

Global Jewellery Marketing

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Ladies and gentleman, the world has changed dramatically in the last few years for marketers, and it would not be wrong to say that this is more relevant to the jewellery industry than any other product category.

Jewellery under Pressure from Modern

Lifestyle Products: Our industry is still comprised of small and fragmented entities. Only a small number of us have the resources to make any meaningful contribution in the area of product, distribution and marketing and create any lasting image for jewellery in the mind of the modern consumer.

After all, his or her purchasing power is under continuous pressure from other modern lifestyle product categories.

Multinationals, Huge Budgets and Modern

Marketing Skills: To make it worse for us, almost all lifestyle brands enjoy the backing of multinationals with huge budgets and modern organised marketing skills. These being global brands, the massive communication efforts and the huge budgets are easily possible and financially viable.

Innovative Jewellery to Entice the Young

Generation: Now coming to our industry, I must confess that during my regular visits to exhibitions, I have seen many innovative approaches made by some jewellery entities, especially in the area of product design. The World Gold Council, which was the pioneer in introducing marketing to the jewellery business in the world, has recently made some strategic contributions aimed at the young generation.

But in spite of the high price of gold enjoyed by them, the contribution is merely symbolic than what is required to make any lasting global impact. DTC, which is a comparatively new entrant to organised marketing, nevertheless has been extremely successful, resulting in a constant increase in global diamond sales. We have also seen a few manufacturers and retailers creating jewellery brands and marketing them.

Dubai – A Success Story: It is with pride that I say that in Dubai we promote jewellery as a collective effort of the trade. I would like to share this model with everyone in the global jewellery industry. The lesson we have learnt is

that in a countrywide promotion like the Dubai Shopping Festival, jewellery has been more prominent than any other product category to benefit from the unimaginable purchasing power available in that one-month period. We could not have achieved this without the united approach of the Dubai Gold and Jewellery group.

United Global Jewellery Response: I feel that time is running out and that the entire jewellery industry from all over the world should use its collective resources for a global campaign, so that we create a young and modern lifestyle image for our product, jewellery.

World Jewellery Council: It may even be necessary to create a body to bring this vision into reality and make sure the future of our industry is well guarded.

I therefore sincerely request the entire industry, from miners to bankers, manufacturers, bullion dealers, wholesalers and the retailers from around the world, to come forward to vote for a new World Jewellery Council for our common product. Such an approach can ensure a constant growth for the entire jewellery industry, also allowing the players in gold, platinum, diamonds, etc. to benefit from this overall growth.

Time for Action: Last year, I introduced this topic in this very LBMA forum and subsequently took it to various other platforms. Everywhere, the response was overwhelmingly positive.

This initiative should now go into the next stage: action.

First Step: Dubai is ready to invest US\$1 million. Are others prepared to join in?

I have great pleasure to announce today that the Dubai Gold and Jewellery Group is ready to invest US\$1 million towards the global promotion of jewellery. It is only natural that I hope others who are present in this conference and those who may not be here, but are the

beneficiaries of the jewellery industry, will come forward and raise a total minimum amount of US\$25 million towards this initial endeavour. Once the benefit of such action permeates through different layers of the industry, I am sure you will be even more enthusiastic about future projects and the resources required.

This is our only option: I am but a humble jeweller, but I see this as the only solution to our current predicament. I realise we have great marketing minds in our midst who could think and do better than me in this specialised area of marketing – the lifeline of our future.

Can you think of any better option?

Some Interesting Statistics

Global Jewellery Sales per Annum

- Diamond Jewellery: US\$70 Billion
- Gold Jewellery: US\$62.08 Billion
- Platinum Jewellery: US\$17 Billion
- Gemstones & Pearl Jewellery: US\$3 Billion

Total Estimated Jewellery Marketing

- US\$400 Million

Marketing budgets represent less than 0.04% of total annual sales – other luxury brands spend 3 – 5% of their turnover on marketing

Shouldn't the WGC, DTC, PGI and Pearl Assoc. come together to discuss the possibility of forming a global jewellery marketing initiative, inviting regional jewellery associations and bullion bankers involved in marketing to meet in a jewellery-specific forum? This would create a far greater pool of resources with much further-reaching effects than if these bodies continue to work individually. ■