



CBI
Ministry of Foreign Affairs

CBI Product Factsheet:

Costume Jewellery in the Netherlands

Introduction

The speedy recovery of the Netherlands after the European slowdown and the increasing demand for fast-fashion products by young people are driving sales of costume jewellery in the country. The current demand combined with a positive future outlook makes costume jewellery an attractive segment for new market entrants. Exporters from developing countries (DCs) should take advantage of the opportunities on the costume jewellery market by utilising such benefits as lower production costs compared to Europe, availability of resources, and craftsmanship. DC exporters should consider entering the Dutch costume jewellery market through online retailers; the fastest growing and leading channel. DC exporters will benefit from the country's leading position as a trade hub and will be able to indirectly target other European countries through online wholesalers.

Product Definition

Costume jewellery (also called fashion jewellery) comprises accessories that complement the fashion styles of women, men and children. Costume jewellery can be artisan-made or mass produced.

Modern costume jewellery incorporates the following metals and materials:

- non-precious metals: brass, steel, cast zinc, cast tin, vermeil
- semi-precious metals: sterling silver, gold- or silver-plated brass and other alloys
- non-metal materials: leather, textile, resins, cords, natural wood, coconut chips, dyed or engraved or cracked shells, etc.
- non- or semi-precious stones, including crystal and cubic zirconia

Costume jewellery is lower-priced jewellery with prices ranging from € 1 to € 100 depending on the metals and stones used and the product type (earrings, necklaces, rings, bracelets etc.). Typically pieces made of non-precious materials fall into the lower end of this price range, while jewellery pieces made of semi-precious metals and stones fall into the mid- to high-end of the price range. Often the price depends on the brand positioning and the (marketing) statement of the jewellery.

The majority of costume jewellery is unbranded jewellery. Many fast-fashion chains offer costume jewellery in the Netherlands, for example [Primark](#), [H&M](#), and [Zara](#), and other accessory chains such as [Claire's](#), [Accessorize](#), [Bijou Brigitte](#), [SIX](#), and [Zinzihttp://www.karinravelli.nl/](http://www.karinravelli.nl/). There are also companies that specialise in the sale of loose elements, such as [Alma findings](#), [Azzurino](#) and others.

Costume jewellery is grouped under [Harmonised System](#) (HS) codes 711711, 71171910, 71171991, 71171999, 711790.

Photo examples:



Unbranded jewellery



Unbranded jewellery

Product Specifications

Quality

Jewellery quality is determined by the materials used and the jeweller's craftsmanship. The choice of metal and gemstones is important; depending on the choice the product can be more or less robust and resistant to scratches and other damage. Typically precious metals and stones are more robust and damage-resistant.

All manufacturers and exporters of jewellery to Europe must meet the European quality standards. The use of lead, cadmium, nickel and other hazardous metals is regulated in Europe. For more information, see the [Buyer Requirements](#) in this document.

Labelling

Products marketed in the Netherlands must be labelled in accordance with the EU requirements. Labels must include a description of content, including the following information:

- Type of product
- Net and gross weight (in kilograms)
- Supplier/manufacturer name and location (optional)
- Serial number
- Environmental logos if applicable

Label information must be electronically readable through the use of barcodes.

Some European companies prefer to disclose only selected information about the manufacturer, for example avoiding disclosure of the manufacturer name and location. In this case the European company will be re-labelling products under its own name or specifying these requirements to the DC exporters. Consult the European buyer to find out what information needs to be displayed on the product and what the particularities are with regard to labelling in the Netherlands.

Photo example:



Labels

Packaging:

In wholesale, jewellery pieces are packaged in exclusive plastic bags and cardboard boxes. Very often, jewellery is shipped in bulk to Europe and is not packaged in individual bags or boxes. Once it has arrived in Europe, the jewellery pieces get repackaged for retail.

In retail, higher priced jewellery is packaged in special cardboard jewellery boxes, textile or organza bags, for sale to the end-consumer. Gift boxes are only used in retail, and not in wholesale. Gift boxes are not supplied by the manufacturer and are typically ordered separately by the European buyers. However, if your stock also includes retail packaging, feel free to offer it to the European buyer. Be prepared to put your European customer's brand on the packaging, if required.

Packaging must protect products from damage and protect the buyer from possible injury. Packaging for products marketed in the Netherlands must meet the EU requirements. As per the [general European requirements for packaging](#), make sure that your packaging:

- has minimal weight and volume;
- has a reduced content of hazardous substances and materials in the packaging material;
- is recyclable (optional, but very much valued by the European customer) and is labelled with a recycling symbol.

