

Comment on Pet's industry

The research aims to find which factor affect the expenditure on pet product which specifically focus on case in Bangkok by exploring how effectiveness of different factors towards the decision of pet owners.

They found that it is interesting to give attention on pet business. Due to the structural change of socio-economic of Thailand that family becomes smaller size and the aging society has a positive effect to make this industry become popular.

The method that they used to collect data is to gathering data through online survey. Specifically, their focus group is the pet owner in Bangkok. Since they aim to find the factor that affects the probability therefore, it is suitable to use ordered probit as they stated in their vdo.

The type of regression data is the cross-sectional data, the variable that they included in the regression are divided into 3 sections which are 1. demographic factor including age, income, level of education, family member age less than 18 years old and more than 60 years old. 2. Pet information variables including number of dogs & cats and pedigree pet. Lastly, lifestyle factor that includes indoor & outdoor activities and individual interest beauty.

For the regression model, since they aim to find how effectiveness of each factor towards the expenditure of pet. Therefore, the marginal effect is appropriate to be shown.

The results show that the higher degree of level education attain, the higher probability to spend more in pet product. Moreover, they found that the more numbers of pedigree in cat, the higher expenditure on pet. Thus, it is unsurprisingly why owners have high willingness to pay for their pets.

For the demographic result, it is unsurprise why all variables are not statistically significant because the different characteristic of owner, they have a different activities and interest.

From my perspective, the question is very interesting because I am the one who have a dog therefore, I would like to know that whether the way I spent for pets is the same for others or not. Moreover, the method that they adopt in their research is appropriate as I mentioned above that they would like to find the factors that affect the conditional probability therefore, ordered probit is the suitable model. Furthermore, the variables that they adopt in the model are also appropriate. But it would be better if they control the number of family member in the regression. Because as they stated that family become smaller, therefore, it might have some impact toward expenditure on pets.

Lastly, the results are very impressive. Because it shows how effective of each variable towards the expenditure of pet. Moreover, it is easily to understand even the reader has no econometric background because the researcher explains each factor separately. And it is convincing since they show how each variable impact towards the probability by using the significant level. Therefore, we can ensure that the result is reliable.

