スイス時計協会 FH
Fédération de l'industrie horlogère suisse FH
Federation of the Swiss Watch Industry FH

Consumer Awareness Survey on Watches 2016

Summary of Survey Results

Contents

■ Summary Outline

Summary Outline

This year, Federation of the Swiss Watch Industry FH conducted a questionnaire survey concerning Japanese consumers' awareness on wrist watches, their buying trends, etc. This is the 4th survey following 2010, 2012, and 2014 surveys. The survey have expanded questions by incorporating opinions of the Federation member companies, importers, affiliated companies, etc.

The questionnaire targets men and women at or above 20 who are interested in wrist watches costing 300,000 yen or above (2014 Survey Report targeted "those who are interested in wrist watches costing 100,000 yen or above" which is different from this survey). The new condition is added for the first time in this survey, for those who have purchased wrist watches costing 500,000 yen or above, which is one of the targeting price when purchasing import watches.

The target brands in 2014 Survey Report included "SEIKO", "CITIZEN", "CASIO" and other domestic brands, as well as license brands. This year, the target brands were limited to 43 brands excluding above at conducting the questionnaire survey.

The 2016 Survey took place from 18 (Fri) to 21 (Mon) March 2016, during which it received 1,500 valid responses. The following analyses are provided by Yano Research Institute Ltd.

■Survey area Whole of Japan

■Survey method Internet questionnaire

■Survey date March 18 to March 21, 2016

■Survey subjects Men and Women at or above the age of 20 who live in Japan and suffice the following conditions (equal allocation):

"I purchased a wrist watch by myself in the past"

(1) "I am interested, or mildly interested, in wrist watches costing 300,000 yen or above" 1,000 respondents

(2) "I have purchased a wrist watch costing 500,000 yen or above" 500 respondents

※ "n" in the sentences refers to the number of survey participants.

■Number of valid responses 1,500

■ Review

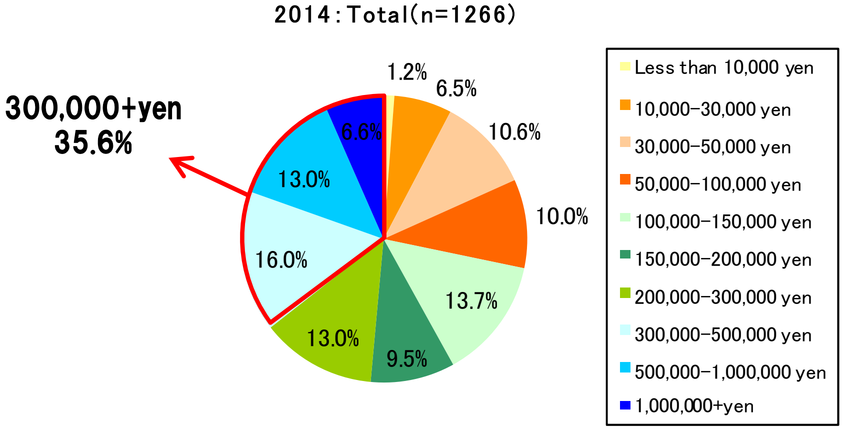
Review:1

Price range of watch you want to buy

■ The purchase budget is mainly between 300,000 – less than 1 million yen
It is shifting from the middle to the high price range

In "the purchase budget for the wrist watch you want" the price range over 300,000 yen covers nearly 60% (61.6%), showing the shift in the trend towards the higher price range compared to 2014 Survey Report Data. The change of retail prices and exchange rate fluctuations could be considered as reasons for the change of trend.

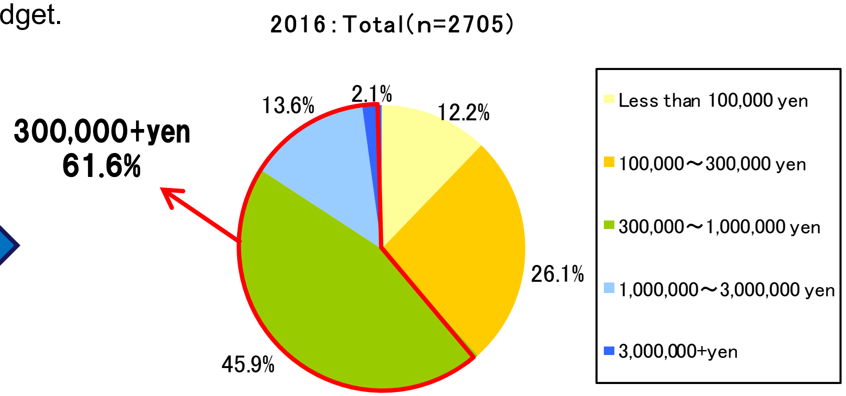
※2014 Survey Report targeted "those who are interested in wrist watches costing 100,000 yen or above" which is different from this survey's "those who are interested in wrist watches costing 300,000 yen or above"



■ Women's social advances behind the market boost
Purchase budget has grown

In men, the high price range (1 million yen or above) accounts for 17.6%, which is more than 11.2% willing to spend less on watches (less than 100,000 yen), indicating the consumer trend that people "do not mind spending a lot" for what they want. Similarly, in women, 14.2% showed their willingness to spend "1 million yen or above" which is larger than the group opting for "less than 100,000 yen" (13.1%)

Helped particularly by the social advancement of women and active promotion practice of women in managerial positions under the government's gender policies, more women in their 30s – 40s take up managers' positions in organizations. Their increased income led to their tendency to choose more authentic and expensive fashion items, resulting in a larger purchase budget.



(%)

	Total male	Male 20s	Male 30s	Male 40s	Male 50s	Male 60s+
	2016	2016	2016	2016	2016	2016
	n=1270	n=167	n=339	n=300	n=189	n=275
Less than 100,000 yen	11.2	19.2	10.9	9.7	17.5	4.0
100,000～300,000 yen	25.1	31.1	26.0	25.0	22.2	22.5
300,000～1,000,000 yen	46.1	38.3	45.7	47.3	42.3	52.7
1,000,000～3,000,000 yen	14.8	9.6	14.7	15.0	15.3	17.5
3,000,000+yen	2.8	1.8	2.7	3.0	2.6	3.3
	17.6%					

(%)

	Total female	Female 20s	Female 30s	Female 40s	Female 50s	Female 60s+
	2016	2016	2016	2016	2016	2016
	n=1435	n=156	n=333	n=298	n=224	n=424
Less than 100,000 yen	13.1	26.9	15.6	10.4	8.0	10.6
100,000～300,000 yen	27.0	26.3	29.1	31.9	23.2	24.3
300,000～1,000,000 yen	45.6	36.5	44.1	44.3	51.3	48.1
1,000,000～3,000,000 yen	12.6	9.0	10.5	12.4	16.1	13.9
3,000,000+yen	1.6	1.3	0.6	1.0	1.3	3.1
	14.2%					

Review:2

Next desired purchase

■ Preferred wrist watch brands 『ROLEX』,『OMEGA』,『CARTIER』

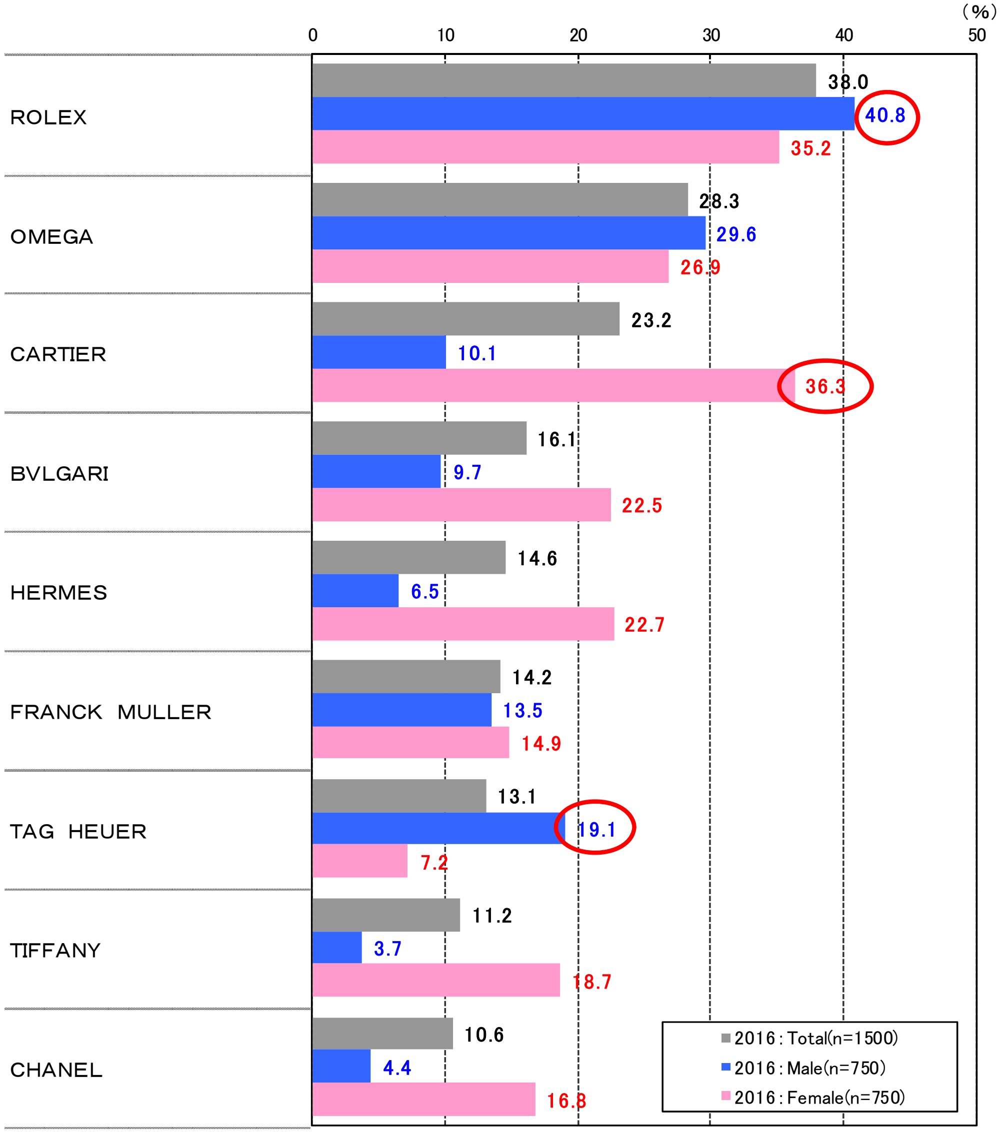
“ROLEX”(38.0%), “OMEGA”(28.3%), and “CARTIER”(23.2%) establish impregnable positions.

Among men, “ROLEX”, “OMEGA”, “TAG HEUER” and “FRANCK MULLER” are popular.

Among women, “CARTIER”, “ROLEX”, “OMEGA” followed by “HERMES”, “BVLGARI”, “TIFFANY”, “CHANEL” are popular.

※The target brands in 2014 Survey Report included “SEIKO”, “CITIZEN”, “CASIO” and other domestic brands, as well as license brands. This year, the target makers were limited to 43 brands at conducting the questionnaire survey.

Preferred wrist watch brands

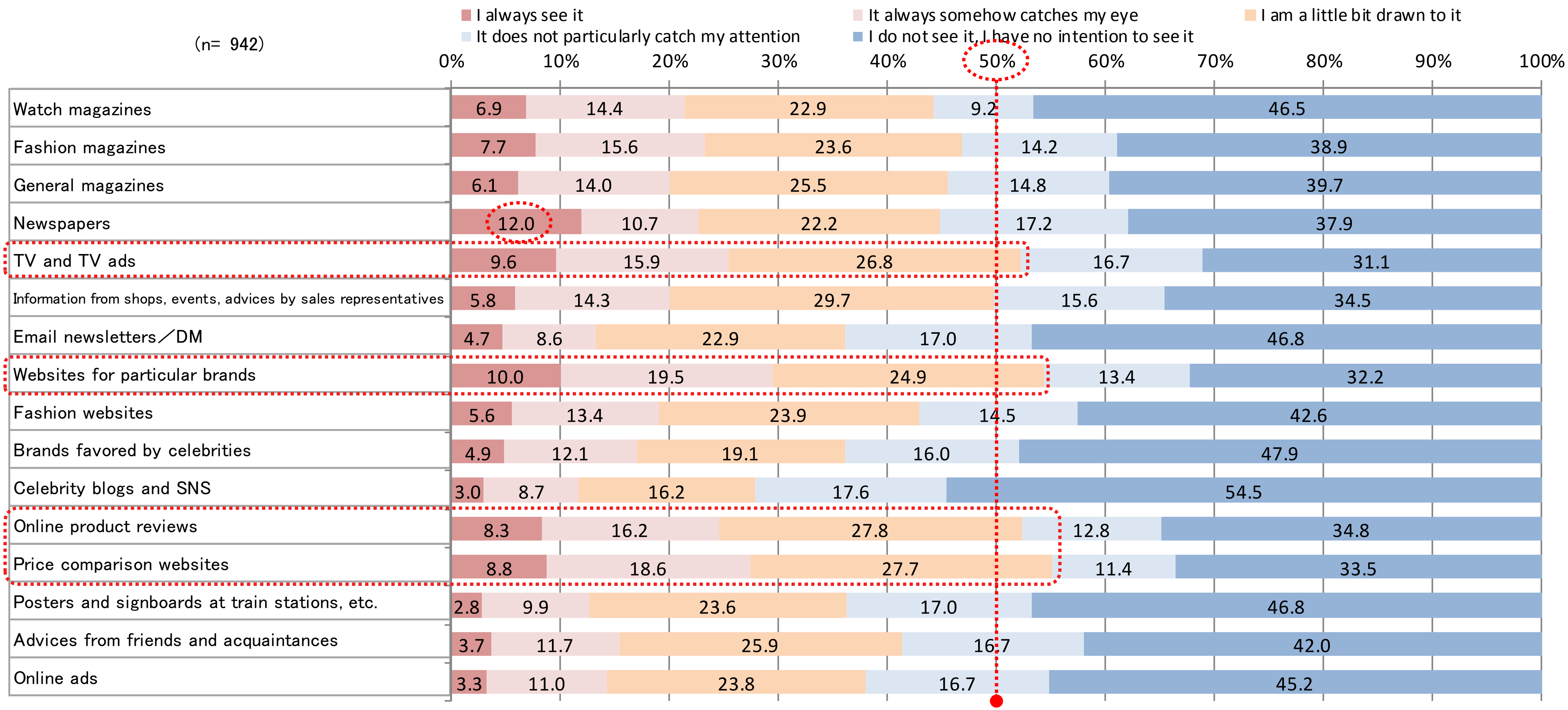


Review:3

Media which are influential in purchasing (1)

■ Effective media were “price comparison websites”, “websites for particular brands”, “TV and TV ads” and “online product reviews”

As for newspapers, 12.0% responded “I see them every time” suggesting its high effectiveness as they are “catch the eyes” of subscribers. On the other hand, the effectiveness of “celebrity blogs and SNS”, “posters and signboards at train stations, etc.” are marginal.



Review:3

Media which are influential in purchasing (2)

In magazine subscription ranking, three national papers, “Yomiuri Shimbun”, “Nikkei Newspaper”, and “Asahi Shimbun”, dominated the popularity list in both men and women (selection of newspapers were not listed in the previous survey).

Men mainly chose watch magazines, such as “World’s Wrist Watches”, “Chronos”, “Watch Begin” etc., as well as business magazines like “Diamond”, “Toyo Keizai” etc.

Women mainly chose general magazines, with the wealthy class’ favorite “Kateigaho” and “Fujingaho” topping the list, along with fashion magazines like “STORY”, “Oggi” etc.

Magazine subscription ranking

(%)

2016 : Male		
Order	Name of magazine subscribed to	(n=750)
1	Yomiuri Shimbun	18.8
2	Nikkei Newspaper	15.9
3	Asahi Shimbun	13.6
4	World’s Wrist Watches	12.9
5	Nikkei Trendy	11.3
6	Diamond	11.1
7	Chronos	8.7
8	PRESIDENT	8.4
9	Watch Begin	7.6
9	Toyo Keizai	7.6

(%)

2016 : Female		
Order	Name of magazine subscribed to	(n=750)
1	Yomiuri Shimbun	16.5
2	Asahi Shimbun	13.9
3	Nikkei Newspaper	12.0
4	Kateigaho	11.5
5	STORY	11.1
6	Fujingaho	10.4
7	Oggi	9.9
8	Nikkei WOMAN	8.5
9	MORE	8.1
10	VERY	7.9

Review:4

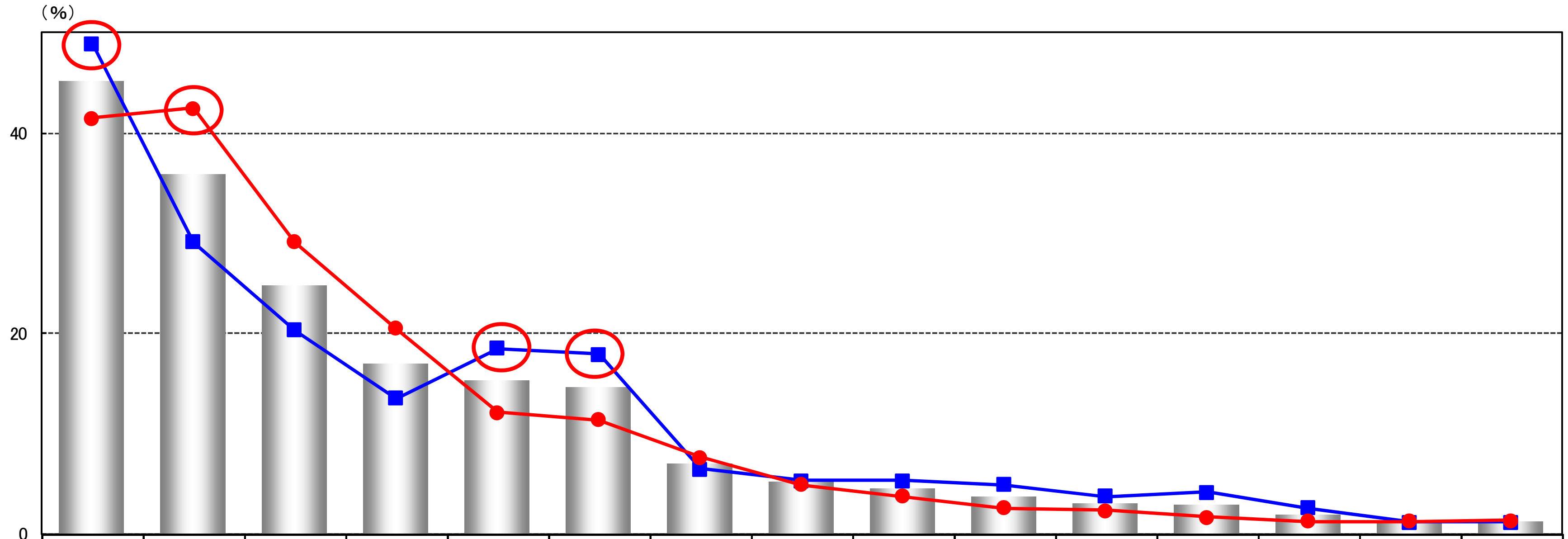
Location of actual purchase

■ Main choices were “watch shops and jewelries”, “watch shops in department stores”, and “brand boutiques”

In men, “watch shops and jewelries” and in women, “watch shops in department stores” came to the top.

While men tend to make purchases through various channels, including “mass retailers”, “online shops”, “parallel import shops”, “Internet auctions”, “secondhand watch shops”, etc., women remain loyal to limited specific places, such as “brand boutiques” and “duty-free shops” and “overseas shops”.

In “Hokkaido and Tohoku Areas” where “brand boutiques” and “watch shops and jewelries” are scarce, the use of “online shops” and “Internet auctions” are more frequent.



	Watch shops and jewelries	Watch shops in department stores	Brand boutiques	Duty-free shops and overseas shops	Mass retailers; discount stores	Online shops	Select shop	Outlet malls	Parallel import shops	Internet auctions	Antique shop	Used clock shop	Mail order stores	Person-to-person trade	Others
Total(n=1500)	45.2	35.8	24.7	17.0	15.3	14.6	7.0	5.1	4.5	3.7	3.0	2.9	1.9	1.1	1.2
Male(n=750)	48.9	29.1	20.3	13.5	18.5	17.9	6.4	5.3	5.3	4.9	3.7	4.1	2.5	1.1	1.1
Female(n=750)	41.5	42.5	29.1	20.5	12.1	11.3	7.6	4.9	3.7	2.5	2.3	1.6	1.2	1.2	1.3

Review:5

Interest in mechanical watches

※Women are targeted

Regarding mechanical watches 57.4% said “I am interested in it” or “I am mildly interested in it”

Nearly 60% women respondents showed interest in mechanical watches.

While the general trend shows that older people are more interested in them, 45.6% of the “women in their 20s” said “I am mildly interested in it” indicating the increased interest in mechanical watches among younger generation. The result may suggest that women in their 40s chose “I am interested in it” as they intend to actually purchase them, whereas women in their 20s chose “I am mildly interested in it” because their interest is still nothing more than a longing.

(%)

	Female	Female 20s	Female 30s	Female 40s	Female 50s	Female 60s+
	2016 n=750	2016 n=90	2016 n=171	2016 n=144	2016 n=118	2016 n=227
I am interested in it	19.5	11.1	16.4	25.7	16.9	22.5
I am mildly interested in it	37.9	45.6	35.7	36.8	39.0	36.6
I am no very much interested in it	29.1	22.2	31.6	23.6	33.9	30.8
I have no interest in it	13.6	21.1	16.4	13.9	10.2	10.1

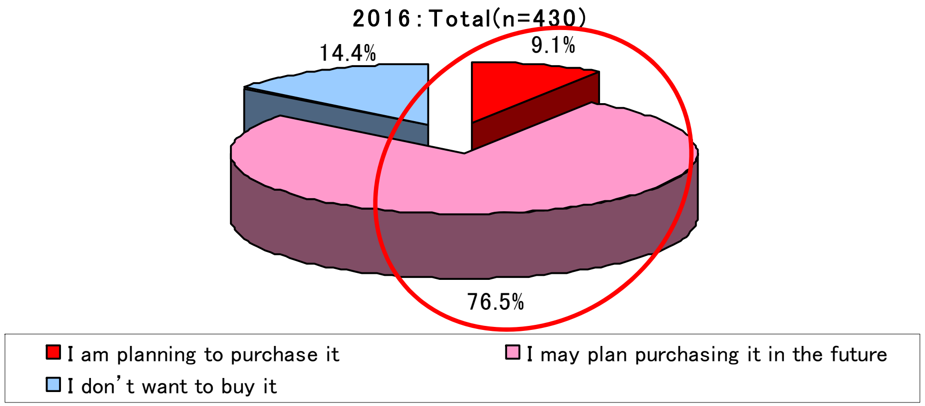
Consumers attitudes towards mechanical watches

※Women are targeted

“I am planning to purchase it” and “I want to purchase it in the future” account for 85.6% in total

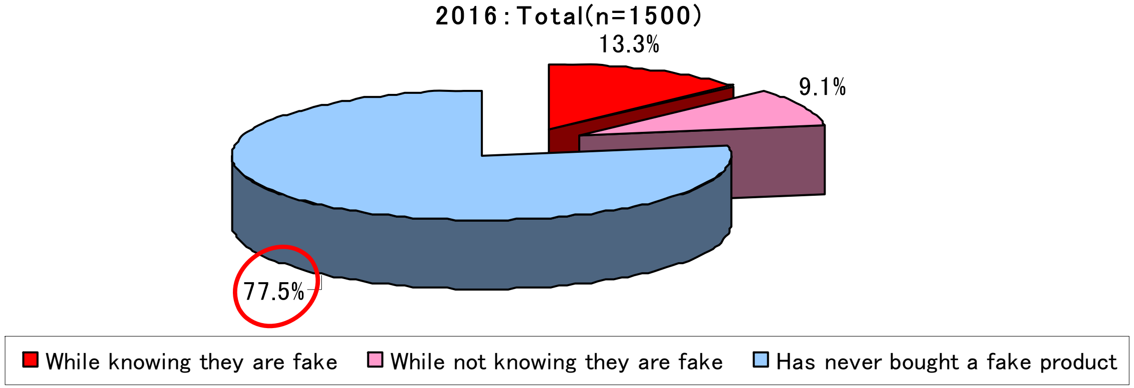
To the questions concerning actual consumers attitudes towards mechanical watches, nearly 90% of the respondents said “I want to buy it” including “I am planning to purchase it” (9.1%) and “I may plan purchasing it in the future” (76.5%). while 14.4% said “I don’t want to buy it”.

Among the respondents “in their 20s” 9.8% chose “I am planning to purchase it” an 80.4% chose “I may plan purchasing it in the future”. Among respondents “in their 30s,” 7.9% said “I am planning to purchase it” and 84.3% said “I may plan purchasi it in the future” Compared to the older generations, their attitudes towards mechanical watches are more favorable.



Review:6

Purchasing counterfeit products

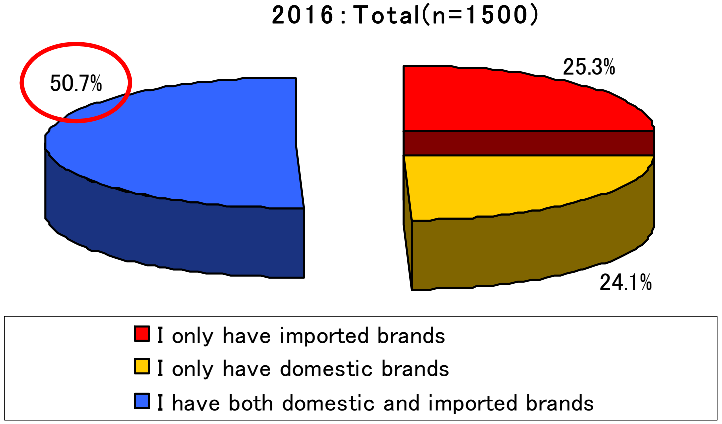


■ The largest majority said "I have never bought a fake product" (77.5%)

Over 20% of the total respondents purchased fake products in the past, and about 60% of those who have purchased them said "I bought it knowing it was a fake".

More men said "I bought it knowing it was a fake" than women, and additionally especially men, it was more so in the case of older respondents than the younger respondents (see page 81).

Ownership statuses of domestic and imported brand wrist watches

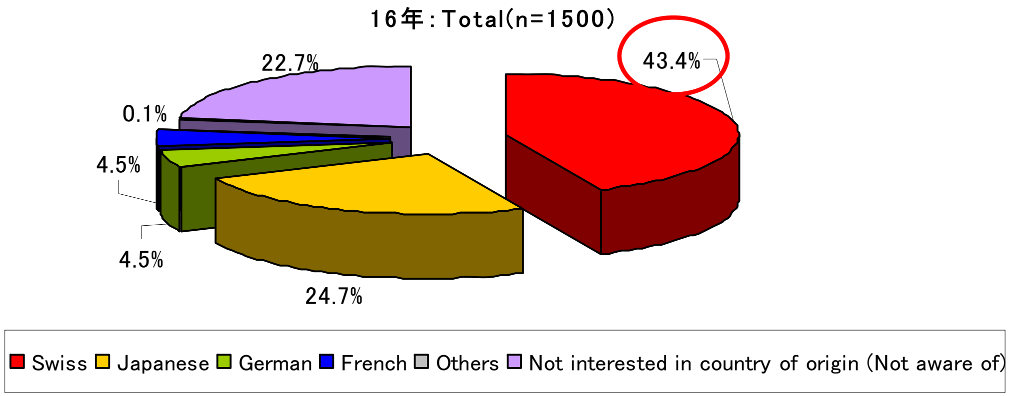


■ "I know both domestic and imported brands" (50.7%)

25.3% said "I only know imported brands" while almost equivalent proportion of respondents (24.1%) said "I only know domestic brands".

Among women, in comparison with men, younger people tend to say "I only know imported brands". Men are drawn to "domestic" while women prefer "imported". There is a gender difference in the initial timing where they first possess their watch.

Favorite manufacturing country for your watch



"Swiss" receives highest popularity

Followed by "Japanese", "German" and "French".

