

Analysis on the Development Trend of China's Pet Animal Economy

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ABSTRACT

With China's tremendous economic development, the population aging trend has intensified, and the inventory of households without children has skyrocketed. Pet animals have long been a popular alternative for improving people's mental comfort and wellbeing. The pet animal economy has arisen as a new point of consumption for individuals and perhaps an essential component of the urban economy. This paper introduces the situation of the pet animal economy and analyzes the development trend of pet animal economy related industries in order to promote sustainable development of the pet animal economy in the new era on the basis of understanding the development of the pet animal economy in the new era.

Keywords: *Pet animal; Pet animal economy; Development trend; Pet animal industry*

1. INTRODUCTION

The pet animal economy will be a new economic structure that represents both economic advancement and a shift in consumer purchasing patterns. Scholars have yet to provide a consistent definition or scope for the companion animal economy. Therefore, the pet animal economy provided in this study refers to the pet animal-based consumer market as well as a series of commercial activities arising from the new economic growth condition caused by social development and a shift in people's consuming notions. According to this report, the pet animal economy is a consumer industry based on a range of commercial operations such as pet animal manufacture, service, and sales.

2. DEVELOPMENT STATUS OF DOMESTIC PET ANIMAL ECONOMY

The issues of independence, closure, personalization, and population aging of residents' families are becoming increasingly significant as social growth and urbanization accelerate, as well as the steady progress of people's living circumstances. Residents' leisure,

consumption, and emotional well-being all show a diverse pattern. A lively and charming companion animal may help to alleviate loneliness, enhance interest, and relieve tension in today's hectic world. Pet animals, on the other hand, aid in the development of children's independent living skills and are fruitful to the physical and mental health of the elderly, making them an integral part of people's leisure and consumption.

According to relevant statistics, when a country's per capita GDP is between 3000 and 9000 US dollars, the sector will begin to expand swiftly as a sunrise industry in China. As per the current environment, China has numerous first and second tier cities with per capita GDPs of more than \$10,000 USD, and the pet animal trade has also evolved to a certain extent. The pet animal sector employs more than 100,000 people and has fixed assets worth more than 3 billion yuan and yearly output of more than 7 billion yuan. For example, there are over 700000 registered dogs in Beijing and Shanghai respectively. Through the survey data, it can be seen that the domestic pet animal market is dominated by purebred dogs and cats, and the economic growth rate is more than 20%. With this growth rate, China will have more than 200 million pet animals and the output value

of the pet animal industry will exceed 40 billion yuan.

With the continuous increase of pet animal sales, its related additional value-added products, such as pet animal food, pet animal clothing and pet animal healthcare treatment, have also increased simultaneously. Compared with pet animal breeding, the sales form of pet animal food and other products are more flexible and account for a greater proportion in the pet animal economy. In the international market, some enterprises are paying attention to the production and sale of pet animal clothing, perfume and toys, and even the luxury goods industry's behemoth has created a line of pet-related products. Pet animal services are provided by a number of well-known companies in China, including Beijing Dixi pet animal store and Shanghai Sanmei pet animal store. Its products are sold not just in the United States, but also in Western emerging markets. Despite the fact that modern progress is relatively quick, the total level is not particularly high. We should promote the pet animal business holistically, boost fiscal support and technical research and development, and adopt a more positive attitude toward the opportunities and problems that come with its innovation.

3. REASONS FOR PET ANIMAL ECONOMIC DEVELOPMENT

3.1 Lack of emotion

Emotional deficiency is mainly manifested in two types of people. One is mainly middle-aged people, and the other is elderly people. With the acceleration of the pace of life, middle-aged and young people marry and have kids late, and DINK families and families without independence are increasing. At the same time, due to the disappearance of China's demographic dividend and the acceleration of urbanization, the proportion of the elderly population is increasing, and the number of the elderly without nests in urban and rural areas is increasing. China has entered an aging society, and the aging population over the age of 60 is increasing year by year. It estimates that by 2050, there will be 500 million elderly people in China, accounting for about 40% of the total population. Meanwhile, they lack the company and are prone to depression, loss, anxiety and other negative emotions. It can be seen that keeping pet animals have become a way for people to meet some spiritual need. Pet animals can fill the emotional deficiency of special groups and bring spiritual comfort.

Working people's companionship of pet animals is quite a unilateral act. That is, no time to accompany and more sophisticated pet keeping. Especially in the case of short-term business trips, working people can only foster, so pet animal appliances with automatic feeding, remote monitoring and remote control came into being. These intelligent pet animal appliances can narrow the difficulty and pressure of feeding.

