

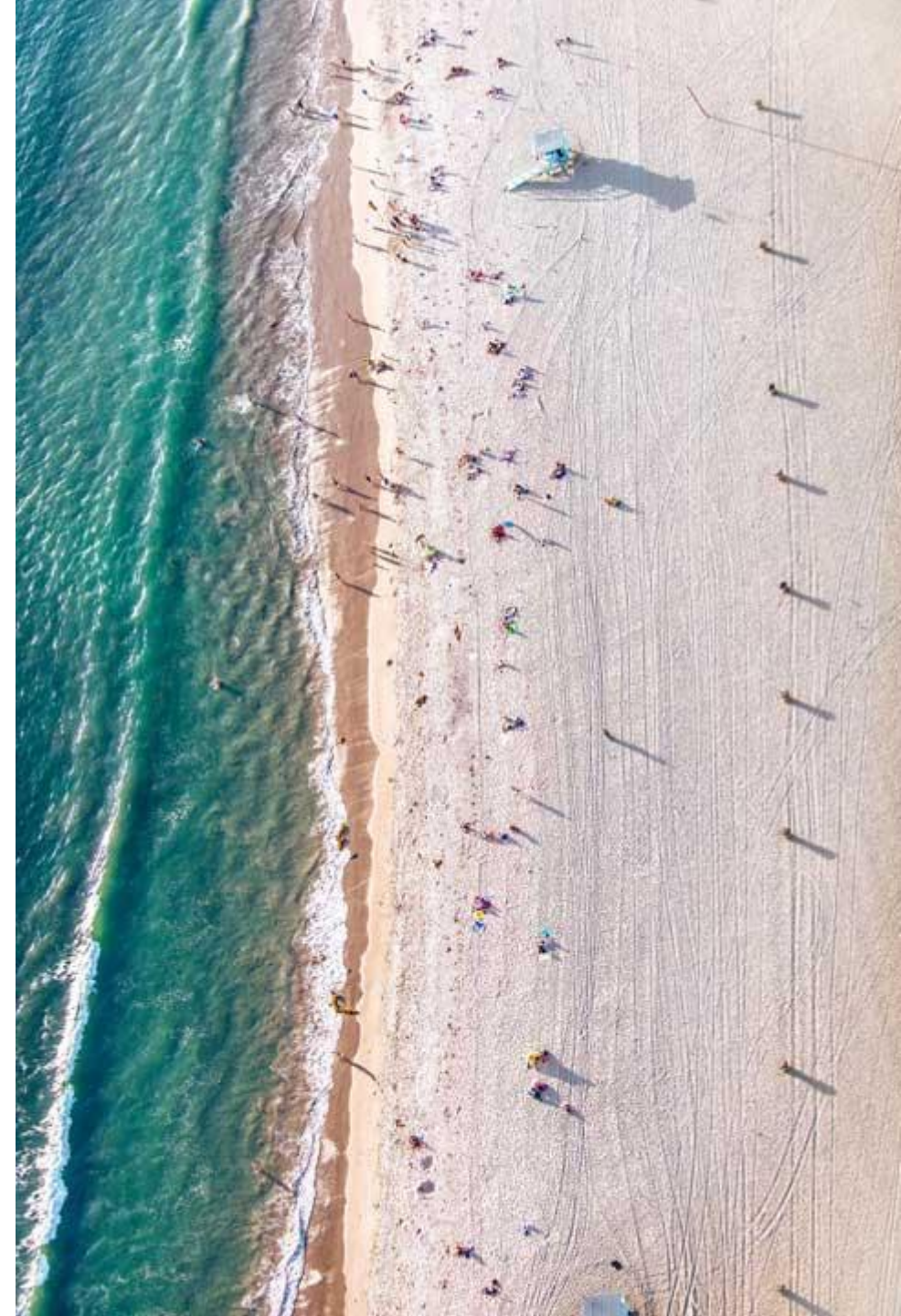
OCT 2023

# Category review: Chips

Retail Analytics



Classification: Confidential



# Our 17 year history assures best practice in privacy, security and the ethical use of data

We all have a responsibility to use data for good

## Privacy

- We have built our business based on privacy by design principles for the past 17 years
- Quantum has strict protocols around the receipt and storage of personal information
- All information is de-identified using an irreversible tokenisation process with no ability to re-identify individuals.

## Security

- We are ISO27001 certified - internationally recognised for our ability to uphold best practice standards across information security
- We use 'bank grade' security to store and process our data
- Comply with 200+ security requirements from NAB, Woolworths and other data partners
- All partner data is held in separate restricted environments
- All access to partner data is limited to essential staff only
- Security environment and processes regularly audited by our data partners.

## Ethical use of data

Applies to all facets of our work, from the initiatives we take on, the information we use and how our solutions impact individuals, organisations and society.

Quantum believes in using data for progress, with great care and responsibility. As such please respect the commercial in confidence nature of this document.

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## **CUSTOMER RESEARCH ANALYTICS**

- Who are our chip customers?
- What is their purchasing behaviour?
- Which segment should they target?

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## **EXPERIMENTATION AND UPLIFT TESTING**

- How did the trial perform?
- What was its impact on metrics?

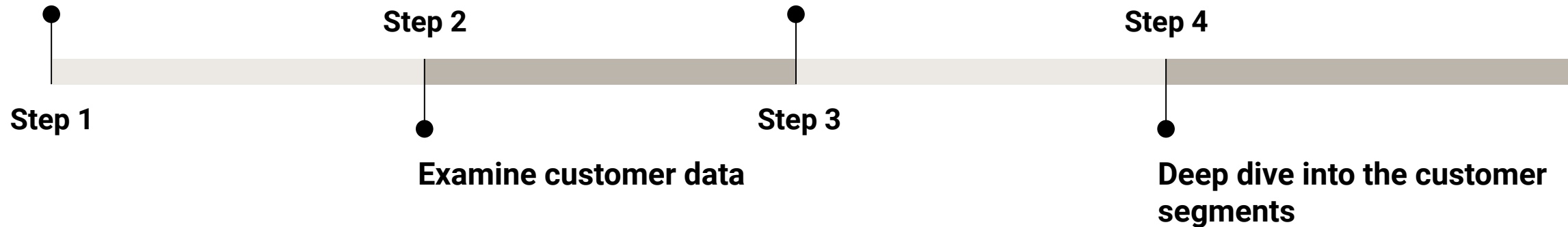
# 01

## Category

# ANALYSIS APPROACH

Examine transaction data

Exploratory Data Analysis  
on the customer segments



# Metrics for analysis

- Total monthly sales
- Unique customer composition per segment
- Customer purchase frequency
- Units bought per transaction
- Average price per chip packet

# Data Overview

01

## Data timeline

- Spans for a 1 year duration.
- Consists of daily transaction data amounting to an year.

02

## Customer composition

- 72,637 unique customers, 21 customer segments
- Segmentation is by Life Stage and Premium\_Customer

03

## Sales

- Total sales are close to \$ 1,805,177.7

04

## Brands

- Our data consists of 20 unique Chip Brands

05

## Trial Stores

- Stores 77,86,88 are the select trial stores.
- Trial period spans for 3 months, from the beginning of February.

