

# Conversion Rate Optimization Whitepaper

<https://aimultiple.com>

## Executive Summary

Conversion Rate Optimization allows digital marketers to capitalize on the traffic and leads they acquire. Overall, conversion rate optimization (CRO) involves collecting data about visitors' preferences for adjusting your website to achieve more conversions with the same traffic.

CROs rely heavily on analytics, behaviour research, and testing. These methods allow CROs to make their Conversion Funnels more efficient and increase their revenues.

We have outlined CRO tools, best practices, and examples . We recommend every business to leverage CROs in their marketing strategy to gain a better understanding of their customers, and increase their sales. If you have questions, please reach out to [info@aimultiple.com](mailto:info@aimultiple.com). We are happy to support you in identifying the most valuable conversion rate optimization tools use cases in your business or the right vendors for your company.

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## Conversion Rate Optimization

Conversion Rate Optimization (CRO) has been in CMOs' agenda since the early days of the internet. In fact, the global Conversion Rate Optimization (CRO) software market was valued at \$771 Million in 2018 and is expected to witness a growth of 10% from 2019-2026 and reach \$1,932 Million by 2026. Additionally, 57% of B2B marketers say conversion rate is the most useful metric for analyzing landing page performance. However, about half of businesses don't pay significant attention to CRO due to difficulties in website personalization and decreasing traffic after the COVID-19 pandemic.

For businesses that wish to survive in today's highly competitive market, figuring out how to improve the conversion rate is a top priority.

## What is conversion rate optimization?

Conversion rate optimization (CRO) is the process of increasing the percentage of users who complete the desired action by collecting customer behavior data and making design or content changes on the website accordingly. Desired actions can involve purchasing a product, clicking links, subscribing to a service, adding a product to the cart, filling out a form, or requesting a demo.

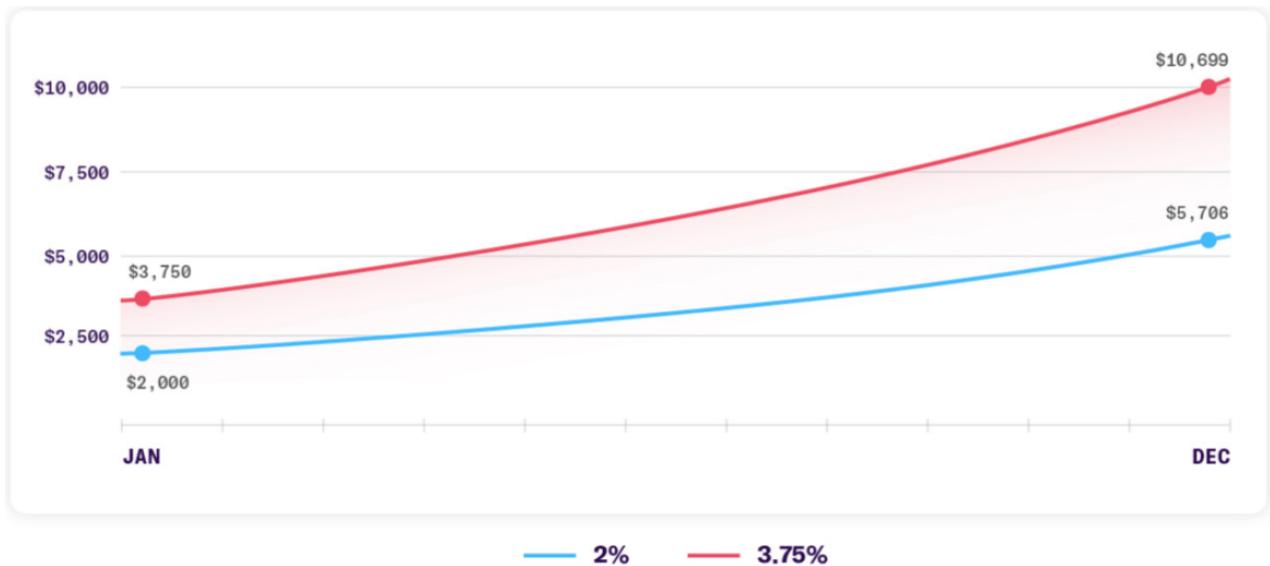
The main goal of CRO is to produce more profit from existing traffic by testing variations of a webpage or process by changing the layout, messaging or the process flow.

## Why is CRO important now?

According to Google trends data, the interest in conversion rate optimization is at its highest level right now, and it is gradually increasing since 2016. This is due to two reasons:

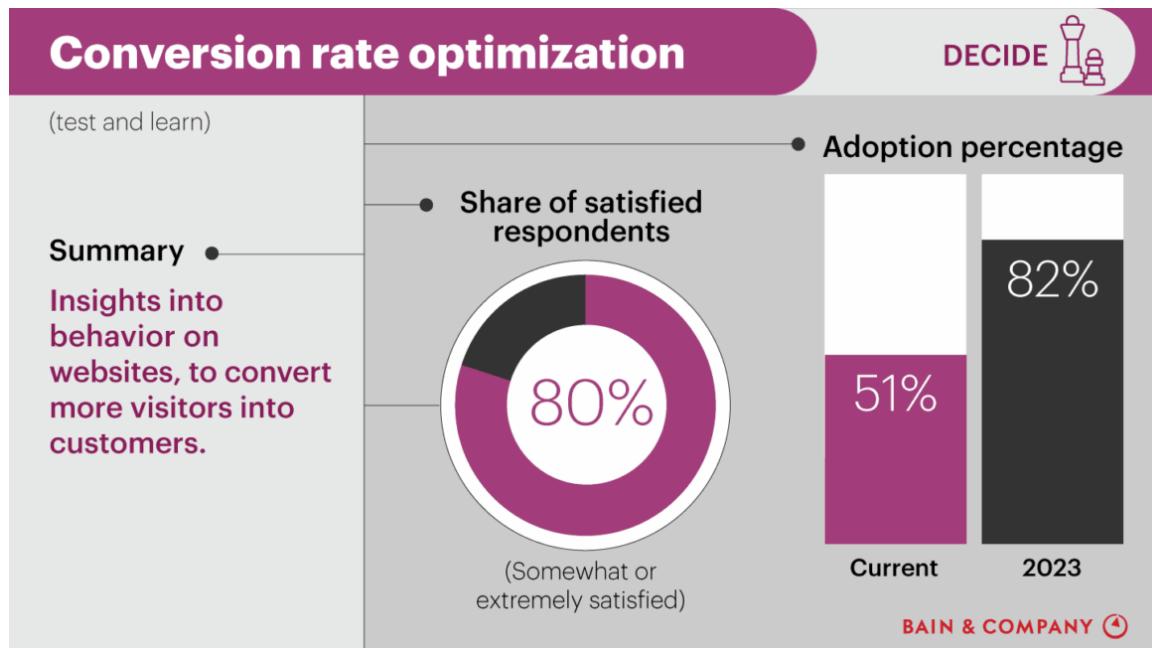
In the era of digitization, customer experience (CX) has become the main driver of gaining a competitive edge and optimizing a website to improve user experience can help businesses achieve better CX.

Conversion rate is the easiest way to increase profits for a business because CRO focuses on what can be done better with what you already have rather than putting effort into creating something new. As seen below, even a small increase in conversion rate can be worth thousands of dollars.



*The impact of CRO on revenue. If you're growing traffic/users 10% per month, increasing your conversion rate from 2% to 3.75% will nearly double revenue by the end of the year.*

According to Bain's 2020 Customer Experience Tools and Trends survey, 51% of companies have already adopted CRO and Bain expects this percentage to be 82% by 2023. 80% of marketers who use CRO methods are satisfied with the results as seen below:



In addition, statistics can tell a lot about the important of CRO:

- For every \$92 spent acquiring customers, only \$1 is spent converting them. However, only about 22% of businesses are satisfied with their conversion rates. (Econsultancy, Econsultancy\*)
- 57% of B2B marketers say conversion rate is the most useful metric for analyzing landing page performance. (Ascend2)
- According to VentureBeat study (where 3,000 marketers took part in the survey), the average ROI of using CRO tools is 223%. Only 5% of participants did not generate ROI while 173 marketers said they gained returns higher than 1,000%.
- On average, companies are spending as much as \$2,000 a month on CRO tools. (Forbes)

