June 2020

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   Families are the most price-sensitive shoppers, while singles/couples lean toward mainstream or premium. Retirees are balanced but tilt mainstream.
Older customers—especially Budget Families (~13k–15k/month)—are the strongest and most consistent revenue drivers, while Retirees provide steady sales (~9k–13.5k).Young segments can reach similar highs (~12k–14.5k) but are volatile and seasonal, and Premium segments lag across all ages (~3.5k–7.5k), suggesting a weak value proposition.

02   Task 2   Overall, the trial produced mixed outcomes. Trial Store 88 was clearly successful, trial Stores 77 underperformed and store 86 did not show meaningful improvement compared to its control store.

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Category

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Overview: Key callout for the category

Older customers lead sales (2018–2019), generating 13k–15k per month, driven by Budget Families.
**Young customers** reach high sales (12k–14.5k) but are volatile, with 1.5k–2k monthly swings.
Retirees deliver steady performance, maintaining 9k–13.5k with minimal fluctuations.
Premium segments underperform, averaging 3.5k–7.5k, 30–50% below Budget and Mainstream.
Midage Families outperform Singles/Couples by 2.5k–4k per month.
Seasonality is evident, with a 5–10% dip in Jan–Feb 2019 and recovery by Mar–Apr
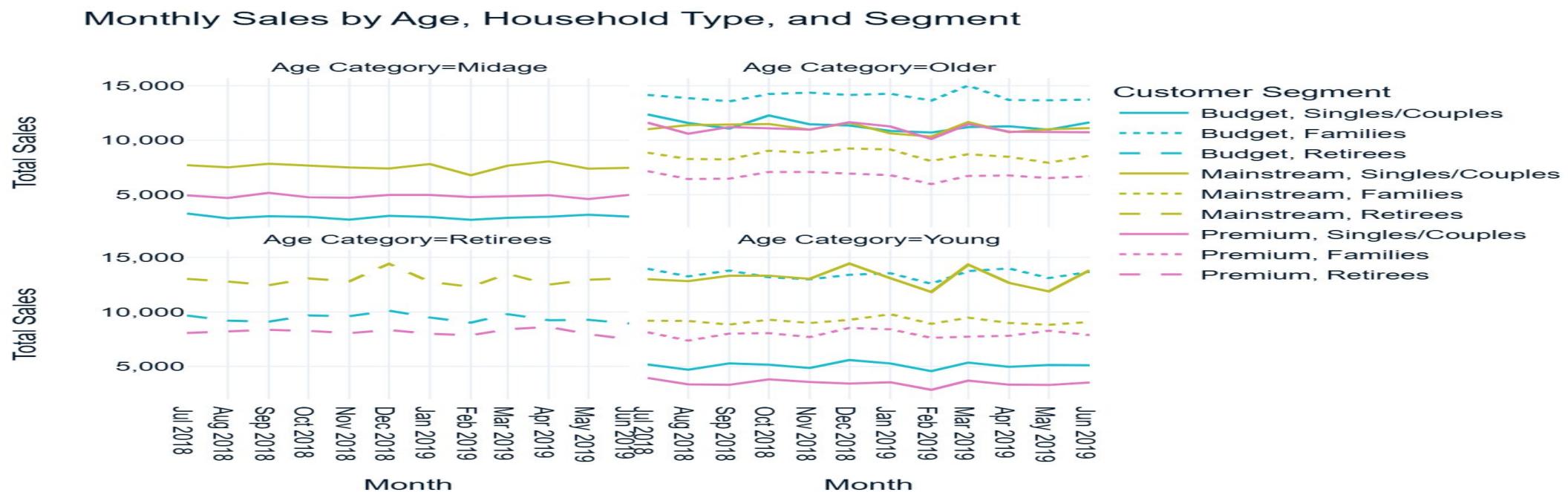
Monthly Sales by Age, Household Type, and Segment

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Effect on consumer buying for the category of chips

Families lean toward Budget chips → Strong price sensitivity, respond best to value packs and promotions.
Mid-age Singles/Couples Driven by brand and quality, ideal for premium launches and flavour innovation.
Young Singles/Couples Stick to familiar mid-range brands
Retirees Provide a steady base, open to both value and premium upsell.
Older Singles/Couples are evenly split versatile but harder to target with one clear strategy.

