

**Yano Research Institute Ltd.**  
2-46-2 Honcho, Nakano-ku, Tokyo 164-8620, Japan

## **Trends of Luxury Import Accessories Market in Japan 2008**

### ➤ **Research Outline**

**Yano Research Institute has conducted a study on the luxury import accessories market according to the following research outline.**

1. Research objectives:  
The objective of this research is to understand the current status of the luxury import accessories market in Japan – luxury accessories directly imported from Europe and the United States – and the businesses in the industry as well as their brands so that we could predict the future market direction.
2. Research items: Luxury import accessories
3. Research targets: 58 companies that directly import luxury accessories from Europe and USA including watches, jewelry, ceramics, crystal glassware, writing materials, eyewear and kitchen tools
4. Research period: From Oct. 1, 2007 to Dec. 11, 2007
5. Research methodologies: Face-to-face interviews with relevant personnel and questionnaire surveys by post were primarily employed.

### ➤ **Summary of Research Findings**

- **The 2006 luxury accessories market estimated at 886.9 billion yen, up 10 points year-on-year.**  
The 2006 Japanese domestic retail market for luxury accessories (including watches, jewelry, ceramics, crystal glassware, writing materials, eyewear such as spectacle frames, kitchen tools) is estimated at 886.9 billion yen, 10 point increase from the same period last year. The projected market size for 2007 is 923.8 billion yen.
- **Accelerating polarization of the watch market**  
The total import value of watches imported from Europe and USA was 456.1 billion yen in 2006 (114.4 percent of the year before), with main price range shifted to the high price range of 300,000 yen or above. Meanwhile, the demand for domestic brands of watches reasonably priced at 10,000 yen to 30,000 yen increased, showing the polarization of the market. In 2007, the market polarization further accelerated as the high price range shifted again to 500,000 yen or above from 300,000 yen or above.
- **Luxury mechanical watches and luxury jewelry continued to lead the market in 2007.**  
The total import value of watches from Europe and USA grew at 14.4 points from the previous year, experiencing its largest growth for the last 6 years. The jewelry market grew at 7.5 points from the previous year, backed by recently booming men's jewelry market in Japan. Watches and jewelry lead the luxury accessories market, accounting for more than 80 percent of the total market value.

### ➤ **Report format:**

Published report: "Luxury Import Accessories Market 2008"

Issued in: December 2007

Language: Japanese

Format: 308 pages in B5 format

Price: 100,000 yen (5,000 yen of consumption tax will be additionally charged for sales in Japan.)

#### **Contacts:**

Public Relations

**Yano Research Institute Ltd. (URL: <http://www.yanoresearch.com>)**

Phone: +81-3-5371-6912

E-mail: [press@yano.co.jp](mailto:press@yano.co.jp)

