Marketing of value-added products from silver carp and involvement of rural people in the production and marketing chain

A.K.M.N. Alam
Department of Fisheries Technology, Bangladesh Agricultural University
Mymensingh 2202, Bangladesh
E-mail address: nowsad@royalten.net (A.K.M.N. Alam)

Abstract
Cost-profit analysis and market testing of some value-added products from silver carp such as fish mince block, fish sausage, fish ball, fish stick and fish burger were analyzed during April 2001 to March 2002. The study also explored the possibility to involve rural low-income people in the production and marketing of such products. The production of silver carp was higher in greater Jessore and Mymensingh districts but the price remained low during the peak-harvesting season in October to November. The price varied with size of the fish, season, market characteristics and effective demand of the buyers. Price of about 500 g size fish was found to be Tk. 20-25/kg in the rural markets. The average size of fish in the rural markets was 350-550 g while that in the urban markets it was 700-1,200 g. The cost of production of the value added products and profit margin were assessed on the basis of market price of the raw material as well as that of the finished products, transportation, storage and marketing costs. The profit margins of 34%, 39%, 81% and 31% of their sales price were obtained for fish sausage, fish ball, fish stick and fish burger, respectively. Actual production cost could be minimized if the fish is purchased directly from the farmers. Consumer's acceptance and marketability tests showed that both rural and urban people preferred fish ball than fish sausage. However, response towards the taste, flavor and color of fish ball and fish sausage was found to vary with occupations and age of the consumers. A correlation was observed between age group and acceptance of new products. Fish ball, fish stick and fish burger were found to be the most preferable items to the farmers because of easy formulation process with common utensils. Good marketing linkage and requirement of capital had been identified as the prerequisites for operating small-scale business on value-added fish products.

Key words: Market-testing, Value-added products, Cost of production, Profit margin

Research findings

- The production of silver carp was high in greater Jessore and Mymensingh districts.
The cost of production of the value added products and marketing profit margin were assessed on the basis of market price of the raw material as well as the finished products, production, transportation, storage and marketing costs.

Fish sausage, fish ball, fish stick and fish burger offered a marketing profit margin of 34%, 39%, 81% and 31% of their sales price respectively.

Response towards the taste, flavor and color of fish ball and fish sausage was found to vary with occupations and age of the consumers.

Policy implications

Steps should be taken to minimize the cost of production of the value added products through ensuring availability of the raw material at a cheaper price as well as through minimizing the cost of production, transportation, storage and marketing costs.

Logistic support should be provided for the establishment of industries for production of value added fishery products.

Fisher women should be involved in the production and marketing of the value added products.

Urban departmental stores, chain stores and fast food shops should be utilized for marketing of the value added products.

Institutional credit should be provided to the rural poor for the production of value added fishery products.

Livelihood implications

Low market price of silver carp has become a serious concern to the poor fish farmers. The development and standardization of techniques for the production of value added products from silver carp flesh would widen the utilization of this cheap fish. Higher return would ensure development of sustainable aquaculture practices of the species and will enhance income of the poor farmers. The research work has increased the awareness of rural people towards accepting new food products. As a result, it will ensure more and more involvement of the rural poor men and women in income generating activities for providing better nutrition and generating additional income. This will have tremendous implication on poverty alleviation and livelihoods of the rural poor.