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Spending on Pets: "Tails" from the Consumer Expenditure Survey

Abstract

Nearly three-quarters of U.S. households own pets. There are about 218 million pets in the United States, not counting several million fish. Pet ownership crosses many demographic boundaries, with Americans of different ages and levels of wealth reporting spending on pets. Further, Americans spend a substantial amount of money on the care and feeding of their animals. Americans spent approximately \$61.4 billion in total on their pets in 2011. On average, each U.S. household spent just over \$500 on pets. This amounts to about 1 percent of total spending per year for the average household.

Using information collected in the U.S. Bureau of Labor Statistics (BLS) Consumer Expenditure (CE) Diary and Interview Surveys from 2007 to 2011, this article looks at the trends in spending by household or consumer unit, and examines which groups spent the most and the least on pets.

Keywords

household pets, spending, Consumer Expenditure Survey

Comments

Suggested Citation

Henderson, S. (2013). Spending on pets: "Tails" from the Consumer Expenditure Survey. *Beyond the Numbers*, 2(16). Washington, DC: Bureau of Labor Statistics.



Spending on pets: “Tails” from the Consumer Expenditure Survey

Author: Steven Henderson

Nearly three-quarters of U.S. households own pets.¹ There are about 218 million pets in the United States, not counting several million fish.² Pet ownership crosses many demographic boundaries, with Americans of different ages and levels of wealth reporting spending on pets. Further, Americans spend a substantial amount of money on the care and feeding of their animals. Americans spent approximately \$61.4 billion in total on their pets in 2011. On average, each U.S. household spent just over \$500 on pets. This amounts to about 1 percent of total spending per year for the average household.

Using information collected in the U.S. Bureau of Labor Statistics (BLS) Consumer Expenditure (CE) Diary and Interview Surveys from 2007 to 2011, this article looks at the trends in spending by household or consumer unit, and examines which groups spent the most and the least on pets.³

Related articles

More articles and information related to consumer expenditures are available online at the following links:

- “Expenditures of urban and rural households in 2011,” *Beyond the Numbers*, <http://www.bls.gov/opub/btn/volume-2/expenditures-of-urban-and-rural-households-in-2011.htm>.
- “Consumer Expenditure Survey (CE) New Midyear Data Tables,” <http://www.bls.gov/cex/tables.htm#midyear>.

Expenditures on pets include pet food, pet purchases, supplies and medicine, pet services, and veterinarian services.⁴ BLS data show the following:

- In 2011, households spent more on their pets annually than they spent on alcohol (\$456), residential landline phone bills (\$381), or men and boys clothing (\$404).
- Average household spending on pet food alone was \$183 in 2011. This was more than the amount spent on candy (\$87), bread (\$107), chicken (\$124), cereal (\$175), or reading materials (\$115).
- Even when spending at restaurants dropped during the recent recession (December 2007–June 2009), spending on pet food stayed constant. (See chart 1.)
- In 2011, one-sixth of U.S. households purchased pet food each week, based on entries in the CE Diary.⁵

- Married couples without children living at home spent the most on their pets.
- Homeowners spent almost three times as much on pets as renters did.

Spending on pets 2007–2011

Despite the difficult economic conditions brought on by the recession, families continued to spend consistently on their pets between 2007 and 2011. Although the amount that households spent on pets varied from year to year, the share of household spending on pets stayed relatively constant, within a narrow range of 0.9 to 1.1 percent of total spending. Table 1 shows the average annual expenditures per household on total spending and the subcomponents of pet costs, as well as the variances and the percent of the sample reporting types of expenditures.⁶

Table 1

Average annual expenditures, variances, and percent reporting for pets, 2007–2011

