

PRESENTATION SLIDES FROM 2017 MACKEREL OPEN FORUM

Seoul, 22 March 2017



- 1) Paul Tsai, Promar Consulting:
- Norwegian Mackerel potential in Korea
- 2) Jan Erik Johnsen, NSC:
- Task force team & marketing practices

- 3) PR agency Hahm Shout
- 2016 review and 2017 marketing plans

- 4) In-store agency BJ International:
- 2016 review and 2017 promotional plans



Norwegian Mackerel's Potential in Korea

Paul Tsai, Senior consultant, Promar Consulting

INTRODUCING PROMAR CONSULTING



- RESEARCH AND CONSULTING COMPANY SPECIALIZING IN FOOD, AGRICULTURE, FORESTRY AND FISHERY PRODUCTS
- FOUNDED IN 2000
- WORKING WITH NSC IN RESEARCH FOR 12 YEARS (SINCE 2005)
- PROVIDING RESEARCH FOR NSC IN MACKEREL, SALMON, CAPELIN, KING AND SNOW CRAB, HERRING (MORE THAN 30 PROJECTS)

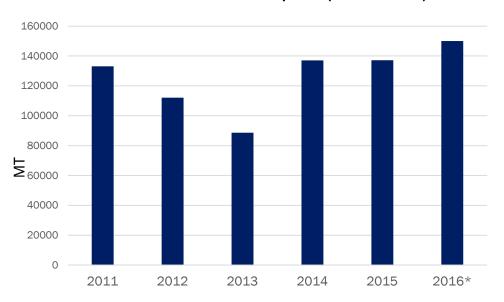
THE ROLE OF PROMAR CONSULTING

PROVIDE NSC WITH MARKET ANALYSIS

BETTER PROMOTIONAL STRATEGY

Mackerel consumption in Korea drew a U-shaped curve from 2011-2016

Korean Mackerel Consumption (2011-2016)

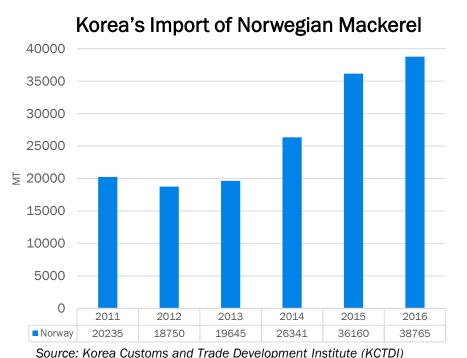


*Estimated

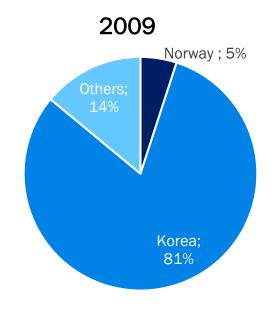
Source: Ministry for Food, Agriculture, Forestry, and Fisheries of Korea, Korea Customs and Trade Development Institute (KCTDI), Fish Flow Information System (FIFIS) of Korea

Norway's supply reached a record high in 2016

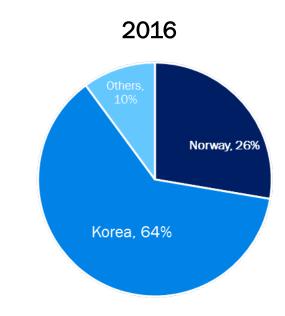
- Due to the decrease in large domestic mackerel and mackerel from other supplying countries, the demand for Norwegian mackerel has been high in recent years.



Norway is now the second biggest supplier of mackerel in Korea

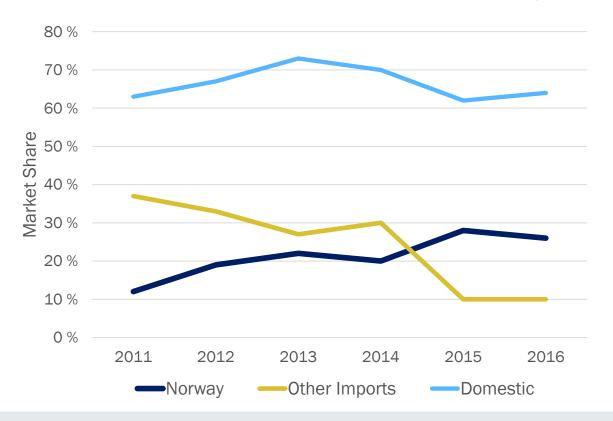


Imported Volume: 152,000 MT

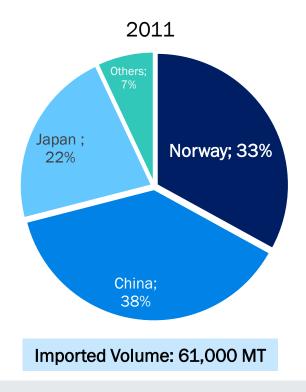


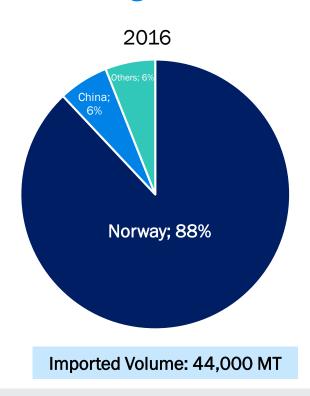
Imported Volume: 150,000 MT

Norway has increased its share over the past few years



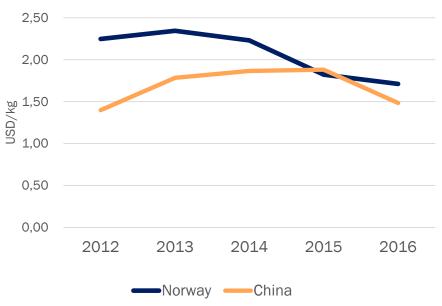
Norway is the leading supplying country since 2012. In 2016, its share among the exporting countries reached an all-time high of 88%





China used to have price advantage over Norwegian mackerel but not anymore

The biggest advantage of Chinese mackerel is that it is similar to Korean mackerel.



