

THE EVOLUTION OF ACCESSIBLE NUTRITION

Produced by
Daymon

*Private Brand specialist **Daymon** looks at the nature of accessible nutrition that is all about nutritious products that are affordable and understandable. This notion of accessible nutrition encompasses the price, the formulation, and the communication as key considerations. Making it easier for customers to make informed, healthier choices.*

When it comes to accessible nutrition price, affordability and availability capture part of what accessibility means in the context of nutrition as consumers are nowadays more in tune and informed about their health. That said, the reality is that accessible nutrition from a consumer perspective needs to be viewed in the context that some 26% of the global population are experiencing moderate to severe levels of food insecurity¹. Even in developed countries, such as those in North America and Europe, families are struggling to make ends meet. More equitable access to nutrition is becoming a focus area for consumers who feel that health should not be a luxury restricted to those with disposable incomes.

“
(...) access to nutrition is becoming a focus area for consumers who feel that health should not be a luxury restricted to those with disposable incomes.
”

In recent years pricing and value for money have become increasingly important to consumers worldwide with almost two in three having noticed price rises when shopping². That said, quite often perceptions are higher than the actual inflationary figures, highlighting why consumers need reliable information, education, and communication to make affordability part of their shopping experience. Notwithstanding, major markets in the western world are indeed witnessing a cost-of-living crisis with 69% of consumers saying that they are actively trying to save money when buying food and beverages².

Despite this, health remains an important factor as buying behaviours continue to shift. A notable

trend seen in products that are created with natural ingredients or ones that provide health advantages, ranking higher, over lower price points. Indeed, a reflection of the growing awareness and desire for products that support health and well-being. Indicating that the balance between price and nutritional benefit is now more vital than ever. On the one hand perceiving value in food and drink as products that nourish them, and on the other, the desire to sample new experiences, boost their personal well-being and support planetary health.

With that in mind, how to move forward to enhance accessibility to nutrition and empower consumers? Essentially by addressing price, formulation, and communication.

From a price perspective, making nutritious food more affordable and looking at ways in which to manage inflationary push. Fine tuning the formulation and quality of food products in the context of the rising cost of living. Along with making sure that clear communication enables shoppers to understand the nutritional value of what they are consuming so as to follow a healthier diet and feel partnered on their journey to eat healthier.

PRICE

Simple and affordable nutrition seen in the framework of redefining health is important for consumers. With many searching for a balance between managing their costs on the one hand, and still being able to access essential nutrition where product quality and nutrient levels are not affected. For example, by buying more affordable items or using basic ingredients to cook from scratch rather than processed convenience food. An increasingly popular approach as 30% of consumers in the UAE and 25% in Saudi Arabia, when asked how they see their lifestyles evolving over the next 3 months, saying that they would start to cook meals at home from scratch⁹.

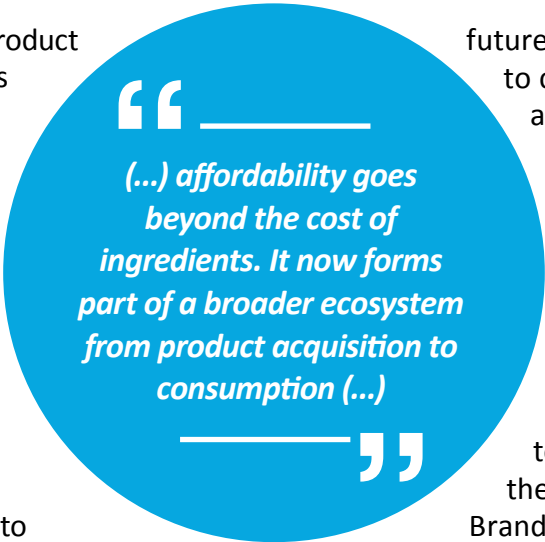
A good example seen in the UK, where Marks & Spencer's teamed up with Michelin-star chef Tom Kerridge, to launch a budget-friendly meal planner to help people serve up nutritious meals. Packed full of products from the 'Remarkable Value' range with easy-to-follow recipes. Indeed, a benefit for consumers as they look to create inspired meals that meet the budget and tick the nutritional box at the same time. Furthermore, we see that affordability goes beyond the cost of ingredients. It now forms part



of a broader ecosystem from product acquisition to consumption, as the cost-of-living crisis and food inflation includes other variables such as energy bills. Bringing to light affordability in the home and raising the profile of alternative cooking methods that are both healthy and less expensive. Consumers are switching on and using energy-efficient microwaves, pressure cookers and air fryers as a way to reduce energy bills. These appliances use convection heat and are seen to be a healthier alternative to deep-fat frying, plus they have the added bonus of certain nutrients being preserved during cooking. Iceland Foods taking this one step further, introducing the world's first supermarket aisle dedicated solely to air fryers.

