   184.8
                                                           160.6
                                                                    149.7
     1
                 188.9
                                   268.1
     2
                 140.5
                         180.90
                                  133.9
                                           160.1
                                                   143.3
                                                           129.2
                                                                    158.7
                1164.9
                         998.15 1011.3 1017.5
                                                   936.6 1075.7
                                                                    980.3
                1318.3 1188.10 1168.0 1275.0 1089.6 1134.6 1402.6
     4
     5
                 763.8
                         654.50
                                  875.2
                                           740.6
                                                   707.0
                                                           800.2
                                                                    772.6
```

Monthly number of customers

```
monthly_num_customers_possible.head()
```

```
[9]: year
                 2018
                                                           2019
    month
                   7
                         8
                                9
                                        10
                                               11
                                                      12
                                                             1
    STORE NBR
                47.0
                       41.0
                              57.0
                                     39.0
                                            44.0
                                                    37.0
                                                           35.0
    1
    2
                36.0
                       35.0
                              32.0
                                            33.0
                                                           41.0
                                     39.0
                                                    32.0
    3
                108.0 106.0 102.0 103.0
                                            95.0 107.0
                                                           97.0
    4
                121.0
                      118.0 117.0 119.0 109.0 102.0 125.0
    5
                86.0
                       85.0
                               99.0
                                     81.0
                                            80.0
                                                   90.0
                                                           84.0
```

Monthly number of transactions per customer

Monthly chips per customer

Average price per unit

```
[12]: avg_price_unit_possible = possible_control.

⇒pivot_table(values='TOT_SALES',columns=['year','month'],index='STORE_NBR',aggfunc='sum')

⇒/ possible_control.

⇒pivot_table(values='PROD_QTY',columns=['year','month'],index='STORE_NBR',aggfunc='sum')
```

Creating function to compare any store to the trial stores.

```
[13]: def correlation_total(possible):
    '''(Series)->list
    Returns a dict with correlation between the 3 trial stores.
    '''
    corr_dict = {}
    for i in range(3):
        corr_dict[monthly_sales_revenue_trial.index[i]] =
    →monthly_sales_revenue_trial.iloc[i].corr(possible)
    return corr_dict
```

```
[14]: def correlation_num_cust(possible):
    '''(Series)→list
    Returns a dic with correlation between the 3 trial stores.
    '''
    corr_dict = {}
    for i in range(3):
        corr_dict[monthly_num_customers_trial.index[i]] =
    →monthly_num_customers_trial.iloc[i].corr(possible)
    return corr_dict
```

```
[15]: def correlation_num_transact(possible):
    '''(Series)->list
    Returns a dic with correlation between the 3 trial stores.
    '''
    corr_dict = {}
    for i in range(3):
        corr_dict[monthly_num_transact_trial.index[i]] =
    →monthly_num_transact_trial.iloc[i].corr(possible)
    return corr_dict
```

```
[16]: data_corr_total = [correlation_total(monthly_sales_revenue_possible.loc[i]) for in monthly_sales_revenue_possible.index]

data_corr_cust = [correlation_num_cust(monthly_num_customers_possible.loc[i]) of in monthly_num_customers_possible.index]
```

```
[16]: 77 86 88

STORE_NBR

1 0.166242 0.374556 0.636105
2 -0.423837 -0.295438 -0.389947
3 0.707848 0.101784 -0.016625
4 -0.326629 0.014688 -0.361454
5 0.042860 0.273139 0.155995
```

Creating dataframes using the functions created, where each row represents a store being compared to the 3 trial stores selected by the client and averaging the created dataframes.

```
[17]:
                      77
                                86
                                          88
     STORE_NBR
                0.171624 0.374556 0.636105
     1
     2
                0.423837
                          0.295438 0.389947
     3
                0.707848 0.101784 0.450705
     4
                0.326629
                          0.020930 0.361454
                0.181908 0.273139 0.182530
```

Getting the highest correlated stores from the averaged dataframe.

