

Greener Tails Ahead

Why Pet Can't Be the Last to Catch Up

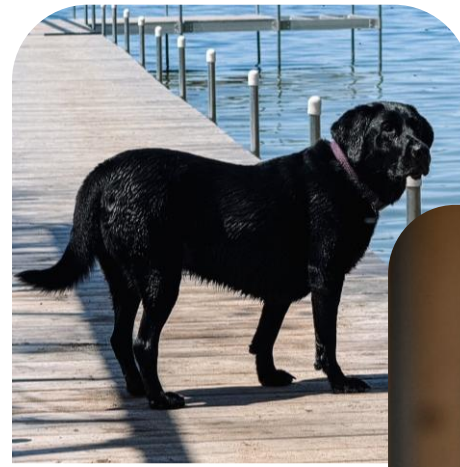
The Pet Summit 2026

Andrea Binder, Pet Industry Thought Leader

NielsenIQ



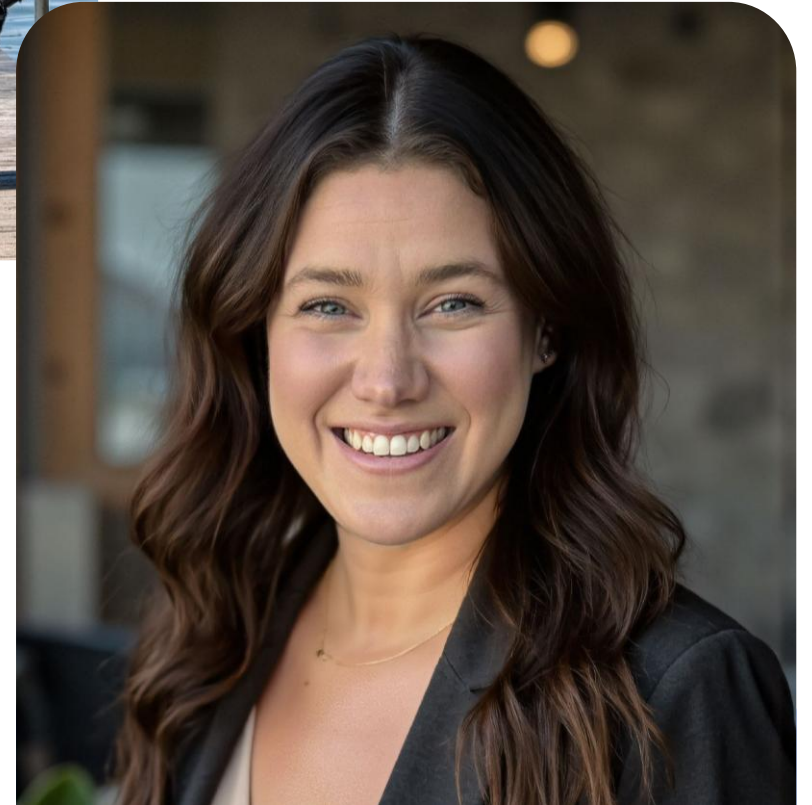
Meet your speaker today



Pet industry expert with 12+ years at NielsenIQ.

Translates data into actionable insights for our clients and the industry.

Human to a 9-year-old Black lab named Breezy.



Andrea Binder

VP, Pet Industry Thought Leader

NIQ delivers the *Full View*TM of consumer shopping behavior.

The world's most complete and clear understanding of consumers that reveals new pathways to growth.

What is happening

What consumers
do and buy.

Why it is happening

What consumers
think and feel.

What to do about it

How to capitalize on
opportunities and
where to act.

Measure more with unmatched data granularity.

Across 220M products in-store and online.

Consumer Data

Demographic: Female, Age 30 – 35
Buying behavior: Shops on Tuesdays
Loyalty: 80% of category purchases

Channel Data

Channel: In-store
Service: Mobile pickup order

Store Data

Location: Chicago
Type: Big Box
Banner: Walmart

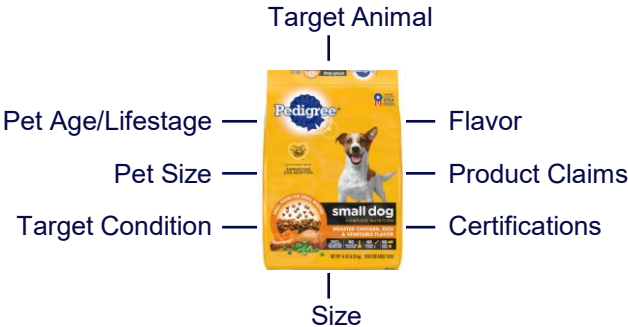


SKU-level Data

Consumer purchased these items together



Attribute Data

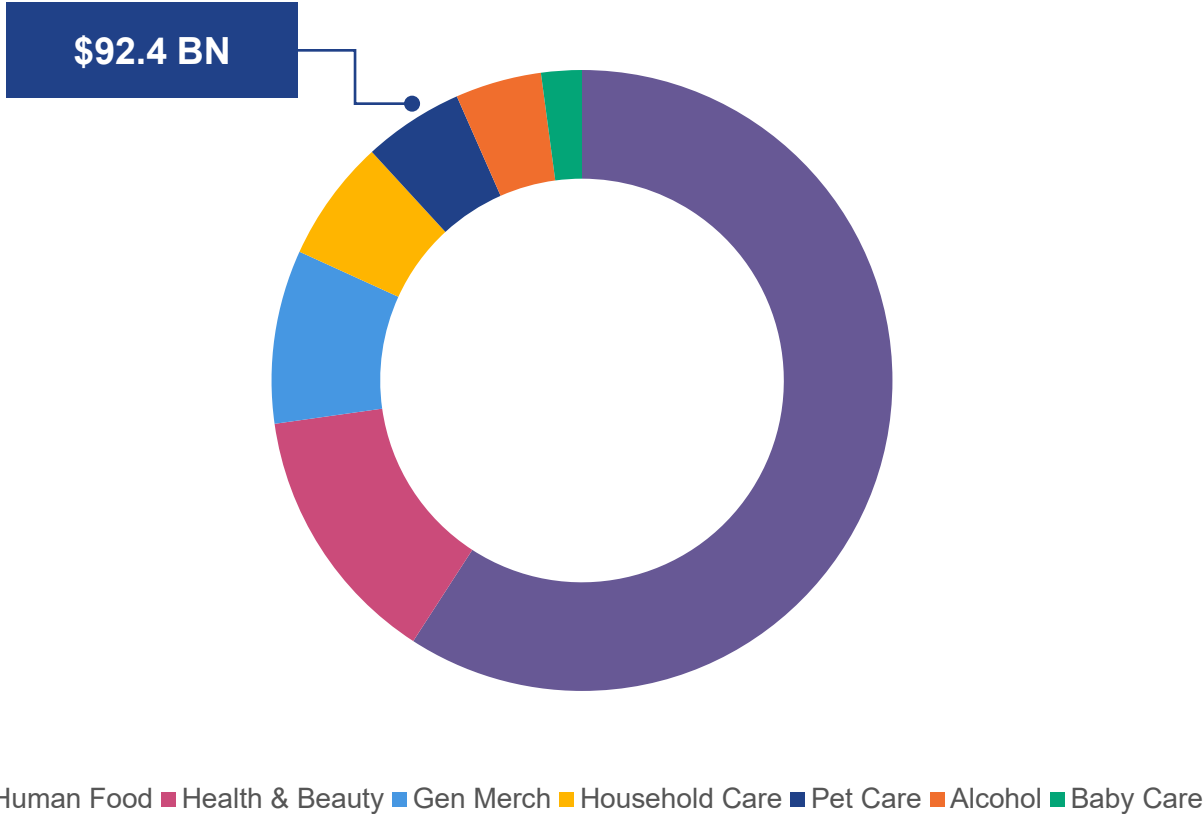


Formats



While Pet Care sales slow versus previous years, the industry holds near average growth

Total US omni dollar sales by department



Department	\$ % Change vs Year Ago		
	Omni	In-Store	Online
Total Store	3.7%	1.1%	12.2%
Human Food	4.1%	2.1%	21.4%
Health & Beauty	6.8%	(0.6)%	15.5%
Gen Merch	(1.6)%	0.1%	(2.6)%
Household Care	5.0%	(0.5)%	22.2%
Pet Care	3.9%	(2.2)%	12.1%
Alcohol	(2.3)%	(2.5)%	1.4%
Baby Care	4.4%	(1.8)%	11.0%

2025

U.S. Pet Care Industry by the numbers

Sustainability Edition

\$2.6 B

*Sustainability
Certified* product
sales in Pet Care

3.7%

of Total Pet Care sales
have **Sustainability
certifications** on stated
on their packaging

+7.2%

of Pet Care sales have
an **Environmental
Sustainability** claim or
qualification

