February 2021

# Retail Strategy and Analytics

## Category view: Chips

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# Executive summary

01 Task 1

## Data preparation and customer analytics

- The older families who are in budget should be targeted. The total sales under this group is $156864.
- Under mainstream customers, young singles/couples and retirees could be the right target to boost the sales.
- Kettle chips brand wins the best brand in this analysis as it shows mainstream group are loyal to this brand.
- For premium group, older single/couples could be the right target.

02 Task 2

## Evaluation of the performances between the control and trial stores

- We've found control stores 233, 155 and 178 for trial stores 77, 86 and 88 respectively.
- The results for trial stores 77 and 88 during the trial period show a significant difference in at least two of the three trial months but this is not the case for trial store 86. We can check with the client if the implementation of the trial was different in trial store 86 but overall, the trial shows a significant increase in sales. Now that we have finished our analysis, we can prepare our presentation to the Category Manager.



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# 01

## Category

# Customer segments and purchase behavior

- Older families who are in budget likely to consume more chips. Kettle is the favorite chips brand. In mainstream customers group, young singles and couples spends more on chips followed by retirees.
- From life stage segment we can conclude that older singles and couples are likely to have to consume more chips followed by retirees and older families.
- General people consumes more chips rather than group of customers who are in budget and high spenders.
- Kettle chips brand is highly purchased by mainstream customer group who are young singles and couples.
- Kettle is also popular amongst retirees who are mainstream customer.
- After Kettle, Smith's is popular amongst older families/budget. Then, Doritos is the best brand for mainstream young singles/couples.
- Older families who are on budget prefers Kettle chips brand.
- The maximum product size sold is 380 grams. It is mostly preferred by Older families who are in budget.
- The product size 175 grams is the highly purchased followed by 150 and 134 grams.



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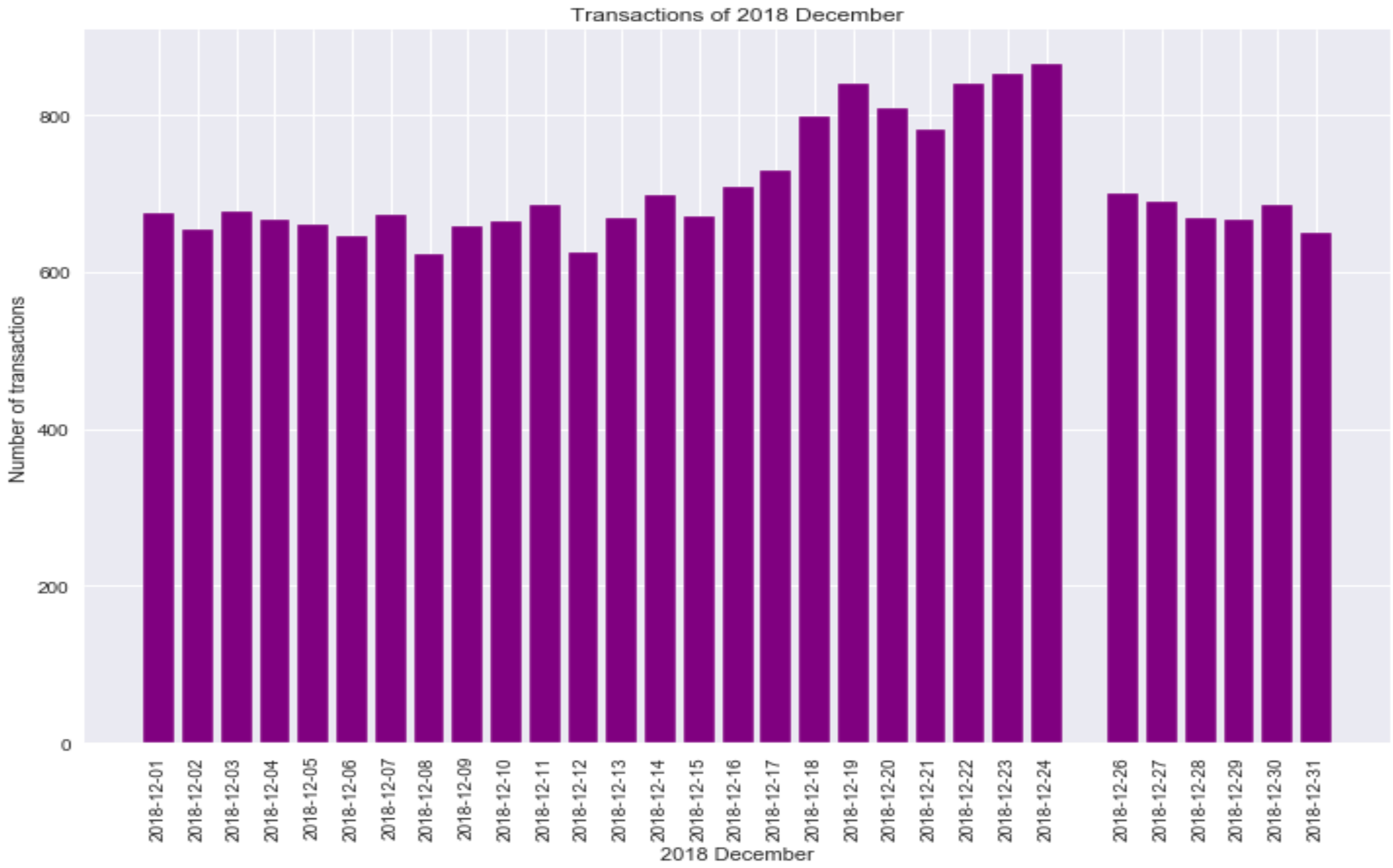
We can see that the increase in sales occurs in the lead-up to Christmas and that there are zero sales on Christmas day itself (2018-12-25). This is due to shops being closed on Christmas day.



