2Q Pet Consumer Sentiment Amid Macroeconomic Pressures

June 2025

Important disclosures can be found in Appendix

CRC's Take: Given the macroeconomic uncertainty and speculation over the last few months, our team has been conducting regular pulse surveys across consumers beginning in February to get real time updates on consumer sentiment. Within that body of work, the question that continues to come up in this environment and in our conversations is how 'recession proof' is the pet category?

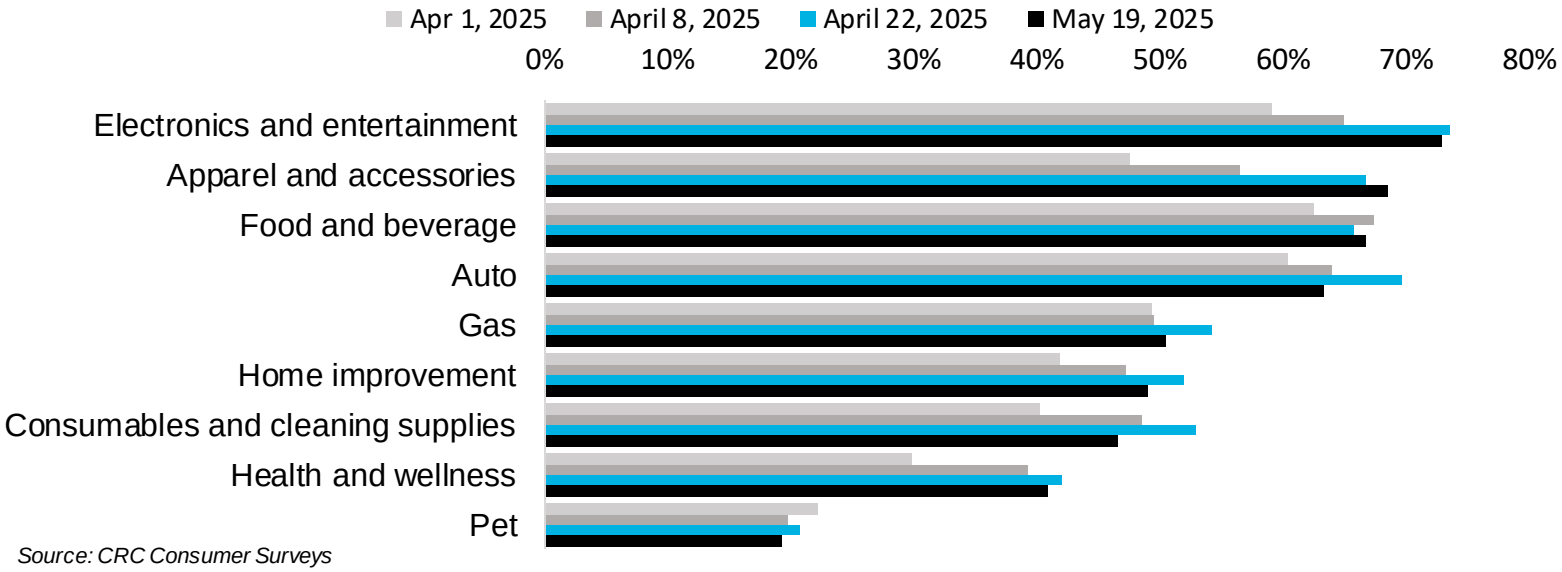
We find that the category is recession resilient, with consumers noting the category will be the least impacted by tariffs and brands within our work largely insulated from direct impacts compared to other retail categories. However, we do note a pullback in spend on discretionary and animal health this spring with consumables categories a bit more stable. This creates opportunities for independent pet to address its customers through curated assortment and enhanced service offerings as shoppers continue to spend in this category.

This is part of a broader report our team put together. Please reach out to Claire Obertin (cobertin@cleveland-research.com) or John Selio (jselio@cleveland-research.com) for more information on our Pet Insights and access to the full report.

Consumer Sentiment

Within our work, pet continues to be the category with the least forecasted impact within our consumer survey. As of the latest results, of shoppers who expected prices to increase as a result of tariffs, only 19% of consumers noted pet would be most impacted.

