



Key Points

- Promotions encourage people to buy more of a product or service
- Price promotions together with advertising are the most salient forms of marketing to young people
- In the whole of Europe, the UK has the highest proportion of food and drink bought on promotion (40%)
- The balance of promotions in Scotland is in favour of high sugar and fat food and drinks (50% vs 30%) which means that most promotions involve junk food (high in sugar, salt and fat) and sugary drinks
- 66% of customers said that price promotions on junk food should be reduced, and that better promotions of healthy options would make it easier to eat healthily outside home
- Food Standards Scotland and Public Health England both recommend a reduction in such price promotions, with emphasis on healthier foods
- In order to create a level playing field across the industry, regulation of price promotions would be fairer and more effective than voluntary actions

Key Action

- A regulatory framework is required to phase out price promotions on foods high in fat, sugar and salt

Definition

Public Health England (PHE) defines price promotions as “special offers available in retail which are specifically characterised as offering a discount on the usual selling price”¹.

Price promotions usually takes one of three forms:

- a temporary price reduction
- multibuy
- extra free



Price and promotions were identified by Food Standards Scotland (FSS) as one of the areas for action to improve the Scottish diet. In their paper for the Board Meeting from 20/01/16, FSS stated "...how retailers display, promote, sell and price their products to attract custom and increase sales has to be part of any solution"².

The McKinsey Global Institute report highlighted that the potential impact of price promotion depends on price change. Price promotions were one of 18 obesity interventions identified in the report³.

Situation in Scotland

In Scotland 40% of all food and drink purchases are made on price promotion⁴. This proportion is stable and the same as in the wider UK but proved to be the highest in Europe; twice as high as levels seen in other European countries¹.

The skew of promotions was towards less healthy foods. **Discretionary foods** were more frequently offered on promotion than staple, healthier foods (50% vs 30%)². Similarly, evidence from PHE showed that promotions are more common on products where sugar is added than on products where sugar is naturally present such as milk, fruit and vegetables, with the exception of fruit juice¹.

Discretionary Foods are energy-dense, nutrient-poor and unnecessary in a healthy diet

A recent survey of the impact of food and drink marketing on young people in Scotland found that 74% of promotions were for foods high in energy/fat/salt and/or free sugar, targeted for reduction in the Scottish Government's Supporting Healthy Choices Framework⁵.

The study showed that 54% of all marketing-prompted purchases were related to a price promotion with over a third of those (35%) being sugar-sweetened beverages, chocolate or sugar based confectionery⁵. Researchers from the University of Stirling suggested that price promotions together with advertising were the most salient forms of marketing to young people.

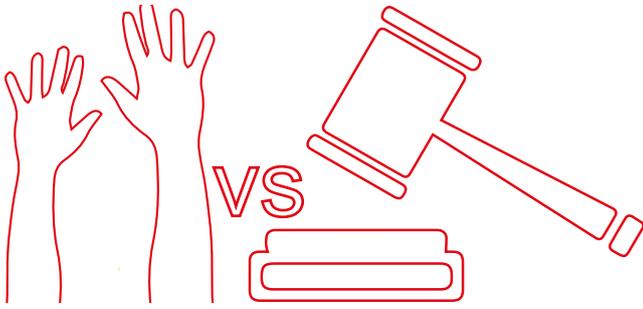
Why Address Price Promotions?

- The effects of promotions can be seen across all demographic and socioeconomic groups¹
- Promotions make products cheaper and change normal shopping patterns¹. Promotions do not just encourage shoppers to switch from one brand to another (as is often reported by industry) they also encourage buying and spending more on a particular type of product than normal
- Price promotions increase the amount of food people buy by about one-fifth¹. The increased volume purchased is unlikely to be compensated by reductions in purchases of similar products
- End of aisle displays can significantly increase purchases of alcoholic and non-alcoholic beverages⁶
- Evidence from PHE and the McKinsey report suggested that restricting promotional activity in high-calorie foods could decrease consumption
- 8.7% of all sugar brought into the home as food and drink is bought on promotion¹. If these products were not promoted, an average household could potentially consume 6% less sugar¹

Seasonality

There is evidence for seasonal fluctuation in the purchase of discretionary food and drinks; purchases increase around Christmas and Easter⁴. This may be partly driven by price promotions but also by advertising and product placement. FSS estimated that additional purchase of discretionary foods over 12 weeks could result in extra 9000 kcal intake or 1kg weight gain².

