



ASSALCO

Associazione Nazionale Imprese
per l'Alimentazione e la Cura
degli Animali da Compagnia



ZOOMARK
INTERNATIONAL

an event by

Bologna
Fiere Group



17th version 2024 ASSALCO – ZOOMARK REPORT

Pet food and pet care
Pets in Italian families - a strong relationship

SUMMARY

con il contributo di



Circana.



ANMVI

ASSOCIAZIONE NAZIONALE MEDICI VETERINARI ITALIANI



Table of Contents

THE	
THE MARKET	5
Economic infographic - Pets: population and market	7
PET FOOD AND CARE PRODUCTS MARKET MAIN SEGMENTS' SIZE AND TRENDS	9
E-COMMERCE FOR PETS: MAIN PURCHASING PLATFORMS.....	13
SOCIAL AREA	15
PET POPULATION IN ITALY	17
PETS IN THE FAMILY AND SOCIETY	18
Benefits for the community.....	18
Rescue dogs after earthquakes and sea rescues	18
The Guardia di Finanza "cashdogs"	18
Support for female victims of violence.....	19
HEALTH AREA.....	21
PET FOOD: THE BENEFITS OF INDUSTRIAL PET FOOD.....	23
Pet food controls	23
Raw meat feeding risks	23
HELP FOR OWNERS OVER 65: THE FUND FOR VETERINARY EXPENSES AND INCENTIVES FOR RELATIONS WITH PETS IN THE SENIORS' BILL.....	25
Fund for veterinary expenses.....	25
Seniors' Decree	25

