

Uncovering Opportunity at Warby Parker

Learn SQL from Scratch Matzen Shirley 01/01/2019

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Getting familiar with Warby Parker

Get familiar: Survey table

Objective: to identify the various columns and data elements in the 'Quiz' table

Observations: Each user can go through a maximum of 5 questions. The response column reveals that the data's structure mostly, if not entirely, consists of string values.

Question #1: What columns does the [Survey] table have?

SELECT *
FROM survey
LIMIT 10;

Results

| question | user_id | response |
|---|--|---|
| 1. What are you looking for? | 005e7f99-d48c-4fce-b605-10506c85aaf7 | Women's Styles |
| 2. What's your fit? | 005e7f99-d48c-4fce-b605-10506c85aaf7 | Medium |
| 3. Which shapes do you like? | 00a556ed-f13e-4c67-8704-27e3573684cd | Round |
| 4. Which colors do you like? | 00a556ed-f13e-4c67-8704-27e3573684cd | Two-Tone |
| 1. What are you looking for? | 00a556ed-f13e-4c67-8704-27e3573684cd | I'm not sure. Let's skip it. |
| 2. What's your fit? | 00a556ed-f13e-4c67-8704-27e3573684cd | Narrow |
| 5. When was your last eye exam? | 00a556ed-f13e-4c67-8704-27e3573684cd | <1 Year |
| 3. Which shapes do you like? | 00bf9d63-0999-43a3-9e5b-9c372e6890d2 | Square |
| 5. When was your last eye exam? | 00bf9d63-0999-43a3-9e5b-9c372e6890d2 | <1 Year |
| 2. What's your fit? | 00bf9d63-0999-43a3-9e5b-9c372e6890d2 | Medium |
| 4. Which colors do you like? 1. What are you looking for? 2. What's your fit? 5. When was your last eye exam? 3. Which shapes do you like? 5. When was your last eye exam? | 00a556ed-f13e-4c67-8704-27e3573684cd 00a556ed-f13e-4c67-8704-27e3573684cd 00a556ed-f13e-4c67-8704-27e3573684cd 00a556ed-f13e-4c67-8704-27e3573684cd 00bf9d63-0999-43a3-9e5b-9c372e6890d2 00bf9d63-0999-43a3-9e5b-9c372e6890d2 | Two-Tone I'm not sure. Let's skip it. Narrow <1 Year Square <1 Year |

Survey funnel analysis and conclusions

Survey table summary

Background: We should treat this survey data from the survey table as a funnel on its own. Therefore, our first step to zeroing in on areas for improvement is to identify the number of responses (or users) at each step.

Observations: As with any funnel, we see that people drop off in different amounts at each step. At first glance, it looks like there's a relatively large drop off from question #4 to question #5

Next: We will do some conversion rate calculations outside of this environment

Question #2: What is the number of responses for each question?

/* We want to GROUP BY the
questions column and use the
aggregating COUNT function
so that we can see the total
number of users that
completed each given
question in the survey */

| question | users_responded |
|---------------------------------|-----------------|
| 1. What are you looking for? | 500 |
| 2. What's your fit? | 475 |
| 3. Which shapes do you like? | 380 |
| 4. Which colors do you like? | 361 |
| 5. When was your last eye exam? | 270 |

1 SELECT question, COUNT(DISTINCT user_id)
AS users_responded
2 FROM survey

GROUP BY 1:

Survey table analysis

Observations: very small drop-offs in # of responses from question 1 to 2 and from 3 to 4. Conversely, the largest drop-offs are from questions #2 to #3 and from #4 to #5

Initial Hypothesis': Respondents that finished 4 but not 5 questions may have been experiencing voter fatigue to a greater degree

Question #3a & #3b: What questions have lower completion rates & what might be the reason?

