

JEWELRY

Tiffany Q3 sales up 4pc

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Tiffany's revamped marketing is seeing sales success. Image credit: Tiffany

By STAFF REPORTS

Jeweler Tiffany & Co. saw growth across regions in the third quarter, as consumers spent more in their local markets.

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Despite a decline in international tourist spending, including that of Chinese travelers, Tiffany still achieved 4 percent sales growth in the quarter ended Oct. 31. In the first nine months of 2018, Tiffany has seen its sales rise 10 percent, bolstered by new product lines and a revamped marketing image.

Global growth

Tiffany's sales in the Americas totaled \$442 million in the quarter, up 5 percent year-over year.

In Asia-Pacific, the brand saw growth of 4 percent, with total sales of \$294 million.

Tiffany's European sales for the quarter were \$343 million, up 3 percent. Meanwhile, Japan achieved 2 percent sales growth with \$142 million.

Across a number of regions, Tiffany saw a drop in spending from international tourists, including in markets such as the Americas, South Korea and Europe. However, some destinations including Asia-Pacific and Japan saw growth from shopping tourism.

"It is worth noting that in the third quarter our sales attributed to local customers continued to grow at a strong rate worldwide and were positive in every region, with particularly strong growth in mainland China," said Alessandro Bogliolo, CEO of Tiffany & Co., in a statement. "Jewelry volumes also increased in the quarter and year to date.

"This resulted in mid-single-digit net sales growth in the quarter and even higher growth year-to-date, despite lower-than-expected spending in the third quarter attributed to Chinese tourists in the U.S. and Hong Kong and lower wholesale travel-retail sales in Korea," he said.

"We are encouraged with our strategic progress on a global basis and with customers' reactions to our evolved brand message, product innovation and in-store initiatives."

Recently, Tiffany launched the first jewelry collection by chief artistic officer Reed Krakoff. The jewelry collection

design is inspired by the look of a flower cut from paper ([see story](#)).

The brand has also rolled out a new diamond setting aimed at creating a more modern look, dubbed Tiffany True.

[View this post on Instagram](#)

The big picture. AL x KF tell the story behind a photo taken on an important trip home. "I love this photo because people can see the way I look at him the way I see him through my eyes." Share your love story with #BelieveInLove and we'll send you a surprise. #TiffanyTrue

A post shared by Tiffany & Co. (@tiffanyandco) on Oct 23, 2018 at 6:52am PDT

Instagram post from Tiffany & Co.

Tiffany's jewelry collections and engagement categories saw growth in the quarter, with respective rises of 8 percent and 2 percent. The company's designer jewelry has seen a decrease in sales of 8 percent.

By the end of the quarter, Tiffany added a net six direct-operated stores over the previous year. In 2018, the company has opened nine new stores and closed three locations.

Following its positive results, Tiffany is expecting its full year sales to increase in high single digits over 2017.

"Our full year outlook is unchanged," Mr. Bogliolo said. "We believe we have substantial growth opportunities to pursue as a geographically-diversified luxury brand and are not distracted by external factors, such as the negative effects of a strong U.S. dollar or fluctuations in tourist spending.

"Our teams are truly excited about the activities planned for the holiday season and are deeply committed to achieving the long-term growth potential of this legendary brand," he said.

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