

COLLABORATION FOR HEALTHIER LIVES

TOOLKIT FOR BUILDING IMPACTFUL INITIATIVES

2023



Healthier Lives

COLLABORATION FOR HEALTHIER LIVES

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EXECUTIVE SUMMARY

- ▶ Non-communicable diseases, such as malnutrition, high blood pressure, or obesity, affect millions of people around the world and are **partly attributed to unsustainable consumption habits**. In the age of information and with an increasingly health-aware population, businesses have the incredible opportunity to directly impact global health habits by a) encouraging consumers to make **better consumption choices** and b) offering them **better, healthier options**.
- ▶ Since its inception three years ago, the [Collaboration for Healthier Lives \(CHL\) Coalition of Action](#), a CEO-led initiative of [The Consumer Goods Forum \(CGF\)](#), has launched over 70 local programs across a dozen countries, which included more than **800 individual initiatives**, with the objective of **gathering manufacturers, retailers, public health authorities, academia, and NGO partners to nudge consumers towards healthier habits**.
- ▶ Bain, as a CGF member, partnered with CHL to **identify key learnings from its global initiatives** and provide a **prescriptive view on how businesses can establish and execute impactful initiatives**.
- ▶ Several CHL initiatives have relied on **choice architecture tactics** and **consumer education**, which may **not** be the most effective ways to reach consumers.
- ▶ Through a qualitative review of CHL's iconic initiatives and summarisation of academic research, including that on tactics for influencing consumer behavior, our analyses suggest that:
 - **Regulation is the most influential mechanism to deeply modify consumption habits**, as it forces all stakeholders to implement change at the same rhythm and scale;
 - **The most interventionist tactics (e.g., rewards, self-identification) are the most effective** when it comes to nudging consumers towards healthier habits and ensuring they are long-lasting; and
 - **Mixing tactics** and skewing towards higher-order tactics (e.g., **price incentives**, self-identification), have proven to be **particularly effective**.
- ▶ **It is recommended that CHL Co-Chairs and members systematically use and diversify behavior changing tactics to include rewards and self-identification in their pilots.**
- ▶ Whilst laying out the right tactics is essential to ensure the success of an initiative, **design and process are also critical**. As such, we recommend that **initiatives should be:**
 - Designed in a **collaborative way between all stakeholders**, but **retailer-led** as retailers are the gateway to consumers;
 - **Sponsored by top management** and **resourced with the right roles** (e.g., commercial teams, PMO) to ensure seamless execution and delivery;
 - Managed with **sufficient time** and **rely on cost-sharing** between manufacturers and retailers, for **maximum collaboration**;
 - Continuously measured and improved through a **test-and-learn approach**;
 - **Launched digitally** to start and scale quickly, and progressively **expanded to omnichannel** for maximum reach.

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ABOUT CHL

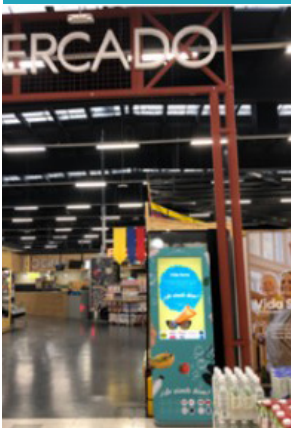


WHERE DOES COLLABORATION FOR HEALTHIER LIVES FIT AT THE CGF?



02

ABOUT CHL



WHAT IS COLLABORATION FOR HEALTHIER LIVES (CHL)?



CHL is a Coalition of Action from The Consumer Goods Forum built to empower people to lead healthier and more sustainable lives while creating shared value for business and communities.