# Purchasing Trend

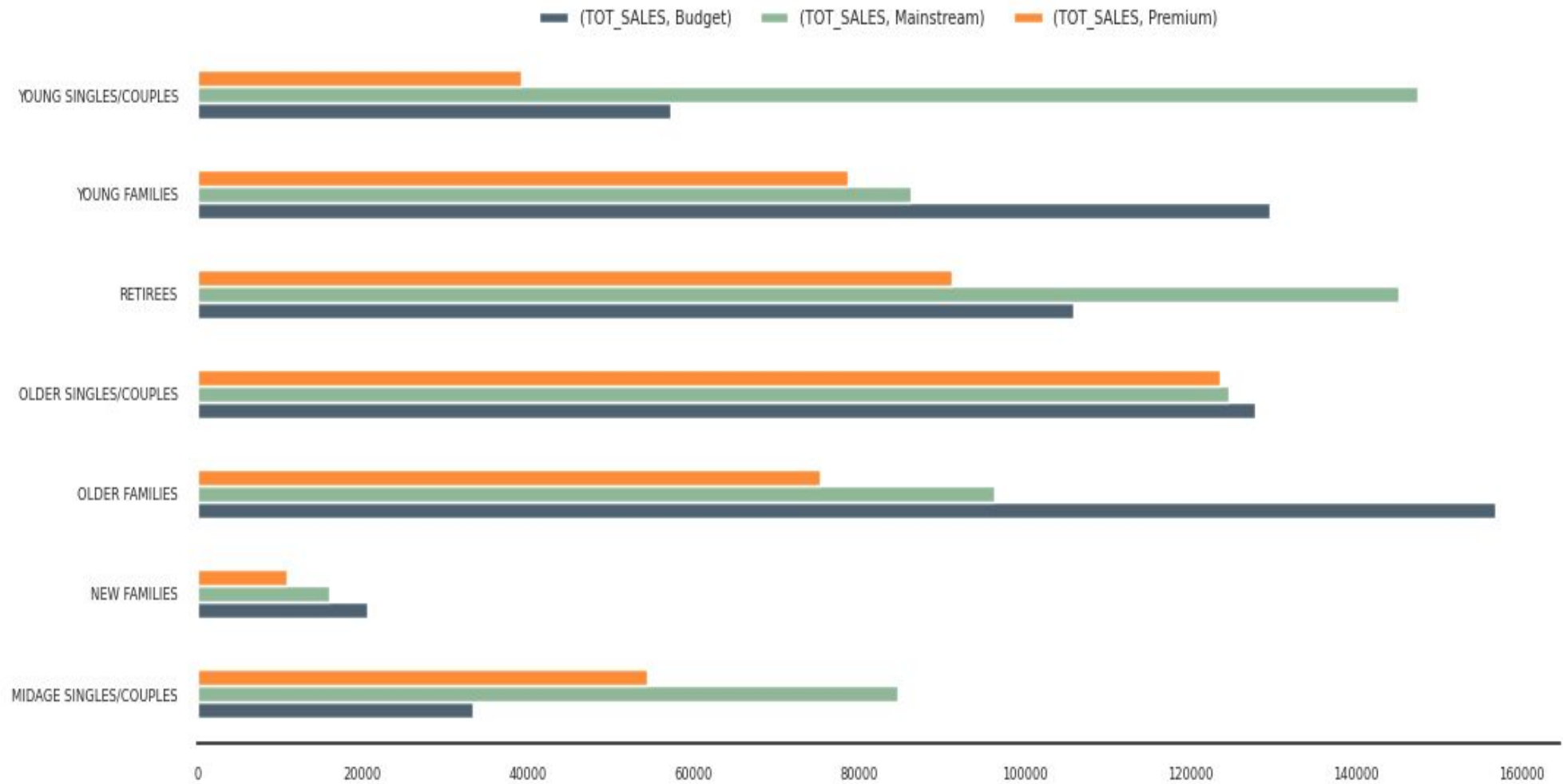




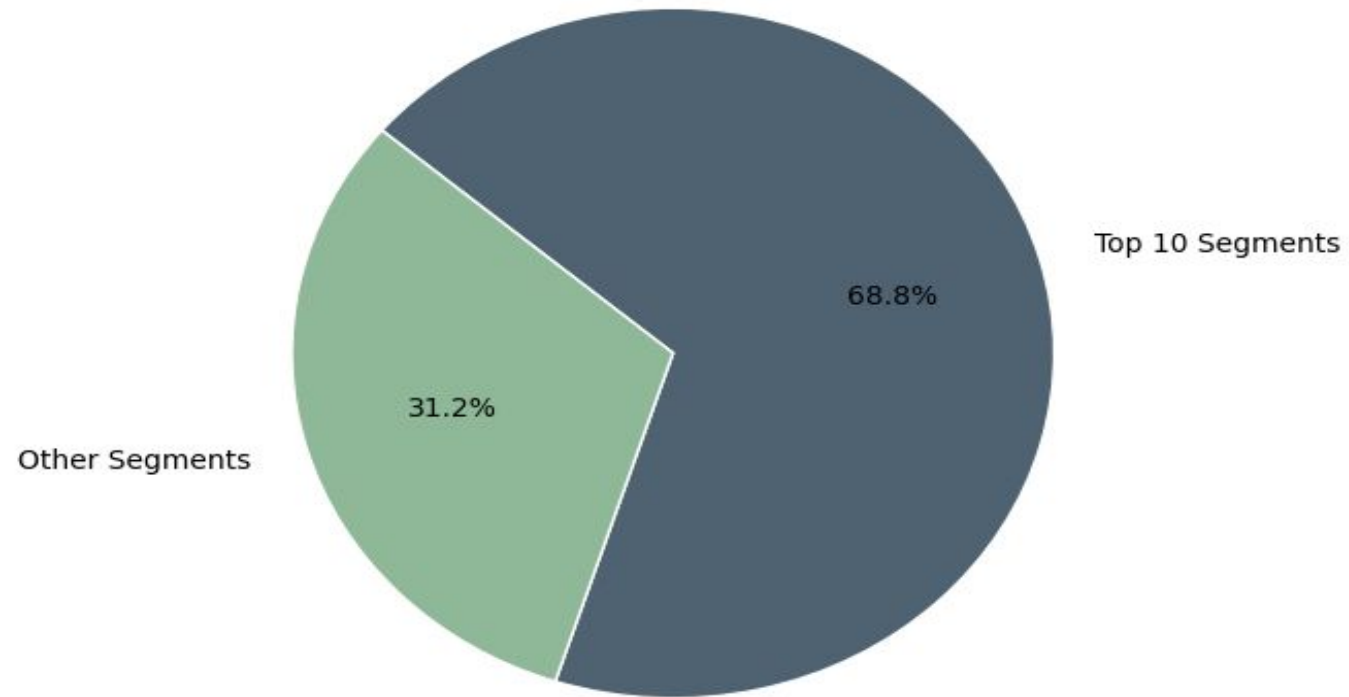
# Brand Popularity



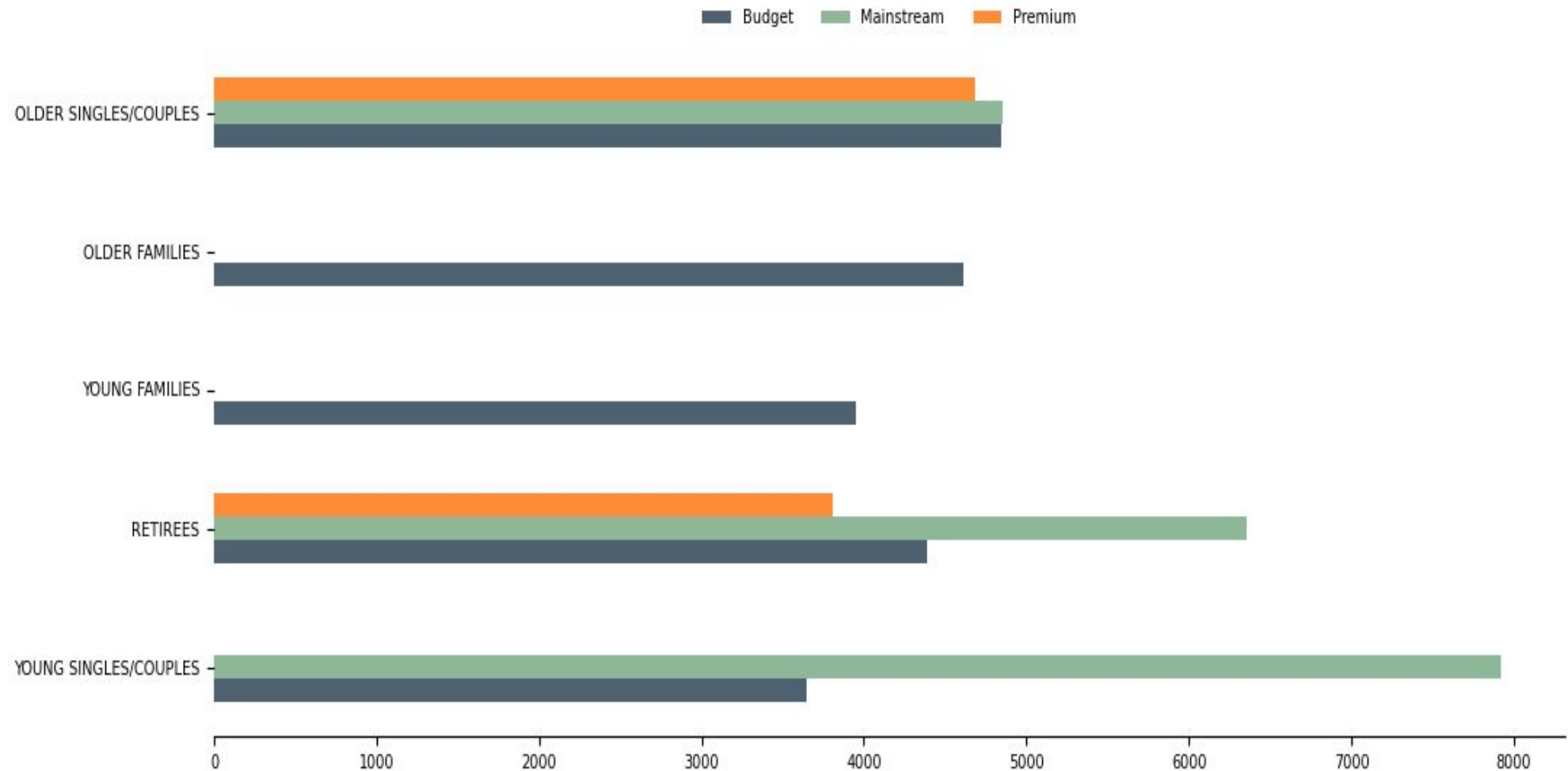
# Total Monthly Sales by Segment



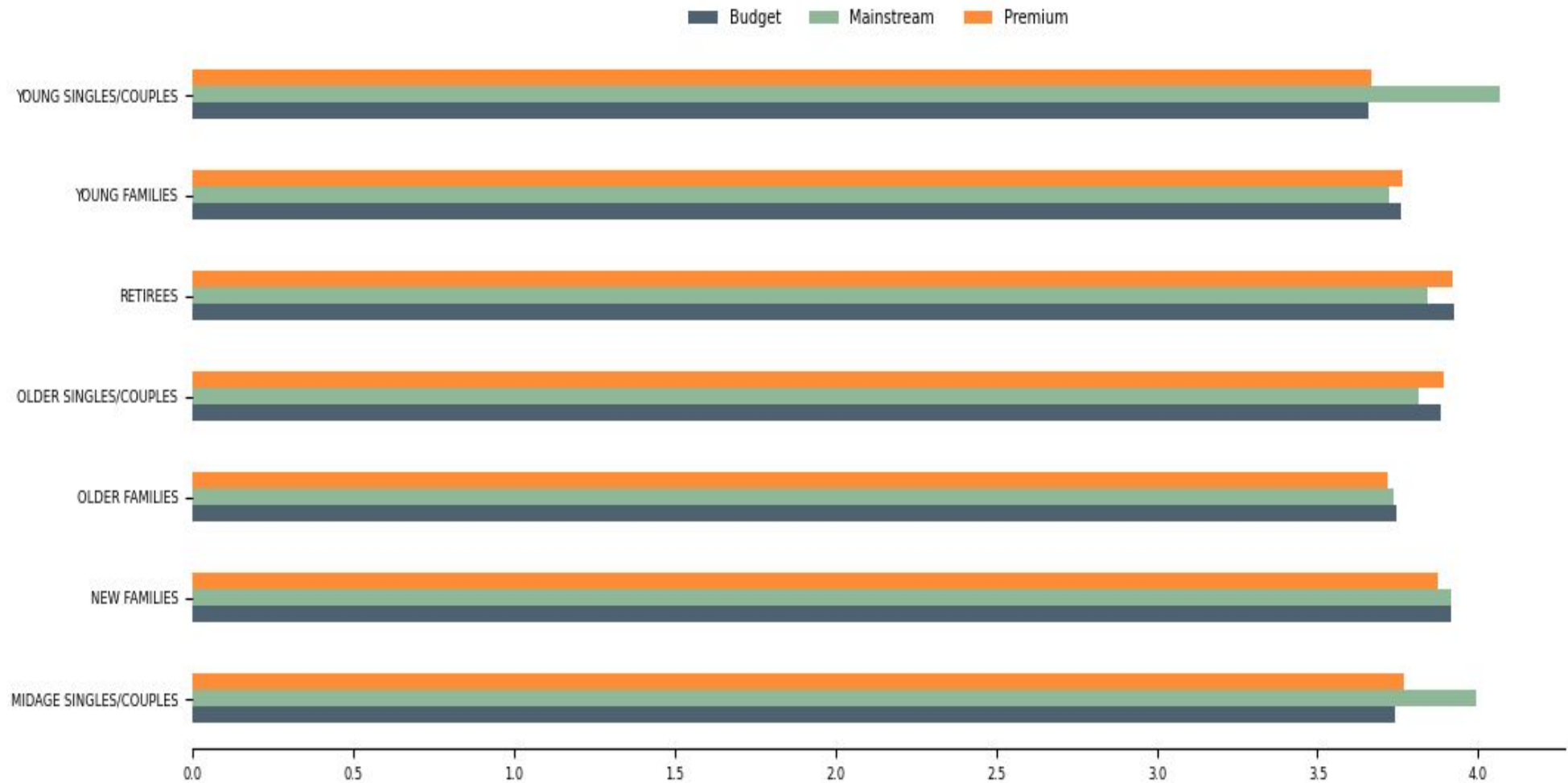
