



Marketing Strategies for Frozen Fish Exporters in India

KEYWORDS

Frozen Fish, Exporters, Marketing Strategies

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ABSTRACT

The main objective of this study is marketing strategies for frozen fish exporters in India. Frozen fish is the second highest export earning sector of the country. The major findings are holistic marketing concept can be applied for exporting frozen fish, cost based pricing as well as other pricing methods can be exercised with the proper consideration of cost related elements. Farmers may sell their products directly to the buyers. There is no substitute for a good working relationship with the foreign buyers. These good long-term relationships are best established through making contacts and building partnerships. Participation at trade shows and trade missions, shipping samples to potential buyers, sending letters and faxes, and making telephone calls should be strategy to expand market share. Possible risks to be handled include; government regulations, Patents, Predatory pricing, economy of scale, research and development, distribution agreement. A descriptive framework has been made in order to understand the marketing strategies for frozen fish exporters in Bangladesh. This study adopts with qualitative in nature. This research enables researchers to understand the concept, pricing methods, how to expand the market, promotional measures and how possible risks to be handled.

INTRODUCTION:

India is a densely populated agro-economy based country in Southeast Asia, with a population of 14.79 cores and an area of 147,570 square km. The average per capita accessible land resources are limited for agricultural production. In the past half a century, environmental degradation of land and aquatic habitats along with frequent natural disasters have affected the national economy. Fisheries are now considered as the most effective sector for employment generation, 63% of the total protein consumption and are the second highest export earning sector of the country (2006).

During the last two decades, significant growth rates in fisheries production have been achieved by expansion of closed water aquaculture through the intervention of production technologies and adoption of community based fisheries management for conservation and sustainable exploration of open water fisheries resources. More than 15 million people are directly or indirectly dependent on the fisheries sector for their livelihood.

Therefore, government and development partners have given priority attention to promote this sector. The food safety and quality control regulations of Bangladesh are mostly based on EU and USFDA regulations as they are the major consumers of exported products.

In the early 1980s, recognizing both the potential for exports of fish and fisheries products and the problems concerning safety and quality of the products, FAO came forward to develop product standards, regulations, and fish inspection schemes for Bangladesh. In 1983, the Bangladesh government created a Fish and Fish Products Ordinance (Inspection and Quality Control Ordinance 1983) and in 1985 upgraded the inspection laboratory and its personnel.

This ordinance was created under the prevailing situation of the processing sector to comply with the safety regulations following from that period, which required upgrading. FAO initiated another project in 1996 to assist in the preparation of a fish safety and quality control programmed for the shrimp and fish processing plants in Bangladesh based on the Hazard Analysis and Critical Control Point (HACCP) approach. The program provided training in HACCP procedures to both the public and private sectors. For the purposes of Regulation EC 852/2004 and Regulation EC 853/2004, food businesses and FBOs are defined as follows:

"Food business means any undertaking, whether for profit or not and whether public or private, carrying out any stage

of production, processing and/or distribution of food". This includes all primary producers, importers, wholesalers, transporters, exporters, retailers, caterers, manufacturers, market stalls, mobile vans, and any other business importing, exporting, handling, storing, transporting, preparing and selling food. "Food business operator (FBO) means the natural or legal persons responsible for ensuring that the requirements of food law are met within the food business under their control. Fresh water fish: The fresh water fisheries in India mostly depend on numerous indigenous fish and shrimp species. During the last four decades, some important carp, catfish, perch and other large and small fish species have been introduced in the aquaculture production System.

Research is ongoing on the reproduction, genetic improvement and culture technologies of all these species. As mentioned earlier, carp and catfish are the most common fish groups in Bangladesh contributing the lion share of the fresh water fish production both in aquaculture and open water capture fisheries.

OBJECTIVES OF THE STUDY:

- To find out the marketing concept to be used;
- To find out pricing methods to be applied;
- To find out how to expand the market;
- To find out what promotional measures to be adopted;
- To find out possible risk to be handled;

RESEARCH METHODOLOGY:

According to the nature of the study and type of information required personal visit and interviews with the concerned executives was conducted. This study adopts with qualitative in nature. Besides primary information and secondary information was collected from the frozen fish exporters' firms and other sources.

