

Media release

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New Zealand study proves benefit of price discounts on healthy foods

Price discounts are more effective than nutrition education in encouraging people to buy healthier foods, according to New Zealand research that is the first of its kind internationally.

"Poor diet is one of the most important health issues facing developed countries such as New Zealand" says lead researcher Dr Cliona Ni Mhurchu from The University of Auckland. "Rates of obesity and overweight are steadily increasing, and poor dietary habits are responsible for up to forty percent of deaths in this country, or around 11,000 deaths each year."

"It's important to find effective ways to encourage people to buy and eat healthier foods. Traditionally there has been reliance on nutrition education to promote healthier diets. Targeted pricing options such as taxes and price discounts have also been debated but until now estimates of effect have been based largely on theoretical models."

"Our study was the first of its kind to test the effects of price reduction on healthier foods in a real-life setting. The results highlight the importance of considering pricing interventions rather than relying exclusively on personal responsibility to improve the diets of New Zealanders."

The Supermarket Health Options Project (SHOP) study, a randomised controlled trial that ran from 2008 to 2009, tracked the food purchases of 1,104 shoppers at eight Pak' N Save supermarkets in the lower North Island. Foods and non-alcoholic beverages available at the supermarket were classified as "healthier" or "less healthy", using a modification of the National Heart Foundation's "Tick" criteria.

Half of the shoppers received price discounts of 12.5 percent on healthier foods for six months, and half received intensive, personalised nutrition education over the same time period, including tailored shopping lists, recipes and advice.

Price discounts resulted in an 11 percent increase in the amount of healthier food purchased, with two thirds of the increase attributed to fruit and vegetables. While purchases of less healthy food did not change, Dr Ni Mhurchu points out that most people need to eat more fruits and vegetables anyway and the addition of these foods to the shopping basket represented an improvement in overall diet.

A five percent improvement in healthy food purchases was still observed six months after the price discounts ended, suggesting that consumers had become accustomed to purchasing healthier foods. In contrast, no change in the purchase of healthier foods was observed amongst shoppers who received nutrition education alone.

The researchers were disappointed that the clear impact of price discounts on the types of food purchased did not translate to significant changes in nutrients such as saturated fat, sugar, or sodium. The modest increase in purchases of healthier foods, combined with the relatively small proportion of food that fell within this category (35% of all products), may account for this.

“Reducing the price of healthy foods would undoubtedly lead to an improvement in population dietary health, but our study reminds us that a single effective intervention is not a panacea to improving our diets,” says Professor Tony Blakely, one of the researchers from the University of Otago.

“Overall the results from SHOP can contribute to informed public debate and policy making,” he says. “Based on this and other research, we recommend not relying exclusively on nutrition education and personal responsibility. We believe that strategies to reduce the price of healthy foods have an important role to play.”

Removing GST from healthy foods is one price-based option that has been widely debated, and the 12.5 percent price reduction used in the study was designed to test the impact of such a price change. The researchers say that other pricing options may include subsidies on healthier foods, subsidies targeted to low-income New Zealanders, or working more closely with the food industry to facilitate provision of cheaper healthy foods.

The SHOP study was funded by the Health Research Council of New Zealand with support from the Heart Foundation of New Zealand. The results have been published in the *American Journal of Clinical Nutrition*.

Notes

The SHOP study was led by The University of Auckland in collaboration with the University of Otago, Te Hotu Manawa Māori, and the Heart Foundation’s Pacific Islands Heartbeat Unit.

The researchers gratefully acknowledge the collaboration of Pak’ N Save parent company Foodstuffs (Wellington) Co-Operative Society Limited, the individual supermarket stores, and 1,104 shoppers who took part in the study.

Two thirds of all food purchased in New Zealand is from supermarkets and SHOP was unique in testing food purchases in this real-world environment.

The research was conducted in Pak’ N Save supermarkets using an electronic scanner system already available to shoppers. Sales data from the scanners were used to personalise nutritional education and to measure the effect of the study interventions on food purchases.

Study participants were randomly assigned to one of four intervention groups: price discounts on healthier supermarket foods, nutrition education tailored to their usual supermarket purchases, a combination of both discounts and tailored education, or no intervention (control group).

Analyses of any difference in the effect of price discounts by ethnicity and household income are currently in progress.

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