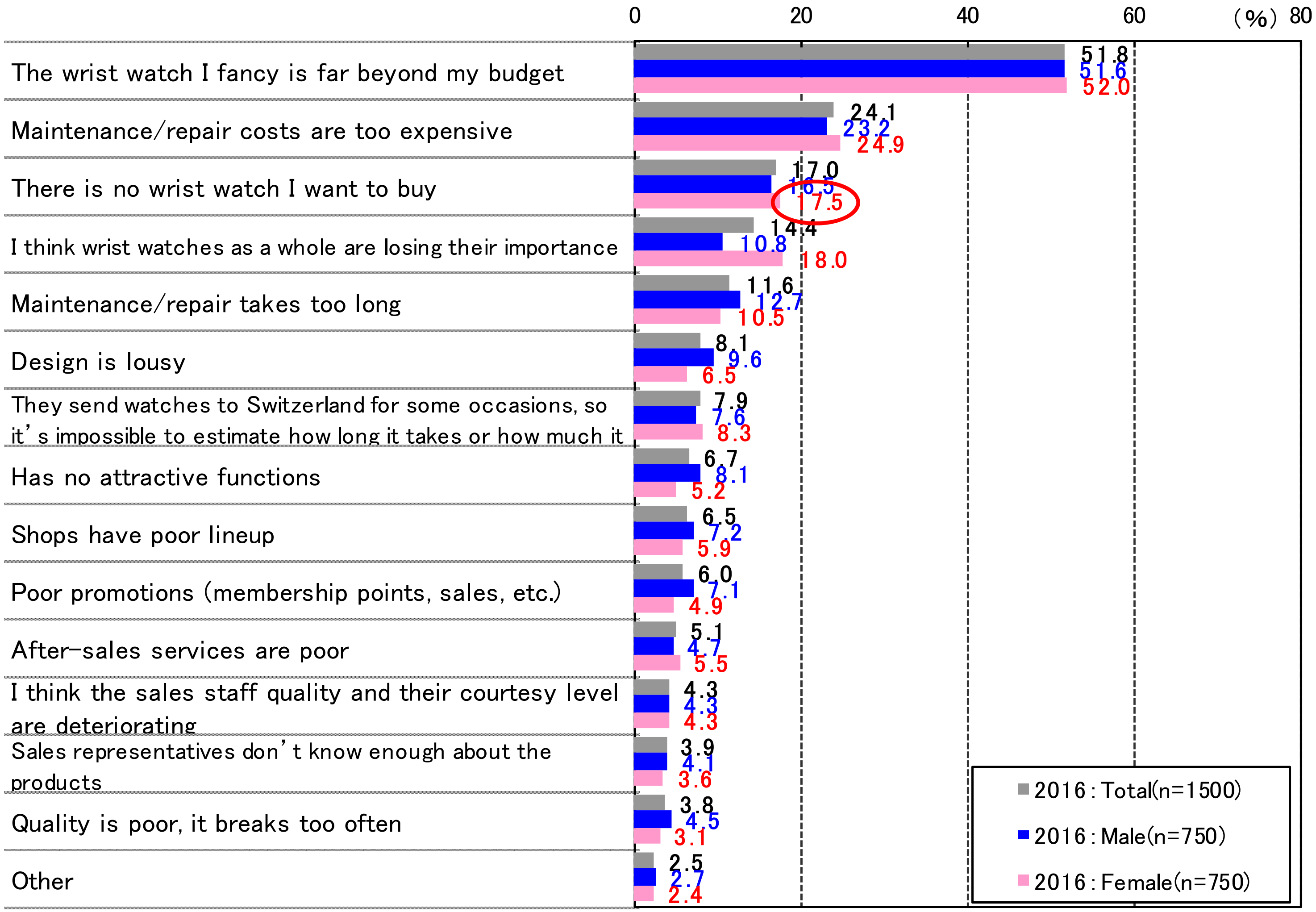
"Swiss" is more preferred by older generations. In both men and women, people "in their 40s and above" particularly show support for Swiss brands.

Review:7

Opinions of the imported watch industry

Opinions of imported watch industry are summarized as: “the wrist watch I want to buy is too expensive”, “maintenance/repair costs are too expensive, and “There is no watch I like”

In particular, more women respondents chose “there is no watch I like” and “It seems altogether unnecessary to have a wrist watch” than men. It may indicate that the industry fails to provide products that women really want.

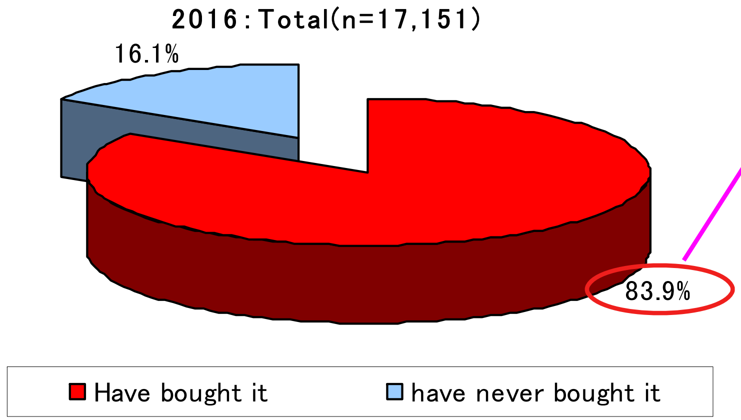


■ Screening Survey: Sample size of 17,151

Screening survey (extracting survey subjects)

2016

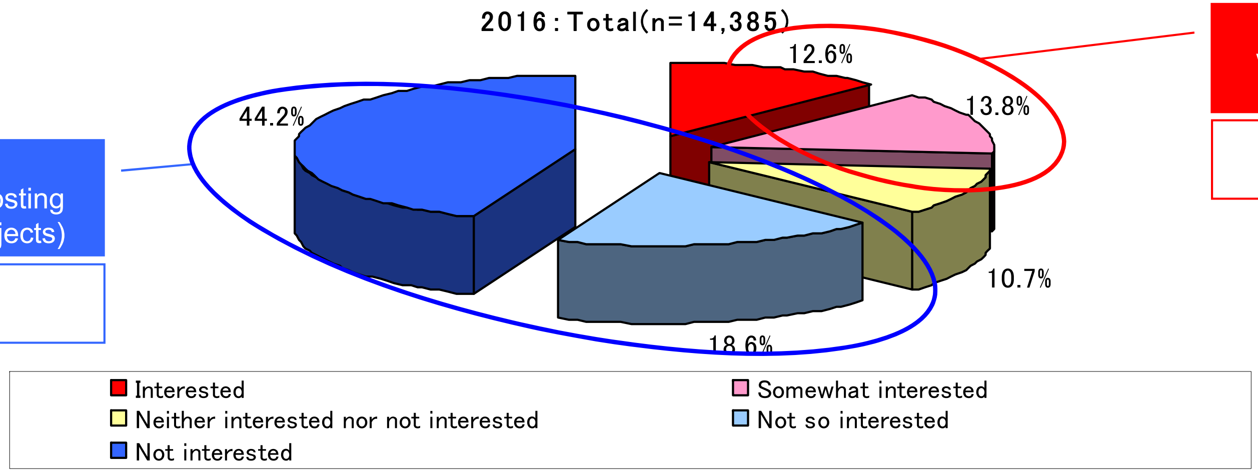
<Question> Have you ever purchased a wrist watch? Respondents who chose “I purchased it in the past” are extracted



Those who have bought a watch: 14,385

Furthermore…

<Question> We have selected as survey subjects **those who answered “Interested” or “Somewhat interested”** to question : “Are you interested in a watch costing over 300,000 yen?”



Those who are not interested in a watch costing over 300,000 yen (non-subjects)

73.5%

Those who are interested in a watch costing over 300,000 yen (subjects)

26.4%

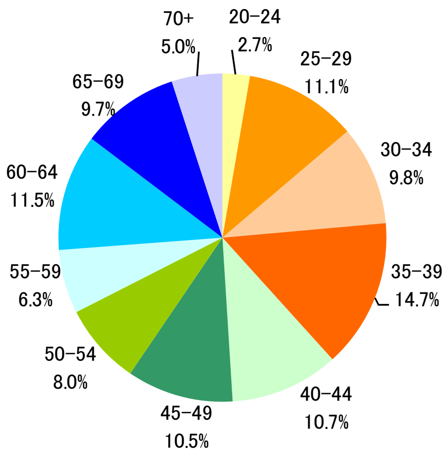
■ Survey Results 1: Subjects’ Profile (sample size of 1,500)

Subjects' Profile (basic attributes)

■ Between the previous 2014 Survey Report and this survey, the survey participants' extraction conditions (those who are interested in 100,000 yen or above wrist watch → 300,000 yen or above) are different. Because of this, the ratio of senior respondents increased. Apart from this, there have been no major differences in terms of areas or occupations compared to the previous survey.

■ Sex and age distribution

2016：Total(n=1500)

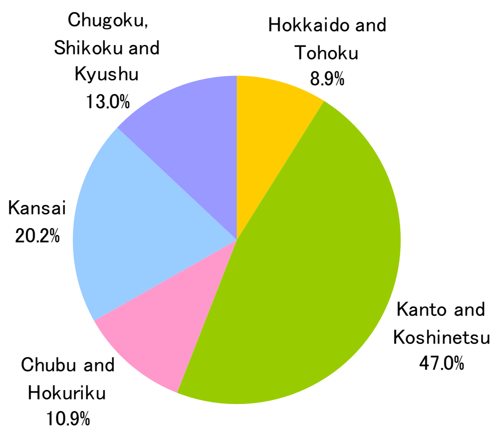


(%)

	Total	Male	Female
	2016 n=1500	2016 n=750	2016 n=750
20～24	2.7	2.9	2.4
25～29	11.1	12.7	9.6
30～34	9.8	8.3	11.3
35～39	14.7	17.9	11.5
40～44	10.7	11.7	9.6
45～49	10.5	11.5	9.6
50～54	8.0	5.9	10.1
55～59	6.3	7.1	5.6
60～64	11.5	10.1	12.8
65～69	9.7	7.5	12.0
70+	5.0	4.5	5.5

■ Geographical distribution

2016：Total(n=1500)



■ Occupational distribution

(%)

	Total	Male	Female
	2016 n=1500	2016 n=750	2016 n=750
Company employee	44.4	57.3	31.5
Government employee	5.0	7.3	2.7
Company executive	2.3	3.7	0.9
Self-owned business	6.9	9.5	4.3
Freelance	3.3	3.2	3.5
Part-time employee	9.5	4.1	14.9
Homemaker	16.5	0.4	32.5
Student	1.4	1.9	0.9
Unemployed	9.9	11.6	8.3
Others	0.7	0.9	0.5

■ Marital status

(%)

	Total	Male	Female
	2016 n=1500	2016 n=750	2016 n=750
Single	37.4	40.3	34.5
Married	62.6	59.7	65.5

■ Family structure

(%)

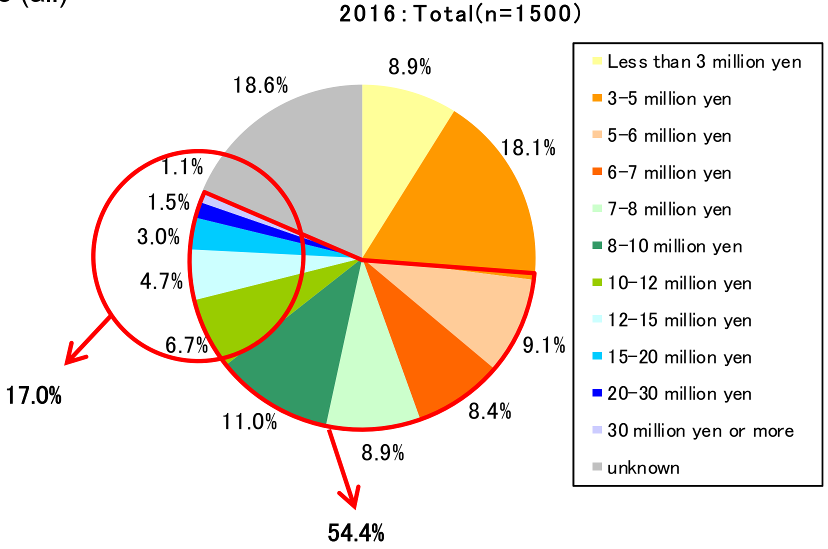
	Total	Male	Female
	2016 n=1500	2016 n=750	2016 n=750
Spouse	56.3	56.1	56.4
Children	35.9	37.7	34.0
Parents	26.7	30.0	23.3
Siblings	8.7	9.5	8.0
Others	1.8	1.6	2.0
Living alone	18.4	18.7	18.1

■ Types of residences

(%)

	Total	Male	Female
	2016 n=1500	2016 n=750	2016 n=750
Rented apartment/house	27.8	26.1	29.5
Self-owned condominium unit	19.8	17.2	22.4
Self-owned house	45.5	48.4	42.7
Company-owned house/dormitory	2.5	3.3	1.6
Sharing parents' house	3.7	4.3	3.2
Others (live-in, etc.)	0.7	0.7	0.7

■ Household annual income (all)



■ Household annual income (all)

『5 million yen or more』 54.4%

『10 million yen or more』 17.0%

Household annual income (male)

『5 million yen or more 』 59.1%

『10 million yen or more 』 18.6%

Household annual income (female)

『5 million yen or more』 49.7%

『10 million yen or more』 15.3%

■ Household annual income (male)

(%)

	Total male	Male 20s	Male 30s	Male 40s	Male 50s	Male 60s+
	2016	2016	2016	2016	2016	2016
	n=750	n=117	n=196	n=174	n=97	n=166
Less than 3 million yen	5.6	8.5	4.1	5.7	4.1	6.0
3-5 million yen	18.7	24.8	16.8	14.4	14.4	23.5
5-6 million yen	9.1	12.0	11.2	6.9	7.2	7.8
6-7 million yen	9.6	2.6	13.8	10.3	12.4	7.2
7-8 million yen	9.5	7.7	11.7	12.6	8.2	5.4
8-10 million yen	12.3	12.0	8.2	21.3	12.4	7.8
10-12 million yen	8.0	6.8	10.7	6.9	9.3	6.0
12-15 million yen	5.3	6.0	4.6	2.9	8.2	6.6
15-20 million yen	2.9	2.6	2.0	3.4	5.2	2.4
20-30 million yen	1.3	—	1.0	0.6	2.1	3.0
30 million yen or more	1.1	0.9	—	1.7	2.1	1.2
unknown	16.7	16.2	15.8	13.2	14.4	22.9

■ Household annual income (female)

(%)

	Total female	Female 20s	Female 30s	Female 40s	Female 50s	Female 60s+
	2016	2016	2016	2016	2016	2016
	n=750	n=90	n=171	n=144	n=118	n=227
Less than 3 million yen	12.1	12.2	9.9	8.3	16.1	14.1
3-5 million yen	17.6	15.6	18.7	14.6	13.6	21.6
5-6 million yen	9.2	6.7	13.5	6.9	8.5	8.8
6-7 million yen	7.2	4.4	12.3	10.4	3.4	4.4
7-8 million yen	8.3	14.4	6.4	11.1	4.2	7.5
8-10 million yen	9.7	10.0	9.9	8.3	14.4	7.9
10-12 million yen	5.3	4.4	4.7	6.3	7.6	4.4
12-15 million yen	4.1	4.4	3.5	3.5	4.2	4.8
15-20 million yen	3.1	1.1	1.2	6.9	2.5	3.1
20-30 million yen	1.6	2.2	1.8	2.8	1.7	0.4
30 million yen or more	1.2	1.1	0.6	0.7	0.8	2.2
unknown	20.5	23.3	17.5	20.1	22.9	20.7

■ Allowance (monthly: all)

■ Overall median

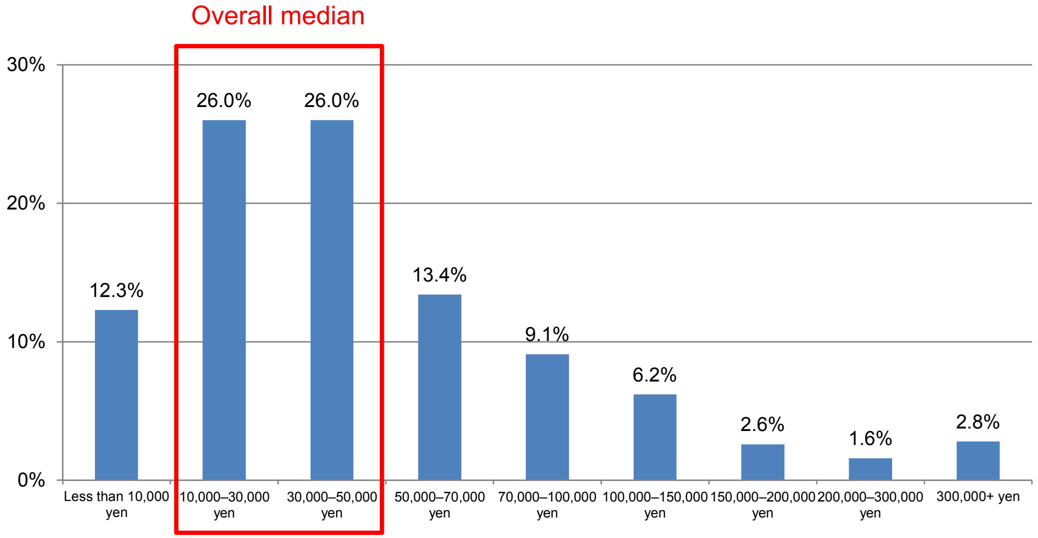
10,000～50,000 yen 52.0%

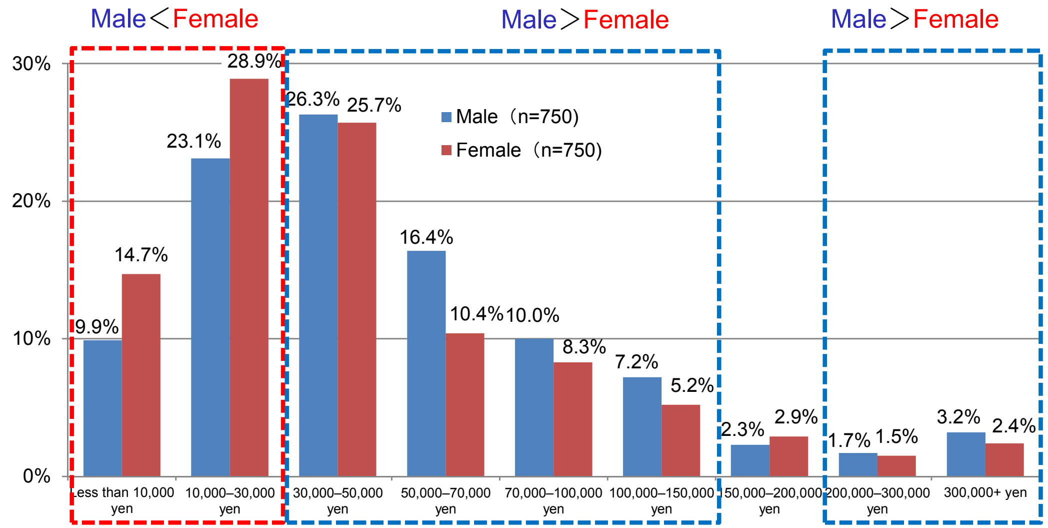
■ Men's median

30,000～50,000 yen 26.3%

■ Women's median

10,000～30,000 yen 28.9%





■ Allowance (monthly: male)

(%)

	Total male	Male 20s	Male 30s	Male 40s	Male 50s	Male 60s+
	2016	2016	2016	2016	2016	2016
	n=750	n=117	n=196	n=174	n=97	n=166
Less than 10,000 yen	9.9	9.4	11.2	8.6	9.3	10.2
10,000–30,000 yen	23.1	22.2	26.5	22.4	16.5	24.1
30,000–50,000 yen	26.3	25.6	24.0	29.3	29.9	24.1
50,000–70,000 yen	16.4	17.9	17.9	15.5	17.5	13.9
70,000–100,000 yen	10.0	12.8	8.2	8.6	13.4	9.6
100,000–150,000 yen	7.2	3.4	7.1	9.2	7.2	7.8
150,000–200,000 yen	2.3	4.3	3.6	0.6	1.0	1.8
200,000–300,000 yen	1.7	2.6	0.5	0.6	2.1	3.6
300,000+ yen	3.2	1.7	1.0	5.2	3.1	4.8

■ Allowance (monthly: female)

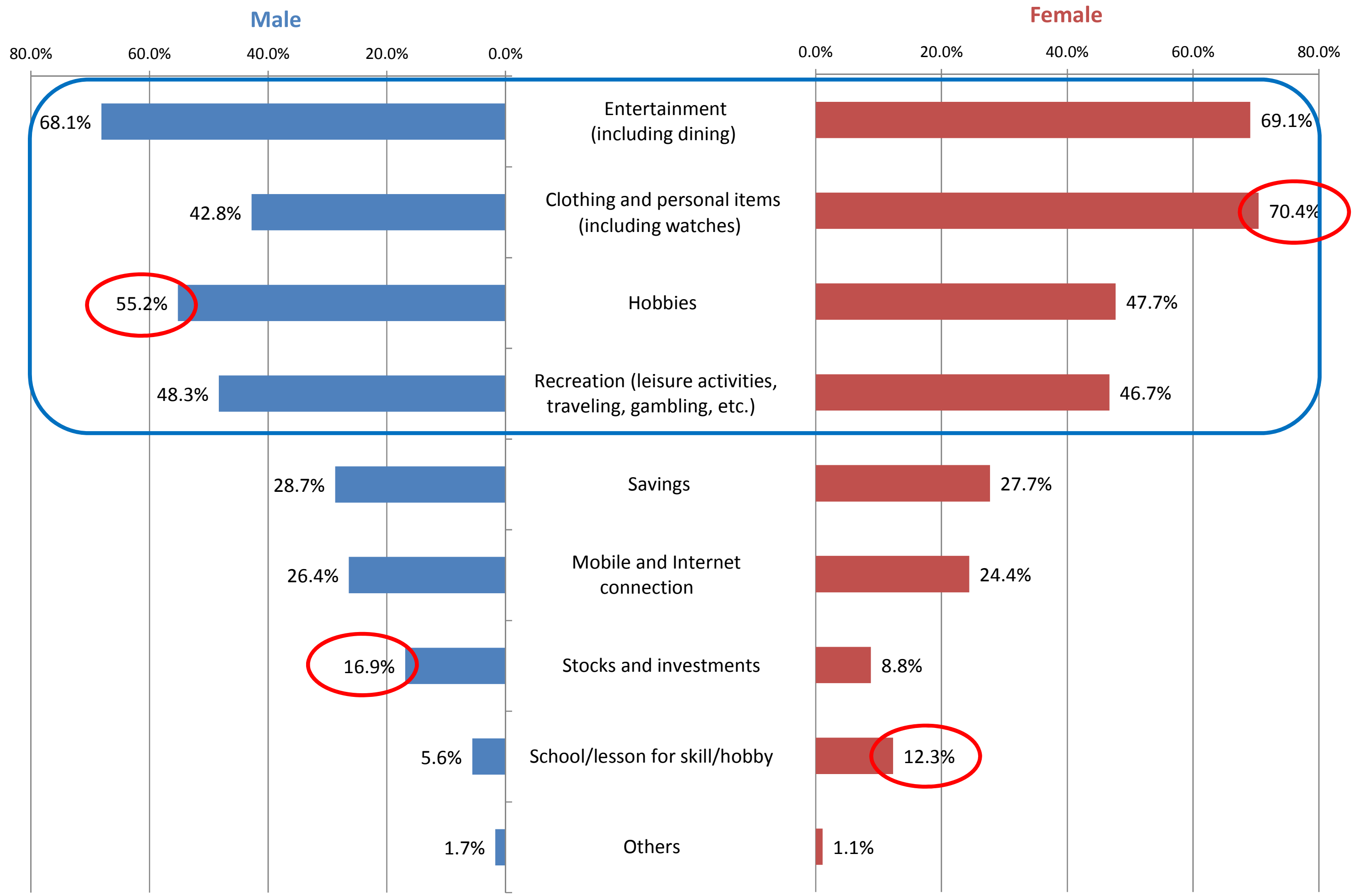
(%)

	Total female	Female 20s	Female 30s	Female 40s	Female 50s	Female 60s+
	2016	2016	2016	2016	2016	2016
	n=750	n=90	n=171	n=144	n=118	n=227
Less than 10,000 yen	14.7	16.7	21.1	15.3	11.0	10.6
10,000–30,000 yen	28.9	26.7	30.4	27.1	33.9	27.3
30,000–50,000 yen	25.7	16.7	24.0	24.3	30.5	29.1
50,000–70,000 yen	10.4	14.4	8.8	10.4	11.0	9.7
70,000–100,000 yen	8.3	12.2	5.3	10.4	1.7	11.0
100,000–150,000 yen	5.2	7.8	5.8	5.6	4.2	4.0
150,000–200,000 yen	2.9	3.3	1.8	5.6	2.5	2.2
200,000–300,000 yen	1.5	1.1	1.2	—	0.8	3.1
300,000+ yen	2.4	1.1	1.8	1.4	4.2	3.1

■ What to spend allowance on (monthly: male/female)

In both men and women, social expenses, clothing/personal items (incl. wrist watch), hobby, and entertainment expenses were high.

Spendings on “hobby” (55.2%) in men and “clothing/personal items” (70.4%) in women are the major expenses
Also, spendings on “stocks/investment” among men and “qualifications/enrichment lessons” among women are high.



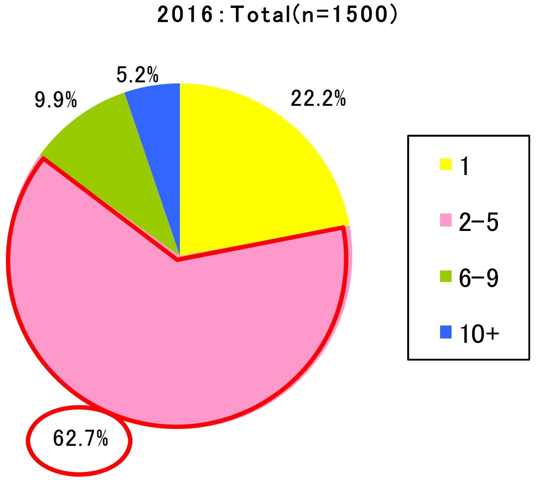
■ Survey Results 2: Main Survey (sample size of 1,500)

■ Number of watches owned (all)

77.8% of the respondents own more than one watch. Among them, the largest proportion (62.7%) have “2 - 5 watches”.

The ratio of those who chose “6 - 9 watches” and “10 or more watches” among the owners of more than one watches increases in the older segments. Among them, more male respondents in their 50s – 60s and above chose “10 or more watches” than women, demonstrating the men’s tendency of “additional purchase”

Among men in their 30s, more than 90% own “1 watch” (32.7%) or “2 - 5 watches” (60.7%). Those who own “10 or more” account for 1.5%, which is smaller in proportion than the other generations. 37.7% of men in their 30s have “30,000 yen or less” pocket money, so their spending option is limited. They are the childrearing generation, and their budget may have no room for wrist watches. However, the number of watch ownership significantly increases as they reach 40s, indicating their potential in terms of the “possibility of future purchase”.



■ Number of watches owned (male)

(%)

	Total male	Male 20s	Male 30s	Male 40s	Male 50s	Male 60s+
	2016	2016	2016	2016	2016	2016
	n=750	n=117	n=196	n=174	n=97	n=166
1	22.0	28.2	32.7	20.1	18.6	9.0
2–5	63.6	64.1	60.7	63.8	58.8	69.3
6–9	8.7	5.1	5.1	10.9	12.4	10.8
10+	5.7	2.6	1.5	5.2	10.3	10.8

■ Number of watches owned (female)

(%)

	Total female	Female 20s	Female 30s	Female 40s	Female 50s	Female 60s+
	2016	2016	2016	2016	2016	2016
	n=750	n=90	n=171	n=144	n=118	n=227
1	22.4	32.2	28.7	27.1	17.8	13.2
2–5	61.9	57.8	60.2	57.6	60.2	68.3
6–9	11.1	6.7	8.2	9.7	15.3	13.7
10+	4.7	3.3	2.9	5.6	6.8	4.8

2016

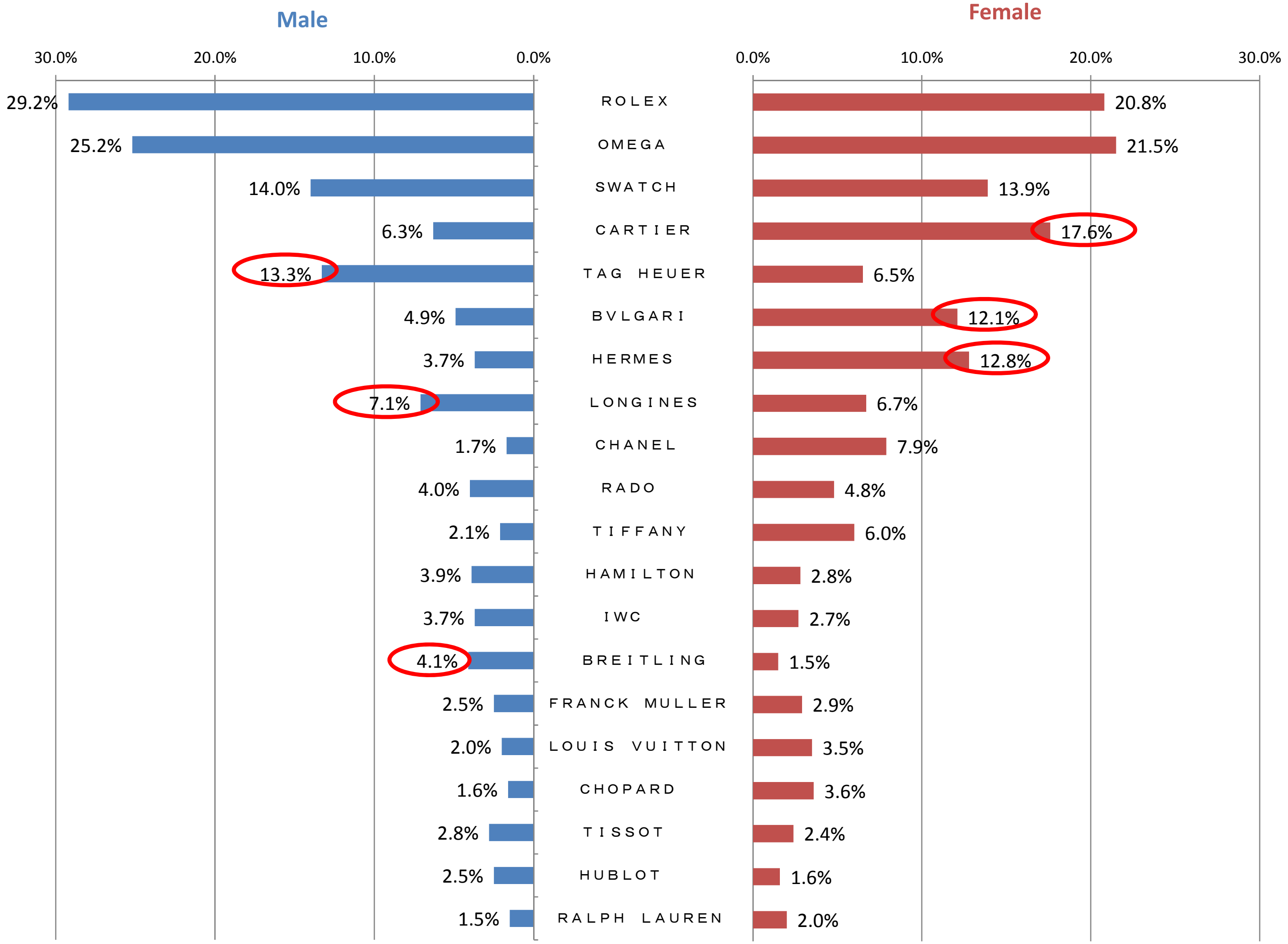
■ Brand of watch owned (ranking 2016) (all) (male/female)

(%)

2016		
Order	Brand	n=1500
1	ROLEX	25.0
2	OMEGA	23.3
3	SWATCH	13.9
4	CARTIER	11.9
5	TAG HEUER	9.9
6	BVLGARI	8.5
7	HERMES	8.3
8	LONGINES	6.9
9	CHANEL	4.8
10	RADO	4.4
11	TIFFANY	4.1
12	HAMILTON	3.3
13	IWC	3.2
14	BREITLING	2.8
15	FRANCK MULLER	2.7
15	LOUIS VUITTON	2.7
17	CHOPARD	2.6
17	TISSOT	2.6
19	HUBLOT	2.1
20	RALPH LAUREN	1.7
21	PATEK PHILIPPE	1.6
22	ORIS	1.5
22	ZENITH	1.5
24	AUDEMARS PIGUET	1.4
24	PIAGET	1.4

As a whole, “ROLEX” (25.0%), “OMEGA” (23.3%), and “SWATCH” (13.9%) ranked at the top of the list.

