



# Supermarkets in fresh fish distribution: Role and requirements

Market Requirements for the Aquaculture Industry in Croatia

Zadar, May 8-10<sup>th</sup>, 2012

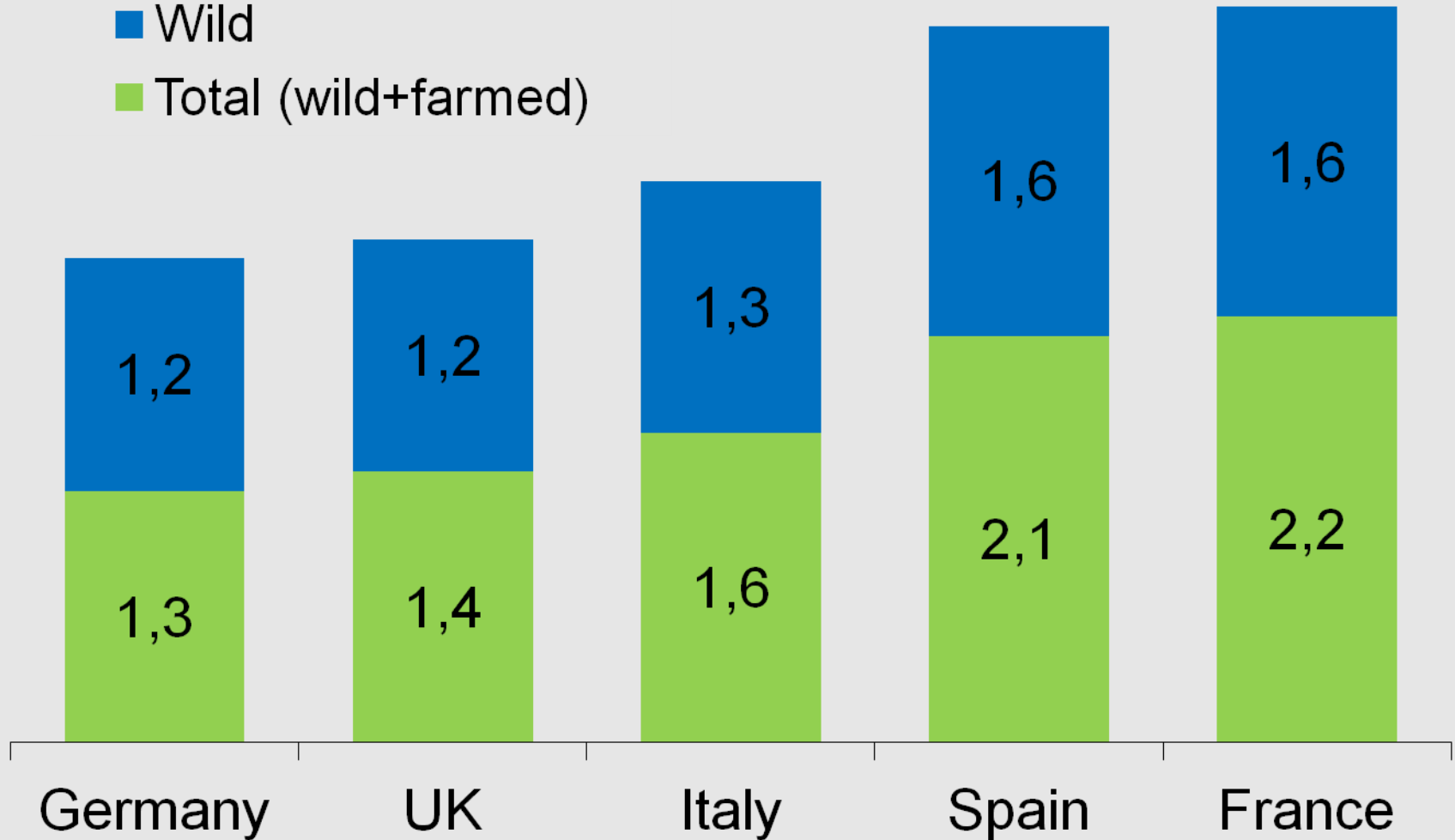


# The European seafood market

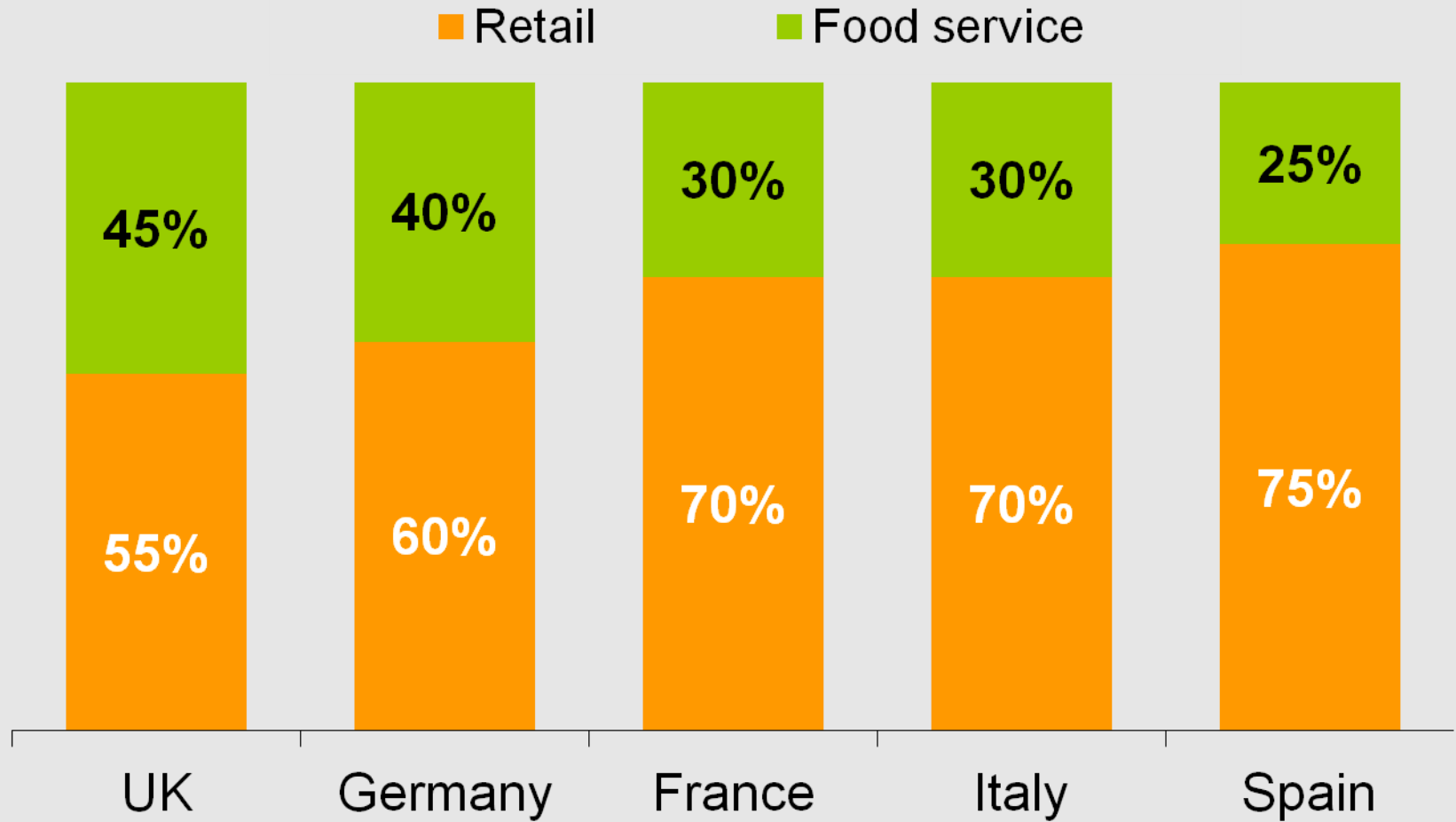
- ❑ The market in Europe (EU) is the world largest consumption zone, with 500 million inhabitants. It imports every year seafood for over US\$ 20 billion,
- ❑ It is not one but very different single markets: different levels of consumption, product forms, species
- ❑ In terms of final distribution, the importance of foodservice and retail varies greatly, and within the retail, the role of supermarkets
- ❑ This presentation focuses on this latter segment: important and growing