While alternative cooking methods heat up and innovative approaches evolve, so too we've seen shifts in the upcycling space that in turn makes sense when we talk about accessible nutrition. During COVID we saw how waste became even more obvious. This is as relevant today as it ever was, with two in three consumers saying that they are willing to pay more to tackle this issue². In addition, consumers now have an understanding that in order to protect their wallet, wasting food means wasting money. To avoid this, the rise of upcycling has become a way to save money without compromising on quality, with a push positive effect for the planet at the same time. Alongside the fact that many people are finding it difficult to maintain a decent standard of living, it represented a way to eat well and act well as conscious consumerism gained traction. Where upcycling food has become a technical solution for food waste reduction, that retains nutritional and financial value of food by-products.

Upcycling is now an on-trend message thanks to its positive environmental image, with global launches of upcycled foods having increased over the years. That said, there has been little mention of additional upcycling cost-cutting advantages, paving the way for



future developments in this field to capitalise the benefits and attract new customers. A company exploring the business opportunities that food waste derives is Hofer (Aldi) in Austria by upcycling valuable agricultural food surpluses. In so doing, making a significant contribution to the environment under their sustainable Private Brand "Rettenswert" as well as creating an opportunity to introduce an upcycled Private Brand range to answer a consumer need. Another example is 'Too Good To Go' one of the most established food waste apps. The recent partnership with Unilever in the Netherlands allows shoppers to order a box of specific brands to manage surplus stock. Similarly, from an upcycling perspective BonApp in the UAE provides a platform for restaurants, hotels, and other food providers to sell excess food at discounted prices to eliminate food waste.

While affordability and upcycling have an impact on the accessibility of nutrition, so too, inflation can further complicate the situation. According to the World Bank, global food prices have contributed significantly to consumer food inflation in recent years. This inflationary pressure makes it even more challenging for consumers to afford essential food items. Add to the mix the pandemic and geo-political conflicts, the result is a perfect storm for the FMCG sector.

This inflationary push continues to put pressure on consumers, with Private Brands expected to benefit from the current climate. For example, in the UK, Asda launched a 'Just Essentials' Private Brand collection as a significant reboot of its former 'Smart Price' range aimed at providing affordable food essentials for shoppers on a budget. The range is now twice as large and takes into consideration consumers' health, cognisant that customers want to keep grocery bills in check, whilst still being able to buy healthy, nutritious food. Customers can browse recipes online and add each required ingredient to their basket, then follow the 'Good



Living' instructional methods on their website once their delivery arrives. So too, mindful of the current economy Pick n Pay in South Africa has committed to partnering consumers in a new way by launching a value-focused supermarket under the QualiSave banner. The supermarket offers essential items at lower prices offering a range of 8,000 products carefully selected according to research, which revealed consumer trends around popular products. Ultimately 40% of the group's stores will be converted to this banner, with expansion plans to open more than 50 new stores annually.

The inflationary effect is not only impacting consumer behaviour, but also the industry, bringing about the 'shrinkflation' phenomenon to manage price increases. Defined as the practice of reducing the size or quantity of a product while limiting price increases. In the UK, almost three quarters (73%) of shoppers are becoming more aware of 'shrinkflation', a result of which 21% of shopper's are switching to brands that have not reduced the size of their products⁴. Numerous popular branded products that have

shrunk in pack size include Pringles tubes down from 200g to 185g, Comfort Pure fabric conditioner down from 85 washes per pack to 83, and McVitie's Digestives down from 400g to 360g⁵.

