

The Urban Turkish Salmon Consumer

– meeting the needs of a growing
population of salmon lovers



**NORWEGIAN
SEAFOOD
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Introduction

The Turkish economy is going through turbulent times, and the value of the Turkish Lira has decreased in recent years. Together with high inflation and interest rates this has made for challenging times for Turkish companies in the international marketplace. Despite this, the Turkish economy had steady annual growth between 2010 and 2017, in total 6.6 percent. The IMF estimates the Turkish economy will shrink by 2.5 percent in 2019, followed by a 2 percent growth in 2020.

Turkey is the main seafood producer in the Mediterranean, with a production of over 600,000 tonnes in 2018. Around half is local aquaculture, primarily sea bass and sea bream. Local wild fisheries primarily consist of pelagic species such as anchovies, sprat and pilchard, with most of the species being considered overfished (FAO 2018).

Despite being a big seafood nation in terms of production, average consumption among the Turkish population is low. Turkish consumers eat a lot more meat than seafood. Average annual meat consumption per capita is 32,4 kgs (OECD-FAO 2018), whilst only 6,14 kgs of seafood per person is consumed (Turkstat 2018). This places Turkey as one of the lowest per capita seafood consumers in Europe.

Turkey also has the highest obesity rate in Europe, 66.8 percent of the adult population is overweight or obese (WHO 2016). There is however increasing focus on diet and healthy eating in Turkey, which benefits the seafood category. Average seafood consumption figures increased by 11 percent last year (TurkStat 2018).

Norwegian salmon has close to 100 percent market share in Turkey, with total exports of 4,600 tonnes in 2018. This is however a sharp decline from 2016, when exports reached 8,200 tonnes. The sharp decline is caused by the economic downturn in Turkey, the price of USD has doubled against the TRL in the same period, as well as developments in the global salmon market. The price of salmon has increased due to increased global demand and there has been little growth in supply.

In a market facing challenging times, it is even more important to understand your target market. This was the background for this study. The Turkish seafood market is fragmented and with large regional differences. Despite improved distribution in Turkey in recent years most of the consumption of salmon in Turkey can be found in Istanbul and Ankara. This is where purchasing power is the highest, and are areas where there is large potential for growth. The study therefore focused on seafood consumers in these two cities, and will thus not be representative for Turkey as a whole.

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PART ONE

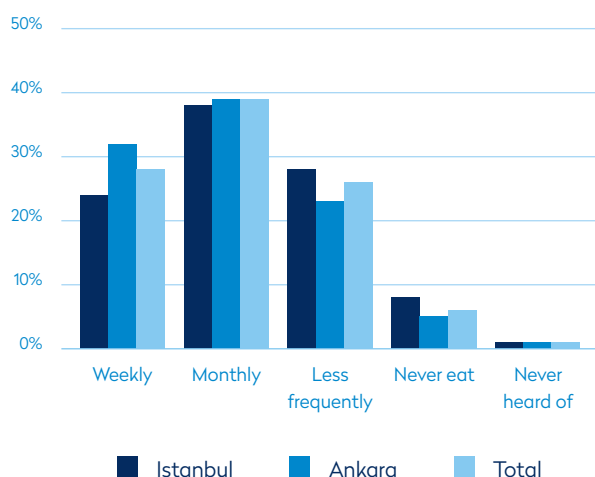
Urban Turks Want to Eat More Salmon

Salmon has high penetration in the urban Turkish seafood market, and more than 9 in 10 respondents say they eat salmon. This in itself presents great potential for increased consumption and growth.

78 percent of respondents answered they would like to eat more salmon than they do today.

