

December 2025

Category review: Chips

Date:(July 2018-June 2019)

Retail Analytics



Classification: Confidential

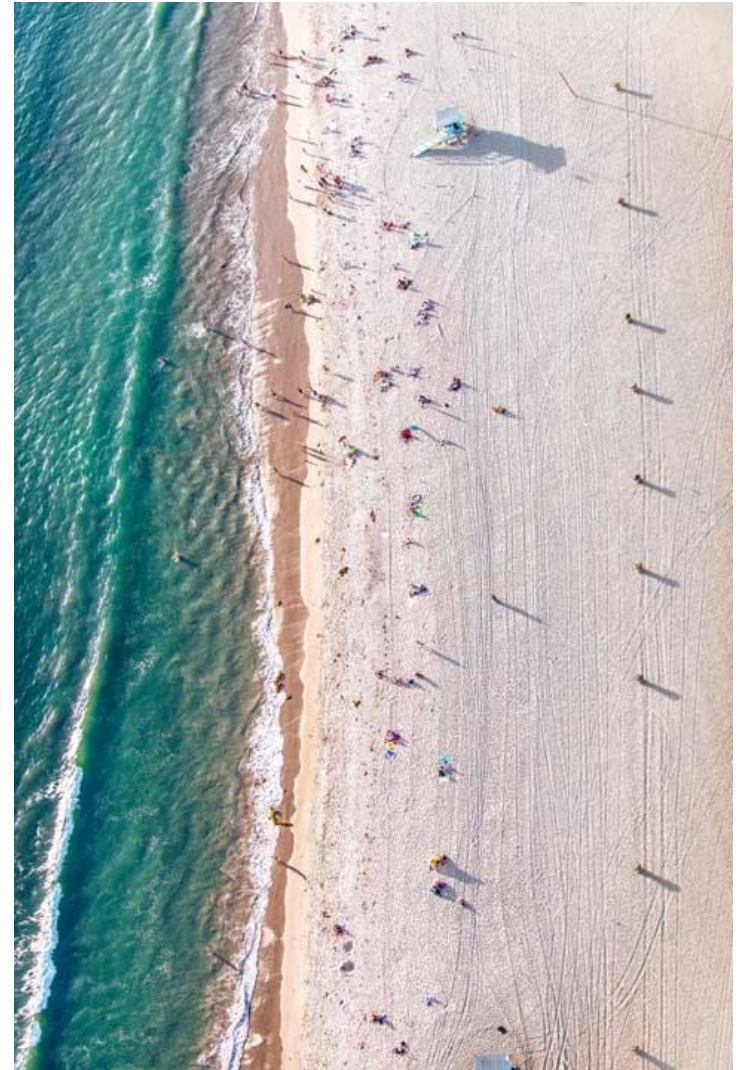


TABLE OF CONTENTS

1. Executive Summary

Executive summary

01

Task 1

Sales and profitability are driven by the 175 g size of chips and Big 4 brands—especially Kettle—so reallocating shelf space to 175g, modestly premium pricing leading brands, (Kettle, Smiths, Doritos, Pringles), and focusing acquisition on high-consumption mainstream segments will deliver the greatest immediate impact.

02

Task 2

Among the three trial stores (Store 77, 86, & 88), the new store layout delivered statistically significant sales and traffic uplift in Store 77, while the results in Stores 86 & 88 were inconclusive, indicating the layout is promising but requires broader and longer trials before full rollout.

01

RECOMMENDATION

1 INVENTORY & SHELF SPACE

Maximize 175g allocation:

Dedicate 40-50% shelf space to 175g variants with zero stock-outs.

Prioritize Big 4:

Kettle -> Smiths -> Doritos -> Pringles in premium placement.

Phase down underperformer:

Reduce 240g, 220g, 180g sizes and tier 3 brands.

2 PRICING STRATEGY

Premium pricing on Big 4::

Test ~5% increase for mainstream customers (Mid age & Young singles/couples)

Maintain 175g pricing:

Preference –driven purchase; avoid discounting

3

CUSTOMER ACQUISITION

Target high-value segments:

- Older Families (highest consumption)
- Mid-age Singles/ Couples (premium willingness)
- Young Singles/ Couple (volume potential)

Deprioritize:

"New Families" show consistently low ROI

4

PRODUCT DEVELOPMENT

Expand 175g offerings

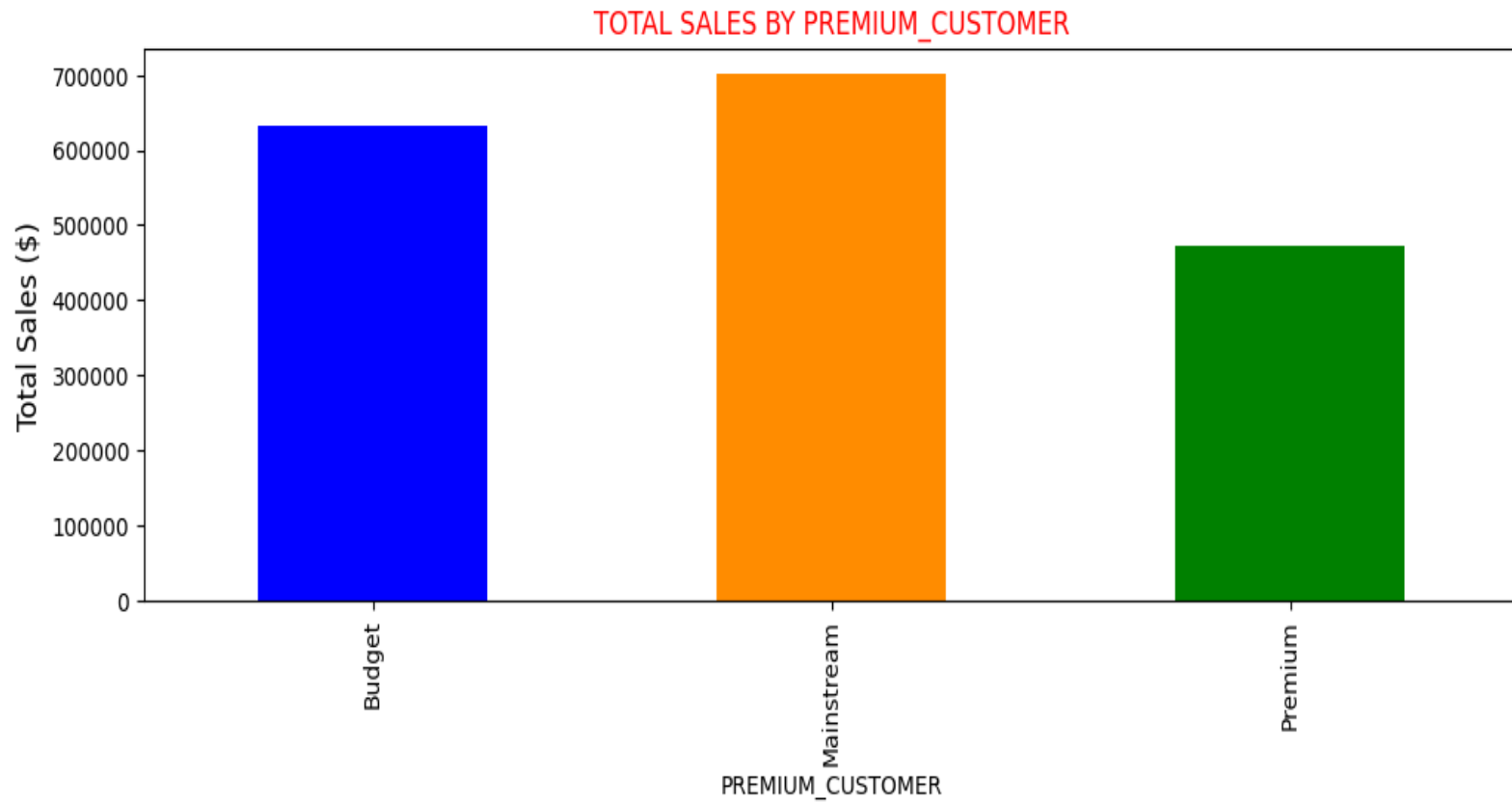
Launch new flavors in 175g first across all brands