Which categories do you anticipate will be most impacted by tariffs?



Source: CRC Consumer Surveys

Further, about 40% of consumers expect to decrease their monthly spending due to tariffs – likely across categories. However, when digging further, only 15% of those shoppers indicated they would cut back on their pet spend. A testament to the resilience of the category even amongst tariff pricing pressures and wallet share shifts.

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Implications for Independent Pet

On a scale of 1 strongly disagree to 5 strongly agree, we asked pet shoppers how they think about their spending habits as it relates to their pets across categories, in light of total household spend, promotional appetite, etc. Across statements, consumers are slightly less price conscious when shopping / taking care of their pets in our 2Q results compared to 1Q.

	2Q25	1Q25	4Q 2024	3Q 2024
Because of the higher prices on pet food, I will look for a cheaper pet food next time I purchase it	**2.94**	**3.00**	**2.93**	**3.17**
Because of the higher prices on pet supplies (i.e. – leashes, toys, beds, etc.), I will look for cheaper pet supplies next time I purchase them	**3.31**	**3.26**	**3.22**	**3.44**
I am more likely now to purchase a store brand pet product today than a year ago to save money	**3.35**	**3.30**	**3.15**	**3.39**
I am more likely to wait for a promotion or sale to purchase pet products than a year ago	**3.32**	**3.45**	**3.24**	**3.50**
I am cutting back in other areas so that I don't have to cut back on pet purchases	**3.23**	**3.31**	**3.08**	**3.46**

Source: CRC Consumer Survey, April 2025

Tying in with our consumer work broadly, we can see that pet still remains a resilient category as pet shoppers largely agree they would cut back in other areas of spend so that they do not have to cut back on pet purchases. Consumers want to take care of their pets the best they can, with the pet part of the overall household spend conversation, but still insulated compared to other categories. So with the consumer maintaining engagement in the category, and recent pressures in the space easing slightly, what does this mean for independent pet?

Within our work, traffic at independent pet remains pressured following 2024 trends as mass, pureplay and club channel retailers continue to invest in this space and the pet shopper is more value-oriented in their shopping habits, seeking out convenience and quality. When connecting with brands, there remains the sense that independent pet is the first foray for innovation and new brands in the pet category. This is then bolstered by the heightened sense of customer engagement at these stores. The hurdle today is driving that initial traffic to the store to display that level of service and experience and spark interest in new products.

A few best practices and opportunities that have been highlighted in our latest channel work specific to trends at independent pet –

- The bifurcation of pet shoppers continues with brands and assortments leaning either super-premium or lower price point. There is opportunity for independent pet stores to lean into their desired assortment to address their specific customer set – bringing in more fresh / frozen / freeze dried products or leaning into a more value oriented products and offerings.
    - Brands continue to develop fresh/frozen offerings, while Pet Specialty outlets have yet to invest in more fridge space to accommodate. This creates an opportunity for independent pet to bring in these new innovations to their formats.
- Convenience continues to be top of mind for the pet shopper. Independent pet stores who have been able to develop their own home delivery and even autoship capabilities have created a moat around their stores vs online competition.

Claire Obertin, Market Research Associate

Claire is a Market Research Associate at Cleveland Research Company, leading the Pet Insights Council, where she communicates and identifies key insights across the Pet Retail and Animal Health channels. Prior to joining CRC, Claire worked for J.P. Morgan Asset Management. Claire holds a bachelor's degree in Supply Chain & Operations Management and Marketing from Miami University.

John Selio, Senior Research Associate

John joined Cleveland Research in 2016 and currently covers the pet specialty, mass, eCommerce, grocery, value, and club channels. Through regular conversations with industry professionals, his team uncovers inflection points and communicates best practices for how supplier and retailers deal with of their most challenging issues. John has over 1,000 conversations a year with many of the industry's thought leaders and enjoys aggregating the most relevant data points to tell a story of where the retail market is heading. John attended Miami University and currently lives in Cleveland, OH with his family.

APPENDIX