



PLATINUM

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## INDIAN PLATINUM JEWELLERY MARKET POSITIVELY GREW BY 28% IN 2014

**India, 8 April, 2015:** Platinum Guild International (“PGI”) today published the findings of its second annual Retail Barometer. The Barometer, conducted by independent platinum market experts and industry analysts, reveals the consumer retail sales data of platinum jewellery in 2014 and crucial projections for 2015; reviewed and reported by StratWon Business Consulting.

The Barometer gives a unique view of platinum retail sales. Platinum jewellery is the second largest consumer of platinum in the world (35%) after the auto-catalyst market (36%).

The research survey covered over 400 jewellery retail companies with close to 40,000 retail outlets in the four main international markets of China, India, Japan and the USA. The research was conducted between January and February 2015.

### The key findings of Retail Trade Barometer for India are:

#### **Platinum Jewellery (PJ) sales 2014**

- Growth of Platinum Sales went up by +28% in weight terms in 2014
- Despite a slow start in 2014, given the general elections in India, growth in platinum sales was seen across different types of outlets. PGI’s strategic retail partners were up +33% during 2014 while the other outlets grew by +19%
- Strong growth in 2013 and higher gross margins in 2014, contributed to the India market seeing a compounded annual growth of 80% in two years

#### **Consumer Shift in Purchase Trend In 2014**

- The Industry overview for 2014 has seen a change in the buying trend for precious metal jewellery, leaning more towards everyday wear and gifting, leading to an acceptance of platinum in this segment
- The primary focus for retailer’s remained bridal jewellery because of the higher price per piece
- PJ sales is contributing an average of 5% of total sales for retailers selling the product and up to 10% for some key jewellers. The sales contribution and higher gross margins has caused select retailers to rethink and change their approach in promoting their in-store platinum counters

#### **Platinum Retail Trends in 2014**

- Platinum Day of Love (PDOL) - Couple Bands & Rings continued to be the largest sales category for platinum jewellery, accounting for 61% of the product split in terms of volumes
- Men’s jewellery range (chains and bracelets) in platinum is expected to be a future growth driver by retailers; with the segment currently standing at 21% of the product split compared to 17% in 2013
- The PJ stock mix evolved in 2014, with consumers showing a growing preference for gem-set or studded PJ, especially in rings, pendants and earrings

- PGI's focussed strategy and Trade Program with retailers, combined with the robust advertising and promotion of the metal in 2014 was seen as a key driver in PJ sales, directly attributing to the increase in inquiries and sales

### **India Retailer Outlook for 2015**

- PJ projected to grow further by 23% in 2015
- PGI successfully launched Platinum Evara in December 2014, which targets the Indian Bridal jewellery market. The initial response for Evara has been positive and should contribute to strong growth figures for 2015, over and above the 23%
- PGI Retail partners are optimistic about 2015 with all types of jewellery, but especially platinum and diamond jewellery
- Key factors for the positive outlook for 2015 is due to the economic revival, increasing consumer spending power and retailer ability to drive footfall in their stores

### **PGI Global Outlook**

- Retailers anticipate that in 2015 the retail market will grow by 2.3% in ounces v 2014.
- In 2015, India is expected to grow by a further 23%, the USA by 7% and Japan by 1%. The Chinese market is expected to be flat.
- In 2014 total platinum retail sales across the four key markets was flat.
- India platinum retail sales grew by 28%, the USA grew by 8% and Japan grew by 3%.
- In China (the largest platinum retail market) platinum retail sales fell by 3% driven by economic slowdown.

**Huw Daniel, CEO of PGI**, commented, "Continued growth in the platinum jewellery market is important, as the jewellery category represents 35% of all global demand for platinum. 2015 is expected to deliver higher growth and clearly there are concerns about the Chinese market, but PGI has plans in place this year to address the challenges and to capitalise on the latent demand. India is very exciting and PGI is bullish about the prospects there, particularly in the light of the launch of the new bridal segment, Platinum Evara."

**Vaishali Banerjee, Country Manager India, PGI** said, "Given the overall market scenario, with the first half of the year being subdued, platinum growth for 2014 has been very positive and consistent. And this growth comes from continuous improvement of consumer sentiment, higher conversion at the retail stores and improving the disposition for platinum amongst our key target audience. With the launch of Platinum Evara on the back of strong consumer research at the end of the year we are looking at further accelerating growth. The initial response to this new category has been very positive."

She further added, "The outlook for 2015 is strong given that platinum resonates with young India. Platinum Love Bands are getting embedded in the Indian culture and now with the successful launch and roll out of Evara, platinum offers an opportunity for retailers to bring in new consumers to grow their business while delivering a superior consumer experience."

**Suvankar Sen, Executive Director, Senco Gold & Diamonds** said, “Platinum has successfully tapped into the consumer base with its symbolic designs and carved a niche by resonating on an emotional level with the youth. PGI’s impactful marketing campaigns have successfully motivated the sales pattern, leading to a promising 100% increase in terms of volume for us. With rapid expansion in the planning for Senco, the robust strategy adapted for EVARA by PGI has proved platinum to be a game changer this wedding season. The visibility of new designs is garnering high inquiries for the products and generating sales across segments.”

**Jitendra Vummidi, Managing Director, Vummidi Bangaru Jewellers** said, “The jewellery buying pattern in India has been evolving in the past few years and platinum has been gradually gaining popularity. The men’s jewellery segment has been growing rapidly as the male audience seeks subtle elegance in jewellery that platinum is all about. And now with the wedding jewellery brand Evara, we are going to attract a new set of consumers. The current progression has been positive in terms of volume growth at 30% in 2014 and we predict the demand for platinum to accelerate further in 2015. ”

**Vijay Jain, CEO, ORRA** said, “Platinum’s appeal has been changing overtime and it’s no more just an urban phenomenon with increasing desire for the metal across Tier 1 and Tier 2 cities. Fuelling this growth for platinum has been the category of Love Bands that has shown sustained year on year growth. We will continue to drive demand amongst the younger audience in 2015 with an eclectic stock mix of jewellery and are looking at a 25% growth in 2015.”

## **NOTES TO EDITORS**

### **About the Retail Barometer**

The Retail Barometer is an annual report by PGI specifically analysing retail sales and trade sentiment for the forthcoming year in the four key international platinum jewellery markets of China, India, Japan and USA. The research was conducted in January and February 2015 from a large sample of platinum retail jewellers and was independently analysed and reported by specialist research organisations in each market.

**About Platinum Guild International (PGI):** Founded in the year 1975, PGI is dedicated to promoting platinum jewellery to the consumers and the jewellery trade worldwide. PGI has been providing support to the world's major jewellery markets for over 35 years. The India office was set up in September 2000 and runs a comprehensive marketing programme to build desire for platinum jewellery in India. Also provides platinum Retail Sales Training and conducts a unique Quality Assurance programme to ensure quality and purity of platinum jewellery amongst consumers and trade. For more information log on to [www.preciousplatinum.in](http://www.preciousplatinum.in)