Optimizing Pricing ladders

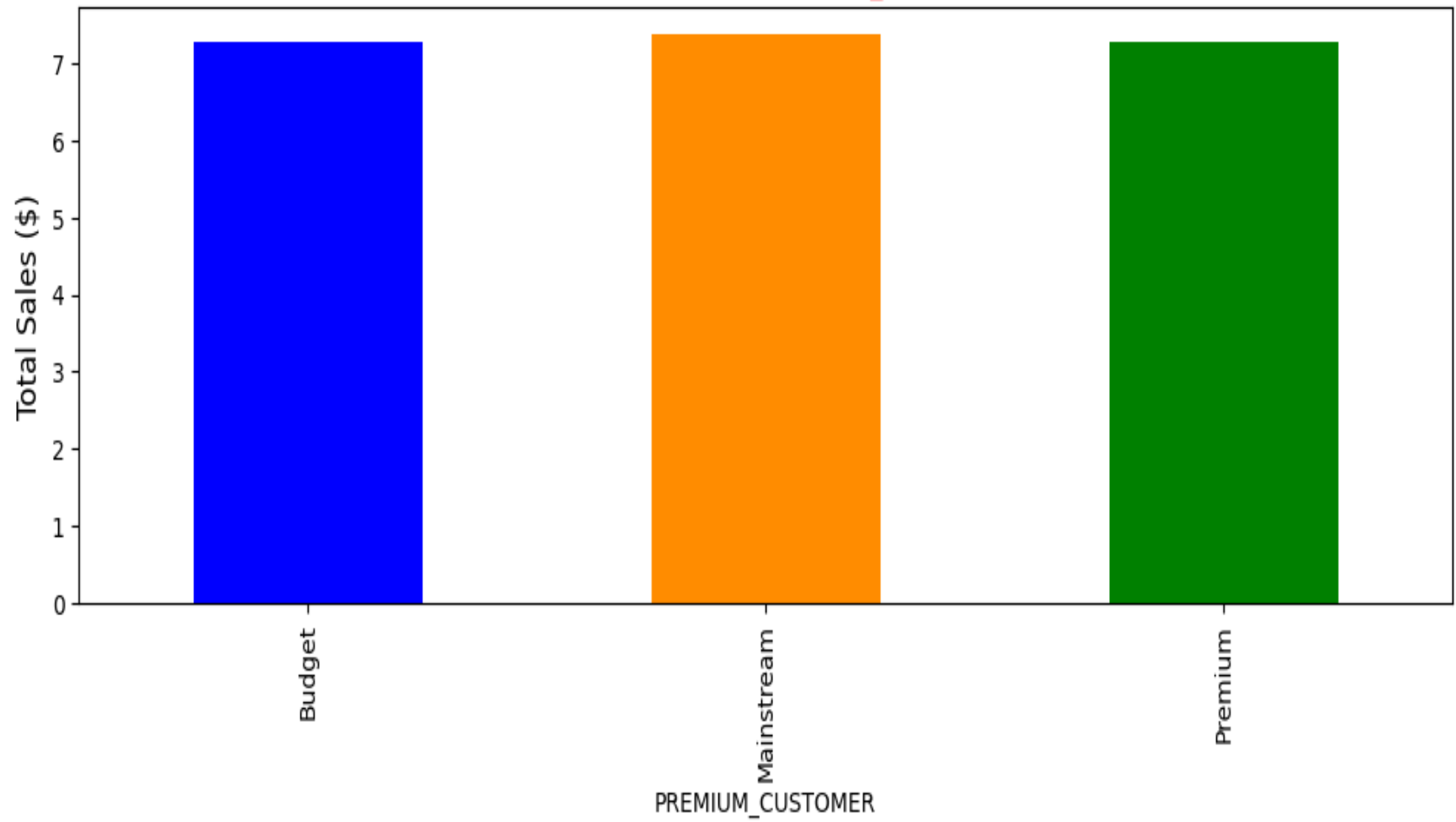
Psychological pricing to drive customers toward larger sizes while maintaining 175g focus

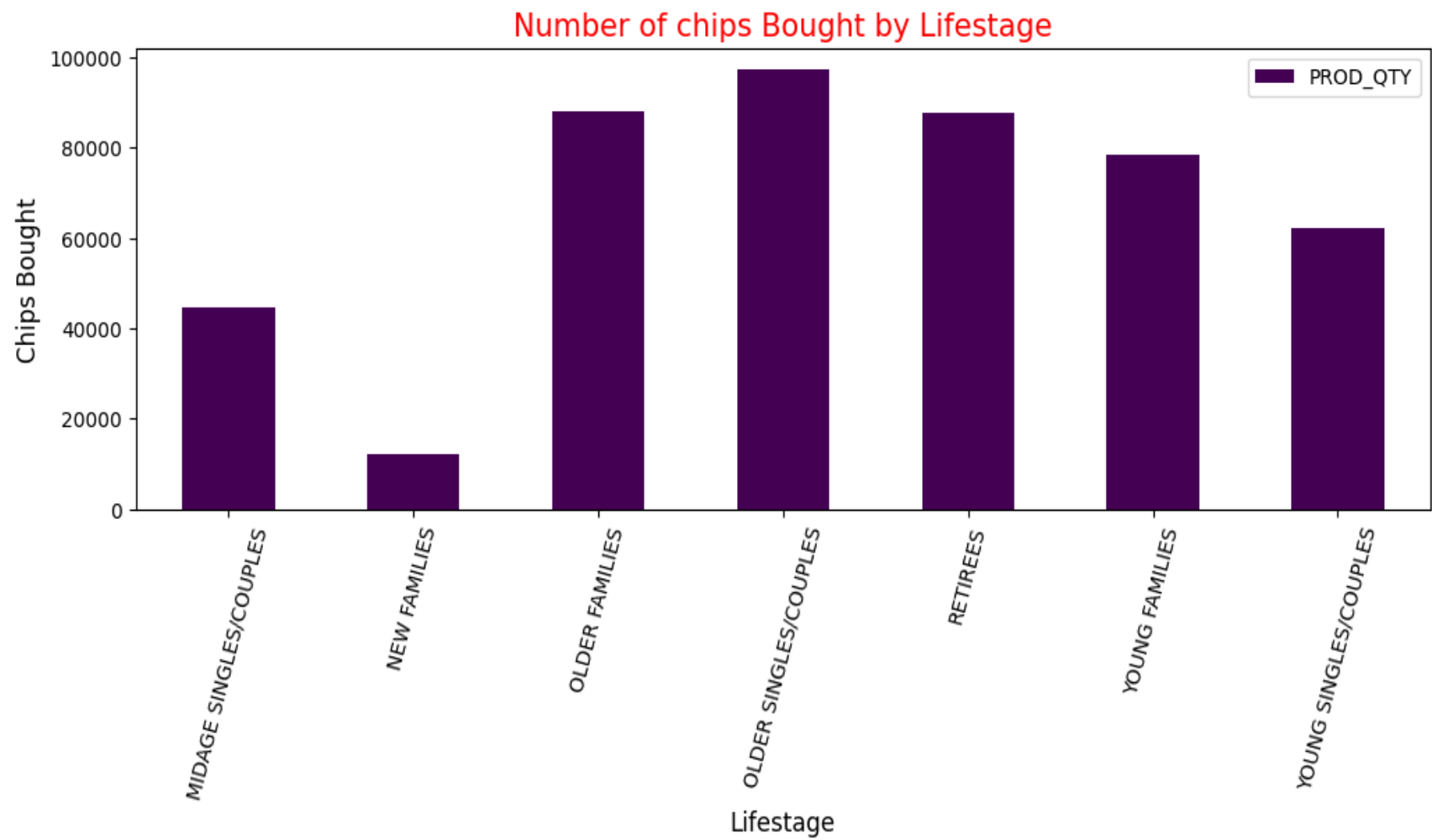
REVENUE: DRIVEN BY MAINSTREAM AND BUDGET CUSTOMERS

(DEPENDENT ON VOLUME)

