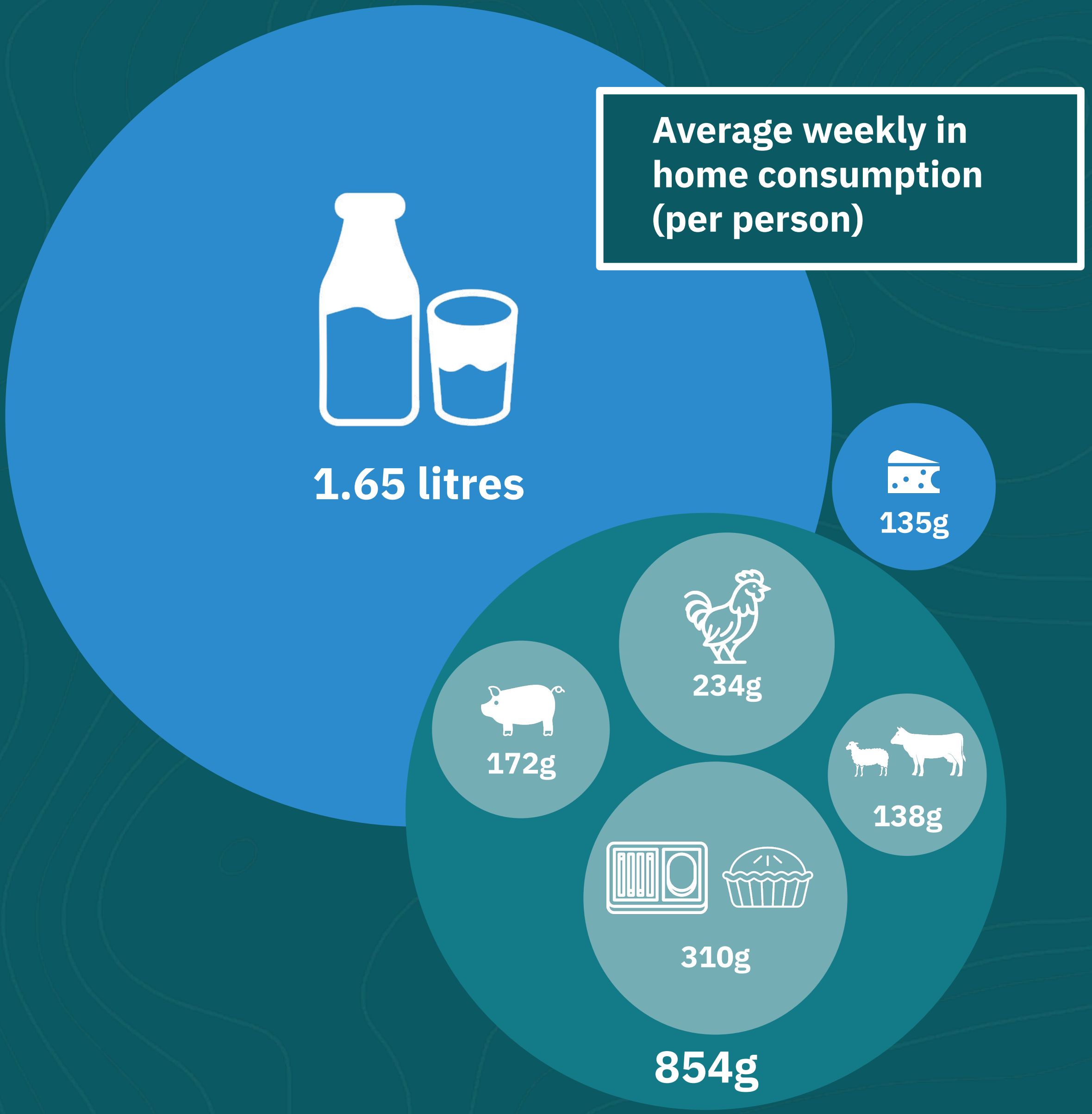
Perspectives on the development of the **UK's plant-based food market**

October 2024

The Climate Change Committee and National Food Strategy are clear: **we cannot keep eating the amount of meat and dairy that we currently consume** without further eroding **food security**, emitting unsustainable levels of **greenhouse gas emissions**, and **destroying precious ecosystems** like our waterways.



Climate Change Committee

The CCC recommends a 20% reduction in meat and dairy by 2030 and a 35% reduction in meat consumption by 2050, **driven partly by consuming more plant-based alternatives.**

Family Food Survey 2021/22, Defra; excludes out of home consumption. Milk includes other dairy products such as yoghurt and cream. Based on self-reported data - which can lead to underestimates.

Making meat and dairy products from plants and fungi offers consumers a simple switch

The UK's goals for climate, nature and food security require us to farm more sustainably without becoming further dependent on imported food.

We also need to reduce how much processed and red meat we eat to improve public health.

But **policymakers are hesitant to take action on diet change** – especially when it comes to meat.

Plant-based meat and dairy products that are **affordable**, **accessible** and **delicious** give consumers the option to make a simple switch in their diets – without requiring them to entirely change how they cook and eat.

These foods differ from whole pulses or vegetables in that they give people the sensory experience of meat and dairy – but they are still made from plants like peas, oats and sunflowers, or through fermentation.

Image: This

Image: Cathedral City

Image: Quorn

LONDON SCHOOL of HYGIENE & TROPICAL MEDICINE

A 2024 systematic review of 35 studies – covering more than 500 plant-based meat products – found:

The vast majority of plant-based meat alternatives cause **at least 70% less CO_2eq emissions** and use **at least 70% less land** and **water** than comparator animal-based products.

Plant-based meat products typically have a more optimal macronutrient profile than comparator animal-based foods – for example being **higher in fibre** and **lower in saturated fat**.

Additional evidence

gfi Europe

The Food Foundation

Our World in Data

gfi Europe

About this research

The market for plant-based meat and dairy grew rapidly between the mid-2010s and 2022. More recently, some commentators have observed a 'slowdown' in the sector. Media reporting has sometimes been based on narrow sources and generated misunderstanding about the current state and future potential of plant-based meat and dairy in the UK food system. This research aims to unpack some of the narratives that have emerged around the plant-based sector and sets out how policymakers could help to unlock the benefits of plant-based foods.

Market insights

- Retail sales data from Circana.
- Household Grocery Panel Data from Kantar
- Supplementary survey data.

Expert interviews

- Interviews conducted with nine industry stakeholders including brands and investors.

Policy analysis

- We present a set of recommendations that could create sustainable growth in the plant-based sector.

Sales data cited throughout this research are not directly comparable due to difference in sources and their categorisation of plant-based products. W**e use these data to indicate trends** rather than total value or volume.

