June 2024

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

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.

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.

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Executive summary

01   **Task 1**

- The sales information of only one day is missing, 25th December, assumed the stores were closed for the Christmas celebration.
- The preferred pack size by customers is the 175g pack size.
- Budget-Older Families, Mainstream-Young Singles/Couples, and Mainstream-Retirees are the top contributors to chips sales.
- Mainstream-Midage Singles/Couples, and Mainstream-Young Singles/Couples on average pay the most on each chips purchase transaction.
- The preferred brand for most customer segments is Kettle, followed by Smiths, Doritos, and Pringles.

02   **Task 2**

- The control stores for the trial stores (77, 86, and 88) were determined by measuring the total sales and number of customers metrics, the control stores are stores (233, 155, and 237) respectively.

- Trial stores 77 and 86 demonstrated a significant increase in the total sales and number of customers for at least two of the three months during the trial period. Trial store 88 did show a notable rise in customer numbers, this increase was not observed in the total sales analysis.

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01

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Sales increase in the month of December, most likely due to Christmas celebration. No transaction records for the 25th because stores were most likely closed for Christmas.

Daily Transactions

December 2018 Transactions

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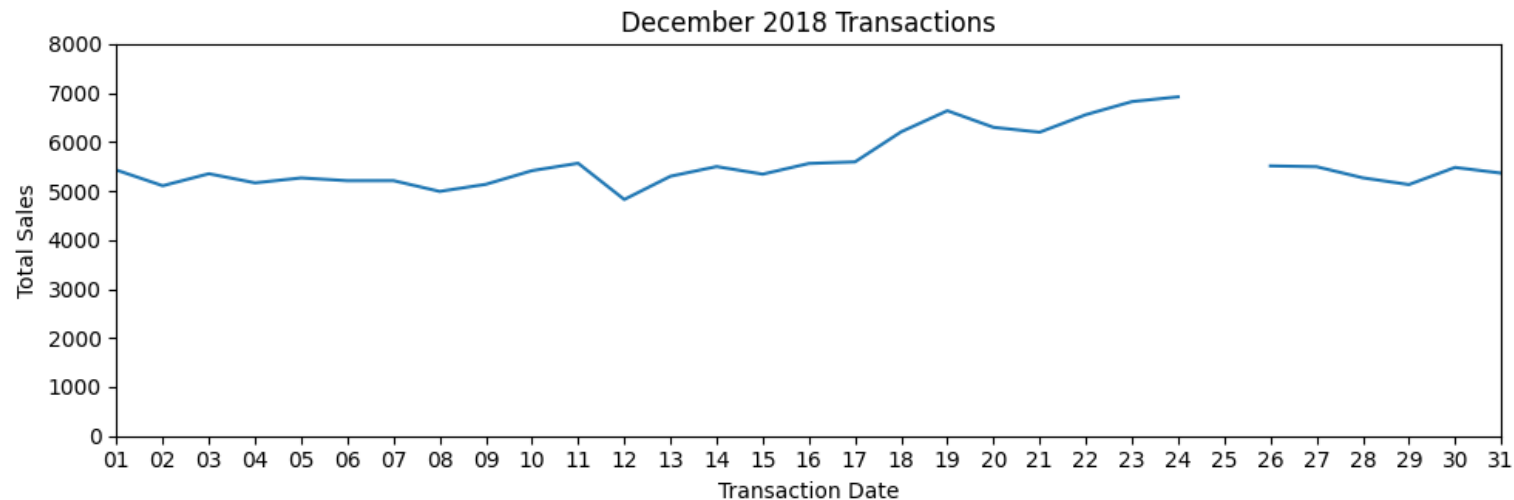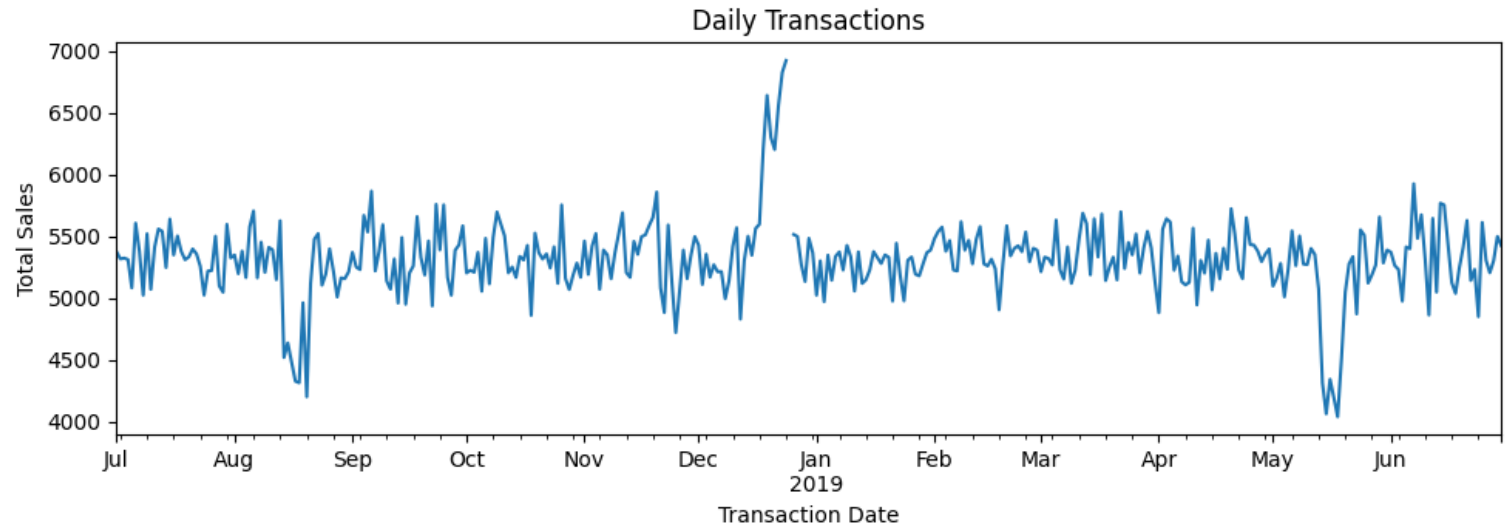
The Older Families - budget demographic contribute the most to sales, followed by the Young Singles/Couples and Retirees - mainstream demographic. This shows that premium customers do not necessarily contribute the most significant portion of sales.

