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A/B TESTING

A Scientific Approach
to Getting Better
Results

**A/B Testing - What is it
& Why it's Important Today**

**Find Out if You're a Good
A/B Testing Candidate**

Case Study: Dale Carnegie
How They Used A/B Testing to
Increase Conversions



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A Letter from Americaneagle.com

"Information is the oil of the 21st century, and analytics is the combustion engine."

- Peter Sondergaard

In this issue of eaglevision, we focus on the importance of split testing, commonly referred to as A/B Testing, and why it's so important for businesses and organizations in today's online environment.

At Americaneagle.com, we like to be upfront and transparent as possible with our customers. We tell them no matter how wonderfully-aesthetic their website appears, or regardless of the "Ernest Hemingway would be envious of this" prose dotting the content on their site, users will not automatically come to their website and convert into customers. It helps, of course, to have an award-winning design and great content, but that's just part of the puzzle when figuring out how to convert traffic into customers and repeat customers.

A/B testing is an analytical way to compare 2 different versions of a web page to see which one performs better. It truly does take the "guessing" out of the equation and lets the data come up with the answer as to which page performs better. Invariably, this leads to a higher conversion rate. Today, the only proven method for consistently improving website performance is to test different variations of your most important pages and measure which variation produces the best outcome.

We're going to detail specific examples of how some of our customers have utilized A/B testing to increase their profits and bottom line. Even what appears to be a small percentage increase in the amount of conversions can lead to big increases in overall profits.

Among other topics in this issue, we'll discuss:

- What is A/B Testing and Why is it Important?
- Step by Step on the Process
- 10 Things you can A/B Test
- What does some of our staff say about this Method of Testing?
- A/B Testing for Ecommerce
- Dale Carnegie Case Study

We're happy to offer a FREE A/B Testing audit of your website if you mention that you read this edition of eaglevision. So please enjoy, and, as always, contact us today to see how we can help you!

- **The Americaneagle.com Team**

What Test Type is Best for You?

To get the best results, it's important to choose the right type of test for the objective you're trying to reach. One test could be better suited than another simply due to the number of variables you are looking to test, the amount of traffic your website has, or the overall objective you're trying to achieve.

Split Test / A/B Test

This type of test is typically the least complex method, but is still very powerful in a variety of situations. This test is used to compare one specific variation change against the original page (called the 'Control'). Traffic is split evenly between the pages while performing this test.

Multivariate Test

The ultimate goal of a multivariate test is to determine which elements of a page play the biggest role in helping you achieve the objective of that one single page. As compared to a simple A/B test where you are typically changing one page element at a time, multivariate tests change several unique elements within the page to determine which combinations have the greatest positive or negative impact to the page goal. The advantage of a multivariate test is that you can learn how different page elements work together to improve the overall value,

something that would take a lot longer to achieve with just traditional A/B testing. The disadvantage is that multivariate tests require a lot of traffic in order to get statistically valid results.

Multi-Page Test

Multi-page test, also known as "Funnel Test," is similar to an A/B Test, but instead of only implementing a specific variable on one single page, that changed variable is reflected consistently throughout several pages. The key to receiving usable data in this type of test is keeping users from seeing a mix of variations from page to page, and instead see a consistent variation throughout the site. This allows one variation to be equally tested against another. A good example of a multi-page test is testing one type of checkout funnel against another.

Radical Redesign Test

During a radical redesign test, an entire page is distinctively made over content wise and graphically to test better user experience. This is typically a more time intensive test, but can potentially have a big uptick in conversions if properly executed. The disadvantage of a radical redesign test is that you lose granularity on which of the changes really affected conversions.

Are You a Good A/B Testing Candidate?

In today's digital world, there is always room for improvement; large changes in conversion rate or lead capture can stem from the smallest of edits. If your website is experiencing any of the following issues, a comprehensive testing program can help you make quick improvements.

Pages with High Bounce Rates as Compared to the Site Average

Pages with higher-than-average bounce rates (pages with no click interactions) can indicate a problem with relevance. Focus on high-bounce pages and prioritize them in your testing program.

Traffic Volume is Sufficient, but Lead Submission Volume is Low (Low Form Conversion Rate)

If your site has a decent amount of visitors, but you're not seeing the number you'd like in lead submissions, testing different site elements, such as form pages and other registration pages, can yield immediate improvement.

