

Jewelry Style Waits for No Man: Buy It for Yourself

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By HEIDI MITCHELL, August 18, 2011

For jewelers, a market is emerging for their baubles: the women who actually wear them.

Selling to women could solve a big problem for the industry. About two-thirds of fine jewelry, which includes colored gems and cultured pearls, is sold around the holidays—the bulk of it to men, for women. The expansion of branding jewelry and an array of fashionable pieces made of new alloys or less expensive silver are also helping tempt women to treat themselves.

"Just Beausers" is the name market-research firm Mintel gives the growing—but often neglected—group of professional women, age 45 and up, who are the most likely to snap up a bangle on a whim. Last year, 59% of the jewelry purchases made by this group were for no particular occasion, a Mintel survey shows. A quarter of the women in households with at least \$100,000 of discretionary income said they bought jewelry for themselves in the past year, and not for a special event, according to a survey of about 1,500 households surveyed by American Express Publishing and Harrison Group.

"Some of my purchases are investments. Some are emotional," says Brenda Smith, a 52-year-old law professor in Washington, D.C. "Many women won't go outside without makeup or perfume. I won't go out without my jewelry." Ms. Smith says she favors unique earrings, such as raw-diamond designs of Boulder, Colo., designer Todd Reed, and stackable rings by Kindred Spirits, which she picks up while awaiting flights at Reagan International Airport.

So far, just a few major jewelry companies have specifically targeted the growing number of women looking to buy jewelry for themselves.



Ippolita

Ippolita is known for its multifaceted stone bracelets, such as the gold, gemstone and diamond bangles, above, from its Modern Rock Candy Collection.

"The typical jeweler is based on men designing for men who feel guilty enough to buy their women jewelry," says John White, president of the North American unit of Danish jewelry maker Pandora AS. "Half of sales are driven by diamond pieces, and the industry is built around exclusivity: mahogany rooms, snobby salespeople, unbranded jewelry." Earlier this month, Pandora's shares were hit after the company cut its 2011 outlook, but Mr. White says the company continues to see women self-purchasers as the "ticket to growth."

Liz Chatelain, president of jewelry-market researcher MVI Marketing, says "the industry needs to adjust its messaging, to give a woman more permission to buy for herself."

Some jewelers are heeding that call. Susan Nicholas, chief executive of North American unit of Brazilian jeweler H. Stern, is focusing on better targeting women like herself, "women who don't need to go home and ask for permission to buy," she says. H. Stern's ads are aimed squarely at female customers, featuring strong women like dancers or Hollywood stars such as Katie Holmes and Ashley Judd.

Ike Boruchow, specialty retail analyst for J.P. Morgan Chase & Co., says double-digit sales growth at big retailers like Jared and Kay Jewelers—both owned by Signet Jewelers Ltd.—is due partly to increasing numbers of women coming into the stores, and also an influx of brand names appearing in the glass cases. A full 80% of the fine-jewelry sales is still made up of unbranded pieces, Mr. Boruchow says, but for many consumers, a label stamped on the metal gives them confidence to buy.

Retailers are "moving away from 'silver's at the left, gold is at the right, diamonds are at the back' and toward having 50% of the store branded jewelry," Mr. Boruchow says.

A Signet spokesman said in an email the company strives to meet its customers individual needs, regardless of gender.

An influx of trusted brand names—and a focus on women buying for themselves—is paying off for a growing number of jewelry makers and sellers.

Ivanka Trump Collection Chief Executive Andrea Hansen says she is woman-focused down to the tiniest detail, even steering clear of retailers with a strong watch division, "because I know they are selling mostly to men." Ivanka Trump hosts trunk shows with a party vibe and flowing cocktails, Ms. Hansen says, adding 90% of the company's clients are women buying for themselves.

"It's my own money, I earned it," says Ivanka Trump client Courtney Cohen, a 32-year-old former sales executive in New York who buys up to 10 fine jewelry pieces each year.

Joe Cavalcante, CEO of New York-based jewelry brand Ippolita, says self-purchasers are increasingly treating jewelry like fashion, and "building a wardrobe." Known for its stackable stone bracelets, Ippolita releases new looks with each season, as fashion brands do. Sales doubled last year, with nearly all of that coming from women customers.

"Ippolita is fashion, but it isn't trendy," says regular client Jill Larson, a vice president of administration at a post-production sound studio in Los Angeles. "Unlike with shoes, that you'd wear for a season or two and then toss, these pieces have staying power."

"If there is one thing that is happening in our industry, it is that the lines between 'fashion' and 'fine' have blurred," Ms. Chatelain says.

Silver, platinum alloys, and treated diamonds—which keep prices down and looks current—are increasingly showing up in vitrines with emeralds and gold, broadening the choices for a woman looking to treat herself.

Big retailers such as J.C. Penney Co. are looking to grab market share in this world of so-called fashion fine jewelry. Penney's patented Platinaire alloy is 92.5% silver and 5% platinum was launched through the chain's bridal line earlier this year, but sales have been so successful, the company is bringing the alloy to the mainstream, says Brooke Brasher, divisional vice president of fine jewelry. The Ella Inspired line is scheduled to launch in mid-September, with 14 styles ranging in price from \$250 to \$1,250. The line "will appeal to women who are buying for themselves as well as the men who are buying for them," Ms. Brasher says.

Emily Armenta, founder of 10-year-old jewelry maker Armenta, uses proprietary metals she created that blend platinum, silver, and gold.

Although the pieces are encrusted with small, layered diamonds and gemstones, the prices range from \$600 to \$7,000, with an average sale of \$2,000. "You get a lot of look for your money," says Ms. Armenta.

Sales from the company's recent launch at Bergdorf Goodman at least doubled projections and the buyers were almost always women, she says.