

# Health Conscious Attitudes Shape Business Decisions

Custom Market Research with Powerful  
SMART Insights about One of Today's  
Most Important Consumer Trends



A Division of



# Overview

There's debate on what's expanding more—healthcare costs or American waistlines. There's no agreement on how to handle the costs, but the majority of Americans agree it's important to lead a healthy lifestyle. They say they try to eat healthy and pay attention to nutrition. They know a healthy lifestyle can help them live longer with more energy. They know they'll enjoy an improved self-image. They know they'll save money on skyrocketing healthcare costs.

## DESPITE WHAT THEY KNOW, THEIR ACTIONS SPEAK VOLUMES.

Americans have a dichotomy of attitudes. Seven out of ten people think they're in excellent or good health, yet seven out of ten are overweight or obese. One out of four adults suffers from a chronic illness, including heart disease, diabetes or hypertension. People say they want to lose weight, yet can't resist overeating. They plan to eat better, but choose convenience and processed foods over homemade and fresh foods. They think product

labeling is important, yet distrust claims made on labels and food signage.

Part of the problem is a "healthy lifestyle" can mean many things to different people. For healthcare providers, it includes maintaining an ideal weight, getting adequate exercise, and making smart food choices. For consumers, "healthy lifestyle" varies from person to person.

Marketers have responded to consumer interest in healthy living by developing new product lines, changing product

formulas and offering promotions. To successfully guide consumers to make better choices, marketers must understand what's driving consumer shopping behavior and reevaluate the strategy to cater to their needs and concerns.

This report explores health and lifestyle attitudes of consumers and how they impact business. The insights drawn from this study can help shape business decisions and develop strategies to get consumers on the right track to better health.

Consumers suggest their health is important, but their behavior shows otherwise. By moving them to act, businesses can help consumers live a healthy life—not die trying.

## METHODOLOGY:

**SMARTeam™** Market Research develops custom research to study and understand unique consumer behaviors and attitudes not currently represented with available syndicated resources. The 2012–2013 *ASM Shopper Network Study* is a proprietary market research survey of more than 1,000 national respondents designed and compiled by **SMARTeam™** Market Research, Advantage Sales and Marketing's full service market research team. This report highlights consumer attitudes concerning diet and lifestyle choices. For information on how custom market research can benefit your business, contact **SMARTeam™** today.



#### PEOPLE HAVE A LOVE-HATE RELATIONSHIP WITH THEIR HEALTH.

When they're healthy, they put less thought into their choices. When they're sick, they care very much. It's no wonder that as Americans get older, they become more committed to taking care of themselves. Age and gender impact attitudes, while socioeconomic factors affect lifestyle choices. To be successful, businesses must understand what influences the consumer's shopping decisions—and when.



#### BRANDS MATTER IF THE PRICE IS RIGHT.

The health conscious consumer has money to spend, but is very price sensitive. While they claim they're brand loyal, price still drives their decision-making. Businesses should strive to lure and secure this desirable consumer group as early as possible in the purchase cycle.



#### QUALITY AND FRESHNESS FIRST.

Health and nutrition start and stop with quality food. Fresh food offerings—like produce and meat—influence purchase decisions of health conscious shoppers in and out of grocery store aisles. Whether bulk food or the deli, businesses must respond to this need with topnotch departments that cater to these consumers.



#### EARLY TO BED, EARLY TO RISE, EARLY TO SHOP.

Health conscious consumers have distinctive store preferences and shopping habits. They shop throughout the week, and prefer to shop early in the day. Reaching these people requires businesses to respond to their shopping patterns and feature targeted products during key timeframes.



#### CONSUMERS USE DIFFERENT TECHNIQUES TO NAVIGATE STORES AND GATHER INFORMATION.

Product placement is paramount to reach health conscious consumers. Businesses need to understand how shoppers navigate the store to identify promotion and display opportunities. By learning how they gather information—through traditional sources and electronic media—businesses will be better able to plan and implement their tactics.

## SMART Insights



# Do As I Say, Not As I Do.

## How to address the disconnect



With frequent reports of increasing obesity rates, conflicting health claims and climbing chronic illness, concerns about health and wellness have grown. Marketers have responded to these concerns by expanding product offerings geared toward satisfying the consumers appetite for healthier, low calorie and good tasting food.