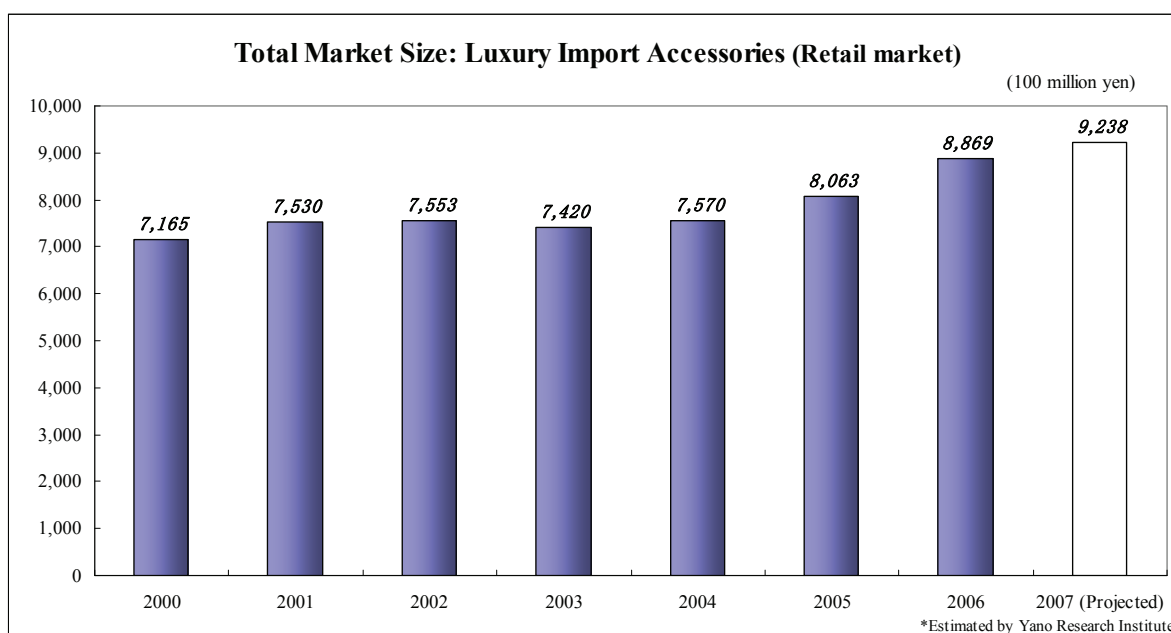
## ➤ Trend of Luxury Accessories Market

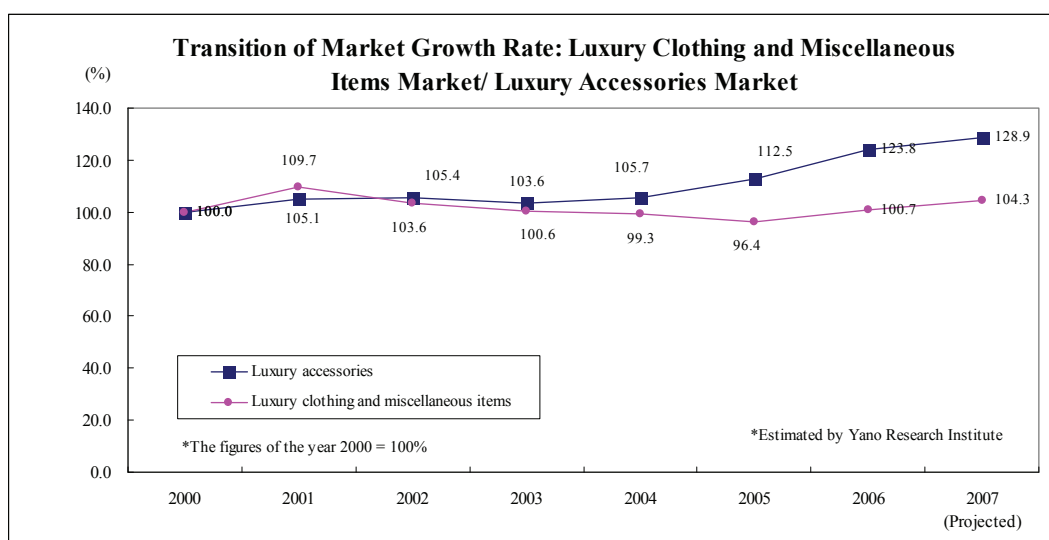
### Market overview

The 2006 Japanese domestic retail market for luxury import accessories (including watches, jewelry, ceramics, crystal glassware, writing materials, eyewear such as spectacle frames, kitchen tools) is estimated at 886.9 billion yen. All categories, excluding ceramics and eyewear, posted positive growth. Among them, the total market size of imported watches from Europe and USA increased at 14.4 points year-on-year, experiencing its largest growth in the last 6 years. Following the watches, the jewelry market remained strong with 7.5 points increase from the previous year. The total market size of crystal glassware, kitchen tools and writing materials grew at 5.4 points, 5.5 points and 2.9 points respectively, contributing to the total market growth.

The factors that contributed to the market growth of recent years are closely and definitely related to the recent market trend of the “luxury boom”, which is especially conspicuous in the domestic watch market in Japan. The flagship is a high quality Swiss mechanical watch. Backed by media such as men’s fashion magazines and watch magazines, the high quality Swiss watch products are in high demand especially from men in their 30s to 40s who are picky and seek for blue chip products. The men’s jewelry market has been expanding with new entrants from other industries, which vitalizes the entire jewelry market.

Watches and jewelry lead the market, accounting for approximately 85 percent of the total “luxury import accessories market” as defined in this report. Furthermore, the recent economic turnaround contributed to the improvement in the corporate demand and demand for the gifts. Consequently, ceramics, crystal glassware and writing materials that are often purchased for gifts had favorable results.





### The Total Import Brand Market Trend

Looking at the market trends in chronological order, the import brand market peaked during the first luxury brands boom in 1990. It shrank dramatically when the bubble economy collapsed in 1991. However, supported by the subsequent imported luxury brands boom, the market reached its highest level in 1996 during the second luxury brands boom. After that, the luxury accessories market (including apparel, bags, shoes, neckties, scarves, etc.) fell into negative territory and did not fully recover until 2005, partly due to prolonged economic slump amid historic low interest rates. In 2000, the market shrank to approximately 64 percent of the 1996 market size. In 2001, the number of tourists going abroad sharply decreased following the 9.11 terrorist attacks in the US, which resulted in huge influx of imports especially from France and USA and the import brand market picked up somewhat. However, the market remained stagnant until around 2006 after that temporal recovery, when it rebounded somewhat after four years of numerical shrinkage. The 2006 domestic market for imported luxury apparel and accessories is estimated at 1,222.7 billion yen, 104.5% of the previous year. This positive growth was mainly attributed to expanded market share of “bags, handbags and leather items”, which combined account for approximately 45 percent of the total imported brand market. Additionally, the men’s wear market was strong and this also contributed to the growth of the total import brand market. However, it is premature to conclude that the market shows signs of recovery, as the 2006 figure just exceeded the 2003 figure numerically.

