

December 2025

## Category review: Chips

Date: ( July 2018-June 2019)

Retail Analytics



Classification: Confidential



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## 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.

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### 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

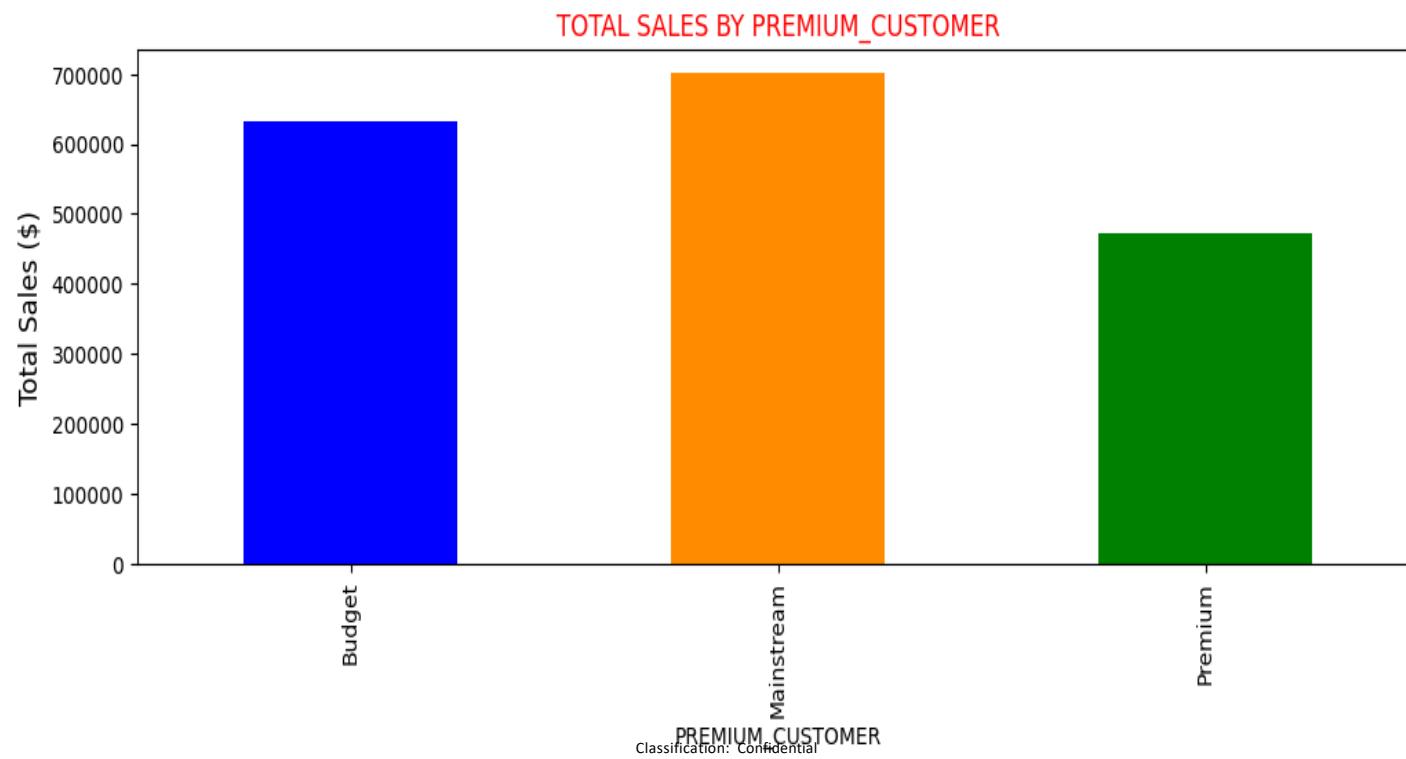
Expand 175g offerings

Launch new flavors in 175g first across all brands

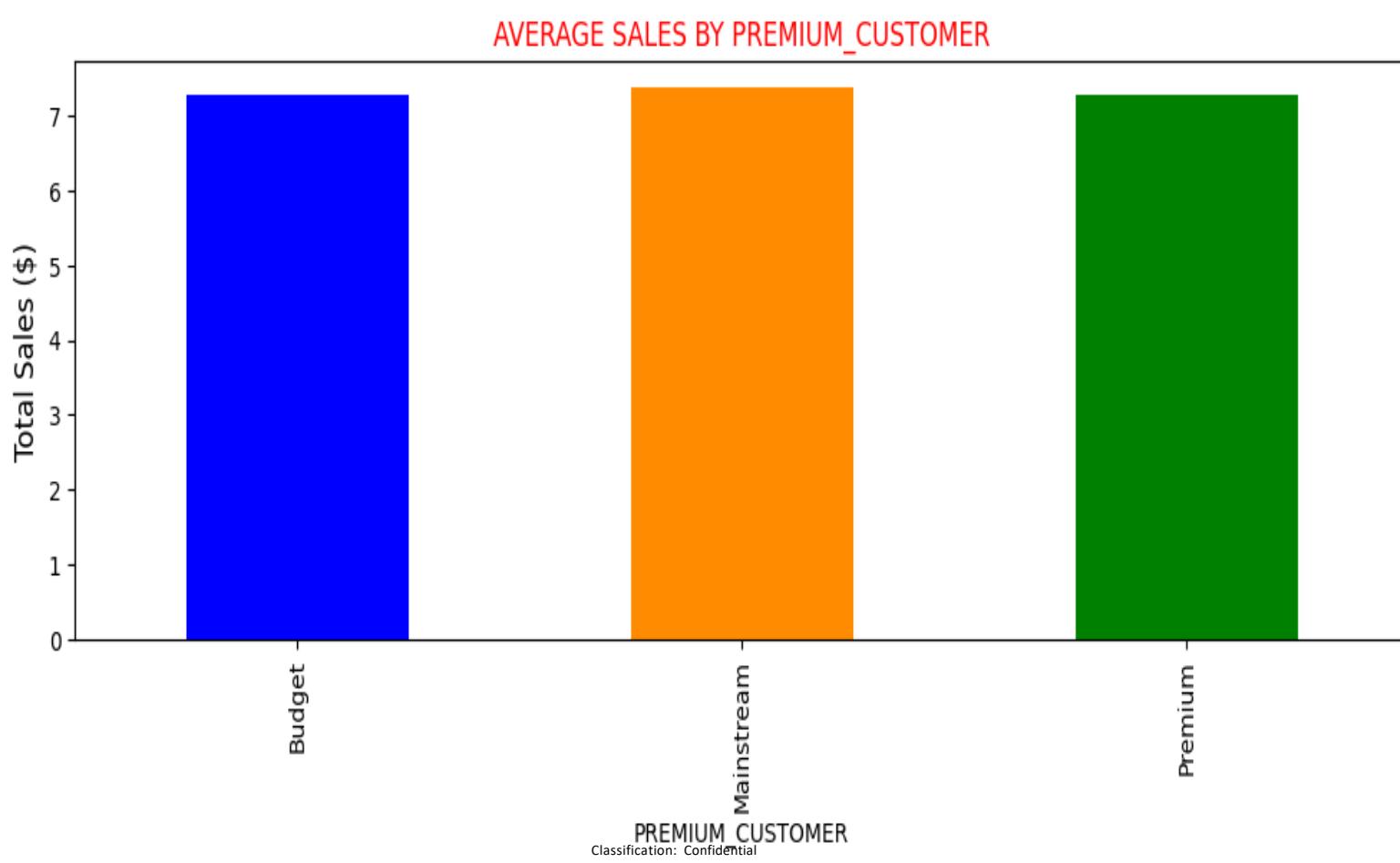
Optimizing Pricing ladders

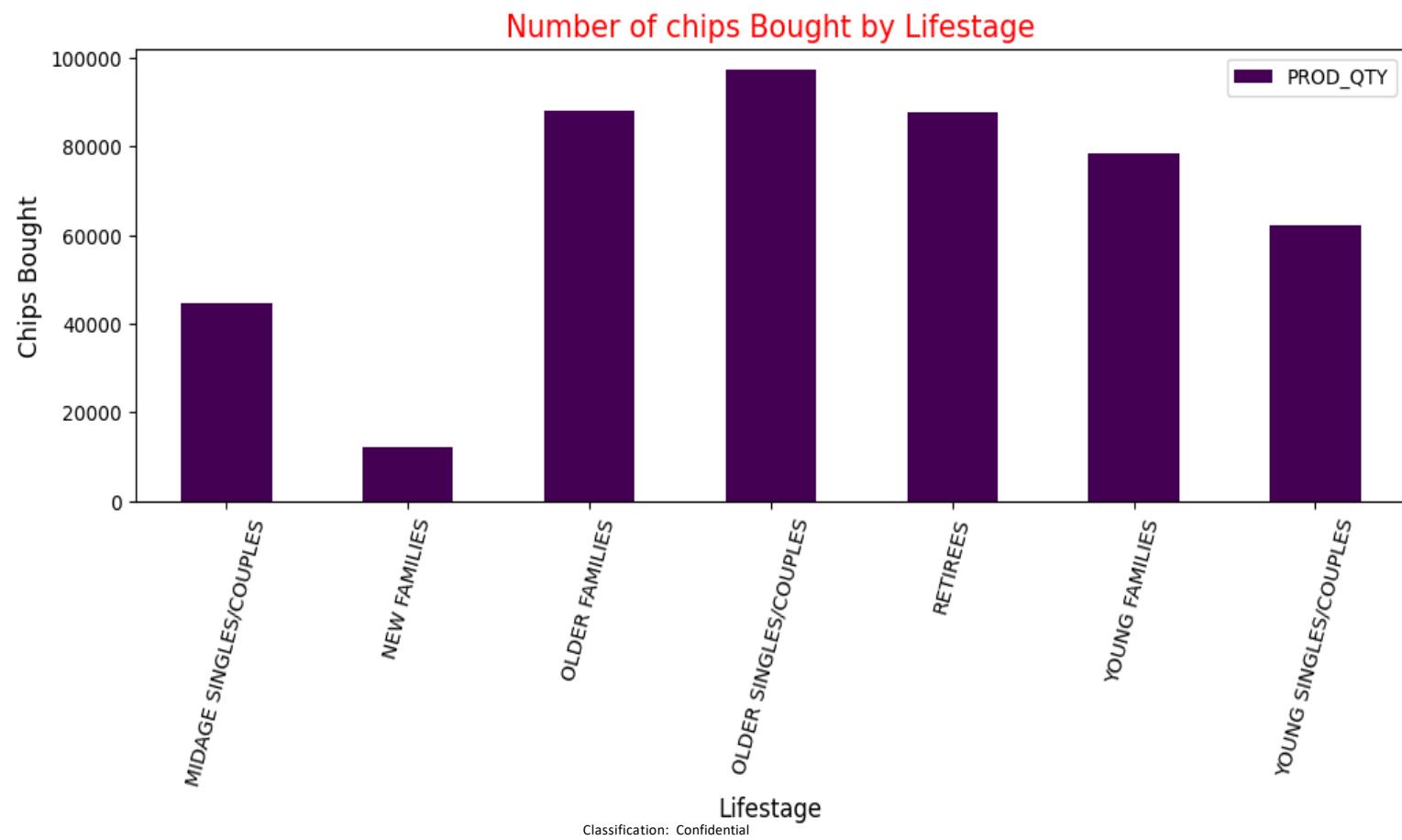
Psychological pricing to drive customers toward larger sizes while maintaining 175g focus

