Research on Pet Markets' Development

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Abstract. Under a fast-paced society filled with pressure, raising a pet serves as an antipode to release stress. Therefore, many pet-related products appear to fulfill people's emotional needs. The pet-human furniture is part of it. That commodity not only enhances the connections between humans and pets, increasing the time they spend together but also saves the species, bringing the healthier and environmental trend in a way. However, this product has been introduced for many years, while it is still little known. The present study aimed to investigate the factors that influence pet-human furniture-making progress. The study uses the PEST analysis to explain the deeper facts. Petco is listed as a case to prove that. These factors include consumers' consumption habits, companies' marketing strategies, and international economic status. Based on these conclusions, the study provides some suggestions to companies and highlights the turning point in the future.

Keywords: Furniture, Little known, PEST, Pet.

1. Introduction

Nowadays, there is a popular trend of raising a pet. Under the high-stress and increasing social alienation circumstances, many people consider pets as one of their family members as pets can provide emotional healing for people. Therefore, companies invent some products that can satisfy human emotional needs, such as the bowl with a cat's pattern or cat's shape, enhancing the connection between pets and humans. These communities are very popular. A few years ago, a type of furniture that meets human and pets' needs at the same time just came out. These creative designs not only save space and cost but also strengthen the connection between owner and pets. More importantly, it can save lots of waste in the long run, contributing to a green lifestyle. However, the market performance of this product is not good.

Wei et al. adopt a psychology theorem to analyze the deeper meaning behind the per furniture. The benefits of the furniture also be shown via the real brand's furniture cases attached with some photos. It turns out that the advent of this type of furniture reflects the emotional needs of humans and the different considerations between humans and pets in deciding the furniture [1]. Ai adopted case studies and questionnaires in the studies. It concludes the key points of cat furniture design and propaganda the pet-related furniture, showing the popularity of this furniture through online data. It designs some pet furniture and analyzes the materials they choose in furniture according to pets' habits. It illustrates that pet furniture will have huge potential in the market [2]. SW et al. explored the factors why Sri Lankan's medium furniture firms and manufacturing wooden forms which are pillar industries in many countries become hard to survive despite there being many incentives and welfare offered. It uses the model to illustrate the hindrance, and provides some suggestions to overcome the struggle, and uses the Morotuwa area as an example to back up the statement [3].

Kocianova et al. use the questionnaire methodology and economic functions to explore the main problem for Slovak family enterprises in woodworking and furniture industry development in the long run. The conclusion that can be obtained from the graph is that the responsibility is not only the external factors but also their internal issues-succession problem in wood-working family businesses. The decision maker's position should be valued [4]. Supavee adopts the questionnaire methodology to better understand what are the potential causes that influence customers' purchases in the market. Then, Supavee analyzes these figures via quantitative research and qualitative research, categorizing the target customers by gender, social status, and level of income in Thailand. The conclusion is that there are several marketing factors related, such as frequency, per-time cost, etc. However, the brand

has little impact on decision-making [5]. Handfield et al. suggest the strategy of developing environmental furniture sales via interview information. The key point of achieving the goal is letting environmental steps be immersed into each process. Additionally, green companies should follow the government's policy. In attempts to sharpen their competitiveness, environmentally-friendly practices (EFP) should preview the future development in consumers' actions and countries' laws. Then, they highlight the connection between environment-friendly firms and the firm's operation chain [6].

Abu et al. pointed out that lean manufacturing, an approach that can increase productivity while saving costs, only be applied in developed countries and developing countries are unknown. Also, although it is known, there are still many hindrances to furniture companies applying the LM method into practice. Abu, et al provide suggestions to overcome these barriers via several methods, such as literature review, scenario analysis, some tables, questionnaires, and descriptive statistics analysis [7].

