

Navigating the Dog Food Dilemma: A Balancing Act of Price and Quality

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The once-simple task of selecting dog food has evolved into a complex decision, influenced by rising costs and shifting consumer priorities. As economic pressures mount, pet owners are grappling with the challenge of balancing affordability with quality.

The Price-Quality Conundrum

In recent years, the cost of dog food has steadily increased. This inflationary trend, coupled with rising living costs, has forced pet owners to make tough choices. While many remain committed to providing their canine companions with the best possible nutrition, the reality of tighter budgets has led to a shift in purchasing behavior. Across all departments, consumers are spending 30% more but purchasing 10% less in the past 4+ years.¹ This trend, coupled with the fact that 87% of American consumers have changed their shopping habits to manage expenses, highlights the growing importance of value and affordability.²

A Resilient Market

Despite these economic challenges, the pet care industry remains remarkably resilient. Pet food is often considered a non-negotiable expense, and many owners are reluctant to compromise on quality or switch to cheaper alternatives. However, even the most dedicated pet parents have been forced to adapt: 30% of Dry Dog Food respondents are seeking middle ground between price and quality.³ Some have explored more affordable options within their preferred brands, while others have opted for bulk purchases or online shopping to save money.

Manufacturers Adapt to Changing Times

To address the evolving needs of consumers, manufacturers are adapting their strategies. The traditional approach of relying on price increases to boost revenue is no longer sustainable. As two-thirds of manufacturers plan no price action in the near term, the focus must shift to delivering perceived value in other ways.⁴

One strategy is to emphasize superior nutrition, innovative formulations, and sustainable sourcing. By highlighting the use of high-quality ingredients, functional benefits, and eco-friendly practices, manufacturers can justify premium pricing and attract discerning consumers.

In addition to product innovation, manufacturers are also investing in building strong brand loyalty and customer relationships. By providing educational content, offering personalized recommendations, and fostering a sense of community, brands can differentiate themselves and encourage repeat purchases.

A Glimpse of Hope

While economic pressures persist, there are signs of optimism. The gap between consumers who feel worse off and those who feel better off is narrowing, and 43% believe their financial situation will improve by the end of the year. This suggests that as economic conditions stabilize, consumers may be more willing to invest in premium pet food products.⁵

The Future of Dog Food

The future of the dog food market will be shaped by manufacturers' ability to adapt to changing consumer preferences and economic conditions. By understanding the delicate balance between price and quality, and by delivering products that resonate with pet owners' values and priorities, brands can not only weather economic storms but also emerge stronger than ever.

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Sources

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4. Advantage Sales Manufacturer Outlook Study April 2024 (Base 55)
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