

January 2024

# Analysing Customer Segments and Purchasing Behaviour: Chips – Snack Foods Category

Retail Analytics



# Executive summary

01

## Chip Category Review

Transactions for chips dramatically increase leading up to Christmas, presenting a prime opportunity for sales growth. Thus, **prioritize pre-Christmas merchandising** by implement eye-catching promotional displays and gondola end placements for chips in the weeks leading up to Christmas.

**Mainstream Young Singles & Couples are the primary chip buyers.** They are willing to pay more per package of chips and tend to buy larger package sizes, offering potential for increased sales value. **Tailor promotions and product offerings** are recommended for this customer segment.

02

## Trial Store Analysis

Control stores were constructed to reflect the prior performance of the selected trial stores

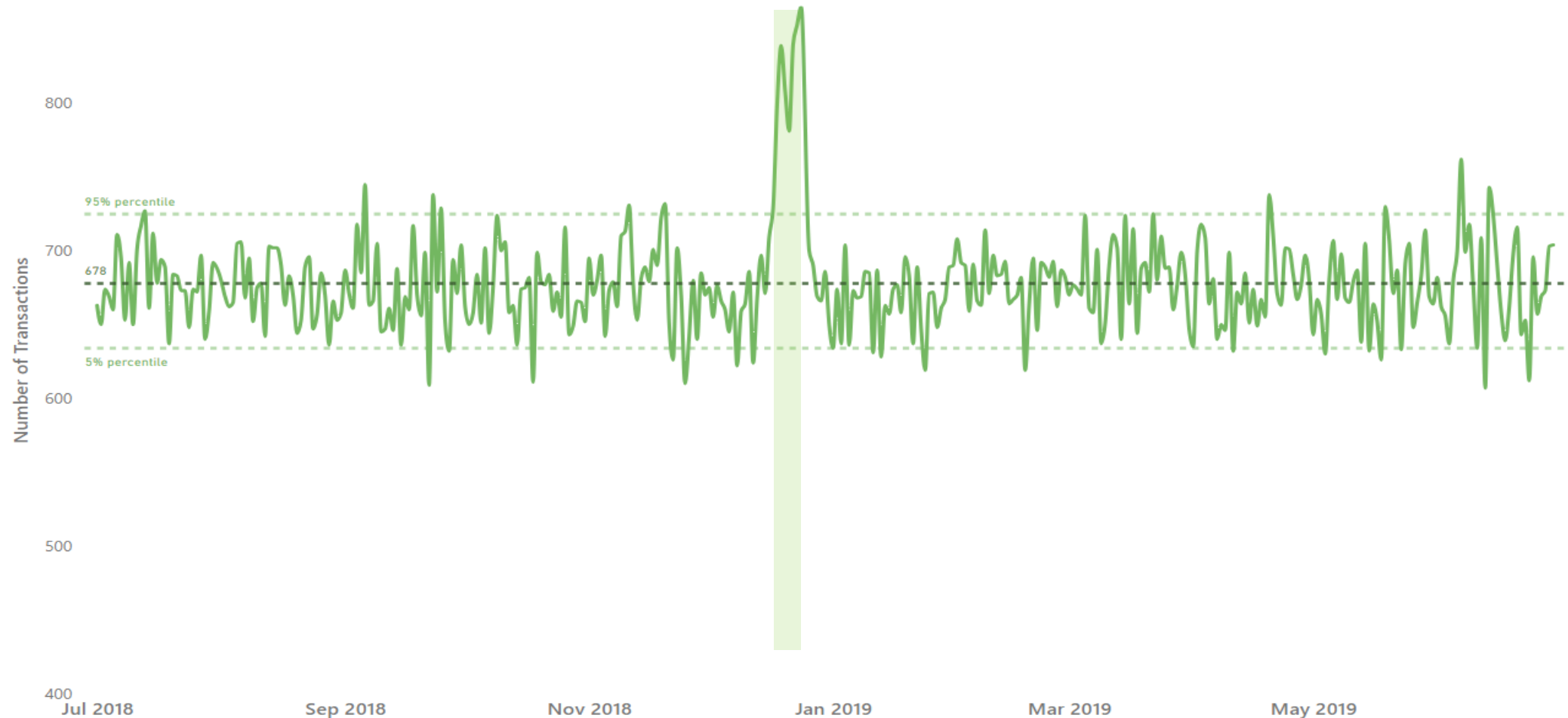
After implementing the new store layout, the performance of the trial store and the control store were compared. The trial store saw **significant uplift from the new store layout**

