



Chips Sales Analysis: Unveiling Insights for Strategic Planning

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AGENDA

- Introduction: Chips Sales Analysis Overview
- Customer Segmentation Insights
- Purchase Behavior Analysis
- Brand Affinity
- Customer Lifetime Value (CLV)
- Churn Analysis
- Seasonal Sales Analysis
- SWOT Analysis
- Timeline for Strategic Implementation
- Investment Potential



Chips Sales Analysis: Introduction



Introduction: Quantum's retail analytics report offers a comprehensive analysis of customer buying habits in the chip category, utilizing transaction and behavior data to reveal insights for strategic decision-making.



Objectives: The primary objective is to deliver actionable insights to optimize marketing strategies, improve customer retention, and drive business growth by understanding the factors influencing sales and customer behavior.

CUSTOMER SEGMENTATION INSIGHTS

- **Sales Drivers**

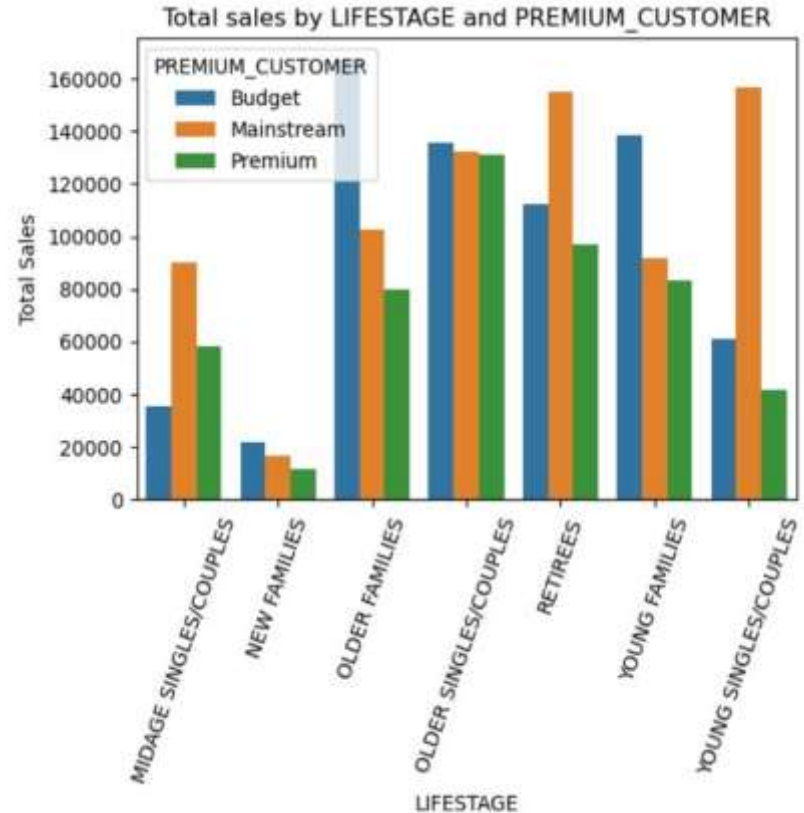
- Sales in the chip market are primarily influenced by Budget-Older families, Mainstream-Young singles/couples, and Mainstream-Retirees, highlighting the importance of these customer segments in driving revenue.

- **Mainstream Segments**

- The Mainstream customer segments play a significant role in contributing to higher sales volumes, especially the Young singles/couples and Retirees categories, emphasizing the need to focus marketing efforts on these segments.

- **Sales Contribution**

- The sales contribution from these segments is significant due to a combination of a higher number of customers and increased purchase quantities per customer.



PURCHASE BEHAVIOR ANALYSIS

• Number of Customers by Segment:

- Mainstream - young singles/couples and retirees show higher customer numbers, contributing to increased sales.