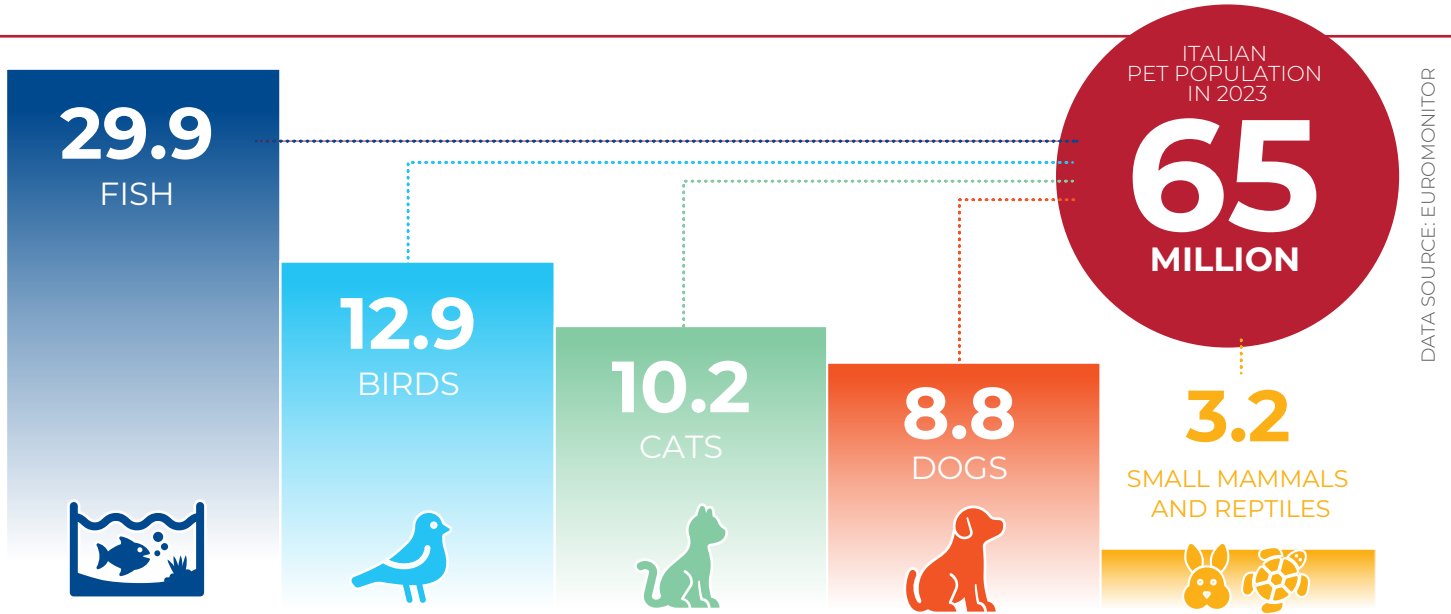


THE MARKET



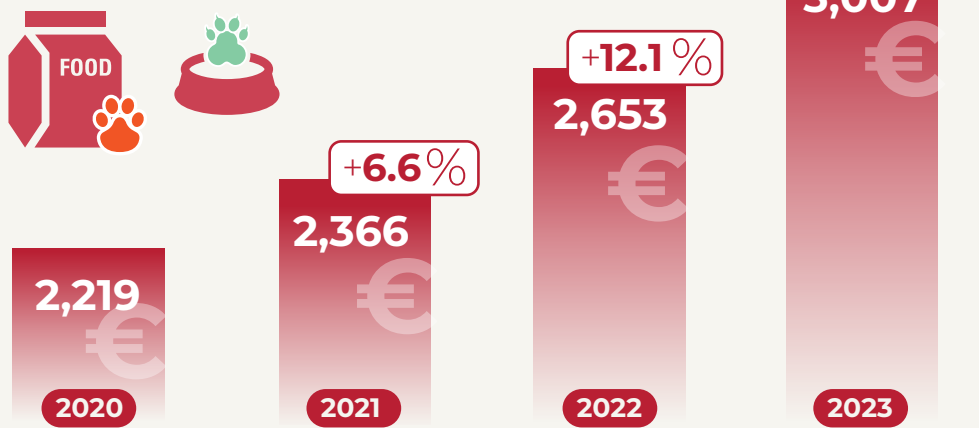
2024 ASSALCO ZOOMARK REPORT

PETS: POPULATION AND MARKET

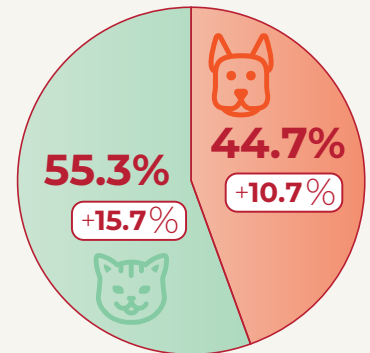


ITALIAN MARKET IN 2023

DOG AND CAT FOOD*



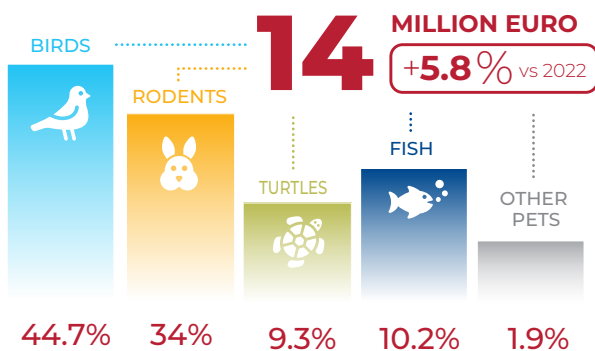
TOTAL MARKET



*Grocery Channel + Specialised (Traditional + Chains + large-scale retail Petshops)

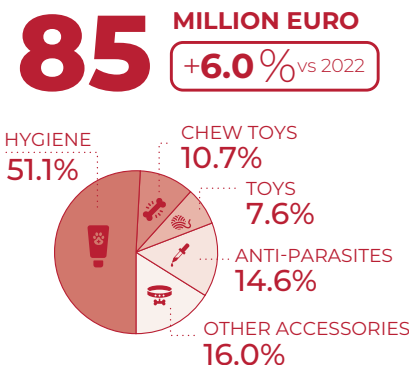
PETS FOOD

Small pets food market in Italy in 2023 (large-scale retail)



ACCESSORIES

Accessories market in Italy in 2023 (large-scale retail)



CAT LITTER

Cat litter market in Italy in 2023 (large-scale retail)



Pet infographic note: population and market

LARGE-SCALE RETAIL: Hypermarkets + Supermarkets + Small Self-service stores
Grocery: Large-scale retail + Discount stores + traditional retail

Petshop chains: l'Isola dei Tesori, Croce Azzurra, Arca di Noè, Italpet, Zoo Megastore, Agrizoo2, Arcaplanet, Fauna Food, Petmark e Zoomark were excluded from the Circana survey.

Large-scale retail petshops: Organisation specialising in the sale of pet food and items belonging to a network of outlets owned by a modern large-scale retail and logistics organisation.



