How to build a winning experimentation program

A step-by-step guide to better digital experimentation

Optimizely   Google Cloud

Contents

Helping to deliver better brand experiences, together.

When Optimizely and Google Cloud embarked on our strategic partnership in early 2022, we were passionate about collaborating on joint innovations that enable personalized, frictionless customer experiences. To capture and use data in ways that result in new levels of precision and confidence across marketing activities. And to empower our customers to better understand their customers and deliver better business outcomes.

Today, we're even more excited about how, together, we are enabling companies to confidently create content, facilitate collaboration and unlock customer foresight. We've designed this guide to help you supercharge your marketing with customer insights, powered by Optimizely and Google Cloud. We hope you'll find the templates in the following pages useful in maximizing your marketing efforts and building a culture of experimentation for ongoing success.
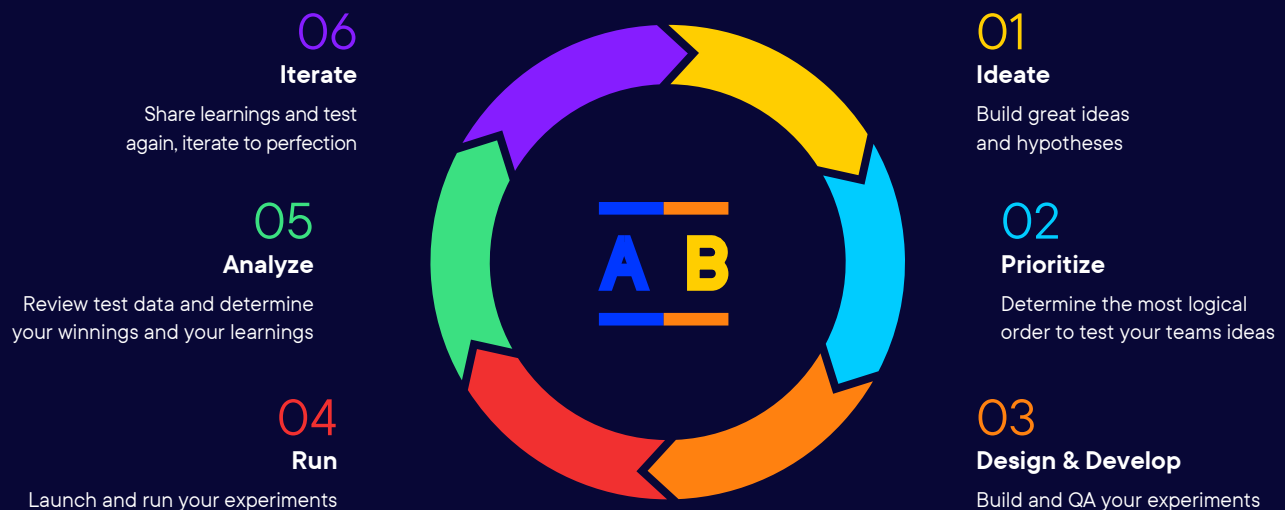
Optimizely   **Google** Cloud

01

Take the guesswork out of your marketing decisions

Get ready to replace guessing with testing with Optimizely and Google Cloud by your side. We power millions of experiments that help organizations understand how they can generate positive business outcomes from their marketing and content initiatives.

Digital experimentation enables you to make data-driven decisions to meet overall business goals. You can test ideas, validate assumptions, predict results and ultimately improve outcomes – with minimal risk. It's a safe, convenient and fast way to test hypotheses with real users and gain measurable results. An experimentation program enables you to move beyond opinions and 'gut instincts' by delivering actual behavioral data so you can iterate and continuously improve.

The experiement lifecycle

The journey of an A/B test - From ideation to results

06
Iterate
Share learnings and test again, iterate to perfection

05
Analyze
Review test data and determine your winnings and your learnings

04
Run
Launch and run your experiments

01
Ideate
Build great ideas and hypotheses

02
Prioritize
Determine the most logical order to test your teams ideas

03
Design & Develop
Build and QA your experiments

A B

02

Build a high functioning experimentation program

We've developed a series of worksheets across the experiment lifecycle to jumpstart your digital experimentation program. These handy templates help guide the process, from generating ideas to prioritizing and launching tests and informing stakeholders about the outcomes.

