

# Market and Competition Brief

December 10th, 2019

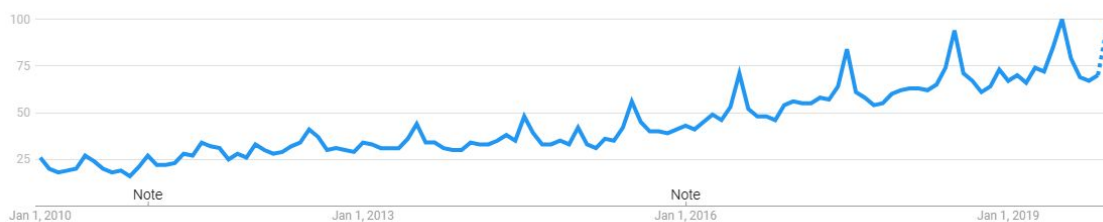
Entrepreneurds - Team 309

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Our product, SafeCrate, is aimed to help both dogs and their owners live more peaceful and stress-free lives. With this product the owner does not have to worry about their dog becoming stressed from a thunderstorm or loud fireworks. The purpose of this document is an analysis of competition and market. While there is some competition in this market concerning some other crates and similar products aimed for dog anxiety, we are confident that our product will have a place in this market. We are resegmenting the pet furniture and containment market as a low-cost entrant, as to eliminate the cost barrier around this product. Overall, there are a lot of possibilities for key partners, and in combination with the growth of the pet market we are reassured about the possibility of success.

## Competition Analysis

SafeCrate's goal, as mentioned, is to provide a safe solution for anxiety in dogs surrounding noise phobias, such as aversion to thunderstorms, fireworks, or even loud music. According to an article in the *Animal Biology Journal* even if the dog did not have a noise phobia, they still saw an increase in symptoms of anxiety such as trembling, surveillance, and hiding. These symptoms were found to be even more intense and also included salivation in dogs with a noise phobia (Franzini). Therefore, a majority of owners notice these changes in their dog's behavior which can be very worrying, however, the consequences can be even more severe. The American Humane states that July 5th is the busiest day of the year simply because of pets running away from fear ("Holiday Issues"). Then the owner is faced with the problem of their dog being lost and possibly being in a shelter somewhere. Not only does this create an incredibly stressful situation for both the owner and the dog, but this can also expose the dog to other dangers such as wild animals and cars. The American Humane says that it is best that someone stays with the dog during this holiday meaning that another family member will be left out of the festivities, figure 1 was captured from Google Trends and it is a graph of the popularity of the keyword "Dog Anxiety" over the past 10 years. The major peaks towards the end are all from the month of July, this shows that owners are searching for a solution that works, and the demand for this product is still growing.



**Figure 1: Google Trend of Dog Anxiety**

Our product solves this problem by calming the dog from the lack of loud and abrasive stimuli. Owners are aware of these issues as shown in figure 1, but they often don't know where

to turn. A majority of the solutions involve some kind of upfront cost and often an owner might need to try multiple things before finding something that actually works. Additionally, while the medication typically works not all dog owners want to medicate their animals and to go down the medication route dog owners must visit their veterinarian to get a prescription. This process of finding a solution can be expensive, stressful, and time-consuming for the owner. SafeCrate will give owners peace of mind knowing that their dog is calm and resting at home while they are away. Our product works better than our competitors because of the features in this product and is also more inexpensive than other high-end dog crates. This makes SafeCrate a better option for our customers because not only is it sold at a reasonable price point, but it also solves a crucial problem while also having the functionality of regular crate.

