

out of p...

FORESIGHT

Health in the Food System

As ecological approaches to h
expand, pressure on stakeho
increases to support a healthy foo

beyond Extern
exp

SOURCES

Contradictory accounts
Information overload
Mis-information

**Product social
ibility scanner**

projectbuyright.com

nutrition feedback

- Healthnotes' in-store kios

foodflex.
nourish the way you live

INFORMATION

Connecting the Dots between **FOOD** & **HEALTH:**

Expanding the Market for Retail Grocery

*A study conducted for the Coca-Cola Retailing Research
Council of North America by the Institute for the Future*



Contents

Introduction. About This Report

Chapter 1. The Map of the Future

- The planning tool and the big stories 6**
 - What it looks like 6
 - Where it leads 6
 - Introducing the forecasts7
 - 1. *Wellness Goes Mainstream* 8
 - 2. *Anytime, Anyplace Health*9
 - 3. *Biocitizens and Social Networking* 10
 - 4. *Health in the Food System* 11
 - 5. *Health-driven Transparency* 12
 - 6. *Spectrum of Green Health* 13
 - 7. *Nutrition Information Gets Customized* 14

Chapter 2. Time Travel

- Putting the map to work in your organization 15**
 - Who found it useful 15
 - Meetings around the map 16
 - Making the map accessible 16
 - Keeping it real 17
 - Ranking the forecasts 17
 - Capturing content and values 18
 - Consensus favorite 18

Chapter 3. Health and Wellness Action Spectrum

- What food retailers are doing today 19**
 - Passive communication..... 20
 - Active communication22
 - Merchandising24
 - Outside the store25
 - Becoming a healthcare portal 26

Chapter 4. Exploring the Customer Connection between Food and Health

- What can we learn from looking at attitudes vs. behaviors?.....27**

Appendix A. IFTF Map
The Future of Health and Wellness in Food Retailing35

The map plots key driving forces against important areas of the marketplace and presents seven forecasts about the future. Access the map on screen or as a printable pdf.

Appendix B. IFTF Implications Memo
The Future of Health and Wellness in Food Retailing: Forecasts and Implications 36

An in-depth discussion of IFTF’s thinking on the seven forecasts and their implications. Each forecast is accompanied by a case study, and the Foresight to Insight to Action process is explained in detail.

Appendix C. IFTF Market Research Memo
[To come].....37

A comprehensive review of the market research conducted by IFTF comparing consumer attitudes about food and health with their behavior.

Appendix D. Meeting Template..... 38

This template for conducting a strategic planning meeting with the map tool includes step-by-step instructions and covers advance work, the meeting day agenda, and next steps.

Acknowledgements..... 43

Coca-Cola Retailing Research Council of North America VII..... 45

Commissioned Research Projects Coca-Cola Retailing Research Council of North America 46

About This Report

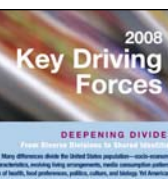
Research reports typically deliver answers that distill into neat executive summaries. This one is different. This Coca-Cola Retailing Research Council (CCRRC) report delivers a strategic planning tool—a map of the future of health and wellness in food retailing—and instructions on how to use it. Every retailer who uses the map will come away with an expanded understanding of the opportunities and threats this new future presents, and every retailer will come away with a unique set of answers.

The map and the process described in this report enable you to engage the future of health and wellness, think it through creatively, and build a vision of where to go from here—a vision that fits your brand, your brand strategy, and how well your stores are positioned to “have the consumer’s permission” to deliver value in this space.

Why is this topic so important? Because helping consumers connect the dots between food and health represents a huge opportunity for expanding the market for retail grocery. The forecasts in this report describe a future in which consumers

- view more of daily life through a health lens
- seek more health and wellness care outside the traditional medical system than inside it
- create influential social networks around common health and wellness concerns
- pay more attention to the qualitative value of the foods they eat
- customize their diets more than ever before
- collect and disseminate information far beyond that which is delivered by labels and packaging today
- connect their personal health with the health of the environment

In such a future, people are seeking trusted partners to help them sort through large quantities of information so they can identify what’s relevant to them personally, and they are building networks of new “health destinations” outside the medical mainstream. Food stores are perfectly positioned to take up such roles in consumers’ lives—and if they don’t, they risk losing parts of their business base to others who are seeking to meet these needs.



This report is based on a study conducted by the Institute for the Future (ITF), a highly respected research group that has produced futures forecasts for businesses, industries, and governments for the past 40 years. Deliverables included the following:

- **a map** that presents seven forecasts about the future of food, health, and food retailing and that identifies how six key forces are driving changes in the marketplace today
- **a memo** that explains in greater detail ITF's thinking about the seven forecasts
- **market research** on current consumer attitudes vs. behaviors with regard to food and health

The goal of this report is to equip retailers with the information and orientation they need to access the powerful strategic planning value that the map offers, and to deliver ITF's provocative thinking about the future.

The report focuses on the map as a strategic planning tool that enables the ITF Foresight to Insight to Action process. Chapters 1 through 4

- explain the map's purpose, describe its components, and introduce the seven forecasts
- show how it works by identifying a process and telling stories of engagement
- survey the range of actions being used by food retailers today around health and wellness
- translate topline results from ITF's market research on the consumer connection between food and health

The appendices offer a deep dive into ITF's thinking about the future, and a detailed template for conducting a meeting around the map. Appendices A through D include

- two ways to access the map
- ITF's in-depth memo describing the forecasts and their implications
- ITF's comprehensive review of the market research
- a step-by-step outline for conducting meetings around the map

Every retailer faces a future in which food and health are connected more strongly in the minds of consumers, but the way forward won't be the same for every retailer. Here is a way of looking at the future that can help you make sense of your options.

The Map of the Future

The planning tool and the big stories

People are often overwhelmed when they first look at IFTF's map of *The Future of Health and Wellness in Food Retailing* because they don't know where to start. There is a good reason for this. The map is not designed to lead the viewer to a certain destination or conclusion. Instead, it's designed to open up thinking about the future—in order to lead to more effective action in the present.

What it looks like

The rectangular map contains seven big circles that represent the major forecasts developed by IFTF. You can think of them as fast-growing cities, places where forces and signals converge to indicate major activity. The orange headlines sprinkled across the map are like small towns. They are signals that highlight how six driving forces are affecting seven key areas of the marketplace—indicators, innovations, and examples of activities that show where the future is already revealing itself.

Where it leads

A conventional map connects small towns and big cities so you can plot your course for a specific destination. The IFTF map is deliberately designed to provoke the viewer to find his or her own connections. Your own retail experience and strengths will determine which cities (forecasts) you want to concentrate on, and which forces are most meaningful to your organization.

The fact that the map “leads” you to a destination unique to your brand is one of the things that makes it such a powerful and flexible tool. Making your own connections provokes the insights that will shape a health and wellness strategy that's right for your brand, your organization, and your markets.

[Click here](#)
to access the map
in screen view
or download a
printable PDF.

Introducing the forecasts

The forecasts developed for this study offer a perspective on what the connections between food, health, and food retailing will look like in the future. They are not predictions; they don't claim to foretell what *will* happen in the future. Instead, they are internally consistent scenarios that describe what might happen in the future based on how powerful driving forces are affecting people, practices, places, information, tools, business, and markets today. Their value is not in being "right" or "wrong." Their value is in provoking new insights, possible actions, and ways of thinking about the present.

