



FORESIGHT

Tackling Obesities:
Future Choices –
Food Chain Industries’
Perspectives on the Future

Government Office for Science

Foresight

Tackling Obesities: Future Choices – Food chain industries' perspectives on the future

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This report has been produced by the UK Government's Foresight Programme. Foresight is run by the Government Office for Science under the direction of the Chief Scientific Adviser to HM Government. Foresight creates challenging visions of the future to ensure effective strategies now.

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Executive summary

The Foresight Tackling Obesity: Future Choices project aims to produce a long-term vision of how the UK can deliver a sustainable response to the obesity epidemic over the next 40 years. To inform its understanding of the possible future contribution from the industries in the food supply chain, Foresight commissioned Martin Paterson of Paterson Communications Ltd to conduct a survey of the major elements of the UK food and drink supply chain, and its key influencers (see Appendix 1 for participating organisations and Appendix 2 for the survey).

The survey asked respondents to consider subjects such as:

- *the challenges and opportunities that the industry will need to respond to in the future*
- *the future role of regulation and legislation of food chain industries*
- *the extent to which healthy eating is a long-term public health and cultural issue, or whether it is just another fad*
- *the impact on businesses if healthy eating is here to stay.*

The UK food and drink supply chain industries – farming, manufacturing, catering and retailing – touch the life of every individual in every household on a daily basis. The industries surveyed recognise that they have a role to play in society's efforts to combat the problem of obesity. They are clear about their responsibility to provide foodstuffs from which consumers can construct healthy, balanced diets, and to ensure that their methods of manufacturing and promotion should not contribute to ill health. Indeed, industry leaders are on record as wishing to take a role in obesity prevention that goes wider than the manufacturing and marketing of products. In particular, the food and drink industry sees itself going forward as an invaluable source of marketing communications experience and expertise which it is willing to bring into a partnership approach with Government and other interested parties.

The survey respondents identified a number of challenges to the industry's ability to contribute positively in the future. The language of the obesity debate and the tone in which the debate is conducted present problems not just for the food chain industries but for all contributors. Industry sees the debate, particularly as it is reflected in the UK media, as polarised, with 'angels' and 'devils' conducting a battle of aphorisms in lurid and sometimes hugely overly simplistic terms. While certain consumer representatives believe that legislation – and, in the immediate term, the threat of legislation – is the only thing that will drive the types of changes needed, the respondents are unanimous in their view that increased regulation has the potential to harm industry's ability to contribute to the obesity issue. They concede a role for regulation but believe this is small in comparison with the opportunities afforded by voluntary action and, in particular, of forging



partnerships between the public and private sectors to bring all the talents and resources together to focus on solutions. The fullest UK participation in the future development of international, and especially EU, regulation is identified as vital in order to prevent isolation.

The question of the influence of high-profile public opinion formers such as Jamie Oliver provokes a somewhat fractured view from respondents. Looking forward, while the industry believes that opinion formers have a potentially positive role to play in focusing on important aspects of the obesity debate, some parts of the industry have a more pessimistic view of their role. The sometimes distorting effect of media treatment of the emotionally charged issue of obesity, combined with an often simplistic approach to solutions and use of extreme examples, is seen as a worrying trend. Respondents felt they needed to consider the 'risk vs. reward' equation very carefully when forming responses to public opinion formers' views.

The potential for public opinion formers to create a negative influence on industry's ability to contribute to the obesity question is seen by respondents as diminishing over the next two decades. This may be attributable to the increased willingness (and ability) of academics to operate more often in the role of public opinion former. Increasingly, independent and expert academic contributors, particularly from the fields of nutrition and social sciences, are seen by the media as more objective and appropriate sources of opinion and expertise than some self-appointed 'consumer champions'.

The respondents were unsure whether issues around global competition are central, for good or ill, to their contribution to the obesity issue. While UK companies are certainly part of a global supply and trading chain, they believe that, in general, competition is a positive force driving improvements and efficiencies in manufacturing and distribution processes. All elements of the food and drink industry see the ability to constantly provide consumers with innovation as being vital to their success. In the context of obesity, competition at an international level could impact on processes such as new product development and reformulation.

Many in the industry see the development of technology as crucial to their potential contribution to combating obesity. Technological solutions to the issues of taste, texture and satiety thrown up by reformulation and new product development could play a major role in enabling manufacturers to offer products that could potentially help people manage their lifestyle better. The areas of nanotechnology, biotechnology and neuroscience are seen as fertile ground for the development of techniques and processes, for example, in understanding the role of genetics in predisposition to obesity or in better understanding the satiety mechanisms to help consumers manage their calorie intake.

A note of caution is expressed, however: that the industries should not simply look to technological solutions. The failure of the introduction of biotechnology is seen as a salutary lesson. Respondents did not consider consumers in the UK to be anti-technology but felt that, unless consumers are convinced that a technology brings benefits at appropriate costs, they will not accept it. One of the major challenges going forward, therefore, is the handling of how technologies in the food and drink sector are introduced. Similarly, the industry believes that in order to create an environment where technological advances are best exploited, regulatory barriers to innovation would need to be overcome. Consumer groups would be concerned if technological approaches detracted from broader healthy eating messages. One example given is the potential marketing of 'healthier' or so-called 'well-being foods', as a quick fix.

Politics underlies all the other influences discussed in this survey report. The respondents were in agreement that, while the political environment could be a positive influence, it also has a high potential to exert a negative influence on the industry's ability to contribute. Respondents saw the future food and health arena continuing to be highly politicised. They for the most part did not differentiate between the influence of politics and politicians or of politicians and Government. This continuum of influences and influencers is seen as being at the heart of one of the most substantial challenges described by respondents – that of toning down the 'political' element of the obesity issue. For this to be even partly achieved would require, respondents felt, the establishment of a debate where meaningful dialogue replaces what is often experienced as mutual antagonism among participants. The food chain industries see this challenge as encompassing the need to build more, and better, working partnerships between the industry and Government based on trust, with supporting policies and interventions based on sound science and robust evidence. The industry regrets what it sees as a default to 'knee-jerk reaction' policies, where the 'quick fix' is often not meaningful or even possible.

A confident industry is one that will feel more able to take risks with established business models and products. Industry respondents felt that in order to make their best contribution to the obesity challenge, companies should be confident that they can continue to function as businesses in a relatively stable regulatory, political and financial environment. Demands for rapid and radical change to products and processes, erosion of markets and, in some cases, demonisation of certain products and/or companies were not felt to be conducive to this. In the coming years, many companies will look to deliver products and services designed to help consumers manage their diets, and, in a broader sense, even their lifestyles. Respondents believed that a confident and thriving food and drink industry can have a positive impact in helping to drive change.



Sustainable development is clearly an issue for an industry that is part of a global supply chain relying on agricultural produce from all parts of the world. The industry sees sustainability as a natural extension of best practice and is already engaged with Government and other stakeholders on how best to manage many of the issues thrown up by the sustainability debate. In the coming decades, issues of transport and sourcing will be re-addressed as we gain a clearer insight into what 'sustainability' means for the UK as a society. It will be important, going forward, to take the potential effects of 'sustainable' actions into account: If, for example, sustainable development policies led to the widespread introduction of agricultural practices considered less efficient by current standards, it is possible that this could result in an increase in fresh food prices. The arguments are still in the early stages of development, and the devil may well be in the detail. The current trend of ascribing 'carbon footprints' may provide a pointer as to how the costs and effects of processes in the food chain can best be described.

Respondents saw certain social trends as having a major and positive influence on how the UK food industries approach obesity in the future. The trend for people to have children later in life is seen as having a potential effect on how they view nutrition as parents. An ageing population may well highlight the health costs associated with obesity and longer working hours, more families where both parents work, less (perceived) time for physical activity and cooking from scratch, as well as the decrease in the number of times when families eat together, will all play a part in the development and marketing of food products in the coming decades. Other influences commented on included the possible continuing decline of calorie expenditure, whether brought about by changes in the physical environment, like the development of transport systems, or as a result of changing approaches to modern life. The industry is monitoring these and other trends and is primed to take forward the development of so-called 'well-being foods' and to continue the process of reformulating existing brands, where appropriate, to reflect consumers' evolving expectations. These consumer expectations are anticipated to include more and better information about the food we eat, and substantial investment is being made in the area of consumer information and education.

A so-called 'fat tax' was seen by respondents as being likely to have a disproportionate effect on the poorest. Many consumers, the industry argues, would still attempt to buy a particular product, regardless of its cost, and if prices of certain foods go up, people may still attempt to buy them, which would lead to a higher percentage of income being spent on food. Research in this area may need to be brought together or new studies undertaken, to look at food availability and quality and the barriers to purchase.

1 Introduction

1.1 Current state of the industry

The UK food and drink industries are an important part of UK society. The manufacturing and retail sectors employ more than 3 million people between them. Food and drink is the single largest manufacturing sector in the UK, with a turnover of £70 billion, accounting for 15% of the total UK manufacturing sector. The industry buys two-thirds of all the UK's agricultural produce. In 2005, consumers' expenditure on food and drink came to nearly £153.8 billion, representing 20% of UK national consumers' expenditure.^{1,2}

Since about 2000, the UK food and drink industries have found themselves drawn increasingly into the debate about public health and the food supply. In this period, the debate has travelled from the fringes to pretty near the centre of policy making. The origins of this are rooted in the damage done to public confidence with regard to the safety of the food chain after the BSE crisis. This was followed by the opposition of campaigning newspapers to the introduction of genetically modified food, mining the rich seam of controversy provided by exploiting the 'Frankenfoods' theme. To this, we can add TV pictures of burning cattle corpses and the air of confusion and controversy that surrounded the foot-and-mouth disease epidemic. While these issues centred on the safety of the food supply, they helped sensitise consumers to wider food and health issues and highlighted the erosion of the connection between the consumer and various parts of the food chain. An important development as a result of this process was the firm establishment of food and health issues as a topline subject for the media.

During the same period, some city analysts began considering the risk to a company's position if it became, for example, subject to litigation by consumers claiming their health had been damaged by the company's products. In 2005, an analysis of these potential threats was carried out by insurance company Aspen Re. Though the study focused mainly on the USA, the analysis brought with it some lessons for the UK: '... with fattening food, consumers must be made aware of the risks of excessive consumption if suppliers are readily to avoid liability. Informed choice for adults and an end to marketing and advertising to children seems essential.'³ Since then, the company has reported further: 'Many US states have also passed legislation seeking to safeguard sellers, restaurants, manufacturers and distributors from obesity-related lawsuits, though the new laws would almost certainly not protect companies against false or misleading trade practices. Other significant factors are changes of ingredients; more cautious marketing strategies (especially to children) and the ending of selling through vending machines at schools, either voluntarily or through policy reform by school authorities.'⁴ While in the UK we have not seen the introduction of laws designed to 'safeguard' companies in the UK food and drink industries, we have experienced similar developments in product formulation and marketing strategies.



It has not escaped the gaze of some analysts that the high profile of the issue of health risks posed by obesity have reawakened, for an increasing number of consumers, an awareness of both the connection between food and health and their own power to drive change. This mounting awareness is opening up growth opportunities for a number of companies. 'Consumers appear to be increasingly keen on paying more money for healthier food, particularly if it also tastes good. [In 2004] the number of products advertised as having health benefits or promoting weight loss achieved double-digit growth. Soy-based and yoghurt drinks were the top sellers. Above-average growth is likely for the market in foods with additional health benefits (functional foods), for example, yoghurt with probiotic bacteria to help the immune system, or products aimed at preventing osteoporosis.'⁵

As the debate about the role of food in our lifestyles has progressed, the UK food chain industry as a whole has also been on a journey. It has moved from – in some businesses – having a sense of bafflement at the range, and in some cases, vehemence of criticisms levelled at the industry and its products, to a largely unified position characterised by acceptance of a level of responsibility commensurate with the industry's role in a multi-factoral challenge and a willingness to play its part. That this has taken place against a backdrop of increased understanding and acceptance of the importance of corporate social responsibility (CSR) principles may be significant.

The Better Regulation Commission has been established to provide independent advice to Government from business and other stakeholders about new regulatory proposals and to make proposals for regulatory simplification. The Better Regulation Executive was established as the driving force for the Government's Better Regulation Action Plan. It has overall responsibility for the Government's commitments: to regulate only when necessary; to set exacting targets for the reduction of the cost of administering regulations; and to rationalise the inspection and enforcement arrangements.

The Legislative and Regulatory Reform Act 2006⁶ came into force on 8 January 2007. It replaces the Regulatory Reform Act 2001. The 2006 Act includes two order-making powers, which a Minister may use to amend primary legislation. The first allows a Minister to make an order for the purpose of removing or reducing burdens, the second allows a Minister by order to ensure that regulatory functions are exercised so as to comply with the five Principles of Good Regulation (that regulatory activities should be carried out in a way that is transparent, accountable, proportionate, consistent, and targeted only at cases in which action is needed).

The Food Standards Agency (FSA) is pursuing the reduction of administrative burdens imposed by the legislation within its remit, and the Food Industry Sustainability Strategy of the Department for Environment, Food and Rural Affairs

(Defra) includes better regulation proposals, including the establishment of a Food Industry Better Regulation Group.

Current UK proposals on labelling were cited by some survey respondents as an example where local norms or regulations could compromise competitive advantage in a global market. They argued that, for example, when foodstuffs are produced at a single site and supplied to more than one market, if brand owners use the FSA's 'traffic light' food labelling initiative, this could require UK-specific packs, thereby reducing the efficiency of the packaging and supply processes. This point of view in parts of the food industry is held by some consumer groups to be evidence that supports the need for a regulatory approach. At EU level, simplification of the EU regulatory framework is one of the measures of the Lisbon Strategy. This includes strengthening and improving consultation with stakeholders and ensuring that non-legislative options get stronger consideration at EU level.

On reformulation, as in so many other areas, individual companies move at different speeds and in accordance with their perception of their role and their relationships with their customers and – whether retail businesses or brand owners – companies within the UK food chain are operating in a highly competitive environment. A number of industry-wide projects have delivered results, such as Project Neptune whereby the Food and Drink Federation (FDF), working alongside the FSA, achieved the reduction of salt across many hundreds of products. The FDF reports to the FSA annually and has engaged with the FSA to develop a methodology for industry to self-report salt-reduction progress. The FSA recently issued a self-reporting framework for informal consultation.

The Government's Public Health White Paper⁷ and the FSA's Strategic Plan⁸ set out commitments for the FSA to work with the food industry to tackle the balance of the diet and, in particular, to secure voluntary reductions in saturated fat and added sugar in processed foods. The Government's Food and Health Action Plan⁹ sets targets to: maintain the current trend in average total fat intake at 35% of food energy; reduce average saturated fat intake to 11% of food energy; and reduce average added non-milk extrinsic sugars intake to 11% of food energy. As an attempt to control obesity, the Government also hopes to reduce the overall calorie content of food.

The emphasis on the 'calories in' part of the equation is thought by many in the industry to be an inappropriate place to start. While the Government and other players have been more accepting of the 'multi-factoral' nature of the problem in recent years, government action and consumer group demands have, to a substantial extent, focused on restricting the promotion of, and access to, certain foods – what the industry sees as a 'demonisation' of certain products. The current controversy about restricting the TV promotion of 'junk foods' is one example.



The industry believes it has invested heavily in improving information for consumers, either through individual companies or via pan-industry collaborative projects. These initiatives range from on-pack nutrition information based on guideline daily amounts (GDAs) to substantial information and consumer education programmes. The FDF's *Food and Health Manifesto*¹⁰ sets out commitments to product reformulation and innovation in support of government health goals covering some billions of pounds worth of products. Campaigning consumer organisations have conceded some movement but urge a still greater degree of engagement. Concern is expressed, for example, that many businesses in the industry disagree with, and in some cases reject, current labelling proposals.

A particular issue for the industry is the politicisation of the obesity debate. With obesity seen as something of a political football, 'players' are sometimes perceived by the industry to be vying to have the most radical proposals for tackling obesity, irrespective of their actual efficacy. Respondents expressed concern that politicians and non-governmental organisations (NGOs) can appear to be more concerned with 'solutions' that play to a populist agenda than with discussing workable ideas or forming partnerships with the industries. On the other hand, consumer groups and some politicians believe they are seeing an inadequate response to the challenge of obesity from the food industry. They believe that, while tackling obesity demands a multi-factoral and multi-sectoral response, this should 'not be used as an excuse to always shift the blame somewhere else'.¹¹

A graphic illustration of the effect of the polarisation of at least some areas of the debate is to be found in the current development and launch of two essentially competing food and drink labelling strategies:

- In January 2007, a number of the UK's leading food and drink companies launched a £4 million advertising campaign aiming to 'to help people make better-informed decisions about the food they eat.' The campaign explains how consumers can use front-of-pack GDA labels developed by the industry from Institute of Grocery Distribution guidelines, to assess the calories, sugars, fat, saturates and salt that are suggested for a balanced diet.¹²
- Almost simultaneously, the FSA was running a very substantial public information programme on its own preferred, labelling system – what has become known as 'traffic light' labelling to: 'provide "at a glance" information on labels about the nutritional content of foods'.¹³

In April 2007, 25 food and drink companies and six retailers were reported as having added GDA labels to around 15,000 product lines, said to amount to nearly 50% of UK retail food and drink packs. It is interesting that the FSA brochure, *Food Labels*,¹⁴ which 'aims to help you pick out the information you need to make healthier, safer and more informed choices when you are choosing between products', made no mention of this development at that time.

There is a certain amount of exasperation expressed by some in the food chain industries that many commentators appear to take the view that food and drink businesses are somehow excused from the demands of the financial markets, and that, for some at least, their legitimate pursuit of return on investment is in itself unethical. This failure, whether deliberate or otherwise, to recognise food and drink companies as normal business concerns is seen as undermining the ability of companies to invest in change and to take on the risks that change involves. It is also felt to damage the prospects of working in partnerships to help achieve lasting change. The UK food and drink supply chain industries are not a homogeneous whole; rather, they are a set of companies and organisations that compete strenuously with each other and are united, mainly by the fact that their final point of impact is the consumer. It is clear that many businesses and organisations in the UK food and drink supply chain industries find the nature of their business environment to be so complex and the influences so variable that projection over longer horizons is something of an arcane art. Nonetheless, strategies for the future are a vital component in maintaining competitiveness, market share and some degree of stability.