Among men, “TAG HEUER” (13.3%), “LONGINES” (7.1%), and “BREITLING” (4.1%) are popular choices, while women own “CARTIER” (17.6%), “HERMES” (12.8%) and “BVLGARI” (12.1%), demonstrating a gender difference concerning brand preferences.



2016

■ Brand of watch owned (by sex and age group)

(%)

	Male	Male 20s	Male 30s	Male 40s	Male 50s	Male 60s+
	2016 n=750	2016 n=117	2016 n=196	2016 n=174	2016 n=97	2016 n=166
ROLEX	29.2	14.5	24.5	32.8	32.0	39.8
OMEGA	25.2	16.2	25.0	27.0	22.7	31.3
SWATCH	14.0	7.7	13.8	17.2	13.4	15.7
TAG HEUER	13.3	7.7	9.7	21.3	14.4	12.7
LONGINES	7.1	5.1	3.6	3.4	9.3	15.1
CARTIER	6.3	4.3	4.1	5.2	7.2	10.8
BVLGARI	4.9	6.0	4.6	3.4	6.2	5.4
BREITLING	4.1	1.7	3.6	3.4	9.3	4.2
RADO	4.0	2.6	0.5	1.1	3.1	12.7
HAMILTON	3.9	6.0	2.0	4.0	7.2	2.4
IWC	3.7	4.3	4.1	3.4	5.2	2.4
HERMES	3.7	4.3	3.6	0.6	8.2	4.2
TISSOT	2.8	0.9	2.6	1.1	4.1	5.4
HUBLOT	2.5	2.6	3.6	1.7	3.1	1.8
FRANCK MULLER	2.5	1.7	4.1	3.4	2.1	0.6
ZENITH	2.5	1.7	3.1	4.6	2.1	0.6
TIFFANY	2.1	2.6	0.5	2.3	3.1	3.0
ORIS	2.1	0.9	1.5	2.9	3.1	2.4
LOUIS VUITTON	2.0	3.4	2.0	1.1	2.1	1.8
PATEK PHILIPPE	2.0	1.7	1.5	—	3.1	4.2
AUDEMARS PIGUET	1.9	1.7	1.5	0.6	3.1	3.0
CHANEL	1.7	1.7	1.5	1.7	2.1	1.8
CHOPARD	1.6	1.7	1.5	—	3.1	2.4
RALPH LAUREN	1.5	1.7	2.6	1.1	1.0	0.6
PIAGET	0.8	1.7	0.5	—	1.0	1.2

(%)

	Female	Female 20s	Female 30s	Female 40s	Female 50s	Female 60s+
	2016 n=750	2016 n=90	2016 n=171	2016 n=144	2016 n=118	2016 n=227
OMEGA	21.5	6.7	14.6	21.5	20.3	33.0
ROLEX	20.8	11.1	11.7	23.6	28.0	26.0
CARTIER	17.6	7.8	18.1	19.4	22.0	17.6
SWATCH	13.9	7.8	11.7	18.1	19.5	12.3
HERMES	12.8	7.8	10.5	13.9	18.6	12.8
BVLGARI	12.1	10.0	11.1	13.2	11.9	13.2
CHANEL	7.9	8.9	6.4	4.2	11.0	9.3
LONGINES	6.7	7.8	1.2	6.9	9.3	8.8
TAG HEUER	6.5	2.2	4.1	9.7	8.5	7.0
TIFFANY	6.0	7.8	4.7	6.9	8.5	4.4
RADO	4.8	1.1	0.6	2.8	5.9	10.1
CHOPARD	3.6	5.6	2.3	1.4	1.7	6.2
LOUIS VUITTON	3.5	5.6	4.1	2.8	4.2	2.2
FRANCK MULLER	2.9	5.6	1.8	2.1	4.2	2.6
HAMILTON	2.8	3.3	4.7	3.5	2.5	0.9
IWC	2.7	4.4	4.1	1.4	1.7	2.2
TISSOT	2.4	1.1	1.8	1.4	4.2	3.1
RALPH LAUREN	2.0	2.2	1.8	2.1	2.5	1.8
HUBLOT	1.6	3.3	2.9	0.7	1.7	0.4
BREITLING	1.5	2.2	1.2	1.4	1.7	1.3
PATEK PHILIPPE	1.2	1.1	1.2	—	1.7	1.8
ORIS	0.9	2.2	0.6	—	1.7	0.9
AUDEMARS PIGUET	0.9	1.1	0.6	0.7	0.8	1.3
ZENITH	0.5	1.1	0.6	—	0.8	0.4
PIAGET	2.0	1.1	0.6	1.4	1.7	4.0

Male

Among people in their 40s or above, more people own "ROLEX", "OMEGA" and "SWATCH" have well-balanced possession rates across different age groups, while consumers in their 20s possess slightly less.

"TAG HEUER" is a popular item in each age group, but the ownership rate is particularly high among respondents in their 40s – 50.

"LONGINES" is not very popular among younger generations but widely popular among respondents in their 50s – 60s and above. "RADO" is particularly popular among people in their 60s or above.

Female

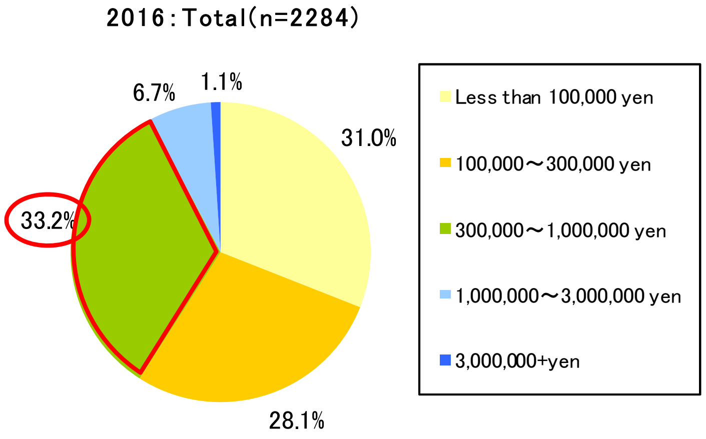
While "ROLEX" and "OMEGA" are popular among people in their 40s, "OMEGA" enjoys high ownership rate among consumers in their 30s, indicating its popularity across different ages.

Respondents in their 30s have a higher possession rate of "CARTIER" compared to other age groups.

"BVLGARI" and "HERMES" enjoy well-balanced popularity across different age groups.

Among the wrist watches in their collection, up to three favorite wrist watches were asked for their respective prices to get the following results.

■ Purchase price of watch owned (all)



■ Less than 100,000 yen: 31.0%
100,000 – less than 300,000 yen: 28.1%
300,000 – less than 1 million yen: 33.2%
1 million yen or above: 7.8%

The price range of their favorite wrist watches are mainly within “300,000 – less than 1 million yen” accounting for more than 30% of the total. 1 million yen or above watches are limited to less than 10% (7.8%) of the overall purchases.

Among men, 8.1% purchased 1 million yen or above watches, while it was 7.4% among women. In particular, the ownership rate was higher among men in their 30s and 60s or above, and women in their 20s and 60s or above.

“1 million – less than 3 million yen” is high in “Chubu and Hokuriku Areas” and “Kinki Area” while “3 million yen and above” is higher in “Hokkaido and Hokuriku Areas” than other regions.

■ Purchase price of watch owned (male)

(%)

	Total male	Male 20s	Male 30s	Male 40s	Male 50s	Male 60s+
	2016	2016	2016	2016	2016	2016
	n=1112	n=147	n=263	n=260	n=157	n=285
Less than 100,000 yen	32.3	50.3	34.2	29.6	30.6	24.6
100,000～300,000 yen	26.3	26.5	23.6	27.3	24.8	28.4
300,000～1,000,000 yen	33.4	20.4	32.7	38.5	36.9	34.0
1,000,000～3,000,000 yen	6.9	2.7	7.6	4.2	6.4	11.2
3,000,000+yen	1.2	—	1.9	0.4	1.3	1.8

8.1%

■ Purchase price of watch owned (female)

(%)

	Total female	Female 20s	Female 30s	Female 40s	Female 50s	Female 60s+
	2016	2016	2016	2016	2016	2016
	n=1172	n=109	n=230	n=234	n=206	n=393
Less than 100,000 yen	29.8	49.5	41.3	26.1	27.2	21.1
100,000～300,000 yen	29.8	14.7	26.1	40.2	35.9	26.7
300,000～1,000,000 yen	33.0	26.6	28.3	31.6	29.6	40.2
1,000,000～3,000,000 yen	6.5	8.3	3.9	2.1	6.3	10.2
3,000,000+yen	0.9	0.9	0.4	—	1.0	1.8

7.4%

■ Purchase price of watch owned (by region: 5 geographical divisions)

(%)

	Hokkaido and Tohoku	Kanto and Koshinetsu	Chubu and Hokuriku	Kinki	Chugoku, Shikoku and Kyushu
	2016	2016	2016	2016	2016
	n=194	n=1086	n=238	n=476	n=290
Less than 100,000 yen	33.5	31.6	34.9	24.6	34.5
100,000～300,000 yen	27.8	28.6	28.2	27.7	26.6
300,000～1,000,000 yen	32.5	31.7	28.6	39.5	32.8
1,000,000～3,000,000 yen	3.6	6.9	8.0	7.8	5.2
3,000,000+yen	2.6	1.2	0.4	0.4	1.0

2016

■ Brand of the watch you want (ranking 2016) (all) (male/female)

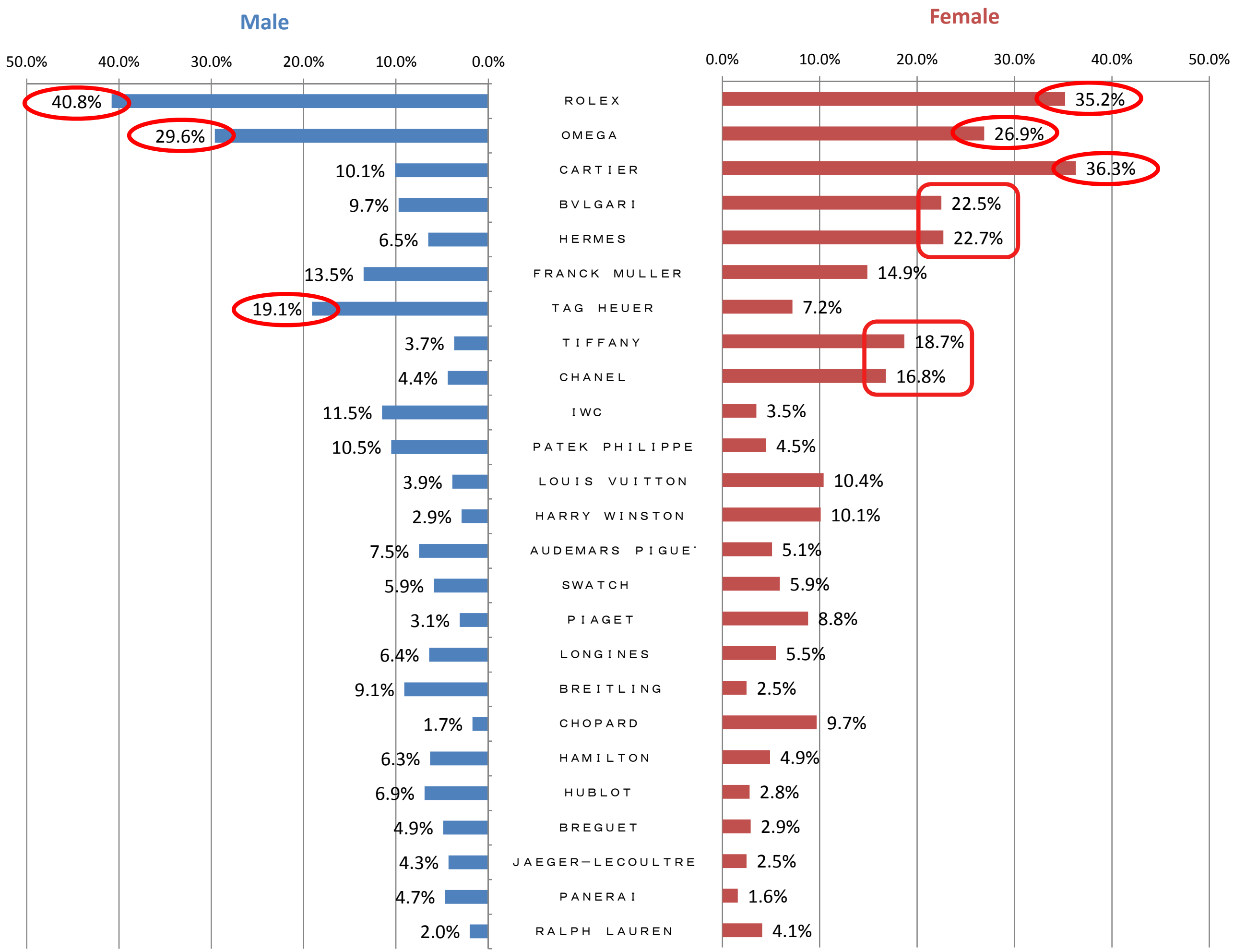
(%)

2016		
Order	Brand	n=1500
1	ROLEX	38.0
2	OMEGA	28.3
3	CARTIER	23.2
4	BVLGARI	16.1
5	HERMES	14.6
6	FRANCK MULLER	14.2
7	TAG HEUER	13.1
8	TIFFANY	11.2
9	CHANEL	10.6
10	IWC	7.5
10	PATEK PHILIPPE	7.5
12	LOUIS VUITTON	7.1
13	HARRY WINSTON	6.5
14	AUDEMARS PIGUET	6.3
15	SWATCH	5.9
15	PIAGET	5.9
15	LONGINES	5.9
18	BREITLING	5.8
19	CHOPARD	5.7
20	HAMILTON	5.6
21	HUBLOT	4.9
22	BREGUET	3.9
23	JAEGER−LECOULTRE	3.4
24	PANERAI	3.1
24	RALPH LAUREN	3.1

As a whole, “ROLEX” (38.0%), “OMEGA” (28.3%), and “CARTIER” (23.2%) were among the top.

In men, 40% preferred “ROLEX” followed by “OMEGA” (29.6%), “TAG HEUER” (19.1%), and “FRANCK MULLER” (13.5%).

Among women, “CARTIER” (36.3%) boasts highest popularity, followed by “ROLEX” (35.2%) and “OMEGA” (26.9%). Fashion brands like “HERMES”, “BVLGARI”, “TIFFANY”, “CHANEL” etc. also ranked among the top.



■ Watch brand you want (by sex and age group)

(%)

	Male	Male 20s	Male 30s	Male 40s	Male 50s	Male 60s+
	2016	2016	2016	2016	2016	2016
	n=750	n=117	n=196	n=174	n=97	n=166
ROLEX	40.8	27.4	42.3	39.1	41.2	50.0
OMEGA	29.6	22.2	36.7	32.8	27.8	24.1
TAG HEUER	19.1	10.3	20.4	23.0	28.9	13.9
FRANCK MULLER	13.5	12.0	16.8	15.5	13.4	8.4
IWC	11.5	7.7	14.8	13.2	12.4	7.8
PATEK PHILIPPE	10.5	6.0	8.7	11.5	17.5	10.8
CARTIER	10.1	7.7	9.2	9.2	13.4	12.0
BVLGARI	9.7	12.0	12.8	6.9	9.3	7.8
BREITLING	9.1	5.1	7.7	7.5	16.5	10.8
AUDEMARS PIGUET	7.5	5.1	8.7	5.2	9.3	9.0
HUBLOT	6.9	6.8	11.2	6.9	5.2	3.0
HERMES	6.5	6.8	7.7	5.2	7.2	6.0
LONGINES	6.4	2.6	4.1	5.2	8.2	12.0
HAMILTON	6.3	9.4	9.2	2.9	7.2	3.6
SWATCH	5.9	6.0	7.1	6.3	7.2	3.0
BREGUET	4.9	3.4	6.6	8.0	5.2	0.6
PANERAI	4.7	2.6	6.1	7.5	5.2	1.2
CHANEL	4.4	6.0	5.1	4.0	5.2	2.4
JAEGER－LECOULTRE	4.3	2.6	4.6	6.9	5.2	1.8
LOUIS VUITTON	3.9	6.0	4.6	1.1	4.1	4.2
TIFFANY	3.7	7.7	4.6	1.7	1.0	3.6
PIAGET	3.1	1.7	3.1	3.4	4.1	3.0
HARRY WINSTON	2.9	3.4	4.1	2.3	3.1	1.8
RALPH LAUREN	2.0	4.3	3.1	1.1	1.0	0.6
CHOPARD	1.7	2.6	2.0	1.1	4.1	—

(%)

	Female	Female 20s	Female 30s	Female 40s	Female 50s	Female 60s+
	2016	2016	2016	2016	2016	2016
	n=750	n=90	n=171	n=144	n=118	n=227
CARTIER	36.3	26.7	39.2	41.7	42.4	31.3
ROLEX	35.2	25.6	32.7	41.0	38.1	35.7
OMEGA	26.9	17.8	25.7	31.9	27.1	28.2
HERMES	22.7	24.4	24.6	27.1	27.1	15.4
BVLGARI	22.5	14.4	22.2	27.8	23.7	22.0
TIFFANY	18.7	25.6	20.5	18.8	14.4	16.7
CHANEL	16.8	22.2	19.3	15.3	17.8	13.2
FRANCK MULLER	14.9	8.9	20.5	15.3	17.8	11.5
LOUIS VUITTON	10.4	8.9	15.2	11.1	13.6	5.3
HARRY WINSTON	10.1	8.9	10.5	13.2	10.2	8.4
CHOPARD	9.7	5.6	8.2	11.1	9.3	11.9
PIAGET	8.8	4.4	5.8	7.6	11.0	12.3
TAG HEUER	7.2	2.2	8.2	9.7	9.3	5.7
SWATCH	5.9	4.4	5.8	9.0	4.2	5.3
LONGINES	5.5	4.4	3.5	7.6	7.6	4.8
AUDEMARS PIGUET	5.1	1.1	2.9	5.6	5.9	7.5
HAMILTON	4.9	5.6	6.4	8.3	3.4	2.2
PATEK PHILIPPE	4.5	2.2	4.7	6.3	7.6	2.6
RALPH LAUREN	4.1	8.9	4.1	3.5	2.5	3.5
IWC	3.5	6.7	4.7	3.5	2.5	1.8
BREGUET	2.9	2.2	1.8	4.9	3.4	2.6
HUBLOT	2.8	3.3	2.3	2.8	3.4	2.6
BREITLING	2.5	4.4	1.2	4.2	4.2	0.9
JAEGER－LECOULTRE	2.5	3.3	2.9	2.1	1.7	2.6
PANERAI	1.6	2.2	3.5	1.4	1.7	—

Male

In addition to the popularity among consumers in their 60s and above, “ROLEX” is popular among people in their 30s. “OMEGA” is favored widely across different generations, while in their 30s particularly favor the brand.

“TAG HEUER” is popular among people in their 30s – 50s, with 50s favoring the brand in particular.

Among respondents in their 30s, “BVLGARI”, “FRANCK MULLER”, “IWC” and “HUBLOT” are popular, and “PATEK PHILIPPE”, “BREITLING” etc. are favored by respondents in their 50s.

Female

“CARTIER” and “ROLEX” enjoy great popularity across the board. Both brands are most popular among respondents in their 40s – 50s.

As for favorite brands among respondents, “TIFFANY” and “HERMES” are the favorite choices of women in their 20s’, while “OMEGA” and “HERMES” are popular among the 30s, “OMEGA” and “BVLGARI” among the 40s, “OMEGA” and “HERMES” among the 50s, and “OMEGA” and “BVLGARI” among the 60s.

“CHANEL” is more popular among respondents in their 20s and 30s, “LOUIS VUITTON” is favored by people in their 30s, “HARRY WINSTON” is the choice of the 40s, and “PIAGET” is more popular among consumers in their 60s or above.

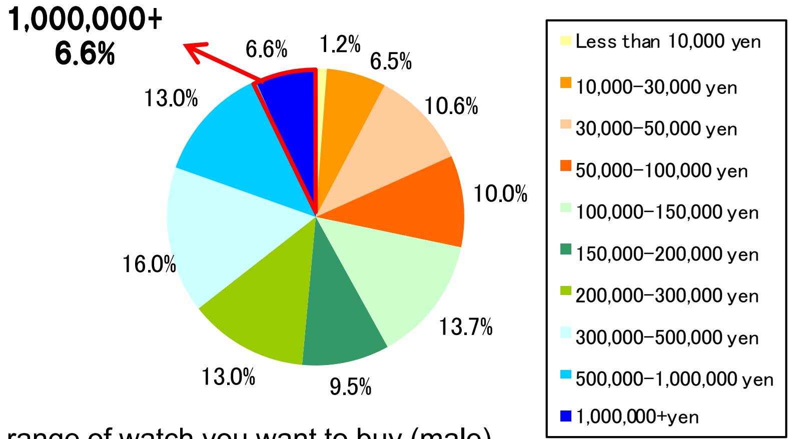
The following results are based on the prices of up to three wrist watches the respondents fancy purchasing among their favorite brands.

■ Price range of watch you want to buy (all)

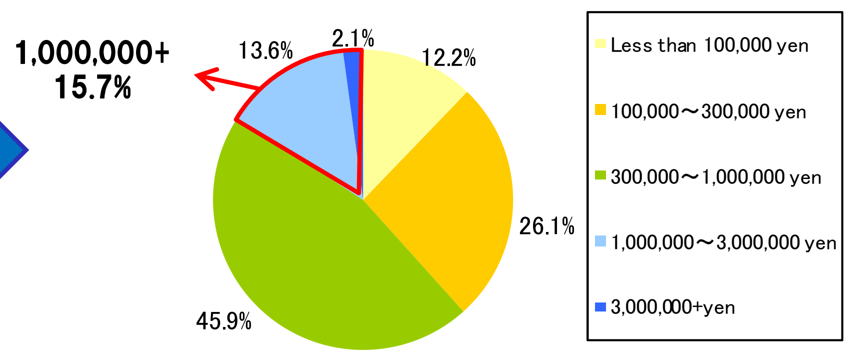
The high price range (1 million yen or above) accounted for above 15%, showing the trend of “purchase budget increase” compared to the 2014 Survey Report data. One reason behind this is the change of extraction condition of the survey participants for this questionnaire from “those who are interested in 100,000 yen or above wrist watches” to “those who are interested in 300,000 yen or above wrist watches”.

17.6% of the male respondents chose “1 million yen or above”, which is more than 11.2% who fancy watches that are “less than 100,000 yen”, demonstrating the consumers’ trend to “disregard expensiveness” so long as they can get what they want. Similarly, more women (14.2%) prefer to purchase “1 million yen or above” watches than those who are interested in “less than 100,000 yen” (13.1%). In terms of areas, “Hokkaido and Tohoku Areas”, “Chubu and Hokuriku Areas” and “Kanto and Koshinetsu Areas” showed strong interest (more than 15%) in watches costing 1 million yen or above, suggesting the rising popularity of the high price range products.

2014：Total(n=1266)



2016：Total(n=2705)



■ Price range of watch you want to buy (male)

(%)

	Total male	Male 20s	Male 30s	Male 40s	Male 50s	Male 60s+
	2016	2016	2016	2016	2016	2016
	n=1270	n=167	n=339	n=300	n=189	n=275
Less than 100,000 yen	11.2	19.2	10.9	9.7	17.5	4.0
100,000～300,000 yen	25.1	31.1	26.0	25.0	22.2	22.5
300,000～1,000,000 yen	46.1	38.3	45.7	47.3	42.3	52.7
1,000,000～3,000,000 yen	14.8	9.6	14.7	15.0	15.3	17.5
3,000,000+yen	2.8	1.8	2.7	3.0	2.6	3.3

■ Price range of watch you want to buy (female)

(%)

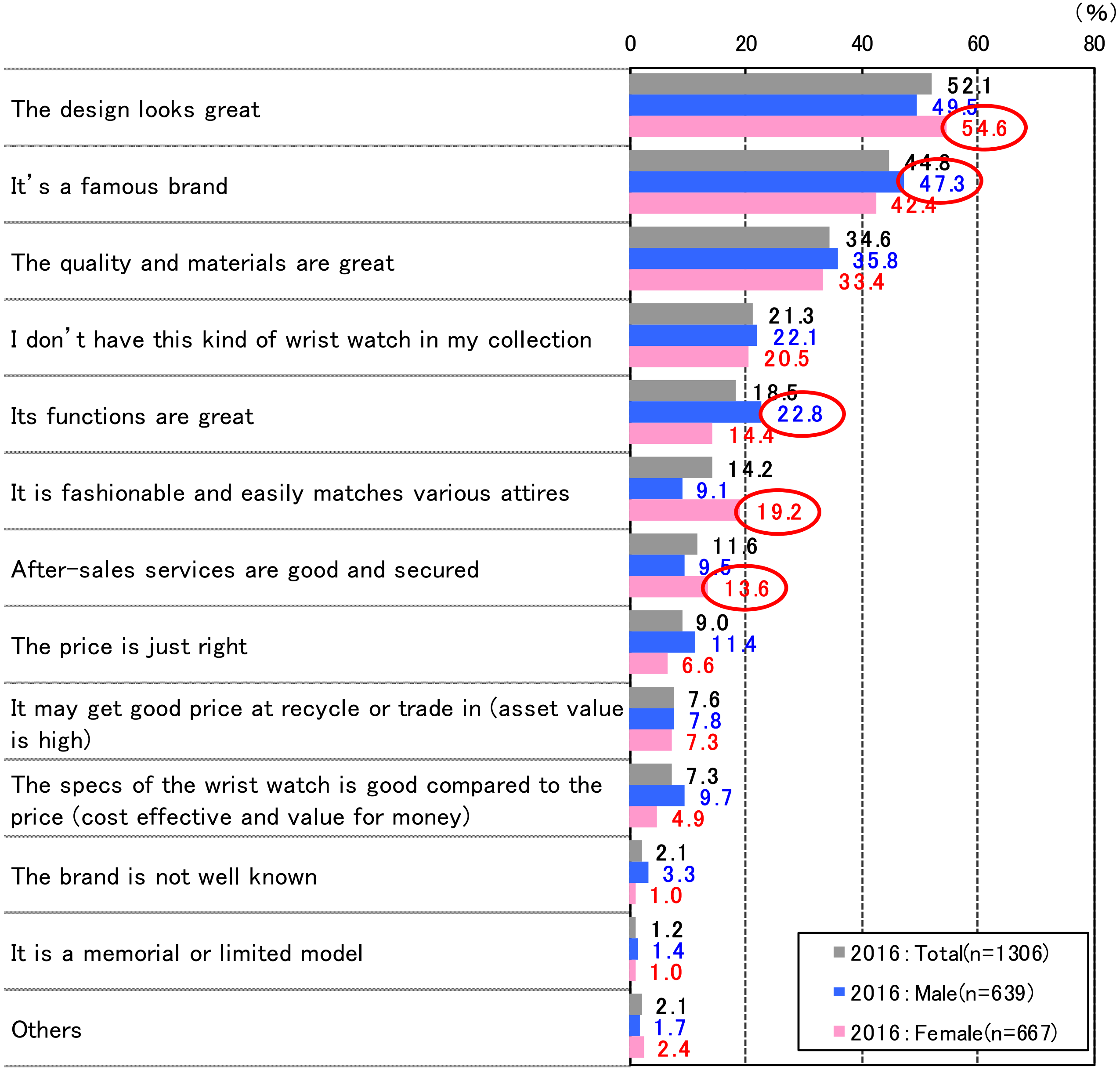
	Total female	Female 20s	Female 30s	Female 40s	Female 50s	Female 60s+
	2016	2016	2016	2016	2016	2016
	n=1435	n=156	n=333	n=298	n=224	n=424
Less than 100,000 yen	13.1	26.9	15.6	10.4	8.0	10.6
100,000～300,000 yen	27.0	26.3	29.1	31.9	23.2	24.3
300,000～1,000,000 yen	45.6	36.5	44.1	44.3	51.3	48.1
1,000,000～3,000,000 yen	12.6	9.0	10.5	12.4	16.1	13.9
3,000,000+yen	1.6	1.3	0.6	1.0	1.3	3.1

■ Price range of watch you want to buy (by region: 5 geographical divisions)

(%)

	Hokkaido and Tohoku	Kanto and Koshinetsu	Chubu and Hokuriku	Kinki	Chugoku, Shikoku and Kyushu
	2016	2016	2016	2016	2016
	n=252	n=1274	n=281	n=546	n=352
Less than 100,000 yen	9.5	12.3	12.5	8.8	18.8
100,000～300,000 yen	29.0	27.6	24.2	25.1	22.2
300,000～1,000,000 yen	45.2	44.0	45.9	51.3	44.9
1,000,000～3,000,000 yen	12.7	13.7	16.4	13.2	12.8
3,000,000+yen	3.6	2.5	1.1	1.6	1.4
	16.3%	**16.2%**	**17.5%**		

■ Reason for preferring specific brand



Total

The design looks great	52.1%
It's a famous brand	44.8%
The quality and materials are great	34.6%

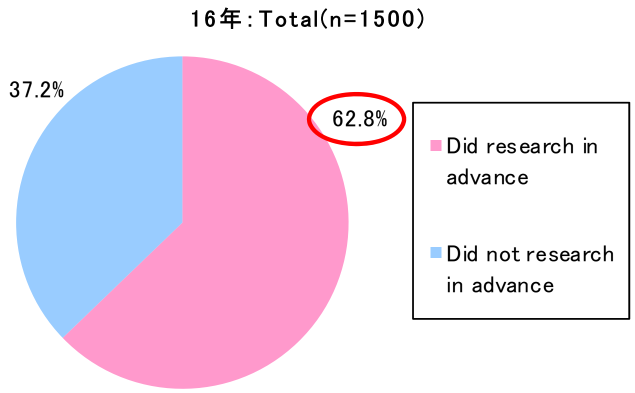
Male

Men prefer "famous brand" and "good functions" than women, showing higher attention to brands and functionality.