FORMULATION

Inflation and the rising cost of living is having a direct impact on the nutritional benefits and quality of products as many companies start to follow new principles. While we get to grips with 'shrinkflation', there is another new term 'skimpflation' where companies reduce the quality of a product while keeping the price the same. This cost reducing initiative is all about focusing on limiting costs, with production formulation a secondary consideration. In some cases, there is nothing on the packet to even indicate that anything has changed. Examples found include Bertolli olive oil spread with 21% olive oil, being reduced to 10% and, Aldi's Bramwell Real Mayonnaise that used to use 9% egg yolk but now uses 6% egg and 1.5% egg yolk⁶. With these types of phenomena on consumers radars and cost increases affecting many shoppers,

“
Inflation and the rising cost of living is having a direct impact on the nutritional benefits and quality of products
 ”

health still trumps affordability. Even those with the lowest incomes believe that the food industry should prioritise health when developing products. Indeed, balancing price and nutritional benefit has never been as important as it is right now.

If 'skimpflation' is about revising formulation to impact costs, on the other side of the coin, there is much being done to upgrade formulation to bring enhanced, clean, and de-junked products to consumers, at affordable prices. Food that falls into this category are ones that claim to be minimally processed and made with wholesome, natural ingredients. Clean label as the name suggests, carries clear and simple labelling, and a recognisable list of ingredients to show that there is nothing undesirable or controversial.

If 'skimpflation' is about revising formulation to impact costs, on the other side of the coin, there is much being done to upgrade formulation (...) at affordable prices.

By way of example, Portuguese retailer Pingo Doce removed all flavour enhancers and artificial colours from their Private Brand food products. Instead, introducing natural alternatives that are fruit or vegetable based⁷. So too, just as people are becoming more conscious of diets and nutrition, they are also extending this awareness to their pets, looking for food that is high-quality and nutritious. Mindful of this, in the US, Target's Private Brand Kindfull clearly communicates that there is nothing artificial in their range with no by-product meals, no wheat, corn, or starch.

Further afield in the Middle East, consumer's rising interest in foods and beverages that are healthy and indulgent at the same time, have led to increased demands for brands to focus on

clean labels in this region. Olam Food Ingredients reported that consumers want to be able to indulge but not feel guilty about doing so. That's the reason clean label is so important as they can check this for themselves.

in the Middle East, consumer's rising interest in foods and beverages that are healthy and indulgent at the same time, have led to increased demands for brands to focus on clean labels

The rise in popularity of seeking out cleaner formulations is critical for the retail industry as consumers now expect informative packaging and want symbols to be backed by defined standards, to enable them to live a healthier lifestyle. That said, labelling something as "healthy" is not enough, in fact this is often seen by consumers as a marketing tactic. While the product may catch their eye, they still want to review the ingredients along with the nutritional content before deciding to make a purchase.

Additionally, consumers evaluate if such standards align with their definitions of healthy food given the highly individualised nature of what they are looking for. Cognisant of this, global retailers are committed to answering consumer needs around healthy food. For example, Marks & Spencer's in the UK challenged customers to explore healthy budget friendly diets that are good for the planet. 'Sparking Change' encourages, supports, and guides customers to do just that in their kitchens by using plant-based foods, cutting food waste, cooking from scratch, and making sustainable living a way of life beyond the kitchen. The result was that 81% of participants said that they knew what makes up a healthy balanced diet compared to 26% before. While 39% saved on

groceries and 90% were wasting less food⁸. In a similar vein, Continente in Portugal extended its range of health products to include not only plant-based items but also through the expansion of their nutritionally balanced Equilíbrio Private Brand, introducing a new range of breakfast products and snacks for children. Consisting of breakfast cereals, yoghurts, fruit juices and enriched milk that cater to the specific nutritional needs of this target. While in the Netherlands Albert Heijn's Private Brand smoked salmon now contains 25% less salt, making the product a winner at the Healthy Innovation Awards, unanimously chosen because it makes a strong contribution to health awareness and healthier choices. Confirmation of the steps taken by the retailer to improve products making it easier for consumers to make the right choices. A focused approach taken by the retailer that also includes new ways of reducing sugar and saturated fats, increasing the amount of fibre, and generally improving their products to make healthier choices easier.

While clean labels form part of the framework for progress, so too, setting targets is an important

step towards creating a healthier and more equitable food environment for everyone as it represents a way to measure the impact and communicate results, making health actions more quantifiable. Illustrated in a move by Tesco in the UK where they have pledged to remove 100 billion calories from their Private Brand range in the next two years. With the ripple effect of challenging their suppliers to make similar commitments. Additionally, they have made the HFSS content of their suppliers' products a key factor in their new range reset, urging suppliers to make healthy food cheaper. Interviewing for The Grocer, David Sables stated he believes that Tesco is now ready to begin using health as a reason to delist suppliers who failed to make their non-HFSS products cheaper.

