

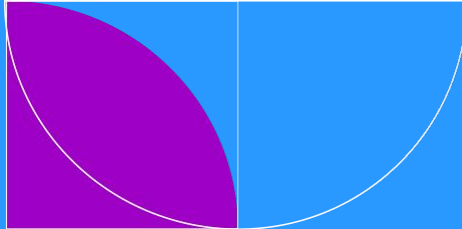
Test 1, 2, 3: Creating an A/B Testing Framework

Alex Orton

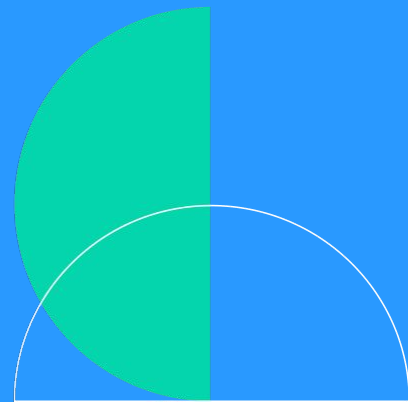
**Sr. Lifecycle Marketing
Manager, Tally**

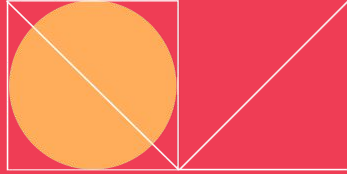
In my time in lifecycle marketing I've worked primarily with financial technology companies such as Progexion, SoFi, and Tally. Previous to my role at Tally, I launched the lifecycle strategy and communications for SoFi's checking account "SoFi Money".





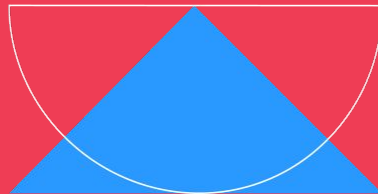
**I want to write a
poem.** (about Iterable Activate)

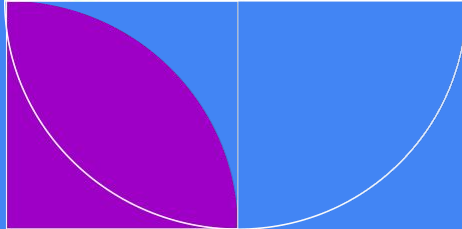




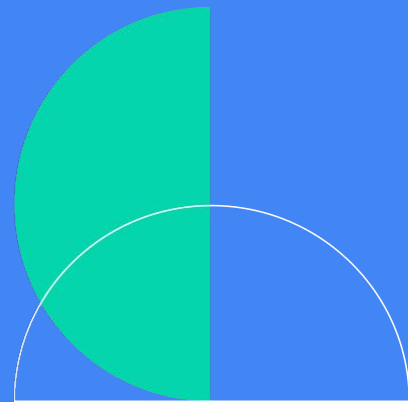
A brief poem...

**Roses are red
Activate's here
So please buckle up
And lend me an ear**





**Should I be happy
with my poem?**



Teaching English/Language Arts

CONTENT: Does the poem include features you require?

CORRECTNESS: Is the poem laid out the in lines that make sense?

CREATIVITY: What seems fresh, surprising, novel?

MasterClass Poetry Framework

- 1. Theme:** Poetry often conveys a message through figurative language. The central idea and the subject matter can reveal the underlying theme of a poem.
- 2. Language:** From word choice to imagery, language creates the mood and tone of a poem. The way language is arranged also impacts the rhythm of a poem.
- 3. Sound and rhythm:** The syllabic patterns and stresses create the metrical pattern of a poem.
- 4. Structure:** The framework of a poem's structure affects how it is meant to be read. A poem sculpts their story around stanzas, line breaks, rhyme patterns, punctuation, and pauses.
- 5. Context:** The who, what, when, and why of a poem can help explain its purpose. Look at these elements to discover the context of a poem.





Moral of the story

Your organization should have a formal test and learn framework

A this sounds more intimidating than it is. A formal test and learn framework simply gives you structure for your test and learn efforts!

A high level framework as outlined in this presentation, combined with smaller “sub-frameworks” will enable you to do your best, most impactful testing and learning.

Setting expectations: goals for this presentation

Inform

- For some, these concepts will be new. For those I hope that this can be a **launch-pad** for your own test and learn efforts
- I will give a running example of my frameworks as we go

Inspire

- For others, this will merely be a reminder to return to or double-down on **existing** test and learn efforts

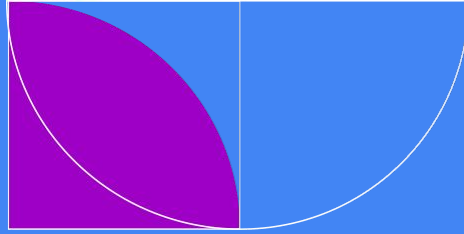
Follow-through

- There won't be time for a QA portion, however I am available during the break or alex.orton@meettally.com to **field any questions** regarding the content

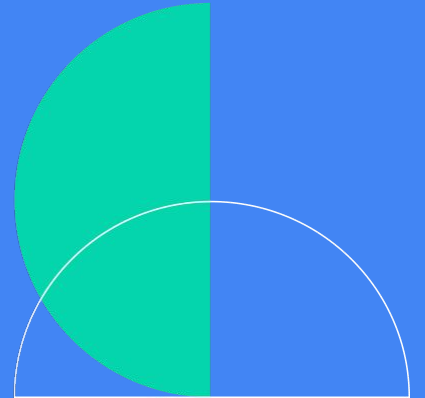


Agenda

- 01** YOUR Test and Learn Framework
(why and how)
- 02** Executing your tests
- 03** Analyzing and sharing results



YOUR Test and Learn Framework (why and how)



