Healthier Corner Stores

Positive Impacts and Profitable Changes

Made possible by funding from the Pennsylvania Department of Community and Economic Development; Get Healthy Philly, a project of the Philadelphia Department of Public Health, and funded, in part, from the Centers for Disease Control and Prevention.
Executive Summary

Corner stores—often thought of as a source of unhealthy foods—can be key partners in the effort to improve access to healthy, affordable foods. In Philadelphia alone, a network of 660 corner stores committed to healthy change has introduced 25,000 healthier products to store shelves, making it easier for families in lower-income communities to eat a healthy diet. Evaluation by The Food Trust and Econsult Corporation has shown that these changes have resulted in healthier choices, healthier businesses and healthier communities.

Through the Healthy Corner Store Initiative, The Food Trust, a nationally recognized nonprofit, supports corner store owners who want to increase the healthy food inventory in their stores and help their customers make healthier choices. The Food Trust’s work in corner stores is just one piece of the organization’s comprehensive approach to improving access to the healthy foods necessary to live a healthy life.

Healthier Choices

• A peer-reviewed study found that the Philadelphia Healthy Corner Store Initiative significantly increased the availability of fruits, vegetables and low-fat milk in participating stores. Stores that received infrastructure changes, such as refrigeration and shelving, showed the greatest increases in availability of healthier options.

• Point-of-sale data collected by The Food Trust showed an increase in produce items sold at two Fresh Corner pilot stores. Produce sales increased by more than 60 percent following installation of kiosks that make fresh fruits and vegetables the focal point of the store.*

Healthier Businesses

• Some corner store owners reported to The Food Trust that involvement in the Healthy Corner Store Initiative resulted in increased weekly profits and increased customer traffic.

• An Econsult Corporation study of the economic impact, job creation and tax revenue generation of the Healthy Corner Store Initiative estimated that it supported 38 jobs, $1.1 million in earnings and $140,000 in additional tax revenue in Philadelphia and Pennsylvania during one 30-month period.

Healthier Communities

• Econsult Corporation found a positive impact on property values in neighborhoods that had Fresh Corner kiosks installed.

• Stores enrolled in the Philadelphia Healthy Corner Store Network have hosted more than 200 in-store nutrition lessons and health screenings.

IMPACT BY THE NUMBERS:

PHILADELPHIA HEALTHY CORNER STORE NETWORK

660 CORNER STORES ENROLLED

25,000 HEALTHIER PRODUCTS INTRODUCED**

478,000 CUSTOMERS REACHED**

FRESH CORNER PILOT

60% INCREASE IN FRESH PRODUCE SALES***

*CAVANAUGH E, GREEN S, MALICK S, TURNEY A, BRENSINGER C, SLANE K. CHANGES IN FOOD AND BEVERAGE ENVIRONMENTS AFTER AN URBAN CORNER STORE INTERVENTION. PREV MED 2014;65:7–12. **ESTIMATED ***AVERAGE INCREASE AT TWO EVALUATED STORES
Healthier Corner Stores

The Healthy Corner Store Initiative began with a simple premise: Everyone deserves access to healthy, affordable food, and the ubiquitous corner store, often thought of as a source of unhealthy food, could be a partner in the effort to increase the availability of healthy food choices in neighborhoods throughout Philadelphia. In neighborhoods that lack supermarkets, families often rely on these corner stores, also known as mom-and-pop stores or bodegas, to buy food. Evaluation of the Healthy Corner Store Initiative, by The Food Trust and Econsult Corporation, an economic consulting firm, has observed multiple positive impacts: The Healthy Corner Store Initiative has increased healthier food choices, created healthier businesses and encouraged healthier communities.

Corner stores also play an oversized role in the eating habits of youth. A study conducted by Temple University’s Center for Obesity Research and Education and The Food Trust found that 53 percent of the Philadelphia students interviewed shop in corner stores at least once a day and, on average, they purchase 356 calories in snacks and beverages per visit.

