

# Case Study: Hearst – Food Network Magazine Tests



Presented October 21, 2009 in the DMA09 conference session:

**Testing More with Less: Best Practices from Hearst and Visa**

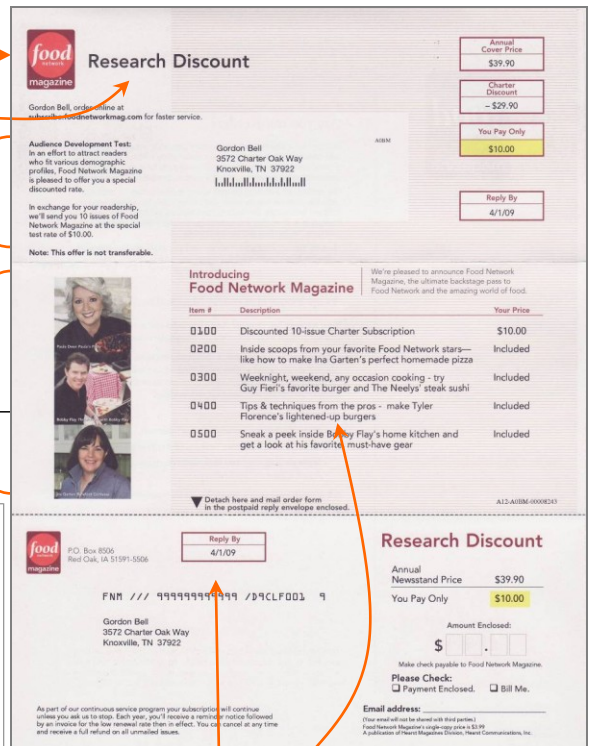
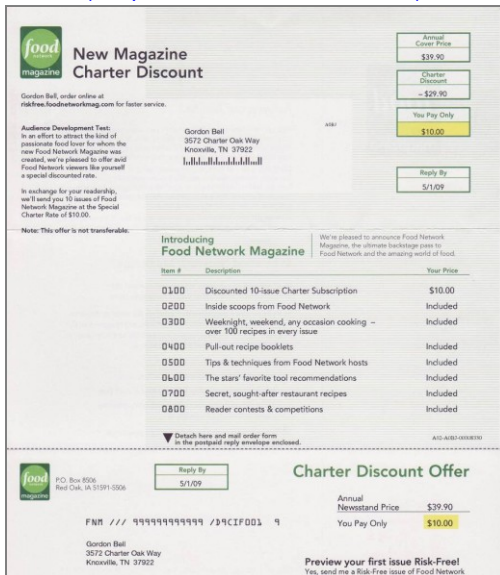
Test #1: Creative test of 13 elements

Design the multivariable test

- A Window on OE
- B Change logo on OE and form
- C Return address on OE
- D Form layout
- E Change "Charter Discount"
- F Audience Development copy
- G Savings presentation
- H Reply By date
- J Add chef photos on form
- K Change description
- L Brochure
- M Chit
- N Lift note

	Window on OE	Change logo on OE and form	Return address on OE	Form layout	Change "Charter Discount"	Audience Development copy	Savings presentation	Reply By date	Add chef photos on form	Change description	Brochure	Chit	Lift note	
Recipe	A	B	C	D	E	F	G	H	J	K	L	M	N	Mailed
1	-	-	-	-	-	-	-	-	-	-	-	-	-	25,000
2	+	+	-	-	-	-	+	+	-	-	+	+	+	25,000
3	-	-	-	+	+	+	+	+	-	-	-	-	+	25,000
4	+	+	+	+	+	+	-	-	-	-	-	-	-	25,000
5	+	+	+	+	+	+	+	+	-	-	-	-	-	25,000
6	-	+	-	+	-	+	-	-	+	-	+	+	+	25,000
7	-	-	+	+	-	+	+	+	+	+	-	+	+	25,000
8	+	-	+	-	+	-	-	-	-	+	+	+	+	25,000
9	+	-	+	+	-	+	-	+	+	+	-	-	+	25,000
10	+	-	+	+	-	+	-	+	+	+	+	-	+	25,000
11	-	+	-	-	+	+	+	+	+	+	-	-	+	25,000
12	+	+	+	-	+	-	-	+	+	-	+	-	+	25,000
13	-	+	+	+	-	-	-	+	+	+	+	+	+	25,000
14	-	-	+	+	+	+	-	-	-	-	+	+	+	25,000
15	+	-	-	+	+	+	-	+	+	+	+	+	-	25,000
16	-	+	+	-	-	+	+	-	-	+	+	-	-	25,000
														400,000

Create the test "recipes" (recipes 1 and 11 shown below)



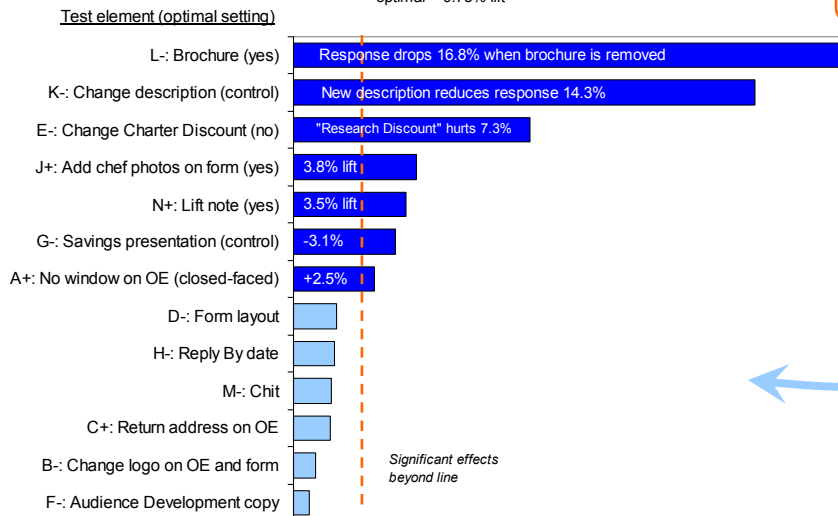
B+  
E+  
F+  
J+

H+ K+

Analyze Results

and then...

