

Walmart Luminate Case Study

TC Heartland: Driving New
Customers to Walmart in the
Diabetes Care Shake Category



This case study was shared live at Walmart Data Ventures Inspire Event, October 1, 2024.

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Walmart Luminate Case Study: Heartland Food Products:

The opportunity:

The team at Heartland Food Products Group, working with their brand Splenda, noticed the growing demand for low-sugar or sugar-free options among American consumers.



Rising Obesity Rates

Obesity prevalence has increased from 30.5% in 1999-2000 to 41.9% in 2017-2020.



89%

of consumers think low sugar/low carb is effective for weight management



Increasing Diabetes Cases

of Splenda households are households w/ diabetes



25%

of Splenda households are households w/ diabetes



Growing Demand for Sugar-Free Options

Consumer demand for low-sugar or sugar-free products is rising due to health concerns.



3x

growth of sugar-free options vs non-sugar free in respective Splenda categories



Walmart Luminate Case Study: Heartland Food Products:

The opportunity:

Splenda is the top low calorie sweetener brand and has introduced consumers across the store to various sugar-free options. In 2020 they launched Diabetes Care Shakes at Walmart.

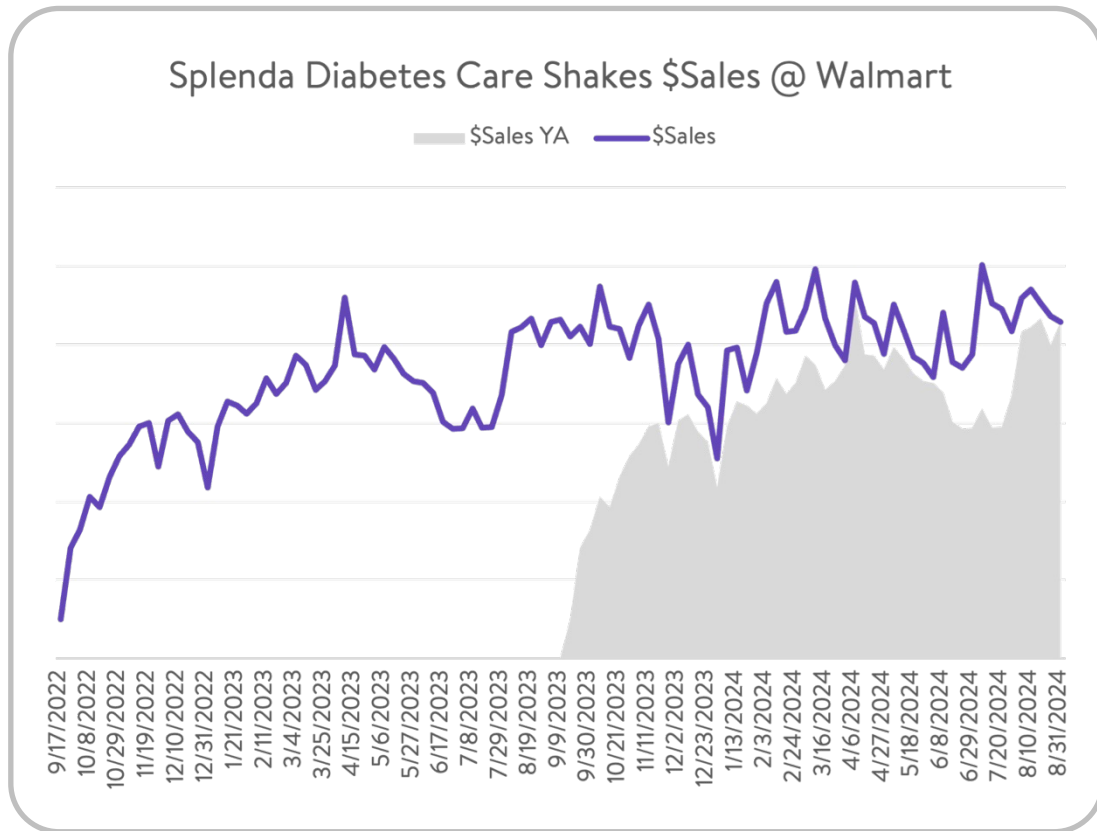




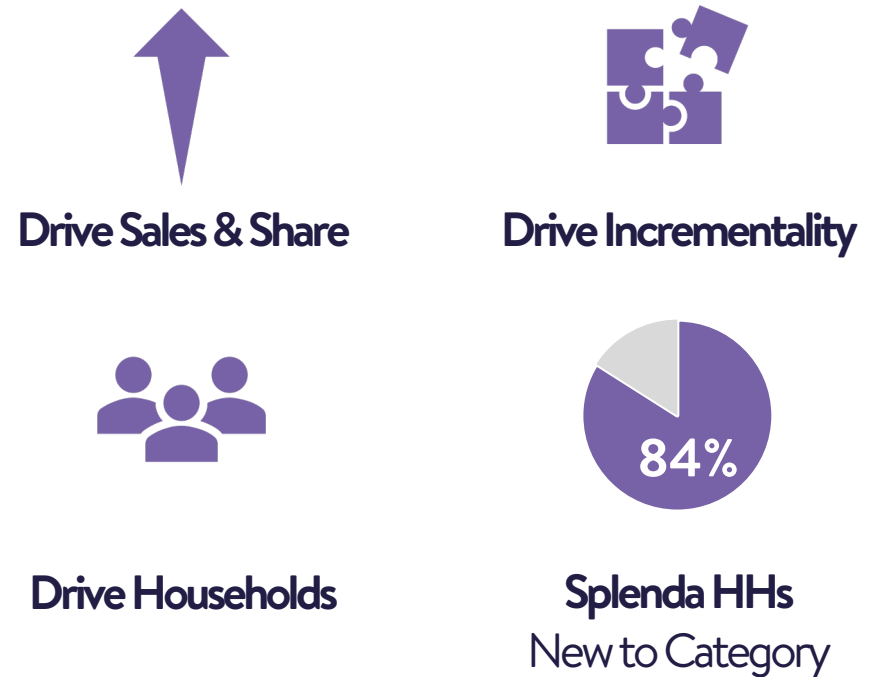
Walmart Luminate Case Study: Heartland Food Products:

The opportunity:

Hoping to expand their assortment of Diabetes Care Shakes, they began by aligning their goals for the segment at Walmart with their Merchant.



Splenda's Goals with Walmart





Walmart Luminate Case Study: Heartland Food Products:

The approach:

Once aligned, they dove into Walmart Luminate Shopper Behavior insights to better understand the customer. These helped define their strategy and develop their game plan.



Insight 1

Customers are entering the category and buying the opening price point products

Action 1

Offer strong price points to attract new-to-category consumers



Insight 2

Existing customers are buying more frequently and buying higher priced items due to trade up

Action 2

Core consumers trading up to larger pack sizes for better per-serving value



Insight 3

Expand assortment variety to continue to drive incrementality and usage

Action 3

Optimize the flavor portfolio to drive trial and purchase occasions

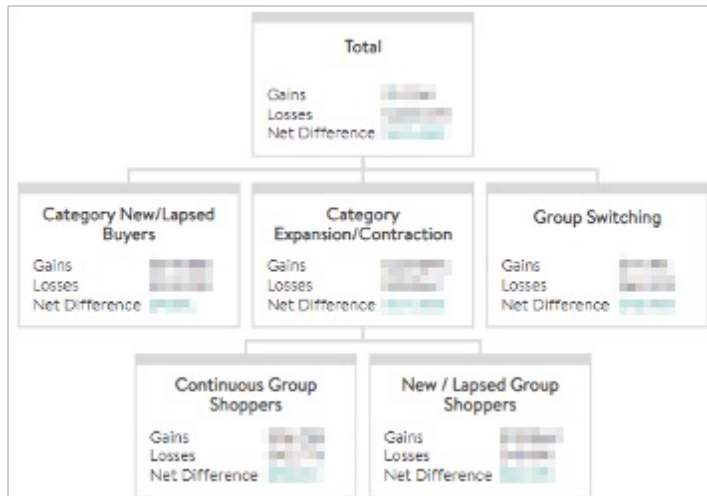


Walmart Luminate Case Study: Heartland Food Products:

The approach:

The data from the Switching and Best Customer reports showed that Splenda's Diabetes Care Shakes were driving a new, loyal consumer to the category who were spending more than lapsed customers.

Switching Metrics



Most spend has come from new category customers

An overall increase in customers entering the category

Migration Group Sizes	Customers	Sales Value (Card)		Spend Per Customer	
		Latest	Previous	Latest	Previous
Brand Loyalty Increases	4,060	\$1,100,000	\$1,100,000	\$270,000	\$270,000
Brand Loyalty Decreasers	2,820	\$800,000	\$800,000	\$280,000	\$280,000
Maintainers	6,260	\$1,100,000	\$1,100,000	\$170,000	\$170,000
New Brand/Cat/Retailer	154,700	\$2,000,000	\$0	\$13,000	\$0
Lapsed Brand/Cat/Retailer	83,440	\$0	\$1,100,000	\$0	\$13,000

The category has seen a lot of new customers entering the category



Walmart Luminate Case Study: Heartland Food Products:

The approach:

Assortment Deep Dive showed that their products were an incremental addition to the diabetes care shakes segment with the least amount of interaction to the other items.

Among 34 items with weighted ACV >15%



Composite Rank	16
Repeat Rate	45.0%
Frequency	1.45
Exclusivity	18.6%
% Loyalty Sales	53.0%

Among 34 items with weighted ACV >15%



Composite Rank	29
Repeat Rate	40.7%
Frequency	1.46
Exclusivity	11.4%
% Loyalty Sales	47.5%

Substitutability



Splenda French Vanilla 6ct

Substitutability Score:

85%



Item A

Substitutability Score:

15%

Substitutability



Splenda Milk Chocolate 6ct

Substitutability Score:

76%



Item B

Substitutability Score:

14%



Item C

Substitutability Score:

6.8%



Item D

Substitutability Score:

2.5%

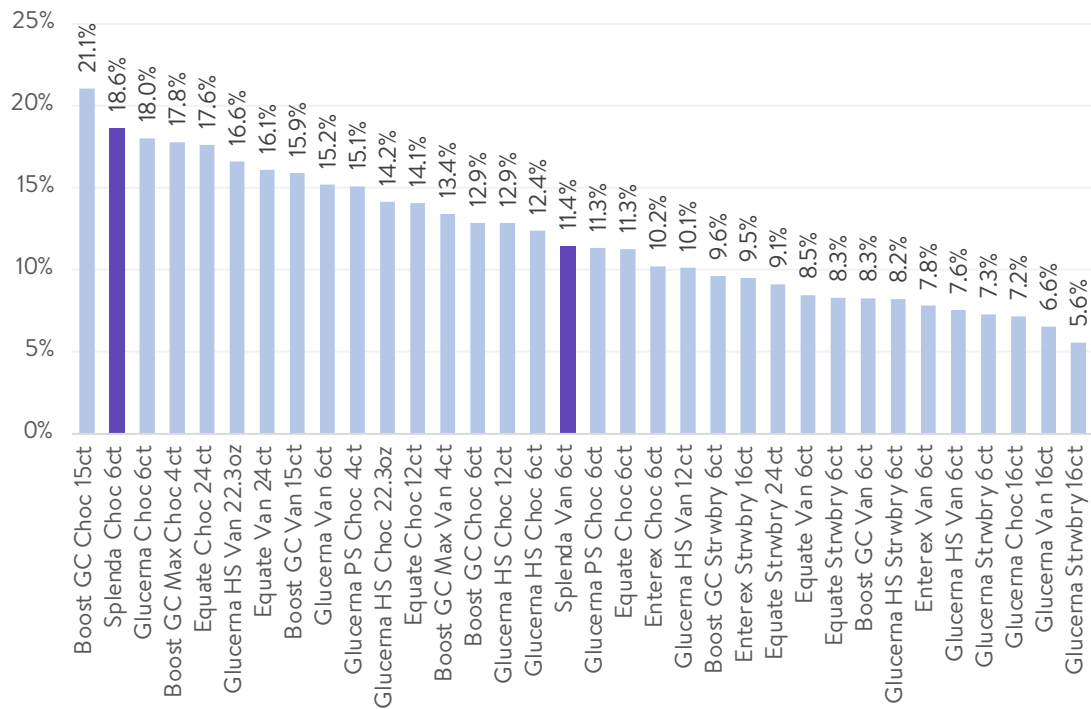


Walmart Luminate Case Study: Heartland Food Products:

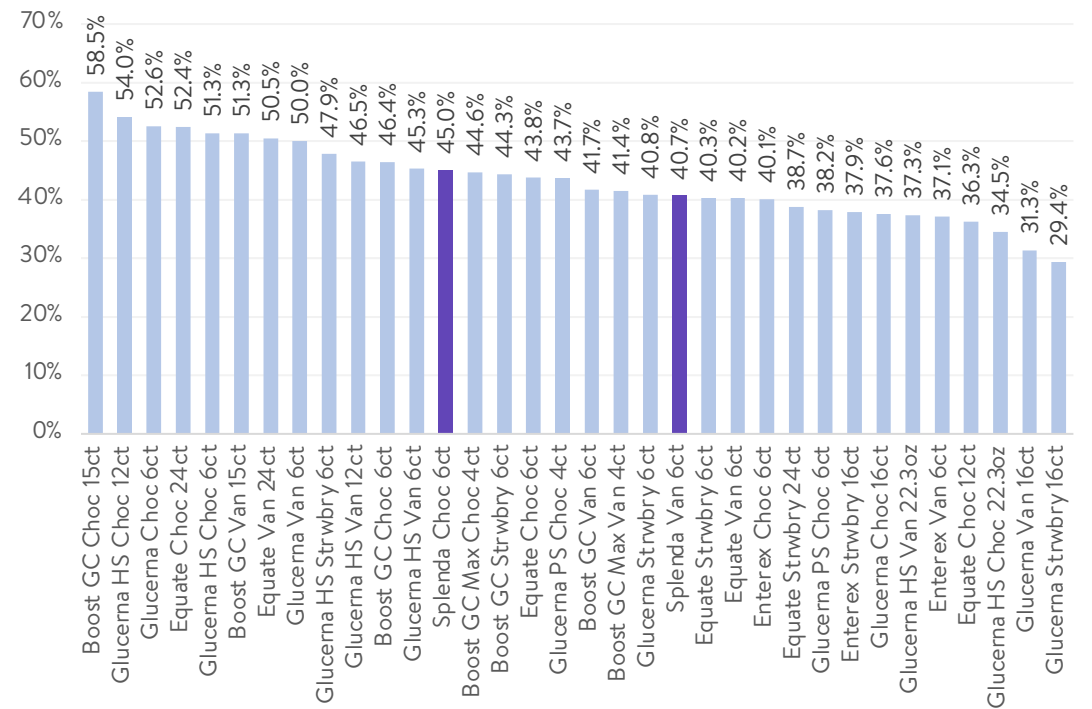
The approach:

Looking further into Assortment Deep Dive, they learned Splenda was competitive to the remaining category against key shopper metrics like repeat percentage, exclusivity, and loyalty.

% Exclusivity by Item (min weighted ACV 15%)



% Repeat by Item (min weighted ACV 15%)





Walmart Luminate Case Study: Heartland Food Products:

The approach:

With this data-backed approach, Splenda proposed continuing their growth of the assortment through expansion into new flavors and sizes. Their Merchant agreed!

