



Market Opportunities for
Seafood from Norway

SEAFOOD: Characteristics of the Brazilian Market

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BRAZIL

Seafood Market and Consumer Behavior

The import of seafood to Brazil has been growing for the last years. Suppliers are from more than 40 different countries, but 90% of all the import comes from: Chile, China, Norway, Argentina, Vietnam and Portugal. According to market studies, the consumption per capita of fish in Brazil has been constantly growing. Though, it is still under the average consumption indicated by the WHO. The increase of fish consumption in Brazil is followed by an increase in requirements of the consumer for quality products. Today, the Brazilian consumer is more informed, and looks for options of certified products with quality and practicality. It is possible to observe that the consumer is looking much more for processed products. In general terms, the consumers are willing to pay a high price for products as long as the product has quality.

Characteristics of the Seafood Market

The Brazilian government still adopting measures to protect its national market. Limited competition on certain segments have led to high consumer prices (combination of high import duties and high markups). However, the government fight against poverty has created a new middle class that

generates higher retail sales and influences positively the industry. Today, in Brazil, when it comes to consumption of animal protein, it is believe that seafood accounts for approximately 10% of the total. And an increase in the total participation is expected due to the constant search for healthy food. The processed seafood products are increasing its participation on the seafood segment offer. More frozen fillets have been sold during the last years. The products easy to prepare have come as an alternative to consumers.

Important Market Actors

Different actors are present in the Brazilian market. Agents, Importers and Retailers interact in different set ups to offer products to the final consumer. In addition, there are national suppliers and promotional entities as market players.

Agents: Historically, agents have been the connecting point between producers and importers. They are the ones very aware of all product characteristics and being able and willing to represent the producers in Brazil. The agents are definitely a source of the information for the importers. A lot of business relations between producers and agents are based on personal relationships that evolved along the many years of

history of sales of products – e.f. Bacalhau in Brazil. So, even if more and more producers could directly sell to importers the presence of the Agent in the Brazilian market still strong. It is interesting to mention that not necessary producers will have only one agent in Brazil, different market relations can be noticed. In addition, the same company can be an agent for different producers/competitors.

Importers: The importers generally have on their portfolio many different products. Their knowledge of the imported product can differ a lot and as so they tend to rely on their Agent ability to describe the products characteristics. Lately, retailing chains are willing to surpass the importer role, performing themselves the importer part. Such behavior permits the retailers to achieve gains in prices.

Retailers: Supermarkets and small independent neighborhood stores are the most used format for Brazilian grocery retailing. The retail sector in Brazil, if compared to other western markets, is not as concentrated. However, there is a high level of internationalization. Among the leading retailers are international players, the largest grocery stores are foreign-owned: Companhia Brasileira de Distribuição (Pão de Açúcar is part of the group), Carrefour, Walmart Brasil, and Cencosud Brasil Comercial. In Brazil, buying is becoming gradually more centralized. Grocery groups, including large number of regional supermarket operators, are using their growing purchasing power to bypass wholesalers and negotiate directly with suppliers.

HOW CAN INNOVATION NORWAY HELP YOU IN BRAZIL?

IN Rio de Janeiro can help you through different solutions under our **Market Advisory Services**. Just check some of the possibilities below and contact us for further discussions:

- **BIS Advisory:** BIS is **free of charge** and consists and refers to deliveries that may take up to **8 hours** to complete. You will get a short, tailor-made answer regarding potential showstoppers and other crucial issues, which will help you into the Brazilian Market.

- **Market Insight:** If your company want to expand in Brazil, but that first requires more insight into how the market works and what opportunities and barriers exist, IN can deliver an **Market Overview** (information in the form of a report tailored to the company's needs) and **Market Visit** (2-3 days market visit program).
- **Partner Search:** If you are looking for an agent or would like to meet retailers in Brazil, IN can help you to identify these business partners.
- **Market Analysis:** If your company needs for more in-depth information to be able to make qualified decisions when entering the Brazilian market. IN Rio can especially work on the critical success factors for your company to take a market position in order to grow. That can include essential information of the Brazilian market and its rules and regulations.

And if you are looking for an even more flexible solution to your company different needs for assistance, contact us about our **Operational Assistance** services. We will discuss your current situation and needs, and agree on the scope and content of the service. It may be for example:

- coming into an agreement with an agent and/or retailer,
- getting in contact with important people and authorities to clarify rules and regulations,
- hiring the right key personnel or company to guide you through the import licensing process,
- advice and sparring related to business development.

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