Food Marketing: Creating More Demand for Healthy Foods

Eating Healthy: What are we learning?

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DELAWARE VALLEY dvrpc REGIONAL PLANNING COMMISSION

GREATER PHILADELPHIA FOOD SYSTEM STAKEHOLDER COMMITTEE

Department of Food Marketing
Haub School of Business
Saint Joseph's University
Executive Food Marketing MS and MBA

Agenda

Almost a Decade of Learning

Consumer Communications

Retailing

Closing Thoughts


USDA
EAT 5 A DAY
NAREEEAB
Food Labels: Consumer Right to Know, Policy and Profits
9:30am-3:30pm • ACE Conference Center, Lafayette Hills PA
Nutrition Facts
Saint Joseph's University faculty, representatives from the PA Department of Agriculture and industry experts will unite for this industry symposium addressing the consumer, marketing, and regulatory implications of nutrition labeling, nutrition symbols, production claims and other "news" on package fronts. The day will include a live consumer panel and a Q&A session with industry experts.
Join us as we explore a marketing activity of increasing prevalence and accelerating scrutiny at the nexus of consumer interest, food policy and brand differentiation.
Speakers include:
The Hartman Group • Bailey Brand Consulting • Saint Joseph's University faculty
SPONSORED BY:
pennsylvania
DEPARTMENT OF AGRICULTURE
SJU Saint Joseph's University
Center for Food Marketing
Topics include:
• Overview of food labeling issues
• Label reading from the consumer perspective
• Food label literacy of PA consumers (current research findings)
• Overview of food label regulations
• Building trust through brand packaging
• LIVE PA consumer panel
IRI
INFORMATION RESOURCES, INC.
SJU Business Research
Obesity
IMPACT AND ISSUES FOR THE FOOD INDUSTRY
Edited by Nancy M. Childs, Ph.D.
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Obesity a Global Issue

WHO Report on Diet Nutrition and Health (2003)

Food marketing practices targeting children classified as "causative" for obesity

UK advertising restrictions April 2007

Obama Administration

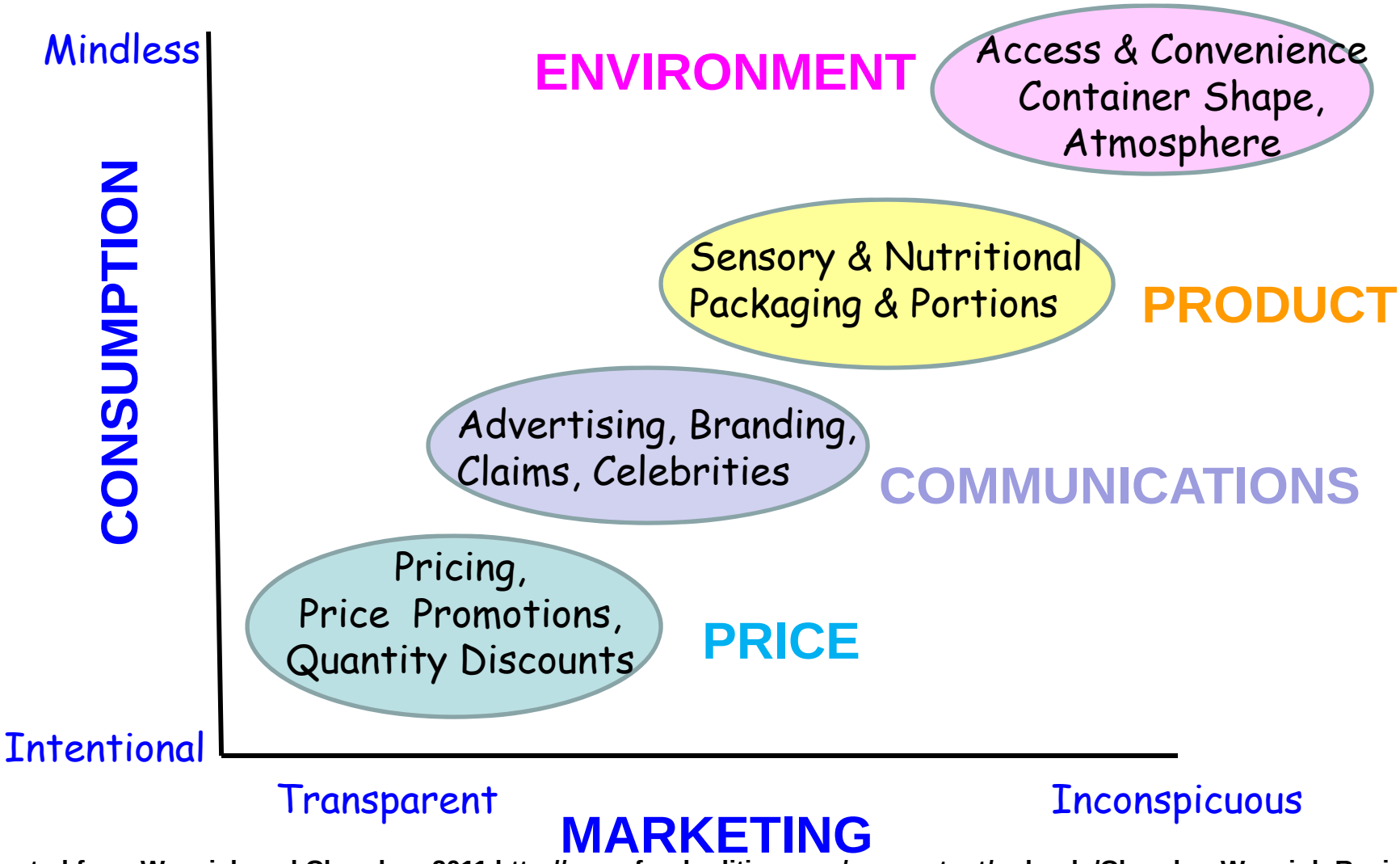
Extensive interest in addressing childhood obesity