### **The result? Consumers who talk the talk, but don't walk the walk.**

The disconnect is obvious. The Centers for Disease Control and Prevention (CDC) reports 35.7% of Americans are obese and another third are

overweight (Source: *CDC.gov*). In contrast, seven out of ten people in the ASM Shopper Network Study said they “try to maintain a healthy diet and lifestyle daily.” It's evident that these self-reported attitudes are deceptive—their actions don't coincide with their intentions.

Businesses must try to help consumers change their behavior. By converting them from pretending to actually practicing healthy lifestyles, businesses can win the battle of the bulge and gain loyal customers.

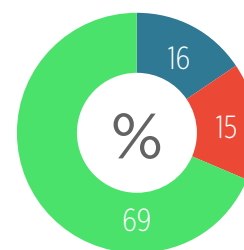
**SMARTeam™** Market Research identified three cohorts based on their

responses to a lifestyle question about health and wellness. This report assesses who they are, what they care about, what they buy and where they shop. It also uncovers how they shop in the store and gather information.

The insights contained in this report can aid businesses in addressing the disconnect between actions and words. By aligning their marketing mix with consumer insights, businesses can grow their bottom line—while shrinking the consumer's waistline.

### → With matters of your health, which statement best reflects your personal attitude?

#### ATTITUDES ABOUT LIFESTYLES



- I try to maintain healthy diet/lifestyle daily
- I only eat healthy when feeling guilty about overindulging
- I consume whatever I crave

#### **SMARTeam™** Market Research Health and Wellness Cohorts (based on self-reported attitudes)

- **The Pretenders:** Try to maintain healthy diet/lifestyle daily
- **Guilty for Pleasures:** Only eat healthy when feeling guilty about overindulging
- **Larger than Life:** Consume whatever they crave

# Who cares about healthy living:

The people behind the numbers

## SMART Insights

### INSIGHT

Young adults care the least about their diet and lifestyle.

### RECOMMENDATION

To address the disconnect, businesses need to convince younger consumers that their lifestyle choices matter and help them make lifelong commitments to better health.

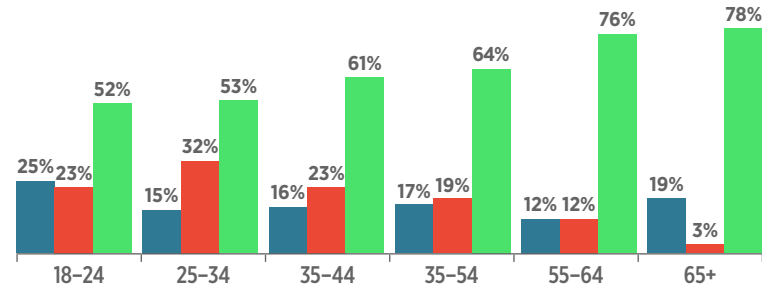
While everyone should maintain a healthy lifestyle, consumer attitudes vary dramatically among demographic groups. For those who say they consume whatever they crave, this “**Larger than Life**” group predominately includes people on the bookends of life—early in adulthood (18–24) and late in life (65+).

In contrast, those who try to make healthy choices, “**The Pretenders**,” increase with age as health issues become apparent. By their golden years, people either respond with increasing concern and commitment, or they throw caution to the wind and eat whatever they want.

Gender matters, too. More women than men try to maintain a healthy lifestyle, and they start caring in their late 20s after splurging as young adults. By the time they reach 65, they stop pretending and live life large.

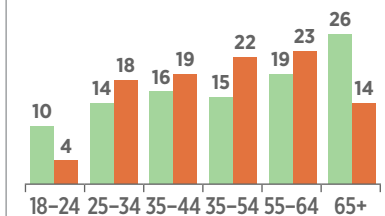
In contrast, men practice a “better late than never” course of action. They start watching their diet and lifestyle later than women. More than a quarter of “**The Pretenders**” men are age 65 or older.

