

## CONVERSION OPTIMIZATION

# SmartWool Case Study

### RESULTS

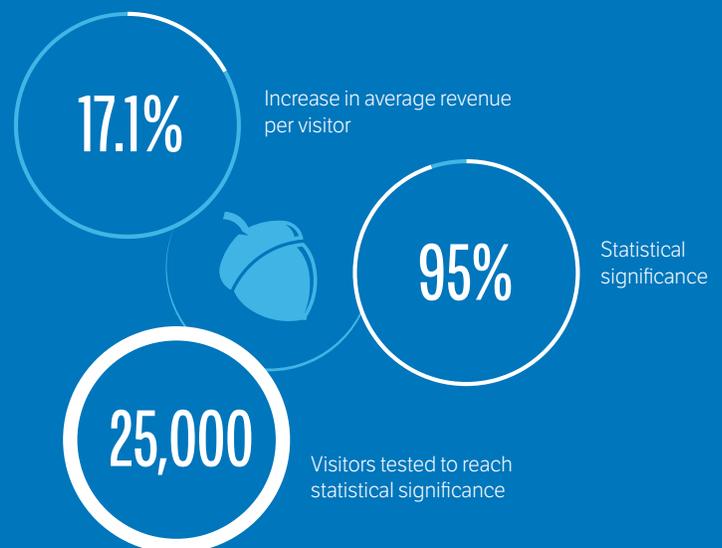
- 17.1% increase in average revenue per visitor
- 95% statistical significance
- 25,000 visitors tested

### SITUATION

- SmartWool wanted to determine which category page design would work best for their visitors.

### HOW WE DID IT

- Using Optimizely, Blue Acorn set up an A/B test to see if either page could yield a higher average revenue per visitor with at least 95% statistical significance.





## SMARTWOOL CASE STUDY

### Intuition vs. Science

It's not too difficult for an experienced conversion optimization consultant to look at a horrid design and have a strong feeling as to what changes will result in higher conversion rates, but when the original design is beautiful and already encompasses a number of best practices, even expert intuition is good for nothing more than a hypothesis. Testing is essential.

### Making Great Even Greater

This was the case when SmartWool came to Blue Acorn with the desire to carefully and systematically redesign various pages on their site. As it stood, their site was already beautiful, but that wasn't enough for SmartWool. If you've ever had the pleasure of wearing any of their products, you know they value form AND function. Blue Acorn was happy to discover they are just as thoughtful when it comes to their company site and very open to the idea of testing different page layouts to see which one works best for their visitors.

One of the first pages to be tested was the category page, and due to its high position in the conversion funnel, it would finish first. With input from SmartWool's team, Blue Acorn set out to create a new version of this page that would be both unique and aesthetically pleasing, which is a big part of what SmartWool's brand is all about.

### Commitment To Data

At Blue Acorn, we take a scientific approach to our services that relies on proven results to guide our decisions, which is why we are both a Google Analytics Certified Partner and an Optimizely Certified Partner. Our eCommerce expertise allows our team to form hypotheses, but it is actual data that enables us to provide our clients with the best results possible.





## SMARTWOOL CASE STUDY

Blue Acorn produced an initial design, and SmartWool loved it.

However, both SmartWool and Blue Acorn knew that testing this new design was inevitable. Although SmartWool wanted unique, both sides were aware of the design principle of repetition, which states that using repetitive image attributes enables better eye tracking when scanning a number of products. Despite its unique and attractive aesthetic, both companies wanted to test the new category page against a variation that maintained repetition with regard to product image size.

## Enter Optimizely

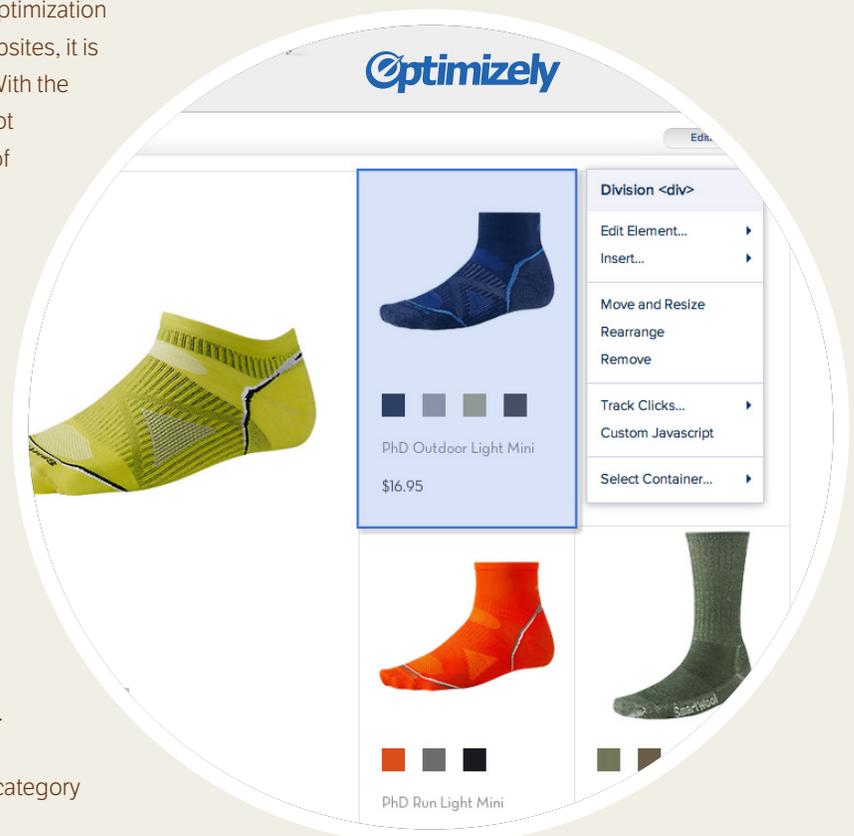
Optimizely is the world's leading conversion optimization platform, and while it is built for all types of websites, it is particularly well suited for eCommerce sites. With the Optimizely for Magento module, Optimizely not only measures engagement, the percentage of visitors that reach the order success page, and notifies you when your test has reached statistical significance, it also measures the difference in average revenue per visitor without any custom development.