\$4.0 B

Animal Welfare
qualified product sales
in Pet Care

+12.4%

YoY growth for
Humane stated
Pet Care products

+24.6%

YoY growth for
Pet Care products
with a **Dolphin Safe**
claim stated on the
packaging

+56.1%

YoY growth for products
with **B Corporation**
stated on their packaging

+60.8%

YoY growth for
Pet Care products
with an **Upcycled** claim
stated on the packaging

+17.0%

YoY growth for Pet Care
products with
Compostable claims
stated on pack

+13.1%

YoY growth for
Sustainable Seafood
stated products

Total Store Sustainability



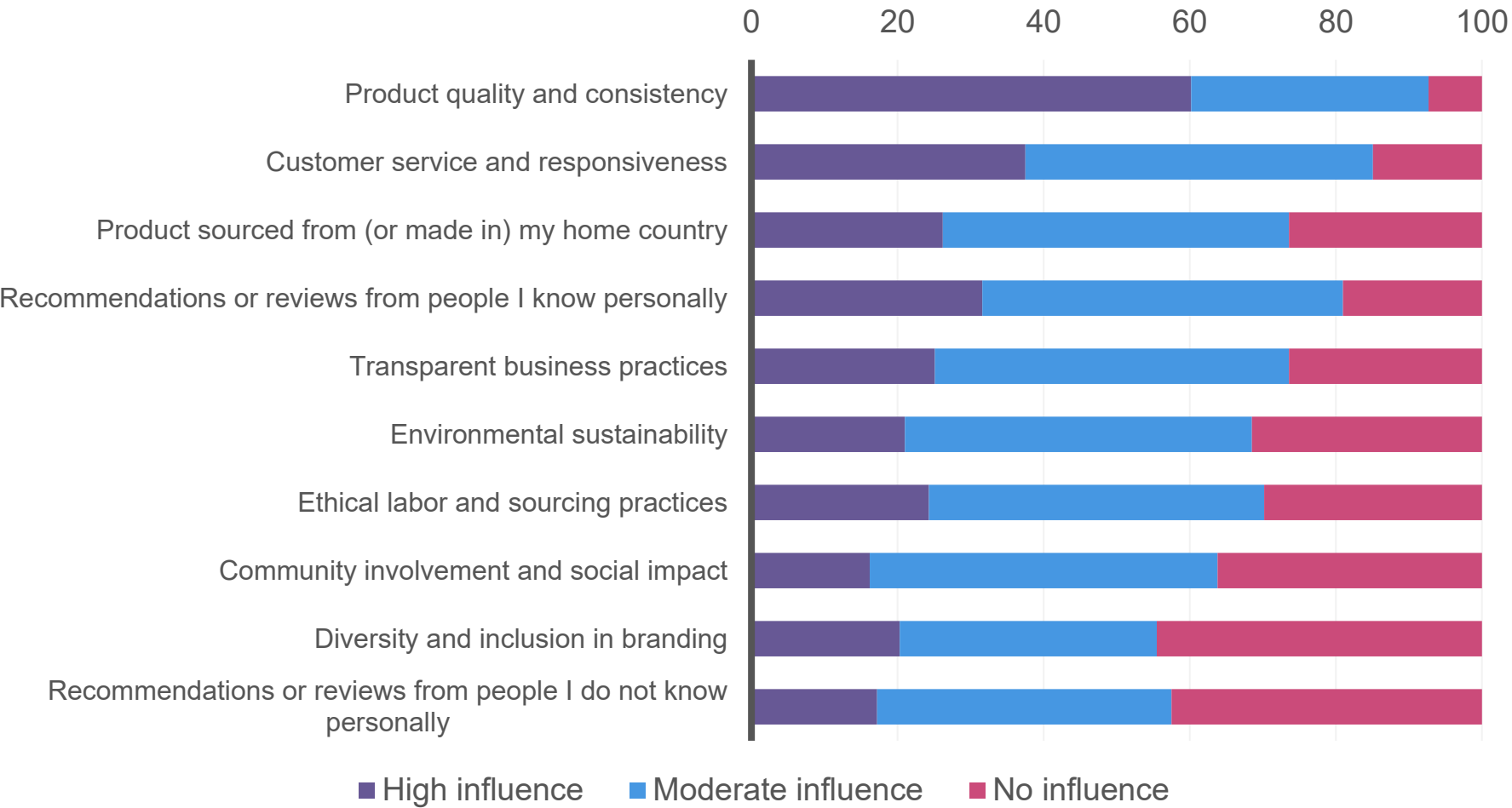
Consumers are actively trying to live sustainably in their daily lives



*Only **1 in 20** consumers say they take NO action to live sustainably*

While reliable quality is most important to consumers in brands earning their trust...

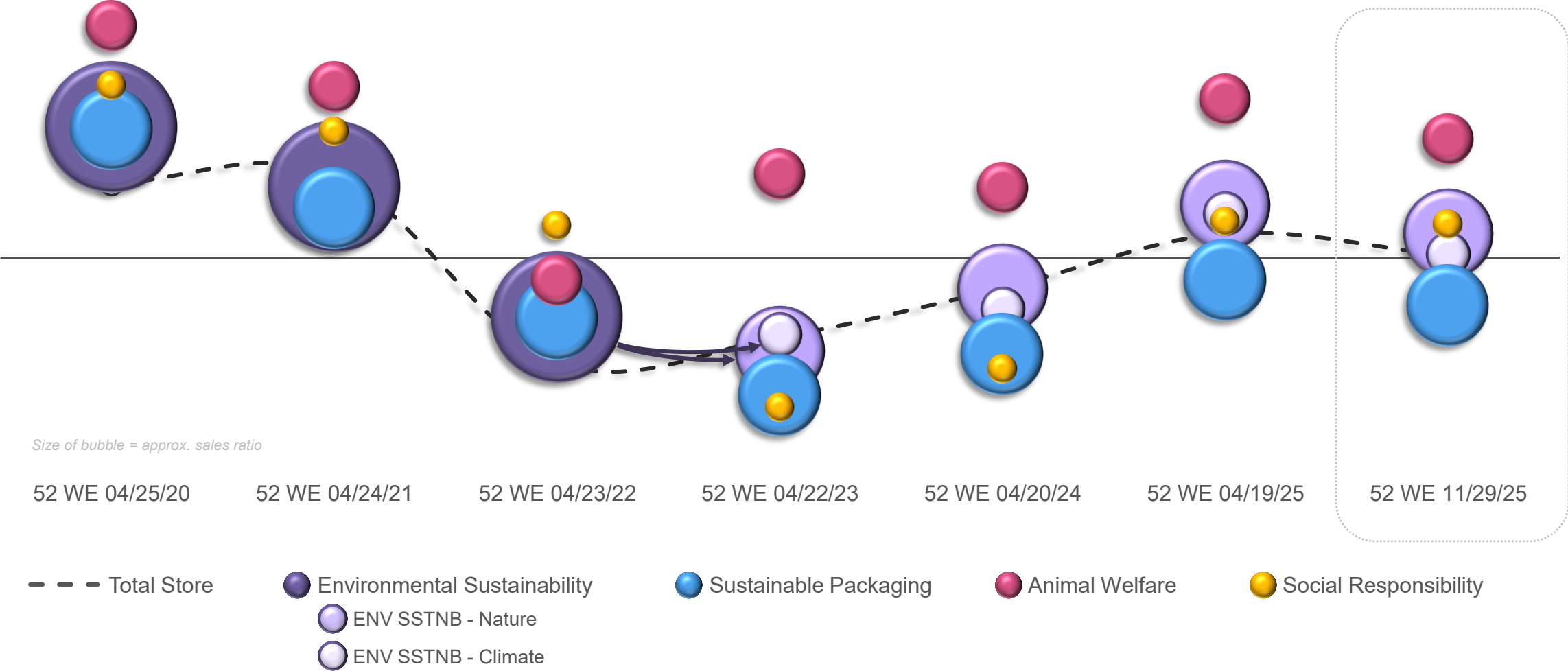
...Transparent business practices, environmental sustainability and ethical labor and sourcing follow close behind



Conscious buying is generally outpacing the total store

Animal welfare practices and claims maintain the highest over-performance

Retail unit growth rate last 5+ years



Source: NielsenIQ Retail Measurement Services, NIQ Product Insight, powered by Label Insight, Total US xAOC; Total Store; Units % change year over year, through 52 weeks ending November 29, 2025

Claim shifts indicate changes in company and consumer priorities

Claims that saw the biggest decline in categories across the store*

Farm raised
Environmentally friendly
Sustainability claim
Free from BPA
Bamboo
Pasture raised
Fair trade
Family farmed
Less emissions
Carbon footprint
Free range
100% Recycled Paperboard

