PETFOOD® FORUM BRASIL

Brazil Pet Food: Scale, Industry and the Next Growth Wave

How industrial capacity, retail channels and consumer outcomes are reshaping Latin America's largest pet food market

BRAZIL
PET FOOD

The Next Growth Frontier

Industrial capacity · Product registrations · retail channels · shopper outcomes · tax scenario

Triplethree International Market Research
2025–2026

4.2M
tons of pet food market volume

244K
tons/month mapped industrial capacity

2,490
active official product registrations analyzed

31%
specialized retail share in volume estimate

The Thesis

Brazil is building the future. Consumers still buy visible outcomes.

Brazil is already an industrial powerhouse.
The next growth wave depends on translating innovation into consumer-visible outcomes.

Shoppers still talk about

Taste and acceptance
Coat and appearance
Digestion and stools
Energy and health
Value for money

Retail is fragmenting by role

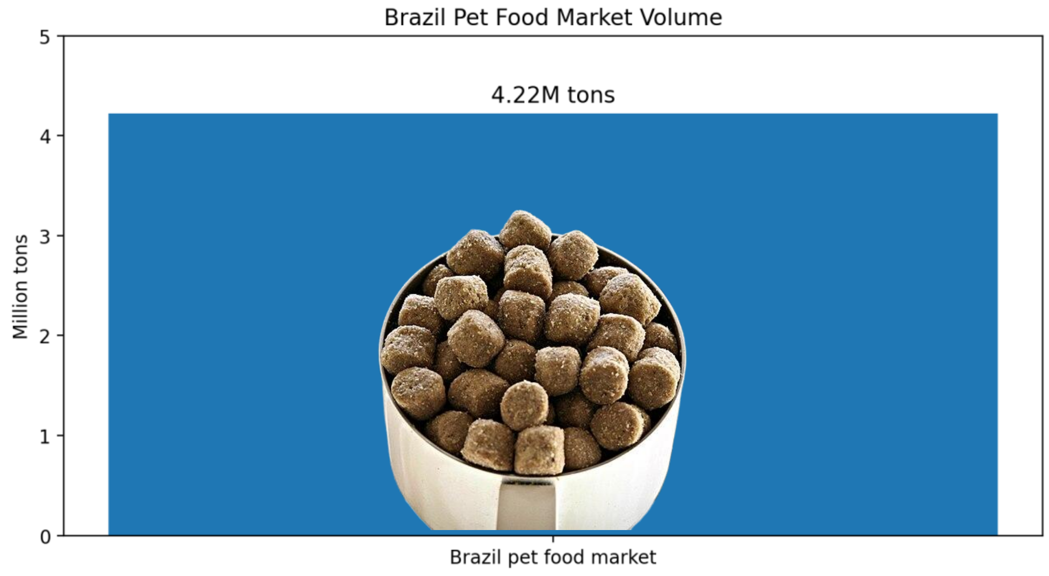
Modern trade for replenishment
Pet shops for assortment
Veterinary for credibility
E-commerce for repetition

Industry is moving toward

Functional nutrition
Wet food
BARF / raw
Imported premium concepts
Advanced segmentation

Why Brazil Matters

Brazil is not just a consumption story. It is a production, innovation and channel story.



