

JEWELRY

Tiffany sees better-than-expected growth in sales

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Tiffany celebrates a first with multichannel campaign and Elle Phanning debut. Image credit: Tiffany.

By STAFF REPORTS

U.S. jeweler Tiffany & Co is looking to regain some control with a stock buyback announcement, amongst strong sales growth.

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The jewelry company saw a 15 percent jump in global net sales for this year's first quarter, ended on April 30. Amongst the better-than-expected growth, the company is launching a \$1 billion stock repurchase program to buy its shares back from stockholders.

Growth and buybacks

Net sales resulted in \$1 billion this past quarter for the jewelry label, with a comparable sales increase of 10 percent.

This growth was thanks in part to strong sales in both the Americas and in Asian Pacific regions. The Americas saw a 9 percent net sales increase to \$425 million thanks to an increase in spend from local and tourist shoppers.

Positive effects from currency exchange supported a 13 percent growth in Europe's total net sales as well, resulting in \$107 million.

Tiffany's strategy of appealing to millennials with less expensive everyday items has helped support its growth.

Its net earnings increased by 53 percent to \$142 million. Last year during this time the brand made \$93 million.



Tiffany releases its Objects Home & Accessories collection. Image credit: Tiffany & Co.

“We are very pleased with this start to the fiscal year, and we are particularly encouraged by the breadth of sales growth across most regions and all product categories,” said Alessandro Bogliolo, CEO of Tiffany & Co, in a statement. “Most importantly, however, we remain focused on achieving sustainable growth in comparable sales, operating margin and earnings by pursuing and investing in the six strategic priorities we put forward in March: Amplifying an evolved brand message; Renewing our product offerings and enhancing in-store presentation; Delivering an exciting omnichannel customer experience; Strengthening our competitive position and leading in key markets; Cultivating a more efficient operating model; and Inspiring an aligned and agile organization to win.”

Tiffany’s growth this quarter comes at a relieved time for the company, as its global net sales grew 4 percent in the 2017 fiscal year showed the company missed its expectations.

Its 2017 fourth quarter earnings show an impact from U.S. tax changes and past quarters’ reduced sales for the 2017 fiscal year. Tiffany’s store sales saw no change from the previous year, and its net earnings saw a 17 percent drop for the period ending Jan. 31 ([see more](#)).

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