GloBox - Introducing a new banner
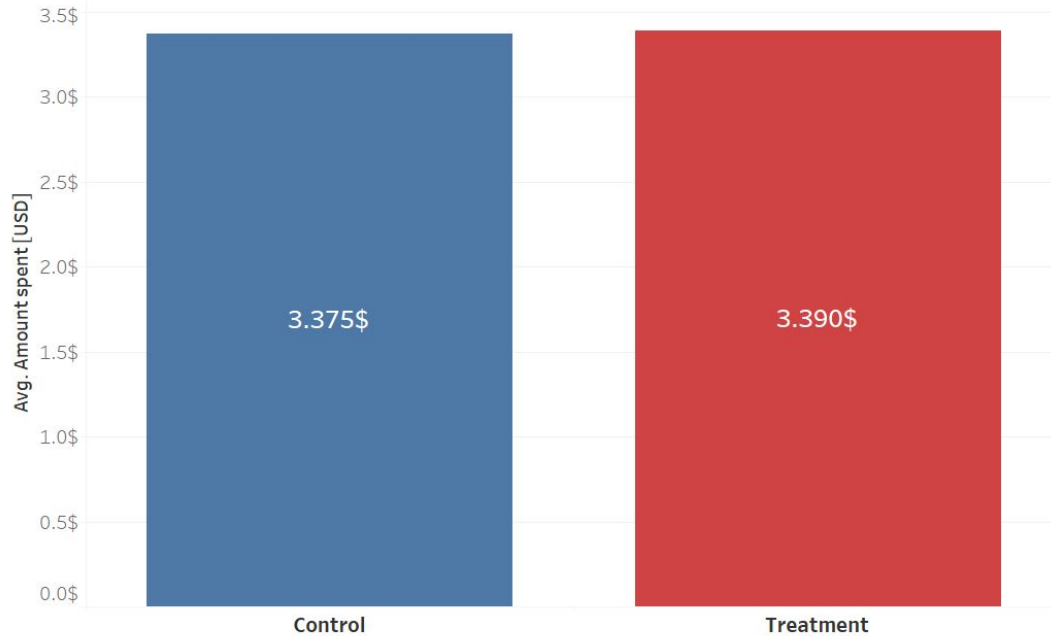
Group A: Control
existing landing page

Group B: Treatment
landing page with food & drink banner

- **Goal: increase revenue.**
- Revenue is tested by measuring the average amount spent per user.
- A/B tested with 4.9k users for 13 days.
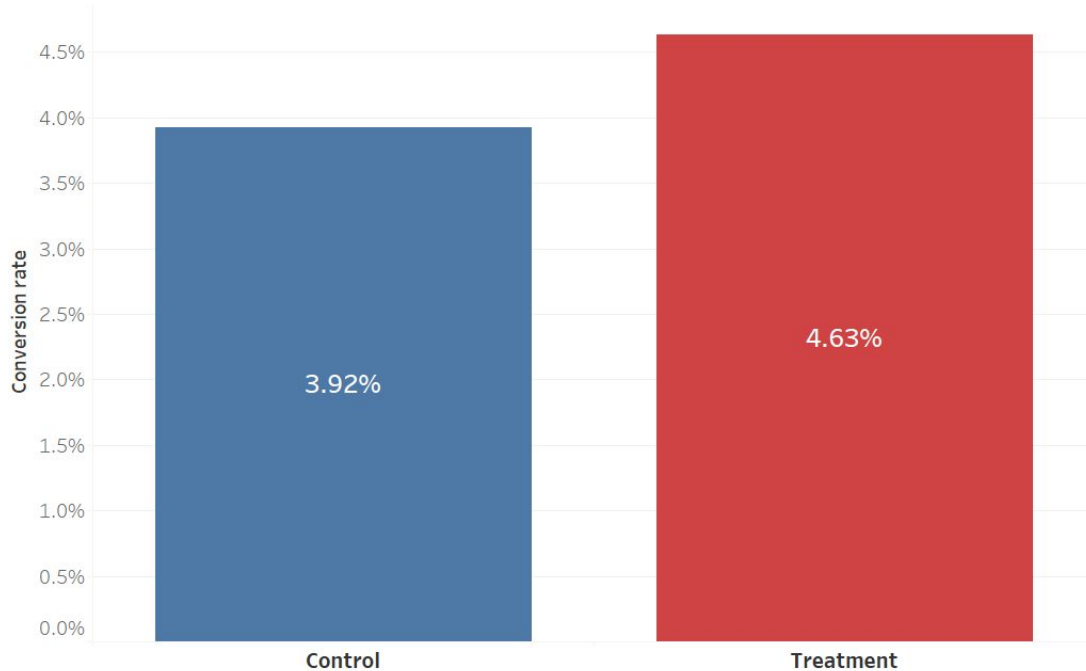
Recommendation: do not launch

