June 2020

Category review: Chips

Retail Analytics

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

Privacy

- We have built our business based on privacy by design principles for the past 17 years
- Quantium 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.

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We all have a responsibility to use data for good

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

Executive summary

01 Task 1- **Category Analysis**

Mainstream Customers represent the highest value opportunity for chips.

Key Callouts:

- **Young & Mid-Age Singles/Couples**: Pay significantly more per unit, offering opportunities for premium product offerings.
- **Retirees**: Large customer base, critical for maintaining stable sales.
- **Statistical Significance:** Price Sensitivity of **Young Singles/Couples** is particularly notable
- **Brand Opportunity: Tyrrell chips** demonstrate **a strong affinity with Mainstream Young Singles/Couples**, presenting a significant market opportunity.
- **Pack Size Preference:** Mainstream Young Singles/Couples gravitate towards larger pack sizes, specifically in the 270g to 380g range.

02 Task 2 -**Trial store performance**

New Store Layouts: Driving Sales and Footfall

Key Findings::

- Control stores **233, 155, and 237** were identified for trial stores **77, 86, and 88** respectively.
- Trial stores **77 and 88** showed **significant sales increases** in at least **two of the three trial months**.
- Trial store **86 did not show consistent significant increases,** warranting further investigation.
- Overall, **the new layouts appear to have a positive impact on sales and customer numbers.**

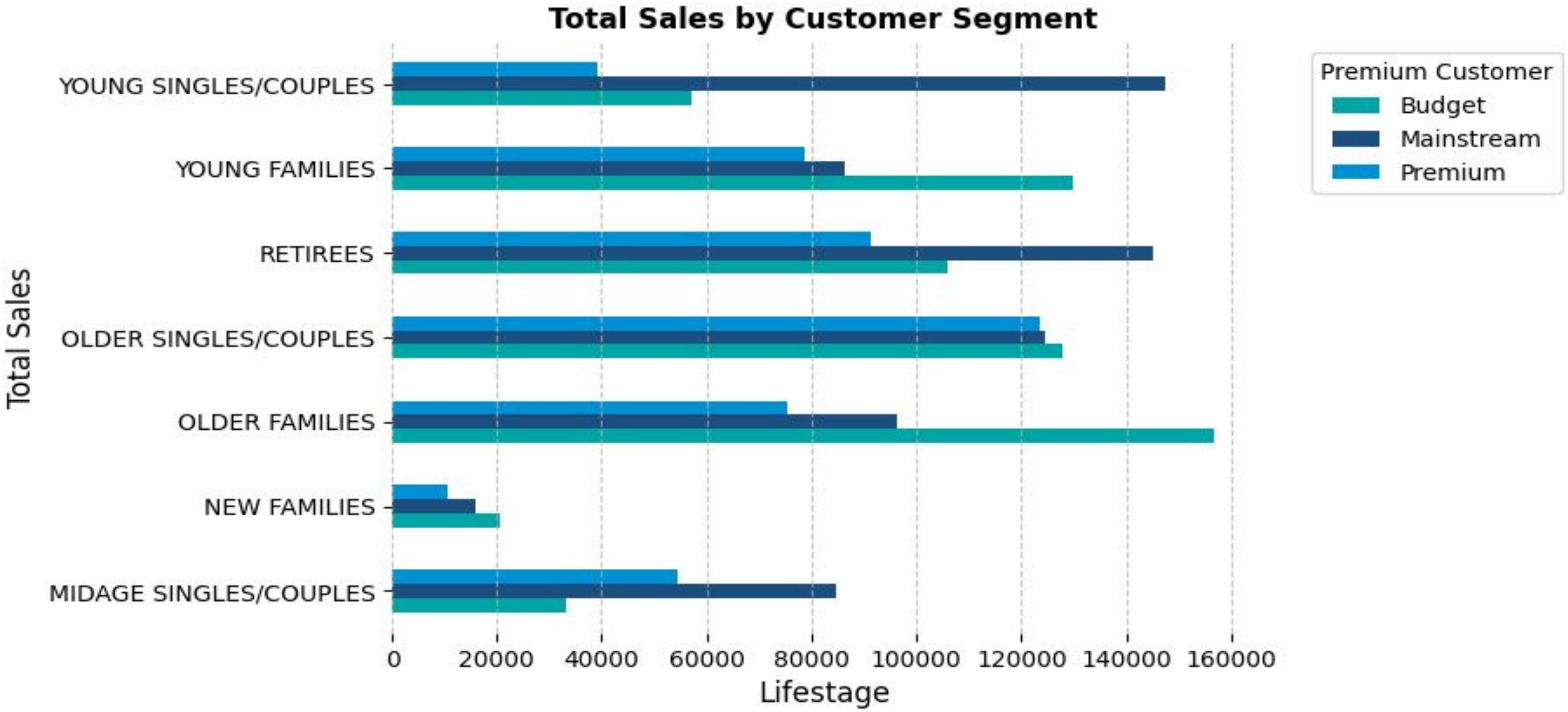
01

Category

Sales Contributions by Customer Segment

Key Segments: Sales are driven mainly by **Budget Older Families**, **Mainstream Young Singles/Couples**, and **Mainstream Retirees**.

Strategic Focus: Although Budget Older Families lead in total sales, **Mainstream Young Singles/Couples** and **Mid-Age Singles/Couples** are especially valuable due to their higher spending per unit and potential for premium offerings. Let's see this in the next slide



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Affluence and Price Sensitivity in the Chips Category

- **Mainstream Young Singles/Couples** and **Mid-Age Singles/Couples** show a higher willingness to pay more per unit than their Budget and Premium counterparts