# Market characteristics: size (in million tonnes)

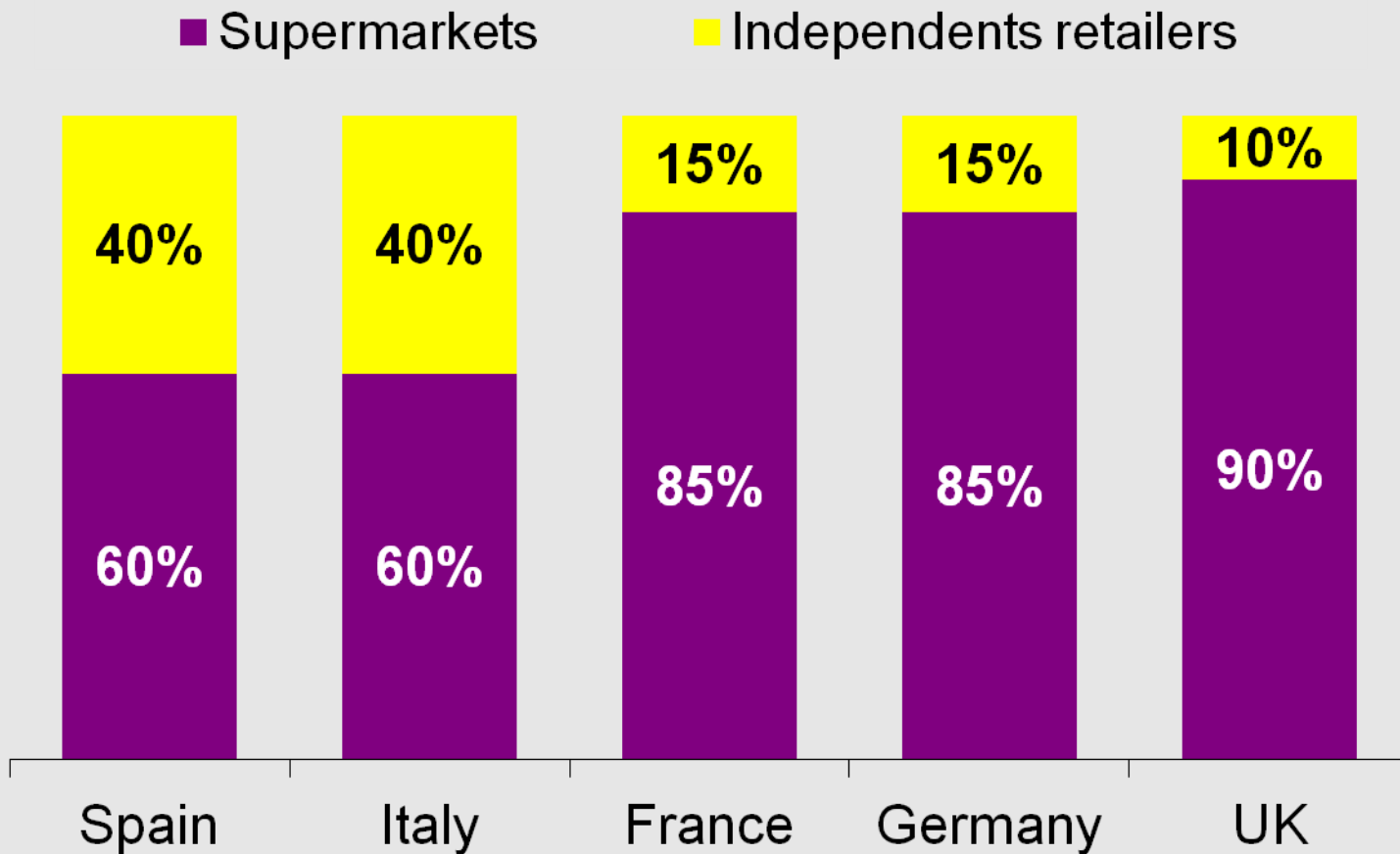
- Wild
- Total (wild+farmed)



