2026 TRENDS

Pet Care Industry

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Generational Preferences Driving Pet Owner Engagement Tactics

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By 2026, the U.S. pet care market is expected to be worth $62.1 billion and grow to $87.3 billion by 2030, reflecting a CAGR of 7%. This growth is primarily driven by the continued expansion of Gen Z, soon to include Gen Alpha, along with the overall strength of pet ownership. In 2024, 71% of U.S. households owned a pet, with 51% owning dogs and 37% owning cats, and 63% owning multiple pets.

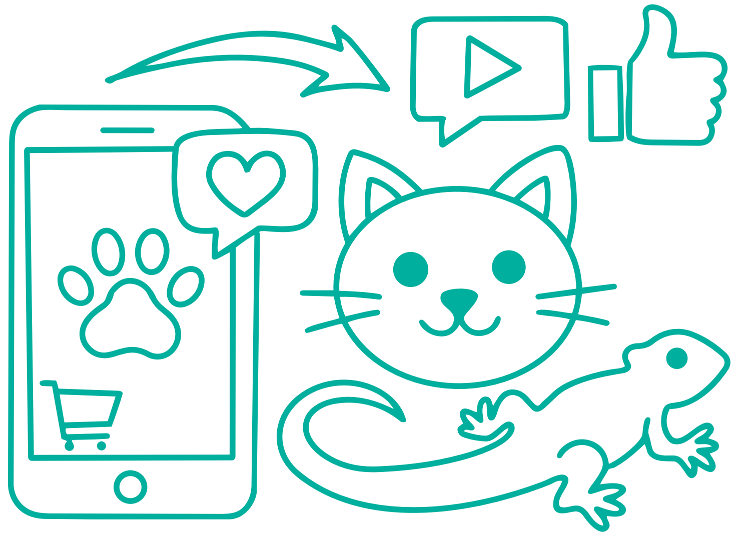
Technological innovation and the rise of premium products are also bringing new offerings to market and increasing overall category value, and consumer values are shifting trends from prior years. Today, 66% of pet owners today consider their pet a family member, influencing purchasing decisions that support their pet's health, wellbeing, and happiness.

The continued humanization of pets has transformed the industry and will continue to shape consumer preferences for the foreseeable future. At the same time, economic pressures are increasing value-based choices and pushing pet customers to make different decisions than in previous years.

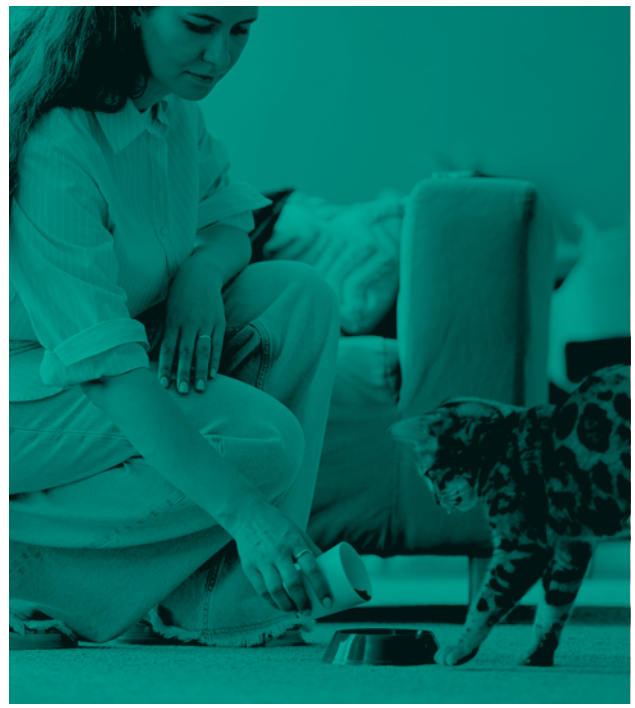
In this report, we'll outline how these shifts are driving trends in the pet care industry in 2026 and discuss how leaders can prepare.

TREND 1

Generational Preferences Driving Pet Owner Engagement Tactics



Throughout 2025, Gen Z showed significant growth in pet ownership. They are more likely than any other demographic to have a wide variety of pets, including cats, birds, and reptiles, and on average spend more per month on their pets than other generations. As Gen Z represents a growing share of the pet owner market, their preferences are increasingly shaping engagement strategies across the industry.



Gen Z is more likely to shop online and through mobile apps, making strengthened omnichannel pathways essential. Seamless mobile checkout experiences and mobile-friendly payment options are critical to meeting their expectations.

