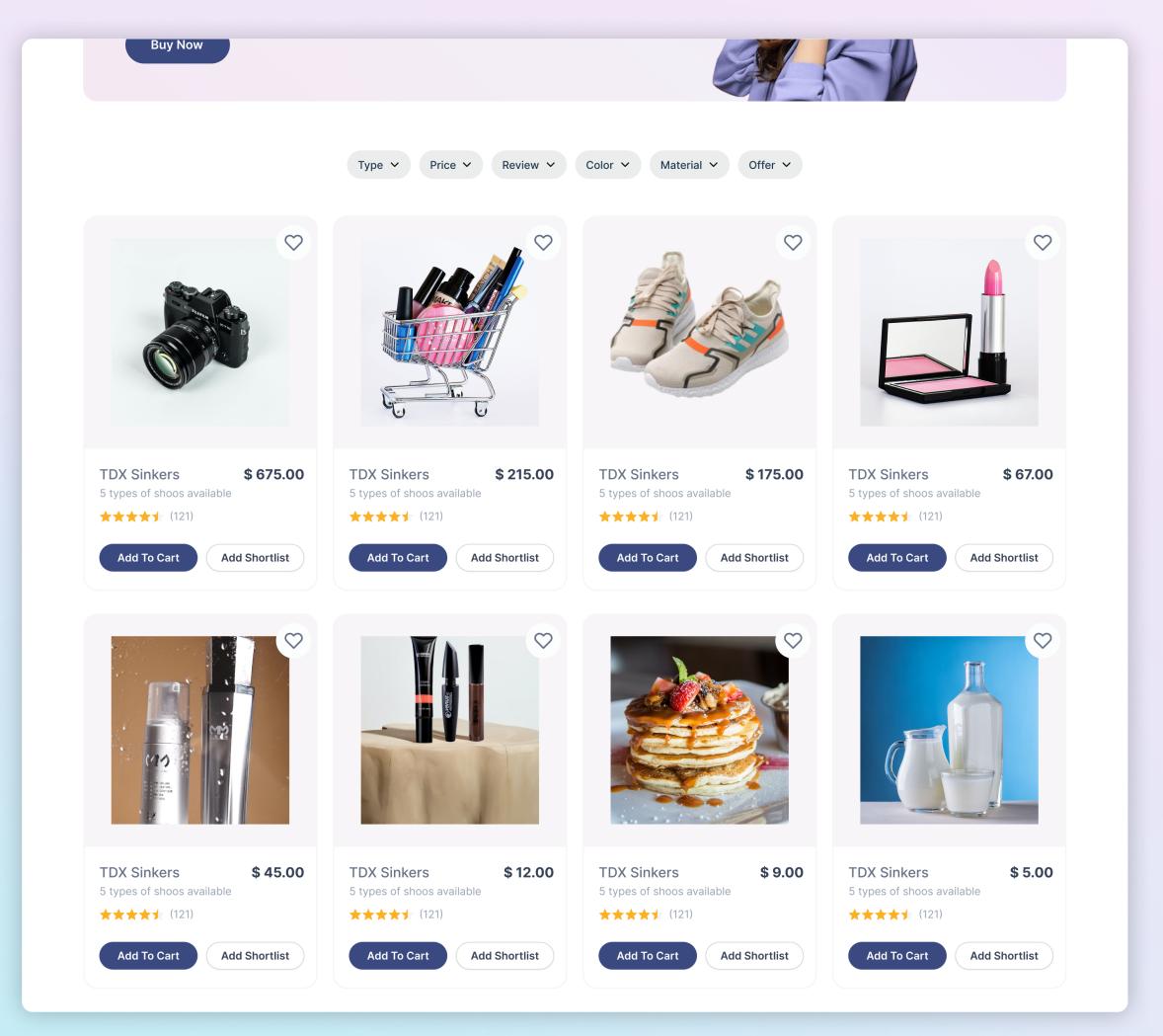
# New Search Algorithm

**DATES** Sep 24, 2023 - Sep 28, 2023

OWNER Josh Hanson

**DECISION** B Price conscious algo



B Price conscious algo

# **Executive Summary**

#### **Hypothesis**

By adding price to the search algorithm, we will increase average purchase value per order by 5% while not negatively impacting purchase conversion in key markets.

