
Consumer Behavior Towards Fish and Fishery Products of Ceylon Fisheries Corporation: A Case Study of CFC Retail Outlet in Tangalle, Sri Lanka.

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Abstract

Ceylon Fisheries Corporation (CFC) has launched a programme to distribute nutritional value of fish among the nations by providing quality fish at a competitive price through their retail stalls, Laksathosa, Co-op city outlets and Economic centers. Primary objective of this study was to examine the consumer behavior towards the CFC fish and fishery products. This research further examined the present situation of CFC retail outlet in *Tangalle* and proposed suggestions to enhance market share for CFC fish and fishery products. A questionnaire survey was conducted using a convenience sample of 55 consumers in *Tangalle* considering the easy access to the respondents. Wilcoxon signed rank test was applied for the analysis. SWOT analysis was performed to scan the internal and external environment of CFC *Tangalle* retail outlet. Although, consumers from *Tangalle* city had a positive perception regarding availability of different CFC fish and fishery products and quality assurance of the products, they had a poor knowledge about fish price. Therefore, pricing policy of CFC should well communicate to the public. Employing CFC own boats at *Tangalle* harbor will enhance supply of CFC fish at a reasonable price. CFC is responsible for supplying fish to all government hospitals hence *Tangalle* CFC retail outlet can provide fish to *Tangalle* hospital. As publicity and promotional campaigns are paramount important to enhance market share, conducting "Fish Mela" sales in *Tangalle* and surrounded cities are proposed to increase the public awareness about CFC fish and fishery products.

Key words: Ceylon Fisheries Corporation, Consumer behavior, Price, Quality

Introduction

Vision of Ceylon Fisheries Corporation (CFC) is "to be the leading commercial organization, guiding and promoting fish production and trade for the benefit of the consumer and the producer". To achieve this vision, plans have been carried out to enhance fish harvest while increasing fish consumption. According to Wijeratne and Maldeniya (2003), fish is considered as a main and preferred source of animal protein in Sri Lanka. Therefore, CFC has launched a programme to provide fish at a competitive price through their retail stalls, Laksathosa, Co-op city outlets and Economic centers.

CFC mission is to engage in production and marketing of quality fish and value added products at a reasonable price. The pricing policy of CFC was designed to ensure affordable prices for consumers which are much below the average market price. According to accelerated programme, CFC planned to increase its contribution at

least by 3.7 percent by the end of 2011 which was expected through new outlets including sale of different varieties of fish products such as dried fish, canned fish, maldive fish etc (<http://fisheriescorporation.gov.lk/messages/>). The final goal of "CEYFISH" is to distribute the nutrition value of fish among the nations providing quality fish at the lowest price with a 100 percent consumer protection to the consumers' doorstep. It would ensure the fulfilling of CFC's responsibility towards the general public by assuring quality fish at an affordable price and fish are freely available at stalls throughout the island. However, it is still questionable how far CFC has achieved its vision and mission in terms of satisfying consumers by providing quality products at lower prices.

Hence, it is important to study the consumer behavior towards CFC fish and fishery products. If there is no demand for CFC fish and fishery products by Sri

Lankan consumers, establishing new outlets and providing different fish and fishery products are in vain. A clear understanding of consumer behavior towards CFC fish and fishery products consumption is important. Therefore, primary objectives of this study were to examine the consumer behavior towards the CFC fish and fishery products and to propose the ways and means of improving the market share for CFC fish and fishery products.

Materials and methods

There are nine established CFC retail outlets in Hambantota district. Out of them, Tangalle retail outlet was selected considering the easy access to do institutional analysis. Further, a survey was conducted in Tangalle to examine the consumer behavior towards CFC fish and fishery products of Tangalle retail outlet. Considering the easy access to the respondents, convenience sampling method was used as a survey design. A convenience sample of 55 respondents was selected from Tangalle city and after questionnaire screening, 50 usable questionnaires were obtained from the survey.

In order to achieve the objectives of this study, the relevant data and information were collected through primary and secondary sources. Primary data were collected using a field survey. A structured questionnaire was formulated for the task of primary data collection. It was pre-tested with fish consumers and modified with the given feedback. Further, informal discussions were made with fish consumers. Secondary data were collected from books, journals of consumer behavior and from internet to find out information about CFC and consumer behavior.

Data were analyzed by employing Wilcoxon signed rank test. SWOT analysis was performed to scan the internal and external environment of CFC. Environmental factors internal to the institute are classified as strengths or weaknesses and those external to the institute are classified as opportunities or threats.

