



2024: The cost-of-living crisis continues to have an impact on US veterinarians and pet owners



Tanya Michelsen | tanya.michelsen@kynetec.com

As Senior Research Director at Kynetec, Tanya is responsible for enhancing our animal health and nutrition client offerings through invaluable data and market research, spanning from bespoke Customer Insights initiatives to multi-client market trackers, including our biannual multi-country veterinary and pet owner Cost-of-Living tracker, where we survey 400 pet owners and 100 small animal veterinarians per country.

Prior to joining Kynetec in 2019, Tanya worked at Ipsos, and following that YouthSight, conducting international quantitative and qualitative research. Tanya regularly contributes to thought leadership through articles, white papers and presentations at client events and industry conferences.

Key Takeways



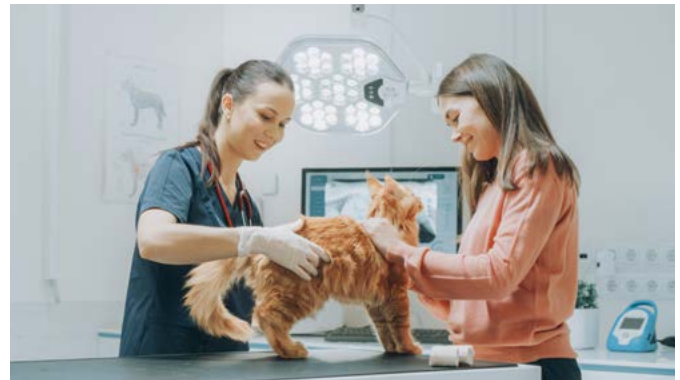
- Cost-of-living increases continue to concern most veterinarians and pet owners in the US.
- US veterinarians look to be doing worse off, making cutbacks to their personal expenditure and looking for ways to maximise their income.
- Despite prominent financial concern, and slowly increasing stress levels, we find that job satisfaction among US veterinarians is rising.
- US veterinarians continue to report increases in product/service prices. Petcare costs, and rising vet bills, continue to be noticed by pet owners and impacting preventative health and treatment of conditions.
- US pet owners are more likely than pet owners in other countries to state that they did not visit their vet in the past 12 months due to it becoming too costly.



Four key themes



1 NEW COPING STRATEGIES



2 VETERINARY PROFESSION LOYALTY



3 PET OWNERS CHANGING BEHAVIOURS



4 (UN)AFFORDABILITY OF CARE

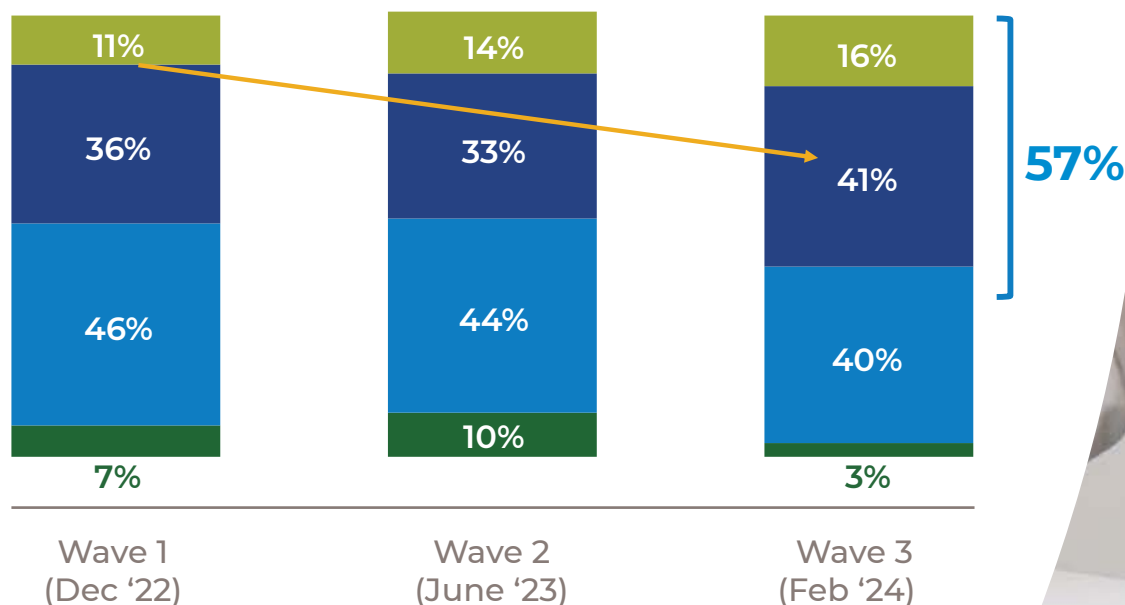
New coping strategies

Over the last few years, small animal veterinarians have experienced a whirlwind of personal and professional pressures.

The financial climate, and the impact on pet health, pricing and clinic finances, is yet another challenge they are having to face. The knock-on effect is that these pressures are negatively impacting veterinarians personally. Our latest Cost-of-Living tracker, which tracks how veterinarians, clinics and pet owners across 6 countries are responding to the cost-of-living crisis, shows that over half of small animal veterinarians in the US are worried about keeping up with the increases in the cost-of-living. Their level of concern has increased over the past 18 months.

% level of worry over cost-of-living

Veterinarians - USA



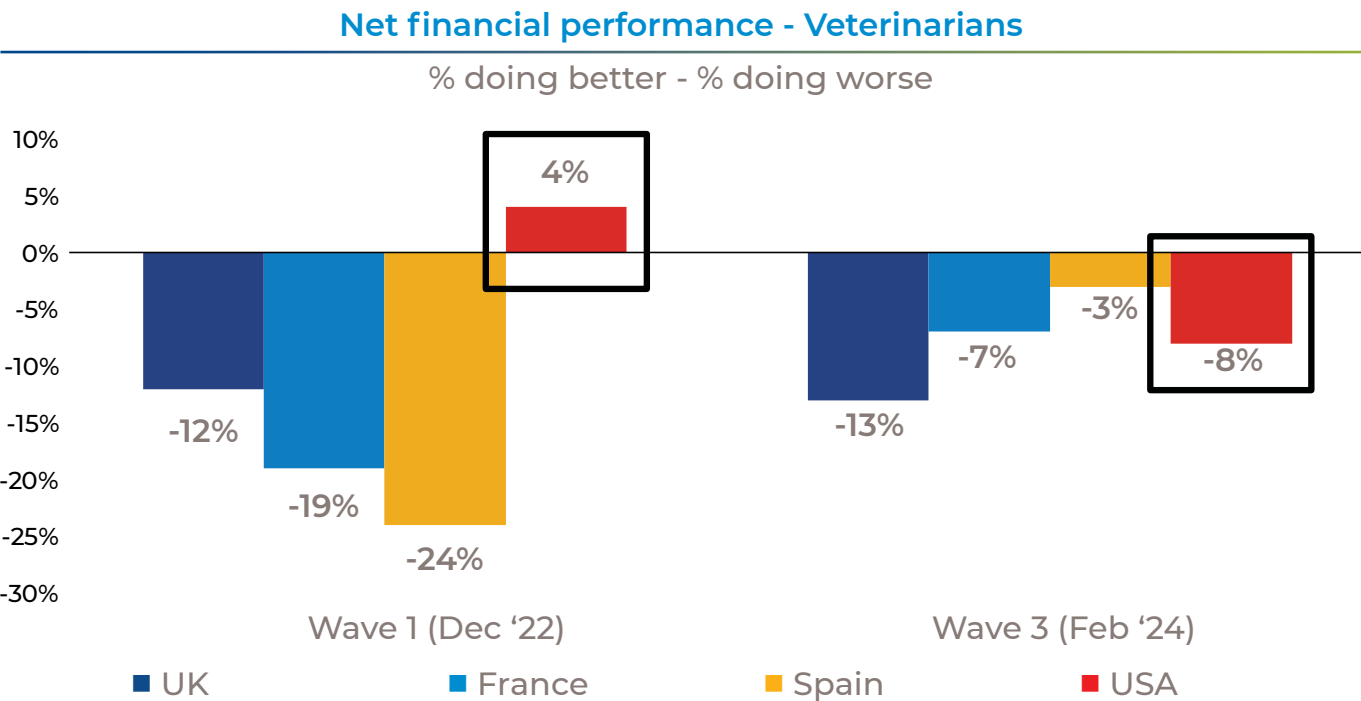
- I am very worried, and struggling to keep up
- I am a little concerned, but think I am just about managing
- I am conscious of the situation, but not yet struggling
- I am not that worried and have no financial concerns because of increases in the cost-of-living

