

Can Seafood Benefit from the Local Movement



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Four Business Strategies

- Become the low cost producer
- Achieve product or service quality differentiation
- Achieve supply or distribution leverage
- Pursue a market niche

Consumers now have:

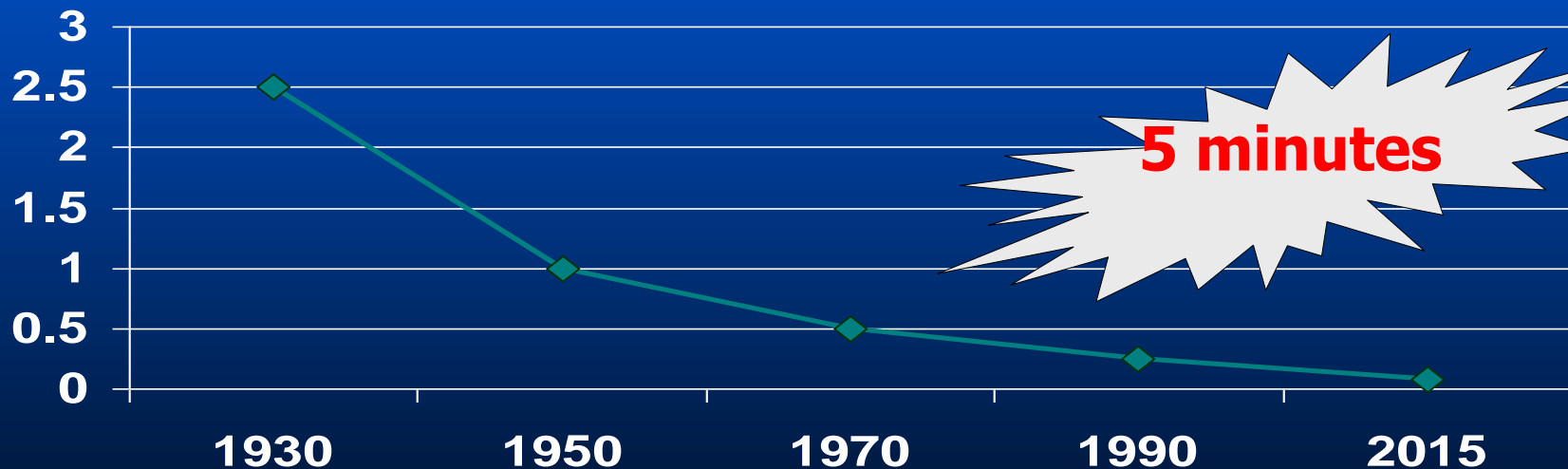
- **More money**
- **Less time**
- **Fewer domestic skills**
- **Less inclination to devote time to food related chores.**

Result: there is an increased demand for foods that can be prepared in a short period of time.

