April 2025

Category review: Chips

Retail Analytics

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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
- Quantium 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

Quantium believes in using data for progress, with great care and responsibility. As such please respect the commercial in confidence nature of this document.

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Executive summary

01 Customer & Sales Insights for the Chips Category

1. **Seasonal Sales Patterns:** Chip sales increase notably before Christmas, likely due to holiday celebrations, while no sales on Christmas Day reflect seasonal store closures.
2. **High-Contribution Customer Segments:** Majority of chip sales come from Budget – Older Families, Mainstream – Young Singles/Couples, Mainstream – Retirees. These groups represent key targets for retention and engagement strategies.
3. **Behavioral Insights:** Older Families and Young Families purchase more chips per customer, showing strong category engagement. Mainstream Mid-Age and Young Singles/Couples are willing to pay more per pack, indicating potential for premium product positioning.

02 Trial store performance

1. **Control Store Selection:** Based on correlation and magnitude similarity analysis, stores 233, 155, and 237 were selected as the best control stores for trial stores 77, 86, and 88, respectively.
2. **Sales Impact Observed**: Trial stores 77 and 88 demonstrated a significant uplift in sales during at least two out of three trial months, indicating a positive response to the new layout.
3. **Recommendation:** While store 86 did not show consistent improvement, the overall results suggest the trial layout had a positive effect. It's recommended to investigate store 86's implementation and consider rolling out the new layout more broadly, with close monitoring.

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01

Customer & Sales Insights for the Chips Category

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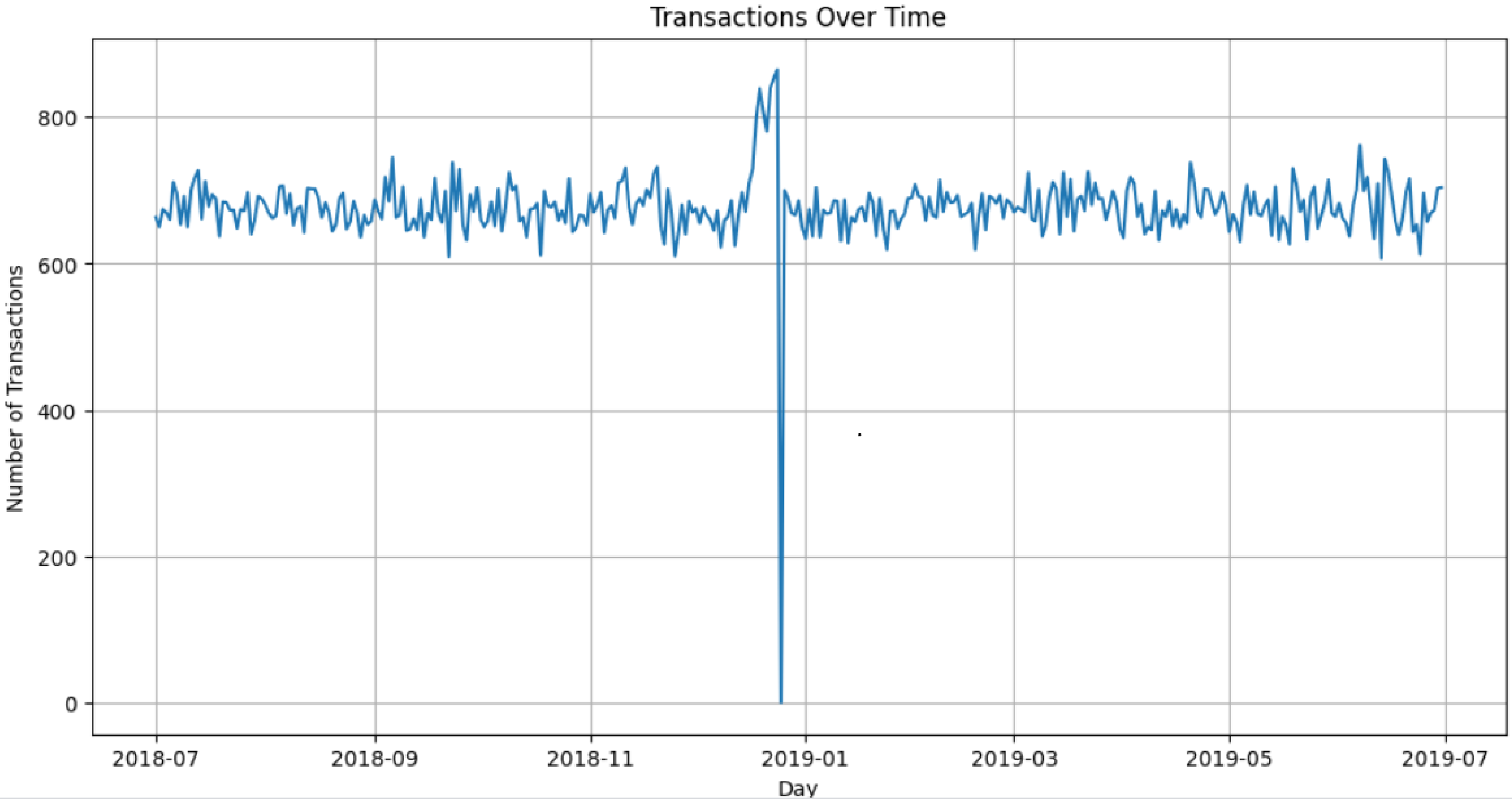
A notable increase in chip sales is observed in the lead-up to Christmas, likely driven by holiday celebrations and increased social gatherings. There are no sales recorded on Christmas Day, which aligns with store closures and indicates seasonal dynamics impacting purchase behavior



