



# Healthy Rewards:

## Selling healthy snack foods and beverages can be profitable

Tough economic times often mean shrinking school budgets, leading many schools to sell junk foods and sugary beverages in vending machines, school stores and cafeteria à la carte lines to raise money. But selling these unhealthy products in our nation’s schools has a real cost—children’s health.

Although healthy options are increasingly accessible, unhealthy items like candy, sugary drinks, chips, and cookies are still widely available in schools. In fact, the majority of American students are surrounded by junk foods and sugary drinks throughout the school day.<sup>3,4,5</sup> And the presence of these items affects students’ diets and their weight. When schools sell unhealthy snacks and drinks, students eat fewer fruits and vegetables, drink less milk at lunch, and consume more calories and saturated fat over the course of the day.<sup>6,7,8,9</sup> Studies also show that selling unhealthy snack foods in schools is associated with increased body mass index – a measure used to determine if a person is overweight and obese – among students.<sup>10</sup>

With nearly one in three American kids struggling with their weight, schools need to do all they can to create learning environments that promote student health. Replacing junk foods and unhealthy beverages in schools with nutritious snacks and drinks will help students eat healthier, which may have a meaningful impact on student weight and risk for serious chronic diseases.<sup>11</sup> We all benefit if today’s kids stay healthy, because over the long term, healthier kids mean improved academic achievement, lower health care costs and increased economic productivity.<sup>12</sup>

A common concern is that switching to healthier foods and beverages will lead to less revenue for schools. However, school districts across the country are making the switch and finding that students will purchase and eat healthier fare. Studies show that school districts are not likely to see a decline in revenue, and in some cases may collect *more* money when students purchase full meals from the school meal program instead of snack foods.<sup>11,13</sup>

National studies and evidence from states across the country confirm this assertion:

- National: Data collected by the Centers for Disease Control and Prevention from 17 schools and districts found that after switching to selling healthier foods and beverages, 71 percent of schools reported increases in revenue and 24 percent of schools reported no change in revenue.<sup>14</sup>
- National: A 2008 research review of the impact of nutrition standards on school revenue found that in the majority (86%) of cases, improving nutrition standards did not result in lost revenue for schools, and often resulted in increased student participation in the National School Lunch Program.<sup>15</sup>

### Make the Healthy Choice the Easy Choice

*Marketing tactics promote healthy snacks and drinks and minimize financial risk.<sup>1</sup>*

#### Product

- Offer *only* healthy foods and beverages (e.g. fruit, nuts, water) in school vending machines and stores. To maximize acceptance, involve students in taste-testing and the process of selecting new items.

#### Promotion

- Use calorie and price labels to draw attention to healthy items, and place large motivational signs that encourage healthy selections at or near the point of sale.

#### Price

- Reduce the price of healthy items or raise the price of less healthy options to entice students to buy nutritious fare. Studies find that selling healthy vending items at a lower price than other options is an effective incentive, and it does not affect overall revenue.

#### Placement

- Create attractive displays for healthy items. Emerging research shows that displaying healthier items more visibly—at eye level, under a spotlight, in colorful bowls—can increase sales.<sup>2</sup>

- **Texas:** A three-year study of Texas schools found that schools offering healthier meals and snacks saw an average profit of \$3.5 million, while schools serving less healthy foods and beverages had a profit of \$2.4 million.<sup>16</sup>
- **Connecticut:** 133 school districts and schools currently participate in the state’s Healthy Food Certification (HFC) program, which requires strong nutritional standards for all foods sold in school stores, vending machines, school cafeterias and fundraising activities on school premises. As evidenced by the 99 percent annual recertification rate of this program, all participating schools have found the program to be financially viable.<sup>17</sup>
- **California:** A pilot project of 15 secondary schools in California found an 81 percent increase in gross yearly revenue at schools that implemented strong nutrition standards for school vending and à la carte snack foods and beverages.<sup>18</sup>
- **West Virginia:** An evaluation of the first year of West Virginia’s Healthy Lifestyles Act, which restricted the sale of soft drinks in schools, found that more than 80 percent of the 431 principals surveyed reported little or no change in revenues.<sup>19</sup>

### **THE BOTTOM LINE**

**Research shows that schools do not lose revenue when they replace junk foods and unhealthy beverages with nutritious choices. Students will purchase—and consume—healthy foods and beverages when these options are available in schools.**

<sup>1</sup> Mealey L, Phillips KD, Lorenz A. Healthy Vending Guide. Wilmington, DE: The Nemours Foundation; 2010

<sup>2</sup> Just DR, Wansink B. Better School Meals on a Budget: Using Behavioral Economics and Food Psychology to Improve Meal Selection. *Choices* 2009;24(3):1-6.