Sixty seven percent of respondents in the survey state they eat salmon once a month or more, with 28 percent reporting they eat salmon weekly. This is slightly higher than findings from the annual Norwegian Seafood Council's Seafood Consumer Index from Turkey in recent years, but could be explained with the selection in this study representing only Ankara and Istanbul. Whilst such self-reporting tends to show higher than accurate numbers, especially considering the low per capita seafood consumption in Turkey, it provides useful insight into salmon consumers, who they are, and the potential for growth. The study found the highest proportion of regular salmon consumers among female respondents, married couples and families with children. In addition there is a strong link between higher income and high salmon consumption, and consumers in Ankara also report eating salmon more often than people in Istanbul.

How often do you eat salmon?



When asked directly, 78 percent of respondents answered they would like to eat more salmon than they do today. But the desire to eat more salmon is not evenly distributed. People in Ankara report a slightly higher desire to eat more salmon than people in Istanbul, and the trend is especially seen among married respondents, families with children, as well as among higher income groups. This indicates that salmon attracts consumer groups with a high purchasing propensity, and families with children, where salmon consumption habits are likely to pass down to a new generation of salmon consumers.

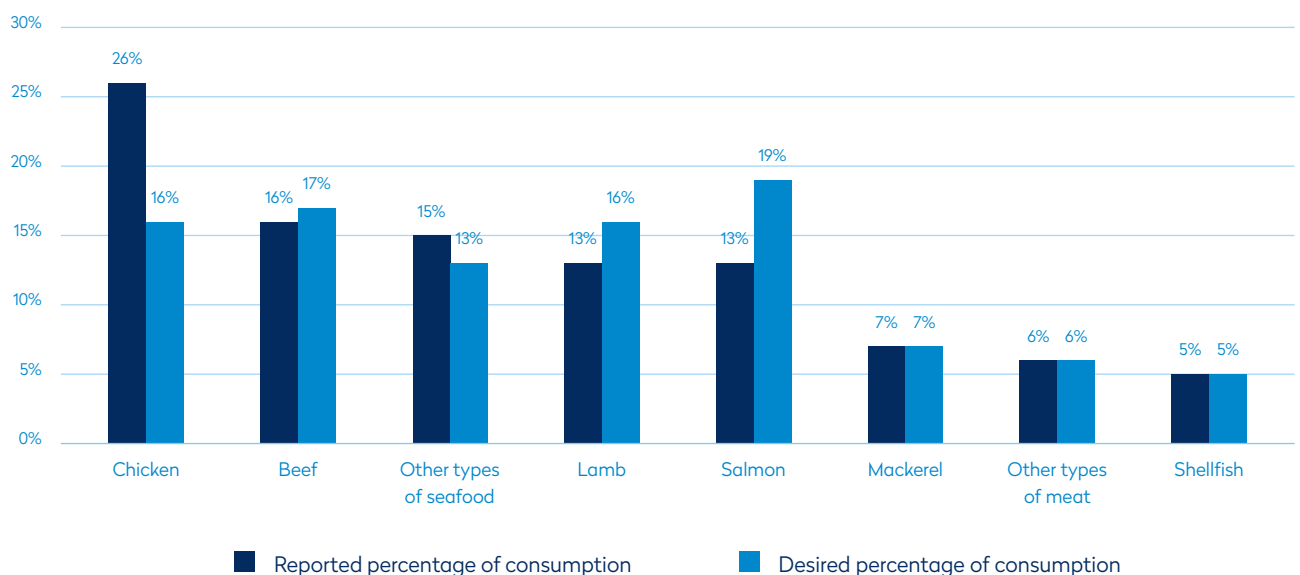
We wanted to explore how salmon consumption corresponds with other foods in the protein category. So we asked consumers how often they currently chose different proteins for their dinners, and how often they would like to eat various proteins if they could choose freely. The results indicate salmon is in a unique position among the proteins surveyed. There is a stronger preference for choosing salmon over all the other proteins, and there is a significant gap between current behaviour and desired behaviour.

One of the most interesting findings from this is the suggestion that salmon to a large degree does not compete with other seafood products in the protein category. Respondents who expressed a desire to eat more salmon primarily stated they would like to do so at the expense of lower consumption of chicken, and not other seafoods.