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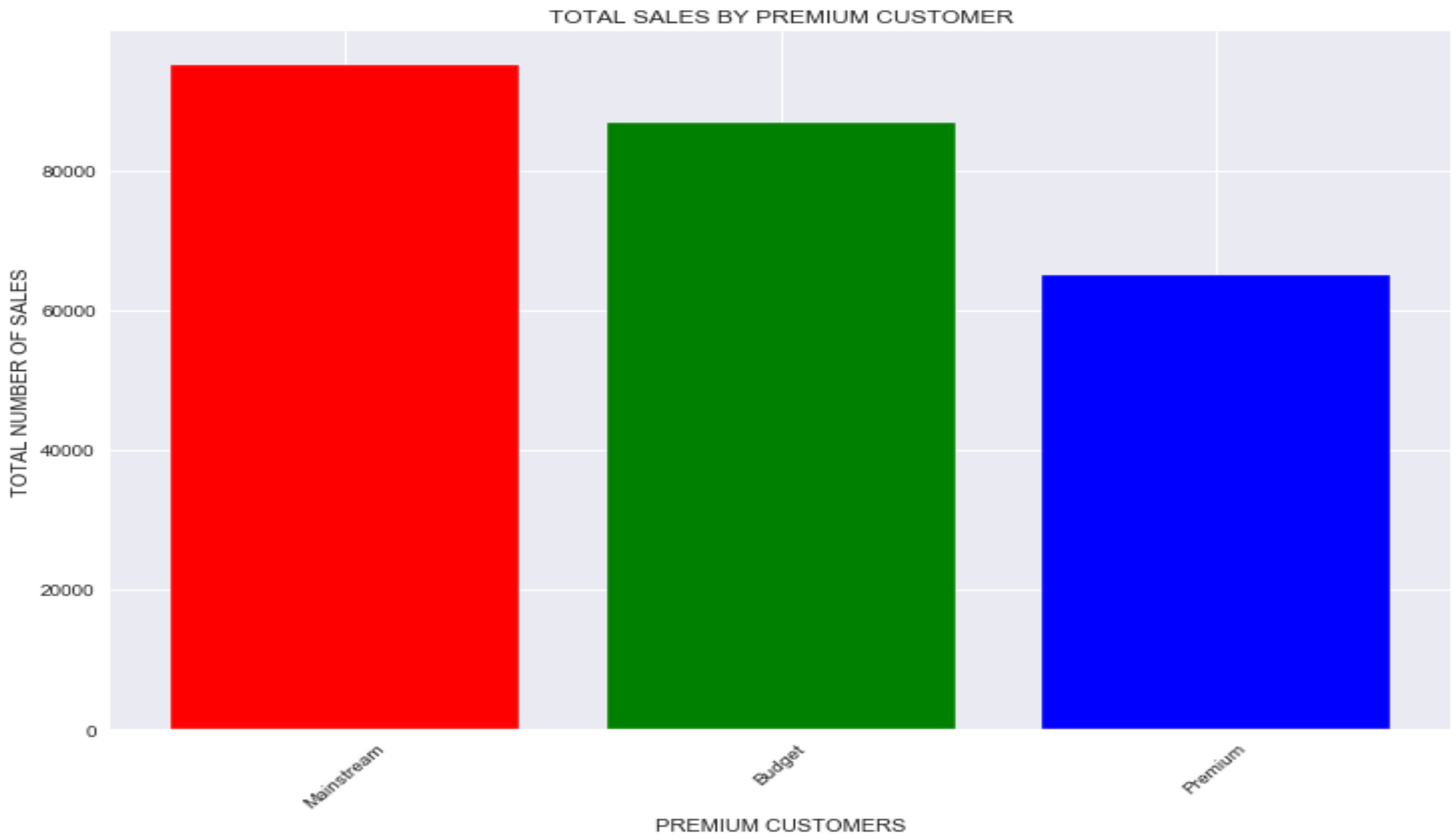
TOTAL SALES BY PREMIUM CUSTOMER
TOTAL NUMBER OF SALES
80000
60000
40000
20000
0
Mainstream
Budget
Premium
PREMIUM CUSTOMERS