### LIFESTYLE BY AGE GROUPS



- The Pretenders:** Try to maintain healthy diet/lifestyle daily
- Guilty for Pleasures:** Only eat healthy when feeling guilty about overindulging
- Larger than Life:** Consume whatever they crave

### “THE PRETENDERS” AGE AND GENDER

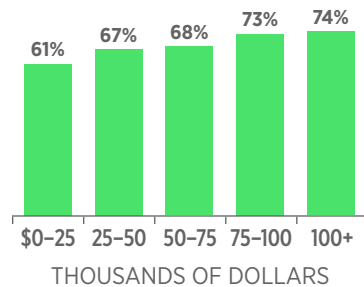


- % Men
- % Women

The correlation between lower socioeconomic levels and poorer health has persisted for years (*CDC Health Statistics*). As income and education rise, so does better health.

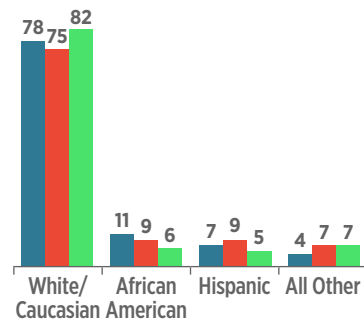
Of people with incomes of \$75,000 or higher, more than seven out of ten are “**The Pretenders**.”

#### % OF “THE PRETENDERS” IN INCOME GROUPS



Race also impacts how conscientious people are about healthy living. Those who identified themselves as “White/Caucasian” were most likely to try to maintain a healthy lifestyle. This concurs with information from the CDC (*CDC race and health*) that shows “Whites/Caucasians” self-report excellent or good health more than African-Americans, Asians or other races or ethnicities.

