Stratathon
April 2025

Stratathon Task Debrief

Rotterdam

09/04/2025

OC&C
Strategy consultants

Each team will complete one analytics challenge and one strategy challenge

Task Summaries

1 | **Analytics Task**

- You will work on a modelling task to help a client answer a key business question

- Make sure to take note of methodology and reasoning as you will need to present a brief explanation during Day 2!

- Watch your time – you should make sure you still have time to complete the Strategy task!

2 | **Strategy Task**

- You will dive into the data and develop a recommendation for a real-word strategic challenge

- You will need to narrate your logic and decisions through a set of slides in Day 2

- Make sure to divide your time well! You should be spending 70-80% of time on the Strategy task

Output: You will have to make a set of 5-6 slides walking us through your modelling and strategy recommendations to present in Day 2

Analytics Task: OC&Grocery leadership is keen on understanding drivers of sales, and want your team to model sales down to a store level

OC&Grocery

Problem description

- **OC&Grocery** is one of your **new clients**, and, as part of their **5-year strategy refresh**, have engaged your OC&C team to **analyse store-level performance drivers**

- **Predicting sales based on store attributes** has become an important key task for OC&Grocery, as they move towards making their **portfolio of stores more efficient** and **expand beyond their current set of stores**

  – Your predictions will help OC&Grocery avoid food waste and improve customer satisfaction

- Your task includes predicting sales for some of the stores on the OC&Grocery portfolio with data the OC&Grocery team has provided you

Your task

- You have been able to request both store and sales data, compiling it into two datasets:

  – Store data

    - With all store attributes available in the OC&Grocery database

      – *Note: Not all store attributes are important to the task*

  – Sales data

    - This has the annual sales of each stores

- You now should produce a model that can (as accurately as possible) predict annual sales for a test set of stores

---

Reminder: Don't spend a lot of time tuning the model, you should think of how to divide up your time best for both the Analytics and Strategy tasks


How to Access the Data: You will find all you need on the Google Drive which you should already have access to

Accessing the Data

**1** **Log into the Google Drive**

- You should have access to the OC&C Hackathon Google Drive (do tell us if not)
  - In the **"Data" folder**, you should be able to find:
    - store_data.csv
    - sales_data.csv
    - test_stores.csv
  - In the same folder, you will find all slides referring to the tasks assigned to you
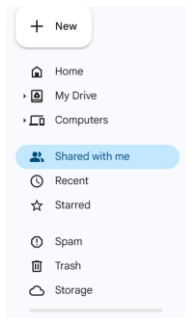
**2** **Code in Google Collab**

- We have set up a Google Collab notebook for each of the teams in the folder **"Colab Notebooks"**
  - You will be able to code directly there, without having to worry about having packages downloaded
    - **If you have any issues do let us know!**
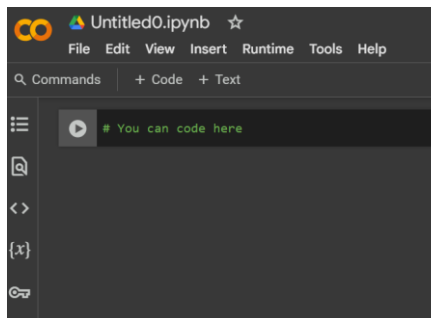
3 **Upload your Final CSV & Make a Slide**

- We ask you to submit within the **"Submissions" folder** (within the folder that is tagged to your team's name)
  - You should submit:
    - A CSV file with the annual predictions for the test_stores set
    - You should also add a single slide to your presentation on findings, drivers, model used…
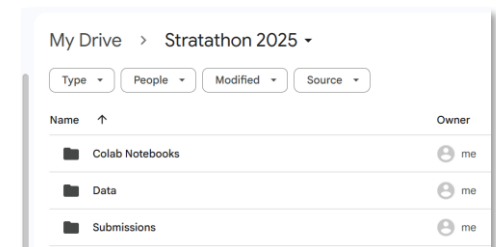
Team A: Your client, OC&Grocery, wants to become a national leader in organic grocery and your team has been tasked with developing the strategy

Organic Strategy Task

OC&Grocery has refreshed their strategy and becoming a leader in organic products is one of the new pillars…

…but there is currently no structured strategy to how they approach organic product supply to their stores

Task A – Output Structure

You are part of the OC&C team that will help OC&Grocery design their new 5-Year Organic Strategy

- Your team is tasked with figuring out how to approach distribution of organic products in a successful way
- You know organic products **don't pay off equally everywhere,** and your job is to **come up with an effective strategy** for the portfolio
- You know organic success **isn't one-size-fits-all** but you have not proven it yet
- There is many things to think of:
  - Size of store
  - Location
  - Store type
  - …

Current State of Affairs

- What is the importance of organic products for OC&Grocery today?
- Is there a clear strategy as to how organic products are currently distributed to stores?

Store Success Drivers

- Is there a relationship between store success and organic products?
- Can we see diminishing effects of increasing organic in stores? Is this true for all stores?

Strategy Design

- What is the optimal share of organic products in an average supermarket and an average hypermarket?
- Can we unpick this by each type of store?

