

The secret life of pets exposed

ASIA-PACIFIC & THE WORLD

Since the start of the pandemic, an unprecedented rise in pet ownership has been reported. With dogged determination, a total of 3.2 million households in the UK acquired a pet with young people the main drivers of this trend. While global markets for pet care is estimated at US\$179.4 billion for 2020, projected to reach a revised size of US\$255.4 billion by 2027.

According to the National Bureau of Statistics, Asia-Pacific is one of the fastest growing markets and is forecast to reach US\$23 billion by 2027. Robust economic growth in this market and rising household incomes are expected to increase consumer spending and could position Asia as the world's hub for pet foods, products, and services. This is no time for retailers to roll over as increased product innovation, customisation, affordable pricing especially on pet food, raises the stakes around the world.

A recent global pet care growth and trends forecast by www.360marketupdates.com, reported key shifts driving global markets that include a demand for more transparency in pet care product ingredients; a growing inclination to safeguard pets from sickness and injury; specially designed products, and requests for affordable eco-friendly pet accessories. Humanising pet care has become



a highly competitive landscape with major players in Asia-Pacific markets such as Nestle Purina, Mars Inc and Blue Buffalo Pet Products Inc tapping into a consumer base that is driven by customer loyalty and the habitual eating pattern of pets.

Owners are increasingly treating their loyal companions like family members as reported in a recent article on www.robeco.com.

There has been a global increase in pet ownership since Covid-19. With this increase, comes an increase in pet owners need for variety when it comes to food, snacks and toys for their pets.

88% of US pet owners say they consider their pet – be it a dog, cat, fish, or snake, to be a member of their family. Over 54% said they buy seasonal holiday gifts for their beloved animal, while 44% said they celebrate their birthday. With the three main pet care categories being food and treats, representing approximately 40% of the total market; veterinary care representing about 30% and lastly other products and services including grooming, medication, and training –

retailers are afforded an attractive tailwind for the industry at large.

Modern pet owners are crazy about the pet-loving lifestyle. In a recent Ips News article, pets are typically welcomed into the home for mental and therapeutic reasons in particular the influence they have on social, and intellectual development of children. Asia-Pacific is showing encouraging growth



in terms of adoption of pets as well as the revenue generated for pet care products with pet food found to hold the most dominant position.

China is the stand-out leader amongst countries in the Asia-Pacific region for potential growth as reported by www.peak-recruit.com. Chinese pet owners are projected to spend around US\$6.125 billion by 2022, resulting in the Chinese and US pet food markets swapping places. As pet populations across the world continue to expand, the Asia-Pacific region alongside Latin America, looks likely to lead the world's sales growth for all pet food.

IPS News reports that the trend for owning small pets is on the increase worldwide. Due to increased urbanisation and smaller living spaces, small pets take up less space and require less attention. Advancements in mobile tech are seen in the booming of the global pet care market with products becoming easily available.

“Entrepreneurs, retailers, and brand owners are not simply launching variations of existing products. Instead they are creating entirely new categories. I've seen pet wipes advertised for when one's precious Pomeranian does his business (I'll pass on that one thanks); cat toothpaste; a self-cleaning litterbox and perhaps the fastest-growing category, CBD products for dogs (up 7400% over the last five years). It's time to fetch that ball and play catch as pet health and wellness is clearly on a roll, pushed by the pandemic and the need to focus on gentler, nurturing moments and pets tick that box,” says Mike Smollan, Chief Growth and Innovation Officer, Smollan.



Where do opportunities lie for retailers, manufacturers, and brand owners in the Asia-Pacific region?

The service sector where the days of pets living in a kennel outside, are long gone as today's pets are far more likely to sleep alongside their owners or have a luxury bed. Pet care products including grooming, fashion, and toys, along with products designed to cater for health and well-being continue to emerge and will offer retailers entry points to tap into or reimagine new products and services.

Organic pet care options have become increasingly popular as owners want the best possible quality of life for their pets. Adarsh Raj, Consumer Analyst at GlobalData noted the shift from lower-end to mid-range pet food among



APAC pet parents saying that retailers and manufacturers should pay close attention to these developments and add related products to their existing portfolios to bolster revenue. Pet retail has moved online and is enjoying success as the ecommerce balloon continues to expand unabated with an increase of shopping transactions using smartphones.

Ice cream for pets, frozen yoghurt, non-alcoholic beverages, luxury pet hotels and even spa treatments continue to push the envelope that has gained even more traction as the pandemic has opened up pet potential on an exponential scale. **SR**

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