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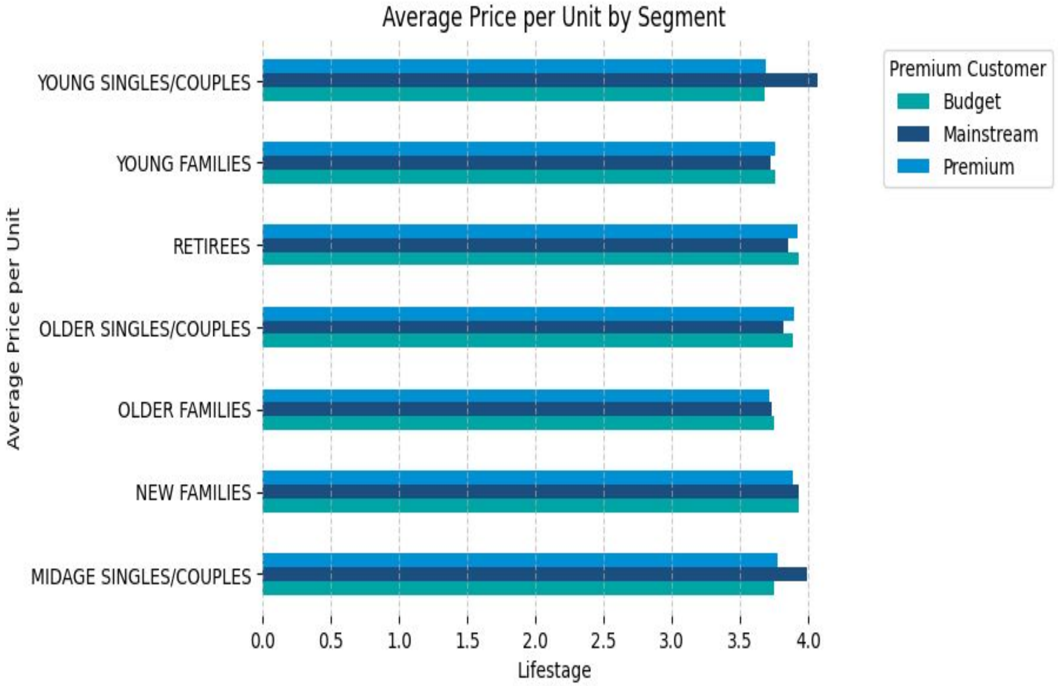
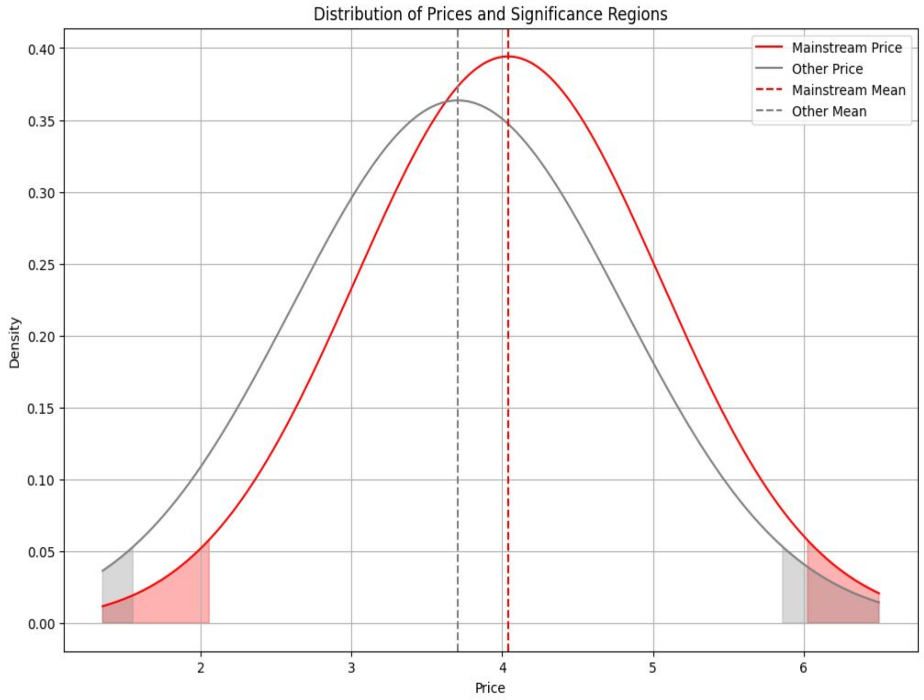
- **Statistical Significance:** A t-test reveals that the price difference for **Mainstream Young Singles/Couples** is statistically significant, justifying their prioritization.





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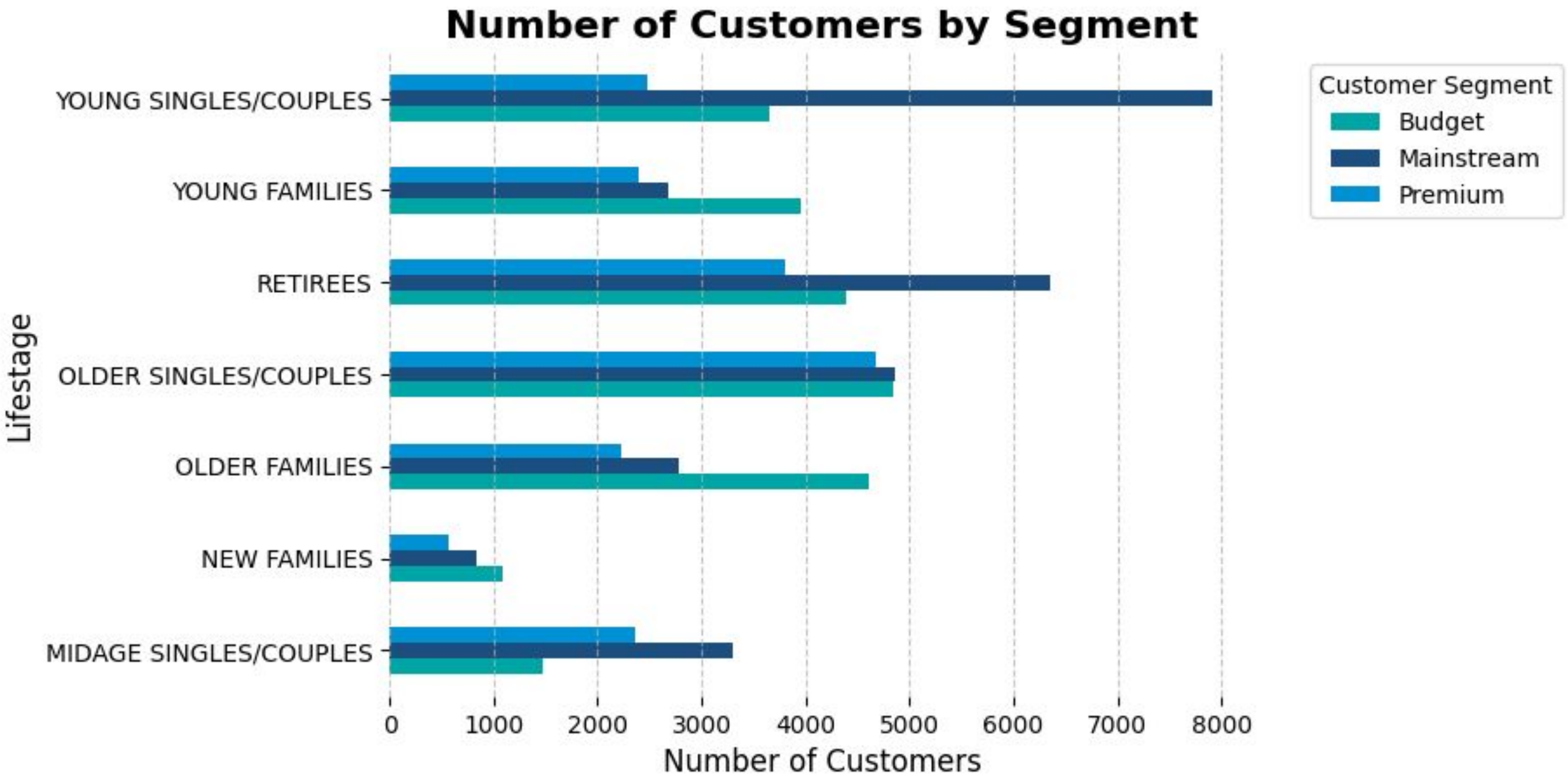
Customer Distribution Across Segments

- **Mainstream Young Singles/Couples** and **Mainstream Retirees** have a large customer base, driving their sales contributions.
- The large number of customers in these segments underpins their strategic importance.



