

Dog owners, pet insurance and the impact of COVID-19



Introduction

We've always been a nation of dog lovers, but in lockdown, this trend accelerated. The RSPCA says of the 12 million dogs in the UK, 3.2 million were acquired as "pandemic puppies".

With high prices paid for many of the UK's pups, and vets bills a huge out-of-pocket expense if something adverse happens, we wanted to learn more about the drivers behind dog ownership and the attitudes of the UK's dog owners to pet insurance.

What kind of dogs do people own? Are they all pandemic puppies? Are people insuring their pets, and if so, who are those people? Is there a typical demographic? Is one region more inclined to insure than another? And how might this information be used to inform your marketing practices?

In our survey, we asked 2,000 UK dog owners the following questions:

- How many dogs they own, the type of breed, size and age of their dog(s)
- When they took ownership of their dog(s), and if this was after March 2020, whether this was as a result of the pandemic
- Whether they currently hold valid pet insurance for their dog(s), and if so, who they hold their pet insurance with
- If they no longer hold insurance, how old their dog was when they stopped insuring them, and why they stopped
- Whether they had received a free introduction insurance policy when they first took ownership of their dog(s), and whether they hold their current policy with the same provider

Key Findings

Three quarters (75%) of dog owners in the UK own just one dog, a fifth (20%) own two and just 5% own three or more dogs.

Overall, three in five (63%) own at least one pedigree dog, 37% own a crossbreed and 9% own a multi-breed.

Nearly half (43%) of the dogs were bought before 2015, while 57% have been owned since 2016.

Around one in seven (15%) got their dog(s) after the coronavirus pandemic began and more than half (55%) credit the pandemic for this. 12% got a new dog because they were feeling lonely during this difficult period.

After lockdown, there were proportionally more younger people (44% aged between 18-34 compared to 26% before March 2020) and people working full time (61% compared to 50% before March 2020) owning dogs.

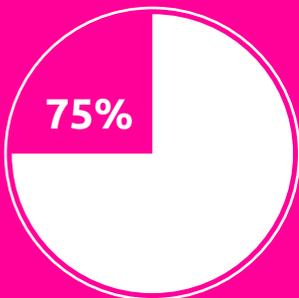
Regionally, those in the East Midlands (9% vs 7%), London (14% vs 10%) and North West (17% vs 12%) have more dogs than before lockdown.

Three in five (61%) own valid pet insurance for their dog(s), rising to 72% among those with high household income (over £60k per year).

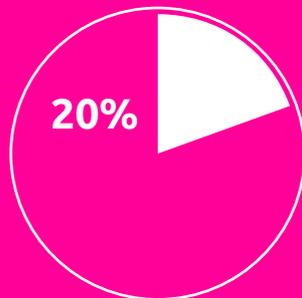
68% still hold a policy with the provider that gave them a free introductory offer.

Nearly a quarter (23%) have never held pet insurance for their dog(s): this rises to 32% among low household income pet owners (under £30k per year) vs just 16% among those with high household income.

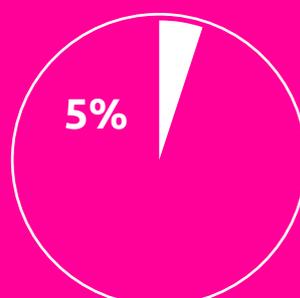
Of those that don't hold a valid insurance policy for their dog, more than half (53%) said it's because it's too expensive.



own 1 dog



own 2 dogs



own 3 dogs or more

Our sample



x2004

Gender Split



821

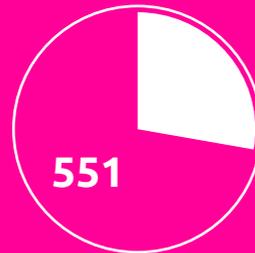


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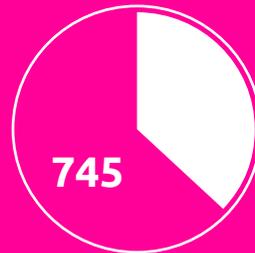
Geo-Distribution

