

September 2021

Category review: Chips

Retail Analytics



Classification: Confidential



Executive summary

01 Task 1

We were having a total of 21 category of customers based on Life-Stage and Premium/Mainstream/Budget, out of those 21 categories we extracted out 8 eight categories of customers that were the major chip buyers based on parameters like :-

- 1.) Number of transactions per customer.
- 2.) Average number of packets of chips purchased by one customer in one transaction.
- 3.) Average price of product purchased by one customer in one transaction.

Then we found out that what flavours of chips, those 8 categories of customers were fond of. In this way we can maintain the stock of Chips in accordance with the likes and dislikes of our major chip buying categories.

02 Task 2

Change in layout of Store number –77, 86, 88 from February 2019 to April 2019 , caused the following changes in Total Sales :-

- 1.) For Store-77 , there was considerable increase in Sales during March 2019 and April 2019.
- 2.) For Store-86 , there was not a noticeable change in Sales during the Trial period from Feb 2019 to April 2019.
- 3.) For Store-88 , same as store-77, there was a considerable increase in Sales of Chips during March 2019 and April 2019.

Details of findings of Task-1

For a super-market store the customers of concern are the type of customers that:-

1.) Visit the store regularly and

2.) Purchase items in a good quantity,

therefore along with the avg price of product that a customer of a particular category buys , we also need to see that on an avg, how many transactions a customer of a particular category does , and also on an avg how many packets of chips does a customer ,of a particular category, buys in one transaction.

Based on the above factors we have extracted the following 8 category of customers from the given 21 categories :-