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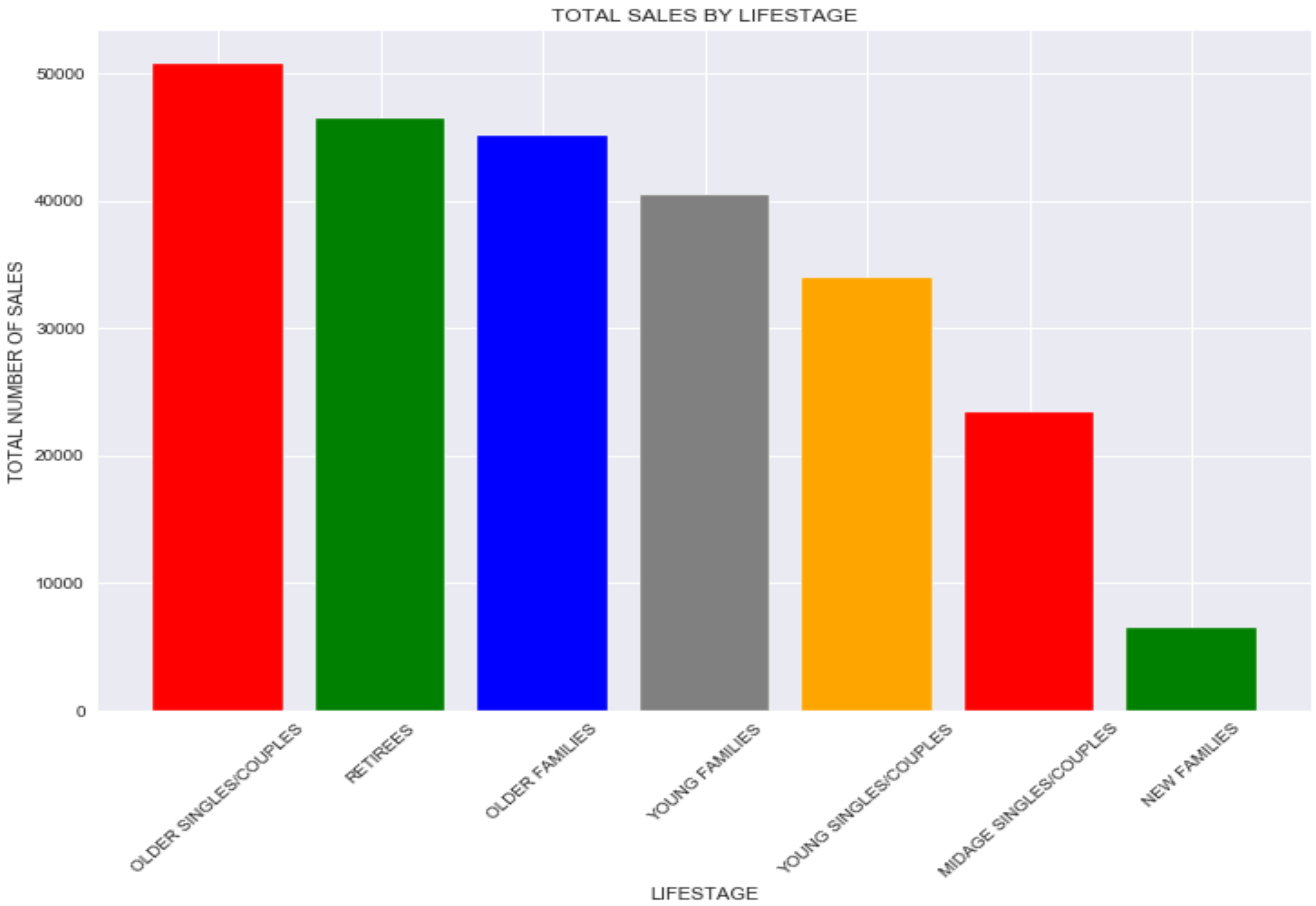