Healthy Hungry-free Kids Act of 2010

USDA

FDA

Food Marketing Influences



Adapted from Wansick and Chandon. 2011 http://www.foodpolitics.com/wp-content/uploads/Chandon-Wansink-Review-of-Effects-of-Food-Marketing-26-5-2011.pdf

Pricing

Reduce retail price of healthy food through more efficient production and distribution.

Fruit and vegetable quantity discounts through bulk packaging.

Promotion

Rebrand healthy foods on non-health benefits (*taste.* fresh, power, energy, sustainability, etc.).

Co-brand healthy foods with popular brands, characters, and celebrities.

HEALTHIER EATING

Product

Alter texture, flavor, and fiber of foods to increase satiation and satiety.

Alter and reposition portion sizes to provide more options.

Place

Increase the visibility, appeal, and convenience of healthy choices.

Change the intake norms by changing packaging and the size of plates, glasses, and serving utensils.

Adapted from Wansick and Chandon. 2011

Communication

- Communicate positively
- Emphasize taste
- Suggest actions
- Energy balance is confusing
- Grocery store – *most likely to pay attention*

	Messages Tested (Independent Variables)				
Dependent Variables	**Know your number**	**Calories matter most**	**Calories count**	**Keep calories in check**	**Get curious about calories**
	Learning how many calories you should consume in a day is a critical first step in managing your weight.	Calories are in almost everything you eat and drink and make all the difference in gaining, losing or maintaining weight.	Calories are like a budget – you can only eat so many in a day. Spend wisely by choosing lower-calorie, nutrient-rich foods most of the time to help manage your weight.	Calories are the key to achieving a healthy weight and improving health.	Calories are simply a way to measure how much fuel or energy we get from foods or beverages, and how much energy we burn or use up through physical activity.
Believability[1]	3.80 (1.00)[a]	3.44 (1.07)[d]	3.73 (1.00)[b]	3.59 (0.97)[c]	3.63 (0.96)[c]
Likelihood to believe calories impact weight[2]	3.43 (1.41)[a]	2.82 (1.39)[cd]	3.27 (1.31)[b]	2.83 (1.29)[c]	2.66 (1.50)[d]
Motivation[3]	3.47 (1.43)[a]	2.92 (1.42)[c]	3.32 (1.23)[b]	2.71 (1.28)[d]	2.57 (1.49)[d]
Likelihood to affect/implement behavior[4]	3.79 (0.95)[a]	3.69 (0.95)[a]	3.87 (0.87)[a]	3.60 (0.88)[a]	3.64 (0.90)[a]

