



Healthy Vending Program

A GUIDE FOR SCHOOLS

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Foreword

The aim of this guidance is to help schools establish a profitable and effective healthy vending program. The evidence for this guidance has been largely gathered from data provided by school districts utilizing the **ServeSmart Program**. Vending can provide choices for pupils and can act as a tool for education about nutrition. Vending machines are not inherently evil – what matters is the type of products they contain. Healthier vending can provide an extra dimension to the food service in schools, have an important and positive influence on children's' overall diet *and* make a profit!

Quotes from children and staff in schools -

'There will be trouble if the machine is taken away'
(middle school girl)

'So different now, so many kids with juice and water'
(A senior member of staff)

'It's great, can get a decent drink when the café is closed – next thing should be food'
(A male 10th grader)

'Time's precious, the new vending saves time just for a drink, and until now it was only coke in the vending machines.'
(A JV football player)

Customer involvement and criteria

Involve students in discussions about food service as part of a 'whole school approach' to food and nutrition so that:

- the food service is designed with their tastes and needs in mind
- it supports the messages in the taught curriculum
- they feel they are part of the decision-making process
- Set up and maintain good communications to establish a smooth and efficient operation.
- Avoid communication failures that may lead not only to frustration but also to an interrupted service, which will affect student satisfaction, usage and profits.

Student usage & access

Take care to consider with students suitable protocols to maximize the benefits of vending while not compromising the usual practices and administration of the school.

Staff commitment

Both school and food service department should recognize that vending offers an extension of the school food service and give it similar priority in terms of ensuring service continuity and reliability. This is easier to appreciate and deliver when both understand and recognize the range of substantial benefits to be gained.

Marketing & promotion

Discuss, agree and implement a marketing and promotion strategy to:

- popularize the program and maximize profits for the school, both prior to and during the running of the program.
- involve students in the design and delivery of each part of the service created for them.
- continually update the message to create excitement and anticipation.

Monitoring

ServeSmart provides wireless monitoring of all vending data. Use this information to consistently provide the products students with the products they enjoy and remove underselling items.

Key pointers to success

Research machine/product harmony

Ensure a good match between the capability and characteristics of the machine and the product sourced to fill it. This is a very new approach to vending, so be aware that new machines and products will arrive to keep up with the fresh demand as industry recognizes the commercial potential open to it. (Check regularly with product suppliers).

Location of machines

With the understanding that vending is “retail points of sale”, it is critical to place your vending equipment in the traffic flow. **ServeSmart** recognizes this critical issue by providing site assessments on each campus to determine the vending locations with the highest potential.

Product mix and price

Aim for a broad range of product pricing but ensure that the products reflect pupils’ tastes, their ability to pay and the opportunities offered by local product suppliers. **ServeSmart** offers a wide range of healthy products with brand recognition.

Management & administration

Ensure the machine is kept clean and well stocked at all times

Nominate and train key personnel to take responsibility for duties specifically related to vending machines:

- monitoring the operational soundness of the machine
- filling the machine regularly and ensuring its cleanliness
- Establish a comprehensive maintenance and repair contract for the machine(s) which includes guaranteed response times.

Managing litter

Link vending issues into your existing policy on litter and use it as a vehicle for social education.

Provide large, attractive, secure litter bins for each vending machine, to encourage appropriate student behavior.

Background

We are what we eat is a saying that's been around for years, but until recently it has had little impact on our children's eating habits. Too many children's diets do not meet the Government's dietary recommendations, being too high in fat, sugar and salt, and too low in fruit, vegetables and starchy carbohydrates. A poorly balanced diet, alongside an inactive lifestyle, are contributing factors thought to be responsible for the rapid rise in childhood obesity rates, to what are now described as epidemic proportions. ServeSmart proposes the offering of smaller vend size products that ensure that the products purchased are not an alternative to a full meal. As the wellness policies are being implemented, it should be noted that the enclosures provided in the ServeSmart Program are excellent platforms to communicate the following to the students:

- Increased physical activity.
 - Balanced food quantity and quality.
 - Reference positive role models
 - School and community pride
-
- Ultimately, obesity is due to an imbalance between energy intake and energy output (exercise) and whether genetic or other medical reasons are involved. What we eat and drink will have an impact on this overall balance, especially if physical activity is low.

