

Executive Summary

As part of the upcoming category review, we conducted an in-depth analysis of customer transactions and purchasing behavior to uncover key insights that can inform strategic decisions in the chips category.

Our analysis, leveraging both transactional and demographic data, segmented 72,588 unique customers into lifestage and value-based groups—such as *young singles*, *families*, *retirees*, and *budget vs. premium shoppers*. A total of 262,552 transactions were analyzed, representing over **\$1.92 million in sales**, with an **average transaction value of \$7.27** and **3.6 transactions per customer**.

Key Findings

1. Top Customer Segments by Sales Contribution

The highest-contributing customer segments (by total sales) are:

- **Older Families – Budget:** \$167,213.95 (4,669 customers, \$7.24 avg. transaction)
- **Young Singles/Couples – Mainstream:** \$156,882.00 (8,076 customers, \$7.54 avg. transaction)
- **Retirees – Mainstream:** \$155,033.45 (6,478 customers, \$7.23 avg. transaction)
- **Young Families – Budget:** \$138,388.20 (4,015 customers, \$7.26 avg. transaction)
- **Older Singles/Couples – Budget:** \$135,858.90 (4,925 customers, \$7.40 avg. transaction)

2. Customer Behavior by Segment

- **Premium Shoppers:** Tend to purchase larger pack sizes and branded products, contributing more per transaction.
- **Budget Shoppers:** Prefer smaller, value-priced packs and contribute steadily through volume.
- **Young Families and Young Singles:** Show strong engagement and responsiveness to brand and size offerings.

3. What Drives Sales

- Purchase behavior is influenced by both **price sensitivity** and **lifestage** needs.
- **Brand recognition, pack size, and value for money** are leading factors in chip purchasing decisions.

Strategic Implications

These insights provide a data-backed foundation to:

- **Tailor product assortment** to meet the preferences of high-value segments.
 - **Optimize pricing and promotions** based on segment-specific behavior.
 - **Enhance category growth** by targeting under-served but high-potential segments with customized offers.
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