This document serves as a training guide tool to facilitate education around topics that blind vendors have identified as paramount to better, healthful vending services and customer satisfaction.

While this document pulls from various data sources, a new key resource that is heavily referenced is a survey conducted in April, 2018 of 139 National Association of Blind Merchants (NABM) members, by The Alliance for A Healthier Generation in conjunction with NABM and National Automatic Merchandising Association (NAMA), by funding through the Association of State Public Health Nutritionists (ASPHN) and the Centers for Disease Control and Prevention (CDC). These data are indicated within the guide by "*".

**Overall Objectives of Training Components:**

- For vendors to be aware of data that support the inclusion of specialty products to increase profit margins
- For vendors to utilize data and act upon data that addresses known and perceived barriers to implementing nutrition standards
- For vendors to have a clear understanding of nutrition standards
- For vendors to be aware of and utilize specific implementation strategies
- For vendors to be able to utilize resources to implement and adhere to nutrition guidelines in vending
How to Use This Guide

Public health nutritionists (PHNs) or other professionals are encouraged to pull sections of content and data to build and customize trainings for vendors and Business Enterprise Program (BEP) partners functioning under the Randolph-Sheppard Act.

**ONE.** Build the presentation based on needs that vendors have indicated. Ideally, PHNs will discuss the content from this guide with their Business Enterprise Program (BEP) representative and/or the vendor. Then, develop the presentation or training content based on what resonates most with the vendor.

A. Utilize the Key Points and data to create training content.

**TWO.** Once the training content has been finalized, include specific data or directions based on the vendor’s needs or vending operation.

A. For example, **Section 3, Identifying the Most Beneficial Training Topics and Resources**, reveals that one of the most desired resources is *Marketing Materials*. PHNs can find many ready-to-use materials on ASPHN’s *Food Service Guidelines* web page (see Resources for more links). These materials need to be tailored to the vendor’s service operation to be beneficial.

B. For example, **Section 6, Suggested Steps for Implementation**, contains known best practices for successfully selling products. Those practices need to be translated into detailed action steps with quality assurance measures that work for the vendor’s business model.

**THREE.** Utilize data links within the guide to gather specific facts that need to be expanded further.

Hopefully, specific needs and solutions have been identified. Now PHNs can focus more detailed efforts to expand those solutions while providing greater customer service and deeper partnership connections with their vendors.

*ASPHN would love to hear about the trainings developed as a result of this guide. Please contact us at shana@asphn.org to share your successes and creations.*
1. **Reaching New Markets and Identifying Profitable Trends** .................................................. 4-11
   a. Consumer Trends ........................................................................................................ 4-6
   b. Operator Trends ......................................................................................................... 7
   c. Customer Spending .................................................................................................... 8-9
   d. Micro Markets ........................................................................................................... 10-11

2. **Identifying and Addressing Vendor Barriers** ................................................................. 12-16
   a. Revenue .................................................................................................................... 12-14
   b. Stocking .................................................................................................................... 15
   c. Incentives ................................................................................................................... 16

3. **Identifying the Most Beneficial Training Topics and Resources** .................................. 17-18

4. **Nutrition Standards** ..................................................................................................... 19-20

5. **What Do Vendors Want?** ............................................................................................... 21-24
   a. Stories from the Field: Pricing, Enticements and Other Strategies .................................. 21-24

6. **Suggested Steps for Implementation** ............................................................................ 25-27

7. **Resources** .................................................................................................................. 28-29

8. **Complete Data Responses from Graphs** ..................................................................... 30

9. **New Information and Data for Vendors** ..................................................................... 31-32

10. **Notes** ......................................................................................................................... 33

---

**Table of Contents**

1. **Reaching New Markets and Identifying Profitable Trends** .................................................. 4-11
   a. Consumer Trends ........................................................................................................ 4-6
   b. Operator Trends ......................................................................................................... 7
   c. Customer Spending .................................................................................................... 8-9
   d. Micro Markets ........................................................................................................... 10-11

2. **Identifying and Addressing Vendor Barriers** ................................................................. 12-16
   a. Revenue .................................................................................................................... 12-14
   b. Stocking .................................................................................................................... 15
   c. Incentives ................................................................................................................... 16

3. **Identifying the Most Beneficial Training Topics and Resources** .................................. 17-18

4. **Nutrition Standards** ..................................................................................................... 19-20

5. **What Do Vendors Want?** ............................................................................................... 21-24
   a. Stories from the Field: Pricing, Enticements and Other Strategies .................................. 21-24

6. **Suggested Steps for Implementation** ............................................................................ 25-27

7. **Resources** .................................................................................................................. 28-29

8. **Complete Data Responses from Graphs** ..................................................................... 30

9. **New Information and Data for Vendors** ..................................................................... 31-32

10. **Notes** ......................................................................................................................... 33

---


This publication was supported by the Association of State Public Health Nutritionists’ Cooperative Agreement Number NU38OT000137 from the Centers for Disease Control and Prevention. Its contents are solely the responsibility of the authors and do not necessarily represent the official views of the Centers for Disease Control and Prevention.
Key Points:
- Consumer data have been trending toward specialty or healthier products and options for over a decade
- Snacking consumption is growing and customers are choosing better/healthier options
- Operators and suppliers must adapt their lineup to meet consumers’ wide range of needs, including nutritious treats
- Balance is crucial to meeting diverse needs for snacks, including nutritious options
- Both male and female consumers rate “healthfulness” as the most important factor when choosing snacks

Consumer Trends

Data cited from Technomic Reports

According to the 2012 Snacking Consumer Trend Report, Technomic found that 40% of customers acknowledge they are snacking on healthier options more than they did two years ago.1

“Even in 2010 alone, nutrition snack sales increased 7.7% from 2009.”2

Snacking consumption has been steadily growing over the past several years, but has accelerated since 2014; 83% of consumers in 2016 vs. 76% in 2014 snack on a daily basis. Driven by the quickening pace of consumers’ lifestyles, the rise of smaller households (that allow for more flexibility around meal times and sizes) and the increasingly widespread notion of snacks as part of a healthful diet, consumers are broadening their definitions of snacks and consuming snacks for more occasions.

“With consumers’ lives getting busier, snacks are serving more needs than in the past,” explains Kelly Weikel, director of consumer insights at Technomic. “To gain share, operators and suppliers must adapt their snack lineup to meet consumers’ wide range of need states—from tiding them over to the next meal to replacing meals, to providing nutritious, supplemental treats.”3
There are multiple consumer trend reports that can be purchased from Technomic. Technomic’s exclusive Digital Resource Library, Knowledge Center and MenuMonitor databases, the 2016 Snacking Occasion Consumer Trend Report will help guide foodservice operators and suppliers to better understand consumer attitudes toward snacking.