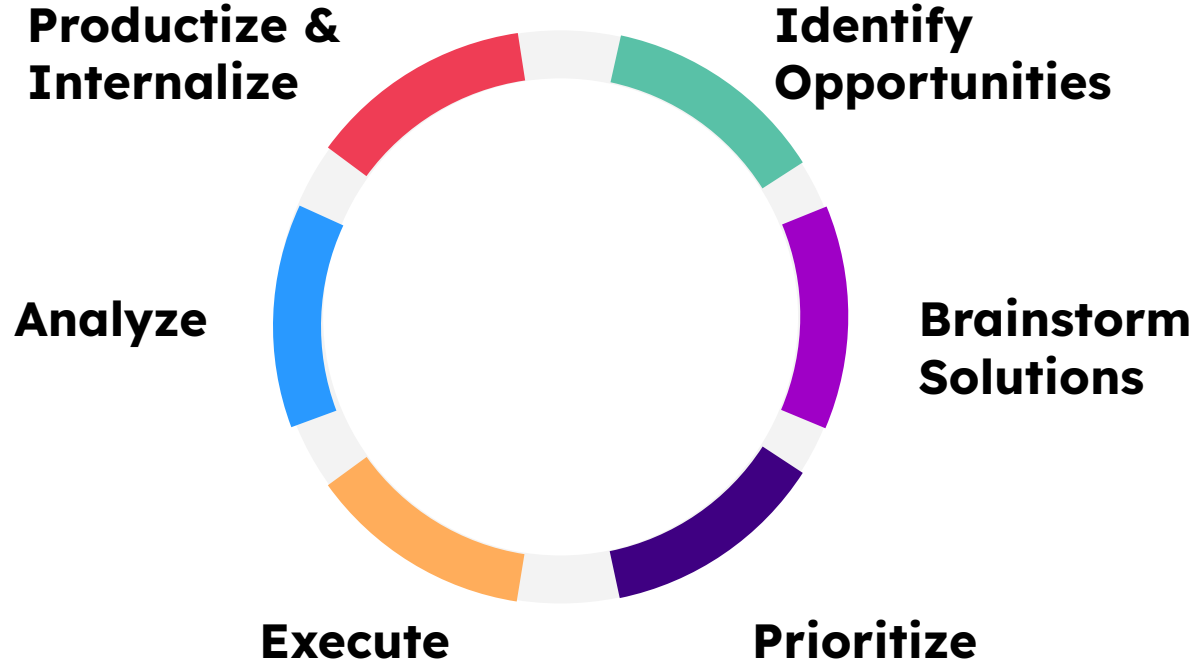
Sources of inspiration

R E F O R G E

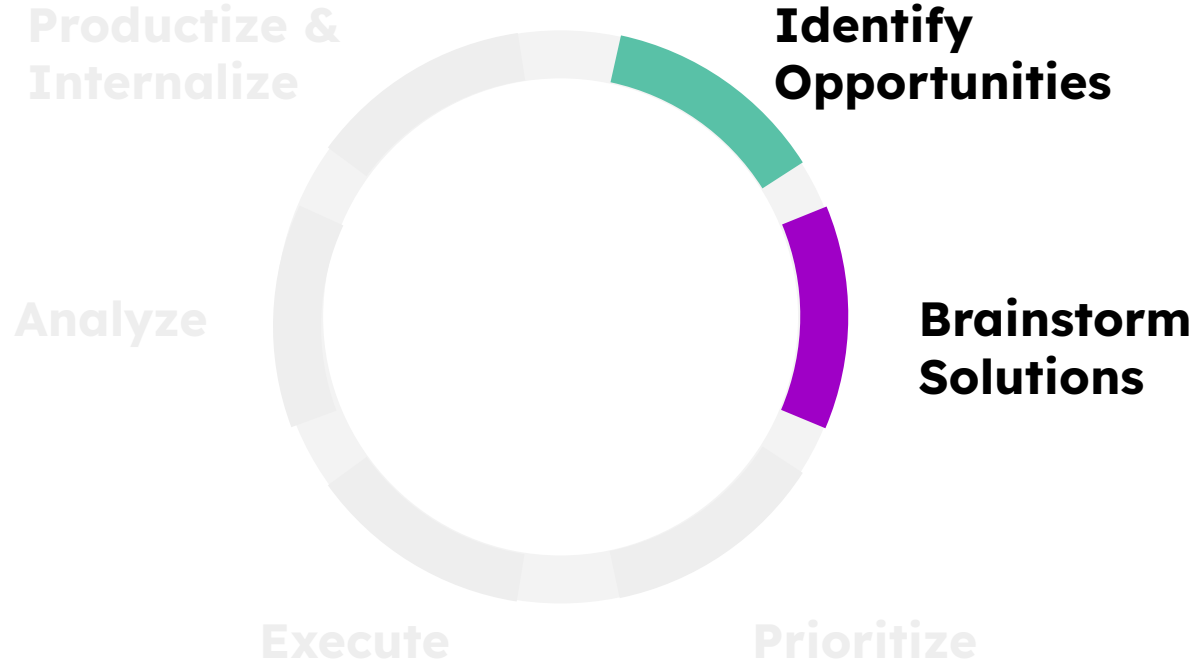


Phiture

Holistic test and learn framework



Holistic framework (Identify Opportunities and Brainstorm Solutions)



Brainstorming your first tests

- 1 Identify **KPI** you want to impact
- 2 Identify **behavior** that supports that KPI
- 3 Hypothesize **reasons** that prevent/enable the behavior
- 4 Categorize hypothesis into **specific tests**



Areas you can test

Net New Concepts

For example, introducing a touchpoint where it didn't exist before.


Perhaps a big stand alone initiative, or introducing a new channel.

Radical Changes

Dramatic timing tests, design overhauls, subject lines.

Simple Changes

Slight copy changes, CTAs, color changes, etc.



Example Test: SMS channel introduction

- 1 We want to **convert 20% of applicants** into activated members
- 2 A high percent of applicants **abandon the onboarding flow before adding cards**
- 3 Introducing a **new channel** could reach those who aren't seeing/engaging with email/push.
- 4 By sending an SMS during the "add cards" stage we drive an incremental lift to offer stage by 5%.

Holistic framework (Prioritize)



ICE Framework - Reforge

Impact

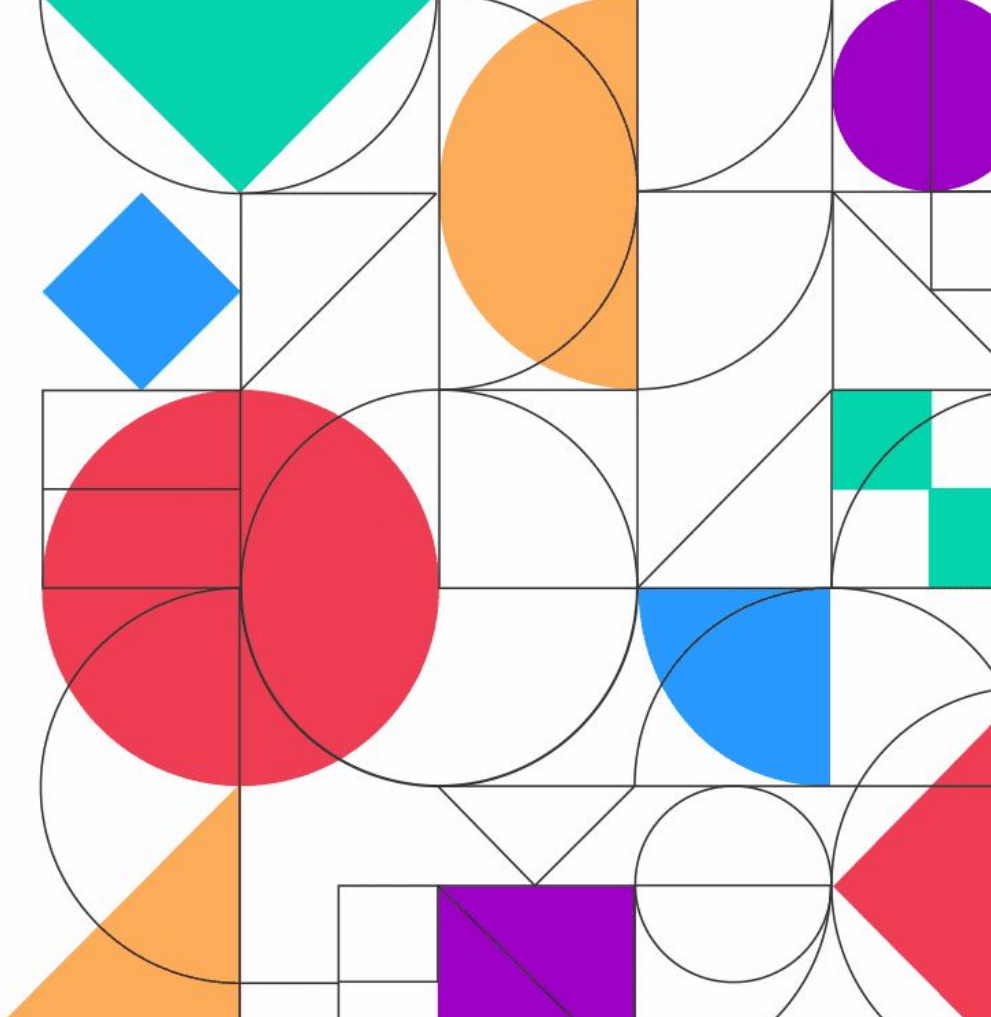
- Does it stand to make a big impact on your most important KPIs?

Confidence

- How sure are you that it will be effective?

Ease

- How quickly and easily could you implement the test?



