

# Cat food industry in the uk



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By using environmental analysis, it is possible for organizations to recognize existing opportunities and threats for companies, define strategies to best utilizing opportunities and also to minimize the bad consequences of threats (Arabi & Parsaeian, 2001). And the most important, the analysis can provide a rational future prediction as a base for future strategy adjustment. The company can forecast the consumer trends in next decade and rearrange its products in order to capture the volatile market share in a long-term perspective. The remote environment has the origin of factors that influencing operating environment. In industry-level analysis, it is necessary to analyze a macro environment of a company and assess its performance of competitors responding to external elements. The object of this paper is to analyze remote environment and operating environment of cat food industry at United Kingdom. Part Two will be industry definitions. The industry background will be introduced in Part three at three levels, global market, Western Europe market and UK market. Part Four will be remote environment analysis by using PEST model, followed by operating environment analysis in Part Five by using Porter's Five Forces Model.

## 2. Industry and Product definition 200 211

Wikipedia defines Pet food as plant or animal material intended for consumption by pets. ([http://en.wikipedia.org/wiki/Pet\\_food](http://en.wikipedia.org/wiki/Pet_food)) Mintel defines pet food as any foods that are specifically formulated and marketed for pets, including treats (Mintel, 2009). In legislation, “ pet food” means a feeding stuff for pet animals. To achieve the appropriate balance of nutrients pet food, manufacturers blend mixtures of ingredients including meat and fish, with vegetables, cereals, vitamins and minerals to produce foods that will

satisfy the nutritional requirements of a pet (PFMA). It is typically sold in pet stores or supermarkets. And pet food is divided into three categories (Figure 2): dog food, cat food and other pet food (i. e. fish food, bird food). Pet Food sells in the form that either prepared or non-prepared.

### Figure 2 Pet Food Segment

In this paper, cat food intends to be defined as food product specifically formulated for feeding of cats. For the purposes of this paper, some further definitions used by Mintel reports are as follows:

Wet cat food ' C including wet canned cat food with a moisture content of 60-85% and semi-moist food with a moisture content of 25-30% and includes complete foods.

Dry cat food ' C has a moisture content of around 10% and includes complete foods

Treats and Mixers' C food supplement for cat.

## 3. Cat food industry Background 200 475

### 3. 1 Global Cat Food Market

#### Figure 3

(Source: Euromonitor International)

According to data from Euromonitor, in 2009, the Global retail value sales of cat food reach US19. 6 billion dollars, at a growth rate of 4%. Although Dog food continues to occupy nearly half of pet food and pet care market, cat

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food market ' posted a comparable CAGR (Compound Annual Growth Rate) of 5 % during the period 2004-2008'. This indicates that the economic downturn had slight impact on this industry. However, the rising rates of house repossessions contribute to the decline in the pet populations, especially in western economies. The recession caused the lack of consumer confidence which lead to backward sales of the whole cat food market at 2008, but the global market is still growing in 2009 as the ongoing trend of pet humanization that ' consumers want value-added products that extend both the quality and length of the pet's life'.

### 3. 2 Western European Cat food Market

#### Figure 4

The Western European market is the biggest in cat food consumption. In this region, there has been seen ' a strong tend towards polarisation between premium and economy cat food brands, with mid-priced products increasingly being squeezed between them'. (Euromonitor) However, as shown in Figure 4, the trend of polarization eased during 2007 and 2009. Although premium cat food still bear a large portion, Consumers tend to be prices-sensitive that economy cat food ranges grow rapidly.

#### Figure 5

Wet products remain dominant in Western Europe but dry products sales are growing. According to data from Euromonitor, the gap between wet and dry cat food continues to narrow. In 2005, wet food accounted for 55. 5% of all cat food retail sales, but this figure is predicted to decline to 51. 1% in 2009.

### 3. 2 UK Cat food Market

In 2009, the value sales of the whole cat food market reach ? 996 million In the UK (Euromonitor). It is the largest market of Europe in the cat food sector. The consumer base for cat food is significant with 9. 7 million cat owners. And cat population rose up to 10. 5 million in 2009, from 10. 2 million in 2008. The growth rate is mere 0. 4% largely due to the real estate crisis in 2008. A large number of homeowners opt to give up houses that they can no longer pay off the mortgage, and some of them have to give up their pets since they have no ability to take care of them. This is also the case happened in dog food market. As a result, UK suffered great in dog and cat population (Figure 6), while Germany take the advantage and grow rapidly in this segment.

