



Cost of Living Report wave 2

The impact of the CoL crisis on veterinarians and pet owners

 CM Research

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CHAPTER 01

INTRODUCTION & METHODOLOGY

2023

*From Covid-19
to Cost of
Living*

Introducing the Cost of Living tracker

- From 2020 to 2022 we tracked the impact of the Covid-19 pandemic to give veterinarians a chance to tell us about their experiences and to provide our animal health clients with data to help ease the load.
- 2022 brought new challenges for the veterinary industry with the impact of the pandemic sending us into the biggest Cost of Living crisis for decades.
- From now on we will be regularly tracking the Cost of Living crisis and how it is affecting veterinarians and pet owners.
- We measure the new pressures that veterinarians, clinics and pet owners are under. We look at how they are coping with these pressures and start to build a picture of how the veterinary industry should adapt.
- The base veterinarian Cost of Living tracker report is available free for all to read and use. The extended veterinarian pet owner tracker has been commissioned by a core set of our partners. To subscribe to this report please email Carlos at carlos.michelsen@cm-research.
- The base report covers UK, France, Spain and US. A version including Germany, Italy and Japan is available for subscribers. Other markets can be commissioned on request.

Report coverage (This is the core report)

CORE REPORT

Audience

- Small animal vets

Market coverage

- UK, France, Spain and US

Topics

- Personal impact of CoL crisis
 - Key areas of concern
 - Basic strategies undertaken
- Impact on clinic operations & pricing
- Changes to pet owner behaviour
- Future of veterinary careers

ENHANCED REPORT

180 pages of analysis and data!

Audience

- Small animal vets & **pet owners**

Market coverage

- UK, France, Spain and US, **Germany, Japan and Italy**

Topics

- Personal impact of CoL crisis
 - Key areas of concern
 - **All strategies undertaken to combat CoL**
- Impact on clinic operations & pricing
 - **Changes to prescriptions and recommendations**
 - **Supplier responses**
- Changes to pet owner behaviour
 - **Reaction to pet owner payment difficulties**
 - **Pet owner spending**
- Future of veterinary careers
 - **Locum working**

BESPOKE REPORT

Depending on your needs we can create a bespoke report or add new markets to future tracking waves.

Some examples of adaptations our partners have made:

- Deep dive into the impact of the Human Animal Bond in reaction to crisis
- Exploration of impact on veterinary nutrition
- Review of salary increases for veterinarians

Please contact Carlos or your account manager to discuss bespoke reports.

Cost of Living Tracker: Methodology

Syndicated assessment of the impact on the veterinary industry of the cost of living crisis among:

PET OWNERS

c. 400

Pet owners
per market per wave



VETERINARIANS

c. 100

Veterinarians
per market per wave



		Nov – Dec 2022		May – June 2023	
Sample size		Veterinarians	Pet owners	Veterinarians	Pet owners
UK		100	400	115	409
France		100	400	100	416
Germany		100	400	101	404
Italy		101	400	100	433
Spain		100	400	100	411
USA		151	400	156	404
Japan		101	400	113	398

PROFILE OF VETS SURVEYED (W2)

Veterinarians were recruited from Vetspanel, our proprietary panel of 28,000 vets. A spread of practice type, role and experience was achieved. The high levels of corporate practices in the UK are reflective of the landscape, as are the high levels of owner/partners in France, where practices are typically smaller.

ROLE & PRACTICE PROFILES		UK W1	UK W2	FR W1	FR W2	ES W1	ES W2	USA W1	USA W2
Sample size		100	115	100	100	100	100	151	156
Practice type	Independent practice	33%	37%	79%	82%	92%	90%	60%	67%
	Corporate practice	56%	57%	15%	10%	4%	7%	33%	27%
	Group practice	6%	3%	4%	7%	2%	3%	1%	3%
	Specialty/referral practice	-	2%	-	1%	-	0%	-	2%
	Emergency practice	-	2%	-	0%	-	0%	-	1%
	Other	0%	0%	0%	0%	1%	0%	3%	0%
Role	Practice owner or partner	16%	7%	79%	52%	51%	37%	14%	17%
	Employee	75%	86%	20%	47%	49%	62%	79%	77%
	Part Time/ Locum	9%	4%	1%	1%	0%	1%	7%	5%
Years of experience	Less than 3 years	5%	9%	1%	4%	2%	0%	6%	6%
	3 to 10 years	35%	45%	5%	22%	22%	30%	42%	44%
	11 to 20 years	41%	33%	50%	40%	35%	40%	28%	29%
	21 to 30 years	12%	8%	29%	27%	34%	23%	15%	11%
	30 years or more	7%	5%	15%	7%	7%	7%	9%	10%

DEMOGRAPHIC PROFILES		UK W1	UK W2	FR W1	FR W2	ES W1	ES W2	USA W1	USA W2
Sample size		100	115	100	100	100	100	151	156
Age	26-35 years	35%	59%	6%	24%	14%	27%	30%	38%
	36-45 years	41%	27%	40%	39%	41%	40%	38%	35%
	46-55 years	15%	6%	29%	26%	33%	25%	15%	13%
	55+	7%	4%	21%	10%	10%	7%	15%	13%
	Prefer not to say	1%	1%	4%	0%	2%	0%	2%	0%
Gender	Male	29%	23%	44%	43%	37%	39%	22%	22%
	Female	71%	76%	56%	57%	62%	61%	78%	78%
	Other/prefer not to say	0%	1%	0%	0%	1%	0%	0%	0%



CHAPTER 02

EXECUTIVE SUMMARY

EXECUTIVE SUMMARY: **KEY CORE REPORT TAKEAWAYS**

The Cost of Living Crisis is far from over

- Around half of veterinarians in France, UK and US, and nearly three quarters in Spain, are at least a little worried – very similar to the picture we saw in wave 1 (Nov 2022).
- There has been a significant increase in the proportion of vets in the UK who say they are struggling to keep up (4% to 15%).
- Pet owners remain more worried than vets, with around 25% "very worried and struggling" in the UK, France and US.

Fuel & Energy costs concerns are no longer the top concern for veterinarians

- We see a marked decline in cost concern level for energy/fuel costs in France and the UK vs. wave 1.
- Mortgage/rent cost concern is increasing in the UK; from 41% to 55%, reflective of the ongoing housing crisis.
- Veterinarians in all countries rank the impact on their standard of living as their top concern.

The Cost of Living crisis presents a threat to staffing levels in the veterinary industry

- Whilst the primary cost saving measure among veterinarians is to make changes to their personal expenditure, in this wave we see a higher percentage of vets looking at leaving the profession or switching to locum work.

The impact on veterinary business that we saw in wave 1 continues

- Sales of pet nutrition and other products are down as vets focus on essentials. Revenue from services/consultations has increased, but revenue from products sold, especially nutrition, has declined across countries.
- Staff availability remains very low in the UK and US.

Vets report that around 1 in 3 pet owners are struggling to afford veterinary care; higher in the UK and US at 45%/40%

- Vets are offering cheaper or alternative treatments to help owners who can't afford optimal care. Providing finance plans and online prescriptions are key strategies used.
- Around two thirds of vets notice pet owners looking online for treatments or delaying vet visits. 60%+ notice owners switching to cheaper pet food brands.
- In the UK, 64% of vets say clients have asked to euthanize a sick pet for financial reasons. 31% say clients have stopped treatment for chronic conditions.
- Referral to charity practices is high in the UK (63% of vets do this).



CHAPTER 03

SETTING THE SCENE

KEY TAKE AWAYS: **SETTING THE SCENE**

- The combined impact of the global pandemic, the war in Ukraine, energy crises, price increases and inflation has created an environment that is challenging for us all.
- As a result day to day spending is slowing, discounters are gaining ground and discretionary spending is dropping
- Emerging themes affecting the world of pets and veterinarians are already clear:
 - Pet abandonment is growing
 - Calls to the RSPCA have increased 12%
 - Cost of owning a pet is the number one cause of neglect
- The Cost of Living crisis is set to change the face of veterinary care and pet ownership, just as Covid-19 changed the landscape in 2020. It is our aim to collect the data and insights needed to enable our partners to react to this changing landscape.

Read on to discover how veterinarians, pet owners and pets across the world are responding to the cost of living crisis.



CHAPTER 04

PERSONAL IMPACT

KEY TAKEAWAYS: PERSONAL IMPACT

The Cost of Living crisis is still very much occupying the minds of many veterinarians and pet owners

- Pet owners remain concerned, with around a quarter saying they are very worried and struggling to keep up and half concerned but managing. This is at a similar level to wave 1 (Nov 2022), though we see a directional reduction in those who rate themselves as very worried and struggling to keep up.
- Veterinarians in the UK are significantly more worried in 2023 (June) vs. Nov 2022. Around 1 in 7 (15%) vets in the UK now say they are struggling to keep up, compared to around 1 in 20 (4%) last year. Vets in Spain remain the most worried.

Vets in the UK and France report that they are doing worse financially compared to wave 1

- The US is the only country which reports a net positive in terms of financial performance (more vets saying they are doing better than doing worse)

Fuel and energy costs are not as concerning to veterinarians as in wave 1

- In the UK mortgage/rent is now the top *expense* concern among veterinarians, whilst impact on standard of living remains the top overall concern.
- Pet owners remain concerned with Fuel/energy costs. Food costs have become more of a concern in the UK and France.

There is a moderate level of worry about cost of living for vets

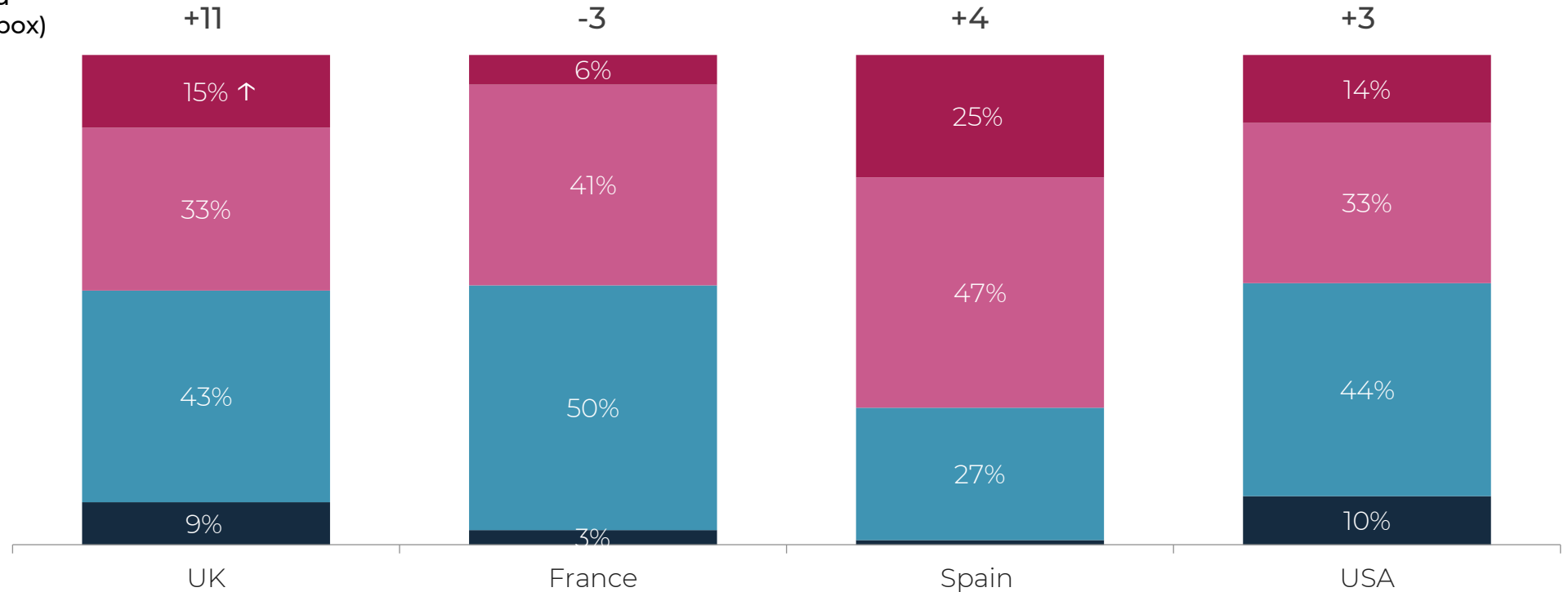
UK vets' worry level has increased compared to 2022. Spain remains the country most worried, with 1 in 4 saying they are struggling to keep up. Vets in France are less likely to say they are struggling or worried, whilst the US sits at the same level as the UK.

