

# 8 Ways to Grow Healthy Sales

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**C**ontinued growth in sales of healthier, nutritious foods in c-stores and other retail locations underscores the need for new retail strategies that capitalize on current changes in consumer demand. To help our members develop those strategies, NACS has led an effort to create and communicate new opportunities for convenience retailers to expand their selection of better-for-you offers and, as a result, grow their businesses.

As part of this effort, NACS commissioned the 2015 Hudson Institute report, “Health and Wellness Trends and Strategies for the Convenience Store Sector,” to identify opportunities for the convenience store channel. The research was clear: “By focusing on products and messaging that meet the need for healthier products—on-the-go, breakfast and kid-targeted—convenience stores can drive significant new growth.” (NACS shared much of this research in our October 2015 cover story, “Blending Health and Convenience.”)

All of the information uncovered in the report was enlightening, but we needed to put the insights to the test, so we implemented in-market tests designed to assess the business value of specific better-for-you merchandising and marketing strategies. We connected several NACS retail members with Cornell Food and Brand Lab behavioral economists and the Project on Nutrition and Wellness to create a series of in-store pilots. Each of the test scenarios we tried focused on growing healthier food and beverage sales, but with operating simplicity and low- to no-cost of implementation.

Eight concrete tactics were uncovered and form the basis of our new toolkit, “Ideas That Work to Grow Better-for-You Sales,” and are shared below.



### Grab Them Immediately

Offer a “grab-and-go” area at the entrance of your store with a small selection of healthier snacks and better-for-you items. This immediately sets the tone for your offer throughout the entire store.

Items could include fruit, vegetables, water, yogurt, milk, eggs, 100% juices and whole-grain breads.

**IMPLEMENTATION:** Convenience is one of the key drivers of food behavior, so make the most of it. Merchandising quick, easy to eat, healthy snacks in areas with heavy traffic (front of store), or that are frequent destinations inside the store (drink coolers), will increase purchase of those items.

Product can be displayed in a fresh case, endcap or in baskets or bins, as long as it is clearly visible as customers enter the store. Be sure to display a variety of items (a display of just bananas is not enough!) so it is clear that customers have a choice of options.

Bundle together healthy items (e.g. bottled water, fruit and a yogurt or low-calorie sandwich), bag them and provide a quick grab-and-go lunch. A prominent display shows and reminds customers that these items are available inside the store, which helps prime customers to make healthier choices during future visits.



### Variety Sells Produce

Provide at least three varieties of pre-cut packaged fruits and vegetables in the cooler or in the upfront “fresh case.”

**IMPLEMENTATION:** When given choices, even limited choices, consumers are more likely to purchase an item than if they are given only one option. The same holds true for pre-cut packaged fruits and vegetables. Consumers seeking fresh-cut produce will be more likely to purchase these items when they see a

variety of choices, whether in serving size or in the specific produce options.

Merchandise the pre-cut options at or near eye level, both for parents and kids, and use signage to emphasize availability. Emphasizing the portability of these products is also helpful, as fresh-cut produce in cups are great snack items to place in a car beverage holder.

Display these items prominently to take advantage of increased convenience, both in terms of access and ease of eating. Provide at least three options that offer customers a choice, which gives them a sense of control over their decisions and demonstrates that you are committed to offering a selection.



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Offering customers a variety of fresh produce options (instead of just one option) will make it easier for them to make a quick, healthy decision.



### Use Creative Adjectives

Describe healthier meals and snacks with creative and/or descriptive names. For example, use some Italian spices on a low-fat chicken sandwich and call it your “Tuscan Special.”

You can also find ways to appear playful, especially with kids, such as calling baby carrots “X-Ray Vision Carrots.”

**IMPLEMENTATION:** Names have a significant impact on consumer expectations of taste and affect the likelihood of a purchase. In the restaurant industry, menu development and descriptions are a science. You can apply these same concepts at your stores that offer prepared items, whether entrees or other better-for-you snacks or beverages, such as smoothies.

Consider how you can use descriptive names with healthier items—you can work with your chef or dietician for guidance—but make sure that these

descriptions feel credible. Don’t forget to emphasize the benefits of better-for-you items, whether around how fresh items may taste better or how better-for-you items may make consumers feel better.



### Remember the Convenience Factor

At the register, offer individual containers of pre-cut fresh fruit or vegetables with utensils packaged with them or visibly next to them, as well as other healthy snack options. For smoothies or other juice drinks, include a straw.

**IMPLEMENTATION:** Visibility and convenience can help break established habits by making a new choice quick and easy. Have fresh-cut fruits and vegetables displayed and ready to go by the register to create an impulse purchase. It’s also a way to remind customers that these options are available, even if they don’t purchase them the first time.







## Customers tend to follow suggested traffic patterns, so wayfinding signs help lead them into parts of your store they might not visit otherwise.

If you only have room to display one or two fresh-cut fruits and vegetable items up front (but you have more options available in the coolers or elsewhere), you can add a small sign telling customers to check out all of the cut fruit (or other) options in the grab-and-go section.

Use visibility and convenience to nudge them into making better choices and build awareness for all the options your store provides. This can help you increase sales and help customers think of your store in a new way: as a place to buy tasty, healthy snacks.

