

Supermarket Discounts: Are they promoting healthy beverages?

A Summary of Findings by Sarah Pollock

Background

- Diet is a significant factor in the strong association between low socioeconomic status (SES) and poor health.
- As the majority of food purchases are made at the supermarket, the foods available in supermarkets largely determine the nutritional intake of New Zealanders.
- However, the healthy choice is not always the easiest choice due to food marketing and advertising, product placement, product availability and price.
- In 2004, the Food Industry Accord was signed by eight representative groups, covering the food (including supermarket companies), advertising, media and communications industries as acknowledgement that obesity is a major issue and the food industry has a crucial role to play if this is to be addressed.

Aim

This study aimed to investigate discounted non-alcoholic beverages in supermarkets identifying those that are healthy and less healthy.

The level of discount (% reduced), signs and stands, and amount of multi-pack (e.g 4x 330ml bottles) and stockpiling (e.g 'buy 2 for \$3') discounts was also investigated to assess the manipulation of discounts and their potential effects on the health of NZers.

Comparisons were made between SES and different supermarket companies.



Methods

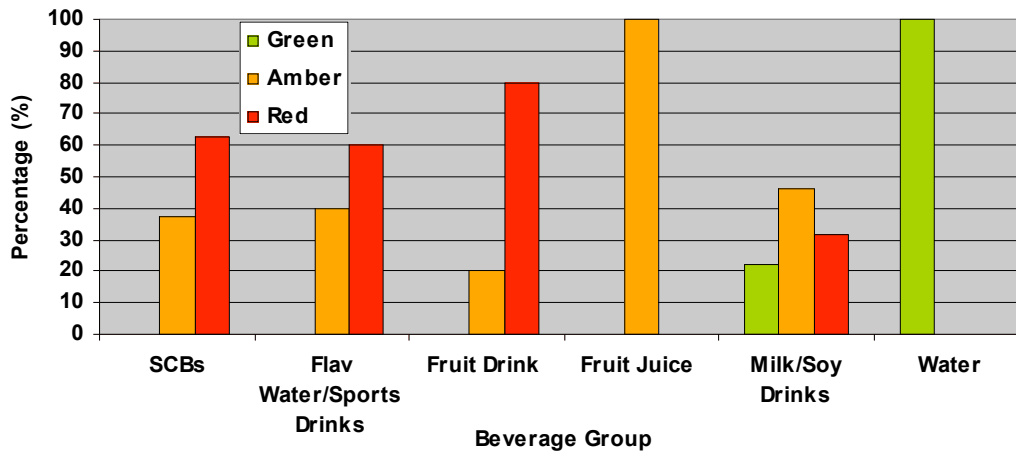
- A literature review and internet search were carried out as well as personal communication with two supermarket companies, Progressive Enterprises Ltd (PE) and Foodstuffs NZ Ltd (FS), to investigate how discounts influence purchasing behaviour and the current situation of the NZ grocery market.
- An attempt to gain a retrospective collection of discounts from each company was made although this was unsuccessful as the supermarket companies would not release the price discount data.
- Four supermarkets in the Wellington region were visited and the discounts collected over a four week period. These included two supermarkets aimed at customers of a high SES and two aimed at customers of a low SES, with a high and low SES store from each company (PAK'nSAVE, Countdown, New World, Woolworths).
- The discounts were classified into three categories using a traffic light system based on the Waitemata District Health Board Beverage Guidelines.

Green Beverages DRINK MOST	Amber Beverages DRINK IN MODERATION	Red Beverages DRINK LESS
<ul style="list-style-type: none"> - Water - Plain reduced-fat milk - Plain reduced fat soy or rice beverages 	<ul style="list-style-type: none"> - Fruit juices - Flavoured reduced-fat milk - Flavoured reduced-fat soy or rice beverages - Drinking yoghurts - Artificially sweetened carbonated beverages - Sports beverages/sports waters/ flavoured waters (<50kJ/100mls) - Fruit drinks/cordials (<90kJ/100mls) 	<ul style="list-style-type: none"> - Sweetened carbonated beverages - Full-fat plain or flavoured milk - Full-fat soy or rice beverages - Fruit drinks/cordials (>90kJ/100mls) - Sports beverages/sports waters/ flavoured waters (>50kJ/100mls)