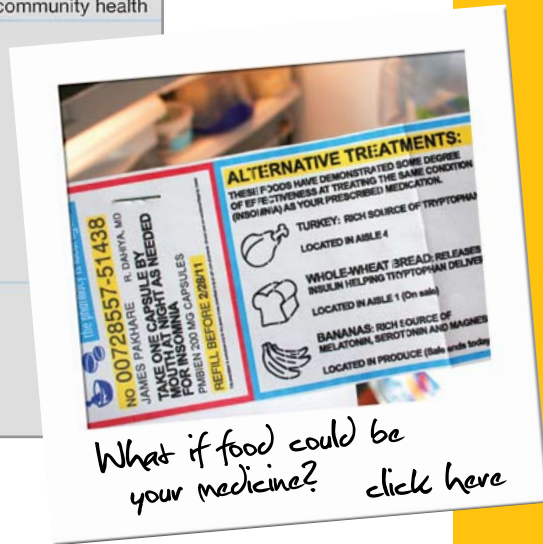
The following brief introductions are designed to help you get started using the map. They include

- a short text explanation
- the Foresight to Insight to Action circle from the map
- an "artifact from the future" that helps bring the forecast to life
- a video scenario that explains the artifact

Think of the forecasts as a way to time-travel, to visit the future. Getting there early gives you the opportunity to look around, react, and consider. It helps you gain perspective on the options you have today.

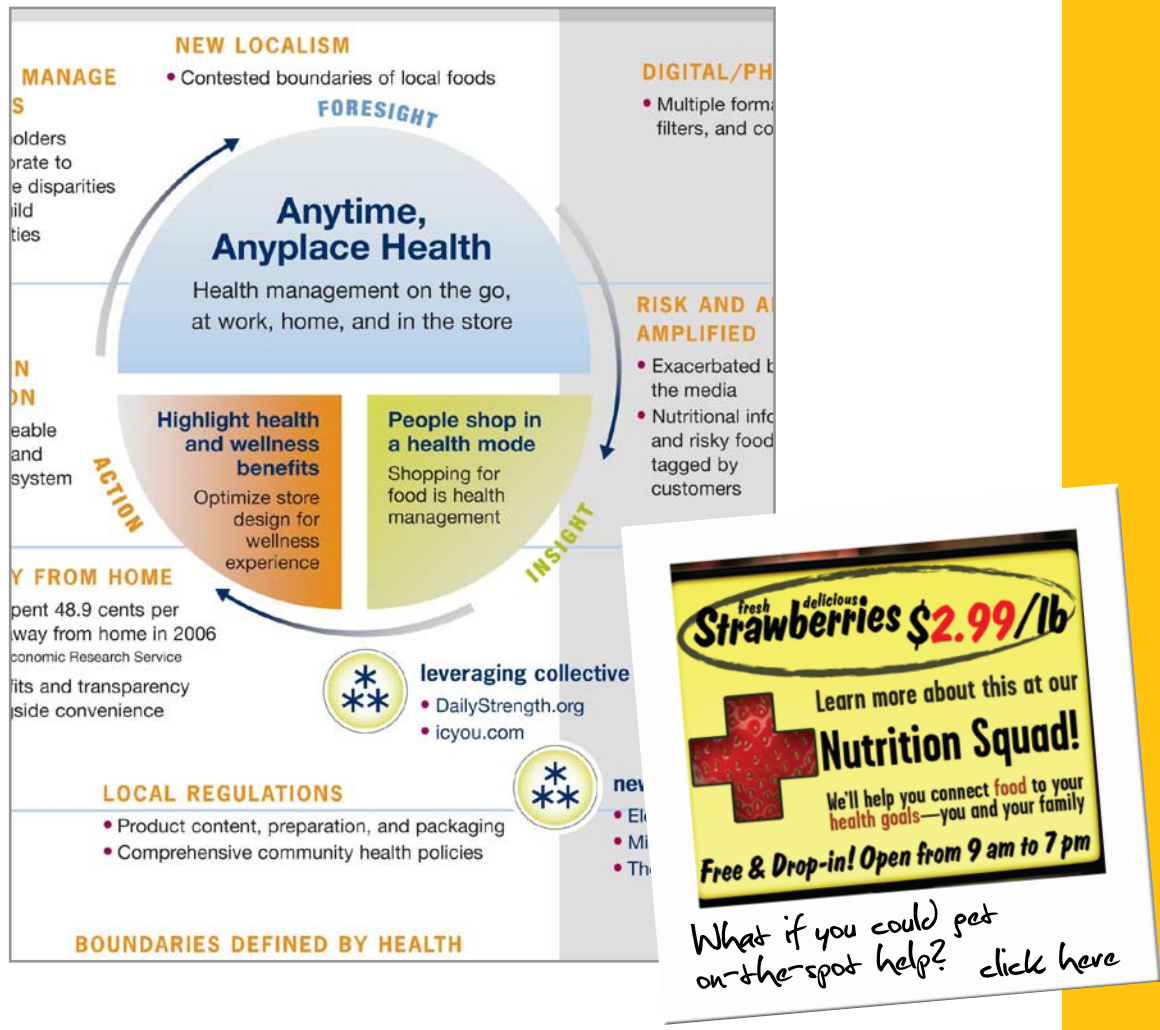
[Click here](#)
to download IFTF's
in-depth memo on
the forecasts and
their implications.

Wellness Goes Mainstream



People’s definition of health and wellness is expanding beyond “not sick” to include overall physical, mental, and spiritual well-being. As a result, we filter more and more of daily life—and the choices we make while shopping—through a health lens. Science is establishing increasingly direct links between what we eat and how healthy we are; at the same time, individuals are shouldering greater responsibility for personal health management as employers require them to make more decisions about insurance coverage and costs. The connections among food and disease prevention, treatment, and optimum health are not only evident but important to a growing number of people, and this is moving the concept of healthy food beyond niche markets and into the rest of the store.

Anytime, Anyplace Health



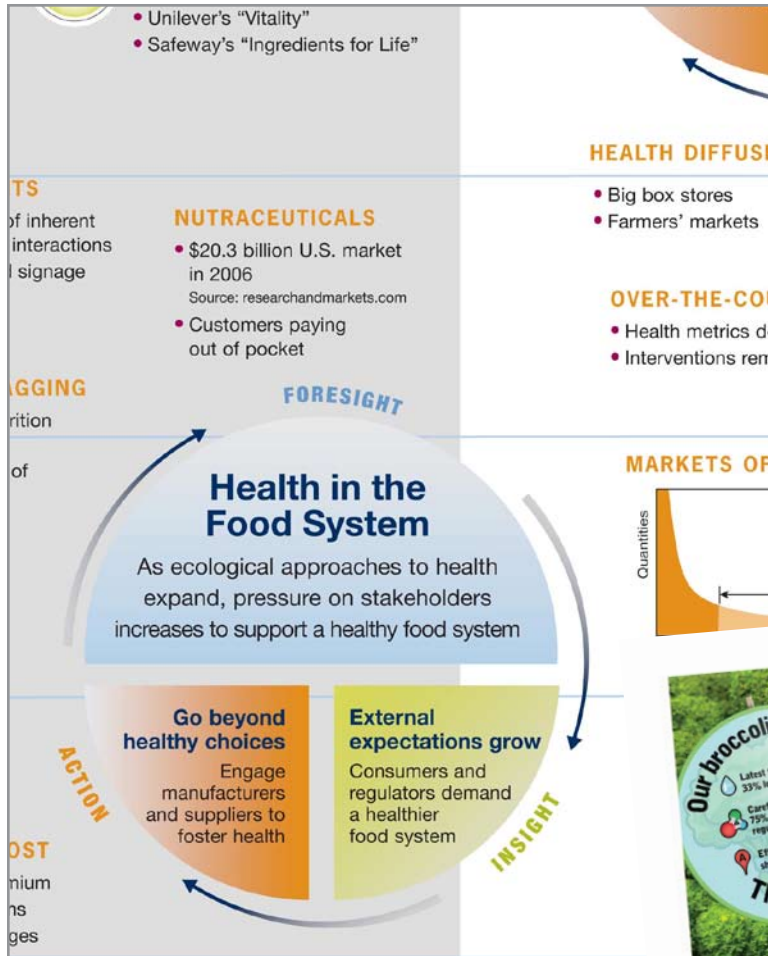
We think about health on more occasions and in more places than ever before. We also need more information than we used to, and often we need to access it while we are on the move. In fact, the majority of health management is no longer happening in traditional clinical settings such as doctors' offices or hospitals. Instead, we're building new networks of health advisors such as exercise coaches, chiropractors, yoga teachers, and nutritionists. We're trusting clinics in retail stores for more of our basic healthcare services. And we're seeking out health values in products—from toothpaste to carpets to cars—when we shop. Since what we eat is key to health, shopping for food *is* health management. Food retailers have a special opportunity (and incentive) for positioning their stores as a convenient, trusted “health destination.”

