

# FDFS Reformulation Challenge

Business Feedback



**Levercliff**

Category Consultants to  
the Food & Drink Industry

# Research Objectives

- To understand the drivers for and barriers against businesses reformulating or reducing portion sizes for health
- To understand what successes and challenges businesses have faced in reformulating or reducing portion sizes to make food healthier.

- Scottish based businesses were invited to take part in a 10 minute online survey.
- The survey was promoted by FDF Scotland on Social Media and invitations to take part were also sent to individual companies.
- 42 businesses completed the survey.

# Profile of Businesses

A wide range of businesses responded to the survey:

## Where Products are Sold

Scotland	41
Rest of the UK	26
Ireland	11
Mainland Europe	13
Rest of the World	15

## Turnover

£99k or less	2
£100k to £499k	9
£500k to £999k	5
£1m to £4m	8
£5m or more	16
Prefer not to say	2

## Food Categories

Savoury & sweet bakery	12	Cheese	4
Biscuits & cereal bars	6	Ice-cream	3
Pastry based meat pies, quiches, flans, rolls & pasties	14	Dairy based chilled desserts	2
Pastry based vegetarian & vegan savouries	3	Confectionery	4
Cooked & cured meat & meat snacks	8	Ambient savoury snacks (e.g. crisps, savoury biscuits)	5
Fresh meat	7	Pizza & prepared meals	6
Other (Non pastry based vegan ready to eat meals, plant-based meat, jam & chutney, sandwiches)			4

- Summary
- Awareness & participation
- Reformulation
- Reducing the portion size
- New healthier products
- Results
- Reasons for not participating

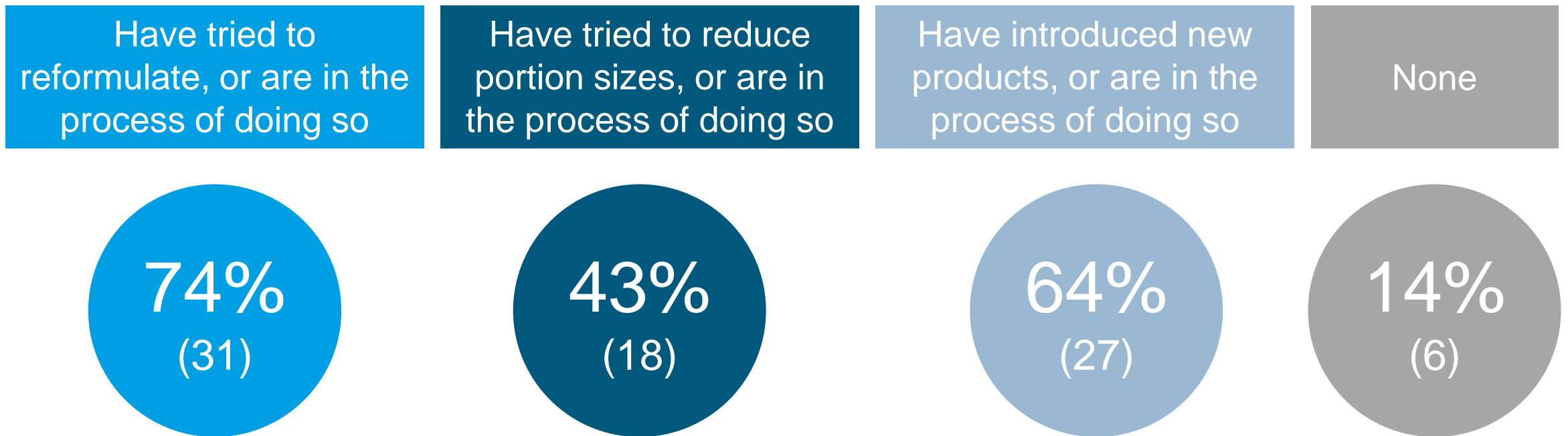
# Summary



# Summary

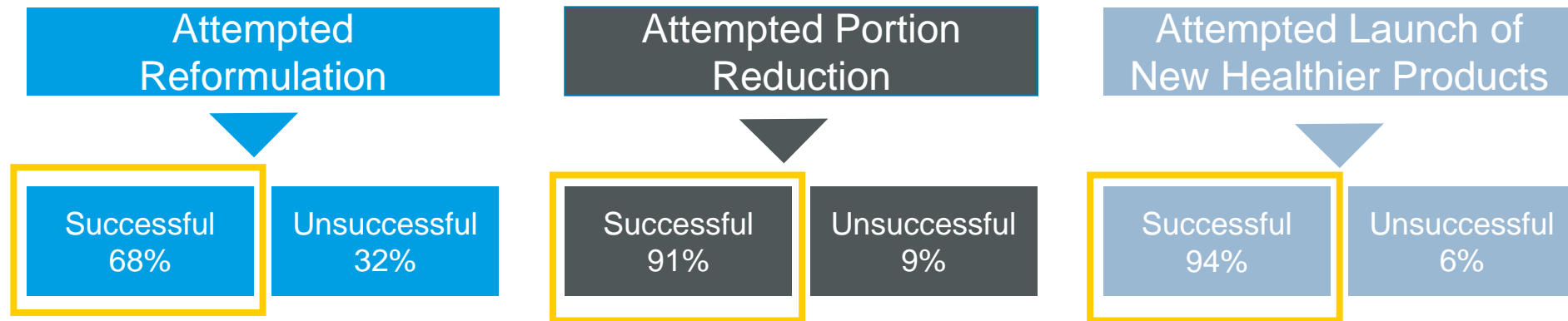
The research suggests that the majority of companies are taking some action to make their products healthier.

Reformulation is the most frequent route.



# Summary

And for most part, this has been successful.





# Summary

## Top 3 challenges in reformulating

Achieving  
comparable  
taste  
**65%**

Cost of  
alternative  
ingredients  
**58%**

Achieving  
comparable  
mouthfeel/  
Texture  
**52%**

## Top 3 things consumers judge reformulation on

Taste

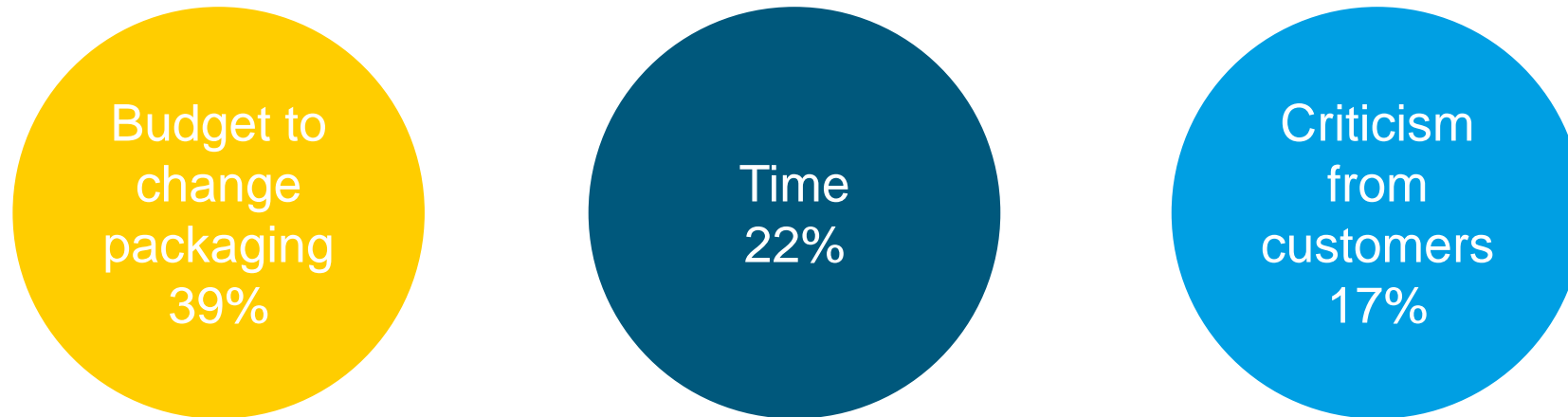
Price

Healthiness of  
alternative  
ingredients

Taste and cost of ingredients are the biggest barriers to reformulating....also the top 2 considerations for consumers.