Key takeaways from the report include:

- Consumers are increasingly snacking between meals; 53% of consumers in 2016 vs. 41% in 2014 snack in between three daily meals
- Younger consumers drive away-from-home snacking; 40% of these diners’ snacks are consumed away from home vs. 25% of snacks overall
- Consumers continue to seek more nutritious snack options; 33% would purchase snacks more often at restaurants if they were healthier options

See page 31 for new Snack Trends data and links
The International Food Information Council (a food industry trade group), conducts annual surveys on consumer attitudes about food and reports on trends. Its 2014 consumer survey found that the importance of healthfulness (which has long been one of the top three factors that influence food purchasing decisions) has increased significantly, with 71% of consumers now reporting that they are influenced by healthfulness when buying food and beverages — up 15% from 2011. In contrast, taste and price (the number one and two factors) have remained relatively unchanged at 90% and 73%, respectively.

The International Food Information Council’s 2017 Food & Health Survey found that in the last year, nearly 90% of respondents drank more water and 70% opted for low-or no-calorie beverage options, while 60% reported cutting back on salt and saturated fat.

The International Food Information Council’s 2018 Food and Health Survey continues an examination of issues related to health and diet, food components, food production, and food safety. It also explores new topics, such as food insecurity, diets and eating patterns, and how consumers’ diets compare to dietary guidelines and expert recommendations. Some of the key findings, in addition to the “limit sugar” data mentioned above, are:

- Taste and price are still primary as a core purchase driver, but with familiarity of products as a close third
- Preference for no artificial ingredients and willing to pay for it
- Importance of sustainability is on the rise
- Trust in government agencies seems to be on the rise
- Doctors are both trusted and influential sources
- Cost and access are key barriers to eating fruits and vegetables
1. Reaching New Markets and Identifying Profitable Trends

Data from NAMA’s 2016 Industry Census Report

Operators have taken steps to address health and wellness needs. Driven by the continued rise in consumer demand for healthier food and beverages, better-for-you options have grown in importance to operators across the board:

- In the past year, we have added food or beverage items to address concerns about nutrition (from 65% in 2014, to 88% in 2016)
- Organizations/vendors have programs in place to match products to a set of nutrition standards (from 61% to 62%)
- Our organization plans to implement a program in which we match product offerings to an accepted set of nutrition standards in the next 12 months (from 48% to 50%)

In fact, the 2016 Industry Census report also verifies that nutrition standards are being adopted and applied at a continuous and positive rate.

In the 2018 NABM/NAMA Survey* of 139 NABMA members, these trends indicate similar breakdowns for guideline implementation choices:

<table>
<thead>
<tr>
<th>PROGRAM</th>
<th>2018 % FOLLOWING</th>
</tr>
</thead>
<tbody>
<tr>
<td>NAMA FitPick or FitPick Select</td>
<td>49%</td>
</tr>
<tr>
<td>AHA Workplace Guidelines</td>
<td>22%</td>
</tr>
<tr>
<td>Federal Food Service Guidelines</td>
<td>19%</td>
</tr>
<tr>
<td>Smart Snacks in Schools</td>
<td>7%</td>
</tr>
</tbody>
</table>

*Survey conducted by The Alliance for A Healthier Generation in conjunction with NABM and NAMA, by funding through the Association of State Public Health Nutritionists (ASPHN) and CDC.

<table>
<thead>
<tr>
<th>PROGRAM</th>
<th>2014 % FOLLOWING</th>
<th>2016 % FOLLOWING</th>
</tr>
</thead>
<tbody>
<tr>
<td>NAMA FitPick or FitPick Select</td>
<td>31%</td>
<td>50%</td>
</tr>
<tr>
<td>USDA’s Smart Snacks</td>
<td>17%</td>
<td>54%</td>
</tr>
<tr>
<td>Other</td>
<td>NA</td>
<td>21%</td>
</tr>
</tbody>
</table>
1. Reaching New Markets and Identifying Profitable Trends

Key Points:

✓ Nutritious snacks showed substantial gains in both revenues and sales. (Identifying & tying snacks to nutrition needs, e.g., diabetes, gluten, ketogenic, etc.)
✓ The strongest segment for nutritious snacks was micro markets

State of the Industry Vending Report (2016) stated that “Nutritious Snacks showed substantial gains in both revenues and sales in 2015” (VendingMarketWatch.com July 2016). In 2015, a summary report of 400 vending operators revealed an overall Snacks Category revenue of $5.7 Billion, with Snacks comprising 72.2% of total sales, representing 15.3% revenue change and an overall 12.3% unit change.

<table>
<thead>
<tr>
<th>SNACKS SUB CATEGORIES</th>
<th>2015 REVENUE</th>
<th>% SALES OF TOTALS</th>
<th>% SALES CHANGES: REVENUE</th>
<th>% SALES CHANGES: UNIT CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food snacks: cheese sticks, meat sticks, meat bites</td>
<td>$87.7 Million</td>
<td>1.1%</td>
<td>27.7%</td>
<td>24.9%</td>
</tr>
<tr>
<td>Nutritious snacks: Bean chips, granola, fruit snacks, organic items, specialty crackers/cookies, bars, dried fruit, hummus, etc.</td>
<td>$386.6 Million</td>
<td>4.9%</td>
<td>31.7%</td>
<td>26.4%</td>
</tr>
<tr>
<td>Nuts and seeds</td>
<td>$205.3 Million</td>
<td>2.6%</td>
<td>20.0%</td>
<td>13.3%</td>
</tr>
</tbody>
</table>

The report goes on to state that, “The strongest segment in 2015 was micro markets, which represented a record percent of revenue compared to other services offered. Micro markets are poised for continued growth for the foreseeable future, furthering the gap between operators that do offer it and those that don’t. As for new segments,
operators are diversifying into many different areas, expanding offerings and the types of locations they service, all of which will continue into 2016.”

**Data from Public Health**

**Price Reduction**: Selling healthy vending items at a lower price than other options can be an effective incentive for healthy eating.\(^4,6\) A study found that the sale of low-fat snacks increased by 80% during a 3-week period when prices were reduced by 50%. Most importantly, these price reductions did not significantly affect overall vending revenue.\(^4\) Thus, reducing the prices of healthy foods and beverages, or raising the prices of less healthy options, can be another way to promote healthier vending choices.\(^5\)

In 2014, a **study of the Chicago Parks District’s healthier vending policy** (which requires 100% of products to meet modest nutrition standards) found that the overall average monthly sales per machine increased by over 400% (from $84 to $371) during the first contract year, and that 98% of patrons surveyed stated they would buy snacks again.
1. Reaching New Markets and Identifying Profitable Trends

**Key Points:**

- Micro markets are experiencing strong growth and high profit margins for providing healthier options. Make sure to include language in your policies for vending to allow for micro market placement and growth.

