

GLOBOX

A/B TEST FOR HOMEPAGE BANNER
(FOOD & DRINKS)

SUMMARY

- Tested a new page banner for food and drink products
- More people clicked on the banner, but no increase in spending
- Increase in clicks higher for Android and Male users
- Insufficient sample size to detect a 10% change in conversion rate and spending

Recommendation: Do not launch

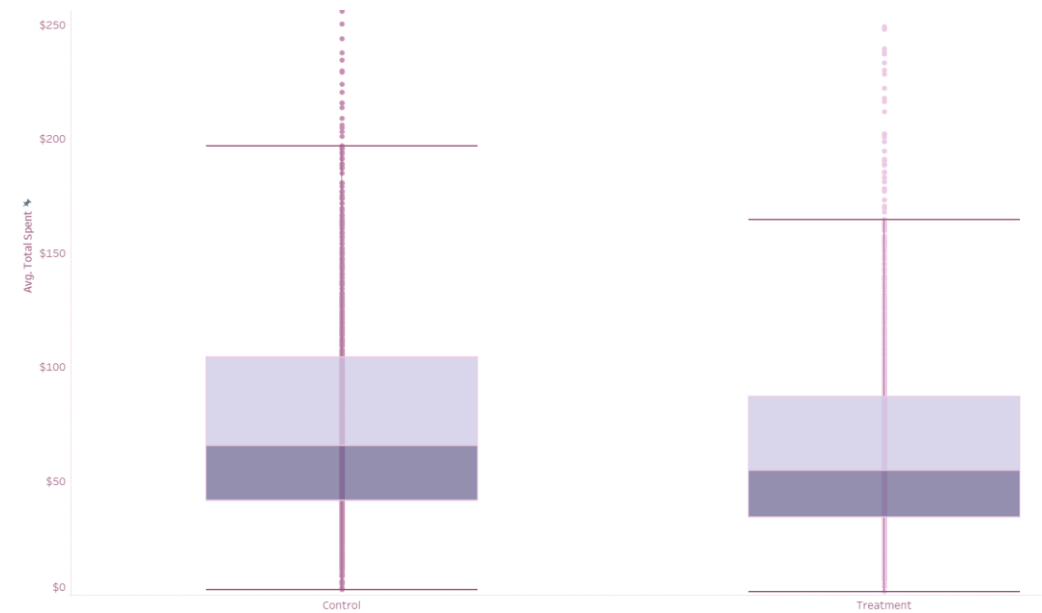
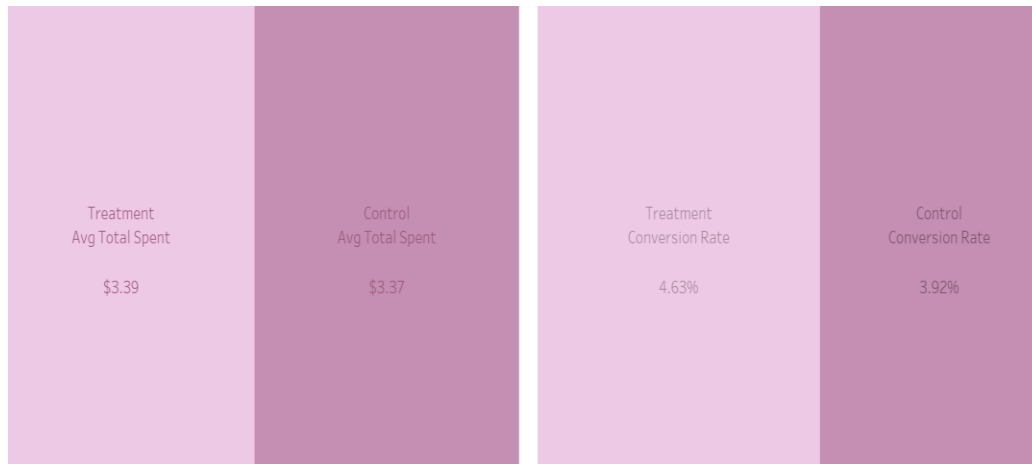
FRAME OF REFERENCE

- Increase conversion and revenue by promoting food and drink category
- 48,943 users across 10 countries from Jan 25 to Feb 6, 2023
- Test Groups
 - Control
 - Treatment
- Success Measures
 - Conversion Rate
 - Average Spent

