

Case study on the battle to be top dog petsmart vs. petco

[Business](#), [Company](#)



PetSmart is a company that specializes in pet food production and sale. Just like any other industry, the pet food production industry is characterized by competition and rivalry among the industry's players. PetSmart offers unique services to its customers making it enjoy some elements of competitive advantage. For instance, as other companies only sell their products at discounted prices because economies of scale, PetSmart adds to this by offering product knowledge and depth. In addition to this, PetSmart being among the pioneers in this industry and having produced quality products, it enjoys customer loyalty and thus possesses some element of monopoly power.

Petco is an American company in the same industry as PetSmart. It specializes in production of pet food supplies and owns a chain of store in California. In order to compete with PetSmart effectively, Petco maintains lower prices than PetSmart. This attracts customers who do not consider the additional services provided by PetSmart worth. Instead, they only care about the prevailing prices offered. In addition, Petco owns a chain of distribution stores thus taking its products and services closer to consumers. To counter this, PetSmart is planning to open 100 stores across the state of California.

In summary, all companies struggle to maintain their market share in their respective industries. This is evidences by the different strategies laid by these two companies. Among the common ones are product differentiation and pricing strategies. However, the quality of a product or service is what maintains a company in the market in the long run. Quality of service is the

strategy that PetSmart has adapted, and this is the reason it is enjoying a significantly large market share to date.

References

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