

Policy Fix Webinar: Strategies to Increase Access to Affordable Nutritious Food - A Retailer Perspective

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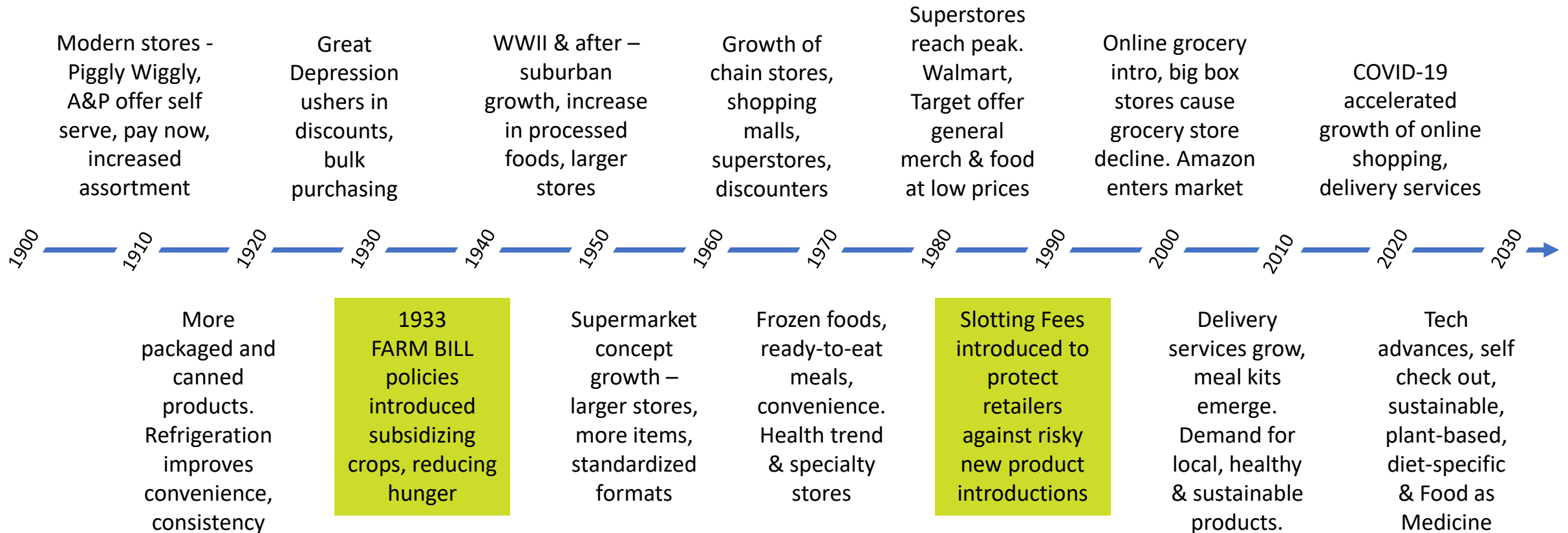


GUIDING STARS[®]
NUTRITIOUS CHOICES MADE SIMPLE

Why
doesn't
this work
with
broccoli?



US Food Retail Timeline



The U.S. Farm Bill –

Several policies, packaged together related to agriculture, production, education and food access. Est. 1933, renewed about every 5 years.

Original intent –

- Address economic & environmental crises of Great Depression & Dust Bowl
- Keep food prices fair for farmers and consumers
- Protect and sustain the country's natural resources
- Ensure an adequate food supply
- Food assistance to children in poverty (today, includes SNAP, GusNIP, FDPIR, etc.)

Unintended impact –

- Subsidizes fats, oils, sugars used to make animal feed & ultra-processed foods
- Flooding market with products made from subsidized crops (corn, soy), driving down prices of prepackaged snacks, fast food, and soft drinks
- Cuts to program funding that make it harder for people to afford healthy diet.
- Supports environmentally destructive agricultural practices that impact air, water, and other resources



Shelf Space For Sale

- 1980's, retailers started charging "allowance" or "slotting" fees
- Manufacturers extended lines, so retailers mitigated risks against new products that didn't sell (95% don't make it)
- Shelf space increasingly scarce, CPGs drove consumption with technology, "bliss point"
- Big brands with products made from subsidized crops can afford fees, crowding out smaller brands with healthier profiles
- Quarterly reporting cycles create pressure to stick with reliable sales-drivers



Other fees have emerged to cover costs for advertising in weekly circular, co-marketing around a seasonal theme, promotional activity and display.



Consumer Conundrum

HEALTHY

I don't have time for this!



Too expensive!



Why
can't I
have all 3?

AFFORDABLE



CONVENIENT

*Pay the grocer or
Pay the doctor.*



Retailer Conundrum

HEALTHY

No marketing budget. Shrink.



*Perishable.
Labor-intensive.*



The
numbers
have to work!

AFFORDABLE



CONVENIENT

Labor intensive, indulgence SELLS!



