New Pricing

DATES: Sep 02, 2023 - Sep 16, 2023

OWNER: Josh Hanson

DECISION: Show total fees on product page
Executive Summary

Hypothesis
If we show total fees on product page instead of just at checkout, we will increase 1-day purchase conversion by 5%.

Key Takeaways
The New Pricing experiment yielded significant results, revealing an impressive 11.69% increase in the primary metric of 1-day purchase conversion. This outcome strongly supports the hypothesis that displaying total fees on the product page influences users positively, leading to quicker purchasing decisions. The enhanced transparency seemingly reduced friction in the buying process, encouraging users to commit to their purchases promptly. This key finding underscores the critical role of transparent pricing information in driving conversions, highlighting the potential for improved user experience and increased revenue for the business.

Decision
ROLLED OUT VARIANT: B Show total fees on product page

Links
- Figma Mocks
- #product-page-experiments
- Product Requirements Doc
- Jira Issue: EP-1234
### Experiment Variations

**B**

**Show total fees on product page**

**treatment_1**

Users see total fees on the product page as well as at checkout.

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**A**

**Control**

**control**

Users see total fees only at checkout.
Primary and Guardrail Metrics

We observed purchase conversion increased along with add-to-cart → checkout conversion. We did not see any decrease in purchase conversion in our key selling regions.

<table>
<thead>
<tr>
<th>Metrics</th>
<th>A</th>
<th>B</th>
<th>Lift</th>
<th>-30%</th>
<th>-15%</th>
<th>0%</th>
<th>15%</th>
<th>30%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase Conversion within 1 Day</td>
<td>0.18</td>
<td>0.21</td>
<td>11.69%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Add-to-Cart → Checkout Conversion</td>
<td>0.92</td>
<td>0.94</td>
<td>1.75%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase Conversion (United States)</td>
<td>0.032</td>
<td>0.036</td>
<td>12.71%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase Conversion (Asia)</td>
<td>0.060</td>
<td>0.067</td>
<td>11.68%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase Conversion (Europe)</td>
<td>0.061</td>
<td>0.069</td>
<td>13.27%</td>
<td></td>
<td></td>
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</tbody>
</table>
Metric Deep-dive

Purchase conversion within 1 Day by Session Referrer

We observe a significant increase in purchase conversion amongst paid traffic. Transparency with this segment, which has a heavy intent to purchase, makes the most impact.

Purchase conversion within 1 Day by Session Referrer

<table>
<thead>
<tr>
<th>Percent Lift</th>
<th>Social</th>
<th>Paid Ad</th>
<th>Organic</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>10%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>0%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>-10%</td>
<td></td>
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</tr>
</tbody>
</table>

PERCENT LIFT + CONFIDENCE INTERVAL

- **B** Show total fees on product page

Purchase conversion within 1 Day by User Type

Returning users also had a statistically significant increase while new users did not have a significant effect. Because returning users have greater intent than new users, this also aligns with the takeaway above.

Purchase Conversion within 1 Day by User Type

<table>
<thead>
<tr>
<th>Percent Lift</th>
<th>NA</th>
<th>Returning</th>
<th>New</th>
</tr>
</thead>
<tbody>
<tr>
<td>10%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>0%</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>-10%</td>
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PERCENT LIFT + CONFIDENCE INTERVAL

- **B** Show total fees on product page
Next Steps

The substantial increase in the primary metric not only validates the effectiveness of the new pricing display but also emphasizes the importance of user-centric design decisions in shaping online purchasing behavior. These insights can be leveraged to optimize the user interface, emphasizing transparency and enhancing the overall user experience, thus further driving conversions and revenue.