Kettle is not just a top brand overall — it's the top choice within each major customer segment
Young Singles/Couples (Mainstream) → £35.4k sales
Older Families (Budget) → £32.1ksales
Retirees (Mainstream) → £31.7k sales
Young Families (Budget) → £31.1k sales
Older Singles/Couples (Budget) → £29.1k sales
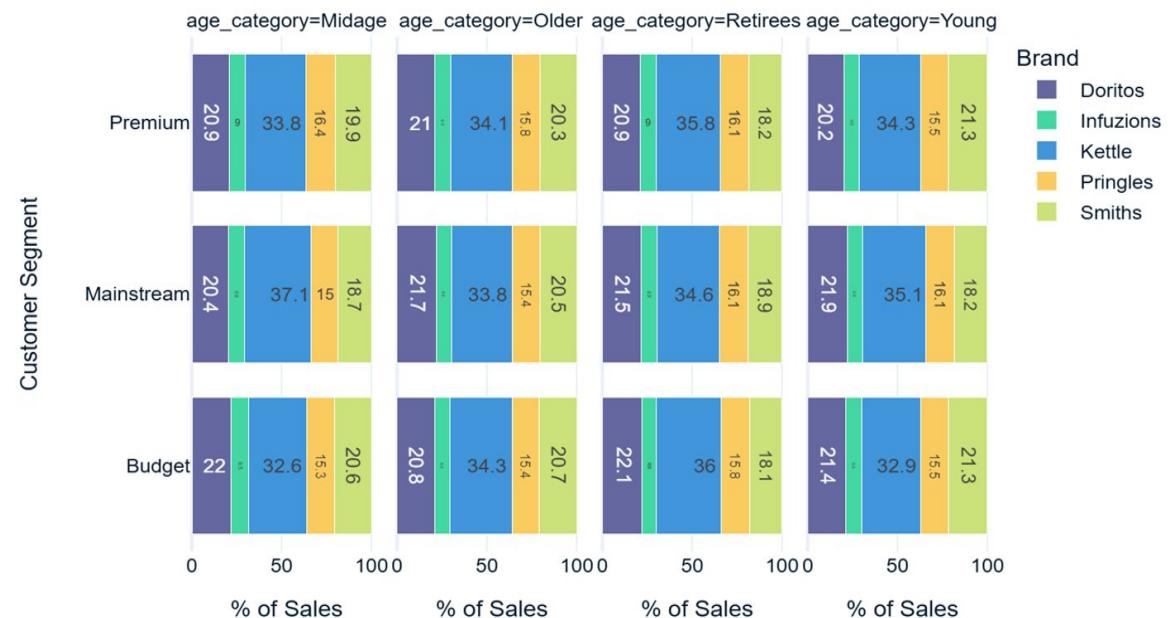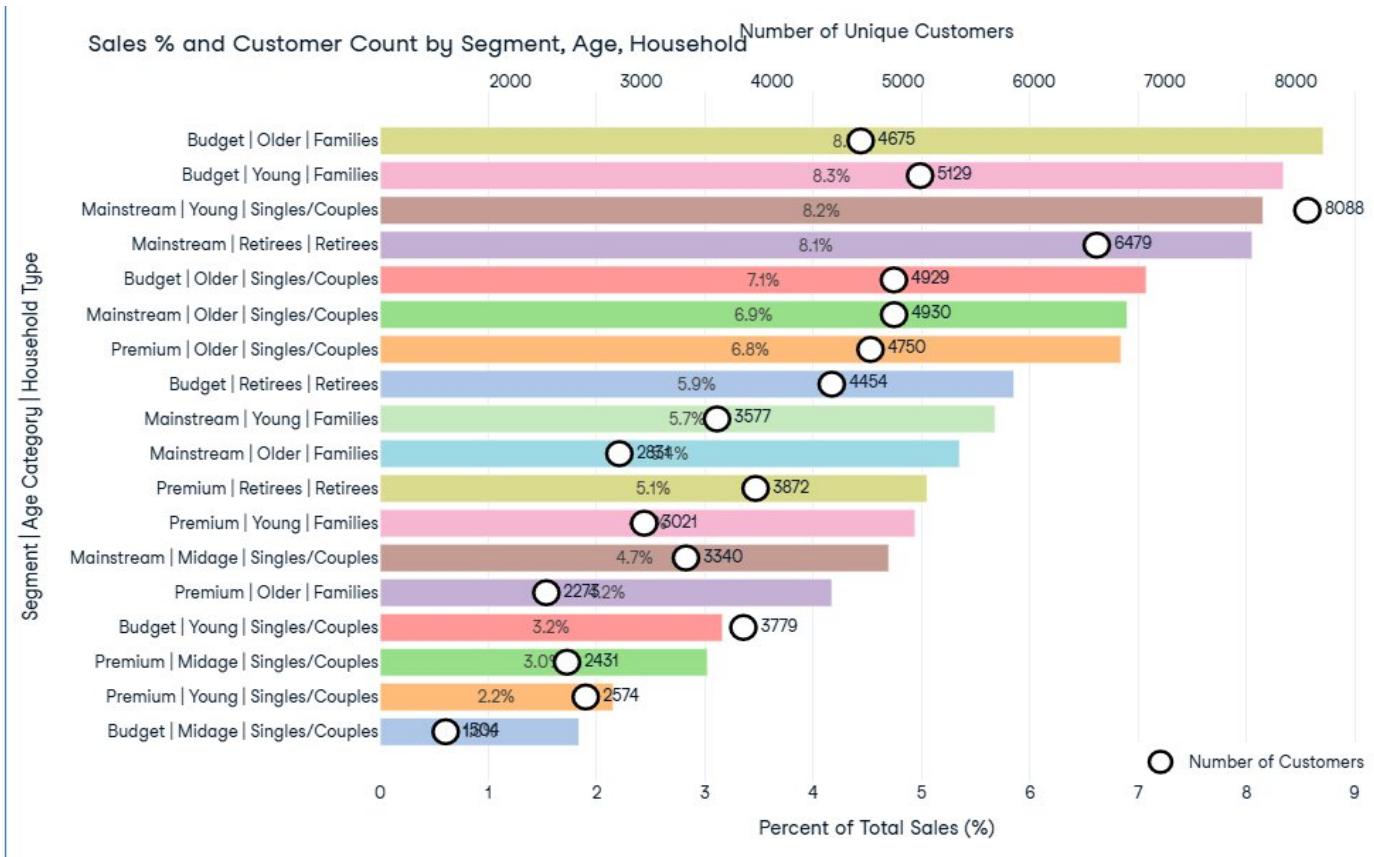
Top 5 Chip Brands by Customer Segment and Age Category

