**Activity Overview**

In this activity, you will complete an A/B testing plan for an ad campaign.

An **A/B test** is an online experiment with two variants, and a random 50 percent split of users between the variants, to determine the better-performing option. An A/B testing plan helps you structure the experiment by identifying key test details, such as a description of the variants, current and expected performance, and key metrics you’ll use to measure the success of the A/B test.

Be sure to complete this activity before moving on. The next course item will provide you with a completed exemplar to compare to your own work. You will not be able to access the exemplar until you have completed this activity.

**Scenario**



Review the scenario below. Then complete the step-by-step instructions.

Stay Hotel is a global hotel chain that needs you to create an A/B testing plan for their ad campaign. Their goal is to increase the conversion rate. The current conversion rate for the campaign measured in Google Ads is 2%, and the hotel is expecting an additional 5% in conversions (a five percentage point increase) after updating the headline.

Recently, the hotel researched their target audience and discovered that their customers are deal seekers. The hotel’s hypothesis for the A/B test is that customers will respond more favorably to an ad that calls out a special offer or deal in the headline. The hotel is currently running a special promotion for deals up to 20% off, which they would like to feature in the headline for Variant B of the A/B test.

One of your colleagues will run the A/B test, so you don’t need to run the experiment in Google Ads yourself. Your task is to make sure your A/B testing plan is complete enough for them to be able to run the ad variation experiment for you.

**Step-By-Step Instructions**



**Step 1: Access the template**



To use the template for this course item, click the link below and select “Use Template.”

Link to template: [A/B testing plan](https://docs.google.com/document/d/116O0rvC396DLXpLGzZ6Snlla5aCJC9mAM0Xu8MpxQJs/template/preview)

OR

If you don’t have a Google account, you can download the template directly from the attachment below.



**Step 2: Add the conversion rate percentages**

Using the information from the scenario above, enter the campaign’s **current conversion rate** as a percentage by replacing ***[X%]*** in the template.

Then enter the campaign’s **expected conversion rate** as a percentage by replacing ***[X%]*** in the template.

**Step 3: Complete the hypothesis**

Using the information from the scenario above, complete the hypothesis by replacing the bracketed text with the correct information.

Here is the hypothesis and an explanation of the bracketed text:

*Because we discovered* ***[research insight]****, we expect that* ***[change]*** *will cause* ***[impact]****.*

* **Research insight:** Describe the information that the company gathered in researching their target audience.
* **Change:** Describe how the company plans to update their Google Ads campaign.
* **Impact:** Explain what the company expects to happen based on this change.

**Step 4: Write a headline for Variant B**

In the description of variants section, replace the bracketed text in the template with an updated headline for Variant B.

The updated headline should follow these guidelines:

* Include the hotel’s current promotion for deals up to 20% off.
* 30 characters or less, including spaces (do not include “Stay Hotel” or the hyphen as part of the character count)

**Pro Tip: Save your work**

Finally, be sure to save the work you did to complete this activity. This can help you work through your thought processes and demonstrate your experience to potential employers.

**What to Include in Your Response**



Be sure to address the following criteria in your completed A/B testing plan:

* The current conversion rate
* The expected conversion rate increase
* A completed hypothesis that includes a research insight, change, and impact
* A headline for Variant B that features the hotel’s current promotion and is 30 characters or less