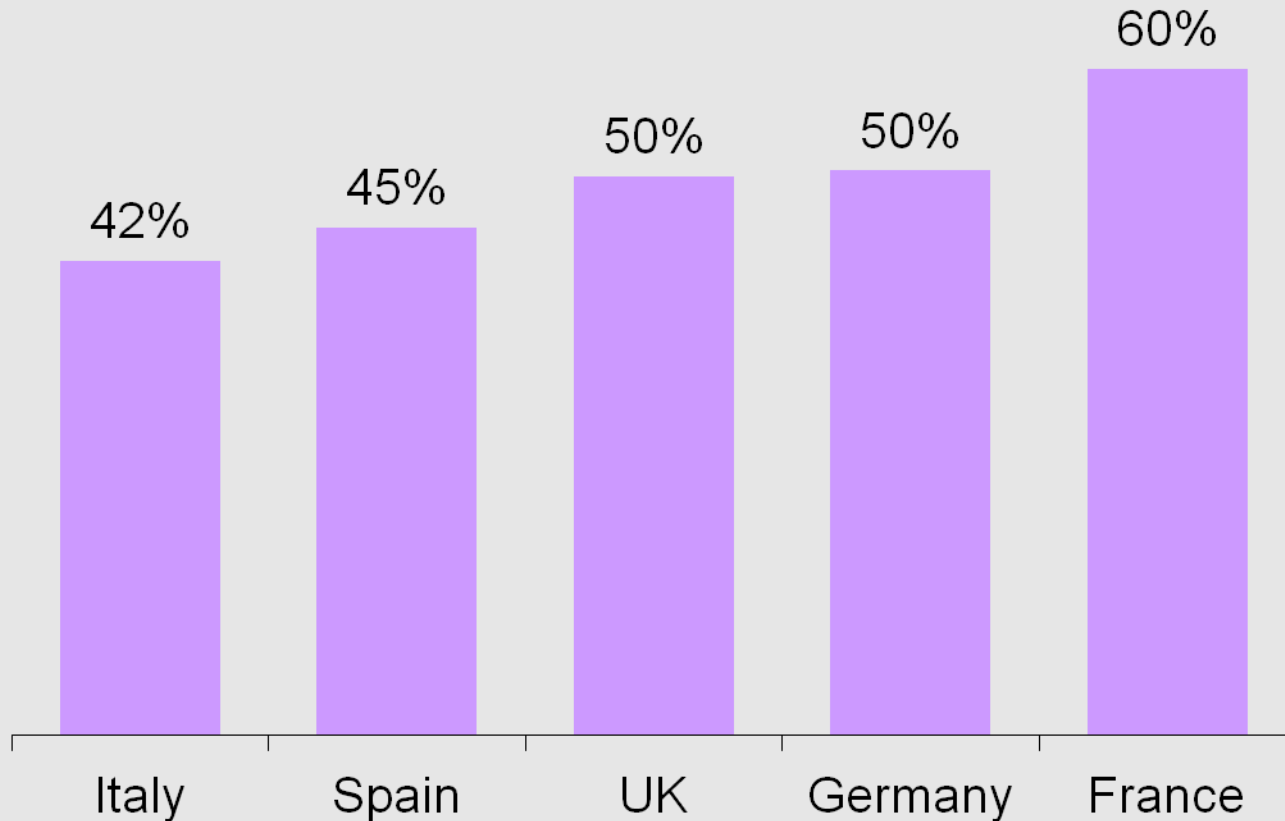
# Retail *versus* catering



# Retail Segment: Supermarkets and independent stores

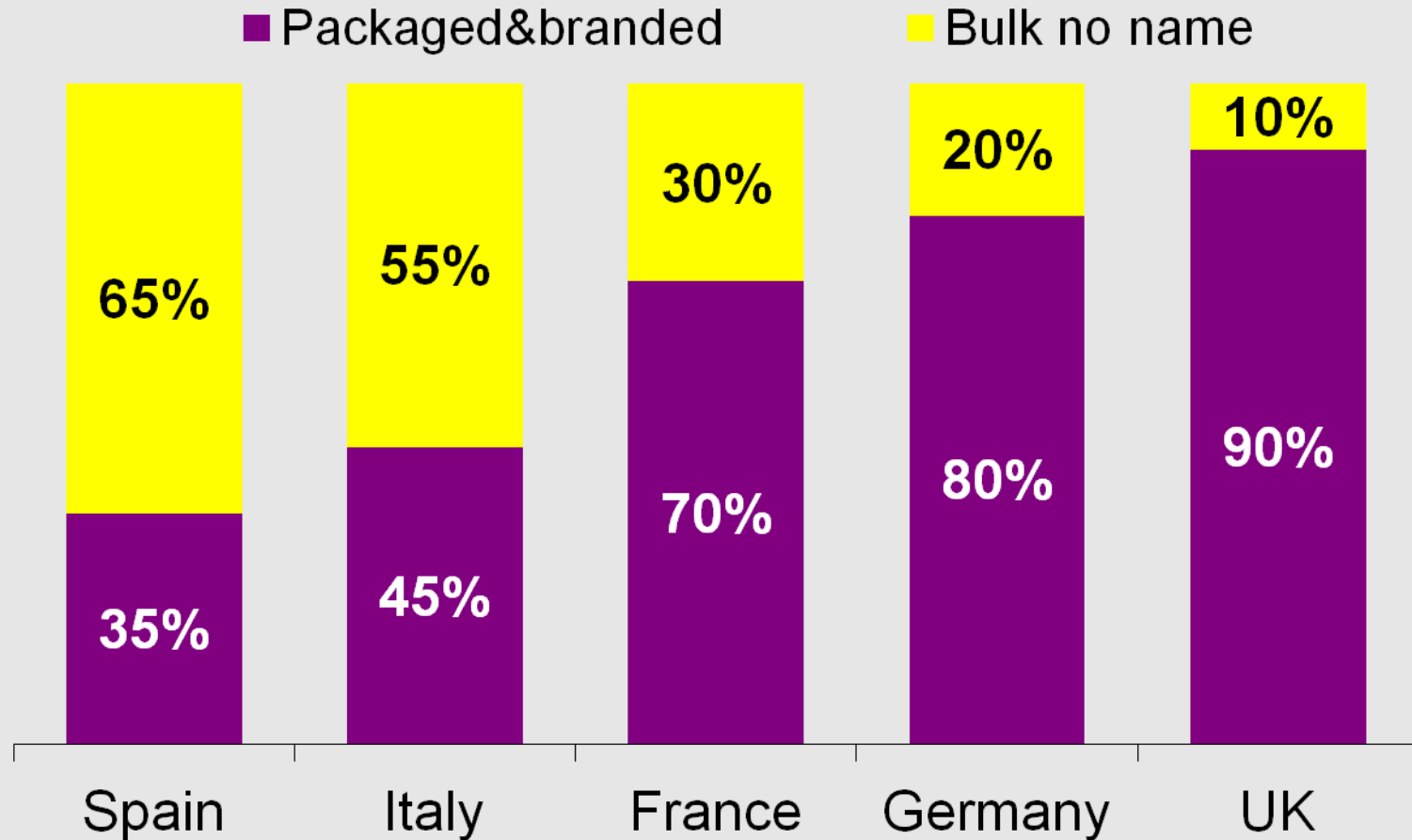


# Supermarkets' share in the global market



Supermarkets share in seafood distribution, out of the global market (retail + catering) vary from 40% to 60%.