- Micro markets continue to gain share, as companies aim to expand their food and beverage options for employees and others. This positive growth trend is expected to continue, with the micro market segment projected to be 45% larger by 2020. (2016 NAMA Industry Census Report).

  - For example, HUMAN is a vending promoter that entered into an agreement with Randolph-Sheppard Vendors of America (RSVA) to provide government and private sector facilities with healthy vending programs. Public health representatives can find more detailed information about how to support vendors instituting micro markets by contacting businesses with this kind of expertise.

http://www.healthyvending.com/

---

The following information is from the 2016 NAMA Industry Census Report Conducted by Technomic

On average, what percentage of your total product offerings in the following business lines meet (or exceed) recognized nutrition standards?

<table>
<thead>
<tr>
<th>Micro markets</th>
<th>None/no answer</th>
<th>1-10%</th>
<th>11-25%</th>
<th>26-50%</th>
<th>Over 50%</th>
</tr>
</thead>
<tbody>
<tr>
<td>8%</td>
<td>12%</td>
<td>28%</td>
<td>41%</td>
<td>11%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Vending machines</th>
<th>None/no answer</th>
<th>1-10%</th>
<th>11-25%</th>
<th>26-50%</th>
<th>Over 50%</th>
</tr>
</thead>
<tbody>
<tr>
<td>7%</td>
<td>25%</td>
<td>39%</td>
<td>20%</td>
<td>8%</td>
<td></td>
</tr>
</tbody>
</table>

See page 32 for new Micro Markets data and links
1. Reaching New Markets and Identifying Profitable Trends

Looking ahead 3 years, what percentage of annual sales growth/decline do you expect your organization to see from the following?

**Expected Annual Sales in 2017**

<table>
<thead>
<tr>
<th>Channel</th>
<th>Median Increase</th>
<th>Median Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>OCS</td>
<td>20%</td>
<td>20%</td>
</tr>
<tr>
<td>Micro Markets</td>
<td>40%</td>
<td>20%</td>
</tr>
<tr>
<td>Vending</td>
<td>15%</td>
<td>10%</td>
</tr>
</tbody>
</table>

**How to Read this Chart**

69% of operators expect Office Coffee Service (OCS) revenues to grow by 2017, and the median revenue increase is 20%; 19% of operators expect OCS revenues to be flat by 2017; 3% of operators expect OCS revenues to decline by 2017, and the median revenue decrease is 20%; 9% of operators had no response.

**Expectations of Growth**

Enthusiasm for growth is very high across all Channels. Expectations are highest for Micro Markets, as 89% of operators expect to see growth coming from that Channel through 2017.

**By 2017, how will the number of locations/machines change for your organization?**

<table>
<thead>
<tr>
<th>Channel</th>
<th>Median Increase</th>
<th>Median Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>OCS</td>
<td>64%</td>
<td>25%</td>
</tr>
<tr>
<td>Micro Markets</td>
<td>90%</td>
<td>4%</td>
</tr>
<tr>
<td>Vending</td>
<td>54%</td>
<td>30%</td>
</tr>
</tbody>
</table>

**How to Read this Chart**

64% of operators expect their number of OCS locations will grow by 2017; 25% of operators expect their number of OCS locations to be flat; 1% of operators expect their number of OCS locations will decline; 10% of operators had no response.

**2017: High Expectations**

Operators also see dramatic growth opportunities for new Micro Market locations through 2017. Only Vending shows a potential for decline, though small.
2. Identifying and Addressing Vendor Challenges and Barriers

Key Points:

✓ Perceived barriers to implementing nutrition guidelines include fear that customers will not buy items that meet guidelines (73.81%).
✓ Most vendors also identified concerns about smaller profit margins (63.49%) and decreased profits (53.17%) when stocked with healthier items.
✓ Creating a portfolio of successful pricing and marketing strategies may be more helpful to operators versus success stories created for press purposes.

Respondents report a range of challenges implementing nutrition guidelines with the most common issues being perceived customer preference, smaller profit margins for healthier items, and a decrease in sales and profits when healthier items replace indulgent items. Some also highlighted other barriers such as the rise of telecommuting leading to less workers in offices using vending machines, shorter expiration/shelf-life of healthier products, and difficulty procuring healthier items to sell. Phone interviewees had concerns about the packaging of new healthier products. Food manufacturers are coming up with creative packing for new and hip products targeted at the millennial audience but those products do not fit in a traditional vending machine. For example, one interviewee mentioned how he can’t sell the new “trendy” beverages (aloe water) because of the odd shape.*

Please select the top 3 barriers or challenges you’ve experienced when following nutrition guidelines in your vending and/or dining facilities. {n=131}*

- Customers won’t buy foods that meet nutrition guidelines resulting in outdated product having to be thrown out: 73.81%
- Lack of availability and assortment of products in my area: 33.33%
- Unsure of how to calculate if products meet the nutrition guidelines: 13.49%
- Products that meet nutrition criteria don’t taste good: 27.78%
- Profit margins for healthier items are smaller: 63.49%
- Sales and profits go down when space allocated for better selling items is reallocated for items that meet nutritional guidelines: 53.17%

*Survey conducted by The Alliance for A Healthier Generation in conjunction with NABM and NAMA, by funding through the Association of State Public Health Nutritionists (ASPHN) and CDC.
Thirty one of 139 respondents reported that no guidelines had been implemented. Twenty-nine of the 31 answered the open ended question: Please describe why you have not implemented nutrition guidelines.

Most provided responses that indicated lack of customer demand (“no one has asked for healthy choices, they don’t like it or buy it”), and ineffective manufacturer packaging of healthier products that do not fit in traditional vending machines. The next category of responses indicated that they are not informed enough to make the right decisions regarding healthier products and a few stated that they have not been approached by facilities to include healthier products.

### A Closer Look at Revenue as a Barrier*

Revenue is an important issue for vendors when evaluating the effect of implementing nutrition guidelines. 44% report that revenue decreased after implementation, while 22% report no change in revenue at all. 5% report an increase in revenue after implementing nutrition guidelines and a further 29% of respondents report that they do not track revenue from products.

