

College of Public Health and Human Sciences
Center for Health Innovation

HIDDEN HEALTH HAZARDS AT YOUR CORNER STORE: TOBACCO, ALCOHOL AND FOOD INDUSTRY INFLUENCE IN THE RETAIL ENVIRONMENT

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Oregon State
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Acknowledgements



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GILLINGS SCHOOL OF
GLOBAL PUBLIC HEALTH



378,000 tobacco outlets nationwide



11,817 Starbucks US locations (2013)

Tobacco products are sold in approximately 378,000 locations in the US including convenience stores, gas stations, grocery stores, and pharmacies.¹



x 32 =



1. Center for Public Health Systems Science; POS Report to the Nation, 2014; Image credit James Davenport, ifweassume.com



FEDERAL TRADE COMMISSION

PROTECTING AMERICA'S CONSUMERS

[Home](#) » [News & Events](#) » [Press Releases](#) » [FTC Releases Reports on Cigarette and Smokeless Tobacco Sales and Marketing Expenditures for 2017](#)

FTC Releases Reports on Cigarette and Smokeless Tobacco Sales and Marketing Expenditures for 2017

Cigarette sales declined from 2016 levels



expenditure categories in 2017. Combined spending on price discounts increased from \$7.25 billion in 2016 to \$7.38 billion in 2017, accounting for 85.5 percent of industry spending.

[Commission Cigarette Report](#)

The amount spent on cigarette advertising and promotion decreased from \$8.71 billion in 2016 to \$8.64 billion in 2017. Price discounts paid to cigarette retailers (\$6.19 billion) and wholesalers (\$1.20 billion) were the two largest expenditure categories in 2017. Combined spending on price discounts increased from \$7.25 billion in 2016 to \$7.38 billion in 2017, accounting for 85.5 percent of industry spending.

According to the [2017 Smokeless Tobacco Report](#), smokeless tobacco sales decreased from 131.4 million pounds in 2016 to 130.9 million pounds in 2017. The revenue from those sales rose, from \$3.98 billion in 2016 to \$4.20 billion in 2017.

Spending on advertising and promotion by the major manufacturers of smokeless tobacco products in the U.S. decreased from \$759.3 million in 2016 to \$718.3 million in 2017. As with cigarettes, price discounts made up the two largest spending categories, with \$347.1 million paid to retailers and \$91.4 million paid to wholesalers. Combined spending on price discounts totaled \$438.5 million – or 61 percent of all spending in 2017, down from the \$467.8 million spent in 2016.

The Commission has issued the Cigarette Report periodically since 1967 and the Smokeless Tobacco Report periodically since 1987.

The vote to issue the reports was 5-0, with the [Commission issuing a separate statement](#). (The staff contact is Michael Ostheimer, Bureau of Consumer Protection, 202-326-2699.)

The Federal Trade Commission works to promote competition, and [protect and educate consumers](#). You can [learn more about consumer topics](#) and file a [consumer complaint online](#) or by calling 1-877-FTC-HELP (382-4357). Like the FTC on [Facebook](#), follow us on [Twitter](#), read our [blogs](#), and [subscribe to press releases](#) for the latest FTC news and resources.

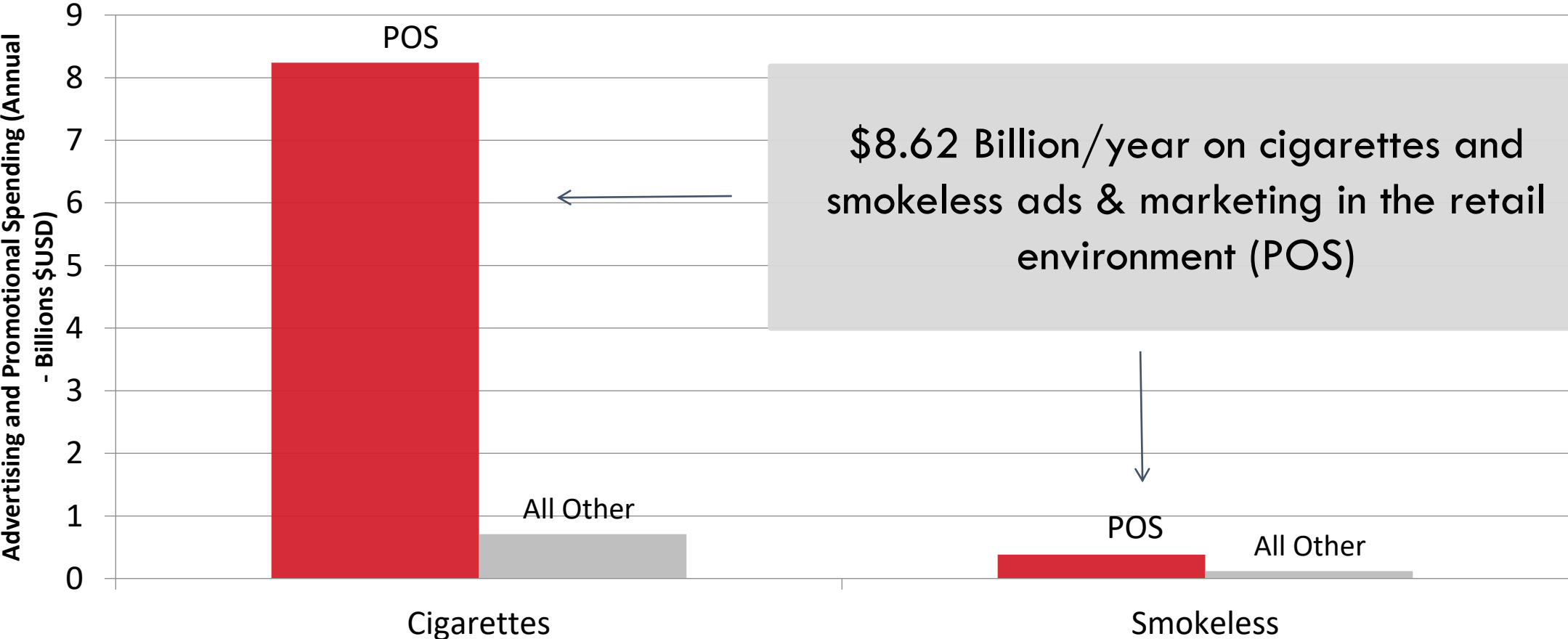
[and Smokeless Tobacco 6\(b\) Orders](#)