# 01

## Chip Category Review

The number of Chips transitions has remained relatively consistent over the last 52wks; a notable increase occurred in the week leading up to Christmas

Snack Food - Chips – Daily transactions over time



# Sales are coming mainly from Budget - Older families, Mainstream - Young Singles/Couples, and Mainstream - Retirees

Snack Food - Chips – Total Sale Amounts by affluence and life stage profile



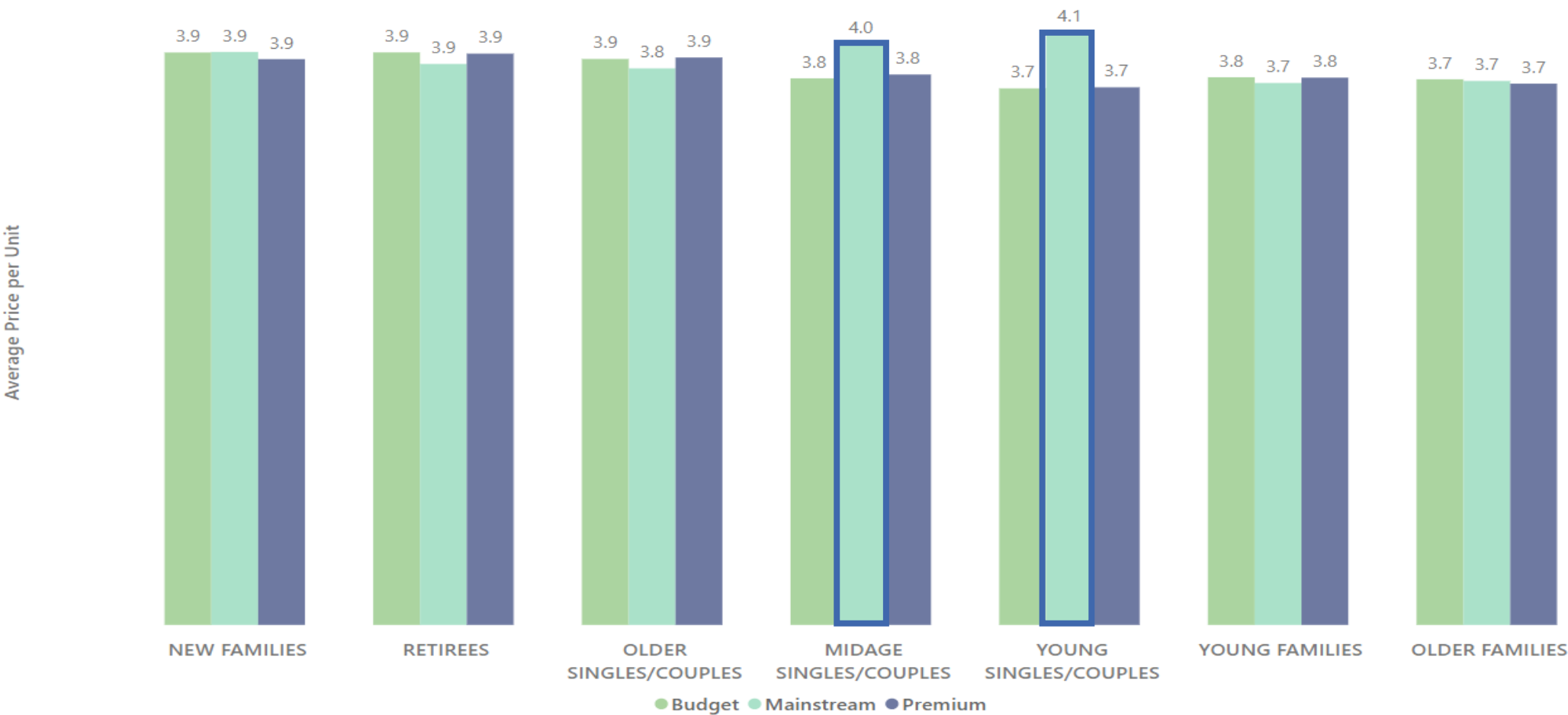
There are more customers buy chips in Budget Older Family, Mainstream Young Singles/Couples and Mainstream Retirees segments. This contributes to more chip sales to these customer segments.