OBSERVATIONS

A/B Test & Distribution

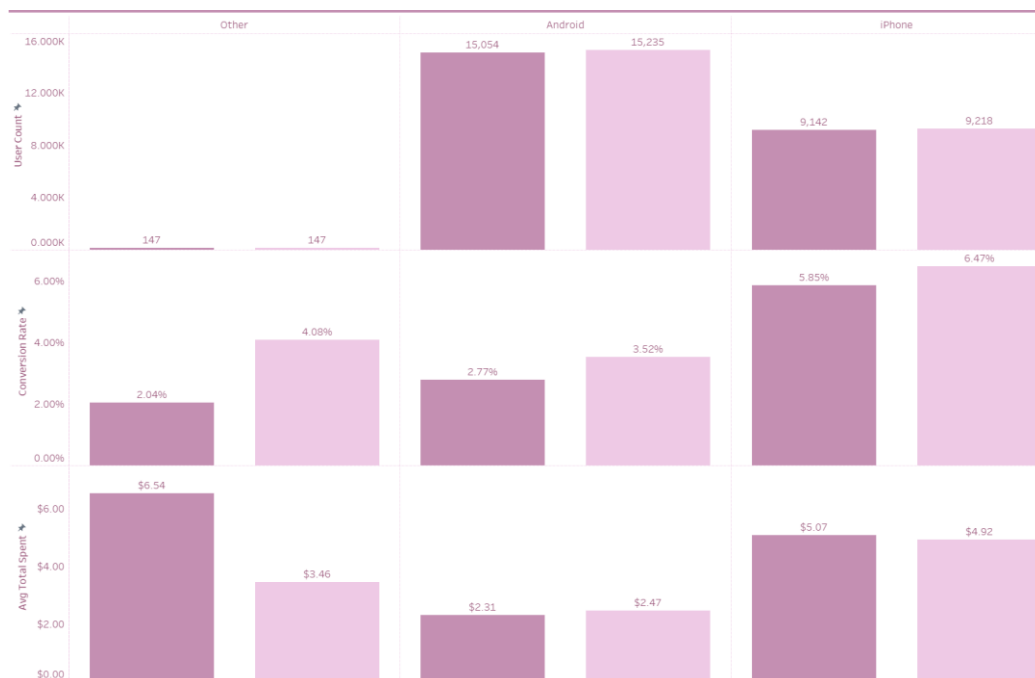
- Banner increased Conversion Rate from 3.92% to 4.63% - Numerically significant
- Average amount spent remain consistent
- Increased Conversions, but lower spending observed.
- Essential nature of Food & Drinks drove purchases independent of promotions



