

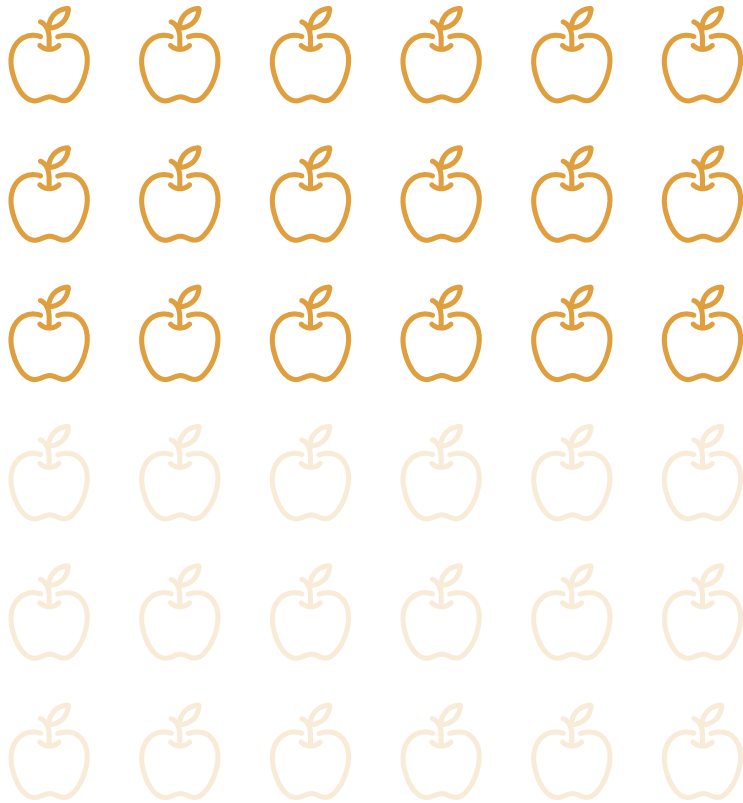
A / B

Testing

What is A/B Testing

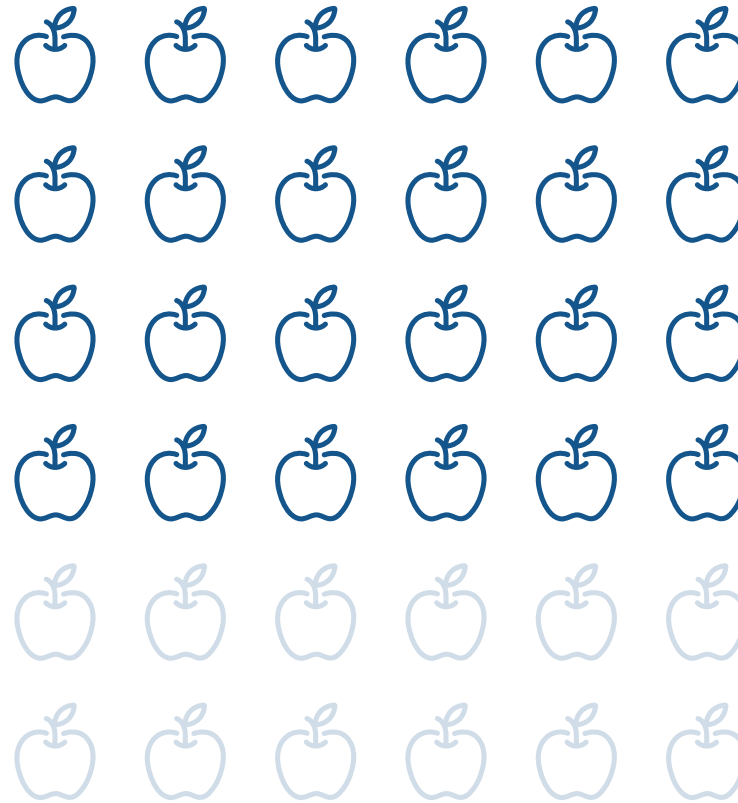
A/B Testing is mostly used for comparison of control and test groups.