## REVENUE: DRIVEN BY MAINSTREAM AND BUDGET CUSTOMERS (DEPENDENT ON VOLUME)

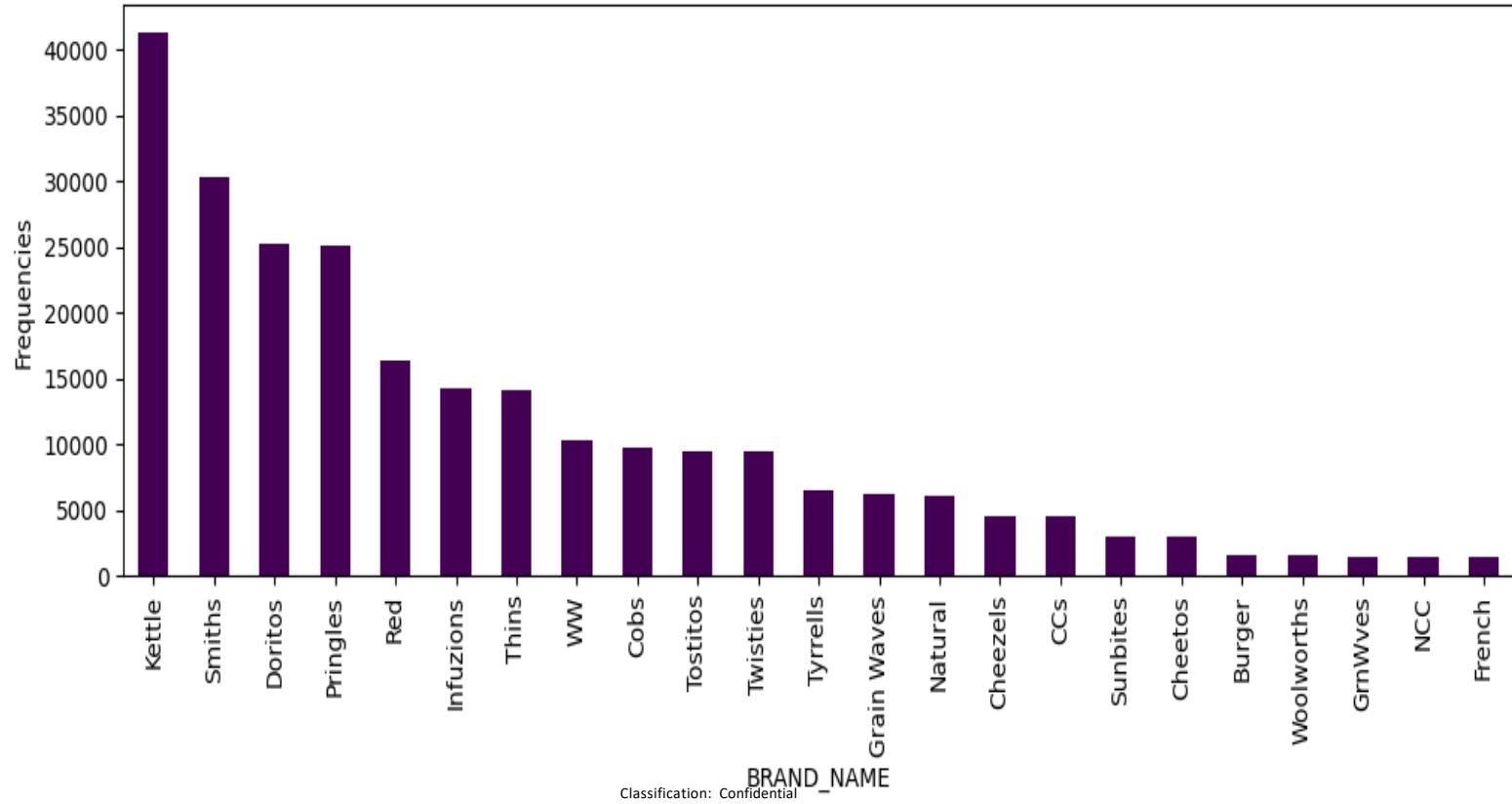


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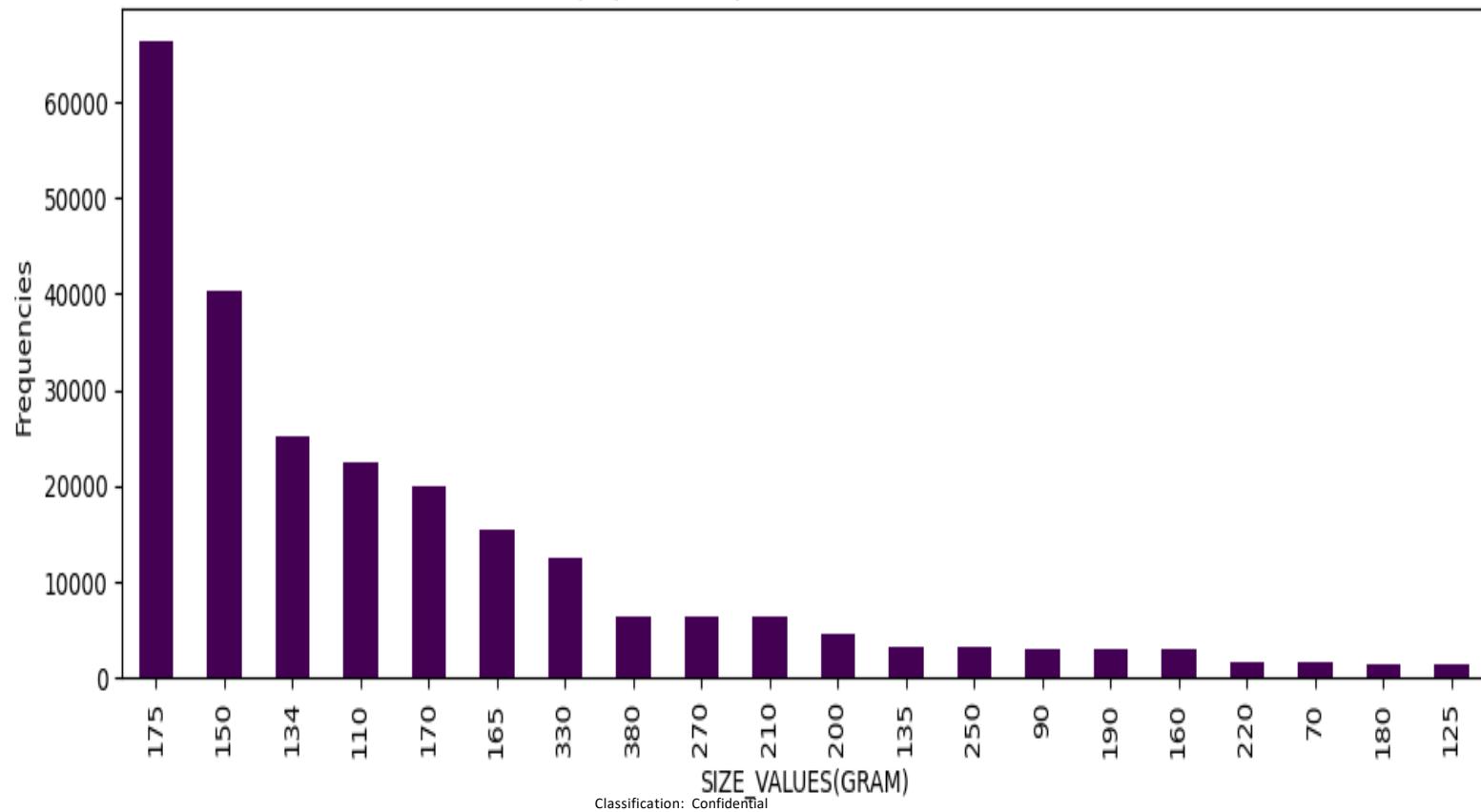




