

Chinese cod market & seafood consumption

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- **Chinese cod market survey**
- **Market driving factor of China market in future**
- **Discussion on cod market of China**



■ Chinese cod market survey

The survey cities in China



The China consumed codfish : Alask apollack

Inported ane exported species:

Gadus morhua

Gadus macrocephalus

haddock *Melanogrammus aeglefinus*

In the Yellow Sea, there is some small and medium-sized codfish fisheries. The products mainly face to domestic market.

By now, codfish is not a traditional economic fish and the demand for the fish is low.

Main products modalities and selling market



Seasoning processing



Frozen decapitating





Wrapping processing



Alas kapollack 300g
Online: 26.8yuan
Supermarket: 29yuan



Prices

Table 1 the wholesale price(yuan RMB/500g) of some codfish in 2012

products	wholesale price	company
Frozen Alask apollack	4.75 ($\geq 20t$)	Jamsi Helongjiang
Frozen fillet	14 ($\geq 20t$)	Yantai Shandong
Frozen Alask apollack	1.2 ($\geq 20t$)	Dandong Liaoning
Atalatic or Pacific cod fillet	20 ($\geq 10t$, including freight)	Yantai Shandong
Atalatic or Pacific cod segment	15 ($\geq 10t$, including freight)	Yantai Shandong

The main importer and wholesaler of codfish in China is Liaoning and Shandong Province.



Table 2 The price(yuan/100g) of wrapping fillet

market	Sale price	packaging	vender
Auchan	1.23/100g	40g*10piece	Shandong
Rt-Mart	1.57/100g	35g*10piece	Shandong
Local market	3.4/100g	28.57g*7piece	Shanghai
KFC	3.5/piece	2piece	
Lottemart	4.65/100g	40g*8piece	Shangdong

**No
selling
in Hefei
and
Suzhou!**



Auchan Shanghai



Rt-Mart shanghai



Beijing (320g)

Table 3 Price(yuan/kg) of Frozen Alaska apollack in Chinese Market

Market	Price	Producing area
Lottemart and Rotus(Beijing)	19.8	Zhejiang
Traditional market(Beijing)	13	Liaoning
Traditional market(Hefei)	16	Liaoning
Carrefour (Suzhou)	15.78	Liaoning
Suguo(Suzhou)	15.6	Liaoning
Traditional market(Suzhou)	12	Liaoning



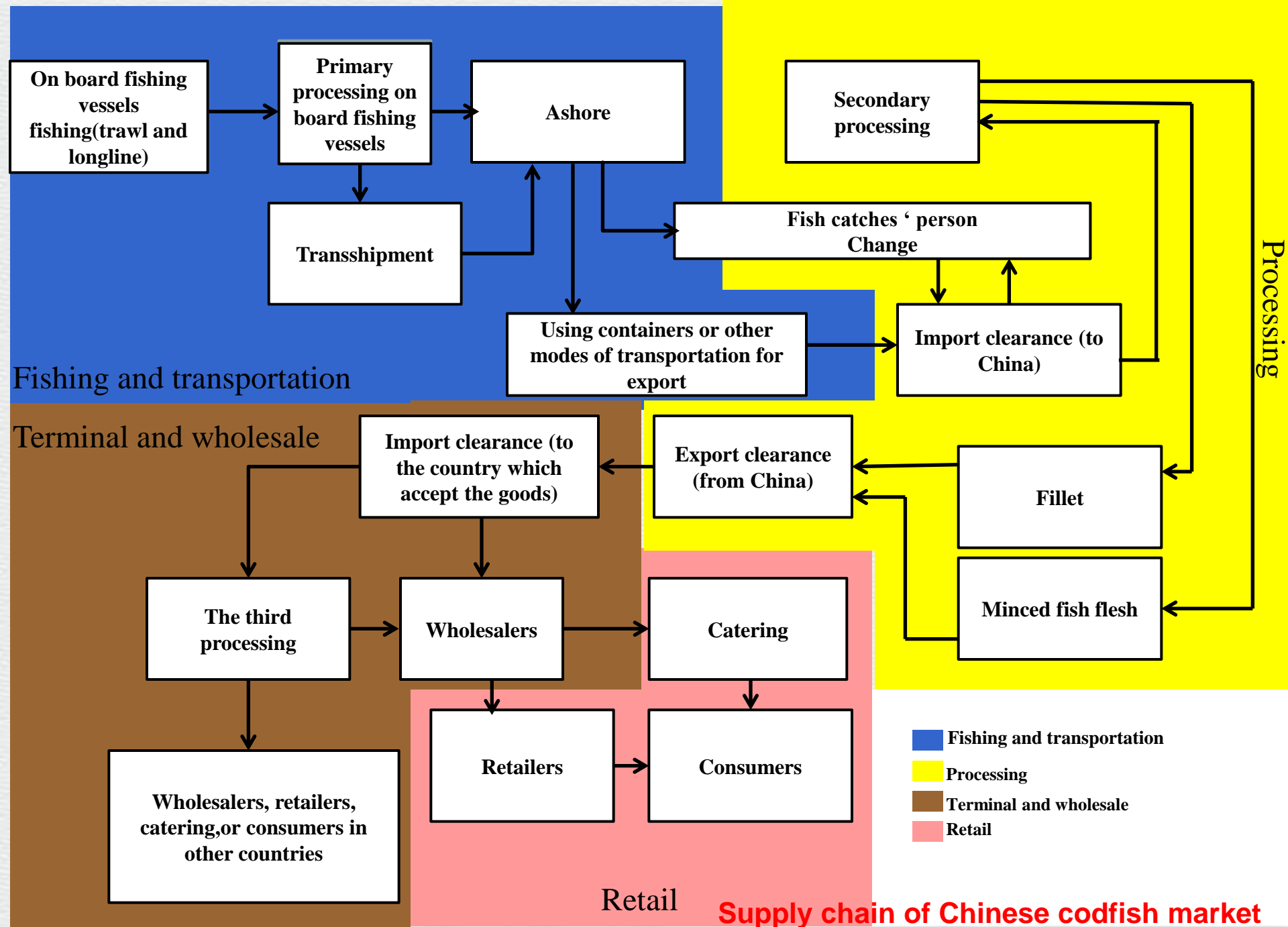
No frozen codfish in shanghai market!