4.2M

tons of total pet food volume

141

brands mapped across 24 manufacturers

45

production plants mapped

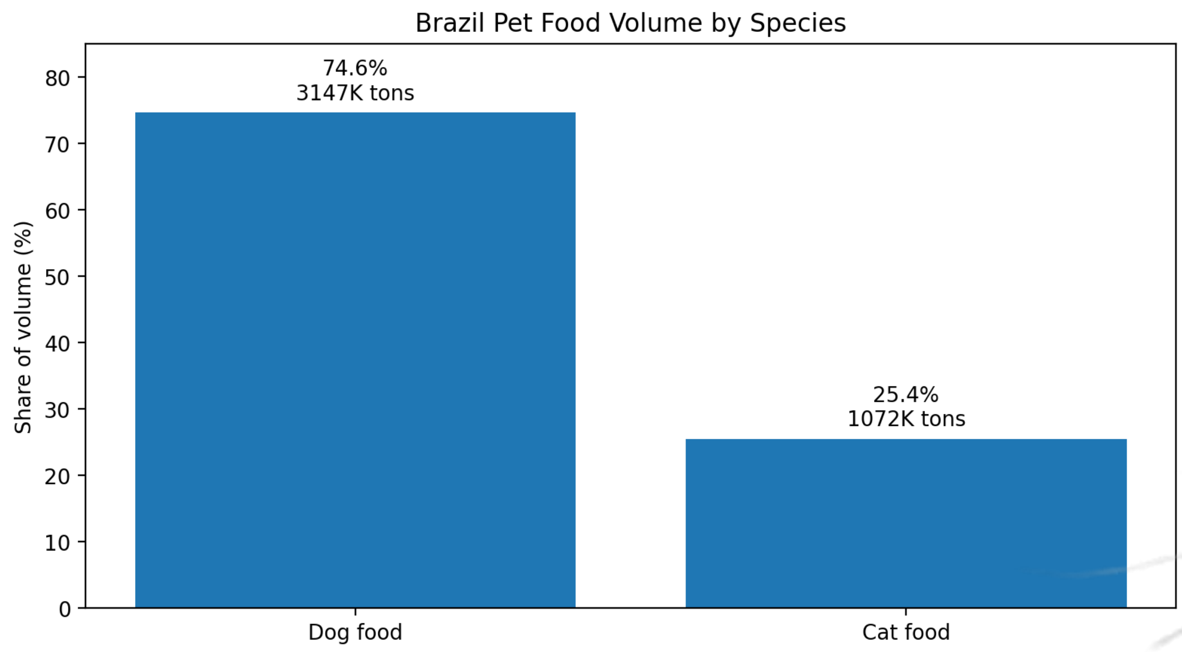
2,490

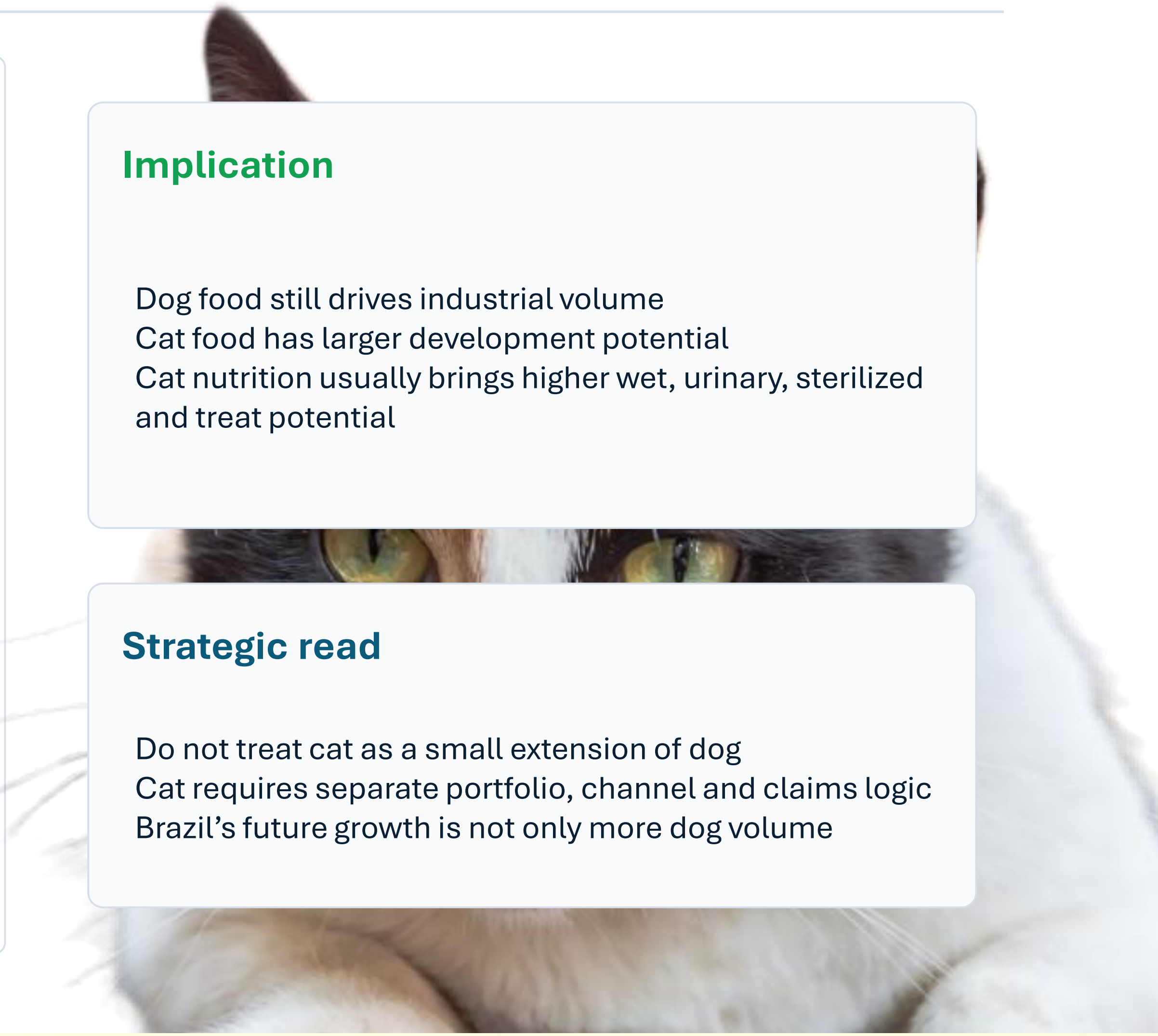
active product registrations analyzed

Largest pet food market in Latin America
National champions compete at industrial scale
Specialty retail and e-commerce are shaping the category
Brazil is a platform market for ingredients, equipment and innovation

Market Structure: Dogs Still Lead

Dog is the base; cat is the upside.





Implication

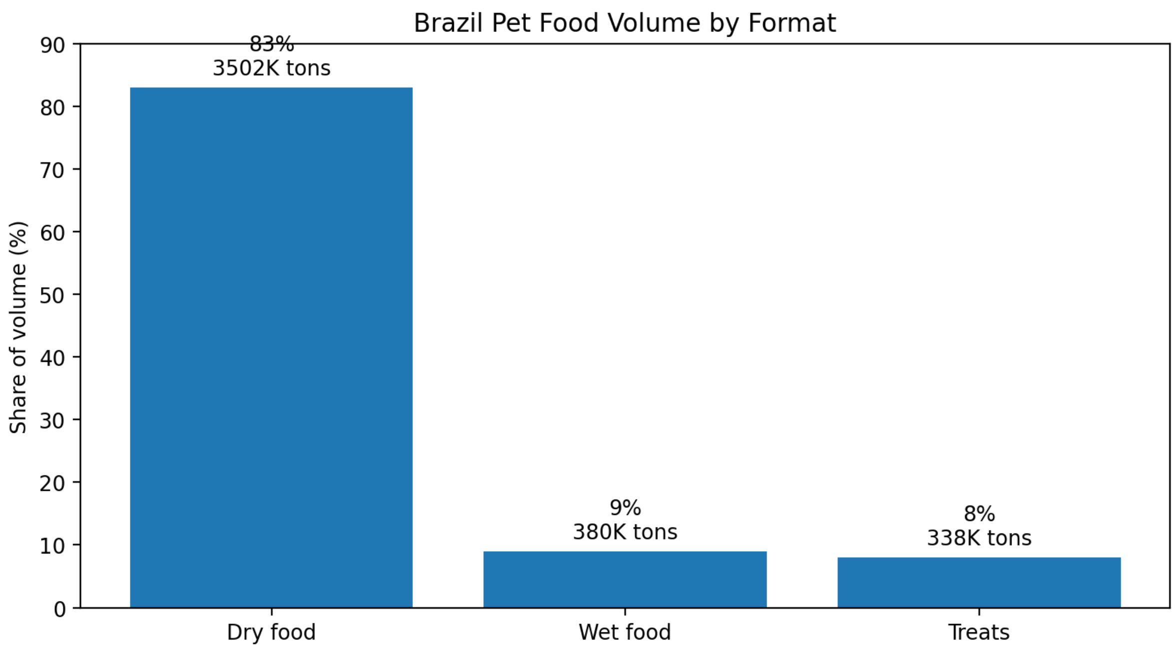
Dog food still drives industrial volume
Cat food has larger development potential
Cat nutrition usually brings higher wet, urinary, sterilized and treat potential