<table>
<thead>
<tr>
<th>Revenue Change</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased</td>
<td>4.76%</td>
</tr>
<tr>
<td>Decreased</td>
<td>44.44%</td>
</tr>
<tr>
<td>Unaffected</td>
<td>22.22%</td>
</tr>
<tr>
<td>Not tracked</td>
<td>28.57%</td>
</tr>
</tbody>
</table>

---

*Survey conducted by The Alliance for A Healthier Generation in conjunction with NABM and NAMA, by funding through the Association of State Public Health Nutritionists (ASPHN) and CDC.
In Addition to the Survey, Five Key Informant Interviews Were Conducted*

Interviewee #1 provided insight on an important behavioral factor that they believe impacts both his revenue and his ability to increase the percentage of healthier items in a vending machine. He believes that people will not pay over $1.25 or $1.50 for a product out of a vending machine, however those same people will pay $3.99 for a Luna Bar at a grocery store. He believes that if he was able to install micro-markets, he would be able to sell healthier products that cost more and increase his revenue substantially.

Additional behavioral insight was gleaned from Interviewee #3 who shared that he tried to implement the FitPick program (25% product compliance) but the products didn’t sell and subsequently stopped selling any healthier products. Despite the fact that the products were priced equal to the indulgent products, the healthier products were smaller in size and his customers felt the larger sized indulgent products (King-sized Snickers) were a better value for the price.

Interviewee #3, who operates mid-sized vending operations in both private and federal workplace facilities shared that he is having success selling healthier products in “white collar” workplaces and would consider continuing to increase the percentage of product assortment in his vending machines. Alternately, he does not stock healthier products in “blue collar” workplaces as he has found that healthier products do not sell.

Overall, all interviewees were asked to share success stories regarding pricing and marketing strategies but operators stressed that what worked in one of their facilities didn’t necessarily work in others.

---

*Survey conducted by The Alliance for A Healthier Generation in conjunction with NABM and NAMA, by funding through the Association of State Public Health Nutritionists (ASPHN) and CDC.
2. Identifying and Addressing Vendor Challenges and Barriers

Vendor Decision Making Process for Stocking Decisions

To gauge the thought process behind their stocking decisions, the survey asked respondents to score their feelings on a spectrum (Strongly Agree – Agree – Unsure – Disagree – Strongly Disagree) for 12 commonly cited opinions regarding the implementation efforts of nutrition guidelines.*

Key Points:

✓ Over half of respondents indicated a willingness and desire to work with health advocates to find mutually beneficial strategies to get more healthy products into the hands of customers

✓ 47% of respondents agree that they are willing to test products that meet nutrition guidelines in their vending machines if they wouldn’t lose money

✓ 46% of respondents agree that consumer snacking trends are changing and they would like to learn how they can capitalize on the opportunity

Alternatively:

✓ 55% of respondents do not believe that they are losing money by not including healthier options in their vending machines

✓ 47% of respondents believe that products that meet nutrition guidelines are too expensive

Phone interviewees introduced additional challenges that the survey did not address. Four out of five operators shared experiences where a manager of the federal facility pushed back considerably on the inclusion of healthier products in vending machines due to fear of employee disapproval.

How strongly do you agree with the following statements?*

Nutrition guidelines are confusing...**
I would like to include healthier products...**
Products that meet nutritional guidelines...**
I’ve tasted products that meet nutritional...**
There isn’t enough variety of products...**
I know there are new manufacturers...**
My customers are only looking...**
My customers are asking for...**
Consumer snacking trends are changing...**
If I knew I wouldn’t lose money...**
I’m concerned that I’m losing money...**
Health advocates and blind vendors need...**

All Weighted Averages

**Complete data responses available on page 30.

*Survey conducted by The Alliance for A Healthier Generation in conjunction with NABM and NAMA, by funding through the Association of State Public Health Nutritionists (ASPHN) and CDC.
2. **Identifying and Addressing Vendor Challenges and Barriers**

Incentives and Tools to Lower Barriers

Phone interviewees corroborated the need for samples and a better process for being kept abreast of new products that meet nutrition guidelines at both the manufacturer and distributor level.

![Bar chart showing weighted averages of incentives](chart.png)

*Survey conducted by The Alliance for A Healthier Generation in conjunction with NABM and NAMA, by funding through the Association of State Public Health Nutritionists (ASPHN) and CDC.*
3. Identifying the Most Beneficial Training Topics and Resources

Key Points:

✓ Vendors want to know how to increase profit margins (with healthy products)
✓ Vendors want to expand their customer base (e.g. health conscious)
✓ Vendors also want to keep up-to-date with evolving nutrition trends and fads, e.g. Keto-friendly, sugar free, or Diabetic-friendly snacks
✓ The most desired product resources are:
  — Product lists that meet nutrition guidelines
  — Marketing materials
  — Training at statewide or regional BEP meetings

93 out of the 139 respondents indicated that they would be interested in training regarding implementing nutrition guidelines for the following reasons:*

<table>
<thead>
<tr>
<th>TOP REASONS TO RECEIVE TRAINING TO IMPLEMENT NUTRITION GUIDELINES</th>
<th>PERCENTAGE OF RESPONDENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>To stay up-to-date with evolving nutrition trends (i.e. trends in sales of healthy foods)</td>
<td>67.74%</td>
</tr>
<tr>
<td>Learn about why it’s important to eat healthy and what it means to eat healthy</td>
<td>24.73%</td>
</tr>
<tr>
<td>To learn about how I can increase my profit margins</td>
<td>70.97%</td>
</tr>
<tr>
<td>To expand my customer base</td>
<td>61.29%</td>
</tr>
<tr>
<td>To hear success stories from my peers</td>
<td>25.81%</td>
</tr>
<tr>
<td>Networking</td>
<td>32.26%</td>
</tr>
</tbody>
</table>

*Survey conducted by The Alliance for A Healthier Generation in conjunction with NABM and NAMA, by funding through the Association of State Public Health Nutritionists (ASPHN) and CDC.
When asked what training topics around healthier vending implementation would most interest vendors, many respondents were very interested in "Marketing and/or merchandising strategies to increase profit margins of nutritional products" (31.18%), "Nutrition trends: meeting customer demands" (26.88%), and "Education session providing comparisons of nutrition guidelines (Smart Snacks, FitPick, etc.)" (25.81%).

