

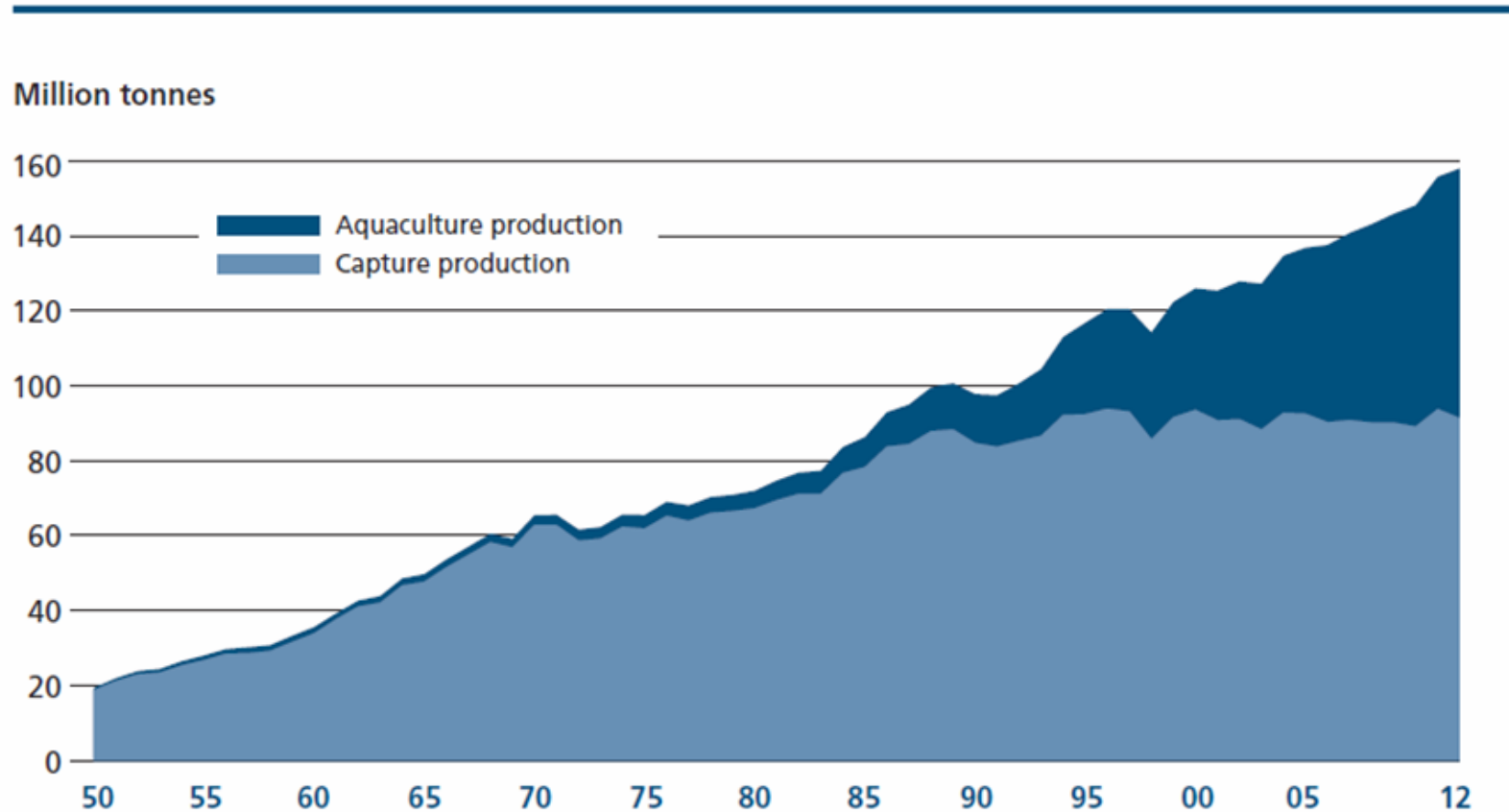
Competition, trends and critical success factors for new aquaculture species

