

Analysis of the Pet Insurance Market: Taking ManyPets as an Example

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Abstract: The pet insurance industry has experienced rapid growth in recent years, with many leading companies emerging in the market. This research study aims to provide a comprehensive analysis of these companies, with a particular focus on ManyPets. The study commences with an evaluation of the current market share of the pet insurance industry, offering a detailed analysis of the competitive landscape. The subsequent section presents an in-depth examination of the unique advantages offered by ManyPets, comparing them to other industry players. The research also delves into the efficacy of international marketing strategies utilized by ManyPets, providing valuable insights into how these strategies enhance its overall marketing efficacy. Furthermore, this study explores ManyPets' strategic partnerships and collaborative initiatives, including its advanced treatment qualifications, timely customer response, and 24-hour online diagnosis capabilities. A detailed analysis of these findings is presented, leading to the development of a comprehensive plan for the future development of ManyPets. Overall, this research provides a valuable and insightful examination of the pet insurance industry and the strategic advantages that ManyPets can offer.

Keywords: pet insurance, manypets, pets health, marketing

1. Introduction

In the pet market, pet insurance has come into people's lives in recent years. Until 2020, the global pet insurance market has reached a market size of 4.5 million dollars [1]. According to the report, it shows that pet insurance is becoming more and more important for people nowadays. Since there is a market, there will be competition. At present, more and more young people are becoming independent and would like to have a pet as a companion. Many older people are also choosing to spend their twilight years with their pets. As pets are an important part of human life, their health cannot be ignored. With the increasing importance of pets, pet insurance is becoming an increasingly popular topic. Pet insurance companies have many ways to advertise their business. Through the report by GlobalData [2], in the UK, the main methods for these companies are the bank, broker, affinity, insurer, and PCW. PCW means people use their PCs or laptops and smartphones to purchase

insurance, this is the most channel for selling pet insurance. This essay mainly talks about the sales strategies of ManyPets, which is a pet insurance company in the United Kingdom. They established their company in 2017 and are the first company that offers up to £15,000 in the UK [3]. And they also provide their services. Not only in the United Kingdom but also in Sweden and the United States. They have rapid development in recent years, and now, there are more than 500,000 pets around the world under their insurance protection. Pet insurance is a new service that appears in people's lives. The business model and marketing approach is well worth studying and observing. This essay will choose ManyPets as the representative company to research the pet insurance market.

This essay will discuss this in three ways. The first is about competition in the same industry. Compare the market share and the number of consumers of different companies. Using market data for analysis. Secondly [3], it will show the different business models in a different world. For example, the United States, the United Kingdom, and Japan. It could delicate how pet insurance work in different countries. The last one is about their cooperative relationship. What kind of partnership do they have? How to choose the right company through their partnership? These questions will discuss in the following article.

2. Market Competition

2.1. Market Volume

The pet insurance market is depressed in domestic. In 2019, the penetration rate of China's pet market was about 20%, while the penetration rate of pet insurance was only 2.6%. Sixty-two percent of pet owners said they do not know the pet insurance products on the market, 40.7% do not know how to choose the right products, and 35.9% of pet owners think there are fewer types of insurance. It can be seen that, compared with the rapidly developing pet market in China, the penetration rate of pet insurance is relatively low, and the lack of understanding of pet insurance has become the biggest pain point of consumption. However, the foreign pet insurance market has developed rapidly. In Europe and the United States, the pet insurance market has been relatively mature, especially in the United Kingdom, pet insurance is expected to become the third largest insurance after auto insurance and residential insurance. The UK's pet insurance market reached £976 million in 2015 and is expected to grow to £1.6 billion by 2021, making it currently the largest pet insurance market in the world. Pet insurance penetration in the UK is very high, with three-fifth of local dog owners and two-thirds of local cat owners buying insurance for their pets. The UK is currently the largest pet insurance market in the world, with a penetration rate of pet insurance of more than 30% and an average annual compound growth rate of premium income of more than 10% in the past five years [4]. Both the market volume and consumer demand are immense. Naturally, there are many competitors of the 'Many Pets' setting up.

2.2. Analysis of Competitor

The pet insurance industry is dominated by several key players, including Pet Plan, one of the largest pet insurance companies in the world [5]. Despite its size and market presence, however, Pet Plan's popularity lags behind that of ManyPets [3]. Therefore, it is essential to analyze Pet Plan's strategies and strengths to identify what sets it apart from its competitors. This analysis will provide valuable insights into Pet Plan's success and help identify potential areas for improvement to maintain its competitive edge in the market. Furthermore, by comparing and contrasting Pet Plan's approach with that of ManyPets, it will be possible to identify the key differences between these two industry leaders and gain a more comprehensive understanding of the pet insurance industry as a whole.

