Pet Industry Outlook

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Your strategic guide to 2026

Pet Industry Overview

“As we look ahead to 2026, the pet care landscape reflects both the resilience of the category and the increasing complexity of the consumer behind it. Pet parents remain deeply committed to meeting their animals’ needs, even as economic caution shapes how, where, and what they buy. Their choices reveal a marketplace where value is being re-examined, convenience is being re-prioritized, and loyalty must be continually earned.

This year’s Pet Channel Outlook explores these shifts in depth, from evolving channel dynamics and species-driven growth, to premiumization and the rising influence of health and wellness, offering a clear view of the forces that will define the industry and the opportunities ahead for those ready to meet consumers where they are.”

Andrea Binder
VP, Pet Industry Thought Leader

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Pet Industry Outlook: *Guide to 2026 Overview*

1. Cautious consumers are protecting essentials – Pet Care stays prioritized

Heading into 2026, consumers remain wary despite easing inflation, reallocating spend toward necessities and seeking value without abandoning pet needs. Many pet parents report their willingness to sacrifice for themselves before making sacrifices for their pets which becomes evident with leading trends in pet wellness, premium food products and more.

2. Value is being redefined as consumers balance cost pressure with care expectations

Pet parents are feeling the rising cost of ownership yet continue prioritizing their pets, shifting how they define “value.” Rather than trading down broadly, they are leaning into intentional strategies – buying in bulk, delaying non-essentials, seeking deals more frequently – all while maintaining loyalty to trusted brands. Fatigue with constant price-seeking is growing, reinforcing the need for retailers and brands to simplify choice, reduce friction, and deliver value beyond just price.

3. Category momentum concentrates in cat and premium food

Growth skews toward cat ownership and premium/super-premium food tiers, signaling that quality and species mix are doing the heavy lifting while value/moderate lag. Private label shows mixed performance – strength in select areas but not broadly displacing national brands – so “value” is increasingly defined by benefits and outcomes, not just price alone.

4. Channel roles are diverging – Online for ease while In-Store for convenience and product

Amazon expands share through convenience and shipping advantages; warehouse clubs gain, while mass and pet channels face mixed trends. In-store remains the leading shopping setting overall, but loyalty dynamics are shifting: mass/value wins on price & convenience, national pet retail on availability & brands, and neighborhood pet serves a smaller, service-oriented niche – although often constrained by price perceptions.

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2025 Performance Recap

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The importance of seamless commerce is *evident in the channel dynamics*

Online is commanding more of the consumer wallet while In-Store sales show declines

55%
-3.2 pts vs YA
In Store
B&M retailer sales

45%
+3.2 pts vs YA
Online
Online sales inclusive of Pureplay

Market	$ % Growth	Unit % Growth	Price % Growth
Total US Omni	+3.5%	+0.8%	+2.6%
Total US In-Store	-2.2%	-1.0%	-1.3%
Total US Online	+11.3%	+7.0%	+4.0%

Source: NIQ Omnisales+ | Entire Dataset; Pet Care Department, Total Omni Dollars, L52W w/e 12/27/25

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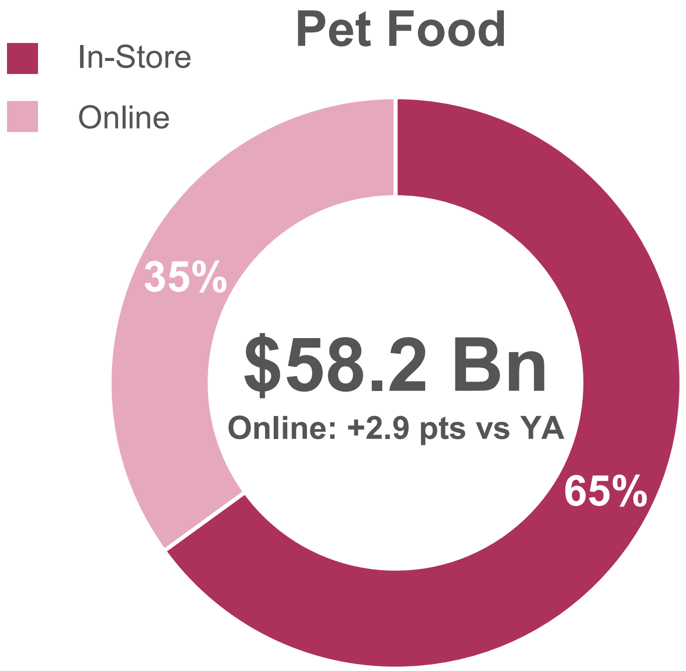
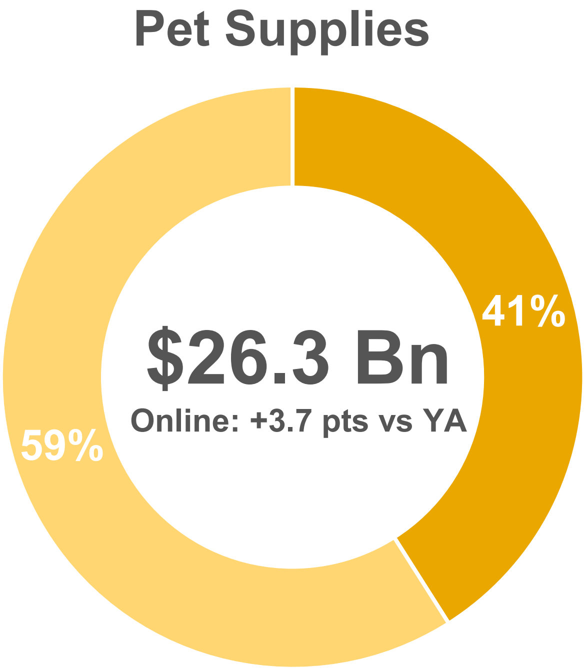
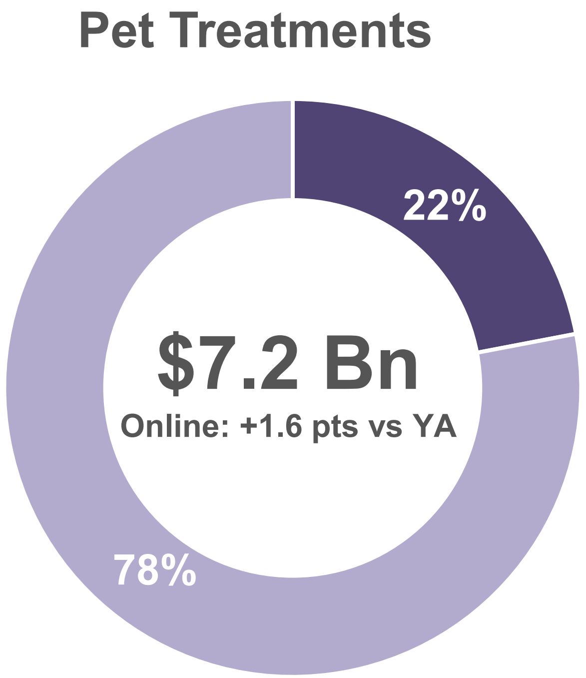
Channel preference varies by pet parent need state *although channel trends remain similar*

While nearly two-thirds of Pet Food sales still take place In-Store, In-Store is losing share of the category







Market	Pet Food			Pet Supplies			Pet Treatments		
	$ % Growth	Unit % Growth	Price % Growth	$ % Growth	Unit % Growth	Price % Growth	$ % Growth	Unit % Growth	Price % Growth
Omni	+2.4%	+1.1%	+1.3%	+4.8%	-0.5%	+5.4%	+6.2%	+0.8%	+5.4%
In-Store	-1.9%	-0.6%	-1.4%	-3.9%	-3.8%	-0.1%	-0.8%	-1.4%	+0.6%
Online	+11.5%	+9.2%	+2.2%	+11.7%	+4.4%	+7.0%	+8.4%	+1.8%	+6.6%

