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"The watches and jewelry category is growing, but minimally. Changes in traditional lifestyles and gifting occasions could threaten future purchase occasions. Competition is growing. Retailers need to persuade consumers to shop for more occasions and recipients. Making use of digital capabilities to connect with more consumers should help stimulate more purchasing."

- Alexis DeSalva, Retail & Apparel Analyst

# This report looks at the following areas:

- Issue: Nearly half of consumers aren't shopping the category
- Opportunity: Encouraging self-splurges and "just because" gifting
- Issue: Jewelry stores are losing sales to competitors outside the channel
- Opportunity: Using digital capabilities to attract and convert browsers to buyers

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This report is part of a series of reports, produced to provide you with a more holistic view of this market



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Overview

Issue: Nearly half of consumers aren't shopping the category

Opportunity: Encouraging self-splurges and "just because" gifting

Issue: Jewelry stores are losing sales to competitors outside the channel

Opportunity: Using digital capabilities to attract and convert browsers to buyers

What it means

#### The Market - What You Need to Know

Minimal growth expected

Lifestyle changes are impacting sales

Uncertainty affects precious metal prices

### **Market Size and Forecast**

### Small but positive change expected to continue, with growth anticipated in watches and jewelry

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Figure 2: Total US sales and forecast of watches and jewelry, at current prices, 2013-23

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### Watches are a smaller share of sales but drive higher increases than jewelry

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New competitors drive interest in and availability of preferred stones

Many feel there's no reason to shop and those who do are shopping outside the channel

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Figure 18: The RealReal Instagram photo, January 2019

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Traditional retailers are losing to convenience- and value-based competitors

Women can be prompted to purchase without a specific reason, but functional features attract men

Diamonds and gold are the way to consumers' hearts

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Abbreviations

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