

Consumer profiles and marketing strategy for Norwegian salted fish in Spanish market

1. Name of research leader and members

Jinghua Xie, University of Tromsø and Shanghai Ocean University

2. Project objectives

1. Examine the consumer profiles of Spanish salted fish markets.
2. Examine the influence of new production technological methods / chemical ingredients (if presented on the package or label)
3. Give suggestion for market segments and marketing strategy for Norwegian salted fish towards their main competitors from Iceland.

3. Background

In today's food markets, consumers face alternatives between competing food products that may appear quite similar. The consumer behavior needs a complex multidisciplinary approach. It is not only affected by product's price and consumer's income. The small differences of the attributes of the seemingly similar products may greatly affect the purchasing of the consumer. Moreover, in the study of the causes of consumption patterns of food products in the UK, Ritson and Hutchins (1991) found out that since 1980, the changes in patterns of food consumption were mostly influenced by consumers' tastes and preferences. Therefore the demand theory in the microeconomics is not sufficient to explain the consumer behavior. So theory of consumer behavior is also needed for the analysis. In Spanish salted fish market, we assume that salted fish from Norway and Iceland basically are quite similar products, as salted fish. Whether a consumer then buys salted fish from Norway or from Iceland is influenced by different attributes of products, customers' preferences and income.

4. Research Problems

What are the main economic factors, social demographic and experience factors that affect the Spanish consumption of Norwegian salted fish? What are the main differences between consumer profiles of Norwegian salted fish and Icelandic salted fish? How should Norwegian salted fish industry adjust their market segments and marketing strategy indicate by the result of model?

5. Theories and methodologies

We assume consumer's demand for products in reality is the demand for its attributes. Consumer's utility given by the products is assumed to have three arguments: product attributes, consumer characteristics and consumer income levels. In the study, the consumer's decision process is modeled using a random utility framework. The logit model is applied as the basic econometric model. The dependent variable is a binary variable to measure survey respondents to buy Norwegian salted fish or not. The attributes variables will probably include country of origin, size, safety and quality inspections, production technological methods and environmentally-related assessment. With reference to the general model of seafood choices given by Fayyza et al. (1995), we know preference could be mainly explained by the consumers' demographic factors and purchasing experience. The selection of demographic variables is based on the consumer behavior theory. According to the microeconomic theory, the variables of price and income should also be included.

6. Relation to the tasks of the main project

Task 1: T1.2, 1.3, 1.4, Task 2: 2.1, 2.2, Task 4: 4.3, 4.5

7. Time-schedule:

1. Nov, 2008 Get survey data from Norwegian Seafood Export Council. 2. Dec, 2008 –Jan, 2009 Literature review and data analysis with Excel and SPSS. 3. Feb-Apr. 2009 Model selection and Final report of model result. 4. May-2009. Draft the report. 5. June-July, 2009. Revise the paper and submit it to an international journal.