#### LIFESTYLES BY RACE/ETHNICITY

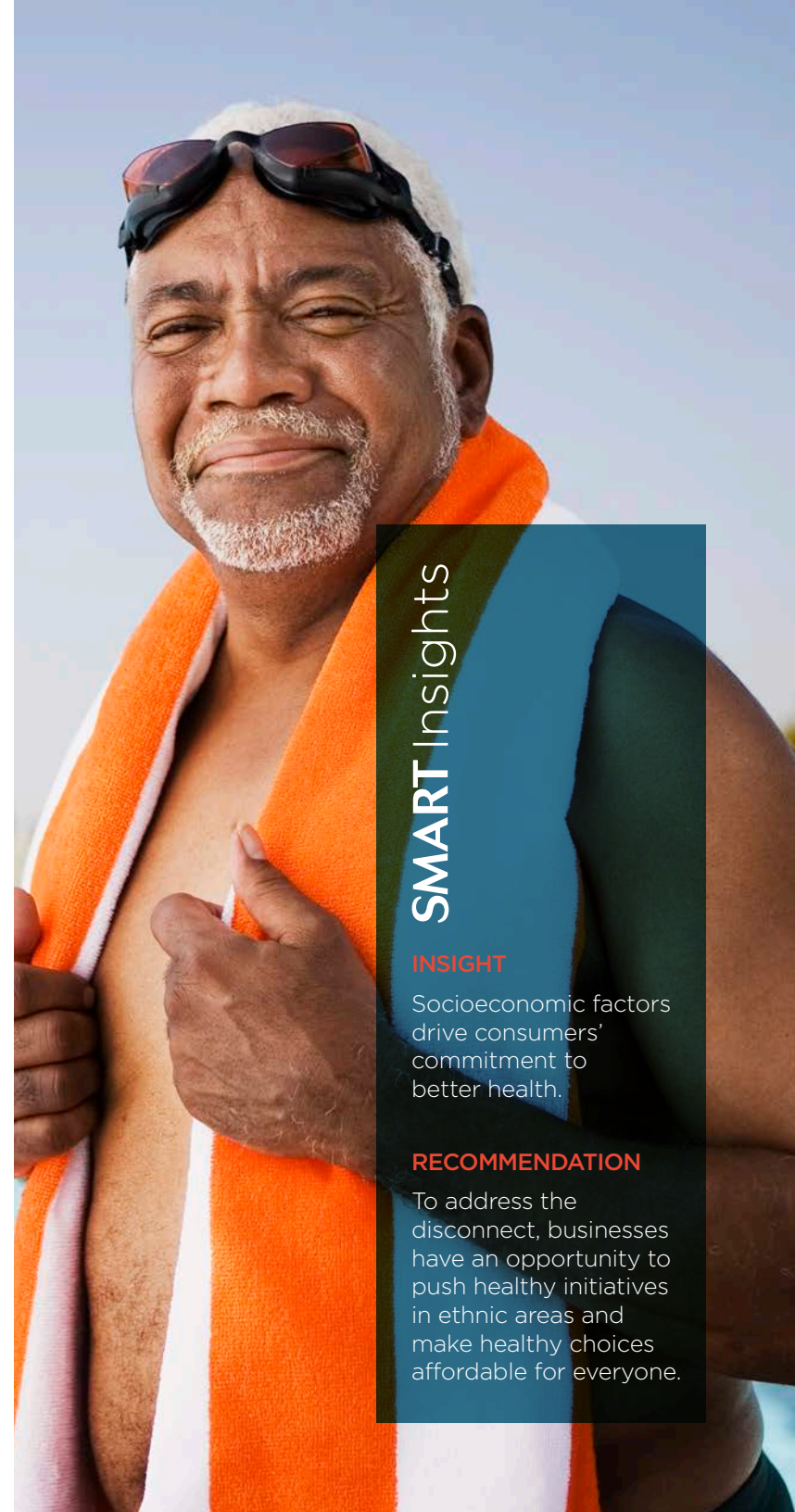


- **% The Pretenders:** Try to maintain healthy diet/lifestyle daily
- **% Guilty for Pleasures:** Only eat healthy when feeling guilty about overindulging
- **% Larger than Life:** Consume whatever they crave

But why? There is a correlation between race and income, so does it cost more to live a healthy lifestyle? Does income drive affordability or awareness? Why are lower income groups more sedentary? Are healthy foods cost-prohibitive?

People at higher socioeconomic levels have access to better health care and advice. They can afford fresh fruits and vegetables. They socialize with other people who try to maintain healthy lifestyles.

Higher income and education increase available funds, but unhealthy choices still persist. Price drives “**The Pretenders**” buying decisions regardless of income.



## SMART Insights

### INSIGHT

Socioeconomic factors drive consumers' commitment to better health.

### RECOMMENDATION

To address the disconnect, businesses have an opportunity to push healthy initiatives in ethnic areas and make healthy choices affordable for everyone.



# What Health Conscious Consumers Care About:

Brands, prices and product labels

## SMART Insights

### INSIGHT

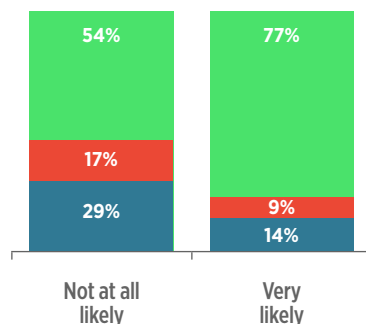
Health conscious consumers are the most brand loyal shoppers.

### RECOMMENDATION

To address the disconnect, businesses with healthy choice products need to establish their image and brand loyalty early.

→ How likely would you be to leave a store if they did not have your preferred brand?

#### ATTITUDES ABOUT BRAND LOYALTY



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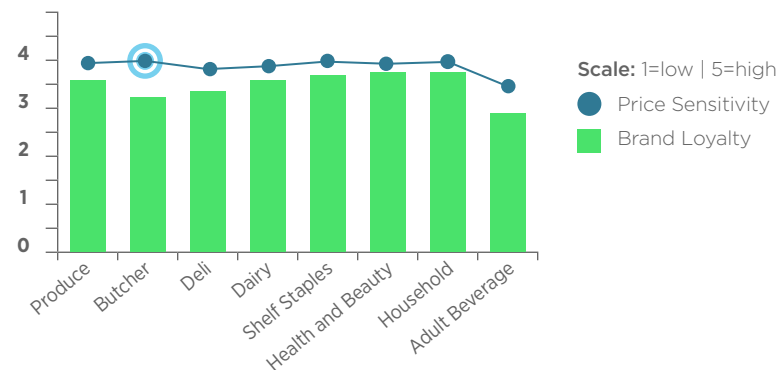
“The Pretenders” are very brand loyal, and they shop at stores that carry the brands they prefer. More importantly, they’ll leave a store if it doesn’t carry their desired brand.

