

June 2020

Category review: Chips

Retail Analytics



Classification: Confidential



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

We all have a responsibility to use data for good

Privacy

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

Quantum 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

Overview of Chip Sales and key information

- Comparison of Chip sales overtime. from 2018 to 2019-
- Impact of customer affluence and spending habits.
- Customer life stage and affluence Impact on spending habits.

02

Trial Store Performance

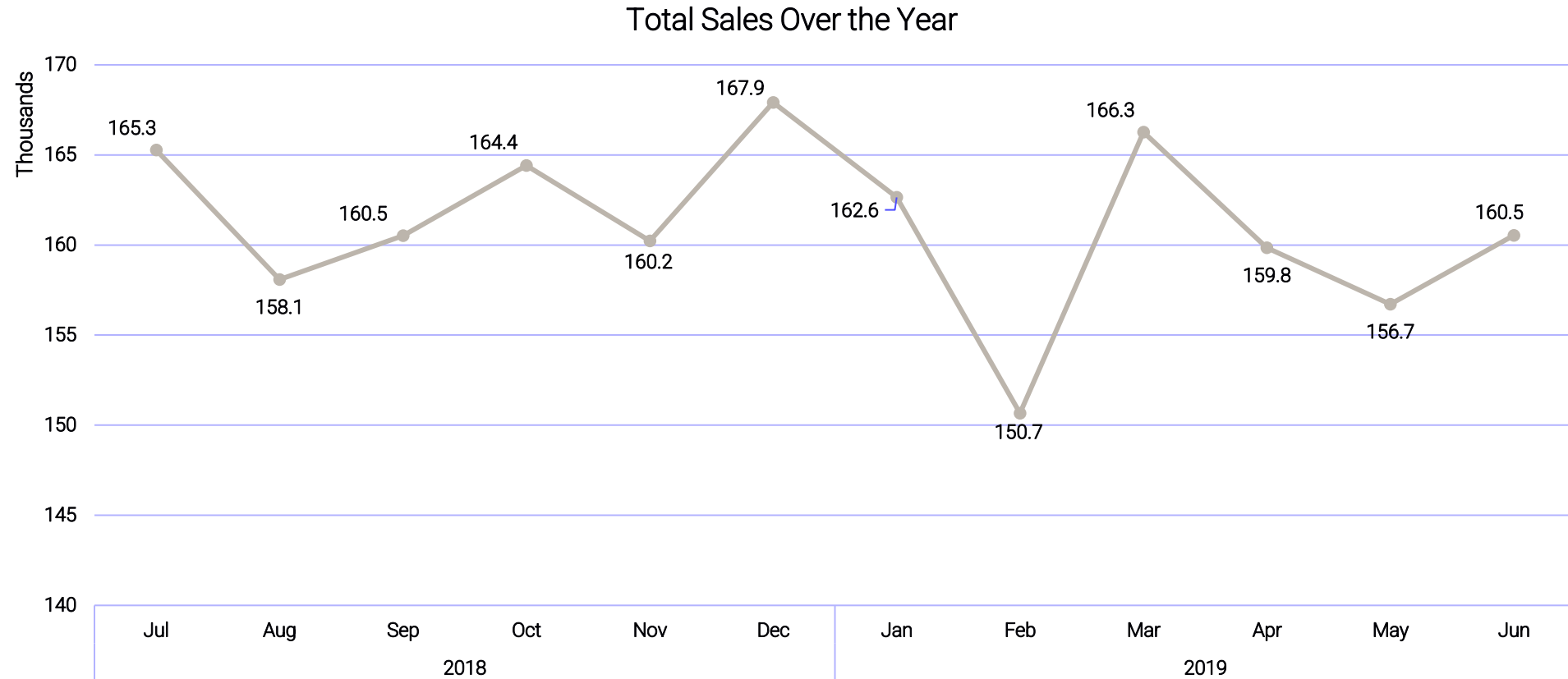
- Overall the trial stores outperformed the control stores in every category during this period
- The trial stores do show a leveling out of in the third month
- Two out of the three stores are showing higher levels Ln every category compared to the control stores at the end.

