Complexities of the U.S. Seafood Market

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Outline

* Importance of market information
* Broad description for the U.S. and Little Rock markets on:
  * Number of products, species, brands, categories of products,
  * Market shares and recent trends in sales for important products
Importance of market information

- Marketing equally important as production
- Traditional market structure changing, with consolidation and growth of large retail chains
- Enables production and marketing to be in tune with market trends
- Specifically for processors and farmers: to know finer details about retail sales behavior
Seafood market in the U.S.

- Major categories of products
  - Canned,
  - Frozen unbreaded,
  - Frozen breaded,
  - Entrée
### Some description of seafood sales of 2010

<table>
<thead>
<tr>
<th>Category</th>
<th>Total no of brands</th>
<th>Share of top-10 brands in total sales (%)</th>
<th>Share of top-5 brands in total sales (%)</th>
<th>Total no of products (UPC)</th>
<th>Number of packaging sizes available</th>
</tr>
</thead>
<tbody>
<tr>
<td>Breaded Fish</td>
<td>67</td>
<td>98</td>
<td>95</td>
<td>404</td>
<td>64</td>
</tr>
<tr>
<td>Breaded Shrimp</td>
<td>57</td>
<td>97</td>
<td>90</td>
<td>177</td>
<td>22</td>
</tr>
<tr>
<td>Canned Shrimp</td>
<td>53</td>
<td>91</td>
<td>79</td>
<td>98</td>
<td>17</td>
</tr>
<tr>
<td>Entrée</td>
<td>216</td>
<td>67</td>
<td>49</td>
<td>773</td>
<td>75</td>
</tr>
<tr>
<td>Tuna shelf stable</td>
<td>112</td>
<td>99</td>
<td>96</td>
<td>573</td>
<td>573</td>
</tr>
<tr>
<td>Unbreaded Crab</td>
<td>101</td>
<td>73</td>
<td>63</td>
<td>207</td>
<td>20</td>
</tr>
<tr>
<td>Unbreaded Fish</td>
<td>278</td>
<td>74</td>
<td>64</td>
<td>1123</td>
<td>40</td>
</tr>
<tr>
<td>Unbreaded Shrimp</td>
<td>266</td>
<td>82</td>
<td>75</td>
<td>1869</td>
<td>29</td>
</tr>
</tbody>
</table>
## Some Description of Unbreaded Fish Products

<table>
<thead>
<tr>
<th></th>
<th>No of Brands</th>
<th>No of Product Forms</th>
<th>No of Product Styles</th>
<th>Number of products (UPCs)</th>
<th>Number of packaging sizes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Unbreaded fish</strong></td>
<td>278</td>
<td>34</td>
<td>102</td>
<td>1123</td>
<td>40</td>
</tr>
<tr>
<td>(includes 84 different fish groups)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Tilapia</strong></td>
<td>68</td>
<td>4</td>
<td>6</td>
<td>141</td>
<td>18</td>
</tr>
<tr>
<td><strong>Salmon</strong></td>
<td>59</td>
<td>12</td>
<td>52</td>
<td>183</td>
<td>25</td>
</tr>
<tr>
<td><strong>Basa/Bocourtii/Swai</strong></td>
<td>12</td>
<td>3</td>
<td>4</td>
<td>23</td>
<td>6</td>
</tr>
<tr>
<td><strong>Catfish / Channel Catfish</strong></td>
<td>36</td>
<td>7</td>
<td>5</td>
<td>91</td>
<td>16</td>
</tr>
</tbody>
</table>
## Some description of breaded fish products

<table>
<thead>
<tr>
<th></th>
<th>No of Brands</th>
<th>No of Product Forms</th>
<th>No of Product Styles</th>
<th>Number of UPCs</th>
<th>Number of packaging Sizes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Breaded fish</td>
<td>67</td>
<td>21</td>
<td>72</td>
<td>404</td>
<td>64</td>
</tr>
<tr>
<td>(31 groups of fish)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>“FISH” (unspecified)</td>
<td>24</td>
<td>13</td>
<td>48</td>
<td>257</td>
<td>59</td>
</tr>
<tr>
<td>Tilapia</td>
<td>14</td>
<td>5</td>
<td>11</td>
<td>22</td>
<td>8</td>
</tr>
<tr>
<td>Flounder</td>
<td>13</td>
<td>3</td>
<td>10</td>
<td>17</td>
<td>9</td>
</tr>
<tr>
<td>Catfish</td>
<td>14</td>
<td>4</td>
<td>4</td>
<td>19</td>
<td>7</td>
</tr>
</tbody>
</table>
### Some description of entrée products