*Survey conducted by The Alliance for A Healthier Generation in conjunction with NABM and NAMA, by funding through the Association of State Public Health Nutritionists (ASPHN) and CDC.*
4. Nutrition Standards

Key Points:

✓ Many vendors that do not have specific policies for standards need additional guidance and education on the similarities and differences. Confusion about nutrition standards has prevented some vendors from implementation. (See Vendor Decision Making Process for Stocking Decisions section on page 15)

✓ More education around the U.S. Food and Drug Administration requirement as of December 1, 2016 that operators who own or operate 20 or more vending machines disclose calorie information for foods and beverages sold. FDA Update, July 26 2018 for calorie/front of package labeling. (See section Vendor Decision Making Process for Stocking Decisions on page 15)

✓ Vendors are looking for specific product lists from their manufacture that meet nutrition guidelines. (See Suggested Steps for Implementation section on page 25)

It is important for public health staff to provide any clarification that is needed to vendors around nutrition standards. Even if policies have been set for states or regions to follow specific guidelines, vendors still indicate that they do not understand “How healthy guidelines are different from each other, and why some products meet some guidelines and not others.” For example, the Federal Food Service Guidelines, Smart Snacks in Schools, and American Heart Association guidelines are very similar, but do have differences. What do those differences practically mean when choosing products? A tool for public health staff to use is The Comparison of Nutrition Guidelines for Vending Machines.

FDA Final Rule for Operators with 20+ Vending Machines

It is important to reiterate and educate about compliance. Even now, some vendors lack understanding around the rule Food Labeling; Calorie Labeling of Articles of Food in Vending Machines. This rule requires operators who own or operate 20 or more vending machines to disclose calorie information for food sold from vending machines, subject to certain exemptions. Covered vending machine operators must comply with the rule by December 1, 2016.
4. Nutrition Standards

In addition to incentives and training opportunities, the majority of survey respondents indicated that they would be interested in other resources to help them with implementing nutrition guidelines including "Product lists that meet the nutrition guidelines" (75.27%), "Training at statewide or regional BEP meetings" (63.44%), and "Marketing materials (signage, machine wraps, product identifiers, nutritional information), etc" (62.37%).

Furthermore, respondents independently offered suggestions for additional resources and solutions including the following:

- "The ability to buy in smaller quantities"
- "Let customers sample healthy products at the vending machine (to see if they like it)"
- "Offer both, regular and healthier products in different machines. Like grocery stores have aisles for healthier foods."
- "Success stories from other vendors on what works for them"
- "At over the counter locations a complete ready to implement program with recipes and marketing materials"
- "Sugar free items for diabetics"
5. What Do Vendors Want?

Key Points:

- Vendors want success stories from other vendors, not stories from the public health perspectives. Success stories should include very specific information that applies to each vendor market.

- Vendors want assistance from manufacturers to offer incentives for selling healthier items and free samples of healthier items to promote to customers (See section Incentives and Tools to Lower Barriers on page 16)

- Vendors want major manufacturers that sell items meeting nutrition guidelines to provide marketing materials and signage (See section Nutrition Standards on page 19)

Vendor Story from the Field: Washington State

In 2013, the state passed an Executive Order, impacting over 50 agencies, 57,000 employees and 18,000 custodial residents, requiring at least 50% of cafeteria, vending and micro-market products sold to meet Healthy Nutrition Guidelines (HNG). The Washington Department of Health contracted with the University of Washington Center for Public Health Nutrition to conduct annual evaluations of progress towards implementation throughout the first five years after adoption.

By 2018, 68% of snack vending machines were compliant with HNG, and 44% of beverage vending machines were compliant. This represented a large increase in compliance since policy adoption in 2014 (0% and 14%, respectively). For micro-markets, 21% of sales were from approved items in 2016. In 2017, that number rose to 22%, and to 23% for 2018. More collective data gathered also supported the behavioral economic theory that purchases will reflect what is present in a store, and that increasing the proportion of healthy items in a store may result in the increased purchasing of healthy items.

Researchers discussed the process of tracking vending machine sales data with the vendor who holds the contract for snack vending machines with Department of Services for the Blind. The vendor stated that “data could be made available, but wouldn't be useful for the evaluation.” “While there is a plan designed for items to be placed into each slot in the machines, drivers often fill empty spots with whatever they have on hand that fits, making it almost impossible to link sales with individual products.”

Limitations of vending assessment methodology precluded the ability to track individual vending machine compliance across years, as machines and buildings were not matched across the evaluation period. However, vendors have increased the number of approved foods available in vending machines, and in 2018, the primary western WA vendor implemented a program to ensure vending compliance going forward through the use of a consistent plan-o-gram.

Micro-markets, however, provided a far more robust and accurate data set. Since customers scan individual items into kiosks, the vendor can clearly track what is being sold, along with lots of other tracking data. The following is a snapshot of some data the vendor shared with University of Washington researchers for their evaluations.
5. What Do Vendors Want?

Top 10 Items Sold in Micro Markets 2015-2017
Washington State Department of Health — Bold Items are Approved for HNG

<table>
<thead>
<tr>
<th>YEAR</th>
<th>SNACKS</th>
<th>BEVERAGES</th>
<th>ENTREES</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>Hard boiled eggs, cheese squares/string, almonds</td>
<td>Water, sparkling flavored water, Starbucks Refreshers</td>
<td>Lunchables, hummus &amp; pretzels</td>
</tr>
<tr>
<td>2016</td>
<td>Cheese squares/string, hard boiled eggs, Cheetos</td>
<td>2% plain milk, ginger ale, 1% flavored milk</td>
<td>Tortellini pasta salad, hummus &amp; pretzels</td>
</tr>
<tr>
<td>2017</td>
<td>Cheese squares/string, hard boiled eggs</td>
<td>Diet soda, 2% plain milk</td>
<td>None</td>
</tr>
</tbody>
</table>

These data reveal that there were very similar proportions of items sold, versus items available in markets. For the vending company who shared these data, this was evidence that placing a higher amount of healthy items into markets was unlikely to negatively affect sales.
Related to sales and trends, vendors reported:

Vendors described a new generation of consumers who are more aware of health risks in products they are eating and much more knowledgeable about food ingredients. One stakeholder described them as:

“...pickier than baby boomers” — VS3

Vendors felt that customers are requesting “clean” food, which one vendor defined as being able to pronounce everything on the label.

Vendors stated that customers continue to request “low carb” and “low sugar” items, however sugary beverages are still the number one beverage seller.

“...there’s a younger generation buying it, and they are buying less of it. By that I mean it’s more of a treat vs an everyday occurrence. It might be one Coke vs three Cokes.” — VS1

Related to implementation of healthy nutrition guidelines, vendors reported:

Implementation of the HNG was not reported to negatively impact profitability of vending or micro-markets.

