MuscleHub Growth Potential

An Analysis of New Visitor Behaviour

Prepared by Kevin Arendt

MuscleHub Growth Potential

Current Process for Recruitment: Visit → Fitness Test → Application → Purchase Membership

Hypothesis: Fitness Test intimidates potential visitors from ultimately purchasing membership

Experiment: Randomly select new visitors into two groups and observe purchase behaviour:

    -Group A: Visitors will use Current Process for Recruitment

    -Group B: Visitors will skip the Fitness Test and proceed to Application

Experimental Population: Large sample of visitors evenly split into the two Groups
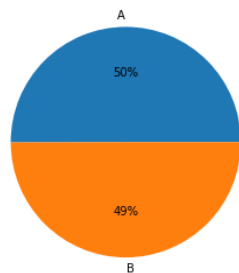
-Group A Population: 2504

-Group B Population: 2500

# MuscleHub A/B Test Results

Data Analysis Structure:

    1) Track how many new Visitors in both groups fill out an Application

    2) Of the Applicants, how many Purchased a Membership

    3) Of the total Visitors from both groups, how many Purchased a Membership

Results of A/B Test will be used to provide a recommendation to increase Membership

MuscleHub A/B Test Results

1) Does eliminating the Fitness Test cause more visitors to fill out an Application?

Group	Application	No Application	Percent Applicants
A	250	2254	10%
B	325	2175	13%

Percent of Visitors Who Apply
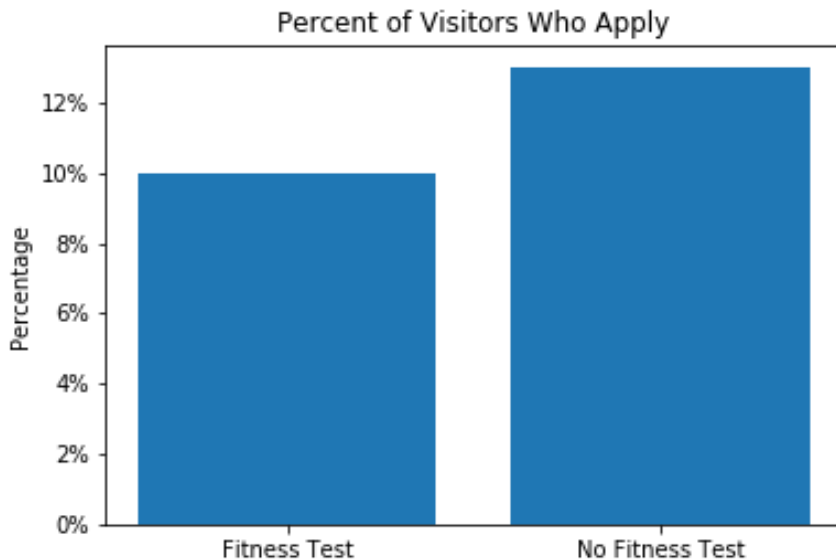
Analysis: Visitors who <u>did not</u> have to perform a Fitness Test are more likely to fill out an Application
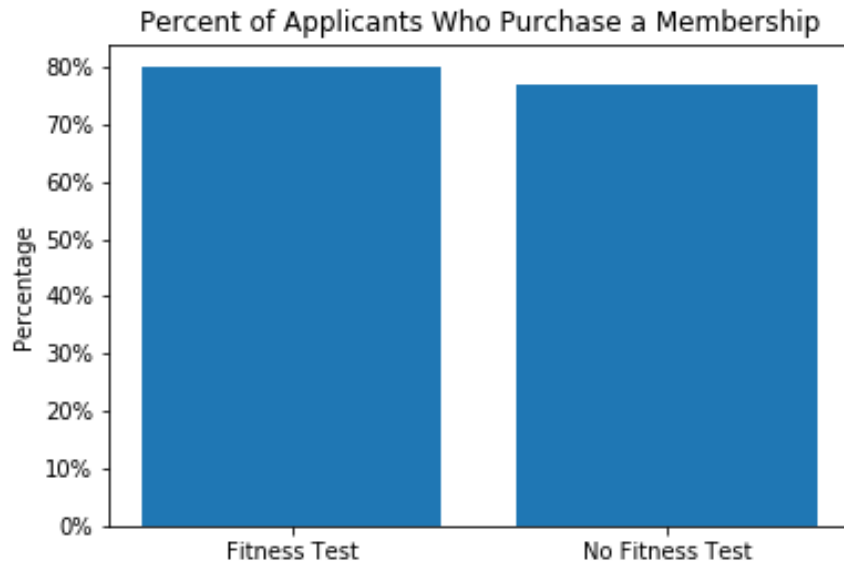
Statistical Relevance: Chi-Square Test performed using categorical data with 95% confidence interval

