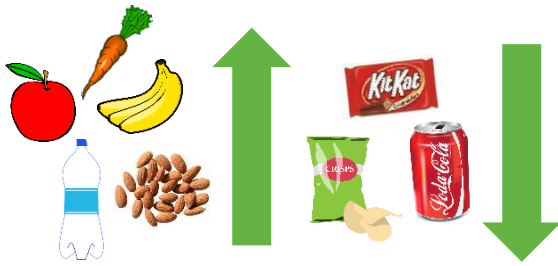


Healthy Checkout: Good for Business, Good for Customers



CONSUMER PREFERENCES ARE CHANGING

- Consumers are purchasing healthier, fresher food (Gasparro, 2017).
- 33% of shoppers are looking for low-sugar products, and 32% are looking for low sodium (FMI, 2017).
- **75% of people say that it is hard for parents to shop with children at grocery stores because there is so much junk food** (Caravan ORC International, 2016).

BENEFITS TO BUSINESS

- Retailers lose money when fresh produce is not purchased and goes to waste. **Displaying fresh produce at checkout can help reduce loss** (Cernansky, 2017; Fulton, 2010).
- Researchers found that when the shelves near the checkout counter in a hospital cafeteria were stocked with 75% healthy choices, as opposed to 25%, sales of healthy foods were boosted (Van Kleef, 2012).
- Healthy checkout **distinguishes businesses as responsible retailers** and **strengthens customer loyalty** without reducing profits (Winkler, 2016).

49%

increase in sales of healthy items during the first three months that LiVe Well Lanes were open at a grocery store in Utah (Cowley, 2017)

"I used to probably sell a case of bananas every three days, now it's pretty much two a day—two cases a day."

Romny Tejeda, Owner, Romny Mini Mart
on moving produce to the front of the store (Fulton, 2010)

"...some of the (healthy) items that sold up here weren't selling back in the aisles of the store. But we brought 'em up front and all of a sudden, our sales doubled, sometimes even tripled..."

Jim Oppe, Owner, Foodland
(CDC, 2014)

A COMPETITIVE EDGE FOR RETAILERS

- Millennials are looking for snacks that are less processed and have few ingredients (Fromm, 2010).
- Soda sales are declining. Retail sales of bottled water are projected to increase from \$13.1 billion in 2013 to \$17 billion in 2018 (Hennessey, 2014).
- Magazine sales account for about one-third of total checkout profits (MPA, 2009). **60% of customers buy magazines at checkout at least once a month.** Plus, 39% buy batteries or flashlights at least monthly (FMI, 2012).
- 78% of people say checkouts are [currently] stocked with a lot of foods and beverages they do not want to buy; **80% would prefer stores offer more healthy items at checkout** (Caravan ORC International, 2016).

The convenience chain 7-Eleven sells
SEVEN TIMES
more **bananas** each year than Snickers, its
top-selling candy bar (Horovitz, 2014)

Retailer Success Stories

ASSOCIATED FOOD STORES, UT:

- Associated Food Stores have LiVe Well Lanes in 43 stores. **These lanes have been visited more than 8 million times in their first three months, with more than 60,000 healthy items sold** (Cowley, 2017).

HARMONS GROCERY, UT:

- Adding healthy checkout lanes improved their image in the community and allowed them to align their company's values and culture with that of health and wellness (email communication, August 2017).
- Certain items saw an increase in sales after being moved to the healthy checkout aisle: yogurt (47%), hardboiled eggs (56%), and dried fruit (144%) (email communication, August 2017).

CANDY-FREE CHECKOUT IN THE U.K.

- Lidl eliminated candy from all checkout lanes across their 600 U.K. locations after finding that the **healthy pilot lanes received 20% more traffic than the candy-filled aisles.** Not long after, Tesco and Aldi also removed candy from their checkout aisles (Almy, 2015).

RALEY'S, CA:

- As of 2016, all 120 locations sell better-for-you products at checkout, including granola bars and free fruit for kids (Minor, 2016).

"We're learning quickly that **our customers want more [healthy checkouts]**. We recognize the challenges for moms and dad who are going through those check stands and their children are quickly distracted by treats."

Chelsea Minor, Director of PR & Public Affairs, Raley's (Pawlowski, 2015)

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