Section 1 | The state of play: the UK plant-based market in 2024

Plant-based meat and dairy are now part of many households' shopping baskets – including flexitarians and omnivores

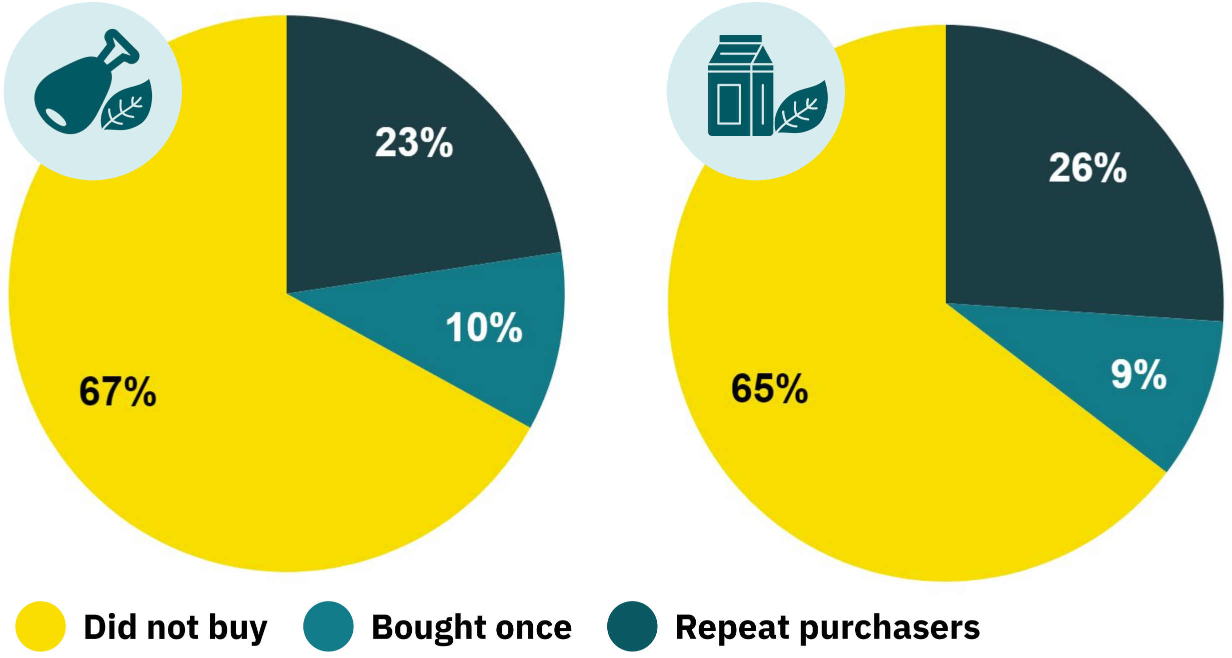
Plant-based meat and dairy have sometimes been caricatured as fleeting trends – with products targeted at those following a vegan diet. This is misrepresentative.

YouGov's diet tracker consistently shows that the proportion of adults who are **vegan** hovers around **2-3%** – making it implausible for all plant-based consumption to be driven by those following an exclusively plant-based diet.

Opinium has found that roughly one in five omnivores eat plant-based meat at least once per month and nearly one in 10 do so at least once per week.

Polling for the Food Standards Agency identified that of the 27% of adults who currently eat plant-based meat, 73% consume these foods at least 2-3 times per month.

A quarter of GB households purchased plant-based meat and dairy alternatives more than once in 2023