WE ARE A CEO-LED COALITION

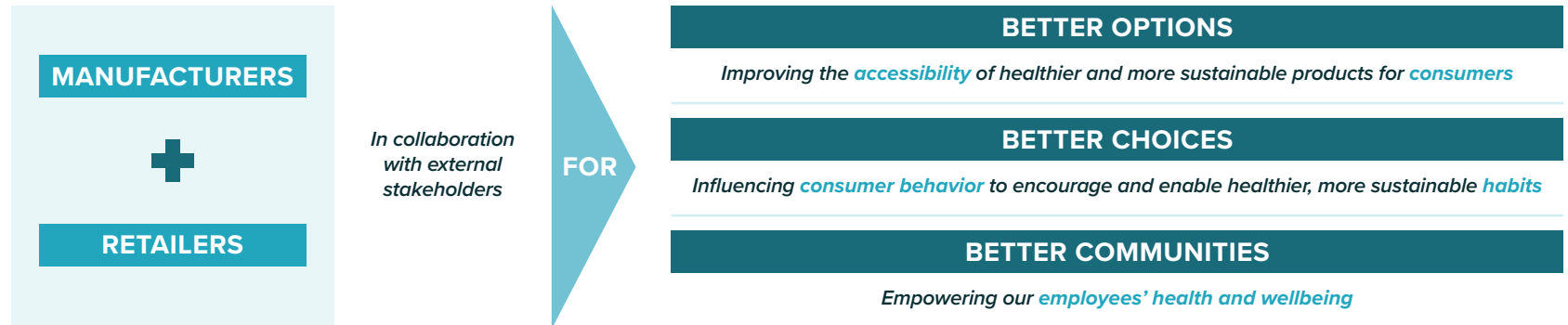
Across *manufacturers and retailers* collaborating for *healthier and more sustainable communities*

THAT IS UNIQUELY CONSUMER-FOCUSED

To positively influence *consumer behavior* through *localized interventions*

WHILE ALSO LEVERAGING COMMON PURPOSE

To *share learnings and collaborate* across geographies and organizations to *catalyze global change*



400
Members



€4.6 Trillion
In combined sales



70
Countries



1,500
Executives involved

03

EMPOWERING CONSUMERS



EMPOWERING CONSUMERS TOWARDS HEALTHIER LIVES



Non-communicable diseases (NCDs) primarily result from exposure to four modifiable lifestyle behaviors.



TOBACCO

Tobacco users represented **22.3%** of the global population in 2020

- ▶ **36.7%** of men
- ▶ **7.8%** of women

Tobacco accounts for over **8M deaths** every year (including from the effects of exposure to second-hand smoke)



UNHEALTHY DIETS

Worldwide **obesity** has **nearly tripled** since 1975, as **globalization** and **urbanization** have made processed foods rich in refined starch, sugar, salt, and unhealthy fats affordable and easily accessible

Overweight and obesity and their associated diet-related NCDs are contributing to **4M deaths** globally



ALCOHOL

In 2018, global **alcohol consumption** amounted to **6.2 liters of pure alcohol** per person aged 15 and older, influenced by various **societal factors** such as economic development, culture, and social norms

More than half of the **3M annual deaths** attributable to alcohol use are NCDs, including cancer



PHYSICAL INACTIVITY

Urbanization and the shift from agricultural to service-based economies have led to more **sedentary lifestyles** and a **lack of physical activity**

830,000 deaths annually can be attributed to insufficient physical activity

Source: WHO, United Nations, FAO

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EMPOWERING CONSUMERS

EMPOWERING CONSUMERS TOWARDS HEALTHIER LIVES



To support people to switch towards healthier consumption, we need to bring healthier options and choices to encourage better consumer behavior.



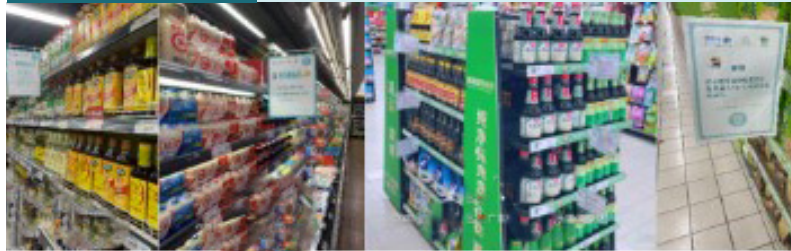
BETTER OPTIONS



- ▶ Drive **system-wide transformation** by helping retailers and manufacturers **measure and manage** their impacts
- ▶ Develop **science-based solutions** to optimize plant production of healthy products
- ▶ Increase demand for **sustainable products**
- ▶ Optimize the **quality of products** through **reformulation** and **innovation** (e.g., use of natural ingredients instead of synthetic)



BETTER CHOICES



- ▶ **Understand consumers' drivers** to identify actions to shift behaviors towards healthier options

Source: Bain analysis



04

ACADEMIC RESEARCH



ACADEMIC RESEARCH ON EFFECTIVE BEHAVIOR-CHANGING TACTICS



Research shows several levels of interventions can be used to orientate consumer behavior, from monitoring the situation to eliminating choice.