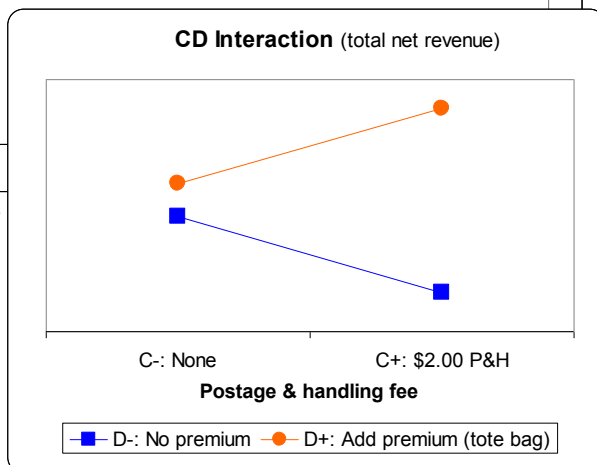
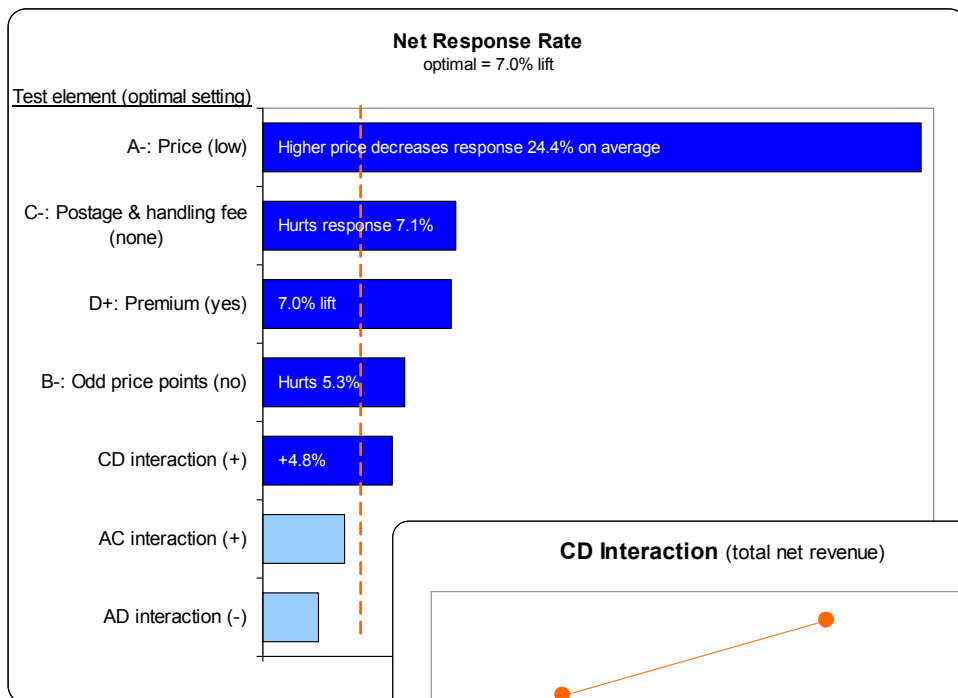
Net Response Rate optimal = 9.75% lift



Test #2: Price & offer multivariable test  
(tested in the same campaign)

Test Results  
(main effects & interactions)

Recipe	Price				Mailed	Net response
	A	B	C	D		
1	-	-	-	-	25,000	0.0%
2	+	-	-	+	25,000	-25.3%
3	-	+	-	+	25,000	-1.0%
4	+	+	-	-	25,000	-30.7%
5	-	-	+	+	25,000	-1.1%
6	+	-	+	-	25,000	-34.3%
7	-	+	+	-	25,000	-20.3%
8	+	+	+	+	25,000	-29.8%
					200,000	



Optimal Package

Creative Test Elements	Control	New Idea
A Window on OE		✓
B Change logo on OE and form		✓
C Return address on OE		✓
D Form layout		✓
E Change "Charter Discount"	✓	
F Audience Development copy	✓	
G Savings presentation	✓	
H Reply By date		✓
J Add chef photos on form		✓
K Change description	✓	
L Brochure	✓	
M Chit		✓
N Lift note		✓

Price Test Elements	Control	New Idea
A Price	✓	
B Odd price points	✓	
C Postage & handling fee		✓
D Premium		✓

Overall Results

- Tested 25 creative and price elements in two campaigns
- Profit jumped 34.9%
- Cut sample size by 4.1 million and saved 2 years of testing

Original control  
(March 2009)

Multivariable "screening" tests  
(Mar09 tests - Jul09 confirmation)

8.4% increase in NRR  
17.6% increase in Profit

Multivariable "refining" tests  
(July 09 test results)

8.8% increase in NRR  
17.3% increase in Profit

35% jump in profit  
over 2 campaigns

(versus 2 years with A/B splits)