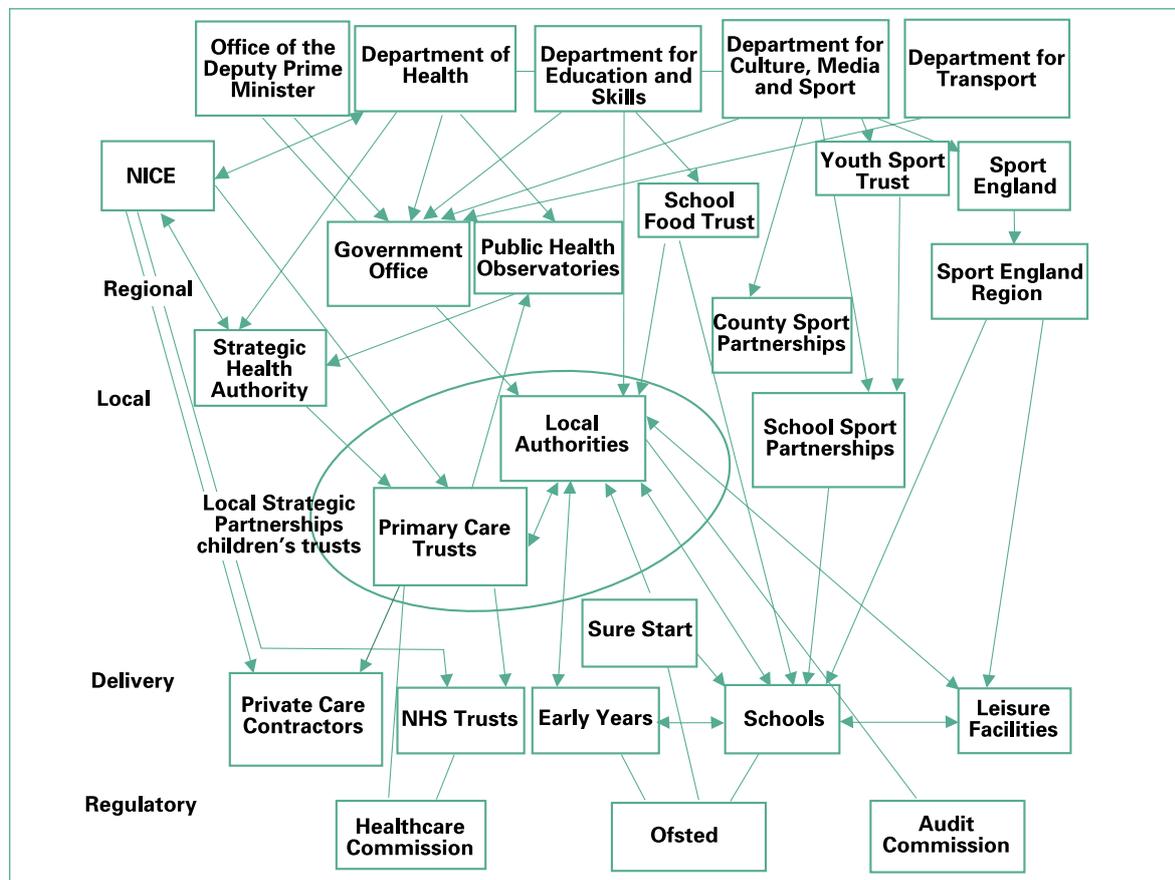
1.2 Future policy making: insights from the survey

This report was commissioned by Foresight to offer insights into future possibilities, attitudes and uncertainties in one part of the staggeringly complex web of influences, influencers, legal, financial, social and other entities and individuals that must be negotiated if policy interventions are to be meaningful. That complexity was highlighted when the Chairman of the Public Accounts Committee, in the recent Public Accounts Committee Report,¹⁵ described as 'absurdly complex' the relatively small element of this web that is referred to as the 'government delivery chain for combating child obesity' (Figure 1).

Furthermore, the food chain industries themselves are a complex and competitive environment (internally and externally) and can't be viewed as the possessors of any simple 'magic bullet' solution to the obesity problem. However, the wealth of responses offered to this survey on a wide range of influences on the future development of the UK food and drink industries enable the author to suggest some pointers that may be useful to policy makers in the future.



Figure 1: The delivery chain for tackling child obesity from the Public Accounts Committee's report



Thoughts for policy makers

- We need to be aware of the number and complexity of the linkages between the social, political, economic and other arenas that potentially influence the food chain industries.
- Policies should encourage the education of the consumer and build from a genuine understanding of consumer behaviour. Consumers should be hearing consistent messages about healthy weight that are demonstrably based on validated science. Greater impact can be achieved if everyone is 'speaking the same language'.
- Technology can help, but only if it is accepted – and that is not a given. Advances in technology can assist in broadening the range of products available to consumers. However, technology can also have limitations and should not be seen as a panacea. Many consumers are scared of 'technology'. As much as possible, they want what they perceive to be pure and unadulterated food.

- We need to recognise the importance of practical partnerships for developing and delivering social behaviour change programmes. This isn't necessarily the same as 'widespread consultation'. There is an urgent need for a joined-up, holistic approach involving Government as well as relevant stakeholders, with common agreed goals and strategy. There is no single solution to obesity, and positive outcomes are more likely to result from a multi-faceted, multi-stakeholder approach.
- UK food and drink chain companies are ethical commercial entities operating in global markets. This means the UK industry can't be of much help if:
 - the competitiveness of the industry is eroded
 - production is encouraged to move abroad/offshore
 - the UK is isolated in Europe (e.g. on regulations).
- We need to avoid 'knee-jerk' 'something must be done' responses that encourage a 'quick fix' mentality rather than a long-term strategy.



2 The survey

This report was commissioned by the Foresight programme of the Government Office for Science to support its project on Tackling Obesities: Future Choices. The views expressed reflect those of the survey participants and the author. They are not the official point of view of any organisation or individual, are independent of Government and do not constitute Government policy. This report is based on the individual responses of participants in the study

The survey consisted of three parts:

- o **influences on the food chain industries' ability to contribute to positive interventions on obesity**
- o **questions on key issues**
- o **examination of the potential effects of scenarios of possible futures.**

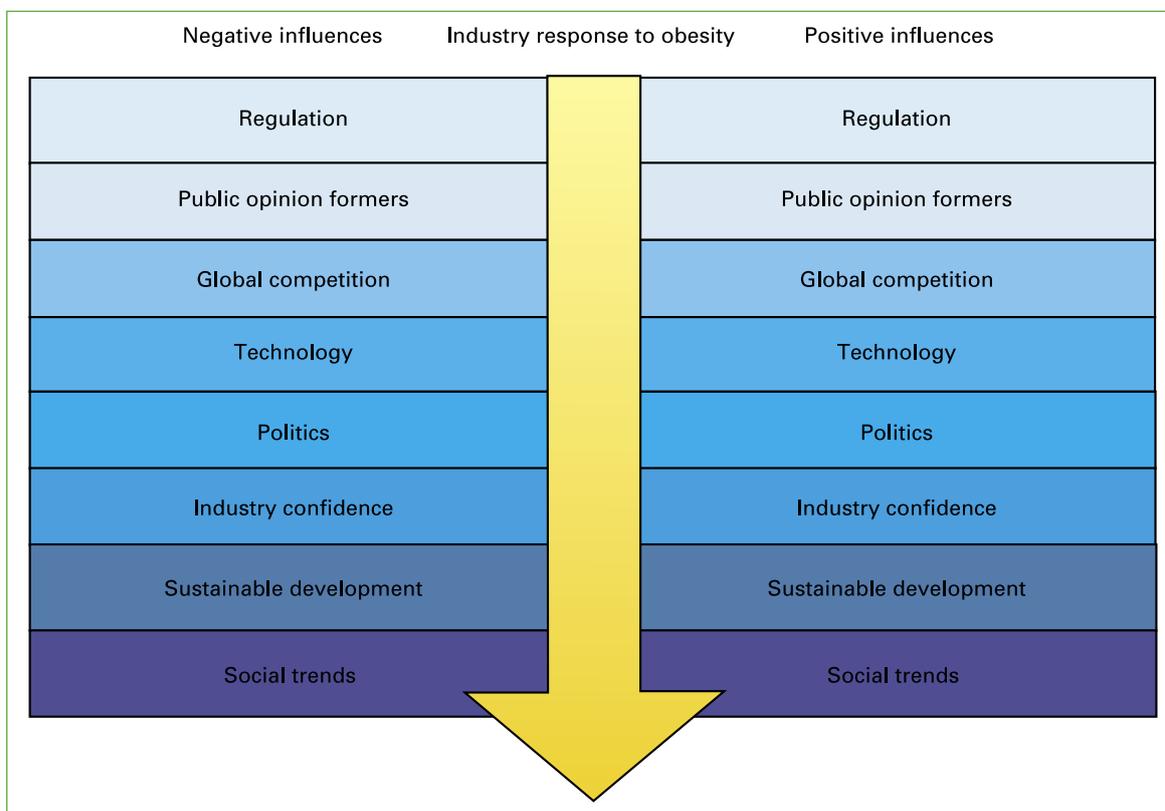
Participants

Survey participants ranged from leading retail companies to major food and drink manufacturers and trade bodies representing both these areas. Officials from government departments most closely involved with the food and drink industries as well as consumer NGOs also provided views and comments. In addition, a number of individual interviews were conducted. Participants are listed in Appendix 1.

2.1 Influences on the food chain industries' ability to contribute to positive interventions on obesity

The survey asked participants to rate the influences (Figure 2) in order of their potential to impact, over the next 20 years, positively or negatively, on their organisation's ability to develop its business in the context of obesity. Although this report categorises responses under specific headings such as 'regulation', 'technology', and 'industry confidence' etc., the complexity of the food-chain environment means that the influences are often experienced as indivisible from each other or, at least, interactive with each other. The responses were remarkable for their unanimity on many subjects, whether considered from the retailer or manufacturer position.

Figure 2: Influences that could potentially, over the next 20 years, have a positive or negative impact on food chain companies’ ability to develop their business in the context of obesity



1 Consider the influence of regulation in terms of its potential to impact, over the next 20 years, positively or negatively, on your organisation’s ability to develop its business in the context of obesity

Many participants saw a role for regulation in tackling obesity but felt it was a minor role when compared with essentially voluntary actions supporting education of consumers and encouragement of behaviour change. The importance of government engagement with industry was clear: expressed by one participant as a form of ‘public/private partnership’. Manufacturers and retailers rely on their skill in establishing and maintaining a relationship of trust with an inherently fickle consumer audience. Such a partnership arrangement might, for example, seek and actively develop opportunities to harness the not inconsiderable reserves of expertise in marketing communications to be found throughout the food chain industries.

Participants in the survey almost overwhelmingly saw regulation as having low potential to impact positively (Figure 3) and high potential to impact negatively (Figure 4) on their organisation’s ability to develop its business in the context of



Figure 3: Regulation: its potential to have a positive impact

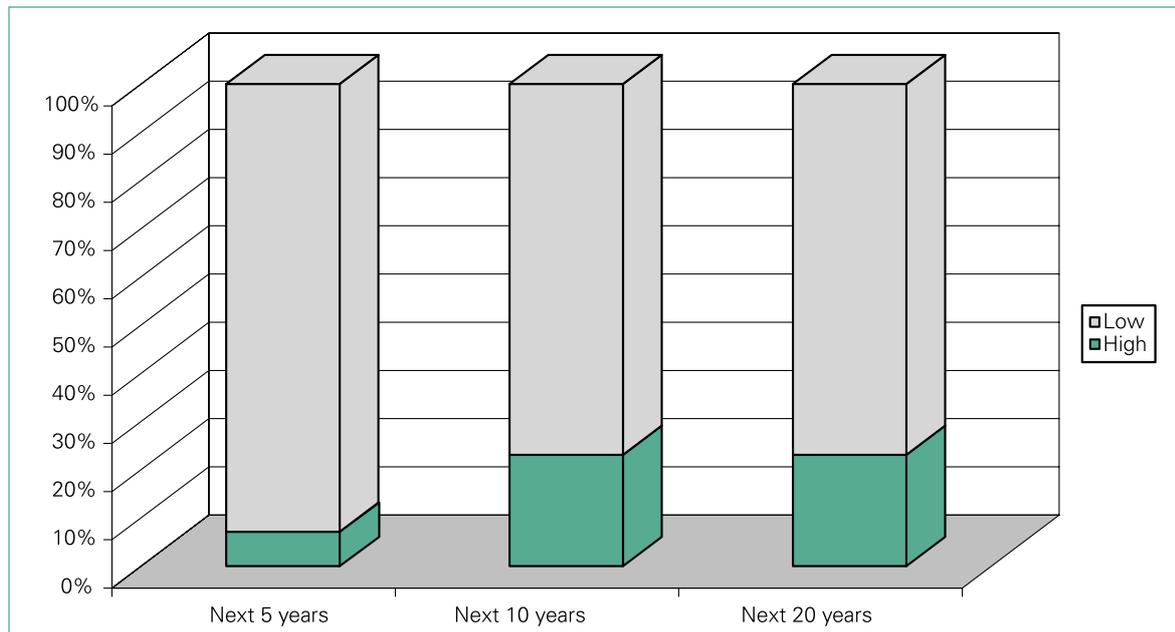
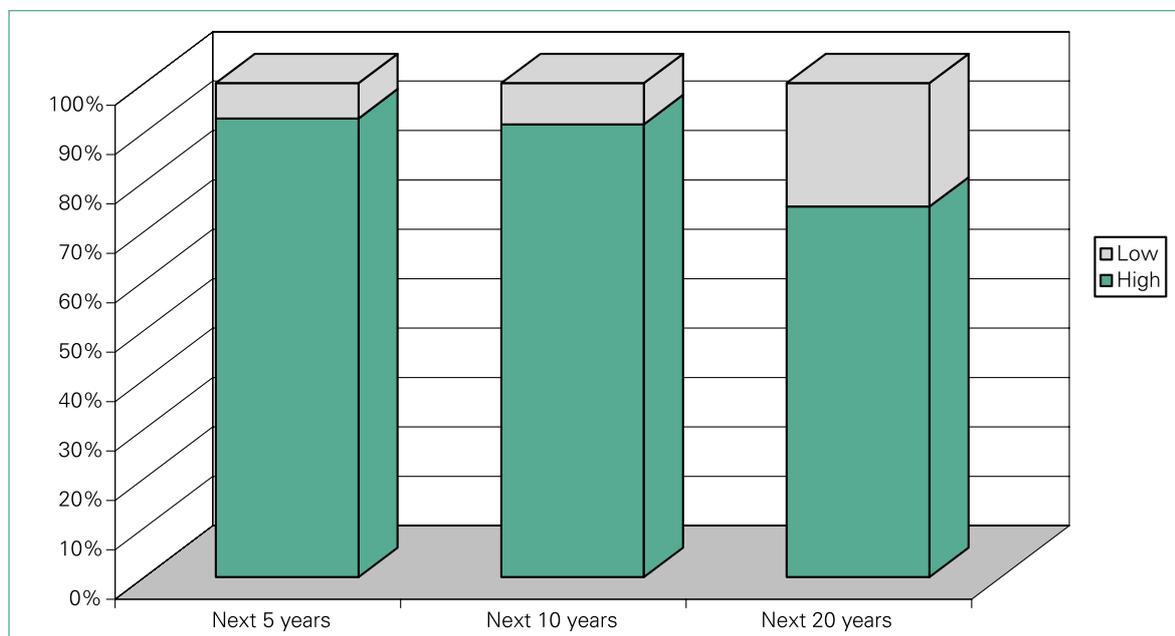


Figure 4: Regulation: its potential to have a negative impact



obesity. A 'small role' for regulation was conceded by some participants, in particular, in the fields of food safety and labelling regimes. However, regulation was often seen by respondents as being too prescriptive and politically driven rather than as an objective exercise in consumer protection. Some companies took the view about regulation in the UK that, in failing to take into account the 'wishes of stakeholders, including industry and consumers, it is invariably counterproductive.' Others believed that it would be impossible to draft effective legislation that would control how people put together their daily diet. For example, prohibitions imposed on salt in processed foods could do nothing to stop the addition of salt at home.

Some participants believed that, in the short term, 'most of the current regulatory impact is negative and restrictive in terms of effect'. They saw the potential for a positive effect of 'sensible' regulation in the longer term. Examples might be to help frame emerging markets in areas like nutrigenomics, where there will be a need for new understanding of the ethical issues surrounding ownership and use of information such as personal DNA. This was seen as 'an essential precursor of working on areas such as individual diets etc.'.

The rise and rise of CSR as a major part of consumer-facing companies' thinking – particularly the widespread recognition of CSR as an activity that impacts on the bottom line – has led some participants to see it as a more efficient and pertinent mechanism, in the context of obesity, than regulation. The potential for voluntary schemes is highlighted. For example, in the UK, we have seen substantial reductions in the salt/sodium content of many processed foods. A survey of top companies towards the end of 2005¹⁰ found that 36% of their products, worth £7.4 billion at retail, had lower levels of salt compared with the year before. Many companies were also launching reduced-salt and salt-free alternatives. These changes had been brought about via a 'stepwise' voluntary scheme under the auspices of the Food and Drink Federation working closely with the FSA. The FSA has also worked with the industry to reduce levels of fat and sugar in a range of products. Other countries have similar examples of industry/government partnership – and non-regulatory – interventions such as the Small Steps programme in the USA. 'It is difficult to think of any examples of regulation worldwide that have been shown to positively help industry with respect to obesity. However, that does not preclude it happening in the future. There may also be scope for using non-legislative schemes and/or standards in a positive way e.g. the Pick the Tick scheme in Australia and New Zealand¹⁶ has led to a number of products with reduced salt and fat.'

Similarly, fear of the potentially negative impact of regulation in terms of competitiveness, even to the point of threatening viability, was expressed by respondents. There is a belief that it is unrealistic to expect businesses, that may, in some cases, be struggling to maintain market share, to focus efforts and deploy resources beyond immediate commercial need.



Many responses raised a concern about the dangers of defaulting to regulatory interventions as a ‘knee-jerk reaction’ to perceived political pressure or popular prevailing winds. Participants also identified tensions between the aims of regulators and legislators to respond to perceived risk and the need for scientific rigour in underpinning regulation. Concern was expressed at the possibility of government attempting to ‘regulate’ its way out of the obesity crisis’. One participant quoted the Better Regulation Commission’s report, *Risk, Responsibility and Regulation*,¹⁷ as identifying that: ‘the policy dilemma at the heart of risk management is that policies responding to lay-people’s perceptions of risk tend towards over-regulation, while policies based entirely on scientific evidence will be seen as an inadequate response and will not be supported by the public.’

The difficulties thrown up by the introduction of UK regulation, independent of wider markets, in particular, the EU, were highlighted. Most major branded manufacturers based in the UK are either part of larger continental or global companies or are looking to deliver their products into international markets. They are also almost entirely dependent on a global supply chain. The potential impact of ‘double banking’ of regulation is seen as an erosion of competitiveness and innovation, as well as damaging the position of the UK as a potential base for manufacturing.

The current regulatory tenor was considered by many respondents to be ‘essentially fairly restrictive and negative in character’. The threat of regulation ‘accentuates the negative’, and presents the risk in the future of stifling innovation and of making the UK a less attractive place to do business. Some respondents commented on the current debate on nutrient profiling. They felt there was little commercial sense in reformulating a product to reduce fat content if it still does not ‘tick the box’ to change its label, for example, from ‘less healthy’ to ‘healthy’.

A perceived ‘struggle’ between legislators in the UK and Europe was felt by respondents to have the effect of giving the food industry two different constituencies that have to be addressed. However, as one respondent said: ‘Most of the damage is likely to be done in the short term; as the EU gains more influence on domestic policy in the UK, regulation is likely to be less of a competitive discriminator.’

