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***Freshwater Fish Marketing Corporation -
Trial White Fish Promotion
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FISHERIES

3-23-14

FRESHWATER FISH MARKETING CORPORATION

TRIAL WHITEFISH PROMOTION

October 1983

INTRODUCTION

On an annual basis, Whitefish accounts for in excess of 50 percent of total production by the Freshwater Fish Marketing Corporation. This figure represents between 12 and 15 million pounds of processed product as a yearly average of production. Historically Whitefish, specifically whole frozen Whitefish, has been a problem for the freshwater industry.

During the past five years, sales of the product have decreased in total volume and a downward trend has developed in dollar value of sales in the corporation's **two major** markets: Canada and the **U.S.** Sales declines have largely been attributed to increased product competition from the Eastern U.S. and Canadian lakes. Additionally, general product characteristics have been perceived as a deterrent to consumption in traditional markets.

Short term indicators suggest that existing North American product competition will escalate as the industry continues to face pressures in a depressed market. As well, there is a growing emergence of **new competitive** product **varieties** from various countries entering the Canadian and U.S. **marketplace**.

Increased product competition is coupled with an eroding and diminishing market for the product as a result of changes in traditional ethnic eating habits, particularly those of the Jewish ethnic group.

BACKGROUND

In the 1981/82 production year, Whitefish sales to the U.S. accounted for 66 percent of total product sales. Some 7.6 million pounds were sold in the U.S. compared to sales of 2.0 million pounds in both Canada and Europe.

The United States represents the greatest continued sales opportunity for the marketing of Whitefish. Per capita consumption of fish in the U.S. compares favorably with the Canadian figure of 15.2 pounds **per year.**¹ Volume potential is excellent given overall population concentration in the American marketplace.

Added to these factors is the current favorable level of the Canadian dollar versus the U.S. dollar in foreign exchange markets. Sales in U.S. dollars promise to deliver better dividends **to the** Corporation's fishermen. Given the traditionally marginal nature of our product, these potential returns cannot be overlooked.

Recent exploration into the American market by FFMC marketing staff has determined that selective potential appears to exist for the retail merchandising of Whitefish and that opportunities are available to test-market the product with major food chain stores.

Given a successful test-marketing of Whitefish at the retail level in our proposed three-market merchandising campaign, the Corporation could extend the program to other U.S. markets of demonstrated potential.

If the Freshwater Fish Marketing Corporation is to be successful in reversing the downward trend in Whitefish sales and in meeting increasing competition in a difficult market environment, an aggressive marketing effort must be launched in potential growth market areas.

It is with this intent that the Corporation proposes to mount a test-market merchandising and advertising campaign in three-Western U.S. regions.

¹1981 Per Capita Statistics
Edible Wt. Annual Statistical Review D.F. O.

TARGET AUDIENCE

Our one month trial marketing effort will be directed at a very selective ethnic target audience. Previous experience has shown that our product has limited appeal with white English speaking, "average" **Canadian** and American consumers. The bone content of the product has deterred consumption with this traditional food consumer group.

Based on other retailer information and preliminary market assessment, it is our view that the bone content of the product will not be considered a serious limitation with two ethnic groups in the U. S., notably American Blacks and the Hispanic groups. While statistical data is not available, other experience in the food industry suggests these groups have a demonstrated level of consumption of boney fish in the round form.

Our target audience for the proposed campaign is:

Hispanic groups (Puertorican, Mexican and Cuban), and Blacks, with below-average household monies.



MARKETING OBJECTIVES

Primary Marketing Objective: To introduce Whitefish at the retail level in three U.S. geographic areas and obtain sampling of the product.

Secondary Marketing Objective: To establish sales results upon which market potential assessments can be made.

NOTE: Specific volume sales objectives for the one month trial merchandising campaign will be established based on retailer consultation. This will follow confirmation of project approval and individual retailer participation.

ADVERTISING OBJECTIVE

To encourage sampling of Canadian Whitefish.

TEST MARKET

We propose to conduct our advertising campaign in three test-markets:

Los Angeles

San Diego

Denver

The California market has been selected for two reasons; Southern Californians consume twice the national, annual per **capita** level of **fish**, and California provides a large population base of our target audience.

Denver has been selected as the third test market as a result of positive response to **FFMC** marketing inquiries. New Zealand Orange Roughy has been recently introduced in the Denver market. Marketed as "New Zealand Whitefish", the product is achieving "successful sales results at \$3.79 retail. Our genuine Whitefish at \$.99 retail should perform well in this market. We anticipate successful results from a one or two purchase test cycle. The key will be to maintain third and fourth time purchasing. Additionally, Denver has a relatively high annual per capita consumption of fish.