DATA SOURCE: CIRCANA

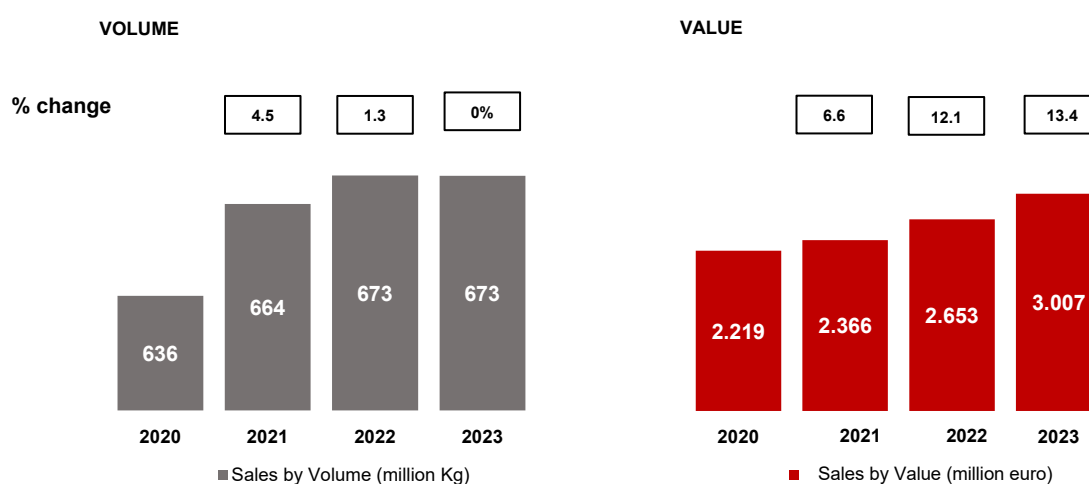


PET FOOD AND CARE PRODUCTS MARKET MAIN SEGMENTS' SIZE AND TRENDS¹

In 2023, the Consumer Packaged Goods market² in Italy showed a positive trend with a growth of +8.5% in value compared to 2022, mainly driven by the inflationary push started in 2022 which continued throughout 2023. Looking at the volume trend³, CPG records -0.9%: a contraction of consumption caused by the erosion of consumer purchasing power.

2023 was a challenging year for FMCG in Italy: the main impacting events were inflation. Supply prices rose by 9.7%⁴ and eroded the purchasing power of Italian households. The energy crisis and the war in Ukraine additionally contributed to the generalised rise in the price of Consumer goods.

Let us analyse the pet food and care market in a year of discontinuity.



2024 Assalco Zoomark Report: Source: Circana - 52 weeks as of 31 December 2023

In 2023⁵, the **dog and cat food market** in Italy - Grocery and Specialised channel - showed a **turnover of more than €3 billion and 673,153 tons sold**. The dog and cat food market, like most of the CPG categories, was impacted by a significant inflationary dynamic in 2023, which generated an **increase in turnover of +13.4%** and substantial stability in **volume** sales. These sales were higher than two years ago despite the strong growth during the pandemic.

Dog and cat food: growth in turnover (+13.4%) and volume stability

Looking at the last 15 years, the pet food market has generated a progressive increase in turnover which was on average higher than the volume growth. The trend is explained by several factors which include a continuity in adoption by Italian families of pets, which are being "humanised." Pet owners consider their pets as family members and are willing to spend more for their health and well-being. Additionally, there was an increase in product premiumisation. Consumers increasingly want products tailored to the pet's

¹ Dog and Cat Food data relates to Grocery + Specialised Channel. Grocery: Hypermarkets, Supermarkets, Small Self-service stores up to 100sqm, Discount and Traditional Stores; Specialised Channel: Traditional Petshops, Petshop Chains and large-scale retail Petshops.

Other Pet Foods, Cat Litter and Accessories data refers to the large-scale retail channel (Hypermarkets, Supermarkets, Small Self-service stores up to 100 sqm).

² Consumer Packaged Goods (CPG). 2023: 52 weeks ending 31 December 2023. Hypermarkets + Supermarkets + Small Self-service stores + Personal and Home Product Specialists + Discount stores + Online shops.

³ Volumes = Values at constant prices

⁴ Circana Inflation Report. Hypermarkets + Supermarkets + Small Self-service stores + Personal and Home Product Specialists + Discount stores.

⁵ Year ending 31 December 2023

specific needs based on breed, age, habits and any diseases.

