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:

- Introduction
- Part I Probability
- Part II A/B Test
- Part III Regression
- Final Check
- Submission

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.

Tip: Though it's not a mandate, students can attempt the classroom quizzes to ensure statistical numeric values are calculated correctly in many cases.

Part I - Probability

To get started, let's import our libraries.

```
In [1]: import pandas as pd
   import numpy as np
   import random
   import matplotlib.pyplot as plt
%matplotlib inline
```

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:

| Data columns | Purpose | Valid values |
|-----------------|---|-------------------------------------|
| user_id | Unique ID | Int64 values |
| timestamp | Time stamp when the user visited the webpage | - |
| group | In the current A/B experiment, 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. | <pre>['control', 'treatment']</pre> |
| landing_page | It denotes whether the user visited the old or new webpage. | <pre>['old_page', 'new_page']</pre> |
| converted | It denotes whether the user decided to pay for the company's product. Here, 1 means yes, the user bought the product. | [0, 1] |

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 [2]: df=pd.read_csv('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 |

b. Use the cell below to find the number of rows in the dataset.

In [3]: df.shape[0]

Out[3]: 294478

c. The number of unique users in the dataset.

```
In [4]: df['user_id'].nunique()
```

Out[4]: 290584

d. The proportion of users converted.

```
In [5]: df['converted'].mean()
```

Out [5]: 0.11965919355605512

e. The number of times when the "group" is treatment but "landing_page" is not a new_page .

```
In [6]: Error1 = df.query('group == "treatment" and landing_page == "old_page"')
    Error2 = df.query('group == "control" and landing_page == "new_page"')
    Error1.shape[0]+Error2.shape[0]
```

Out[6]: 3893

f. Do any of the rows have missing values?

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 | X | |
| XXXX | XXXX | treatment | new_page | Χ | |

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**.

```
In [8]: # Remove the inaccurate rows, and store the result in a new dataframe df2
    df2 = df.copy()
    df2.drop(Error1.index, inplace=True)

df2.drop(Error2.index, inplace=True)

In [9]: # Double Check all of the incorrect rows were removed from df2 -
    # Output of the statement below should be 0
    df2[((df2['group'] == 'treatment') == (df2['landing_page'] == 'new_page')) =
Out[9]: 0
```

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 [10]: df2.nunique()
Out[10]: user id
                           290584
                           290585
          timestamp
                                2
          group
          landing_page
                                2
          converted
                                2
          dtype: int64
          b. There is one user_id repeated in df2. What is it?
In [11]: df2[df2['user_id'].duplicated()==True].user_id
Out[11]: 2893
                  773192
          Name: user_id, dtype: int64
          c. Display the rows for the duplicate user_id?
In [12]: df2[df2['user_id'].duplicated()==True]
Out[12]:
                user_id
                                      timestamp
                                                    group landing_page converted
          2893 773192 2017-01-14 02:55:59.590927 treatment
                                                                               0
                                                              new_page
```

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

```
In [13]: # Remove one of the rows with a duplicate user_id..
# Hint: The dataframe.drop_duplicates() may not work in this case because the
```

```
df2.drop(2893, inplace=True)
# Check again if the row with a duplicate user_id is deleted or not
df2.nunique()
```

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 $p_{population}$.

```
In [14]: sum(df2['converted']==1)/df2.shape[0]
```

Out[14]: 0.11959708724499628

b. Given that an individual was in the control group, what is the probability they converted?

```
In [15]: control_df = df2.query('group == "control"')
  control_convert=sum(control_df['converted']==1)/control_df.shape[0]
  control_convert
```

Out[15]: 0.1203863045004612

c. Given that an individual was in the treatment group, what is the probability they converted?

```
In [16]: treatment_df = df2.query('group == "treatment"')
    treatment_convert=sum(treatment_df['converted']==1)/treatment_df.shape[0]
    treatment_convert
```

Out[16]: 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 [17]: # Calculate the actual difference (obs_diff) between the conversion rates fo
  obs_diff = treatment_convert - control_convert
  obs_diff
```

- Out[17]: -0.0015782389853555567
 - **d.** What is the probability that an individual received the new page?

```
In [18]: new_page_df = df2.query('landing_page == "new_page"')
new_page_probability = new_page_df.shape[0] / df2.shape[0]
new_page_probability
```

- Out[18]: 0.5000619442226688
 - **e.** Consider your results from parts (a) through (d) above, and explain below whether the new treatment group users lead to more conversions.