Photo examples:



Organza bag, [link](#)

Buyer Requirements

All products that are exported to and sold in Europe *must* comply with the relevant EU regulations and standards. Compliance with 1) *must* requirements, 2) *common* requirements and 3) *niche* requirements is a basic necessity for *all exporters* of jewellery. *Must* requirements are the minimum requirements the exporters must meet and products that fail to meet these are not allowed on the EU market. *Common* and *niche* requirements are additional requirements that are typically set by the European buyer and are also of importance among consumers.

Requirements you must meet

General product safety

General product safety requirements are applicable to all consumer goods that are not explicitly described in other legislation directives. For jewellery the safety requirements mean that there should be no sharp edges, the product should not break easily and should not cause any other danger during normal use.

Imports of skins of certain seal pups (raw furskins and furskins, tanned or dressed) are prohibited. See the [EU Export Helpdesk](#) for a more detailed overview of these requirements.

Tips:

- Familiarise yourself with the [General Product Safety Directive in the EU Export Helpdesk](#).
- Use sense to ensure that products are safe for consumers and can be sold on the European market.
- Consider checking the [RAPEX database](#) used by EU Member States to exchange information on unsafe products, to get an idea of possible non-compliances.
- Consider consulting with your buyer to find out more about any specific requirements in terms of product safety. Some buyers (typically smaller ones) will just ask for compliance with EU legislation not elaborating on specific requirements, while other buyers can provide you with information about specific substances that are not allowed in the Netherlands.

Chemicals

The use of chemicals such as *lead, cadmium, nickel, AZO dyes and Chromium VI* is restricted by the EU and is regulated through several Directives and Regulations.

The use of lead and its compounds in jewellery is restricted by REACH (Registration, Evaluation and Authorisation of Chemicals) regulation. Jewellery with a concentration of lead that is equal to or greater than 0.05% by weight is not allowed on the EU market. The regulation applies to metallic and non-metallic parts of jewellery and hair accessories, including bracelets, necklaces and rings, piercing jewellery and earrings, wrist-watches and wrist-wear, brooches and cufflinks.

The use of cadmium and its compounds is restricted by REACH regulation. Jewellery with a concentration of cadmium that is equal to or greater than 0.01% by weight is not allowed on the EU market. The regulation applies to metal beads and other metal components for jewellery making and to metal parts of jewellery and imitation jewellery and hair accessories, including bracelets, necklaces, rings, piercing jewellery and earrings, wrist-watches and wrist-wear, brooches and cufflinks.

The use of nickel and its compounds may cause allergic contact dermatitis and is therefore restricted by REACH regulation. Nickel and its compound shall not be used in any post assemblies that are inserted into pierced ears and other pierced parts of the human body unless the rate of nickel release from such post assemblies is less than 0.2 µg/cm²/week (migration limit), and in items intended to come into direct and prolonged contact with the skin such as: earrings, necklaces, bracelets and chains, anklets, finger rings, wrist-watch cases, watch straps and tighteners, rivet buttons, tighteners, rivets, zippers and metal marks, when these are used in garments, if the rate of nickel release from the parts of these items coming into direct and prolonged contact with the skin is greater than 0.5 µg/cm²/week. The European consumer is particularly concerned about the nickel content in jewellery. Many European buyers require nickel-free jewellery.

AZO dyes is a group of synthetic dyestuffs based on nitrogen often used in the textile industry. Leather and textile components used in jewellery articles made of coloured leather or other synthetic materials should contain less than 30 mg/kg (0.003% by weight) of the AZO dyes listed in [Appendix 8](#) and [Appendix 10](#) of REACH. The use of AZO dyes/Azocolourants is regulated by REACH regulation. Azo dyes/Azocolourants that are listed in [Appendix 9](#) of REACH shall not be used for colouring textile and leather articles in concentrations higher than 0.1% by mass. No other toxic substances than Azo dyes should be used when colouring jewellery.

Chromium VI in Leather

if your jewellery has leather elements, make sure that the chromium VI content does not exceed 3.0mg/kg. This a new legislation adopted in March 2014 and although it is officially valid as of May 1, 2015, buyers already require compliance with the legislation.

