



READY TO BREAK UP WITH VALENTINE'S DAY?

..... || You're Not the Only One. ||



THE PEARL SOURCE



A Valentine's Day Report from The Pearl Source

Ah, Valentine's Day. Romance is in the air. It's a time of excitement, anticipation, love, and affection. Valentine's Day has its roots in Christian mythology, originally a celebration of Saint Valentinus. But it wasn't until the 14th century that the holiday had any romantic connotations, and it took until the 18th century for the idea of gift-giving to take root. As for the chocolate, we have Richard Cadbury, a famous chocolatier, to thank. His bright idea of selling chocolates in a heart-shaped box pioneered the confectionary gift-giving tradition we're so familiar with now. Eventually brands saw the holiday as a marketing opportunity, creating the environment we know today—filled with jewelry, cards, gifts, teddy bears, and more.

For fans of the consumer holiday, many will likely be ready with flowers, chocolate, and the perfect card for their significant other, ready to shower their partner with the attention they deserve. For others, this holiday is a little less about love and a little more about one thing: anxiety.

For many, Valentine's Day comes with high expectations and a laundry list of plans to make and items to purchase. From scrambling to find a last minute gift and worrying about securing the perfect romantic dinner spot, to spending yet even more cash right after a busy holiday shopping season, Cupid apparently comes with a lot of stressful baggage - at least for some.

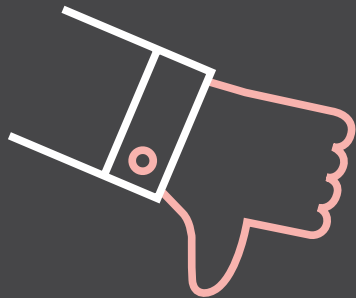
In a study conducted by The Pearl Source, one of the largest online jewelry retailers in the United States, Cupid wasn't able to win over everyone. Far from it, in fact. As it turns out, Valentine's Day may be doing more harm than good when it comes to two key areas: relationship health and financial security.

In order to truly understand how people feel about Valentine's Day, we polled 1,000 men and women across various ages, educational backgrounds, and income levels. Here's what they had to say.



Valentine's Day: Love it or Hate it?

The Pearl Source decided to start with the basics....
does anyone really like this holiday?



"Over it"

- Nearly a third could do without Valentine's Day.



VALENTINE'S DAY: LOVE IT OR HATE IT?

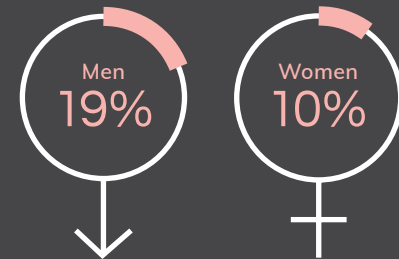


30%

of respondents say Valentine's Day is an unnecessary consumer "Hallmark holiday" that forces people to spend money.

Who would abolish the holiday outright?

Nearly
15%
percent of all
respondents



Love is very much not in the air. 30% of consumers think Valentine's Day is an unnecessary "Hallmark holiday" and nearly 15% would completely strike it from their calendars if they could. Men drove this sentiment most. Nearly twice as many men said they'd abolish Valentine's if they could.



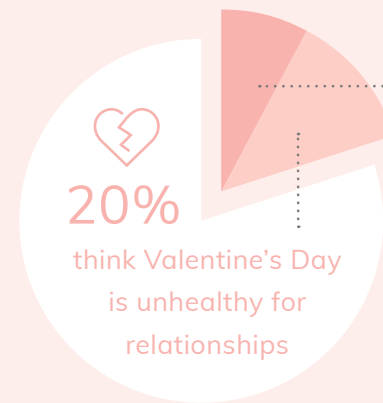
Valentine's Day and Relationships

For a holiday known for love and romance, quite a few survey respondents felt Cupid put a great deal of strain on their relationship. Not only is it seen as a superficial holiday that speaks out of place, the holiday also raises questions people may not want to address at that time.

20% of all survey respondents said Valentine's Day is not healthy for their relationship. Of those, nearly 41% said it sets a false reality of what romance is. Surprisingly, more women (45%) felt this way than men (33%). Men's second-most common reason why Valentine's Day isn't healthy? Commitment pressure.

Remember the 30% who thought the holiday was unnecessary on the previous page? 50% of those respondents said it's not healthy for relationships.

