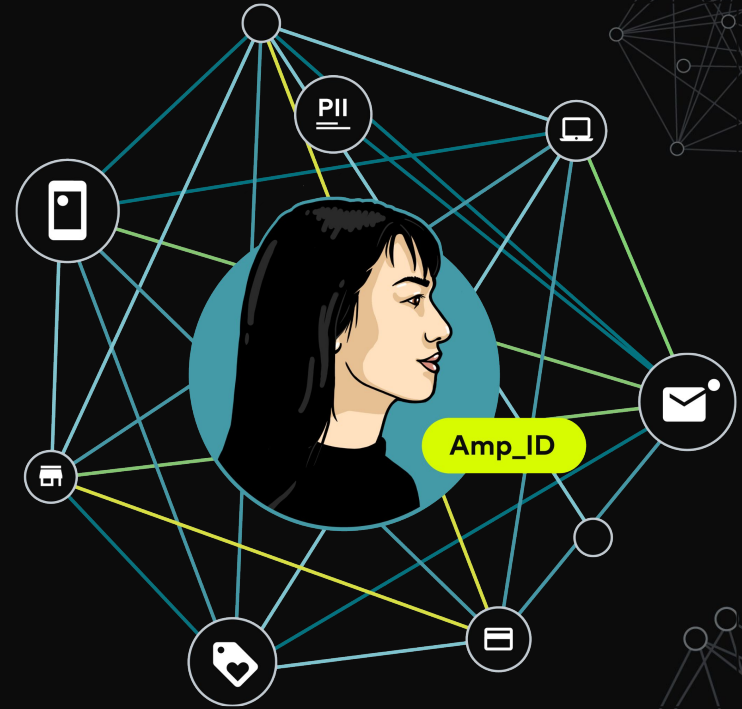


Testing and Measurement Best Practices

1. Amperity's Approach
2. Incrementality
3. Testing Structures
4. Reporting Recommendations
5. Campaign Data

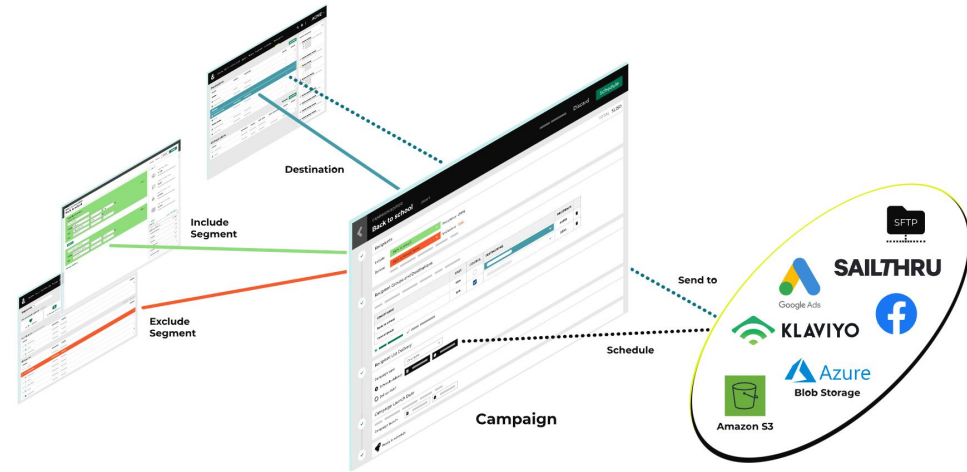
Amperity's Approach

- Highly accurate and stable stitched view of the customer
- Omni-channel view of unified transactions
- Digital attribution agnostic
- Conversion-centric metrics
- Incrementality led analysis
- Strong test+learn philosophy



High Level “How it works”

- Customers are pulled into a Campaign using defined Segments.
- At the time of delivery, the list of customer data is sent to the selected Destination.
- The marketer picks up the list in the downstream system, attaches it to the relevant content, and serves those customers a piece of marketing.
- Amperity identifies customers in the Campaign who make a conversion in the selected time frame based on Unified Transactions data.
- Conversions and transaction-related results are surfaced for each campaign as a supplement to marketing platform reporting.