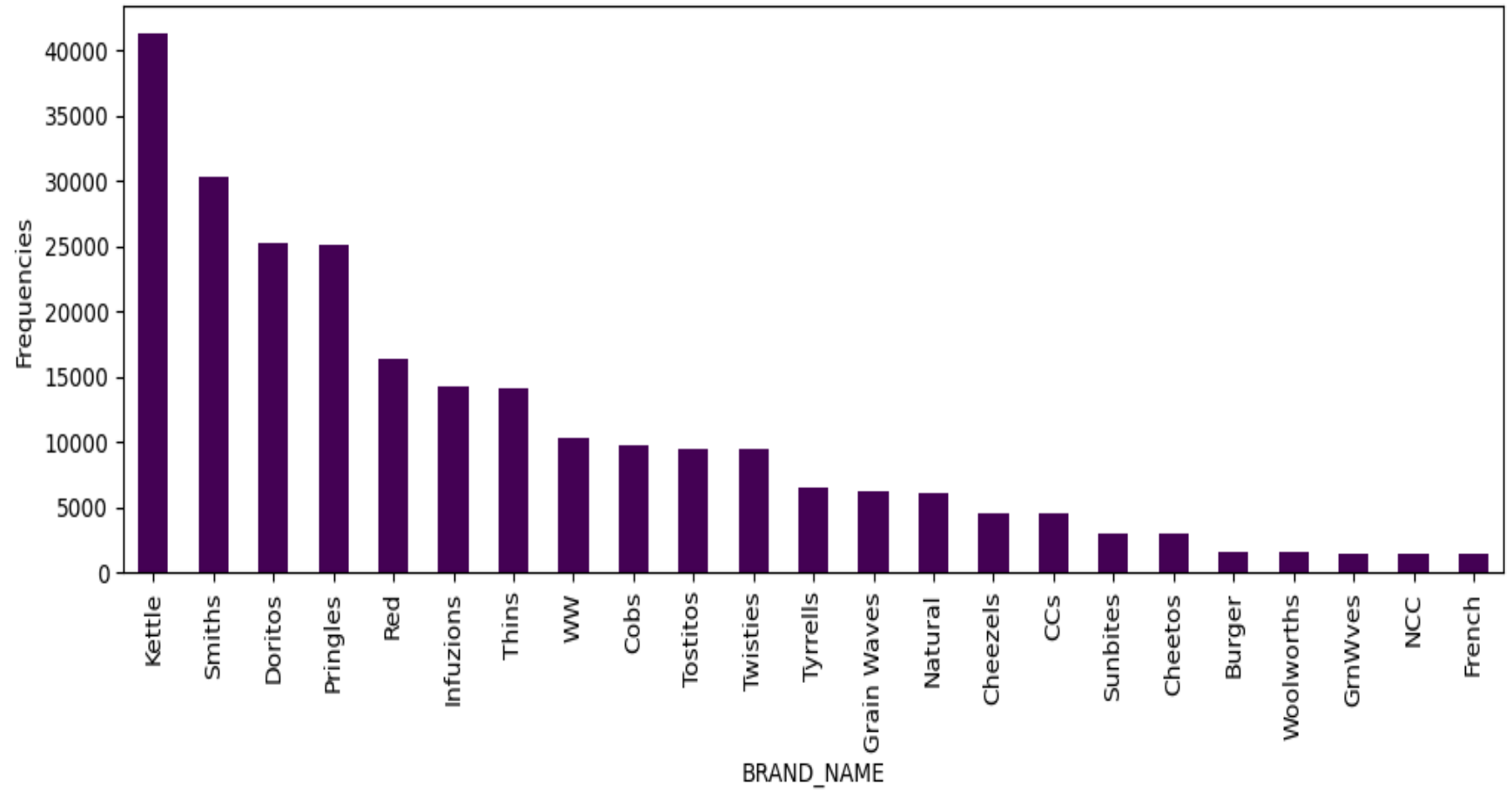


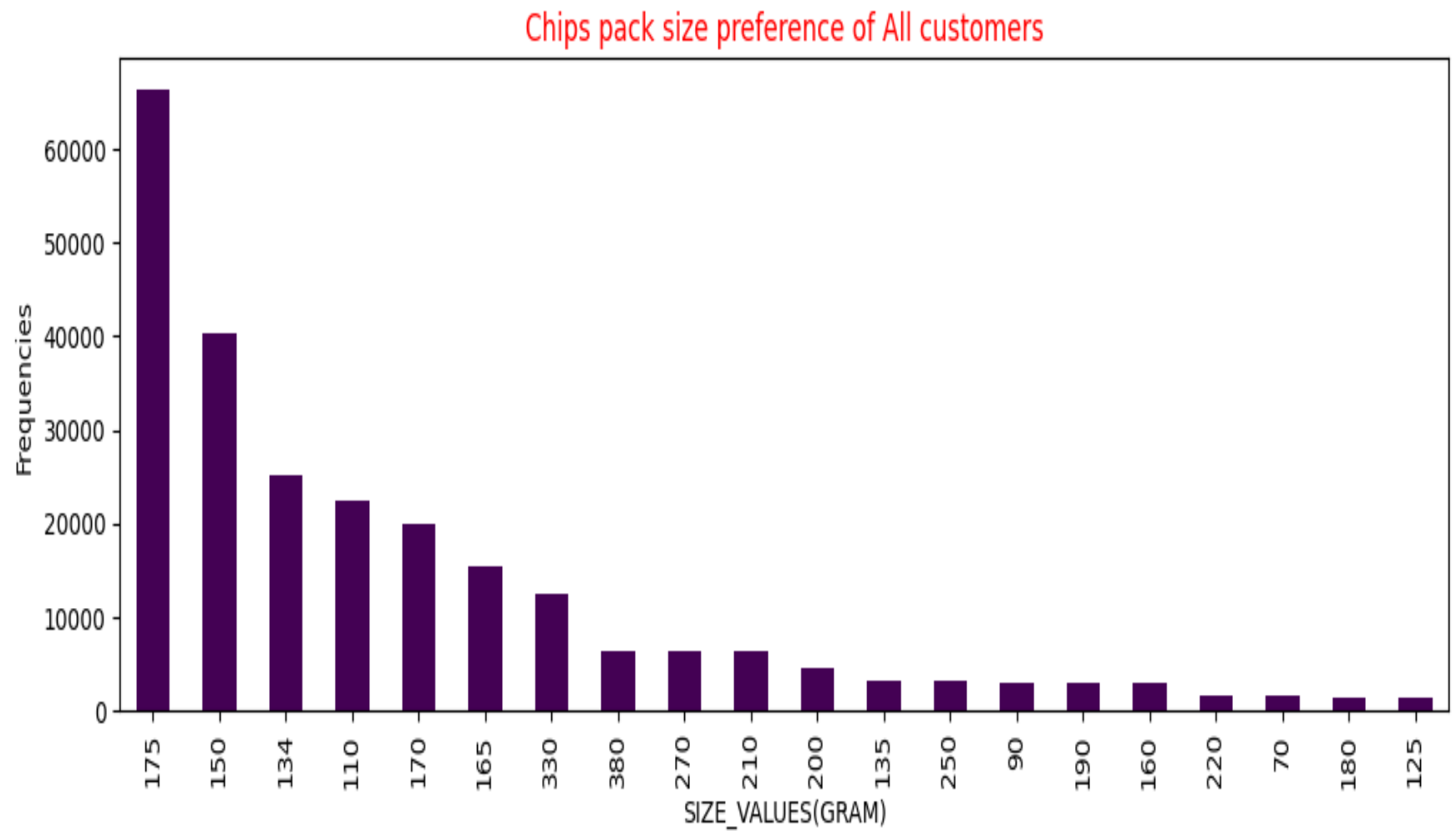
AVERAGE SALES BY PREMIUM_CUSTOMER





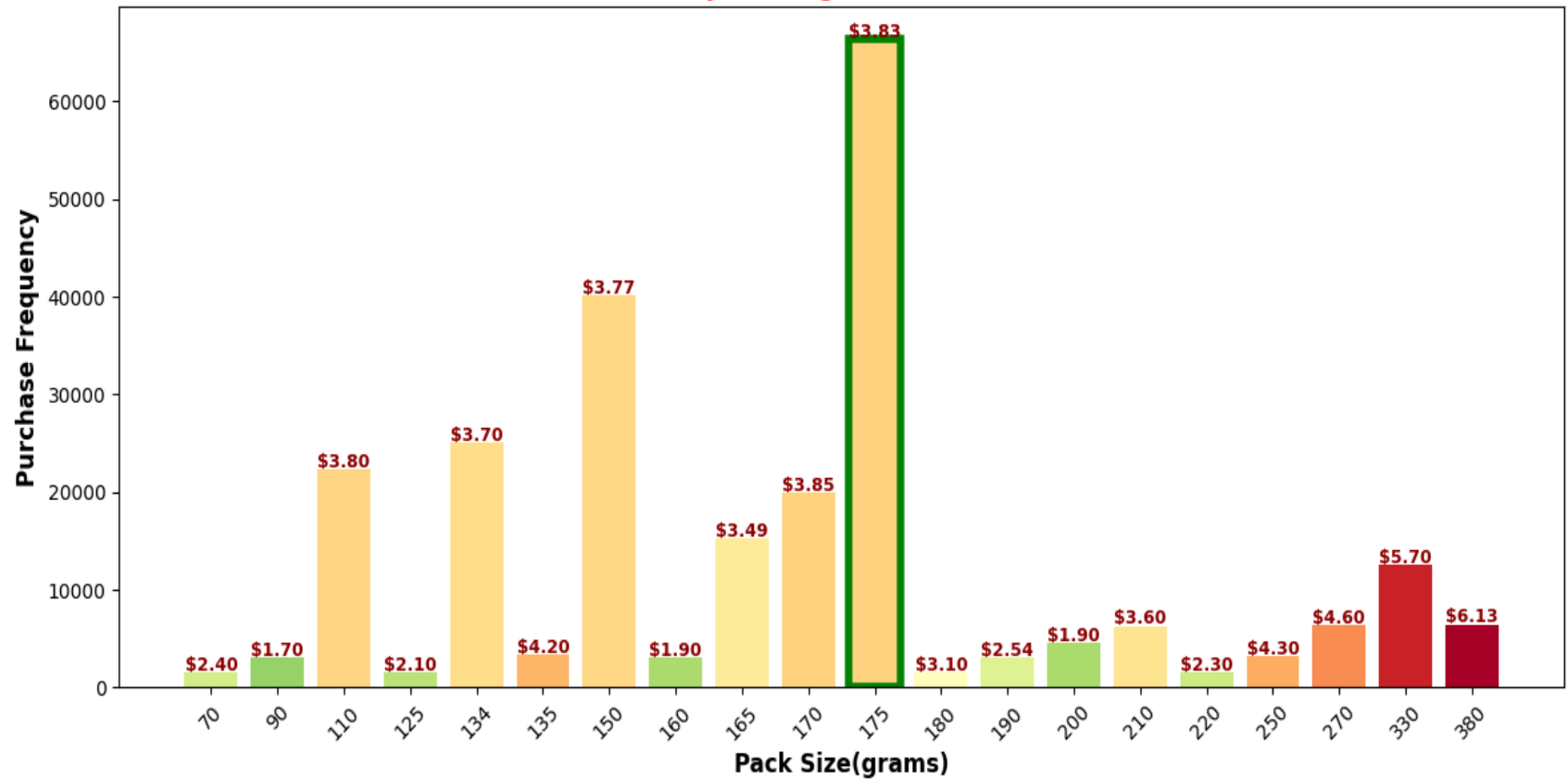
Brands preference of All customers

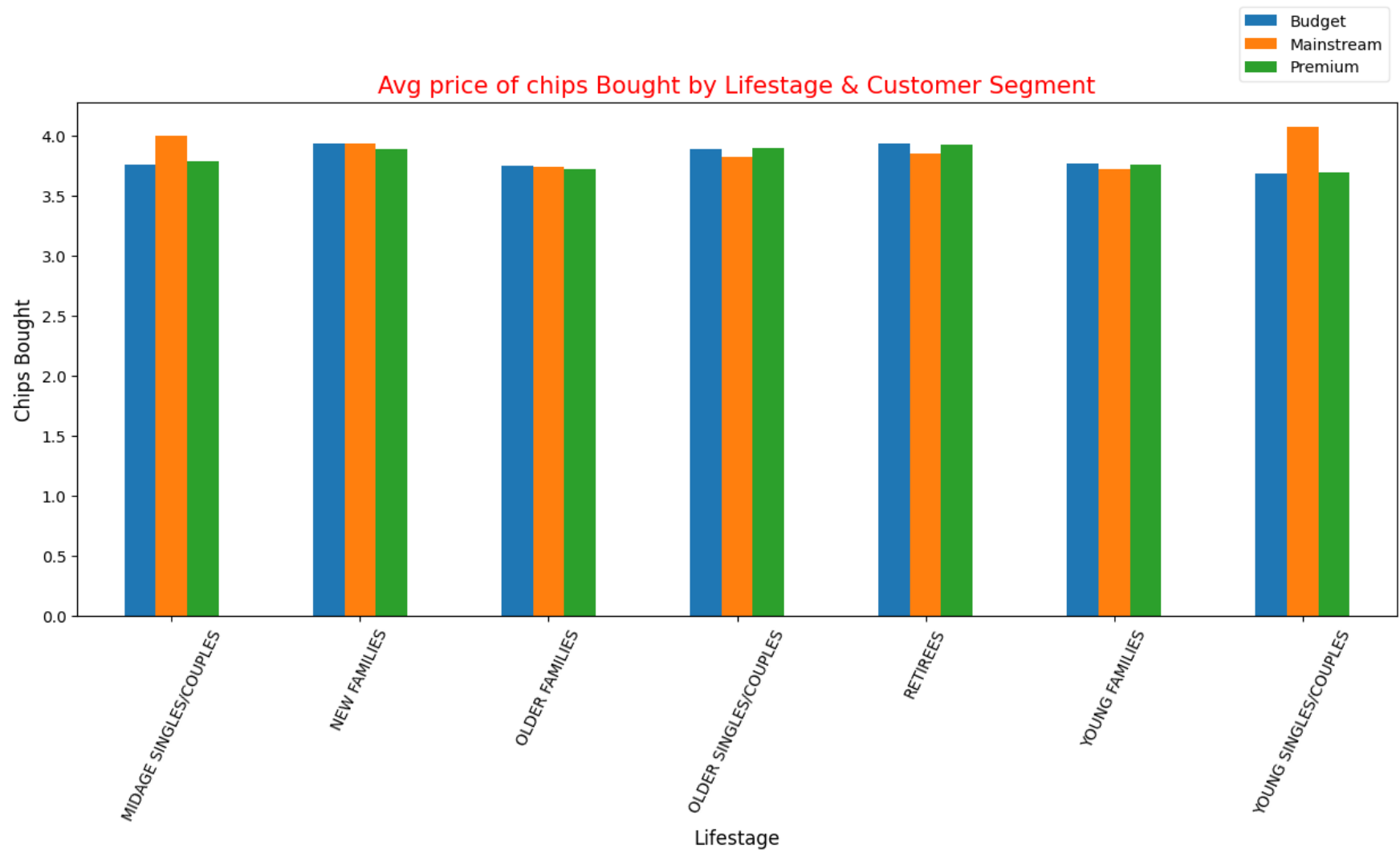




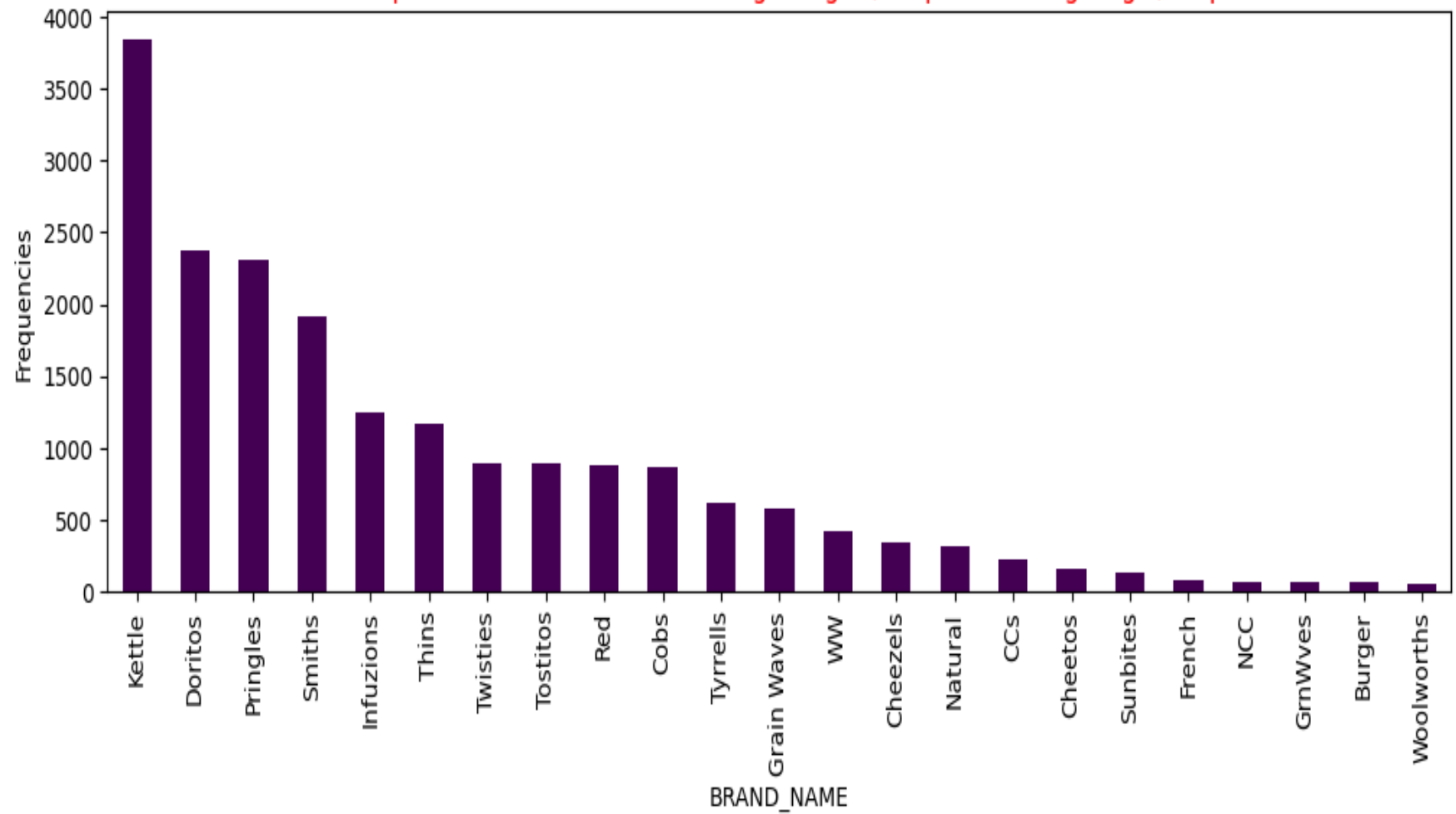