Highlighting potentially where businesses may need most support.

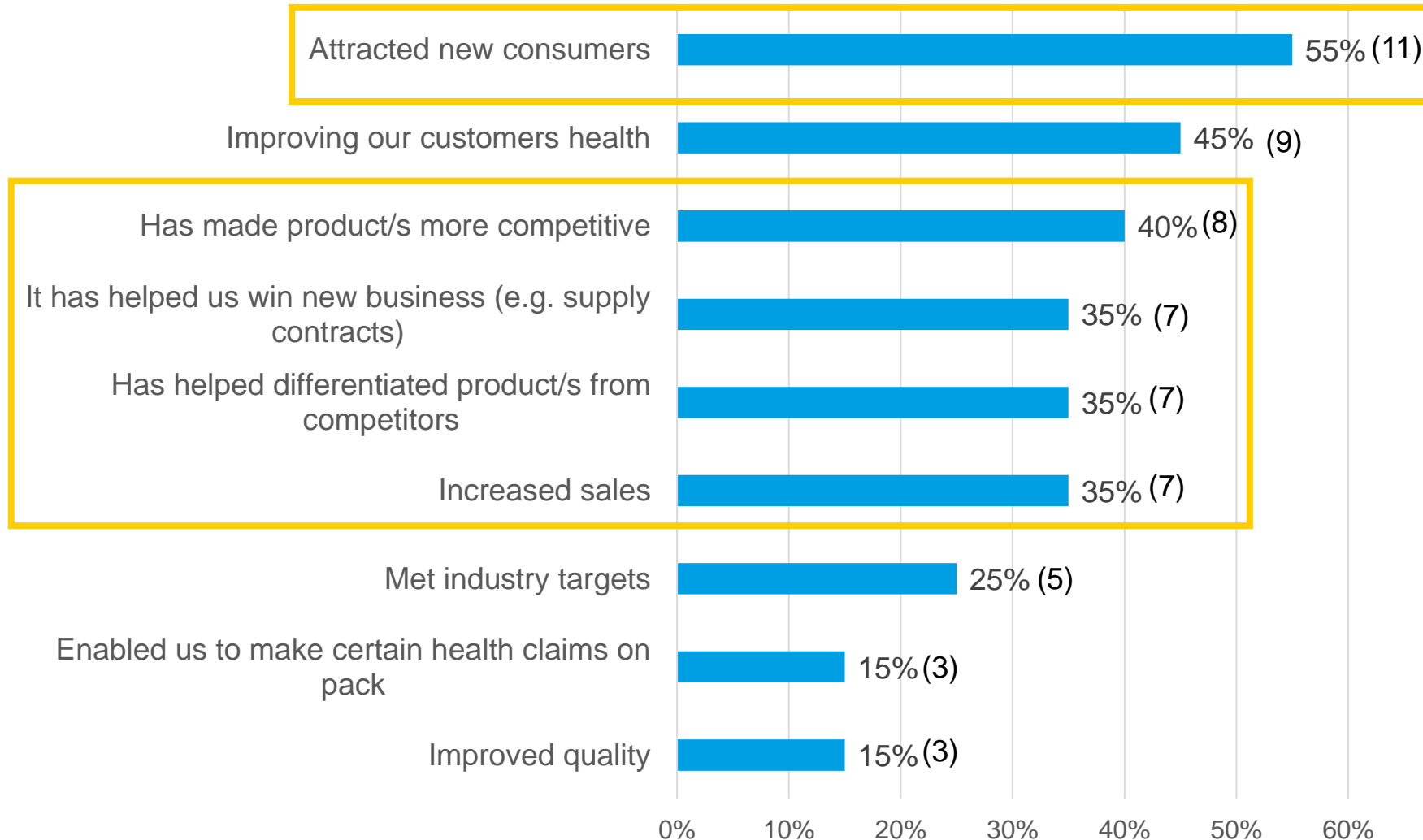
## Top 3 challenges reducing portion size



To help companies reduce portion sizes, support may be needed to change packaging.

# Summary

## Key benefits of reformulating or reducing portion size



(Number of respondents)

Businesses successfully reformulating or reducing portion sizes have seen commercial gains

# Awareness & Participation



# Awareness of Reformulation for Health

The Scottish Government has challenged the food industry to help lead the fight against obesity by reducing the amount of salt, sugar, fat, and calories in food and where relevant increasing the amount of fibre or fruits & vegetables contained within them.

This may include changing the recipe of products (reformulation) or reducing portion sizes.  
This programme is called 'Reformulation for Health'

	Number	Percentage
5. Fully Aware	6	14%
4.	13	31%
3.	9	21%
2.	7	17%
1. Not Aware At All	7	17%

} Aware

**55% were not aware of the programme**

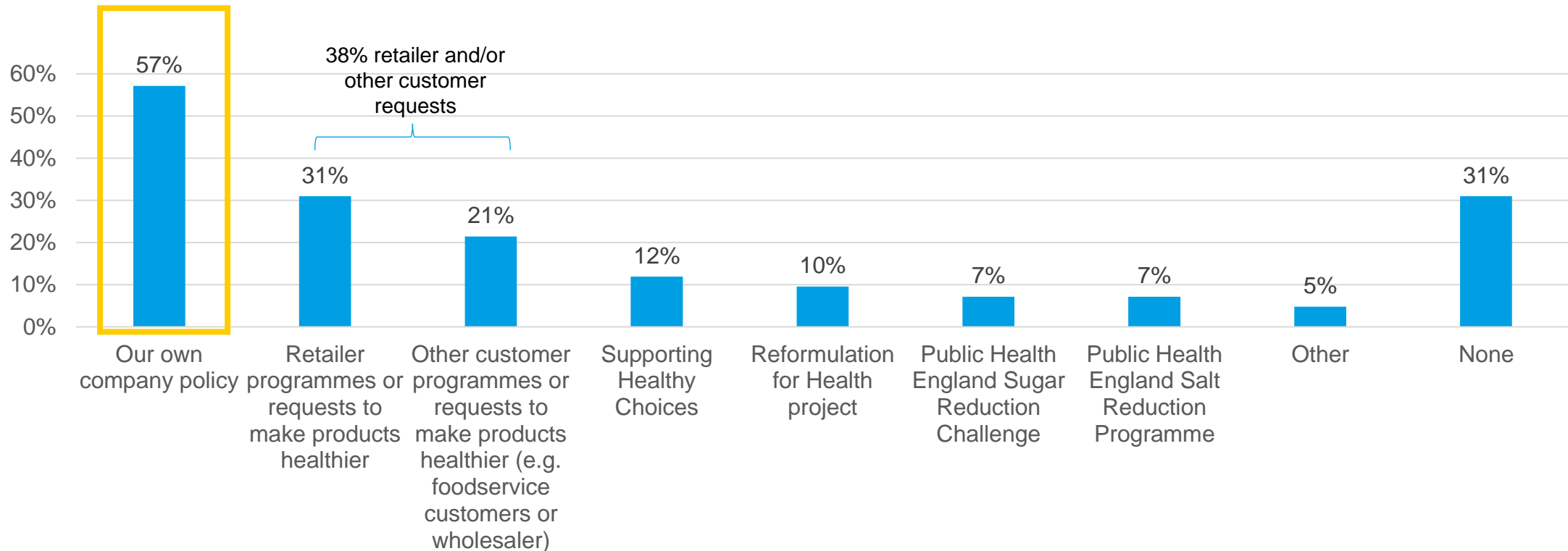


# Awareness of Nutrition Targets

	Number	Percentage	} Aware
5. Fully Aware	17	40%	
4.	12	29%	
3.	7	17%	
2.	5	12%	
1. Not Aware At All	1	2%	

Although there is good awareness of specific nutrition targets (e.g. salt, sugar), at nearly 70%

# Participation in Initiatives



Initiatives to make products healthier has mainly been driven by companies' own policies. Customer requests (retailer or other) have also been instrumental in driving change.

# White Label Customers Driving Change

Have you been asked by any of your white-label customers to reformulate products or reduce portion sizes to make them healthier?