Total Sale Revenue per Lifestage: Customer Type Analysis
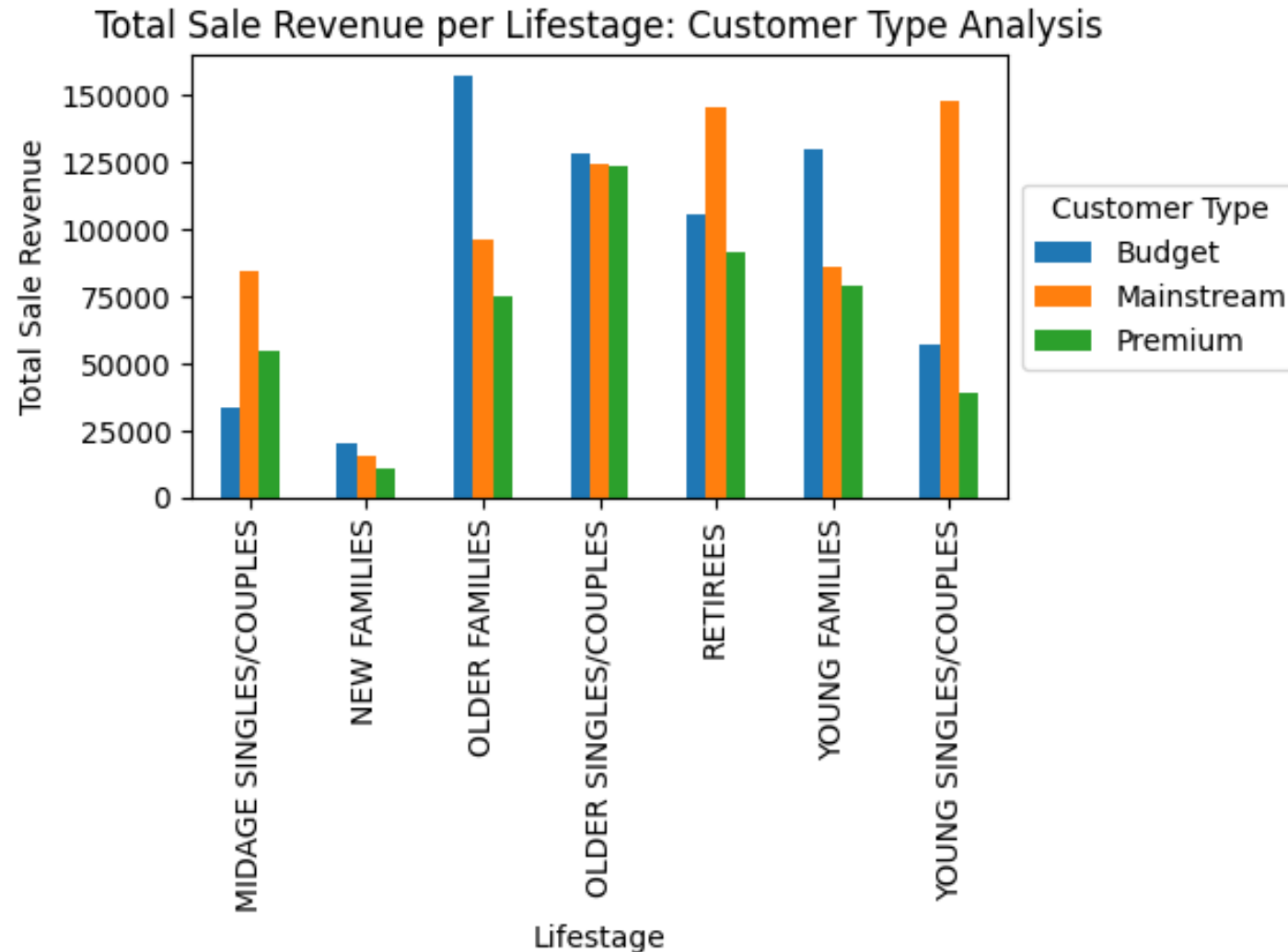
The largest lifestage demographics are the Young Singles/Couples, Retirees, and the Older Singles/Couples. Majority of the customers within that demographic are mainstream customers, while still maintaining the largest premium customer bases.

