

**Corner Store Strategies: Innovative Approaches to Addressing  
Economic and Public Health in Rural North Carolina**  
(Raleigh, North Carolina)

by Melissa Walter

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**The problem.** More than 29 million Americans live in “food deserts”<sup>1</sup>—urban areas with no grocery store within a mile of home, or rural areas with no grocery store within ten miles of home—and have difficulty accessing healthier foods. The growing prevalence of food deserts contributes to the epidemics of obesity and chronic disease. Historically, healthy food retail legislation has focused on the creation of task forces to address food desert challenges; on the creation of public-private partnerships that transfer the burden of funding food access initiatives to private organizations; and on efforts to attract full-service supermarkets to underserved areas through tax incentives, loans and grants.<sup>2</sup> However, no state legislation has been identified that has funded healthy food retail in corner stores—stores which often cannot stock produce or nutrient-dense foods due to their lack of costly refrigeration equipment. This represents a missed opportunity, particularly since 53% of consumers interviewed by Temple University and The Food Trust said they would buy groceries at corner stores if healthier foods were more available.<sup>3</sup>

**Innovation in North Carolina.** In 2016, the North Carolina (NC) General Assembly enacted House Bill 1030, which included funding for the Healthy Food Small Retailer Program (HFSRP)<sup>4</sup>—innovative legislation that addresses the problem of food access in food deserts through uncommon channels. The bill appropriated \$250,000 for a pilot program to fund reimbursements to store owners for the purchase of refrigeration and food stocking equipment for corner stores in food deserts accepting or willing to accept SNAP and WIC. Additionally, it directed the NC Department of Agriculture & Consumer Services (NCDA&CS) to design, implement, and evaluate the program, rather than charging the initiative to a non-profit through a public-private partnership. Because NCDA&CS already facilitates partnerships between farmers and retailers, the Department is in a unique position to aid in the development of food distribution networks for corner stores—a challenge for corner stores nationwide.<sup>5</sup> The bill’s co-sponsor, a Republican State Representative from a rural mountain county, noted that “If we can assist small-store owners...to be able to stock and sell fresh produce so that we can connect farmers and agribusiness with markets where their products are needed, we all win.”<sup>6</sup>

**Addressing barriers to innovation.** An early version of the HFSRP was written to provide funding for a layered intervention to support healthy food retail in corner stores in NC—one which included provisions not only for equipment, but also for technical and other assistance and for healthier food marketing and education for store owners and consumers. Yet the final version of the program passed with just one-fourth the funding requested and with support for only equipment. This poses significant barriers to success—consumers require opportunities to learn about the impacts of obesity and chronic disease in their families and communities; the importance of healthy foods; the recognition of healthy foods; and the skills needed to select, store, and easily prepare these foods. Despite a lack of funding for these learning opportunities—which often involve marketing campaigns, cooking demonstrations, taste tests, and other activities—NCDA&CS is attempting to overcome these barriers by utilizing creative, no-cost implementation strategies to address the challenge of healthy food access in the state, while at the same time addressing the economic health of the state.

Partnerships. NCDA&CS has focused much of its HFSRP strategy on informal partnerships that allow for the layering of various initiatives. The Department is collaborating with agencies and organizations that are engaged in alternate corner store programs with a goal of utilizing multiple intervention strategies for the greatest success in communities. One such collaboration involves

the NC Division of Public health, which administers federally-funded Obesity, Diabetes, Heart Disease, and Stroke Prevention (ODHDSP) Program activities related to marketing and educational initiatives in corner stores. However, ODHDSP initiatives lack funding for equipment. Thus, the HFSRP and ODHDSP partnership serves to strengthen both programs and provide a more solid foundation for sustainability. A second collaboration includes work with agricultural organizations to allow industry-specific representatives to guide the design of food distribution networks to best support both farmers and retailers.

Participation guidelines for retailers. NCDA&CS is asking retailers to commit to the success of the program. Participating retailers will follow guidelines that were designed to meet the legislative criteria of the program, which include strategies to encourage the sale of nutrient dense foods.

- a. Stocking criteria: Stores will be required to comply with HFSRP criteria that meet and exceed both SNAP and WIC criteria for the stocking of nutrient dense foods. To support this requirement, stores will be provided with information about and access to supporting product manufacturers and distributors, connections with local farms and new distribution networks, guidelines on nutrient dense snack foods, and product lists meeting these snack food criteria. As a part of NCDA&CS's GotToBeNC program, the organization will encourage the purchase of NC grown and manufactured foods wherever possible.
- b. Equipment signage: Participating retailers will be offered a selection of shelving and refrigeration equipment meeting requirements set by NCDA&CS. Representatives of NCDA&CS, in conjunction with equipment distributors, will aid stores in choosing equipment to best meet their needs. Though no funding is available for stand-alone educational or marketing signage, the equipment itself will include integrated signage with the GotToBeNC logo, as well as marketing and educational messages highlighting both local and "better for you" foods.
- c. Behavioral economic strategies: Stores will receive guidelines for evidence-based behavioral economic strategies<sup>7</sup> to encourage the sale of nutrient-dense foods. These strategies include alterations to the store layout to highlight nutrient dense foods (e.g. centrally-located produce displays and/or grab-and-go cases near the store entrance) and alterations in product placement on shelves (e.g. nutrient-dense items at eye level, on end caps, in aisles facing entrances and exits; cross-merchandising to place complementary items near one another).

Evaluation. The NC General Assembly requires an October 2017 report on the "activities, number of small food retailers receiving reimbursement, how the funds were used by the small food retailers, and the gross amount of nutrient-dense food, in dollars, sold to customers by participating small food retailers."<sup>4</sup> These evaluation criteria address neither the economic impact of the program for farmers—which NCDA&CS will track independent of the legislative reporting requirements—nor the public health impact of the program. Thus, NCDA&CS will partner with a university that has applied for a National Institutes of Health time-sensitive grant focusing on obesity. Should this grant be awarded, funds will be utilized to evaluate the HFSRP's public health impact, including changes in healthier food availability, healthier food purchasing, dietary outcomes (measured subjectively using kilocalories consumed and objectively using carotenoid indices), and a full process evaluation and policy analysis.

NCDA&CS will use agricultural impact data and public health data gathered to request expanded program funding and to inform potential requests for changes in program criteria.

**Future directions.** NCDA&CS expects to use lessons learned from the language and requirements of this legislation to create a model that can be utilized across the country to better address food access from both an economic health *and* public health perspective, and ultimately to address the rising rates of obesity and chronic disease.

## References

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