



Business Case for Healthy Food Retail

Customers want Healthier Options

74% of shoppers feel they could be eating healthier at home.

Shoppers listed obesity as one of their top health concerns.

Millennials are opting for less processed foods, and are projected to surpass baby boomers in global spending.

18% of shoppers report that they bought nuts or seeds in the past six months, but these items use less than 1% of space at checkouts.

33% of shoppers actively shop for low-sugar & low-sodium foods.





Healthy Customers, Healthy Businesses

Benefiting Retailers

Consumer interest in health and wellness is increasing. Food retailers play a vital role in providing healthy and convenient choices that appeal to and influence thousands of customers. This business case outlines strategies from across Utah and the nation to provide a shopping experience that appeals to this consumer base. Retailers can stay competitive and find new ways to create revenue by increasing the availability of healthy foods and improving placement and promotion strategies.

Branding Healthy

Market trends indicate sales are shifting away from the center aisles as shoppers seek more fresh and less processed foods. Since customers trust their primary grocer as a health ally, it's no surprise food retailers are enhancing their reputation and customer loyalty by branding a healthy image.

Increasing Access to Healthier Foods

Fresh fruit and vegetable consumption has increased across America, and customers are looking for easy ways to consume these foods. There are many strategies that can influence your customers' purchasing decisions. Appeal to customers by providing more fresh, healthy food options at point-of-sale and in other high visibility areas of the store such as endcaps.



Competing with Other Markets

Convenience is a huge factor in food purchasing and draws many to fast foods. A quarter of Americans eat fast food meals daily and these meals are three times more expensive than those made at home. Providing convenient, healthy foods increases options for consumers and potential revenues for savvy grocers.

Convenient, Attractive, Normal (C.A.N.)

The Convenient, Attractive, Normal (CAN) approach to marketing healthy foods has been shown to help consumers' food choices align with their health goals. (Wansink, 2015) Using these strategies can help retailers increase sales of higher profit healthful foods and make consumers feel good about what's in their basket.

Convenient

The convenience of placing fruits and vegetables at the front of stores, near registers or in other visible locations increases sales more than discounting these items.

Pre-cut fruit and vegetables are more convenient to consume than than whole items. Noodles, stir fry and other vegetables pre-cut for main dish dinners or side dish accompaniments appeal to the busy family.

Smaller snack portions widen profit margins and slim waistlines by making it less convenient to overeat.

*Wansink B. Change Their Choice! Changing Behavior Using the CAN Approach and Activism Research. Psychology & Marketing. 2015;32(5):486-500. doi:10.1002/mar.20794



Attractive

We eat with our eyes first. Colorful bowls and woven baskets filled with produce or a garnish on house-made hummus can improve the way customers perceive taste and quality.

Use creative names. Appeal to children by offering “Dinosaur Trees” instead of broccoli. Or make fruit fun by marking it with cartoon stickers, a strategy that can even lead children to choose apples over cookies!

Attractive signage and packaging can lead to consumer perceptions of exceptional quality.

Normal

If unflavored milk occupies 50% of cooler space vs. 10%, children select it three times more often over chocolate milk.

Segmented shopping carts with nudges to fill one section with produce lead customers to purchase more produce to fill the produce partition.