Female

They prioritize "outer design" and prefer a watch that "makes coordination easy with different attires" and with "good after-sales services" than men, showing higher priority on design and fashion. Many of them are also concerned about after-sales services, indicating their love for the sense of security.

■ Research before purchasing a watch (all)



■ Research before purchasing a watch (male)

(%)

	Male	Male 20s	Male 30s	Male 40s	Male 50s	Male 60s+
	2016 n=750	2016 n=117	2016 n=196	2016 n=174	2016 n=97	2016 n=166
Did research in advance	66.8	58.1	66.3	74.7	70.1	63.3
Did not research in advance	33.2	41.9	33.7	25.3	29.9	36.7

■ Research before purchasing a watch (female)

(%)

	Female	Male 20s	Male 30s	Male 40s	Male 50s	Male 60s+
	2016 n=750	2016 n=90	2016 n=171	2016 n=144	2016 n=118	2016 n=227
Did research in advance	58.8	53.3	64.3	61.1	56.8	56.4
Did not research in advance	41.2	46.7	35.7	38.9	43.2	43.6

■ Research before purchasing a watch (in and outside the Tokyo metropolitan region)

(%)

	Tokyo metoropolitan area(Shutoken)	Outside of Shutoken
	2016 n=600	2016 n=900
Did research in advance	64.0	62.0
Did not research in advance	36.0	38.0

More than 60% respondents answered “they did some researches before the purchase”.

While the ratio of those who “make some research beforehand” is high in all age groups, relatively high percentage of consumers in their 20s purchase “without prior researches” compared to other age groups.

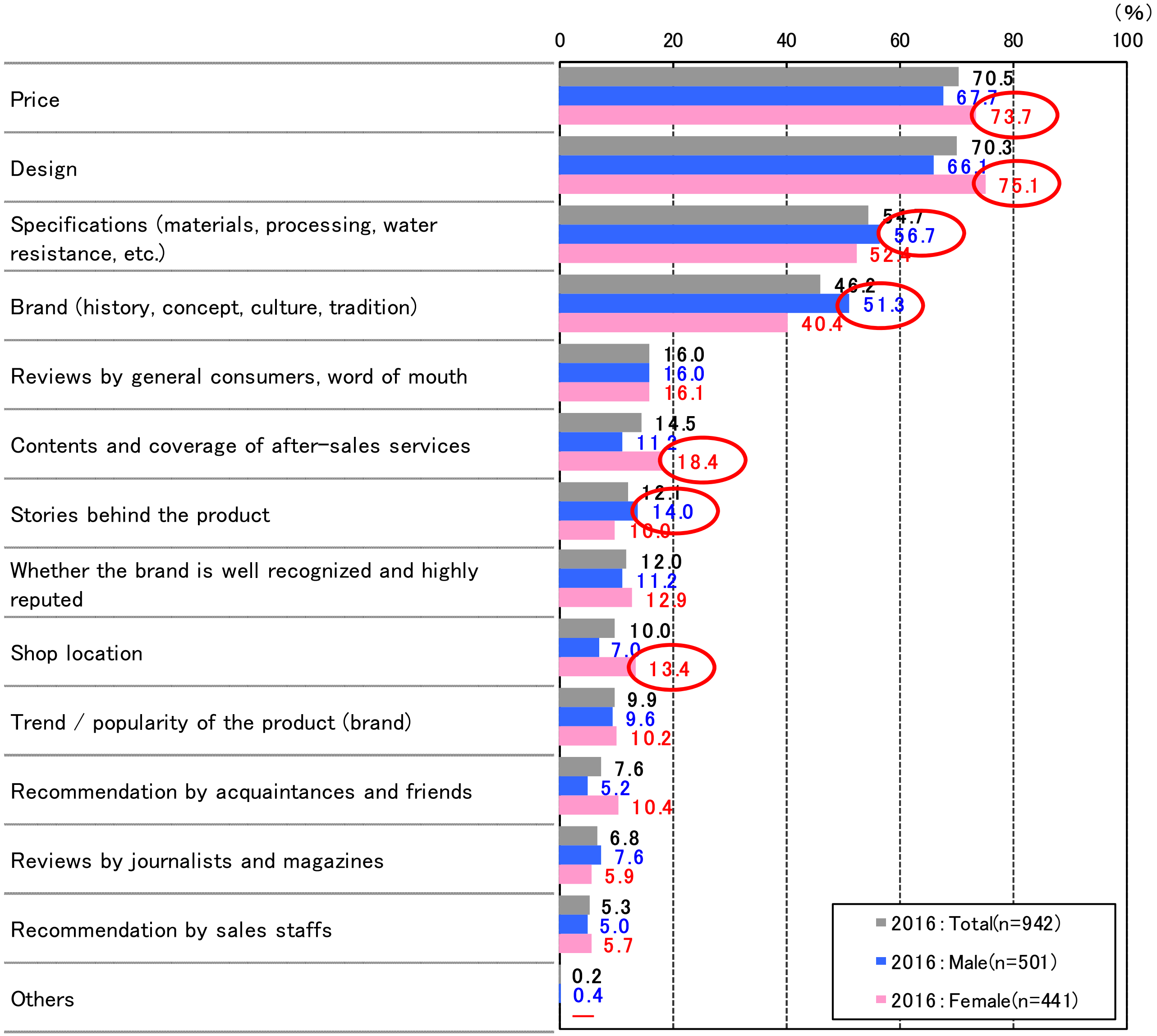
■ Research before purchasing a watch (by region: 5 geographic divisions)

(%)

	Hokkaido and Tohoku	Kanto and Koshinetsu	Chubu and Hokuriku	Kansai	Chugoku, Shikoku and Kyushu
	2016 n=134	2016 n=705	2016 n=163	2016 n=303	2016 n=195
Did research in advance	64.2	63.4	60.7	63.7	60.0
Did not research in advance	35.8	36.6	39.3	36.3	40.0

Target respondents are those who answered “they did some research beforehand” at purchasing wrist watches

■ Kind of research done in advance (all) (male/female)



Total

Price	70.5%
Design	70.3%
Specifications	54.7%

Male

In addition to specs, brand history or stories behind products are important.

Female

They prioritize “price” and “design”, followed by “after-sales services” and “shop location” more than male consumers, as they also collect information on after-purchase maintenance.

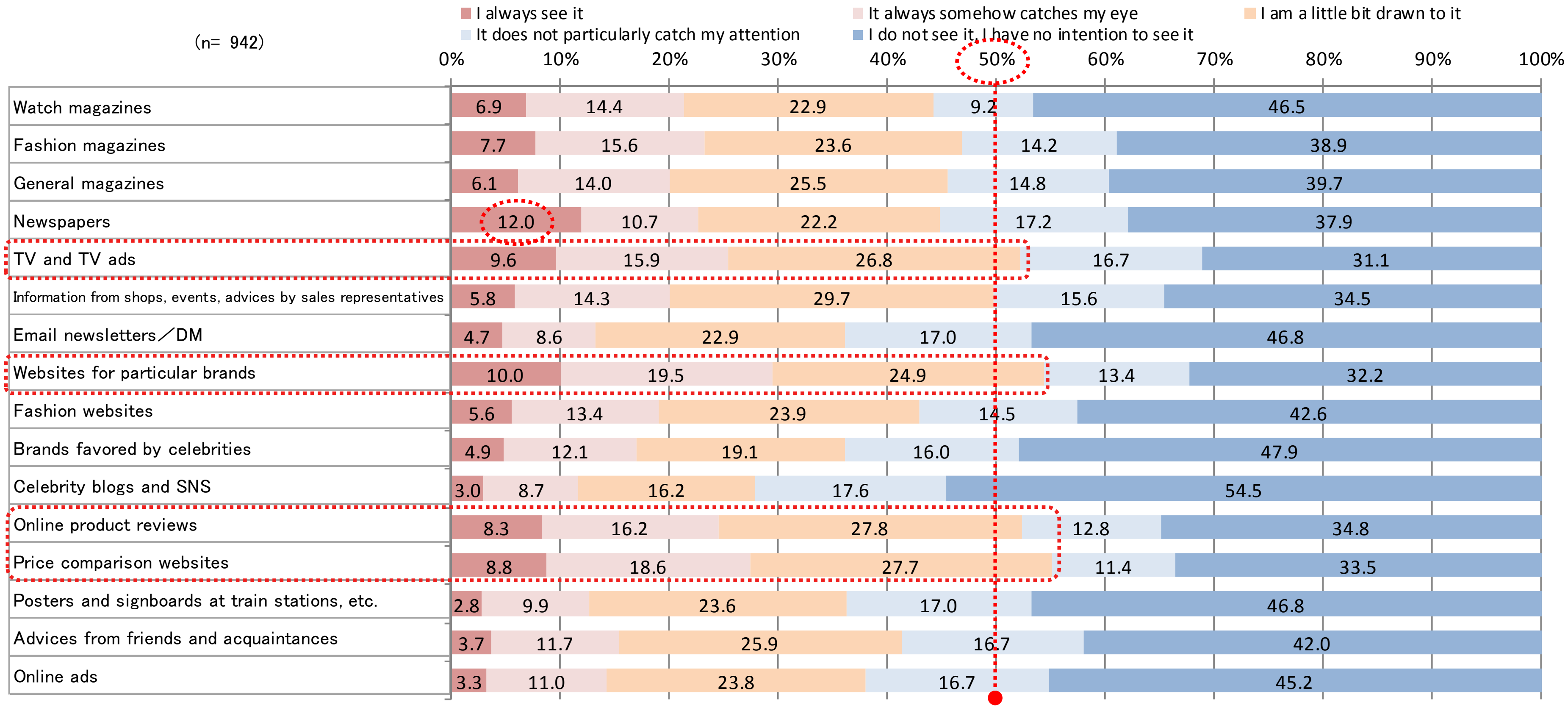
Target respondents are those who answered “they did some research beforehand” at purchasing wrist watches

■ Impression/effectiveness of information distribution through media and events

Effective methods of information distribution are “price comparison websites”, “websites for particular brands”, “TV and TV ads” and “online product reviews”

As for newspaper ads, 12.0% respondents say “I see them every time”, suggesting their high effectiveness in “catching subscribers’ eyes”.

On the other hand, the result shows the limited effectiveness of “celebrity blogs and SNS” and “posters and signboards at train stations, etc.”



■ Magazine subscription ranking (by sex)

(%)

2016 : Male		
Order	Name of magazine subscribed to	(n=750)
1	Yomiuri Shimbun	18.8
2	Nikkei Newspaper	15.9
3	Asahi Shimbun	13.6
4	World's Wrist Watches	12.9
5	Nikkei Trendy	11.3
6	Diamond	11.1
7	Chronos	8.7
8	PRESIDENT	8.4
9	Watch Begin	7.6
9	Toyo Keizai	7.6
11	Nikkei Business	6.9
12	Otona no Shuumatsu	6.8
13	Otoko no Kakurega	6.5
14	LEON	5.9
15	Best Car	4.7
16	Sankei Shinbun	4.4
17	Tokusengai	4.1
18	Otoko no Udedokei HEROES	4.0
19	Sarai	3.7
19	Nikkei otona no OFF	3.7
19	mono magazine	3.7

(%)

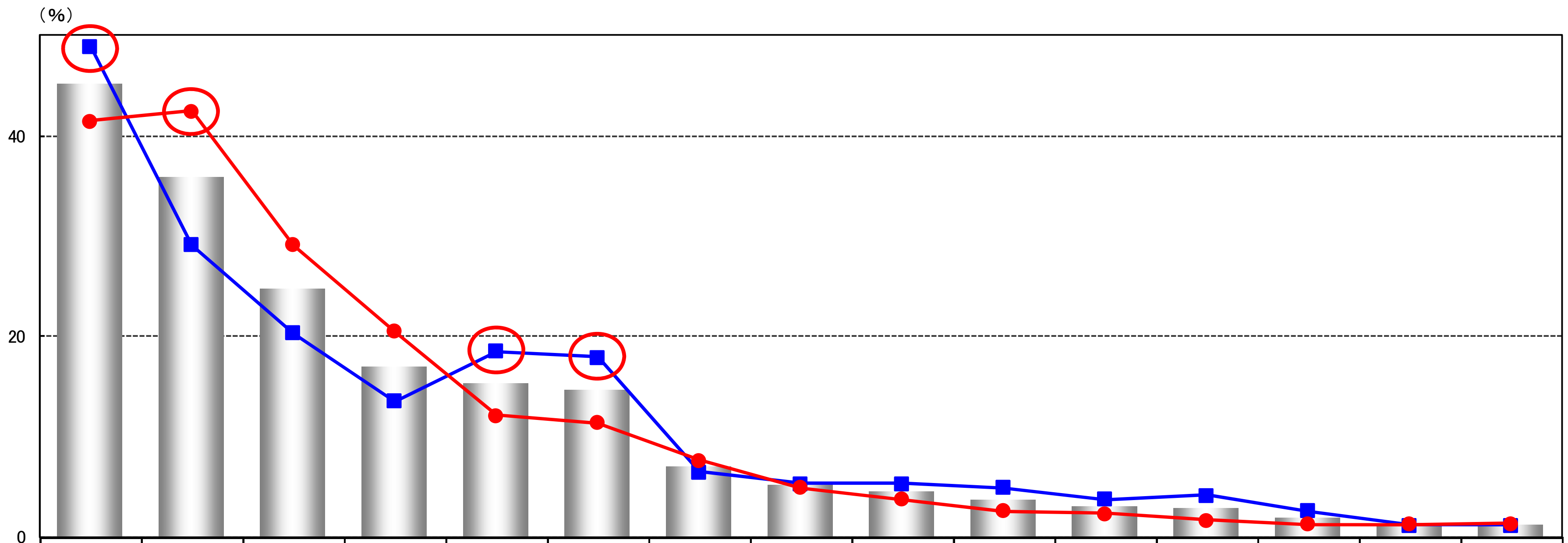
2016 : Female		
Order	Name of magazine subscribed to	(n=750)
1	Yomiuri Shimbun	16.5
2	Asahi Shimbun	13.9
3	Nikkei Newspaper	12.0
4	Kateigaho	11.5
5	STORY	11.1
6	Fujingaho	10.4
7	Oggi	9.9
8	Nikkei WOMAN	8.5
9	MORE	8.1
10	VERY	7.9
11	CLASSY.	7.1
12	World's Wrist Watches	5.7
12	anan	5.7
12	Mrs.	5.7
15	Biteki	5.5
16	ViVi	5.1
17	Domani	4.7
18	Mainichi Shimbun	4.5
19	AneCan	4.3
20	Diamond	4.1
20	Nikkei Business	4.1

In both men and women, three national papers, “Yomiuri Shimbun”, “Nikkei Newspaper” and “Asahi Shimbun” came to the top of the list.

Main sources of information among male respondents are watch magazines like “World’s Wrist Watches”, “Chronos”, “Watch Begin”, etc., and business magazines like “Diamond”, “Toyo Keizai” etc.

Female respondents’ sources of information are general magazines popular among wealthy class, such as “Kateigaho” and “Fujingaho”, and fashion magazines like “STORY”, “Oggi”, etc.

■ Location of purchase (all)



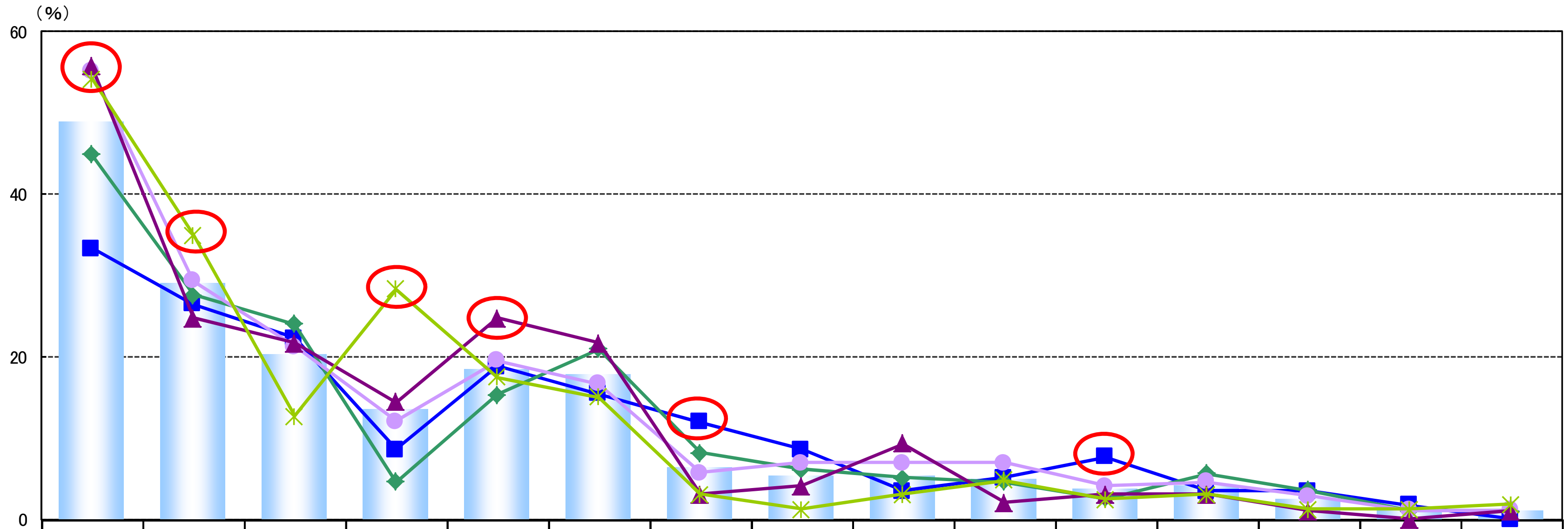
	Watch shops and jewelries	Watch shops in department stores	Brand boutiques	Duty-free shops and overseas shops	Mass retailers; discount stores	Online shops	Select shop	Outlet malls	Parallel import shops	Internet auctions	Antique shop	Used clock shop	Mail order stores	Person-to-person trade	Others
Total(n=1500)	45.2	35.8	24.7	17.0	15.3	14.6	7.0	5.1	4.5	3.7	3.0	2.9	1.9	1.1	1.2
Male(n=750)	48.9	29.1	20.3	13.5	18.5	17.9	6.4	5.3	5.3	4.9	3.7	4.1	2.5	1.1	1.1
Female(n=750)	41.5	42.5	29.1	20.5	12.1	11.3	7.6	4.9	3.7	2.5	2.3	1.6	1.2	1.2	1.3

In total, “watch shops and jewelries”, “watch shops in department stores” and “brand boutiques” came to the top of the list.

Among men, “watch shops and jewelries” are the most popular places, while most women prefer “watch shops in department stores”.

While men tend to purchase through various channels like “mass retailers”, “online shops”, “parallel import shops”, “Internet auctions”, “secondhand watch shops”, etc., women’s choice concentrate to particular places like “brand boutiques”, “duty-free shops” and “overseas shops”, etc.

■ Location of purchase (male)



	Watch shops and jewelries	Watch shops in department stores	Brand boutiques	Duty-free shops and overseas shops	Mass retailers; discount stores	Online shops	Select shop	Outlet malls	Parallel import shops	Internet auctions	Antique shop	Used clock shop	Mail order stores	Person-to-person trade	Others
Male(n=750)	48.9	29.1	20.3	13.5	18.5	17.9	6.4	5.3	5.3	4.9	3.7	4.1	2.5	1.1	1.1
Male：20s(n=117)	33.3	26.5	22.2	8.5	18.8	15.4	12.0	8.5	3.4	5.1	7.7	3.4	3.4	1.7	—
Male：30s(n=196)	44.9	27.6	24.0	4.6	15.3	20.9	8.2	6.1	5.1	4.6	2.6	5.6	3.6	1.0	1.0
Male：40s(n=174)	55.2	29.3	21.3	12.1	19.5	16.7	5.7	6.9	6.9	6.9	4.0	4.6	2.9	1.1	1.1
Male：50s(n=97)	55.7	24.7	21.6	14.4	24.7	21.6	3.1	4.1	9.3	2.1	3.1	3.1	1.0	—	1.0
Male：60s+(n=166)	54.2	34.9	12.7	28.3	17.5	15.1	3.0	1.2	3.0	4.8	2.4	3.0	1.2	1.2	1.8

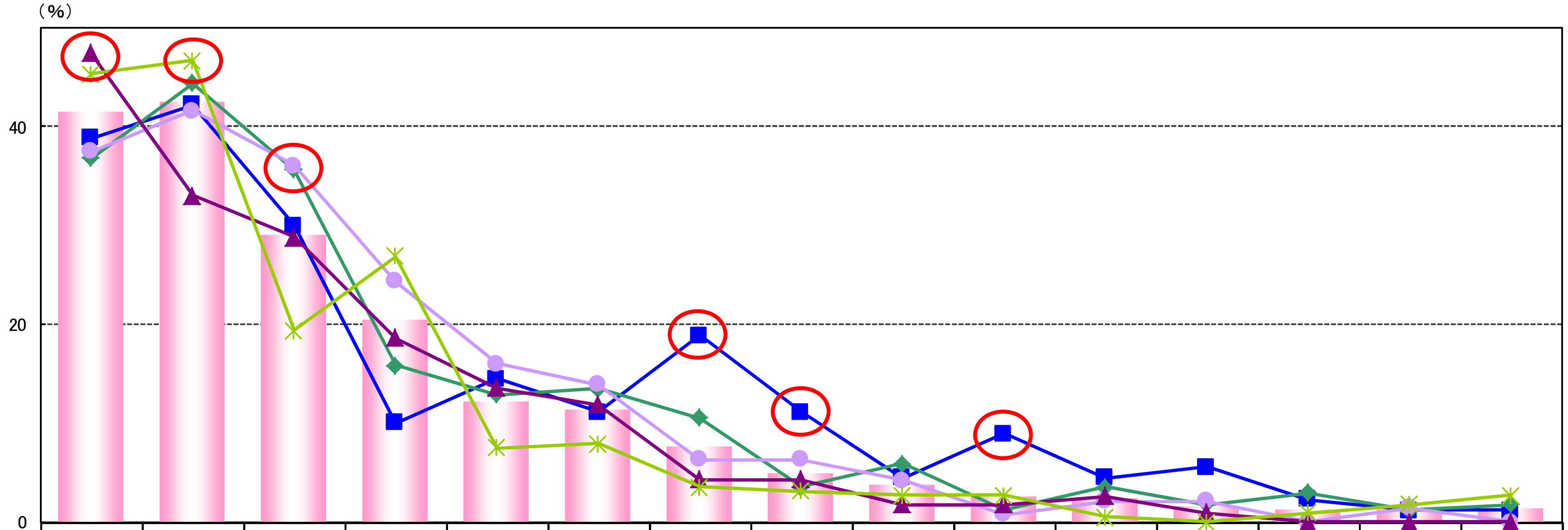
Consumers in their 20s prefer to visit places attracting young people, such as “select shops” and “outlet malls”. They are also attracted to “antique shops” more than other age groups, showing their tendency to purchase watches “as a part of fashion” while enjoying shopping.

Consumers in their 30s prefer “brand boutiques”, “online shops” and “secondhand watch shops”,

Most popular choice of the respondents in their 40s is “Internet auctions”, while people in their 50s selected “watch shops and jewelries”, “mass retailers/discount stores” and “parallel import shops”.

People in their 60s frequent “watch shops in department stores” and “duty-free shops and overseas shops”, while they are not keen to visit “brand boutiques”. They opt more for “watch shops and jewelries” than other age groups, where they can “shop purposefully”.

■ Location of purchase (female)



	Watch shops and jewelries	Watch shops in department stores	Brand boutiques	Duty-free shops and overseas shops	Mass retailers; discount stores	Online shops	Select shop	Outlet malls	Parallel import shops	Internet auctions	Antique shop	Used clock shop	Mail order stores	Person-to-person trade	Others
Female(n=750)	41.5	42.5	29.1	20.5	12.1	11.3	7.6	4.9	3.7	2.5	2.3	1.6	1.2	1.2	1.3
Female : 20s(n=90)	38.9	42.2	30.0	10.0	14.4	11.1	18.9	11.1	4.4	8.9	4.4	5.6	2.2	1.1	1.1
Female : 30s(n=171)	36.8	44.4	35.7	15.8	12.9	13.5	10.5	3.5	5.8	1.2	3.5	1.8	2.9	1.2	1.8
Female : 40s(n=144)	37.5	41.7	36.1	24.3	16.0	13.9	6.3	6.3	4.2	0.7	2.1	2.1	—	1.4	—
Female : 50s(n=118)	47.5	33.1	28.8	18.6	13.6	11.9	4.2	4.2	1.7	1.7	2.5	0.8	—	—	—
Female : 60s+(n=227)	45.4	46.7	19.4	26.9	7.5	7.9	3.5	3.1	2.6	2.6	0.4	—	0.9	1.8	2.6

In addition to “select shops”, “outlet malls” and other places where young people hang around, “Internet auctions” is more popular among people in their 20s compared to other age groups. The ratio of secondhand watch shops is also high, suggesting younger generations’ relaxed attitude towards secondhand items.

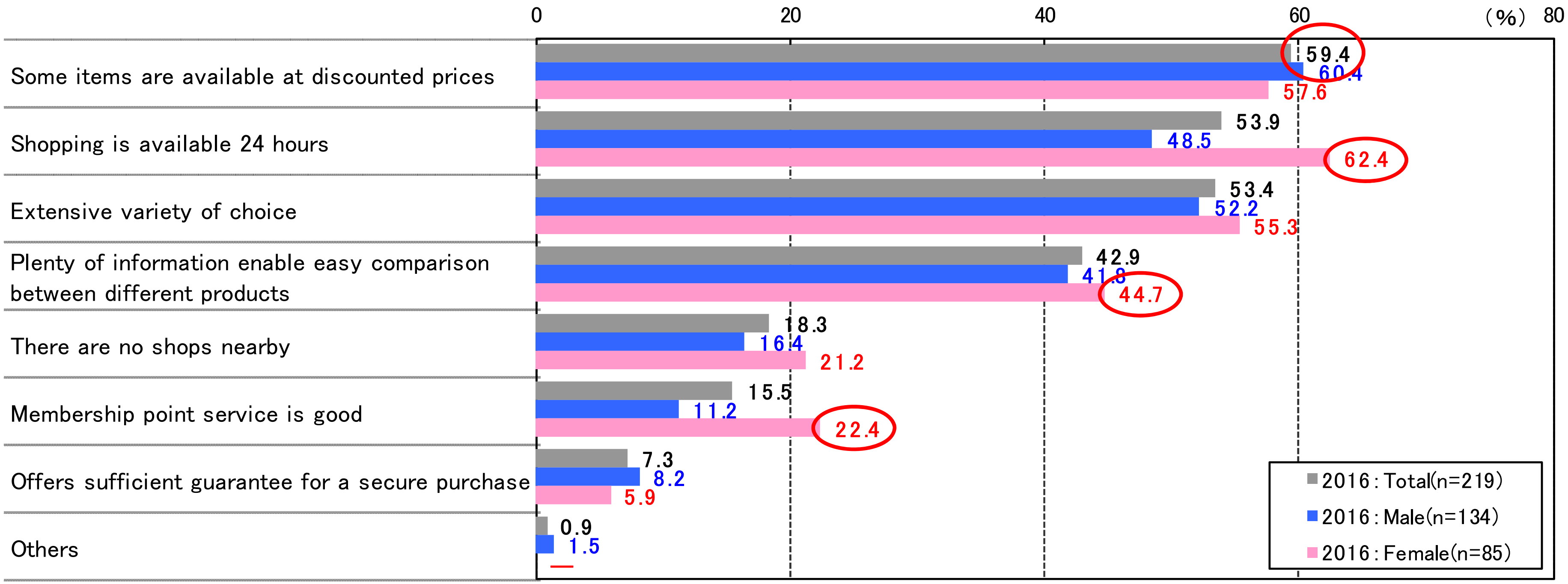
Consumers in their 30s prefer “parallel import shops” and “mail order stores”.

“Brand boutiques” are most popular among people in their 40s. They are attracted to “secure places” where, unlike online shops, they can actually touch and try the products.

Among consumers in their 50s, “watch shops and jewelries” is the popular choice, while it is “watch shops in department stores” and “duty-free shops and overseas shops” for people in their 60s.

Respondents who chose “online shops” as their wrist watch purchase channel are targeted for the following questions.