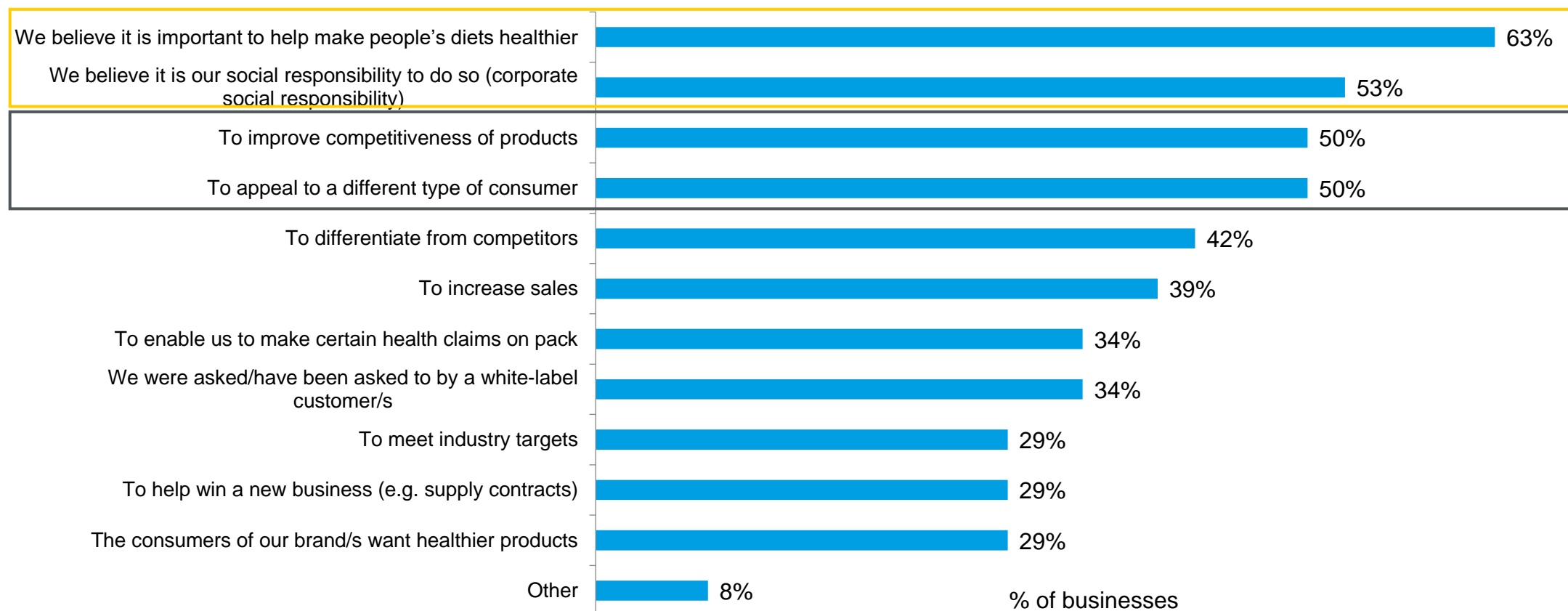


Within this, many white label customers appear to be asking their producers to make changes to improve products healthiness. There was evidence of this across all categories except cheese.

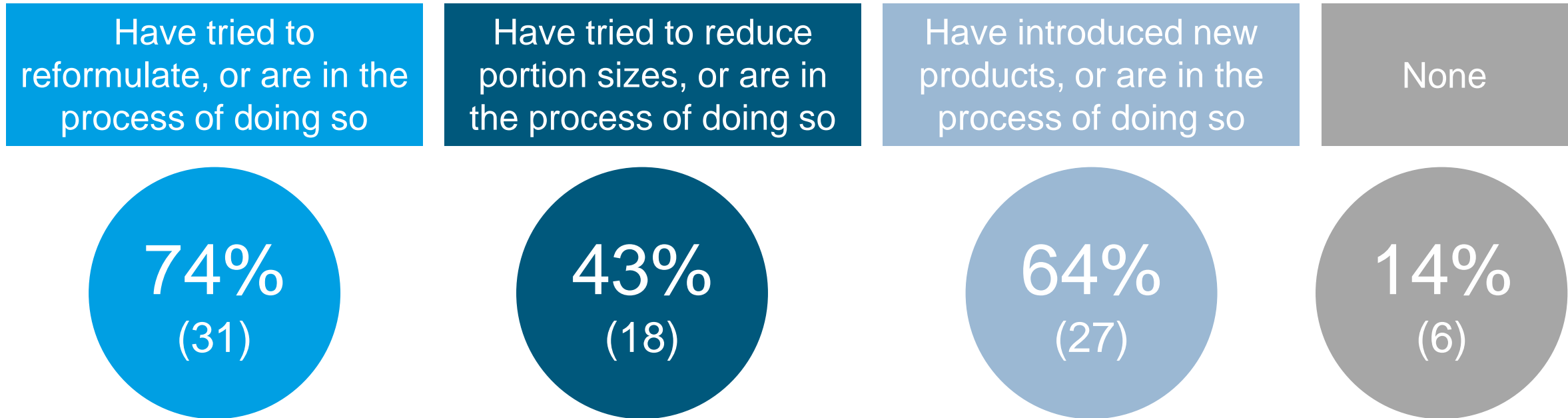


# Key reasons for wanting to reformulate or reduce portion size of product(s)

Societal/social responsibility is the key driver, but also with an eye to sales (competitiveness or appeal to different type of customer)



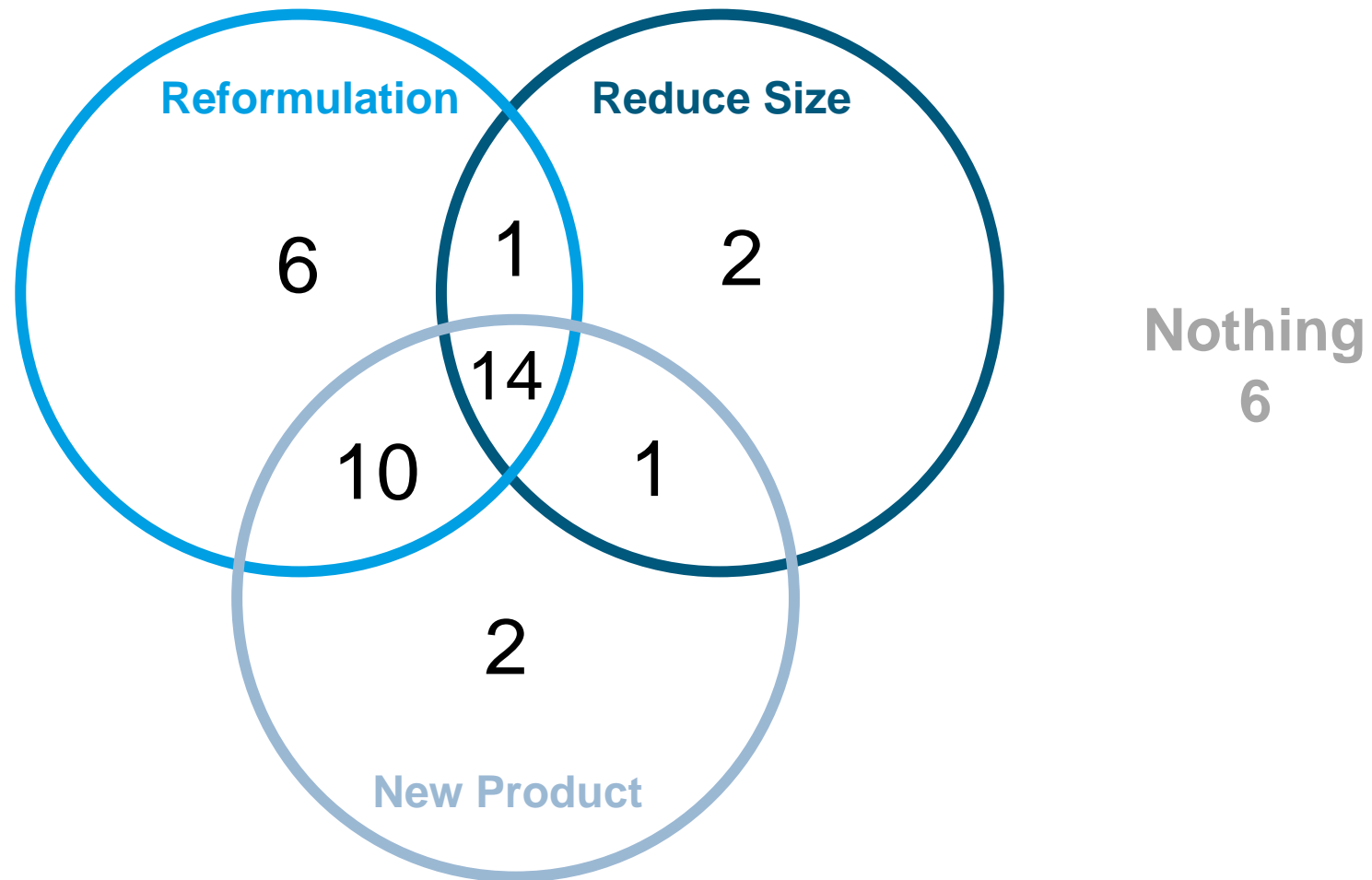
# Attempts to Make Products Healthier



Reformulation or the introduction of healthier alternatives are the most frequently undertaken activities to making products healthier.

