

June 2020

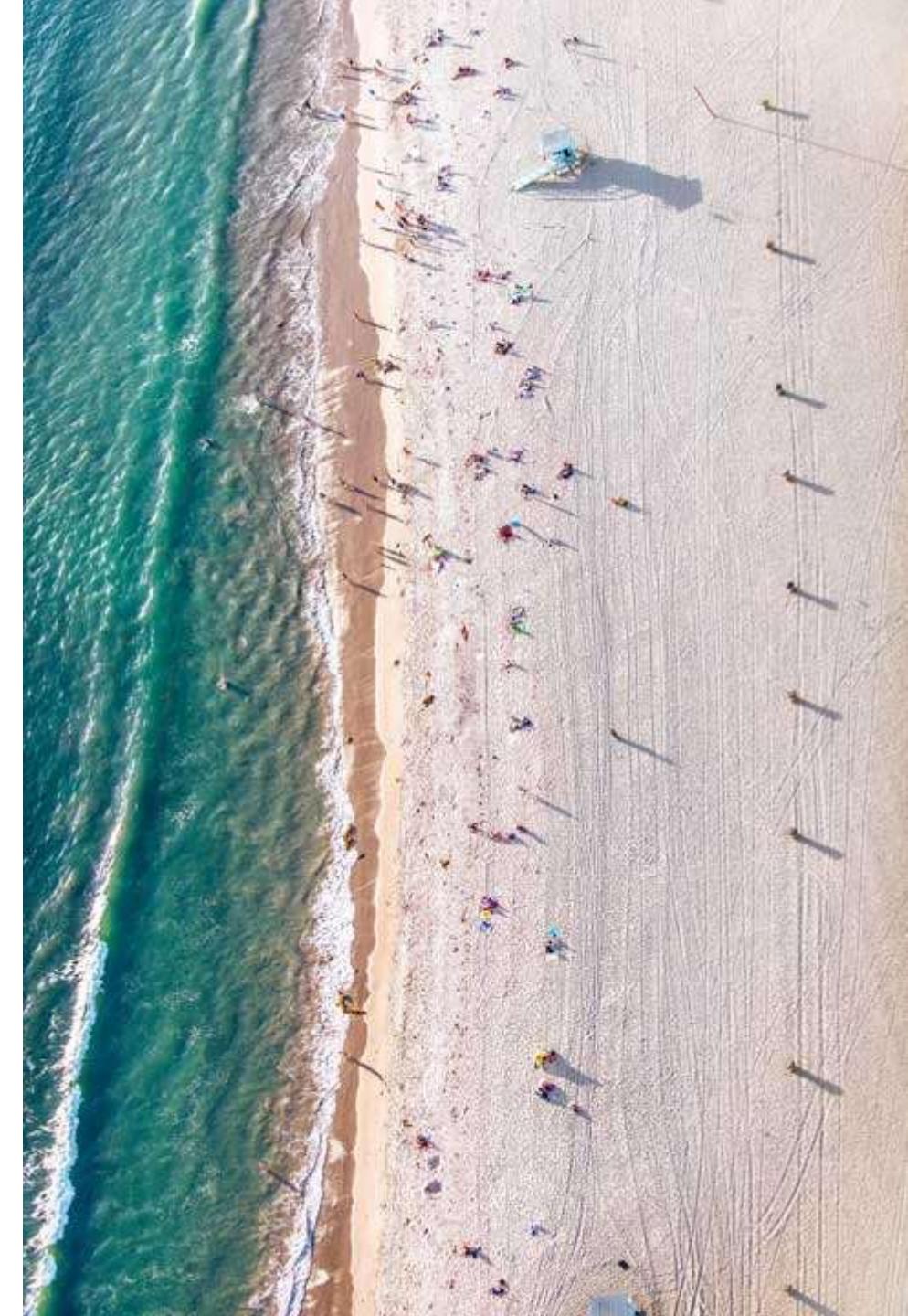
Category review: Chips

Retail Analytics – June 2020

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Quantum * Forage Simulation



Classification: Confidential



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

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.

We all have a responsibility to use data for good

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

Task 1

Category Insights –
Chips

- Chips are a high-frequency, impulse-driven category with strong seasonal peaks.
- Affluent customers and mid-life families contribute disproportionately to chip revenue.
- Young singles and couples show higher transaction frequency but lower basket size.
- Opportunity to target premium chip segments for higher-margin growth.

02

Task 2

Trial Store
Performance.

