



A/B Testing Plan & Strategy

Patagonia

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A/B Testing Plan & Strategy - Patagonia

Company URL: <https://www.patagonia.com/>

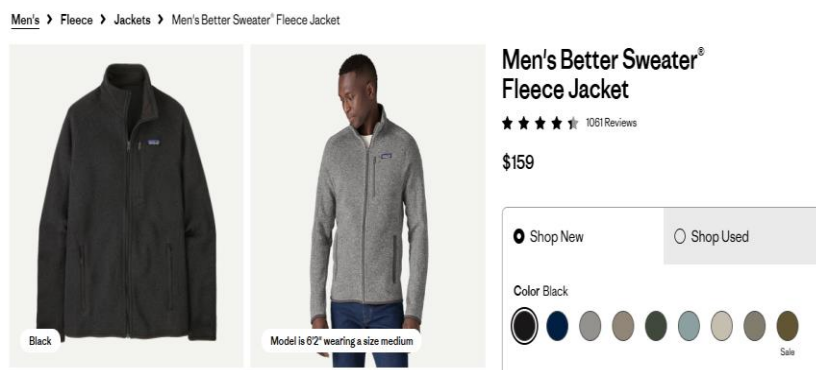
Hypothesis:

As an environmentally conscious brand, we are always looking to increase customer engagement and purchase value, specifically our average order value and average units sold per order.

As of February 28th, 2025, our average order value was \$95 and our average unit sold per order was 1.2. The goal by the end of Q2 2025 is to increase our average order value to \$125 and our average units sold per order to 1.8. If we make personalized product suggestions to customers based on their browsing history and current cart items, then it will result in an increase in the number of products purchased per transaction thus increasing the average order value and average units sold per order, because targeted recommendations have been shown to increase cross-selling opportunities by making complementary products more visible to customers at the moment of purchase decision.

The Test:

The A/B Test will be conducted on our bestselling Better Sweater® Fleece Jacket product page (<https://www.patagonia.com/product/mens-better-sweater-fleece-jacket/25528.html>). For testing, 50% of all traffic to the website will be able to view the experiment. The 50% threshold was selected based on our website user data, which indicates that of the 15,000 daily visitors to our website, 42% view this product page, and approximately 25% of our total sales are made from this page.



Shipping & Exchanges

This warm, 100% recycled polyester full-zip jacket combines a sweater-knit aesthetic with the easy care of Better Sweater fleece. It's dyed with a low-impact process that reduces the use of dyestuffs, energy and water compared to conventional heather dyeing methods. Made in a Fair Trade Certified™ factory.

BLK | Style No. 25528

Fit



Specs & Features



Materials & Care Instructions



Men's Straight Fit Jeans - Regular

★★★★★ 133 Reviews

\$129

☒ Shop New

☐ Shop Used

Color Original Standard



Tracking:

To determine if our test was successful, we will track three elements on the page:

1. Conversions – 2 or more products purchased
2. Values per Order
3. Product Units per Order

By tracking these metrics, we would be able to determine the weekly and monthly averages for each category and evaluate the success of the test.

Mockup:

VARIATION A (Control): The control page is the existing product page as it currently appears. Customers see only the selected product with standard "You may also like" items at the bottom of the page.

VARIATION B (Challenger): The variable page will look like the existing page; however, under the "Add to Cart" button, there would be four products recommended to the visitor based on three specific factors:

1. A product that pairs well with the Better Sweater® (like a compatible base layer or hat)
2. A product from another page the visitor viewed during their current session
3. A product based on their past purchase history with our website
4. A seasonal complementary item (like water bottles in summer or gloves in winter)

The recommendations would appear in a clean, visually appealing horizontal row with clear "Quick Add" buttons allowing easy addition to the cart without leaving the current page.

Results:

After 8 weeks of testing, our results were as follows:

Variation A (Control):

- Total Sessions: 8,450
- Conversions: 159
- Conversion Rate: 1.88%

Variation B (Challenger):

- Total Sessions: 8,901
- Conversions: 340
- Conversion Rate: 3.82%

Using Neil Patel's A/B Testing Calculator (<https://neilpatel.com/ab-testing-calculator/>), these results indicate a 103.2% improvement in conversion rate with Variation B. The statistical significance is extremely high with a confidence level above 99%, confirming that the results are not due to random chance.

For completed orders, customers in Variation B purchased an average of 1.8 items per order (compared to 1.2 in Variation A) and spent an average of \$127 per order (compared to \$95 in Variation A), achieving our targeted goals.

Conclusion and Next Steps:

Based on these statistically significant results, the personalized product recommendation approach has proven extremely effective, more than doubling our conversion rate. The improvement in both units sold per order and average order value demonstrates clear customer acceptance of complementary product suggestions.

It is my recommendation that we:

1. Implement this personalized recommendation system throughout the website, starting with our top 20 product pages
2. Conduct a follow-up test to determine which of the four recommendation factors drove the most additional purchases
3. A/B test different recommendation placements to further optimize the user experience
4. Expand the system to include personalized recommendations in cart pages and post-purchase emails

The immediate implementation on top product pages could result in a projected annual revenue increase of approximately \$4.2 million based on current traffic and the measured conversion improvement.