#### **Key Takeaways**

We observed a statistical significant increase in our primary metric of average purchase value per order of 7.71% ± 1%. This greatly exceeded our hypothesis. We also see statistically significant increase in our conversion metrics across all core metrics. As such, we recommend rolling out the variant immediately.

#### Decision

ROLLED OUT VARIANT: (B)



Price conscious algo

#### Links



Figma Mocks



search-experiments



Product Requirements Doc



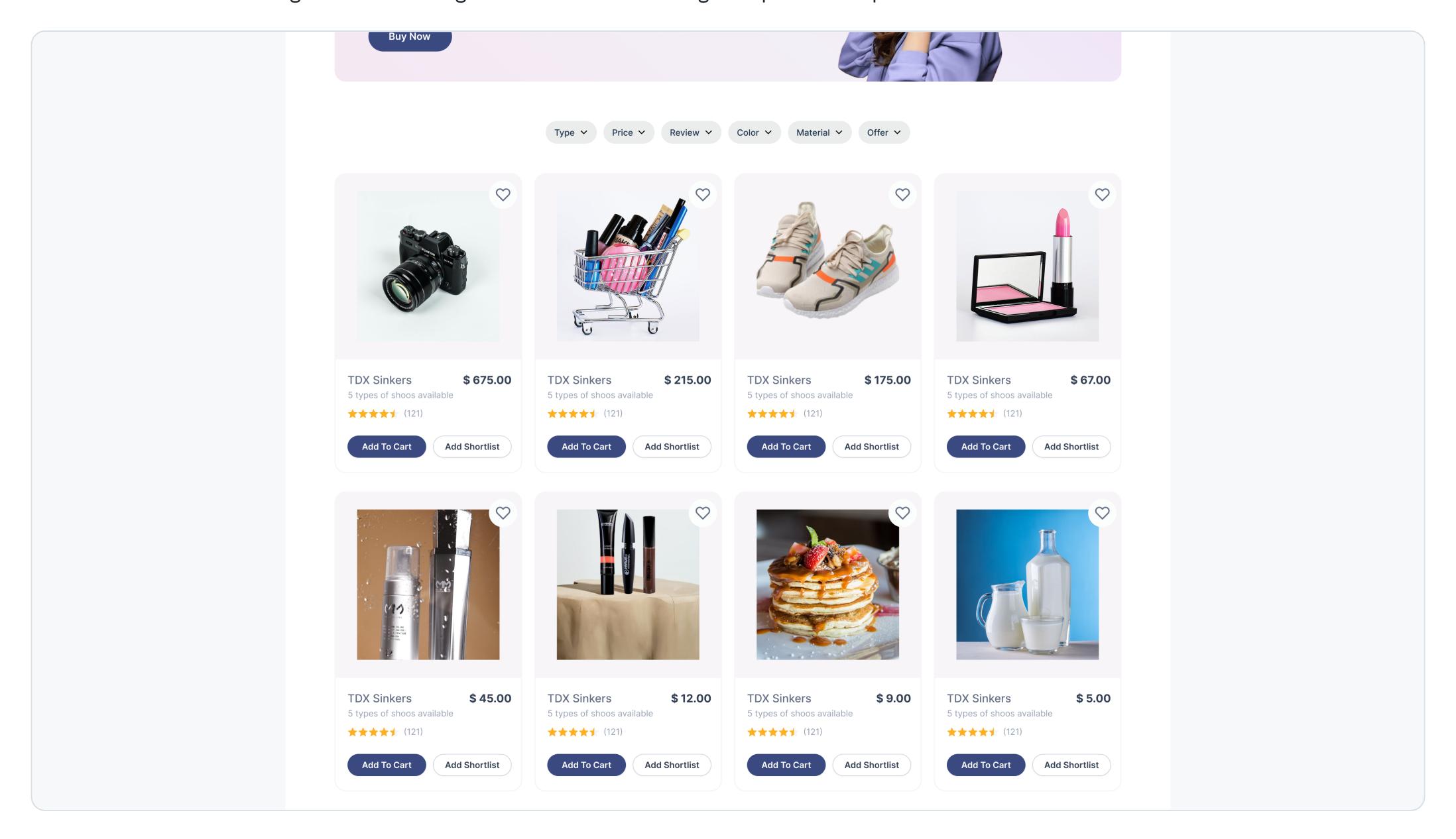