```
[18]: for i in [77,86,88]:
    print('Store with highest average correlation with store {}: {}'.format(
         i,avg[i].sort_values(ascending=False).index[0]))
```

```
Store with highest average correlation with store 77: 233
Store with highest average correlation with store 86: 155
Store with highest average correlation with store 88: 14
```

0.2Comparing selected control stores with trial stores

We'll start by defining some functions that will help with scaling the control store's sales so as to

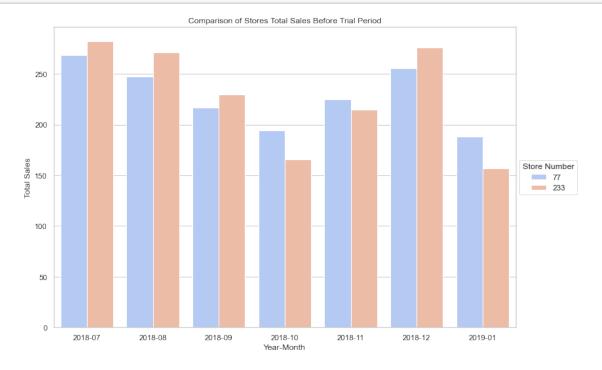
```
control for any differences between the two stores outside of the trial period.
[19]: | scaling_sales_77_233 = pre_trial_df.query('STORE_NBR == 77')['TOT_SALES'].sum()__
      →/ pre trial df.query('STORE NBR == 233')['TOT SALES'].sum()
      scaling_sales_86_155 = pre_trial_df.query('STORE_NBR == 86')['TOT_SALES'].sum()__
      →/ pre_trial_df.query('STORE_NBR == 155')['TOT_SALES'].sum()
      scaling_sales_88_14 = pre_trial_df.query('STORE_NBR == 88')['TOT_SALES'].sum() /

→ pre trial df.query('STORE NBR == 14')['TOT SALES'].sum()
[20]: def scale_total_sales(x):
          if x['STORE_NBR'] == 233:
              return x['TOT_SALES']*scaling_sales_77_233
          elif x['STORE_NBR'] == 155:
              return x['TOT_SALES']*scaling_sales_86_155
          elif x['STORE NBR'] == 14:
              return x['TOT_SALES']*scaling_sales_88_14
          else:
              return x['TOT_SALES']
[21]: scaling_num_cust_77_233 = pre_trial_df.query('STORE_NBR ==_
       →77')['LYLTY_CARD_NBR'].nunique() / pre_trial_df.query('STORE_NBR ==_
       →233')['LYLTY_CARD_NBR'].nunique()
      scaling_num_cust_86_155 = pre_trial_df.query('STORE_NBR ==_
       →86')['LYLTY_CARD_NBR'].nunique() / pre_trial_df.query('STORE_NBR ==_
       →155')['LYLTY_CARD_NBR'].nunique()
      scaling_num_cust_88_14 = pre_trial_df.query('STORE NBR ==__
       →88')['LYLTY_CARD_NBR'].nunique() / pre_trial_df.query('STORE_NBR ==_
       →14')['LYLTY_CARD_NBR'].nunique()
[22]: def scale num cust(x):
          if x['STORE_NBR'] == 233:
              return x['TOT_SALES']*scaling_num_cust_77_233
          elif x['STORE_NBR'] == 155:
```

```
return x['TOT_SALES']*scaling_num_cust_86_155
elif x['STORE_NBR'] == 14:
    return x['TOT_SALES']*scaling_num_cust_88_14
else:
    return x['TOT_SALES']
```

0.2.1 Store 77 and Store 233

Comparing total sales

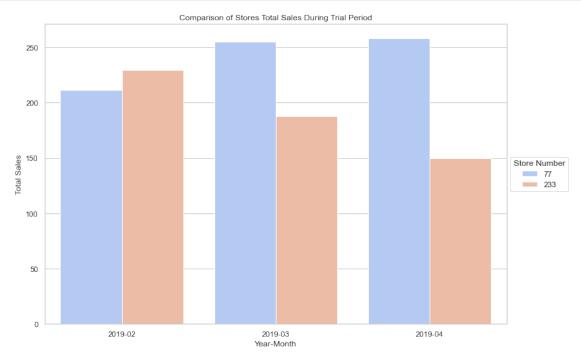


```
[25]: plt.figure(figsize=(12,8))

sns.

