Analyze A/B Test Results

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

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Introduction

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

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

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

Part I - Probability

To get started, let's import our libraries.

IMPORT AND VIEW DATA

```
import pandas as pd
import numpy as np
import random
import matplotlib.pyplot as plt
Nmmtplotlib inline
### are setting the seed to assure you get the same answers on quizzes as we set up
random.seed(42)

+ Code + Markdown
```

1. Now, read in the ab_data.csv data. Store it in df. Use your dataframe to answer the questions in Quiz 1 of the classroom.

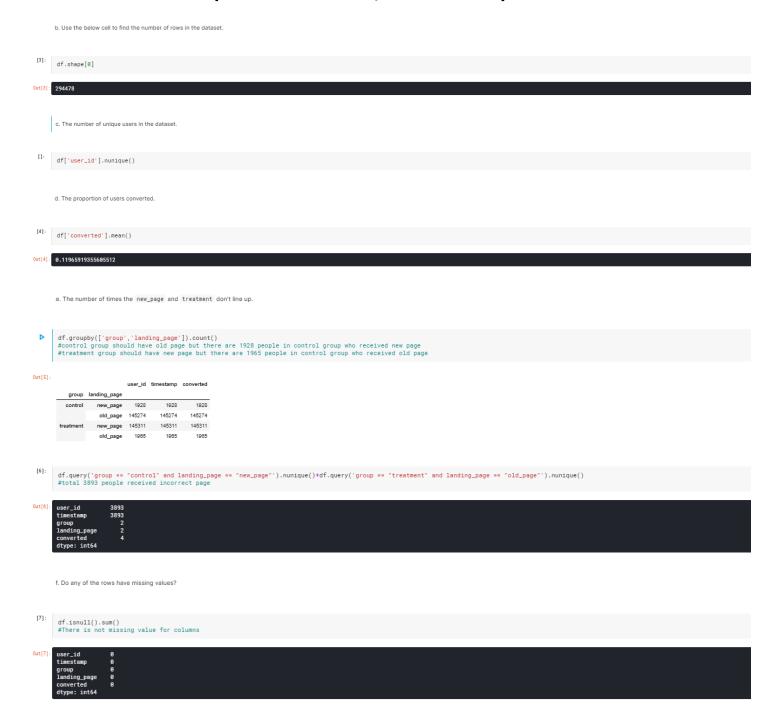
a. Read in the dataset and take a look at the top few rows here:

[2]: df=pd.read_csv('../input/ab-test/ab_data.csv')
 df.head()

Out[2]:

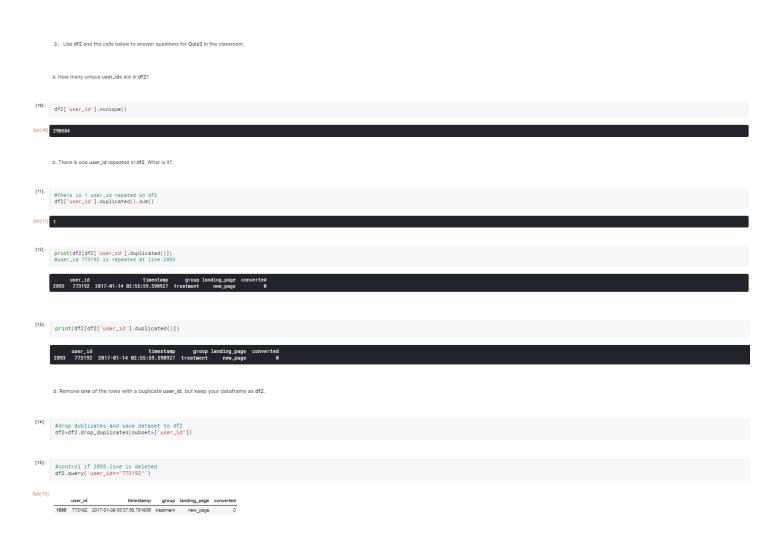
	user_id	timestamp	group	landing_page	converted
0	851104	2017-01-21 22:11:48.556739	control	old_page	0
1	804228	2017-01-12 08:01:45.159739	control	old_page	0
2	661590	2017-01-11 16:55:06.154213	treatment	new_page	0
3	853541	2017-01-08 18:28:03.143765	treatment	new_page	0
4	864975	2017-01-21 01:52:26.210827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

CONTROL DATA – (MISSING ROWS, SHAPE ETC.)



CREATE DF2 WITH CORRECT VALUES

FIND AND DELETE DUPLICATED ROWS



CALCULATE CONVERSION RATES OF OVERALL, CONTROL GROUP AND TREATMENT GROUP

```
4. Use df2 in the below cells 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?
        #converted percantage
df2['converted'].mean()
Out[16] 0.11959708724499628
       b. Given that an individual was in the control group, what is the probability they converted?
[17]: df2.query('group == "control"')['converted'].mean()
      0.1203863045004612
        c. Given that an individual was in the treatment group, what is the probability they converted?
[18]: df2.query('group == "treatment"')['converted'].mean()
Out[18] 0.11880806551510564
       d. What is the probability that an individual received the new page?
          + Code + Markdown
       df2.groupby(['landing_page']).count()
#there are 145310 people who received new page
                     user_id timestamp group converted
       old_page 145274 145274 145274 145274
        #percantage of people who received new page
#formula: new page / new page + old page
df2.query('landing_page=="new_page"').count()/len(df2)
         e. Consider your results from a. through d. above, and explain below whether you think there is sufficient evidence to say that the new
         treatment page leads to more conversions.
         Your answer goes here.
         My comment:
         overall conversation: 0.1196 control group conversation: 0.1203 (%7 more than overall) treatment group conversation: 0.1189 (8% less than
         overall)
         8% is small percantage. I can not say that new page causes more conversations. Old page seems better than new page at this line. We should do more tests to understand better if new page is really unsuccessful.
         df2[df2['group']=='treatment'].timestamp.max(), df2[df2['group']=='treatment'].timestamp.min()
```

My comment:

Test is run for 22 days. This might be short time for users to understand if website is better or not.