**\$7.38 billion or
85% of industry spending
on price discounts in
2017**

Retail is the tobacco industry's lead marketing channel

*These are
2013
numbers!*

Tobacco Industry Spending in the Retail Environment



\$8.62 Billion/year on cigarettes and smokeless ads & marketing in the retail environment (POS)

Federal Trade Commission Smokeless Tobacco Report for 2013. Washington, D.C. FTC File No. P114508
Federal Trade Commission Cigarette Report for 2013. Washington, D.C. 2015.

What are they spending their billions on?

These are
2013
numbers!

Price discounts and promotional allowances to retailers

\$7.9 Billion/YR



Signs (advertisements), functional items, displays, shelving units

\$56 Million/YR



Coupons

\$249 Million/YR

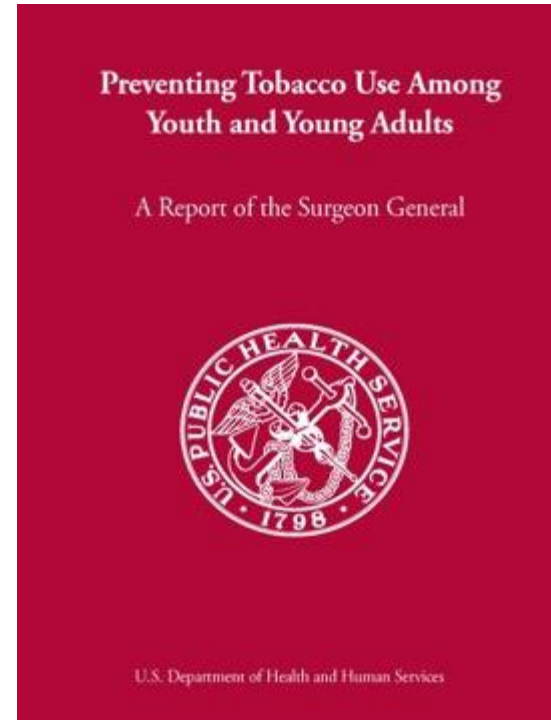


All those billions get a return on investment.

Exposure associated with/causal factor of:

- Increased odds of ever smoking^{1, 2, 3}
- Increased odds of experimental smoking⁴
- Increased odds of initiation^{5,6}
- Higher likelihood of becoming a daily or occasional smoker⁷

Note well, Big Tobacco industry targeting by demographics.



2012



2016

153,237 convenience stores, w/ or w/o gas, nationwide



#1 -- 7-11 -- 9,200 stores



#2 – Circle K -- 8,389 stores



#3 – Speedway – 3,900 stores

NEWS

Press Release: PHA & NACS Announce New Commitment with Kum & Go for Healthier Convenience Retailing

Kum & Go to expand healthier options in 400 stores throughout Midwest and joins more than 300 PHA partners to transform the marketplace and provide healthier, convenient choices to consumers.

ATLANTA (Oct. 2, 2019) – The [Partnership for a Healthier America](#) (PHA), a nonprofit that helps leverage the power of corporate America to improve the food supply, and the [National Association of Convenience Stores](#) (NACS), which represents the nation's 153,000-plus convenience stores, today announced that NACS member [Kum & Go](#) is committing to offer healthier foods at healthier prices throughout its 400 locations. PHA has now helped to expand healthier options in more than 2,500 convenience store locations nationwide.

Kum & Go is a family-owned, Iowa-based convenience store chain operating throughout the Midwest. Kum & Go's three-year commitment with PHA will result in healthier offerings, including fresh fruits and vegetables, grab-and-go items, beverages, and prepared items in its fresh food program. Kum & Go will also be offering special price promotions on healthier items and will include healthier options in its "&Rewards" customer loyalty program.



<https://www.nacsshow.com/NACS-TV>

<https://www.cspdailynews.com/company-news/ranking-top-40-c-store-chains-2019-update#page=1>

Opinion

OP-ED CONTRIBUTORS

See No Junk Food, Buy No Junk Food

By Thomas A. Farley and Russell Sykes

March 20, 2015



FROM urban ghettos to declining inner-ring suburbs to destitute rural areas, Americans with little money live in “food deserts” where it is hard to find fresh fruits and vegetables.

