

# How can innovation support a healthier food & drink industry?

## Executive summary

Everyone deserves access to affordable, nutritious food, no matter where they live. To make this vision a reality in the UK, we must transform the way we produce, market, and sell food so that our food system supports health. The food industry, policy makers and investors all have a major role to play in tackling this inequality, and change requires collaboration.

Healthier challenger brands (HCBs) are emerging as a promising force for this change. HCBs are food and drink businesses that innovate to create healthier products and are poised to disrupt the food industry by demonstrating that it is possible to produce healthier, tasty, and affordable food.

These emerging brands require more support to scale and increase their impact. This is why Mission Ventures and Impact on Urban Health formed a unique, cross-sector partnership to establish **The Good Food Programme**. Through business and brand building support, it helps HCBs and novel food technologies to break through and scale, with the aim of displacing well-established, unhealthier products in families' shopping baskets.

## About the Good Food Programme

The Good Food Programme helps HCBs to develop and market healthier products at an accessible price point.

- The new programme will support ten HCBs over two years, through a targeted business support programme and a grant.
- The programme uses data and insights to uncover market opportunities for healthier innovation. In our report we have identified ten categories that lack healthier, affordable options, where families on lower incomes out-spend their wealthier counterparts. These categories represent approximately **£4.3bn** in grocery sales, with just under **£2.3bn** coming from families living on a budget.
- Tapping into this opportunity, we recruit and support brands that offer tangible value to consumers, retailers, manufacturers, and investors.
- Sustained progress will require further collaboration and action across these groups and from government to realise our vision of a healthier food system for all.

## How can we drive the change we need to see?



### Collaborate:

This report has illustrated the power that HCBs have to drive growth within industry, and we call on retailers and manufacturers to directly partner with us so we can more effectively tackle internal growth challenges and support the development of healthier innovation.



### Coordinate:

We need better coordination within the food system - from farms through to supermarkets - to develop a joint vision for innovation. The government should back a forum for retailers, manufacturers, entrepreneurs, NGOs, and investors to share data and insights and to explore areas for collaboration and co-investment. We're ready to help convene and chair such a group.



### Regulate:

Regulation can encourage innovation. We need the government to do away with delays and go full force with HFSS legislation. It should also require food companies to report on the size and proportion of healthy sales and make this information transparent and easily accessible. Progressive companies have already moved forward with these actions in the absence of regulation and are looking to government to level the playing field.



### Invest:

We need to see a significant increase in public and private sector investment into healthier food innovation. We welcome the National Food Strategy's call for a £500m challenge fund dedicated to driving innovation in food and drink, and as our report shows, targeted investment into early-stage brands can create meaningful impact. Investment in conjunction with regulation would be a powerful force for innovation and transformation in the food system.

Access the full report using this QR code:



### Get in touch with the Good Food Programme directly at:

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