Europe's Food and Drink Industry:
Helping Consumers Make Healthier Choices

A survey of over 1,500 European food and drink companies
carried out on behalf of the CIAA, the Confederation
of the food and drink industries of the EU

CIAA
Confédération des industries agro-alimentaires de l'UE
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THE CHALLENGE: HELPING CONSUMERS MAKE HEALTHIER CHOICES

Never before have Europeans enjoyed such a wide choice of safe, affordable foodstuffs. And never before have they enjoyed such a sedentary lifestyle. This brings a challenge our forefathers could only dream of – the challenge of constant abundance. Europeans eat too much and move too little.

To address that challenge, the European Union set up a Platform for Action on Diet, Physical Activity and Health in March 2005. The Platform brings together a wide range of stakeholders who believe that consumers need to adopt healthier lifestyles by eating appropriate portions of a variety of nutritious foods and by engaging in more physical activity.

The food and drink industry, as a committed member of the EU Platform, has a clear role to play – namely, to help consumers adopt these healthier lifestyles. Food and drink companies can do so in a number of ways:

- **Reformulation:** modifying the contents of a product to reduce energy and nutrients such as saturated fats, sugars, and salt/sodium; or to increase vitamins, minerals, or fibres;
- **Greater product choice and portion size:** offering a variety of product ranges coupled with changing the packaging size to encourage consumers to eat appropriate portions;
- **Labelling:** providing clear, easy to use information about the nutritional content of a product;
- **Innovation:** developing new, healthier ways of providing a similar or improved eating or drinking experience;
- **Encouraging physical activity:** along with other stakeholders, food and drink companies can use their communications expertise and resources to encourage physical activity among their consumers.

THE QUESTION: WHAT HAS INDUSTRY DONE?

How has industry addressed that challenge? To answer that question, CIAA twice commissioned APCO Insight, an independent opinion research company, to survey Europe's food and drink industry.

The first survey, carried out in 2008, looked at company initiatives carried out over a four-year period between 2004 and 2007. The second survey, completed earlier this year (2009), looked at initiatives carried out in 2008 (covering a period of 12 months). Together, the surveys are the best available snapshot of what the industry is doing to date.

The surveys focused on reformulation and innovation, labelling, and the range of product choice and portion size. The picture they paint is an encouraging one.

THE SURVEYS AND METHODOLOGY

The second survey interviewed 1,548 companies from France, Italy, the Netherlands, Spain, and the UK. These countries were selected because they represent major centers of the EU food and drink industry. While it is not easy to extrapolate from these five to the EU 27, their sheer weight means that the surveys do provide a useful indication of EU-wide trends.

The 1,548 companies were randomly selected to reflect the diversity of the EU's food and drink industry. They are of all sizes, from family-owned bakeries to large multinationals, and offer products ranging from fresh fruits, cuts of meats or vegetables to highly complex manufactured goods. The European food and drink industry is very fragmented. Therefore, the great majority (94%) of the responding companies are micro, small or medium-sized.

The first survey covered a similar number and mix of randomly selected companies, drawn from the same five countries[1].

RESULTS

Industry is reformulating apace *(see figure 1)*

The original research showed that **from 2004 to 2007** (covering a period of 4 years), **over 40% of companies reduced the amount of saturated fat, salt/sodium or sugars in their products, or introduced new products with less of these nutrients in them. In 2008** (covering a period of 12 months), **over 20% did so** *(see figure 1).*

Figure 1. Reformulation and Innovation Continue in 2008

2009 Question – 2nd Survey: What about the past year, from January 2008 until December 31, 2008 – did your company reduce the amount of saturated fat, salt or sugars in any of your current products or introduce new products with less saturated fat, salt or sugars in the past year?
2008 Question – 1st Survey: Since January 2004, has your company reduced the amount of saturated fat, salt or sugars in any of your current products or introduced new products with less saturated fat, salt or sugars?

[1] Due care must be taken when comparing results from both surveys, since the companies who responded are not the same and the questions not always identical.

In the second survey, a subset of those who said they did not reformulate were asked to explain why. Half said it was because it was not relevant for their products, since these were fresh (this typically includes greengrocers, family-owned butchers, and so on). Over 20% said it was because they used a traditional recipe, and a further 20% because their products contained little salt/sodium, sugars or saturated fat to begin with. One in ten said they had already reformulated earlier.

Results thus suggest that the major reason why reformulation does not happen is simply because it is not a relevant option.