Source: Fisheries of Korea, Korea Customs and Trade Development Institute (KCTDI), Fish Flow Information System (FIFIS) of Korea

There are primary 3 products in the market: 1) fresh, 2) salted (jaban) and 3) frozen fillets





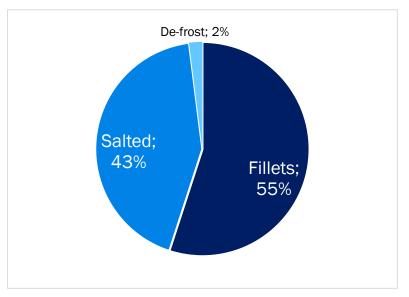




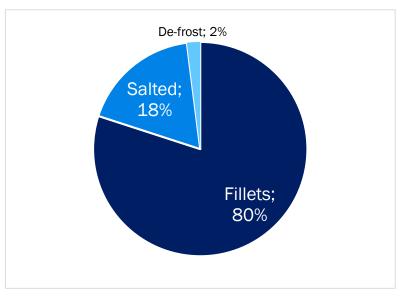


End use of Norwegian mackerel – Fillets increasing



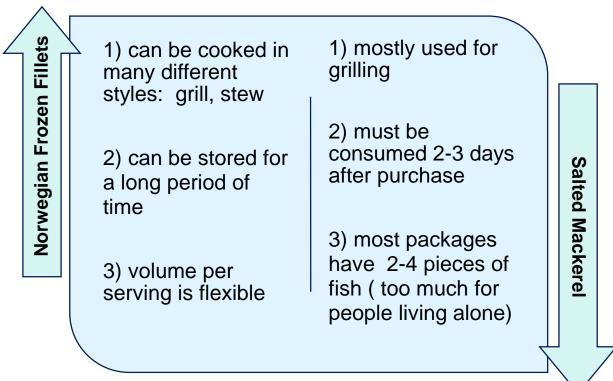


Norwegian Mackerel Volume: 26,000 MT



Norwegian Mackerel Volume: 39,000 MT

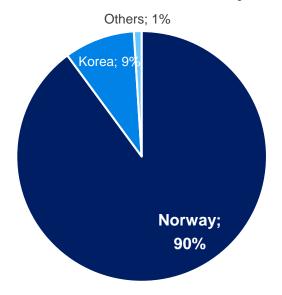
Norwegian mackerel trend: Frozen fillets > Salted mackerel



In 2016, Norway's share in the mackerel fillet sector was 90%.

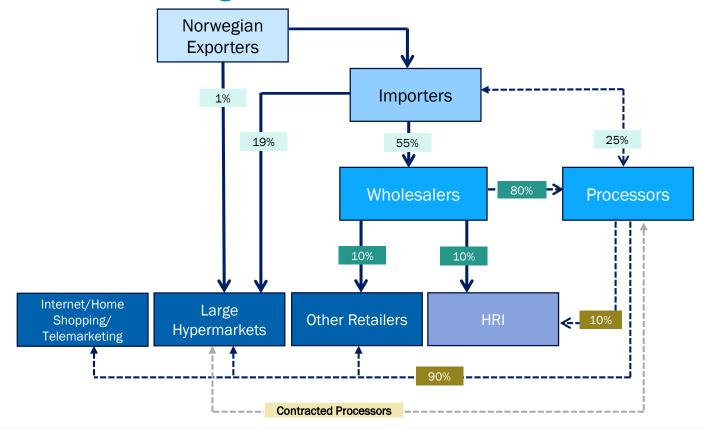
- Due to the lower cost of labor, the majority of mackerel fillets are processed in Korea.

Breakdown of Mackerel Fillets by Country



Source: Promar Consulting

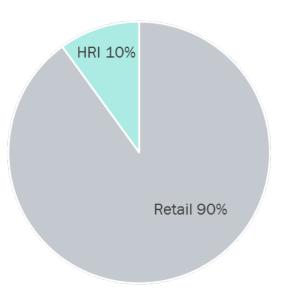
Distribution of Norwegian mackerel



Norwegian mackerel are mostly sold through retail



End Channels

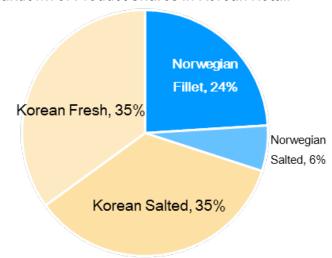




Norwegian Mackerel Volume (2016): 39,000 MT

In the retail sector, Norwegian mackerel accounts for 30% of mackerel sales

Breakdown of Product Shares in Korean Retail

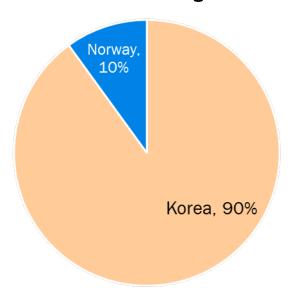


Depending on the season, 2-3% of the Norwegian mackerel is de-frost product

	Fillets	Fresh Mackerel	Salted Mackerel
Trend	1	\rightarrow	1
Main Consumers	Both males and females	Females over 40	
	under 40		

In high-end retail, domestic is still the more popular choice

Mackerel Sales in High-end Retail





Branded Domestic Mackerel - Andong

Photo Credit: Andong Salted Mackerel Homepage

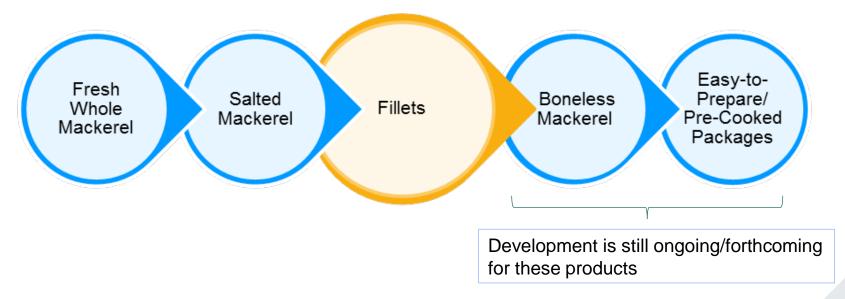
In retail, Korean mackerel are generally higher priced than Norwegian mackerel

Mackerel Retail Prices in 2017

Country	Product Type	Price (KRW/100 g)
Korea	Branded Mackerel from Andong	2,000-3,000
Korea	Fresh (headless)	1,200-1,900
Korea	Salted	800- 1,100
Norway	Fillets	1,000-1,200
Norway	Salted	1,000

Fillets are the main product for Norwegian mackerel, but there may be room to develop more value-added products.