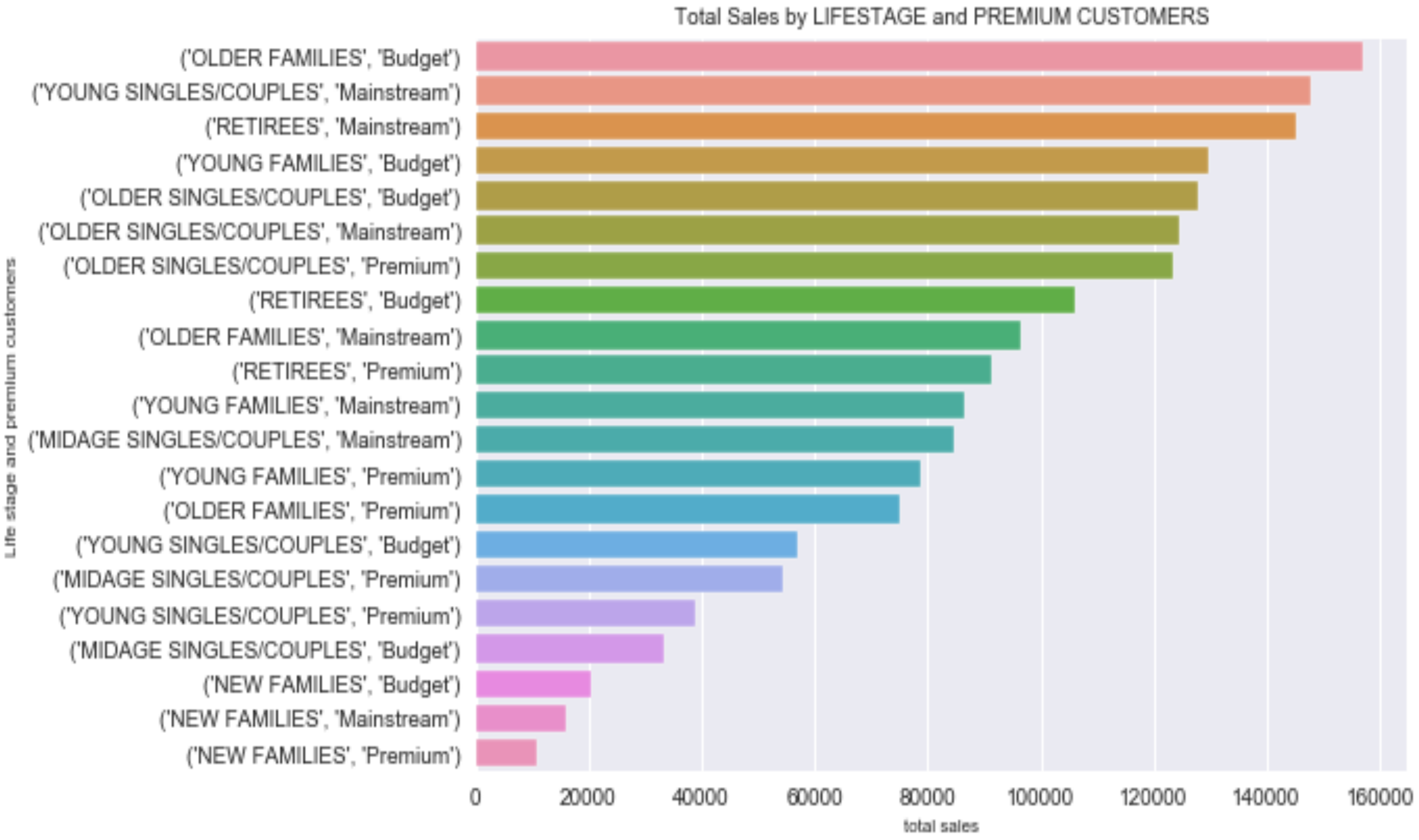
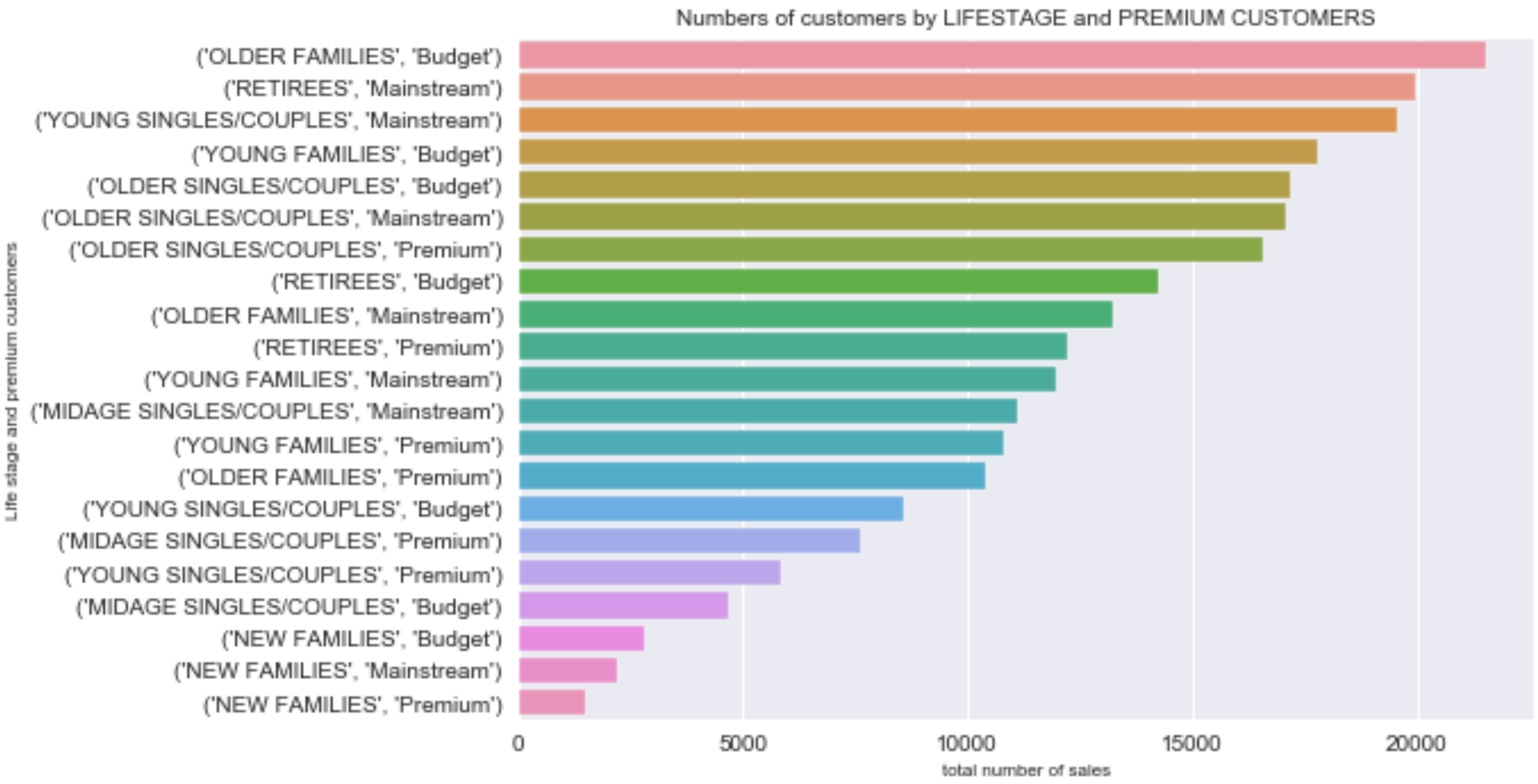

