Food price promotions and public health

Price promotions are a key driver of grocery shopping behaviour and consumer spending, accounting for over half of all food items sold in UK supermarkets and for over £50 billion per year in consumer spending. However, price promotions have been criticised for encouraging excessive consumption and unhealthy food habits, potentially contributing to the increase in obesity.

A three-year ESRC-funded study led by Professor Paul Dobson at the University of East Anglia has analysed the nutrition of goods sold in major British supermarkets and the type of foods that are sold on promotion through price deals.

Findings indicate several reasons why retail offers focus on unhealthy foods. The aim may be to sell higher value-added products, which contain a high fat/sugar content; to encourage bulk buying of processed foods and drinks high in fat/sugar that are easy to store; to segment the customers into price-conscious ‘tempted’ consumers and health-conscious ‘disciplined’ consumers; or to encourage more consumption and hence more frequent store visits.

The research found promotional bias towards unhealthy foods - particularly sugary food items (such as soft drinks and sweets), fatty and sugary items (dairy and frozen foods), and salty and fatty items (snacks).

In particular, ‘buy one get one free’ deals (BOGOF) are heavily skewed towards less healthy products. Compared to food items as a whole these products are more than twice as likely to have red traffic light levels of fat, and over 40 per cent more likely to have red traffic levels of saturated fat and sugar.

Key findings

- Price promotions account for half of all spending on alcohol and soft drinks.
- Price promotions are also extensively used on ready meals, confectionery, snacks, meat, sauces and yoghurts.
- Special offers are 20 per cent more likely to have red traffic light levels of sugar compared to non-offers.
- Multi-buy deals are heavily used to promote soft drinks, dairy, deli and bakery products.
- Straight discounts are on average more skewed towards unhealthy items, and almost 50 per cent more likely to have red traffic light levels of fat and saturated fat than multi-buy offers.
- ‘Buy one get one free’ items are more than twice as likely to have red traffic light levels of fat, and over 40 per cent more likely to have red traffic light levels of saturated fat and sugar than items as a whole.

Research findings show promotional bias towards unhealthy foods - particularly sugary, fatty and salty food items. In particular, ‘buy one get one free’ deals are heavily skewed towards less healthy products.
Policy relevance and implications

A combination of formal requirements and government pressure placed on food sellers could generate important initiatives like extending the scope of the Public Health Responsibility Deal. Policy measures and regulations could include:

- Supermarkets, restaurants and other food vendors required to display total calories for items next to displayed prices, to raise consumer consciousness and enable more informed purchase decisions.

- Supermarkets required to display unit prices by weight (per 100g) or volume (per 100ml) on all items, to make price comparisons easier for consumers and support them in making more informed purchase decisions.

- Supermarkets and food vendors required not to use misleading price promotions which exaggerate the level of discount or use artificial reference prices, so as not to encourage consumers to make excessive food purchases that they subsequently waste or overeat.

- Supermarkets, restaurants and other food vendors strongly encouraged to offer small portions and pack sizes at a similar unit price to larger sizes, to discourage consumers from supersizing and overeating.

- Supermarkets strongly encouraged to curtail the use of multi-buy discounts on perishable fresh products and processed foods high in fat, sugar and/or salt which encourage over-buying, resulting in increased food waste and overeating.

BRIEF DESCRIPTION OF THE PROJECT

The ESRC-funded research project The Impact of Retail Pricing on Overeating and Food Waste, led by Professor Paul Dobson with Dr Jonathan Seaton and Professor Eitan Gerstner, has examined how food vendors’ pricing practices may influence customer’s choice of food items – potentially leading to overbuying and unhealthy food habits.

The Impact of Retail Pricing on Overeating and Food Waste
Web: www.esrc.ac.uk/my-esrc/grants/RES-000-22-3524-A/read

FOR MORE INFORMATION

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The Economic and Social Research Council is the UK’s leading agency for research funding and training in economic and social sciences.
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