Evolution of Mackerel Products in Korea



Strengths of Norwegian mackerel

- Norwegian mackerel is the only product that has <u>consistent quality and supply</u>, especially for large size mackerel.
- The <u>image</u> of the country of origin is very favorable (Norway is known for its clean ocean).
- NSC is the only seafood industry organization that is <u>promoting</u> mackerel in Korea.
- Many processors prefer Norwegian mackerel because of its <u>larger size</u>.
- Some consumers, especially at retail, are recognizing that Norwegian mackerel has better taste than mackerel of other origin.
- New products such as "<u>boneless mackerel</u>" are processed from Norwegian mackerel

OPPORTUNITIES for Norwegian mackerel

- Many retail buyers and processors prefer Norwegian mackerel due to lack of large domestic mackerel in the past few years
- There is continuous demand for frozen fillets, in which Norway has a dominating presence
- Higher-value products such as boneless mackerel which emerged in the market recently are expected to be popular among young and elderly consumers.





Task force team & marketing practices

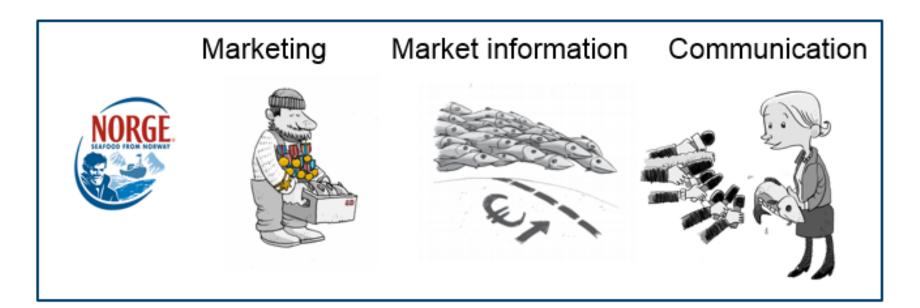
Jan Eirik Johnsen, Norwegian Seafood Council Marketing Manager Small Pelagics and Shellfish

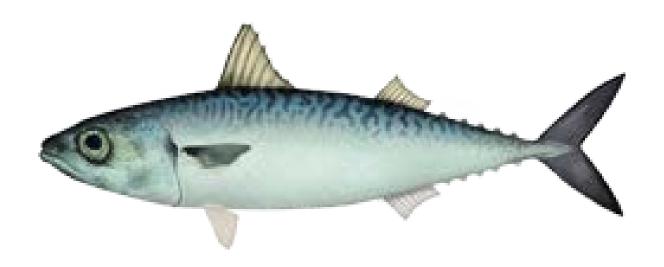
The Norwegian Seafood Council

- Established in 1991
- Owned by the Ministry of Trade and Fisheries
- Financed by the Norwegian seafood industry
- Working together with and on behalf of the Norwegian seafood industry
- Conducted marketing in Korea since 2000

21.03.2017

The Norwegian Seafood Council

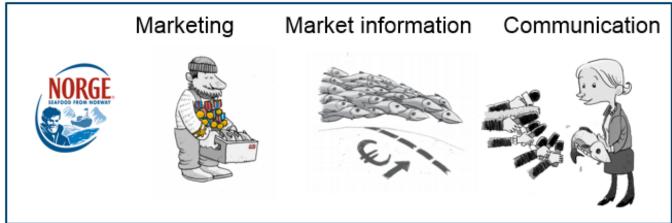




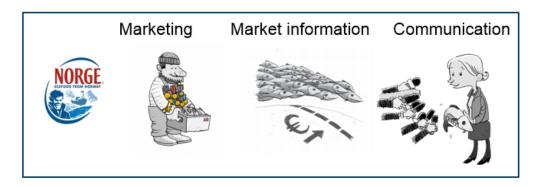
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The Norwegian Model





The Industry and The Seafood Council





Task Force



Norwegian Seafood in Korea

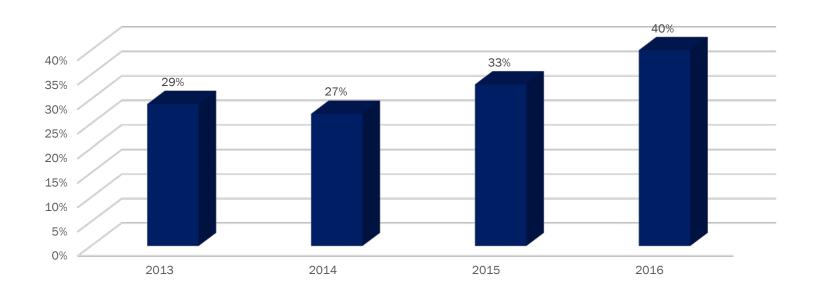
- Mission: Increase the value from sales of Norwegian Seafood
- How?
 - Knowledge
 - Preference
 - Visibility and branding in stores

Norwegian Seafood in South Korea

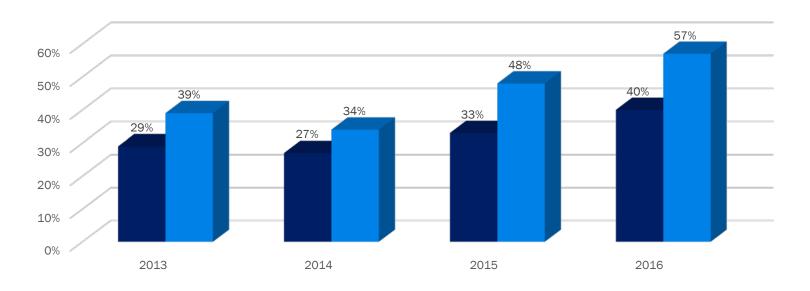


Output from online survey conducted in february 2017 with TNS Kantar. Assosiations to Norway