Messaging CALORIES:

Know your number

Calories matter most

Calories count *(budget wisely)*

Keep calories in check

Get curious about calories

IFIC, 2012

IPAM Porto Conference on Kids Marketing

In-store Marketing to Children: US Food Retailer Practices Abating Childhood Obesity

Porto - April 7, 2011

Obesity top issue in food industry

- International attention
- Attention focused on food manufacturers and foodservice
- Food Retailers not central to discussion

What are retailers doing?

Acknowledgements

Qualitative Research

- Asif Aftab

Quantitative Research

- Mallik Sundhram

Center for Food Marketing:

R. Ciaudelli, R. Higgins,

R. Kochersperger

CDC

CENTERS FOR DISEASE™
CONTROL AND PREVENTION

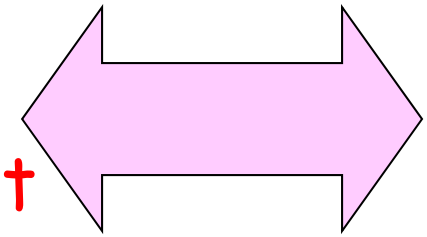
Qualitative Research

- In depth analysis of 30 major food retailers in US and UK to identify activities addressing obesity, especially for children –

Retailer Frame Established

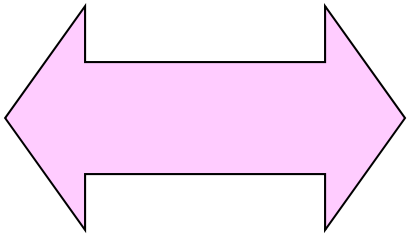
- Positive responses and action steps
- *NOT* obesity

Weight Loss or
Weight Management



Health and Wellness

Children



All-Family

Qualitative Research

- In depth analysis of 30 major food retailers in US and UK to identify activities addressing obesity, especially for children

