Pet Store Industry Trends & Leader Quotes

When faced with legislation that would prohibit pet stores from selling commercially raised puppies and kittens, puppy-selling pet store owners and lobbyists argue the policy would put them out of business. Yet, their own industry repeatedly states that a products and services model is the key to pet retail success.

According to the American Pet Products Association:

 Americans spent \$136 billion on their pets in 2022 with pet food, products, and services dominating.



- Dog and cat sales were not tracked for the fourth year in a row, indicating they are no longer a significant percentage of pet store sales.
- Continued growth is expected as 33% of millennials own pets—more than any other age group.

According to <u>Pet Business Magazine</u>, of the top 30 pet retailers in North America only one (Petland) sells puppies. "Despite an ongoing pandemic, turbulent economy, supply chain disruptions, and increasing competition" many on the list achieved "impressive growth over the past year."

According to <u>Morgan Stanley</u>, the pet industry is "poised to nearly triple to \$275 billion by 2030 thanks to a surge in new owners, favorable demographics and increased per-pet spending." Pet owners, especially younger ones, are spending incrementally more on pet products and services and that growth will likely continue.

According to the World Pet Association, in 2019 pet stores that only sold dry goods reported more total revenue per square foot (\$403) than those that sold animals (\$246).



Woof Gang Bakery & Grooming, the 8th largest pet store, continues to add more locations. On the sale of puppies, they have said: *The Woof Gang Bakery company adamantly opposes the archaic and abhorrent practice of puppy mill breeding and selling puppy mill dogs. Good pet stores do not sell puppies and responsible pet breeders do not sell to stores.*

Pet Food Express, the 16th largest pet store chain, focuses on "products that meet rigorous quality standards" and "the very best customer service" and proudly partners shelters and rescues to adopt out homeless pets. In a letter to support California legislation to prohibit the sale of commercially raised puppies in pet stores, the owners wrote: *We support AB 485 because we want to see all pet stores operate responsibly. Not only is it the right thing to do, but it's the key to a successful business.*

PetSmart and PetCo, the two largest chains, have never sold dogs or cats. Instead, both offer a wide range of products and services and partner with thousands of animal welfare organizations across the nation to showcase adoptable pets. This not only saves lives, but also increases profits for the stores, as adoption event days are often their busiest and most profitable with adopters buying everything they need for their new pet, often spending 5 times more than the average shopper and becoming a loyal customer.