Rt-Mart suzhou

Suguo Suzhou

open market Hefei

Beijing



- Fishing and transportation
- Processing
- Terminal and wholesale
- Retail

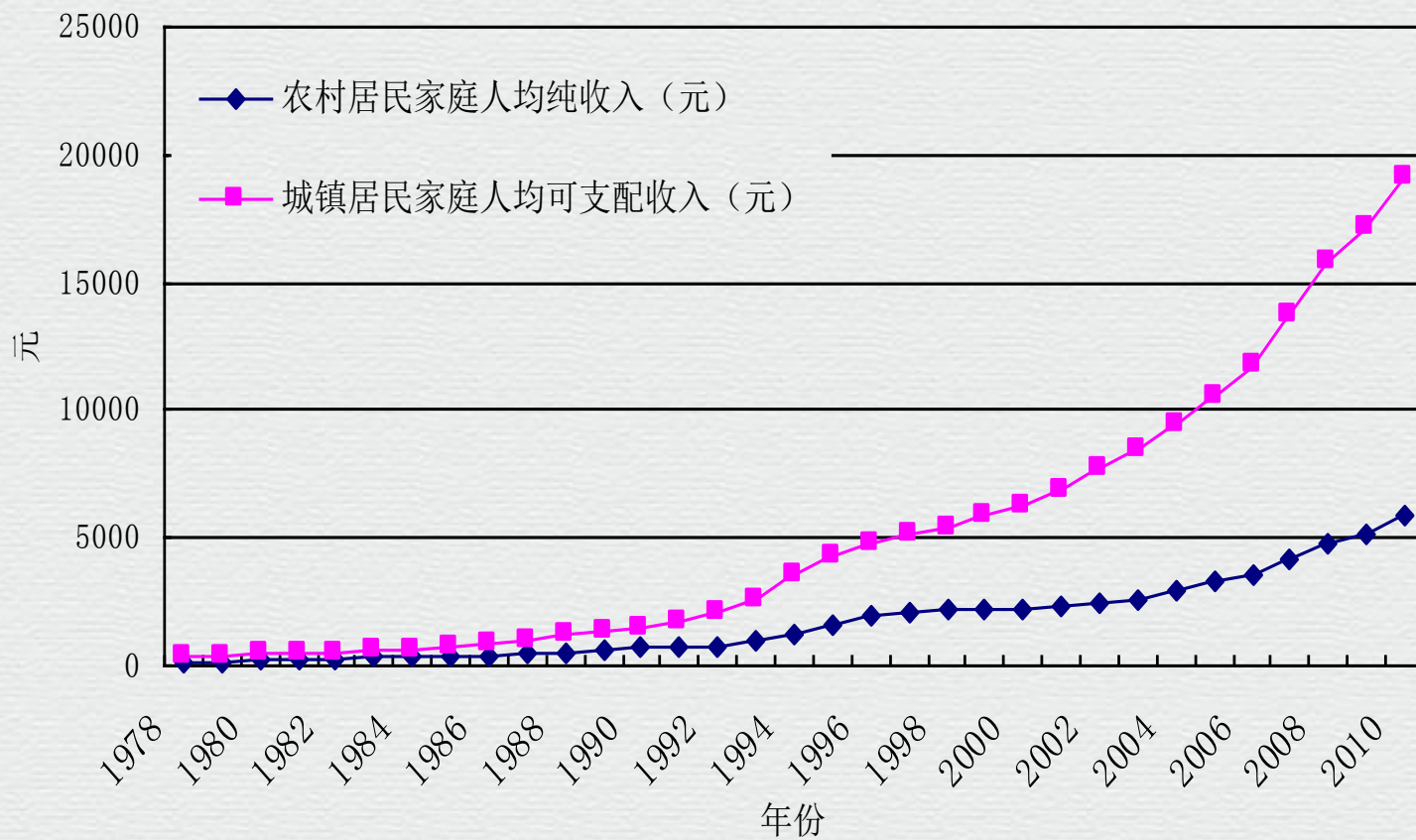
Supply chain of Chinese codfish market

Rough Estimate of codfish consumption quantity in China

The total consumption quantity of processing fillet and frozen codfish is about 120 thousand tons.

■ **Market driving factor of China market in future**

Income increase



Urbanization

an important effects on the consumption of seafood.

The urban resident increases from 17.92% in 1978 to 49.95% in 2010 in China.

supermarket and catering fashion

The business scale of catering industry from 2008-2010
(Unit:100million yuan)

year	China		Shanghai	
	Sales	Growing rate year to year (%)	Sales	Growing rate year to year (%)
2010	18000	18	678.91	16.9
2009	17997.5	16.8	761.5	13.7
2008	15404	24.7	669.74	20.4

Data sources: China's Economy Yearbook; Yangtze River Delta Yearbook; China Statistical Yearbook for Regional Economy.

The number of star-grade hotel in China from 2008-2010

year	total	Five Star	Four stars	Three stars	Inn at Linco
2010	13991	595	2219	6268	4612
2009	14237	506	1984	5917	5375
2008	14099	432	1821	5732	5616

Data sources: China's Economy Yearbook; Yangtze River Delta Yearbook; China Statistical Yearbook for Regional Economy.

The number of restaurant chain and sales(10⁵Thousand yuan)

	China		Shanghai	
year	Shop front	sale	Shop front	sale
2010	15333	955.42	1773	104.18
2009	13739	879.32	1312	70.82
2008	12561	806.91	1167	68.42

Data sources: China's Economy Yearbook; Yangtze River Delta Yearbook; China Statistical Yearbook for Regional Economy.

**The population of local sightseeing tour (million)
and catering expenditure (billion yuan)**

year	population of local sightseeing tour	catering expenditure in sightseeing tour	Total catering expenditure of Shanghai
2010	102.08	253	678.91
2009	38.77	235	597.74
