

Wearable Technology - UK - December 2016

Report Price: £1995.00 | \$2460.23 | €2338.14

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



“Wearables’ expensive price tags can clash with their nature as ‘nice-to-have’ devices, leading consumers to worry they will stop using the device not long after purchase. Adoption could thus benefit from initiatives that empower current owners to act as advocates for the technology, as well as from longer trial periods, rent-to-buy schemes and love-it-or-give-it-back warranties.”
– **Sara Ballaben, Senior Technology Analyst**

This report looks at the following areas:

This report discusses the following key topics:

- Broadening interest to increase perceived value
- Wearable technology needs to be a “hands-on” experience
- Can the workplace be a backdoor to mainstream adoption?
- Fostering data sharing among wearable owners
- Moving beyond tracking to coaching

Though consumers warm up to wearables, the technology overall is unlikely to get more into the mainstream in the short term. The strong focus on health and fitness tracking applications limits its appeal to many consumers and, in turn, its value. This has held back adoption rates, and led people to be highly price-driven.

People’s interest in monitoring and improving their health is helping to overcome the initial reluctance to share personal data registered by wearables, but the worry that the novelty will soon wear off and the device will not offer long-term benefits is still a major barrier among non-owners.

**BUY THIS
REPORT NOW**

VISIT:
store.mintel.com

CALL:
EMEA
+44 (0) 20 7606 4533

Brazil
0800 095 9094

Americas
+1 (312) 943 5250

China
+86 (21) 6032 7300

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

Wearable Technology - UK - December 2016

Report Price: £1995.00 | \$2460.23 | €2338.14

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

The market
Over 3 million wrist-worn wearables sold in the UK in 2016
Figure 1: Estimated unit sales of wrist-worn wearable devices, by product category, 2016

Health and fitness tracking remains major driver
Phablets make easily accessible wearables more compelling
Figure 2: Screen size of smartphone owned and future purchase intentions, December 2015

Virtual and augmented reality to expand B2B potential of wearables
Figure 3: Activities interested in using a VR headset for, July 2016

The consumer
Consumers warm up to wearables
Figure 4: Ownership of wearable devices, September 2016

Fitbit leads the UK market
Figure 5: Brand/type of wrist-worn wearable device owned, September 2016

Gifting a key driver for fitness bands
Figure 6: Ways in which consumers got hold of the wrist-worn wearable devices owned, September 2016

Wearables unlikely to gain mainstream appeal in the next 12 months
Figure 7: Proportions of consumers who plan on purchasing wearable devices within the next 12 months, by brand, September 2016

Price is the top driver of decision in wrist-worn wearable purchases
Figure 8: Factors that would most influence the choice of wrist-worn wearable device to buy, September 2016

Health remains the main driver of interest
Figure 9: Most interesting applications of wearable technology, September 2015 and September 2016

Health tracking can effectively encourage data sharing
Figure 10: Companies with which consumers would share their personal information through a wearable device, September 2016

Price and security equal obstacles to adoption
Figure 11: Attitudes towards wearable technology, September 2016

Two in five owners have given up on their wearable device
Figure 12: Attitudes about usage of wearable technology after purchase, September 2016

What we think

Issues and Insights

Broadening interest to increase perceived value
The facts
The implications

BUY THIS
REPORT NOW

VISIT: store.mintel.com
CALL: EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094
Americas +1 (312) 943 5250 | China +86 (21) 6032 7300
APAC +61 (0) 2 8284 8100 |
EMAIL: reports@mintel.com

Wearable Technology - UK - December 2016

Report Price: £1995.00 | \$2460.23 | €2338.14

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

Wearable technology needs to be a "hands-on" experience

The facts

The implications

Can the workplace be a backdoor to mainstream adoption?

The facts

The implications

Fostering data sharing among wearable owners

The facts

The implications

Moving beyond tracking to coaching

The facts

The implications

The Market – What You Need to Know

Over 3 million wrist-worn wearables sold in the UK in 2016

A global perspective

Health and fitness tracking remains the major driver

Phablets make easily accessible wearables more compelling

e-SIMs make wearables independent from smartphones

Virtual and augmented reality to expand the B2B potential of wearables

Wearable gaming beyond VR headsets

Market Size and Segmentation

Over 3 million wrist-worn wearables sold in the UK in 2016

Figure 13: Estimated unit sales of wrist-worn wearable devices, by product category, 2016

The emphasis on health is a mixed blessing

The smartwatch segment is gaining ground

e-SIMs should support sales in this category

A global perspective

Figure 14: Forecast volume sales of wearable devices worldwide, 2015-17

Smartwatches will lead global growth in 2017

Figure 15: Forecast breakdown of volume sales of wearable devices worldwide, by category, 2015-17

Market Drivers

Health and fitness tracking remains major driver...