Food Preparation Time

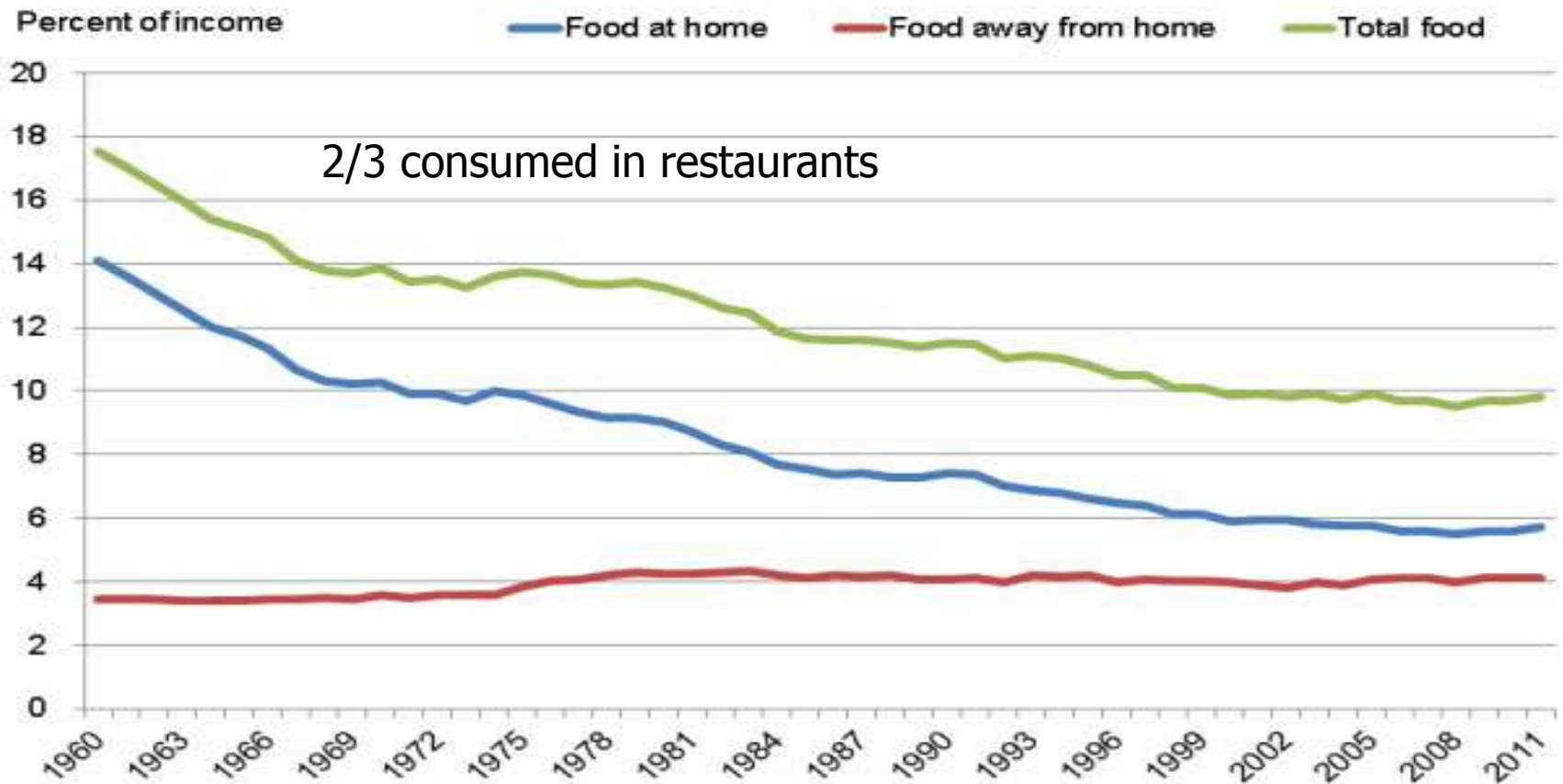
food preparation time at home has been reduced dramatically, driven by higher incomes and technology

Food Preparation Time at Home



Food Expenditures

Percent of disposable income spent on food in the United States, 1960-2011



Source: USDA, Economic Research Service, Food Expenditure Series

U.S. Food Trends

- Americans say health concerns influence purchase decisions, but convenience and taste have more influence !!!
- Food for at-risk kids
- Focus on phytochemicals-antioxidants and flavonols
- Fat facts- "low", "non" or "reduced" transfats.



Consumer Demand

- **Convenience**
- *Prepare salads, fully prepared food, fast food, fresh cuts*



What are you doing to save time?

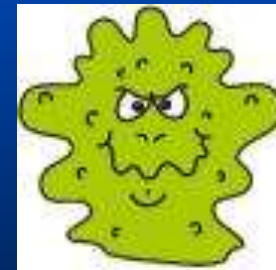
Americans eat one in seven meals in their vehicle.

Nesting Trends

Taps into simplification, reconnections with friends and family.

