

JEWELRY

Four strategies for selling pearls to Chinese millennials

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While China is the largest global producer of cultured pearls, convincing its vast millennial market to wear them has been another story. Image courtesy of Mikimoto

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China is the **largest jewelry market in the world**, accounting for 30 percent of the world's demand. And since the 1980s, **China has also been the largest global producer of cultured pearls**, as well as 96 percent of freshwater pearls sold globally.

Given this, some visionary luxury jewelry houses have understood that Beijing's push towards a consumption-driven growth model could help them increase demand for pearl jewelry, while reducing business investment spending.

According to [ReportLinker](#), the global pearl jewelry market is likely to grow at a CAGR of over 13 percent during the period 2019-2025.

Moreover, the report establishes that the APAC region accounted for the largest market share in 2019 and is expected to reach the fastest growth rate during the forecast period. But despite promising estimations, many jewelry houses are still skeptical about the future of pearls.

However, since China cultivates its own saltwater oysters and freshwater mussels, jewelry brands can overcome long-term supply chain disruptions if they trade the pearls locally. This helps jewelry houses solve inventory management problems, overcome logistics and transportation challenges and export regulations, and tackle tariff hikes that increase production costs.

Truth of the matter, though, it seems that pearls have lost their luster. Luckily, some courageous jewelry brands have fought to change this story, implementing innovative marketing strategies that overcome the stigma associated with wearing pearls especially in China.

Here, we explore how luxury jewelry brands can achieve success in China by focusing on pearl jewelry collections that attract the affluent millennial demographic.

Competing against bling

"As inequality grows, the second generation of China's ultra-rich class wants to avoid becoming a target," states *Bloomberg*.

The new "fuerdai" class is less inclined to signal status and wealth and prefers to "play the low-profile card." And while *Bloomberg* rightfully highlights that the move towards inconspicuous consumption comes from the fear of becoming a target for local authorities, the change also comes because of market sophistication.

The new generation of luxury consumers is college educated, modern, conscious about environmental and social issues, and less dependent on transitory trends.

"In the past I bought a Dior shirt because I thought it would make me look fancier, but now I want the shirt to look more valuable because I'm wearing it," Huang told *Bloomberg*. "Rich kids are very different from those that grew up in the '80s. Most people around me know what they are doing, instead of just **wasting Daddy's money**."

This move towards inconspicuous consumption helps pearl vendors and jewelers because it transforms a fine pearl necklace into a "**wearable investment**." And in this modern society where consumers desire timeless luxury products, pearl jewelry becomes a symbol of restrained elegance.

Exploring the female self-purchasing trend

Some smart jewelry brands have already recalibrated their marketing strategies and are focusing on attracting **self-made women**.

Last year, Mikimoto introduced in China and the United States a **marketing campaign** that featured an empowered and independent millennial woman. The Japanese brand understood the self-purchase trend, and it adapted its collections and marketing channels accordingly.

In the past years, Mikimoto has co-designed capsule collections in collaboration with **Ladure** and **Hello Kitty** brands renowned for their feminine and girly visual aesthetics. Naturally, the collections became overnight successes stories, bringing renewed attention to pearls.

Chow Tai Fook Group and **David Webb** also introduced unique jewelry pieces destined to be purchased by female customers.

Responding to the needs of the male jewelry consumer

In January 2020, Comme Des Garçons partnered with Mikimoto to create a gender-fluid capsule collection.

"The concept stems from Kawakubo's observation that men could also look good in pearls," said *Forbes*.

The idea of dressing men up in pearls is in line with the demands of the avant-garde fashion scene in Asia. As younger consumers start to rebel against the rigidity of strict beauty standards, the androgynous aesthetic is gaining prominence.

"In China, millennial and Gen Z style icons are taking the male jewelry game a step up, **pushing the boundary** of traditional masculinity to a new limit," said luxury writer Jiaqi Luo. "In 2020, Chinese men sporting intricate, feminine-looking jewelry has been the defining feature of Chinese fashion print magazine covers."

Cashing in on the impact of Chinese television shows and imperial/historical dramas

In the *Story of Yanxi Palace*, empresses, courtesans and heroic figures bedazzle viewers with their artisan jewelry. Naturally, the extravagant aesthetic promoted in the drama has impacted consumer behavior and changed shopping habits. Many viewers "**made a fetish of imperial lifestyle**" being inclined to idolize China's glorious past and its historic characters. Hence, the drama's aesthetic values left a lasting impression on consumers.

Smart pearl vendors can **take advantage of this infatuation** and envision collections inspired by ancient China and its rich cultural heritage.

In the current narrative, where nationalism is rampant in China, creating a compelling marketing strategy that appeals to the idea of **positive nationalism** is a brilliant tactical move.

All in all, pearls tick all the right boxes: they add value to the purchases made by young consumers. They are environmentally friendly and deliver sustainable growth to local communities instead of big corporations, and each object has a singular design.

Given the above, it is hard not to imagine that cultured pearls will have a strong comeback in the upcoming years. As

Jackie Kennedy, the wife of late U.S. President John F. Kennedy, famously said: "Pearls are always appropriate."

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