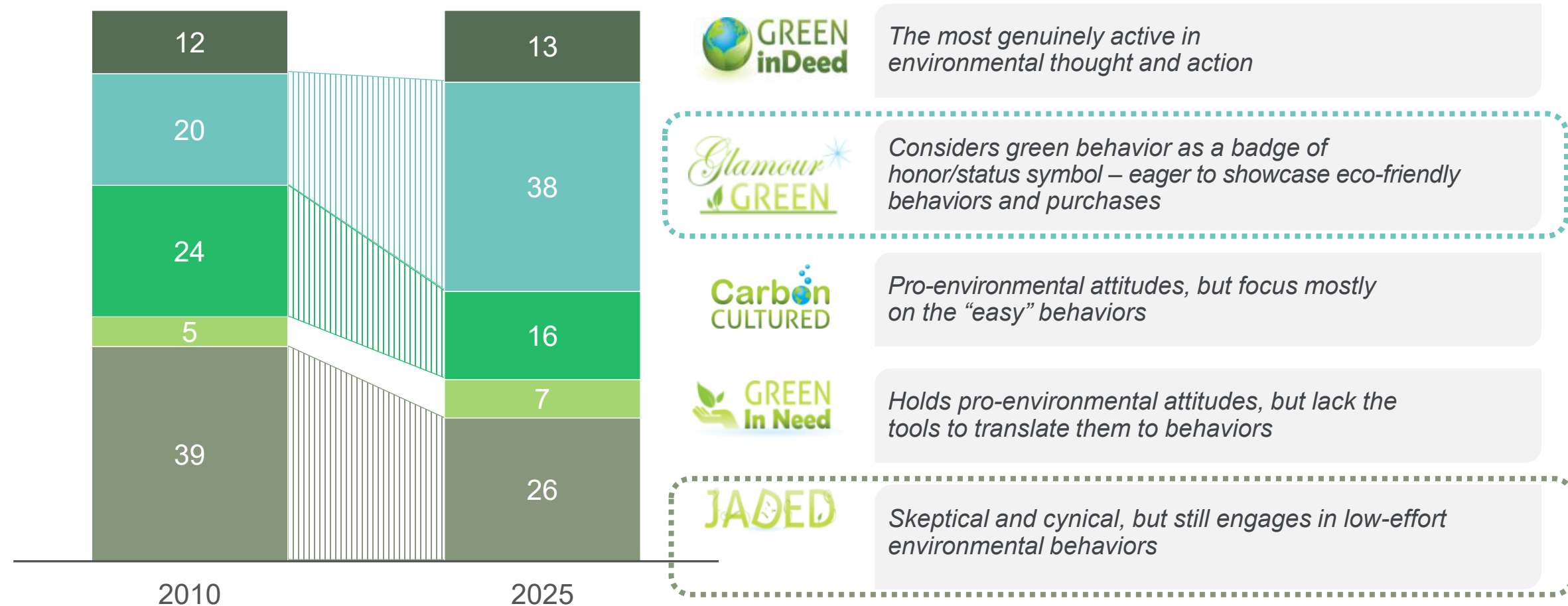
Claims that saw the biggest growth in categories across the store*

Eco friendly certified
Drop off recycle
B-Corp certified
Women-owned
Recyclable
Regenerative agriculture
Renewable energy
Sustainable forestry initiative certified sourcing
Compostable
Upcycled
Plastic-free
Recycled packaging content
Sustainability certified



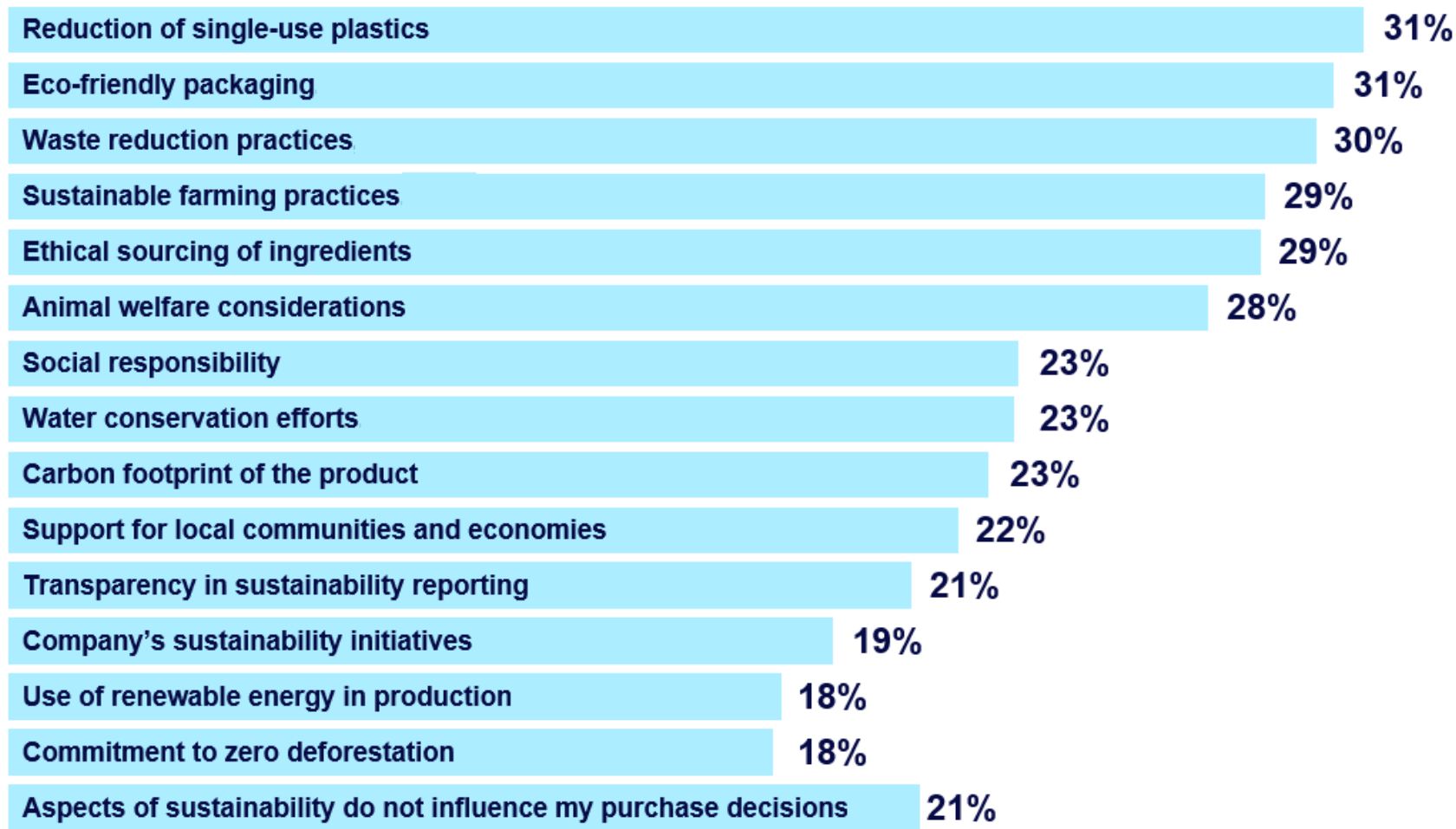
Consumers have different priorities and actions around conscious buying

NIQ Green Gauge segments divide consumers based on their concerns, attitudes and behaviors around sustainability



Conscious Consumers influenced across multiple factors

Top answers when asked “Which aspects of sustainability influence your food purchasing decisions the most?”



Growing connection between environmental crises and personal health. A full **58% of U.S. consumers** now believe that issues like climate change and pollution are **direct threats to their current and future well-being.**

NIQ Better For™...

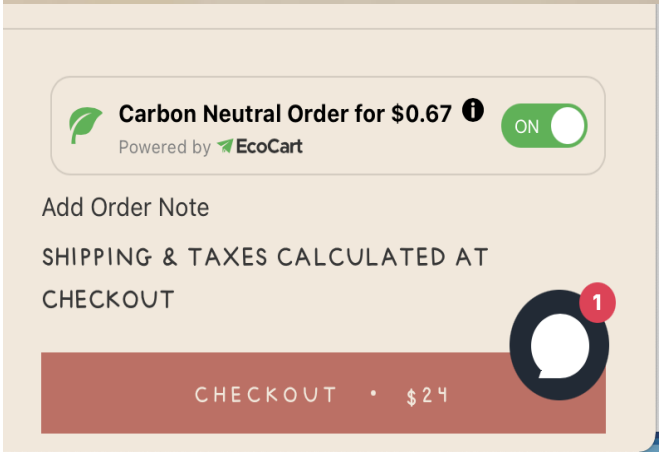
YOU

ENVIRONMENT

SOCIETY

Source: NIQ, BASES Quick Question Omnibus Survey, May 2025, n=1,000

Sustainable thinking within organizations often sparks innovation



For many, an increased cost for products that align with their standards is acceptable

Significant portions of consumers are willing to pay over 10% more, compared with a standard product, for the following:



In the U.S., **45% of consumers** are willing to pay up to **10% more** for health and wellness products that align with their ethical and environmental standards. And another **13% would pay even more.**

