



Market Report

A Snapshot of your Market Sector

Jewellery Design and Retail

This pack has been designed to provide information on setting up a business in the **Jewellery Design and Retail** industry in Scotland, as well as helping to inform the market research section of your business plan. You can find more information on how to write a business plan from the Business Gateway website (www.bgateway.com/businessplan), including an interactive template and tips to get you started.

This market report was updated by Business Gateway in **December 2021**. If you find the information contained in this document useful, tell us about it! Send us feedback [here](#); we will use your comments to help improve our service.

What do I need to know about the Jewellery Design and Retail market?

The following summary statistics have been taken from market research reports and reliable resources that the Information Service uses to compile industry information. They should give you an indication of how your industry is faring at present and whether there is demand for your type of business:

- ◆ The jewellery and watches market is estimated to see a gradual recovery in 2021, with sales growing by **13% to £5.4 billion**, driven by renewed consumer confidence and optimism as people buy pieces for socialising, weddings, and occasions such as christenings that are being held as restrictions on events lift. (Mintel, *Jewellery & Watches Retailing UK*, 2021).
- ◆ Industry revenue is expected to decline at a compound annual rate of **1.9%** over the five years through 2021-22 to **£5.9 billion**. Significant operational and supply chain disruption caused by the COVID-19 (coronavirus) outbreak is expected to induce a slump in industry sales during the latter part of the period, particularly in 2020-21 as a result of long periods of enforced closure for non-essential retailers. Industry revenue is expected to record renewed growth of **34.2%** in 2021-22. (IBISWorld, *Jewellery & Watch Stores in the UK*, July 2021).
- ◆ A recent overview of the UK jewellery industry showed that the vast majority of manufacturing (81%) and retail enterprises (53%) had no more than 4 employees. The next largest group of manufacturers (12.6%) had 5–9 employees, suggesting that most jewellery manufacturing enterprises in the UK are relatively small businesses, at least in terms of employee count. (Fashion Discounts, *Jewellery Industry Statistics for the UK*, August 2021).
- ◆ Gold prices are between a rock and a hard place. Bullion's appeal as protection against inflation buoys the prices, but they are under pressure from expectations that monetary authorities will soon reduce stimulus packages implemented to support economies during the pandemic. (The National Association of Jewellers, *The Jeweller – Winter 2021 edition*,
- ◆ The national organisations for this industry are the [National Association of Jewellers](#) and the [Association for Contemporary Jewellery](#). Other industry bodies include [Contemporary British Silversmiths](#), [Craft Scotland](#), the [Crafts Council](#) and [The British Watch & Clockmakers Guild](#).

Where can I find more information on my market?

The Information Service has access to a number of databases which can offer more detail on this industry. Some of these reports are listed below - if you would like to be sent extracts from any of these reports, please contact us on **0300 013 4753** or email info@bgateway.com.

- ◆ IBISWorld – Jewellery Manufacturing in the UK (March 2021). Industry revenue is projected to rise at a compound annual rate of 2% over the five years through 2025-26 to £1 billion. Export growth is expected to benefit industry revenue over the coming years. This is despite import competition being expected to remain intense as overseas firms continually improve quality standards and attempt to change consumer perceptions about jewellery made in low-cost countries. Demand conditions are expected to improve in the long term as real household disposable income rises and consumer confidence increases.
- ◆ IBISWorld – Watch & Jewellery Wholesaling in the UK (September 2021). Like other wholesaling industries, wholesale bypass has continued to be problematic as downstream operators form direct relationships with manufacturers, limiting growth. However, resilient demand for luxury watches has benefited the largest players in the industry, with the top four companies increasing their market share. This is largely due to the fall in the value of the pound opening up sales opportunities in the EU markets. Over the five years through 2021-22, revenue is anticipated to contract at a compound annual rate of 1.7% to £2.1 billion. A sharp contraction over 2020-21 is anticipated to result from the effects of the COVID-19 (coronavirus) pandemic

There are also a number of online resources you may find helpful:

- ◆ **Retail Jeweller** regularly publishes opinion pieces from experts in the industry. For example, see this piece (tinyurl.com/yckuvpcm) interviewing a company working in the jewellery industry to bring new innovations to retail in the industry.
- ◆ **Craft Scotland, Craft Directory** (www.craftscotland.org/craft-directory). Using this link may help you assess competitors in the market by reviewing other jewellery manufacturers and designers
- ◆ **National Association of Jewellers, Industry News** (<http://www.naj.co.uk/jewellery-news>). Keep up to date with the latest developments in the jewellery industry such as new product launches, events, advice for businesses and other articles of interest.

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How can I find out about my competitors?

Business Gateway's online guide to [Competitor Analysis](#) explains how to find your competitors, how to research what they're doing and how to act on what you learn about them.