Sub-Optimal Conversion Rates

The average conversion rate for a retail site is around 2-3%. If you are seeing lower conversion rates, an A/B testing program is the best way to consistently make improvements over time. If you happen to be over these

percentages already, testing is still a viable method for continuously improving not only revenue, but average order value and email registrations.

Low Average Order Value

Is your Average Order Value not up to par? You're a great candidate to perform specific tests, such as cross-selling, offering package deals, or offering a promotion with a minimum spend to discover whether this will help increase order value.

Testing All Areas of Your Checkout Funnel Will Help Lower Overall Checkout Abandonment Rate

Are your users adding a product to their cart, but then leaving during the checkout process? Testing is a great way to figure out where in the funnel they're exiting, why they're leaving, and what can be done to improve your abandonment rate and increase conversions.

Low Newsletter Signup Registrations

Do you currently send out a newsletter and are looking to increase your subscription base? Focusing a portion of your testing program on your newsletter registration page can instantly lift your numbers!

Step by Step: A/B Testing Process - What to Expect

For the sake of this exercise, and to help you better understand the process by which we utilize A/B Testing for a customer, let's say an organized group of young professionals operate a website selling yearly association memberships. Their goal is to find as many like-minded professionals as they can and sell more memberships, in turn increasing the amount of members, along with dues, their association collects. Knowing this, the "JOIN NOW" funnel is the top area in which the association leadership will focus their efforts for an A/B Test.

The "JOIN NOW" button on each membership informational page is the first element visitors interact with if they want to join. The testing team questions whether changing the color of the button will lead to more clicks and therefore more members. Using A/B testing software, the team simply makes the button green in variation 1 and leaves the button black in the original. The two variations are now tested against each other.

As the test runs, all visitors to the association website are bucketed into a variation. They are equally divided between the green button page and the original, black button page. The A/B testing framework measures the number of visitors who saw each version of the button and then clicked it. It also measures the number of visitors who completed the "JOIN NOW" checkout process and landed on the "Thank You" confirmation page.

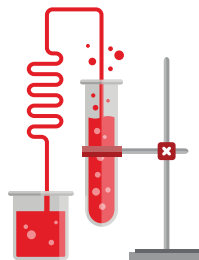
Once enough visitors have run through the test and the results are statistically significant, the association ends the test and is able to figure out which page "won." The results show that 3.5% of visitors clicked on the green "JOIN NOW" button and .5% clicked on the original version. The green "JOIN NOW" button led to an increased conversion rate, so the association can then redesign their membership informational pages accordingly.

Are you ready for an A/B Testing audit? Call us today to schedule an appointment!



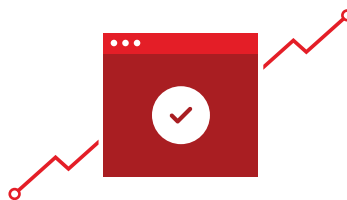
Tips on Forming Better Hypothesis

As we begin adding detail to our test ideas, the first step is to create a strong hypothesis that is tied to a goal outcome. A weak test hypothesis usually correlates to weak and fuzzy outcomes. Here's an example of a strong hypothesis and test goal:



HYPOTHESIS

By allowing shoppers to add an inexpensive accessory item to their order from within the shopping cart, we will improve overall average order value.



GOAL

Improvement in Average Order Value.

Americaneagle.com utilizes various methods during A/B Testing and they all play a critical role in forming a hypothesis.

User Testing

Observing people interact with your website can help you find multiple usability problems and technical issues. In order for you to find the real issues from your user testing, your test participants must be properly guided and the key is to make sure they are comfortable enough to freely express their feelings. During testing, the right questions will be asked in order to get the correct answers.

Web Analytics Data

Your web analytics data will be a rich source of information for helping locate high-traffic pages that have a higher than average bounce rate. In addition, for ecommerce sites, we'll be able to visually look at your multi-step checkout process to monitor the exit rates of each step. If we find one or more steps that have a high degree of abandonment, we can concentrate tests in those areas in an effort to reduce checkout abandonment.

Heat Maps and Scroll Maps

Heat maps tell you which areas on your site are attracting the most attention from users and which ones are being ignored by them. The scroll map shows how far down the page people are scrolling and helps determine the point

where visitors abandon the page. We help you figure out exactly where to add elements to hold a visitor's interest for a longer period of time to increase their activity.

Form and Checkout Funnels

For ecommerce sites, understanding the abandonment rates for each step of your checkout process can help uncover problem areas. We'll set up checkout funnels as well as funnels for all major forms on the site. If we see a high abandonment rate on a particular form field or checkout step, we'll concentrate testing efforts on the area in an effort to make improvements.