#### Figure 6

However, the volume of product sold was flat, because consumers preferred smaller portion sizes as pouches to cans. Premium and super premium foods took increasing shares of the market, causing the general increase in the unit price.

### 4. Macro environment Analysis (PEST) 2500

#### 4. 1 Understanding PEST model 364

Understanding the macro environment of a certain business is vital for the reason that the managers can forecast the market trends and take advantages of the opportunities and minimize the threats by strategy adjustment. In the analysis of the macro-environment for an industry, it is of <https://assignbuster.com/cat-food-industry-in-the-uk/>

importance to identify the major factors that the companies are facing and that might influence the organization's internal operation such as supply and demand levels and its costs (Kotter and Schlesinger, 1991; Johnson and Scholes, 1993). Some models are developed to identify the vast number of possible issues that might affect an industry. The PEST analysis is a useful tool to understand the whole trend of the environment in which the industry is operating. PEST analysis stands for factors as Political, Economic, Social-culture and Technological forces to influence the business macro environment. Sometimes two other factors (environmental and legal), can be added to form a PESTEL analysis model.

In PEST analysis, Political factors include government policies and regulations to the industry, taxation, laws, trade restrictions and tariffs etc. The economic factors concerns changes in the wider economy such as economic growth or decline, interest rates, disposable income, exchange rates and inflation, etc. Social-culture factors refer to demographic, age distribution, social welfare, population growth rate, changes in lifestyle and consumer buying patterns, etc. The technological factors relate to the development in technology such as application of new inventions, R&D activity, automation, etc.

PEST analysis can be effective for business and strategic planning, marketing, product development and research reports. Kotler (1998) claims that PEST analysis is a useful tool for understanding market growth or decline, business position, potential and direction for operations. The analysis examines the impact of these factors on the industry. Byars (1991) believes that PEST analysis results can be used to take advantage of

opportunities and to make contingency plans for threats when preparing business and strategic plans. Porter (1985) also identifies by using PEST analysis, the company can be aligned positively with the powerful factors of change and making decisions to fight against. Therefore, in this part, PEST analysis model will be used to explore the remote environment of the cat food industry at United Kingdom.

## 4. 2 Apply PEST to Cat food Industry and Results

### 4. 3 Understanding External Competition

#### 4. 3. 1 Political 500 643

Cat food enjoys the political policies under the pet food category. Pet food industry is 'highly regulated and follows a number of industry codes and guidance to help manufacturers fulfill their obligations to manufacture safe pet food'. (PFMA) There are more than 50 pieces of legislation governing the manufacture of pet food. As pet food is manufactured and distributed in the same way as human food, some legislation governing human food is equally applicable to pet food. Manufacturers must ensure products are safe for cats, required by the Federal Food, Drug, and Cosmetic Act (FFDCA). 'All legislation applicable to pet food originates from the EU in the form of Regulations, Directives and Decisions which are subsequently implemented into UK national law.' (PFMA) It is indicated that Pet foods are subject to strict legislation in the UK. It is able to ensure the safety and quality of products. For example, The Feeding Stuffs Regulations 2005 and The Animal By-Products Regulations 2005. And the legislation covering pet food ingredients requires that pet food involving meat based ingredients from <https://assignbuster.com/cat-food-industry-in-the-uk/>

animals should take veterinary inspections to make sure that it is qualified for pet consumption. The cat food market has been benefit for those regulations and the market predicts to be stable under political environment. Therefore, it will add confidence for consumers when purchasing these products for their cats.

There are also a number of codes of practice to be followed by some association (FEDIAF, The European Pet Food Manufacturers' Association) members in this industry which in some cases exceed legislative requirements. For example, since 2005, the EU Feed Hygiene Regulation believes that ' feed safety is considered at all stages of the production for pet food'. The rules cover all processes relating to the manufacturing of the pet food, such as hygiene requirement, record-keeping, etc. The EU Feed Hygiene Regulation Commission recognized the FEDIAF Guide to Good Practice for the Manufacture of Safe Pet Foods and implemented the rules in 2010. These guides should be followed by all members of the community. It covers the detailed requirement of the nutritional needs for cats and dogs at different life stages. Members of the PFMA (UK Pet Food Manufacturer's Association) follow the FEDIAF (The European Pet Food Manufacturers' Association) Nutritional Guidelines when making pet foods. The guidelines are updated at a regular frequency to ' include the latest nutritional research and are peer reviewed by independent nutrition experts throughout Europe'. (PFMA)