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Reported vs. desired protein consumption



PART TWO

What Needs to Happen to Increase Consumption?

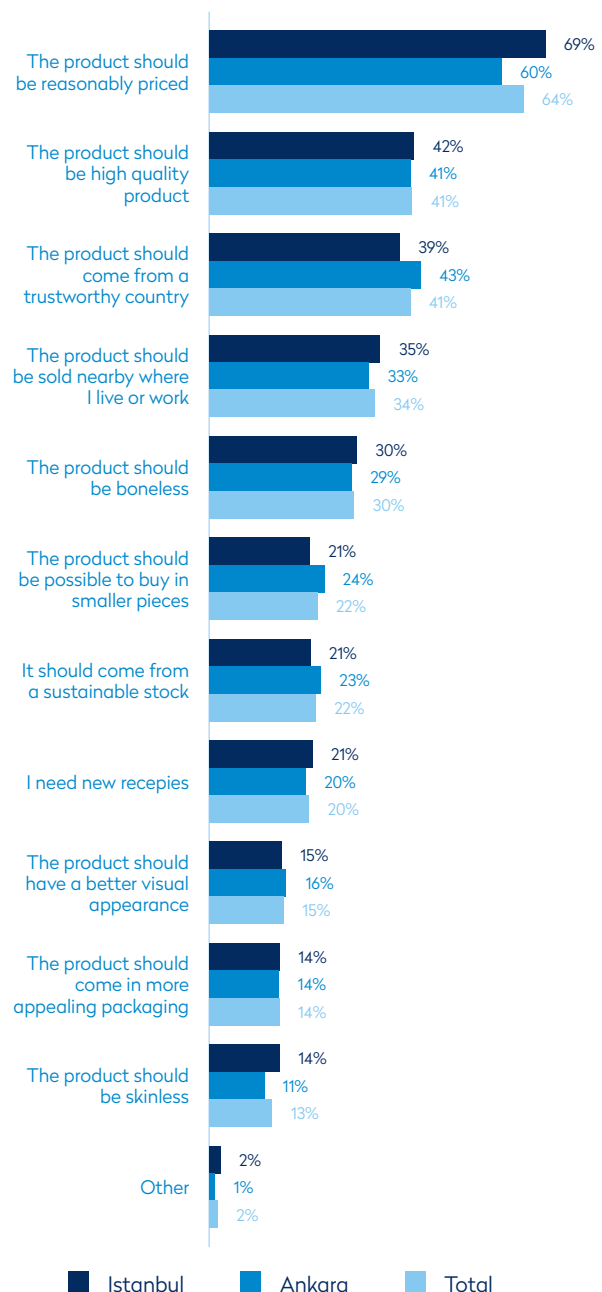
So the study shows clearly that urban Turkish consumers would like to eat more salmon, but what is stopping them from acting on their desires?

As in most other markets, people report price being the most important driver to increase salmon consumption. Due to growth in demand and stagnant production growth, the price of salmon has risen sharply across the world in recent years, and the economic downturn in Turkey has led to salmon becoming even more expensive to Turkish consumers. Nonetheless, the number of people reporting price as an important factor is no larger in Turkey than in other European markets.

But price is not the only factor. Availability of high quality products and a coming from a trustworthy country of origin were listed as important factors for 41 percent of respondents to consume more salmon. In fact, among the most frequent consumers of salmon, availability of high quality products from a trustworthy country is of equal importance to price. This indicates that clear origin labelling on seafood products is of importance to Turkish consumers.

The study shows that Norwegian salmon has a very strong position among Turkish consumers, and consumers to a large degree prefer their salmon to come from Norway. This is positively correlated with high consumption, and older respondents have a tendency to have a higher preference for Norwegian origin than younger consumers.

What is important for you to eat more salmon?