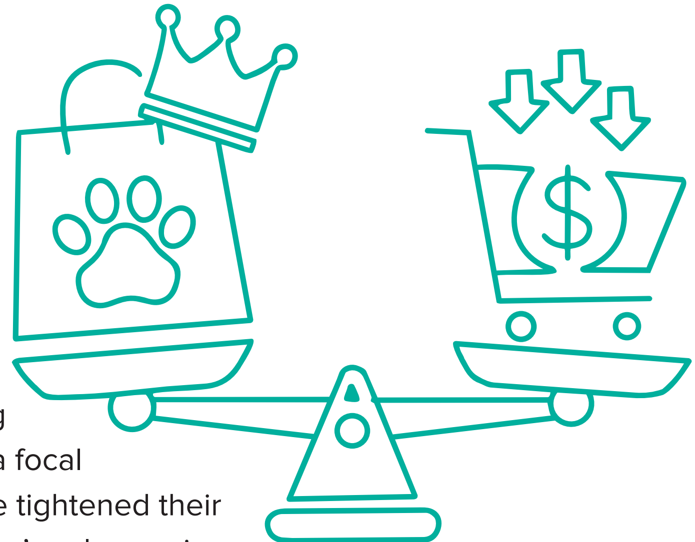
Social commerce also plays a central role in influencing purchase decisions for younger generations. One report shares that 97% of Gen Z customers report using social media as their primary source of shopping inspiration, making these platforms a necessary pathway for discovery and conversion. Enabling a seamless transition from social posts to product pages to purchase can help improve engagement and sales among this generation.

Trust dynamics further differentiate this generation. More than half of Gen Z consumers say they trust influencer recommendations over traditional brand advertisements, creating opportunity for pet care brands to build credibility and loyalty through authentic partnerships.

Looking to 2026 and beyond, companies that embed digital and social-first tactics into their broader omnichannel strategies will be better positioned to capture and retain this growing population of pet owners.

TREND 2

Tension Between Premium Preferences & Price Sensitivity



In recent years, we've seen a rapid rise in the number of premium and ultra-premium pet product offerings, stemming from the continued push to humanize pets and make them a focal part of pet-owning families. More recently, as shoppers have tightened their budgets due to inflation and difficult economic conditions, we're also seeing a shift in spending towards budget-tier items.

This spending disparity can be seen through the disappearance of the middle consumer. Wealthy consumers continue spending more while middle- to low-income shoppers seek value-based products. This means pet care companies need to either focus on premium offerings or turn to budget goods and impactful discount strategies to win over the average consumer.

Premiumization and Alternative Diets

Premium offerings for pet food will continue to expand since transparency and "good for you" value drivers are core to human choices for their own diets, and as such, owners translate that mentality to their pets' diets. High-income shoppers aren't afraid to spend money on food and items they believe will improve their pets' quality of life. Consumers who choose premium usually look for ingredients focused on health benefits like overall wellness, digestion, and pet life longevity, with an extra focus toward healthy, high-quality foods that are vet approved.

We've seen large growth in fresh, dehydrated, air dried, and frozen foods, with refrigerated and frozen dog food alone growing sales by 13.4% (*compared to -0.2% growth of the total dog food category*). Additionally, kibble-plus, gently cooked, and personalized diets are on the rise. As with any growing category, these expanding options have led to an overall rise in the number of brands producing fresh food products, such as Freshpet expanding its premium line offerings of all-natural dog food and companies like General Mills and Nestlé Purina adding fresh pet food lines. As expanding options for premium food offerings become more mainstream, these pet food options will become an expectation for consumers.

Budget-Friendly Products

At the same time, 64% of US customers, 43% globally, cited "too expensive" as the main reason for not feeding alternative diets to their pets. Across the CPG industry, we're seeing customers shift down in spending to search for value-based offerings; the pet industry is no different.

Due to increasing inflation and economic uncertainty, discretionary consumer spending has been declining among non-high-income consumers. This has strengthened the demand for budget-friendly pet products, often shifting consumer spending to private label, and made impactful promotional strategies a necessity. From 2024 to 2025, private label pet care unit sales grew 3.5% vs a 0.6% decline in unit sales for national brands, highlighting an opportunity to see success for brands who can best highlight their budget-friendly products.

Strategies to Reach Price Sensitive Consumers

Just as consumer budgets are tightening, so are marketing and trade budgets for companies. Every dollar spent needs to be stretched further. Due to this, many companies are employing new strategies to capture their shoppers' spend, such as offering affordable entry points without abandoning premium positioning to drive value for the consumer.

For example, consider how to focus on framing value as cost per day / per use and frame the long-term value of investment in higher-priced, premium pet products. Pet owners want to ensure the best quality of life for their pet and will be more willing to focus on the value over the price if it means providing risk-prevention and care. Additionally, almost all pet retailers are leveraging loyalty and subscriptions as value tools instead of direct price cuts, providing an opening for brands to align with retailer strategies to win on the shelf.

