



PART OF FOOD, DRINK &
HOSPITALITY WEEK 2026

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HW

The Food Industry at a Crossroads

At IFE 2026, the convergence of AI, sustainability imperatives, and shifting consumer behaviour revealed an industry facing transformation on three fronts simultaneously.

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Three Disruptions Converging

The food and drink industry faces a convergence of disruptions that individually would be transformative, but together demand fundamental rethinking of business models. At IFE 2026, conversations across sessions revealed an industry at a crossroads, where sustainability is no longer aspirational, AI is reshaping consumer discovery, and health trends are destabilizing established categories.

74%**BIODIVERSITY LOSS SINCE
1970S***WWF Living Planet Report***2B****MONTHLY AI TOOL USES
GLOBALLY***Industry Data***15-40%****CALORIE REDUCTION
FROM GLP-1***Health & Nutrition Session*

Sustainability as business continuity. The message from sessions on regenerative agriculture, supply chain resilience, and Scope 3 emissions was clear: sustainability is no longer a cost center or CSR initiative. It is a prerequisite for business survival. Coffee and chocolate face extinction by 2050 without sustainable practices. Biodiversity loss of 74% since the 1970s threatens the foundation of food production.

AI collapsing discovery. With 2 billion monthly AI tool uses and ChatGPT commanding 60% of the AI chat market, how consumers find food businesses is fundamentally changing. AI offers only 5 results per query, compared to hundreds on Google. Visibility in AI search is becoming existential, and the Hotel Rank experiment proved AI visibility drives real commercial outcomes in 48 hours.

Consumer behavior shifting. GLP-1 medications are reducing calorie intake by 15-40%, reshaping category preferences. The frozen food sector is experiencing a perception transformation, with 90% of consumers now recognizing improved nutritional quality. The bean category aims to double consumption by 2028, driven by health consciousness and protein demand.

The businesses that thrive will be those treating sustainability, technology, and consumer evolution not as separate challenges but as interconnected opportunities.

Sustainability & Supply Chain Resilience

"Your coffee or your chocolate depends on sustainable practices. Quite simply, we are not going to have coffee or chocolate by 2050, and it's not me being negative, it's just a fact of life that we won't be able to have those products if we don't do this sustainably."

Marcela Flores

From Soil to Shelf session

This statement captures the urgency emerging from IFE 2026's sustainability conversations. Regenerative agriculture, once positioned as aspirational, is now proving economically viable. Farmers in China using regenerative wheat practices achieved 1.5% yield increases while improving soil health. Mars demonstrated successful cocoa trials in Ecuador using shade agriculture.

The biodiversity crisis.

We have lost 74% of biodiversity since the 1970s, a "scandal that nobody really talks about," according to Marcela Flores. This loss threatens the foundation of food systems. With 66% of global diets dependent on just three crops (wheat, rice, maize), the food system is dangerously concentrated.

Scope 3 forcing action.

Where regulatory focus once stopped at factory gates, Scope 3 emissions requirements are forcing businesses back to ingredient sourcing decisions. Companies can no longer outsource sustainability to suppliers. The question is no longer whether to act, but how to make the business case compelling.

Food waste as revenue, not cost. Forty percent of food produced globally is wasted, generating 10% of UK carbon emissions. But sessions reframed waste as untapped revenue. "One person's waste is someone else's treasure. There is revenue there that is being thrown away," noted Flores. The industry is beginning to see food waste not as disposal cost but as R&D opportunity.

Local does not equal sustainable. Mark Machin of the Soil Association challenged the "local = sustainable" assumption with his Provence example: ISO-accredited tractors and hazmat suits for apple production. Production method matters more than proximity. This tension between local food security and global supply sustainability remained unresolved at the event.

Business case emerging. As Flores stated, "We need to ensure that sustainability washes its own face. It's how we can make a strong business case to enrich our soils so that we can continue to produce forever." Organic food is only 11% more expensive than conventional (not the perceived 30-40%), suggesting the perception gap is larger than the price reality.

AI & Technology Reshaping Food Discovery

AI is fundamentally changing how consumers find food businesses. The shift from Google's hundreds of search results to AI's five recommendations concentrates visibility dramatically. For food businesses, this is not a future trend but a present commercial reality.

60%

AI CHAT MARKET SHARE HELD BY CHATGPT

Adoption is already here. Sam Chance of Scrumptious revealed that 90% of IFE attendees are already using AI tools. With 2 billion monthly AI tool uses globally and growing, "this is going to continue to grow and it's not going to go away," Chance stated. The biggest risk is "failing to adapt when customer habits change."