Question: Thinking about your own personal circumstance, how much of a worry is keeping up with increases in the cost of living that we are all experiencing at the moment?



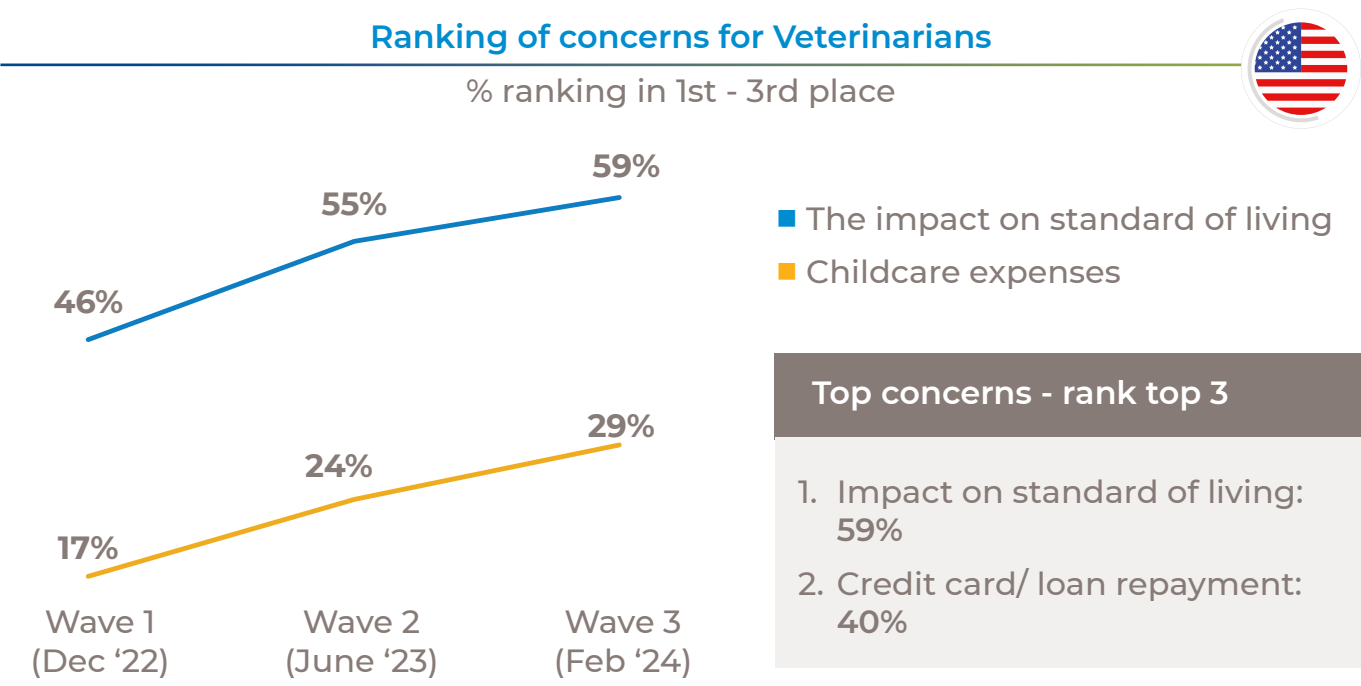
NEW COPING STRATEGIES

Regarding personal finances, we asked veterinarians in the US if they are doing better or worse than the previous year. For the first time in 18 months, the number of veterinarians that state they are financially worse off now outweighs those doing better.



Question: The current financial climate has affected different people in different ways. Compared to last year, would you say...

With an increase in worsening personal finances, veterinarians reported that they are increasingly concerned about their standard of living and childcare expenses. The cost-of-living impact on standard of living now sits within the top 3 worries felt by small animal veterinarians in the US, followed by credit card/loan repayments.