In 2023, pet food was resilient: faced with high supply inflation, buyers absorbed price increases by safeguarding the quantities purchased, leading to a substantial defence of volumes developed in 2022.

In 2023 the total market measured by Circana showed all major dog and cat food segments continuing on a positive value trend compared to last year.

Total Grocery + Specialised Channel	Sales Value (€ million)	% Share Value	% change
Tot. Dog and Cat Food	3,008.1	100	13.4%
Cat	1,663.4	55.3	15.7%
Wet cat food	1,029.7	34.2	15.3%
Dry cat food	539.6	17.9	15.0%
Cat snacks	94.0	3.2	23.5%
Dog	1,344.7	44.7	10.7%
Wet dog food	437.3	14.5	9.4%
Dry dog food	687.5	22.9	12.1%
Dog snacks & treats	220.0	7.3	8.9%

2024 Assalco Zoomark Report: Source: Circana - 52 weeks as of 31 December 2023

The **wet food segment** was the **most important** with its €1,467 million, equivalent to 54.4% share of the market.

In the year ending December 2023, **wet foods** saw an **increase** in turnover of +13.4% along with an increase in volume (+1.1%).

Wet foods represented the largest share of pet food

The **Grocery** channel accounted for 73% of the turnover (wet cat food 73.3% and wet dog food 72.9%), developed a **turnover increase** of 16.5% without any loss in volume, which grew by 1.6%.

Within wet food category, the main segment, **wet cat food** (34.2% of the value of dog and cat food) showed a turnover increase in the **Grocery** category of +18.4% (+2.4% in volume), a dynamic that is partially present in **Traditional Petshops** where there was a slight growth in turnover of +1.2% and a drop in volume (-2.5%). **Wet dog food** (14.5% of total turnover) in the Grocery category showed an increase of +12.3% (with a slight increase in volume), while there was a completely opposite dynamic in **Traditional Petshops** showing a decrease in value (-6%) and volume (-11.8). The **Petshop Chains + Large-scale retail Petshops** expanded strongly with a double-digit increase (wet dog food +18.8% and wet cat food +18%) and had a demand increase.

The **dry food** segment produced €1,227 million (+ 13.4% in value and -1.1 in volume compared to the previous year) and carved out a 40.8% share as follows: 22.9% generated by dry dog food and 17.9% by dry cat food.

In the year ending December 2023, **Grocery**, which accounted for almost half of sales, showed a double-digit **growth** of **dry cat food**, namely +17.2% (with a slight volume decrease of -0.5%) and **dry dog food** of +15.1% (and a volume decrease of -4.3%). The **Traditional Petshops** in the specialised channel saw both segments increasing by 6.1%, but with different volume dynamics - while **dry cat food** decreased volumes, **dry dog food** stayed the same. The **Chains + large-scale retail Petshops** saw

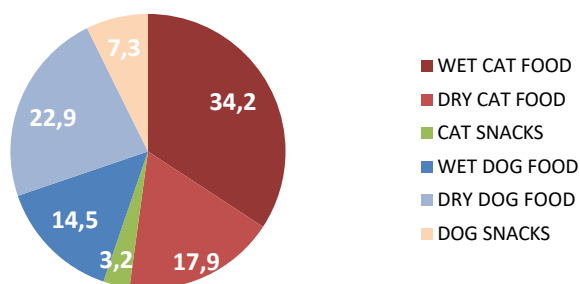
double-digit growth rates (dry dog food +21.4% in value and +8.8% in volume; dry cat food +21.4% in value and +10% in volume).

Grocery wet food accounted for an equal share of sales for dog and cat, while dry dog food developed most of its sales in the Traditional Petshop (42.7% of sales) and dry cat food developed in Grocery (almost 2/3 of sales).

Cat and dog Functional and off-meal **snacks and treats** (snacks with functional objectives, e.g. promote oral hygiene, or with a gastronomic feature, usually given as a reward or to keep the pet busy, e.g. chewing) showed positive dynamics, especially in value (+13%), while growth in volume slowed (+0.5%). Cat Snacks saw a double-digit growth in value and volume. This contributed to the positive performance of the snack segment.

In Grocery, cat snacks grew by 26.3% in value (+17% in volume) and dog snacks by 11.1% (-1.7% in volume); in the specialised channel, the positive trend was driven by Petshops Chains+ large-scale retail, where dog and cat snacks saw a double-digit growth (+16.5% and +18.2% respectively), while in the Traditional petshops, dog snacks showed a decrease in value and volume, unlike cat snacks, which showed a growth of 8.1% and a demand increase (+2.7% in volume).