Amperity Facilitates

- Executing A/B and controlled testing structures
- Randomly assigning customers to test/control groups
- Seamless delivery to key marketing and advertising channels
- Tracking omnichannel conversions for customers in both groups
- Calculating incremental impact by comparing test/control group behaviors



Incrementality

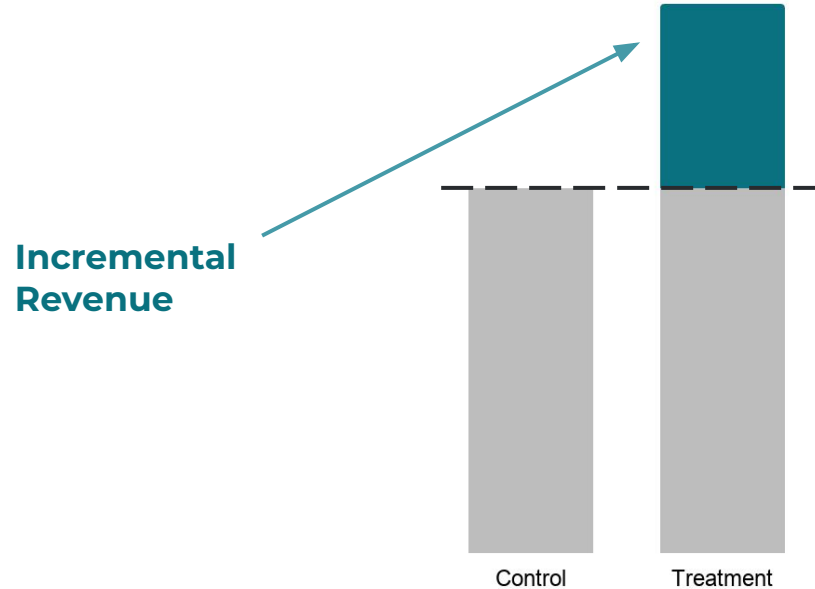
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Why Incrementality?

CRM marketing is about identifying and influencing customer behaviors.

Measurement is critical to seeing the failures and successes of those attempts.

Incremental results are the clearest indicator that some effort has impacted a baseline behavior.



Key Components to Testing Incrementally

Split the target audience into:

- Control group who receives
 - Nothing (hold out)
OR
 - Generic content
- Test group(s) who receive(s)
 - Messaging
OR
 - Relevant content

The screenshot shows the 'EDIT CAMPAIGN' interface for 'Jeans Email' in a 'DRAFT' state. It is divided into two main sections: 'Audience' and 'Sub-audiences and Destinations'.

Audience Section:

- Include:** * Jeans Affinity (Recipients: 2,190,724)
Description: > Anyone from Customer 360 whose Productaffinity 1 is jeans or from Customer 360 whose Productaffinity 2 is jeans or from Customer 360
- Exclude:** Marketing Opt-Out (Exclude) (Exclusions: -18,566)
Description: > Anyone from Customer 360 whose Email Opt In is false and from Customer 360 whose SMS Opt In is false.

Sub-audiences and Destinations Section:

All Recipients

GROUP NAME	CONTROL	SPLIT	RECIPIENTS	DESTINATIONS	Edit attributes
Control Group	<input checked="" type="checkbox"/>	50 %	1,086,079	Select one or more destinations...	
Test Group	<input type="checkbox"/>	50 %	1,086,079	Marketing Cloud – Salesforce	
Add Recipient Group		✓ 100 %	2,172,158		

Testing Structures

—

Observational Segmentation Tests

Methodology

What we want to learn or achieve

Question: Who from a customer segment drives the revenue?

Method: Use **mutually exclusive sub-audiences** to see where conversions and revenue are higher.

KPIs

How we determine success

Share of revenue: which group generated the most revenue?

Conversion rate: which group converted at a higher rate?

AOV: is the AOV significantly higher for one group or another?