# Unique Customer Composition



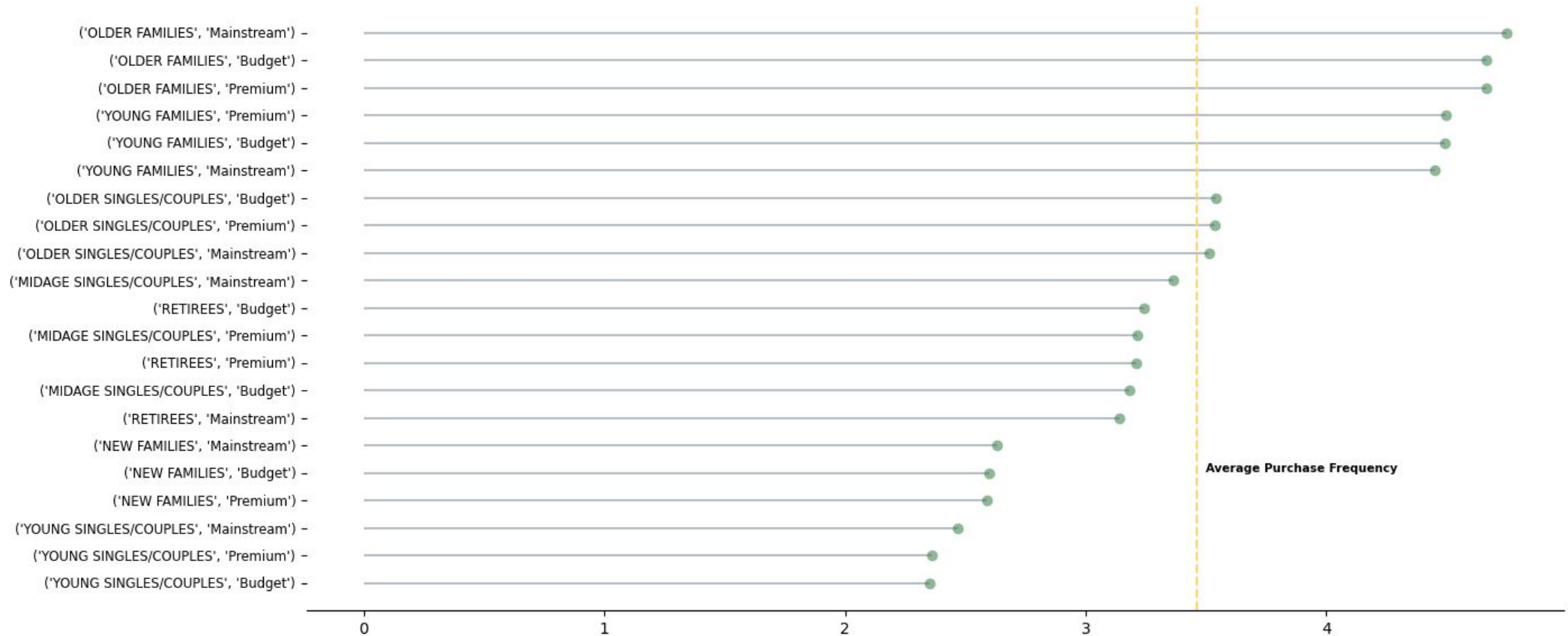
# Top 10 segments (Unique customer composition)



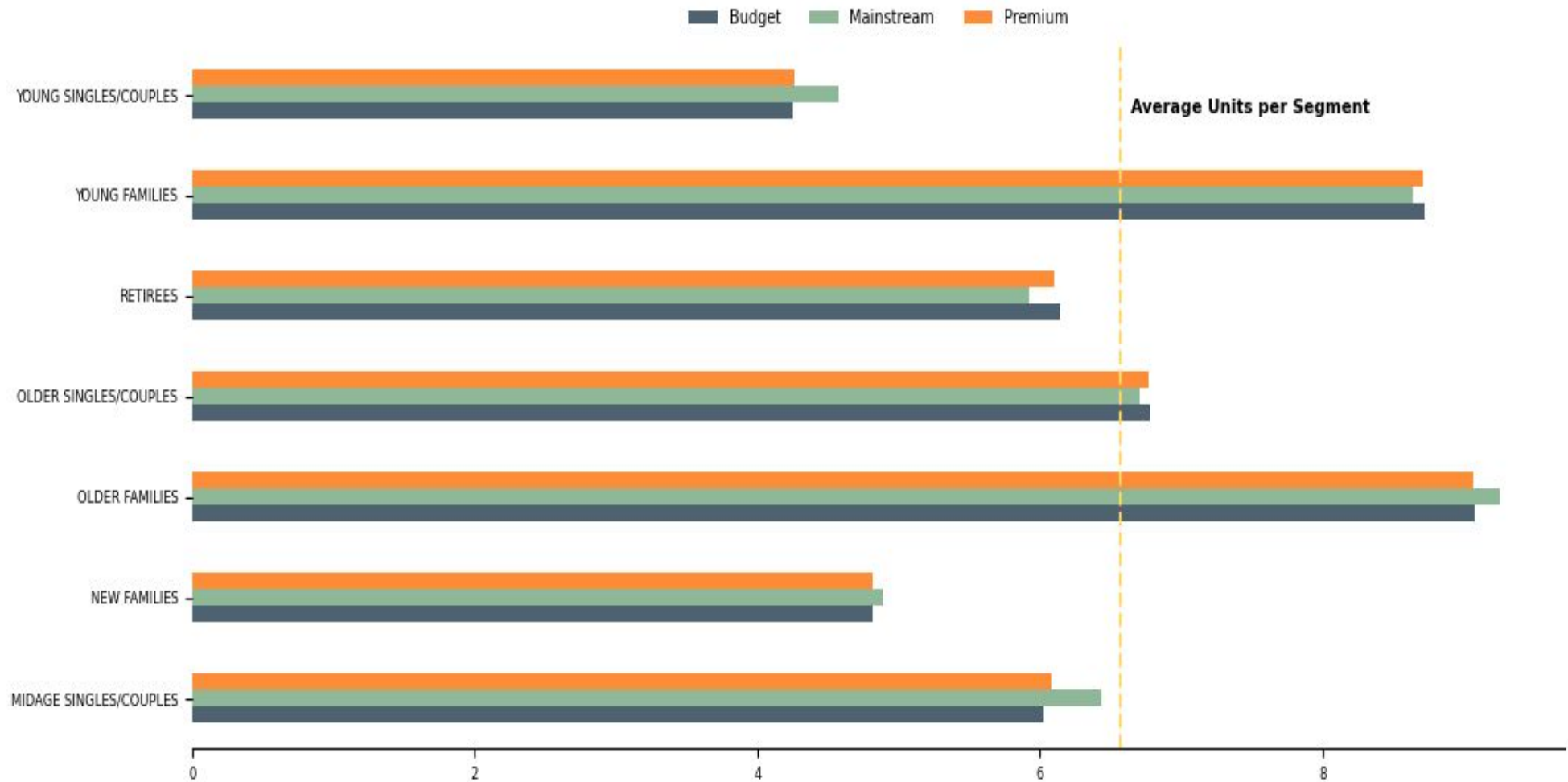
# Average chip price per customer segment



