



Market Report

A Snapshot of your Market Sector

Jewellery Design and Retail

Cost of Doing Business Support

For information on **reducing the cost of running your business**, the [Find Business Support](#) website has links to advice, funding and regional support.

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 **November 2023**. 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:

- ◆ Despite the cost-of-living crisis after the pandemic, real jewellery purchases have remained consistent, with costume jewellery trending upwards to comprise 13.2% of the jewellery market sales in 2023. UK market size for the jewellery and watch market is estimated at **£5,950m in 2023, forecast to rise to £6,618m by 2028 representing a growth rate of 4.8%**. **Luxury timepieces** have been driving value growth, with this sector estimated to reach **£1,386m in 2023, an increase of 4.2%**. The growth of brands offering man-made jewels and stones is increasing, as lab-grown diamonds become more commonplace, with the main interest coming from the younger demographics, with 21% of 16-34s having purchased lab-grown jewels in the last five years. (Mintel, *Jewellery and Watches Retailing - UK*, September 2023).
- ◆ Jewellery **manufacturing revenue** is forecast to **contract at a compound annual rate of 5.8%** over the five years through 2023-24 to **£954.7 million**. The impact of the pandemic was exacerbated by inflationary pressures and the cost-of-living crisis which reduced disposable incomes, weighing on jewellery sales. However, a **recovery is anticipated** in 2023-24, with the **five years through 2028-29, jewellery makers' revenue expected to climb at a compound annual rate of 2.9% to £1.1 billion**. (IBISWorld, *Jewellery Manufacturing in the UK*, July 2023).
- ◆ British households in the highest income bracket are spending more on luxury items, including jewellery and watches in 2023-24, stimulating growth in these industries. The rising cost of living will dampen sales through **2023-24, when revenue is expected to contract at a compound annual rate of 2.4% to £6 billion**, including revenue decline of 7.3% in 2023-24., though sales of higher-end jewellery and watches will remain resilient. As a result, profit is expected to expand to 5.3% in 2023-24. **Revenue is expected to climb at a compound annual rate of 2.3% to the end of 2028-29 to £6.7 billion**. (IBISWorld, *Jewellery & Watch Stores in the UK*, July 2023).
- ◆ In 2022, UK households purchased approximately £10.5 billion worth of jewellery, clocks, and watches. In **2021, the number of enterprises of this sector amounted to 1,388**, the highest figure since 2008. (Statista, *Jewellery in the UK*, 2021).
- ◆ 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](#).



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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** (July 2023). With bridal jewellery sales still making up the bulk of revenue (£582.4m; 61.0%), jewellery makers are struggling in the face of a long-term drop in the number of people in the UK getting married. Although costume jewellery faces significant competition from low-cost, foreign producers, revenue attributed to this segment has risen as domestic producers have capitalised on fashion trends, with costume jewellery contributing £280.7m (29.4%) to industry revenue. 3D printers have allowed producers to design and manufacture jewellery faster, increasing time efficiencies while maintaining quality standards. Technological developments have led to the development of lab-grown diamonds, helping to make diamond jewellery more affordable to a range of markets. Technology is used less in high-value segments as bespoke pieces made by highly trained and experienced designers are more desirable.
- ◆ **IBISWorld – Jewellery & Watch Stores in the UK** (July 2023). The wide variety of products in the industry attracts a diverse range of consumers, making it challenging for any single retailer to gain dominance in the market. New entrants in the jewellery market face challenges such as securing retail locations with high foot traffic, and investments in online platforms and potentially costly stock, particularly if selling antique or unique items made with precious gems and metals. Digitally-led retailers have innovated by introducing virtual try-ons and consultations, replicating the in-store experience in the comfort of consumers' homes.
- ◆ **Statista – Consumer Insights** (October 2022). **Leading jewellery brands in the UK:** Pandora comes out on top. The Danish jewellery manufacturer incorporates a 91 percent brand awareness, followed by Chanel which is recognized by 89 percent of internet users in the United Kingdom. Furthermore, with 85 percent brand awareness each, the Austrian brand Swarovski and LVMH-owned Tiffany & Co. claims the joint third spot in this list.

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

- ◆ **Retail Jeweller** regularly publishes opinion pieces and [trading news](#) from experts in the industry. They also publish an industry report, Retail Jeweller, available on subscription.
- ◆ **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. This organisation also offers the [Craft Scotland Sector Report 2023](#) which contains some useful data on economic contribution by craft sectors, including jewellery.
- ◆ **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. Publications are also available at [Statistics and Research](#).
- ◆ [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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