Source: NIQ Global State of Health and Wellness 2025 Report, US Respondents

Unique and sometimes overlapping priorities span across generations



Gen Z

Animal welfare-related

- Cruelty Free, Humane

Social responsibility

- Ethical, B-Corp, fair trade

Clean label

- Free from aluminum, parabens, phthalates & sulfates, artificial fragrance
- Natural ingredients

Health needs

- Brain & eye health, hair/skin/nails, mood & stress
- Immune system health, microbiome



Gen Y / Millennials

All of Gen Z but to lesser degree

Highest indexing group for

- “Provides energy”
- Pregnancy and lactation support
- Reusable packaging

Highest indexing group for

- Consuming **Better For™** foods and organic overall



Gen X



Boomers

Sustainable packaging

- Less packaging
- Sustainable packaging

Health & need states

- Cellular function
- Cardiovascular health
- Joint health
- Heart health



Greatest

Environmental sustainability

- Low emissions
- Reduced carbon impact

Health & need states

(Even greater degree than Boomers)

- Cellular function
- Cardiovascular health
- Joint health
- Heart health
- Mood supplements

Source: NIQ Homescan Panel; Total US; Generational cohort demographics; NIQ Product Insight powered by Label Insight; \$ share index; 52 weeks ending January 27, 2024

Recycling is top of mind for pet owners when it comes to thinking green

Top answers when asked how the consumer would define a “green product”

“is recyclable”

“made from
recycled
materials”

“has
recyclable
packaging”

“better for the
environment
than other
options
available”



Sustainability in Pet Care



Top *environmental* concerns among Pet Owners

*Climate
change*

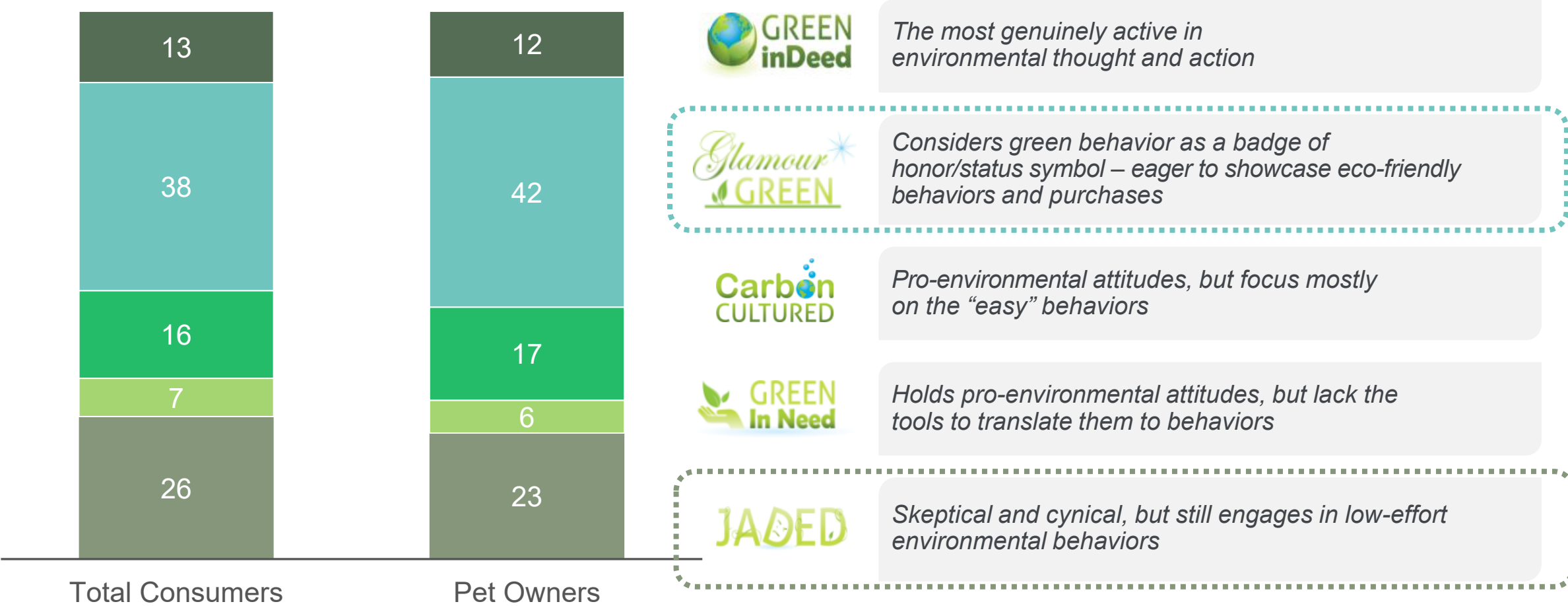
*Air
pollution*

*Water
pollution*

*Destruction of
trees, plants
and forests*



Pet Owners are more likely to prioritize eco-friendly behaviors and purchases than the gen pop

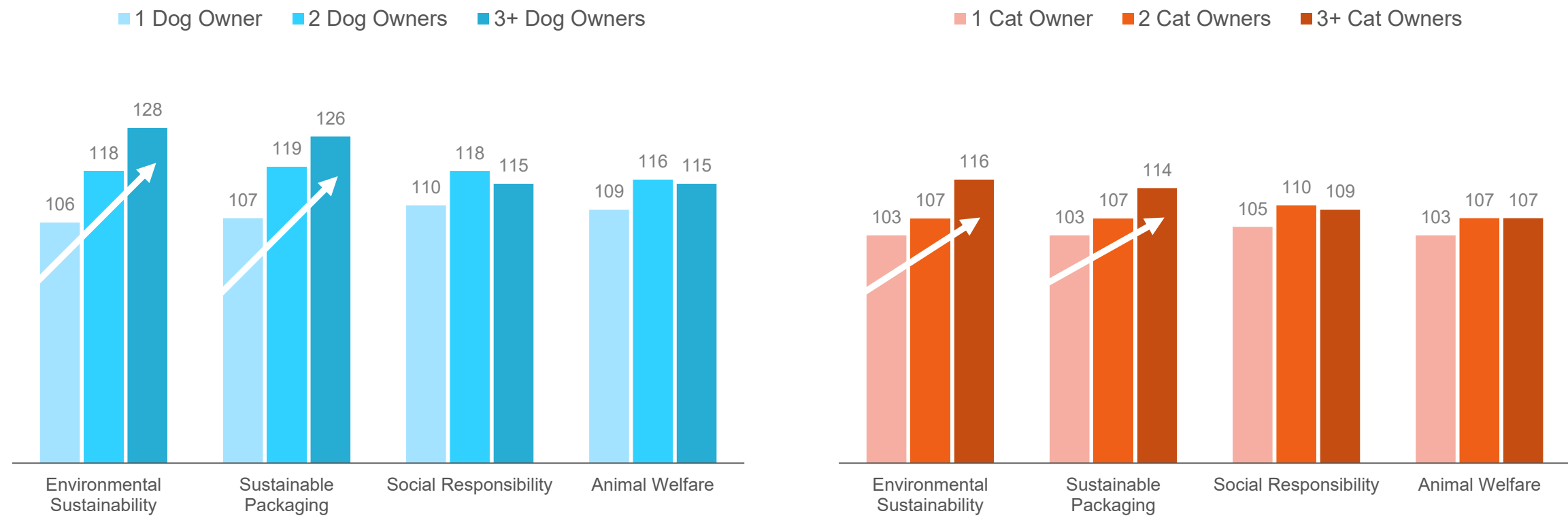


NielsenIQ Annual Green Gauge® Report
Consumer Life Global 2025 and previous (US filter), General Population vs. Pet Owners

Sustainability in total over-indexes with pet owning households...

... but the more pets in the household typically indicates a higher likeliness to purchase sustainably

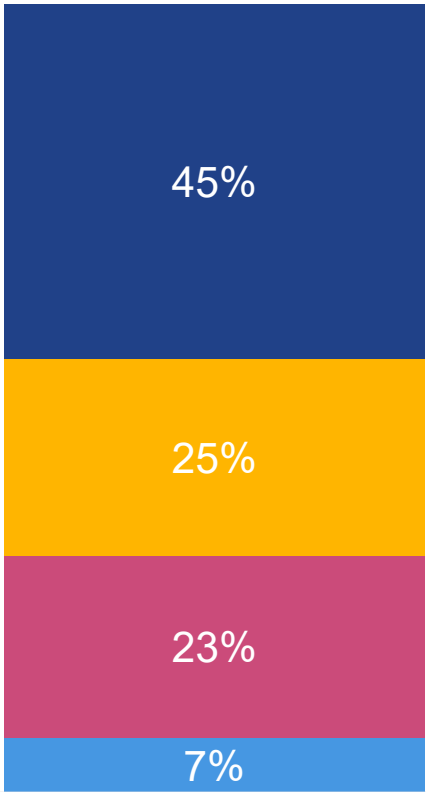
Households with Pets | Purchase Index vs Heavy Sustainable buyers



Source: NielsenIQ Spectra Panel; Best Products; MRI+Simmons survey: Households with pets; Total US; 2026 Feb projected

Nearly half of pet owners cite the manufacturing stage as the most important one to be environmentally friendly

Most important stage for a product to be environmentally friendly



Manufacturing Stage:

a product is made in an environmentally friendly way (using recycled materials, renewable energy, etc.)