The new Animal Welfare Act came into effect in 2007 and was the first overhaul of pet law during the last 94 years. It sounds a piece of new to the cat food industry that pet welfare are becoming more and more important in <https://assignbuster.com/cat-food-industry-in-the-uk/>



the view of pet owners. BBC news broadcasted, 'The Act raises penalties for cruelty from the previous maximum of six months in prison or a ? 5, 000 fine, is the most significant new law on animal welfare for 94 years. ' For the first time, it legally reinforces the duty of care for pet animals. The duty of care includes that ' animals have a proper diet, are housed with or apart from other animals according to their need, have the ability to express normal behavior and are protected from pain, suffering, injury and disease'. This rule is in accordance with the recent trend of pet ' Humanization' that people tend to treat their pets as members of family. It indicates that cat food manufacturers are facing challenging that they need to forecast the trend of consumer consumption and make innovations. For example, it is the recent trend that consumers prefer organic food for pets. The new act also increases age from 12 to 16 for buying a pet. The cat food market sales will be suffered under this regulation; although no evidence has been released that to what extent it would be impact on the cat food sales.

#### 4. 3. 2 Economic 500 378

(EURO) Strong economic growth drove surge in dog and cat populations in some markets

According to Euromonitor International research, the cat populations have been rising steadily during the year from 2004 to 2009(Figure 7). The annual growth rate is 4% from 2004 to 2008. It is partly the result of strong growth in disposable income, and in large part as a result of rising residential property values. The real GDP growth averaged 2. 7% in the UK between 2003 and 2007. There is a merely 1% growth from 2008 to 2009 as a

consequence of real estate crisis. In the pet ownership, dog is the dominant pet in the percentage of owning households. But cat ownership has been increased from 21% to 25% of the total. However, the growth is not the possible future trend, for there is only 0.4% growth from 2008 to 2009.

Figure 7 Cat Population in the UK from 2004 to 2009

Figure 8 Cat Owning Households: % Analysis 2004-2009

During the latter part of 2008, economic plunged as the effects of steep decline in residential property values. Huge numbers of consumers who purchase houses at inflated prices found themselves unable to maintain the mortgages during 2007 and 2008. It caused the bankrupt of many financial services, and lead to economic recession. Millions of people lose their homes, and unemployment is rising rapidly in UK. This leads to the significant problem of pet abandonment in the UK. According to the reports of the Royal Society for the Prevention of Cruelty to Animals (RSPCA), the number of abandoned animals rose by 57% in 2008. The number of abandoned cats rose by 50% and has remained elevated during early 2009. This has impact on the cat population and forms the reason for the slow rate of growth of cat food sales during this period.

Trends towards Premiumisation were apparent in the cat food market. Cat owners prefer to single serve pouches to feed their cats. This format gets popular due to its convenience through single-use disposable style. It can ease of storage and serving. It is reported to be more gently cooked in these products than canned food. They perceive these as offering better quality food. Consumers are becoming more concerned with value for money. Many

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manufacturers are adding value to their mid-range brands by introducing new gourmet recipes and revamping packaging.

#### 4. 3. 3 Social-culture 500 650

Figure ? UK Household size, 2003-2013

From 2003, one-person household grow rapidly. Although two person household have been the major style, there is a sharp increase in one person household at the average growth rate of 5. 12 from 2003 to 2008. People keep pets in the feeling of loneliness and Pets are increasingly considered a valued member of the family. Owners tend to ‘ have stronger bonds with their cats and often more of a sense of guilt at leaving their pets alone for long periods of time’. According to the research of PFMA, 31% people keep pets for love, and 27% for companionship. (Euromonitor)Therefore, the trend to ‘ humanize’ the pets has emerged. The increasing rise of humanization promotes sales in the cat food sector, either in treats or gourmet foods. And it continues to be a driving force in sales of pet food and product development.

Owners are caring pet health and chose organic, natural healthy cat food. Premium and super premium foods continue to represent larger portions of the cat food market. The trend of ‘ Premiumization’ cause general increase in unit prices per kilogram. But the volume growth has been flat as consumers switched from canned products to pouches with smaller portion sized. As their emotional attachments with their cats, owners want to care for the health and longevity of their cats by turning to this healthy recipe.

