



The Void Concealed by Pets: Grave Social Issues Behind China's Booming Pet Economy

Shuxin Liang

School of Management, Dalian Polytechnic University, Dalian, Liaoning Province, 116000, China

2207190105@xy.dlpu.edu.cn

Abstract. With the development of population aging stress in China and increasing urban stress, the role of pets has become more essential on a daily basis, which could offer fantastic companionship and significantly relieve pressure, while the pet economy has gradually become an emergent economic pattern. While majority of existing research chiefly explore the motivations behind the growth of the Chinese pet market but lack investigation about the detriment and crisis of downsides. This study aims at inadequacies within the industry and the deeper social challenges, which focuses on the analysis of hidden problems and challenges behind the booming pet economy in China, offering corresponding insights and suggestions. The findings show that the prosperity of pet economy is not only a consequence of progress of life standard and shifting lifestyles, but also a reflection of emotional gaps, social anxiety, and inadequate support systems, which could be corroborated by societal issues such as population aging and urban stress are vital contributors to increase of pet economy. Moreover, the governance imbalance in the pet industry is the severe problem that lack of attention as well, such as illegal breeding and stray animals. According to these findings, this paper proposes several suggestions such as rigorously regulate the pet industry chain and improve the societal emotional support systems, in order to help to formulate more inclusive welfare frameworks and complete emotional support systems, bringing balance and a sustainable and healthy development to the China's pet economy.

Keywords: Pet Economy; Population Aging; Urban Stress; Social Support Systems; Emotional Needs

1 Introduction

In recent years, as the development of China's economy and improvement of Chinese living standards, the pet economy has surged rapidly and become a new hotspot of consumers. According to the Chinses Pet Industry White Paper, the pet market in China kept a stable and productive growth in 2024, with urban dog and cat market surpassing 300 billion yuan. At the same time, as the pet economy is booming, the industry chain is also gradually developing, expanding and becoming mature and complete. Industries such as pet food, pet clothing and pet healthcare are growing concurrently in intense

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competition. Pet-friendly malls, parks, café are also emerging in great numbers. The pet economy has changed from single growth to a more ecological development [1]. However, behind the prosperity of the pet economy, there lie numerous social issues, which exactly are momentums for this study. Incomplete regulation of industry chain has led to a growth in illegal breeding and pet carrying diseases critically put their owners' health into serious risks. The hefty costs of pet care and veterinary treatment hamper elderly people who need companionship, while the loss or death of the pets becomes a new source of stress for pet owners. The analysis of this thesis will help to balance economic efficiency and emotional support better and achieve collaborative development of industry upgrading and social responsibility.

Current research on the pet economy mainly focuses on pet market analysis, industry trend evaluation, and consumer behavior. The study shows that Chinese pet industry has already become a crucial component of tertiary industry, manifesting a distinct high growth rate. Relevant companies also demonstrate excellent prospects [2]. However, the domestic industry in China is still relatively young, and the consumption level is lower than that in many other countries [3]. Among consumers, the millennial generation, particularly those with high incomes, are the paramount driving force of pet consumption. Compared to marriage and childbearing, raising a pet is still an outstanding source of companionship for them [4]. Moreover, the internet and social media platforms, such as Instagram, have played a significant role in promoting the development of the pet economy. The sharing content from pet owners' accounts on social media has greatly enhanced the influence of pets and related products [5]. These studies had conducted in-depth research on domestic pet consumption in economic, market and psychological dimensions, providing a solid foundation and a remarkable reference value for this paper.

This study mainly approaches the case analysis method, analysing the pet economy from industrial and societal perspectives, revealing the development trends and underlying issues behind its swift growth, such as governance unbalance, population aging, and urban stress. It also offers the corresponding suggestions and recommendations about addressing these problems and challenges, aiming to foster the progress of industry governance and social welfare systems, promoting the healthy and sustainable development of the pet economy, which will greatly help the healthy coexistence between humans and pets.