Snack Food - Chips – Number of Customers by affluence and life stage profile



# Mainstream Young Singles/Couples & Mainstream Mid-age are more willing to pay more per packet of chips compared to other customer segments

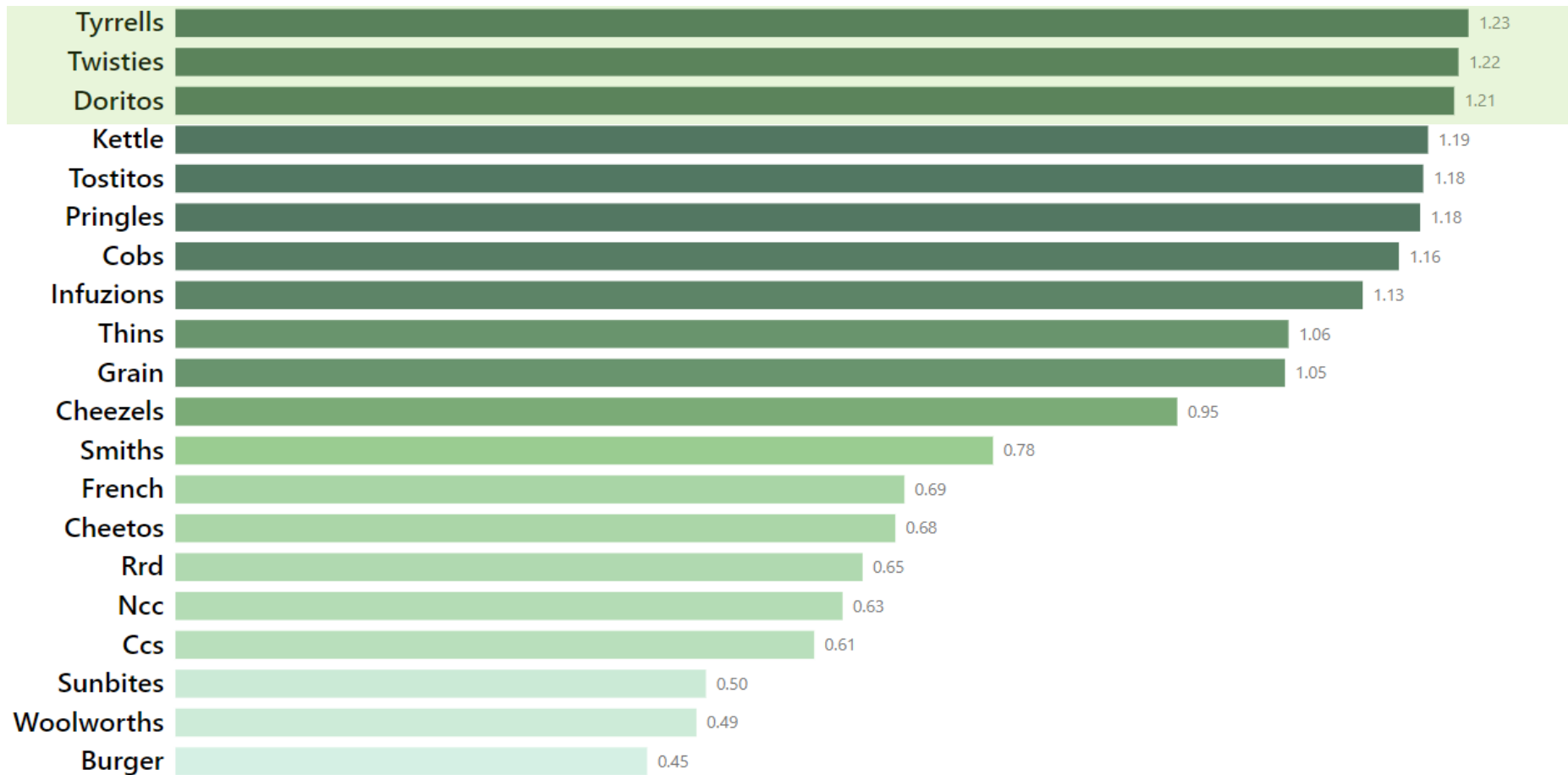
Snack Food - Chips – Average Price per Unit Chip by affluence and life stage profile



