

# Adventures in Petfood



Debbie Phillips-Donaldson, editor-in-chief of Petfood Industry, shares her insights and opinions on all things petfood, addressing market trends as well as news and developments in pet nutrition, food safety and other hot topics for the industry.

## China, Brazil and other emerging markets lead petfood growth

Dec 12, 2012 By Debbie Phillips-Donaldson

Though China's torrid economic growth has cooled down somewhat, specific industries still show huge potential for continued increases in the country. Those industries include pet care and petfood.

Consider this: In 2012, the entire Chinese pet care market reached US\$1.3 billion in sales, according to Euromonitor International, yet petfood accounted for only 37% of that figure. That means significant potential for petfood to garner a higher share of the market in China, wrote Paula Flores, head of pet care research for Euromonitor, in a blog.

What may be surprising is the number of pets already owned in China. According to Flores, there are 27.4 million dogs there, ranking China third worldwide, and 11 million cats. For all other pet species--which Euromonitor and other entities often lump together in a catchall (and probably misleading) "other pets" category--China ranks first worldwide, with a total of 250 million birds, fish, reptiles and small mammals. Wow.

In a presentation during the International Pet Industry Summit in October in Shanghai, Flores pegged China as the fourth fastest-growing pet market worldwide, with Brazil as the fastest growing overall. In her blog post, Flores compared Brazil and China again, this time pointing out that in Brazil, 28% of cats and 50% of dogs eat commercial, prepared petfood, while much less than 10% of dogs and cats in China eat commercial products. While that large gap in China shows even more potential for growth, the levels in Brazil are one reason that country has grown so rapidly as a petfood market and will continue to do so for several years. In fact, by the end of this year, Brazil probably will have overtaken Japan as the largest petfood market outside of the US.

Brazil's steady, strong growth has also contributed to the Latin American region's world-leading growth rate for petfood sales this year. Euromonitor generously shared its end-of-year sales projections with me, and they showed Latin American sales of petfood increased 12.38% over 2011, just ahead of Eastern Europe's 11.73% growth rate. What's more, Latin America now accounts for 16.55% of the global petfood market, up from just 15% in 2010. (Eastern Europe's share has also increased, from 5.36% in 2010 to 6.6% in 2012.) That's at the expense of North America, whose share declined from 31.86% in 2010 to 29.85% this year, and Western Europe, which decreased from 33.04% in 2010 to 31.55% in 2012.

Meanwhile, Asia Pacific, despite China's hot growth, saw just 3.86% growth in petfood sales this year over 2011, accounting for 10.83% of the global petfood market (up from 10.2% in 2010). The Asia Pacific data is significantly influenced by Japan, still the largest petfood market in that region and also a developed market no longer experiencing strong growth.

With China's continuing rise, those Asia Pacific numbers might be pushing higher in coming years.

Fonte: <http://www.petfoodindustry.com/47551.html>