Exit and Page-Level Surveys

Website surveys offer a great way to quickly collect more qualitative information that complements the more numbers-based data coming from your web analytics program. Exit surveys use technology to pop up a small survey invite just as it looks like the visitor is about to abandon the site. The survey asks if they were able to complete the goal of their visit, and if not, why? A page-level survey can be used to collect visitor information on a specific page of your site.

We asked the question



"Why should companies consider A/B Testing as part of their digital strategy?"



"You can't launch a website and check it off the list as done. Putting in the time provides higher returns. Understand where your funnel leaks reside and address this by testing better layouts, better processes, and better experiences for your audience. It's important to incrementally make your digital assets better rather than just waiting 3-5 years to redesign your site again hoping for better results."

Mike Haley

Director of Strategy
www.americaneagle.com



"The best part of testing is not only does it work, but it allows you to easily calculate incremental lead gen or revenue lift, allowing you to prove you're getting more money out of the program that you are putting in."

Corte Swearingen

Director of Testing & Optimization
www.americaneagle.com



"Many, if not all of us, have fallen easily into the trap of making decisions solely on how we feel our website should look, feel and operate. Those decisions can often not mimic how your audience utilizes or interprets your website so A/B testing is a great way to make sure you are making data driven decisions ensuring your website is optimized for the visitors that matter most."

Dani Eilers

Director of Client Services
www.americaneagle.com

A/B Testing

What is it & Why it's Important Today

By Corte Swearingen - Director of Testing & Optimization

All too often, I see companies spend large portions of their digital marketing budget on PPC strategies that are driving traffic to a site with low conversion rates. If they just took a portion of that budget and used it to improve overall site conversion rate, they could drastically improve the ROI of their paid advertising spend.

The only proven method for constantly evolving and improving on-site performance is to test different variations of your critical pages and measure which variation produces the most business value.

In the industry, this method of testing is called "A/B Testing" or "Split Testing," since you are splitting off a portion of that traffic to funnel it through the variation page.

By creating a broad split testing program throughout your website, you can improve on the following metrics:

- Conversion rate and revenue
- Newsletter registrations
- Average order value
- Conversions from email campaigns
- Conversions from pay-per-click campaigns
- # of completed downloads
- # of completed registrations
- Article/content consumption

In the years that I've been testing websites, I've never run across a client that hasn't been able to benefit from a testing program.

To better understand why a testing program is critical for business growth, consider the table to the right, which shows data from an actual business. The first row of the table represents 12 months of website data. This company's conversion rate is quite low at 0.77%

(the average retail conversion rate typically runs 2-3%). This table projects out incremental revenue increases based only on small improvements to the conversion rate, and assuming total site traffic and average order value stay constant.

# Web Sessions	Conversion Rate	AOV	Revenue	Incremental Revenue Over 12-Month Period
8,782,603	0.77%	\$471.23	\$31,731,102	n/a
8,782,603	0.85%	\$471.23	\$35,178,321	\$3,447,219
8,782,603	1.00%	\$471.23	\$41,386,260	\$9,655,158
8,782,603	1.35%	\$471.23	\$55,871,451	\$24,140,349
8,782,603	1.75%	\$471.23	\$72,425,954	\$40,694,852

Small improvements in conversion rate can yield large increases in incremental revenue. 5

What if you don't have an ecommerce site? Can you still benefit from a testing program? Absolutely! Our focus on lead generation for one client allowed them to achieve an extra 35,000 leads in a 12-month period. In another case, a single test to an important lead generation page resulted in a 1052% increase in leads.

Another great benefit to testing is the idea of bringing a more scientific framework into the marketing program. This allows test results to tie directly to critical key performance indicators. With testing, not only will you know when a page variation has one, but you'll be able to calculate the additional revenue (or lead generation) that page will bring over a projected 12-month period.

Our recommended methodology for testing includes the following:

Business Goals:

Developing published website objectives, goals and key performance indicators.

Gathering Data:

An audit and gathering of data is critical to understanding the site's various friction points. Combining both qualitative and quantitative data will help you achieve a more complete picture of your site's problem areas. Good sources of data include:

- Web analytics data including checkout funnel visualization
- Exit surveys
- Page level surveys
- User testing for both desktop and mobile
- Heat maps & scroll maps

Testing Roadmap:

Once you start acquiring data, test ideas will start developing. All tests need to have a strong hypothesis and must be tied to one or more key performance indicators. Below is an example of a strong test hypothesis and goal.