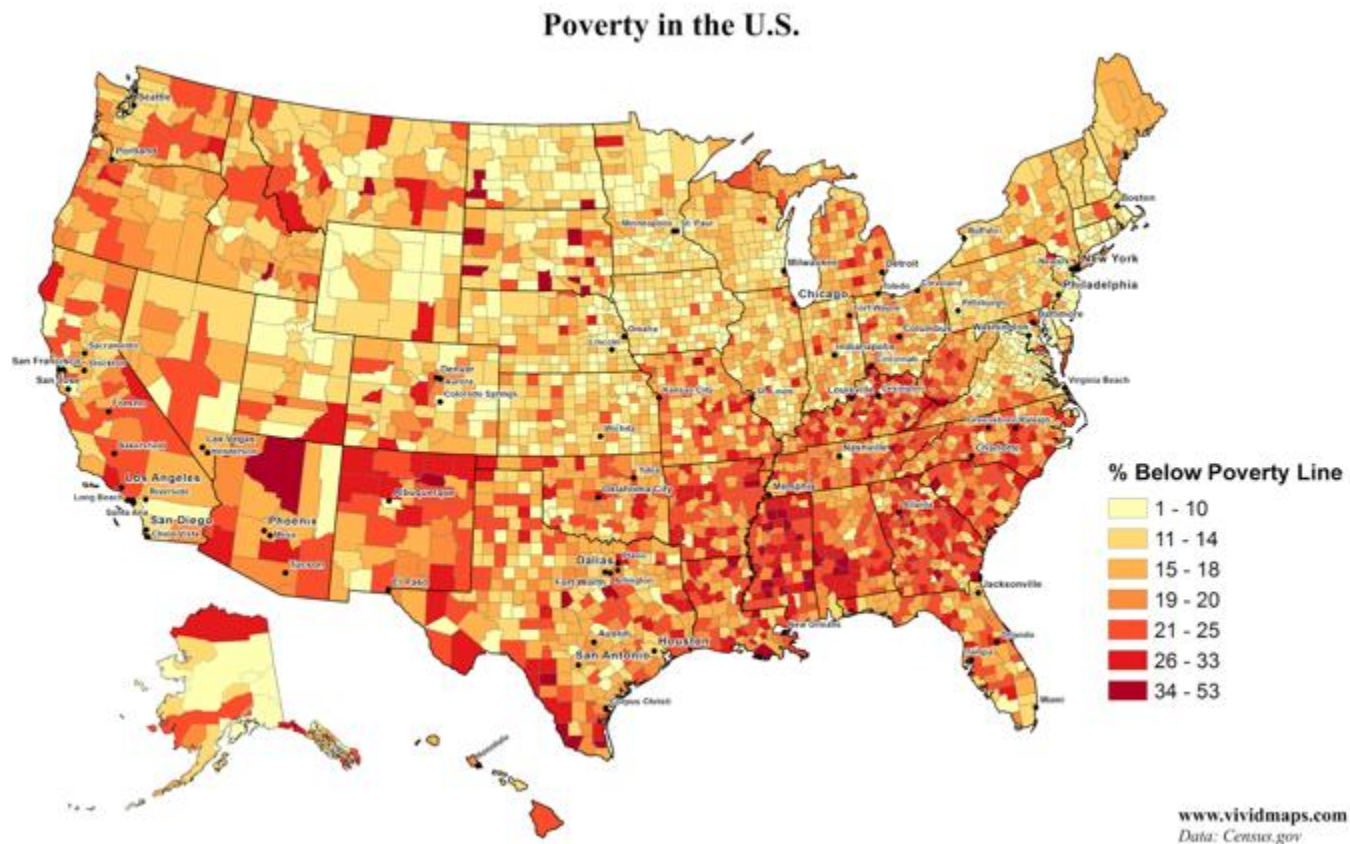
The problem in poor neighborhoods isn’t a shortage of food, but a shortage of healthy food. Only one in six low-income ZIP codes has a supermarket, compared with one in two high-income ZIP codes. Small corner and convenience stores, which load their shelves with junk like soda, chips, snack cakes and other processed food, fill the gap.

