Creating Healthy Corner Stores in the District of Columbia

Healthy Corner Store Program – Phase One Research Results and Recommendations

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D.C. Hunger Solutions
www.dchunger.org

Food Research and Action Center
www.frac.org

The Food Trust
www.TheFoodTrust.org
In addition to sourcing challenges, stores interested in selling fresh produce and other healthy foods are held back by two key obstacles: the perception that their customers will not buy healthy food, and, consequently, the concern that fresh and healthy foods are not profitable. The financial risk of selling products that customers might not buy and that cannot be returned to the distributor is too great for these small business owners. Store owners need to know that there is demand for healthy foods. Approaches to fueling demand include marketing, advertising, and nutrition education.

D.C. Hunger Solutions’ surveys and interviews revealed that most store owners give little consideration to marketing and merchandizing—from the overall store design and layout to the placement of individual products on shelves. The healthier foods that are available in stores surveyed often are hidden behind more-prominently displayed and aggressively advertised “junk” foods and beverages, placed as if an afterthought. A dedicated produce or health food section is non-existent in corner stores.

Corner store owners’ time is very limited: most store owners not only manage overall store operations, but also run the cash register, receive deliveries, and handle the purchasing and stocking of much of the inventory. They have little time left for considerations like merchandizing and the placement of advertising. Instead, snack food and beverage (as well as alcohol and tobacco) companies make many of these decisions. In many cases, distributors also provide abundant advertising, shelving units, and promotional displays.

Additionally, due in part to limited time and in part to variable prices, corner store operators typically do not display prices on the few fresh fruits and vegetables and healthy snacks and beverages available. In contrast, many packaged snacks are pre-priced. Thus, customers do not have the opportunity to compare prices and pick low-cost, healthy foods.

Merchandizing and advertising of healthy foods often are made even more difficult by cultural and language barriers between some corner store owners and customers. These barriers, which sometimes fuel mutual misunderstanding, are heightened by the physical barriers—particularly Plexiglas—and other security measures in place. In stores where all or most foods are kept behind Plexiglas, a customer cannot see all the products available and gauge the quality of fresh produce or read nutrition labels.

Customers often are unaware that healthy foods are available in the store—and sometimes are unsure how to identify the healthier choices and unsure of prices. Given the physical environment, customers are unlikely to view corner stores as sources of healthy food, and cultural barriers can dissuade customers from requesting healthier foods.

However, these barriers can be overcome: advertising and marketing that counters “unhealthy” messages and promotes healthier choices, plus low-cost merchandizing changes to make healthy foods much more visible, together can boost sales of healthy foods and beverages. Many corner stores have unused floor and shelf space that could be devoted to displaying and advertising healthy foods. And with the recently-enacted ban on sales of single containers of alcohol in
Wards 7 and 8, store owners have an opportunity to use high-traffic refrigerator space for storing and advertising healthy beverages.

Many corner store owners in Wards 7 and 8 already make great efforts to build relationships with their neighbors, for example, by donating food to community events, or by learning their customers’ names. Other strategies for building good customer relations include hiring neighborhood residents to work in the store or on store improvements, and hanging a bulletin board for community announcements. In summer 2008, D.C. Hunger Solutions connected the Martin Luther King Grocery in Anacostia with the MuralsDC program to create a vibrant mural on the side of the store—benefitting both the store and the community. Community-building efforts like these are important ways in which store owners can further promote their healthy foods and beverages and create an environment that conveys health and nutrition.

School- and community-based nutrition education is another important means for reinforcing store-based advertising and marketing. As was mentioned in the introduction, teachers and parents know well that the corner store is a before- and after-school stop for many children. Strengthening and improving the quality of school meals and afterschool snacks and suppers for children should be primary strategies for boosting low-income children’s nutrition. Still, giving children the tools to choose healthy foods outside of school and community programs will go a long way toward improving their health and nutrition.

To that end, D.C. Hunger Solutions developed and piloted in summer 2008 a series of four lessons to teach middle-school age children about healthy snacking. Lessons included information about healthy snacks already available in most corner stores, the impact of unequal access to healthy food in the District, and effective advocacy strategies to support efforts to bring nutritious, affordable food to all areas of the city.

As part of the Fresh Fruit and Vegetable Program that was authorized by Congress in the 2008 Farm Bill, $619,000 was allocated to the District to serve fresh fruits and vegetables in elementary schools in school year 2008-09. This federal funding will grow each year. Schools
that in 2008-09 become Fresh Fruit and Vegetable Program sites will be perfect candidates for nutrition education that links in-school lessons and food choices to choices available outside of the school cafeteria—and the program presents an opportunity to share information with corner store owners about developments in the community. Additionally, nutrition education efforts can incorporate the D.C. Public Schools Healthy Vending Policy and School Wellness Policy so that children receive consistent nutrition information and have similar choices in various environments.

There also are promising policy opportunities to drive demand for healthy foods in neighborhood corner stores.

WIC participants in 2009 will begin getting lower-fat milk and more fruits and vegetables in their food packages. Corner stores in the District currently are not authorized to accept WIC checks as payment, but authorizing them to accept WIC would immediately create demand for these healthy foods. Equally important, this change would dramatically improve access for WIC participants to outlets where they can redeem their benefits. Corner stores do currently accept food stamp payments—an important policy to maintain.