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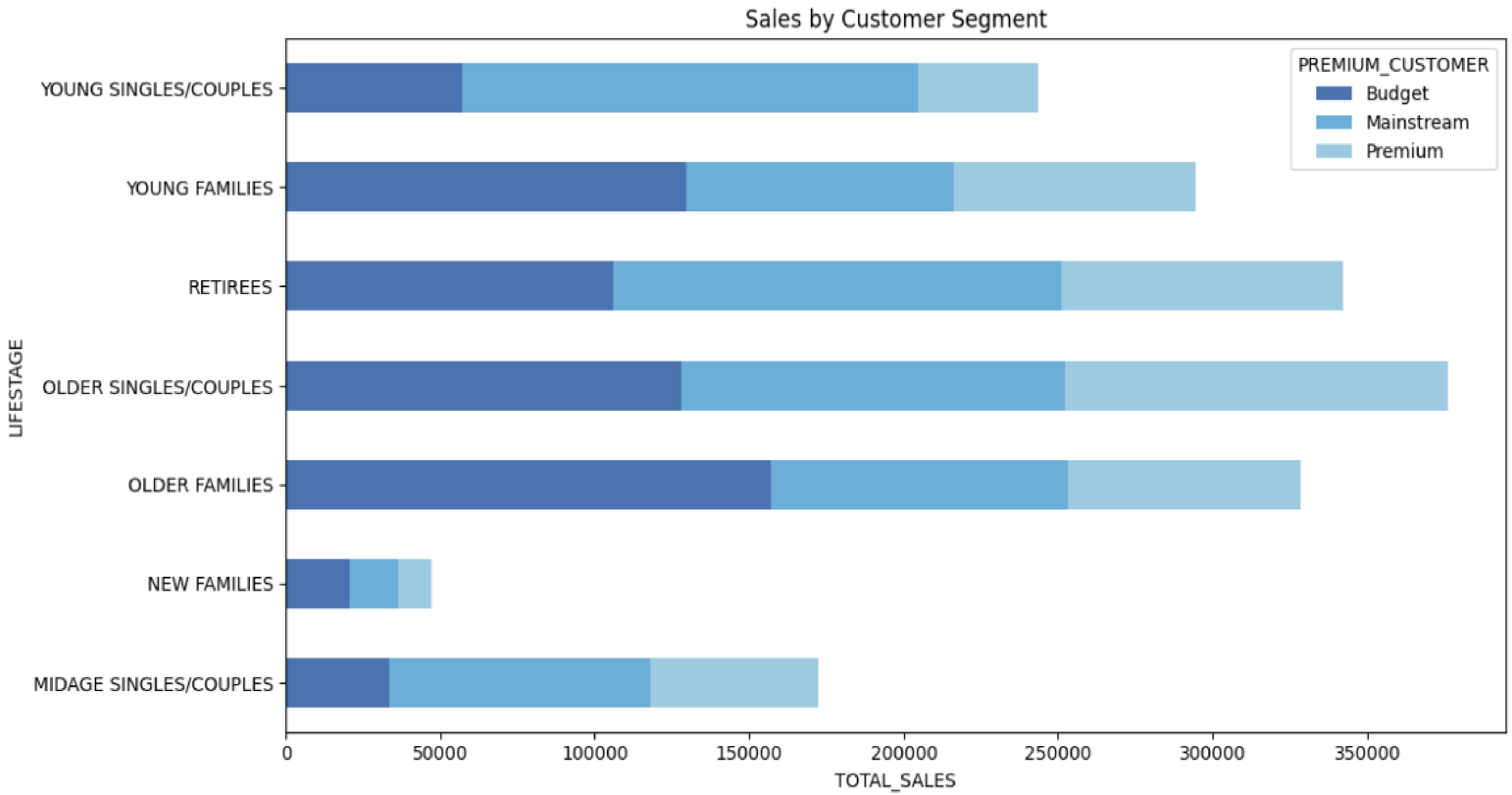
Mainstream and Budget consumers account for the majority of chip sales across most customer segments. Despite higher spending capacity, Premium customers consistently contribute less to total sales, suggesting that higher affluence does not necessarily translate to higher chip consumption. Older Families and Older Singles/Couples are key drivers of category sales.



