GWP 7 Socio economic

Institutional and organizational context

Consumer research

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Content

- Introduction
- Results WP 27
- Results WP 29
- Results Task 27.2.3
- Discussion

Output year 1

- 8 deliverables; 3 deliverables are finished, the other 5 are to be delivered on 1 December

What did we do?

- Macro-economic environment
- Certification schemes
- Competitive analysis
- Short and long term trend mapping
- International professional buyer survey
- Consumer survey
- Success-failure study
- Canvas Business Model approach

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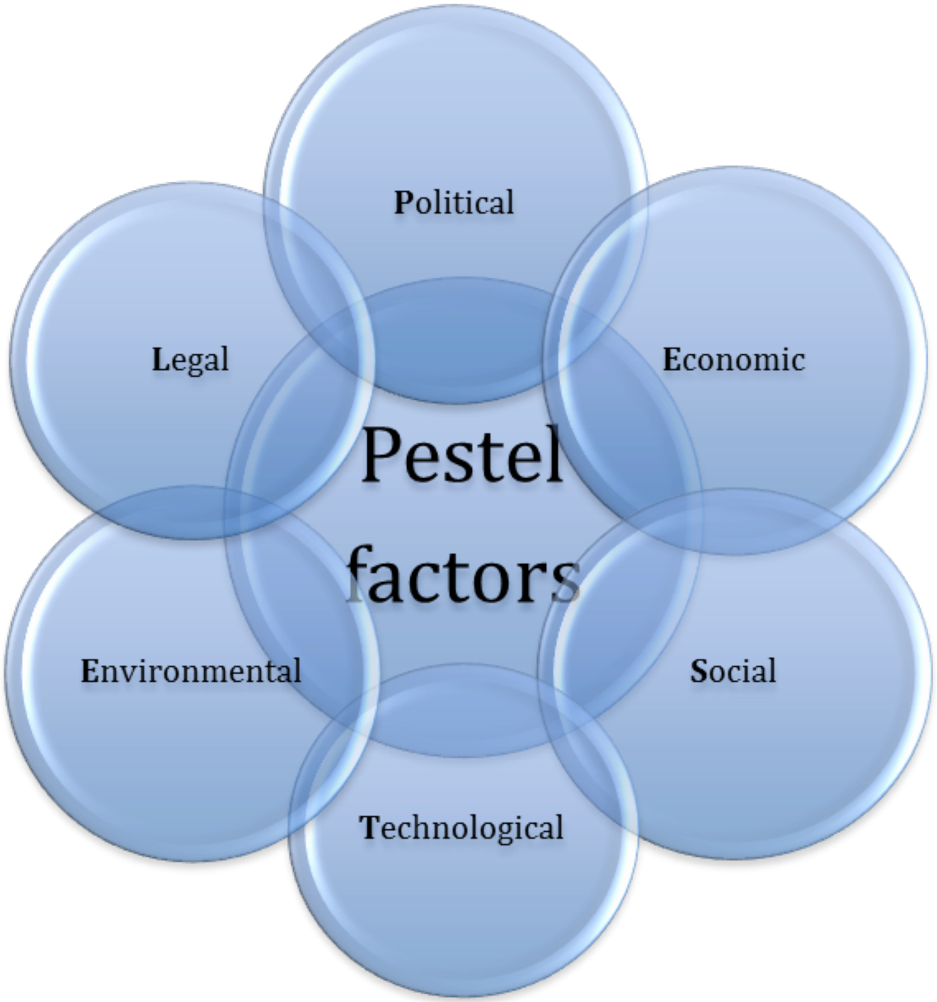
PESTEL


Political
Economic
Social
Technological
Environmental
Legal
Pestel factors

Conclusions PESTEL analysis production

- Political
  - Common Fisheries Policy
- Economical
  - Economic growth is slightly coming
  - Electricity costs are expected to rise with 30% until 2020.
  - Commodity prices are dependent on bio fuel developments
- Environmental
  - Water quality is point of attention in all countries
  - Sustainability certification is becoming increasingly important and expected to become a market access requirement

Conclusions PESTEL analysis consumption

- Political
  - All countries have pro-fish campaigns
- Economical
  - Retail concentration high in UK, D, F and ES.
- Social
  - Increasing demand for ready-to-eat and easy-to-cook value-added fish products
  - Fish is marketed as a healthy product
- Environmental
  - Responsible sourcing of fish will become even more important
  - Sustainability certification for fish species is becoming increasingly important

Certification schemes (1)

