

Restricting price and location promotions of high fat, sugar and salt (HFSS) products – Policy Position

Policy Position

Obesity Action Scotland supports the introduction of restrictions on price and location promotions of high fat, sugar and salt (HFSS) discretionary products. Such restrictions should be focused on improving the diet and health of the population.

Current price and location promotions are skewed in favour of discretionary HFSS products and encourage increased purchase and consumption of these products. Promotions influence the types and volume of purchases of HFSS products and encourage impulse buying, with consumers spending more and purchasing products they didn't intend to buy.

There are high levels of public support for policies to restrict price promotions of unhealthy foods, with more than 60% of people supporting the measure.

What should be restricted?

In order to be effective, we need extensive coverage of as many types of price and location promotions as possible:

- Temporary price reductions (TPRs) are the most commonly used type of price promotion in Scotland and must be covered by any restrictions or regulations of promotions.
- Multi buys and loyalty pricing along with promotion of value restrictions should also be included.
- Location restrictions should be comprehensive and go beyond aisle-ends, checkouts and entrances.
- Promotions restrictions must apply across retail and out of home (OOH) settings, as well as both in-store and online.
- Non-pre-packed products must also be included in the price and location restrictions.

Obesity Action Scotland supports a simple **whole category approach** to the identification of HFSS products in scope of restrictions. This would simplify implementation and enforcement, and improve understanding. We recommend the use of the World Health Organisation Regional European Office Nutrient Profile Model to identify discretionary food products.

In this position paper, we have focused on the key issues emerging from the recent Scottish Government consultation on promotions. For a wider consideration of the evidence related to promotions, please use our [Promotions Briefing](#)¹.

Why restrictions on price and location promotions are needed

- Price and location promotions are key drivers of the purchase and consumption of discretionary HFSS products
- Price promotions encourage consumers to purchase around 18% more than they normally would², and increase consumption as a result

- Promotions influence consumer preferences for unhealthy foods, with 57% of respondents in a Food Standards Scotland survey stating that multi-buy promotions on unhealthy HFSS products encouraged them to impulse buy unhealthy products they didn't intend to purchase¹
- Price promotions make products cheaper and change shopping habits, by normalising overconsumption and excess. Whilst promotions do make products cheaper, they do not save consumers money, as they promote and encourage purchases that wouldn't have been made had the promotion not been there
- Figures from the Money Advice Service estimate that promotions cause consumers to spend around £1,300 a year more than they otherwise would³
- Increasing the visibility of unhealthy products at key locations throughout a store leads to an increase in the sales of the products featured there
- Prominent displays at the front of stores predominantly display unhealthy, HFSS products. Evidence from a study found that 86% of items located at store entrances were high in fat, salt and/or sugar⁴

Restrictions must apply to all types of price and location promotions

Price promotions

Restrictions on price promotions should apply to **all types of price promotions**, including temporary price reductions, multi-buy, loyalty pricing, meal deals, and unlimited amounts for a fixed charge.

Temporary price reductions and loyalty pricing have been illustrated as examples below, as they are the most common and increasingly important types of price promotions respectively. However, there needs to be a **consistent and blanket approach for all types of price promotions** to avoid loopholes. Excluding some types of promotions may simply result in a shift to those promotion types.

Temporary price reductions (TPRs):

- TPRs are the most commonly used type of price promotion in Scotland and they account for 17.1% of all calories purchased. The total amount of calories purchased on promotions is 23%, with the remaining 5.9% comprised of multi-buys, Y for £X, and other promotions⁵
- 43% of people report that TRPs caused them to impulse buy²
- Modelling by the Scottish Government shows that restricting all types of price promotions on HFSS products, including TPRs, could result in a net reduction of 613kcal per person per week. This reduction could only be achieved if all types of promotions are restricted. If only multi-buy promotions were restricted, the modelled calorie reduction that would be achieved falls to 115kcal per person per week⁶
- TPRs are also the most common type of price promotion purchased online, accounting for 22.9% of promotions purchased, out of a total of 28.3% of food and drink purchased on promotion⁵

Loyalty pricing:

- Loyalty pricing is preferential pricing offered to regular or loyal customers and is an increasingly important promotional technique for retailers
- Data shows that around 95% of promotional sales in Tesco are now only available via the Clubcard Prices mechanism
- Evidence shows that loyalty pricing encourages consumers to make a purchase they wouldn't otherwise have made, with a third of people (33%) reporting that loyalty pricing resulted in them impulse buying²

Location promotions

Restrictions on location promotions must apply to **all in-store and online locations**, including check-outs, aisle ends, front of store displays, shelf edge and prominent signage displays, island and bin displays, in-store advertising, promotional and seasonal aisles, and designated queuing areas.

