

## Executive summary

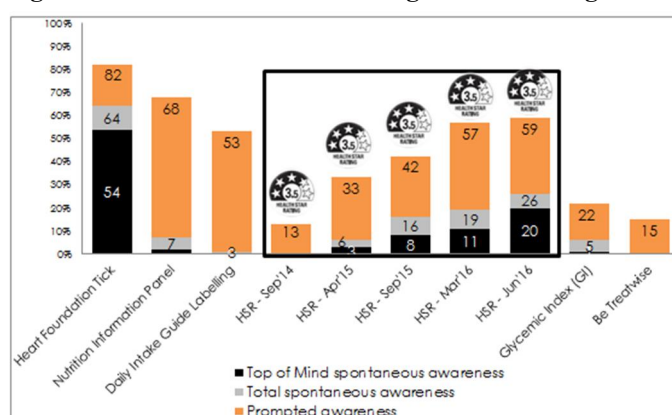
Since its inception in June 2014, there has been significant uptake of the Health Star Rating (HSR) system by the food industry. In Australia at the end of Year 1 (June 2014 - June 2015) the HSR system graphic was displayed on 363 products. As at June 2016, there were 2,031 products displaying the HSR system graphic in Australia<sup>1</sup>. At the end of Year 2, the system was displayed across more than twice as many food categories as Year 1, and implemented by nearly three times the number of manufacturers<sup>2</sup>. The majority of the products displaying the HSR system graphic were consistent with the HSR guidance documents.

The HSR system is also appearing on a growing number of products on shelves in New Zealand supermarkets. Uptake of the HSR graphic (excluding the use of the energy icon only) on products has increased from 39 at the end of April 2015 to 807 at the end of April 2016<sup>3</sup>.

The system is already encouraging manufacturers to reformulate with several companies changing product formulations in order to obtain a higher star rating. Reformulation actions include reducing sodium, sugars and saturated fat and, in some cases, increasing the content of ingredients with nutritional benefits such as fibre.

Communication campaigns have been developed to support the implementation of the HSR system through activities designed to inform consumers and encourage industry participation. The campaigns have generated significant increases in awareness of the system by consumers. In Australia, total spontaneous (unprompted) awareness of HSR was 26 per cent of all respondents surveyed in June 2016 - this is higher than that of the mandatory Nutrition Information Panel, and all other nutrition logos or labelling except for the longstanding Heart Foundation Tick.

**Figure 1: Awareness of nutrition logos and labelling<sup>4 5</sup>**



Base: All respondents (n=1007)

<sup>1</sup>Uptake was assessed using the retail food database, FoodTrack™. FoodTrack™ data is collected annually on a rolling schedule. At any single point in time, data for each category may be out dated by 1-11 months. Point in time collections involve the collection of data from every category within a single month period.

<sup>2</sup>At the end of Year 2 the system was displayed across more than twice as many food categories as Year 1 (n=74 vs. n=36), and implemented by nearly three times the number of manufacturers (n=63 vs. n=23).

<sup>3</sup>Uptake was assessed using the retail food database Nutritrack. Nutritrack data is collected in the first quarter of each year. Uptake of the HSR in New Zealand is limited to only those products displaying the Health Star Rating graphic (i.e. display of the energy icon only is excluded).

<sup>4</sup>“Top of mind” means that HSR was the ‘first mention’ of a respondent. “Total spontaneous” mentions is top of mind and other spontaneous mentions (other unprompted mentions) combined.

<sup>5</sup>Respondents were asked: *Apart from brand names, can you think of any nutrition logos or labelling that you have seen on food packaging to help you decide how healthy it is? If so, what was it that you saw?* The following question was: *Which of the following nutrition logos or labelling on food packaging have you heard of?* with a bank of images/logos to select from.

The HSR system is also having an influence on purchasing habits with more than one in two consumers who are aware of the system reporting that the HSR played a factor in what product they purchased.

A number of stakeholder workshops have been undertaken since 2014, initially to disseminate information about the HSR system, provide an update on current work underway and obtain feedback from stakeholders about their experiences or issues with the HSR system. Stakeholder workshops held in 2016 have focussed on discussions on a range of key issues identified during the implementation of the system. The workshops have been successful and have been well attended by the food industry and the public health community. The issues raised in the workshops, are being considered as part of the five year review. If possible, some of these issues may be addressed prior to the completion of the five year implementation period.

In conclusion, implementation of the HSR system has progressed well over the first two years surpassing all expectations. The system continues to have a growing presence in the retail food market with good coverage across products, categories, and manufacturers. Consumer sentiment towards the system has also increased since implementation. Structures are in place to deal with anomalies and other system issues as they arise. Ongoing progress on the implementation of the system will be provided in the five year review and presented to the Australia and New Zealand Ministerial Forum on Food Regulation (Forum) in mid-2019.