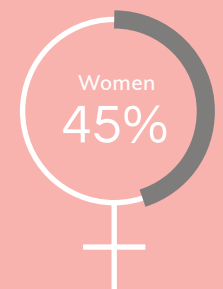
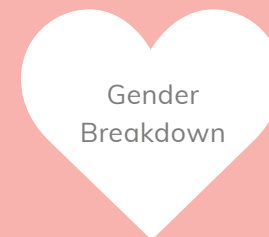
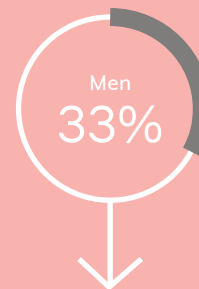
Many feel a squeeze on Valentine's Day (and not the good kind)



41%

of those say it's because it sets a false sense of reality.

Who thinks it's because the holiday sets a false sense of reality?



VALENTINE'S DAY AND RELATIONSHIPS

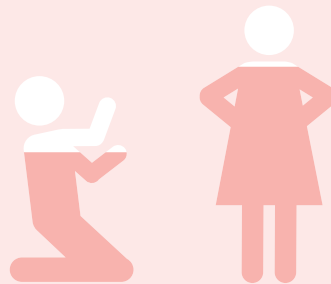
V-Day Blues: When Cupid Disappoints



40%

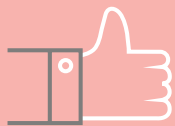
of all respondents say their partner has disappointed them

By Gender:



Men
63%

Women
77%



70%

say they've never disappointed a partner

The pressure isn't only in our heads, as most people seem to take a more critical eye towards their partner rather than themselves. 70% of survey respondents said they haven't disappointed their partner on Valentine's Day, but 40% said their partner disappointed them. Women win the confidence game, however; nearly 80% of women said they have not ever disappointed a partner on Valentine's Day, but only 63% of men felt the same way.



Valentine's Day and Finances

The NRF found that 2019 was a record year for Valentine's Day spending; the average person dropped \$161.96, up from \$143.56 the prior year.

When love gets expensive

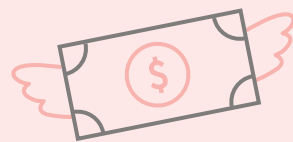
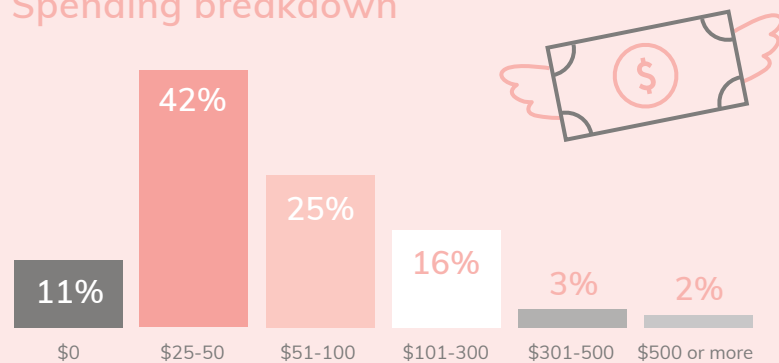
35%

of respondents feel financial strain around Valentine's Day

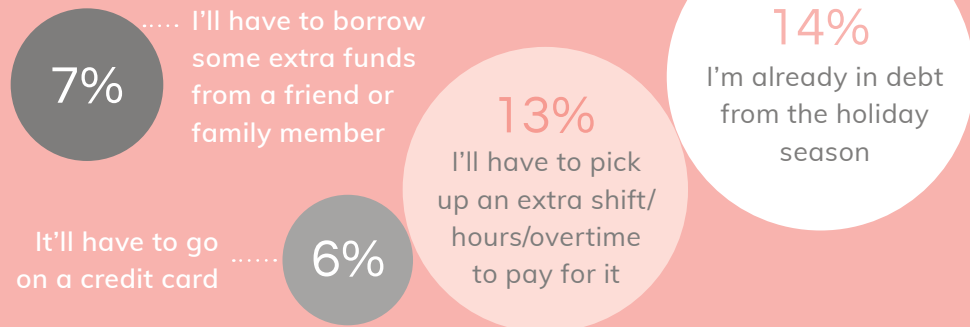


Unsurprisingly, cost was one of the biggest issues people had with the holiday. Nearly 35% of consumers said Valentine's Day puts financial strain on them right after the holidays, with some picking up overtime or extra shifts to pay for it.