Products that meet my lifestyle and not just demographics

Safety



Food System Changes

1. Consolidation of Food Companies

Top Five Food Companies Operate
42% of stores in USA
70% of stores in Canada
80% of stores in Europe

2. Drivers of Ag Systems

Hogs bred from a particular genetic line
McCain Foods- revolution in potato
product for fast food French fries

These developments make identity
preservation and separation imperative,
adds to marketing costs

3. The Wal- Mart Factor

Only case-ready meats-
eliminates in store meat
cutting.

Radio Frequency Identification
Readers

Wants to be the nations
largest organic foods retailer.
Already the nation's biggest
seller of organic milk.



BUY LOCAL

A National Movement Where Consumers are Supporting Local Businesses

A Backlash Against National Corporate Entities, Seen as Taking Jobs and Dollars from Local Communities.



This kind of food system is based on **relationships** between people, within their community, and within their ecosystem.





Why

...knowing where your food comes from + engaging in the act of eating, benefits your...



- Community
- Environment
- Economics
- Health, Safety, Security

Why Local Foods

- Survey of National Restaurant Association
 - Locally Grown produce is perceived as hot by 84%
- Chefs want products that are raised locally and are harvested right from the farm and go right to the restaurant within one day
- We shake hands with the people we get our food from How many people can say they know the people from where their food come from?

Think Like a Customers

What's **HOT**

2015 CULINARY FORECAST

TOP 10 FOOD TRENDS

1. Locally sourced meat and seafood
2. Locally grown produce
3. Environmental sustainability
4. Healthful kids' meals
5. Natural ingredients/minimally processed food
6. New cuts of meat
7. Hyper-local sourcing
8. Sustainable seafood
9. Food waste reduction/management
10. Farm/estate branded items



New value chains...

- In 1980 farmers received 31% of food dollar, in 2004 dropped to 20%
- Create values-based value chains
 - Share the risks and benefits of producing and consuming food throughout the supply chain
 - Focus on partnerships



A colorful sign for a farmers market titled "BUY FRESH BUY LOCAL". The sign features several sections: a top section with a photo of three people and text "Grown in Rich Hill, Bates County, MO by Wayne Mazin of the Mennonite Community"; a middle section with a photo of tomatoes and text "Home Grown Tomatoes \$1.29 LB. WITH YOUR REWARDS CARD Save 10% off"; a bottom section with a photo of a man in a field and text "Grown by David Moyer, 20 years ago David and Laura Moyer started a Family Business of raising vegetables in Richmond, MO"; and a bottom right section with a photo of yellow squash and zucchini and text "Yellow Squash or Zucchini 99¢ LB. WITH YOUR REWARDS CARD Save 10% off". To the left of the sign are three price tags: "Berries or Red, White Currants \$5 FOR 100 BERRIES (100) or 200 Currants", "\$3.99 EA. 1/2 CART-Save \$2.00", and "\$2.49 EA. 1/2 CART-Save \$1.00".