Source: [Nuffield Council on Bioethics](#)

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ACADEMIC RESEARCH



ACADEMIC RESEARCH ON EFFECTIVE BEHAVIOR-CHANGING TACTICS



Five families of tactics can be used to influence consumers and guide them to change their behavior.

FAMILIES OF TACTICS:

1

EMPOWERMENT

Tactics aiming to provide consumers with the knowledge and skills needed to make healthier choices, as well as offering them the possibility to track their consumption and reach specific goals

2

REWARDS

Incentivizing consumers to make healthier choices by leveraging the brain's cognitive bias towards choices that activate the reward circuitry, encouraging healthy consumption or discouraging non-compliance

3

CHOICE ARCHITECTURE

Tactics that re-design of the environment in which consumers make choices to nudge them towards healthier options, e.g. by reducing the availability of unhealthy options

4

FACILITATION

Methods aiming to simplify the decision-making process by providing clear and concise information about a product's health benefits or eliminating sources of distractions for other products

5

SELF-IDENTIFICATION

Personalized recommendations for healthier products based on a consumer's individual preferences or past behaviors, making products more appealing and relevant to the consumer

Source: Bain segmentation based on [Behavior Institute](#)

04

ACADEMIC RESEARCH



THESE FAMILIES COMPRISE A VARIETY OF TACTICS SUPPORTING CONSUMERS' BEHAVIOR CHANGE



Source: [Behavior Institute](#)

ASSESSMENT OF PAST INITIATIVES

As a continuation of our work, we conducted a series of qualitative interviews in various countries where initiatives were launched.

INITIATIVE	LATEST ACTIVITIES
Healthier & Smart Diets	SEO optimization to push healthier products to the top of search results on the e-commerce platform
Se Siente Bien	Showcase healthier products with attractive images and comprehensive information about their nutritional benefits on the online marketplace
Choose Better	Design phase of an initiative in Egypt and U.A.E.
On S'Y Met	Promote healthier recipes to consumers both online and in-store
Ponte Bien	Inform consumers through social media activations . Foster a culture of wellbeing among employees
Migros Wellness Journey	Promote plant-based products and recipes as part of a healthier and sustainable diet for everyone
Empowering Healthier & More Sustainable Choice	Evolution of CHL's role in the context of adaption to new regulations on HFSS¹ products HFSS: High in Fat, Sugar and Salt
Walmart Wellness Initiative	Empowering consumer choice in stores and at community events with a focus on the most vulnerable

