

Using experimentation to drive growth: Insights from Accor, Hush and Direct Line Group

By James McCormick, Digital Growth Advisor and Ex-Forrester Analyst

Experimentation has long been a key driver of success for consumer brands. In today's online world, it's not only more important than ever—it's also easier than ever. Yet not every brand succeeds at experimentation, while many don't even give it the attention that it deserves.

According to the 2023 Experimentation and Growth Survey sponsored by optimisation platform Kameleoon, experimentation leads to growth. The survey found that organisations which invest in feature experimentation are 270% more likely to see significant growth than those that don't. The survey also showed that organisations which invest in web experimentation are 350% more likely to grow.

Because of this link between experimentation and growth, I was delighted to host a roundtable discussion sponsored by Kameleoon on this topic with three successful experimentation leaders whose organisations are at different stages in their experimentation journeys.

Nikki Johal, Digital Optimisation Engineer at Direct Line Group, **Alexandre Suon Perhirin**, Head of Experimentation at Accor, and **Sara Berrada**, CRO Manager at Hush joined me to discuss how they were using experimentation to boost growth.



Nikki Johal
Digital Optimisation
Manager



Alexandre Suon
Head of
Experimentation



Sara Berrada
CRO Specialist



How are marketing and product teams organising around experimentation?

Alexandre explained that Accor took four years to go from being solely focused on marketing when it came to experimentation. He led the experimentation team to integrate product with marketing teams into the practice and now has a corporate function that supports experimentation across the business.

"We wanted to transition from being separate teams in Marketing and Product to coming together and creating a culture where we could start experimenting with small initiatives and building a strategy around that," Alexandre said.

Sara from Hush explained that they had yet to reach the same level of maturity with experimentation at Hush because they only started a couple of years ago. Hush was still working to create a culture of excitement around the value of experimentation across the marketing, product and tech teams.

"More and more teams are recognising the value in it now, where when I first started people were asking what an A/B test was," Sara said. "So we've come a long way."

Product teams have always been at the forefront of experimentation at Direct Line, Nikki said. The company is now trying to extend the experimentation culture into the marketing team.

"Over communicating and sharing everything we're doing with all the teams across the company really helps explain why we need experimentation and also gets everyone thinking about what they can learn from the experiments carried out by other teams, both good and bad," Nikki said.

What's the value of experimentation?

The real value of an A/B test is around making sure that you make the right decisions rather than just focusing on the immediate ROI, explained Alexandre. Everyone at every level of Accor makes decisions all the time, he added, from product owners to UX designers to senior vice presidents, and every one of those decisions can be sense checked through testing.

"There's the story of the new CEO of Booking.com who wanted to change the company's logo when he started. The company forced him to A/B test the new logo. It lost, so they never implemented it," Alex said. "Similarly, at Accor we tested business partnerships whose implementation could

have cost millions, and through testing, we saw that they wouldn't work, so we didn't partner with those companies," he added.

Sara agreed that A/B tests couldn't always be attached to uplifts in revenue or ROI, adding that it's also important to take note of unsuccessful tests. It's just as important to learn what your customers don't like as what they do, she pointed out. This is where A/B testing can provide a huge amount of insight.

"When we're releasing new features and rolling out new projects, we're able to risk assess this," Sara said. "Experimentation has been a really useful tool to help us do that."

The immediate ROI of A/B testing is always a key consideration at Direct Line, Nikki explained, saying: "Ultimately, we're a business. We have to put revenue figures on things because it's the only way we get buy-in. If we go to the CEO and say we did X number of tests, the first thing they're going to ask is what impact those tests had on the bottom line."

In other words: "We care about how the customer journey is and how easy it is for them to achieve what they want, but where we can put a value on testing, we will."

What stops you from succeeding at experimentation?

Nikki answered this question without hesitation: compliance. As a financial services provider, Direct Line is heavily regulated, and that spills over into testing. “Our internal compliance teams think we have to be extra cautious, so we have a backlog of so many tests we want to run that keep getting blocked by Compliance.”

Was this in terms of messaging or use of customer data, I asked, to which she replied that it was both: “The challenge is really getting them to understand experimentation and why we’re trying to do it.”

Sara highlighted resource constraints and the battle to get experiments added to development sprints. However, she did say that this had led to Hush running some very effective low-complexity tests that require little to no development resources. “We recently ran a test on our PLPs where we made our filters sticky,” she explained, by way of an example. “Not only was this a really simple test we could do ourselves, but it was one of our biggest winners in 2022—so never underestimate the potential impact of low complexity tests.”

Alexandre discussed one of the biggest challenges for any organisation—that of having to constantly train new starters in the culture, purposes and processes of experimentation. “In a large organisation you have lots of people joining and leaving constantly, so we have to keep constantly training, training, training new starters,” he said. “Although that is also one of the key reasons for our current success with experimentation—the fact that we are so focused on the training around it.”





What's the next step in your experimentation strategy?

While Nikki said she “genuinely believes” that experimentation is already at the heart of everything Direct Line does across the business, she also said that moving forward, “being mobile-focused and personalisation is our ultimate goal now.”

“I know we have to walk before we run,” said Sara, adding: “The idea of having experimentation at the heart of what everyone's looking at, we're not there yet.” She said that the people at Hush were starting to get excited about tests, but the company wasn't yet at the point where running tests on new initiatives was systematic or reflexive. “We're also looking at segmentation and personalization,” she added, “but that's still a little bit farther away.”

Because Accor's experimentation culture was at the most advanced stage of the three firms, Alexandre's concerns were more strategic. “Instead of trying to do a lot more tests, we're going to try to do a lot more of the right testing. To do the right test you need the right strategy. So spending less time building tests, but maybe a bit more on insight,” he said.