2 Case Description

As the development of China's pet economy and the rising status of pets, more pets are becoming true members of households. Therefore, pet-friendly values are gradually getting attention and many forward-thinking shopping malls and restaurants are changing their previous practises that pets are prohibited from entering, which solving the awkward problem of owners who want to dine out, creating a harmonious environment for coexistence.

One such restaurant in Shanghai has set a specialized pet zone, which not only allows pets to enter but also offers convenient facilities such as pet strollers and elevators. This

special area is well-ventilated and keeps an appropriate distance from the common dining area. To create a comfortable environment for pets, the restaurant's staff actively provide disposable pet dishes and cleaning tools and deeply disinfect the pet zone after finishing meals. For ensuring other regular customers' dining experiences, the restaurant rigorously implements elementary safeguards such as area divisions and frequent cleaning, maintaining the flexibility and inclusiveness of services. If some customers are sensitive to pets, the staff will also actively assist in seating arrangements to ensure everyone's dining experience [6].

The emergence of pet-friendly restaurants provides customers with a place where they can not only enjoy delicious cuisine but also create fabulous memories with their pets, which is a significant innovation in business models as well as a reflection of the increasing need for pet ownership as the development of city and improvement of living standards. Surveys showed that more than 90% of owners consider their pets as family members instead of a simple animal. They can offer precious emotional support, release loneliness and can even become the best friend of their owners [7]. Therefore, majority of families are willing to provide emotional investment and high-quality services to their pets, such as diverse clothing, specialized food, and premium veterinary care. This not only shows that the owners can derive vigour and meaning of life from caring for pets but also illustrates that the increasing of modern society's pace and social pressure, pets have become a significant source of companionship and emotional relief, promoting the booming of pet economy at the same time.

However, behind the prosperity of the pet economy, there lie numerous social issues. The following section will focus on the challenges in industry governance and the structural societal problems revealed by the pet company such as population ageing and high urban pressure levels, analysing the underlying causes of these problems and providing insights and corresponding suggestions.

3 Analysis on the Problems

Regarding the social phenomena in the case section, although pets play a positive and practical role in providing companionship and alleviating urban stress, some underlying social issues behind these phenomena cannot be overlooked.

3.1 Unbalance of Industry Governance

While the China's pet economy is developing at a fast pace, the relevant management and regulatory system of pet industry have not kept up to complete. On the one hand, the China's pet economy has already shifted from the booming phase to the mature phase, a trend of oversupply is gradually emerging. Many pet stores must face high operating costs and urgent demand of professional talent such as pet groomers and trainers. Nevertheless, the insufficient of customers and service frequency will lead to financial difficulties. In 2024 alone, a dozen of famous pet chain store in Wuhan closed within a single week, and the Aisa's largest pet store JiCongJia also announced the temporary suspension of its last remaining stores [8].

On the other hand, China still lacks a comprehensive animal welfare protection system. The difficulties of customers to safeguard the rights are still tremendous. In the

pursuit of commercial profit and emotional consumption, various basic right and living environment of many pets are often neglected. Some unscrupulous pet breeders continue to use high-intensity, low-cost breeding approach, leading to so-called “black breeding mills”. In order to save costs, these mills usually sold the pets before completing proper vaccination protocols. Furthermore, dogs and cats from various sources are often temporarily housed together during transportation. The living condition of these pets usually cannot reach the standard, which exceedingly increases the risk of cross-infection. Customers possibly cannot be aware of these issues when they purchase, once the pet get ill at home, they will face grave problems in defending their rights, obtaining refunds and determining legal responsibilities [9]. Most seriously, in certain online platforms and short videos apps, there are some harmful content about pet abusing or mistreatment for entertainment purpose to acquire the traffic, which expose a significant loophole of regulation and platform accountability.

