Japan Business: A Seafood Perspective

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The Alaska Seafood Marketing Institute

- A public/private partnership between the Alaska seafood industry and the State of Alaska
- The official seafood marketing arm of the State of Alaska
- The international program is active in 21 countries with programs in Japan, China, Western Europe, Eastern Europe and Brazil
- Markets all Alaska seafood species inducing five species of salmon, crab, whitefish, ground fish and fish roe
- Our species hit almost every market segment from high-end to value products used as ingredients and in-between
- All our species come from wild-capture fisheries
Alaska Seafood: Harvest Volume by Species
Total 2012 Harvest: 5.5 Billions lbs.

- **Alaska Pollock**: 53%
- **Pacific Cod**: 13%
- **Flatfish**: 13%
- **Rockfish & Mackerel**: 4%
- **Salmon**: 12%
- **Crab**: 2%
- **Halibut & Black Cod**: 1%
- **All Other**: 2%

Source: NMFS, ADFG, and ASMI Estimates.
Alaska Seafood: Harvest Value by Species

Total 2012 Ex-Vessel Value: $2.1 Billion

- Salmon: 29%
- Alaska Pollock: 25%
- Halibut and Black Cod: 13%
- Pacific Cod and Other Groundfish: 16%
- Crab: 16%
- Herring: 1%

Source: NMFS, ADFG, and ASMI Estimates.
Alaska is the 6\textsuperscript{th} largest Seafood Exporter

<table>
<thead>
<tr>
<th>2012 Rank</th>
<th>Country (Primary Exporters Only)</th>
<th>Seafood Exports in Billions of $US (2012)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Norway</td>
<td>$9.5</td>
</tr>
<tr>
<td>2</td>
<td>Russia</td>
<td>4.5</td>
</tr>
<tr>
<td>3</td>
<td>Vietnam</td>
<td>4.2</td>
</tr>
<tr>
<td>4</td>
<td>Chile</td>
<td>3.9</td>
</tr>
<tr>
<td>5</td>
<td>Canada</td>
<td>3.7</td>
</tr>
<tr>
<td>6</td>
<td>\textit{Alaska}</td>
<td>3.2</td>
</tr>
</tbody>
</table>

Note: Does not include China which is primarily a re-processor
Source: NMFS and Global Trade Atlas, compiled by McDowell Group.
## Alaska Seafood Exports to Japan

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>MT</td>
<td>Val. $ (000)</td>
</tr>
<tr>
<td>Total</td>
<td>181,581</td>
<td>$ 647,421.7</td>
</tr>
</tbody>
</table>

- In 2013: 168,081 Metric Tons (Volume)
- In 2013: $598,731,100 (Value)
Economic Overview

- The government upgraded its assessment of business investment for the first time in four months, making it the most positive view of the sector since August 2007.
- During the recession, consumer focus shifted to price.
- However, with consumer prices finally on the rise (up 1.3% in January 2014), the desire for premium products is increasing again, returning to traditional preferences.
- Japan’s customs-cleared trade balance remained in the red for a record 22 months in a row as of April, but the size of the deficit shrank for the first time in 20 months on a year-on-year basis. According to Finance Ministry data, exports rose 5.1% from a year before to ¥6.06 trillion (US$59.6 billion).
Market Overview

- For more than 40 years, Japan has been one of Alaska’s largest and most stable seafood export markets.
- After China, Chile and Thailand, the United States (Alaska predominantly) is the fourth largest seafood exporter to Japan (2008 figures), making Japan a crucial market for Alaska seafood and for the Alaska Seafood Marketing Institute.
- Today, Japan remains one of the world’s largest seafood buyers and is a key importer of Alaska seafood items like pollock surimi, pollock roe, herring, herring roe, sockeye salmon, king crab and snow crab, as well as many other species.
ASMI in Japan


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Species Specific Strategy

- **Focus on traditionally popular Alaska seafood species** such as sockeye salmon, king and snow crab, black cod and roe products which attract attention to promotions in all sectors.

- **Leverage traditionally popular products to attract attention to less “glamorous” but equally important species and product forms** such as flatfish and Alaska pollock.