### Brands preference of All customers

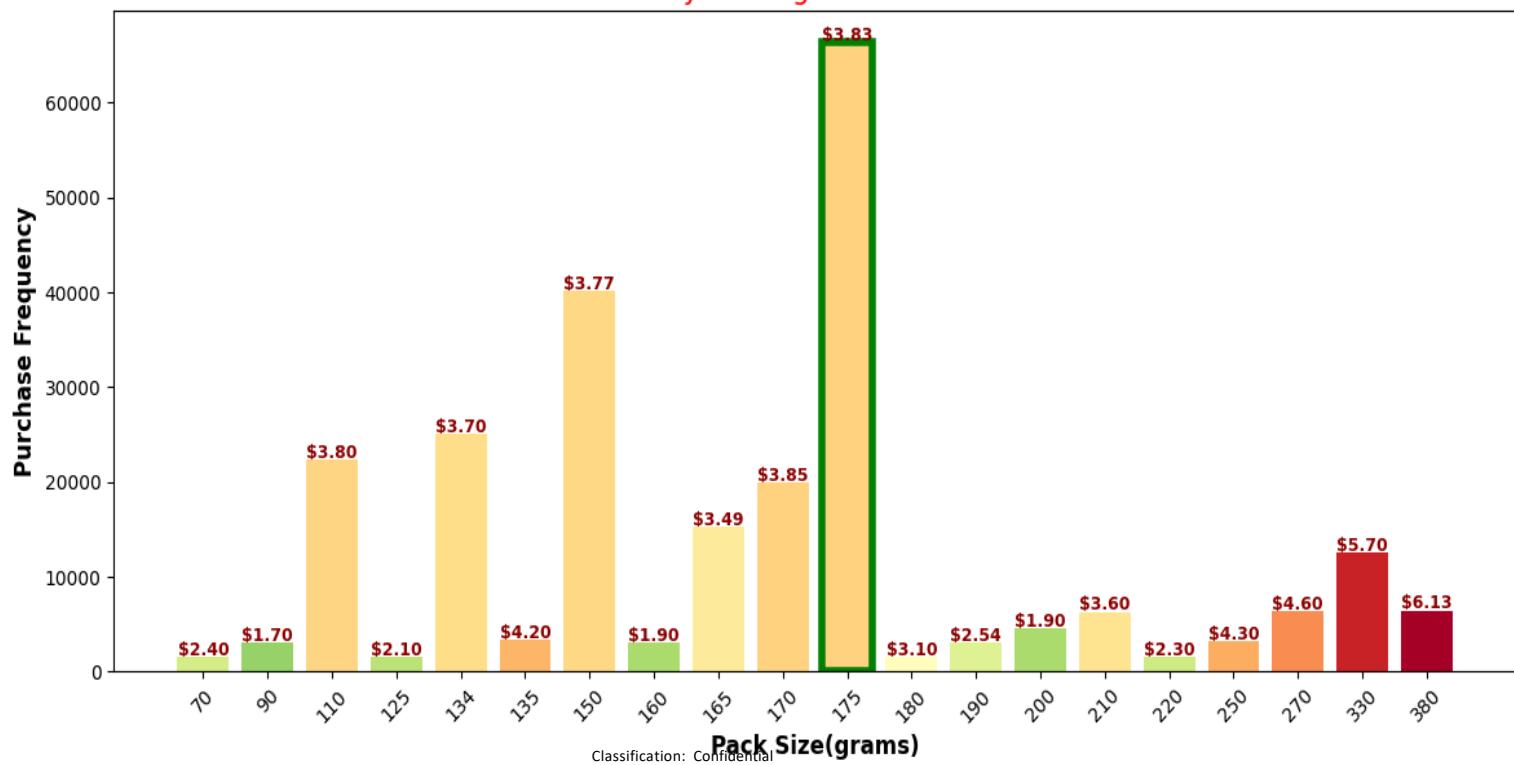


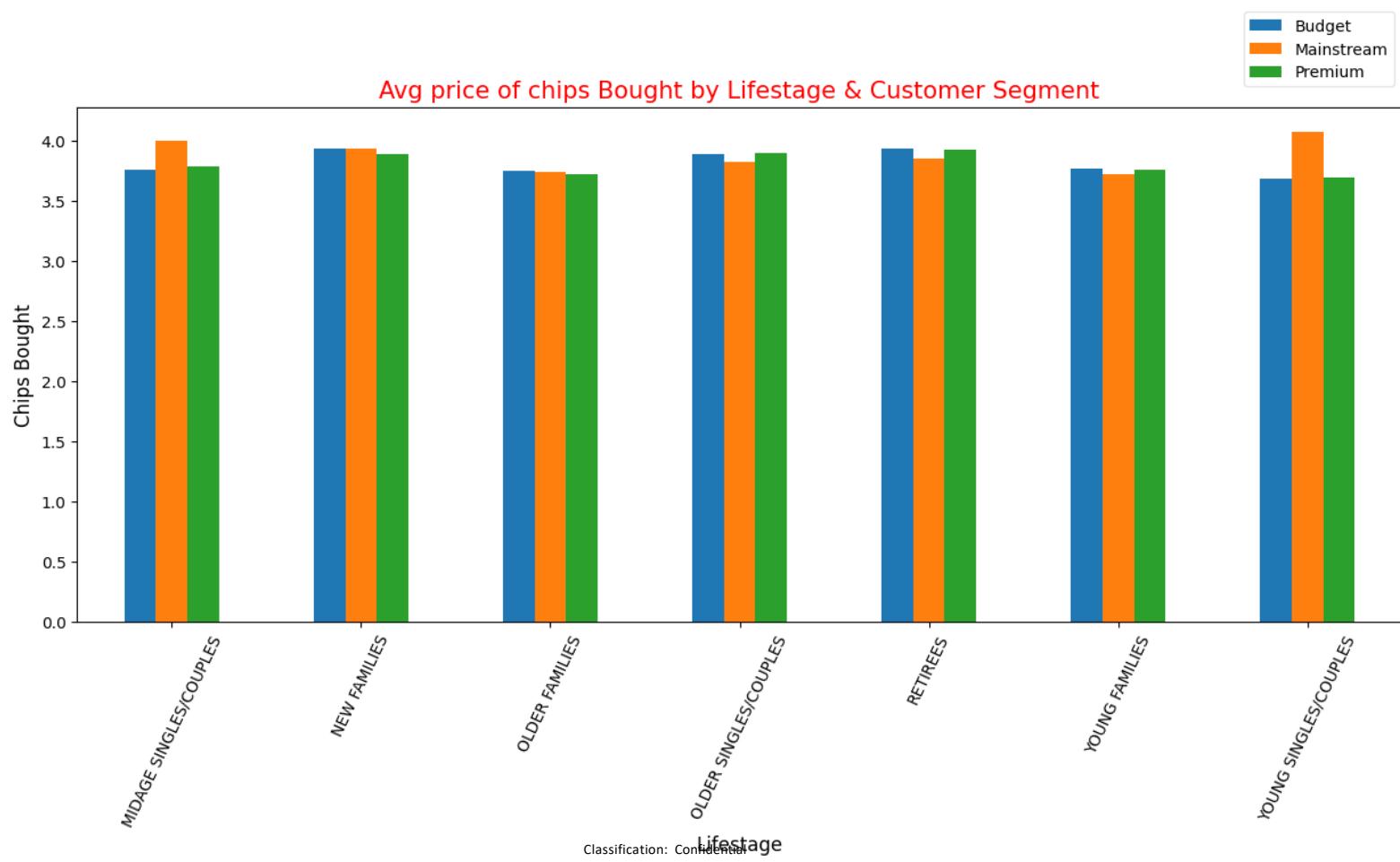
### Chips pack size preference of All customers

