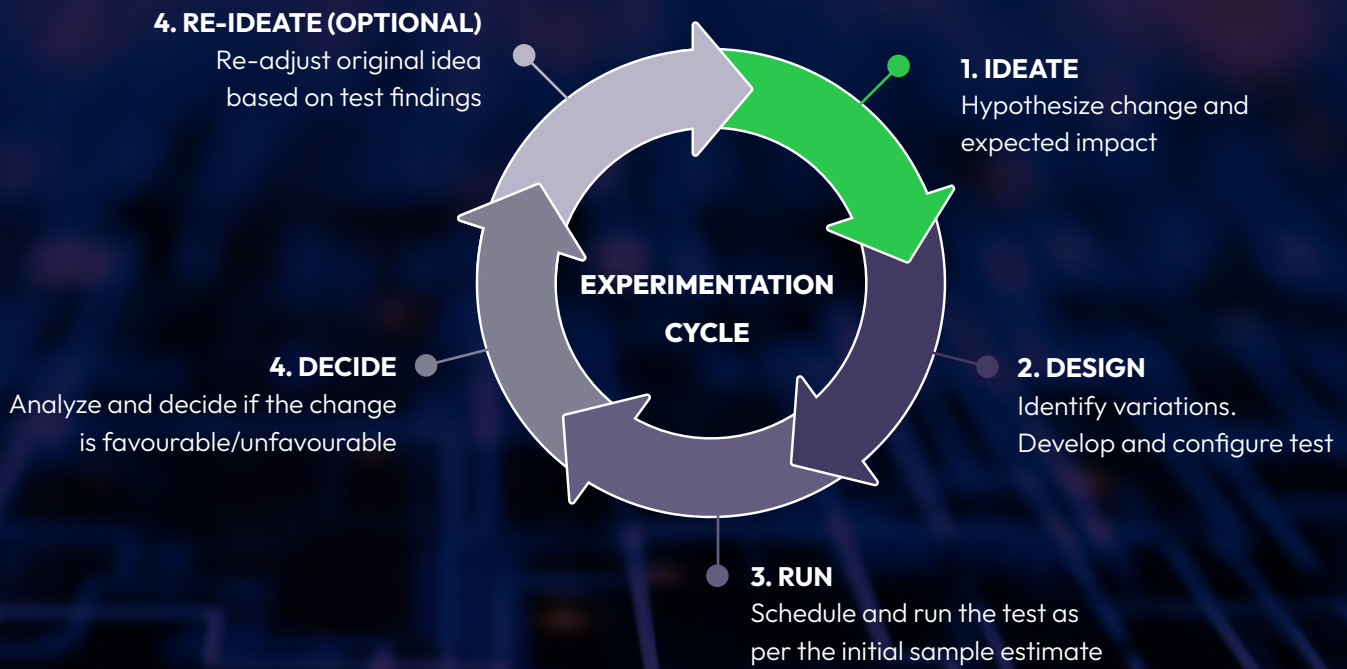# brillio

Fast ~~Slow~~
and Steady
wins the race...

Align, Ideate and Prioritize to realize higher returns from your web and mobile app experience optimization programme

4. RE-IDEATE (OPTIONAL)
Re-adjust original idea
based on test findings

1. IDEATE
Hypothesize change and
expected impact

**EXPERIMENTATION
CYCLE**

2. DESIGN
Identify variations.
Develop and configure test

4. DECIDE
Analyze and decide if the change
is favourable/unfavourable

3. RUN
Schedule and run the test as
per the initial sample estimate

Experience optimization teams often find themselves in a situation where their ideation process has either hit a snag or the incoming AB test ideas are not properly aligned with the goals of the organization. This immediately leads to loss of momentum in the experimentation program which ultimately leads to lower ROI and missed improvement opportunities.