1.) Budget, Older Families

2.) Budget, Older singles/couples

3.) Budget, Young Families

4.) Mainstream, Older Families

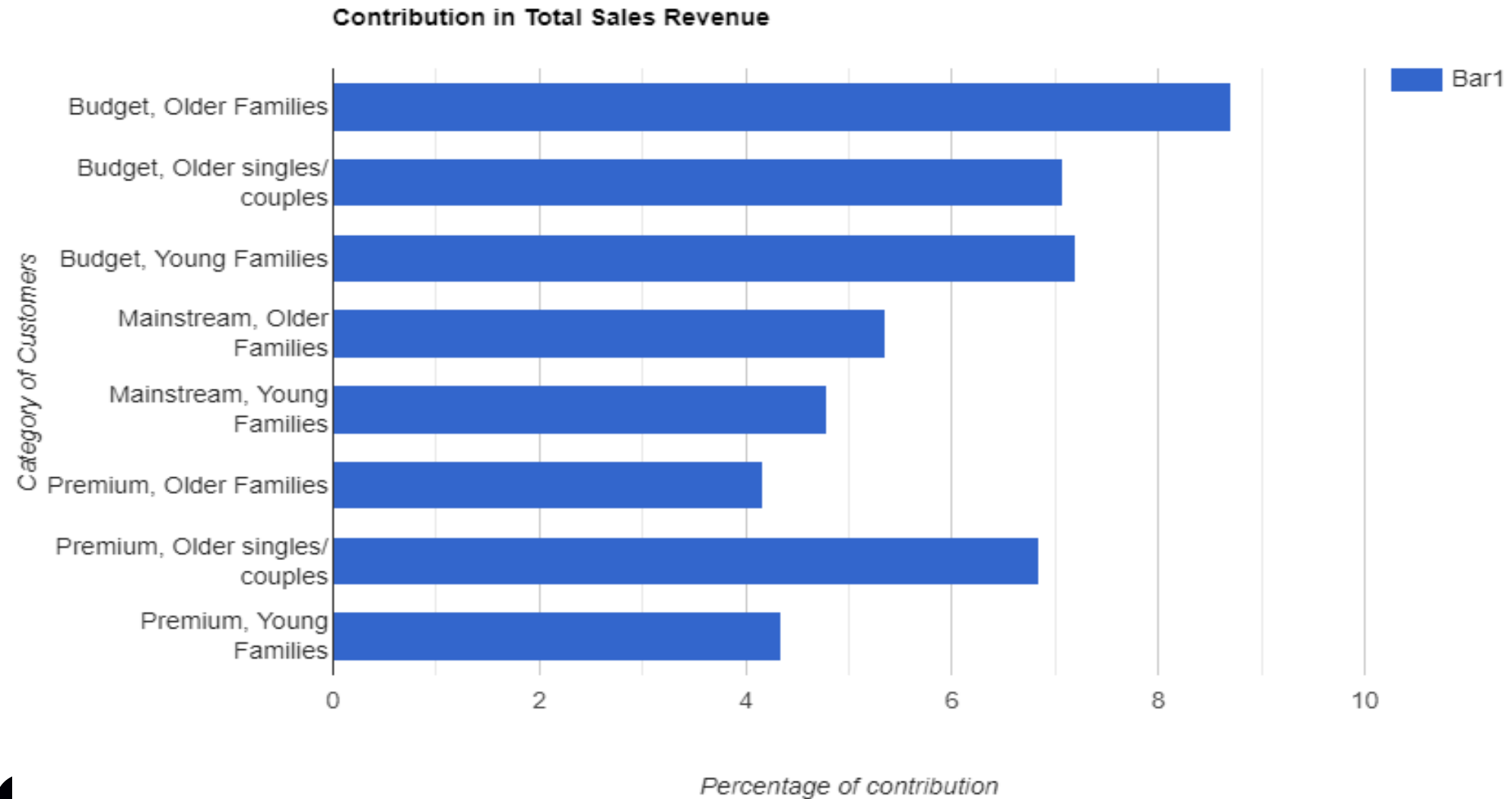
5.) Mainstream, Young Families

6.) Premium, Older Families

7.) Premium, Older singles/couples

8.) Premium, Young Families

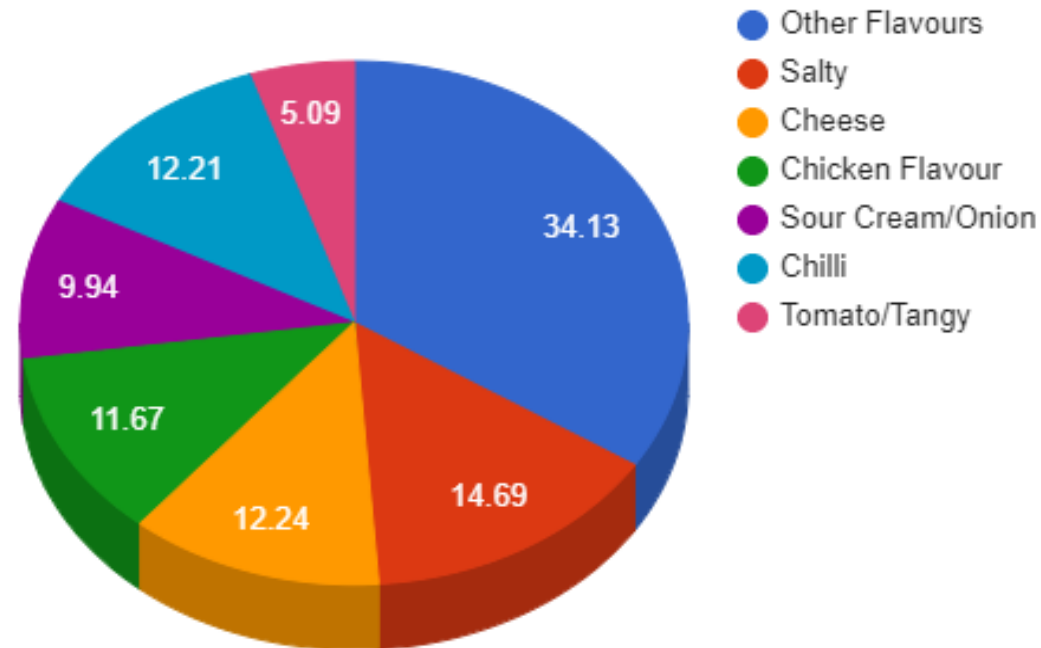
Almost 50% of Total Sales Revenue are from below 8 categories of customers



The stock of chips must be in accordance with the likes and dislikes of the major Chips buyers.

From the given data we found out that which flavour of chips was purchased in what amount , by those 8 category of customers.

Different flavours of chips



From Task 1 findings we can infer that:-

- Older and Young families are major Chips buyers.
- These category of customers are fond of flavours of chips like Salty, Cheese, Chilli .
- Tangy/Tomato flavour is least purchased.