Item	2007	2008	2009	2010	2011
Total spending					
Mean	\$49,638	\$50,486	\$49,067	\$48,109	\$49,705
Total spending on pets					
Mean	\$430.80	\$570.88	\$542.85	\$480.09	\$502.05
Relative share of total spending	0.9%	1.1%	1.1%	1.0%	1.0%
Pet Food					
Mean	\$146.88	\$163.13	\$168.92	\$165.20	\$182.75
Variance	5.3%	6.3%	4.5%	5.5%	5.3%
Percent reporting ¹	17.0%	17.7%	17.7%	16.6%	16.8%
Pet purchase, supplies, medicine					
Mean	\$139.06	\$164.01	\$165.83	\$162.51	\$140.90
Variance	3.9%	4.7%	4.5%	3.4%	4.5%
Percent reporting ²	25.8%	28.4%	28.3%	27.9%	25.2%
Pet services					
Mean	\$31.68	\$36.77	\$43.36	\$38.87	\$35.72
Variance	9.6%	7.4%	2.6%	7.5%	7.7%
Percent reporting ²	5.2%	6.0%	6.1%	6.2%	6.1%
Veterinarian services					
Mean	\$113.18	\$206.96	\$164.74	\$113.52	\$142.60
Variance	13.7%	27.1%	13.2%	9.4%	12.2%
Percent reporting ¹	1.6%	1.9%	1.8%	1.4%	1.8%

1. Weekly percent reporting values derived from Diary survey.

2. Quarterly percent reporting values derived from Interview survey.

Source: U.S. Bureau of Labor Statistics.

Note: Expenditures at the veterinarian are based on results from the CE Diary. Table 1 shows that the percent reporting an expenditure is very low, and the amount varies considerably year by year. The variance for spending on veterinarians was over 25 percent in 2008, indicating that the mean dollar amount for that year has a high degree of uncertainty.

Household spending on pet food increased very slowly or remained relatively unchanged between 2007 and 2011. In 2007, annual pet food spending was \$147, increasing to \$163 in 2008, and then leveling off at \$169 in 2009 and \$165 in 2010. The amount climbed again by less than \$20 to \$183 in 2011. In contrast, people spent less at restaurants during and after the recession. Spending on meals away from home went from \$2,668 in 2007 to its peak at \$2,698 in 2008, before dropping to \$2,619 in 2009. Spending in this category further fell to \$2,505 in 2010, before rising to \$2,620 in 2011—still below the 2007 average. (See chart 1.)

Spending differences by demographic characteristics
Charts 2 through 4 highlight the pet expenditures made in 2011 by the different demographic categories.

Household income by quintile. Predictably, the amount households spent on pets rose with income. The middle income quintile (with income between \$35,600 and \$58,200) spent \$485 on pets annually, more than double the \$216 spent annually by the lowest quintile (income less

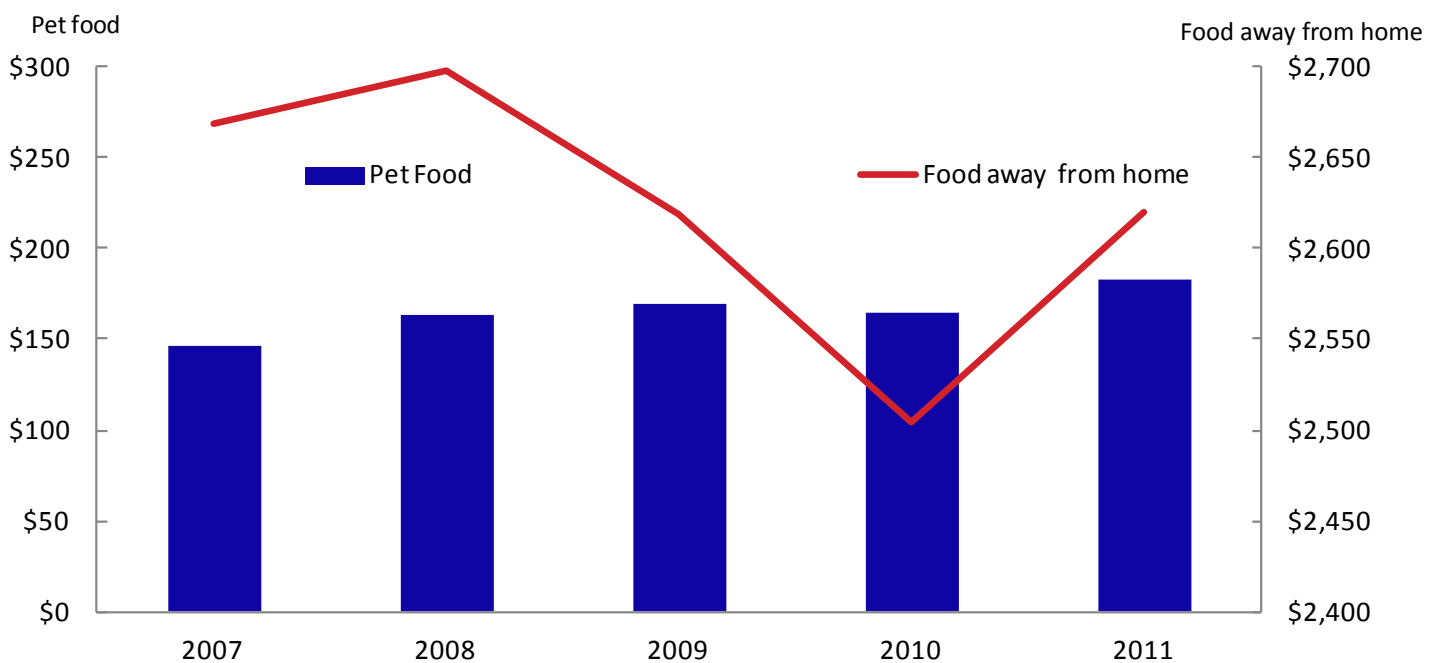
than \$18,558). The highest quintile (income from \$93,800 and up) spent \$870 on pets in 2011, more than four times as much as the lowest quintile did. However, the relative share of spending on pets to total expenditures stayed close to 1 percent for each quintile.