Experimentation ideation framework

Experimentation prioritization index

Experimentation roadmap worksheet

Results sharing presentation template

Experimentation in action

Build quality experiments and get accurate, real-world customer insights – quickly and easily – on a complete, flexible and scalable digital experimentation platform.

Let's get started!

Experimentation is simply a process for cycling through many ideas quickly, testing assumptions, getting feedback, discarding what isn't working, and building on what is. In other words, it's a strategy for maximizing your ratio of insights over time and money spent."

Polly LaBarre
Co-Founder, Management Lab
Co-Author, Mavericks at Work

03

The Experimentation Ideation Framework

The Experimentation Ideation Framework covers the first steps in bringing your digital experiment ideas to life.

Make a copy of the [Ideation Framework template](#) and use it to help guide your experimentation ideas from start to finish and understand what data you need to collect and build your experiment hypothesis.

Experimentation Ideation Framework

Put 'pen to paper' and bring your digital experiment ideas to life

01_Experiment Name
How will you and your team refer to the experiment? Bear in mind if this is internal only, or shareable with third parties. Adding clear names and dates help identify experiments if there are high volumes.

02_Research
Qualitative data
What customer feedback have you collected?

Quantitative data
What analytics data have you collected?

03_Analyze
What problem are you trying to solve for the customer?

04_Hypothesis
Build your hypothesis to predict what you think the outcome of your experiment will be.

"If _____,

The Variable:
Identify the website element which is problem i.e. specific landing page, checkout funnel.

_____

then _____ "

The Result:
Predict the outcome of your experiment i.e. increased conversations.

_____

The Rationale:
Demonstrate why you have chosen this vaiable and that your prediction is built on customer data.

05_Top metric
Define the top metric you're using to measure success i.e. conversions, revenue.

06_Secondary metrics
Define the secondary metric you're using to measure success i.e. bounce rates, session duration.

07_Audience
Determind the audience which will take part in the experiment i.e. existing or new customers.

08_Duration
Decide how long the experiment will need to run, based on statistical significance.

09_Next steps
Download and complete the **Experimentation Prioritization Index** to prioritize your experiment ideas. Next, download and complete the **Experimentation Roadmap Worksheet** to refine your idea.

Most importantly, communicate your experiment plans to the relevant teams.

Both downloads can be found on page three of The Product Experimentation Playbook

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Experimentation Prioritization Index

Determine which experiment ideas will have the most impact on the business with the Experimentation Prioritization Index.

The Prioritization Index template helps you judge ideas by comparing the expected impact related to the amount of effort required. Examples of KPIs include higher conversion rates, increased revenue or reduced internal costs; capture these in tab 1 of the spreadsheet. Business efforts such as which technologies and teams will be needed are covered in tab 2.

Download the Prioritization Index template to get started.

05

Experimentation Roadmap Worksheet

Now that you've prioritized which experiments you will run first, refine your idea by creating an experimentation roadmap.

The Experimentation Roadmap Worksheet includes the top metric you will use to measure success and the audience you will target for the experiment.

> Make a copy of the Roadmap Worksheet to plan your first experiments.

Experimentation Roadmap Worksheet

Now you've prioritized which experiments you will run first, you need to refine your idea by creating an Experimentation Roadmap. An Experimentation Roadmap will help you plan every detail which will contribute to your experiment set up, including your top metric, your audience and your start date. The final section of your Experimentation Roadmap will allow you to analyze your findings and plan your next steps.

Describe

Experiment Name
How will you refer to the experiment?

example:
Optimizely Homepage Feature Products.
Bear in mind if this is internal-only, or shareable with third parties. Adding clear names and dates help identify experiments if there are high volumes.

Experiment Description
What problem are you trying to solve for the customer?

Customer surveys showed users find the featured products on the homepage irrelevant. 9 out of 11 state they never found relevant products.
Present customers with relevant products featured on Optimizely's website homepage.