Test Design

Set up in Amperity

Active Email
File

Sub-Audience: has purchased shoes

Sub-Audience: has not purchased shoes

OR

Active Email
File

Sub-Audience: 50% Offer A - Free Shipping

Sub-Audience: 50% Offer B - \$10 Off \$50

Simple Incremental Testing

Methodology

What we want to learn or achieve

Understand the impact of a **net new** piece of marketing, using a **hold out** group to act as a baseline for behavior.

Determine if a form of **personalization** is impactful, using **generic content** for the control group to determine if new content successfully moved the needle.

KPIs

How we determine success

Conversion rate: are more people converting because of this marketing?

Incremental revenue: how much additional revenue is this marketing driving?

AOV: is there a lift in AOV from this marketing?

Test Design

Set up in Amperity

Inactive Customers

20% Control Group - Hold Out

40% Test Group - Come Back! Message

40% Test Group - We Miss You! Message

OR

Jean Shoppers

50% Control Group - Generic Email

50% Test Group - Jeans Hero Image

Incrementality + Sub-Audiences

Methodology

What we want to learn or achieve

Test into **multiple personalizations** or track **multiple target segments** under the umbrella of a **single campaign**, using sub-audiences AND test/control structure.

This provides specific audience behavior feedback on marketing efforts as well as a high-level roll up of performance.

KPIs

How we determine success

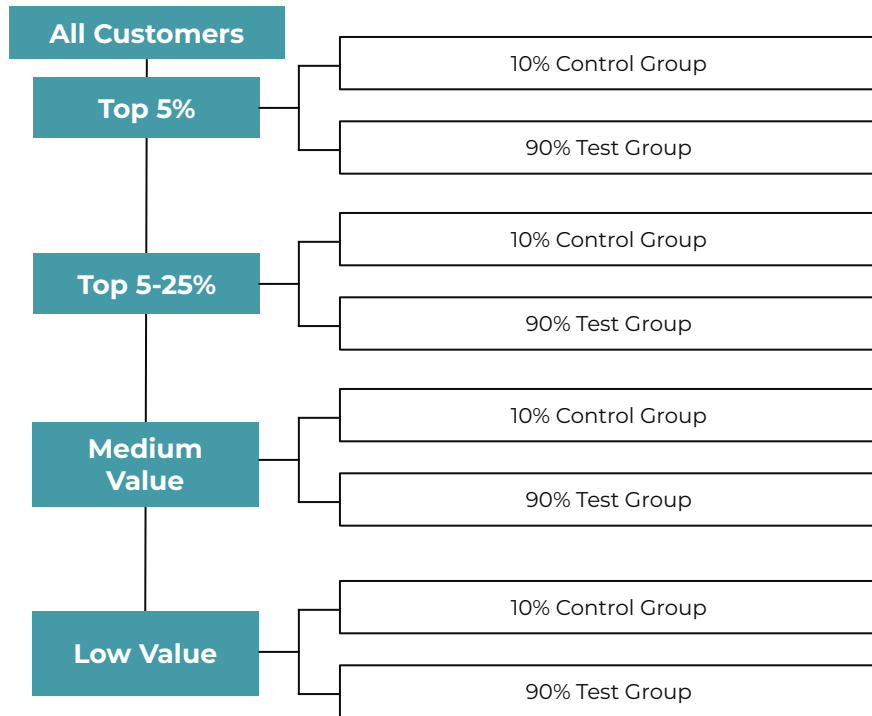
Conversion rate: are more people converting?

Incremental revenue: additional revenue?

AOV: is there a lift in AOV from this marketing?

Sub-Audience Comparison: which segments within the campaign performed best?

Test Design



Affinity/Interest Testing

Methodology

What we want to learn or achieve

Test if **personalization** of content drives incrementality while keeping circulation size constant using an incremental test with sub-audiences.

