



## TJF Seminar Decodes Market Dynamics

*The Gems & Jewellery Export Promotion Council (GJEPC), in association with the Gemological Institute of America, recently held the Trends Jewellery Forecasting seminar in Mumbai to focus on prevalent trends in the major markets of the world. The seminar shed light on global trends that are shaping the jewellery of tomorrow and examined in detail the dynamics that drive sales in the American, Indian and European markets. Erum Ali Qureshi reports.*

**T**he Trends Jewellery Forecasting (TJF) seminar, held on February 28 and March 1, enraptured its audience consisting of industry participants, retailers, jewellery designers, gemmologists, faculty at the various fashion institutes in India and students. TJF chief operating officer Paolo Novembri and TJF co-founder and creative director Paola De Luca highlighted the need for trend forecasting in today's highly competitive market. The Italy-based TJF Group is an organisation that provides trend forecasting, strategic intelligence and market analysis to the international jewellery, watch and accessories sectors.

De Luca explained the connection between design and trends and outlined

the role of jewellery designers. "Design is not just drawing on paper," she said. "Theoretically a designer should help manufacturers or a company to expand their vision. Since jewellery is not a necessity like food or water, there is actually no compelling reason for people to buy it. When designing jewels, designers should not engage in the exercise only for self-gratification. Designers cannot work in isolation; they should design jewellery to fulfil someone else's needs. Social factors play an important role when designing jewellery. For example, the Indian market prefers heavier gold jewellery whereas the western market likes designer stuff," she explained.

The seminar touched upon a number of such ideas and trends – all

collected from developed countries with developed economies from across the world.

GJEPC chairman Rajiv Jain noted that this exercise would help in building sensitivity towards consumer needs in the industry. He also said that such knowledge would prove to be instrumental in creating strategic awareness and would help Indian industry players penetrate these markets.

### **Present & future trends**

De Luca expounded the theory that to know what will happen in the future, it is important to know what is happening today. But what does this exercise involve? De Luca noted that gauging future trends was a complex

and inter-related phenomenon that depended on many factors. One such factor was studying celebrities and Hollywood red carpet events, which offer a glimpse of trends prevailing in the world. Celebrities are the medium through which the fashion industry talks to the world, De Luca stated, but added that celebrities by themselves do not set trends. “Every celebrity’s look is crafted and is an amalgamation of design sensibilities of various people. So it would be incorrect to assume that celebrities set trends single-handedly. In the same way, the fashion industry sets trends but to know what is going to be popular, it is important to understand what is happening right now,” she observed. De Luca said there was no magic formula that would predict future trends in jewellery, but research would show which direction the future is likely to take.

### Local versus global

The digital era has changed forever the way we see our world. In this respect, De Luca had split her research into long-term and short-term trends. Apart from this, she outlined some more themes – local and global trends; hip-hop culture, which is a local American trend that has gone global in a big way. Conversely, recycling is a universal trend that is only now going global. Even the smallest markets and underdeveloped economies are embracing this concept. In the past few years blood diamonds gave rise to the concerns about the environment and human rights. Every country is now examining and re-evaluating raw materials being used in products and the way that these are obtained, De Luca said.

“Research should be intuitive as opposed to impulsive,” she said. “You should know your market before you design.” For example, while designing a collection De Luca advises aspiring designers to have five or eight genres of jewellery pieces that are integrated horizontally as well as vertically.

“Collections should be balanced. Like a couture necklace, pendant, ring or earrings etc. should have a particular design element or silhouette that is instantly recognisable to the consumer. It should be designed in a way that it covers different price points.” However, De Luca said it was equally necessary to maintain an appropriate price bracket for a particular collection – for instance, if a designer is designing a high-end collection, it wouldn’t be suitable to have a \$100 ring with it. “View the market from a strategic perspective,” she advised. Preferences in the colour of metals used in jewellery also differ from one region to another. Japan, as a rule, prefers white metal. Africa prefers large statement pieces in yellow gold. Consumer magazines are a good indicator of the prevalent trends, she added.

De Luca also outlined several expressions which will be used to define trends in the near future.

### New sobriety

**Popular western designs:** less is more; minimalisation is emerging; jewellery is more linear, simpler and not very decorative. Clean architectural lines depicting extreme simplicity define this kind of jewellery. The trend is prevalent in Europe and North America.

**Back to the roots:** This concept has a strong attachment to local culture. The blend of culture is now becoming a new exoticism, which is defined as ‘fascinating while unknown’. With the advent of the internet, cultures are blending into each other and that of the web-culture itself to create a ‘new exoticism’.

**Funtology:** It is a name for design concepts connected to interesting creatures in a fun way. Tiny animals, dragons, snakes, birds, lizard-skin textures, animal prints, the use of leather, butterflies etc. are all examples of ‘funtology’. Nature and nature-inspired designs are also part of this trend family. ‘Go green’ is another concept that is very relevant. Everything from deep water to forests with respect to colour, motifs or design is being incorporated into jewellery. People are concerned about nature and ecology and this feeling is being translated into design as a way of expressing this feeling.