Biocitizens and Social Networking



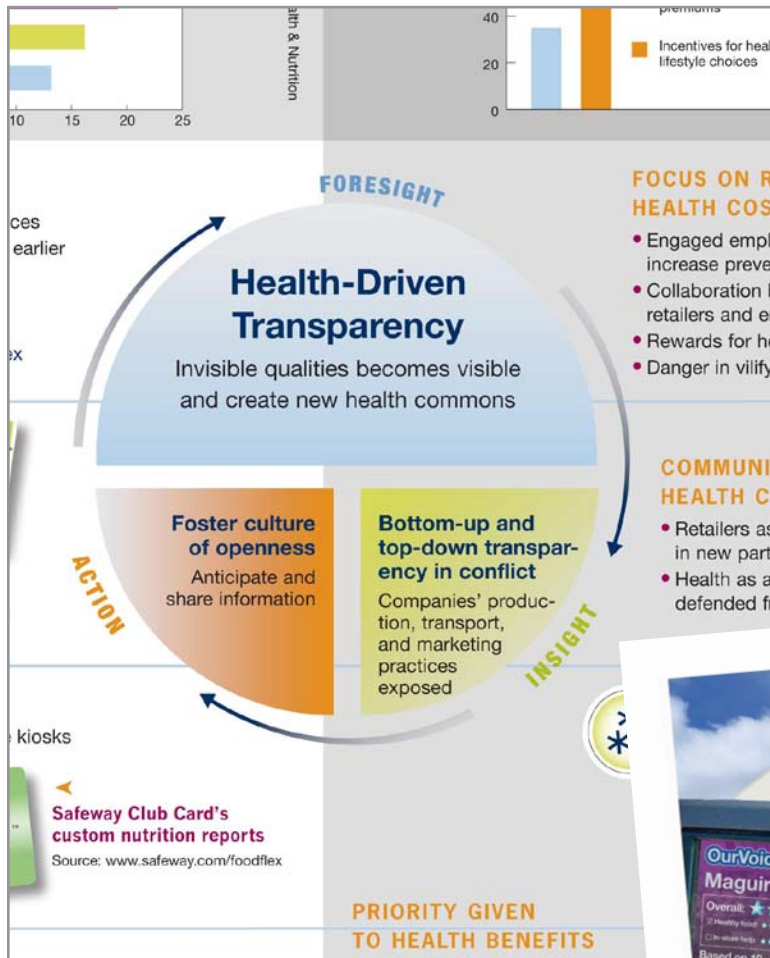
“Biocitizens” are people who join social networks (online or in person) based on shared health interests. They organize around disease management or chronic conditions; wellness practices like exercise, parenting, or aging; or environmental health concerns. These new collectives are generating, collecting, and sharing information, and they are becoming authorities in their own right. Their influence on the marketplace is increasing: As shoppers, we consult these social networks about healthy purchasing decisions ranging from food to deodorants to cleaning products; as consumers, we leverage them to demand a voice—not just a choice—in the products we are offered. Food retailers need to be aware of the networks operating around them, and alert to opportunities that help shoppers connect to each other.

Health in the Food System



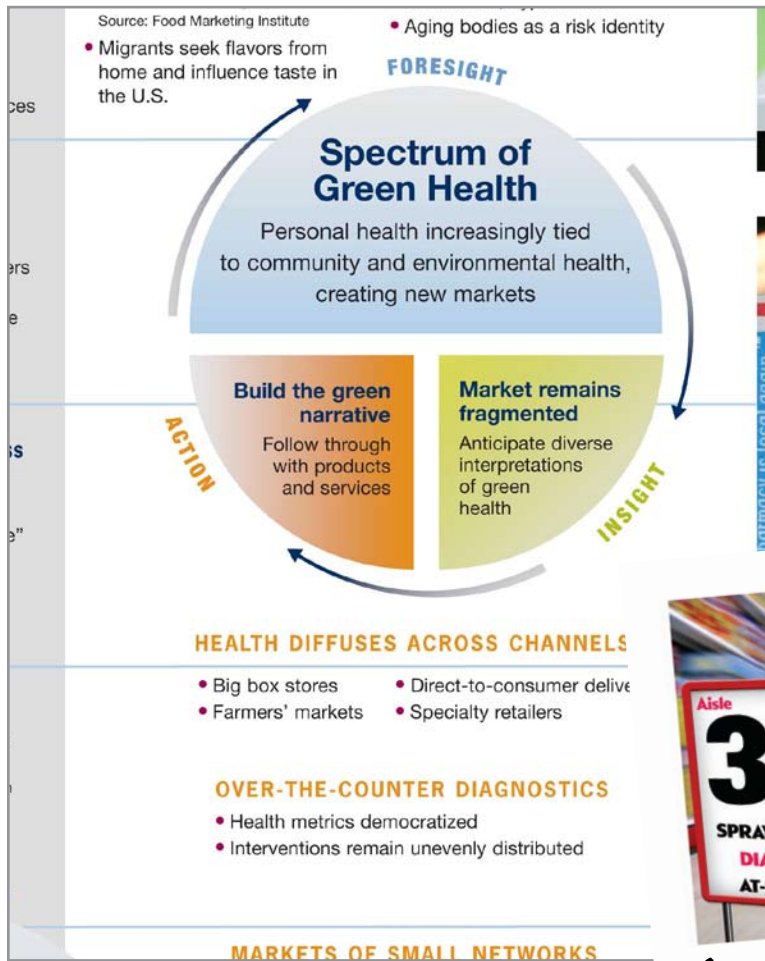
Our need to understand the features of the food we eat and the system that produces it is becoming more acute as our definition of health expands. More of us than ever before are likely to describe a specific food as “healthier” if attributes like the following are true: It contains no unnecessary dyes or food additives like corn syrup; it’s produced without pesticides, hormones, or antibiotics; or it’s grown locally. The qualitative aspects of food are becoming more important to consumers, communities, and regulators. Some are moving beyond a generic “healthy” to ask, “How healthy is it?”

Health-driven Transparency



Today, things that used to be invisible—where a food came from or how it was processed, for instance—are being brought to light by ordinary citizens equipped with a computer and an internet connection. Driven by increasing concerns about food safety, globalization, and health in the food chain, this transparency is being built from the bottom up and often exposes inconsistencies between what companies say or claim and what they actually do. We are approaching a future in which there really will be nowhere to hide. It is increasingly important for retailers to anticipate openness and share relevant information.

Spectrum of Green Health



Can a store help a shopper be Green? [click here](#)

An increasing number of people believe that their personal health is connected to the health of the environment. This conviction plays out over a range of behaviors. Specific, concrete, and close-to-home concerns like food safety have opened up new markets for products like food washes, but larger-scale concerns about communities and the global environment are also driving development of new products and services designed to mitigate risks. The level of interest and commitment varies from market to market, as does the interpretation of what green means; but customers are factoring sustainability concerns into their decisions about both what products to purchase and where to shop. Retailers may benefit by correlating practices and products with their customers' particular concerns.

