

Consumer Insight for Improved Nutrition

Why consumer research is required to develop demand for nutritious foods among low-income consumers

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Key messages

- > With one third of the world's population consuming poor diets, the world is facing a huge public health challenge and consequent economic challenge.
- > Improving the diets of more than two billion people requires, among other things, engaging food businesses to improve the nutritional content of foods and make nutritious foods more desirable.
- > To successfully reach and operate at the "bottom of the pyramid" food businesses need to develop a deep understanding of low-income consumers and their food purchase decisions.
- > The SUN Business Network (SBN) undertakes and collates consumer and market research and shares findings with its business members at the national level.
- > SBN envisages that more businesses will responsibly leverage the data and insights in their production of nutritious foods, particularly for low-income consumers.
- > It is also hoped that businesses will develop marketing and communications approaches which make nutrition more exciting, relevant and aspirational to the consumer.

With one third of the world's population consuming poor diets,^{1,2} the world is facing a huge public health and economic challenge, which urgently needs to be addressed. As well as creating a health burden, accounting for six out of the top 11 risk factors for disease,³ malnutrition has economic consequences, resulting from impaired learning ability and compromised school performance, reduced work productivity and increased healthcare costs.⁴ It is estimated that malnutrition costs the global economy US\$3.5 trillion a year.⁵

While addressing malnutrition in all forms is firmly on the international development and public health agenda, improving the diets of more than two billion people is not an easy task. People at risk of consuming inadequate diets are those who have a low income and/or are poorly educated. With most food consumed across the world being obtained from the marketplace, from large, multinational companies to small street traders, businesses have a significant influence on the food that people eat. This influence extends across the whole value chain, from production, to manufacturing, distribution, marketing and communication through to the sale of the food that people consume, and ultimately impacting on diet and its nutritional value.

Engaging business to improve the nutritional content, quality, safety and affordability of food products is, therefore, an essential means of addressing malnutrition in all forms. Moreover, engaging business is essential to ensuring sustainable improvements to nutrition and the food system, to the benefit of all individuals. It is for this ability to shape the food system that business has a seat at the table and is recognized as a key participant in multisector action on nutrition and is an essential partner in supporting the realization of SDG2 ("End hunger, achieve food security and improved nutrition and promote sustainable agriculture"). The private sector offers a comparative advantage in that it knows how to market and sell products effectively – advantages which can be used to good effect to address malnutrition, particularly among low-income consumers.



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Retail outlet in an urban slum where less nutritious foods are best-sellers.

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Reaching low-income consumers with nutritious foods

A number of businesses are able to successfully reach low-income and other hard-to-reach consumers. Step into many a remote village or urban slum, and well-known national and international branded goods can be found, typically in small and affordable pack sizes, appropriate to the target consumer. These products are getting to hard-to-reach consumers because there is demand for such products. Vendors are purchasing products from distributors because they can quickly sell them on, and many products will have reached the vendor through informal and unofficial distribution channels, because demand exists but formal distribution networks do not.

While some of the food and food products sold in the marketplace will contribute positively to the nutritional status of the

individual, many are not the kind of products that public health nutritionists would promote. Products that reach urban slums or remote villages tend to be foods high in energy, saturated fats or salt, or sugar-sweetened beverages with no nutritional benefit beyond energy provision. Ultimately such products are demanded by consumers because they are desired. They are desirable, in part, because they are marketed well. They are marketed well because the manufacturer understands what the consumer wants, and the manufacturer tailors product development and messaging around this desire. It is a business imperative to understand the target consumer and what drives his or her food purchase decisions.

Drivers of food purchase decisions

An individual's food purchase decisions are shaped or constrained by the social, policy and physical environment as well as by his or her nutrition knowledge and attitudes towards health and immediate family needs and circumstances.⁶ Sobal and Bisogni state that food choice decisions are “multi-faceted, situational, dynamic and complex” but are rational and undertaken to maximize individual or family benefits.⁷ Food purchase behaviors will vary between consumer groups, particularly between the top and the bottom of the economic pyramid. It is essential, therefore, that such differences should be taken into



Understanding the consumer. What do they buy? Where do they buy? And how much do they spend?

consideration when developing products and marketing communications for these distinct consumer groups. For example, a key driver of food purchase for a high-income consumer may be health, while a priority for a low-income consumer may be satiety and not sending her children to bed hungry.⁸

Food purchase drivers, and consequent purchase decisions, influence diet diversity and quality and need to be addressed in order to improve diet and nutrition. People are not consuming better diets for a number of reasons, including a lack of motivation, a lack of available safe and nutritious foods (such as fruits, vegetables, dairy products, meat, legumes and cereals, including fortified staples), and the fact that nutritious foods are too expensive,¹ as well as the perceived lack of palatability of nutritious foods.

