

JEWELRY

Watchmakers turn to digital tools to woo watch-averse millennials

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Young people are far less likely to wear a watch every day than those over 45. Image credit: Bulgari

By DANNY PARISI

The global timepiece market will face looming problems of sustainability and interest going forward, as younger generations are far less likely to wear a watch daily compared to older consumer segments, according to findings from The NPD Group.

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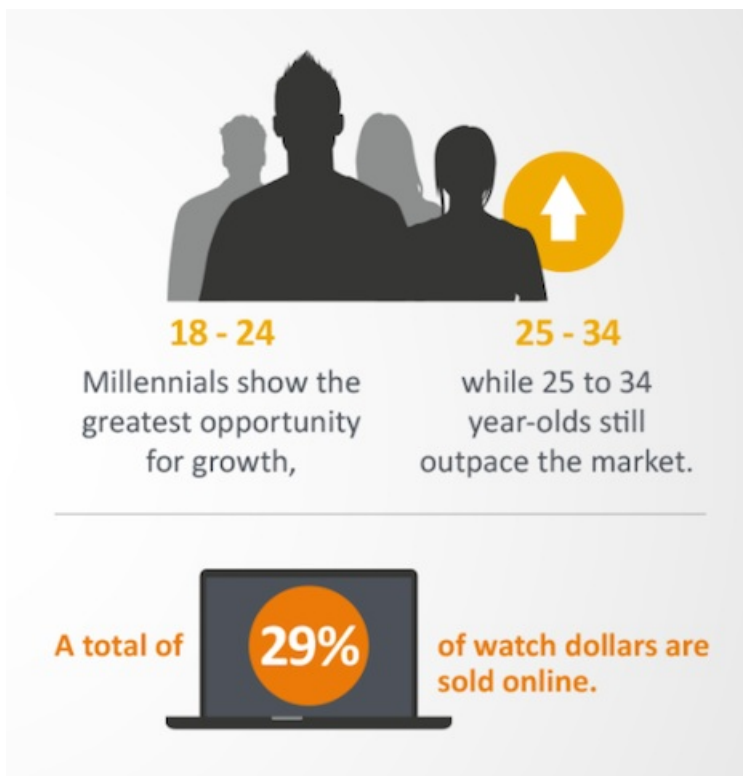
Less than half of all consumers in the United States wear a watch every single day, according to The NPD Group's latest report on the global watch industry. But the majority of those watch wearers are baby boomers, while their younger counterparts who will eventually supplant them in terms of numbers are far less likely to wear a watch ever due to the prevalence of smartphones making portable time-telling unnecessary.

Generational gap

Watches have been a staple of the modern wardrobe for generations. Anyone of a certain age knows that as recently as a decade ago, watches were ubiquitous.

With the advent of smartphones, the utility of analog timepieces has diminished. Now, everyone has a smartphone in their pockets at all times which offers the same capabilities as a watch as well as much more.

While watches are still popular and are obviously worn for more than just their time-telling ability, it is undeniable that smartphones have played a role in the diminished popularity of the watch.



Young people have the most room for growth. Image credit: The NPD Group

The NPD Group found that only 32 percent of consumers in the US wear a watch every single day. Most of these daily watch wearers are men, older than 45 and have an income between \$50,000 and \$100,000 per year.

But these consumer are aging out of the market, and their younger counterparts are not nearly as attached to watches as they are. The NPD Group singles out the 18-24 demographic as having the most potential for growth in the near future.

Watchmakers will have to devise new techniques and products to capture these young consumers who have never needed a watch and are therefore less likely to see watches as a necessary part of their lives.

Digital tools

Fitness trackers and smartwatches are one area where watchmakers can gain ground. Seven percent of consumers have smart watches and 17 percent have fitness trackers and those numbers are growing, meaning traditional watchmakers can get a foothold in today's market by embracing those categories.

While the smartwatch industry was slower to take on than previously expected, disruption from these devices may still occur as adoption rates are steadily increasing.

According to latest "WEAR Report Industry Overview and Forecast" from NPD's Connected Intelligence, there has been a 1.5 percent increase in individuals above the age of 18 who own a smartwatch compared to six months ago. The report forecasts that there will be a 60 percent growth in smartwatch owners by the fourth quarter of next year ([see story](#)).

For traditional watches, brands have begun new campaigns specifically targeting younger consumers.



Smartwatches and fitness trackers' popularity is growing. Image credit: The NPD Group

For instance, Swiss watchmaker Tag Heuer reached out to a younger generation through a partnership with the Coachella Valley Music & Arts Festival last year.

Tag Heuer became the official watch of the event, sponsoring the two-weekend affair in Indio, CA. Music festivals are becoming a sought after venue for luxury brands looking to reach the millennial consumer who will be their customers of tomorrow ([see story](#)).

Watchmakers across the board are considering new options to entice the youth segment of the market, with tactics ranging from online selling to wearables and increased customization, as horology interest continues to stagnate.

Italian jeweler Bulgari is among the watchmakers jockeying for millennial attention in a climate where smartphone clock displays have long ago replaced the need for an analog timepiece. To combat this trend, Bulgari has designed a fresh and colorful interpretation of its iconic Serpenti women's watch collection that is entirely customizable, a first for the brand ([see story](#)).

As baby boomers age out of the market, time will tell if these tactics are enough to win over the younger crowd, who will be instrumental in the future fate of traditional watchmakers around the world.

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