

Watches - UK - August 2015

Report Price: £1750.00 | \$2834.04 | €2223.04

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.



“As the smartwatch market develops, the smartwatch could become the latest desirable fashion accessory, posing a direct threat to the fashion watch market as both attract a young demographic. While uptake of smartwatches has been slow due to caution surrounding first editions of new technologies, this is likely to change as more companies enter the market and as people get used to their functionality.”

This report looks at the following areas:

- What is driving growth in the watches market?
- How can watch specialists compete with fashion brands?
- How are smartwatches impacting the watches market?

The watches market has seen another year of strong growth in 2015 driven by the continued trend for fashion branded watches.

Young people aged under 25 have been the driving force behind watch sales, with almost half of this age group having acquired a timepiece in the last five years, as they see watches as a fashion accessory.

While ownership of smartwatches still remains low compared with overall watch ownership, the consumers planning to buy a smartwatch peak among young men aged 16-34 who are also the main watch buyers, posing a potential threat to the traditional watches market.

**BUY THIS
REPORT NOW**

VISIT:
store.mintel.com

CALL:
EMEA
+44 (0) 20 7606 4533

Brazil
0800 095 9094

Americas
+1 (312) 943 5250

APAC
+61 (0) 2 8284 8100

EMAIL:
reports@mintel.com

DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

Watches - UK - August 2015

Report Price: £1750.00 | \$2834.04 | €2223.04

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Table of Contents

Overview

- What you need to know
- Products covered in this report

Executive Summary

- Watches market grows 4.5% in 2015
Figure 1: Best-and worst-case forecast value sales of watches, 2010-20
- Michael Kors benefits from associations with style and quality
Figure 2: Attitudes towards and usage of selected brands, June 2015 and December 2014
- One in ten affluent ABs owns a smartwatch
Figure 3: Ownership of watches, June 2015
- Watch self-purchasing peaks among under-25s
Figure 4: Purchasing of watches, June 2015
- Argos is the preferred watch retailer
Figure 5: Preferred retailers for watch purchases, June 2015
- Designing watches that women want
Figure 6: Most important factors when buying a watch, June 2015
- Young women prefer fashion watches
Figure 7: Attitudes towards buying watches, June 2015
- A quarter don't use their watch to tell the time
Figure 8: Attitudes towards wearing watches, June 2015
- 21% plan to buy a smartwatch
Figure 9: Attitudes towards smartwatches, June 2015
- What we think

Issues and Insights

- What is driving growth in the watches market?
The facts
The implications
- How can watch specialists compete with fashion brands?
The facts
The implications
- How are smartwatches impacting the watches market?
The facts
The implications

The Market – What You Need to Know

- Market grows 4.5% in 2015
- Watch sales to reach £1.3bn by 2020

BUY THIS
REPORT NOW

VISIT: store.mintel.com
CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094
Americas +1 (312) 943 5250 | APAC +61 (0) 2 8284 8100
EMAIL: reports@mintel.com

Watches - UK - August 2015

Report Price: £1750.00 | \$2834.04 | €2223.04

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Changes to Swiss franc impacts watches market
Declining youth population poses a threat
Over three quarters own a smartphone
Swiss watchmakers' output sees marginal rise

Market Size and Forecast

Market grows 4.5% in 2015
Figure 10: Value sales of watches, 2010-20
Watch sales to reach £1.3bn by 2020
Figure 11: Best-and worst-case forecast value sales of watches, 2010-20

Market Drivers

Changes to Swiss franc impacts watches market
Declining youth population
Figure 12: Trends in the age structure of the UK population, 2010-20
ABs account for 22% of the population
Over three quarters own a smartphone
Figure 13: Personal ownership of mobiles, basic versus smart, November 2014 and April 2015
Swiss watchmakers output
Figure 14: % share of all COSC certificates accounted for, by leading Swiss-watch brands, 2013 and 2014
Figure 15: Number of Swiss watch certificates issued by the COSC, 2013 and 2014
Figure 16: Number of Swiss watch certificates issued by the COSC, three leading brands, 2010-14

Key Players – What You Need to Know

An array of smartwatches are set for release
Swatch targets the fashionable man
Michael Kors benefits from associations with style and quality
Swatch users describe their experience as excellent
Rolex is the biggest spender
Watch retailers by sales
Luxury watch brands hit by falling demand in Asia

Launch Activity and Innovations

An array of smartwatches are set for release
Figure 17: Apple watch range
Cartier pops up in Harrods
Time zone switching watches
Swatch targets the fashionable man
Figure 18: The Swatch shoe-shine at London Collections: Men, 2014
Designer experiments with 3D printed watches
Chopard makes the move online
Watch store offers personalisation area

BUY THIS
REPORT NOW

VISIT: store.mintel.com
CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094
Americas +1 (312) 943 5250 | APAC +61 (0) 2 8284 8100
EMAIL: reports@mintel.com

Watches - UK - August 2015

Report Price: £1750.00 | \$2834.04 | €2223.04

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 19: Larsson & Jennings' Seven Dials boutique with espresso bar, 2015

Brand Research

What you need to know

Brand map

Figure 20: Attitudes towards and usage of selected brands, June 2015 and December 2014

