

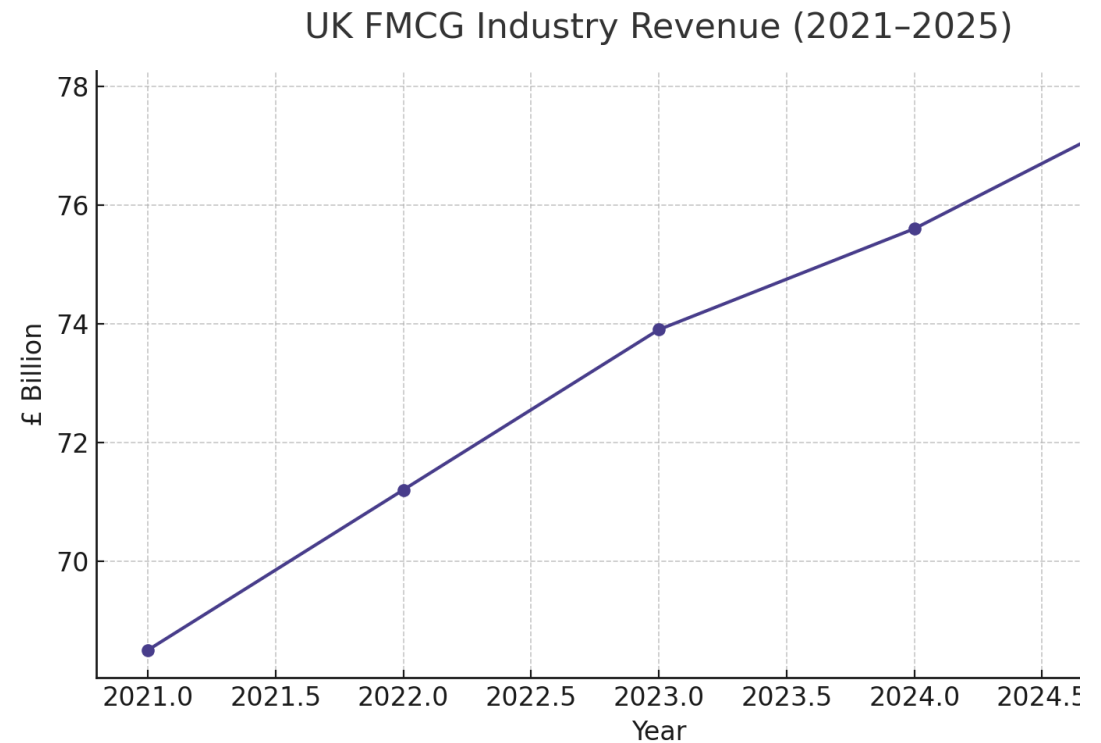
# ***Market Overview- Fast-Moving Consumer Goods (FMCG) Industry***

In 2025, the UK's fast-moving consumer goods (FMCG) industry remains a vital part of the economy, providing everyday essentials such as food, drink, personal care, and household products. Amid inflation, shifting consumer values, and tightening regulations, the sector is balancing innovation with efficiency to meet changing demands. Brands are doubling down on health-conscious products, digital shelf space, and sustainability to remain competitive.



# ***Economic Contributions & Employment***

The UK FMCG industry is expected to generate approximately \$77.8 billion in value-added output in 2025. It employs hundreds of thousands across manufacturing, logistics, retail, and brand management roles. Growth is fueled by e-commerce, direct-to-consumer models, and convenience formats. However, challenges like labour shortages and inflationary pressure are pushing companies to optimize supply chains and invest in automation.



# ***Current Trends & Challenges***

## **Health & Wellness:**

Demand for plant-based, low-sugar, and functional foods continues to grow, with wellness now central to brand strategies.

## **Sustainable Packaging:**

Regulations and consumer pressure are forcing FMCG brands to adopt recyclable and low-waste materials.

## **E-commerce Acceleration:**

Online grocery and DTC (direct-to-consumer) channels have seen double-digit growth, pushing legacy brands to invest in digital transformation.

## **Regulatory Headwinds:**

Policies like the UK's Extended Producer Responsibility (EPR) scheme and restrictions on HFSS (high fat, salt, sugar) product advertising are reshaping marketing and packaging.

Source: [UK HFSS Policy and EPR Scheme](#)

