



## Consumers Bypass the Vet for Pet Meds

Medication and wellness products for companion pets purchased from alternative channels, including the Internet, according to latest *Ipsos PetTrends<sup>sm</sup>* research

**July 15, 2004, New York, NY**— Veterinarians are no longer the only source for companion pet medications and wellness products in the U.S., as dog and cat owners are turning to alternative channels, including the Internet, according to new research released by *Ipsos PetTrends*, a syndicated consumer tracking service provided by Ipsos-Insight, Inc.

The research reveals that during the nine months ending March 2004, 27% of medications purchased, including prescription and non-prescription formulations, took place outside of the veterinarian's office. Consumers were more likely to purchase dog medications at the veterinarian's than cat medications (65% of dog medication purchases were made at the veterinarian's office, compared to 57% of cat medication purchases). Alternative channels for pet medication and wellness products include discount stores, pet stores, grocery stores, drug stores, online retailers, and other. The second most popular source for pet purchases were discount stores, which represented 11% of total purchases, followed by pet stores, which represented 9% of purchases.

"The predominance of purchases made at the veterinarian's is not really surprising, given the broad range of diagnoses which may require treatments that are simply not accessible for purchase online or through other channels," says Fariba Zamaniyan, Vice President and spokesperson for *Ipsos PetTrends*. "However, outlets outside of the veterinarian's office are providing convenience and cost efficiencies for the care of companion pets such as dogs and cats."

"Discount stores, pet stores, and even the Internet are enabling the ever-increasingly empowered consumer to make educated decisions. The Internet, in particular, provides a cost-effective means of buying large quantities. This supply encourages adherence to the management of pet health and well-being, which, ironically, is not always the case when it comes to human healthcare."

## Online Purchase Frequency Varies by Ailment Category

Online transactions only represent a small proportion of consumer spending for companion pet medications, accounting for just 2% of all purchases made for cat or dog treatments. However, this market share fluctuates according to ailment type. Consumers who made online purchases of pet medications or wellness products were most likely to buy treatments for external parasites (35% of online purchases), heartworm (17%), and arthritis and pain (16%). Purchasing for these three ailments is twice the rate of fulfillment for these same conditions at the vet's office (35%).

Treatments for external parasites represented 21% of all wellness and medication products purchased across all channels, but only 13% of product sales from veterinarians. In fact, fulfillment of medications for the control of external parasites—which include fleas, ticks and mites—is more prevalent online than offline. Four percent of consumer fulfillment for this category took place online during the nine months ending March 2004.

## Consumers More Likely to Purchase Products for Dogs Online than for Cats

The Internet may very well be a dog owner's best friend, particularly when it comes to external parasite treatment. A substantial majority (85%) of the total online purchases for wellness products and medications are made for dogs. The leading ailment remedy purchased via Internet sites is external parasite medications, which, overall, account for one in four online purchases made for dogs.

Frontline—a topical remedy for the prevention of fleas, ticks, or mites for dogs and cats—is the product purchased most often, capturing 17% of the online purchases. In contrast, Frontline is only purchased half as often through a veterinarian (6%).



## Online Purchase of Some Pet Medications Seasonal

Currently, we are in the thick of the external parasite season, which begins in the late spring in the U.S. and lasts through the summer. According to *Ipsos PetTrends* tracking, online purchasing for flea, tick, and mite control fluctuates according to seasonal and promotional executions. Online fulfillment of external parasite medications reached peaks in July 2003 (6% of online pet wellness and medication purchases) and December 2003 (8%). The interval between peaks represents adherence to dog or cat treatment plans that may require replenishment every six months.

“The internet is a milestone in human discovery. This medium plays a dual role in educating the population and providing direct access to the products and services researched. When it comes to healthcare particularly for pets, consumers are empowered to seek information and make purchases for various ailments that prevail among dogs and cats. Although the current market share of online purchasing is small today, the expectation is high for continued growth in consumer fulfillment via this medium,” said Ms. Zamaniyan.

### Share of Purchases by Channel

Channel	Total Purchases	Purchases for Dogs	Purchases for Cats	Purchases for Flea, Tick, and Mite Ailments
Veterinarian	63%	65%	57%	40%
Discount Store	11%	10%	14%	22%
Pet Store	9%	8%	10%	15%
Grocery Store	6%	6%	8%	11%
Drug Store	4%	4%	5%	2%
Online	2%	3%	1%	4%
Other	5%	5%	5%	6%

Source: Ipsos Pet Trends, January 2004-March 2004  
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### Share of Purchases by Ailment Category

Channel	Total Purchases	Purchased from Veterinarian	Purchased Online
External Parasites (fleas, ticks, mites)	21%	13%	35%
Heartworm	10%	14%	17%
Arthritis & Pain	8%	8%	16%
Skin & Coat	5%	3%	5%
Dental	2%	2%	2%
Ear Conditions	6%	7%	1%
Allergies	3%	3%	1%
Antibiotics	5%	7%	1%
Gastrointestinal (non-parasite)	4%	4%	1%
Urinary Tract	3%	4%	0%
Deworming	3%	2%	1%
All Other	30%	33%	20%

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For more information on Ipsos PetTrends, visit the webpage at: <http://www.ipsos-insight.com/health/publications/petTrends/index.cfm>

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