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Pesca Fresh: A Study on Buying Fresh Seafood Online

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Abstract: *Consumers in India are rapidly evolving with newer formats available for shopping. Indian consumers are increasingly shopping online. The ecommerce market in India expected to quadruple to $60-70 billion over the next 5 years, driven by faster growth in goods than services. Internet users are expected to increase 3 times from ~200 million in 2014 to ~600 million by 2020. According to the BCG-RAI Retail Report 2020 smartphones proliferation is expected to increase from 120-140 million in 2014 to 600-700 million in 2020 coupled with lower cost of connectivity and improved quality. Seafood in Mumbai has mainly been sold either through wet markets, pavement stalls or fisherwomen coming to homes and selling at the door. Conceived in 2004 and run by seafood lovers Pescafresh aims to provide seafood aficionados with the flavor of freshness right to their doorstep. The company operates through two channels of Home Delivery and Branded Retail Stores. Through Home Delivery it also serves the B2B formats of Hotels, Restaurants and Catering Services. Pescafresh established web presence in 2009 wherein customers could check out their offerings on the website and order by phone. By August 2015 the company started offering the facility of online purchasing. For this study a random sample of 878 active purchasers of the company was taken from five locations in Mumbai, for a period of six months starting August 2015 through January 2016.This research paper attempts to study seafood purchaser's behavior to glean insights into Location, Time of Purchase, Preferred Days of Purchase, Orders per month, Most ordered products, and Spends. This understanding of consumer's behavior will help in driving decisions relating to sourcing, warehousing, distribution, location of centers, marketing and promotions.*
Keywords: *Seafood, Consumer Behavior, ecommerce, Online Purchasing*

I. Introduction and Objectives

This paper is a case study of Pesca Fresh which was conceived in 2004 and is run by seafood lovers. The company aims to provide seafood aficionados with the flavour of freshness right to their doorstep. It operates through two channels of Home Delivery and Branded Retail Stores. Through Home Delivery it also serves the B2B formats of Hotels, Restaurants and Catering Services. Pesca Fresh established a web presence in 2009 wherein customers could check out their offerings on the website and order by phone. By August 2015 the company started offering the facility of online purchasing in Mumbai. The ecommerce market in India expected to quadruple to $60-70 billion over the next 5 years, driven by faster growth in goods than services. Internet users are expected to increase 3 times from ~200 million in 2014 to ~600 million by 2020. Smartphones proliferation is expected to increase from 120-140 million in 2014 to 600-700 million in 2020 coupled with lower cost of connectivity and improved quality.

Seafood in Mumbai has mainly been sold either through wet markets, pavement stalls or fisherwomen coming to homes and selling at the door. Websites such as Seatohome operate in Kochi, Thiruvananthapuram and Delhi, Kings Sea food Chennai, and Supreme Seafood Chennai supply to the domestic market. Such websites offer customers the ease of ordering, billing, payment and home delivery of cleaned and ready to cook sea food. This avoids the hassle of visiting a market, waiting for service, bargaining, and cutting / cleaning seafood. This research paper attempts to study seafood purchaser's behaviour to glean some preliminary insights into the same and whether customers have migrated from visiting the website and ordering by phone to ordering online.

II. Review of Literature

With an increase in the number of women working, families are facing a shortage of time. Consumers look for convenience in shopping. Shopper may also evaluate each of the situations in the light of the cost incurred and the utilities derived out of shopping (Sinha and Banerjee 2004). The studies focused on the nature of shopping behaviour in terms of sea food purchase of Indian consumers are wanting in numbers. With convenient options of home delivery of fresh and frozen seafood direct to consumers available it is interesting and important to conduct research on consumer behaviour in this context. Some studies have shown that the rise of Internet shopper has been incongruent to that of Internet users. One of the aspects of this study is to find out how many respondents who use the website and then subsequently phone in to order have migrated to shopping online.

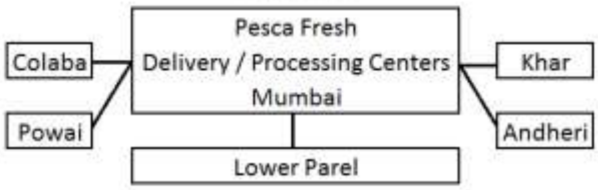
III. Methodology

This is a case study of the company Pesca Fresh**.** For this study a random sample of **878 active purchasers** of the company was taken from five locations in Mumbai, for a period of six months starting August 2015 through January 2016.

