

Jewellery and Watches Retailing - UK - September 2016

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“The jewellery and watches market in 2016 has been boosted by an increase in spend from overseas visitors taking advantage of the favourable exchange rates. There have been continued strong sales of watches and resilient demand for precious metal jewellery, yet the costume jewellery segment remains weak.”
– Alice Goody, Retail Analyst

This report looks at the following areas:

- How has the jewellery and watches market fared?
- How is the smartwatches market developing?
- How might Brexit have an impact on the jewellery and watches market?

Value sales in the jewellery and watches market have been driven by continued strong growth in the watches segment and resilient demand for precious metal jewellery. Growth in the costume jewellery segment remains weak.

As the smartwatches market develops, there has been a considerable increase in the proportion of consumers that are interested in buying one over the past year. Young affluent men show the most interest in these devices and as many as 17% of men aged 16-44 have already bought one for themselves in the last five years.

Pandora has been the fastest growing jewellery retailer in the UK over the last five years and some 19% of jewellery shoppers have purchased there during this time. Argos is an important player in the watches market, attracting 26% of watch buyers, compared to 29% for the high street jewellery chains.

Looking ahead we forecast that the market will continue to perform well as gifting drives demand for jewellery and watches, along with self-purchases among young consumers. While the fashion watches category may suffer as a result of the rising demand for smartwatches among the young, weddings and engagements will continue to be a reliable source of sales in the precious metal jewellery segment.

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DID YOU KNOW?

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

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