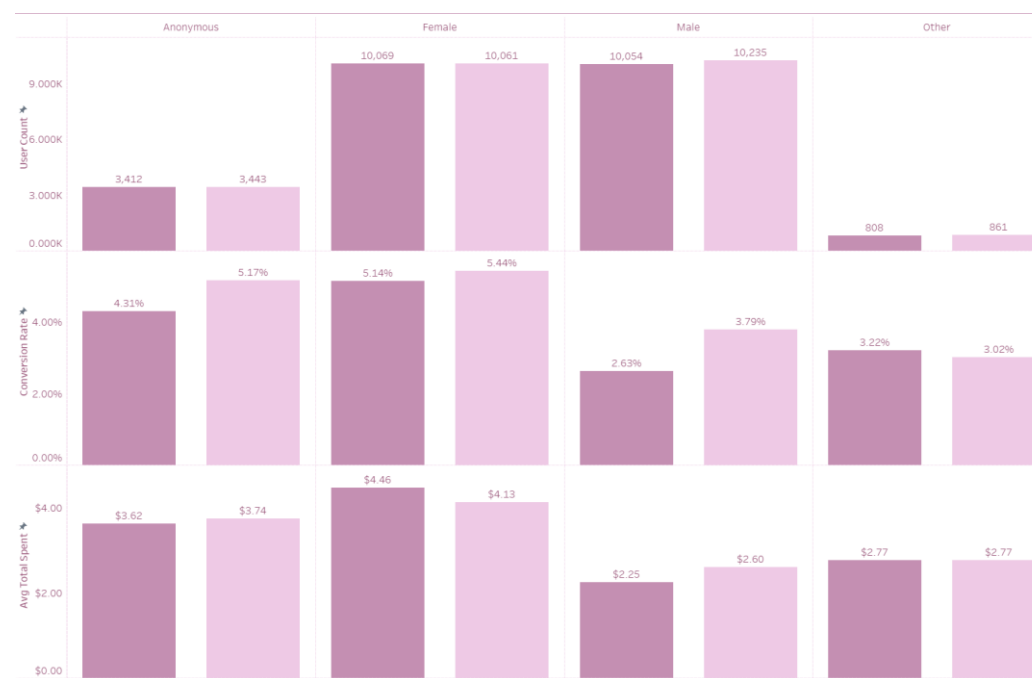
OBSERVATIONS

Device & Gender

- Higher increase in Conversion Rate for Android users compared to iOS users



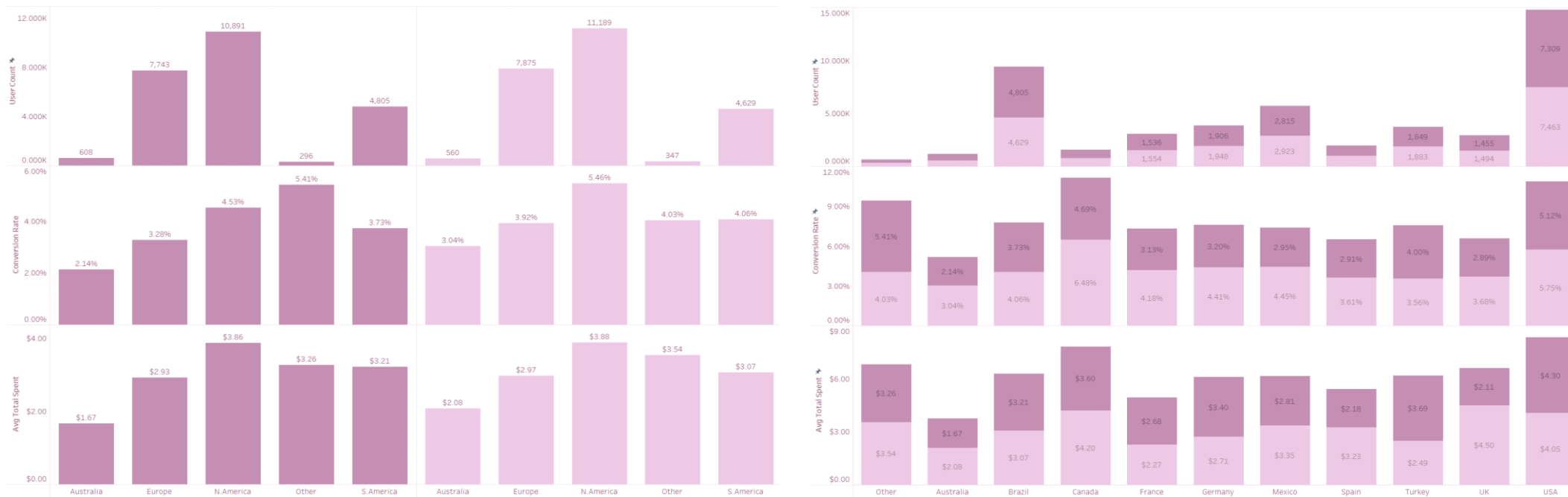
- More increase in Conversion Rate for Male users compared to Female



OBSERVATIONS

Region & Country

- Australia, Europe, and North America showed significant boosts
- Diverse Culture and Economic factors affecting purchasing power and willingness to convert

