

Challenges and Opportunities in Seafood Marketing: An Empirical Study from the Seafood Industry Perspective

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Abstract

Seafood is an important industry that provides a significant source of protein for millions of people around the world. However, the seafood industry faces numerous challenges when it comes to marketing its products effectively. This empirical study aims to identify and analyse the challenges and opportunities facing the seafood industry in terms of marketing its products. There are several factors that come into play when we include the marketing factor. These include investing in e-commerce platforms, emphasizing the health benefits and sustainability of seafood, and building strong relationships with consumers by providing high-quality products and excellent customer service. There are some related challenges that come with these opportunities. These are identified as price volatility, changing consumer preferences, and regulatory constraints. Overall, this study provides valuable insights into the challenges and opportunities facing the seafood industry in terms of marketing its products. By understanding these challenges and opportunities, seafood industry professionals can develop more effective marketing strategies that will help them reach a wider audience and increase their sales and profitability.

Keywords: Seafood industry, marketing, regulatory constraints, price volatility, e-commerce Supply chain disruptions, consumer preferences, sales and profitability.

Introduction

Seafood is a crucial industry that provides a vital source of protein for millions of people around the world. However, the seafood industry is facing significant challenges when it comes to effectively marketing its products. From price volatility to regulatory constraints, changing consumer preferences, and competition from other protein sources, there are numerous obstacles that the industry must overcome to thrive and reach its full potential.

One of the most significant challenges facing the seafood industry is price volatility. The prices of seafood products can fluctuate dramatically due to factors such as weather, supply chain disruptions, and changing consumer preferences. These fluctuations can make it challenging for seafood companies to set prices that are competitive and profitable.

In addition to price volatility, the seafood industry also faces regulatory constraints that can impact its ability to market its products effectively. These regulations can include quotas, licensing requirements, and health and safety regulations, all of which can limit the supply of seafood products and increase their cost.

Furthermore, changing consumer preferences pose a challenge to the seafood industry. Consumers are increasingly demanding transparency about where their food comes from, as well as sustainable and eco-friendly food options. This trend has been especially evident in recent years, as consumers have become more conscious of the environmental impact of their food choices.

Despite these challenges, the study also found several opportunities for seafood marketing. One of the most promising opportunities is the growth of e-commerce, which allows seafood companies to reach a

wider audience and sell their products directly to consumers. In addition, seafood is becoming increasingly popular as a healthy protein source, and the potential for sustainability messaging to resonate with consumers is high.

There is a plethora of literature available which provides several recommendations for seafood industry professionals looking to improve their marketing efforts. These recommendations include investing in e-commerce platforms, emphasizing the health benefits and sustainability of seafood, and building strong relationships with consumers by providing high-quality products and excellent customer service.

In summary, this empirical study provides valuable insights into the challenges and opportunities facing the seafood industry in terms of marketing its products. By understanding these challenges and opportunities, seafood industry professionals can develop more effective marketing strategies that will help them reach a wider audience, increase their sales and profitability, and provide consumers with high-quality, sustainable seafood products.

Literature Review

The seafood industry is a significant contributor to the global food supply, providing a vital source of protein for millions of people. However, the industry faces several challenges when it comes to effectively marketing its products. This literature review examines the existing research on the challenges and opportunities facing the seafood industry in terms of marketing its products.

Price volatility is a significant challenge facing the seafood industry. The prices of seafood products can fluctuate significantly

due to factors such as weather, supply chain disruptions, and changing consumer preferences. These fluctuations can make it challenging for seafood companies to set prices that are competitive and profitable. Furthermore, regulatory constraints can also impact the pricing of seafood products. These regulations can include quotas, licensing requirements, and health and safety regulations, all of which can limit the supply of seafood products and increase their cost. Competition from other protein sources is another challenge facing the seafood industry. Meat, poultry, and plant-based protein sources are all competing with seafood for consumers' attention and dollars. This competition can make it challenging for seafood companies to differentiate their products and build a loyal customer base (Mensah et al., 2021).

Changing consumer preferences pose another challenge to the seafood industry. Consumers are increasingly demanding transparency about where their food comes from, as well as sustainable and eco-friendly food options. This trend has been especially evident in recent years, as consumers have become more conscious of the environmental impact of their food choices (Saba et al., 2021). Consumers are becoming more health-conscious and demanding sustainable and traceable seafood products. They are also looking for convenience, variety, and affordability in seafood. According to Aldás-Manzano et al. (2021), the seafood industry needs to align its products and services with these changing consumer preferences to remain competitive.

Despite these challenges, the seafood industry also has several opportunities for marketing its products. One of the most promising opportunities is the growth of e-commerce. E-commerce platforms allow

seafood companies to reach a wider audience and sell their products directly to consumers (Cui et al., 2020). In addition, seafood is becoming increasingly popular as a healthy protein source, with numerous health benefits that appeal to health-conscious consumers which leads them to look for numerous sources to buy seafood (Saba et al., 2021). Furthermore, by leveraging e-commerce platforms, the industry can expand its market reach and sell its products directly to consumers. This can reduce dependence on intermediaries, improve price transparency, and increase convenience for consumers (Liu et al., 2022). Finally, sustainability messaging can resonate with consumers, who are increasingly seeking eco-friendly and sustainable food options.