Level of worry over cost of living

All veterinarians, by country (%)

Change compared to wave 1 for vets that are very worried and struggling to keep up (top 2 box)

- I am very worried, and struggling to keep up
- I am a little concerned, but think 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



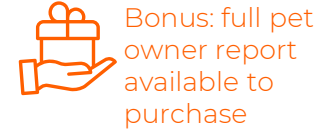
Q5. Thinking about your own personal circumstances, how much of a worry is keeping up with the increases in cost of living that we are all experiencing at the moment? UK (115), France (100), Spain (100), USA (156)

Significance testing

↑ ↓ denotes significant at 95% against wave 1

Pet owners remain more worried than vets, but there are no significant shifts

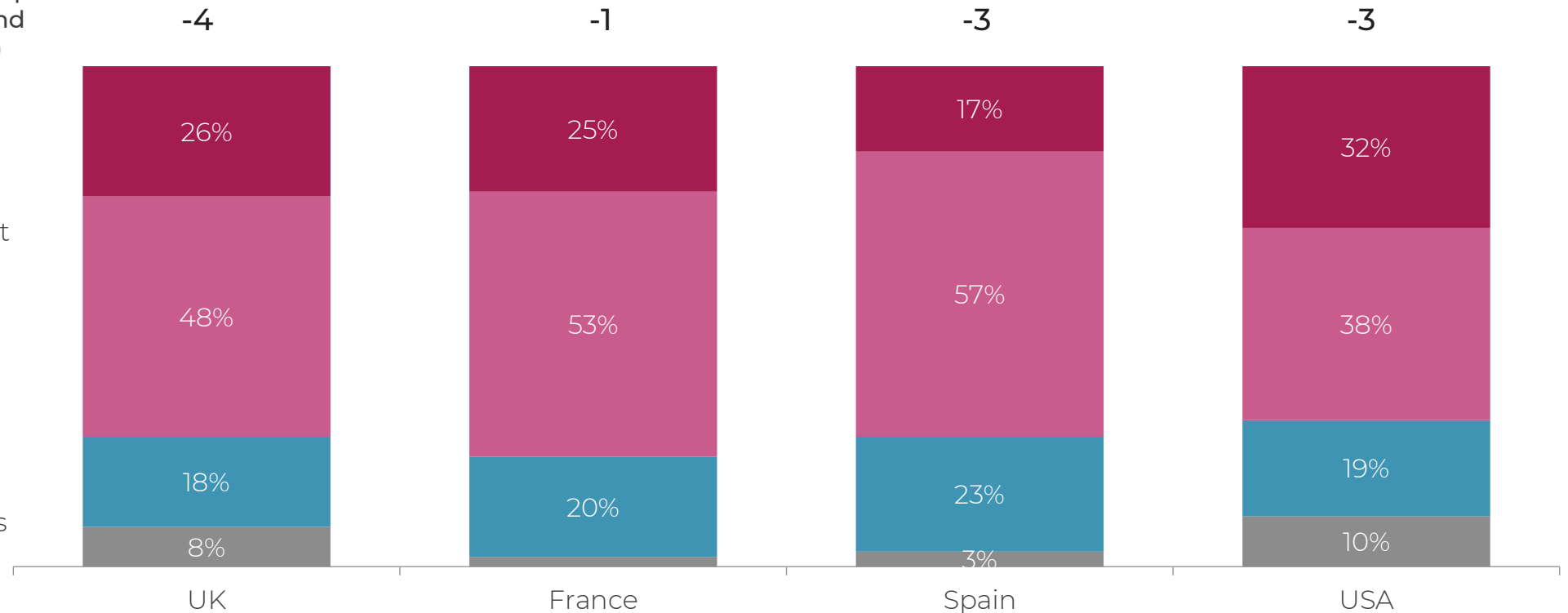
On average, 1 in 4 pet owners are very worried and struggling to keep up. Around a half are just about managing. Only 1 in 5 pet owners say they are not yet struggling.



Level of worry over cost of living
% of pet owners, by country

Change compared to wave 1 for pet owners that are very worried and struggling to keep up (top box)

- I am very worried, and struggling to keep up
- I am a little concerned, but think 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



Q13. 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?
UK (409), France (416), Spain (411), USA (404)

Significance testing
↑ ↓ denotes significant at 95% against wave 1

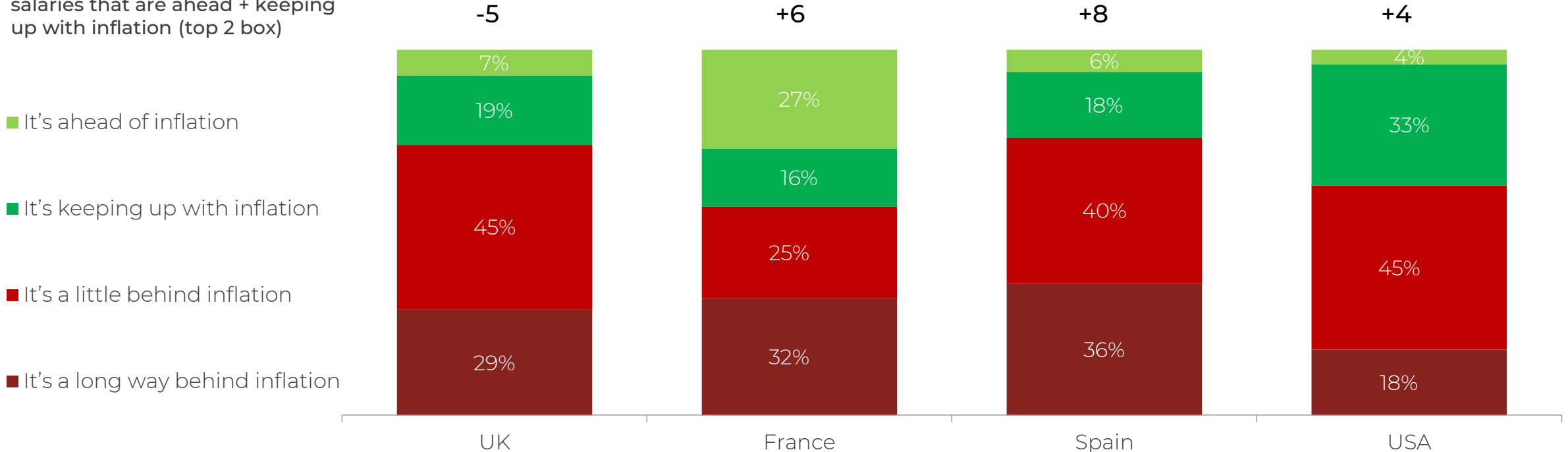
UK veterinarian salaries are not keeping up with inflation

France has the highest proportion of those not behind inflation, with around 4 in 10 vets saying their salary is at least in line with inflation. UK and Spain has the highest proportion of vets behind inflation. Since the last wave more UK vets are behind inflation.

How well is your salary keeping up with inflation?

(% vets)

Change compared to wave 1, vet salaries that are ahead + keeping up with inflation (top 2 box)

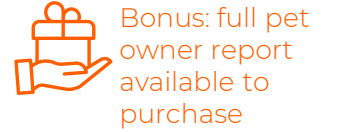


Q8. How well is your salary keeping up with the current rises in inflation?
UK (115), France (100), Spain (100), USA (156)

Significance testing
↑ ↓ denotes significant at 95% against wave 1

Pet owner salaries are similarly behind inflation

Pet owners in Spain report their salaries are most behind inflation, whilst those in the US are keeping up the best with inflation however are experiencing higher levels of unemployment.

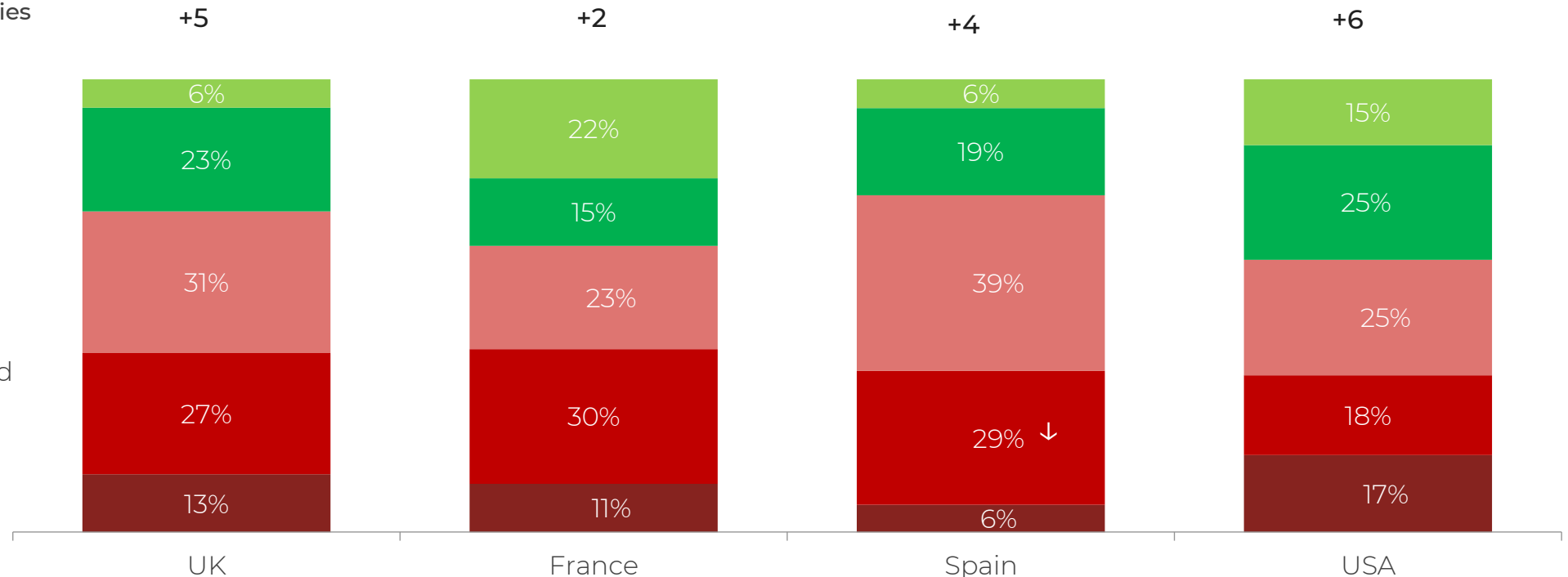


How well is your salary keeping up with inflation?

