

Jewellery Business Strategy

1. Market Opportunity & Size

Market Overview

- Market Size:** India's jewellery market was valued at **\$85.5 billion in 2023** and is projected to grow at a **CAGR of 5.7%** from 2024 to 2030.
- Global Share:** India accounted for **24.21%** of the global jewellery market in 2023.

Consumption Patterns

- Gold Jewellery:** Remains dominant, especially during weddings and festivals.
- Diamond Jewellery:** Facing challenges due to global demand fluctuations and competition from lab-grown diamonds.
- Online Jewellery Market:** Valued at approximately **\$3.5–4 billion**, growing at **18–20% CAGR**, driven by convenience and digital adoption.

2. Competitive Landscape

Major Players

Brand	Strengths	Weaknesses
Tanishq	Strong brand trust, extensive retail network	Premium pricing, inventory challenges
Malabar Gold	Global presence, diverse product range	Limited digital footprint
Kalyan Jewellers	Wide reach, celebrity endorsements	Operational complexities
CaratLane	Strong online presence, appeals to younger demographics	Limited physical retail presence
Bhima Jewellers	Established legacy, regional dominance	Fragmented management structure

Market Share Insights

- Titan Company:** Through Tanishq, holds approximately **6%** of the Indian jewellery market by value.

3. Regulatory Environment

Import Duties

- **Gold and Silver:** Import duties reduced from **15% to 6%** in July 2024 to boost domestic competitiveness and curb smuggling.
- **Platinum:** Duties reduced to **6.4%**.

Hallmarking

- Mandatory BIS hallmarking for gold jewellery implemented to ensure purity and build consumer trust.

India-UAE CEPA

- Gold imports from Dubai are now restricted to agencies nominated under the Comprehensive Economic Partnership Agreement (CEPA), aiming to regulate and streamline precious metal imports.

4. International Trade Dynamics

Export Trends

- **Total Exports (2023):** India exported **\$13.1 billion** in jewellery, with key destinations being the UAE (\$5.42B), USA (\$2.99B), and Hong Kong (\$1.7B).
- **Recent Decline:** In FY 2024/25, exports of cut and polished diamonds dropped by **16.8%** to \$13.3 billion, the lowest in nearly two decades, due to weak demand from major markets like the USA and China.

Tariff Challenges

- The USA imposed a **26% tariff** on Indian jewellery exports, significantly impacting the industry, which relies heavily on the US market.

5. Future-Oriented Strategies

Technological Integration

- **Augmented Reality (AR):** Implement AR tools for virtual try-ons to enhance online shopping experiences.
- **Blockchain:** Utilize blockchain for supply chain transparency, ensuring authenticity and ethical sourcing.

Sustainable Practices

- **Lab-Grown Diamonds:** Invest in lab-grown diamonds to cater to environmentally conscious consumers and mitigate reliance on traditional diamond markets.
- **Recycled Metals:** Incorporate recycled gold and silver in product lines to promote sustainability.

Market Diversification

- **Product Lines:** Expand offerings to include men's jewellery and daily-wear collections to tap into new customer segments.
- **Geographical Expansion:** Target emerging markets and diaspora communities to broaden the customer base.

6. Challenges & Mitigation

Challenge	Mitigation Strategy
Price Volatility	Implement dynamic pricing and hedging strategies.
Regulatory Compliance	Establish dedicated compliance teams and regular audits.
Market Saturation	Differentiate through unique designs and personalized services.
Digital Transformation	Invest in robust e-commerce platforms and digital marketing.

7. INTERNATIONAL CASE STUDIES

1. Tiffany & Co. (USA)

- Built on **luxury storytelling**, high-end packaging, and **exclusive experiences**.
- Growth via **flagship stores in premium locations** and celebrity endorsements.

2. Chow Tai Fook (China)

- Massive **omnichannel + O2O model** (Offline-to-Online).
- Uses AI to analyze customer data and personalize product design.
- Invests heavily in **CRM (Customer Relationship Management)** and loyalty programs.

3. Pandora (Denmark)

- Scaled globally with **modular, collectible designs**.
- Highly **standardized retail experience**, heavy digital advertising, and strong influencer campaigns.

8. Strategic Roadmap

Short-Term (0–12 Months)

- **Digital Enhancement:** Develop a user-friendly e-commerce platform with AR capabilities.
- **Marketing Campaigns:** Launch targeted marketing for upcoming festivals and wedding seasons.

Mid-Term (1–3 Years)

- **Retail Expansion:** Open new outlets in Tier II and III cities to capture untapped markets.
- **Product Diversification:** Introduce new collections catering to diverse demographics.

Long-Term (3–5 Years)

- **Global Presence:** Establish a footprint in international markets through partnerships and online channels.
- **Innovation:** Continuously innovate in design and technology to stay ahead of trends.