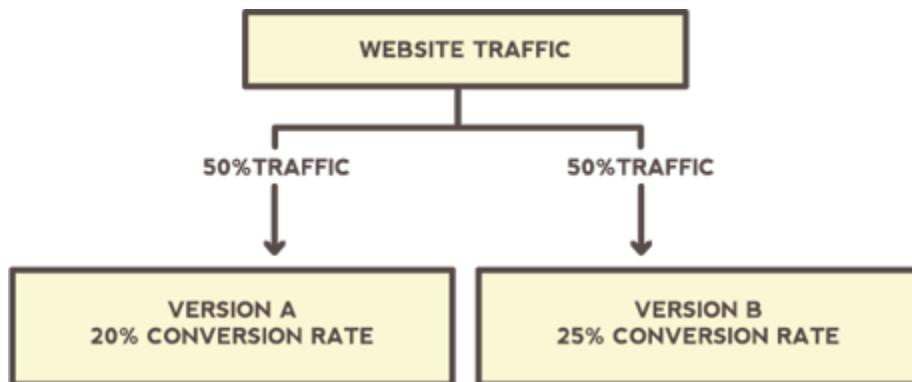
# Conversion Rate Optimization Methods

There are two methods to optimize conversion rate, which are:

## Measuring results of conversion rate optimization

### A/B Testing

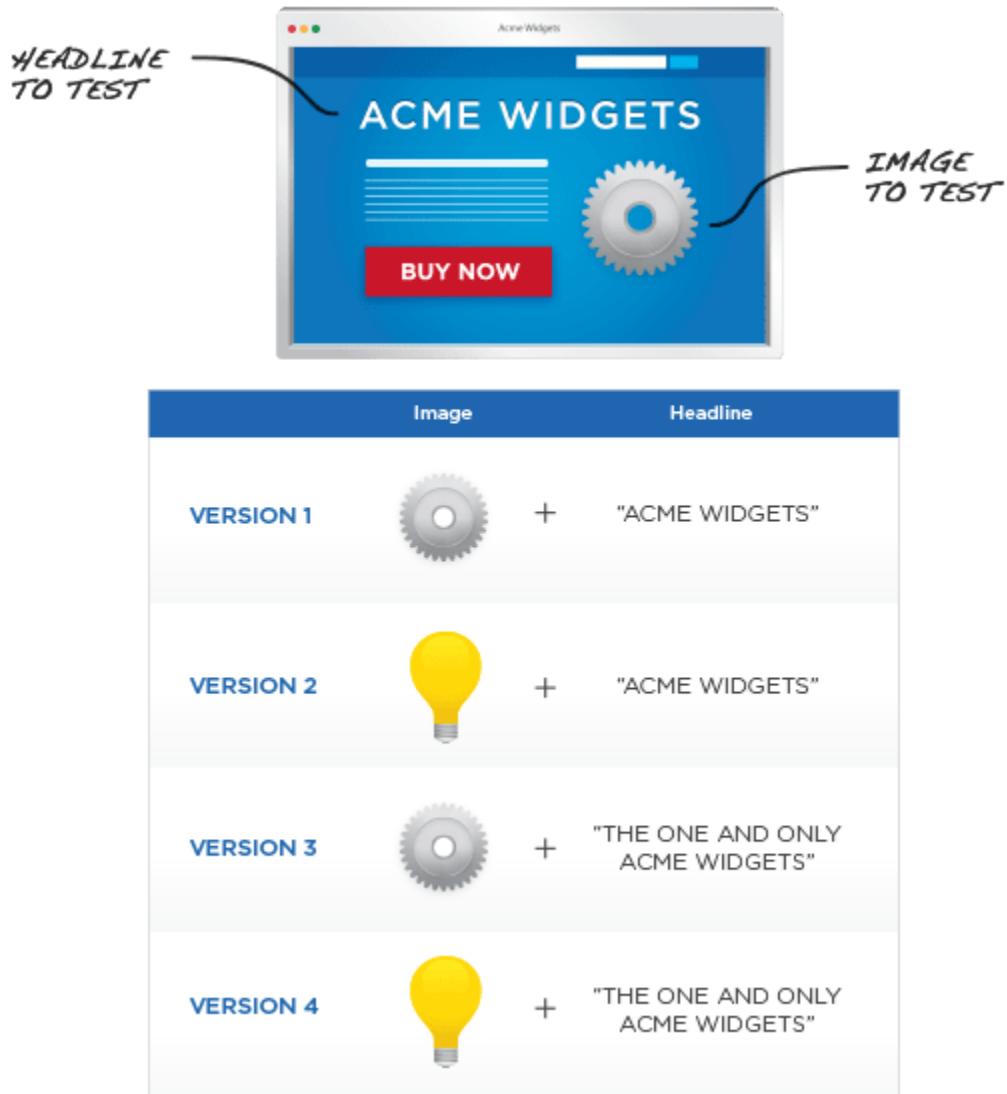
A/B testing is a basic testing methodology where businesses create two different web page variations and send an equal amount of traffic to each. Then, they measure the number of conversions for each variation and select the one with higher conversion. It is a commonly used method for websites and chatbots. In fact, 75% of the internet retailing top 500 use A/B testing platforms.



SOURCE: [QUICKSPROUT](#)

### Multivariate Testing

Multivariate testing compares different variations of a webpage like A/B testing with one difference. Multivariate testing is not limited to two variations; you can test 3 and more different variations with a multivariate test. However, multivariable optimization requires larger traffic than A/B testing since you split your traffic into the number of web page variations, and each combination has to reach a certain amount of traffic to get actionable insights.



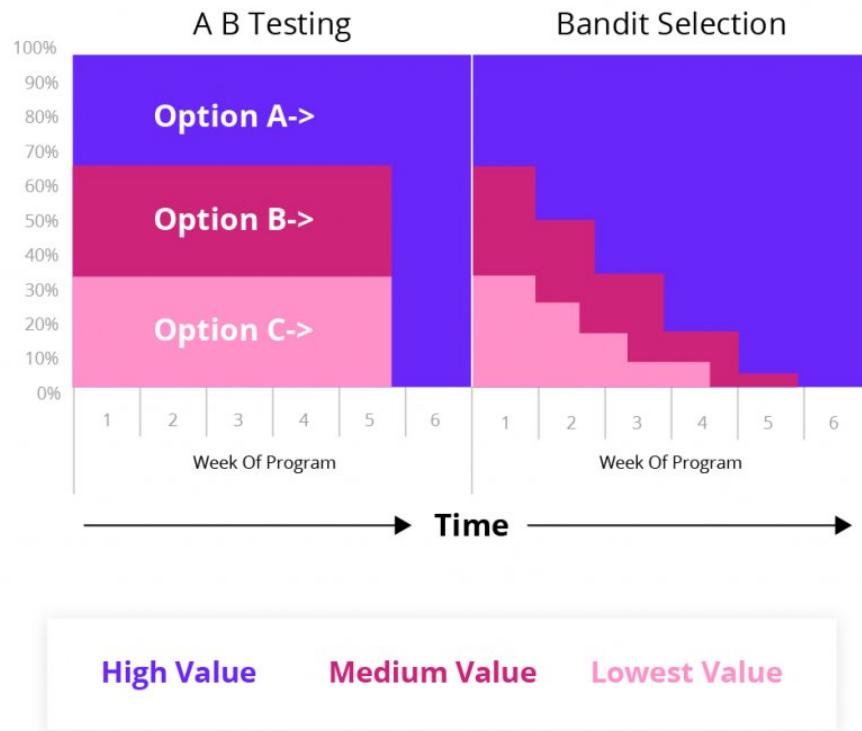
SOURCE: MEDIUM

### Multi-armed bandit

One challenge of multi-variate testing is that all versions get equal traffic, resulting in a significant share of customers seeing inferior versions of the webpage. Multi-armed bandit algorithms deal with this by assigning more volume to best performing versions while still ensuring that enough volume goes to other versions to ensure that different versions have statistically significant differences.

As seen in the below image, after the results of first tests are collected, multi-armed bandit testing tools prioritize the traffic for most converting variation.