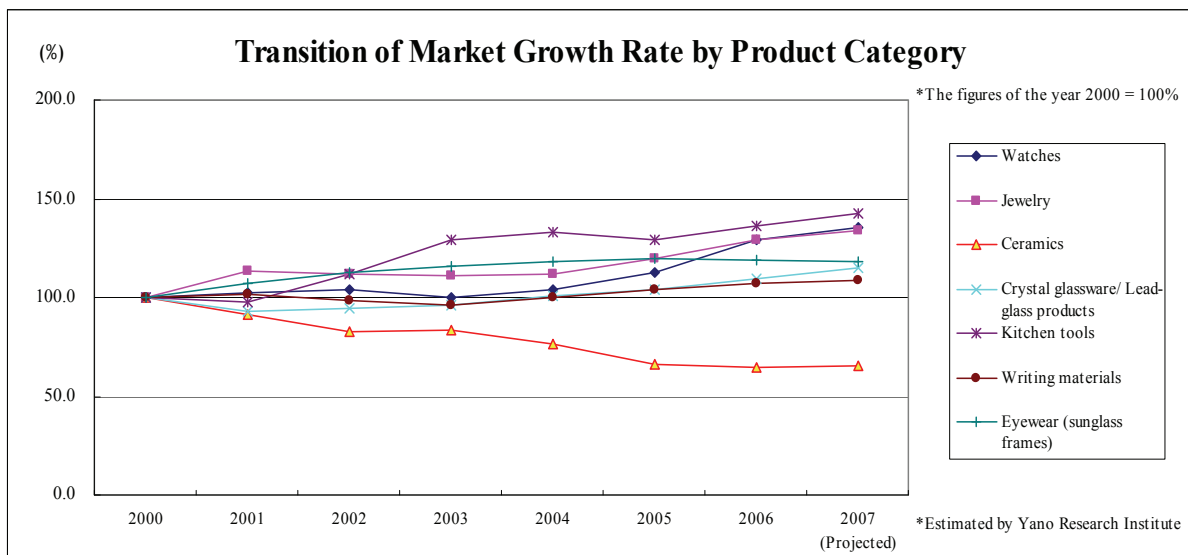
### Retail Market Size by Product Category: Luxury Import Accessories

(Units: 100 million yen, %)

	2000	2001	2002	2003	2004	2005	2006	2007 (Projected)
Watches	3,530	3,609	3,672	3,520	3,661	3,987	4,561	4,789
		102.2	101.7	95.9	104.0	108.9	114.4	105.0
Jewelry	2,410	2,732	2,696	2,671	2,689	2,893	3,110	3,225
		113.4	98.7	99.1	100.7	107.6	107.5	103.7
Ceramics	460	420	380	385	350	305	297	302
		91.3	90.5	101.3	90.9	87.1	97.4	101.7
Crystal glassware/ Lead-glass products	197	183	186	190	199	205	216	227
		92.9	101.6	102.2	104.7	103.0	105.4	105.1
Kitchen tools	156	152	174	202	209	201	212	222
		97.4	114.5	116.1	103.5	96.2	105.5	104.7
Writing materials	132	134	130	127	132	137	141	143
		101.5	97.0	97.7	103.9	103.8	102.9	101.4
Eyewear (sunglass frames)	280	300	315	325	330	335	332	330
		107.1	105.0	103.2	101.5	101.5	99.1	99.4
Total	7,165	7,530	7,553	7,420	7,570	8,063	8,869	9,238
		105.1	100.3	98.2	102.0	106.5	110.0	104.2

\*Prepared by Yano Research Institute based on "Japan Exports & Imports"

\*Re: "Ceramics" and "Crystal glassware": Only table ware and figurine (Sales to corporations are included.)



Categories \ FY	2000	2001	2002	2003	2004	2005	2006	2007 (Projected)
Watches	100.0	102.2	104.0	99.7	103.7	112.9	129.2	135.7
Jewelry	100.0	113.4	111.9	110.8	111.6	120.0	129.0	133.8
Ceramics	100.0	91.3	82.6	83.7	76.1	66.3	64.6	65.7
Crystal glassware/ Lead-glass products	100.0	92.9	94.4	96.4	101.1	104.1	109.6	115.2
Kitchen tools	100.0	97.4	111.5	129.5	133.4	128.8	135.9	142.3
Writing materials	100.0	101.5	98.5	96.2	100.0	103.8	106.8	108.3
Eyewear (sunglass frames)	100.0	107.1	112.5	116.1	117.9	119.6	118.6	117.9