

EXPLAINING AN A/B TEST ON FACEBOOK  
**MARKETPLACE**

IN **5** MINUTES BY YARA HISHAM

# #1 WHAT IS A/B TESTING?

A/B testing is the act of running a simultaneous experiment between two or more variants of a page to see which one performs the best.

A/B testing lets you play scientist and make decisions based on data about how people behave when they hit your page.

## VARIANT

- The term for any new versions of page included in your A/B test.

## CHAMPION

- The best conversion performance variant is crowned the champion variant.

## CHALLENGER

- When starting a test and create new variants to challenge the existing champion page.
- These variants are called challengers.
- If a challenger outperforms all other variants, it becomes the new champion.

# #2 WHY USE A/B TESTING?

- Improved user engagement.
- Improved content.
- Reduced bounce rates.
- Increased conversion rates.
- Ease of analysis.
- Quick results.
- Everything is testable.
- Reduced risks.
- Increased sales.

# #3 A/B TESTING EXPERIMENT STEPS

1. Research:
  - Define Business Objectives.
  - Define App Goals.
  - Define Metrics
  - Define KPIs
2. Experimentation:
  - Problem identification.
  - Hypothesis.
  - Ideas.
3. Results:
  - Analyze.
  - Learn.
  - Repeat.

# **FACEBOOK MARKETPLACE** **A/B TEST EXPERIMENT**

# RESEARCH

# #A A/B TESTING BUSINESS OBJECTIVE

Increase revenue of sponsored paid pages in Facebook Marketplace.

# #B A/B TESTING APP GOAL

Increase user satisfaction with the UI by improving UX.

# #C A/B TESTING EXPERIMENT METRICS

- Cost per conversion.
- Bounce rate.
- Time on page.
- Engagement rate.
- Average order value (AOV) = Total revenue / Number of sales conversions.
- Revenue by traffic source (Search or Marketplace).

# #D A/B TESTING EXPERIMENT KPIs

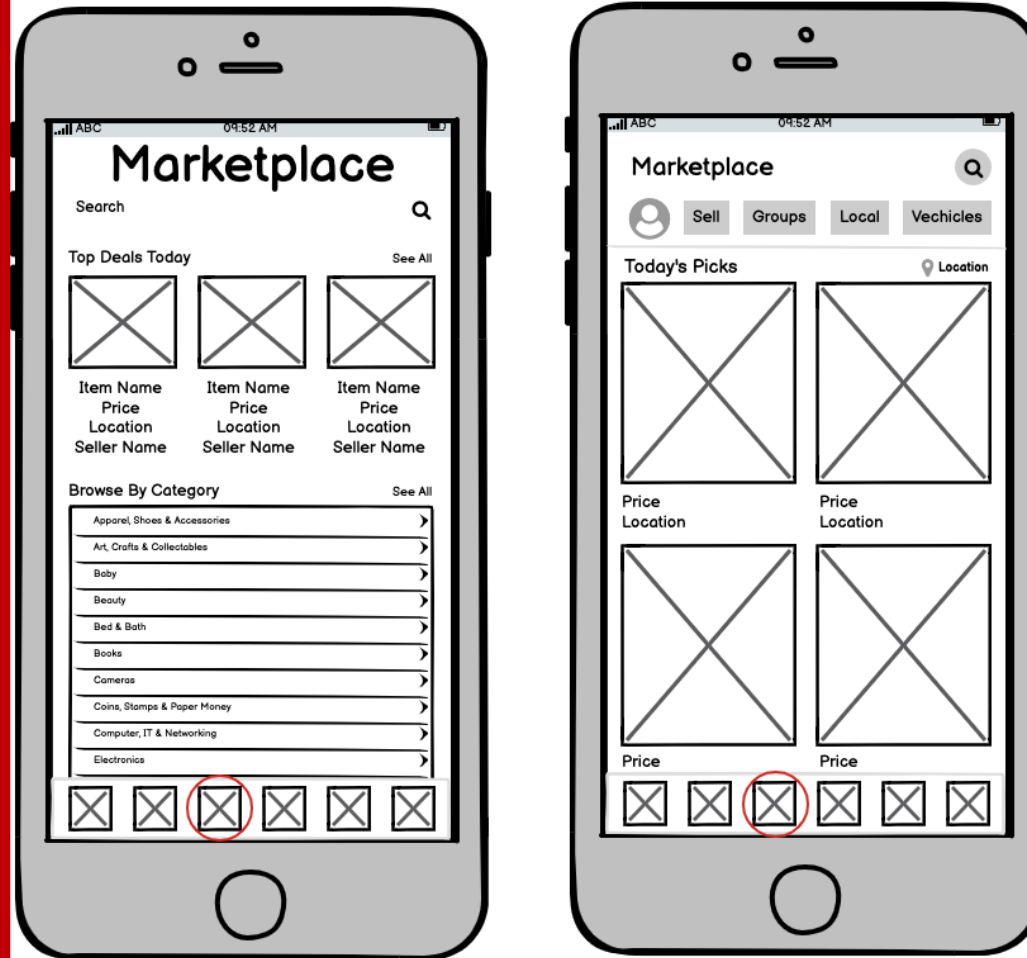
- Testing velocity = Number of tests over a time period.
- Testing win rate = (Number winning tests / Total number of tests) \* 100.
- Conversion and Revenue lift.
- Projected budget on testing Vs. Actual spent on testing.

# **EXPERIMENTATION**



# Variant

# Original



The experiment will be run on 2 variant of Facebook Marketplace mobile app

# RESULTS

After the experiment took place, its results conducted that variant was the new champion as it increased the engagement rate, conversion rate and revenue lift. It decreases the cost per conversion and the bounce rate of users, also it increased the time on page. The experiment was an over all success as it didn't over cost the company nor produce more lose than wins.

**THANK YOU**