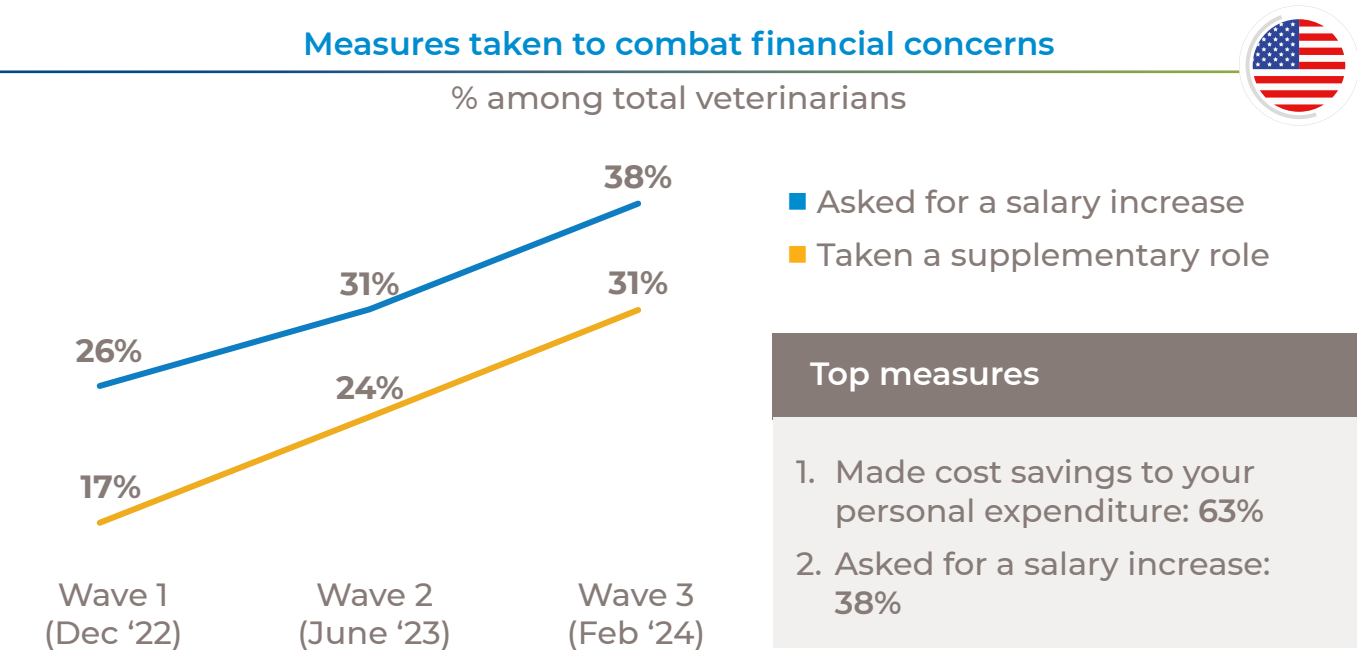


Question: Thinking about the things that might worry you regarding increases in the cost of living, please rank each of the following according to what you are most concerned about?



NEW COPING STRATEGIES

To combat increasing cost-of-living pressures, US veterinarians are looking for ways to increase their income. Since we started tracking the impact of the cost-of-living crisis back in December 2022, we have asked veterinarians what measures they have implemented to combat financial concerns. Overtime, more US veterinarians have asked for a salary increase from their employers. There has also been an increase in the number of US veterinarians taking on supplementary jobs – a trend that’s specific to the US.

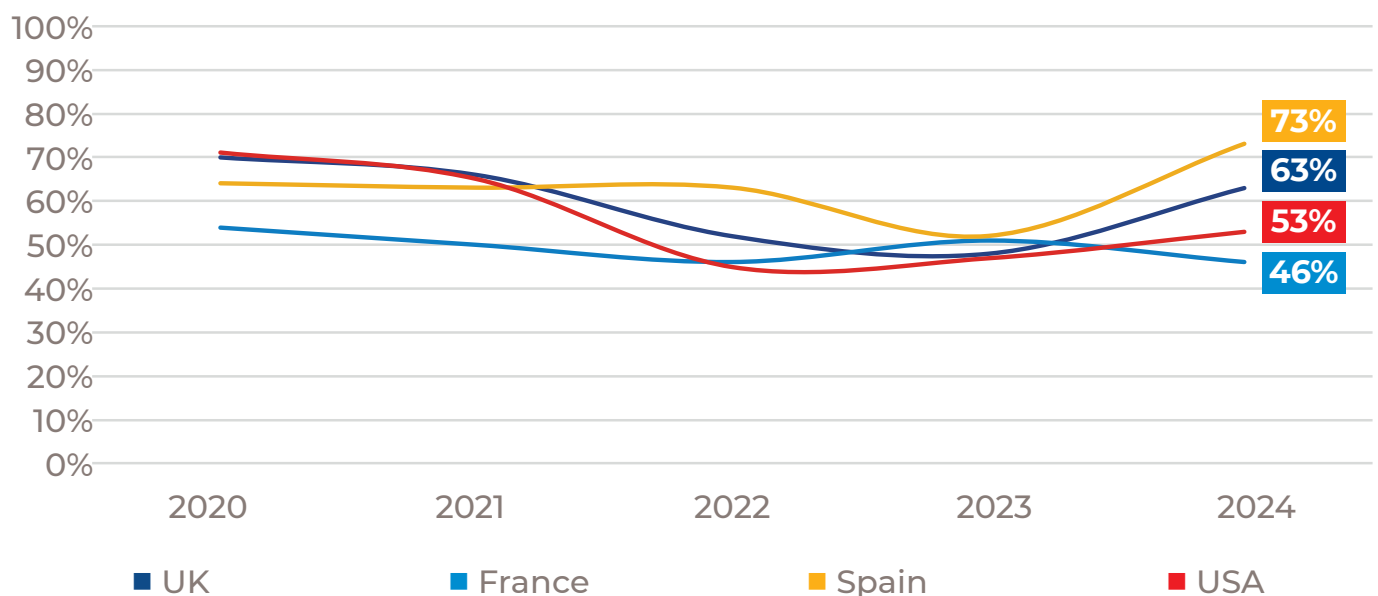


Veterinary profession loyalty

We've been tracking the levels of stress felt among veterinarians across 8+ countries for more than 10 years. We did so throughout the Covid-19 pandemic and continued during the newest crisis: Cost-of-Living.

Stress levels were at their highest during the Covid-19 pandemic. They declined post-Covid, for around 2 years, and are now on the rise again. Stress levels are particularly high amongst veterinarians in Spain, followed by the UK and then to a lesser extent in the US.

% veterinarians who are quite/very stressed

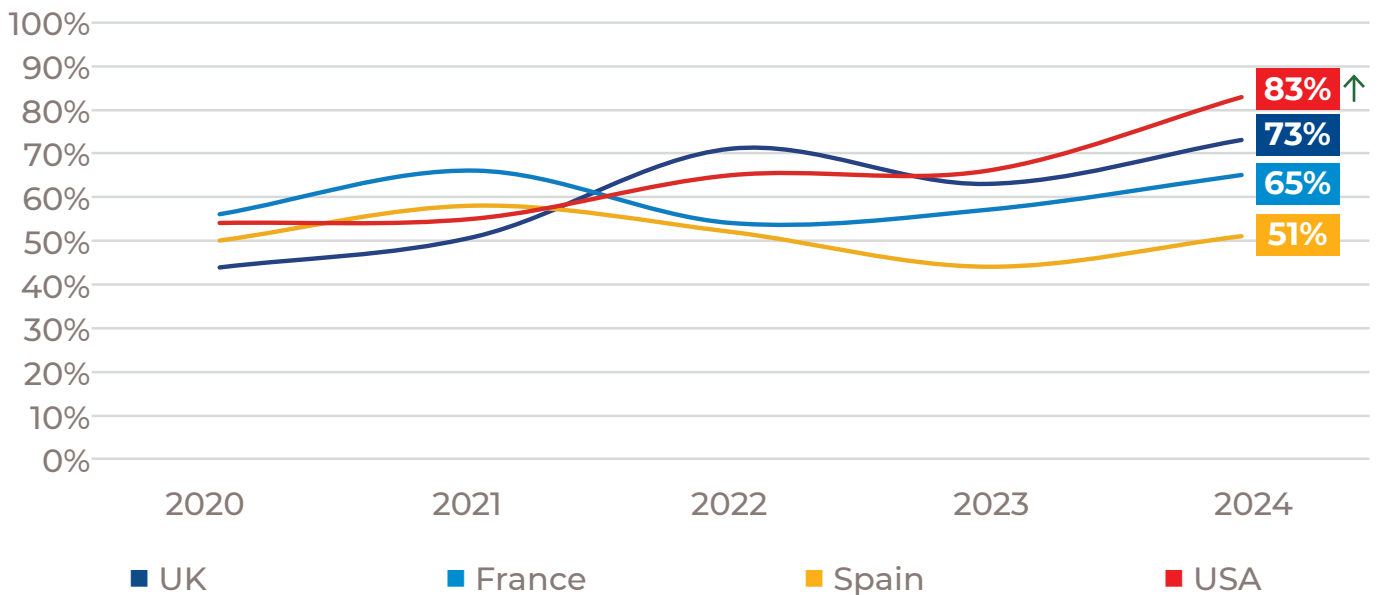


Question: How stressed are you compared with this time last year?



