Why are young Americans opting for pets over children?

REPORT | 10 Jul 2023

Gen Yers and Zers are having fewer children yet becoming pet owners at a higher rate. With fur families becoming the norm for career-oriented, cash-strapped, and climate-scared young adults, how can brands respond to shifting attitudes around human-animal companionship and wellbeing?

AUTHORS

Jacqueline Salomé

LOCATIONS: UNITED STATES

GENERATIONS:

GEN Z (BORN 1997-2010) GEN Y (BORN 1982-1996)

SECTORS:

HOME AND RELATION-SHIPS PETS PARENTING



EXPERTS

Dr. Taryn M. Graham	Janine DeVault	Steven Feldman
---------------------	----------------	----------------

HIGHLIGHTS

01	Gen Y is the largest cohort of pet owners in the US, as it provides an alternative to the financial and career-related stress that many young people associate with parenthood
02	While the US experiences a slowing birth rate, young people's pet ownership is increasing – in part due to shifting values where pets are perceived as family members
03	Younger generations' values around meaningful companionship, wellbeing, and social media are also having a significant influence on the pet industry
DATA	

- Gen Yers are the largest cohort of US pet parents at 33%, while Gen Zers account for 16%
- Seven in ten Gen Z adults in the US say they would rather have pets over kids
- 88% of American pet owners consider pets part of the family

SCOPE

When there's a boom in pet names inspired by HBO's hit television show Euphoria – 'Fezco' became the top trending name in 2022, increasing in popularity by 2,385% – it's clear that young adults are starting to make their mark on the world of American pet ownership. [1] Though birth rates are plummeting in the US, with 2020 marking the lowest level since 1979, pet ownership rates are heading in the opposite direction, with young people at the helm of this shift. [2] At 33%, Gen Yers are now the largest cohort of pet owners in the US, with Gen Zers accounting for 16% nationwide. [3] This begs the question: are younger generations opting for pets over kids? According to seven in ten Gen Z adults, the answer is yes. [4]

Younger generations are generally less enthusiastic about having kids than previous generations, with many contributing factors to blame. For the 65% of people who agree that climate change is a serious issue, the future looks bleak, which is why 40% of those folks cite it as a reason not to have children. [5] Younger generations are also more likely to delay parenthood to pursue careers or the freedom to explore other life milestones like traveling, with 43% of Gen Y women believing that building a career life is more fulfilling than the idea of raising a child. [6] The mainstreaming of fertility treatment conversations are slowly relieving societal pressure to have kids in your 20s and 30s, with celebrities like Kim Kardashian and Chrissy Teigen destigmatizing later-life parenthood. And then there's the economics of it all. "Not only is it harder for Gen Yers to pay for education or buy a home than it was for their parents, but jobs have become less secure and careers are more fluid," says dog-friendly societies researcher, Dr. Taryn Graham. "Because of these changes, marriage and parenthood tend to occur much later, if at all." [7]

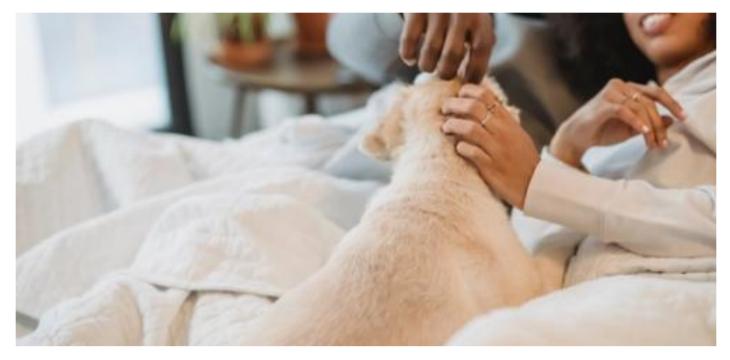
Enter the fur baby. Like generations before them, Gen Yers and Zers still want companions to love and care for, yet many are finding this in pet 'pawrenthood' rather than human parenthood. Though 69% believe that having a pet is easier than having a child, their desire to have a puppy pal or feline friend runs far deeper than convenience. [6] Thanks to shifting attitudes around animal ownership, pets are now seen as equals to people: 88% of American pet owners consider their pets to be fully-fledged members of their family, while 81% of Gen Y pet owners say they love their pet more than at least one family member. [8][4] Taken together, this represents a massive shift for the pet industry. How can brands tap into the new family-oriented realities of youth pet parents who place deep value in the animal-human connection and its reciprocal well-being benefits?