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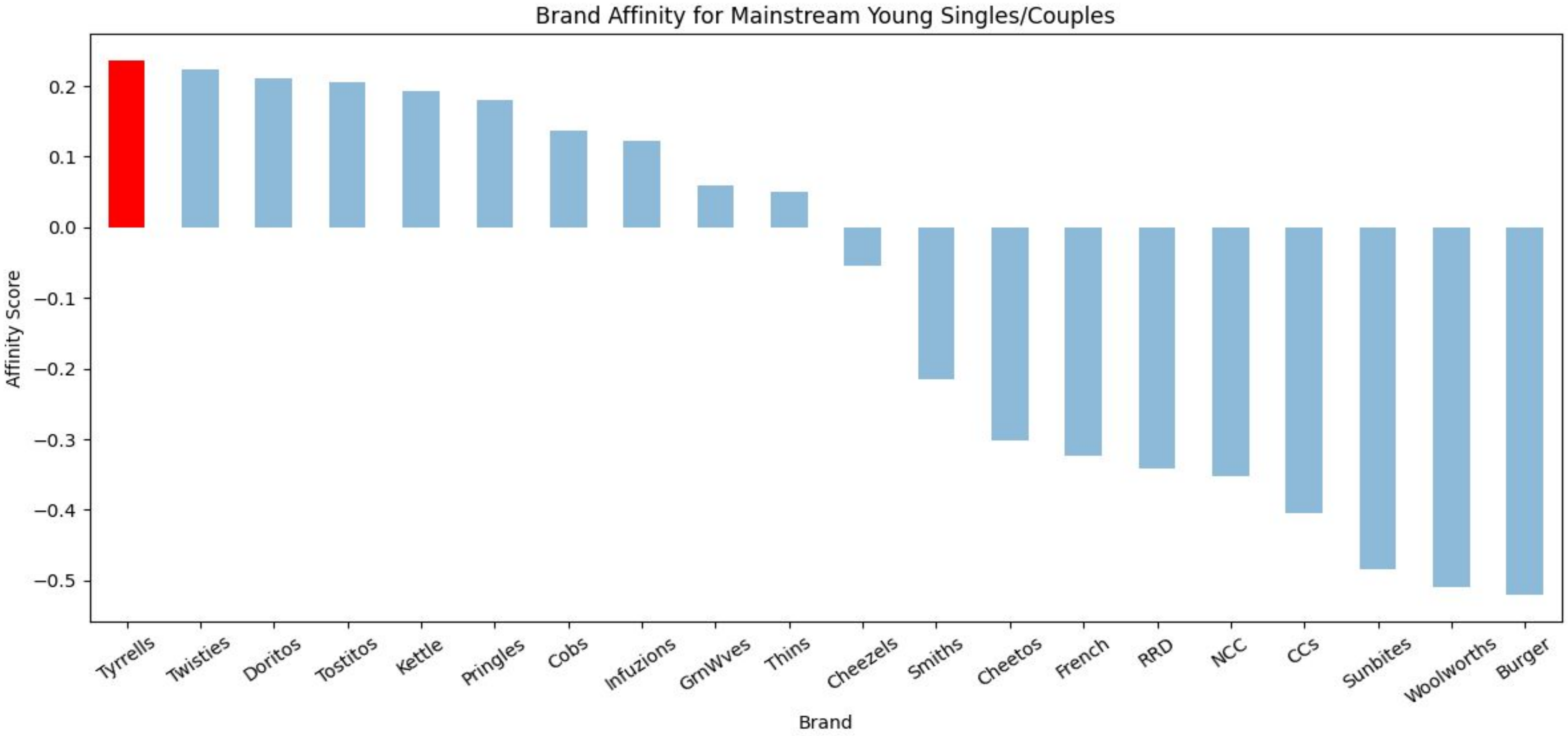
Tapping into Mainstream Young Preferences: The Tyrrells Advantage

- Top Brands: The brands with the highest affinity scores include Tyrrells, Twists, and Doritos with Tyrrell greatly favored above them all. These brands resonate well with young singles and couples, indicating a strong preference for these products.
- Low Affinity Brands: Conversely, brands like Woolworths and Burger show negative affinity scores, suggesting that they are less favored by this young singles and couples.



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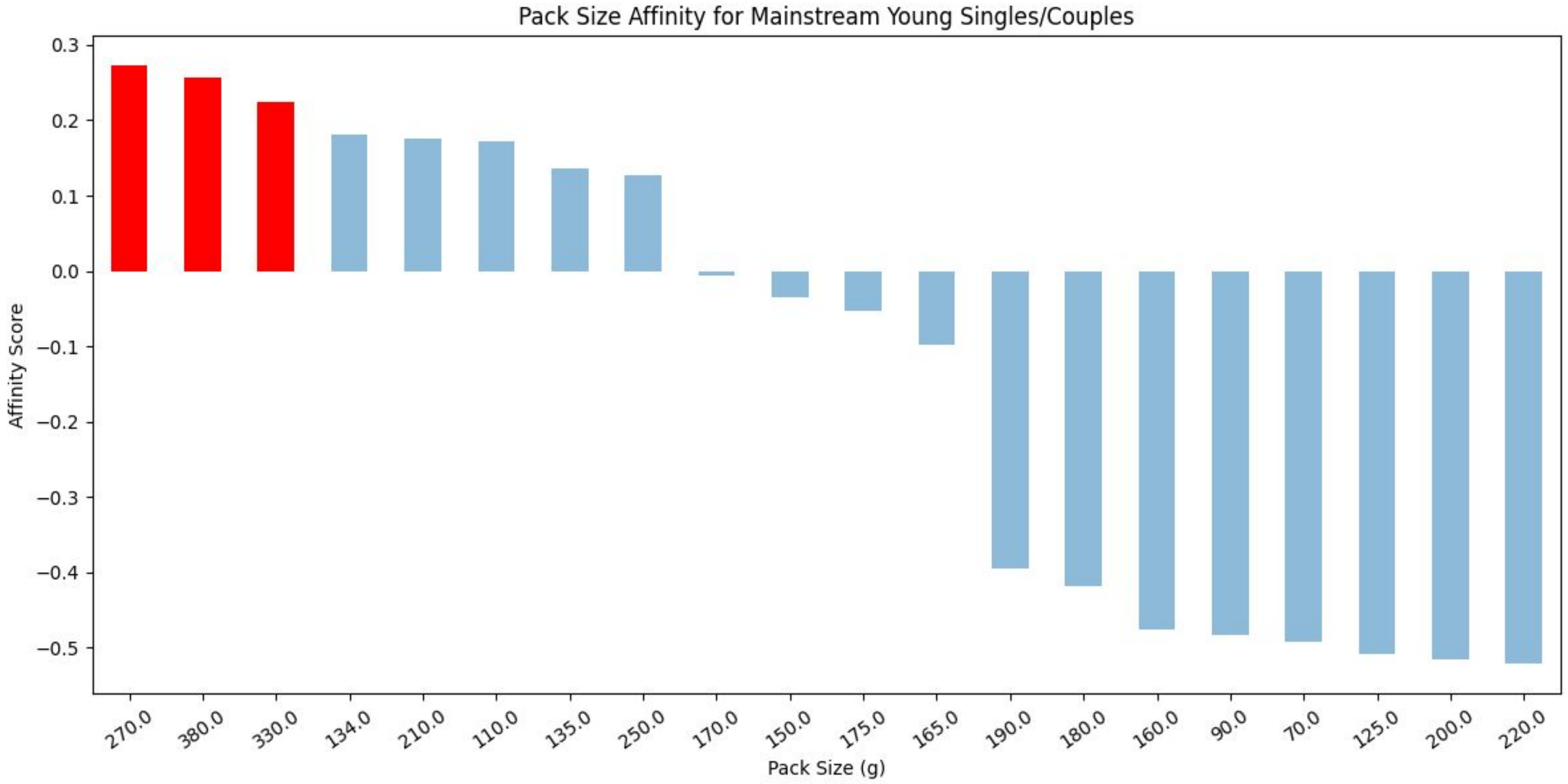
Catering to Consumption Habits: The Larger Pack Advantage