Household size. Of the different household sizes, a single person living alone spent the least on pets, averaging \$349 in 2011. (See chart 2.) In contrast, a two-person household spent the most, with an average of \$656. The amount spent on pets then declined as the number of people in the household increased. In other words, more human mouths to feed equated to fewer dollars spent on pets. Three-person households spent \$120 less than two-person households. Households with four people spent even less, and households with five or more people spent just \$402.

Household composition. Comparing expenditures of households by household type and by age of children, married couples without children living at home spent the most on their pets in 2011, spending \$698 on average. (See chart 3.) The single parent households with at least one

Chart 1

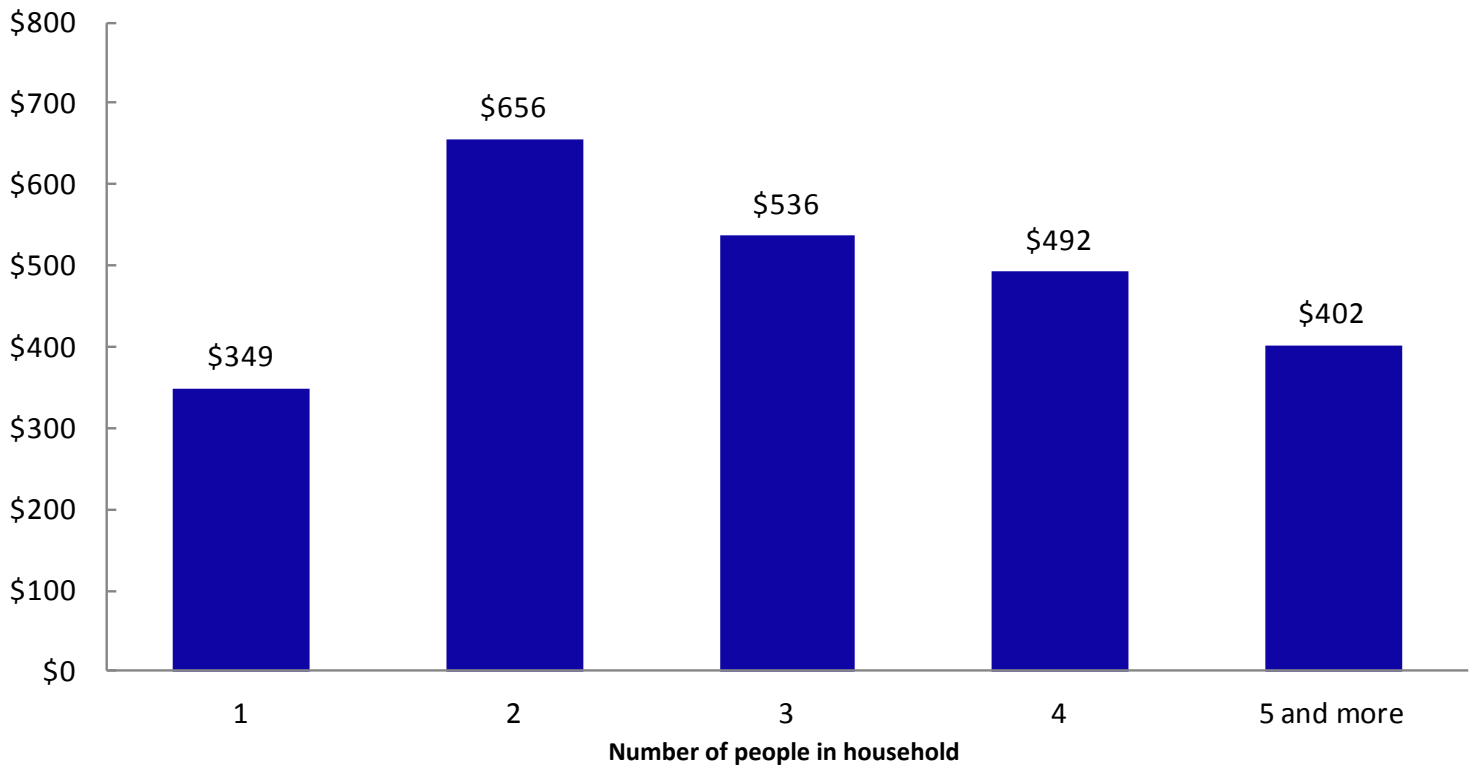
Average annual expenditures on pet food and food away from home, 2007–2011