Number of Customers per Lifestage: Customer Type Analysis

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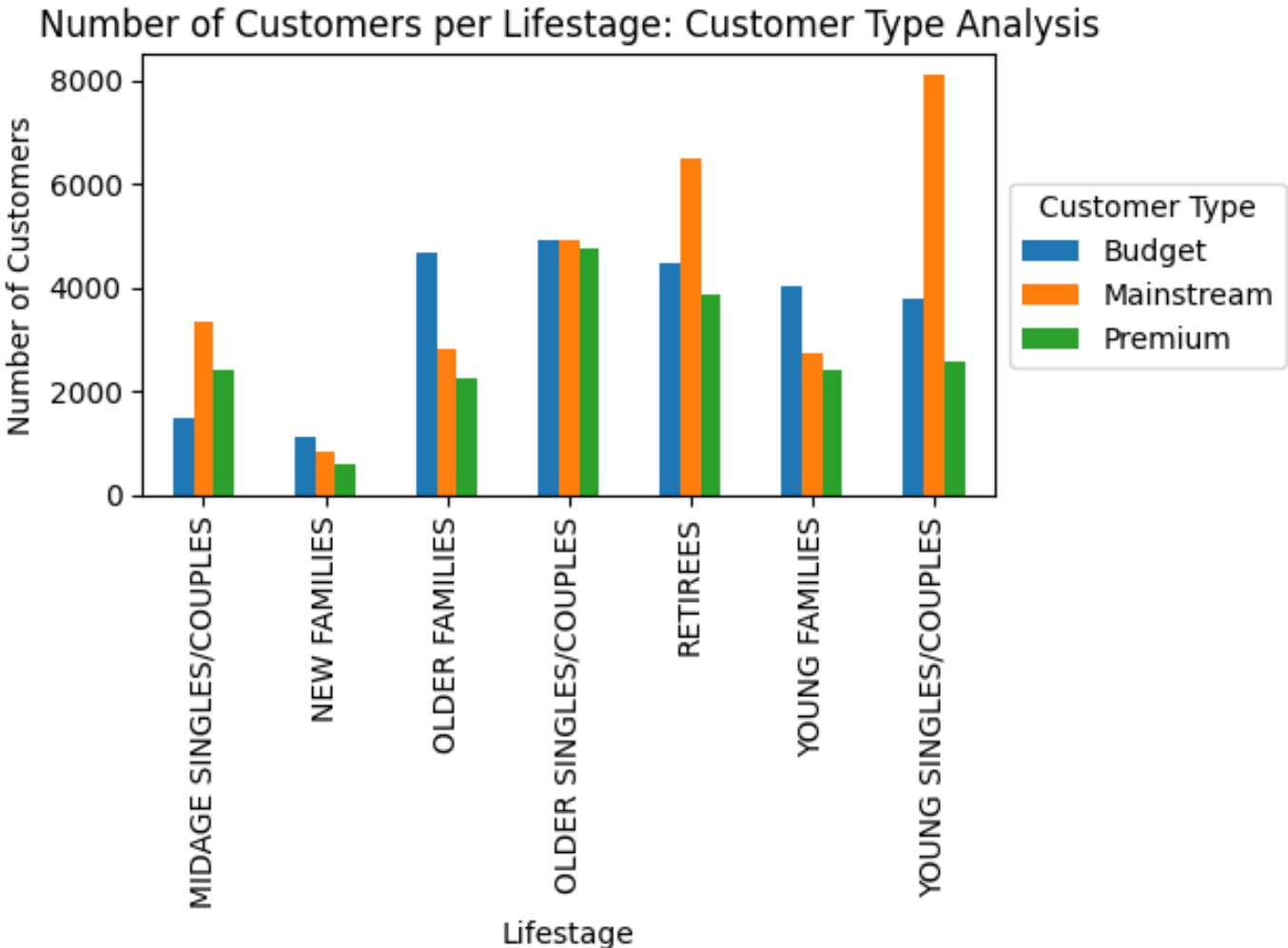
02