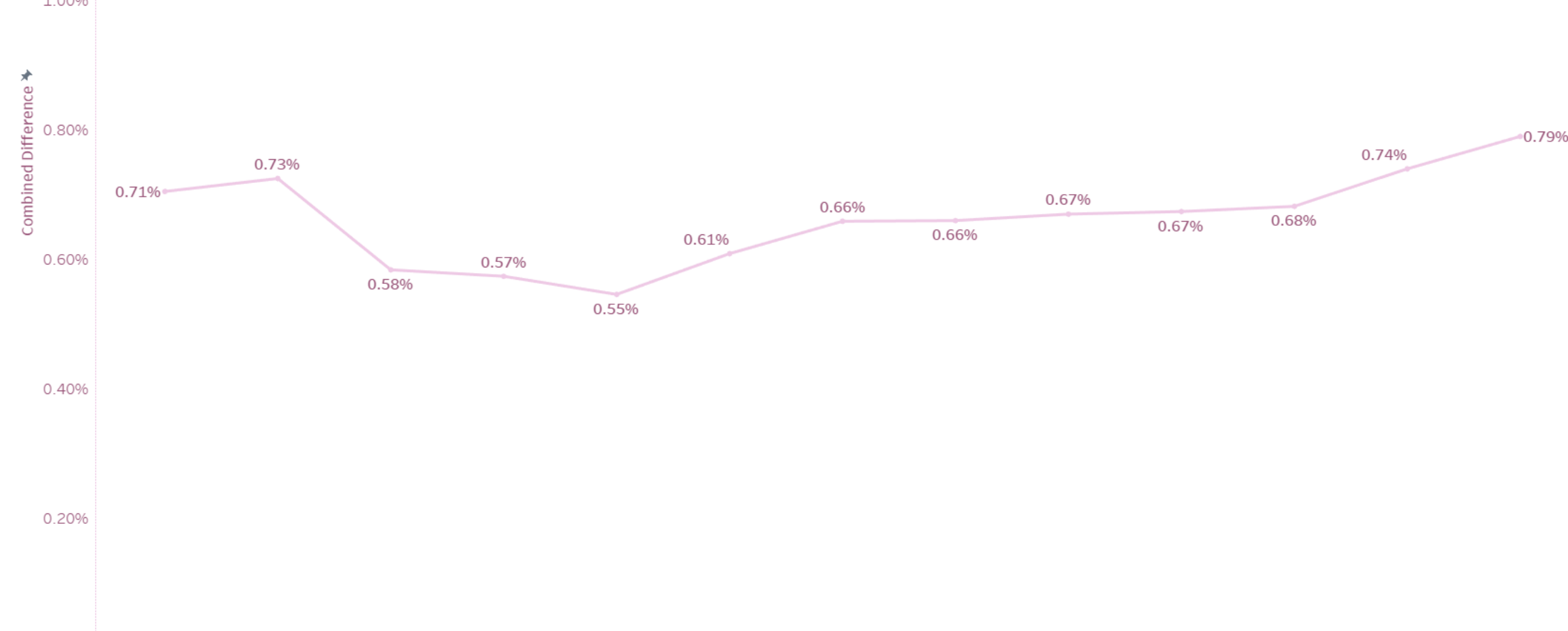


ELABORATIONS

Confidence Intervals

- Conversion Rate
 - Substantial difference with 95% confidence
 - 0.35% to 1.07%
- Conversion Rate
 - No Substantial difference with 95% confidence
 - -\$0.44 to \$0.47
 - Centered at 0





ELABORATIONS

Novelty Effect

- No evident Novelty Effect observed in conversion rate.
- Cumulative conversion rates of both groups assessed for overall significant test results.

ELABORATIONS

Power Analysis

- Insufficient sample size to detect a 10% change in desired metrics
- Actual sample size (49K) smaller than required (185K)
- Minor changes observed, not exceeding the 10% threshold

Power Analysis - Sample Size		
Measure	Result (both groups)	Details
Conversion Rate	60.6 k	* Baseline Conversion Rate: 3.92% * MDE: 10%
Average Spent	185414 k	* Difference between Means: 0.3375 (10% of control) * Expected STDV: 25.9364
* Two sided Size * Significance Level: 5% * Power: 80%		

CONCLUSION

- Refrain from launching the Homepage Banner
- Notable increase in conversion rate, No significant change in average amount spent
- Consider impact on existing products and modify user experience accordingly
- Extend the duration of the test to reach 185k users
- Gain a better understanding of the feature's potential impact
- Make informed decisions based on further study with larger sample size

RECOMMENDATION

In the interest of Statistic Banner-ocity, We shall refrain from launching any Banners for now.

Let's face it!! We need bigger crowd