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SESSION II
MERCHANDISING SEAFOOD AT RETAIL

FOOD MARKETING AND CONSUMPTION

by

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The Food Marketing Institute is undertaking a project to improve the merchandising of seafoods at the retail level. Assisting the Institute in this nationwide, year-long project will be the White Fish Authority, a public fisheries consulting organization in Great Britain, The National Fisheries Institute and other private organizations, consultants, and universities with experience in one or more facets of seafood marketing.

Problem Addressed

The annual per capita consumption of seafood in the United States is only about 13 pounds with an estimate of a meager three pounds of this being prepared and eaten in the home. Even these modest averages mask the fact that some segments of the population eat virtually no seafood at all. The latent demand for more seafood consumption is indicated by the general awareness of the dietary benefits of eating fish and shellfish and by the ready acceptance of seafood in areas where high quality products are available in sufficient quantities and at competitive prices. The merchandising improvements from this project will enable retailers to realize more of this latent market for their seafood.

Methodology Used

The thrust of the project will consist of three major efforts that will ultimately relate to retail store owners and managers, especially those in areas now having low retail sales of fish products.

The first task will be to identify those retail outlets that have been successful in selling large amounts of seafood. The operations of these stores will be analyzed carefully and compared to a similar analysis of a stratified sample of all retail seafood outlets. Parallel to this study will be an assessment of the ocean-to-table chain of production and distribution. The systems studies will include two East Coast and two West Coast producers which supply retail seafood markets in the Midwest, an area which has had traditionally poor markets for fish and shellfish. From these comparisons, FMI and their collaborators will develop a set of specifications for products at the various levels along the production and distribution channels. The major categories for these specifications are handling, technology and merchandising.

The second problem that FMI will address will be an assessment of the

major impediments to increased retail seafood sales. Once the channels have been defined in the first phase of the project, each level of the production and marketing system will be expressed in terms of which practices need to be changed and which should be incorporated into an ideal model system. This analysis will include trouble shooting with the fishermen, processors, distributors, store managers and marketing experts. To make sure that the results of this part of the project will be effective in increasing seafood sales, they will be judged according to their direct impact on actual consumer buying patterns.

To determine these patterns, field personnel will canvass consumers to assess their general attitudes toward seafood products. Specific questions will determine seafood buying and preparation habits and knowledge. This consumer information will provide a clear picture of where consumer education should begin and will provide retailers with a better perception of what the needs of his customers are.

The last phase of the project will be to consolidate the field information into an overall scheme for direct action to improve retail sales. The scheme will target each level of the channels which were studied and include specific action which can be taken in order to make the operation of each level more effective.

Major Findings

The conclusions will stress the integral nature of the supply marketing system so that specific recommendations can be made on the merchandising of seafood from vessel through retailing. Previous studies conducted by FMI show that consumers consider seafood healthy and nutritious and are interested in increasing home consumption.

The report of this project will be presented in the summer of 1982 and will be the working text for a series of workshops directed by the food merchandising and fishing industries. The expectations is that the project will result in an increase of from five to ten percent in annual seafood sales at the retail level.