Source: Kantar's Worldpanel, GFI Europe analysis

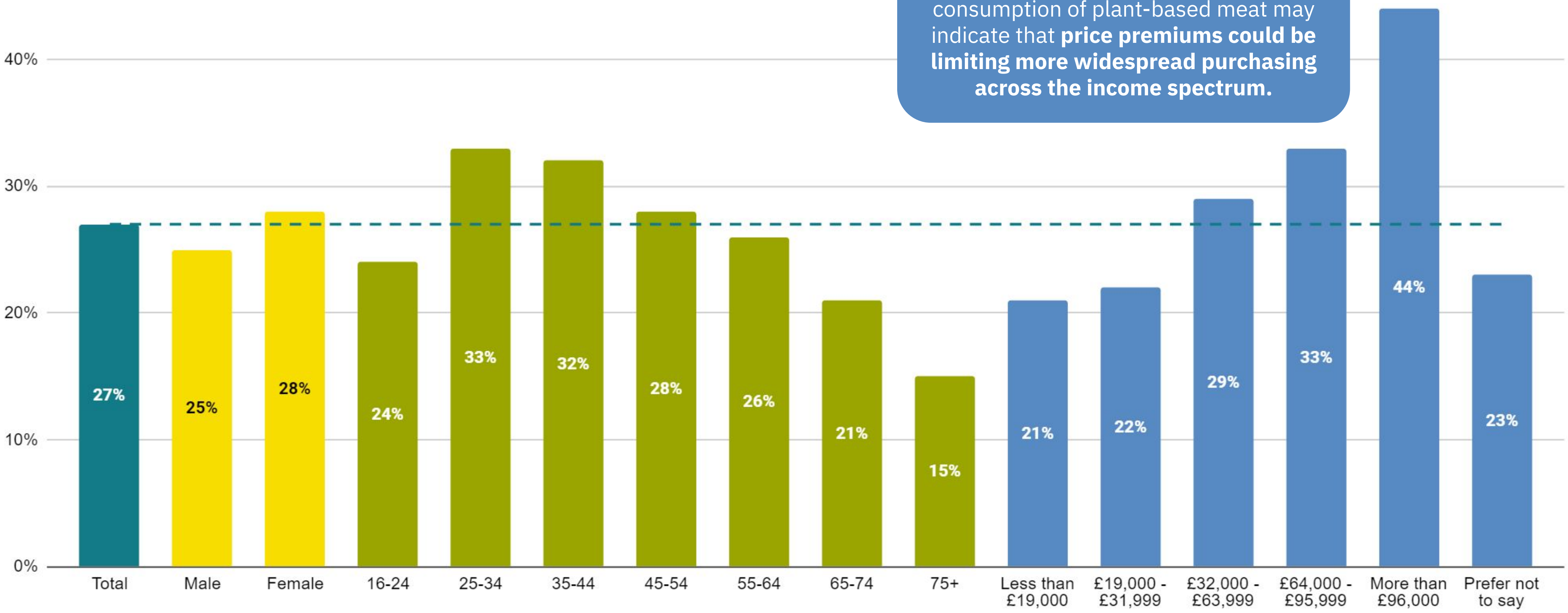
Additional evidence

Bryant Research

smart protein

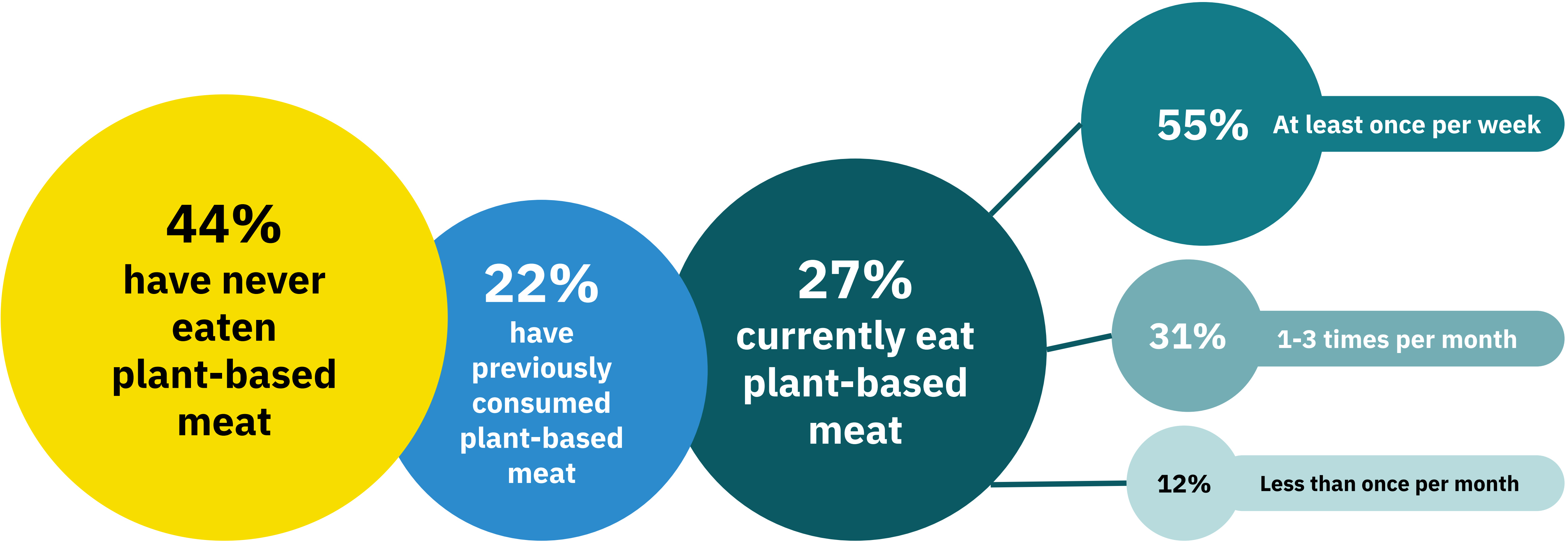
25-44 year olds and higher-income individuals are more likely to say that they eat plant-based meat

An association between higher income and higher rates of reported consumption of plant-based meat may indicate that **price premiums could be limiting more widespread purchasing across the income spectrum.**



Source: Food Standards Agency (2024)

More than half of people who eat plant-based meat say that they do so at least once per week



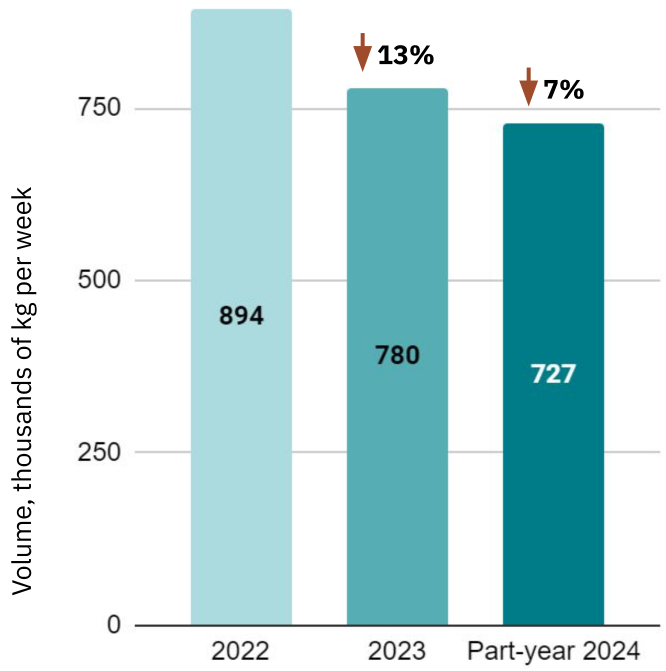
Source: Food Standards Agency (2024) - “don’t knows” not included.

Nearly £1 billion was spent in retail on plant-based meat & dairy in 2023 – although sales volumes have dipped in recent years

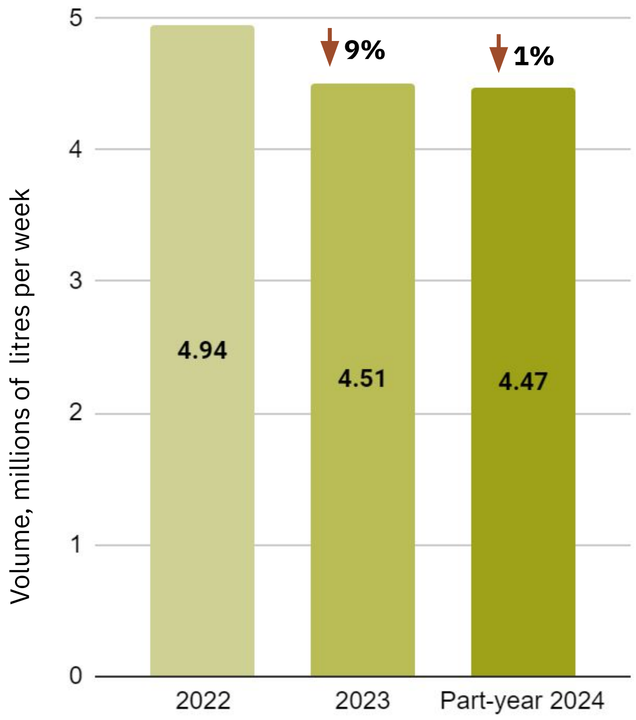
£942 million

UK consumer spend on nine plant-based categories in **2023**

Average weekly sales volume of plant-based meat, 2022-June 2024



Average weekly sales volume of plant-based milk, 2022-June 2024



Data covers major UK supermarkets and convenience stores – but not Aldi or Lidl.

There are signs of growth in smaller plant-based product categories.

Weekly sales volume January-June 2024 (vs. 2022):

Plant-based yoghurt +3%
Plant-based cream +12%
Plant-based cheese +15%

Additional evidence

[Read our UK plant-based sales retail insights report]

Section 2 | Understanding the growth and slowdown of the UK’s plant-based market

The UK’s plant-based market is maturing after sudden growth and volatility

The modern plant-based sector is still relatively new but has quickly become an established part of our food system. Today, plant-based meat and dairy are an everyday fixture on supermarket shelves, in coffee shops and on restaurant menus.

Progress in meeting consumer needs and widening availability has clearly been made in recent years – driven by innovation breakthroughs, new market entrants and commitments from the established food sector – but the journey is far from complete.

Recent setbacks have sometimes been framed as the end of the line for plant-based, but there has been little recognition of the challenges facing the sector and how they might be overcome. In this section, we explore three phases of the plant-based sector’s development and unpack the potential reasons why there has been a cooling off after years of growth.