# Packaged/ branded and no-name seafood







France



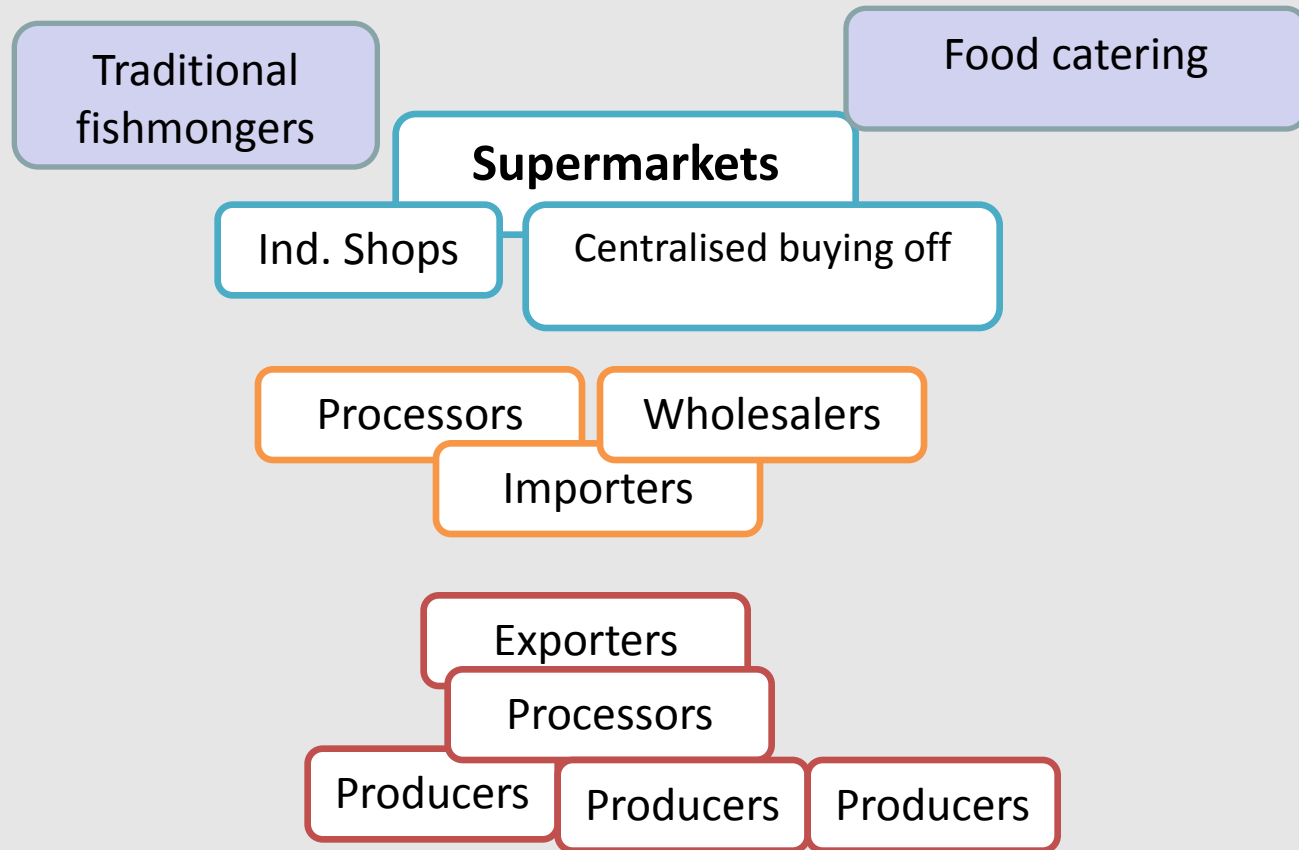




UK



# How do they buy?



- Spot market *versus* contract based
- Branded products *versus* non branded

# What do they buy?

## **Quality**

Large volume species

Quality verified : certified company and/or verified lot

Branded products: producers name (very few) of Private label (growing business)

## **Price**

Spot *versus* guaranteed price (more or less long term)