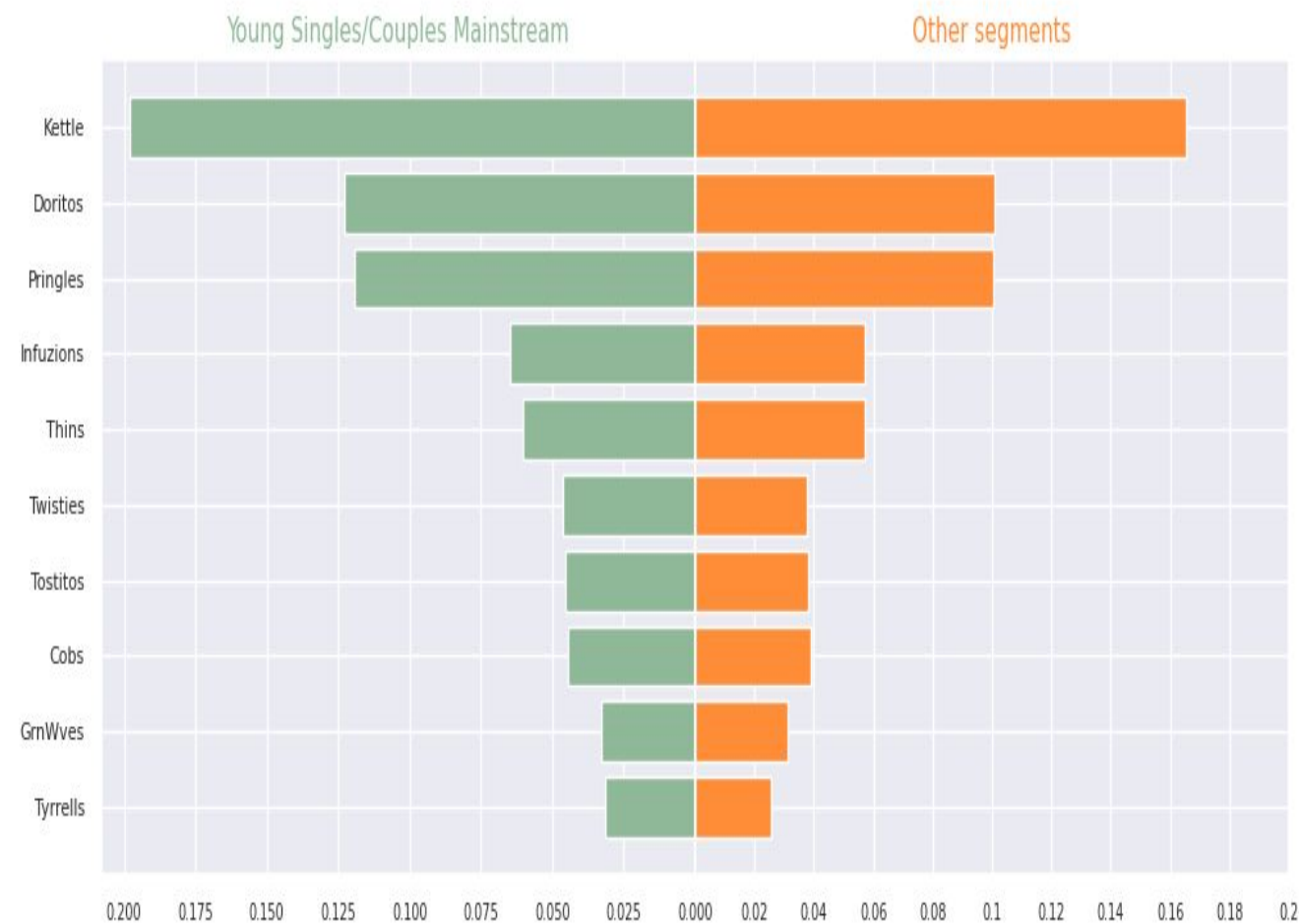
# Purchase Frequency per Customer Segment



# Average units sold per customer per segment



# Brand Affinity ( Target segment )



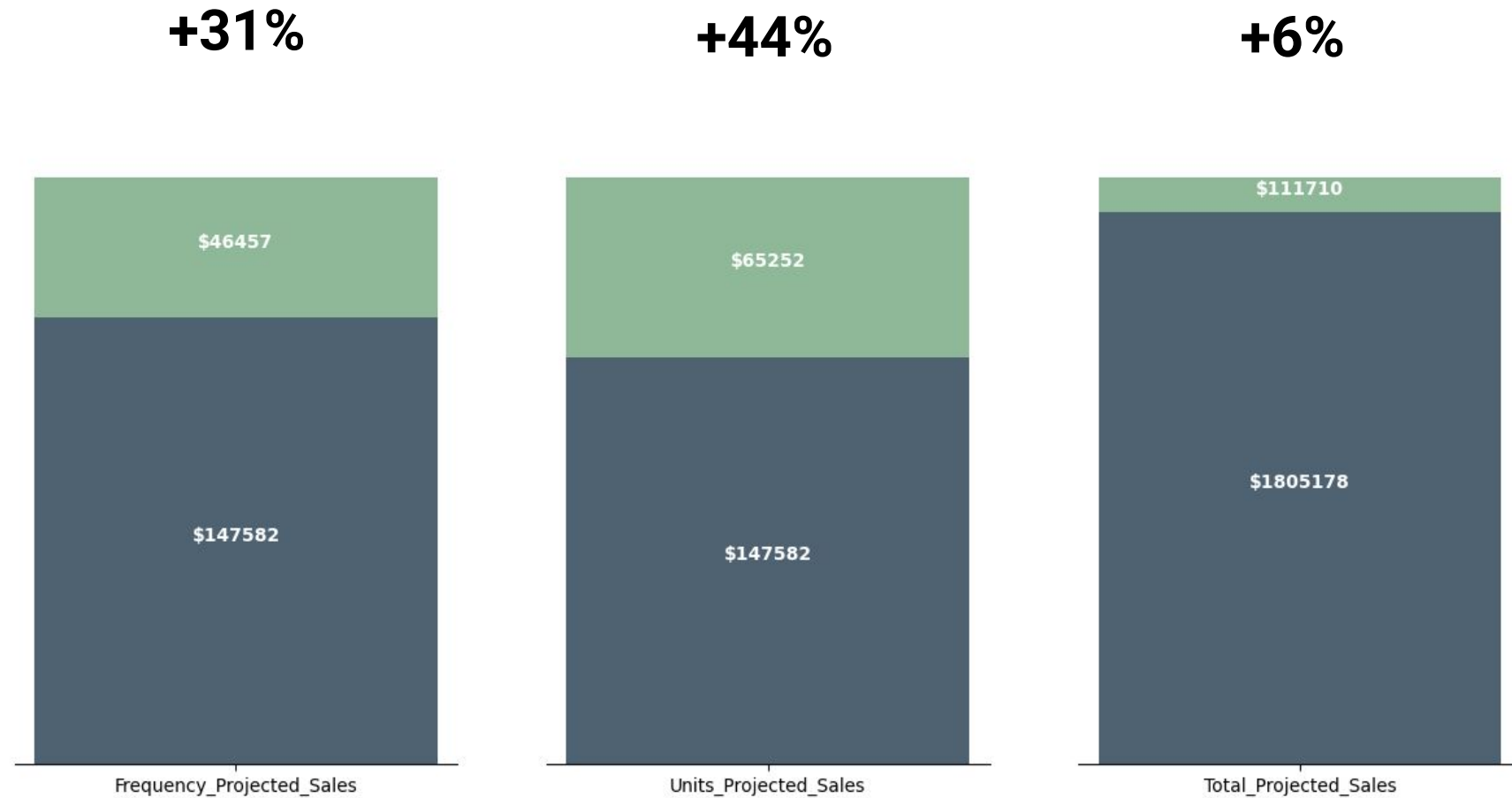
Tyrrells	23
Twisties	22
Doritos	21
Kettle	20
Tostitos	20
Pringles	19
Cobs	14
Infuzions	13
Thins	5.9
GmWves	4.9

affinity\_to\_brand



What would be the impact on Sales if our target segment got to the base means of those metrics;

Purchase Frequency & Number of units per transaction



# Insights and Recommendations

## Insights:

- Young Singles/Couples Mainstream is the segment with the most potential for growth.
- They have the highest number of unique customers.
- They are willing to spend more per chip packet than other segments.
- However, their repeat purchase rate and units bought per transaction are below average.
- Increasing these two metrics could lead to a nearly 40% increase in sales for this segment.
- Young Singles/Couples Mainstream customers also have a stronger affinity for brands than other customer segments.

