



13<sup>th</sup> March 2024

**The Food Foundation response to CMA invitation to comment:  
Infant formula and follow-on formula market study**

**About The Food Foundation:**

We are a young, dynamic, and impactful charity with a mission to change food policy and business practice to ensure everyone, across the UK, can afford and access a healthy diet supplied by a sustainable food system. We are independent of all political parties and business. We work with others who believe there is a problem with the system and want to change it. Visit our website for more information: [www.foodfoundation.org.uk](http://www.foodfoundation.org.uk)

**Summary:**

Our response to the CMA invitation to comment focuses on two key pieces of work undertaken by The Food Foundation in recent months:

- Ongoing tracking of the price of first infant formula, as part of our [Kids Food Guarantee](#)
- A [report on barriers to breastfeeding](#) (and wider infant feeding), which included a section on both formula pricing and formula marketing

**General questions**

*• Do you agree with our proposed scope (both the product and geographic scope) and themes for this market study, as set out in paragraphs 40 to 54. If not, what other areas should we focus on and why?*

Answer: In line with comments made by the Baby Feeding Law Group, we support the proposed scope expansion of the market study and believe it is crucial that, in addition to infant formula, the market study also investigates follow-on formula, infant or follow-on formula for special medical purposes and growing up and toddler milks. The World Health Organisation recognises all formulas for children up to 36 months as breastmilk substitutes<sup>i</sup>. Notably, milks marketed for use from 12 months onward are currently not regulated in the UK.

This justification stems from comprehensive data, including findings from the 2011 Diet and Nutrition Survey of Infants and Young Children<sup>ii</sup>, as well as ongoing data from the National Diet and Nutrition Survey<sup>iii</sup>. These surveys indicate that 36% of children aged 12 to 18 months

consumed mainly follow-on formula and growing up and toddler milks, a trend also observed in 7% of children aged 18 to 47 months. Of particular concern is the fact that among the 36% of children aged 12 to 18 months consuming formula milks, approximately 50% of their free sugars' intake originates from these products.

Thus, broadening the study's scope aligns with promoting children's health and well-being.

## **Consumer Behaviour**

- *How does price influence which infant formula consumers choose?*

Answer: A YouGov survey commissioned by The Food Foundation in January 2024<sup>iv</sup>, which included 506 mothers with children under 18 months old, found that 1 in 4 (26%) of those who had used formula reported to have struggled to afford it.

To help feed their child, surveyed mothers who had used formula reported various behaviours, including shopping around for the cheapest options (23%), switching brands (12%), borrowing money (10%), weaning earlier than the recommended age of six months (10%), and skipping meals for themselves (10%).

As recognised by the earlier CMA report, it is important to note the significant inflation rates that formula has been subject to compared to other food categories. According to First Steps Nutrition Trust, between March 2021 and April 2023, the cost of seven standard powdered first infant formulas sold by market leaders increased by an average of 24%. Furthermore, they found that the cheapest first infant formula on the market, ALDI's Mamia brand, increased by 45%.<sup>v</sup>

The Healthy Start scheme aims to support low-income households with young children by providing access to fruit, vegetables, milk and infant formula. The scheme offers funds worth £8.50 for children from birth until their first birthday (and then \$4.25 until the child's fourth birthday). Based on our latest findings, there are currently only two standard size products available on the market that fall within the weekly budget allocated through the Healthy Start scheme. These are Aldi's Mamia, the only own label brand on the market, and SMA little steps, available only at Tesco and Iceland.

This aligns with evidence<sup>vi</sup> showing that financial difficulties can force parents to make challenging decisions regarding feeding practices. Stretching household budgets to cover the cost of formula may lead to unsafe practices, such as watering down formula, increasing the time between feeds, or substituting formula with inappropriate milks for the infant's age.