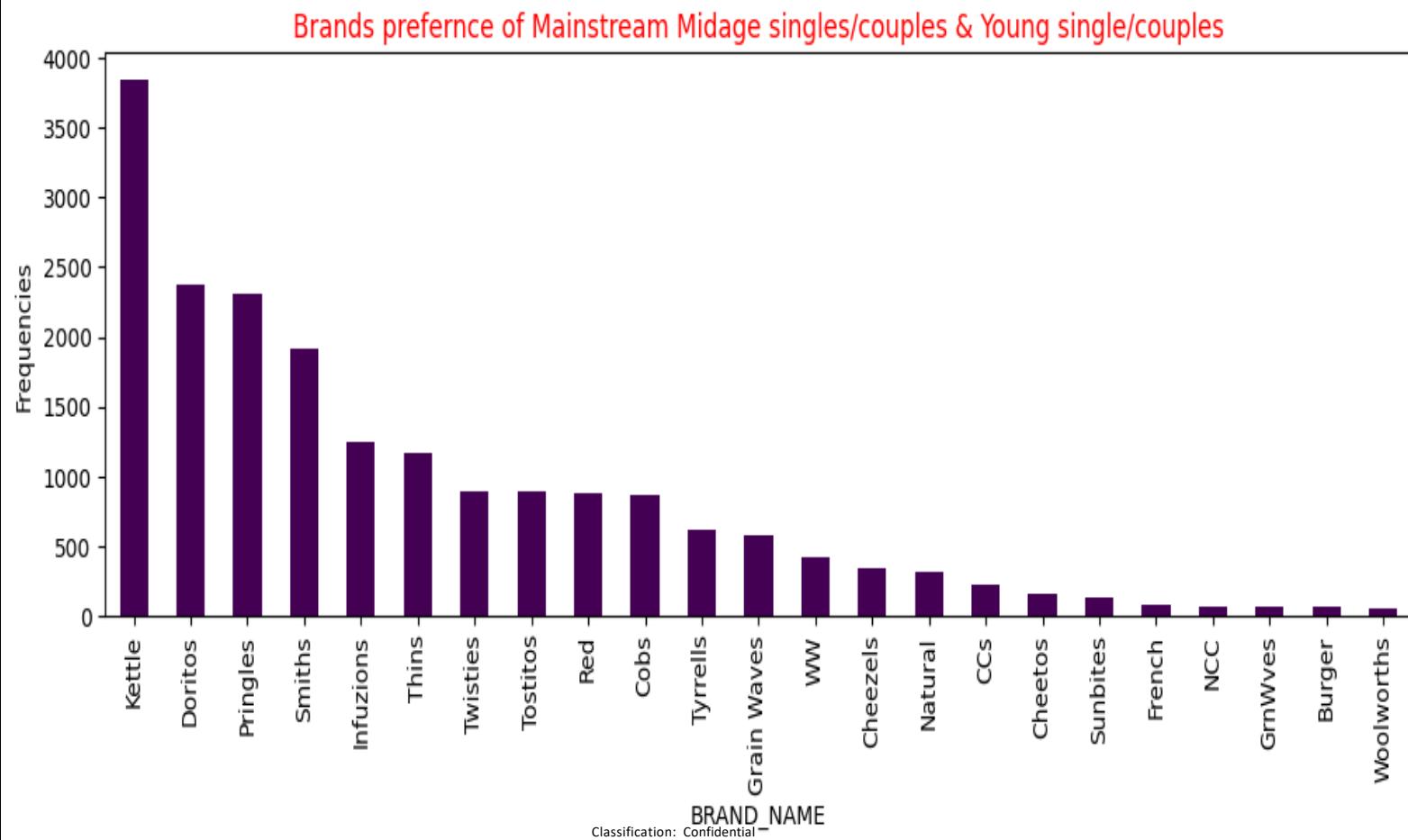


## 175g OPTIMAL SWEET SPOT

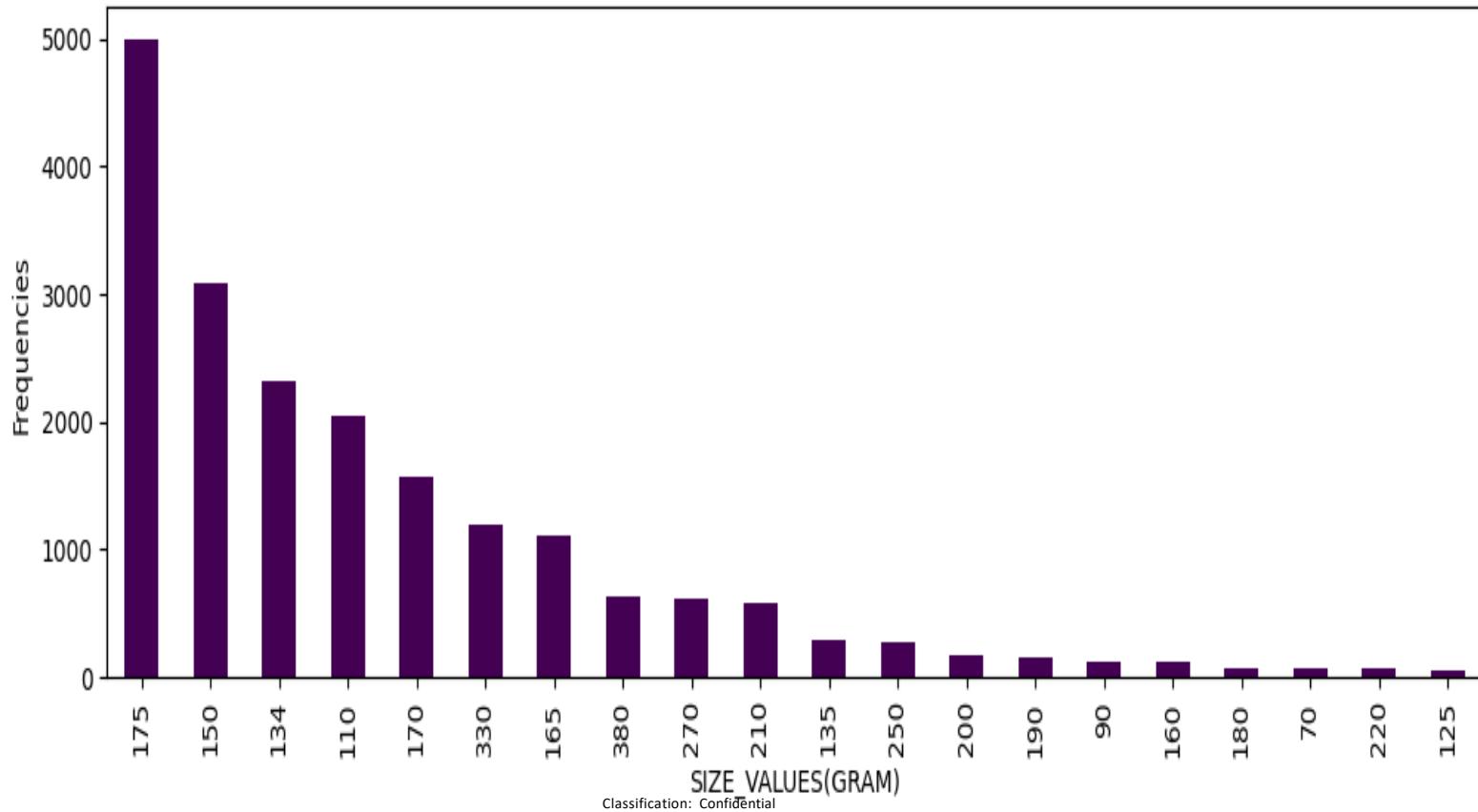
Why do Larger Packs Fail?







