

Is Time Ticking For The Watch?

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One in seven Brits claim they have no reason to wear one

In an age when time is displayed on a whole host of electrical devices, today, as many as one in seven Brits claim they have no reason to wear a watch as they use their mobile phone or PC to tell the time, according to new research from Mintel.

And it's those aged under 25 who are twice as likely (28%) to have replaced using a watch with various other devices.

Ownership of watches stands at 86%, compared to more than nine in ten people (91%) owning a mobile phone. Valued at just under Â£1 billion in 2009 (Â£987 million), sales of watches have remained flat over the last few years, as most Brits continue to buy for replacement, with the majority of the growth coming from low-end timepieces.

Tamara Sender, Senior Fashion Analyst at Mintel, said:

"Many consumers have grown up with technology and are just as likely to associate the notion of checking the time with a mobile handset as with a watch and as they grow older this mindset will accompany them. Mobile phone ownership is booming and increased usage by all ages could pose a threat to demand for standard watches in the long-term. However, with the popularity of alternative time-pieces, watch manufacturers are focusing on other aspects such as design and the latest technology to keep consumers interested.â€•

Watches, nevertheless, remain popular, with nearly nine in ten adults owning one. Indeed, proving that many consumers view watches as an accessory rather than just a device to tell the time, one in five adults has several timepieces to wear for different occasions.

While all that glitters may not be gold, sales of costume jewellery have grown at the fastest rate within the overall jewellery sector. Valued at Â£531 million in 2009, sales of costume jewellery are set to grow even further to reach Â£562 million by the end of 2010 when they will have grown a sparkling 11% since 2007.

Meanwhile, accounting for the bulk of the jewellery sector, sales of precious metal jewellery have remained virtually static since 2007, valued at just over Â£3 billion in 2009, as consumers cut back on purchases of high value jewellery.

Indeed, 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 and nearly a third of young people aged 15-24.

"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. We expect the market to grow further, thanks to people buying pieces for accessorising more frequently and as younger people continue to spend.â€• Tamara continues.

Seen as an easy way of making some money during tough economic times, as many as 7% or one in fourteen cash strapped consumers have sold gold jewellery for cash. Consumers who have been hard hit by the recession are more likely to have sold their gold.

Indeed, this has been particularly popular among women and those aged 55-64 (11%) as well as less affluent consumers.

"The soaring price of gold combined with the recession has led more and more consumers to trade in their old jewellery for cash, which has resulted in increased business for companies and pawnbrokers. In response to demand, many high street jewellery chains have also set up a special service to buy second-hand jewellery. It is of some concern that the cash for gold market is gaining a poor reputation because it is unregulated and many gold buyers offer poor value for money." Tamara concludes.

Finally, recent media coverage has bought the world's attention back to the issue of conflict diamonds and as many as one in eight of us say we would not buy unethical jewellery (such as conflict diamonds or dirty gold) with those aged under 35 most concerned by this issue (16%).

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