Despite prominent financial concern and slowly increasing stress levels, we find that job satisfaction is rising. Job satisfaction recovered well post-Covid and has continued to increase. Since 2023, small animal veterinarians in the US have been more satisfied than those across any other country tracked. Our latest 2024 data shows that job satisfaction has significantly increased in the US and remains higher than all other EU countries tracked.

% veterinarians who are quite/very satisfied



↑ Significant change vs previous wave

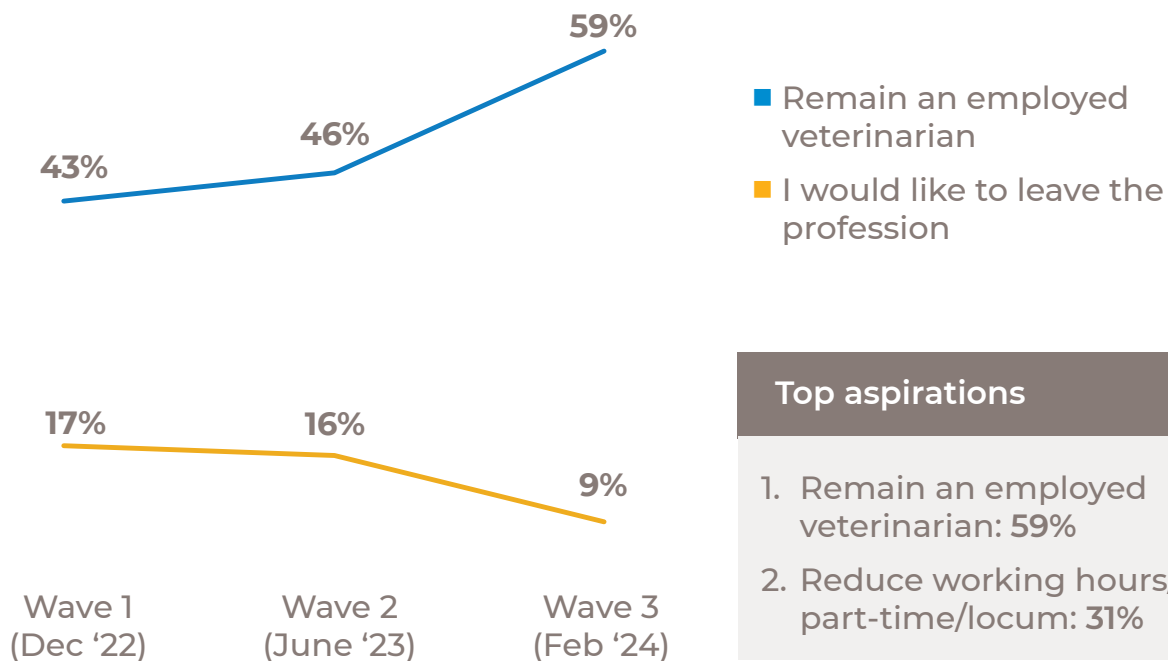
Question: How satisfied are you with your job compared to this time last year?

Despite prominent financial concern and slowly increasing stress levels, we find that job satisfaction is rising



The impact on increasing job satisfaction among US veterinarians reflects positively in their future career intentions. Since December 2022, when we began tracking long-term career aspirations, we have seen an increasing number of US veterinarians state that their long-term career aspirations are to remain an employed veterinarian, an intention that is higher in the US than in other EU countries tracked.

Long term career aspirations - Veterinarians



Question: What are your long-term career aspirations?

What does this tell us?

Despite rising personal and professional pressures, the commitment of US small animal veterinarians to their profession clearly remains unwaivered.



Pet owner changing behaviours

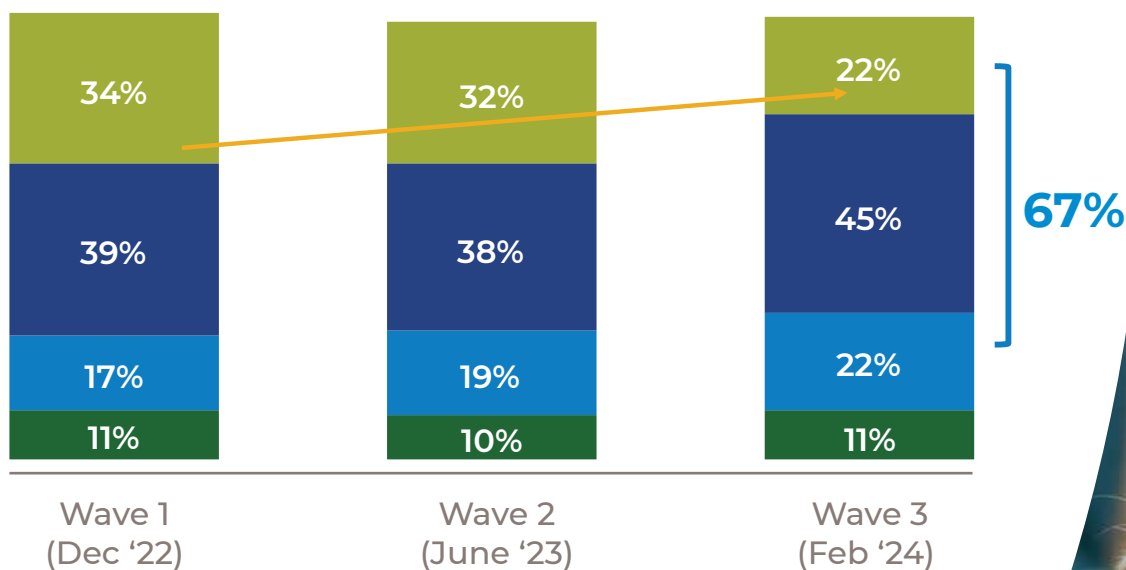
Whilst among US veterinarians concerns are on the rise; we see a different picture among US pet owners.

Since December 2022 we have tracked cat and dog owners' perspective of the cost-of-living crisis. We have seen a steady decline in the number of pet owners stating that they are very worried and struggling to keep up with the crisis – from 1 in 3 in 2022, to 1 in 5 in 2024. Yet, like veterinarians, most US pet owners continue to be worried about keeping up with the increases in cost-of-living.