Designing and developing category pages on the Magento eCommerce platform requires a great deal of expertise. However, the variation page was made quickly and effectively using Optimizely's WYSIWYG (what you see is what you get) editor.

Using Optimizely, the test took approximately four hours to set up before the A/B test began. Optimizely handled all of the incoming traffic, dividing visitors evenly between the baseline category page (A) and the variation category page (B).

## Optimizely for Magento

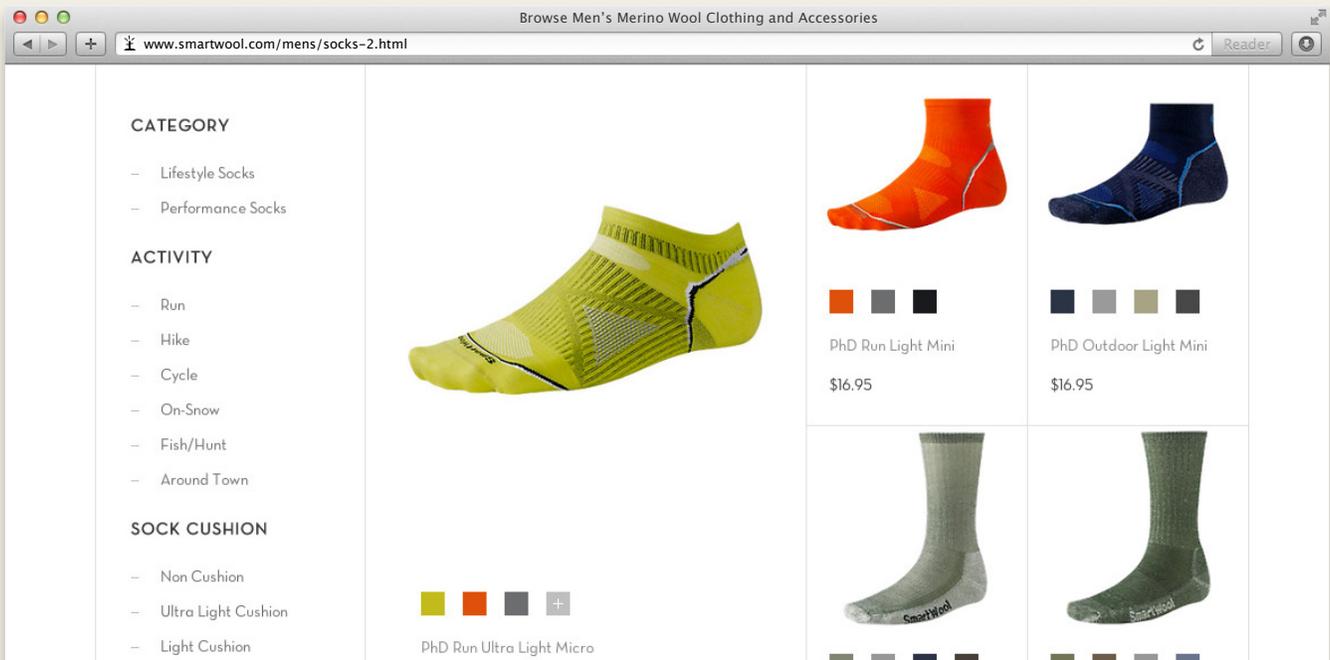
Optimizely chose Blue Acorn to build the official Optimizely for Magento module, which is available for free on the Magento Connect marketplace. The module installs in a matter of minutes, and - in addition to automatically installing all of the necessary Optimizely scripts - also allows users to take advantage of two key features that were previously only able to be achieved through custom development work: revenue tracking and the ability to run advanced targeting tests.