$\to$barplot(data=scaled_compare_77_233_trial,x='year-month',y='TOT_SALES',hue='STORE_NBR',ci=No
```

```
plt.xlabel('Year-Month')
plt.ylabel('Total Sales')
plt.legend(title='Store Number',loc='center left', bbox_to_anchor=(1, 0.5))
plt.title('Comparison of Stores Total Sales During Trial Period');
```



We can check if the difference is statistically signifficant perfoming a t-test with a null hypothesis of there being 0 monthly total revenue difference between the trial and control stores for the trial periods.

[26]: Ttest_indResult(statistic=1.9141052468050233, pvalue=0.12813840549898767)

The results show that the monthly total revenue during trial in store 77 is not significantly different to its control store in the trial period.

Comparing Number of Customers Scaling number of customers

```
[27]:
```

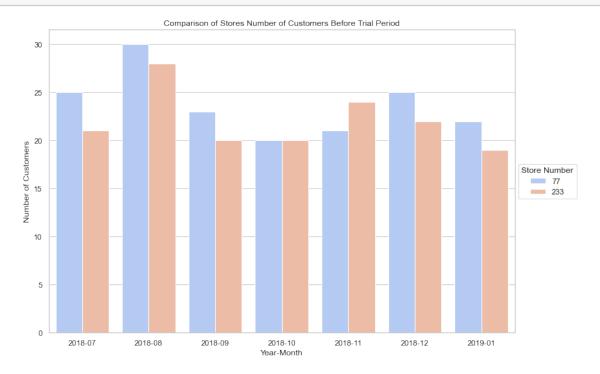
```
scaled_compare_77_233_pre_trial.loc[:,'LYLTY_CARD_NBR'] = 

scaled_compare_77_233_pre_trial.apply(scale_num_cust,axis=1)

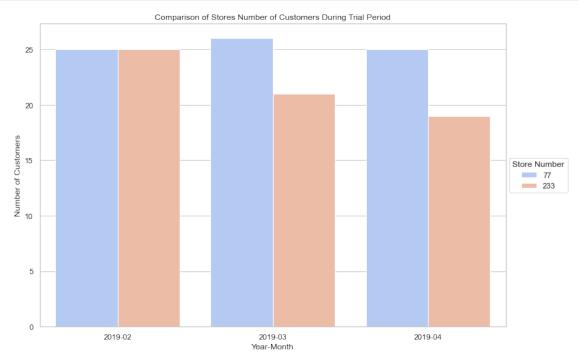
scaled_compare_77_233_trial.loc[:,'LYLTY_CARD_NBR'] = 

scaled_compare_77_233_trial.apply(scale_num_cust,axis=1)
```

Graphical Analysis



```
plt.ylabel('Number of Customers')
plt.legend(title='Store Number',loc='center left', bbox_to_anchor=(1, 0.5))
plt.title('Comparison of Stores Number of Customers During Trial Period');
```



We will now test with a null hypothesis of there being 0 number of customers difference between the trial and the control store for the trial period.

```
[30]: stats.ttest_ind(scaled_compare_77_233_trial.

→pivot_table(values='LYLTY_CARD_NBR',columns=['year','month'],index='STORE_NBR',aggfunc=pd.

→Series.nunique).loc[77],

scaled_compare_77_233_trial.

→pivot_table(values='LYLTY_CARD_NBR',columns=['year','month'],index='STORE_NBR',aggfunc=pd.

→Series.nunique).loc[233])
```

[30]: Ttest_indResult(statistic=2.0426487199475694, pvalue=0.11061012278987672)

The results show that there's no significantly number of customers difference between the trial in store 77 and control store in the trial period.

0.2.2 Store 86 and Store 155

```
[31]: scaled_compare_86_155_pre_trial = pre_trial_df.query('STORE_NBR == 86 or__

STORE_NBR == 155').copy()

scaled_compare_86_155_trial = trial_df.query('STORE_NBR == 86 or STORE_NBR ==__

4155').copy()
```

```
[32]: plt.figure(figsize=(12,8))

sns.