IV. Findings and Discussion

The company has five delivery / processing centres and operates out of Lower Parel in Mumbai **(See Diagram 4.1).**

Diagram 4.1



4.1 Location: In case of location, the largest numbers of respondents belong to the Lower Parel area as the company had started operations from this area. The next highest number are in Colaba and the remaining are equally spread over Andheri, Khar, and Powai **(See Table 4.1).**

Table 4.1

Location

		N	%
1	Lower Parel	428	48.7
2	Colaba	150	17.1
3	Andheri	100	11.4
4	Khar	100	11.4
5	Powai	100	11.4
6	Total	878	100.0

Source: Primary Data

4.2 Purchase Time: Two time slots are available for customers to purchase i.e. from morning 8.30 am to 12.30 pm in the afternoon and12.30 pm to 5.30 pm in the afternoon. Respondents overwhelmingly seem to prefer the morning slot for ordering **(62.9%) (See Table 4.2)**

Table 4.2

Purchase Time

		N	%
1	Morning	552	62.9
2	Afternoon	326	37.1
3	Total	878	100.0

Source: Primary Data

4.3 Cross tabulating Location by Purchase Time: This reveals that of the respondents living in Lower Parel **(70.3%)**, those living in Colaba **(59.3%)** and those living in Powai **(63%)** prefer to order in the morning. Respondents living in Khar and Andheri are almost evenly divided among the morning and afternoon time slots. This has implications for the company's delivery scheduling in the areas.

Table 4.3

Crosstabulation: Location By Purchase Time

		Purchase Time					
	Location	**Morning**		**Afternoon**		**Total**	
1	Lower Parel	301	**70.3%**	127	29.7%	428	100.0%
2	Colaba	89	**59.3%**	61	40.7%	150	100.0%
3	Andheri	48	48.0%	52	52.0%	100	100.0%
4	Khar	51	51.0%	49	49.0%	100	100.0%
5	Powai	63	**63.0%**	37	37.0%	100	100.0%
6	Total	552	62.9%	326	37.1%	878	100.0%

Note: % are within Location

Source: Primary Data

4.4 Preferred Day of Week for Ordering: The Company gives customers Special Offers on Wednesdays and Saturdays (e.g. Wednesday - Half KG Basa Free for any order of 995 & above, 1 KG Basa Free for any order of 1595 & above, Saturdays - 250 gms Medium Prawns free for any order for 995 & above & 500gms for 1595 & above. This is reflected in the fact that these two days are preferred for ordering seafood Wednesdays **(38%)** and Saturdays **(19.4), (See Table 4.4).**

Table 4.4

Preferred Day of Week for Ordering

		N	%
1	Wednesday	334	**38.0**
2	Saturday	170	**19.4**
3	Friday	130	14.8
4	Sunday	74	8.4
5	Tuesday	63	7.2
6	Monday	56	6.4
7	Thursday	51	5.8
8	Total	878	100.0

Source: Primary Data

4.5 Crosstabulation: Location by Preferred Day of Ordering – this reveals a more granular view that almost half the respondents of Lower Parel **(49.5%)** prefer ordering on Wednesdays. Respondents living in Colaba appear to order evenly on Wednesdays, Fridays, and Saturdays. Respondents living in Powai are evenly ordering across all the days of the week, which points to them being price inelastic or not price sensitive (as mentioned earlier in Para 4.4 Special Offers are given on Wednesdays and Saturdays).

Table 4.5

Crosstabulation: Location By Preferred Day of Ordering

		Preferred Day of Ordering															
	Location	Monday		Tuesday		Wednesday		Thursday		Friday		Saturday		Sunday		Total	
1	Lower Parel	25	5.8%	27	6.3%	212	**49.5%**	18	4.2%	45	10.5%	65	15.2%	36	8.4%	428	100.0%
2	Colaba	8	5.3%	11	7.3%	36	**24.0%**	8	5.3%	37	**24.7%**	37	**24.7%**	13	8.7%	150	100.0%
3	Andheri	6	6.0%	7	7.0%	35	**35.0%**	7	7.0%	19	19.0%	20	20.0%	6	6.0%	100	100.0%
4	Khar	3	3.0%	4	4.0%	37	**37.0%**	3	3.0%	14	14.0%	34	**34.0%**	5	5.0%	100	100.0%
5	Powai	14	14.0%	14	14.0%	14	14.0%	15	15.0%	15	15.0%	14	14.0%	14	14.0%	100	100.0%
6	Total	56	6.4%	63	7.2%	334	38.0%	51	5.8%	130	14.8%	170	19.4%	74	8.4%	878	100.0%