01

Overview of Chip Sales and key information

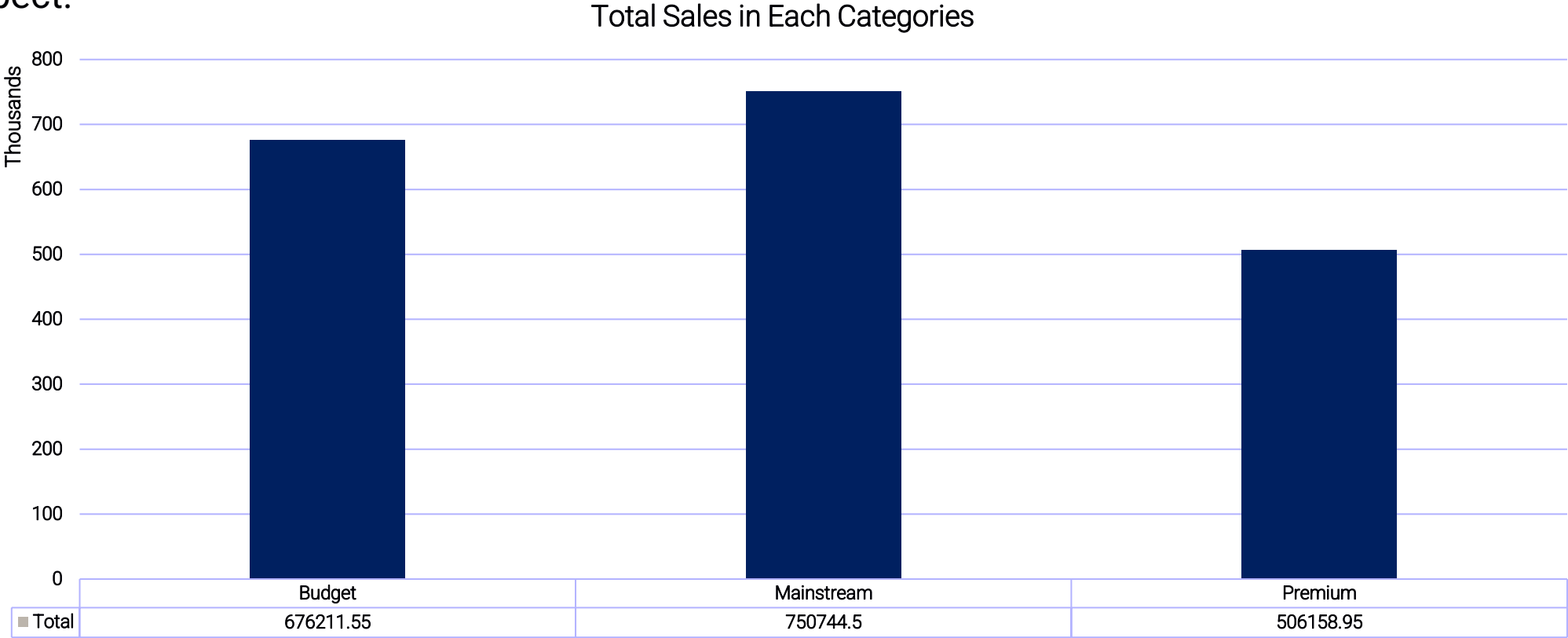
Total sales trend for the past year

Sale totals for the year 2019 has decreased from 2018. Showing slight improvement in the month of June.