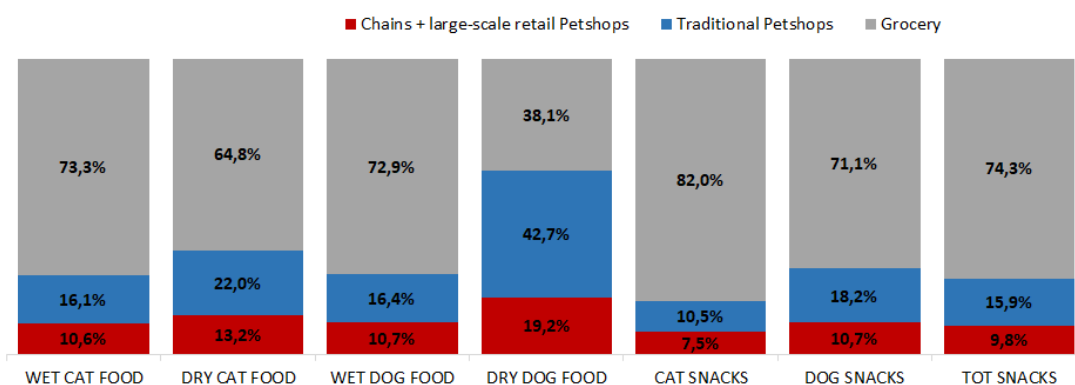
Market composition of dog and cat food



Share Value	
Cat food	55.3%
Dog food	44.7%

2024 Assalco Zoomark Report: Source: Circana - 52 weeks as of 31 December 2023 - value data

Shares and trends of pet food segments by channel (dog and cat)



	WET CAT FOOD	DRY CAT FOOD	WET DOG FOOD	DRY DOG FOOD	CAT SNACKS	DOG SNACKS	TOT SNACKS
Grocery	18,4%	17,2%	12,3%	15,1%	26,3%	11,1%	15,7%
Traditional Petshops	1,2%	6,1%	-6,0%	6,1%	9,1%	-2,3%	-0,3%
Chains + large-scale retail Petshops	18,0%	21,4%	18,8%	21,4%	18,2%	16,6%	17%

2024 Assalco Zoomark Report: Source: Circana - 52 weeks as of 31 December 2023 - value data

LARGE-SCALE RETAIL (Hyper+Super+Small Self-service stores)	Sales Value (€ million)	% change
Food for other pets	14.0	5.8
Pet accessories	85.1	6.0
Cat Litter	100.0	14.0

2024 Assalco Zoomark Report: Source: Circana - 52 weeks as of 31 December 2023

The other surveyed categories (food for other pets, pet accessories and litter) were surveyed in the large-scale retail only.⁶

Other pet food showed an increase of +5.8% in value.

The **accessories** market (hygiene products, anti-pesticides, toys, leashes, kennels, bowls, cages, aviaries, aquariums, turtle tanks and various tools) is up +6% compared to last year.

The **cat litter positive trend** of recent years was confirmed by a double-digit +14% growth in turnover in the year ending December 2023 in the large-scale retail channel.

⁶ Hypermarkets, supermarkets and small self-service stores (100-399sqm)

E-COMMERCE FOR PETS: MAIN PURCHASING PLATFORMS

E-commerce in Italy is witnessing substantial expansion, and rising prominence within the retail sector. This trend is fuelled by several factors, including increased consumer confidence, the spread of mobile devices and user-friendly platforms.

Casaleggio e Associati publishes E-commerce Italia research monthly, a ranking of the main players in this market.

The latest data⁷ showed that marketplaces (which include pet products), tourism-focused websites, and home and leisure goods websites hold the top 10 rankings. The first Italian pet-dedicated portal is **Zooplus**, positioned in the middle of the ranking with more than 1,100,000 unique visitors monthly and an average stay time of almost 10 minutes.

Focusing on the "Pet" category within the top 10 websites, most are based in Italy. These include the e-commerce of the two leading petshop chains, Arcaplanet and l'Isola dei Tesori.