Tips:

- Before approaching a European buyer, gather more information on relevant REACH requirements. Be aware that REACH applies to several sectors; for jewellery exporters to Europe the following regulations are of significant importance:
 - Consult [Regulation EU No. 836/2012](#) for lead content restrictions in jewellery;
 - Consult [Regulation EU No 494/2011](#) for cadmium content restrictions in jewellery;
 - Consult [Regulation EC No 552/2009](#) for nickel content restrictions in jewellery;
 - Consult [Annex XVII of REACH](#) for Azo dyes use restrictions in jewellery.
- Make sure that the lead, cadmium, nickel or Azo dye content does not exceed the permitted level in all your jewellery products, metal parts and beads used in the final product.
- To verify compliance with the restriction of Chromium VI in Leather, consider using the test method described in [EN ISO 17075](#).
- Make sure that the chemicals content does not exceed the set limits, since European manufacturers and importers are obliged to meet the above-mentioned requirements. Consult your potential buyers to find out if test reports are required. Typically larger retailers either require test reports from importers/manufacturers or they test products themselves. Smaller buyers typically expect the DC exporters' products to comply with the chemicals requirements.

CITES

If used in costume jewellery, parts of wild plants and animals (e.g. shells, coral, leather and wood) should not be from endangered species and not fall under the restrictions of the Convention on International Trade in Endangered Species (CITES).

Tip:

- Make sure that your products or product elements do not fall under CITES. Check the [EU Export Helpdesk](#) for more information on the regulation and consult the list of restricted species in [Annexes A, B, C and Annex D](#). The EU Export Helpdesk also provides information on the different procedures applicable to such products.

Hallmarking

Jewellery hallmarking is compulsory in the Netherlands and there is a hallmarking and monitoring system in place to verify the precious metal content in gold and silver jewellery. Please note that the rules on precious metals control are not harmonised in the EU.

Tip:

- For more details, see the summary of compulsory and voluntary hallmarking systems for precious metal jewellery in Europe [here](#)

Common Buyer Requirements**Sustainability**

Sustainable products offer things such as recycling and a choice of sustainable materials (see Niche requirements), as well as improved social conditions. EU buyers increasingly look for products that have been manufactured with due respect for human rights, labour conditions and the environment. This is particularly important for the textile and apparel industry, in mining and jewellery, but also in many other industries. There are two retail initiatives that have gained ground in Western European countries: the [Business Social Compliance Initiative \(BSCI\)](#) and the [Ethical Trading Initiative \(ETI\)](#). Bigger EU companies have even developed their own Corporate Social Responsibility (CSR) policies and require suppliers to conform to these requirements. Workers' health and safety in particular are sensitive topics in Europe, and buyers want to prevent damage to their reputation.

Tip:

- Understand how you can improve your sustainability performance. This will not necessarily mean immediate certification. Nevertheless, it is important to familiarise yourself with the issues included in the initiatives. Consult the [Standards Map database](#) for the different labels and standards relevant for jewellery. Consider doing a company self-assessment, available on the [BSCI website](#).

Niche Buyer Requirements

Fairtrade labelling

Fairtrade-labelled products are an initiative that supports fair pricing, improved social conditions for producers, and guaranteed fair and responsible practices in the entire jewellery supply chain. Sustainability initiatives are particularly important for manufacturers of jewellery that contain precious metals and precious stones, which are associated with the welfare of miners and the effect of mining activities on the environment. They force the jewellery sector to provide more transparency and accountability in terms of the materials used. Many jewellery manufacturers apply for transparency and accountability certificates at Fairtrade, the Responsible Jewellery Council and other international organisations to demonstrate their ethical practices. For more information refer to the [EU Buyer Requirements for Jewellery](#).

Tips:

- The actual use of Fairtrade labels is still a niche in this sector, but familiarising yourself with the initiatives and how they work is an initial step. Familiarise yourself with the programmes offered by the [Responsible Jewellery Council](#), [Fairgold](#), [Fairminded](#), and other initiatives.
- It is clearly an advantage to demonstrate your engagement and to state your ethical principles in all your marketing materials and your website.

For more details consult the [EU Buyer Requirements for Jewellery](#) on the CBI Market Intelligence Platform.

Macro-Economic Statistics

The Netherlands has one of the stronger economies in Europe, and it is an important market in the jewellery industry. The country went through an economic recession, but saw signs of economic improvement in 2014. Consumer purchasing power has recovered and the retail sector, especially the fashion industry, experienced significant growth. DC exporters will be able to benefit from the Dutch customer's increased willingness to purchase fashion accessories, including jewellery.