48%



Control Group

64%



Test Group

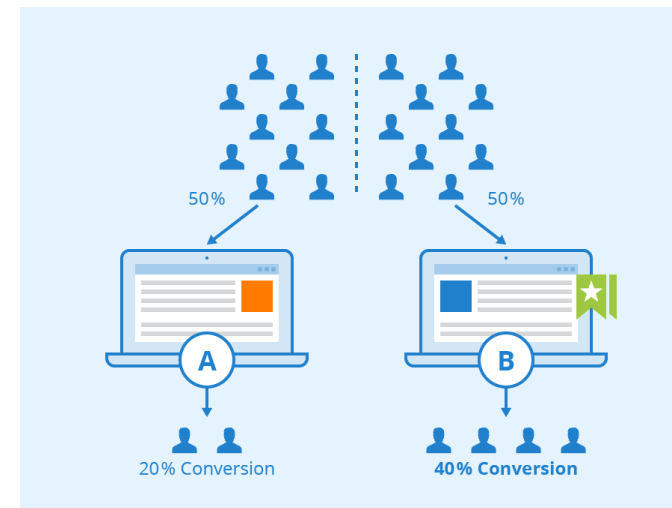
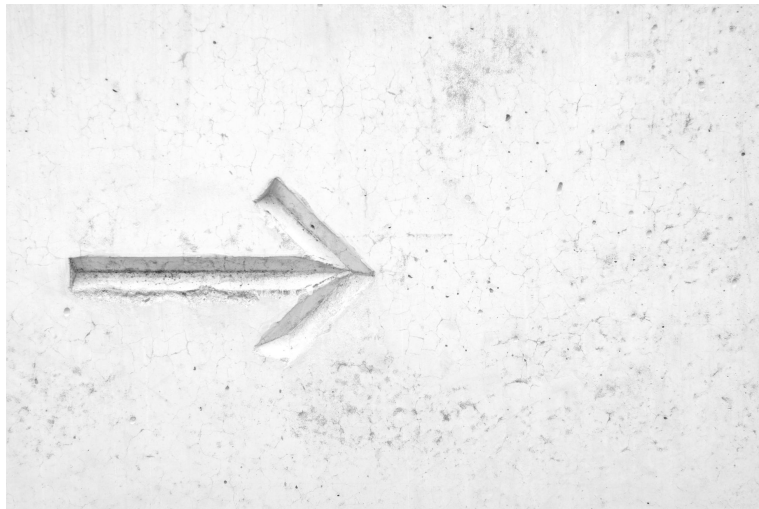
In general, one of the biggest business problems is to reveal the differences, benefits, or losses between the current situation and the new investment. Well, what if we examine it in a statistically strengthened way with high confidence metrics?

How Does A/B Testing Work?

The days where marketers made changes to their websites based on gut feelings alone are far behind us. We are now deep in the A/B testing era, basing our decisions on as much empirical data as possible.

To enable that, the community has looked for A/B testing tools to help us make informed decisions based on collected data. Or, in more exact terms: to soundly generalize from observed data and gain insight into the future.

This post aims to discuss the evolution these tools are currently undergoing, from the basic “frequentist” testing method used in the past (and still commonly used today) to the new Bayesian testing method which the industry is moving toward.



How Do Companies Use A/B Testing?

A/B testing is now used to evaluate everything from website design to online offers to headlines to product descriptions. Most of these experiments run without the subjects even knowing. And it's not just websites. You can test marketing emails or ads as well. For example, you might send two versions of an email to your customer list (randomizing the list first, of course) and figure out which one generates more sales. Then you can just send out the winning version next time. Or you might test two versions of ad copy and see which one converts visitors more often. Then you know to spend more getting the most successful one out there.