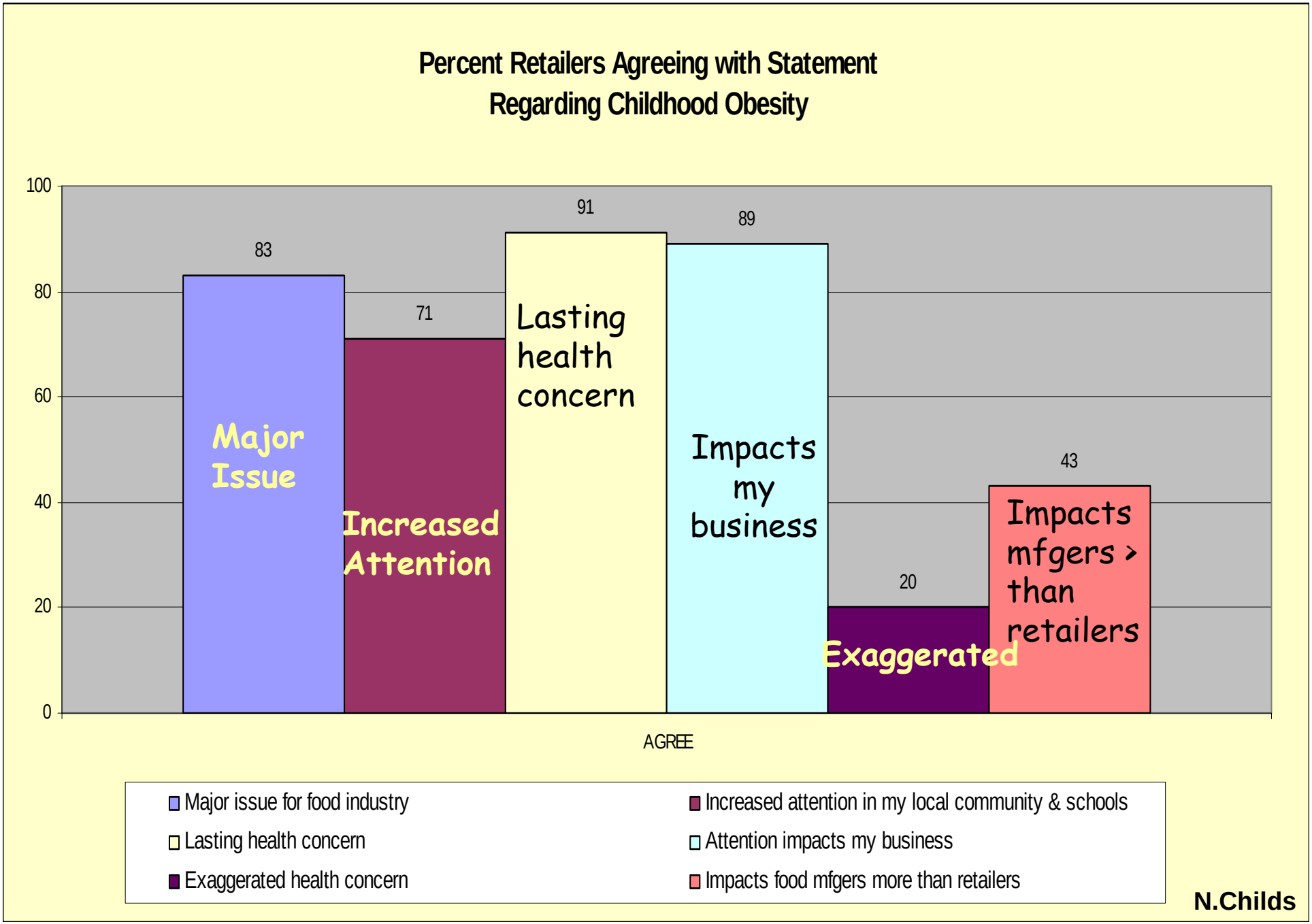
- Categorized findings:
  - *Product Selection*
  - *Merchandising and Promotion*
  - *Education*

- **Vocabulary is *health and wellness***

Retailers' Direct Interest in Child Obesity

- **Retailers see childhood obesity as an industry problem that is lasting and impacting business**

- **Retailers see this more as a manufacturer's problem**


Percent Retailers Agreeing with Statement
Regarding Childhood Obesity
100
80
60
40
20
0
83
71
91
89
20
43
Major Issue
Increased Attention
Lasting health concern
Impacts my business
Exaggerated
Impacts mfgers > than retailers
AGREE
Major issue for food industry
Increased attention in my local community & schools
Lasting health concern
Attention impacts my business
Exaggerated health concern
Impacts food mfgers more than retailers
N.Childs

Merchandising and Promotion:

- **Special displays** of healthier products for kids

Merchandising and Promotion:

- **Integrated marketing** directly to children on healthy eating (eg. website, POP, fliers, advergaming)
- **Incentives or premiums** for purchasing healthier products, for participating in nutrition or physical education activities

Merchandising and Promotion:

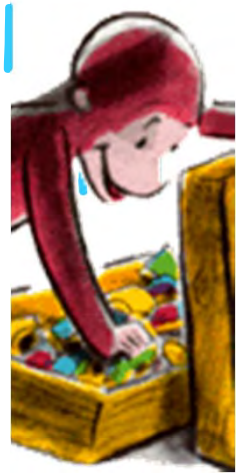
- **Product sampling** of healthier foods for children
- **In-store or promotional entertainment** for kids with a healthy lifestyle message (eg. mascot or event)

Retailtainment

Curious George:

"Curious George" Get curious about health

Produce for Better Health, Universal Studios and Wal-Mart SuperCenters Neighborhood Markets



Exposure: 10 mil. in 1st qtr 2006

Target: children 2-8

Promotions: POP, display, sampling, healthy recipes and coupons,

Message: Monkey see, monkey do for healthy eating

Sponsors: many

Produce for Better Health Series

- Similar events: *Shrek, Charlie Brown, Fantastic Four, Madagascar, etc*.
- All family health, fun, positive nutrition messages, personal impact
- Nutritional activities: books (decoding), growth charts, etc.
- Award winning

Merchandising and Promotion:

- Sponsoring an **activity based event** (walk-a-thons, skateboarding, etc.)

