



Wild, Natural & Sustainable®

3 Trends Driving Higher Seafood Sales

The \$12.5 billion seafood category attracts affluent shoppers and can be a showcase for a store's quality positioning.

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Research from the U.S. Department of Agriculture shows that Americans consume only 16 pounds of seafood per person per year, compared with 112 pounds of poultry and 111 pounds of meat, according to the *Power of Seafood 2020* report from FMI—The Food Industry Association. The report also found that when seafood is included in a shopping trip, the average basket is \$98, which is almost three times the average basket for groceries at \$34.91. Seafood sales therefore represent a big opportunity for retailers—but how can they encourage more purchases?

Quality and nutrition are highly valued by seafood shoppers, particularly the most affluent shoppers and those with the largest basket size. Three-fourths (75%) of seafood consumers with household incomes of \$100,000 or more cite quality among the most important factors in selecting seafood, compared with 69% of less affluent seafood shoppers, and 27% cite nutrition, compared with 21% of less-affluent shoppers.

Seafood counter sales have increased by 20% in 2020

Retailers can drive increased sales and profits in the category by planning a cohesive merchandising strategy. This way, retailers can offer the right product mix along with strong communications that encourage home cooking and call attention to sustainable practices in the seafood industry.

Home-Cooking Opportunities

Now may be the perfect time to emphasize seafood in home cooking. According to research from IRI, seafood counter sales have increased by 20% in 2020, largely due to an increase in at-home meal preparation amid the pandemic.

Retailers can encourage seafood purchases by offering

these home cooks recipes and preparation tips. Many consumers may be familiar with enjoying seafood in restaurants, but need a little help recreating that experience in their own kitchens and dining rooms.

According to Datassential, 42% of consumers said they would eat more seafood at home if they had recipe ideas or suggestions, and 32% said they would if they had more prep instructions. Additionally, 32% of consumers said they'd eat more seafood at home if there were more frozen options. For these consumers, frozen options along with preparation tips and recipe offerings can offer a big sales boost—Datassential found that 44% of consumers would be more likely to try cooking seafood from frozen if they had preparation tips, while 53% said they would if they had recipes.



Seafood consumers are more likely overall to seek out meal ideas and inspiration from a variety of sources, including recipe websites, which are used by 39% of seafood consumers, compared with 28% of non-seafood consumers, the report found.

Seafood consumers also outpace overall consumers in their use of cookbooks (36% vs. 23%) TV cooking shows (35% vs. 23%) and magazines (23% vs. 13%). Social media sources such as YouTube and Facebook follow a similar pattern, as do recipes provided by food brands. Additionally, 14% of seafood consumers seek menu ideas and inspiration from recipes from grocery stores.

“Food retailers should consider all of these options in their communication and marketing efforts to increase seafood

consumption,” the FMI *Power of Seafood 2020* report advises.

Interest in Sustainability Grows

Sustainability-marketed products also generate higher rings at the register. The report found that among 35 CPG categories surveyed, products with sustainability claims carried a 39% price premium over conventionally-marketed products.

“Notwithstanding the high premiums, sustainability-marketed products grew over seven times faster than conventional products, demonstrating consumers’ strong preference for these products and their willingness



78%
of consumers agree that the **Alaska Seafood logo** on display means that a specific store supports sustainable fisheries

to pay higher prices,” the report stated.

Not surprisingly, higher-income consumers were more likely than others to purchase products with sustainability claims, as were millennials.

“Sustainability-marketed products are a key to winning with millennials and Generation Z,” said Larry Levin, executive vice president, Market and Shopper Intelligence, IRI. “Leveraging the goodness of your company with compelling brand stories is an opportunity to build long-standing relationships with these important segments.”

Likewise, the FMI *Power of Seafood 2020* report found that more than half of



39% of seafood consumers use recipe websites, compared with 28% of non-seafood consumers



consumers (54%) said that some sustainability concerns had a major impact on their seafood choice. The report identified six areas of sustainability that impacted consumers' decisions, led by concerns about whether the fish were caught or raised in a manner that ensures future availability. To that end, 78% of consumers agree that the Alaska Seafood logo on display means that a specific store supports sustainable fisheries—for retailers, that's a big opportunity.

Two-thirds of consumers (66%) also said they want to be more knowledgeable about seafood sustainability, according to the report, and they expect to be able to obtain that information from their retail seafood counter.

"Food retailers should be cognizant of sustainability in their seafood marketing and communications efforts," the report states.

Consumers' Preference for Alaska Seafood

Attributes including wild-caught, origin and sustainability are priorities when it comes to seafood selection, which is why consumers prefer Alaska seafood.



7 out of 10
consumers prefer
Alaska salmon over
Atlantic salmon

In fact, wild-caught seafood is preferred 5:2 over farmed seafood, according to research from the Alaska Seafood Marketing Institute. These consumers prefer wild-caught for the taste, health benefits, and quality, among other factors.

More than 8 out of 10 seafood consumers (84%) believe Alaska seafood is "safe to eat," and 75% believe it is "natural." Seven out of 10 believe Alaska seafood to be "wild."

Having "Alaska" specifically called out in the product name boosts the desirability of many seafood items as well. Seven out of 10 consumers prefer Alaska salmon over Atlantic salmon, for example, and 7 out of 10 prefer pollock when "Alaska" is called out. What's more, 77% of consumers said they were willing to pay more for seafood that

displays the Alaska Seafood logo, which ensures the product is wild-caught in Alaska waters.

The Alaska Seafood logo also boosts consumer perception of the entire store, especially around the areas of quality and sustainability—in fact, 83% of consumers agree that seeing the Alaska Seafood logo means a product is high quality.

Offering Alaska Seafood and highlighting its quality, freshness and sustainability helps retailers check all the boxes when it comes to driving higher sales in the seafood department. Visit the Alaska Seafood Marketing Institute for more information about how to grow your retail sales with sustainable seafood from Alaska.