In the UK this overall performance was largely driven by the wet category while the dry format is not popular and facing heavy discounting activity within supermarkets. In contrast with the global trend, wet cat food performs better than dry, with the wet cat food representing 74% of the overall cat food market. Its dry offering just has 22% in comparison. The popularity of wet cat food may relay on the different eating habits between cats and dogs. Similarly, the different eating preference lead to the popularity of single serve pouches that in line with the preference of cat food by cats. However, this single-use disposable format is providing the convenience to cat owners. It also offers the owners with a wider range of flavors to select for their small cat.

But due to overfeeding and under-exercising, Pet obesity is rising with an estimated one in three household pets now overweight. The changing busy lifestyle of people causes the pets to be confined within home for long periods, and without enough exercise. Pet obesity is rather serious in cat for the gentle nature of cats than dog. In this case, Low-fat versions of products emerged such as specialized calorie controlled foods, foods according to levels of activity, and dietary supplements. (Mintel)

Furthermore, prepared cat food sales remain high at 88%, even outperforming the sales in dog food market. The eating of cat is not easy to catch that the cat owners seek to convenient options to satisfy the cats. The prepared gap1 ratio in the UK is very high compared with other market, that it indicates a mature cat food market with less space for potential growth than that in developing market. According to Euromonitor, the high purchase of prepared products suggests little room for renewed growth in economy

and mid-priced categories, since it is hard to develop new owners left to promote the sales.

Convenience is a major driver for many owners in busy lifestyle. In terms of distribution within cat food market, the vast majority of pet foods continue to be distributed by large supermarkets as consumers seek convenience in one-stop shopping venues. Grocery retailers dominate the channels with 75% of value sales in 2008. People can select all arranged cat food in supermarkets, either premium or economy offerings. However, the sales of premium cat food is largely due to pet superstores and veterinary clinics, for the reason that ' the face-to-face recommendation of a pet expert is a key factor in encouraging pet owners to trade up to more premium products for their cats'.(Mintel)

#### 4. 3. 4 Technological 500 419

It is acknowledged that the market was driven by technological innovation. Although economic recession has impacted new product development, it also brings challenges and opportunities.

The pet food market has proved to be less impact by economic downturns, as the recent report says that consumers tend to not turn to cut the budget for their pets in case of the distressing economic circumstances. Consumers will cut down the spending over holidays, travels, and luxury buying habbites other than considering the already tiny budget in cat food. Report says that those who used to purchase premium pet food will continue this buying, while those used to purchase mid-priced and economy products are likely to be suffered. They are more price-sensitive. Pet food manufacturers respond

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to this trend by adding value to customers and give more benefits in their cost base. Cutting price is not usually a good idea in pet food in terms of establishing brand loyalty. Manufacturers are focusing on innovation by adding more value to mid-ranged products to maintain the sales from this group. However, premium and super premium foods continue to represent larger portions of the cat food market.

The trend for owners to humanize their pets shows that human food trend leads the innovation of pet food trend. New technology focused on making production more natural, with more organic ingredients, and more close to human tastes. Many pet food manufacturers are launching new products in line with this trend by adding resemble human meal ingredients to offer human grade product to pet consumption, especially in the sector of wet cat food(Euromonitor). For the customers with affluent buying power, they are willing to spend on the high qualified pet products and apply the nutritional needs in the pet diets. Manufacturers seize their attention by producing products with more organic ingredients, free of additive and ethical standardized.

In 2009, the sales of cat treats have grown at a current value of 4%. The humanization trend to the pet indulgence results the pushing sale of functional treats (Euro. Mintel). It is aligned with the increasing specification of cat food in different age groups as well as the detailed categorization of pet food with different nutritional needs. Although the sales of cat treats in not a necessary product and shares only small portion of cat food industry, manufactures are extending this market by the real estimate of little future

growth in the mature cat food market in the UK. Future innovations and technology are seen in this particular product range.

## 5. Micro Environment Analysis (Porter's five forces Model) 2600

The micro environment analysis of a certain industry concerns the internal competition within the industry by evaluating the performance among competitors. The operational Environment of the companies can be analyzed through the structural analysis by using Porter's five forces analysis.