**Tassels:** Although not strictly a trend family, tassels have emerged as an iconic element this season. These motifs, originating from the Art Deco period (1920 and 1930), can be included in necklaces and earrings.

**Cuffs:** Cuffs are a rage this season. Most renowned designers are introducing cuffs in one form or another.



Paola De Luca discusses the local and global trends.

**Cosmic explosion:** Precious jewellery and Swarovski crystals simulate star bursts. Heavenly bodies like the sun and moon have been inspirations for millennia.

**Mixed media:** In a morphing environment one sees precious stones being embroidered on fabrics and bags. There is room to think about capitalising on this idea in India as Indian textiles are artistic and have a rich cultural heritage behind them.

## The four mega trends of 2012

### Less Essential

Colour white rules. So platinum, white gold and sterling silver will take centre stage. People are stressed and they are looking for clarity. They want to clear their vision, de-clutter their lives. Lots of designers have used see-through materials like plexi-glass or rock crystal in their designs this year. Opal is a favoured stone nowadays and so is moonstone.

### Memoire

Memoire is about exploring our past. Design motifs related to this concept are lace, which has romantic and feminine connotations. In high-end jewellery, laser-edge and laser-face work is appreciated. Flowery, lace-like and embroidered effects are very much in demand. There are several examples of local Japanese and Turkish embroideries and tapestries being transformed into jewellery ideas.

### Dreamscaping

This design direction comes from the desire to escape from our daily lives into oblivion using the medium of day-dreaming. Multi-coloured gemstones, too, are back. Whimsical, happy and young ways of using jewellery like charms, for instance, are very popular.

### Funk Spoke

Focussing on the upcoming generation



(Left to right) Paola De Luca, Paolo Novembri, Rajiv Jain, Sanjay Kothari and Sabyasachi Ray.

within the age-group of 15-25, this genre of jewellery design is all about modernism. Social networks such as Facebook, Twitter etc., are evidence that people of this age group want to communicate through social media. This population prefers jewellery that is more design-centric rather than material-centric.

Lettering on the jewellery is also a new trend. So, we get to see squares and polka dots in abstract and irregular patterns fabricated in onyx, agate and mother-of-pearl.

Another new concept in Funk Spoke is sports culture. This is associated with wellness due to people's desire to stay fit. This is morphing design sensibilities and jewellery is morphing along with it. Rubber with silver, steel and leather, diamonds and sterling silver are examples of how this concept is materialising. This is the beginning of a trail that is expected to gain increasing popularity as time passes.

The seminar also touched upon several key markets to understand the spending power, aesthetics and market economics of these regions.

### US Market Trends

America is a heterogeneous market and each region has a particular preference for jewellery. There are approximately 23,000 jewellery retailers in the country, and a little more than half of jewellery

sold here is diamond-studded.

Collectible jewellery, cuffs, stackable bracelets and rings are popular in precious metals and alternative materials. Large gemstones, charms and daily wear jewellery are the best selling items across the United States. Stud earrings are back again after being out of fashion for a while. Spherical earrings, small and large hoops, and door knocker earrings are in demand. For evening wear and formal occasions, chandelier and drop earrings still rule the roost.

Bands, two-tone rings and cocktail rings are well-liked. Rough diamonds, which were on the fashion circuit a while ago, no longer dominate the scene. However, they continue to be used in jewellery to a lesser extent.

### Europe market trends

The European Union (EU) is the second largest market for jewellery after the US. Each country in the EU has different jewellery preferences. For example, within Italy there exists a marked difference in the dress, style, appearance and language of people from the northern and southern parts of the country. Spain and its associated autonomous territory Catalonia are two diverse identities even though they



belong to the same geographic region.

European consumers are obsessed with authenticity and are focussed on personalised sense of style.

In Germany, for instance, 8 karat gold jewellery sells the best. Germans are not fashion-conscious. They have a deep attachment to contemporary art and culture, and they look for efficiency and functionality in design.

Costume jewellery in the country is distributed through retail outlets and department stores such as Kaufhof, Karstadt, KaDeWe and the internet, and fine jewellery is sold by upscale independent jewellers, major retailers and chain stores. Some of the big jewellery brands in the country are Cartier, Chopard, Hollfelder, Schoeffel, Wellendorff and Hans D Krieger.

Limited editions and high quality pieces with good finish are what Germans prefer. They also love platinum. Geometric shapes rule in terms of design aspirations. Jewellery is characterised by clean lines with angular, symmetric shapes and minimalistic embellishments; decorative motifs are not favoured. German women prefer to wear ear studs for formal occasions. Bands are popular as are simple designs and stackable rings. Diamond embellishments, fluid lines, cosmic explosion-themes and Y-necklaces are some of the more popular product types.