% of pet owners, by country

% change from wave 1 to wave 2 in pet owners saying their salaries are keeping up with inflation

- It's ahead of inflation
- It's keeping up with inflation
- It's a little behind inflation
- It's a long way behind inflation
- I am not currently employed



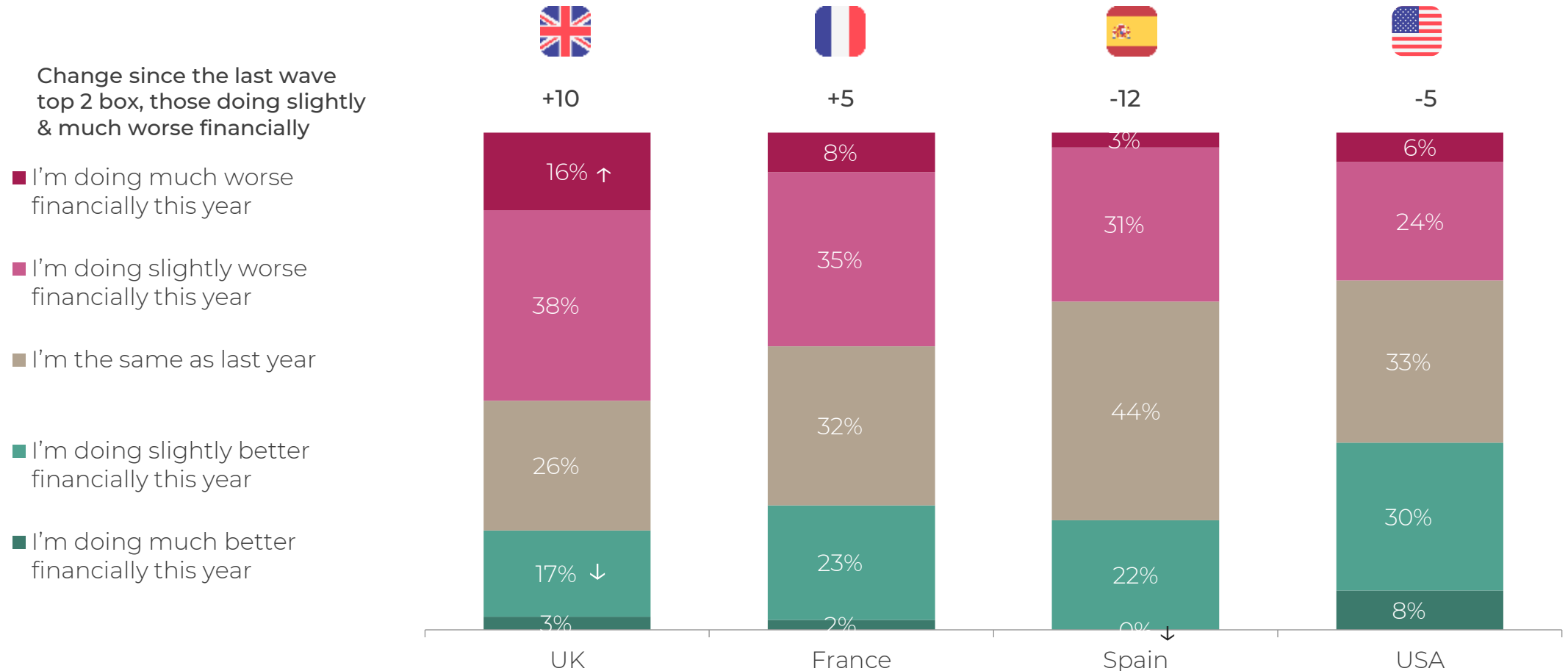
Q17. How well is your salary keeping up with the current rises in inflation?
UK (409), France (416), Spain (411), USA (404)

Significance testing
↑ ↓ denotes significant at 95% against wave 1

UK veterinarians doing significantly worse financially

Spain is doing considerably better than the previous wave whereas the UK is doing significantly much worse financially this year. France is doing moderately worse and US slightly better.

Compared to last year would you say.....

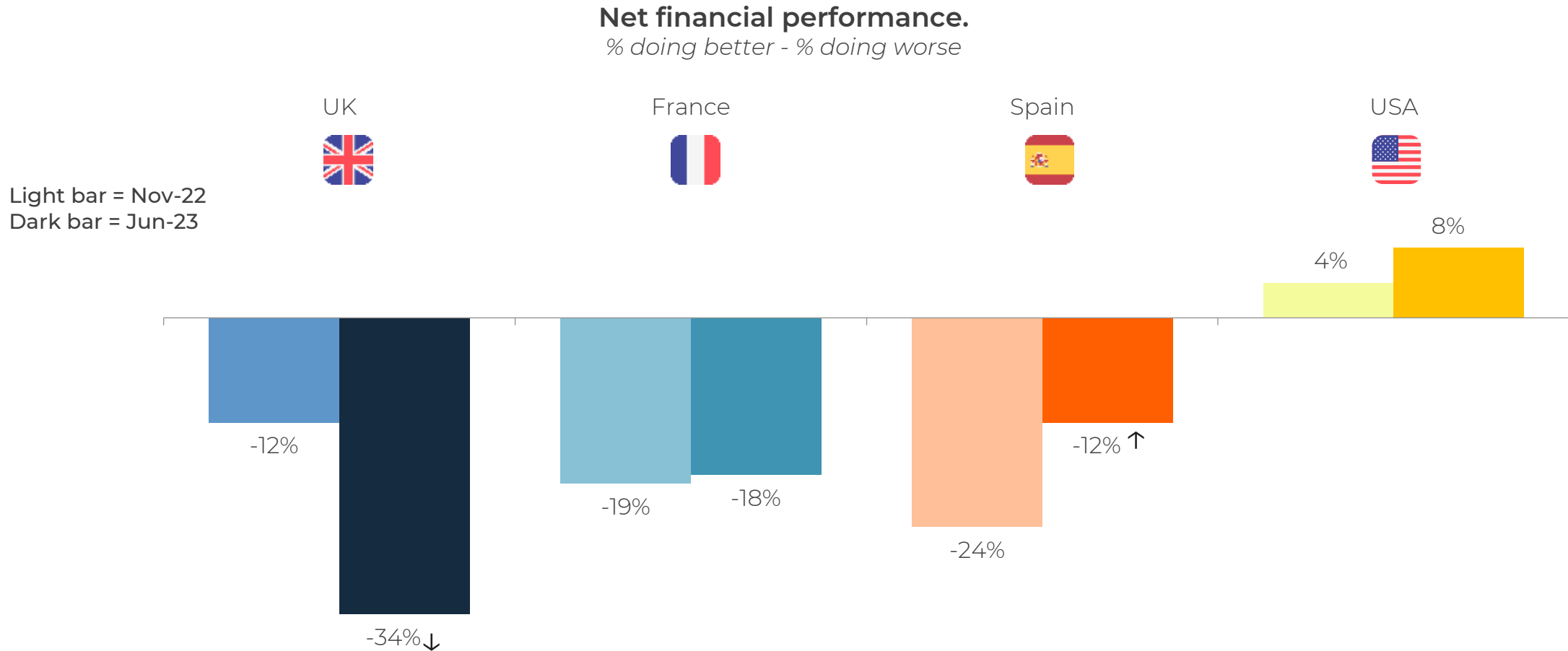


Q1. The current financial climate has affected different people in different ways. Compared to last year, would you say...
UK (115), France (100), Spain (100), USA (156)

Significance testing
↑ ↓ denotes significant at 95% against wave 1

UK sees significant dip in personal finances

The US and France has seen the least change in their financial performance since last year and are doing financially better this year whilst Spain is doing significantly better compared to the previous wave. The UK is doing significantly worse this wave with a 22% decrease.



The main concern for all countries is impact on standard of living

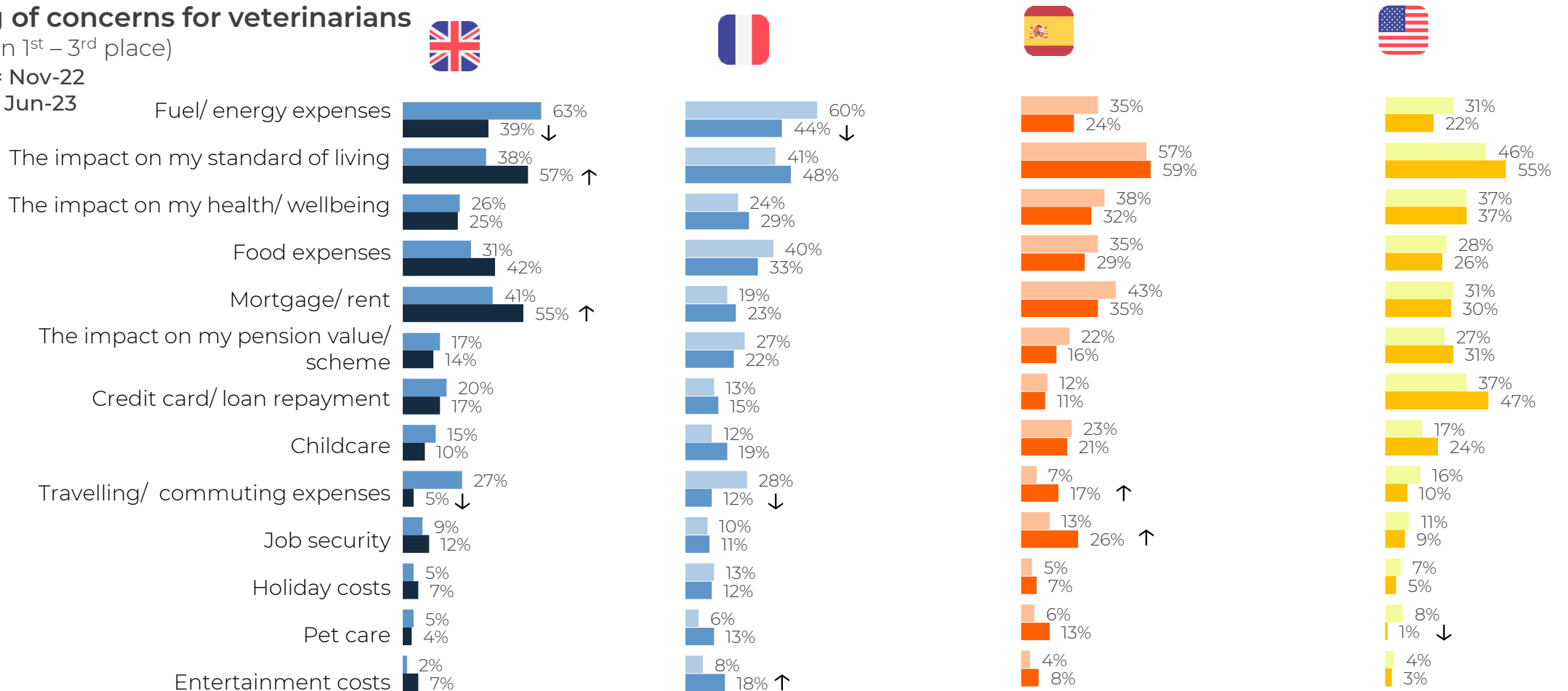
Over half of UK vets are significantly more concerned about mortgage/rent & impact on standard of living compared to 2022. Food expense concerns have increased in the UK with 2 in 5 concerned. Fuel/energy expenses have significantly reduced in France. Pet care concerns have significantly reduced for US vets.

Ranking of concerns for veterinarians

(% rating in 1st – 3rd place)

Light bar = Nov-22

Dark bar = Jun-23







Q6. 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? W1: UK (95), France (93), Spain (100), USA (140)
W2: UK (115), France (100), Spain (100), USA (156)

Food expenses & mortgage/rent concerns continues to rise for UK vets

Entertainment cost concerns have risen for French vets compared to the previous wave as has job security concerns for Spanish vets. US vets are increasingly concerns about impact on standard of living and credit card/loan replacement concerns.