Jira Issue: EP-12333

# **Experiment Variations**

### B Price conscious algo

treatment\_1

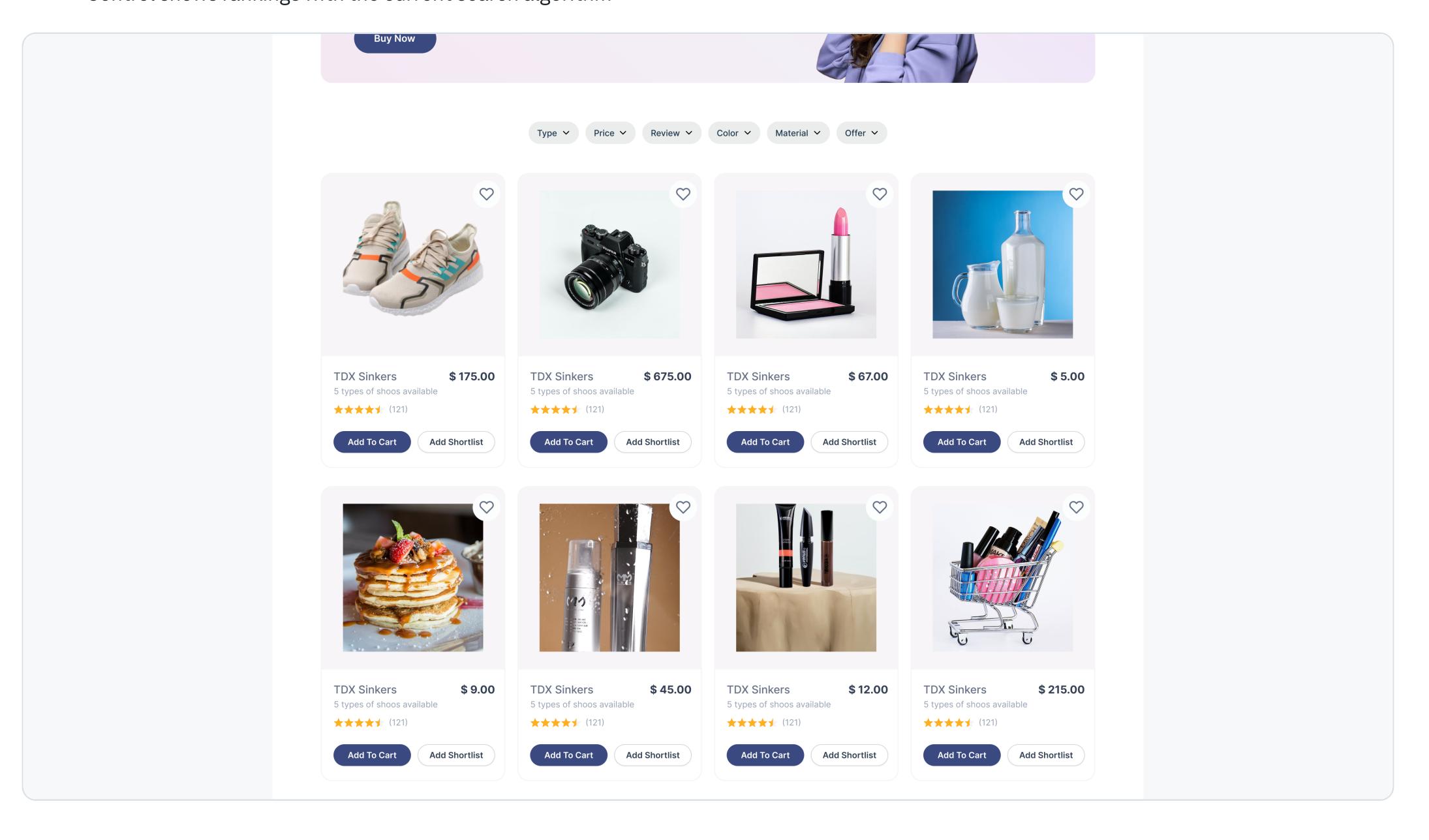
Variant shows rankings with the new algorithm with a heavier weight on price of the product



# (A) Control

control

Control shows rankings with the current search algorithm



#### **Primary and Guardrail Metrics**

Our primary metric of average purchase value per order increased 7.71%  $\pm$  1%. Our guardrails of purchase conversion in key markets (US, Asia, Europe) were not negatively impacted.