2 Consider the influence of public opinion formers in terms of their potential to impact, over the next 20 years, positively or negatively, on your organisation’s ability to develop its business in the context of obesity

While there was a range of ideas as to who or what constitutes a ‘public opinion former’, television chef Jamie Oliver was cited as a particularly high-profile example, as were ‘campaigning’ NGOs. Opinion formers were seen as having a high potential to impact positively across the 20-year span (Figure 5), although they were thought to have an equally high negative potential over the next five years (Figure 6). Some respondents felt that the debate would become less

Figure 5: Public opinion formers: their potential to have a positive impact

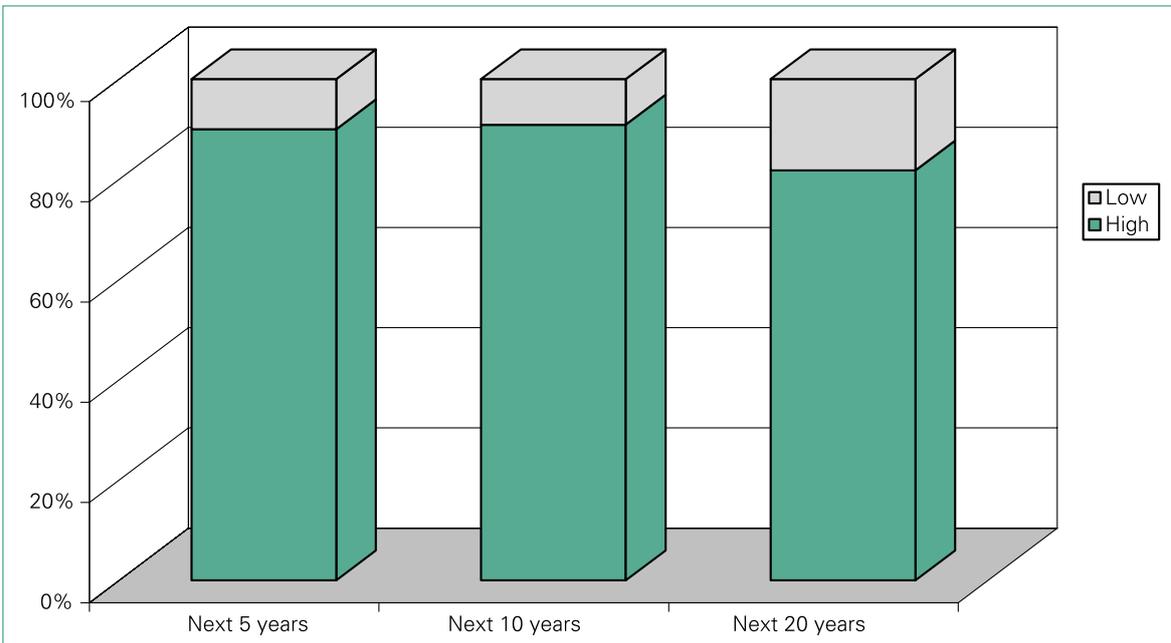
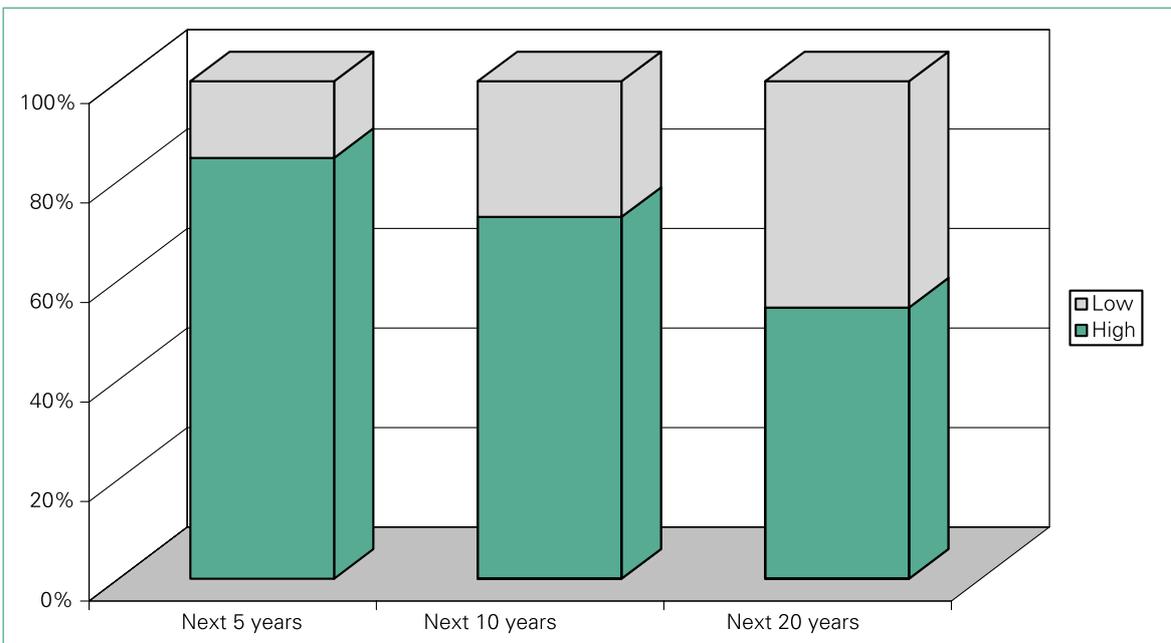


Figure 6: Public opinion formers: their potential to have a negative impact





polarised and adversarial, perhaps as more academic public opinion formers enter the field – and as the media come to see the scientific and academically robust view as having value: ‘Excellent potential – however, currently negated by adversarial approaches.’

Many participants saw a positive role for public opinion formers in combating obesity as they can and have already had a positive impact on issues relating to food, diet and health. Also, there is scope to use role models in a more positive way to encourage healthy eating and activity. However, respondents typically believed that the UK media do not give prominence to ‘good news’. ‘There are some influential voices calling for “lighter touch” regulation and more common sense on food issues – however, these have not received such a high profile.’

There was evidence among the respondents of some disquiet about the role and influence of opinion formers. It could be described as deep pessimism about how opinion formers will impact on the industry in a general sense, as well as their impact on industry’s ability to play a role in combating obesity in the future. ‘Campaigns against the food industry tend to organise themselves under the banner of consumer and pressure groups that have become organised and effective at gaining profile. Focusing on the achievements of the food industry does not create the same column inches.’

Some public opinion formers, including NGOs and some academics, were seen as having demonised certain food categories. A number of respondents felt that this puts businesses under increasing pressure to justify their commercial legitimacy: ‘If a climate is created where foods such as biscuits, cakes and confectionery become taboo, this is unlikely to develop a healthy attitude towards diet or contribute to reducing obesity in the long term. Unfortunately, this is often the approach by UK opinion formers.’

The balance between risk and reward in responding to public opinion formers’ influence in the debate was considered. That many public opinion formers work through the media was thought to bring the danger of distortion of messages as well as a risk of oversimplification of the issues. Polarisation of opinion and the use of extreme examples have, it was felt, helped to cloud rather than clarify the ‘real’ issues. This can bring about the additional effect of creating distance between those in the food and drink industries and potential partners and audiences: ‘There is a danger that [the actions of] public opinion formers may not be evidence-based. Sometimes they can play the ‘blame game’, which can move the debate away from empowering individuals and working collaboratively across all sectors of society. Additionally, sometimes they can focus attention on fringe issues which will not impact on the problem.’

Participants also noted that public opinion formers’ influence did not reach all parts of all audiences, and that there would therefore always be a section of the population unaffected by anything they see or hear in the media.

3 Consider the influence of global competition in terms of its potential to impact, over the next 20 years, positively or negatively, on your organisation’s ability to develop its business in the context of obesity

The potential for global competition to act positively was seen by the respondents as growing over the next two decades (Figure 7). The UK food and drink industries are clear that they operate in a global context. The issues affecting participants’

Figure 7: Global competition: its potential to have a positive impact

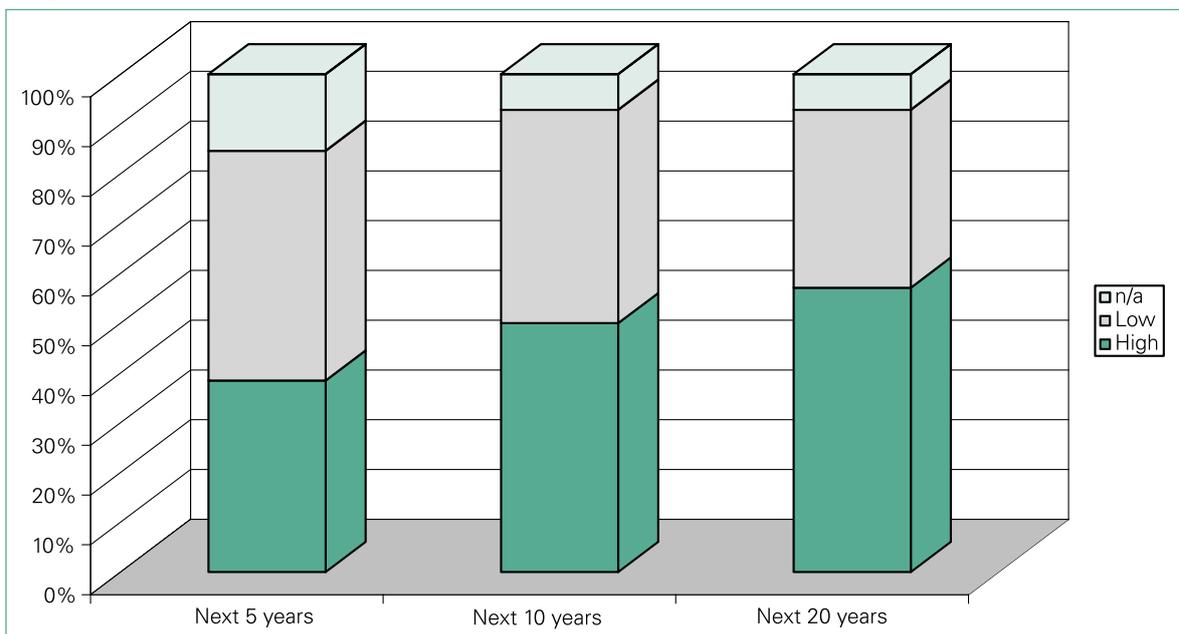
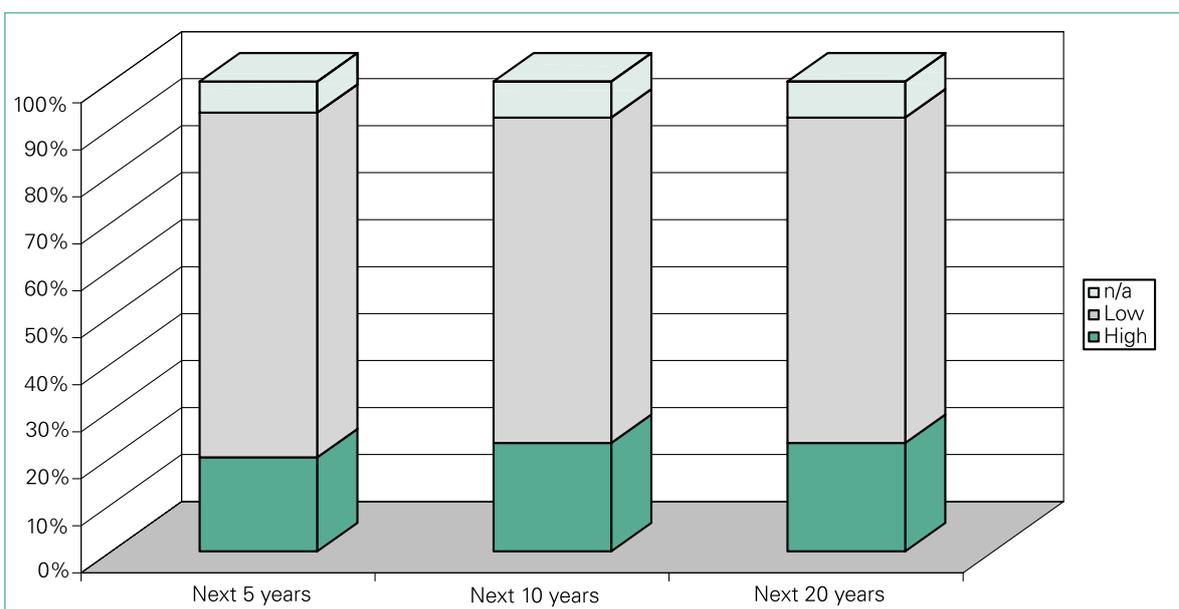


Figure 8: Global competition: its potential to have a negative impact





views of competitiveness were often seen by them in an international or global context. This is especially the case for big brand owners, who are not only dependent on a globalised supply chain but who often supply the same products (or variants) to a number of markets from a single manufacturing base. Retailers, while often not so directly engaged in competition on an international scale, are competing for products from the global supply chain. They are also, to an extent, dependent on their UK suppliers being able to pass on some of the benefits of their globally competitive edge.

Competition, however, was, in this context, mainly seen as sharpening the food chain industries' responses to consumer demands. Many saw competition as providing opportunities for food chain companies to thrive while helping to combat obesity, raising, for example, the level of product innovation and reformulation. Thinking competitively in global terms was believed by some respondents to enable rapid transfer of best practice, e.g. the implementation of new technologies that enable new product development or novel business practices to address obesity. A good example of this is the transfer of the Be Treatwise¹⁸ labelling initiative to the Australian market as a voluntary industry scheme.

Some respondents felt that obesity was a global concern and that solutions would be competitive issues: 'There will ... be opportunities for products and services that provide a structured "weight management" eating programme', and 'The consumer mega trend towards "health" is coming through around the world and is now a commercial imperative for companies, wherever they do business!'

The potential for global competition to impact negatively was seen overwhelmingly as low (Figure 8) and was linked to the commoditisation of some markets. A number of participants did not see global competition as an issue in the obesity scenarios, claiming that, while there will always be global brands, consumers will stay broadly national in outlook. Others suggested that, where competitiveness comes into play in the area of obesity, it would be identifiably a localised issue: '... cannot see how global competition would affect obesity. Retailers may well increase competition on healthy living ranges locally.'

4 Consider the influence of technology in terms of its potential to impact, over the next 20 years, positively or negatively, on your organisation's ability to develop its business in the context of obesity

Technology was overwhelmingly seen by the respondents as a potentially positive influence (Figures 9 and 10). However, there were substantial concerns about its acceptability linked to its manageability in a food context, which led to it being seen by a minority of respondents as a potentially negative influence. There is also a substantial body of opinion that technological advances will be no substitute for consumer behaviour change.

Figure 9: Technology: its potential to have a positive impact

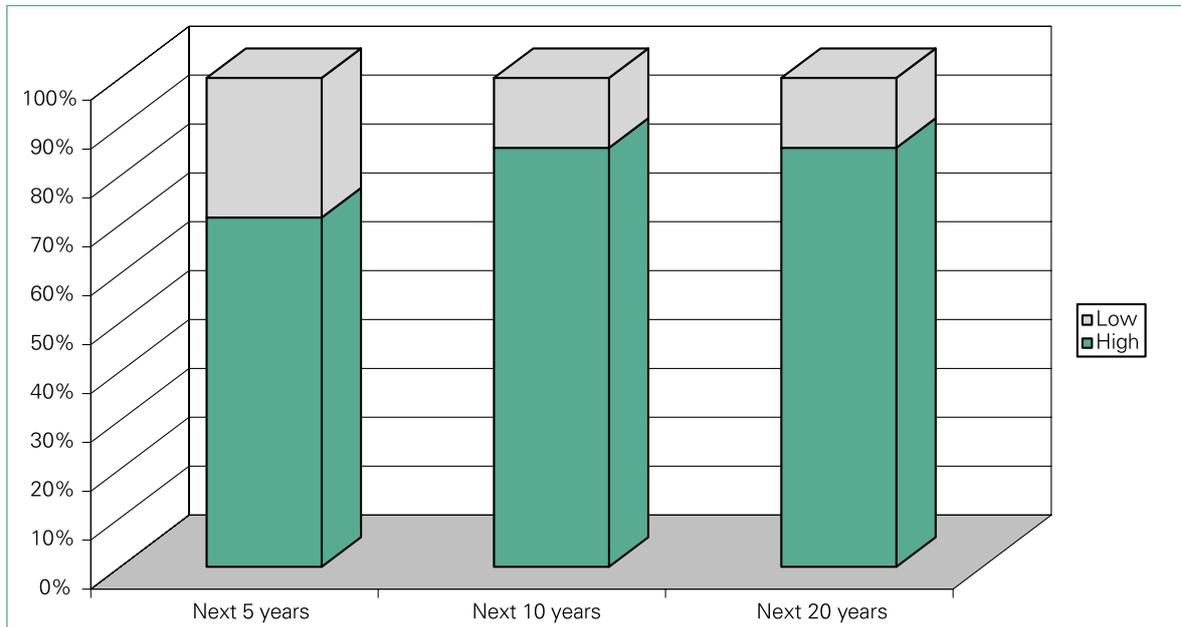
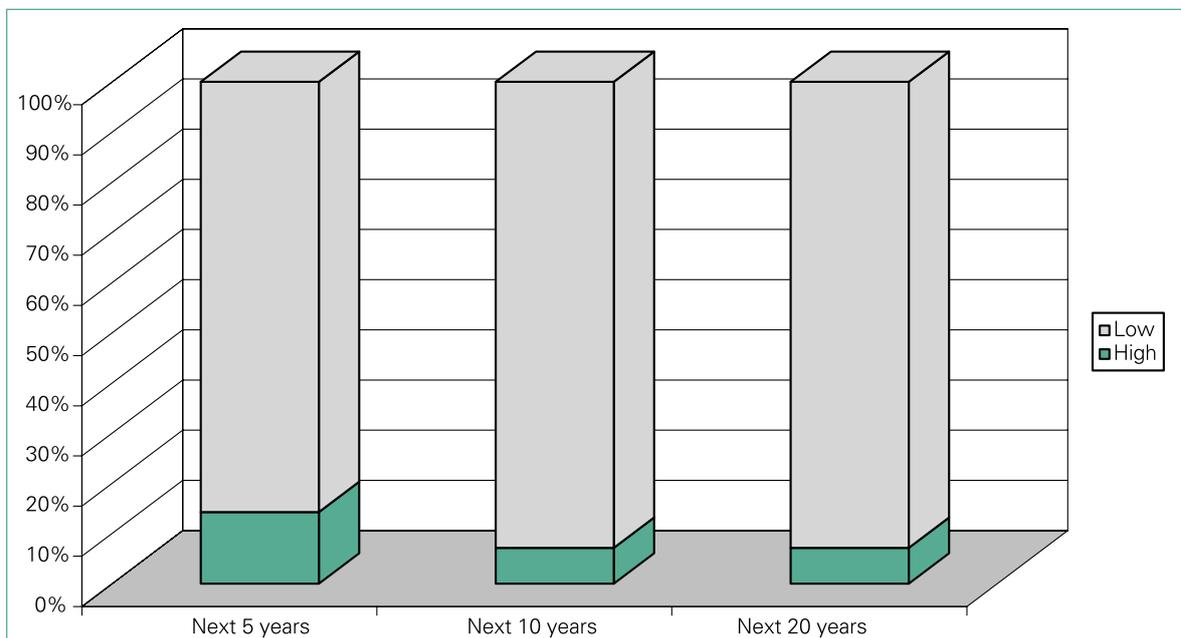


Figure 10: Technology: its potential to have a negative impact



Responses in the technology arena raised clear links with other areas of influence in the survey, especially those of public opinion formers and regulation. Manufacturers, in particular, are sensitive to the idea that the technological benefits of an innovation may not, certainly in the current climate, be enough to guarantee its acceptability with the consumer. So, while participants saw great potential for combating obesity by technological means, this was accompanied by substantial caveats based around acceptability issues:



- It was by no means a given that an innovative product would be a commercial success – even if the technology was acceptable to the consumer: 'Technology, providing it is acceptable to consumers, could provide positive opportunities. In the short term, we have already seen that food technologists can reformulate products, for example, to remove trans fats and increase satiety, but historically, the majority of biscuits, cakes and confectionery with reduced fat or sugar that have been launched into the market have failed. The exception is sugar-free chewing gum.'
- It will be important that UK (and international) food and drink regulation does not develop in such way as to stifle product innovation based on technological responses: 'There may be opportunities for product reformulation that could enable the food industry to develop lower-fat and [lower-]sugar products while retaining sensory properties of the food. However, this is a long-term technological goal that needs to be supported by the appropriate regulatory environment. For example, the use of sweeteners as sugar substitutes is currently constrained by the regulatory guidelines.'
- Any perception that food has been 'tampered with', by technological or other means, leads to suspicion by consumers: 'Advances in technology can assist in broadening the range of products available to consumers. However, technology can also have limitations and should not be seen as a panacea. Many consumers are a little scared of "technology". They want what they perceive as pure and unadulterated food as much as possible, if recent consumer surveys are to be believed.'