Our competition is coming from two different markets, the dog crate market and the market for products solving pet anxiety (including medication). For the dog crate market, we need to aim to improve in almost every aspect considering that they would be compared directly. However, improvements in the performance, price, and channels are most important for the other market. The first difference comes from the market considering we are resegmenting an existing market as a low-cost entrant. We are entering the market as a multi-faceted dog crate, however, we are not aiming to make a luxury product, therefore while we cannot offer a price lower than the typical wire crate, we can still offer a lower price than a majority of the more technical crates. We will also have better features, which include both passive noise canceling (PNC) and active noise canceling (ANC) along with LED lighting. These features will then offer better performance because the noise canceling is aimed to tackle both the lower and higher frequencies and we are not adding unnecessary features. Adding unneeded features would drive up the price while also lowering the quality of the ANC because of the time and money being redirected. These features offer us a technical advantage over a majority of our competitors which we can protect with patents. Our channels can also be improved by having our presence strong both online and in-stores. Many types of crates fail in one of these aspects. Wire crates don't usually have any presence online because they are very generic, while more luxury crates are mostly marketed online because the prices are too high for a pet store or department store to sell. Concerning the other products such as medication, it is much easier to have better channels because going the medication route requires the owner to go to a veterinarian to have the medication prescribed while our product can be ordered without any restrictions. However, to truly see the difference it is better to go more in-depth into our specific competitors.

Table 1 breaks down our main competitors into four categories: features, performance, channels, and price. In this following table, performance equates to job-performed. If there is another product that works to relieve or deal with anxiety in dogs, it was included in this category. Products with a similar feature list were included in the feature tab.

In features	In performance	In channels	In price (\$300)
<ul style="list-style-type: none"> <li>• ZenCrate</li> </ul>	<ul style="list-style-type: none"> <li>• Impact Dog Crates</li> <li>• Thunder shirt</li> <li>• Thunderworks Calming Products</li> <li>• MidWest iCrate Starter Kit</li> </ul>	<ul style="list-style-type: none"> <li>• Impact Dog Crates</li> </ul>	<ul style="list-style-type: none"> <li>• Thunder shirt</li> <li>• Thunderworks Calming Products</li> <li>• MidWest iCrate Starter Kit</li> </ul>

**Table 1: Main Competitors**

In this table 2, we broke down the sales and distribution channels for our competitors, listing their main avenues as well as elaborating on some of the details regarding where and how they distribute units. We looked at whether they sold in bulk to large organizations, whether or not they were being distributed through large-scale retailers like Walmart or Amazon, and what decision makers or influencers impact the purchase of the products.

ZenCrate	<p><b>Channels:</b> Direct sales through online website</p> <ol style="list-style-type: none"> <li>1. Zencrate does not sell to the government or other large organizations, it is a business-to-customer company.</li> <li>2. ZenCrate is not sold in WalMart, Amazon or any other retailer, all sales go directly through the business website.</li> </ol>
Thundershirt and other ThunderWorks Products	<p><b>Channels:</b> Direct sales through website, WalMart, Amazon, PetSmart, other large retailers</p> <ol style="list-style-type: none"> <li>1. Thundershirt/Thunderworks does not sell to govt or large organizations, it is strictly business-to-customer.</li> <li>2. Products are sold online through their website, WalMart, Amazon, PetSmart, and other large retailers.</li> </ol>
Impact Dog Crates	<p><b>Channels:</b> Direct sales through website only</p> <ol style="list-style-type: none"> <li>1. From information I can gather, sell B2C and do not sell</li> </ol>

	<p>large quantities to anyone else (military, police) although they do offer an individual discount for those parties</p> <p>2. Sales are only directly through their website, they do not sell at large retailers.</p>
MidWest iCrate Starter Kit	<p><b>Channels:</b> Direct sales through website; Amazon, WalMart, PetSmart, PetCo and other large distributors are the largest channels</p> <p>1. This company doesn't sell to large companies, it is a business-to-customer job.</p> <p>2. These products are sold through WalMart, Amazon, and other large pet-centered distributors.</p>

**Table 2: Sales and Distribution Channels**

For all of the above products in table 2, the decision makers and influencers are nearly identical and fit into identifiable groups. The buyer of all of these products would be the owner of the dog or the family that owns the dog, and would occasionally consist of a buyer to gift the product. Influencers include the dogs with anxiety and other customers who have bought the product and recommend it. Finally, there is no strict approval process but having a product approved or recommended by veterinarians would greatly boost sales and consumer trust.

The following table outlines our opinion of competitor products, with an initial explanation of what we liked most about our competitor product as well as what we would change, followed by consumer opinion on the product.