Other policies in place in the District could assist stores with boosting demand for healthy foods. As several examples: a delicatessen license enables a corner store to prepare and sell cut fruit and vegetables, which could compete with less healthy foods as “on-the-go” snacks; such products have been marketed successfully in corner stores in other cities. Existing business regulations allow use of sidewalk space for displaying merchandise—corner stores in high-foot traffic areas could display healthy foods outdoors to draw in customers (a store may need to consider employing an additional person to monitor the outdoor display).

The District should consider exploring a “snack tax” on unhealthy snack foods as a vehicle to foster demand for healthier items in corner stores. Tax increases on tobacco products deterred consumption and helped improve public health outcomes related to the cessation of smoking. Based on these lessons, some states have enacted modest tax increases on unhealthy foods and beverages in hopes of curbing the obesity epidemic. “Emerging evidence shows that food and beverage prices significantly affect consumption choices, particularly among youth at greater risk for obesity.” The District previously had a “snack tax,” but it was repealed in 2001. While D.C. Hunger Solutions’ study of corner stores did not analyze food tax policies and their effects on consumption, the District should revisit whether such a tax shows promise as an effective tool for combating obesity.

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11 The Healthy Vending Policy, adopted in school year 2005-2006, replaced “junk” foods and drinks sold in vending machines during the school day with more nutritious alternatives. The School Wellness Policy was adopted in 2006 and includes: increased use of the federal nutrition programs; standards for food served in school meals and vending machines; nutrition education guidelines; and minimum physical education standards.

Recommendations: Building Demand

To boost demand for the healthier options already available in corner stores and to set the stage for selling new healthy foods:

✔ Community organizations and individuals can:

- Boost customers’ buying power by maximizing participation in the food stamp and WIC programs.
- Adopt a corner store: Patronize “healthy” stores and thank owners for their efforts to supply healthier foods and beverages. Make sure corner store owners know that nutrition education is happening in their communities.
- Educate store owners about the opportunity to build business through good customer relations and a healthy image.
- Support stores by supplying advertising and other promotional materials for healthy foods and beverages and by working with stores to get food and beverage vendors and manufacturers to supply plentiful advertising for their healthier choices.
- Support stores by suggesting locations and merchandizing strategies that provide a clear view of healthy foods and beverages.
- Ensure that advertising in stores reflects the information provided in nutrition education programs and schools helps customers identify healthy foods and points out key nutrition information (e.g., recommending low-fat foods).
- Ensure that nutrition education efforts for grocers and shoppers, including children, mirror and complement each other. Education for children— in schools, community organizations, health clinics, churches, and other settings should focus on snacks available in the school cafeteria, in afterschool programs, and in corner stores; and it should provide tips on how to request healthy products at corner stores. Vice versa, information for corner store owners should include updates on what children in the community are learning about nutrition.
- Work with product manufacturers to give healthy product samples and nutrition information to customers.

✔ The District and its agencies can:

- Encourage eligible stores to become certified WIC vendors, as well as to accept food stamps.
- Launch a city-wide social marketing campaign, focused on health and nutrition, that coordinates the nutrition messages that District residents receive in different venues (such as in WIC and food stamp offices, health clinics, and schools) and promotes “healthy” corner stores.
• Help stores maximize use of available marketing-related policies and permits, such as outdoor displays and delicatessen licenses.

• Analyze why the District’s “snack tax” was repealed in 2001 and determine whether a modest tax on unhealthy foods and beverages could significantly affect consumption without disproportionately burdening low-income consumers.

✔ Corner store operators can:

• Begin to think of their stores as places where people come to buy healthy food, and use good customer relations and a “healthy” image to draw in customers.

• Accept food stamps and WIC checks as payment options, and provide information on accessing the programs.

• Promote healthy products aggressively, using creative marketing and merchandizing strategies. Store owners also can focus on snack foods and drinks popular with children, and stock the healthy snacks that children are used to buying in vending machines and eating at school and afterschool programs.

• Monitor fresh produce quality carefully to build a reputation for high-quality fresh fruits and vegetables. If produce is ripening quickly, stores should discount the products to sell them quickly, and any pieces that spoil should be removed immediately.

• Foster good customer relations by employing community members (stores can take advantage of incentives such as federal worker tax credits) and other community-building efforts.

Simple, No-Cost Ways to Promote Healthy Foods in Corner Stores

• Place healthy foods in visible locations with attractive displays. Possibilities include: moving healthy foods to the front of the store and less healthy foods to the back; placing unrefrigerated produce, like bananas, at the front counter; and creating a “healthy zone” where healthier choices are grouped in one easy-to-identify display.

• Hang signs touting nutrition information on healthy foods and announcing new products.

• Use special promotions like recipe give-aways, taste-tests, and sales.

• Mark prices clearly on fresh produce and other healthy choices, and keep prices as consistent as possible.

#3 Building Capacity: Help corner stores undertake the internal and external improvements and business development necessary to store, merchandise, and sell fresh and healthy foods.

Most corner stores that D.C. Hunger Solutions surveyed are in need of internal and external upgrades in order to store, merchandise and sell fresh produce and to create the atmosphere of a healthier store. While most stores are well-stocked and clean, the infrastructure of corner stores in Wards 7 and 8 is generally old, sometimes with chipping floor tiles and stained and cracked ceilings, and stores lack the appearance and “feel” of establishments that promote health and nutrition. (In contrast, corner stores in more affluent areas of the city tend to feature bright lighting, fresh paint, new equipment, and other visual elements of “healthy” stores.)