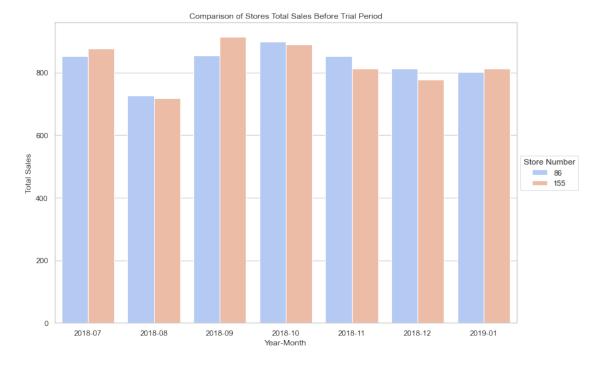
⇒barplot(data=scaled_compare_86_155_pre_trial,x='year-month',y='TOT_SALES',hue='STORE_NBR',c

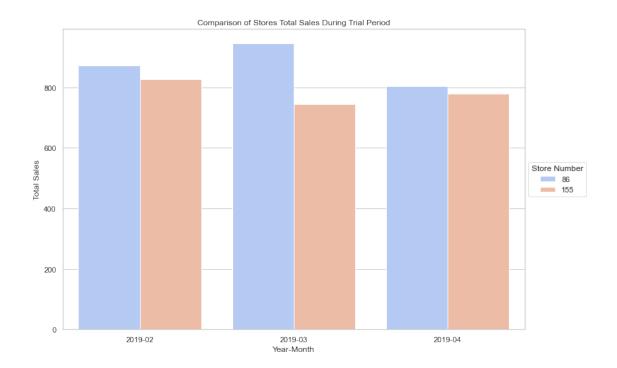
plt.xlabel('Year-Month')

plt.ylabel('Total Sales')

plt.legend(title='Store Number',loc='center left', bbox_to_anchor=(1, 0.5))

plt.title('Comparison of Stores Total Sales Before Trial Period');
```





We can check if the difference is statistically signifficant perfoming a t-test with a null hypothesis of there being 0 monthly total revenue difference between the trial and control stores for the trial periods.

```
[34]: stats.ttest_ind(scaled_compare_86_155_trial.

→pivot_table(values='TOT_SALES',columns=['year','month'],index='STORE_NBR',aggfunc='sum').

→loc[86],

scaled_compare_86_155_trial.

→pivot_table(values='TOT_SALES',columns=['year','month'],index='STORE_NBR',aggfunc='sum').

→loc[155])
```

[34]: Ttest_indResult(statistic=1.918329928839408, pvalue=0.1275164635243009)

The results show that there's no significantly total revenue difference between the trial in store 86 and the control store in the trial period.

Comparing Number of Customers

```
[35]: scaled_compare_86_155_pre_trial.loc[:,'LYLTY_CARD_NBR'] = 

⇒scaled_compare_86_155_pre_trial.apply(scale_num_cust,axis=1)

scaled_compare_86_155_trial.loc[:,'LYLTY_CARD_NBR'] = 

⇒scaled_compare_86_155_trial.apply(scale_num_cust,axis=1)
```

```
[36]: plt.figure(figsize=(12,8))
```

```
sns.

⇒barplot(data=scaled_compare_86_155_pre_trial,x='year-month',y='LYLTY_CARD_NBR',hue='STORE_N

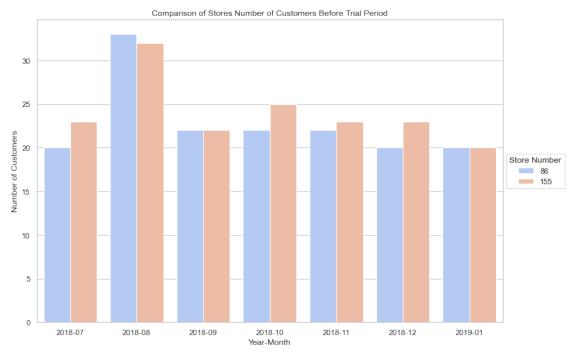
⇒Series.nunique)