The Healthy Corner Store Initiative is a natural extension of The Food Trust, which has been working for more than 20 years to ensure that everyone has access to affordable, nutritious food and the information to make healthy decisions. The organization takes a comprehensive approach to improving food access and education, working with neighborhoods, schools, grocers, farmers and policymakers to create healthier communities.

The Food Trust launched the Healthy Corner Store Initiative as a pilot project in 2004, with an emphasis on stores located in lower-income zip codes. (While there is no universal definition, The Food Trust defines a corner store as having less than 2,000 square feet, four aisles or less and one cash register.) The initiative has grown dramatically since 2010 in partnership with the Philadelphia Department of Public Health’s Get Healthy Philly initiative, with additional support from the Pennsylvania Department of Community and Economic Development, Representative Dwight Evans, the Philadelphia Department of Commerce, the AstraZeneca HealthCare Foundation and the Jefferson Center for Urban Health.

Today, the Philadelphia Healthy Corner Store Network Member logo—with the slogan “Your Neighborhood Corner Store. Healthier.”—hangs in the windows of 660 corner stores in the city, and 25,000 healthier products have been added to store shelves. Philadelphia’s pioneering efforts with corner stores have served as a model for other communities throughout the region and the country.

Read more about the Healthy Corner Store Initiative programs in the Appendix, page 9.
Healthier Choices

Through the programs of the Healthy Corner Store Initiative, corner store owners are given the tools to stock healthier foods for their customers, including owner trainings and marketing materials advertising the healthy inventory additions. Healthy inventory change is one requirement for involvement in the initiative. Evaluation by The Food Trust found that significant healthy inventory change has taken place in stores involved in the Healthy Corner Store Initiative and that these changes coincided with an increase in healthy food sales.

Inventory Changes
Corner store owners who enroll in the Philadelphia Healthy Corner Store Network, the first tier of the Healthy Corner Store Initiative, make a commitment to provide healthier choices for their customers. Stores in the network must introduce at least four new healthy products from a menu of healthy choices including fruits and vegetables, low-fat dairy, whole grain products, and healthy snacks and beverages. Stores in the network have significantly exceeded the requirement of inventory changes, introducing an average of 46 new healthy products. Citywide, more than 25,000 new healthy products have been added to Philadelphia corner store shelves and the Philadelphia Healthy Corner Store Network has reached an estimated 478,000 customers.

Produce is the most popular inventory addition, with 93 percent of stores making the minimum required inventory changes by introducing at least one new fruit or vegetable.

Stores that received Healthy Corner Store Network Conversions, an advanced tier of the Healthy Corner Store Initiative which provides basic shelving units and new refrigeration units, introduced an average of 53 new healthy products.

Healthy Food Sales
Corner store owners reported that their involvement in the Healthy Corner Store Initiative was key in retaining old customers, gaining new customers and increasing customer shopping frequency. They also reported increased profits from healthy products, suggesting an increase in healthy food sales. “Healthier” items are defined by product category and include fresh fruits and vegetables, water, non-sugar sweetened beverages, 100-percent juice, low-fat dairy, whole wheat bread, whole wheat cereals, low-sodium soups and canned goods, canned fruit in water, juice, or light syrup, single-serving snacks with 200 calories or less per serving, excluding candy and gum, and single-serving packages of nuts (no upper calorie limit).

At Diaz Grocery in the Feltonville neighborhood, owner Lauro Paulino has seen an increase of $100 in profits per week, including an increase in WIC sales, since the store underwent a Healthy Corner Store Network Conversion and began

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INCREASES IN HEALTHY FOOD SALES: FRESH CORNER PILOT

35% OF SALES ARE HEALTHY ITEMS
PRODUCE SALES INCREASED BY 60%
LOW-FAT DAIRY SALES INCREASED BY 37%

$100 INCREASE IN PROFITS PER WEEK

FRESH CORNER KIOSKS WERE LAUNCHED IN JUNE 2013. MONTH-OVER-MONTH SALES FROM JANUARY TO APRIL 2013 WERE COMPARED TO SALES FROM JANUARY TO APRIL 2014.
Miguel Peralta, co-owner of the Corner Food Market in North Philadelphia, joined The Food Trust’s Healthy Corner Store Initiative for a simple reason: he wanted to eat healthy.