■ Reasons for purchasing a watch online (all)

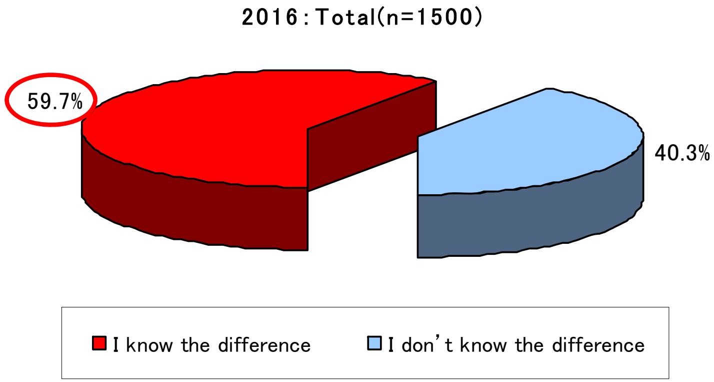


The most common reasons for purchasing online in general are “some items are available at discounted prices”, followed by “shopping is available 24 hours” and “extensive variety of choice”. “Low price”, “available for 24 hours” and “wide range of choices” are the main reasons behind the consumers’ decision to use online shops.

Female consumers are very much aware of the online shops’ ubiquitous convenience and abundant information enabling easy comparisons. Point services are also an important aspect behind their choice.

It is important to know if the targeted people knows the differences of prices; lower price than usual may be of parallel items.

■ Understanding of the difference between authorized dealers and parallel importers (all)



■ Understanding of the difference between authorized dealers and parallel importers (by sex and age)

(%)

	Male	Male 20s	Male 30s	Male 40s	Male 50s	Male 60s+
	2016 n=750	2016 n=117	2016 n=196	2016 n=174	2016 n= 97	2016 n=166
I know the difference	63.5	48.7	56.6	72.4	71.1	68.1
I don't know the difference	36.5	51.3	43.4	27.6	28.9	31.9

(%)

	Female	Female 20s	Female 30s	Female 40s	Female 50s	Female 60s+
	2016 n=750	2016 n= 90	2016 n=171	2016 n=144	2016 n=118	2016 n=227
I know the difference	56.0	47.8	58.5	55.6	51.7	59.9
I don't know the difference	44.0	52.2	41.5	44.4	48.3	40.1

■ Understanding of the difference between authorized dealers and parallel importers (Tokyo metropolitan area (Shutoken)/outside of Shutoken)

(%)

	Tokyo metoropolitan area(Shutoken)	Outside of Shutoken
	2016 n=600	2016 n=900
I know the difference	61.5	58.6
I don't know the difference	38.5	41.4

■ Understanding of the difference between authorized dealers and parallel importers (regional segments: 5 regions)

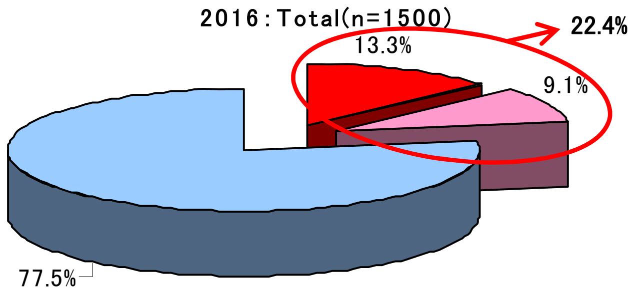
(%)

	Hokkaido and Tohoku	関東･甲信越	Chubu and Hokuriku	Kansai	Chugoku, Shikoku and Kyushu
	16年 n=134	16年 n=705	16年 n=163	16年 n=303	16年 n=195
I know the difference	61.2	60.7	58.3	58.7	57.9
I don't know the difference	38.8	39.3	41.7	41.3	42.1

About 60% of the respondents know the difference between authorized dealers and parallel importers, with men generally having better understanding.

At the same time, about 40% do not understand the difference. It is especially notable among consumers in their 20s across genders, as over a half of them fail to understand parallel imports.

■ Purchasing counterfeit products (all)



■ Purchasing counterfeit products (by sex and age)

(%)

	Male	Male 20s	Male 30s	Male 40s	Male 50s	Male 60s+
	2016 n=750	2016 n=117	2016 n=196	2016 n=174	2016 n= 97	2016 n=166
While knowing they are fake	15.7	12.8	11.7	12.6	21.6	22.3
While not knowing they are fake	10.0	12.8	9.2	8.6	13.4	8.4
Has never bought a fake product	74.3	74.4	79.1	78.7	64.9	69.3

(%)

	Female	Female 20s	Female 30s	Female 40s	Female 50s	Female 60s+
	2016 n=750	2016 n= 90	2016 n=171	2016 n=144	2016 n=118	2016 n=227
While knowing they are fake	10.9	16.7	5.3	9.0	13.6	12.8
While not knowing they are fake	8.3	10.0	11.1	3.5	8.5	8.4
Has never bought a fake product	80.8	73.3	83.6	87.5	78.0	78.9

■ Purchasing counterfeit products (Tokyo metropolitan area (Shutoken)/outside of Shutoken)

(%)

	Tokyo metoropolitan area(Shutoken)	Outside of Shutoken
	2016 n=600	2016 n=900
While knowing they are fake	12.5	13.9
While not knowing they are fake	8.7	9.4
Has never bought a fake product	78.8	76.7

■ Purchasing counterfeit products (regional segments: 5 regions)

(%)

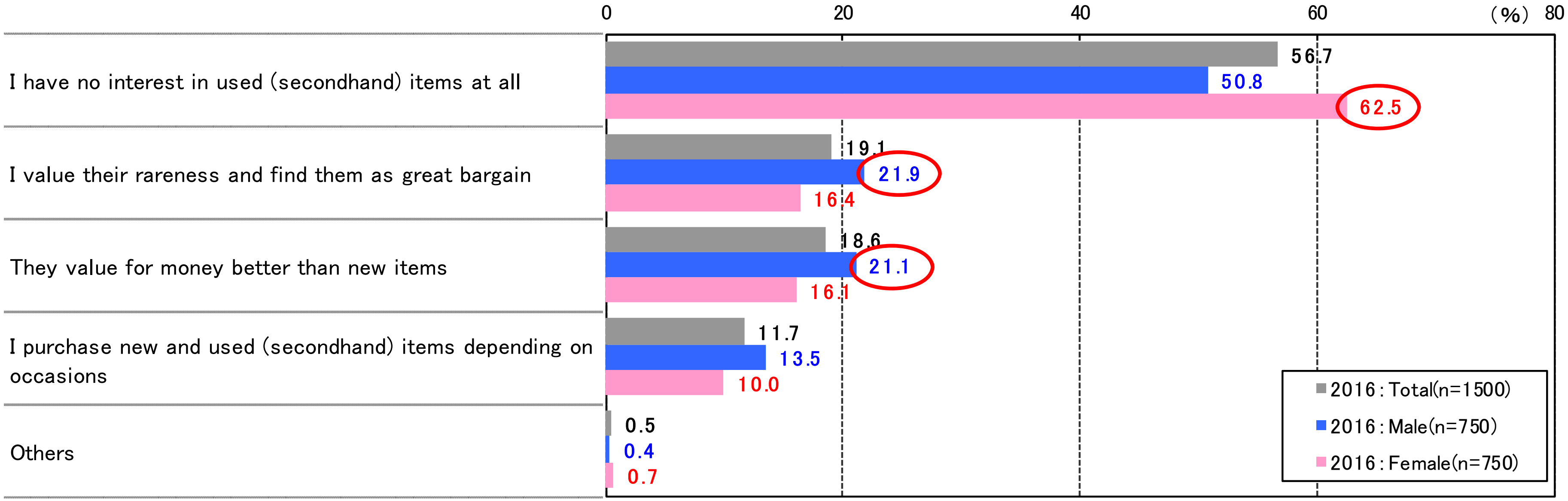
	Hokkaido and Tohoku	Kanto and Koshinetsu	Chubu and Hokuriku	Kansai	Chugoku, Shikoku and Kyushu
	2016 n=134	2016 n=705	2016 n=163	2016 n=303	2016 n=195
While knowing they are fake	11.9	12.5	12.3	17.8	11.3
While not knowing they are fake	7.5	9.5	8.0	8.6	10.8
Has never bought a fake product	80.6	78.0	79.8	73.6	77.9

The largest majority (77.5%) “has never bought a fake product”.

More than 20% of the respondents bought fake products in the past. Among them, about 60% “bought it knowing it was a fake”.

Men are more often found with the response; “I bought it knowing it was a fake”. The tendency increases in the older age groups.

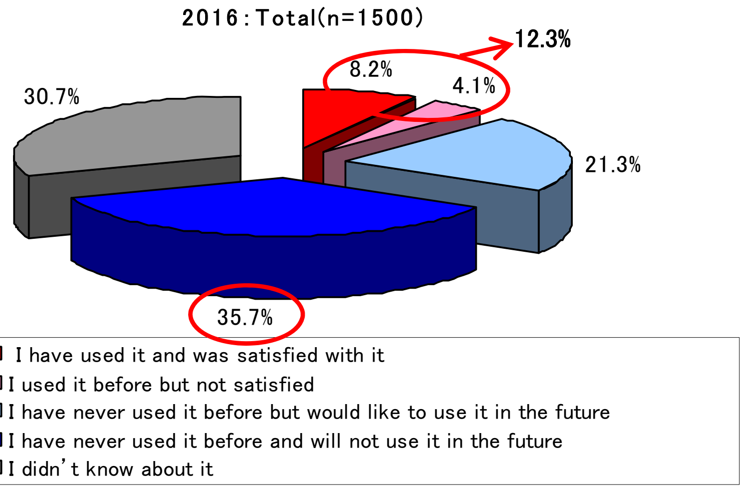
■ Secondhand Items (all) (male/female)



In all, the largest group of respondents (56.7%) say, “I have no interest in used (secondhand) items at all” followed by those who “value their rareness and find them as great bargain” (19.1%) and those who consider “they value for money better than new items” (18.6%).

Many male respondents “value their rareness and find them as great bargain” and consider them to be “value for money better than new items” while the largest group of female consumers “has no interest in used (secondhand) items at all”. The result shows that women in general are not naturally attracted to secondhand items while men see values in secondhand items for their rareness and consider them as great bargain.

■ Authorized secondhand items (all)



■ Authorized secondhand items (by sex and age)

(%)

	Male	Male 20s	Male 30s	Male 40s	Male 50s	Male 60s+
	2016 n=750	2016 n=117	2016 n=196	2016 n=174	2016 n= 97	2016 n=166
I have used it and was satisfied with it	8.5	14.5	6.1	10.3	6.2	6.6
I used it before but not satisfied	5.3	10.3	5.6	3.4	7.2	2.4
I have never used it before but would like to use it in the future	24.8	12.0	32.7	25.9	28.9	21.1
I have never used it before and will not use it in the future	33.9	23.9	24.5	35.1	35.1	50.0
I didn't know about it	27.5	39.3	31.1	25.3	22.7	19.9

(%)

	Female	Female 20s	Female 30s	Female 40s	Female 50s	Female 60s+
	2016 n=750	2016 n= 90	2016 n=171	2016 n=144	2016 n=118	2016 n=227
I have used it and was satisfied with it	7.9	11.1	8.2	7.6	5.1	7.9
I used it before but not satisfied	2.8	7.8	3.5	1.4	3.4	0.9
I have never used it before but would like to use it in the future	17.7	15.6	21.1	18.1	20.3	14.5
I have never used it before and will not use it in the future	37.6	30.0	33.9	39.6	37.3	42.3
I didn't know about it	34.0	35.6	33.3	33.3	33.9	34.4

■ Authorized secondhand items
(Tokyo metropolitan area (Shutoken)/outside of Shutoken)

(%)

	Tokyo metoropolitan area(Shutoken)	Outside of Shutoken
	16年 n=600	16年 n=900
I have used it and was satisfied with it	8.2	8.2
I used it before but not satisfied	3.8	4.2
I have never used it before but would like to use it in the future	20.5	21.8
I have never used it before and will not use it in the future	34.7	36.4
I didn't know about it	32.8	29.3

■ Authorized secondhand items
(regional segments: 5 regions)

(%)

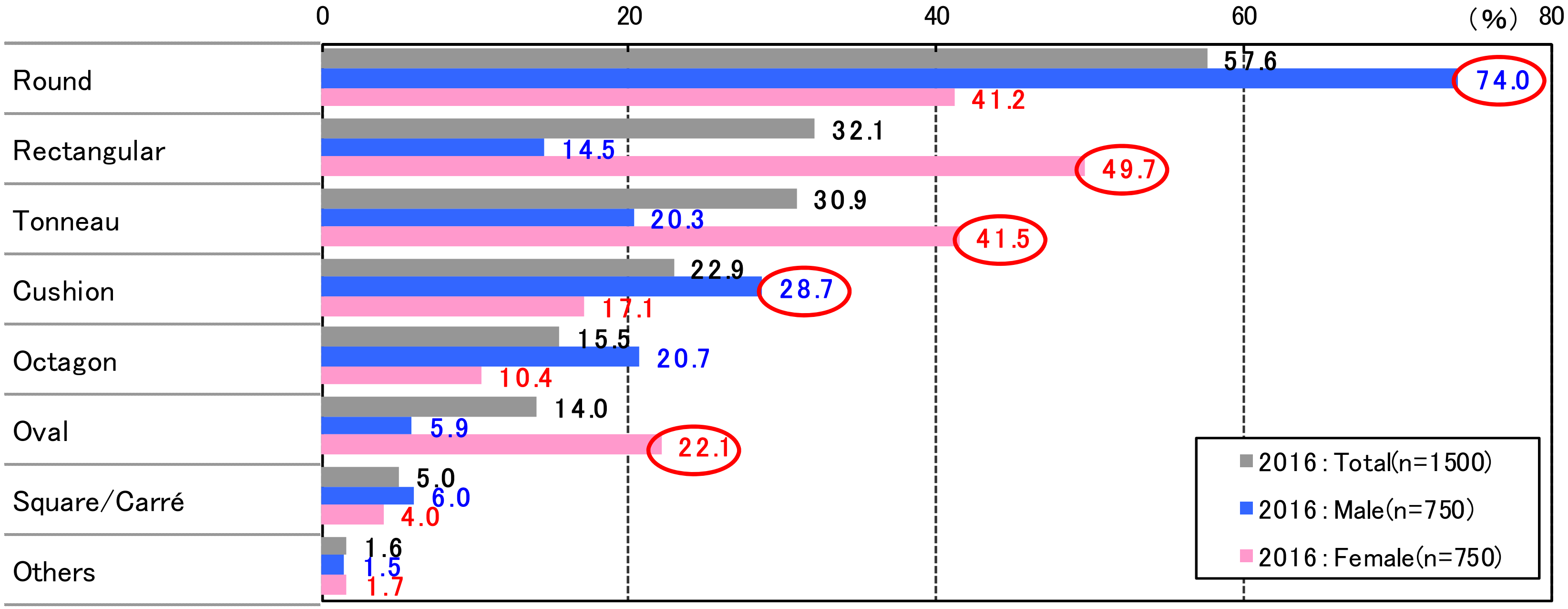
	Hokkaido and Tohoku	Kanto and Koshinetsu	Chubu and Hokuriku	Kansai	Chugoku, Shikoku and Kyushu
	2016 n=134	2016 n=705	2016 n=163	2016 n=303	2016 n=195
I have used it and was satisfied with it	5.2	7.9	9.8	7.6	10.8
I used it before but not satisfied	1.5	4.5	2.5	4.6	4.6
I have never used it before but would like to use it in the future	26.9	20.6	27.0	17.8	20.5
I have never used it before and will not use it in the future	39.6	35.5	31.3	36.6	36.4
I didn't know about it	26.9	31.5	29.4	33.3	27.7

As a whole, the most frequent response was "I have never used it before and will not use it in the future" (35.7%), followed by "I didn't know about it" (30.7%) and "I would like to use it in the future" (21.3%). "Authorized secondhand items" themselves are still largely unknown, which may be the reason for the limited use of the system.

Those who have used the service account for 12.3% of the total, with 8.2% said "satisfied" and 4.1% "unsatisfied." In all, more than 60% of the users are satisfied with it.

More consumers, both men and women in their 30s, said they "would like to use it in the future" than other age groups.

■ Wrist watch case design preferences (all) (male/female)

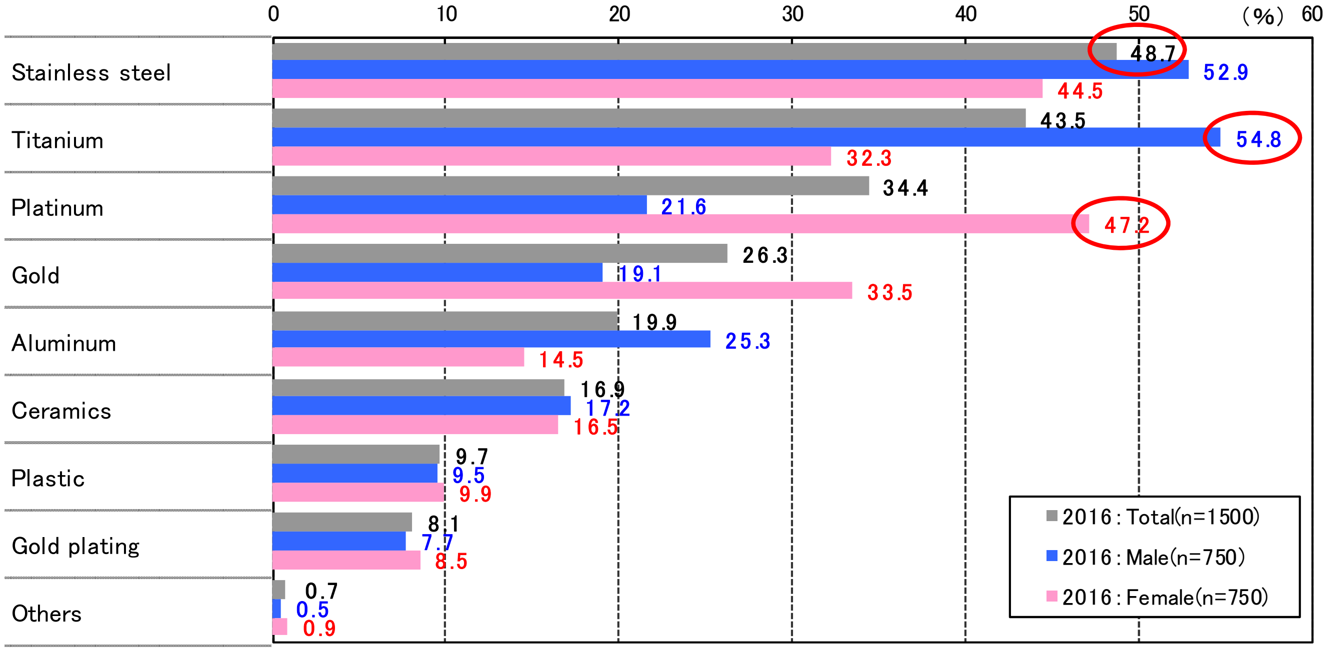


Generally, “round” is most popular (57.6%), followed by “rectangular” (32.1%) and “tonneau” (30.9%).

Among men, “round” has overwhelming popularity, followed by “cushion” and “octagonal”.

Many women prefer “rectangular” followed by “tonneau”, and “oval”.

■ Wrist watch material preferences (all) (male/female)



■ Wrist watch material preferences (by sex and age)

(%)

	Male	Male 20s	Male 30s	Male 40s	Male 50s	Male 60s+
	2016 n=750	2016 n=117	2016 n=196	2016 n=174	2016 n= 97	2016 n=166
Titanium	54.8	51.3	54.1	58.6	52.6	55.4
Stainless steel	52.9	46.2	53.6	55.2	63.9	48.2
Aluminum	25.3	41.9	35.2	23.0	23.7	5.4
Platinum	21.6	19.7	22.4	19.0	22.7	24.1
Gold	19.1	17.9	13.8	16.7	15.5	30.7
Ceramics	17.2	23.9	15.8	16.7	12.4	17.5
Plastic	9.5	16.2	13.8	9.2	8.2	0.6
Gold plating	7.7	12.0	6.6	5.7	6.2	9.0
Others	0.5	—	0.5	—	2.1	0.6

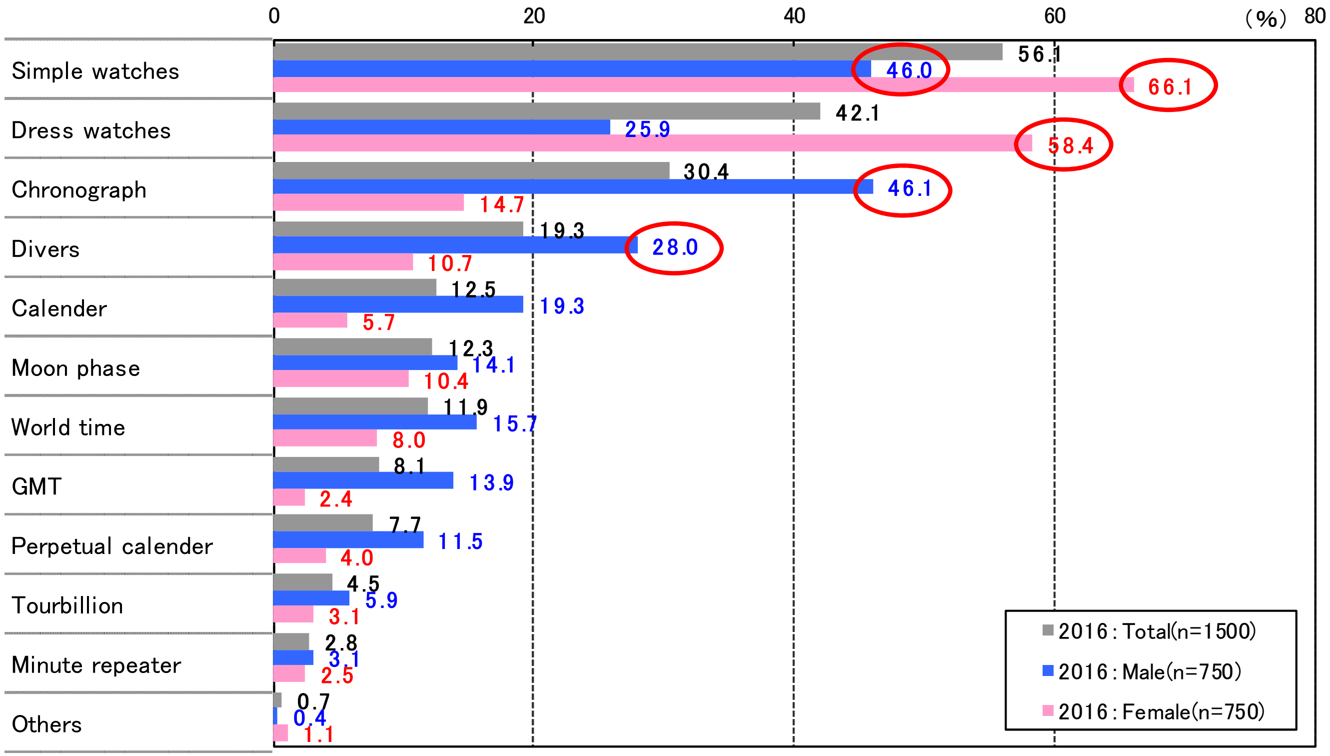
(%)

	Female	Female 20s	Female 30s	Female 40s	Female 50s	Female 60s+
	2016 n=750	2016 n= 90	2016 n=171	2016 n=144	2016 n=118	2016 n=227
Platinum	47.2	53.3	43.3	45.1	53.4	45.8
Stainless steel	44.5	30.0	42.1	54.9	55.9	39.6
Gold	33.5	32.2	26.3	25.0	44.1	39.2
Titanium	32.3	31.1	34.5	39.6	28.8	28.2
Ceramics	16.5	26.7	17.0	14.6	15.3	14.1
Aluminum	14.5	22.2	20.5	17.4	11.9	6.6
Plastic	9.9	14.4	16.4	11.1	5.9	4.4
Gold plating	8.5	10.0	11.1	6.3	7.6	7.9
Others	0.9	1.1	0.6	0.7	0.8	1.3

In all, “stainless steel” was the most popular material, followed by “titanium”. “Titanium” was particularly popular among men and came to the top of the men’s list. Many women preferred precious metals like “platinum” and “gold”.

In both men and women, “stainless steel” is highly popular among respondents in their 40s – 50s. “Aluminum” is more popular with male respondents in their 20s and 30s than other consumer segments.

■ Favorite type of watch (all) (male/female)



A clear difference between men and women manifested in their preferences. Among women, “simple watches” and “dress watches” share overwhelming popularity. Preferences of male consumers are divided into “chronograph” and “simple watches”. Their choice of other types of watches is also diversified.

Male respondents in their 40s – 50s are attracted to “chronograph”, “divers” and “GMT”.

Women’s favorite “simple watches” and “dress watches” seem to be favored more as they get older, with its popularity particularly high among female consumers in their 40s – 60s and above.

■ Favorite type of watch (by sex and age)

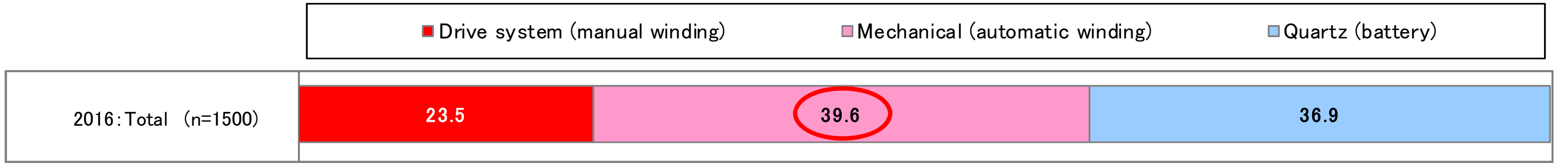
(%)

	Male	Male 20s	Male 30s	Male 40s	Male 50s	Male 60s+
	2016 n=750	2016 n=117	2016 n=196	2016 n=174	2016 n= 97	2016 n=166
Chronograph	46.1	33.3	45.9	52.9	60.8	39.8
Simple watches	46.0	43.6	50.5	46.6	38.1	46.4
Divers	28.0	19.7	23.5	36.8	36.1	25.3
Dress watches	25.9	30.8	24.0	21.8	25.8	28.9
Calender	19.3	17.9	16.8	16.7	21.6	24.7
World time	15.7	18.8	15.3	9.8	22.7	16.3
Moon phase	14.1	17.1	14.8	12.1	22.7	8.4
GMT	13.9	14.5	13.8	16.1	20.6	7.2
Perpetual calender	11.5	8.5	10.7	8.6	17.5	13.9
Tourbillion	5.9	3.4	5.6	6.3	10.3	4.8
Minute repeater	3.1	2.6	3.1	5.7	3.1	0.6
Others	0.4	0.9	0.5	0.6	—	—

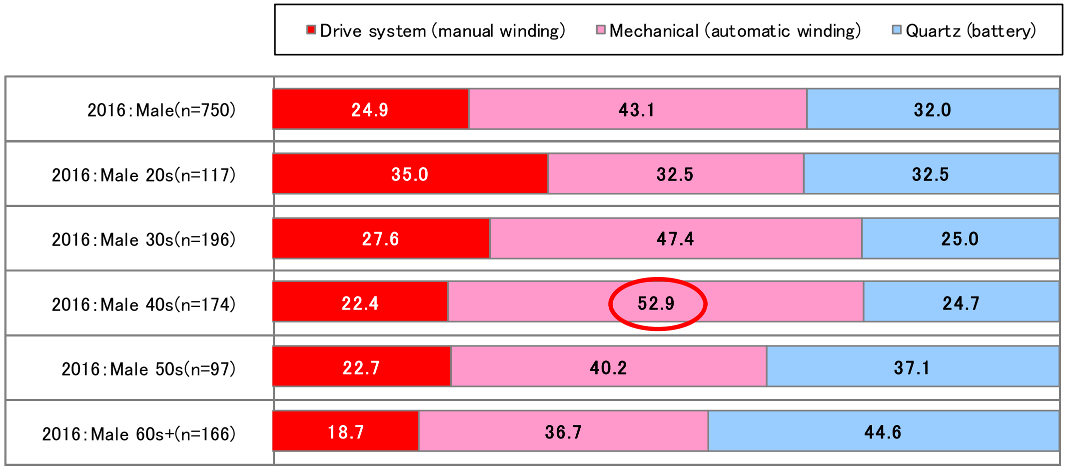
(%)

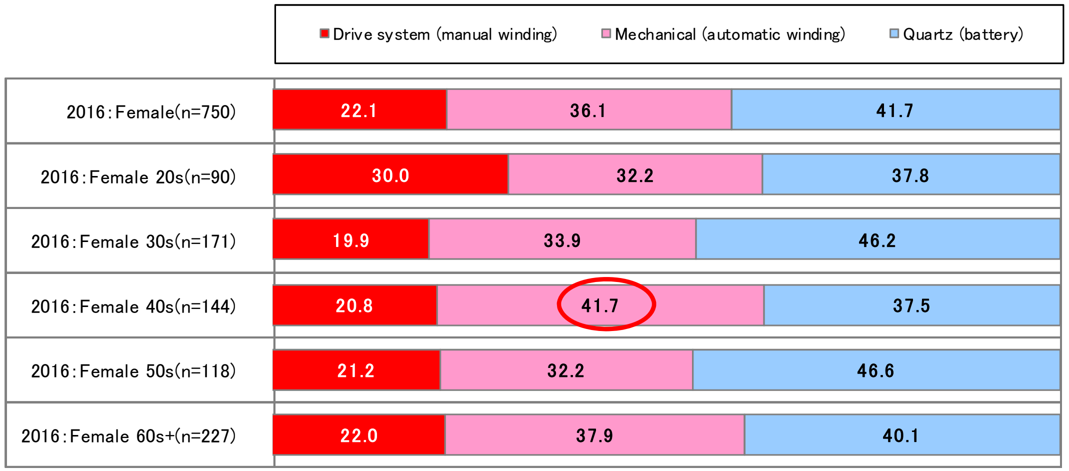
	Female	Female 20s	Female 30s	Female 40s	Female 50s	Female 60s+
	2016 n=750	2016 n= 90	2016 n=171	2016 n=144	2016 n=118	2016 n=227
Simple watches	66.1	60.0	63.2	67.4	64.4	70.9
Dress watches	58.4	54.4	57.3	59.0	62.7	58.1
Chronograph	14.7	14.4	16.4	22.2	20.3	5.7
Divers	10.7	4.4	9.9	23.6	13.6	4.0
Moon phase	10.4	11.1	12.9	14.6	11.9	4.8
World time	8.0	8.9	9.4	11.1	6.8	5.3
Calender	5.7	5.6	5.8	4.2	6.8	6.2
Perpetual calender	4.0	5.6	4.7	3.5	5.1	2.6
Tourbillion	3.1	2.2	4.7	4.2	2.5	1.8
Minute repeater	2.5	4.4	2.9	2.1	3.4	1.3
GMT	2.4	3.3	4.1	2.8	1.7	0.9
Others	1.1	3.3	1.2	0.7	—	0.9

■ Favorite movement of watch (all)



■ Favorite movement of watch (by sex and age)

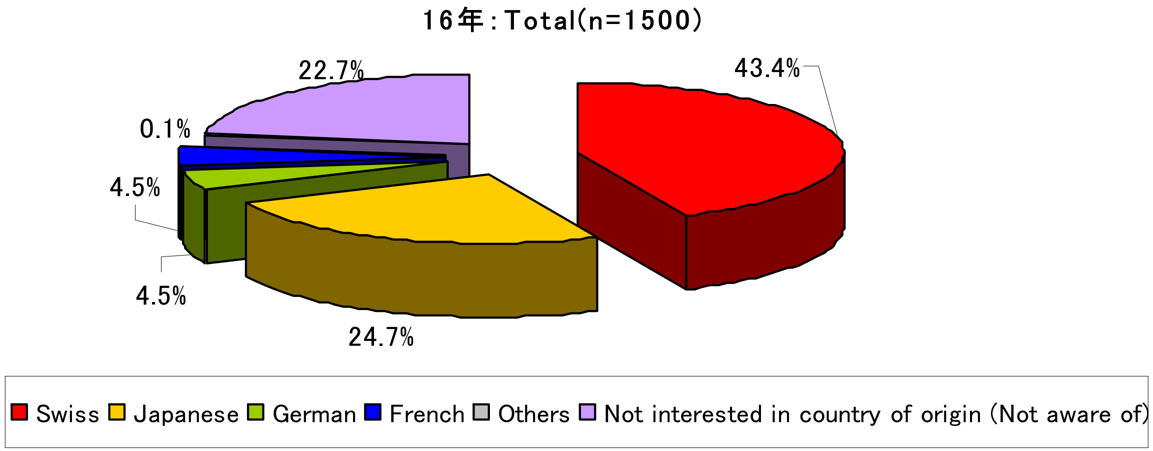




As a whole, “mechanical automatic wind” was the respondents’ favorite choice, followed by “quartz” and “mechanical manual wind”. A comparison between “mechanical” and “quartz” identified the high popularity of “mechanical watches”, as 63.1% of the respondents chose mechanical type as opposed to 36.9% who chose quartz type.

