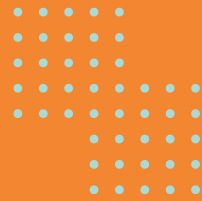


Changing the

NARRATIVE

RETAILERS



Project overview

This resource is part of our Changing the Narrative project. It aims to create a stronger alliance for achieving more plants and less and better meat and dairy, helping to put Eating Better's Better by Half Roadmap into action. It creates the space and resources for our members to better advocate for changes to our food system, and to put forward a positive narrative on dietary change.

"The ambitious changes we need to see in our food system demand that we work collaboratively. Changing the Narrative allows us to be bolder in demonstrating how we can make change happen and the positive story to be told with dietary change."

Andrew Stark

Senior Research and Policy Manager
Eating Better



With thanks to:

Steering group members



Additional support by



What this resource is and how to use it

This resource is for members of the Eating Better alliance and the wider food movement. It is intended to provide organisations with information and guidance on how to tailor their messages and outputs so they are able to work in a more constructive way with retailers on more plants and less and better meat, avoiding polarisation where possible.

Retailers, alongside manufacturers, are defined as individuals and organisations that are responsible for processing, packaging and distributing food products to citizens, such as shops, supermarkets and online stores.

This guide can be used in a number of ways; to inform alliance member reports and research, provide guidance for external engagements and campaigns, communication assets and contribute to more effective strategic planning on more plants, and less and better meat and dairy.



Current market

Retailers have a vitally important role to play in the UK food system. The UK Grocery Retailer Market shares as of November 3rd 2024, as measured by Kantar Worldpanel* (M&S don't report to Kantar so aren't included), are as follows:

Tesco 27.9%	Sainsbury's 15.5%	ASDA 12.5%	Aldi 10.4%
Morrisons 8.6%	Lidl 7.7%	Co-op 5.7%	Waitrose 4.6%
Iceland 2.2%	Ocado 1.8%	Other outlets 1.9%	Symbols and Independents 1.4%

This data includes all grocery expenditure including toiletries, medicine, cleaning products etc. This means that **the top 4 retailers hold a 66.3% market share** and hold significant power over the access we have to purchasing food. Not all retailers sell equal amounts of different food categories. For example, some sell more ready meals as a proportion of their sales, some in dairy and others in 'fresh' protein. As a result, shifting their practices - both in less meat from industrial livestock production and better meat from higher welfare and environmental standards - can bring about significant impact across the food supply chain due to the scale of their own brand manufacturing supply base.

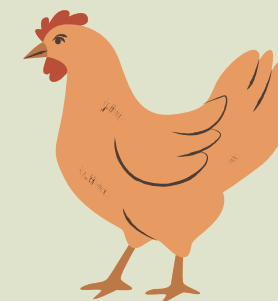
*Kantar Worldpanel Grocery Market Share 03/11/24

<https://www.kantarworldpanel.com/grocery-market-share/great-britain/snapshot>

Better by Half Roadmap

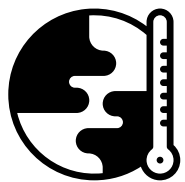
For more info on the practical actions on what needs to happen, explore Eating Better's Better by Half [roadmap](#).

The Better by Half roadmap shows actions to move us towards producing and eating less and better meat and dairy, creating a food system that is fairer, healthier and more sustainable for people, animals and the planet.



What needs to change

Retail is a highly competitive environment within and between retailers, with the focus on market share, sales and profit margins. Individual bonuses for corporate teams are often linked to these Key Performance Indicators (KPIs), so anything which is perceived as a risk to 'winning' financially is hard to sell internally to commercial teams and leadership. Although companies sometimes want to be the 'first' or 'unique' on a particular topic, often they want to be 'not last' or to be able to move as one if it is genuinely pre-competitive. Traditionally sustainability initiatives focus on supply chain 'case studies' (e.g. water projects) or embedding established certification standards (Organic, RSPCA Assured etc). Increasingly, those in the industry are speaking out about the lack of transformative action.



Climate is currently the dominant measure of sustainability for retailers. The majority of retailers have set and verified their climate targets with STBi, and have come together as an industry to work with IGD and WRAP on climate. This is perpetuated by the challenge of quantifying and measuring other issues, or some areas (such as animal welfare) being perceived as acting as oppositional to progress on climate.