- Mainstream Young Singles/Couples favor larger chip packs (270g - 380)



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Trial store performance

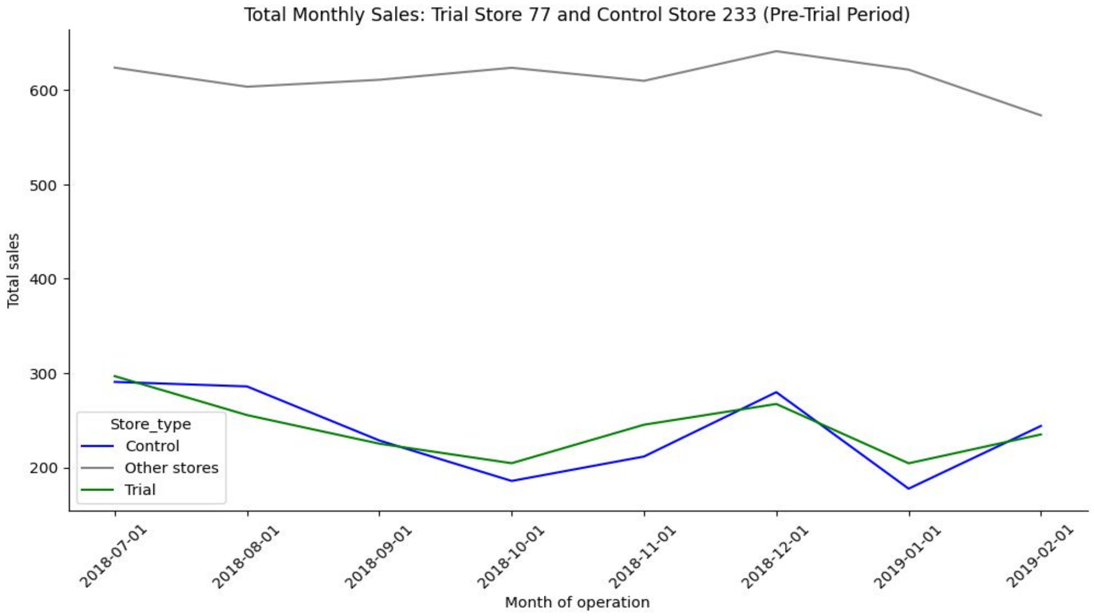
Control Stores: The Secret to Measuring True Impact

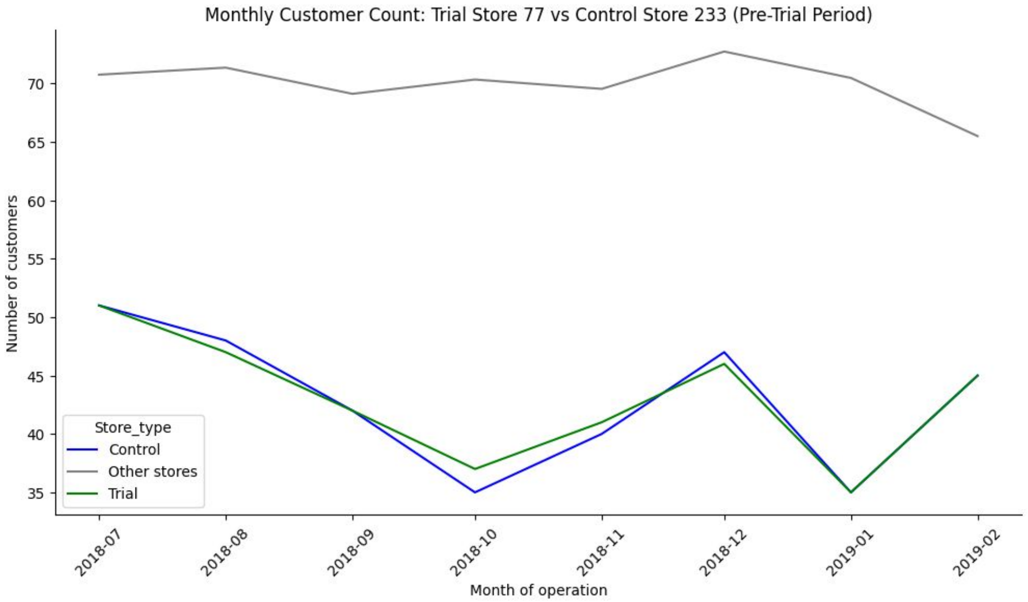
Control Store Selection Process

1. Analyzed pre-trial data for total sales and customer numbers
2. Used correlation and magnitude comparisons to find best matches
3. Selected stores with highest similarity scores as controls

Control vs Other Stores:

- Control stores closely mirrored trial stores in pre-trial period
- Other stores showed different trends, validating control selection
- Control stores provide a realistic baseline for comparison





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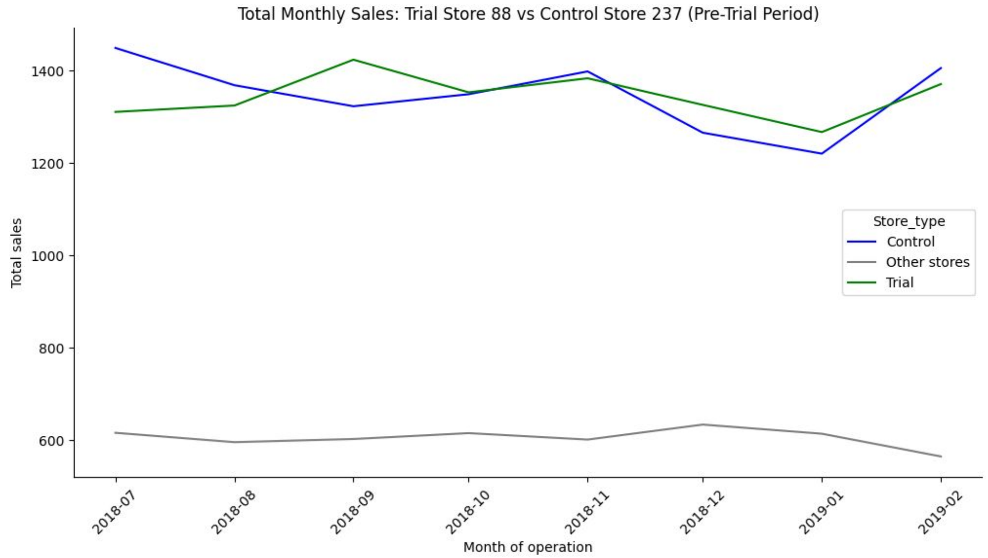