“The Pretenders” represent 77% of shoppers who will very likely leave a store if they do not carry the shoppers’ preferred brand. Of those not likely to leave, about half fall into this group.

→ How loyal are you to your preferred brands in the following departments?

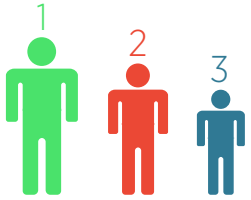
→ How price sensitive are you for items in the following departments?

#### “THE PRETENDERS” BRAND LOYALTY AND PRICE SENSITIVITY



Brand loyalty and price sensitivity vary by department. “The Pretenders” are most brand loyal to center store products and least brand loyal to adult beverages. Their price sensitivity parallels their brand loyalty except in the Butcher department, where they care less about brands and most about price.

## CROSS-DEPARTMENT PRICE SENSITIVITY RANKING



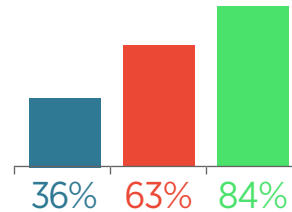
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In this report, half of all consumers said price is the primary reason for not shopping at a particular store, and 60% said price is the most important factor when choosing a store to shop. Of the three groups, “**The Pretenders**” are the most price sensitive.

This study’s findings are similar to the *Simmons Fall 2012* study, price is the most important factor for 62%. Conversely, only 38% of consumers said price is not the most important factor in making a purchase. For these people, getting exactly what they want is most important.

## Do you read product labels before purchasing a product?

### READS PRODUCT LABELS



- The Pretenders:** Try to maintain healthy diet/lifestyle daily
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More than eight out of ten of “**The Pretenders**” read product labels. Using labels to differentiate products from the competition helps build brand loyalty, safeguarding the product’s position with the consumer.

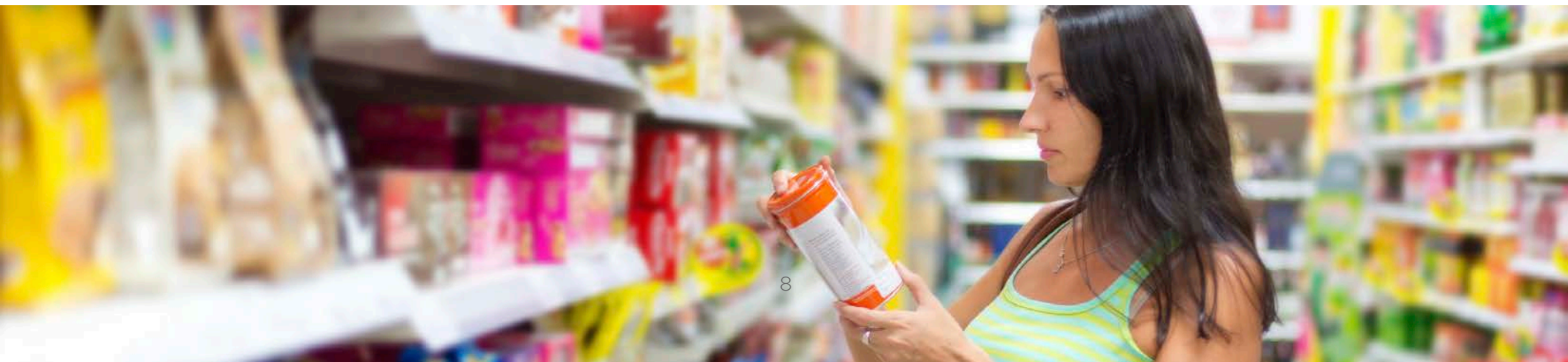
## SMART Insights

### INSIGHT

The most price sensitive consumers are also the most health conscious.

### RECOMMENDATION

To address the disconnect, businesses can use labeling to educate these consumers about the health value of their product. This will help build brand loyalty and price acceptance.





# What Health Conscious Consumers Buy

## SMART Insights

### INSIGHT

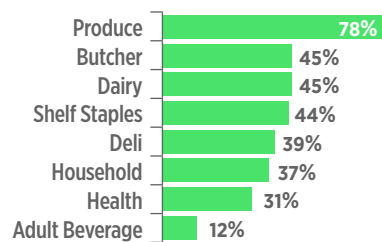
Health conscious shoppers care about the quality of their food, whether it's produce, bulk purchases or deli items.

