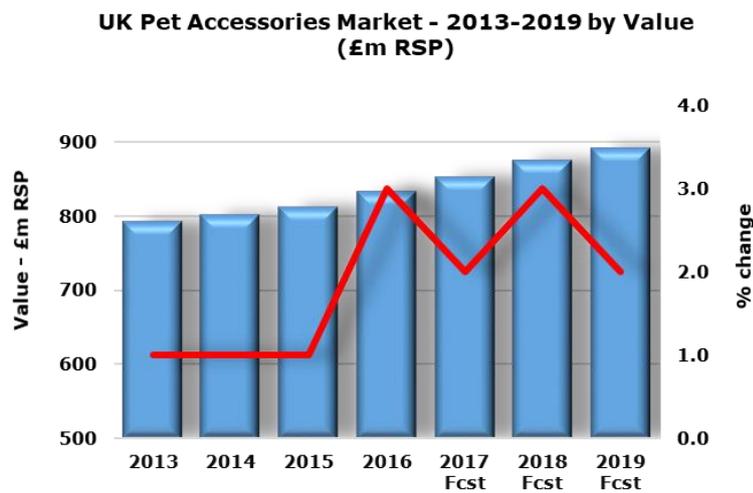




PRESS RELEASE

Comfort and well-being driving factors for the UK pet accessories market

October 2017 – Cheltenham, UK



Highly fragmented and competitive, the UK Pet Accessories Market was estimated to be worth around £850m at retail selling prices in 2016 according to AMA Research. The market covers a wide range of product groups including care products, toys, housing, bedding & feeding products, collars, leads and utility products. The maturity and competitive nature of the market and the uncertainty of the political and economic situation means that growth in 2017 is forecast at around 2%.

The market for pet accessories is generally considered to be relatively resilient to economic slowdowns, and has generally experienced flat to marginal growth levels over recent years - although there have been varying performances by different sectors. Imports play a significant part for many sectors of the pet accessories market and changes to Sterling exchange rates over the last 12 months has resulted in increasing price competition. However, growing demand for premium products has helped to underpin many sectors.

The increasing trend for pet humanisation – e.g. owners reflecting their own needs and wants onto their pets – is adding value to the market, with pet owners increasingly prepared to pay more for their pet accessories. In addition, the replacement cycle for some products has reduced as many owners increasingly seek to keep up with design and fashion trends. Ownership levels of smaller dog breeds has grown in recent years which has resulted in increased demand for specifically targeted products such as coats, grooming products and fashion accessories.

A steady demand for essential pet care products is helping to underpin the market, including rising demand for flea and worm treatments. The latter has benefited from a combination of wide distribution, increased awareness of the importance of preventative care and recent weather conditions that have boosted flea numbers. Cat litter is a sector that has become polarised between the low volume but high value, premium quality products and the high volume, value for money products. Product development in recent years has also helped to boost the market with the introduction of innovative products that focus on odour control, absorbency and the use of eco-friendly & biodegradable materials.

Toys are forecast to remain a key product sector and will benefit from continued product innovation and gift purchases. The rapidly growing interest in interactive and multi-functional toys is expected to continue. Another growth area appears to be in pet 'technology' products, including for example automatic feeders, toys, pet monitors and pet GPS trackers. The functionality and range of such products are also likely to increase in the short-medium term.

In terms of distribution, the pet superstore channel has continued to grow, with the number of outlets, choice and product range in these stores helping to stimulate demand and growth. In addition, the discount retail sector is also taking share, particularly for toys and some own-brand bedding and cat litter products. In addition, online distribution is also increasing in importance as a channel in its own right. The trend among pet stores to offer ever wider ranges of products and services, including grooming, veterinary care, boarding and breeding is likely to continue.

The mature nature of the market means that it is unlikely that pet accessories will show significant growth in the medium-term due to the highly price competitive nature of the market. The development of the economy remains uncertain at this stage following the Brexit vote, and this could have an impact on consumer spending, particularly on non-essentials.

"Reflecting the resilient nature of this market, steady but modest annual growth rates of around 2-3% are currently forecast between 2018 and 2021" said Jane Tarver of AMA Research.

"Care and maintenance products are forecast to continue to underpin the market as they are generally considered to be essential and represent the largest product sector, while the cat litter sector should continue to benefit from sales of more innovative products. Other factors expected to help underpin this market into the medium-term include product innovation focused on convenience, eco-friendliness and aesthetics. In addition, replacement cycles for some products are likely to decrease as owners seek to ensure that the comfort and happiness of their pets is maintained."

The '**Pet Accessories Market Report – UK 2017-2021 Analysis**' report is published by AMA Research, a leading provider of market research and consultancy services with over 25 years' experience within the construction and home improvement markets. The report is available now and can be ordered online at www.amaresearch.co.uk or by calling 01242 235724.

Editors Note:

If you would like to receive more information on the report, or would like to speak to the author, then please contact Anna Eriksson on 01242 235724.

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AMA Research Ltd
Montpellier House
Montpellier Drive
Cheltenham
Gloucestershire GL50 1TY
Tel: +44 (0)1242 235724
Fax: +44 (0)1242 262948
E-mail: annaeriksson@amaresearch.co.uk
Website: www.amaresearch.co.uk