### 5. 1 Understanding Porter's Five Force Model 400

There are many methods concerning the analysis of organizational economic competitive advantage. The most popular and available tool in the operating environment analysis is Porter's five forces analysis. It is developed by Michael E. Porter of Harvard Business School in 1979. Porter's five forces analysis is a framework for the industry structural analysis and business strategy development. According to Porter (1980), the five forces are served in understanding the micro environment of industry, in which the company is influenced in its ability to serve the customers and maximize the profit. As shown in Figure ?, the model identifies five factors of pressure within an industry including intensity of rivalry, threats of new entrants, bargaining power of buyers, substitute threats and bargaining power of suppliers. It uses concepts that derive the five forces to determine the competitive intensity and the possible changes among industry competitors. It will provide evidence for company to reassess the volatile marketplace.

Figure? Porter's Five Force Analysis Pattern

As is discussed above, the competitive nature of an industry is strongly affected by suggested Porter's five forces. The detailed evaluation elements of each factor are shown in Figure ?. However, it is not the five factors that determine the structure of the industry, but to indentify it and make use of the markets. The structure of the industry itself plays a vital role in the environment. By recognizing this fact, I am going to explore the operating environment of cat food industry at United Kingdom by using Porter's Five Forces analysis model. The objective of this task is to present the micro environment inside the industry and competitive arena among competitors.

## 5. 2 Applying the five forces model and Results 200

A five forces analysis allows an organisation to consider the relative attractiveness of different industry sectors when making strategic choices about exiting or entering particular sectors and markets. Close analysis of these forces can allow an organisation to find a position in the sector where it can best defend itself against them or, most effectively, influence them

## 5. 3Understanding the internal competition

### 5. 3. 1Competitive Rivalry 400

Porter describe that competitive rivalry was to analyze the intensity of competition between existing companies within an industry. Industries with high competitive pressure will impose pressure on prices, sales margins, and even on profitability for the single unit in the industry. According to the data collected from the Euromonitor International, the UK cat food market was dominated by the two companies, Nestl' Purina Ltd and Masterfoods UK Ltd,



as shown in Figure?. In 2008, Nestl' Purina contained about 35% value share, followed by Masterfoods with approximate 33%. They are equally balanced in the UK cat food market.

Figure ? Cat Food Company Shares at UK in 2008

It means that the competition would be very high in this industry for the two giant retailers: Nestl' Purina Ltd and Masterfoods UK Ltd. The entry barriers in the cat food industry are very high. As a result, the potential growth of individual company would be largely depending on the R&D (PFMA 2009). The pressure coming from the market and looking for opportunities for progress is the main reason that companies in this industry initiates the competition.

Nestl' S. A. is a global organization with headquarters based on Switzerland. Nestl' Purina Pet Care Company is a wholly-owned subsidiary of Nestl' S. A.. As undoubtedly the global leader in this market, the company reported sales at US\$3 billion during 2008, with 11.5% organic growth and 5% internal growth at an annual rate. (Mintel) It is largely due to the sales of 'resilient market for premium and super-premium Purina brands'. Nestl' Purina led the UK cat food market with a 35% share of cat food with the brand as Felix, Go Cat and Purina ONE. Nestl' Purina attributes its success to 'continued innovation and new product development across a range of price brackets'. This behaviour attracts those consumers who are pursuing the specialized and healthy food for cats. It is viewed as a key driver of market growth.

As a family owned company, Mars Incorporated operates six business segments including Chocolate, Pet Care, Wrigley Gum and Confections, Food, <https://assignbuster.com/cat-food-industry-in-the-uk/>

Drinks and Sym-bioscience. The company is also operating a global business, generating annual revenues of over US\$28 billion. Masterfoods Pet Care followed closely to Nestlé Purina at the second place with a 33% value share at UK cat food market. According to the Mintel reports, the success of Mars is supported by its key brands of Whiskas and Kitekat with brand shares of 26% and 4% respectively in 2008.

#### Figure ? Cat Food Company Shares 2004-2008

As shown in Figure?, the seller concentration in this industry is very high. The major two competitors are equally balanced. Mars has been performed better than Nestlé Purina during the period from 2004 to the mid of 2007. There is no obvious gap between them. However, Mars lose some shares in the market at 2008. The sales of the two companies are fairly static, giving out an impression of little space to grow. Moreover, other firms are struggling in this sector with mere share growth in the market. Fortunately, the competition in this market is stable, and the general unit price on cat food product is modest without massive fluctuations. It would be a very good aspect, since if price reduction happens in one firm, it will be rapidly followed by other competitors and consequently have impact on all companies' income (Sadeghi, 2004).