Knowledge - Norway - all population

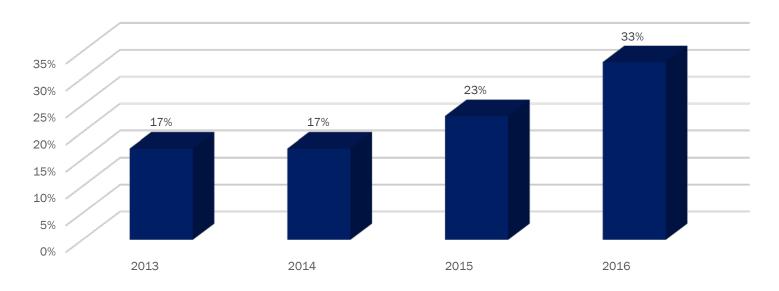


Knowledge - Norway - Target Group



Target Group: Females between 30 and 50 years of age with children living at home and with an average or above average (subjective) household income.

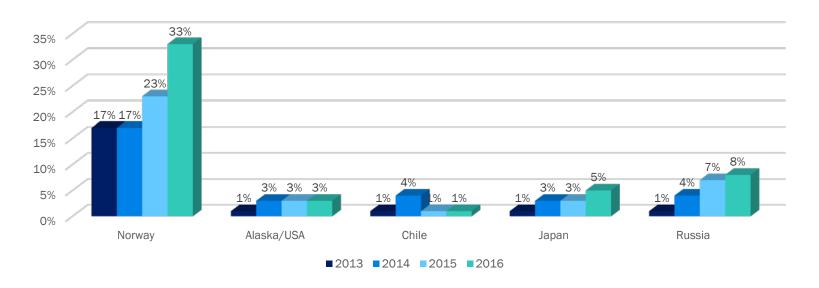
Preference – Target Group



Target Group: Females between 30 and 50 years of age with children living at home and with an average or above average (subjective) household income.

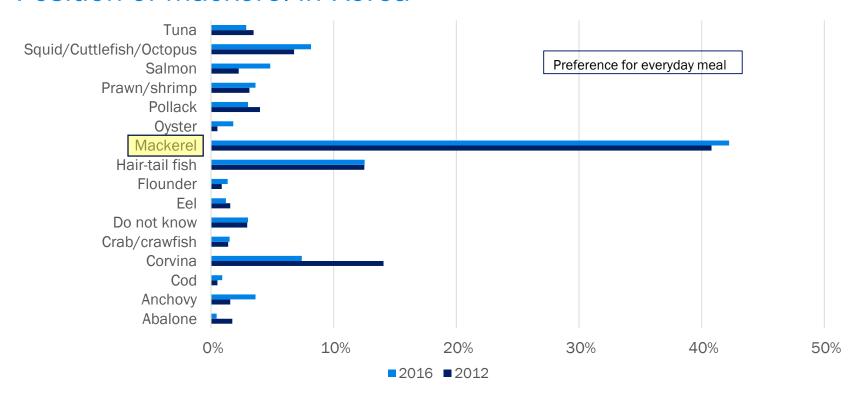
Preference for Imported Mackerel - Target Group

23.03.2017

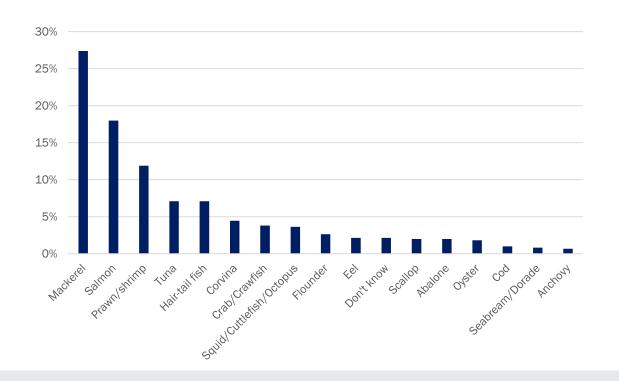


Target Group: Females between 30 and 50 years of age with children living at home and with an average or above average (subjective) household income.

Position of mackerel in Korea



Mackerel is the children's favorite



22.03.2017

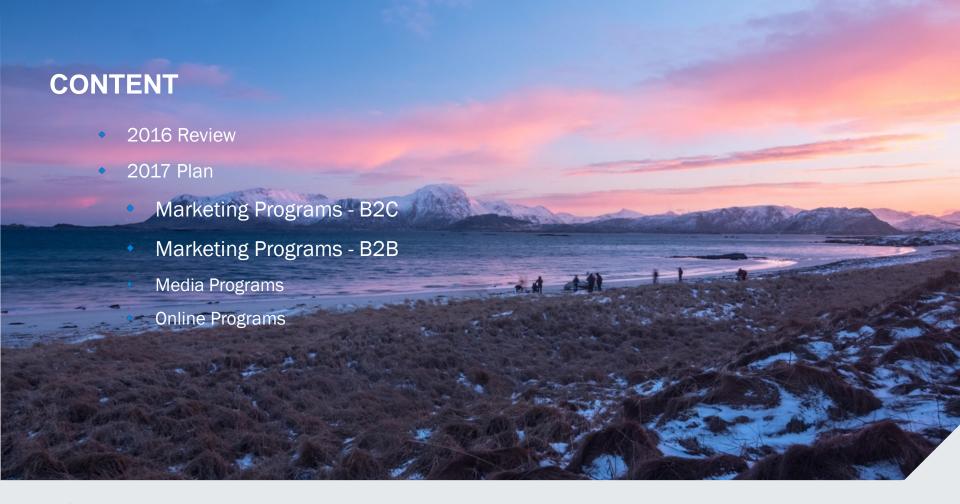
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Norwegian Mackerel 2017 Marketing Plan