Strategic read

Do not treat cat as a small extension of dog
Cat requires separate portfolio, channel and claims logic
Brazil's future growth is not only more dog volume

Format Mix: Dry Still Rules

Dry food pays the bills. Wet and treats shape the future.



What the mix says

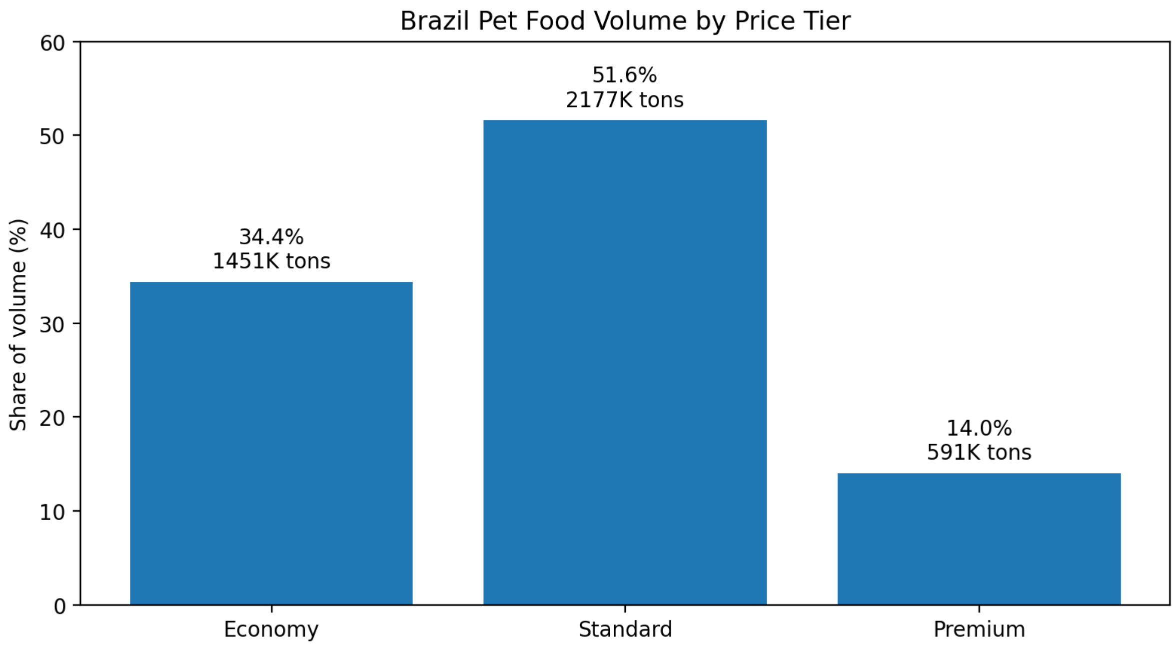
Dry food remains the structural backbone
Wet food is small, but strategically important
Treats are a premiumization and humanization space

Why it matters

Wet creates new ingredient and packaging demand
Treats create new usage occasions
Small format shifts can produce large value gains

Price Tiers: Value Still Matters

Brazil is sophisticated, but it is still value-driven.



Main message

Economy + standard dominate volume
Premium is influential but not the whole market
Winning brands must balance accessibility with visible benefits

Quality must be translated into value the shopper can see and justify.

Industrial Scale: A Real Manufacturing Powerhouse

Mapped capacity covers about 69% of market volume.

