

QUESTION

Luxury Watches - Past Market Size

FINDINGS

The current global market size value of the luxury watches industry is \$47,646.9 million. Its value was \$22,554.7 million in 2009 and luxury watches had an approximate market size value of \$13,166.7 million in 1999.

LUXURY WATCH INDUSTRY CURRENT MARKET

- Switzerland is the world leading producer of luxury watches with a current market size of [\\$20.2 billion \(1\)](#) in exported watches.
- The second biggest producer of luxury watches is the US with a market size of [\\$4.8 billion \(1\)](#).
- The most valuable luxury watch brand in the world is considered to be Rolex with a market size of [7.4 billion Swiss Francs \(1\)](#) in 2016.
- The boom in the global luxury watch industry and other luxury goods [started in the 1990s \(1\)](#).
- The leading brands in the global luxury watch market today, by market share, are Rolex at [18 percent \(7\)](#), Omega at [8 percent \(7\)](#), Breitling at [6 percent \(7\)](#), Hublot at [3 percent \(7\)](#), TAGHeuer at [3 percent \(7\)](#), Longines at [3 percent \(7\)](#), IWC at [3 percent \(7\)](#), Cartier at [3 percent \(7\)](#), Audemar Piguet at [2 percent \(7\)](#), and Patek Philippe at [2 percent \(7\)](#).
- Smaller manufacturers hold the remaining [49 percent \(7\)](#) of the market.

LUXURY WATCH INDUSTRY PAST MARKET

- In 2005, the luxury watch and jewelry industry reached a market size of [\\$58.4 billion \(2\)](#) in the US, raising to [\\$62.2 billion \(2\)](#) in 2006.
- The luxury watch industry, although it grew from 2005's results, still found challenges in 2006. This because [51 percent \(2\)](#) of 18 to 24 year old consumers and [48 percent \(2\)](#) of

25 to 34 year old consumers used their cellphones to tell the time instead of using analog watches.

- However, there was a comeback through an industry focus on promoting the luxury that owning one of these watches represents. In 2017, [70 percent \(1\)](#) of millennials own analog watches.
- The global luxury watch industry had a market size of [\\$46,349.13 million \(8\)](#) in 2018, it is expected to reach [\\$47,646.9 million \(8\)](#) this year and continue to grow to [\\$53,211.7 million \(8\)](#) by 2023.
- Additionally, the global personal luxury goods market has demonstrated a stable constant growth tendency for many years, starting with [€147 billion \(6\)](#) in 2009 and continuing to [€260 billion \(6\)](#) in 2018.
- The personal luxury goods industry [is composed of \(6\)](#) luxurious fashion, watches, jewelry, luggage, cosmetics, fragrances, and handbags.
- Before 2009, the personal luxury goods industry still maintained an upward market tendency, beginning with a [€77 billion market size \(4\)](#) in 1995 and growing to [€167 billion \(4\)](#) in 2008.
- In some sources, 2009 is considered to be the worst year for growth, but that year still showed an [upward trend \(4\)](#).
- The luxury watch industry reached a market size of [€24 billion \(4\)](#) in 2008, [€20 billion \(4\)](#) in 2009 and [€23 billion \(4\)](#) in 2010.

Research Strategy:

We began our research by looking for global industry reports and statistics of the luxury watches market that could include a historical market size from 1998 or 1999 to 2018 or 2019. We made use of sources like Reuters, Market Research, and Statista, among others. These sources provided a wealth of relevant information about total market size and market growth, including projections, but often failed to specifically isolate luxury watches over the \$50,000 price point, usually breaking down price points only up to either \$10,000 or \$5,000 and above or simply categorizing the entire market as "luxury watches" without mentioning specific prices.

Some projections and historical market sizing data in this report came from calculations. We took known information from two or more years and projected forward or backward to other years using a Compound Annual Growth Rate (CAGR) calculator.

For example, we found the global market size for luxury watches in 2008, 2009 and 2010. Since these values were presented in Euros, we converted them to US dollars (i.e. €24 billion in 2008 became \$27,065,735,906 and €20 billion in 2009 became \$22,554,779,922) In order to estimate the market size in 1999 we found the average rate of growth from every year for which data existed. To these numbers, we applied a CAGR calculator to project backward from the 2019 numbers, across the known 2010, 2009, and 2008 numbers, and finally to an estimated 1999 market size.

As a final strategy to ensure accuracy we surveyed modern and historical market data for the larger luxury good market (a market that luxury watches represent a large percentage of) to ensure that our estimates were reasonable.

SOURCES

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<https://www.businesswire.com/news/home/20080812005649/en/Research-Markets-Jewelry-Market-Watch-Report-2007>

3) Watches and Clocks

<https://www.marketresearch.com/Global-Industry-Analysts-v1039/Watches-Clocks-12399064/>

4) Report

<https://observatoriodelmercadopremium.ie.edu/wp-content/uploads/sites/59/2014/05/luxurygoodsworldwidemarketstudy9thedition.pdf>

5) Calculations

https://docs.google.com/document/d/1RZJDPxVbjLDqfTepbCqYI9hq90vYNzi0HdNrey5If4c/edit?usp=embed_facebook

6) Value of the worldwide luxury goods

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7) THE BIG INTERVIEW: Chrono24 co-CEO Tim Stracke describes his 'winner-takes-all' approach to the secondary watch market - WatchPro USA

<https://usa.watchpro.com/big-interview-chrono24-co-ceo-tim-stracke-describes-winner-takes-approach-secondary-watch-market/>

8) Luxury watch global market size 2018-2023

https://docs.google.com/document/d/1TsxXFRjiWF_jGp5WIDUUBFALq9JYCAO8d4LFA-Z0aK0/edit?usp=sharing&usp=embed_facebook