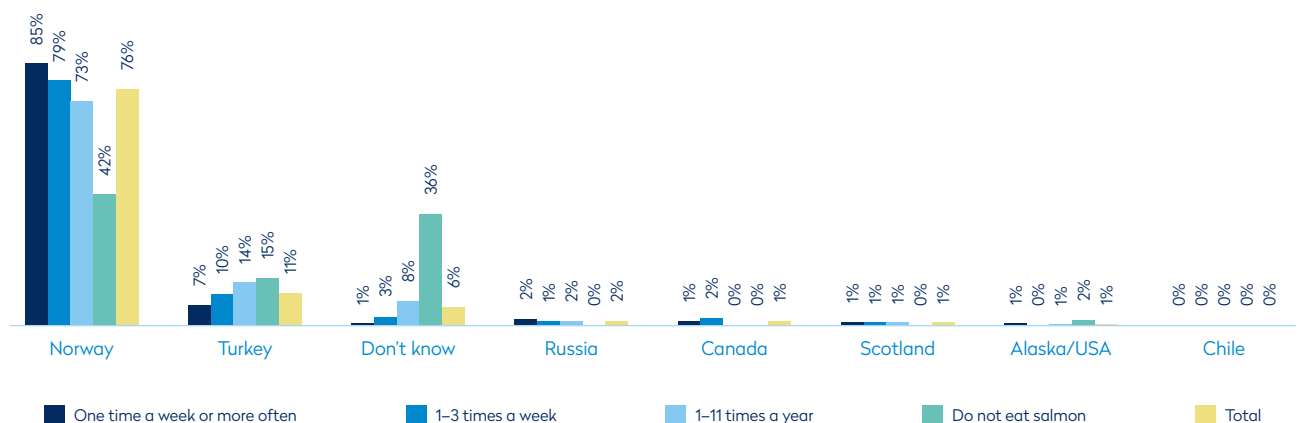




This finding is also confirmed in the annual NSC Seafood Consumer Index study, where preference for Norwegian salmon is high and has increased sharply over the past few years. In 2012, 41 percent of respondents said they had a preference for Norwegian salmon, only 6 years later (2018) it had increased to 69 percent (SCI 2018). There are clear indications that Norwegian origin is more preferred among frequent salmon consumers, among females and older consumers, yet preference for Norwegian salmon is growing more quickly among young females than any other group.

In relation to this it is interesting to look at what motivates people to eat salmon, where we find health and taste being the main reasons for eating salmon. Tasting good and health benefits are listed by 75 and 73 percent of respondents respectively, with health benefits being even more important among female consumers. In this group we also find the highest proportion of consumers eating salmon because it is quick and easy to prepare, something which brings us on to the interesting area of shopper behaviour.

What is your preferred country of origin for salmon?



PART THREE

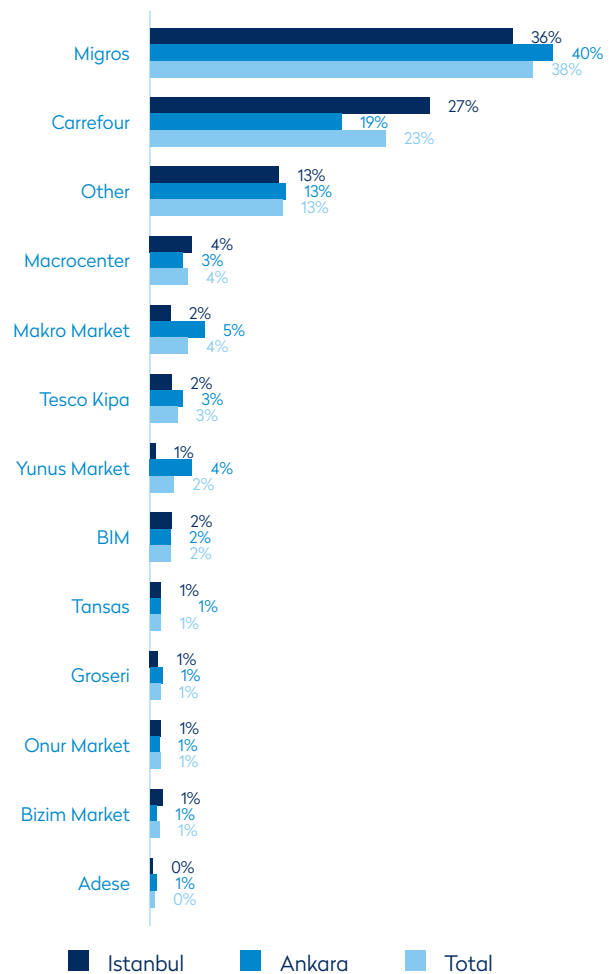
Turkish Salmon Eaters Plan Well in Advance

