

THE GROWTH LOGIC OF THE PET INDUSTRY FROM THE PERSPECTIVE OF DEMOGRAPHIC STRUCTURE CHANGES

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Abstract: In recent years, China's pet economy has continued to expand, with its market size exceeding RMB 300 billion. This phenomenon is not only driven by rising household income, but more fundamentally by profound changes in demographic structure. Declining fertility, the growth of single-person households, and population aging have jointly reshaped the emotional demand structure of modern families. Pets have gradually evolved from traditional companion animals into carriers of family emotional companionship, thereby promoting the growth of a complete industrial chain covering pet food, healthcare, grooming, insurance, funeral services, and other related sectors. Taking demographic structure changes as the main thread and drawing on theories of emotional consumption and social support, this paper analyzes the driving logic of the pet economy through three pathways: low fertility, single-living patterns, and population aging. It also identifies practical dilemmas in industrial development and proposes countermeasures for the sustainable development of the industry.

Keywords: Demographic structure changes; Pet economy; Emotional consumption; Single-person households; Population aging

1 INTRODUCTION

With the advancement of urbanization and changes in social values, China's pet consumption market has maintained rapid growth. According to the 2026 China Pet Industry White Paper, the urban cat and dog consumption market reached RMB 312.6 billion in 2025, and the total number of urban cats and dogs reached 126 million. Pets have become "family members" in tens of millions of households, transforming from traditional animals kept for household companionship [1]. Previous studies have mostly explained the rise of the pet economy from the perspectives of consumption upgrading and new media marketing, while demographic structure has been relatively neglected as a long-term underlying variable. China is currently in a critical stage of demographic transition, characterized by persistently low birth rates, a rapid increase in single-person households, and moderate population aging. Traditional large family structures are disintegrating, household units are becoming smaller, and individuals are facing increasingly prominent emotional gaps [2-3]. In this context, pets, as a low-threshold and stable source of emotional support, have driven the continuous expansion of the pet economy.

Theoretically, this study integrates demographic variables with emotional consumption theory, thereby enriching research on the evolution of consumer markets under demographic change. Practically, it helps pet enterprises identify differentiated demands among various population groups and provides a reference for the standardized governance of the industry. This paper adopts literature analysis and industrial data analysis to sort out the characteristics of demographic changes and to clarify the transmission mechanisms through which demographic structure affects the growth of the pet economy.

2 LITERATURE REVIEW

This paper focuses on three core dimensions of demographic structure changes: low fertility, which refers to persistently low birth rates and declining fertility intentions; single-living patterns, reflected in the growth of one-person households, single young adults, and DINK families; and population aging, indicated by a rising proportion of the elderly population. The pet economy encompasses the entire industrial chain, including pet food, pet healthcare, daily necessities, grooming, pet insurance, pet-related tourism, and pet funeral services, covering both physical products and service consumption.

Two core theories support this study. The first is emotional consumption theory, which suggests that modern consumption is no longer limited to meeting material needs, but has become a way of expressing emotion and constructing identity. Pet owners essentially pay for emotional companionship and comfort through consumption, which is manifested in the anthropomorphic care of pets, often described as "raising pets like children" [4]. The second is social support theory, which holds that social support comes from interpersonal relationships such as family and friends. When traditional family support weakens, individuals seek alternative sources of emotional support. Companion animals can serve as an important substitute source of social support, helping to alleviate loneliness and improve psychological well-being [5].

3 CHARACTERISTICS OF CHINA'S DEMOGRAPHIC STRUCTURE CHANGES AND THE CURRENT SITUATION OF THE PET ECONOMY

Data from China's Seventh National Population Census show that the average household size has decreased to 2.62 persons, a significant decline compared with 2010, reflecting the clear trend of household miniaturization [2]. On the one hand, low fertility continues to deepen. The high cost of marriage and childbearing among young people has reduced their willingness to have children, leading to a continuous decline in the number of newborns. As a result, the traditional channel through which families invest emotion in child-rearing has narrowed. On the other hand, the population living alone has grown substantially. Many young people work and live independently in large cities, the number of one-person households continues to rise, and young people living alone have become the main group of pet owners. At the same time, China has entered a stage of moderate aging. By the end of 2025, the population aged 60 and above had exceeded 323 million. The number of empty-nest elderly is increasing, and their loneliness and spiritual emptiness have become prominent social concerns [6].

The restructuring of emotional demand caused by demographic change has directly promoted the expansion of the pet market. China's pet economy has developed from the initial stage of basic food consumption to refined consumption throughout the entire life cycle of pets. The post-1990s generation accounts for the largest proportion of pet owners, reaching 42.7%, while the post-2000s generation is growing rapidly. Pet owners are no longer satisfied with basic feeding, but are willing to spend on physical examinations, vaccinations, chronic disease treatment, pet insurance, intelligent feeding equipment, pet photography, and other services [7]. However, the industry still faces prominent problems, including opaque pricing in pet healthcare, an insufficient supply of qualified veterinarians, difficulties in pet insurance claims, conflicts related to urban pet management, and pet abandonment, all of which restrict the long-term healthy development of the industry.