These strategies aim to make limited formula supplies last longer but can result in babies not receiving sufficient calories and nutrition for proper growth and development. In such circumstances, babies are at high risk of undernutrition due to their increased energy needs during this critical phase of development.<sup>vii</sup>

We have identified key areas for policy intervention to address the price barriers in accessing formula. Our recommendations are:

- Introduce pricing policies to ensure formula affordability: The government should establish pricing policies and practices to ensure that infant formula is consistently available at lower prices, ensuring accessibility for all who need it.
- Promote improved communication and information about infant formula to parents: Given that all first infant milk formulas are nutritionally comparable, healthcare professionals should clearly communicate and guide parents, indicating that there is no need to purchase more expensive products.

While formula costs are so high and mostly not affordable within the value of Healthy Start, it is more important than ever to review the scheme and increase its value to cover the cost of formula, along with reviewing eligibility, improving uptake and making the extension of the scheme to children with no recourse to public funds permanent.

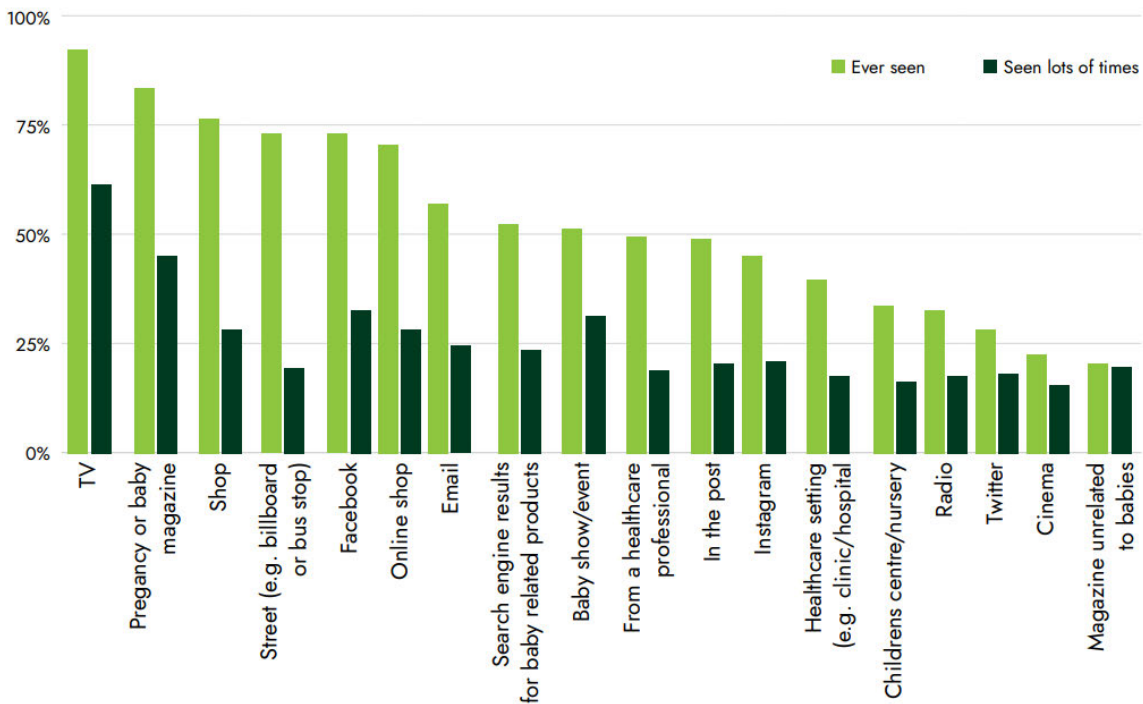
#### **The role of the regulatory framework**

- *Do manufacturers indirectly promote infant formula, and/or cross-market it via other products? If yes, how do they achieve this and what is the impact on consumers?*
- *Could the regulatory framework be improved to deliver better outcomes for consumers? If so, what do you consider should be changed and why?*

Answer: In our latest report on infancy, breastfeeding and formula feeding<sup>viii</sup>, we found that formula companies can and do utilise regulatory loopholes to ensure that parents receive advertisements, promotions and recommendations for breastmilk substitutes through various channels.