Test Hypothesis:

"By offering an incentive of free shipping for purchasing two products instead of just one, we'll improve average order value and profitability"

Test Goals:

Average order value & product revenue.

Companies everywhere are discovering the power of split testing and they're either working to build out their own internal teams or work with a company like Americaneagle.com to help plan, launch and execute a deep and broad, long-term testing program for continuous website improvement.





Case Study:

How Dale Carnegie Used A/B Testing to Increase Conversions

Name:

Dale Carnegie

Location:

New York, New York

Industry:

Ecommerce, Education

Project:

www.dalecarnegie.com

Highlights:

- idev® CMS
- Ecommerce
- Advanced Search
- Multi-Site Platform
- Multilingual
- Syndication
- Lead-Routing System

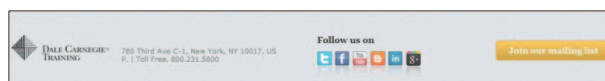
Dale Carnegie

We're extremely proud to call Dale Carnegie a long-time, excellent client. As stated on their website, Dale Carnegie Training has been in the business of improving performance for companies and individuals for more than 100 years. During this time, they've had to constantly reinvent themselves and their offerings to ensure they stay successful and competitive in an ever-changing market.



The Hypothesis

The Email signup button, "Join Our Mailing List," in the footer was seeing a low overall click-rate. We hypothesized that by adding a benefit statement alongside the button, as well as changing the button text, we could positively affect the conversion rate.

The original footer and call to action on the Dale Carnegie site can be seen below. It contained a single button labeled "Join our mailing list."



The Test Variations:

1.  **Join our newsletter** - Get exclusive content, tips, and special offers. [Join Now!](#)
2. [Join our newsletter](#) - Get exclusive content, tips, and special offers. [Join Now!](#) 
3. [Join our newsletter](#) - Get exclusive content, tips, and special offers. [Join Now!](#)

The Results

Variation 1: 428.8% Improvement **Variation 2:** 305.7% Improvement
Variation 3: 523.1% Improvement

Summary:

While all three test variations showed a dramatic improvement in click-through rates, variation three achieved a remarkable 523% increase over the original. Dale Carnegie noticed an immediate improvement in both the quantity and quality of newsletter registrations once the winning variation was implemented.

5 Questions A/B Testing Will Answer

Do you ever find yourself puzzled at which site design would serve your business best? Good. You've come to the right place.

Article contributed by:

Optimizely

The possible combinations of headlines, colors, buttons, images, forms, placement, etc., are dizzying. Often times, the highest paid person's opinion dictates the site layout based on personal hunches and preferences. Why not let actual data drive the decision? Start experimenting with different variations of your site and let real data collected in real time inform your site design. Find answers to these five questions when you start testing.

1

What do my users like best?

With testing, you can quickly understand what grabs your users' attention best. The team at 37signals tested the homepage for their CRM, Highrise, with a few radically different ideas and sure enough, the specific human smiling/staring/frowning back at users mattered. But they didn't stop there. They tested a homepage featuring an oversized portrait of a user. It performed 102.5% better than the original; a turbocharged difference. Then they started testing different portraits of users.

2

Why do people abandon their shopping cart?

The possibilities are many. But one thing's for certain: you can decrease the rate at which people walk away from a full cart. Articles about best shopping cart design practices are bountiful online. Shoppers walk away from about 50-70 percent of online carts for various reasons. Companies like Fab.com, Amazon and Groupon aggressively test shopping cart elements to drive revenue.

3

What will it take for people to complete a form?

Forms can have a huge bounce rate. People see a page of blank boxes and freak out. Designing a form is an art, and a valuable testing opportunity. Ask yourself while creating your form: What are the most essential pieces of information? Apart from the questions themselves, what parts of the page might be distracting a user away from completing the form? A/B testing on forms is a thing of genius and a very effective way to achieve your company's goals fast.

4

Which words prompt action?

Call to action words are the focus here. Running experiments on your call to action buttons are great tests to run early that yield surprising results. Make the action words obvious. Play around with different combinations of words— and test them live concurrently to see which receives the most clicks.

5

How do returning users navigate my site versus new visitors?