175g OPTIMAL SWEET SPOT

Why do Larger Packs Fail?

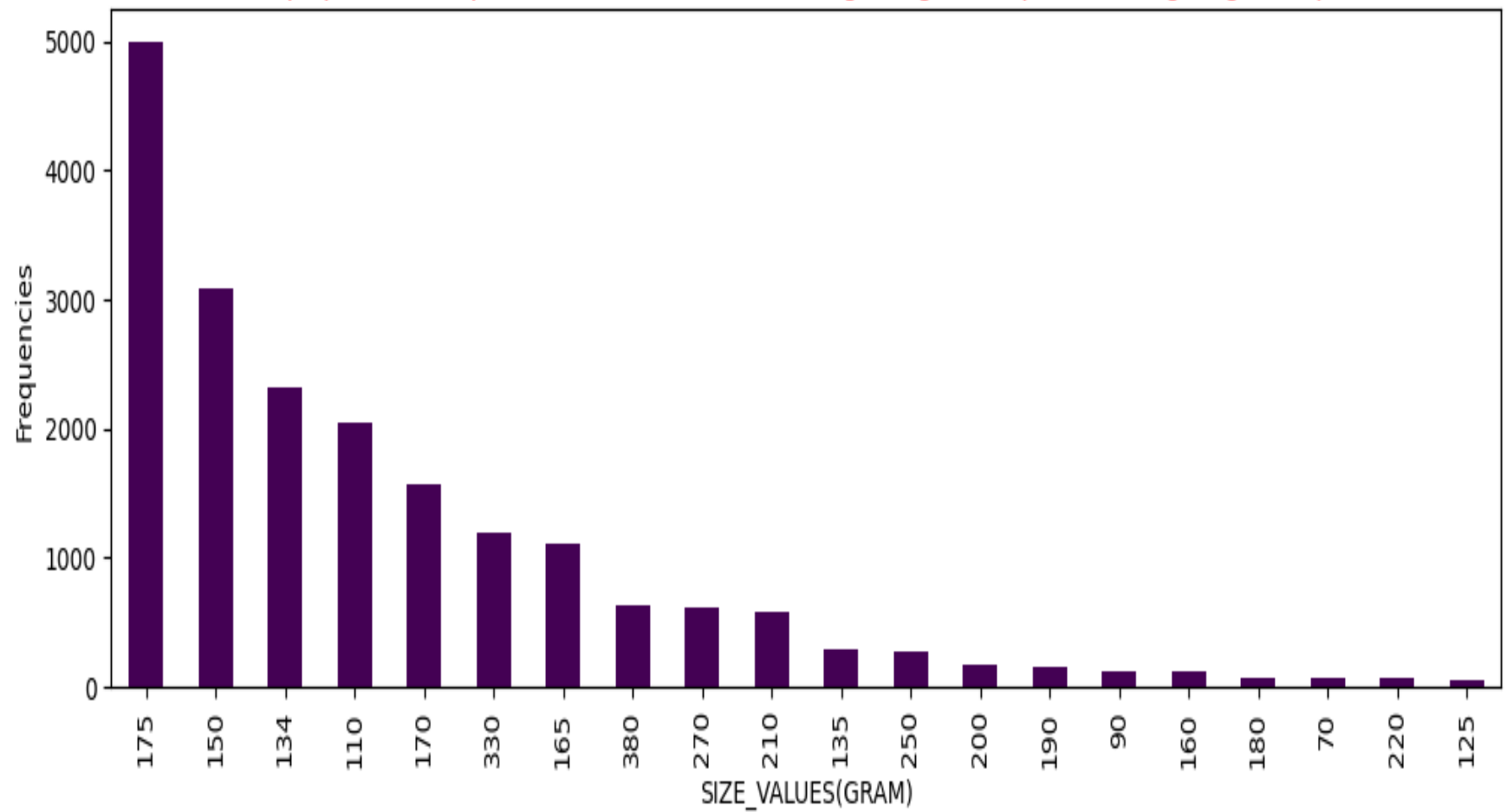




Brands preference of Mainstream Midage singles/couples & Young single/couples



Chips packet size preference of Mainstream Midage singles/couples & Young single/couples