Source: NIQ Omnisales+ | Entire Dataset; Pet Care Department, Total Omni Dollars, L52W w/e 12/27/25

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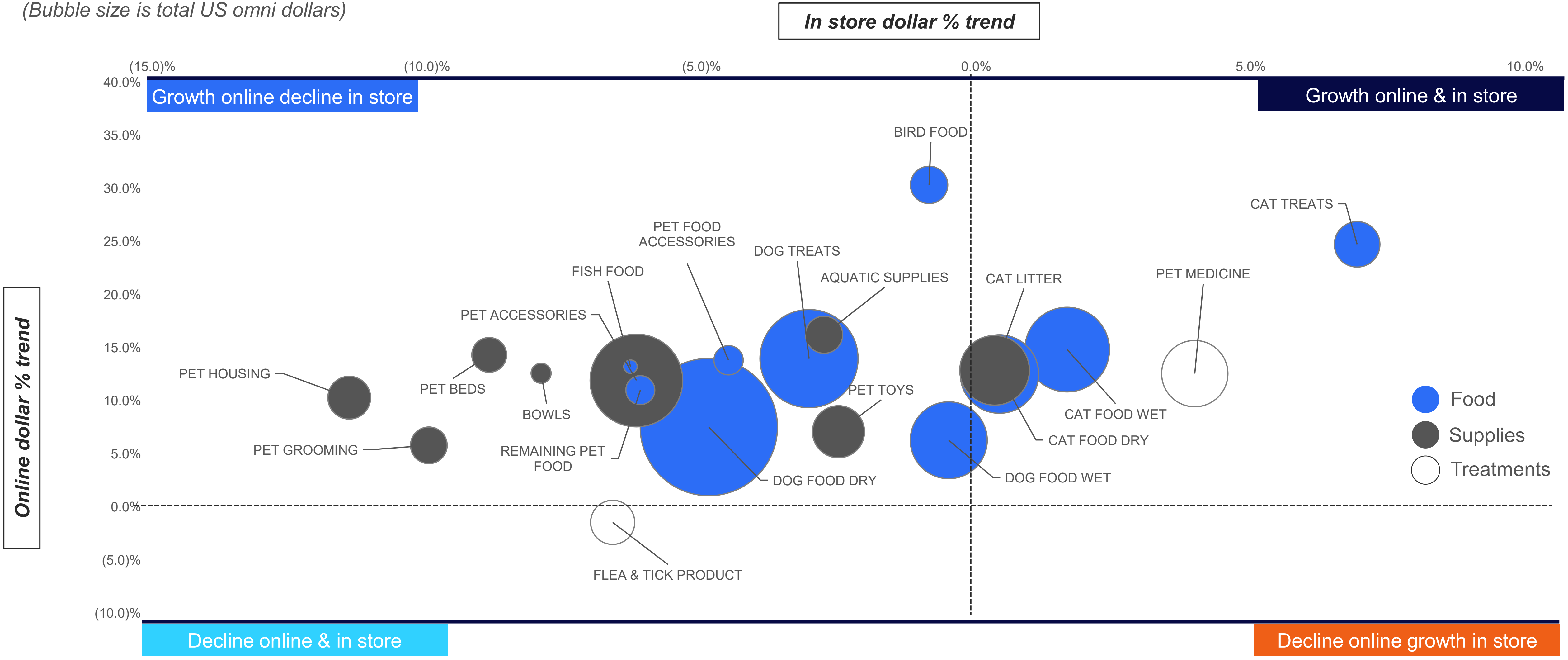
While online growth is for all, *In-Store growth is targeted*

Consumers are still driving In-Store growth for proactive healthcare and cat species needs

Total omni dollar sales by pet care category

(Bubble size is total US omni dollars)



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Seamless commerce is necessary for 65% of customers, *those most valuable to the department*

Increasing need to meet the consumer wherever they may be for their purchase journey

Where are Total Pet Care buyers making their purchases?

% of Buyers: 29.7% (**-7.0 pts**)
% of Dollars: 12.3% (**-6.6 pts**)

% of Buyers: 5.3% (**+0.5 pts**)
% of Dollars: 3.3% (**-0.2 pts**)

% of Buyers: 65.2% (**+6.6 pts**)
% of Dollars: 84.6% (**+6.8 pts**)

Source: NIQ US Exp Omnishopper, Pet Care Department, Total Outlets – In Store vs. Online, Buyer Exclusivity and Duplication, YTD 11/28/2025

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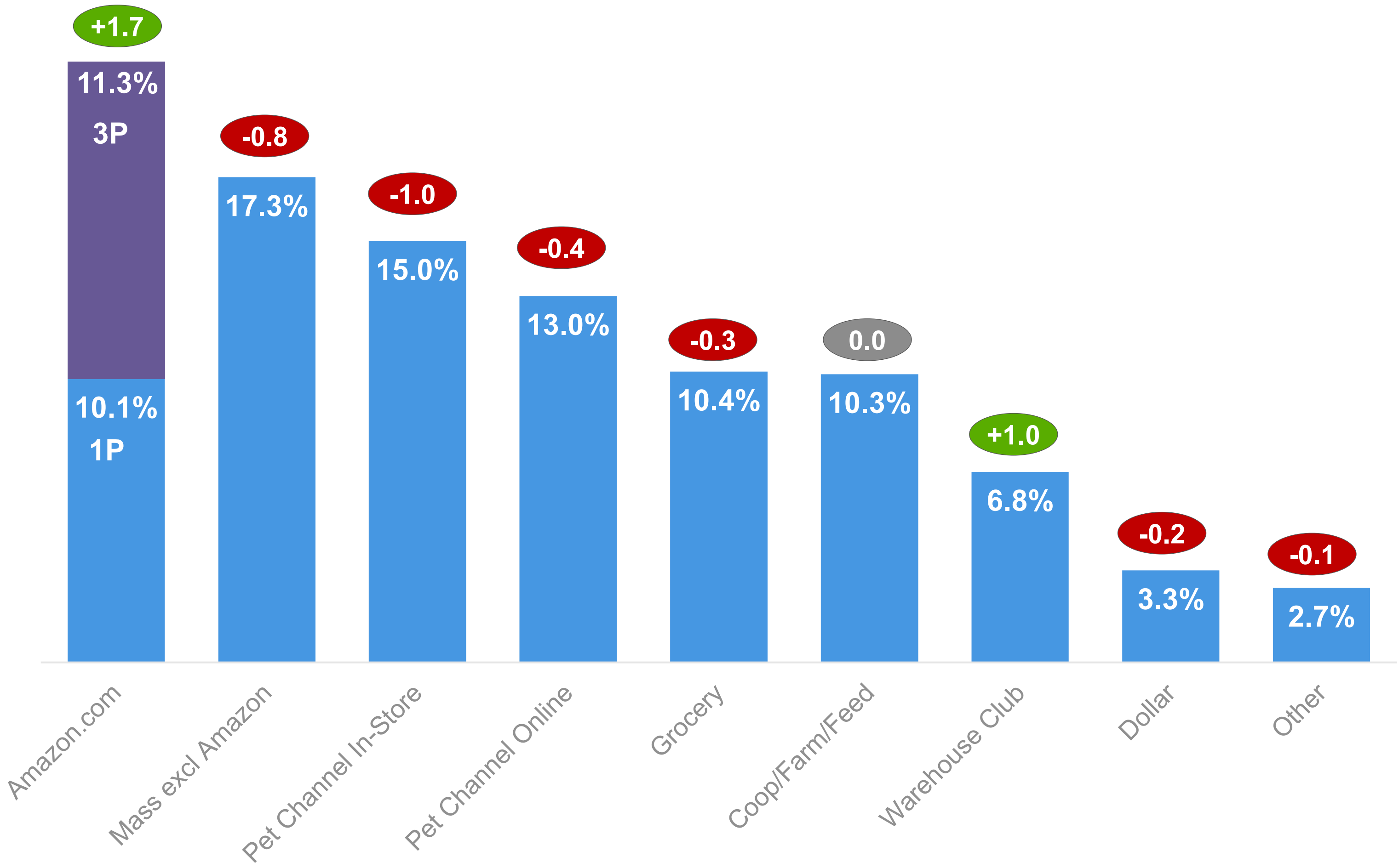
Online isn't always a driver of success *as consumers grow share of spend in limited channels*