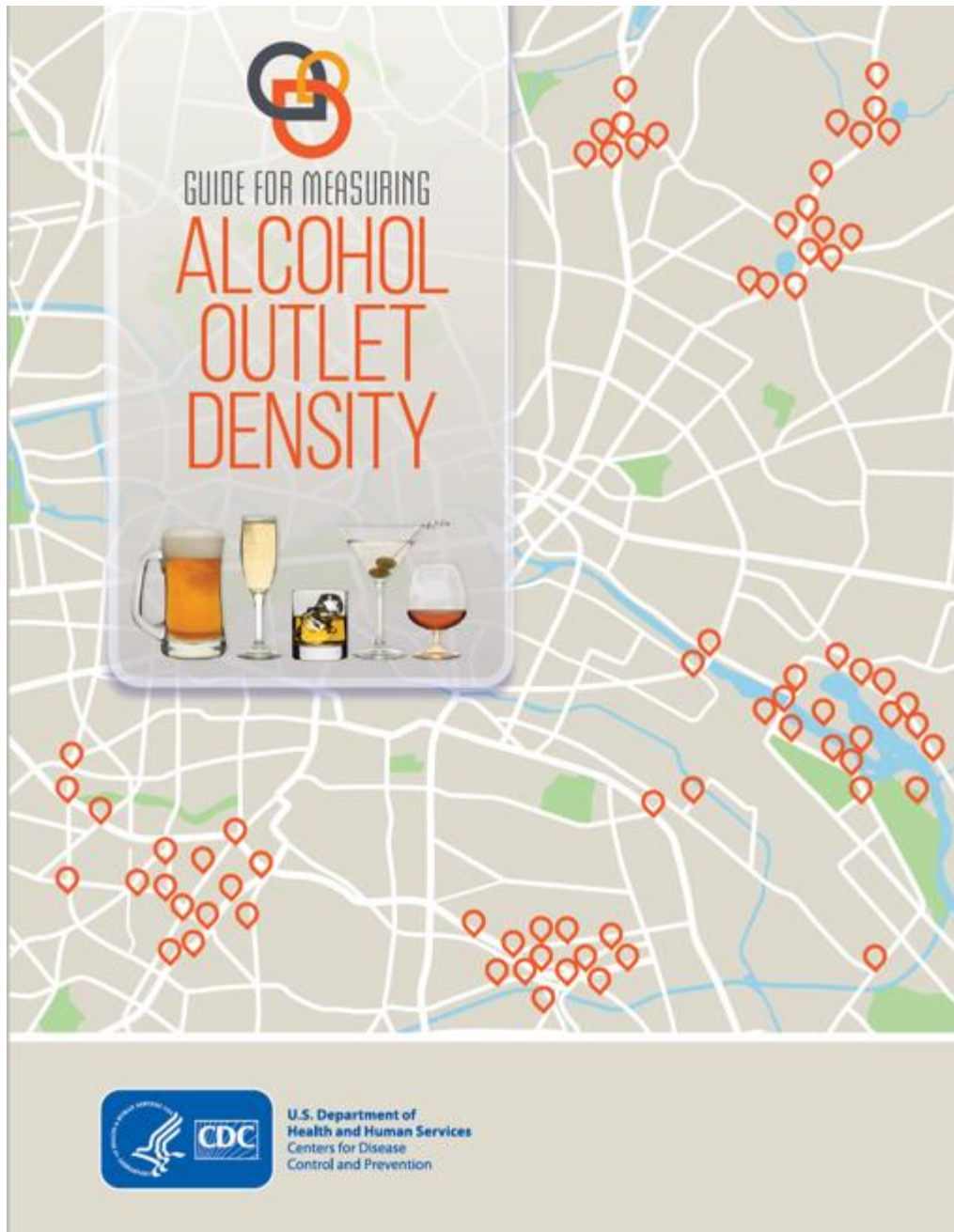
Convenience stores had a **30:1** ratio of shelf space for soda, chips, snack cakes, and candy to fruits and vegetables.

Food store availability and neighborhood characteristics in the United States

Linked commercial food store outlet data to 28,050 zip codes and 2000 Census data

- Low-income neighborhoods have fewer chain supermarkets with only 75% ($p < 0.01$) of that available in middle-income neighborhoods.
- Even after controlling for income and other covariates, the availability of chain supermarkets in African American neighborhoods is only 52% ($p < 0.01$) of that in White neighborhoods with even less relative availability in urban areas.
- Hispanic neighborhoods have only 32% ($p < 0.01$) as many chain supermarkets compared to non-Hispanic neighborhoods.





High alcohol outlet density as a public health problem

High alcohol outlet density, defined as having a high concentration of retail alcohol outlets in a small area, is an environmental risk factor for excessive drinking.⁵ From a 2014 study assessing the effects of various state alcohol policies, researchers found that differences in alcohol outlet density and alcohol taxes accounted for about half of the overall effect that the alcohol policy environment had on binge drinking among adults.⁶ In addition, high alcohol outlet density is associated with many social harms among neighborhoods in and around the alcohol outlets, such as disorderly conduct, noise, neighborhood disruption, public nuisance, and property damage.⁵ High alcohol outlet density is also linked with many alcohol-attributable effects among neighborhoods further away from alcohol outlets, such as alcohol-impaired driving, pedestrian injuries, domestic violence, and child abuse and neglect.⁵

MERCHANDISING

How to Sell More Alcohol at Retail [Expert Interview]



Molly Brogie

5 MIN READ

John Ellsesser is a sales manager for Narragansett Beer, and has worked in the alcohol beverage industry for 36 years. John began his career in the

RECOMMENDED

MERCHANDISING

How to Measure Sales Per Point of

5

SPOT RULE FOR

ALCOHOL MERCHANDISING



NEON SIGNS

When reps pull up to a liquor store, they park and look at the outside of the store. They should ask: Do we have neon signs in the windows? Do we have more or less than our competitors?



WINDOW BANNERS

The rep needs to ask: are we advertising products in the windows with banners? Are we advertising for beer, liquor, or both? What are our competitors advertising for?



FIRST IMPACT AREA

The first impact area is what customers see when they first enter the store. The rep should ask: Do we have anything in eyesight from the door? Do our competitors?



COOLER

The coolers organize competing products side by side, so your brand needs to have a good showing. The rep should take note of: How many doors do we have? How many do our competitors have?



CHECKOUT AREA

While customers wait in line, they are going to look around. Reps need to focus on displays and promotions that can be seen from the counter or the checkout line.

Did you know? We send SNAP recipients into this mess.

Emerging evidence:

Compared to non-WIC/non-SNAP,

- Stores that accept WIC and SNAP are ~2x more likely to display tobacco price discounts; and,
- SNAP stores ~3x times more likely to display interior tobacco advertisements.

2015 study in 2,054 tobacco retail stores in 97 counties in the contiguous US



Health Educ Behav. 2019 Aug;46(4):541-549. doi: 10.1177/1090198119831759. Epub 2019 Mar 2.

Tobacco Marketing at SNAP- and WIC-Authorized Retail Food Stores in the United States.

Rust SM¹, Myers AE^{1,2}, D'Angelo H³, Queen TL¹, Laska MN⁴, Ribisl KM¹.