ZenCrate	<p>Zencrate integrates the core idea of what we want to provide: a home for pets that they can retreat to when they feel anxious that will use sound technology to effectively reduce anxiety. We would change the feature list and price point, as this seems like a luxury item and isn't affordable.</p> <p>Consumers tend to like the effect of Zencrate on their pet, and it's the effect on their pet that draws praise ("ZenCrate Customer Reviews").</p>
Thundershirt	<p>Thundershirt provides a solution to dog anxiety that is mobile and cheaper than a crate, which is innovative and versatile in that it can benefit dogs while traveling or out in public. We believe a solution</p>

	<p>that doesn't implement clothing is more natural to a dog's habitual functioning, and would make acclimating to an anxiety solution easier for a pet. We would change the clothing nature of the product.</p> <p>The most important thing is the effect on the owners dog, and the fact that it helps them with their anxiety. Other than that, ease of use was a notable benefit ("Thundershirt Classic Dog Anxiety Jacket Customer Reviews").</p>
<p>ThunderWorks Aromatherapy</p>	<p>The ThunderWorks aromatherapy products provide users with a quick and non-prescription solution to use, and this availability and speed makes the product interesting. Some of the dogs react negatively to the spray, and this isn't necessarily a trainable issue, much less an easily trainable issue.</p> <p>Customers liked the effectiveness, ease/speed of use, and reliability. This also works well for customers as a supplementary solution, so it's used in tandem with a thundershirt or other solution ("ThunderEase Dog Calming Pheromone Spray").</p>
<p>ThunderWorks Sound+Aromatherapy</p>	<p>This product is a single unit with multiple offered solutions, and while it may not always be the most effective, the dual implementation is a neat feature. This product could be targeted more toward use on dogs, it seems as though the essential oils and sounds chosen are anthropocentric and could be better implemented for dogs.</p> <p>There were incredibly mixed reviews for this product, but the largest benefit of this seemed to again be the effect on the owner's dogs ("ThunderCloud Calming Sound Machine Customer Reviews").</p>
<p>ThunderWorks Calming Chew-toys</p>	<p>Chewables are an easy to use solution for both the owner and the pet, and offer a real "over-the-counter" type solution that owners can easily obtain. While these</p>
<p>Impact Dog Crates</p>	<p>This product offers a different take on solving anxiety, and the most interesting aspect of the product is its focus on damage prevention for the owner. The price is incredibly high, and we would rather focus on alleviating the source of anxiety and attempt to provide a safer space for the dog than provide a damage control tool for the owner.</p> <p>What owners do like about this crate is the durability and the</p>

	protection it offers. While our team may not agree with the method of solution, consumers do find this to be valuable.
MidWest iCrate Starter Kit	<p>This product is a popular dog crate, and the cover to make it more anxiety friendly than a regular wire crate is a partial solution to the problem. While it is popular and affordable, this crate does not do as well a job at alleviating pet anxiety, especially with a lack of design or technology.</p> <p>The biggest selling point for this product is its price and its trusted reputation.</p>

**Table 3: Our Team and Customer Opinions**

Customers for these products fit into two basic archetypes. All own dogs or pets, but the larger distinction comes into estimates of income or frugality and “type of buyer”. Thundershirt, Thunderworks Solutions, and the Midwest Starter Crate all belong to a more budget oriented consumer. All of the Thundershirt and Thunderworks products are less than \$50, and the wire crate is one of the most trusted crates around. ZenCrate and Impact Crates are more “luxury” items: while they are both extremely functional in their design, they are at inflated price points (>\$700) and consumers that buy these products are probably likely to have more available income to spend. These customers are also likely attracted to the design of the products and the tech offered, and want what they consider the best product for their pet or for their pet’s anxiety problem. Overall, our consumer archetype is a pet owner who cares for their pet’s health, and within that category a distinction can be made in terms of budget and willingness to spend.

The following table breaks down user interaction with competitor products, investigating how the products are used, whether there is a learning curve, and how the product makes a difference in the typical timeline of a problem. Another consideration when looking through these competing products was whether or not they were “mission critical”, which was defined as having a direct effect on pet anxiety through a design choice or implementation of technology. All of the products below were deemed to be mission critical, with the exception of the MidWest iCrate Starter Kit and with a caveat on the Impact Dog Crates.