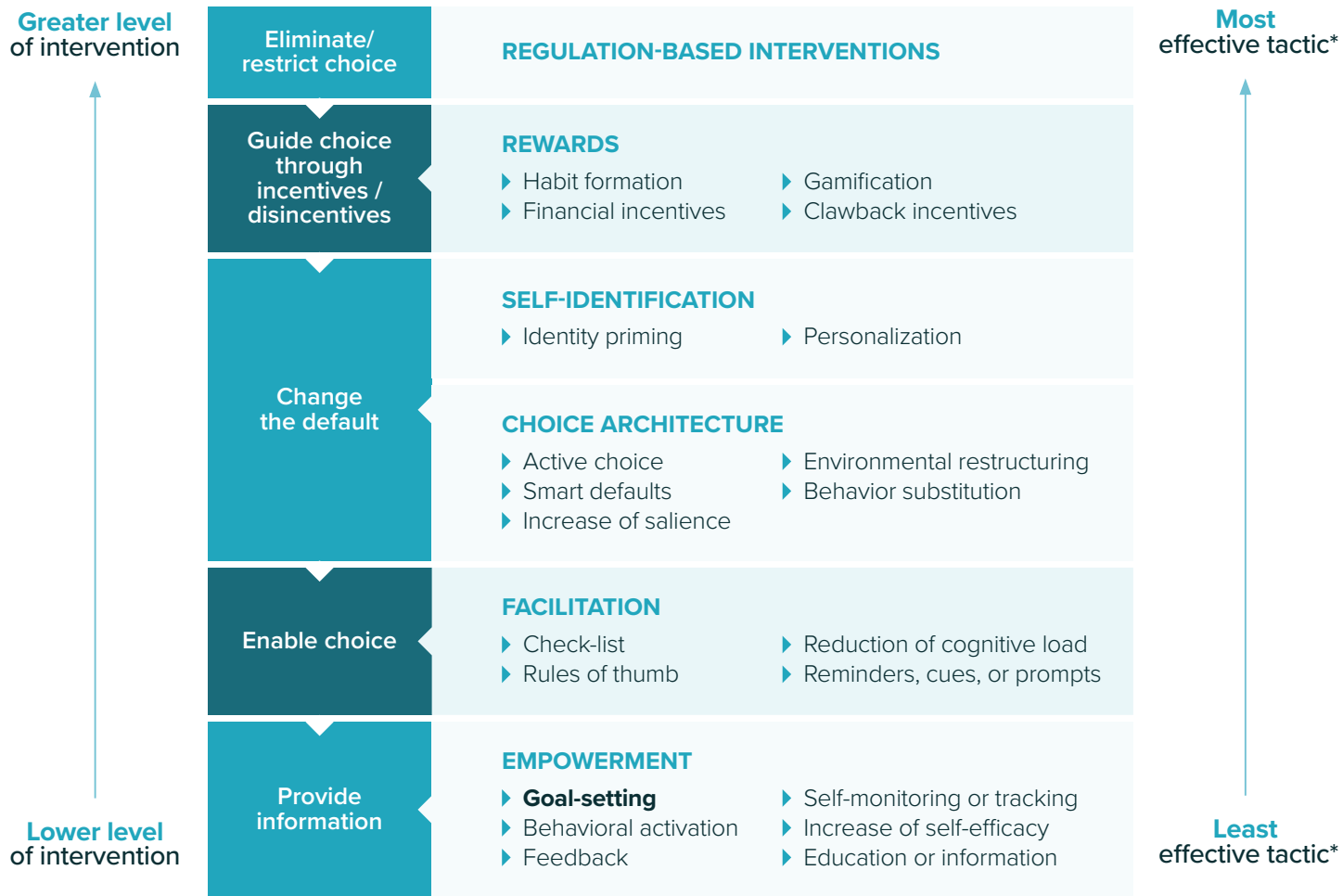


Source: [Behavior Institute](#)



KEY FINDINGS TO LAUNCH MORE SUCCESSFUL INITIATIVES IN THE FUTURE

Tactics involving a higher degree of intervention seem to be more effective and their impact is enhanced when several of them are combined.



To maximise impact, **mix and match** financial incentives with tactics from other categories

Note: *Based on interviews.
Source: [Nuffield Council on Bioethics](#), [Behavior Institute](#), Bain analysis



KEY FINDINGS TO LAUNCH MORE SUCCESSFUL INITIATIVES IN THE FUTURE

The main characteristics of an initiative driving significant shift in behavior.

MAIN CHARACTERISTICS:	QUOTES:
 <p>LEVERAGE MARKET INSIGHTS Understand the context and build your pilot based on in-depth market knowledge, including market maturity, regulation, as well as consumer habits and preferences.</p>	<p> “Each market is different; regulation is a big contextual factor to look into.”</p> <p> “The participating retailer would have valuable consumer insights to provide.”</p>
 <p>USE CUSTOMIZED AND TARGETED OPERATIONS Leverage big data and consumer information to design targeted pilots tailored to your capabilities, resources, and objectives.</p>	<p> “As manufacturers, our main job is to understand the consumers.”</p> <p> “We used big data to create targeted communication and offers, resulting in a substantial reach.”</p>
 <p>COMBINE CHANNELS AND TACTICS Maximize consumer reach by adopting an omnichannel (or at least a digital strategy) where feasible. Use a mix of tactics including rewards (especially financial incentives) and/or self-identification to both educate and foster tangible, lasting change.</p>	<p> “Using promotions is a fundamental rule, and the combination of recipes and promotions works very well.”</p> <p> “We have turned our ‘healthy shelves’ initiative into an e-commerce pilot in order to expand our reach.”</p>
 <p>BE CONTINUOUSLY IMPROVED AND INTEGRATED INTO PROCESSES Trial, iterate, refine, and enhance initiatives based on consumer feedback, and implement the most impactful pilots into your standard business processes.</p>	<p> “The objective of the first pilot phase is to achieve quick wins and identify one or two key success factors.”</p> <p> “We have a test and learn approach and track quantitative and qualitative insights based on quick iterations.”</p>