244K
tons/month mapped operational capacity

2.9M
tons/year mapped capacity

45
production plants

24
manufacturers mapped

70%
mapped coverage of total market volume

12
Brazilian states with mapped production

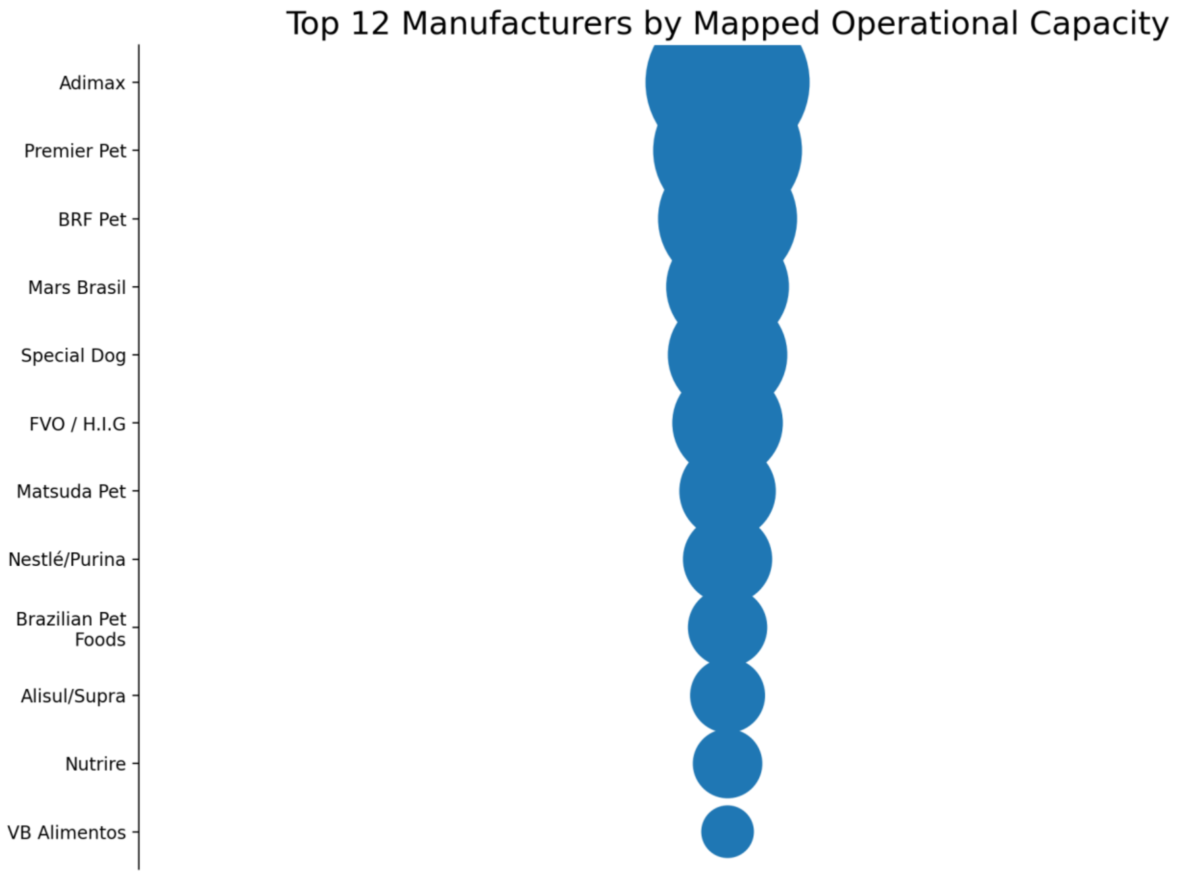
141
brands mapped

R$750M+
recent / announced investments

Brazil is not an import-dependent market.
Brazil is a manufacturing powerhouse.

Top Manufacturers: Competitive, Not Monopolized

Large national champions, multinationals and regional players fight for space.



Concentration

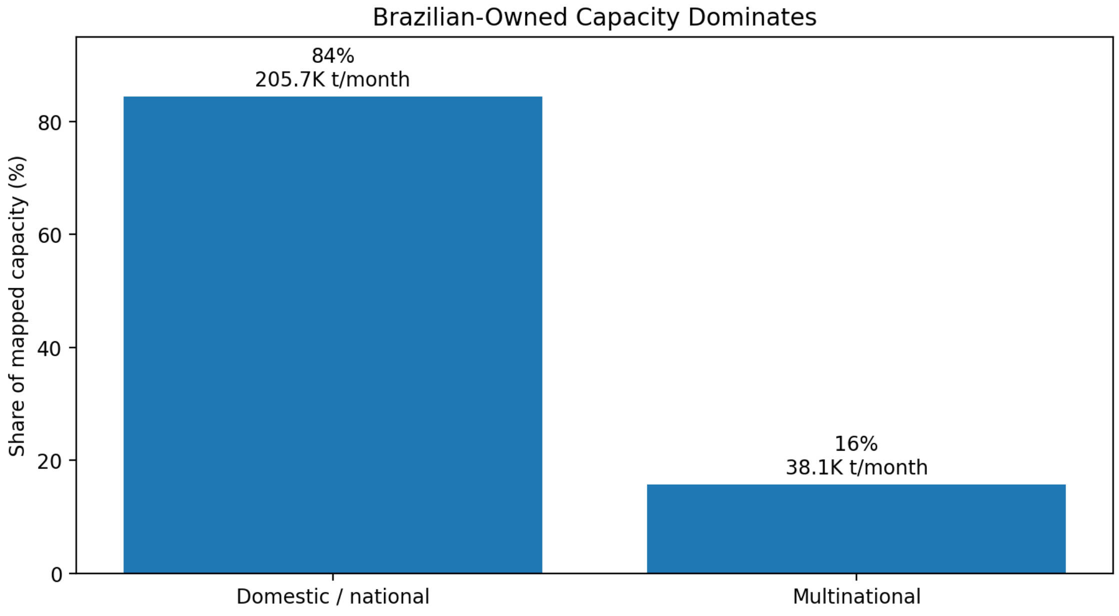
CR3: 35.5%
CR5: 53.1%
CR10: 82.9%
No single player above 13.3% of mapped capacity

Strategic implication

Large enough for scale
Open enough for competition
Regional and niche players still matter

Brazilian-Owned Capacity Is the Real Story

Brazil's industrial base is predominantly national.



