Future of Food

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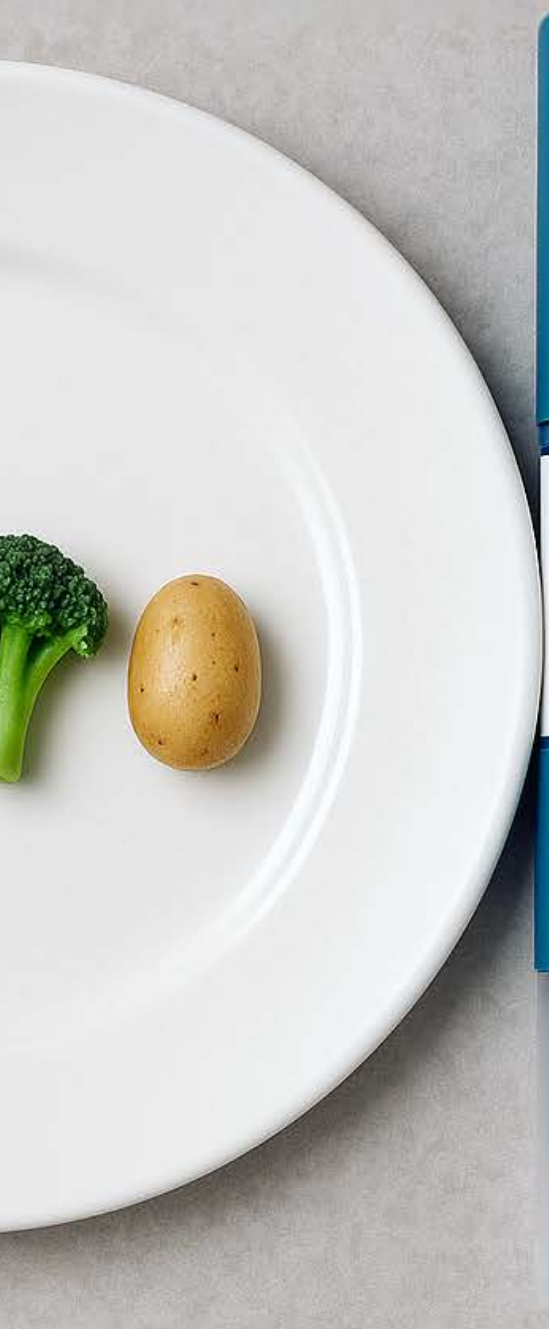

High Satiety

Why GLP-1 diet drugs could transform the food industry

A new class of weight loss drugs called GLP-1 agonists is driving down consumers' appetites at an unprecedented scale, forcing the food industry to reconsider long-established assumptions about what we eat – and how much. As GLP-1's popularity booms, experts are asking, is this a fad or a fundamental shift for the food and beverage industry?

Threat: Assuming that the use of GLP-1 drugs is a passing fad. When this drug comes off patent in Canada and China in 2026[1], its use is forecasted to explode, reducing grocery spending by 10% per household, or up to $8 billion globally each year.

Opportunity: Shrinking 'stomach share'[2] could favour New Zealand with AI, nutrition and food science combining to meet the growing demand for smaller, nutrient-dense meals and snacks, to support health and wellbeing, create personalised nutrition plans and provide guidance for eating habits.

Key points:

- New Zealand food producers assume they're feeding an endlessly hungry world. What happens when the world loses its appetite, eats smaller portions, and no longer wants a leg of lamb?
- GLP-1-drugs are forecast to shrink 'stomach share' and drive a shift to smaller, fewer, nutritionally dense meals.
- Shrinking diets reinforce New Zealand's longstanding message 'good for you, good for planet', producing ethically-sourced, healthy whole foods.
- New opportunities are emerging in personalised nutrition, bundling AI and nutrient intense foods to improve health, especially for those with dietary problems.
- Re-positioning dairy as an essential source of amino acids and proteins (already happening in the USA) could create renewed demand in China.
- And there will be increased demand for novel foods, like meat-plant based hybrids and lentil creams, and meals as experiences and art.