KPIs

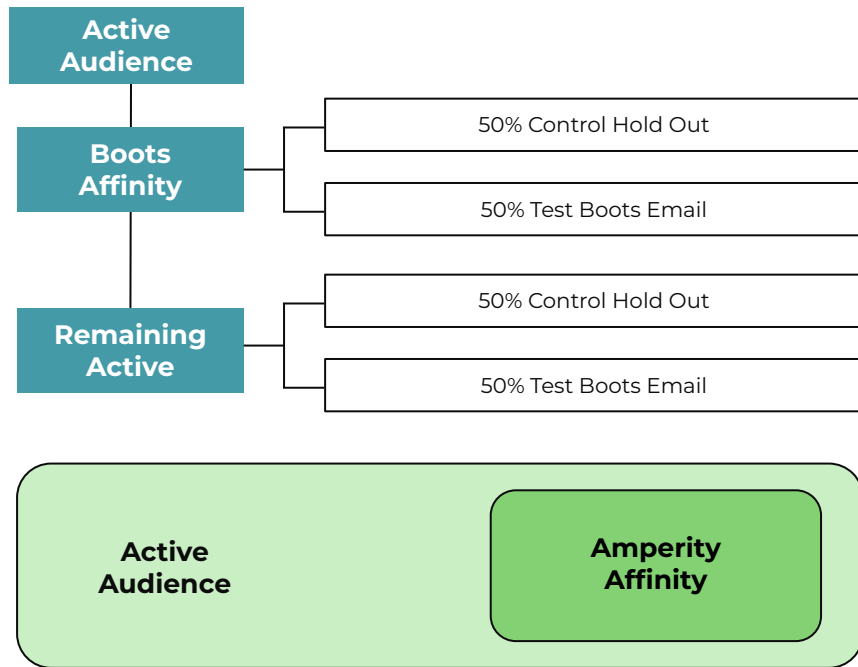
How we determine success

Incremental conversion rate: are more people converting because of this marketing?

Incremental revenue: how much additional revenue is this marketing driving?

Sub-Audience Comparison: does the affinity/interest segment perform better than the rest of the audience?

Test Design



Recipient Sizing Principles

For control groups we recommend:

- A minimum control hold out percentage of 10% or
- A minimum control group size of 25K customers (100K for larger brands) or
- For very small audiences or novel campaigns, use a 50/50 holdout for the first test

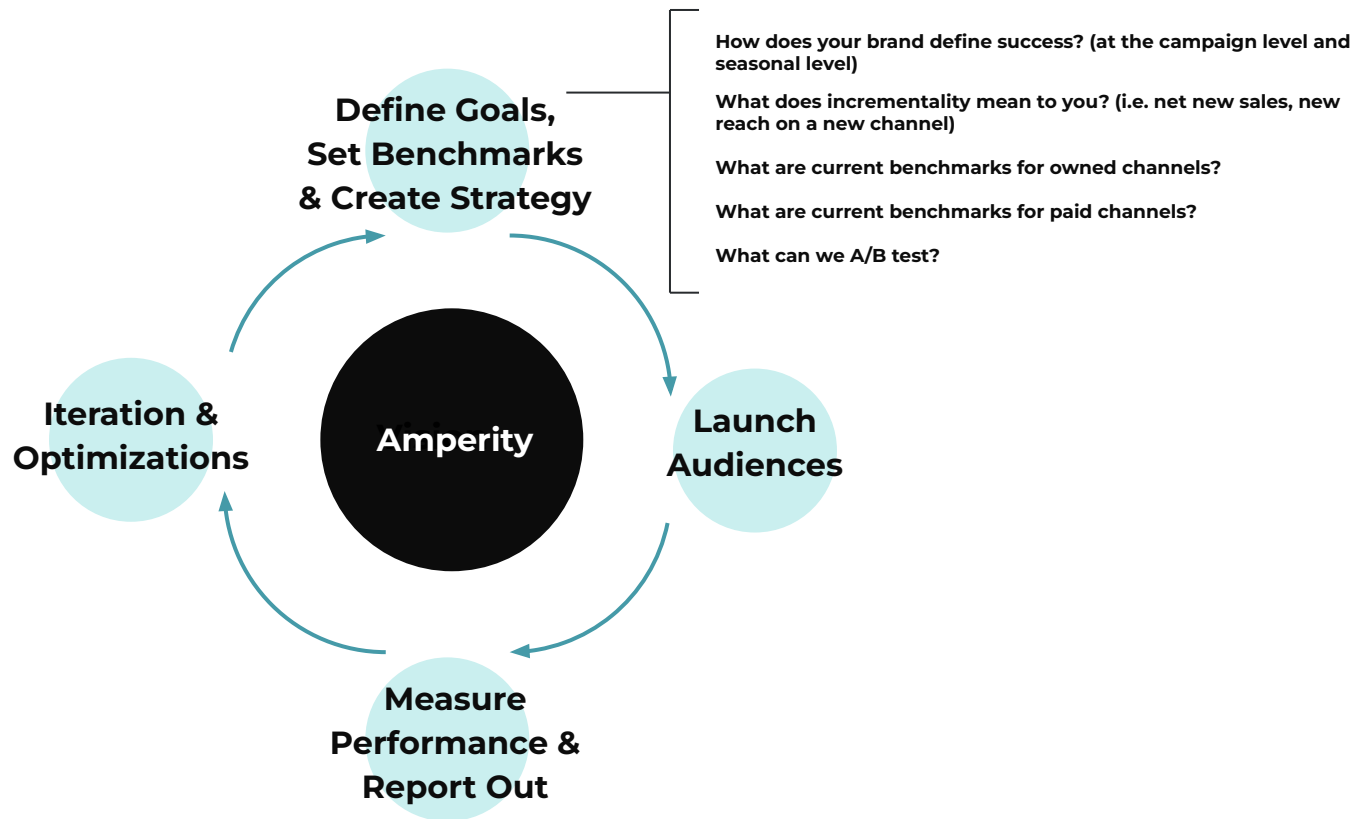
For test groups we recommend:

- 1-2 test groups for every control
- Max 3-4 sub-audiences for initial testing

Sub-audiences and Destinations ?			
All Recipients			
GROUP NAME	CONTROL	SPLIT	RECIPIENTS
⊖ Control Group	<input checked="" type="checkbox"/>	10 %	129,828
⊖ Recipients	<input type="checkbox"/>	90 %	1,168,455
+ Add Recipient Group		✓ 100 %	1,298,283

Measurement & Reporting

Measurement Feedback Loop



Channel Level KPIs for Measuring Success

AMPERITY KPIs

Combines transactional data for online and in-store purchases across defined measurement window.

- Revenue
- Revenue/Recipient
- Conversion Rate
- AOV
- Orders per purchaser
- Incremental Revenue
- Incremental Conversion Rate

PAID CHANNEL KPIs

AUDIENCE QUALITY

- Match Rates
- Scalability

DIRECT ATTRIBUTION: Did the customer click on the link and/or make a purchase from the link?

- Cost Per Acquisition (CPA)
- Cost Acquisition Cost (CAC)
- Cost Per Click (CPC)
- Cost Per Thousand (CPM)
- Click-Through Rate
- Conversion Rate
- Revenue
- ROAS

OWNED CHANNEL KPIs

ENGAGEMENT METRICS: How a customer is interacting with a message.

- Open Rate
- Click Rate
- Click-to-Open Rate
- Unsubscribe Rate

DIRECT ATTRIBUTION: Did a customer make a purchase?

- Conversion Rate
- Revenue

Execution & Measurement by Campaign Type

ACQUISITION

Why?

Increase number of new customers.

How do we do that using Amperity?

Build Amperity audiences to use as seed lists for LALs in paid channels.

Measurement:

In Paid Channels: CPA, CAC

In Owned Channels: Conversion rate such as 'Refer a Friend' program

In Amperity: Long-term, we can look at overall new customer performance, but won't be connected to specific campaigns.

CULTIVATION

Why?

Drive existing customers to engage with the brand or make one more purchase.

How do we do that using Amperity?

Build active audiences in Amperity to target with seasonally relevant content and offers.

Measurement:

In Paid Channels: CPC, CPM

In Owned Channels: Open Rate, Click Rate, Conversion Rate, \$Rev, Unsub Rate

In Amperity: We can measure overall revenue in-store and online, incremental revenue and conversion rate over a control for the full audience. If audience is filtered down in owned channels, we can upload final audiences into Amperity for manual measurement.