# Proportion of customers by affluence and life stage on this slide

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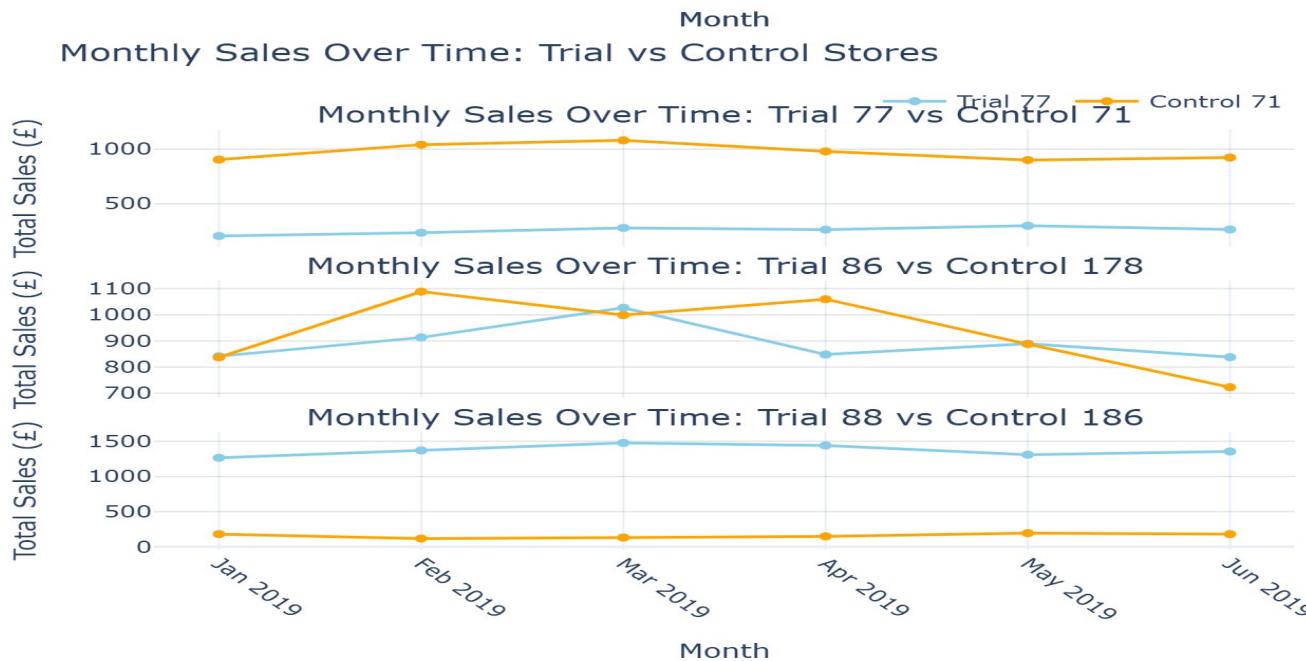
Trial store performance

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Explanation of the trial store vs Control Store

❑ **Store 88 outperformed Store 186 (control store)**→ Extremely significant uplift (p-val ≈ 8.5×10^{-12}).
   More customers and higher transactions drove dramatic gains, with several products up over 1000%.
❑ **Store 77 underperformed against its control store 71** → Extremely significant decline (p-val ≈
   1.25×10^{-9}). Fewer customers and weaker product sales, with multiple SKUs dropping 80–96%.
❑ **Store 86 vs control store 178** → Not significant (p-val ≈ 0.55). Customers and transactions tracked
   closely to its control.

Implication:
This summary makes it clear: the trial strategy is not universally effective. It worked brilliantly in **Store 88,**
failed in **Store 77**, and had no effect in **Store 86**. That's the kind of balanced insight stakeholders want —
showing both upside potential and risks

Monthly Sales Over Time: Trial vs Control Stores

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Performance in the trial store

Trial Store 77 vs Control Store 71:
❑ **Customer change over time:** Trial store daily customers fluctuate between 1–4 in early Feb, some spikes to 3–4 later; no clear upward trend. Control store slightly higher and more stable, 1–11 customers/day
Verdict: Not successful.