Since each AB test requires a significant amount of lead time before it can be launched (idea grooming, test design and development, sample estimation etc.), it is absolutely imperative to maintain a pool of test ideas so that the test cycle does not break due to the bottleneck in ideation phase. Achieving this can be particularly challenging, since all of the ideas need to be tightly associated with business goals.
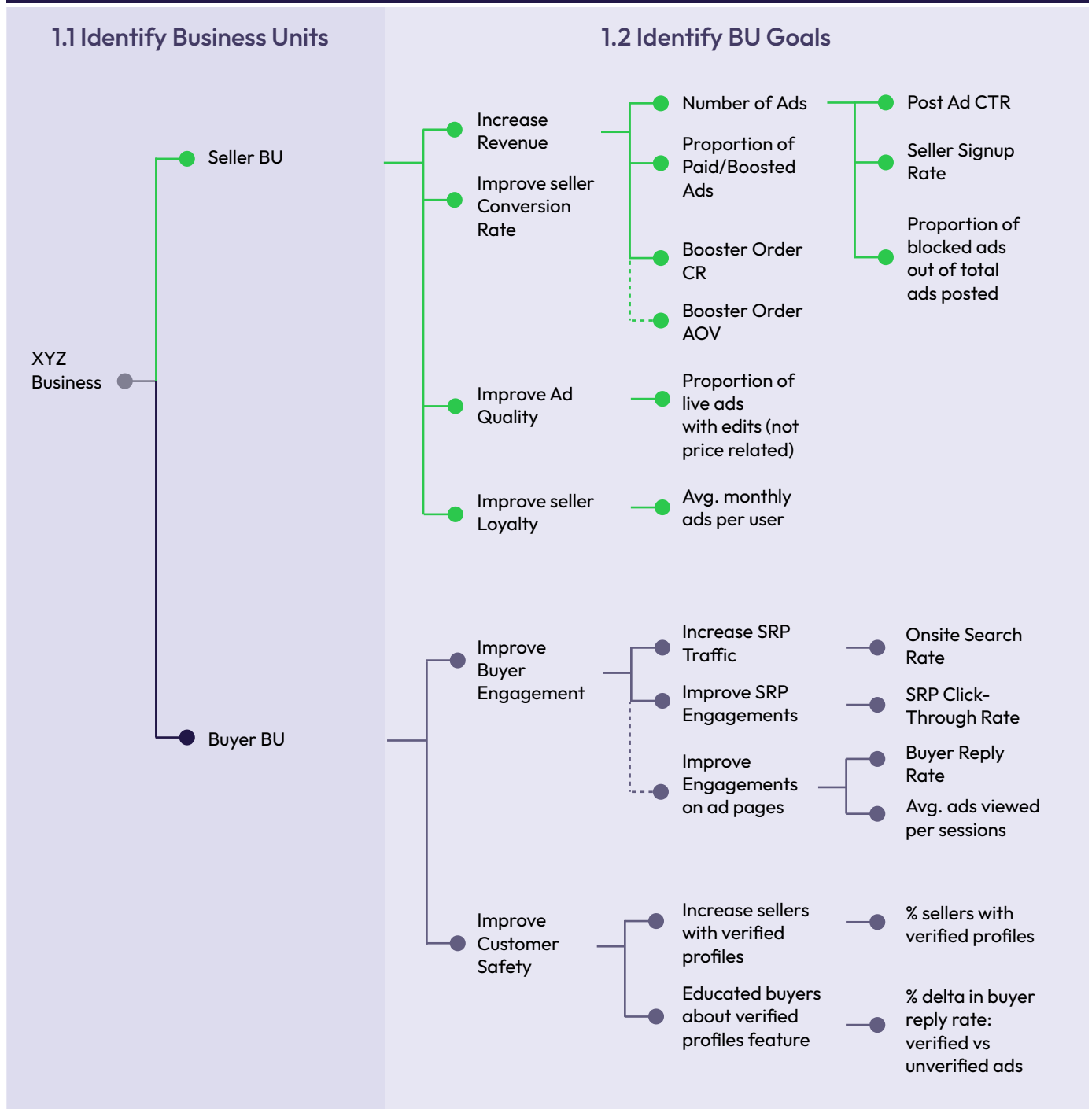
The need for fast-paced and well-aligned ideation in any business can be met by following three simple steps covered in the AIP framework below. This framework is industry-agnostic, however, I have considered a digital marketplace business for illustrative purposes. A marketplace facilitates sale and purchase of goods and services. Whether you are an owner of a pre-owned article looking to sell, a dealer selling in bulk or a buyer looking to buy new or pre-owned stuff, the marketplace caters to all such requirements. Sellers post their ads on the platform, interested buyers contact the sellers directly to initiate the transaction.