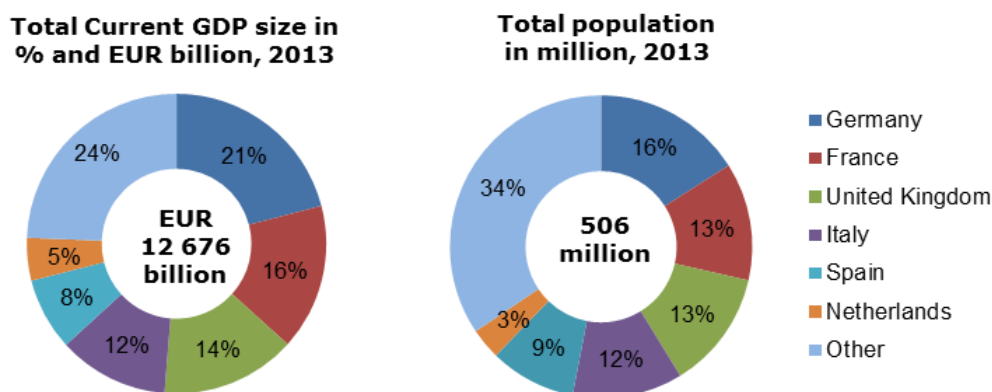
Population

With about 16.8 million people, the country's population accounts for only 3% of the total European population.

Economy size

The Netherlands is the sixth-largest country in Europe based on the current GDP size, holding a share of 5% of the total GDP.

Figure 1: Key 2013 macroeconomic indicators for the leading European countries including the Netherlands

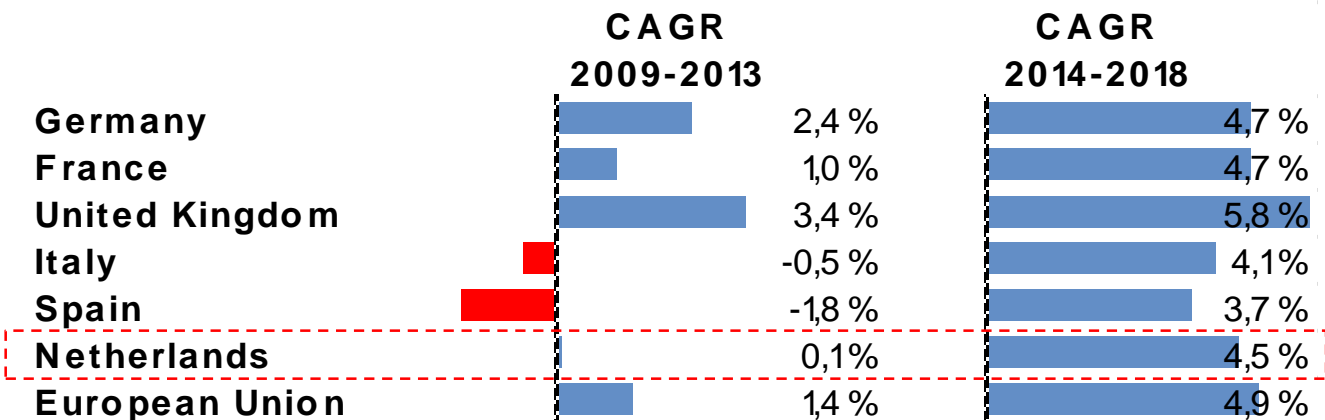


Source: IMF 2014

Economic growth

After a sluggish economic development in 2009-2013, the GDP in the Netherlands is expected to experience an annual growth of 4.5% over 2014 – 2018. The year-over-year GDP growth is expected to reach 4.8% in 2014 and 4.6% in the following year.

Figure 2: GDP (current prices) Compound Annual Growth Rate (CAGR) for 2009-2013 and estimate for 2014-2018 for the leading European countries and the Netherlands