“Automatic wind” is popular among men and women in their 40s. Both men and women in their 20s highly support “manual wind”. Younger generation’s increasing love for gadgets may be behind the popularity of the “manual wind”.

■ Favorite manufacturing country for your watch (all)



"Swiss" received the largest supports (43.4%) from the respondents, followed by "Japanese" "German" and "French".

"Swiss" watches are preferred by older generations, gathering support particularly from consumers in their "40s and above" across gender.

"Swiss" watches are more popular among consumers in "Kanto and Koshinetsu" and "Kansai" areas than other regions.

■ Favorite manufacturing country for your watch (by sex and age)

(%)

	Male	Male 20s	Male 30s	Male 40s	Male 50s	Male 60s+
	2016 n=750	2016 n=117	2016 n=196	2016 n=174	2016 n= 97	2016 n=166
Swiss	47.1	28.2	43.4	55.2	57.7	50.0
Japanese	27.9	26.5	24.0	22.4	27.8	39.2
German	5.1	10.3	9.2	1.7	3.1	1.2
French	2.7	6.8	3.1	2.9	—	0.6
Others	0.1	—	0.5	—	—	—
Not interested in country of origin (Not aware of)	17.2	28.2	19.9	17.8	11.3	9.0

(%)

	Female	Female 20s	Female 30s	Female 40s	Female 50s	Female 60s+
	2016 n=750	2016 n= 90	2016 n=171	2016 n=144	2016 n=118	2016 n=227
Swiss	39.7	18.9	36.8	47.9	41.5	44.1
Japanese	21.6	26.7	17.0	17.4	25.4	23.8
German	4.0	8.9	8.8	1.4	1.7	1.3
French	6.4	8.9	4.7	5.6	4.2	8.4
Others	0.1	—	—	—	—	0.4
Not interested in country of origin (Not aware of)	28.1	36.7	32.7	27.8	27.1	22.0

■ Favorite manufacturing country for your watch (Tokyo metropolitan area (Shutoken)/outside of Shutoken)

(%)

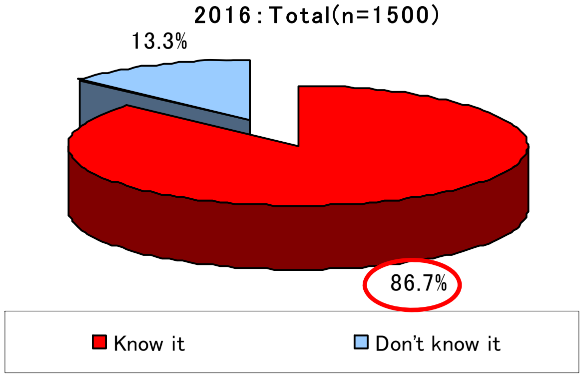
	Tokyo metoropolitan area(Shutoken)	Outside of Shutoken
	2016 n=600	2016 n=900
Swiss	44.8	42.4
Japanese	21.2	27.1
German	4.8	4.3
French	5.3	4.0
Others	0.2	0.1
Not interested in country of origin (Not aware of)	23.7	22.0

■ Favorite manufacturing country for your watch (regional segments: 5 regions)

(%)

	Hokkaido and Tohoku	Kanto and Koshinetsu	Chubu and Hokuriku	Kansai	Chugoku, Shikoku and Kyushu
	2016 n=134	2016 n=705	2016 n=163	2016 n=303	2016 n=195
Swiss	37.3	44.4	41.7	47.9	38.5
Japanese	25.4	23.5	28.2	21.8	30.3
German	2.2	5.0	4.9	5.3	3.1
French	3.7	4.8	3.7	4.6	4.6
Others	—	0.1	—	—	0.5
Not interested in country of origin (Not aware of)	31.3	22.1	21.5	20.5	23.1

■ Awareness of Switzerland being a kingdom of watch (all)



The recognition rate was as high as 86.7%.

In both men and women, the recognition rate goes up as they get older, with the rate reaching over 90% among respondents in their 40s and above.

Area-based analyses find slightly higher recognition rate in "Kansai Area" but there is no significant disparity between different areas.

■ Awareness of Switzerland being a kingdom of watch (by sex and age)

(%)

	Male	Male 20s	Male 30s	Male 40s	Male 50s	Male 60s+
	2016 n=750	2016 n=117	2016 n=196	2016 n=174	2016 n= 97	2016 n=166
Know it	88.8	74.4	86.2	90.8	90.7	98.8
Don't know it	11.2	25.6	13.8	9.2	9.3	1.2

(%)

	Female	Female 20s	Female 30s	Female 40s	Female 50s	Female 60s+
	2016 n=750	2016 n= 90	2016 n=171	2016 n=144	2016 n=118	2016 n=227
Know it	84.7	63.3	71.9	91.7	96.6	92.1
Don't know it	15.3	36.7	28.1	8.3	3.4	7.9

■ Awareness of Switzerland being a kingdom of watch (Tokyo metropolitan area (Shutoken)/outside of Shutoken)

(%)

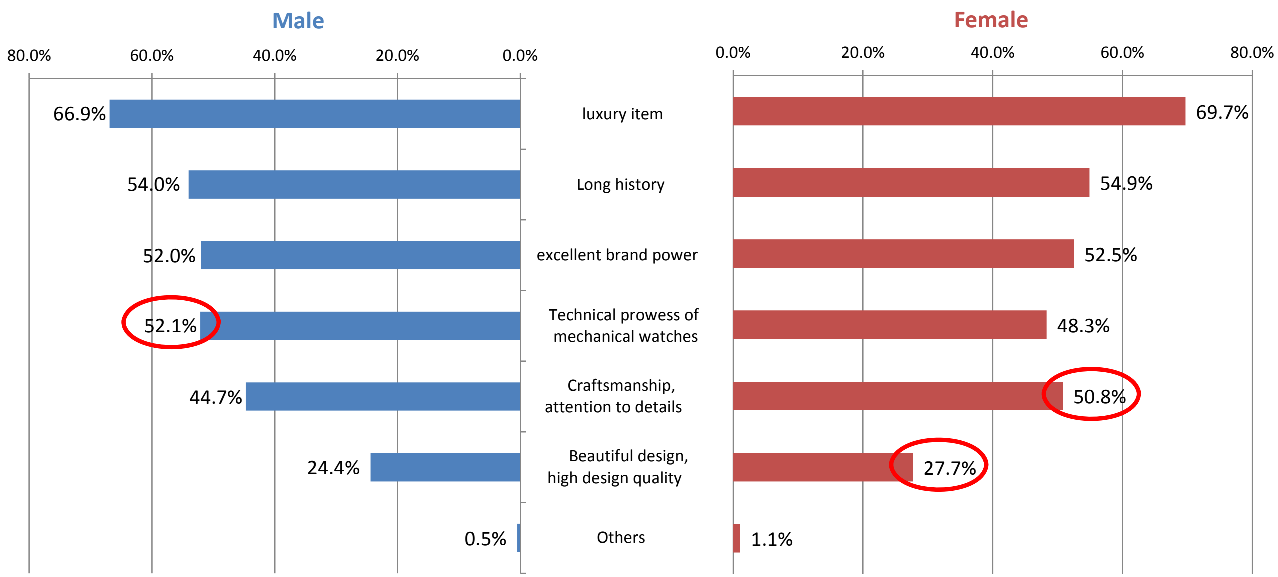
	Tokyo metropolitan area(Shutoken)	Outside of Shutoken
	2016 n=600	2016 n=900
Know it	87.0	86.6
Don't know it	13.0	13.4

■ Awareness of Switzerland being a kingdom of watch (regional segments: 5 regions)

(%)

	Hokkaido and Tohoku	Kanto and Koshinetsu	Chubu and Hokuriku	Kansai	Chugoku, Shikoku and Kyushu
	2016 n=134	2016 n=705	2016 n=163	2016 n=303	2016 n=195
Know it	83.6	86.8	86.5	89.1	85.1
Don't know it	16.4	13.2	13.5	10.9	14.9

■ Images on "Swiss watch" wrist watches (male/female)



In general, "luxury item", "long history" and "excellent brand power" were the top reasons.

Among men, Swiss "technical prowess of mechanical watches" came to the third of the list, proving the established image of "Switzerland= mechanical watch technology".

Many women value "craftsmanship and attention to details" indicating their perception of watch-making as a form of craftwork.

In both men and women, younger consumers seem to have poor recognition of "Swiss watch".

In general, consumers in "Kansai" area appreciate "Swiss watch" highly.

■ Images on "Swiss watch" wrist watches (by sex and age)

(%)

	Male	Male 20s	Male 30s	Male 40s	Male 50s	Male 60s+
	2016	2016	2016	2016	2016	2016
	n=750	n=117	n=196	n=174	n= 97	n=166
luxury item	66.9	55.6	65.8	73.0	67.0	69.9
Long history	54.0	45.3	48.5	51.1	55.7	68.7
excellent brand power	52.0	42.7	51.0	58.0	48.5	55.4
Technical prowess of mechanical watches	52.1	35.9	46.4	56.9	57.7	62.0
Craftsmanship, attention to details	44.7	36.8	40.3	42.5	48.5	55.4
Beautiful design, high design quality	24.4	23.9	20.4	28.7	20.6	27.1
Others	0.5	—	1.0	0.6	—	0.6

(%)

	Female	Female 20s	Female 30s	Female 40s	Female 50s	Female 60s+
	2016	2016	2016	2016	2016	2016
	n=750	n= 90	n=171	n=144	n=118	n=227
luxury item	69.7	60.0	66.7	75.0	72.9	70.9
Long history	54.9	32.2	38.6	58.3	66.9	67.8
excellent brand power	52.5	43.3	54.4	52.1	50.8	55.9
Technical prowess of mechanical watches	48.3	33.3	36.8	59.7	57.6	50.7
Craftsmanship, attention to details	50.8	37.8	40.4	56.3	59.3	55.9
Beautiful design, high design quality	27.7	22.2	24.6	27.1	32.2	30.4
Others	1.1	4.4	1.8	—	0.8	—

■ Images on "Swiss watch" wrist watches (Tokyo metropolitan area (Shutoken)/outside of Shutoken)

(%)

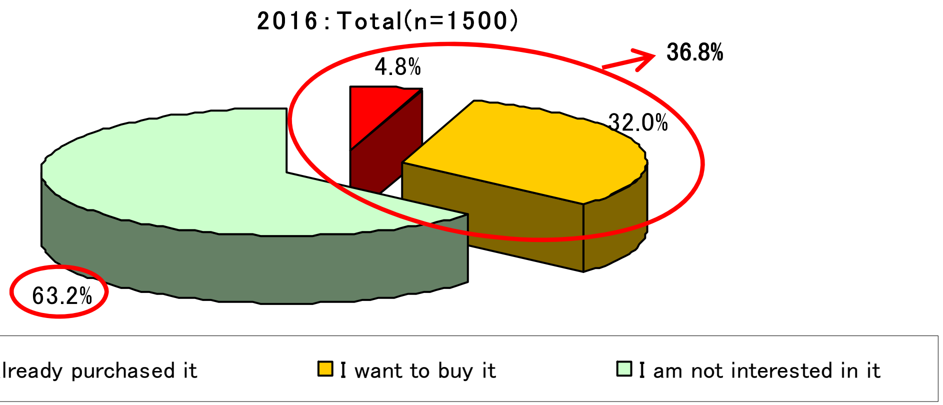
	Tokyo metropolitan area(Shutoken)	Outside of Shutoken
	2016	2016
	n=600	n=900
luxury item	71.2	66.4
Long history	52.8	55.6
excellent brand power	53.8	51.2
Technical prowess of mechanical watches	50.8	49.8
Craftsmanship, attention to details	48.5	47.2
Beautiful design, high design quality	26.7	25.7
Others	0.7	0.9

■ Images on "Swiss watch" wrist watches (regional segments: 5 regions)

(%)

	Hokkaido and Tohoku	Kanto and Koshinetsu	Chubu and Hokuriku	Kansai	Chugoku, Shikoku and Kyushu
	2016	2016	2016	2016	2016
	n=134	n=705	n=163	n=303	n=195
luxury item	67.2	69.5	69.9	68.3	63.6
Long history	52.2	52.6	49.1	61.4	56.4
excellent brand power	46.3	54.3	44.2	55.4	50.8
Technical prowess of mechanical watches	45.5	49.9	46.6	55.1	49.7
Craftsmanship, attention to details	44.8	48.4	46.6	49.5	45.6
Beautiful design, high design quality	26.9	26.8	19.0	26.4	28.2
Others	0.7	0.6	2.5	0.7	0.5

■ Consumers attitudes towards Smartwatches (all)



36.8% of the total respondents have consumers attitudes (“I have already purchased it”/“I want to buy it”), with men (38.4%) having more interest in them than women (35.2%).

In both men and women, many of the respondents in their 20s chose “I have already purchased it” The ratio of those who “want to buy it” in the future was high among respondents in their 30s – 50s in both genders.

Area-based analyses find higher ratio of those who “want to buy it” in “Chugoku, Shikoku and Kyushu Areas” indicating the areas’ potential as a more promising market than other regions.

■ Consumers attitudes towards Smartwatches (by sex and age)

(%)

	Male	Male 20s	Male 30s	Male 40s	Male 50s	Male 60s+
	2016	2016	2016	2016	2016	2016
	n=750	n=117	n=196	n=174	n= 97	n=166
I have already purchased it	6.3	13.7	6.1	6.3	2.1	3.6
I want to buy it	32.1	29.1	37.8	31.6	33.0	27.7
I am not interested in it	61.6	57.3	56.1	62.1	64.9	68.7

(%)

	Female	Female 20s	Female 30s	Female 40s	Female 50s	Female 60s+
	2016	2016	2016	2016	2016	2016
	n=750	n= 90	n=171	n=144	n=118	n=227
I have already purchased it	3.3	6.7	4.7	0.7	1.7	3.5
I want to buy it	31.9	27.8	32.7	31.9	34.7	31.3
I am not interested in it	64.8	65.6	62.6	67.4	63.6	65.2

■ Consumers attitudes towards Smartwatches
(Tokyo metropolitan area (Shutoken)/outside of Shutoken)

(%)

	Tokyo metoropolitan area(Shutoken)	Outside of Shutoken
	2016	2016
	n=600	n=900
I have already purchased it	5.5	4.3
I want to buy it	31.5	32.3
I am not interested in it	63.0	63.3

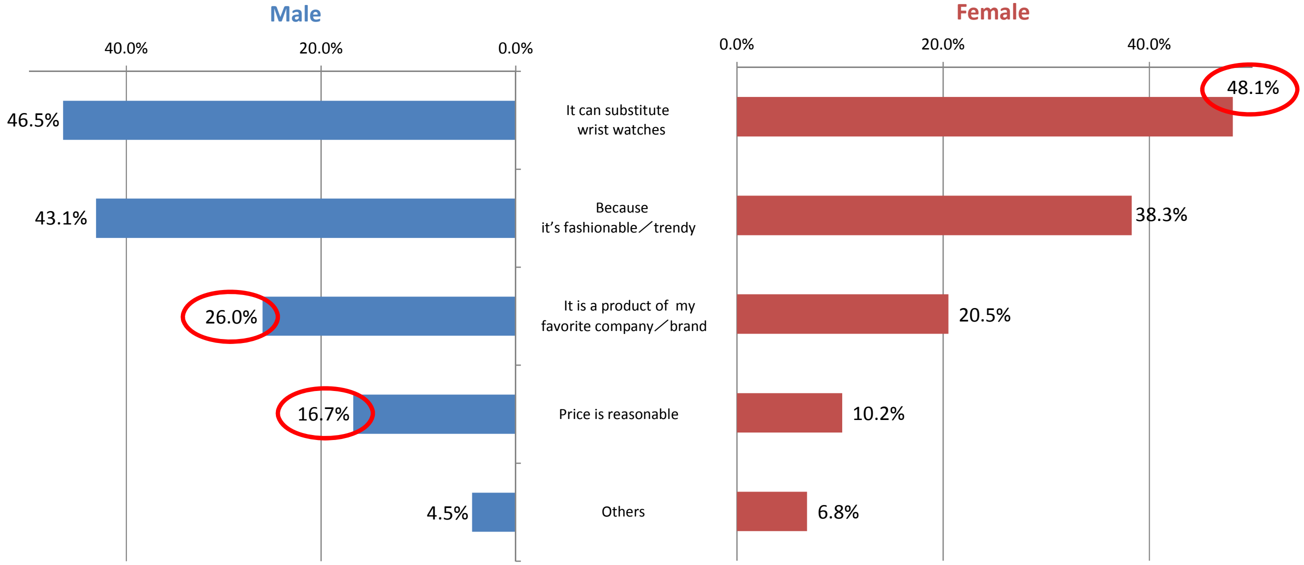
■ Consumers attitudes towards Smartwatches
(regional segments: 5 regions)

(%)

	Hokkaido and Tohoku	Kanto and Koshinetsu	Chubu and Hokuriku	Kansai	Chugoku, Shikoku and Kyushu
	2016	2016	2016	2016	2016
	n=134	n=705	n=163	n=303	n=195
I have already purchased it	2.2	5.4	4.9	5.6	3.1
I want to buy it	34.3	32.3	27.6	28.4	38.5
I am not interested in it	63.4	62.3	67.5	66.0	58.5

The following questions target those who responded “I have already purchased” or “I want to buy” Smartwatches”

■ The reason for purchasing/fancying Smartwatches (male/female)



In both gender groups, respondents mainly chose “substitute of wrist watches” and “fashionable/trendy” as the reasons.

Men are more attracted by products of “favorite company/brand” than women. The tendency is particularly visible among male consumers in their 20s.

More women, particularly those in their 50s and above, think “it can substitute wrist watches” than men.

Compared to other areas, consumers in “Kanto and Koshinetsu Areas” “want to buy” Smartwatches “because they are fashionable/trendy”.

■ The reason for purchasing/fancying Smartwatches (by sex and age)

(%)

	Male	Male 20s	Male 30s	Male 40s	Male 50s	Male 60s+
	2016	2016	2016	2016	2016	2016
	n=288	n= 50	n= 86	n= 66	n= 34	n= 52
It can substitute wrist watches	46.5	44.0	43.0	39.4	47.1	63.5
Because it’s fashionable／trendy	43.1	44.0	53.5	43.9	29.4	32.7
It is a product of my favorite company／brand	26.0	34.0	27.9	22.7	23.5	21.2
Price is reasonable	16.7	16.0	14.0	18.2	17.6	19.2
Others	4.5	6.0	3.5	6.1	2.9	3.8

(%)

	Female	Female 20s	Female 30s	Female 40s	Female 50s	Female 60s+
	2016	2016	2016	2016	2016	2016
	n=264	n= 31	n= 64	n= 47	n= 43	n= 79
It can substitute wrist watches	48.1	45.2	39.1	48.9	51.2	54.4
Because it’s fashionable／trendy	38.3	38.7	46.9	25.5	41.9	36.7
It is a product of my favorite company／brand	20.5	16.1	21.9	19.1	23.3	20.3
Price is reasonable	10.2	12.9	7.8	14.9	2.3	12.7
Others	6.8	6.5	3.1	14.9	7.0	5.1

■ The reason for purchasing/fancying Smartwatches (Tokyo metropolitan area (Shutoken)/outside of Shutoken)

(%)

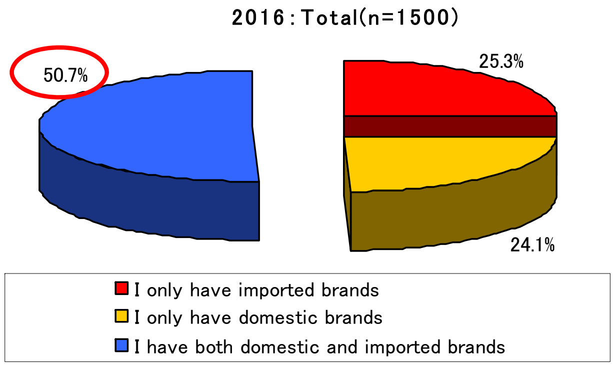
	Tokyo metropolitan area(Shutoken)	Outside of Shutoken
	2016	2016
	n=222	n=330
It can substitute wrist watches	47.7	47.0
Because it’s fashionable／trendy	46.8	36.7
It is a product of my favorite company／	23.4	23.3
Price is reasonable	14.4	13.0
Others	6.8	4.8

■ The reason for purchasing/fancying Smartwatches (regional segments: 5 regions)

(%)

	Hokkaido and Tohoku	Kanto and Koshinetsu	Chubu and Hokuriku	Kansai	Chugoku, Shikoku and Kyushu
	2016	2016	2016	2016	2016
	n= 49	n=266	n= 53	n=103	n= 81
It can substitute wrist watches	42.9	48.1	43.4	47.6	49.4
Because it’s fashionable／trendy	38.8	44.4	32.1	35.0	43.2
It is a product of my favorite company／brand	18.4	24.8	22.6	27.2	17.3
Price is reasonable	16.3	13.9	7.5	16.5	11.1
Others	4.1	6.4	11.3	3.9	2.5

■ Ownership statuses of domestic and imported brand wrist watches (all)



■ Ownership statuses of domestic and imported brand wrist watches (by sex and age)

(%)

	Male	Male 20s	Male 30s	Male 40s	Male 50s	Male 60s+
	2016 n=750	2016 n=117	2016 n=196	2016 n=174	2016 n= 97	2016 n=166
I only have imported brands	21.9	24.8	22.4	31.0	18.6	11.4
I only have domestic brands	26.3	41.9	29.6	19.0	24.7	19.9
I have both domestic and imported brands	51.9	33.3	48.0	50.0	56.7	68.7

(%)

	Female	Female 20s	Female 30s	Female 40s	Female 50s	Female 60s+
	2016 n=750	2016 n= 90	2016 n=171	2016 n=144	2016 n=118	2016 n=227
I only have imported brands	28.7	33.3	35.1	35.4	24.6	19.8
I only have domestic brands	21.9	33.3	21.1	20.8	22.9	18.1
I have both domestic and imported brands	49.5	33.3	43.9	43.8	52.5	62.1

■ Ownership statuses of domestic and imported brand wrist watches (Tokyo metropolitan area (Shutoken)/outside of Shutoken)

(%)

	Tokyo metoropolitan area(Shutoken)	Outside of Shutoken
	2016 n=600	2016 n=900
I only have imported brands	28.0	23.4
I only have domestic brands	20.3	26.6
I have both domestic and imported brands	51.7	50.0

■ Ownership statuses of domestic and imported brand wrist watches (regional segments: 5 regions)

(%)

	Hokkaido and Tohoku	Kanto and Koshinetsu	Chubu and Hokuriku	Kansai	Chugoku, Shikoku and Kyushu
	2016 n=134	2016 n=705	2016 n=163	2016 n=303	2016 n=195
I only have imported brands	26.1	27.0	23.3	26.4	18.5
I only have domestic brands	29.1	22.4	32.5	18.5	28.2
I have both domestic and imported brands	44.8	50.6	44.2	55.1	53.3

50.7%, or more than a half, of the respondents answered that they have both domestic and imported brand watches. 25.3% chose “I only have imported brands” which is almost equal in proportion to “I only have domestic brands” (24.1%).

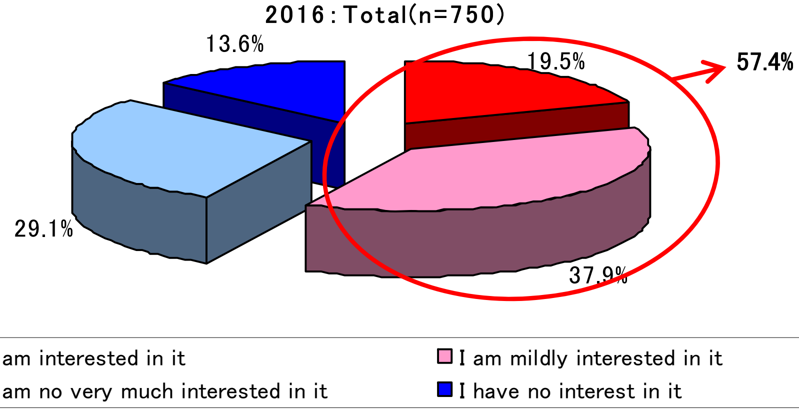
Men in 40s are more attracted to “imported brands” than other generations. While the owners of both types increase as they get older, a high percentage (31.0%) of consumers in their 40s declares “I only know imported brands”.

Women, in comparison with men, tend to “only have imported brands” since they are young. Men prefer “domestic”, while women are more prone to “imported” products. There is a gender difference in the age they first own a watch.

“Kanto and Koshinetsu Areas” and “Kansai Area” opt for imported brands, and “Chubu and Hokuriku Areas” are more attracted to domestic brands.

For female respondents only

■ Interest in mechanical watches (all)



■ Interest in mechanical watches (by sex and age)

(%)

	Female	Female 20s	Female 30s	Female 40s	Female 50s	Female 60s+
	2016 n=750	2016 n=90	2016 n=171	2016 n=144	2016 n=118	2016 n=227
I am interested in it	19.5	11.1	16.4	25.7	16.9	22.5
I am mildly interested in it	37.9	45.6	35.7	36.8	39.0	36.6
I am no very much interested in it	29.1	22.2	31.6	23.6	33.9	30.8
I have no interest in it	13.6	21.1	16.4	13.9	10.2	10.1

■ Interest in mechanical watches
(Tokyo metropolitan area (Shutoken)/outside of Shutoken)

(%)

	Tokyo metoropolitan area(Shutoken)	Outside of Shutoken
	2016 n=300	2016 n=450
I am interested in it	20.7	18.7
I am mildly interested in it	37.0	38.4
I am no very much interested in it	28.0	29.8
I have no interest in it	14.3	13.1

■ Interest in mechanical watches
(regional segments: 5 regions)

(%)

	Hokkaido and Tohoku	Kanto and Koshinetsu	Chubu and Hokuriku	Kansai	Chugoku, Shikoku and Kyushu
	2016 n= 68	2016 n=343	2016 n= 70	2016 n=164	2016 n=105
I am interested in it	17.6	21.0	17.1	19.5	17.1
I am mildly interested in it	48.5	37.9	41.4	34.1	34.3
I am no very much interested in it	22.1	26.8	25.7	36.0	32.4
I have no interest in it	11.8	14.3	15.7	10.4	16.2

Nearly 60% (57.4%) of female respondents chose “I am interested in it” (19.5%) and “I am mildly interested in it” (37.9%) concerning mechanical watches.

As many as 25.7% of the respondents in their 40s chose “I am interested in it”. As the recent policies by government concerning women’s social advancement and their active promotion to managerial positions increased the number of women taking the managerial positions as they hit 40s. These people are more careful about what they wear, which may have led to the increased interest in mechanical watches.