Increasing the visibility of unhealthy products at key locations throughout a store clearly leads to an increase in the sales of the products featured there⁷ and key location displays are predominantly allocated to HFSS products. Evidence from one study found that 43% of products in prominent locations within premises were high in sugar, and only 1% of products in high profile locations were fruit and vegetables⁸.

Location promotions are impacting on achievement of dietary goals in Scotland and if we value the health of the population and achieving dietary goals we require brave and bold action.

Restrictions of promotions should be category-based

Blanket whole-category restrictions should apply to price and location promotions of HFSS products. We support an approach that focuses on discretionary food categories - confectionery, sweet biscuits, crisps and savoury snacks, cakes and pastries, puddings, and soft drinks with added sugar, but also including ice-cream and diet soft drinks.

Such an approach is easier to implement, enforce and understand for both retailers and consumers

Restrictions on promotions must apply to all out of home settings and include non-pre-packed products

- Promotions in the OOH sector make a significant contribution to the purchase and consumption of HFSS products and overall calorie intake⁹
- The vast majority of products purchased in the OOH sector are non-pre-packed¹⁰, so excluding non-pre-packed items from promotions restrictions will significantly impact the effectiveness of the policy in OOH settings
- Including only pre-packed products could shift promotions and sales towards non-pre-packed items, such as pick and mix and loose bakery items, that are not subject to the restrictions, resulting in a shift in promotions to other HFSS products, rather than a decrease in the overall number of promotions

Restrictions on promotions must apply online, as well as in in-store locations

- A substantial proportion of groceries in Scotland are bought online. Online grocery sales increased by 98.5% in 2021, compared to 2019⁶. Such shifts in grocery shopping patterns can easily become habitual, with 69% stating that their use of and/or move to online grocery shopping during the pandemic would last beyond the pandemic¹¹
- Our research found that 61% of promotions served online were non-monetary promotions and around a fifth of total promotions were on discretionary foods. Non-monetary promotions are more important online than in a retail environment, as consumers are unable to physically see the items they are purchasing
- Online shoppers are also more susceptible to promotions, with a study finding that around 60% of additions to online shopping baskets were 'disrupted', that is resulting from site searches or engagements with retailers promotions¹⁴

- Online locations like restaurant apps and aggregator platforms, such as Deliveroo and Just Eat, must be included in promotions restrictions. There has been a sharp increase in the usage of these platforms during the pandemic, and they now account for 70% of takeaway delivery orders. The value of deliveries alone also grew by 155% to reach £573m
- These platforms also predominantly sell and promote unhealthy HFSS products to users¹¹

There are high levels of public support for legislative action

Last year, we commissioned polling³ to gain an understanding of levels of public support for various public health policy interventions. The results largely showed support for a number of policy measures which would allow people in Scotland to eat a healthier diet.

- The vast majority of respondents supported interventions to ensure special offers and promotions are applied to healthy foods and everyday essentials when shopping in-store and online – **87% in favour**, compared to only 5% opposed
- More people were also in favour of restricting price promotions of unhealthy foods in shops and online - **57% supported**, only 26% opposed
- There were high levels of support for measures to restrict where such foods can be displayed in stores – **just under two-thirds (65%) supported**, only 15% opposed¹²

Results from polling we conducted as a part of focus group project supports these findings. Whilst it was a much smaller sample it found over 80% of participants supported introducing restrictions on locations of products and more than 70% also supported restrictions on price promotions¹³.

The Scottish Government held a consultation from July to September 2022 on the restriction of price and location promotions of foods high in fat, salt and sugar. Our full response to the consultation is available on [our website](#)¹⁴.

In a [Ministerial Statement on 30th May 2023](#), the Scottish Government confirmed that restrictions on promotions of discretionary HFSS products will now be delivered through regulations. There will be a further consultation on the regulations, which is expected to held in the autumn of 2023.

References

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⁶ Scottish Government (2022) Economic modelling: reducing health harms of foods high in fat, salt or sugar: Final report

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^a We commissioned Diffley Partnership to carry out public polling on various policy interventions. Over 1,000 people in Scotland responded which was conducted between the 24th and 26th of August 2022.

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