MARKET IN BRIEF

There have been more lasting changes in Danish consumer behaviour in recent years. In particular, heightened worries about the long-term future since the Gulf crisis in 1990-91, coupled with a far greater concern for the protection of the environment and health-oriented life-styles, may have fostered a new sobriety in the consumption patterns of many households. In addition, the ageing of the population has led to an increase in the number of households dependent on pensions and other retirement income, and such households tend to have a lower than average propensity to consume. One of the greatest anxieties of all for large numbers of households is that caused by the fear of unemployment. The fact that unemployment in Denmark, as elsewhere in Western Europe, has increasingly acquired a structural rather than cyclical character can only aggravate this anxiety.

According to a survey by the Greens in June 1993, 13 percent of all Danes fear being laid off within the next year. The figure rises to 21 percent among manual workers. The higher disposable personal income that resulted from the tax reforms introduced at the end of June 1993, has led through into increased demand. Retail sales have risen in Denmark over the last two quarters, and most of the improvement was based in food, drinks and tobacco. According to a report from the Agricultural Advisory Council, the cost of food in Denmark has fallen by 20 percent in real terms since 1980. The Council indicates this is due to increased productivity and keener competition between supermarket chains, as well as stricter EC controls on pricing.

Most of the fresh seafood Denmark consumes comes from the North and Baltic Seas. Cod previously accounted for more than half, flatfish for 20 percent, and herring and mackerel another 25 percent. Because of EC limits on catches, the import share of total supplies of seafood is increasing sharply, and is expected to maintain this trend over the next few years. Retailers and restaurants generally buy directly from fish markets, while processed fish is purchased from seafood importers. Per Capita consumption of fish and seafood was 26.2 kg in 1993. Most major retail chains do their own importing, but many smaller firms exporting seafood to Denmark prefer to use importers. Canadian seafood exporters should remember that there have been many closures and amalgamations in the Danish fisheries industry and firms should ensure that their databases are maintained and updated to reflect numerous changes.

Denmark represents a very mature market where opportunities exist for many new products and technology exchange. In the latter, the Danish seafood industry has much to offer to Canadian firms. The demand for high quality seafood is expected to rise in the future, and on a long term basis seafood prices are expected to be firm or slightly increasing depending on the price-development for other food items. Some of the major seafood exports to Denmark from around the world include cod, salmon, whitefish, eels, and many specialty items such as salmon roe, live lobster and crawfish. Major Canadian fish and seafood exports to the Denmark economy include Greenland turbot (frozen), cod (green/wet, salted), salmon (Chum and Spring) for smoking and export throughout Central Europe; lobster (frozen in brine), lobster (live), shrimp & prawns (in shell), shrimp & prawns (prepared/preserved), and fish, nes (livers/roes/cured).