

Annexure B

Assessing the market feasibility of your aquaculture venture:

1. Market area

- Determine time available for deliveries (i.e consider the time required to harvest, process, package, ice, etc.)
- What is the longest distance you can travel to your market (in terms of how quickly the product may spoil)? This distance includes how many towns/villages? Population?

2. Market segments

- Within the market area, who will buy your product? Possibilities are: Individuals, small shops and stores, cooperatives, businesses (like butcheries), restaurants, supermarkets, wholesalers, mines, schools, farms or other institutions.

3. Buyers' needs

- Which product form is preferred? Options are: Live, fresh, frozen, whole, headed, scaled and gutted, fillets/steaks/cutlets, value-added (smoked, dried, salted).
- What is the preferred quantity of each product per unit time? (i.e. kg/week)
- Are there seasonal price differences for each product?
- Can you provide consistent supplies? If not, do buyers see this as a problem?
- What are the preferred payment practices? (immediate cash, cheque, terms, etc.)

4. Market potential

- What is the average quantity that each buyer will purchase per year?
- What is the total quantity that the market area will take from you each year?
- What competition is there from other similar products?
- Are these products more expensive or cheaper than your price per unit mass?

5. General conclusions

- Did you modify your original product concept? Why?
- What are the most attractive market segments? Why?
- Are there enough potential buyers in your market segment who may purchase the anticipated product at the appropriate time?
- What are your market options for (a) excess production or (b) undersized fish?
- How much will marketing add to your production costs (in terms of cleaning the fish, packaging, chilling or refrigeration, transportation, advertising and promotion costs, billing and recording)?