- **Encourage new uses for traditionally popular products.** For traditional year-end gift giving products like herring roe and pollock roe, ASMI Japan will encourage new recipes and product promotions beyond the end of the year, developing a niche for the products year round.

- **Encourage nerimono makers to indicate Alaska origin when using Alaska caught surimi** (APO surimi).

- Educate Japanese trade partners, HRI and consumers on Alaska’s long history of sustainability.
Consumer Strategy

1) use photos and videos showcasing imagery of the pure, pristine and trusted waters of Alaska such as bears grabbing salmon, fishing vessels with a backdrop of scenic mountains or glaciers, and the local fishing communities.

2) produce articles with recipes and/or describing the health benefits of natural Alaska seafood. Also emphasize Alaska seafood’s compatibility with Japanese style recipes, especially for less well-known species such as flatfish and rockfish.

Combine the two approaches where appropriate. For example, some consumer media are interested in the faces behind Alaska’s fishing communities and their authentic, Alaskan/American recipes.
Trade/Retail Strategy

- Use the key attributes of Alaska seafood to increase popularity with the trade.
- While advertising in major consumer media is not cost effective, placing ads in publications targeting the seafood trade and foodservice sectors can encourage buyers.
- ASMI Japan continuously enhances the industry/media section of the website to gather user information, and actively deliver the latest news, photos, videos, and collaterals.
Foodservice Strategy

- Many hotel and restaurant buyers prefer to source small, individually packaged quantities of a product, making it a challenge to move large in this sector.

- The foodservice sector in Japan can, however, be effectively used as a platform for public relations. Restaurant promotions and relationships with chefs can be a successful way to present a positive image of Alaska seafood and gain more grass roots public recognition.

- ASMI Japan puts emphasis on chef seminars, chef contests/recipe competitions and foodservice-oriented press or free press from HRI events.

- Given Alaska seafood’s price point, ASMI seeks partnership opportunities primarily with hotel and upscale white tablecloth restaurants as well as deli/bento box chains, with a secondary emphasis on family restaurant chains, fast food and convenience stores.
Target Markets

- **Consumer**: Japanese women in their mid 30s-60s, who are college graduates and members of affluent urban households (earning more than 10 million JPY (US$105,000)/year).

- **Trade**: Japanese seafood importers, distributors, wholesalers and retailers

- **Foodservice Primary**: High-end (white tablecloth) restaurants and hotels, especially ones with connection to or preference for U.S. ingredients (Starwood, etc.)

- **Foodservice Secondary**: Culinary schools, cooking producers, chefs, delis, family restaurants and boxed lunch producers.
Activities

- Consumer
  - PR- Event Sponsorship, Press Campaigns/Missions Advertisements, Advertorials
  - Social Media
- Trade
  - Trade Shows & Seminars
  - Retail Promotions
  - Trade PR
- Foodservice
  - Hotel & Restaurant Promotions
  - Chef Seminars & Chef Competitions
Activity Highlights
Consumer PR

- Joint event with Alaska Tourism at the 2013 Japan Tourism event:

- ASMI receives roughly $50,000-$100,000 in free press each month.
Recipe Development

- ASMI Japan develops new recipes published online, in advertorials, and given out as recipe booklets
- Cook It Frozen!
- Developing NEW, non-traditional recipes
Recipe Development

Pacific Cod Fish Tacos

Sockeye Salmon Sandwich

Fish Burgers
Trade Shows:

- Japan Seafood Show (August)
- Supermarket Trade Show (February)
- Seafood Show Osaka (February)
- Tokai Denpun (February, every other year)
- ASMI invites Alaska seafood companies to exhibit within the ASMI booth space to jointly promote Alaska products.
Retail Merchandising

- ASMI partnered with the ATO to conduct an American foods fair with Aeon.
- In-store demos held in 100 Aeon outlets to help launch Alaska products
- Aeon is the largest retailer in Asia
Restaurant Promotions

- ASMI Japan collaborated with the city of Zushi to promote Alaska Seafood during their event, “Zushi Nomi” (an evening festival) in June.
- Four restaurants developed Alaska seafood menus.
Press Trips

- J:Com - Japan’s Largest Cable Channel produced a five-part series on Alaska
- Additional trips featuring print media, chefs, and ASMI’s Celebrity Ambassador
Questions?