Each day, Corner Food Market manager Pablo Diaz sees how that good example and the positive changes that have taken place in the store are encouraging customers to make healthier choices. For three years, Corner Food Market has worked with the Healthy Corner Store Initiative to increase access to healthier food and provide its customers with the information they need to make healthier choices. Signs in the store—printed in both English and Spanish—highlight new healthy products, such as fresh and frozen vegetables and 100-percent juices; and a green (anytime), yellow (occasionally) and red (rarely) stoplight motif helps customers choose snacks and plan meals for their families. The store’s new Fresh Corner kiosk is a hub of healthy eating. The store has also implemented marketing provided by the city to discourage the consumption of sugar-sweetened beverages and has successfully remained compliant with all tobacco sales laws.

“Now most of our clients know about the vegetable kiosk,” Pablo says, “and they do know that we bring a lot of healthy products and they see the signs in the store and they know that if they want something healthy they can go there. … A lot of people are already changing; they are eating more fruit. Instead of coming to buy a chocolate or some chips, they now buy an apple or an orange.”

Pablo has seen produce sales increase significantly. As part of the Healthy Corner Store Initiative, Corner Food Market also installed a point-of-sale system to evaluate customer-purchasing habits. Early data collected from the store and others involved in the evaluation showed an increase in produce and other healthy food sales.

For Pablo, every purchase is a chance to educate his customers, especially the students at the nearby Kenderton elementary school.

“‘I mean, if it were about selling, I would like to sell every product,’’ Pablo says, but he’s proud to be doing more than just selling. ‘‘We have tried to get the community to eat healthier and especially the kids.’”

In 2012, The Food Trust implemented computerized point-of-sale systems in five corner stores in Philadelphia. The point-of-sale systems are a valuable business tool for participating stores and allow The Food Trust to collect sales data for future evaluation. Early data showed that increases in healthy food choices, paired with marketing materials educating consumers about the healthy changes in their corner store, had a positive impact on healthy food sales, and store owners have reported improved perceptions about the profitability of healthier items. Produce sales at two Fresh Corner pilot corner stores increased by an average of over 60 percent from 2013 to 2014 (based on six months of data from each year). Prominent placement and improvements to the store environment helped boost sales of fresh fruits and vegetables at both stores.
Healthier Businesses

A secondary goal of the Healthy Corner Store Initiative is to create a strong network of local businesses for which healthy food is a smart economic investment. In addition to supporting corner store owners, The Food Trust works with local food suppliers and distributors to increase healthy food inventory and improve healthy food procurement systems for corner stores. The initiative also works with businesses such as Philadelphia-based, female-minority-owned equipment supplier Howard McCray to complete the Healthy Corner Store Network Conversions and the Fresh Corner stores.

Inventory Changes
For corner store owners, an increase in profits from healthy food sales means that customers are making healthier choices. It also means a healthier business.

Corner store owners reported that increased profits from healthy food sales allowed them to invest in their businesses. When Juan Almonte of Almonte Grocery realized an increase in weekly profits, he used the money to upgrade the lighting and security in his store. Lauro Paulino of Diaz Grocery used the profits to further expand the store’s healthy food inventory, purchasing more from his local suppliers. Some other store owners also reported an increase of 10 to 20 percent in customer traffic.

In addition, corner store owners have benefited from in-store trainings on how to introduce and maintain healthy changes and increase their business skills through professional development. Of the store owners enrolled in the Healthy Corner Store Initiative, 89 percent have accepted at least one training. Among the most popular training topics: produce handling, healthy food promotion and effective display techniques.

These findings suggest that small investments in training, materials and equipment for corner stores can result in healthier businesses.