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

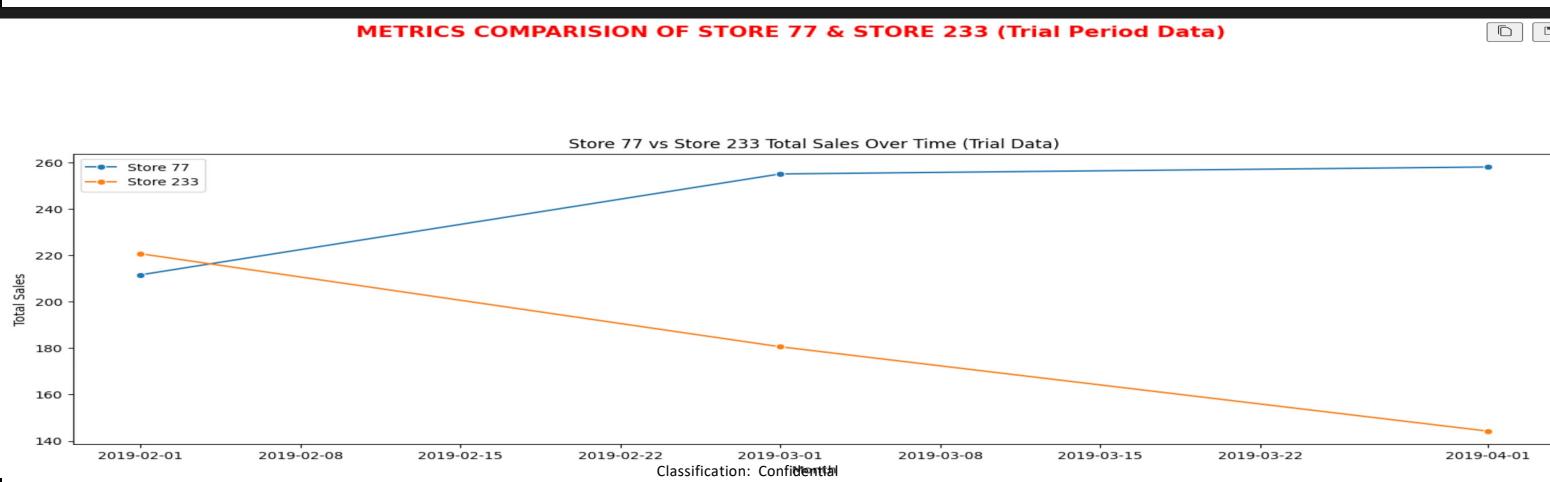


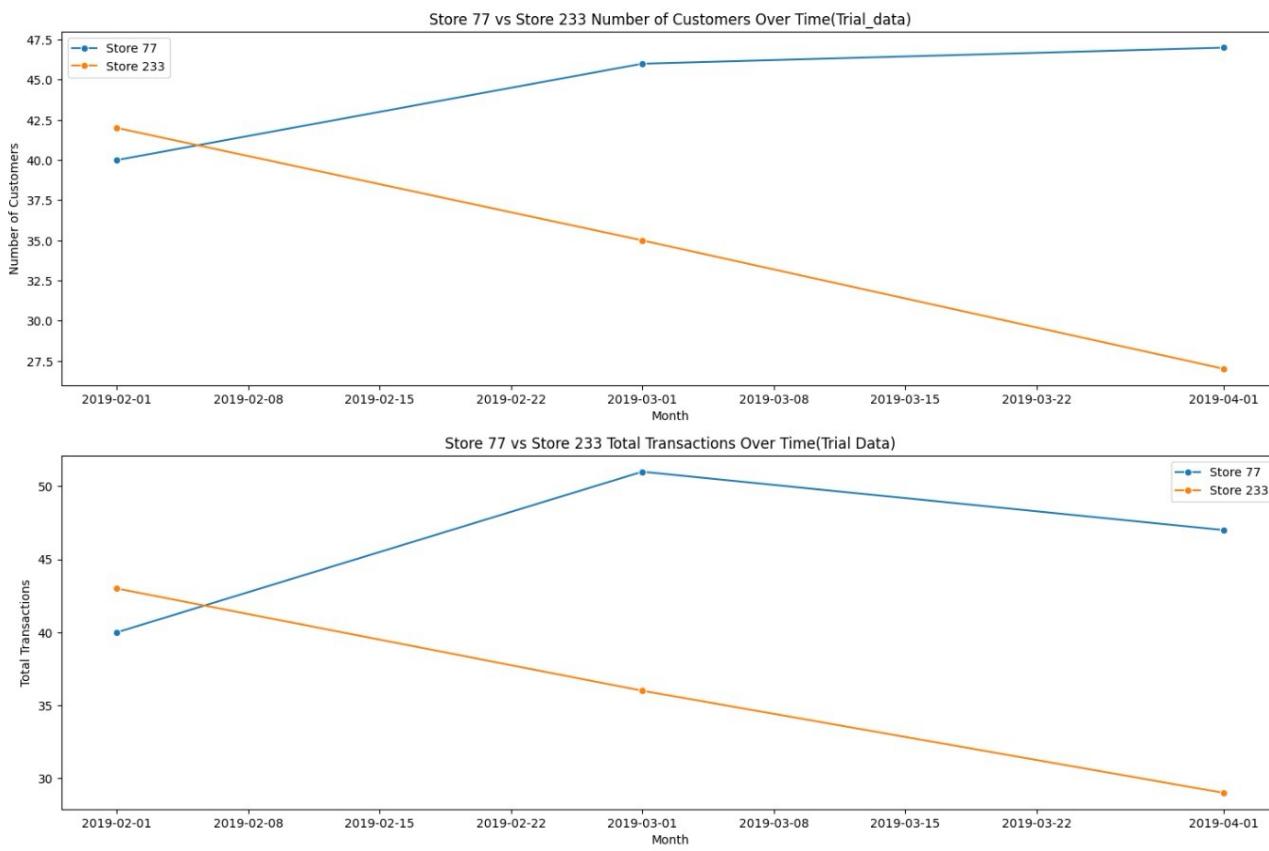
# 02

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.

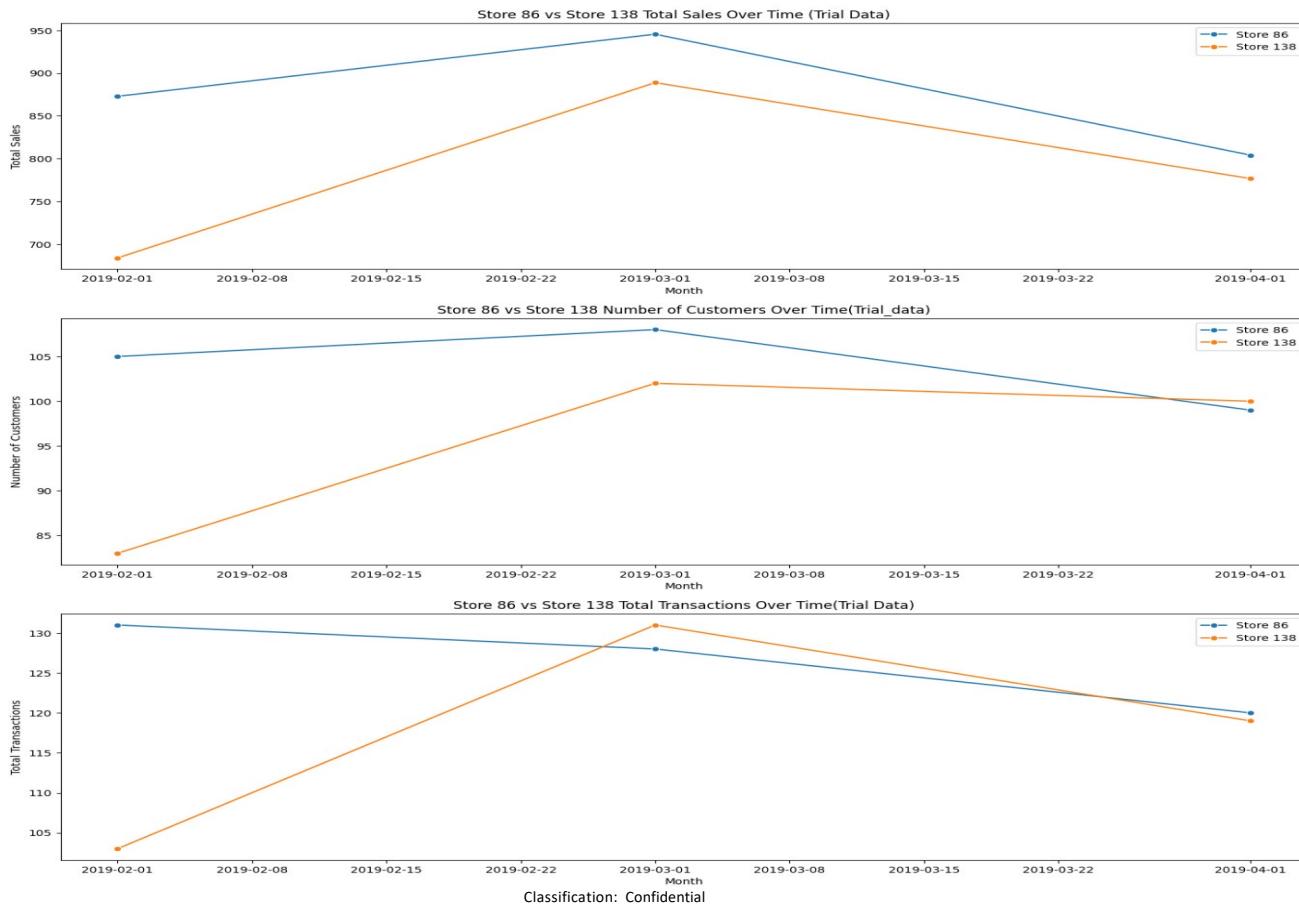
## Trial store performance Store 77

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

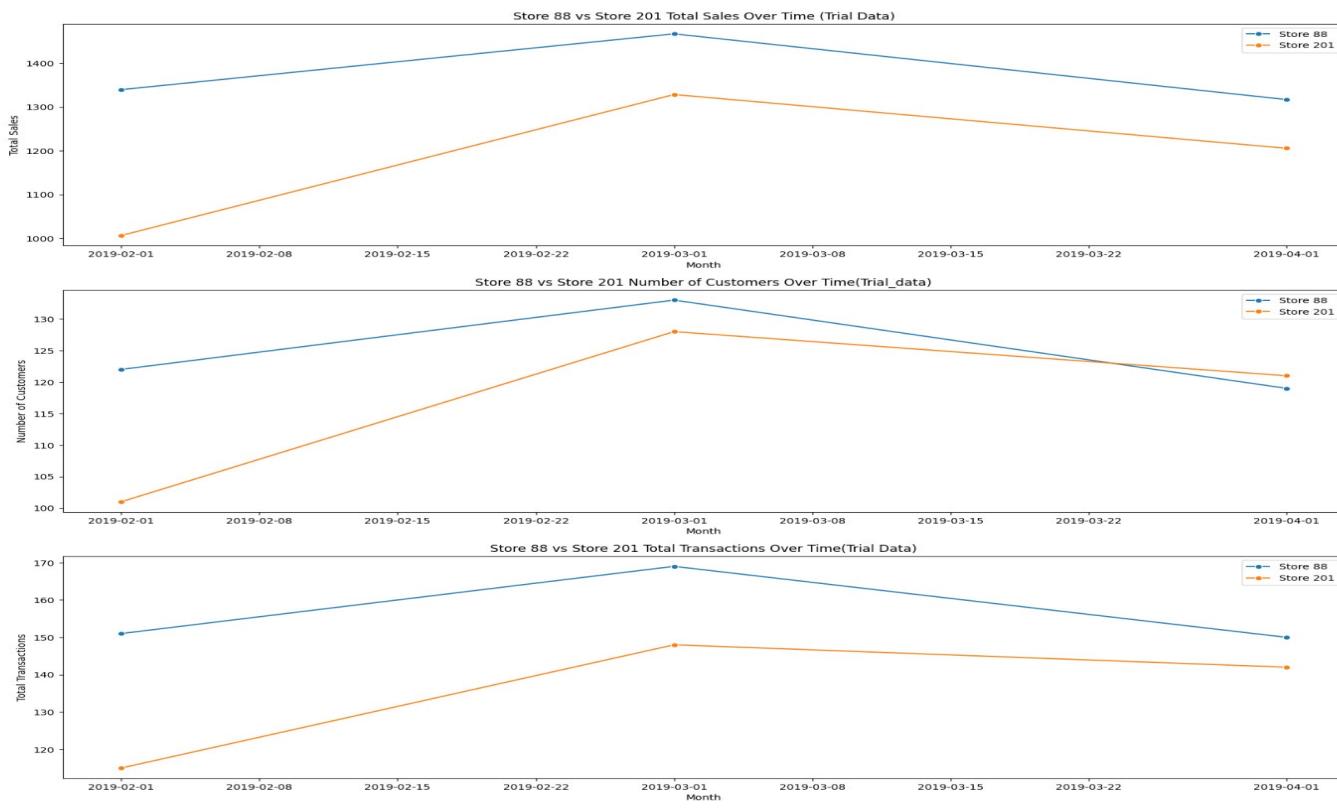




In Store 86 & 88 the growth is observable but statistically we can't conclude that it was just because of change in layout.