Trial store performance

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Metrics utilising the number of customers and the total sales during the pretrial period were used to estimate the control stores, that is, stores with performances similar to that of the trial store. With this we would be able to properly account for difference in performance for the stores undergoing the trial period.
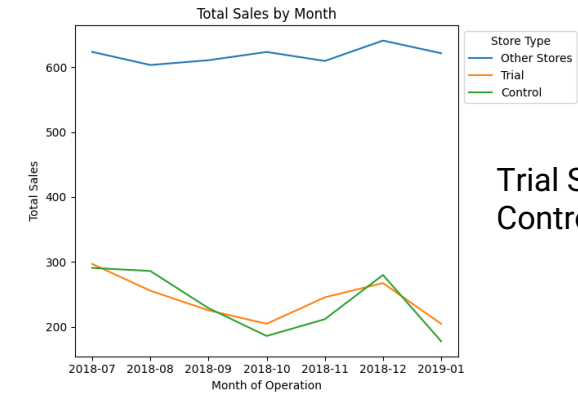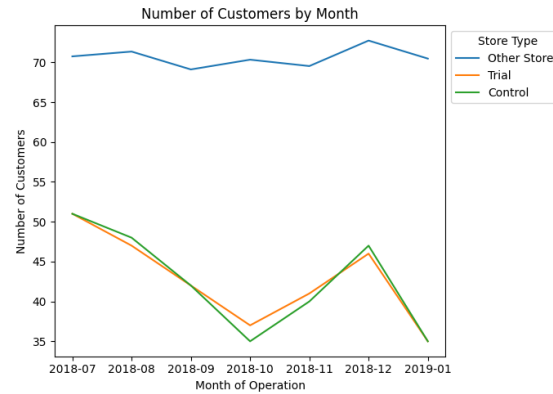
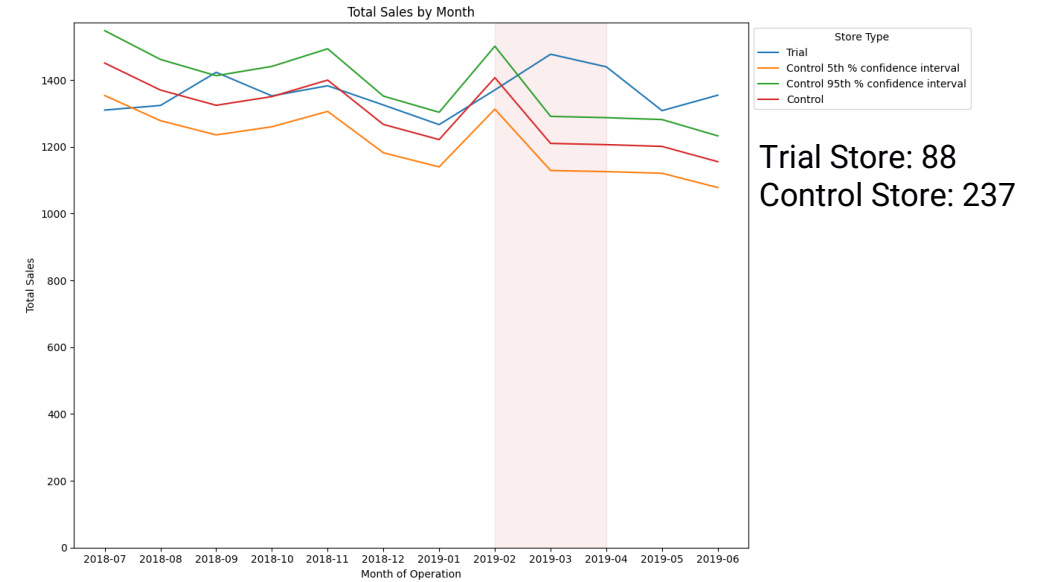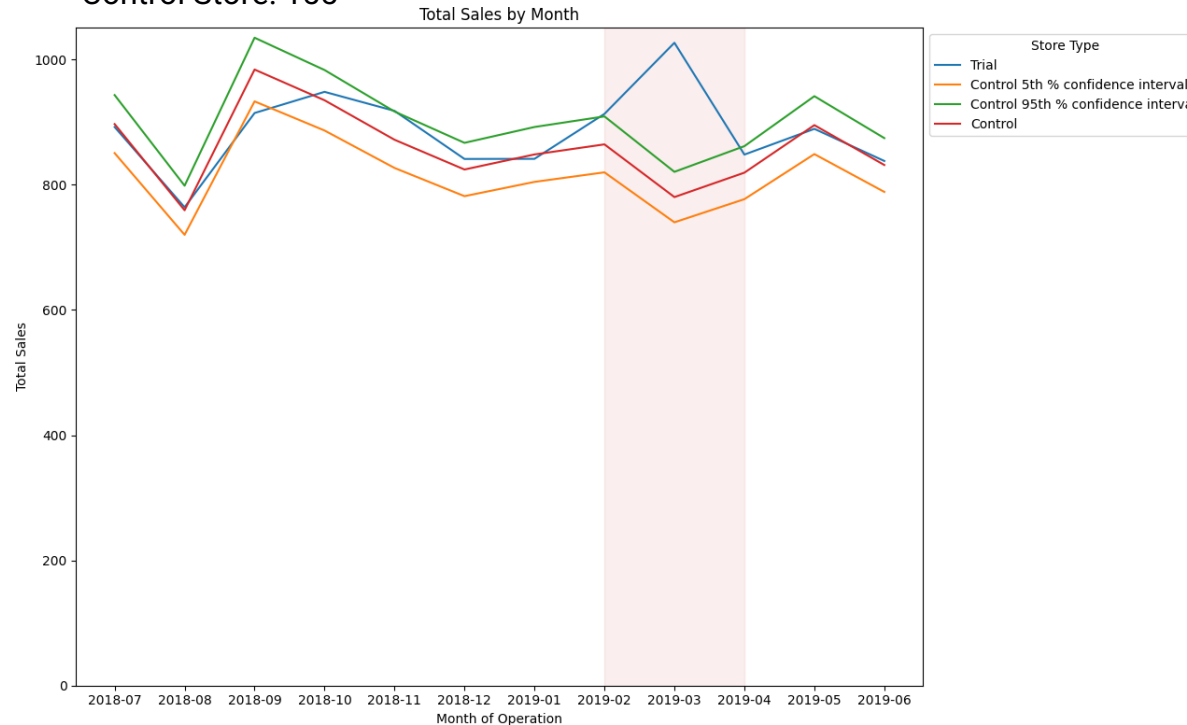Trial Store: 77