KPI: Activation %

SMS Channel Testing

ICE framework

Impact: SMS is a high impact channel with 98% open rates. **High**

Confidence: This is a “big swing” type test. I’m confident we’ll be able to measure a result **High**

Ease: Prepping the SMS channel for use required dev work and CEP integrations **Low**

SMS template Advanced options

Template name
Fall Sale SMS template
This is the name used internally identify your template.

Message type
Default SMS message type
Type of message content. Used to manage unsubscribes. Visit Settings > Channels to add additional message types.

From number
Docs Test SMS

Image URL
<https://static.iterable.com/assets/img/logo.png>
Accepts .jpg, .png, and .gif images less than 5mb in filesize. Recommended aspect ratios are 4:3, 16:9, 3:2. Note: .gif files on iOS will only animate once the phone is unlocked.

SMS message 49 / 160


We're having a fall sale! <https://www.example.com>

Shorten and track links [Learn more](#)

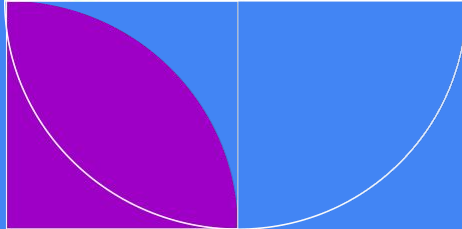
Tracking Domains	Example
<input type="text" value="itbdocs.site"/>	https://itbdocs.site/2NMwZ

⚠ This project adds opt-out instructions (around 46 characters) to the first SMS campaign it sends to each contact. To maximize deliverability, update your project settings to include them with every send.

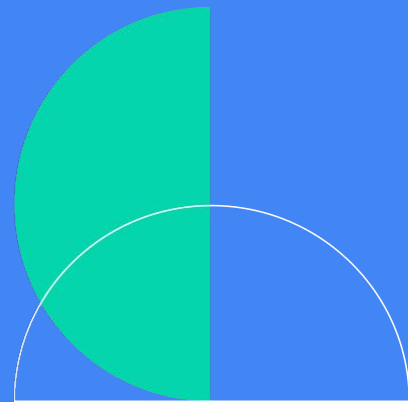
Message Preview ⓘ



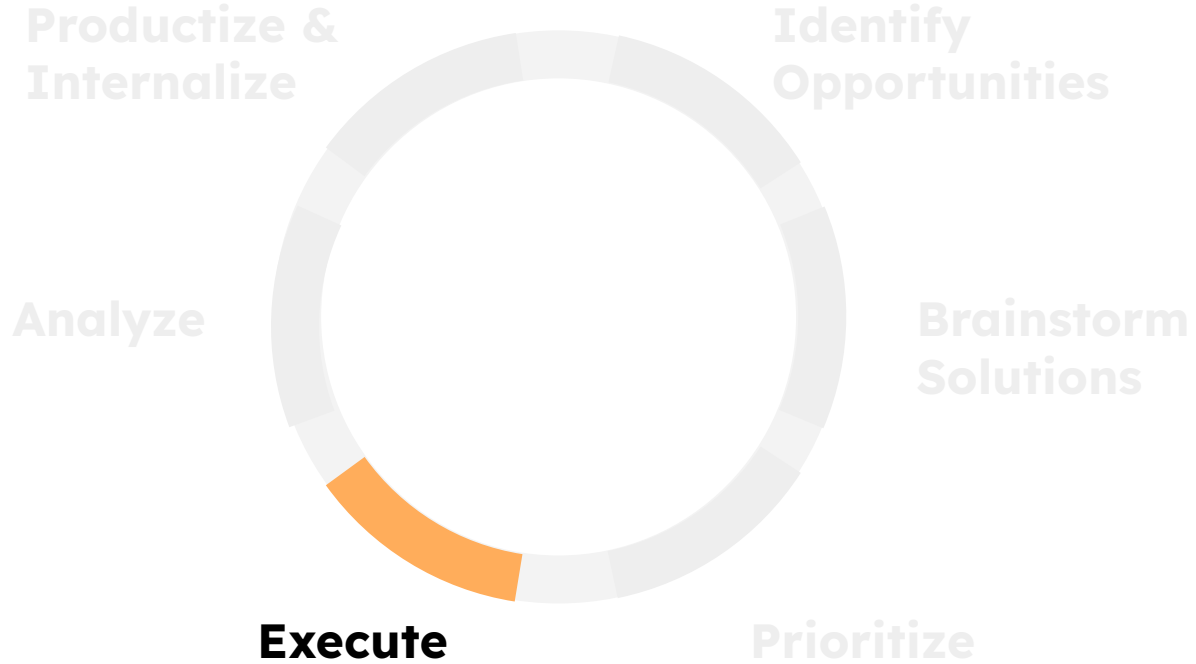
For accurate previews and character counts, [preview with data](#) before sending.



Doing it in Iterable



Holistic framework (Execute)



Understanding volumes and run-time

Estimate

- You want to have enough volume that your tests will be significant
- Understand that the larger the conversion % the lower the size you need

Run

- Leave tests running long enough that they aren't affected by "seasonality"

Estimating test group size

Baseline Conversion Rate

%

Your control group's expected conversion rate. [\[?\]](#)

Minimum Detectable Effect

%

The minimum relative change in conversion rate you would like to be able to detect. [\[?\]](#)

Statistical Significance

95%

[Edit](#)

95% is an accepted standard for statistical significance, although Optimizely allows you to set your own threshold for significance based on your risk tolerance. [\[?\]](#)

Sample Size per Variation

260,000



Baseline Conversion Rate

%

Your control group's expected conversion rate. [\[?\]](#)

Minimum Detectable Effect

%

The minimum relative change in conversion rate you would like to be able to detect. [\[?\]](#)

Statistical Significance

95%

[Edit](#)

95% is an accepted standard for statistical significance, although Optimizely allows you to set your own threshold for significance based on your risk tolerance. [\[?\]](#)

Sample Size per Variation

7,800



Campaigns vs Journeys

Experiments > My Campaign > Set up your experiment

Set up your experiment
based on My Campaign - Email Blast [Draft](#) [IT'S CREATE](#)

Experiment name

My Experiment
This is the name you'll use to internally identify your experiment.

Experiment with

<input checked="" type="checkbox"/> Subject line	<input type="checkbox"/> Preheader text
<input type="checkbox"/> From name and sender	<input type="checkbox"/> Email body
<input type="checkbox"/> Everything	<input type="checkbox"/> Send Time
<input type="checkbox"/> Send Time Optimization	