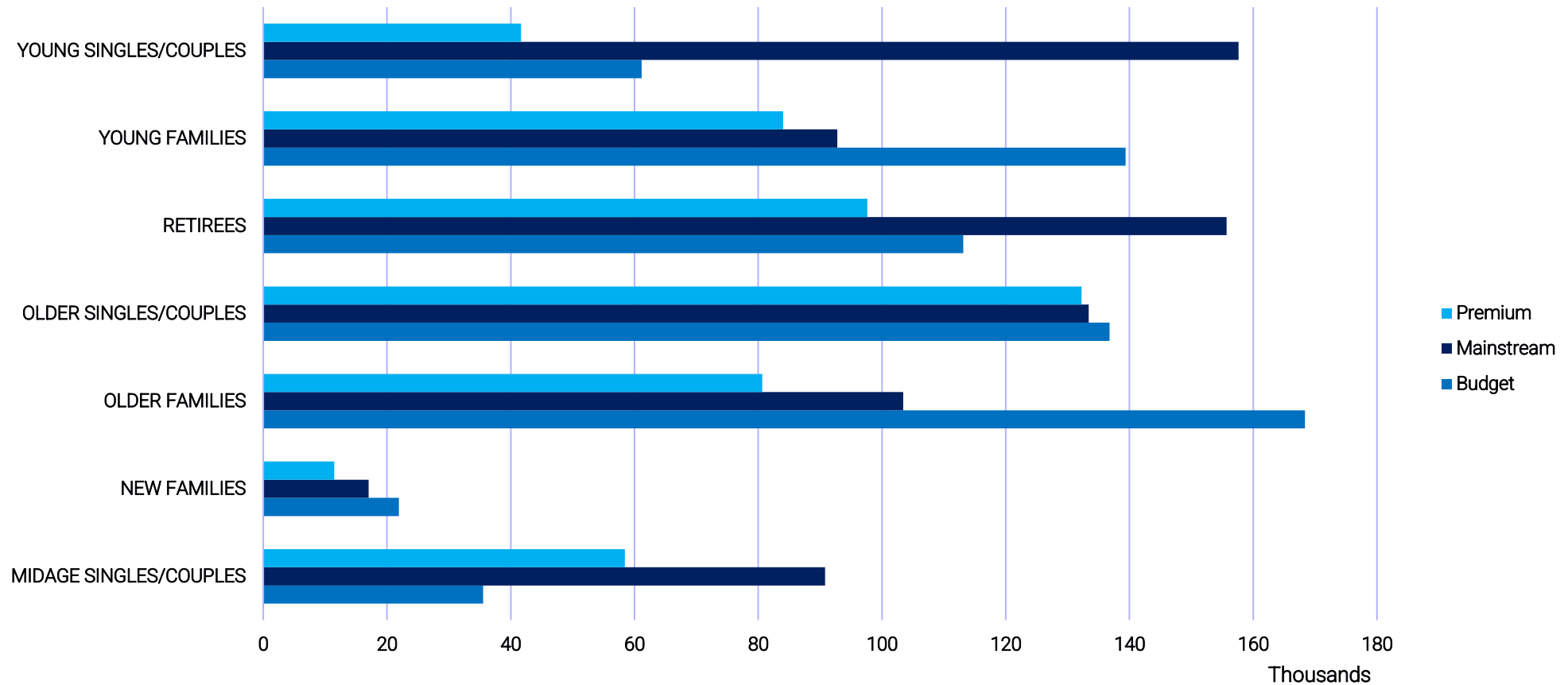
Customer affluence and its effect on consumer buying

As we can see on the graph below Mainstream customers made the most chip purchases with budget customers in second. It does not seem affluence has a large impact on chip sales as one would expect.



Life Stage with proportion of Premium Customers.

The data shows that older people tend to purchase more chips across all life stage demographics and affluence. With new families being the lowest.



02

Trial store performance

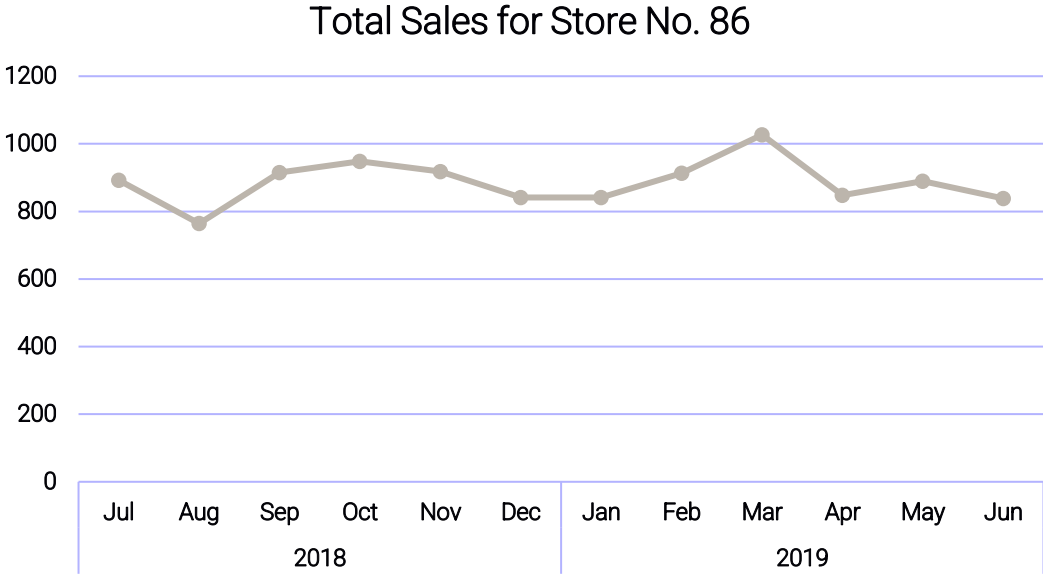
Trial store performance before and after