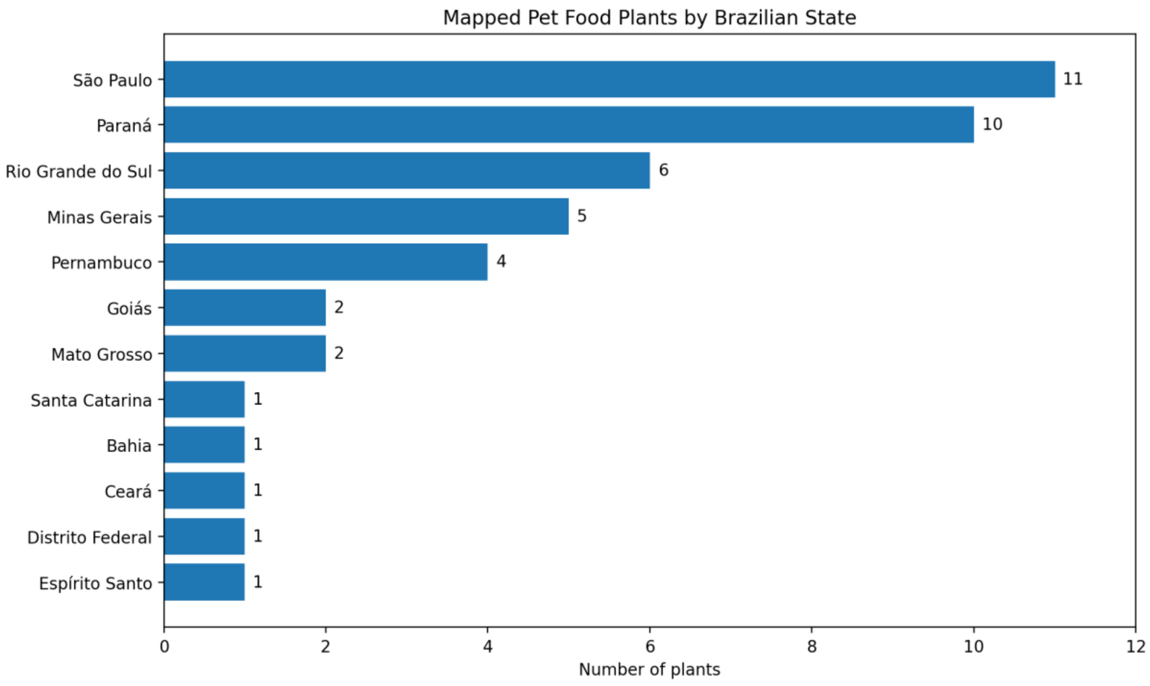
What this means

Local companies lead industrial scale
Multinationals are strong in value and premium niches
Brazil is different from many LATAM markets where MNCs dominate the industrial agenda

Brazilian companies are not followers.
They are leading the industrial base.

Paraná: The New Industrial Hub

São Paulo remains important, but Paraná is becoming the new industrial capital.



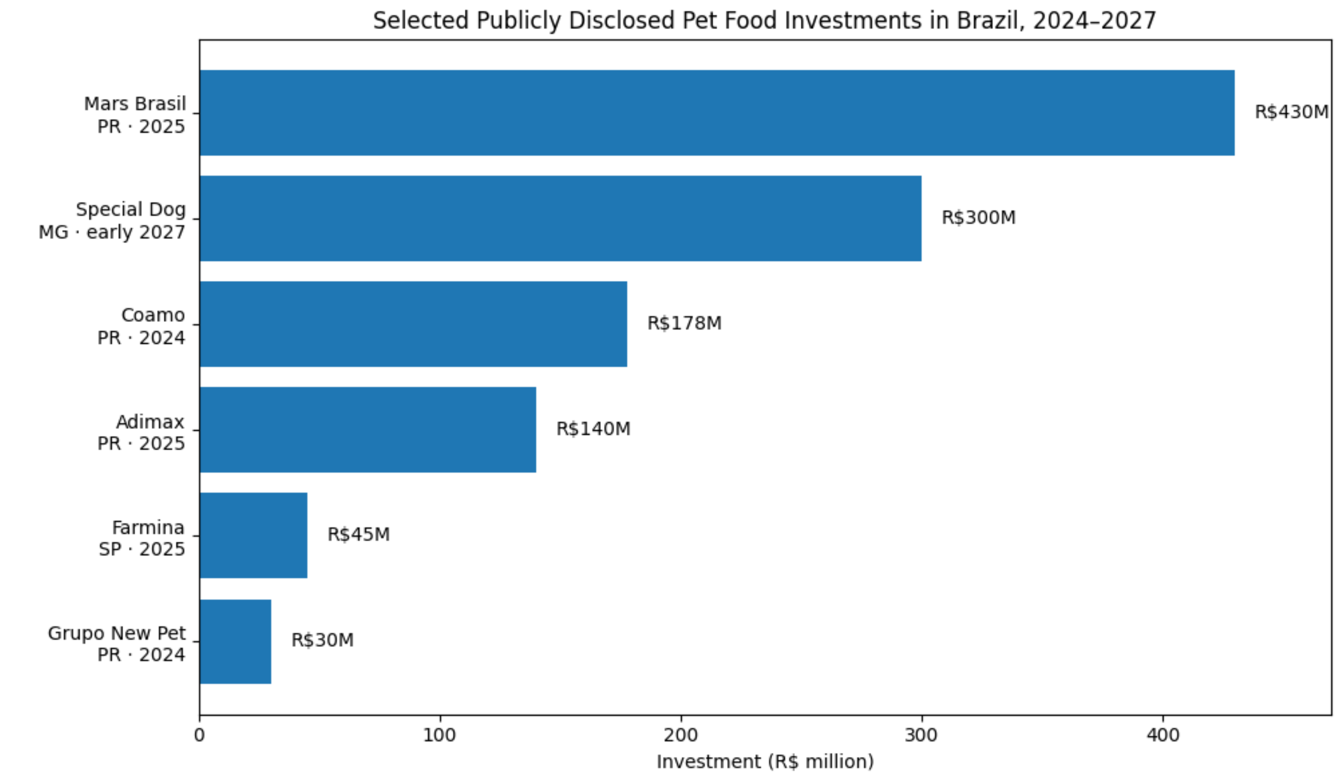
Why Paraná matters

Premier Pet mega plant
Mars wet food investment
Adimax new capacity
Coamo and New Pet entries
Strong ingredient and logistics base

For suppliers, Paraná is no longer optional.
It is strategic.

Investment Wave: Capacity Is Still Expanding

Recent investments show confidence in Brazil's structural growth.