Your site may not be a one-size-fits-all solution for every visitor. How do you figure out who wants what? With A/B testing, you can specify which type of visitors see which variations. In other words, you can target different populi with different content, buttons, layouts, etc. You can even show visitors who land on your site via Facebook, Pinterest, Twitter, etc, with specific pages.

A/B testing is an explosive tool. Do it to learn about your users, how they engage with your site and what they respond to best. Implement those winning changes and start achieving goals.

Ten Things You Can Test

With several areas of your site that are capable of being tested, it can be hard to decide which one to start with. Take the guesswork out of your strategy and let the results of these tests speak for themselves. Here are some ideas to get you started.

1. Button Color

Button color is one of the easiest tests to run for beginning testers. Changing the color of your call-to-action can affect the overall conversion of a page.

2. Page Headline

The headline is often times what people see first when visiting your site. Making improvements to your headline is a powerful way to potentially increase your site's performance. Try making the headline a question, or using more action-oriented wording.

3. Button Text

Give your audience a reason to click on your button. Experimenting with different button text is a great way to prove what resonates best with your audience.

4. Form Length

Many tests have shown reducing the total number of form fields in your form can significantly improve total submissions.

5. Button Placement

The call to action button is one of the most important elements on your page. Testing the best location for this button – above or below the fold (or both)—is crucial.

6. Social Button Size & Position

The size and position of your social media buttons impacts the percentage of your audience that shares your content. It could be that your audience prefers a floating sidebar -- or maybe they prefer not to see the social media icons at all. Run the experiment to see what works best for your brand.

7. Navigation

Testing different areas of your navigation can help drive more visitors to more critical pages/sections of your site more efficiently, leading to increases in lead generation or revenue. Test switching the order of your navigation bar, testing horizontal versus vertical orientation, or the actual navigation names to see which variation leads to improvements in your test goals.

8. Imagery

Do certain images encourage more engagement than others? Try testing male versus female, or people versus products, to see what appeals most to your audience. Try replacing your homepage sliding banner system with a static banner focusing solely on your most compelling unique value proposition.

9. Trials & Offers

Does offering a 'free' trial influence conversions? Not necessarily. Try different wording and placement to test the effectiveness and determine which converts at a higher rate.

10. Data Privacy Copy

It's become common practice to add a privacy message to your forms in order to build trust with your users. Test out this theory on your site to see what works best with your audience!



A/B Testing for Ecommerce

For ecommerce sites that are new to testing, here are a few recommendations for helping you get started.

Recommendation #1:

Develop your website objectives, goals, and key performance indicators.

The very first step for a successful testing program is to develop your overall website objectives, goals and key performance indicators. A key performance indicator (KPI) is a metric that allows you to understand how you are doing against your business objectives.

Before defining and establishing your KPIs, think about your broad website objectives. Pick three or four objectives and then work to develop one or more goals for each of those objectives. The next step is to define the best key performance indicator for each goal. Try to tie your KPIs directly to revenue or lead generation, cost savings or improved customer satisfaction.

Below is an example of how one company structured their goals and KPIs.

COMPANY X WEBSITE OBJECTIVES, GOALS & KPIS				
INCREASE TRAFFIC	INCREASE SITE REVENUE		GROW THE EMAIL PROGRAM	IMPROVE SATISFACTION
Website Goal: More Visitors	Website Goal: More Purchases	Website Goal: Higher Average Order Value	Website Goal: Increase \$ Tied to Email Campaigns	Website Goal: Improved task Completion
KPI: Unique Visitors Target: 50k Visitors/Month	KPI: # Transactions Target: 5k transactions per Month	KPI: AOV Target: \$200	KPI: Email Revenue Target: \$250k per Month	KPI: Task Completion Rate Target: 80%
Segments: Traffic Sources Free vs. Paid	Segments: Traffic Sources Free vs. Paid Visitor Type	Segments: Traffic Sources Free vs. Paid Visitor Type	Segments: Industry RFM Score	Segments: Traffic Sources PA vs. Non-PA 1,2,3+ Visitor Buckets

Recommendation #2:

Use an exit survey to gather real visitor feedback.