Latest update: 13 March 2024 - 6081 companies present

Source:

Sector: Pets [Submit your company](#) [Data](#) [FAQ](#) [Write us](#)



Company	Sector	Relevance	Unique visitors	Average time	Bounce rate	Follow
→ 1 Zooplus	Pets	1.000	1.105.291	09:44	62,0%	
→ 2 Arcaplanet	Pets	770	720.374	08:59	47,0%	
→ 3 Isola dei Tesori	Pets	365	160.316	07:08	47,0%	
→ 4 Bauzaar	Pets	311	125.420	14:43	45,0%	
↗ 5 Robinsonpetshop	Pets	284	105.985	05:30	66,0%	
→ 6 QuattroZampe Shop	Pets	284	95.784	08:49	40,0%	
→ 7 Bitiba	Pets	257	94.612	09:29	49,0%	
↗ 8 CentroVete srl	Pets	257	77.028	06:17	40,0%	
↗ 9 Paco Pet Shop	Pets	257	69.985	09:40	49,0%	
↗ 10 Agri Pet Garden	Pets	243	92.723	05:31	53,0%	

2024 Assalco Zoomark Report: Source: Casaleggio Associati, ECommerce ranking

Companies are ordered by significance, which is determined by an overall score. This is calculated using an algorithm that considers the following factors: unique visitors, average duration of visits to the website, and the bounce rate - the proportion of visitors who exit the website after viewing just one page.

⁷ 13 March 2024 Survey



SOCIAL AREA



PET POPULATION IN ITALY

In 2023, the pet population in Italy remained stable. Euromonitor estimated **65 million pets**.

The most common pets in Italy are **fish**, which, with almost **29.9 million**, accounted for just under half of the total pets owned by Italian households. **Dogs and cats exceed 19 million**, more than half of which are cats.

65 million pets in Italy in 2023

Euromonitor calculated the presence of more than **12 million birds**, while **small mammals and reptiles** were estimated to be more than **3 million**.

	Estimated pets - 2023 (millions)
Dogs	8.8
Cats	10.2
Fish	29.9
Ornamental birds	12.9
Small mammals and reptiles	3.2
Total Pet Population	65

2024 Assalco Zoomark Report - Source: Euromonitor

Pet population estimates will be backed up by official data. The creation of the national pet registry, known as the **Sistema di Identificazione Nazionale degli Animali da Compagnia (SINAC)**, or National Pet Identification System, is underway.

The legislation requires several registration obligations for owners, boarding operators, kennels, shelters and other sector operators. Data on changes in pet records, such as transfers of ownership, movements and death, must be registered promptly within seven days of the event. For lost and found, the obligation is to register this information within 48 hours.

A national register for all pets

Access to the SINAC is regulated: owners or keepers can personally enter changes in the registry data, while voluntary animal guards can gain access subject to the Ministry of Health's authorisation. For dogs, cats and ferrets, identification with transponders (ISO) and registration in SINAC are required within 60 days of birth or before transfer, under the instructions set out in the directorial decree. For other pet species, similar procedures must be followed, and they must be registered in SINAC individually or as a group, before being transferred or leaving the establishment. There are provisions for the traceability and monitoring of strays, and movement of animals to and from authorised operators, for commercial or personal transfer.

SINAC is a significant and challenging project. Currently, participation is limited to a select number of regions. However, slowly other regions should contribute data. The **Abruzzo** Region recently joined the project.

PETS IN THE FAMILY AND SOCIETY

Benefits for the community

There are examples that showcase pets as valuable members of society, offering support during times of danger or performing tasks due to their natural talents.

Rescue dogs after earthquakes and sea rescues

After the devastating earthquake in Morocco, which resulted in numerous casualties, the assistance provided by a Spanish search team with four **specially trained dogs**, along with a group of volunteer firefighters from Lyon and their dog handler and dog, proved to be crucial in locating people trapped beneath debris.

Trained sniffer dogs are acknowledged for their critical role in emergency response operations. Their keen senses enable

Search for missing people after earthquakes

the search and rescue of people trapped beneath collapsed structures. This was evidenced in previous events, such as during the earthquake in Turkey and Syria.

Dogs' olfactory abilities are their most powerful tool. This allows them to locate individuals buried deep beneath the rubble. During their training, rescue dogs are immersed in simulated disaster situations such as earthquakes, floods, and structural collapses to refine their search and detection capabilities. In these operations, the close connection between dog and handler is crucial. This is the result of a long training process and in-depth mutual communication that culminates in a symbiosis between dog and human.