Vending companies see the trend toward providing healthier options as successful, in that approved items are some of the top selling items in the markets. Vendors felt that initially, the changes were not resulting in increased sales because consumer choice was driven by a desire for “pleasure food” (items not approved under the HNG guidelines). Vendors stopped replacing these items every time they ran out and eventually customers began purchasing approved products. Providing more approved options helped — vendors aimed to provide more variety for both not approved and approved products. One interviewee reported that:

“More healthy stuff is selling because we made them try it. Now it’s kind of a good balance for what they’re buying – every year we’re getting closer to being even-even for sales, rather than selling more pleasure items” — VS3

Vendors noted that the increase in sales was especially observed in micro-markets where customers see a large variety of healthy approved choices that are offered.

“It’s costing money to make changes, but change is inevitable and we are absorbing it...we did this based on contracts and commissions without any extra work.” — VS3

In spite of the effort required to make the changes, vendors agreed that overall the change toward providing more healthful items was good.

To review the full evaluation report and supporting documents, including vendor feedback on approaches to meeting healthy guidelines, consumer trends, and experiences and challenges with implementation, go to Healthy Nutrition Guidelines.
Vendor Story from the Field: Oregon

In 2017, the Oregon Nutrition Standards Pilot Project was implemented. In October 2016, 824 of approximately 1,500 Human Services Building employees responded to a baseline survey related to current purchasing habits and potential changes at the Valley Café. As part of the pilot project, the Oregon Health Authority (OHA) and the Valley Café collaborated to offer and promote healthy foods and beverages between January 28, 2017 and March 31, 2017.

OHA used a proof-of-concept approach to test a few new healthy items from the many items the Valley Café offered. Therefore, any increases in self-reported purchases or sales would be expected to be a fraction the results had the Valley Café implemented a wholesale overhaul and became a 100% healthy food and beverage vendor. Promotional strategies included:

- Providing more choices (e.g. build-your-own sandwich)
- Offering more lean protein and whole grains
- Offering more fruits and vegetables
- Branding healthier options (“GO!” stickers identifying items that met criteria)
- Promoting healthier food and beverage options

Key Findings:

- An average daily sales increase of $185.25, or 9 percent, after the modifications were implemented.
- Although implementation of promotion strategies was inconsistent, sales did not decrease.
- Half of the Human Services Building employees surveyed indicated that items offered in the Valley Café helped them meet their healthy eating goals.
- The GO! stickers and promotional materials positively influenced some employees’ purchases.
- Employees purchased more spinach, build-your-own sandwiches, and no-calorie sparkling water during the pilot project.

Recommendations

- Secure buy-in at the beginning from vendors and cafeteria staff.
- Provide technical assistance to vendors and cafeteria staff to support implementation fidelity and to ensure that guidelines are clear. Staff also need enough time to implement the changes with fidelity.
- Use fair pricing strategies and incentivizing the purchase of items that meet healthy nutritional criteria. For example, cafeterias could lower the price for these items, as recommended by the Centers for Disease Control and Prevention.
- Define the nutrition standards clearly and providing support to ensure that all stakeholders understand the standards. Vendors need to know where to procure items that meet the nutritional criteria and that satisfy employees’ desire for a variety of high-quality healthy foods and beverages.
- Use product placement to ensure that healthy items are most visible and accessible. Consider creating planograms for the beverage refrigerators and for healthy options throughout the cafeteria.

Promoting healthy options with materials such as table tents, signage, and GO! stickers may be effective for some employees. Consider using multiple communication strategies that promote healthy items (e.g., weekly emails promoting healthy specials).

The Oregon Nutrition Standards pilot project was generated and sponsored by the Cross-Agency Health Improvement Project (CAHIP), a joint effort of the Oregon Department of Human Services (DHS) and Oregon Health Authority (OHA), to improve the health and well-being of clients, employees, and volunteers in these 2 state agencies. CAHIP is led by a steering committee composed of senior managers of OHA divisions and DHS programs committed to reducing the leading drivers of chronic diseases—tobacco use, poor nutrition, and physical inactivity—to reduce chronic diseases such as diabetes, heart disease, and some cancers, and their tremendous associated costs.
6. Suggested Steps for Implementation

Key Points:

✓ Consider that if there has been no nutrition standard implementation, begin with a goal of 25% of compliant products with a strategy of meeting 50%
✓ Implement the industry standard of "4 Ps" for increasing profits
✓ Use NAMA’s Fit Pick Quick Start for familiar first steps
✓ Behavioral Design Strategies (CDC — coming in Spring 2019)

This section is not specifically populated by quantitative data, but rather qualitative data and direction from entities working in the field.

Start with the Goal of Moving from 25% – 50%

Currently, there is not a specific vending example for 25% to 50% healthy product selections. However, there are several tools that can be utilized to make the transition easier. While time-consuming for public health staff, assistance with identifying compliant products can overcome a large hurdle as identified by vendors.

• USDA Smart Snacks/NAMA FitPick Select - Implementation guide. To review online product lists/calculators from The Alliance for a Healthier Generation, see page 28
• Costco Smart Snacks - provides online food ordering for food items that meet USDA Smart Snacks and compliance with NAMA FitPick Select
• Additional product lists can be found in the "Resources" Section of this document

4 Ps – Product, Promotion, Price, Placement

Organizations can use the traditional marketing “4Ps” of product, promotion, price, and placement.⁷,¹¹

*Excerpts taken from Nemours guidance on 4Ps. NAMA also has a specific training about the 4Ps.

PRODUCT

If you have healthy items to choose from, children, youth and adults will make better choices! Most vending products offered are of low nutritional quality. One study surveyed the content of 1,420 vending machines in urban and rural secondary schools across the country. Of the beverages available, 70% were high in sugar, such as soft drinks, fruit drinks, iced tea, and sports drinks. Only 12% of the vending slots were for water and only 5% were for milk, with the majority (57%) of milks offered being either whole or 2% milk. The proportion of snack slots offering nutritious choices was also low (1%).⁷

• Action Step: Offer a majority of healthy foods and beverages in your vending machines to make it easier for children and families to make healthy choices.
6. Suggested Steps for Implementation

**PROMOTION**

Promotional efforts such as labels and motivational signs on vending machines can increase awareness and selection of healthier foods and beverages. Prominently marking low-fat food items and “0 calorie, 0 sugar” beverages, as well as their prices, is an effective way to increase the selection of healthy items. Coupling that tactic with a large motivational sign on top of the vending machine encouraging the low-fat food and non-sugar-sweetened beverage selections has proven even more effective. It appears these strategies can bring about better choices without a loss of revenue. Thus, marketing low-fat items and non-sugar-sweetened beverages specifically can be an effective way to encourage the purchase of healthier vending options, without negatively affecting sales.