Experiment type

Randomly split variations **●**

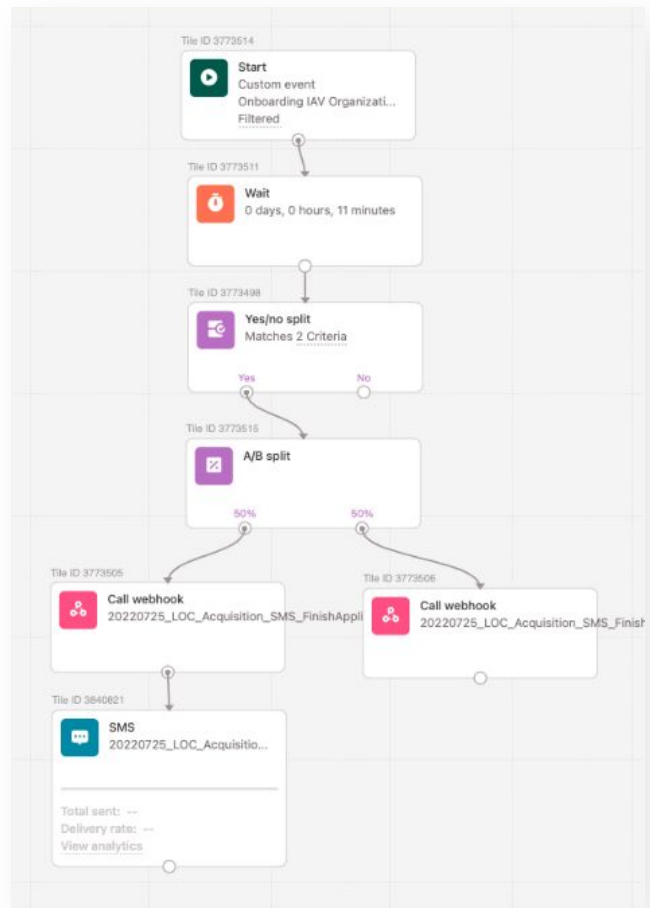
No

Percentage of list to include in experiment **●**

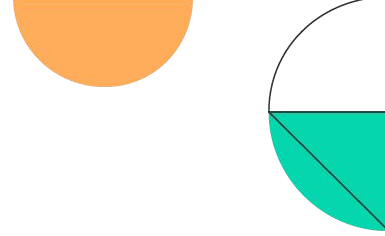
20 %

Select winning experiment variation after **●**

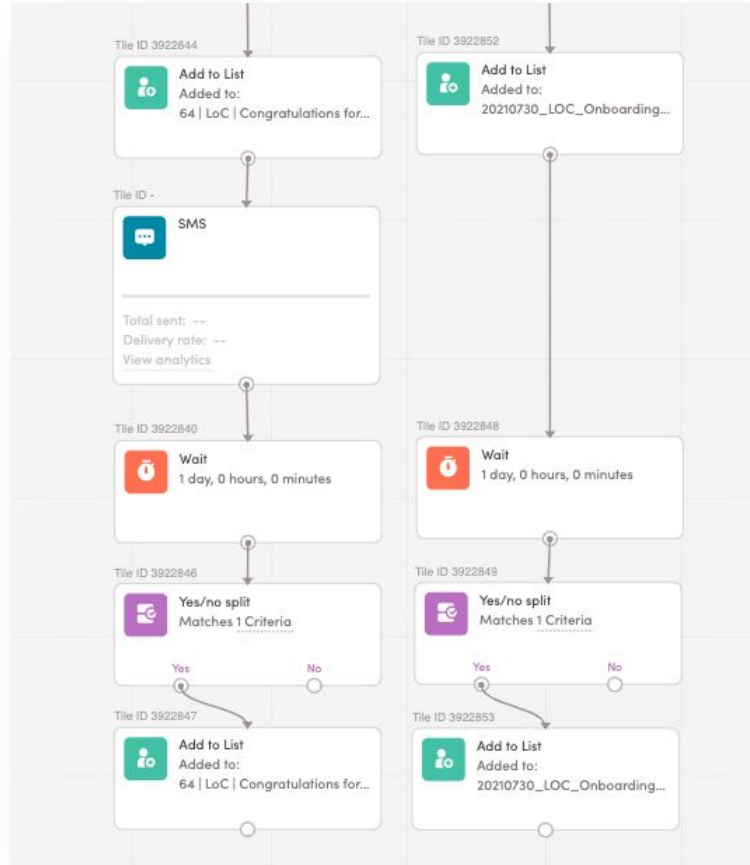
2 Hours 0 Minutes



Creating a “blast” campaign as a journey



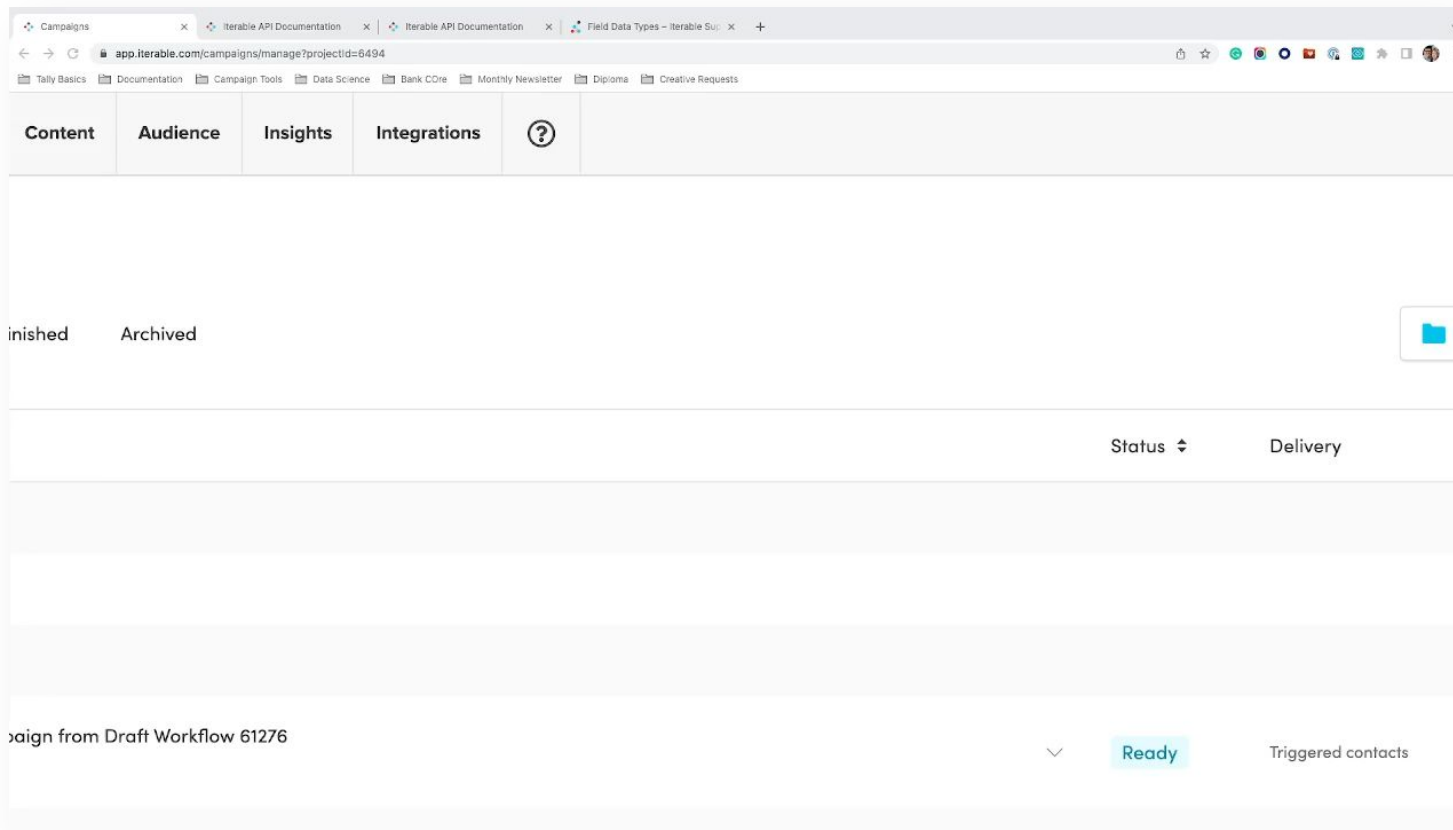
Using lists for conversion



Using lists for conversion

The screenshot displays the Iterable workflow editor interface. At the top, the browser address bar shows the URL `app.iterable.com/workflows/61276/edit?mode=beta&workflowType=Draft`. The main header is a dark purple bar with the text "Test Iterable Journey" and a "Draft" status indicator. The central workspace is a light gray grid where two "Email" tiles are positioned. The first tile, titled "Email" with a blue envelope icon, has a "Title ID" of "1479733" and lists metrics: "Total sent: --", "Delivery rate: --", "Open rate: --", "Click rate: --", and a "View analytics" link. The second tile, also titled "Email", has a "Title ID" of "-" and lists the same metrics and link. Arrows indicate a flow from the first tile to the second. On the right side, a vertical sidebar contains various action buttons categorized into: "SMS" and "Web push"; "In-app"; "Delay" with a "Wait" button; "Filters and flow" with "Yes/no split", "A/B split", "Attribute split", and "Send to journey"; "User updates" with "Add to List", "Remove from List", "Subscription preferences", and "User profile"; and "Integrations" with "Call webhook" and "Facebook audiences". At the bottom of the interface, there are controls for zooming (100%), a "Hide 0 notes" button, an "About" button, and a status bar showing "Last saved 11 minutes ago", "Test Journey", "Publish", and "Save draft" buttons.

