

JEWELRY

Tiffany's holiday season sales boosted by the Americas, Asia-Pacific

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Tiffany & Co.'s holiday campaign for the 2017 season. Image credit: Tiffany

By STAFF REPORTS

U.S. jeweler Tiffany & Co. has reported an 8 percent increase in net sales during the 2017 holiday season, seeing positive performance across regions and product categories.

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For the two-month holiday season ended Dec. 31, Tiffany's worldwide net sales grew to \$1.05 billion, with comparable store sales rising 5 percent. Results during the holiday season have led Tiffany's management to increase its net earnings guidance for the year ending Jan. 31, 2018 and have also prompted the jeweler to introduce a preliminary earnings outlook for fiscal 2018.

Holidays at Tiffany

Per Tiffany's results, the Americas saw total sales increase by 7 percent to \$516 million, with comparable store sales rising 6 percent during the two-month holiday season in 2017. Across most of the United States, Canada and Latin America, Tiffany saw varying degrees of higher spending, attributed primarily to local consumers.

In Asia-Pacific, Tiffany's total sales jumped 16 percent for the two-month holiday season to \$232 million. This was attributed to a 7 percent increase in comparable store sales, new boutique openings and an increase in wholesale.

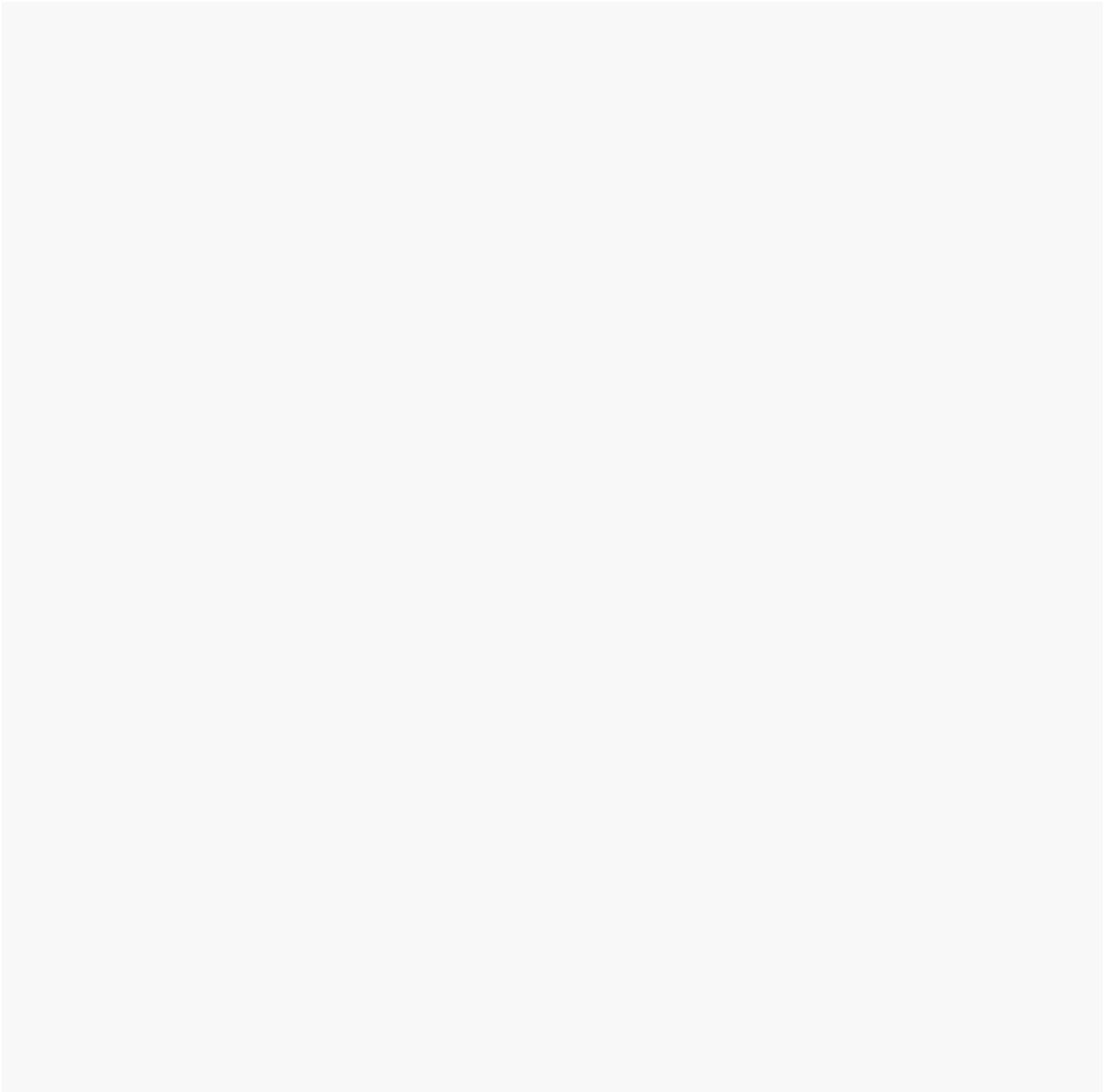
Similar to the Americas, Asia-Pacific benefited from greater spending by local consumers, particularly in mainland China, Hong Kong and South Korea.