Soft drinks include all non-alcoholic, water-based flavored drinks whether carbonated (fizzy) or still. After water they have as their main ingredients a sweetening agent, an acid and a flavor. These ingredients can include varying levels of sugar, intense sweeteners, or both; fruit juice, fruit flavorings, acidity regulators and other flavorings, colorings, preservatives, carbon dioxide and additives, such as caffeine.

'I was certain this would not work, the kids would not be interested. I was so wrong – and I couldn't be happier!'
(Cafeteria Manager)

Issues of potential concern

Some or all of the issues below can be of initial concern to both school and food service managers. All these issues and many others are addressed in the guidance to enable delivery of a successful, good practice, vending program.

1. Will it pay?

All schools are sensitive to budget considerations and need to ensure that they are not put at risk of unexpected financial losses. **ServeSmart** has addressed this concern by providing all the necessary tools for school districts to fundamentally improve the vending operations on their campuses. This is accomplished by self-operating the vending program and eliminating the outside service providers. The direct benefits are:

- Lower vend prices
- No empty machines
- Fresher food with a broader selection
- Immediate response for repairs
- Partnership atmosphere between student organizations and food service department

2. Can we staff it?

An effective vending program does require staff to fill and monitor the vending machines and keep data on sales. Additional staffing costs can be met through the profits on sales and **ServeSmart** has developed a program to utilize **students as additional labor sources**. Food service managers may, in some schools, be concerned about finding additional staff hours where they are already stretched in running the existing service. This issue becomes irrelevant due to the typical revenue generated from their vending program.

3. What products are both popular and suitable?

It is important to consider carefully what 'healthier' means in terms of products so that any efforts made by a school to introduce a healthier vending scheme are not undermined by the final selection of products that fill the machine! All products provided in the ServeSmart Program meet the most stringent nutrition guidelines. ServeSmart has eliminated this concern. Will students purchase the products if they are not the usual 'branded' product? Will food service department be able source the products from existing suppliers? The ServeSmart Program data confirmed that existing suppliers are able to meet the demand for product and that students will purchase alternatives to their usual 'branded' product. An important factor for ensuring this is student involvement in product selection.

4. Where should we locate the machines?

Each school will have its own initial preferences for where to site machines, which may be based on issues such as space, traffic volumes, where the students congregate at break times and so on. Location is one of the key issues influencing the success of profitable school vending. It is recommended that special attention be paid to machine location, which is addressed in some depth during the site surveys at each campus which is a standard component of the ServeSmart Program.

5. What about litter?

Schools are particularly sensitive to the impact that trash has on their reputation. Additional debris from packaging is a major concern for the maintenance teams. The option of providing litter bins, to be placed alongside the drinks vendor, is worth considering at the outset. The introduction of a new vending scheme may provide a useful opportunity to address the issue of litter and/or recycling for the school in general. Again, communication is and marketing is critical.

Healthier vending – the process

Customer involvement & criteria

A fundamental priority for introducing a successful healthier vending program is commitment from the student organizations of the school and the food service department to establish and support a working group to ensure full consultation on all aspects of the program, during both the site location process, product selection and implementation phases. The involvement of student representatives is an important feature of the working group.

Involving the whole school

There is now plenty of evidence on best practice to support our recommendation for involving the whole school community when setting up healthier vending program. In order to achieve healthy profits, all who have access to the school site are potential customers, so their needs are worth considering.

The working group should have representation from all key stakeholders:

- Student organizations
- Food service staff
- School Administration
- District Administration
- PTA

Student involvement/ consultation

The importance of involving students themselves relates both to educational and commercial 'best practice'. It is appropriate to encourage students to influence decisions relating to services provided specifically for their use in school, and it makes for good business practice to consult and listen to the 'customers' view about how the service is set up, located and managed. Recruiting students through the schools student organizations (ASB, DECA) helps to give a range of ages, opinions and tastes.

Key pointers: customer involvement & criteria

Set up and maintain good communications to establish a smooth and efficient operation. Any communications failures may lead not only to frustration but also to an interrupted service, which will affect student satisfaction, usage and profits. Involve students in the discussion about the food service as part of a 'whole school approach' to food and nutrition so that:

- The food service is designed with their tastes and needs in mind.
- It supports the messages in the taught curriculum.
- They feel they are part of the decision making process.