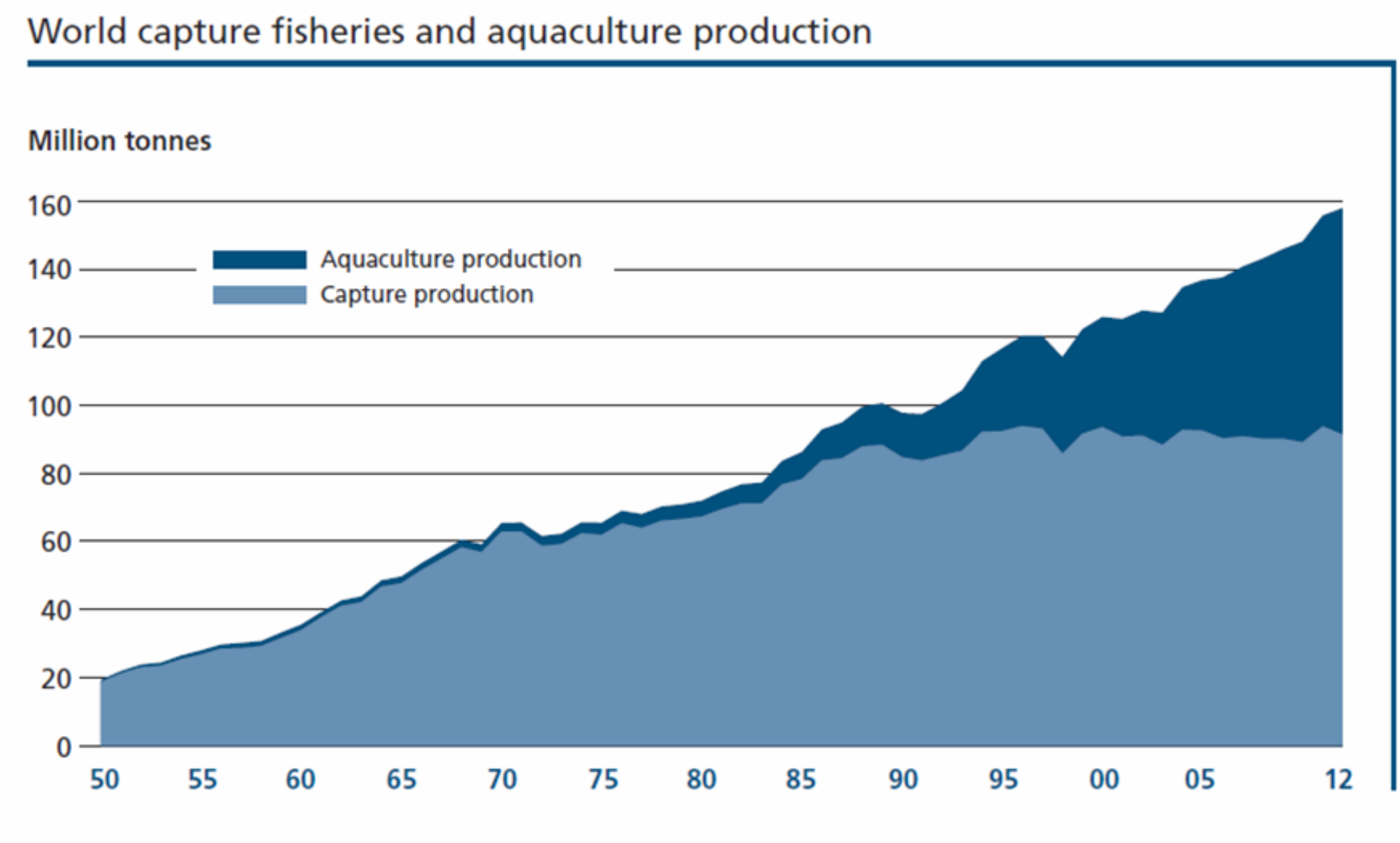
- Public Requirements
  - ISO Guide 2
  - WTO
  - Codex
  - Holmenkollen guidelines for sustainable aquaculture (1998)
  - Technical guidelines for aquaculture certification (FAO 2011)
  - Aquatic animal health code (World Organization for Animal Health 2009)

Certification schemes (2)

Private standards and certification schemes:

- Baseline private standards and certification schemes, for example HACCP, ISO, BRC, IFS, GLOBALGAP. These set basic requirements often about production processes and processing of fish.
- NGO-driven standards and certification schemes: for example ACC, ASC, Friends of the Sea, Bioland/ Naturland that focus very much on the farm level.
- Private in-house standards and certification schemes of large retail firms, for example Carrefour.
- EU standards and certification schemes.
- Other standards such as Label Rouge (France) and producer standards and certification schemes, as for example Crianza del Mar (Spain).