# Attempts to Make Products Healthier

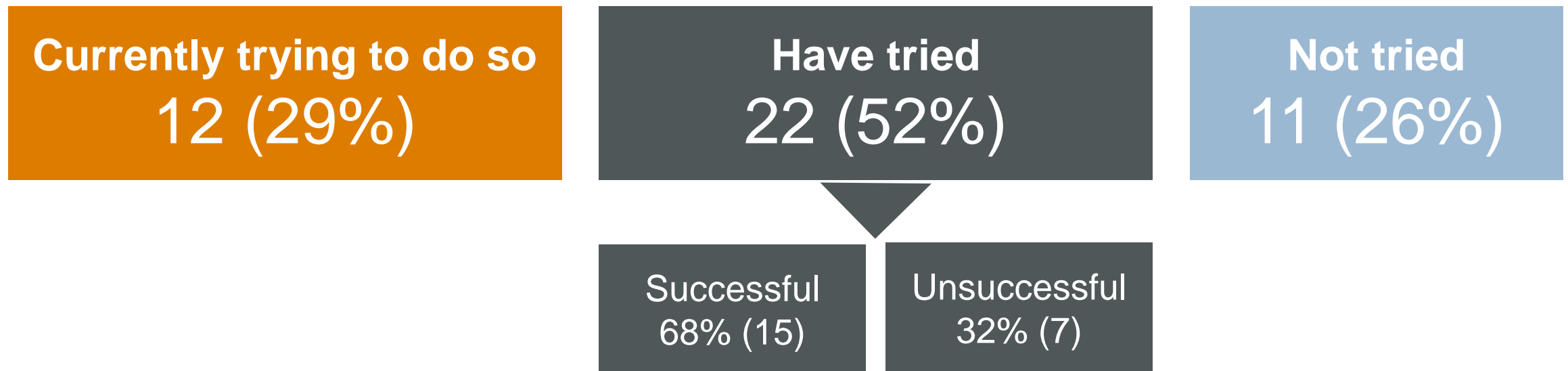
Most companies had/were trying multiple methods to improve healthiness (2 on average).



# Reformulation



# Participation in Reformulation Activities



The majority who have tried reformulation were successful.

# Additional Help and Advice to Reformulate

What external help	Total	Currently trying	Unsuccessful	Successful
Food technologist	9	5	1	4
Consultant	7	2	1	4
FDF advice	4	2	1	1
Another business that had successfully reformulated/reduced portion sizes	2	1	0	1
Other (local council, marketing consultancy/opportunity and Ingredients suppliers)	3	2	0	1
None	15	4	5	8

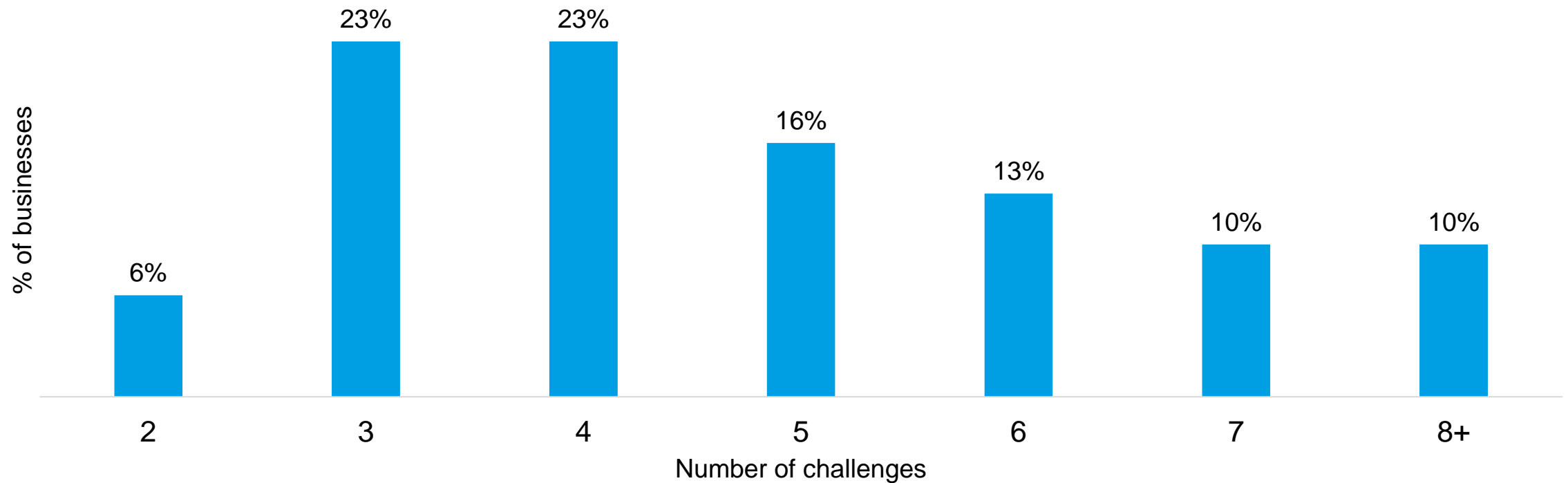
Many businesses are not seeking advice:

- 5 out of the 7 suppliers who were unsuccessful did not seek any external advice.