3.2 Identity

The understanding of identity can be observed in two aspects. On the one hand, pet animal owners' recognition of social status; on the other hand, improved the pet animal's posture. Firstly, the social identity of pet animal owners. In this case, pet animal consumption is comparable to luxury consumption. Raising diverse pet animals, pet animals of diverse varieties and prices, and even rare and alternative pet animals, such as lizards, spiders and snakes, can integrate into diverse social circles and bring recognition of personal value and social benefits. Pet animal ownership fosters a special bond that enhances many parts of a person's life, including mental health and friendship. The yearly consumption of cats and dogs per capita would exceed 5000 yuan in 2021, an increase of around 15% over 2020. Pet animal owners have a high level of education and money.

Secondly, the health of the pet animal has improved. Pet animals become members, if not crucial members, of a family or group. The value of companion animals is becoming increasingly apparent as human civilization progresses and elevates. Improving conditions mean that families or groups will pay more for this, and consumption will increase proportionally. Among pet animal consumer goods, the highest consumption of dog products is fur care, toys and clothing. The highest consumption of cat products is toys, cat litter and cat scratch board. With the improvement of pet animal conditions, consumption has shifted from eating and wearing to diversify consumption focusing on eating, wearing, raising and entertainment.

4. ANALYSIS ON THE DEVELOPMENT TREND OF PET ANIMAL ECONOMY

China's economy is now through a period of stable expansion as well as continual increases in national revenue will necessarily lead to a rise in spending. Furthermore, as people's pace of life quickens, rearing companion animals aligns with their desire for a better existence. As a result, pet animal consumption expenditures will continue to rise at a speedy rate.

Pet animals are now mostly consumed in large cities, which are still in their infancy and are quite wealthy. With the development of economy, it will expand to foreign countries, because this psychological demand is shared by all people, but now the urban population has a better foundation and conditions, and the pet animal market will be larger in the future. These factors will promote the long-term prosperity of pet animal consumption.

5. ANALYSIS OF ADVANTAGES AND DISADVANTAGES OF PET ANIMAL ECONOMY

5.1 Benefits of pet animal economy

The diversified needs of pet animals have led to the development of pet animal food and suppliers. Food and medical care accounts for the largest share of pet animal consumption. Some food and snacks have progressively entered animal life, in addition to basic companion animal diet. People grew to care about the health of their pets and were willing to pay money to take them to a veterinarian, resulting in the establishment of pet animal hospitals. To successfully grow the pet animal market and encourage the development of the pet animal service industry, today's young people are willing to attempt pet animal care, photography, alternative care, insurance, training, and other consuming methods in addition to basic food supplies. Some pet animal beauty clinics, for example, have previously modified the individualized modeling of pet animal beauty and introduced a variety of Japanese or Korean styles. Despite the fact that these consumption sectors are still relatively modest at the moment, there is still a lot of space for future innovation and development. China's pet animal industry is expected to reach more than 200 billion animals by 2021. Pet animal economy has become an essential consideration of stimulating economic growth as a new consumption paradigm. For instance, with the increase of the number of pet animals and the improvement of the quality of life, the demand for pet animal diagnosis and treatment is bound to increase, which requires corresponding pet animal hospitals.

On the other hand, the surrounding industrial structure of pet animals has also been optimized. As a result, most enterprises gradually focus on the shaping of pet animal surrounding industries. At present, Sichuan Province has become the largest domesticated dog breeding base in China, and there are also production bases of relevant pet food here. Moreover, the largest leather dog bite glue production base in Asia is placed in Zhejiang Province, which not only has good sales prospects in China, but also has achieved respectable sales response abroad.

5.2 Disadvantages of pet animal economy

The most critical problem is safety and health. Pet animals can infect a large number of individuals, spreading illnesses. Some illnesses, also, pose a threat to human life and must be addressed. For example, rabies is a common disease that, if contracted, can be fatal. Pet animal barking can also be annoying, especially late at night. There is, however, an issue with stray dogs. If abandoned animals are allowed to run around on the

street, they cause not only injury to the animals, but also societal unease, especially during the hot summer months when rabies is prevalent. Even if the stray dogs are removed, some people will be burdened by having to care for them.

6. CONCLUSION

The pet animal market has contributed into a vital component of the leisure industry. Customers are motivated to buy mostly by their own desires. It is generated not just by consumers' internal aspirations, but also by the external environment. After the lower level requirements of physiological and safety have been confronted, pet animal leisure needs emerge, which primarily include the demands for love, respect, knowledge, and aesthetics. Meanwhile, we have to accurately comprehend the therapeutic potential of companion leisure in addressing the leisure demands of clients.

Despite the fact that China's pet animal business began late, with the betterment of mankind, the notion of pet animal keeping has become extremely prevalent, and the pet animal economy has been growing swiftly. The country's growth rate is now outpacing the rest of the world. The growth trend of related companies would become increasingly popular as pet animal consumption becomes more professional and polished. However, many problems such as non-standard operation and lack of professionals are due to be solved urgently. To summarize, increasing domestic pet firms' business competence is the key to dealing with competition and the aggressive growth of China's pet animal industry.

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