Ranking of concerns for veterinarians

(% rating in 1st – 3rd place)


				
Food expenses	+11	-7	-6	-2
Fuel/ energy expenses	-24 ↓	-16 ↓	-11	-9
Mortgage/ rent	+14 ↑	+3	-8	-1
Impact on standard of living, family/work life balance	+19 ↑	+8	+2	+10
Impact on health/ wellbeing	-2	+5	-6	0
Pet care	+1	+7	+7	-7 ↓
Job security	+1	+2	+13 ↑	-2
Childcare	-4	+7	-2	+7
Credit card/ loan repayment	-3	+3	-1	+10
Travel/ commuting expenses	-15 ↓	-16 ↓	+10 ↑	-6
Impact on pension value/ scheme	-3	-5	-6	+4
Holiday costs	+1	-1	+2	-2
Entertainment costs	+2	+10 ↑	+4	-1

Significance testing

↑ ↓ denotes significant at 95% against wave 1

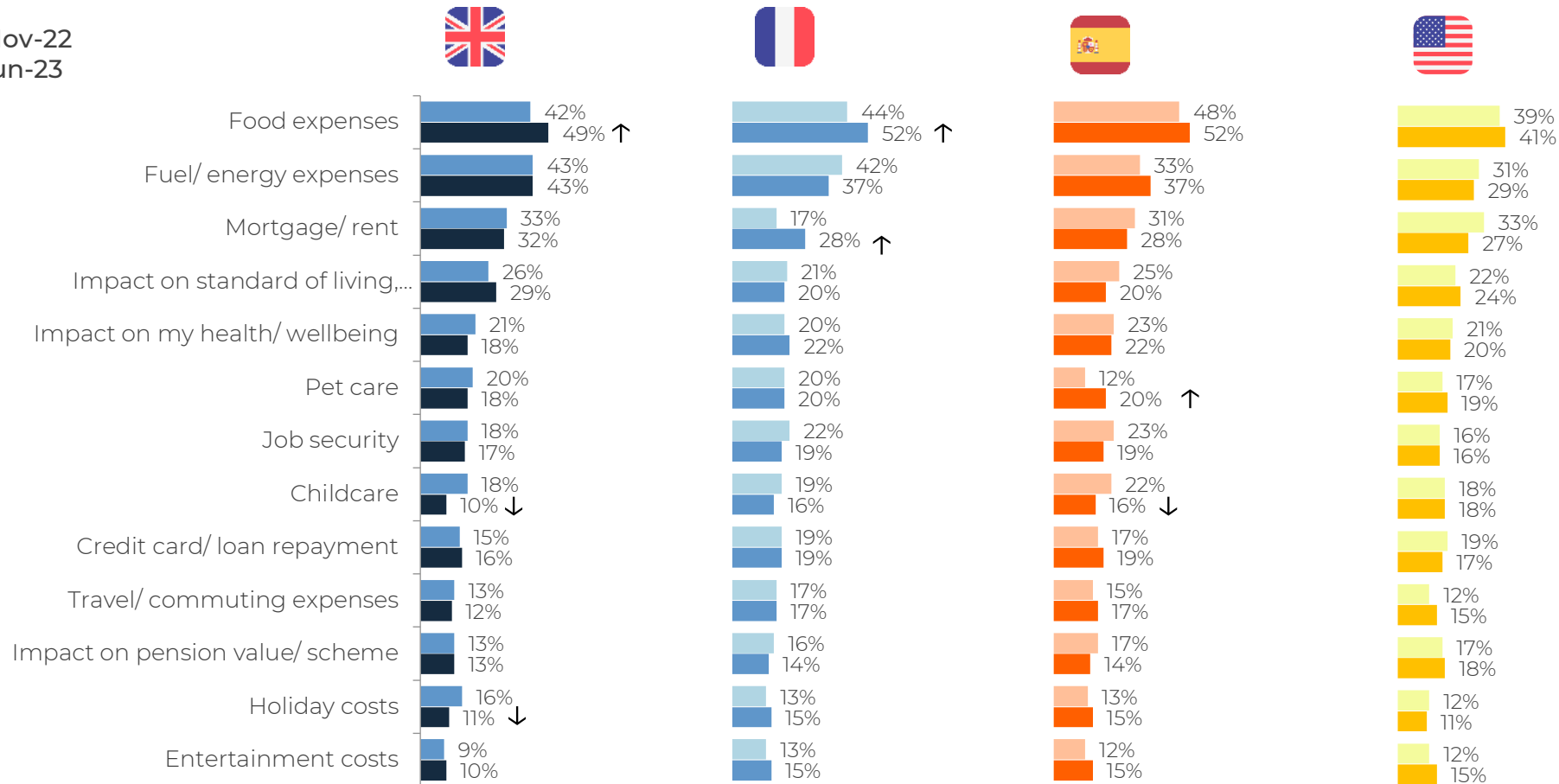
Food and fuel/energy expenses are still top of the concerns list

Pet care is a concern for around 1 in 5 pet owners for Spain and US. Food expenses continue to be the primary concern.

 Bonus: full pet owner report available to purchase

Ranking of concerns for pet owners
(% rating in 1st – 3rd place)

Light bar = Nov-22
Dark bar = Jun-23



Q14. Regarding increases in the cost of living, please rank each of the following expenses according to what worries you the most. To do this, please drag the aspect that concerns you the most to the top of the list, down to the aspect that concerns you the least. W1: UK (400), France (400), Spain (400), USA (400) UK (409), France (416), Spain (411), USA (404)

Significance testing
↑ ↓ denotes significant at 95% against wave 1



CHAPTER 5

MANAGING PERSONAL IMPACT



HOW ARE VETS CHANGING THEIR WORKING LIVES TO GET BY?

The top tactic taken to manage financial concerns is the same across all countries: making savings to personal expenditure. This is highest in the UK



% vets agreeing that they have made cost savings to their personal expenditure over the past year, by country

Veterinarians are making other changes to their working lives:

In the UK we see the highest level of vets considering switching to locum work (30%). UK vets are also asking for salary increases (30%), 19% say they have asked for more work– higher than other countries. A quarter of UK vets have considered leaving the profession for higher paid job/fewer hours.

In wave 2 nearly 1 in 5 French vets say they have considered leaving the profession due to financial worries. A similar number have asked for a salary increase.

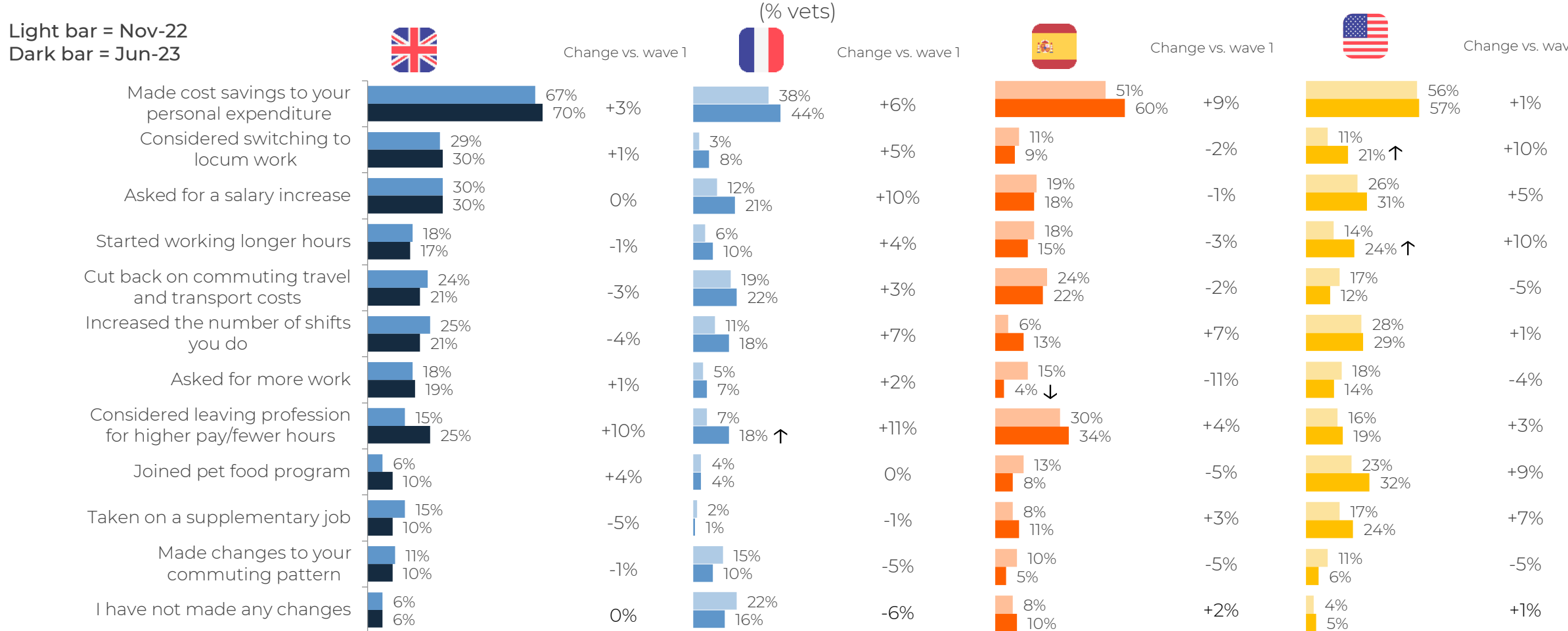
In Spain we see the highest proportion of vets saying they are considering living the profession at nearly 1 in 3 (34%). Nearly a quarter say they want to leave the profession (23%).

We see the biggest changes vs. wave 1 for vets in the US. After making personal expenditure savings, joining a pet food program is the next most common measure (32%). 24% now say they are working longer hours (vs. 14% in November) and 21% (vs. 11%) are considering switching to locum work.

Veterinarians are making cost savings to personal expenditure

Compared to wave 1 more vets across all countries are considering leaving the profession for a higher paid job/fewer hours. US vets are considering switching to locum work and working longer hours significantly more. France are asking for salary increases. Spanish vets are asking for more work significantly less.