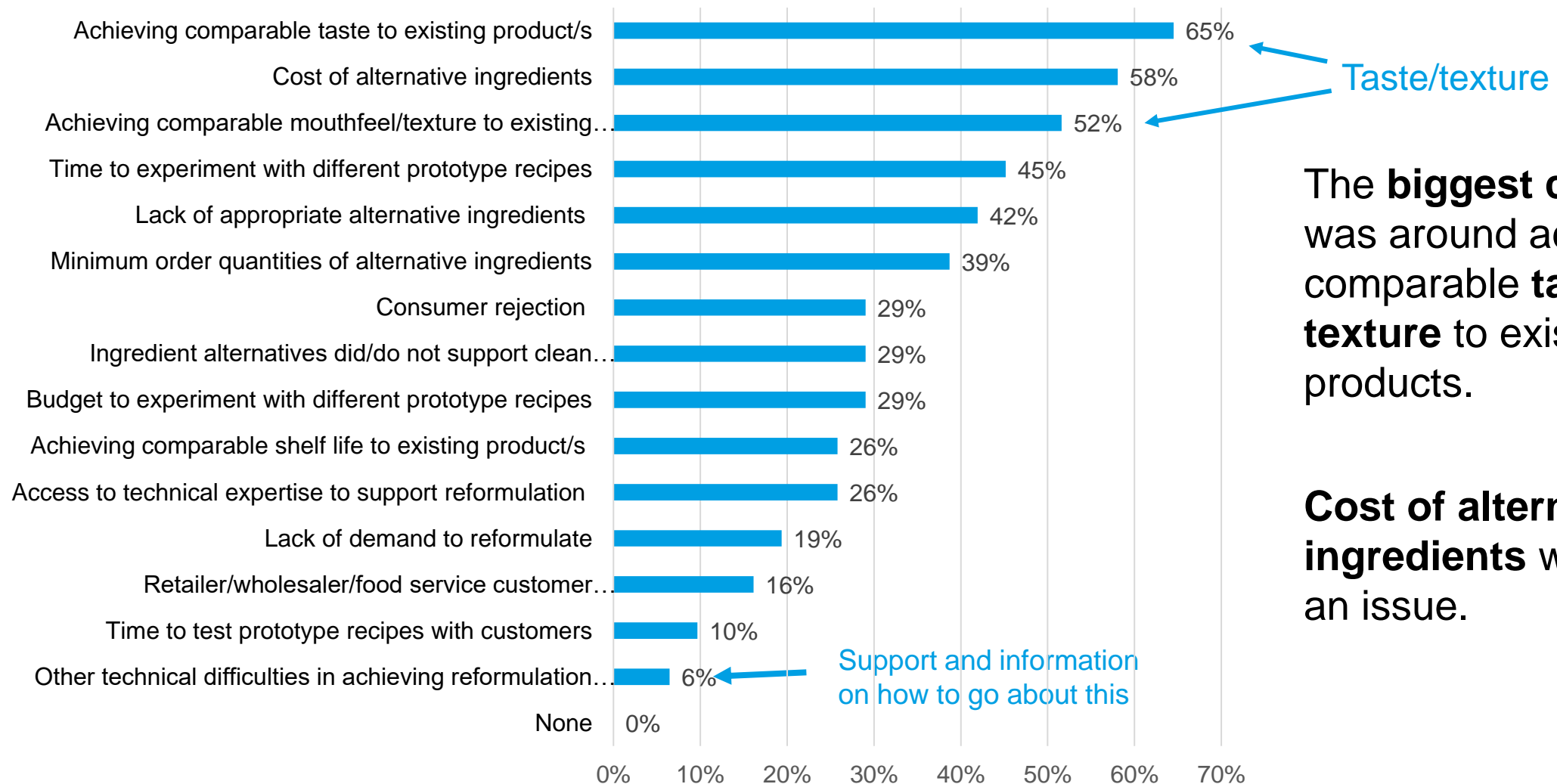
- 8 out of the 15 suppliers who were successful

# Number of challenges encountered

All companies encountered at least one challenge when reformulating their products



# Challenges in Reformulating



The **biggest challenge** was around achieving a comparable **taste & texture** to existing products.

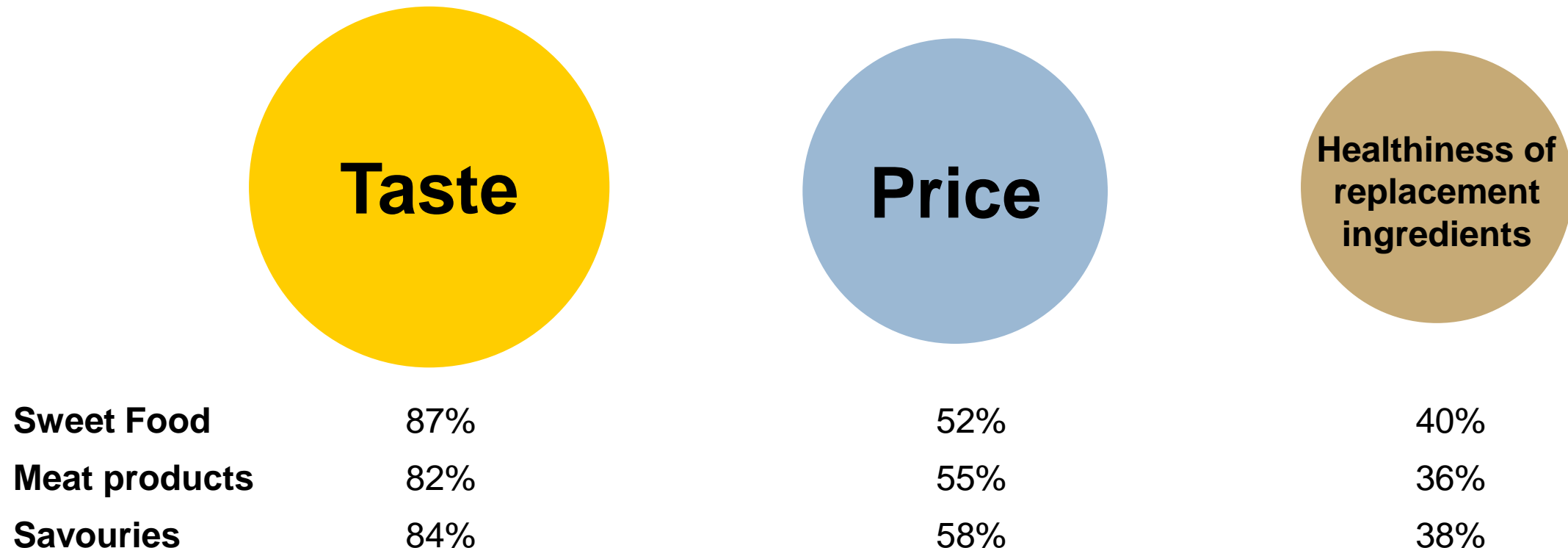
**Cost of alternative ingredients** was also an issue.



# Consumers Judge Reformulation on Taste

As the main criteria determining consumer acceptance taste is potentially the biggest challenge to successful reformulation.

Consumers are also resistant to paying more for reformulation, creating an additional challenge to companies with a cost of alternative ingredients also highlighted as a barrier.



# Reformulating, Achieving Comparable Taste

Achieving comparable taste is not an unsurmountable issue.

**Challenge – Achieving comparable  
taste**  
20 businesses



**Successfully  
reformulated**  
13

# Size is not necessarily a barrier

**Number of companies successfully or unsuccessfully reformulating within the survey by turnover**

	Reformulated	
Turnover	Successfully	Unsuccessfully
£99k or less	1	0
£100k to £499k	4	1
£500k to £999k	2	1
£1m to £4m	2	3
£5m or more	6	2

# Successfully Reformulated Product Categories

	Currently doing so	Unsuccessful	Successful	Not tried
Savoury & sweet bakery (excluding meat products)	4	1	4	3
Biscuits & cereal bars	2	0	1	3
Pastry based meat pies, quiches, flans, rolls & pasties	3	4	5	3
Pastry based vegetarian & vegan savouries	0	1	1	1
Cooked & cured meat & meat snacks	3	2	2	1
Fresh meat (e.g. fresh beef, sausages, BBQ meat or breaded chicken)	2	2	3	0
Cheese	1	0	0	3
Ice-cream	1	0	2	1
Dairy based chilled desserts (e.g. yoghurt/fromage frais)	1	0	2	0
Confectionery (e.g. sweets, chocolate, fudge/toffee)	1	2	0	1
Ambient savoury snacks (e.g. crisps, savoury biscuits)	2	1	0	2
Pizza & prepared meals (e.g. heat at home)	3	1	3	1
Other	1	1	2	0

Success was achieved across a range of categories.

There were only a few categories where there had not been any success to date.



# Confectionary is potentially a challenging area

- 
- 1 of 4 are currently trying to reformulate
  - 2 of 4 have tried to reformulate and were unsuccessful
  - 1 of 4 haven't tried to reformulate



# What Have Businesses Done?

Reformulated	Number of Mentions
Reduced salt	8
Reduced sugar	6
Reduced fat	5
Other (e.g. switched to no palm oil, introduced GF)	4
Added fibre	2
Reduced calories	2
Added veg	1

# Successfully Reformulated Products

‘Completed a **low-fat** range of sausages’

‘**Reduced salt level** on a number of ready meals over the past 18-months’.

‘**Increased fibre** content savoury bakery’

‘Made our plant-based meats with **less salt, fat content** and **total calories**’.

‘A number of years ago we **reduced the salt** content of our breads’.

‘Yogurts with **only natural sugar** from fruits, **reduced fat and salt** content in cottage cheese’.

‘We manufacture a pizza base with no salt.... we work within the Public Health England Guidelines for **low salt & sugar** in all our pizza bases. We also have products that have 25% wholemeal flour in them’.

‘Pizza. **Reduced salt** to <1% and no affect on sales’

# Unsuccessfully Reformulated Products

Loss of quality in terms of taste/texture was the main reason for reformulation being unsuccessful.