First, Pet Plan has a wider range of services, including online counseling, trial visits, prescription drugs, surgery, rehabilitation, dental disease, cancer, genetic examination, and behavioral conditions

[6], which can meet the needs of all pet owners. The biggest advantage of Many Pets lies in its excellent after-sales service. There is always online customer service to answer questions, and there is a policy to cancel orders and claim claims at any time. Also, it is very quick to receive. And it is very receptive to consumer suggestions and makes corrections (such as cover design). But these efforts on selling and marketing are somewhat fancy to the absolute professionalism of Pet Plan (it brought in one of the best experts-Supervet Noel Fitzpatrick and his team). Second, the most important promotion strategy of Many Pets is low price, especially lifetime insurance, a premium of 40.52 pounds per month, and 15,000 pounds of treatment. and there is no upper limit on the insurance amount if paying 49.05 pounds per month, which attracts many consumers to buy this insurance, but most people do not use this insurance, even if they use it, it is only a small amount. In contrast, Pet Plan prices are also higher due to significant upfront investment, for example, hiring more specialized veterinarians and buying a variety of specialized medical devices. In brief, Man Pet's brand image is a high-end high-quality service, while Many Pets' brand image is a relatively popular, affordable service, generally by ordinary pet owners' reference. There are big markets for both brands. And due to the high price of pet medicine in the UK (In England, drugs are charged, now £9.35 each. fix prescription charge is also needed), pet insurance has become a hot seller. Both companies are well compatible with the market orientation, which is one of the most important reasons for their success.

2.3. Marketing and Sales

The pet insurance industry has emerged as a promising sector in recent years, owing to the growing popularity of pet ownership in various parts of the world, including the UK, the US, and Japan. This surge in pet ownership has driven the growth of the pet insurance market, resulting in significant market expansion. According to a recent study by Market Research Future, the global pet insurance market is expected to attain a value of \$11.0 billion by 2025, with a compound annual growth rate (CAGR) of 14.3% during the forecast period. This trend is largely attributed to the increasing awareness among pet owners regarding the benefits of pet insurance, including protection against unexpected veterinary costs, comprehensive coverage, and peace of mind. As the pet insurance industry continues to evolve and adapt to changing market dynamics, it is expected to become an increasingly important player in the global insurance sector, offering a range of innovative and customized products to meet the needs of pet owners worldwide.

The business models of pet insurance companies differ significantly in each of these countries. In the UK, pet insurance companies generally operate on a fee-for-service model, whereby the owner pays a monthly or yearly premium in exchange for coverage of vet bills [7]. The coverage and premiums depend on the age, breed, and health condition of the pet. Some insurance providers in the UK offer comprehensive coverage that includes routine check-ups and preventive care, while others offer basic coverage for accidents and illnesses only. The pet owner can choose the level of coverage that suits their needs and budget [8]. In contrast, in the US, pet insurance companies generally operate on a reimbursement model. This means that the pet owner pays the vet bills upfront and then files a claim to the insurance company to get reimbursed for the covered expenses [9]. The premiums in the US are generally higher than in the UK, and the coverage options are more varied. Some US pet insurance providers offer comprehensive coverage that includes routine check-ups, preventive care, and alternative therapies, while others offer basic coverage for accidents and illnesses only.

The pet insurance market in Japan is relatively new, and the business models of pet insurance providers are still evolving. Most pet insurance companies in Japan offer a reimbursement model, similar to that of the US. However, the premiums in Japan are generally lower than in the US or the UK. Some insurance providers in Japan also offer comprehensive coverage that includes routine check-ups and preventive care.

One of the key players in the UK pet insurance market is Petplan, which offers lifetime coverage and a wide range of coverage options. In the US, Nationwide is one of the leading pet insurance providers, offering a range of coverage options and customization to meet the pet owner's needs. In Japan, Anicom is one of the key players, offering coverage for accidents and illnesses, as well as routine check-ups and preventive care.

In terms of target markets, pet insurance companies in each country may differ in terms of the specific demographic of pet owners they target. For example, in the UK, pet insurance providers may target owners of specific breeds that are more prone to health issues. In the US, providers may target owners of specific types of pets, such as dogs or cats, while in Japan, providers may target owners of rare or exotic pets.

In terms of value proposition, pet insurance companies may differentiate themselves based on factors such as coverage options, premiums, and customer service. Some providers may offer additional services such as 24/7 telemedicine consultations, which may be particularly useful in times of emergency or when veterinary clinics are closed. As pet ownership continues to grow in these countries, the pet insurance market is likely to continue to evolve and change in response to the needs of pet owners. Understanding the differences in business models of pet insurance companies in the UK, US, and Japan can help pet owners make informed decisions about the type of coverage that best suits their needs and budget.