Control Store: 233
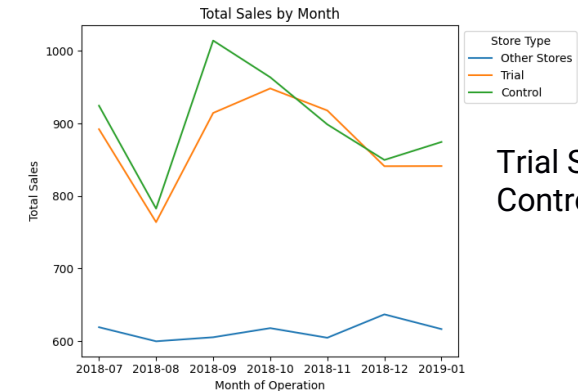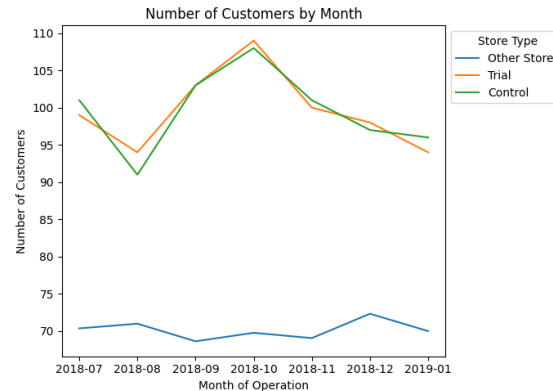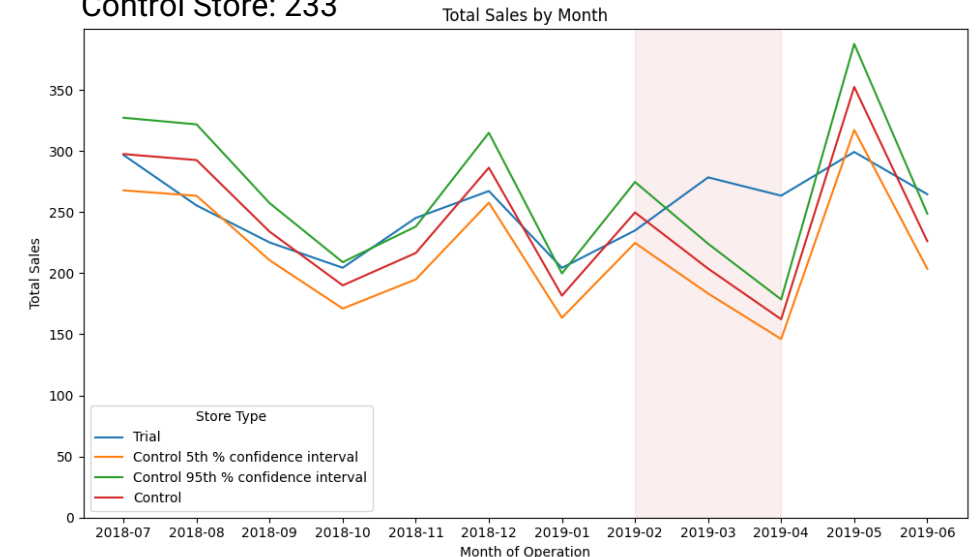
Trial Store: 86
Control Store: 155
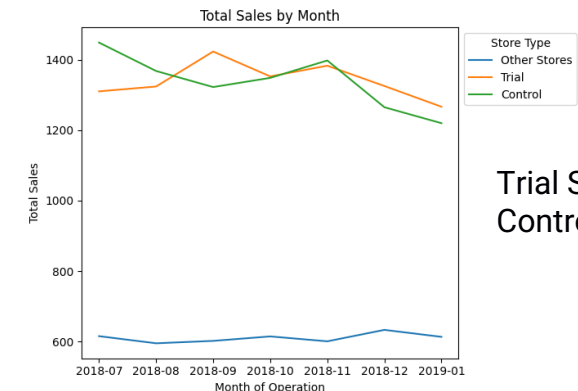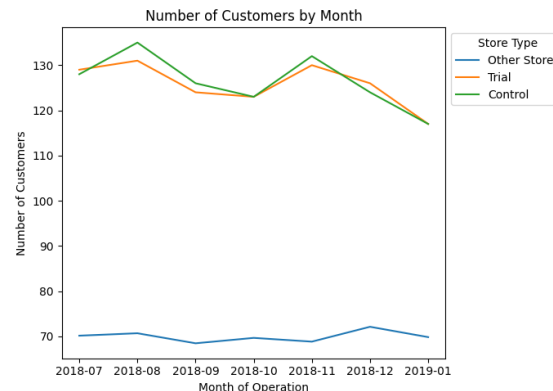
Trial Store: 88
Control Store: 237