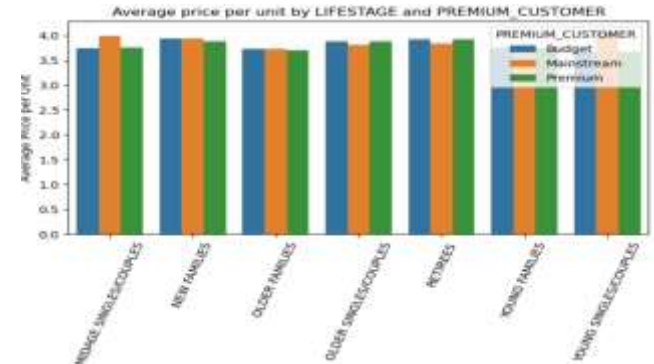
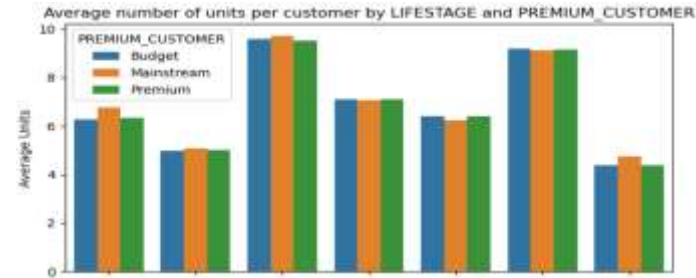
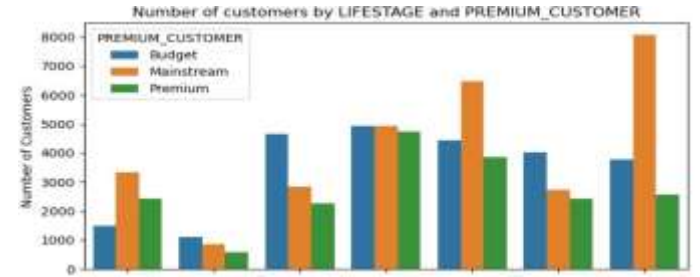
- Budget - older families have fewer customers but still contribute significantly to sales due to higher purchase volumes.

• Average Units per Customer:

- Older families and young families generally buy more units of chips per customer.

• Average Price per Unit:

- Mainstream mid-age and young singles/couples are willing to pay more per packet of chips compared to their budget and premium counterparts.