Immediate competition will be from other businesses in your local area. There are several online directories which can be used to find company information and generate lists easily and at no expense. Many Local Authorities also publish local business directories on the web. Below are some key web resources:

- ◆ General business directories such as [Yell](#), [Thomson Local](#) or [Google Maps](#)
- ◆ Trade specialists like [EuroPages](#) (European directory), [The Wholesaler](#) or [Free Index](#)
- ◆ Business to business (B2B) specialists such as [Kompass](#)

Likewise, your local Chamber of Commerce may publish a members' directory; find your local Chamber on the [Scottish Chambers](#) website.

Once you've identified who your competitors are, the next step is to gather information on the way they do business. Which services do they provide? How do they market themselves? How much do they charge?

To learn about your competitors:

- ◆ Look for articles or adverts in local newspapers, trade press and directories.
- ◆ Try to read their marketing material; if the company has an online presence, visit the company's website as a first port of call. Not only does it give you a better understanding of the company's activities, it can also offer a wealth of information such as a company history or staff biographies, as well as the company's partners or suppliers
- ◆ Search for information on limited UK companies via the [Companies House](#) website
- ◆ Gain an insight into your competitor's performance using credit checks and the accounts that limited companies are required to submit to Companies House each year.

We can provide credit checks free of charge; if you are interested in using this resource, or looking for us to help you find relevant publications, please contact us by emailing info@bgateway.com or by calling **0300 013 4753**



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What about suppliers?

[Choosing and Managing Suppliers](#) can help you decide what you need from a supplier, how to identify one and how to choose one to deal with.

Trade associations or industry specific organisations may also be able to recommend suppliers or contacts. You can also use the aforementioned resources for finding competitors to find suppliers.

Once you have decided on a supplier, we can run a credit check on the company to help assess their financial stability. We provide credit checks free of charge; if you are interested in using the resource please info@bgateway.com or by calling **0300 013 4753**.

Who are my customers?

Your business plan should include information about the customers you would expect. Business Gateway's guides on [Market and customer research](#) will help you to identify new trends, opportunities, customers and competitors.

It can be useful to group your customers by geographical location, age or lifestyle. The websites listed below are freely available and can provide most of this information. If you can't find what you're looking for from these website, please contact us and one of the team will be happy to help:

- ◆ Access the latest population estimates from the [National Records of Scotland \(NRS\)](#). NRS also offers demographic factsheets for each council area in Scotland, which can provide summary statistics for the area you will be based in.
- ◆ Information from the most recent census in 2011 is released via the official website. See in particular the [Census Area Profiles](#). Clicking on your area of interest will give the latest population figures, including estimates by age.
- ◆ [Understanding Scottish Places](#) has interactive profiles of towns and cities across Scotland. It can be useful for understanding the interrelationships and flows between towns, and also gives comparisons between two or more places.
- ◆ [Scottish Government Statistics](#) provide accurate and up-to-date statistics on Scotland, covering population, health, education and housing.
- ◆ [The Scottish Household Survey](#) provides information on the structure, characteristics, attitudes and behaviour of Scottish households, both at a national and local level.
- ◆ [Office for National Statistics \(ONS\)](#) is the recognised national statistical body for the UK. ONS covers a wide range of demographic, economic and social issues at a UK level.

How can you help me with other aspects of starting my business?

The Business Gateway website has guides, videos, online tutorials and tips on all aspects of starting up a business in Scotland. Follow the links below to explore each resource:

Accountancy

Institute of Chartered Accountants of Scotland's (ICAS) "[Find a Chartered Accountant](#)" tool

Funding

[Practical information](#) on finance and funding for starting and growing your business

Insurance

[Business insurance guide](#)

Legal Help

Gov.uk "[Licence Finder](#)" tool

Law Society of Scotland's "[Find a Solicitor](#)" tool

Pricing

Business Companion [Pricing & payment guide](#).

Please note: the most effective way to research pricing is to conduct your own research – visit wholesalers or suppliers to obtain price lists, find quotes from similar companies and work out what other businesses in your area are charging

Promotion

[BG guides to Marketing](#)

Training

[Skills Development Scotland's My World of Work](#)

[Funding for training](#)

[Small Business Bonus Scheme \(Scotland\)](#)

Your local Business Gateway can offer events, workshops and 1:2:1 support on all aspects of starting and developing your business. Call the helpline on **0300 013 4753** to find out what is available in your area.

We hope you find this Market Report useful and we'd love to hear your feedback [here](#).

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You must not rely on the information in the report as an alternative to advice from an appropriately qualified professional. If you have any specific questions speak to your Business Gateway Advisor or consult an appropriately qualified professional.

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