

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, they also admit only 4% of Americans obtain pets from pet stores and their own industry repeatedly points to the fact that a products and services model is the key to pet retail success.

According to the American Pet Products Association:

- Americans spent \$103 billion on their pets in 2020 with pet food, products, and services dominating.
- Dog and cat sales were excluded for the second year because they are a “relatively small contributor to overall sales” and are “typically obtained outside of the retail pet channel.”
- Despite the challenges of the pandemic, “pet specialty and independent retailers experienced solid growth in 2020.”
- Stores added services like boarding, grooming, insurance, training, pet sitting and walking services to have an edge over online retailers.

According to *Pet Business Magazine*, of the top 25 pet retailers in North America only one sells puppies, and that chain (Petland) has moved down the list. Despite the challenges of the COVID-19 pandemic, “the pet industry’s biggest retail chains continued to thrive by leveraging their unique strengths while developing new channels to reach consumers.” In fact, more than half of the top retailers expanded in 2020.

According to *Ex-Parthenon*, one of the largest consulting organizations in the world, the pet store industry has become “a potentially explosive market” as Americans are increasingly spending more on fancy food, treats, clothing, and premium services, and 78% of people prefer to shop for their pets in brick-and-mortar stores.

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 chain, added 15 new locations in 2020 and reported the average per-store revenue was up by more than 23%. The key factor to this growth was introducing pet grooming services after “listening and responding to market demand.” On the sale of puppies, Woof Gang representatives have said: “To be perfectly clear, 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 15th 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.