The rise of plant-based 2.0
(Mid-2010s-2020)

Growth through the pandemic
(2020-2021)

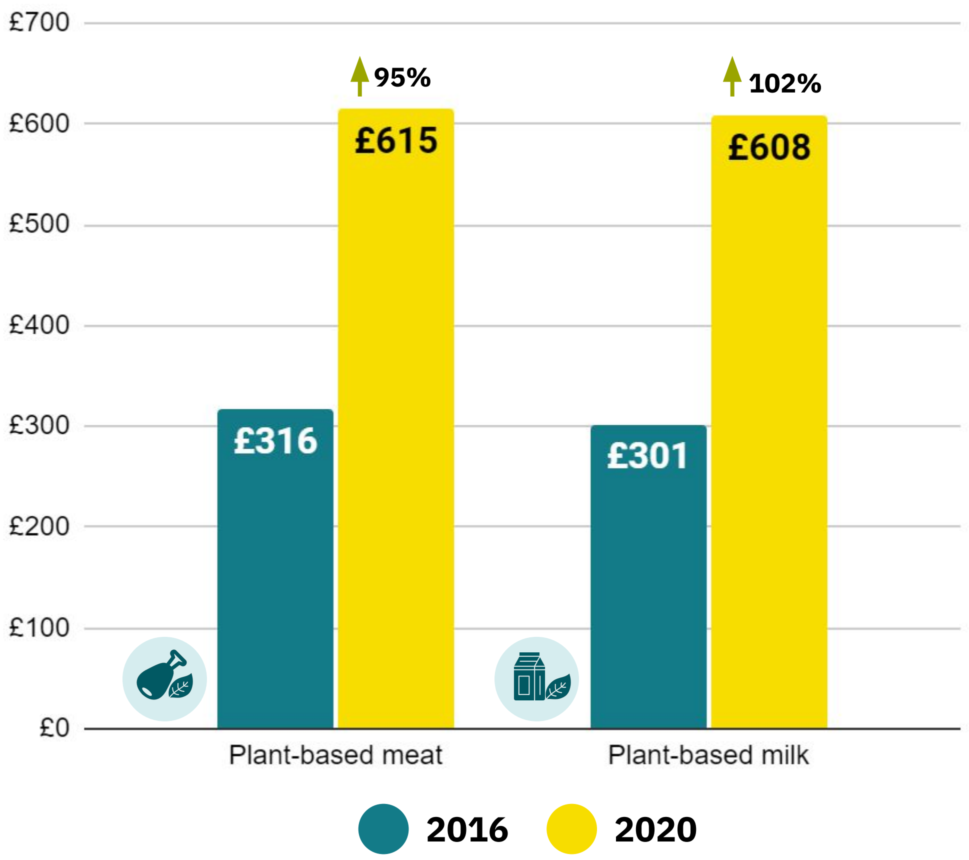
The plant-based slowdown
(2022-2024)

Image: Unsplash

Phase 1: The rise of plant-based 2.0 | Mid-2010s-2020

Features	Interview insights
In the mid-2010s, many **new brands and innovations emerged** in the plant-based market. While **some of these products represented a step forward in taste and texture**, others did not meet consumer expectations.	*"It felt like this tidal wave of new brands entering into the space."* *"There were a few companies making significantly more progress from a technological and product perspective than had been made in 50-100 years."* *"I think that 2015 to 2020 wave of innovation on plant-based burgers and bacon didn't solve all of the challenges."*
Retailers and food service outlets took a greater interest in the new generation of products. In 2019, supermarkets, including Tesco, M&S, and Sainsbury's, introduced large new own-label plant-based ranges.	*"The retailers supported it with huge expansion of fixture space."* *"Demand in out-of-home coffee places effectively translated into the retail world – so we went through a period of hyper growth."*
With concerns about individual health and sustainability growing, coupled with a novelty factor, a **new cohort of conscious consumers** began to trial the category.	*"I think [our] very powerful brand coincided with climate change concerns more broadly."* *"People were increasingly buying plant-based foods and excited about them primarily for their health."*

The UK plant-based market roughly doubled in value in the second half of the 2010s (£ million)



Source: Kantar, USDA analysis (original data reported in US dollars; converted to £ at 0.78). Please note, market data used throughout this report are not comparable due to difference in product categorisation.

Phase 2: Continued growth during the pandemic | 2020-2021

Features

Retail sales were boosted by pandemic restrictions on out-of-home purchases, **heightened concerns about health**, and **additional spare time and income** for many households.

However, some demand for plant-based during this period was artificially stimulated by pandemic conditions and would inevitably be difficult to maintain.

In 2020 and 2021, there was a large increase in investments in plant-based companies globally. Simultaneously, several international plant-based businesses became a financial news story – following valuations that positioned them as tech companies rather than food companies, who could not expect the same types of growth rates or returns.

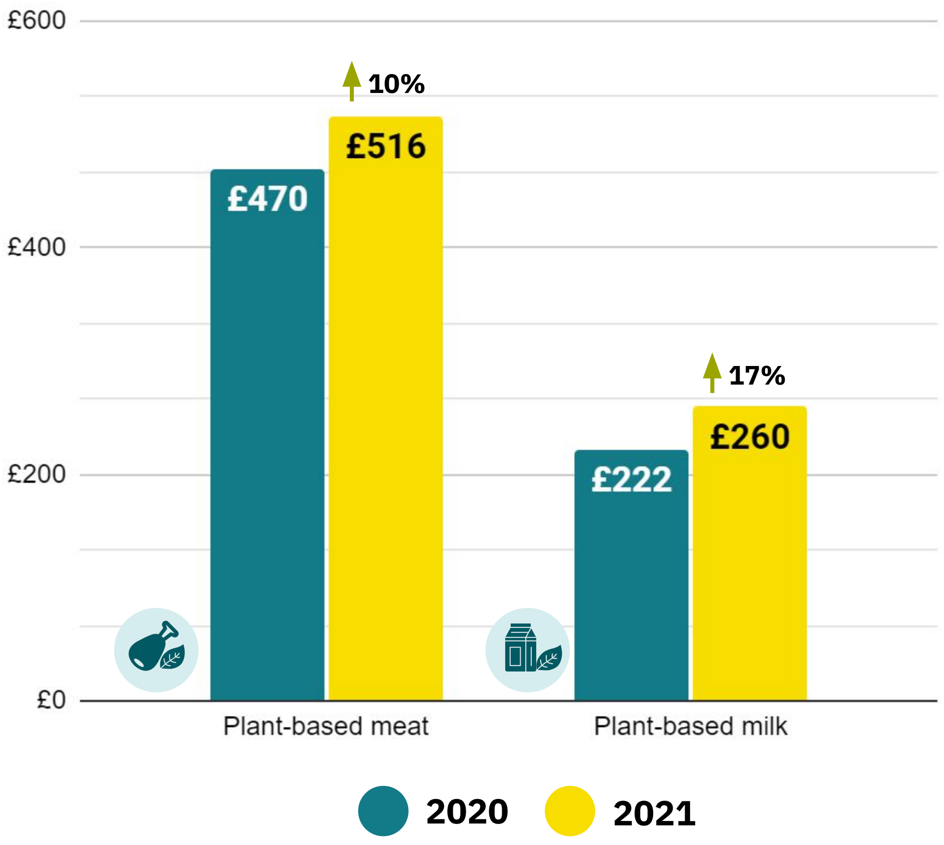
Interview insights

“Our habits were forcibly disrupted and the momentum was already in the direction towards plant-based, and so for people who sort of hadn't done it yet, now was there chance to explore. A lot more people were buying their food from supermarkets that might not normally.”

“They were anomalous years and I think you strip them out.”