We propose to market Whitefish in the new poly bag through retail food chain stores. Initial indicators are that Safeway and Lucky Food Stores will carry our product for the three month trial period in the California market.

ADVERTISING STRATEGIES

We propose to employ ethnic media in each market to reach our select target audience. Using available ethnic media allows us to position our product selectively with the individual sub-groups within our overall target audience.

We propose to position our product as having the following qualities.

From Northern Canada's Cool, Clean, Clear Lakes

- a natural food - no chemicals or additives
- an inexpensive form of protein
- an easy to prepare product
- a slightly **"exotic"** affordable, "imported" new food item

It will be important to give Whitefish a profile as a Northern Canadian product that stands apart from other available freshwater fish varieties. A great deal of competition exists in this product segment and we must offer a product that is in some way different.

MEDIA SELECTION RATIONALE

Radio has been selected as the primary medium for the following reasons:

- permits selective targeting to reach the designated audience.
- offers good penetration in **all** markets: L.A. and Denver have two ethnic stations; San Diego has one.
- does not demand the ability to read - a major proportion of our audience is considered semi-literate.
- provides high frequency at lower cost than print.
- production requirements can be met with short lead times.

Transit/Outdoor

Transit/Outdoor has been selected as one of the secondary medium for the following reasons:

- provides efficient reach of lower **demographic** groups.
- provides reach and frequency **at, relatively** low cost.
- permits visual presentation of package **in colour** outside the home during food shopping trips.

Ethnic newspapers have been selected as the other secondary medium for the following reasons: -----

- extends reach of the campaign among middle-class Spanish and Blacks.
- permits visual presentation of the package in colour.
- provides appropriate environment (food pages) and "news" context for the product launch.

MEDIA BUDGET

4-WEEK COST

<u>MARKET</u>	<u>RADIO</u>	<u>OUTDOOR/TRANSIT</u>	<u>NEWSPAPERS</u>	<u>TOTAL</u>
Los Angeles	\$12,300	\$66,617	\$19,925	\$98,842
San Diego	4,920	4,920	5,166	15,006
Denver	7,380	9,803	1,169	18,352
	<u>\$24,600</u>	<u>\$81,340</u>	<u>\$26,260</u>	<u>\$132,200</u>
Production Costs				<u>30,000</u>
				<u>\$162,200</u>

MEDIA STRATEGY

The media strategy will be to employ ethnic media in each market.

Radio will be the primary medium in all markets, at an estimated weight of 50% weekly reach and 3.0 average weekly frequency. For budget planning purposes, costing of radio has been based on purchasing 15 to 20 spots per station per week.

The secondary media will be out-of-home and print. Exterior and interior transit at a 25-50% showing will be used in Los Angeles and San Diego. In Denver, the out-of-home medium will be outdoor posters at a weight of 25 daily GRP's (transit is unavailable).

Ethnic newspapers will be used in **all** markets on the basis of one insertion every two weeks of a black plus two-colour half-page ad.

MEDIA PROFILE

Los Angeles

Radio

- Two ethnic stations are available

KALI (Spanish)

covers all of L.A. county and Orange county
 strongest audience is in 18-45 segment, skewed towards women
 advertisers include breweries, Uncle Ben's, Campbell Soup
 music is contemporary and pop; all Spanish, including adaptations of English hits

Sunday broadcasts include religion and **community** news

rates as follows (30-second M-SU):

AAA	6:00 a.m. - 10:00 a.m. , 3:00 p.m. - 8:00 p.m.	\$64.00
AA	10:00 a.m. - 3:00 p.m.	\$ 5 8 . 4 0
A	All other times	\$52.00

estimated weekly campaign cost: \$1,050.00

KTNQ (Hispanic)

audience includes Cubans, Spanish, new immigrants, **central** Americans
 primarily adults 25-54

some Caribbean music

rates as follows (30-seconds)

		<u>6X</u>	<u>12X</u>	<u>18X</u>	<u>24X</u>
AAA	5:00 a.m. - 11:00 a.m.	\$73.00	\$70.00	\$66.00	\$63.00
	3:00 p.m. - 8:00 p.m.				
AA	11:00 a.m. - 3:00 p.m.	\$70.00	\$66.00	\$62.00	\$58.00
A	8:00 p.m. -12:00 a.m. .	\$56.00	\$54.00	\$50.00	\$48.00

estimated weekly campaign cost: . \$1,100.00

Outdoor

- metro population: 10,600,000
- rates (possibly non-commensurable)

<u>GRP</u>	<u>No. Boards</u>	<u>4-Meek Cost</u>
25	125	\$48,653.00
50	250	97,306.00
75	375	145,959.00

MEDIA PROFILE - cent' d

Los Angeles

Ethnic Newspapers

- 3 papers

- Hispanic: North East Newspapers of Los Angeles (downtown)
Circulation 54,000
Issued weekly on Wednesdays
Cost per 1/2 page ad **B/W** - \$908.00; 1/4 page - \$635.00