In addition to traditional advertising mediums such as television, print, and radio, an increasing number of women reported seeing promotional content for breastmilk substitutes on social media, including through content from influencers. Approximately 17% of women have received free formula samples in hospitals, and online baby clubs and advice helplines directly operated by formula companies have become prevalent. Moreover, a third to a half of women learn about formula products directly from healthcare professionals. Brand loyalty is notably strong when a particular formula brand is given to a baby in the hospital at birth, leading parents to continue using the same products at home.<sup>ix,x</sup>

### Proportion of mothers report seeing infant milk advertised across different media



Source: Brown A., Jones SW, Evans E. Marketing of infant milk in the UK: what do parents see and believe? London: First Steps Nutrition Trust. 2020<sup>vi</sup>

Common marketing messages in the UK often state specific formula products as having advanced or scientific formulations, being convenient, and promoting infant development while addressing common infant issues such as unsettled behaviour, crying, constipation, reflux, and colic.

As a result, the vast majority of pregnant women and parents of young children will see or hear marketing for breastmilk substitutes. Statistics from the Infant Feeding Survey in 2010<sup>xi</sup> revealed that 89% of mothers with a six-week-old infants reported exposure to advertising for baby milks on television, radio or in print media. A more recent survey commissioned in 2022 by WHO and UNICEF found that 85% of pregnant women in the UK reported seeing or hearing formula milk marketing in the preceding year.<sup>xii</sup>

Furthermore, there is a lack of adequate and independent monitoring of compliance and enforcement mechanisms related to regulations in the UK. Notably, there have been no prosecutions for practices that contravene the law in the past 13 years, [REDACTED]

[REDACTED] This deficiency leaves women and families inadequately protected from marketing practices that could influence decisions regarding infant feeding and breastfeeding.

Based on the findings from our report "*Breaking down barriers to breastfeeding to support healthy weight in childhood*,"<sup>xiii</sup> we affirm that all parents have the right to choose how they feed their child. However, this choice can be unduly influenced by inappropriate marketing of formula and misinformation about feeding practices, often undermining breastfeeding efforts. This influence is particularly pronounced for follow-on, growing up, and toddler milks, which are

currently not subject to existing legislation. Therefore, it is imperative to protect parents from misinformation about feeding practices.

Our recommendations in this regard are as follows:

- Extend legal restrictions on the marketing of formula to follow-on, growing up and toddler milks to prevent cross-product marketing misleading parents.
- Implement stringent independent monitoring and enforcement of the law, imposing penalties on companies found to break the regulations.

### **Supply-side features of the market**

- *How strongly do infant formula manufacturers compete on price, and what could be done to strengthen price competition?*
- *Are there any ways in which the entry and expansion of brands or own-label products could be encouraged and supported? If so, what do you consider could be done and why?*
- *Why is there a lack of price differentiation for infant formula at a retail level?*

Answer: Regarding evidence on supply-side features of the market, we have been tracking the price of first infant formula on a monthly basis since June 2023<sup>xiv</sup>, looking at six standard first infant formula milk products sold in online at each of the nine major UK retailers: ALDI, Asda, Co-op, Iceland, Morrisons, Ocado, Sainsbury's, Tesco, and Waitrose.

Data from the Food Foundation's latest food insecurity survey<sup>xv</sup> shows that a worrying 24% of households with a child under the age of four experienced food insecurity in January 2024, significantly higher levels than that seen in households without children, and in households with only school-aged children (13% and 19% respectively). Many families are reliant on first infant formula to feed their babies for a range of reasons, and where this is the case, safe and affordable first infant formula is absolutely essential given the substantially heightened risk of harm to babies from food insecurity.

Despite this, our price tracking has consistently found a large range of prices, both across different brands of first infant formula, as well as the same brand when stocked across different retailers. Even despite the positive falls in price seen in the past month, our data from the 5<sup>th</sup> of March 2024 found that the most expensive first infant formula on the market (Co-op's Aptamil 1 First Infant Milk From Birth 800g) is 76% more expensive than cheapest first infant formula available (SMA Little Steps First Milk 1 From Birth 800g at Tesco and Iceland) despite all first infant formulas being nutritionally comparable.