“Interest in alternative proteins spiked with Beyond Meat and Impossible Foods, driving massive valuations. We remained cautious, as these companies were often valued like tech firms, ignoring the challenges of scaling a sustainable food business. As the sector matures, focus should shift to sustainable growth and realistic consumer adoption.”

Retail sales value of plant-based products continued to grow during the pandemic (£ million)

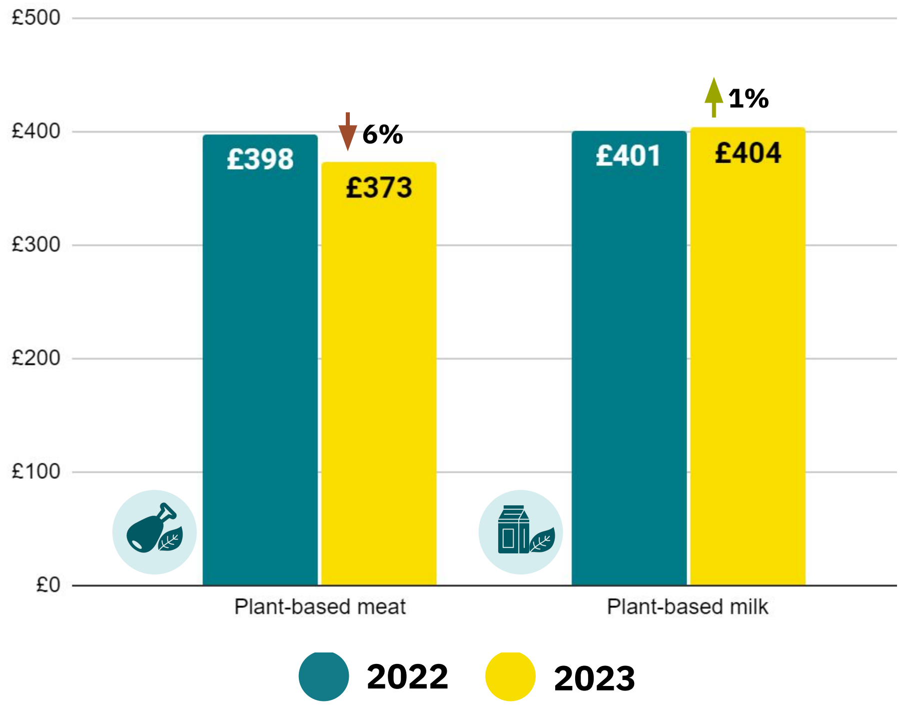


Source: GFI Europe analysis of NIQ. Please note, market data used throughout this report are not comparable due to difference in product categorisation.

Phase 3: The plant-based slowdown | 2022-2024

Features	Interview insights
Retail sales of plant-based meat and dairy slowed as **pandemic restrictions eased and the cost of living crisis hit**. Evidence suggests that shoppers prioritised buying more affordable foods.	*"In an inflationary period, affordability is key. Consumers under financial pressure will prioritise the cheapest protein, whether plant-based or not, posing a challenge for alternative proteins to compete on both price and quality."*
With **demand weakened and the plant-based market saturated**, brands fell into financial difficulties, including administration in some cases.	*"In sectors with many small players and ongoing struggles, consolidation is inevitable. But this will likely lead to improved products, greater scalability, and a stronger industry overall*
Some plant-based product lines were withdrawn and **concerns about poor taste experiences** grew.	*"A lot of the products, I think, miss the mark and we have a relatively small number of companies who are producing products that tick a lot of boxes."*
Plant-based foods became strongly associated with narratives about ultra-processed foods – despite very few scientific studies ever including plant-based meat in their scope.	*"That's probably hurt us a little bit. I think that's been used as a stick to beat the plant-based sector quite heavily."*

Retail sales value of plant-based meat and milk slowed in 2022 and 2023 (£ million)



Source: GFI Europe analysis, Circana. Please note, market data used throughout this report are not comparable due to difference in product categorisation.

Do headlines about the plant-based slowdown stand up to scrutiny?

Heather Mills mounts million-pound rescue bid for her VBites vegan food firm

Some UK plant-based companies have faced financial difficulties in recent years. However, **financial challenges are not unique to plant-based but part of a wider trend in the food and drink sector.** Government data indicate that 188 food manufacturers collapsed in 2023 – nearly 2.5 times as many as went out of business on average per year between 2013-2019.

Is this the end of Beyond Meat? How the vegan food revolution ate itself

Sales figures from a small number of high-profile companies - sometimes from other parts of the world - have been used as evidence that the UK plant-based sector is backsliding. However, **some businesses and sub-categories are growing in volume and value.**

Lidl GB triples plant-based range as it experiences double-digit growth

Oat in growth
Oat milk % share of the plant-based drinks market

44%	50%	53%
2022	2023	Part-year 2024

Source: GFI analysis, Circana

Do headlines about the plant-based slowdown stand up to scrutiny? (continued)

Daily Mail

Is the millennial obsession with going 'vegan' finally over? Innocent Drinks ditches its £1.85 plant-based milk smoothie range

The withdrawal of product lines has been used as an indicator of a sectoral slowdown. Yet large numbers of new products have been launched in their place. The Grocer found that, although between October 2022 and October 2023 five supermarkets delisted 769 plant-based products, **they also introduced 765 new options.**

Food Navigator EUROPE

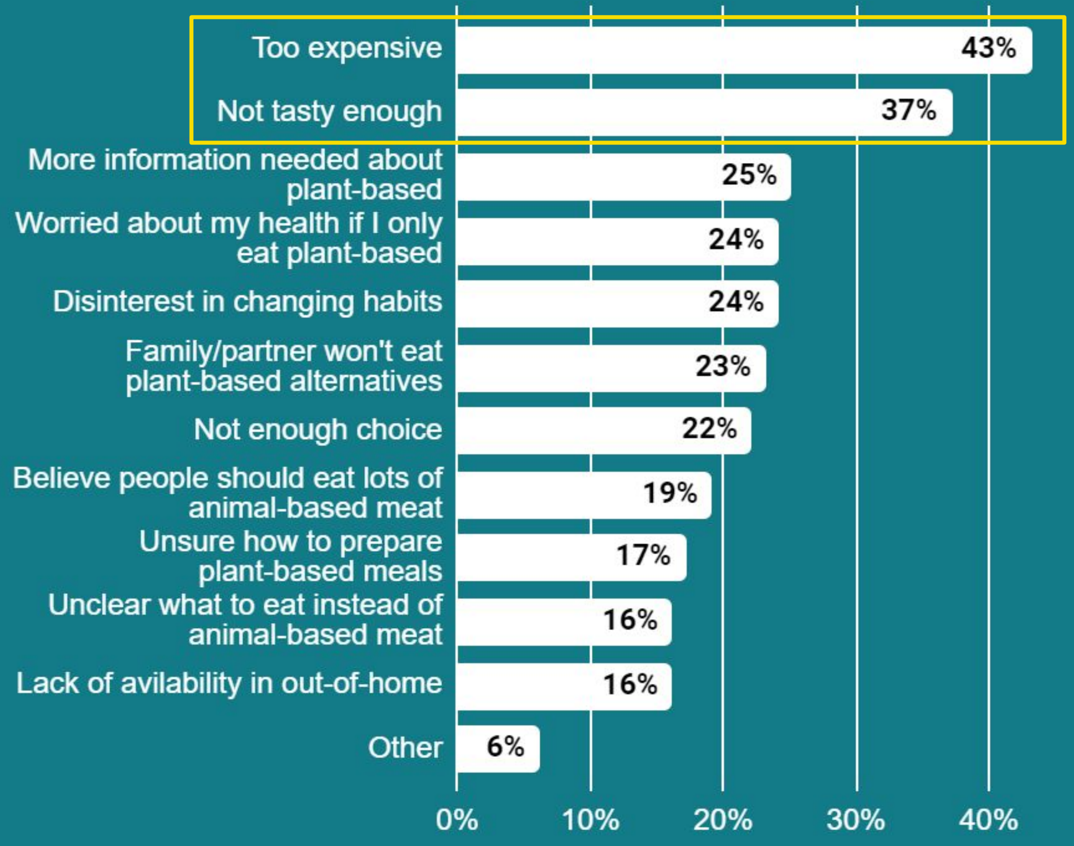
From 'pandemic peaks' to sales slumps: Grasping the rollercoaster of plant-based meat consumption