Scotland	160
Northern Ireland	63
Wales	102
South West	183
South East	275
London	207
East of England	168
West Midlands	192
East Midlands	146
Yorks & Humber	154
North West	255
North East	99

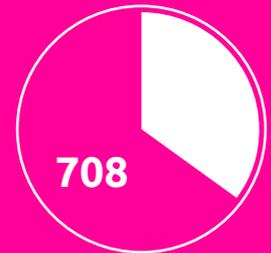
Age Base



18-34



35-54



55+

Pre-tax household income

Low (up to £30,000 a year)	718
Medium (£30,001 to £60,000 a year)	766
High (over £60,001 a year)	371
Prefer not to say	149



**Dog ownership and
the impact of
COVID-19**

63% own at least one pedigree dog

We wanted to find out what type of dogs people in the UK own. The results showed that most dog owners – three quarters (75%) – own just one dog, but a significant percentage own two (20%). However, only 5% of the respondents own three or more dogs.

Overall, three in five (63%) dog owners own at least one pedigree dog, 37% own a crossbreed, and 9% own a multi-breed. Those working full time (30 hours or more per week) were more likely to own a pedigree (52%) compared to just 2% who were owned by full-time students, 4% owned by unemployed, and 13% owned by retirees.

In terms of size, more than half (53%) of dogs are medium-sized (10-25kg), a third (34%) are small dogs (weighing up to 10kg), and a quarter (26%) are large dogs (weighing over 25kg). Medium pedigrees were the most popular size and breed of dog – accounting for 27% of the dogs owned. And in the UK, dogs owned as pets are 6 years old, on average.

15% got their dogs after March 2020

Nearly half (47%) of dogs have been owned since before 2015, while 62% have been owned since 2016. Around one in seven (15%) got their dog(s) after March 2020, when the coronavirus pandemic began. Among those that did so, more than half (55%) credit the pandemic for this. Most commonly, these new dog owners say they were spending more time at home (29%) or working from home more (20%), while 12% got a new dog because they felt lonely during this difficult period.

Factors influencing propensity to own a dog

After lockdown, there were proportionally more younger people (44% aged between 18-34 compared to 26% before March 2020) and people working full time (61% compared to 50% before March 2020) with dogs. Regionally, those in the East Midlands (9% vs 7%), London (14% vs 10%) and North West (17% vs 12%) have more dogs than before lockdown (something that is quite noticeable if you live or work in one of these areas too).

The results also showed that people who already owned other pets are less likely to have got a dog during the lockdown, but they are more likely to have a bigger dog. People with kids are twice as likely to have got a dog in the last 18 months – especially those with kids aged 7 to 10 – showing that “pester power” is alive and well! And those with a household income over £100k were three times more likely to get a dog.

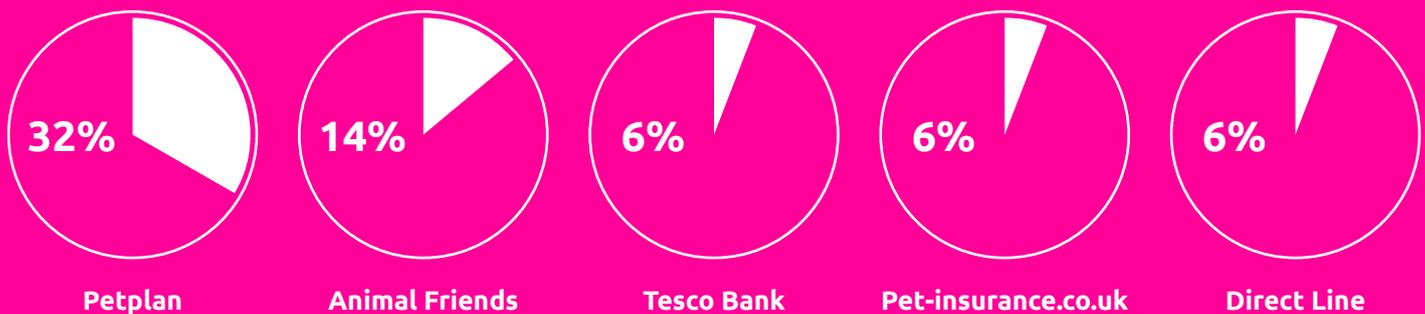


**Insurance -
Who takes it up
and who doesn't**

Three in five own valid pet insurance for their dog(s)