According to the survey, consumers usually buy their seafood in fishmongers/delis and supermarkets, and people reporting higher salmon consumption are also more likely to state they buy their products in a supermarket or a fishmonger.

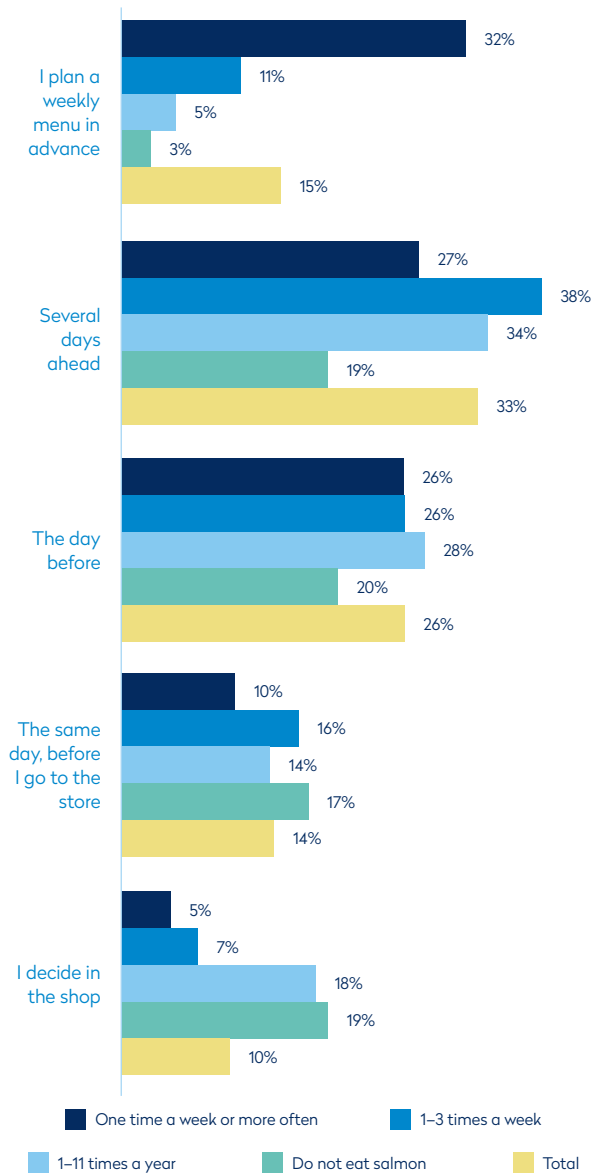
In the supermarket category, Migros and Carrefour account for more than 60 percent of the self-reported purchases of salmon. Migros is substantially larger in Ankara, whilst it is more even between the two chains in Istanbul. This corresponds to a large degree with findings from the NSC Seafood consumer index, but differs somewhat from total sales in the supermarket sector, where BIM has the highest total sales, and Carrefour is not in the top 5 (Edge Retail Insight). These findings suggest some retailers have better seafood offerings and are better at promoting salmon to target audiences than others.