Note: % are within Location

Source: Primary Data

4.6 Crosstabulation: Location By Preferred Day of Ordering By Purchase Time – reveals that in Lower Parel, of those ordering in the morning, more than half the respondents order on Wednesday **(53.8%).** The area Khar is unusual in that in the mornings on Monday, Thursday and Sunday no one orders seafood.

Of those purchasing in the afternoon Andheri **(53.8%)** sees the largest number purchasing on Wednesdays together with Lower Parel **(39.4%)**, followed by Colaba **(31.1%)** on Fridays. Powai respondents appear to be evenly distributed in their purchase behaviour over all days of the week but with a skew towards morning purchases over the afternoons.

Table 4.6

Crosstabulation: Location By Preferred Day of Ordering By Purchase Time

		Prefered Day of Ordering															
Purchase Time	**Location**	Monday		Tuesday		Wednesday		Thursday		Friday		Saturday		Sunday		Total	
Morning	Lower Parel	21	7.0%	16	5.3%	162	**53.8%**	11	3.7%	29	9.6%	42	14.0%	20	6.6%	301	100.0%
	Colaba	1	1.1%	5	5.6%	19	21.3%	6	6.7%	18	20.2%	28	**31.5%**	12	13.5%	89	100.0%
	Andheri	3	6.3%	6	12.5%	7	14.6%	7	14.6%	10	20.8%	10	20.8%	5	10.4%	48	100.0%
	Khar	0	**0.0%**	1	2.0%	27	**52.9%**	0	**0.0%**	4	7.8%	19	37.3%	0	**0.0%**	51	100.0%
	Powai	8	12.7%	8	12.7%	7	11.1%	10	15.9%	10	15.9%	10	15.9%	10	15.9%	63	100.0%
	Total	33	6.0%	36	6.5%	222	40.2%	34	6.2%	71	12.9%	109	19.7%	47	8.5%	552	100.0%
Afternoon	Lower Parel	4	3.1%	11	8.7%	50	**39.4%**	7	5.5%	16	12.6%	23	18.1%	16	12.6%	127	100.0%
	Colaba	7	11.5%	6	9.8%	17	27.9%	2	3.3%	19	**31.1%**	9	14.8%	1	1.6%	61	100.0%
	Andheri	3	5.8%	1	1.9%	28	**53.8%**	0	0.0%	9	17.3%	10	19.2%	1	1.9%	52	100.0%
	Khar	3	6.1%	3	6.1%	10	20.4%	3	6.1%	10	20.4%	15	**30.6%**	5	10.2%	49	100.0%
	Powai	6	16.2%	6	16.2%	7	18.9%	5	13.5%	5	13.5%	4	10.8%	4	10.8%	37	100.0%
	Total	23	7.1%	27	8.3%	112	34.4%	17	5.2%	59	18.1%	61	18.7%	27	8.3%	326	100.0%

Note: % are within Location

Source: Primary Data

4.7 Number of Orders per Month: In the B2C (Business to Customer) segment the largest number of respondents **(47.7%)** order once a month. The largest number of respondents **(92.3%)** order between 1 to 5 times a month. It is interesting to note that one of the B2B (Business to Business) respondents places 94 orders per month on an average. The company needs to consider advertising to increase the number of customers in the B2B segment. This will help increase the off take of seafood which has a short shelf life. It is also noteworthy that customers in the B2C segment exist who order between 6 to 27 times a month.