4 THE INTERNAL LOGIC OF PET ECONOMY GROWTH DRIVEN BY DEMOGRAPHIC STRUCTURE CHANGES

4.1 Low Fertility: The Substitutional Transfer of Parental Emotion

Under the condition of low fertility, some families delay childbearing or remain childless. The emotion, patience, and financial resources originally invested in raising children are transferred to pets, resulting in compensatory emotional consumption. Pets are regarded as "fur kids," and anthropomorphic perceptions are widespread. Owners care for their pets in a manner similar to raising children, which promotes the development of market segments such as high-quality staple food, pet health supplements, juvenile pet care, and behavioral training. Family emotional demand is no longer entirely dependent on biological children, and companion animals have become an important emotional carrier for households. This is one of the fundamental logics underlying the long-term growth of the pet economy.

4.2 Single-Living Patterns: The Compulsory Demand for Companionship Among People Living Alone

Young people living alone in large cities face high work pressure, fragmented social interaction, a lack of stable intimate relationships, and a stronger sense of loneliness. Compared with establishing long-term intimate relationships, keeping pets has lower emotional thresholds and can provide stable companionship, thereby effectively relieving emotional stress. In their research on pet consumption in China, Zhou and Xie found that young single residents construct self-identity by keeping pets, and pet consumption becomes a way of expressing their lifestyle [8]. Most single pet owners live in rental housing. Because cats require less space, the "cat economy" has developed rapidly. Single pet owners show strong consumption stickiness. They are more likely to purchase intelligent products such as automatic feeders and self-cleaning litter boxes, and they also generate strong demand for online pet retail, door-to-door grooming, and pet boarding, thereby driving the growth of pet service sectors [3].

4.3 Population Aging: The Demand for Spiritual Comfort Among the Elderly

Empty-nest elderly are separated from their children and have shrinking social circles, making them more vulnerable to loneliness, depression, and other negative emotions. Foreign studies have confirmed that the human-companion animal bond can effectively improve the psychological state of pet owners, reduce loneliness, and enhance life satisfaction. Elderly pet owners tend to adopt a more cautious consumption style and attach great importance to the health of their pets. The demand for senior pet food, joint health supplements, and diagnosis and treatment of chronic diseases is gradually being released. As pets themselves age, related sectors such as chronic disease management for senior pets, end-of-life care, and pet funeral services are also facing development opportunities. The demand of elderly pet owners has become a new growth driver for the pet economy.

In summary, the complete transmission mechanism is as follows: demographic structure changes (low fertility, single-living patterns, and aging) lead to a reduction in emotional supply from traditional families and an expansion of individual emotional gaps; pets, as alternative carriers of emotional companionship, increase the number of pet owners and the consumption level per pet; this further promotes the expansion of industrial chains such as pet food, healthcare, and services. However, this growth logic also has boundaries. Urban pet-keeping regulations, the pet-friendliness of public spaces, and industrial irregularities may restrict the full release of demand.

5 COUNTERMEASURES FOR THE DEVELOPMENT OF THE PET ECONOMY

5.1 Enterprises Should Adopt Population-Segmented Strategies

Enterprises should develop lightweight and intelligent pet supplies for young single residents; design high-quality, whole-life-cycle pet health solutions for DINK families; and launch user-friendly and cost-effective pet health products and basic grooming services for elderly pet owners, so as to tap into differentiated demands.

5.2 Promote the Standardized Development of the Industry

It is necessary to improve the standards of the pet medical industry, standardize charging behavior, optimize pet insurance clauses, and simplify claims procedures. At the same time, mechanisms for pet identity registration and abandonment management should be established to reduce social conflicts caused by stray animals.

5.3 The Government Should Improve Supporting Governance

In urban planning, the government should appropriately build pet-friendly parks and public spaces, balance the rights and interests of pet owners and non-pet owners, reduce social friction, and create a favorable social environment for the development of the pet economy.

6 CONCLUSION

The growth of the pet economy is not merely a short-term consumption boom, but a structural opportunity brought about by long-term demographic change. Low fertility generates demand for emotional compensation, single-person groups produce rigid demand for companionship, and population aging strengthens the elderly's demand for spiritual comfort. These three pathways jointly drive the sustainable expansion of the pet economy. Since demographic transition is a long-term trend, the pet economy has good long-term growth potential. Nevertheless, the industry still faces many governance challenges. It requires the joint efforts of enterprises, industry associations, and the government to balance industrial development and public governance, and to promote the high-quality and sustainable development of the pet economy. Future research can further conduct quantitative analysis using provincial panel data, so as to more accurately measure the impact of demographic variables on pet consumption scale and to deepen empirical research in this field.

COMPETING INTERESTS

The authors have no relevant financial or non-financial interests to disclose.

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