Use Stage:

a product is environmentally friendly when used (energy-efficient, free of chemicals, etc.)

Disposal Stage:

a product can be recycled or is biodegradable

Unsure



Sustainable products show stronger performance than the overall Pet Care department

The growth in Sustainable Packaging for Pet Care is outperforming the total store’s flat performance

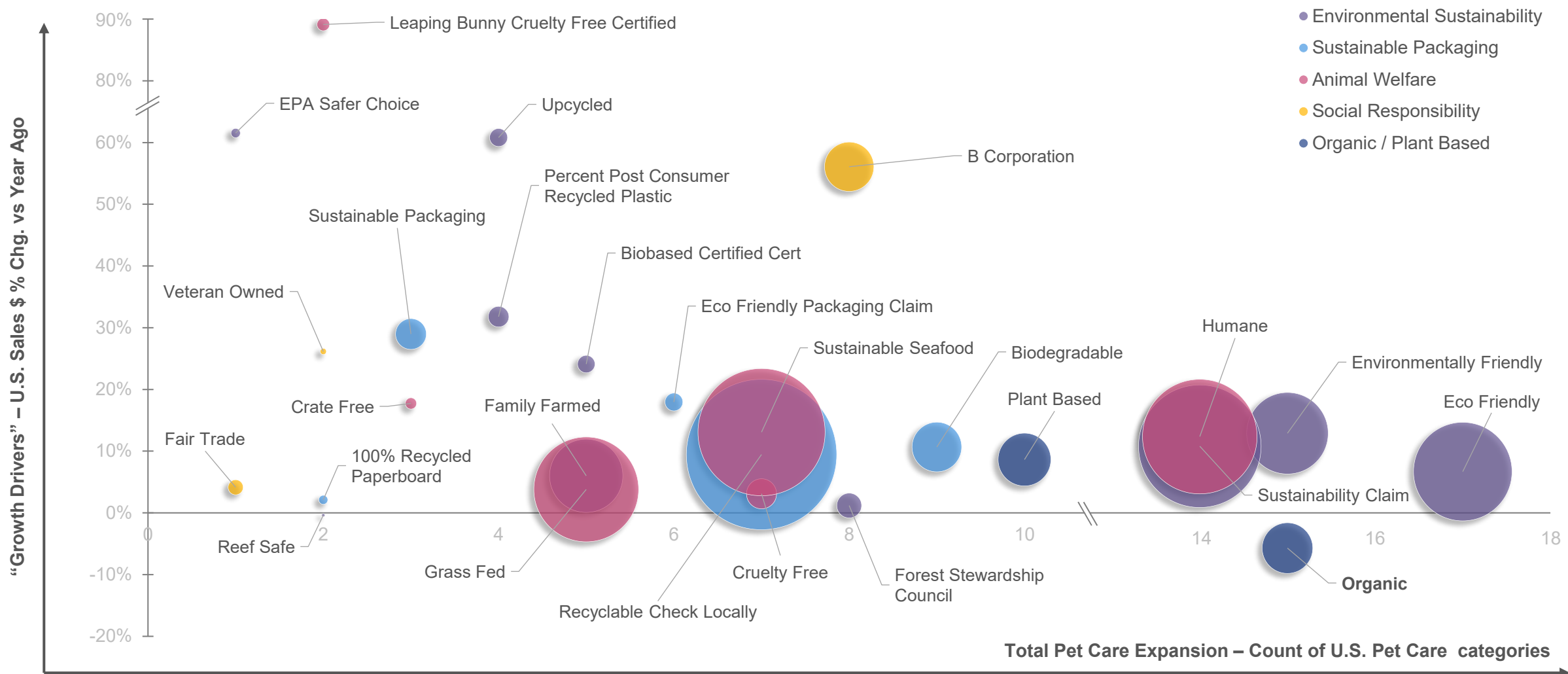


\$ % change vs year ago	Total Store	Environmental Sustainability	Animal Welfare	Sustainable Packaging	Social Responsibility
Total Store	+1.7%	+2.0%	+10.0%	-0.1%	+4.2%
Total Pet Care	+0.9%	+1.9%	+2.6%	+3.8%	+1.8%
Pet Food	+1.2%	+1.5%	+2.6%	+4.3%	+1.6%
Pet Supplies	-0.6%	+4.0%	+1.8%	+2.5%	+18.8%
Pet Treatments	+3.7%	-0.5%	+25.1%	+9.4%	-31.9%

Source: NIQ Retail Measurement Services, NIQ Product Insight—powered by Label Insight, Total US xAOC for Total Store and Pet Retail Plus for Pet; NPI Sustainability Qualified claims; \$ % change ; Calendar year 2025

Environmental Sustainability is most widely adopted, followed by Animal Welfare

Category prevalence and year-over-year growth rates by sustainability claim groupings



Bubble size denotes total sales in L52 week All attributes represent claims STATED on package unless indicated by an * symbol
Source: NIQ RMS data; NIQ Product Insight—powered by Label Insight; Total US Pet Retail Plus; Total Pet Care; Count of categories, \$ % change vs year ago; 52 weeks ending February 21, 2026

Does not represent all available sustainable attributes

While recyclable products have grabbed significant sales...
... newer claims are showing significant growth in the category

		L52W \$ Sales	\$ % CYA	\$ 3-yr CAGR
Total Pet Care		\$70.3B	+1.1%	+2.4%
Proven	Drop Off Recycle	\$2.3B	+7.4%	+12.2%
	Sustainable Seafood	\$823M	+13.1%	+12.1%
	Eco Friendly	\$495M	+6.7%	+17.7%
Growing	Sustainable Packaging	\$48M	+29.0%	+23.7%
	Post Consumer Recycled Plastic	\$22M	+31.8%	+55.3%
	Upcycled	\$16M	+60.8%	+21.4%
Emerging	Leaping Bunny Cruelty Free Certified	\$8M	+89.1%	+36.8%
	EPA Safer Choice	\$4M	+61.5%	+52.7%
	Veteran Owned	\$2M	+26.2%	+12.3%



A person with long red hair, wearing a black beanie, an orange sweater, and a green backpack, is sitting on a grassy hill. A large, shaggy grey and white dog is sitting next to them, looking towards the right. The background shows a blurred landscape with trees in autumn colors (yellow, orange, brown) and a blue sky with some clouds. The overall scene is peaceful and scenic.

*Sustainable
Packaging*

*Waste
Elimination*

*Rethinking
Seafood*

*Regenerative
Agriculture*

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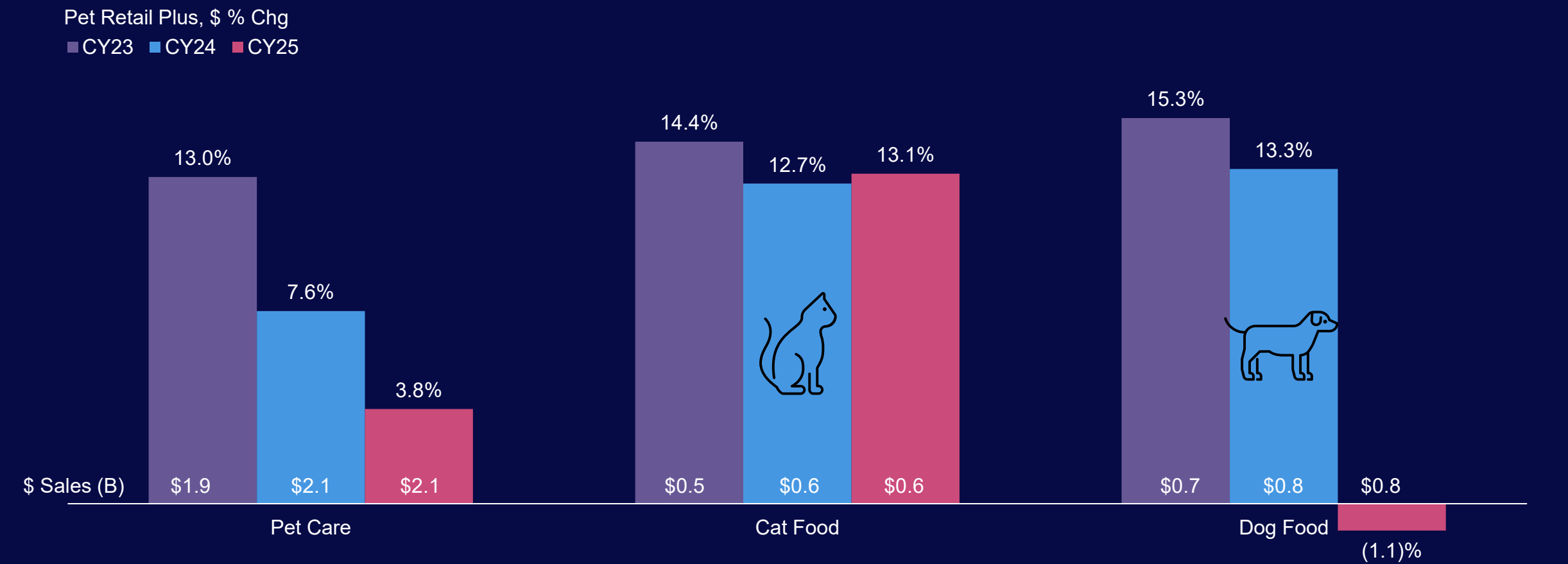
Areas of Focus