Presented by Hahm Shout



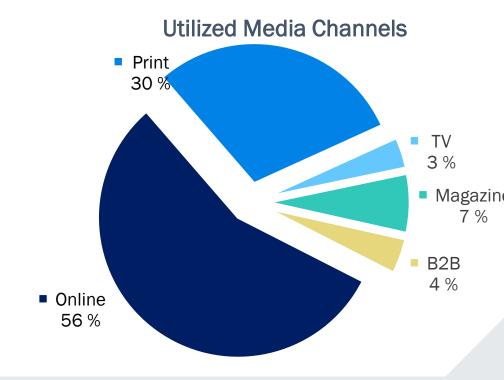
Review - Media Activities

Total Coverages for 2016

335

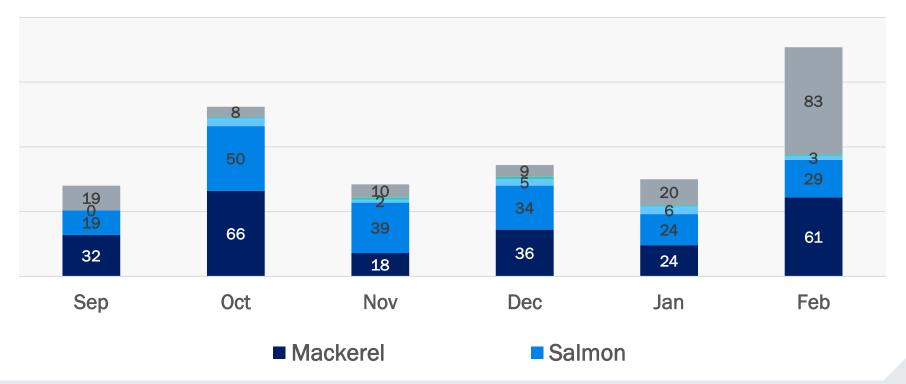
estimate AD Value for 2016

1.66 Billion KRW

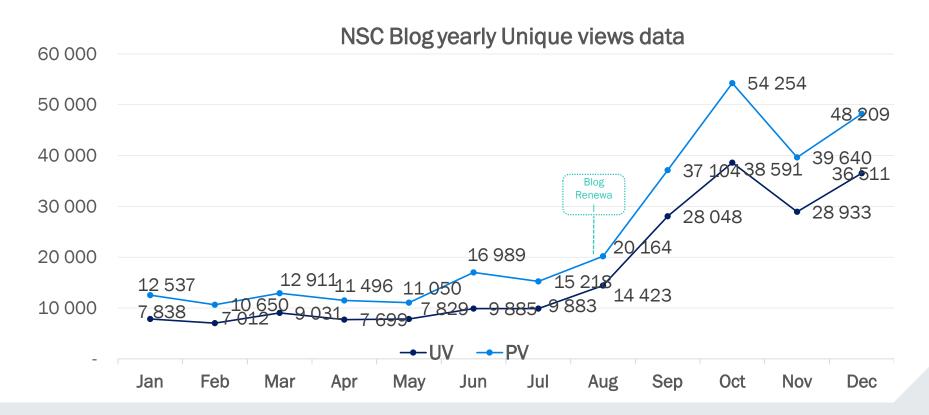


Review - Media Activities

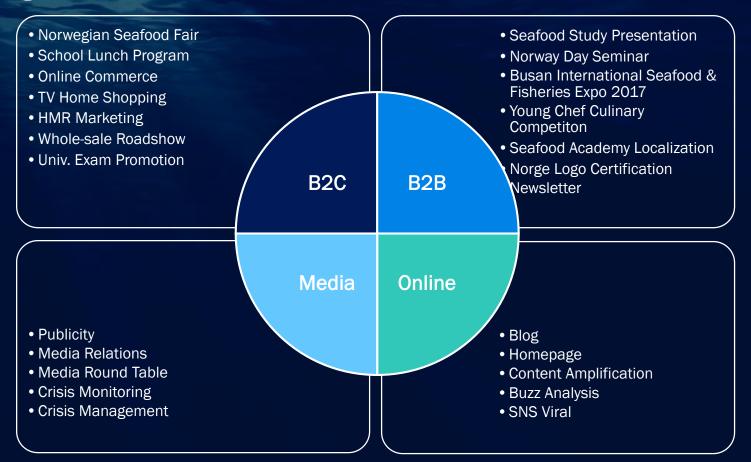
Coverage of Each Fish Type (Last 6 months)



Review - Online Activities 2016

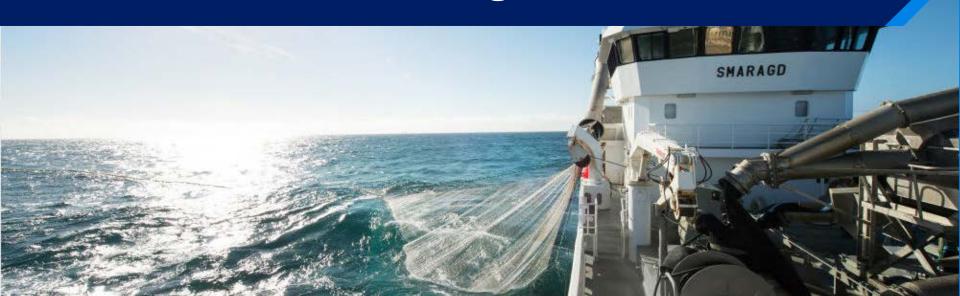


2017 Program Overview



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Marketing – B2C



Norwegian Seafood Fair









- Objectives
- To conduct a major, large scale promotion for Norwegian seafood to consumers.
- To increase awareness and preference of overall Norwegian seafood to consumers.
- To increase sales and build relationship with retailers

- Collaboration with major hyper-marts
- Large scale booth installation for consumer sampling
- Photo Event & Press Release

School Lunch Program







- Objectives
- To position Norwegian mackerel in school lunch, which takes biggest part of overall institutional lunch market (Average 6.14 million students consume 1 school per day)
- To create a foundation for Norwegian mackerel in school lunch by consistently conducting activities that will enhance recognition among dieticians and major influential factors
- To emphasize the superiority of Norwegian mackerel to the dieticians & government
- Norwegian mackerel daily sampling for schools
- Conduct One-day samplings & Cooking session for dieticians
- Additional samplings and viral for parents to expand positive recognition
- Governmental support discussion if needed

