

Take on Transparency

Whether it's a clean label or knowing where their food comes from, experts share how c-stores can meet the needs of consumers looking for healthful options

By Tammy Mastroberte

WHILE CONVENIENCE STORES are often viewed as the place to grab a candy bar, chips or coffee, many companies in the industry are contributing to a change in this sentiment by offering healthier options, including produce, all-natural snacks and even organic items.

Falling under this category are buzzwords like “clean label” and “transparency,” as more consumers demand ingredients they can recognize. However, many also want to understand where the food they purchase is coming from and the story behind it.

Although it seems this is at the forefront today, the movement actually started a while back.

“In 2015, the food industry started to respond to consumers’ demand — or lack of demand — for certain products, as the center-of-the-store products in grocery stores, including canned, boxed and processed foods, started to decline,” said Paul Metz, executive vice president of C+R Research based in Chicago.

In the restaurant space, he said Panera led the way when it announced via YouTube commercials and full-page newspaper ads that it was changing its entire menu to “clean food.”

While there is no official definition for “clean label,” research shows it to be items with relatively few ingredients and preservatives, and ingredients consumers can pronounce and recognize. All-natural, fresh and organic also fit under the definition.

“Consumers much prefer to look at a label and see something they understand rather than a complex, scientific-sounding name that they don’t,” said Steve Hartman, account director for Ingredient Communications,

based in the United Kingdom.

Food manufacturers responded early on by initiating research and development for product innovation to reformulate food, replacing chemicals with ingredients that “sounded like things in nature,” Metz said, noting that the Institute of Food Technology even highlighted clean labeling as the lead issue at its 2016 annual event.

By early 2017, consumer packaged goods companies and private label manufacturers had already implemented plans to move to clean label.

“From a c-store standpoint, there are a lot of clean products to choose from like KIND bars and RXBAR in the snack bar category, which were at the forefront of clean labeling, and even popcorn like SmartPop!,” said Metz. “Because consumers know they can get these options in the grocery store, this is what they may be going into a c-store looking for when shopping.”

La Crosse, Wis.-based convenience store chain Kwik Trip Inc. started putting a larger focus on healthier options in 2014 when it joined the Partnership for a Healthier America and began offering fresh fruits and vegetables, lowfat and nonfat dairy, and whole grains at all its stores.

This year, Kwik Trip announced a commitment to put the Partnership for a Healthier America’s FNV (fruit and vegetable) campaign in all its Wisconsin stores for a few months each year. The retailer also added healthy options for guests to redeem as part of its Kwik Rewards loyalty program.

“The guests that come through the stores are all unique and so are the items they’re looking for,” explained Erica Flint, RD, CD, dietician



Call to Action

- While there is no official definition for “clean label,” research shows it to be items with relatively few ingredients and preservatives, and ingredients consumers can pronounce and recognize. All-natural, fresh and organic also fit under the definition.
- Concern around clean eating is not universal. Research shows sentiment differs by generation. So, for convenience store operators, knowing their store’s demographics is the first step. Millennials, Generation X and baby boomers are the most health-minded.
- If a convenience store is offering cleaner and healthier products — or locally sourced or manufactured products — then signage and labeling these products and sections is key for communicating and building awareness among customers.
- While some stores might take the approach of offering one section or an endcap featuring clean label and/or local products, experts recommend keeping the clean and natural offerings spread throughout the store, while making sure they are called out in some way.
- C-store operators who commit to offering clean options should also make it part of their overall advertising and marketing plans. Be sure to communicate stories about local products, whether through signage, employees educating customers or advertising outside the store.

in charge of food research and development at Kwik Trip. “The goal is to offer a variety of food and beverages, so there is something for everyone. Stores are stacked with snack items such as nuts, fresh fruit, vegetables (both cut and whole), cheese, yogurt, bars and hardboiled eggs.”

Know Your Customers

As consumers place more value on clean eating, they are also looking for more transparency in the foods they consume. This includes where the food came from, who made it and more. This call for greater transparency has followed the trend of consumers’ growing distrust in large manufacturers and the food system overall.