Sea food production is changing



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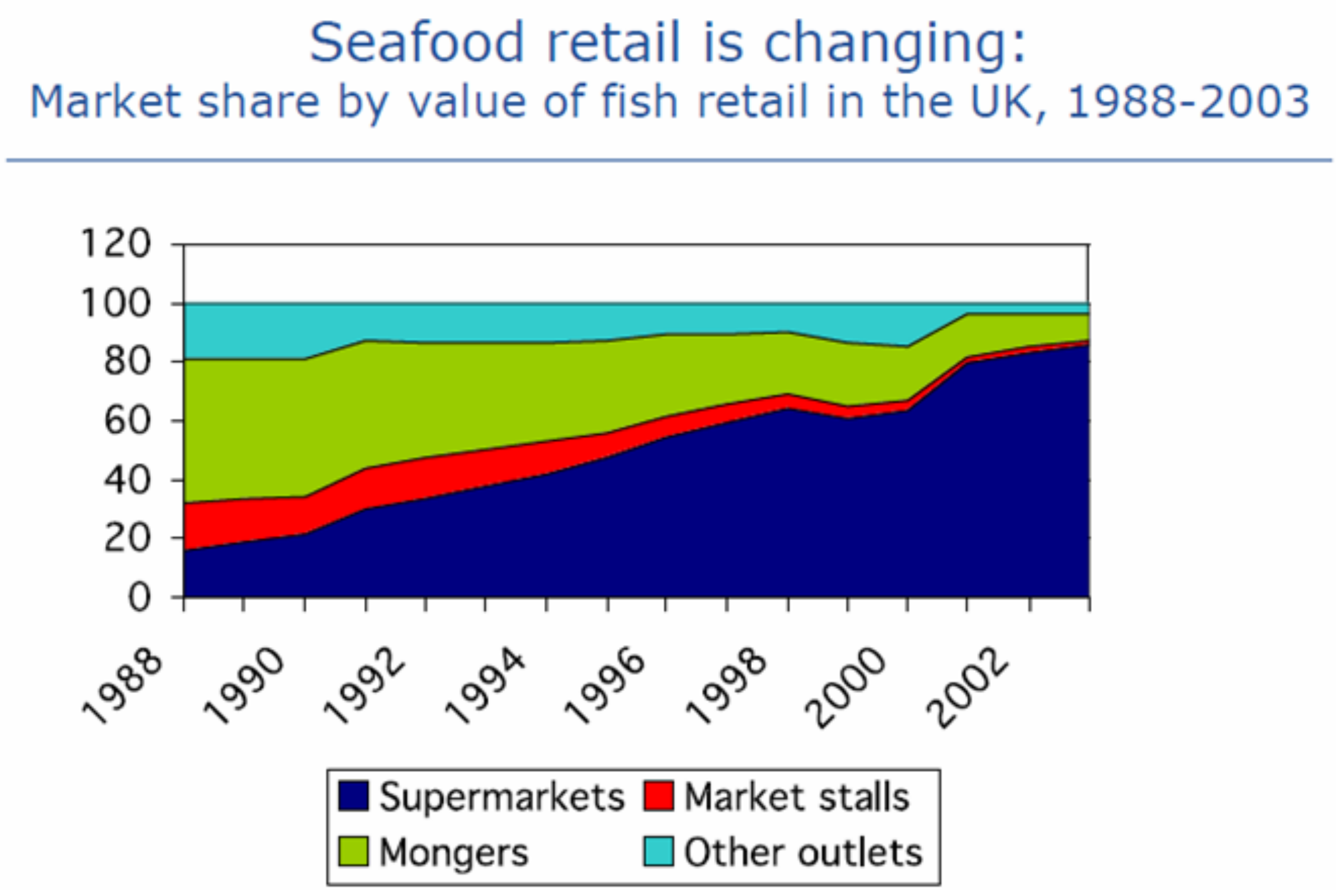
Sea food buying is changing



Source: Sea Fisheries Industry Authority (SFIA)

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Sea food consumption is changing (1)

- % of income spend on food has declined in most countries due to the crisis, but this will (partly) recover
- Tuna, cod, salmon and shrimps are most consumed across the EU. The fish market for flatfish and small pelagics is saturated but market needs for shrimps, groundfish, salmonids and tuna are not satisfied with local production/catches.
    - Good filets and hardly any or easy bones
- Northern EU countries eat more processed fish than southern EU countries, but this changes rapidly now market shares of supermarkets are growing for fresh products in the southern EU.
- Minorities grow faster than locals in most countries, so ethnic developments change the eating habits and assortments in supermarkets.

Sea food consumption is changing (2)

- Personal well-being and (health) impact are growing motives for food choices.
- Price quality relationships have become a leading buying motive due to the crisis
- Increase of fresh fish assortment in supermarkets
- Concentration in sea food consumption areas is fading out to other areas due to increasing high quality availability in supermarkets and hypermarkets all-over the countries
- Increasing demand for value added products like marinated fish
- Saturation of the protein market in the EU. Growth can only be reached by defeating the competition.

Competitive analysis (Porter's five forces)

Competitive analysis

- From biological standpoint unique, but less from consumer perspective
- Every new product has competitors: direct competitors to generic competitors

- Saturation of the protein market in the EU. Growth can only be reached by defeating the competition. Who are the competitors to be defeated for the 6 species?

- New products have to have an authentic story to score in the market

Competitive analysis

- Grey mullet has large dormant market potential all over Europe.
- Greater amberjack is unique; it can be seen as an addition to the current assortment or too different
- Meagre has to compete with other white fishes in the market. Market development to be started in southern countries with nice recipes.
- Atlantic halibut has strong demand and reputation. Market development to be started in northern countries with nice recipes
- Pikeperch has already a market position to be grown out coordinated.
- Wreckfish is too unknown and competitors have to be identified

Thank you very much for your attention