Amazon is commanding more of the consumer wallet while significantly increasing their customer base

Share of Pet Care Dollar Value



Share of Pet Care Buyers

Channel/Retailer	Buyer Share	CYA
Amazon.com	**59.1%** *(44% 1P, 53% 3P)*	**+5.6**
Mass excl Amazon	69.0%	0.0
Pet In-Store	41.6%	-0.4
Pet Online	**20.8%**	**+1.6**
Grocery	62.4%	+0.1
Coop/Farm/Feed	**23.7%**	**+0.8**
Warehouse Club	**30.5%**	**+2.6**
Dollar	38.5%	-0.4

Source: NIQ US Exp Omnishopper, Pet Care Department, Total Outlets, Value & Buyer Share with Pt Chg CYA, L52W Ending 12/27/2025

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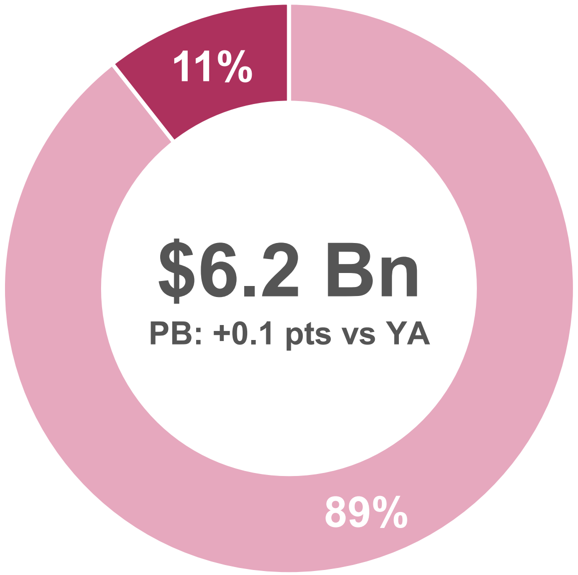
As consumers look for value in different ways, *Private Label offers consumers another option*

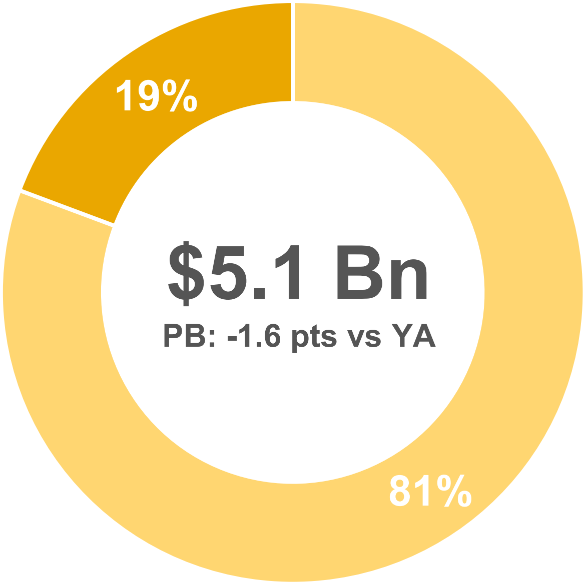
While Private Label commands the largest share of supplies, Pet Food is where it is finding success

Private Brand
National Brand

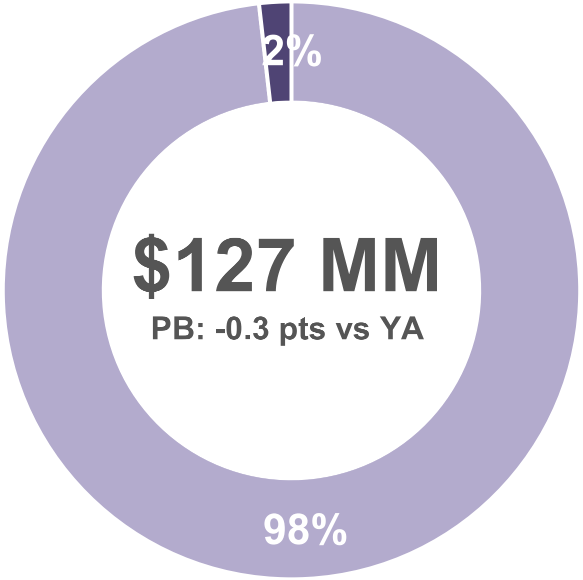
Pet Food



Pet Supplies



Pet Treatments



Market	Pet Food			Pet Supplies			Pet Treatments		
	$ % Growth	Unit % Growth	Price % Growth	$ % Growth	Unit % Growth	Price % Growth	$ % Growth	Unit % Growth	Price % Growth
National Brand	+2.3%	+0.3%	+2.0%	+7.0%	+0.4%	+6.6%	+6.6%	+0.8%	+5.7%
Private Brand	+3.5%	+7.1%	-3.3%	-3.3%	-2.5%	-0.8%	-8.8%	-0.3%	-8.5%

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Consumer Sentiment Changing Pet Care

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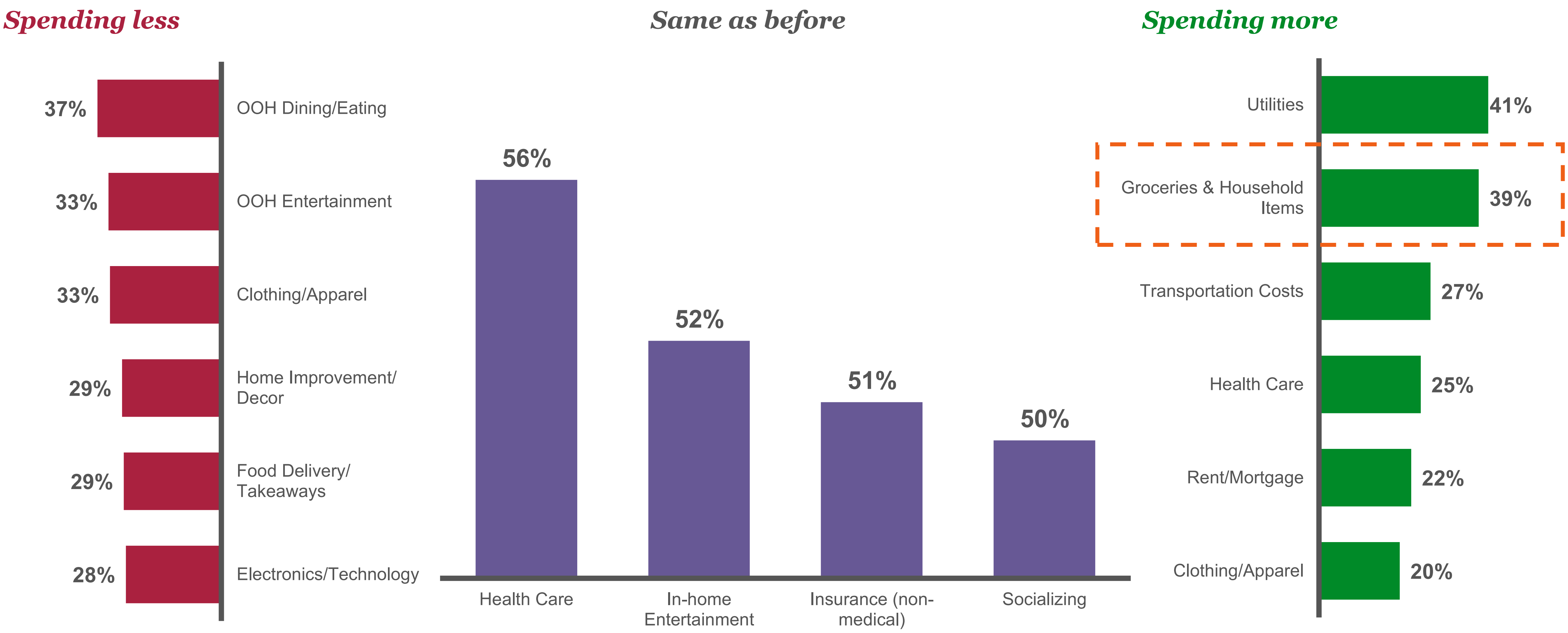
2026 wallet intentions reinforce the *idea of a cautious mindset*