Weaker demand for plant-based products since the onset of the cost of living crisis is not a unique trend: **retail sales of animal-based foods also declined**. AHDB/Kantar data conclude that **shoppers bought less beef, lamb and pork in 2023 compared to 2021**, with price concerns likely to be driving people towards chicken. Sales of cow's milk have fallen similarly.

Section 3 | Exploring the causes of the UK's plant-based slowdown

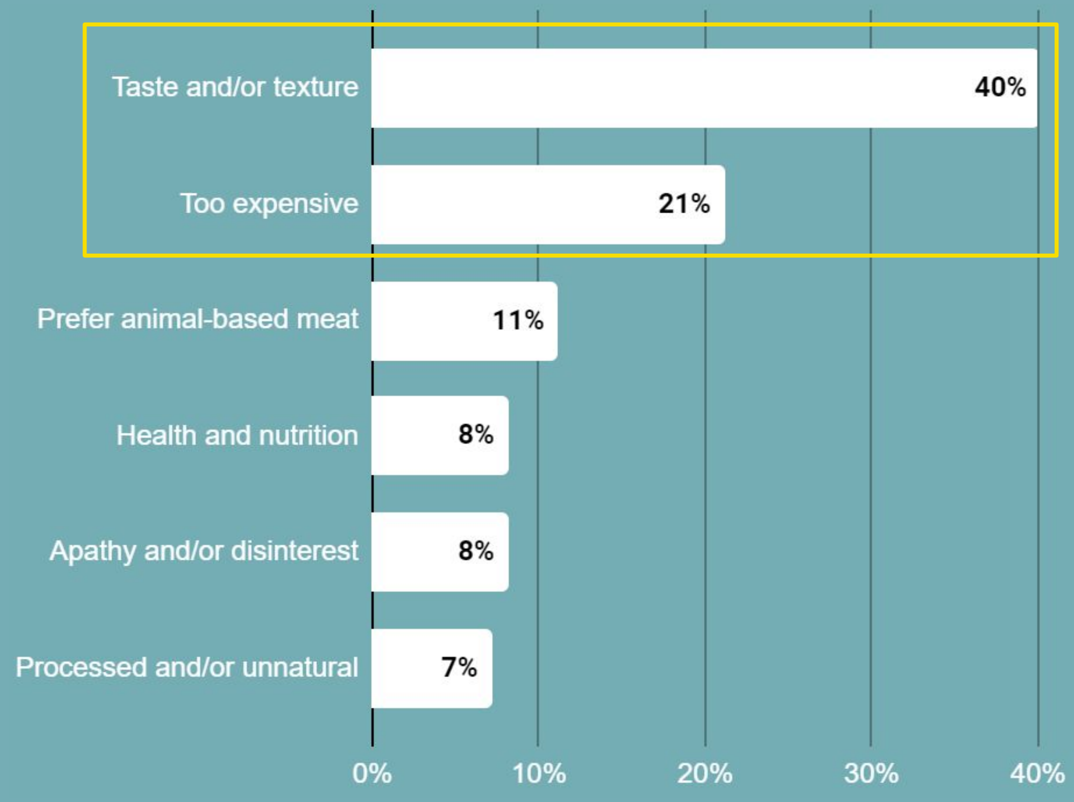
Price and taste continue to be key hurdles preventing UK consumers from buying plant-based products

Which of the following do you encounter as barriers when choosing plant-based food alternatives?



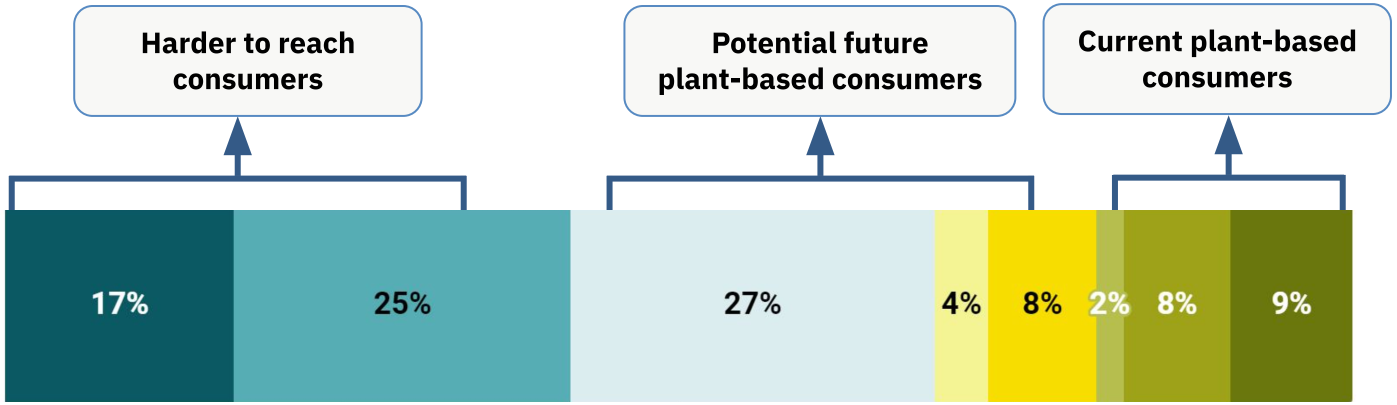
Source: Smart Protein (2024)

Why have you reduced your consumption of plant-based meat alternatives?



Source: Bryant Research, ProVeg (2023)

There is still significant latent demand for plant-based among UK consumers



Source: Smart Protein (2023)

44%
have never eaten plant-based meat

Source: Food Standards Agency (2024)

Deniers	I'm unwilling to change how I eat.
Outsiders	Myself and people around me don't think about eating plant-based.
Reachable	I realise the importance of plant-based – but I'm uncertain about change.
Lapsed	I've lost interest or motivation in eating plant-based.
Considerers	I plan to start eating plant-based in six months.
Flight risk	Trying to maintain a plant-based diet but struggling.
Committed	I am taking actions to eat plant-based
Won	I am confident I'll still be eating plant-based in the future.