Moreover, in February 2024, prices were higher at both ASDA and Waitrose for two brands of formula compared to June 2023<sup>xvi</sup>. Ensuring that families reliant on formula, particularly low-

income families, are able to access first infant formula at an affordable price should not be left to the market.

### Cost of Infant Formula Milk Powder(s) per unit/tin: June 2023

■ Aptamil 1 First Infant Milk From Birth (800g) 
 ■ Cow & Gate 1 First Milk Powder (800g) 
 ■ HiPP Organic Infant Milk (800g) 
 ■ SMA Little Steps First Milk 1 From Birth (800g) 
 ■ Mamia First Infant Milk (900g)



## Infant Formula Milk Powder(s) per unit/tin price change between June 2023 & February 2024

	Aptamil 1 First Infant Milk From Birth (800g)	Cow & Gate 1 First Milk Powder (800g)	HiPP Organic Infant Milk (800g)	Kendamil First Infant Milk Stage 1 (800g)	Mamia First Infant Milk (900g)	SMA Little Steps First Milk 1 From Birth (800g)
Aldi	NA	£8.49*	NA	NA	£8.99 (-£0.40)	NA
Asda	£13.50 (-£1.00)	£10.50	£13.50 (+£0.25)	£10.00*	NA	£9.75
Co-op	£14.00 (-£1.95)	£10.75 (-£0.75)	NA	NA	NA	NA
Iceland	£11.20 (-£2.30)	£9.75 (-£0.75)	NA	£9.25 (-£2.25)	NA	NA
Morrisons	£13.50 (-£1.00)	£10.50	£13.50	NA	NA	£9.75
Ocado	£13.50 (-£1.00)	£10.50	£13.50	£12.00	NA	£9.75
Sainsbury's	£13.50 (-£1.00)	£10.50	£13.50	£12.00	NA	£9.75 (-£0.15)
Tesco	£13.50 (-£1.00)	£10.50	£13.50	£11.00*	NA	£9.75
Waitrose	£13.50 (-£1.75)	£10.50 (-£0.50)	£13.50 (-£0.70)	£12.00 (+£0.16)	NA	NA

Price changes are shown in brackets unless stated otherwise. NA means the product is out of stock or was not available to purchase from the retailer in question in either June or Feb.

£8.49\* is for 700g of the product & price change could not be tracked as it is the new addition in Nov 2023.

£10.00\* & £11.00\* are 900g.



- In addition to our previous recommendations on introducing pricing policies and improve nutritional information about first infant formula, we recommend that retailers should be encouraged to introduce own-brand first infant formulas and/or insulate prices on first infant formula from the worst of food price inflation, in line with our Kids Food Guarantee asks<sup>xvii</sup>.

We look forward to seeing the progress of the CMA work on infant and follow-on formula. Should you require additional information or insights from our research, please do not hesitate to contact us.

The Food Foundation

<sup>i</sup> WHO, 2018. Information note: clarification on the classification of follow-up formulas for children 6-36 months as breastmilk substitutes. Available from: <https://www.who.int/publications/i/item/WHO-NMH-NHD-18.11>

<sup>ii</sup> Lennox A, Sommerville J, Ong K, Henderson H & Allen R, 2013. Diet and Nutrition Survey of Infants and Young Children 2011. London: Department of Health and Food Standards Agency. Available from: <https://www.gov.uk/government/publications/diet-and-nutrition-survey-of-infants-and-young-children-2011>

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<sup>iii</sup> Bates B, Collins D, Kerry J, Page P, Roberts C, Steer T, et al., 2020. National Diet and Nutrition Survey Rolling Programme Years 9 to 11 (2016/2017 to 2018/2019). Available from: <https://www.gov.uk/government/statistics/ndns-results-from-years-9-to-11-2016-to-2017-and-2018-to-2019>