returned p-value = 0.0009

Conclusion: Results are statistically relevant

MuscleHub A/B Test Results

2) Of those who Applied, how many Purchased a Membership?

Group	Member	Not Member	Percent Members
A	200	50	80%
B	250	75	77%

Percent of Applicants Who Purchase a Membership

Analysis: Applicants who <u>did</u> perform a Fitness Test are more likely to Purchase a Membership
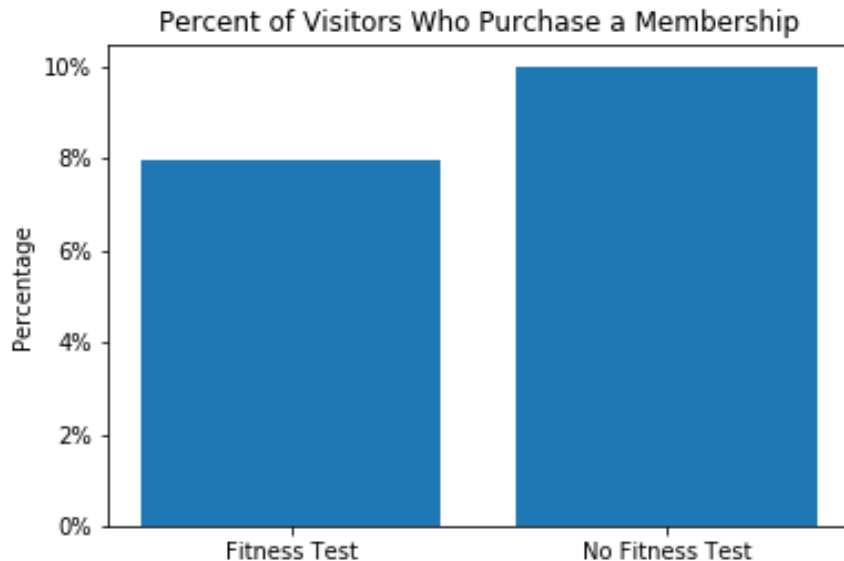
Statistical Relevance: Chi-Square Test performed using categorical data with 95% confidence interval

returned p-value = 0.4325

Conclusion: *Results are <u>not</u> statistically relevant; no real difference between the two groups*

MuscleHub A/B Test Results

3) Of the total Visitors, how many Purchased a Membership?

Group	Member	Not Member	Percent Members
A	200	2304	8%
B	250	2250	10%

Percent of Visitors Who Purchase a Membership

Analysis: Visitors who <u>did not</u> perform a Fitness Test are more likely to Purchase a Membership

Statistical Relevance: Chi-Square Test performed using categorical data with 95% confidence interval

returned p-value = 0.0147

Conclusion: *Results are statistically relevant*

MuscleHub A/B Test Summary

Data Analysis Summary:

1) Eliminating the Fitness Test causes more Visitors to Fill out an Application

2) Once an Application is submitted there is no difference in the percentage of Membership Purchases; presumably because the experimental variable occurs prior to the Application step

3) Eliminating the Fitness Test causes more Visitors overall to Purchase a Membership

Recommendation: In order to increase Membership numbers MuscleHub should adopt a new recruiting paradigm that eliminates the requirement of a Fitness Test prior to Application