

## Rising prices could push more supermarket shoppers to make unhealthy choices

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Prices have contributed to shoppers' food choices, and unhealthy brands are using it to their advantage. Credit: Charles Darwin University

Rising supermarket prices could be pushing people to make more unhealthy food choices thanks to aggressive marketing ploys, new research suggests.

A Charles Darwin University (CDU) study into the marketing of unhealthy brands found that unhealthy <u>food</u> brands rewarded shoppers who bought bulk items with significantly cheaper prices per item, while



penalizing shoppers who purchased smaller volumes of the unhealthy products.

The study was published in the *Journal of Strategic Marketing* last week.

Lead author on the study and CDU Professor in Marketing Steven Greenland said price was a key motivator of people purchasing unhealthy products, and brands were using this to their advantage.

"The gap in savings between small and large volumes of unhealthy brands is much greater than the price gap in healthy food items," Professor Greenland said.

While bulk savings are not new, the study showed that the difference in pricing between small packages and buying bulk packages was wider with unhealthy products than healthy products.

"This reinforces the decision to buy unhealthy products, and of course this means people will be eating more unhealthy foods," he said.

"Price is recognized as the key consumption predictor within the unhealthy product marketing mix, particularly for low-income consumers, and the issue is widespread."

Professor Greenland, from the Faculty of Arts & Society, Business & Accounting. said if shoppers were making choices based on price and not nutrition, then rising <u>food prices</u> with further increase the appeal of bulk discounted products and shelf prices are rising rapidly.

According to the latest Consumer Price Index from the Australian Bureau of Statistics, food and non-alcoholic beverages rose by 9.2% in the 12 months to December 2022.



There was an 8.5% price rise on fruit and vegetables in the year to December 2022, but the Bureau acknowledged that prices of fruit and vegetables fluctuated.

The largest increase was in dairy and related products which increased by 14.9% for the year to December.

Professor Greenland said the volume pricing has helped to undermine unhealthy price policy regulations in their efforts to lower the consumption of unhealthy foods.

"We need more robust regulations to ensure that the cost of eating unhealthy foods is fully factored in," he said.

"Public health regulators need a better understand of how unhealthy brands marketed themselves using price incentives, and the affect this is having on the psychology of the shopper."

**More information:** Steven J. Greenland et al, Marketing unhealthy brands—an analysis of SKU pricing, pack size and promotion strategies that increase harmful product consumption, *Journal of Strategic Marketing* (2023). DOI: 10.1080/0965254X.2023.2176532

## Provided by Charles Darwin University

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