### 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?

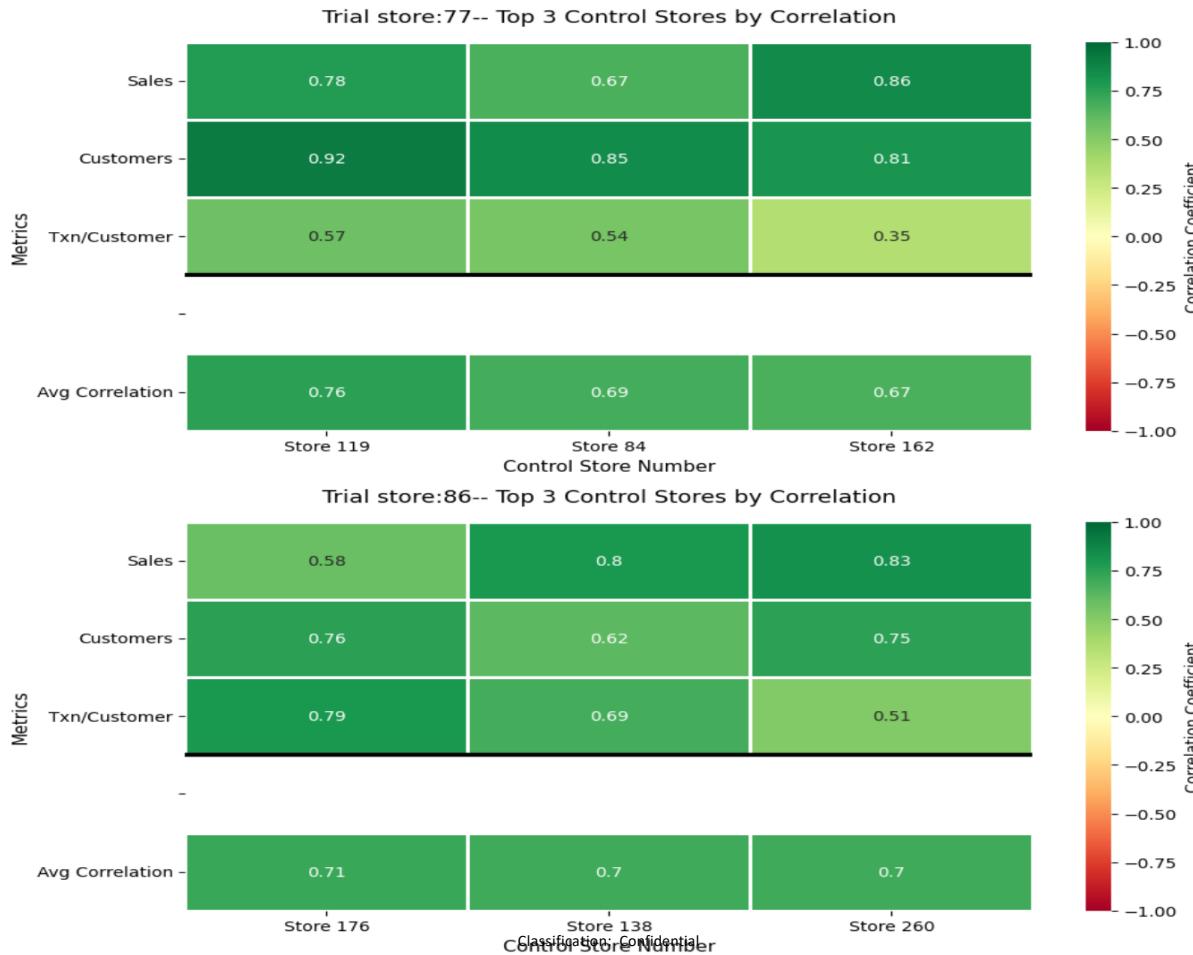
CORRELATIO  
N



Magnitude of  
Difference

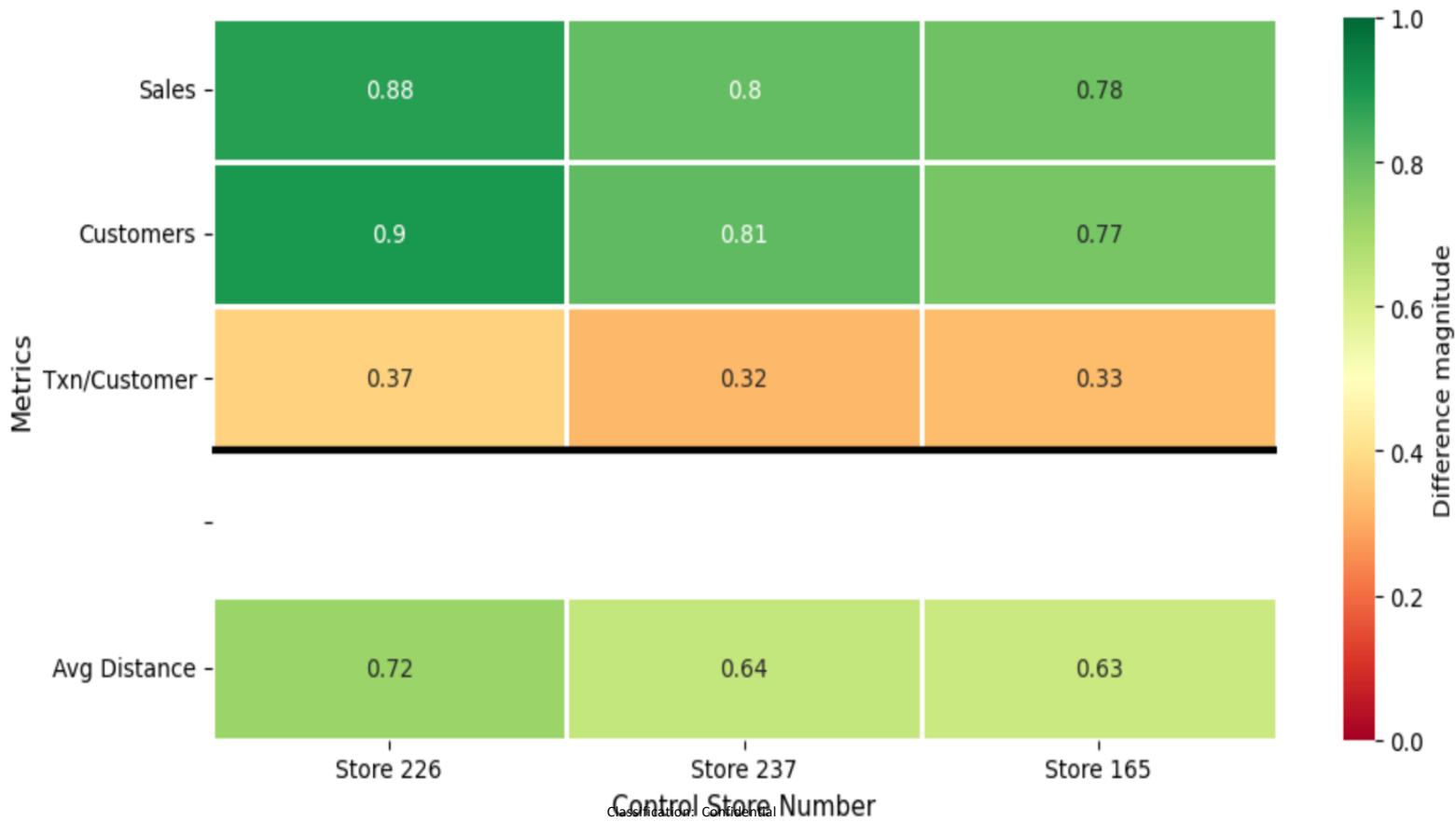


