

APPROACHES FOR PROMOTING HEALTHY FOOD PURCHASES BY SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM PARTICIPANTS (SUMMARY)

Background

The diet quality of most Americans, including households participating in the Supplemental Nutrition Assistance Program (SNAP), falls far short of the Dietary Guidelines for Americans (DGAs). Many products in grocery stores and other food retail environments have front-of-package (FOP) and shelf labels that communicate health claims and nutrition information to consumers. This study explores how such systems could contribute meaningfully to improving the food-purchasing decisions of SNAP participants.

There were three main objectives of this study: (1) to develop a plan for how FOP and shelf-labeling systems could be applied to identify healthy choices across all food categories (packaged, bulk, frozen, and fresh) and could be used as a basis for incentivizing healthy choices for SNAP participants; (2) to develop theory-based approaches that leverage FOP and shelf-labeling systems to promote healthier food purchases by SNAP participants in a manner that is consistent with the DGAs; and (3) to identify two approaches that warranted further exploration through a future pilot study.

Methods

This conceptual study used a consultative process, including a review of existing literature and discussions with leading experts, to support the development of a plan for leveraging existing nutrition labeling systems for incentivizing healthy choices and the identification of promising incentive approaches for promoting them.

The literature review included both peer-reviewed and more informally published literature from 2000 to the present. The 10-member expert panel included specialists in

behavioral economics, food and nutrition, health communication, psychology of incentives, SNAP advocacy, and retail and manufacturer operations. These panelists participated in an in-person meeting as well as a Delphi process that used a series of surveys and conference calls to gather information and reach consensus through an iterative process.

Main Points

Several key considerations should be taken into account in developing approaches to incentivize healthy choices for SNAP participants:

- Consumers face difficulty understanding nutrition labeling systems; those that do not require interpretation or complex processing have the most potential for supporting incentive approaches.
- Pricing or financial incentives alone may shift purchases toward targeted foods, but substitution effects can reduce gains in nutritional quality.
- Incentive approaches must carefully consider retailers' and manufacturers' competitive strategies and business practices to ensure feasibility and stakeholder buy-in.
- Long-standing promotional and placement marketing approaches hold great potential for use in leveraging nutrition labeling.

Nutrition guidance systems are better suited to support incentive approaches than nutrition information systems. Guidance systems with numeric scores or ordinal rankings can inform benchmarks to target the “healthiest” food items across food categories. For example, 75 points on a 100-point scale—or four stars on a five-star scale—could serve as minimum ratings for product eligibility. Such a rating approach supports flexible application of incentive strategies across labeling systems and

reflects the desire to focus consumer attention on the healthiest items in the retail environment.

Several criteria were used to identify six approaches for promoting healthier choices and then determine which two approaches were most promising. The decisionmaking process focused on feasibility of implementation; likely requirements for stakeholder buy-in; likely direct and indirect costs; ability to sustain the incentive approach; potential SNAP and low-income consumer impact; and the potential to influence the total diet of consumers. Specifications for all six approaches (see Table 1) were developed and are described in the report. A brief overview of the two promising approaches (bolded) is provided below.

Table 1. Proposed Approaches for Incentivizing Healthy Choices

Proposed Approach	Type of Incentive
Electronic Benefit Transfer (EBT) rebate	Financial
2-for-1 price promotion	Financial
USDA MyCart	Nonfinancial
USDA Live Better reward card	Financial
Discount coupon	Financial
Targeted merchandizing and concurrent promotions	Nonfinancial

One promising approach would allow manufacturers to offer discount coupons to SNAP participants through a USDA-managed channel. These coupons would offer a financial incentive on targeted healthier items (as identified by the FOP and shelf-labeling

system) by reducing their cost relative to non-targeted items. The discount coupons would encourage consumers to purchase a healthier product within a food category. Providing a means for distributing coupons to lower income households participating in SNAP is a potential “win-win-win” intervention that could benefit participating households, public health goals, and manufacturers.

Another promising approach uses targeted merchandizing, including product placement and concurrent promotion strategies, to raise the profile of healthier products. Retailers could merchandize healthier items identified by FOP and shelf-labeling systems by using signage, lighting, and placement and other strategies already available to retailers to make these items more appealing to consumers. The merchandizing strategies would nudge consumers, including SNAP participants, to select healthier options by increasing the level of attention they receive beyond current sales. Materials developed to support the merchandizing and promotions would leverage the FOP and shelf-labeling system visually through a common color, image, logo, or slogan to communicate a coherent and consistent message to the SNAP shopper, as well as to other consumers.

For More Information

Gordon, Erika, Nicola Dawkins-Lyn, Reid Hogan-Yarbro, Allison Karpyn, Karen Shore, Stephanie Weiss, and Sean Cash. *Approaches for Promoting Healthy Food Purchases by SNAP Participants*. Prepared by ICF International for the U.S. Department of Agriculture, Food and Nutrition Service, July 2014. Available online at www.fns.usda.gov/research-and-analysis