# AB Testing V Bandit



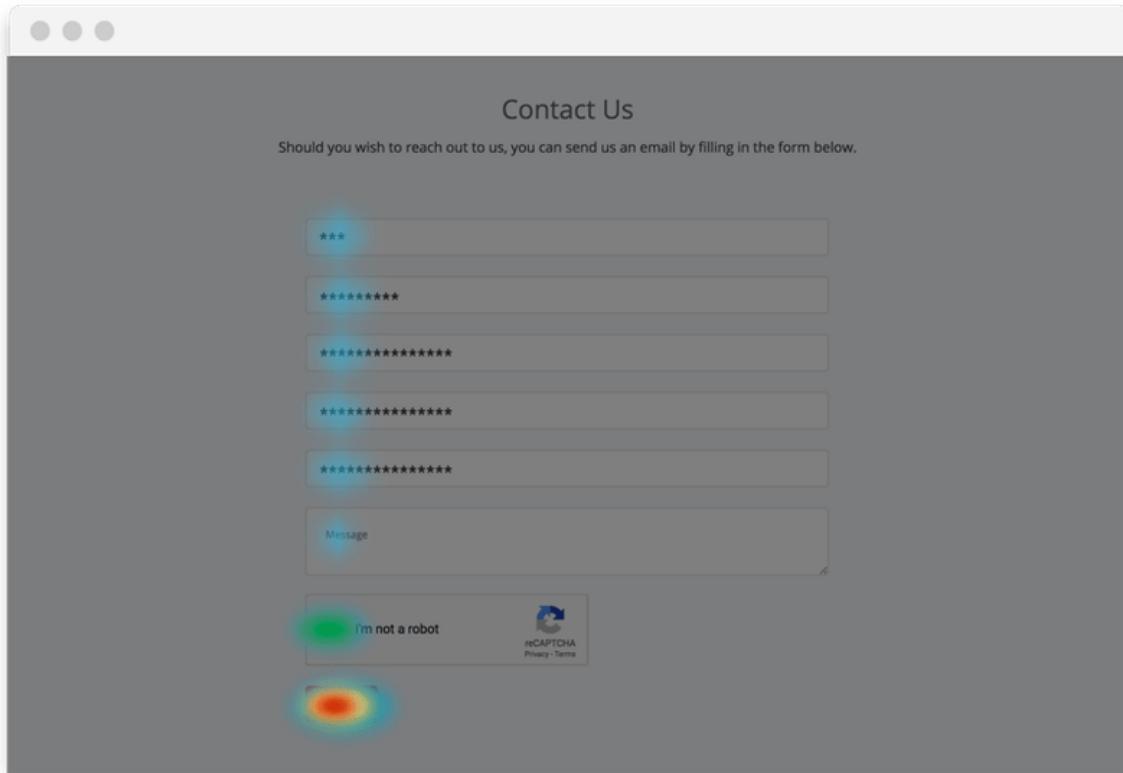
SOURCE: VWO

## Identifying insights for CRO

### Usability testing

Usability testing is a method used in user-centered interaction design to evaluate a product by testing it on users. For usability testing, businesses gather a group of people, similar to potential users of your app or website, and then make them test the product out by using it. This enables businesses to eliminate gut feeling assumptions and make data-driven decisions on the UX of their product & service.

### Heatmaps



SOURCE: HOTJAR

Heat maps are a color-coded graphical representation of aggregated user behavior data, including the number of clicks, scrolls, and movement on a page. Color codes are based on the level of interaction website elements get. In short, the redder the area, the more visitors interacted with it. Knowing what people are clicking on, scrolling through, or ignoring individual pages can help businesses identify what to change, where to start A/B testing, and what to improve.

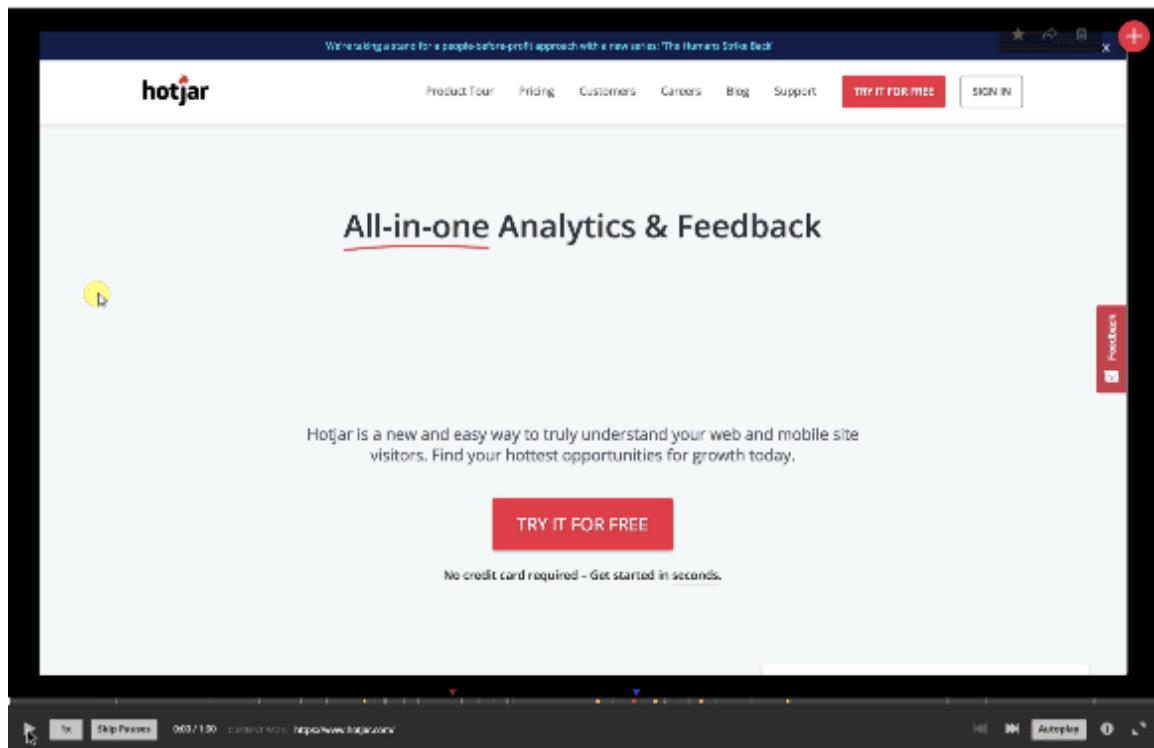


SOURCE: HOTJAR

As shown above, scroll maps are a type of heatmap that shows you the exact percentage of visitors who scroll down to any point on the page. Scroll maps enable you to determine whether visitors scroll down to see desired content such as main links, buttons, and CTAs while browsing.

## Screen recording

Screen recording helps you understand how visitors navigate through your website and fix the user experience issues, which will increase conversions. During session recordings, elements such as text input and form selections are also being recorded. However, information being typed in may contain personal information which may prevent companies' GDPR compliance. Therefore companies should check their privacy and data security policies before rolling out such tools.



SOURCE: HOTJAR

## Analytics

Website analytics tools such as Google Analytics to see what is happening on the website and behavior analytics tools to understand why it is happening can help businesses measure when visitors drop off from a sales funnel.

## Customer Surveys

Online reviews and website feedback tools such as on-page polls, pop-ups, and customer surveys are great opportunities to ask users about their experience with the brand to build their CRO strategy based on customers' specific wants and needs.

## What are CRO best practices?

Following typical marketing best practices as well as principles of influence such as those identified by Cialdini in *Influence: Science and Practice*, companies can improve CRO.

### Marketing best practices

#### ***Improve user experience***

Customers are the driver of companies' revenue. Therefore making customer-centric changes is crucial. Some examples can be:

- **Clear communication:** Businesses should leave no concerns on the prospect's minds. They should establish clear communication with user-friendly navigation to answer questions on prospects' minds to introduce your company to customers. A conversion funnel through prospects' eyes require answers to the following questions sequentially:
  - What do you do?
  - Why should I care?
  - How do I believe you?
  - Where do we begin?
- **Fewer fields on forms:** Nobody likes spending time filing forms where they may need to give personal information. Minimizing required fields can help businesses improve form filling rates.
- **Search bars:** If the user knows exactly what he wants on the website, let him access it directly by including a search bar in your site.

#### ***Collect sufficiently large datasets***

Assume you are conducting A/B tests for two variations of your website, and one design has a significantly better conversion rate than the other. It is not enough to choose one design over another unless the sample size of data applies to the statistical hypothesis tests.

### Using principles of influence/cognitive biases

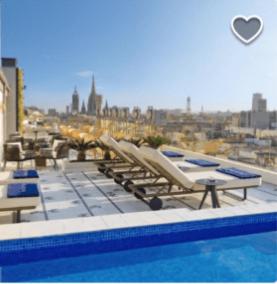
#### ***Nudging users to make an action highlighting scarcity***

Online travel booking sites are the most common application of creating an urgency to make customers feel like they need to make a purchase decision quickly. Most travel booking sites offer limited-time discounts to users. This practice encourages people to book it now rather than later.

Yet, limited-time offers are not the only way to rush customers to make an action. For instance, another example is from Booking.com, which uses this technique

by providing additional information on booking times, including answers to the following questions:

- How many people are looking at the hotel for the same day?
- How many rooms are left?
- How many times has the hotel you are looking for been booked recently?



**H10 Cubik 4\* Sup** ★★★★  
 Ciutat Vella, Barcelona - [Show on map](#) • 300 m from center  
 • Subway Access  
 3 other people looked for your dates in the last 10 minutes  
 Booked 5 times for your dates in the last 6 hours  
 Limited-time Deal  
 Classic Double or Twin Room -   
 Multiple bed types  
**FREE cancellation • No prepayment needed**  
 You can cancel later, so lock in this great price today!  
 Only 2 rooms like this left on our site  
 2 nights, 2 adults  
 €242 € 145  
 +€ 5 taxes and charges  
[See availability >](#)

SOURCE: BOOKING.COM

Another example is from e-commerce Amazon showing how long the discount lasts to make the call to action, Add to Cart, more tempting.