ECONOMIC IMPACTS: THE HEALTHY CORNER STORE INITIATIVE

SUPPORTED 38 JOBS
CREATED $1.1 MILLION IN EARNINGS
PRODUCED $140,000 IN ADDITIONAL TAX REVENUE

City- and State-Wide Benefits
Econsult Corporation evaluated the Healthy Corner Store Initiative between March 2010 and September 2012, concluding that, in addition to promoting healthy choices, the initiative fostered healthier businesses, resulting in important influxes of economic activity, job creation and tax revenue generation.
The study considered the wider economic impact of the direct investments of the initiative (which included staff salaries and expenses; equipment such as refrigeration, shelving, baskets and scales; marketing and training materials; and other incentives for participating stores, among other expenditures). Econsult Corporation observed increased sales for corner store owners, increased opportunities for local suppliers and additional economic benefits for the city and state.

Econsult Corporation estimated that, during the timeframe of the study, the initiative supported 22 jobs and about $800,000 in earnings in Philadelphia and an additional 16 jobs and $300,000 in earnings in Pennsylvania. The study also estimated that the initiative resulted in $50,000 in additional tax revenues for Philadelphia and another $90,000 in additional tax revenues for Pennsylvania, in that 30-month period alone.

Selinette Rodriguez and her brother Alex have a long career in corner stores, managing stores in New Jersey before buying the Polo Food Market in Philadelphia’s Poplar neighborhood more than three years ago. The corner store is larger than most in Philadelphia, almost 1,000 square feet, and its size was an attraction. “We try to provide for the community needs,” Selinette says. The store stocks everything from beauty supplies to food.

But when the Rodriguezes took over, the store didn’t stock much fresh produce and other healthy items. The new owners saw this as a business opportunity. The nearest supermarket was 10 blocks away, a significant distance for many of Polo’s customers. If Polo offered fruits and vegetables, it could become the one-stop shopping destination for the neighborhood and a healthier business for its owners.

Through The Food Trust’s Healthy Corner Store Initiative, the Rodriguezes revamped their inventory, introducing 59 new healthy products, including fresh fruit, 100-percent juice options and other healthy beverages. The siblings received four-and-a-half hours of training on best practices in healthy food sales and tobacco law compliance.

Through their involvement in the initiative, the Rodriguezes transformed Polo Food Market, adding refrigeration and colorful marketing materials that promote healthy eating and discourage the consumption of sugar-sweetened beverages. The store’s healthy offerings, once limited to a few heads of lettuce and some tomatoes hidden near the deli counter, are now displayed prominently in a new Fresh Corner kiosk.

Selinette has seen her customers’ habits transform, too. “Now kids, instead of grabbing a bag of chips or cake, they will grab an apple, they will grab a basket of fruit, the little baskets we have for a dollar,” she says.

And Selinette has seen an increase in sales overall at Polo. “When they come and grab the fruit—I mean they’ll get the fruit because they have it there now—it’s ‘Oh, okay, let me get the bread, the milk and something else.’ Instead of going to another place, they’ll get it here, too.”

“I think there should be a healthy corner store on each corner, so that it’s more accessible for people,” she says.
Healthier Communities

Corner stores are neighborhood hubs, and positive changes like those occurring in stores involved in the Healthy Corner Store Initiative can be a spark for healthy changes throughout the community.

Neighborhood Engagement

Simple changes such as the façade and other street-level improvements that are a part of the Fresh Corner store pilot program can positively impact street life, and healthy cooking demonstrations hosted by corner stores enrolled in the Healthy Corner Store Network promote community involvement while teaching about healthy eating. In 2013, Econsult Corporation evaluated the economic impact of the Fresh Corner kiosks and found that they are an effective way to enhance neighborhoods, stabilize property values and build household wealth while strengthening the city.

The most recent program added to the Healthy Corner Store Initiative further expands the role of the corner store in creating healthier communities. The Hearts Smart store pilot offers free health screenings and in-store nutrition education, cooking demonstrations and taste tests. The Food Trust has completed over 200 health screenings and in-store nutrition education lessons to date.

In interviews with The Food Trust, corner store owners involved in the Healthy Corner Store Initiative report an interest in the health of their customers and their communities. In addition to the Healthy Corner Store Initiative, many corner store owners are active in their communities in other ways.