While web analytics will help uncover what visitors are doing on your website, it gives no information on why people are doing those things and where the real friction points are. Gathering this type of information requires qualitative data and one great tool for this is an exit survey. An exit survey will pop up in the bottom right corner of your website as soon as it looks like the visitor is about to abandon. The survey asks three critical questions:

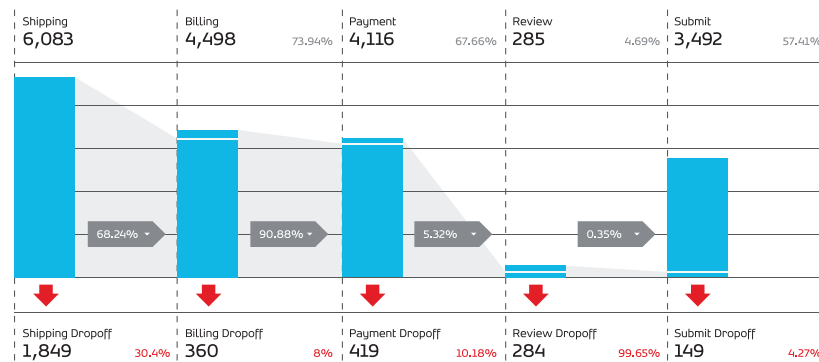
1. What was the purpose of your visit?
2. Where you able to complete the goal of your visit?
3. If you were not able to complete the goal of your visit, why?

Gathering this type of data will lead to some very strong test ideas which can then form the start of your testing program.

Recommendation #3:

Use analytics to help uncover problem areas.

Your web analytics data can help you uncover problem areas within your site, especially in the checkout process. By setting up a visual checkout funnel, you'll be able to see if certain steps in the checkout process have high abandonment rates. This can help focus testing on very specific areas of the checkout funnel in order to affect improvement. To the right is an example of one type of ecommerce funnel visualization.



Recommendation #4:

Have tests running concurrently in multiple areas of your site.

Running tests sequentially isn't efficient and will slow down your results and learnings. Our recommendation is to have at least one test running in each of the following areas. Here are some simple test recommendations along with corresponding site sections to help get you started.

1. Homepage
 - a. Test different ways of stating your value proposition
 - b. Test a static banner in place of your rotating banner system
 - c. Test different ways to encourage signing up for email offers
2. Product Category Pages
 - a. Test different product imagery
 - b. Test ordering products by popularity or profitability instead of alphabetically
 - c. Test defaulting products to either grid view or a stacked list view
3. Product Detail Pages
 - a. Create a sense of urgency by listing how many of a particular product is left in stock
 - b. Test a video in place of the main product image
 - c. Test more compelling product copy
4. Product Checkout
 - a. Test different types of trust seals
 - b. Test a single-page checkout vs multi-page
 - c. Test a simple cross-sell within the checkout funnel

Recommendation #5:

Iterate your winning tests.

Just because your test variation won doesn't mean you're finished. Based on your test results, ask the following two questions:

1. Were the results what we expected? If not, can we hypothesize why and turn that hypothesis into an additional test?
2. If the test results turned out as expected, can you test a new variation against the winner to make even more improvement?

Recommendation #6:

Run more than one test variation against your original.

Most ecommerce sites get enough traffic to test more than one variation against the original page. This is a great way to speed up the overall learnings of your testing program. So, for example, if you want to test the call to action on your checkout button, instead of coming up with just one variation to test, try coming up with two or three. The below example would send 25% of checkout traffic to the original checkout button text, and 25% to each of the three variations. The testing platform would then measure which of the variations produced the most orders.

Original Checkout Button Text: "Submit"

Test Variation 1: "Checkout Now"

Test Variation 2: "Secure Checkout"

Test Variation 3: "Proceed to Checkout"

Ecommerce sites can benefit greatly from incorporating a broad and deep testing program. By making sure you have developed strong key performance indicators and setting up multiple tests throughout the site, you'll be well on your way to improving revenue, average order value and decreasing checkout abandonments.

americaneagle.com CONTACT US

877.WEB.NOW.1 (877.932.6691)

INFO@AMERICANEAGLE.COM

CHICAGO

2600 S. River Road
Des Plaines, IL 60018

CLEVELAND

1991 Crocker Road
Suite 600
Westlake, OH 44145

FORT LAUDERDALE

110 E. Broward Blvd.
Suite 1700
Ft. Lauderdale, FL 33301

DALLAS

5605 N. MacArthur Blvd.
10th Floor
Irving, TX 75038

LOS ANGELES

1800 Century Park East
Suite 600
Los Angeles, CA 90067

NAPERVILLE

1730 Park Street
Suite 121
Naperville, IL 60563

NEW YORK

295 Madison Avenue
Suite 1221
New York, NY 10017

WASHINGTON D.C.

901 North Pitt Street
Suite 130
Alexandria, VA 22314