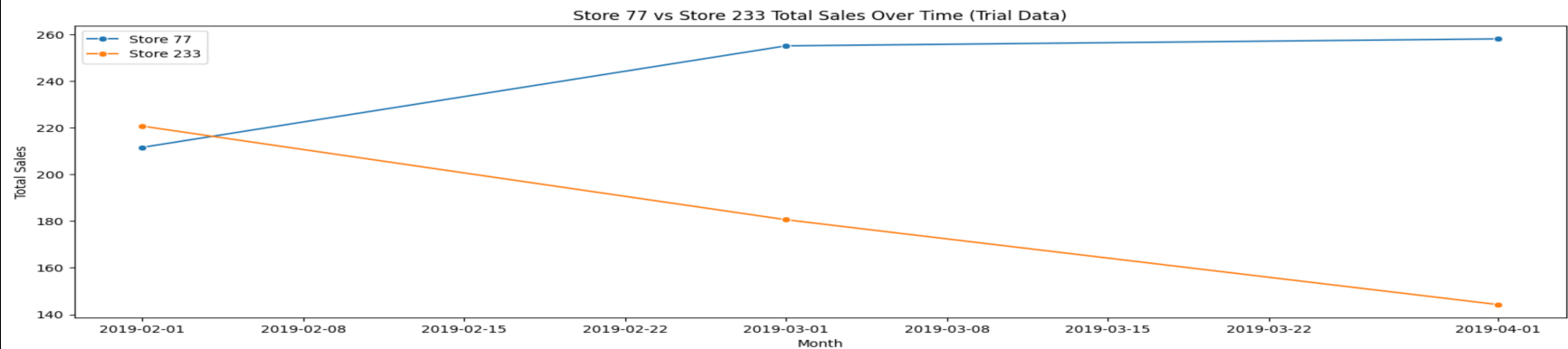
02

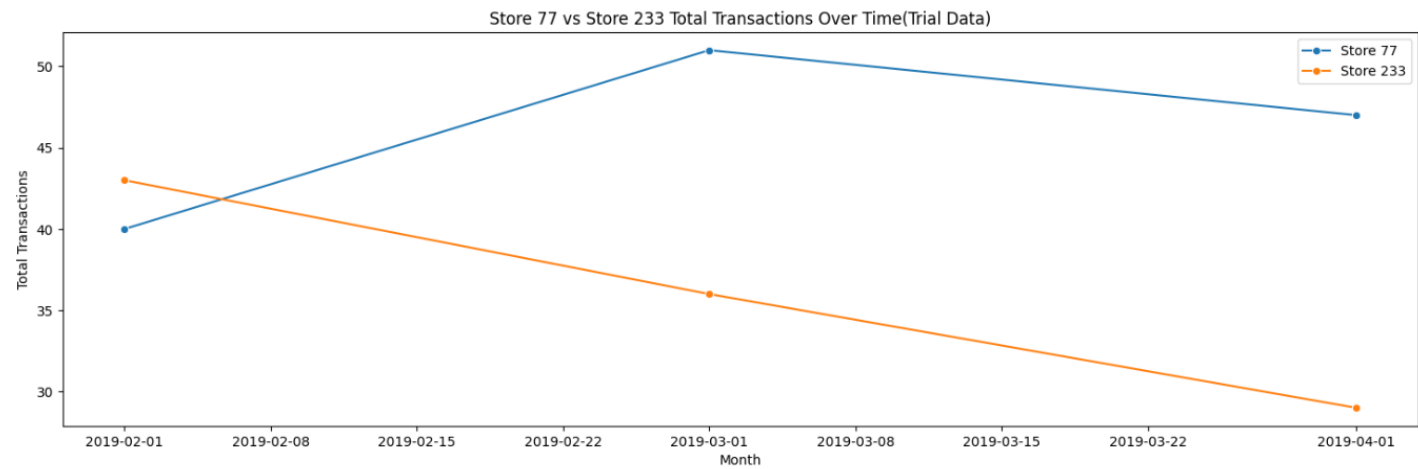
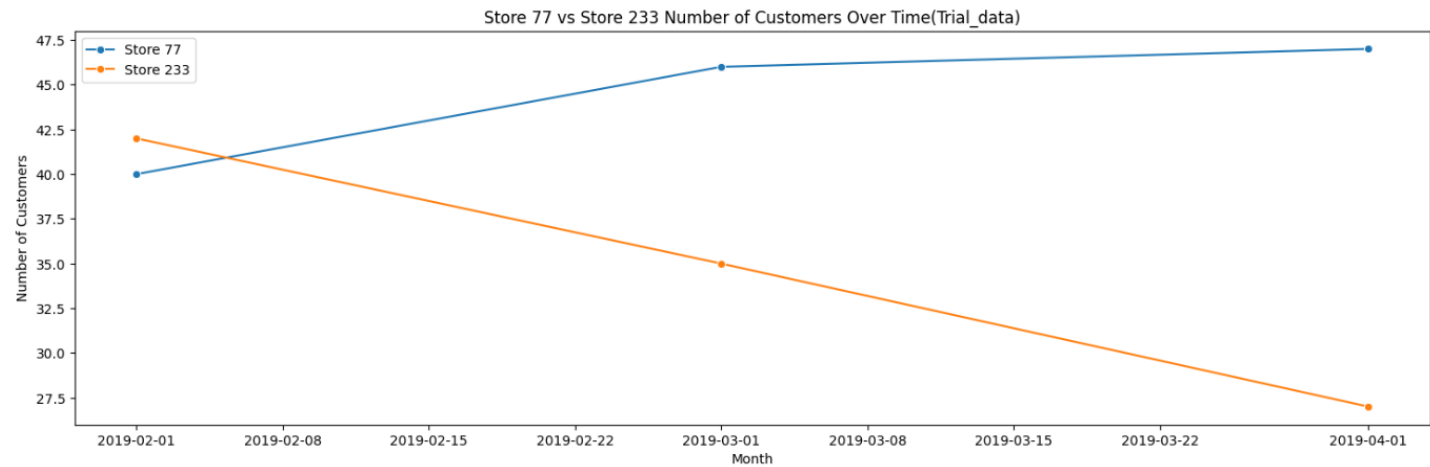
New Layout Implemented in TRIAL STORE 77, 86 & 88 look promising, but the trial period and store should be increased for changing to this layout.

Trial store performance Store 77

The growth rate of store 77 is significantly higher than its control store 77 (as backed by the statistics).

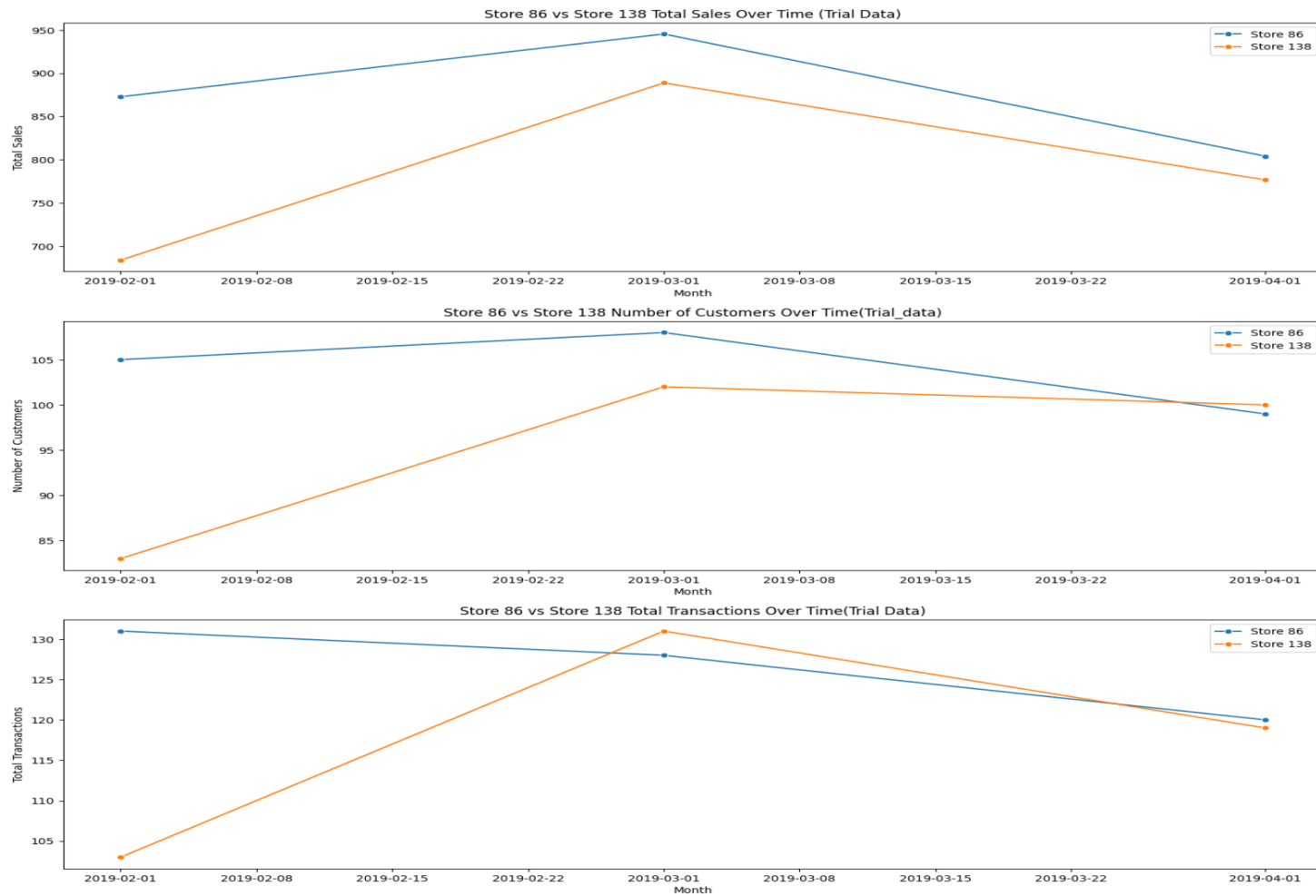
METRICS COMPARISION OF STORE 77 & STORE 233 (Trial Period Data)