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Abstract

Background. Lower-income families in the United States are at increased risk for food insecurity and have higher rates of tobacco use. Many retailers accepting government food assistance benefits also sell tobacco products, whose marketing promotes smoking initiation and undermines quit attempts. We examined the presence of tobacco marketing in authorized retailers in the Supplemental Nutrition Assistance Program (SNAP) and/or Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), compared with nonauthorized retailers. **Method.** A nationally representative sample of tobacco retailers in the contiguous United States ($N = 2,054$) were audited for tobacco marketing in 2015. Using generalized estimating equations, we examined the association between WIC and SNAP authorization and presence of tobacco marketing, adjusted for store type and neighborhood demographics. **Results.** Both WIC-authorized (odds ratio [OR] 1.7, 95% confidence interval [CI] [1.1, 2.4]) and SNAP-authorized retailers (OR 2.3, 95% CI [1.7, 3.1]) had greater odds of displaying interior tobacco price promotions, compared with stores that were not WIC/SNAP authorized. SNAP-authorized stores (compared with nonauthorized) had almost 3 times greater odds of displaying interior tobacco advertisements (OR 2.9, 95% CI [1.9, 4.5]), while WIC-authorized retailers had 80% lower odds of displaying exterior tobacco advertisements (OR 0.2, 95% CI [0.1, 0.3]). **Conclusion.** Millions of lower-income American families may be disproportionately exposed to tobacco marketing at food retailers. Federal, state, and local policies could create healthier retail environments by restricting the marketing and availability of tobacco products and increasing promotions and access to healthy food options.

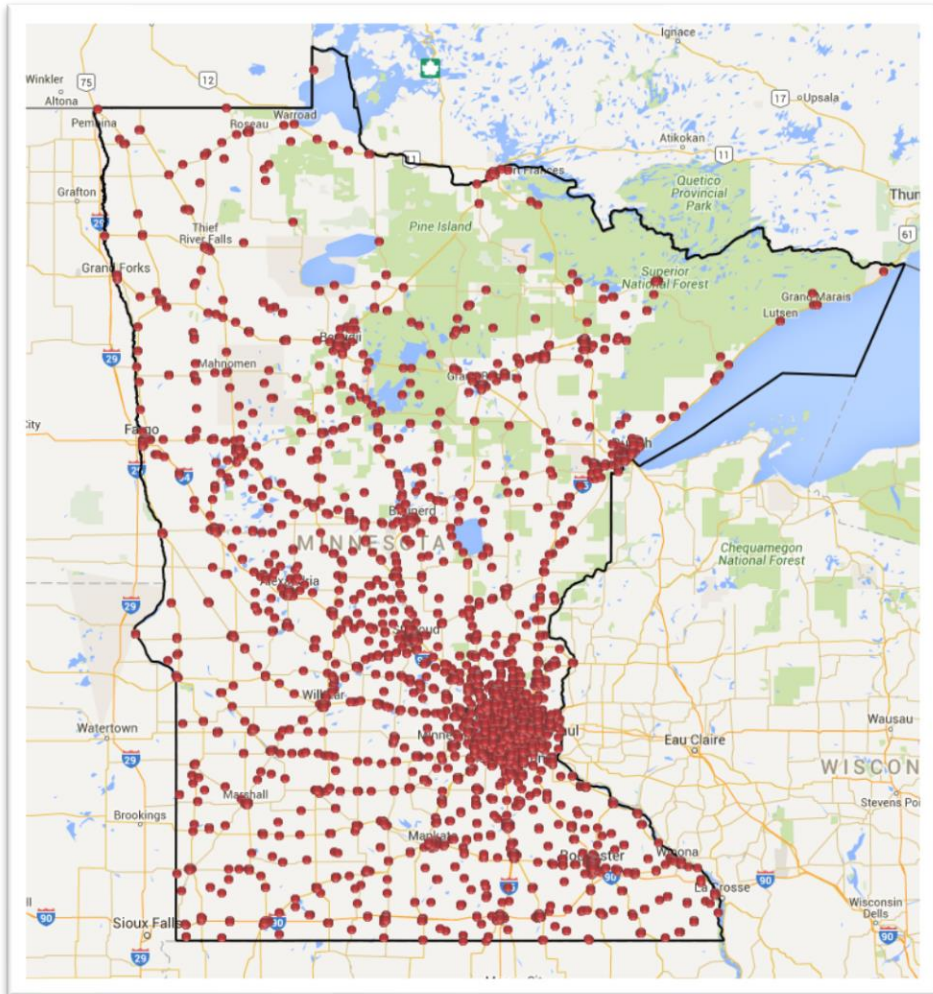
KEYWORDS: SNAP; WIC; health disparities; retail environment; tobacco control and policy



Institute of Medicine
1988

“The mission of public health (is)... assuring conditions in which people can be healthy.”

Think of retail outlets as “conditions for health”.