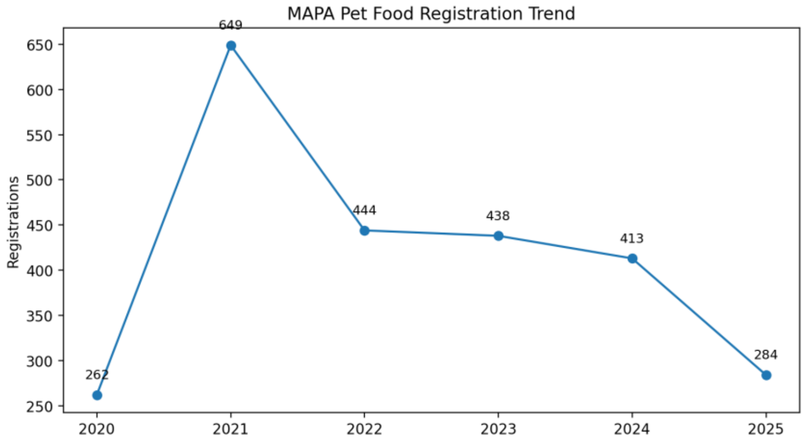
Signal

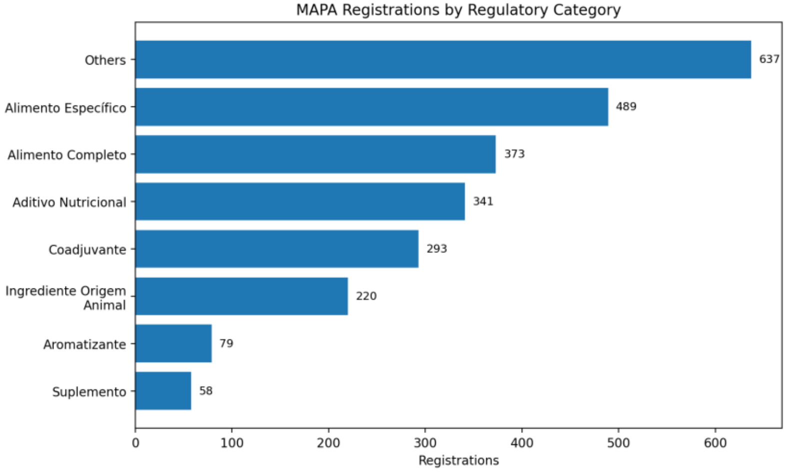
R$1.1B+ publicly disclosed investments.
~US$204M.
Paraná concentrates the largest wave
Mars wet-only investment validates wet food thesis

When companies invest in plants, they are not testing a trend. They are betting on a structural shift.

MAPA Registrations: Innovation Pipeline

Registrations are not market share, but they reveal where the industry is placing bets.





How to read MAPA (Ministério da Agricultura e Pecuária)

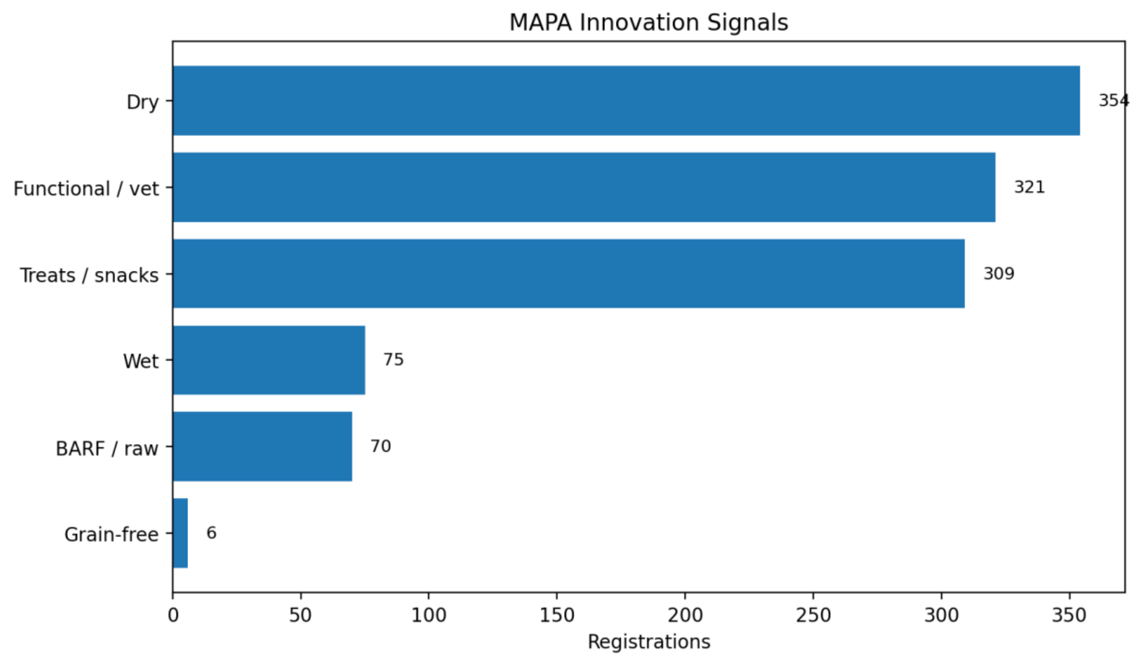
Not a sales ranking
Not market share
A view of regulatory and innovation intensity
A signal of future portfolio competition

MAPA is a regulatory window into future competition.

PETFOOD FORUM BRASIL

Functional Nutrition Is Becoming Mainstream

Brazil is moving beyond basic nutrition.



Functional territories detected

Weight control / light
Renal and urinary
Digestive and allergy
Sterilized and recovery
BARF / raw and grain-free signals

The question: are consumers asking for these concepts, or is the industry preparing the next wave?

The Two Brazils of Pet Food

Brazil's real strength is the upgraded middle of the market.