Experiment Hypothesis
What do you think the outcome of your experiment will be?

If we set the algorithm for featured products on our homepage to display products from recent categories the user has visited, then the percentage of users that click on the featured products and percentage of users that added a product to cart will increase.

Top Metric
What top metric will you use to measure success?

Percentage of users that click on the featured products.

Secondary metrics
What secondary metrics will you use to measure success?

Percentage of users that added a product to cart.

Plan

Primary Goal
Ideally, what would this experiment prove?

Implementing an algorithm for featured products on our homepage to display products from recent categories the user has visited does increases the percentage of users that click on the featured products and the percentage of users that added a product to cart.

Minimum Conversion Rate %
What is the baseline customer conversion rate?
10%

Target Conversion Rate
What is the target customer conversion rate?
15%

Total Variations
How many variations will you test in the experiment?
2

Variation Examples
What variations will you use in the experiment?
Homepage without the featured products algorithm vs homepage with the featured products algorithm

Start Date
When will the experiment launch?
Jan 01, 2020

End Date
When will the experiment finish?
Jan 30, 2020

Minimum Duration
What is the minimum number of days the experiment will run?
10 days

Target Duration
What is the ideal number of days the experiment will run?
30 days

Daily Unique Visitors
How many daily unique visitors will you aim to test?
5,000

Traffic Allocation
What percentage of your traffic will be allocated to the experiment?
50%

Audience Sample Size

Audience
Who will you test during the experiment?
Homepage visitors

Minimum Sample Size
What is the minimum sample size for the experiment?
10,000

Target Sample Size
What is the ideal sample size for the experiment?
50,000

Results

Experiment Hypothesis Results
Did the experiment prove your hypothesis? (Y/N)
Yes

By what percentage did the experiment match your hypothesis?
25%

Analysis
Why did the experiment reach this outcome?
25% of users clicked on the featured products when shown products from recent categories the user has visited.

What impact will this result have on ROI and top line revenue?
5% of users added a product to cart when shown products from recent categories the user has visited.

Next Steps
If proven, will you implement the findings? (Y/N)
Yes

If disproven, what will you experiment next?

Open Template

06
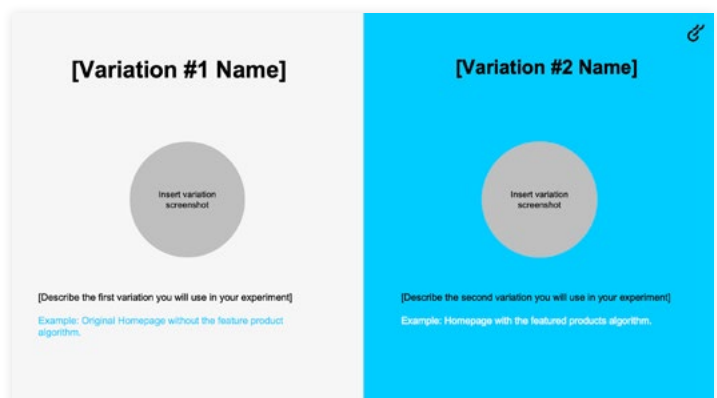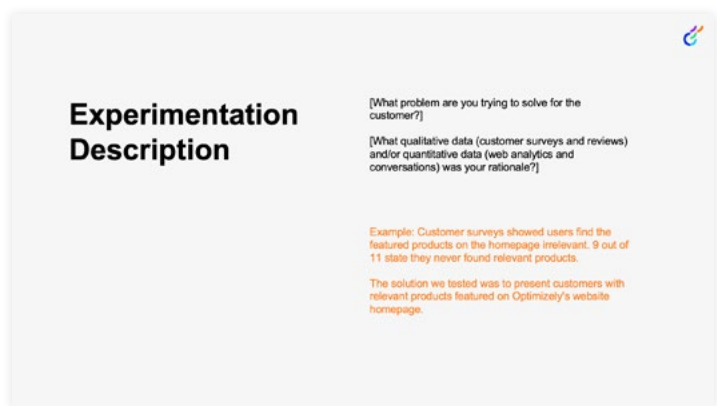
Results Sharing Presentation Template

Sharing results is vital. It builds a culture of experimentation and secures executive buy-in.

