



US RETAIL POLICY BRIEF 2025

**SIMPLIFYING HEALTHY CHOICES: THE
CASE FOR UNIFIED DEFINITIONS AND
FOOD LABELING IN US RETAIL**



KEY MESSAGES

- 1 The US has the largest number of people living with overweight and obesity in the world, underscoring an urgent need to improve food environments to reverse this trend.
- 2 The US food retail environment is heavily fragmented. ATNi's (Access to Nutrition initiative's) US Retail Assessment of three of the largest grocery retailers found that each uses a different proprietary system to define and label 'healthy' products, with inconsistent criteria and no alignment to a government-endorsed nutrient profiling model.
- 3 While the US government has made progress in establishing a definition of 'healthy,' its use remains voluntary and only applies to selected products. Mandatory front-of-package labeling on all packed foods—consistent across retailers—is critical to help consumers to compare the relative healthiness of products and ultimately make healthier choices.

HEALTH CONSEQUENCES OF THE US RETAIL ENVIRONMENT

The US has the largest number of people living with overweight and obesity in the world. Approximately 40% of the population over the age of 18, are living with obesity. Modeling studies suggest this could increase to two out of three adults by 2050, unless urgent action is taken.¹ These high rates contribute to the high burden of non-communicable diseases, including nearly 40% of the population with pre-diabetes and 37% with some form of cardiovascular disease. Overall, poor diets are estimated to contribute to 1 million premature deaths in the US each year.²

Overweight and obesity are driven in part by a retail environment with a high prevalence of unhealthy, convenient, ready-to-eat and hyperpalatable products with limited nutritional value.³ These trends are reinforced by the widespread availability of highly-processed foods that are often cheaper and more accessible than fresh produce or whole foods.

The majority of US consumers do not eat in accordance with the Dietary Guidelines for Americans, which for the last 40 years have consistently recommended eating more fruit, vegetables, and

whole grains, and less refined grains, added sugars, salt, and meats high in fat. Energy dense, nutrient poor foods are often cheaper and more accessible than healthier products such as fresh fruit and vegetables. While these foods offer convenience, it is essential that consumers can make informed choices about the healthiness of the products they buy.

ABOUT ATNi'S RETAIL ASSESSMENT 2025

The US Retail Assessment was carried out by ATNi, a global foundation headquartered in the Netherlands that actively challenges the food industry, investors, and policymakers to shape healthier food systems. For more information about ATNi, visit our [website](#). Find more details about the research findings that this policy brief is based on [here](#).

ATNi'S US RETAIL ASSESSMENT RESEARCH FINDINGS

ATNi's US Retail Assessment 2025 shows how this plays out in practice. Based on an analysis of 7,687 private-label products assessed by three major US grocery retailers—Kroger, Walmart and Ahold Delhaize USA (Food Lion)—fewer than half met an internationally recognized 'healthy' threshold, while roughly nine in ten were classified as highly processed. In the absence of a standardized definition of 'healthy,' retailers can continue to market and position products as healthier according to their own criteria, even when the overall nutritional quality of their portfolios remains unclear.

ATNi's analysis of 1,777 products featured in flyers and online promotions at the three largest retailers found that promotional space is also skewed toward less healthy options. For example, in Walmart's flyers, only 5% of promoted items were considered 'healthy,' while about 80% were 'unhealthy' products. This means that, even before price is considered, US shoppers are nudged more often toward unhealthy rather than healthy choices.

Price further reinforces these patterns. ATNi's independent pricing analysis of Walmart and Kroger's products found that healthier retail food baskets are more expensive than less healthy baskets. Even when healthier products are available, they are harder to afford on limited budgets, making it more difficult for people to follow dietary guidelines in practice.

FRONT-OF-PACKAGE LABELING AND UNIFIED DEFINITIONS OF 'HEALTHY'

While almost all food purchases in the US occur through the formal retail sector, the retail environment is highly fragmented, with a wide range of national and regional players. While the largest retailer, Walmart, accounts for 25% of all modern grocery retail, the next nine largest retailers represent only 37% of the overall market. Consumers also regularly shop across multiple retailers, with more than half (54%) shopping at three or more stores each week.

This fragmentation results in a patchwork of labeling systems that makes it difficult for consumers to identify genuinely healthy products. Each retailer applies its own proprietary nutrient profiling model (NPM) and front-of-package labeling scheme, using different criteria and visual cues. The lack of consistency creates confusion, limits comparability across brands and stores, and undermines trust in health-related claims.

While the US government has recently introduced a unified, evidence-based definition of 'healthy,' its adoption remains voluntary and applies only to selected products. Establishing a mandatory, standardized front-of-package labeling system—aligned with the government's definition—would ensure that all retailers communicate nutrition information clearly and consistently, empowering consumers to make healthier, better-informed choices.

One of ATNi's key priorities is to create alignment around the definition of 'healthiness' using a government-endorsed NPM. This alignment is a key step toward creating other policies that support healthier food environments.



HOW ARE US RETAILERS SIGNALING PRODUCT HEALTHINESS?