Sun et al. mentioned the hypothesis that some factors influence Generation Z's purchase intention in pet consumption during a period of pandemic. This research mainly adopts empirical analysis research methods and they did a questionnaire that is divided into subjective reasons and objective reasons based on this assumption. The result shows that the three hypotheses are right. ICP(Internet Celebrity Promotion and CI(Consumption Intention), companionship and CI, social interaction and CI are highly significant, which are 0.311, 0.55, and 0.311 in the influence rate, respectively, while the function of peer and advertising have little impact [8]. Boone et al. summarize three steps of making a purchase and adopt many types of data to analyze the factors that influence consumers' purchase decisions. Based on these data which contain Point-of-sales data, In-store data, Traffic counter data, Path data internet/user-generated content, google trends, and social media, there are many progress that can be reached. In addition, there are still many barriers that need to be broken down and the forecasting data can provide a clear view of the target consumer's behaviors [9].

The study aims to analyze the factors that influence the sales of pet-human furniture. Preliminary research is going to present the pet market state and its potential globally. Then, the in-depth analysis determines the relationship between the ages, outside factors, advertising, and consumers' purchase decisions, enhancing the issue that exists in its present statutes. In addition, the pest analysis will be adapted to explain deeper contributors. Finally, the course of the action can still be applied to other cases and other realms' problems. Globally, how to boost the number of sales of these cost-effective and green products in the future to achieve the goal of being ecology is a key issue.

2. PEST Analysis

2.1. Political

Most countries are pet-friendly countries. For example, America allows pets to enter any place without restrictions. In addition, in some states, the government vaccinates dogs free of charge. These beneficial policies encourage people to raise a pet.

In China, there are some strict rules regarding raising a pet. Pets cannot occur in public areas, such as theatres, shopping malls, restaurants, etc. People cannot take the transportation tool with their pets, except the taxi. There is an obvious difference between China and America is that when the destination is China, the only way to these reflects people still hold defensive attitudes toward pets to some extent.

In terms of the furniture trend, China's authority office interior design is encouraged to use recyclable or environmental materials, promoting standard productivity and adoption regularly. In a way, it encourages advanced furniture development, dedicating a convenient life. In 2024, the few articles from "Implementation Rules of the Patent Law of the People's Republic of China" had been revised. For example, the brief description shall not use commercial advertising terms, nor shall it describe the performance of the product. This change made the creative product little known.

The majority of pet-human furniture belongs to the appearance patent product. However, if the patent image cannot be attached to advertising information, consumers have no access to how to purchase it despite individuals being interested in it.

Furthermore, one of the revisions is increasing the fine that is used for punishing inappropriate use. However, in a way, this action leads to the phenomenon that firms are afraid of copying because of strict punishment. If the patent is being applied more widespreadly, that product will become more popular. In 2023, "Specification and Performance Guide for General Office Furniture in Central Administrative Institutions" reflects the trend that China advocates green-life styles, adopting environmental furniture in the office, which can lead the citizens to follow environmentalism. This policy illudes the environmental and integrated multi-purpose will be the main considerations in making a purchase decision. Good intentions behind policies could lead to unintended negative consequences for developing countries. For instance, costly enforcement of sustainability standards may unfairly disadvantage nations with limited institutional capacity. Likewise, carbon tax adjustments at borders might disproportionately affect small and medium-sized enterprises and agricultural producers in developing countries.

2.2. Economy

Until 2023, China's per capita disposable income has increased by 6.1% compared to last year. Specifically, the per capita disposable of town residents has increased by 5.1%. The per capita disposable income of rural residents has increased by 7.1%. The figure for per capita consumption expenditure shows an upward trend.

The number of households raising pets is around 68 million, showing an upward trend. In 2021, China's urban pet (dog and cat) consumption market size is close to 250 billion yuan, an increase of 20.6%. The pet market with the largest demand is pet food, with a market size of about 128 billion yuan. Pet medical, a market size of about 73 billion yuan; Pet supplies, a market size of about 32 billion yuan.