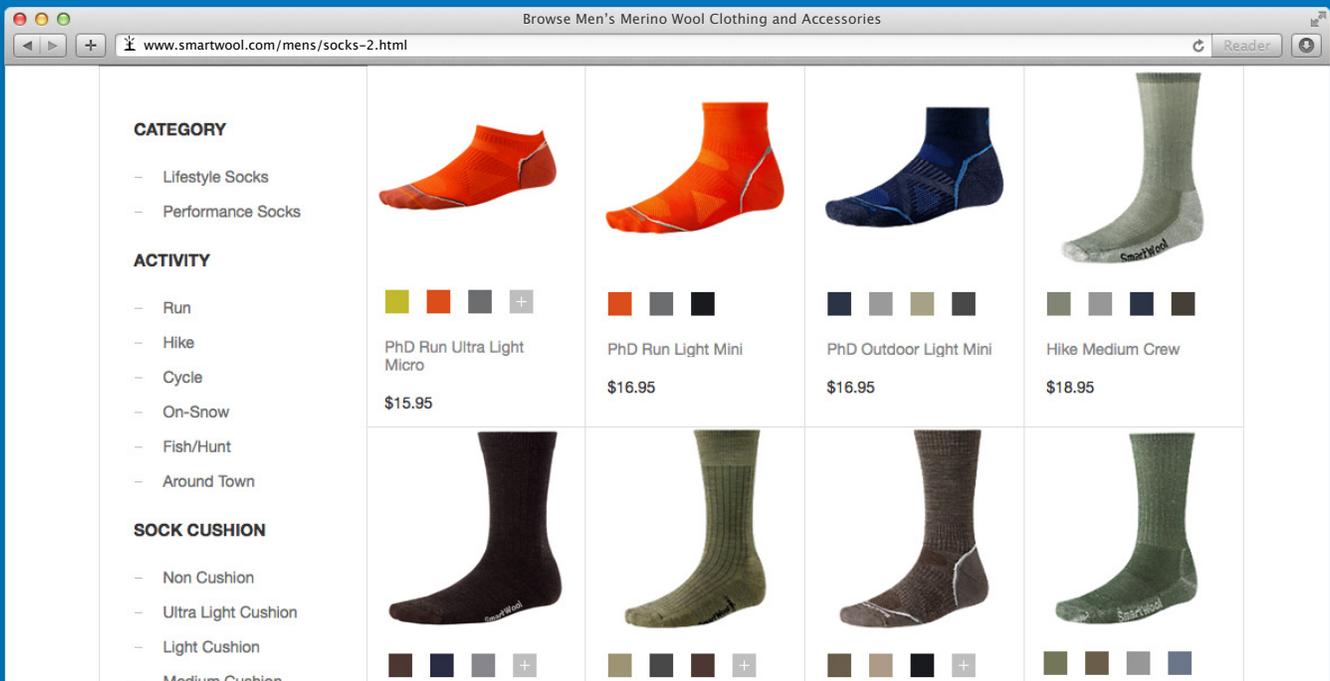
# Hypothesis

Changing the category page layout to feature all of its product images in a repetitive fashion and in the same size will result in a higher average revenue per visitor.

## A. Baseline Category Page



## B. Variation Category Page



# Results

Despite its more ordinary aesthetic, the variation category page (B) yielded a 17.1% increase in average revenue per visitor - after testing 25,000 visitors - with a statistical significance of 95%.

## Understanding Statistical Significance

Statistical significance refers to the likelihood that the variation will beat the baseline. Given the average revenue per visitor data collected in this experiment, what is the likelihood that the *actual* average revenue per visitor for the variation is higher than the *actual* average revenue per visitor for the baseline? In other words, what is the likelihood that the observed average revenue per visitor increases are not a statistical fluke? Statistical significance is needed to prove this. Once a statistical significance of 95% or higher is reached, most conversion optimization professionals will agree that the results are not a fluke. More information on the science behind this can be found in Optimizely's Knowledge Base on their company website.

## How Did This Happen?

Making something look bigger and better may lead to more clicks, but that doesn't always mean it's what visitors want. This can lead to more visitors ending up on product pages for products they don't necessarily want, which means getting to the product page of a product they do want will require two extra clicks and extra time - added friction - making them less likely to make a purchase. The key word, though, is *can*. It was always possible that the more attractive baseline category page (A) may have tested better, which is why testing is essential.

### Blue Acorn

Blue Acorn is a premium eCommerce agency helping retailers and brands achieve revenue growth through a comprehensive, data-driven approach. In addition to being an Optimizely Certified Partner, Blue Acorn is also recognized as a Google Analytics Certified Partner. They are committed to delivering Intelligent eCommerce solutions rooted in data and driven by their best-in-class design, development, marketing, and optimization capabilities.

### Optimizely

Optimizely is the layer on top of the web that enables businesses to deliver better experiences and drive top line improvements to their websites. Using Optimizely as a split testing tool, marketers create different versions of their web pages and can measure how changes affect performance. The results can be shocking and unlock dramatic revenue gains. The company closed a \$28 million Series A financing round led by Benchmark Capital in April 2013.

### SmartWool

Based in Colorado, SmartWool is an apparel brand whose products are inspired by living and playing in the mountains. The company offers year-round apparel for an active life lived in unpredictable mountain climates. SmartWool products are created to get the most out of the inherent benefits of Merino wool while delivering extraordinary comfort through intelligent and thoughtful products, allowing mountain athletes to do what they love to do longer.