To get a better understanding of shopper behaviour when it comes to seafood, we asked people when they typically decide to prepare a seafood meal. Perhaps more so than for other foods, seafood meals are often planned days in advance, with only 1 in 4 respondents stating they decide on the day or in the shop. Among the high frequency salmon consumers, the results are particularly interesting as 85 percent say they plan their seafood meals more than one day in advance, and 1 in 3 of respondents in the highest consumption segment planning their meals on a weekly basis. Higher income groups also tend to have a longer planning horizon than those with less income. People in this category tend to lead busier lives, making planning in advance crucial. They are likely to spend less time in the shops, making them less impulsive in their purchasing behaviour.

Where do you usually buy salmon?



When do you normally plan a seafood dinner?



This finding is of particular interest to advertisers and marketers, as it points to target audiences being potentially more effectively reached through channels such as social media, TV, magazines and newspapers. It may also have implications for how and where retailers and seafood producers speak to their customers. While there is no doubt that enforcing messaging and inspiring customers in the retail space is an important way to reach consumers, this study suggests reaching customers through other channels, influencing consumers' decisions before they come to the shop could be more effective.



Photo: NoyanYalcin/Shutterstock.com

PART FOUR

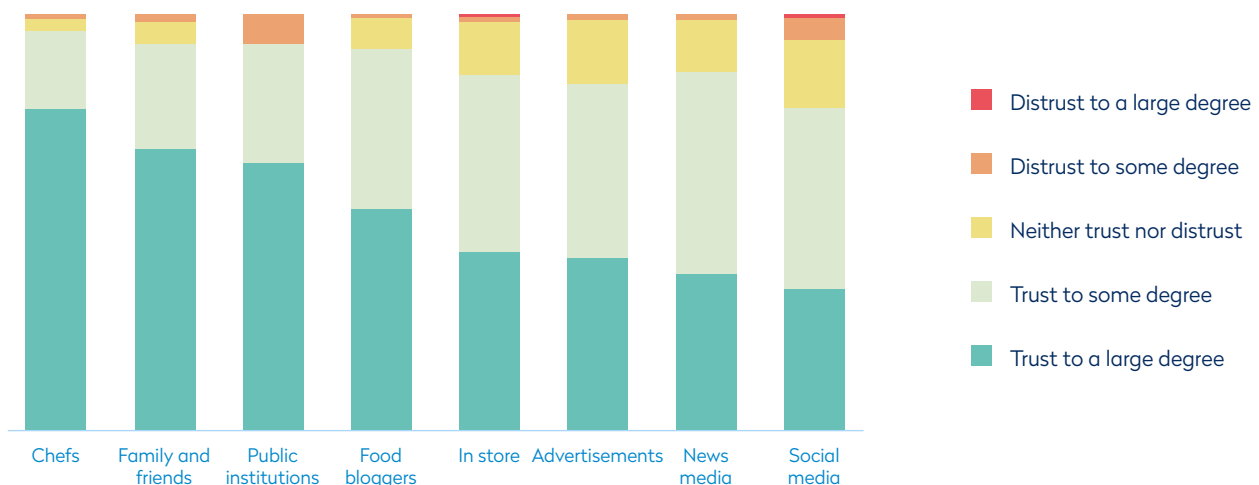
Communicating Effectively with Current and Potential Salmon Consumers

Armed with the assumption that salmon eaters to a large degree plan their seafood meals in advance, it is valuable to understand more about how and through what channels to reach potential customers.

Culture is an important factor when communicating with consumers, and impacting behaviour change is intrinsically correlated with cultural norms in any market. We asked consumers where and how much trust they place in various sources of information about food, insight which may help businesses communicate their messages targeting their audiences more effectively.

The results indicate that urban Turkish consumers place the most trust in getting their information about seafood from chefs and food bloggers. Advertising is still the medium with the highest reach, but does not have the same trust levels as for example chefs and food bloggers.