My answer

No. According to the calculated probability, the probability that users in the group of treatment will convert is actually slightly less than the probability that user in the group of control will convert.

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.

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.

My answer

 $H_0: p_{old} - p_{new} \geq 0$

 $H_1: p_{old} - p_{new} < 0$

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 [19]: p_new = sum(df2['converted']==1)/df2.shape[0]
p_new
```

Out[19]: 0.11959708724499628

b. What is the **conversion rate** for p_{old} under the null hypothesis?

```
In [20]: p_old = sum(df2['converted']==1)/df2.shape[0]
```

p_old

Out[20]: 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.

Out[21]: 145310

d. What is n_{old} , the number of individuals in the control group?

```
In [22]: n_old = df2[df2['landing_page']== "old_page"].shape[0]
n_old
```

Out[22]: 145274

e. Simulate Sample for the treatment Group

Simulate n_{new} transactions with a conversion rate of p_{new} under the null hypothesis.

 ${\it Hint}$: Use ${\it numpy.random.choice}$ () 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.

```
In [23]: # Simulate a Sample for the treatment Group
  new_page_convert = np.random.choice([1, 0], size=n_new, p=[p_new, (1-p_new)]
  new_page_convert.mean()
```

Out[23]: 0.11953065859197577

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.

```
In [24]: # Simulate a Sample for the control Group
  old_page_convert = np.random.choice([1, 0], size=n_old, p=[p_old, (1-p_old)]
  old_page_convert.mean()
```

Out[24]: 0.12037942095626196

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

```
In [25]: sample_diff = new_page_convert.mean()-old_page_convert.mean()
sample_diff
```

Out[25]: -0.00084876236428618745

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 [26]: # Sampling distribution
p_diffs = []

for _ in range(10000):
    new_page_convert = np.random.choice([1, 0], size=n_new, p=[p_new, (1-p_n old_page_convert = np.random.choice([1, 0], size=n_old, p=[p_old, (1-p_o sample_diff = new_page_convert.mean()-old_page_convert.mean()
    p_diffs.append(sample_diff)
```

i. Histogram

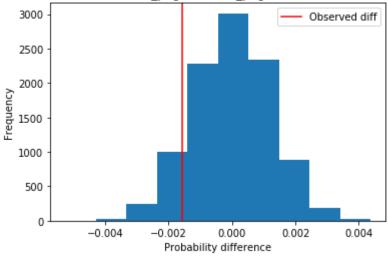
Plot a histogram of the **p_diffs**. Does this plot look like what you expected? Use the matching problem in the classroom to assure you fully understand what was computed here.

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 [27]: plt.hist(p_diffs);
   plt.axvline(x=obs_diff, color='r', label="Observed diff")
   plt.xlabel('Probability difference')
   plt.ylabel('Frequency')
   plt.title('Simulated Difference of new_page and old_page converted rate under plt.legend()
   plt.show();
```

Simulated Difference of new_page and old_page converted rate under the Null



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

In [28]: (np.array(p_diffs)>obs_diff).mean()

Out[28]: 0.9003999999999998

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)".

My answer

P value.

When P value is large (>0.05), we cannot reject the null hypothesis. In our case, since P value is much greater than 0.05, it means that we do not have sufficient evidence to say the new_page has a higher conversion rate than the old_page.

I. 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 [29]: import statsmodels.api as sm
         # number of conversions with the old page
         convert_old = len(df2.query('landing_page == "old_page" & converted == 1'))
         # number of conversions with the new page
         convert_new = len(df2.query('landing_page == "new_page" & converted == 1'))
         # number of individuals who were shown the old page
         n_old = len(df2.query('landing_page == "old_page"'))
         # number of individuals who received new page
         n_new = len(df2.query('landing_page == "new_page"'))
         convert_old,convert_new,n_old,n_new
         /opt/conda/lib/python3.6/site-packages/statsmodels/compat/pandas.py:56: Fut
         ureWarning: The pandas.core.datetools module is deprecated and will be remo
```

ved in a future version. Please use the pandas.tseries module instead. from pandas.core import datetools

```
Out[29]: (17489, 17264, 145274, 145310)
```

