

2016 Silver Jewelry Sales Results

Conducted for:



March 2017



Introduction

Silver has become an increasingly important category for many jewelers over the past several years, 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 fielded a market measurement study for the eighth consecutive year.

Objectives

Jewelry Retailers were surveyed to determine:

- How 2016 silver jewelry sales compared to 2015.
- How 2016 holiday sales for silver jewelry compared to the 2015 season.
- Which merchandise categories had the best maintained margin over the 2016 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 2016.
- 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.
- How important silver jewelry is to their business.
- How optimistic they are that the current silver boom will continue for the next several years.

Methodology

The survey was conducted online from February 1 – February 27, 2017. The questionnaire was sent to a total of 17,500 INSTORE subscribers. In addition, a link was included in INSTORE's E-Newsletters as well as its Facebook page. As of February 27, 2017, 159 retailers had responded and form the basis for this report.

Executive Summary

- 62% of the jewelry retailers said their silver jewelry sales increased in 2016. 19% said their silver jewelry sales remained the same and 19% saw a decrease in sales.
- 54% said their silver jewelry sales increased between 11 and 25%. 8% saw an increase over 25%. The average increase in 2016 for silver jewelry sales was 16%.
- 57% of the jewelry retailers said their 2016 holiday season sales of silver jewelry increased over the 2015 holiday season. 22% said their holiday season silver jewelry sales remained the same while 21% 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	49%
Diamond Jewelry	21%
Bridal Jewelry	18%
Gold Jewelry	10%
Platinum Jewelry	2%

- 54% said silver experienced the best inventory turnover rate in 2016; 17% said diamond, 17% bridal, 10% gold and 2% platinum.
- The two best price points where retailers are experiencing the greatest amount of sales in silver jewelry are less than \$100 (55%) and \$100 - \$500 (40%).

Price Point Range

More than \$1,000	3%
\$501 - \$1,000	2%
\$100 - \$500	40%
Less than \$100	55%

- Retailers said their silver jewelry sales as a percentage of their overall jewelry sales were on average 35% of their unit volume and 27% of their dollar volume. Expressed as a median, silver jewelry sales were 30% of their unit volume and 20% of their dollar sales volume.

- 62% increased their inventory of silver jewelry in 2016 an average of 24%.

- The age group buying the most silver jewelry is 20 - 30 according to 44% of the retailers. The 41-55 age group was second.

Over 55	5%
41-55	24%
31-40	19%
20-30	44%
Under 20	8%

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

Female self-purchase	53%
Gifting	32%
Youth market	14%

- 72% say silver jewelry is very important or important to their business; 40% said very important.
- 89% say they are optimistic that the current silver boom will continue for the next several years; 46% said they were very optimistic.
- 100% of the respondents are independent retailers.
- Respondents were from across the country.

New England	7%
Middle Atlantic	11%
East North Central	17%
West North Central	9%
South Atlantic	22%
East South Central	5%
West South Central	10%
Mountain	7%
West	7%
Other (Canada/across US, etc.)	4%

- 84% of the retailers operate one physical store, 12% operate two or more stores and 4% were online only.
- Annual per store sales for respondents are \$1,320,000.

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