This last point is reinforced both by memories of what was described by one respondent as a 'badly handled debate' on the introduction of biotechnology, and by a perception that public acceptance of science and technology in the UK is low. Some respondents acknowledged that: 'Opinion formers wary of technology have the potential to raise "GM"-type debates on every possible aspect of the food chain.' It was felt by others that: 'There are also emerging technologies in the biotech and communication/data-handling areas which give rise to possibilities for diet and nutritional targeting at the individual level.' ... 'The issue of public acceptance of GM materials will certainly have to be tackled in the UK again in a five-year timescale.'

Responses also highlighted the limitations of technology and the danger of looking for a technological 'silver bullet'. And it was noted that technology was a major driver in the decline in calorie expenditure in recent decades: 'Technological advances e.g. in transport, communication or entertainment, typically reduce the need to expend energy. Therefore there is some risk that calorie expenditure continues to decline while calorie intake remains constant.'

5 Consider the influence of politics in terms of its potential to impact, over the next 20 years, positively or negatively, on your organisation’s ability to develop its business in the context of obesity

The issue of politics clearly exercised most respondents, and opinion on the potential impact of politics was divided. While there was some agreement among respondents that politics could be a positive influence (Figure 11), there was a clear bias towards the opinion that politics has a high potential to have a negative impact (Figure 12). Politics was seen to overlap with most of the other areas of

Figure 11: Politics: its potential to have a positive impact

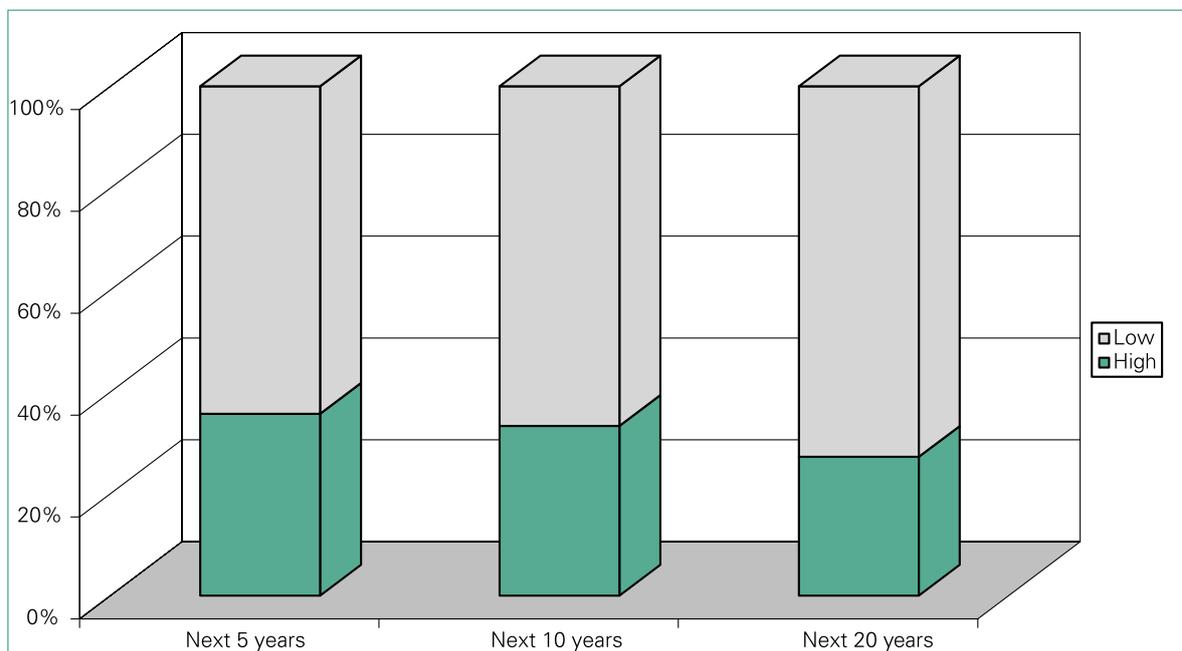
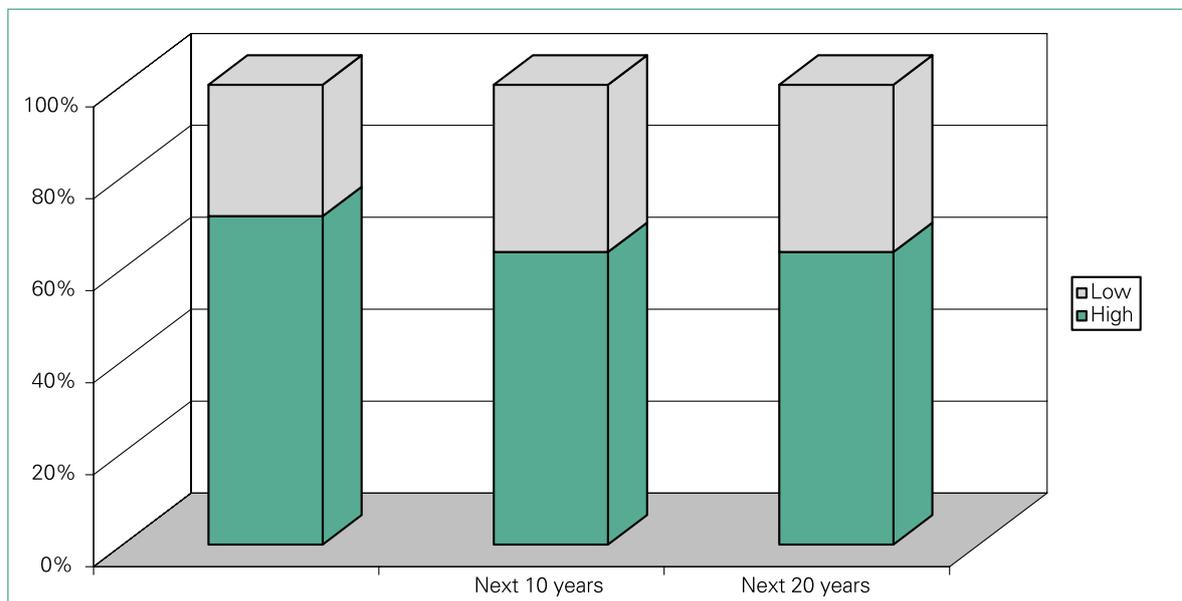


Figure 12: Politics: its potential to have a negative impact





influence included in the survey, and to be particularly associated with the subjects of regulation and public opinion formers : 'The current regulatory environment has become highly politicised and there is clear pressure that "something must be done." In this environment, there is a high risk that ineffective but populist regulation will be implemented.' ... 'Experience over the last five years suggests little force for positive change and willingness to address the issues in true partnership.'

Respondents gave examples of how politics could be a positive influence, but the politicisation of the obesity issue was seen as particularly problematical. There was a degree of pessimism about the willingness of protagonists to engage in meaningful dialogue with a view to establishing realistic strategies. The need for a partnership approach was stressed by respondents, although there was little belief among them that there is yet a real political will (among interested parties in the debate) to bring this about. A lack of 'joined-up' government was noted by some respondents as a barrier, although others felt they had seen an improvement in this area: 'There is a clear political will to intervene to reduce obesity in children. However, so far there is no evidence that politically expedient interventions will be effective.' ... '... more "joined-up" politics can positively help. The public service agreement on obesity is (hopefully) the start of such thinking.' ... 'The strongest role that politicians have played so far is in ensuring that the issue is high on the agenda. Unfortunately, they have not yet managed to create an environment where it is possible to agree on the priorities.'

The range of protagonists in this 'political' arena is wide: Government was seen by many respondents as taking a 'political' stance, rather than perhaps 'holding the ring'. Many respondents believed that opinion formers such as politicians, campaigning NGOs and arms of Government such as the FSA are promoting policies that are responding to a populist agenda and may have less to do with robust science and evidence-based interventions: 'While obesity remains a cause of public concern, Government will be under pressure to act and may seek to pursue actions that visibly tackle the issue, even if these are surface-level solutions that penalise the food industry as an easy target.'... 'The temptation will be (as now) for politicians to focus on remedies which get headlines (e.g. advertising to children, or food labelling) but which have little impact on the root causes of the problem.'

Examples of government action believed by many respondents to be the result of a 'politicised' process include the development and promotion of the 'traffic light' food labelling scheme and the introduction of advertising restrictions on certain foods – both require the development of 'nutrition profiling' for the classification of food and drink products. 'The political need to demonstrate action and implement a populist agenda, appears to have overridden long-term thinking and evidence-based interventions. Examples of this include:

- the 2005 announcement on the vending ban in schools, which was made at a party political conference before any form of consultation
- the FSA's promotion of traffic light labelling in the face of a compelling and robust industry-wide initiative to educate and inform on GDAs
- the proposal to ban advertising of HFSS [high-fat/sugar/salt] foods using a flawed nutrient profiling model and to extend the ban to under-16s.

The above examples are all characterised by a singular lack of evidence that they will impact in any way on the incidence of obesity.'

Respondents did, nonetheless, see a role for politics to deliver as a positive influence. The requirements for this, many respondents argued, include: the depolarisation of the arguments; a more robust, evidence-based approach to policy development; more deft handling, by Government, of high-profile opinion formers; consistent messaging around the issues; and substantial investment in behaviour change and information/education programmes: 'Politics could [...] impact positively if it encouraged a sense of individual responsibility as part of the solution to obesity (in addition to working with industry, schools, healthcare providers etc.)'

6 Consider the influence of industry confidence in terms of its potential to impact, over the next 20 years, positively or negatively, on your organisation's ability to develop its business in the context of obesity

The UK food and drink industries operate in a highly complex environment. They respond to and anticipate consumer demand; they compete at the national, international and sometimes global levels for market share; competition is not limited to rival brands and products within strictly defined sectors. Consumers have access to a huge range of alternative 'solutions' to their requirements. At any given moment, from the point of view of the consumer, snack foods may compete with food-service options, breakfast cereals may compete with bread, which may be competing with fruit. Across all of these and other sectors, consumers are attracted to novelty and innovation and generally look for the lowest price possible. Most companies within the UK food and drink chain must also be very aware of the financial markets and their potential to have a positive or negative influence on their ability to compete.

Industry confidence, in this context, refers to the extent to which companies operate in a relatively stable regulatory, political and financial environment. Confidence translates into a willingness to invest in innovation, to change at a pace that does not damage their business, and to continue to operate in a climate that sees them as legitimate and, indeed, vital parts of society. As one contributor said: 'We are all in business to succeed.' ... 'Industry that is respected as a legitimate concern and has the freedom to succeed can play a key role in addressing the obesity issue. Fear of increasingly restrictive regulation and the continued demonisation of the industry is not conducive to a healthy partnership with stakeholders.'



Industry confidence was seen as having a high potential to have a positive influence (Figure 13). Opinion is a little more varied, both as to the relevance of industry confidence as an issue and as to its potential negative impact: a clear majority of respondents thought, however, that industry confidence had a low potential to impact negatively (Figure 14).

Figure 13: Industry confidence: its potential to have a positive impact

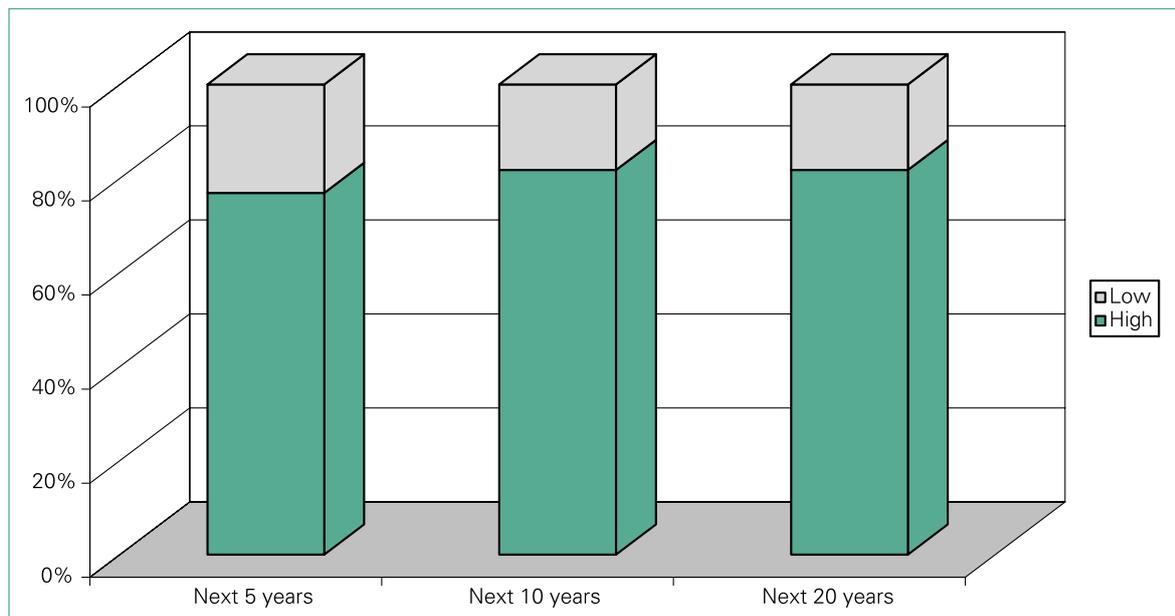
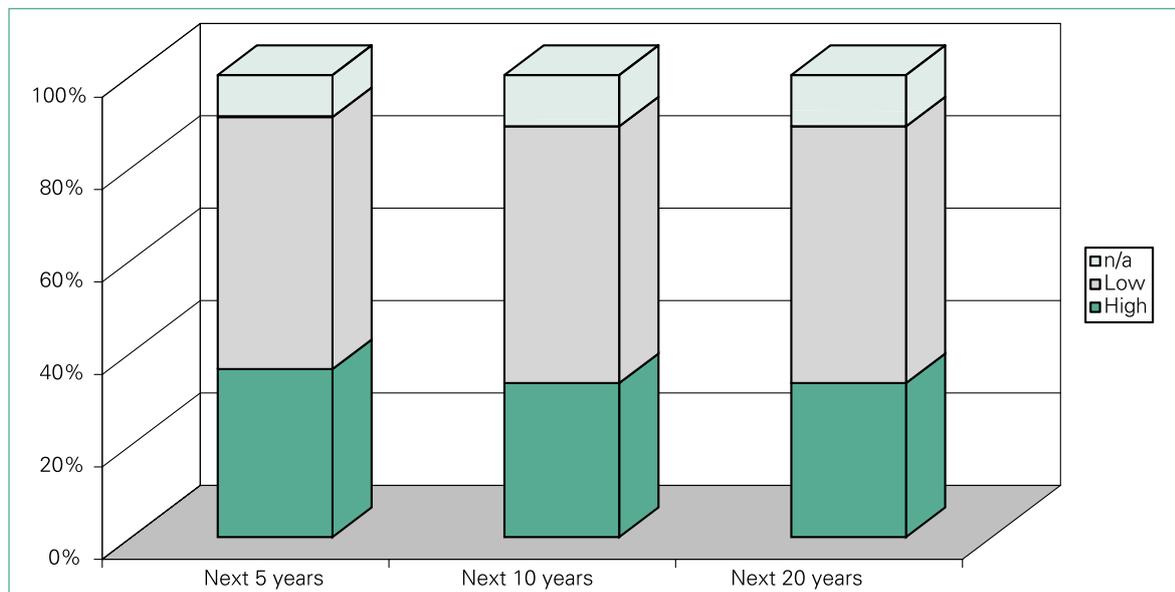


Figure 14: Industry confidence: its potential to have a negative impact



A number of respondents thought that the 'demonisation' of some products was leading to an erosion of the industry's collective reputation and position of trust among consumers. Looking forward, this could only have a negative effect on the confidence of the industry that it would be able to operate in a benign environment. Some respondents stressed the importance (or otherwise) of the respect enjoyed as a responsible industry as an influence on its ability to play a role: '... a food industry confident of its future will thrive as consumers look to us to meet their needs for greater choice and increased transparency on ingredients and nutrition.' ... 'The food industry can have a positive impact on obesity (through R&D, marketplace competition etc.). This is more likely to happen if Government treats the industry as a willing partner to help tackle the problem rather than condemning it as the cause of the problem.' ... 'Industry that is respected as a legitimate concern and has the freedom to succeed can play a key role in addressing the obesity issue.'

The obesity problem was seen as one in which industry has a positive role to play. Motivation ranged from recognition that it was not in the food industries' interests to exacerbate the problem, and that continued negative impact of the debate would drive distrust of the industry, to the belief that industry has a positive story to tell and is a natural source for the products, information and guidance that consumers will need in the future: 'The food industry has a very positive story to tell and is working together to ensure that it deploys its resources effectively in targeting the most relevant audiences. Inevitably, the industry is also competitive and needs to innovate and develop products/services which meet the diverse needs of its customer base. Working together to create the best playing field and then competing aggressively on it probably remains the most appropriate model through which we can best serve our consumers.'

7 Consider the influence of sustainable development in terms of its potential to impact, over the next 20 years, positively or negatively, on your organisation's ability to develop its business in the context of obesity

The term 'sustainable development' is becoming ubiquitous. The Department for Environment, Food and Rural Affairs' (Defra) website includes 'a widely used and accepted international definition of sustainable development' ... 'development which meets the needs of the present without compromising the ability of future generations to meet their own needs'.

Food chain supply issues in the context of 'peak oil', for example, are covered in Section 2.2. This particular section of the survey was referring to the impact of a developing consciousness among consumers of 'sustainability' issues on behaviours and policies of companies in the food and drink chain.



Areas of business affected now and in the future are wide-ranging and interconnected, but participants believed they would certainly include:

- procurement i.e. locally produced food vs. the 'food miles' issue
- processed vs. home-prepared foods
- sustainable farming and fishing e.g. organic vs. conventional; farmed vs. wild
- carbon emissions and climate change
- energy use and other environmental concerns.

The industry is clearly appraised of the challenges and opportunities developing from the sustainable development debate. In the context of combating obesity and how these developments might influence the industry's contribution, responses were mixed on the potential of sustainable development to be a positive influence (Figure 15): 'While the growing interest in sustainable development could divert attention away from nutrition ... believe this is unlikely.' However, there was clear agreement among the survey respondents that sustainable development shows low potential to be a negative influence (Figure 16). But, in the future, sustainable development issues could impact on how often people shop, what they buy and how they store and cook food. Potentially, this could have an impact on obesity but may affect other components of health e.g. micronutrient intakes (if say "non local" fresh fruit and vegetables were to be taxed highly).'

The concept of 'social sustainability' i.e. the industry's role in sustaining healthy consumers, was raised for exploration, as was the potential impact of sustainability measures on consumer behaviour: 'It depends on the definition of sustainable development that is used. In its broadest sense, it could include social sustainability (e.g. healthy consumers), and so could have a positive impact.' If, for example conventional production techniques were disadvantaged, whether by fiscal measures or in comparison to agricultural and horticultural practices attracting financial incentives, this could affect consumption behaviour: 'If sustainable development led to less efficient agricultural practices ... this could result in an increase in food prices. This might lead to a situation where lower-income groups were not able to afford fresh food like fruit and vegetables. This would have a negative impact on diet and nutrition.'