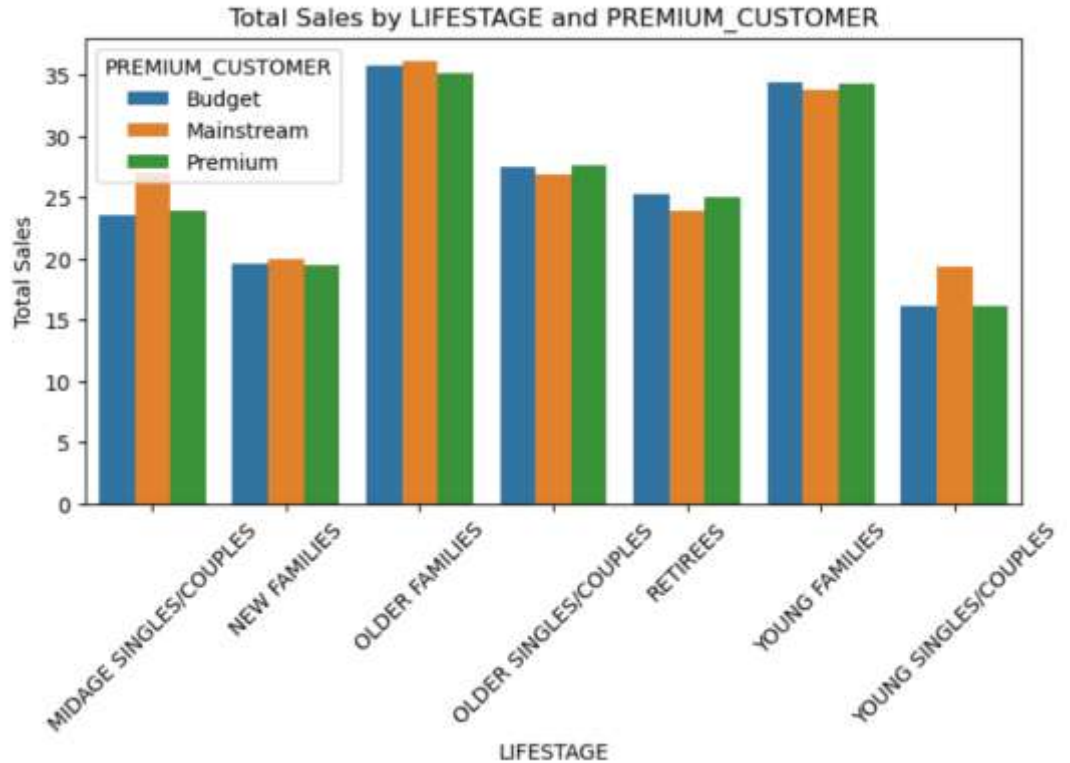


BRAND AFFINITY

- **Spending Patterns:** Mainstream mid-age and young singles and couples are willing to pay more per packet of chips compared to their budget and premium counterparts.
- **Statistical Analysis:**
 - An independent t-test was performed to check if the difference in average price per unit is statistically significant. The p-value was 0.0, indicating that the unit price for mainstream, young, and mid-age singles and couples is significantly higher than that for budget or premium, young, and mid-age singles and couples.
- **Brand Preferences:**
 - Mainstream young singles and couples show specific brand affinities:
 - They are 23% more likely to purchase Tyrrells chips.
 - They are 56% less likely to purchase Burger Rings.
- **Pack Size Preferences:**
 - Mainstream young singles and couples are 27% more likely to purchase 270g packs of chips.

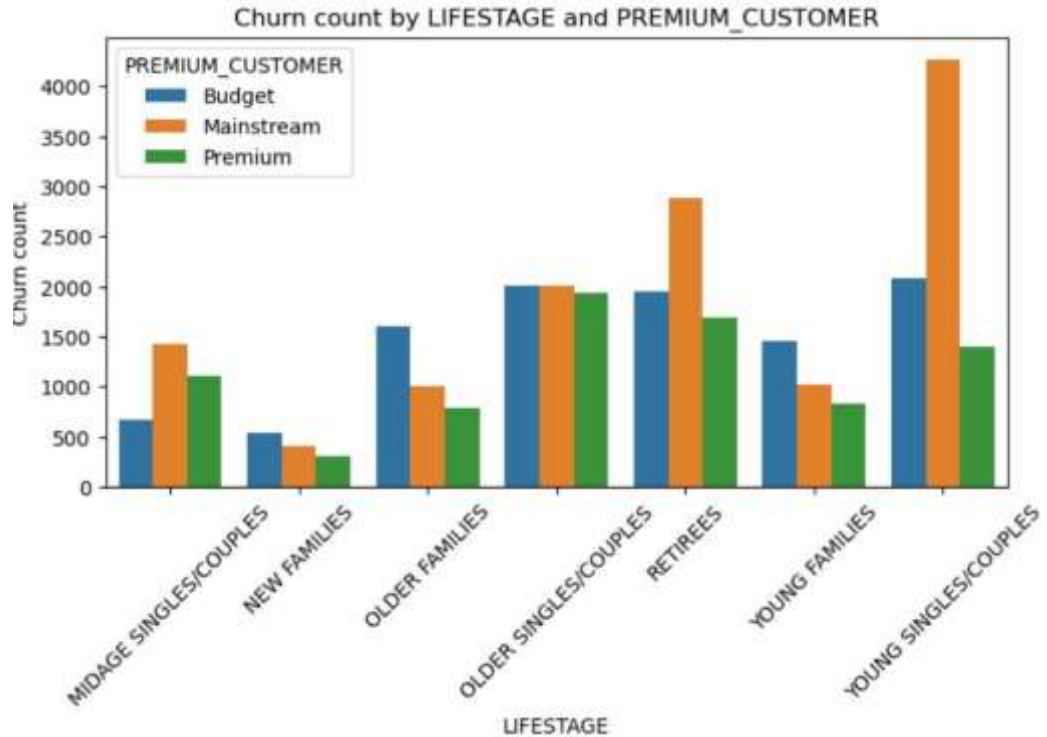
CUSTOMER LIFETIME VALUE (CLV)

- Older Families and Young Families lead in total sales and quantities, suggesting they are the most valuable customer segments.
- Minimal differences in purchasing behavior across Budget, Mainstream, and Premium statuses within Older and Young Families.