Unless you have been avoiding all news media over the last couple of weeks, Ozempic, Wegovy and GLP-1 will ring a bell, probably somewhere around dinner time.

The new weight loss drugs, which provide endless fodder for Instagram influencers, are finally available in New Zealand, by prescription only, aimed at people suffering from obesity and type-2 diabetes.

The drugs mimic the naturally occurring hormone GLP-1 by increasing insulin production and lowering blood sugar levels. The acronym stands for glucagon-like peptide-1 and, technically the drugs are classed agonists, that is they bind to a receptor leading to a biological response. GLP-1s have been around since the 1970s, sold in the US since 2005 and ramped up in the last decade, with stunning results. With just a single shot per week, they can reduce calorie intake by 20% to 30% daily, according to findings from a Morgan Stanley research survey of 300 patients.[3]

It's great news for the war on diabetes and obesity. Nearly 900 million adults globally live with obesity[4]—a condition linked to at least 20 diseases and projected to cost the global economy $2.76 trillion in lost GDP by 2050.[5] Yes, that's a trillion with a t. Thanks to their efficacy and popularity among social influencers, GLP-1 agonists are forecast to grow at 30-38% annually to 2030 and reach sales of US$100 billion by 2030.[6]

And many of those users are not obese or suffering from diabetes. GLP-1 drugs are now lifestyle choices.

Approximately 42 million Americans are reportedly using GLP-1 drugs and three million Australians. "The total number of GLP-1 users is expected to increase sevenfold over the coming years as pharma expands production capacity, reduces prices, develops new products with fewer side effects, and offers more user-friendly dosage forms", write Dutch consultants Roland Berger.[7] It is the fastest growing drug by expenditure.

We're over-exposed to the word unprecedented, but this really has no precedent. Diet is being disrupted.

The shift has implications for the food industry. Mary Shelman, the former head of Harvard Business School's Agribusiness Program expects the GLP-1 revolution to reflect other seismic changes, such as the introduction of the microwave oven in 1947, or hand-held snacks like the pop tart in 1964.[8]

A much-quoted study[9] by Cornell University in January this year, found that households with even just one GLP-1 user spend about 8-10% less on groceries. This could be as much as $20bn a year less spent on groceries in the USA alone. Shelman believes we could see a reduction in household spend as high as 31%, a mind-boggling cut to industry income.

Hearteningly for New Zealand exporters, whole foods like fruit, nuts, enhanced protein products like meat sticks (shout out to Miti for seeing around a corner potentially) and dairy (shout out to Fonterra and it's lactoferin discovery) seem to be the least affected, in fact, may even benefit as users of GLP-1 agonists want to increase their spending on functional foods with an added punch.

An EY study[10] of 1700 users in February 2025 found that respondents claimed their consumption of foods across different snack categories dropped by between 40% and 60%, while their consumption of specialty and health foods climbed by nearly 50%. Proteins increased even more, by 65%, and fruits and vegetables by nearly 80%, users said.

"Our grocery bill has gone down."

The Cornell study shows similar, though more modest change. The victims are chips and salty snacks (down 11.1%), sweet baked goods (down 6.7%), fast food (down 12% among lower income households) and breakfast as a meal. Roland Berger predicts a decline of US$7.5-8 billion a year by 2031 for savory snacks, confectionery and soft drinks.

Restaurants are in the gun too. There is not necessarily a decline in the number of people dining out, but they are arriving less hungry. The traditional three-course meal is dying. Restaurateurs are offering a 'lighter, Ozempic-friendly menu'[11] to manage users' desire for a social experience and the increase in food waste when food is left uneaten.[12]

Quick service restaurants (e.g., KFC, McDonald's) are especially concerned, reporting a flagged GLP-1 adoption as a risk.

"I have stopped eating snacks and eat about a third of any restaurant meal. I still want to eat fruit and meat, but much less in each sitting," one Kiwi woman told us over a coffee (with no cake) this month. Prescribed for health reasons initially, Ozempic is having a helpful side effect: "our grocery bill has gone down."