11 July 2018, Gemma Tacke



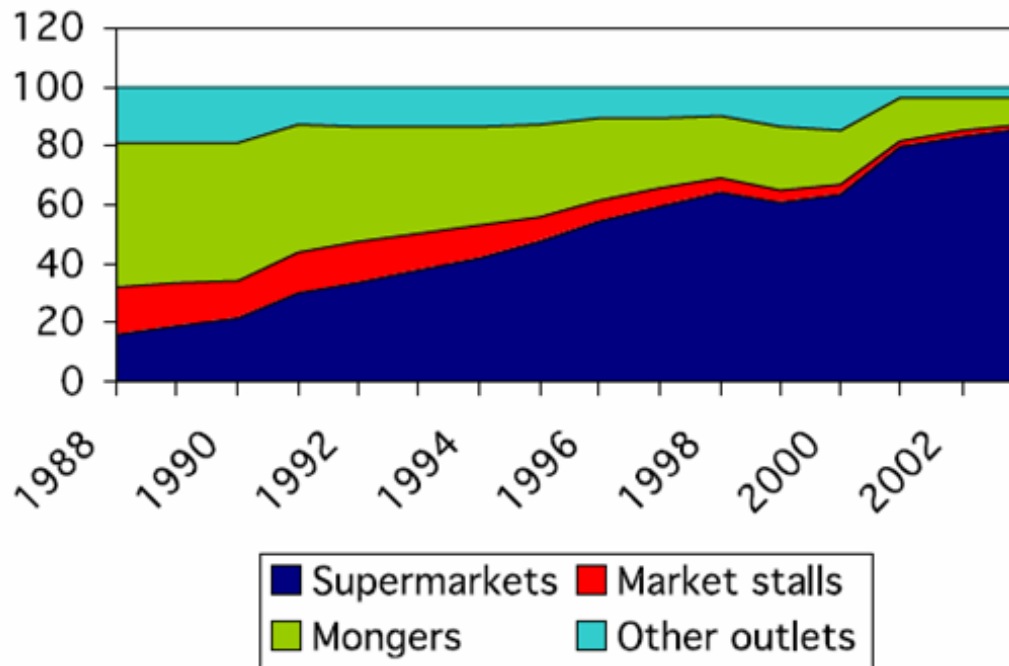
Sea food production is changing

World capture fisheries and aquaculture production



Sea food buying is changing

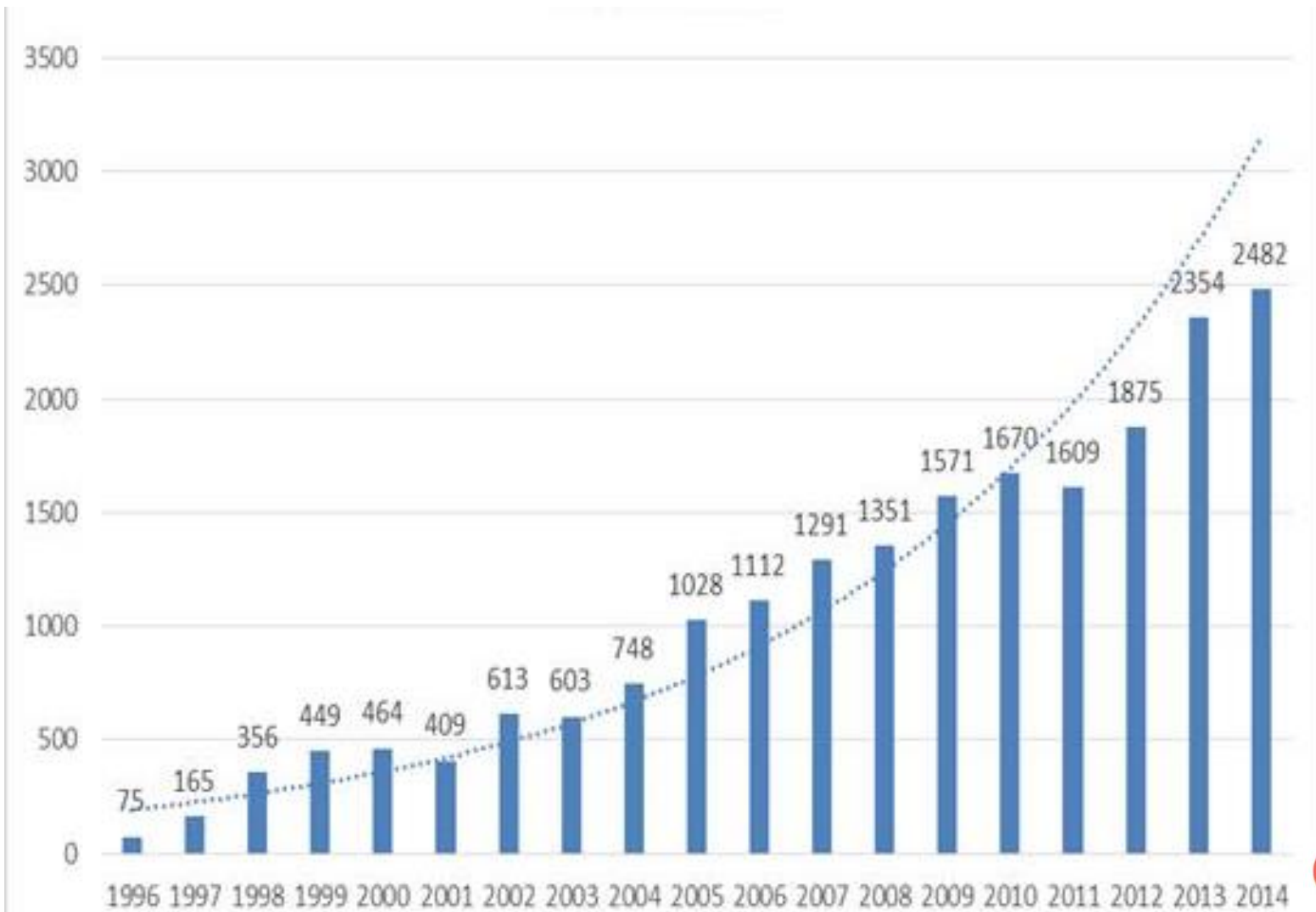
Seafood retail is changing:
Market share by value of fish retail in the UK, 1988-2003