The AIP Framework

Align, **I**deate, **P**rioritize framework starts with identifying the organization's business units(BUs), identifying BU goals and breaking them down into smaller sub-goals. More on creating goal trees can be originally referred to in Optimizely's documentation1. The Ideate step outlines ways to start ideations based on the goal tree built in the previous step. Finally, the Prioritize step helps in picking up an idea over the other amongst all the ideas produced in the previous step.

ALIGN

1. Align: Create Goal Tree

1.1 Identify Business Units

1.2 Identify BU Goals

XYZ Business

Seller BU
- Increase Revenue
  - Number of Ads
    - Post Ad CTR
  - Proportion of Paid/Boosted Ads
    - Seller Signup Rate
- Improve seller Conversion Rate
  - Booster Order CR
    - Proportion of blocked ads out of total ads posted
  - Booster Order AOV
- Improve Ad Quality
  - Proportion of live ads with edits (not price related)
- Improve seller Loyalty
  - Avg. monthly ads per user

Buyer BU
- Improve Buyer Engagement
  - Increase SRP Traffic
    - Onsite Search Rate
  - Improve SRP Engagements
    - SRP Click-Through Rate
  - Improve Engagements on ad pages
    - Buyer Reply Rate
    - Avg. ads viewed per sessions
- Improve Customer Safety
  - Increase sellers with verified profiles
    - % sellers with verified profiles
  - Educated buyers about verified profiles feature
    - % delta in buyer reply rate: verified vs unverified ads

Every marketplace business largely comprises two main business units- one focused at each of the buyer and seller journeys on their digital platform(s). Major goals for both of these BUs are identified as shown above- Seller BU's focus is on increasing revenue, improving seller conversion rate, ad quality and seller loyalty., whereas Buyer BU is focused on improving buyer engagement and customer safety. Each of these BU goals is further broken down into smaller sub-goals iteratively until we arrive at a measurable Key Performance Indicator which would help us compare a new experience's performance with control.

https://www.optimizely.com/insights/blog/get-more-wins-experimentation-metrics-for-program-success/