...and tech-enabled healthcare is now mainstream

Phablets make easily accessible wearables more compelling

Figure 16: Screen size of smartphone owned and future purchase intentions, December 2015

e-SIMs make wearables independent from smartphones

Virtual and augmented reality to expand B2B potential of wearables

Figure 17: Activities interested in using a VR headset for, July 2016

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com

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

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com

Wearable Technology - UK - December 2016

Report Price: £1995.00 | \$2460.23 | €2338.14

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

Wearable gaming gets a boost

Companies and Brands – What You Need to Know

Introducing connected health ecosystems

Samsung enters the hearables space

Wearables get social

Smart coaching through wearables

Smart clothing hits the high street

Google's Project Soli could revolutionise interaction with wearables

Fitbit and Apple monopolise above-the-line adspace

Launch Activity and Innovation

Introducing connected health ecosystems

Figure 18: Under Armour's Health box, November 2016

Figure 19: Philips' HealthSuite, November 2016

Samsung enters the hearables space

Figure 20: Samsung's IconX in black, November 2016

Wearables get social

Figure 21: Snap's Spectacles, November 2016

Smart coaching through wearables

Smart clothing hits the high street

Figure 22: Commuter Jacket designed by Google and Levi's, November 2016

Google's Project Soli could revolutionise interaction with wearables

Advertising and Marketing Activity

Fitbit and Apple monopolise above-the-line adspace

Figure 23: Recorded above-the-line, online display and direct mail advertising expenditure on smartwatches and fitness trackers, by selected leading manufacturers and retailers, December 2015-November 2016

Nielsen Ad Intel coverage

The Consumer – What You Need to Know

Consumers warm up to wearables

Gifting a key driver for fitness bands

Wearables unlikely to gain mainstream appeal in the next 12 months

Price is the top driver of decision in wrist-worn wearable purchases

Health remains the main driver of interest

Health tracking can effectively encourage data sharing

Price and security equal obstacles to adoption

Disengagement is more of a worry than a reality

Ownership and Acquisition

Consumers warm up to wearables

Figure 24: Ownership of wearable devices, September 2016

Young men the keenest on wearables

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com

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

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com

Wearable Technology - UK - December 2016

Report Price: £1995.00 | \$2460.23 | €2338.14

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

Fitbit leads the UK market

Figure 25: Brand/type of wrist-worn wearable device owned, September 2016

Gifting a key driver for fitness bands

Figure 26: Ways in which consumers got hold of the wrist-worn wearable devices owned, September 2016

Watches are popular in the workplace

Purchase Plans

Wearables unlikely to gain mainstream appeal in the next 12 months

Figure 27: Proportions of consumers who plan on purchasing wearable devices within the next 12 months, by brand, September 2016

Smartwatches will pose a growing threat to fitness bands

Early adopters continue to drive the market

Figure 28: Repertoire of wearable devices that consumers currently own and plan to buy, September 2016

Choice Factors

Price is the top driver of decision in wrist-worn wearable purchases

Figure 29: Factors that would most influence the choice of wrist-worn wearable device to buy, September 2016

Non-owners are most worried about the cost of entry

Smartwatches have a more complete proposition

Figure 30: Factor that would most influence (ie ranked first) the choice of wrist-worn wearable device to buy, by wearable devices owned, September 2016

Consumers are not ready to compromise on functionality and style

Continued activity in the hybrid watch sector

Wearable Applications

Health remains the main driver of interest

Figure 31: Most interesting applications of wearable technology, September 2015 and September 2016

The health angle is key to driving interest outside the early adopters...

...but there is a risk of creating too narrow a focus

Depolarising interest to increase willingness to pay

Figure 32: Repertoire of most interesting applications of wearable technology, September 2016

Connected homes and mobile payments will broaden appeal

Wearables can help make sense of POS mobile payments...

...and the range of options is expanding

Non-health features can help convert interest into action

Figure 33: Most interesting applications of wearable technology, by ownership and plans to buy wearable devices, September 2016

Data Sharing

Consumers are very careful about sharing their data

Figure 34: Repertoire of companies with which consumers would share their personal information through a wearable device, September 2016

Health tracking can effectively encourage data sharing

Figure 35: Companies with which consumers would share their personal information through a wearable device, September 2016

Health concerns span the generations

Financial institutions hold potential

BUY THIS
REPORT NOW

VISIT: store.mintel.com

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

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com

Wearable Technology - UK - December 2016

Report Price: £1995.00 | \$2460.23 | €2338.14

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

A positive outlook ahead

Figure 36: Companies with which consumers would share their personal information through a wearable device, by ownership and plans to buy wearable devices, September 2016

Attitudes towards Wearable Technology

Price and security equal obstacles to adoption

Figure 37: Attitudes towards wearable technology, September 2016

Overcoming the price barrier

Strong interest in try-before-you-buy initiatives

Disengagement is more of a worry than a reality...

Figure 38: Attitudes about usage of wearable technology after purchase, September 2016

...but the number of abandoned devices is still a real issue

Appendix – Data Sources, Abbreviations and Supporting Information

Abbreviations

Consumer research methodology

**BUY THIS
REPORT NOW**

VISIT: store.mintel.com

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

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

EMAIL: reports@mintel.com