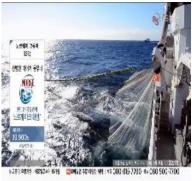
Online Commerce



- Objectives
- To maximize consumer sales impacts through an Online Commerce channel
 (42.7% of Korean Consumers purchase fresh food through Online & Mobile and increasing continuously)
- To increase consumer awareness of Norwegian mackerel Norge logo & mackerel key messages
- To create viral effects of consumer purchase reviews
- Conduct co-marketing programs with partners selling Norwegian mackerel on online commerce channels
- Exposure of Norwegian mackerel to consumers through various online sources (PC, mobile, etc.)
- Amplification of review content from consumers
- Review event conducted on the NSC blog for amplification of viral content

TV Home Shopping









- Objectives
- To boost consumer sales of Norwegian Mackerel through TV Home Shopping Sales
- To give exposure to the Norge Logo and Mackerel video to consumers

- Implement Co-marketing & Co-branding programs with TV home shopping and partners
- Focused sales of Norwegian mackerel
- Giveaways and encouragement of online reviews

HMR Marketing









- Objectives
- To enter the growing HMR market and generate consumer awareness and sales (Started from convenience store and expanded to hyper-marts / Expected market volume is 3 trillion KRW in 2017)
- To secure the growing convenience store market as a sales channel
- To work with a major stakeholder in the HMR market for relationship building

- Conduct a marketing programs for HMR products on the retail level to reinforce branding and sales
- HMR product co-marketing through online channels and convenience stores

Wholesale Roadshow







- Objectives
- To raise brand awareness of Norwegian seafood products to wholesale consumers & food service providers
- To offer consumers a trial experience of Norwegian salmon and mackerel through sampling
- To enhance and develop relations with wholesale market partners and importers

- To be Conducted in 5~7 branches for 1 week each
- Installation of a branded booth to gain consumer attention
- Collaboration with the retailer and BJI for the maximization of PR and consumer sampling effects

University Exam Promotion







- Objectives
- To conduct a major, large scale promotion for Norwegian seafood to consumers.
- To increase awareness of the benefits of mackerel to parents and university exam takers
- To take advantage of the university exam period to conduct a "brain food" promotion
- Collaboration with major hyper-marts
- Large scale booth installation for consumer sampling

- Norwegian seafood food truck sampling for online buzz
- Photo Event & Press Release
- Additional Online Event

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Marketing - B2B



Seafood Study Presentation







- Objectives
- Through the participation of a high ranking Norwegian government official, increased media interest
- To inform the media and stakeholders of market trends and consumption patterns related to seafood
- To offer tactical insight into the seafood market and industry
- Distribution of the 'Seafood Insight Brochure'
- Details

- Invitation of media, seafood related government agencies, industry stakeholders, etc.
- Announcement of market analysis and Focus Group results to the major media and stakeholders
- To be conducted in cooperation with KMI(Korea Maritime Institute) as a Co-sponsor
- PR & DPR activities

Norway Day Seminar







- Objectives
- To introduce NSC and NSC's goals and objectives
- To update overall NSC activities and results throughout 2017
- Share the market insight with Korean stakeholders and conduct open discussions to facilitate collective growth

Details

- To be conducted in late Oct. (TBD)
- Presentation on 2017 Marketing activities / In-store activities / NSC's future outlook (globally & Korea)

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Busan International Seafood & Fisheries Expo







- Objectives
- To have a presence at one of the largest seafood expo in Korea
- To improve awareness Norwegian seafood to industry stakeholders

- To be conducted Nov. 8~10
- Operation of a NSC branded booth
- Conduct sampling of Norwegian seafood products (collaboration with BJ)

Young Chef Culinary Competiton



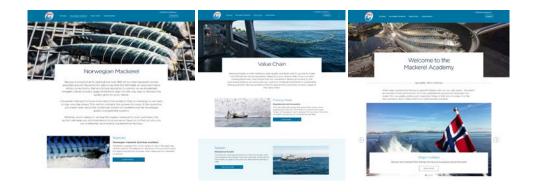




- Objectives
- To have a presence at one of the largest B2B seafood expo in Korea
- To improve awareness Norwegian seafood to B2B Partners
- To build a relationship with local chefs & processors
- To be conducted in May 16~19
- Distribution of Norge Logo and onsite branding

- NSC participates as one of the competition judges
- Amplify online contents through Power Bloggers
- Press release & interviews

Seafood Academy Localization



- Objectives
- To provide domestic stakeholders with localized information on related species

- Systematic translation and localization of all Seafood Academy content relevant to Korea
- Delivery of localized text content to NSC
- Creation and uploading of all localized Seafood Academy content by NSC

Norge Logo Certification







- Objectives
- To maintain stakeholder relations & reliability through Norge Logo certification
- To support marketing for certified Norge logo stakeholders
- To reinforce the key message that Norwegian seafood is superior

- Conduct communication for application process between stakeholders and NSC
- Support coordination of facility audits of stakeholders
- Provide Norge Logo certification

Newsletter



- Objectives
- To maintain stakeholder relations & reliability
- To support marketing for certified Norge logo stakeholders
- To reinforce the key message that Norwegian seafood is superior
- Over 300 receivers with 97% reach

Details

- Informs B2B partners of NSC activities
- Provides insight into domestic and global seafood industry trends

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Media



Media PR

Focus on exposure of the superiority of Norwegian seafood

- Increased interest in sustainability
- Through showing the advanced Norwegian seafood industry, reinforcement of the positioning of Norwegian seafood as "the best" in quality and enhanced media interest

Emphasis that Norwegian seafood works with the seafood industry

• Need to consistently relay the positive message that Norwegian seafood works with the domestic seafood industry; not competing against it to minimalize risk

Reinforcement of exposure of key messages during collaborations (government agencies)