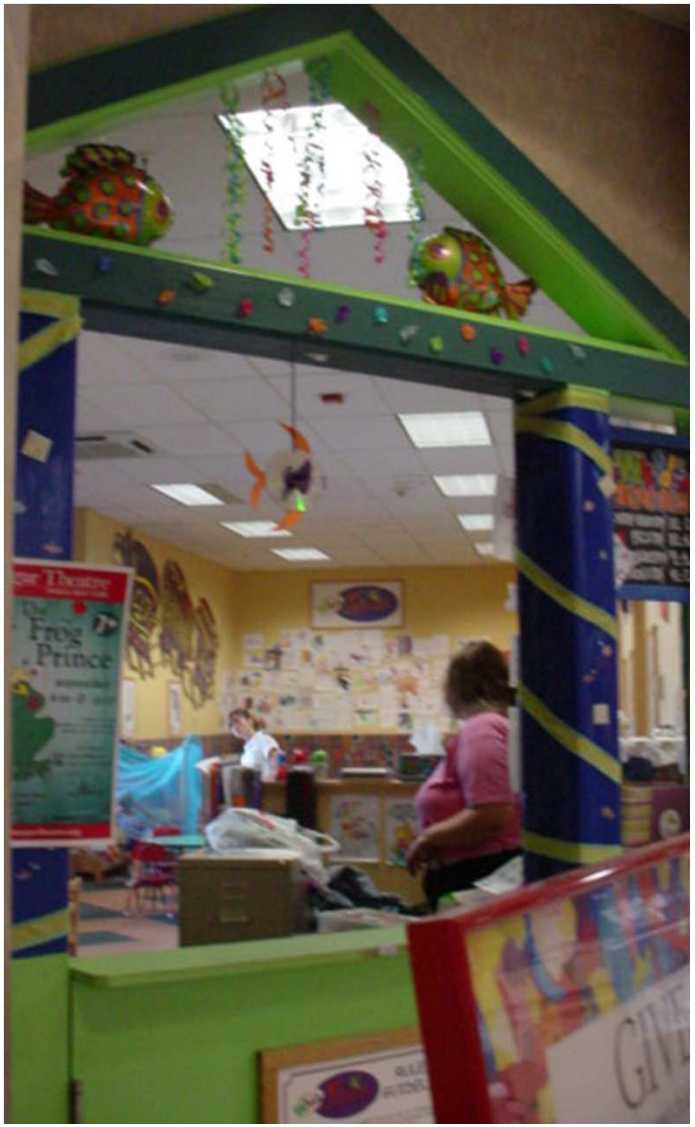
- **Limited or no displays** of high fat or high calorie foods at checkout

Education:

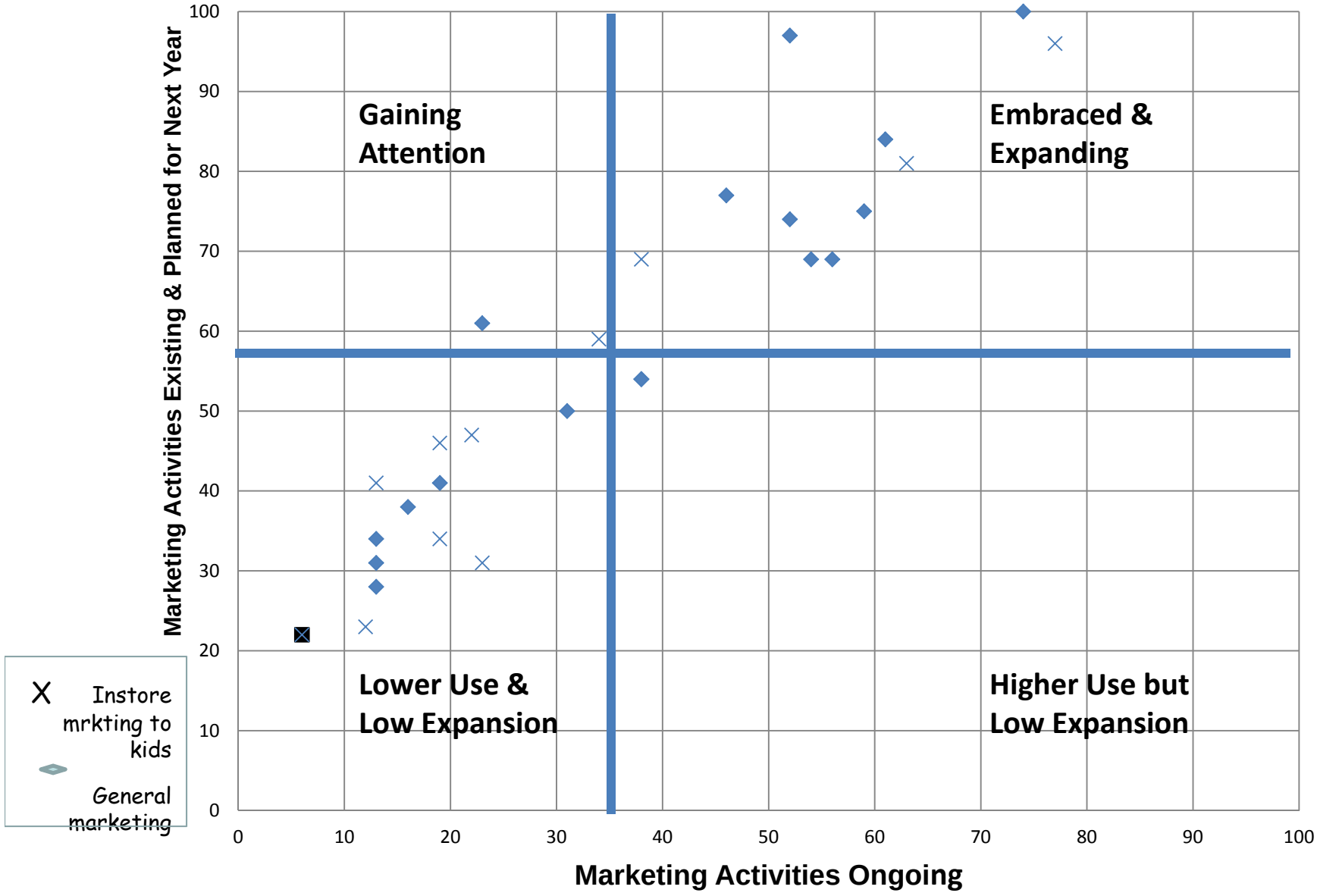
- Educational **nutrition tours** for groups
- **Menu planning or cooking classes** for children (eg. homemade lunches)
- **BMI checks** and health educ**.** for children