Using excel, I calculated the completion rates for each question

| question | users_responded | % completion |
|---------------------------------|-----------------|--------------|
| 1. What are you looking for? | 500 | 100% |
| 2. What's your fit? | 475 | 95% |
| 3. Which shapes do you like? | 380 | 80% |
| 4. Which colors do you like? | 361 | 95% |
| 5. When was your last eye exam? | 270 | 75% |

1 SELECT question, COUNT(DISTINCT user_id)
AS users_responded
2 FROM survey
3 GROUP BY 1;

Survey table insights and conclusions

Question fatigue setting in?

Evidence:

- 12% of those who responded to 4 total quiz questions (call them 4's) selected 'No Preference' for question #3
- ONLY 6% of those who responded to 5 total quiz questions (call them 5's) selected 'No Preference' for question #3

Assumption: Let's assume that the selections of 'No Preference' or '...skip it' may be used as a proxy for quiz impatience – an indication of quiz-question fatigue Conclusion: The disparity between the 'No-Preference' selection rate of the 4's and that of the 5's suggests that question fatigue may have been at least partially responsible for the relatively large dip in question 5's response rate. This association becomes even more plausible when considering the fact that for questions #1 and #2 for which 'No Preference' and '...skip it' are quiz options, the 4's and the 5's selected those options at very comparable rates, indicating that it was not until further into the quiz (question #3) that the 4's may have experienced question fatigue and gave up.

Actions to take →

• Decrease quiz length or concatenate two questions into one while maintaining both clarity and brevity

Question #4: What might be the reason for lower completion rates

Step 1: Generate a table that contains a user_id in one column and the count of questions completed in the other column

with the survey table

Step 3: Filter the joined table to compare the 'No

Preference' selection rates

Step 2: Join the new table

```
WITH funnel_progress AS (SELECT user_id, COUNT(user_id) AS number_answered

FROM survey
GROUP BY 1
ORDER BY 2 DESC)

SELECT response, COUNT(survey.user_id) AS num_response, survey.user_id AS user_id

FROM survey
JOIN funnel_progress ON funnel_progress.user_id = survey.user_id

WHERE question LIKE '3%' AND number_answered = 4

GROUP BY 1
ORDER BY 2 DESC;
```

| response | num_response | user_id |
|---------------|--------------|--------------------------------------|
| Rectangular | 35 | ff8461f7-e500-458c-9087-98fa63562d99 |
| Square | 25 | f78079b2-77ee-47d6-8431-880645ac145b |
| Round | 20 | fcbb78b4-cc17-48dc-9fbc-92619abf0242 |
| No Preference | 11 | fceacac3-80ef-4090-bc6d-4a10f5d209db |

Warby Parker A/B Test: The Merits of Try-On Options

A/B Test - Get Familiar: Quiz, Home_Try_On, and Purchase

Lucy

| user_id | style | fit | shape | color |
|--------------------------------------|----------------|--------|-------------|----------|
| 4e8118dc-bb3d-49bf-85fc-cca8d83232ac | Women's Styles | Medium | Rectangular | Tortoise |
| 291f1cca-e507-48be-b063-002b14906468 | Women's Styles | Narrow | Round | Black |
| 75122300-0736-4087-b6d8-c0c5373a1a04 | Women's Styles | Wide | Rectangular | Two-Tone |
| 75bc6ebd-40cd-4e1d-a301-27ddd93b12e2 | Women's Styles | Narrow | Square | Two-Tone |
| ce965c4d-7a2b-4db6-9847-601747fa7812 | Women's Styles | Wide | Rectangular | Black |

| user_id | number_of_pairs | address |
|--------------------------------------|-----------------|----------------------|
| d8addd87-3217-4429-9a01-d56d68111da7 | 5 pairs | 145 New York 9a |
| f52b07c8-abe4-4f4a-9d39-ba9fc9a184cc | 5 pairs | 383 Madison Ave |
| 8ba0d2d5-1a31-403e-9fa5-79540f8477f9 | 5 pairs | 287 Pell St |
| 4e71850e-8bbf-4e6b-accc-49a7bb46c586 | 3 pairs | 347 Madison Square N |
| 3bc8f97f-2336-4dab-bd86-e391609dab97 | 5 pairs | 182 Cornelia St |