- Black: Wave Publications (**South** West L.A.) - 13 papers
Circulation 251,000
Issued weekly on Wednesdays
Cost per 1/2 page ad B/W -\$3,249.00

- Spanish/English: East Side Sun (East L.A.)
Circulation 44,000
Issued weekly on Thursdays
Cost per 1/2 page ad B/W \$1,210.00

Transit

Interior:

100% showing {all buses) consists of 2,200 cards at a 4-week cost of \$11,000.00

- 11" x 28" cards

Exterior:

- 830 buses

Kings \$73,040.00 (4 weeks)

Rear \$58,930.00 (4 weeks)

Queens \$43,160.00 (4 weeks)

MEDIA PROFILE

San Diego

Radio

no Spanish speaking station
one black station available

XHRM (Black)

covers all of San Diego county (55,000 watts)

signal is broadcast from Mexico

strongest audience is the 18-34 segment

35% Black'

25% Spanish

40% White

primary target is low income in all ethnic categories

rates as follows (30-seconds ^{M-F})

	<u>1X</u>	<u>13X</u>	<u>19X</u>
AAA 6:00 a.m. - 10:00 a.m. 3:00 p.m. - 7:00 p.m.	\$63.00	\$60.00	\$54.00
AA 7:00 p.m. - 12:00 a.m. Saturday, Sunday	\$55.00	\$52.00	\$47.00
A 10:00 a.m. - 3:00 p.m.	\$47.00	\$45.00	\$41.00
TAP 12X 6:00 a.m. -. 12:00 a.m.	\$41.00	\$39.00	?

Outdoor

metro population: 1,500,000

rates(non-connisonable)

GRP	<u>No. Boards</u>	<u>4-Week Cost</u>
25	20	\$ 7,604.00
50	40	15,114.00
75	60	22,624.00

Ethnic Newspapers

- Two Spanish publications

- La Prensa de San Diego (S.D./Tijuana)

- circulation: 50,000

issued weekly on Fridays

cost per 1/2 page ad B/W - \$795.00; 1/4 page - \$398.00

- La Opinion

- circulation: 62,000

- daily

cost per 1/2 page ad B/W - \$591.00; 1/3 page - \$394.00

Transit

Interior:

100% showing (all buses) consist of 300 cards for \$1,500 4-week cost

Exterior:

- 200 buses

Kings \$17,200.00 (4 week cost) "

Rear \$13,000.00 (4 week cost)

21x40 \$4,000.00 (4 week cost)

MEDIA PROFILE

Denver

Radio

- two ethnic stations are available

KBNO (Spanish)

covers whole Denver area - 72 miles

only Spanish-speaking station

out of Spanish population of 222,000, 44% listen to KBNO; 25% listen "most of the time"

audience upper lower class

- 63% have bank accounts

- 54% have credit cards

- 24% have gas. cards

rates as follows (30-seconds M-F).

	<u>1x</u>	<u>24X</u>
10:00 a.m. - 3:00 p.m.	\$25.00	\$17.00
6:00 a.m. - 10:00 a.m.	\$31.00	\$22.00
3:00 p.m. - 8:30 p.m.		
8:30 p.m. - sign-off		

estimated weekly campaign cost: \$800.00

KDKO (Black)

called "urban contemporary"

covers all Denver county; as of November will extend into Boulder and Colorado

adults 18-34

rhythm and blues music

reaches 44% of black middle class; average family is 4 persons

rates as follows (30-seconds or 60-seconds)

AAA 5:30 a.m. - 10 a.m. (M-F)	\$40.00
3:00 p.m. - 7:00 p.m. (M-F)	
AA 10:00 a.m. - 3:00 p.m. (M-F)	\$35.00
7:00 p.m. - 12:00 a.m. (M-F)	
10:00 a.m. - 7:00 p.m. (.Saturday)	
A 5:30 a.m. - 10:00 a.m. (Saturday)	\$30.00
7:00 p.m. - 12:00 a.m. [Saturday]	
6:00 a.m. - 12:00 a.m. (Sunday)	

estimated weekly campaign cost: \$650.00

MEDIA PROFILE - cent' d

Denver

Outdoor

- metro population 1,462,000
- rates **(non-commissionable)**

<u>GRP</u>	<u>No. Boards</u>	<u>4-Week Cost</u>
25	21	\$ 6,930.00
50	39	12,870.00
75	57	18,810.00

Ethnic Newspapers

- One Hispanic only (Spanish/English)
- circulation 10,000
- issued weekly on **Wednesday**
- cost per 1/2 page ad B/W - \$312.00; 1/4 page - \$162.00