TOTAL SALES BY LIFESTAGE
TOTAL NUMBER OF SALES
50000
40000
30000
20000
10000
0
OLDER SINGLES/COUPLES
RETIREES
OLDER FAMILIES
YOUNG FAMILIES
YOUNG SINGLES/COUPLES
MIDAGE SINGLES/COUPLES
NEW FAMILIES
LIFESTAGE



Total Sales by LIFESTAGE and PREMIUM CUSTOMERS
('OLDER FAMILIES', 'Budget')
('YOUNG SINGLES/COUPLES', 'Mainstream')
('RETIREES', 'Mainstream')
('YOUNG FAMILIES', 'Budget')
('OLDER SINGLES/COUPLES', 'Budget')
('OLDER SINGLES/COUPLES', 'Mainstream')
('OLDER SINGLES/COUPLES', 'Premium')
('RETIREES', 'Budget')
('OLDER FAMILIES', 'Mainstream')
('RETIREES', 'Premium')
('YOUNG FAMILIES', 'Mainstream')
('MIDAGE SINGLES/COUPLES', 'Mainstream')
('YOUNG FAMILIES', 'Premium')
('OLDER FAMILIES', 'Premium')
('YOUNG SINGLES/COUPLES', 'Budget')
('MIDAGE SINGLES/COUPLES', 'Premium')
('YOUNG SINGLES/COUPLES', 'Premium')
('MIDAGE SINGLES/COUPLES', 'Budget')
('NEW FAMILIES', 'Budget')
('NEW FAMILIES', 'Mainstream')
('NEW FAMILIES', 'Premium')
Life stage and premium customers
0
20000
40000
60000
80000
100000
120000
140000
160000
total sales

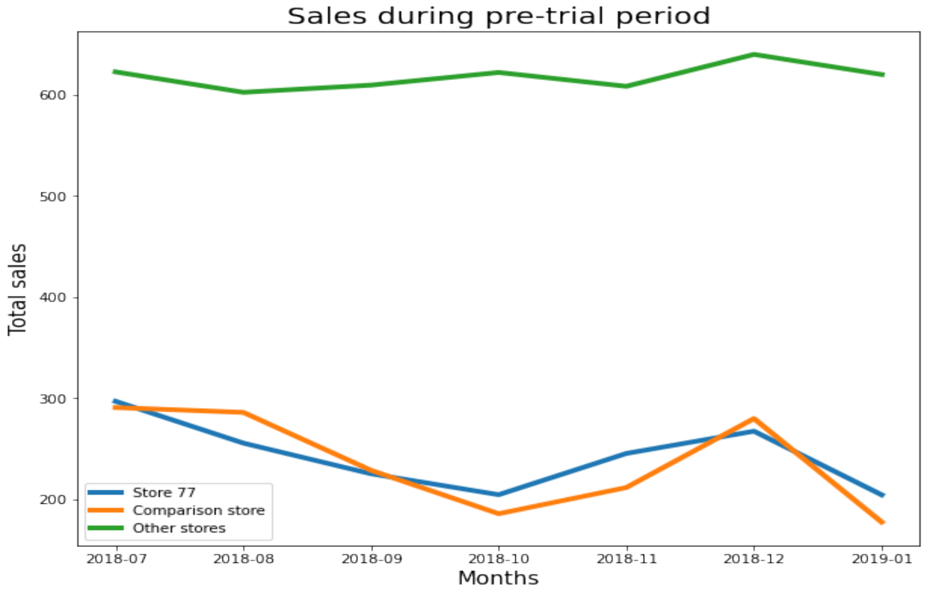


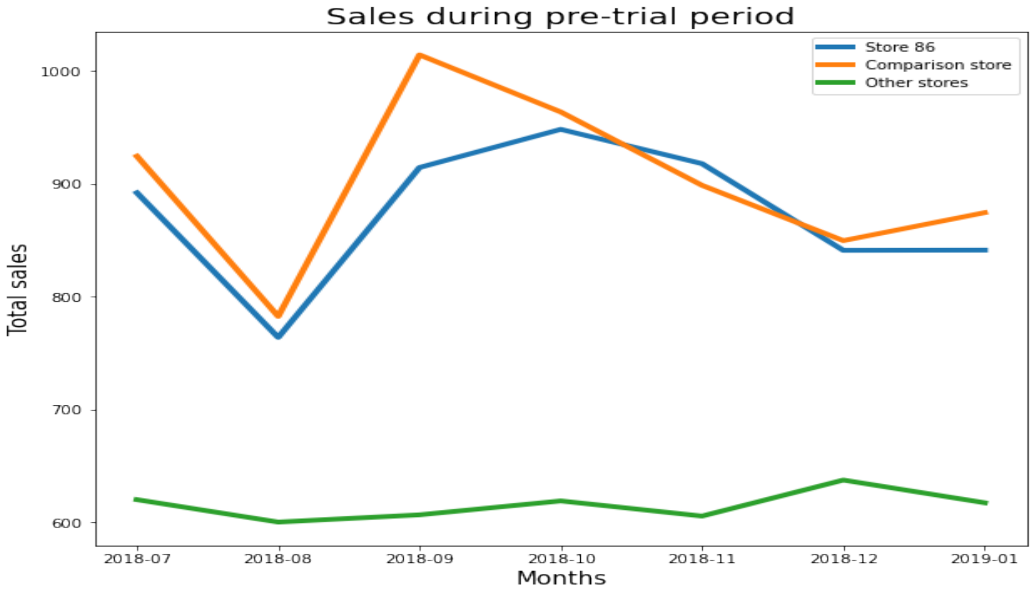
Numbers of customers by LIFESTAGE and PREMIUM CUSTOMERS
('OLDER FAMILIES', 'Budget')
('RETIREES', 'Mainstream')
('YOUNG SINGLES/COUPLES', 'Mainstream')
('YOUNG FAMILIES', 'Budget')
('OLDER SINGLES/COUPLES', 'Budget')
('OLDER SINGLES/COUPLES', 'Mainstream')
('OLDER SINGLES/COUPLES', 'Premium')
('RETIREES', 'Budget')
('OLDER FAMILIES', 'Mainstream')
('RETIREES', 'Premium')
('YOUNG FAMILIES', 'Mainstream')
('MIDAGE SINGLES/COUPLES', 'Mainstream')
('YOUNG FAMILIES', 'Premium')
('OLDER FAMILIES', 'Premium')
('YOUNG SINGLES/COUPLES', 'Budget')
('MIDAGE SINGLES/COUPLES', 'Premium')
('YOUNG SINGLES/COUPLES', 'Premium')
('MIDAGE SINGLES/COUPLES', 'Budget')
('NEW FAMILIES', 'Budget')
('NEW FAMILIES', 'Mainstream')
('NEW FAMILIES', 'Premium')
Life stage and premium customers
0
5000
10000
15000
20000
total number of sales