| | | | | 1 | | |
|---------|--------------------------------|------------|----------------|---------------|---------------------|-------|
| | user_id | product_id | style | model_name | color | price |
| 00a9dd | 17-36c8-430c-9d76-df49d4197dcf | 8 | Women's Styles | Lucy | Jet Black | 150 |
| 00e15fe | e0-c86f-4818-9c63-3422211baa97 | 7 | Women's Styles | Lucy | Elderflower Crystal | 150 |
| 017506f | f7-aba1-4b9d-8b7b-f4426e71b8ca | 4 | Men's Styles | Dawes | Jet Black | 150 |
| 0176bfb | 3-9c51-4b1c-b593-87edab3c54cb | 10 | Women's Styles | Eugene Narrow | Rosewood Tortoise | 95 |
| | | | | | | |

Women's Styles

01fdf106-f73c-4d3f-a036-2f3e2ab1ce06

Question #5: What are the column names (of the three tables)?

SELECT *
FROM quiz
LIMIT 5;

Column Names: user_id, style,

Column Names: user_id,
number of pairs, address

SELECT *
FROM purchase
LIMIT 5;

FROM home try on

LIMIT 5;

Jet Black

150

Column Names: user_ids,
product_id, style, model_name,
color, price

A/B Test: Setting the table...

Background: In order for us to analyze the health of Warby Parker's purchase funnel from quiz to home-try on to purchase, we need to have the data from those three steps in one single table that we can then manipulate and query.

Result: Now we are ready to perform full-funnel analysis.

The 'Null' fields in 'number_of_pairs' column indicate that the user took the quiz, but did participate in the home-try-on phase, thus they do not have any pairs assigned to them

| user_id | is_home_try_on | number_of_pairs | is_purchase |
|--------------------------------------|----------------|-----------------|-------------|
| 4e8118dc-bb3d-49bf-85fc-cca8d83232ac | 1 | 3 pairs | 0 |
| 291f1cca-e507-48be-b063-002b14906468 | 1 | 3 pairs | 1 |
| 75122300-0736-4087-b6d8-c0c5373a1a04 | 0 | | 0 |
| 75bc6ebd-40cd-4e1d-a301-27ddd93b12e2 | 1 | 5 pairs | 0 |
| ce965c4d-7a2b-4db6-9847-601747fa7812 | 1 | 3 pairs | 1 |
| 28867d12-27a6-4e6a-a5fb-8bb5440117ae | 1 | 5 pairs | 1 |
| 5a7a7e13-fbcf-46e4-9093-79799649d6c5 | 0 | | 0 |
| 0143cb8b-bb81-4916-9750-ce956c9f9bd9 | 0 | | 0 |
| a4ccc1b3-cbb6-449c-b7a5-03af42c97433 | 1 | 5 pairs | 0 |
| b1dded76-cd60-4222-82cb-f6d464104298 | 1 | 3 pairs | 0 |

/*Combine the quiz, home_try_on, and purchase
tables in order to get data ready for funnel
analysis

Because home_try_on is a subset of quiz, and purchase is a subset of each, we will use a LEFT JOIN to combine 'home_try_on' with 'quiz' and another LEFT JOIN to combine 'purchase' with 'quiz'.*/

```
153 SELECT DISTINCT q.user_id,
154 h.user_id IS NOT NULL AS 'is_home_try_on',
    h.number_of_pairs, p.user_id IS NOT NULL AS 'is_purchase'
155 FROM quiz AS 'q'
156 LEFT JOIN home_try_on AS 'h'
157 ON q.user_id = h.user_id
158 LEFT JOIN purchase AS 'p'
159 ON p.user_id = q.user_id
160 LIMIT 10;
```