Three in five (61%) own valid pet insurance for their dog(s), rising to 72% among those with higher household income (over £60k per year). Among those that currently hold valid pet insurance for their dog(s), the most common provider is Petplan (32%), followed by Animal Friends (14%) in second place.

Top 5 pet insurance providers held by dog owners



68% still hold a policy with the provider that gave them a free introduction offer

Nearly half (48%) of all dog owners received a free introduction insurance policy around the time they first took ownership of their dog. Most commonly, this came when they registered with their local vet (26%) or, in some cases, when they bought their dog (18%). Of those that currently hold valid pet insurance for their dogs and received a free introductory offer, the majority (68%) still have a policy with the provider that gave them the introductory offer. 27% have insurance with a different provider.

Nearly a quarter have never held pet insurance for their dog(s)

Meanwhile, 37% do not have any valid pet insurance. Breaking this down further, 14% held insurance for their dog(s) in the past, while nearly a quarter (23%) have never held pet insurance for their dog(s). The latter figure rises to 32% among low household income pet owners (under £30k per year) vs just 16% among those with high household income.

Over half say pet insurance is too expensive

Among dog owners that previously held insurance but don't anymore (14%), the average age of their dog(s) when they got rid of their insurance plan was five years old. Overall, of those that don't hold a valid insurance policy for their dog, more than half (53%) said it's because it's too expensive.

Other common explanations revolve around dog owners not seeing the value or simply 'not needing' pet insurance: more specifically, pet owners don't see the point (15%), policies won't cover what they need (14%), it isn't a priority right now (14%), their pet has never been ill (13%), or they don't understand which is the best policy (9%).

Interestingly, other reasons why people don't buy pet insurance is because they have a savings account for their dogs as an alternative payment option, or they don't insure their dog because the dog is too old.



**What have we
learned?**

The survey results support everything we have heard over the past year: the pandemic drove dog ownership, with 15% getting a dog during the lockdown. Unsurprisingly this was because people were spending more time at home or working from home more. And more than one-tenth (12%) cited loneliness as a reason.

As a result, we've seen a rise in dog ownership amongst younger people (44% aged between 18-34 compared to 26% before March 2020) and those working full time (61% compared to 50% before March 2020) – again. The ability to work from home is probably the main driver of both of these.

While people who already own another pet are less likely to have got a dog during the lockdown, they were also more likely to have a bigger dog. And those with children are twice as likely to have got a dog in the past 18 months – despite those parents also probably juggling home schooling and working from home! They are to be applauded.

Those with a higher income were three times more likely to get a dog – and they are also more likely to take out pet insurance. Amongst all dog owners, a respectable 61% have valid pet insurance, rising to 72% for those with a household income of £60k per year. Petplan was the most common provider, outranking its nearest rival Animal Friends by more than double.

A free introduction offer or incentive is an effective way to secure a lifelong customer. Nearly half (48%) of all dog owners received a free introduction insurance policy when they got their dog, and of these, 68% of respondents still hold a policy with the same provider.

But more than a third (37%) don't have valid dog insurance, and expense is the single biggest reason for not holding a valid insurance policy, according to over half of respondents. While vets bills savings accounts might provide a safety net for some owners, insurance can sometimes be seen as an unnecessary expense for something that "might not happen." Insurance providers could consider either reducing their premiums or educating customers as to why pet insurance costs what it does so that customers can understand the value that it provides.

Factors influencing the purchase of pet insurance

Based on the survey results, we built a model to see what combination of variables would determine the likelihood to buy insurance for their dog(s) and discovered three significant variables.

This provides valuable guidance for pet insurance providers: target wealthier people, use an incentive, and do it early, as older dogs don't get insured unless they were insured as a puppy.