Table 4.7

Number of Orders Per Month

	B2C														**B2B**	
No of Orders	1	2	3	4	5	6	7	8	10	12	14	19	27	Total	94	9
N	418	176	131	50	33	47	13	2	2	1	1	1	1	876	1	1
%	**47.7**	**20.1**	**15.0**	**5.7**	**3.8**	5.4	1.5	.2	.2	.1	.1	.1	.1	100.0		

B2B - Business to Business

B2C - Business to Customer

Source: Primary Data

4.8 Most Ordered Products: Of the Top Ten Most Ordered Product Pink / Brown Medium Prawns are the most popular **(15.9%)** of respondents purchasing the same. King Fish / Surmai /Seer Fish Steaks, White Pomfrets Medium, and Pink Salmon are popular in spite of their high prices **(See Table 4.8).**

Table 4.8

Sr.	**Top Ten Most Ordered Product**	N	%	Price / Kg
1	Pink/Brown Medium Prawns (46 to 60 pcs per kg)	140	15.9	595
2	Indian Salmon/Rawas(Whole Fish Small)	120	13.7	945
3	Indian Basa	107	12.2	645
4	Bombay Duck / Bombil	88	10.0	215
5	King Fish / Surmai /Seer Fish Steaks	42	4.8	1095
6	White Pomfrets Medium 300 - 400 gms per pc (3 pcs per kg)	39	4.4	1595
7	Pink Salmon	33	3.8	1795
8	Black Pomfrets / Halwa (500 gms and Up per pc)	29	3.3	815
9	Asian Sea Bass	23	2.6	695
10	King fish/Surmai/Seer fish(Whole fish small)	21	2.4	795

*Out of Total 878 respondents

Source: Primary Data

4.9 Crosstabulation: Top Ten Most Ordered Product by Location - shows the seafood purchased across all locations evenly for the top four items. King Fish / Surmai /Seer Fish Steaks show a dip in purchase in Khar area. There is no demand for White Pomfrets Medium in Andheri area **(See Table 4.9).**

Table 4.9
Crosstabulation: Top Ten Most Ordered Product By Location

Sr.	Most Ordered Product	Location											
		Lower Parel		Colaba		Andheri		Khar		Powai		Total	
1	Pink/Brown Medium Prawns (46 to 60 pcs per kg)	76	17.8%	20	13.3%	13	13.0%	15	15.0%	16	16.0%	140	**15.9%**
2	Indian Salmon/Rawas(Whole Fish Small)	59	13.8%	19	12.7%	15	15.0%	14	14.0%	13	13.0%	120	**13.7%**
3	Indian Basa	54	12.6%	13	8.7%	12	12.0%	15	15.0%	13	13.0%	107	**12.2%**
4	Bombay Duck / Bombil	49	11.4%	15	10.0%	10	10.0%	6	6.0%	8	8.0%	88	**10.0%**
5	King Fish / Surmai /Seer Fish Steaks	20	4.7%	7	4.7%	4	4.0%	2	2.0%	9	9.0%	42	**4.8%**
6	White Pomfrets Medium 300 - 400 gms per pc (3 pcs per kg)	24	5.6%	10	6.7%	0	0.0%	3	3.0%	2	2.0%	39	4.4%
7	Pink Salmon	13	3.0%	6	4.0%	5	5.0%	7	7.0%	2	2.0%	33	3.8%
8	Black Pomfrets / Halwa (500 gms and Up per pc)	13	3.0%	5	3.3%	4	4.0%	1	1.0%	6	6.0%	29	3.3%
9	Asian Sea Bass	13	3.0%	3	2.0%	4	4.0%	1	1.0%	2	2.0%	23	2.6%
10	King fish/Surmai/Seer fish(Whole fish small)	12	2.8%	3	2.0%	1	1.0%	0	0.0%	5	5.0%	21	2.4%

% within Location out of a Total 878 respondents

Source: Primary Data

4.10 Average Spends Per Month: Almost half the respondents **(46.1%)** spend Rs 1001 – 3000 per month. Respondents spending less than Rs 1000 per month **(25.3%)**, and those spending between Rs 3001 – 11000 taken together constitute **25.7%.** It is noteworthy that there are customers who spend above Rs 11000 per month **(2.8%)** on seafood **(See Table 4.10).**

Table 4.10
Average Spend Per Month

Sr.		N	%
1	Less Than Rs 1000	222	25.3
2	Rs 1001 - 3000	404	**46.1**
3	Rs 3001 - 5000	147	16.8
4	Rs 5001 - 7000	47	5.4
5	Rs 7001 - 9000	22	2.5
6	Rs 9001 - 11000	9	1.0
7	Rs 11001 - 13000	8	.9
8	Rs 13001 - 15000	3	.3
9	Rs 15001 - 17000	4	.5
10	Rs 17001 - 19000	2	.2
11	Rs 19001 - 25000	3	.3
12	Above Rs 25001	5	.6
13	Total	876	100.0

*Excluding Two B2B Customers

Source: Primary Data

4.11 Shift to Online Ordering: Pescafresh established web presence in 2009 wherein customers could check out their offerings on the website and order by phone. By August 2015 the company started offering the facility of direct online purchasing. For the period of six months under consideration in this study, starting August 2015 to January 2016, only two respondents shifted completely online i.e. purchasing online instead of by phone. Even in case of these respondents they did not pay online but paid by COD (cash on delivery) on receipt of the seafood. This is especially relevant to know as companies such as Kerala based Baby Marine have entered the online retail market under the brand Daily Fish, and Mumbai based West Coast Group are also taking their popular Cambay Tiger brand online too.