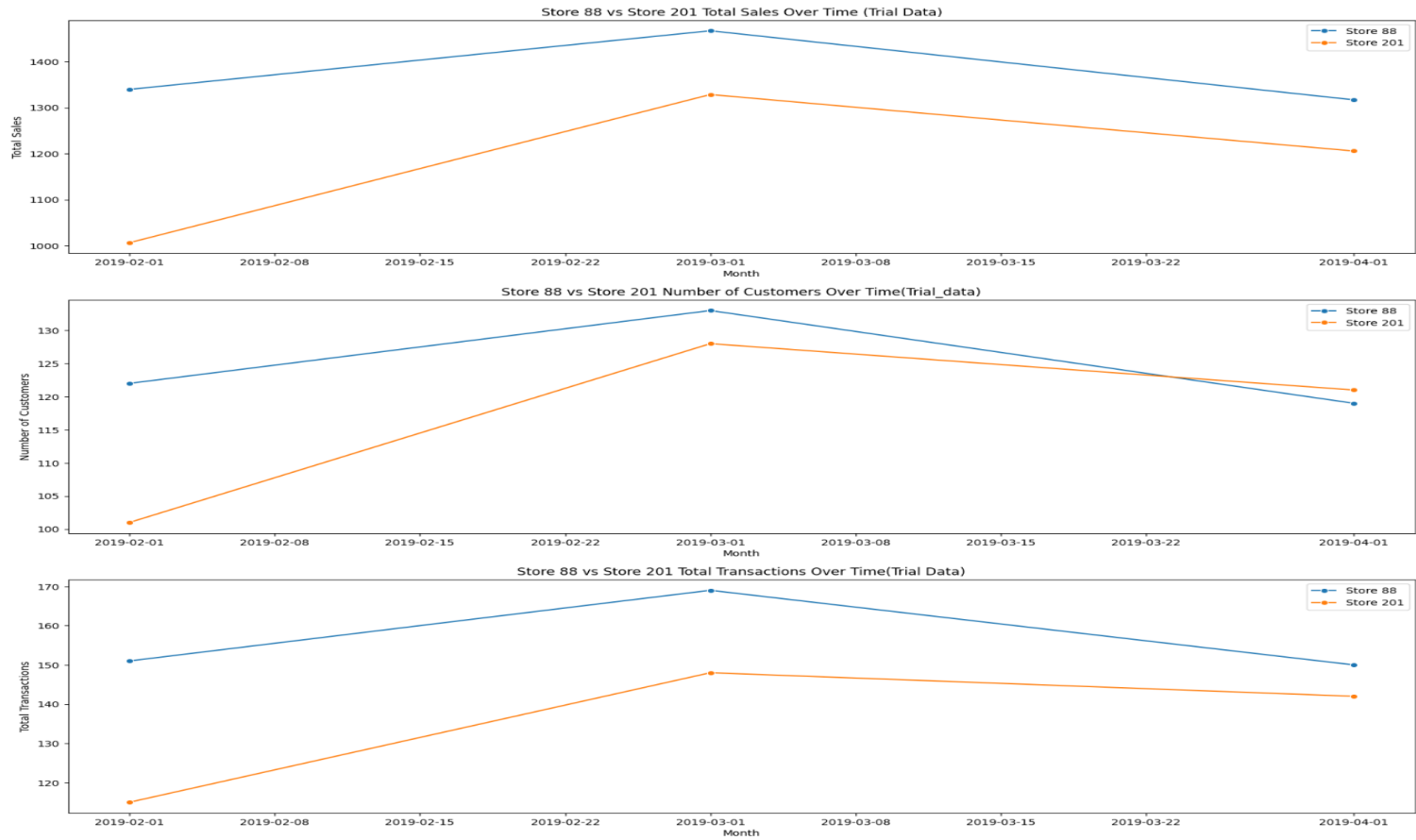


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In Store 86 & 88 the growth is observable but statistically we can't conclude that it was just because of change in layout.



METRICS COMPARISION OF STORE 88 & STORE 201 (Trial Period Data)



HOW DID STORES 233,138, and 201 are a control store (reference store)?

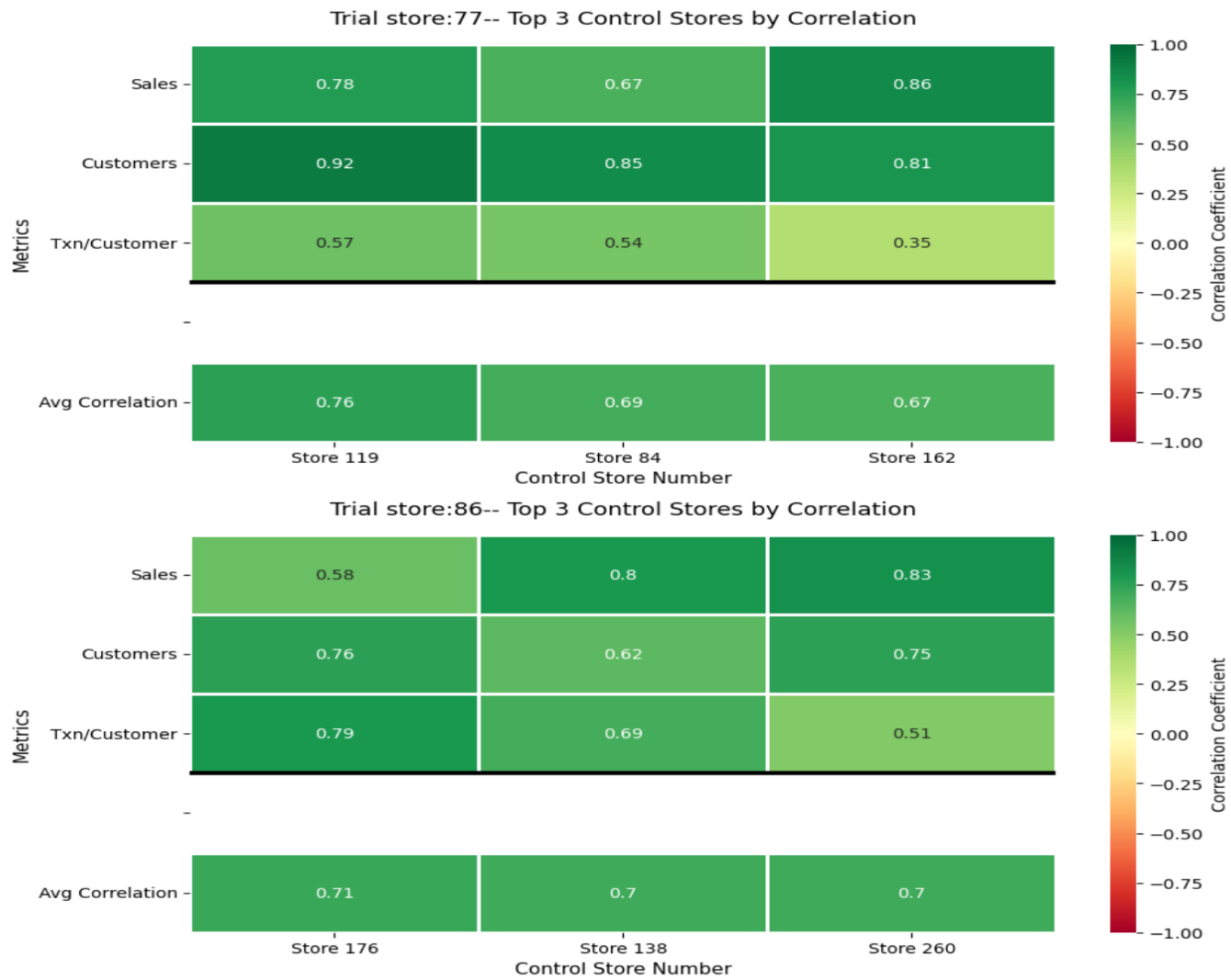
CONTROL STORES (TWIN STORES)

I compared the performance of other stores except the trial stores on 3 metrics

1. Total Sales
2. Number of Customers
3. Total Transactions

How was the comparison done?

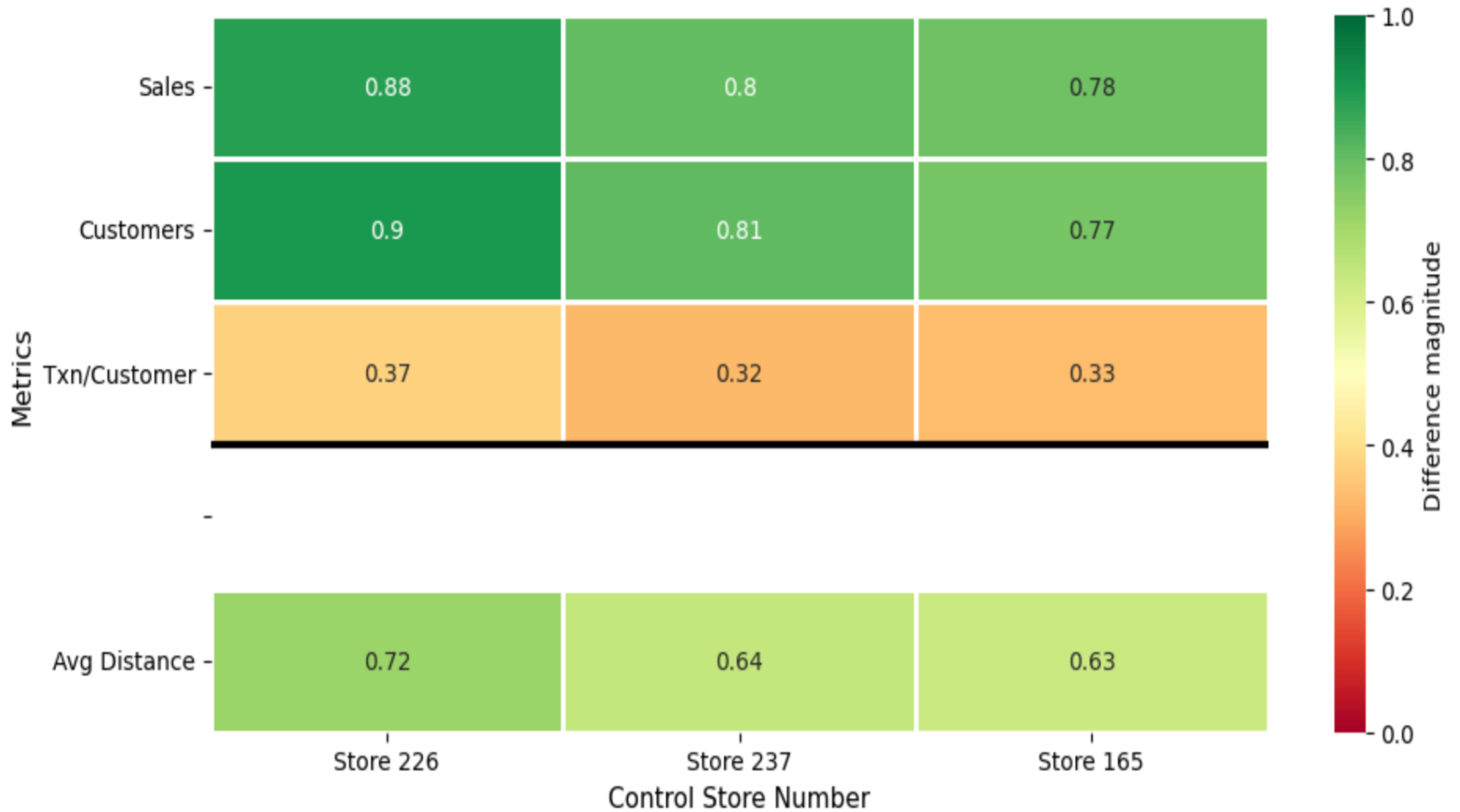
CORRELATION + Magnitude of Difference = COMBINED STORE