A/B Test: Single-Funnel Conversion Metrics

I used a WITH clause in order to isolate the table that now contains the data we need in order to perform single-funnel analysis across the original three tables we were given. I used the SUM aggregate function to identify the number of users that reached each step.

| num_quiz | home_try_on | purchase_complete | try_on rate | purchase rate | full_conversion |
|----------|-------------|-------------------|-------------|---------------|-----------------|
| 1000 | 750 | 495 | 0.75 | 0.66 | 0.495 |

Question #6: The full-conversion rate for the funnel is 49.5%

Question #7: While the try_on_rate is a relatively healthy 75%, the purchase rate, at 66%, may contain larger weaknesses that we can address

```
Question #6: What are the over-all conversion rates for the funnel?
Question #7: How do conversion rates compare on a step-to-step basis?
```

```
WITH funnels AS (SELECT DISTINCT q.user id,
h.user_id IS NOT NULL AS 'is_home_try_on',
h.number of pairs, p.user id IS NOT NULL AS
 'is purchase'
FROM quiz AS 'q'
LEFT JOIN home try on AS 'h'
  ON q.user id = h.user id
LEFT JOIN purchase AS 'p'
  ON p.user id = q.user id)
SELECT COUNT(user id) AS 'num quiz',
SUM(is home try on) AS 'home try on',
SUM(is purchase) AS 'purchase complete',
1.0 * SUM(is home try on) / COUNT(user id)
AS 'try on rate', 1.0 * SUM(is purchase)
SUM(is home try on) AS 'purchase rate', 1.0
* SUM(is purchase) / COUNT(user ID) AS
 'full conversion'
FROM funnels:
```

A/B Test: Multi-Funnel Conversion Comparison

Background: While conversion rate is important in determining the actions Warby Parker should consider, I thought it important to not rule out the possibility that other outcomes may differ between the two groups as well, such as the average price per pair purchased.

Query Methodology: I used the ROUND function to truncate the avg_price result to two decimal places. The original result included a row with users who never reached the home_try_on phase. However, we're only concerned with users who reached 'home-try-on' and the resulting A/B test participation. To clean this up, I added a WHERE clause to filter for ONLY those users who had been included in either side of the A/B test.

| number_of_pairs | home_try_on | purchase_complete | purchase rate | avg_price |
|-----------------|-------------|-------------------|-------------------|-----------|
| 3 pairs | 379 | 201 | 0.530343007915567 | 113.26 |
| 5 pairs | 371 | 294 | 0.792452830188679 | 112.35 |

Question #8: How do the 3-pair and 5-pair tests' conversion rates compare?

Question #9: Are users who receive more try-on pairs more likely to purchase?

```
WITH funnels AS (SELECT DISTINCT
     g.user id, h.user id IS NOT NULL AS
     'is_home_try_on', h.number_of_pairs,
     p.user id IS NOT NULL AS 'is purchase',
     p.price
141 FROM quiz AS 'a'
     LEFT JOIN home try on AS 'h'
       ON q.user id = h.user id
144 LEFT JOIN purchase AS 'p'
       ON p.user id = q.user id)
147 SELECT number of pairs,
     SUM(is home try on) AS 'home try on',
     SUM(is purchase) AS 'purchase complete'
     1.0 * SUM(is purchase) /
     SUM(is home try on) AS 'purchase rate',
     ROUND(AVG(price),2) AS avg price
     WHERE number of pairs = '3 pairs'
       OR number of pairs = '5 pairs'
    GROUP BY number of pairs:
```

A/B Test: Results & Impact Projections

Observations: The 3-pair test group purchased at a 53% rate while the 5-pair test group did so at a 79% rate! The average price per purchase was roughly the same between both groups. Here's a realistic, yet hypothetical scenario that illustrates just how large the impact of these findings could be:

3 vs. 5-pair Revenue Generation Potential Assumptions:

371

5 pairs

- purchase rates from test remain constant as does average price
- # of try-ons is equal to the total number of users who went through the test

| - | | | | | |
|-----------------|--------------|-----------------|-----------|----------------|-----------------|
| Group | # of try-ons | # purchased | \$ / pair | Total Rev. \$ | Rev % Change |
| 3-Pair Group | 750 | 397 | \$113 | \$44,861 | |
| 5-Pair Group | 750 | 593 | \$112 | \$66,416 | |
| Revenue Delta | | | | + \$21,555 | + 48% |
| number_of_pairs | home_try_on | purchase_comple | te | purchase rate | avg_price |
| 3 pairs | 379 | 201 | 0.5 | 30343007915567 | 113.26 |

294

0.792452830188679

112.35

Question #10: What are some actionable insights for Warby Parker?

```
WITH funnels AS (SELECT DISTINCT
     q.user id, h.user id IS NOT NULL AS
     'is home try on', h.number of pairs,
     p.user_id IS NOT NULL AS 'is purchase',
     p.price
141 FROM quiz AS 'q'
     LEFT JOIN home try on AS 'h'
       ON q.user_id = h.user_id
     LEFT JOIN purchase AS 'p'
       ON p.user id = q.user id)
147 SELECT number of pairs,
     SUM(is_home_try_on) AS 'home_try_on',
     SUM(is_purchase) AS 'purchase_complete',
     1.0 * SUM(is purchase) /
     SUM(is home try on) AS 'purchase rate',
     ROUND(AVG(price),2) AS avg price
148 FROM funnels
     WHERE number of pairs = '3 pairs'
       OR number of pairs = '5 pairs'
     GROUP BY number of pairs;
```

A/B Test: Suggested Actions

Suggested Actions:

- Push all users into the '5-pair' try-on funnel
- Run another test to see whether similar results can be achieved with 4 pairs could save \$\$ on circulating inventory

| Group | # of try-ons | # purchased | \$ / pair | Total Rev. \$ | Rev % Change |
|---------------|--------------|-------------|-----------|---------------|-----------------|
| 3-Pair Group | 750 | 397 | \$113 | \$44,861 | |
| 5-Pair Group | 750 | 593 | \$112 | \$66,416 | |
| Revenue Delta | | | | + \$21,555 | + 48% |

```
        number_of_pairs
        home_try_on
        purchase_complete
        purchase rate
        avg_price

        3 pairs
        379
        201
        0.530343007915567
        113.26

        5 pairs
        371
        294
        0.792452830188679
        112.35
```

Question #10: What are some actionable insights for Warby Parker?

```
WITH funnels AS (SELECT DISTINCT
     q.user id, h.user id IS NOT NULL AS
     'is home try on', h.number of pairs,
     p.user id IS NOT NULL AS 'is purchase',
     p.price
   FROM quiz AS 'q'
    LEFT JOIN home try on AS 'h'
       ON q.user id = h.user id
    LEFT JOIN purchase AS 'p'
       ON p.user id = q.user id)
147 SELECT number of pairs,
     SUM(is home try on) AS 'home try on',
     SUM(is_purchase) AS 'purchase_complete',
     1.0 * SUM(is purchase) /
     SUM(is home try on) AS 'purchase rate',
     ROUND(AVG(price),2) AS avg price
148 FROM funnels
     WHERE number of pairs = '3 pairs'
       OR number of pairs = '5 pairs'
     GROUP BY number of pairs;
```

Extras: Other areas of potential funnel optimization

Initial Thought: I was curious to know whether any particular pattern could be found within the quiz responses that might be indicative of a greater propensity to purchase and/or a greater propensity to purchase a higher-priced pair of glasses.

Query Methodology: I went back to the quiz table containing all the questions and responses and joined it with the home_try_on and purchase tables.