Given an increasing demand for more natural and convenient products in the market, the competition inside is very high. Existing firms mainly focused on innovation to achieve expansion. Nestlé Purina Ltd increased its market share by 0.7% from 2004, due to its launched premium brand Purina One.

(Euromonitor 2009a) Hill's Pet Nutrition Ltd, with 1.2% growth in its market

value from 2004, launched series products in kitten, adult and senior range. (Euromonitor 2009a) It also had some innovation in packaging (Mintel 2006). Firms won better market position through advertising and promotion as well. Town and Country Petfoods Ltd twice its market shares since 2004, based on TV campaign and promotion. (Mintel 2006) It launched a premium brand HiLife with advertising and promotion more than ? 1m in 2005. (Mintel 2006) Furthermore, incumbents worked on improving service. Oscar Pet Food UK provided face-to-face service, even home visit. (Precision 2003) In 2005, Town and Country Petfoods Ltd re-launched its website to delivery product information and professional advice online. (Mintel 2006) In addition, firms achieved expansion by merger and acquisition. Early 2001, Nestl' bought Purina for ? 10b, and then launched Purina One in the UK market.( David 2004) Six month later, Masterfood bought EU's largest nutritional pet food manufacture, Royal Canin. (David 2004)

### 5. 3. 2 Threat of substitute400

### 5. 3. 3 Buyer power400

Entrenched brand loyalty provides challenges and opportunities for retailers

While tentative signs of economic stabilisation have begun to emerge during the second half of 2009, global consumer sentiment remains for the most part fragile. With unemployment continuing to rise (albeit at a slower pace than previously), household debt levels elevated and disposable household income still depressed, consumers are likely to retain a heightened sensitivity to price for some time.

This presents both a challenge and an opportunity for retailers, particularly in pet food, as consumers in this segment are unusually brand loyal. As a result, larger retailers, particularly pet superstores, may continue to gain market share by leveraging the economies of scale they enjoy by offering consumers their favourite pet food brands at a cheaper price, rather than attempting to market cheaper alternatives to them.

#### 5. 3. 4 Supplier power<sup>400</sup>

Private label remains vulnerable to rising costs

Nor has the ability to raise prices been confined to the upper end of the market. Canadian-based private label pet food manufacturer Menu Foods scraped back into profitability during the first quarter of 2009 for the first time since the March 2007 recall. It earned US\$54, 000 (compared with a year-earlier loss of US\$2. 2 million) on sales of US\$84. 1 million, up 51. 3% year-on-year. This increase was largely due to three price increases that totalled almost 14%.

However, these price increases may not be sustainable in the short term. According to the company, ' as a consequence of our price increases, a number of customers whose volume represented 6. 7% of total volume in the first quarter advised that they will stop buying from Menu during the second quarter.' This demonstrates that private label manufacturers remain at a fundamental disadvantage to manufacturers of branded products in terms of their ability to sustain higher pricing.

In Europe, private label manufacturer Provimi Group is experiencing similar difficulties. Provimi, which sells pet food throughout Western and Eastern Europe, including Russia and Ukraine, reported a 9.9% year-on-year increase in pet food sales during the first quarter, attributing this increase to 'a growing demand for private label products.' However, it stated that its profit margins on pet food 'were negatively impacted by a sharp increase in the cost of cans that the Group was not able to pass on to its customers.'

### 5.3.5 Barrier of new entry/threat of entry<sup>400</sup>

A few firms achieved to enter the cat food market successfully during the last decade. They operated mainly in three ways. First, these firms expanded into this market on the base of their original business. They are enjoying the benefits of the background in the pet products industry before. For example, Butcher's Pet Care Ltd originally produced dog food only. In 2000, it successfully entered the cat food market by introducing new cat food product. (Euromonitor 2009f) Second, they entered by ways of merging or acquiring incumbents. In 1999, P&G entered UK pet food market through acquisition of Imas, which is a historical pet food company established in 1946. (Mintel 2006) Third, they accessed to the market using own brand and label