# ARE YOU A/B TESTING YOUR EMAILS CORRECTLY?

Taking a closer look at what A/B testing is and how you can get the <u>best results</u>



#### **ABOUT THE AUTHORS**

PART OF THE QUANTADS EMAIL MARKETING TEAM



**KATRINE ANDERSEN** 

**OPERATIONS** 

In charge of the daily email activites at QuantAds, Katrine focuses on sparring with our clients on everything from Stategic planning to Email design.



**EWA SEILER** 

PROJECT MANAGER

Ewa is an experienced Digital Project Manager with 3+ years of experience with marketing automation, lead generation, and conversion optimization. She enjoys helping our clients find new ways to improve the user experience on their sites with SiteCampaign.

# **INDEX**

IN THIS ISSUE

Introduction	04
What is A/B testing?	05
How does it work?	08
Finding a Winner	10
What can you expect to get out of A/B testing?	11

**SHARE THE KNOWLEDGE** 







#### INTRODUCTION

IN THIS ISSUE

When it comes to optimizing the email marketing channel, we often see that brands rely a little too much on their gut feeling when making strategic or design related decisions. But how do you know for sure what truly will generate the best results?

The answer is actually quite simple - you test.

One of the most efficient and simple tools for improving email marketing performance is A/B testing. The results you get from properly implementing an A/B testing strategy will help you better understand your subscribers' wants and needs, which in turn will lead to higher conversion rates and more revenue per email sent. And who doesn't want that?

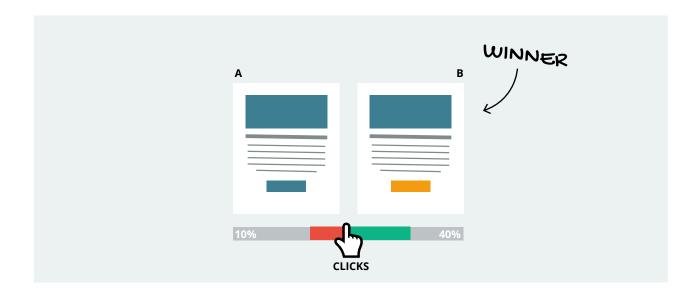
However, we often see that brands aren't approaching A/B testing correctly, and end up testing too sporadically, testing the wrong things, or just giving up on testing all together.

In this short whitepaper we will guide you through the following topics to that will help you kick-start your A/B testing strategy and fine tune your email marketing efforts.

Let's get started.

## WHAT IS A/B TESTING?

A/B testing for email marketing is a technique that consists of comparing two versions of the same email - where one element is significantly different in the two emails - and then using the results of that test to determine a winner.



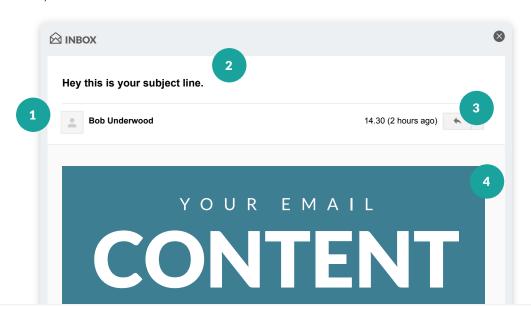
Often times we will see brands that seem to be testing just for the sake of testing without developing an overall strategy or direction for their tests. In order to get the most out of your A/B testing, it is important to not just use A/B testing sporadically, but to create a structured strategy around the tests that you perform. This will give you a much deeper insight into your target group and help deliver the best results possible.

#### WHAT SHOULD YOU BE TESTING?

The first step to getting started with A/B testing is deciding what you're going to test. This may sound like a simple task, but with the nearly endless amount of elements to test, it is important to take a structured approach to designing your tests.

The most common A/B tests focus on testing the sender name, the subject line, the time of day you send, and the day of the week you send. It is also possible to test elements inside the email, such as the call to action text, images, colors, or overall layout. Don't let the many options overwhelm you. It is important that you take a step back and build a strategy for what to test, in what order you want to test, and what you want to get out of those tests.