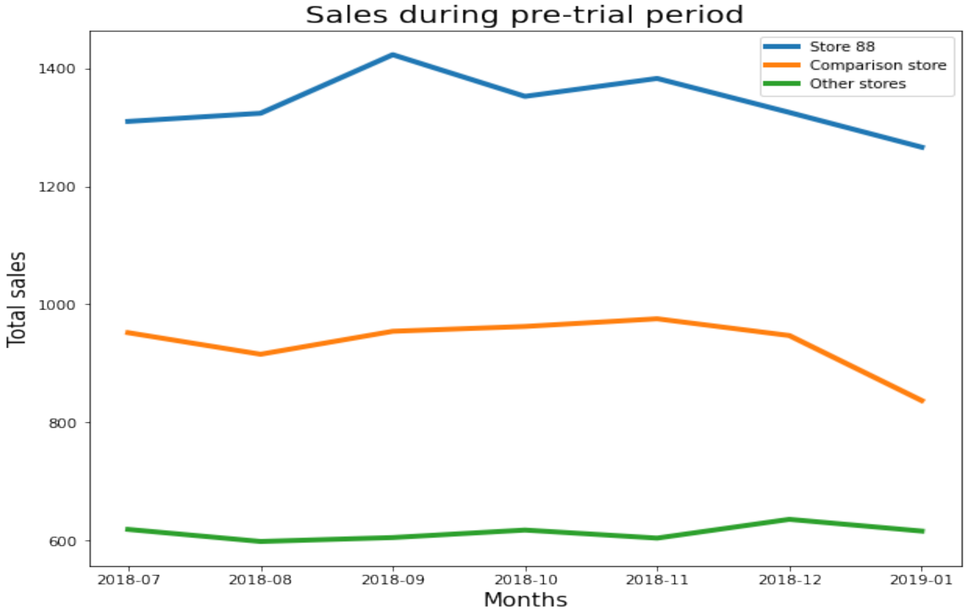
# 02

## Trial store performance

# Explanation of the control store vs other stores



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