RETENTION

Why?

Drive existing customers to make one more purchase.

How do we do that using Amperity?

Build lapsing or lost audiences to target to come back and purchase again.

Measurement:

In Paid Channels: CPC, CPM

In Owned Channels: Open Rate, Click Rate, Conversion Rate, \$Rev, Unsub Rate

In Amperity: We can measure overall revenue in-store and online, incremental revenue and conversion rate over a control for the full audience. If audience is filtered down in owned channels, we can upload final audiences into Amperity for manual measurement.

Amperity's Tableau Dashboard can measure improved retention rate over time.

Example: Campaign Testing Brief

Hypothesis

What we want to learn or achieve

Amperity's affinity predictions can be used for improved product targeting

KPIs

How we determine success

Conversion ▲

Rev/Rec ▲

*Engagement ▲

Strategy

How to execute test

Run a/b tests to determine effectiveness of the predictive segmentation and ideal frequency of sends

Dependencies

What is needed to execute

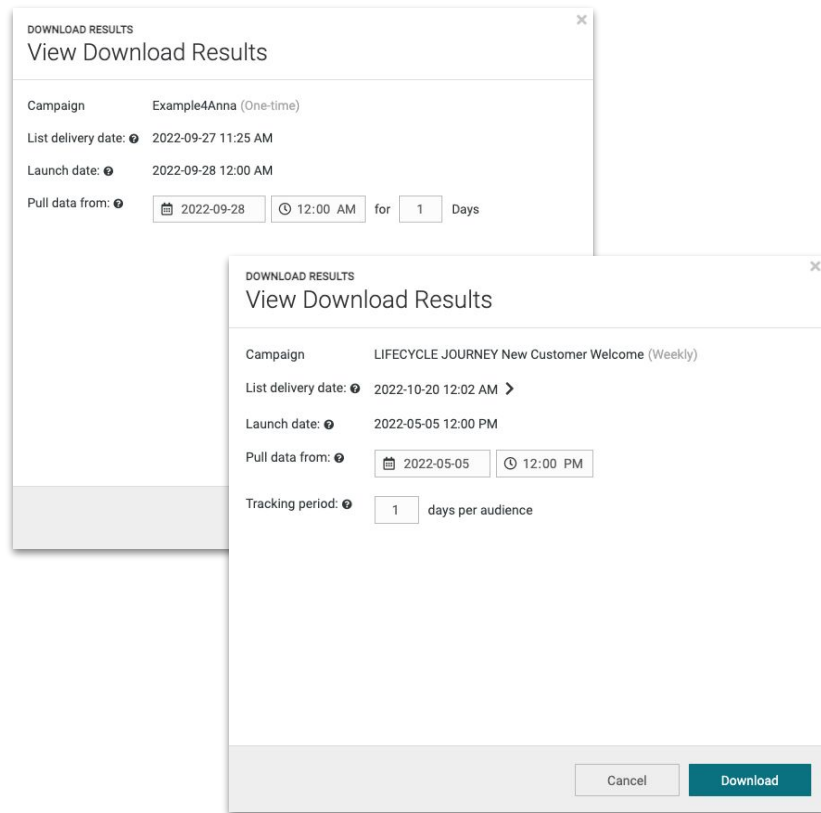
Align on when to test

Map affinity attributes to email themes

Campaign Data

Results Downloads

- A spreadsheet download for each delivered campaign is available with configurable timing.
- It will contain plenty of metrics, both incremental and non for use in additional manipulation or simply formatting as needed



Results Download Fields & Sample

Campaign Name
 Treatment Name
 Treatment ID
 Sub-audience Name
 Is Control
 Delivery Date
 Measurement Start Date
 Measurement End Date
 Recipient Count
 Total Revenue
 Revenue Per Recipient
 Standard Deviation Revenue
 Purchaser Count
 Conversion Rate
 Total Orders
 Orders Per Purchaser
 Average Order Value
 Total Items
 Average Unit Revenue
 Items Per Order
 Incremental Revenue (Over Control)
 Incremental Revenue Per Recipient (Over Control)
 Incremental Conversion Rate (Over Control)
 Revenue Per Recipient Lift (Over Control)
 Conversion Rate Lift (Over Control)