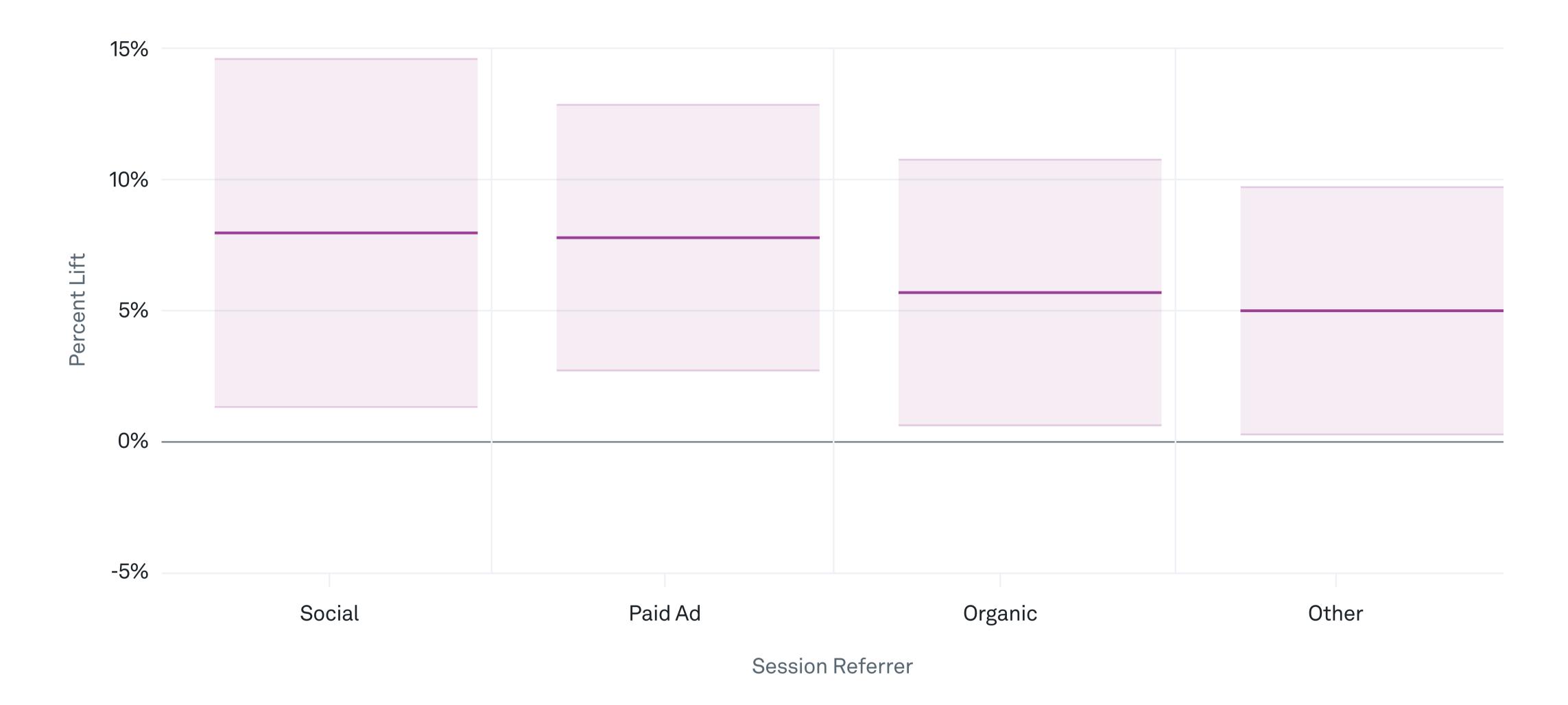
#### B) Price conscious algo CUPED B Control **Metrics** Lift 20% -20% -10% 0% 10% Average Purchase Value per Order 7.71% 15.01 16.17 Primary 0.93 0.95 2.34% Add-to-Cart -> Checkout Conversion 0.035 0.039 Purchase Conversion (United States) 0.078 0.070 Purchase Conversion (Asia) 0.068 0.078 14.69% Purchase Conversion (Europe)

### **Metric Deep-dive**

Splitting average purchase by user type and session referrer shows increases across the board. We don't risk any drops across different user segments by rolling out this variant.

