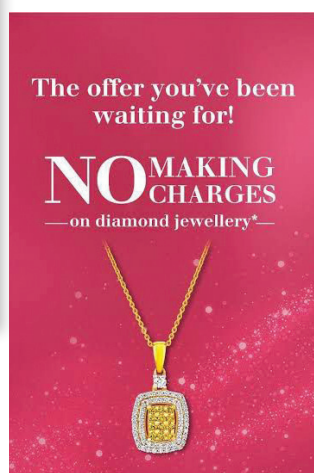
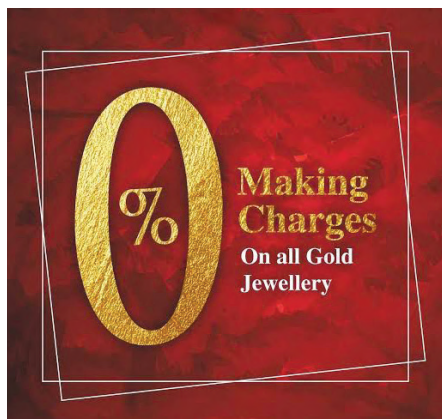


MARGINS MATTER

The Silent Crisis Threatening the Jewellery Industry



The Indian jewellery industry — rooted in heritage, rituals, and emotion — is facing a silent but dangerous crisis. Behind the glittering showcases and gold price tickers lies an uncomfortable truth: shrinking margins and an unhealthy culture of price wars are eroding the soul of the business.

This is not just a manufacturer or retailer problem — it's an industry-wide threat that could reshape the future of Indian jewellery in a very grim way.

Manufacturers Under Pressure

With margins getting tighter, manufacturers find themselves increasingly unable to innovate, experiment with design, or enhance services for their retail clients. Manufacturing excellence requires resources — skilled artisans, design technology, quality control, and customer support. But when margins are stripped to bare minimums, even sustaining operations becomes a challenge.

Retailers in a Dangerous Spiral

Retailers are no better off. With soaring gold prices, the cost of stocking inventory has multiplied, while operational expenses — rent, salaries, digital tools — continue to rise. Instead of building strong retail experiences, many are resorting to deep discounting just to survive.

In many cases, profitability is not even driven by jewellery sales but by speculative gains from rising gold prices — an unpredictable and unstable strategy that makes the business vulnerable to market fluctuations.

Marketing: The Forgotten Engine

One of the most critical casualties of low margins is marketing.

Jewellery is not a necessity — it's a lifestyle and emotional purchase. That means it needs strong, continuous, and aggressive marketing — to stay relevant, desirable, and aspirational in the eyes of both B2B buyers and B2C consumers.

We are no longer just competing with other jewellers — we are competing with international fashion brands, tech gadgets, premium lifestyle products and international travel experiences (major competition). And in that arena, visibility is everything.

But how do we fund impactful marketing when margins have been wiped out by a race to the bottom?

Without robust marketing budgets:

- Jewellery will lose its aspirational charm.
- New-age consumers will shift to lifestyle brands that engage better.
- Retailers will lose walk-ins.
- Manufacturers will lose brand equity.

Margins are not greed — they're fuel. Without them, we simply can't drive growth, visibility, or value.

The Cost of Discounts Is Too High

Every time we cut prices beyond sustainability to outdo a competitor, we're not just giving a better deal — we're weakening our own brand and training consumers to value jewellery less.

This price-first mindset kills creativity, kills customer service, and ultimately kills trust — the very pillar of the jewellery business.

It's Time for a Collective Reset

We need to stop discounting our way to irrelevance. The future of the industry depends on:

- Preserving margins to enable innovation, quality, and service.
- Allocating marketing budgets to position jewellery as a modern luxury.
- Focusing on value creation and experience, rather than price drops.
- Collaborating, not killing competition, within the industry.

Let's move away from short-term gains and towards long-term brand building. Let's treat jewellery not just as metal and stone, but as emotion, identity, and celebration — and sell it that way.

Final Thought

The jewellery industry has survived centuries. It should not falter in a decade of discounts. If we want to protect its legacy, margins must matter.

Let's come together — manufacturers, retailers, wholesalers — and build an ecosystem that thrives on value, vision, and viability.

Because without margins, there is no good marketing.

And without good marketing, there is no future for jewellery.



Hitesh Khandelwal, an accomplished professional with extensive expertise in business development, marketing, and customer relations in the gem and jewellery industry. With over two decades of experience in the jewellery industry, he has excelled in roles ranging from brand building and client management to international trade shows and strategic marketing.