Table 4.11

Customers Shifted

From Website / Phone Orders to Direct Online Orders

		N	%
1	Phone Ordering	876	99.8
2	Shifted Online (COD)	2	.2
3	Total	878	100.0

*COD - Cash on Delivery

Source: Primary Data

V. Strengths, Weaknesses, Opportunities, and Threats (SWOT)

Companies selling online through websites offer customers the ease of ordering, billing, payment and home delivery of hygienic, cleaned and ready to cook sea food. This avoids the hassle of visiting a market, waiting for service, bargaining, and cutting / cleaning seafood. These are some of the strengths of modern / online retail.

Consumers purchasing behaviour is notoriously difficult to change and a companies inability to change this behaviour is a weakness for them. Fish purchasers in India prefer to purchase fish from vendors nearby i.e. local fish markets. But growth of modern retail, quality of product, and convenience can help to attract new customers.

Retail fish markets in India are miniatures of wholesale fish markets in our country the variations being in size of the markets in terms of quantity of fish, number of traders, facilities, and proximity to the consumers. Retailers sell fish by the crowded roadside with no attention to hygiene. This presents an opportunity to organized fish retailers to procure fish directly from fishermen / fishermen cooperative societies and sell to customers at reasonable prices in hygienic conditions.

High pollution levels along with overpopulation of invasive fish species pose a big threat to native fish species. This will disturb the food chain and the larger ecosystem. Studies carried out at the Powai lake in Mumbai found only 10 of the native fish species present compared to 37 species recorded in 1993. The introduction of non native fish species such as African Magur, Mozambique tilapia, Arapaima, have altered the food chain. Ali Husaini of the All India Game Fishing Association (AIGFA) stated that Magur is the most predatory of the foreign species. Native species such as the Mahaseer, Chilva, four species of the Putnis, Barramundi have gone missing. To increase the count of native species the Maharashtra State Angling Association (MSSA) introduces 10,000 Mahaseer and 10 Lakh Indian Carp into the Powai Lake every few years. Water pollution leads to a loss of oxygen as a result the fish are unable to breed. Officials from MSSA said that unidentified people have been releasing goldfish at the lake, which is predominantly an aquarium fish.

Factor analysis conducted in a study by Mugaonkar et. al has revealed that quality, nutritional value and price of the products are the most important factors for buying of fish by consumers. In the case of Business to Customers (B2C) sales, this study shows that respondents overwhelmingly seem to prefer the morning slot for ordering fish, with the preferred days for ordering being Wednesday and Saturday. It is also necessary to advertise to increase the number of customers in the Business to Business (B2B) segment. This will help increase the off take of seafood which has a short shelf life.
Modern / online fish retailers should also work towards generating awareness among customers about local / indigenous fish varieties and promote these.

VI. Limitations:

Future surveys should try to get the perceptions of this group of consumers. As this group of consumers' shops on the website and orders by phone / online hoping to avoid traffic and crowded markets an online survey would help in getting their responses.

VII. Conclusion:

Seafood in Mumbai is easily available at fish markets such as Sassoon Docks and Crawford Market. Municipal markets exist in many localities and the suburbs also have small local markets open at a specific time as fish is best consumed fresh. A special mention must be made of Koli women who go to Sassoon Dock to buy fish which they then sell in retail markets. Fisher folk coming to the door to sell is becoming a rarity as new housing towers do not allow hawkers inside the premises. Yet there is a trend of consumers who shop on websites and order by phone to have seafood door delivered. This is because they do not either have the time or want to brave crowded markets with slushy floors and fishy smell. Such consumers are willing to pay for the convenience of cleaned, cut, hygienically packed, fresh seafood delivered at their doorstep. This provides an opportunity for companies to cater to such requirements.

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