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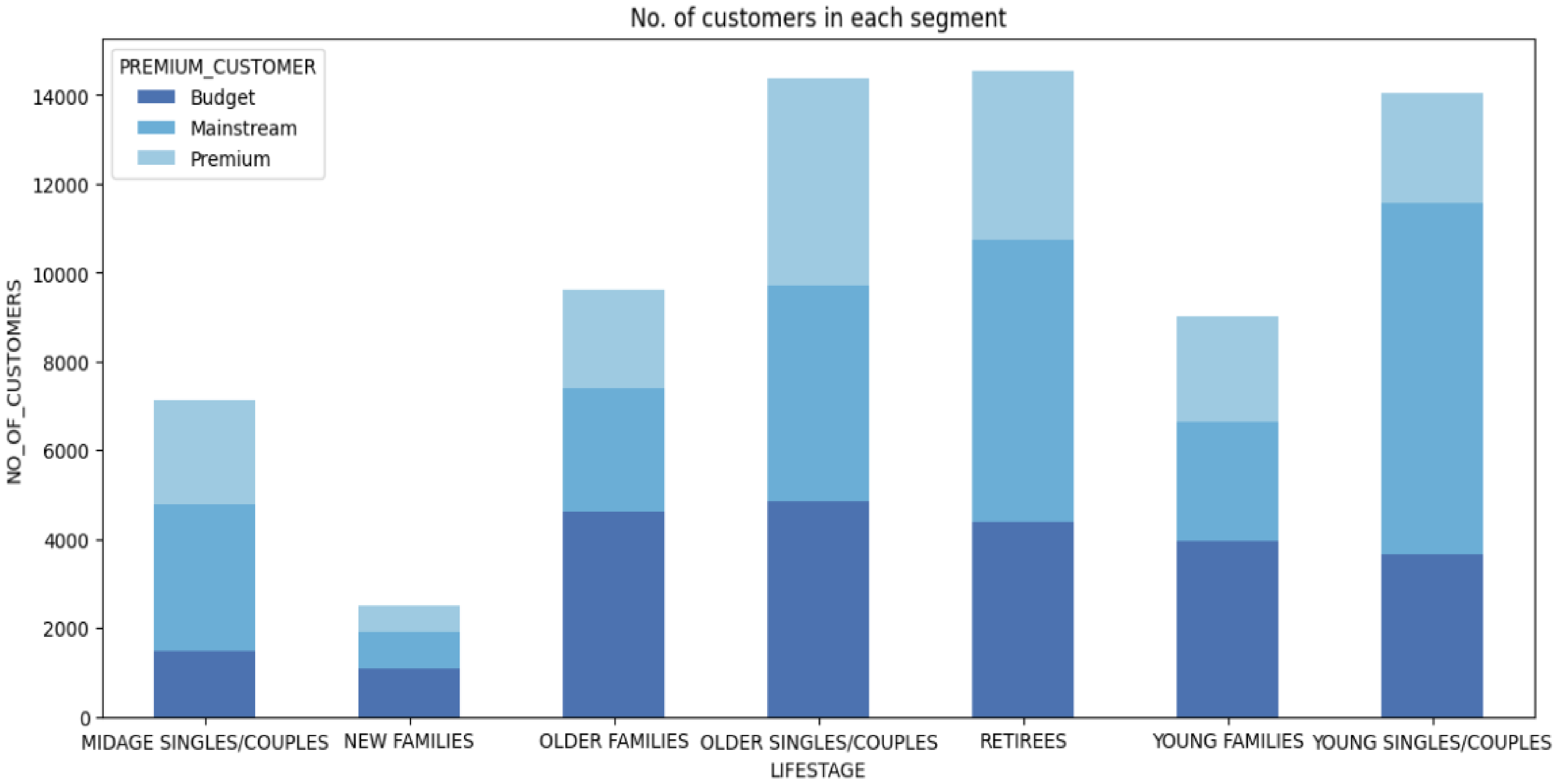
The largest customer segments are Older and Young Singles/Couples and Retirees, with a strong concentration of Mainstream. These groups represent the most valuable opportunities for targeted promotions and premium product offerings. On the other hand, New Families and Midage Singles/Couples are underrepresented, suggesting potential growth areas.