The Hotel Rank experiment.

To demonstrate AI's commercial impact, researchers created a fictional hotel with structured data and FAQs. Within 48 hours, it achieved initial rankings. The result: 10 real booking inquiries from actual travelers, despite the hotel not existing. This proved AI visibility drives real commercial outcomes faster than traditional SEO.

From hundreds to five.

Google historically offered hundreds of results per query. AI now offers five. "With AI now it's really only offering you five answers to the question that you ask," Chance explained. This concentration of visibility means businesses outside those five recommendations effectively don't exist to AI-driven consumers.

"The biggest risk for everyone is failing to adapt when customer habits change. This isn't just something that's going to fall off now. This is something that everyone is going to be using more and more."

Sam Chance, Scrumptious

AI Search session

Immediate optimization wins. The session identified actionable steps: ensure website FAQs are comprehensive and AI-readable, structure data clearly, build presence on Reddit (emerging as a key AI validation source), and monitor AI search results as rigorously as Google rankings.

Paid AI ads coming. The unresolved tension: ChatGPT and others are introducing paid advertising within AI results. If paid ads take two of the five slots, organic visibility collapses to three recommendations. Small food businesses face the question of how to compete when discovery is both concentrated and potentially monetized.

Consumer Health Revolution

GLP-1 medications, frozen food perception shifts, and the beans campaign represent a fundamental rethinking of what healthy, convenient food looks like. These are not incremental category adjustments but structural changes to how consumers eat.

1 GLP-1 Reshaping Categories

GLP-1 medications reduce calorie intake by 15-40%, shifting consumption away from pizza and other less-healthy categories toward protein-rich, health-positioned products. The industry must pivot rapidly as established supply chains face destabilization.

2 Frozen Food Renaissance

Ninety percent of consumers now believe frozen food nutritional quality has improved, and 40% are buying more frozen than before. Louise Collier of Nomad Foods noted air fryers have been "totally revolutionary," enabling a full nutritious balanced meal in less than 8 minutes from freezer.

3 Beans: Doubling UK Consumption by 2028

Two-thirds of the UK eat less than one portion of beans per week. Rebecca Tobi of the Food Foundation stated the goal to double UK bean consumption by 2028 sounds "completely ridiculously ambitious, but actually baseline intakes are currently so low that there is real opportunity."

"Air fryers have been totally revolutionary. You don't need to put your ovens on anymore. It's really quick, simple. You can get something out of your freezer. You can have a full nutritious balanced meal on the plate in less than 8 minutes."

Louise Collier, Nomad Foods

The freezer space constraint. Rupert Ashby of the British Frozen Food Federation revealed that 85% of consumers limit frozen purchases due to lack of freezer space. This is a "big issue for the industry, not only in retail, but also in food service." Meanwhile, 71% of consumers threw away expired food from their fridge in the past week. The paradox: food waste from unfrozen storage while freezer capacity limits healthier, longer-lasting frozen purchases.

Younger generations demanding change. Sessions noted that younger consumers are demanding more variety, better placement, and greater visibility in frozen aisles, yet multiple retailers are reducing frozen SKUs. Consumer demand and retail strategy are moving in opposite directions, creating unresolved tension about who will blink first.

Retail Innovation & Category Disruption

Traditional retail models are being challenged by new merchandising approaches, category creation, and consumer engagement strategies. The bean category placement experiment and frozen aisle transformation illustrate how rethinking physical and digital retail drives commercial outcomes.

70%

**INCREMENTAL SALES
WHEN BEANS IN MEAT
AISLE**

Bold Bean Company

85%

**CONSUMERS LIMITED BY
FREEZER SPACE**

British Frozen Food Federation

15%

**BEAN SALES INCREASE
PLEDGED BY M&S BY 2028**

M&S

Nudge theory in action. Alex Haldane of Bold Bean Company described getting placement within the meats, fish, and poultry section for the first time. The result: "70% of those sales are incremental to the category." This is not cannibalization of existing bean sales but creation of new consumption occasions. The insight: placement drives behavior more than consumer intent alone.

Frozen aisle transformation. Sessions addressed the frozen aisle as both opportunity and constraint. Itsu and other brands are transforming frozen category perception, positioning frozen as fresh-quality with extended shelf life. But the industry faces the retailer-consumer tension: consumers want more variety, retailers are reducing SKUs.

"We managed to get a placement within the meats, fish, and poultry section for the first time ever. What we saw was that 70% of those sales are incremental to the category."

Alex Haldane, Bold Bean Company

Quick commerce expanding reach. Online channels and quick commerce are enabling frozen food to reach consumers without the in-store freezer space constraint. This shift allows brands to bypass the physical shelf space battle and reach consumers directly.