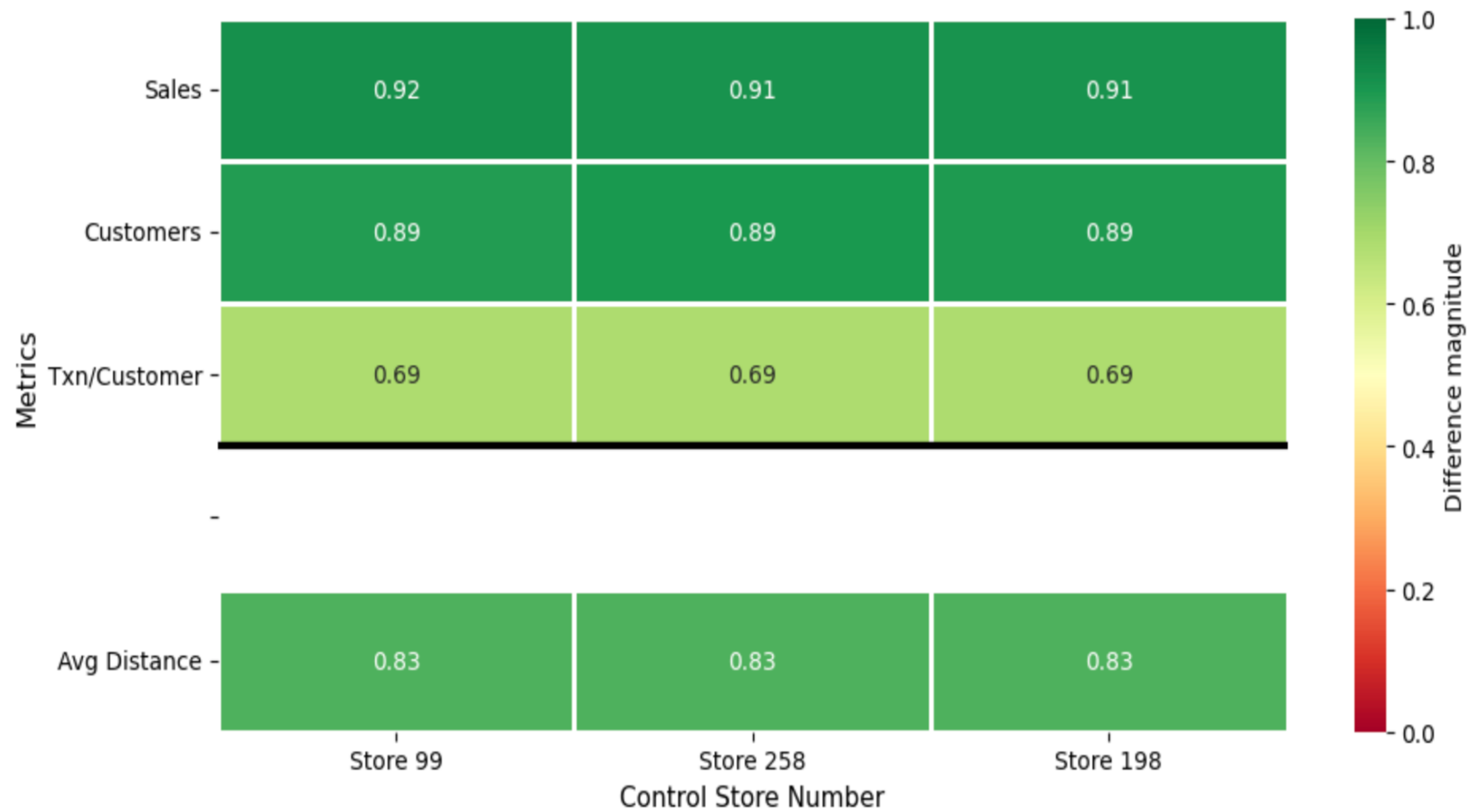


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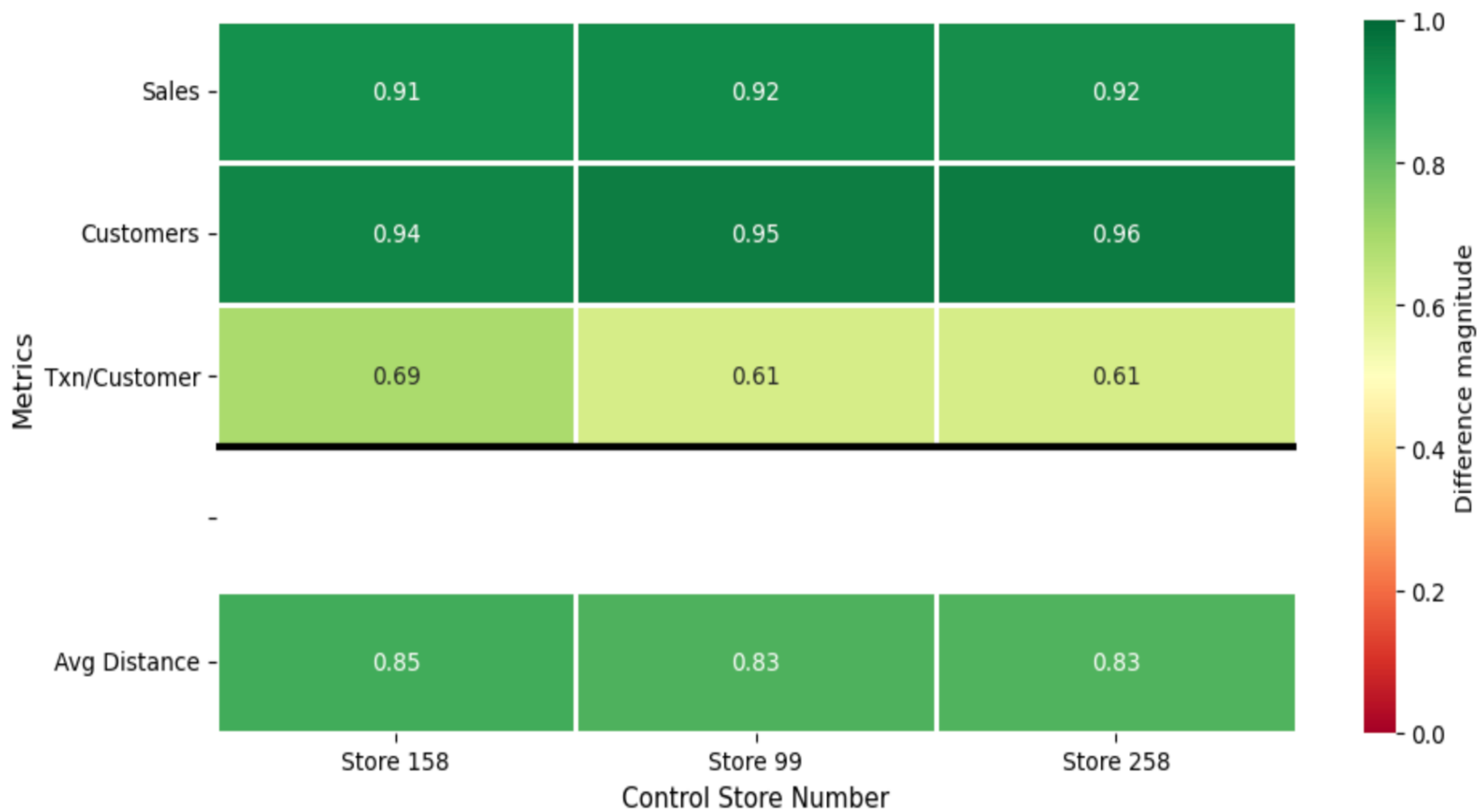
Trial store:77--Top 3 Control Stores by Magnitude of Differences