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Businesses have a critical role to play in positively influencing food purchase decisions among low-income groups. However, many businesses target middle- and higher-income consumers when it comes to product development, distribution and marketing, and find it hard to adapt business models to reach lower-income consumers with affordable, nutritious offerings,

when in fact it is the low-income consumer in a city slum or remote village who requires innovations to help improve his or her nutritional wellbeing. While food and beverage products targeting the upper echelons of the income pyramid do reach those earning less than US\$2 per day, the products which transcend economic boundaries are typically the less healthy ones. It is not unusual for a low-income consumer to purchase a well-known global beverage or to treat his or her child to a small packet of biscuits if they have any spare income. These products are seen as aspirational, and by being able to purchase them or to be seen purchasing them, the consumer is communicating that they are different from the average low-income consumer and aspire to a better life.^{9,10} The fact that there is a demand for desirable and aspirational food and beverage products could be leveraged to help drive demand for nutritious foods by communicating these facts to low-income consumers.

Low-income markets

However, to improve nutrition at the bottom of the economic pyramid, low-income consumers need to be seen as a viable and commercially sustainable target consumer group. Prahalad⁸ in his oft-cited book, *The Fortune at the Bottom of the Pyramid*, presented the business case for investing in low-income consumers, arguing that they present a significant, untapped market and viable business opportunity, and that such business investments can help deliver people from poverty. Since Prahalad's influential book was published, numerous companies, large and small, have achieved market success at the bottom of the pyramid, but many more have failed nonetheless. There are numerous factors that have contributed to the lack of success in this market, but one that comes up time and time again is the fact that businesses have not sought a sufficient understanding of this unique consumer group. Many have merely extrapolated assumptions and understanding from higher-income consumers. Such assumptions rarely hold true, and it essential therefore that nutritious products designed for low-income markets should be appropriate to the target consumer.

Definition of consumer research

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 Consumer research is a form of market research, in which the needs, preferences, motivations, usage, and purchase behaviors of a target consumer in a market are determined, through direct observations, surveys and interviews and published research. Insights identified from consumer research help inform new product development/reformulation as well as informing marketing campaigns and communications.



It's important to understand the sources from which people seek nutrition advice in order to help drive uptake of nutritious foods.

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The SUN Business Network (SBN) is working with business at the global and national level to encourage and support businesses to increase the availability and affordability of nutritious products, particularly for low-income consumers, in a commercially sustainable way. Many of the 350-strong private-sector membership situated along the food value chain focus their endeavors on profitable high-income consumers and do not reach more vulnerable groups. SBN wants to help inform and de-risk business efforts to expand deeper into the income pyramid, to enable more affordable and desirable nutritious product offerings. It also wants to help improve consumers' nutrition knowledge and awareness, to improve health-seeking behaviors, and to increase the consumption of nutritious diets.

Understanding the consumer and identifying insights

The SBN recognizes the need to better understand the low-income consumer in order to drive the development of relevant nutritious products and associated communications. This is necessary not just to improve nutrition but to also ensure

greater chances of commercial success. To fully understand low-income consumers, it is imperative to understand everything one can about them, from their environment and behaviors, including purchase behaviors, to their influencers. Details are important, such as what low-income consumers buy, why they buy it, and how much they spend. It is essential also to understand their aspirations and preferences, and to identify the sources to which they turn for nutrition information. Likewise crucial is to comprehend consumers' level of understanding of nutrition, their attitudes towards food and nutrition and also their food beliefs, as well as to dig into the barriers to adopting more nutritious diets. Last but not least, it is useful to understand what foods are available in the market and what consumers think about them.

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“Once a business fully understands a target consumer, it becomes a lot easier to design and deliver fit-for-purpose products”

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Once a business fully understands a target consumer, particularly the underserved and vulnerable groups, it becomes a lot easier for them to design and deliver fit-for-purpose products, distribution mechanisms and communications that meet consumers' needs, fit their lifestyles and help improve nutrition.