ZenCrate	ZenCrate is used as a regular crate by dogs, and the owner doesn’t need to activate any system at all. The crate is mission critical, and while there is no learning curve associated with the owner, it may take time to acclimate a dog to the crate, and that provides a learning curve. Anxious dogs may react in different ways, but typically the reaction involves destruction, nervous hiding in a pet-designated safe space, accidents, or whimpering and overall
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	nervous reaction that has an adverse effect on the pet and owner. With ZenCrate, an anxious dog has an owner designated safe place that is easier to clean in the case of accidents and that removes nervous reaction and destruction.
Thundershirt	Thundershirts require that the owner put the product on the pet, and this requires a small learning curve for both the dog and owner. Owners must determine how to acclimate their pet to the product, which is suggested as having your dog wear the product while not distressed to associate the two, and pets must acclimate to wearing a vest, which many pets find undesirable. With Thundershirt, pets have been reported to sleep, lie down, or appear overall more calm than when not wearing the Thundershirt in a distressing environment, removing the detriments normally associated with dog anxiety. This product is often used in combination with another solution.
ThunderWorks Aromatherapy	ThunderWorks aromatherapy works in two ways: through a diffuser or through a spray device, where one acts as a passive system to be set in a location and allowed to run, and where the spray device is a more direct application. There isn't really a learning curve with either product. The spray must only be applied before a storm begins to maximize effectiveness, and there is no learning curve for the dog. Thunderworks aromatherapy has a similar effect to that of the Thundershirt, relaxing dogs and allowing them to sleep or remain restful, and eliminating the problems with anxiety. This product is often used in combination with another product.
ThunderWorks Sound+Aromatherapy	Thunderworks Cloud uses the diffusion aromatherapy technology combined with speakers used to generate calming sounds. It requires no learning curve or training for operation, although the owner may have to implement the solution when their pet is calm to associate the sounds and aromatherapy with a safe environment. Ideally, the product allows the owners to
ThunderWorks Calming Chewables	Thunderworks Chewables are dog treats with ingredients to diminish any nervous reaction, not just those caused by sound like thunder/fireworks. There is no learning curve or preparation period, owners only have to feed their dog the treats. The chewables work specifically through thiamine, L-Tryptophan and melatonin to improve restful behavior and to counteract the stress induced by a thunderstorm or by fireworks.



Impact Dog Crates	Impact Dog Crates are industrial grade dog crates, created out of durable metal and designed to prevent dogs from damaging themselves or their surroundings when they are reacting anxiously. This is arguably the only product here that is not mission critical in that the goal of using this product isn't to prevent or alleviate anxiety itself, but to minimize damage caused to property and to the pet. There is no learning curve save that of the pet acclimating to the crate.
MidWest iCrate Starter Kit	This product has no real specific technology or designs implemented to alleviate anxiousness in pets, but a pet owner that is conscious of their pet's potential reaction to loud noise and environmental stress may choose this crate because it's an affordable, basic crate with a cover that can create the feeling of a den and minimally help with anxiety. There is no learning curve, and the product is not anxiety mission critical, although it serves the purpose of being a crate, something that many dog owners do see as essential.

**Table 4: User Interaction**

## Market Analysis

### Existing Market

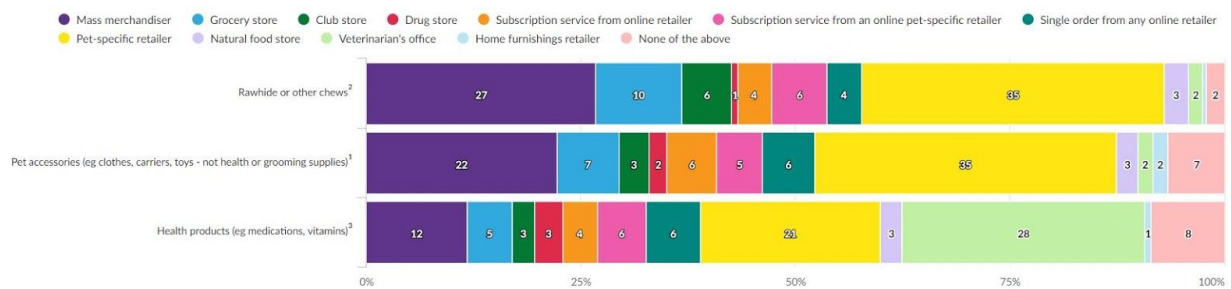
Our product will fit wholly within the pet supplies and the pet health market, however even though pet furniture and containment is a well-established subcategory of pet supplies, we are coming in as a low-cost entrant. It is important to note that this is a robust market with accelerating growth primarily due to generational shifts towards greater pet ownership, spending, and conscientiousness.