2008	31.64	212	669.54

Data sources: Shanghai Economy Yearbook.

An econometric model for the aquatic products consumption of urban residents:

urban residents' annual disposable income
annual consumption quantity of pork and poultry (related by products
family structure,
aging level,
educational background,
having meals out of home,
number of retail chains stores) on the aquatic products consumption quantity of urban residents.

The result :

urban residents' annual disposable income
having meals out of home (greatest effect)
number of retail chains stores (larger)
family structure (negative effect)

Conclusion:

The aquatic products consumption of Chinese residents should be further promoted and also the aquatic products market can attain a development.

■ Discussion on cod market of China

The restricting factors to promote Atlantic or Pacific cod in China:

- higher price

- characteristics of frozen products

The China codfish market can be divided into

- developed coastal market

- developing inland market

Developed coastal market

The characteristics:

- fast growing economy

- higher per capital income

- higher urbanization level

- sound supply chain system

- huge urban floating population

- fast pace of life

- main producing area of seafood (more than 86%)

The consumer pursue:

- higher quality seafood

- fast and convenient pattern

- preferring to living and iced seafood.

Salers should develop processing seafood such as cod roe jam,seasoning codfish,seasoning processing cod products and wrapping cod fillet.

Developing inland market

Competitive advantage of frozen Alaska pollock

lower price

natural

longer retention time.

The better marketing strategies for promoting Chinese codfish market are to enhance the awareness of cod fish, cultivating consumer preference, cultivating potential consumer group and building good supply chain.

Thank you !