# Mainstream Young Singles/Couples: a lucrative chip market

## Top selling brands revealed – Tyrrells, Twisties and Doritos

Ranking Best Seller Brands of Chips for mainstream - young singles/couples segment using brand affinity values

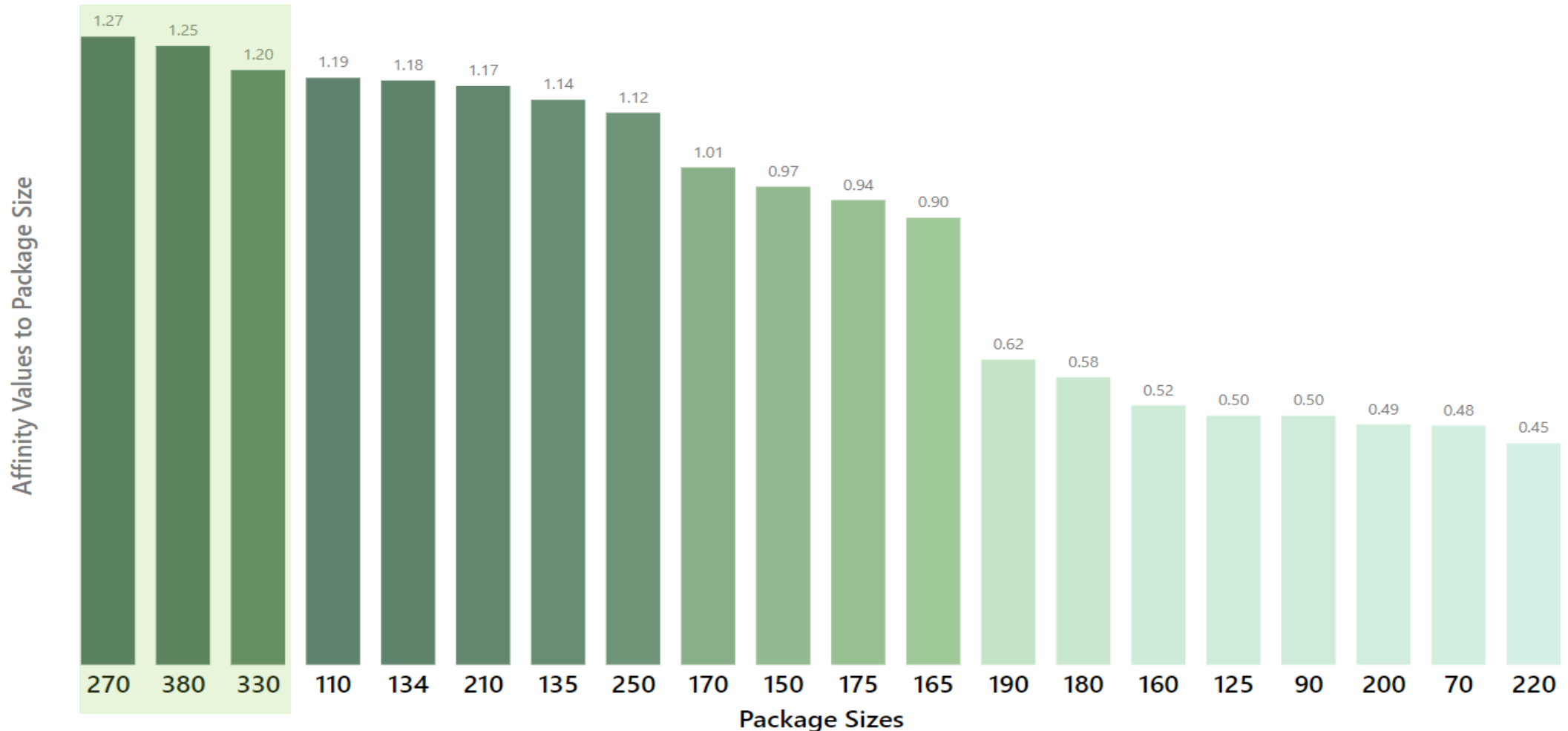


Affinity Values to Brand



# Big package sizes are top choices for Mainstream Young Singles/Couples segment

Ranking Best Seller Package Size of Chips for mainstream - young singles/couples segment using brand affinity values