**\$11.85 - \$19.54**

2% Claimed      Ends in 4:44:27

[FOLUNSI Women's Plus Size Short Sleeve Henley Shirt V Neck Floral...](#)

Sold by FOLUNSI and Fulfilled by Amazon.

 2167

[Choose options](#)

**\$73.09**

List: \$109.99 (34% off)

33% Claimed      Ends in 2:09:30

[Reolink PoE IP Camera Outdoor 5MP HD Video Surveillance Camera](#)

Sold by ReolinkUSOnline and Fulfilled by Amazon.

 200

[Add to Cart](#)

SOURCE: OPTIN MONSTER

### ***Social Proof & authority***

According to a study, on average, testimonials on sales pages increase conversions by 34%. People tend to look for social proofs that enable them to trust your company for online purchases. Some social proof examples are

- Customer testimonials & reviews
- Social signals via Facebook, Twitter, Pinterest, and LinkedIn
- Displaying the number of customers
- ISO certificate to avoid security concerns
- Awards & Mentions from reputable companies

### ***Reciprocity***

Reciprocity is the practice of providing a complimentary benefit to increase the customers' likelihood to purchase. This is based on the psychological notion that people want to help those that have provided them some form of help or support. Most B2B companies are already using this technique with their whitepapers, case studies and other types of interactive content where they collect contact information of visitors in exchange for information.

### ***Likeability***

Cialdini notes that physical attractiveness, compliments, similarity between buyer and the sales rep can all contribute to the likeability of a sales rep which helps increase sales closing rates. Similarly, likeable brands could lead to better sales. Brands like Mailchimp and Slack put significant effort to create likeable brands by

- a likeable logo, typeface and a design that complements them
- witty and informal product copy that follows brand guidelines. For example, Mailchimp describes ease of use as "easier than eating a banana". Their brand guidelines layout how they achieve engaging product copy.
- gifs and images, like the mass email send button below



SOURCE: MAILCHIMP

## What are the average conversion rates of e-commerce sites?

Comparing existing conversion rates to industry averages can help organizations understand where to start optimizing. Yet, comparing products in similar sectors is important. Below are images from three different e-commerce industry reports published in 2020 that may help you set an objective to optimize for 2021.

### Conversion rates for e-commerce by industry

## COMMERCIAL METRICS

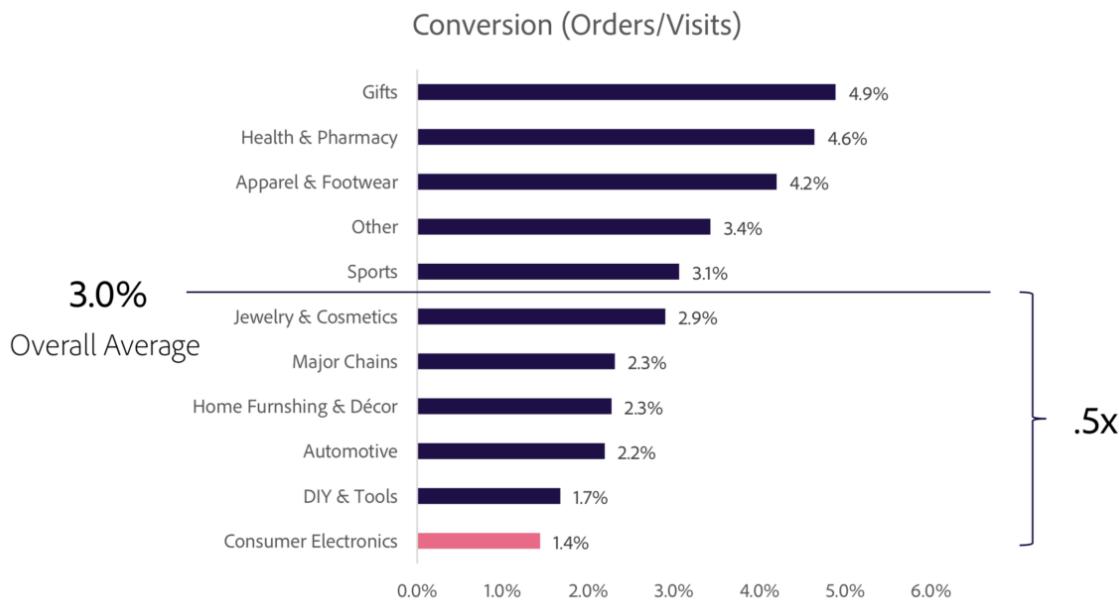
Overall Conversion Rate is coming in at **1.84%**. Average Order Value is coming in at **€185**. We've also included Conversion Rate by User which is coming in at **3.2%**.

	Conversion Rates	Conversion Rate Per User	Average Order Value
Retail	1.9%	3.6%	€101.95
Multi-Channel	1.8%	3.1%	€99.25
Online Only	2.3%	4.6%	€107.03
Travel	1.6%	2.3%	€355.05
Travel - Hotels	0.9%	1.2%	€453.04
Travel - Tickets & Tours	2.6%	3.8%	€201.08
Overall	1.8%	3.2%	€184.79

SOURCE: E-COMMERCE 2020 KPI REPORT

## E-commerce Conversion Rate by Product

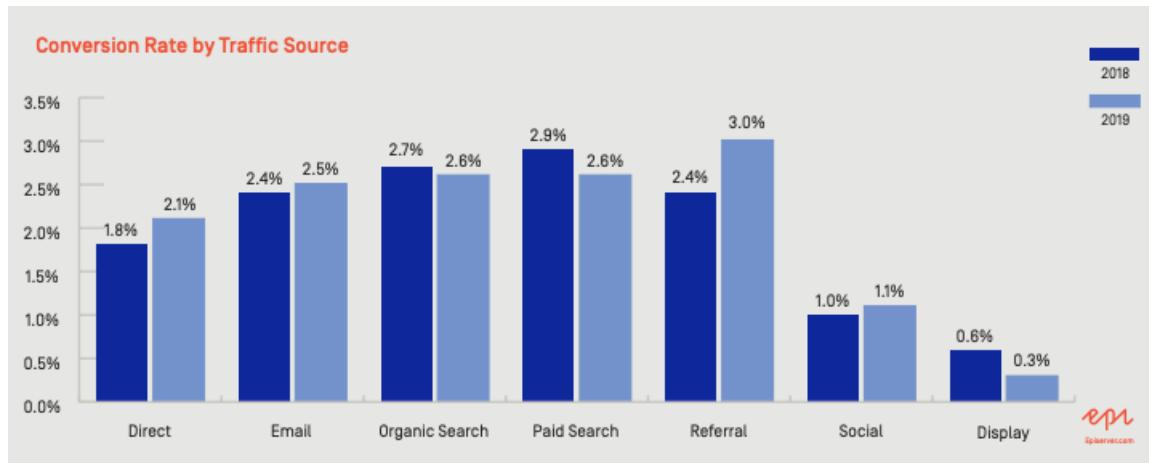
When it is benchmarked by product type, gifts (4.9%) and health & pharmacy (4.6%) products have the highest conversion rate, while consumer electronics' conversion rate is only 1.4%.



SOURCE: ADOBE DIGITAL INDEX 2020

## E-commerce Conversion Rate by traffic source

Though the below graph is only for e-commerce sites, it is common for traffic that comes from social channels to have the lowest conversion rate than other channels.



SOURCE: EPISERVER

## What are real-world examples of conversion rate optimization practices?

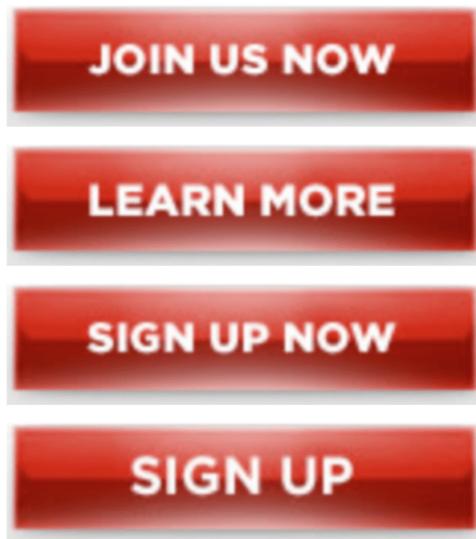
Various companies and institutes leverage conversion rate optimization techniques. Some examples are:

### The 2008 Obama Presidential Campaign drove a higher rate of signups

During the 2008 presidential election, Barack Obama used A/B testing to see which media and button variations were the most effective at convincing people to sign up for the President's email newsletter.



