

Watches and Jewellery Retailing - UK - September 2010

Report Price: £1500 / \$2310 / €1793



What is this report about?

The watches and jewellery market has not been immune to the economic climate and the whole industry suffered in late 2008 and in 2009 as consumer confidence fell and people became more cautious about their spending.

In 2010, Mintel estimates that the market will grow slightly, rising by 1% to £4.8 billion, although consumers are likely to remain more price conscious and considered in their purchasing behaviour. The main drivers of growth will be the costume jewellery and silver markets, which have continued to increase, albeit at a slow rate, throughout the recession.

What have we found out?

- The overall jewellery and watches market grew by 10% since 2005 to reach £4.8 billion in 2010 and Mintel forecasts 11% growth for the jewellery and watches market over the next five years.
- Rocketing gold prices and the recession have led many consumers to buy silver jewellery instead of gold, with almost one in five people wearing more silver jewellery than gold, rising to nearly three in ten women, particularly young people aged 15-24.
- Costume jewellery is the smallest sector of the watches and jewellery market, but has grown at the fastest rate. The market is expected to grow further, thanks to people buying pieces for accessorising more frequently and as young people under-25 continue to spend.
- The affordability and disposability of many costume jewellery items means that customers are more willing to experiment and try new looks without denting their bank balances. Almost a third of women buy costume jewellery in different styles and colours to complement their outfits.
- The high number of people who like to receive precious metal jewellery as a gift shows the importance of the gifting market for retailers, with four in ten adults enjoying receiving precious metal jewellery as a birthday or Christmas present.
- Young men aged under-35 are more open to paying higher amounts for a watch as they typically do not wear jewellery to express their individuality or consumer spending power.

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