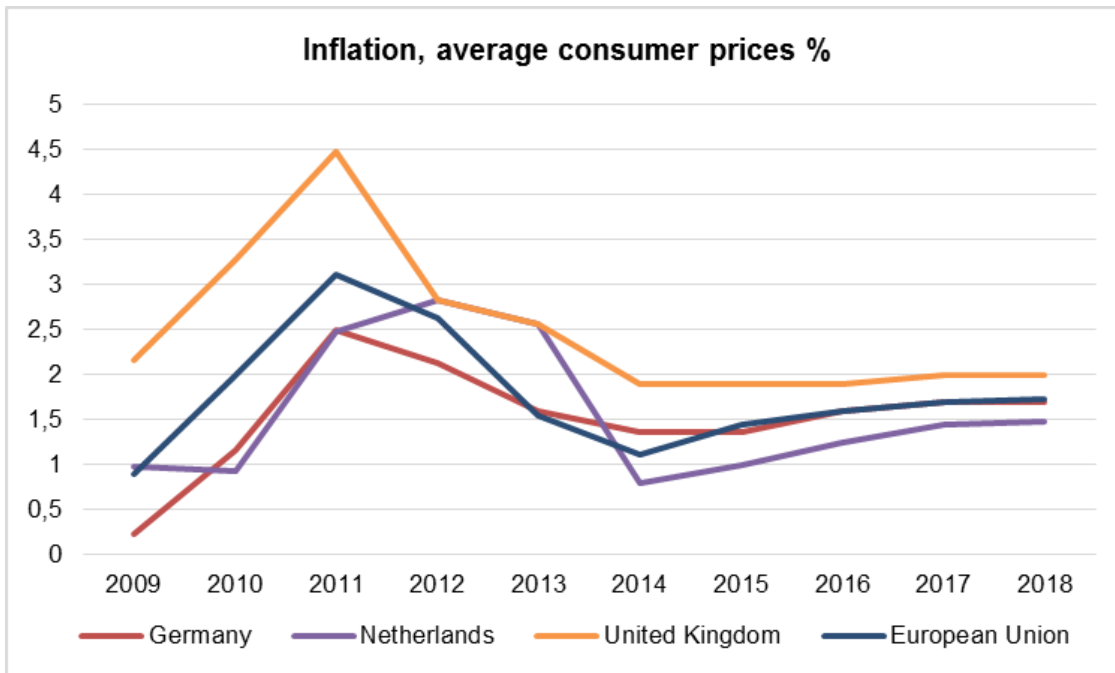


Source: IMF 2014, World Economic Outlook Database

Consumer prices and inflation

The Netherlands suffered from the economic slowdown in the country and in Europe over 2010-2013, which negatively impacted consumer confidence and spending. In 2013, the average consumer price change was as high as 2.6%. In 2014, inflation is expected to fall to 0.8%, but it will be 1.2% on average over 2014-2018, below the European level. Consumer confidence and purchasing power recovered in 2014, pushing up retail performance.

Figure 3: Consumer price change in 2009-2013 and expected inflation rate for 2014-2018 in the leading European countries, the Netherlands and the EU, in %



Source: IMF 2014

Trade Statistics

Production and consumption

The Netherlands is an important jewellery market in Europe. The total jewellery and fashion watch market is estimated to be worth around €780 million (in 2011). After an 8% decline in sales in 2009, caused by the economic slowdown, jewellery and watch market sales remained stagnant throughout 2011. The unfavourable economic environment in Europe resulted in a sales slump in the sector in 2013.

99.8% of jewellery companies in the Netherlands are small and medium-sized enterprises (SMEs) with a maximum of 250 employees. Over 90% of jewellery businesses only have one store. About 40% of jewellers who own a store do not employ any personnel. SMEs specialise in jewellery customisation to meet the demanding consumer requirements for unique jewellery. The unique selling proposition of SMEs is built around a customer-centric and service-oriented approach.

Sales of costume jewellery performed better than the total jewellery and watch market, driven by the growing demand for trendy and affordable jewellery by young people. The increasing demand for costume jewellery drives the significance of fashion jewellery chains such as Claire's, Accessorize, Bijou Brigitte, SIX and others, as well as that of department stores and other fast-fashion chains.