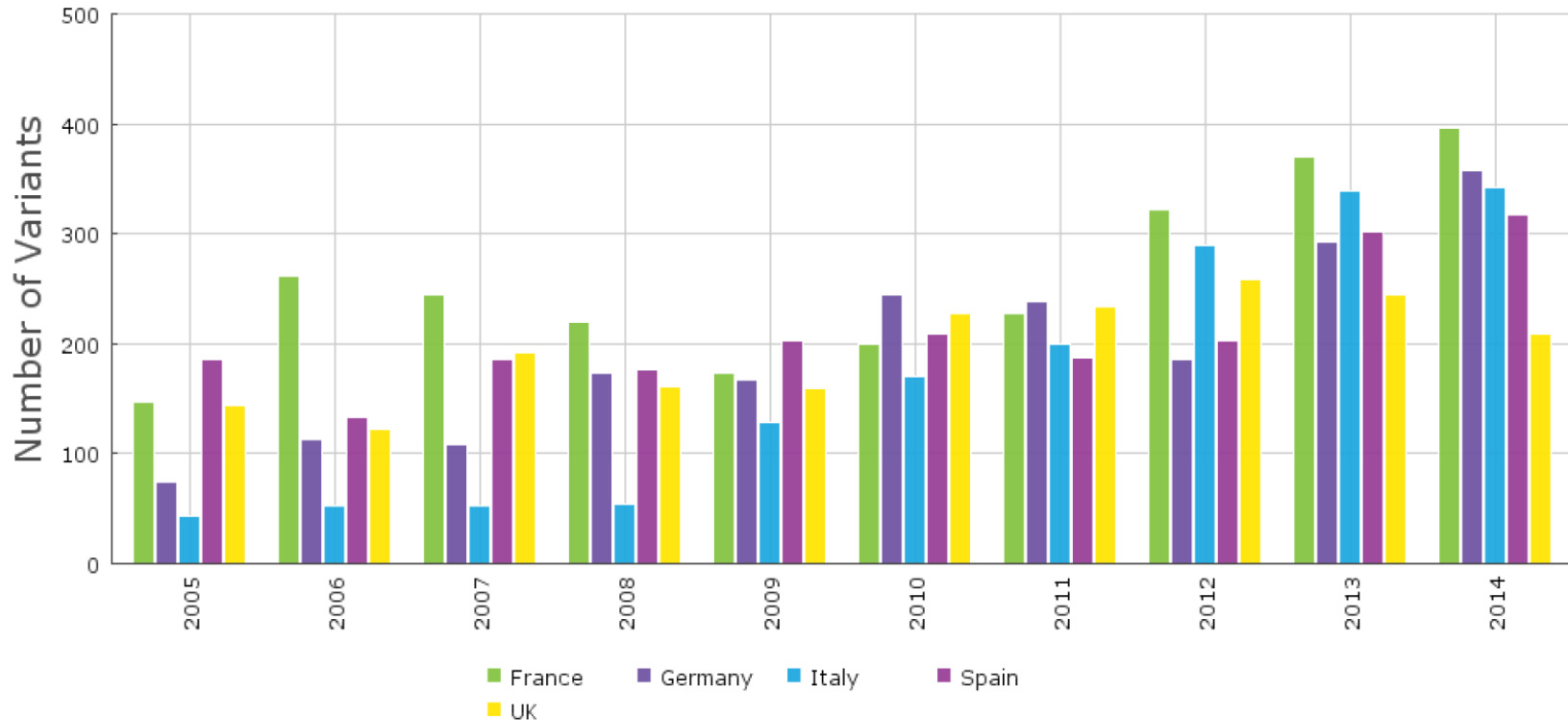
Source: Sea
Fisheries Industry
Authority (SFIA)