Cost saving measures implemented



Q7. Which of the following things have you implemented over the past year or so due to financial worries?
W1: UK (95), France (93), Spain (100), USA (140) W2: UK (115), France (100), Spain (100), USA (156)

Significance testing
↑ ↓ denotes significant at 95% against wave 1

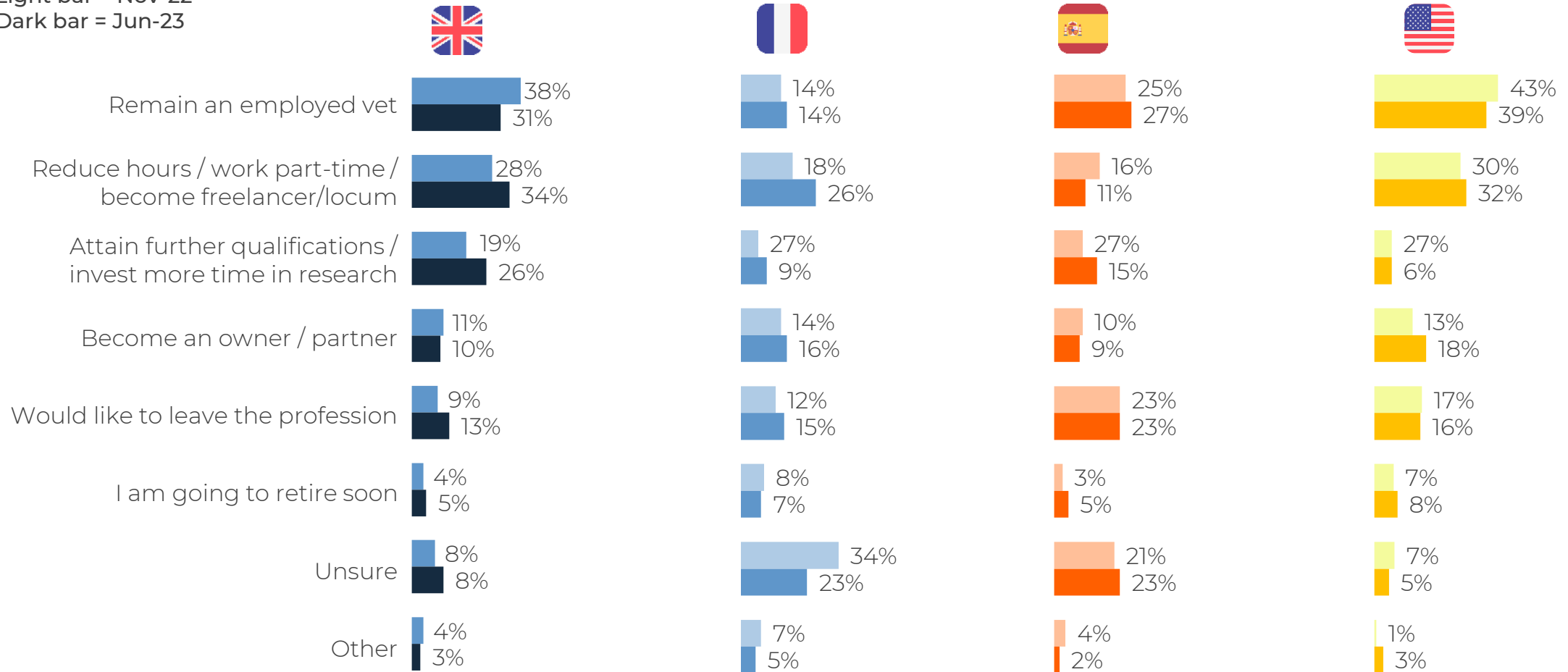
UK & France want to reduce hours/work part-time/locum in the long-term

Spanish and US vets want to remain an employed vet.

Long term career aspirations

(% vets)

Light bar = Nov-22
Dark bar = Jun-23



Significance testing

↑ ↓ denotes significant at 95% against wave 1

Q9..What are your long-term career aspirations?

W1: UK (100), France (100), Spain (100), USA (151) W2: UK (115), France (100), Spain (100), USA (156)

PET OWNER MEASURES

- In the UK & France cutting back on energy is the top measure implemented. In most countries being more mindful of the amount of energy/gas used and cost cut-backs are a common measure taken to deal with financial pressures.
- UK & US owners have significantly cut back on their own food and significantly more French owners have cut back on pet food costs.
- Only a minority of pet owners say that they have made any cost savings related to pet care.

% Cut back on OWN food

UK	France	Spain	US
30% ↑	31%	16%	28%

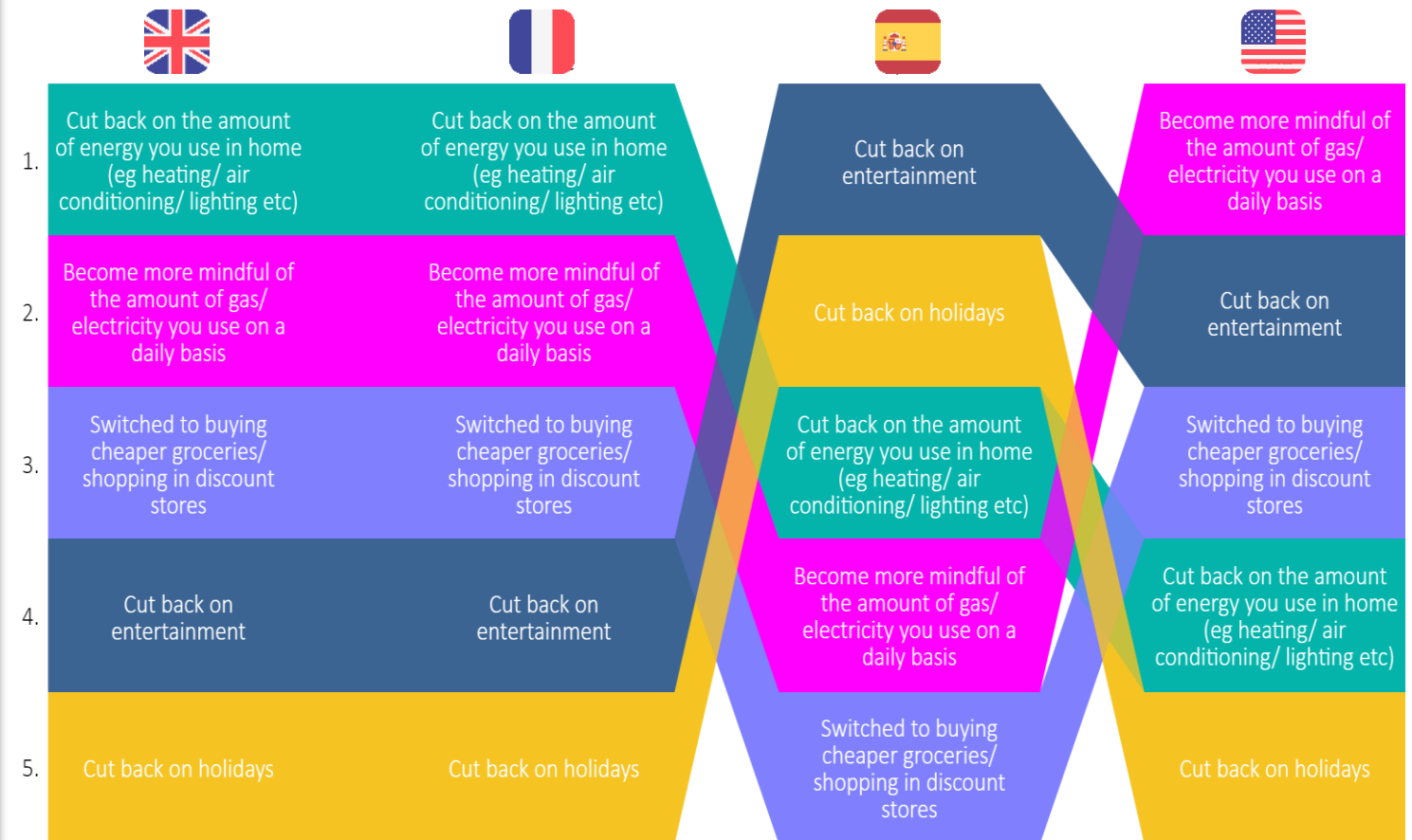
% Cut back on pet food costs

UK	France	Spain	US
17%	10%	9%	16%

% Cut back on pet healthcare costs (trips to the vet, medications etc)

UK	France	Spain	US
7%	8%	6%	12%

Top 5 cost savings being made by pet owners



Full analysis and pet owner data is available in the full report. Please contact carlos.michelsen@cm-research.com for details

Significance testing

↑ ↓ denotes significant at 95% against wave 1





Top 10 cost saving measures by pet owners

Cost savings measures are largely consistent across countries – with cutting back on entertainment, food consumption and energy, and switching to cheaper groceries the most common measures. The UK sees the most significant cutbacks measures.



Bonus: full pet owner report available to purchase

Cost saving measures implemented (% pet owners)

Change vs. Nov 2022, top ten cost savings measures (Global top 10)				
Become more mindful of the amount of gas/ electricity you use on a daily basis	53% (13%) ↑	50% (6%)	43% (-1%)	45% (8%) ↑
Cut back on the amount of energy you use in home (eg heating/ air conditioning/ lighting etc)	54% (11%) ↑	52% (5%)	46% (5%)	36% (4%)
Cut back on entertainment	48% (10%) ↑	48% (0%)	58% (3%)	45% (2%)
Switched to buying cheaper groceries/ shopping in discount stores	(52%) 12% ↑	49% (5%)	38% (4%)	42% (5%)
Cut back on holidays	40% (4%)	39% (2%)	50% (-1%)	32% (-2%)
Cut back on travel and transport costs (e.g. using public transport, using car less/ sharing, walking etc)	26% (2%)	27% (1%)	32% (2%)	30% (1%)
Cut back on food consumption	30% (7%) ↑	31% (3%)	16% (5%)	28% (8%)
Cutting back on savings/ investments	26% (3%)	23% (4%)	24% (-3%)	22% (2%)
Dipping into savings just to get by	31% (7%) ↑	22% (1%)	18% (4%)	24% (1%)
Switched to buying groceries in bulk	17% (1%)	15% (3%)	19% (8%) ↑	21% (4%)

Q16. And which of the following measures have you implemented over the past year or so due to financial worries?
UK (409), France (416), Spain (411), USA (404)

Significance testing

↑ ↓ denotes significant at 95% against wave 1







CHAPTER 6

IMPACT ON VETERINARY BUSINESS

IMPACT ON BUSINESS AREAS

- As in 2022, all countries are seeing significant increases in client footfall and revenue made through services and consultations – with France and Spain showing a higher net increase in 2023 than in 2023.
- Revenues made through pet nutrition and other products remains low; a trend we have seen since 2020.
- In the UK and US staff availability is still very low and has further declined in France.

NET INCREASE/DECREASE ON DIFFERENT BUSINESS AREAS BY COUNTRY

% stating business aspect increased minus % saying business aspect decreased				
Revenue made through services/ consultations	10%	17%	12%	25%
Number of new client registrations	25%	27%	24%	35%
Number of clients visiting the practice	8%	11%	8%	31%
Number of in person appointments offered to clients	23%	4%	5%	34%
Revenue made through products sold at practice	-31%	-26%	-22%	-17%
Revenue made through pet nutrition products sold at practice	-47%	-56%	-33%	-34%
Staff availability	-61%	-21%	-8%	-45%
Number of routine check-ups booked	-34%	-17%	-11%	6%
Number of remote / telemedicine appointments offered to clients	-10%	2%	9%	-6%

Green shading = significant net increase
Red shading = significant net decrease



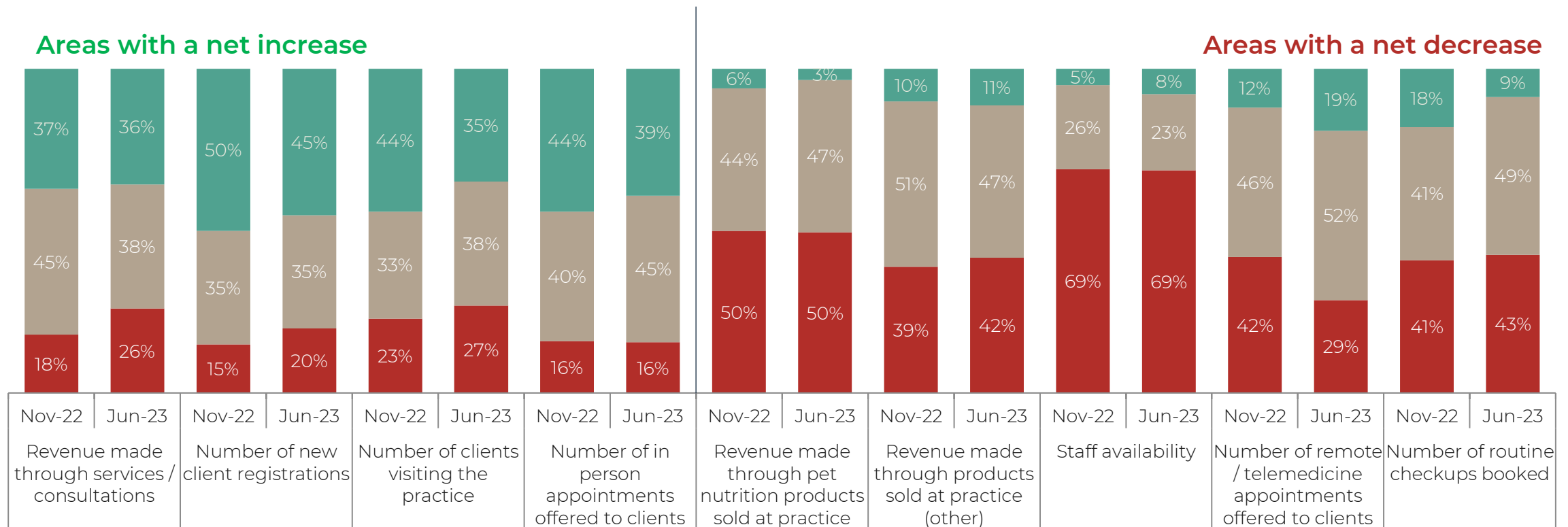
The situation in UK clinics remains consistent with Nov 2022

Client footfall remains high, whilst there has been no recovery in nutrition and product revenue or staff availability. The decrease in telemedicine appointments offered is less stark than in 2022.