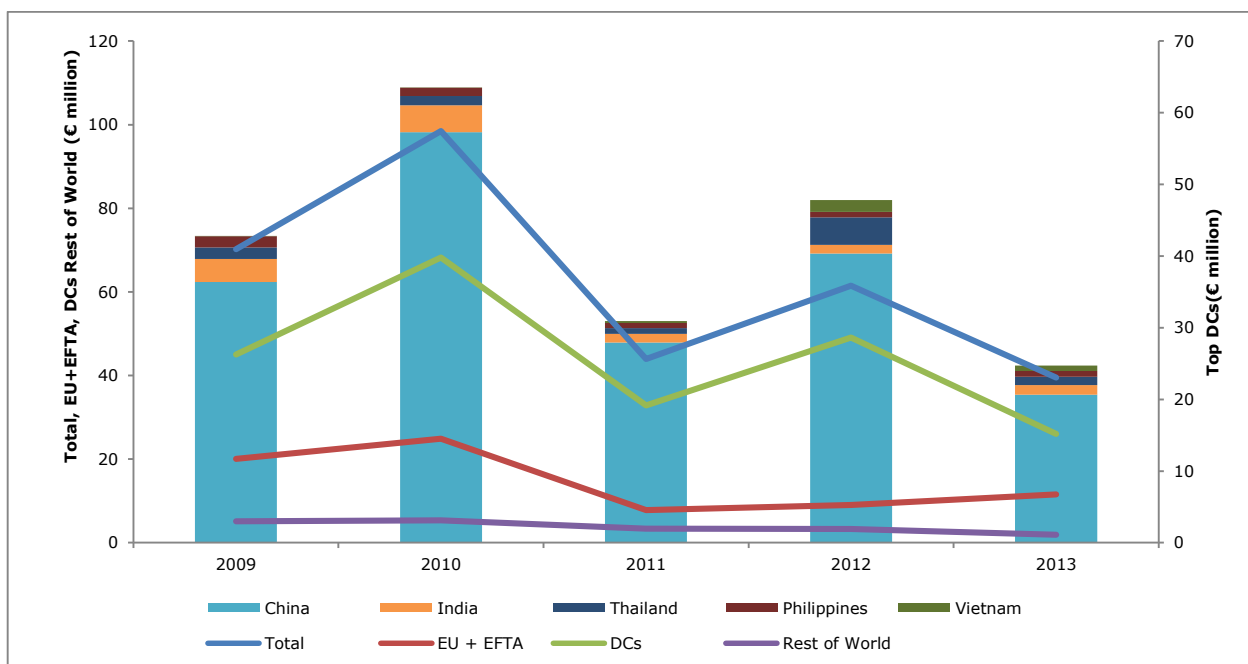
The outlook for the demand for jewellery in the Netherlands is positive. Jewellery is expected to see a better performance as a result of improved economic conditions in the country. More people are showing an increased willingness to purchase jewellery, while the interest in costume jewellery is outperforming fine and bridge jewellery in the Netherlands.

Tips:

- Enter the Netherlands with a low-cost jewellery product in combination with a distinct and trendy design. Follow the latest costume jewellery trends so you can integrate these into your production process, since Dutch younger consumers are looking for trendy and affordable jewellery. Opportunities are seen in jewellery specifically targeting different types of consumers and in jewellery for everyday use or for special occasions.
- Improve your customer service and be prepared to offer customised collections for the European buyers.

Import and export

Figure 4: Import of costume jewellery to the Netherlands, value in millions of €



Source: Eurostat (October 2014)

In terms of value, total imports of costume jewellery were down by 13.4% CAGR in 2009-2013. About 66% of imported costume jewellery arrived from the developing countries into the Netherlands. DC imports of costume jewellery also declined by nearly 13% CAGR in 2009-2013 and they were down by 47% year-over-year in 2013, negatively affected by declining imports from leading mass-production markets such as China.

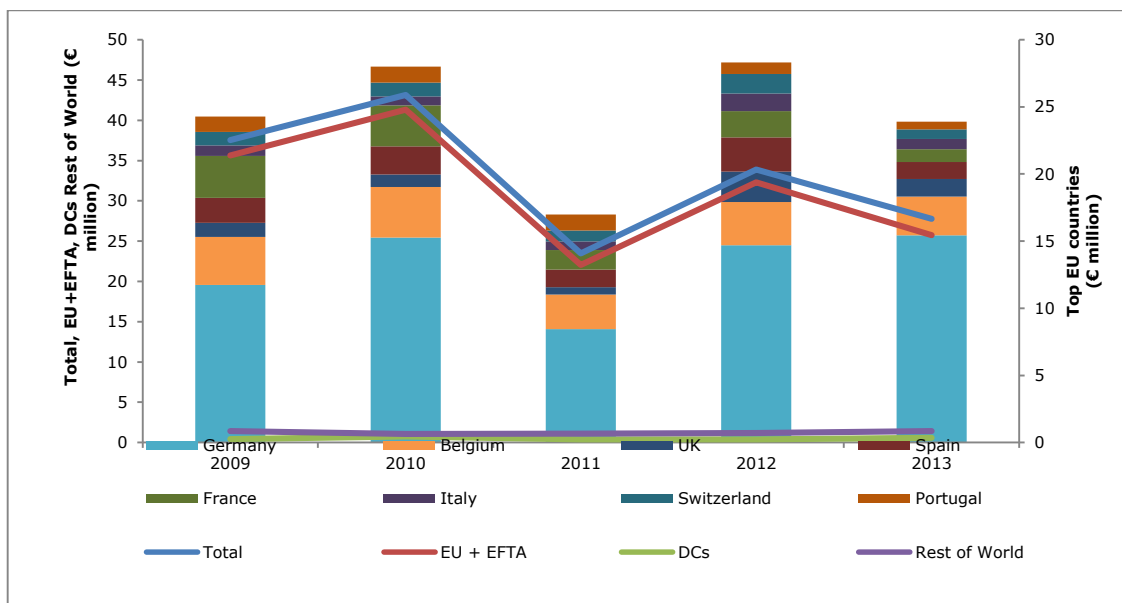
China, India and Thailand are the leading exporters of costume jewellery to the Netherlands, holding a cumulative share of nearly 60% of total imports. Vietnam, Peru and Turkey saw their strongest import value increase between 2009 and 2013, benefiting from low labour costs.

