

ALDI Store Expansion Analysis

MGMT 58200 :MANAGEMENT OF ORGANIZATIONAL DATA FINAL PROJECT

Group 11

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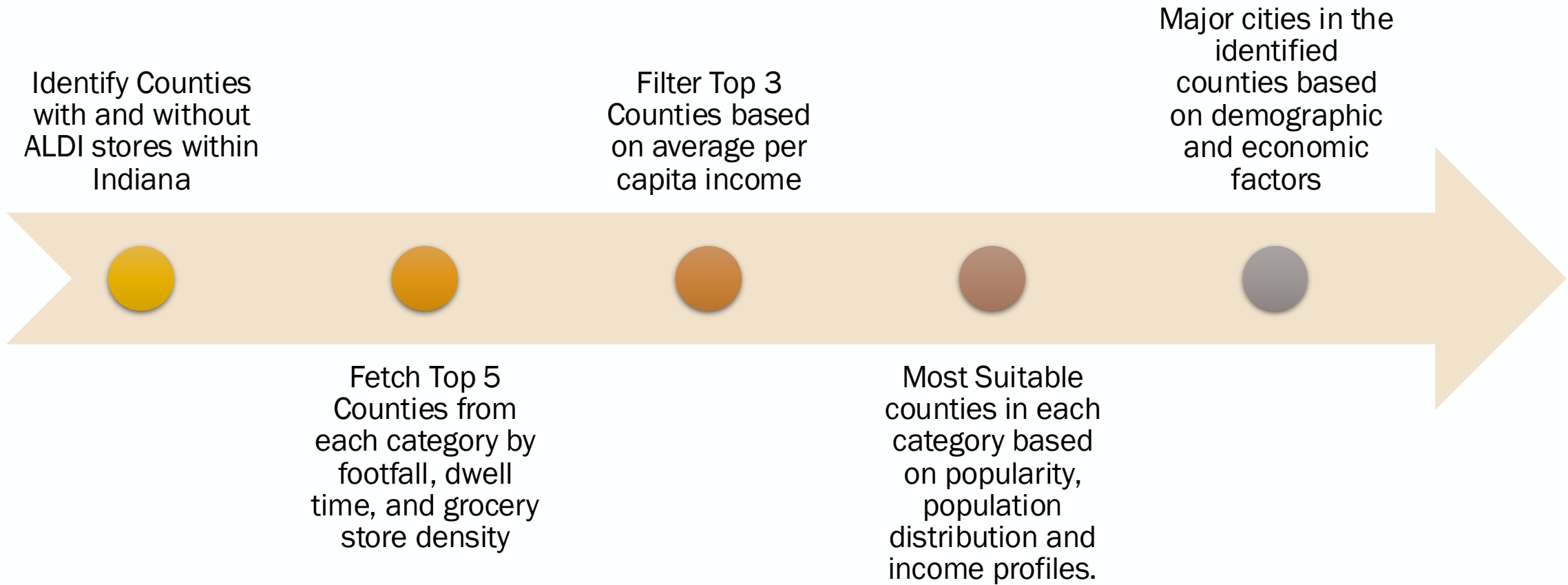


Introduction

In our research, we aim to assist ALDI in strategically expanding its store locations across Indiana.

By analyzing key factors such as foot traffic, grocery store density, consumer behavior, and per capita income, we provide data-driven insights to identify the most promising counties and cities for new store openings. This will help ALDI optimize its market reach and better meet local demand.

Process Workflow



Key Insights

- In Indiana out of 83 counties having supermarket grocery stores, 43 have ALDI stores, while 40 do not
- **Consumer Behavior Metrics:**
 - Counties with ALDI have higher grocery store density (13-18/100k people) and longer dwell times (>30 mins)
 - Counties without ALDI have lower store density (<4/100k) but high visit counts
- **Income Analysis:**
 - Counties like Porter (with ALDI) have higher average incomes (\$84.6k), moreover Morgan County (without ALDI) with avg income of \$79.8k, also show strong purchasing power, indicating expansion opportunities.
- Contradictory to what we initially expected, we observed that the footfall for every county was higher during weekdays, and lowest on weekends!
- **Optimal Counties for Expansion:**
 - Tippecanoe (with ALDI) shows the highest weekday foot traffic and long dwell times
 - Morgan (without ALDI) has high but stable popularity and high income while being close to Indianapolis
- **City-Level Analysis:**
 - **Tippecanoe:** West Lafayette, with a high population and foot traffic, is the best target for expansion.
 - **Morgan :** Monrovia shows strong potential with high income and steady foot traffic.

Thank You



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Key Questions Addressed

- 1) Breakdown of Indiana counties into 2 groups, with and without ALDI stores.
- 2) Comparing foot traffic, dwell time, and grocery store density between counties that have ALDI stores and those that don't?
- 3) Which counties (both with and without existing ALDI stores) in Indiana have a high average weighted household income and show consistent foot traffic throughout the week?
- 4) Which county would be the most suitable for opening a new ALDI store from the top 3 in each category?
- 5) In these counties, which major cities would be prime spots for a new ALDI store based on demographics and economics