

CASE :

Is there any different response on these two promotions between Starbucks customers in different age groups?

A. 50% off



B. Buy one ,get one free (BOGF)



Target Group :

Starbucks Customer in 3 age Starbucks Customer in 3 age ranges

- 1) 20 - 30
- 2) 30 - 40
- 3) 40 - 50

A/B Testing Process :

See in Note A.

A/B Result :

There is no different response on these two promotions between Starbucks customers in different age groups

Note A :

A/B Testing on Promotion

Starbucks User by Age Group

- 1 H0 : The population proportion of people who will choose promotion are the **same**
 H1 : Not Ho

- 2 Alpha 0.05

- 3 **Oij : Starbucks Promotion Observation**

Choose ?	50% Off (j=1)	Buy one get One free (j=2)	Total
20-30	5	1	6
30-40	7		7
40-50	1	1	2
	13	2	15

PI
0.4
0.466666667
0.133333333
1

Ei

Choose ?	50% Off	BOGF
20-30	5.20	0.80
30-40	6.07	0.93
40-50	1.73	0.27

(Oij-Eij)^2/Eij

Choose ?	50% Off	BOGF
20-30	0.01	0.05
30-40	0.14	0.93
40-50	0.31	2.02

k 2
m 3

- 4 Chi Square 3.46 =sum ((Oij-Eij)^2/Eij)
 Degree of Freedom 2 =(k-1)*(m-1)
 Critical Value 5.9915 =CHISQ.INV.RT(0.05,DF)
 P- Value **0.1771** =1-CHISQ.DIST(ChiSquare,DF,TRUE)
 P Value > 0.05 >>> **Do not reject H0**

- 5 **Conclusion :**
 The population proportion of people who will choose 2 types of promotion
 is not **diffrence** from the others at significant level 0.05