Respondents were aware that sustainable development issues could not be divorced from the other drivers of change or, indeed, from the all-important issue of competitiveness: 'There is currently a strong wave of interest in climate change and this is seen as being well correlated to the issues of carbon neutrality and sustainable development. Governments are also starting to take a very real interest too; e.g. The former Defra Secretary of State, David Miliband and the One Planet scheme, the recent Marks & Spencer (M&S) announcement on Carbon Neutrality etc. This is creating the situation of bringing together public concern/

Figure 15: Sustainable development: its potential to have a positive impact

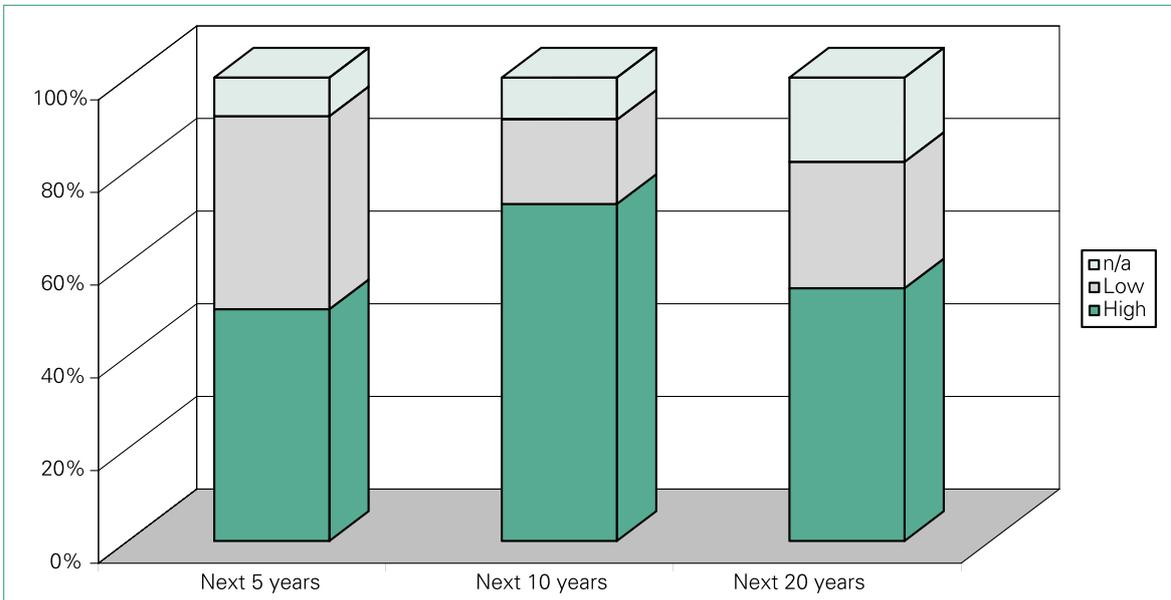
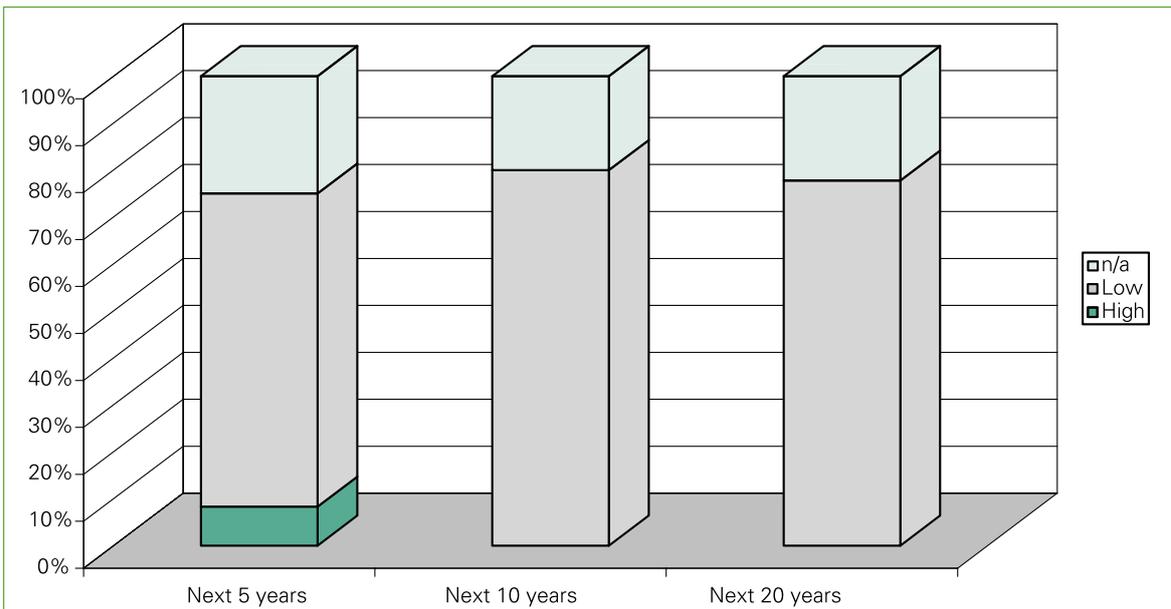


Figure 16: Sustainable development: its potential to have a negative impact





government desire for action/potential for first-mover commercial advantage, which has the potential to link into the obesity debate through issues such as minimising waste, reducing food air miles etc.'

The potential for conflicting outcomes of sustainability policies was clearly illustrated in a speech by FDF President Iain Ferguson, who said in 2007: 'The FDF supports the role that renewable energy from agricultural sources can play in tackling climate change and fuel security. However, ready accessibility to agricultural raw materials is essential for UK food and drink manufacturers – as purchasers of over two-thirds of domestic agricultural output – to meet consumer demands for food. As such, it is also a priority to ensure that EU and national policies formulated to increase renewable energy are managed in a way which avoids distorting the availability of agricultural raw materials for food and animal feed.'

8 Consider the influence of social trends in terms of their potential to impact, over the next 20 years, positively or negatively, on your organisation's ability to develop its business in the context of obesity

Businesses in the UK food and drink chain are dependent on their understanding of consumer behaviour for success. Whether retail businesses or companies supplying the retail sector, the ability to respond to – or better still, predict, to some extent – consumer attitudes is often the difference between success and failure, progress and stagnation. Successful businesses keep in close touch with emerging social trends and act accordingly.

By their very nature, social trends are difficult to categorise precisely, for example, under a label that says 'nutrition'. For the purposes of this report, the social trends discussed here are changes in consumer behaviours and attitudes with the potential to affect the way UK food and drink enterprises develop their business in the context of the obesity issue. The pace of change in modern society is accepted as a given by manufacturers and retailers of fast-moving consumer goods. While respondents identified a number of trends that could impact on their approach to obesity in the future, it is clear that these influences also cut across a number of the other areas examined in this report: 'Social trends such as increased awareness of health issues and access to information plus greater demand for choice will encourage the food industry towards product portfolios and communication initiatives that reflect these trends.'

Lifestyle habits are seen as important factors – for example, the growing trend for people to 'graze' i.e. eating different foods at different parts of the day rather than families sitting together at the traditional dining table. This is seen as being allied to other social developments such as the fragmentation of the family unit and the increase in working hours for many – with consequent loss of time for food preparation: 'There is increasing awareness of the obesity issue and it is more clearly being associated with different social groupings and with geographical

Figure 17: Social trends: their potential to have a positive impact

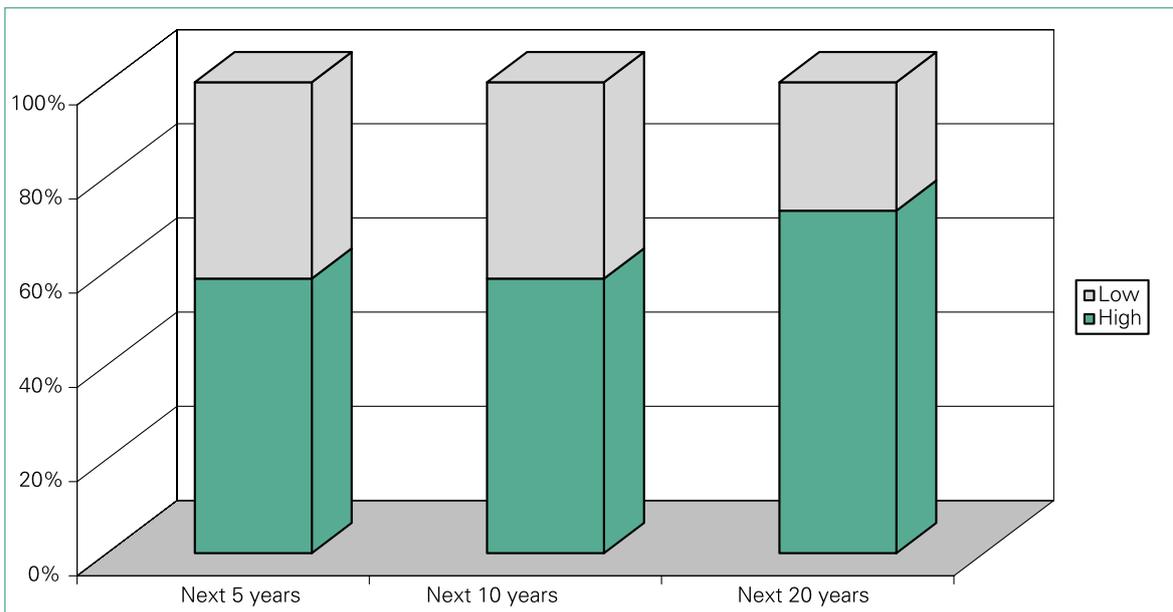
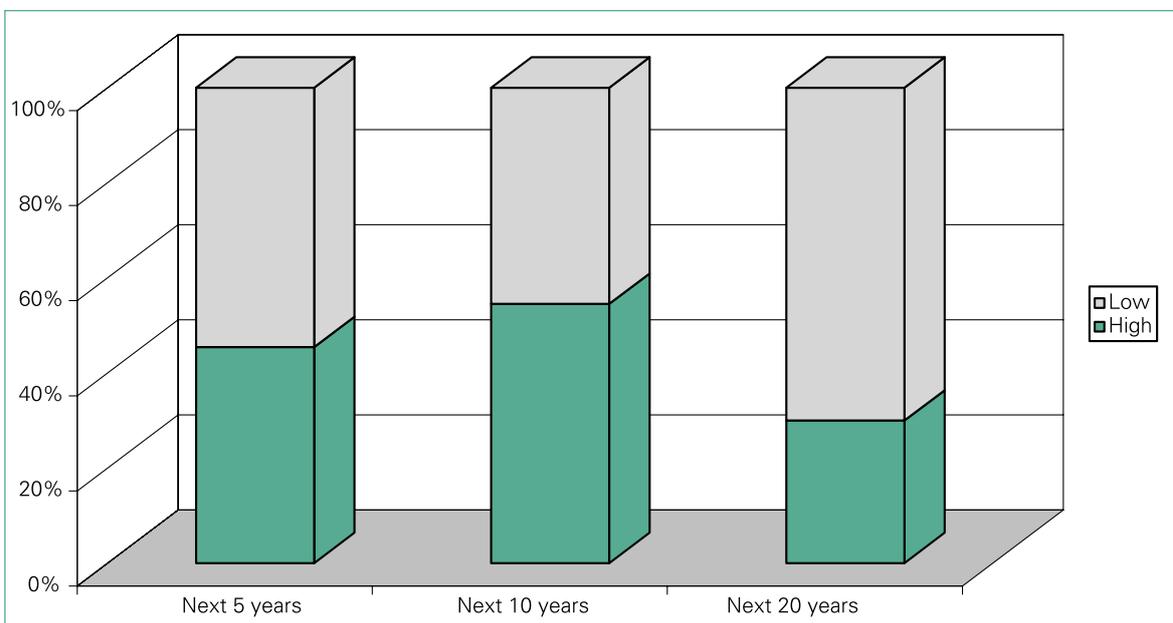


Figure 18: Social trends: their potential to have a negative impact





location. The ageing population and the reducing birth rate will result in a changing demographic profile such that fewer workers will have an increasing burden to support. The strong correlation of obesity with higher later-life costs will become more obvious. Current health information is already signalling this emerging situation and we can expect to see the message being sharpened quickly.'

The increase in the importance of leisure activities, including eating out, also impacts on how manufacturers and retailers interact with consumers, as does the growing interest in health and well-being. This has brought with it the development of innovative products and growing demand for clear information about the food consumers are eating.

The correct reaction to these trends is seen as essential to retaining the trust of consumers, without which industry's contribution would be diminished, although some participants identified an erosion of the industry's reputation in light of what is perceived to be the negative impact of many opinion formers: 'If we don't react positively to social trends, in 10 years, they will become a negative force.'

Nevertheless, many of these social trends are seen on balance as having the potential to be a positive influence on the industry's ability to contribute, and the industry sees itself as being well positioned to manage these: 'Growing interest in health could contribute positively to industry's response to obesity e.g. increased demand from consumers for healthier choices e.g. products with more fruits and vegetables, less fat, more appropriate portion sizes.'

A number of industry information and education initiatives are already in place, and innovation is evident on supermarket shelves with both the reformulation of existing products to reflect changing consumer expectations and the development of new lifestyle-oriented products. Many examples are available in the FDF's [Food and Health Manifesto: Delivering on our Commitments](#).¹⁰

2.2 Questions on key developments

What developments will most impact on your ability to react to the obesity issue?

In addition to considering the influences that may act on the industry, survey participants were asked to consider a number of questions relating to the possible development of the market over the course of the next two decades. The developments respondents felt they might have to deal with fell into two broad categories which reached across a number of the "influences set out in the survey: technology/regulation and consumer behaviour. The development of scientific research, particularly with a view to increased understanding of satiety and better understanding of the root causes of obesity was viewed as an important area. Changes in claims legislation and enforcement were also felt to be important.

Reformulation and innovation

On the issue of whether companies are switching from high-fat/sugar products, it was clear that companies within the industry are aware of increasingly health-conscious consumers' requirements. However, while many respondents are reformulating 'standard' products or introducing recipe variants, other approaches could be adopted. Consumers will continue to demand 'indulgence' products, such as premium chocolate, as well as 'better for you' variants. Both have a role to play and the delineation between the two may become increasingly pronounced. One respondent stated: 'It is likely that even in the future there will be consumers who want to buy high-fat, high-sugar products. In the future, perhaps these types of foods will be sold in smaller portions than currently to help consumers eat them in moderation.'

New product development is also seen as key in conjunction with the development of new processes and farming techniques. In this respect, recipe change and palatability are cited alongside innovations to help increase the consumption of fruits, vegetables and whole grains. A potential lack of high-calibre food scientists and technologists would certainly impact on the industry's ability to react. The opportunities for specific-ingredient reduction are limited in some food categories: reformulation of chocolate, for example, is: 'limited by technology, as well as regulatory constraints'. The trend towards reformulation in some areas is not limited to fat and sugar. The FSA has been working with the industry for some years, and with some success, on salt reduction. Companies will look to continue these advances if there is a continued demand for reformulated products and if technological developments enable it. This is an important caveat as many participants felt that, for some product ranges at least, the current limit of consumer acceptance or technical ability has either been reached or is being approached: 'We are continuously assessing, improving and extending the nutritional quality of our product portfolio in line with dietary recommendations, including opportunities to modify the content of energy and added sugars. We have already made substantial changes to remove saturated fats, trans fats, sodium and added sugars from many of our products, and to ensure that the nutritional value of our products is effectively communicated. This includes steps to highlight products that meet specific standards for nutritional quality, based on international guidelines.'

The test will clearly continue to be consumer expectations: 'We will provide a product portfolio that reflects consumer needs and wants. This includes products that meet the needs of more health-conscious consumers, e.g. lower fat, salt and sugar. Our product portfolio is regularly assessed in light of emerging nutrition understanding and dietary advice. Therefore we will refine nutrient content as appropriate, building on previous reformulation such as the reduction in trans fats in all our products.'



The last few years have seen a dramatic increase in the introduction of so called 'well-being' products to our supermarket shelves. A number of respondents reported that they intend to increase investment in this sector. Others are holding a watching brief. The Institute of Grocery Distribution (IGD) believes that: 'many businesses will increase investment in this area as interest from consumers grows and the scientific base strengthens.'

Nanotechnology

'Nanotechnology futures are being considered in numerous fields. There are some hopes for new microbiological mechanisms of food production and processing, and for future ways to limit appetites and fat storage and adjust metabolic rates ... Nanomedicine may increase our ability to regulate signals in the bloodstream, and to adjust how individual cells respond to them in the body. Nanoscale sensors could improve our understanding of how different foods travel through and are used by the body, which may enable adjustment of food molecules or digestion processes, for example to reduce absorption of sugars or storing of fat around the body.'¹⁹

Most respondents were keeping an open mind and a 'watching brief' on advances in nanotechnology. One respondent stated that: 'While nanotechnology may offer some potential benefits to industry, it is unlikely to play a major role in obesity.' In general, the view was that the technology would be applied if: '... it provides an opportunity to add value to our consumer'. Potential applications cited were: 'improving the delivery, bioavailability and functionality of ingredients'. Such technologies would need to clear obstacles such as consumer perception and acceptability, which face the introduction of any high technology in the food and drinks arena.

Peak oil

The issue of 'peak oil' – essentially the theory that the production of crude oil has now, or will shortly, peak, leaving society with the need to adjust its energy and particularly its oil-use policies – was not felt to be clear-cut. If the 'peak oil' theory is proved, strategies will be required to support the transport and storage of food products, especially frozen or chilled products. Clearly, outcomes will, to some extent, depend on the development of other sources of energy: 'The impact on the food chain could be massive and have a major impact on economics and the infrastructure of the food chain.'

Some respondents, but by no means all, were clearly focused on the issue and are taking steps to develop new methods of production and distribution'. 'Peak oil' will affect the food industry not only in manufacturing, but transport and storage (especially cold/frozen chain) of ingredients and finished products. It will also affect the economics of global vs. local sourcing.'

More widely, planned and cited developments in energy-use reduction are set in the context of a sustainability strategy, rather than as a specific reaction to the issue of peak oil: 'There is a constant search for processes and sourcing and distribution models that reduce energy needs, for both financial and environmental reasons.'

Biotechnology

The potential for biotechnology to have a role in future in the food and drink industry is affected by the (as described earlier in this report): 'Continued rejection of GM technology and a badly handled debate ... [which is] likely to cause consumer resistance to the adoption of new technology.'

A 2002 report from the Better Regulation Commission¹⁷ stated: 'The biotechnology industry claims that the controversy surrounding GM crops has had a significant impact on the UK economy. One observer has suggested that the UK could be up to £2 billion worse off. The expertise in this field is now to be found outside the EU, primarily in the USA. To date, countries growing GM crops have not reported any significant environmental damage. It could be argued therefore that options were closed off prematurely in the UK, although it should be added that this does not necessarily mean that there is no risk.'

A number of participants rejected a role for biotechnology: 'While it is possibly that biotechnology has a role to play, it is not likely to play a major role and may not be acceptable to all consumers.' ... 'Not a proactive area of development for us.'

The majority, however, clearly felt that biotechnology could play its part in the industry's response to obesity in the coming decades: 'In health and nutrition, there might be particular applications in improving nutritional quality and the generation of (novel) functional ingredients.' The technology is also seen by the UK food and drink chain industries to have potential in areas other than direct application to products, for example, in our understanding the role of genetics in predisposition to obesity, which could potentially help consumers manage their lifestyle.

However, 'GM' technology was still held by some respondents to provoke suspicion in consumers. They were firm in their belief that biotechnology could only be reintroduced: '... if and when we see that this technology can add value for our consumers, with their knowledge and acceptance.'

Neuroscience

'We may soon understand the main neural components of motivated behaviour and temptation, and how drugs and certain other stimuli affect these. One goal is to determine the brain circuits that mediate pleasure and reward, craving and



withdrawal; another is to understand at the molecular level the processes of satiation, and relate these to behaviour. By 2025, the brain circuits of learning and memory, action and motivation should be well understood and carefully tailored programmes to support behaviour change and weight loss should be possible.’¹⁹

While some participants either were not yet sure about this or thought it ‘not applicable’, responses on the potential role of neuroscience were largely positive. Respondents cited the potential for new product development if industry could: ‘... better understand the mechanisms behind food choices and over-consumption’. One aspect in particular here was thought-provoking: ‘One of the drivers of excessive consumption is failure to respond to satiety signals. Better understanding of this aspect of neuroscience may have application in the acceptance of reformulated products that deliver sensory cues but do not trigger satiety signals.’