Education driving adoption. The bean campaign engaged 750 primary schools, and M&S reported 500,000+ posts on TikTok's "Beantalk" trend. Education and social proof are driving category growth, particularly among younger demographics who associate beans with health and sustainability.

Perception vs reality on pricing. Mark Machin noted that consumers perceive organic as 30-40% more expensive, when Nielsen data shows the actual premium is 11%. This perception gap creates market inefficiency that education can address.

Supply Chain & Food Security

The UK's position as a net food importer creates systemic vulnerability. Sessions addressed the need for bioregional food systems, local production capability, and diversified crop dependence beyond the three dominant crops.

"If we eat wheat, rice and maize, that makes 66% of our diets. Our food system is 66% dependent on three crops. This is a huge strain on our food systems."

Marcela Flores

From Soil to Shelf session

Crop concentration risk. Sixty-six percent of global diets depend on wheat, rice, and maize. This concentration creates vulnerability to climate shocks, supply chain disruptions, and pest/disease outbreaks. Diversifying crop dependence is not just environmental but also economic resilience.

UK import dependency paradox. Sessions highlighted that the UK imports most beans from Canada while exporting domestically grown beans. This reflects market structure inefficiencies where global supply chains ignore local production. The question: how to balance food security through local production with the reality that some crops (coffee, cocoa) can only be grown globally.

Regenerative agriculture as resilience.

Harriet Trewin noted, "Where we're seeing the place where the biggest impact we can have on our food system to actually make it more resilient is on production." Regenerative practices build soil health, increase water retention, and improve yields over time. The 1.5% yield increase in Chinese regenerative wheat trials proves the economic viability.

Climate threatening key categories.

Coffee and chocolate face extinction by 2050 without sustainable practices. This is not hyperbole but climate modeling reality. Businesses dependent on these commodities must invest in sustainable sourcing now or face supply collapse within a generation.

Production method over proximity. Mark Machin's Provence example challenges the "local = sustainable" narrative. Production method (regenerative vs conventional) matters more than transport distance for many products. This reframes the sustainability conversation from miles to methods.

Food waste in manufacturing. Seven times more food waste occurs in manufacturing than retail, yet consumer focus remains on retail waste. Addressing upstream waste offers larger impact opportunities but requires collaboration across the supply chain.

Key Takeaways & Looking Forward

IFE 2026 revealed an industry grappling with simultaneous transformation on three fronts: sustainability, technology, and consumer behavior. The businesses that thrive will treat these not as separate challenges but as interconnected opportunities.

1 Sustainability is Business Continuity, Not CSR

With coffee and chocolate at risk by 2050, biodiversity loss at 74%, and Scope 3 emissions forcing supply chain transparency, sustainability is a prerequisite for survival. The question is no longer "if" but "how to make the business case compelling."

2 AI Visibility is Existential

With 90% of attendees already using AI tools, 2 billion monthly AI uses globally, and visibility collapsing from hundreds of Google results to five AI recommendations, businesses must optimize for AI search now. The Hotel Rank experiment proved real commercial impact in 48 hours.

3 Consumer Health Trends Reshape Categories

GLP-1 reducing calorie intake by 15-40%, frozen food experiencing perception transformation (90% quality recognition), and beans aiming to double UK consumption by 2028 represent structural category changes, not incremental shifts.

4 Retail Innovation Through Nudge Theory

Bold Bean's 70% incremental sales from meat aisle placement proves merchandising drives behavior. Physical and digital retail must rethink category boundaries, not just optimize within them.

5 Supply Chain Resilience Requires Diversification

With 66% of diets dependent on three crops, UK net importer status, and climate threatening key commodities, the industry must diversify crop dependence and invest in regenerative practices that build long-term resilience.

LOOKING FORWARD

The convergence of these disruptions creates both risk and opportunity. Businesses that integrate sustainability into their value proposition, optimize for AI-driven discovery, and anticipate health-driven consumer shifts will define the next decade of food industry leadership. Those that treat these as separate challenges will struggle to keep pace.

The unresolved tensions remain: local vs global sourcing, organic vs regenerative approaches, consumer demand vs retailer strategy, AI concentration of discovery, and the speed of category adaptation to health trends. These tensions will define industry conversations in the years ahead.



**The food industry stands at a crossroads.
The decisions made today about
sustainability, technology adoption, and
consumer engagement will determine
which businesses lead the next decade
and which are left behind.**

For more insights from Food, Drink & Hospitality Week 2026, visit ife.co.uk

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