Safety, product formulations not working, and cost were also cited.

....**reduced salt** to <0.3%, **reduced sugar** to < 5%, **reduced fat** to <3%. Product does not sell as well as before. Meeting customer requirements for all green traffic lights...customers preferred the previous product and found this one a bit tasteless.  
*Pizza or ready meals producer*

'Some mixes we increased the yoghurt and reduced the mayo but the product broke down'  
*Savoury pastries & sandwiches producer*

Gradually tried to reduce salt in sausages & Scotch Pies over a period of 4 months . During the time customers noticed the difference & sales slowed down.  
*Meat products producer*

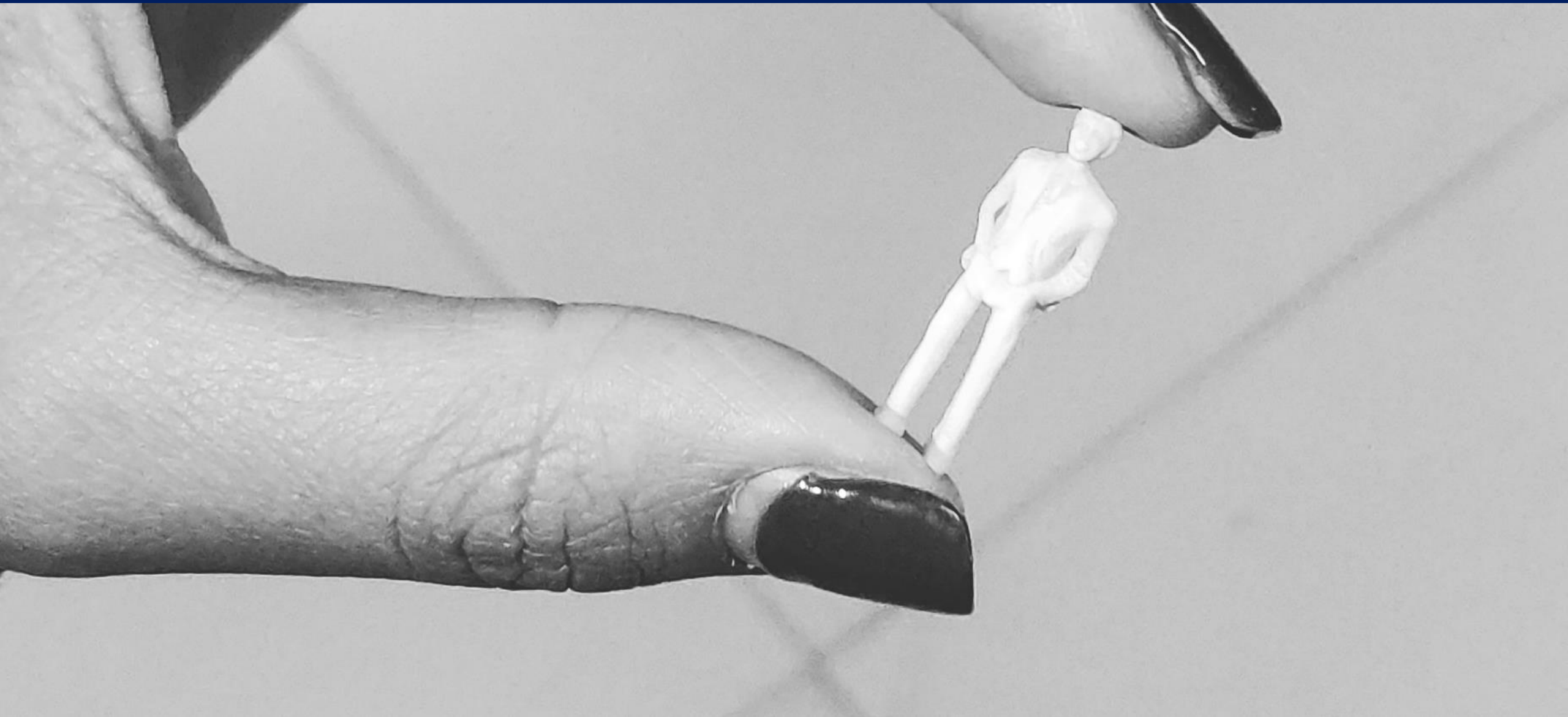
Very difficult to make some products that are designed to fill a value gap healthier without being detrimental to the product and/or increasing cost.  
*Pizza or ready meals producer*

'Salt is the only preservative that we use, it proved to be impossible to maintain safe levels of salt with less mixing bowl weight'  
*Meat products producer*

....reducing anything spoils taste - tried chocolate too - again - spoiled eat for such fewer calories.  
*Confectionery producer*



# Reducing the portion size



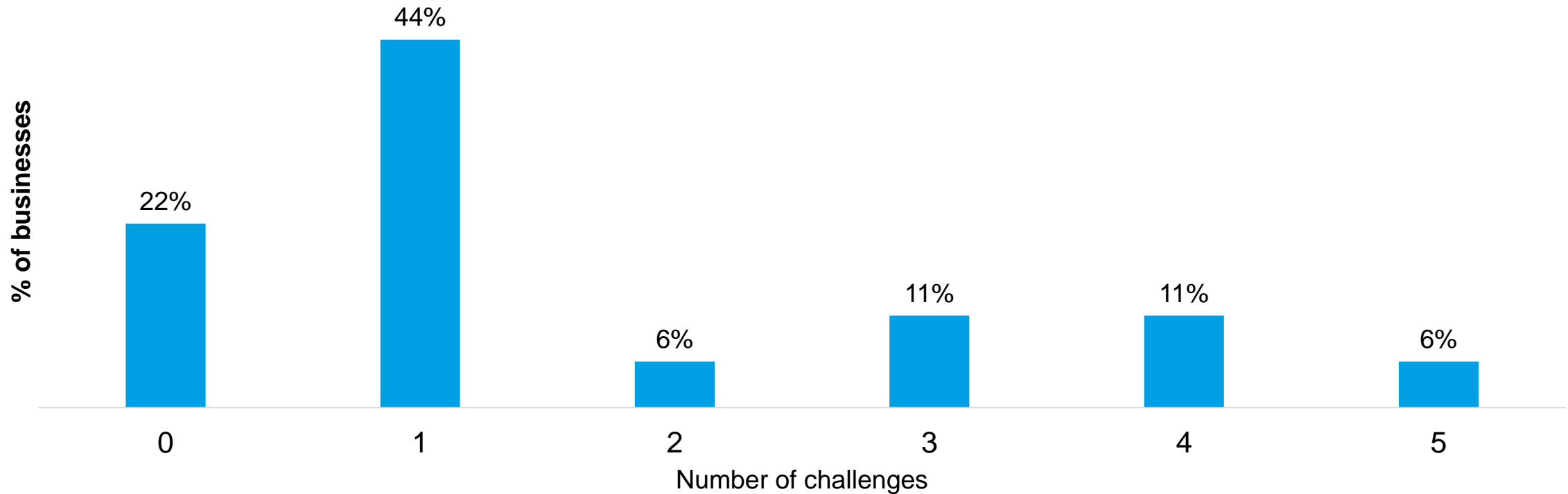
# Participation in Portion Size Reduction