SOURCE: OPTIMIZELY

**Button Variations**

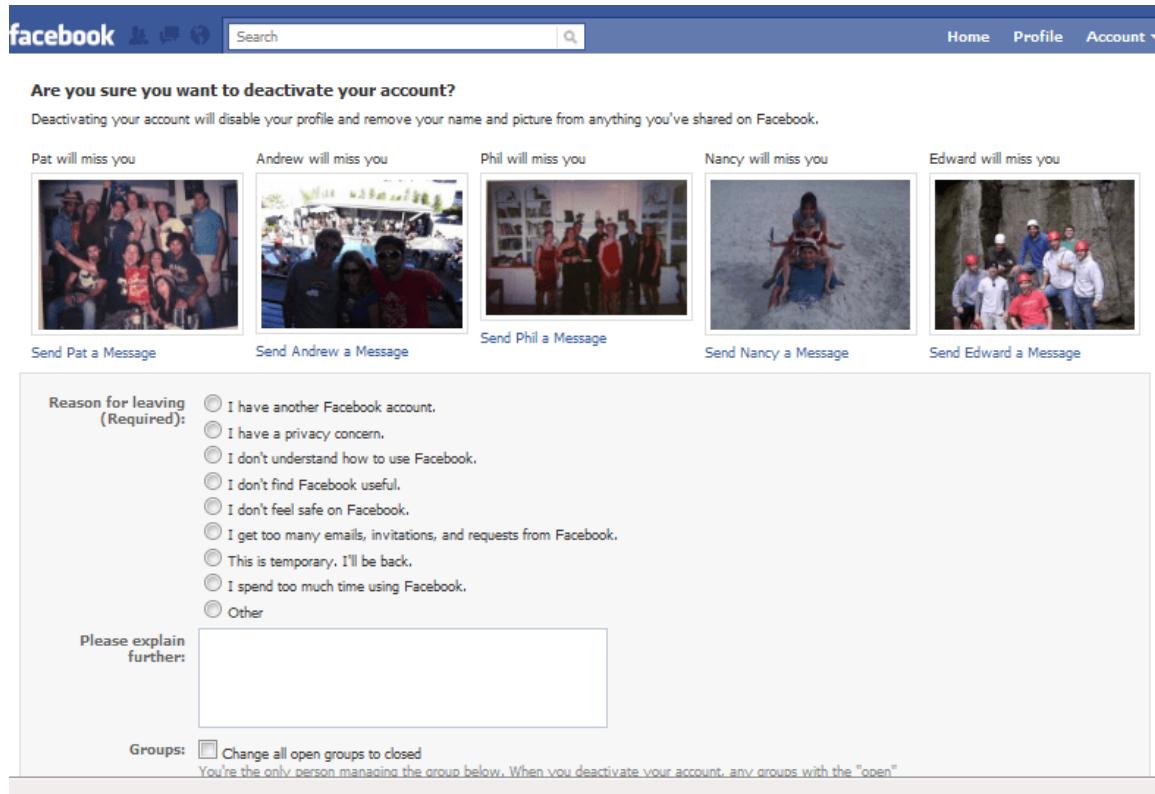
SOURCE: OPTIMIZELY

They tried 24 (4 buttons x 6 media) combinations. After testing with 310,382 visitors, the winning combination was the media where he is with his family and the “Learn More” call-to-action button. This combination had a sign-up rate of 11.6%, where the original page had a sign-up rate of 8.26%. The increase in conversion rate resulted in additional 2,880,000 email addresses on their email list, translating into an additional \$60 million in donations.



SOURCE: OPTIMIZELY

## Facebook reduced account deactivations



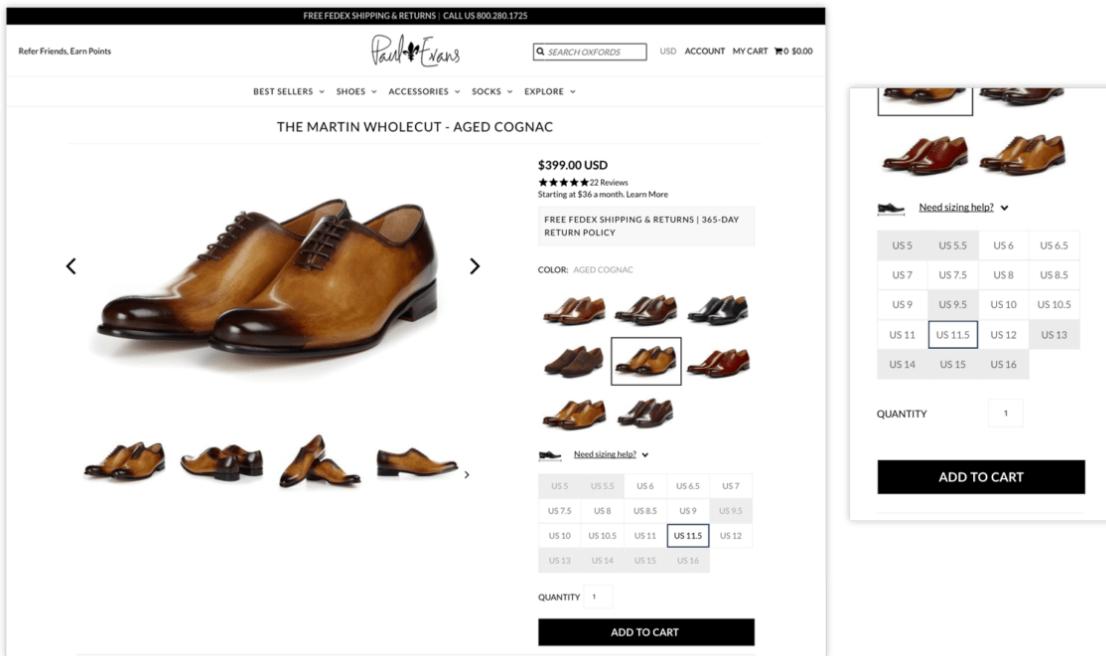
The screenshot shows the Facebook account deactivation page. At the top, there's a header with the Facebook logo, a search bar, and navigation links for Home, Profile, and Account. Below the header, a large heading asks, "Are you sure you want to deactivate your account?". A subtext explains: "Deactivating your account will disable your profile and remove your name and picture from anything you've shared on Facebook." Below this, five small photos of friends are displayed with the caption "will miss you" above each: "Pat will miss you", "Andrew will miss you", "Phil will miss you", "Nancy will miss you", and "Edward will miss you". Each photo has a "Send [Friend's Name] a Message" link below it. A large text input box is labeled "Reason for leaving (Required)". It contains a list of radio buttons for various reasons: "I have another Facebook account.", "I have a privacy concern.", "I don't understand how to use Facebook.", "I don't find Facebook useful.", "I don't feel safe on Facebook.", "I get too many emails, invitations, and requests from Facebook.", "This is temporary, I'll be back.", "I spend too much time using Facebook.", and "Other". Below this is a text input box labeled "Please explain further:". At the bottom, there's a "Groups" section with a checkbox for "Change all open groups to closed" and a note: "You're the only person managing the group below. When you deactivate your account, any groups with the 'open'".

SOURCE: EXPERIMENT!

As a behavior and persuasion technique, in the account deactivation page, Facebook displayed photos of users' friends, added a message "Your friends will miss you." and enabled users to send a message. This technique reduced deactivation rates by 7%, which accounts for a million more users per year.

## Paul Evans NY increased conversion rate by 11%

Paul Evans NY, a direct-to-consumer manufacturer of luxury men's footwear, adds a message displaying how many shoes (size and style) are currently in stock. This leads the company to increase the conversion rate by 11% in 97% statistical significance.



SOURCE: TRINITY

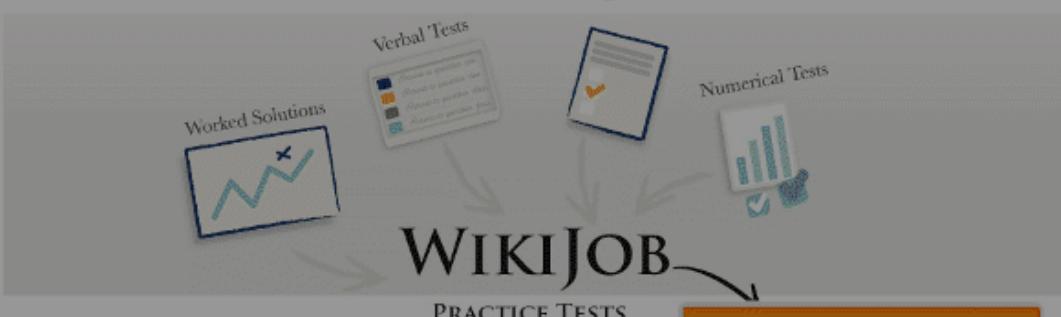
## WikiJob increased sales by 34%

WikiJob, UK's largest financial services graduate careers website, tested social proofs that whether it can help in the sales process or not. Displaying three testimonials from customers increased their sales by 34%.

