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# An Overview of The Lobster Marketing Process and Implications for the New England Marketplace

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The lobster, surely our king of the sea, is usually held in the highest regard even by people who avoid other kinds of seafood. Lobster tanks filled with live kicking specimens broadcast vitality and freshness to the consumer. Everyone loves shrimp and, to a lesser extent, scallops, clams, oysters, mussels, and crabs all have their loyalists—shrimp are always pink and appealing in their armored shells; clams, oysters, and mussels hiding in tightly closed hard shells seem to have a lock on freshness and even come complete with handy, built-in serving dishes (“clams on the half shell”) at no extra cost. However, consumers generally have a special place in their hearts for the lobster (Reader 1989).

Lobsters have been residents of earth for a long time. The first official Maine lobster landings were reported by a ship’s crew member in an account of a voyage to the New World in 1605. The early New England colonists left records which praised the lobsters as tasty, healthy, and plentiful. The largest lobsters are found off North America’s eastern seacoast; Canada and Maine are the primary supplier of these true lobsters, which are known throughout the United States as “Maine” or “New England” lobsters, no matter where they originated (*Institutional Distribution* 1989).

Maine is the nation’s lobster breadbasket, with fishermen last year hauling in 63 million pounds—about 80 percent of the United States catch, worth \$280 million. Lobster prices are volatile throughout the year, with the highest prices in winter and spring. Prices generally decline in the summer, because fishermen begin catching lobsters in abundance in the cold waters off the coast. In 2007, summer prices fell more than usual, to about \$1.00 per pound cheaper than in 2006. A healthy catch resulted in an ample supply, but the main reason behind the price drop was the demand for lobster (Canfield 2008).

## Marketing

Changes in consumer preferences since the 1980s have presented the lobster industry with a new marketing opportunity. Thanks to conservation by lobstermen, their fishery had produced sustainable harvests for a half a century while other fisheries stripped the seas. In a sense, lobstermen had become environmentalists long before such things were fashionable, and now that legacy might earn some dividends in ways old-timers had never imagined possible (Corson 2004).

A new definition of marketing recently was approved by the American Marketing Association. The new definition reads: “Marketing is the activity, set of institutions, and processes for creating, communicating, delivering and exchanging offerings that have value for customers, clients, partners, and society at large” (Keefe 2008). This new definition will still be concerned with the 4 P’s of product, price, place and promotion.

## Survey Design and Data Collection

A telephone questionnaire was developed and a target population was identified of 41 respondents who were familiar with marketing lobster. The study sample was representative of the New England marketplace. Forty-one telephone interviews were conducted in September of 2008; 20 people responded to the telephone survey resulting in a very respectable yield of 49 percent. The respondents were very knowledgeable about the lobster industry in New England and beyond.

## Survey Results

The respondents were asked to rate the 4 P’s of Marketing—Product, Price, Place, and Promotion—as they applied to the marketing of lobster in New England. Table 1 summarizes responses from respondents concerning the 4 P’s of Marketing as applied to the marketing of lobster in New England.

**Table 1. Importance of the 4 P's of Marketing as Applied to the Marketing of Lobster in New England.**

Respondents	State	Gender	Years in field	Product	Price	Place	Promotion
1	Ct	M	16		x		
2	Ct	M	18	x	x		
3	RI	M	33	x	x		
4	RI	M	15		x		
5	RI	M	36		x		
6	NH	F	9	x	x		
7	NH	M	31		x	x	
8	ME	M	22	x	x		
9	ME	M	1	x	x		
10	ME	M	30	x	x	x	x
11	ME	M	40	x	x	x	x
12	ME	F	30	x			
13	ME	M	10	x	x		
14	ME	M	12				x
15	MA	M	12	x	x	x	x
16	MA	M	25	x	x		
17	MA	M	8		x		
18	MA	M	23	x	x		
19	MA	M	37	x	x		x
20	MA	F	13		x		

It is interesting to note that the respondents were from five New England states: ten percent from Connecticut, a5 percent from Rhode Island, ten percent from New Hampshire, 30 percent from Massachusetts, and 35 percent from Maine. Fifteen percent of respondents were female, and 85 percent male. Eighty-five percent of the respondents had been employed ten years or more in the lobster industry; the mean score was 21 years.

With regard to the importance to the lobster industry of the 4 P's of marketing, the most often cited was Price (90 percent), followed by Product (65 percent), Promotion (25 percent), and Place (20 percent). The combination of Price and Product was cited by 60 percent of the respondents. The results

identified some interesting information concerning the 4 P's of marketing as they pertain to the marketing of lobster in New England.

### Conclusion

Maine fishermen have long protected the lobster resource, but now a consumer push for "green" seafood products in the marketplace may require that they obtain a certified sustainable seal as proof to consumers who desire certification. According to the Marine Stewardship Council (MSC), its eco-label blue seal tells consumers that the seafood was harvested from an MSC-certified sustainable fishery and that it has been separated and identified during

storage and transportation. The MSC has a traceable mechanism, called the Chain of Custody certification, which applies to every step in the seafood supply chain, including processors, wholesalers, restaurants, and seafood cases (Simmons 2008). This concept could have some possibilities for the lobster marketing process.

The lobster marketing process is a very interesting one, and there could be an educational opportunity for the lobster industry. A boat-to-table educational program could be developed in order to educate all of the stakeholders concerning the strengths, weaknesses, opportunities, and threats that are involved in the entire lobster marketing process.

Marketing is an art rather than a science, and therefore could change at any moment. The lobster environment is in constant flux, and it will be interesting to see how it turns out in the future.

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