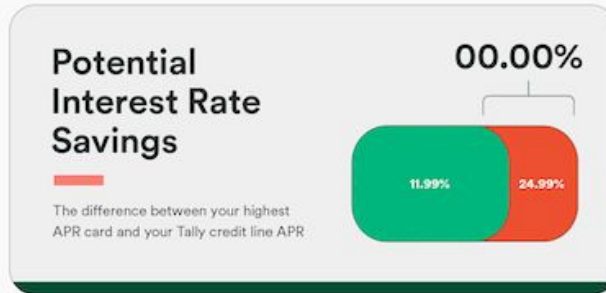
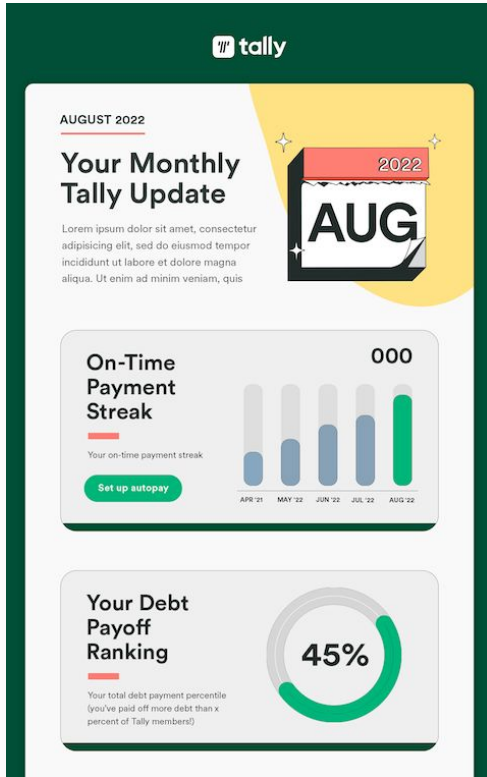
Bonus: Using the API documentation improve your personalization



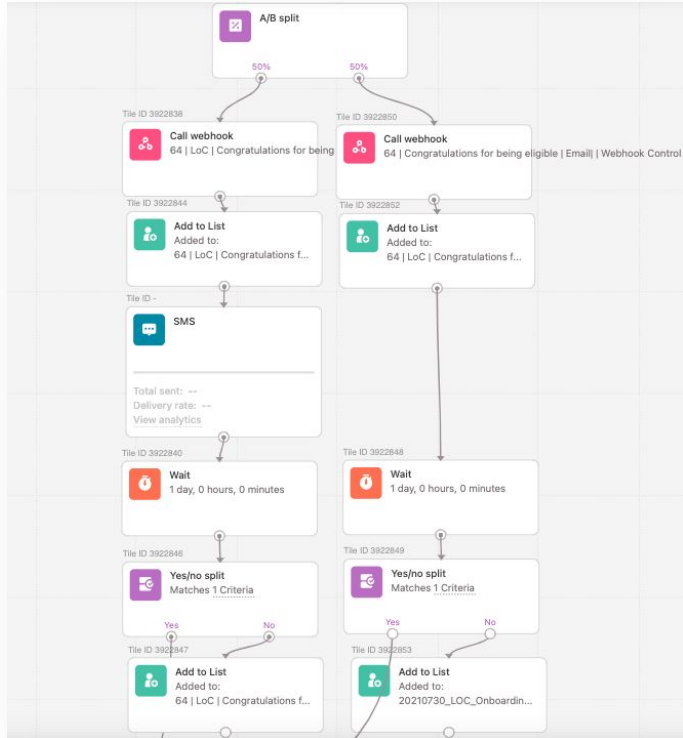
The screenshot shows a web browser window with the URL `app.iterable.com/campaigns/manage?projectId=6494`. The browser's address bar and tabs are visible at the top. Below the browser window, there is a navigation menu with the following items: **Content**, **Audience**, **Insights**, **Integrations**, and a help icon (a question mark in a circle). The main content area displays a list of campaigns. The first row shows a campaign that is **Completed** and **Archived**. Below this, there are several empty rows. The last row shows a campaign named **Campaign from Draft Workflow 61276** with a dropdown arrow, a **Ready** status, and **Triggered contacts**.

Completed	Archived				
Campaign from Draft Workflow 61276				Ready	Triggered contacts

Bonus: Using the API to improve your personalization



Example: Setting up our SMS messaging test



Template name

Welcome SMS

This is the name used internally to identify your template.

Message type

SMS Marketing 2022

Type of message content. Used to manage unsubscribes. Visit Settings > Channels to add additional message types.

From number

SMS Marketing

Image URL

<https://static.iterable.com/assets/img/logo.png>

Accepts .jpg, .png, and .gif images less than 5mb in filesize. Recommended aspect ratios are 4:3, 16:9, 3:2. Note: .gif files on iOS will only animate once the phone is unlocked.

INSERT SNIPPET

SMS message

142 / 67

Congrats! 🎉 You're eligible for a line of credit with Tally. Add card info to get your custom offer -> <https://meettally.app.link/wHQ6kW4tvr>

Shorten and track links [Learn more →](#)



Tracking Domains

Example

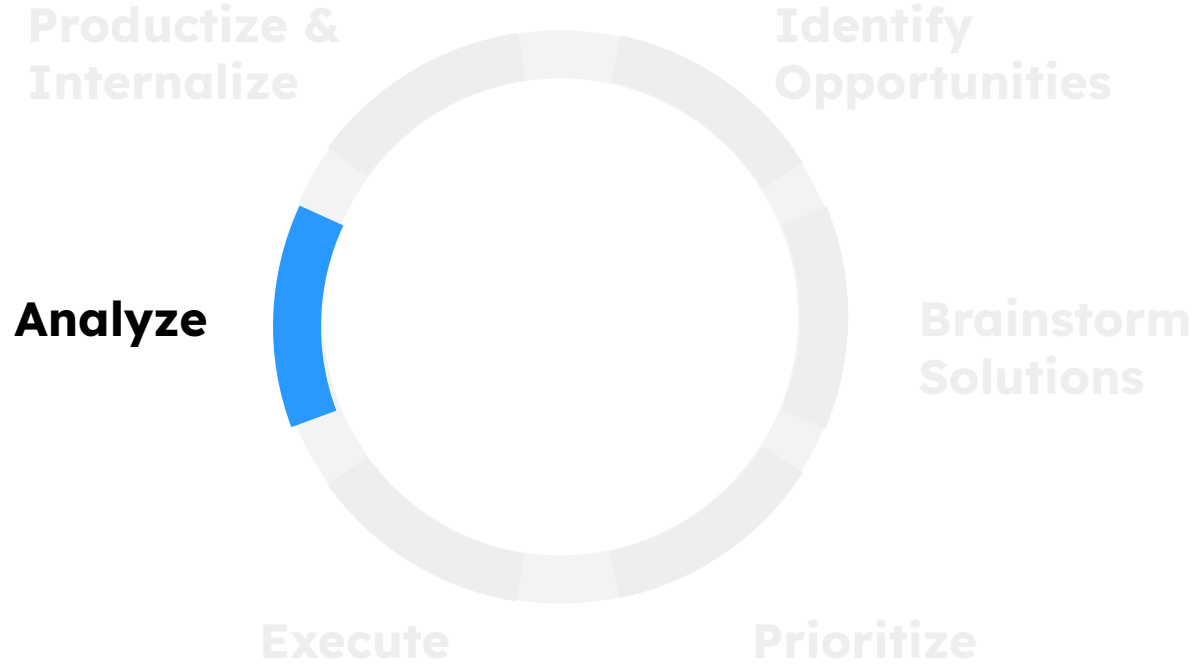
Message Preview





Evaluating Your Tests

Holistic framework (Analyze)



Evaluating results

Calculate your statistical significance

	Visitors	Conversions	→	Conversion rate
A	50000	500	→	1.00%
B	50000	570	→	1.14%

Hypothesis ⓘ

One-sided Two-sided

Confidence ⓘ

90% 95% 99%

Calculate

Significant result!

