

# Guide to insuring your jewelry

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Policies, services,  
and more

# Why it's important to protect your jewelry

## Jewelry and watches continue to be top collectibles, as people buy online

Since 2009, the fine jewelry and watch market has seen a steady overall increase and is expected to see greater growth thanks to e-commerce. While online sales currently account for only a small fraction of the market today, analysts estimate the global online jewelry market will grow at an annual rate of over 15% from 2018 to 2022.<sup>1</sup> That may be, at least in part, because auction houses are using online engagement and social media as part of their sales strategy. Last year at Christie's, online sales jumped by 32% and 25% of jewelry sales were to new buyers, while Sotheby's reported that 50% of their buyers placed bids online.<sup>2</sup>

## Brands are growing in popularity

Analysts estimate the market for luxury goods will reach a high of \$357.9 billion by 2025.<sup>3</sup> Jewelry remains a top growth category within personal luxury goods, outpacing both luxury handbags and apparel.<sup>4</sup> Brands are also gaining popularity for commitment purchases in the U.S. with close to half (46%) of diamond engagement rings by value signed by an international luxury and designer brand.<sup>5</sup> Millennial customers (born between 1980 and 1995) are influencing this trend as the current bridal generation for a first marriage. As steady buyers of luxury, accounting for 35% of luxury consumption in 2019, millennials could make up as much as 45% of the market by 2025.<sup>6</sup>

## More women are buying for themselves

Younger women, in particular, are buying diamonds for themselves more than ever before. In fact, more than half of millennial-age women say they are the primary buyers of jewelry in their households. This may be due to their established careers, purchasing more for non-traditional occasions, and buying before they get married, since many are getting married later than previous generations. And with women said to control more than \$20 trillion in global spending and make up 85% of all brand purchases, female jewelry self-purchasers are a pivotal growing market.<sup>7</sup>

## Only a small minority of jewelry purchased is insured

With a diamond engagement ring costing an average of \$5,900<sup>8</sup>, it makes sense for you to have a way to replace your ring or other jewelry if lost, misplaced, or stolen. But, surprisingly, a vast majority of jewelry purchased is left uninsured.

U.S. Retail Jewelry Sales 2006-2019 (billions)



Source: <https://www.edahngolan.com/polished-diamond-prices-rise-in-january/>



## 5 reasons to look for the right jewelry insurer

**If you don't believe you need to protect your jewelry with insurance, here are a few reasons to reconsider:**

- 1 If something happens to your jewelry, you'll want to be able to replace it.**

The right insurance can replace your fine jewelry and watches if they are stolen, lost or misplaced. Some policies will replace a pair of earrings, for example, if only one has been lost, and pay a replacement cost of up to 150% of the initial insured amount if the item has increased in value.
- 2 Your homeowner's insurance may not cover your jewelry.**

You may think that your homeowner's policy will cover you if your jewelry is stolen, lost or misplaced. That may not be the case. Typical homeowner's policies cover jewelry only if it is stolen, not if it is lost or misplaced. And most have a maximum limit, so if your jewelry costs more than that, you won't be able to replace it with a similar item. The right insurance policy, specifically for jewelry and other valuables, will provide "all-risk" coverage for most causes of loss, with no deductible. That means, if you break an item, lose it, can't find it, or it's stolen, you'll receive a benefit immediately, up to 150% of its value, so you can purchase another one exactly like you had.
- 3 You don't need a current appraisal in all cases.**

While it may be helpful to have a high quality appraisal for your fine jewelry, a current appraisal is not necessary with some insurance companies. Some premium insurance companies don't require an appraisal unless your individual jewelry piece is valued at over \$100,000. They just need a good description of the piece and an estimated value. That makes getting the right coverage easy. They also provide automatic coverage for newly acquired pieces, so you don't have to worry about getting each new piece on the policy the same day you buy it.
- 4 With the right insurer, getting your claim payment is easy.**

While you may think getting a claim payment for a piece of expensive jewelry will be a hassle, that's not true for all insurance companies. Chubb provides hassle-free claims service, day or night, no matter where you are in the world. We will issue payment for a covered loss within 48 hours of settlement, and will let you decide whether you want to keep the money or repair or replace your item at the merchant of your choice.
- 5 Protecting your jewelry isn't just about the right insurance.**

Getting the right protection to fit your needs is important. But it takes more than a good policy to select the right piece, keep it safe, and make sure it's repaired correctly if damaged. The right insurance company will not only provide you with pricing and coverage options to fit your needs and lifestyle, but will also have the resources you need. For example, one company can help you find quality appraisers and jewelers, locate hard-to-source gemstones and provide security assessments, to make sure your jewelry is as safe as possible when in transit and in your home.

# Protect your jewelry

With the markets for jewelry and watches seeing continuous change, it's more important than ever to protect your valuables and ensure that they can be replaced if they are stolen, broken, lost, or damaged. Chubb's Masterpiece Valuable Articles coverage provides the highest quality protection, unparalleled claim service, and the peace of mind you need.

For more information, please contact your agent or broker or visit

[www.chubb.com/us-jewelry](http://www.chubb.com/us-jewelry)

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Chubb is a premium insurer that specializes in serving successful families and individuals with more to insure. With over 100 years of experience in 54 countries around the world, Chubb has a history of finding ways to say yes and ways to do more for our clients.

<sup>1</sup> *Global Online Jewelry Market 2018, Sales Statistics, Major Trend (Rising sales through e-retailers), Challenges and Forecast Till 2022,"* [www.reuters.com](http://www.reuters.com)

<sup>2</sup> <https://news.artnet.com/market/sothebys-christies-phillips-watch-jewelry-market-1794519>

<sup>3</sup> *The Diamond Insight Report 2018, DeBeers Group*

<sup>4</sup> <https://www.bain.com/insights/eight-themes-that-are-rewriting-the-future-of-luxury-goods/>

<sup>5</sup> <https://www.debeersgroup.com/-/media/Files/D/De-Beers-Group/documents/reports/insights/the-diamond-insight-report-2019.pdf>

<sup>6</sup> <https://www.bain.com/insights/eight-themes-that-are-rewriting-the-future-of-luxury-goods/>

<sup>7</sup> <https://www.diamonds.net/News/NewsItem.aspx?ArticleID=64522&ArticleTitle=How+to+Sell+to+Female+Self-Purchasers>

<sup>8</sup> [https://www.diamonds.net/news/NewsItem.aspx?tc\\_dailyemail=1&ArticleID=64753](https://www.diamonds.net/news/NewsItem.aspx?tc_dailyemail=1&ArticleID=64753)



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