For example, 'Increase Revenue' Seller BU goal can be achieved in multiple ways. Rationale behind these sub-goals is summarized below. Out of the below subgoals identified in the first iteration, the number of live ads is just a metric and cannot be readily used to compare different experiences involved in an AB test, hence we would break it further down to arrive at measurable KPIs.
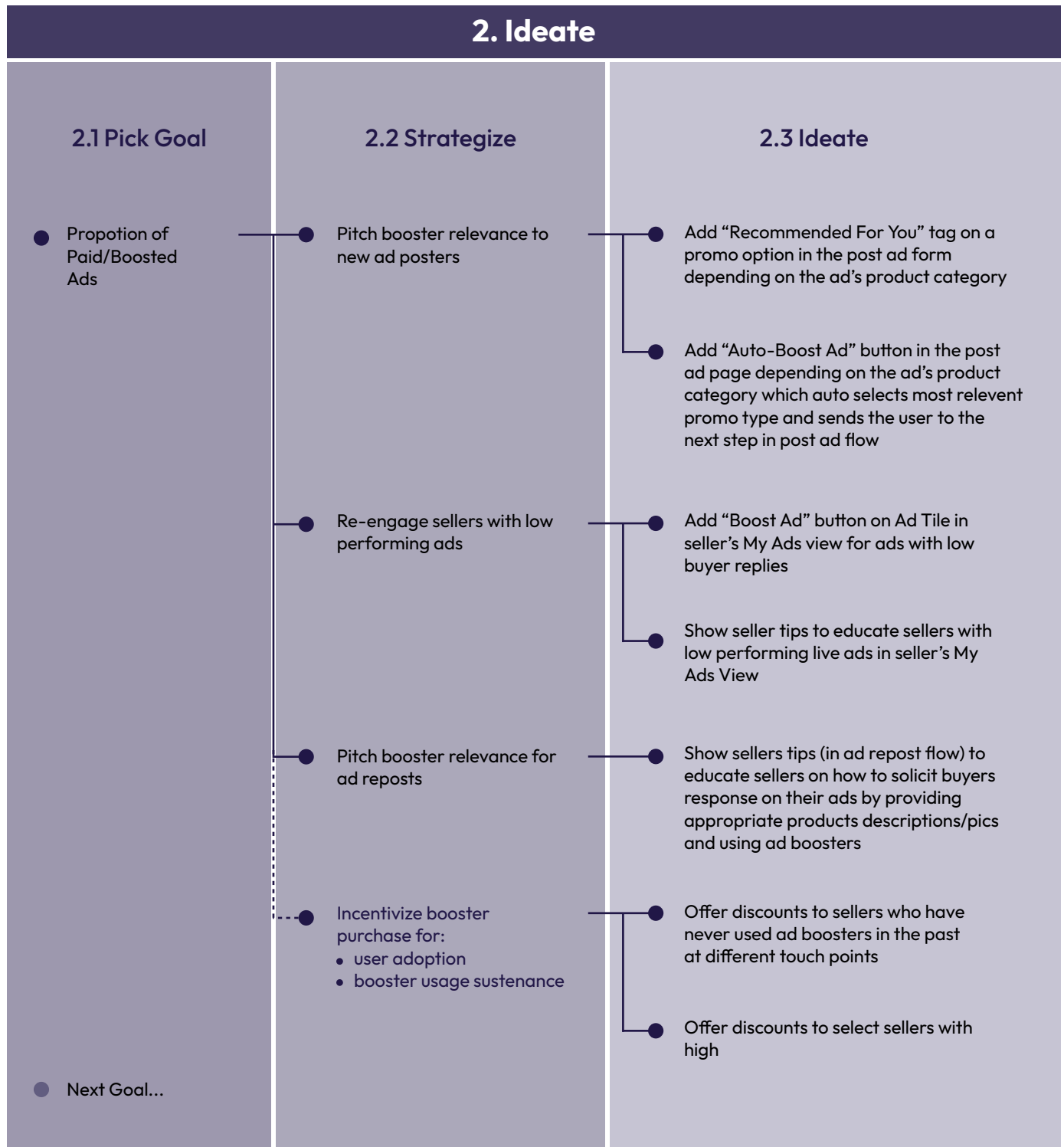
Level 1 Sub-goals for increasing revenue	Reason
Increase no. of live ads	If share of paid ads in total live ads remains the same, an increase in no. of live ads would translate into additional paid ads on site thereby increasing revenue
Proportion of Paid/Boosted Ads	With number of live ads being the same, an increase in share of Paid/Promoted ads on the platform would translate as additional revenue
Booster Order CR	A free ad can be boosted by paying for the same. An increase in conversion rate for ad boosting journey would translate as additional revenue since more purchase beginners end up buying the booster than before
Booster Order AOV	An increase in the average number of ad boosters bought to promote an ad would result in additional revenue for the same amount of live promoted ads

Level 2 Sub-goals for increasing no. of live ads	Reason
Increase Post Ad Conversion Rate	If no. of users starting to post an ad remain unchanged, an increase in Post Ad CR would translate in an increase in no. of live ads
Increase Seller Signup Rate	More users signing up with the business would mean an increased seller traffic as well, thereby, resulting in an increase in no. of live ads
Decrease proportion of blocked ads out of total ads posted	Assuming the total number of ads posted in a given time period to be unchanged, a decrease in share of blocked/admin deleted ads would translate into a direct increase in no. of live ads

IDEATE

The child nodes of the goal tree derived from the previous step give a set of KPIs closely aligned with goals of the business. In this step, strategies need to be brainstormed for each KPI and finally, each strategy would give rise to multiple ideas to improve user experience on the business' website/app.

For our current example, a marketplace business, I have demonstrated the Ideate step for one of the seller BU KPIs (Proportion of Paid/Boosted Ads) below.

