



An Introduction to Intelligent Website Optimization

Intellimize

Intellimize.com

MEASURABLE VALUE FOR MARKETERS:



“We achieved over

40% lift

in digital transactions
with Intellimize”

Bryan Law, VP Marketing Operations, Tableau



“Intellimize helped
us achieve

100% lift

on adding items to bag with subscription”

Aurelian Lis, CEO, Dermalogica



“We drove

322% more

leads to sales”

Kate Adams, Vice President of Marketing, Drift

HOW “ONE SIZE FITS ALL” SACRIFICES REVENUE

Every day, every month, every quarter, marketers are tasked with a conundrum: create web sites and messages that resonate with target audiences. It's not a rare request. In fact, it's a fundamental principle of marketing. Why is it a conundrum? Because you're being asked to make one size fit all of your visitors. Think about your site. Who are the different segments of visitors? What are their different needs and motivations when visiting your site?

Existing customers might want to know about special services and get quick access to their information, while prospective customers might look for product overviews and incentives to sign up right away. And what about your competitors' customers? You might want to show them the benefits of switching. Even the greatest marketing minds would struggle to build a single messaging strategy that performs well with all of these groups, and their results would be, understandably, less than stellar.

Trying to find the single “one size fits all” best page to show all of your site's visitors leaves money on the table and wastes time and effort.

Let’s explore an example to illustrate this. Say you are responsible for optimizing the conversion rate of a website and the current messaging that performs best (which we’ll call the baseline) converts 3% of the time. You decide you want to see if different messages can perform better so you create two new test variations. You have three different, equally sized audiences visiting your site: existing customers, prospective customers and competitors’ customers.

If you could only show a single variation to every site visitor, you would select variation one because it delivers the best overall conversion rate across all customers (3%). However, if you could personalize the experience for each group and show each group the variation that performs best for them, you would show the “baseline” variation to existing customers (3%), variation one to prospective customers (4%) and variation two to competitors’ customers (5%). This personalized approach would result in a 4% conversion rate from *the same ideas and the same group of visitors* — a 33% improvement in performance.

CONVERSION RATES FOR 3 DIFFERENT VARIATIONS TO 3 AUDIENCE GROUPS (WITH EQUAL TRAFFIC)

		Variations		
		Baseline	1	2
USER GROUPS	A: Existing Customers	3%	2%	1%
	B: Prospective Customers	2%	4%	1%
	C: Competitors’ Customers	1%	3%	5%
AVERAGE CONVERSION RATE		2.0%	3.0%	2.3%

Pick one to show to all:
3% conversion rate overall

Personalize to each group:
4% conversion rate overall

33% LIFT
Due to personalization

Intelligent optimization correctly applied always outperforms (or, in rare cases, equals) “one size fits all” approaches.

INTELLIGENT WEBSITE OPTIMIZATION

A Simple, Fast and Effective Approach to Increasing Web Conversions

Because every visitor to your site responds differently to your pitch, intelligent optimization virtually always outperforms “one size fits all” approaches like A/B testing. The more targeted your message to each person, the better your site will perform.

Instead of the three groups we considered previously, imagine an example with 300 segments of visitors to your site. Now imagine 3 million segments. How would you approach messaging those groups differently? No marketer can practically deal with so many segments manually, but intelligent website optimization makes this possible.

How it Works

Intelligent website optimization systems use machine learning to automatically choose and deliver the experiences most likely to drive each site visitor to convert. These systems do this by learning which of your optimization ideas work best for various segments of your audience. Typically these systems consider audience characteristics like demographics, location, time of day, and first and third party data. Then they automatically deliver the best performing idea for each visitor based on these learnings.

Intelligent website optimization systems start allocating traffic to your higher performing ideas in minutes and hours, long before an A/B testing system would help you make a decision. Over time, you can see which of your ideas are the best performers and which resonate with different segments of your audience. This approach allows you to deliver results and find actionable insights faster than A/B testing.

Defining Rules with Intelligent Website Optimization

Sometimes, static rules are necessary for a campaign. For example, an athletic apparel company might want users in specific geographic regions to see offers specific to their region. The company could create a rule to show visitors the t-shirts of their local baseball team (e.g. New York would see the Yankees shirts, Atlanta the Braves and San Francisco the Giants). Rules nicely complement intelligent website optimization, setting boundaries on when messages can be shown. Intelligent website optimization then automatically optimizes within those boundaries.

