Healthy Returns

OPPORTUNITIES FOR MARKET-BASED SOLUTIONS TO CHILDHOOD OBESITY

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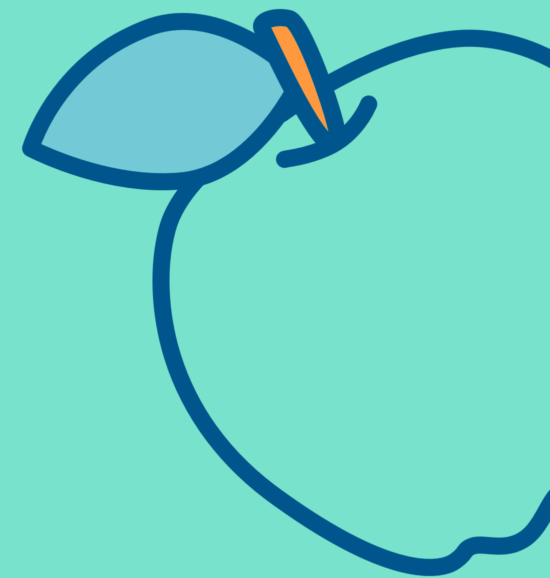
The Big Picture

WHAT ARE THE BIG TRENDS IN THE UK FOOD SYSTEM?



- Grocery retail £96 billion,
- Out of home £56 billion (2016)
- Within grocery convenience (ie small format stores) and on the go food is on the rise, large format supermarket shopping declining.
- Online still small but growing (4.8%)
- Retail highly concentrated (9 companies 90% of market share), out of home much less so (4 companies, 24% of market share) but small group of large brands growing.

Looking Closer

WHAT IS HAPPENING IN LAMBETH AND SOUTHWARK?

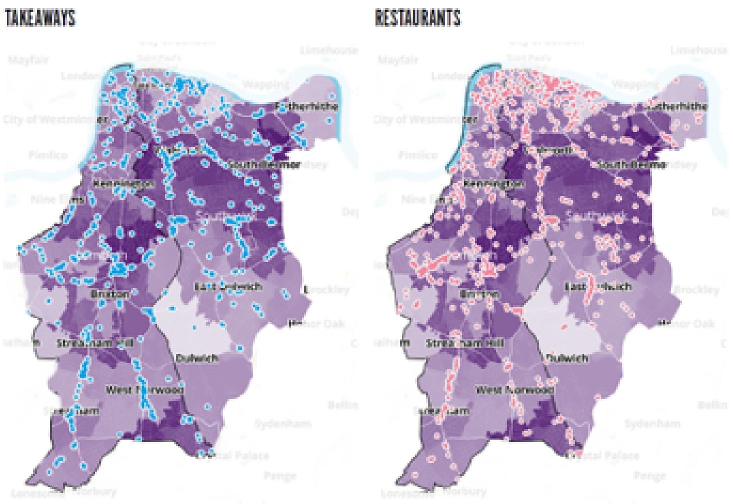
BETWEEN 2014 - 2017:

▲ 6.8%
NO. OF TAKEAWAYS

▲ 14.5%
NO. OF SUPERMARKETS

▼ 9.8%
NO. OF RESTAURANTS

▼ 9%
NO. OF CONVENIENCE STORES



Ordnance Survey Points of Interest data (2017), courtesy of Tom Burgoine (CEDAR/MRC Epidemiology Unit, University of Cambridge)
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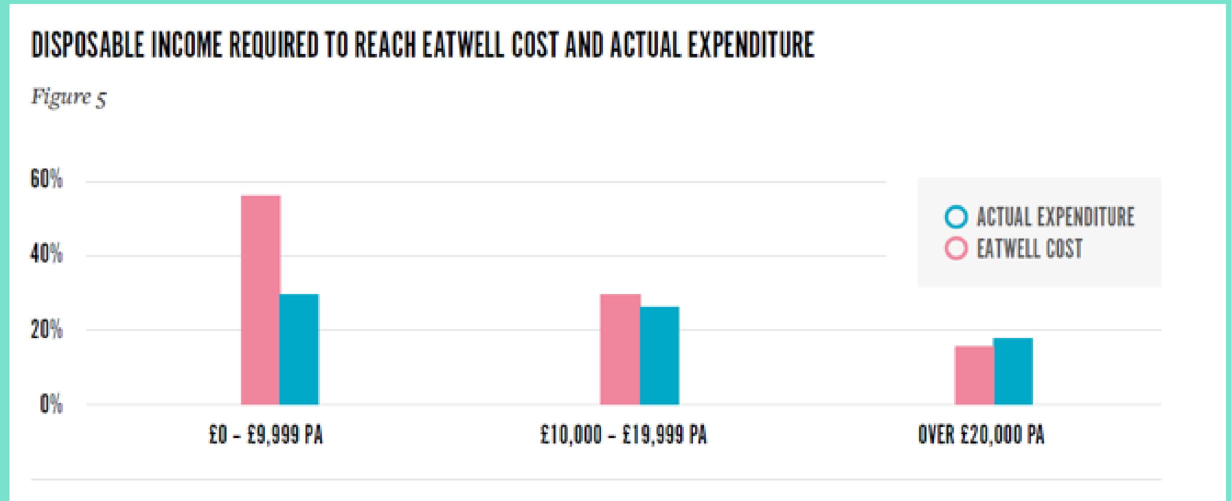
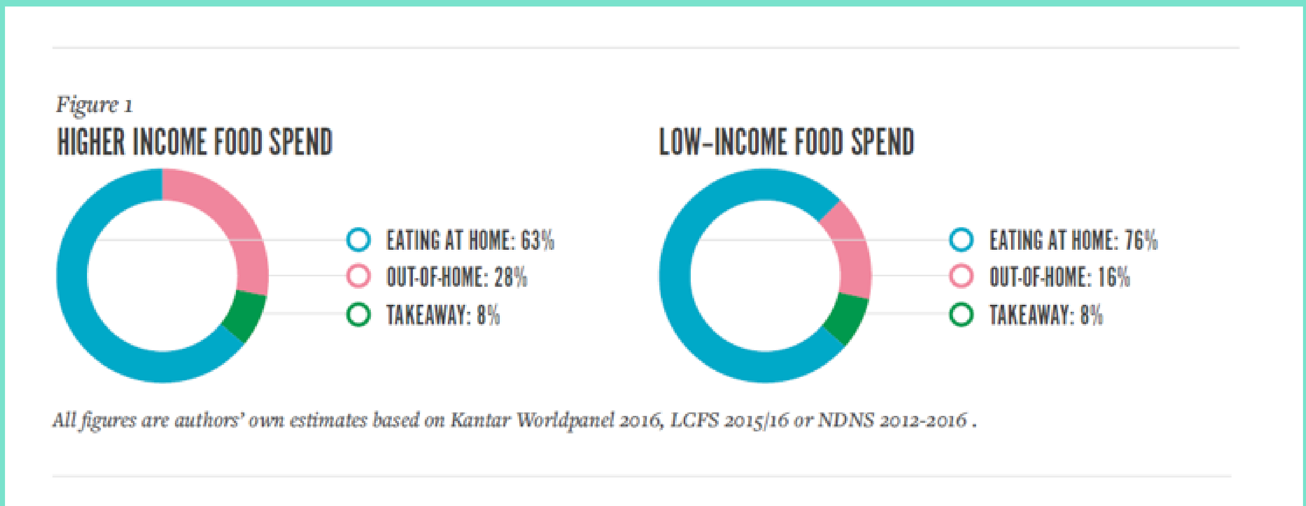




Where are we spending on food?

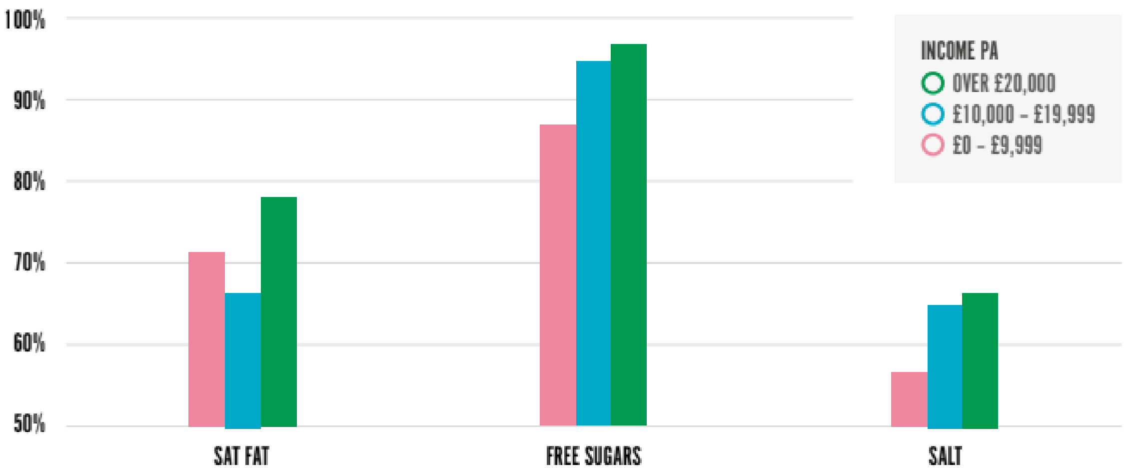
HOUSEHOLDS WITH CHILDREN EARNING LESS THAN 20,000 GBP