## **Processed form**

Growing interest in filets and cuts, pre-packed

Importance of price in period of declining purchasing power

# Their criteria for selecting fresh seafood suppliers

## **Pre-requisite**

Quality  
Volumes

## **Regular business**

Commercial  
Specificities

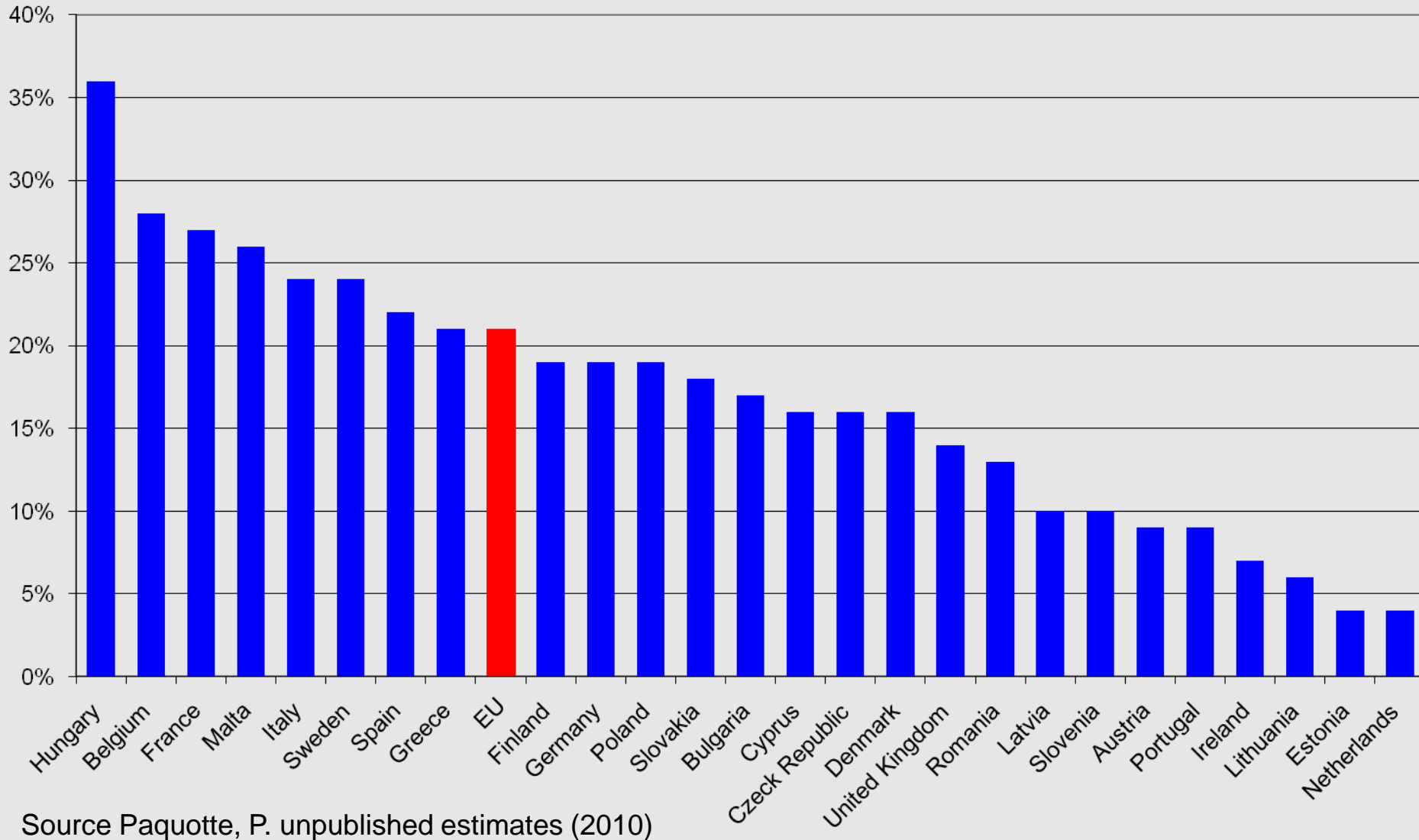
## **Partnership**

Specific  
requirements  
Long term  
relationship

Focus on aquaculture products

# Aquaculture: market share

## (volume, 2010)



Source Paquotte, P. unpublished estimates (2010)



# Aquaculture fish

## Positive attributes

- ❑ Availability, in terms of volume, day after day, all year through
- ❑ Healthy food
- ❑ Helps to preserve the marine resource (yet not always a stimulus for purchase)
- ❑ Cheaper than wild fish

# Aquaculture fish

## Negative attributes

- ❑ Stressful environment for the fish
- ❑ Use of colorants may be excessive
- ❑ Use of antibiotics