Interesting Findings:

- People who selected 'I'm not sure. Let's skip it.' on the 'Fit' question not only purchased at a significantly higher rate that those who selected other answers, but also spent \$6 dollars more per purchase
- Those who selected 'No Preference' on the 'Shape' question also purchased at significantly higher rate than those who selected other answers

```
WITH funnels AS (SELECT q.user id,
h.user id IS NOT NULL AS
'is home try on', h.number of pairs,
p.user id IS NOT NULL AS 'is purchase',
q.fit, p.price
FROM quiz AS 'q'
LEFT JOIN home try on AS 'h'
  ON q.user id = h.user id
LEFT JOIN purchase AS 'p'
  ON p.user id = q.user id)
SELECT fit, SUM(is home try on) AS
num try on, SUM(is purchase) AS
num purchased, 1.0 * SUM(is purchase) /
SUM(is home try on) AS purchase rate,
ROUND(AVG(price), 2) AS avg price
FROM funnels
GROUP BY fit
ORDER BY purchase rate DESC;
```

Extras: Other areas of potential optimization

Interesting Findings:

People who selected 'I'm not sure. Let's skip it.' on the 'Fit' question not only
purchased at a significantly higher rate that those who selected other answers,
but also spent \$6 dollars more per purchase

| fit | num_try_on | num_purchased | purchase_rate | avg_price |
|------------------------------|------------|---------------|-------------------|-----------|
| I'm not sure. Let's skip it. | 64 | 45 | 0.703125 | 119.67 |
| Wide | 150 | 105 | 0.7 | 107.95 |
| Medium | 234 | 152 | 0.64957264957265 | 112.93 |
| Narrow | 302 | 193 | 0.639072847682119 | 113.52 |

• Those who selected 'No Preference' on the 'Shape' question also purchased at significantly higher rate than those who selected other answers

| shape | num_try_on | num_purchased | purchase_rate | avg_price |
|---------------|------------|---------------|-------------------|-----------|
| No Preference | 71 | 53 | 0.746478873239437 | 111.32 |
| Round | 140 | 95 | 0.678571428571429 | 116.26 |
| Rectangular | 288 | 189 | 0.65625 | 114.26 |
| Square | 251 | 158 | 0.629482071713147 | 109.21 |

```
WITH funnels AS (SELECT q.user id,
Shape table
                            h.user id IS NOT NULL AS
Query
                            'is home try on', h.number of pairs,
                            p.user id IS NOT NULL AS 'is purchase',
                            q.fit, p.price, q.shape
                           FROM quiz AS 'q'
                            LEFT JOIN home try on AS 'h'
                              ON q.user id = h.user id
                            LEFT JOIN purchase AS 'p'
                              ON p.user id = q.user id)
                      204 SELECT shape, SUM(is home try on) AS
                            num try on, SUM(is_purchase) AS
                            num purchased, 1.0 * SUM(is purchase)
                            SUM(is_home_try_on) AS purchase_rate,
                            ROUND(AVG(price), 2) AS avg price
                            FROM funnels
                            ORDER BY purchase rate DESC;
```

Fit table Query (same as previous slide)

Extras: Suggested next steps

I acknowledge that the sample size here may be too small for the data to be considered significant, and that there may be some lurking variables causing the difference in conversion rates and dollars spent.

Actions:

However, I would suggest that Warby Parker dig further in order to isolate any identiable, repeating attributes among those who select 'No Preference' or '…skip it'. The funnel behavior for these users seems to indicate that Warby Parker's best customers (in terms of likelihood to purchase and dollars spent per purchase) are those who aren't clear on what they need.

If Warby Parker is able to push more users who look and behave like those identified by the most recent two queries, they could see as much as 15% lift in revenue.

Summary of suggested action and potential impact

Suggested Course of Action

- Push all users into the '5-pair' try-on funnel
- Run another test to see whether similar results can be achieved with 4 pairs – could save \$\$ on circulating inventory
- Decrease quiz length or concatenate two questions into one while maintaining both clarity and brevity

 Strive to isolate any identifiable, repeating attributes among those who select 'No Preference' or '...skip it'.

Potential Impact

Increase revenue by ~ 48%

Increase purchase rate

Increase revenue by up to 15%