

WATCHES AND JEWELRY

Smartwatches driving timepiece growth in US

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Louis Vuitton promotes its Connected Watch, Tambour Horizon. Image credit: Louis Vuitton

By STAFF REPORTS

Sales of smartwatches were up 54 percent in 2018, contributing to a 13 percent rise in overall watch sales throughout the year, according to data from NPD Group.

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While traditional timepieces accounted for more than half of sales during the year, smartwatches took the lead in the last quarter with 55 percent of all spending. Luxury watchmakers have increasingly been launching tech-driven watches as consumers seek more than analog features.

Watches get smart

NPD notes that traditional watches made up 56 percent of all watch sales last year.

However, smartwatches are rising at a meteoric rate. Three of the top five watch brands today only produce smartwatches.

Another area of growth is watches that are not gendered. This trend ties into smartwatches, since many of the connected timepieces are not specified for men or women.

On the whole, the average suggested retail price for watches rose in 2018. According to NPD, watches that were selling at \$25,000 or more saw the most stable price points.



Lagos Apple Watch strap. Image credit: Lagos

"We have entered a new watch universe where smart options have become as significant as the traditional," said Reginald Brack, watches and luxury industry analyst at The NPD Group, in a statement. "Smartwatches are today's growth engine, but there is still a place for traditional watches among consumers and in the marketplace.

"Traditional brands who embrace the changing watch market, taking cues from consumers as well as products in the smartwatch segment, will be able to navigate the new landscape," he said. "Both faces of the watch industry will benefit from creating a brand experience and building relationships with the consumer."

Smartwatch sales are on the rise but with an extreme lack of diversity, as only the top three brands make up 88 percent of total sales.

While luxury brands have attempted to enter smartwatch territory, their market share is still small. According to a prior NPD report, Apple, Samsung and Fitbit control 88 percent of all sales, but companies such as Fossil and Garmin are hoping to catch up ([see story](#)).

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