

Backcountry Tests in July to Optimize Holiday Shipping Strategy

Online retailer measures success of free 2-day shipping around holidays

Challenge: Backcountry uses A/B testing to measure the value of major feature releases and discover user behaviors — particularly around big e-commerce moments, like holidays.

To firm up their shipping strategy before the busy Christmas season, Backcountry's product team decided to test a series of shipping deals during other high-traffic holidays. Shipping deals often help entice customers to make a final purchase, however, they ultimately cost the retailer a great deal more than standard shipping options. Product Manager Nick Schlegel said he and his team hoped these initial tests would give them strong data points and cost/benefit analysis to inform a more successful, ROI-positive Christmas shipping strategy.

Hypothesis: Backcountry's product team hypothesized that offering free, two-day shipping during its annual Fourth of July sale would increase revenue per visitor on their site. To measure the effect this offer had on conversion rate and revenue per visitor, the team set up an A/B test.

The Test: Shipping costs come into play on two pages in Backcountry's checkout funnel. Using Optimizely's multi-page test feature, the product team made adjustments that reflected the shipping offer across both pages simultaneously. They then used custom Javascript to change the cost of the 2-day shipping tier on the backend. This ensured that pricing remained consistent as each visitor traveled through the checkout pages and made their final purchase.

At a Glance:

Customer:



Website: www.backcountry.com

About: Backcountry.com is a e-commerce retailer that sells outdoor gear, clothing, and accessories.

Goals: Optimize shipping strategy before holiday season traffic rush

Test: Measuring the effect a free 2-day shipping offer has on RPV and conversion rate

“ We try to dial in things like navigation, pricing, shipping options, and promos before the holiday season and then use Optimizely to launch season specific tests, like ‘Order in the next X hours for guaranteed delivery by Christmas.’”

Nick Schlegel

Product Manager, Backcountry

ORIGINAL SHOPPING CART

CHOOSE A SHIPPING OPTION
Your order qualifies for **FREE** shipping!

<input checked="" type="radio"/> Economy (3-10 days)	FREE!
<input type="radio"/> Standard (3-5 days)	\$12.95
<input type="radio"/> Two Business Days Order in the next 4 hours and 20 minutes and get your gear by Wednesday, Jul. 24 Details	\$19.95
<input type="radio"/> Next Business Day Order in the next 2 hours and 20 minutes and get your gear by Tuesday, Jul. 23 Details	\$29.95

VARIATION SHOPPING CART

CHOOSE A SHIPPING OPTION
Your order qualifies for **Free 2-Day Shipping!**

<input type="radio"/> Economy (3-10 days)	FREE!
<input type="radio"/> Standard (3-5 days)	\$12.95
<input checked="" type="radio"/> Two Business Days Order in the next 4 hours and 30 minutes and get your gear by Wednesday, Jul. 24 Details	FREE!
<input type="radio"/> Next Business Day	\$29.95

ORIGINAL NAVIGATION

Talk to Gearheads
[Live Chat](#) or 1-800-409-4502

Free Shipping
On orders over \$50*

MEN WOMEN KIDS HIKE & CAMP SHOES BIKE C

VARIATION NAVIGATION

Free 2-Day Shipping on orders over \$50*

Talk to Gearheads
[Live Chat](#) or 1-800-409-4502

Free 2-Day Shipping
On orders over \$50*

SEARCH MEN WOMEN HIKE & CAMP CLIMB BIKE SKI SHOES

Backcountry advertised the shipping offer across a number of external channels and wanted to ensure that shoppers who had seen the offer were directed to the corresponding variation. The product team used targeting to accomplish this. They set up custom substring matches to target site visitors based on their referral source — for example, email campaigns, social media, or paid advertising that mentioned the free shipping option. This ensured that visitors who had already been exposed to the free shipping promotion were bucketed into the correct variation.

They set up two goals to track. Clicks on the “Purchase” button measured whether a customer made it to through the final step of the checkout process. Revenue per visitor (RPV), a custom goal, measured actual revenue generated from each variation.

Results: The team will also run a test around shipping options during their Labor Day sale, and use data from both experiments to inform a shipping strategy that will maximize revenue from Black Friday, Cyber Monday, and the weeks leading up to Christmas.

Takeaway:

- *Plan for high-traffic moments early.* Testing early helps e-commerce sites put the best possible user experience in place to drive more revenue when traffic spikes hit. Backcountry uses other high-traffic holidays to build out its Christmas shipping strategy in advance.
- *Invest resources now.* Invest technical resources into tests well in advance of the holiday traffic spike to execute seamless testing strategy when it's make or break time. The earlier you can iron out any questions that take time and effort to fix, the better. From iterating on one aspect of the site, Backcountry's team has a strong foundation in place to capitalize on the exponential revenue gains the holiday shopping season brings.

About Optimizely:

Optimizely is a world-class website optimization platform that enables users with and without technical expertise to make dynamic changes to their websites, test the variations to live traffic, gather immediate results and start achieving goals.

Optimizely helps more than 7,000 clients drive more leads, sales and conversions through simple website testing and optimization.

Optimizely By the Numbers

(As of May 2014)

7 Billion

web experiences delivered

500,000+

experiments run since launch

7,000+

customers

Happy Customers:



SONY



theguardian

GILT