## Recommendations:

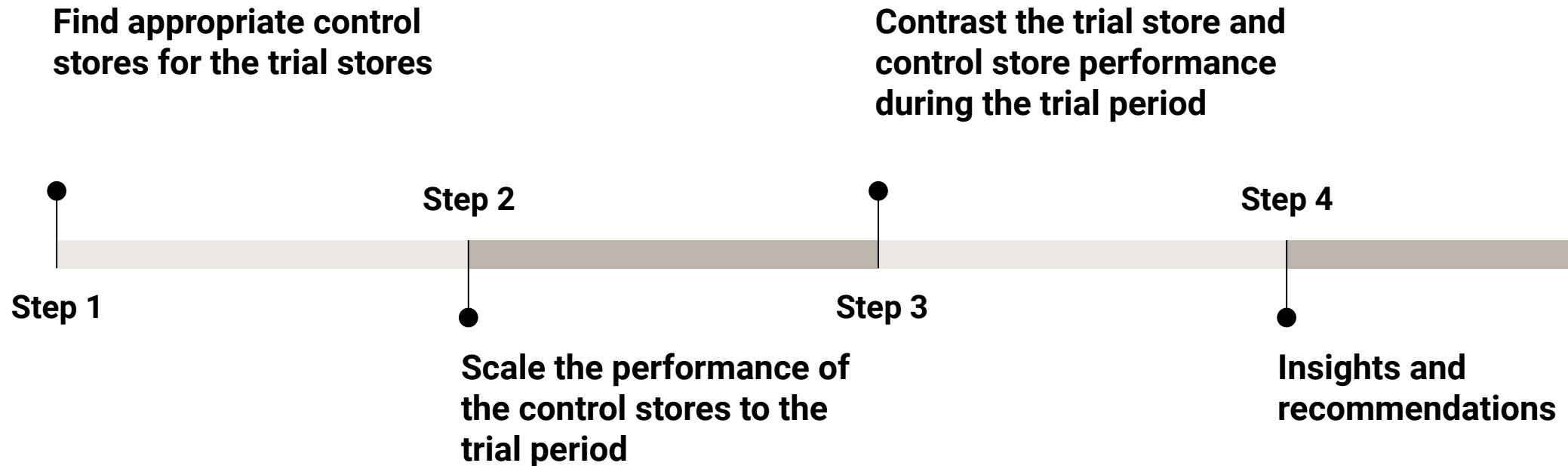
- Conduct marketing promotions to encourage customers to buy more packets per purchase, such as "Buy two, get one free" offers.
- Run campaigns to reward repeat purchases, such as redeemable points programs or limited-time offers.

In other words, Young Singles/Couples Mainstream customers are a valuable segment that has the potential to spend more money on your products. By focusing on increasing their repeat purchase rate and units bought per transaction, you can significantly boost sales for this segment. You can also increase their brand loyalty by conducting marketing campaigns that reward and incentivize repeat purchases.