m. Now use sm.stats.proportions_ztest() to compute your test statistic and pvalue. 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}).
It's a right-tailed if you defined H_1 as (p_{new} > p_{old}).
```

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

About the two-sample z-test

Recall that you have plotted a distribution p_diffs representing the difference in the "converted" probability $(p'_{new} - p'_{old})$ for your two simulated samples 10,000 times.

Another way for comparing the mean of two independent and normal distribution is a **two-sample z-test**. You can perform the Z-test to calculate the Z_score, as shown in the equation below:

$$Z_{score} = rac{(p'_{new} - p'_{old}) - (p_{new} - p_{old})}{\sqrt{rac{\sigma_{new}^2}{n_{new}} + rac{\sigma_{old}^2}{n_{old}}}}$$

where,

- p' is the "converted" success rate in the sample
- p_{new} and p_{old} are the "converted" success rate for the two groups in the population.
- σ_{new} and σ_{new} are the standard deviation for the two groups in the population.
- n_{new} and n_{old} represent the size of the two groups or samples (it's same in our case)

Z-test is performed when the sample size is large, and the population variance is known. The z-score represents the distance between the two "converted" success rates in terms of the standard error.

Next step is to make a decision to reject or fail to reject the null hypothesis based on comparing these two values:

- \bullet Z_{score}
- Z_{α} or $Z_{0.05}$, also known as critical value at 95% confidence interval. $Z_{0.05}$ is 1.645 for one-tailed tests, and 1.960 for two-tailed test. You can determine the Z_{α} from the z-table manually.

Decide if your hypothesis is either a two-tailed, left-tailed, or right-tailed test. Accordingly, reject OR fail to reject the null based on the comparison between Z_{score} and Z_{α} .

Hint:

For a right-tailed test, reject null if $Z_{score} > Z_{\alpha}$. For a left-tailed test, reject null if $Z_{score} < Z_{\alpha}$.

In other words, we determine whether or not the Z_{score} lies in the "rejection region" in the distribution. A "rejection region" is an interval where the null hypothesis is rejected iff the Z_{score} lies in that region.

Reference:

Example 9.1.2 on this page, courtesy www.stats.libretexts.org

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.

```
import statsmodels.api as sm
# ToDo: Complete the sm.stats.proportions_ztest() method arguments
z_score, p_value = sm.stats.proportions_ztest([convert_old,convert_new], [n_print(z_score, p_value)
```

1.31092419842 0.905058312759

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.

My answer

Z-score is a score we get from a z-test. It represents how many standard deviations a data point is away from the mean of population in a normal distripution.

Since we have similar p_value using current and previous approach, and p_value is much larger than 0.05, we cannot reject the null hypothesis.

In our case, he z value is 1.31 standard deviations which is less than the critical value, so we fail to reject the null hypothesis.

In adiddition, the p-value here is close to the p-value we previously obtained. Since it is much larger than 0.05, this means that we failed to reject the null hypothesis.

Part III - A regression approach

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?

- **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 [34]: df2['intercept'] = 1
    df2[['ab_page', 'new_page']] = pd.get_dummies(df2['landing_page'])
    df2 = df2.drop('new_page', axis=1)
    df2.head()
Out[34]: user_id timestamp group landing_page converted intercept ab_page
```

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

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.

```
import statsmodels.api as sm
lm = sm.Logit(df2['converted'],df2[['intercept', 'ab_page']])
results = lm.fit()

Optimization terminated successfully.
```

ptimization terminated successfully.

Current function value: 0.366118

Iterations 6

d. Provide the summary of your model below, and use it as necessary to answer the following questions.

```
In [36]: results.summary2()
```

| | Model: | | | Logit | No. I | terations: | 6.0 | 000 |
|------------|---------------------|------------|----------|-----------|-------------------|------------|----------|-----|
| | Dependent Variable: | | (| converted | Pseudo R-squared: | | 0.000 | |
| | Date: | | 2022-01- | -29 02:29 | | AIC: | 212780.3 | 502 |
| | No. Obse | ervations: | | 290584 | | BIC: | 212801.5 | 095 |
| Df Model: | | | 1 | Log-Li | kelihood: | -1.0639e | +05 | |
| | Df R | Residuals: | | 290582 | | LL-Null: | -1.0639e | +05 |
| Converged: | | 1.0000 | | Scale: | | 1.0 | 000 | |
| | | Coef. | Std.Err. | ; | z P> z | [0.025 | 0.975] | |
| | intercept | -1.9888 | 0.0081 | -246.6690 | 0.0000 | -2.0046 | -1.9730 | |
| | ab_page | -0.0150 | 0.0114 | -1.3109 | 0.1899 | -0.0374 | 0.0074 | |

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).