% level of worry over cost-of-living

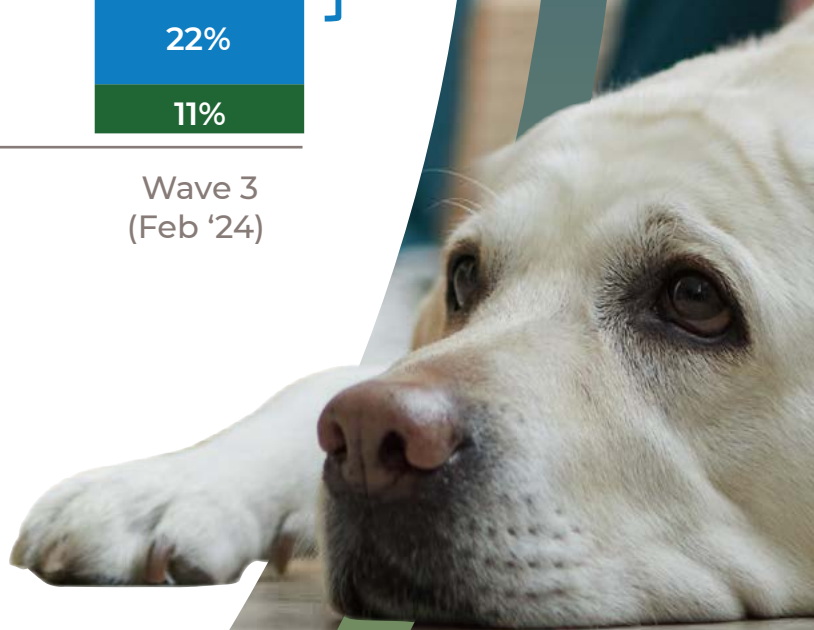


US Pet Owners



- I am very worried, and struggling to keep up
- I am a little concerned, but think I am just about managing
- I am conscious of the situation, but not yet struggling
- I am not that worried and have no financial concerns because of increases in the cost-of-living

Question: Thinking about your own personal circumstance, how much of a worry is keeping up with increases in the cost-of-living that we are all experiencing at the moment?

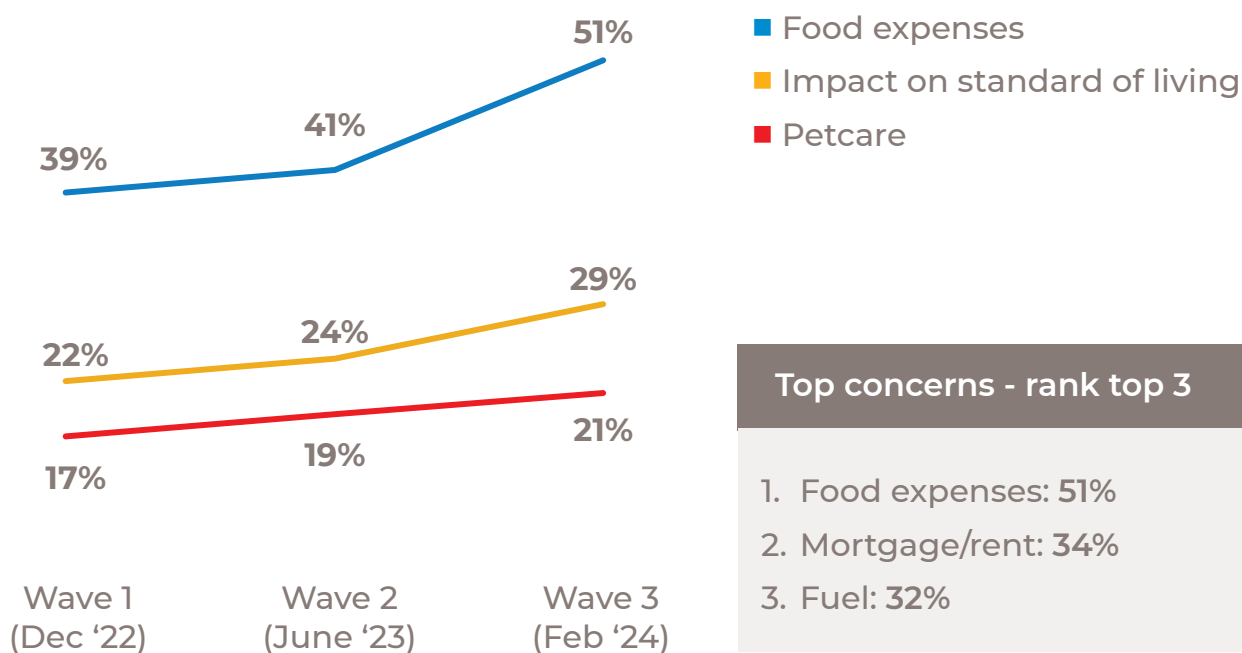


PET OWNER CHANGING BEHAVIOURS

Pet owners have been forced to make changes to their personal livelihood, including pet care. The cost of food continues to be the main worry for US pet owners, and this has significantly increased over the past 18 months. Since wave 1 of our tracker (December 2022) the impact on standard of living has been increasing. Currently just under 1 in 3 US pet owners are concerned about the cost-of-living crisis impact on their standard of living.

Ranking of concerns for pet owners

% rating in 1st – 3rd place



Top concerns - rank top 3

1. Food expenses: 51%
2. Mortgage/rent: 34%
3. Fuel: 32%





Question: Regarding increases in the cost-of-living, please rank each of the following expenses according to what worries you the most.

As a means to manage their personal finances, an increasing number of US pet owners are applying for government benefits, using food banks and making cutbacks to their personal spend around entertainment and holidays. In addition, an increasing number of US pet owners have made cutbacks to pet care costs. These changes show that lessening concern does not (yet) look to have reduced behaviour change.

Focusing on the impact on pet care, since December 2022 we have been tracking the changes pet owners are making to pet care – from pet food, health care, routines to insurance. On average, US pet owners have made around 2 changes to pet care as a direct result of financial pressures. In comparison, veterinarians have noticed up to 10 pet care changes among the pet owners that they see in their clinics. Interestingly, compared to other countries tracked, the average number of reported changes adopted are second highest in the US among both pet owners and veterinarians.

Pet care changes continue to be noted - Wave 3 (Feb 24)

Average number of changes made (pet owners)
/ Average reported changes (veterinarians)

| |  UK |  France |  Spain |  USA |
|--|---|--|--|--|
| Cost saving measures reported by pet owners | 1.5 | 1.4 | 1.9 | 1.8 |
| Cost saving measures noticed by veterinarians | 10 | 7.3 | 7.4 | 9.7 |

Question:

Pet owners: Which of the following have you implemented over the past year due to financial worries?

Veterinarians: Now thinking about your clients and the current financial climate, which of the following cost saving measures have you noticed your clients doing?

Unsurprisingly, there is a link between concern felt and the changes pet owners state they make to their pet care routines. So, as long as concern is there (at any intensity), we can expect behaviour change to continue.

What does this tell us?

Despite lessening (or even normalising) worry, US pet owners continue to make changes to their personal expenditure - including pet care. The question is, will these changes remain?



