

# CVS on Trend With Health Focus

Chain uses 'trend zones,' P-O-P materials to showcase healthy products in stores

By Institute staff

After becoming the only national pharmacy chain to eliminate tobacco products from its shelves, CVS/pharmacy continues to make merchandising changes according to its health-focused strategy.

In its latest move, the drugstore chain is deploying "trend zones" that highlight healthy food items. Located within snack aisles at select stores, the inline displays are stocked based on specific diet trends.

A "Vegan Favorites" display, for example, merchandises plant-based SKUs from brands such as Kellogg Co.'s Pure Organic, Freeland Foods' Go Raw, Kind's flagship brand and private label Gold Emblem Abound. The selection of vegan offerings also includes drinks such as DrinkMaple maple water, which CVS recently added to its merchandise mix as part of a pilot program to stock healthier beverages, BevNet reported.

Other displays employ themes such as "Snacks That Give Back" and stock products from companies that support charitable causes. On CVS.com, a "Food and Snacks" e-commerce page spotlights the trends and associated products via a display ad. The page also hosts informative articles on veganism and raw food diets.

CVS also has given healthy food products more prominent positioning near checkout counters, in the refrigerated department and on permanent "Better Bites" endcaps after first broadening its assortment of the items in 2016. The retailer replaced up to 25% of junk food and candy offerings at checkout counters across all stores with healthier snacks such as granola and protein bars after a successful pilot in 500 test locations.

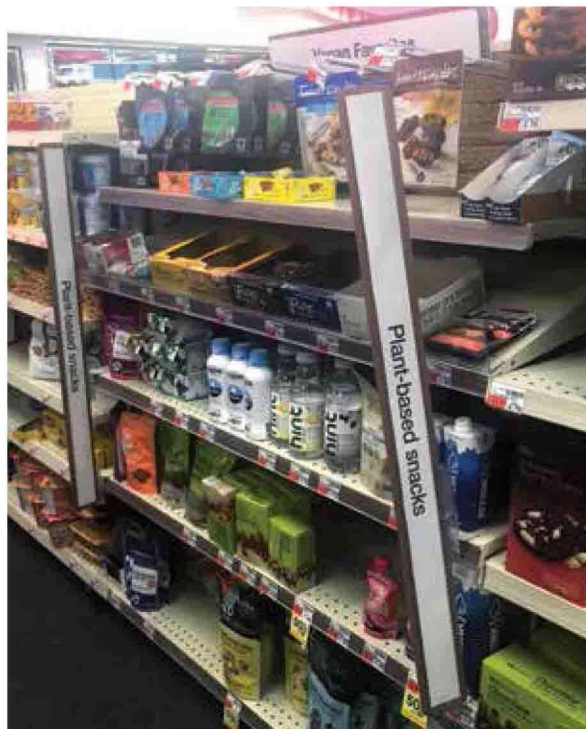
In addition to the aforementioned products, the lineup of healthy foods includes items from Chobani, Amy's Kitchen, General Mills' Annie's and Larabar, All Markets' Vita CoCo, Bai Brands' Bai, Hershey Co.'s Krave Jerky, Kind and Clif Bar Inc.'s Clif.

CVS also added healthier options to its Gold Emblem Abound private-label line of snack foods that are made without artificial preservatives, flavors and colors. And it recently removed artificial trans fats from all of its Gold Emblem and Gold Emblem Abound products ahead of the Federal Food and Drug Administration's 2018 deadline for manufacturers.

"Since becoming the first and only national pharmacy chain to end the sale of cigarettes and other tobacco products, the number one thing we've heard from our

customers is the desire for healthier food options," Judy Sansone, senior vice president, front-store business, said in a media release. "We are continuing to expand the assortment, volume and shelf space dedicated to better-for-you foods and snacks offered in our stores nationwide to make healthier snacking easier and more convenient for our customers."

The retailer additionally is emphasizing its "Fit Choices" food-labeling program across multiple P-O-P materials including framed signs, violators,



shelf signs and cooler clings. Through the program, qualifying national-brand and private-label products earn a color-coded shelf tag identifying them as "Organic," "Heart Healthy," "Gluten Free," a "Good Source of Protein," "Sugar Free" or "Non-GMO Product Verified." Products that fit multiple labels only get one tag; CVS works with the manufacturers to determine which is most appropriate.

Weekly circular features employing themes such as "Healthier. Smarter. Tastier" as well as periodic Facebook and Twitter updates support the health-focused efforts.

CVS halted tobacco sales in 2014 despite the loss of revenue in a move that hasn't been followed by any other

major drugstore chains. Parent company CVS Caremark Corp. concurrently changed its name to CVS Health to better reflect its broader commitment to health care. CVS Health includes the retail business CVS/pharmacy; a pharmacy benefit management business called CVS/caremark; walk-in medical clinics referred to as CVS/minuteclinics; and an expanding specialty pharmacy services provider called CVS/specialty. SM

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