My answer

N 4 - -1 - 1

The p_value associated with ab_page is 0.1899, which is much larger than 0.05, so we failed to reject the null hypothesis with the regression model.

We have two-sided hypotheses for this regression model, and one-sided hypotheses for the model in Part II.

The null and alternative hypotheses associated with this regression model are:

$$H_0: p_{old} - p_{new} = 0$$

$$H_1: p_{old} - p_{new}
eq 0$$

While the null and alternative hypotheses associated with this regression model are:

$$H_0: p_{old} - p_{new} \geq 0$$

$$H_1:p_{old}-p_{new}<0$$

So the p_value in both cases are different.

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?

```
** My answer **
```

There might be other feauters that could show a more significant impact on the conversion, e.g. age, education, gender, location etc. The location of the users might affect the conversion rate from one page to another, so adding countries of users might be useful adding more factors to the regression model. However, adding too many additional terms into our regression model may also decrease the accuracy of the model.

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.

```
In [47]: # Read the countries.csv
countries = pd.read_csv('countries.csv')

In [52]: # Join with the df2 dataframe
    df_merged = df2.join(countries.set_index('user_id'), on='user_id')
    df_merged.head()
```

```
Out[52]:
             user_id
                                        group landing_page converted intercept ab_page count
                          timestamp
                          2017-01-21
          0 851104
                                        control
                                                                     0
                                                                               1
                                                                                        0
                                                                                               ι
                                                    old_page
                      22:11:48.556739
                          2017-01-12
           1 804228
                                                                     0
                                                                               1
                                                                                        0
                                                                                               L
                                        control
                                                    old_page
                      08:01:45.159739
                          2017-01-11
                                                                               1
                                                                                        1
           2 661590
                                     treatment
                                                                     0
                                                                                               l
                                                   new_page
                      16:55:06.154213
                          2017-01-08
             853541
                                     treatment
                                                                     0
                                                                               1
                                                                                        1
                                                                                               l
                                                   new_page
                      18:28:03.143765
                          2017-01-21
          4 864975
                                        control
                                                    old_page
                                                                     1
                                                                               1
                                                                                        0
                                                                                               ι
                      01:52:26.210827
In [53]: # Create the necessary dummy variables
          df_merged[['CA','UK', 'US']] = pd.get_dummies(df_merged['country'])
          # Drop the country column since this is no longer needed here
          df_merged = df_merged.drop('country', axis=1)
          df merged.head()
Out[53]:
             user_id
                          timestamp
                                        group landing_page converted intercept ab_page CA L
                          2017-01-21
                                                                                            0
            851104
                                        control
                                                    old_page
                                                                     0
                                                                               1
                                                                                        0
                      22:11:48.556739
                          2017-01-12
                                                                     0
           1 804228
                                        control
                                                    old_page
                                                                               1
                                                                                        0
                                                                                            0
                      08:01:45.159739
                          2017-01-11
           2 661590
                                     treatment
                                                                     0
                                                                                            0
                                                   new_page
                      16:55:06.154213
                          2017-01-08
           3 853541
                                     treatment
                                                   new_page
                                                                     0
                                                                                            0
                      18:28:03.143765
                          2017-01-21
                                                                                            0
            864975
                                        control
                                                    old_page
                                                                     1
                                                                                        0
                      01:52:26.210827
In [56]: #Fitting model and dispalying summary results
          log_mod = sm.Logit(df_merged['converted'], df_merged[['ab_page', 'intercept']
          results2= log_mod.fit()
```

Optimization terminated successfully.

Current function value: 0.366113

Iterations 6

results2.summary2()

| | | Model: | | Logit | No. | Iterations: | 6 | .0000 |
|------------|---------------|---------------------|----------|-----------|-------------------------|-------------|---------|-------|
| | Dependent | Dependent Variable: | | converted | Pseudo R-squared: | | 0.000 | |
| | Date: | | 2022-01- | -29 03:02 | | AIC: | 212781 | .1253 |
| | | | | 290584 | BIC: Log-Likelihood: | | | |
| | I | Df Model: | | 3 | | | | |
| | Df Residuals: | | | 290580 | | LL-Null: | -1.0639 | e+05 |
| Converged: | | | 1.0000 | | Scale: | 1 | .0000 | |
| | | Coef. | Std.Err. | z | P> z | [0.025 | 0.975] | |
| | ab_page | -0.0149 | 0.0114 | -1.3069 | 0.1912 | -0.0374 | 0.0075 | |
| | intercept | -2.0300 | 0.0266 | -76.2488 | 0.0000 | -2.0822 | -1.9778 | |
| | US | 0.0408 | 0.0269 | 1.5161 | 0.1295 | -0.0119 | 0.0934 | |
| | UK | 0.0506 | 0.0284 | 1 7835 | 0.0745 | -0.0050 | 0.1063 | |