Average amount spent per user: treatment vs. control

- No strong evidence for increased revenue.
- Insignificant difference in the average amount spent per user between the groups.
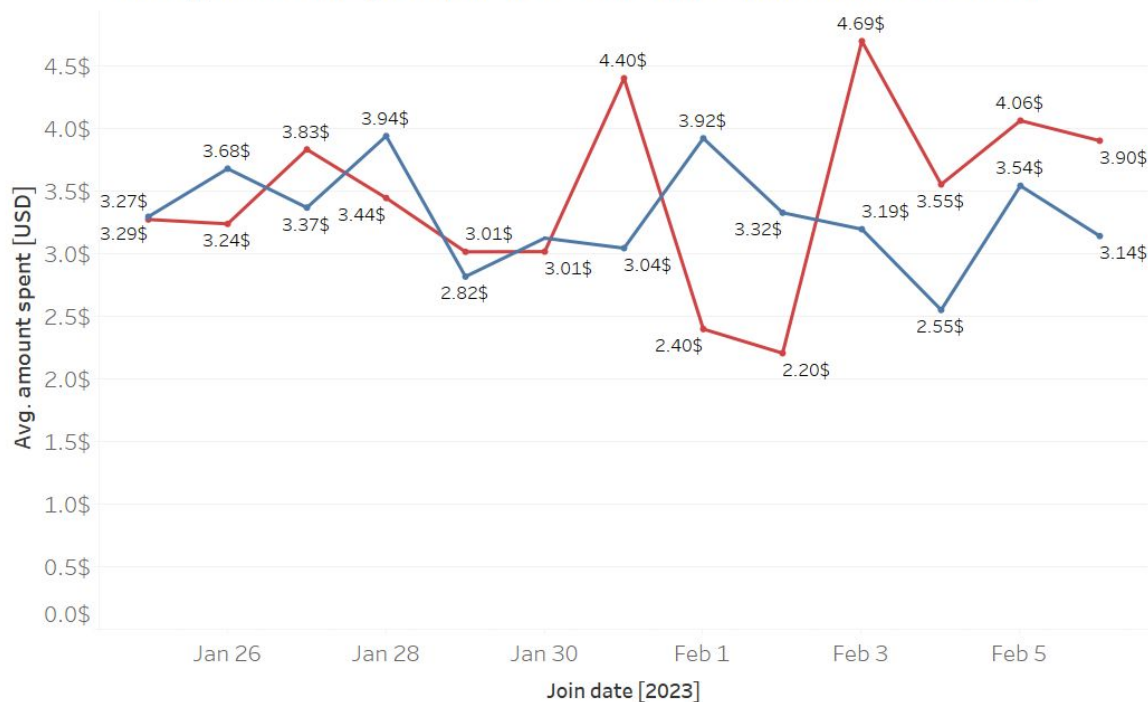
The banner improved the conversion rate

Conversion rate: treatment vs. control

- A sufficiently strong evidence for a higher conversion rate was observed.
- Will it make more purchases in the future?