It is for this reason that SBN sees consumer research and subsequently insight as a vital resource in helping drive demand for nutritious foods, improving nutrition outcomes and ensuring commercial success for the food industry. Insight gleaned from consumer research can be used to overcome barriers to the consumption of nutritious diets.

While businesses large and small appreciate the value of undertaking broad and detailed research into a target consumer group, few can justify undertaking such costly research. Understandably, most businesses focus their research budget on specific products or concepts, identifying insights that will provide a greater likelihood of return, rather than spending on broad but in-depth research. However, in our experience, undertaking broad research helps uncover those surprising insights which can ensure that a nutritious product really delivers and appeals to the target consumer, addressing both their needs and their demands.

Understanding consumer habits, beliefs, attitudes and knowledge surrounding nutrition is emerging as a key wish of SBN's business members, but one they cannot afford. As a result, SBN undertakes and collates research findings and insights to share with its business members at the national level. Without access to new insights, businesses are unable to innovate in order to address malnutrition at the bottom of the pyramid.

In Nigeria, for example, the national SBN, in collaboration with Ipsos Healthcare, has shared findings and insights from market research, undertaken for the Bill and Melinda Gates Foundation, on food consumption, knowledge and beliefs plus spending behaviors across Nigeria, providing private-sector members with access to information they would otherwise not have had. SBN Nigeria is working with businesses to help them understand how to use consumer research and insight, equipping them with tools to identify new business opportunities to improve nutritional status. It is hoped that businesses with access to data and the ability to use consumer insights will develop nutritious products targeted at low-income consumers, and will use their marketing and communications expertise to make nutritious products relevant, appealing and aspirational, helping drive demand for nutrition.

Another example of how SBN is using consumer insight to ultimately improve nutrition comes from Tanzania, where the national SBN has worked with Nielsen to understand consumers' nutrition knowledge of, and attitudes towards, food fortification. Consumer research findings indicated that almost 50% of adults surveyed had not heard of food fortification, despite the existence of a food fortification logo and an awareness-raising campaign. SBN Tanzania and its members are keen to work together using insights garnered from the research to drive consumer acceptance and demand for fortified foods – for example, through the development of new, more effective awareness campaigns

About the SUN Business Network

The SUN Business Network is one of four global networks supporting the work of the Scaling Up Nutrition (SUN) Movement and SUN countries to scale up nutrition at the national level. The SBN is convened by the Global Alliance for Improved Nutrition (GAIN) and the UN World Food Programme (WFP) and further supported by an Advisory Group of senior business leaders.

The SBN aims to reduce malnutrition in all its forms by mobilizing business to invest and innovate in responsible and sustainable actions and operations. To do this, SBN provides a neutral platform to broker partnerships and collaborations between business and all actors involved in nutrition at national, regional and global level to support SUN Country plans. The main objectives of the SBN are to:

1. Mobilize business to contribute to reduce malnutrition in all forms;
2. Make nutrition more aspirational, accessible, affordable and available to the consumer; and
3. Build the case for greater business engagement on nutrition among all stakeholders.

The SBN is the only dedicated global platform for business and nutrition, and operates both globally and nationally, with a current presence in 14 countries across Africa, Asia and Latin America. The Network boasts more than 350 business members, most of who are national small-medium enterprises, committed to addressing malnutrition in all its forms.

For more information on the SUN Business Network visit: www.sunbusinessnetwork.org or email SBN@gainhealth.org.

designed to stimulate stronger sales of fortified food and to improve nutrition intakes at the same time.

In conclusion

There is an urgent need to increase the availability, affordability and desirability of nutritious foods in order to drive their consumption and thus ultimately improve nutrition status of populations. SBN sees a benefit in undertaking exploratory research on food and nutrition, where “fuzzy” questions which would not otherwise be asked can be answered. By making consumer research findings and insights more readily available, SBN envisages that more businesses will responsibly leverage the data in their production of nutritious foods, particularly for low-income

consumers. It is also hoped that business will develop marketing and communications approaches which make nutrition more exciting, relevant and aspirational to the consumer, ensuring that nutrition is an important driver of food choice.

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The SBN is happy to share existing consumer insights with its business members as well as any lessons learnt on how to effectively market nutritious foods, so if any readers have insight to share, please get in touch.

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