

A platinum bracelet from the Men of Platinum range.
Picture credit: PGI

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PLATINUM JEWELLERY IN INDIA

Platinum Guild International's
Vaishali Banerjee discusses the
market for platinum jewellery in India

Platinum Guild International (PGI) is a worldwide marketing organisation dedicated to creating, expanding and strengthening consumer and trade markets for platinum jewellery. Vaishali Banerjee, Managing Director, PGI India, has spearheaded PGI's activities in India for over 20 years. Under her leadership, PGI India delivers targeted market, consumer and business development strategies and programmes to grow the country's platinum jewellery market.

How has the market for platinum jewellery evolved over the last 20 years in India?

PGI entered India in 2000 with the vision of creating a new value-added, sustainable market for platinum in a mature jewellery market dominated by gold. Since then, we have been working at the consumer level to build demand for the metal and, at the industry level, to continuously build manufacturing and retail expertise. In this short timespan platinum has captured 15 per cent of precious metal jewellery acquisitions made by the young, affluent consumers in India's top 20 markets by region.

The three brand narratives we have created to build the market for platinum jewellery are based on progressive values and a design language that is rooted in modern minimalism with meaning

embedded in every design, thus striking a chord with the younger segment. The strategy to focus on young consumers seeking differentiated jewellery to express their emotions and self-image has paid rich dividends, with 89 per cent of young, affluent, urban women considering platinum for their next purchase of precious jewellery.

Furthermore, our men's jewellery brand, Men of Platinum, launched towards the end of 2019, has been a game-changer in a short timeframe. The brand has delivered an incremental business opportunity and high volumes for platinum given the higher average weight of men's jewellery. Its appeal lies in its differentiated design language that speaks to modern affluent men seeking an alternative to gold, which stands for more traditional values.



Men of Platinum has an ongoing association with cricketer KL Rahul.
Picture credit: PGI

Another mark of platinum's success is its growing presence, from a mere 16 retail stores back in 2002 to 1800 plus retail stores today, with 16 leading manufacturers able to offer a unique jewellery design and purchase experience.

Can you give an overview of performance so far this year?

Despite uncertain global financial conditions and geopolitical tensions, India's economy has been resilient this year, with the IMF projecting GDP growth of 6.8 per cent in the fiscal year to 31 March 2023.

During 2022, India's jewellery industry has seen exceptional growth and platinum has benefited from this, itself experiencing tremendous growth on the back of positive consumer sentiment, higher store traffic and PGI marketing programmes.

Platinum fabrication witnessed fast-paced growth in the first half of 2022, with retailers wanting to stock up for key festivals like Akshaya Tritiya, the summer wedding season and Platinum Season of Love - a key retail activation programme driven by PGI. During this period, PGI witnessed year-on-year fabrication growth of over 70 per cent, albeit against a very muted second quarter in 2021 which was impacted by the second wave of the pandemic and partial lockdowns.

A further measure of the strength of the platinum jewellery market here is the 125 per cent growth in orders, when compared to 2019, received by platinum manufacturers at the annual Platinum Buyer Seller Meet in July 2022. This is testimony to the confidence retailers have in their ability to continue growing sales of platinum jewellery post-pandemic.

What drives consumer behaviour?

India has a deep-rooted jewellery culture; precious jewellery is integral to celebrating all significant occasions and festivals. During the first half of the year, Akshaya Tritiya is a key occasion for the purchase of precious metals, along with the summer wedding season. From a consumer behaviour point of view, post-pandemic, individuals have been looking at ways to reclaim a sense of normality and a means to celebrate all occasions. Moreover, platinum has an

edge as it stands out as a symbol of love and a marker of significant milestones in life.

PGI has built a portfolio of brands; we introduced our first brand – Platinum Days of Love - in 2009, which aimed to celebrate modern progressive love through the now immensely popular Platinum Love Bands. In 2015, we introduced Platinum Evara, a women's wedding gifting brand, which has now extended its footprint into the self-purchase category. Evara offers elegant and stylish jewellery that can be worn at any time. In 2019, PGI identified an opportunity in the men's jewellery category with the launch of Men of Platinum. Since 2021, Men of Platinum has had an ongoing association with ace cricketer KL Rahul to capitalise on cricket as a high-affinity medium for the core target consumers.

These brands enjoy high recall among their consumers with total awareness for Platinum Love Bands at 62 per cent and Platinum Evara at 76 per cent. After just two years, the brand Men of Platinum enjoys a total awareness of 56 per cent.

PGI has introduced a digital-first strategy to engage with young consumers for these branded categories. The focus on digital helps platinum by addressing consumers across the purchase journey from discovery to fulfilment.

Digital is, however, an emerging channel; PGI's March 2022 consumer study shows that 65 per cent of surveyed Indian consumers aged 18-40 still prefer buying jewellery in a physical store. Precious jewellery is a category where physical stores and in-store experience are vital, as consumers want to feel, hold and try on the products, given their high value.

How does PGI India work with the jewellery industry to grow platinum market share?

In addition to branded marketing programmes, we work with our strategic partners to build consumer demand for platinum jewellery. PGI's trade marketing programmes include annual retail activations such as Platinum Season of Love a month-long retail activation programme to drive sales during a low-purchase season.

The Platinum Buyer Seller Meet programme aims at ensuring retail partners are stocked up with platinum jewellery for the key festive season. To drive in-store purchases and equip support staff with the required skillset, PGI has created an online and offline training programme. This programme has been instrumental in training more than 15,000 sales staff this year alone.

In addition to these activities, design innovation can also drive higher in-store sales conversion. In this regard, we have introduced bi-metal platinum jewellery which is sold within a store's gold jewellery section. This has created an incremental, high-margin opportunity for our retail partners, as the bi-metal jewellery offers design differentiation, creating opportunities for upselling and ensuring multiple points of sale for platinum within a single retail store.

What is the outlook for the platinum jewellery market in India for the remainder of the year?

After a strong start to 2022, the initial market feedback for the key festive season in the final quarter of the year, including Diwali, has been strong and retail sales are expected to deliver

growth across all categories. In terms of fabrication, we expect this to reach 6 tonnes (180 koz) this year.

Recently the import duty on platinum was increased to bring it in line with that of gold. Our industry partners are not reporting any negative impact as a result of the duty increase. In fact, it should bring transparency and clarity across the board.

Our strategic partners, who account for 61 per cent of total platinum retail sales in India, are seeing strong growth and are poised to exceed pre-pandemic sales in 2022. The rest of the market is likely to be at par with 2019 sales growth.



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