The findings also show that **CIAA and national federation companies (35%) are leading the way in their reformulation efforts in comparison with findings for the total sample (21%)**. The numbers equally show that the drive to reformulate is a function of the size of the company. Larger companies, such as CIAA corporate member companies, are much more likely to reformulate their products (82% in 2008) as opposed to micro, small and medium-sized companies (16%, 27% and 27% respectively) for the same period. This explains much of the unequal performance between the countries surveyed. The industry in Southern European countries, for example, typically contains a greater proportion of the smallest companies – i.e., those who reformulate less.

Overall, these numbers are encouraging. Many companies surveyed have over the course of the past 4 to 5 years either reformulated their products or offer products for which reformulation is unsuitable or irrelevant.

Industry is offering a growing range of product choice and packaging sizes

In 2008, a quarter of the companies stated that they increased the range of options they offered in packaging sizes, with two-thirds of those stating they were now offering smaller sizes. **Large companies (42%) and CIAA and national federation companies (34%) are again far more likely to introduce new product ranges and packaging sizes. Furthermore, 64% of CIAA corporate member companies, also did so over the course of 2008**.

Industry is rolling out nutrition labelling

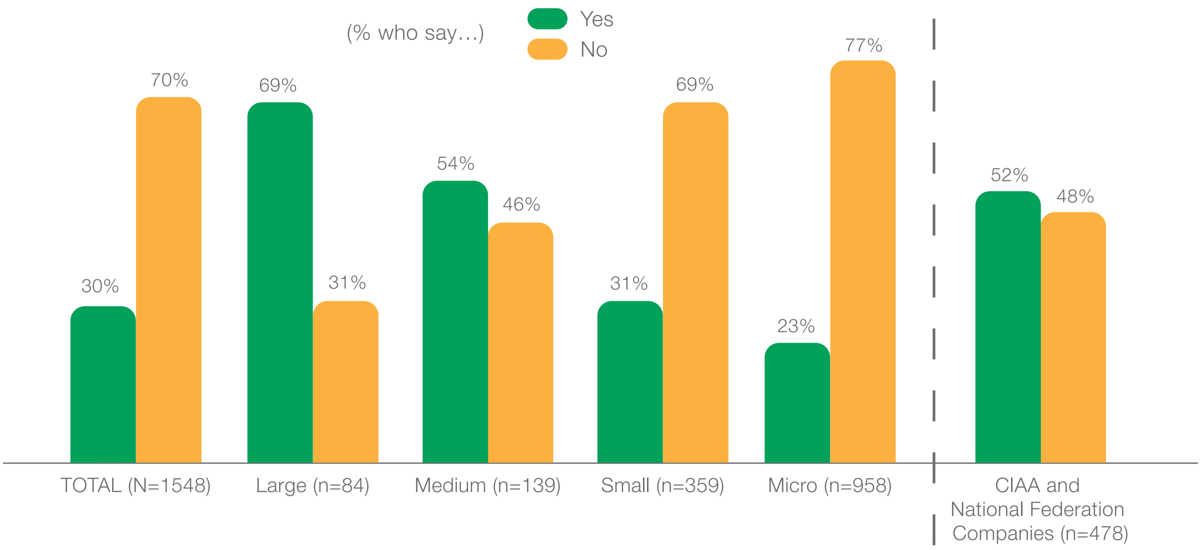
In 2008, roughly 30% of companies surveyed said that they had introduced or planned to introduce, *"nutrition labelling that gives guideline daily amount information for things like energy (calories), fat, carbohydrates and protein or other nutrients"* *(see figure 2)*. **In the period 2004-2007** (over a period of 4 years), **the figure was 44%**.

In the second survey, a subset of those companies that have not yet introduced nutrition labelling were asked why. The most frequent answer stated that it was not relevant for their products (these would typically be unwrapped products such as vegetables, fruits, fresh cuts of meat and breads).

The findings tell us that companies which engage in voluntary nutrition labelling, choose a variety of options with a sizeable number (almost 40%) providing at least some data about the "big 4" nutrients (energy, protein, carbohydrate and fat), 25% providing the "big 8" (energy, protein, carbohydrate, sugars, fat, saturated fat, fibres and sodium/salt), 35% providing information front of pack and almost 30% rolling out the industry's CIAA nutrition labelling scheme[2] based on Guideline Daily Amounts (GDAs).