Variant B's conversion rate (1.14%) was 14% higher than variant A's conversion rate (1.00%). You can be 95% confident that variant B will perform better than variant A.

Power
86.69%

p value
0.0157

Using webhooks to measure impact

The screenshot displays the Iterable Journey Builder interface. At the top, the browser address bar shows the URL: `app.iterable.com/workflows/61276/edit?mode=beta&workflowType=Draft`. The page title is "Test Iterable Journey" with a "Draft" status. The main workspace features a grid with three tiles:

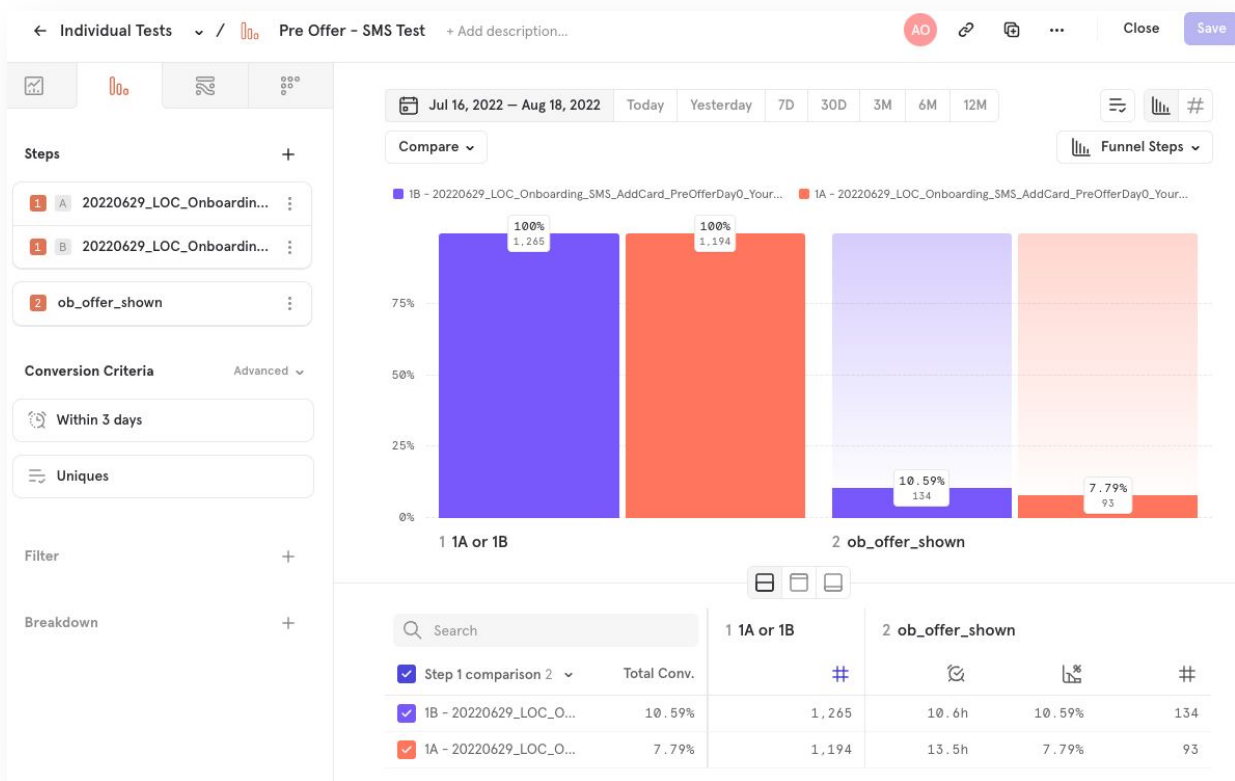
- An "A/B split" tile at the top, labeled "Tile ID -", with two 50% distribution points.
- An "Email" tile at the bottom left, labeled "Tile ID 1479733", with a list of metrics: "Total sent: --", "Delivery rate: --", "Open rate: --", "Click rate: --", and a "View analytics" link.
- Another "Email" tile at the bottom right, labeled "Tile ID -", with the same set of metrics and a "View analytics" link.

On the right side, there is a sidebar with various action buttons categorized as follows:

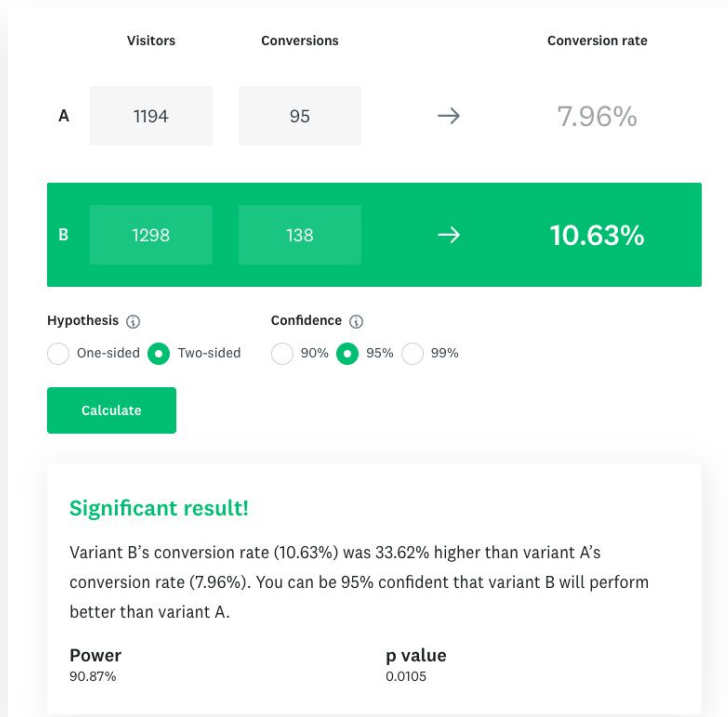
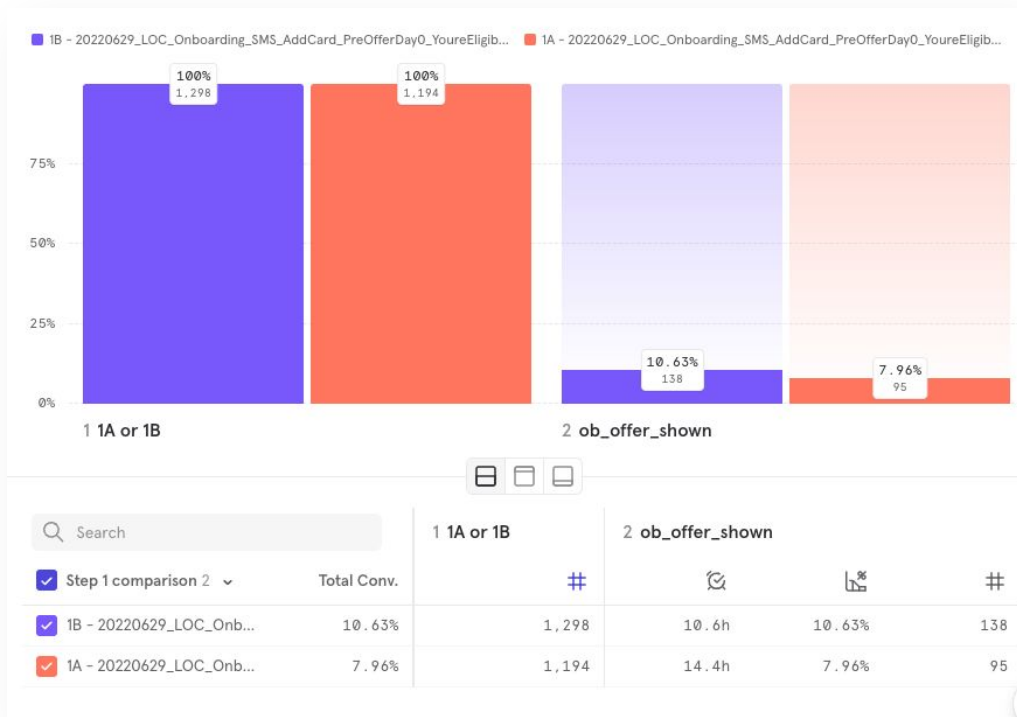
- In-app**: In-app
- Delay**: Wait
- Filters and flow**: Yes/no split, A/B split, Attribute split, Send to journey
- User updates**: Add to List, Remove from List, Subscription preferences, User profile
- Integrations**: Call webhook, Facebook audiences

