

New Strategy for Building Loyalty

Retailers looking to build a stronger store brand will find that a well-executed health and wellness program is a great place to start.

By Jeff Weidauer

The future of health care in this country is certainly a hot topic of discussion these days. However, while the public discussion centers on issues such as insurance costs and availability of coverage, there is a flip side to the health care coin—prevention.

Any discussion on preventing health problems inevitably leads to how our current diets have affected our health. For the first time in history, some are predicting that children in the U.S. may have shorter life spans than their parents, primarily due to the epidemic of obesity and its related illnesses.

A recent op-ed article in the New York Times laid out sobering numbers: \$147 billion spent to treat obesity, \$116 billion spent to treat diabetes, and hundreds of billions more to treat heart disease and cancer diseases that are linked to our diet. And while health care rates continue to soar, one study estimates 30 percent of that increase is directly related to our growing rate of obesity.

As shoppers become more concerned about health and look to be better informed about what they feed their families, several programs have been developed to assist them in their efforts to choose wisely. Some programs are based on specific nutrition-related criteria; others use algorithms to rank and recommend specific products. Several of these programs are easy to grasp and actually make shopping easier; a few are less logical or even difficult to understand without a background in science.

What is readily apparent is the opportunity for retailers to provide information and education to their shoppers,

all while building their brand and customer loyalty.

What is less apparent is how to go about this, and where to go for help.

Building a Health and Wellness Program

Retailers looking for differentiation and working to build a stronger brand will find that a well-executed health and wellness program is a great place to start. While nutrition is top-of-mind with shoppers, not all health and wellness programs are equal. So how do you begin to create a meaningful offer for your shoppers? Here are some points to consider:

1. Don't try this at home. If you're seriously considering developing a health and wellness program in-house using your own dietitians, you should rethink that strategy. The inherent complexity involved in any health and wellness program, one that will offer value to your shoppers, is not something you can overcome internally. There are some programs, for example, already developed to help retailers educate shoppers about specific health attributes of products right at the shelf edge. Based on FDA guidelines, these health attributes include descriptions such as "gluten free," "low saturated fat," and "heart healthy."

2. Make it easy. Your program needs to be as userfriendly and intuitive for shoppers as possible. Science is great, but you should keep it in the background. Your customers should not need to take a class to understand what you're telling them.

3. Credibility is critical. Make sure you're starting with fact-based criteria from a credible source, such as the U.S. Food and Drug Administration. This is where a third-party can make all the difference in the quality of your program, and whether you're providing value to your shoppers.



What's the Program Payback?

Developing and executing a credible, user-friendly, and engaging health and wellness program in-store isn't for the faint of heart. After giving this serious thought, you may be asking yourself if it's worth the effort. What is the likely payback for a good program?

The return for a well-executed health and wellness program can be summed up in one very important word—loyalty.

Why loyalty? Because loyalty is created from a bond with your shoppers that is more than just price. It's a natural result of providing the products, services, and information that shoppers need in an increasingly complex world.

Concerns over eating are increasing, and they aren't going to go away soon. Baby Boomers are looking for more information about the food they buy; Millennials are copying this behavior with their own growing families. It's clear that interest in nutrition and pursuit of a more healthful lifestyle isn't a short-term fad, and with the current national

focus around health care and prevention, diet and eating habits will continue to be of interest to shoppers of all ages.

Two messages come out of this realization:

1. Getting a health and wellness program implemented now will give you a critical point of difference.
2. Having a health and wellness program will soon be a cost-of-entry expectation from your shoppers.

To avoid having a “me too” program and to gain the loyalty of your shoppers today, there is no time like the present to get moving on this vital component of your marketing strategy.



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