The Japanese market saw total sales inch up 1 percent to \$145 million, but comparable store sales remained unchanged. Tiffany's performance in Japan is linked to a difficult comparison to the strong growth in spending attributed to local consumers during the 2016 holiday season. Japan's currency exchange rate had no effect on sales.

Tiffany's European performance saw sales increase 14 percent to \$136 million, due to new store openings. Per Tiffany's management, these openings may have had an overall negative effect on the jeweler's existing boutiques in the market.

Elsewhere, Tiffany noted total sales declining 10 percent to \$18 million. A 14 percent increase in comparable store

sales was offset by a decline in diamond wholesale.



Finding the right fit. #TiffanyLoveNotes #TiffanyEngagement

A post shared by Tiffany & Co. (@tiffanyandco) on Jan 12, 2018 at 8:06am PST

Sales across Tiffany's product categories ranged from strong growth in its High-, Fine-, Solitaire- and Fashion-jewelry sectors.

Fractional growth was recorded in Tiffany's engagement jewelry and wedding bands category as well.

"We were pleased with the improvement in sales during the holiday period across regions and categories, both in-store and online," said Alessandro Bogliolo, CEO of Tiffany, in a statement. "While our major Fashion Jewelry collections continued to perform well, customers were equally excited about our fine jewelry, our watches and our new Home and Accessories collection. Some exceptional high jewelry creations further contributed to the sales performance.

"This recent return to growth in worldwide comparable store sales, fueled by a substantial improvement in the Americas and Asia Pacific, is consistent with our commitment to generate solid and sustainable growth in sales,

operating margin and earnings that is at least comparable to our industry peers over the long-term," he said.



Tiffany & Co.'s holiday campaign for the 2017 season. Image credit: Tiffany

"However, while we are encouraged with the holiday sales results, we believe that the preceding negative comparable store sales trend can only be reversed on a sustainable basis by continuing to evolve our product offerings and customer experience and also by stepping up certain strategic spending in our business, all of which is reflected in our preliminary 2018 plans and earnings outlook," Mr. Bogliolo said.

"Nevertheless, our holiday period results confirm that the Tiffany & Co. brand is strong, and we are excited about our numerous long-term global opportunities to capitalize on that strength."

During the third quarter of 2017, Tiffany's worldwide net sales increased 3 percent to \$976 million thanks to sales growth in most regions.

Ended Oct. 31, Tiffany's third-quarter sales increase was attributed to its fashion jewelry and high, fine and solitaire jewelry categories, during a time when the brand is working to further diversify its product offering. As for its nine-month year-to-date results, also ended Oct. 31, Tiffany's worldwide net sales totaled \$2.8 billion, 2 percent above the year prior, and comparable store sales declined by 2 percent ([see story](#)).

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