2.4. Market Cooperation

Manypets is a company that provides its customers with the opportunity to get insurance coverage for their pets via the internet. When it comes to offering exceptional service to its customers, the firm bases its claims of success on a system made up of veterinary colleges and veterinary qualification certifications [10]. This helps to ensure that the company's claims are accurate. In addition to providing coverage for essential health and accident insurance, as well as coverage for routine health checks and wellness checkups, ManyPets also offers coverage for unforeseen medical expenditures [11]. In addition, they will also cover any accidents that might occur. Regarding managing consumer claims and other issues, the company works closely with the Veterinary School at the University of Glasgow to provide customers with the most excellent quality of service currently on the market.

To get things rolling, it is essential to note that ManyPets has been competing with its other companies in the same market since 2017. According to findings from a study carried out by GlobalData, ManyPets currently has the most significant proportion of the market for pet insurance in the United Kingdom, which amounts to 9.7 percent. It is clear from this that ManyPets enjoys a competitive advantage over other businesses operating in the same industry. ManyPets also has the most significant number of customers of any company in the United Kingdom. The poll's findings indicate that more than half a million pets have insurance through Many Pets. Because of this, it is a significant indication for measuring how effective their sales methods are [9].

The second thing that they will do is conduct an in-depth comparison and analysis of the various commercial procedures that are standard operating procedures in several different nations. Although the commercial strategy is analogous to that utilized in the United Kingdom, the market for pet insurance in the United States is still in its infancy. In the United States, pet owners often pay for the health insurance coverage of their animals out of their own pockets, with the insurance carrier paying only the costs associated with the actual medical treatment given to their animals [12]. Even though pet owner-provided insurance is quite common in Japan, the protections offered by insurance coverage in that nation are much more all-encompassing. In the unfortunate event that the pet is misplaced or stolen, the consumers will be shielded from any legal responsibility associated with the situation and be reimbursed for the loss [13].

Now to summarize the state of Manypets' cooperation. The company has entered into strategic alliances with a significant number of other businesses hailing from a variety of nations and operating in a wide variety of economic fields. They have formed relationships with several well-known pet stores in the United Kingdom, including CVS, Pets at Home, Tesco, and Argos [14]. They work with Petco, the largest network of pet stores in the United States, and Pet world, the largest chain of pet stores in Sweden. Both of these companies are located in Sweden. Pet World was founded in 1993 by Gary Cooney, Pet World is a general pet shop that not only deals with pet supplies and the sale of live pets but also provides professional medical knowledge and care for pets. Customers can call and speak to a professional to find out more about their preferred pet when they have a choice in mind [3]. ManyPets has the opportunity to expand its customer base by forming strategic partnerships with other businesses that provide products and services that are complementary to its own. For example, ManyPets could learn from Pet World's business model and go beyond pet insurance to develop a full range of products, such as developing its brand of supplies or food. For pets with specific illnesses, their food is extremely important and it would be possible to develop targeted supplementary meals, prescription food, etc. for pets with different conditions, which would give the organization more credibility. As well as the partnership between ManyPets and the Glasgow Veterinary College, new medicines and prescriptions can be developed through the College and sold through ManyPets clinics, and when effective and reliable medicines emerge, so does the company's reputation, just as with the 411, the medicine used to treat cat transmission abdomens, the company that produces the 411 has gained the trust of a large proportion of cat owners just through this area.

In general, ManyPets has recently seen great success in the highly competitive sector that is that of pet insurance. ManyPets has an enormous competitive advantage in the market for pet insurance, as shown by the results of an analysis that considered the business strategies of ManyPets' rivals in addition to the nature of the company's collaborative connections with those rivals. The study results of the various other companies in the industry provide evidence of this assertion. They were able to achieve financial success by adapting their business strategy to the specifics of the regional market and working in conjunction with firms based in other nations that provide products and services that are complementary to their own.

3. Conclusion

The analysis of the three broad areas reveals that the market for pet insurance is not yet saturated, and there exists considerable potential for promotional activities. Pet insurance has gained popularity in Europe, the US, and Japan, which are rapidly developing countries and hence more receptive to economic growth opportunities. A comparative analysis between Petplan and ManyPets highlights that both companies have their respective strengths and weaknesses, and while Petplan commands a larger market share than ManyPets, the latter has a distinct advantage in terms of consumer interests. Insurance is not merely a financial matter; it is also about safeguarding the rights and welfare of consumers. Pet owners who have subscribed to insurance policies for their beloved companions desire their pets to live their lives free from harm, and in case of an emergency, ManyPets has the upper hand. By collaborating closely with Glasgow Veterinary College, ManyPets provides round-the-clock services to its subscribers. In the UK, pet emergencies often necessitate a waiting period of two to three hours, whereas booking an online consultation takes only five minutes. The utilization of online consultations in veterinary care facilitates prompt and efficient solutions, minimizes harm to pets, and optimizes rescue times through coordinated efforts between remote practitioners and offline hospitals. As such, ManyPets presents itself as a laudable enterprise that merits attention for its competitive pricing and client benefits.

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