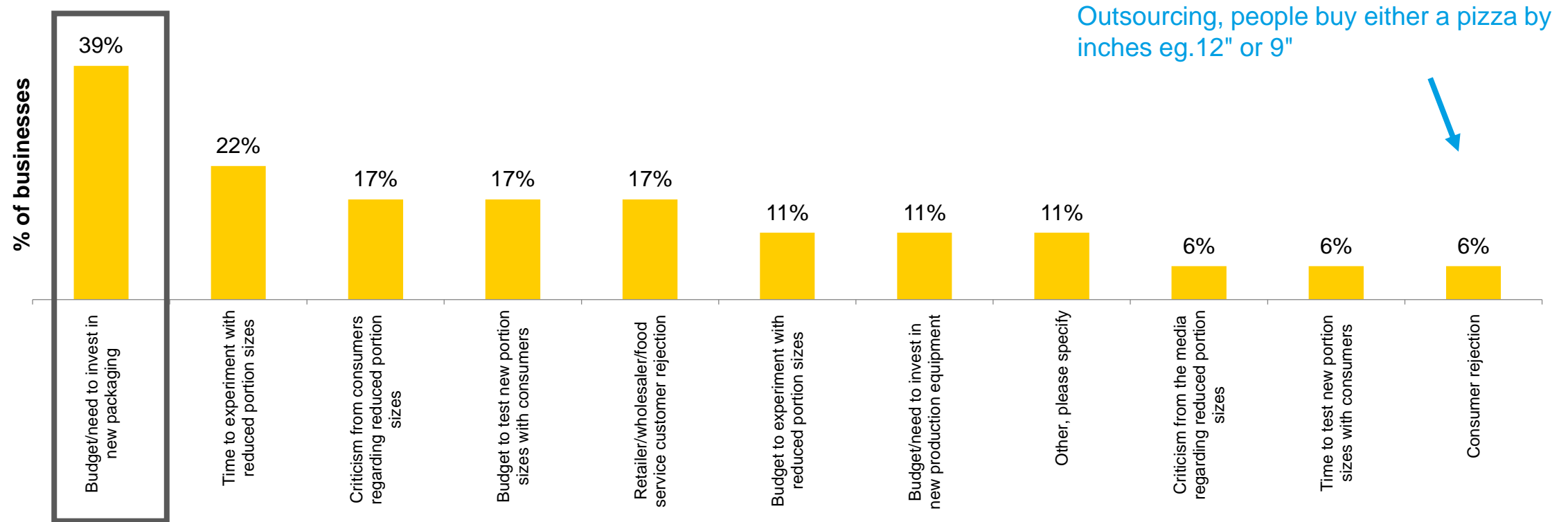
The majority have not tried portion size reduction, but those who have done, tend to have done so successfully.

# Number of challenges encountered

Compared to reformulation, businesses encountered fewer challenges



# Challenges in reducing portion size



Budget/ need to invest in new packaging was the biggest challenge for suppliers, when reducing portion size.

# Successfully Reduced Portion Size, Categories

Food Type	Number of companies successfully resized a product/ products under this food type
Ice-cream	3
Cheese	2
Savoury & sweet bakery (excluding meat products)	1
Biscuits & cereal bars	1
Cooked & cured meat & meat snacks	1
Fresh meat (e.g. fresh beef, sausages, BBQ meat or breaded chicken)	1
Dairy based chilled desserts (e.g. yoghurt/fromage frais)	1
Confectionery (e.g. sweets, chocolate, fudge/toffee)	1
Pizza & prepared meals (e.g. heat at home)	1
Other	1

# Successfully Reduced Portion Size, Examples

'Resized sweet muffins'  
*Bakery producer*

'Reduced individual bag size  
to hit under 100 calories'.  
*Confectionery producer*

'Individual breakfast portion  
pack size reduced'  
*Jam & chutney producer*

'Reduced size of ice-cream to  
get the cals under 100'  
*Dairy product producer*

*Ice cream 120ml to 100ml*  
*Dairy product producer*

Reduced pot size to single serve  
.....smaller pot format and calorie  
call out for Ice Cream.  
*Dairy product producer*

# New Healthier Products



**NEW  
PRODUCT**

# Launching New Healthier Products

Nearly two-thirds of companies had introduced new healthier products, with a high degree of success

Developed and launched new healthier product/s to add to existing range

Currently trying to do so  
12 (29%)

Have tried  
17 (40%)

Not tried  
15 (36%)

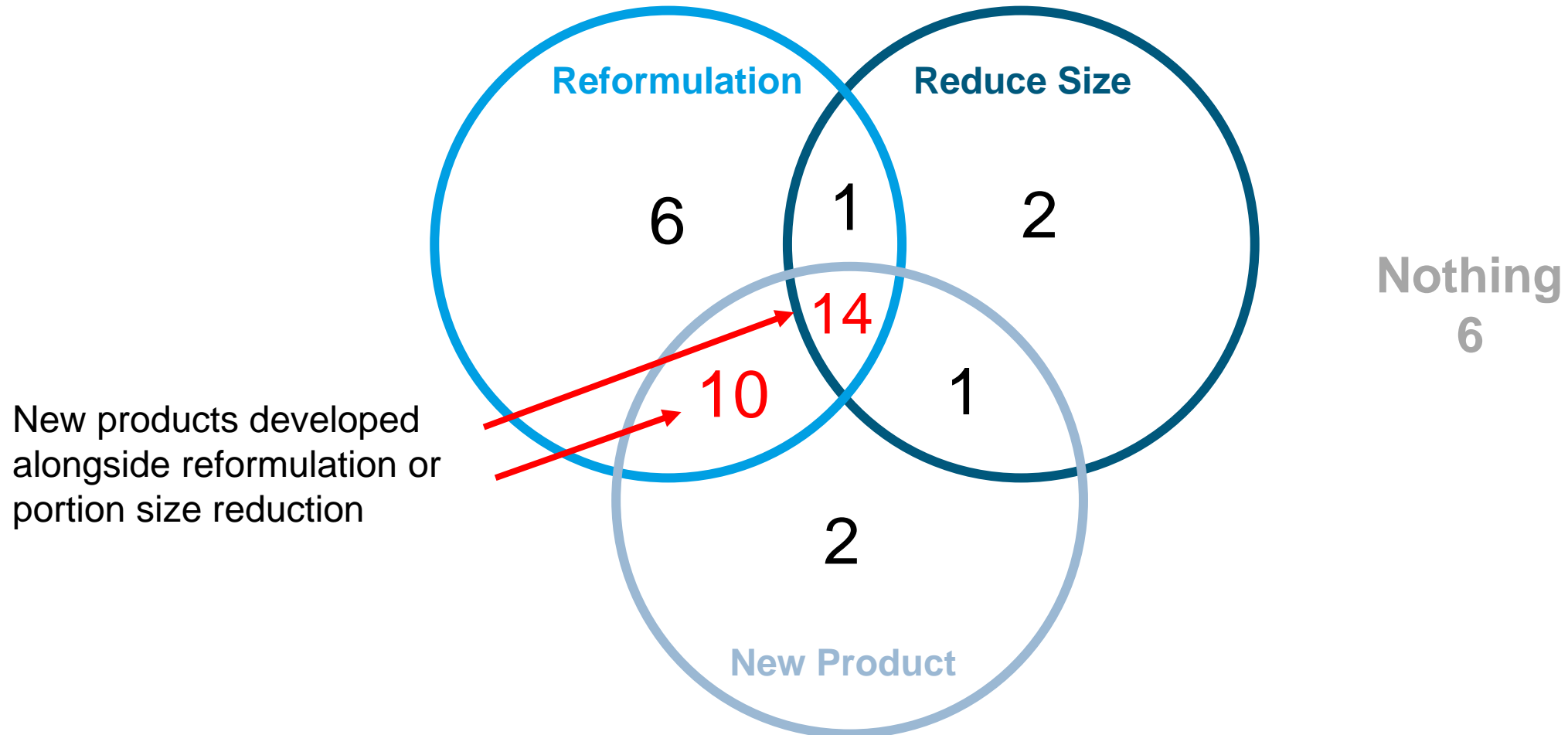
Successful  
94% (16)

Unsuccessful  
6% (1)