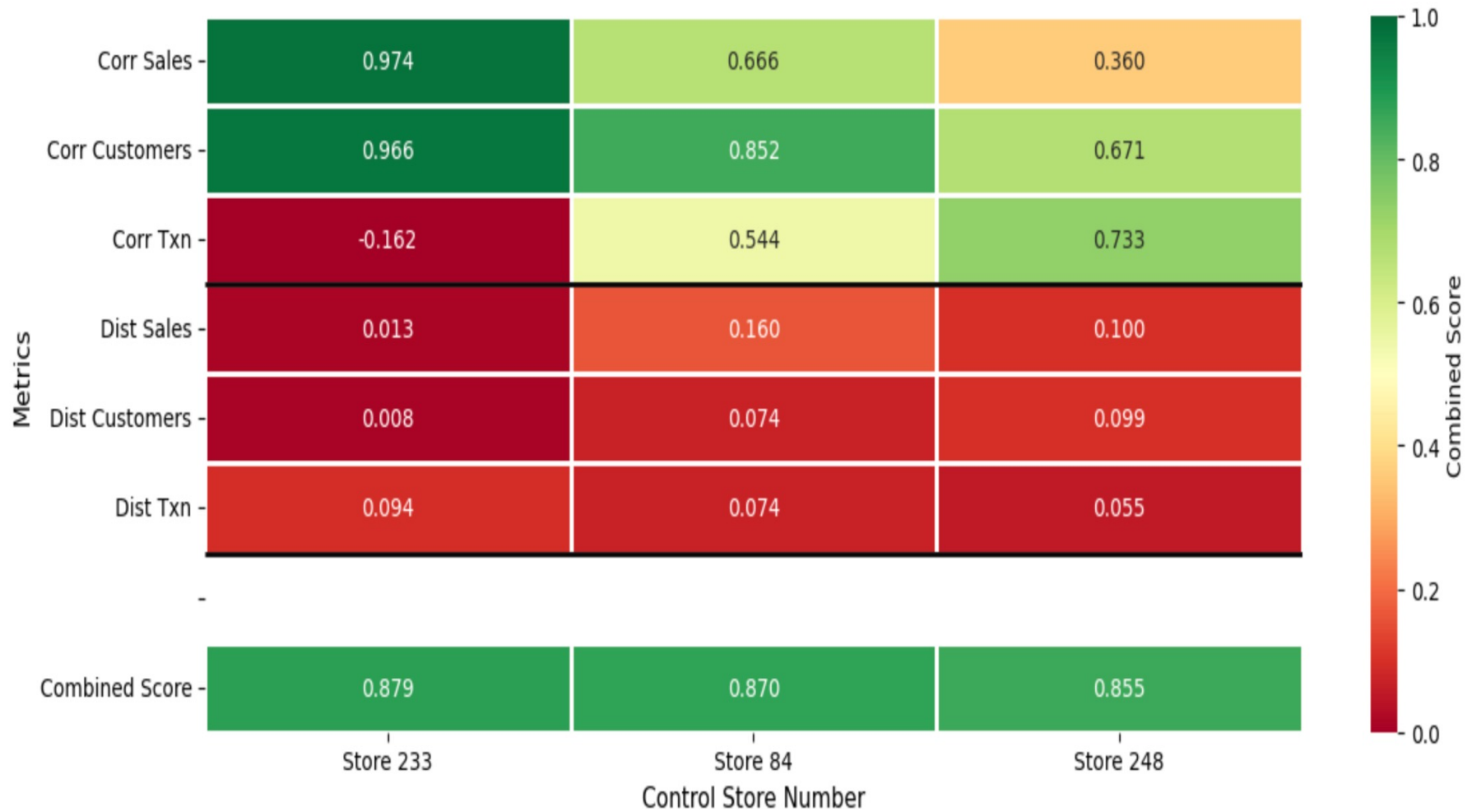
Trial store:86--Top 3 Control Stores by Magnitude of Differences



Trial store:88--Top 3 Control Stores by Magnitude of Differences



Trial store:77 --Top 3 Control Stores by Combined Score



Trial store:86 --Top 3 Control Stores by Combined Score



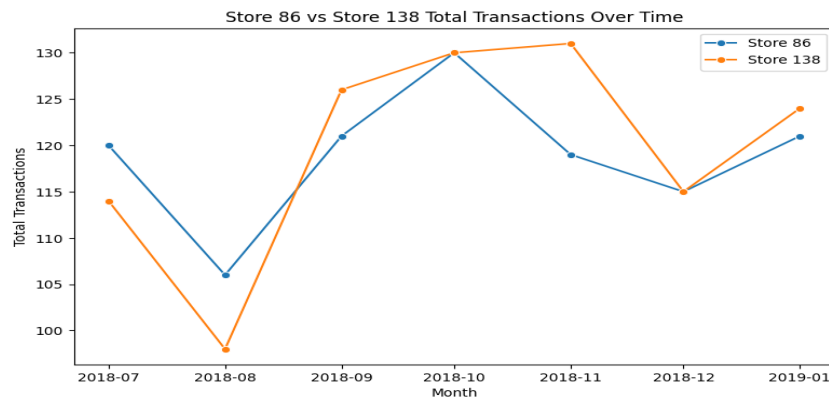
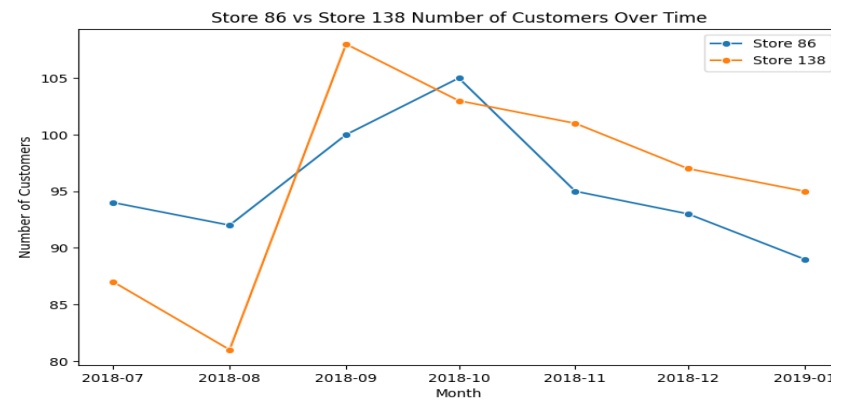
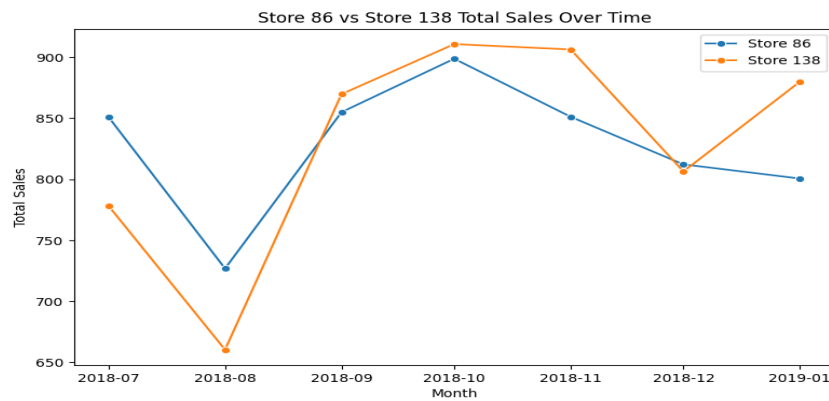
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Trial store:88 --Top 3 Control Stores by Combined Score



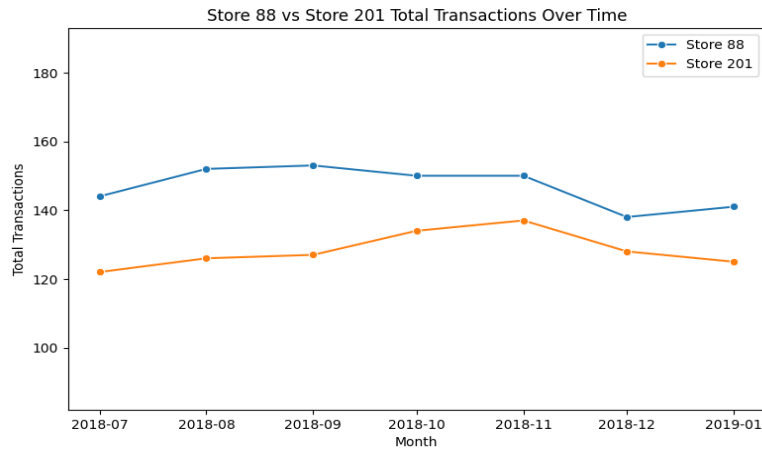
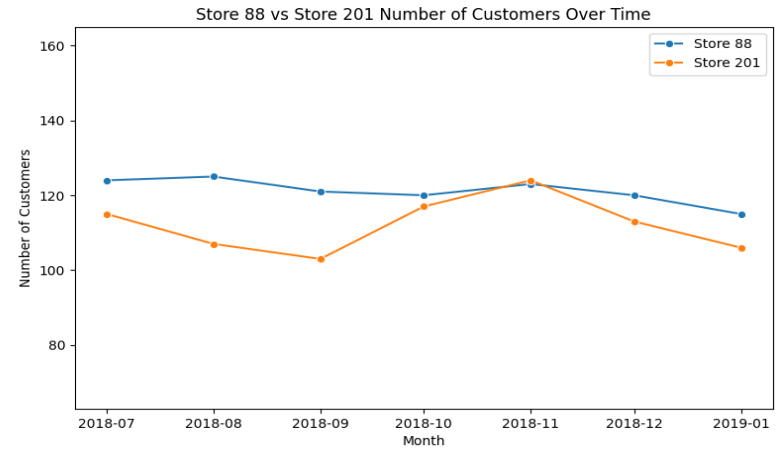
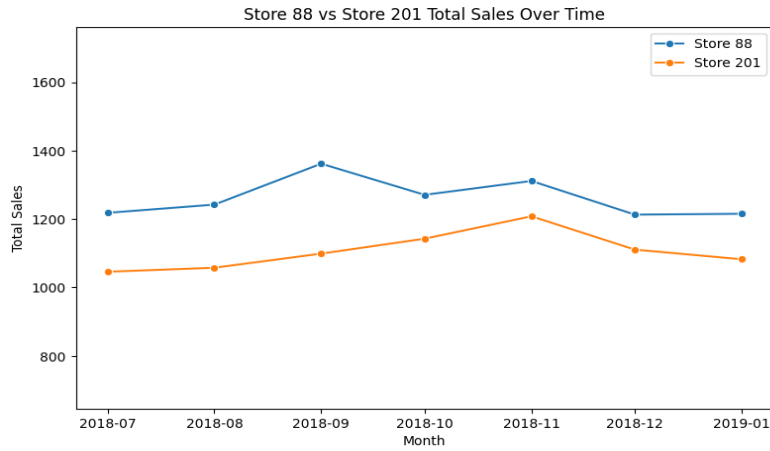
WERE THE CONTROL STORES ACCURATE?

METRICS COMPARISON OF STORE 86 & STORE 138



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METRICS COMPARISON OF STORE 88 & STORE 201



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METRICS COMPARISON OF STORE 77 & STORE 233