WIKIJOB

Jobs Forums Reasoning Tests Interview Questions Boot Camps Postgraduate Industries Search

Perform Better at Reasoning Tests with WikiJob



**SIGN UP NOW**

2 weeks access - £13.99

Every day hundreds of people use WikiJob to practise for their numerical and verbal assessment tests.

**10 Numerical Reasoning Practice Tests**  
Help you practice your basic math skills under pressure.

**8 Verbal Reasoning Tests**  
Over 200 questions to help you practice your comprehension skills.

**Fully Worked Solutions**  
All questions come complete with online marking and complete answers to help you learn.

**Why WikiJob?**

WikiJob's tests are written in such a way as to simulate the kind of question you will receive during online assessments. Although these do not contain any questions from the real tests, they are based upon them, and designed to provide practice to help you through.

Each test is automatically marked and you are given your percentile, which shows how you did in relation to everybody else who took the test.

**Testimonials**

"Good training for the work environment in Europe."

"Very useful for practice!"

"Almost a carbon copy of the real aptitude test."

**VERBAL TESTS**

**Verbal Reasoning Practice Test 1**

**View Take**

question 2 of 20

An injection of a high dose of vitamin C may be able to hold back cancer cells, they add. The jab halved the size of brain, ovarian. However, Cancer Research UK said other studies suggested Institutes of Health in Maryland had suggested that the vitamin

**Questions:**  
Vitamin C comes from oranges.

**Choose one:**

True  
 False

**FULLY WORKED SOLUTIONS**

Geothermal energy is an increasingly important source of energy due to dependency on weather conditions, although the thermal source may itself be usually involves risky, mainly volcanic locations. As well as in drilling for oil. Locating geothermal plants away from large populations that geothermal energy relies upon is available for free. Parts of the industry can still achieve such cost efficiency today. The first

Today geothermal power is only economically viable in Iceland

**Response:**

True  
False  
Cannot Say

**Feedback:**  
Cannot Say – in Iceland hot springs are used to heat homes.

SOURCE: VWO

## What does the CRO vendor landscape look like?

The core of conversion rate optimization is making changes on a webpage and comparing the alternate version with the original page using methodical testing practices. Yet, there are two CRO types of tools in the vendor landscape:

- **Pure testing tools:** Marketers formulate experiments and Vendor is focused on testing to discover the best way to increase website, campaign, or landing page conversion rates
- **Insight generation tools:** These vendors combine customer intelligence with conversion optimization. Vendors analyze the audience and then create personalized messages and layout that appeal to that particular audience.
- **Tools that offer both:** Vendors like Tup Solutions leverage cookies, on-screen, weather, news, and demographic data to provide users customized product pages.

## Conversion Rate Optimization Tools

We breakdown tools into four segments which are testing, market research & customer feedback, analytics, and full suite solutions.

### Testing tools

The vendor landscape for testing tools can be examined in three categories:

- **Semi-autonomous testing tools (also called personalization platforms):** Users define the variables (e.g. shopping cart size, color) to be optimized. Using individual preferences, these tools try various combinations of these variables and optimize for conversions. The important difference between these and regular testing tools is that tests do not need to be explicitly defined. Most these tools are also capable of running tests defined by the user.
- **A/B testing and multivariate testing tools** allow users to formulate tests. They then present these tests (i.e. website variations) to the website's audience. These tools help businesses identify which variation converts most. They can also work on specific segments rather than the full population of website visitors.
- **Usability testing tools** enable businesses to evaluate their website by testing it on users. In usability testing, a researcher (called a "facilitator" or a "moderator") asks a participant to perform tasks on the website to check if all functionalities work.

### *Semi-autonomous testing tools*

Tools	Pricing (if available on website)	Is free trial available?	Additional notes
TUP Solutions	\$800-\$8000/month	Yes	Uses users' cookies, on-screen, weather, news, and demographic data to feed a machine learning model which identifies best variation for the user segment, then tests it.
Conductrics	Contact vendor for pricing	No	ML algorithms help identify variations to test, then use A/B and multivariate testing methods to learn which works best for whom.

### ***A/B testing & multivariate testing***

Tools	Pricing (if available on website)	Is free trial available?	Additional Notes
AB Tasty	Price is customized based on your traffic and industry	Yes	Along with A/B testing, AB Tasty also offers UX analytics via heat maps and screen recordings
Adobe Target	Price is customized based on product features and the volume of digital properties	No	Enables A/B and multivariate tests for website & email optimization
ChangeAgain.me	\$14-\$149/month	Yes	Enables A/B testing with full Google Analytics integration
Convert Experiences	\$699-\$1,899/month	Yes	
Effective Experiments	Contact vendor for pricing	Yes	Along with A/B testing, it is also a workflow platform to help CRO teams collaborate
Optimizely	Contact vendor for pricing	No	Enables A/B, multiple page, and multivariate tests across all devices and platforms
SiteSpect	Contact vendor for pricing	Yes	SiteSpect also provides site speed improvements

### ***Usability testing***

Tool Name	Pricing (per month)	Is free trial available?	Additional Notes
Browserling	\$19-\$29	Yes	-can capture, save, and share screenshots of web pages in all browsers.
			-has browser extension
BrowserStack	\$29-\$39	Yes	Tests website in all browsers

Loop11	\$53-\$189	Yes	\$53 version is limited with 3 tests/month and 10 participants /user test
ScreenFly by Blue Tree	Free	-	Enables to test the website at different resolutions
TryMyUI	\$99 -\$2000	Yes	Enables remote testing, concept mapping, wireframe testing, impression testing, demographic curation
UsabilityHub	Freemium or \$199	-	
WebPageTest	Free	-	Runs a free website speed test from multiple locations

## Market research & Customer feedback

This is the oldest conversion rate optimization trick in the book. Even before webpages existed, businesses conducted surveys and captured customer feedback to identify what their customers expected from them and how they could meet customers' expectations to improve conversions.

With the rise of digital communication, a plethora of market research tools became available for brands. Some examples are:

- **on-site polling tools** that mostly display a pop out screen to enable visitors to rate the service
- **survey creation tools** that help with creating surveys by mostly drag & drop interfaces
- **tools that find survey participants for businesses**

Tool Name	Pricing (per month)	Is free trial available?	Notes
Ethnio	\$79-\$349	No	Finds the right participants for your in-person and remote UX research, online exercises and surveys

Google Forms	Free for personal use or \$6-\$18	-	Enables to create surveys
Outgrow	\$25-\$600	Yes	Enables to create interactive content such as quizzes, calculators, polls, forms & surveys
Qualaroo	Pricing is based on number of visitors who were shown at least one survey	Yes	Enables on-page polls
Qualtrics	Contact vendor for pricing	Yes	Create and test surveys in real time and collaborate effortlessly with drag and drop interface
Survey Monkey	\$10-\$25 per user	No	Enables to create surveys
SurveySparrow	\$149-\$449	Yes	Enables to create any type of survey including on-page polls
TypeForm	\$35-\$70	Yes	Created surveys can be integrated with Slack, Zapier, Google Sheets, Airtable, Mailchimp and Google Analytics

## Analytics

Analytics is the analysis of data to uncover actionable insights. However, analytics vendors differentiate based on data that is analyzed. In CRO, these are the analytics tools by the type of data they process:

- **Web analytics** to analyze common website metrics
- **Customer behavior analytics** (also called customer experience analytics or user experience analytics) to segment customers and provide personalized messaging
- **Funnel analytics** to understand areas where people abandon a process on your website such as checking out or creating an account.

- **Form analytics:** These are similar to funnel analytics, but they focus on identifying how forms can be improved. For example, they can help identify common points where users leave forms.