Source: U.S. Bureau of Labor Statistics.

Chart 2

Average annual expenditures on pets by number of people in the household, 2011



Source: U.S. Bureau of Labor Statistics.

child under age 18 spent the least on pets, with an average of \$267. Other interesting differences occur for married couples who have children. Parents with younger children spent much less on pets than those with older children. Married couples with children spent the least on pets when their oldest child was under 6; this expenditure rose by more than \$100 if the oldest child was between the ages of 6 and 17, and increased another \$100 when the oldest child at home was over age 18.

Owner/renter status. Not surprisingly, homeowners spent nearly three times as much on pets as renters in 2011: \$653 compared with \$221. Generally, homeowners live in residences that have more space for pets than renters have, and homeowners are less often subject to restrictive contracts that prohibit pets.

Urban and rural. Households in rural areas spent (\$716) considerably more than those in central city areas (\$393). In addition, the percent reporting was higher in rural areas (30 percent) for total spending on pets in 2011, compared with percent reporting in urban areas (19 percent).

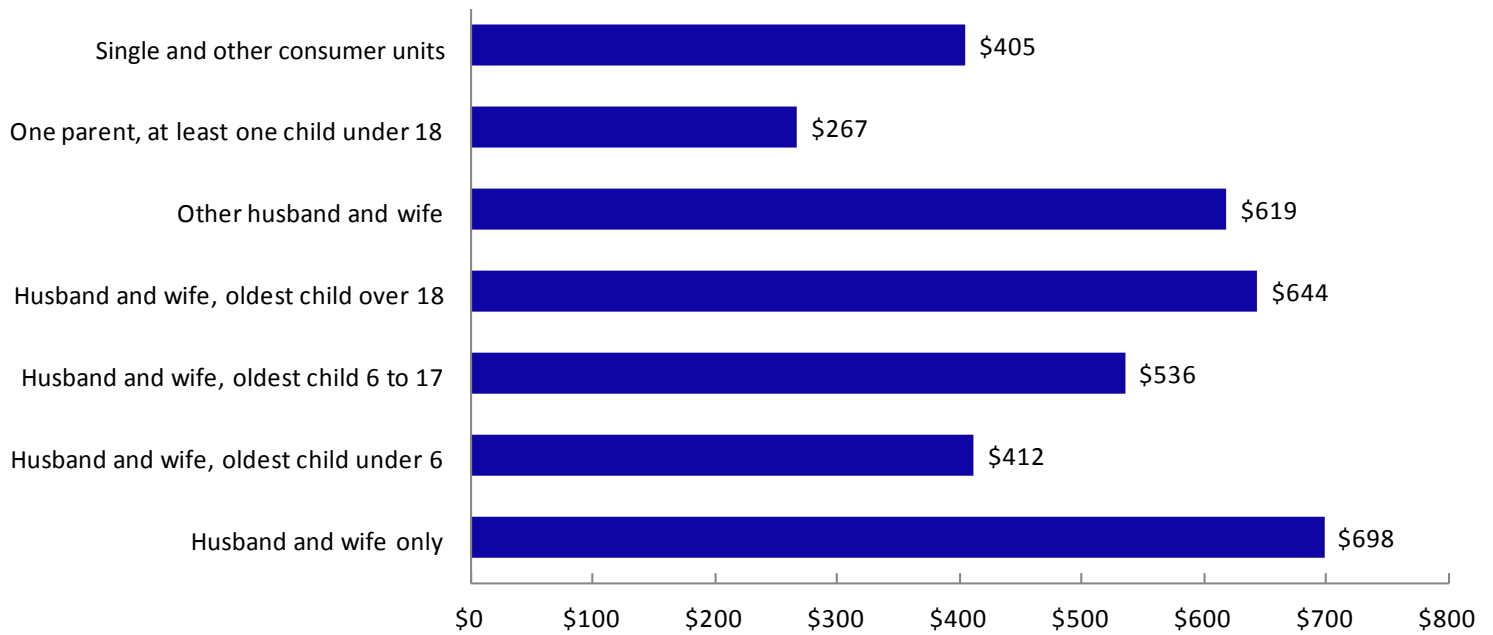
Age. Spending on pets rose as the age of the reference person increased.⁷ (See chart 4.) Those households with a reference person under 25 had the lowest expenditures per year, with an average of \$279 in 2011. This amount steadily increased as the age of the reference person increased, peaking at \$636 for ages 55 to 64. It dropped to \$547 for reference persons ages 65 to 74 and then to \$286 for those 75 and older. Even so, spending on pets for reference persons in their mid-70s and older was still slightly higher than spending by reference persons under 25.

Conclusion

From 2007 to 2011, spending on pets stayed close to 1 percent of total expenditures per household, despite the recession that occurred during this time. Spending on pet food stayed constant or increased during the recession, even while spending at restaurants fell. Married couples without children living at home spent the most on their pets out of any household configuration in 2011. ■

Chart 3

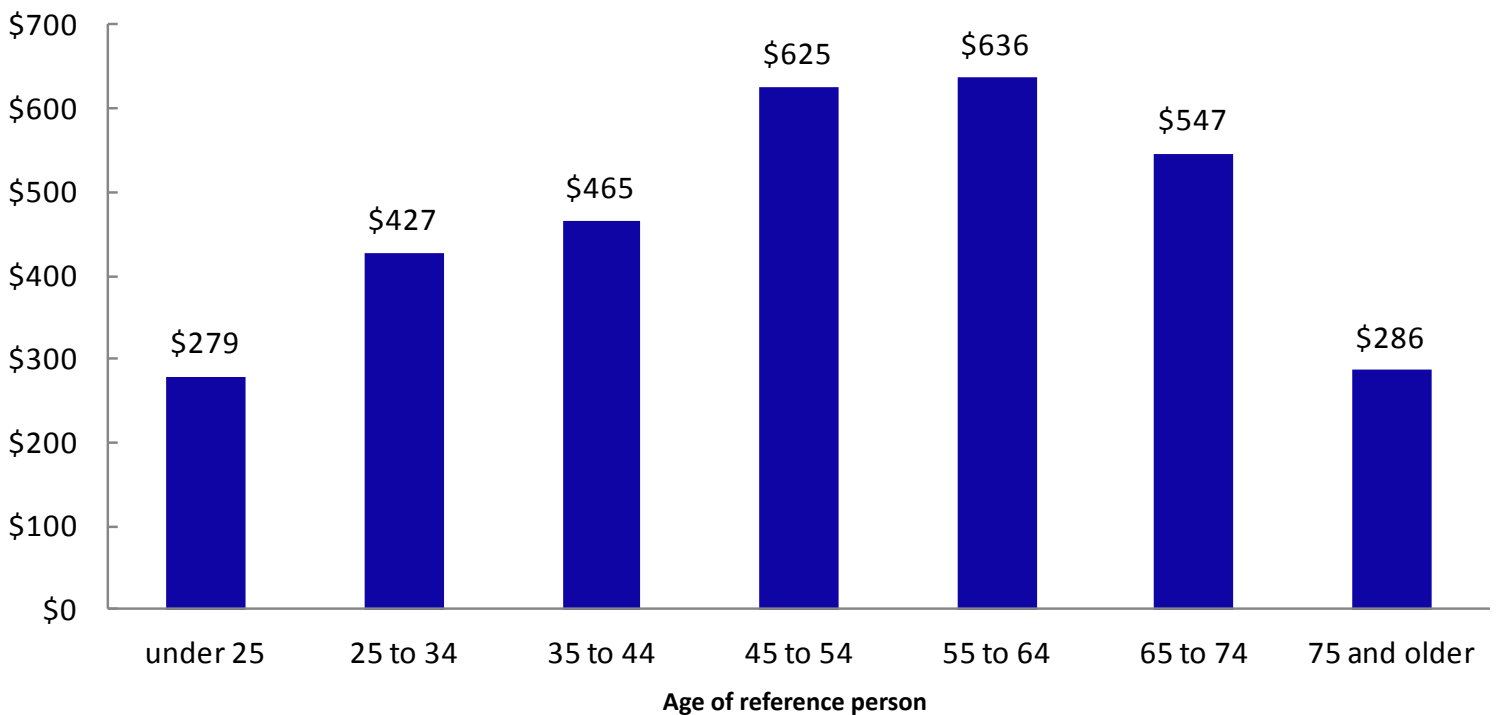
Average annual expenditures on pets by household composition, 2011