New Zealand prides itself on being a food-producing nation. It's a fundamental assumption that the world is endlessly hungry and the only things stopping us are trade wars, actual wars and ships stuck in the Suez. The idea that our markets might be shrinking one consumer at a time – well, no one saw that coming.

Fad or fundamental?

It's tempting to think of GLP-1s as a fad. In the public mind, they're up there with fat-shaming and tummy tucks. As the data above shows, that's a mistake. But, it's also early days; the implications have yet to fully play out. GLP-1 agonists were first released as a diabetes treatment in 2005, but it wasn't until Ozempic was approved by the FDA in 2017 that it started to hit mainstream.

Touted by influencers and the media as a "miracle shot", the drugs have crossed a cultural divide, from medical treatment to Oprah Winfrey's miracle change. Type in #ozempic or #weightlossinjection into any social media and you'll see what we mean.

The scale of change is unarguable. But will it continue to grow?

Some forecasters say yes.

China has the largest population of people with diabetes, approximately 100 million people. Some 5% of Novo Nordisk's (manufacturer of Ozempic) global sales come from China.[13] When the patent for Ozempic expires in China in 2026, it is expected that China will become the largest market for generic GLP-1 drugs. China lags the US but there's no reason to think it won't catch up. Especially when it is available on ecommerce sites like Taobao.

The EY study mentioned above predicts that by 2034, 21% of US adults – more than 70 million – will be using GLP-1. Morgan Stanley predicts 100 million users globally by 2030.

Other forecasters are less emphatic.

GLP-1 agonists have a long list of unpleasant side effects and are expensive as a lifestyle choice. Nausea is the most common, often followed by its friends vomiting, diarrhea and constipation. These typically occur early on in the treatment and can be managed. Less common risks include gallbladder problems and, rarely, pancreatitis or low blood sugar in people also taking insulin. Thyroid tumors have been seen in animals.

...what happens when people get fed up with injecting themselves with the GLP-1 drug

So what does it all mean?

There are two ways of looking at this.

The first, is that GLP-1s are here to stay, they're getting cheaper and easier to consume – not an unreasonable assumption given the investment in new innovations.

For New Zealand producers, there are four implications:

1. Accent on quality, healthier whole foods.

GLP-1 drugs make some foods more challenging to tolerate, especially high-fat, greasy food, high-sugar and ultra processed food. Whole foods like fruit, nuts, and protein are less likely to cause side effects.

This is good news for the bulk of New Zealand's food export industry. What's not clear is by how much the shift will happen. The most-quoted research is the 2025 Cornell University study of 2623 households over six months. It showed small increases in spend on 'meat snacks, nutritional bars, fresh produce and yoghurt'. These are things that New Zealand grows well. It's almost like Fonterra with its high protein greek yoghurt and lactoferrin or Miti with its high protein meat snack, could see round the corner.

2. Smaller portions

The research of consumption patterns associated with the use of GLP-1 drugs[14] is in its infancy but a smaller appetite must imply smaller portions. Recommendations for those taking the drug are to start with half the usual meal size. That means for meat eaters it's 100-150g portion sizes rather than the traditional 200-250g. This has implications for meat processing, which is currently optimised for larger meat cuts.

3. Food as a celebration, theatre and emotional connection

Do meals move from gorging to gorgeous – where eating becomes less about a filled plate of food than a full cup of culinary delight? Could it be more like our current high-end cuisine, where tiny portions punch with flavour and the food is a canvas for art and innovation? Is this doing more of what Lumina Lamb does so well: working with top-class chefs, creating values based 'ozempic friendly' menu options around the world.

4. Food as connection

Does this elevate the importance of origin and story? If we're eating less, then do we want it to be meaningful, connected to land and growers? Will we be seeking a higher reward from our food – what's good for me needs to be good for the planet?

Is food going the way of wine where knowing the terroir and the winemaker is all part of the reason to buy? What can we say about whenua, ethics, sustainability and community? Can we become a nutritional powerhouse; move from selling grass-fed products to selling dietary superfoods, or nutrient-loaded products.

