

Marketing Whole Bay Scallops Through Upscale Restaurants in Virginia

by

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Procedure

During the period of June 16-18, eight chefs representing six upscale restaurants in the Williamsburg Yorktown/Virginia Beach, Virginia area were interviewed. All eight chefs had participated in a pilot marketing program for cultured whole bay scallops initiated several years ago by the Virginia Institute of Marine Sciences (VIMS), College of William & Mary. The eight chefs all represented very upscale restaurants. Most were white tablecloth restaurants that typically offer several seafood appetizers and entrees. However, two were upscale seafood specialty restaurants.

Background

General Marketing Environment. The Williamsburg/Yorktown/Virginia Beach area of Virginia is a very popular tourist destination, drawing visitors from throughout the state, the U.S. and abroad. It offers a broad spectrum of tourism activities. Historic Colonial Williamsburg, the largest "living" museum in the U.S., attracts over four million visitors annually. Other popular attractions include numerous conventional museums, historic battlegrounds, and military installations. The area also offers the Atlantic Ocean, attractive beaches and numerous waterways conducive to watersports. Further, the area's mild climate, scenic woodlands and waterviews are attracting wealthy retirees and second-home buyers. While seafood production from Chesapeake Bay has declined in recent years, the area still has a reputation for abundant seafood, which is prominently featured on the menus of many, if not most, upscale restaurants. North Central Florida shares many of the same attributes which create a positive marketing environment for seafood products. Because of these similarities, it is anticipated that the Virginia chefs' experiences and suggestions for marketing aquacultured scallops can be readily adapted by, North Central Florida restaurants.

The Current Situation

- Chefs generally had the impression that the wholesale price of WBS was greater than for aquacultured clams. Wholesale prices of aquacultured clams ranged from 20 to 25¢ each, compared with whole bay scallop prices of 35 to 60¢ each. However, most chefs seemed willing to pay a premium for quality, farm raised scallops to add variety and uniqueness to their seafood menus.

Product Uses

- Whole bay scallops were used by Virginia chefs in ways similar to clams and mussels.
- Chefs found them to be versatile, including them in many types of dishes from simple to elegant. However, WBS were rarely served alone as an entree. One chef summed up his use of WBS by stating "they are a perfect complement to other seafood dishes because they add variety."
- Whole bay scallops were frequently served as appetizers as follows:
 - * Steamed in shell with garlic butter, 8-10 per serving for \$4 to \$5.
 - * Steamed on the halfshell, served with capers, shallots and lettuce, 5 per serving, \$9.00.
 - * Steamed, 6 clams, 4 scallops, \$6.50.
 - * Steamed in shell in white wine with garlic, herbs, vegetables, heavy cream fresh tomatoes, 12 scallops for \$6.50 (special promotional price when VIMS provided free scallops).
 - * Black pepper pasta appetizer with 2-3 scallops, \$5.50.
- Whole bay scallops entrees included the following:
 - * Bouillabaise, in combination with various other shellfish, including lobster, clams and mussels. Some also included finfish such as salmon. Most prices ranged from \$25 to \$30.
 - * Many different types of pasta dishes; most contained 3-4 scallops and 3-4 clams. Menu prices ranged from about \$12.00 to \$18.00.
 - * Steamer platter containing four each of WBS, oysters, clams and shrimp, \$17.00.
 - * A "tomato-ey", spicy, creole dish, about \$12 to \$14.
 - * Customer reaction to all types of dishes was very positive, according to five of the six establishments surveyed.

Product Attributes

Size

- Most were satisfied with a size of 1¼" - 1½" in diameter.
- One chef was currently using 1½" - 2" in diameter and wanted them slightly smaller because the larger ones had too much dark material around edges.
- Another chef that had used 1¼" - 1½" wanted them slightly larger.

Shell appearance

- WBS used in the VIMS pilot study and the ones currently being sold had shells that were extra clean and free from blemishes. Several chefs commented on their pinkish/orangish/white appearance and the nice contrast when served with other shellfish. One said "their shells are so pretty; they are like a garnish."

Internal appearance

- All chefs served the WBS cooked; cooking/steaming causes the scallop to shrink reducing the visibility of internal scallop parts that could possibly reduce consumer acceptance. Several felt that some consumers would be turned off by the appearance of a raw whole bay scallop, particularly larger sizes.

Internal quality

- All chefs said that customers voiced few or no complaints about the fresh WBS received from the VIMS program.
- Frozen WBS were judged to be not as good as fresh because chefs felt they lost juices during freezing and again when thawed. However, most chefs do not thaw scallops before cooking. Because of their small size, scallops are thawed during cooking.