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In trial stores 77 and 88, there is a significant difference in sales performance, two months out of the three trial months. However, store 86 performs significantly better sales in only one month of the three-month trial period.

Trial Store: 88
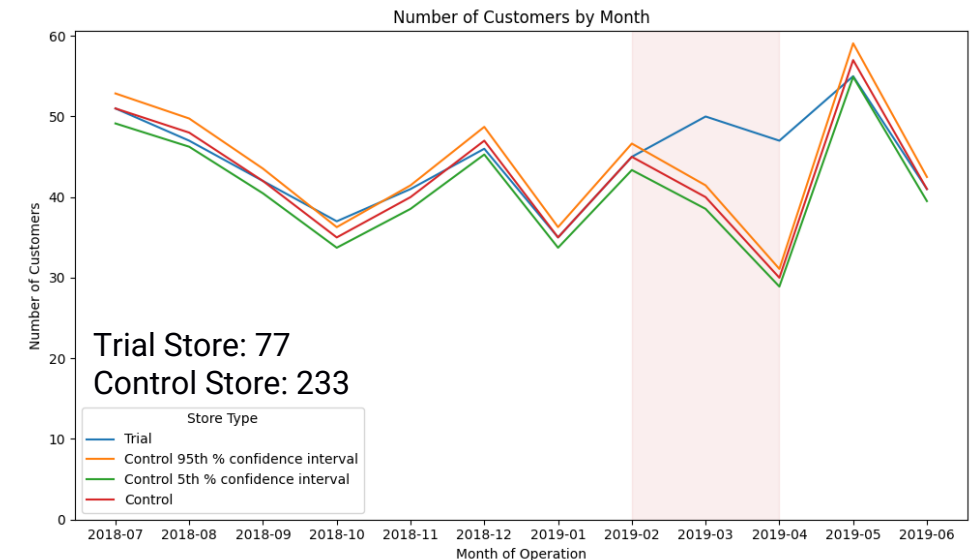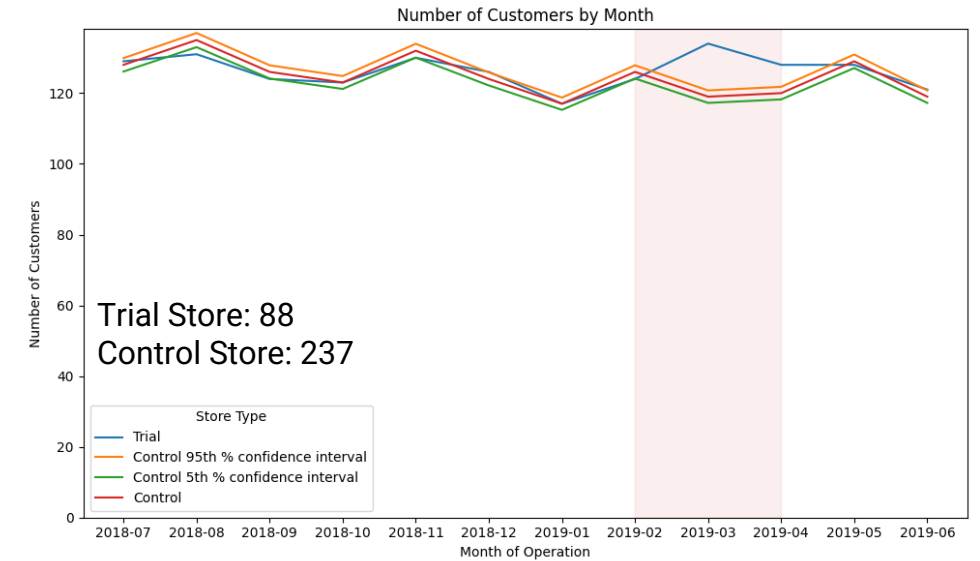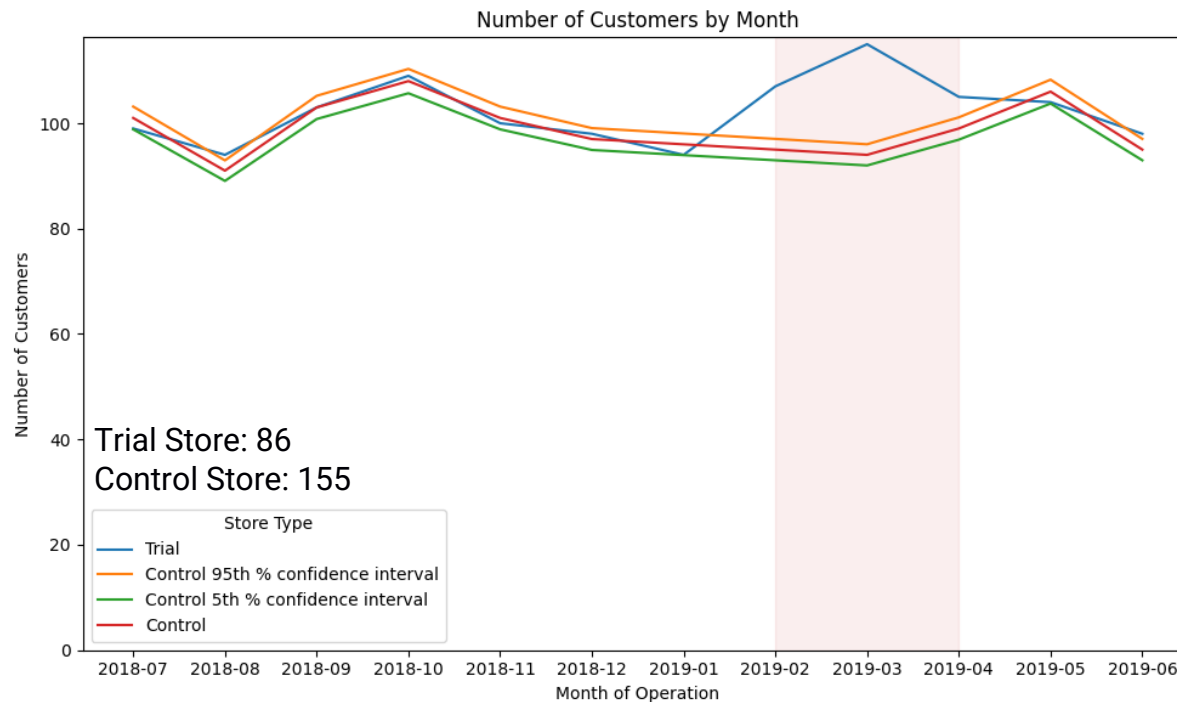Control Store: 237

Trial Store: 86
Control Store: 155

Trial Store: 77
Control Store: 233

In trial stores 77 and 88, there is a significant difference in customer volumes, two months out of the three trial months. However, store 86 performs significantly better customer volume in every month for the three-month trial period, as opposed to its respective sales performance.

We need to undertake further analysis for the store to account for the possibility of discounted sales during that period.

Number of Customers by Month

Trial Store: 88
Control Store: 237

Number of Customers by Month

Trial Store: 86
Control Store: 155

Number of Customers by Month

Trial Store: 77
Control Store: 233

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Recommendations

General:
- Increase stock and promotions in December.
- Boost sales promotions for Kettle (all sizes) and 175g chips (all brands).

Target Segments:

Budget - Older Families:
- Implement promotions like "Buy Two Get One Free."

Mainstream - Young Singles/Couples:
- Focus advertisements.
- Modify display areas.
- Promote and repackage popular brands and sizes.

Mainstream - Retirees:
- Focus advertisements.
- Offer limited-time sales promotions during the daytime.

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