### RECOMMENDATION

To address the disconnect, businesses need first-rate produce departments to lure health conscious consumers.

→ Which departments will influence your decision to shop at a certain store?

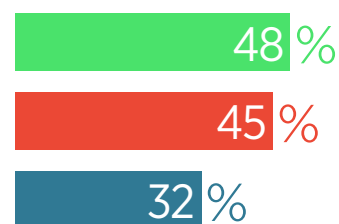
#### "THE PRETENDERS" INFLUENCES



While “**The Pretenders**” care about brands and pricing, quality, fresh food influences which store they choose to shop. The Produce department sways whether these consumers shop at a particular store more than any other department. The Butcher and Dairy departments are next in importance, far ahead of the Adult Beverage department.

→ Do you purchase items from the bulk section of grocery stores or super centers?

#### ATTITUDES ABOUT BUYING BULK

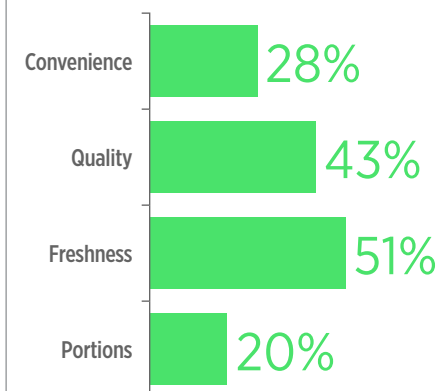


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“**The Pretenders**” are most likely to buy food in bulk. Nearly half buy in bulk while only a third of “**Larger than Life**” shoppers do.

→ Why do you buy items from the deli?

#### "THE PRETENDERS" REASONS FOR BUYING DELI ITEMS



Seven out of ten consumers buy deli items. For “**The Pretenders**,” half purchase deli items for the freshness.

# Where and When Health Conscious Consumers Shop



## SMART Insights

### INSIGHT

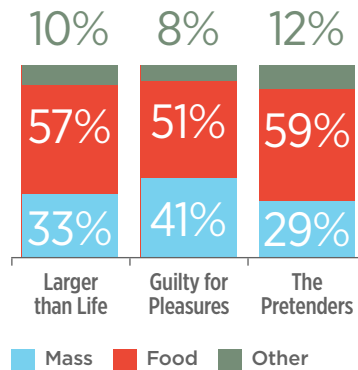
Shopping habits vary by retailer and health conscious attitudes.

### RECOMMENDATION

To address the disconnect, businesses must reach health conscious consumers before the weekend. In-store announcements best serve this group early in the day.

→ **What five store formats do you most frequently shop for food, household products, over the counter medicines and/or health/beauty items?**

STORE FORMAT PREFERENCE BY LIFESTYLE

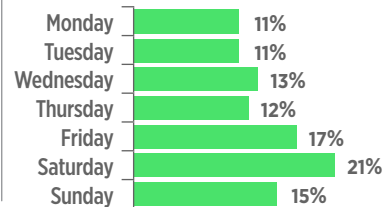


Each format's shoppers have distinctive lifestyle combinations. One Club Store's makeup is more than 80% "The Pretenders," while a Drug Store's composition

is less than 60%. Nearly six out of ten of "The Pretenders" most frequently shop at Food Stores, while only three out of ten shop at Mass Merchandiser Stores. (More information on store-specific consumer insights is available. Contact The SMARTeam™ for details.)

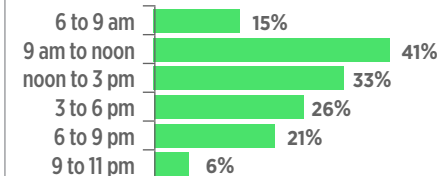
→ **What day(s) of the week do you do the majority of your shopping?**

"THE PRETENDERS" SHOPPING DAY PREFERENCE



→ **What time(s) of day do you typically do your shopping?**

"THE PRETENDERS" SHOPPING TIME PREFERENCE



Health conscious consumers shop throughout the week. More than 10% shop on any given day, and the busiest shopping days are on the weekend. They prefer to shop early in the day, with the largest spike between 9 am and noon.