FINDINGS:

Concept to be used:

To identify potential markets and types of products to be sold it is imperative that firms interested in exporting take time to research the markets where they are interested in selling products. By building a knowledge base about different countries, the new exporter will be able to pinpoint those countries that are most suited for his/her products. Once countries are targeted, it is essential to become knowledgeable about those countries and develop a consistent pattern of trade contacts with importers. Focusing on one or two countries before branching out can help determine a firm's strengths, weaknesses, and limitations in serving export mar-

kets. Once the new exporters develop expertise, they may feel confident about testing new markets and products to diversify their portfolio. When considering which products to sell overseas, firms should conduct a holistic analysis of potential markets as well as their own capabilities.

Items to be considered include type of products (whole or dressed products, fillets, live products, and canned products), availability of the resources (species, quality, and quantity), transportation mode, and proximity to airports and ports. Success in the export market may involve adapting the production plant to produce foreign grades and specifications.

Holistic marketing performance is reflected in the delivery of long-term economic, social, and environmental value to customer, to employee, to supplier, to community, to stakeholders of a business in order to enhance sustainable financial performance. So, holistic marketing concept is applicable for frozen fish exporting. The main actors in frozen fish value chains are: Farmers, Ice factories, Middlemen, Processing industries and customers to start traceability system, farmers who are registered are considered. Ice factories play an important role in hygienic system which also included in the traceability systems. Middlemen play an important role in the traceability system. They have to collect fish from farmers and need to collect required information. Processing plant play twofold role, collect and record information about all fishes they receive and all process parameters need to be recorded according to the process flow.

Pricing methods to be used:

Proper pricing, complete and accurate quotations, and choice of terms for the sale are all crucial in selling fishery products in foreign markets. Initial pricing should be directed at market entry for a long-term export commitment. Price should also be high enough to generate a reasonable profit, but still be competitive and attractive to buyers, agents, etc.

When quoting a price, exporters should consider the following factors: foreign exchange rates; packaging; insurance; freight; tariffs and duties; Inspection fees; other fees, etc. In addition, a realistic price margin for unforeseen costs, unavoidable risks, and simple mistakes those are common in any new undertaking.

How much should we charge for frozen fish? Real-life implementation of this seemingly simple calculation is not so easy. To determine the price, the marketer should consider: product, customers, competitiveness, and quality. Frozen fish is marketed to more affluent consumers. Frozen fish can be prepared in a variety of ways. Frozen fish are marketed primarily to more affluent customers and upscale restaurants, wholesale and retail market.

CONCLUSION:

From the above discussion we can say that holistic marketing concept can be applied for exporting frozen fish. Cost based pricing as well as other pricing methods can be exercised with the proper consideration of cost related elements. Farmers may sell their products directly to the buyer. There is no substitute for a good working relationship with the foreign buyers. These good long-term relationships are best established through making contacts and building partnerships. Participation at trade shows and trade missions, shipping samples to potential buyers, sending letters and faxes, and making telephone calls should be strategy.

The current fish supply chain of fish harvesting from different aquaculture and natural resources to the processing factory or to the consumer is quite long involving many middlemen resulting in excessive handling stress and loss of fish freshness and quality. For export purposes, some selected fish suppliers (large or mid level aquaculture farms, open-water fishermen, depot owners and marine fishing trawler crews) could be trained and collect fish raw materials for a better price based on a quality index. Subsequently, other suppliers would be aware and interested to be trained in good handling practices and keeping quality of harvested fish as in the shrimp sector. For concerned government officials all concerned stake holders in the supply chain and processing factory personnel, development of training manuals should be initiated. Some research initiatives need to be taken for optimizing the technical issues relevant to each step of harvesting, handling, preservation and transport subjected to different habitat, time, temperature and other correlated factors.

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