# No consensus

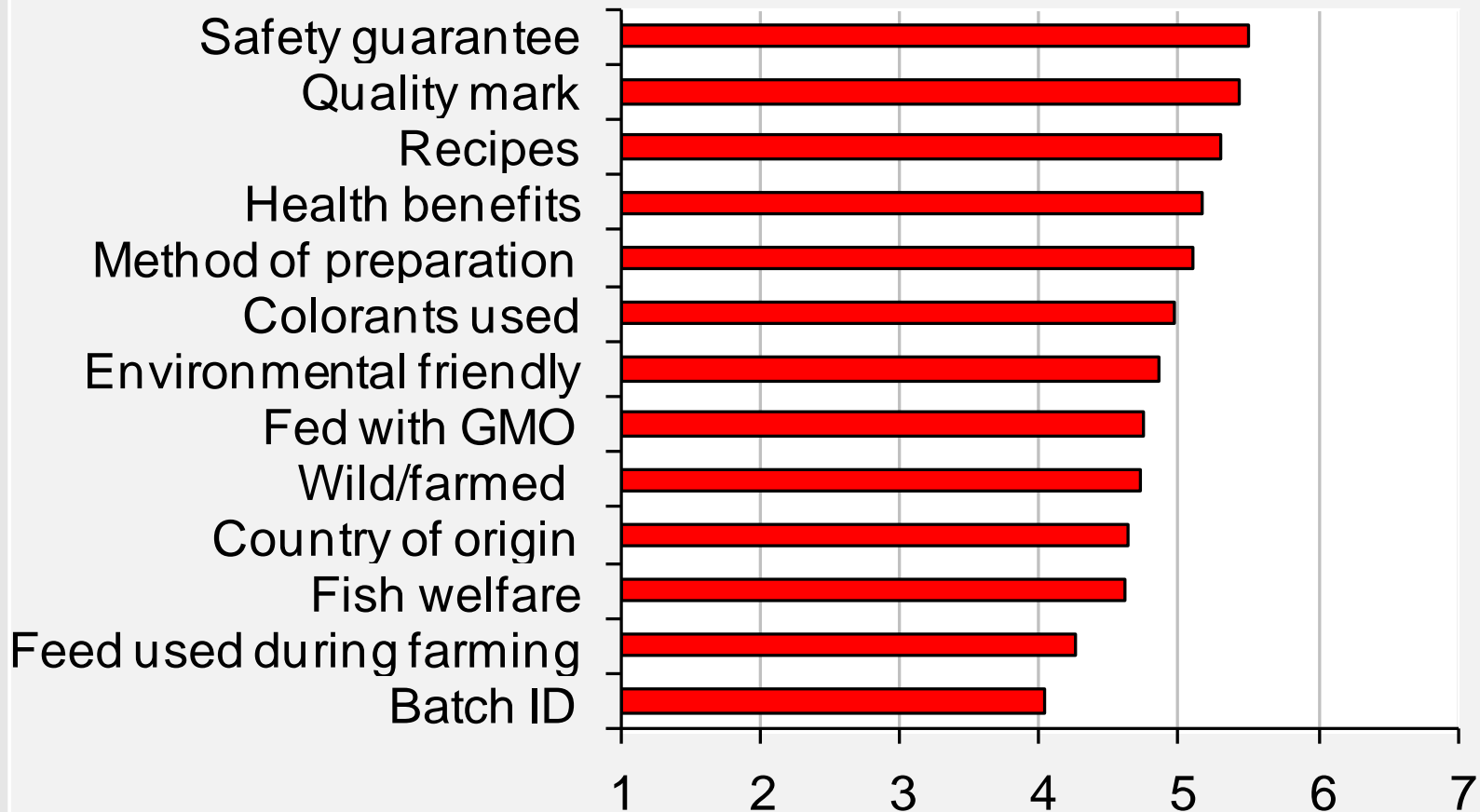
- ❑ Quality, some say better taste than wild; others not
- ❑ Some say fresher than wild, other not

# Lack of knowledge

- ❑ Some still don't know about the existence of farmed fish
- ❑ Little awareness of farmed fish production. Some compare with on-land production system (henns in battery cages)

# Role of information

## What consumers want to know



# Conclusions

- ❑ Europe: a large market far from being self sufficient
- ❑ The image of seafood is positive (health) and fairly consistent across European countries
- ❑ Supermarket play an important and still growing role: price minded and services oriented
- ❑ How to offer quality certified, convenient product at competitive prices?
  - **Economies of scale**
  - **Partnership**
  - **Communication**