

Veganism and manufacturing: Key issues facing the industry in 2024

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Consolidation in the plant-based food industry is expected to continue to increase as consumer habits are being driven by the cost-of-living crisis, according to new findings from our report, conducted by Opinium. Companies now more than ever need to have a strategy to expand market share, innovate and diversify product portfolios.

Key findings of the report include:

1. Almost two fifths of UK adults are put off buying plant-based products due to the cost.
2. 54% of adults consider plant-based products more expensive than animal products.
3. One in four (25%) UK adults feel there are fewer options for plant-based products in supermarkets this year compared to last year.
Just over two fifths of those who are vegan (43%) agree and feel there are fewer plant-based options.

In the context of a slowdown in merger and acquisition activity amongst food and drink manufacturers, thought to be because of economic uncertainty, geo-political instability, and rising inflation, companies will need to have a strategy to expand market share and diversify product portfolios as well as investing in innovative technologies as digital and automated businesses offer higher productivity levels and are less impacted by persistent labour shortages.

Further findings from the survey add support to the position that plant-based products should be described using terminology unconnected with other animal products, with one in five UK adults having confused plant-based products with animal products due to branding or labelling.

Moreover, nearly two fifths of adults in the UK (38%) believe plant-based producers should be prohibited from naming plant-based food products after their animals or animal product counterparts. This comes after much controversy in the EU and UK about the banning of animal product terms to describe plant-based food.

It is already a requirement for food producers and other food business operators responsible for food labelling to ensure that the labelling and marketing of their products is not misleading, otherwise these companies risk incurring hefty fines and legal proceedings with damaging reputational consequences.

In light of our new findings, we discuss key legal issues expected to face vegan food manufacturers in 2024 - not only for Veganuary, but for the whole year round.

As ever, if you would like to discuss any of the matters below, do not hesitate to get in touch with our food and drink team

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