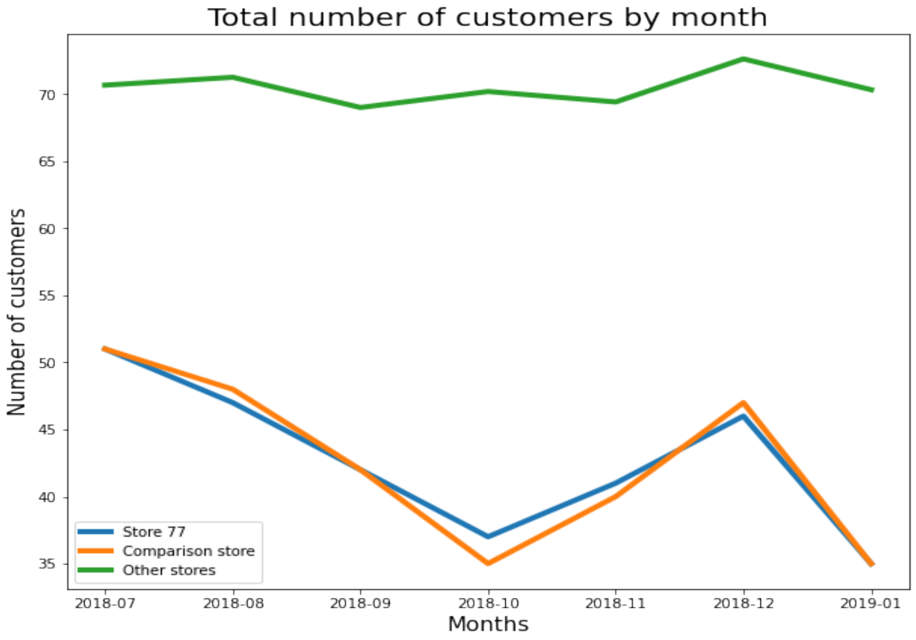
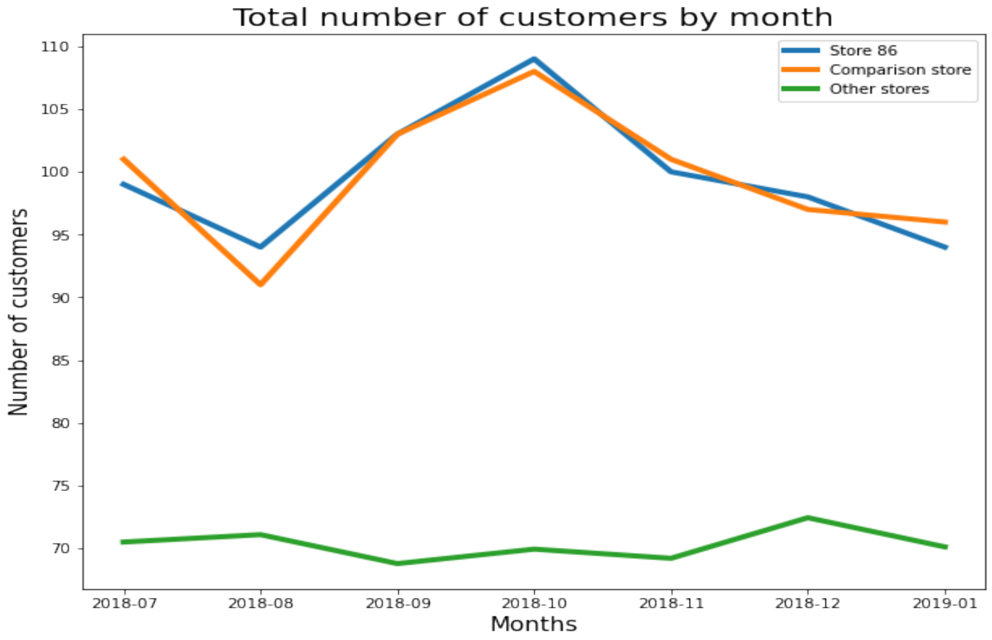
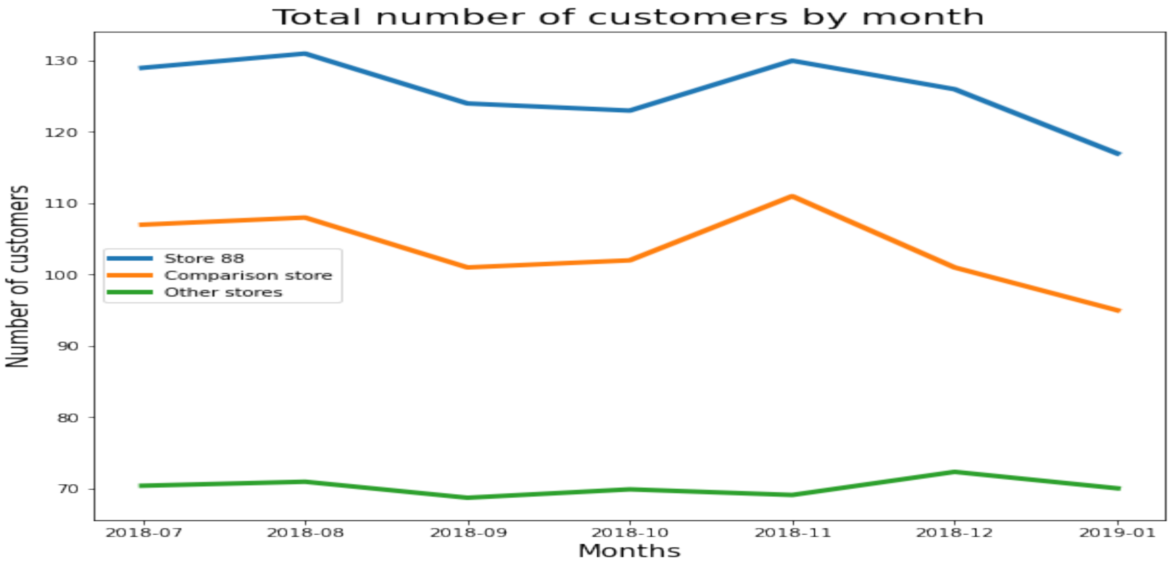
# The number of customers during the pre-trial period:

