

Survey finds that customers want healthier options at dollar stores

Dollar General and Dollar Tree, which also owns Family Dollar, collectively operate nearly 35,000 stores across the country — more than the top 10 largest supermarket chains combined.ⁱ However, dollar stores offer limited fruits and vegetables, whole grain rich, and dairy products compared to larger retailers.ⁱⁱ We conducted a national study to find out how shoppers with limited resources use dollar stores, their perceptions of dollar stores, and identify opportunities for dollar stores to improve the health of their customers and communities. A full report of this study and its findings is forthcoming.

A mixed-methods study was conducted online by an external contractor. Two focus groups were conducted in February 2022 (n=24), and national polling was conducted in April 2022 (n=750). Participants met base criteria of 1) either being Supplemental Nutrition Assistance Program (SNAP) participants or living in a household with income of less than 200% of the Federal Poverty Level, and 2) indicated they lived near a dollar store. Survey sample summary: 16% 18-34 years old, 25% 35-49 years old, 25% 50-64 years old, 34% 65 or older; 36% male, 64% female; 74% White, 19% Black/African American, 15% Hispanic/Latinx, 3% Native American, 2% Asian/Pacific Islander; 62% had annual income of ≤\$25,800; 62% participated in SNAP in the last year; 50% urban, 46% rural, 5% suburban; 59% shopped at a dollar store at least monthly.

We found that many low-resourced consumers rely on dollar stores to help stretch their monthly grocery budget. Additionally, these shoppers have indicated that they want healthier options from dollar stores in their communities. Key take-aways from our survey include:

1. Dollar stores play a critical food access role for low-resourced households.

- Nearly a third of survey respondents indicated that they purchase a significant portion of their groceries from dollar stores.
- 76% of respondents indicated that they shop at the dollar store to stretch their budget at the end of the month.

2. Dollar stores are accessible and viewed positively by the communities they serve.

- 82% of respondents said that they believe that dollar stores help (rather than hurt) their community.
- Focus group participants reported frequenting dollar stores because of dollar stores' convenient location, store size, and range of products.

3. Dollar stores can improve healthy food options in their community.

- 55% of survey respondents said that they believe that dollar stores have a responsibility to improve the health of their community.
- Over half of respondents indicated that they would swap unhealthy items for healthier choices if they were offered at dollar stores.
- Nearly two-thirds of respondents said they want dollar stores to do more to market and identify healthier options.

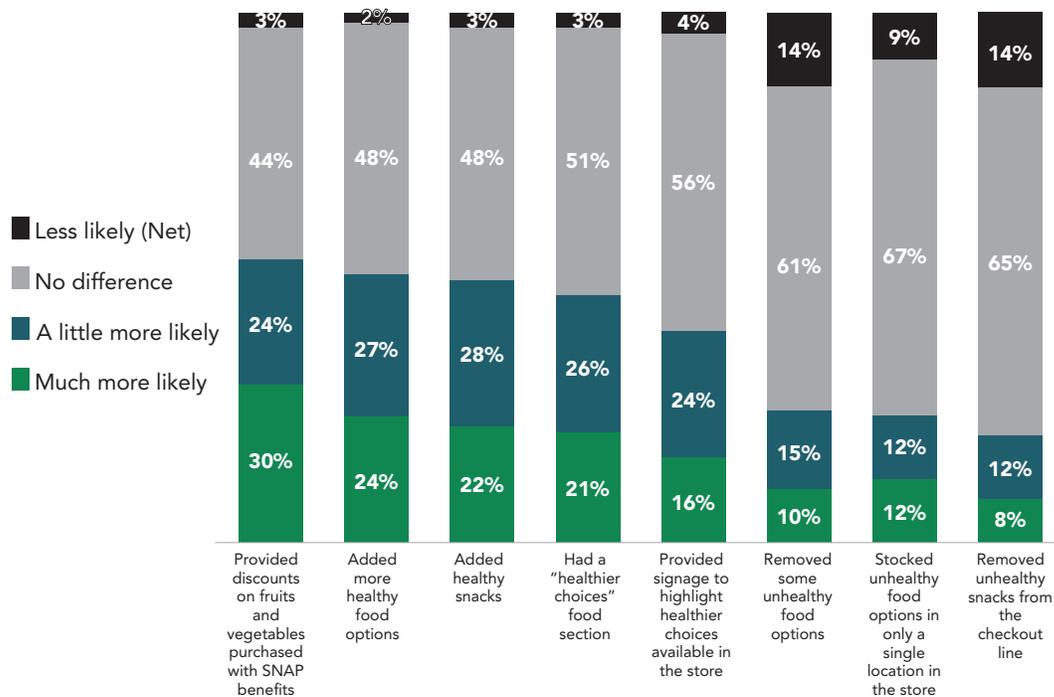
4. Healthier items present a significant business opportunity for dollar stores.

- Three-in-ten respondents who do not currently shop at dollar stores identified the lack of healthy options and the abundance of overly processed food as a reason they don't frequent dollar stores.
- More than 65% of respondents said that they would purchase fresh or frozen fruits and vegetables if offered at dollar stores.

5. Adding healthy alternatives is the best route.

- Almost two-thirds of respondents who shop for groceries at dollar stores said that dollar stores should stock healthier options.
- Half of respondents indicated that they would be more likely to shop at a dollar store that added healthier food options.
- Respondents indicated healthy interventions would make the more likely to shop at dollar stores, including SNAP fruit and vegetable incentives (54%), more healthy options (51%), healthy snacks (50%), a "healthier choices" food section (47%), and signage to highlight healthier choices (40%) (see Figure 1)
- In focus groups, fresh produce was the top suggestion for items that would improve the dollar store experience.

Figure 1. Influence of healthy interventions on likelihood of shopping at dollar stores (n=750)



ⁱ Top 50 food and grocery retailers by sales. *Supermarket News*. <https://www.supermarketnews.com/retail-financial/top-50-food-and-grocery-retailers-sales>

ⁱⁱ Caspi CE, Pelletier JE, Harnack L, Erickson DJ, Laska MN. Differences in healthy food supply and stocking practices between small grocery stores, gas-marts, pharmacies, and dollar stores. *Public Health Nutrition*. 2016;19(3):540-547. doi:10.1017/S1368980015002724