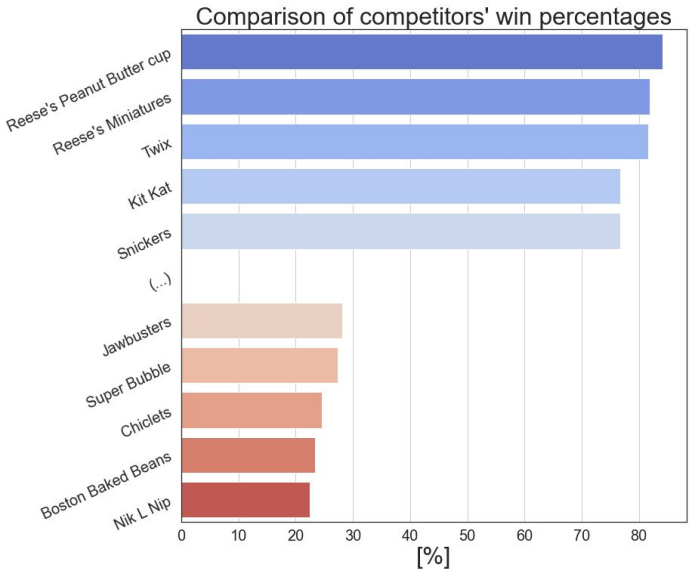
The problem, scope and limitations

Our question

- Why is there such a disparity in the percentage of won matchups among products? I.e., why do some candies perform so much better than others?

- Is it possible to learn from the existing data and drive the choices for the new product such that the likelihood of success improves?



Limitations

- Not a blind test. Difficult to assess the impact of the brand in the outcome.

- Exclusive goal is to increase the likelihood of winning matchups. Price information available but not taken into account: higher prices might result from higher margins (which would be desirable), but also from more expensive ingredients/production process.

- Is our sample unbiased? Do preferences in a matchup will translate into purchases? We can't be sure.

Conclusions and recommendations

Conclusions

- Two main characteristics that don't coexist: candies either contain chocolate (37 products) or are fruity flavored (38 products).
- Chocolate performs better. It is the most important characteristic, contributing to an increase of 18 p.p. in the winning rate.
- Some of the characteristics are clearly irrelevant in explaining the performance of the products: e.g., caramel, nougat, and bar.
- Our model was able to explain about half of the variance in the winning rate among products. There is still the other half we can't explain, but we can probably improve the outcome of the new product taking the model into account.
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Recommendations

- Winning combination: a chocolate candy with peanuts, peanut butter or almonds.
- 12 competitors with these two characteristics having an winning average of 68.5%, compared with 57.3% for chocolate without peanuts/almonds or 42.5% if neither are present.