

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

Task 1

The majority of customers are represented by 3 approximately evenly proportioned life stage groups which includes retirees, older single/couples and young single/couples. When examining the premium status across all customers, only a small proportion have premium status. The most common status is mainstream. When combining these groups together, budget families had the highest overall sales,. However, they do not represent a significant proportion of customers. The customer segment with the next highest sales is mainstream young single/couples which also represents the highest proportion of customers. This customer segment also pays more, on average, for a packet of chips. Additionally, further insights have been found about this customer segments purchasing preferences. Therefore, mainstream young single/couples is the customer segment that should be considered for targeting in future promotions.

02

Task 2

The trial layouts in stores 77, 86 and 88 do appear to have made some impact but not for the entire 3 months. Store 77 recorded increases for the first and second months of the trial period for sales and number of customer purchases. However, there was only a noticeable difference in the first month for stores 86 and 88. For the months that the trial stores recorded significant increases, their control stores were suffering declines from the previous months suggesting further significance in the change. Although the sales and number of customers for store 88 was within the confidence interval for the second and third month, it was still noticeably higher than its control store.

01

Category

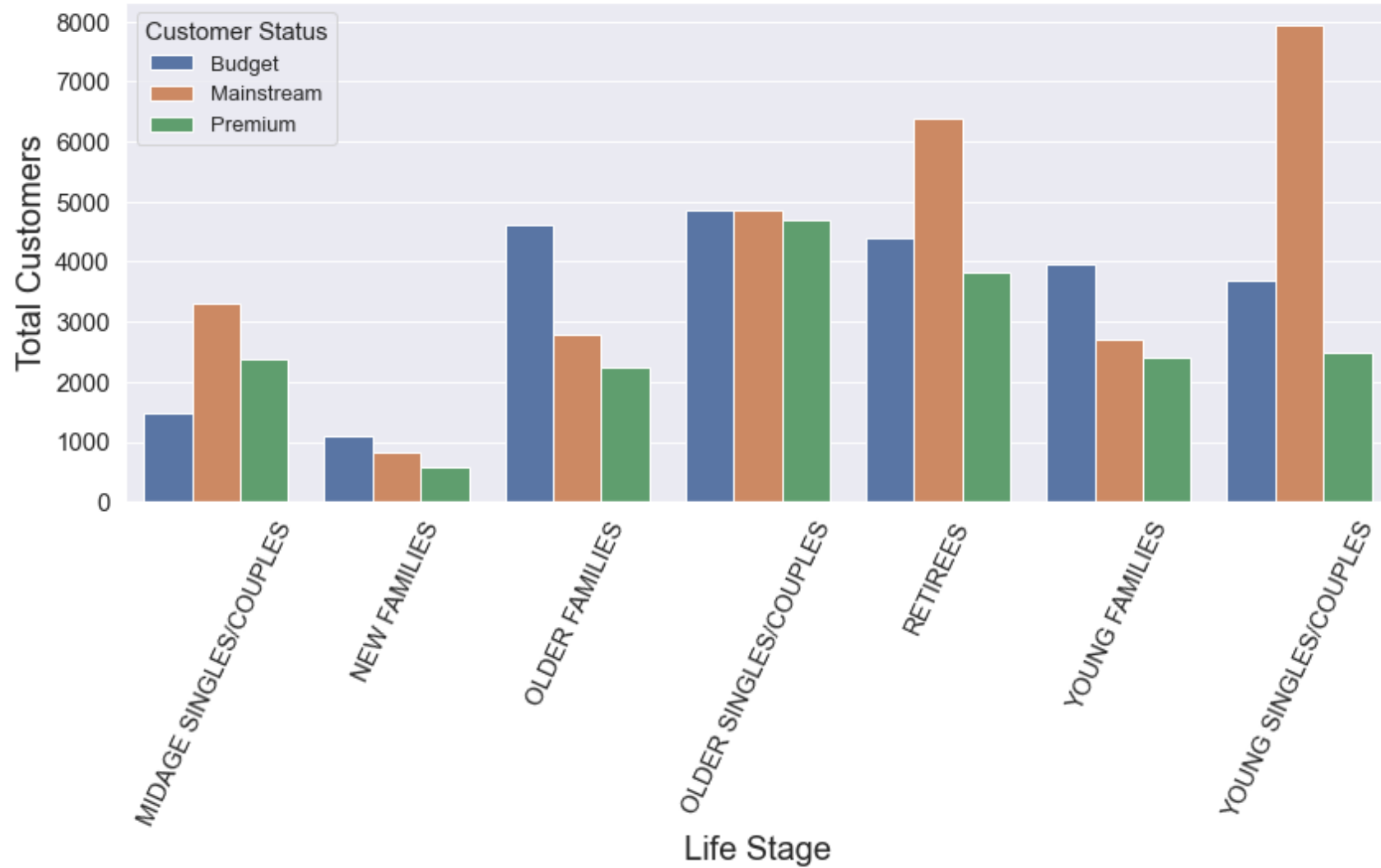
Reasons to target mainstream young single/couples in future promotions:

- Represent highest proportion of purchases over financial year (nearly 8000 of 71517 customers)
- Only customer segment to spend over \$4 on average for a packet of chips (suggests impulse buying behaviour)
- 23% more likely to purchase Tyrrells chips compared to the rest of the population
- Most likely to buy pack sizes of 270 grams (suggests either a higher preference for this size packet or for Twisties)

Affluence and its effect on consumer buying for chips

- The highest proportion of customers had mainstream status followed by budget
- Premium status customers represent the lowest proportion of customers
- Average number of packets per purchase similar for budget, mainstream and premium customers
- Only mainstream mid-age and young single / couples on average paid more per packet of chips otherwise no noticeable difference between the 3 groups

Total Customers by Life Stage and Customer Status



02

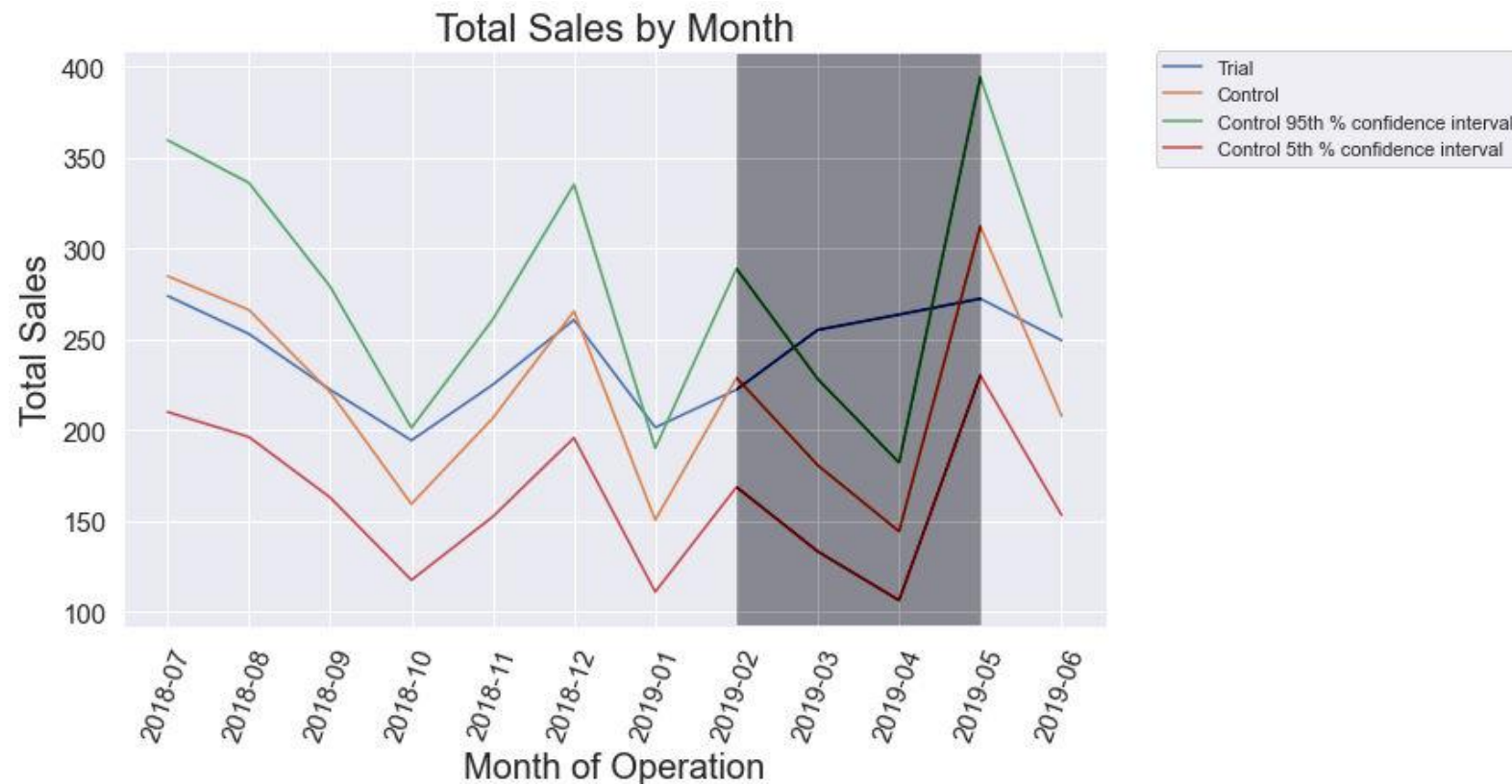
Trial store performance

Control Store Selection

- Selection of the control stores based on the similarity of sales and customers for each of the 7 months prior to the commencement of the trial
- Store 233 was selected as the control store for trial store 77
- Store 155 was selected as the control store for trial store 86
- Store 237 was selected as the control store for trial store 88

Trial Store 77

- Clear increase in sales and number of customer purchases for the first 2 months of the trial period at same time the values for the control were decreasing
- Continued growth into third month but still lower than control which had a dramatic rise from previous month