Taste: consumer needs have not been widely met – driving some away from plant-based products

As businesses moved quickly to seize on momentum behind plant-based meat and dairy, a **highly-saturated but low volume market** emerged, with many products failing to deliver on consumer expectations.

The plant-based sector and retailers adopted a trial and error approach to product development, and this has set the sector back. Poor experiences of plant-based foods – particularly for omnivores who may be 'light' consumers – has hit plant-based sales and its reputation.

Interview insights

"There wasn't an awful lot of checks on quality going on or people saying, 'is this food kind of good enough to be in here or is it just another new thing?'."

"There was definitely a sort of overproliferation of products back into 2019-20 in particular."

"A lot of the new product development that was launched was not ready for the market."

"We have 'failed fast' – it's been the approach from the category."

"We've repelled a huge number of consumers who came to trial the category and then were really underwhelmed by the quality and then won't come back for several years."

Only **16%** of omnivores are satisfied with the plant-based meat options that are available to them today. (Source)

Around **one-third** of plant-based consumers may have 'lapsed' – either consuming less or stopped buying plant-based altogether – with taste the primary reason. (Source)

Additional evidence

gfi Good Food Institute

Price: the cost of living crisis is likely to have impacted demand for plant-based

April 2022-2024 – cost of average basket of food at Tesco

+24% (female)
+27% (male)

Source: Food Foundation

54% Buying **cheaper** products

48% Buying more **budget-range** items

Source: Which? *n.b. covers all food products rather than specifically plant-based.*

Spotlight on plant-based milk

9% increase in price per litre of plant-based milk from Jan 2022 to Apr 2024

Source: GFI analysis, Circana

On average, plant-based milk is **2/3 more expensive than cow's milk** per litre in supermarkets.

Weekly sales volume of plant-based milk **declined by 10%** between 2022 and early 2024 – around the onset of the cost of living crisis.

Nutrition: the health benefits of plant-based have been marginalised amid a focus on ultra-processed foods

Interest in the NOVA classification system – and its ultra-processed food (UPF) group – have risen to prominence in tandem with the plant-based slowdown.

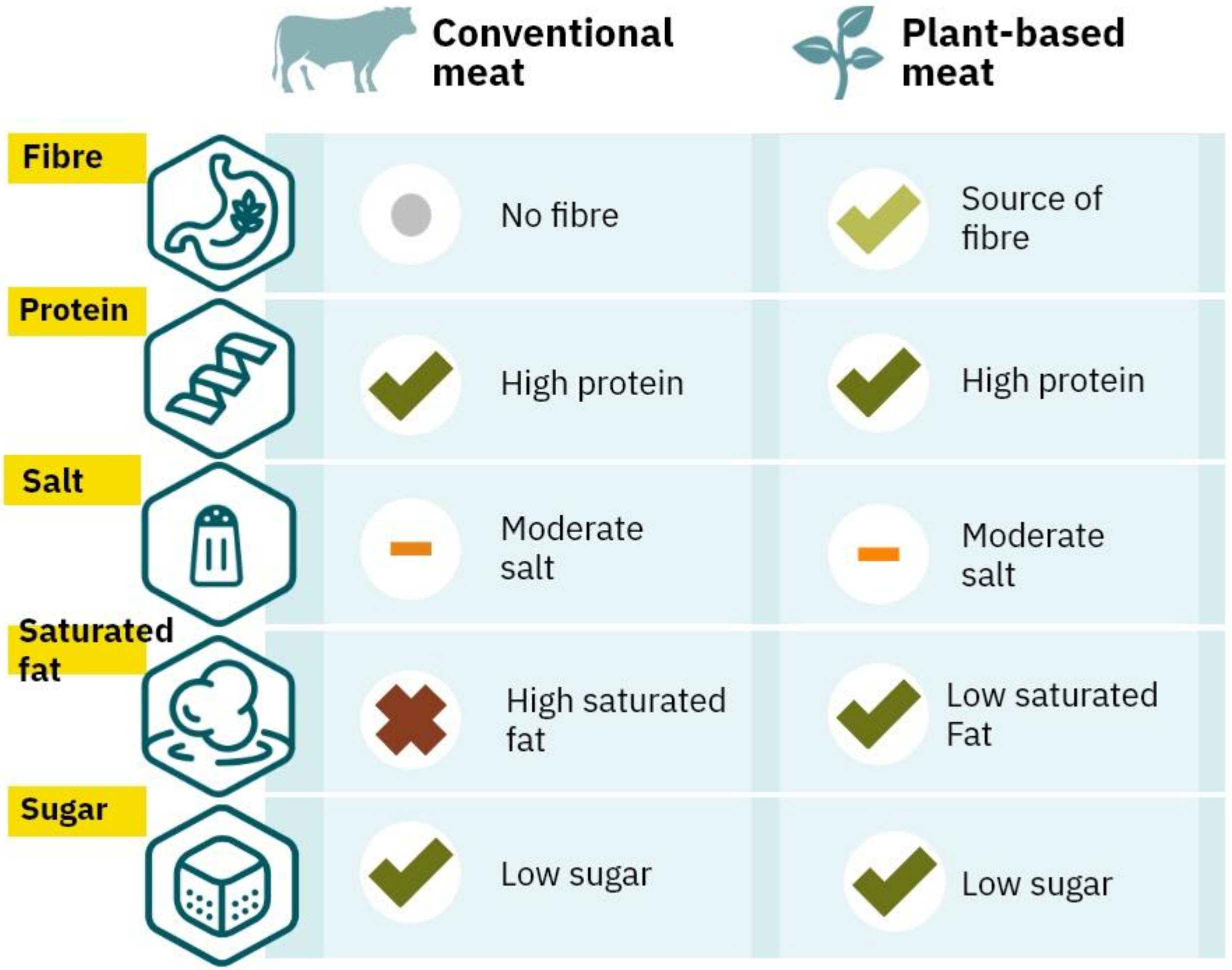
Although plant-based meat and dairy are typically classified as UPFs, there is robust evidence to suggest that they have substantial nutritional advantages over many animal-based products. However, this has often been under-recognised in public discourse.

In fact, people are far more likely to identify plant-based meat as a UPF than UPFs that are high in fat, sugar and salt like ice cream and fizzy drinks (see next page).