Figure 1 What Consumers Consider as Locally and Regionally Grown

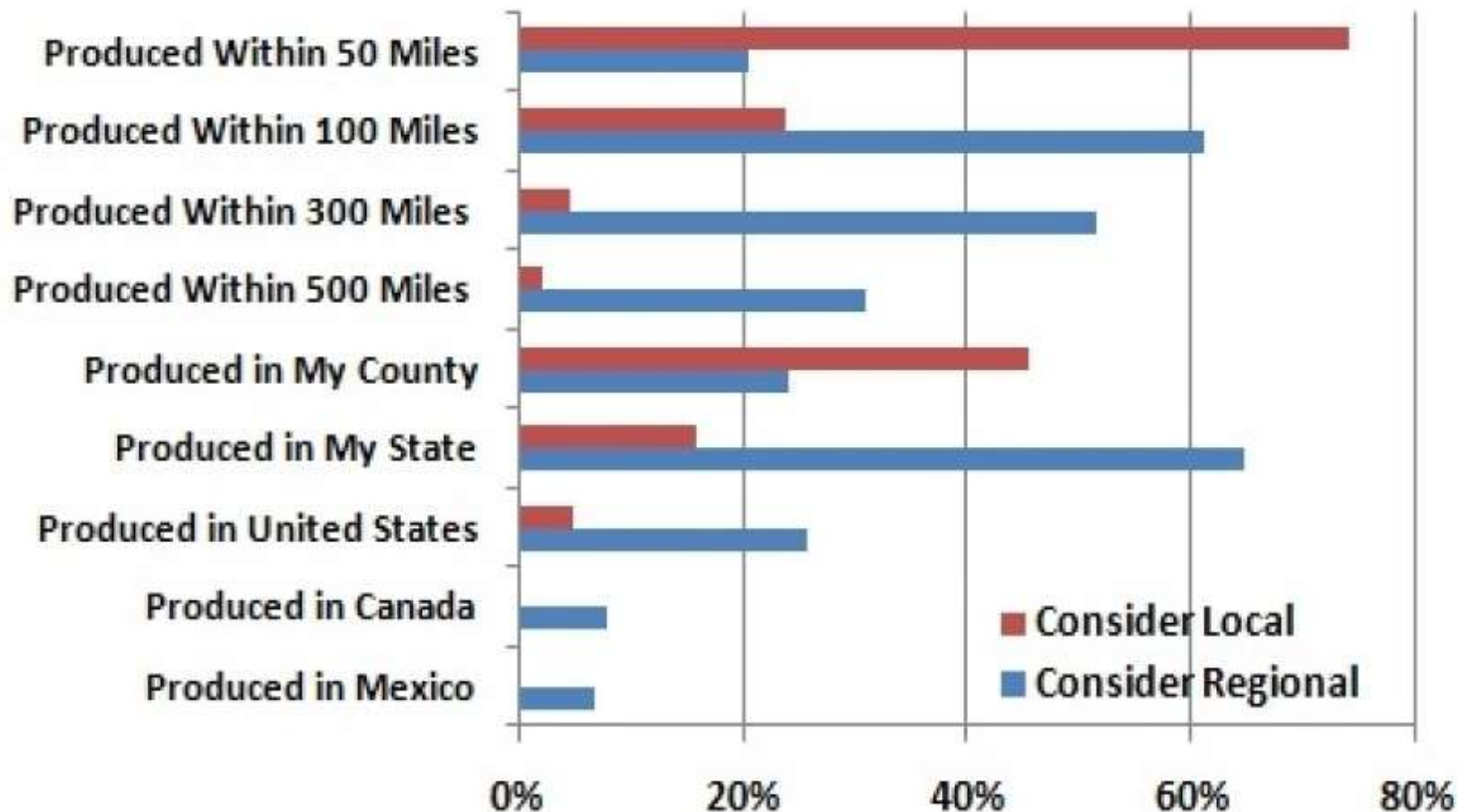
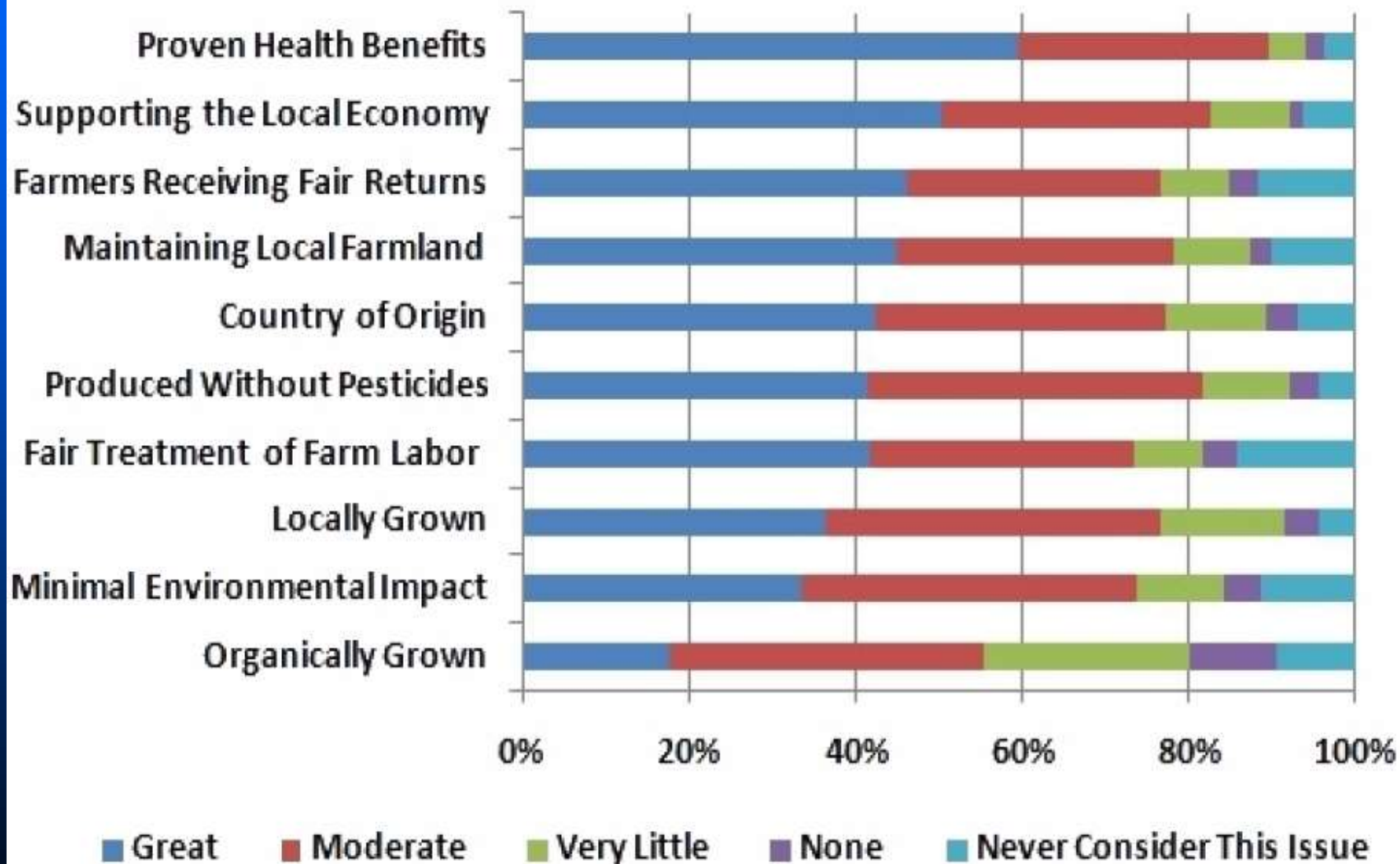


