



Market Analysis Report

Pet Food in Japan

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British Columbia Pet Food Exports

In 2013, B.C. exported \$20.7 million in pet food products. The top market for these products was the United States with \$19.4 million, while Japan was the seventh highest export market with \$82 thousand. This is a dramatic drop from the 2011 total of \$6.1 million, when Japan was the third largest export market for B.C.'s pet food products after the United States and New Zealand.¹

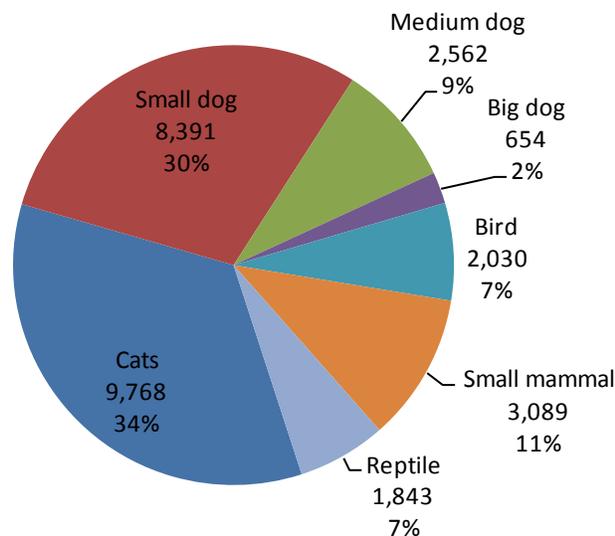
Pet Care Products in Asia Pacific

The pet care market in Asia Pacific is predicted to have been worth approximately US\$10.6 billion in 2013. This is a 2.5 per cent increase over 2012. A strong drive of growth in pet care products in Asia Pacific is 'pet humanization'. This is being encouraged by urbanization, shrinking family size, social atomisation (the rise of singles and one-person households) and increased affluence. It was reported in the Guardian newspaper in 2012 that "Many Japanese women prefer pets to parenthood. In many parts of Tokyo, it is easier to buy clothes for dogs than for children."

The largest pet care market by far in the Asia Pacific region is Japan, with sales reaching almost US\$6.4 billion in 2013. In recent years however, discretionary spending in Japan has been affected by a difficult economic environment, and the long term picture is not overly optimistic. Japan's population is ageing and shrinking, with a decrease of 0.6 per cent between 2008 and 2013. Between 2008 and 2013, volume sales of cat and dog food decreased by 21.3 per cent, while value sales decreased by eight per cent.

In 2013, the majority of pets within Japanese homes were cats (34 per cent) followed by small dogs (30 per cent) and small mammals (11 per cent). This does not take into account fish, of which there were almost 36 thousand within homes in Japan.ⁱⁱ

Figure 1: Pets in Japanese Homes ('000s of animals)



Pet Food Products in Japan

For pet food products, the market size for Japan in 2013 was over US\$4.5 billion, a decrease of 1.6 per cent over 2012. Market size refers to the total consumption in Japan in any given year.

Figure 2: Market Size for Pet Food in Japan (US\$ million)

	2011	2012	2013
Dog food	\$2,306.6	\$2,220.6	\$2,144.5
Cat food	\$1,636.5	\$1,661.4	\$1,675.1
Other pet food	\$769.8	\$758.2	\$745.2
Total	\$4,712.8	\$4,640.3	\$4,564.8

In 2013, the top distribution channel for pet food in Japan was home and garden specialist retailers, and home improvement and garden centres, both with a 28.8 per cent share. This was followed by pet shops (23.0 per cent), modern grocery retailers (16.4 per cent) and supermarkets (15.7 per cent). In 2013, 10.1 per cent of households owned a cat whereas 16.5 per cent of households owned a dog. Since 2008, households owning a cat have decreased by 17.9 per cent while households owning a dog have decreased 15.3 per cent.ⁱⁱⁱ

Pet Food Product Launches in Japan

In 2013, 25.8 per cent of pet foods launched in Japan were dry dog food. This was followed by wet cat food (23.9 per cent), wet dog food (21.6 per cent), dry cat food (14.5 per cent), dog snacks and treats (8.3 per cent) and cat snacks and treats (5.9 per cent). Of the total pet food launches in Japan in 2013, 32.7 per cent of claims on these products were functional pet (relating to digestions and urinary tract). This was followed by senior pet (25.1 per cent), no additives/preservatives (22.7 per cent) and vitamin/mineral fortified (20.9 per cent). Of the total pet food launches in Japan in 2013, the majority of products were chicken flavoured (19.9 per cent). This was followed by chicken and vegetables (4.0 per cent), tuna (3.8 per cent) and bonito (3.6 per cent).^{iv}

ⁱ Global Trade Atlas, March 2014

ⁱⁱ Euromonitor International, March 2014

ⁱⁱⁱ Euromonitor International, March 2014

^{iv} Mintel's Global New Products Database, March 2014