Trial Store 86 vs Control Store 178:
❑ **Customer change over time:** Trial store daily customers start low (1–3), gradually rise to 7–8 at peak, then fluctuate; control store is similar, slightly higher and more consistent. Overall, trend roughly stable.
Verdict: Marginally unsuccessful or neutral.
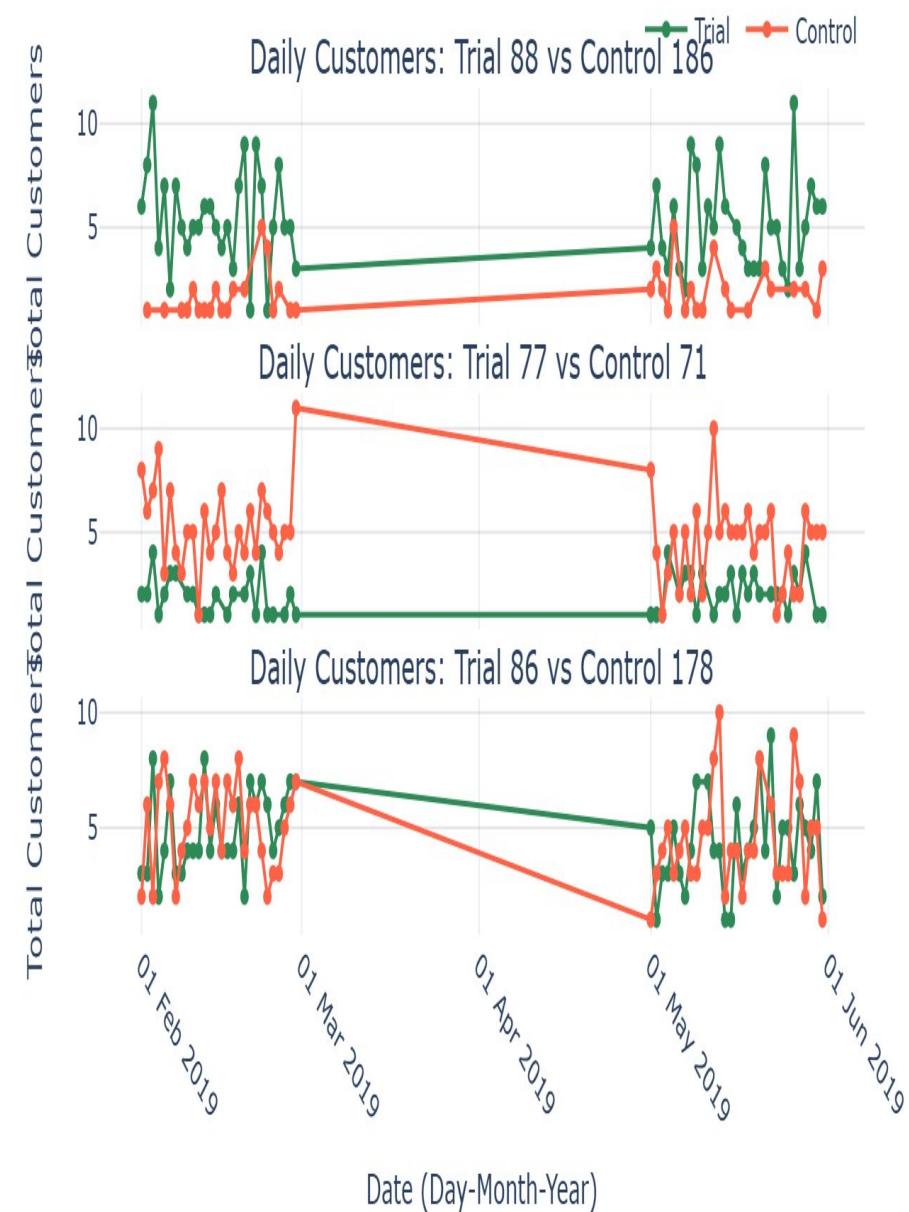
Trial Store 88 vs Control Store 186:
Customer change over time: Trial store starts with 6–11 customers/day in early Feb, grows steadily, peaking at 11/day by late May. Control store remains very low (1–5/day). Trend shows clear upward growth in trial store customers.
Verdict: **Highly successful.** Trial store consistently attracted more customers over time, resulting in higher total sales and efficiency.

Daily Total Customers Over Feb–May 2019: Trial vs Control Stores