Building a blueprint for collective action

Rethinking food waste as a lever for profitability and growth with actionable insights

Part 1

Capgemini

Retailers and consumer brands: What is your food waste business opportunity really worth?

Each year, the world discards an estimated 1.3 billion tons of edible food. But for retailers and brands, the true cost goes far beyond lost profits—it depletes natural resources, drives up global greenhouse gas emissions, and undermines the livelihoods of farmers across the globe.

Progress has been made, but not at the pace or scale needed. That's because the barriers to change are less about intention and more about deeply entrenched systems—patterns of overproduction, expectations of abundance, and rigid perceptions of perfection that shape both business strategy and consumer behavior.

Addressing these underlying issues demands more than point solutions and standalone programs. It requires a collective movement—shared accountability, structural shifts, and bold collaboration across the value chain.

This is the purpose of the **Food Waste Coalition of Action**, a working group led by The Consumer Goods Forum, that brings together leading brands and retailers and industry experts such as Capgemini. Through our blueprint for collective action, we are reimagining food loss & waste, not as an unavoidable byproduct of the supply chain, but as a solvable challenge and untapped source of business value. Unlocking this value and helping organizations build a compelling case for how they can capture it are key ingredients for progressing this agenda.

By working together, we can rethink how the end-to-end processes that underpin our food system work, establishing and implementing common frameworks and solutions that find new avenues to profitability and growth in a long-standing problem.

We are seeing the most progressive organizations building on operational efficiencies and cost savings to develop solutions that convert waste into value. Innovating by-products that enable new revenue streams, improving brand equity and customer experience while conserving vital resources.

Laura Gherasim
Sustainable Futures Director, Capgemini Invent

Jordan Friedman
Manager, Consumer Products and Retail, Capgemini

Focusing on the areas of direct control over value chain transformation

While significant progress has been made by some organizations this has been mainly focused on areas that are under the direct control of those businesses rather than the systemic change required. What's needed now is a bold, collaborative, cross-value chain approach that rewires incentives through, for example, the use of smart contracts and embraces innovation at scale.

The culture of abundance

Today's consumption model is built around perfection, sensory appeal, and convenience. Businesses feel pressure to overproduce and maintain full shelves with ideal products—making waste seem like an unavoidable cost of doing business.

Fragmented value chains

Misaligned incentives, incoherent policy, and siloed operations across manufacturers, retailers, and suppliers make collaboration difficult. Without shared goals, structural challenges like supply chain transparency, reverse logistics, or food repurposing will remain unsolved at scale.
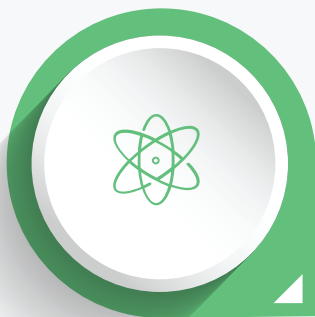
Three major barriers standing in the way of total transformation

Our approach: Identifying the leverage points to catalyze systemic change

The challenges underpinning food loss and waste are deeply embedded within our supply chains and social norms, making solutions targeted at surface-level symptoms largely ineffective.

The purpose of the Food Waste Coalition of Action is to uncover and address the root causes of waste and loss embedded within business processes across the value chain and help organizations build the compelling business case required to fund or co fund these transformations. A few illustrative examples of value drivers we identified through our research with CGF members include:

Profitability

Increase operational efficiencies and reduce operational cost

- i.e process, material optimization
- avoid costs associated with overstock and tax to landfill etc

Brand equity

- Consumer engagement
- Customer experience

Sales growth

- New revenue streams
- Traffic and promotions

Comply with regulatory risk & public policy

- Meet environmental regulation to avoid fines
- Access to program or funds for sustainable initiatives

Adapt to physical & transition risk

- Strengthen supplier relationships
- Enhance regenerative agriculture practices

Our diagnostic phase focuses on understanding how downstream decisions ripple upstream—trickling food waste through the system from farm to factory to fork.

Working closely with CGF members, we are using desktop research, as well as interviews and collaborative working sessions to draw out practitioner- and expert-led insights to build & share solutions that can help overcome the structural barriers across the value chain. Through this activity, we are aligning stakeholders around a shared understanding of where and how change must happen, laying the groundwork for targeted interventions and collective action that, in the long term, will address the underlying drivers of waste and loss.

Our efforts have revealed that while food waste occurs at many points within the value chain, every point matters. By diagnosing both high-level patterns and granular sub-processes, we're targeting business practices that can alleviate and eliminate waste hot spots from end-to-end, building the foundation for systemic transformation.

Our research identified that while progress is being made to reduce food waste and food loss across the value chain, efforts are being focused mostly on the areas that are under the direct control of retailers and manufacturers, creating an opportunity for further emphasis to be placed on upstream interventions along side downstream

Agricultural production	Post-harvest handling	Upstream distribution & storage	Manufacturing, processing, & packaging	Downstream distribution & storage	Wholesale & retail	Food service & household consumption
(-20%)	(-20%)	(2-5%)	(5-15%)	(2-5%)	(5-10%)	(30-50%)

Sources: Coresight Research (2022), EuroStat (2024), ReFED (2025)
Note: These are estimated global ranges based on several sources.