The outlook for costume jewellery imports to the Netherlands is expected to improve, driven by the economic recovery in Europe and the growing demand for trendy low-cost jewellery. China will continue to see a negative development, as the demand is shifting from mass-produced jewellery to more personalised jewellery and jewellery with an eye-catching modern design.

Tips:

- Focus on jewellery with an intriguing design and a clear statement. Jewellery from niche segments such as ethical and/or recyclable jewellery will help strengthen your position on this mature market.
- Be creative and experiment with different materials to fit your jewellery style. Consider applying modern and increasingly popular non-precious materials such as leather, textile, cords, and shells, among others.

Figure 5: Export of costume jewellery from the Netherlands, value in millions of €



Source: Eurostat (October 2014)

The export of costume jewellery from the Netherlands declined by 7% CAGR over 2009 and 2013, because of the unfavourable economic climate in many European countries. The Netherlands is the key trade hub in Europe and 93% of Dutch exports of costume jewellery go to other European countries. Germany, Belgium, the UK, Spain and France are the top 5 destinations for Dutch exports, accounting for nearly 80% of the total export of costume jewellery.

Tip:

- Consider targeting other European countries through indirect sales when cooperating with Dutch retailers and wholesalers, since the Netherlands is the key trade hub in Europe.

Market Trends

The Dutch consumer is increasingly interested in sustainable products and putting pressure on unethically operating companies. The awareness of social imbalance and environmental issues make consumers think 'ethically' and go for Fairtrade and recycled products. Globally the combined sales of diamonds, gold and platinum group metals in the jewellery supply chain by [RJC Members](#) grew by 8.5% in 2013, and RJC members' combined sales accounted for about 26% of global jewellery sales. Recycled jewellery is another important trend in the market; it is often sold by individual jewellery designers in small stores or street markets. Sales of ethical and recycled products are still negligible in the Netherlands, but it is a powerful marketing tool for new market entrants such as DC exporters.

Tips:

- Consider operating on the niche market for sustainable or recyclable jewellery. To offer such jewellery, carefully source your materials and pay attention to the certification and ethical principles of your suppliers and partners.
- If you decide to enter the Fairtrade and/or recycled jewellery products market, consider visiting local trade shows to find out about the local market setup. Smaller store owners and street market owners will probably be sourcing the jewellery elements through wholesalers. Consider cooperating with select Dutch wholesalers that are known for supplying recyclable and Fairtrade products.

The ongoing global personalisation trend has raised consumer interest in charms and other customisable jewellery. Customisable jewellery gives customers the opportunity to create individual designs. Charms and beads by international companies such as [Links of London](#), [Pandora](#), [TrollBeads](#), and [ThomasSabo](#) are some of the most popular customisable jewellery in the country. There are also dedicated online retailers that specialise in beads and charms sales, for example [Bead Sensation](#), [I love Beads](#) and others.

Tip:

- Depending on your specialisation and your jewellery statement, consider offering customisable jewellery collections along with your key jewellery lines.

Fast-fashion is well established in the Netherlands, represented by the Dutch [Hema](#) and international fast-fashion chains such as [H&M](#), [Primark](#) and [Zara](#). The fast-fashion segment has grown, driven by the increasing demand for more affordable, fast-changing and trendy fashion. The customer's need to update his/her wardrobe more frequently and at a lower price is also driving sales of jewellery in this retail channel.