Diet is seen as a complex issue. It is hard to collaborate on diets, as it is seen as a competitive issue. The scale feels huge as most retailers have an animal:plant protein split of 90:10, with this needing to drop to around 50:50. This requires them to use all the tools at their disposal (sometimes referred to as 'levers'), such as price promotions and Government support. However, there is a reluctance to tell people what to eat, 'reducing' anything that doesn't lead to more efficiency is more difficult than increasing something else (i.e. plant based increases are easier than meat decreases).



What can be done in this context? There are opportunities for retailers to increase nature-friendly farming through their standards, increase the availability of plant-based products and the amount of whole-plants in their ranges and recipes, shape positive food environments and have controls over the price. Moving beyond carbon as the key measure remains a challenge as this has an established measurement which can be applied across all categories and products. The WWF Basket aims to provide this holistic view. Influencing them positively and in a constructive manner is key to retailers making positive decisions, though scorecards and benchmarks have a role to play in influencing change.

Effective language

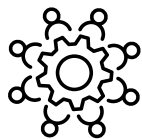
Tailoring messaging is key for positive engagement and breaking down barriers between alliance members and retailers. Below are tips on what works well and what to avoid when engaging with, communicating about or researching retailers and their role in enabling healthy and sustainable diets.

Two overarching considerations to build into strategies influencing the retailers are the following:



Finance - Everyone who works for a retailer in corporate teams has their performance appraisal and personal bonus linked to the overall company and their specific department's (if relevant) revenue/share/profit targets. Therefore by far the most effective framing is to demonstrate the opportunity for:

- Cost-reduction (including mitigating exposure to taxes or restrictions to trade) and price reduction (including by incorporating lower cost ingredients and shifting away from those at highest risk of inflation/supply chain disruption).
Or
- Sales growth – by attracting more customers, gaining access to more distribution points, getting shoppers to trade-up or (less immediately) building loyalty.
- Security of supply - if actions you recommend have the potential to reinforce or shore up the supply chain in any way, then this is financially valuable



Internal complexity - Retailers are complex organisations, and various departments within them have different priorities and knowledge, and there is a lack of internal consensus due to the scale of the businesses. For example, the sustainability teams have limited direct influence in the commercial or product development teams who control decisions about what makes it to the shelves. They are able to get corporate commitments to voluntary pacts, get disclosures through into company reporting, or even secure funding for product trials, but few have got power at the exec-down level or into the buying teams. This does differ by retailer (e.g. Lidl's sustainability team sits in commercial). An additional risk is sustainability teams don't always realise the limits of their influence and/or may like to give the impression of a united front.

Effective framings

Working out **who** you are talking to and **what they can influence**, and finding a route to **people with influence** over the specific action you're seeking, will be key.

Below are 3 further framings that work well and 3 to avoid, when influencing retailers:

3 framings that work well



Celebrating the opportunities and positive initiatives that progressive retailers are making and showcasing examples of best practice of introducing more plant-based options. For example, Lidl GB is aiming for its protein sales to be 25 percent plant-based by 2030 from a baseline of 14% in 2021. This can play into the competitive element of retailers.



Support retailers with gaining board and category level buy-in to rewarding healthy and sustainable initiatives including less and better meat and dairy throughout the whole organisation. Leadership comes from the top and this can have a positive effect on what happens at an individual supermarket level. Example of Sainsburys' 'Eat Better' campaign.



Understanding what the contact working in a retailer perceives as the biggest blockers internally to the shift, whether increasing plant-based range or sourcing better meat and dairy. For example, could they work in collaboration with their own brand suppliers to create innovative new products that reduce meat and increase plant-based options to meet health and sustainability targets? Finding out what the internal blockers are can help find new angles to the problem.

3 framings to avoid



"Retailers are not doing enough to shift the dial on creating a more healthy and sustainable food environment". Given the huge influence over the choice shoppers have, supermarkets should do more. Retailers will respond that they only sell what the customer demands.



"Sustainability teams should be doing more, it's their job!" Do not underestimate the pressures sustainability teams face to influence the buying, product development and marketing teams within a retailer. Buying teams are focused on volume and margins to achieve their Profit and Loss targets. Sustainability initiatives tend to undermine this and are seen as 'a nice to do' if there is capacity."