> Through our work with the Consumer Good Forum and the Food Waste Coalition of Action, we're pinpointing the business processes that drive loss and waste across the value chain—laying the groundwork for a transformation that is not limited to the areas under the control of manufacturers and retailers, but truly systemic.
>
> **Kees Jacobs**
> **VP, Consumer Goods and Retail, Capgemini**

Through our independent research, practitioner insights, client workshops and internal expertise we are identifying and prioritizing the key business processes that can have an E2E impact across the value chain. One obvious example is demand planning and forecasting - a key part in the availability of sales and a crucial component when aligning production with consumer needs and minimizing inefficiencies. There are several root causes within the demand and forecast process that inadvertently contribute to food loss and waste across the entire value chain, such as for example the need to maximize customer availability in retail. This can generate overproduction and loss during storage to name a few.

While efforts have been made to improve forecasting methods and enhance the inventory practices of individual players in the chain, there is still untapped potential in improving coordination among stakeholders in the food supply chain.

Early insights: Action toolkit

While still in the early stages of our work, the Coalition is offering some preliminary insights into our recommendations and solutions. First, we observe different levels of maturity across the industry when it comes to addressing food waste. This is reflected in how companies organise themselves within their operating model and core-processes (i.e. do they have a food waste road map and clear KPIs across the business), what sources of food waste they focus on (i.e. with own operations or beyond, highest volumes vs the tail) up to how they use data-driven solutions to food waste (i.e. is there a reporting capability on food waste, or a data model that captures information to be translated into decision making insights) as well as to what extent they collaborate with trading partners etc

Here we've organized our key actions to reflect the three evolving maturity stages, based on patterns surfaced in our initial interviews and workshops:

Level 1. Setting brilliant basics

As a first step, all organizations must prioritize food waste and loss as part of their sustainability efforts, but also as part of their operational & business improvement efforts. Foundational levers should include creating a strong business case, securing leadership buy-in, training teams, and creating the data foundations to enable the right operational and business insights while leveraging circular economy principles to minimize waste. These will help organizations accelerate progress in their own operations but also provide building blocks to help tackle food waste at the macro level. At this stage, data plays a crucial role in guiding organizations by enabling reporting and benchmarking. It also helps create data-driven sustainability solutions to optimize food waste reduction interventions and anticipate or predict food waste before it occurs.

The benefits we are expecting businesses to unlock at this stage are centered around cost savings and efficiencies. These should have a positive impact on operational KPIs [e.g. COGS], while accessing organizational capital to be invested in solutions that can help transform this agenda such as new technologies, capabilities, etc.

Level 2. From waste to value

More advanced organizations can repurpose waste to enable profitability further through, for example, new revenue streams and brand activations, whether by upcycling into new products, converting waste to animal feed, or launching imperfect product lines and "best-before" campaigns. Technology and business model innovation, play a key role in scaling these solutions.