It was thought that better understanding of satiety mechanisms would help consumers manage calorie intake. Also that neuroscience may offer significant research tools for understanding and developing food-based strategies to enhance mental development/performance and/or food acceptance and intake.

Consumer behaviour

We asked respondents what cultural or societal changes were likely to have an impact on their reaction to obesity. One of the most consistent responses was the development of knowledge around consumer behaviour in relation to obesity, for example, around genetic predisposition to obesity. Participants felt that any changes to consumer motivation as a result of, or in combination with, the development of nutrition knowledge among consumers would bring about significant impact; as would anything that might deter people from exercising physically, such as developments in transport technology or social movements that kept families at home for more of the time. Other potential headline issues might be changes in economic barriers or the introduction or withdrawal of stimuli to innovation.

Social trends

The furore generated over the provision of school meals demonstrated how the image, and sales, of a brand can be affected if given a high – negative – media profile. We asked how, in the future, food and drink brand owners might respond to demands for instant change in product ranges – often as a result of emotionally charged, but not necessarily balanced, arguments.

Respondents felt that, while food brand owners can’t provide instant changes, they can move more quickly now than in the past: ‘Listening to the consumer is key. If food brand owners are part of discussions, they can then be more proactive

rather than reactive. Additionally, this approach will lead to more realistic goals and timeframes for “instant changes” expected’. While some thought that flexible production systems were helpful in this situation, almost all were focused on key attributes being associated with the products or brand:

- openness, including 'better labelling' and 'education'
- good understanding of consumers and markets, leading to ...
- awareness of such trends before they take place
- being proactive rather than reactive to emerging health and nutrition issues
- distinguishing genuine change from a passing fad
- providing alternative choices and options where legally and technically feasible.

As one respondent said: 'The challenge manufacturers face is to translate nutritional best practice (e.g. lower salt) into products that are acceptable and affordable. Consumers develop strong brand and product loyalty and are generally resistant to change. Therefore change needs to be gradual, i.e. done in partnership with consumers. A more helpful approach would be to reconcile the demand for instant change with a realistic timeplan (years not weeks) on which key stakeholders can align.'

'Local' and 'personal' foods

One seemingly impenetrable conundrum facing the UK food and drink chain industries is the challenge of reconciling growing calls for 'local' and even 'personal' foods with the workings of a large-scale, industrialised industry that has developed to benefit from economies of scale and synergies between markets. How might this affect the industry?

The issues underlying this trend are linked to the multi-faceted idea of 'sustainability'. Many consumers believe that food should be produced and sold 'locally', although it is not always clear what the definition of 'local' is. Currently, a significant part of this market is being served by small-scale producers and farmers' markets, the phenomenal growth of which testifies to the strength of the 'movement'. The Certified Farmers' Markets website criterion is that: 'All products sold should have been grown, reared, caught, brewed, pickled, baked, smoked or processed by the stallholder.'²⁰

It remains to be seen whether the level of interest in truly local or 'personal' foods will reach a level where it becomes a meaningful opportunity for large-scale manufacturers and retailers. A number of difficulties for large-scale organisations arise. When the basis of the 'local' or 'personal' aspect is 'fresh' produce, it becomes necessary to reconcile the seasonality of 'local' produce with the consumers' expectation of year-round availability. The issue of 'local' brings with it



other difficulties in that, by its nature, it presents limited potential for growth. It can also – in the context of some companies and categories – often mean, according to one respondent: ‘a sizeable geographical and population range’.

Most global food companies retain a number of local/regional brands, and routes to a partial solution include: developing or acquiring ‘local’ products or brands with ‘sustainability’ profiles for companies’ brand portfolio; clarification or explanation of company heritage and associated corporate social responsibility positions; building more flexibility into production; and a clearer presentation of what is actually sustainable. Larger businesses can therefore seek to demonstrate that their products and their company ethos demonstrate – sometimes indirectly – the characteristics sought by this type of consumer. Put simply: ‘Consumers buy products for a host of factors, for example, local sourcing is one factor for some people. Companies will need to develop foods that fit with different people’s lifestyles.’

Cultural changes

The UK food and drink chain industries are clearly well appraised of the changing nature of the market and of society. Responses to the survey question ‘What cultural, societal changes are likely to have an impact?’ were almost all couched in global terms. Evolution and change are considered a normal aspect of the business environment: ‘Our industry is heavily influenced by changes in taste. Moves to different products are very common and, despite the industry’s apparent stability, there are many subtle changes taking place all the time. Most of these are driven by societal and demographic change.’ The list of potential changes and agents of change is substantial covering, but not exclusive to, three main categories: health and well-being; demographic change; and a growth in sustainability/environmental awareness among consumers.

Many of these cross over. For example, the rise of the over-50s age group will have an impact, as will the increase in groups with specific dietary needs (e.g. diabetics): ‘... the growing number of older people (i.e. an ageing population) and a growing understanding of the nutritional needs of older people’. People becoming more proactive with regard to their health and therefore diet and possible social stigma attached to being overweight also featured in the responses. Efforts to lead healthier lifestyles will increase interest in ‘better for you’ variants and functional foods. And increasing time poverty is believed to drive the need for convenience and indulgence; as does higher disposable income, particularly for the latter.

‘A demand for speed, convenience, health and value for money’ is set alongside ‘increased access to information, education and advice for consumers, leading to high consumer expectations’ and ‘decreased trust in authority and resistance to interference by the state.’ Increased disparity between the rich and poor, leading to greater market demarcation and differentiation is set in the context of:

'... education, multi-cultural society, having a focused message that works for everyone. What will that unifying message be?'

Respondents believed that factors such as ethical sourcing and the environmental impact of food products were becoming more important to consumers: '... increased concern for environmental issues leading to challenges on resource use, better awareness of food provenance, waste management and energy use.' This is set against: '[... an] increased desire for high quality food but with minimal effort in acquisition and preparation.'

In developing economies, issues such as the rise in the level of affluence, increases in population size and the growth in demand for 'affordable treats' were expected by the survey respondents to impact on UK companies. In the UK and abroad, straightforward issues such as 'changes in taste' sit alongside the more unpredictable: '... potential effects of [threats of] economic or bio-terrorism.'

Regulation/public health policies

The UK food and drink chain industries operate in a highly regulated environment. Reputable companies welcome regulation as being vital in setting and maintaining standards as well as providing an even playing field for all concerned. Many companies in the chain operate in a number of markets, in particular across Europe. In recent years, tensions between UK and EU regulatory mechanisms have occasionally surfaced and there is some uneasiness in the industry about the UK's future engagement with the development of regulation at the EU level. Against this background, we asked the survey participants: 'Going forward, what can UK regulation do to be effective in the context of an EU regulatory regime and a global market?'

Respondents identified a natural tension between 'appropriate' regulation and companies' requirement to maintain profitability. It was clear that the establishment and maintenance of regulations was seen as a task that should be undertaken by industry and regulatory authorities in partnership. A number of respondents were concerned at a perceived lack of robust scientific underpinning of some regulation, seeing a more political process of social engineering being played out through regulations at both UK and EU levels. While it was thought difficult for the UK to have a major influence on EU regulation, the importance of constructive UK participation in the development of regulation at an EU level was clear: 'The UK Government and regulatory agencies need to avoid an "island mentality". This means operating with a truly global mindset, and identifying and addressing the implications of domestic regulations on cross-border competitiveness. As one example, risk management i.e. policy and implications need to be considered in parallel with evaluations of risk assessment [rather than only afterwards].'



UK regulators were urged by respondents to work cohesively with international partners and avoid implementing UK-specific policies that are detrimental to the 'effective management' of international businesses. One example given was that of foodstuffs produced at a single site and supplied to more than one market. Such products are labelled in a way that is relevant to consumers in those markets. If brand owners adopt the UK 'traffic light' labelling initiative, for example, it is possible that this could require UK-specific packs, reducing the efficiency of packaging and supply processes in the view of some respondents. Participants felt that the regulatory process would: '... also benefit from more actively acquiring and using information about present views and future activities of major trading partners, so that the UK is not knowingly out of step.'

While it was suggested that the: 'EU regulatory regime in the end will dictate the UK regulations', some respondents felt that the most effective way forward for UK regulatory authorities is to: '... get to the legislation first, show it works and be proactive.' UK regulators and legislators should: '... take decisions in relation to regulation only on the basis of science-based research not public pressure, assumptions or as a gesture'.

New public health policies

We asked: 'What kinds of new public health policies or changes to existing policies are most likely to also have a beneficial impact on the food industry?'

Respondents felt that the keys to successful public health policies were proportionality and stimuli for innovation. They saw scope for policy makers to make greater use of the expertise in the industry, particularly in the assessment as well as management of risk. This type of approach, it was felt, could help ensure that policies are: '... realistic and effective in stimulating improvements in nutritional quality that are economically viable for producers and attractive to consumers.' Respondents would welcome a shift away from what they see as an ineffective emphasis on limiting intake of 'negative' nutrients, towards a more holistic approach. It was thought that this could generate a positive stimulus for innovation to improve the health and nutritional benefits of foods and also impact on the: '... problems [we have in the UK] with low intakes of a range of micronutrients and fibre'.

Respondents believed that public health policies in the food and drink arena should seek from the outset to show the industry that multiple solutions to a complex problem (i.e. obesity) are actively sought. Key elements of policies should:

- be evidence-based
- be proportionate
- include measures to evaluate their effectiveness

- be easy to apply across the environment and the whole of industry where there is a scientific consensus
- be beneficial to consumers
- tie in sensibly with European regulation, not taking an unnecessary nationalistic line.

Proposed UK labelling guidelines and some policies aimed at restricting marketing and advertising activities were cited by respondents as current examples of policies they felt could have a negative effect on the industry if not well handled. A sense that current (and potentially) future policies seemed: ‘... increasingly oriented towards a punitive approach (warnings, bans and taxes)’ was evident from responses: ‘Much policy making is oriented towards trying to deter people from buying the products they like, rather than stimulating manufacturers to make changes within the ranges of products that consumers actually want. This tends to lead towards relatively small islands of “health” products, often having limited consumer appeal, rather than an ocean of “healthier” products which are widely consumed.’

Change

The list of drivers of change generated by respondents is long and varied. Within the UK food and drink chain industries, the process of ‘change’ itself is accepted as natural and inevitable. It is a major element of the environment in which businesses operate. Successful businesses embrace this ever-changing state and the challenges to their professional ingenuity it brings. ‘Barriers to change’ were characterised as impediments to companies’ ability to develop and innovate. In this context, the social and commercial pressures exerted on companies within the chain were barriers – but were also there to be overcome: ‘A major barrier to change is the discrepancy between where consumers and Government are applying pressure (e.g. nutrition, safety, sourcing) as opposed to the factors that in reality continue to dominate consumer choice in the market (taste, convenience, price).’

Similarly, the tone of public debate on the issue of obesity can give rise to a defensive position rather than contributing to engagement by companies. Many respondents felt that, in the context of obesity, the level of responsibility attributed to food manufacturers, for example, was exaggerated and their ability to contribute to the national response was overstated. Such a situation can lead to polarisation among participants in the debate. Businesses may also be reluctant to make changes in response to demands based on what are seen by the industry as flawed reasoning: ‘Frequently the pressure to change that comes from an antagonistic source is met with resistance.’

Looking to the future, largely the same ‘barriers’ were thought likely to continue. Some specific concerns were expressed by respondents about the slowness of regulatory processes, for example, for novel foods and in relation to nutrition and



health claims, and concerns that suspicion towards science could also affect innovation. A particular barrier to change may well be consumers and their willingness to adapt.

The question as to who outside the industry 'prompts change', elicited responses that overwhelmingly prioritised the consumer. That the consumer can in turn be 'prompted' or influenced was also clear: 'Change is prompted primarily by consumers. Fundamentally, as a consumer-led business, our future direction is based on our understanding of consumer needs, current and future ... Government, media, NGOs aim to prompt change but are only successful when their prompt is aligned with a clear consumer need.'

Change is also prompted by developments in food technology, the academic environment underpinning nutrition and other food-related sciences and the emergence of new social trends and concerns – food provenance, climate change and sustainability issues being examples.

Table 1 summarises the drivers of change identified by the participants in the survey.

Table 1: Drivers of change, as identified by participants

- Globalisation
- Increasing costs especially with respect to energy, materials, labour and legislative compliance
- Downward pressure on prices
- Changing business ethics and changing consumer demands
- Pressure from Government
- Competitive intensity (promotes innovation)
- Nutrition and health issues, including obesity
- Environmental issues, e.g. global warming
- Shifts in economic power towards developing regions
- Consumer needs and expectations
- Consumer, societal and economic trends
- Environmental issues e.g. climate change, availability of natural resources
- Concerns about food production/sourcing (e.g. biotechnology, 'fair trade')
- Increasing levels of social responsibility at the individual level, as reflected within the industry, i.e. a strong desire to drive good corporate citizenship
- Food research and innovation

Other issues with the potential to impact on the ability of those in the industry to ‘change’ were mainly but not exclusively in the areas of legislation and regulation and are summarised in Table 2.

Table 2: Drivers of change generally relating to legislation and regulation, as identified by participants

- Legislation that might prevent legitimate claims for improvements to nutritional quality
- Policies or practices that fail to provide economic stimulation or reduce the scope for innovation
- Policies that inhibit commercial success, thus reducing the freedom to invest in innovation
- Competition policy, planning, high cost base
- People capability within the industry as a whole
- Technological barriers (taste, suitability of certain ingredients), as well as consumer preferences and legal requirements (e.g. certain minimum compositional requirements under EU law)
- Consumer acceptability, particularly palatability and the cost of change (will consumers bear this?)
- The perceived business risk of changing well-established product formulations

Prompting change

Table 3 summarises the respondents’ ideas on who, outside the industry, is ‘prompting change’.



Table 3: Respondents' ideas on who, outside the industry, is 'prompting change'

- Leaders with insight and customers' needs and demands
- Government, consumer groups, the media
- Different outside forces prompt change at different points and timescales:
 - Long-term changes in health and nutrition – and especially proactive change – stems from and requires academic underpinning.
 - In the short term, change is very clearly driven by consumers, who can be stimulated especially by media and to a lesser extent government communication.
- Food technology tends to prompt change more in 'how' (ability, form or speed to execute) rather than 'what'.
- We are now dealing with a much wider range of stakeholders than in the past (e.g. the whole spectrum of 'civil society').
- Change is prompted primarily by consumers. Fundamentally, as a consumer-led business, our future direction is based on our understanding of consumer needs, current and future.
- Government, media, NGOs aim to prompt change but are only successful when their prompt is aligned with a clear consumer need. Frequently, the pressure to change that comes from an antagonistic source is met with resistance.

Leadership

Companies within the chain often saw themselves as leaders or looked to multinational brand owners or major multiple retailers for leadership. The CSR agenda was cited as one source of leadership from within companies. The industry itself was seen as a main driver for innovation.

Leadership was also to be looked for in trade associations and other organisations: 'It is difficult to find single voices that can speak effectively for the entire industry, because the interests and strategies of different companies and product sectors differ widely.' ... 'Various trade associations play an important role within the food industry, both at a UK and European level.'

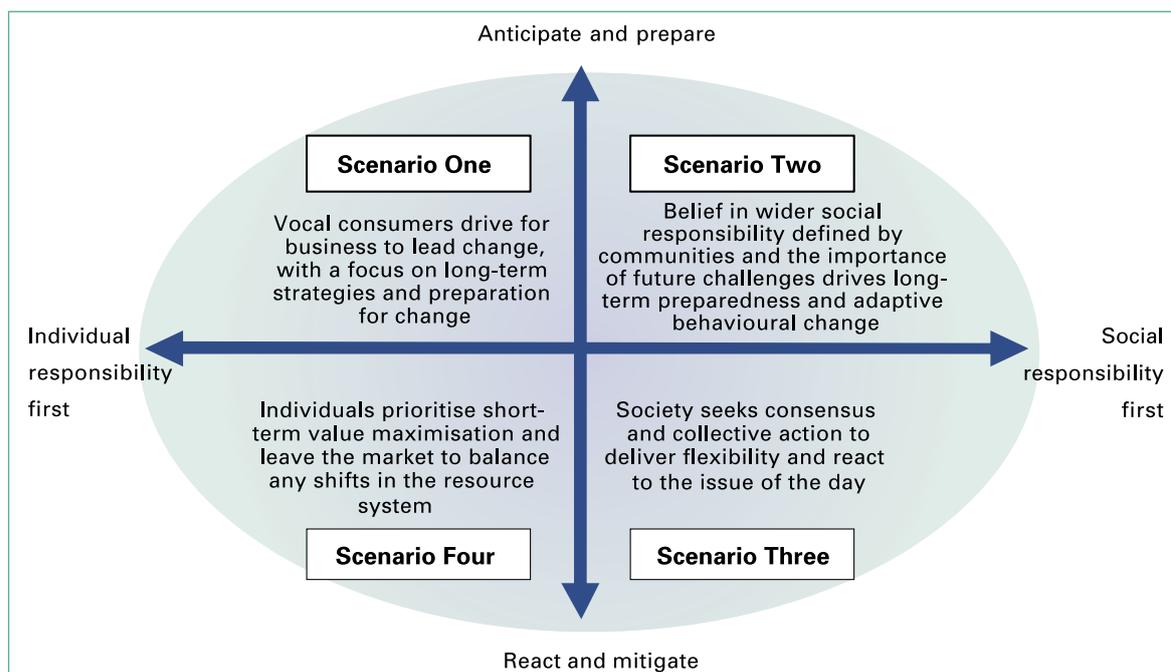
Organisations cited included:

- UK: Biscuit Chocolate Cake and Confectionery Association, (BCCCA) Food and Drink Federation; (FDF); Institute of Grocery Distribution (IGD)
- Europe: CIAA – Confederation of Food and Drink Industries of the EEC (Policy), ILSI – International Life Sciences Institute (Science)
- Global: World Health Organization/Codex Alimentarius (standards)

2.3 Scenarios of possible futures^a

Scenarios build contextual pictures of the future, drawing on a host of macroeconomic, scientific, technological, lifestyle and geopolitical factors. The scenarios constructed for the Foresight project explore how drivers of change may impact on the UK in the next 40–50 years. They are intended to provide different external contexts through which the influence of external factors on public health and obesity in the future will be explored and appropriate and sustainable responses identified. Developed by a cross-section of project stakeholders from academia, Government and business, in their final form they will be a tool to help policy makers think about how future policy might play out in different kinds of worlds. Figure 19 summarises the Foresight project scenarios which feature in the [Foresight Tackling Obesity: Future Choices report, *Visualising the Future: Scenarios to 2050*](#).²¹

Figure 19: Outline of Foresight to FC Project Scenario



^a The scenarios used in this survey were still under development. The final versions appear in [Tackling Obesity: Future Choices – Visualising the Future: Scenarios to 2050](#)



These scenarios are constructed around two major dimensions:

- future behaviour and values, particularly the possible path to greater individualism versus more socially minded behaviour (horizontal axis)
- the approach to large external challenges, how we tackle things and make decisions, with resources and the environment as major examples that could be addressed through fundamental adaptive change, or through reactive short-term actions (vertical axis).

Survey recipients were given a thumbnail sketch of the future scenarios under development by the Foresight project. We asked respondents to think about what each scenario might mean for their organisation and then answer a series of questions.