<sup>iv</sup> The Food Foundation, 2024. Breaking down the barriers to breastfeeding to support healthy weight in childhood. Available from: [https://foodfoundation.org.uk/sites/default/files/2024-02/TFF\\_Nourishing%20children%20early%20years\\_DIGITAL.pdf](https://foodfoundation.org.uk/sites/default/files/2024-02/TFF_Nourishing%20children%20early%20years_DIGITAL.pdf)

<sup>v</sup> First Steps Nutrition, 2023. Cost of powdered infant formulas in the UK: How have they changed since January 2020? Available from: [https://infantmilkinfo.org/wp-content/uploads/2023/12/Summary\\_of\\_trends\\_November2023\\_Final.pdf](https://infantmilkinfo.org/wp-content/uploads/2023/12/Summary_of_trends_November2023_Final.pdf)

<sup>vi</sup> The All-Party Parliamentary Group on Infant Feeding and Inequalities, 2018. Inquiry into the cost of infant formula in the United Kingdom. Available from: <https://static1.squarespace.com/static/5efa4a95af311446a53c8cab/t/6481e925896a606fb6eb983c/1686235438939/APPGIFI+Formula+Costs+Inquiry+Report+Nov+18.pdf>

<sup>vii</sup> The Food Foundation, 2024. Kids Food Guarantee: First infant formula - February 2024 update. Available from: <https://foodfoundation.org.uk/publication/kids-food-guarantee-first-infant-formula-february-2024-update>

<sup>viii</sup> The Food Foundation, 2024. Breaking down barriers to breastfeeding to support healthy weight in childhood. Available from: [https://foodfoundation.org.uk/sites/default/files/2024-02/TFF\\_Nourishing%20children%20early%20years\\_DIGITAL.pdf](https://foodfoundation.org.uk/sites/default/files/2024-02/TFF_Nourishing%20children%20early%20years_DIGITAL.pdf)

<sup>ix</sup> WHO, UNICEF, 2022. How the marketing of formula milk influences our decisions on infant feeding. Available from: <https://iris.who.int/bitstream/handle/10665/352098/9789240044609-eng.pdf?sequence=1>

<sup>x</sup> Brown A., Jones SW, Evans E, 2020. Marketing of infant milk in the UK: what do parents see and believe? London: First Steps Nutrition Trust.

<sup>xi</sup> NHS Digital. Infant Feeding Survey – UK 2010, 2012. Available from: <https://digital.nhs.uk/data-and-information/publications/statistical/infant-feeding-survey/infantfeeding-survey-uk-2010>

<sup>xii</sup> WHO, UNICEF, 2022. How the marketing of formula milk influences our decisions on infant feeding. Available from: <https://iris.who.int/bitstream/handle/10665/352098/9789240044609-eng.pdf?sequence=1>

<sup>xiii</sup> The Food Foundation, 2024. Breaking down barriers to breastfeeding to support healthy weight in childhood. Available from: [https://foodfoundation.org.uk/sites/default/files/2024-02/TFF\\_Nourishing%20children%20early%20years\\_DIGITAL.pdf](https://foodfoundation.org.uk/sites/default/files/2024-02/TFF_Nourishing%20children%20early%20years_DIGITAL.pdf)

<sup>xiv</sup> The Food Foundation. Kids Food Guarantee Dashboard, Staples Guarantee, Tracking – Formula. Available from: <https://foodfoundation.org.uk/initiatives/kids-food-guarantee-dashboard#tabs/%E2%91%A1-Staples-Guarantee>

<sup>xv</sup> The Food Foundation. Food Insecurity Tracking. Available from: <https://foodfoundation.org.uk/initiatives/food-insecurity-tracking#tabs/Round-14>

<sup>xvi</sup> The Food Foundation. Kids Food Guarantee Dashboard, Staples Guarantee, Tracking – Formula. Available from: <https://foodfoundation.org.uk/initiatives/kids-food-guarantee-dashboard#tabs/%E2%91%A1-Staples-Guarantee>

<sup>xvii</sup> The Food Foundation. Kids Food Guarantee Dashboard, Overview. Available from: <https://foodfoundation.org.uk/initiatives/kids-food-guarantee-dashboard>