('2017-01-24 13:41:44.097174', '2017-01-02 13:42:05.378582')

DEFINE NULL AND ALTERNATIVE HYPOTHESES

Part II - A/B Test Notice that because of the time stamp associated with each event, you could technically run a hypothesis test continuously as each However, then the hard question is do you stop as soon as one page is considered significantly better than another or does it need to happen consistently for a certain amount of time? How long do you run to render a decision that neither page is better than another? These questions are the difficult parts associated with A/B tests in general. 1. For now, consider you need to make the decision just based on all the data provided. If you want to assume that the old page is better unless the new page proves to be definitely better at a Type I error rate of 5%, what should your null and alternative hypotheses be? You can state your *hypothesis in terms of words or in terms of * p_{new} , which are the converted rates for the old and new pages. Put your answer here. My comment: My null hypotheses: H0= new page is unsuccessful or as successfull as old page My alternative hypotheses: H1 = new page is more successfull than old page H0: p_new-p_old<=0 H1: p_new-p_old>0 **CALCULATE SUCCESS RATES** 2. Assume under the null hypothesis, p_{new} and p_{old} both have "true" success rates equal to the converted success rate regardless of page that is p_{new} and p_{old} are equal. Furthermore, assume they are equal to the converted rate in ab_data.csv regardless of the page. Use a sample size for each page equal to the ones in ab_data.csv. Perform the sampling distribution for the difference in converted between the two pages over 10,000 iterations of calculating an estimate from the null. Use the cells below to provide the necessary parts of this simulation. If this doesn't make complete sense right now, don't worry - you are going to work through the problems below to complete this problem. You can use Quiz 5 in the classroom to make sure you are on the right track. a. What is the convert rate for p_{new} under the null? [22]: p_new = df2.converted.mean() 0.11959708724499628 b. What is the convert rate for p_{old} under the null?

0.11959708724499628

p_old = df2.converted.mean()

```
C. What is n<sub>new</sub>?

[24]:

n_new = df2.query("landing_page == 'new_page'")['converted'].count()

n_new

d. What is n<sub>ndd</sub>?

[25]:

n_old = df2.query('landing_page == "old_page"')['converted'].count()

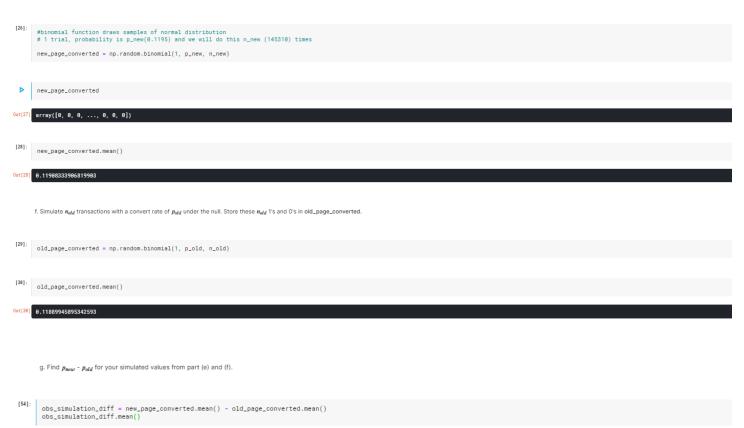
n_old

0x[15]:

145274
```

SIMULATE SUCCESS RATES WITH BINOMIAL FUNCTION

e. Simulate n_{new} transactions with a convert rate of p_{new} under the null. Store these n_{new} 1's and 0's in new_page_converted.



My comment:

Out[54] 0.00018388011477309119

observed differences convert rate of pages is not significant. But we should evaluate it 10000 times with bootstraping and observe difference again.

CALCULATE SUCCESS RATES OF TREATMENT AND CONTROL GROUP

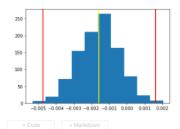


SIMULATE SUCCESS RATES OF GROUPS WITH BOOTSTRAPING



DRAWING HISTOGRAM

```
diffs = np.array(diffs)
# 99% confidence interval
low= np.percentile(diffs, .5)
upper=np.percentile(diffs, .99.5)
plt.hist(diffs);
plt.avvline(x=low, color='red', linewidth=2);
plt.avvline(x=upper, color='red', linewidth=2);
plt.avvline(obs_diff, color='yellow', linewidth=2);
```



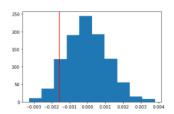
My comment:

I can see bel shaped graphic, so there is normal distribution. confidence interval is %99 and almost most of samples' mean are between lower

null_vals =np.random.normal(0, diffs.size)
plt.hist(null_vals)

plot line for observed statistic
plt.axvline(obs_diff, c='red')

Out[68] <matplotlib.lines.Line2D at 0x7f93b8f36a50>



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

Out[79] 0.919

COMMENT

My comment:

Type I error is 0.5

P value is greater than 0.5.

** We can not reject null hypotesis **