The US market for pet supplies is expected to reach \$25.2 billion for 2019, an increase of 5.6% from 2018. Mintel also forecasts growth to \$35 billion by 2024. This increase is driven by the positive trend in pet ownership over the past decade; according to the American Pet Products Association (APPA), the percentage of American households owning pets has increased from 56% in 1988 to 67% in 2019, which equates to 84.9 million homes. Remarkably, this exceeds the number of households with children, at 52.8 million according to a Statista report.

Our product represents a low-cost and more technologically-advanced option to replace typical dog beds and indoor pet enclosures that also appeals to the pet health side of the market. It addresses the problem of pet anxiety through an entirely novel and compassionate approach,

employing the emerging technology of ANC. This feature is being successfully and widely implemented in headphones that are well received by the public, and is also becoming available for applications such as silencing personal vehicle cabins. Our product has a distinct advantage over the competition, as most solutions to pet anxiety include confining the animal to a durable metal cage to prevent it from causing damage to its surroundings. Our solution instead aligns with the growing compassion and familial bond that millennials feel for their animals because it prioritizes pet health and wellbeing by providing them a safe and calming space to rest. The projected cost of our product (\$300) is also hundreds of dollars less expensive than what other companies are able to provide, making it the logical choice for the owner of an anxious animal.

Methods of reaching the customer are numerous, with a consumer preference for physical store locations still dominating the market. Figure 2 displays the percentage of customers who purchased pet supply products from each type of vendor.



**Figure 2: Pet Supplies Purchasing Locations (Mintel, 2019)**

For the purposes of the Mintel study, SafeCrate falls within the category of pet accessories, i.e. the middle block in figure 2 consisting of responses from about 1500 pet owners over the age of 18 who purchased an accessory for their pet. This report highlights the importance of the relationship between online sales, brick-and-mortar locations, and pet-specific retailers for pet products. 19% of purchases were from strictly physical stores, 22% were from mass merchandisers which includes big-box stores such as Target as well e-retailers - primarily Amazon - and 35% of purchases were from pet-specific retailers such as PetCo.

Of the \$25.2 billion anticipated pet supply spending, online pet food and supply sales account for about \$8.1 billion of the market share, according to an IBISworld report. The online market is dominated by two major retailers, Amazon and PetSmart, with 41.7% and 44.4% of that market share, respectively. While the majority of spending for pets goes toward food, of the about \$8 billion in online spending, 39.4% goes toward pet supplies including crates. This percentage is also reflected in the physical wholesale supply, where pet supplies account for 38.5% of pet purchasing.

This data demonstrates that consumers are open to buying from physical and online retailers, but still highly value purchasing from specific pet stores. Accordingly, Our strategy of reaching customers will primarily consist of targeted internet marketing which younger generations are more receptive to. We will also attempt to beta the product at pet stores in the US, where an online order could be immediately placed after seeing and interacting with the physical product. Our orders will then be filled through online vendors and shipped directly to the customer. Obviously, setting up online orders through Amazon and PetSmart will be crucial.