Source: U.S. Bureau of Labor Statistics.

Chart 4

Average annual expenditures on pets by age of reference person, 2011



Source: U.S. Bureau of Labor Statistics.

This **Beyond the Numbers** article was prepared by Steve Henderson, a supervisory economist in the Office of Prices and Living Conditions. Email: henderson.steve@bls.gov. Telephone: 202-691-5124.

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Suggested citation:

Steve Henderson, "Spending on pets: 'Tails' from the Consumer Expenditure Survey," *Beyond the Numbers: Prices and Spending*, vol. 2, no. 16 (U.S. Bureau of Labor Statistics, 2013), <http://www.bls.gov/opub/btn/volume-2/spending-on-pets-tails-from-the-consumer-expenditure-survey.htm>.

Visit our online archives to access past publications at <http://www.bls.gov/opub/btn/archive/home.htm>.

Changes coming soon to the Monthly Labor Review

As part of our continued effort to better serve our readership, the Bureau of Labor Statistics journal, *Monthly Labor Review* (MLR), will be making the following improvements this summer:

- Publishing articles on a flow basis.
- Revamping and expanding the MLR archive.
- Providing content in HTML format, along with the printer friendly versions.
- Incorporating some interactive features into the article content.

As we get closer to implementation, watch the BLS Beta site for prototypes of the new MLR.

Notes

1. Tom McPheron, American Veterinary Medical Association staff writer, telephone interview by author, February 30, 2013, in reference to figure 1-1 in the *2012 U.S. Pet Ownership and Demographic Sourcebook*. Figure 1-1 shows that 74.19 percent of U.S. households owned a pet in 2011.
2. American Pet Products Association, *APPA National Pet Owners Survey Statistics 2011–2012*, http://www.americanpetproducts.org/press_industrytrends.asp.
3. "Household" can be expressed interchangeably with "consumer unit (CU)." A consumer unit consists of any of the following: all members of a particular household who are related by blood, marriage, adoption, or other legal arrangements; a person living alone or sharing a household with others or living as a roomer in a private home or lodging house or in permanent living quarters in a hotel or motel, but who is financially independent; or two or more persons living together who use their incomes to make joint expenditure decisions.
4. Detailed U.S. expenditure subcategories are from selected pre-publication tables, available from the CE upon request.
5. Percent reporting is the percentage of consumer units reporting any expenditure in a particular category in one week from the CE Diary.
6. The variance provides information on the precision of the expense; variances over 25 percent are considered less accurate. A low percent reporting means that just a few purchasers can have a large impact on the dollar estimate.
7. The reference person of the consumer unit is the first member mentioned by the respondent when asked to "start with the name of the person or one of the persons who owns or rents the home." It is with respect to this person that the relationship of the other consumer unit members is determined.