Beyond promotional strategies, brands need to invest internally to ensure they are capturing useful data points and utilizing tools that can directly impact ROI and the bottom line. The best ways to increase internal impact is through quality data strategies and upgrading Trade Promotion practices through a new system or more effective business processes.

Looking ahead, this divide between premium and budget pet food segments will continue to shape the industry in 2026. As the middle-ground market segment continues to shrink, brands need to choose a direction to stay relevant in one of the two prominent segments. Pet companies that choose to specialize in high-end, premium food products will need to prioritize transparency & education, quality, and expert-approved ingredients to appeal to the health-focused consumer. Meanwhile, budget-friendly offerings will need to emphasize cost efficiency and strengthen brand loyalty to remain competitive with consumers that value affordability.

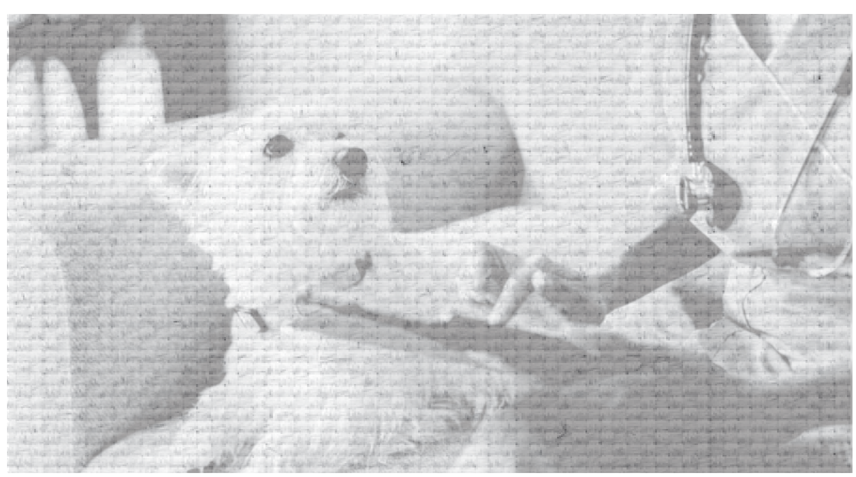
TREND 3

Rising Costs for Pet Experiences and Insurance Cutting into Product Spending

Another major factor shaping the pet care landscape is the growing cost of pet services. While veterinary care and grooming have always been necessary expenses, their prices are increasing faster than the national inflation rate. Veterinary services alone have grown [48.2% since 2019 and 38.2% since 2021]. In contrast, pet goods such as food and treats have remained on par with or below national inflation. Even with relatively stable pricing in goods, higher service costs are placing added strain on household budgets, forcing pet owners to allocate more toward essential care and limiting discretionary spending on products.

As vet visits become more expensive, many pet owners are looking for preventative solutions that reduce the likelihood for costly treatments. This has increased interest in supplements that support gut health, immune function, digestion, and overall wellness. Biotics, including probiotics, prebiotics, and postbiotics, fall squarely within this shift. Their growth reflects a broader movement from reactive care toward proactive health management. For manufacturers, incorporating biotics into food, treats, or supplements creates an opportunity to address both premium consumers focused on health optimization and cost-conscious shoppers looking for ways to manage long-term care expenses.

As service costs continue to rise into 2026 and beyond, the connection between functional nutrition and overall healthcare spending will become more pronounced. Pet product companies that invest in credible, wellness-oriented solutions will be better positioned to capture share of wallet in an environment where services increasingly consume a larger portion of pet owner budgets.



TREND 4

Sustainability & Recycling Impacting Packaging Decisions

Historically, packaging in the pet care industry centered on preserving product quality and delivering convenience. In recent years, however, packaging has evolved into a more strategic component of the product itself, with the potential to add meaningful value for consumers and differentiate brands on shelf.

Today's packaging landscape is defined by sustainability expectations. Recycling-ready materials are becoming a primary eco-friendly solution, with companies like TC Transcontinental Packaging investing in recyclable mono-material films that can be curbside recycled. These efforts align with broader movement toward a circular economy and reflect rising expectations from both consumers and retail partners. Industry organizations, including the Pet Sustainability Coalition, are accelerating this shift by encouraging brands to commit to recyclable, refillable, or compostable packaging through formal sustainability pledges.

Regulatory trends are also driving this shift. Extended Producer Responsibility (EPR) laws have been enacted in multiple U.S. states, placing greater responsibility on the producers for packaging waste management and recyclable designs.

At the same time, intelligent packaging designs are beginning to become more prominent. Features like moisture-absorbing films and thermochromic ink offer enhanced product protection and consumer experience as well as highlight how packaging is evolving to be more than just a container for products.