Income

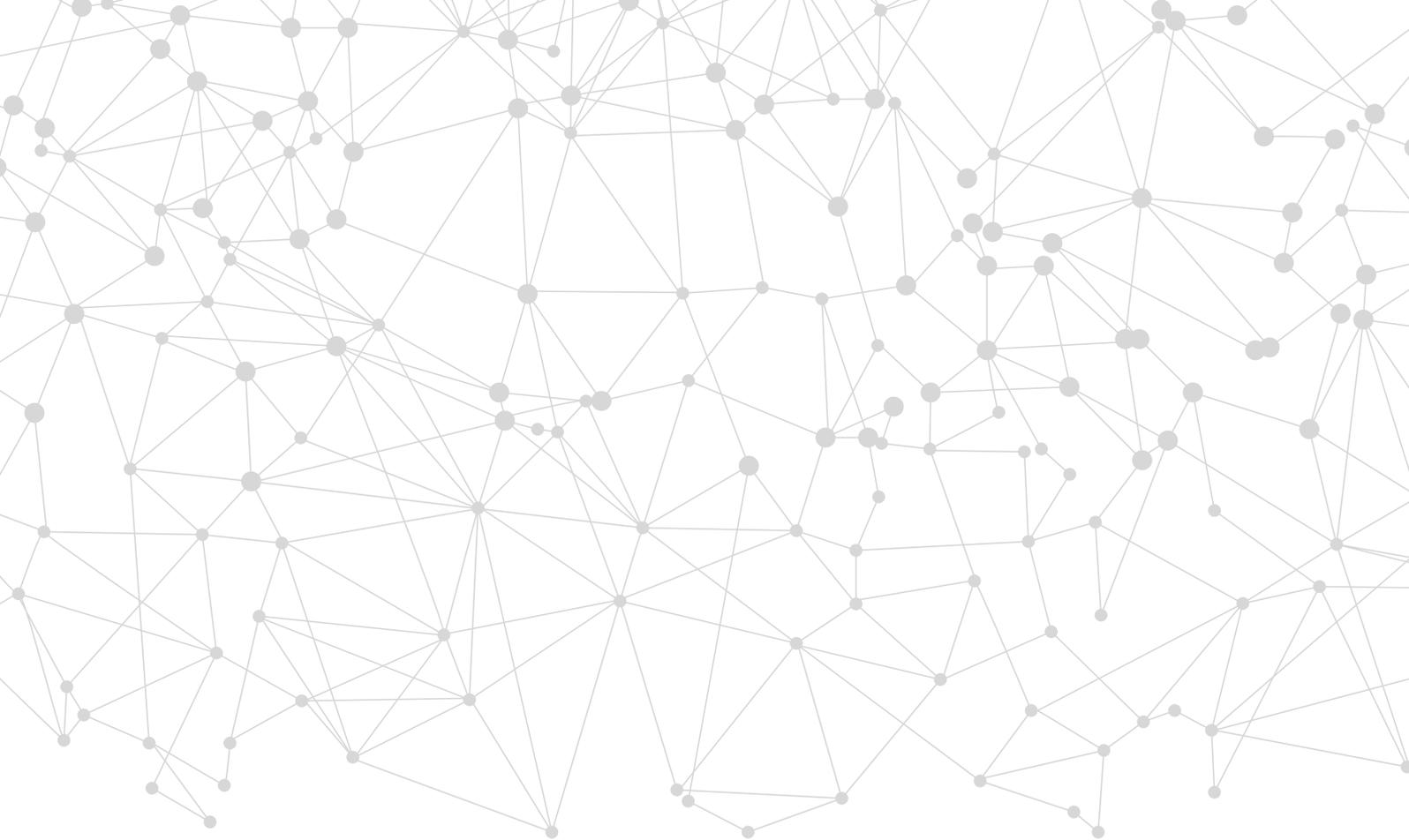


Dog's Age



Incentive

being offered an incentive (e.g. from a vet / kennel club) to take out insurance



Sagacity

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