Identifying Nutritious Foods

AGREEMENT

AGREEMENT

Where do products cross the line from indulgence to nourishment?



Multiple Standards Breed Confusion

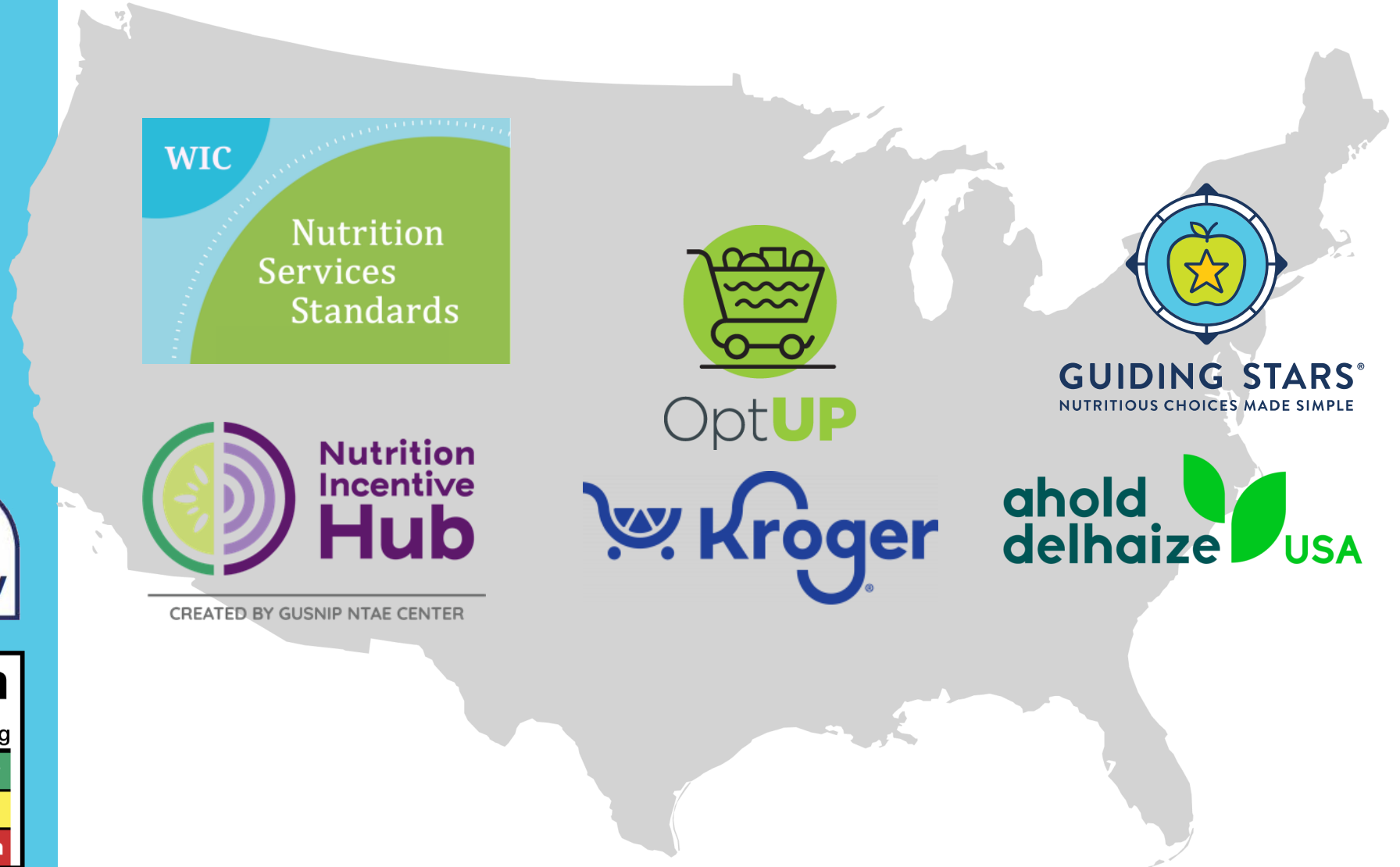
STILL TO BE DETERMINED:



High In
Added Sugars
FDA.gov

Nutrition Info	
Per serving	
Saturated Fat	Low
Sodium	Med
Added Sugars	High

FDA.gov



Without a common uniform standard, sectors are aiming in different directions, limiting efficacy.



Consumers
are confused
by conflicting
nutrition
information¹



Manufacturers
struggle with
different standards
for each retailer
program for product
reformulation²



Retailers
offer different
guidance programs,
confusing
shoppers and
confounding
ESG reporting³



Payers
for Nutrition
Incentive
Programs &
Food as Medicine
efforts are
encumbered
by multiple
measures⁴

¹ Vijaykumar et al, 2021, ² Based on conversations with major manufacturers, ³ADUSA Dow Jones Sustainability Index results, ⁴Franckle et al, 2022.



Thank you!

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