Profitable Repair Upscaling

Repair Statistics and Revenue

Key Statistics

- Retailers outsource over **35,500 jobs a week** to US trade shops
- This conservatively translates into over **1.8 million jobs per year**
- Outsourced jobs accounted for **60% of jewelry store foot traffic**
- Jewelry repair contributed to **16-20% of store revenue**
- **6,100 annual job openings** due to bench jewelers retiring or exiting the workforce

Sources: Southern Jewelry News, IbisWorld

$60.3 Billion

Projected 2026 jewelry retailer revenue

$9.4 Billion

Projected 2026 jewelry & watch repair revenue

WORKSHEET:
Calculate your store's potential repair revenue & profits
Assume: 20% of store revenue is driven by jewelry & watch repairs; and 50-60% margins are recognized in repair revenue.

	Example	**2026**	**2027**	**2028**
Total Revenue	$10 million			
Repair Revenue *(20% of total revenue)*	$2 million			
Repair Profits *(60% repair revenue)*	$1.2 million			

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Leveraging Outsourcing

5 Reasons Repair Revenue Could Be Low

1. Overwhelmed bench team & lack of time
2. Absence of outsourcing vendors & processes
3. In-store team not effectively seeking repairs
4. Lack of back-of-house and front-of-house collaboration
5. Increased demand for custom design

4 Reasons to Leverage Outsourcing

1. Unlimited capacity
2. Unlimited capabilities
3. Elevated care
4. Increased profits

CHECKLIST:
Questions to ask when evaluating a trade shop for outsourcing.

About the Company	About Their Processes

❑ What services do they offer?
❑ Is everything in-house, or do they sub-contract?
❑ How big is their bench team?
❑ Do they have master jewelers, watchmakers, and specialized talent?
❑ Are they an authorized provider of niche services?
❑ What incentives are offered?
❑ Do they warranty their work?
❑ What's their redo %?
❑ Do they provide quick estimates?
❑ What are their turn times? Do they offer rush options?
❑ What other standards do they have in relation to:
  ❑ quality craftsmanship?
  ❑ timely service?
  ❑ communication?
	❑ Do they have a state-of-the-art facility?
	❑ What are their security and loss prevention protocols?
	❑ Are they properly insured?
	❑ Are you able to easily track jobs? How do you get a status update?
	❑ What is their intake process?
	❑ Do they provide images and detailed descriptions for each job?
	❑ How do they track movement of repairs throughout their facility?
	❑ Do they offer cleaning, polishing, and rhodium?
	❑ At what points do they have QA (quality assurance) checkpoints?
	❑ What are their invoicing & payment terms and processes?
	❑ Do they provide quick return shipping and easy tracking?

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Repair Revenue Goals

SET YOUR REPAIR INTENTIONS:

What are 3 actions that your retail store will take in the next 30 days to enhance your repair capabilities, revenue, or service?

Within 10 Days	Within 20 Days	Within 30 Days

Here's a list of thought-starters:

- ❑ Calculate potential repair revenue and profits and determine your current gap.
- ❑ Set repair revenue & profit goals for 2024 & 2025.
- ❑ Assess the current capacity and capabilities of your in-house bench team.
- ❑ Set a meeting or open an account with JD&Co. for jewelry & watch repairs outsourcing.
- ❑ Identify the types of repairs that you are currently turning away.
- ❑ Research training programs that help staff to uncover repair opportunities with walk-ins.
- ❑ Collaborate with your bench team on identifying and recommending needed repairs.
- ❑ Download JD&Co.'s repair intake checklist and print copies for your team.
- ❑ Formalize an intake process that helps recommend necessary repairs.
- ❑ Send customers a survey to further understand their repair needs and types.
- ❑ Brainstorm how to include repairs in your 2024 marketing plan.
- ❑ Take at least 3 steps to better unite your front-of-house and back-of-house teams.

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