Nutrition Information Gets Customized



Expanding nutritional and scientific knowledge and advances in technology are encouraging people to individualize their diets—to custom-fit food and wellness choices to their personal genotypes as well as their health concerns like disease or chronic conditions. But people need help sorting through all the overwhelming and sometimes contradictory information that is out there. Retailers can take advantage of this increasing need for customization by helping shoppers identify foods that match their specific health needs, and by disseminating information (online, at in-store kiosks, or on shelf tags) about relevant products.

Time Travel

Putting the map to work in your organization

As a strategic planning tool, the map offers an opportunity to travel in time—to engage the future in a way that helps make sense out of the options you have today around health and wellness. Here we describe how that worked for a series of industry groups to whom CCRRC introduced the map during the first half of 2008.

Our participants represented a range of industry organizations: One was a large supermarket chain; another was the pharmacy division of a different supermarket chain; yet another was a supplier to a major retailer.

Who found it useful

Regardless of a group's market niche, size, or discipline, the map proved particularly productive in two circumstances:

- when an organization wanted to start a focused conversation on the topic of health and wellness
- when an organization wanted to build on work that was already under way

The pharmacy group used its meeting around the map to start a conversation. In this case, leaders brought together people who had never discussed the topic before—at least not as a group and not within a strategic framework. This group was excited to see how tying food and pharmacy together more closely could create significant advantage for its stores. Afterwards, one participant said, “This is exactly what we needed to pull people together around an important topic we hadn’t found a way to approach yet.”

The supermarket chain used it to build on work that was already under way. Here, leaders brought together people who were already working on health and wellness projects or initiatives, but who did not normally communicate with each other. This group created a clear picture of the assets the company had already deployed around this topic, and emerged with a vision statement the organization could use to strategically align its efforts.

The supplier group was in a different situation. Both its customer and its manufacturer had already developed thinking around health and wellness. This group used the experience to develop new thinking around how to leverage product marketing in ways that would help the customer achieve its health and wellness objectives.



Meetings around the map

Meetings around the map were structured to help groups accomplish three things:

- identify what was happening around health and wellness in their organizations today
- decide which forecasts were most relevant to their markets, strengths, and aspirations
- define a strategic vision to guide the planning of actions

After introducing the forecasts to participants in advance of the meeting by means of brief descriptions like the ones in the previous chapter, the meetings proceeded in three parts.

- During orientation we established a common understanding of terms and purpose.
- During discovery, groups developed foresight and captured insights by identifying what they were currently doing around health and wellness, exploring the forecasts and the map, and deciding which forecasts were most relevant to their business situation.
- Finally, during synthesis, a variety of exercises guided groups toward building elements of a strategic vision that could serve as a framework for action.

Each group gained a larger perspective on the approaching future, each developed insights unique to its own organization, and each arrived at a different destination in the end. One participant described it this way:

“The map doesn’t supply answers. Instead it equips organizations with a tool they can use to engage the subject, think it through creatively, and build a vision of where to go from here.”

Making the map accessible

Many of those we worked with came to appreciate the map’s complexity over time, but nearly everyone was overwhelmed in the beginning. Restricting the amount of information that people were initially asked to absorb and respond to proved essential to helping them find their way in.

We began by first introducing only the forecasts, using brief descriptions like the ones that appear in the previous chapter. As the discussion unfolded, meeting facilitators drew in appropriate information from the map and the IFTF implications, but the map itself wasn’t revealed until small-group exploration of the forecasts.

Introducing the forecasts so sparsely produced another unexpected benefit: Participants were more forthright in bringing their own business experience to bear on their response to the forecasts when they weren’t trying to “learn” an answer from the map.

[Click here](#)
for the step-by-step
meeting outline in
Appendix D.



Keeping it real

Most organizations have already deployed some assets around health and wellness, so we asked participants to talk about them near the beginning of the meeting. This overview of present actions had the effect of grounding the exercise firmly in the real world. As one participant said, “It made the whole thing real, rather than hypothetical.” Over and over we watched three things happen during this discussion.

First, people got very animated—and very comfortable—because this was territory everyone knew.

Second, everyone brought a different viewpoint, because everyone knew different things.

Third, the group put together a nearly complete overview of the organization’s health and wellness activities and initiatives—often for the first time. The lively and informal exchanges captured connections that might have escaped notice in a different setting (like “how cooking schools fit in”), and they also provoked discussion about what was working and what wasn’t.

In essence, the groups assembled organization-specific foresight—clarity about what is happening in the marketplace today—with which to approach the forecasts and the foresights developed by IFTF.

Ranking the forecasts

Ranking the forecasts forced groups to decide which were most relevant to their organizations. No two groups came up with the same list. There was, however, universal consensus on one point: Wellness Goes Mainstream was number one on every list.

Each group connected the dots differently.

- The supermarket group found a lot of energy around Health in the Food System, Health-driven Transparency, and (to a lesser degree) Nutrition Information Gets Customized.
- The pharmacy group gravitated toward Biocitizens and Social Networking and Anytime, Anyplace Health.
- The supplier group saw opportunity in Anytime, Anyplace Health and, interestingly, Spectrum of Green Health.

Perspectives on the forecasts were shaped by participants’ expertise and experience, so the same forecast generated very different responses. The supermarket chain felt indifferent toward the Biocitizens and Social Networking forecast; it perceived the space as oversaturated and couldn’t see a clear pathway to creating a competitive advantage. The pharmacists saw much more potential value. “When it comes to a disease like diabetes,” they reported, “our customers feel that when this becomes an issue for their households, they also become a member of the ‘club’ of those who have to wrestle with the disease, and they find that some of the most helpful things they learn are from people in the club.”

Capturing content and values

This process proved adept at surfacing values as well as content. Those in the grocery store group, for example, spent a considerable amount of time discussing how people feel about being told what to eat and what not to eat. They decided it was important for them to balance health and wellness with enjoyment of food, and imperative to avoid approaching health and wellness in a way that made people feel uncomfortable or different in a negative way. The conclusion these insights led them to—we want to support customers who want to make healthy choices, but not tell them what to do—added valuable texture and nuance to the vision statement they developed.

Consensus favorite

Wellness Goes Mainstream was at the top of every list. Every group recognized it as significant to the future of food retailing, and every group saw opportunities to create value in it. This highlights a central challenge for food retailers: Can they connect the dots between store departments that usually operate independently in order to make “shopping for health and wellness” simpler for consumers?

Health and Wellness Action Spectrum

What food retailers are doing today

Health and wellness is a single idea in the minds of consumers as they approach the store. It's harder for food retailers to create and deliver a single, unified response because separate teams are responsible for different parts of the store's operation.

The truth is that supermarkets today are already engaging consumers on health and wellness in many ways—inside the store, outside the store, and all over the store—but without interdepartmental coordination, they miss an opportunity to align these efforts into a coherent experience for shoppers. The effort of connecting the dots across the store can create a considerable increase in competitive advantage in a future in which “Wellness Goes Mainstream.”

To help with the final step of IFTF's Foresight to Insight to Action process—translating insight into action—the following sampling of actions is offered to give food retailers a view of the full spectrum of activities being used today. Some efforts are simple and inexpensive, others are more complicated and longer term. Each retailer can choose those that best fit its brand and its markets. This sampling is organized into five sections:

- **Passive Communication:** making information available in the store for shoppers who are interested
- **Active Communication:** actively communicating health information through staff, technology, and in-store events
- **Merchandising:** harnessing the power of how products are organized and displayed
- **Outside the store:** interacting with shoppers before they enter the store
- **Becoming a healthcare portal**



Passive Communication

Large thematic signage

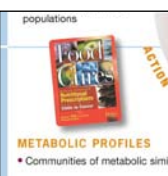
Banners can call out storewide themes emphasizing the availability of health products in general.