02

Trial store performance

Store number 77,86,88 were chosen as trial stores, where the layout of Chips section was changed during Feb 2019 to April 2019.

We selected control stores for each of the trial stores. These control stores are stores that have a similar performance as of Trial stores in the pre-trial period from July 2018 to January 2019.

On what basis are control stores selected and what do the control stores actually represent....

The Control stores are defined here as the stores that have a similar performance as of trial stores in the pre-trial period from July 2018 to January 2019 :-

The performance is compared on basis of factors like :-

- Similar Monthly Sales revenue
 - Similar Monthly number of transactions
-
- One Control store is founded for every Trial store , these Control stores serve as a reference store for the trial store in the trial period from Feb 2019 to April 2019.
 - During the trial period we assume that the Trial stores would have performed similar to their respective Control store if no change was made in layout of Trial stores.
 - Thus, by comparing performance of Trial store with its respective Control store during the trial period, we can come to a conclusion that whether the change in layout of Trial store increased or decreased the performance of the store.

Using the Data provided we found out the Control stores for each Trial store:-

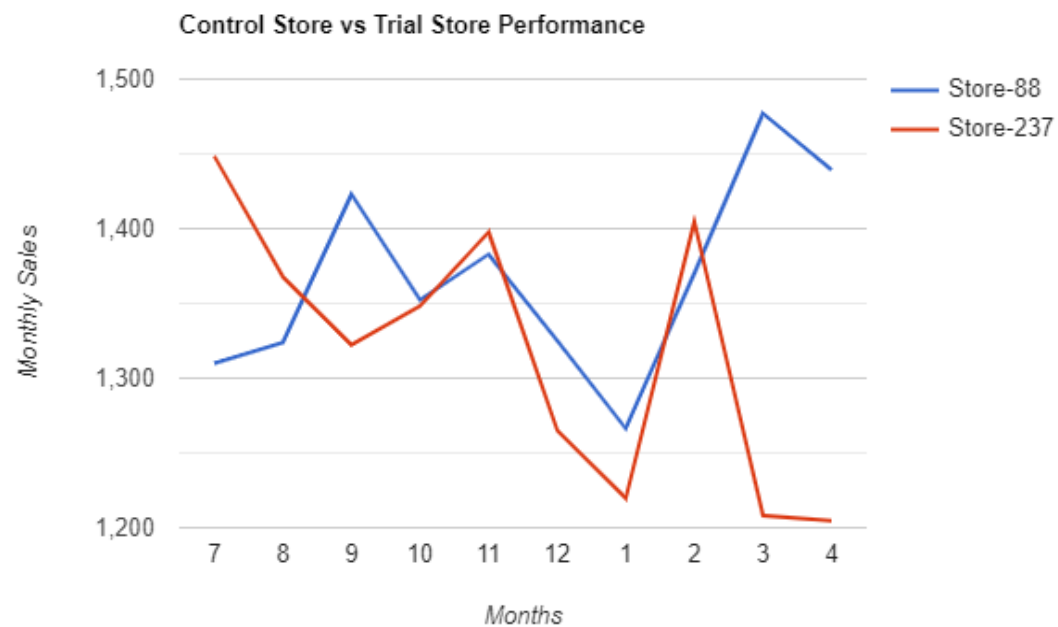
- Trial store-77 <--> Control store-233
- Trial store-86 <--> Control store-138
- Trial store-88 <--> Control store-237

Details of findings of Task-2

On comparing performance of Trial stores with their respective Control stores during Trial period , we found out that :-

- Trial store-77 performed better during the Trial period, as its monthly revenue was considerably higher than monthly revenue of its Control store-233, especially during March-2019 and April-2019.
- Performance of Trial store-86 was not much altered during Trial period, as there wasn't any significant difference in monthly revenue of Trial store-86 and its Control store-138 during the Trial period.
- Trial store-88 performed better during the Trial period, as its monthly revenue was considerably higher than monthly revenue of its Control store-237, especially during March-2019 and April-2019.

We can conclude that change in layout was successful in case of Store number 77, 88 , while it couldn't do better for Store number-86. We can review these findings by having a look at the graphs provided ahead.



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