COMBINE  
D STORE

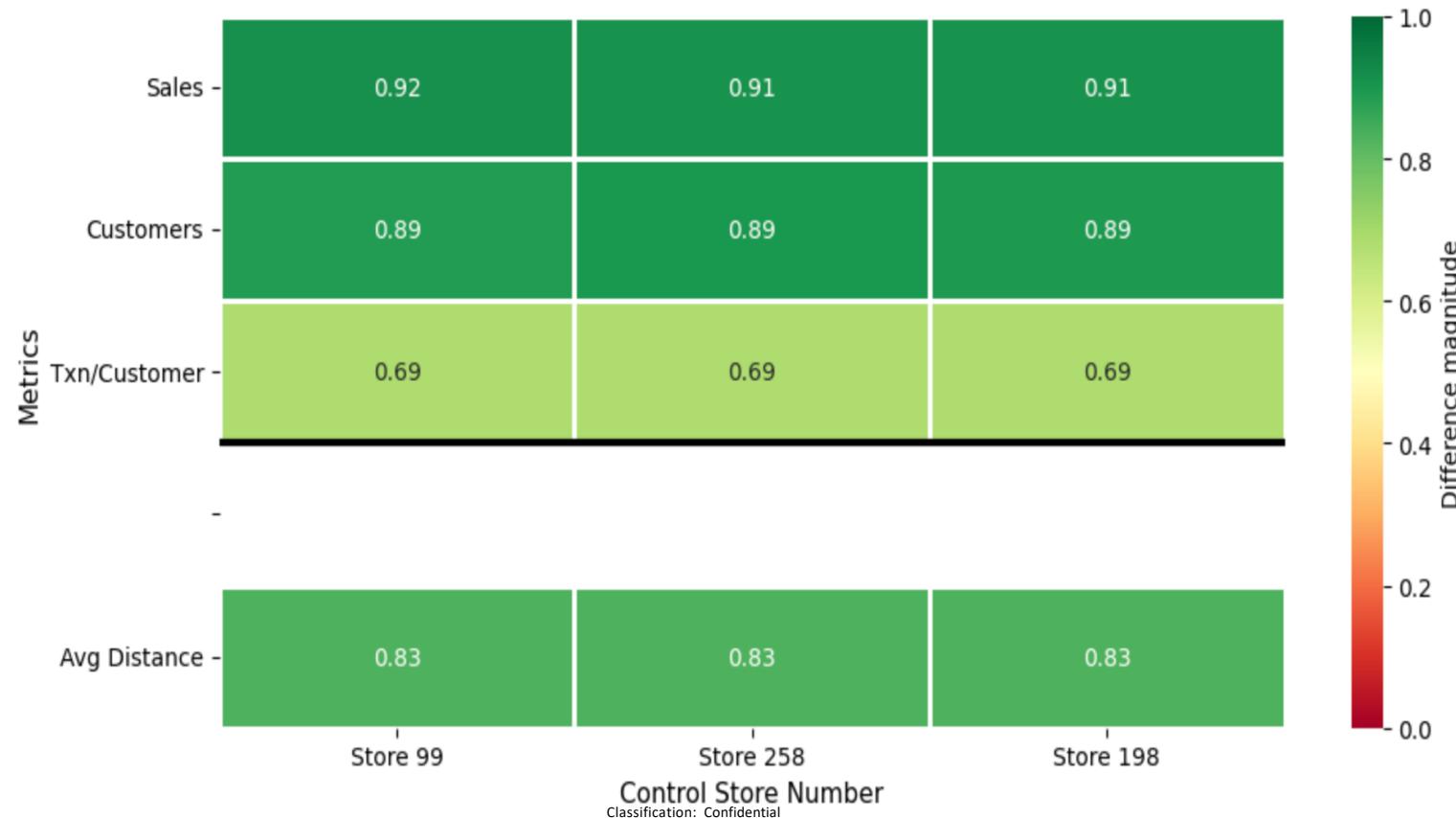




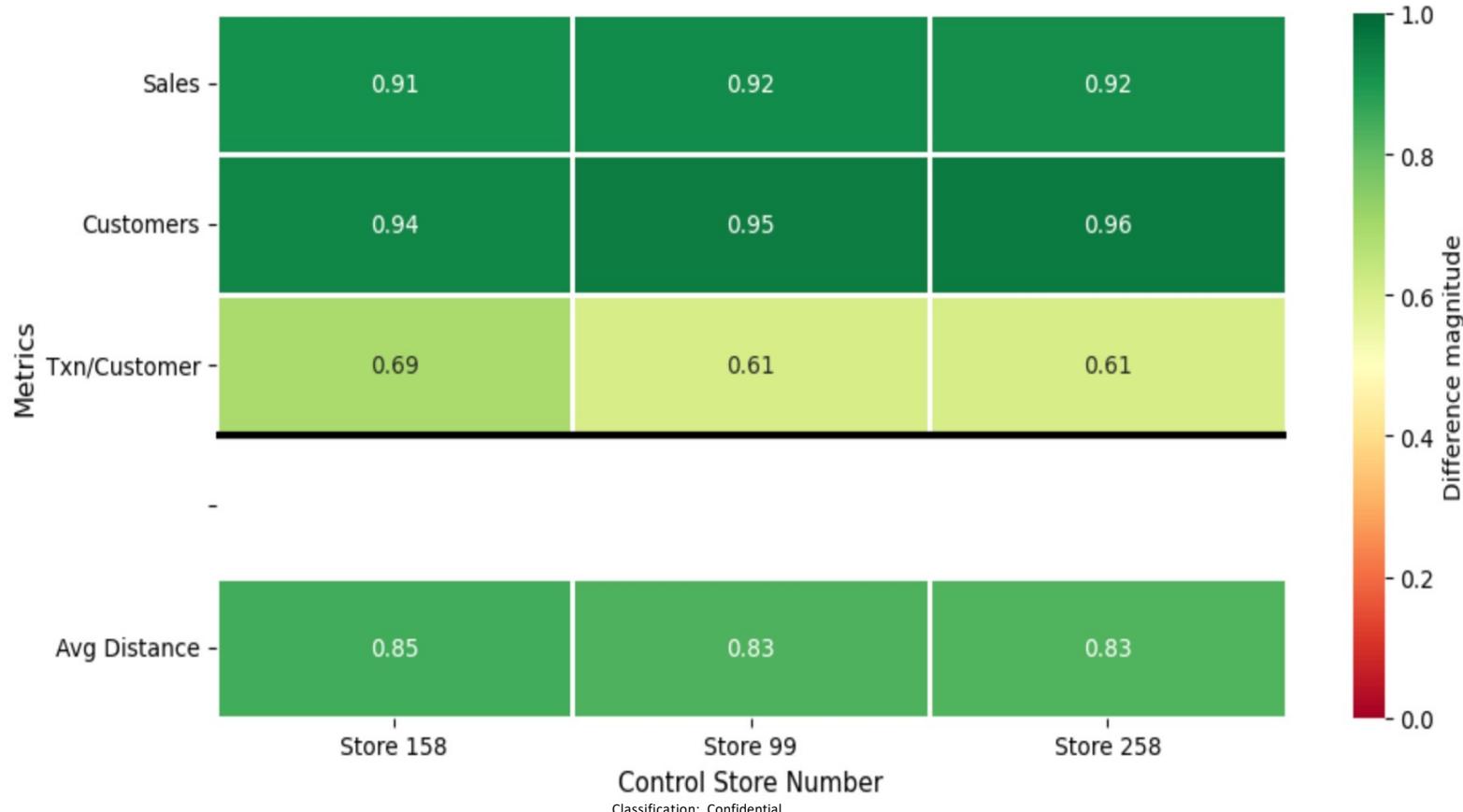
Trial store:77--Top 3 Control Stores by Magnitude of Differences