"As an NGO, we believe there needs to be better education on food". There's a risk that this plays into the 'we can't influence customer demand' message which retailers often use as a reason not to change practices. Instead focus on how retailers can leverage the resources they do have positively and tap into a growing customer awareness of the impact food has on health and our environment.

Examples of counter-arguments from retailers

Example

We're giving shoppers what they want. They are busy people and are looking for convenience and food including classic meat dishes that they know will be liked by their families even if those options aren't necessarily the most healthy or sustainable.

We are a commercial organisation, driven by profit and in a highly competitive environment – concentration of a small number of retailers in the UK grocery market. Need to return a good shareholder* dividend value to remain a competitive investment option. Investing in healthy and sustainable practices is usually more expensive. If we don't sell value meat, people will shop elsewhere.

*Not all retailers have shareholders.

Offering too many options for low priced plant-based and higher quality meat items reduces our financial returns and value market share.

Response

Consider opportunities for a 'health by stealth' approach, getting more beans, pulses and vegetables into ready meals in place of meat. The 7th Carbon Budget found that replacing a proportion of meat in ready meals with plants/plant-based alternatives was one of the most impactful actions for meat reduction. This is good for 5 a day, fibre and climate targets. A huge proportion of meat is consumed through pre-prepared food such as ready meals and sandwiches: consumption of meat through ready meals and convenience has grown from around 20 Grams per person / week in 1975 to nearly 200 in 2020 ([NFS 2020](#), p125). Eating Better's [Sandwiches Unwrapped survey](#). (2022) found that meat was the main ingredient in 59% of sandwiches.

Secondly, there is growing evidence that shows food environments shape citizen food decisions. The 'we only sell what customers want' argument is still quite a common one but ignores the role played by business in shaping those available options.

Firstly, it is good to acknowledge that this is a major pushback that is hard to rebuff. Meat and dairy are staples of most shopping baskets and citizens are price sensitive.

In light of this, a good framing for the response is around the Scope 3 saving potential of less meat, in order for retailers to meet their Net Zero targets. Creating more of a market for 'better' also means it might not impact their £ sales, rather the tonnage of meat sold (as people buy less but better).

Consider the financial returns from all brands in the organisation portfolio, and structure pricing across the range in order to make brands – particularly healthy and key products as accessible as possible to all levels of income. Further considerations could be the opportunity of being a leader in a particular category by offering a lower retail price in order to stimulate a rethinking of prices in a particular sector.

Preparing for 1-1 corporate engagements

Every meeting or engagement is different but it's worth making sure you're up to speed with the specific context and latest financial performance of the business you're working with. Whilst retailers have a lot in common they also have very different cultures, priorities & drivers:

- What specific public targets do they have in this space already? Which might align with/reinforce what you are looking for, and where are there potential trade offs?
- What legislative/regulatory requirements are they subject to, or will soon be subject to? Understanding the geographic scope of their operations - and which parts you seek to influence - is important for this.
- What are the specifics of their business model, in particular with regards to their supply chain? Some retailers will have more integrated supply chains and much closer relationships with their farmers and suppliers than others - if they are heavy investors in animal welfare for example, this could dramatically change the dynamic and most appropriate 'asks'.
- What do their customers care about that is different to the population at large? Affordability is critical for most, but customer concerns can also differ.
- What is the balance of the type of meat they sell? There can be significant differences between retailers in how much is own-brand vs branded, or sold as 'whole' vs 'ingredient' meat, and different levers for change may be appropriate for each.
- How can you support retailers in meeting disclosure requirements and setting actionable sustainability goals, e.g. by providing practical tools, best practice, case studies and expertise?
- Responsible investment is a growing sector – investors are increasingly looking for ways to align their portfolios with sustainable and ethical practices. What evidence and expertise can be leveraged to show that investment in less and better makes good business sense and provides a range of benefits for people and planet?