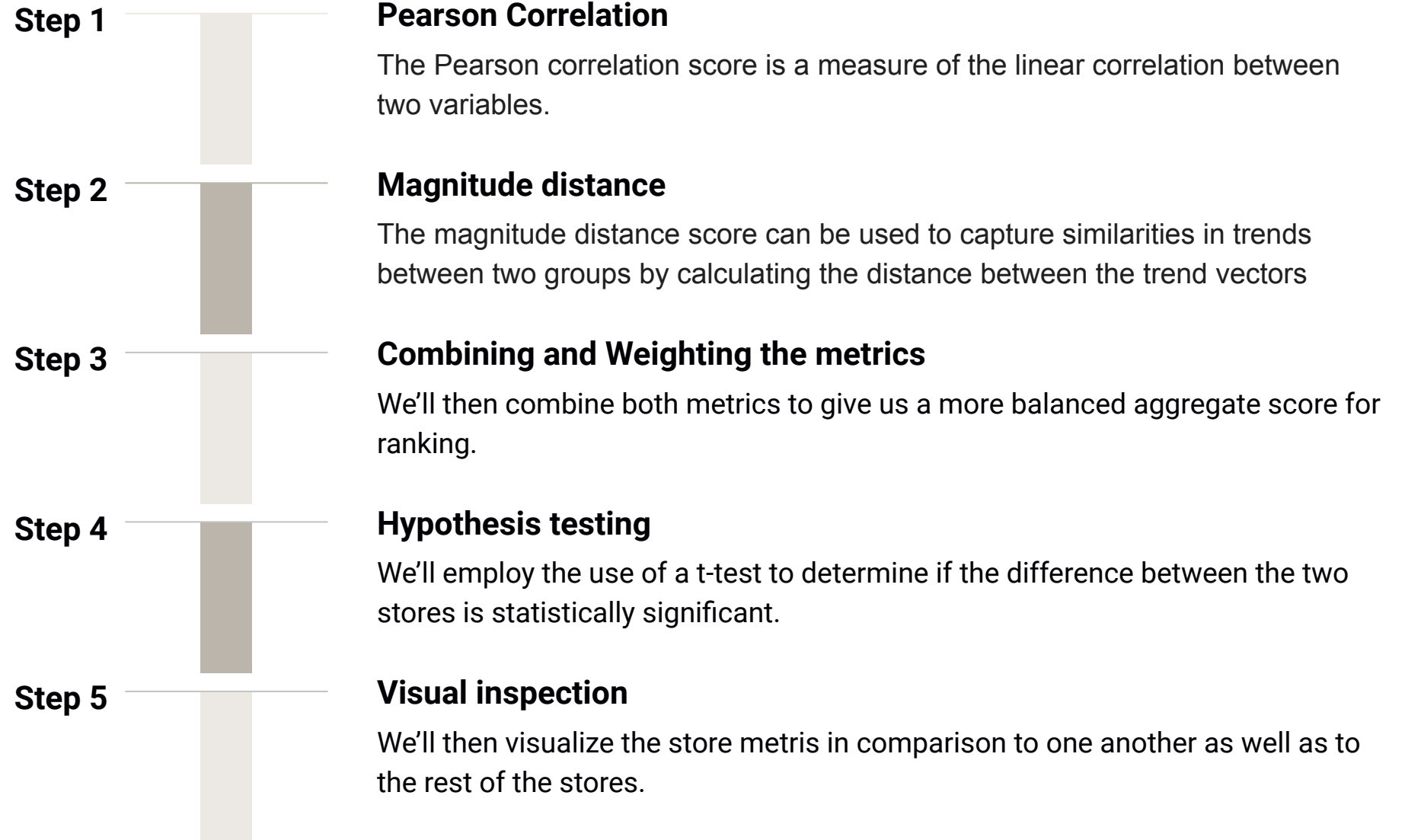
# 02

## Trial store performance

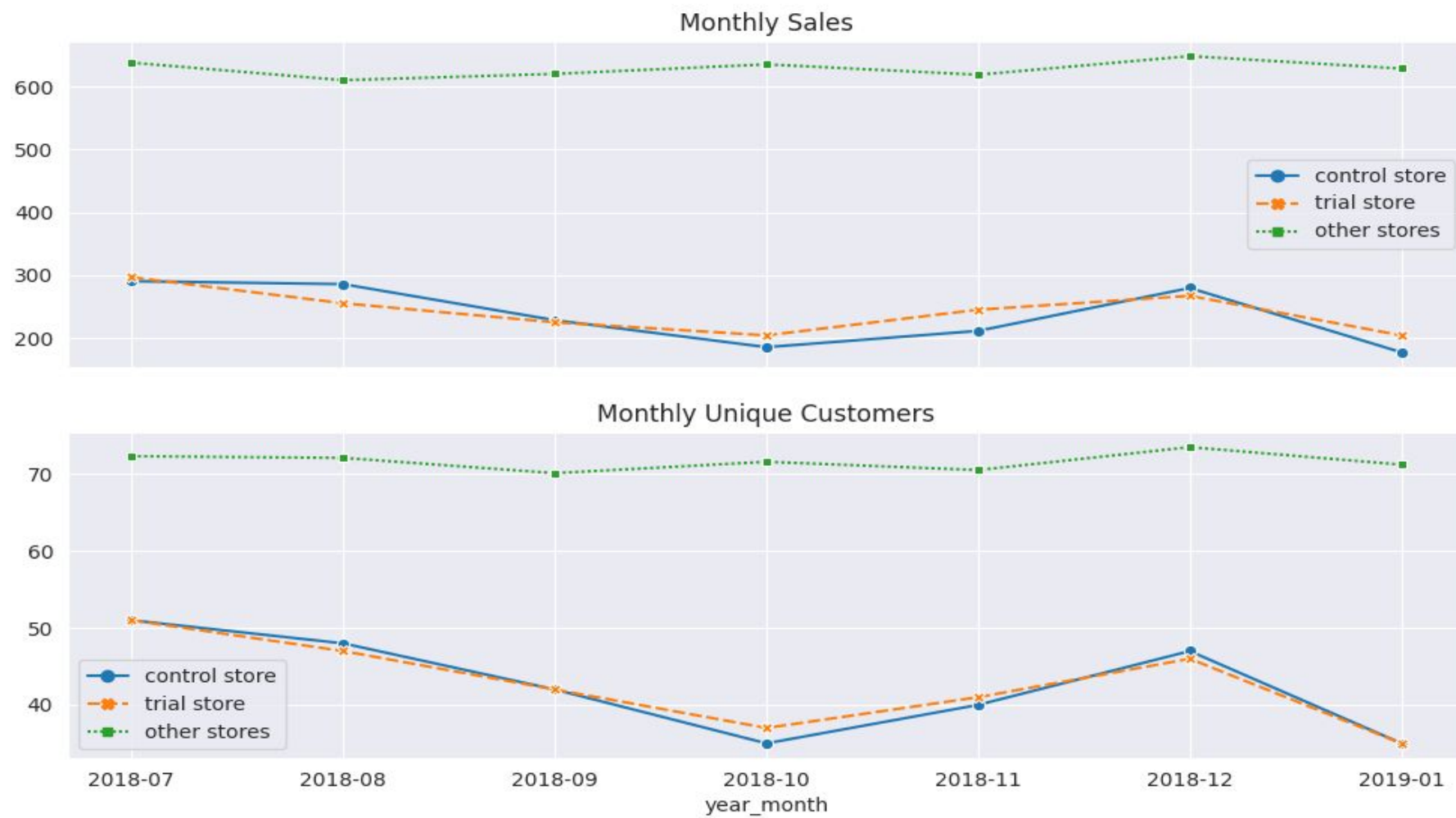
# ANALYSIS APPROACH



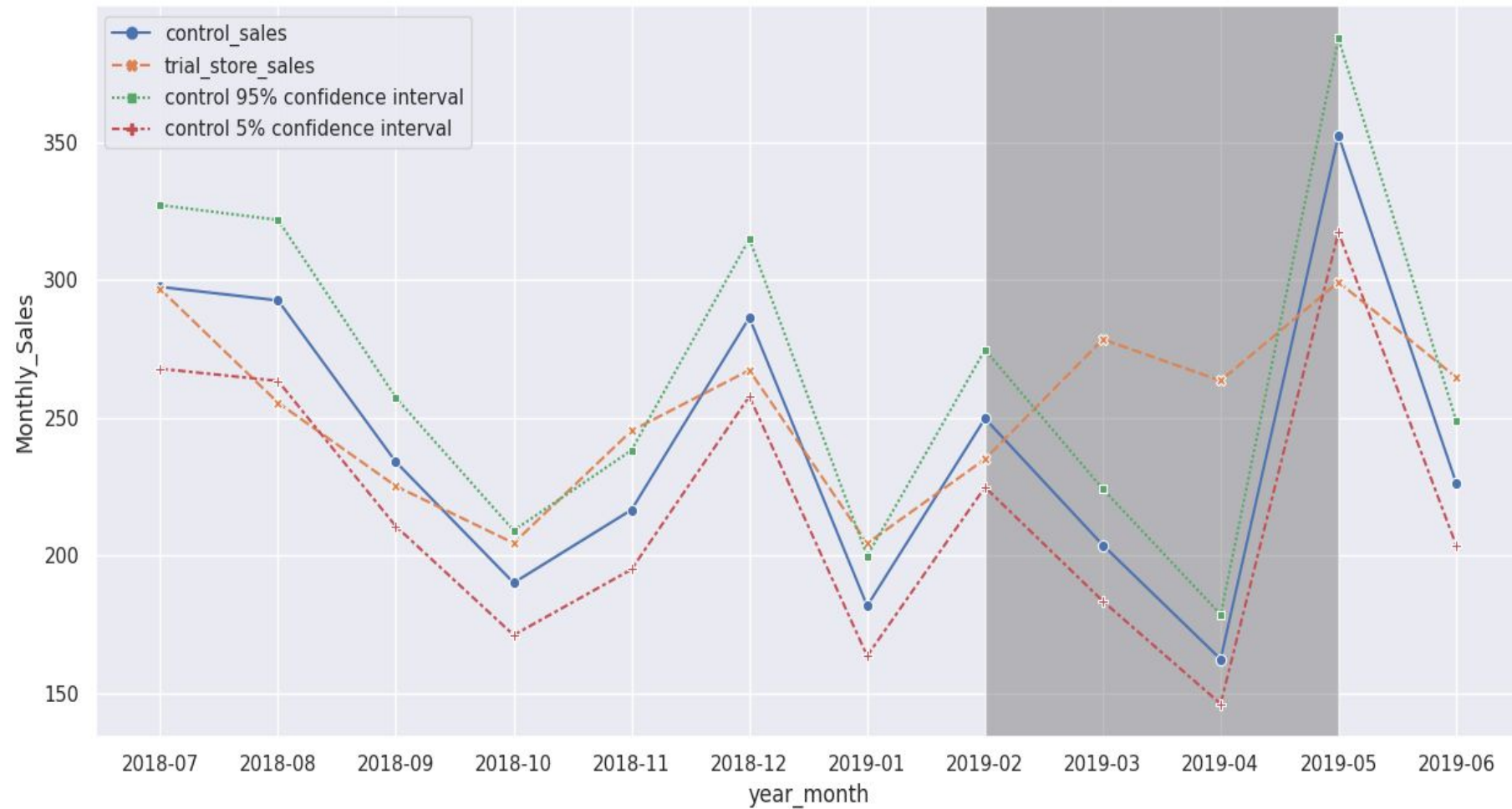
# Control Store selection criteria



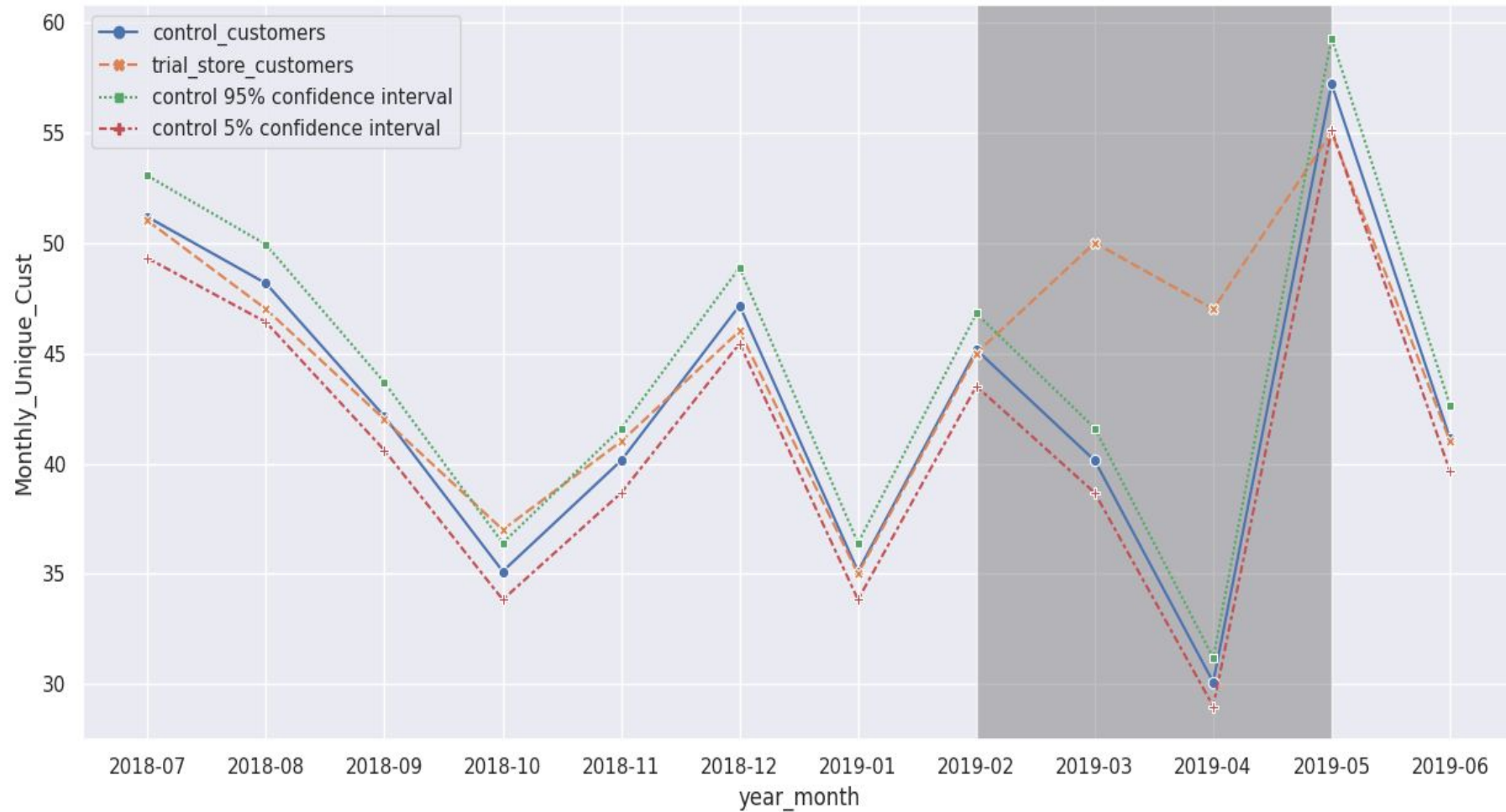
# Trial Store 77 , Control Store 233



# Trial period