Scenario One

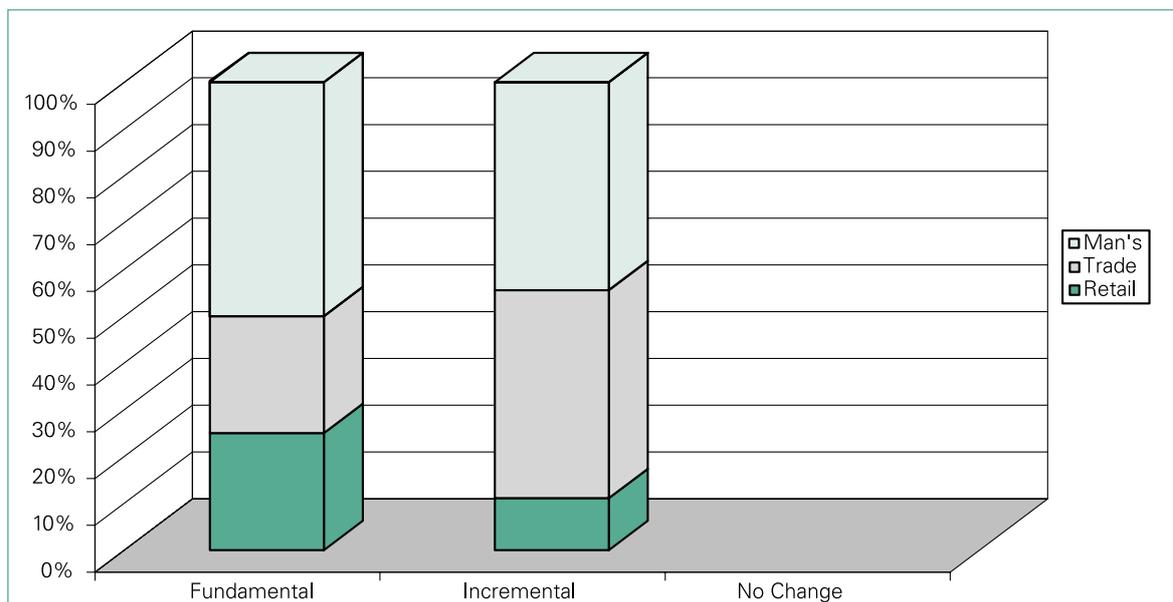
Key features: This is a market-led world in which the individual comes first. Consumers are powerful and vocal. Individual choice and personal responsibility is high but so are inequalities. Long-term thinking and planning is a core approach and individuals and the market drive long-term systemic change to tackle the 'big issues'. However, this focus on unexpected challenges can be at the expense of short-term issues and the unexpected. There is a holistic approach to health, with a focus on personalised prevention. A more detailed description is available in the [Foresight Tackling Obesities: Future Choices report, *Visualising the Future: Scenarios to 2050*](#).²¹

We asked: **In this world what would be the major challenges or changes to your business model?**

Respondents all felt that the scenario would require some change to current business models, with a ratio of two to one believing the changes would be incremental rather than fundamental (Figure 20).

While for some larger companies this scenario would present a challenge to the existing business model, many respondents thought that scenario was one that was familiar to business. Challenges could be recognised from the 'real' world and included changes in consumer behaviour; potential large-scale increases or decreases in sales volumes; shorter brand lifecycles, greater expectation of social/environmental responsibilities: 'Food manufacturers are highly responsive to consumer demand and are developed to respond to the consumers' expectations. In this scenario, manufacturers would invest in developing a wide range of functional foods to meet consumers' needs. Small companies with successful niche products would thrive although others would fail. Major manufacturers would also commit to providing lower-fat and lower-sugar products for those

Figure 20: Scenario One: changes to the business model By Manufacturers (M) Trade Associations (TA) and Retailers (R)



consumers concerned about their health, although the most profitable parts of their business are likely to be traditional favourites for those who are looking for an occasional treat.’

For some respondents, the way in which retailers decide to tackle this market will shape manufacturers’ options. A major challenge was thought to lie in managing the inequalities. It was: ‘... not clear about the way in which lower-income groups/ consumers make their voice heard’. Some respondents saw difficulties in attempting to set out an offering with universal appeal when the customer segments are so extreme and polarised: ‘Seeking out the common good and unifying propositions would be difficult.’ Companies would be attempting to develop cultures of long-term planning while responding to a large range of individual consumer and customer drivers without any overall binding theme: ‘Probably using new and emerging technologies e.g. nutrigenomics on a high-value product-first basis.’ In this environment, trade associations may have a role to play in finding consensus; they could be an effective driver for creating and supporting cross-industry schemes. While ‘traditional’ brands would still be at the core of many businesses’ offerings, they would be developing ‘alternative “better for you” [variants] for all core brands products which deliver specific health benefits’. This development could potentially be extended beyond dietary health to encourage psychological ‘wellness’.



Consumers in this scenario would want a personalised approach to products and services. While their fundamental requirement for products that 'taste good and are easy to prepare', would not diminish, consumers would be looking for products designed for their lifestyle and life stage – products that meet their specific personal needs, for example, more convenience, or tailored for their specific health requirement, e.g. reduced-cholesterol, gluten-free etc. Product ranges would therefore be seen as becoming 'more disparate.' While some respondents felt that some companies would be successful in making products increasingly personalised to meet the needs of individuals, others said that: '... as consumers demand more individualisation of choice, this could undermine some of the economies of scale that are important to big companies.' Specialist individual products produced locally, for example, would have serious implications for costs.

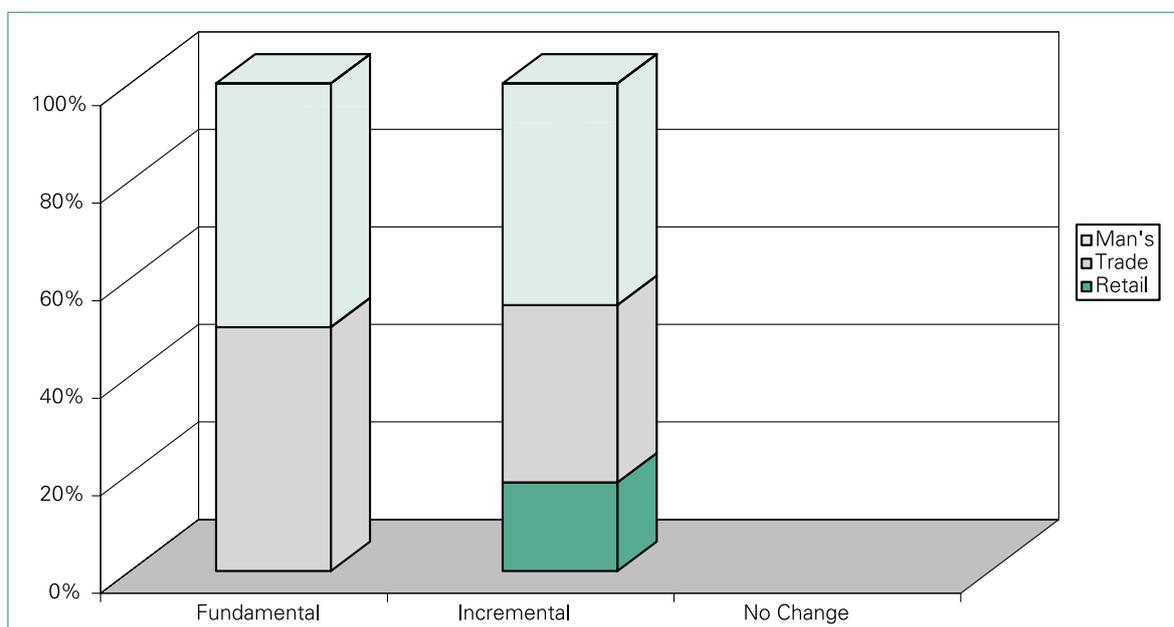
Scenario Two

Key features: Socially responsible behaviours are dominant in this world, with individuals seeing their role in the community as a priority. Trust in the market is declining and community-level action is strong. Long-term thinking and planning dominates over short-term perspectives facilitated by national government and local communities. Society acts to effect long-term systemic change to tackle the 'big issues' but with uneven implementation between regions. Sustainability is seen as a priority, along with a more holistic prevention-focused approach to health, and inequalities narrow. A more detailed description is available in the [Foresight Tackling Obesities: Future Choices report, *Visualising the Future: Scenarios to 2050*](#).²¹

We asked: In this world what would be the major challenges or changes to your business model? Respondents overwhelmingly felt that the scenario would require some incremental change to current business models (Figure 21).

In this scenario, the key drivers for companies are likely to evolve towards a blend of individual consumer needs and greater societal needs. The scenario is not seen as diverging too much from current industry views of the future: 'The food and drink industry chain is already responding to a significant change in awareness of the environmental impact of life in the developed world and recognition that it is not sustainable. The food industry is rapidly looking at ways in which it can meet the needs of consumers while increasing its commitment to minimise use of natural resources and maximise investment in sustainable business practices.'

'Some niche firms and brands with clear provenance will do well, and be able to command a high premium.' Major manufacturers would also invest in these areas. As a result, food could well account for a greater proportion of household spend among poorer families. There could well be a social cachet attached to the use of products with a 'fair trade' or organic-type brand value (and, importantly, logo) in the same way as the Burberry brand has become widely adopted.

Figure 21: Scenario Two: changes to the business model

With a decline in trust in the market to provide solutions, companies and industries would be expected to be more open about their operations, moving from 'trust me' to 'tell me' to 'show me'. This need to provide reassurance of nutrition or ethical credentials would challenge traditional labelling, communication and marketing approaches and would incur higher costs in the supply chain, creating further pressure to move away from small-scale suppliers to larger operations with the infrastructure to support this additional layer of service. There is also the possibility that manufacturing companies would consider relocation to an 'optimum carbon-neutral location'.

The scenario would see an increased emphasis on CSR – particularly for large, global businesses (and especially food processors). The focus would shift priority and resources from obesity and reformulation (personal health motivations) as companies sought to position themselves closer to those campaigns seen to be socially responsible: 'The challenge would be to educate consumers so that they reward the companies doing good things and doing them according to sound scientific principles, and punish the free riders.'

The respondents saw consumers as 'voting with their feet' and moving towards brands and companies that take a visibly responsible position regarding health and wellness and supply chain sustainability issues. Mainstream consumers (i.e. those who currently do not choose to pay a premium for 'niche' products and associated values) may move away from a 'commodity' view of food driven strongly by price and be prepared to pay for products with 'a clear social provenance' e.g. positive ecological/environmental characteristics that can be clearly identified. Consumers may also look for guarantees of product traceability, authority etc., say, by some



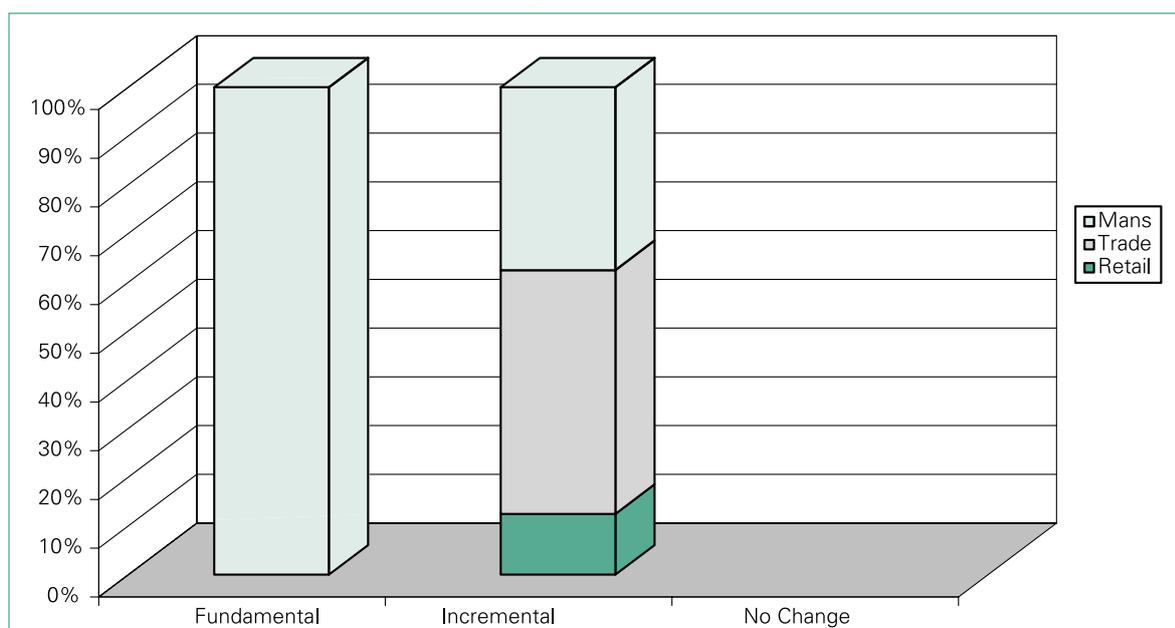
form of 'carbon footprint' or CSR labelling. However, some respondents felt that: 'This is still a small part of the population; if [these changes are] to happen, it is more likely to happen because it is driven by industry rather than by local communities.'

Scenario Three

Key features: Social responsibility is dominant and individuals look to each other for support for short-term concerns. Central government is looked to for immediate action on the big issues of the day. There is a drive for inclusivity, which increases the number of opinions, so consensus can be difficult to achieve. Lobby groups become particularly important. People focus on the immediate problems of the day and work to manage impact rather than tackle the underlying cause – this works sometimes but not always. Health systems are treatment-focused and aim to reduce disparities between groups. A more detailed description is available in the [Foresight Tackling Obesity: Future Choices report, Visualising the Future: Scenarios to 2050](#).²¹

We asked: In this world, what would be the major challenges or changes to your business model? The clear majority of respondents felt that the scenario would require incremental change to current business models, while manufacturers were split, with half seeing a requirement for fundamental change (Figure 22).

Figure 22: Scenario Three: changes to the business model



A number of companies felt that while this was the scenario most similar to today's, it would be the hardest of the four to manage, where NGOs and the media are dominant forces and: 'Politicians are pressed to give immediate answers, not always the best.' ... 'Opinions would be fickle and the environment would be constantly changing, with "little place for sound science"'

Some respondents saw potential changes as a continuation of their current approach i.e. reformulation of products towards a generally improved nutritional profile and an improved labelling methodology, and gradual adoption of broad CSR/ environmental drivers in shaping the product range. However, others saw the challenges as more acute: 'Among major companies, reformulation of products would continue, but would be heavily regulated with many specific targets. These would be driven by expectations of Government and lobby groups rather than consumers, so these products would not be commercially successful. Sales would fall and manufacturers of biscuits, cakes and confectionery would consolidate, becoming commodity-focused in the challenge to run profitable businesses, leading to even greater pressure to shift production to eastern Europe and China where costs are lower.'

Respondents felt this scenario lent itself more easily to opinion rather than evidence-driven decisions, which would adversely impact on commercial freedom. Strategic business planning would be undermined by the short-term character of the issues. This would bring about confused decision-making processes requiring 'excessive time spent in issues management', which would take resource away from investment in innovation and growth. Similarly, in this scenario, media and consumer groups would drive consumer hostility towards business and increase mistrust. This would diminish the space available for the company viewpoint in the debate – sometimes regardless of validity: 'It would be difficult to plan for the future and it would lead to less investment in research and long-term product development.'

There is likely to be greater pressure for regulation and control of business. This could lead to greater bureaucracy and costs, which could stifle enterprise among large legitimate businesses. Policy responses, such as the introduction of taxes on high-fat/salt/sugar foods, for example, could exacerbate these pressures, causing major companies to exit this market. This would not necessarily lead to a reduction in the availability of such foods, but would leave the market open for those who would compete purely on price, with no commitment to meeting 'social' goals. One potential development of this might be the creation of a 'black market' of, say, confectionery produced in emerging economies, with 'bootlegging' of currently popular brands satisfying the demand of those who wished to enjoy their favourite treats. Such a development could prove potentially disastrous for the future production of confectionery in the UK.



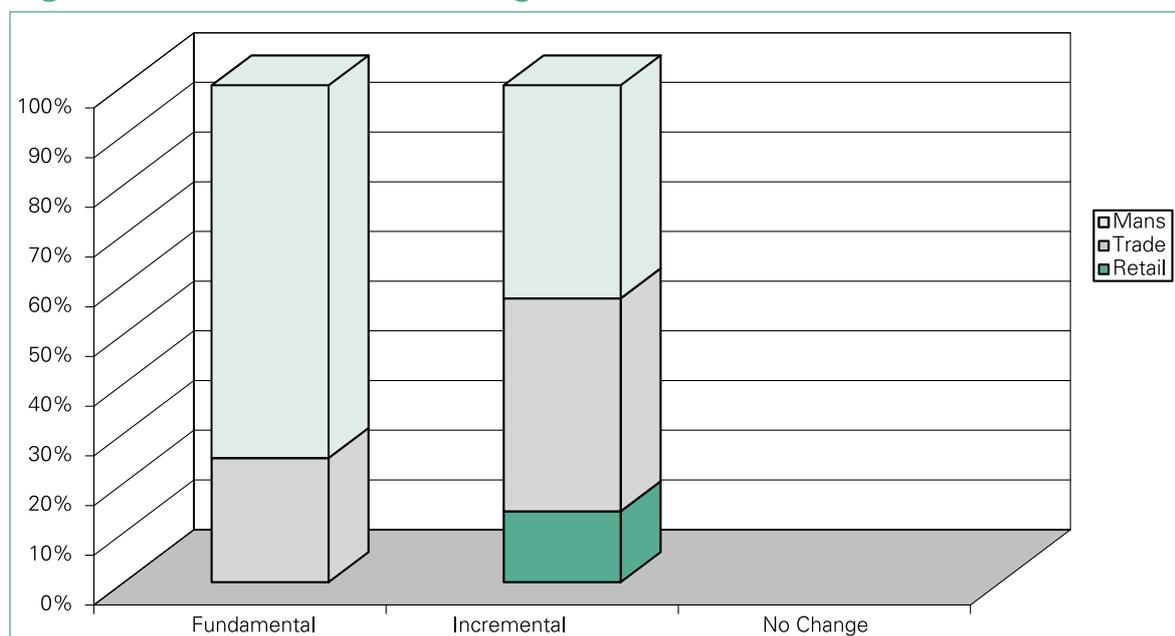
In this world, consumers would: ‘... still want taste and convenience at an affordable price.’ While longer-term trends towards better education and improved lifestyle were seen as being interrupted, consumers would, however, be looking for some kind of ‘assurance of ‘permissibility’ in the face of media and NGO condemnation of products which they would still wish to consume. Brand owners could face the dilemma of having to negotiate a course between: ‘products that do not necessarily meet consumer needs and are not viable long term’ and ‘products that are constantly demonised because they provide consumer value and satisfaction but do not meet the expectations of the pressure groups.’

Scenario Four

Key features: Individuals and the market look for immediate results. Work and innovation are rewarded; it is possible to win and succeed. Society is competitive, turbulent, stressful and successful. The market is volatile, with rapid but inconsistent responses to challenge. There is generally no perception of the bigger picture and individuals focus inwards and on reacting to problems as they arise. Personalised solutions abound but only for those who can afford them. Inequalities widen. A more detailed description is available in the [Foresight Tackling Obesities: Future Choices report, Visualising the Future: Scenarios to 2050](#).²¹

We asked: In this world, what would be the major challenges or changes to your business model? All respondents believed that the scenario produced challenges or changes. A substantial majority (7:4) felt that the scenario would require incremental change to current business models, while manufacturers were split, with half seeing a requirement for fundamental change (Figure 23).

Figure 23: Scenario Four: changes to the business model



This scenario was felt to be a mixture of near anarchy with a “survival of the fittest” overlay’. It provides particular difficulties for ‘marketeers’ in: ‘... determining relevant market segmentation together with gaining an understanding of the appropriate consumer drivers.’ It was assumed that regulatory restrictions would be less but applied in an inconsistent way. A measure of freedom from government intervention therefore is gained at the expense of an unstable market and loss of economies of scale. A volatile market will make it difficult for major firms to plan effectively and therefore run effective businesses. The scenario was said by one contributor to present: ‘... a fundamental challenge to our social and environmental profile’.

