Changing Checkout: Implementing Point of Sales (POS) Systems in Philadelphia Corner Stores

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Background

The Food Trust is working with over 660 corner store owners to increase availability and awareness of healthy foods in corner stores in Philadelphia, in partnership with the Philadelphia Department of Public Health's Get Healthy Philly Initiative.

The Philadelphia Healthy Corner Store Initiative (HCSI) aims to:

- · Increase store capacity to sell and market healthy items;
- Train and provide technical assistance to store owners;
- · Market healthy messages to youth and adults;
- Educate youth in schools near targeted corner stores:
- · Link corner store owners with fresh food suppliers.

The Challenge

Nationally, there is growing interest in understanding the role that corner stores play in the diets of nearby residents. However, there are few objective data or systems to collect sales information from stores.

- · Stores do not reliably collect detailed sales or inventory information.
- Corner stores tend to record sales informally or use traditional cash registers that do not scan barcodes for individual items.
- To date, research on corner store purchases has relied on manual collection of inventory data and intercepts of store customers.
- Current methods are labor intensive, and only collect data at certain time points.

Research Questions

- 1. What are challenges and capacity needs in implementing and maintaining Point of Sales (POS) systems in corner stores?
- 2. What are best practices and factors for success in implementing POS systems in corner stores?
- 3. What data analysis methods can be used to examine store sales data and to measure the impact of store interventions?
- 4. What is the relationship between store inventory and sales?
- 5. What marketing efforts and store environment changes are most effective in increasing sales of healthier options in corner stores?

Methods & Implementation

The Food Trust implemented POS systems in 5 corner stores to determine the feasibility and reliability of this data collection method. A product database was built by scanning barcodes of items available in all 15 stores.

Components of POS Implementation:

- · Select stores for participation (high volume, high commitment)
- Ensure technical and in-store infrastructure requirements (internet connectivity, central server to receive/house POS data)
- Set up POS system software, equipment (scanner, touch screens), and customization for each store
- Train store owners and staff and provide ongoing technical assistance
- Develop criteria to enter, categorize and code products in database
- Scan individual products available in stores to build the database of items, UPCs, prices, and basic nutrition criteria
- · Conduct ongoing data cleaning, analysis and reporting of inventory and sales
- Conduct regular system maintenance and resolve technical issues





Results

 $\label{thm:continuity} Table 1 shows 14 product categories, category descriptions, and relevant nutrition criteria. Figure 1 compares items in the POS product database vs. quantity sold (# items sold, not $) for 7 food/beverage and tobacco categories.$

- 12,296 items were scanned and coded into one of 14 product categories.
- 67% of items were in one of 7 food/beverage or tobacco categories, which accounted for 92% of items sold from February to August, 2013.
- Within those 7 product categories, snacks and beverages were top sellers representing 38% and 26% of items sold.
- Grocery items were the most commonly available items (41% of items in inventory), but accounted for only 15% of quantity sold.
- Tobacco products made up 5% of inventory and 11% of quantity sold.
- · Produce made up 1.6% of inventory and 1.1% of items sold.





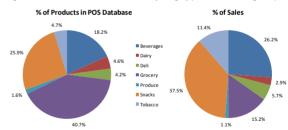




Table 1. Product Coding

Product Category	Description	Nutrition Criteria
Apparel	Clothing, hats, socks	NA
Auto	Automotive	NA
Beverages	Beverages, coffee, soda, juice	Beverage type (Sugar-Sweetened Beverage; Water; 100% Juice; Non-SSB)
Dairy	Milk, cheese, yogurt	Low-fat (Yes; No)
Deli	Deli meats and cheeses	Sodium per serving (≤ 290 mg; >290mg to 480 mg; >480 mg)
Electronic	Headphones, mobile phones	NA
Grocery	Bread, cereal, canned goods, frozen foods	Whole grain (Yes; No) Sodium per serving (\$ 290 mg; >290mg to 480 mg; >480 mg); Canned fruit (Heavy Syrup; Light Syrup/Juice/Water) Lean meat (Yes; No)
Health and Beauty Aids	Health, beauty aids	NA
Home Goods	Cleaning products, paper goods	NA
Lottery	Lottery tickets	NA
Produce	Fresh fruits and vegetables	NA
Services	Money Orders, Utilities	NA
Snacks	Chips, cakes, healthy snacks	Calories per serving (<100 kcals / >100 to 200 kcals / > 200 kcals)
Tobacco	Tobacco products, gum	NA

Figure 1. Products in POS Database vs. Sales by Category (5 stores, Feb to Aug 2013)*



*-Excludes apparel, auto, electronics, HABA, home goods, lottery and services, which comprise just 8% of items sold

Conclusion

HCSI is the largest corner store initiative in the country and is among the first to implement POS systems in corner stores. POS systems provide real-time objective reporting of corner store sales trends and are viable measurement tools for quantifying changes in customer purchases. Beverages and snacks dominate sales at corner stores (64% total). Programmatic efforts should continue to emphasize healthier choices in those categories, and expand produce sales. Ongoing POS analyses will allow researchers to explore the impact of marketing and store environment interventions on sales of healthier products.

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