

How to Work with Vending Customers on Better-For-You Programs



5 Steps to Handle Any Customer Request for Healthy

Step 1: Determine the source

Step 2: Ask for guidelines

Step 3: Offer subsidy programs and signage

Step 4: Find products

Step 5: Incorporate stale reduction strategies

Demand for healthy and better-for-you products is increasing. More and more companies, health facilities, and schools are asking vending operators to put them in vending machines. Internally, NAMA and leading vending operators have challenged themselves to [increase the percentage of better-for-you offerings in vending machines across the US](#). To meet this growing demand, NAMA and leading vending operators have adopted a public health commitment to substantially increase the percentage of better-for-you offerings to 33% in the nation's vending machines.

Some operators have struggled to find appropriate items that don't lower vending machine revenue nor result in an increase in stale or expired product. Luckily there are ways in which operators can meet the demand for better-for-you products while maintaining profitability. Here are the 5 steps it takes to handle the industry's goal and any customer request for healthy products.

Step 1: Determine the source

After receiving a client request for healthy products in the vending machine, dig deeper and determine the motivation behind the request. Is the facility manager asking because of an initiative from the C-suite, such as the Chief Executive Officer (CEO)? Does the Human Resource department want to use it to attract and retain employees or lower insurance premiums? Have employees been asking for it? Determining the motivation behind the request will provide insight into how best to proceed. For example, if the request originated with:

The Facility Manager – ask to schedule a meeting with Human Resources to determine options.

The Human Resource department – schedule a meeting to explore their objectives and possible solutions.

The C-suite – ask to schedule a meeting with Human Resources for how best to assist in meeting this goal.

The Employees - ask to schedule a meeting with Human Resources to discuss how this could help with retention and productivity.

The take-away: A healthy request opens the door to Human Resources. This is who vending operators want to speak with when strengthening partnerships and evaluating effective healthy solutions.

Step 2: Ask for guidelines

Once an operator knows who made the request (and why), a critical next step is uncovering what exactly they mean by it. Does “healthy” mean a certain calorie allotment, such as 100 calories? Is it language or phrasing such as fat-free, baked snacks, low sodium, all-natural, or organic? Is there a dietician on staff who has assembled guidelines or is the company using the standards from a national organization, like NAMA’s [FitPick program](#)? Is it a trend diet such as Keto or Whole30 that might require a web browser search to find out what types of nutrition or ingredients will work? Whatever the case, ask for the definition so the expectations are clear. If the customer doesn’t have specific guidelines, have some options ready that match one or more of the definitions above.

The take-away: In order to fulfill a better-for-you vending product request, an operator must have a measurable definition.

Step 3: Offer subsidy programs and signage

There can be a reduction in vending machine revenue when traditional items are replaced with better-for-you options. Is it because the prices are higher? Perhaps employees don’t realize the new products are there or that they provide better nutrition? Whatever the reason, operators need a strategy that will balance the possibility of decreased sales.

One option that many have found successful is subsidizing products. Talk to the Human Resource department about covering a percentage of the healthy product cost, or even the full cost. If there is a commission being paid to the location, this is also an opportunity to eliminate it.

There is also [evidence that signs about the benefits of healthy and labels](#) on those items can induce sales. Talk to the Human Resource department about signage in the break room and how healthier items could be labeled for convenient identification. Focus on how these changes will help the customer achieve their goals for employee wellness.

The take-away: Maintaining revenue and encouraging consumption of healthy items might mean asking for a subsidy and providing labels and signs in the break room.

Step 4: Find products

Now that an operator knows the healthy product requirements and how the location/operator will encourage sales, it’s time to find the right products.

For items that must include a specific word or nutritional phrase, go to product suppliers, brokers, and distributors. They will know what is already in the channel that meets this need on the packaging.

In cases where dietary guidelines must be met, many of the organizations with these guidelines also offer lists of products that meet the requirements. Some common options include the [American Heart Association](#), NAMA’s [FitPick](#) program, and [USDA’s Smart Snacks in Schools](#). These lists can also offer a

place to start if working with a new set of dietary guidelines or a group that does not yet have a list of approved items. Operators should look at their existing product lines as well, marking the products that fit the healthy guidelines for different definitions or have the needed phrase on the package.

The take-away: Ask suppliers/distributors for product referrals and look for existing lists of products that meet the standards.

Step 5: Incorporate stale reduction strategies

New products mean new SKUs in the warehouse. If those products are serving just one location, the product will likely expire before selling out. To avoid this, look at other convenience service segments within the operation. Are there currently any micro market products that meet the guidelines that would also fit in the vending machine? Would the new healthy vending machine item to be added be of interest to office coffee or pantry service customers? To reduce the likelihood of the new product staling out in the warehouse, push it to as many segments and locations as possible.

Better-for-you products can have a short shelf life, which means watching product dates and rotating items is imperative. Have a strategy that route drivers use to move products nearing the end of their shelf life and create systems to forecast sales at the vending machine before ordering product. Technology, especially vending management systems with item level tracking, can help with forecasting and managing products.

The take-away: Share SKUS with other segments of the business and employ tactics such as vending management systems to reduce stales.

With the right attitude and resources, a request for healthy products in the vending machine can create a stronger, more profitable location.