SUMMARY OF KEY DIFFERENCES BETWEEN A/B TESTING AND INTELLIGENT WEBSITE OPTIMIZATION

	Intelligent Website Optimization	A/B Testing
TIME TO RESULTS	<p>Faster. Usually minutes and hours.</p> <p>Begins reallocating traffic based on performance in near real time to drive better conversion rates.</p>	<p>Slower. Usually weeks or months.</p> <p>Duration varies based on performance and other factors, but requires time and many impressions to deliver a statistically significant result.</p>
CONCURRENCY	<p>Test many concepts at the same time.</p>	<p>Test one concept at a time per A/B test.</p>
SEQUENCING	<p>Add new ideas to test anytime. No need to wait for previous ideas to complete their tests.</p>	<p>New ideas cannot be added to active tests.</p>
PERSONALIZATION	<p>Deliver the best messages to each visitor.</p>	<p>Deliver “one size fits all” message to all visitors.</p>
RESULTS	<p>Intelligent optimization almost always delivers better results than “one size fits all.”</p>	<p>“One size fits all” almost always delivers worse results than Intelligent optimization.</p>
ADAPTABILITY	<p>High.</p> <p>The experiences shown on the page continuously adjust to changes in visitor behavior.</p>	<p>None.</p> <p>The experience shown on the page does not change.</p>
EFFORT REQUIRED	<p>Lower.</p> <p>Experiment maintenance is automated. No need to monitor every experiment. Better performing ideas automatically receive more traffic.</p>	<p>Higher.</p> <p>Each test takes effort to set up and requires ongoing monitoring and maintenance to ensure a winner is called when statistical significance is reached.</p>

WHY INTELLIGENT WEBSITE OPTIMIZATION OUTPERFORMS A/B TESTING



Faster Results

Intelligent website optimization begins optimizing immediately instead of waiting for statistical significance. Unlike A/B testing, you'll see results in days instead of weeks or months. This approach also allows you to test more experiences and variations at the same time so you can see results across more ideas sooner.



Better Results

Intelligent website optimization outperforms “one size fits all” approaches by serving the best performing ideas to each user. As audience behavior changes over time, intelligent optimization adjusts accordingly to deliver the best performing experience, unlike A/B testing which picks a winner once and does not adjust again.



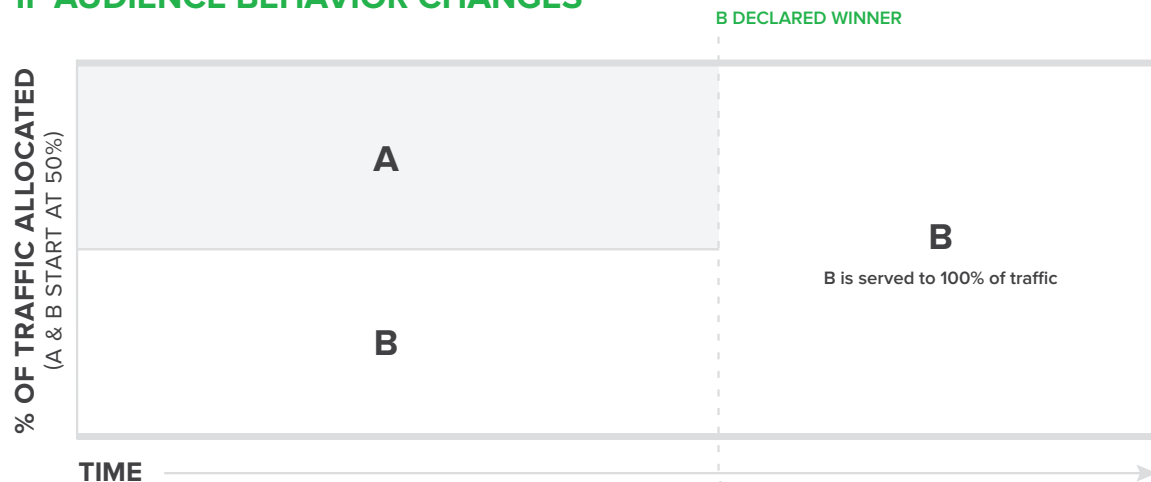
Less Work

Intelligent website optimization systems automate experiment management, finding winners and allocating traffic accordingly. Unlike A/B testing, intelligent optimization systems don't require you to set up and manage complex rules for personalization.