Sustainable Packaging



Although sustainable packaging in Pet is seeing slower growth, it is still outpacing total Cat Food’s sustained double-digit growth in sustainable packaging suggests rising shopper engagement and targeted innovation

Pet Care and Pet Food & Treats Sustainable Packaging Trends



The spectrum of sustainability claims within Dry Dog Food packaging is extensive

Examples of just 58 claims on dry dog food packaging

Total 162
observed claims
for dog food

Recyclable • Made With Recycled Materials • Please Recycle This Paperboard Carton • This Package Can Be Recycled • BPA Free • Please Recycle • Recycle Me Please • Bag Made With Up To 30 Percent Plant Based Plastic • Recyclable Bag • Ecologically Friendly Bag • USDA Certified Biobased Product Package 30 Percent • Recycle If Clean And Dry • USDA Certified Biobased Product Package 44 Percent • USDA Certified Biobased Product Packaging 30 Percent • Minimum 20 Percent Post Consumer Recycled Content • Sustainable Packaging • Resealable • Recycle Where Facilities Exist • Recyclable Pack • 100 Percent Recycled Plastic • Degradable Sustainable Packaging • Ecologically Friendly Packaging • Bag Made With 30 Percent Minimum Recycled Material • 40 Percent Post Consumer Recycled Material • 100 Percent Compostable Packaging • Recycled Plastic Packaging • Recyclable Container • Terracycle • Sustainable Forestry Initiative • 25 Percent Recycled Plastic • Plant Bag • SFI Certified Sourcing • Green Partnerships • Eco Friendly • Made With Post Consumer Recycled Materials • This Box Made With Partial Post Consumer Recycled Material • Susta Pak • Bio Flex • Ecologically Sustainable • Earth First PLA Film Ingeo • 35 Percent PCR • Sustainable Forestry Initiative Certified Sourcing • Pouch Is Made From 13 Percent Recycled Plastic • 10 Percent Recycled Material • Degradable • 96 Percent Of This Pckg Md Rnwbl Mtrls • Made With 50 Percent Wind Energy • Recycle If Clean And Dry Store Drop Off Plastic Bag • Recycle If Clean And Dry Store Drop Off Plastic Pouch • Recyclable Where Facilities Exist • Certified Earth Friendly • Rcycl Prgrm May Not Exst Yr Ar • Protective Atmosphere • • Love Your Planet • Originative Sourcing • Please Dispose Of Thoughtfully • Good For Earth • Earth Friendly



Clear Claims and Instructions



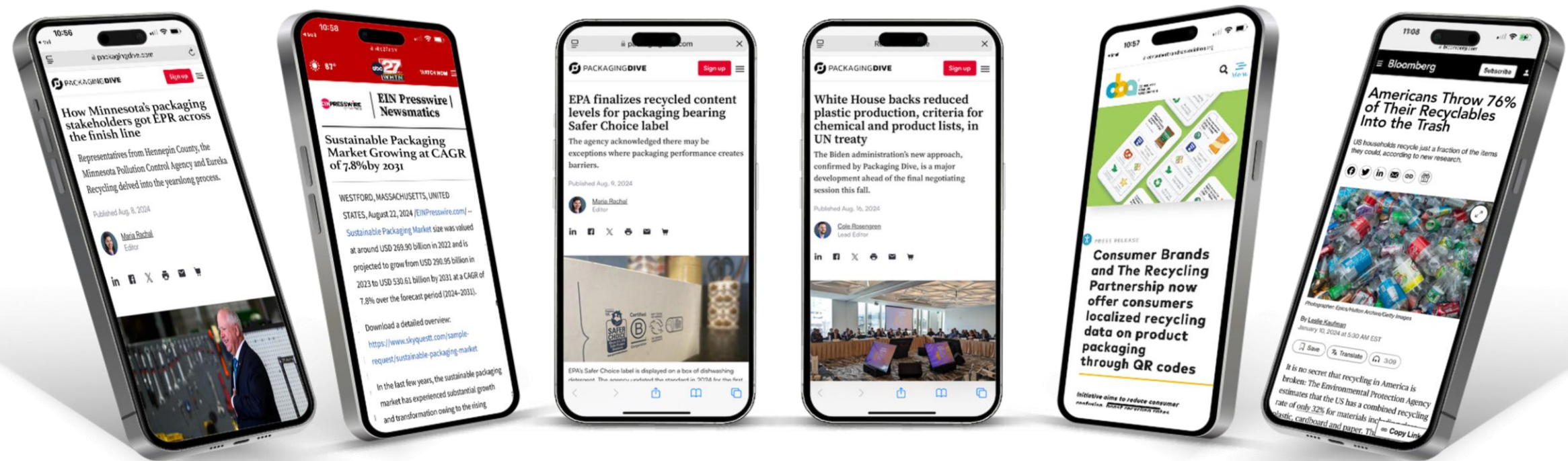
Partially Clear Claims and Instructions



Unclear Claims and Instructions

Sustainable packaging is moving from concept to compliance

A growing number of states are being added to the list of those interested in EPR regulation



10

States are actively considering EPR, either through introduced bills or required “needs assessments”

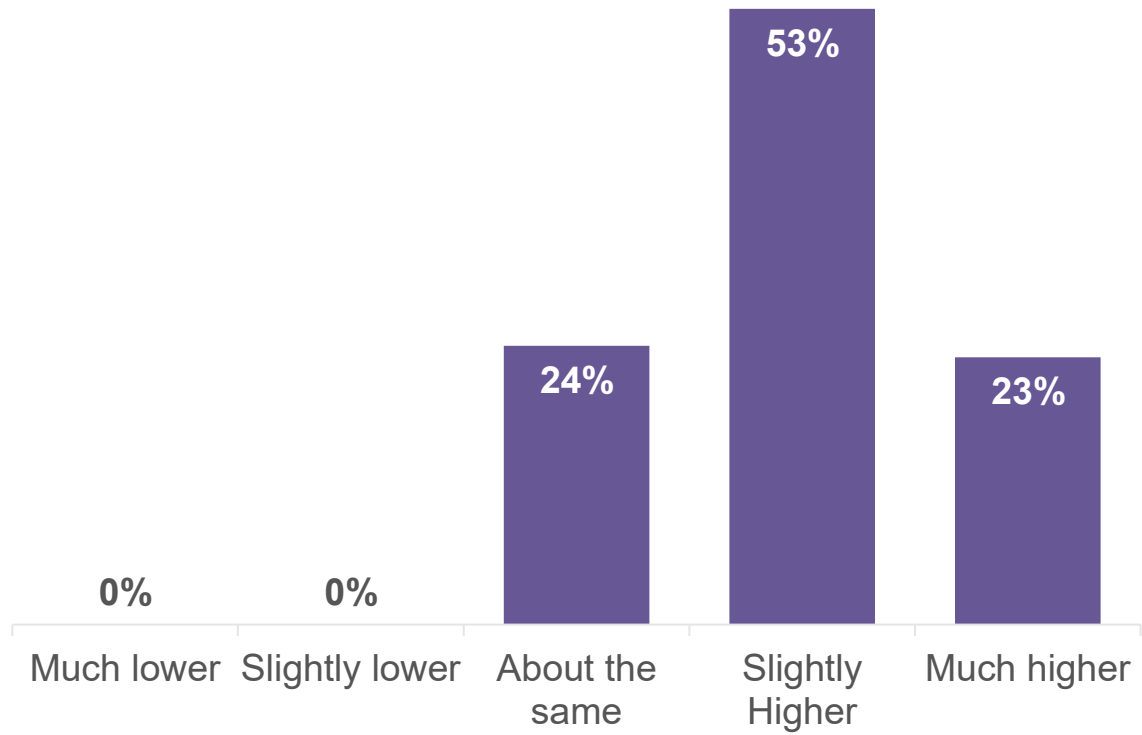
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States have enacted comprehensive EPR laws for consumer packaging and paper