<sup>3</sup> Johnston LD, O’Malley PM, Terry-McElrath YM, & Colabianchi N. *School policies and practices to improve health and prevent obesity: National secondary school survey results, school years 2006–07 through 2009–10*. Volume 2. Ann Arbor, MI: Bridging the Gap Program, Survey Research Center, Institute for Social Research. 2012..

<sup>4</sup> Turner LR; Chaloupka FJ. Student Access to Competitive Foods in Elementary Schools: Trends Over Time and Regional Differences. *Arch Pediatr Adolesc Med*. 2012;166(2):164-169.

<sup>5</sup> Fox MK, Gordon A, Nogales R, Wilson A. (2009a). Availability and consumption of competitive foods in US public schools. *Journal of the American Dietetic Association*. 2009;109(2 Supplement 1): S57-S66.

<sup>6</sup> Gonzalez W, Jones SJ, Frongillo EA. Restricting snacks in U.S. elementary schools is associated with higher frequency of fruit and vegetable consumption. *J Nutr* 2009;139:142-4.

<sup>7</sup> Cullen KW, Zakeri I. Fruits, vegetables, milk and sweetened beverages consumption and access to à la carte/snack bar meals at school. *Am J Public Health* 2004;94:463-7.

<sup>8</sup> Cullen KW, Eagan J, Baranowski T, Owens E, de Moor C. Effect of a la carte and snack bar foods at school on children’s lunchtime intake of fruits and vegetables. *J Am Diet Assoc* 2000;100:1482-6.

<sup>9</sup> Kubik MY, Lytle LA, Hannan PJ, Perry CL, Story M. The association of the school food environment with dietary behaviors of young adolescents. *Am J Public Health* 2003;93:1168-73.

<sup>10</sup> Healthy Eating Research and Bridging the Gap. Influence of Competitive Food and Beverage Policies on Children’s Diets and Childhood Obesity. Minneapolis, MN: University of Minnesota School of Public Health; 2012. <http://www.healthyeatingresearch.org>

<sup>11</sup> Kid’s Healthful & Safe Foods Project and the Health Impact Project. Health Impact Assessment: National Nutrition Standards for Snack and a la Carte Foods and Beverages. Washington, DC: Pew Charitable Trusts; 2012. <http://www.healthyschoolfoodsnow.org/>

<sup>12</sup> Institute of Medicine. Accelerating Progress in Obesity Prevention: Solving the Weight of the Nation. Washington, DC: The National Academies Press; 2012.

<sup>13</sup> Peart T, Kao J, Crawford PB, et al. Does Competitive Food And Beverage Legislation Hurt Meal Participation or Revenues in High Schools? *Childhood Obesity*. 2012; 8(4): 339-346.

<sup>14</sup> Food and Nutrition Service, US Department of Agriculture; Centers for Disease Control and Prevention, US Department of Health and Human Services; and US Department of Education. Making It Happen: School Nutrition Success Stories. Alexandria, VA; 2005.

<sup>15</sup> Wharton CM, Long M, Schwartz MB. Changing nutrition standards in schools: the emerging impact on school revenue. *J Sch Health*.2008;78:245-251.

<sup>16</sup> Trevino RP, Pham T, Mobley C et al. HEALTHY Study: School Food Service Revenue and Expense Report. *J Sch Health*. 2012; 82(9): 417-423.

<sup>17</sup> Connecticut State Department of Education, Bureau of Health/Nutrition, Family Services and Adult Education. Participation in Healthy Food Certification for the 2011-12 School Year. Available at: [http://www.sde.ct.gov/sde/lib/sde/pdf/deps/student/nutritioned/hfc\\_data/hfc\\_data.pdf](http://www.sde.ct.gov/sde/lib/sde/pdf/deps/student/nutritioned/hfc_data/hfc_data.pdf).

<sup>18</sup> Center for Weight and Health, University of California, Berkeley. Pilot Implementation of SB 19 in California Middle and High Schools: Report on Accomplishments, Impact, and Lessons Learned. Berkeley, CA: Center for Weight and Health, University of California, Berkeley; 2005.

<sup>19</sup> West Virginia University, Robert C. Byrd Health Sciences Center, Health Research Center. West Virginia Healthy Lifestyles Act: year one evaluation report. Morgantown, WV: West Virginia University; 2009.

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