**UK market trends**

The United Kingdom is the third largest



economy in Europe after Germany and France. It houses around 28,800 large and small jewellery producing companies. One can observe duality in culture here – the traditionally conservative society gave way to punk culture, characterised by rebellious youth. London is forward in terms of design sensibilities as compared with the rest of England, which is very



The dignitaries light the ceremonial lamp.

conservative and prefers basic designs.

Jewellery designer Stephen Webster has cleverly capitalised on this phenomenon by using concepts such as motorcycle riding, individuality and punk rock to define his jewellery. Therefore sterling silver with diamonds, blackened material and biker-gang motifs feature in his designs.

The market in the UK includes speciality retail jewellers and general retailers such as catalogue showrooms, department stores, supermarkets, mail-order catalogues and internet-based retailers.

Consumers here prefer 9 karat gold jewellery. In general, silver has replaced gold due to the high price of the yellow metal and the credit crunch. Silver jewellery is purchased mainly by women aged between 15 and 24.

Birmingham's 'Jewellery Quarter' houses 400 jewellery shops and many jewellery processing centres. The jewellery market is worth \$4.6 billion dollars with an expected growth of around 11% by 2015. Costume jewellery is big in UK, with annual demand of around \$665.5 million.

Department stores like Debenhams, Harrods, Harvey Nichols, Liberty and Selfridges form the major chunk of the

distribution set-up. Department stores sell jewellery that features tassels in bracelets and earrings. Bracelets with delicate chain-links or cuffs sell well. Fashionable fringes, opulent cascades, simple linear designs, woven, links, simple silhouettes dominate the design scene. Industrial chic designs in the form of charm necklaces by Chloe,



Paolo Novembri

Givenchy, Vivienne Westwood, Annina Vogel are among the bestselling items in the UK.

Major brands in the country include Fope, Chimento, Bulgari, The Fifth Season, Marco, Vhernier and Levian. Blackhills and Candela also have a notable presence in the British jewellery market.

### France & Central Europe market trends

In France, products are demarcated as gold jewellery, costume jewellery, gold-plated jewellery and silver jewellery. French gold jewellery sales in 2010 were estimated at €2.55 billion of which 44% belonged to the product category of rings. Fine jewellery exports stood at €1.66 billion, showing a 29% growth in 2009-10.

Popular brands include Chaumet, Fred, Cartier, Van Cleef & Arpels, Boucheron, Mauboussin, Dior Joaillerie and designers like Alexis Mabilie, Aurelie Bidermann and many others. French jewellery distribution channels are similar to those in the UK and Germany. Jewellery stores constitute 33%, malls 30%, superstores 26% and the rest is taken up by mail-order catalogues, internet and television.

Jewellery themes are centred on fantasy—they are elaborate, extravagant, minimalist, and geometrical.

### Spain market trends

Spain prefers 18 karat gold jewellery and is the fourth-largest jewellery manufacturer after Italy, Britain and Switzerland with a turnover of almost €1.5 billion. The Spanish are experimental and bold in terms of design sensibilities.

Famous brands here are Tous, Carrera y Carrera, Aguilar de Dios and designers like Joaquin Berao, Chus Bures and Helena Rohner.

Spain has about 20,000 retailers,



Rajiv Jain felicitating Paola De Luca.

several department stores such as El Corte Inglés, Independent, Saphir, Wesselton, Sanchez and websites like Joyeria and Aristocrazy make up the distribution chain.

### Italy market trends

Italy's gold consumption has fallen by 15-17% in 2010 and is expected to fall further, though to a lesser extent, due to weak consumer demand.

Italy has been a magnet for foreign investors and acquisitions of Italian brands have been rife. There are three production centres in Italy: Vicenza, Arezzo and Valenza. Vicenza produces high-value, artisanal jewellery, Arezzo is known for mechanised large-volume jewellery and Valenza, for industrial and craft production. Jewellery exports amount to about \$2.2 billion and imports at around \$1.4 million.

Gold enjoys immense popularity here. However, in recent times gold is paired with alternative materials. Open-work, lace patterns, gemstones like sapphire, amethyst and coral are popular. Other product directions include flowers, tassels, diamond fringes and looped chains. Charms in the shape of hearts, coins and medallions are also popular.



### India market trends

The new generation Indian consumer is buying local as well as international jewellery mainly because of two major influences – the internet and celebrities. De Luca, however, noted that the Indian luxury market is still underdeveloped because of excessive red tape, high taxes and lack of upscale retail spaces. Organised retail is just 8% of the market share as compared to 20% in China and 85% in US. The domestic Indian jewellery market is worth \$16 billion, however, the value of the branded jewellery market is estimated at less than 10%. The branded sector is expanding and has about 50 brands now as compared to 30 players around 2005. The gem and jewellery industry accounts for almost 20% of the total Indian exports and employs around 1.3 million people directly or indirectly.

The consumer profile includes men, working women and housewives in the age-group of 20 to 40 years, as well as the younger generation aged 15 and above. India's distribution snapshot is completely different from global distribution channels described so far. There exist almost 2.5 million jewellery shops that are run by families. ■