- One such example is Safeway's "Ingredients for Life."

Targeted signage and brochures

Food-specific information can be offered near particular items or in places where people are definitely thinking about health.

- Signs in produce, center-store, and bakery departments can highlight the availability and health-enhancing benefits of superfoods such as broccoli, blueberries, beans, whole grains, and stenol-fortified products.
- Foodtown's Easy to Eat Well program uses different colored signs to call out seven types of healthy eating options.
- More Matters™ at Schnuck Markets, Inc. promotes the healthy benefits of fruits and vegetables.
- YourWellness program at Harris Teeter includes wellness keys that highlight health attributes on shelf tags and product packaging; YourWellness also offers a 15-week weight-loss program.
- Other chains, such as Jewel Food Stores, offer:
 - *Dr. Richter's Fresh Produce Guide* (authored by Henry Richter, MD) with nutritional information on 300-plus produce items.
 - Meat and seafood nutrition facts.



Health-related printed materials

These can range from healthy recipe and diet information to brochures and magazines that deal with common health conditions.

- Ukrop's is one store among many that offers healthy recipe cards.
- Gelson's provides a Mediterranean Diet display with a handout explaining the heart-health benefits of this program.
- Safeway's pharmacies, in association with Dr. Dean Ornish, produce a "good-to-know" brochure of information on the unique health benefits of selected foods.
- Some other brochures, typically available at the pharmacy, provide information on common health conditions like diabetes, shingles, heart health, and allergies.

Summary indexes for individual products

Summary measures of nutritional value help shoppers more quickly evaluate the net nutritional benefit of specific products by identifying foods with more of the “good stuff” (vitamins, minerals, and fiber for example) and less of the stuff many shoppers are trying to avoid (like added sodium and saturated fats).

Two indexes are currently available. Guiding Stars has been developed by Hannaford in cooperation with a team that includes nutrition scientists from Tufts University, Dartmouth Medical School, Harvard University, and several other schools. The Overall Nutritional Quality Index (ONQI) was developed by a team from Yale University and is being brought to market by Topco.

Additional indexes targeted to consumers with specialized needs are expected to enter the market soon.

- The Nutrient Rich Foods Coalition, a partnership of agricultural organizations and scientific researchers, is developing a program to help shoppers evaluate food and beverage choices for better nutrition based on nutritional density, which is defined as the quantity of nutrients per calorie (source: www.nutrientrichfoods.org).
- Eat Right America has developed an aggregate nutrient density index, as well as indexes for specific diseases that allow consumers to lose weight while reversing existing diseases and protecting themselves from future health problems. Visit www.eatrightamerica.com



Active Communication

Via store personnel

All store staff can participate in helping customers connect the dots between food and health, but two positions offer special opportunities for active communication.

- Pharmacists now receive clinical training during their professional education that prepares them to engage with customers around topics like how nutrition and lifestyle relate to particular prescriptions and conditions. Last fall Medicare assigned billing codes to pharmacists—acknowledging the value of their counseling and permitting them to be compensated for services as well as products.
- Dieticians can help shoppers better understand the health implications of the food they eat and learn to buy more healthful products. Licensed dieticians at Hy-Vee walk stores with customers and suggest replacements for certain items that they're currently buying.

Employees can also host free in-store tours organized around a group's concerns or an individual's health needs. On such tours, they can point out food products that help with the management of conditions like high blood pressure, diabetes, or food allergies.

There are many other opportunities:

- A medication management program at Osco pharmacy invites customers to get the most out of their medications by scheduling an appointment to talk with a pharmacist.
- Living Well cooking classes and demonstrations address natural foods and foods for special diets at Kings Super Markets, Inc.



Via technology

Information kiosks represent a way for shoppers to quickly and easily obtain specific health information while shopping.

Martin's Super Markets' Healthnotes Fresh Ideas center helps shoppers connect health and food through recipes, shopping lists, lifestyle information, and healthy eating tips. An in-store test showed the program drove incremental sales and shopper satisfaction (source: www.healthnotes.com).

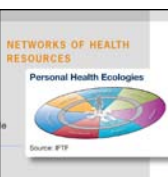
The hand-held evincii device asks customers a series of questions about their symptoms, allergies, medical conditions, and preferences and then generates a list of HBC products that match those needs (source: www.evincii.com).

Portable shopper scanners can also deliver healthy, convenient recipes that are tailored to fit the purchase patterns of each customer (source: www.modivmedia.com).

In-store events

In-store events (often created through partnerships) can also reach out to shoppers on the basis of a health and wellness appeal.

- In the “love your heart program” conducted for Safeway, a selected number of customers are sponsored by marketers of “heart-healthy” foods for blood pressure, body mass index, and cholesterol screening tests. Upon completion of the tests, participants receive informational brochures featuring coupons for the sponsoring products.
- *Prevention* magazine sponsors Grocery Guru, in which a nutrition expert from *Prevention* conducts a two-day event to escort selected shoppers through the host store to help improve the healthfulness of their purchases. It also includes a 30-day sweepstakes with a \$300 shopping spree.



Merchandising

Specialized store sections

Call-out sections that support health and wellness options are available beyond simply organics sections in produce or dairy.

- Jewel Food Stores has a wellness beverage section.
- Stop & Shop's natural/healthfood section contains products from a range of categories, including frozen food and center-store natural foods.

Center-store merchandising

Stores can highlight healthy products developed by branded manufacturers in the category plan and in the planogram.

Retailers have also created their own labels for new organic lines.

- Topco offers its "Full Circle" line.
- SuperValu offers "Wild Harvest Organic" products from farmers who also emphasize sustainable farming practices.

Endcap promotions

Healthy foods can be promoted on endcaps.

- Weis Markets showcases its HealthyBites on an end display.

Prepared foods in deli/foodservice

When making a health and wellness appeal to shoppers, consistency is important—deli and prepared food sections need to carry through on that promise too. Here are ways some food retailers are actively promoting healthier food options in those departments.

- United Supermarkets' prepared foods include "healthy favorites" that contain lower amounts of calories, fat, and sodium.
- Heinen's Healthy Appetite prepared foods have been created in cooperation with the Cleveland Clinic.
- Ralph's deli lists items available without trans fats.
- ShopRite deli has items with no artificial flavors or trans fats.
- Signs in Gelson's deli section explain that all grab-and-go salads, wraps, and sandwiches have less than 500 calories.
- Publix offers turkey sausage as well as pork sausage.
- Pathmark provides Meat Nutri Facts.

Prepared food departments may want to consider how restaurants are responding to this customer interest: Compass Group North America offers healthier eating options at lower price points to encourage purchase; Appleby's lists Weight Watcher points; Chili's supplies smaller-portion entrees at a lower price point; and P.F. Chang's now routinely offers both white and brown rice.

Outside the store

E-communications

The prevalence of the internet supports the delivery of information directly to consumers.

- Dorothy Lane Market’s weekly email newsletter highlights the nutritional benefit of certain food items.
- Healthbeat Newsletter is a joint program of Big Y Supermarkets and the Connecticut Association of Schools to help kids make healthier choices on wellness and nutrition.

Websites

Many internet sites list general nutrition information about specific food items; some stores are also leveraging websites to deliver nutrition information and support for healthy choices.