Spotlight on: OLIVARES FOOD MARKET

Olivares Food Market in Philadelphia’s Point Breeze community is a typical corner store, a convenient spot to stop for a quick breakfast, an afternoon snack or the essentials: bread, cereal and milk. But owner Clara Santos believes that a corner store can also be about much more than groceries. Corner stores can be catalysts for healthier communities.

Since Clara bought the store five years ago, Olivares has become a community hub. She hangs flyers for local daycares and church dinners on the wall by the door and posts funeral notices. She offers donations to neighborhood events and even the occasional recommendation for a local plumber or electrician. And through the Healthy Corner Store Initiative, Clara is helping her customers—her neighbors—live healthier lives. “We always try to participate with the community in whatever way we can help,” she says.

Olivares Food Market has been a part of the Healthy Corner Store Network since its inception and was one of the first to receive a Healthy Corner Store Network Conversion, which added a refrigeration unit to the store, increasing the market’s sales of fresh produce and low-fat dairy options. Olivares Food Market joined the Healthy Corner Store Certification Program, further expanding its healthy offerings; enrolled in the point-of-sale evaluation; and installed a Fresh Corner kiosk, where The Food Trust conducts monthly tastings and cooking demonstrations. The store successfully remains compliant with tobacco sales laws and has marketing to discourage the consumption of sugar-sweetened beverages.

Most recently, Olivares Food Market joined the Heart Smarts program. Through this program, the market hosts health screenings and consultations for its customers. “I want to provide this service for my customers,” Clara says. “Instead it’s about doing a service for the community.”

“We always try to participate with the community in whatever way we can help.”

CLARA SANTOS, OLIVARES FOOD MARKET
Appendix: Healthy Corner Store Initiative Programs

Several different programs exist under the Healthy Corner Store Initiative umbrella, each designed to help corner store owners introduce and expand their selection of fresh produce and other healthy products and to give customers the information they need to live healthier lives. Greater levels of success have been observed with participation in multiple and higher-level programs.

Healthy Corner Store Network
LAUNCHED IN 2010
The Philadelphia Healthy Corner Store Network is a collective of corner stores committed to stocking healthy food items and educating customers on these new healthy choices. Participating corner store owners receive the training needed to successfully source and sell these products.

Healthy Corner Store Network Conversions
LAUNCHED IN 2010
Corner stores participating in the Healthy Corner Store Network and meeting goals for healthy inventory changes and healthy food marketing are eligible for a conversion, which can include the installation of small shelving and refrigeration units to increase the space for and prominence of healthy foods in the corner store. Stores participating in the conversion program also receive additional training for store owners.

Healthy Corner Store Certification Program
LAUNCHED IN JUNE 2013
Through the certification program, stores enrolled in and meeting the requirements of the Healthy Corner Store Network and Conversion programs can receive additional incentives and support to stock a larger healthy food inventory and introduce new pricing and promotion strategies. In addition, participating stores agree to decrease promotion of tobacco products.

Fresh Corner Store Pilot
LAUNCHED IN JUNE 2013
Five corner stores participating in the Network, Conversion and Certification programs are enrolled in the Fresh Corner Store Pilot, which includes significant interior and exterior infrastructural improvements and the installation of a Fresh Corner kiosk to make healthy food the focal point of the store and provide space for neighborhood cooking demonstrations and materials that help customers make healthy choices.

Heart Smarts Program
LAUNCHED IN JANUARY 2014
The Heart Smarts program offers free health screenings and a healthy referral process for at-risk adults. Stores enrolled in the Heart Smarts program also receive in-store nutrition education lessons which include cooking demonstrations and free taste tests.

Making Healthy Food Available to All
The Food Trust's comprehensive approach includes improving food environments and teaching nutrition education in schools, working with corner store owners to increase healthy offerings and helping customers make healthier choices, managing farmers’ markets in communities that lack access to affordable produce and encouraging grocery store development in underserved communities.

Learn more about The Food Trust at www.thefoodtrust.org