Existing resources

This is a list of useful resources from members of the Eating Better alliance with expertise in the world of retailers:

Organisation	Case study
The Food Foundation	<u>State of the Nation's Food Industry report</u>
The Food Foundation	<u>Rethinking Plant-Based Meat alternatives</u>
Feedback and Food Foundation	<u>Dataset mapping retailer commitments</u>
Feedback and Food Foundation	<u>Tally - retailer commitments</u>
WWF	<u>WWF Basket</u>
WRAP and IGD	<u>'Net Zero Transition Plan for the UK Food System'</u>
The Grocer	<u>The Grocer website</u>

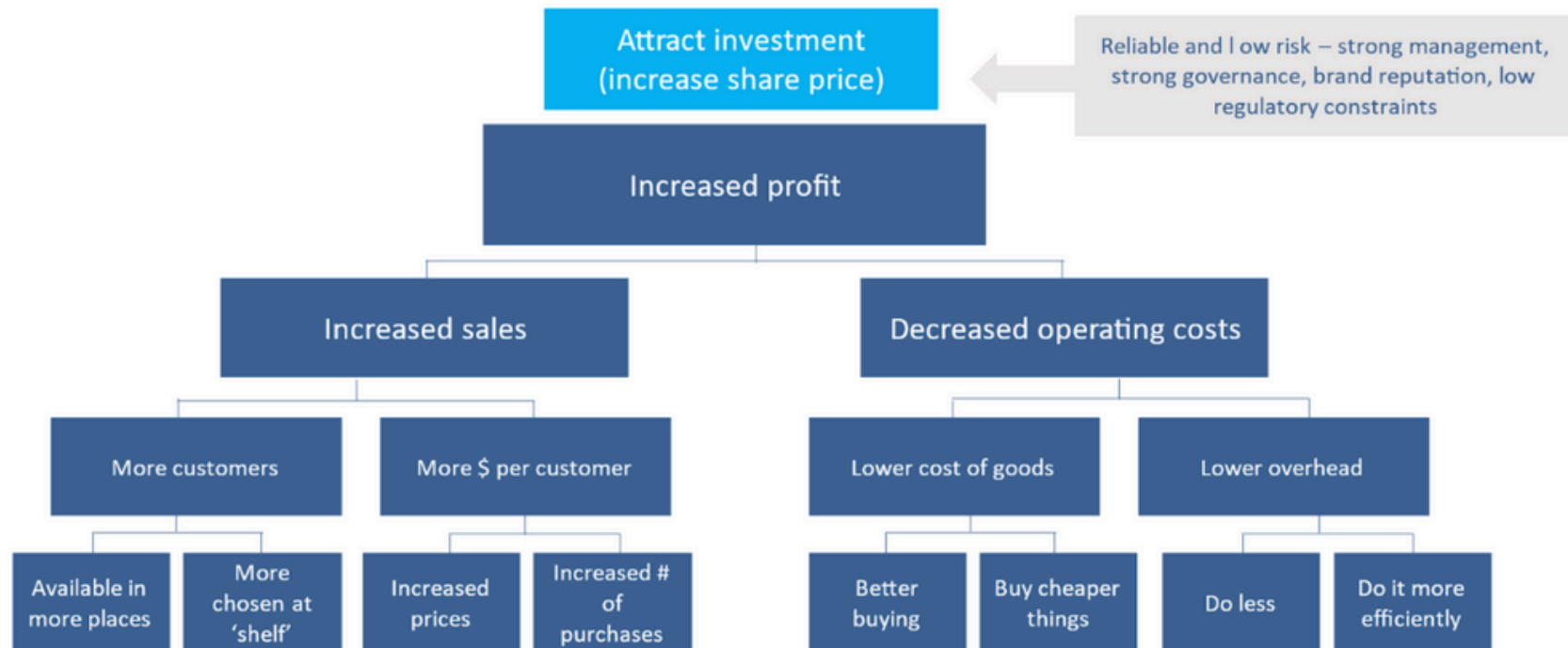
For more info or questions, contact Andrew - andrew@eating-better.org

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Appendix

Images on the structure of retailers, provided by Susan Thomas, Snowstorm Consulting.