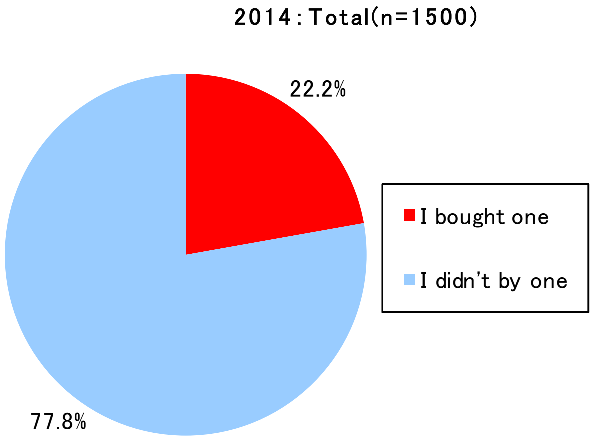
While their level of interest increases as they get older, 45.6% of the “women in their 20s” chose “I am mildly interested in it” revealing the relatively high interest among younger generations. Women in their 40s are “interested” in the mechanical watches as their actual purchase option, but women in their 20s may be “mildly interested in it” as one of their future dreams.

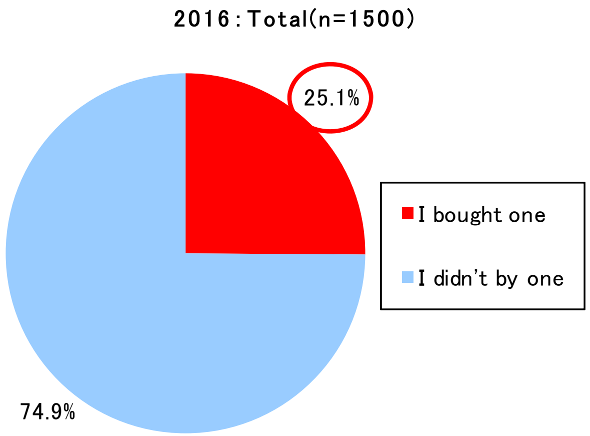
■ Purchase of watch in 2015 (all)

25.1% of the respondents bought wrist watches in 2015, an increase by 2.9 percent from 2014 Survey Report Data.

In both genders, respondents in their 20s and 30s are the main buyers, demonstrating the young generations' high buying motivation for wrist watches (regardless of the prices).

A noticeable trend was the high percentage (28.9%) of male respondents in their 50s, which stands in contrast to female consumers, whose buying motivation dwindles as they get older.





■ Purchase of watch in 2015 (male)

(%)

	Male	Male 20s	Male 30s	Male 40s	Male 50s	Male 60s+
	2016	2016	2016	2016	2016	2016
	n=750	n=117	n=196	n=174	n= 97	n=166
I bought one	27.9	38.5	28.6	23.6	28.9	23.5
I didn't buy one	72.1	61.5	71.4	76.4	71.1	76.5

■ Purchase of watch in 2015 (female)

(%)

	Female	Female 20s	Female 30s	Female 40s	Female 50s	Female 60s+
	2016	2016	2016	2016	2016	2016
	n=750	n= 90	n=171	n=144	n=118	n=227
I bought one	22.3	37.8	25.7	16.0	16.1	20.7
I didn't buy one	77.7	62.2	74.3	84.0	83.9	79.3

■ Brand of watch you purchased in 2015 (all)

Two domestic brands, “CASIO” and “SEIKO” ranked at the top of the list of watches purchased in 2015, followed by “OMEGA” and “ROLEX”.

Other imported brands, such as “CARTIER”, “BVLGARI”, “GUCCI”, “CHANEL”, “TAG HEUER”, etc. are also at the top of the list.

Fashion watches by licensed brands, casual watches with reasonable prices and sports brand watches are popular buys.

2015：Total(n=376) ①		
Order	Brand	
1	CASIO	22.6
2	SEIKO	22.3
3	OMEGA	10.9
4	ROLEX	9.8
5	CITIZEN	9.6
6	CARTIER	6.1
7	BVLGARI	3.5
8	GUCCI	3.2
9	CHANEL	2.1
9	TAG HEUER	2.1
11	SWATCH	1.9
12	HAMILTON	1.6
13	No-Brand	1.3
13	FRANCK MULLER	1.3
15	COACH	1.1
15	BREITLING	1.1
15	LONGINES	1.1
18	HERMES	0.8
18	ORIS	0.8
18	GARMIN	0.8
18	Calvin Klein	0.8
18	Katespade	0.8
18	ZENITH	0.8
18	TIMEX	0.8
18	DanielWellington	0.8
18	PANERAI	0.8
18	FORI FORI	0.8
28	IWC	0.5
28	ADIDAS	0.5
28	Viviennewestwood	0.5
28	ELGIN	0.5
28	ORIENT	0.5
28	JAEGER-LECOULTRE	0.5
28	SKAGEN	0.5
28	DISO	0.5
28	TECNOS	0.5
28	not	0.5
28	Paulsmith	0.5
28	Marc Jacobs	0.5

2015：Total(n=376) ②		
Order	Brand	
40	4℃	0.3
40	BMW	0.3
40	ICE WATCH	0.3
40	Agata	0.3
40	ASICS	0.3
40	AS KNOW AS PINKY	0.3
40	apple	0.3
40	ARMANI	0.3
40	ISSEY MIYAKE	0.3
40	Vancleefarpels	0.3
40	Louisvuitton	0.3
40	viffleur	0.3
40	HUBLOT	0.3
40	EBEL	0.3
40	Angel Clover	0.3
40	Angel Heart Watches	0.3
40	OCEAN	0.3
40	orobianco	0.3
40	GaGa MILANO	0.3
40	Can Do	0.3
40	CREPHA	0.3
40	Chloé	0.3
40	KUOSEI	0.3
40	SANTNORE	0.3
40	Saint Laurent	0.3
40	Charles Vögele	0.3
40	CHOPARD	0.3
40	GIRARD-PERREGAUX	0.3
40	JILLSTUART	0.3
40	SINN	0.3
40	SWISS MILITARY	0.3
40	STAR JEWELRY	0.3
40	SMITH	0.3
40	SUNTO	0.3
40	Celine	0.3
40	TANAKA	0.3
40	Tabbah	0.3
40	TUDOR	0.3
40	ZEPPELIN	0.3

2015：Total(n=376) ③		
Order	Brand	
40	DISNY	0.3
40	TISSOT	0.3
40	TOMMY HILFIGER	0.3
40	Dolce&Gabbana	0.3
40	NIXON	0.3
40	Burberry	0.3
40	PIAGET	0.3
40	Pierre Lannier	0.3
40	PINKY&DIANNE	0.3
40	Ferragamo	0.3
40	fendi	0.3
40	Forever	0.3
40	FLAT	0.3
40	Furbo	0.3
40	FREDERIQUE CONSTANT	0.3
40	BLOVA	0.3
40	PEQUIGNET	0.3
40	BAUME&MERCIER	0.3
40	Paul & JOE	0.3
40	BALL Watch	0.3
40	POLICE	0.3
40	Michael Kors	0.3
40	marie claire	0.3
40	MINI	0.3
40	Miu Miu	0.3
40	Miland	0.3
40	muta	0.3
40	YAMASA	0.3
40	UNITED ARROWS	0.3
40	JOWISSA	0.3
40	LACOSTE	0.3
40	RODO	0.3
40	LANCEL	0.3
40	RIP	0.3
40	Luminox	0.3
40	romanette	0.3

■ Brand of watch you purchased in 2015 (male/female)

2015：Male(n=209) ①		
Order	Brand	
1	CASIO	31.6
2	SEIKO	23.9
3	OMEGA	12.9
4	CITIZEN	10.0
5	ROLEX	9.6
6	HAMILTON	2.4
7	CARTIER	1.9
7	TAG HEUER	1.9
7	BVLGARI	1.9
10	GARMIN	1.4
10	GUCCI	1.4
10	ZENITH	1.4
10	No-Brand	1.4
10	PANERAI	1.4
10	BREITLING	1.4
10	FRANCK MULLER	1.4
17	ADIDAS	1.0
17	ELGIN	1.0
17	ORIENT	1.0
17	ORIS	1.0
17	CHANEL	1.0
17	TIMEX	1.0
17	TECNOS	1.0
17	not	1.0
17	Paulsmith	1.0
26	BMW	0.5
26	IWC	0.5
26	ASICS	0.5
26	apple	0.5
26	ARMANI	0.5
26	ISSEY MIYAKE	0.5
26	HUBLOT	0.5
26	HERMES	0.5
26	Angel Clover	0.5
26	OCEAN	0.5
26	orobianco	0.5

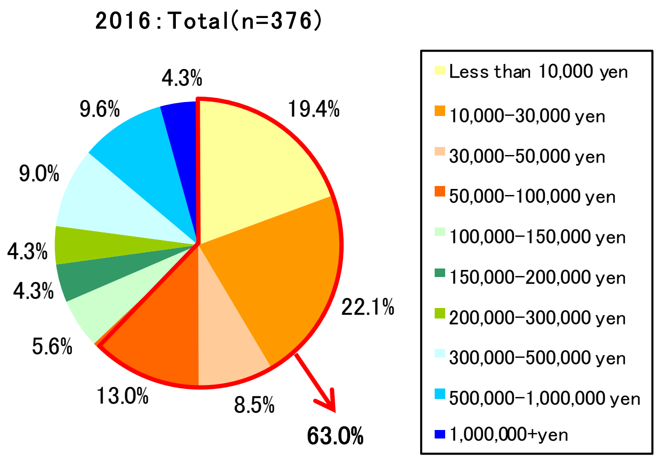
2015：Male(n=209) ②		
Order	Brand	
26	Calvin Klein	0.5
26	CREPHA	0.5
26	KUSEI	0.5
26	JAEGER-LECOULTRE	0.5
26	CREPHA	0.5
26	CHOPARD	0.5
26	GIRARD-PERREGAUX	0.5
26	SINN	0.5
26	SWISS MILITARY	0.5
26	SWATCH	0.5
26	SKAGEN	0.5
26	SMITH	0.5
26	SUNTO	0.5
26	ZEPPELIN	0.5
26	TISSOT	0.5
26	NIXON	0.5
26	Burberry	0.5
26	PIAGET	0.5
26	PINKY&DIANNE	0.5
26	Forever	0.5
26	FLAT	0.5
26	Furbo	0.5
26	FREDERIQUE CONSTANT	0.5
26	BLOVA	0.5
26	BAUME&MERCIER	0.5
26	BALL Watch	0.5
26	POLICE	0.5
26	MINI	0.5
26	Miland	0.5
26	muta	0.5
26	UNITED ARROWS	0.5
26	LACOSTE	0.5
26	LANCEL	0.5
26	Luminox	0.5
26	LONGINES	0.5

2015：Female(n=167) ①		
Order	Brand	
1	SEIKO	20.4
2	CACIO	11.4
2	CARTIER	11.4
4	ROLEX	10.2
5	CITIZEN	9.0
6	OMEGA	8.4
7	GUCCI	5.4
7	BVLGARI	5.4
9	CHANEL	3.6
9	SWATCH	3.6
11	COACH	2.4
11	TAG HEUER	2.4
13	katespade.jp	1.8
13	DanielWellington	1.8
13	FORI FORI	1.8
13	LONGINES	1.8
13	viviennewestwood	1.8
13	HERMES	1.8
13	Calvin Klein	1.8
13	DAISO	1.8
13	No-Brand	1.8
13	FRANCK MULLER	1.8
13	Marc Jacobs	1.8
24	4℃	0.6
24	IWC	0.6
24	ICE WATCH	0.6
24	Agate	0.6
24	AS KNOW AS PINKY	0.6
24	vancleefarpels	0.6
24	louisvuitton	0.6
24	viffleur	0.6
24	EBEL	0.6
24	Angel Heart Watches	0.6

2015：Female(n=167) ②		
Order	Brand	
24	ORIS	0.6
24	GaGa MILANO	0.6
24	Can Do	0.6
24	Chloé	0.6
24	SANTNORE	0.6
24	SAINT LAURENT	0.6
24	JAEGER-LECOULTRE	0.6
24	JILLSTUART	0.6
24	SKAGEN	0.6
24	STAR JEWELRY	0.6
24	Celine	0.6
24	TIMEX	0.6
24	TANAKA	0.6
24	Tabbah	0.6
24	TUDOR	0.6
24	DISNY	0.6
24	TOMMY HILFIGER	0.6
24	Dolce&Gabbana	0.6
24	HAMILTON	0.6
24	Pierre Lannier	0.6
24	Ferragamo	0.6
24	FENDI	0.6
24	BREITLING	0.6
24	PEQUIGNET	0.6
24	Paul & JOE	0.6
24	Michael Kors	0.6
24	marie claire	0.6
24	Miu Miu	0.6
24	YAMASA	0.6
24	Jowissa	0.6
24	RADO	0.6
24	RIP	0.6
24	romanette	0.6

The following analyses is based on the “purchase price of the favorite wrist watch bought in 2015”

■ Purchase price of a watch purchased in 2015 (all)



Less than 100,000 yen 63.0%
100,000～500,000 yen 23.2%
500,000 yen+ 13.9%

The purchase price is "less than 100,000 yen” in 60% of the entire cases.

In both gender groups, watches costing “100,000 – less than 300,000 yen” were least bought. It accounted only for 15.8% among men and 12.0% among women. As these ratios are lower than other price ranges, the range constitutes the “blank market”.

23.3% of men in their 30s purchased watches that cost “500,000 yen or above” while it was 19.5% among men in their 40s. The same price range was more popular among women in their 50s (10.5%) and 60s (19.2%) than other age groups. High price range products are mainly bought by men in their 30s and 40s and women in their 50s – 60s.

■ Purchase price of a watch purchased in 2015 (male)

(%)

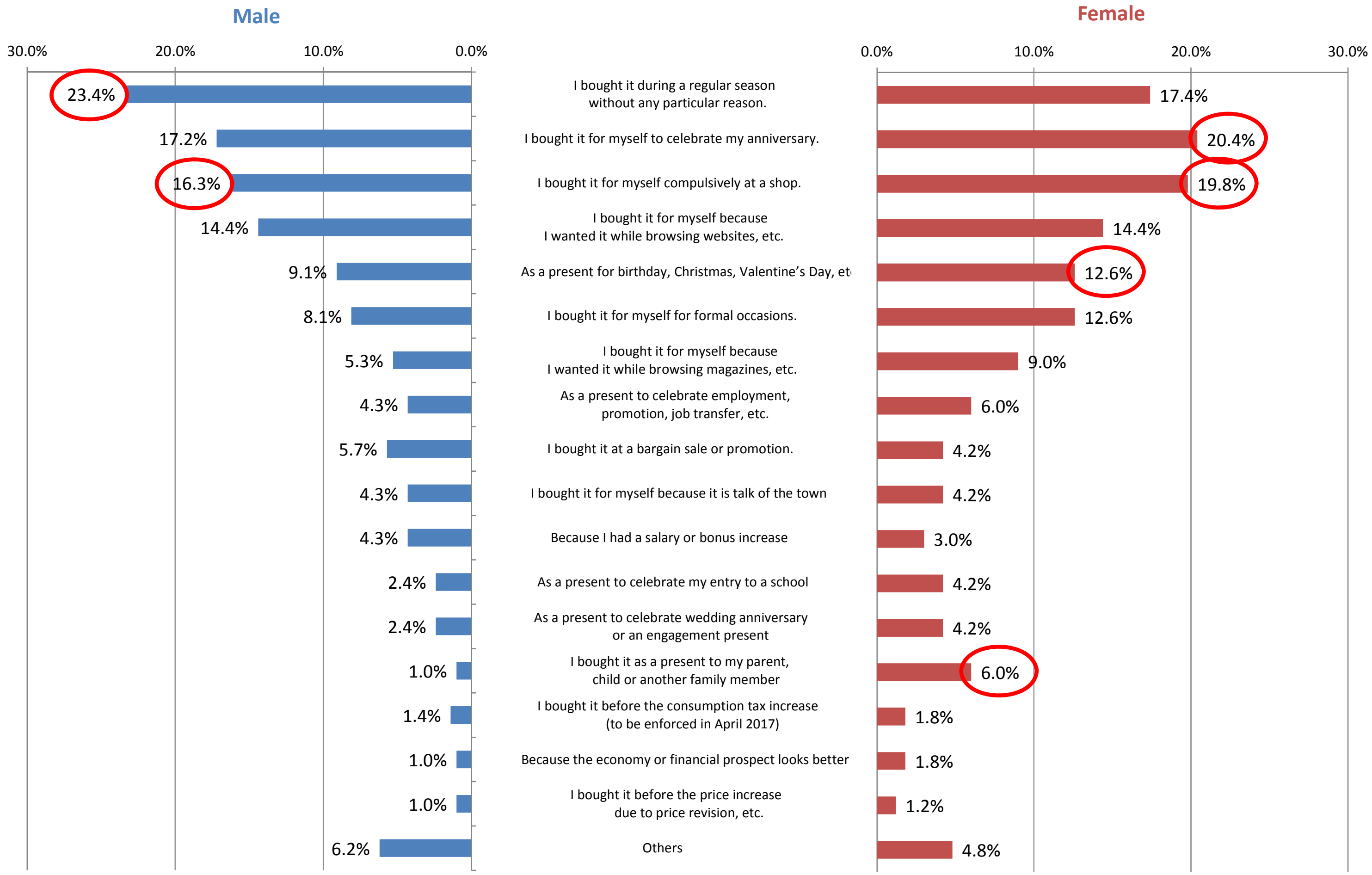
	Male	Male 20s	Male 30s	Male 40s	Male 50s	Male 60s+
	2016 n=209	2016 n= 45	2016 n= 56	2016 n= 41	2016 n= 28	2016 n= 39
Less than 10,000 yen	19.1	28.9	12.5	14.6	17.9	23.1
10,000-30,000 yen	21.5	26.7	17.9	19.5	35.7	12.8
30,000-50,000 yen	6.7	4.4	3.6	7.3	14.3	7.7
50,000-100,000 yen	13.9	13.3	14.3	14.6	10.7	15.4
100,000-150,000 yen	7.7	11.1	10.7	4.9	3.6	5.1
150,000-200,000 yen	4.3	2.2	1.8	9.8	3.6	5.1
200,000-300,000 yen	3.8	2.2	8.9	—	—	5.1
300,000-500,000 yen	8.1	2.2	7.1	9.8	7.1	15.4
500,000-1,000,000 yen	10.5	4.4	17.9	14.6	7.1	5.1
1,000,000+yen	4.3	4.4	5.4	4.9	—	5.1
			23.3%	19.5%		

■ Purchase price of a watch purchased in 2015 (female)

(%)

	Female	Female 20s	Female 30s	Female 40s	Female 50s	Female 60s+
	2016 n=167	2016 n= 34	2016 n= 44	2016 n= 23	2016 n= 19	2016 n= 47
Less than 10,000 yen	19.8	20.6	6.8	17.4	31.6	27.7
10,000-30,000 yen	22.8	17.6	36.4	17.4	15.8	19.1
30,000-50,000 yen	10.8	14.7	13.6	17.4	5.3	4.3
50,000-100,000 yen	12.0	17.6	6.8	13.0	15.8	10.6
100,000-150,000 yen	3.0	2.9	6.8	4.3	—	—
150,000-200,000 yen	4.2	5.9	4.5	4.3	—	4.3
200,000-300,000 yen	4.8	5.9	6.8	—	10.5	2.1
300,000-500,000 yen	10.2	5.9	9.1	13.0	10.5	12.8
500,000-1,000,000 yen	8.4	5.9	9.1	8.7	—	12.8
1,000,000+yen	4.2	2.9	—	4.3	10.5	6.4
					10.5%	19.2%

■ Reasons behind purchasing watches in 2015 (all)



Among men, the largest group (23.4%) "purchased it during an ordinary period", and the largest group of women (20.4%) "purchased it for myself on an anniversary".

Compared to 19.8% of women "purchasing it compulsively upon discovering it at a shop" 16.8% of men did the same. Women can be seen as more susceptible to "compulsive shopping".

Men mainly purchase them "for their own demand" but women mainly purchase them "as a present for birthday, Christmas, Valentine's Day, etc." (12.6%) or "as a present for my parent or my child" (6.0%), demonstrating the female consumers' "demand for presents".

■ Reasons behind purchasing watches in 2015 (male)

(%)

	Male	Male 20s	Male 30s	Male 40s	Male 50s	Male 60s+
	2016 n=209	2016 n= 45	2016 n= 56	2016 n= 41	2016 n= 28	2016 n= 39
I bought it during a regular season without any particular reason.	23.4	31.1	21.4	22.0	17.9	23.1
I bought it for myself to celebrate my anniversary.	17.2	13.3	19.6	22.0	3.6	23.1
I bought it for myself compulsively at a shop.	16.3	11.1	8.9	22.0	25.0	20.5
I bought it for myself because I wanted it while browsing websites, etc.	14.4	15.6	12.5	14.6	14.3	15.4
As a present for birthday, Christmas, Valentine's Day, etc.	9.1	6.7	14.3	7.3	10.7	5.1
I bought it for myself for formal occasions.	8.1	11.1	5.4	9.8	—	12.8
I bought it for myself because I wanted it while browsing magazines, etc.	5.3	2.2	8.9	4.9	3.6	5.1
As a present to celebrate employment, promotion, job transfer, etc.	4.3	8.9	5.4	—	—	5.1
I bought it at a bargain sale or promotion.	5.7	6.7	5.4	2.4	3.6	10.3
I bought it for myself because it is talk of the town	4.3	6.7	7.1	—	—	5.1
Because I had a salary or bonus increase	4.3	6.7	7.1	4.9	—	—
As a present to celebrate my entry to a school	2.4	2.2	1.8	2.4	7.1	—
As a present to celebrate wedding anniversary or an engagement present	2.4	4.4	3.6	2.4	—	—
I bought it as a present to my parent, child or another family member	1.0	2.2	—	—	3.6	—
I bought it before the consumption tax increase (to be enforced in April 2017)	1.4	—	5.4	—	—	—
Because the economy or financial prospect looks better	1.0	—	1.8	2.4	—	—
I bought it before the price increase due to price revision, etc.	1.0	—	3.6	—	—	—
Others	6.2	—	3.6	7.3	17.9	7.7

■ Reasons behind purchasing watches in 2015 (female)

(%)

	Female	Female 20s	Female 30s	Female 40s	Female 50s	Female 60s+
	2016 n=167	2016 n= 34	2016 n= 44	2016 n= 23	2016 n= 19	2016 n= 47
I bought it during a regular season without any particular reason.	17.4	5.9	13.6	13.0	26.3	27.7
I bought it for myself to celebrate my anniversary.	20.4	23.5	25.0	8.7	21.1	19.1
I bought it for myself compulsively at a shop.	19.8	23.5	22.7	13.0	15.8	19.1
I bought it for myself because I wanted it while browsing websites, etc.	14.4	11.8	20.5	21.7	5.3	10.6
As a present for birthday, Christmas, Valentine's Day, etc.	12.6	23.5	6.8	4.3	10.5	14.9
I bought it for myself for formal occasions.	12.6	11.8	11.4	21.7	10.5	10.6
I bought it for myself because I wanted it while browsing magazines, etc.	9.0	11.8	4.5	17.4	—	10.6
As a present to celebrate employment, promotion, job transfer, etc.	6.0	8.8	11.4	—	10.5	—
I bought it at a bargain sale or promotion.	4.2	—	2.3	4.3	10.5	6.4
I bought it for myself because it is talk of the town	4.2	8.8	—	8.7	5.3	2.1
Because I had a salary or bonus increase	3.0	5.9	6.8	—	—	—
As a present to celebrate my entry to a school	4.2	11.8	2.3	—	5.3	2.1
As a present to celebrate wedding anniversary or an engagement present	4.2	5.9	6.8	—	—	4.3
I bought it as a present to my parent, child or another family member	6.0	11.8	2.3	4.3	15.8	2.1
I bought it before the consumption tax increase (to be enforced in April 2017)	1.8	2.9	—	—	—	4.3
Because the economy or financial prospect looks better	1.8	5.9	—	—	—	2.1
I bought it before the price increase due to price revision, etc.	1.2	2.9	—	4.3	—	—
Others	4.8	5.9	2.3	—	5.3	8.5

■ Reasons behind purchasing watches in 2015 (male)

The buying motivation of wrist watch can be roughly categorized as follows:

"As a present for birthday, Christmas, Valentine's Day, etc."
"As a present to celebrate entry to a school"
"As a present to celebrate wedding or engagement"
"As a present for a parent, child or another family member"
→" Demand for gifts"

・More women bought watches as presents than men.
・Because of the difference in life events, presents are in high demand for men in their 30s and 50s, while women need presents more in their 20s and 60s.

I bought it for myself to celebrate my anniversary.
I bought it for myself compulsively at a shop.
I bought it for myself because I wanted it while browsing websites, etc.
I bought it for myself for formal occasions.
I bought it during a regular season without any particular reason. → " Self demand"

・In general, many of them "bought them during a regular season" and not many people purchased watches for a specific reason.
・More men in their 40s – 60s and women in their 20s and 30s "purchased the works for myself compulsively upon discovering the item at a shop".

"I bought it for myself because I wanted it while browsing magazines, etc."

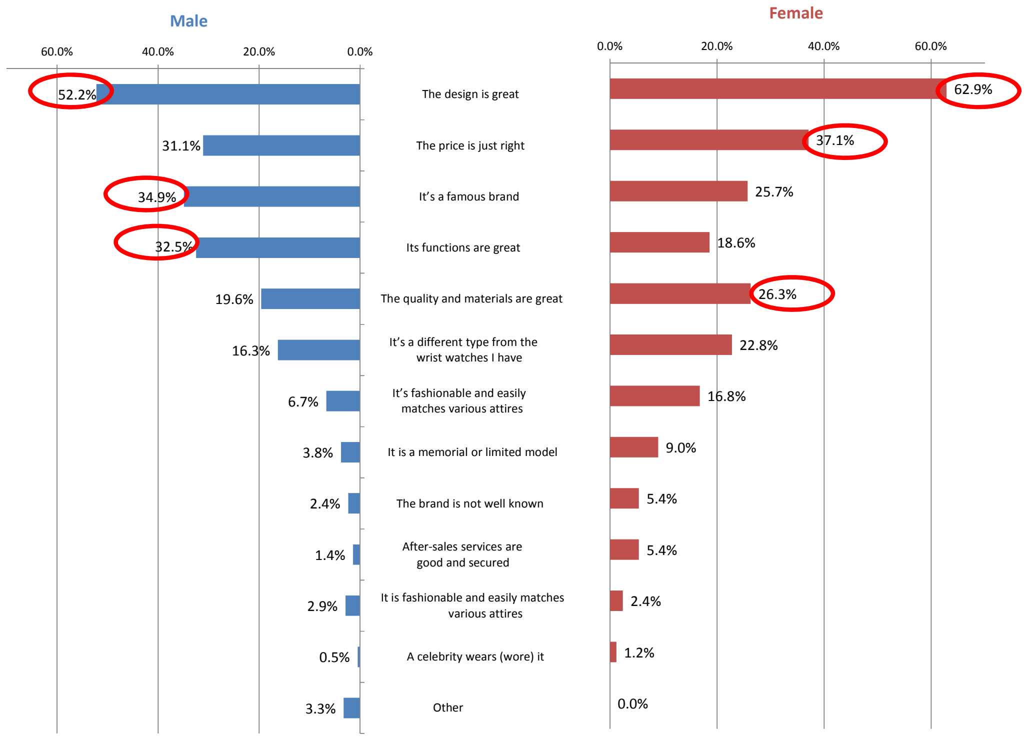
•More women purchase watches upon browsing magazines than men

Motivated by "magazine media"
Women in their 20s: 11.8% (men in their 20s: 2.2%)
Women in their 40s: 17.4% (men in their 40s: 4.9%)
Women in their 60s: 10.6% (men in their 60s: 5.1%)

"Salary and bonus have increased"
"I bought it before the consumption tax increase (to be enforced in 2017)"
"Because the economy or financial prospect looks better"
"I bought it before the price hike due to price revision, etc."
→ " Changes in economic situations"

・More male consumers chose "salary and bonus have increased" than female counterparts, indicating their tendency to be more motivated by increased bonus, etc.
・Consumption tax increase, improved economy, and price increase do not significantly affect the buying motivation concerning wrist watches.

■ Reasons for purchasing wrist watches in 2015 (all)



Among male respondents, "the design is great" (52.2%) was the most popular reason, followed by "famous brand" (34.9%) and "the functions are great" (32.5).

Among women, most of them chose "the design is great" (62.9%), followed by "the price is just right" (37.1%) and "the quality and materials are excellent" (26.3%).

Men prioritize "design", "brand" and "functions", while women tend to focus on "design", "price" and "quality and materials".

In particular, male consumers in their 20s and 30s are most concerned with "brand" while it is "functions" among those in their 50s – 60s, revealing the young people's inclination to brands and the seniors' attachment to functionality.

