

# Seafood Marketing Considerations

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**Commercialization Status of Florida Pompano**  
*Aquaculture Industry Workshop*  
*January 19, 2023*



# **Five Steps to Building an Aquaculture Business**

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- 1) Research and Training
- 2) Evaluations of Expectations
- 3) Planning:  
    Market, Production, Business
- 4) Testing: Demonstration-Scale
- 5) Commercial Production

# Market Analysis

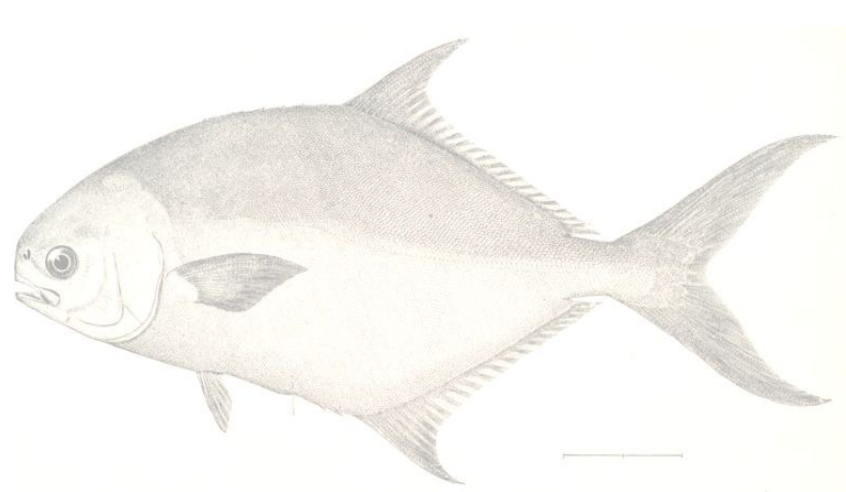
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- The analysis of the market can be difficult because selling your product is a long way off: 12 - 36 months.
- Need to plan 3 - 5 years ahead of the sale of your product.
- Need to know how the revenue will flow into the business.

# The Market Mix – the Four Ps

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- 1) Product
- 2) Price
- 3) Place
- 4) Promotion



# Product

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➤ Form

- whole on ice, fresh, frozen, gutted or fillet



Whole (1.0 – 2.0 lbs)



Fillets  
(4-6 or 5-7 ounce)

# Product

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- Quantity
  - estimate sales frequency and amount of product
  - Growout is approximately 1-year
- Packaging
  - iced in heavy waxed box, vacuum-packed, IQF, labeled
- Regulations
  - processing permits, HACCP