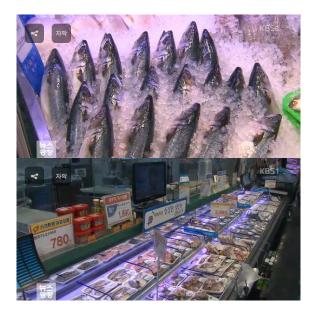
- Expected increase in media exposure for seafood (especially government driven) for domestic seafood industry policies
- Key message exposure through the development of strategic material and collaborations with agencies

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Media PR



▲<TVN, Wednesday Talk Show 'Famous Grilled Mackerel Restaurant'>



▲ <KBS News, Press Release
Norwegian Seafood Export Growth Rate to South Korea
Recorded
at 73%; Total 32 articles >

Media PR



Norwegian Seafood Council seeks to boost choices for Korean consumers



▲ < Korea Times, Director Gunvar Wie Interview Norwegian Seafood Council seeks to boost choices for Korean consumers>



▲ < Health Chosun, Card News Nutritious Mackerel, The gift from blue sea>

보기 좋고 맛도 좋은 우리아이 영양 도시락

입력 2017-02-08 11:00:44 | 수정 2017-02-08 11:00:44 핵제소탁론 1644-0940

아이 간식이나 도시락 메뉴가 늘 비슷해 고민증인 엄마라면 좀 더 다양한 레시피로 맛 뿐 아이라 아이게게 꼭 필요한 영양까지 챙겨

차고 깨끗한 바다에서 자란 노르웨이 고등어와 연어에는 오메가3

비주얼만큼이나 맛도 영양도 훌륭한 <고등어 밥 샌드위치>, <연 어 갈릭 강정>. <새콤·고소 청고마비> 레시피를 소개하다.



자료제공 : 노르웨이수산물위원회(NSC)

◆ 고등어 밥 샌드위치

고등어, 김밥용 김, 밥, 양배추, 깻잎, 마요네즈, 와사비, 소금, 후추, 미림, 참기름, 깨소금

-만드는 방법:

1. 고등어를 소금과 후추로 간을 한 뒤 오븐이나 프라이팬에 구워

▲ < The Korea Economic Daily,</p> Nutritious Lunch Utilizing Norwegian Mackerel>

Media Round Table







- Objectives
- To enhance media relations
- To increase awareness of Norwegian seafood among major influential media

- Conducted on March 7th at the Norwegian ambassador's residence
- Invitation & participation by major media
- Introduction of superiority of Norwegian seafood & system, 2017 plans, Korean market insights

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Online



Digital PR

Owned Channels

• Optimize SEO at local portal sites to consistently expose Norwegian mackerel contents at upper pages and to increase visits

Mobile Channels

• Strengthen planning of the contents and strategy to maximize exposure in mobile devices

SNS Channels

Create and expand online buzz through efficient utilization of online influencers

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Owned Channel - Blog





- Objectives
- Expand contents that are exposed in first pages when Norwegian seafood and mackerel related keywords are searched

2017 KPI with visits over 50,000 and page views over 65,000 (Monthly Average, ▲ 150%)

- Exposure of the contents in first pages through utilization of SEO (Search-Engine Optimization) strategy
- Combining of recipes, seasonal themes, and informative contents regarding seafood to increase popularity and enhance public confidence
- Manage online program that are connected to NSC marketing projects to create synergy

Mobile Channel - Post







X Naver Post?

Mobile version blog of Naver, which is Korea's top portal site. Its structure is highly optimized for searching and reading from mobile devices

- Objectives
- 2017 KPI with monthly visits over 6,500 and page views over 8,000 (Monthly Average, ▲ 130%)
- Plan and make strategy in creating contents to maximize exposure in mobile devices

- By targeting mobile users, plan design and contents that are suitable for mobile environment
- Publish contents that can attract customers such as recipe and tips for cooking seafood

SNS Channel - Content Amplification







- Objectives
- To further amplify the content on the NSC blog through other SNS channels
- To emphasize the superior quality of Norwegian seafood to consumers
- Delivery of recipe cards for easy to prepare recipes for single households and people alone
- Utilization of Power SNS users (especially Instagrammers) for online buzz effects

- Use of different recipe themes for different seasons for power SNS users to upload content
- Spring: "Picnic Basket", "Single Lunch Box" / Summer: "Diet Box"
 Fall: "Camping Box" / Winter: "New Year's Box"

Buzz Analysis







- Objectives
- To understand the consumption behavior of Korean consumers by evaluating online data
- To utilize analyzed data for application to future activities and strategies

- Reporting to be conducted quarterly
- Analysis of online buzz, keyword searches, related word searches, SNS trends, etc.
- Judge and evaluate NSC's online activity
- Find search trend and give direction of NSC's marketing plan

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Results of In-store promotion 2016 In-store plan for 2017

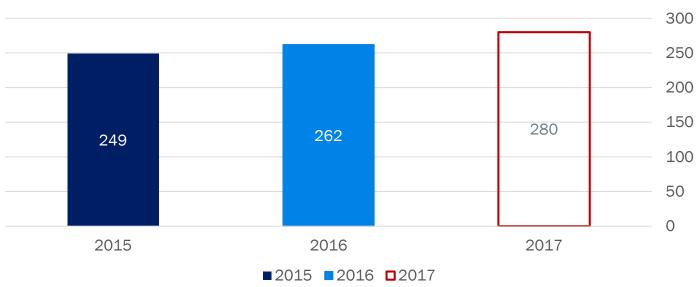
BJ International



Results of In-store promotion in 2016

Instore Demonstration





POP Materials



Logo stickers



Recipe leaflets



Standing banner



Table cloth

POP Materials - Key message

노르웨이 고등어는?

차고 깨끗한 바다에서 3년 이상자라 가을 제철에 어획한 노르웨이 고등어는

오메가3, DHA 등

몸에 좋은 지방이 고르게 분포되어

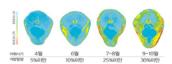
늘 촉촉한 식감을 제공합니다

철저한 자동화 시스템으로

신선도가 유지 되는

노르웨이 고등어의 원산지 인증 마크

노르게 로고를 확인하세요



▲ 제철(9월-10월)에만 잡는 노르웨이 고등어의 지방함량

노르웨이수산물위원회



노르웨이고등어Q&A



도로게 로고가 무엇인가요?

