

Women's Accessories

Contributed by Mintel
Thursday, 27 March 2008

Britain's backlash against the 'It-bag'

In the world of handbags, the It-bag has reined supreme for years. But latest research from MINTEL forecasts that 2008 will see British women turning their backs on expensive, celebrity-endorsed bags.

Sales of handbags grew 139% between 2002 and 2007, thanks to the success of the must have It-bag, endorsed by celebrities. In fact, over the last three years, the market has seen 30% year on year growth to reach Â£468 million in 2007. But things are about to change.

Although sales are set to crash through the half billion pound mark this year to hit Â£553 million, this is just 18% up on 2007 figures. In the coming five years, women will continue to spend their hard earned cash on handbags, but the growth will be slower as they start to choose more reasonably priced high street handbags.

"Women have become more cynical about celebrity endorsed products. Many will no longer be as quick to spend hundreds, even thousands of pounds on a bag just because the likes of Posh Spice have been snapped with one. Especially when these days the must-have looks are quickly translated to the high street," comments Katrin Magnussen, senior fashion analyst at MINTEL.

"Also, in light of the uncertain economic climate, women may well need to tighten the purse strings and so less expensive handbags will help them satisfy their appetite for a new handbag," she adds.

Although the amount spent on handbags is set to change, there is no denying that women love buying bags. Handbag shopping is now very much a part of everyday life for British women. Indeed, in the last 12 months 55% of women bought a new handbag - that is 14.2 million handbag buying ladies. And it is women aged 15 to 24 years old who are really leading the way, as no less than 71% of them bought a handbag in the past year. The green effect

Last year, Anya Hindmarch's 'I'm not a plastic bag' shopper caused a real stir and the recent launch of Giles Miller's Â£180 eco-friendly 'Brown Paper Bag' shows that the ethical movement is now starting to gather momentum in the handbag market. Topshop and John Lewis also sell ethically produced bags for a high street fix.

"Although concerns about cheap labour and environmentally unfriendly practices are only just starting to impact the accessories market, there is a clear emerging green effect here. We are increasingly seeing bags that are made from eco-friendly, natural and recycled materials," comments Katrin. It's one in the bag for....bags!

Handbags are not only the largest accessories market, growth here far outpaces that of all other accessories. Indeed, sales of hats grew just 16% between 2002 and 2007, while, gloves (9%), scarves (6%) and belts (5%) saw only sluggish growth over the same five year period. The women's accessories market as a whole was worth Â£700 million in 2007, showing 73% growth since 2002, largely due to the phenomenal success of handbags.