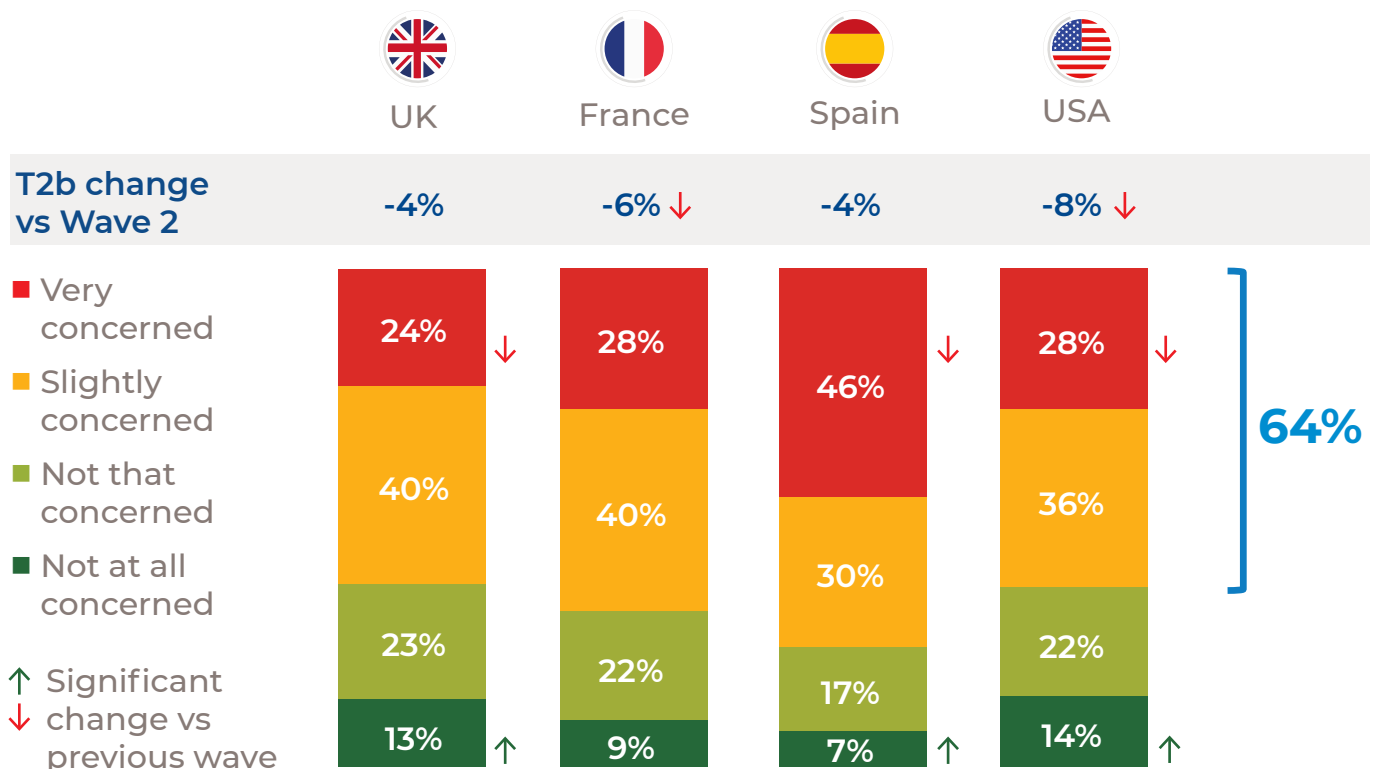
(Un)Affordability of care

The cost of veterinary care has been a key focus area in our Cost-of-Living tracker. And rightly so.

The majority of US pet owners continue to be concerned about their ability to pay for veterinary treatment if their pet needed it. And whilst the number of pet owners stating they are 'very concerned' has decreased, this worry is still prominent.

Concern over ability to pay for veterinary treatment

All pet owners, by country




Question: Supposing your pet needed veterinary treatment, how concerned would you be about being able to pay for their treatment?



One area of concern is the rising costs of visiting a veterinary clinic. A recent study by the Acosta Group showed that 80% of US pet owners have noticed vet care prices increase. Our data confirms this. We asked veterinarians to tell us how costs of products and services purchased within their practices have changed over 12 months. Nearly all US veterinarians state that costs from suppliers have increased across medications/pharmaceutical, pet food, diagnostic testing, surgical equipment and pet products, which together with rising energy prices have made even the basic costs of running a business significantly higher than they were a year ago.

Compared to this time last year, how has the current financial climate impacted the cost of products and services that you buy from your suppliers?

| Net summary % saying prices have decreased subtracted from those who say prices have increased |  USA |
|--|--|
| Medications/ pharmaceutical products | 94% |
| Energy prices | 86% |
| Pet food | 88% |
| Diagnostic testing (glucose levels, T4, etc) | 93% |
| Surgical instruments/ renewables/ consumables | 82% |
| Diagnostic equipment | 81% |
| Pet toys/ pet products, e.g. leads etc | 57% |
| Pet cremation services | 63% |
| PPE | 62% |
| Service charges for practice management systems | 61% |
| Microchipping equipment/ services | 50% |
| Internet services | 62% |

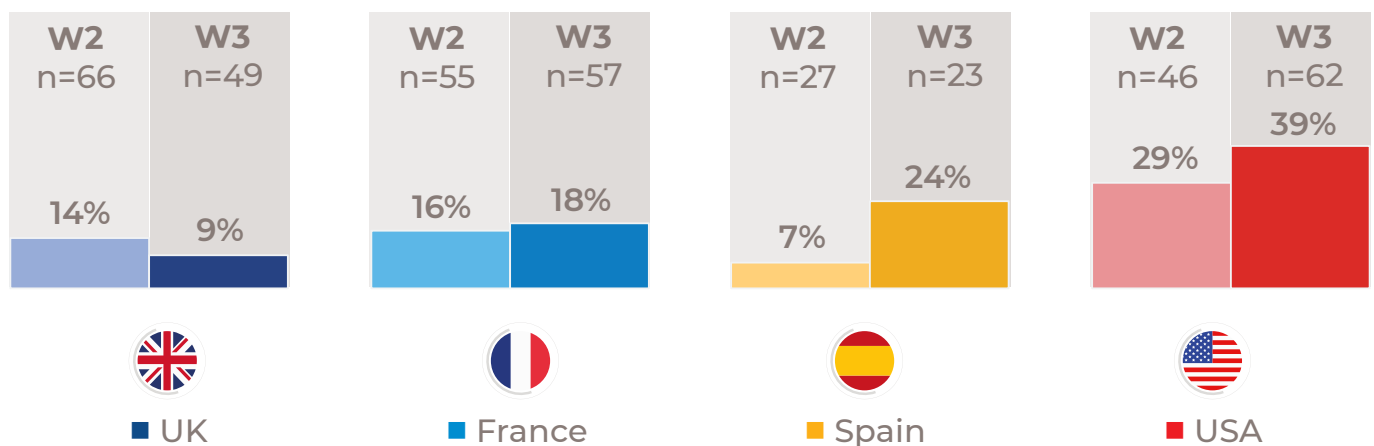


80%
of US pet
owners have
noticed vet care
price increases

One behaviour, noted by 70% of US veterinarians, is a decline in pet owners visiting their clinics. This is significantly higher than a year ago (62%). What's more, US pet owners are more likely than pet owners in other countries tracked to state that they did not visit their vet in the past 12 months due to it becoming too costly. 1 in 3 US pet owners who did not visit their vet state this is the main reason vs less than 1 in 10 in the UK for example.