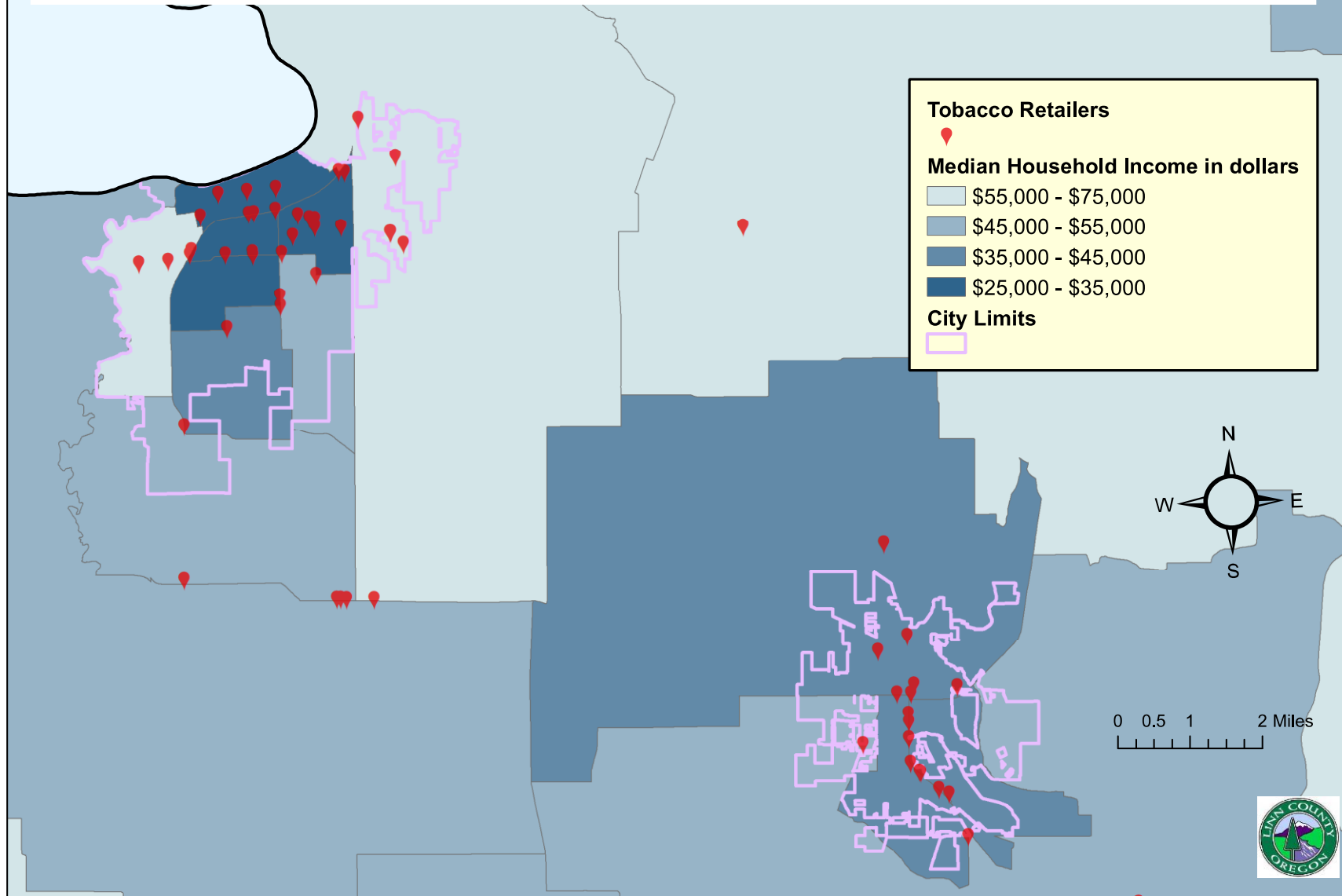
Locations, proximity, density --
“Community” environment



Policy compliance, product availability, price,
promotion – “Consumer” environment

