

Jewelry Market after the Great East Japan Earthquake: Key Research Findings 2011

◆ **Research Outline**

Yano Research Institute has conducted a study on Jewelry market in the wake of the Great East Japan Earthquake that hit on March 11, 2011, with the following conditions:

1. Research period: From March to June, 2011
2. Research targets: 4,000 companies including jewelry-specialized chain stores, Jewelry market players including department stores, watches and jewelry stores, kimono shops, and shops for imported jewelry brands
3. Research methodologies: Face-to-face interviews, telephone/email surveys, literature research

What is Jewelry in this research?

Jewelry in this research applies to products made of gold or platinum decorated with diamonds, gems and pearls. Also, those products all or partially made of silver, or with semiprecious stones are included in this category.

◆ **Key Findings**

Jewelry market in 2011 is predicted to be 852 billion yen, down 6.4 % compared to the previous year.

Forecast of Jewelry-retail market was once expected to bottom out in 2010, from which it was anticipated to track the path of gradual recovery of economy until 2015. However, the market has been facing downturn again in the wake of the Great East Japan Earthquake that hit in March 2011. The market forecast was curtailed to 852 billion yen, down 6.4% from the previous year. Not only there are direct reasons, such as disastrous damages to shops and event venues; postponing/cancellation of business orders/events/exhibitions that halted business opportunities and negotiations, there are also indirect reasons; shortened business hours that stemmed from scheduled electric outage; weakened and suppressed consumer spending due to the darkened shopping environments and some hesitant, sympathetic feelings towards the victims of the disaster. In addition, decrease of foreign tourists has also deeply affected the market decline.

The market is expected to follow the path of moderate recovery of economy

The silver lining is that the aftermath of the earthquake seems to have limited effect. The market is expected to rebound from the restrained purchase activities in 2012, indicating that it would grow to 880.1 billion yen, increasing 3.3% from the previous year. It is expected that such trend of recovery will continue until 2015.

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