At the bottom of the interface, there are controls for zooming (110%), a "Hide 0 notes" button, and a footer with "About", "Last saved 7 minutes ago", "Test Journey", "Publish", "Save draft", and a help icon.

Using webhooks to measure impact - Mixpanel



Using webhooks to measure impact - Our SMS Test was significant!

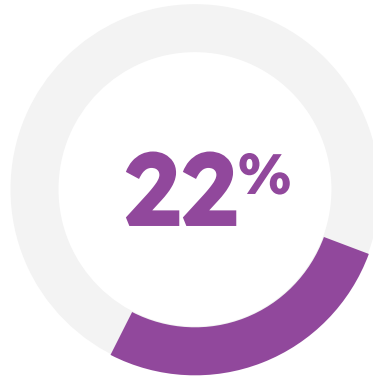


Campaign results vs universal holdout

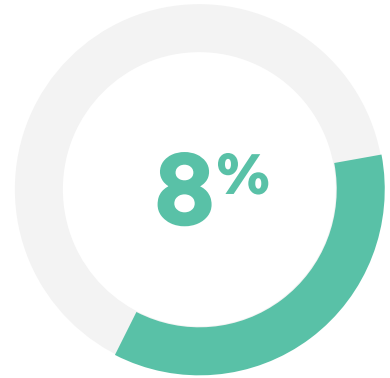
Learn & Demonstrate Value

Your individual campaigns will help you learn about effective messaging, timing, channels etc.

Your universal holdout will help you demonstrate your lifecycle program's value **on the whole**.



**Lift -
Campaign Level**



**Lift - over
Universal Holdout**

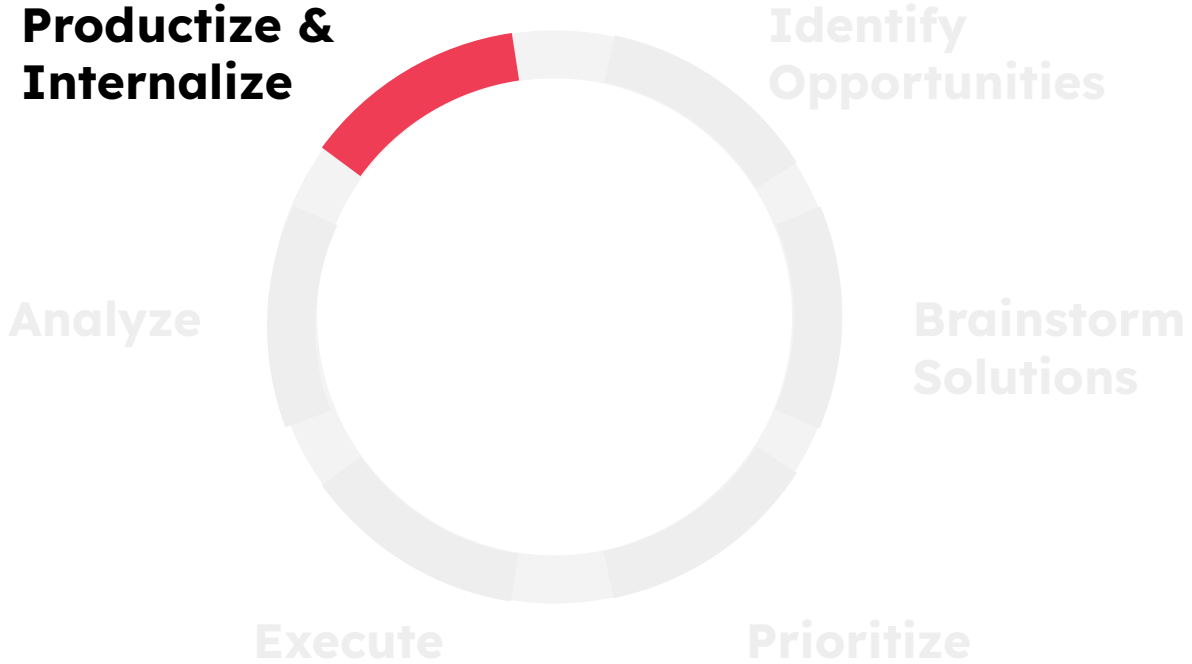
Setting up a universal holdout

The screenshot displays the Iterable workflow editor interface. The browser address bar shows the URL `app.iterable.com/workflows/61276/edit?mode=beta&workflowType=Draft`. The main workspace is a grid where a single tile is placed. This tile is labeled "Tile ID 1479306" and contains a play button icon, the text "Start", and "Custom event".

The right sidebar contains several categories of action tiles:

- SMS**: A tile with a speech bubble icon.
- In-app**: A tile with a blue square icon containing a white play button.
- Delay**: A tile with a red alarm clock icon and the text "Wait".
- Filters and flow**: A section containing:
 - Yes/no split**: A tile with a purple icon of a circle and a square.
 - Attribute split**: A tile with a purple icon of a square and a circle.