06

KEY FINDINGS



KEY FINDINGS TO LAUNCH MORE SUCCESSFUL INITIATIVES IN THE FUTURE

The main characteristics of an initiative ensuring a thriving collaboration.

MAIN CHARACTERISTICS:	QUOTES:
 <p>RETAILER-DRIVEN, SPONSORED BY TOP MANAGEMENT</p> <p>Launch pilots led by committed retailers with broad reach that engage supportive manufacturers, with strong top management buy-in.</p>	<p> “The willingness must come from the retailer; manufacturers will follow to keep the business going.”</p> <p> “We need more support from top management to allocate more resources.”</p>
 <p>COLLABORATIVE AND MUTUALLY BENEFICIAL</p> <p>Take inspiration from other successful pilots. Prioritize cost-effective pilots based on potential impact and feasibility, ensuring transparent data, expertise and cost-sharing. Align objectives to support both retailer and manufacturer business strategies, including economic success.</p>	<p> “All stakeholders were aligned as there were clear consumer and business benefits.”</p> <p> “Sharing data was an issue; retailers were very protective.”</p> <p> “Cost-sharing is what makes the difference.”</p>
 <p>ACTIVELY MANAGED WITH SUFFICIENT RESOURCES</p> <p>Nominate a project lead with enough resources and time to coordinate the pilot, who can foster internal collaboration. Ensure accountabilities are clearly defined before the start.</p>	<p> “It really takes time to coordinate the project internally with cross-functional teams.”</p> <p> “If you sign up, we expect you to have people join the taskforce and set aside an available budget.”</p>
 <p>DILIGENTLY SUPERVISED AND STEADILY REFINED</p> <p>Align on the KPIs to track, use a test-and-learn approach, and adjust pilots continuously. Set a deadline and decide whether to scale or stop the initiative.</p>	<p> “What is not measured doesn’t exist.”</p> <p> “We will keep the pilot for two months; check the numbers and see how it evolves.”</p>

Source: Interviews with CHL members

A FEW EXAMPLES OF SUCCESSFUL CHL PILOTS

They often combine several tactics from different families and often include financial incentives.



EXAMPLES INCLUDE



Co-Chairs:



Co-Chairs:



Co-Chairs:

FINANCIAL INCENTIVES ◊

Discounts on plant-based products



PERSONALIZATION *

Targeted communication and personalized offers



SELF-MONITORING OR TRACKING

Diet-monitoring app



EDUCATION ▲

Engaging educational videos



OTHER TACTICS ▲

e.g., environmental restructuring, reminders, cues or prompts

FINANCIAL INCENTIVES ◊

Discounts on products featured in healthier and veggie recipes



INCREASE OF SALIENCE ◆

Recognizable marketing campaign



REMINDERS, CUES, OR PROMPTS ■

Pop-ups with healthier recipes



EDUCATION ▲

Healthier recipes and tutorials

ACTIVE CHOICE ◆

Healthier products at the top of search results



INCREASE OF SALIENCE ◆

Highlight of healthier products



REDUCE COGNITIVE LOAD ■

Healthier products on top without the consumer noticing



Key: ◊ Rewards, * Self-identification, ◆ Choice architecture, ■ Facilitation, ▲ Empowerment

Source: [Collaboration for Healthier Lives](#), Bain analysis

07

APPENDIX

CHL GLOBAL LEARNING MECHANISM

To continue to find out more about the learnings and insights from the Collaboration for Healthier Lives Coalition of Action, we have created a knowledge hub – [the Global Learning Mechanism](https://www.globallearningmechanism.com).