02

Trial store performance

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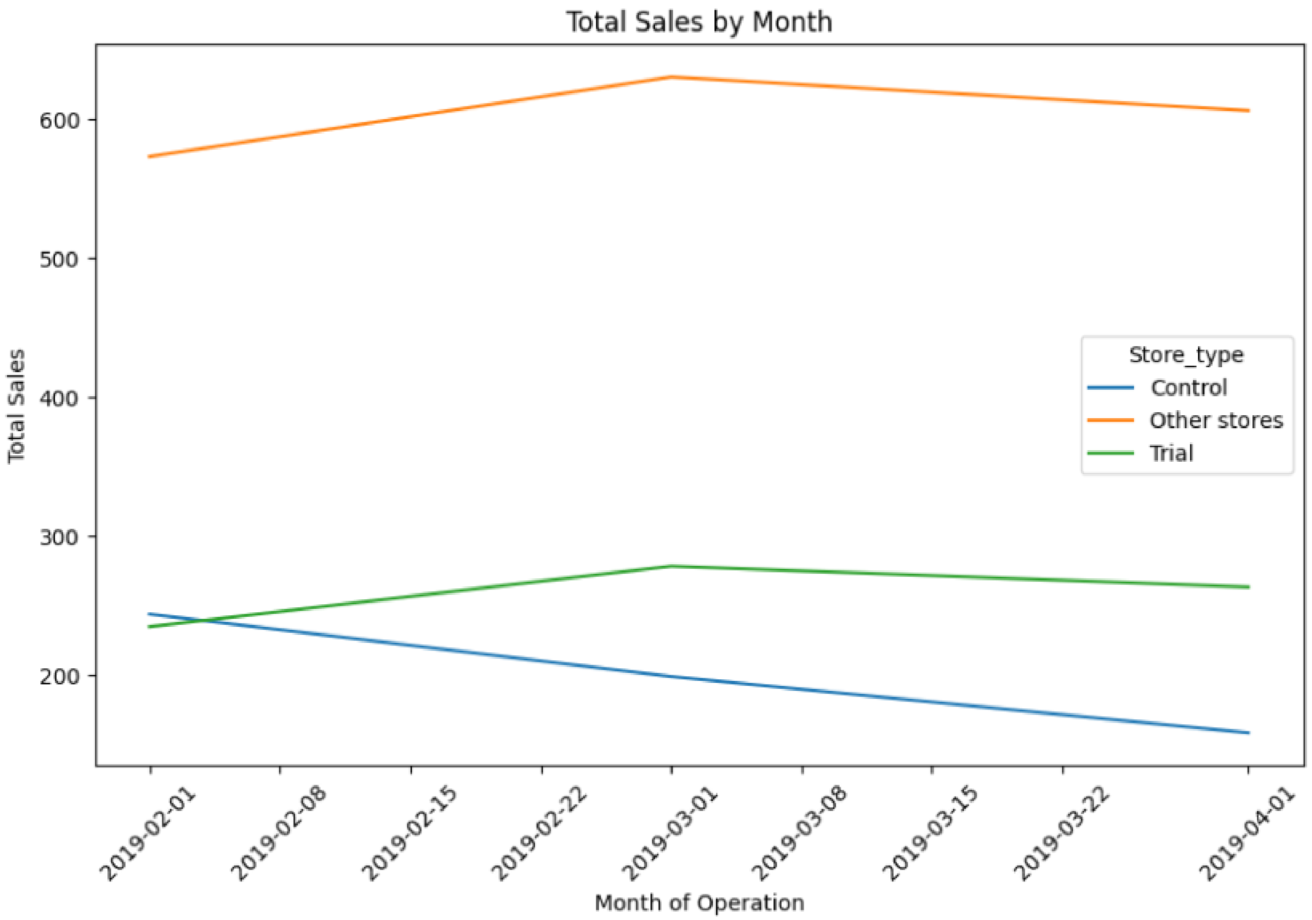
Overall performance in the trial period, trial store 77, control store 255 and other stores. There is a significant increase in the sales of trial store compared to its control store