Trial Store 77:

- For store 77 sales increased during the trial period with some leveling off in the month of April.
- The store continued to increase after the trial maintaining a higher level of sales.
- This might be an indication that the purchasing habits of the customers were impacted and continued to purchase at a higher level.

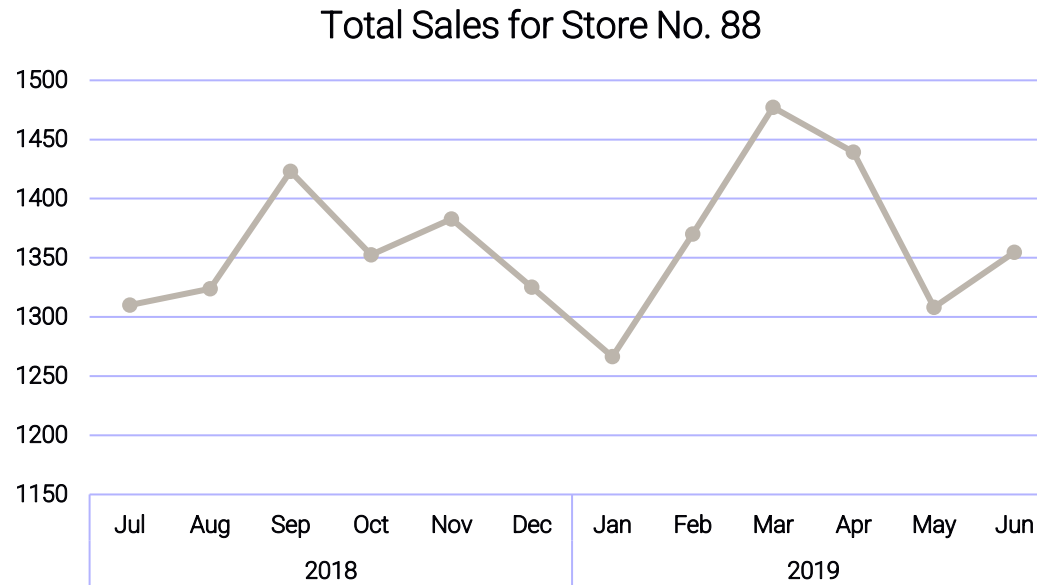
Trial store performance before and after



Trial Store 86:

- For store 86 sales increased during the trial period with some leveling off in the month of April back down to the historical sales performance.
- The store continued to decrease after the trial maintaining the old level 01 sales before the trial period.

Trial store performance before and after



Trial Store 88:

- For store 88 sales increased during the trial period with some leveling Off in the month of April.
- The store continued to decrease after the trial period decreasing to historical sales performance levels.

Recommendation:



- Two of the three trial stores are outperforming their control stores.
- One store continued to increase after the trial period. Showing a possible change in customer purchase behavior in store 77.
- The other two trial stores 86. and 88 declined in sales back to its original sales output.
- The data is showing some decrease in performance in the third month for the stores. A leveling out in sales is expected

Our recommendation would be to convert the stores into the new layout. After six months I would consider another study to see the impact the new layout has had across a larger sample of stores and how the sales volume is trending overtime.



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