There would be a demand for products highly tailored to people’s individual needs and produced in convenient, single-serve, or ready-to-eat formats. Companies would widen their product portfolio with products rapidly going in and out of fashion, and some of the specialist lines currently produced would become more important: ‘... broad portfolio[s] ranging from indulgent products with high-quality ingredients to affordable products where provenance is not consumer-relevant.’ Product runs would be shorter and therefore more costly. Small firms may rapidly become successful but many would then struggle to enjoy long-term success, for example, by producing follow-up products. However, there would be little incentive to invest in long-term initiatives, such as product reformulation.

An explosion of niche products with a short lifespan in the marketplace would be instrumental in driving out the traditional business model. The challenges of preserving a broad customer base and providing robust product development and distribution strategies would be practically insurmountable for some. Short-termism and market volatility would challenge the freedom to plan effectively and the risk of business failure would increase. It is unlikely that there would be industry-wide approaches to major issues: ‘Businesses would drive harder for short-term success and reduce collaborative working.’ This could lead to a diminution of the role of the trade association, as the lack of incentive for long-term consensus action would lead to cuts and closures among trade associations to provide funds for short-term company initiatives, such as high-profile advertising campaigns.

Convenience would become an even more significant driver in the food industry. While demand would be fragmented, consumers would look for a wide range of products delivering ‘... more of everything, increased levels of newness and excitement’, including: bespoke products personally delivered; more personally tailored and convenient products or products they could personalise themselves. There would be high demand for confectionery, biscuits and cakes and for ‘... products that answer the latest fad.’



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4 Appendices

Appendix 1

Acknowledgements

The author would like to thank all those companies, organisations and individuals who participated in this survey and gave so freely of their time and opinions.

They were:

- Automatic Vending Association
- Cadbury Schweppes PLC
- Cooperative Group
- Beer and Pub Association
- Biscuit, Cake, Chocolate and Confectionery Association
- British Retail Consortium
- Federation of Bakers
- Food and Drink Federation
- HJ Heinz Co Ltd
- Institute of Grocery Distribution
- Kraft Foods
- Masterfoods UK
- PepsiCo
- Sainsbury's
- Tate and Lyle
- Unilever
- Which ?

Appendix 2

The survey

1 Letter from Foresight inviting participation



Office of Science and Innovation

1 Victoria Street London SW1H 0ET

www.foresight.gov.uk

FORESIGHT TACKLING OBESITIES: FUTURE CHOICES PROJECT WORK TO REVIEW THE PERSPECTIVES OF THE FOOD CHAIN INDUSTRY

Dear (name to be inserted)

I am writing to draw your attention to some important work which is being undertaken as part of the Government’s Foresight project – Tackling Obesities: Future Choices, and to ask for your organisation’s input to one aspect of that work.

Caroline Flint, Minister for Public Health, may have recently approached you with an invitation to participate in work to develop Health Improvement Partnerships. The work I am writing about is different. It is part of the Foresight Tackling Obesities project, on which the Department of Health and Foresight are working closely together. Both pieces of work will contribute in different ways to achieving better health outcomes.

The Foresight project aims to produce a long-term vision of how we can deliver a sustainable response to obesity in the UK over the next 40 years. I attach a short paper which tells you more about the project and there is more information on the Foresight website www.foresight.gov.uk

As part of the project, Foresight has commissioned a piece of work which will draw on expert opinion from across the UK food chain industry and its key influencers to help understand the future challenges and opportunities facing the industry. It will also contribute to taking forward the debate on health and, in particular, obesity. I hope this will be an opportunity for the industry to share its achievements with us and make a significant contribution to this important project.



The project does not seek to address the current debate surrounding the issue but to:

- understand how the food chain industry sees, and plans, for the future, in particular over the next few decades
- see how individual companies within the chain are setting themselves up to address key issues and what, in terms of social developments, technological developments or policy development they might see as help or a barrier to their engagement in this area.

I hope that as a result of this piece of work there will be a clearer understanding of the medium- and long-term issues and challenges facing the industry, the key drivers for change and an appreciation of its science and technology base. This in turn will contribute to the final outcomes of the project.

Martin Paterson, who you may already know, has been commissioned by Foresight to help with this very important work. He will be contacting you shortly, setting out a number of questions to which we hope you will give your attention. For your information.

I would be very grateful if you could spare the time to take part in this very important study. If there is anything more you would like to know about this piece of work or about the Tackling Obesity: Future Choices project, please contact the project team on 020 7215 6716.

Andrew Jackson
Acting Director, Foresight

2 The questionnaire

FORESIGHT TACKLING OBESITIES: FUTURE CHOICES

Food Chain Industries' Perspectives on the Future

This Foresight project aims to produce a long-term vision of how we can deliver a sustainable response to the prevention of obesity over the next 40 years. The Foresight team want to draw on expert opinion from across the food industry chain and its key influencers in order to understand the future challenges and opportunities facing it, and how that might contribute to the debate on health and, in particular, obesity.

*'A particular advantage of an overview which covers many technologies is that Foresight can act as a 'broker' between disciplines as well as introducing new technologies with potential obesity applications to researchers who would otherwise never have been exposed to them. Foresight can also provide the forum in which debate can be created. Collaboration between industry knowledge and databases and science brokered by Foresight may lead to more innovative experimental approaches to studies of human populations, including long-term longitudinal studies.'***Scoping the Foresight Project on Tackling Obesities: Future Choices**

Obesity: Future Challenges and Choices

As a crucial component of the current project on tackling obesities, we wish to offer the UK food chain industry the opportunity to contribute to the discussion of the potential impact of a range of developments on public health policies.

The survey sets out to examine, among others, questions such as: what are the future challenges and opportunities that you will need to respond to in the future? Is there a role for more, or less, regulation and legislation of the food chain industry? Is healthy eating a public health and cultural issue or just another fad? If it is here to stay, what will be the impact on your business?

The survey consists of three parts:

- A Influences on the food chain industry's ability to contribute to positive interventions on obesity
- B A number of questions on key issues and
- C A number of questions based on scenarios of possible futures

Participant's responses will be non-attributable unless the use of specific comment is agreed to in advance of publication. The survey is designed to be completed electronically, on screen



Department of Trade and Industry

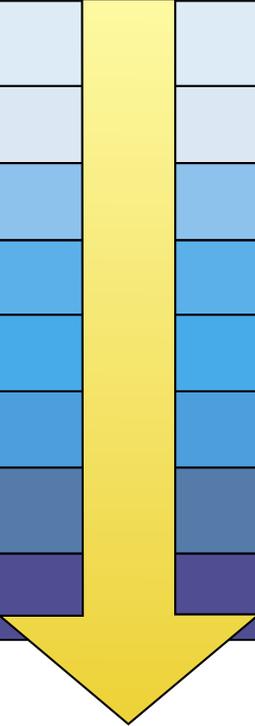


Section A

How would you describe your business within the context of the whole food industry chain?

We are interested to see your views on how, looking forward, the importance of the influences below will grow or otherwise. Please rate these influences in order of their potential to impact, positively or negatively, on your organisation’s ability to develop your business in the context of obesity. Your personal comment on these areas will be particularly important.

(The comment section will expand to meet your requirements in Word)

Negative influences	Industry response to obesity	Positive influences
Regulation		Regulation
Public opinion formers		Public opinion formers
Global competition		Global competition
Technology		Technology
Politics		Politics
Industry confidence		Industry confidence
Sustainable development		Sustainable development
Social trends		Social trends

Regulation: Potential to impact *positively*

Over no. of years	high	low	n/a
5			
10			
20			

How likely do you think your assessment of potential is to become the reality?

Very		Quite		Not at all	
------	--	-------	--	------------	--

Comment

Regulation: Potential to impact *negatively*

Over no. of years	high	low	n/a
5			
10			
20			

How likely do you think your assessment of potential is to become the reality?

Very		Quite		Not at all	
------	--	-------	--	------------	--

Comment



Public opinion formers: Potential to impact *positively*

Over no. of years	high	low	n/a
5			
10			
20			

How likely do you think your assessment of potential is to become the reality?

Very		Quite		Not at all	
-------------	--	--------------	--	-------------------	--

Comment

Public opinion formers: Potential to impact *negatively*

Over no. of years	high	low	n/a
5			
10			
20			

How likely do you think your assessment of potential is to become the reality?

Very		Quite		Not at all	
-------------	--	--------------	--	-------------------	--

Comment

Global competition: Potential to impact *positively*

Over no. of years	high	low	n/a
5			
10			
20			

How likely do you think your assessment of potential is to become the reality?

Very		Quite		Not at all	
------	--	-------	--	------------	--

Comment

Global competition: Potential to impact *negatively*

Over no. of years	high	low	n/a
5			
10			
20			

How likely do you think your assessment of potential is to become the reality?

Very		Quite		Not at all	
------	--	-------	--	------------	--

Comment



Technology: Potential to impact *positively*

Over no. of years	high	low	n/a
5			
10			
20			

How likely do you think your assessment of potential is to become the reality?

Very		Quite		Not at all	
-------------	--	--------------	--	-------------------	--

Comment

Technology: Potential to impact *negatively*

Over no. of years	high	low	n/a
5			
10			
20			

How likely do you think your assessment of potential is to become the reality?

Very		Quite		Not at all	
-------------	--	--------------	--	-------------------	--

Comment

Politics: Potential to impact *positively*

Over no. of years	high	low	n/a
5			
10			
20			

How likely do you think your assessment of potential is to become the reality?

Very		Quite		Not at all	
------	--	-------	--	------------	--

Comment

Politics: Potential to impact *negatively*

Over no. of years	high	low	n/a
5			
10			
20			

How likely do you think your assessment of potential is to become the reality?

Very		Quite		Not at all	
------	--	-------	--	------------	--

Comment



Industry confidence: Potential to impact *positively*

Over no. of years	high	low	n/a
5			
10			
20			

How likely do you think your assessment of potential is to become the reality?

Very		Quite		Not at all	
-------------	--	--------------	--	-------------------	--

Comment

Industry confidence: Potential to impact *negatively*

Over no. of years	high	low	n/a
5			
10			
20			

How likely do you think your assessment of potential is to become the reality?

Very		Quite		Not at all	
-------------	--	--------------	--	-------------------	--

Comment

Sustainable development: Potential to impact *positively*

Over no. of years	high	low	n/a
5			
10			
20			

How likely do you think your assessment of potential is to become the reality?

Very		Quite		Not at all	
------	--	-------	--	------------	--

Comment

Sustainable development: Potential to impact *negatively*

Over no. of years	high	low	n/a
5			
10			
20			

How likely do you think your assessment of potential is to become the reality?

Very		Quite		Not at all	
------	--	-------	--	------------	--

Comment



Social trends: Potential to impact *positively*

Over no. of years	high	low	n/a
5			
10			
20			

How likely do you think your assessment of potential is to become the reality?

Very		Quite		Not at all	
-------------	--	--------------	--	-------------------	--

Comment

Social trends: Potential to impact *negatively*

Over no. of years	high	low	n/a
5			
10			
20			

How likely do you think your assessment of potential is to become the reality?

Very		Quite		Not at all	
-------------	--	--------------	--	-------------------	--

Comment

Section B

Questions about the future of your business. (The comment section will expand to meet your requirements in Word)

In addition to the above, looking over the coming 5–25 years:

Science and technology

- 1 What developments will most impact on your ability to react to the obesity issue?
- 2 Do you intend to increase investment in so called ‘well-being’ products and solutions?
- 3 Will you switch focus from higher-fat/sugar products?
- 4 How will you respond to advances in nanotechnology?
- 5 What impact will ‘peak oil’ have on the food chain industry and is it looking for new ways of production in anticipation?
- 6 Does biotechnology have a role to play? How?
- 7 Does neuroscience have a role to play? How?

Social trends

- 8 How can food brand owners respond to demands for instant change in product ranges: the ‘Jamie’ effect?
- 9 How will you reconcile growing calls for ‘local’ and ‘personal’ foods with a large-scale industrialised industry?
- 10 What cultural, societal changes are likely to have an impact?

Regulation/public health policies

- 11 Going forward, what can UK regulation do to be effective in the context of an EU regulatory regime and a global market?
- 12 What kinds of new public health policies or changes to existing policies are most likely to also have a beneficial impact on the food industry?
13. What kinds of new public health policies or changes to existing policies are most likely to have a negative impact on the food industry?

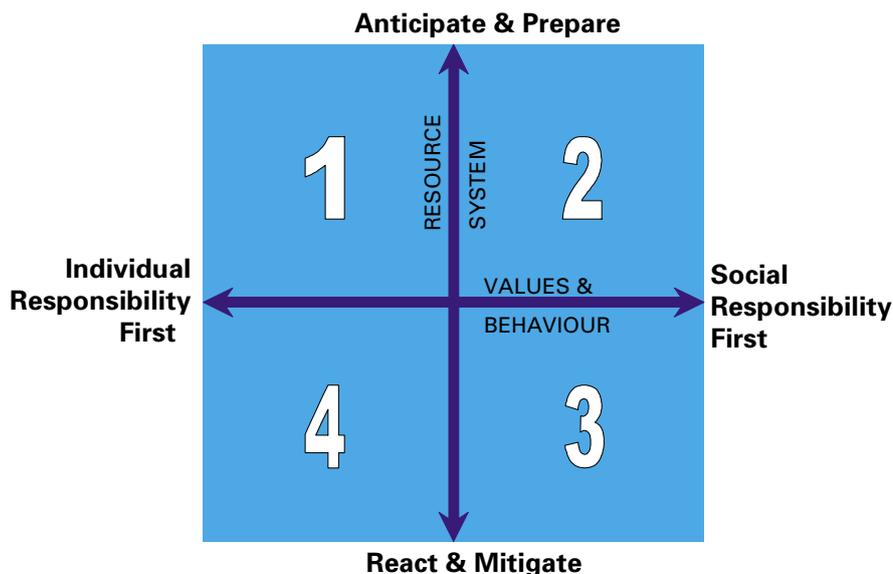
Change

- 14 What do you consider to be the current drivers of change within the food industry?
- 15 What are, for you, the barriers to change?
- 16 What might they be in the future?
- 17 Who outside the industry ‘prompts change’? e.g. Government? consumers? academics? food technologists?
- 18 To whom – or to which organisations – will you look for leadership within the food industry?



Section C

Scenarios: Four Future Contexts



What are scenarios?

Scenarios build contextual pictures of the future, drawing on a host of macroeconomic, scientific, technological, lifestyle and geopolitical factors. The scenarios constructed for the Foresight project explore how drivers of change may impact on the UK over the next 40-50 years. They are intended to provide different external contexts through which the influence of external factors on public health and obesity in the future will be explored and appropriate and sustainable responses identified. They have been developed by a cross-section of project stakeholders from academia, Government and business. They will continue to develop during the course of the project in the light of inputs along the way, including this study. In their final form, they will be a tool to help policy makers think about how future policy might play out in different kinds of worlds.

These scenarios are constructed around two major dimensions:

- future behaviour and values, particularly the possible path to greater individualism versus more socially minded behaviour (horizontal axis)
- the approach to large external challenges, how we tackle things and make decisions, with resources and the environment as major examples that could be addressed through fundamental adaptive change, or through reactive short-term actions (vertical axis).

Please think about what each scenario might mean for you and your organisation and then answer the questions.

Questions based on the scenarios of the future. **(The comment section will expand to meet your requirements in Word)**

Scenario One

Key features: This is a market-led world in which the individual comes first. Consumers are powerful and vocal. Individual choice and personal responsibility is high but so are inequalities. Long-term thinking and planning is a core approach and individuals and the market drive long-term systemic change to tackle the ‘big issues’. However, this focus on unexpected challenges can be at the expense of short-term issues and the unexpected. There is a holistic approach to health, with a focus on personalised prevention.

In this world:

1 What would be the major challenges or changes to your business model?
--

2 How much would it change?

	Fundamentally?
	Incrementally?
	No change at all?

3 What would the nature of that change be? For example:

Product range	
Location of operation	
From products to services	
Any others?	



4 Can you comment more on:

a What do you think consumers would want in this kind of world?

b What products and services might you be developing in this kind of world?

6 How likely do you think this future world is?

<input type="checkbox"/>	Very likely
<input type="checkbox"/>	Possible
<input type="checkbox"/>	Not at all likely

7 Any comments about why?

Scenario Two

Key features: Socially responsible behaviours are dominant in this world, with individuals seeing their role in the community as a priority. Trust in the market is declining and community-level action is strong. Long-term thinking and planning dominates over short-term perspectives facilitated by national government and local communities. Society acts to effect long-term systemic to tackle the 'big issues' but with uneven implementation between regions. Sustainability is seen as a priority, along with a more holistic prevention focused approach to health, and inequalities narrow.

In this world:

1 What would be the major challenges or changes to your business model?

2 How much would it change?

	Fundamentally?
	Incrementally?
	No change at all?

3 What would the nature of that change be? For example:

Product range	
Location of operation	
From products to services	
Any others?	

4 Can you comment more on:

a What do you think consumers would want in this kind of world?

b What products and services might you be developing in this kind of world?



6 How likely do you think this future world is?

	Very likely
	Possible
	Not at all likely

7 Any comments about why?

Scenario Three

Key features: Social responsibility is dominant and individuals look to each other for support for short-term concerns. Central government is looked to for immediate action on the big issues of the day. There is a drive for inclusivity, which increases the number of opinions, so consensus can be difficult to achieve. Lobby groups become particularly important. People focus on the immediate problems of the day and work to manage impact rather than tackle the underlying cause – this works sometimes but not always. Health systems are treatment-focused and aim to reduce disparities between groups.

In this world:

1 What would be the major challenges or changes to your business model?

2 How much would it change?

	Fundamentally?
	Incrementally?
	No change at all?

3 What would the nature of that change be? For example:

Product range	
Location of operation	
From products to services	
Any others?	

4 Can you comment more on:

a What do you think consumers would want in this kind of world?

b What products and services might you be developing in this kind of world?

6 How likely do you think this future world is?

	Very likely
	Possible
	Not at all likely

7 Any comments about why?



Scenario Four

Key features: Individuals and the market look for immediate results. Work and innovation are rewarded; it is possible to win and succeed. Society is competitive, turbulent, stressful and successful. The market is volatile, with rapid but inconsistent responses to challenge. There is generally no perception of the bigger picture and individuals focus inwards and on reacting to problems as they arise. Personalised solutions abound but only for those who can afford them. Inequalities widen.

In this world:

1 What would be the major challenges or changes to your business model?

2 How much would it change?

<input type="checkbox"/>	Fundamentally?
<input type="checkbox"/>	Incrementally?
<input type="checkbox"/>	No change at all?

3 What would the nature of that change be? For example:

Product range	
Location of operation	
From products to services	
Any others?	

4 Can you comment more on:

a What do you think consumers would want in this kind of world?

b What products and services might you be developing in this kind of world?

6 How likely do you think this future world is?

	Very likely
	Possible
	Not at all likely

7 Any comments about why?

Looking at each of the four scenarios:

- Which one would you like to be part of?
- Which one would you definitely not like to be part of?

If there are any points or insights that you would like to share with the Foresight Tackling Obesities: Future Choices project team, please use the following comments box:



Comments

Thank you for spending the time completing this exercise. Your efforts are very much appreciated. The views expressed by all participants in this exercise will be non-attributable but will contribute to the outcomes of the project. In some cases, we may come back to you to discuss certain aspects of your response. I would be grateful if you could please set down your most appropriate contact details here:

Name	
Organisation	
Direct telephone	
Email address	

The Foresight Tackling Obesity: Future Choices project is due to launch its findings in late 2007. Participants will receive the report in hard copy and it will also be available from the Foresight website. You can view the progress of the project on www.foresight.gov.uk

