



RETAIL MASTERCLASS IN THE WORKS!

Retailing within the pet industry is changing rapidly, yet some retailers still trade as they always have and yet, expect a different result. The Pet Industry Association of Australia (PIAA) will be running a Retail Masterclass course designed to provide the right tools so that pet retailers – particularly independent pet stores – can not only survive but also thrive in the future.

The course will run for 4 hours a month for 12 months, at this stage only in Sydney. Course dates and members/non-members fees TBA.

For more information, contact the PIAA office on 02 02 9659 5811 or email info@piao.net.au

likely to speak out if pets aren't cared for correctly, said Mr Grima. "Pet owners are also more likely to do that expensive operation to save their pet or pay for training and socialisation. Retailers who understand this will – as a bi product – also get growth in their business and support from the greater population of pet owners," he said.

BRICK-AND-MORTAR RETAILERS VERSUS ONLINE SALES

We live in an online era; in fact, pet owners don't just go online, they LIVE online. So how are animal lovers' tech-dependent lifestyle impacting on brick-and-mortar pet stores?

"Brick-and-mortar stores still have a significant share of the pet retail business compared to online stores," said Mr Grima. "Online is growing especially for consumable products, however customers still like to shop in pet retail stores, especially ones that carry a great range of products, are of modern retail standards and provide an experience."

Mr Urquhart said bricks-and-mortar stores play an important role in retail and simply complement online shopping.

"People go online 24/7 to determine what

they want to buy. According to NAB, 7.2% of all businesses is done online and 92.8% of all businesses are done within stores," said Mr Urquhart. "The fastest growing part of online purchases is 'click and collect' (where you organise to pick up from the store). People still enjoy the experience of going into the shop."

Purchasing in-store is based on emotion and when you go online, you remove a lot of that emotion, he said, adding "Your purchase decision is reduced to price, product, place and promotion, and no emotion, so you minimise potential sales."

Many small independent stores are not aware of the importance of multi-channel marketing (with social media channels and email being the most popular platforms) and taking an omni-channel approach to sales by interconnecting every channel to engage with customers, said Mr Urquhart.

"Pet retail has to be multi-channel and omni-channel! Advantages, benefits and rewards await independent pet industry operators who are prepared to innovate, adapt, enhance service standards, increase communications, establish and sustain relationships and who optimise supply chains," he said.

Mr Young said for pet retailers to be successful in driving the consumer from mass market to the pet specialty sector, they need to do both the in-store experience and online very well.

"Whilst consumer expectation is increasing by the day, every retailer needs to adjust and work on ways to meet these expectations," he said. "We work in the best industry in the world, and need to ensure we keep pet ownership affordable and provide a quality range of products and services."

CONSOLIDATION IN PET RETAIL IS A HEALTHY MOVE

Consolidations of pet services and retail businesses have been a healthy move for the pet industry, as proven to be in the United States and the United Kingdom, "because it lifts the experience and standard in pet retail," explained Mr Grima.

In 2014, veterinary-service provider Greencross Limited acquired 100% of Petbarn's owner, Mammoth Pet Holdings. The strategy of locating more

veterinary clinics inside pet care shops not only strengthened client customer engagement but also created cross selling opportunities. This year, Greencross also partnered with PetCloud, giving pet owners the opportunity to book online to access a variety of pet care services across Australia, including dog minding, dog walking, pet taxis and obedience training.

Greencross Chief Executive Martin Nicholas said in a company earnings report published last month, "We are making pet ownership more affordable, accessible, convenient and above all fun."

Mr Nicholas also said the ongoing trend towards the humanisation of pets amid rising expectations of animal healthcare standards and increased subscription rates for pet insurance (also offered by PetBarn) are positive tailwinds for Greencross.

INDEPENDENT PET RETAILERS ALSO IMPORTANT

But let's not forget independent pet stores, which are important to the industry as they are the entry level for many new pet owners who may ultimately end up shopping online or in chain stores, said Mr Grima.

"Independent retailers who understand this generally do very well and operate symbiotically with chain stores, even if they are in direct competition," he said.

