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percent said they would not be influenced to shop at a conveniently located market which offered a "20 cents off" coupon. When three coupons were offered, 55% said they would be influenced. When grouped by income level, it was evident that respondents in lower income levels responded more positively to coupons than those in higher income groups.

The use of unit pricing and open code dating are two issues currently being debated by supermarket chains and consumer groups throughout the country. Forty-six percent of responding consumers could correctly interpret a unit price tag and sixty percent of those who understood unit price information used it in everyday shopping.

When presented with an example of open code dating, half of the consumers correctly identified the meaning of the date. More than one-quarter thought it was the date after which the product should not be used. Younger consumers proved to be more knowledgeable of the meaning of open code dating.

Regardless of their knowledge of the meaning of the date, only twelve percent of the respondents stated that they did not check for date codes on food products. Over eighty percent do check for date codes on dairy products.

Knowledge of the store manager's name was tested in this study. Only sixteen percent of those interviewed could correctly name the store manager. Variation in response to this question was noticeable from one chain to another. However, the highest correct percentage response for a chain was twenty-two percent, compared to a low of eight percent.

An area of growth in the food industry is the use of private label products. Fifty-seven percent of the respondents correctly identified the private label brand for the supermarket in which they were interviewed. When asked how the quality of private store brands compares with national brands, sixty percent rated private brands equal or higher.

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FRESH SEAFOOD DISTRIBUTION

by
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Study focuses on the transportation problems in the distribution of fresh seafood in Virginia.

The fresh seafood industry of Virginia is an industry composed of numerous small volume firms operating in antiquated facilities and utilizing much the same work methods which have been practiced over the past 50 years. As a result, they are caught in a major cost-price squeeze. Individually sales volume per firm is small and each has little market power. On the cost side, firms are faced with rising labor and material costs with again little individual power to influence them.

Fresh seafood distribution, so far as the Virginia industry is concerned, is a matter of "By guess and by God". Each processor operates pretty much in a vacuum in the areas of distribution and merchandising. Each finds his own distributors, each makes his own sales, each arranges for his own transportation, and each does his own promotion in so far as any is done.

This particular study focused primarily upon the transportation aspects of the distribution system for fresh Virginia seafood. To put it mildly, the inefficiencies uncovered were staggering. Imagine if you will, a 20 foot trailer leaving for New York this evening. This truck will make pick-ups at 45 or more spots. At these stops, it will collect the shipments of 70-100 processors and still will not be fully loaded. After all this, it heads for New York City. There it may find it necessary to spend 8 hours or more unloading at the 20 or more firms for which it carries shipments. Impossible? Not at all! This case may not be the rule but it is not uncommon. It does serve to illustrate the problems.

It is obvious from all this that Virginia fresh seafood distribution is a high cost operation. Fortunately for the industry, it has had and still has a relatively high value per unit product. To date consumers have been willing to pay these high distribution costs. A few specific findings from this study were:

a. Merchandising was almost totally ignored by the industry in Virginia beyond developing a brand name. Advertising, promotion, and merchandising assistance to wholesalers, retailers, and institutional buyers was almost nonexistent.

b. Research and development in procurement, processing, marketing and distribution also almost totally non-existent.

c. The level of management within the industry was "thin" in terms of both expertise and time available (spent on) for management.

d. Coordination in procurement, processing, and distribution was very limited.

e. With limited exceptions, the industry operated strictly on rule-of-thumb measures of cost and productivity. As a result, few operators were able to accurately define their cost, return, and profit situation.

f. Distribution poses a major problem to the industry in terms of:

1. small volume of production;
2. small volume of buyers;
3. unscheduled, unregulated shipping firms;
4. quality control; and
5. a large geographical area involved in production, processing and marketing.

Preliminary analysis indicates at least 4 possibilities which could be of major benefit to the industry. These were:

a. A transportation cooperative or a centralized informational clearing house concerning transportation availability;

b. A strong association or similar type organization to provide promotional and merchandising assistance to members themselves and to the trade in behalf of the members;

c. Planned management development and training; and

d. Increased emphasis on research and development.

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