# 02

## Trial store performance

Testing a new chip layout in specific trial stores (77, 86, 88), but needed statistically similar control stores to compare performance in trial period.

Finding stores that mirror the trial stores in key aspects like **Total Sales** and **Number of Customers**

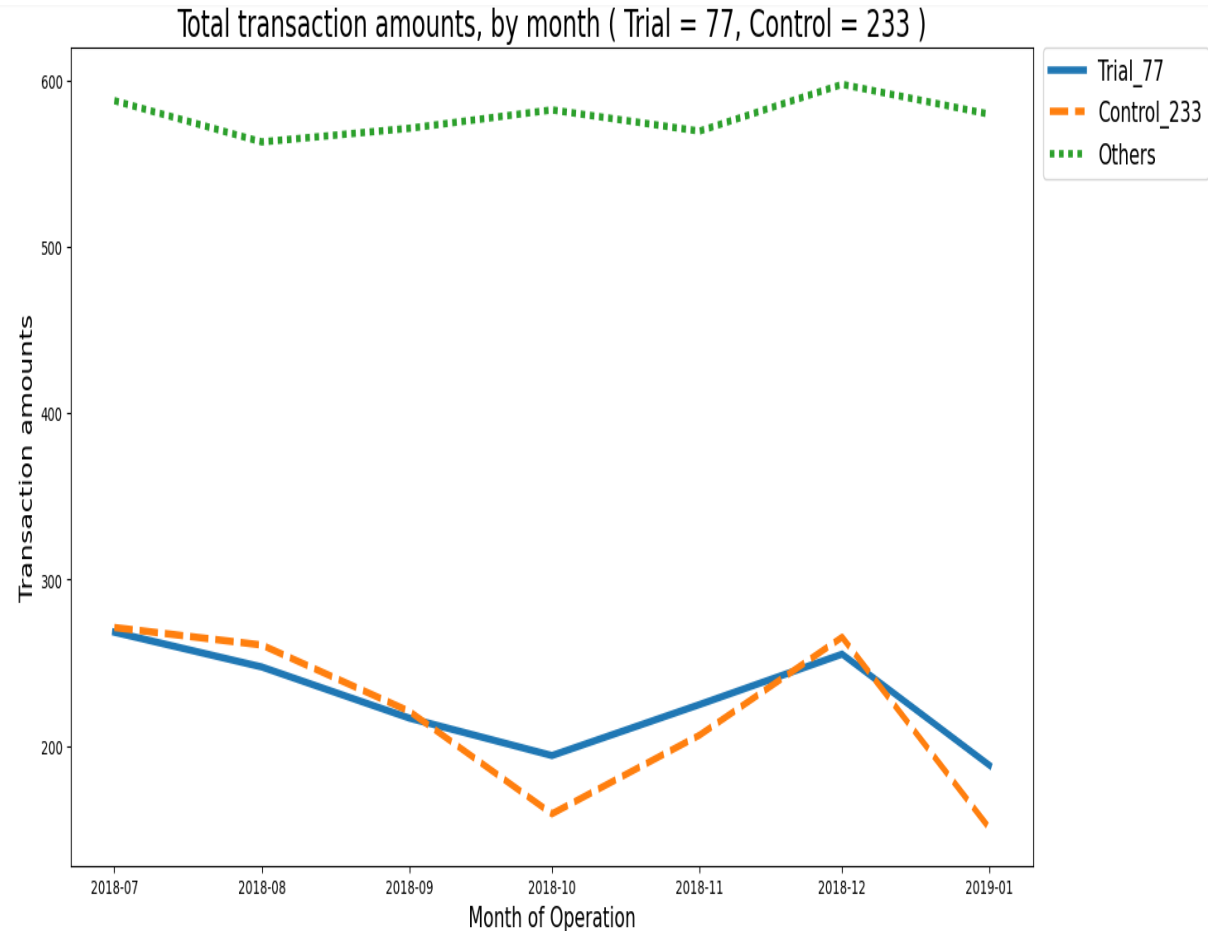
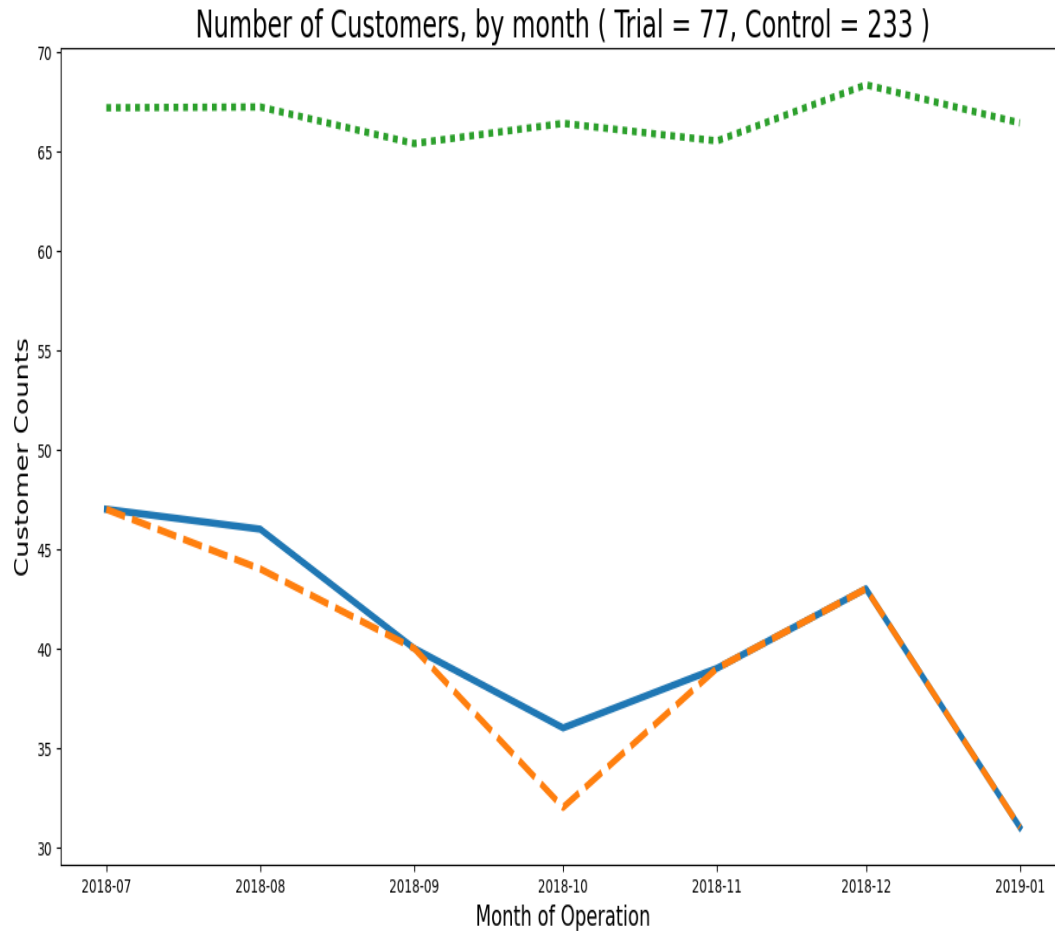
Using statistical techniques:

- **Correlation Analysis:** Measuring how closely potential control stores match the trial stores in terms of sales and customer behavior.
- **Magnitude Distance:** Quantifying the overall difference between each potential control store and the trial store.

The result:

Trial Stores	Control Stores
77	233
86	155
88	237

The control store is constructed to reflect performance of the trial store rather than the average of other stores



From Feb to May, the trial stores outperformed the control stores – highlighting the success of the new store layout