Alongside this, Lidl in the UK announced a health pledge of their own that will see it increase sales of healthy products to at least 85% of total sales over the coming years. The pledge is based on tonnage volume, with specialist nutrition teams developing a customised nutrient profiling system (NPS) based on criteria that includes fat content, saturated fat, sugar, salt, and front-of-pack labelling.





COMMUNICATION

Accessible nutrition also entails “I understand what I’m buying” and “I know what is better for me.” Communication is therefore essential, as consumers demand assistance from retailers and brands in educating them about how to follow a more nutritional diet. To assist them on their health journey, it is key to go beyond price and promotion and educate them by communicating either across media or in-store.

“
Communication is (...) essential, as consumers demand assistance from retailers and brands in educating them about how to follow a more nutritional diet.
”

This is a key topic both globally and regionally. In a survey it was reported that it’s easier for global consumers to understand what healthy means for them, with 20% strongly agreeing that “knowing what food and drinks are healthy

“
(...) 20% of global consumers strongly agreeing that “knowing what food and drinks are healthy for me to eat is confusing.”
”

for me to eat is confusing.” As opposed to 27% in the UAE and 29% in the Kingdom of Saudi Arabia strongly agreeing with the same statement³.

It’s becoming clear that educating consumers about nutrition and meal preparation is key to assisting them in making healthier choices, especially for those on a budget. Research among Tesco shoppers found that 86% wanted to eat healthier foods, with 77% wanting the supermarket’s help to achieve this⁹. Tesco listened and created ‘Better Baskets’ a campaign to help customers fill their baskets with better choices. A way to help them shop a healthier more sustainable basket, without compromising on price.

With technology an important aspect of everyone’s lives, digital communication is critical in addressing health awareness. Guided by the fact that almost 20% of smartphone users have one or more applications that help them track or manage their

health¹⁰. Yuka in France, a health-related app that scans food and personal care products to decipher their ingredients to allow users to make clear-sighted purchases, is one such example. 91% of users consider the app as one of the most useful, 95% having stopped buying products with additives, 92% have put items back that the app marked as red and 84% are now buying more raw products¹¹.

Retailers are using this type of technology to communicate and educate consumers around their health, through social media, on their websites and in-store. Seen at Carrefour in France who have integrated, through ChatGPT, a new chatbot Hopla which assists consumer in providing meal and product suggestions, taking into account cost considerations as well as dietary requirements.

Nowadays, with the ease that digital connectivity on mobile phones affords consumers, Statista reported that the global average time spent on social media was about 2.5 hours. Everything from the products consumers buy to the media they consume is dictated on these significant platforms, making it an ideal channel to communicate with customers about nutrition and health.

Elevating this opportunity, retailers have jumped on board to leverage their expertise on nutrition by partnering with health influencers as ambassadors of their nutritional values. For example, in Spain, food influencer Carlos Rios has a significant social media following for his RealFood movement which focuses on the removal of ultra-processed food from consumers' diets. This has evolved into an ecosystem of books, apps, food brand certification and even a product range. Taking a broader view, Lidl in Germany launched a marketing campaign through print, online, TV and radio to encourage consumers to purchase its Vemondo brand, partnering with influencers, actor Ralf Moeller and chef Timo Franke.

Additionally, we see how double-digit inflation has led to one in seven people in the UK skipping meals or going without food, as reported recently in The Guardian. In countries unaccustomed to inflation, sticker shock in grocery aisles is real,

prompting more people to look for brightly coloured stickers that indicate markdowns as well as offering support to figure out how to improvise in the kitchen with reduced-price foods. To address just that, UK based Uncommon Creative Studio created the 'Yellow Sticker Cookbook' for mobile users to find recipes for marked-down groceries. On the app they scan a reduced product and then click through to see recipes.

Recently a food delivery service launched Canada's first 'Inflation Cookbook' that uses AI to track grocery prices and serve up cost-conscious recipes. Based on real-time price data, the cookbook highlights ten items with significant price reductions then displays seven recipes that use those ingredients to make meal planning accessible and convenient. Around the world people are having to adapt in this way to manage rising prices, assessing their consumption habits, and seeking out cost-effective options. Making these cookbooks a valuable resource and empowering consumers to save money.