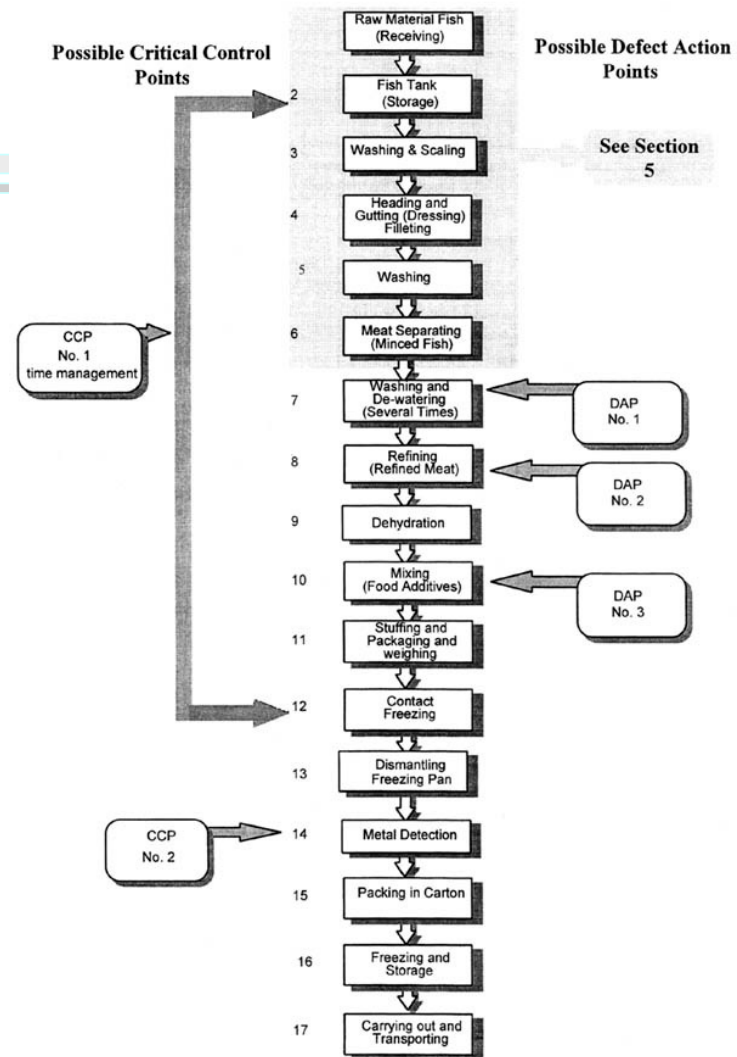
# HACCP and Quality Assurance Programs

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- In December 1995, the FDA issued seafood regulations based on Hazard Analysis and Critical Control Point
- HACCP is a preventive system to ensure safer foods and is designed to identify hazards, establish controls, and monitor those controls
- Other resources available: Cooperative Extension Service or Sea Grant Marine Advisory Service, seafood trade organizations, regional offices of the Food and Drug Administration or National Marine Fisheries Service

# HACCP Flow Diagram

- cover all of the steps in the process which the business performs
- include receiving and storage steps for each of the ingredients, including non-fishery ingredients
- be verified on-site for accuracy





# Price

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- Farm gate price to the support the farm must meet or be below market price.
- 60-80% of seafood is sold through restaurants – e.g., deboned fillet of fish
- Farm gate price/Yield = product value
  - If \$13.99 per pound whole fish\*
  - $\$13.99/0.56 \text{ yield} = \$24.98 \text{ per pound for deboned fillet}$

# Prices

<b>Product</b>	<b>Crab-e-Bills (Sebastian, Florida)</b>	<b>All Fresh Seafood (Online)</b>
<b>Whole Fish</b>	\$13.99	\$13.99
<b>Fillets</b>	\$28.99	\$24.99

**Dress out = 56-59%**

*January 2023 Prices*

# Price

- Need to include processing, packaging and delivery
- Intangible quality to price - value to buyer
- New products in short supply may demand a higher price
- Direct and niche marketing



*Photo: Aquaco*

# Determining the Size of the Business

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There are two main factors that will determine the size of the business:

- Resource availability
  - » Land
  - » Capital Resources
  - » Labor
- Market Size
  - » Direct market → Smaller sales volume
  - » Commodity market → Larger sales volume

# Direct Retail Sales

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- Sell directly to the customer
- Achieve the greatest per unit profit
- Good direction for small-scale producers



*Photo: All Fresh Seafood*

# Direct Market Ideas

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- Local Customer Base
- Roadside Market
- Fish Fry Fund-raiser
- Fairs and Festivals
- Office Building Markets
- Restaurants
- Retail Stores
- Value-added Market
- Fee Fishing

# Place

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- Location of the farm = survival
- Buyers - processing plants
- Transportation - trucking, airports, highways
- Regulatory Services - inspectors
- Storage - freezers

Need to deliver at the least cost to have a competitive edge

# Promotion

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*Photo: Aquaco*

- How to introduce a new aquaculture species (Florida Pompano) into the marketplace at a local and national scale?
- Who is the target audience?
  - determine buyer and where they are located
- How can the audience be reached?
  - need to trigger action
- What is the cost of each option?
  - advertisement (business cards, magazine, social media)
    - » identify what you sell
    - » include the call to action



# Advantages of Aquaculture Products

- Harvest times - consistency
- Fresh product or processed to market specifications
- Size is uniform
- Flavor is reliable
- Personal touches
- Meets the customer's needs