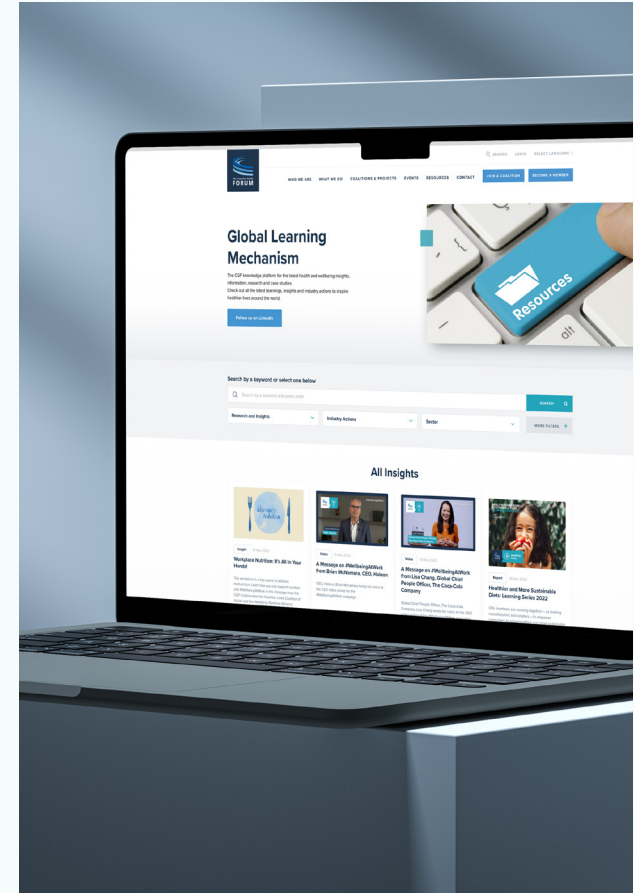
The **Global Learning Mechanism** is a complete repository of the CHL best practices and learnings from its initiatives and a knowledge platform for the latest health and wellbeing insights, information, research and case studies.

Check out the latest on healthier lives around the world: www.globallearningmechanism.com

ADDITIONAL PUBLICATIONS FROM BAIN & COMPANY FOR CHL INCLUDE:

[Healthier and More Sustainable Diets Factbase](#) (2022)

[Helping Consumers Make Healthier Choices](#) (2021)



ABOUT THE CONSUMER GOODS FORUM

The Consumer Goods Forum (“CGF”) is a global, parity-based industry network that is driven by its members to encourage the global adoption of practices and standards that serves the consumer goods industry worldwide.

It brings together the CEOs and senior management of some 400 retailers, manufacturers, service providers, and other stakeholders across 70 countries, and it reflects the diversity of the industry in geography, size, product category and format. Its member companies have combined sales of EUR 4.6 trillion and directly employ nearly 10 million people, with a further 90 million related jobs estimated along the value chain. It is governed by its Board of Directors, which comprises more than 55 manufacturer and retailer CEOs.

For more information, please visit: theconsumergoodsforum.com



ABOUT BAIN & COMPANY

Bain & Company is a global consultancy that helps the world’s most ambitious change makers define the future.

Across 65 cities in 40 countries, we work alongside our clients as one team with a shared ambition to achieve extraordinary results, outperform the competition, and redefine industries. We complement our tailored, integrated expertise with a vibrant ecosystem of digital innovators to deliver better, faster, and more enduring outcomes. Our 10-year commitment to invest more than \$1 billion in pro bono services brings our talent, expertise, and insight to organizations tackling today’s urgent challenges in education, racial equity, social justice, economic development, and the environment. We earned a platinum rating from EcoVadis, the leading platform for environmental, social, and ethical performance ratings for global supply chains, putting us in the top 1% of all companies. Since our founding in 1973, we have measured our success by the success of our clients, and we proudly maintain the highest level of client advocacy in the industry.



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Lives**