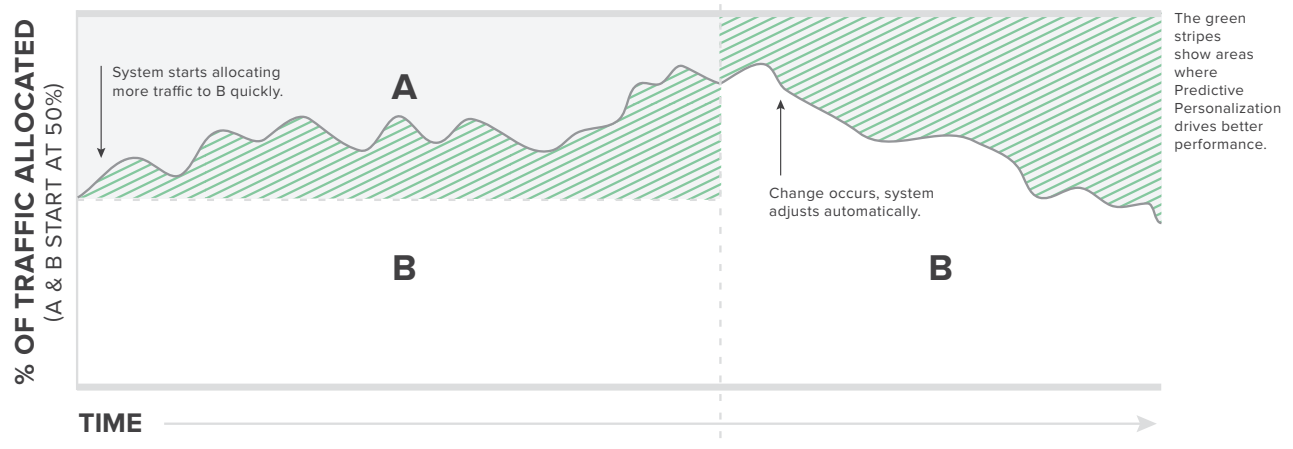
HOW INTELLIGENT WEBSITE OPTIMIZATION WORKS

The charts below illustrate each system in action. Intelligent website optimization begins to shift traffic quickly to better performing ideas and adjusts this allocation automatically as user behavior changes. A/B testing delivers equal traffic to your current page and a “challenger” test page. Once a statistically significant result is identified, a winner is declared and that winner is served to everyone (and does not change).

A/B TESTING SERVES ONE PAGE TO ALL AND DOESN'T ADJUST IF AUDIENCE BEHAVIOR CHANGES



INTELLIGENT WEBSITE OPTIMIZATION BEGINS OPTIMIZING QUICKLY AND ADJUSTS AUTOMATICALLY TO CHANGES IN AUDIENCE BEHAVIOR



INTELLIGENT WEBSITE OPTIMIZATION IN PRACTICE

At Intellimize, we've been fortunate to work with thought-leading companies across verticals, sizes, and traffic levels. This experience has provided us with a rich dataset of various approaches and their results. While one company's performance is never a guarantee of performance for any other company, we can provide a sense of what is possible using predictive personalization. Over the last two years, our average customer achieved 46% uplift in conversion metrics with 88% of campaigns resulting in lift. They annually tested 177 different ideas with 78 million possible web page versions. Achieving an equivalent amount via A/B testing would take more than 25 years for the average customer.

AVERAGE INTELLIMIZE CUSTOMER PER YEAR

46%

uplift in conversion metrics

88%

of campaigns resulted in lift

177 ideas
tried

78 million
possible page
combinations

25 years of
equivalent
A/B testing

SUMMING IT UP

Intelligent website optimization allows marketers to focus their efforts on creating and testing many great ideas to address their customers' needs without the restrictions of A/B testing.

KEY TAKEAWAYS

- 1** When correctly applied, intelligent optimization always outperforms (or, in rare cases, equals) “one size fits all” approaches like A/B testing.
- 2** Intelligent website optimization automates the process of showing the best experience to each user on your site, delivering faster and better results than A/B testing with less work.

ABOUT INTELLIMIZE

Intellimize intelligently optimizes each buyer's path to drive more revenue, more customers, and more leads to sales from websites. Our unique solution enables experimentation and personalization at an unparalleled scale. On average, our customers achieve 46 percent lift. Leading companies rely on Intellimize to deliver more revenue, faster, and with less work than traditional A/B testing or rules based personalization.

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