Key brand metrics

Figure 21: Key metrics for selected brands, June 2015 and December 2014

Brand attitudes: Rolex noted for quality, Swatch for value

Figure 22: Attitudes, by brand, June 2015 and December 2014

Brand personality: Omega struggles to create upbeat personality traits

Figure 23: Brand personality – Macro image, June 2015 and December 2014

Links of London shares an image of style with Michael Kors

Figure 24: Brand personality – Micro image, June 2015 and December 2014

Brand analysis

Michael Kors has potential to increase user base

Figure 25: User profile of Michael Kors, December 2014

Rolex's strong premium image creates an aspirational image

Figure 26: User profile of Rolex, June 2015

Omega may offer a more accessible alternative to Rolex

Figure 27: User profile of Omega, June 2015

Swatch represents a different option to other brands, with value a key attribute

Figure 28: User profile of Swatch, June 2015

Links of London likely to be noted for fashion-related attributes

Figure 29: User profile of Links of London, June 2015

Brand Communication and Promotion

Falling adspend on watches

Figure 30: Recorded above-the-line, online display and direct mail total advertising expenditure on watches, 2011-14

Rolex is the biggest spender

Figure 31: Recorded above-the-line, online display and direct mail total advertising expenditure on watches, by advertiser, 2011-14

Press advertising dominates among the media types

Figure 32: Recorded above-the-line, online display and direct mail total advertising expenditure on watches, by media type, 2014

Figure 33: Recorded above-the-line, online display and direct mail total advertising expenditure on watches, by media type, 2011-14

A note on adspend

Retail Competitor Analysis

Watch retailers by sales

Figure 34: Watch retailers, by revenue, 2010-14

Watch retailers by operating profit

Figure 35: Figure 36: Watch retailers, by operating profit, 2010-14

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com
CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094
Americas +1 (312) 943 5250 | APAC +61 (0) 2 8284 8100
EMAIL: reports@mintel.com

Watches - UK - August 2015

Report Price: £1750.00 | \$2834.04 | €2223.04

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Companies and Products

Aurum

Company overview

Financials

Figure 37: Key financials for Aurum Holdings Limited, 2010-14

Key developments

Swatch

Company overview

Financials

Figure 38: Key financials for Swatch Group (UK), 2010-14

Key developments

LVMH

Company overview

Financials

Figure 39: Key financials for LVMH (Europe excl. France), 2010-14

Key developments

Richemont

Financials

Figure 40: Key financials for Richemont, 2010-14

Key developments

Casio

Company overview

Financials

Figure 41: Key financials for Casio Electronics (UK), 2010-14

Key developments

Seiko

Company overview

Financials

Figure 42: Key financials for Seiko (UK), 2010-14

Key developments

Breitling

Company overview

Financials

Figure 43: Key financials for Breitling (UK), 2010-13

Key developments

The Consumer – What You Need to Know

Watch self-purchasing peaks among under-25s

One in ten affluent ABs own a smartwatch

Argos is the preferred watch retailer

BUY THIS
REPORT NOW

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | APAC +61 (0) 2 8284 8100

EMAIL: reports@mintel.com

Watches - UK - August 2015

Report Price: £1750.00 | \$2834.04 | €2223.04

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Designing watches that women want
 Young women prefer fashion watches
 Men favour specialist watch brands
 21% plan to buy a smartwatch
 Preference for smartwatches sold by technology specialists
 Appealing to women

Ownership and Purchasing of Watches

Nearly three quarters own a watch
 Figure 44: Ownership of watches, June 2015
 One in ten affluent ABs own a smartwatch
 Figure 45: Profile of watch owners, by gender, age group and socio-economic group, June 2015
 Watch self-purchasing peaks among under-25s
 Link between healthy financial situation and watch purchasing
 Figure 46: Purchasing of watches, June 2015
 Watches for gifting peak among 25-44s
 Figure 47: Profile of watch buyers, by age group, June 2015

Preferred Retailers for Buying Watches

Argos is the preferred watch retailer
 Figure 48: Preferred retailers for watch purchases, June 2015
 H Samuel popular among women and parents
 Figure 49: Preferred retailers for watch purchases, by gender, June 2015
 Over a quarter of under-25s buy watches from fashion stores

Most Important Factors When Buying a Watch

Designing watches that women want
 Figure 50: Most important factors when buying a watch, June 2015
 A third look for discounted watches
 Figure 51: Most important factors when buying a watch, June 2015

Attitudes towards Buying and Wearing Watches

Young women prefer fashion watches
 Figure 52: Attitudes towards buying watches, June 2015
 Men favour specialist watch brands
 Figure 53: Attitudes towards buying watches, by gender, June 2015
 Young men want to personalise their watch
 A quarter don't use their watch to tell the time
 Figure 54: Attitudes towards wearing watches, June 2015
 Men aged 45+ favour watch brands
 Figure 55: Attitudes towards Watches – CHAID – Tree output, June 2015

Attitudes towards Smartwatches

BUY THIS
 REPORT NOW

VISIT: store.mintel.com
 CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094
 Americas +1 (312) 943 5250 | APAC +61 (0) 2 8284 8100
 EMAIL: reports@mintel.com

Watches - UK - August 2015

Report Price: £1750.00 | \$2834.04 | €2223.04

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

21% plan to buy a smartwatch

Figure 56: Attitudes towards smartwatches, June 2015

Preference for smartwatches sold by technology specialists

Appealing to women

Figure 57: Attitudes towards smartwatches by gender, June 2015

Appendix – Data Sources and Abbreviations

Data sources

Fan chart forecast

Consumer methodology

Abbreviations

BUY THIS
REPORT NOW

VISIT: store.mintel.com

CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | APAC +61 (0) 2 8284 8100

EMAIL: reports@mintel.com