- Decreased
- Stayed the same
- Increased

What impact has the current financial situation had on the following business aspects of your practice?

All veterinarians, by country



Q11. Compared to this time last year, what impact has the current financial situation had on the following business aspects of your practice? UK vets: Nov 22 (100), June 23 (115)



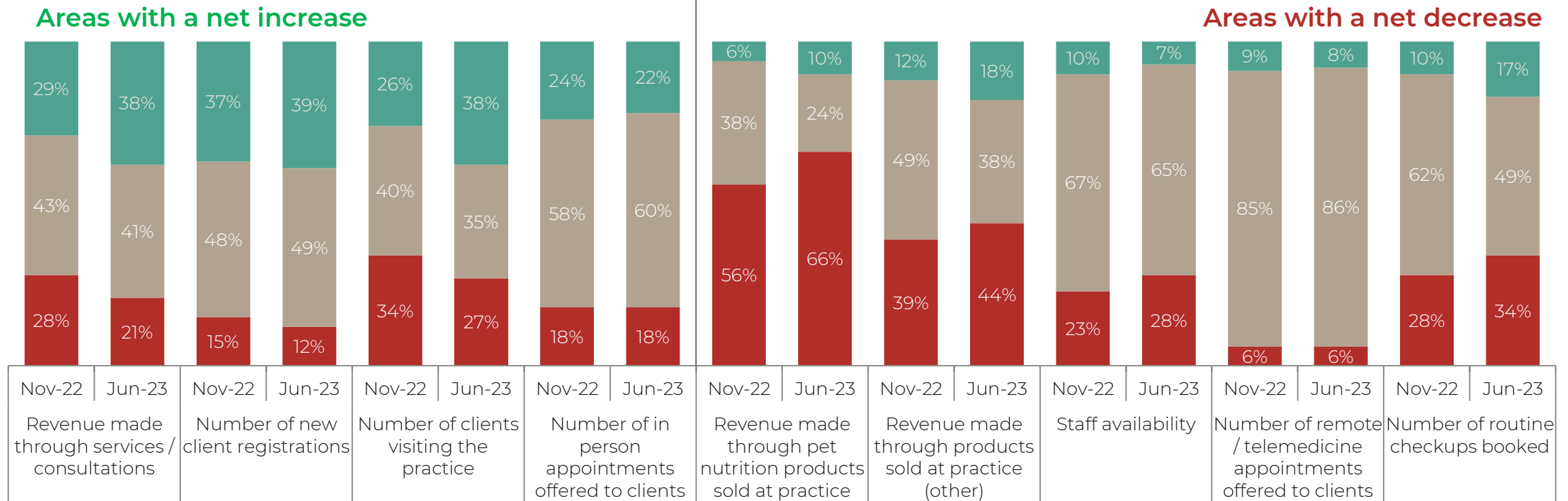
Footfall in France has increased compared to 2022

38% of vets report an increase in the number of clients visiting their practice, compared to 26% in Nov 2022. However, this is met with a slight further decline in staff availability. Clinics in France also continue to struggle with revenue on products

- Decreased
- Stayed the same
- Increased

What impact has the current financial situation had on the following business aspects of your practice?

All veterinarians, by country



Q11. Compared to this time last year, what impact has the current financial situation had on the following business aspects of your practice? FR vets: Nov 22 (100), June 23 (100)



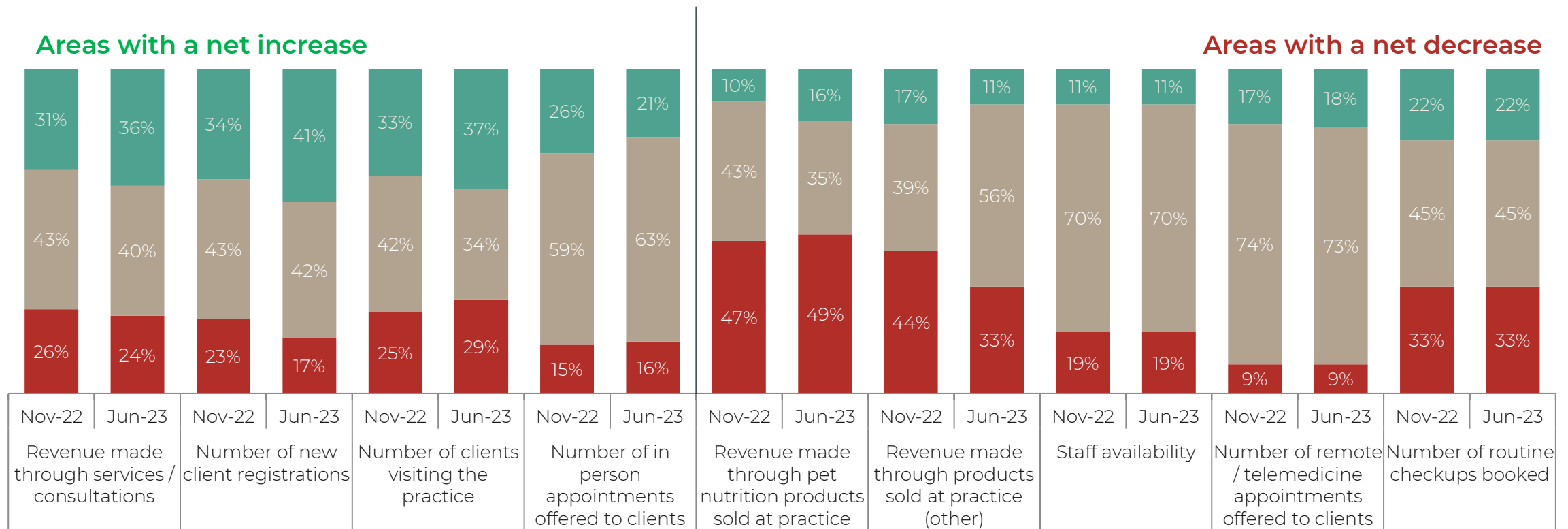
Spanish clinics continue to see more new client registrations

The picture in wave 2 is very similar to wave 1, although the % reporting a decrease in revenue made through products other than nutrition has gone from 44% to 33%

- Decreased
- Stayed the same
- Increased

What impact has the current financial situation had on the following business aspects of your practice?

All veterinarians, by country



Q11. Compared to this time last year, what impact has the current financial situation had on the following business aspects of your practice? ES vets: Nov 22 (100), June 23 (100)



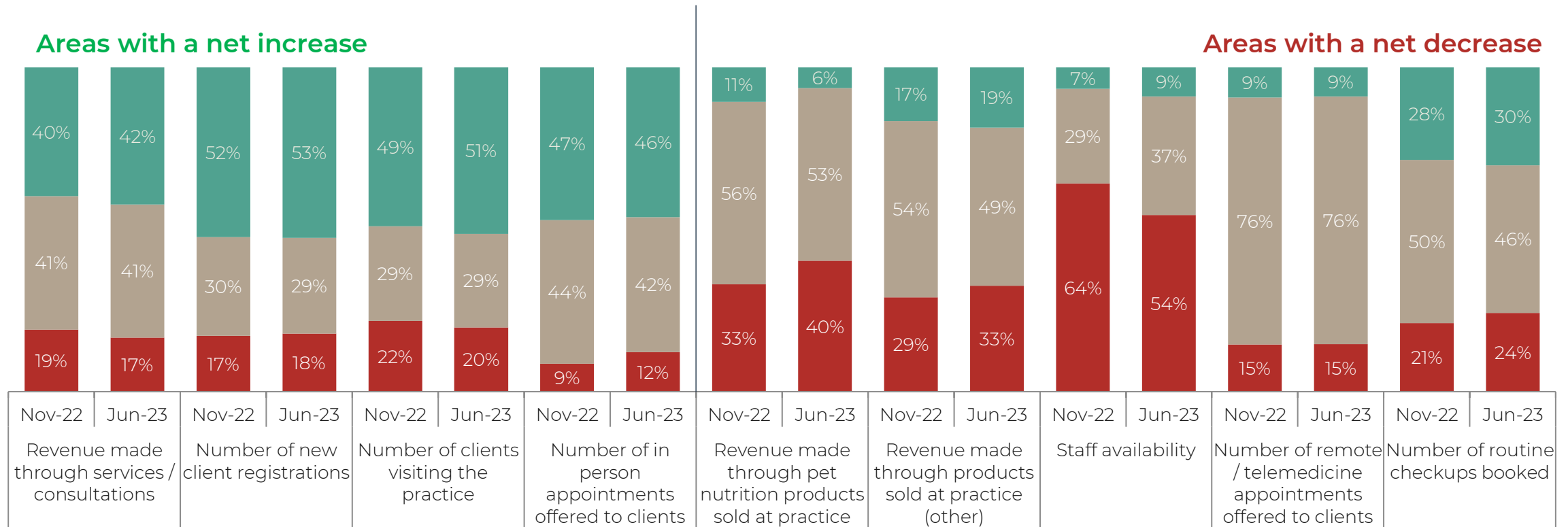
The US continues to be squeezed with low staff availability and more clients

As with other countries, there are minimal shifts wave on wave; staff availability is still down but less so than wave 1, whereas revenue made on nutrition products continues to fall.

- Decreased
- Stayed the same
- Increased

What impact has the current financial situation had on the following business aspects of your practice?

All veterinarians, by country



Q11. Compared to this time last year, what impact has the current financial situation had on the following business aspects of your practice? US vets: Nov 22 (151), June 23 (156)



CHAPTER 6.1

CHANGES TO VETERINARY CARE



HOW ARE THESE PRICING AND SUPPLIER CHALLENGES IMPACTING THE CARE THAT VETERINARIANS GIVE?

There have been marked changes to the number of prescriptions and recommendations that veterinarians are able to give to their animal patients.

Vets are reporting that they are doing...

More:





- Offering of cheaper medicine and surgery alternatives (especially in UK & US)
- UK vets are offering cheaper nutrition alternatives
- US vets are offering cheaper surgical options
- Nearly half of vets in the UK are carrying out more euthanasia

Less/fewer

- Spain and France are offering less recommendations/prescriptions across the board for all

These are just some of the topline highlights; full analysis and pet owner data is available in the full report. Please contact carlos.michelsen@cm-research.com for details

As a result of increases in the cost of living, would you say that you are doing more, fewer or the same amount of recommendations or prescriptions for the following?