Our target market comprises all cat and dog-owning households, with a special emphasis on dog owners and millennials. These individuals are in their 20's and early 30's and have demonstrated not only greater adoption rates, but also justification for greater spending on pets for their happiness and wellbeing. They are also new to the workforce and have significant discretionary income for purchases like pet products. Within the dog-owning population, nearly half of all owners report problems with their pet's anxiety, especially centered around noise. Thus, we expect a similar proportion of all dog owners will be interested in our product. This is significant because, according to APPA, of the 84.9 million pet-owning households, 63.4 million own dogs. Thus we estimate that nearly 30 million Americans will compose the foundation of our target market. Of the \$25.2 billion pet supply industry, this represents roughly \$10 billion in available market share. Pet furniture, containment, and carriers represent only a fraction of that market; however, the Mintel report on online pet supply sales revealed that 38% of those surveyed purchased pet furniture in the past year. In this limited case, our target market consists of around 30 million Americans prepared to spend around \$4 billion annually on a product like SafeCrate.

Our company's sales process would begin with prospecting. Our market (dog owners) is wide in general, but the segment of the market that we are approaching is much more specific, as we have a product that's aimed for dogs with anxiety. So, we begin by revisiting our customer archetype - and defining where we can meet our ideal customer. Taking this into consideration, we see that there are two different ways that we can meet our customers: Retail (Through Big-Box Pet stores,) and Direct online (through our own website & Amazon.) According to "Packaged Facts," a leading market research publisher covering the food, beverage, consumer packaged goods, and demographic sectors for over 50 years, 54% of pet owners still primarily purchase their pet products in-store, and 46% are primarily purchasing their pet products online - so for us, a near-even split would work well between these distribution channels.

There will be several steps we'll have to take prior to getting our product on the shelves in the big-box stores - beginning with patenting our technology to ensure defensibility. After patenting, we would start with our Direct-to-Consumer online business from our own website, and from Amazon. We would start here for a couple of reasons. According to Marketresearch.com, E-commerce for Pet products is surging rapidly. They claim that 37% of online pet shoppers agree that they are buying more pet products online than they used to, and 14% have made a purchase in the last 7 days. We would also include Amazon in this initial strategy because (also according to Marketresearch.com) Amazon attracts more than half of

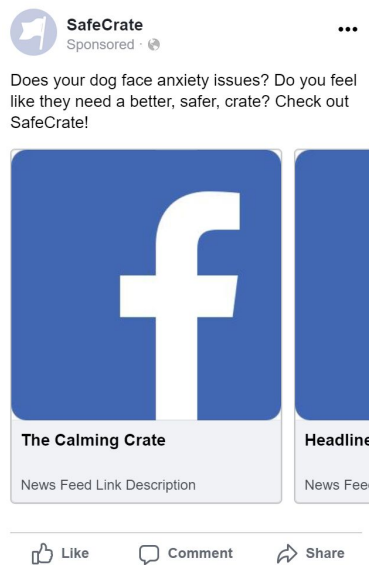
those who purchase pet products online - more than Chewy, PetsMart, Petco, and Walmart. Starting with these online distribution channels will give us leverage when we decide to move into big-box retailers. To initiate this move, we will search for partners, and buyers to pitch our product to for a trial run in their stores.

Our customer interviews were the first pieces of data that we used to gather qualitative data about the buying patterns of our customers, but we've since dived deeper. According to Numerator, a Market intelligence firm, dog supplies outperforms every other pet category. Also included in the same Numerator report, dog owners make about 20 trips per year and spend about \$333 per year on average on their dogs. The report also points out that compared to brick-and-mortar pet sales, dog supplies have three times the share of overall online pet sales. When researching those responsible for actually swiping their card and making the purchase, our data is primarily quantitative (not much research was available online about the decision makers for dog supplies). What we've found was the dog owners themselves traditionally make the purchase. The only other factors that come into play when making decisions like these are a vet recommendation (highly rated factor based on interview data) and friend recommendations. However, even with both of these factors, the person responsible for the actual purchase are the dog owners themselves. When considering the big-box stores, the person who makes the decision about our being on shelves is obviously, the retail purchaser.