On similar lines, sustainability is another opportunity for the seafood industry. The industry can adopt sustainable practices to reduce its environmental impact and meet consumer demand for responsible products. This includes implementing eco-labeling schemes, using sustainable fishing methods, reducing waste, and promoting biodiversity conservation (Blasi et al., 2022). Differentiation is also a crucial opportunity for the seafood industry. By emphasizing unique attributes such as origin, species, flavor, and nutritional value, the industry can create value for consumers and increase their willingness to pay (Shu et al., 2021).

The seafood industry faces a range of challenges and opportunities in marketing seafood products. Asche, Chen, and Smith (2015) argue that a lack of information and transparency in the seafood market can lead to lower prices for fishers and consumers, highlighting the need for better market information systems. Belton et al. (2018) emphasize the opportunities for sustainable

seafood production, but also stress the importance of effective value chain research and development to address industry challenges.

One important factor in seafood marketing is trust, as Boulter and Reimer (2020) find in their study of consumers' seafood purchasing decisions. Trust in the origin and quality of seafood products is valued by consumers, indicating the need for transparent labeling and information sharing.

Campbell and Nolan-Isaacs (2020) examine the regulations governing seafood labeling and argue that these regulations have implications for consumers, retailers, and seafood sustainability. Clear and accurate labeling can help consumers make informed choices and support sustainable practices. In addition to labeling, branding can be an effective tool in seafood marketing. Catanese and Nolan-Isaacs (2017) suggest that a strong brand can create a loyal customer base and provide a competitive advantage. However, branding requires careful attention to messaging and consistent quality to maintain consumer trust.

The use of digital marketing and social media is another area of opportunity for seafood businesses. Kim and Ko (2020) find that social media engagement can increase brand awareness and loyalty, while digital marketing can help seafood businesses reach new markets and customers.

However, seafood businesses also face challenges related to supply chain management and product quality. Effective supply chain management is critical to maintaining product quality and reducing waste, and as Jiang et al. (2021) highlight, the need for innovative solutions to address food safety challenges in seafood

production and distribution is on a constant increase. Moreover, the seafood supply chain is highly fragmented and involves multiple stakeholders, including fishermen, processors, distributors, retailers, and consumers. The lack of coordination, communication, and transparency among these stakeholders leads to inefficiencies, delays, and quality issues (Fernández-Polanco et al., 2022).

Regulatory requirements pose another significant challenge for the seafood industry. The industry is subject to various regulations related to safety, quality, labeling, and sustainability. Compliance with these regulations requires significant investments in infrastructure, technology, and training (García-González et al., 2021). Environmental concerns like climate change, pollution, overfishing, and habitat destruction are also a major challenge for the seafood industry. These risks can affect the availability, quality, and safety of seafood products and the reputation of the industry (Gutiérrez-Wirsching et al., 2021). Despite these challenges, there are also many opportunities for the seafood industry to innovate and grow. For example, technology can be leveraged to improve efficiency, quality, traceability, and sustainability. Blockchain technology can provide a secure and transparent record of seafood supply chain data, while AI and IoT can help to monitor and optimize seafood production processes (Bhandari et al., 2021).

The COVID-19 pandemic has had a significant impact on the seafood industry, particularly on seafood marketing. Due to restrictions on travel and movement of goods, the supply chains for seafood have been disrupted, resulting in reduced availability of seafood products in some markets (Huang et al., 2020). The closure of

restaurants and foodservice establishments in many countries has also led to a decrease in demand for certain types of seafood products, particularly high-end or luxury items. As a result, many seafood companies have had to pivot their marketing strategies to focus on alternative distribution channels, such as online sales and home delivery, to maintain sales volumes.

Another major impact of COVID-19 on seafood marketing has been the shift in consumer preferences towards products perceived as safer and more sustainable. There has been a surge in demand for seafood products that are perceived as healthy and nutritious, as well as for products that are sourced locally and produced sustainably. Many consumers have become more conscious of the environmental impact of their food choices, and are seeking out seafood products that are certified as sustainable and eco-friendly. This has led to a growing interest in seafood products that are traceable and can be verified as being produced in an environmentally and socially responsible manner, which has presented opportunities for companies that are able to meet these demands. Overall, the COVID-19 pandemic has had a significant impact on the seafood industry, creating new challenges and opportunities. Mittal (2021) The seafood industry faces several challenges when it comes to marketing its products effectively. Price volatility, regulatory constraints, changing consumer preferences, and competition from other protein sources are just a few of the obstacles that the industry must overcome. However, the industry also has several opportunities for marketing its products, including the growth of e-commerce, the popularity of seafood as a healthy protein source, and the potential for sustainability

messaging to resonate with consumers. By understanding these challenges and opportunities, seafood industry professionals can develop more effective marketing strategies that will help them reach a wider audience, increase their sales and profitability, and provide consumers with high-quality, sustainable seafood products.