Tip:

- Enter the market with a value-for-money proposition. Besides asking a good price for your jewellery pieces, consider adding value by using new trendy materials that can make your jewellery design look eye-catching and different from mass-produced jewellery.

The breakthrough of 3D printing technology is driving innovation in a number of industries, including jewellery. 3D technology can be used to print jewellery designs from various materials. 3D technology is also driven by the increasing demand for customised jewellery, since customers can design and print their own jewellery pieces using a 3D printer. In the Netherlands, [Zazzy](#) launched its online store for the creation of 3D jewellery in 2013. The company offers jewellery design software and a retailing service, while 3D printing is carried out at [Shapeways](#). Dutch discount retail chain [HEMA](#) has also introduced a collection of 3D printed jewellery and accessories, taking advantage of the new technological opportunities.

Tip:

- Be up to date on all technological developments on the market, including the latest 3D technology. Evaluate the advantages and disadvantages of this technology and compare the cost benefits of the traditional production process and the processes that use the technology. Carefully choose the more cost efficient production process and keep in mind any investment costs. Clearly state the advantage of your selected production process in all marketing materials, such as the value of hand-made jewellery or its modern high-tech design.

For more information on market trends, please refer to CBI Trends for Jewellery.

Market Channels and Segments

Online retail is an important market channel in the Netherlands. Over two-thirds of Dutch jewellery retailers have websites, while over 30% of businesses sell online. The fine jeweller's [Ace Jewellers](#) reports that over 20% of the company's sales are generated online. The share of online sales for costume jewellery is significantly higher. [Mimi Et Toi](#), [All Over Piercings](#), and [Alma findings](#), are a few examples of local online stores in the Netherlands. [Beadies](#) is known for its bead components.

Online jewellery wholesale is another well-established channel in the Netherlands. [Blinkcstar](#), [Wholesale Holland](#), [Yamba Jewellery](#), and [Essentials Jewellery](#) are just some of the many online stores that specialise in jewellery wholesale. The high number of online wholesalers is driven by the country's leading position in the intra-European trade.

Tip:

- Consider approaching online retailers and wholesalers in the Netherlands who specialise in jewellery and in element (such as beads and charms) sales. Do additional research to find out who the leading online retailers of jewellery in the country are, or visit local trade shows to establish face-to-face contact and create possible partnerships.

Price

Figure 6: Price structure



Your Free On Board (FOB) Price must be calculated in such a way that all costs are covered: production costs (raw materials, labour costs), administration costs (rents, electricity and other fixed costs) and marketing costs (expenses for marketing materials, catalogues, website, travel costs to European trade shows and other related costs). If you're using Alibaba, Google, Amazon or other online marketing tools, be prepared to also pay a fee for these tools and add it to your calculation.

Be aware of the different costs and value chain margins that add to the product price. Logistics costs for costume jewellery are higher than for fine jewellery, as the total order value is typically smaller (compared to fine jewellery).

Tip:

- Carefully estimate all your costs and select the preferred European buyer. Working directly with a retailer, you can have higher profit margins, but be aware that your costs will increase as well. Logistics costs will be higher as the order volume will tend to be smaller when compared to collaboration with a wholesaler. Besides, travel costs (part of marketing costs) may be higher when working with independent retailers.

Field of Competition

For more information, please refer to CBI Field of Competition for Jewellery, as the market competitiveness of costume jewellery in the Netherlands does not differ significantly from this general overview.

Main Sources

- Eurostat, URL: <http://epp.eurostat.ec.europa.eu/portal/page/portal/eurostat/home/>
- International Monetary Fund (IMF), URL: <http://www.imf.org/external/index.htm>
- Market research company Euromonitor, URL: <http://blog.euromonitor.com>
- Dutch jewellery and watch association, URL: <http://www.nju.nl>

Trade Shows:

- Sieradenbeurs – Gems & Jewellery trade show for products such as precious metals, precious stones, wood, freshwater pearls, Swarovski crystal, glass beads and other jewellery elements and materials, URL: <http://10times.com/sieradenbeurs-hague>
- Modefabriek - Fashion apparel and accessories trade show in the Netherlands, URL: www.modefabriek.nl



CBI Market Intelligence

P.O. Box 93144
2509 AC The Hague
The Netherlands

www.cbi.eu/market-information

marketintel@cbi.eu

This survey was compiled for CBI by Global Intelligence Alliance market research in collaboration with CBI sector expert Mart Krijger

Disclaimer CBI market information tools: <http://www.cbi.eu/disclaimer>

March 2015