	 UK	 France	 Spain	 USA
Net summary % saying area has decreased subtracted from % saying area has increased				
Offering cheaper medication alternatives	63%	17%	25%	46%
Demand for pet insurance or pet healthcare plans	3%	20%	23%	27%
Offering cheaper nutrition alternatives	37%	34%	6%	19%
Euthanasia	45%	29%	32%	28%
Offering cheaper surgical options for treatments	44%	23%	3%	27%
Acute treatments	15%	24%	19%	15%
Pharmaceutical solutions to pet care	-5%	24%	13%	4%
Microchipping	3%	22%	16%	-5%
Antiparasitic prescriptions	-5%	10%	23%	1%
Vaccinations	-4%	18%	14%	3%
Neutering	-7%	16%	6%	-11%
Diagnostic testing (glucose levels, T4, etc)	-33%	7%	9%	-3%
Therapeutic pet food recommendations	-21%	14%	7%	-4%
Nutraceutical recommendations	-17%	2%	4%	9%
Routine check ups	-37%	-4%	-5%	3%
Wellness or maintenance pet food recommendations	-37%	-5%	13%	7%
Alternative therapies, e.g., hydrotherapy, acupuncture, physiotherapy	-31%	-11%	-16%	-9%

Q14. And as a result of increases in the cost of living, would you say you that you are doing more, fewer or the same amount of recommendations or prescriptions for the following? UK vets (115), France vets (100), Spain vets (100), US vets (156)



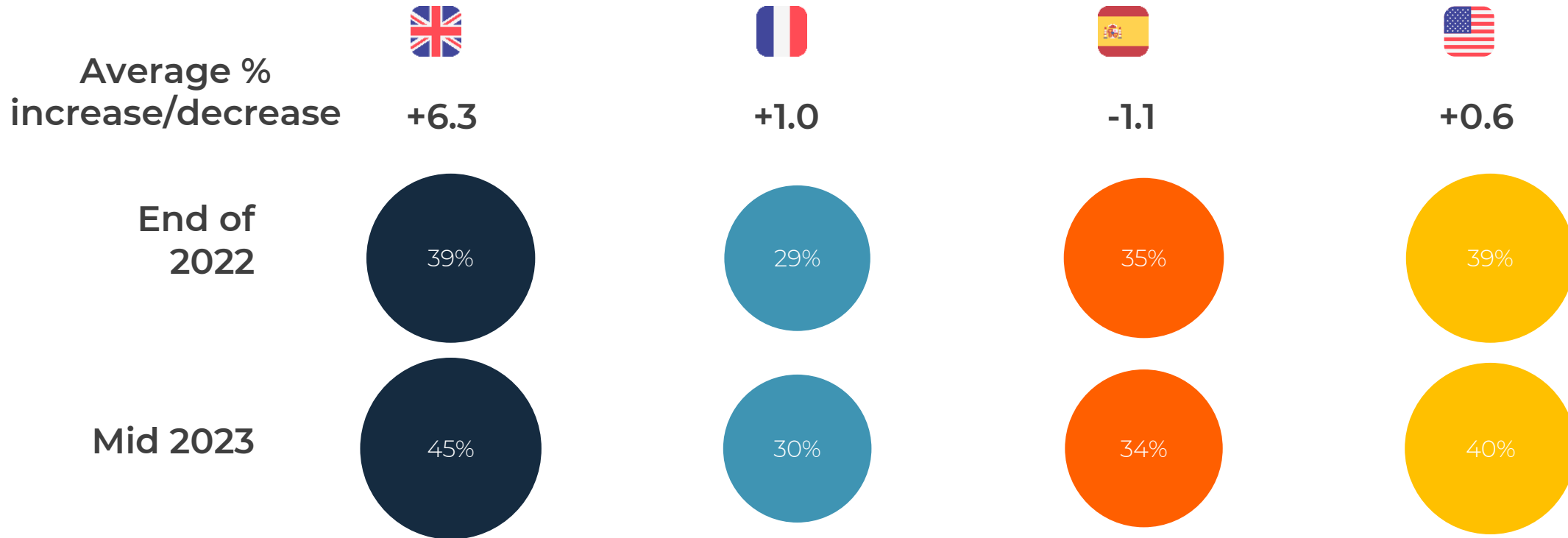
CHAPTER 7

IMPACT ON PET OWNER BEHAVIOUR

Over 1 in 3 pet owners are struggling to pay their bills according to veterinarians

UK vets report the biggest struggles, followed by the US. There's been an increase vs. 2022 in the UK but the other countries are on par with previous waves

% pet owners vets say are struggling to pay bills
(% vets)



Q18. And what percentage of your clients are currently struggling to pay their veterinary bills? by Where do you work?
W1: UK (100), France (100), Spain (100), USA (151) W2: UK (115), France (100), Spain (100), USA (156)



COST SAVING MEASURES: WHAT DO VETS REPORT THAT PET OWNERS ARE DOING?

We asked vets to pick from a list of 22 cost saving measures. These can be grouped as follows.

Limiting vet visits

- Reducing vet visit frequency

Looking for alternative treatments

- Buying medications online instead of from your clinic
- Asking for alternative cheaper treatment options
- Looking at the internet for treatment before visiting a vet

Delaying/rationing treatments

- Delaying treatment for chronic conditions
- Delaying treatment for acute conditions
- Spacing out application of flea and tick controls (spot on, pills, etc)
- Spacing out current treatment for a medical condition (i.e. giving pills every other day)

Stopping treatments

- Cut out current treatment for chronic medical condition altogether
- Cut out health maintenance diet

Pet food cost reduction measures

- Switching to lower cost pet food brands
- Buying pet food online rather from your clinic
- Cutting out purchase of treats
- Buying pet food in bulk
- Feeding pet homemade food/leftovers
- Relying on pet food banks

Giving up/euthanising pet

- Asked to have a sick pet euthanised for financial reasons
- Given away a pet as could no longer afford it
- Asked to have a healthy pet euthanised for financial reasons

Insurance

- Taken out pet insurance/veterinary pet plans to help manage pet care costs
- Cancelled pet insurance

Other

- Stopped pet grooming

Which of the following cost saving measures have you noticed your clients doing?

1 Buying medications online instead of from your clinic

62%

2 Asking for alternative cheaper treatment options

60%

3 Reducing vet visit frequency

58%

4 Looking at the internet for treatment before visiting a vet

58%

5 Buying pet food online rather than from clinics

57%

6 Switching to lower cost pet food brands

51%

7 Delaying treatment for chronic conditions

45%

8 Delaying treatment for acute conditions

41%

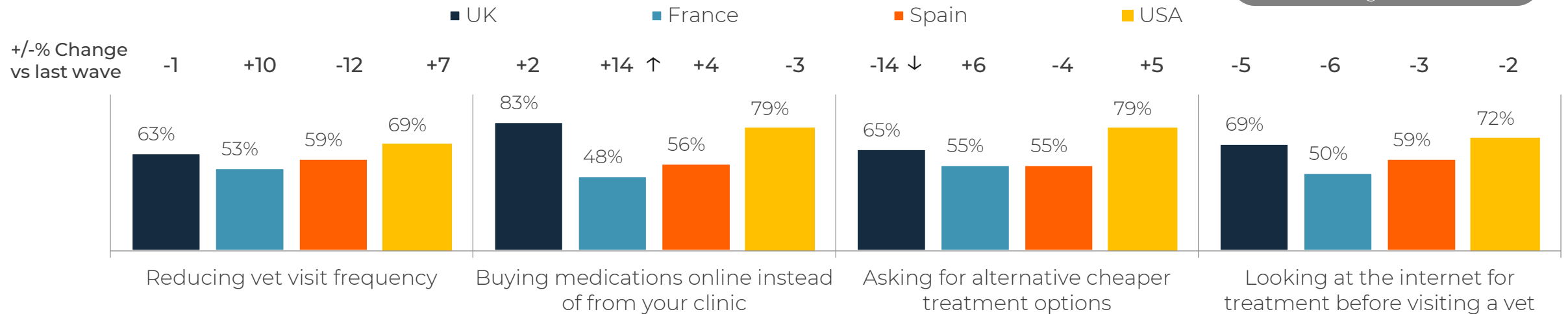
Vets have noticed clients looking for cheaper alternatives

In the UK and US vets are more likely to notice their clients buying medications online than those in France or Spain. Vets in Spain are more likely to notice their clients reducing vet visit frequency and look at the internet for treatment before visiting a vet. Since the last wave there has been a 14% increase in UK vets seeking alternative cheaper treatments and French owners buying medication online.

Cost saving measures: Veterinary clinic alternatives

(% vets noticing ANY of their clients...)

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



Q16. Now thinking about your clients and the current financial climate, which of the following cost saving measures have you noticed your clients doing? UK (115), France (100) Spain (100), USA (156)

Significance testing
↑ ↓ denotes significant at 95% against wave 1

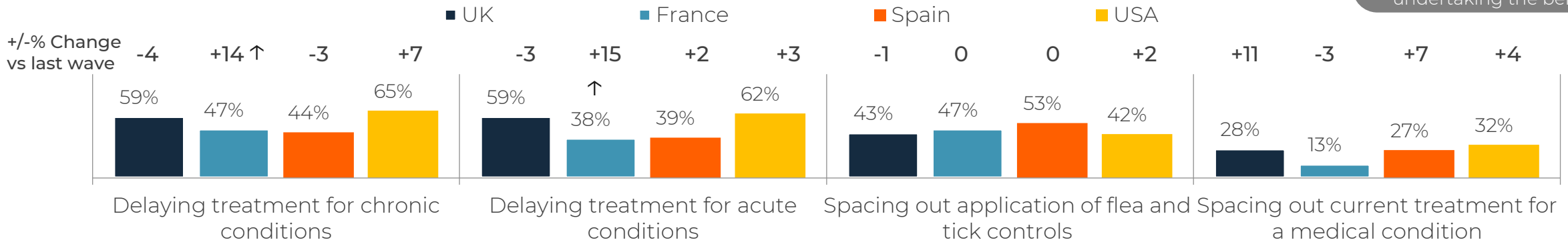
Vets are noticing treatment delays and cessation

Almost 2 in 3 vets in the US say they have noticed clients delaying treatment as a cost saving measure. More than half of all vets in Spain have noticed clients spacing out application of parasiticides. Since the last wave France has the largest increase in making cost saving measures.

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

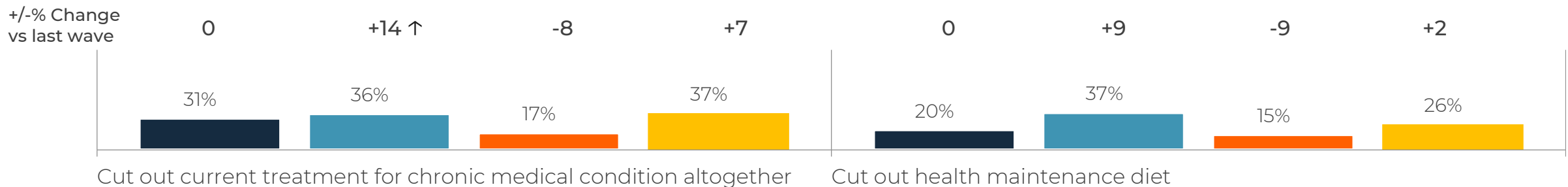
Cost saving measures: Delaying treatments

(% vets noticing ANY of their clients...)



Cost saving measures: Stopping treatments

(% vets noticing ANY of their clients...)