# Attempts to Make Products Healthier

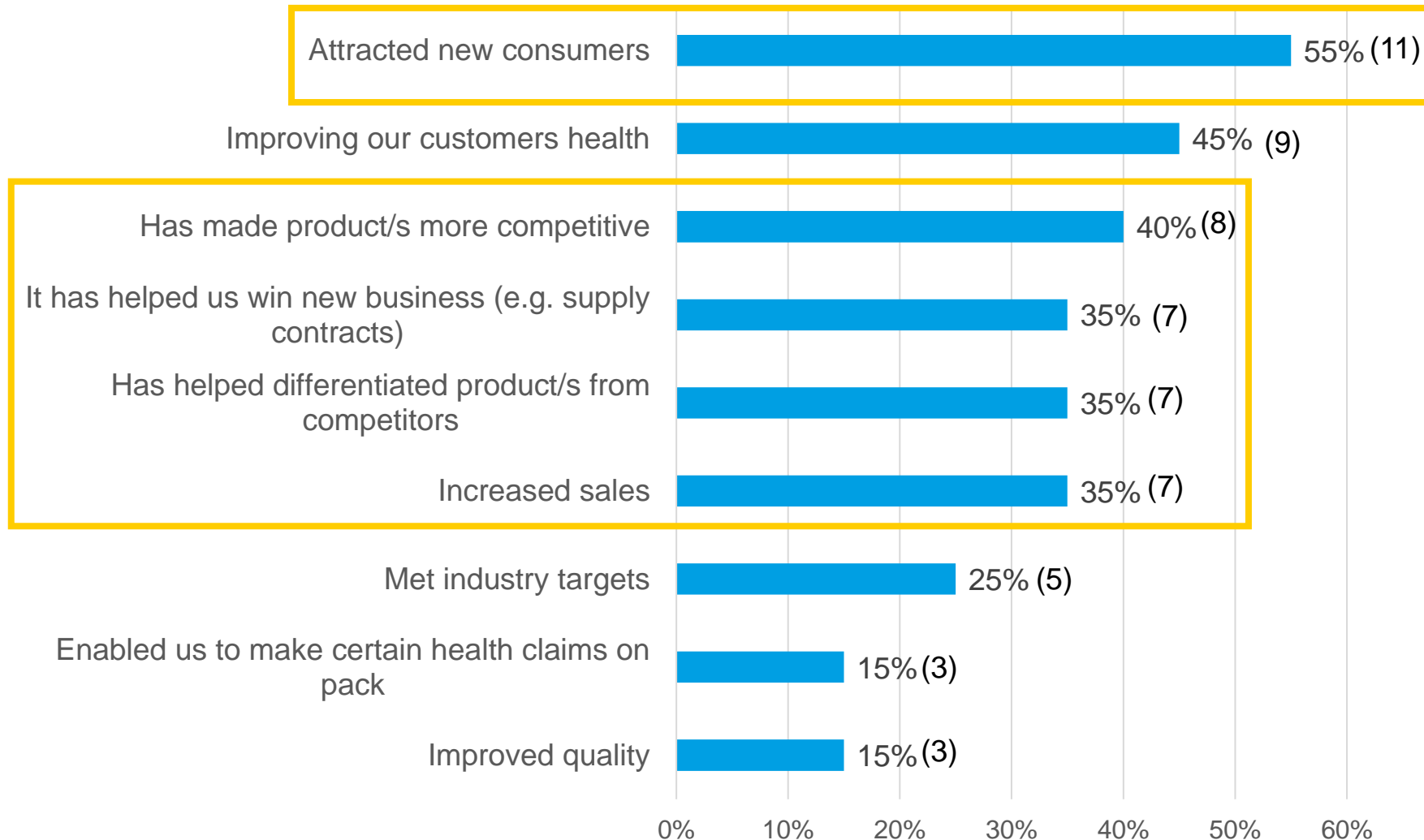
Notably, this tends to be done alongside reformulation or portion reduction of existing products rather than in isolation.



# Results



# Key Benefits



(Number of respondents)

Commercial gains dominate the benefits from successfully reformulating or reducing portion sizes

# Feedback from End Consumer

Customer feedback has also generally been positive

Launched reformulated or reduced size products to  
make products healthier (number of businesses)



# Advice for Companies Looking to Reformulate

Businesses who had already successfully reformulated gave the following positive advice:

‘Companies should always be striving to innovate and produce better quality products in terms of health while trying to maintain the taste and texture that attracts customers to these products. It is the responsibility of suppliers to make relevant trade offs between taste/texture and health as some consumers may not have the relevant knowledge or age to make decisions in their best interest usually in relation to health’.

*Plant based meat producer*

‘As we created our products in the first place to be about health we were fine, but when trying to reduce the costs to create broader appeal this is difficult’.

*Dairy producer*

‘Keep trying ... do it very very slowly over a longer period of time people’s tastes should change if they are regular customers. But for those irregular customers they may notice the difference and can cause difficulties by putting comments on social media’.

*Meat/meat products producer*

‘Ask for help’.

*Meat/meat products producer*

‘Involve customers and listen to their feedback’

*Pizza, ready meal pastry-based products producer*

‘Keep trying’.

*Pizza or prepared meals producer*

‘Give it a try, and ask customers what they want’

*Meat/meat products producer*

‘Takes a lot of time to perfect’.

*Ice-cream producer*

‘Ensure the product still appeals to its core customer’

*Bakery*



# Reasons for Not Participating



# Willingness to Reformulate or Reduce the Size of Existing Products to make them healthier

As a business would you like to reformulate or reduce the size of any existing products to make them healthier?



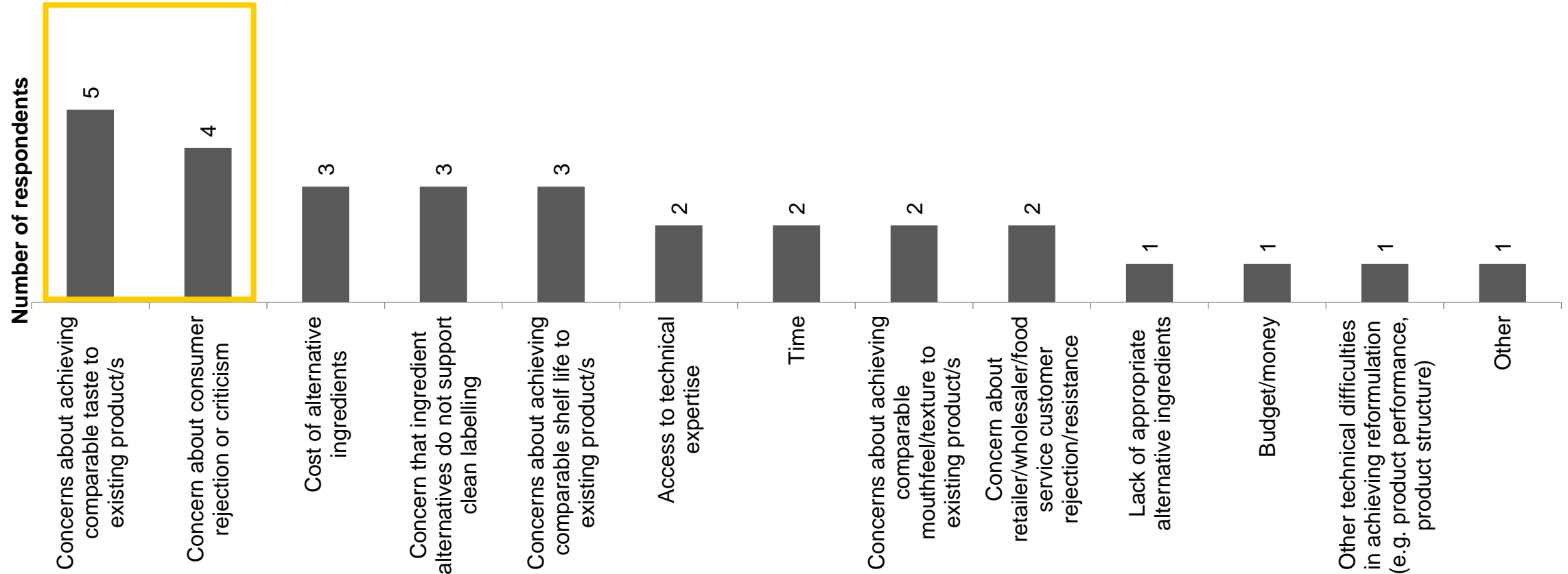
Reasons not wanting to reformulate or reduce size of existing products are below

'It's pointless'  
(Cheese producer)

'Not relevant to  
our products'  
(Cooked & cured meat &  
meat snacks producer)

'We anticipate there would be a  
negative response from consumers'  
(Savoury & sweet bakery and Pastry based meat pies,  
quiches, flans, rolls & pasties producer)

# Reasons for not undertaking any activity to make products healthier, to date



Concerns about achieving comparable tastes are the biggest reason producers haven't undertaken reformulation/portion size reduction.



# FDFS Reformulation Challenge

Business Feedback



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