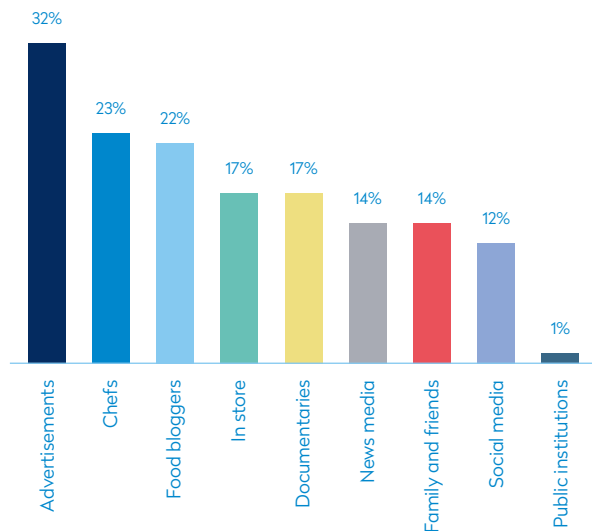
How much do you trust these channels for food information?



In order to identify which channels are having the greatest impact on consumers' impression of Norwegian salmon, we look at two factors: Recent change in impression of Norwegian salmon, and channel reach.

We look at change in consumers' impression when having heard about Norwegian salmon in that given channel, and how many have been in contact with that channel. The more people overall who have a more positive impression after exposure in that channel, the more impactful this channel is in regards to positively influencing consumers' impression of Norwegian salmon.

Impact score (reach x effect)



The findings suggest all channels have a net positive impression on people's perception of Norwegian salmon. Advertising has the highest impact score despite having only a medium trust score. This is because of advertising's much higher reach compared to other channels. Chefs come out as a channel with high impact combined with high trust.

This suggests a mix of channels could be an effective way to reach consumers with messaging, and not only relying on traditional advertising in Turkey. By focusing on communicating what is important to customers, reaching them when they are planning their weekly meals and through channels they trust, the pool of frequent and faithful consumers can increase.



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Conclusion

Despite the recent fall in the consumption of Norwegian salmon in the Turkish market, this does not appear to be caused by a fall in reputation or desire to eat salmon. Quite to the contrary, this study suggests urban consumers in Istanbul and Ankara have a strong desire to eat more salmon, and place high trust in the Norwegian origin. Whereas price is an important factor for why people are not eating as much salmon as they would like to, this study clearly shows that providing high quality products from trustworthy origins, such as Norwegian, is almost equally important to some of the highest consuming groups.

To urban Turkish consumers it appears salmon is not a competitor to other seafood in the protein category, but rather as a desired substitute for chicken. Above all the other proteins surveyed, salmon was the food most wanted to eat more of, hinting to a untapped market potential which could be realised through providing the right products through the right channels and with the most efficient marketing.

With the challenging economic situation, knowing how to reach your customers in the most cost-effective way is key. This survey suggests seafood consumers in Istanbul and Ankara to a very large degree decide what to eat way in advance of going to the supermarket or fish monger. This emphasises the need for marketing and communications to happen also outside of the retail space, through trusted channels where urban Turks look for meal inspiration.

Salmon has a strong position in consumers' minds in Turkey, and there is potential for growth given the right products on offer, promoted through the most efficient channels. The forecasted improvement in economic stability and growth could see the market change rapidly, and salmon could quickly take a larger share of protein consumption in the large cities.









Sources

**Study conducted by TNS Kantar
for NSC in 2019**

- ◆ Survey of 1500 seafood consumers in Istanbul and Ankara (50/50 split)

NSC seafood consumer index

TurkStat – Fishery products 2018

OECD-FAO Agricultural Outlook (Edition 2018)

FAO - The state of Mediterranean and Black sea fisheries 2018

Edge Retail Insight (Formerly Planetretail RNG)

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