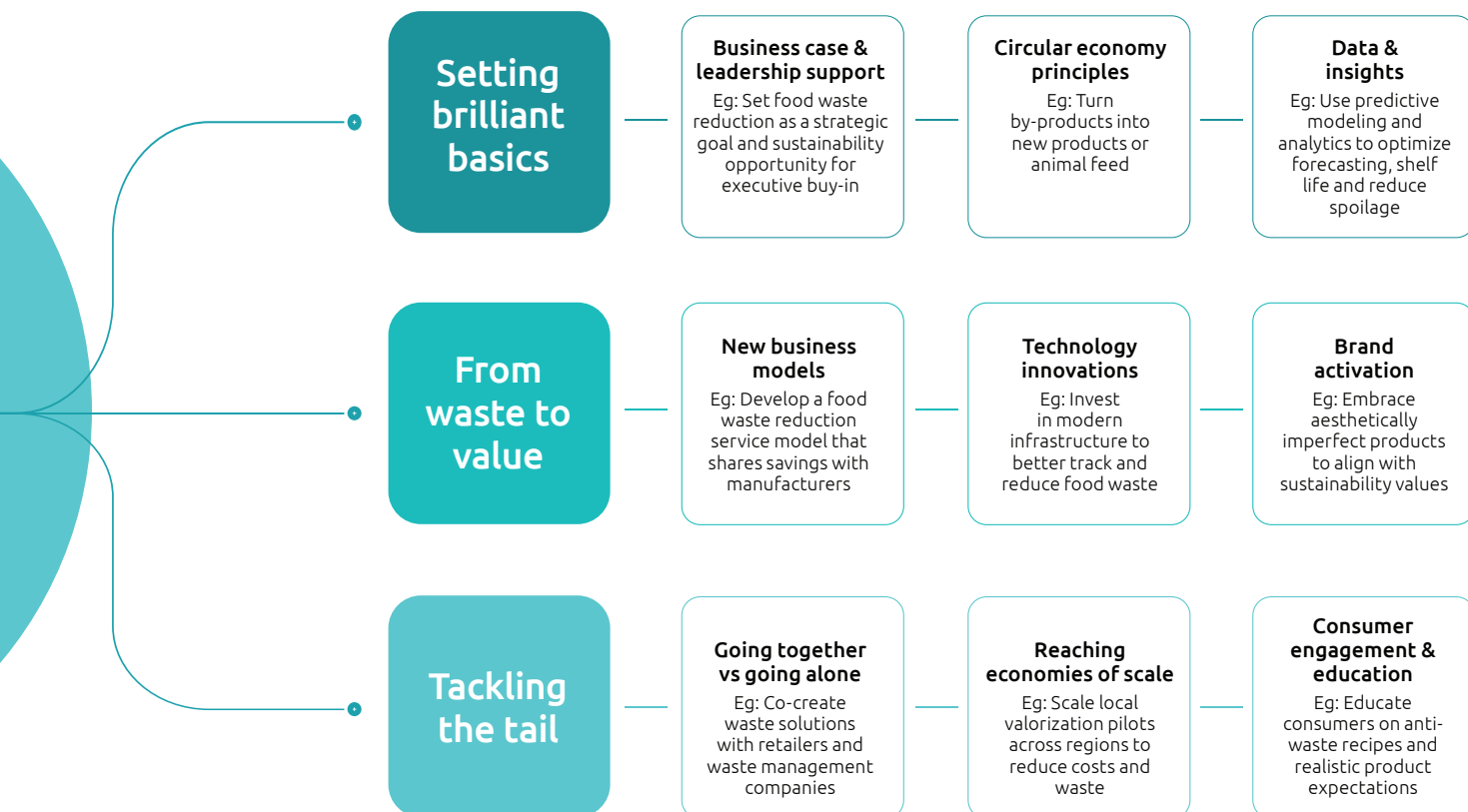### Level 3. Tackling the tail

For mature organizations that have achieved substantial reductions, the final hurdle is addressing the long tail of hard-to-tackle commodities—where volumes are low, business case is weak, and collaboration is essential. The onus for action lies here at the intersection between manufacturers and retailers, including a better understanding of the drivers at the process and subprocess level that are building waste into their interactions. These efforts often hinge on cross-value chain partnerships and consumer education to drive transformation at scale.

> We're seeing a shift in mindset, waste is no longer just a cost to minimize, but a resource to optimize. Our Coalition is moving from simply reducing avoidable food waste to designing waste out of the system entirely — enabling value creation at every stage.
>
> **Sharon Bligh**
> **Director for Health & Sustainability, The Consumer Goods Forum**

Early insights for solutions

Setting brilliant basics

Business case & leadership support
Eg: Set food waste reduction as a strategic goal and sustainability opportunity for executive buy-in

Circular economy principles
Eg: Turn by-products into new products or animal feed

Data & insights
Eg: Use predictive modeling and analytics to optimize forecasting, shelf life and reduce spoilage

From waste to value

New business models
Eg: Develop a food waste reduction service model that shares savings with manufacturers

Technology innovations
Eg: Invest in modern infrastructure to better track and reduce food waste

Brand activation
Eg: Embrace aesthetically imperfect products to align with sustainability values

Tackling the tail

Going together vs going alone
Eg: Co-create waste solutions with retailers and waste management companies

Reaching economies of scale
Eg: Scale local valorization pilots across regions to reduce costs and waste

Consumer engagement & education
Eg: Educate consumers on anti-waste recipes and realistic product expectations

Turning insight into action with the Food Waste Coalition

The food waste challenge is complex—but the opportunity is clear. By aligning around shared goals and activating practical yet collaborative solutions, our industry can establish a blueprint for change, turning loss into a driver of growth, profitability and resiliency across the food ecosystem.

In September, we will release a report containing our complete research findings and recommended solutions. In this report, experts from Capgemini, and client members and partners at The Consumer Goods Forum, will provide tangible steps to help companies adapt and refine core business processes to tackle food waste and loss, both internally and across the system. And the Coalition, supported by the Capgemini team, will conduct a practical diagnostic to assess organizational capabilities and identify opportunities to convert waste into value.

About Capgemini

Capgemini is a global business and technology transformation partner, helping organizations to accelerate their dual transition to a digital and sustainable world, while creating tangible impact for enterprises and society. It is a responsible and diverse group of 340,000 team members in more than 50 countries. With its strong over 55-year heritage, Capgemini is trusted by its clients to unlock the value of technology to address the entire breadth of their business needs. It delivers end-to-end services and solutions leveraging strengths from strategy and design to engineering, all fueled by its market leading capabilities in AI, generative AI, cloud and data, combined with its deep industry expertise and partner ecosystem. The Group reported 2024 global revenues of €22.1 billion.

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