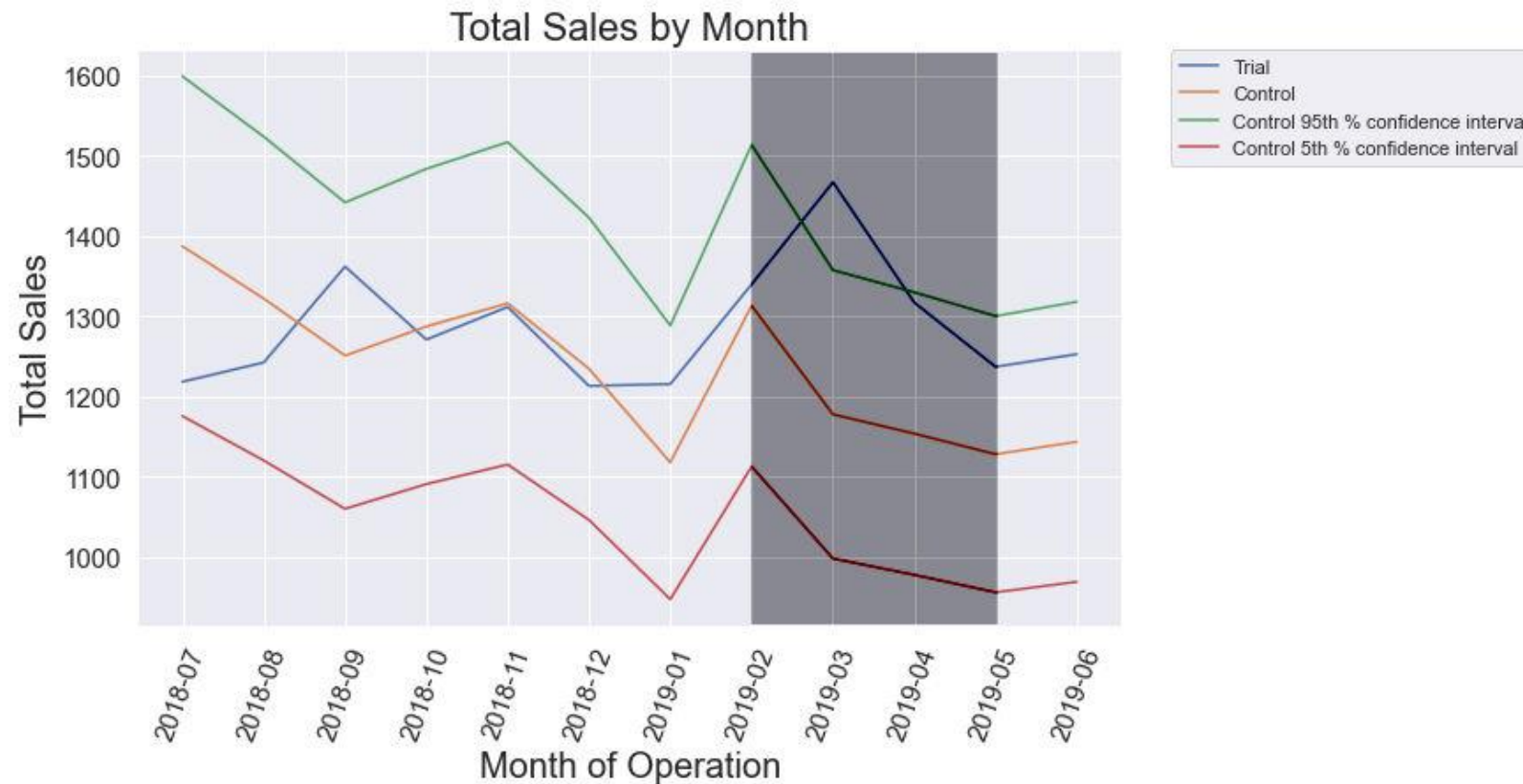


- Clear increase in sales and number of customer purchases for the first month only when the control's values were decreasing
- No significant difference to the control in the second and third month



Trial Store 88

- Clear increase in sales and number of customer purchases for the first month only when the control's values were decreasing
- Within the confidence interval for the second and third month but still higher than the control





Disclaimer: This document comprises, and is the subject of intellectual property (including copyright) and confidentiality rights of one or multiple owners, including The Quantum Group Pty Limited and its affiliates (**Quantium**) and where applicable, its third-party data owners (**Data Providers**), together (**IP Owners**). The information contained in this document may have been prepared using raw data owned by the Data Providers. The Data Providers have not been involved in the analysis of the raw data, the preparation of, or the information contained in the document. The IP Owners do not make any representation (express or implied), nor give any guarantee or warranty in relation to the accuracy, completeness or appropriateness of the raw data, nor the analysis contained in this document. None of the IP Owners will have any liability for any use or disclosure by the recipient of any information contained in, or derived from this document. To the maximum extent permitted by law, the IP Owners expressly disclaim, take no responsibility for and have no liability for the preparation, contents, accuracy or completeness of this document, nor the analysis on which it is based. This document is provided in confidence, may only be used for the purpose provided, and may not be copied, reproduced, distributed, disclosed or made available to a third party in any way except strictly in accordance with the applicable written terms and conditions between you and Quantum, or otherwise with Quantum's prior written permission