Cautious consumers are prioritizing basic expenses rather than out of home experiences and luxuries



Source: NIQ 2025 Consumer Outlook survey
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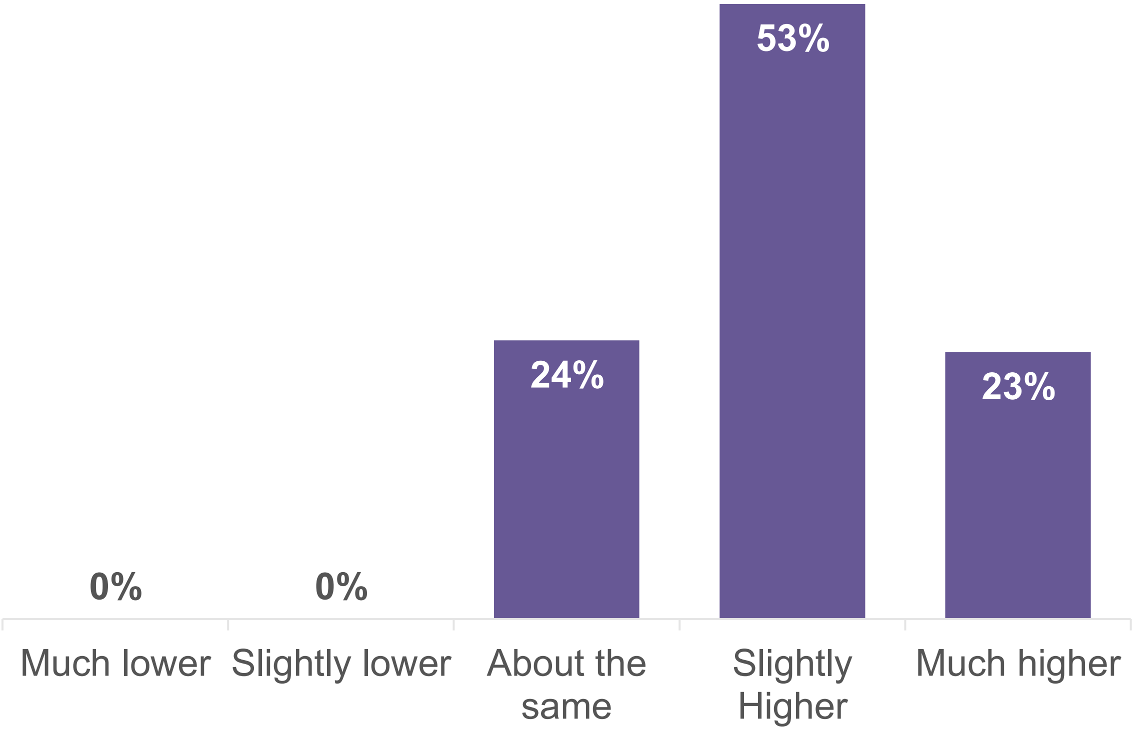
Increased spend intention *carries into Pet*

76% of Pet Parents feel owning a pet costs more than it did a year ago

What is your perception of the cost of owning a pet today compared to last year?



NIQ

Source: NIQ BASES Quick Question Survey of Pet Parents, October 2025, n=500

While price still matters, *intentional strategies are gaining traction*

Intention is shown by seeking value, including getting the best price per EQ, and shopping only the essentials

What changes have you made recently in regards to caring for your pet due to the current market?

Source: NIQ BASES Quick Question Survey of Pet Parents, October 2025, n=500

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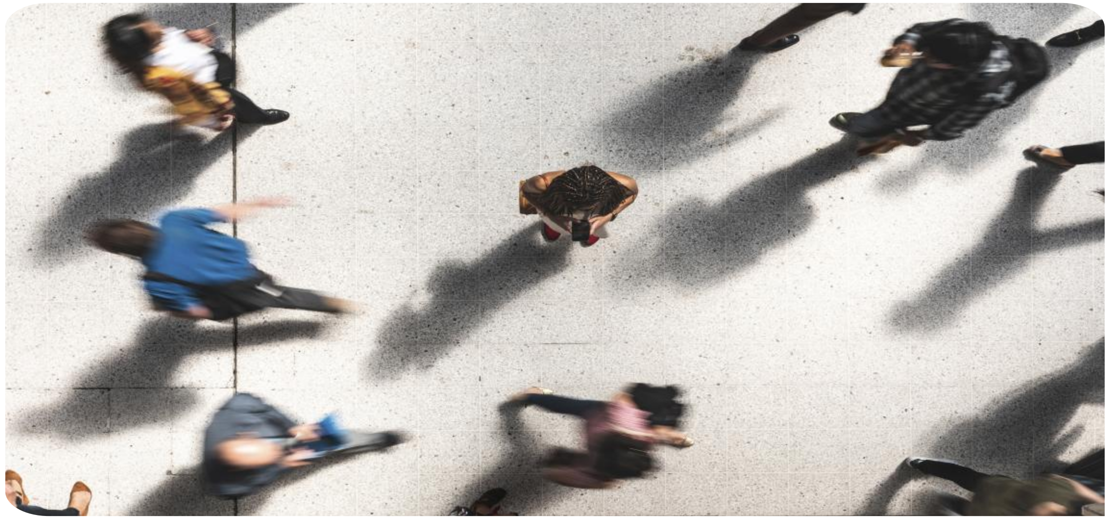
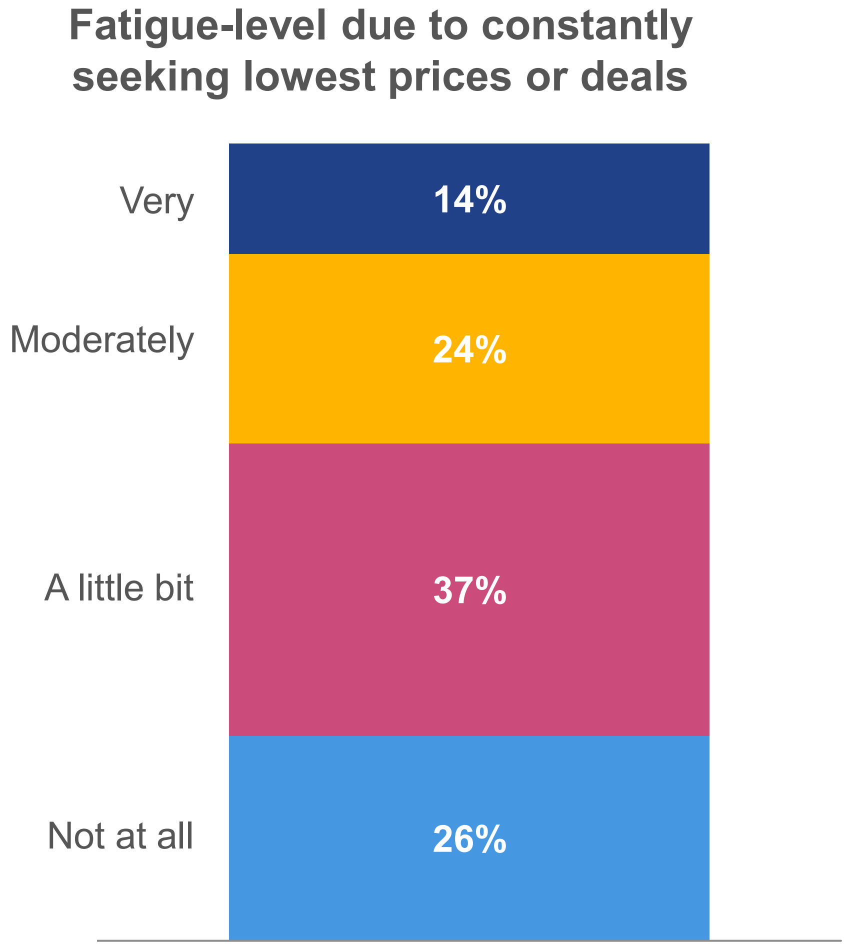
But consumers are tiring, *especially with what little time they feel they have*