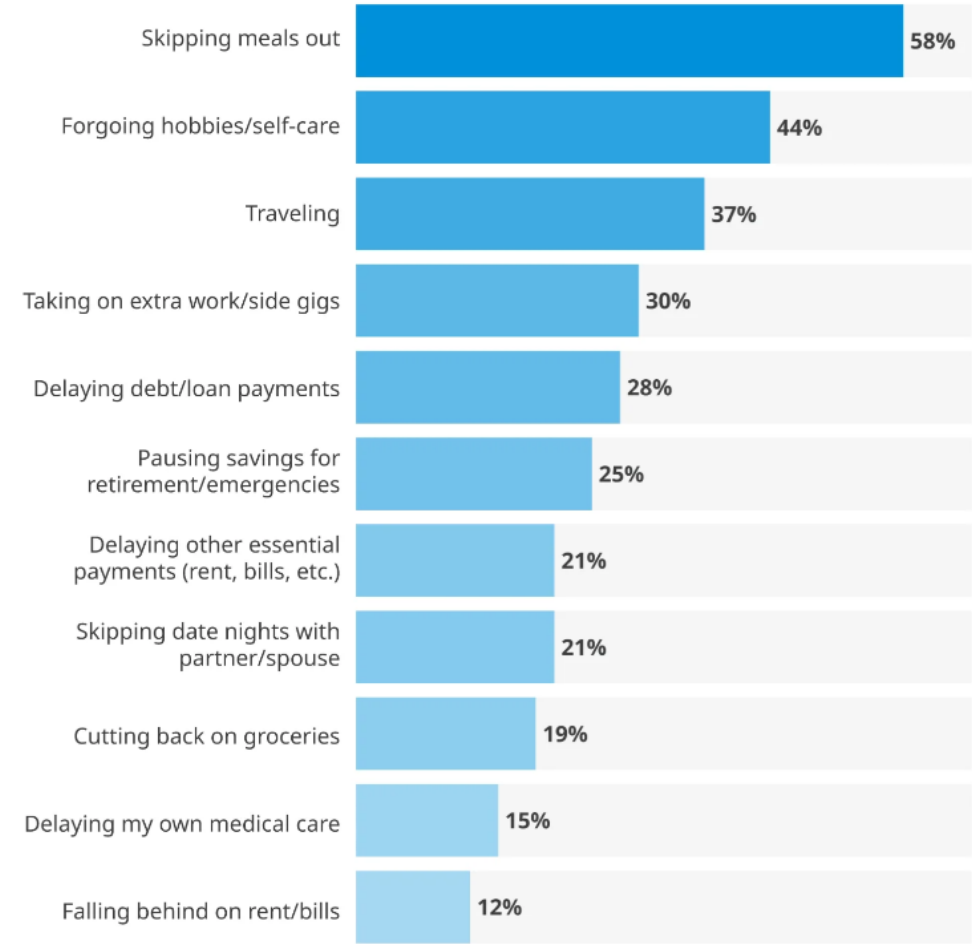
Pet Owners are already concerned with costs and are making personal sacrifices for their pets

Manufacturers will need to be careful in any future packaging costs being passed to the consumer

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



What Sacrifices Have You Made To Afford Your Pet's Needs?



Waste Elimination



Waste is increasingly prioritized by consumers across product departments



Milkadamia Organic Oat Milk Sheets



#underconsumption

Top categories with “zero waste” claims

- Pet Food
- Oral Hygiene
- Packaged Tea
- Hair Care

Upcycling is putting high-value ingredients back to work

Upcycled products use safe ingredients with full nutritional value, but for various reasons, would have gone to waste

Most consumers are looking for food waste solutions



95% Of consumers see food waste as an issue. (UFF)



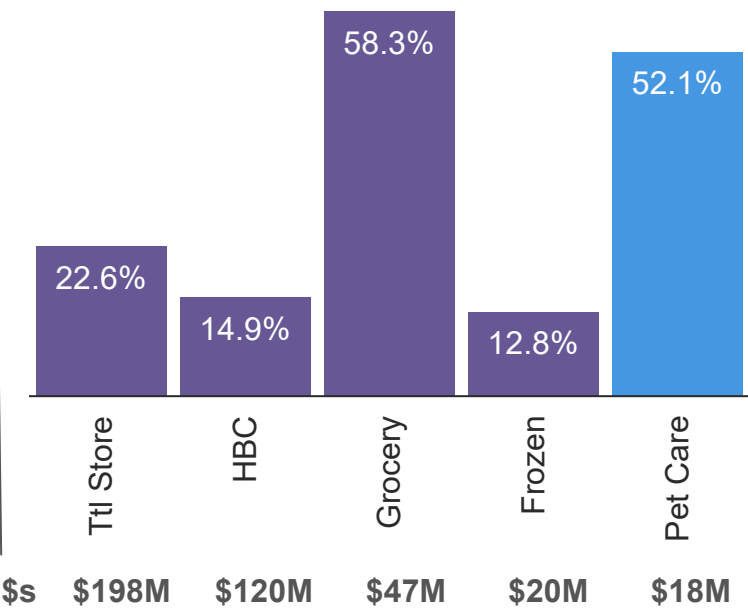
62% Of consumers are willing to pay more for a product that fights food waste. (Innova Market Insights)



44% Of all pet food ingredients are now upcycled across the industry (Pet Food Industry)

Upcycled Claims Drive Stronger Growth for Pet Care Brands

Upcycled Departments
\$ % Chg



Top Pet Care Brands Capitalizing on Upcycling



\$2.3M +632%



\$2.0M +118%



\$0.9M +50%



\$0.6M +218%

Rethinking Seafood



Sustainable fishing is getting hooked across the store, with pet care a key driver

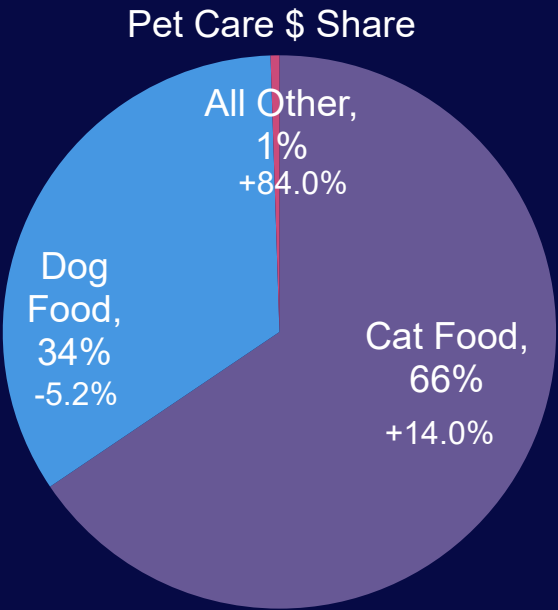
Cat Food with sustainable fishing claims is driving significant growth, with flavor multipacks driving success

Sustainable Fishing is a \$1.5B business, Pet Care ranked #2

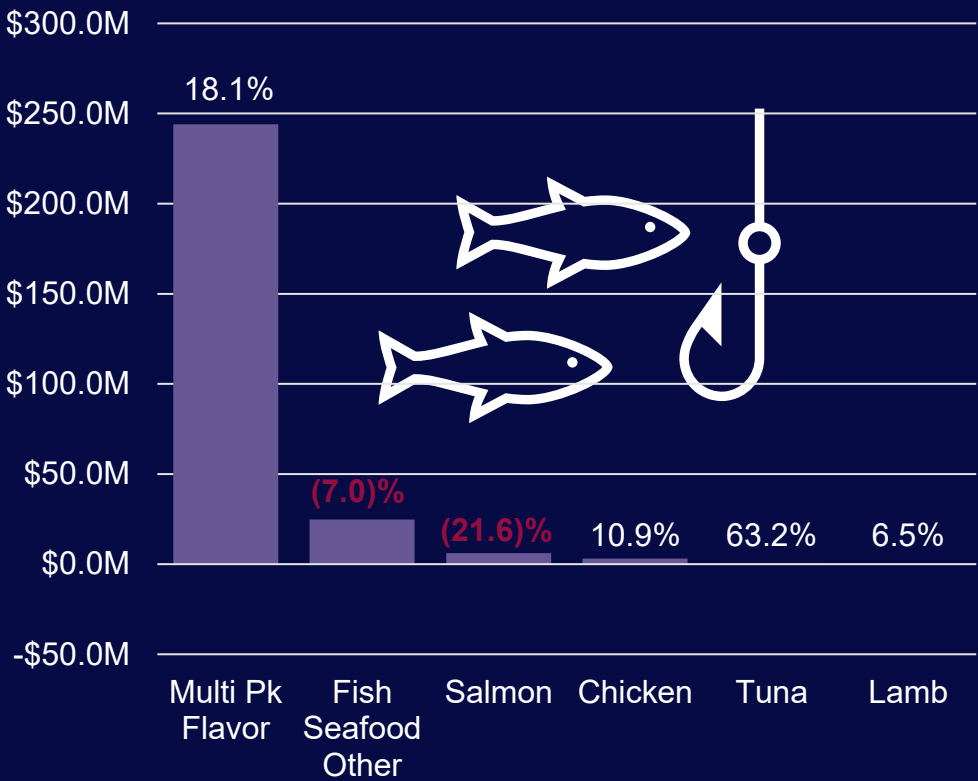


Department	Dollars
Total Store	\$1.5B
Frozen	\$856.0M
Pet Care	\$424.8M
Grocery	\$345.6M
HBC	\$83.1M
Seafood	\$79.0M
Deli	\$13.1M
Dairy	\$1.2M