Key questions for the working group to consider

- How many people will be using the machine, during what hours?
- What products will they want?
- How much will they be prepared to pay?
- Will there be long periods when the machine is not in use (for example school holidays)?
- What other sources of supply are available locally, what do they charge and offer?
- Where will the machine be located?
- Is it readily accessible to all those who want to use it?
- Is there a convenient supply of electricity nearby?
- Do you want users to pay by cash, token, card or are you providing products free at the point of delivery?

A process flow chart

Quick guide to setting up a healthier vending operation

Location of machines

The location of vending machines is a key factor in the success or failure of healthier vending. The decision of where to place the machine must be taken with care. ServeSmart includes “Refreshment Center” which offers the ability to “create” high traffic locations while maintaining acceptable aesthetics. Continuity of service is essential for success and, for this to be achieved; regular feedback is required on the status of a machine. This is achieved from wireless monitoring of the vending machines on a real time basis. Wireless monitoring is an included component of the ServeSmart Program. Cash accountability and inventory control is no longer a concern. Furthermore, the machine needs to be secure against vandalism. ServeSmart offer unsurpassed security components from steel security doors to alarm systems and remote, wireless open/close features.

Access to vending when the cafeteria is closed is clearly important and a source of extra revenue if there are opportunities for:

- Breakfast
- End of school day purchases
- After school activities.

If the machine is situated inside a dining room that closes at certain times, these opportunities are missed and services there denied.

Consideration:

- Is there a space to locate immediately outside the dining hall entrance/exit, where it is still visible from within the hall? Vending offers the chance to avoid lines and get quick service when the cafeteria is open but very busy –break and lunchtime.

Consideration:

Can the machine be located outside the dining area so as to offer the benefits but avoid extra congestion? Locating machines in social areas away from the cafe, can offer a point of sale to a particular age group, make these areas more attractive and “cool” to students on a large campus.

Consideration:

How can you manage, supervise and monitor such locations, so as to avoid the problems described above? As a part of the wider considerations of the use and benefits of on-site vending, consider the existing custom and practice of guiding student access to off-campus food sources(closed campus) at break and lunchtimes. Keep in mind when installing a machine that there should be a facility for electrical isolation controls, adequate ventilation, and access for washing the floor surface and machine enclosures. ServeSmart offers pre fabricated polymer pads as a standard component to eliminate the need for concrete pads.

Machine choice – compatibility of machine & Product

Different types of vending machines have different characteristics and are built specifically to vend particular products. The ServeSmart Program offers the highest capacity, most reliable vending equipment specifically designed to withstand the high volume school environment.

Product mix & price

Consultation, advice and information around student preference in each individual school should guide the food service department in sourcing the desired product mix for the machine to be used. This can be obtained by:

- Simple student questionnaire
- Monitoring sales
- Product trials

Important considerations:

1. Type of product

There are many new products coming onto the market now that are promoted as healthy for one reason or another, whether it's low calorie, organic, supplemented with vitamins and minerals, contains functional ingredients, or even fiber! However, what is really needed is to provide easy access for students to an affordable, attractive supply of nutritionally sound, low sugar products for satisfying thirst/hunger and giving enjoyment. So stick to the *'Keep It Simple'* principle – offer basic products which are as healthy as possible and within students' budgets. If you keep to waters, pure fruit juices, fresh milk, healthy snacks and fresh fruit/food, you can achieve a healthy product range which will be attractive and satisfying for your students.

Final product selection will depend on:

- The students' preferences in terms of flavor.
- Their perception of the affordability of the product
- The ability of the food service to source particular product through their product supplier.
- Children's interest in, and the availability of, locally supplied product.

The following table provides a basic guideline from which school working parties can design a product plan that best suits individual school preferences.

Product type Considerations Popular examples

Waters Offer flavored water Still water without artificial sweeteners Sparking/fizzy water

- Water/Flavored waters
- Fruit juices
- Isotonic drinks(Gatorade)
- Milk drinks
- Healthy, low fat snacks
- Fresh fruit
- Fresh food

2. Style and packaging

Drinks generally are packaged in plastic bottles, cans or Tetrapak cartons – glass containers are not appropriate for school use. Though this may attract additional cost, consider offering some water products in sports bottles so they can be refilled free from the school's chilled water machines. Consider a mix of product so as to include some resealable containers as this allows students to carry the drink with them for future use if they wish.