Moreover, another issue that is difficult to regulate in pet economy is a growing number of stray animals. According to the 2024 China pet industry white paper, there were approximately 40 million stray dogs and 40 million stray cats in China, totalling nearly 90 million. Stray animals not only become a heavy burden to city governance but can also cause risk to public security and environmental hygiene. Thus, the adoption and regulation of stray animals critically need to be standardised, animal ethics and protection also need more attention.

3.2 Population Ageing and Elderly Care Issues

Currently, China has the largest elderly population in the world, and population ageing has already become a prominent trend of Chinese social development. In 2020, people aged 60 and above accounted for 18.7% of total population, reaching 264 million. The elderly aged 65 and above accounted for 13.5%, reaching 190 million, which means China has now entered a stage of moderate population ageing [10].

As the significant increasing of the elderly's emotional and social support needs, the elderly care issue has become increasingly critical. In a modern society that urbanization and mobility grow rapidly, because of demand from children moving away or working outside, it is very common for the elderly to live alone. Due to lack of companionship and emotional support from their children, or with decreasing communication, many elderly people undergo a feeling of desolation, helpless or sink into a consistent low mood, which could easily cause various mental illness. Pets with gentle temper and good interactivity such as cats and dogs can offer the company that elderly people need, filling the blank from the absence of family. A large amount of research has shown that keeping pets is highly helpful in improving the physical and mental health of owners. Interaction with pets can reduce the risks of heart disease and hypertension, as well as lower the level of anxiety and depression [11]. Besides, the daily activities involved in pet caring such as feeding, walking and cleaning can help the elderly establish a life routine and regular physical training, which supports them to enhancing overall health.

However, the companionship of pets cannot truly replace the family bonds. Expenses of pet care including veterinary bills food and supplies can be an enormous financial

burden to retired seniors. Furthermore, the death of pet could be a severely traumatic blow to the seniors, which often aggravates the mental issue.

Therefore, the prosperity of pet economy in an ageing society not only shows the gap of old people's emotional needs but also reveals the inadequacies in the society social welfare system. The pension of common seniors cannot afford the increasing demands of diverse and high-level life. Moreover, social services and government do not offer sufficient support to the social needs of the elderly. Many communities lack public space designed of elderly interactions and activities. Due to a lack of staff, elderly-friendly activities are rarely organized. These challenges need to be addressed without delay.

3.3 Urban Stress Issues

With the development of urbanization in China, the urban population had a tremendous surge. But the fast-paced, highly competitive modern city life has brought a massive pressure to the dwellers. As Milgram noted, the modern city residents must face the "overloading of information input", which leads to "The system must set priorities and make choices." When the individuals are unable to process all environmental stimulation, they tend to develop a series of adaptive mechanisms, such as ignoring strangers or minimising social interactions to tackle with the social fatigue caused by input exceeding processing capability [12]. The studies show that although city dwellers enjoy better sanitation, nutrition and health care services, city life also comes with increased risks of chronic illness, higher living costs, greater stress and negative impact from widening social disparities. Urban residents are more likely to develop mental health disorders and emotional disorders, and anxiety are more prevalent [13].

In this context, the urban stress contributes to the surge of pet economy. Pets offer crucial emotional companionship for city residents, especially in environment where interpersonal relationships are relatively distant, pets become numerous people's valuable emotional anchors. The company can highly alleviate loneliness and anxiety. Vigorous pet like cat and dog could bring warmth and feeling of belonging to their owners. Additionally, pets can enlarge their own social circle and strengthen connections with other owners. Dog owners are also more likely to engage in regular walking or physical activity, which makes them have a higher chance of reaching the World Health Organisation's recommended activity levels.[14].

However, pet food, health care and other essentials are still an enormous expense to their owners. The daily care, cleaning and companionship of pets demands significant time and energy, which can be a serious challenge for the owners are already busy. The loss and death of pets may cause a terrible impact to owners as well.

In short, urban stress has significantly driven the development of pet economy but also revealed the lack of urban social governance and systems of public services. The community infrastructure and mental health services need to be strengthened essentially.