comparison; Monthly Sales (77,233)

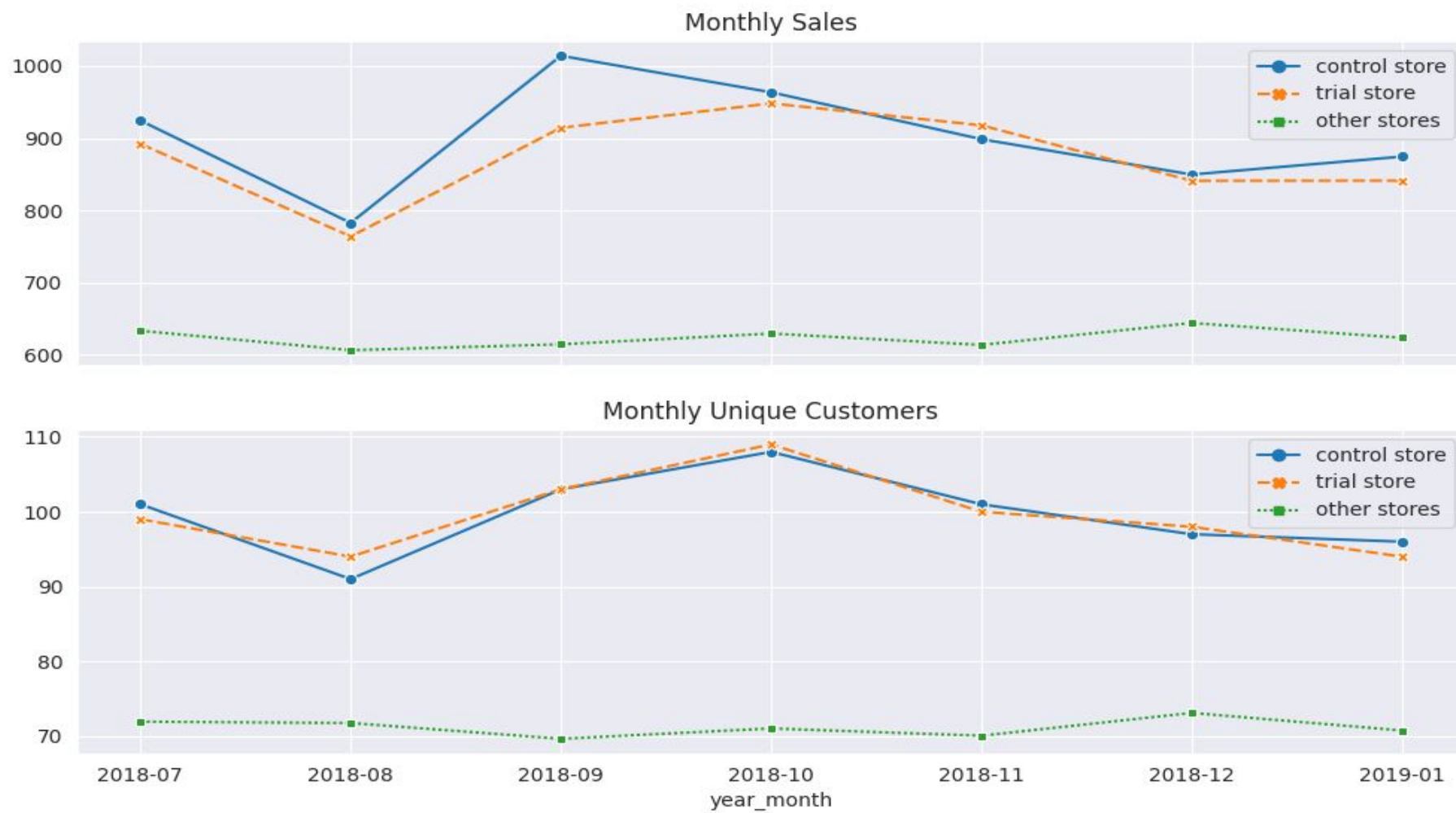


# Trial period comparison; Monthly Unique Customers (77,233)





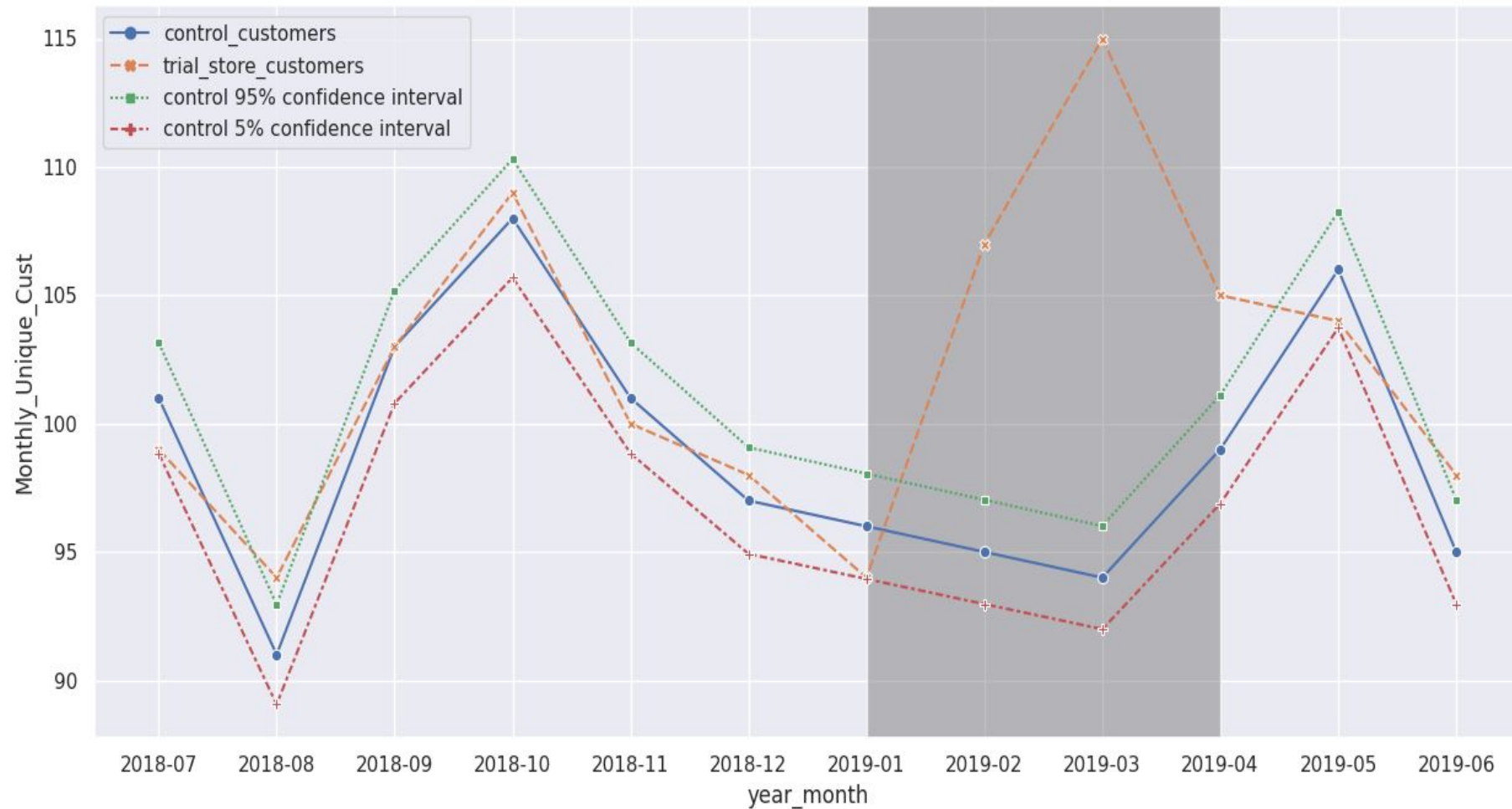
# Trial Store 86 , Control Store 155



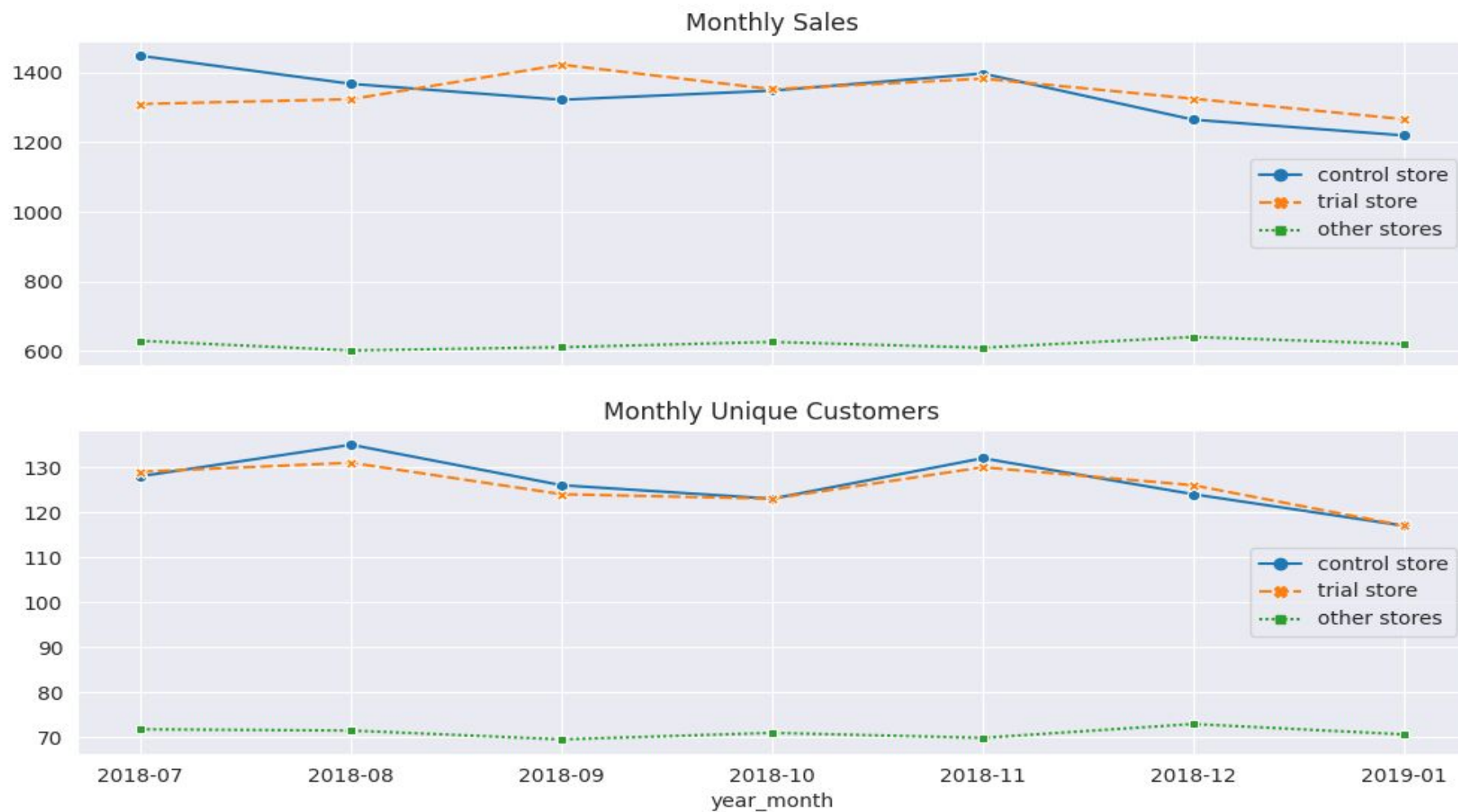
# Trial period comparison; Monthly Sales (86,155)