Figure 2 Importance of Various Factors When Choosing Fresh Produce



What is Positioning

The idea of positioning is creating an image of your product in the minds of your customers relative to your competition.



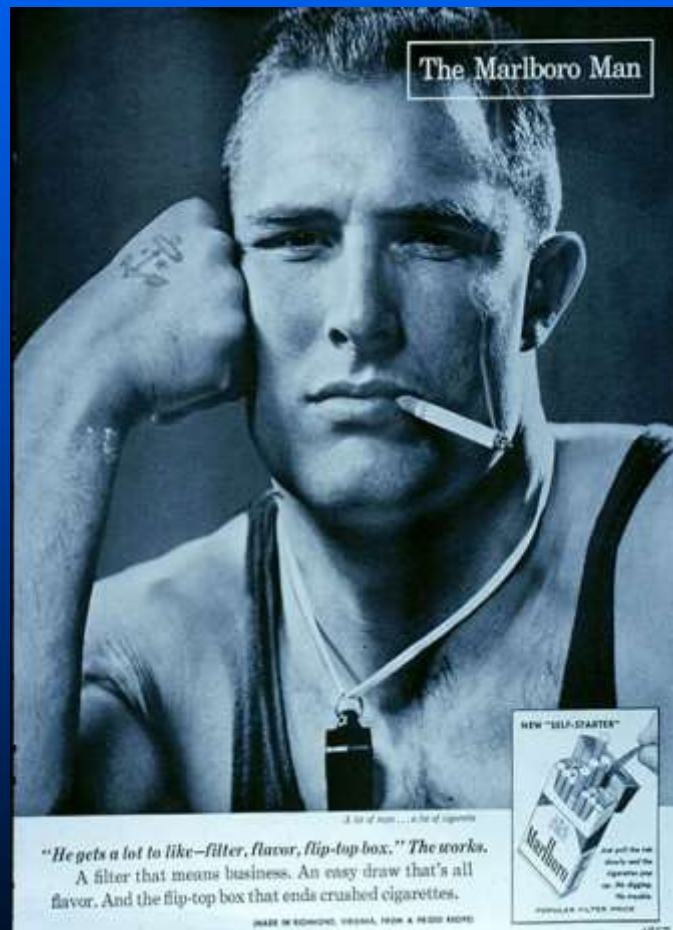
EXXON

Product Positioning

- Who is your product for?
- What does it do?
- How is it different?
- Perrier positioned as an alternative to tap water, and alcohol



Product Positioning



The Marlboro Man

3 out of four... a lot of cigarettes

"He gets a lot to like—filter, flavor, flip-top box." The works.
A filter that means business. An easy draw that's all flavor. And the flip-top box that ends crushed cigarettes.

NEW "SELF-STARTER"
And with the lid already and the cigarette just in the flip-top, the trouble is double.

POPULAR FILTER PRICE

MADE IN RICHMOND, VIRGINIA, FROM A REEFI SMOKE



Come to where the flavor is.

Marlboro Red or Longhorn 100's— you get a lot in this.

Warning: The Surgeon General Has Determined that Cigarette Smoking is Dangerous to Your Health.

10 mg "tar," 1.0 mg nicotine—100's, 10 mg "tar," 1.1 mg nicotine av. per cigarette, FTC Report Dec. 81

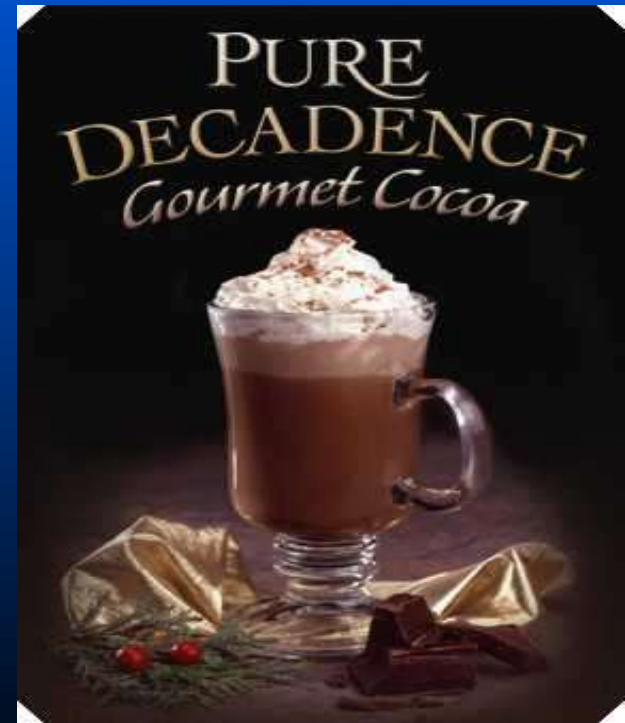
Why Should I Buy Your Product?

- What are the features and benefits?



Product

- What is a description of our product?



Marketing Strategies

- What is your product?
- What market segments do you serve?
- Who is your competition?
- What makes you different from your competition?

Marketing Strategies

- Convenience is important
- Customers don't buy products they buy images that satisfy a human need
- If you can associate emotions with a product it will sell for a higher price
- Try to use as many senses as possible to sell

Marketing Strategies

- Keep good records
- In the short term you sell what you grow...but in the long term you grow what sells
- Target your customers

Failed Marketing Strategies

I cuss, you cuss, we
all cuss for asparagus