Communicate why you created an experiment hypothesis, how you defined your key metrics and audiences and what impact it had on the business.

Use the Results Sharing Presentation Template as a guide to how to share your findings.

07

Experimentation in action

If you're looking for some experimentation inspiration, you've come to the right place. Here are a few experimentation ideas to kickstart your brainstorming, with more in the download.

Experimentation in Action

The Digital Experimentation Playbook shares a process for experimentation. Now it is over to you! You may have already filled your Experimentation Ideation Framework to the brim with ideas. You may also be looking for some inspiration to start. Luckily we're experts in this area. Here are a few experimentation ideas to kickstart your brainstorming.

Media

Inform and delight readers and viewers with unique experiences to reach key metrics and impress advertisers, including monthly readership, video engagement, return visits, session duration and ad viewability.

Think outside the box. Experiment on:

Replacing 'trending articles' with 'trending videos' on the homepage

Introducing an article's read time at the beginning of each article

Presenting users with relevant content in the sidebar vs the footnote

Travel

Whisk users away with an outstanding customer experience, converting them from daydreamers to holidaymakers in a few insightful and well-optimized clicks which enable your booking conversions to take off.

Do not fly blind. Experiment on:

Pre-populating the search landing page from fields

Presenting users with personalized packages on the website homepage

Simplifying the step-by-step design for bookings

Retail

Help users shop 'til they drop and deliver an in-store experience online with personalized, well-optimized product recommendations and seamless checkout experiences to increase your revenue per customer.

Make confident decisions. Experiment on:

Presenting users with products from recent categories they have visited

Adding videos of the models modelling clothes to product pictures

Increasing visibility of customer reviews and ratings for each product

B2B

Inform and help web visitors with easy-to-use site navigation, relevant product recommendations and clear call-to-actions to generate leads more efficiently and effectively.

Hone in on Results. Experiment on:

Highlighting popular plans, packages and features on pricing page

Increasing visibility of products and solutions on the navigation bar

Reducing lead forms to the minimum number of components

1

> (Experimentation) gives us enormous insights into our customers' needs, desires and behaviours and allows us to adapt and evolve our approach fast to reap the commercial rewards."

Head / Ecommerce / Missguided

08

Data-driven experiments that drive results

Ensure strong business outcomes from your application, marketing and content initiatives with Optimizely Experimentation on Google Cloud.

Test your hypotheses with quality experiments, share results with confidence and implement experimentation across teams. Get deeper, more holistic views into your customers with the ability to connect to virtually any data source. Continuous experimentation maximizes insights from your customer interactions and helps organizations achieve their business goals.

With Optimizely and Google Cloud, you have the power to scale experimentation and leverage advanced technologies to create exceptional customer experiences. If you have any questions about digital experimentation or how the Optimizely and Google Cloud partnership can accelerate your success, visit our website or Google Cloud Marketplace.

At Optimizely, we're on a mission to help people unlock their digital potential. With our leading digital experience platform (DXP), we equip teams with the tools and insights they need to create and optimize in new and novel ways. Now, companies can operate with data-driven confidence to create hyper-personalized experiences. Building sophisticated solutions has never been simpler. Optimizely's 900+ partners and 1100+ employees in offices around the globe are proud to help more than 9,000 brands, including Toyota, Santander, eBay, KLM and Mazda, enrich their customer lifetime value, increase revenue and grow their brands. Learn more at **Optimizely.com**

Google Cloud provides organizations with leading security, infrastructure, platform capabilities, AI, and industry solutions. We deliver enterprise-grade cloud solutions that leverage Google's cutting-edge technology to help companies operate more efficiently and adapt to changing needs, giving customers a foundation for the future while being secure and compliant. Customers in more than 200 countries turn to Google Cloud as their trusted partner to solve their most critical business problems.