

Silver Jewelry Buying Trends

Conducted for: **THE SILVERINSTITUTE**

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**NATIONAL
Jeweler**

Introduction

Silver has become an increasingly important category for many jewelers over the past several seasons, both in driving sales and providing margin. To determine specifics on market performance and help support the category's further growth, the Silver Promotion Service partnered with *National Jeweler* for the fifth year in a row to field a market measurement study.

Objectives

Jewelry Retailers were surveyed to determine:

- How 2013 silver jewelry sales compared to 2012.
- How 2013 holiday sales for silver jewelry compared to the 2012 season.
- Which merchandise categories had the best maintained margin over the 2013 holiday season.
- What price points of silver jewelry have the greatest amount of sales.
- How silver jewelry performs compared to other categories in their store.
- Whether they increased their inventory of silver jewelry in 2013 and which category had the best inventory turnover rate.
- What age groups are buying the most silver jewelry and where they see their best selling opportunities with silver (youth, gifting, female self purchase).
- How important silver jewelry is to their business.
- How optimistic they are that the current silver boom will continue for the next several years.
- The percent of retailers conducting e-commerce sales on their websites, the percent of total sales represented by e-commerce and whether growing their online/e-commerce sales in 2014 is important.

Methodology

The survey was conducted online from February 4 to February 24, 2014. The questionnaire was sent to a total of 37,000 *National Jeweler* Daily Newsletter subscribers. As of February 24, 271 retailers representing 2,700 doors had responded and form the basis for this report. Statistically, a response base of 271 respondents indicates results can be expected to be within plus or minus 6.0% at a 95% confidence level.

Executive Summary

- 73% of the jewelry retailers said their silver jewelry sales increased in 2013. 15% said their silver jewelry sales remained the same and 12% saw a decrease in sales.
- 56% said their silver jewelry sales increased between 11 and 25%. 10% saw an increase over 25%. The average increase in 2013 for silver jewelry sales was 17%.
- 66% of the jewelry retailers said their 2013 holiday season sales of silver jewelry increased over the 2012 holiday season. Twenty percent said their holiday season silver jewelry sales remained the same while 14% said their sales decreased.
- The following merchandise categories gave retailers the best maintained margins during the holiday season:

(Percent rating category as "best")

Silver Jewelry	36%
Diamond Jewelry	28%
Bridal Jewelry	17%
Gold Jewelry	13%
Platinum	6%

- The two best price points where retailers are experiencing the greatest amount of sales in silver jewelry are \$100 - \$500 (42%) and less than \$100 (50%).

Price Point Range	
More than \$1,000	2%
\$501 - \$1,000	6%
\$100 - \$500	42%
Less than \$100	50%

- Retailers said their silver jewelry sales as a percentage of their overall jewelry sales was on average 33% of their unit volume and 29% of their dollar volume. Expressed as a median, silver jewelry sales were 25% of their unit volume and 20% of their dollar sales volume.
- 65% increased their inventory of silver jewelry in 2013 an average of 23%. 46% said silver experienced the best inventory turnover rate in 2013; 22% said diamond, 18% bridal and 12% gold.

- The age group buying the most silver jewelry is 20 - 40 according to 58% of the retailers. The 41 - 50 age group was second.

Over 60	2%
51-60	7%
41-50	22%
20-40	58%
Under 20	11%

- Retailers say the best selling opportunity with silver is female self-purchase followed by gifting.

Female self-purchase	50%
Gifting	30%
Youth market	20%

- 62% say silver jewelry is very important or important to their business. (40% said very important). See verbatim comments in Appendix.
- 92% say they are optimistic that the current silver boom will continue for the next several years. (45% said they were very optimistic). See verbatim comments in Appendix.
- 70% of the retailers said their store has a web site.
- Among the retailers who have web sites, 42% conducted e-commerce sales during 2013 representing an average of 21% of their total sales volume.
- Retailers say their customers use their web sites to browse new collections (67%), to find out store location and hours (65%) and compare prices (25%).
- 51% of the retailers say growing their online/e-commerce sales in 2014 is important. See verbatim comments in Appendix.
- 85% of the respondents are independent retailers, 2% jewelry chains, and 12% other.

- Respondents were from across the country.

New England	12%
Middle Atlantic	30%
East North Central	10%
West North Central	6%
South Atlantic	17%
East South Central	4%
West South Central	7%
Mountain	5%
West	9%

- 76% of the retailers operate one physical store, 15% operate two or more stores and 9% were online only.
- Annual per store sales for respondents are \$1,400,000.