Another physical feature typical of some dog breeds for sea rescues is their ability to pull weights in water which is superior to humans. Their powerful paws allow them to carry up to three people to the shore simultaneously. They can bring small drifting dinghies, e.g. with children on board, back to safety by grasping them with their mouths.

If there are problems near the shore, these dogs respond promptly to the throwing of a lifebuoy, assuming a key role in assisting bathers. However, the focus of their support is on their human

Rescue dogs

companion, with whom they share a lifelong relationship. Their commitment to their duties is exceptional, they will leap from helicopters alongside their human handlers. They aid in the rescue efforts by using a specialised floating harness to

bring rescued people to safety. This is how the 80 dog units of the **Scuola italiana cani da salvataggio** (SISC - Italian School for Rescue Dogs) managed to carry out eight critical operations and save 15 people during the summer of 2023 in Tuscany.

The Guardia di Finanza "cashdogs"

These dogs are trained to detect the presence of cash and are mainly used by law enforcement agencies, such as the **Guardia di Finanza** or other police agencies, to detect illicit cash trafficking, such as money laundering or smuggling.

Their sense of smell supports the search for laundered money

Cash dogs are trained through a process of olfactory conditioning, during which they learn to associate the smell of money with a prize or reward. Once trained, they can detect the presence of cash even in complex environments such as vehicles, luggage

or postal packages.

These dogs are an important asset for law enforcement in the fight against financial crime, as their highly sensitive sense of smell allows them to detect hidden sums of money that might otherwise escape human checks.

This includes Elio, an anti-money laundering dog unit, which, together with its handler, retrieved more than a million Euro.

Support for female victims of violence

The project known as "La stanza di Peggy (Peggy's Room)" is a pioneering initiative established in Turin. It offers a dedicated space for Assisted Animal operations (involving dogs) for **women who have experienced violent situations** and have been referred by social services or associations.



HEALTH AREA



PET FOOD: THE BENEFITS OF INDUSTRIAL PET FOOD⁸

Pet food controls

The Piano Nazionale di controllo ufficiale sull'alimentazione animale (PNAA - National Official Animal Feed Control Plan) is an integral and substantial part of the national control system on animal feed and contributes to the protection of animal health and welfare and ensures the healthiness of products of animal origin intended for human consumption by monitoring and controlling feed. Pet food is subject to the same controls.

The regional plan is applied by the Regions/Autonomous Provinces and is implemented by the A.S.L. (Local Health Authority). The Experimental Zooprophyllactic Institutes carry out official analyses, and the peripheral offices of the Ministry of Health carry out official controls on feed imported from third countries. **Inspections are carried out on all businesses in the feed sector** including primary production, livestock farms, feed mills, distributors, food industries that supply by-products for animal feed, and feed transporters.

The Ministry of Health has prepared and published the new Piano Nazionale di controllo ufficiale sull'alimentazione animale (PNAA) valid for the 2024-2026 three-year period. The new Plan was updated based on risk criteria that consider the findings of previous years, EU alerts, regulatory developments and new official control requirements. The PNAA ensures a healthy diet by monitoring pet food.

The activity is based on previous years' results, but also on investigative controls: this is the case for Ochratoxin A, introduced in the PNAA to protect animal health and welfare. Similar caution concerns packaging and melamine, a substance used to produce plastics and food-contact materials. In the 2021-2023 three-year period, no irregularities were found for melamine; however, the PNAA will continue its monitoring.

Pet food is subject to several controls to protect the health of pets and their owners

The main example of how pet food monitoring is precautionary is the verification of Salmonella spp. contamination. Applying the monitoring programme to pets was necessary to ensure their protection, considering they cohabit with humans, and this can cause an increased risk to public health. A data analysis from the previous 2020-2023 Plan identified one non-compliance. In the 2024-2026 three-year period, the Biologically Appropriate Raw Food Diet (BARF) and Raw Meat Based Diet (RMBD) were classified as "high risk."

Raw meat feeding risks

At EFSA's 30th meeting dedicated to emerging public health risks, the FVE - Federation of Veterinarians of Europe highlighted a **practice that is risky for public health and the environment**, namely the **raw meat-based diets for pets**.

Raw meat-based pet diets are an "emerging risk" based on the European Food Safety Authority definition: any known or newly identified risk whose exposure is increasing or a new issue worthy of attention. **Raw meat-based pet diets worry experts** because of the repercussions on public health and the risk of transmission of pathogens to pets and people.