When considering our sales process and how it related to our marketing process, we've begun considering the time of year that we would begin advertising our product. Traditionally, there is a spike in interest for dog-calming products around June and December. This is due to large firework displays that happen in July and January. Because of this, we will be able to deploy carefully-timed advertisements around these times and have a higher return on investment than the rest of the year. So while we will be running targeted ads all year, we are likely to have consistent spikes during the year's middle and end. We will deploy these targeted advertisements through Google, Facebook, Twitter, Instagram and Reddit. These platforms each have their own targeting methods. On Google, when users search for dog related products in general, and crate products specifically, our product will show up. On Facebook and Twitter, when users indicate an interest in dog related products, our ads will be deployed to their feed. On Reddit, when users inter specific subreddits like r/aww, r/dogpictures, r/dog, and any other dog related subreddit our ads will be deployed to their feed. We will also strive to create partnerships with other products related to the calming of dogs. Products like "Calming-Bites," "Quiet Moments," "PetTunes," could be potential partners for us.

When considering online advertising, we'd stick to the previously mentioned channels: Google, Facebook, Twitter, Instagram, and Reddit. We'd use Google because it's very easy to target consumers. We could catch onto specific keywords that users are searching for, like "stop dog anxiety," or "dog calming," or "dog crate." Google ads traditionally cost between \$1 and \$2 per click, according to Wordstream.com. Companies on average spend between \$9,000 \$10,000 per month on Google ads - so in order to be competitive as a new market entrant, we'd need to be able to compete with numbers like those. We'd use Facebook and Twitter because we can

nurture and retarget users. If they've constantly posted updates about their dogs having anxiety, pictures of their dogs, etc., we would be able to deploy our ad to their timeline over and over again. Facebook and Twitter ads are traditionally cheaper than Google ads, at about \$0.27 per click, and we'd expect to spend around \$4,500 per month combined on Facebook and Twitter ads. We'd use Reddit because there our ads can be displayed within the context of a specific subreddit. For instance, there is a "dog pictures" subreddit, where users only post pictures of their dogs. Our ad would be perfectly placed there - as Reddit ads typically don't look like ads, they look more like traditional content that exists in the specific subreddit. Reddit ads are traditionally about \$0.75 cost per thousand impressions. And lastly, we'd use Instagram. Here, we would easily be able to catch onto hashtags and other user information to deploy ads right to their feed that shows SafeCrate in action. The cost for these are roughly similar to Facebook ads cost. For our digital ads, we would expect a slow adoption initially until we get the targeting just right. Because our product solves a problem faced by a segment of dog owners, we need to figure out the best targeting tactics to access that segment. Based on metrics gathered at wordstream.com, the cost per action (not per acquisition, that data was not readily available) for Pet Care is about \$26.01. This is the only reliable metric we have to get an idea about the actual cost per acquisition, which is likely to be a bit higher than the cost per action. Figure 3 is an example of how our Facebook ad could look (without our logo in yet):



**Figure 3: Possible Facebook Ad**

## Key Partners

In order to enter an already existing market, it will be critical to manage the launch of our product and ensure considerable media attention is garnered by this idea. As such, we have identified key partners in media and industry who can help to generate public attention around SafeCrate, perhaps surpassing the buzz created by our competitors, and will help to ensure that

our idea is able to rapidly enter the market. In the last two years, the pet industry has seen explosive growth, and several new high-tech products have been incredibly successful via Kickstarter campaigns, online advertising, features in magazines and media, and placement in national chain pet stores. All of these avenues can be utilized by our team, and as such the following connections could be critical to the success of our product:

- **Partner Companies:**

- **PetSmart:** The United States' largest pet product retailer, with nearly 1700 stores in the US and Canada. PetSmart generates almost 7 billion in revenue annually and carries a wide variety of pet products. They tend to carry specialty items after they've gained national attention, such as carrying certain pet products after they've appeared in national media. Perhaps most enticing about a partnership with PetSmart is their ownership of **chewy.com**, the world's #1 pet supply retail website. Advertising on chewy, or even selling on this site would allow SafeCrate to have a worldwide presence.
- **Petco:** Similar to PetSmart, with 1500 stores in the United States and Mexico and around 4 billion in annual revenue. Getting our product onto their shelves, if even at a few locations, would be monumental as we could get our idea right in front of a customer. Petco also provides a store catalog to customers along with a loyalty program, similar to PetSmart, both of which could be leveraged to draw customer attention to SafeCrate.
- **Petmate:** One of America's largest dog brands, they claim to have invented the first dog crate 50 years ago. Now they offer several lines of very popular dog toys and other items, have received an Edison Green Award for innovation and positive impact, and manufacture a lot of their products in the US. A partnership or licensing deal with this company could be lucrative for both parties.