Number of new fish products launched in the EU market

Source: Mintel GNPD-database, 2014



Fish product launches per year for the selected 5 EU countries



10,245 products

Source: Mintel GNPD-database, 2014

Sea food consumption is changing (1)

- Low % of income spend on food
- Good filets and hardly any or easy bones
- Northern EU more processed fish, southern EU countries more fresh fish
- Minorities grow faster than locals in most countries
- Health is getting more important

Sea food consumption is changing (2)

- Price quality relationships leading buying motive
- Increase of fresh fish assortment in supermarkets
- Fish consumption not only at the shores, but also in-land
- Increasing demand for value added products
- Saturation of the protein market in the EU. Growth can only be reached by defeating the competition.

In favour of the new species

- Government programmes support fish intake, since:
 - Aquaculture is perceived as more sustainable than wild catch
 - Aquaculture of these new species can bring employment in regions with high unemployment
- Increasing world wide demand for proteins
- Consumers decrease meat and meat product consumption for health reasons (WHO advice)

Competitive analysis (Porter's five forces)



Business model Grey mullet (smoked thin fillets)



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waardepropositie
Value proposition

- Farming is environmentally Friendly
- Easy to cook
- Versatile
- Premium product: Gonads/Botarga
- Low trophic level
- Intense taste, smoked, Salty
- Price level good
- Use country of origin
- Omega3 enhances
- ASC key for German market

Client relationships



klantrelaties

- Large traditional market
- Large potential new convenience market

Distribution channels



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- Retailers targeting middle east Islam consumer groups
- Delicatessen category

klantensegment
Segments



Mediterrain
moslim ladies
know this product
In other segments
this product can be
marketed as
convenience product



kostenstructuur
Cost structure

Feasibility presentation



opbrengstenstructuur
Revenue structure

- Penetration of the market is already done
- Recipes are already available
- Product is already well-known in main target segment
- Value pricing possible

Business model Greater amberjack (fish steak)



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waardepropositie
Value proposition

- Fast growing
- Excellent flesh quality
- High consumer acceptance
- High score in sensory test
- Healthy product
- Environmentally friendly due to fish farming
- Convenient product
- Medium price level
- Country of origin
- Omega 3
- ASC in Germany

Client relationships



klantrelaties

- Interesting for fresh tuna buyers

Distribution channels



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- No specific channel, could be Supermarkets and specialty stores

klantensegment
Segments



Consumers who try new products



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Cost structure

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Revenue structure

Product is not well-known in Europe, so first penetration is necessary

Business model Pikeperch (fish fillet)



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waardepropositie
Value proposition

- Continuous supply
- High quality flesh
- Customizable size
- Unique product
- Recipes available
- Easy recognizable
- Neutral taste
- Low fat

Use country of origin

- Omega3 enhances
- ASC key for German market

Client relationships



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- Introduction through out-of-home makes it exclusive
- Celebrity support?

Distribution channels



klantkanalen

- Well-known in German speaking countries, then France, then Belgium & Netherlands

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Segments



High income groups
Who are open for New products
Out-of-home market
Hedonic consumer
With preference for good quality



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Cost structure

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Revenue structure

High price, so upper end of the market
Niche product; this is a product with overproduction risk

Business model Meagre (fish burger)



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Means

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waardepropositie
Value proposition

- Farming is environmentally Friendly
- Good quality flesh
- Low in lipds and high polyunsaturad fatty acids
- Long shelf life
- Use country of origin
- Omega3 enhances
- ASC key for German market

Client relationships



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- Especially targeted to children

Distribution channels



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- All retailers

klantensegment
Segments



Burger can be targeted to children



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Cost structure

Feasibility presentation



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Revenue structure

- Due to the hamburger shape it is attractive for children
- Low priced
- Penetration still has to be done

When will these 5 species be a success?

- What ultimately determines the success for new fish species is:
 - providing products that offer advantages that meet consumers' different needs,
 - The species can rely on a positive image and
 - Gaining fast a strong market position based on cooperation between suppliers, the industry and retail

Please, feel free
to ask your
questions

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