Brazil 1: Mass market

- Large standard segment
- Strong local brands
- Visible benefits at accessible prices
- Acceptance,
- digestion, coat and stools
- Quality/value balance

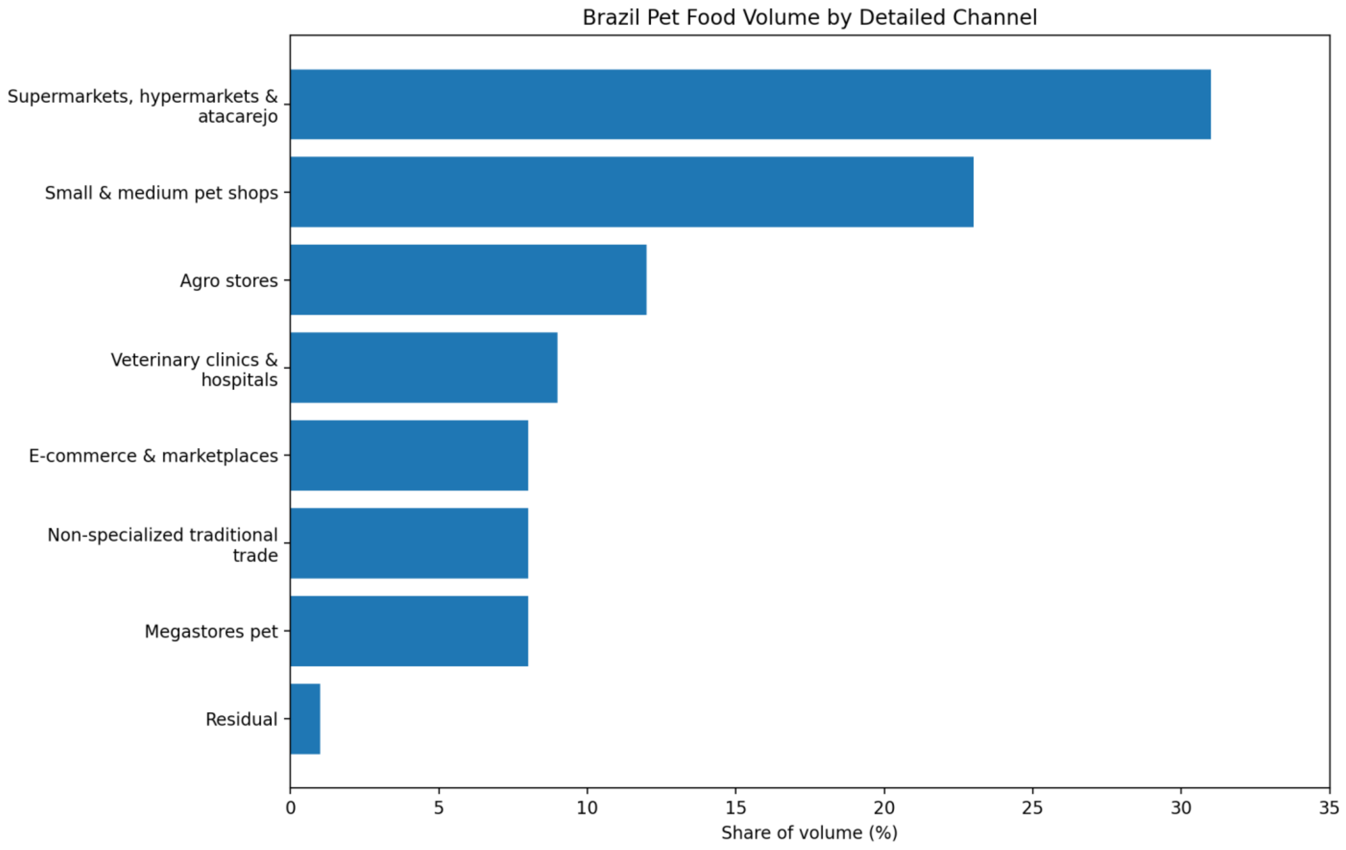
Brazil 2: Advanced premium

- Functional nutrition
- Imported concepts
- Veterinary diets
- BARF / raw
- Mono-protein / grain-free / specialized claims
- Wet food and specialty claims

Is the industry ahead of consumer demand, or preparing the next wave of premiumization?

Detailed Retail Channels

The same five standardized channels can be explained in more detail for the audience.



How to interpret it

Modern = supermarkets, hypermarkets and and cash & carry formats, known in Brazil as atacarejo.
Specialty = pet shops + megastores
Traditional = agro stores + non-specialized trade
Other = e-commerce + residual

Key point

Channel share must be read in volume, not total pet sector revenue
Services inflate veterinary and pet shop value in public benchmarks

PETFOOD® FORUM BRASIL

Role of the Category by Channel

Pet food performs different jobs depending on the channel.

Channel	Primary role in pet food
Modern retail	Convenience, replenishment, price visibility
Agro stores	Value, access, large bags, regional reach
Pet shops	Assortment, education, premiumization
Megastores	Experience, services, cross-category basket
Veterinary	Credibility, therapeutic recommendation
E-commerce	Repetition, subscription, price comparison

Channel strategy is not only about where pet food is sold.
It is about what job the category performs in each channel.

PETFOOD® FORUM BRASIL

Storecheck: What Retail Execution Shows

Competition happens through price per kilo, pack size, channel role and visibility.

Specialty retail

Broader assortment
More premium and functional SKUs
Stronger role for wet and treats
Subscription and club discounts

Modern / grocery

Replenishment mission
Dry food dominance
Strong price visibility
Brands selected for velocity

E-commerce

Price comparison
Ratings and reviews
Niche and specialized products
Repeat purchase and subscription

Brazilian retail execution is not one market.
It is a set of channel-specific price and assortment systems.

What Brazilian Pet Owners Actually Say

The real language of the shopper is practical, visible and emotional.

Consumers do not describe formulas; they describe what changed in their pets.

“My dog likes it”

Acceptance comes first

“Better coat”

Visible proof of quality

“Better digestion”

Comfort and health signal

“Firmer stools”

Daily evidence for owners

“Less smell”

Household benefit

“More energy”

Pet looks healthier

“Good value”

Price must feel justified

Interpretation: Brazilian pet owners use the animal’s daily condition as the main quality test.

The Main Shopper Drivers

In a highly competitive market, palatability is the first battlefield of repeat purchase. Acceptance wins the right to be tried again.

Palatability opens the door; visible results create loyalty.

First barrier

If the pet does not eat the food, the brand is out.

Loyalty driver

Owners stay when they see better coat, digestion, stools and energy.

Strategic implication

Do not sell only ingredients. Sell observable results.

Cat Food Shopper Logic

Cat food combines acceptance with more specific health and life-stage needs.