- Ukrop’s provides recipe recommendations that fit a shopper’s unique health/dietary requirements.
- FoodFlex at Safeway’s website tracks and benchmarks the nutritional value of a shopper’s purchases to help inform these consumers about their choices.
- Heart Checkmark is a list of healthy foods approved by the American Heart Association at Jewel Food Stores.
- Stop & Shop’s Kitch ’N Kids cookbook and Kid’s Corner provide information on healthy eating and activity sheets.

Text messaging

Although this system is more more common in Asia and Europe, U.S. customers are beginning to receive healthcare information via text messaging on their cell phones—from reminders about appointments to reminders about the proper dosing schedule of a particular drug.



Becoming a healthcare portal

Home healthcare/rehab equipment

ShopRite makes a catalog of home healthcare and rehabilitation equipment available in the store.

Mobile health services

Some chains deliver health services across various store locations via mobile clinics. Walgreen's Take Care bus tour is one such program.

Monitoring services

Offering equipment to monitor health conditions such as blood pressure, body mass index, and other vital signs not only assists customers but also brings them to the store on a regular basis. The Health Style program at Basha's provides screening for diabetes, bone density, thyroid disease, and prostate cancer, as well as mammograms and flu shots.

Monitoring systems and medication therapy management

Beyond encouraging customers to use in-store monitoring capabilities, stores can also encourage clients to bring their own information monitors—such as diabetes meters—to be interpreted and recorded by the pharmacist. Under HEPA regulations, the store can capture that information in order to develop and monitor medical therapy management plans and, with the patient's permission, forward that data to the patient's doctor. Osco pharmacy has already developed such a program that includes counseling and convenient access to low-cost tests and immunizations.

In-store clinics

In-store clinics provide shoppers with convenient, low-cost access to first-line medical services. Most of these clinics are staffed by nurse practitioners but more are now being staffed by physicians' assistants and even physicians. Wal-Mart, Target, and Cub already offer such services.

Customized wellness plans

In programs through HealthSmart Rx, a pharmacist and a dietitian team up to develop personalized wellness plans that offer recommendations tailored to an individual's unique needs that include diet supplements and exercise/lifestyle as well as medication. These plans encourage the customer to come back on a regular basis to monitor progress in addition to visits to meet specific needs.

Exploring the Customer Connection between Food and Health

What can we learn from looking at attitudes vs. behaviors?

This survey was designed to provide retailers with insight into how customers presently are thinking about and acting on the connection between health and food. The results show the extent to which customers hold certain health- and food-related attitudes, how much these attitudes affect their behavior, and how this varies among categories of customers. The findings can be used in translating insights from the map developed by the Institute for the Future for the Coca-Cola Retailing Research Council into actions that make sense in a retailer's own specific markets.

The survey answers five questions that can help retailers gauge the extent to which their customers are ready for more extensive efforts related to food and health.

- Do consumers see a connection between their own health and the health of the environment?
- Do consumers see a connection between food and health?
- For customers with strong beliefs, how is a health focus reflected in behavior?
- How do general customer attitudes on food and health align with behavior?
- To what extent do customers look to the supermarket as a way to manage their health and wellness?

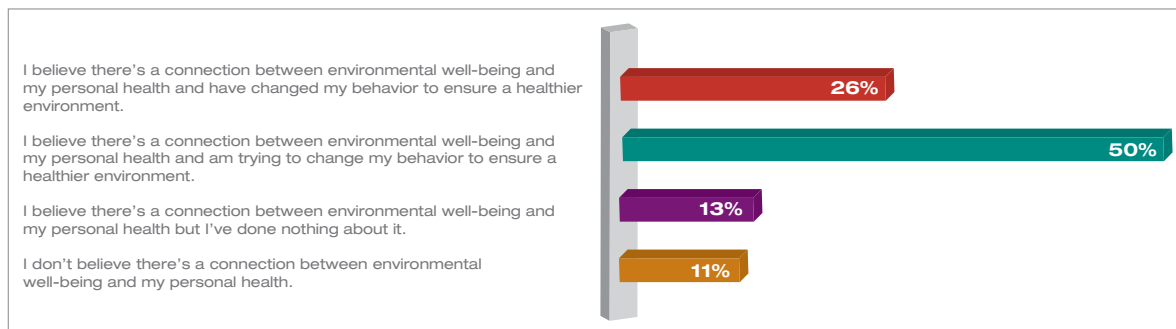
These findings are based on an ethnographic survey, in-home/shop-along research that explored in depth the connection between food and health. The ethnographic research was followed by a national online survey of more than 1,000 customers who are representative of the general population.

The survey results are not black and white. There is always concern that consumers say one thing and do another. Human nature undoubtedly accounts for some of the discrepancy between attitudes and behaviors, and the data below related to the stated connection between food, health, and the environment bear this out. However, it is also quite possible that attitudes precede behavior. In this case, at some point in the future behavior will move into greater alignment with expressed beliefs and attitudes.

Do consumers see a connection between their own health and the health of the environment?

Almost 90% believe in the connection, but only about 26% have changed their behavior to ensure a healthier environment.

Customer Connection between the Health of the Environment and their Own Health
(% of Respondents)



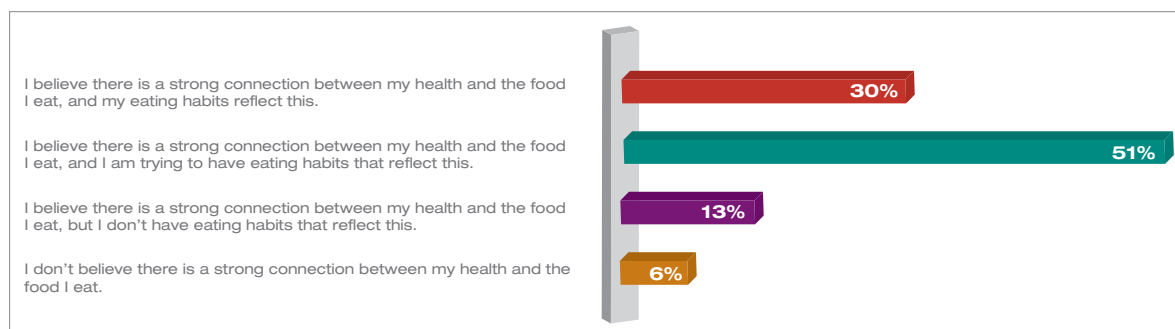
An overwhelming proportion of customers believe in a connection between the health of the environment and their own health, though not as many have acted on it.

- Those who **have changed** their behavior tend to be younger, college-educated, in excellent health, and living in urban and suburban areas. This subgroup also sees the connection between food and health, as shown later in this chapter.
- Those who are **trying to change** their behavior tend to be older and include more females. They live in rural areas as well as urban/suburban communities.

Do consumers see a connection between food and health?

The vast majority, 94%, see a strong connection between food and health.

Food and Health Connection
(% of Respondents)



A belief in the connection between food and health is strong and broadly based. Nevertheless, there are some cautions here.

- Only 30% of customers indicate that they have already changed their eating habits to be consistent with this belief.
- A majority (51%) indicate that they're still trying to change their eating habits.
- A small percentage of customers do not believe in the connection between food and health.

No significant differences appeared in the demographic characteristics of the customers who offered these responses.

For customers with strong beliefs, how is a health focus reflected in behavior?

Health appears to be a strong consideration in the behavior of less than half these customers.