Fluctuating patterns in average amount spent over time

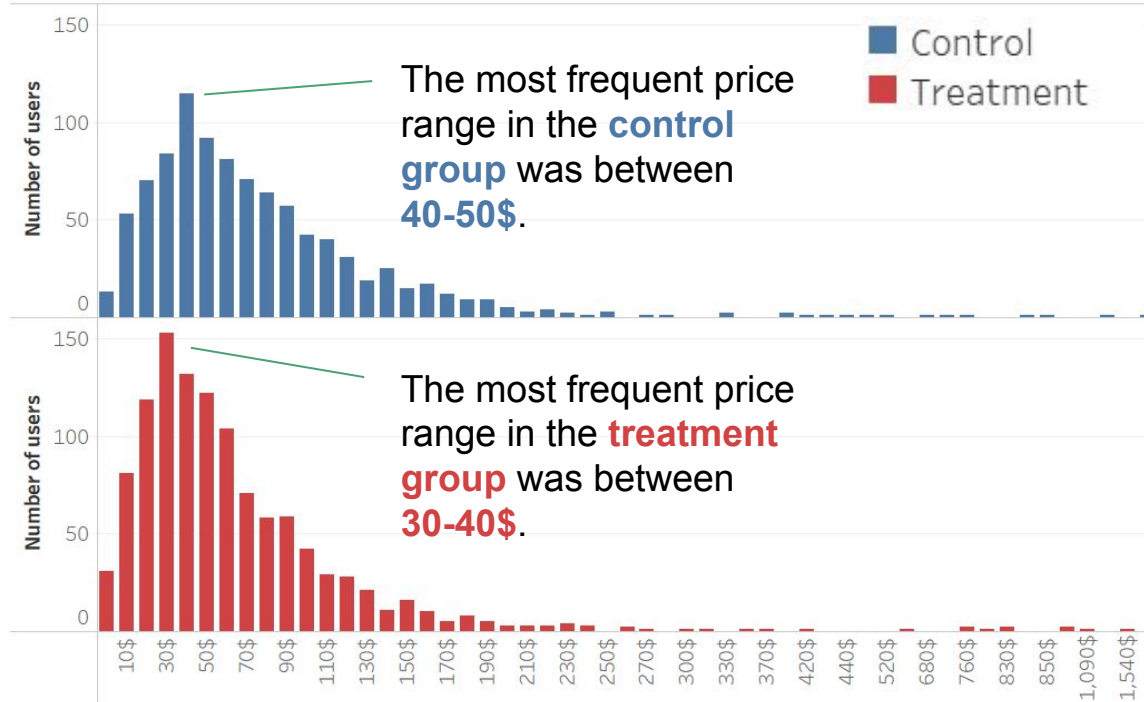Average amount spent per user over time: treatment vs. control

- Average spending per user in the treatment group shows no consistent growth during the experiment period.
- Introducing the current banner doesn't yield the expected revenue increase per user.

Increased occurrence of lower-cost purchases

Distribution of Amount Spent per user: treatment vs. control

The most frequent price range in the **control group** was between **40-50$**.

The most frequent price range in the **treatment group** was between **30-40$**.

- Within the treatment group, more frequent transactions comprised lower-cost products compared to the control group.
- Despite an enhanced conversion rate, there is no meaningful revenue disparity between the groups.

What is the point of more users making a purchase, if it doesn't lead to more revenue?

- We should only be comfortable launching the banner if it leads to a significant increase in revenue per user.

Recommendation: Transitioning to a profit-driven banner

- **Action** - Implementing a shift to higher-priced, profitable category for the banner

- **Assumption** - Anticipating enhanced revenue per user metric (Built on increased conversion rate findings from current experiment)

- **Test** - Recommence experiment iteration with the updated banner approach