4 Suggestions

4.1 Stretching Regulation of the Pet Industry

The healthy development of pet economy depends on a sound industry governance system. Currently, the management of Chinese pet industry remains relatively disorganised. Problems such as illegal breeding facilities, diseased pets, and stray animals urgently need regulations to restrict.

As for the upstream industry, the immunization procedures of breeding facilities require a strict supervision. In distribution stages, such as pet sales, transportations and boarding, all these processes need the enforcement of sanitary and quarantine requirements to ensure the rights of customers. Moreover, the implementation and enforcement of relevant legislation must be driven, in order to clearly define industry red lines, business responsibility and customer rights protections mechanisms, regulating new service markets such as pet healthcare, grooming and insurance to protect both customer rights and animal well-being.

The improvement of ability off industrial supervision will greatly help to eliminate “grey zones” in the market, regulate operations of industry, hamper the spread of stray animals and promote the orderly development of the pet economy, achieving the balance between economic growth and social responsibility.

4.2 Improve Elderly Care and Pet Friendly Support

Firstly, as for elderly individuals that living alone and under economic pressure, the government should establish special pet ownership support funds or provide subsidies for pet medical care and insurance, making pet ownership to them more accessible. Elderly care institutions can also create designated pet friendly areas and organised volunteers to assist seniors with pet related tasks such as walking dogs or buying pet supplies. Besides, as for the elderly’s psychological traumas of caused by the death of their pet, government should offer in-time psychological counselling hotline, contributing to reducing accidents.

There is an increasing demand for pet companionship among the elderly, which is also facing a dilemma of economic burden and security risk. It is crucial for authorities to build a pet-inclusively elderly care system to help with the pet ownership demand of the seniors.

With optimising elderly care and public services customised to the elderly, their life quality and emotional well-being can be significantly promoted, which can help to reduce psychological loneliness in an ageing society, reclaiming the meaning and vigour in their daily life.

4.3 Enhance Urban Mental Health and Social Connections

The related authorities should emphasise the mental health and allocate more resources and funding to psychological support services, strengthening the relevant public advertising. Mental wellness courses in schools, stress relief rooms in workplaces and free or low-cost emotional counselling hotlines should be implemented. Furthermore, communities should focus on building pet-owner social platforms, fostering offline

interaction space and providing more opportunities about expanding social networks to the pet owners by organising community events such as pet festival.

Urban stress is a key contributor to the rise of pet consumption, but the deeper social issues will be concealed if only relying solely on pets as the emotional outlets. These acute problems such as loneliness and psychological fatigue must be addressed through completing the overall psychological support system in society.

By improving urban mental support systems and enhancing community interactive mechanisms, the city dwellers can derive emotional support through a broader range of social relationship instead of depending excessively on pets as a single emotional substitution. Thereby, the pet economy could achieve a sustainable and healthy balance between rational consumption and emotional warmth.

5 Conclusion

This study is based on the rapidly growing pet economy, exploring the phenomena about fast development of China's pet economy from views of industry governance and social psychology, revealing the development patterns, significance and inevitability, investigating the existing issues within the pet industry which need to be addressed urgently and the underlying social problems simultaneously. What is more, this paper provides corresponding insights and recommendation of each issue, aiming to help the healthy and standardized development of pet economy, promote social attention to elderly care and social psychology and foster harmonious coexistence between humans and animals.

Nevertheless, this study still has some inadequacy, limitation and space for improvement. Firstly, this paper is short of on-the-spot investigation and research, lacking first hand data and information such as survey or interviews with pet owners and pet stores. This leads to a lack of sincere insights and unique perspectives from real world investigation. Hence, the future research should include in-depth grassroots-level newest data and Information, as well as rural and remote areas, so that the study could derive a more comprehensive and panoramic view. Furthermore, although this paper only focuses on China, the future research can introduce a comparative analysis with the mature pet industry of other developed countries, which will help to yield more insightful and strategic recommendations for China. The advanced experience from other countries can also help address existing problems and contribute to achieving sustainable development.

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