The World Bank’s latest Global Economic Prospects indicates that Most economies, both developed and developing, are expected to experience significantly slower growth in 2024 and 2025 compared to the decade preceding the COVID-19 pandemic, and one-fourth of people are poorer than before. In other words, the per capita purchasing power will also decrease[10]. Consumers are inclined to purchase affordable or value-oriented products. Therefore, the demand for high-quality products will increase.

In terms of global trade, this year is expected to be the slowest in the past five years. For developing countries, the exporting trade plays a crucial role in boosting the economy. By 2021, the number of China's entities was about 154 million. The number of China's entities had increased from 11 million to 25 million, during the past 8 years, although the GDP growth rates showed a downward trend [11]. The real GDP rose by 3.2% in Q4 of 2023, down from 4.9% in Q3, driven by higher consumer spending, exports, and government spending, despite an increase in imports [12]. In China, the cost of furniture interior materials increased, such as aluminum and stainless steel used in hardware as well as the price rise of chemical materials such as paint and glue. In addition, the reduction of the furniture export tax rebate rate, and the increase in labor and sales costs are the main problems.

2.3. Social

There are more than a billion families. There are over a billion pets globally, with the US, Brazil, EU, and China contributing to over half a billion dogs and cats. More than half of the world's population is estimated to have a pet as pet plays a crucial role in healing people's own emotions. Specifically, in the US, pets have a high status in a family, recognized as a family members. With the green lifestyle concept enhanced and some beneficial green regulations, consumers are inclined to buy environmental necessities to follow the trend. In terms of interior design, Gen Z loves the automatic and clean style. Instead, the elders prefer the wood-made furniture.

2.4. Technology

The development of technology is crucial for the manufacturing industry. That the furniture becomes more automatic is a common phenomenon. The good use of the lean approach can not only save the processing cost during the industrial chain but also be productive. A combination of furniture sharpens the competitiveness in the furniture market.

3. Analysis of Development Status and Purchasing Factors

3.1. Development Situation

The global pet market size was valued at $235.32 billion in 2022 & is projected to grow from $246.66 billion in 2023 to $368.88 billion by 2030. There is a pet market share, consisting of pet food products, veterinary care, and others [12]. The pet food product already comprised 52.92%, and veterinary care accounted for 30%. Others only made up the rest of them. Specifically, others include many branches, like basic necessities-litter box, food bowl, interactive cat toys, and scratch deterrent. On average, the expenditure on pet furniture is small.

Fig. 1 for expenditure on pet products shows an upward trend, which is growing at a rate of 5% a year. It will continue to rise in the future. This has a huge and good prospect.

According to the website and Observation, pet's related products, like pet fountains, sofa dog beds, dog food mats, etc, are popular on online platforms, such as Amazon, Taobao, and TianMao. However, in terms of the furniture realm, this type of commodity is little known and the sales of it are low. For example, the first search result of the pet' shop in Google shows that the shop only sold 69 pieces since the store opened in 2019. In addition, in the same shop, the number of a single cat's nest sales is greater than a combination of pet and human furniture. People are very unfamiliar with the concept of combining human pet furniture.

3.2. Purchase Factor Analysis

There are many factors leading to this phenomenon, including the limited advanced technology being applied in assembly lines in China and developing countries, the celebrity effect, the government policy, and the economic trend, but the brand of the pet's product has little impact on decision making. These statements play a crucial role in analyzing the reason why pet furniture is little known.

For the pet owner's generation, Gen Z pet owners (ages 18 to 25) are far more likely than other age groups to have a variety of pets. However, most of the youngsters have financial constraints, struggling with rent expenditure. Therefore, people who live in rented homes are reluctant to buy new furniture because of low cost-effectiveness. In addition, when it comes to Gen X who are already retired without financial burden, they prefer to raise hamsters, birds, and fish [14]. In addition, most people are very unfamiliar with the concept of human pet furniture, and the benefits of functional combination are not profound. In China, the status of pets is not considered as high so the connection between people and pets is not that strong. Then, a pet's need cannot be satisfied instantly and thoroughly.