The US Retail Assessment found that all three assessed companies use a different NPM to define products as ‘healthier’ or to indicate their relative healthiness for various purposes. These proprietary models are developed by private entities. A summary of their features can be found in Table 1.

While each system claims to be based on guidance by US government bodies such as the Food and Drug Administration (FDA) and United States Department of Agriculture (USDA), and to have been validated by peer-reviewed studies, none have been formally endorsed by a government body, nor have they been benchmarked against any existing government-endorsed NPM.

TABLE 1
OVERVIEW OF NPMS USED BY THE THREE SELECTED US GROCERY RETAILERS

Retailer	Name & Developer	Healthiness scale	Criteria Considered	Applies to	User for	Transparency
Kroger	FoodHealth Score (bitewell)	Continuous scale (1-100) with implicit color-coding. No fixed ‘healthier’ threshold.	Ingredient quality, nutrient density	All products	Online store only: product comparison, recommendations, basket assessment	Not available
Walmart	Great For You badge (Walmart)	Binary (‘healthy’ / ‘not healthy’)	Thresholds for nutrients of concern; ingredients to encourage	Private label products	On-pack labeling, online category	Published in full
Ahold Delhaize USA	Guiding Stars (Guiding Stars Licensing Co.)	Three levels: 1. Good, 2. Better, 3. Best	Nutrients of concern; artificial ingredients; nutrients to encourage	All products	Targets and reporting; in-store & online labeling (incl. A-brands); in-store positioning	Available upon request

STATUS OF CURRENT POLICY ALIGNMENT AROUND DEFINITION OF 'HEALTHY'

- **FDA's updated 'healthy' definition (2025):** The recently passed regulation, 'Food Labeling: Nutrient Content Claims; Definition of Term Healthy,' is a key step toward alignment on 'healthy' definitions. While the use of the term 'healthy' remains voluntary, having an agreed definition may also benefit others, including investors. Investors seeking to lower their risk exposure can ask companies to report the overall percentage of sales from healthier products. Comparison is possible if all companies report using the same definitions.
- **The FDA proposed front-of-package labeling system (2025):** This system would appear on all packaged foods and rate the levels of added sugar, sodium, and saturated fat as "high," "medium," or "low." While public consultation on this rule recently closed, a final set of recommendations has not yet been published. Other organizations, including Center for Science in the Public Interest, have suggested a simplified front-of-package label that would only appear on products that are "high" in a specific nutrient of concern, similar to policies in several other countries (e.g. Chile, Mexico, and Canada).
- **TRUTH in Labeling Act (2025):** In January 2025, Congress enacted a statutory amendment to the Federal Food Drug and Cosmetic Act—the Transparency, Readability, Understandability, Truth, and Helpfulness in Labeling Act of 2025 (TRUTH in Labeling Act)—to mandate clear front-of-package nutrition labels on most packaged foods.⁴ The Act mandates that labels must highlight whether a product is "high," "medium," or "low" in added sugars, sodium, and saturated fat, using at-a-glance icons or graphics for maximum recognition. It also calls for a further streamlined system that includes warning labels with icons when products exceed thresholds for these nutrients.⁴

While the FDA proposal and the TRUTH in labeling Act occur in parallel, they use different mechanisms to achieve the same ambition: easy to understand front-of-package labels to support consumers in making healthier choices.

RECOMMENDATIONS TO POLICYMAKERS

Recommendations to the FDA

Finalize and implement front-of-package labeling standards with clear thresholds and easy to understand labeling, underpinned by the extensive research already carried out by the FDA. Ensure that this moves from proposal to implementation as quickly as possible.

- 1 **Require online platforms to incorporate 'healthy' filters** to allow consumers to easily filter for healthier product offerings.
- 2 **Use the agreed 'healthier' definition as a basis to create guidelines on product promotion** to encourage retailers to promote more products which meet the 'healthy' definition.

Recommendations to the Securities and Exchange Commission

- 3 **Encourage companies to increase transparency and accountability** by reporting on the percentage of sales from 'healthier' product portfolios using the FDA's definition of 'healthy.'

CALL TO ACTION

Aligning on a single, transparent definition of 'healthy' and mandatory front-of-package labeling with is consistent across retailers, are critical first steps. Clear standards will empower consumers, improve market accountability, and enable investors and policymakers to create a healthier food retail environment—supporting consumers in making healthier choices and enable investors and policymakers to create a healthier food retail environment.

REFERENCES

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- 2 Matthews ED, Kurnat-Thoma EL. U.S. food policy to address diet-related chronic disease. *Front Public Health*. 2024 May 16;12:1339859.
- 3 Wolfson JA, Tucker AC, Leung CW, Rebholz CM, Garcia-Larsen V, Martinez-Steele E. Trends in Adults' Intake of Un-processed/ Minimally Processed, and Ultra-processed foods at Home and Away from Home in the United States from 2003–2018. *J Nutr*. 2025 Jan 1;155(1):280–92.
- 4 FDA. Front-of-Package Nutrition Labeling [Internet]. FDA. FDA; 2025 [cited 2025 Sep 22]. Available from: <https://www.fda.gov/food/nutrition-food-labeling-and-critical-foods/front-package-nutrition-labeling>