Remember that above all, convenience stores sell convenience. If customers in the checkout line think they need to get out of line to grab a straw, spoon or fork, they may not make that purchase.



### Have Multiple Displays

Use in-aisle and endcap displays to promote healthier options, keeping similar categories together.

**IMPLEMENTATION:** Consumers won't buy it if they don't see it. And at convenience stores, time-starved customers will only hunt for something for so long, especially when the average time spent inside the store is less than four minutes.

To remind customers of your offer, develop multiple displays of some of the healthier options with the other items in the endcap (baked chips in with the regular chips, no-sugar-added dried fruit

with the candy). This tactic increases the visibility of these items and lets customers know they are available.

Also, convenience store customers may look for quick and easy pairings, such as health and protein bars with coffee, fresh-cut fruit and yogurt.



### Let Your Store "Talk"

Use signs and stickers on coolers and displays that provide "Did You Know?" functional benefit facts and/or positive messages about specific healthful foods.

**IMPLEMENTATION:** Convenience store shoppers seldom come into a store with a specific shopping list. They know they want something to eat or drink, and there are ways to communicate the benefits of different choices as they consider their selections.

Signs that promote the functional benefits (without specifically referencing healthfulness) of specific foods should be placed near those products. For example: "Drinking water keeps you hydrated" or "Hydration keeps you focused and alert" are great messages to have near water or other functional beverage displays.

For fresh items, consider communicating how fresh a product is or if it has other specific benefits for customers, such as produce high in Vitamin C during cold and flu season.



### ABOUT THE CORNELL UNIVERSITY FOOD AND BRAND LAB

The Food and Brand Lab was created by Professor Brian Wansink, a leader in applied economics and management at Cornell University in Ithaca, New York. Dr. Wansink, Deputy Director Adam Brumberg and an interdisciplinary team focus on better understanding consumers and how they relate to fresh and packaged foods. Food and Brand Lab research has driven the creation of the Smarter Lunchrooms Movement from the USDA, as well as the Grocery Retail Scorecard. Research from the lab has been reported in hundreds of magazines, newspapers, books and television news programs.

Use in-aisle and endcap displays to promote healthier options, keeping similar categories together. Also, use visibility and convenience to nudge consumers into making better choices and build awareness for all the options your store provides, helping them think of your store in a new way: as a place to buy tasty, healthy snacks.



### Direct Their Feet

Use floor decals to help customers locate healthier foods and beverages within each section of the store.

**IMPLEMENTATION:** Customers tend to follow suggested traffic patterns, so wayfinding signs help lead them into parts of your store they might not visit otherwise.

Place sticker arrows and call-out signs on the floor to guide customers to specific products. “This way to strong bones!” pointing toward low-fat dairy, and “Drink more water!” pointing toward the cooler. For snacks, try fun messages like “Go bananas” to guide customers to the fruit offer.





Have fresh-cut fruits and vegetables displayed and ready to go by the register to create and impulse purchase.

## NACS refresh

### REFRESHING THE INDUSTRY'S IMAGE

The NACS refresh initiative was established in 2014 to help convenience retailers address the critical topics important to their business and create positive perceptions of the industry overall. The initiative focuses on three elements:

- Creating tools with new ideas that help retailers enhance their operations and communication efforts to overcome NIMBY (not in my backyard) issues.
- Sharing facts and data to challenge an outdated reputation, educate the public and demonstrate how the industry is changing for the better.
- Forming partnerships with credible nutrition and community-focused groups to decrease misperceptions and underscore the industry's positive business practices to the public, media and policymakers.

Explore these community engagement tools, resources and growing list of partners to see how you can join them and help change our industry's story. **To learn more, go to [convenience.org/refresh](http://convenience.org/refresh).**



### Remind Them

Provide “Don't Forget” signs at checkout, fuel pumps or on the exit side of doors to remind customers about healthier foods.

**IMPLEMENTATION:** Put signs near the register that customers can easily read while they are walking toward the register or waiting in line. Also consider how these messages could

be part of an employee's attire, whether hats, shirts or buttons with specific messages. Stores can also implement cues from other channels that can translate to the convenience industry, such as uniforms that look more like those in restaurants to emphasize their prepared offers.

These messages can be purely informational, such as, “Find bananas next to the milk” or “We have fresh produce.” Supplier partners may also be able to provide advertising materials.

The intent is awareness, not necessarily a purchase. After all, unless the item is at the register, few people will leave a line to get other items. Instead, the idea is to communicate that certain products are available. That alone may change customers' perception of your store and increase the likelihood of a purchase on their next visit. These messages also can be implemented

at other locations outside the store, whether window or door clings at the fuel island or on the gas price sign.

Behavioral economists from the Cornell Food and Brand Lab and the Project on Nutrition and Wellness road-tested and verified these eight tactics at retail locations run by NACS members, the Marine Corps Exchange and E-Z Mart Inc. The overall experience made crystal clear—yet again—that the convenience store industry shares ideas more than any other retail channel. The Marine Corps Exchange and E-Z Mart allowed us to test key insights and share the results with other retailers that can implement the findings to improve their own operations. So for that, we share a very grateful, “Thank you.” **NACS**



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**Would you like to test some of these ideas at your stores? If so, contact Carolyn Schnare to discuss how you can work with NACS and Cornell.**