CHANGING ATTITUDES TOWARDS FAMILY DYNAMICS

Financial stress, aggravated during the pandemic, is changing young people's future plans, including whether or not they have kids. In the US, it costs \$233,610 on average to have a child (excluding university and education costs), making 61% of American women feel anxious about their ability to support children. [9] For Gen Yers and Zers in particular, 50% would consider having kids if the cost of living was lower – a sign of the youth desire to raise and nurture children, but a hesitation around the associated cost. [10] Taken together, these economic pressures mixed with <u>climate fears</u> and the pandemic – which led to a brief baby bust and caused 27% of women to delay pregnancy due to fears of contracting COVID-19 – are influencing some to reconsider pursuing the parenthood they may have imagined for themselves. [11][9]

For some, pets are fulfilling those desires. Gen Yers and Zers now make up nearly half of the pet-owning population in the US, marking the first 50/50 split between older and younger generations. [3] This is shifting family dynamics in tangible ways: 70% of those with pets view them as their child, while 66% see their pet as practice for having a child if they ever chose to do so. [6] "I don't know that people are substituting pets for children but they're certainly viewing pets as their starter children," says Steven Feldman, president of the Human-Animal Bond Research Institute (HABRI). [12]

With family values front and center, young people are changing the way they engage with the pet industry. Like having your child's photo on a mug, pet parents are stamping their furry friend's face on a pair of <u>PupSocks</u>, or keeping tabs on their beloved pooch with baby monitor-like products such as <u>Halo Collar</u>. They're also increasing their expectations for pet-friendly societies, pressuring workplaces, stores and their own housing to become more accommodating of their four-legged companions. "Pet ownership, more than children, is driving the Gen Y purchase of homes, with people seeking more space for their animals," says Feldman. [12]



Why are young Americans delaying parenthood at increasing rates?

Andres Ayrton (2021)

CRAVING IRL CONNECTIONS

Despite being digital natives, Gens Yers and Zers crave human connection just like any other generation. And with Gen Z in particular considered to be one of the loneliest generations – 54% of Gen Zers and 51% of Gen Yers report feeling lonely regularly, much higher than older generations – it's no wonder they're turning to pets to fulfill their desire for companionship. [13] According to 2019 research from HABRI, 85% of respondents agreed that pets reduce loneliness and 76% said that human-pet interactions can help address social isolation. [14]

The pandemic's pet purchasing boom proved this to be true, with 71% of pet parents believing they couldn't have survived 2020 without their pet. [15] While staying home in lockdown, 91% of pet owners also established a stronger bond with their pet and 86% say they feel closer to their pet than ever before. [15] Plus, pets double as social lubricant. "Pets bring people together. They're a good way to meet your neighbors and make cohesive neighborhoods," says Feldman. "Often it's a concentration of young people out with their pets, and that's how they're getting to know each other." [12] It's a sentiment that's backed by the 54% of animal owners who say their pet has helped them connect with other people, and the 72% who believe that human-animal connections are good for their community. [14]

And, while isolation and loneliness are known to worsen mental health, pets do quite the opposite, with 86% of cat and dog owners believing their pets have a positive impact on their wellbeing. [8] "When we're interacting with our pets, science shows that our endorphins, serotonin, dopamine, and oxytocin – the love hormone – increases while our stress hormone decreases," says Feldman. "So that's why even a cat in your lap is associated with better health outcomes." [12] Though pets can't alleviate an anxiety or depression diagnosis, they may provide some relief. Recognizing the power of this reciprocal relationship, brands are moving beyond products and into initiatives that encourage human-animal connections, from Pedigree's <u>Stanley Cup adoption event</u>, or <u>Purina</u> funding research on the human-animal bond.



Petfluencer Mr. Gizmo the Pug has worked with Wimbledon Tennis

Helena Lopes (2021)

THE RISE OF PETFLUENCERS

Driven largely by Gen Y and Z pet parents, there's been a boom in advertising trends for pets to promote everything from cars to collars. [16] Creators who are able to blend their passion for animals and social media have turned their beloved cats, dogs, or even rabbits into social media icons, rivaling the earning power and reach of some leading human creators. Now social feeds are flooded with the likes of <u>Chowder the Bear Dog</u> showcasing his favorite treats, clothes, and pet wellness products, or <u>Nala Cat</u> brandishing her own cat food. Major brands regularly partner with petfluencers like <u>Mr</u>. <u>Gizmo the Pug</u>, who has worked with Wimbledon Tennis, Nissan, and Amazon, and <u>Boobie Billie</u>, whose collaborations include Goldman Sachs and Kellogg's.