Below you will find an overview of some of the elements we recommend testing.



**1. Sender name** – this is one of the first elements your subscribers will encounter when receiving your email. Therefore, you should make sure that you use a sender name that makes it easy for your subscribers to identify you. For example, you could choose to use your official company name (QuantAds), a personal name (Peter), or a combination of the two (Peter from QuantAds). By testing these different sender names in multiple email sends, you should be able to determine which name is the best at catching the attention of the your subscribers.

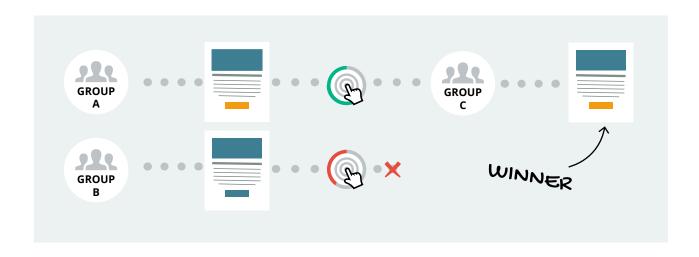
- **2. Subject line** your subject line is one of the most important factors when your subscribers are deciding whether or not to open your emails. This makes the subject line a great place to start with A/B testing, as you will be able to see nearly instant results. And if done correctly, this type of testing can prove to be very rewarding. When testing subject lines, we recommend grouping your tests into different categories instead of just testing random subject lines against each other. For example, design a test comparing a subject line that asks a question ("Are you ready for the winter cold?") against a subject line that makes a statement ("New winter coats now in stock").
- **3. Sending time and day** Have your ever wondered which day and time is best for sending out your newsletter? A/B testing can help you find the best combination of day and time for your specific target group.
- **4. Content: cta buttons, colors, fonts, images, etc.** A/B testing can also generate a lot of insight regarding what works best in terms of email design and content. Whether you're looking to find out which hero image generates the most clicks or which color call-to-action button has the highest conversion rate, using strategic A/B testing will help you find the answers. When testing design and content elements, it is important to remember to only test two variants of the same element at once. If you test multiple elements in the same A/B test (for example using two different hero images and two different colored buttons), you won't be able to attribute your results to one specific element thereby eliminating the long-term value of your testing strategy.

#### **HOW DOES IT WORK**

In order to test which versions of the elements listed above work best for your specific target group, you need to approach the test in the right way.

**First you will need** to define the element that you want to test and generate the material you need for the test. If you decide to test a subject line, for example, you should prepare the two different subject lines to be used in the newsletter.

**The next step** is to divide your newsletter list into three groups: test group A, test group B, and the winner group.



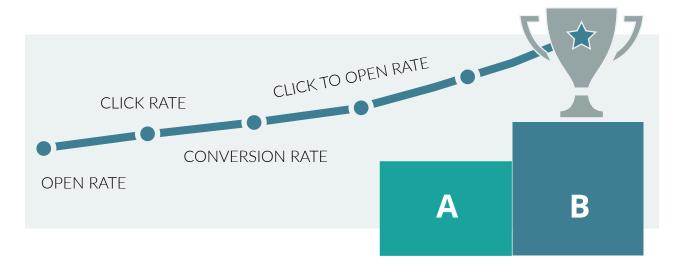
Typically, test group A will consist of 25% of the subscribers on your newsletter list, test group B will be another 25% of your list, and the third, the biggest group, will consist of the remaining 50% of your list. If you newsletter list is big enough, it might also be sufficient to divide your list into 10%, 10%, and 80% splits. Most email marketing systems will have this functionality included in the system, so you won't have to worry about manually creating these splits. But keep in mind that in order to get statistically relevant results you will need to at least 50 subscribers to perform the desired action (e.g. opening the email). If this is not the case you risk your results not being a valid indicator of what works best.

