

Guide to insuring your jewellery

CHUBB®

A close-up photograph of several luxury watches arranged in a display case. The watches are set against a light-colored, textured background. One watch in the center is a gold-tone chronograph with a white dial and a rotating bezel marked with numbers. Another watch below it has a silver-tone case and a light-colored dial with a date window. A third watch in the upper right has a blue dial and a metal case. The lighting is soft, highlighting the metallic finishes and the intricate details of the watch movements.

Policies, services,
and more

Why it's important to protect your jewellery

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

Since 2009, the fine jewellery 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 jewellery market will grow at an annual rate of over 15% from 2018 to 2022.¹ 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 jewellery sales were to new buyers, while Sotheby's reported that 50% of their buyers placed bids online.²

Brands are growing in popularity

Analysts estimate the market for luxury goods will reach a high of \$357.9 billion by 2025.³ Jewellery remains a top growth category within personal luxury goods, outpacing both luxury handbags and apparel.⁴ Younger generations have not only been steady buyers of luxury but will be the drivers to reshape the industry. Millennial customers (born between 1980 and 1995) accounted for 35% of consumption in 2019 and by 2025 could make up 45% of the market.⁶ And while the younger Generation Z make up only 4% of luxury purchases today, they are not to be discounted as they are positioned to grow to 40% by 2035.⁶

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 jewellery 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 jewellery self-purchasers are a pivotal growing market.⁷

Only a small minority of jewellery purchased is insured

With a diamond engagement ring costing an average of \$5,900⁸, it makes sense for you to have a way to replace your ring or other jewellery if lost, misplaced, or stolen. But, surprisingly, a vast majority of jewellery purchased is left uninsured.

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



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



5 reasons to look for the right jewellery insurer

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

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

The right insurance can replace your fine jewellery 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 and you choose to replace the item.

2 Your homeowner's insurance may not cover your jewellery.

You may think that your homeowner's policy will cover you if your jewellery is stolen, lost or misplaced. That may not be the case. Typical homeowner's policies cover jewellery only if it is stolen, not if it is lost or misplaced. And most have a maximum limit, so if your jewellery costs more than that, you won't be able to replace it with a similar item. The right insurance policy, specifically for jewellery 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 and you choose to replace the item.

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 jewellery, a current appraisal is not necessary with some insurance companies. Some premium insurance companies don't require an appraisal unless your individual jewellery 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 jewellery 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 jewellery 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 jewellers, locate hard-to-source gemstones and provide security assessments, to make sure your jewellery is as safe as possible when in transit and in your home.

Protect your jewellery

With the markets for jewellery 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 broker or visit

www.chubb.com/ca-jewellery

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.

¹ *Global Online Jewelry Market 2018, Sales Statistics, Major Trend (Rising sales through e-retailers), Challenges and Forecast Till 2022,* www.reuters.com

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

³ *The Diamond Insight Report 2018, DeBeers Group*

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

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

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

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

⁸ https://www.diamonds.net/news/NewsItem.aspx?tc_dailyemail=1&ArticleID=64753



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