

Jewelry Sales Lose Steam in October – Mastercard



US jewelry sales slipped in October amid an increase in spending on travel, according to Mastercard SpendingPulse.

Revenue for the category fell 3.8% year on year during the month, Mastercard reported last week. Sales of other luxury products excluding jewelry also decreased, dropping 9% from the same period a year ago. However, jewelry sales rose 34% versus October 2019.

Overall retail spending climbed 9.5% year on year in October, with e-commerce growing 13% and in-store purchasing advancing 9%. All categories rose except jewelry, luxury, and the "furniture and furnishings" segment, with the latter declining 1.1%. Meanwhile, travel segments saw the highest growth: Outlay on airline tickets jumped 17%, and lodging gained 37%.

Mastercard expects sales on Black Friday to rise 15% year on year as consumers come

out in force on a “shopping blitz,” it said. A large portion of that spending will take place in brick-and-mortar shops, with retailers bringing back “doorbuster” promotions to attract customers. In-store sales will rise 18% year on year for the day, Mastercard predicted.

Department stores are forecast to be the destination of choice for many shoppers, with a 25% year-on-year jump on Black Friday, as customers look for a one-stop shop to buy most of their holiday gifts. Consumers will likely prioritize experiences, Mastercard explained. Spending at restaurants is set to grow 35% year on year, while airline ticket sales will rise 39% and lodging will grow 32%.

“Expect Black Friday shopping to be in full force across channels this year,” said Steve Sadove, senior adviser for Mastercard. “While retailers have already been heavily discounting this season, consumers and retailers are likely holding out for some special offers to land on the biggest promotional day of the year.”

Image: A jewelry-store display. (Shutterstock)