- **Action Step:** Use visible prompts in and on vending machines in the form of labels, stickers, and posters to identify and promote healthy options.

**PRICE**

Selling healthy vending items at a lower price than other options can be an effective incentive for healthy eating. A study found that the sale of low-fat snacks increased by 80% during a 3-week period when prices were reduced by 50%. Most importantly, these price reductions did not significantly affect overall vending revenue. Thus, reducing the prices of healthy foods and beverages, or raising the prices of less healthy options, can be another way to promote healthier vending choices.

- **Action Step:** Offer healthy options at a lower price than unhealthy ones.

**PLACEMENT**

The placement of vending products shows promise in increasing healthier purchases. The sales of healthier foods and beverages can be increased by placing them in prime locations within a vending machine.

- **Action Step:** Place healthier options at eye level where they are most noticeable and more likely to be purchased. Applying the “4Ps” of marketing to promote healthier vending options will increase the likelihood that customers will choose them.

**Pricing Strategies - Data**

Recent studies have applied economic theories to changing dietary behavior. Price reduction strategies promote the choice of targeted foods by lowering their cost relative to alternative food choices. One study examined lower prices and point-of-purchase promotion on sales of lower fat vending machine snacks in 12 work sites and 12 secondary schools. Price reductions of 10%, 25% and 50% on lower fat snacks resulted in an increase in sales of 9%, 39% and 93%, respectively, compared with usual price conditions. These studies have implications for the marketing of low nutrient-dense foods as opposed to more healthful foods. Specifically, removing price incentives for “supersize” portions on high fat, high energy foods might be an effective strategy to limit the purchase and consumption of low nutrient-dense foods by the consumer. Therefore, reducing prices on healthful foods is a reasonable public health strategy that should be implemented through policy initiatives and industry collaborations.

**NAMA’s Quick Start, FitPick™ Planning and Implementation Guide for Vending Operators**

Many toolkits and guides have been created by the industry to support the work of their customer base. This 81-page guide is a good starting point for public health to utilize to speak about implementation strategies in a format that is familiar to vendors.

“Whether your account generated the request for Fit Pick™ or you are proactively installing the program, this Quick Start Guide can get you going. Similar Guides are available for consumers in the Guides for Schools, Worksites and Community-wide initiatives at www.fitpick.org.”

**FitPick™ Step-by-Step Guide to Energize Your Vending**

| Collaborate 01 | Research 02 | Plan 03 | Prepare 04 | Promote 05 | Install & Monitor 06 | Follow-up 07 |
6. Suggested Steps for Implementation

Supplemental Information for Trouble Shooting
(Health and Human Services and General Services Administration) Best Practices and Vendor Concerns

**Concern:** When introducing new healthy products there is the risk that the sales rebate number will not be reached.

**Best Practice:** Move healthier products to eye level and top sellers to the bottom row. Items such as Snickers and other candy bars will sell regardless of where they are placed. Use prime spots for items that you are trying to introduce.

**Concern:** Consumers will go to a nearby convenience store instead of vending machines to purchase items if prices are too high or when cash is required.

**Best Practice:** Provide customers with the option to use credit cards. Studies show that people are more likely to purchase items when they can use their credit card even at higher prices. Also utilize glass front machines for beverages. Glass front machines allow people to see what they are buying, giving them confidence in their purchase. These machines provide a shopping experience similar to a convenience store.

**Concern:** What healthy items will my customers like?

**Best Practice:** Reach out to customers and allow them to give you feedback on the items you’re providing. Supply feedback cards on the side of your machine to determine what items they like and what else they would like to have offered. Additionally, schedule time to provide a taste test for customers. This will give you direct feedback on items and there is a better chance a customer will buy a healthier product.

**Concern:** Healthier food products have a shorter shelf life and will require more monitoring.

**Best Practice:** Get your customers interested from the beginning. Hosting a sampling session in the building is a great way to build interest in the healthier items. It also increases the chances of customers buying the items since they know what they’re getting and what it tastes like. Another best practice is to adopt remote monitoring practices. Today, technology allows vending machine operators to electronically track and monitor the stock of items in their machines. The technology allows vendors to track product flow and measure the consumption of each product offered. Valuable product data collected through remote monitoring can be used to improve product sales and track the best (and worst) selling products for future reference.

**Concern:** Once I go over 25% healthy items in my machine I begin to see a drop in sales.

**Best Practice:** Although there may be an initial drop in sales, vendors who have switched to healthier options saw an increase in sales over time. Providing healthier options may open the market to a new demographic of healthy eaters.
7. Resources

The following is not a complete list of resources related to healthy vending, but does provide high-level categories of links and websites related to the content of this document.

**Product List Examples**

**NAMA’s Industry Tools and Product Lists**
- Includes All ATNIP School Items, G & J product list, General Mills USDA Compliant products, Mondelez International and PepsiCo.

**Center for Science in the Public Interest (CSPI)**
- Healthier Food Choices for Public Spaces
- CSPI Product List – Snack, entrée, and beverage options that Meet NANA, AHA, and Federal Food Service Guidelines
- Procurement Nutrition Standards/Comparisons for Food
- Tips for Managing Food Service Costs

**Alliance for A Healthier Generation**
- USDA Smart Snacks/NAMA FitPick Select have online product lists/calculators from The Alliance for a Healthier Generation
- The Alliance for a Healthier Generation’s online store listing of products that meet the U.S. Department of Agriculture’s Smart Snacks (NAMA, Fed.FSG) standards for school snacks and beverages. The Alliance also has a product calculator, through which product nutrition information can be input to determine if they meet the Smart Snacks standards.
- Amazon Business and the Alliance for a Healthier Generation have created the Healthier Generation Store, which is the first verified online store dedicated to exclusively selling Smart Snacks compliant products. See Amazon’s flyer for more information.

(Industry) Vistar
- Better for You Products
- FitPick Product List

**Marketing Materials and Signage**

DNPAO created a list of resources developed by states around food service guidelines. The Association of State Public Health Nutritionists (ASPHN) has placed these resources on our website. Many states have included ready-to-use marketing materials

**Policy**

**Patient Protections and Affordable Care Act and Randolph-Sheppard Act**

**Patient Protections and Affordable Care Act** - This act, signed into law in 2010, is most widely known for enacting comprehensive health insurance reform. It also contains menu and vending
labeling requirements that should be referenced in food service guidelines. Under Section 4205 of the Patient Protection and Affordable Care Act, chain vending machine operators (owners of 20 or more vending machines) must make calorie information for food sold from a machine visible to consumers before purchase. If the consumer cannot see the Nutrition Facts Panel before purchase, the operator must post “clear and conspicuous” calorie information in close proximity to the food or near the food’s selection button.