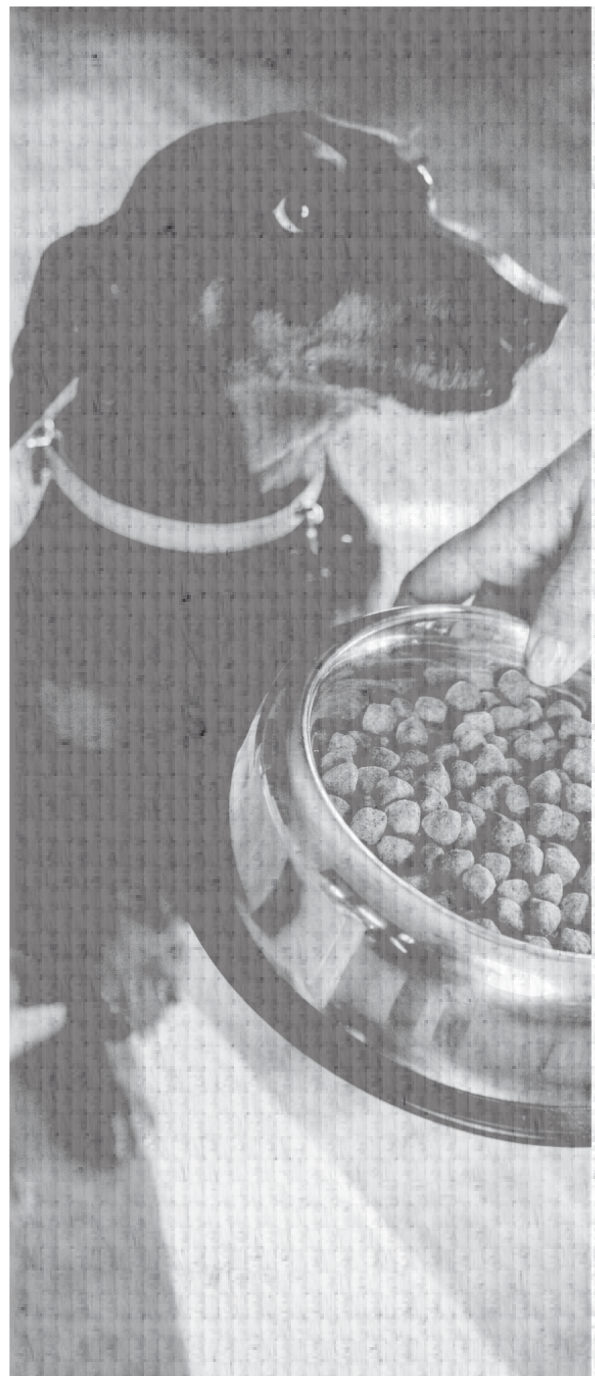
Looking to 2026, packaging will increasingly function as both a sustainability statement and a value driver. For manufacturers, integrating recyclable materials and thoughtfully adopting intelligent design features will be critical to remaining competitive in this industry.

TREND 5

Pet Food Recalls and Industry Responses

In 2025, the pet care industry saw multiple pet food recalls, often as a result of contamination concerns and usually linked to pathogens like Salmonella and Listeria. Multiple brands pulled their products from the shelves following FDA testing revealing pathogen contamination, with at least nine recall events reported across manufacturers.

As the market moves into 2026, consumer awareness of food safety is elevated, placing additional pressure on manufacturers to demonstrate rigor and transparency. Investment in advanced traceability and quality assurance systems will be increasingly important. Tools such as AI-driven analytics can provide predictive insights that help identify potential risks earlier in the supply chain.



Effective recall management processes also remain essential. A centralized recall management system that standardizes data-sharing across the supply chain can better position a company to act quickly when a recall occurs.

Companies that embed food safety more deeply into day-to-day operations rather than treating it as a compliance function will be better positioned to preserve consumer trust. In an environment of heightened attention and regulatory oversight, operational discipline and rapid response capabilities will be critical to sustaining brand credibility in 2026 and beyond.

Final Thoughts

As the pet care industry moves into 2026, shifting economic realities and consumer values are reshaping how pet owners spend. The growing influence of Gen Z pet owners, continued humanization of pets, and sustainability pushes are all shaping how pet care organizations develop their products. As these influences take hold, manufacturers need to consider how to appeal to each market segment.

Further, as the market becomes more polarized in 2026, pet care companies should make clear efforts to demonstrate how their product delivers value. Investments in digital engagement, functional nutrition, value-based offerings, and sustainable packaging will be critical for capturing consumer spending. Organizations that align their strategies with these shifts will be better positioned for success.

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