In cat food, acceptance is critical, but health-specific needs become more important.

Acceptance first

Cats can be more selective. Taste, texture and smell are critical to avoid rejection.

Sterilized

routine need

Urinary

clinical concern

Hairball

visible problem

Digestive comfort

owner reassurance

Wet food

premium + hydration

Cat is smaller in volume, but richer in specialized growth spaces.

Dog Food Shopper Logic

The first purchase is only the beginning. The real goal is repeat purchase.

SHOPPER DECISION TREE

1. Will my dog eat it? Acceptance is the first test.	→	If no: brand rejected
2. Does digestion look good? Bad digestion creates switch risk.	→	If no: switch risk
3. Do I see better coat or energy? Visible improvement builds trust.	→	If yes: trust builds
4. Are stools firm and less smelly? Daily evidence validates the choice.	→	Daily validation
5. Is the price justified? Value converts trial into repeat.	→	Repeat purchase

Strategic read

Dog owners evaluate food through evidence they can see every day.

The sequence matters:

1. Acceptance prevents rejection
2. Digestive proof reduces risk
3. Visible health builds trust
4. Value confirms repeat purchase

Do not sell only ingredients.
Sell observable results.

Consumers Buy Outcomes, Not Ingredients

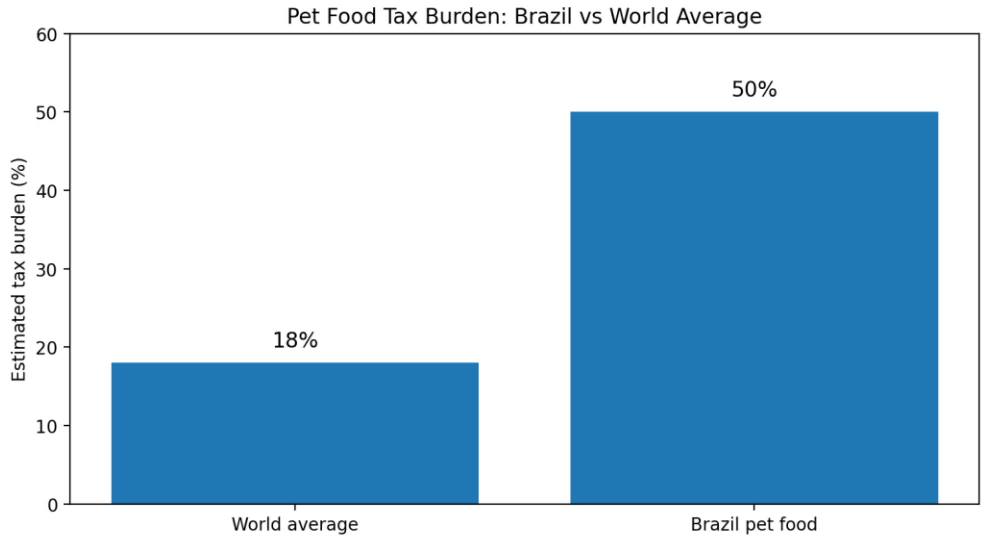
The challenge is to translate innovation into benefits consumers can see.

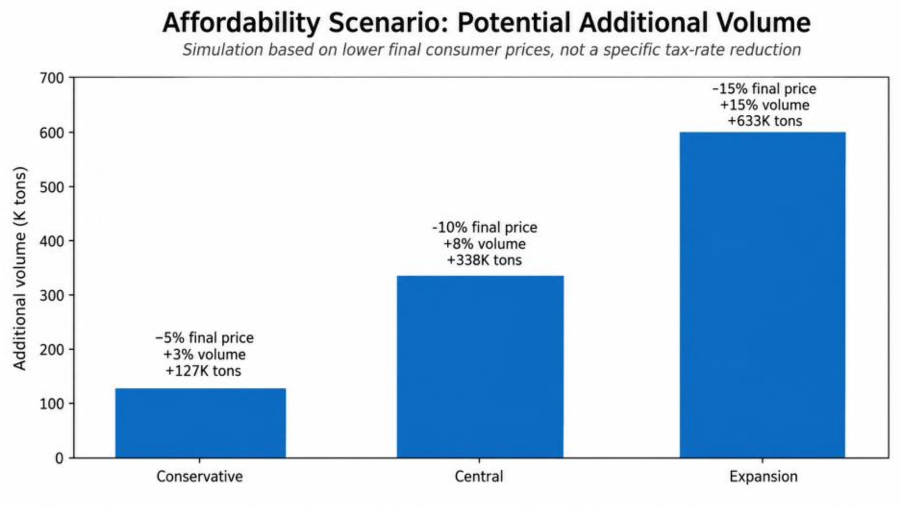
Industry language		Consumer language
Protein %	→	More energy
Grain-free	→	Better digestion
Prebiotics	→	Better stools
Omega / DHA	→	Beautiful coat
Functional nutrition	→	Fewer problems
Mono-protein	→	Better tolerance

Brazilian consumers buy outcomes, not ingredients.

The Tax Distortion

Taxation is a category development barrier, not only a fiscal issue.





Economic mechanism

Higher final price
Lower affordability
Slower penetration
Less formalized consumption
Slower premiumization

How to present it

50% is an industry-estimated effective burden, not a single legal rate
Elasticity is a Triplethree scenario
Direction matters more than the exact point estimate

Where Growth Will Come From

Brazil already has scale. The next step is translating sophistication into visible value.

Cat food

Portfolio development, urinary, sterilized, wet and treats

Senior nutrition

Aging pets need life-stage solutions

Wet food and treats

Validated by investment and premium upside

Visible functional benefits

Digestive, coat, stool, mobility, dental

Specialty retail execution

Assortment, education and premiumization

Tax-driven formalization

Access, penetration and better nutrition

The winners will not only innovate more.
They will make innovation visible, affordable and channel-ready.

TRIPLETHREE
INTERNATIONAL

From market data to better decisions.

ifranco@triplethreeinternational.com