Results and discussion

Majority of the people in Tangalle would like to consume fresh fish. Because they believe that fresh fish are rich in taste and nutrition value. Therefore, there is a poor demand for frozen fish in Tangalle. Tangalle CFC receives fish from Colombo, Dikwella and Tangalle harbor. Skipjack tuna, yellowfin tuna, sail fish and sardinella are the most commonly available fish varieties in Tangalle CFC retail outlet. Usually, their monthly fish sale is around 950-970 kg. Only a small portion of fish i.e. 2-3 kg remains as unsold fish. However, it is not a very big issue for CFC as they have recently started to produce dried fish from unsold fresh/ frozen fish. In addition to fresh, frozen and dried fish selling, Tangalle CFC sells canned fish produced by CFC.

According to the SWOT analysis of CFC Tangalle retail outlet, identified strengths are reasonable price for fish and fishery products, displaying a price index, handling managerial position by a residential person from Tangalle, location of the CFC retail outlet and strategy of converting unsold fish into dried fish. Major weaknesses are unavailability of different varieties of fish, poor brand name for their products, lack of publicity for their products and low market share. Consumer preference for fish consumption is a blessing opportunity to CFC. However, CFC has several competitors such as harbor, a popular private fish marketing shop and a super market nearby CFC those act as a threat for the CFC. Poor reputation for their products among the public has threaten the CFC sales. Results of SWOT analysis prompt CFC to move in a balanced way throughout their operation programme by enhancing its strengths, minimizing weaknesses, seizing opportunities and counteracting threats.

In this study, consumer behavior towards CFC fish was measured by using attitudes of the consumers about CFC fish products, perceptions regarding to price and value of CFC fish, quality of CFC fish and availability of CFC products (Table 1). Although, attitudes of respondents were significant with regard to nutritious and healthiness of CFC products, they have a significant disagreement about safety of the products

as majority of the products are available in frozen form. Findings revealed that CFC products provide good value for money spent by the consumer because eating CFC fish is economical. Slogan of CFC business; "Best fish at best price" has further confirmed by the respondents as they did not feel any matter arising from the CFC products quality. Availability of different fish species in different conservation forms (i.e. frozen, dried) at Tangalle CFC retail outlet was significantly proved by this research.

Although, consumers from Tangalle city had a positive perception regarding availability of different CFC fish and fishery products and quality assurance of the products, they had a poor knowledge about fish price. Therefore, pricing policy of CFC should well communicate to the public. Employing CFC own boats at Tangalle harbor is suggested to enhance supply of CFC

fish at a reasonable price as it can combat the competition arising from the competitors.

CFC is responsible for supplying fish to all government hospitals hence Tangalle CFC retail outlet can provide fish to Tangalle hospital. To seize the opportunity of acquiring a higher market share, attraction of more and more consumers are paramount important. Publicity and promotional campaigns are paramount important to enhance market share.

Conclusion

Although, consumer behavior was significantly positive for attitudes towards fish and fishery products of CFC, availability of different CFC fish and fishery products and quality assurance of the products, they had a poor perception regarding fish

Table 1: Result of the Wilcoxon signed rank for consumer behavior variables

| Variables | Mean | Z value | Remarks |
|---|-------|---------|---------|
| Attitudes | | | |
| Taste | 0.28 | 1.84 | A |
| Texture | 0.3 | 1.86 | A |
| Smell | 0.26 | 1.57 | A |
| Appearance | 0.22 | 1.31 | A |
| Nutritious | 0.8 | 3.83* | A |
| Healthy | 0.7 | 3.49* | A |
| Safe | -1.56 | -5.61* | SD |
| Price and value | | | |
| CFC fish is very expensive | 0.32 | 1.25 | NI |
| Eating CFC fish is suitable for my budget | 0.32 | 1.53 | NI |
| Eating CFC fish is good value for money | 1.06 | 4.35* | A |
| I would like to eat CFC fish because it is economical | 1.14 | 4.33* | A |
| Tangalle CFC retail outlet displays its fish price index | 0.72 | 3.17* | A |
| Quality | | | |
| Sanitation condition of the CFC is sufficient | 1.88 | 7.76* | SA |
| CFC fish are free from chemical contamination | 1.68 | 6.23* | SA |
| CFC fish are free from bacterial contamination | 1.58 | 6.86* | SA |
| Only visual observation are sufficient to judge the quality | 1.42 | 5.12* | SA |
| Illness due to poor product quality | -1.74 | -5.64* | SD |
| Availability | | | |
| Different fish spp. are available at CFC | 1.64 | 5.96* | SA |
| Different conservation forms | 1.04 | 4.47* | A |
| Opportunities are available to buy cut piece of fish rather than whole fish | 1.12 | 4.33* | A |

price. Therefore, conducting "Fish Mela" sales in Tangalle city and surrounded cities are proposed to increase the public awareness regarding CFC fish and fishery products.

References

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