The Bad Stuff

HALF OF ALL FOOD CONSUMED IN ALL INCOME GROUPS IS HFSS

PROPORTION OF CHILDREN EXCEEDING DIETARY RECOMMENDATIONS FOR SATURATED FAT, SUGAR AND SALT

Figure 7

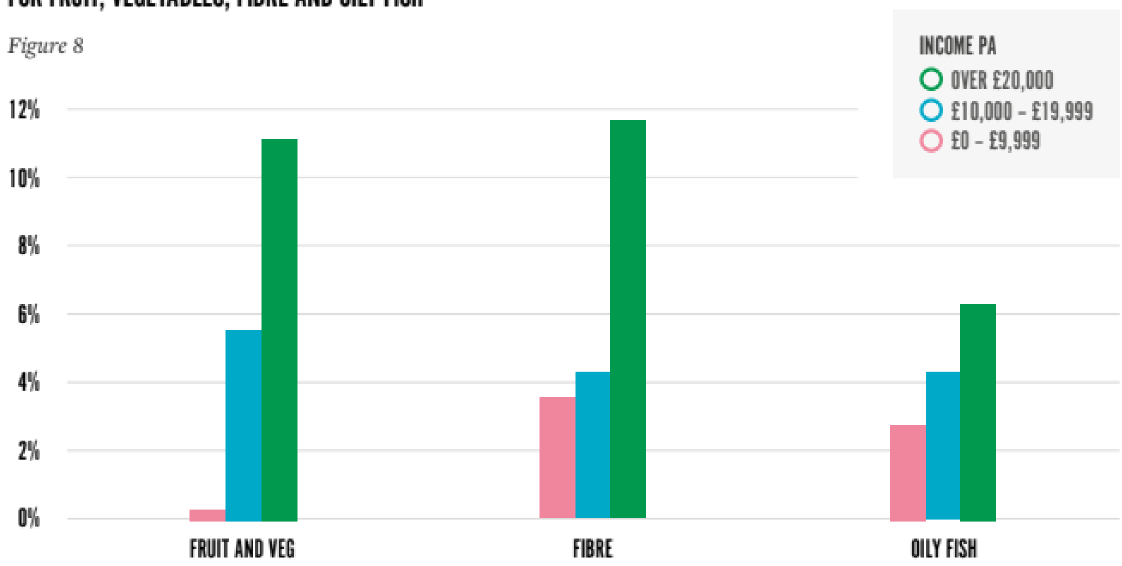


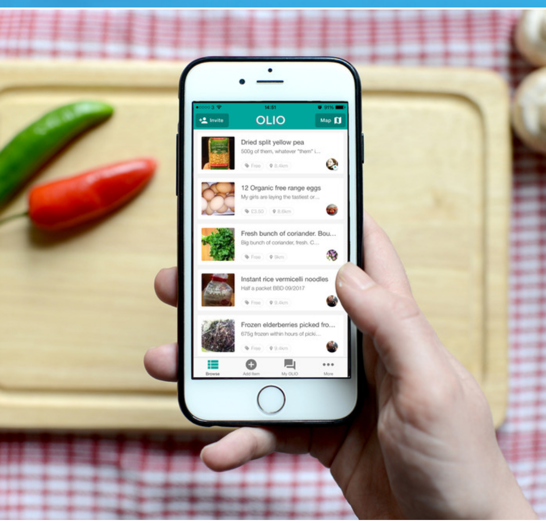
The Good Stuff

BIG DISCREPANCIES WHEN IT COMES TO HEALTHY EATING BETWEEN INCOME GROUPS

PROPORTION OF CHILDREN MEETING DIETARY RECOMMENDATIONS FOR FRUIT, VEGETABLES, FIBRE AND OILY FISH

Figure 8

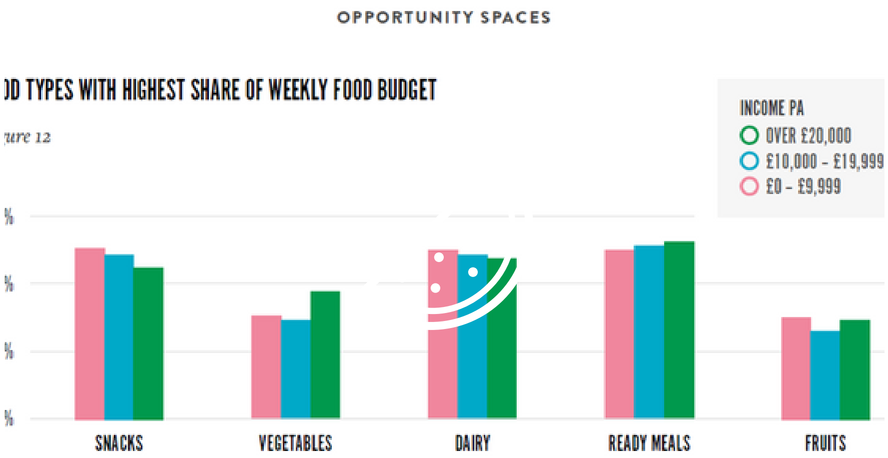




Food Businesses

WE SPOKE TO 80+ FOOD BUSINESSES TO FIND OUT WHAT WORKS AND WHAT DOESN'T

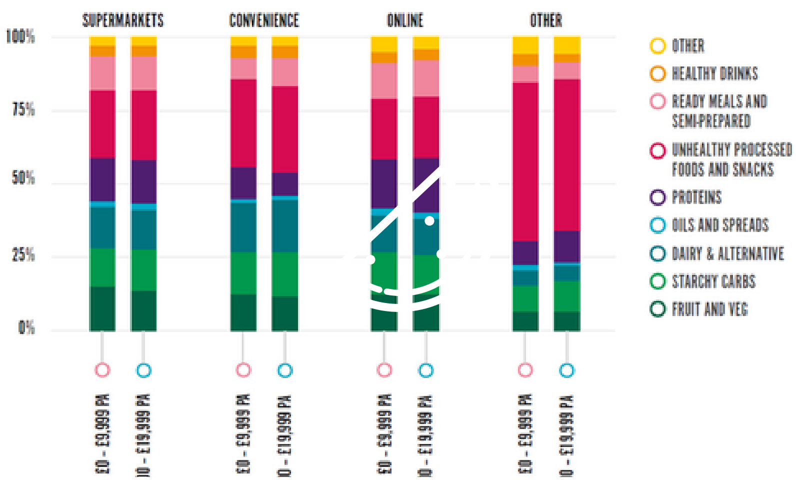
- Its tough out there
- Mission driven
- Relatively new and small
- Cash flow challenges
- Product pricing challenges
- Challenges of scale
- Innovate to save money



1. Low Cost Healthy Snacks

- Low-income families spend 13% of weekly food budgets on sweet and savoury snacks.
- Existing healthy options can be expensive or marketed at higher-income consumers.
- Potential marginal gains to be made by offering healthy, affordable and nutritious snacks to low-income consumers.

Figure 16



2. Getting Fresh Food into Convenience Stores

- Low-income families depend more on convenience stores and bargain stores than their wealthier counterparts.