Tool Name	Pricing (per month)	Is free trial available ?	Type of Analytics	Additional Notes
Adobe Analytics	Contact vendor for pricing	No	Web Analytics	
Amplitude	Contact vendor for pricing	Yes	Product Analytics	Free Version is more like web analytics rather product analytics
Clicktale	Contact vendor for pricing	No	Customer Behavior Analytics	Identifies positive and negative experiences, visitor loyalty levels, friction, conversion vs. struggle paths, lead quality, cues signaling fraud indicators
Clicky	Free up to one website	Yes	Web Analytics	Clicky is similar to Google Analytics with additional heat maps feature
	For more: \$9.99-\$19.99			
Decibel Insights	Contact vendor for pricing	No	Customer Behavior Analytics	Uses AI to provide Digital Experience Score for every sessions to identify issues impacting conversion and engagement
Google Analytics 360	\$12,500	Yes	Web Analytics	Free version, Google Analytics, can provide enough insight to guide marketing.
Google PageSpeed Insights	Free	-	Web Analytics	Provides performance metrics of your website and insights on how to speed up your site

Heap	Freemium version or \$1000	Yes	Product Analytics	Automates capturing all user interactions on website rather than manual tracking
InMoment	Contact vendor for pricing	No	Customer Behavior Analytics	
Kissmetrics	\$299-\$499	No	Product Analytics	Enables to track unique events and segment who
				the users are and what each user is doing.
Leadformly	\$37-\$749	Yes	Form Analytics	Provides form templates and performs form analytics & A/B testing to increase conversions
Matomo	€0 if hosted on your servers	Yes	Web Analytics	Alternative to Google Analytics
	€29 if hosted on Matomo server			
Mixpanel	Free until 100K monthly tracked users.	-	Product Analytics	
	For more tracked users: \$17			
Pingdom Website Speed Test	\$10	Yes	Web Analytics	Enables page speed monitoring, user experience monitoring and provides user behavior metrics
Piwik	Contact vendor for pricing	No	Web Analytics	Alternative to Google Analytics

SimilarWeb	\$199	Yes (Only 24h)	Web Analytics	Provides information on clients' and competitors' website traffic volumes, referral sources which include keyword analysis and demographics, and website "stickiness"
WebEngage	Contact vendor for pricing	No	Funnel Analytics	Analyzes actions in funnel, segments users and personalizes communication with users
Woopra	Freemium or \$99	Yes	Funnel Analytics & Product Analytics	*Analyzes people and how they interact with the product
				**Free version is limited to 500K Actions and integrates with less tools
Zuko	£100-£500	Yes	Form Analytics	Free trial involves 1000 visits and there is no time limit.

## Full suite solutions

These solutions cover two or more categories that are listed above. Full suite solutions commonly involve heatmaps, screen recording, and analytics dashboards.

Tool Name	Pricing	Is free trial available?	Features
Chartbeat	Contact vendor for pricing	No	Enables funnel analytics and A/B testing
CrazyEgg	\$24-\$249	Yes	A/B testing
			Heat maps
			Screen recordings
Hotjar	€99-€389	Yes	Provides heatmaps, screen recording, on page polling and instant feedback

HubSpot	\$45-\$3,200	Yes	All-in-one marketing suite
Inspectlet	Free or \$39-\$499	Yes	Enables session recording, A/B testing, heatmaps, form analytics and error logging
Lucky Orange	\$10-\$100	Yes	Enables web analytics, funnel analytics, screen recordings, heatmaps, live chat, form analytics and survey data collection
Mouseflow	Freemium or \$24-\$299	Yes	Enables funnel analytics, screen recordings, heatmaps, form analytics and feedback systems
Optinmonster	\$9 -\$49	No	Provides high-performing templates, personalized messages and A/B testing
SessionCam	Contact vendor for pricing	Yes	Enables session replays, heatmaps, funnel analytics, form analytics, customer behaviour analytics, error and struggle detection
VWO	Pricing depends on the product you choose.  Min Prices for  -VWO TESTING: \$199  -VWO INSIGHTS: \$169  -VWO ENGAGE: \$99	Yes	All-in-one marketing suite

## A/B Testing

A/B testing a testing method that is widely used by marketers for conversion rate optimization. They evaluate two different alternatives of a product, service, landing page, or process by splitting traffic into two equal sizes. The main purpose of A/B testing is to understand the audience better so that you can choose the version that works better. Businesses should build a scalable experimentation culture where A/B testing is at the core to achieve this goal.

### Why is A/B testing important for businesses?

Though A/B testing is mostly associated with websites and apps, the method is almost 100 years old and it is widely used by businesses. Studies claim 75% of the internet retailing top 500 use A/B testing platforms. With A/B testing businesses can:

- understand pain points in the conversion funnel
- achieve higher ROI from existing traffic
- improve user experience

### What if you have more than 2 hypotheses?

Businesses most of the time want to compare multiple combinations (e.g. price points, colors etc.) and A/B/C/D/... testing approach starts to be difficult to implement, especially for low traffic websites. For such cases, approaches like multi-armed bandit can be preferred

### What are the methods of A/B testing?

Some A/B testing methods are:

- **Split Testing** is the most basic one. You test two different versions of the website and compare their conversion rates.
- **Multivariate testing** is like split testing yet, you split your audience into more than 2 pieces.
- **Multi-armed bandit test** is a smarter way of multivariate testing. It is designed to minimize the potential revenue loss you will experience during the testing process. First, you allocate an equal amount of traffic to each version, and as you get results, you start allocating less traffic to variations that are underperforming. There are also AI-powered tools that collect data and make allocation decisions dynamically.

## What are A/B testing automation areas?

Almost all aspects of A/B testing can be automated and there are vendors within our conversion optimization vendor list that provide such AI enabled automation. The steps of the process are:

- **Identifying hypotheses:** Based on external factors and user metrics, machine learning models can generate hypotheses
- **Creating tests:** Machine learning models are able to create more attractive versions of text copy or buttons thanks to their database of best performing benchmarks
- **Running tests:** Almost all users automate this functionality using A/B testing tools that aim to create similar audiences for the different tests.
- **Evaluating results:** This is also an analytical exercise and better completed by machines
- **Rolling out the new version:** Human oversight may be necessary before rolling out the winning test to the full website. Sometimes anomalies that are not communicated clearly to machines, like the COVID-19 pandemic, may dramatically change user behavior and human oversight may be necessary to stop machines from making the wrong conclusions.

## What are A/B testing use cases?

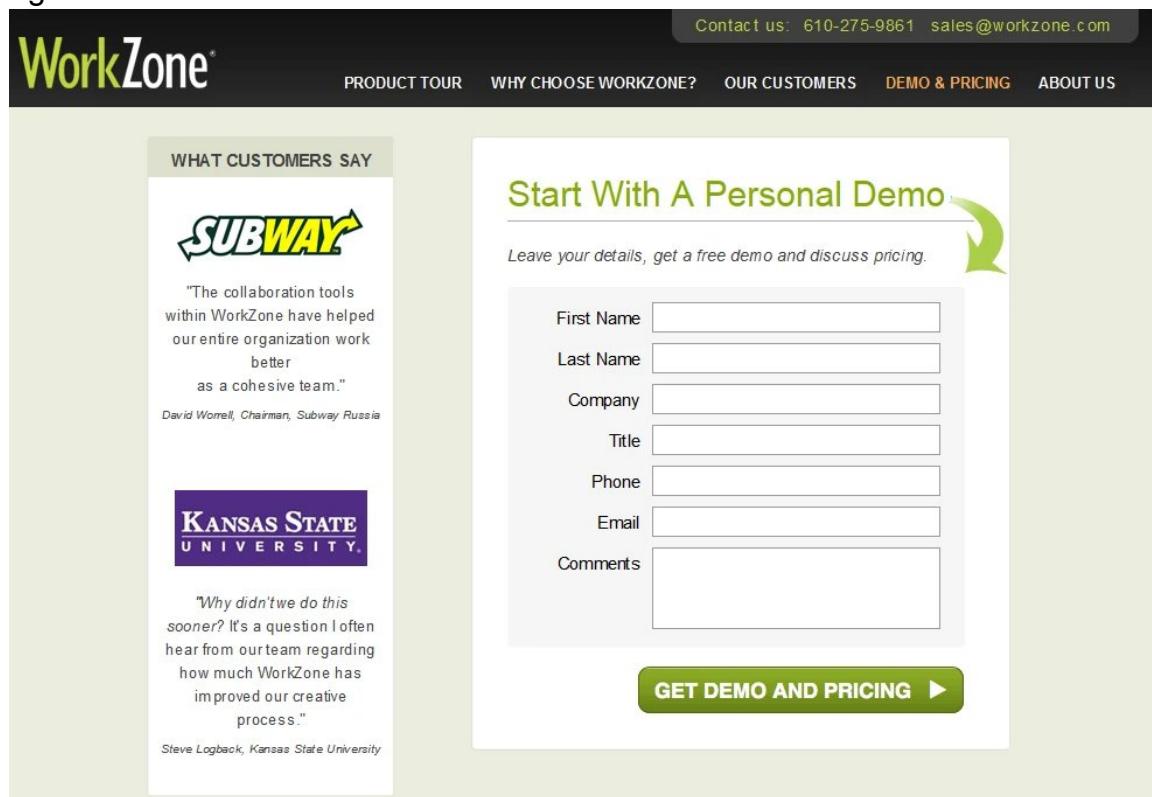
Common application areas of A/B testing are website, application, chatbot and email marketing testing. There are a variety of parameters you can test in these applications. Some examples are

- Titles
- Content including its tone and format
- Design and layout
- Navigation buttons
- CTAs
- Pricing – Feel free to read our research on dynamic pricing for more
- Social proofs

## What are A/B testing examples?

### Workzone

Workzone, a US-based project management software company, has tested changing the colors of a “what customers say” section. Their hypothesis was that customer testimonial logos were overshadowing the form. They made customer logos black and white. After 22 days of the data collection process, the change resulted in a 34% increase in form submissions and marked a 99% statistical significance.