A second way is to consider what happens when people get fed up with injecting themselves with the GLP-1 drug – which some forecasters predict will happen fast.[15] Data shows that many users are giving up after two or three years, citing cost and side effects.

There are alternatives to the pharmacological track. GLP-1 is a naturally occurring hormone which can be stimulated by eating vegetables and pulses. A US company PulseOne is creating an additive for gut health with GLP-1 style outcomes. An Israeli company Lembas is developing 'food grade bioactives' which stimulate GLP-1 production.

"Ozempic is becoming to weight what Botox is to aging"

And then there's AI and digital tools. Prescription of Ozempic is typically bundled with app-based coaching, creating personalised meal plans tailored to the drug's appetite effects, weight tracking dashboards and behavior nudges. Behaviour management is as much a part of the story as the drug. Could it be that GLP-1s accelerate individualised nutrition plans, where diet is medicine and food choices shift from junk to healthy?

Under this scenario, the implications above remain true.

Conclusion: the remaining 80%

If GLP-1s hit their most ambitious forecasts, some 20% of our major markets will be eating less and less often. That still leaves 80% of the population drug-less. Is it business as usual for the rest of us? Can we ignore the change GLP-1s will bring?

One clue comes from the household data in the Cornell study. Even when one householder was a GLP-1 user, the total spend dropped, hinting at a knock-on effect on the rest of the family.

Satiety is catchy.

A useful comparison is the beauty industry, where treatments like Botox and tummy tucks lowered the barrier to cosmetic surgery and mainstreamed new beauty standards.

We all know how susceptible humans are to peer pressure. There is a comparable future, where GLP-1s are "a medical solution to a social problem," and likely to remain expensive and more accessible to affluent people, at least for now. But their impact will ripple through the general population.

Weight loss jabs may become "just another form of self-care, something you do before a wedding or just because".[16]

Ozempic is becoming to weight what Botox is to aging: a clinical fix for something once considered a fact of life, and thus a new source of social pressure.

Are small portions the new black? And if so, are we ready for the change in fashion? The New Zealand food industry remains largely a low-cost, commodity producer. A GLP-1-affected world wants less of that, not more. An industry predicted on an endless volume play will fail.

But innovation, health, care for nature and love for food are also part of the New Zealand story and these attributes sit comfortably in the world that GLP-1s invoke.

GLP-1s may be a new phenomenon, but they are one more signal that we are entering a low-volume, high-value future. More from less, again and again. That world is coming at us at pace. Is New Zealand ready?

How do GLP-1s work?

GLP-1 drugs mimic the action of the natural GLP-1 hormone, which is produced in the gut in response to eating. GLP-1 normally functions to slow gastric emptying, increase insulin production, and increase satiety, that is, the feeling of fullness.[17]

A brief history of GLP-1

GLP-1 drugs—medications that act on the *glucagon-like peptide-1* receptor—were first approved for use in the early 2000s. Here's a brief timeline:

- **2005:** The first GLP-1 receptor agonist, exenatide (brand name *Byetta*), was approved by the FDA in April 2005 for the treatment of type 2 diabetes. This marked the commercial introduction of GLP-1–based therapy.
- **2010:** Liraglutide (*Victoza*) was approved as the first once-daily GLP-1 receptor agonist.
- **2014–2017:** Longer-acting formulations like dulaglutide (*Trulicity*) and semaglutide (*Ozempic*) were approved, making weekly dosing possible.
- **2017 onward:** Semaglutide was further developed for weight management (as *Wegovy*, approved in 2021 in the U.S.).

1 https://journals.library.columbia.edu/index.php/stlr/blog/view/653

2 Stomach share refers to the proportion of a consumer's total appetite or food intake that a particular brand or product captures

3 Morgan Stanley, 2023, https://www.morganstanley.com/ideas/obesity-drugs-food-industry

4 70% of all Americans are classed as overweight or obese.

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17 McKinsey, 2025, https://www.mckinsey.com/mhi/our-insights/the-path-toward-a-metabolic-health-revolution

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