3. Product sourcing

Product can be most conveniently sourced through their usual main suppliers. However, the appropriateness of the products for healthier drinks vending should not be compromised by any limitations imposed by the range available from a particular supplier. ServeSmart products are available from multiple sources.

Local/ sustainable sourcing

ServeSmart has addressed this issue by providing products which are traditionally available from multiple sources in all markets.

4. Price is a key consideration

The range of prices students are prepared to pay for drinks very much reflects their age and the relative wealth of the school's area. The experience of the ServeSmart Program data suggests a range from as low as \$.50 to a high of \$2.00, with an average spend per item of between \$1.00. Thus, while it is important to try to offer a wide range of product at varying prices in order to broaden choice, it is imperative to suit the product mix to students' pockets!

5. Planogram

To create a plan of the layout of the products in the machine is a natural follow-on to the decisions on the product mix and students can be involved in this process. Remember to vary the position of product in the machine from time to time to keep student interest. Remember that the product at eye level, or the level of the coin slot if that is different, will sell better as these are the products seen first as students prepare to choose their drink – this characteristic can be used to get new product noticed and tried.

Key pointer: product mix & price

Aim for a broad range of product pricing but ensure that the products reflect student's tastes, their ability to pay and the opportunities offered by local producers.

Commitment

Commitment from the administration of both the school and the food service department is crucial to the success of healthier vending program. This should be established during the preliminary discussion on the rationale and purpose of the service. Each should examine the potential benefits available to them and those they represent, and then set these against the resources required. A perception that benefits outweigh the calculation of resources needed is clearly a major factor in establishing commitment and without it success is likely to be compromised. These potential benefits – some examples are offered below – may well have a different character or emphasis for the different partners but it is important that they are discussed and recognized as objectives and the progress towards achieving them is monitored.

Some considerations when assessing potential benefits of the program:

- Will the machine be a commercial success?
- Will the development of healthier vending improve the reputation of the school and foster better client loyalty?
- Is this part of a 'whole school food and nutrition policy' – the final piece in establishing good practice and principles in this important area of students' lives?
- Will this style of vending be educationally more appropriate – matching the curriculum message to that of the vending service – and so improve the reputation and standing of the school?
- Will there be a significant pastoral value in the involvement of students in the process of debate and decision making?
- Might this play a part in better behavior, or improved attention span in the classroom?
- Is there evidence of this having a positive effect on the consumption patterns of pupils?

Key pointer: staff commitment

Both school and food service department should recognize that vending is an extension of an important and appropriate service and give it similar priority in terms of ensuring service continuity and reliability. This is easier to appreciate and deliver when both understand and recognize a range of substantial benefits to be gained.

Management & administration

Successful management and administration relies on the involvement and cooperation of students. By seeking their advice and ensuring widespread understanding of the initiative, its purpose and operation, you will minimize problems and maximize use.

How to maximize product sales

Always ensure good continuity of sales to maximize profits. Some pitfalls to avoid:

- Machines being out of service for any length of time through breakdown or product jamming.
- Access difficulties, for example part of the school is off limits for reasons such as building works/exams in progress.
- A failure or shortfall in supply of popular product. The key influences on sales other than a good product mix will be the students' perception of the consistency, the reliability, and the efficiency of the service the machine offers. This is illustrated by some of the student's comments taken from the pilot study.

'They don't always keep it full –it's no use if when you get to the machine your favorite's run out!'(Quote from 11th grader)

Maintenance and repairs

ServeSmart offers maintenance and repairs as a standard component of the ServeSmart Program.

Key pointers:

management & administration

1. Ensure the machine is kept well stocked at all times.
2. Nominate and train key personnel/students to take responsibility for duties specifically related to vending machines:
 - Monitor the operational soundness of the machine.
 - Fill the machine regularly and ensure its cleanliness.