Pets are also providing a gateway for everyday animal lovers to become nano petfluencers, sometimes receiving pet products as a perk. One-third of Americans have a separate social media account just for their pet, with 65% of pet owners posting about their fur babies at least twice a week. And the followers are here for it, with one in two people saying their pet gets more attention on social media than they do! [17]

For Gen Y and Z pet enthusiasts, social media helps them connect with like-minded animal lover communities, grow a business, find advice and guidance or just to spark delight through cuteness overload. Plus, petfluencers are opening up a wider view of what's possible when owning a pet. "They show people how a pet could fit into their lives, which, for brands, is a powerful way to get products in front of new audiences," says <u>StreetDog</u> pet content marketer Janine DeVault. "People can see how other pet owners are interacting with the product and how it works." [18]



The Pogo Fund provides emergency pet food assistance

Ivan Babydov (2021)

INSIGHTS AND OPPORTUNITIES

AFFORDABLE PET CARE

Given the importance of animals in people's lives, pet power remains stable even amid an uncertain economy. Yet many pet parents are struggling to care for their beloved four-legged friends – 45% of pet parents would give up eating out for a full year if it means free pet expenses for the same amount of time. [19] Brands can tap into this by providing budget-friendly options that don't compromise on quality. "Rather than focusing on the price point, brands can position themselves in the affordable space by focusing on the longer term: how will this product help your pet live better for longer, save on vet bills and keep your pet fit and healthy?" says DeVault. [18] Gen ersY and Zers, known to shop in alignment with their social values, are also likely to support brands with programs that assist other pet owners in need, such as <u>The</u> Pogo Fund, which provides emergency pet food assistance, or <u>Healthy Pet, Lake Oswego</u>, which holds a pet food drive for the local Federated Native American Tribes of Grand Ronde.

FAMILY BRANDING

Brands can lean into people's perception of their pets as family members and rework their communications and marketing to tap into this new household dynamic – just as <u>Halo Pets</u> did through their funny 'The World's Best Food for the World's Best Kids' campaign, which contrasted bad kid behavior with idyllic pet behavior. The humanization of pets means animal lovers want to provide them with the same quality of life as people, right down to human-grade food like Rachel Ray's <u>Nutrish</u> pet food or <u>Dope Dog</u>'s CBD treats. Brands who don't get on board may pay the price, as was the case during the 2018 sales slump for some of the leading pet food brands whose products weren't catering to the values of the next generation. [20] "Some companies are even starting to provide pet insurance to recruit young talent or 'pawternity' leave to retain employees who have recently acquired a pet," says Dr. Graham, signaling that societal norms are already shifting to become more pet family-friendly, and brands will need to keep up to stay relevant. [7]

WELLBEING FOCUS ON PETS AND THEIR OWNERS

With pets increasingly becoming a form of emotional support and physical companionship for Gen Zers and Yers, brands can cater to the pet-owner dynamic by focusing on well-being. It's a reciprocal relationship, with 78% of animal owners agreeing that the best part of pet parenting is making sure their pet is as healthy as possible. [15] "Gen Yers and Zers are more likely to buy higher quality nutrition and more likely to keep up with their veterinary visits, which is all good for the animals and then translates to better health for people," says Feldman. [12] As 79% of pet parents wish they knew more about their pet's health for preventative care, and 76% would like their pet to have personalized care for their specific needs, education will be just as important as execution. [15] Brands like Petfolks are already tapping into this niche through their omnichannel tech solution to pet care, grounded in Gen Y and Zers' family-centric pet ownership values.

RELATED

SOURCES

- 1. PureWow (January 2023)
- 3. Pet Food Industry (April 2023)
- 5. Green Queen (September 2022)
- 7. Interview with Dr. Taryn Graham conducted by author
- 9. Pet Food Industry (June 2021)
- 11. Fortune (January 2023)
- 13. Refinery29 (October 2021)
- 15. Fox News (February 2021)
- 17. Hepper (April 2023)
- 19. New York Post (April 2023)

- 2. CDC (May 2021)
- 4. Study Finds (May 2022)
- 6. Veterinarians (February 2023)
- 8. HealthDay (March 2023)
- 10. Newsweek (April 2023)

12. Interview with Steven Feldman conducted by author

- 14. HABRI (May 2019)
- 16. The Handbook (January 2023)
- 18. Interview with Janine DeVault conducted by author
- 20. Markets Insider (November 2018)

2023 Canvas8 Limited. All rights reserved. Neither this article nor any part of it may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without the prior permission of Canvas8 Limited.

Want to know more?

Canvas8 are a leading behavioural insight practice. Working across media, communication and product design, we harness a range of research methods to reveal practical insights into what audiences really think and do.

EXPLORE THE PLATFORM

Unrivalled resource of 29,000+ articles on global consumer behaviour, available exclusively to members.

Your account manager:

leah@canvas8.com

BECOME A MEMBER

A Canvas8 membership allows you to continually monitor changes in human behaviour by carefully blending multiple disciplines into a more holistic, living view. Delivered to you in a one platform and designed for businesses that need results from their insights.

Gary Robinson | Group Commercial Director

gary@canvas8.com

BESPOKE SOLUTIONS

From ethnographic research to strategicplanning workshops, we offer a range of solutions tailored to enhance your understanding and inspire creativity.

James Cunningham | Group Head of Strategic Partnerships

iamae@canvae& com

2023 Canvas8 Limited. All rights reserved. Neither this article nor any part of it may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without the prior permission of Canvas8 Limited.