Objective

1. To explore the challenges and opportunities in seafood marketing

Methodology

In this study 233 respondents were surveyed to know the challenges and opportunities in seafood marketing. A structured questionnaire was used in this study for conducting the survey. Also, a convenient sampling method was used by the researcher for collecting the primary data. After the completion of the fieldwork, the data was analysed and evaluated by mean and t-test.

Findings

Table below is sharing respondent's general details in which it is found that in total 233 respondents males are 66.9% and females are 33.1%. 25.8% are of 25 – 30 years old, another 27.0% are 31 – 36 years of age, 24.4% are of 37 – 44 years and remaining 22.8% are above 45 years of age. 23.6% respondents are single, 60.1% are married with kids and remaining 16.3% are married without kids. Talking about their monthly income, 23.2% have monthly income between INR 25,000 – INR 50,000, 52.4% have monthly income between INR 50,001 – INR 75,000 and rest 24.4% have monthly income above INR 75,000.

Table 1 General Details

Variables	Respondents	Percentage
Gender		
Male	156	66.9
Female	77	33.1
Total	233	100
Age (years)		
25 – 30	60	25.8
31 – 36	63	27.0
37 – 44	57	24.4
Above 45	53	22.8
Total	233	100
Marital Status		
Single	55	23.6
Married with kids	140	60.1
Married without kids	38	16.3
Total	233	100
Monthly Income (INR)		
25,000 – 50,000	54	23.2
50,001 – 75,000	122	52.4
More than 75,000	57	24.4
Total	233	100

Table 2 Challenges and Opportunities in Seafood Marketing

S. No.	Statements	Mean Value	t value	Sig.
1.	Price volatility due to environmental factors is the biggest challenge in seafood marketing	4.31	16.862	0.000
2.	Regulatory constraints impact the industry to market their products effectively	4.03	13.342	0.000
3.	Changing consumer preferences also poses a big challenge for the industry	3.95	12.501	0.000
4.	Increasing transparency demand about the food as well as sustainable and eco-friendly food options	3.77	9.928	0.000
5.	Supply chain management of the seafood products and increasing cost	3.98	12.843	0.000
6.	Companies can reach wider audience and can sell their products directly to consumers with the help of E-commerce	4.23	15.848	0.000
7.	Sustainable practices to reduce its environmental impact and meet consumer demand for responsible products	3.84	10.925	0.000

8.	Emphasizing unique attributes such as origin, species, flavor, and nutritional value, the industry can create value for consumers	4.18	15.416	0.000
9.	Building trust and maintaining the quality of seafood is valued by customers	4.22	15.747	0.000
10.	Use of digital marketing and social media is another area of opportunity for seafood businesses	3.25	3.283	0.001

Table above is showing the challenges and opportunities in seafood marketing. The respondent says that price volatility due to environmental factors is the biggest challenge in seafood marketing with mean value 4.31, regulatory constraints impact the industry to market their products effectively with mean value 4.03 and supply chain management of the seafood products and increasing cost with mean value 3.98. The respondent also believes changing consumer preferences also poses a big challenge for the industry with mean value 3.95 and increasing transparency demand about the food as well as sustainable and eco-friendly food options with mean value 3.77. Some of the opportunities in which respondents believe companies can reach wider audience and can sell their products directly to consumers with the help of E-commerce with mean value 4.23, building trust and maintaining the quality of seafood is valued by customers with mean value 4.22 and emphasizing unique attributes such as origin, species, flavour, and nutritional value, the industry can create value for consumers with mean value 4.18. The respondent also says that, sustainable practices to reduce its environmental impact and meet consumer demand for responsible products with mean value 3.84 and use of digital marketing and social media is another area of opportunity for seafood businesses with mean value 3.25.

Further t-test shows that all the statements which are significant (with the value below 0.05).

Conclusion

In conclusion, the seafood industry has faced numerous challenges and opportunities in marketing its products, particularly in light of the COVID-19 pandemic. Disruptions to supply chains and changes in consumer preferences have required companies to adapt their marketing strategies to stay competitive and maintain sales volumes. However, these challenges have also presented opportunities for companies to innovate and differentiate themselves through the use of new technologies, sustainability certifications, and traceability systems. As consumers continue to become more health and environmentally conscious, it is likely that demand for sustainable and locally sourced seafood products will continue to grow. Companies that are able to meet these demands by incorporating sustainable practices and certifications into their production and marketing strategies are likely to benefit from increased consumer loyalty and a competitive advantage in the marketplace. Additionally, the use of blockchain technology and other traceability systems can help to improve transparency and accountability in the seafood supply chain, which may further boost consumer confidence and trust. Overall, the seafood industry faces both

challenges and opportunities in marketing its products, and companies that are able to navigate these changes effectively are likely to thrive in the years to come. By prioritizing sustainability, traceability, and transparency, seafood companies can build consumer trust and loyalty, while also contributing to the long-term health of the industry and the environment.

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