# Trial period comparison; Monthly Unique Customers (86,155)



# Trial Store 88 , Control Store 237

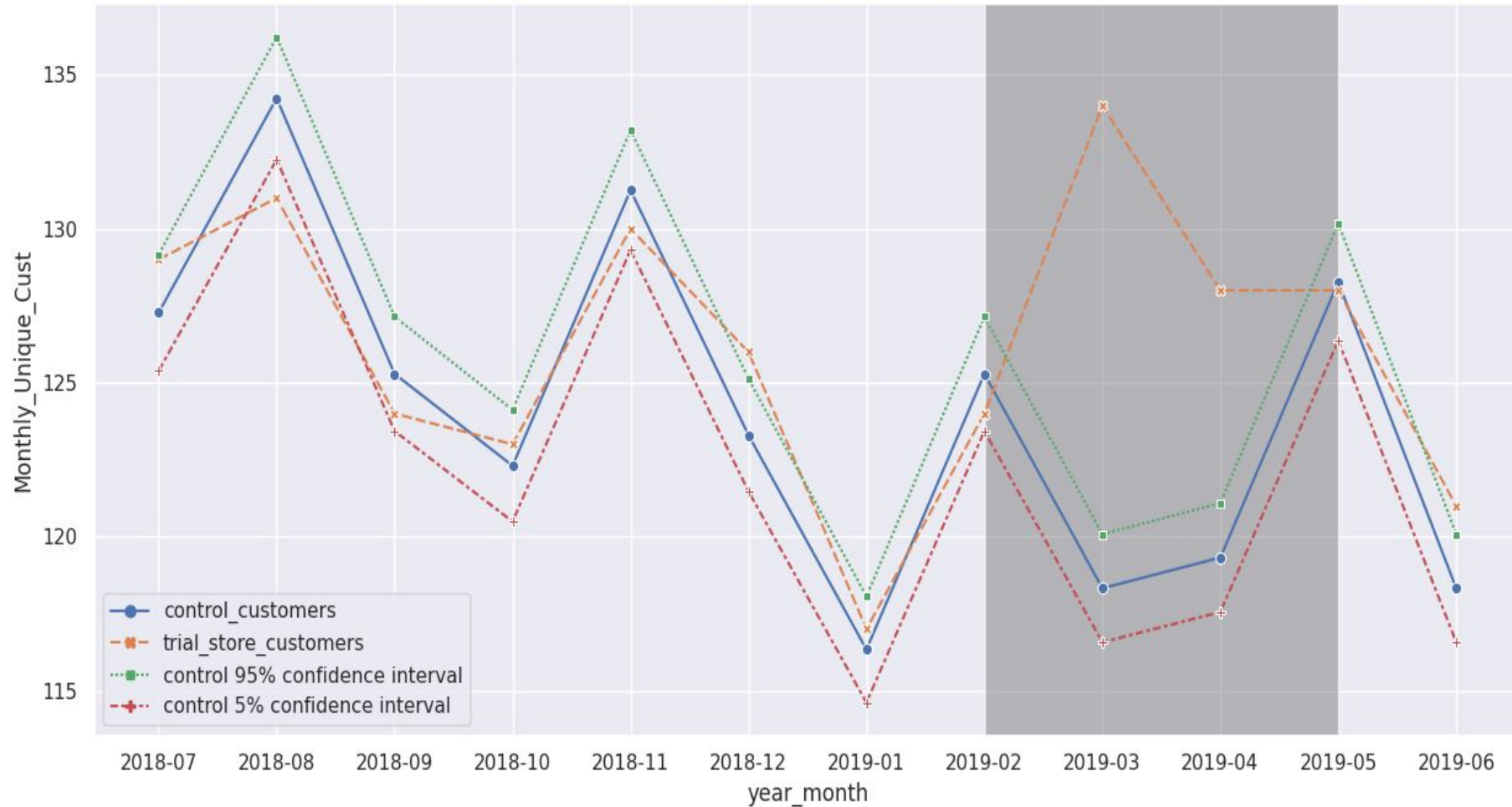


# Trial period comparison; Monthly Sales (88,237)

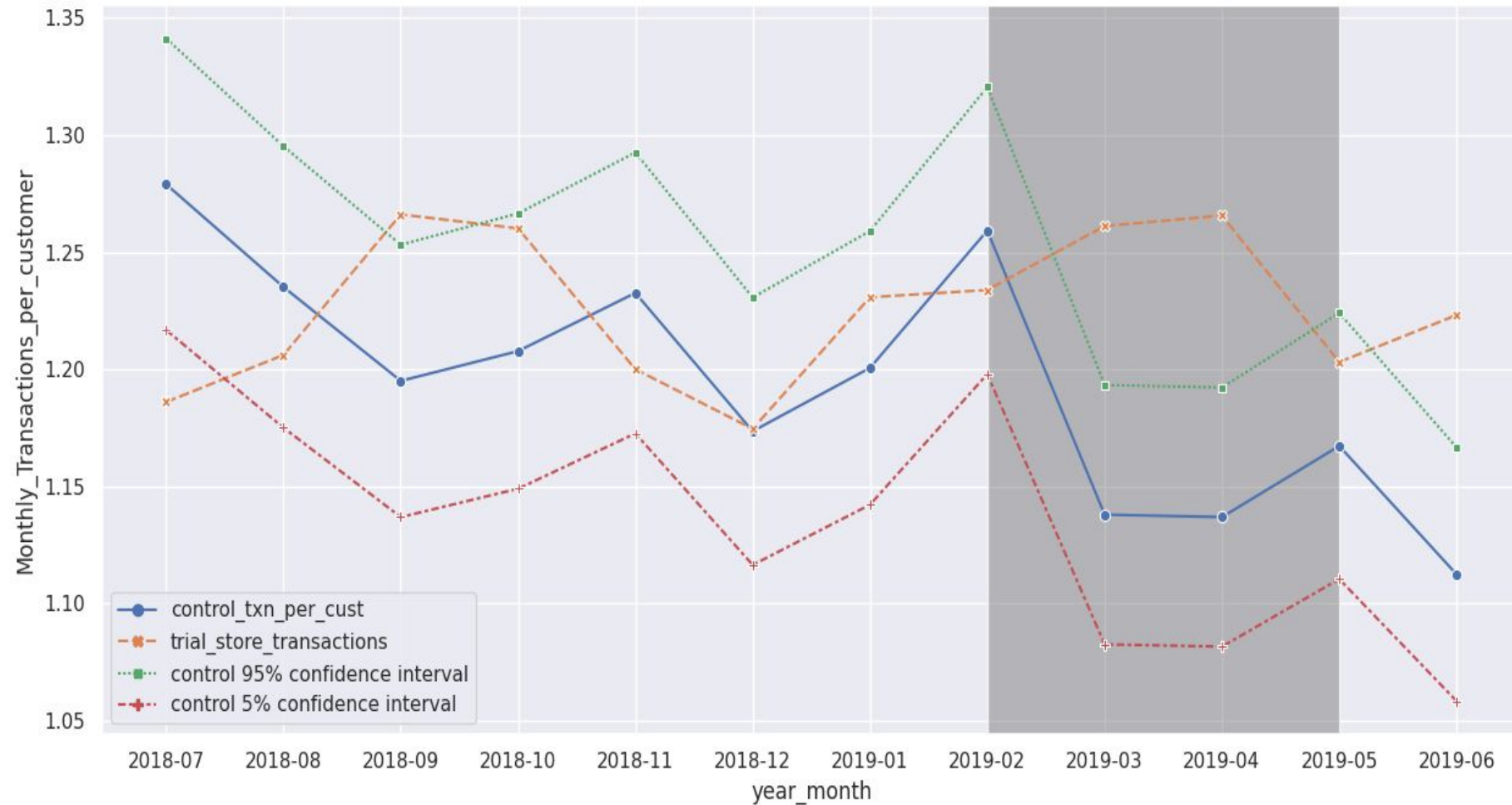




# Trial period comparison; Monthly Unique Customers (88,237)



# Trial period comparison; Transactions per Customer (88,237)



# Insights and Recommendations

## Trial Summary

Each of the trial stores (77, 86, and 88) was assigned a control store (233, 155, and 237, respectively). Overall, the trial was a success, as sales increased in all trial stores for most of the trial period.

## Key Findings

- The number of unique customers increased in all trial stores throughout the trial period.
- Trial store 88 was the only store to exhibit an increase in sales throughout the trial period. This could be due to the fact that trial store 88 had a higher number of transactions per customer than its control store.

## Recommendations

- The trial should be scaled to the other stores.
- An analysis of the implementation in trial store 88 could be used to further improve the trial, as it produced the best results overall.

In other words, the trial was a success, and the company should consider rolling it out to more stores. Additionally, the company should learn from the success of trial store 88 to improve the trial for other stores.





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