Shelf life

- Chefs at five of the six restaurants indicated special concern must be given to shelf life; they consistently estimated shelf life at 2 days. Since some receive deliveries only once a week, this results in prolonged out-of-stock situations.
- Two chefs at one restaurant said their WBS lasted about 5 days; they acknowledged that they probably kept their cooler "colder than most."

Packaging

- The two-pound mesh sacks used in the VIMS pilot study were acceptable to most chefs. However, because of limited consumer demand, a 10-pound master container was judged to be too large.
- One chef currently gets fresh WBS in a 25 count mesh bag, a satisfactory package.
- Frozen WBS from a New Zealand supplier were packaged in a 2 lb. poly bag, with a 40 to 50 count. The chefs using this product were satisfied with the packaging.
- "Shells break if they're stacked. Keep them flat, maybe with moist padding between layers to keep shells from breaking; it might also extend shelf life."

Promotional Methods used by Virginia Restaurants

Because of the upscale nature and favorable reputations of most of the restaurants surveyed, customers had a tendency to put a great deal of trust in the chef. The chef's stamp of approval by including WBS on the menu was sufficient to entice many customers to try them. The following promotional methods were used to make customers aware of WBS:

- A personal recommendation by the restaurant owner or chef. Time and circumstances permitting, this is a very effective way to encourage patrons to try new menu items. This method works best in smaller, well-established restaurants with a high proportion of local, repeat customers who have an appreciation for the establishment's reputation and personalized attention.
- A feature in the menu, augmented with verbal promotion by wait staff. Several chefs stressed the importance of printed communication, saying that appearance in print conveys permanence and the chef's commitment to the product. Further, printed menu descriptions can bolster the product's appeal by emphasizing attributes such as "farm raised" and "whole bay scallops in their natural shells."

Summary and Conclusions

- Whole bay scallops received very favorable reaction from chefs of upscale restaurants in the Williamsburg/Yorktown/Virginia Beach, Virginia area. Only one chef of six was dissatisfied with sales of WBS; this chef's restaurant was noted for its Italian menu, and not particularly noted for seafood specialties.
- None of the chefs reported unfavorable customer reaction to the whole bay scallops that had been aquacultured and provided by VIMS. One restaurant reported that a few customers had complained of gritty, tough frozen WBS from New Zealand.
- Only one of the six restaurants surveyed presently serve fresh WBS. Two serve frozen product. All restaurants except one would handle farm raised WBS again if consistent supplies were available.
- According to the chefs, WBS offer a seafood product that is not radically new or different as to taste (compared with clams or mussels), therefore consumer acceptance is very high. The major positive attributes were the perceptions that scallops in their shells provide variety and beauty to seafood combination dishes. One chef said WBS are a "garnish."
- Although WBS were used in a wide variety of appetizers and entrees, the most prevalent dishes were (1) steamed and with butter or other sauce (2) as an addition to pasta and (3) in bouillabaisse.
- The preferred size is "about the size of a silver dollar" about 1¼" to 1½". Chefs rated the interior quality of the Virginia aquacultured product as excellent.
- Two pound mesh bags containing 40 to 50 scallops is an acceptable package. However, some shell breakage was reported. One chef suggested that a more protective container with moist padding might prevent shell breakage and extend shelflife.

- Shelflife may be a potential problem for restaurants that get weekly deliveries of seafood products. Five of the six chefs reported that shelflife was only several days. One said 5 days could be achieved at colder storage temperatures. Effective marketing of WBS may require finding ways to extend their shelflife or to expedite delivery to restaurants.
- Chefs overwhelmingly prefer fresh WBS to frozen. However, several high volume specialty seafood restaurants are currently serving about 10 pounds of frozen WBS weekly with few customer complaints. They are pleased with the variety that scallops add to their menu. As the Florida WBS industry develops, it may be necessary to segment the market into fresh vs. frozen, utilizing freezing to take excess production off the fresh market to prevent market gluts while offering extended shelflife to restaurants willing to use a high quality, frozen product.
- Initial market development programs should promote whole bay scallops to chefs that like to try new, unusual items. Target chefs of upscale, white tablecloth restaurants. Convince these chefs that upscale customers are looking for something new, out-of-the ordinary and are willing to pay for it.
- Position WBS as "farm-raised in the Crystal River." Distrust over wholesomeness of shellfish can be overcome by stressing "farm raised" quality.
- In conclusion, there appears to be a significant unmet demand for WBS among upscale restaurants. As consumers become familiar with WBS through high-end outlets, demand in higher volume, moderately priced restaurants is likely to increase as the moderately priced restaurants try to emulate the menus of the more pricey restaurants. However, this can be achieved only if (1) WBS prices are not too much greater than those of other shellfish such as clams and mussels, (2) ways can be found to extend shelflife (3) higher volume can justify multiple deliveries each week, or (4) moderately-priced restaurants accept a high quality frozen product.