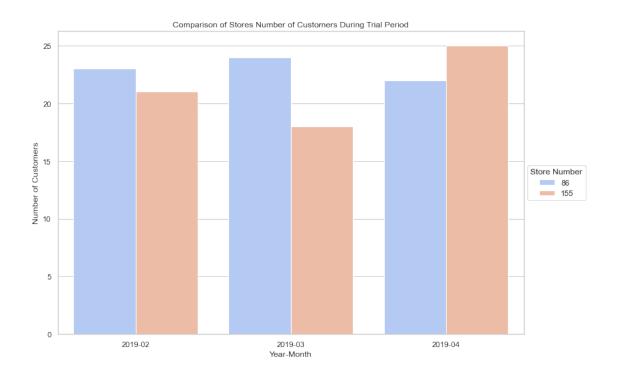
plt.xlabel('Year-Month')

plt.ylabel('Number of Customers')

plt.legend(title='Store Number',loc='center left', bbox_to_anchor=(1, 0.5))

plt.title('Comparison of Stores Number of Customers Before Trial Period');
```





```
[38]: stats.ttest_ind(scaled_compare_86_155_trial.

→pivot_table(values='LYLTY_CARD_NBR',columns=['year','month'],index='STORE_NBR',aggfunc=pd.

→Series.nunique).loc[86],

scaled_compare_86_155_trial.

→pivot_table(values='LYLTY_CARD_NBR',columns=['year','month'],index='STORE_NBR',aggfunc=pd.

→Series.nunique).loc[155])
```

[38]: Ttest_indResult(statistic=0.7905694150420953, pvalue=0.4734273652571372)

The results show that there's no significantly number of customers difference between the trial in store 77 and control store in the trial period.

0.2.3 Store 88 and Store 14

```
[39]: scaled_compare_88_14_pre_trial = pre_trial_df.query('STORE_NBR == 88 or_u

→STORE_NBR == 14').copy()

scaled_compare_88_14_trial = trial_df.query('STORE_NBR == 88 or STORE_NBR == u

→14').copy()

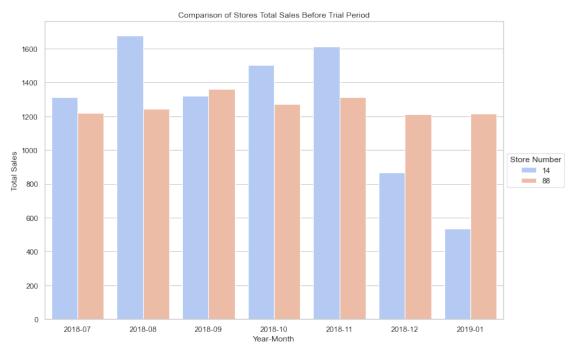
scaled_compare_88_14_pre_trial.loc[:,'TOT_SALES'] = u

→scaled_compare_88_14_pre_trial.apply(scale_total_sales,axis=1)

scaled_compare_88_14_trial.loc[:,'TOT_SALES'] = scaled_compare_88_14_trial.

→apply(scale_total_sales,axis=1)
```

```
[40]: plt.figure(figsize=(12,8))
```



```
plt.figure(figsize=(12,8))

sns.

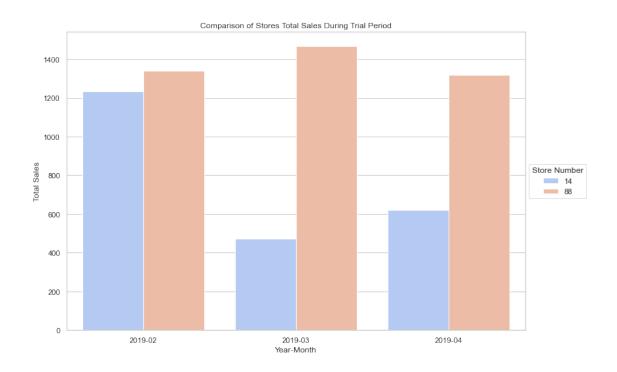
⇒barplot(data=scaled_compare_88_14_trial,x='year-month',y='TOT_SALES',hue='STORE_NBR',ci=Non

plt.xlabel('Year-Month')

plt.ylabel('Total Sales')

plt.legend(title='Store Number',loc='center left', bbox_to_anchor=(1, 0.5))

plt.title('Comparison of Stores Total Sales During Trial Period');
```



```
[42]: stats.ttest_ind(scaled_compare_88_14_pre_trial.