Seeking the best deal is taking a toll on many of those already tired consumers



39%

of consumers say they feel more time-crunched now than in the past 6-months



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Health and wellness is a key focus for the consumer, *spanning nearly all product categories*

From the food they purchase to the technology they use and the way they spend their time, wellness is top of mind

Health Technology

Top motivations for buying health tech are:

Cooking more healthily: **41%**

Improving sleep quality: **40%**

Improving mental health and well-being: **38%**

Weight Loss

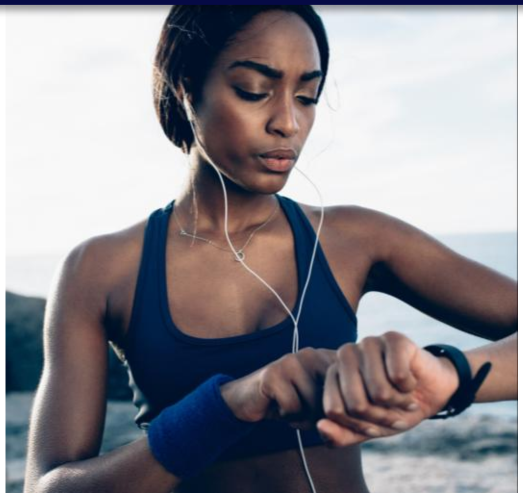
More than half of North Americans say maintaining a healthy body weight and improving heart health are more important now than five years ago

32% would consider using a weight loss drug if recommended by a healthcare professional

Nutrition/Gut Health

55% say healthy nutrition is more important to them now than five years ago

22% hold a "very negative" view of ultra-processed foods



Self Care/Mental Health

Top self-care activities that people plan to do more of in the coming year are:

Physical exercise: **56%**

Spending more time in nature: **50%**

Spending time with family/friends: **49%**

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That mindset carries through, *with pet health and wellness top of mind for pet parents*

Growing human health categories such as supplements and at-home testing regarded similarly for pets

81%

of pet owners feel understanding their pet's health status or needs is a challenge

63%

of pet owners noted they are willing to adopt more technology to improve care for their pets

Product	2025 Sales	$ % Chg vs. YA
Pet Supplements	$1.61B	+9.3%
Pet OTC Medicine	$77M	+15.9%
Pet Paw Protector	$24.0M	+18.2%
Pet Skin Treatment	$16.3M	+17.9%
Pet Tests and Test Kits	$5.3M	+17.2%

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2026 Outlook and Drivers of Growth

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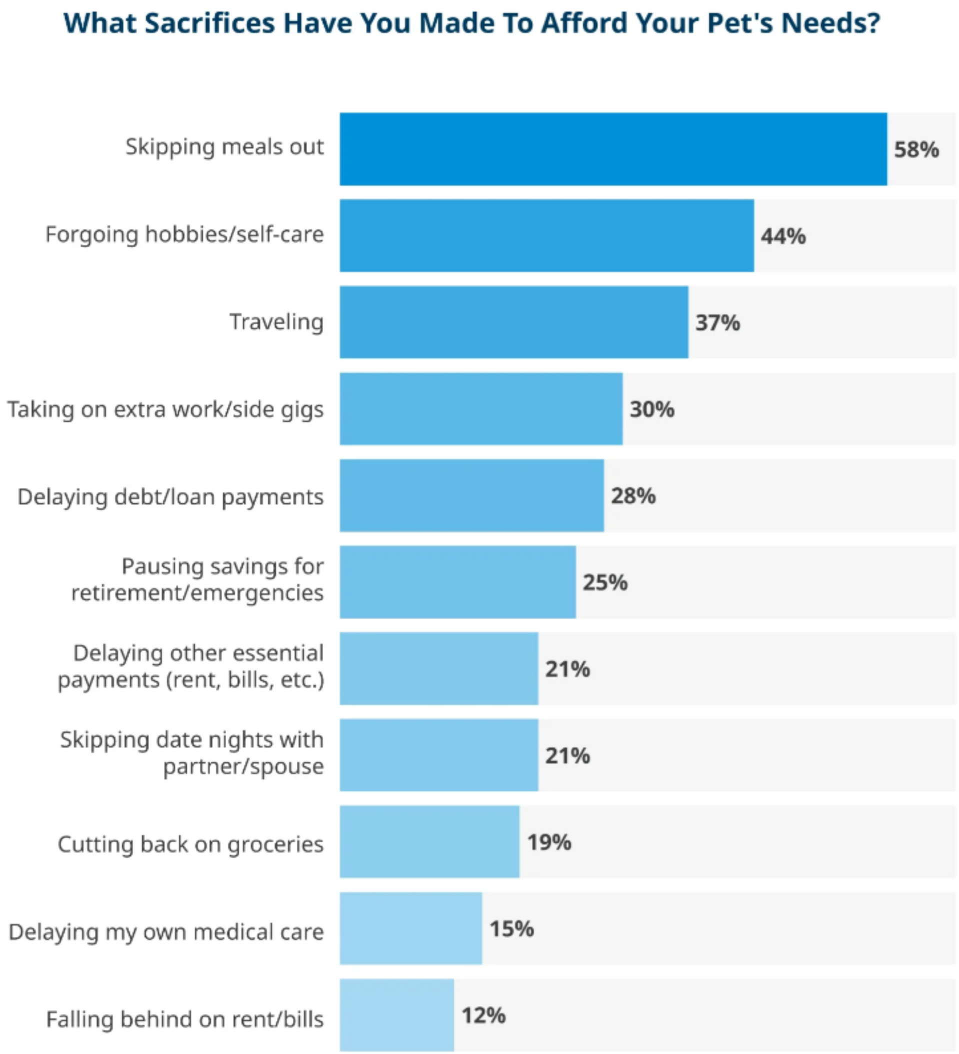
Pet parents are willing to sacrifice things for themselves *to maintain their pets needs*



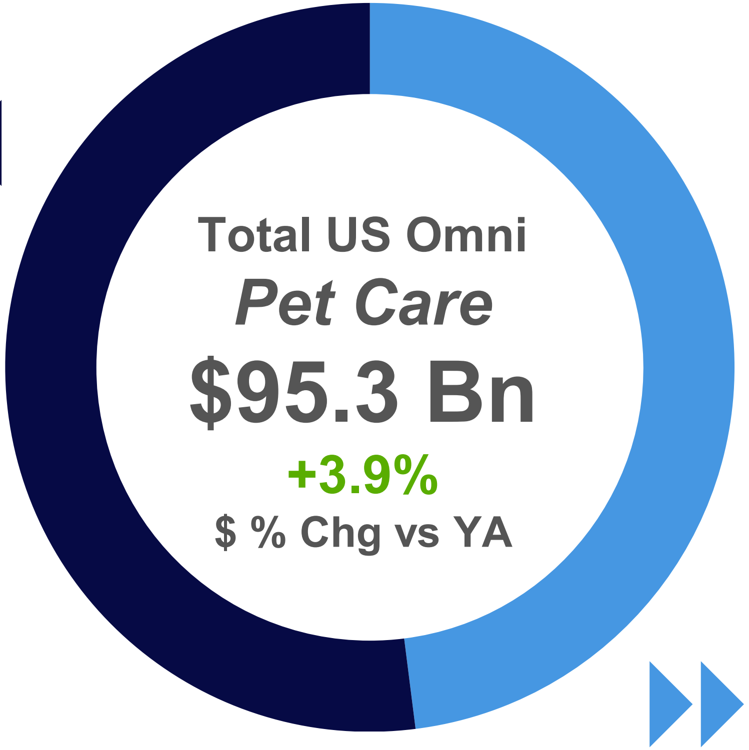
Source: MetLife "Pet Poverty Report" https://www.metlifepetinsurance.com/pet-poverty-report/