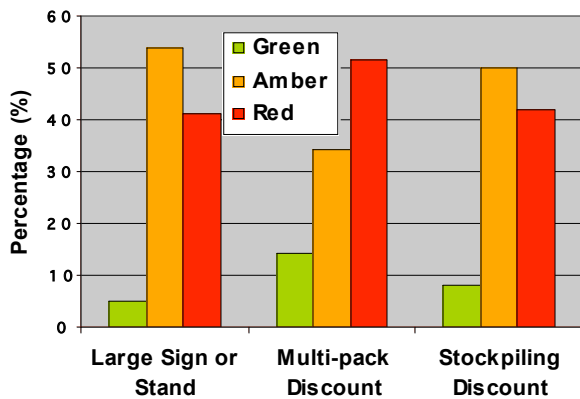


Results

A total of 1487 discounts were collected over the four week period with the majority (57.6%) of these from the high SES supermarkets studied.

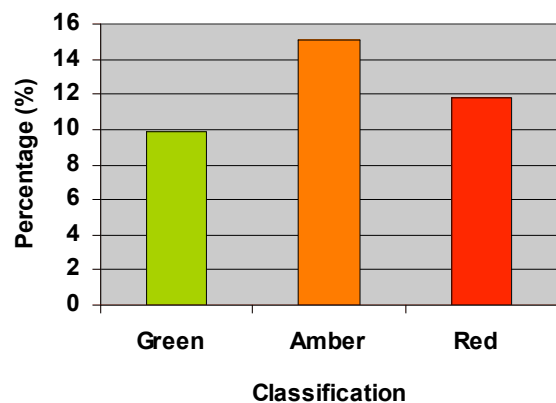


More discounts were classified as amber and red across all beverage groups (sweetened carbonated beverages, flavoured water/sports drinks, fruit drinks, fruit juice, milk/soy drinks) except water. The percentage of beverages in each classification was similar for high and low SES supermarkets and between companies. There were differences in the flavoured water/sports drinks group with 75% of FS beverages and 55.8% of PE classified as red. The milk/soy group had 14% and 26.4% of beverages from the low and high SES supermarkets classified as green, respectively.



There were less green beverages for the discounts with a sign or stand, multi-pack and stockpiling discounts. The low SES and FS supermarkets had more discounts with a sign or stand than high SES and PE. The high SES and PE supermarkets had more multi-pack discounts compared to low SES and FS. The high SES and FS supermarkets had more discounts that promoted stockpiling than low SES and PE.

The overall average level of discount was 9.9%, 15.1% and 11.8% for green, amber and red beverages respectively. The high SES supermarkets had a higher level of discount than the low SES supermarkets with FS level of discounts higher than PE.



Conclusions and Recommendations

These results suggest that the less healthy beverages are discounted more frequently and to a larger extent than healthier beverages. Differences between SES and supermarket company are apparent.

RESEARCH RECOMMENDATIONS

- Modification of the methodology could allow for a more extensive analysis. The analysis techniques and classification system could be further developed.
- Consideration of the customer base of each supermarket and exposure to discounts to enable SES to be analysed in more detail.
- Expansion of this pilot study to a nationwide representative study of food and beverage discounts over a longer period of time to give a comprehensive view on how discounts could influence total energy consumption.
- More research on stockpiling and the consumption of foods and beverages is needed.
- Encouraging the discounting of green and amber classified beverages, but not red.
- Monitoring the level of information sharing and cooperation by the food industry. If not achieved then more stringent actions will be required to ensure information can be accessed for research purposes.
- If food and beverage discounts continue to be dominated by less healthy categories, despite the voluntary agreement in the Food Industry Accord to decrease this, then food regulation must be seriously considered to aid in the reduction of overweight and obesity in NZ.

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POLICY RECOMMENDATIONS