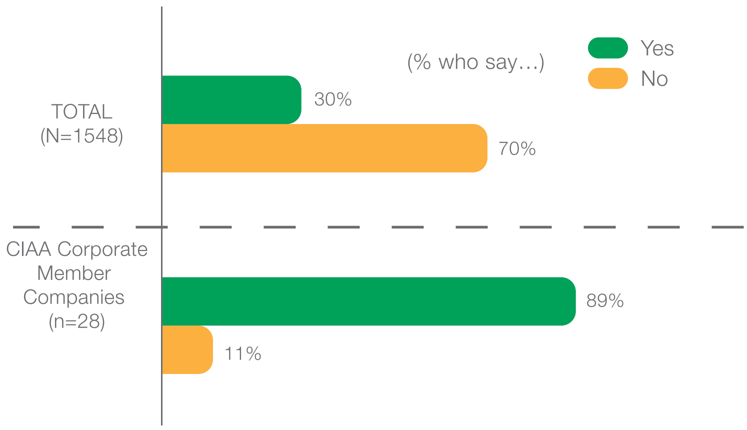
[2] For more information, visit: **http://gda.ciaa.eu**

Figure 2. Large, Medium and CIAA and National Federation Companies More Likely to Introduce GDA Nutrition Labelling



2nd Survey: Has your company introduced or is it planning to introduce nutritional labelling on your products that gives guideline daily amount information for things like energy (calories), fat, carbohydrates and protein or other nutrients?

Figure 3. CIAA Corporate Member Companies Most Likely to Introduce GDA Nutrition Labelling



2nd Survey: Has your company introduced or is it planning to introduce nutritional labelling on your products that gives guideline daily amount information for things like energy (calories), fat, carbohydrates and protein or other nutrients?

These figures on the rollout of voluntary nutrition labelling information are encouraging. **If, in a single year, we see that almost 90% of CIAA corporate member companies, 52% of CIAA and national federation companies and 30% of all companies from the total sample say they have introduced or plan to introduce nutrition labelling** *(see figure 3)*, **the implication is that the vast majority of products in Europe which can carry nutrition labelling are already doing so or will soon do so**.

CONCLUSIONS

The industry continues to reduce nutrients such as saturated fat, salt/sodium and sugars in many of its products. The larger the company, the more likely it is to reduce these nutrients, with CIAA corporate member companies and CIAA and national federation companies playing a leading role. Nevertheless, the process of reformulation is spreading across all company sizes. This strongly suggests that the reformulation process is ongoing across the industry, and that this development is spreading to smaller companies too.

Our findings tell us that roughly half of those who did not reformulate could not; this is for a variety of reasons, the most common of which is the fresh nature of the product. Moreover, it is important to consider industry's reformulation efforts in the context of a complete, balanced diet.

In addition, companies are also innovating by offering a greater range of product choice and package sizes, most often smaller ones and here again, CIAA corporate and CIAA and national federations companies are taking the lead.

Perhaps most importantly, the industry is increasing the amount and type of information which consumers now have in order to make informed choices about their diets. CIAA corporate member companies and CIAA and national federation companies are leading the way in rolling out additional, voluntary labelling information, and smaller companies are also doing so in growing numbers. This suggests that most packaged products offered to consumers will carry some form of nutrition labelling (such as GDAs) in the near future.

These changes – greater choice and more information – mean that consumers have an increasing range of options to manage their and their family's diets. While these changes cannot resolve lifestyle-related diseases alone, they can play an important role, together with education, in helping consumers to make more informed, healthier lifestyle choices in line with their dietary needs.

These efforts are part of a broader trend. As the issue of obesity and other non-communicable diseases rise up the political agenda, consumer representatives, public health specialists, European authorities, industry and other stakeholders have joined forces to take on this challenge. One of the outcomes of this effort is the EU Platform for Action on Diet, Physical Activity and Health, which has become the pre-eminent European body for these parties to meet, discuss and agree the key measures needed to win this battle.

It is under the Platform that industry made the commitments that the surveys presented here are intended to monitor. Results are encouraging: despite its fragmented nature, industry is clearly acting to deliver on its commitments. The conviction that it is necessary to innovate, reformulate and carry nutrition labelling 'on pack' is spreading, particularly among CIAA corporate member companies and CIAA and national federation companies. As we have seen, most of the larger companies have already taken significant steps in this direction, and smaller and medium-sized businesses are also now following in their footsteps.

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