The connection between personal health and healthy food choices is not as strong as overall convictions. Slightly more than one-third of all customers always actively look for healthy food and beverages when grocery shopping. These shoppers are

- more likely to make the connection between food and health
- less likely to be discount-oriented
- younger, i.e., Gen-Xers, with excellent or good health, a college education, and an income of more than \$75,000
- more likely to live in urban and suburban areas (though 23% live in rural areas)

How Often Are Certain Product Characteristics Always Considered in Food and Beverage Choices? <i>(% Always Agree)</i>	
Detailed nutritional labeling	23%
Low-fat	19%
Low sodium/salt	17%
Rich in antioxidants	17%
Low calories	16%
High in fiber	14%
Organic	7%
Promises a high energy boost	7%

A strong focus on specific health-related characteristics of food is far from universal. Only a minority of shoppers report that they always apply health considerations to their choices of food and beverages.

- 23% always look for detailed nutritional labeling
- 19% look for low fat
- 17% look for low sodium/salt as well as antioxidants

The survey also looked at a range of attitudes on the relationship between health and nutrition.

Customer Attitudes on the Relationship between Food and Health (% Strongly Agree)	
Good nutrition can delay the onset of chronic disease	30%
My desire to manage or prevent a health condition or to prevent illness has a big impact on what I eat	28%
People can avoid most illnesses by just eating right	21%
I always carefully select what I eat to achieve a healthy diet	20%
Good nutrition can overcome genetic predisposition of diseases	20%
Most chronic disease can be prevented through good nutrition	19%
The need for most prescriptions can be eliminated by good nutrition	18%

Only a small core of customers both see the health benefits of eating the right foods and actually appear to believe in using food as preventive medicine. While the range of responses is fairly narrow, 18% to 30%, there were some differences among the groups.

- The notion that good nutrition can delay the onset of chronic disease is held (perhaps no surprise) most often by Baby Boomers.
- The desire to prevent illness by eating right is strongest among females.
- Always selecting what they eat in order to achieve a healthy diet is more common among upper-income customers.
- The belief that good nutrition can prevent most chronic diseases and most illness, as well as eliminate the need for most prescriptions, is strongest among younger customers like Gen-Xers and Echo Boomers.

How do general customer attitudes on food and health align with behavior?

Health appears to be a strong consideration in the behavior of less than half the customers.

What Health-related Products/Services Have You Purchased in the Last Six Months? (% of Respondents)	
Organics	48%
Natural/Herbals	39%
Probiotics	37%
Cholesterol-reducing food	19%
Monitors for health conditions	22%
Met with a nutritionist	16%
Joined a weight-loss program	11%

Although almost half the customers have purchased organic products, and almost two in five have purchase natural/herbal products, other health-related purchases cannot yet be regarded as mainstream.

- No geographical bias emerged, though health-related purchases are somewhat stronger in suburban and urban communities than in rural communities.
- All customer segments participated, but especially those with more education (at least a college degree) who report being in excellent/good health.
- Only two behaviors have greater appeal with customers with incomes of \$50,000 or more per year: purchasing cholesterol-reducing foods and natural and herbals.
- Younger customers focus more on probiotics and weight-loss programs.

Overall, relatively low purchase levels of selected health-related products and services show that this is not yet a majority activity.

To what extent do customers look to the supermarket as a way to manage health and wellness?

A majority of customers look to the supermarket for product-specific information, and a smaller segment look to food stores for health-related advice and services.

Customers have a range of ways in which they look to the supermarket to support their efforts to maintain health and wellness.

What Health-related Features Do Customers Look for in a Food Store? (% of Customers*)	
Fresh produce section provides information on health qualities of product	67%
Stocks healthier product alternatives	65%
Provides prominent signage on food product nutrition	56%
Provides recipes/demonstrations for healthier meals	42%
Provides health ratings on the nutrition of products that supplement nutritional labels	39%
Provides information about disease management benefits of different foods	34%
Provides in-store magazines that address health and wellness	34%
Has nutritionists available to support diet and health needs	29%
Provides in-store health seminars	20%
Offers an in-store clinic	17%

*Multiple responses will total more than 100%

When asked what customers look for in selecting a store to buy their food and groceries, they mention a number of health-related features in addition to the typical responses of price, variety, and cleanliness.

- Most often sought are product-specific information on nutrition, the ability to make healthier choices among products, and guidance on how to prepare foods in a healthy way.
- A smaller percentage of customers express interest in nutrition and health-related services like classes and clinics.

Conclusion

Tailoring a store's offerings to match the behavior of customers in its community remains a critical task. There are several actions retailers can take to better serve the large number of customers who believe in the connection between food and health.

- Help those who have changed their eating habits to more easily find food that matches their healthy diets.
- Give support to those who are trying to adopt healthier eating habits.
- Provide a wider range of product-specific information about nutritional values, health benefits of certain foods, and healthy food preparation.

IFTF Map

The Future of Health and Wellness in Food Retailing

For a screen version of the map, [click here](#) to download. Scrolling will be required due to the map's long, narrow shape.

For a printable pdf, [click here](#) to download.

The front and back of the map will print out on 12 numbered sheets of standard-size office paper. These can be taped together at designated registration marks to assemble the full map.

IFTF Implications Memo

The Future of Health and Wellness in Food Retailing: Forecasts and Implications

In this memo, IFTF describes the thinking behind each of the seven forecasts and explores the implications they have for the future. Examples show how driving forces are affecting key areas of the marketplace today, and a relevant case study accompanies each forecast. The Foresight to Insight to Action process is also explained in detail.

[Click here](#) to download the pdf.

IFTF Market Research Memo

[To come]

A comprehensive review of the market research conducted by IFTF comparing consumer attitudes about food and health with their behaviors.

[Click here](#) to download the pdf.

Meeting Template

CCRRC introduced the map to a variety of industry groups in a series of facilitated meetings to find out how it worked most effectively. The process outlined here is the product of those experiences. It is by no means the only way to utilize the map, but it proved very effective at helping retailers do three things:

- identify what was happening in their organizations today
- decide which forecasts were most relevant to their markets, strengths, and aspirations
- define a strategic vision to guide and plan actions

Advance work

Before the meeting, participants reviewed brief descriptions of the seven forecasts and supplied written responses to the questions below for each forecast:

On a scale of 1 to 10 (with 10 being the highest), how relevant is this forecast to your organization? _____

Do you see a way to use the insight from this forecast to build a competitive advantage for your organization? Yes ____ No ____

If yes, please write a brief description of it for discussion.

What actions do you feel your organization should consider using to build competitive advantage with target shoppers?

Facilitators and strategic leaders familiarized themselves with as much of the information contained in this report as possible, so they could introduce relevant information as the discussion unfolded. The map provided context for the discussion. The examples in the action spectrum opened up possibilities for how to put health and wellness into play. And the market research helped in thinking about how ready a store's shoppers were to act on this interest.

Meeting day

Meetings were divided into three sections. During orientation, terms were defined and a common purpose was established. During discovery, the group developed foresight and captured insights. Finally, during synthesis, those insights were used to develop a strategic vision around which the organization could align its health and wellness activities.

This structure incorporated key elements of IFTF's Foresight to Insight to Action forecasting methodology, which is explained in greater detail in Appendix B.

I. Orientation

Goal: Establish common understanding

Review purpose

The map is designed as a tool to help retailers use foresight to reveal insights that can lead to more effective action in the present.

Define terms

Forecast: A plausible view of what might happen—not a prediction

A guide to building a perspective on the future

Value is in provoking thinking rather than being right or wrong

Foresight: What is happening today in the marketplace

Key forces at work

Signals: evidence of their effects on key impact areas

Insight: Clarity on the significance of what's happening

Core to a successful strategy

Requires hard work, an open mind, and intuition

Action: Decision to make a difference

Goal is measurable results

Need to remain agile

Describe the Foresight to Insight to Action cycle

Build your own foresight

Capture insights

Define strategic direction

Link to actions

It's crucial to get participants to understand that they don't have to agree with the forecasts to find them valuable.

Their value is in provoking **new insights**, possible actions, and ways of thinking about the present.