2. Ideate

| 2.1 Pick Goal	2.2 Strategize	2.3 Ideate
Propotion of Paid/Boosted Ads	Pitch booster relevance to new ad posters	Add "Recommended For You" tag on a promo option in the post ad form depending on the ad's product category
		Add "Auto-Boost Ad" button in the post ad page depending on the ad's product category which auto selects most relevent promo type and sends the user to the next step in post ad flow
	Re-engage sellers with low performing ads	Add "Boost Ad" button on Ad Tile in seller's My Ads view for ads with low buyer replies
		Show seller tips to educate sellers with low performing live ads in seller's My Ads View
	Pitch booster relevance for ad reposts	Show sellers tips (in ad repost flow) to educate sellers on how to solicit buyers response on their ads by providing appropriate products descriptions/pics and using ad boosters
	Incentivize booster purchase for: • user adoption • booster usage sustenance	Offer discounts to sellers who have never used ad boosters in the past at different touch points
		Offer discounts to select sellers with high
Next Goal…		

PRIORITIZE

A good number of AB test ideas will come on the experimentation board at the end of the previous step. However, these ideas still need to be prioritized and included in the AB testing schedule. This will ensure that ideas with maximum experience improvement potential are picked up at the earliest, in order to make the experimentation program a success! This step is further broken down into three sub-steps:

- **Find relevant data points for the idea:** Supporting data points are required in order to quantify an idea's potential business impact and relevance.

- **Plot the idea in prioritization space:** Based on the preliminary data analysis, we need to plot this idea in a 2-D space where x-axis indicates technical complexity of developing the new experiences and y-axis represents the idea's potential business impact.

3. Prioritize Ideas

3.1 Find relevant data points for the ideas
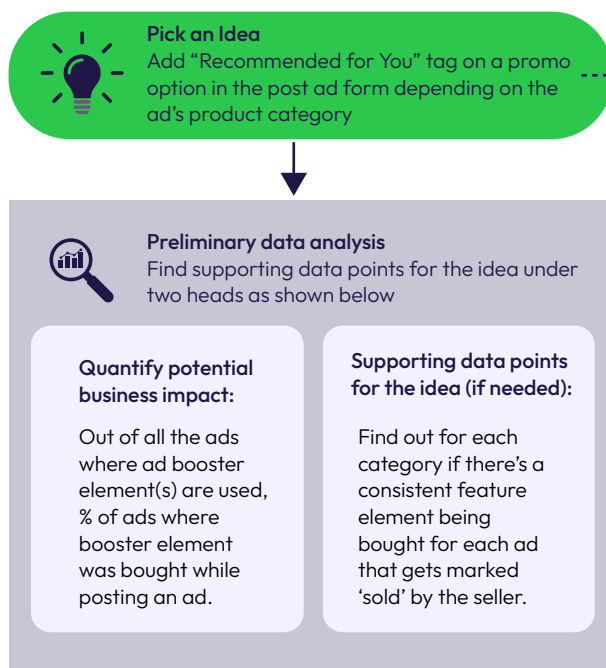
3.2 Plot idea in one of the quadrants below
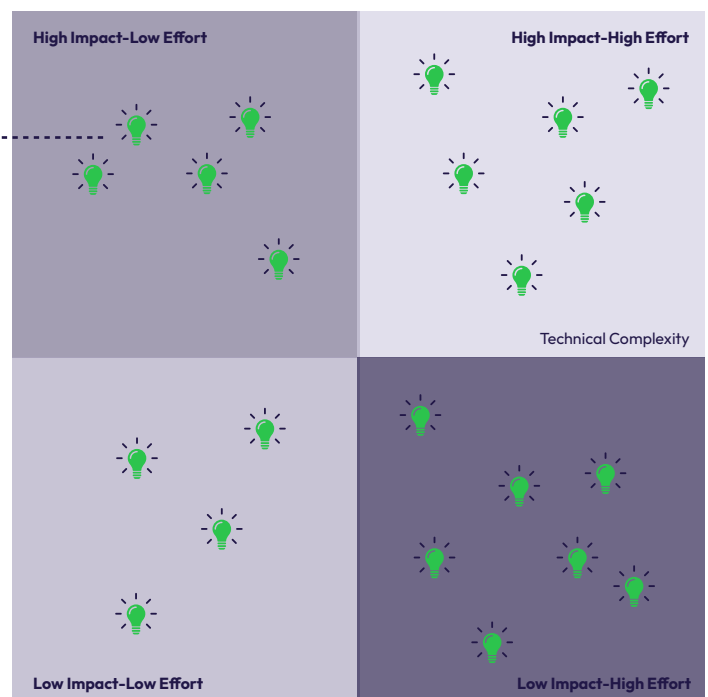
- **Build AB Testing ideas backlog:** By the end of previous sub-step, every idea gets bucketed into one of the four categories:

    A. HI-LE (High Impact Low Effort)
    B. HI-HE - (High Impact High Effort)
    C. LI-LE - (Low Impact Low Effort)
    D. LI-HE - (Low Impact High Effort)

3. Prioritize Ideas

3.3 Build idea backlog

Priority	Idea	
P1	HI-LE	HI-HE
P2	LI-LE	
P3	LI-HE	

The priority order for these four idea categories is shown on the left. High Impact-Low Effort ideas must be given priority over other ideas, especially while kickstarting the experimentation programme. Since they are fast moving, businesses can start seeing test impact quicker. This idea execution must continue in parallel with planning AB tests based on High Impact-High Effort ideas since they need considerably longer to plan, develop and run but are mostly of strategic importance for the organization. Low Impact-Low Effort ideas can also be considered to fill in the lull period in experimentation when the team is working on developing a complex test and no other test is running on the site/app.

To demonstrate the industry-agnostic nature of the AIP framework let us consider a case of ecommerce/retail business catering to B2C and B2B customers. Goals for such business can be identified as increasing revenue, improving customer buying experience, improving customer loyalty etc. Revenue goal is dependent on KPIs like conversion rate, avg. order value, avg. order size. Customer buying experience is linked with PLP, PDP Click-through Rate, Add to Cart rate, Avg. no. of clicks required from cart to order success etc. Customer loyalty can be associated with order share of repeat buyers **(Align)**. Each of the identified KPI (Ex: Conversion Rate) can be brainstormed for strategies (Ex: Help user find relevant product faster, Shorten user's journey from Homepage to Order Success etc.) to improve the KPI thereby helping **Ideate** based on the strategies (Ex: Show previously browsed/purchased products on Homepage sorted by product views/purchases, Gamify interaction with navigation menu by showing it as a series of questions- which directs the user to a filtered PLP, Show product's zoomed-in images on PLP product tile hover with adjustable color swatches and AddToCart CTA on PLP etc.). Once a pool of retail AB Testing ideas is created, they can be **Prioritized** based on their complexity and business impact.

Experimentation is an area where the test success rate is often very low. For a business which has invested a sizable budget on an AB Testing program, it essentially means that tests will fail more often than they succeed. Hence, in order to maximize ROI in the long run it becomes critical to fail faster- in order to finally discover changes worth implementing for the business. This is only feasible if the experimentation team has a large pool of data-backed AB testing ideas to start with. Implementing AIP Framework is a tool-agnostic, systematic approach to come up with new AB test ideas which are not only aligned with the business goals but are also supported by potential business impact and implementation complexity involved.

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Short Bio: Adarsh is an experienced digital analytics professional helping international brands make data-led business decisions. He has 5+ years of experience in driving experimentation (AB Testing) programmes for clients from industries like retail, marketplace, hospitality- where he focusses on maximising experimentation ROI.

About
BRILLIO

At Brillio, our customers are at the heart of everything we do. We were founded on the philosophy that to be great at something, you need to be unreasonably focused. That's why we are relentless about delivering the technology-enabled solutions our customers need to thrive in today's digital economy. Simply put, we help our customers accelerate what matters to their business by leveraging our expertise in agile engineering to bring human-centric products to market at warp speed. Born in the digital age, we embrace the four superpowers of technology, enabling our customers to not only improve their current performance but to rethink their business in entirely new ways. Headquartered in Silicon Valley, Brillio has exceptional employees worldwide and is trusted by hundreds of Fortune 2000 organizations across the globe.

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