Reasons for not visiting vet in last 12 months

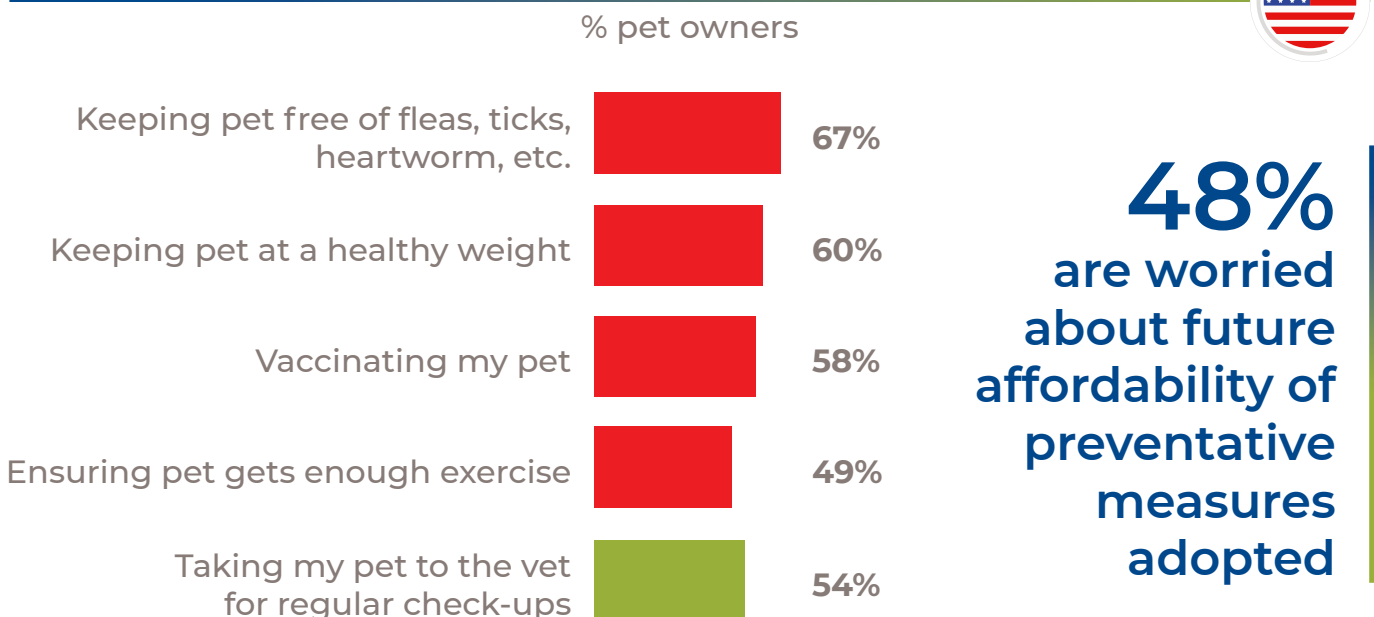
"It has become too costly"



Question: Why did you not visit your vet in the last 12 months with your pet? (among those who did not visit their vet in the past 12 months)

Another area under pressure is preventative care. Half of US pet owners are worried about the affordability of the preventative measures they currently adopt. No surprise that it is veterinary check-ups that are rated top in terms of worry.

Preventative measures adopted for pet health



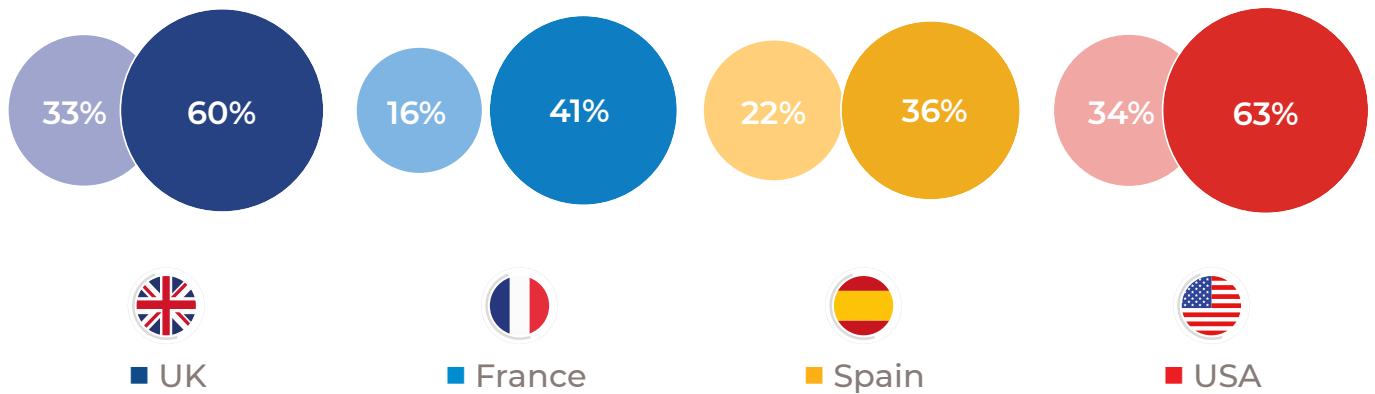
Question: Which of the following preventative measures are you taking towards the health of your pet?

Which of the following preventative measures are you worried you won't be able to afford in the future?

Cost-of living impact extends to treatment of conditions. Our latest tracking data shows that 63% of US veterinarians have noticed some pet owners delaying treatment for a chronic condition. Only 5% state they have not noticed any pet owners delaying treatment for any health condition – acute or chronic.

Cost saving measures

% vets noticing ANY of their clients...