CASE STUDY

Nutri-Score is a 5-color nutrition label and nutritional rating system that has been recommended by several EU countries, as well as the World Health Organisation. It is **a way to guide shoppers and make nutritional labels understandable**. Indeed, it has its detractors who claim that scientific studies are insufficient to support the use of Nutri-Score, however the Nutri-Score appears as a powerful tool that is tackling accessible nutrition across the three core topics.

Nutri-Score does not only cater to the “I understand what I’m buying” angle of accessible nutrition, it also provides several advantages to shoppers focused on savings, where retailers’ lower prices of better-rated products to make that connection. By way of example, French supermarket Carrefour lowered prices of certain products that are high in nutritional value carrying an A Nutri-Score rating, to help customers maintain a healthy diet during the economic downturn.

According to the European Commission’s Joint Research Centre, this rating system offers consumers a quick and easy way to understand nutritional information when making purchase decisions. Designed in a simple, colourful, and easily understandable way as a shopping guide

to encourage the eating of healthier food, **it has also prompted food businesses to improve the nutritional quality of their products**. For example, Nestlé uses Nutri-Score in several countries across Europe, with the aim of supporting consumers and reformulating several products based on this scoring system.

Furthermore, **several studies have shown that adding Nutri-Score on packaging, enhances brand sales**. According to a recent report a third of French consumers alone rely on this rating system when making purchases¹². So too, the Nutri-Score information on packaging has the potential to influence product demand. Products rated A have a 6.3pp rise in demand, whereas products rated E have a 6.9pp fall in demand, when compared to items that do not display the rating label¹³.

Using Nutri-Score as a tool to platform healthier food choices is seen in action at Albert Heijn where 6000 of their own brand products carry the Nutri-Score rating on their app and online. From electronic price tags to their food choice logo. Each product is assigned a score based on algorithms, with pluses for protein, fibre, fruit etc. Sugars, saturated fat, and salt push the score down.



MOVING FORWARD

Accessible nutrition will continue to be a work in progress as we strive to embrace what it means in the context of affordability, the formulation of nutritious choices, and communication that allows consumers to make informed decisions.

As barriers are lowered that prevent consumers from attaining healthy, nutritional, and affordable food, the following key points should be considered to work towards prioritising and investing in initiatives to ensure that no one is left behind in the pursuit of a healthy life.

1. When it comes to retailers' and brands relationships with consumers, the balance between cost and nutrition must be at the forefront of marketing plans particularly during inflationary periods. **Guiding and supporting consumers as they seek out affordable, healthy, and nutritious options.** For example, helping consumers reduce waste and reuse leftovers, sharing nutritious budget-friendly meal planners, offering alternative cooking methods, and by introducing Private Brand affordable ranges.
2. Private Brand is increasingly seen as 'good quality' and 'good nutrition'. This implies that there should be a **greater focus on providing nutritionally balanced products**, as well as clean labels, product reformulations and nutritional benefits. Clearly communicated in-store or on digital platforms, **turning these products from niche to more mainstream.**
3. Helping consumers to help themselves will also be important. Retailers and brands should target both **online and in-store communication to provide additional information or facilitate health choices.** Using technology and social media will also be key to reaching consumers.



About Daymon

With 50 years of experience building successful private brand programs around the world, Daymon is the only solution provider that influences all aspects of private brand development, from strategy to execution to consumer engagement. Daymon's unique approach helps retailers and brands set themselves apart through a full suite of best-in-class private brand development services, including: strategy, analytics and insights, product development, supplier development and management, account management, and design and packaging management.

Daymon drives brand innovation, differentiation and results.

For more insights and recommendations for driving your brand, contact fdc@daymon.com.

Sources: ¹ www.businessfightspoverty.org, ² Innova Market Insights, ³ Global Data Consumer Survey Q2 2023,
⁴ www.grocerygazette.co.uk, ⁵ www.which.co.uk, ⁶ www.theguardian.com, ⁷ The Marketeer, ⁸ www.marksandspencer.com,
⁹ www.tescopic.com, ¹⁰ www.medicalnewstoday.com, ¹¹ www.yuka.io, ¹² www.lsa-conso.fr ¹³ Circana