Median Household Income and Tobacco Retail Outlets

Albany and Lebanon 2019

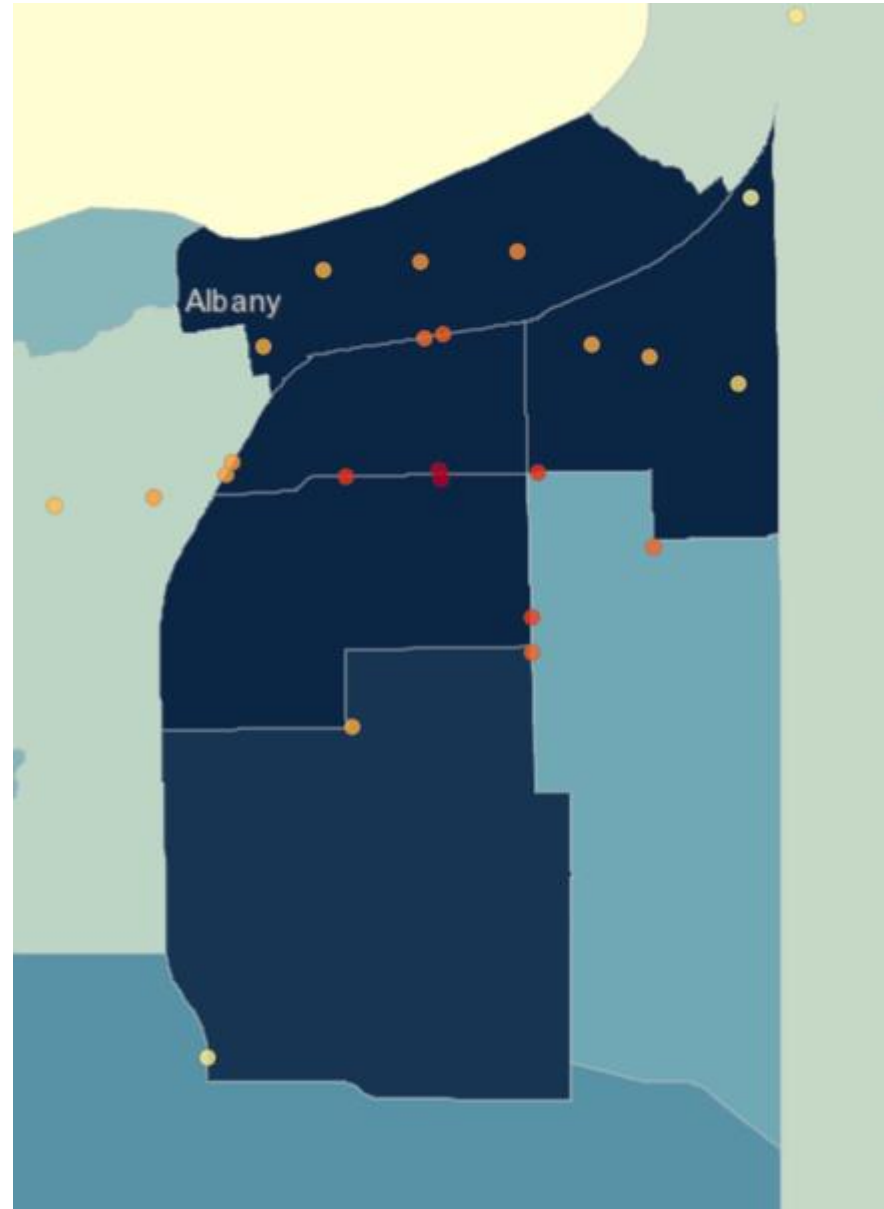


Map courtesy of Linn, Benton, & Lincoln Regional Health Assessment Team

Linn Wellness in Neighborhood Stores (WINS)

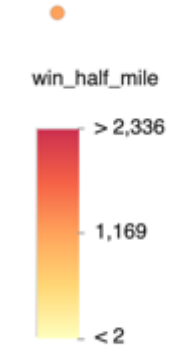


Linn, Benton, & Lincoln
Regional Health Assessment Team



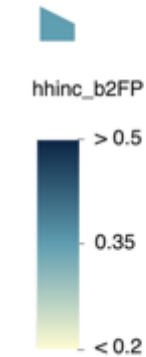
Number of IHN members w/in 1/2 mile

Legend Opacity



Household income below 2*FPL

Legend Opacity

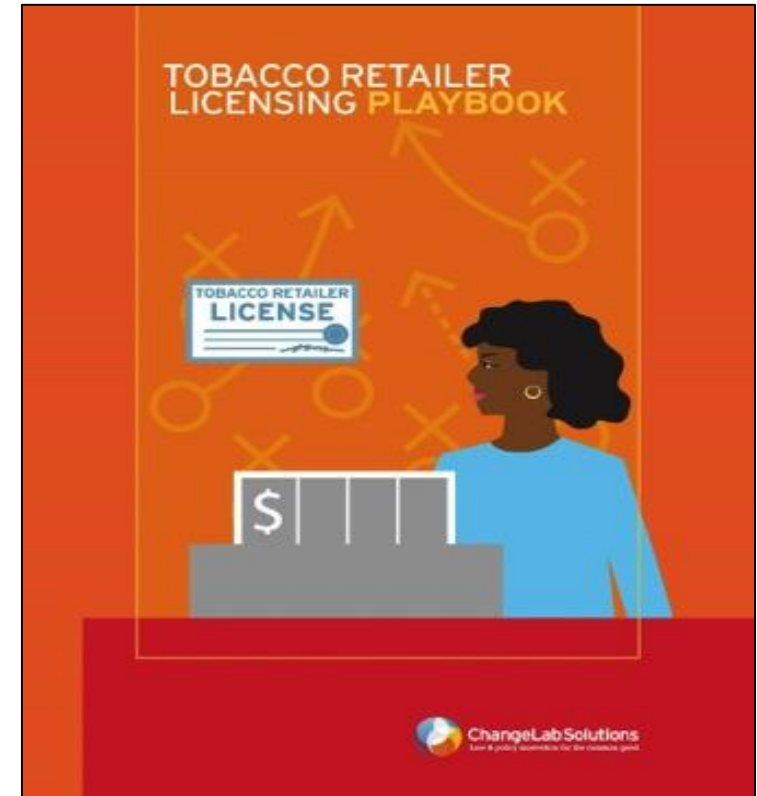


Map courtesy of Linn, Benton, & Lincoln Regional Health Assessment Team

Tobacco Retailer Licensing policies bring power back to communities

First – Need four basic components:

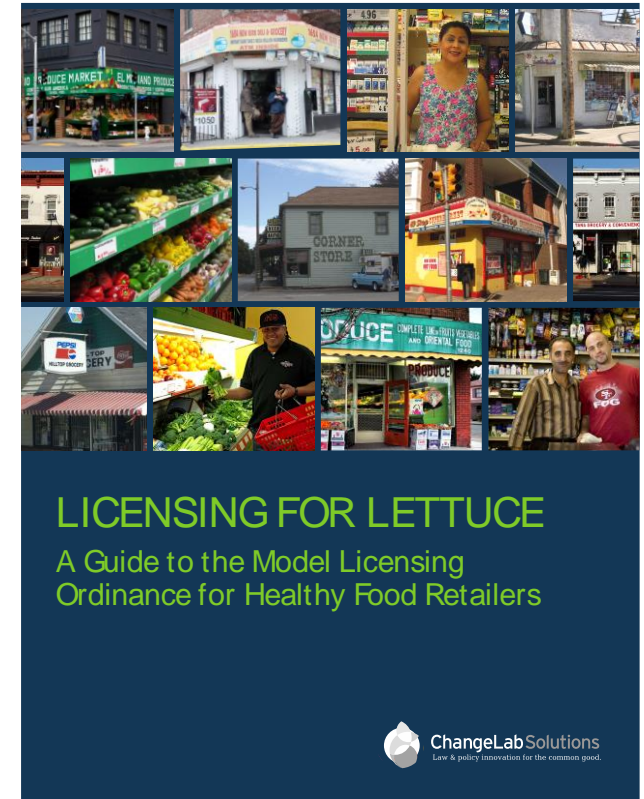
1. All retailers must obtain a **non-transferable** license, **renewed annually**
2. Licensing **fee** covers administrative and enforcement costs
3. Violating **any tobacco control law** is a violation of the license
4. Meaningful penalties for **suspension and revocation**