HFSS FOODS ARE THOSE HIGH IN FAT, SUGAR AND SALT



Voluntary vs Regulated

The McKinsey report and the recent FSS board meeting paper pointed out that re-balancing of promotional activity towards healthier food would only work if all industry players agreed to take action.

FSS claimed that population level improvements could only be achieved with “consistency in approach within and between sectors”. They highlighted the importance of ‘gains’ for those who make change and ‘penalties’ for those who do not.

As promotions have a big impact on consumer choice, FSS recommended considering how regulation could be used.

Several voluntary agreements have been in place for a number of years including the Public Health Responsibility Deal (RD) in England and the Supporting Healthy Choices Framework in Scotland.

Durand and colleagues evaluated the RD by conducting 44 semi-structured interviews. They concluded that the drawbacks of the deal were the ‘uneven playing field’ between partners and non-partners, and resource implications.

While some achievements were described (e.g. reformulation of some foods), “being a partner often involved making pledges related to work already underway or planned before joining RD”⁷.

Professor Susan Jebb, who chaired the Food Network of the Responsibility Deal, told the House of Commons Health Committee that

price promotions cut to the heart of business competitiveness

“price promotions were an area where voluntary agreements had been explored, but would not work, as price promotions cut to the heart of business competitiveness”. The Committee concluded that measures in this area would need to be introduced on a mandatory basis to ensure a level playing field for businesses⁸.

Customers and Healthy Options

In context of eating out-of-home, the FSS Attitudes Survey found that female respondents were significantly more likely than males (34% vs 28%) to say that better promotion of healthy options would make it easier to eat healthily. The main factors that parents felt would facilitate eating healthily outside the home were:

- the availability of more healthy options
- lower prices for healthy options
- better promotion of healthy options⁹

A survey by Cancer Research UK at the end of January 2016 sampling 1744 UK adults, showed that 66% thought that price promotions on junk food should be reduced, while 25% said they shouldn't. 9% did not know¹⁰.

Effect on Business

With 40% of purchases made on promotion in Scotland and the UK, regulation would likely impact manufacturers and retailers. FSS suggested that the aim was to re-balance promotions in favour of healthier food. Such a change would impact most significantly on products where the entire range is less healthy.

Current Policy Position

The Scottish Government in their Obesity Route Map (2010) pledged to “extend the Scottish Government’s ‘Take Life On’ campaign to include a wider range of community partnerships including supermarkets and community food schemes to increase consumer awareness of the benefits of healthy eating and encourage healthier food choices through incentives such as price promotions”. No further detail was given.

Food Standards Scotland aims to re-balance promotions in the short term, and in the long term to stop price promotions of discretionary foods altogether. They are currently researching the



possibility of regulation while encouraging industry to suggest other ways of re-balancing promotions within the next 12 months (starting January 2016).

Public Health England has called for reducing and re-balancing the number and type of price promotions in all retail outlets including supermarkets and convenience stores and the out-of-home sector (including restaurants, cafes and takeaways) but did not suggest whether it should be voluntary or mandatory.

The House of Commons Health Select Committee has called for strong controls on price promotions of unhealthy food and drink.

The UK Government has indicated a decision relating to child healthy weight will be reached later this year.

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ObesityActionScotland

Obesity Action Scotland was established mid-2015 to provide clinical leadership and independent advocacy on preventing and reducing overweight and obesity in Scotland.

Our main aims:

- To raise awareness and understanding of what drives obesity and the health problems associated with obesity and overweight with health practitioners, policy makers and the public
- To evaluate current research and identify strategies to prevent obesity and overweight based on the best available evidence
- To work with key organisations in Scotland, the rest of the UK and worldwide, to promote healthy weight and wellbeing

Overseeing our work is the Steering Group whose membership spans various disciplines involved in preventing and tackling obesity and its consequences: clinicians, public health experts, epidemiologists, nutritionists and dieticians, GPs and weight management experts. There are four members of staff.

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