Lightest colour = Spacing out treatment for a medical condition

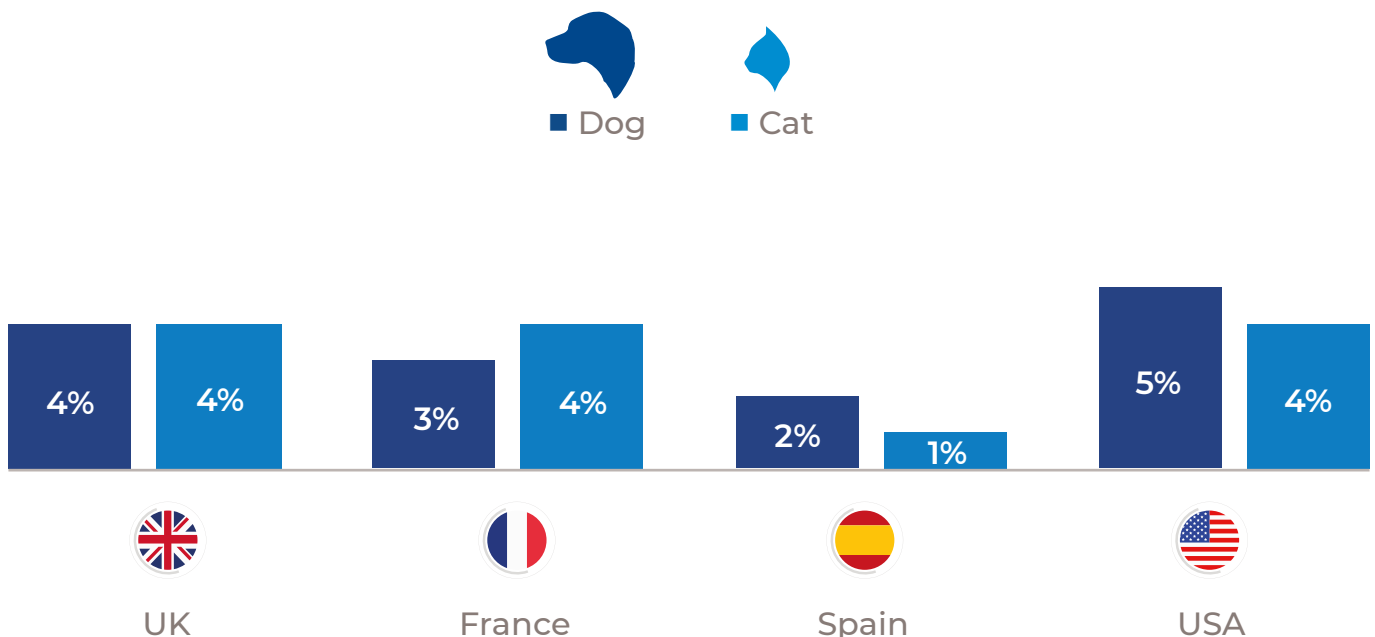
Darkest colour = Delaying treatment for a chronic condition

NB: percentages refer to the % of vets who have noticed this behaviour in ANY of their clients, not the % of clients undertaking the behaviour

Question: Now thinking about your clients and the current financial climate, which of the following cost saving measures have you noticed your clients doing?

% veterinarians NOT NOTICED owners of DOGS / CATS delaying or stopping treatment

% vets noticing ANY of their clients...

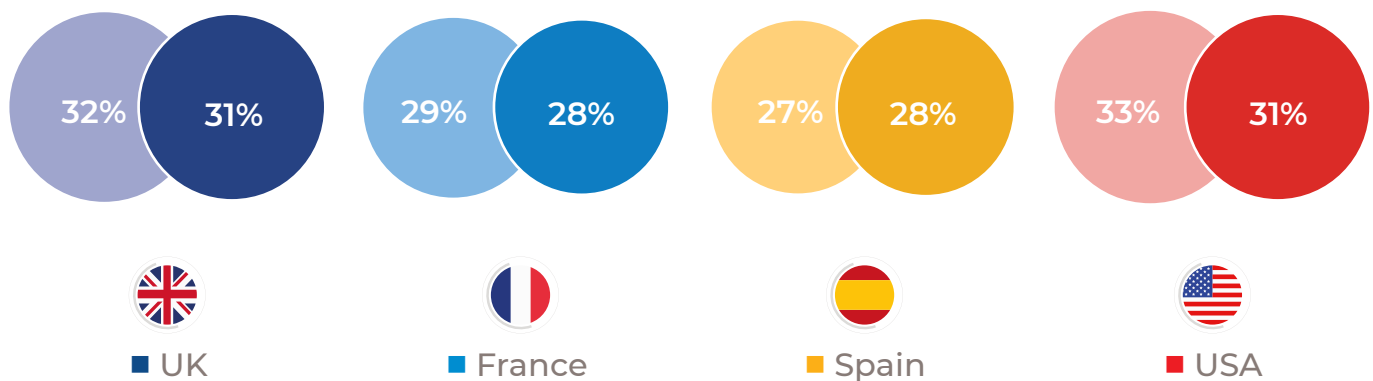


Question: Which, if any, of the following health conditions/issues have you noticed your clients either delay or stop treatment for due to financial reasons?

Changes also extend to therapeutic diets. Three quarters of US veterinarians report switching of therapeutic diets – where they report that pet owners are either switching away from therapeutic to a cheaper alternative or switching out of therapeutic altogether. The impact of these choices is felt on practice finances – nutrition sales are in decline.

% who have changed pet food brands

Pet owners in last 6 months



Lightest colour = June 23

Darkest colour = March 24

Reasons for switching



1. Deals promotion: 23% ↑
2. The brand I used to buy increased price 21% ↑



What does this tell us?

Pet owners are having to make hard choices, and veterinarians are in the front line. Despite all these challenges, veterinarians are proactive. Nearly all do offer solutions when pet owners cannot pay their veterinary bills. Veterinarians in the US are most likely to offer cheaper alternative treatments when clients can't pay bills, and pet owners in the US have highest propensity to request this too.



Cost-of-Living Tracker

Our biannual Cost-of-Living tracker, first launched in December 2022, tracks the impact and evolution of the crisis on veterinarians and pet owners

The 4 themes presented in this white paper are just an extract of what the full report includes.

Veterinary topics covered:

- Impact on clinical operations & pricing
- Impact on recommendations and prescriptions
- Changes to pet owner behaviour
- Cost saving measures vets have noticed
- Strategies vets use when pet owners can't pay
- Personal impact of the cost of living crisis: personal finances, wellbeing etc.
- Professional impact of the cost of living crisis: job satisfaction, salary vs inflation, future of veterinary careers etc.
- Full analysis of supplier response to the crisis
- Deep dive into Pharma or nutrition categories: Change in frequency, channel, brands, format, switching etc.
- And more...

Pet owner topics covered:

- Level of affordability: personal vs pet care spend
- Changes to frequency and type of vet visits
- Drivers of vet visits during the cost of living crisis
- Changes to pet care to deal with financial worries
- Changes to daily life to deal with financial worries
- Monthly pet care spend and how this has changed over time
- Discussion over finances with vets
- Deep dive into Pharma or nutrition categories: Change in frequency, channel, brands, format, switching etc.
- Impact of human/animal bond
- And more...



6

Key Countries

Additional markets available upon request



c.400

Pet Owners

per country,
per wave



c.100

Small Animal Veterinarians

per country,
per wave

SUBSCRIBE TO OUR COST-OF-LIVING TRACKER

For more information about the
2024 Cost-of-Living tracker,
to purchase the full report or subscribe to
future waves [click here](#) or email

tanya.michelsen@kynetec.com

Kynetec's gold standard data and analytics, unmatched expertise, and unrivalled market access to farmers is transforming the agricultural sector.

With decades of global experience, we are committed to helping businesses, organizations, and governments make data-driven decisions that drive growth and sustainability.

info@kynetec.com

kynetec.com/animal-health

[in linkedin.com/company/kynetec](https://in.linkedin.com/company/kynetec)

kynetec.com

MEMBERS OF

ESOMAR²³
Corporate


insights
ASSOCIATION

 Fair
Data™

 MRS Evidence
Matters™
Company Partner