Tobacco Retailer Licensing policies bring power back to communities

Second – “Plug in” tailored provisions:

1. Reduce number, location, density, type of stores
2. Increase price through non-tax approaches
3. Implement prevention and cessation messages
4. Restrict candy, fruit, & menthol flavors
5. Require minimum package sizes
6. “Healthy retail” provisions, e.g., staple foods



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Hidden Health Hazards At Your Corner Store

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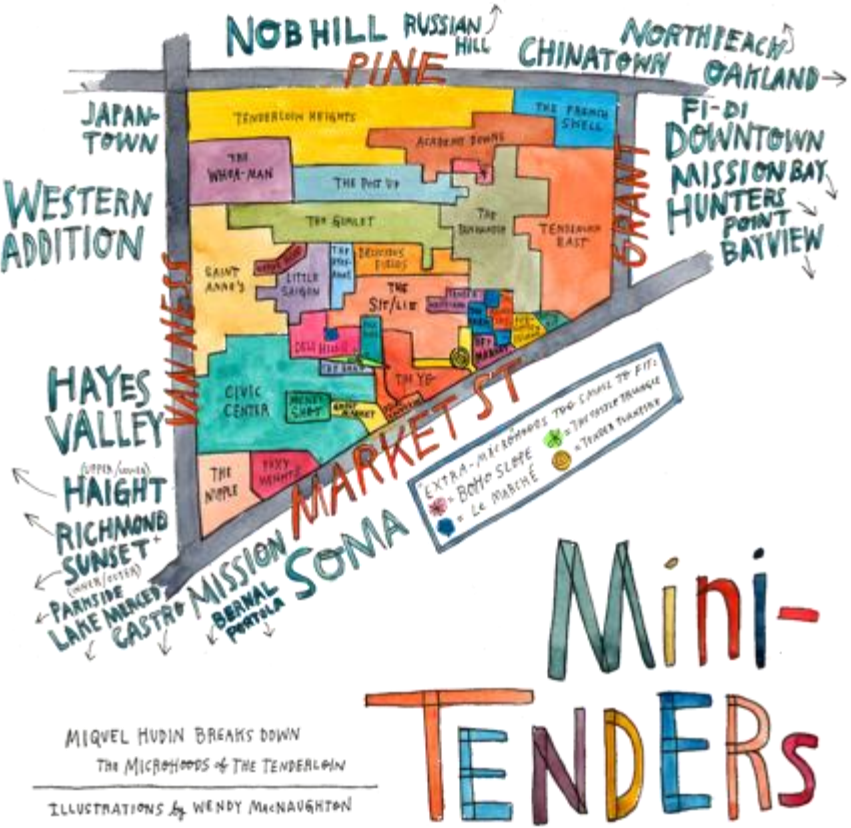
Thank you!

We can fix this →



Oregon State
University

Tenderloin, SF: 32% of 28,000 residents < FPL



With no full-service supermarket and roughly 60 corner stores primarily stocking processed foods, tobacco, and alcohol, lack of access to healthy retail is a significant problem.

The Tenderloin has by far the highest tobacco and alcohol outlet density in the city and correspondingly elevated rates of tobacco use and alcoholism [5].

Together with deep social inequities and the chronic stressors associated with life in poor neighborhoods, these forces compound health risks for residents, who have some of San Francisco's highest chronic disease rates [5].

Tenderloin Healthy Corner Store Coalition

J Urban Health (2018) 95:850–858
<https://doi.org/10.1007/s11524-018-0234-x>



Bringing Healthy Retail to Urban “Food Swamps”: a Case Study of CBPR-Informed Policy and Neighborhood Change in San Francisco

Meredith Minkler · Jessica Estrada · Ryan Thayer · Lisa Juachon · Patricia Wakimoto · Jennifer Falbe

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Abstract In urban “food swamps” like San Francisco’s Tenderloin, the absence of full-service grocery stores and plethora of corner stores saturated with tobacco, alcohol, and processed food contribute to high rates of chronic disease. We explore the genesis of the Tenderloin Healthy Corner Store Coalition, its relationship with health department and academic partners, and its contributions to the passage and implementation of a healthy retail ordinance through community-based participatory research (CBPR), capacity building, and advocacy. The healthy retail ordinance incentivizes small stores to increase space for healthy foods and decrease tobacco and alcohol availability.

This article builds on earlier work presented at the Annual Meeting of the International Society for Urban Health in 2016 and a recent book chapter with permission from the publisher (see ref. [4]).

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Through Yin’s multi-method case study analysis, we examined the partnership’s processes and contributions to the ordinance within the framework of Kingdon’s three-stage policymaking model. We also assessed preliminary outcomes of the ordinance, including a 35% increase in produce sales and moderate declines in tobacco sales in the first four stores participating in the Tenderloin, as well as a “ripple effect,” through which non-participating stores also improved their retail environments. Despite challenges, CBPR partnerships led by a strong community coalition concerned with bedrock issues like food justice and neighborhood inequities in tobacco exposure may represent an

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BEFORE



AFTER