Through the faeces of dogs and cats, raw meat-based diets contribute to the spread of more **pathogenic bacteria** and expose the environment to more parasites. The spread of bacteria includes antimicrobial-resistant categories such as **salmonella**. Exposure can potentially involve farmed animals as shown by national data discussed by the Efsa Panel.

Raw meat-based diets: a risk for animals and those living with them

⁸ Text edited by ANMVI – Associazione Nazionale Medici Veterinari Italiani. Source: AnmviOggi

This practice grew among pet owners to the point of increasing exposure to zoonotic bacteria (salmonella particularly) and parasites, although the **alleged benefits of the RMBD diet are more anecdotal than scientific**. This market is growing by 10% in Finland, 5% in Germany and 3% in the UK. European percentages are higher than in the United States (+2%) where this trend started. In the UK, the National Health Agency linked the increase in cases of salmonella in people with pet feeding.

The RMBD diet carries virological risks. The **highly pathogenic avian influenza** found in some cats in Poland in the autumn of 2023 would have a correlation with the raw meat-based diet, a suspicion that emerged from the data: 12 out of 25 H5N1-positive cats were receiving a raw meat-based diet.

The FVE (Federation of Veterinarians of Europe) emphasises that **veterinarians should make pet owners aware of the risks associated with feeding raw meat to their pets**, including those resulting from lack of hygiene and inappropriate handling.

HELP FOR OWNERS OVER 65: THE FUND FOR VETERINARY EXPENSES AND INCENTIVES FOR RELATIONS WITH PETS IN THE SENIORS' BILL

Fund for veterinary expenses

The Budget Law for 2024-2026 introduces a new financial measure - a fund specifically allocated for veterinary costs. €750,000 was allocated to support the veterinary care of pets owned by those who have an ISEE indicator of less than €16,215 and an age over 65 (Article 1, paragraphs 207-208-209).

This is the first **State financial support measure** for pet veterinary care. This Veterinary Expense Fund, introduced in the Senate Budget Committee and incorporated by the Government's maxi-amendment, was finally approved by Parliament on 29 December 2023.

€250,000 will be allocated annually during the 2024-26 three-year period.

The fund is established in the financial forecast of the Ministry of Health and is intended to support owners "paying veterinary examinations, surgery and medicines."

This fund can be used by the regions to finance the Decreto Anziani (Seniors' Decree), which encourages pet/elderly relationships.

Aid to support
veterinary expenses

Seniors' Decree

Legislative Decree 29/2024 "Provisions on policies in favour of the elderly" came into force on 19 March and introduced measures to encourage the relationship between the elderly and pets. The **relationship with pets**, in the Seniors' Decree, **helps "preserving functional independence in old age and maintain a good quality of life."**

The relationship
with pets helps the
elderly

The Autonomous Regions and Provinces of Trento and Bolzano promote the access of pets in residential facilities and protected residences for recreational, educational and socialisation purposes, identifying related methods, and promote assisted pet education plans, by training operators taking care of the elderly. This must be compatible with the elderly's clinical and prognostic assessment.

Playful-recreational, educational and socialisation pet activities in retirement homes must be carried out under the national guidelines for animal-assisted activities (IAA) under their quality and safety conditions and requirements.

Under Article 13 of the Legislative Decree, the regions will promote projects that include **subsidies for medical-veterinary expenses** under the criteria identified in the Ministry of Health decree for the 2024-2026 three-year period, "to promote the adoption of dogs housed in kennels and cats in feline shelters by elderly people with a family unit composed of one person and possessing a valid Indicator of the Equivalent Economic Situation (ISEE) of less than €16,215.

The resources are from the Fund to support pet owners, established by the last Budget Law (Articles 207, 208 and 209 of Law no. 213 of 30 December 2023). The distribution criteria among the regions will be established after agreement with the State-Regions Conference. The Fund is intended to support the expenses for veterinary examinations, surgery and medicines.

A Minister of Health decree, to be adopted within six months, will **define the income requirements of the beneficiary elderly, donation methods and free distribution of veterinary drugs intended for the care of pets in voluntary organisations and facilities collecting and sheltering abandoned animals**, and methods for using drugs by these facilities, and medicines excluded from the donation.

The same decree will define the requirements of the premises and equipment suitable to ensure the proper storage of the donated veterinary medicines and the procedures for the traceability of batches of medicines received and distributed. Any transfer for consideration of the donated medicines is prohibited.