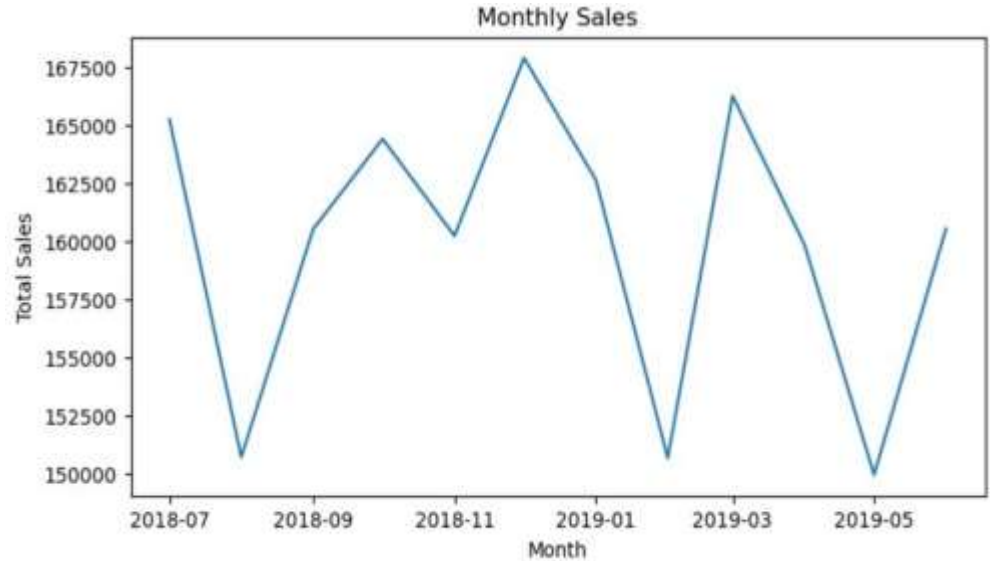
CHURN ANALYSIS

- **Young Singles/Couples:** High churn rates indicate a need for targeted retention strategies.
- **Retirees:** High churn, especially among Mainstream customers, suggests potential for improved engagement strategies for senior customers.
- **New and Young Families:** Lower churn rates indicate effective retention or higher



SEASONAL SALES ANALYSIS

- **Sales Fluctuation:** Monthly sales fluctuate, indicating that customer purchasing behavior varies throughout the year.
- **Peak Sales in December:** December shows a significant peak in sales, likely due to the holiday season.
- **Low Sales Periods in February and May:** February and May experience the lowest sales, possibly due to post-holiday spending fatigue and pre-summer slowdowns.
- **Moderate Variability:** While there are notable peaks and troughs, the overall variability in monthly sales is moderate.
- **Lack of Strong Seasonal Trend:** Apart from the holiday season peak, there is no clear seasonal trend, suggesting other factors significantly influence sales.



SWOT ANALYSIS

- **Strengths:** High sales contribution from key segments; strong customer loyalty among older and young families.

- **Weaknesses:** High churn rates among young singles/couples and retirees.

- **Opportunities:** Targeted marketing to high-churn segments; capitalizing on seasonal trends to boost sales. For instance, targeting young singles/couples with personalized offers could reduce churn.

- **Threats:** Competition from healthier snack options; potential economic downturns affecting purchasing power.

Strength

Weaknesses

Opportunities

Threats

TIMELINE FOR STRATEGIC IMPLEMENTATION

• Short-Term Strategies:

- Launch exclusive offers and loyalty programs.
- Start personalized email campaigns.
- Launch social media campaigns.
- Begin regular customer feedback collection.

• Mid-Term Focus:

- Roll out engagement programs for Retirees.
- Execute seasonal marketing campaigns.
- Distribute educational content for Retirees.
- Refine loyalty programs and retention strategies

• Long-Term Development:

- Introduce new product bundles and convenience products.
- Adjust strategies based on seasonal promotion effectiveness.
- Enhance loyalty rewards.
- Scale direct marketing for Retirees.

SUMMARY

Key Strategies

- **Customer Segmentation:** Target Older Families, Young Families, Mainstream Young Singles/Couples, and Retirees.
- **Exclusive Offers & Loyalty Programs:** Tailor offers and rewards for high-value segments.
- **-Personalized Communication & Social Media:** Engage through personalized emails and social media campaigns.
- **Customer Feedback:** Collect and act on feedback regularly.

Implementation Timeline

- **Short-Term (0-3 Months):** Finalize segmentation, launch offers, start personalized emails, and collect feedback.
- **Mid-Term (4-9 Months):** Implement engagement programs, enhance data analytics, build online communities, and execute seasonal promotions.
- **Long-Term (10-18 Months):** Introduce new bundles, adjust strategies, enhance rewards, scale direct marketing, host events, and optimize retention.

Focusing on these strategies and following the timeline will improve customer satisfaction, boost sales, and enhance loyalty.

SUMMARY

Thank you!

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