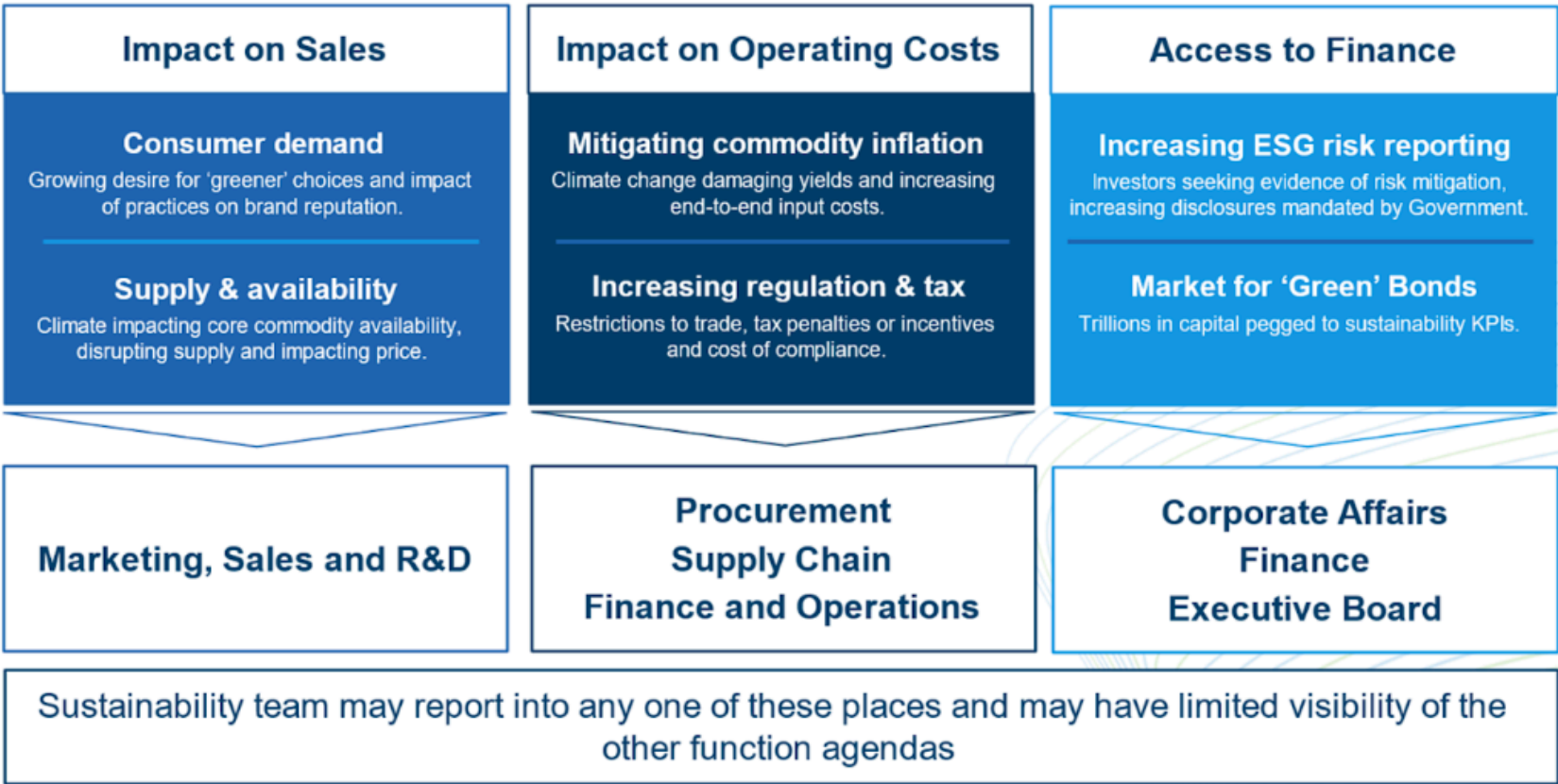
What matters to corporates?



Where does Sustainability fit in?

Customer	<ul style="list-style-type: none">• Increasing interest in brand's environmental credentials = risk + opportunity• Increasing customer desire to participate in 'greener' lifestyles• Increasing main-stream press coverage of business impacts and actions• Increasing environmental costs embedded into product pricing; opportunity to compete• Increasingly retailers require environmental standards to get listed
Finance	<ul style="list-style-type: none">• Increasing scrutiny on risk-mitigation from major investors• Increasing funds available only for 'green' specific activities• Increasing costs loaded into carbon-intensive activity incentivising shifts to alternatives• Risk to secure commodity supply caused by physical climate change
Government	<ul style="list-style-type: none">• Increasing taxes and restrictions limiting freedom to trade/ loading in cost• Increasing disclosure requirements influencing investors and public opinion

Sustainability work is spread throughout the CPG organisational structure



Understanding supply chain relationships