Campaign Name	Treatment Name	Treatment ID	Sub-audience Name	Is Control	Delivery Date	Measurement Start Date	Measurement End Date	Recipient Count	Total Revenue	Revenue Per Recipient	Standard Deviation Revenue	Purchaser Count	Conversion Rate
Campaign 1	Recipients 1	ct-zEvbjPs9	No Sub Audiences	FALSE	7/2/23	7/2/23	7/3/23	4708	4530.05	0.962202634	15.02654671	24	0.005097706
Campaign 1	Control Group 1	ct-2RAIY1442	No Sub Audiences	TRUE	7/2/23	7/2/23	7/3/23	524	154.87	0.295553435	6.765527363	1	0.001908397
Campaign 1	Recipients 1	ct-zEvbjPs9	No Sub Audiences	FALSE	7/3/23	7/3/23	7/4/23	3420	5844.71	1.708979532	18.81930384	35	0.010233918
Campaign 1	Control Group 1	ct-2RAIY1442	No Sub Audiences	TRUE	7/3/23	7/3/23	7/4/23	381	309.85	0.813254593	9.560994328	3	0.007874016
Campaign 1	Recipients 1	ct-zEvbjPs9	No Sub Audiences	FALSE	7/4/23	7/4/23	7/5/23	2552	1465.01	0.57406348	8.471132435	11	0.004310345
Campaign 1	Control Group 1	ct-2RAIY1442	No Sub Audiences	TRUE	7/4/23	7/4/23	7/5/23	284	186.15	0.655457746	11.04597028	1	0.003521127
Campaign 1	Recipients 1	ct-zEvbjPs9	No Sub Audiences	FALSE	7/5/23	7/5/23	7/6/23	2319	1473.89	0.635571367	11.91593517	10	0.004312204
Campaign 1	Control Group 1	ct-2RAIY1442	No Sub Audiences	TRUE	7/5/23	7/5/23	7/6/23	258	849.25	3.291666667	42.27964687	2	0.007751938
Campaign 1	Recipients 1	ct-zEvbjPs9	No Sub Audiences	FALSE	7/6/23	7/6/23	7/7/23	2055	2462.41	1.198253041	14.76764487	17	0.008272506
Campaign 1	Control Group 1	ct-2RAIY1442	No Sub Audiences	TRUE	7/6/23	7/6/23	7/7/23	229	470	2.052401747	26.54732378	2	0.008733624
Campaign 1	Recipients 1	ct-zEvbjPs9	No Sub Audiences	FALSE	7/7/23	7/7/23	7/8/23	2212	1377.39	0.622689873	8.843171477	12	0.005424955
Campaign 1	Control Group 1	ct-2RAIY1442	No Sub Audiences	TRUE	7/7/23	7/7/23	7/8/23	246	301.6	1.22601626	15.7455058	2	0.008130081
Campaign 1	Recipients 1	ct-zEvbjPs9	No Sub Audiences	FALSE	7/8/23	7/8/23	7/9/23	1779	1323.3	0.743844857	13.80353959	7	0.003934795
Campaign 1	Control Group 1	ct-2RAIY1442	No Sub Audiences	TRUE	7/8/23	7/8/23	7/9/23	198			0	0	0
Campaign 1	Recipients 1	ct-zEvbjPs9	No Sub Audiences	FALSE	7/10/23	7/10/23	7/11/23	1645	1948.14	1.184279635	30.49992734	6	0.003647416
Campaign 1	Control Group 1	ct-2RAIY1442	No Sub Audiences	TRUE	7/10/23	7/10/23	7/11/23	183			0	0	0
Campaign 1	Recipients 1	ct-zEvbjPs9	No Sub Audiences	FALSE	7/11/23	7/11/23	7/12/23	1990	2265.21	1.138296482	15.01926161	12	0.006030151
Campaign 1	Control Group 1	ct-2RAIY1442	No Sub Audiences	TRUE	7/11/23	7/11/23	7/12/23	222			0	0	0
Campaign 1	Recipients 1	ct-zEvbjPs9	No Sub Audiences	FALSE	7/12/23	7/12/23	7/13/23	1701	2559.83	1.504897119	26.11959708	14	0.008230453