#### Average Purchase Value per Order by Session Referrer

B Price conscious algo vs. A Control

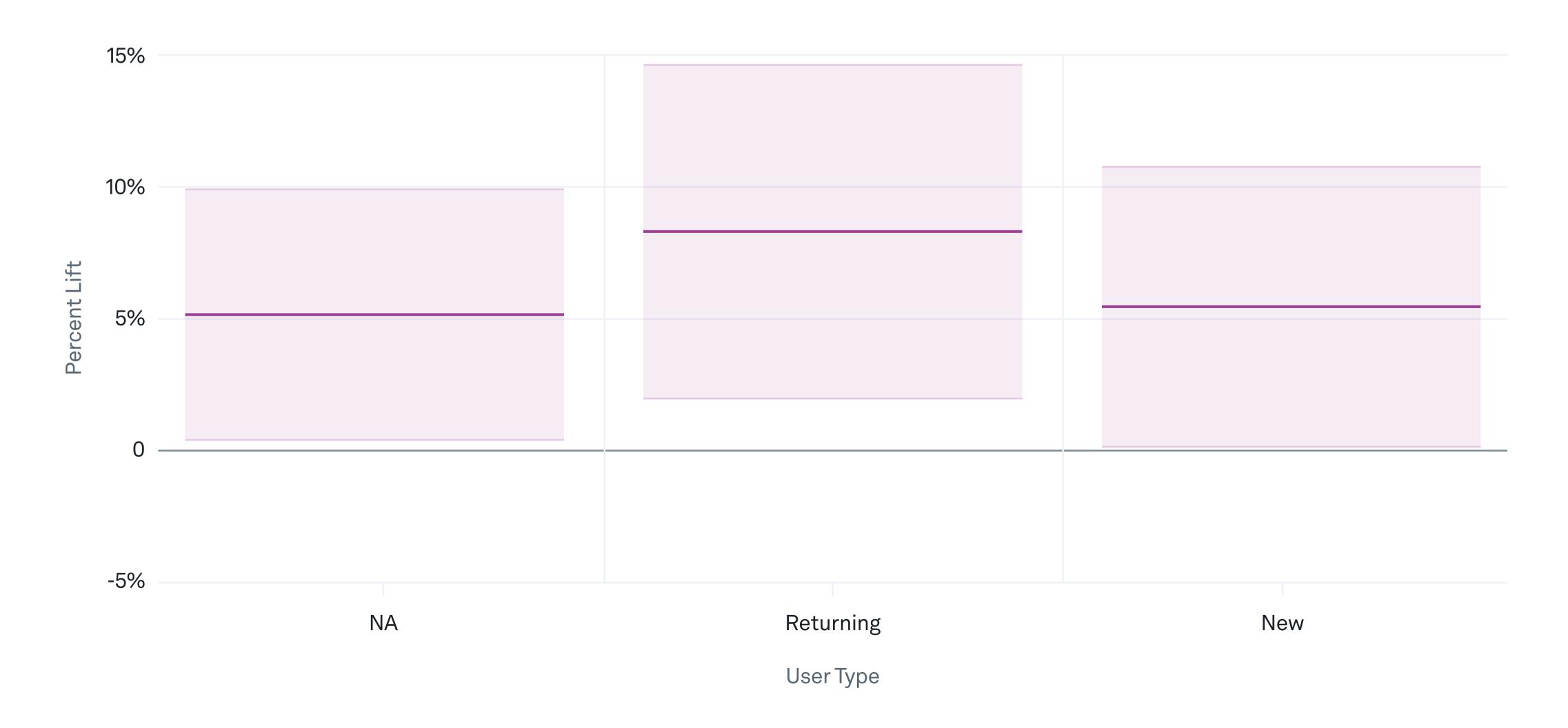


#### PERCENT LIFT + CONFIDENCE INTERVAL

B Price conscious algo

#### Average Purchase Value per Order by User Type

B Price conscious algo vs. A Control



PERCENT LIFT + CONFIDENCE INTERVAL

B Price conscious algo

# **Next Steps**

We recommend exploring further changes to the new algorithm. In particular, trying an even heavier weight on price to see if we can boost average purchase value per order even further.



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