Holistic framework - Productize & Internalize



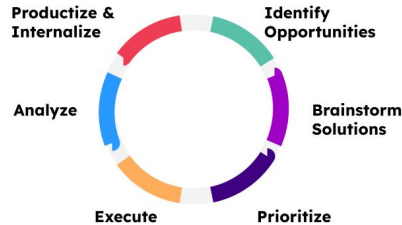
Productize & Internalize

Test Number	Workflow/Campaign Name	Test Start	Test Finish (Date)	Hypothesis	Details	Channel	Test Results/Analysis
88	20220707_LOC_Onboarding	7/7/2022		Won't hurt credit messaging will outperform check your rate messaging for push notifications to the tune of 5% lift to eligible	50/50 test to see how Won't Hurt Credit vs Check Your Rate messaging perform against each other	Push	Our Check Your Rate message is performing 28% better than our Won't Hurt Your Credit message, which is statistically significant
87	20220629_LOC_Onboarding	6/29/2022				SMS	Currently, our control group is outperforming our SMS test group by about 32%. Results are stat sig and this has been scaled.
86	20220711_LOC_Onboarding	8/18/2022	9/1/2022	By sending a sms after offer accepted but before activation, we can drive an incremental 20% lift to activated.	Post accept, pre activate SMS sent 1 hour after accepted	SMS	
85	20220725_LOC_Acquisition_	8/18/2022	9/1/2022	We anticipate up to 5% higher conversion rates by sending SMS vs control (ie sending no SMS).	Post IAV but pre Tally Tuesday, send an SMS message prompting members to add a checking account.	SMS	
84	20220725_LOC_Acquisition_	7/25/2022	08/18/2022	We anticipate up to 5% higher conversion rates by sending SMS vs control (ie sending no SMS).	Prior to adding cards, send an SMS message prompting members to add a checking account.	SMS	Seeing control outperform our variant by 5%. Leaving this on but looking to re-evaluate trigger event and copy to further test.
83	20220720_LOC_Acquisition_	7/20/2022	08/11/2022	Our hypothesis is that we can improve conversions up to 5% by including a second message one day after the initial push.	Optimizing test 81 to be a timing test. 2 messages, 1 day apart vs 1 message	Push	In both instances, we are seeing that the 1 push message is performing slightly better than 2 for conversions
82	20220719_LOC_Acquisition_	8/18/2022	9/1/2022	We anticipate seeing an increase in conversions by including multiple email touch points (over control, which is sending nothing).	Experiment to see how 3 email flow for POst IAV and Pre Cards Added Debt tracker messages performs against control (ie none)	Email	
81	20220616_LOC_Acquisition_	7/5/2022	7/20/2022	Our hypothesis is that "free" language will lead to as much as 20% higher conversion to cards summary screen.	Based off of learnings from Test 80, we will be removing Push messages that don't leverage the "credit score" or "now free" language, so that we can focus on the "free" language.	Push	Results are pretty close, but it looks like the "Now Free" messaging is winning across both segments (8% better in PostIAV and 4% better in Pre Cards Added)
80	20220616_LOC_Acquisition_	6/16/2022	7/5/2022	By introducing 4 core value propositions as push notifications we can identify which resonates most with those who are in the onboarding flow of the debt tracker product. Our hypothesis is that free language will lead to higher conversion to cards summary screen.	4 Push notifications, at two funnel stages	Push	We are seeing that the Push that leverages "credit score" language is outperforming the "free language" slightly (by about 5%) in PostIAV (ie Pre Cards Added) segment
79	20211015_LOC_Onboarding	6/16/2022	07/06/2022	By removing our control email and making subject lines the same for our test emails, we will be able to determine which calculator/calculator messaging is most relevant to members including	Previously results were being split between three emails: Debt Calc, Interest Cal and a control. We've removed control and made subject lines the same to accurately	Email	Debt calculator is performing 25% better than Interest Calculator for unique conversions. Though results are not stat sig, there is strong evidence that the calculator is performing 7% lift at 81% certainty for the test variant

Summary Part 1 (Frameworks)

Holistic Framework

- General view of how to continuously test and learn



Identify & Brainstorm

- How to identify the KPIs and hypothesis that power your tests

- 1 We want to **convert 20% of applicants** into activated members
- 2 A high percent of applicants **abandon the onboarding flow before adding cards**
- 3 Introducing a **new channel** could reach those who aren't seeing/engaging with email/push.
- 4 By sending an SMS during the "add cards" stage we drive an incremental lift to offer stage by 5%.

ICE Prioritization

- A way to prioritize which of your potential tests you should focus on

Impact

- Does it stand to make a big impact on your most important KPIs?

Confidence

- How sure are you that it will be effective?

Ease

- How quickly and easily could you implement the test?

Summary Part 2 (Skills)

Creating a “Blast” Journey

- Journeys are a powerful and flexible way to test in Iterable

Use Lists for Conversion Measurement

- Iterable has powerful analytics tools, and supplemental analytic approaches

Use Iterable’s API Portal

- Supercharge your personalization easily, even as a one-person department

Use Webhooks to Measure Conversion

- Integrate with Mixpanel, Amplitude, and more!

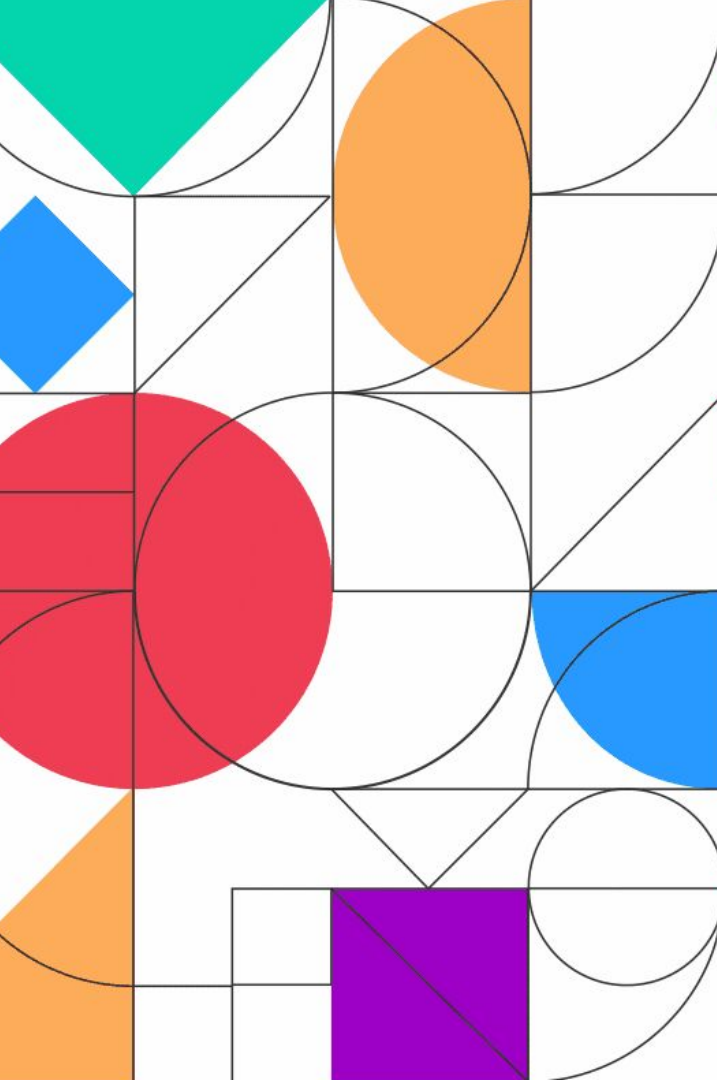
Create a Universal Holdout

- Measure not only the impact of your individual tests, but your entire program!

MasterClass Poetry Framework

- 1. Theme:** Poetry often conveys a message through figurative language. The central idea and the subject matter can reveal the underlying theme of a poem.
- 2. Language:** From word choice to imagery, language creates the mood and tone of a poem. The way language is arranged also impacts the rhythm of a poem.
- 3. Sound and rhythm:** The syllabic patterns and stresses create the metrical pattern of a poem.
- 4. Structure:** The framework of a poem's structure affects how it is meant to be read. A poem sculpts their story around stanzas, line breaks, rhyme patterns, punctuation, and pauses.
- 5. Context:** The who, what, when, and why of a poem can help explain its purpose. Look at these elements to discover the context of a poem.





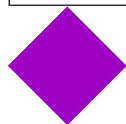
A brief poem (V2)

We meet, each dreamer looking for
her spark

That lights a thought which blazes
into vim

For more than work, but effort
made to art

To change outside,
and even more, within





A Few Housekeeping Items

- Submit your session feedback in the mobile app by selecting this session and then click on **feedback** at the bottom. **Rate the session and click post your feedback!**
- All session recordings will be available at the end of September on iterable.com/activate
- Continue the conversation on social using **#Activate22**
- PSSST: some sessions will have QR codes to scan and earn points towards the raffle. **Keep your eyes peeled!**

