Millenial Influence on Labor in the Pet Industry

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Millennial’s Influence on Labor in the Pet Industry

One of the industries that has skyrocketed in labor force and need in the world and United States, is the pet industry. Nearly eighty-five million households in the United States own at least one pet. That is sixty-seven percent of American families that own some form of dog, cat, reptile or small animal that they consider a part of their family. Through the latest COVID-19 pandemic, I have seen first-hand how essential the pet industry and its labor force are. This paper will open up the psychology and statistics of how the latest generation is influencing the pet industry and it’s need for a labor force.

With the pet industry effecting nearly three-fourths of our nation’s households it was hard to find research on how the millennial influence is impacting it. According to a study on the familiarity of veterinary services it was shown that the ages of 24-54 had the highest percentages of pet ownership (Bir et al. 4). From my personal experience working in the pet industry I have seen a huge growth in sales and interest in holistic and more naturally based foods. While researching this topic there was a huge number of articles analyzing and dissecting the ingredients in dog and cat food and the effects they have on their animals. As more American’s are viewing their animals as part of the family instead of just household pets, they are getting more invested in what their animals are eating. The number of people that ask me where the food I am recommending is made and sourced is over 50% and becoming more common of a question. Mass hysteria ensues when a company issues a recall and has to inform their customers
that something is wrong with their food. The largest pet food recall in U.S. history occurred in 2007 after the FDA learned that more than 200 brands of pet foods were linked to illnesses and deaths of cats and dogs (Marcum 183). Whenever a company has a recall, it is a public relations nightmare and every part of the industry is affected. I’ve seen a recall affect the manufacturing, marketing and in-house sales of particular pet foods. It’s surprising to say that some of the top named dog foods is the food with the most recalls. According to Karen Tietgen, Blue Buffalo is currently the dog food with the highest recalls to date (Tietjen).

When it comes to millennials, there are multiple articles discussing why they are waiting later in life to have children.

Millennials, now in their late 20s and 30s, have set new standards for bonding with and spending money on pets. According to Gen Z and Millennials as Pet Market Consumers: Dogs, Cats, Other Pets, a report by market research firm Packaged Facts, Millennial pet owners routinely mark their pets' birthdays, include them in holiday celebrations, take them on shopping trips and bring them to work. Millennial pet owners, especially those in higher-income brackets, also represent a pet market consumer segment offering exceptional opportunities for marketers of pet products and services. In fact, Packaged Facts National Pet Owner Survey data indicate that Millennial pet owners with a household income of $75,000 or higher are more than twice as likely as all other pet owners to have spent $50 or more on pet products of any kind in the last 30 days (PR Newswire).
This article also continues to discuss that it’s not just up to millennials when it comes to the growth of the pet industry, but it’s also relying on the younger generation, Generation Z. Millennials are classified as born between 1981 to 1996 while Generation Z is anyone born after 1996. Currently, anyone that is a Generation Z baby is 24 and younger, which is currently one of the ages entering into the pet industry and acquiring their first pet on their own. By the end of this decade, it is estimated that the pet industry will be a $100 billion dollar industry (*Pet Services Industry: 2019 White Paper Report: U.S. Pet Industry*). This includes food, treats, medical expenses, toys and other pet accessories. A study done by George Mason University students took in information from the US Census, the US Bureau of Labor and Statistics and American Pet Products Association to analyze the impact on the US economy. According to this report, this brings the annual consumer spending up to over $77 billion on by pet parents on their pets annually (*Hassel*). Since 1994, the pet industry and pet spending has only increased. Here is a chart that has taken data from the APPA’s annual report from 2017:

![Graph showing pet expenditures from 1994 to 2017](image)

As you can see, even in the 2007-2009 recession, the pet industry and expenditures still continued to increase though the majority of businesses and industries took a major hit.
Furthermore, three quarters of all Millennials own either a cat or dog and see their pets as the first step in forming a family and easing into parenthood. In fact, 82% of Millennials polled said that pet ownership should come before parenthood because it better prepares them for that next step. According to Jean Twenge, a psychology professor at San Diego State University, pets are becoming a replacement for children. “They’re less expensive. You can get one even if you’re not ready to live with someone or get married, and they can still provide companionship.”

(OVRS) As the “tech generation” continues to dominate the pet industry, there is a huge market for pet technology. You are already seeing it on the market: pet cameras, automated feeders and toys, and robotic companions. My sister just bought an automatic ball launcher for her German shepherd so he can entertain himself. The luxury products are becoming the norm; from strollers, to purses and bags, the pet industry is expanding and customizing itself to accommodate “pet parents”.

As for looking at what the future holds, it is still estimated that the pet industry will be worth over $200 billion by 2025, that’s nearly a 50% increase in five years from now (Watson). Those numbers could be at risk as the world is currently in an unprecedented crisis with the COVID-19 virus taking a toll. While retail sales and pet food has continued to increase during the pandemic, it is the specialty services that are being decimated. Dog food sales spiked 54% and cat food sales increased 52% for the week ending last Saturday compared with the same period last year, according to Nielsen’s most recent data (CNN). Meanwhile, other parts of the pet care industry, that are not deemed ‘essential’ are being decimated by the coronavirus pandemic. This includes those providing day care, boarding centers, groomers, dog walkers and trainers who are finding their services are now redundant, now majority of people and pets are bound to their homes (Watson). I know from personal experience that my groomer is out of work
because she has a compromised immune system, so my shih tzu is currently a shaggy mess. Though some have claimed the pet industry is recession proof, they had no way to foresee this pandemic. In its just-published U.S. Pet Market Outlook 2020-2021, market research firm Packaged Facts forecasts that total U.S. retail sales of pet products and services will decline by 17 percent in 2020, compared with the 5 percent growth anticipated prior to the coronavirus pandemic. These projections translate to a drop from $95 billion in 2019 sales to $78.5 billion in 2020. The firm projects a substantial though partial rebound in 2021, given the underlying strength of the pet industry (Sprinkle). At this point only time will tell. The past few months with this pandemic, I have seen a drop in sales at my own pet store, but the online sales have skyrocketed. I’m waiting to see if the ecommerce is enough to not have a drop in the pet industry.

In conclusion, I believe that the millennials and Generation Z individuals will be what is going to keep the pet industry thriving in the next decade or two. Though there have been layoffs and dips in the pet industry from the unforeseen pandemic that is rocking the nation, we will recover and thrive. The fact that the pet industry is one of the industries that has been able to fight a recession, I don’t see it taking too hard of a hit during this pandemic, as long as it doesn’t last too much longer. With millennials consistently supporting the pet industry and its labor force, it will beat a pandemic. I know my animals won’t go starving, though I’m a college student with two dogs, a cat, two fish tanks, and a reptile. Yes, I’m a typical millennial “pet mom” and I have no shame in my obsession with my animals supporting the American economy. Let just hope this pandemic slows and we can all get back to spoiling our animals more than they need to be.
Works Cited


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