Additional evidence

LONDON SCHOOL of HYGIENE &TROPICAL MEDICINE

The Food Foundation



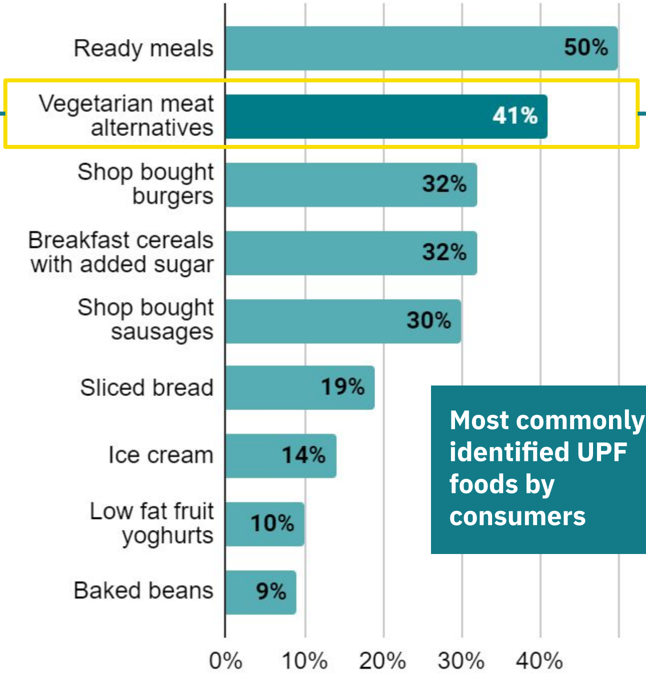
GFI analysis based on median data from studies of the nutritional makeup of plant-based and conventional meat in Germany, the Netherlands, Spain, Sweden and the UK. Thresholds based on EU health claims guidance. As no EU-level guidelines exists on upper limits per 100g, high saturated fat and salt thresholds were taken from the UK traffic light guidance as the simplest national guideline from within the cohort.

gfi Europe

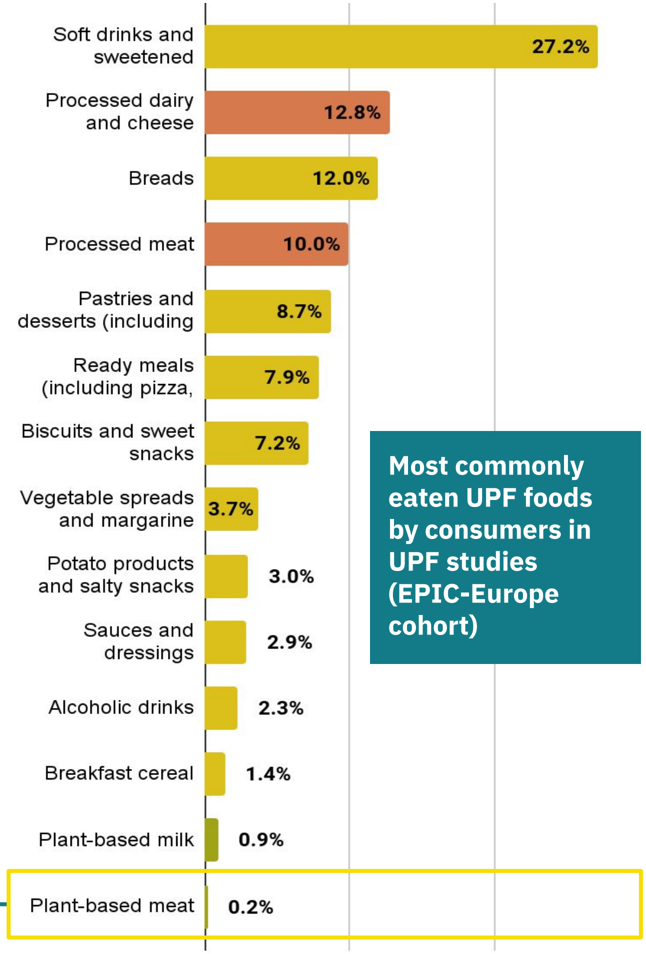
Nutrition: the health benefits of plant-based have been marginalised amid a focus on ultra-processed foods (continued)

Plant-based meat is the second most commonly identified ultra-processed food by UK consumers. However, plant-based meat is the UPF group which makes up the smallest proportion of calories eaten in UPF studies, and was not eaten in the only UPF randomised controlled trial to date.

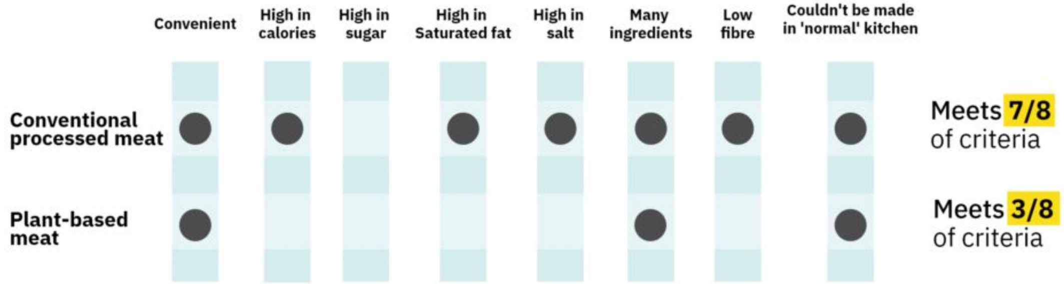
Plant-based meat is typically very different in its nutritional makeup from many UPFs, so it is unlikely that UPF research to date can tell us anything accurate about the health impact of plant-based meat.



Most commonly identified UPF foods by consumers



Most commonly eaten UPF foods by consumers in UPF studies (EPIC-Europe cohort)



Comparison of plant-based meat and conventional processed meat against typical UPF definitions

Source: YouGov / British Nutrition Foundation, reported in Food Manufacturer; Kliemann *et al. The Lancet Planetary Health,* 2023.

Section 4 | How could public policy increase the uptake of plant-based foods?

Why policy interventions should support the growth of plant-based foods

Driving growth in domestic food production

Returning the plant-based sector to growth can help create new opportunities in food production and manufacturing. Fostering local supply chains can ensure we reap the food security benefits too.

By 2035, production of plant-based foods, cultivated meat and fermentation-made alternatives could create 25,000 new jobs and add £6.8 billion to the economy.

Read more

Helping the UK reach its climate and nature targets

Plant-based meat and dairy require significantly less land and cause far fewer emissions than their animal-based equivalents.

By 2050, replacing just one sixth of processed meat and dairy in our diets with plant-based options could enable 21% of UK agricultural land to be farmed more extensively and used for nature restoration.

Read more

Improving public health

Overconsumption of red and processed meat has been strongly linked with dietary ill health.

Plant-based meat and dairy are lower in saturated fat and calorie density but far higher in fibre. Studies indicate that substituting conventional meat for plant-based options could reduce the risk of heart disease, contribute to better gut health and help maintain a healthy weight.

Read more

Actions to stimulate growth in the UK's plant-based sector

Investment

Increase public R&D funding for plant-based foods – with a focus on addressing taste barriers, improving nutrition and reducing production costs.

UKRI and Defra should develop a funding programme to stimulate resilient local supply chains and infrastructure capacity for plant-based meat and dairy.

Procurement

Changes to the Government Buying Standards and School Food Standards should be introduced - and based on robust health, sustainability and animal welfare metrics.

At least one nutritious plant-based option must be available on public sector menus every day. This should include plant-based meat and dairy options.

Reporting

Introduce mandatory reporting of protein sales for large food businesses to encourage major actors in the food system to improve and expand their plant-based options.

Government and large food businesses should work together to set ambitious targets for plant protein sales as a % of total protein sales that align with health and climate targets.

Labelling

Restrictions preventing plant-based dairy products from using dairy terminology must be reviewed and repealed to create a more level playing field.

Leadership

Future government strategies – including for net zero – must reflect the benefits that plant-based foods deliver and contain clear actions to grow their consumption and production.