

Imported Luxury Brands Market in Japan: Key Research Findings 2011

◆ Research Outline

Yano Research Institute has conducted a study on imported luxury brands market with the following conditions:

1. Research period: From December 2010 to May 2011
2. Research targets: Fashion & apparel businesses dealing with imported brands, Japanese arms and trading firms representing clothing and accessories companies overseas.
3. Research methodologies: Face-to-face interviews and mail-in surveys

What are imported luxury brands market in this research?

Imported luxury brands in this research correspond to the following ten major categories imported directly from EU or USA; women's clothing, men's clothing, babies' clothing, bags and leather goods, shoes, ties, scarf/shawl/handkerchiefs, clothing made from leather, belts, and gloves.

◆ Key Findings

■ Imported luxury brands market in 2010 is estimated at 831.4 billion yen, 92.9 % of the size in previous year

Forecast of imported luxury brands market in 2010 ended up at 831.4 billion yen, 92.9 % of the market size in the previous year. Although the range of reduction slowed down from that of previous year which marked the largest decline ever since the research have started, the market is still in a predicament and continues the negative growth for nine consecutive years since 2001. In addition to the prolonged, sluggish economy, the mass retirement of baby-boomers, aging population combined with the diminishing number of children, the recent fast fashion boom which is taking over the apparel market, and price hike in imported-brand goods due to the strong euro are dragging the market to stagnant condition.

Unlike those embattled department stores and import-only shops, outlets or shops such as EC, duty-frees and those within airports still have some power to enhance the business by entering into untapped sales channels.

■ Suppressed consumer spending from the sympathy towards earth quake victims, and drastic decrease in number of tourists were the blow for the market

There was a sign of bode well from around the end of 2010 through the start of 2011, when demands for luxury goods showed a little increase. The Great East Japan Earth Quake, however, blew such an air at once. Though branch shops of imported luxury brands themselves are not so many in Tohoku region, the outlook of the imported brands market in

2011 was largely influenced by the disaster that hit Tohoku area, because of the voluntary restraint by consumers who felt guilty in spending money for luxury goods. The nuclear accident was also a blow for the market, preventing mass of foreign tourists, especially visitors from China who were expected to spent fortunes of money.

On the other hand, despite the worst estimated figures ever, some brands is showing better sales in May and June than the same period in previous year, due may be to a rebound from the suppressed spending minds. Nevertheless, it is too early to hope for optimism in the outlook, since the influence of power saving is to be included in the coming estimation.

◆ Report format:

Published report: “Luxury Import Brand Market in Japan 2011”

Issued on: June 30, 2011

Language: Japanese

Format: 455 pages in B5 format

Price: 126,000 yen (6,000 yen of consumption tax shall be charged for the sales in Japan.)

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Transition of Imported Luxury-brand Clothing and Apparel Market Size

