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Pet dog businesses are popping up in New York City – and pet owners are getting into the groove. Is it the beginning of a boom?

The pet business market in the U.S. has outgrown treats and toys. Luxury goods and services aimed at dogs, which are treated as members of the family, continue to expand. In New York, businesses providing slightly luxurious services to humans, using dogs as the hook, have been appearing one after another. From parties you can attend with your dog to fine art auctions, entrepreneurs are racking their brains to think of something that will amuse pet owners – and loosen their purse strings.

There are 43.5 million dog-owning households in the U.S., and according to the American Pet Product Manufacturers Association (APPMA), the estimated expenditure on pets in 2006 will be \$38.4 billion.

One day in early April at The Barking Dog, a restaurant in midtown Manhattan, men and women arrive one after another with their dogs in tow. It's a networking event for "Leashes & Lovers," which makes opportunities for dog owners to meet. On this day 45 people, mostly in their 20s and 30s, took part. 80% of them come alone, and the male to female ratio is 30/70.

Most conversations start with "What is your dog's name?" Unlimited wine and snacks are included in the \$40 participation fee. People talk, holding their glasses in one hand, leashes on the other, and after a short time the subject shifts to the humans.

"I feel bad leaving my dog at home, so I end up not really wanting to go out," said Blanca Mareno. "It's great news for dog lovers that these social events exist." Dan, who came with Samantha, a five-year-old German shepherd who works as a drug-sniffer at the airport, says that "meeting new people every time is fun."

Sheryl Matthys explains how she differentiates Leashes & Lovers from the more casual gatherings at dog runs. "We want to create a slightly sexy gathering for cosmopolitan people." The club, jointly conceived by former TV reporter Matthys and Michelle Kennedy, who used to work arranging singles parties, already has 4,500 members. In the spring there is a black-tie cocktail party, and in the summer they throw a pool party. They've set up a personals area on their website for people seeking friends or significant others.

In 2005, 20 million people took trips with their pets. Of these, 80% were traveling with dogs. (AAPMA)

Blue Sky Dogs is a travel services company that's fixed its sights on the pet travel boom. Tammy McCarley, the founder of the company, enjoys traveling with her dog. Drawing on her own experience and networking through friends and acquaintances, she plans trips, gives directions, and makes reservations at her extensive list of dog-friendly hotels and travel spots. The planning fee for a day trip is \$85, a weekend is \$125, and a week costs \$200.

One of her clients, Gene Newman, visited a resort in Pennsylvania's Pocono Mountains last summer with his 2-year-old golden retriever. "It's more difficult than you'd think to find a hotel or tourist spot that will allow you to bring your dog," he said. "Someone who acts as an information clearinghouse is a valuable resource."

In 2005 the largest average expense per pet dog, at \$574, is on surgery. Grooming is in fifth place, at \$107 per year. (AAPMA)

Barkin' Arts NYC, a non-profit arts organization, aims to set up a gallery where pet owners can stop by with their dogs on a whim. In June they collected modern art representations of dogs for a fundraiser auction. More than 200 art/dog lovers came to bid on them.

Thirteen modern artists had work in the show, including William Wegman, whose costumed and posed Weimaraners made him famous. Artist Valerie White, whose oil portrait of a black Chihuahua was also in the auction, says that "as interest in dogs increases, the number of people starting collections of dog art is also growing."

Old Navy, an American clothing store and subsidiary of Gap, Inc., ran an unusual two month marketing campaign starting at the end of April: "Is your dog mascot mutt-erial?" Going along with the chain's canine mascot, Magic's, retirement, the campaign was a contest to become the new "spokesdog" of Old Navy.

A two-year-old mutt named Paco was the winner. He was abandoned as a pup, rescued, and adopted from a shelter by the Ruspoli, a Venice Beach, CA couple. Starting in the new fall season, Paco will be the new face of Old Navy, starring in TV commercials, magazine ads, etc.

More than 120,000 besotted "parents" from all over the country, believing their baby to be the world's cutest, responded over the course of the campaign. Aside from a personality profile and photograph of their pet, they also handed over personal information that one would usually hesitate to share – their name, address, age, etc. – to the retailer. Old Navy is free to use the information as it chooses in the future. Retailers have begun to realize that the love of their dogs is an unexpectedly effective key to their customers' hearts – and wallets.

– Maho Kawachi, New York