Petco, the largest pet store in America, does not the human pet furniture. Instead, there are only handcraft and small brand sales of this type of product. This phenomenon causes an impoverished circle since the propaganda from shops is the main source for consumers acquiring the product's information. If the biggest company does not have this type of commodity, the majority of customers have no idea about it. In terms of the promotion section, only large company advertise their brands and their slogan are not related to their products. Instead, their purpose is to let their brand known. However, the small companies that sell human pet furniture will not choose to advertise their brands, let alone their products.

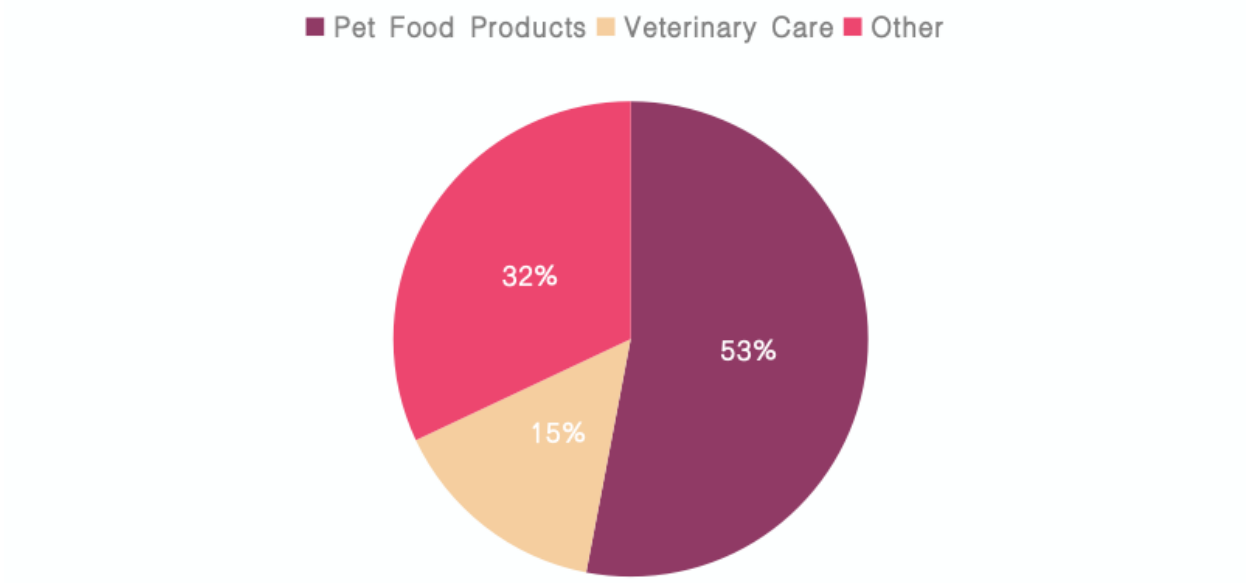


Fig 1. Global Pet Market Share

4. Conclusion

Under the age of advanced information. This study has found that companies should draw upon the advertisement effect, which can change the status in markets. For example, the influencer that raised the pets is the ideal group to spread their products since the majority of their followers who already are pet owners or love watching animals are potential consumers. Social media" effect is better than the traditional board advertisement. That way can maximize the effect. In addition, they should develop creative items and highlight their merits rather than presenting the title in a way. The expenditure is an important consideration as well. Companies should introduce the technology to minimize the cost to sharpen the competitiveness in markets

There are many factors influencing the products"sales and influence. There are some exterior reason and interior reasons. The age should be considered as a crucial factor. The pet market has huge potential, showing an upward trend in the number of raising. Although the government promotes the pet market holistically, pet furniture still has a long way to go, which needs to pay more attention to it. The companionship that consumers pay the most attention to can be seen as a key point to sold items as the combination of pet-human furniture completely matches it.

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