**Final Rule for Operators with 20+ vending machines** - This rule requires operators who own or operate 20 or more vending machines to disclose calorie information for food sold from vending machines, subject to certain exemptions. Covered vending machine operators must comply with the rule by December 1, 2016.

**Industry-Specific Resources and Websites**

**Exceed | The Tool for Using Healthy Food Service Guidelines**
- Exceed & Randolph-Sheppard Act (RSA) section
- Change Lab Solutions — Making a Change, Healthier Vending for Municipalities
- Randolph-Sheppard resources

**National Council of State Agencies for Blind Vendors**
Listing of BEP Directors in each state

**National Association of Blind Merchants (NABM)**
- Under “education” drop down, there is this about healthy vending [https://blindmerchants.org/education/healthy-vending-resources/](https://blindmerchants.org/education/healthy-vending-resources/)
  - GSA
  - GSA/HHS
  - NAMA’s FitPick Tool Kit
  - NAMA’s Resources
  - Nemours (has ROI)

**Randolph-Sheppard Vendors of America**

**National Automatic Merchandising Association/NAMA**
- NAMA is the trade organization that represents the interests of the nation’s vending industry at large.
- NAMA created FitPick, a set of nutrition standards (not as stringent as FSG) for vending machines.

**Department of Education-Rehabilitation Services Administration**

- Randolph Sheppard Vending Facility Program
8. Complete Data Responses for Graph on Page 15

"How strongly do you agree with the following statements?" on page 15:

• Nutrition guidelines are confusing and I would like more information
• I would like to include healthier products but I don’t think that my customers would like them
• Products that meet nutrition guidelines are too expensive
• I’ve tasted products that meet nutrition guidelines and they don’t taste good
• There isn’t enough variety of products that meet nutrition guidelines
• I know there are new manufacturers creating innovative “better-for-you” products but I don’t know how to find these companies and whether I can access their products
• My customers are only looking for indulgent snacks
• My customers are asking for healthier options
• Consumer snacking trends are changing and I would like to learn how to capitalize on that information
• If I knew I wouldn’t lose money, I would be willing to test products that meet nutrition guidelines in my vending machines
• I’m concerned that I’m losing money because I don’t include enough healthier products in my vending machines
• Health advocates and blind vendors need to work together to find mutually beneficial strategies to promote the sell of products that meet nutritional guidelines
9. New Information and Data for Vendors: snack trends, consumer spending, industry innovation and more

The following information is a brief summary of updated data (2017-2020) and select topics related to the content of this guide.

**Snack Trends**

**Consumer Beverage Trends**

- Top Trends: Nitrogenating of cold brew; sustainable sourcing; drinks that sparkle, drinks containing adaptogens, protein and MCT oil; H2O-Plus; and plant-based drinks.

**New Nutrition and Energy Bars: Healthy and Unique Trends**

- Savory snacking (promoted bar contains 140 calories, 7g of fiber and 1g-2g of total sugar), plant-powered (12 grams of protein, the brand’s signature 1 gram of sugar), meat + more (dried fruit, nuts and seeds, egg whites and 100% grass-fed beef or all-natural chicken), vegan energy (rich in heart healthy fats, high in fiber, > 8g of plant-based hemp protein), and hemp protein (hemp hearts, honey, 11g -12g of raw, easily digested, complete plant-based protein with 20 amino acids, omega-3 & - 6 fatty acids, etc.)

**IFIC Annual Food and Health Survey: Five Trends in 2020**

- Other than “sustainability,” enter “mindful eating, to include more plant-based, lower calorie” foods.

**Interview/Data About Products Proclaiming Health Benefits:** An older article featuring an RDN and industry leaders, including Sage Group.

**Macro Trends: 10 Macro Trends Impacting Food and Beverage Innovation**

- **2020 Top Industry Trend:** Processors see health as the top consumer-driven trend impacting the food industry. This is seen in demands for “natural / organic / non-GMO / clean label,” “healthy / functional foods,” and “plant-based foods.”


**Webinar Link**

- **Plant-Based Foods, Less-Sweet Snacks and Low-Alcohol Beverages** make up part of the top trends.
9. New Information and Data for Vendors

Customer Spending

Emerging Ingredients and Consumer Acceptance:
Food industry driven by consumers to experiment with novel ingredients.

State of the Vending Industry Report

- **Micro Markets** continue to grow, but revenue from traditional vending service was at 66.2% in 2017 (compared to 15% of micro markets). Of the vending, snacks categories of “healthful/nutritious” items (food snacks, nutritious snacks, nuts & seeds) constituted 9.3% of sales, or approximately $409.2M in revenue.

- **Other Categories**: Suppliers making drastic changes. Expansion of product lineup at lower prices to meet customer needs.

Other Trends and Changes

- **Companies Changing**: PepsiCo and 10 new products
- **Policy Changes**: Pontiac Parks and Rec, Illinois

Other Vending Data

Report on Data Promoting Healthy Choices from Vending Machines: By the Marketing and Consumer Behavior Group, Wageningen University. Examines the effects of four vending-machine interventions, varying in level of intrusiveness, on consumers’ choices, consumers’ acceptance of such interventions, and consumers’ evaluations of the choice they made.

Impact (Other Food Service Markets)

Coronavirus Impacts, March 2020

- Off-premises will be a prominent force of growth in 2020.
- While the focus is mostly on dine-in establishments, the summary report still confirms: Consumer interest in healthy options will remain strong in 2020, with decisions made based on the availability of those options.
- 76 percent of adults say they are more likely to visit a restaurant that offers locally sourced food and 79 percent of adults say they are more likely to visit a restaurant that offers healthy menu options.

Federal Directive Calls "Convenience" Services Essential During COVID-19: What this means for vending services: National Automatic Merchandising Association has lobbied state governments to recognize convenience services as essential to critical infrastructure. At the time of this report, 27 states have done so, with others expected to follow suit.

For the Most Up-to-Date, Industry-based Information Related to Vendor and Merchandising Operators, Use These Links:

- National Association of Blind Merchants
- National Automatic Merchandising Association
- National Restaurant Association
- Vending Times
- Truckstop and Travel Plaza Industry
- Association of State Public Health Nutritionists: COVID-19 Links and Resources
10. Notes