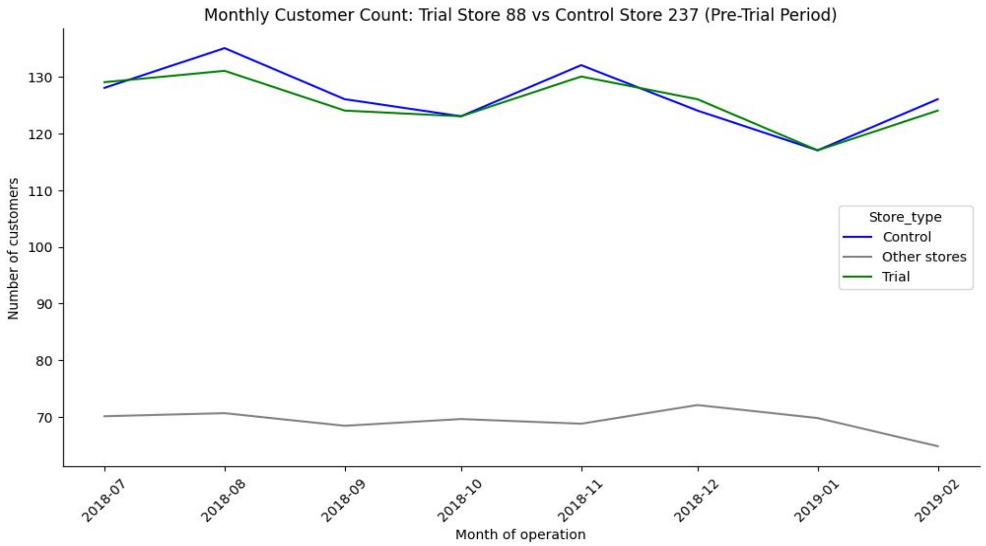

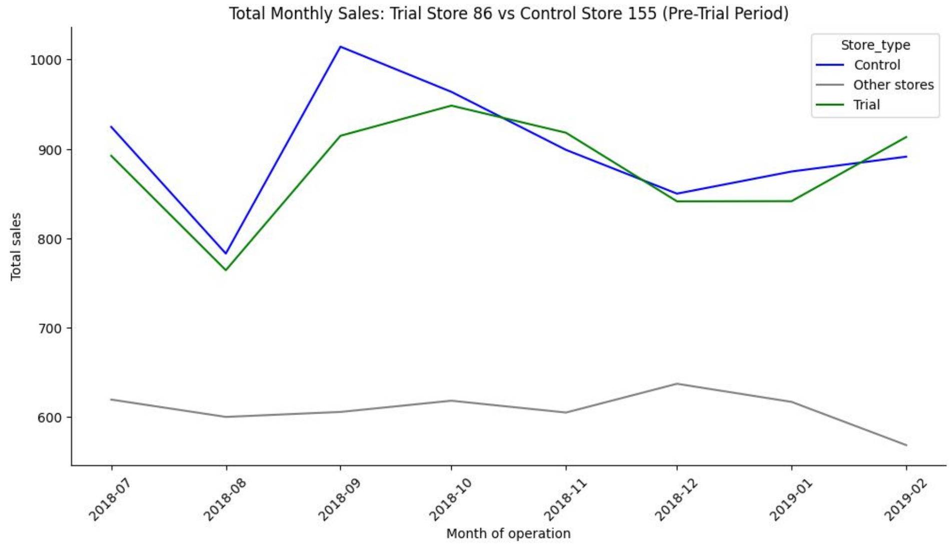

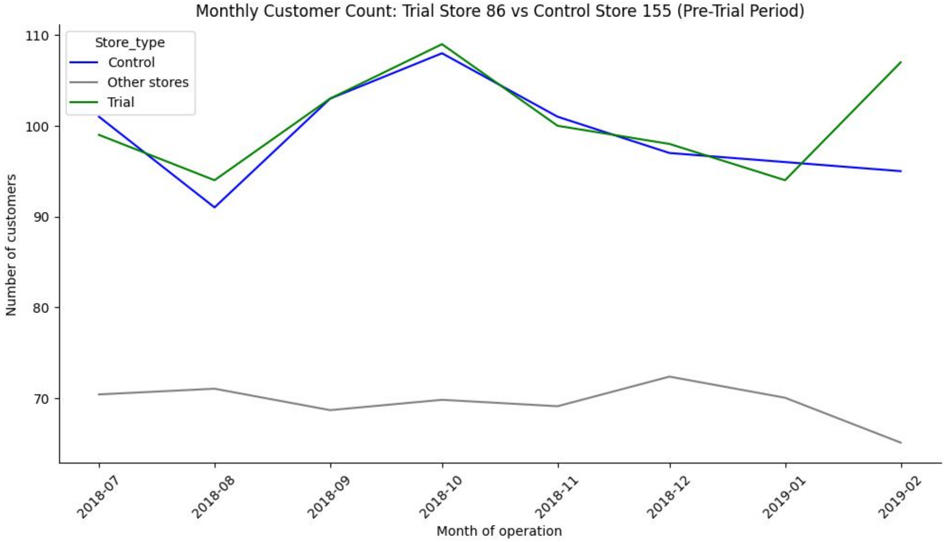

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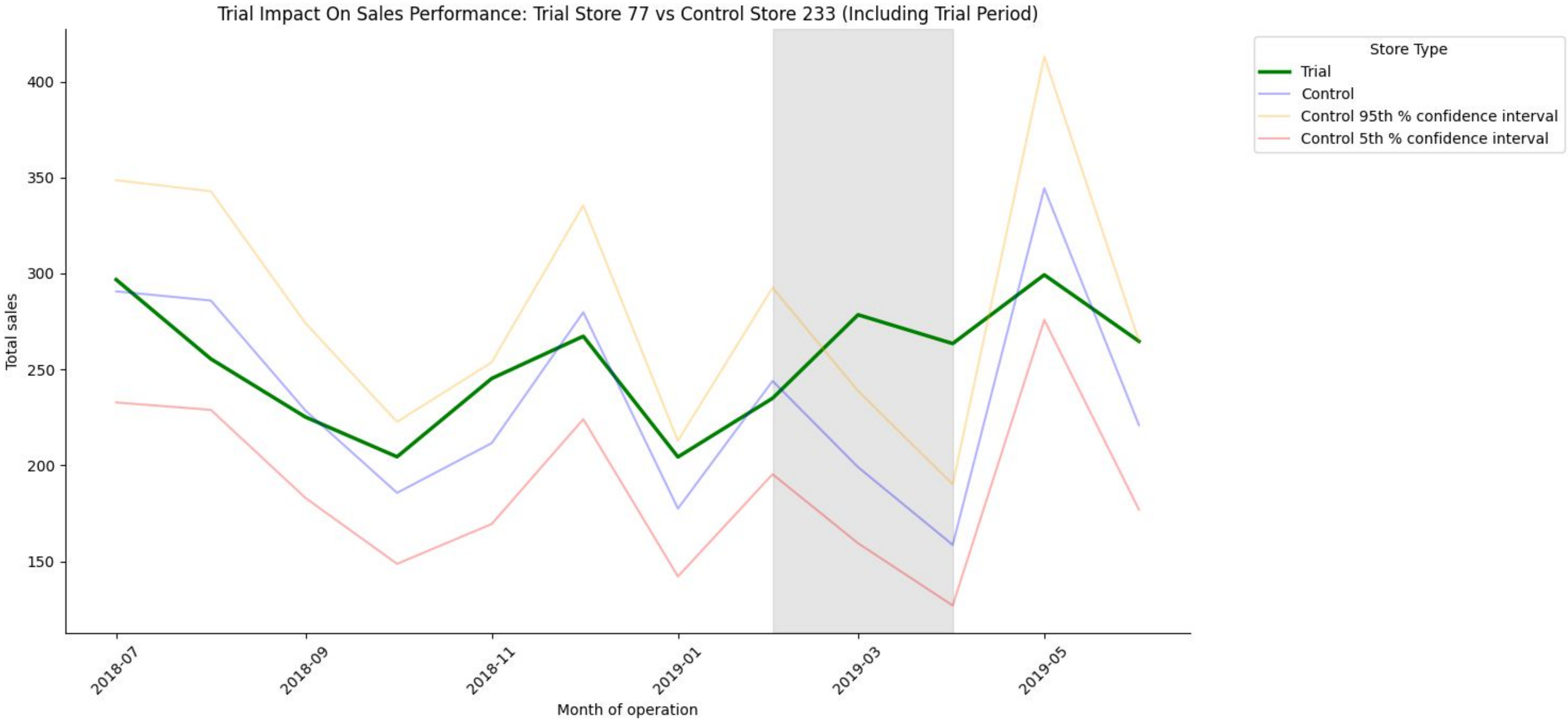