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:

Out[56]:

- 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 [57]: #craeting the additional columns that represents the interaction between pag
    df_merged['CA_page'] = df_merged['CA']*df_merged['ab_page']
    df_merged['UK_page'] = df_merged['UK']*df_merged['ab_page']
    df_merged['US_page'] = df_merged['US']*df_merged['ab_page']
    df_merged.head()
```

```
Out[57]:
                                         group landing_page converted intercept ab_page CA L
              user_id
                           timestamp
                           2017-01-21
              851104
                                                                      0
                                                                                1
                                                                                              0
                                        control
                                                     old_page
                                                                                          0
                      22:11:48.556739
                           2017-01-12
              804228
                                                                      0
                                        control
                                                     old_page
                                                                                          0
                                                                                              0
                      08:01:45.159739
                           2017-01-11
             661590
                                      treatment
                                                                      0
                                                                                1
                                                                                          1
                                                                                              0
           2
                                                    new_page
                      16:55:06.154213
                           2017-01-08
              853541
                                      treatment
                                                                      0
                                                                                              0
           3
                                                    new_page
                      18:28:03.143765
                           2017-01-21
            864975
                                        control
                                                     old_page
                                                                      1
                                                                                1
                                                                                          0
                                                                                              0
                      01:52:26.210827
In [67]: # Fit your model, and summarize the results
           log_mod = sm.Logit(df_merged['converted'], df_merged[['intercept', 'UK','CA'
           results3 = log_mod.fit()
           results3.summary2()
           Optimization terminated successfully.
                     Current function value: 0.366109
                     Iterations 6
Out[67]:
                      Model:
                                        Logit
                                                   No. Iterations:
                                                                     6.0000
           Dependent Variable:
                                     converted Pseudo R-squared:
                                                                      0.000
                       Date: 2022-01-29 03:08
                                                           AIC: 212782.6602
             No. Observations:
                                      290584
                                                           BIC:
                                                                 212846.1381
                   Df Model:
                                            5
                                                  Log-Likelihood: -1.0639e+05
                 Df Residuals:
                                      290578
                                                        LL-Null: -1.0639e+05
                  Converged:
                                       1.0000
                                                          Scale:
                                                                      1.0000
                             Std.Err.
                                                  P>|z|
                                                         [0.025
                                                                  0.975]
                       Coef.
                                              z
           intercept -1.9865
                              0.0096 -206.3440 0.0000 -2.0053 -1.9676
                UK -0.0057
                              0.0188
                                        -0.3057 0.7598 -0.0426
                                                                  0.0311
                CA
                     -0.0175
                              0.0377
                                        -0.4652 0.6418 -0.0914
                                                                 0.0563
           ab_page -0.0206
                              0.0137
                                        -1.5052 0.1323 -0.0473 0.0062
                                          1.1807 0.2377 -0.0207
           UK_page
                      0.0314
                              0.0266
                                                                  0.0835
           CA_page -0.0469
                              0.0538
                                        -0.8718 0.3833
                                                        -0.1523
                                                                  0.0585
In [68]: np.exp(-0.0314), np.exp(0.0469)
```

Out[68]: (0.96908786039450134, 1.0480172021191829)

Here we picked US as baseline and we find that Uk and Canada has (0.96908786039450134, 1.0480172021191829) times compared to US respictevely, which is almost the same. Also, by looking at the p values, we can find that despite the p_value for intercept, all of the p-values in the result are much larger than 0.05, so we fail to reject the null hypothesis. It also means that here is no change in the conversion rate based on the change in country.

Conclusion: based on the values we got from the A/B testing, the z test and the logistic regression, we can't reject the null hypothesis and the company should use the old page instead of the new one.

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!

```
In [69]: from subprocess import call
    call(['python', '-m', 'nbconvert', 'Analyze_ab_test_results_notebook.ipynb']
```

Out[69]: 0