Pet Care sales are expected to grow in 2026, but *gains will remain modest overall*

In-store declines should ease as consumers tighten budgets yet continue to prioritize essential pet needs

2026 Sales Forecast

52%
-1.5%
$ % Chg vs YA
In Store
B&M retailer sales



48%
+10.5%
$ % Chg vs YA
Online
Online sales inclusive of Pureplay

Source: NIQ Omnisales+ | Entire Dataset; Pet Care Department, Total Omni Dollars, 3 Years Ending 12/27/2025

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Pet Care is positioned for momentum in 2026 as shoppers continue *investing in their pets*

Channel shifts toward convenience and continued premiumization reinforce the category's resilience and upside potential

Channel Movement

- Expectation that Online players, particularly Amazon, to continue taking share as consumers prioritize convenience
- Warehouse Club channel likely to retain focus on pet and growing assortment as buyer counts grow

Population Trends

- Population growth remains primarily from Cat
- Cost of ownership and living space restrictions remain key drivers of cat ownership, but also…
- Increasing notion of owning a cat being "cool" in younger generations

Premiumization

- Premium and Super Premium tiered Dog and Cat Food continue to outperform Value and Moderate priced formats
- Even with tightening wallets, pet owners are willing to sacrifice for themselves before their pets

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Consumers choose retailers that make buying *faster, smoother, and more convenient*

Rising sales and expanding buyer base outpaces declining baskets, underscoring consumers choosing convenience over price

Pet Care Online Purchase Dynamics

ONLINE SALES
+11.3%
vs year ago

ONLINE BUYERS
+13.6%
vs year ago

ONLINE VALUE PER BUYER
-1.2%
vs year ago

ONLINE TRIPS PER BUYER
+3.0%
vs year ago

ONLINE VALUE PER TRIP
-4.1%
vs year ago

Ease Drives Ecommerce

- Top influencers for consumers to purchase their Pet Care needs online include:
  - Ease of Ordering
  - Free/Low-Cost Shipping
  - More convenient

Amazon Growth

- 44% of Pet Care shoppers who shop Amazon indicate that ***Free/Low-Cost Shipping*** is the key influencer for choosing that retailer
- While only 26% say they chose Amazon for a ***Cheaper Price Online***

Sources: NielsenIQ Panel On-Demand Omnishopper, US Exp Osh – NDH Synd Full View - 444 5 yr | Entire Dataset, Latest 52 Weeks Ending 12/27/2025, NIQ Omni Department: Pet Care
NielsenIQ Category Shopping Fundamentals – October 2025

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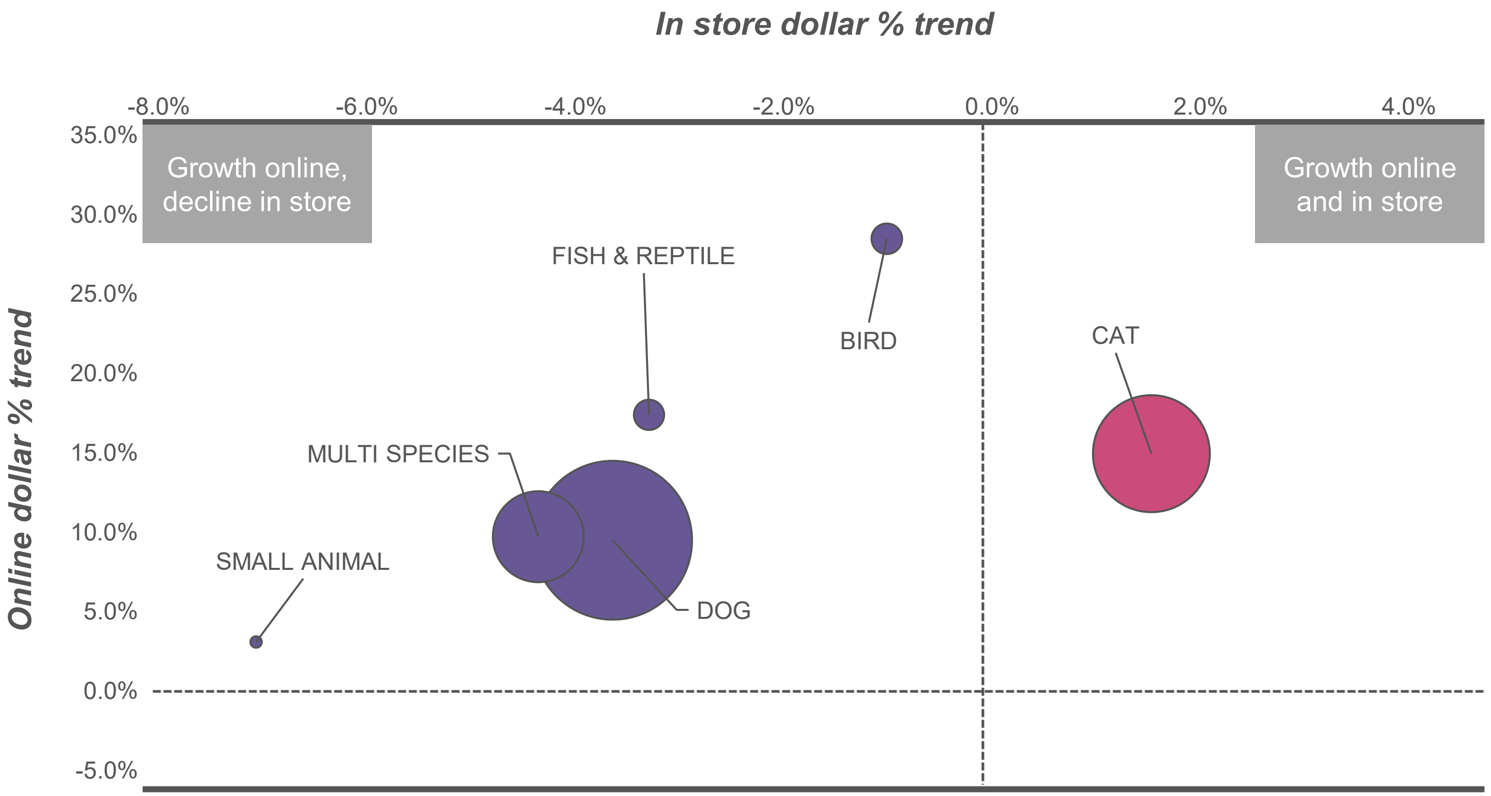
Cat ownership and spending momentum position the species as the *key driver of Pet Care growth*

Growth and sales performance by species type



According to APPA, younger men (Millennials and GenZ) are largest drivers of Cat ownership increases