- The food puchasing habits and avabilitly of healthy foods is lower in convenience and bargain stores.
- Designing a new supply chain that helped get small orders of fresh, nutritious food to convenience stores could tackle the problem.

EXPENDITURE ON EATWELL GUIDE CATEGORIES	£0 – £9,999 PA	£10,000 – £19,999 PA	OVER £20,000 PA
Fresh food and ingredients	51.2%	50.9%	53.7%
Pre-prepared food (take-home purchases)	48.8%	49.1%	46.3%

3. Healthy and Convenient Ready Made Meals

- Convenience is key for all income brackets but currently options are afforded only to wealthier consumers.
- Options to have affordable, nutritious, conveninet, freshly prepared ready meals for low-income families.
- Delivery or ease-of pick up is key.

DAILY TABLE

4. Redesign Grocery Store

- Consumers are increasingly looking to shop at local stores and low income consumers are more dependent these local convenience stores.
- Open new kind of grocery store that prioritises fresh produce and freshly prepared, grab-and-go meals.

Recommendations

HOW CAN WE HELP MORE FOOD BUSINESS PROVIDE NUTRITIOUS FOOD TO LOW INCOME FAMILIES

- Investment funding
- Food industry specific business training
- Communal kitchen
- Explore food surplus supply chains
- Dedicated marketing support

Thank you!

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