Once you have defined the split of the test you will need to select how long the test should last, as well as how the winning version will be determined.

When your newsletter is launched, test group A will receive the A variation of your newsletter and test group B will receive the B variation. After the predetermined period of time allotted for the test, the winning version will be selected and sent out to the remaining profiles in your target group.

When using A/B testing in automated trigger flows, we recommend that you implement a 50/50 split for the two versions of the email you are testing. You will typically have to manually select a winner (by simply removing the losing version from the flow), as the timing of the test depends a lot on the volume of subscribers passing through your trigger flow.

#### **FINDING A WINNER**



To determine the winner of your A/B test you will need to decide which KPI will be used to measure your success. Typically you will be able to choose between Open Rate, Click Rate, Click-to-Open Rate, or Conversion Rate. It is important that you select the KPI that matches the test you are performing. For example, if you are testing two different subject lines, the goal of your test is to get more people to open your newsletter. In this case it would therefore make sense to use the Open Rate as your KPI.

If you have conversion data present in your email system, Conversion Rate or revenue results might be the best KPI for your A/B tests that focus on email design and content. After all, revenue is probably one of the KPI's that interests you the most.

Once the winning message has been determined, don't stop there! Use the results to optimize your campaigns and define new strategies to test.

### WHAT CAN YOU EXPECT TO GET OUT OF YOUR TESTS?

By now you might be wondering what kind of results you can expect to get from your A/B testing? MailChimp examined over 200,000 split tests sent in 2013 in order to measure their average impact. According to the results, testing subject lines increased the open rate by an average of 9%, while testing the sending time increased clicks by an average of 22%.

61% OPEN RATE QuantAds developed and implemented an A/B testing strategy for one of our clients (a big online retailer) that focused on several of the automated trigger flows they were running. One of the tests we implemented was a split test on the subject line in their profiling campaign (the goal was to get profiles to fill out their birthdate). As a result of our test we experienced a 61% increase in the open rate.

In another test with the same client, we tested two different variants of the hero image. It turned out that the image used had a huge impact on the success of the campaign, as the winning variant increased the click-to-open-rate by over 76%.



As you can see, it is possible to get some really drastic impact out of your A/B testing. Not only is A/B testing an efficient way to get trustworthy results you can rely on, but it is also inexpensive and easy to implement. All of this makes it a great tool for optimizing your conversion rates and getting the most out of your Email Marketing efforts.

# **ABOUT QUANTADS**

#### Fast growing, international digital marketing agency

We help e-commerce companies formulate and execute digital strategies across all major traffic channels (eg. Search, CRM, Social, Display). We specialize in delivering high-quality support and believe that a data-driven and documented approach leads to better decisions and outcomes. Our digital specialists are supported by an inhouse software team that provides tooling, technical help and web development when needed.

QuantAds was founded in 2010 and currently has offices in both Amsterdam, Netherlands & Copenhagen, Denmark

45+ dedicated people who speak 12+ languages natively

#### International e-commerce

We believe international execution is much more than language support, it is also about providing local market knowledge and understanding how local customers research, decide and purchase online products and services. International online businesses often face fierce competition from local champions and winning that game requires a lot more than a translated website and properly spelled ad-texts.

**#1** fastest growing agency in Denmark in 2015

Serves 50+ clients across all online industries - about half of which are international e-commerce companies

#### Business oriented approach to digital marketing

The digital world is developing so rapidly with new marketing platforms, targeting methods and tracking technology that staying at the forefront requires a structured, fact-based approach. So we have built our team by attracting and developing people with a strong business mindset, who love data and analysis and thrive in creating simple solutions to complex problems.

SHARE THE KNOWLEDGE









+31 6 30 66 88 43 ams@quantads.com www.quantads.nl

Vijzelstraat 68 1017 HL Amsterdam Netherlands

+ 45 77 34 27 74 cph@quantads.com www.quantads.dk

Torvegade 29 1400 Copenhagen Denmark







www.quantads.com