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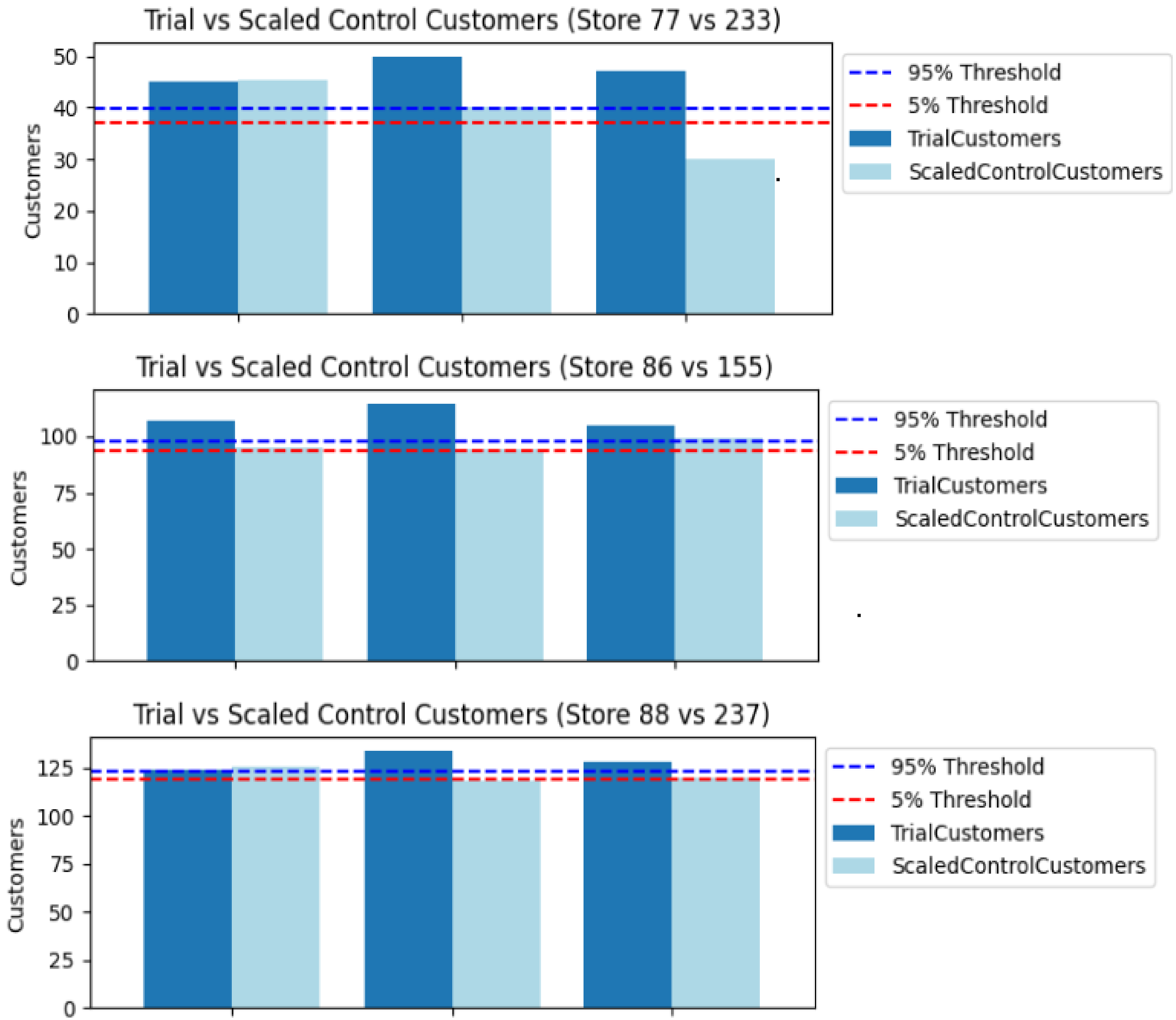
The trial was conducted across three stores during February,March and April 2019.

Despite the underperformance of one store, the overall results indicate a positive impact of the trial, with strong sales performance in two of the three locations, suggesting the new layout had a beneficial effect on customer purchasing behavior.



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