The market for pet medications in the U.S. has entered a period of redefinition and renewal. Merial’s Frontline Plus is still the market leader in flea and tick medication, but it has a number of copycat competitors, selling at far less than the now off-patent powerhouse. But Merial has managed to not only stem the losses, but also gain back share via a new flea and tick blockbuster, Nexgard. In other areas, Zoetis introduced a blockbuster of its own, the anti-itch drug APOQUEL, and has had trouble meeting demand. The industry has also enjoyed the entrance of a wave of animal health start-ups, and a number of new drugs appear to be on the horizon.

Long sold primarily in the veterinary clinic, pet medications can be found in a variety of channels. Still, many animal health companies sell exclusively to the veterinary channel, which has drawn scrutiny from the FTC.

The pet medication space has also seen considerable investment action, from the position taken in Zoetis by the hedge fund of activist investor William Ackman to the sale of Novartis Animal Health’s assets to Elanco and Virbac.

In its fourth edition, Pet Medications in the U.S. analyzes the market for prescription and over-the-counter medications for dogs and cats, with a particular focus on brand-name products used by consumers and on antiparasitics. Areas covered include parasite prevention and control (flea, tick, heartworm, etc.), cancer, pain management, behavioral health, diabetes, cognitive dysfunction, heart health, ear care and allergies. The report provides in-depth coverage of competitive trends, new product trends and marketing activity, and draws on insights from other reports in Packaged Facts’ extensive Pet Market Collection. Statistics provided include historical and projected market revenues, along with demographics and psychographics of pet med purchasers, based on data from sources including Simmons and Packaged Facts own pet owner surveys.

Scope

This report examines the consumer market for medications for dogs and cats, with a focus on products used by consumers. These include prescription, over-the-counter (aka “retail”), and ethical products (nonprescription medications whose distribution is restricted by the manufacturer to veterinarians). The primary focus of this report is on antiparasitics (flea, tick, heartworm, etc.), but it also covers market-shaping developments in other areas including cancer, cognitive dysfunction, mood disorder, pain management, and obesity/diabetes. Animal health products for production animals and horses are excluded from this market analysis, as are nutritional supplements for horses and companion animals, the latter of which are covered in Packaged Facts’ February 2015 report, Pet Supplements in the U.S., 5th Edition.

Report Methodology

The information contained in this report was obtained from primary and secondary research. Primary research entailed informal interviews with leading manufacturers of pet medications and with other pet industry experts; attendance at the Global Pet Expo and Petfood Forum trade events from 2005 through 2015; consultations with pet product manufacturers and members of the trade; and an on-site examination of retail venues. Secondary research included extensive Internet canvassing and research- and data-gathering from relevant consumer business and trade publications; company reports including annual reports, press releases, and investor conference calls; company profiles in trade and consumer publications; government reports; and other pet market reports by Packaged Facts.

Sales estimates are based on published and estimated sales of major market participants; market size estimates from other sources appearing in the trade press; figures obtained through consultation with market participants; the performance of relevant retail venues; consumer usage rates for pet medications; rates of company and product entries into the market; and sales data from IRI for multi-outlet (MULO), which represents sales through U.S. supermarkets, drugstores, mass merchandisers (Walmart, Target, Kmart, and Shopko), Sam’s Club and BJ’s warehouse clubs, dollar stores excluding Dollar Tree, and military commissaries.
Our consumer analysis draws primarily on two sources: Simmons National Consumer Surveys from Experian Marketing Services. On an ongoing basis, Experian Marketing Services conducts booklet-based surveys of a large and random sample of consumers (approximately 25,000 for each 12-month survey compilation) who in aggregate represent a statistically accurate cross-section of the U.S. population. Packaged Facts Pet Owner Surveys, including one conducted in August 2015. These surveys had a sample of 2,000 U.S. respondents age 18 or over who in aggregate are Census representative on the primary demographic measures of gender, age bracket, race/ethnicity, geographic region, household income bracket, and presence of children in the household.

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