→pivot_table(values='TOT_SALES',columns=['year','month'],index='STORE_NBR',aggfunc='sum').

→loc[88],

scaled_compare_88_14_trial.

→pivot_table(values='TOT_SALES',columns=['year','month'],index='STORE_NBR',aggfunc='sum').

→loc[14])
```

[42]: Ttest_indResult(statistic=3.4040222383372685, pvalue=0.00930497392292769)

The results show that the monthly total revenue during trial in store 88 is significantly different to its control store in the trial period.

Comparing Number of Customers

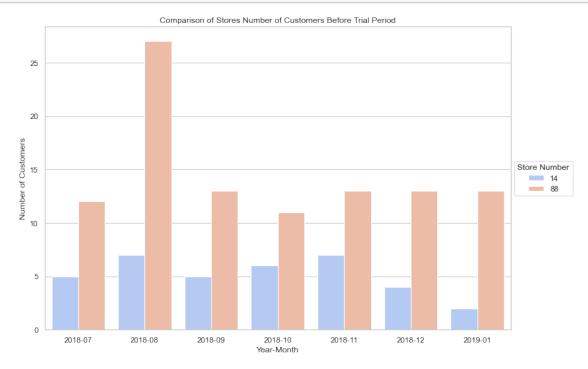
```
[43]: scaled_compare_88_14_pre_trial.loc[:,'LYLTY_CARD_NBR'] = 

⇒scaled_compare_88_14_pre_trial.apply(scale_num_cust,axis=1)

scaled_compare_88_14_trial.loc[:,'LYLTY_CARD_NBR'] = scaled_compare_88_14_trial.

⇒apply(scale_num_cust,axis=1)
```

```
plt.ylabel('Number of Customers')
plt.legend(title='Store Number',loc='center left', bbox_to_anchor=(1, 0.5))
plt.title('Comparison of Stores Number of Customers Before Trial Period');
```



```
sns.

→barplot(data=scaled_compare_88_14_trial,x='year-month',y='LYLTY_CARD_NBR',hue='STORE_NBR',c

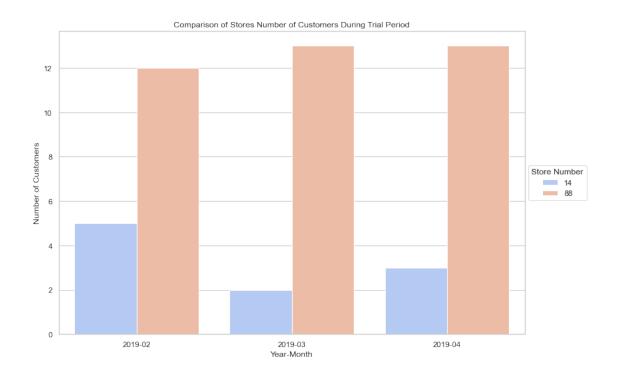
→Series.nunique)

plt.xlabel('Year-Month')

plt.ylabel('Number of Customers')

plt.legend(title='Store Number',loc='center left', bbox_to_anchor=(1, 0.5))

plt.title('Comparison of Stores Number of Customers During Trial Period');
```



```
[46]: stats.ttest_ind(scaled_compare_88_14_trial.

→pivot_table(values='LYLTY_CARD_NBR',columns=['year','month'],index='STORE_NBR',aggfunc=pd.

→Series.nunique).loc[88],

scaled_compare_88_14_trial.

→pivot_table(values='LYLTY_CARD_NBR',columns=['year','month'],index='STORE_NBR',aggfunc=pd.

→Series.nunique).loc[14])
```

[46]: Ttest_indResult(statistic=9.899494936611664, pvalue=0.0005844106153028071)

The results show that the number of customers difference during trial in store 88 is significantly different to its control store in the trial period.