# How Health Conscious Consumers Shop and Get Information

## SMART Insights

### INSIGHT

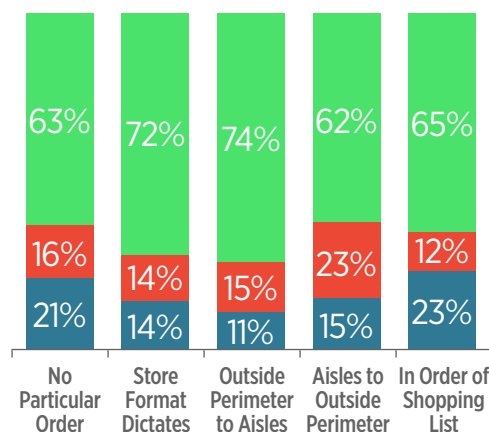
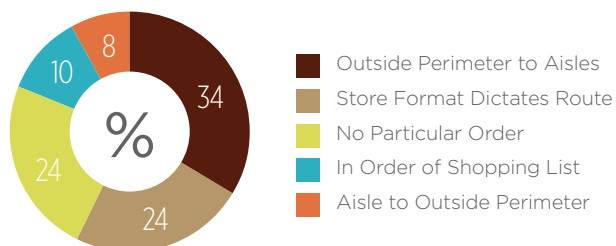
Health conscious consumers navigate through the store differently than other shoppers. Produce is their #1 department influence, and it's often located on the perimeter.

### RECOMMENDATION

To address the disconnect, businesses must identify what products appeal to health conscious consumers and determine the best product placement within the store.

## → How do you typically shop in the store?

### STORE NAVIGATION BY SHOPPERS

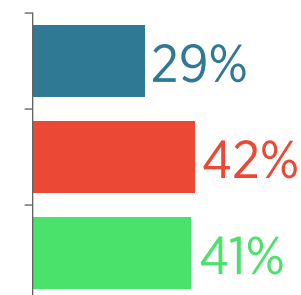


Businesses can gain insight by responding to how consumers navigate through the store. One out of three (34%) shoppers starts on the outside perimeter. Of these shoppers, “**The Pretenders**” make up

three-quarters. Only 11% of consumers shop in order of their shopping list, however, the “**Larger than Life**” group makes up 23% of these shoppers. Product placement impacts what shoppers see and buy.

## → Do you use technology such as smart phones, the Internet, etc. to make shopping easier?

### USE TECHNOLOGY FOR SHOPPING



Although “**The Pretenders**” are not early adopters, they are beginning to use technology to help make shopping easier. They use technology more than the “**Larger than Life**” consumers.

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# Boost Your Bottom Line

## Custom Market Research for Better Business Decisions

Let SMARTeam™ Market Research strengthen your story! The Team leverages its CPG expertise and integrates that knowledge with traditional and proprietary marketing research offerings to provide valuable, actionable insights for our clients and customers. More importantly, SMARTeam's seasoned industry professionals speak the language of retail.

By interpreting this language through analytics and market research reporting, **SMARTeam™** facilitates the strongest retail stories with the best custom solutions for each business challenge.

Assist your clients to better understand the consumer and respond to pressing retail questions with powerful and supportive data. Get help with questions such as:

- **How do shoppers react to new or innovative merchandising or marketing scenarios?**

- **What are the key drivers in the purchase decision for your category?**
- **What are the underlying dynamics of a purchase decision and how does it differ by channel, chain and type of product purchased?**
- **What is the consumer's perception of the "shopability" of a category?**
- **What factors motivate shoppers to switch brands, make an impulse purchase or try something new?**

- **What unique characteristics do shoppers perceive with your brand's positioning?**
- **What are the key factors in a shopper's decision of where to shop and how does it differ by class-of-trade?**

Find out how **SMARTeam™** can boost sales with data analysis and targeted opportunities. Whether you're looking for existing consumer insight data or customized research, **SMARTeam™** will drive consumers to your business.

### → FOR MORE INFORMATION

Contact Nick Sabala today at 208 395 7041 or email him at [nick.sabala@theSMARTeam.com](mailto:nick.sabala@theSMARTeam.com) to find out what **SMARTeam™** can do for you!

