

## Dog, Cat, Mouse – maconda further expands its expertise in pet supplies

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**maconda has recently dealt with the rapidly growing pet industry on several occasions. Extensive experience in the production and trade of food and, relatedly, pet food as well as the long-standing reputation of carrying out demanding commercial due diligences were the necessary ingredients for renewed mandates to the team of the Cologne-based consulting boutique.**

An exciting project allowed us to dive deep into the distribution structures in the pet supplies market. Within the scope of a commercial due diligence, we examined in detail the multi-layered business model of an omnichannel supplier of pet supplies that is active across several stages of the value chain in neighbouring countries. In doing so, we were able to contribute our diverse experience with the large German market.

In the market, it was important for our client, among other things, to classify the pandemic-related influences on the already very dynamic industry. The increased pet population will in all likelihood be sustainable, as the social relevance of pets was impressively confirmed during the pandemic. Post-covid and with a return to normality, however, the task remains to integrate pets into normal everyday life, even outside the home office.

One's own nutritional attitude and health consciousness is increasingly being reflected on the animal - due to the so-called humanisation, more and more forms of nutrition (diet, BARF, low-fat, high nutritional values, organic, vegan & Co.) are appearing, which ensure more willingness to pay and additional sales, but also lead to smaller, more niche segments. This and other trends provide sustainable growth impulses in both the mass market, and also in the niches. Depending on the type and size of the animal, there is naturally also a different need for food, accessories and supplies. Large dogs, for example, need more and different food than, say, rabbits. The cat is still Germany's number one pet, followed by dogs. Today, almost every second household in Germany has a pet - and the trend is rising.

If one looks at the distribution channels, the pandemic has proven to be an accelerator and not only for online trade. Bricks-and-mortar pet food retailers have also been able to profit - in other words, quite differently from many other retail businesses. Nevertheless: the online shift is immense. This is one of the reasons why we intensively examined the different sales channels and their potential. On the eCommerce side, the focus was on the usual web metrics and online shop KPIs.

In another mandate, we looked at a fast-growing D2C brand specialising in BARF, i.e. organic raw feeding of dogs and cats. In addition to the strong online growth with regular and new customers, the potential and the limits of the served niche for BARF products were the focus of the observation as

well as the actual competition from the big players in the industry Zooplus and Fressnapf, which tend to focus on products suitable for the mass market.

From past transaction-related and search mandates for investors, we also have a comprehensive insight into the German manufacturer landscape for pet food sold as a brand and under private label, and direct access for some companies. This helps in CDDs to accurately determine a target's positioning in the market, but also in buy & build strategies when it comes to realising synergies or gaining access to new customers and geographic markets.

We further deepened our know-how in this exciting industry in October by participating in the annual pet congress. As we are regularly mandated in this industry, we naturally want to keep our long-standing knowledge up-to-date. The core topic was "The pet industry after covid - trends and business models for the future". The participants discussed the developments through and after covid together with the top-class speakers and maconda also actively participated.

We would be happy to assist you as a competent and trustworthy partner. Benefit from our long track record in the pet industry as well as in commercial due diligence and value enhancement projects.

## maconda further expands its expertise in pet food and supplies

In recent years, the maconda team has dealt with a wide range of food and pet food categories and successfully carried out a number of projects. These included many commercial due diligences, mandates for strategic realignment and business model optimisation as well as projects to improve operational performance.

**Intensive industry experience:** Dog food | Cat food | Wet and dry food | Snacks | BARF | Pet supplies | Brands | Private label | Premium segment | Omnichannel | Specialist trade | Veterinarians | Fulfilment | Dropshipping | Wholesale | Various food categories | Consumer goods of all kinds

## About maconda

For more than 20 years, maconda has been providing support in the acquisition of companies, performance optimisation and restructuring. With over 800 consulting and implementation projects and more than 450 transaction-related mandates, maconda has extensive experience to accompany even challenging projects pragmatically. Clients include medium-sized companies, business units of large corporations as well as international private equity investors and family offices.

**maconda focus industries:** Consumer goods | Food | Apparel & Textiles | Retail & eCommerce | Packaging | B2C services | B2B services (incl. Business process outsourcing) | Manufacturing companies | Healthcare & MedTech

**maconda core topics:** Transaction services | Performance management | Business model development