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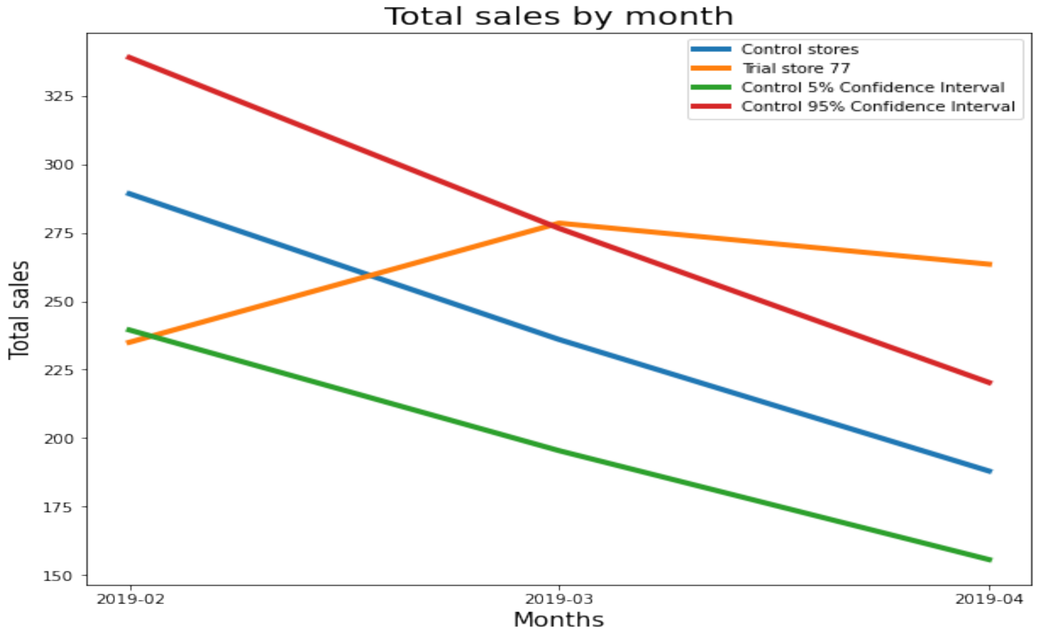
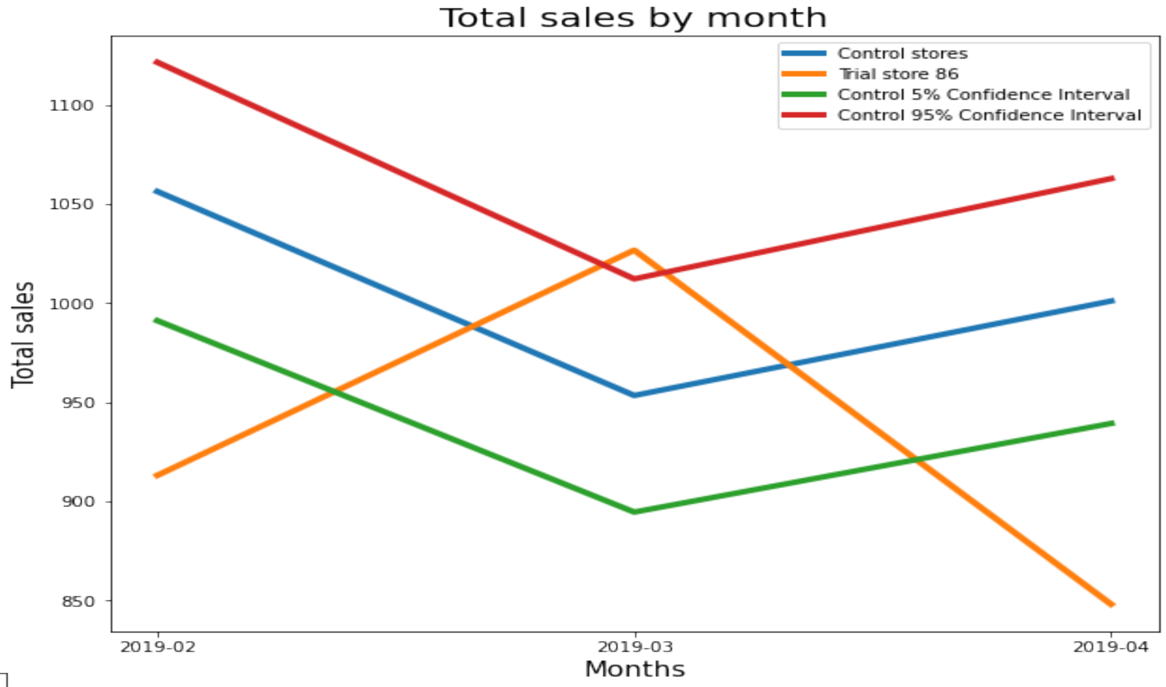
# Call out of the performance in the trial store, determining if it was successful



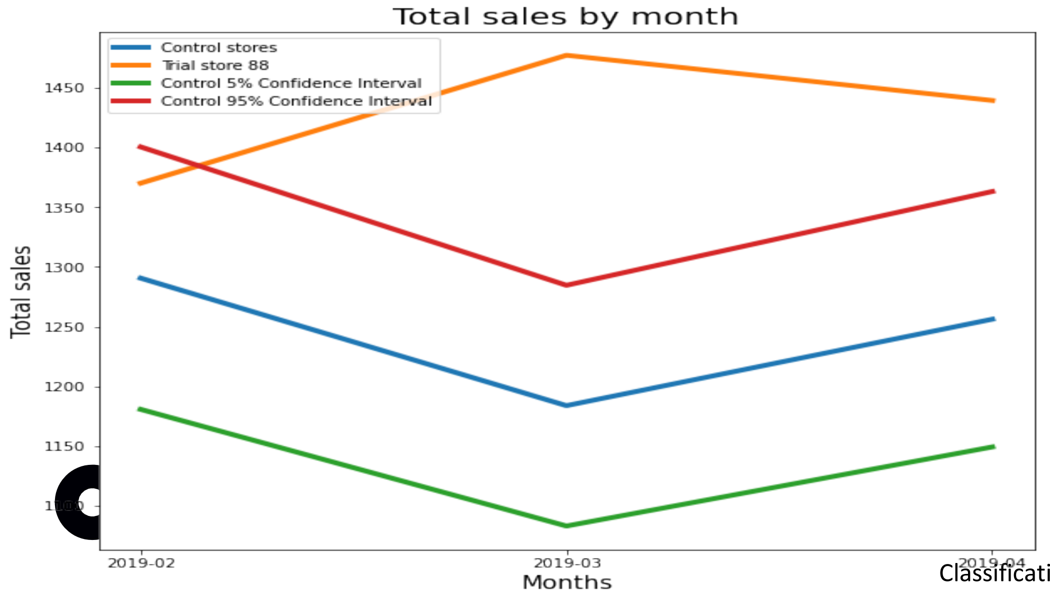




Fig 1. The results show that the trial in store 77 is significantly different to its control store in the trial period as the trial store performance lies outside the 5% to 95% confidence interval of the control store in two of the three trial months. Fig 2. show that the trial in store 86 is not significantly different to its control store in the trial period as the trial store performance lies inside the 5% to 95% confidence interval of the control store in two of the three trial months. Fig 3. The results show that the trial in store 88 is significantly different to its control store in the trial period as the trial store performance lies outside of the 5% to 95% confidence interval of the control store in two of the three trial months.

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