Trial Results Unveiled: A Game-Changer for the Stores

Trial Store Performance:

Store 77: Significant increase in sales for **March and April**



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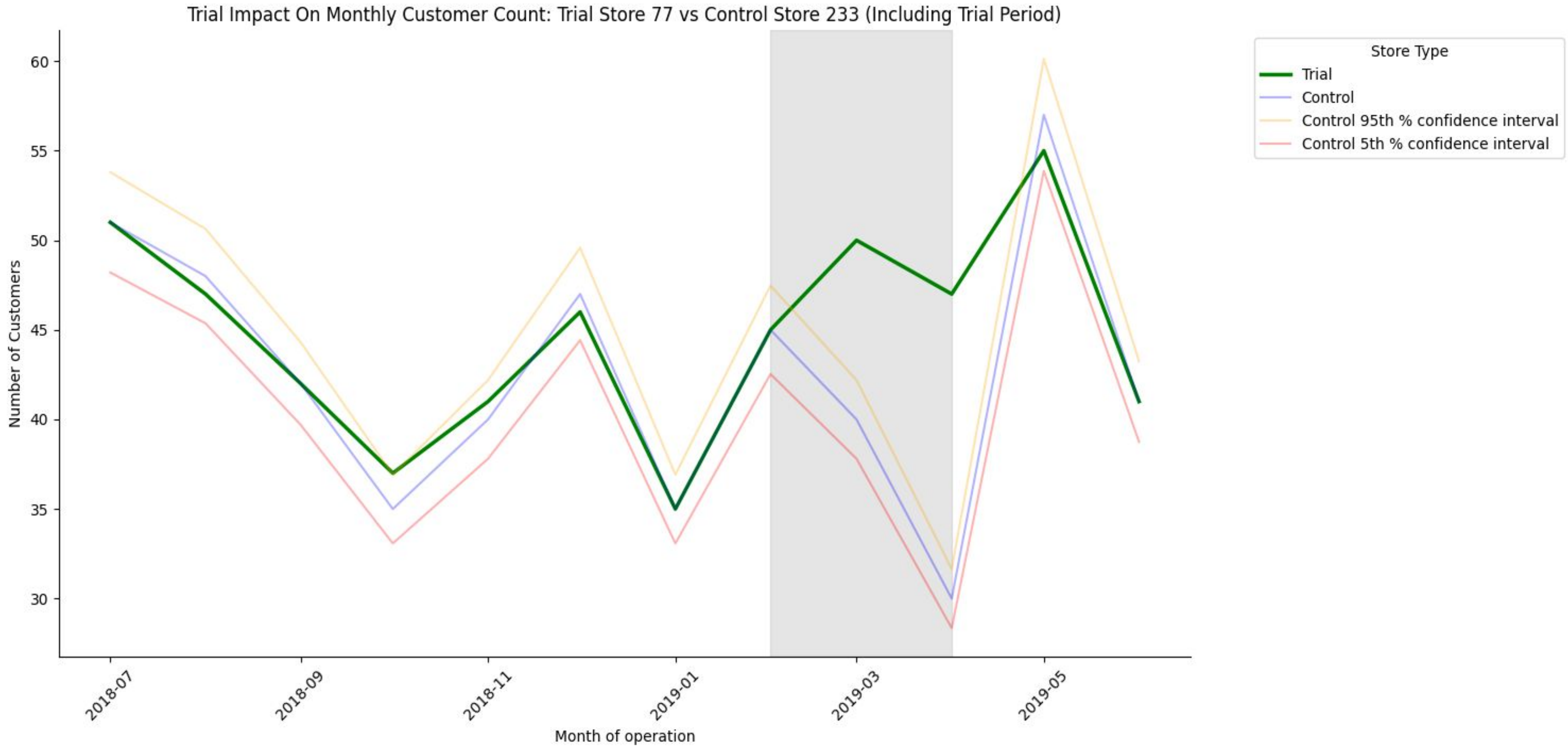
Trial Store Performance:

Store 77: Customer numbers also **increased significantly**



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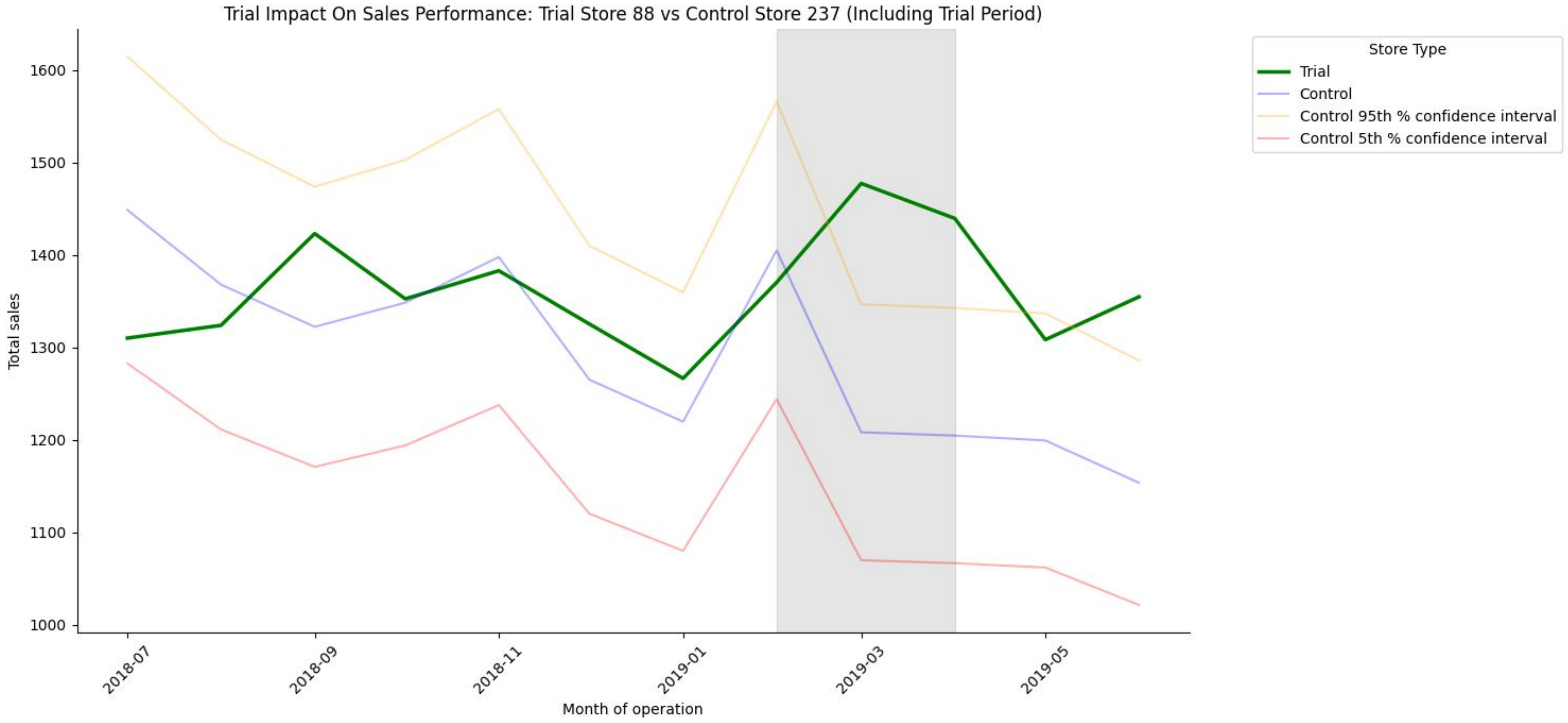
Trial Store Performance:

Store 88: Significant increase in sales for **March and April**



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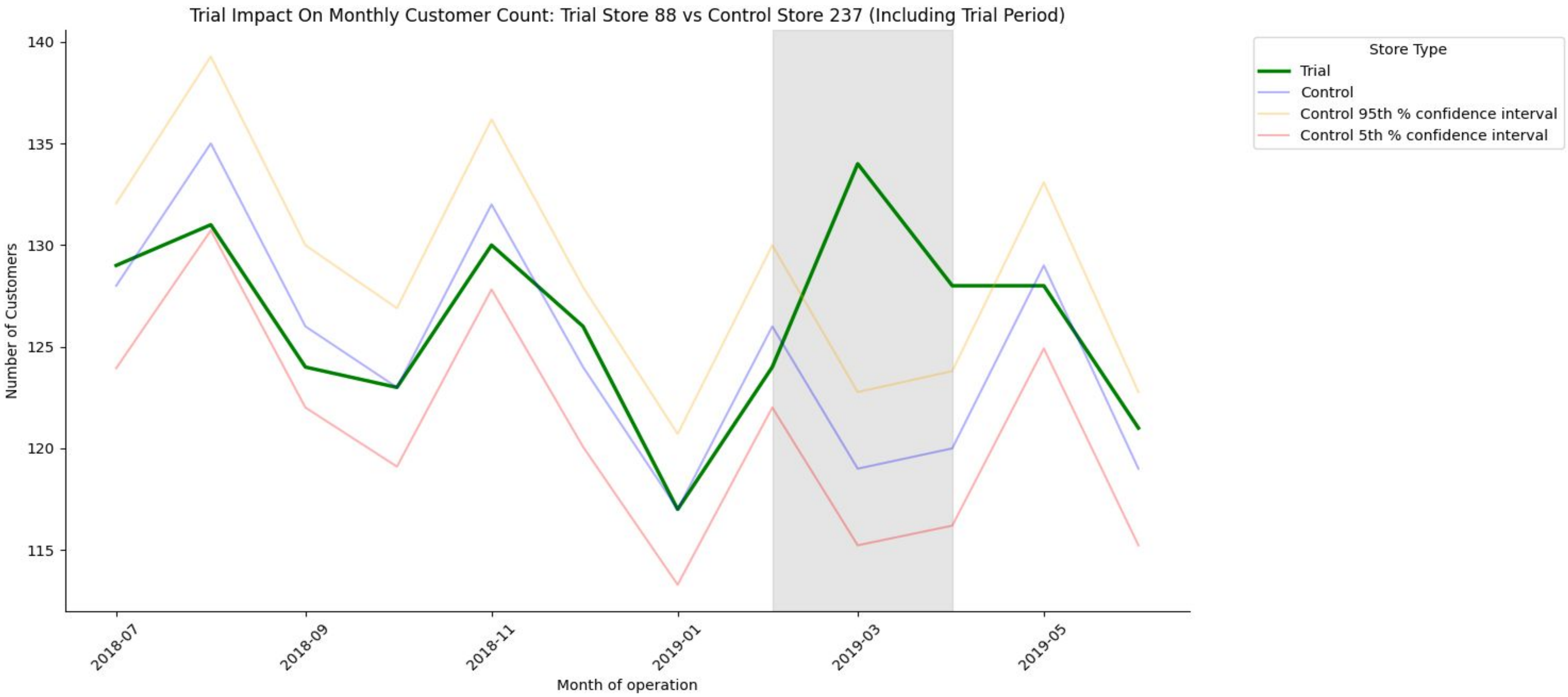
Trial Store Performance:

Store 88: Customer numbers **increased significantly** in same months



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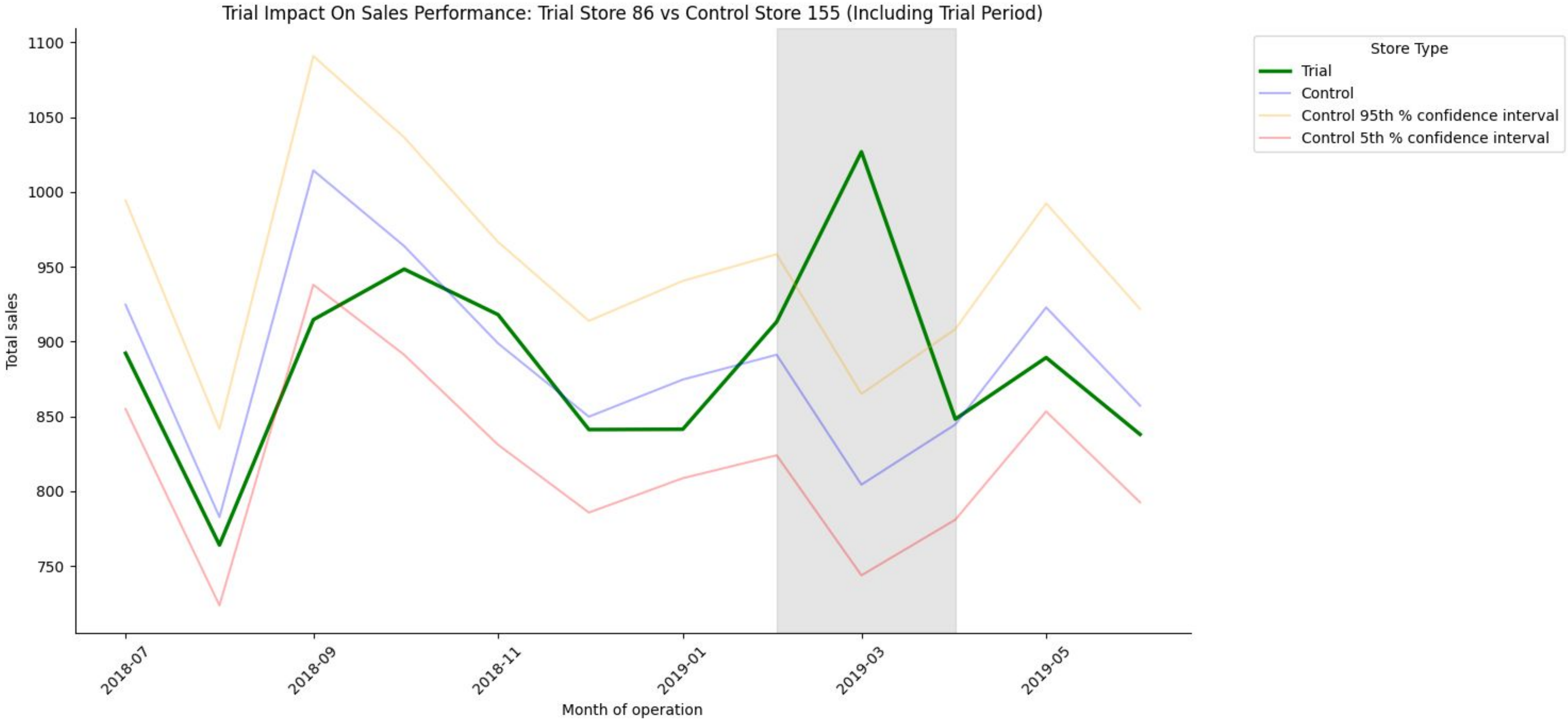
Trial Store Performance:

Store 86: Significant increase in **sales only in March**



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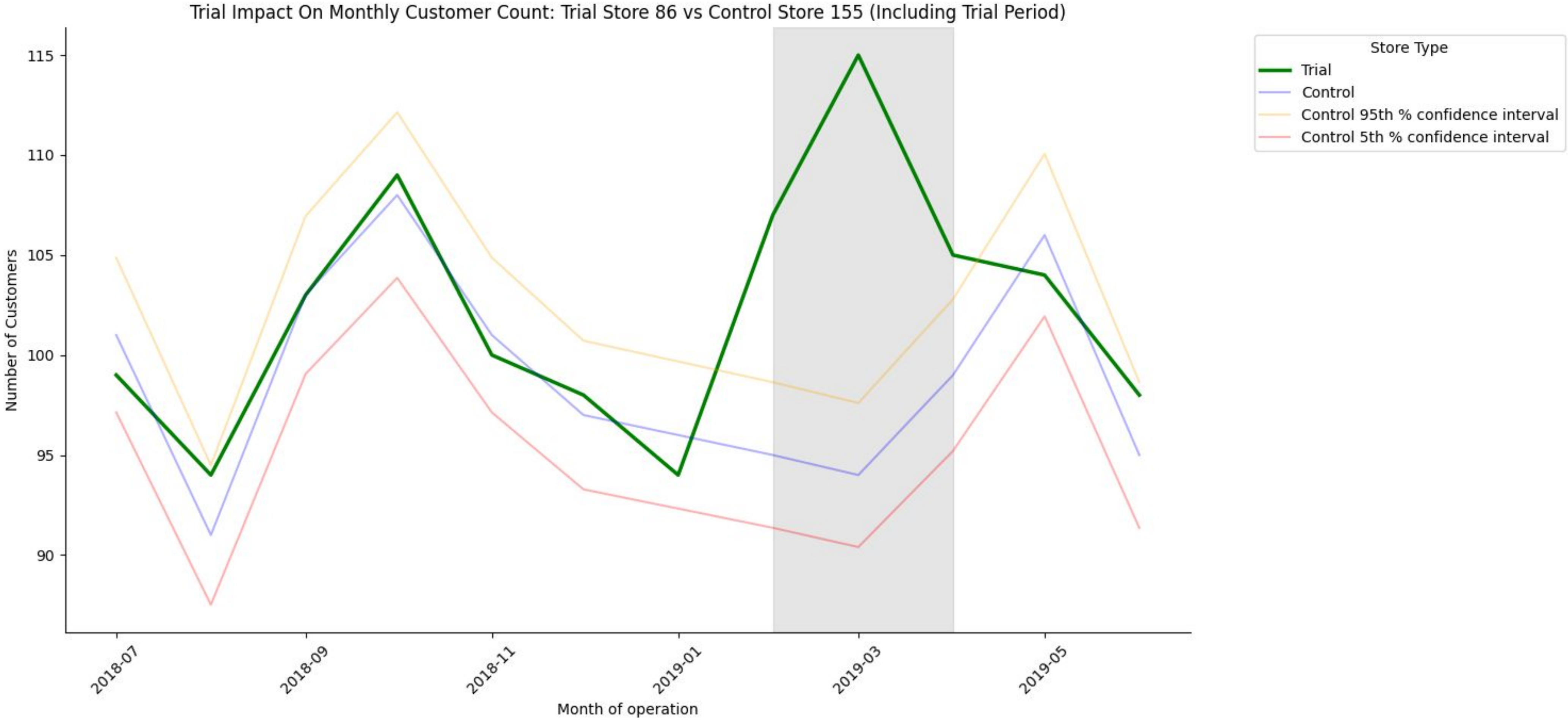
Trial Store Performance:

Store 86: Customer numbers **increased significantly all three months**



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Overall Success:

- **2 out of 3 trial stores** showed consistent positive results
- **New layouts generally improved both sales and customer numbers**
- Further investigation needed for **Store 86's** inconsistent sales performance

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