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

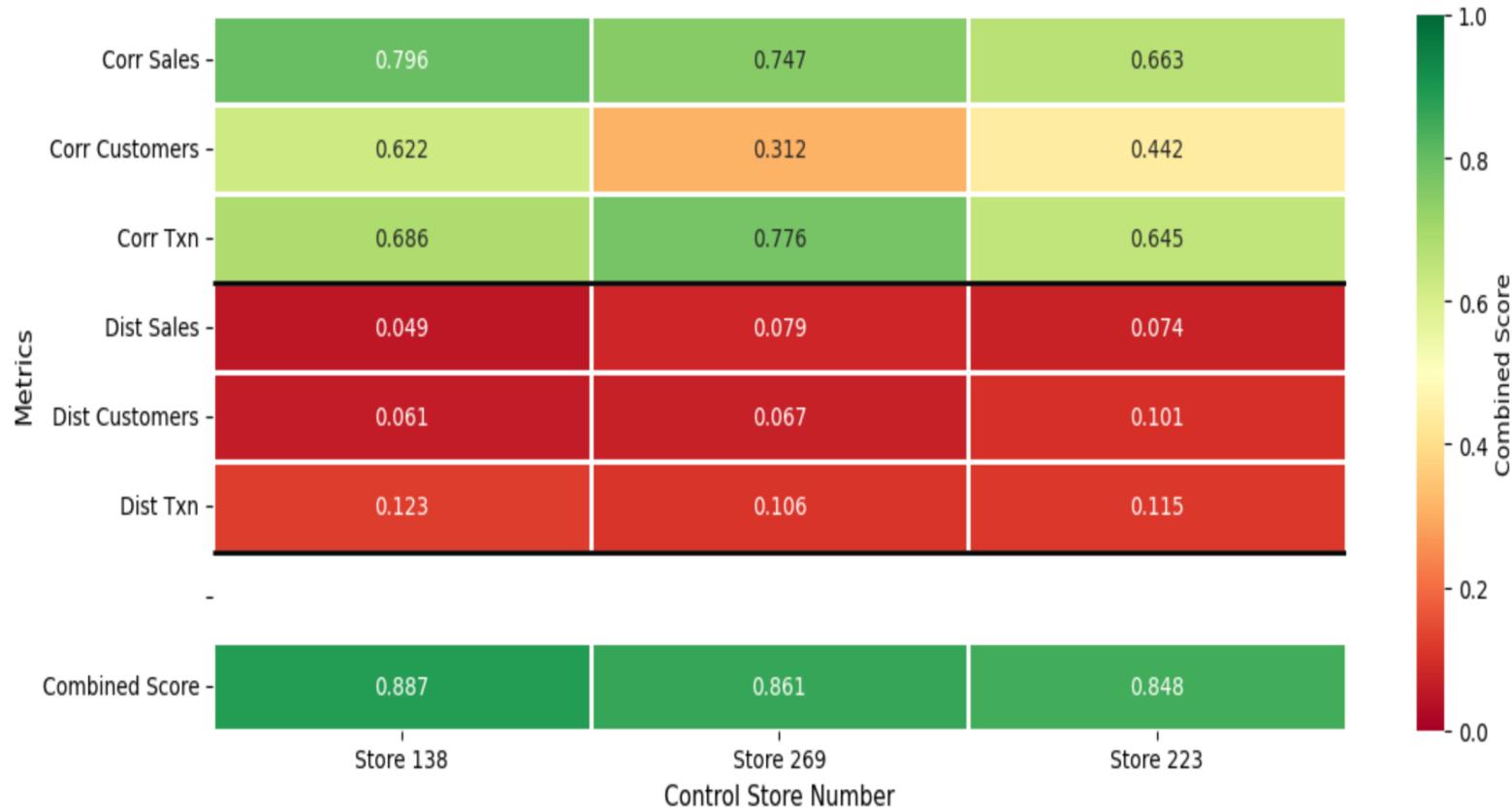


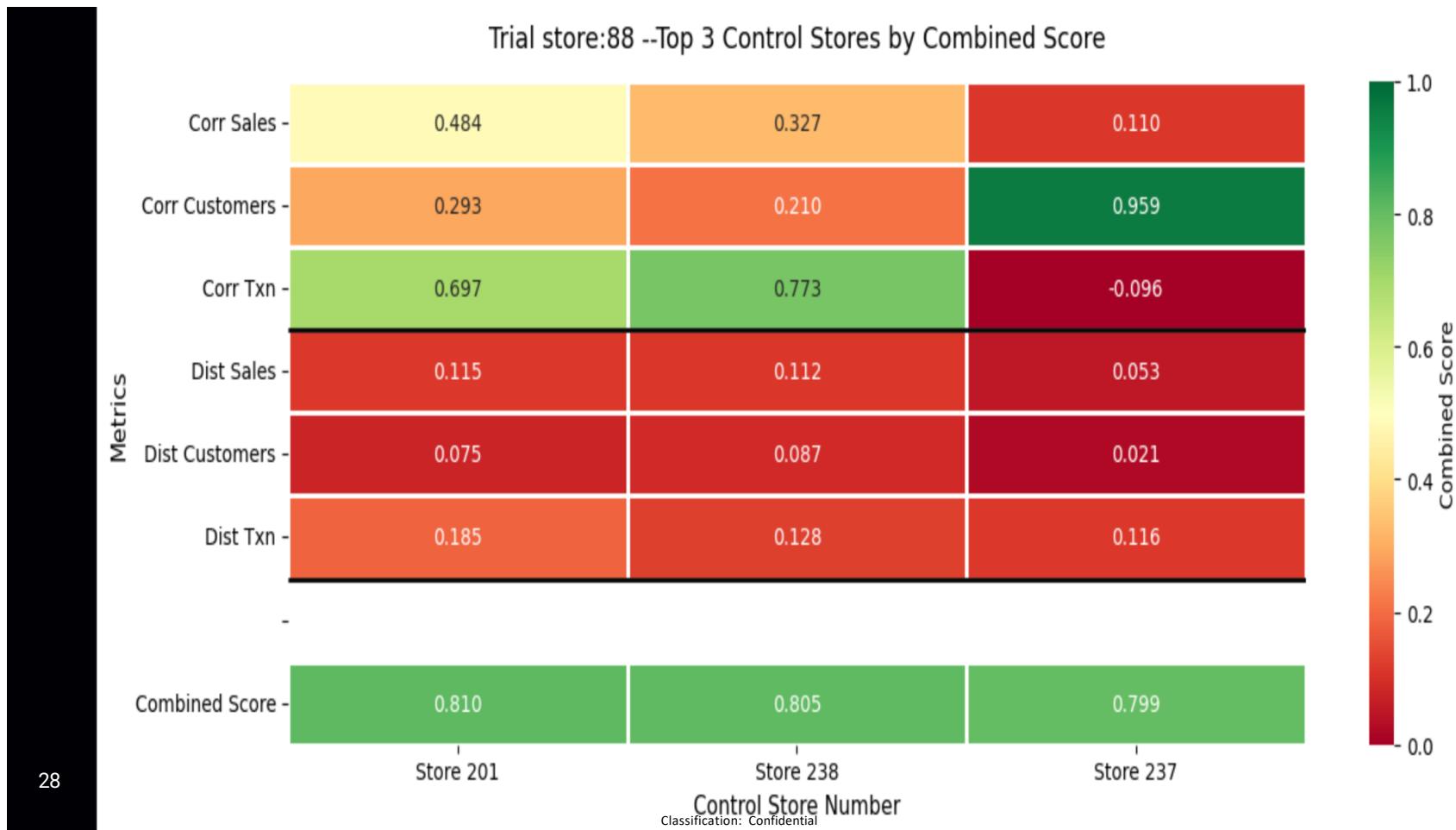
Trial store:88--Top 3 Control Stores by Magnitude of Differences





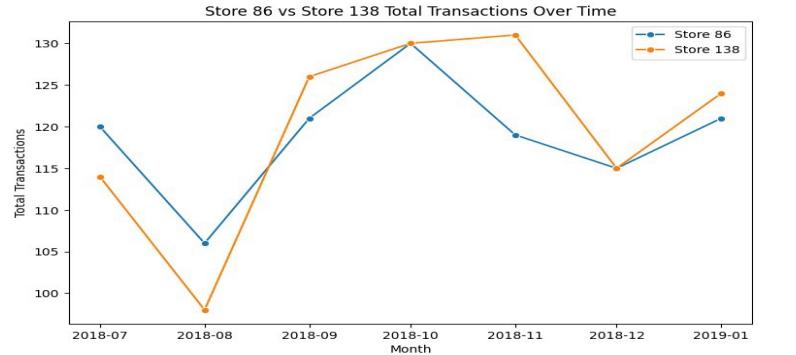
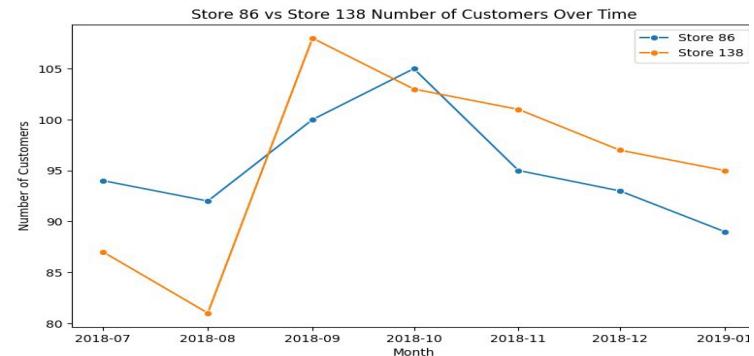
Trial store:86 --Top 3 Control Stores by Combined Score





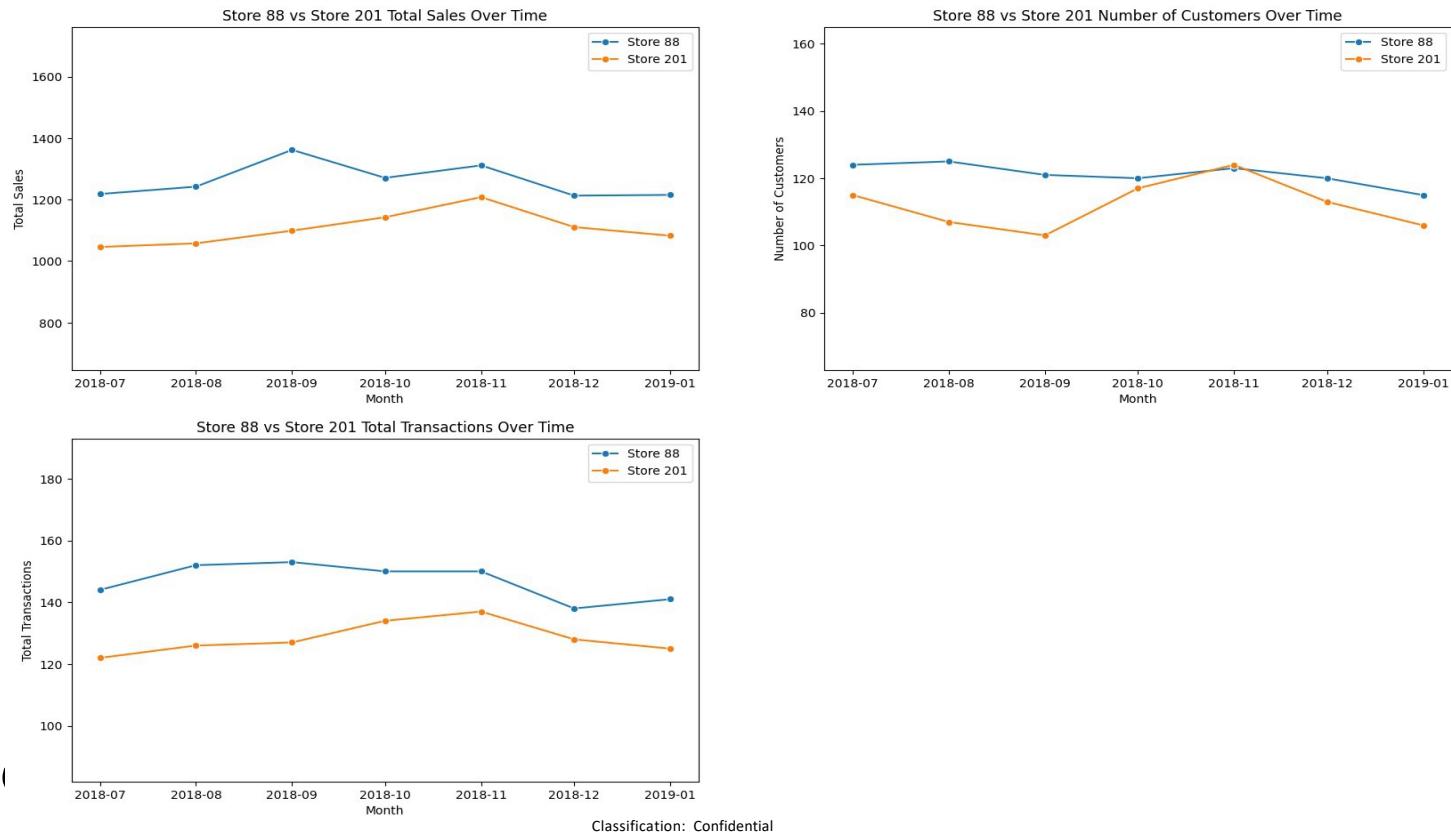
## WERE THE CONTROL STORES ACCURATE?

### METRICS COMPARISON OF STORE 86 & STORE 138



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## METRICS COMPARISON OF STORE 88 & STORE 201



## METRICS COMPARISON OF STORE 77 & STORE 233