“As consumers are aspiring to eat clean, the only way they can make that determination is for themselves,” said Shelley Balanko, Ph.D, senior vice president of The Hartman Group, based in New York. “Consumers won’t rely on a label that says ‘clean food.’ They want the narrative that allows them to understand what is in it, who made it and how it was made.”

This also explains the shift toward a focus on local products and localization. When consumers look at local products, they see shared values and assume there is a smaller scale to production, which translates in their minds to “fresher” and “less processed.”

“Local products also give the assurance that the food is not from other countries, where they might not have the same regulations as the United States does,” Balanko added.

When it comes to product label reading and consumer preferences, though, the concern around clean eating is not universal. Research shows sentiment differs by generation. So, for convenience store operators, knowing their store’s demographics is the first step to considering clean label offerings and

transparency. Millennials, Generation X and baby boomers are the most health-minded, according Balanko.

While millennials are most concerned with the amount of sugar, protein and sodium levels, they also want the label “all-natural” and for their food to be free of preservatives, according to a 2016 survey C+R Research did for the Institute of Food Technology. Generation X looks for the term “all-natural” and is concerned about sugar,



too, but they also pay attention to trans fats and want items to be hormone-free. Baby boomers are concerned with sugar, sodium and trans fats, and also want items without artificial sweeteners and high-fructose corn syrup.

“Everybody has concerns with sugar and, to some extent, sodium, but I recommend c-stores take a look at the demographics of their customer base and who they are from an age standpoint,” Metz advised.

Additionally, c-stores should look at the zip codes their stores operate in because it should not be the same strategy across the board for all locations. As Balanko

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explained, zip codes with less affluent and less educated consumers would be more focused on traditional convenience offerings, while the more affluent and more educated would be interested in clean label options.

“Do your research into the demographics and see how that maps out, but this is a trend that is enduring,” Balanko stressed. “The interest in convenient, fresh, real food is not a trend we see going away. This is modern life, and consumers of all ages and backgrounds are interested in eating better. What constitutes clean eating will evolve.”

Communicating to Customers

If a convenience store is offering cleaner and healthier products — or locally sourced or manufactured products — then signage and labeling these products and sections is key for communicating and building awareness among customers in the store.

“It’s all about labeling and in-store signposting,” said Hartman. “Also, provide information at the point-of-sale and on packages for maximum transparency.”

While some stores might take the approach of offering one section or an endcap featuring clean label and/or local products, experts recommend keeping the clean and natural offerings spread throughout the store, while making sure they are called out in some way.

“The clean label trend permeates every category,” Hartman noted. “A store might wish to flag individual products throughout the store that contain only natural ingredients.”

In fact, research is showing consumers prefer this approach vs. the segregated natural section in many cases, according to Balanko. For years, research showed a preference for a

“store within a store” or a section with natural products featured together, but that is changing.

“Now, our research shows consumers want it integrated and to have those products labeled within the categories,” she said. “C-stores can label the shelves and have a shelf banner that calls out natural and organic chips right alongside regular options. The same with beverages.”

C-store operators who commit to offering clean options should also make it part of their overall advertising and marketing plans. Be sure to communicate stories about local products, whether through signage, employees educating customers or advertising outside the store.

Kwik Trip, which owns and operates more than 600 convenience stores in Wisconsin and Minnesota under the Kwik Trip banner and in Iowa under the Kwik Star banner, uses social media to communicate its focus on healthy options and locally produced products.

“Social media has been a channel that the Kwik Trip marketing team has utilized to give guests a glimpse into where their food comes from,” shared Flint. “Chocolate milk production in the Kwik Trip Dairy went live on Kwik Trip’s Facebook page and was very well received by our guests who enjoyed watching the process.”

Kwik Trip not only offers fresh fruits and vegetables, but also fresh meat and dairy. The items can be found in multiple forms throughout the chain’s stores.

“It’s important to remember clean labels don’t have to be complicated,” Flint pointed out. “Some of the healthiest ‘clean’ foods and beverages don’t have a label or need to feature marketing callouts on the packaging.” **CSN**