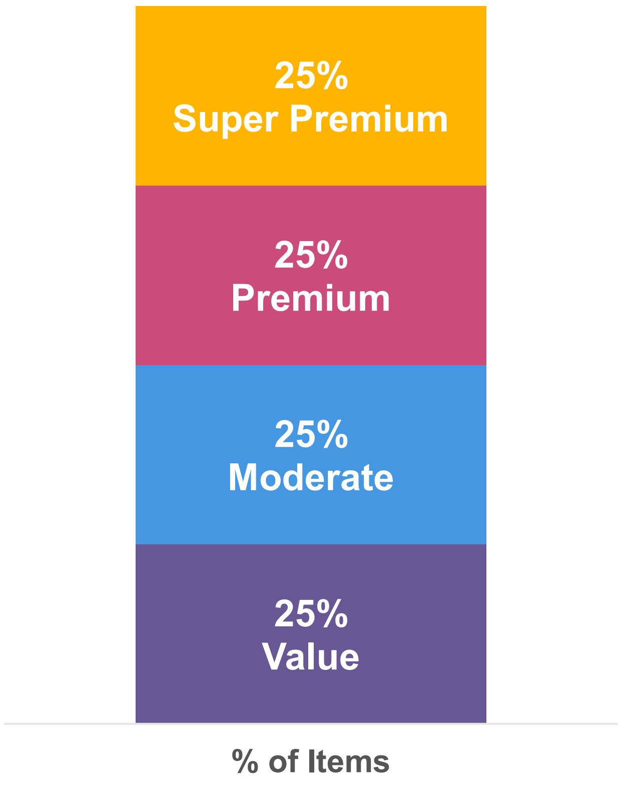
NIQ

Source: NielsenIQ Omnisales Data, Omnisales + | Entire Dataset, Total US Omni, In-Store, Online, Pet Care Department, CY 2025 versus CY 2024
https://www.petfoodindustry.com/pet-food-market/market-trends-and-reports/news/15741428/report-pet-ownership-expands-as-gen-z-shifts-trends

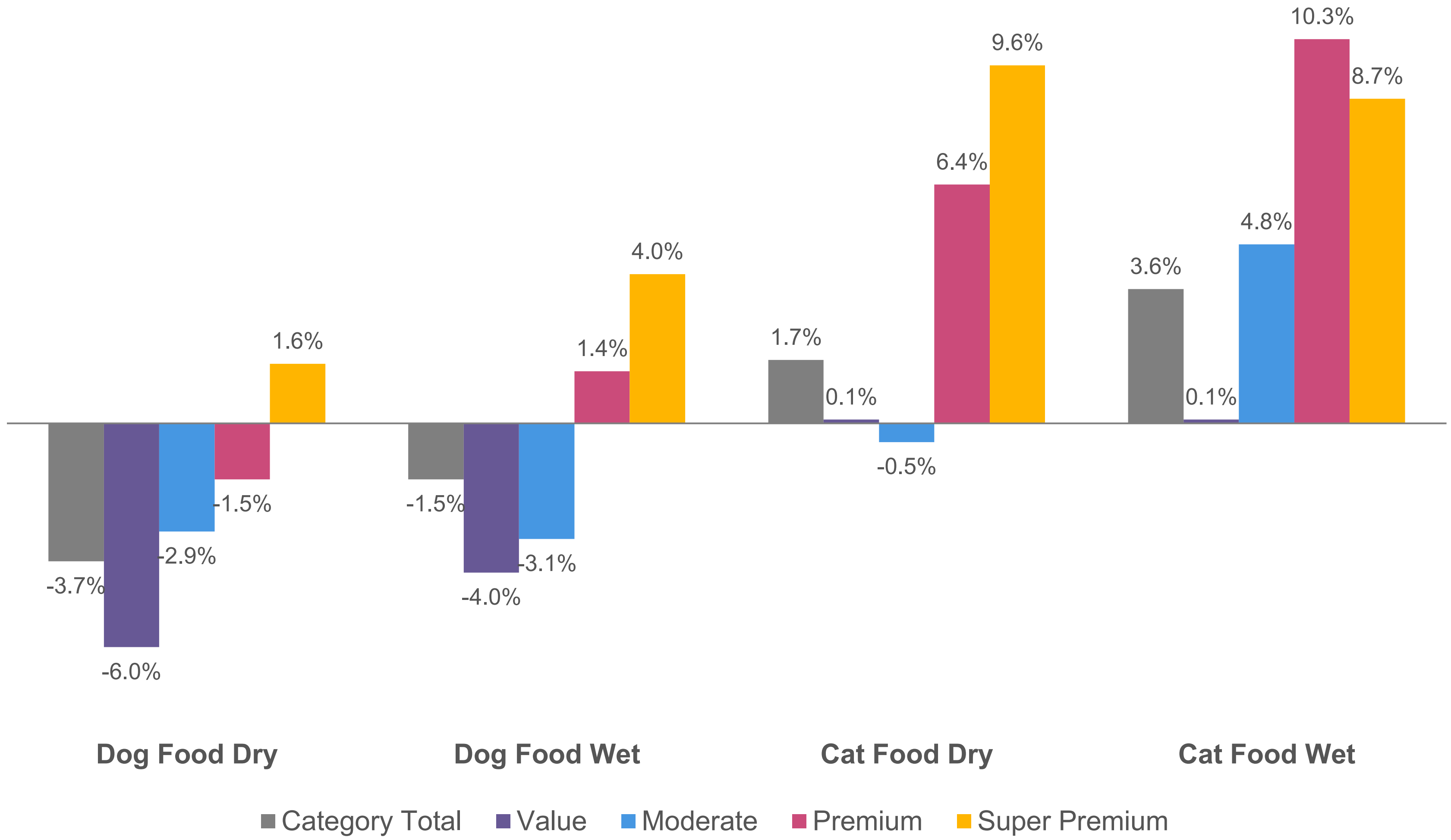
Premium and Super Premium segments are the bright spots, *propelling Pet Food forward*

Premium food tiers outperform, signaling consumers continued prioritization of quality despite broader spending caution

If we separate sales performance into quartiles of products based on their price per pound…



Year-over-year Sales Growth by Price Tier



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How consumers are changing Pet Retail

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Although In-Store occasions see pull back, *consumers still have a demand for in-store trips*

Those shopping In-Store for Pet Care has continued to rise, but they are shopping the channel less frequently driving the decline

29%

of Pet Care buyers say ***Immediate Need*** prevents shopping online

28%

of Pet Care buyers say they ***Prefer to Shop In-Store***

Pet Care In-Store Purchase Dynamics

IN-STORE SALES
-2.2%
vs year ago

IN-STORE BUYERS
+1.7%
vs year ago

IN-STORE VALUE PER BUYER
-2.6%
vs year ago

IN-STORE TRIPS PER BUYER
-3.5%
vs year ago

IN-STORE VALUE PER TRIP
+1.0%
vs year ago

Sources: NIQ Category Shopping Fundamentals – October 2025
NielsenIQ Panel On-Demand Omnishopper, US Exp Osh – NDH Synd Full View - 444 5 yr | Entire Dataset, Latest 52 Weeks Ending 12/27/2025, NIQ Omni Department: Pet Care