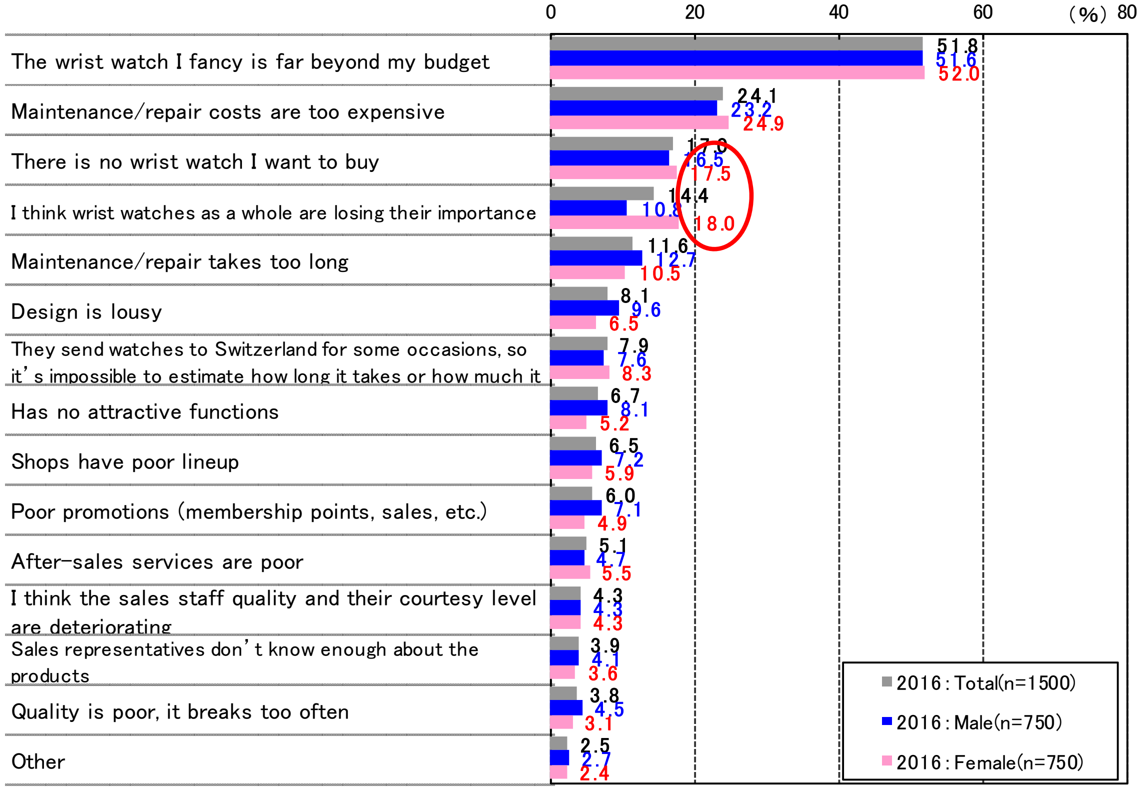
■ Reasons for purchasing wrist watches in 2015 (male)

	Male	Male 20s	Male 30s	Male 40s	Male 50s	Male 60s+
	2016 n=209	2016 n= 45	2016 n= 56	2016 n= 41	2016 n= 28	2016 n= 39
The design is great	52.2	57.8	51.8	61.0	53.6	35.9
The price is just right	31.1	33.3	33.9	26.8	25.0	33.3
It's a famous brand	34.9	42.2	41.1	29.3	25.0	30.8
Its functions are great	32.5	31.1	23.2	31.7	32.1	48.7
The quality and materials are great	19.6	17.8	16.1	26.8	10.7	25.6
It's a different type from the wrist watches I have	16.3	8.9	23.2	17.1	10.7	17.9
It is fashionable and easily matches various attires	6.7	6.7	10.7	9.8	—	2.6
After–sales services are good and secured	3.8	2.2	7.1	2.4	—	5.1
The brand is not well known	2.4	2.2	5.4	2.4	—	—
It may get a good price at trading in	1.4	2.2	—	—	—	5.1
It is a memorial or limited model	2.9	2.2	5.4	—	3.6	2.6
A celebrity wears (wore) it	0.5	2.2	—	—	—	—
Other	3.3	—	3.6	2.4	10.7	2.6

■ Reasons for purchasing wrist watches in 2015 (female)

	Female	Female 20s	Female 30s	Female 40s	Female 50s	Female 60s+
	2016 n=167	2016 n= 34	2016 n= 44	2016 n= 23	2016 n= 19	2016 n= 47
The design is great	62.9	76.5	59.1	73.9	63.2	51.1
The price is just right	37.1	50.0	34.1	47.8	31.6	27.7
It's a famous brand	25.7	38.2	18.2	26.1	31.6	21.3
Its functions are great	18.6	23.5	18.2	26.1	5.3	17.0
The quality and materials are great	26.3	26.5	22.7	26.1	21.1	31.9
It's a different type from the wrist watches I have	22.8	8.8	29.5	26.1	15.8	27.7
It is fashionable and easily matches various attires	16.8	20.6	11.4	13.0	15.8	21.3
After–sales services are good and secured	9.0	8.8	9.1	13.0	5.3	8.5
The brand is not well known	5.4	11.8	4.5	4.3	10.5	—
It may get a good price at trading in	5.4	11.8	4.5	—	10.5	2.1
It is a memorial or limited model	2.4	2.9	—	4.3	5.3	2.1
A celebrity wears (wore) it	1.2	5.9	—	—	—	—
Other	—	—	—	—	—	—

■ Problems of the imported watch industry (all)



As for problems of the imported watch industry, a majority chose "the wrist watch I fancy is far beyond my budget" (51.8%), followed by "maintenance/repair costs are too expensive" (24.1%) and "there is no wrist watch I fancy" (17.0%).

More female consumers think "there is no watch I fancy" and "wrist watches as a whole are losing their importance" than men, suggesting the possibility that the industry is not offering products that can truly attract female consumers.

■ Problems of the imported watch industry (by sex and age)

(%)

	Male	Male 20s	Male 30s	Male 40s	Male 50s	Male 60s+
	2016	2016	2016	2016	2016	2016
	n=750	n=117	n=196	n=174	n= 97	n=166
The wrist watch I fancy is far beyond my budget	51.6	42.7	51.5	56.3	56.7	50.0
Maintenance/repair costs are too expensive	23.2	19.7	13.8	23.6	21.6	37.3
There is no wrist watch I want to buy	16.5	23.9	19.4	17.2	11.3	10.2
I think wrist watches as a whole are losing their importance	10.8	7.7	8.2	9.2	8.2	19.3
Maintenance/repair takes too long	12.7	10.3	8.2	13.2	8.2	21.7
Design is lousy	9.6	12.8	11.2	6.9	11.3	7.2
They send watches to Switzerland for some occasions, so it's impossible to estimate how long it takes or how much it costs	7.6	8.5	8.2	5.7	2.1	11.4
Has no attractive functions	8.1	6.0	8.7	10.3	7.2	7.2
Shops have poor lineup	7.2	7.7	9.2	6.9	7.2	4.8
Poor promotions (membership points, sales, etc.)	7.1	6.8	7.1	10.9	4.1	4.8
After-sales services are poor	4.7	7.7	2.6	5.2	3.1	5.4
I think the sales staff quality and their courtesy level are deteriorating	4.3	2.6	4.1	4.0	4.1	6.0
Sales representatives don't know enough about the products	4.1	5.1	2.6	4.6	2.1	6.0
Quality is poor, it breaks too often	4.5	7.7	5.6	3.4	2.1	3.6
Other	2.7	1.7	2.0	3.4	3.1	3.0

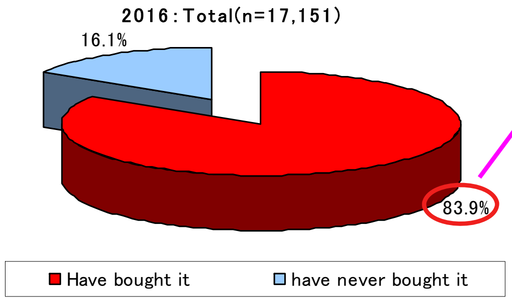
(%)

	Female	Female 20s	Female 30s	Female 40s	Female 50s	Female 60s+
	2016	2016	2016	2016	2016	2016
	n=750	n= 90	n=171	n=144	n=118	n=227
The wrist watch I fancy is far beyond my budget	52.0	44.4	53.2	63.2	49.2	48.5
Maintenance/repair costs are too expensive	24.9	18.9	20.5	25.0	28.8	28.6
There is no wrist watch I want to buy	17.5	10.0	21.6	16.0	16.9	18.5
I think wrist watches as a whole are losing their importance	18.0	10.0	10.5	17.4	28.8	21.6
Maintenance/repair takes too long	10.5	12.2	10.5	10.4	11.0	9.7
Design is lousy	6.5	10.0	6.4	4.9	5.1	7.0
They send watches to Switzerland for some occasions, so it's impossible to estimate how long it takes or how much it costs	8.3	5.6	7.6	9.0	9.3	8.8
Has no attractive functions	5.2	6.7	5.3	4.9	3.4	5.7
Shops have poor lineup	5.9	14.4	4.1	4.9	3.4	5.7
Poor promotions (membership points, sales, etc.)	4.9	8.9	7.6	4.9	2.5	2.6
After-sales services are poor	5.5	7.8	7.6	5.6	3.4	4.0
I think the sales staff quality and their courtesy level are deteriorating	4.3	4.4	4.1	2.1	5.1	5.3
Sales representatives don't know enough about the products	3.6	4.4	3.5	3.5	2.5	4.0
Quality is poor, it breaks too often	3.1	10.0	2.3	2.1	—	3.1
Other	2.4	2.2	1.8	3.5	5.1	0.9

■ Extracting those who have purchased watches for 500,000 yen or more

Extracting those who have purchased watches for 500,000 yen or more

<Question> Have you ever purchased a wrist watch? Respondents who chose “I purchased it in the past” are extracted



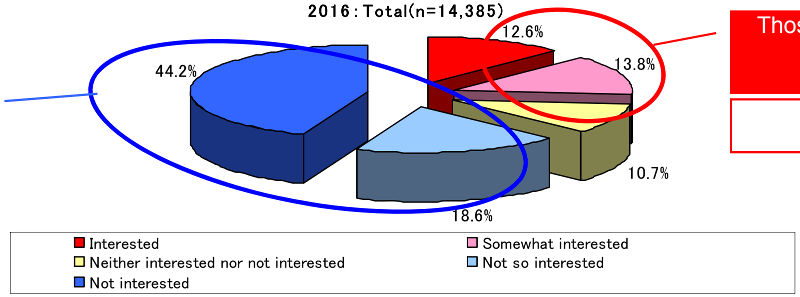
Those who have bought a watch: 14,385

Furthermore…

<Question> We have selected as survey subjects **those who answered “Interested” or “Somewhat interested”** to question : “Are you interested in a watch costing over 300,000 yen?”

Those who are not interested in a watch costing over 300,000 yen (non-subjects)

73.5%

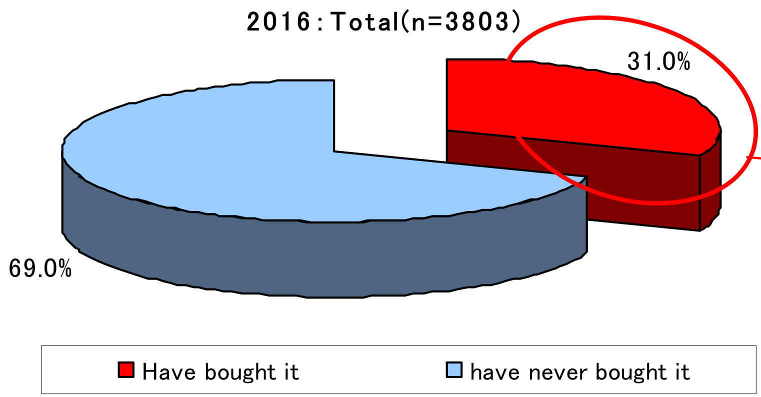


Those who are interested in a watch costing over 300,000 yen (subjects)

26.4%

Furthermore…

＜Question＞ Have you ever purchased a wrist watch costing 500,000 yen or above? Those who have responded “I purchased them in the past” are identified as the “purchasers of 500,000 yen or above wrist watches”.



Respondents who have bought watches that cost 500,000 yen or more

31.0%
(n=1178)

■ Additional counting: profile of people who have purchased watches for 500,000 yen or more

(sample size of 500)

Review:1

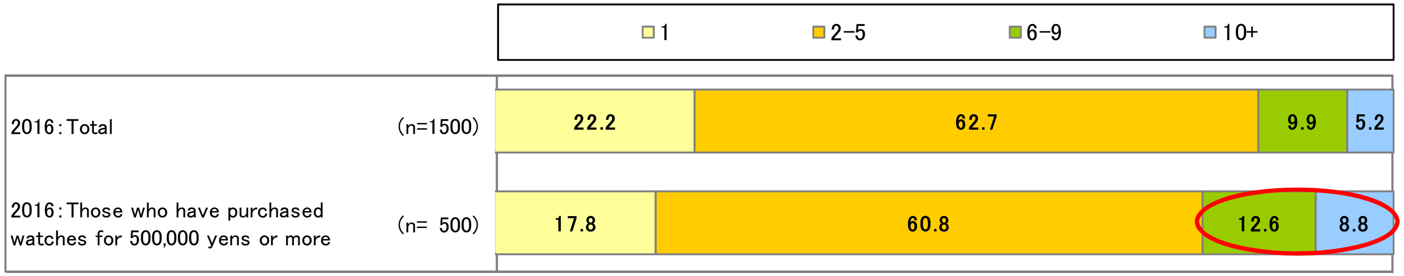
Wrist watch ownership and wearing occasions

■ The owners of “6 wrist watches or more” increase in numbers. The tendency to “choose occasions” for different watches expands as the number of owned watches and occasions increase

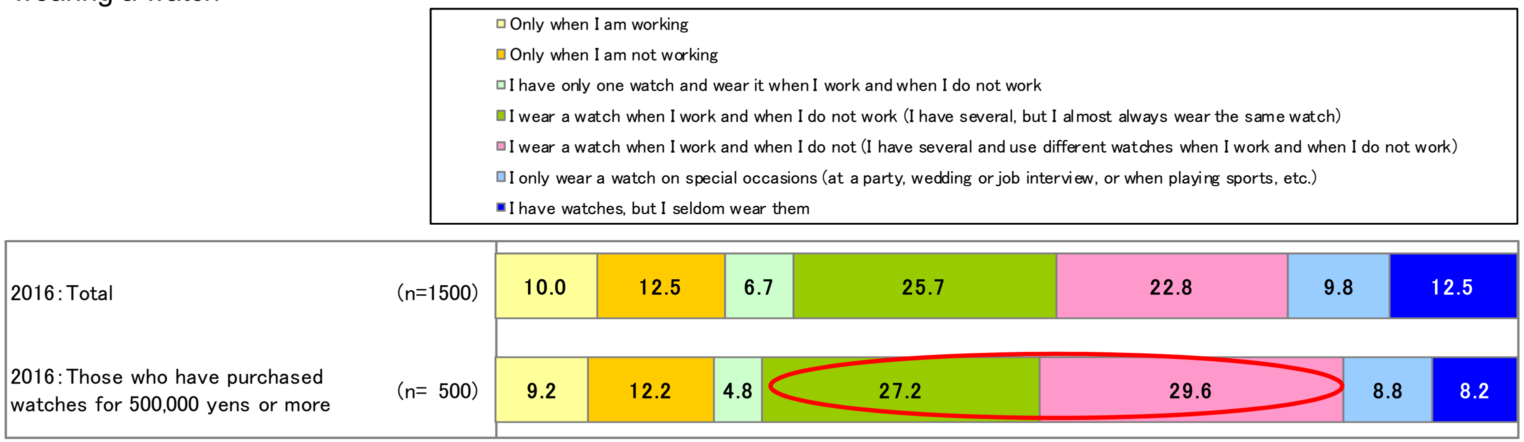
In terms of the number of owned watches, more “purchasers of 500,000 yen or above wrist watches” own “6 – 9 watches” or “10 or more” than the general average.

In terms of wearing occasions, the number of people who “wear both at work and leisure” increased. In particular, those who “choose occasions for different types of wrist watches” increased by 6.8 points.

■ Number of watches owned



■ Settings for wearing a watch



Review:2

Next desired purchase

■ Preferred wrist watch brands **"ROLEX", "OMEGA", "CARTIER"**

"ROLEX"(38.0%), "OMEGA"(28.3%), and "CARTIER"(23.2%) establish impregnable positions.

Among men, "ROLEX", "OMEGA", "TAG HEUER" and "FRANCK MULLER" are popular.

Among women, "CARTIER", "ROLEX", "OMEGA", followed by "HERMES", "BVLGARI", "TIFFANY", "CHANEL" are popular.

■ "IWC", "PATEK PHILIPPE", "AUDEMARS PIGUET" and "PIAGET" went up in the rankings

Among the purchasers of 500,000 yen or above wrist watches, "IWC" and "HUBLOT", which are popular among male consumers in their 30s or above, and "PATEK PHILIPPE" and "AUDEMARS PIGUET" widely supported by men in their 50s or above, improved their positions in the rankings. Among female consumers, "PIAGET" etc., boasting popularity among women in their 60s or above, went up in rank.

The recent boom in the stock prices and higher expectations for market recovery contributed to the regained popularity of luxury watch brands.

Ranking of brand of watch you want
Those who have purchased watches for 500,000 yens or more vs. Total

(%)

2016:500,000 yens or more					2016:Total		
Order	Brand	n= 500			Order	Brand	n=1500
1位	ROLEX	42.6	←		1位	ROLEX	38.0
2位	OMEGA	25.8	←		2位	OMEGA	28.3
3位	CARTIER	21.6	←		3位	CARTIER	23.2
4位	FRANCK MULLER	17.0	↑	6th→4th	4位	BVLGARI	16.1
5位	BVLGARI	14.8	↓	4th→5th	5位	HERMES	14.6
6位	TAG HEUER	13.2	↑	7th→6th	6位	FRANCK MULLER	14.2
7位	PATEK PHILIPPE	12.6	↑	10th→7th	7位	TAG HEUER	13.1
8位	HERMES	12.2	↓	5th→8th	8位	TIFFANY	11.2
9位	IWC	11.6	↑	10th→9th	9位	CHANEL	10.6
10位	AUDEMARS PIGUET	10.6	↑	14th→10th	10位	IWC	7.5

NOTE) Comparisons are between the total survey responses (1,500) and the group of "purchasers of 500,000 yen or above wrist watches" (500) among them

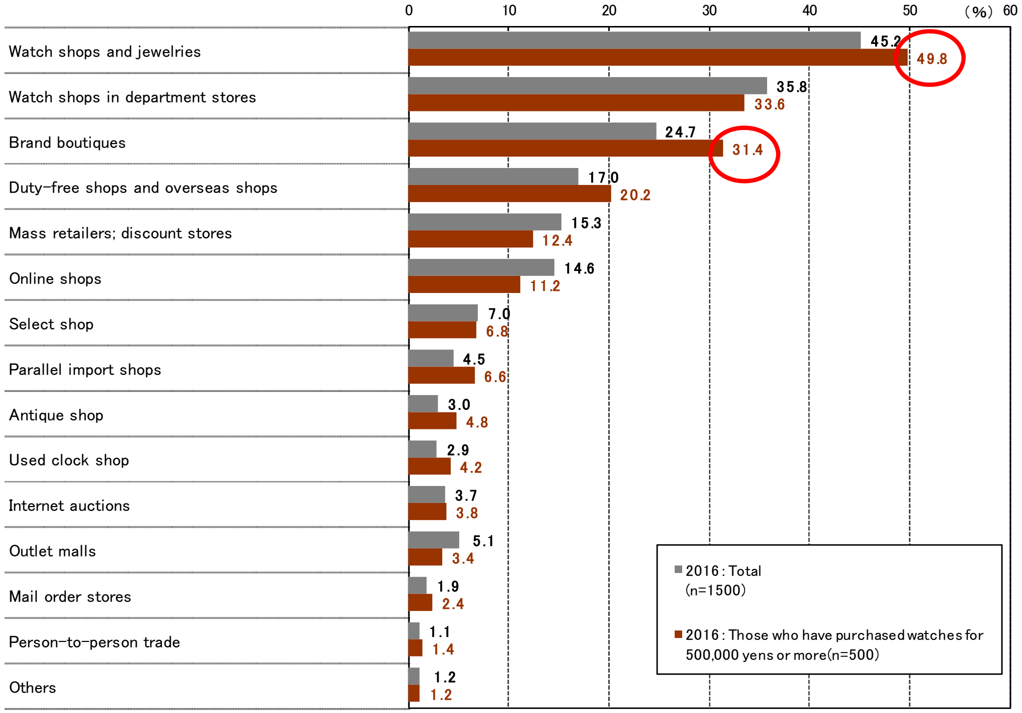
Review:3

Location of actual purchase

■ “Watch shops and jewelries” and “brand boutiques” are more popular than other options

Compared to the general trend, the purchase ratios of “duty-free shops and overseas shops” and “parallel import shops” are higher.

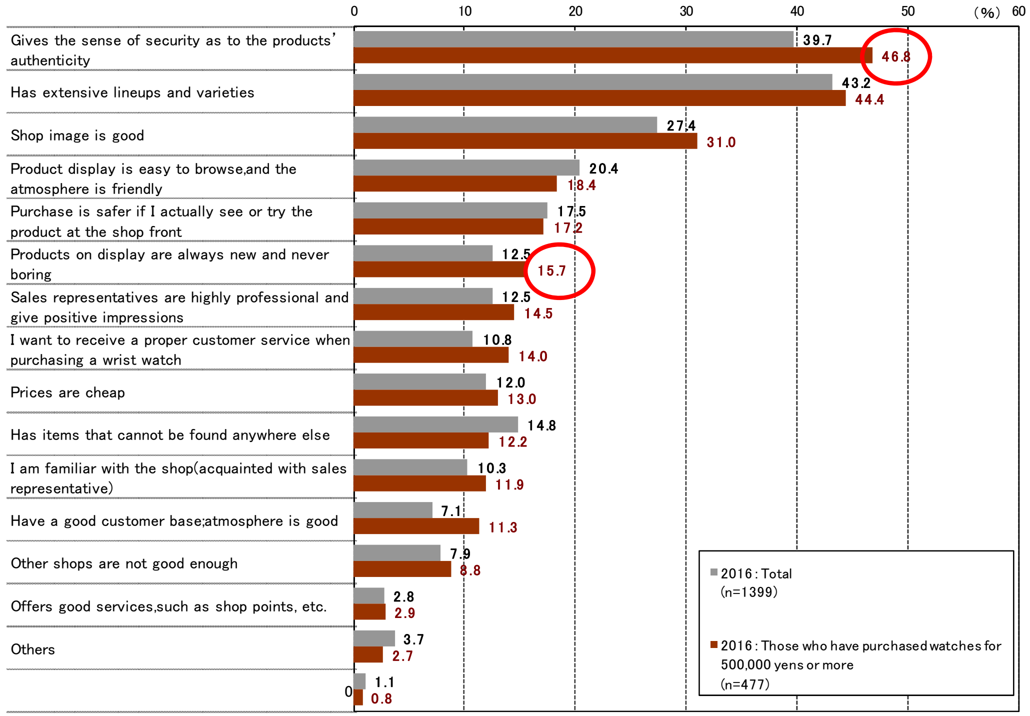
On the other hand, fewer people use “online shops” demonstrating the clear trend; “purchase place of luxury watches = real shops”.



Reasons for shopping at shop front

■ Popular reasons were; “it gives the sense of security as to the products’ authenticity”, “good shop image”, “products on display are always new, and the lineup is never boring” and “excellent after-sales services”.

They are identified with the tendency to prioritize authenticity, proposals of new products, and after-sales services.



■ Highlights of Survey Results

Highlights of Survey Results

	Major Questions	Page	Total	Male	Female
1	Brand of watch owned	23	■High ownership rate of "ROLEX", "OMEGA" ・"ROLEX"(25.0%), "OMEGA"(23.3%), and "SWATCH"(13.9%), ranked at the top of the list.	■High ownership rate of "ROLEX", "OMEGA", "SWATCH" and "TAG HEUER" ・High ownership rate of "TAG HEUER"(13.3%), "LONGINES"(7.1%), and "BREITLING"(4.1%). "TAG HEUER" ownership rate is particularly high among respondents in their 40s – 50.	■"OMEGA", "ROLEX" and "CARTIER" is favored widely across different generations. ・"ROLEX" and "OMEGA" are popular among people in their 40s. ・High ownership rate of "CARTIER"(17.6%), "HERMES"(12.8%), "BVLGARI"(12.1%).
2	Purchase price of watch owned	25	■The highest percentage of "300,000 – less than 1 million yen" ・The price range of their favorite wrist watches are mainly within "300,000 – less than 1 million yen" accounting for more than 30% of the total. 1 million yen or above watches are limited to less than 10% of the overall purchases.	■"300,000 – less than 1 million yen" and "Less than 100,000 yen" is the proportion nearly equal. ・More consumers in their 30s and 60s (8.1%) are observed in the high price range (1,000,000 yen and above).	■The highest percentage of "300,000 – less than 1 million yen" ・More consumers in their 20s and 60s (7.4%) are observed in the high price range (1,000,000 yen and above).
3	Brand of the watch you want	26	■Leading three brands remain strong ・1st:"ROLEX"(38.0%) ・2nd:"OMEGA"(28.3%) ・3rd:"CARTIER"(23.2%)	■"ROLEX" is popular ・40% preferred "ROLEX" followed by "OMEGA" (29.6%), "TAG HEUER" (19.1%) and "FRANCK MULLER" (13.5%).	■Jewelry brand and Fashion brands is very popular ・"CARTIER"(36.3%), "ROLEX"(35.2%), "OMEGA"(26.9%)＝Watch manufacturer, "HERMES"(22.7%)、"BVLGARI"(22.5%), "TIFFANY"(18.7%)＝Jewelry brand and Fashion brands.
4	Price range of watch you want to buy	28	■The price increase accelerated with the booming consumer appetite among the wealthy population. ・The high price range (1 million yen or above) accounted for above 15%, showing the trend of "purchase budget increase" compared to the 2014 Survey Report data.	■There are certain number of consumers who prioritize "the watch they crave" regardless of the high price. ・17.6% of the male respondents chose "1 million yen or above", which is more than 11.2% who fancy watches that are "less than 100,000 yen", demonstrating the consumers' trend to "disregard expensiveness" so long as they can get what they want.	■There are certain number of consumers who prioritize "the watch they crave" regardless of the high price. ・The highest percentage of "300,000 – less than 1 million yen"(45.6%). ・More women (14.2%) prefer to purchase "1 million yen or above" watches than those who are interested in "less than 100,000 yen" (13.1%).
5	Reason for preferring specific brand	29	■Focus on design ・1st:"The design looks great"(52.1%) ・2nd:"It's a famous brand"(44.8%) ・3rd:"The quality and materials are great"(34.6%)	■Focus on famous brand and good functions ・Men prefer "famous brand" and "good functions" than women, showing higher attention to brands and functionality.	■Focus on design and fashion ・They prioritize "outer design" and prefer a watch that "makes coordination easy with different attires" and with "good after-sales services" than men, showing higher priority on design and fashion.
6	Kind of research done in advance	31	■"Price", "Design" and "Specifications" ranked high ・1st:「Price」(70.5%) ・2nd:「Design」(70.3%) ・3rd:「Specifications」(54.7%)	■"Brand", "Stories behind the product" ranked high ・In addition to specs, brand history or stories behind products are important.	■"After-sales services", "shop location" ranked high ・They prioritize "price" and "design", followed by "after-sales services" and "shop location" more than male consumers, as they also collect information on after-purchase maintenance.
7	Media which are influential in purchasing	32	■Effective methods of information distribution are "price comparison websites", "websites for particular brands", "TV and TV ads" and "online product reviews" ・As for newspaper ads, 12.0% respondents say "I see them every time", suggesting their high effectiveness in "catching subscribers' eyes".	■Effective methods of information distribution are "price comparison websites", "websites for particular brands" ・"Price comparison websites" is highly effective for consumers in their 20s.	■Effective methods of information distribution are "TV and TV ads" and "Information from shops, events, advices by sales representatives" ・"TV and TV ads" is generally effective. Its impact on consumers in their 50s is particularly significant.
8	Location of actual purchase	34～36	■Preference for bricks-and-mortar stores ・1st:"watch shops and jewelries"(45.2%) ・2nd:"watch shops in department stores"(35.8%) ・3rd:"brand boutiques" (24.7%)	■Tend to purchase through various channels ・Men tend to purchase through various channels like "mass retailers", "online shops", "parallel import shops", "Internet auctions", "secondhand watch shops", etc.,	■Concentrate to particular places like "brand boutiques", "duty-free shops" and "overseas shops" ・Women's choice concentrate to particular places like "brand boutiques", "duty-free shops" and "overseas shops", etc.
9	Purchasing counterfeit products	39	■The largest majority "has never bought a fake product" ・The largest majority (77.5%) "has never bought a fake product". ・More than 20% of the respondents bought fake products in the past. Among them, about 60% "bought it knowing it was a fake".	■"While knowing they are fake"(15.7%) ・Men are more often found with the response; "I bought it knowing it was a fake". The tendency increases in the older age groups.	■"Has never bought a fake product" is more than 80%. ・The largest majority (80.8%) "has never bought a fake product".
10	Favorite manufacturing country for your watch	46	■"Swiss" received the largest supports ・"Swiss" received the largest supports (43.4%) from the respondents, followed by "Japanese", "German" and "French".	■"Swiss" received the largest supports(47.1%) "Swiss" watches are preferred by older generations, gathering support particularly from consumers in their "40s and above".	■"Not interested in country of origin"(28.1%) ・"Not interested in country of origin"(28.1%) is nearly 30%.
11	Ownership statuses of domestic and imported brand wrist watches	51	■"I have both domestic and imported brands"(50.7%) 50.7%, or more than a half, of the respondents answered that they have both domestic and imported brand watches. 25.3% chose "I only have imported brands" which is almost equal in proportion to "I only have domestic brands" (24.1%).	■40s are more attracted to "imported brands" than other generations. ・While the owners of both types increase as they get older, a high percentage (31.0%) of consumers in their 40s declares "I only know imported brands".	■Women, in comparison with men, tend to "only have imported brands" since they are young. ・Men prefer "domestic", while women are more prone to "imported" products. There is a gender difference in the age they first own a watch.

This document is Summary. The complete version containing the details of the following results is available at your request.

If you have any comments, questions, things you do not understand or suggestions for future research after seeing this survey, please feel free to contact the Federation of the Swiss Watch Industry FH Tokyo Center. We will try to reflect them in our next research and help you in any way we can.

- **Profile of people who have purchased watches for 500,000 yen or more**
- **Consumer awareness on parallel imports**
- **Consumer awareness on mechanical watches**
- **Problems of the imported watch industry**
- **Consumer awareness of luxury brand products**

etc.

contact

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