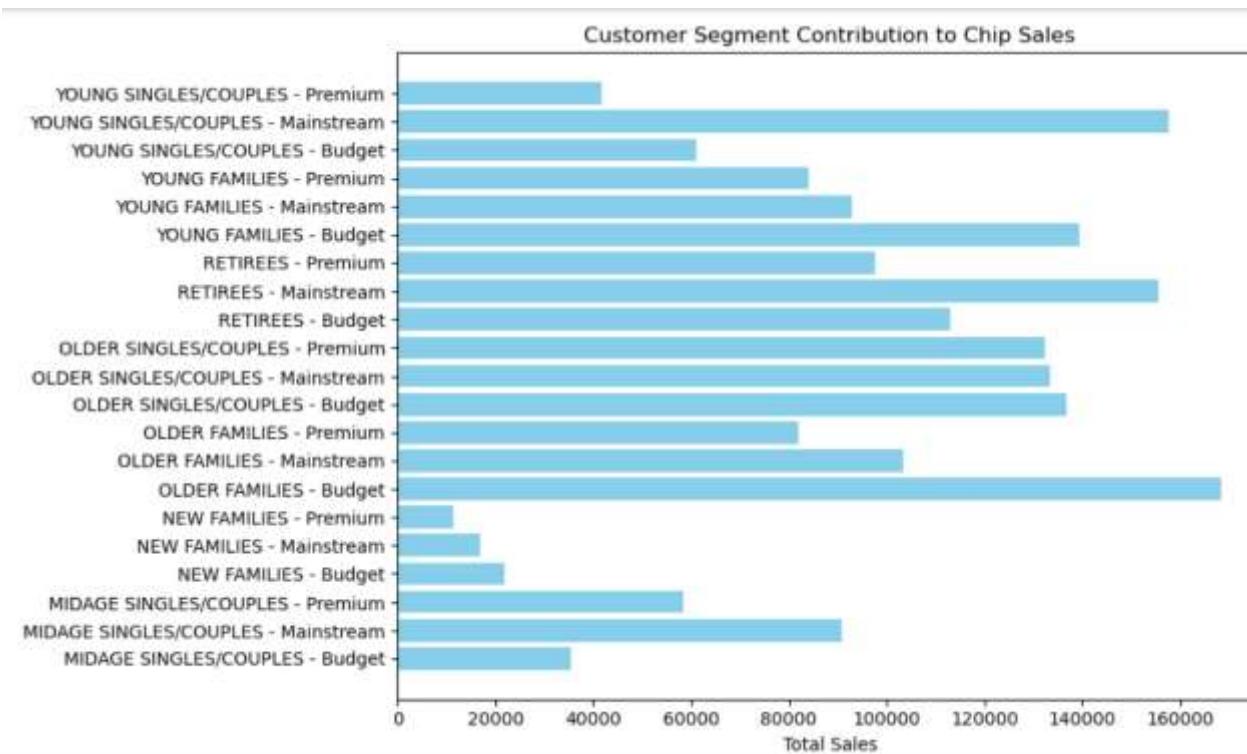
- Control stores were selected using Pearson correlation across three metrics: total sales, number of customers, and transactions per customer.
- Store 77 showed a clear uplift in sales during the trial period, indicating campaign success.
- Store 86 showed moderate improvement; Store 88 had minimal change.
- Recommendation: Scale campaign to stores similar to Store 77 and refine targeting for mid-performing stores.