Campaign 1	Control Group 1	ct-2RAIY1442	No Sub Audiences	TRUE	7/12/23	7/12/23	7/13/23	190			0	0	0
Campaign 1	Recipients 1	ct-zEvbjPs9	No Sub Audiences	FALSE	7/13/23	7/13/23	7/14/23	1310	1890.06	1.442793893	15.32788352	13	0.009923664
Campaign 1	Control Group 1	ct-2RAIY1442	No Sub Audiences	TRUE	7/13/23	7/13/23	7/14/23	146			0	0	0
Campaign 1	Recipients 1	ct-zEvbjPs9	No Sub Audiences	FALSE	7/14/23	7/14/23	7/15/23	1685	1597.79	0.948243323	13.96614698	11	0.00652819
Campaign 1	Control Group 1	ct-2RAIY1442	No Sub Audiences	TRUE	7/14/23	7/14/23	7/15/23	188	1033.76	5.498723404	31.32787464	6	0.031914894
Campaign 1	Recipients 1	ct-zEvbjPs9	No Sub Audiences	FALSE	7/15/23	7/15/23	7/16/23	1900	2182.67	1.148773684	17.43548166	9	0.004736842
Campaign 1	Control Group 1	ct-2RAIY1442	No Sub Audiences	TRUE	7/15/23	7/15/23	7/16/23	212			0	0	0
Campaign 1	Recipients 1	ct-zEvbjPs9	No Sub Audiences	FALSE	7/16/23	7/16/23	7/17/23	1489	937.27	0.629462727	11.49804891	5	0.003357958
Campaign 1	Control Group 1	ct-2RAIY1442	No Sub Audiences	TRUE	7/16/23	7/16/23	7/17/23	166	220.2	1.326506024	12.61668027	2	0.012048193
Campaign 1	Recipients 1	ct-zEvbjPs9	No Sub Audiences	FALSE	7/17/23	7/17/23	7/18/23	1855	773.19	0.416814016	9.527319761	6	0.003234501
Campaign 1	Control Group 1	ct-2RAIY1442	No Sub Audiences	TRUE	7/17/23	7/17/23	7/18/23	207			0	0	0
Campaign 1	Recipients 1	ct-zEvbjPs9	No Sub Audiences	FALSE	7/18/23	7/18/23	7/19/23	6029	2389.68	0.39636424	12.28858869	11	0.001824515
Campaign 1	Control Group 1	ct-2RAIY1442	No Sub Audiences	TRUE	7/18/23	7/18/23	7/19/23	670	144	0.214925373	4.420879044	2	0.002985075
Campaign 1	Recipients 1	ct-zEvbjPs9	No Sub Audiences	FALSE	7/19/23	7/19/23	7/20/23	1654	3372.3	2.038875453	21.09917868	16	0.009673519
Campaign 1	Control Group 1	ct-2RAIY1442	No Sub Audiences	TRUE	7/19/23	7/19/23	7/20/23	184	236.54	1.285543478	12.29711583	2	0.010869565

Campaign Recipients

- There is a log of every campaign interaction in this Campaign Recipients table
- Useful for advanced query writing for technical resources or as a reference
- Can be used in segmentation to create slightly more intricate customer journeys and exclusions

DATA EXPLORER

C360 > Campaign_Recipients

	FIELD NAME	DATA TYPE
1	amperity_id	String
2	campaign_name	String
3	campaign_type	String
4	database_name	String
5	segment_name	String
6	sub_audience_name	String
7	treatment_name	String
8	is_control	Boolean

Find customers with **ALL** of the following...

ALL of these criteria

Campaign Recipients

Campaign Name is

LifeCycle Recurring: Active, High Value

+ Add Attribute

Thank you!

—