The screenshot shows two versions of a landing page section. On the left, under 'WHAT CUSTOMERS SAY', there are two testimonial cards. The first card features the Subway logo and a testimonial from David Worrell, Chairman of Subway Russia. The second card features the Kansas State University logo and a testimonial from Steve Logback, Kansas State University. On the right, a 'Start With A Personal Demo' form is displayed, containing fields for First Name, Last Name, Company, Title, Phone, Email, and Comments, along with a 'GET DEMO AND PRICING' button. A green curved arrow icon points from the demo form back towards the customer testimonial section.

SOURCE: VWO

## What are the challenges of A/B testing?

### Small sample size

Testing a website with low traffic provides inconsistent results that cannot be trusted. You should have enough visitors to have at least 95% confidence rate statistically. Multivariate testing requires more data than split testing to provide 95% confidence rate, therefore it is almost impossible to perform multivariate tests in websites with low traffic.

### **Biased sample data**

Biased sampling influences data-driven decision making badly. In biased samples, data is inconsistent because it is collected in such a way that some members of the intended population have a lower or higher sampling probability than others.

### **Creating designs that are producing statistically significant results**

Every idea you test will not produce significant results yet, it will take your time and resources. Some trivial changes may boost metrics for a short time but these changes may be due to sampling biases.

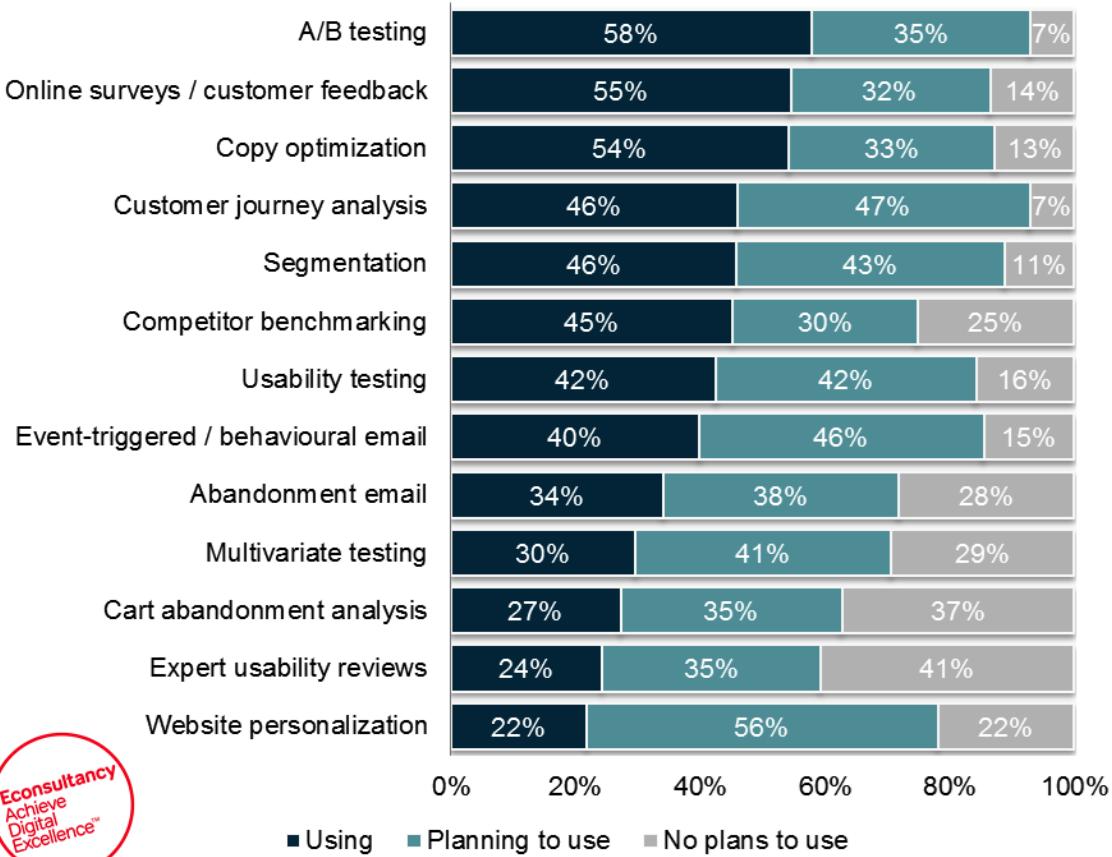
Formulating a hypothesis before A/B tests is commonly skipped, leading to ineffective tests. Business should drive their experimentation via hypotheses and focus on user experience rather than colors or fonts.

# Stats and Facts about conversion rate optimization

Conversion Rate Optimization (CRO) has been in CMOs' agenda since the first days of the internet, yet, increasing competition and mandatory shift to digital commerce due to COVID-19 pandemic made conversion rate optimization crucial for organizations.

## Business Adoption

- About half of businesses don't pay significant attention to CRO
- A majority of companies (53%) spend less than 5% of their total marketing budgets on optimization activities (Econsultancy\*\*)
- About half of landing pages don't get tested to improve conversions. (Marketing Experiments)
- 44% of clicks for B2B companies are directed to the business' homepage, not a special landing page (MarketingSherpa's Landing Page Handbook)
- B2B companies that are using landing pages, 62% have six or fewer total landing pages. (MarketingSherpa's Landing Page Handbook)
- A/B testing is the most popular tool for CRO. When marketers were asked which approaches they used for CRO, 58% claimed to use A/B testing and 35% plan to use A/B testing for conversion rate optimization. (Invesp)



SOURCE: ECONSULTANCY

## Challenges

- According to a 2020 State of Conversion Optimization Report, which highlights CRO experts' challenges after COVID-19 pandemic, the need for better processes and buy-in from decision-makers are two biggest challenges with CRO as in previous years. However, decreasing traffic due to COVID-19 has hurt some websites (eg. travel agencies).
- According to marketers, website personalization is the hardest CRO method. 79% of marketers think that website personalization is either very difficult or somehow difficult. (Econsultancy)

## CRO tactics that work

- Companies experience a 55% increase in leads when increasing their number of landing pages from 10 to 15. (Hubspot)
- Videos on a landing page can increase conversions by up to 86%. (Eye View Digital)
- User-generated content (UGC) can increase conversion rates by as much as 200% (Yotpo)
- 96% of B2B marketers agree that segmentation is the most valuable method for improving conversion rates (SessionCam)
- Landing pages with multiple offers get 266% fewer leads than single offer pages. (Wishpond)
- Companies with mobile-optimized sites triple their chances of increasing mobile conversion rate to 5% or above. (Adobe)
- Personalized CTAs convert 202% better than default versions. (HubSpot\*)
- Faster websites convert more. 1 second delay in website load time means a 7% reduction in conversions. (Liveseysolar)

## Customer surveys on factors that impact conversion

- Less is more. 87% of consumers say that a 'complicated' checkout process will make them abandon their shopping cart. (Facebook)
- Trusted websites convert better. 17% of users have abandoned a checkout flow during the last 3 months because they "didn't trust the site with their credit card information and respondents also state that any symbol indicating security on the checkout page can increase user trust. (Baymard Institute)

## CRO benchmarks

- Conversion rate of online shoppers worldwide by device are (Statista)
  - Desktop: 3.9%
  - Tablet: 3.5%
  - Mobile: 1.8%
- Average conversion rates for a (Wishpond\*)
  - B2B landing page: 13%
  - B2C landing page: 10%
- Referrals have the highest average conversion rate among all acquisition channels. (Marketo)
- 3 to 4 Buyer Personas usually account for 90+% of a company's sales. (Mark Schaefer)
- Average completion rate of multi page forms is 14%, while that of single page forms is 4.5% when comparing forms of similar length and complexity. Multi page forms can provide larger fonts and progress bars, making it easier to fill them. (Formstack)

## Conclusion

For a digital business with a low conversion rate, conversion rate improvement can be the fastest and most impactful business impact lever. And conversion rate optimization is not always straightforward. People often make irrational decisions due to unconscious biases. Conversion rate optimization enables digital marketers to smartly test different website layouts, messaging and other aspects. These tests help identify and validate both obvious or counter-intuitive insights about conversion and improve website user experience.

If you are convinced about the value that CRO will add to your business, the most important next steps are to identify areas where CRO can add the most value and to find the right vendor for your business. Feel free to reach out to us at [info@aimultiple.com](mailto:info@aimultiple.com) if you need help in these steps.

## Additional resources

- [30 Conversion Rate Optimization Statistics & Facts \[2021\]](#)
- [A/B Testing in 2021: Why it matters, Methods & Challenges](#)

For more information, please contact [info@aimultiple.com](mailto:info@aimultiple.com)

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