Previous Assortment



Current Assortment

Milk Chocolate



6-count



12-count

Creamy Strawberry



6-count

French Vanilla



6-count



12-count

Café Latte



6-count



Walmart Luminate Case Study: Heartland Food Products:

The results:

Since expanding into a 12-count value size, their updated assortment has shown incrementality.

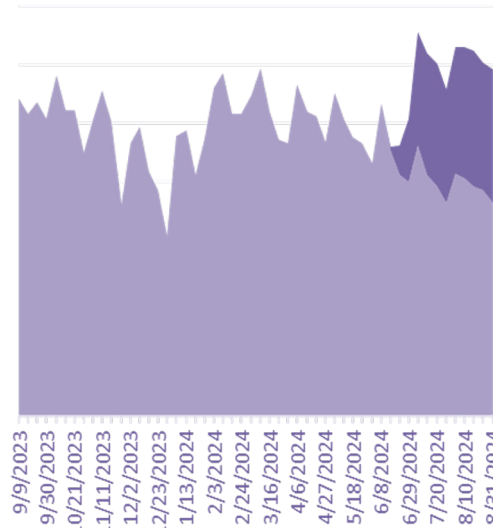


Dollars

+18% vs Prior Period

Chocolate Total (\$)

■ 6ct Choc ■ 12ct Choc



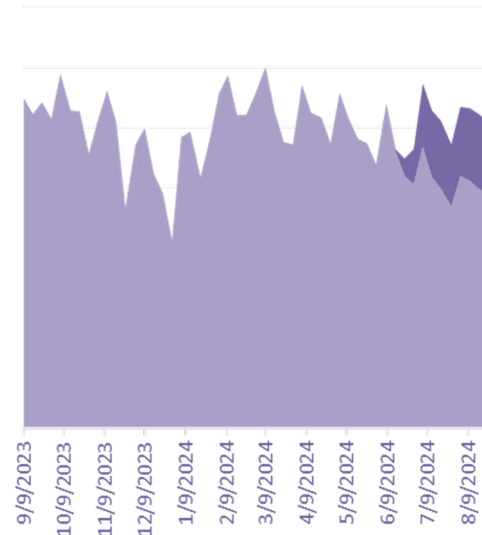
52% Incremental

Units

+0.6% vs Prior Period

Chocolate Total (Units)

■ 6ct Choc ■ 12ct Choc



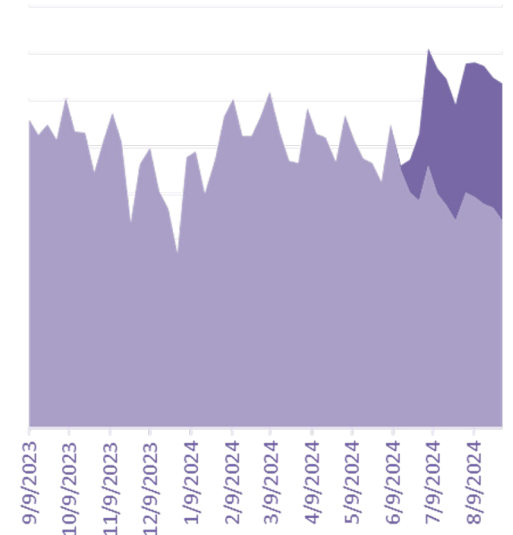
3% Incremental

EQ Bottles

+21% vs Prior Period

Chocolate Total (Bottles)

■ 6ct Choc ■ 12ct Choc



52% Incremental



Walmart Luminate Case Study: Heartland Food Products:

The results:

Walmart Luminate provided Splenda with the tools to drive towards their own goals in the diabetes care shake segment while aligning with Walmart's customer-centric strategy for the category.



Performance
in Detail



Switching



Best
Customers



Assortment
Deep Dive



Identify the right
customers



Identify the right
assortment



Identify the right
value proposition