Cat Food dominates Sustainable Fishing sales



Top Cat Food Flavors with Sustainable Fishing Stated \$s and \$ % chg



It's not just sustainable fishing evolving seafood usage in pet
Alternative proteins, upcycled ingredients, invasive species removal are changing seafood use in Pet Care

These university students are turning fish guts into dog treats

The project is designed to divert waste from a large Lake Erie fishery



Seafood's best friend: Once wasted fish byproducts are now a bounty for cats and dogs

Upcycled ingredients offer validated nutrition for circular pet food systems



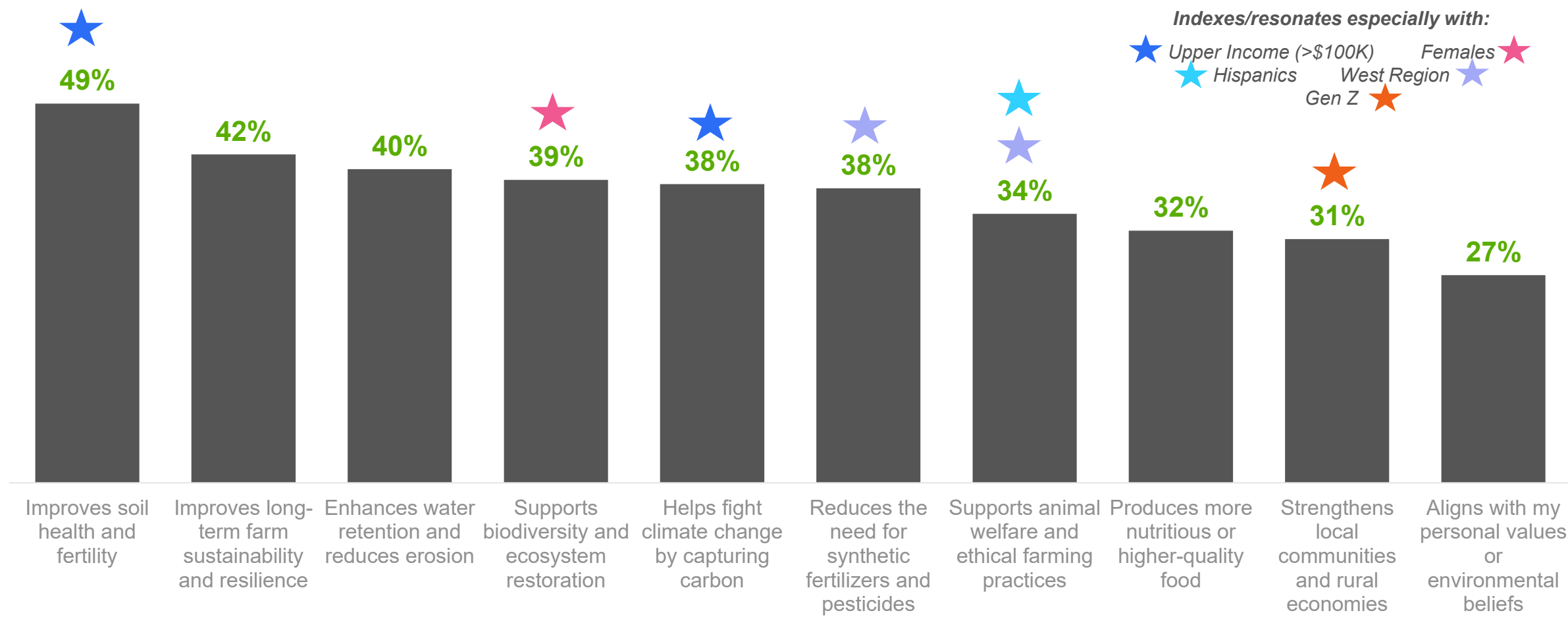
Regenerative Agriculture



Environmental benefits rank among top perceived advantages of Regenerative Agriculture

Advantages include ecosystem preservation and climate change mitigation, while personal-related matters are less prioritized

Main **benefits** of regenerative agriculture?



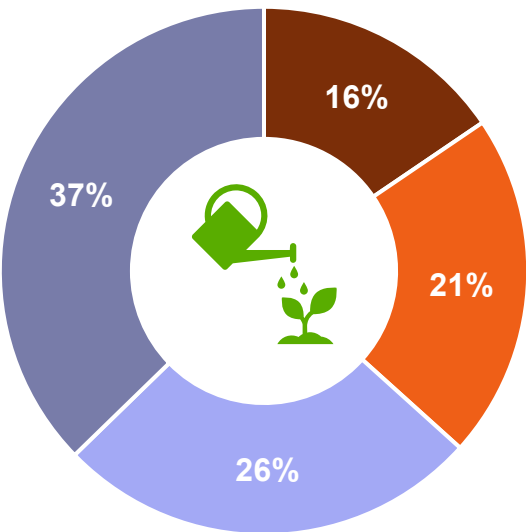
Source: NielsenIQ Regenerative Agriculture Survey - General Population

Regenerative Agriculture provides a unique opportunity to connect with Male pet owners

Nearly half of males say they are familiar with Regenerative Agriculture versus under 25% of women

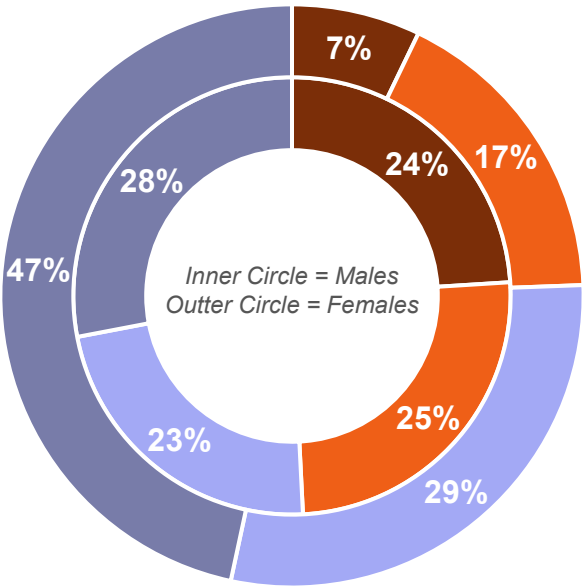
How familiar are you with the term **regenerative agriculture**?

General Population

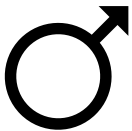


■ Very familiar ■ Somewhat familiar
■ Not very familiar ■ Not familiar at all

Male vs. Female



■ Very familiar ■ Somewhat familiar
■ Not very familiar ■ Not familiar at all



Almost a quarter of **Males** (24%) are **“Very familiar”**

55% more than the average consumer



47% of **Females** are **“Not familiar at all”**

25% more than the average consumer

Source: NielsenIQ Regenerative Agriculture Survey

Key Takeaways

Pet parents care deeply about sustainability – but value still rules.

- Even as economic pressure grows, pet owners continue to prioritize sustainability. That said, price sensitivity is real, and consumers expect sustainability without compromising quality or trust. Winning brands make sustainability feel essential, not optional.

Sustainability is already driving growth in Pet Care.

- Sustainable products continue to outperform the category, led by animal welfare, sustainable seafood, upcycled ingredients and sustainable packaging. While overall Pet Care growth has moderated, sustainable claims consistently punch above their weight.

Packaging is shifting from innovation to compliance.

- Sustainable packaging is no longer a choice – it's becoming a business requirement. With EPR laws live in seven states and expanding, packaging now carries regulatory and financial consequences. Brands that simplify materials and design for recyclability will be best positioned to win.

Recycling clarity and waste reduction matter most to pet owners.

- When pet parents think “green,” they think recyclable, recycled, and less waste. Confusing or vague claims erode trust, while clear, actionable instructions build confidence. Simpler packaging and honest communication resonate more than long lists of sustainability claims.

The future favors brands that make sustainability easy.

- Pet parents are time-tired, cost-conscious, and information-overloaded. The brands that win will remove friction – offering clear sustainability benefits, transparent sourcing, and packaging that's easy to understand and dispose of correctly. Simplification is the next competitive advantage.

Thank you!

Want to talk more?

Find us at Booth #5488

NielsenIQ



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