Education

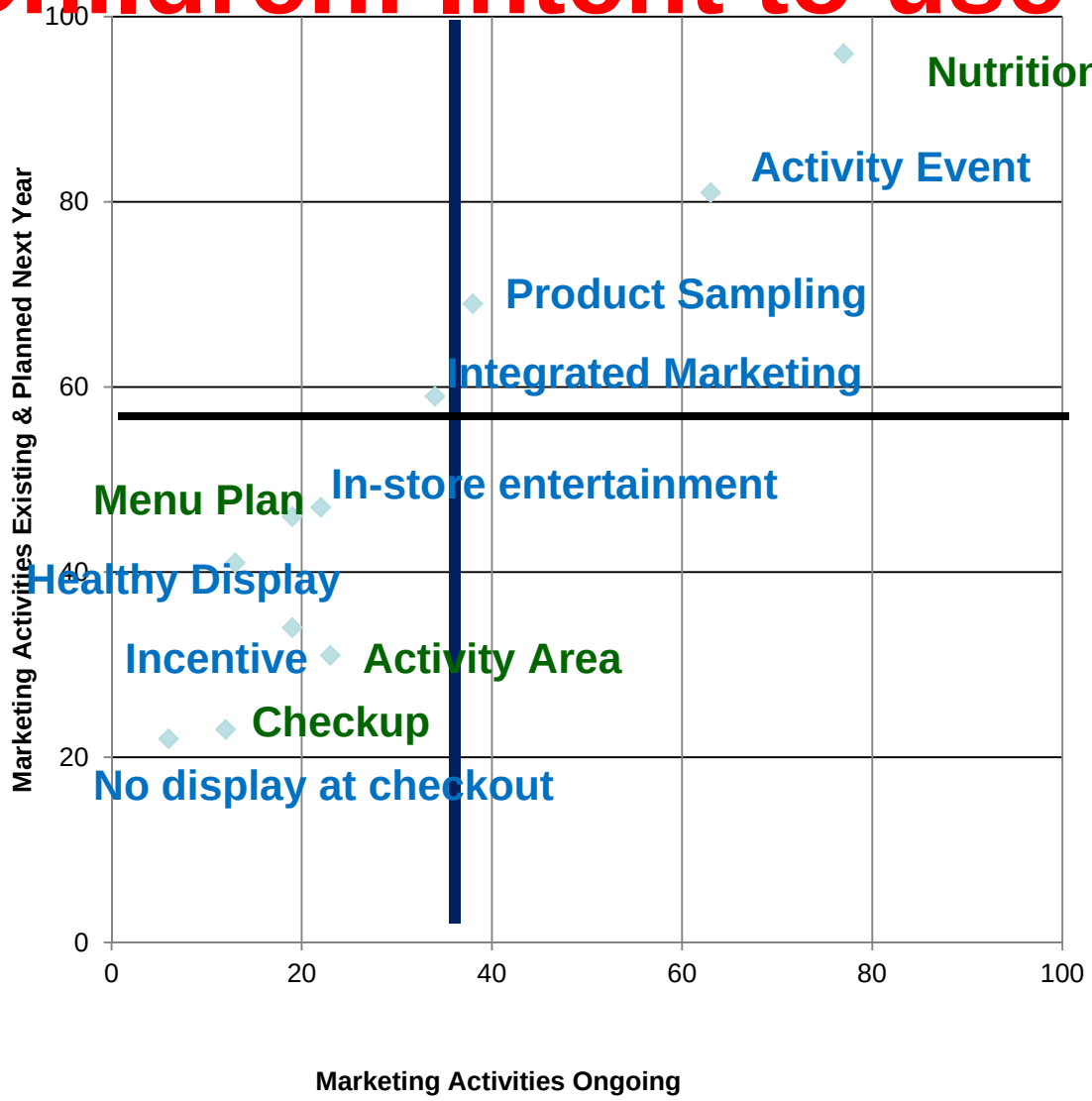
- In-store **child activity area**



Graph 1 – In-store Marketing to Children: Retailer Intent to Use Activities to Abate Childhood Obesity



In-store Marketing Activities to Children: Intent to use by purpose



GREEN = educational
BLUE = Merchandising & Promotion

Calories In – Calories Out

Far more emphasis on Nutrition Education and Calorie Intake

Vs.

Emphasizing physical activity

In-store Marketing Activities to Children: Intent to use by purpose

RED = "calories out", or physical activity

Implications

- Proactive use of in-store marketing dollars by manufacturers
- Opportunities to partner with retailer
- Neutralize negative publicity

- Retailer differentiation
- Best practices

Conclusion

Understanding and leveraging retailer interest in health and wellness will have a triple advantage:

For brands

For retailers

For children

Closing Thoughts

Lowest price: *A race to the bottom degrades either Quality, Environment, or Worker conditions*

Feeding 9 billion people: *Moral imperative to connect calories with health*

Vulnerable moments and events

Thank You

eat well

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