- **Industry Influencers**

- **Instagram Influencers:** Just as prevalent as their human peers, pet influencers have millions of followers and have been shown to generate buzz around products. These accounts work similarly to other influencers, they can be contacted for brand deals and partnerships which are nearly guaranteed to generate social-media attention around our product. The top animal influencers are:

- @jiffpom - 8.9 million followers
- @nala\_cat - 3.7 million followers
- @itsdougthepug - 3.6 million followers
- **Trade Journals:** Several journals and publications circulate in the pet industry. Each leans towards specific markets, but they all have wide enough distributions to get our name out there. Two that focus on pet products are listed below:
  - **Pet Age** is a trade magazine catered towards pet shops and retailers
  - **Pet Business** is a publication self-declared as “the most trusted name in the pet industry” which covers industry trends, marketing techniques, and other eventful updates around the pet industry.
- **Popular Magazines:** A considerable amount of advertising and media comes through articles and publications that are lifestyle-focused. Although there are pet-centric publications for the consumer, such as **Modern Dog** and **Dog Fancy** (which would be worth contacting as well), a much more impactful article would come in **Martha Stewart Living** or similar. The Martha Stewart brand also has its own line of pet products which are sold in both PetSmart and Petco.
- **Morning Show Appearances:** Similar to lifestyle magazines, pet products have been successfully marketed through lifestyle coverage from television. Getting our product on a segment on pet products, which are frequent year-round, would garner attention from consumers and other media. Contacts for **Good Morning America** or other morning shows would be valuable.
- **Conferences/Trade-shows**
  - **Global Pet Expo:** An exhibition of over 1000 companies held annually, showcasing pet products and solutions. The 2019 event featured almost 3000 new product launches. Attending this event would be great exposure, both for the company and to gain awareness around other disruptive pet products, marketing, and networking channels.

- **Pets & Money:** An annual winter event held in Austin, Texas, this one day conference brings together executives from across the pet product industry. From their site: *“The event will showcase the latest innovations disrupting the industry, explore key trends and consumer priorities, and identify actionable strategies you can use to grow your business or secure your next acquisition target.”* Although a start-up may not benefit directly from the information presented, it may provide insight into how the industry works and how to potentially get acquired.
  - **Pet Industry Leadership Summit:** Led by the Pet Industry Distributors Association, American Pet Products Association, Pet Industry Joint Advisory Council, and World Pet Association, each of which have massive influence over the industry. Again, not necessarily ideal for a start-up, but would offer perspective on the industry.
- **Media Contacts**

Since pet products gain traction in business and lifestyle publications, identifying journalists or other content creators who work for major publications could be beneficial to get our name out there. Some publications that frequently cover pet products are:

- **Martha Stewart:** As previously mentioned, marthastewart.com often features new products and DIY ideas for your pet
- **Magnolia Journal:** The Magnolia brand, popularized on HGTV’s wildly successful *Fixer Upper*, now publishes a lifestyle magazine focused on home decor, which also covers pet ideas and products.
- **Forbes:** As with other new tech and industry changers, Forbes covers the pet industry and interesting new products that appear within it.
- **Rover.com:** This pet-care finder service also publishes a blog which often discusses new pet products

Each of the key partnerships listed would require our brand to be active and for the company to be able to demonstrate and ship our product. Early-on, it may be more effective to focus on getting the name out there through influencers, and then pursuing more serious company relationships. Local media, such as the **Technician**, **WRAL TechWire**, and **News &**



**Observer** may be more likely to cover our idea and help uptake those initial steps into the public eye.

## **Conclusion**

We intend to enter a market that already exists with a product that is differentiated in terms of features and cost. Our research into the market has determined that this is viable due to lack of competition and resonant products available. The pet industry is experiencing rapid growth, and is likely to continue to grow considerably in the coming years. We have identified partner companies and individuals who could help our product gain exposure and foster sales. Once our product is prototyped and designed for production, we plan to pursue the avenues proposed in this briefing.

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