01 - Category

Understanding customer behaviour and opportunities in the chips category

Overview: Chips category – Key Callout

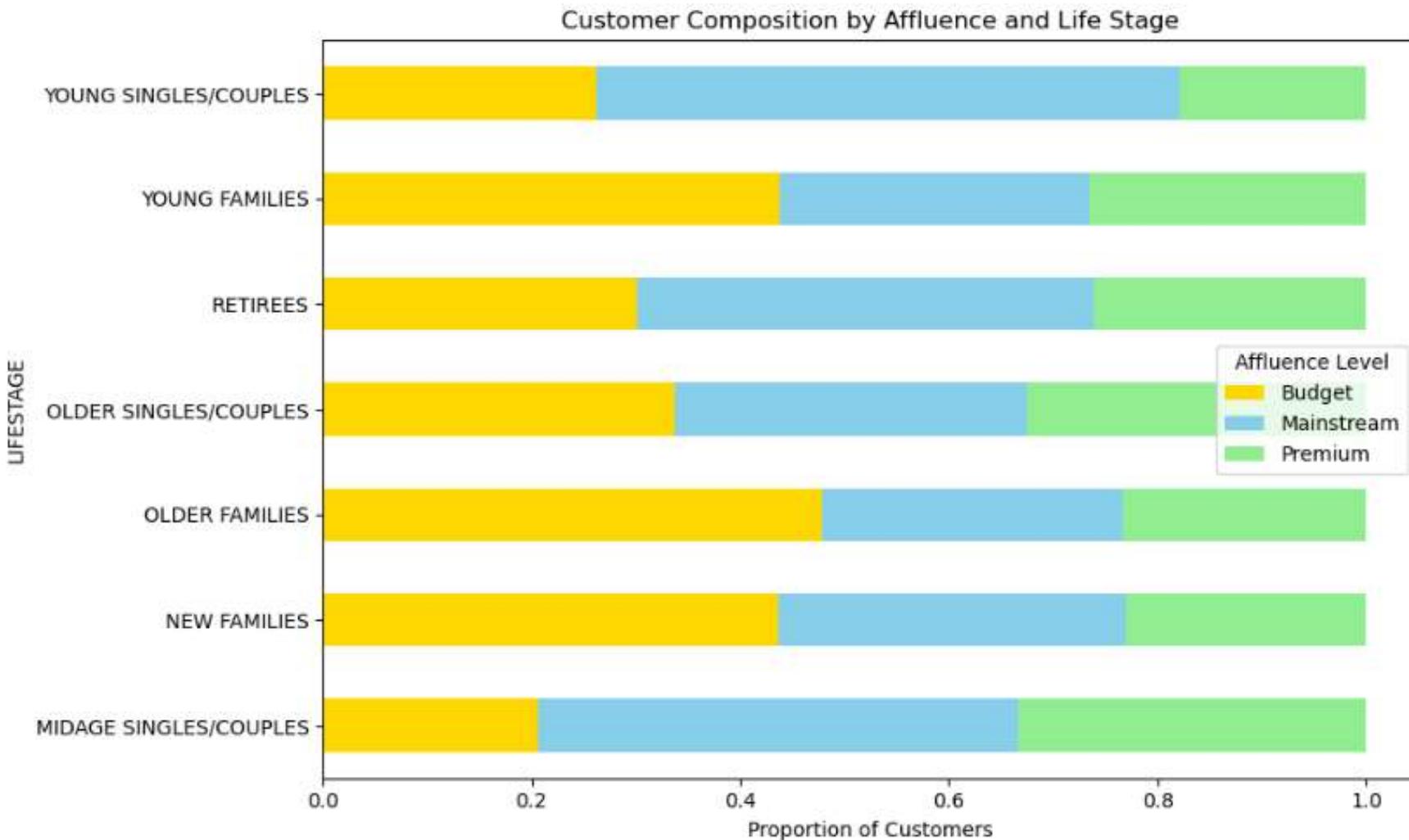
- Chips are a high-frequency, impulse-driven category with strong seasonal peaks.
- Affluent customers and mid-life families contribute the highest revenue share.
- Young singles and couples show high transaction frequency but lower spend per visit.
- Opportunity: Target premium chip segments for higher-margin growth.



Affluence Drives Spend Patterns in Chips Category

- **Mainstream customers** contribute the highest total sales across most life stages, especially among older families and midage singles/couples.
- **Budget segments** show strong volume in family-oriented life stages, indicating price sensitivity and bulk buying behavior.
- **Premium customers** have lower transaction frequency, but higher average spend per visit ideal for targeted upsell and premium pack promotions.
- **Opportunity:** Tailor promotions by affluence value bundles for Budget, loyalty rewards for Mainstream, and premium product trials for Premium.

Customer Composition by Affluence and Life Stage



02

Trial store performance

Control Store Selection and Role in Trial Analysis

Control Store Methodology

To measure the true impact of the trial, each trial store was paired with a control store that closely matched its pre-trial performance across three metrics:

Total monthly sales

Number of customers

Transactions per customer

Pearson correlation was used to identify the most similar store for each trial. Control stores were not exposed to the trial intervention and served as baselines for comparison.

Final Trial-Control Pairs:

Trial Store 77 → Control Store 71

Trial Store 86 → Control Store 155

Trial Store 88 → Control Store 237

Was the Trial Successful? Performance vs Control

- Trial stores were compared to matched control stores using total sales during the trial period (Feb–Apr 2019).
- Store 86 showed a **+9.76% uplift** and Store 88 showed a **+12.29% uplift** in chip sales – indicating a successful trial impact.
- Store 77 showed a **-74.94% decline**, suggesting external factors may have influenced performance.
- Control stores remained stable, validating the trial's isolated effect.
- **Conclusion:** The trial was **partially successful**. Recommend scaling the intervention to stores with similar profiles to 86 and 88 and investigating Store 77's decline further.



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