*Photo: Aquaco*



*Photo: All Fresh Seafood*

# Wild and Farmed Products

## certifications ecolabels



# Know What is Important to the Consumer & Buyer

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- Health
- Nutrition
- Convenience
- Variety
- Source – Wild, Farmed
- Value
- Sustainability
- Safety and Quality



*Photo: Aquaco*

# Consumer and Buyer Behavior

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- FAU course (2019, 2020) – Professor Eileen Acello
- Group projects –
  - Pitch seafood as a healthy protein choice to be consumed 2x per week with the goal to increase seafood consumption in US
  - What is the unmet consumer need and solutions to satisfy that need. Consumers:
    - » Gen Z (born 1997 - 2010)
    - » Gen Y (born between 1981- 1996)
    - » Gen X (born between 1965 - 1980)
    - » Baby Boomer (born between 1946-1964)

# Findings: Consumer and Buyer Behavior

Category	Gen Z	Gen Y	Gen X	Boomers
Consume Seafood (%)	87	89	96	94
Reason to Eat Seafood	Health Taste	Health Taste	Health Taste	Health Taste
Reason Not to Eat Seafood	Smell, taste, contaminants, unfamiliar, texture, allergies	Taste, price	Price, cooking know how, smell, taste	Price, taste, smell, allergies
Place of Consumption	Home Restaurant	Home Restaurant	Home preference b/c budget	Home Restaurant

# SWOT: Consumer and Buyer Behavior

Categories	Summary (Gen Z, Y, X, Boomers)
Strengths	Healthy, Nutritious, Sustainable
Weaknesses	Price, Taste, Smell, Lack of Knowledge on How to Prepare
Opportunities	Easy Access to Recipes and How to Cook, Online Deliveries, Health
Threats	Other Proteins, Misinformation, Hesitant to Try, Contaminants

# Principles of Advertising

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- FAU course (2020) – Professor Eileen Acello
- Group projects – (by demographics)
  - How to reach the consumer about seafood?
  - How make the consumer feel comfortable to try seafood?
  - How to build consumer confidence in buying and cooking seafood?
  - How to educate the consumer?
    - » Seafood is healthy to eat
    - » Seafood is easy to cook at home
    - » Aquacultured seafood is safe and healthy to eat
    - » Consuming seafood 2x per week is recommended as part of a healthy diet

# Principles of Advertising

	Gen Z	Gen Y	Gen X	Boomers
Social Media	Instagram and Snapchat	Instagram and Facebook	Facebook and Friends	Facebook and In Store
Information Gathering	Through Videos, Online	Foodie Influencers	Online Reviews, TV Ads, Videos	Online and Print Ads
Place of Consumption	Variety	Need to feel comfortable cooking	Home	Home
Type of Seafood	Organic and Natural	Preference to Salmon but Eat Variety	Variety	Wild, Fresh

Overall – target the health benefits of eating seafood



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# Simply Served Seafood

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*"Seafood is Superfood"*



**“I’m on a seafood diet, I eat everything I sea”**

—  
Aqua-Marketing Agency



# Agency



**“From the sea into our hearts!”**

Alex Fox, Dalton Haskin, Eric Naphor, Joe Burgese, Nelson Rengifo

(Generation X)

**#seemyseafood**

**Present By: Mid Atlantic Food  
Group**

# Resources:

- Seafood Markets, restaurants, online sales
- Seafood Nutrition Partnership  
<https://www.seafoodnutrition.org/>
- Seafood Source  
<https://www.seafoodsource.com/>
- NOAA Fisheries Fishwatch  
<https://www.fishwatch.gov/>
- Shamshak et al. 2019. US Seafood consumption JWAS
- USAS webinar Seafood in the Diet: Consumption Patterns at Retail and Food Service <https://youtu.be/PhWnTZgpi44>
- David Love et al. 2020. Food Sources and Expenditures for Seafood in the United States. Nutritional Value of Seafood  
<https://doi.org/10.3390/nu12061810>

