

CASE STUDY: SCHNUCKS HEALTHIER HABITS



The Schnucks Marketing Team wanted to launch a health program to help make it easier for customers to make the healthier choice, on any budget, and for all demographics.



Help make buying healthier food easier



Better market share and differentiation



Improve engagement and NPS; loyalty program



Schnucks' partnership with Spoon Guru has supported the growth and success of our health initiatives.

Their cutting-edge technology and nutrition expertise have propelled our Healthier Habits program to new heights, resulting in measurable impacts on customer engagement, spending behavior, and the overall health of their baskets.

Spoon Guru is committed to creating solutions based on their client's objectives and unique needs. For us it was a dynamic TAG to highlight the nutrient dense items in our stores, which incorporates a set of intricate nutrition rules.

This innovative approach has empowered us to efficiently analyze food offerings resulting in an approachable way for customers to easily find and choose healthier options when shopping at Schnucks.

These tags are not only integrated in store but also online and within our loyalty rewards app, ensuring we can support customers on their health journey no matter how they shop.

Partnering with Spoon Guru is more than just a collaboration; it's a strategic investment in delivering exceptional value to the business & fostering healthier communities. ”

Allison Primo,
Manager, Health & Wellness
Strategy, Schnuck Markets



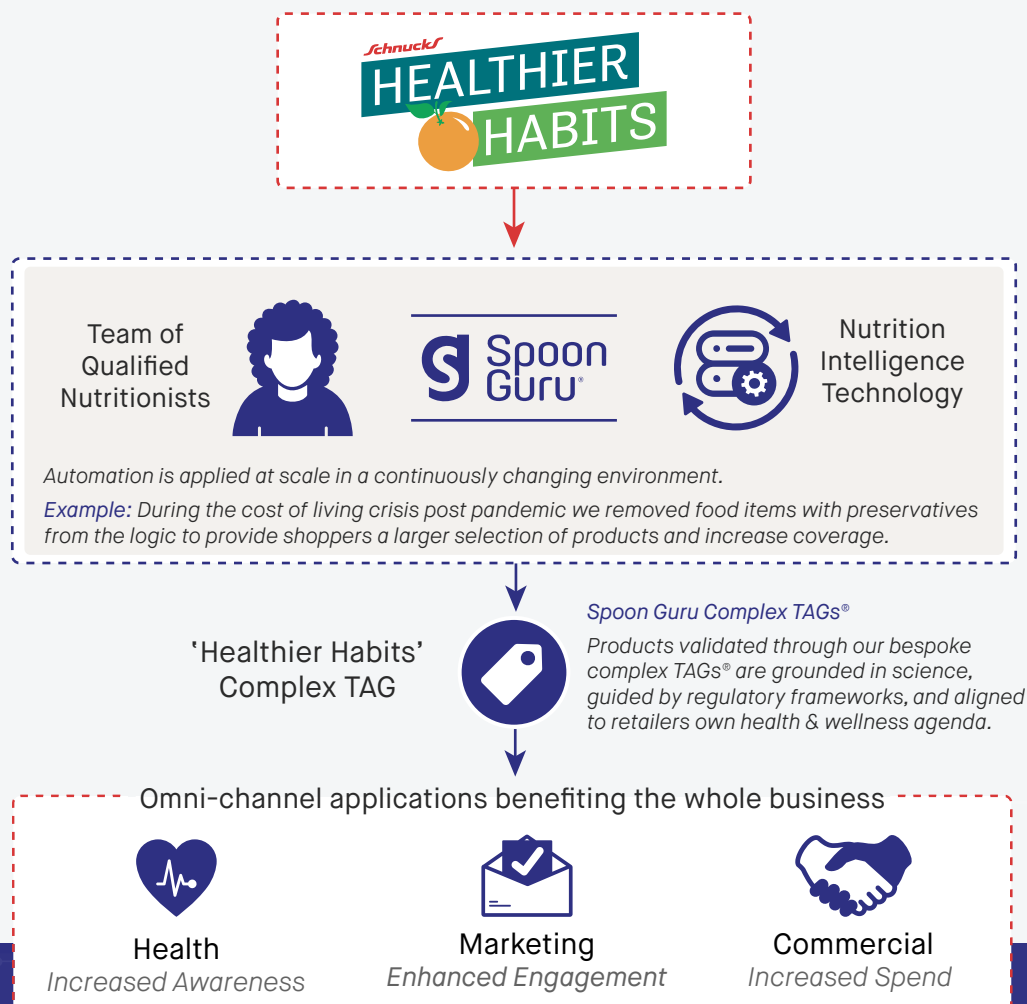
The Challenges:

- ! Data discrepancies in product information
- ! Lack of standardized definitions for "healthier" foods
- ! Misleading marketing claims & complex nutritional information

The Solution:

A dynamic, bespoke TAG which included a complex nutrient profiling system based on complex nutrition rules and co-created 'Health Definitions' in each product category to analyse the foods at speed and scale. This allows for a more nuanced approach in assessing products, creating a more transparent and accurate validator. The end solution included:

- ✓ Collection, enhancement, and evaluation of data attributes
- ✓ Implement sophisticated profiling mechanism to establish health criteria
- ✓ Driving automation to eliminate complexities at scale
- ✓ Seamless integration of data into the Healthier Habits program



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*Average Membership Tenure is 389 Days

The Results*:

The Healthier Habits program's quantifiable results underscore its transformative impact on both business performance and customer's health engagement. Not only did they achieve the previously set goals but also saw positive outcomes in areas such as improved accessibility to healthier food options for lower income families.



Healthier Habits drives increased frequency and customer spend

- The weekly shopping frequency is 32% higher for Healthier Habits members
- Healthier Habits members spend on average \$11 more per week compared to non-HH reward members
- Members on average* buy 58 more items and spend \$182 more than non-members (average tenure 389 days) comparing pre vs post shopping behaviours



Healthier Habits program members are more engaged and evidence stronger loyalty than other Rewards members

- 20% of top redeemed coupons were Dietitian Pick items from Healthier Habits members in the past year
- 49% for Healthier Habits members redeem coupons compared to 8% non members redeemed coupons
- Healthier Habits members total coupon redemption rate is 64.3% higher than non-members in a 8-week period
- Healthier Habits members on average visit the rewards app 3.1 times a week vs only 0.5 times for non-Healthier Habits Reward members
- Healthier Habits emails have a 46% sustained email open rate, significantly higher than the grocery industry average of 36.6%



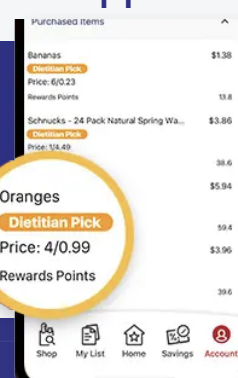
Improvements in basket health & overall health democratization:

- Increases in spend from Healthier Habits are associated with increases in healthy product categories (eg produce, fresh meat)
- Healthier Habits is inclusive and relevant to all demographics:
 - Healthier Habits members over-index in Millennials and Gen Zs which are increasingly important demographics, but often transient and hard to engage
 - Healthier Habits over indexes in those from low income backgrounds who are struggling with the cost of living, helping to reduce nutrition insecurity
 - It over indexes in low income SNAP customers (24.9% of Healthier Habits members are SNAP vs 15.4% for overall Rewards programme), 44% of Healthier Habits members are Value Segments vs 29% for the overall rewards programme

Online



App



In-Store

