



**Nofima**



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# **Comparing market orientation and success of fresh cod value chains**



**Market orientation is the organizationwide generation, dissemination, and responsiveness to customer and competitor intelligence.**

**Jaworski and Kohli, 1993**

# The Norwegian challenges

- Comodity product
  - Seasonality, migration and nature
  - Stucture of the industry
  - Distance to an international market
  - Weather dependent
  - High production costs
  - Perishable product
- **Speed is of the essence!**



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# Research questions

- How market orientet are the Seafood industry?
- How is it implementing Market orientation?
- How can it be improved?
- Are the companies working in a more market oriented value chain having a stronger economy?

# Two full value chains

- In depth interviews
- From fishermen in North-Norway to point of sale in France and Germany
- Economic information from [www.proff.no](http://www.proff.no)



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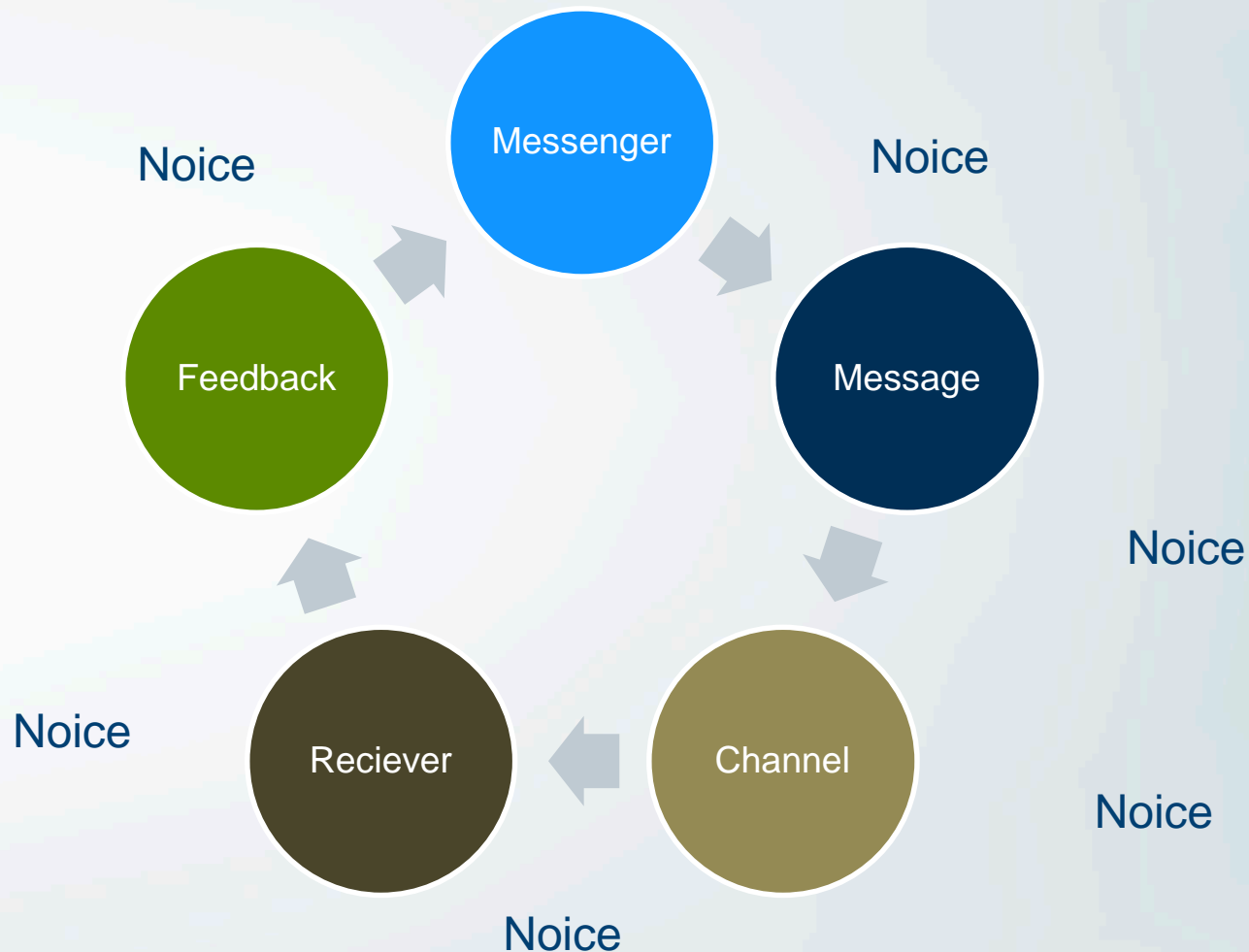
# Why a qualitative method?



Research in management disciplines, neither basic research nor applied research can rely on mainstream quantitative techniques. These are too shallow as they can harbour too few variables, do not put studied phenomena in their proper context, and sweep persons under the carpet.

**Gummesson 2006**

# The Communication of information





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# The parts of the Value chain



1. Fisherman
2. Buyer/ processor/ packer
3. Exporter
4. Importer/ Wholesaler
5. Retailer/ fishmonger

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# Criteria for MO discussed in interview

- Handling of negative information
- Sharing of positive information
- Specifications are understood and forefilled
- General knowledge about factors in market/ origin
- Internal information flow
- Communication externaly
- Internal or external focus in discussion

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# The two value chains - similarities

- The end points have much less information
- Handle reclamations well
- Do not share positive feedback
- Use new tecknology for communication internaly and externaly
- Physical meetings with customers at least once a year
- Some customer visits at production sights

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# Differences

## Medium company

- Internally direct communication between key persons
- Adapting production to customer wishes quickly
- Aims for full tracability in production
- External focus

## Large company

- Joint meetings with all key employees in the company
- Slow at adapting to customer wishes
- No tracability in production
- Internal focus

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# Market orientation and economy

- The company with a stronger market orientation has a much stronger financial situation



**It's not a question that we have the knowledge and they don't have the knowledge. It's a question that they have the fish and the knowledge of fishing, and we are in the market**

**French importer**

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# Implications for Norwegian seafood companies

- Include staff and fishermen
- Improve on positive feed back
- Strive to make information gathering and spreading a continuous work
- Supply information and ask for information
- Press that the exporter/importer shares information further through the value chain
- Strive to get visits and go on visits
- The result- a stronger financial situation



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**Takk for oppmerksomheten**

[www.nofima.no](http://www.nofima.no)