Team A: The following question set will guide you through the main tasks you will need to complete to give the best strategy recommendations

Organic Strategy Task - Food For Thought

Current State of Affairs

- What is the distribution of organic product look like across the store network? Is there a clear strategy being followed?
- Which store formats have the highest and lowest organic product share?
- How does organic sales share correlate to overall annual sales?

Store Success Drivers

- Which variables are the most predictive of overall store performance (ie annual sales)?
- Is organic share among the top drivers?
- Are there interaction effects (ie high organic share only drives sales for specific types of stores)?

Strategy Design

- *Bonus:* Is there a point at which increasing organic product share stops increasing sales?
- *Bonus:* For an average hypermarket and an average supermarket, estimate the optimal organic product share *(hint: leverage the model)*
- Given what you have learnt about which stores perform best with high levels of organic – **what would your final recommendation be and how much uplift would it deliver?**

Use this question set as a guide, unpick trends in the data to inform your final strategy recommendations but you **don't need to complete all questions**

Team B: OC&Grocery are aware of a few underperforming stores – your team is tasked with diagnosing drivers

Underperforming Stores Task

| **OC&Grocery, as many other grocery retailers, is aware of a few underperforming stores…** | **…it is your job to help leadership understand what is driving this and how to best tackle it** |

Task B – Question Set Structure

You are part of the OC&C team that will help OC&Grocery identify and tackle underperformance in their store portfolio

- When reviewing their 5-year strategy, OC&Grocery leadership identified **low-performing stores** as a **risk to their future market positioning** and performance
- They have hired an **OC&C team** to help them **diagnose** and turn around **underperforming stores**
- While you are exploring the data, you should think of a couple of things you will eventually need to deliver to leadership:
  - Which stores are lowest performing? What is driving this underperformance?
  - Are there any measures you can see from the data that would improve store performance?

Diagnostic Analysis

- *You will first be tasked with identifying underperforming stores and understanding what drivers their low performance*
- *Is their low performance due to characteristics under OC&Grocery's control?*

Levers & Uplift

- *Given conclusions from the diagnostic analysis, you will be tasked with designing the levers that might improve store performance and estimating their potential uplift*

Strategy Design

- *Given the available levers and what you know of the stores, you will need to suggest a final set of recommendations for OC&Grocery's board*

Team B: The following question set will guide you through the main tasks you will need to complete to give the best strategy recommendations

Underperforming Stores Task – Food for Thought

Diagnostic Analysis

- What is the distribution of performance throughout the store portfolio? Are there consistent trend across types of stores?
- What are differentiating characteristics of low-performing vs high-performing stores?
- How much revenue is being lost annual from underperformance in these stores (vs if they were performing at an average level?

Levers & Uplift

- What levers can be pulled to turn around performance in these stores?
- What revenue uplift can be obtained from pulling these levers?
- Are there interaction effects (ie high organic share only drives sales for specific types of stores)?

Strategy Design

- Given what you have learnt about characteristics underperforming stores - **what would be your final strategy regarding turning around the worst performing stores?**

Use this question set as a guide, unpick trends in the data to inform your final strategy recommendations but you don't need to complete all questions

Team C: Your team is tasked with selecting the new 10 stores OC&Grocery should open

New Store Expansion Task

OC&Grocery is looking to open 10 new locations, and your team has been chose to shortlist them

You should come up with a shortlist, driven by the conclusions emerging from your analysis

Task C – Question Set Structure

You will help OC&Grocery shortlist 10 new stores

- OC&Grocery has been quickly **expanding their portfolio**, and they want to add 10 new stores in the upcoming year
- They have hired your **OC&C team** to help them understand what **10 hypermarket locations will be the most successful** and bring the highest revenue
- While you are exploring the data, you should think of a couple of things you will eventually need to deliver to leadership:
    - Which **hypermarket locations** have the **highest potential**? What is driving that sales potential?
    - Are there any **patterns** you think OC&Grocery should follow when **selecting new stores**?

Hyper-market Analysis	• *What location factors are important for high-performing hypermarkets?* • *What differentiates high and low performing hypermarkets?*
Store Selection	• *Which 10 stores from the test set have the highest potential?*
Store Strategy	• *What is the best format for these locations?*

Team C: The following question set will guide you through the main tasks you will need to complete to give the best strategy recommendations

New Store Expansion Task - Food for Thought

Hyper-market Analysis	• What is the distribution of performance across all hypermarkets today? • Which store characteristics most consistently correlate with strong sales? • Does performance drivers vary by region / catchment characteristics (e.g. are specific hypermarkets better performing in some regions vs others)?
Store Selection	• Which candidate sites match well-performing hypermarkets the most? • What revenue is projected for their specific store size, location and other characteristics?
Store Strategy	• *(Bonus) What is the best format (services, assortment mix) for these 10 locations? (hint: leverage the model)* • Given what you have learnt about characteristics underperforming stores - **what are your final 10 location recommendations?**

> Use this question set as a guide, unpick trends in the data to inform your final strategy recommendations but you don't need to complete all questions