Monitoring & record keeping

Good records are maintained to enable sound judgments to be made on the operation of the vending program. Sound data collection demonstrates the effectiveness of healthier vending and provides useful information for evaluating the product and overall profitability. ServeSmart includes wireless monitoring as a standard component. The data can be viewed from any internet connection which allows the individual schools to "see" their vending operations and track:

- Top sellers
- Cost and sale price
- Numbers of each product sold (per item)
- Profit
- Commissions
- Service frequency

Key pointers: monitoring

- Nominate specific personnel who are trained on the usefulness and importance of data collection.

Student usage & access

There was unanimity throughout the schools that an extension of the vending service to healthy products would be welcomed by the students and, given the caveats of location, accessibility and cost would be well used. Having discussed *location of machine* and *cost of product* above, we should now address access.

One of the great advantages vending can offer is access (at times other than during lessons):

- When the usual cafe facilities are closed – before or after school.
- When there are 'pinch points' in the usual service – crowding or excessive lines at break or lunchtime.
- When speed of service and 'grab and go' are the students objectives.

Key pointers: student usage & access

Take care to consider with students suitable protocols to maximize the benefits of vending while not compromising the usual practices and administration of the school.

Marketing & promotion

It is well worth spending some time on raising awareness of the program and its rationale through a wide variety of means, prior to its launch date. This is particularly important for targeting those students who would not usually use the school cafe on a regular basis. Here are some tried and tested methods, all effective in raising awareness prior to launch:

1. Student organizations (ASB, DECA) activities with a focus on sampling opinions and attitudes from the pupil population.
2. Announcements in year assemblies, usually within the context of a broader food and nutrition message.
3. Raising awareness with students through discussion about the scheme and its rationale with their form teacher in groups.
4. Work associated with healthier products in curriculum time for food technology and personal, social, health education.
5. The creation of poster displays about the choice of drinks on offer, with a countdown to 'launch' date to be placed on the "Refreshment Center" vending enclosures.
6. Inclusion of a description and timetable for the scheme in parent newsletters.
7. 'Taster' sessions of proposed product over the counter – sample product available for comment.

Key pointers: marketing & promotion

Discuss, agree and implement a marketing and promotion strategy to:

- Popularize the scheme and maximize profits for the school, both prior to and during the running of the scheme.
- Involve students in the design and delivery of each part of the process of a service created for them. Revisit these campaigns at intervals during the running of the program, especially if new products are being trialed, to help boost usage and sales.

Managing litter

Litter is a constant concern to schools as it can be seen as a very visible, if rather unreliable, indicator of the quality of the management of the campus as a whole. However most schools have strategies for combating litter as it is a fact of institutional life, vending machines or not!

- Supply large colorful litter bins wherever pupils are eating and drinking.
- Focus on caring for the school environment within the curriculum.
- Raise awareness in assemblies/ groups.
- Seek support from the student organizations.
- Investigate opportunities for recycling.
- Restrict areas where eating and drinking may take place. This last control can have an impact on the use and advantages of a vending machine and so should be considered in tandem with the decisions about the use and siting of vending machines.

Key pointers: managing litter

- Link vending issues into your existing policy on litter and use it as a vehicle for social education.
- Provide large, attractive, secure litter bins for each vending machine, to encourage appropriate pupil behavior.

A look into the future

There is an increasing awareness of the importance of good food and nutrition in schools as a result of the growth in childhood obesity and some suggestion of benefits to be gained in performance and behavior in the classroom. At last schools have an opportunity to change the face of the traditional vending programs in schools to one which is healthier and underpins good educational practice and the interests of our students. Not only will food service directors have total control over their food and drinks being served on their campuses, they also have cash accountability. The old myths that children will not buy water, juices and milks from vending machines, and that such machines could never generate an income, can be laid to rest. Such arguments also choose to ignore the health and welfare of students. The potential revolution of vending in our schools is a massive opportunity for product manufacturers. It has been exciting to see the appetite children have for healthy products if given the choice. It is clear that the time is right for rapid and substantial change to ensure students in schools have access to appropriate healthier choices not just over the counter but also through any service supplied via vending machines. This service would form an integral part of a whole school approach to food and nutrition that will help to benefit the long-term health of all students. The **ServeSmart Program** was specifically developed to help school district implement a healthy vending program.