

# Jewelry Industry Has Glittering Prospects

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Source: China Daily

*Multi-brand outlet offers Chinese consumers accessories with a touch of style*

Glittering ladybird motif items, and intricate necklaces and earrings, are just part of the branded jewelry trend that has swept across China.

Authentic and artistic pieces tend to entice discerning shoppers in an industry which is maturing as well as expanding.

A report from the China Industry Development and Research website showed the jewelry and precious metal accessory market snowballed from 121.7 billion yuan (\$18.5 billion) in 2004 to 499 billion yuan last year.

To cater for rising demand, new stores are sprouting up such as One Jewelry, which opened in September.

This traditional outlet unveiled a collection of 12 international brands, such as Facco and Carla Amorim, in Shanghai's Super Brand shopping mall in Luji-azui, part of the city's Pudong New Area.



Already Li Jun, founder and chairman of the company, is planning to develop the business into an accessory chain on the lines of I.T, the fashion apparel giant in Hong Kong.

"Just like I.T, we plan to feature a unique, multi-brand and multi-layer business model that gathers many in-house and licensed global brands," Li said.

"A second store with a collection of more than 20 labels will be opened in a shopping mall in southeast Shanghai within the year, and the combination will be adjusted, according to the feedback of our consumers," he added.

By selling multi-brand jewelry in brick-and-mortar stores, the company is targeting China's young middle class professionals who demand quality and diversity. Many have traveled outside the country and have developed a passion for beautifully crafted pieces.

"Chinese people spend billions of dollars on overseas trips every year, among which about 40 percent goes on accessories, including jewelry and watches," Li said. "That opens a 600 billion yuan market for the related business sector here."

In Deloitte's Global Powers of Luxury Goods 2017, the report highlighted the significant regional price disparities within the industry.

BenchMarque revealed that US dollar-adjusted prices for equivalent items are on average more than 50 percent higher in China than in Italy and France.

Naturally, this presents an opportunity for travelers from Asia, and maintains the pre-eminence of the home markets associated with European brands, the report stated.

Li plans to change that by selling products in China at the same price as in their countries of origin.

"By lowering gross profit margins and special offerings from the brands, One Jewelry aims to sell the same items at the same price as in home markets such as the United States or Europe," he said.