<table>
<thead>
<tr>
<th>Entrée Products</th>
<th>No of Brands</th>
<th>No of Product Varieties</th>
<th>No of Product Styles</th>
<th>Number of products (UPCs)</th>
<th>Number of packaging sizes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total entrée fish (40 different fish groups)</td>
<td>216</td>
<td>4</td>
<td>3</td>
<td>773</td>
<td>75</td>
</tr>
<tr>
<td>Shrimp</td>
<td>59</td>
<td>4</td>
<td>3</td>
<td>185</td>
<td>34</td>
</tr>
<tr>
<td>Tilapia</td>
<td>32</td>
<td>3</td>
<td>3</td>
<td>99</td>
<td>19</td>
</tr>
<tr>
<td>Salmon</td>
<td>38</td>
<td>3</td>
<td>3</td>
<td>25</td>
<td>111</td>
</tr>
<tr>
<td>Crawfish</td>
<td>18</td>
<td>2</td>
<td>1</td>
<td>27</td>
<td>13</td>
</tr>
<tr>
<td>Catfish</td>
<td>3</td>
<td>1</td>
<td>1</td>
<td>6</td>
<td>5</td>
</tr>
</tbody>
</table>
SALES VALUE (IN MILLION US$) OF MAJOR SEAFOOD CATEGORIES IN 2010

- TUNA SHELF STABLE: 1,031.05
- ALL CANNED: 685.57
- ALL UNBREADED FROZEN: 281.26
- ENTRÉE: 195.61
- ALL BREADED FROZEN: 8.39
- ANCHOVIE PRODUCTS
SEASONALITY OF SALES
Unbreaded shrimp

Sales Value Index

Sales Volume Index

Unit Price Index
Important Seafood Product Characteristics - form, style and variety
About 53% of the value and 65% of the volume sold under promotion.

266 brands selling 407 different types of processed unbreaded shrimp
Unbreaded Fish

- Diverse category

- About 46% of the value and 51% of the volume of the products are sold under promotion
Unbreaded Fish Products: $ Shares of top 10 Species

- **TILAPIA**: 32.31
- **SALMON**: 18.38
- **WHITING**: 7.17
- **CATFISH**: 6.05
- **COD**: 5.06
- **FLOUNDER**: 4.61
- **CRAWFISH**: 3.01
- **MAHI MAHI**: 2.64
- **ORANGE ROUGHY**: 2.08
- **HALIBUT**: 2.00
Unbreaded Fish Products: Top 10 species with their Share in Total and Promotional Sale Values
Top 5 Unbreaded Product Forms: % share in Total $ Sales

- FILET: 81.37%
- STEAK: 3.55%
- TAIL: 2.89%
- PIECE: 2.60%
- SLICED: 2.25%
Salmon Unbreaded: Product form % shares in Sales $
Tilapia Unbreaded: Product form % shares in Sales $
Basa/Boucourti/Swai: Product form % shares in Sales $
Catfish Unbreaded: Product form % shares in Sales $

FILLET: 0.52
NUGGET: 0.60
WHOLE: 0.34
STEAK: 0.29
STRIP: 0.003
FINGER: 0.003
PIECE: 0.003

Total: 76.25

22.00

0.52

0.60
About 41% and 51% of the value and volume sold through promotional sales.
TOP SELLING FISH GROUPS IN BREADED FISH CATEGORY ($) 2010

- Cod
- Catfish
- Halibut
- Pollack
- Flounder
- Haddock
- Tilapia

Sales $
BREADED CATFISH SALES 2010:
% $ SHARES OF PRODUCT FORMS

- NUGGET: 91.4%
- STRIPS: 2.4%
- N/A: 5.8%
- FILLET: 0.34%
BREADED TILAPIA PRODUCT SALES: $ SHARES OF DIFFERENT FORMS

- TENDER
- STICK
- UNKNOWN

FILLET

18.13

15.43

2.45

0.30

63.70
BREADED FLOUNDER SALES: $\$
SHARES OF DIFFERENT PRODUCT FORMS

- FILLET: 93.31
- WHOLE FILLET: 6.54
- UNKNOWN: 0.15
Entrée products

- Promising opportunity for domestic industry
About 46% of the sales value and 52% of volume are realized in promotional sales.
Average Price of Entree Products ($/lb): 2010