Q16. Now thinking about your clients and the current financial climate, which of the following cost saving measures have you noticed your clients doing? UK (115), France (100) Spain (100), USA (156)

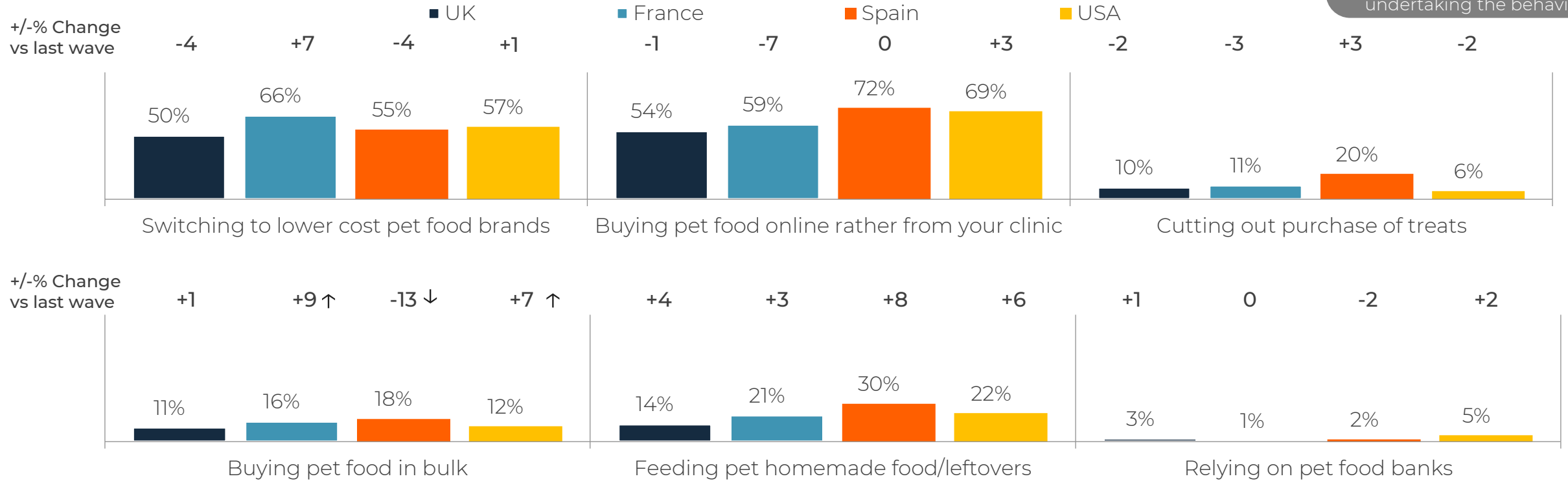
Significance testing
↑ ↓ denotes significant at 95% against wave 1

High numbers of vets notice clients buying pet food online

More than half of vets have noticed clients switching to low cost pet food brands in all countries. Compared to the last wave there has been an increase in French owners and US owners buying pet food in bulk, all countries have seen an increase in owners feeding pet homemade food/leftovers.

Cost saving measures: Pet food
(% vets noticing ANY of their clients...)

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



Q16. Now thinking about your clients and the current financial climate, which of the following cost saving measures have you noticed your clients doing? UK (115), France (100) Spain (100), USA (156)

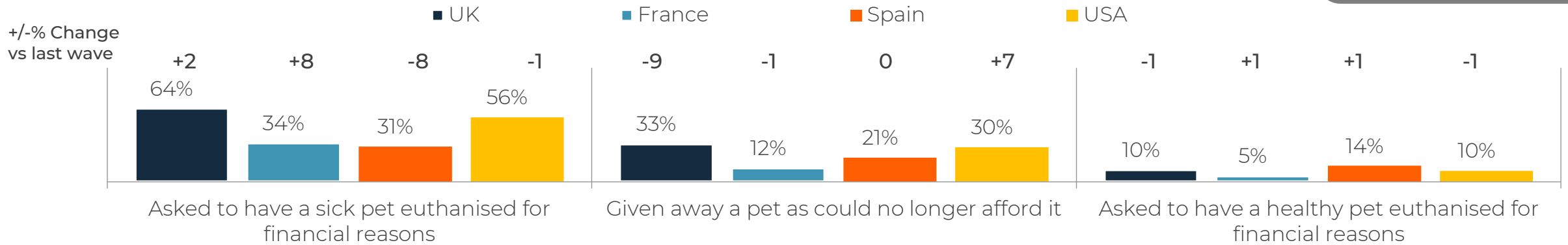
Significance testing
↑ ↓ denotes significant at 95% against wave 1

Over 3 in 5 vets in UK say clients have asked for euthanasia

Vets are reporting that since the last wave clients are cancelling pet insurance for financial reasons across all countries and in Spain owners are taking out pet insurance/veterinary pet plans to help manage pet care costs.

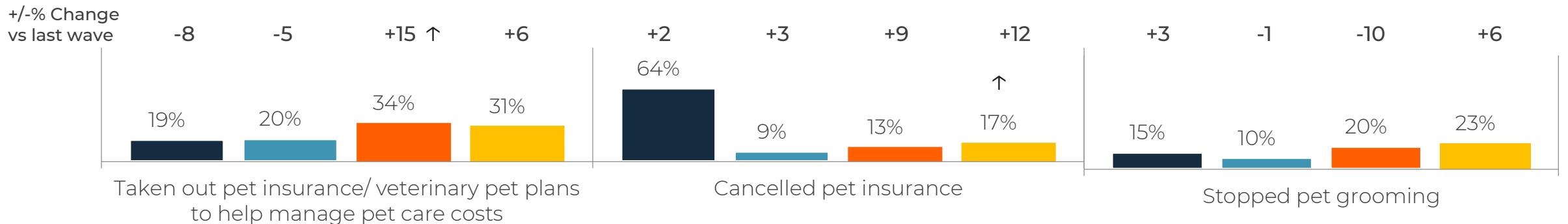
Cost saving measures: Giving up/euthanising pet (% vets noticing ANY of their clients...)

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



Cost saving measures: Insurance (% vets noticing ANY of their clients...)

Cost saving measures: Grooming (% vets noticing ANY of their clients...)



Significance testing
↑ ↓ denotes significant at 95% against wave 1

Q16. Now thinking about your clients and the current financial climate, which of the following cost saving measures have you noticed your clients doing? UK (115), France (100) Spain (100), USA (156)



In the UK vets are most likely to recommend the best alternative cheaper treatment, then sourcing treatments online and then charity practice referral. All of these strategies are undertaken by over 70% of vets. Nearly half say they discuss euthanasia options




France is the country most likely to offer payment plans, with 89% of French vets opting for this. After this, they tend to offer the best alternative treatment or cheaper surgical options, followed by offering “used” (e.g. open) medication.



Vets in Spain opt for similar measures – looking at alternative treatments and payment plans.



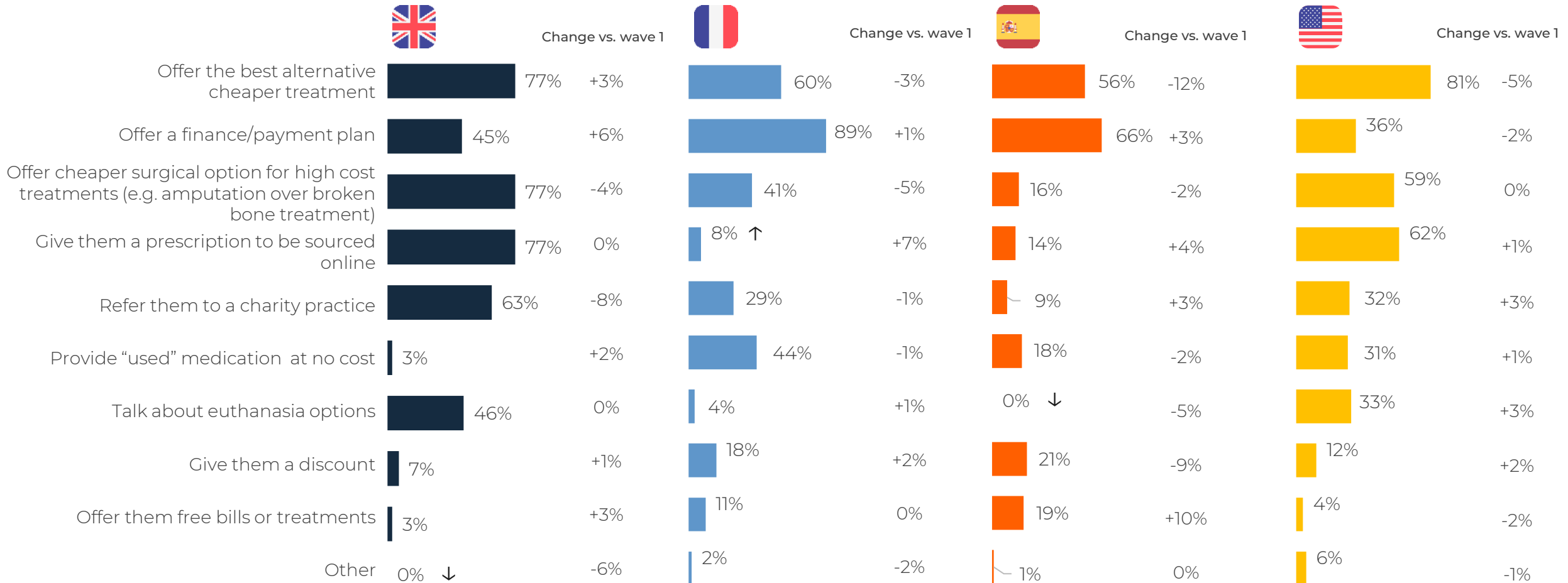
Finally, vets in the US tend to offer the best alternative cheaper treatment most often. Offering cheaper surgical options and online prescriptions is also common. After the UK, vets in the US are most likely to discuss euthanasia options.



AND WHAT DO
VETS DO WHEN
PET OWNERS
CAN'T AFFORD
THEIR BILLS?

Vets are offering alternative treatments and payment plans. In the UK & US, online prescriptions are very common

What do you do when a client can't pay their bills?
(% vets)



Significance testing
↑ ↓ denotes significant at 95% against wave 1



CHAPTER 08

ADDITIONAL ANALYSIS AND REPORTING

BEYOND THE CORE REPORT

We hope this report has been useful and helped expand your understanding of the impact the Cost of Living crisis is having on the veterinary industry across some key countries. Below we outline the further insights, audience and metrics available to purchase.

CORE REPORT (50 pages)

Audience

- Small animal vets

Market coverage

- UK, France, Spain and US

Topics

- Personal impact of CoL crisis
 - Key areas of concern
 - Basic strategies undertaken
- Impact on clinic operations & pricing
- Changes to pet owner behaviour
 - % struggling to pay bills
 - Cost saving measures vets have noticed
 - Strategies vets use when pet owners can't pay

180 pages ENHANCED REPORT (+Germany, Italy, Japan)

Veterinarians

- % of vets receiving salary increase
- Full analysis of supplier response to crisis
- Future of veterinary careers – locum working
- Leaving the industry
- Stress and satisfaction levels
- Deep dive into pharma or nutrition topics

Pet owners

- Coverage of cat and dog owners
- Changes to frequency and type of vet visits
- Drivers of vet visits during CoL 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
- Discussions over finances with vets
- Level of affordability for pet care
- Ability to afford treatment
- Impact of human/animal bond
- Key demographics: age, SEG, gender, lifestage, household make up

WHO IS **CM** RESEARCH?

CM Research is a market research agency specialized in the **veterinary and pet owner sector**.

We run quantitative & qualitative, syndicated & sponsored, global & local projects for most of the top veterinary pharmaceutical companies and testing laboratories.

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No one knows veterinarians better than we do



Established in 2010, a **decade** of getting to know veterinarians



Panel of over **28,000** in **17** countries and growing!



Small animal, equine and other large animal **professionals**

125

...years of combined research **experience**



Concept database of over **350** new veterinary concepts



Present at **industry** conferences worldwide



Six office dogs, many home cats, some chickens