노르게 로고는 차고 깨끗한 청정 바다에서 온 맛있고 안전한 노르웨이 수산물의 원산지 인증마크입니다.

도로웨이고등어는 왜 더 맛있나요?

노르웨이 고등어는 제철인 9~10월에만 어획하여 지방함량이 최대 30%에 가깝기 때문에 더욱 촉촉하고 맛있습니다.

도로웨이 고등어는 어떻게 다른가요?

노르웨이 고등어는 지방함량이 높을 뿐 아니라, 지방질이 근육 안쪽까지 고르게 분포되어 조리 시에도 유실 되지 않기 때문에 언제나 축촉한 식감이 유지됩니다

노르웨이 고등어는 어떤 영양소를 갖고 있나요?

오메가3, DHA 등을 포함한 몸에 좋은 불포화지방산을 함유하고 있습니다.

도로웨이 고등어는 어떻게 잡히나요?

어획 즉시 영하 1도~영상 5도 수준의 물탱크에서 보관되어 해안으로 옮겨지며, 배에서 내리자마자 세척-냉동-포칭의 전 과정이 자동화시스템으로 이루어져 사람 손을 거치지 않기 때문에 회상급의 품질이 유지됩니다.

도로웨이 고등어의 특징은 무엇인가요?

국내산고등어와 비교하여 선명한 타이거 무늬가 있고, 몸 형태가 더 통통하며 길쭉합니다.



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노르웨이수산물위원회

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Sampling events



HMR - Marinated HMR - Smoked HMR - Grilled

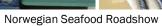
Sampling events



Tasting events and products on display

Sampling events



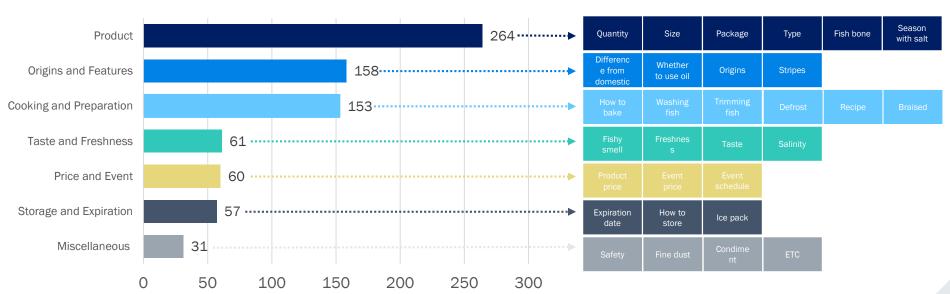




Busan International Seafood & Fisheries EXPO

Customers Insight on the sites

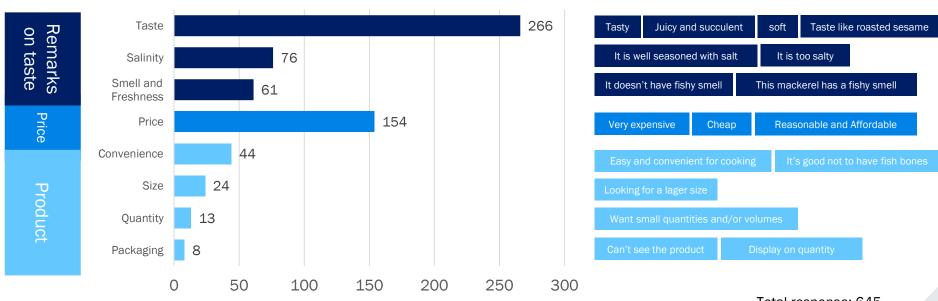
Frequently asked questions from customers during the events



Total questions: 784

Customers Insight on the sites

Main responses from customers on the tasting events



Total response: 645

2016 Reflections

Market potentials depending on type of mackerel.

- Fillet mackerel: growth is expected due to the convenience factor.
- Salted & refreshed mackerel: Growth potential due to taste and features of Norwegian mackerel.

According to the growth of the HMR market, more promotion activities for HMR product and improvements for existing products are required at hypermarket.

Opportunity for low-priced gift wrapping products after proposing anti-graft law in Korea.

opportunity to develop Norwegian mackerel gift sets less than 50,000 won.

New In-store promotion strategy will be needed.

- Collaborative events to further attract customers' attention are needed.
- Need to expand promotion activities at warehouse-type stores and Mega complex shopping mall.
- Necessity to produce promotional materials suitable for neighborhood type mart.

In-store promotion plan for 2017



Main initiatives for Mackerel in 2017

Brand promise	Always the most succulent mackerel							
Objective	To promote the taste and quality of Norwegian mackerel. Explain the nutritional benefits of Norwegian mackerel.							
Key message	Premium season catch, juicy and healthy mackerel from the cold and clear waters of Norway.							
Target	Women (25-50) with families who visit to marts (Hypermarket and Supermarket)							
Total number of promotion days	1,900 days							
Average number of participants on tasting event per day	280 customers per day							

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In-store promotion schedule for Mackerel in 2017

Product

Focusing on Seoul and Busan

Main promotion activities

Other activities

- Fillet
- Salted
- Refreshed
- HMR



- Sampling events
- POP materials
- Joint events

- Promotion activities at small and medium size marts
 (SSM and Food SM)
- Promotional supplies when there is a request

In-store promotion schedule for Mackerel in 2017

- Schedule below is tentative, branch and promotion date are decided by discussion with store.
- Selected stores based on store interests and sales activities.
- 2~3 days running promotion at a store per promotion. But, it can be extended up to 3~5 days depending on the store activity.
- Low promotion during Korean holiday: Lunar new year (Feb) and Chuseok (Sep).
- Extended promotion in April / May when there is a "closed period" for mackerel fishing in Korea.

Mackerel	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Retail A												
Retail B												
Retail C												
Retail D												
Retail E												
Retail F												
Retail G												
The other events												





Task Force Team, presentation and Q & A

- -Jan Otto Hoddevik
- Bernt Strand
- Ole Kristoffer Nore