II. Discovery

Goal: Develop foresight and capture insights

What's happening today?

Entire Team. Ask what kind of assets (programs, initiatives, etc.) your organization has already put to work around health and wellness.

What's been tried so far?

Where have investments been made?

What's producing positive results, what's not?

Which forecasts are most significant?

Small Groups. Identify which IFTF forecasts are most relevant to your organization.

Tour the map to understand the main forecasts and how the signals add up to the big stories.

Discuss which big stories are most relevant to your business situation. Use the written responses to the pre-meeting questions as needed.

Explore important forecasts.

Small Groups. Assign one relevant forecast to each small group. Ask them to identify the following and report back to the entire team:

Sources of competitive advantage

Specific actions that might be taken

Summarize and prioritize.

Entire Team. Summarize the foresights and insights that have been developed, teasing out the priorities that will build a framework for moving forward.

Small groups

are particularly effective in this section of the meeting.

In our experience, because people in smaller groups are sheltered from the more aggressive back-and-forth of larger formats, they are **more willing to take chances**, to learn, and to take time to articulate their ideas.

Small groups also tap into the **power of diversity** by getting people with very different vantage points to share their unique points of view.

Grounding the discussion in your own marketplace and organization makes the exercise **real rather than hypothetical**, and lays a foundation for evaluating the significance of the forecasts.

III. Synthesis

Goal: Develop a strategic vision around which your organization can align health and wellness activities

Develop key words and phrases.

Ask participants to call out key words or phrases that need to be included in the strategic vision.

Develop a rational structure.

Ask for responses to four critical questions.

What can we provide shoppers that they don't get today? (Where will we create value for them?)

How can this initiative allow us to win (have a clear dominant offer versus the competition)?

Who do we need to partner with to get there?

What do we need to do within our organization to get there?

In what order?

At what speed?

With what time? (Who has time to do this work?)

Build elements of the vision.

Develop a series of one-line statements based on the key words and concepts identified in 1 and 2 above. Ideally, this is done away from the team, during a break.

Present these statements, one at a time, to the entire team for a thumbs up or thumbs down evaluation of each one.

Develop a draft statement.

Assign selected participants the task of using the thumbs up statements to develop a strategic vision for discussion. It should address the four key questions in 2 above, and focus on where the organization wants to go in the future with this idea.

Identify next steps for formal adoption of a vision statement, and assign responsibilities for followup.

Soliciting words and phrases provokes **more and broader participation** than asking people to volunteer statements, and captures a richness and texture that isn't generated by asking for more formal thoughts.

Next steps

Next steps will depend on the organization's needs; however, with a strategic vision around health and wellness, you are equipped to

- evaluate whether or not current actions are strategically aligned
- identify new actions that will effectively propel you toward achieving the vision
- explore partnerships with suppliers, community organizations, and others that will help accomplish your goals

Acknowledgments

The Coca-Cola Retailing Research Council wants to thank the Institute for the Future team, headed by Rod Falcon and ably staffed by Crystal Keeler and Miriam Lueck for their tireless contributions throughout the project. A strong expression of gratitude goes out to Susan Lindsay who was the architect and principal writer for our web report. Also to the **creativesource**, The Coca-Cola Company's internal design agency, who designed and produced the report in partnership with Dick Shannon. Finally, the Council thanks Bill Bishop of Willard Bishop, LLC, for his effort in facilitating the work of the Council.

Coca-Cola Retailing Research Council of North America VII

The Coca-Cola Retailing Research Council of North America was created by The Coca-Cola Company to address issues of strategic importance to the U.S. supermarket industry. The Council is responsible for identifying and framing the strategic issues to be addressed.

The process allows for retaining consulting resource(s) to conduct the research and analysis associated with the identified issue, directing and guiding the conduct of the research and analysis, and ensuring the results are reported/presented to the supermarket industry in a way that is useful to and actionable by the industry.

The Council consists of 16 supermarket industry executives who carry out the responsibilities and tasks associated with the mandate described above. They are:

Jonathan Berger	General Manager, <i>The Americas, CIES</i>
Paul Boyer	Vice Chairman and Co-CEO, <i>Meijer, Inc.</i>
Shelley Broader	President and CEO, <i>Sweetbay Supermarket</i>
Malcolm Calhoun	Vice President and General Manager, <i>Calhoun Enterprises, Inc.</i>
Brian Cornell	CEO, <i>Michael Stores, Inc.</i>
Pat Curran	Executive Vice President, People Division, <i>Wal-Mart Stores, Inc.</i>
Oscar Gonzalez	Chief Operating Officer, <i>Northgate Gonzalez Markets</i>
Mike Jackson	President and COO, <i>SUPERVALU</i>
Calvin Mayne	Vice President and Chief Operating Officer, <i>Dorothy Lane Market</i>
Archie McGregor	Owner, <i>IGA Plus</i>
Rodney McMullen	Vice Chairman, <i>The Kroger Co.</i>
Martin Otto	CFO and Sr. Vice President, Grocery Procurement & Merchandising, <i>H.E. Butt Grocery Company</i>
Marc Poulin	President Operations, <i>Sobeys Quebec, Sobeys</i>
Michael Sansolo	Senior Consultant, <i>Food Marketing Institute</i>
Don Sussman	EVP Marketing & Merchandising, <i>Stop & Shop</i>
Ken Waller	Executive Vice President, <i>Hy-Vee, Inc.</i>

Commissioned Research Projects Coca-Cola Retailing Research Council of North America

For further information on this study and all the studies conducted by the Coca-Cola Retailing Research Councils of North America, Europe, Latin America, and Asia, as well as studies concerning the convenience store industry, please visit www.ccrcc.org.

2006

Getting to Great: Mapping Management Practices that Drive Great Store Performance
FranklinCovey

2004

The World According to Shoppers
TNS NFO

2002

Grow with America: Best Practices in Ethnic Marketing and Merchandising
Cultural Access Group and About Marketing Solutions, Inc.

2000

New Ideas for Retaining Store-Level Employees
Blake Frank, PhD, Graduate School of Management, University of Dallas

1998

Building a Meal Solution Delivery System: Understanding Supply-Side Costs and Strategies for Supermarket Foodservice
The Hale Group, Ltd.

1996

Where to Look for Incremental Sales Gains: The Retail Problem of Out-of-Stock Merchandise
Andersen Consulting

1993

Measured Marketing: A Tool to Shape Food Store Strategy
Brian P. Woolf, Retail Strategy Center, Inc.

1992

New Ways to Take Costs Out of the Retail Food Pipeline
Mercer Management Consulting

1991

Strengthening Your Relationships with Store Employees
Robert M. Tomasko, Washington, DC-based consultant to Arthur D. Little, Inc.

1989

Supermarket Merchandising for the 1990s

Booz, Allen & Hamilton

1988

Assessing and Capturing the Soft Benefits of Scanning

Professor Robert Blattburg, Graduate School of Business, University of Chicago

1986

Improving Store Manager Effectiveness

Human Synergistics, Inc.

1984

Managing the Large Food Store of the Future

Arthur D. Little Co.

1983

Lessons from Japan

Michael O'Connor

1982

Planning Your Financial Growth in the 1980s: A Financial Planning Model
for Food Retailers

Robert D. Buzzell, William E. Fruhan, Walter Salmon

1981

Product Improvement Techniques & Strategy for the Supermarket Industry

Professor Bobby Calder, Graduate School of Management, Northwestern University

1980

The Impact of Energy on Food Distribution in the 1980s

John Morrissey, Senior Vice President, Super Valu Stores, Inc.

1980

An Economic Analysis of the Distribution Industry in the United States

Arthur Andersen & Company

1980

Social Trends and Food Retailing

SRI-International