- Average Price

- All Entree
- SHRIMP
- SALMON
- TILAPIA
- CRAB
- CLAM
- TUNA
- MUSSEL
- COD
- WHITEFISH
- CRAWFISH
- SCALLOP
- CALAMARI
- SOLE
- FLOUNDER
- HADDOCK
- LOBSTER
- GROPER
- POLLOCK
- CATFISH
Entree Products: % share of different product styles

- NON-MICROWAVE: 96.132%
- MICROWAVE: 3.393%
- REGULAR: 0.475%
Entre Products: % share of different product varieties

- REGULAR: 99.096%
- STEAM IN BAG: 0.193%
- BOIL IN BAG: 0.192%
- BAKE IN BAG: 0.001%
About 44% of the sales value and 48% of the volume are realized during promotional sales.

57 brands, dealing on about 9 types of physical forms and 7 types of dressing styles.
Little Rock City: Seafood Sales 2010

* Some information on sales of entrée, unbreaded and breaded fish
<table>
<thead>
<tr>
<th></th>
<th>Number of product forms</th>
<th>Number of product varieties</th>
<th>Number of product Styles</th>
<th>Number of brands</th>
<th>Number of UPCs</th>
<th>Number of Packaging Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Breaded fish (5 varieties of fish)</td>
<td>5</td>
<td>-</td>
<td>20</td>
<td>7</td>
<td>55</td>
<td>27</td>
</tr>
<tr>
<td>Breaded catfish</td>
<td>2</td>
<td>-</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Breaded tilapia</td>
<td>1</td>
<td>-</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>All entrée (28 varieties of fish)</td>
<td>-</td>
<td>1</td>
<td>76</td>
<td>28</td>
<td>89</td>
<td>29</td>
</tr>
<tr>
<td>Entrée shrimp</td>
<td>-</td>
<td>1</td>
<td>30</td>
<td>17</td>
<td>34</td>
<td>13</td>
</tr>
<tr>
<td>Entrée tilapia</td>
<td>-</td>
<td>1</td>
<td>13</td>
<td>9</td>
<td>13</td>
<td>5</td>
</tr>
<tr>
<td>UNBREADED FISH (21 varieties of fish)</td>
<td>6</td>
<td>-</td>
<td>26</td>
<td>118</td>
<td>16</td>
<td></td>
</tr>
<tr>
<td>Unbreaded catfish</td>
<td>2</td>
<td>-</td>
<td>9</td>
<td>18</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>Unbreaded tilapia</td>
<td>1</td>
<td>-</td>
<td>8</td>
<td>14</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>Unbreaded shrimp</td>
<td>-</td>
<td>-</td>
<td>62</td>
<td>22</td>
<td>102</td>
<td>14</td>
</tr>
</tbody>
</table>
Trends in weekly sales over the year
Total breaded product: Trends in sales

VALUE INDEX

VOLUME INDEX

PRICE INDEX
All entrée products: Trends in weekly sales
Unbreaded Fish Products: Trends in Weekly Sales

![Graph showing trends in Weekly Sales for Unbreaded Fish Products with Value Index, Volume Index, and Price Index. The graph displays fluctuations from June 20, 2009, to May 20, 2010. The Value Index shows a general downward trend, while the Volume and Price Indexes fluctuate more significantly.](image-url)
Entré products

- About 42% and 43% of the value and volume respectively are sold under promotion.

- Catfish is not on the list of products sold.
Top-5 Entree Products in Little Rock and their % $ share
Unbreaded Products

- About 40% sold under promotion.
Top-5 Unbreaded Products in Little Rock ($ Share)

- CATFISH: 48
- SALMON: 15
- TILAPIA: 15
- CRAWFISH: 4
- COD: 4

Legend:
- CATFISH
- SALMON
- TILAPIA
- CRAWFISH
- COD
BREADED PRODUCTS

* About 31% of the value and 37% of the volume comes from promotional sales

* Tilapia, cod, catfish and haddock are important products
Conclusions

- U.S. seafood market has many products
- Domestic catfish serves a small portion of it
- Need to have a holistic view (including competitive products)
- Need to look for niche markets (place, market segments, consumer, etc).
Questions?
Thank You All