

New Research Reports Confirm Investment Opportunity in Growing Pet Health Market



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New market research reports are projecting continued vibrant growth in the global pet health market. Importantly, companies like **General Mills, Mars, Nestlé, Walmart, Amazon** and others among the largest retailers are all contributing to the reconfiguring of the pet health market. The entry of all these large retailers with their deep knowledge of consumer behavior indicates the importance of the growing pet health market as an investment opportunity.

The global companion animal healthcare market accounted for around 47% of the entire veterinary healthcare market. The population of traditional companion animals, especially dogs and cats, has increased marginally in the last decade but the willingness of companion animal owners to spend more on their animals' health and the ability of veterinarians to meet that need, have continued to be key drivers of this market, in spite of hindrances like shortage of veterinarians in emerging markets.

The market is projected to increase by more than 53%, globally, at a CAGR of over 7.31% during 2017-2022 (the forecast period). [Mordor Intelligence](#)

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High demand for efficient monitoring and awareness about epidemiology & pathogenesis of diseases in pets has urged organizations, such as Companion Animal Parasite Council and European Scientific Counsel Companion Animal Parasites, to ensure appropriate measures are taken. These organizations also aim at maximizing productivity, focus on disease prevention, and improve the nutritional content of finished pet products.

Key companies in the market are collaborating with animal welfare organizations to promote awareness and improve veterinary healthcare. For instance, in 2015, Ceva renewed its partnership with American Association of Feline Practitioners. This collaboration is aimed at protecting against zoonotic diseases, encouraging pet owner to live in urbanized societies for better pet care, and establishing standards for feline medicine, research, & surgery practices and raising awareness among owners & practitioners.

Similarly, Bayer, one of major market players, is also focused on deploying initiatives to curb companion vector-borne diseases and collaborate with researchers to develop advanced solutions. Collaborative programs to improve research in pet care are among key contributors to the market. For instance, the EU-funded network STAR-IDAZ, a global strategic alliance for the coordination of research on major infectious diseases and zoonoses.

Government animal welfare authorities and policymakers are encouraging farmers through incentives to achieve optimization and innovation in food production. These organizations are involved in issuing guidelines for promoting veterinary health, which is expected to contribute to market growth over the forecast period. For instance, OIE International Standards, a part of the WTO framework, issues standards to improve pet care and promote international trade of veterinary products.

Animal Type Insights

Dogs accounted for the largest share of the animal type segment in 2016. This can be attributed to increase in spending on pet healthcare, especially in developed regions. **According to American Pet Product Association, pet spending has been consistently on the rise to reach \$66.75 billion in 2016.** This can also be attributed to high penetration of feed additives, vaccines, **diagnostics, and pharmaceuticals for pets.** The increase in adoption of these products has resulted from growing consumer awareness pertaining to their availability and benefits. In addition, general concern of owners pertaining to overall hygiene and health of the pets is also one of the factors contributing to market growth. **This segment is anticipated to grow at an exponential rate throughout the forecast period.**

Cats are increasingly being adopted in some countries such as Canada and are preferred over dogs. Growing prevalence of infectious diseases among cats is also one of the high impact rendering drivers for this segment. This is anticipated to boost the adoption of pharmaceuticals and vaccines in the treatment of these diseases.

Other prevalent conditions in cats, such as chronic kidney disease and diabetes, have also increased the clinical urgency to adopt pharmaceuticals, thereby presenting the segment with lucrative growth opportunities. Moreover, companies are focusing on increasing their product portfolio for cats owing to greater sensitivity to diseases in comparison with other companion animals. For instance, Ceva extended its range of cardiology products with the launch of Amodip for the treatment of arterial hypertension in cats.

Product Insights

Pharmaceuticals held the largest share in the product segment in 2016; which can be attributed to increasing prevalence of food-borne diseases, brucellosis, and other zoonotic diseases that are potentially hazardous to animals. This has resulted in rising clinical

urgency for the use of potent pharmaceuticals and targeted medicines. In addition, significant increase in instances of animal bites has increased chances of disease and microbe transmissions, which is also expected to propel demand for pharmaceuticals. [Grand View Research](#)



U.S. Pet Market Outlook, 2018-2019

The U.S. pet industry has long been rife with opportunity and dynamism, but the market is now reconfiguring at such a dizzying pace it's hard to keep up, much less lead the pack. With its focus keenly on “what’s next”—and bringing to bear decades of pet market perspective and analysis—this cross-category report is packed with quantitative and qualitative projections crafted to help pet product makers, marketers, retailers, service providers, and investors do just that.

E-commerce is challenging most market norms, and the Internet more broadly is transforming the rest, such that bold steps are required. As a result, innovation is at an all-time high, reshaping the market to the core:

- **General Mills** is taking drastic steps to reverse sales declines attributable largely to the shrinking center store and consumers’ increased focus on healthier foods, **joining other massive food companies doing much the same in the pet market including Nestlé Purina, Mars, and J.M. Smucker.** Overnight, via its February 2018 acquisition of Blue Buffalo, General Mills is the pet food powerhouse to watch.
- The industry’s largest retailers are realigning as omnichannel operators via acquisitions (**PetSmart buys Chewy, Walmart buys Jet**) and initiatives designed to integrate brick-and-mortar and e-commerce while building out both.
- Pet specialty big boxes, grocers, and mass merchandisers are implementing new forms of order fulfilment including “click-and-collect” (online ordering coupled with in-store pickup) and same-day “last-mile” home delivery, even if it means acquiring their own shipping company (Target buys Shipt).
- The top pet specialty retailers are emphasizing smaller store formats (**PetSmart launches**

Groomery, Petco proceeds with Unleashed) and expanding petcare services (Petco adds Thrive complete veterinary services).

- Marketers are teaming up with or acquiring service providers to better meet pet owners' needs 360 **(Mars buys Whistle and VCA, Inc., Petco buys PetCoach, PupBox, and Petinsurance.quotes.com, and helps fund Rover).**
- Marketers are re-evaluating channel loyalties in terms of brand exclusivity, pole-vaulting across the pet specialty/mass divide (Nature's Recipe and Blue go mass), and introducing pet-specialty-type products created specifically for mass (Mars launches Crave).
- Products are incorporating service functions such as automatic feeding and litter scooping, the ability to reorder supplies automatically via the Internet, and features that allow pet owners communicate with their pets—and vice versa.
- Tracking devices and monitors are letting pet owners track via smartphone not just the location of their pet but also its vitals, and to interact directly with veterinarians and other petcare service providers.
- Uber-like, smartphone-app-based services are taking by storm pet sitting/dog walking and pet boarding (Rover, Wag!).
- Amazon is (still) making everyone nervous, reaffirming its commitment to pet by implementing robotics innovations in its warehouses to facilitate the handling of pet food and litter, letting shoppers create their own Pet Profile pages, aiming to become a pet information resource, and possibly launching its own UPS-like shipping service. [Research and Markets](#)

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