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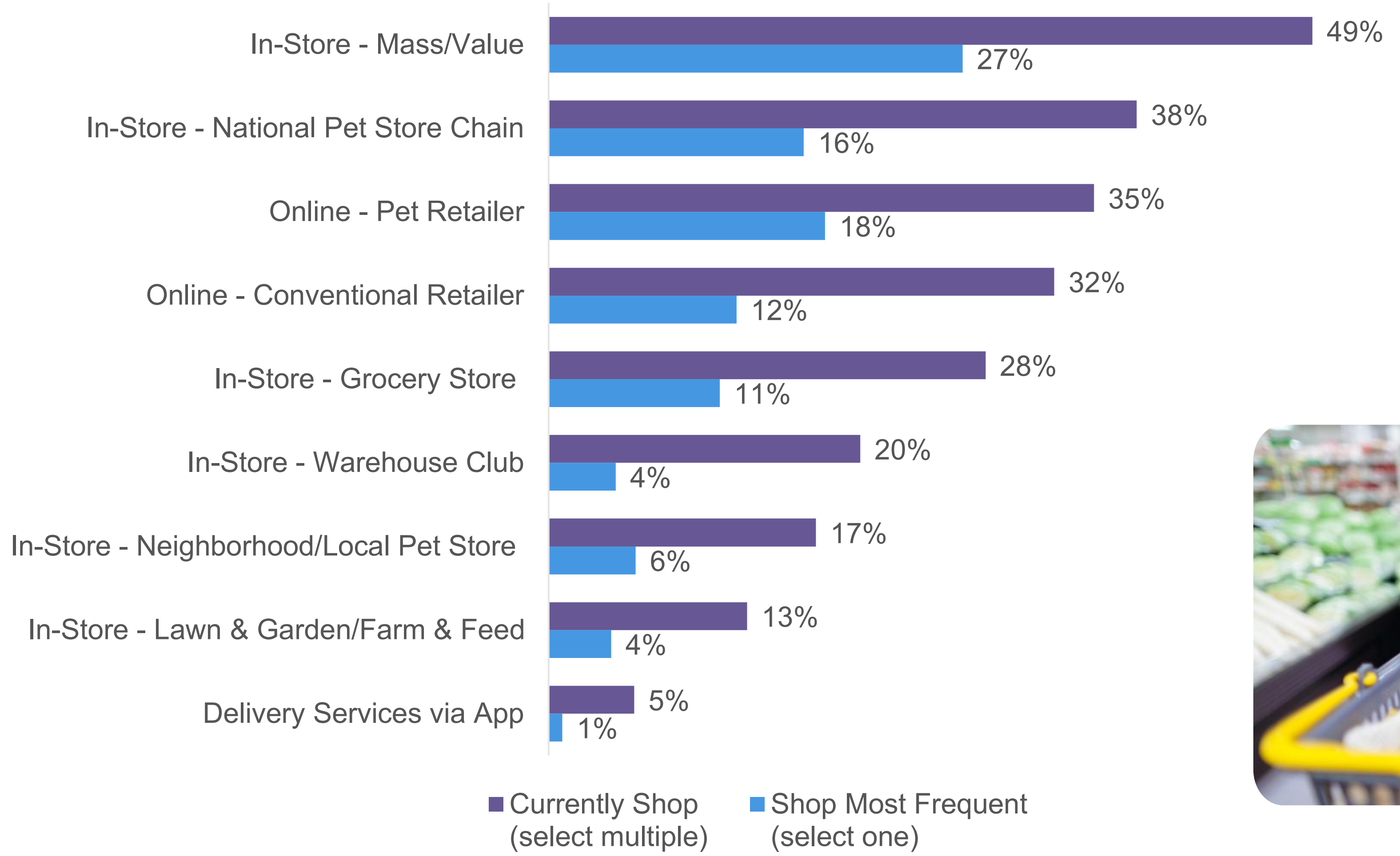
Among Pet Owners, In-store shopping remains the *leading choice for pet care needs*

However, pet owner loyalty to pet retail online is approaching parity with traditional mass-merchant channels

Channel Shopping Preferences for Pet Care Needs



Source: NIQ BASES Quick Question Survey of Pet Parents, January 2026, n=1022

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Among pet owners, in-store mass and value retailers are the *primary destination for pet care*

Yet the drivers behind these trips center on pricing advantages and convenience rather than broader household shopping missions

49%

of pet owners shop for pet care needs In-Store at Mass or Value retailers

27%

say it is their primary shopping outlet for Pet Care needs

Top drivers for In-Store Mass or Value selection

53%	They have the best prices
49%	They have a convenient location
44%	They offer the best deals
41%	They have the items I need in-stock

Interesting to Note:

*Only 37% of Pet owners who shop In-Store at Mass or Value merchants for their Pet Care needs indicated that **"a one-stop shop for all my household needs"** was a driver for their retail channel selection.*

Source: NIQ BASES Quick Question Survey of Pet Parents, January 2026, n=1022
Q: You indicated that you shop for your petcare needs at mass or value merchants (Walmart, Target, Dollar General, etc.), why?

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For pet care shopping needs, In-store national pet retailers *maintain strong relevance*

Their loyalty is rooted in brand and product availability and convenience rather than service-based offerings

38%

of pet owners shop for pet care needs In-Store at National Pet Retail chains

16%

say it is their primary shopping outlet for Pet Care needs

Top drivers for In-Store National Pet Retail selection

51%	They have the items I need in-stock
51%	They have a convenient location
46%	They carry the brands/products I am looking for
30%	They offer the best deals

Interesting to Note:

*Only 19% of Pet owners who shop In-Store at National Pet Retailers for their Pet Care needs indicated that **"they offer additional services for my pet (i.e. grooming, vet care)"** was a driver for their channel selection.*

Source: NIQ BASES Quick Question Survey of Pet Parents, January 2026, n=1022
Q: You indicated that you shop for your petcare needs at a nation-wide pet store chain (Petco, PetSmart, Pet Supplies Plus), why?

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Price perception at National Pet Retail drives pet parents to *select alternative channels*

Drivers Against Shopping National Pet Retail

NIQ

Source: NIQ BASES Quick Question Survey of Pet Parents, January 2026, n=1022

Q: You indicated you do not shop for your petcare needs at a nation-wide pet store chain (Petco, PetSmart, Pet Supplies Plus), why not?

Reliance on Neighborhood or Local Pet Retailers is only for *a select group of pet owners*

Shoppers who choose them tend to do so for location, product familiarity, and customer service rather than pricing or deals

17%

of pet owners shop for pet care needs In-Store at their local or neighborhood pet store

6%

say it is their primary shopping outlet for Pet Care needs

Top drivers for In-Store Neighborhood Pet Retail selection

43%	They have a convenient location
38%	They carry the brands/products I am looking for
36%	They have good customer service
34%	They have the items I need in-stock

Interesting to Note:

Following just behind in-stock, also at 34%, pet owners who shop at their local or neighborhood pet store said "supporting a local business" was a key driver behind their retail channel selection.

Source: NIQ BASES Quick Question Survey of Pet Parents, January 2026, n=1022
Q: You indicated that you shop for your petcare needs at your neighborhood pet store or local pet store chain, why?

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For Neighborhood Pet Retail, other than physical location, *pricing is the driver that deters the most pet owners*

Drivers Against Shopping Neighborhood/Local Pet Retail

Source: NIQ BASES Quick Question Survey of Pet Parents, January 2026, n=1022
Q: You indicated you do not shop for your petcare needs at a nation-wide pet store chain (Petco, PetSmart, Pet Supplies Plus), why not?

Key Takeaways

Consumers are more cautious than ever, yet they refuse to compromise on pet care.	The pet marketplace is fragmenting, and no channel can rely on old strengths to win.	Category growth is no longer evenly distributed. It's concentrated, and it's decisive.	Loyalty is becoming conditional and is earned through relevance, convenience, and confidence.	2026 will favor those who simplify complexity for a consumer who has no time or patience left.
• Even as economic vigilance hardens, pet parents are doubling down on essentials, selectively redefining value, and pushing the category to innovate around simplicity, trust, and meaningful differentiation. Cost pressure isn't reducing commitment, it's reshaping expectations.	• Online continues to surge, in-store traffic is thinning, and "where" shoppers buy is now a fluid equation driven by convenience, price perception, and trip mission. Every channel faces both headwinds and opportunities, but none can coast; the consumer is in control and constantly recalculating.	• Premium food, cat ownership, and wellness-driven adjacencies are disproportionately fueling the industry. These aren't trends – they're structural shifts that reward brands and retailers who can anticipate higher expectations, not just respond to them.	• Mass win with price and proximity. National pet retail wins with assortment and brand depth. Neighborhood pet wins with service and community. But across all channels, the message is the same: shoppers stay loyal only as long as you meet the need better than their next-best option.	• Pet parents are price-tired, time-tired, and information-tired. The winners in 2026 will be the companies that make it easier to buy, easier to trust, and easier to feel confident they're doing right by their pets.

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Thank you!

Andrea Binder
VP, Pet Industry Thought Leader

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