Spending breakdown



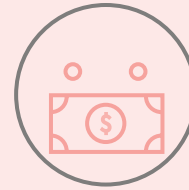
What's the cost?



VALENTINE'S DAY AND FINANCES

(Not) putting their money where their mouth is

Who's willing to spend over \$50 on Valentine's Day?



Out of all respondents:

47%

Out of those who think
VDay is unnecessary:

30%

Of those who said they think Valentine's Day is unnecessary, only 30% said they were planning to spend over \$50, compared to 47% of the general population. However, among the general population and across men and women, the most common budget range for gifts was \$25-\$50.

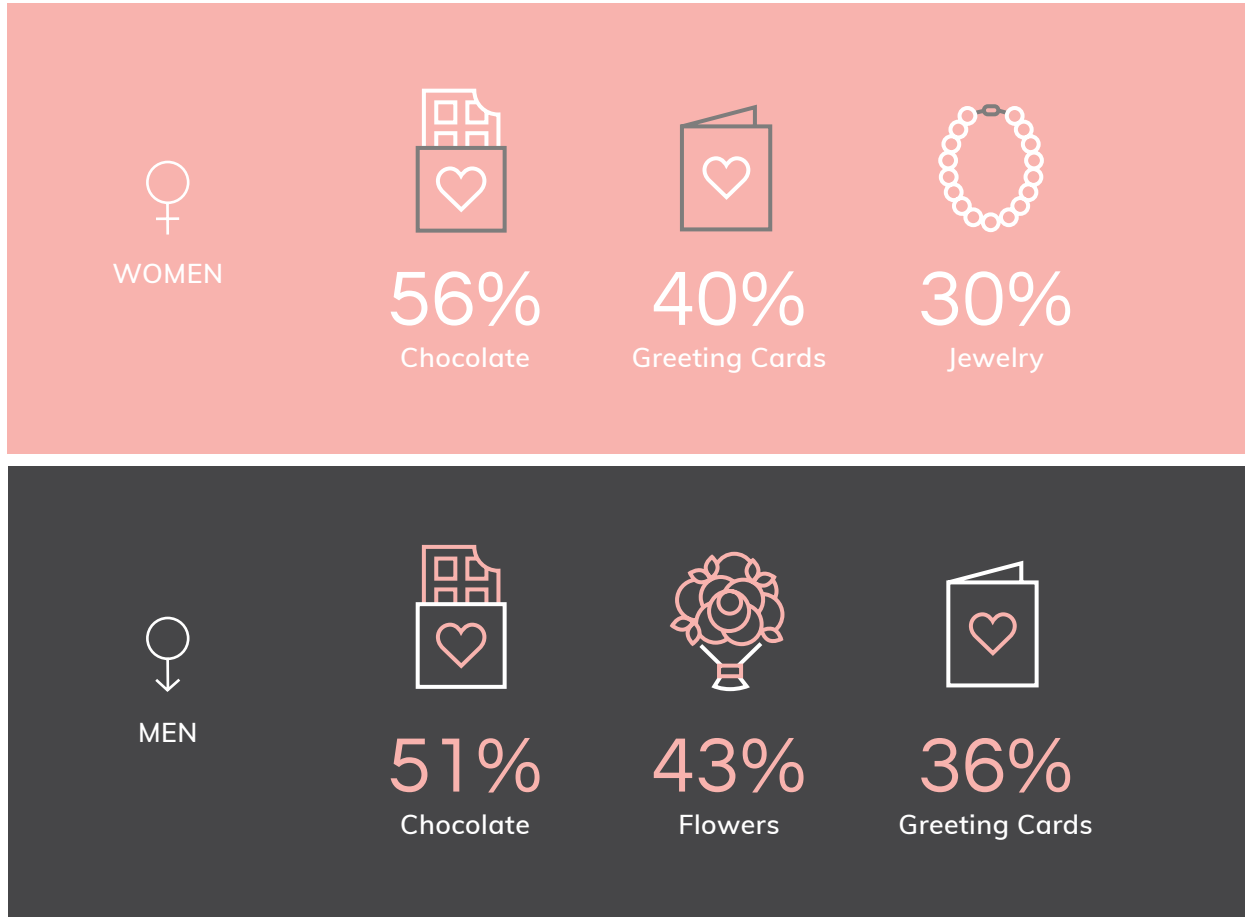




VALENTINE'S DAY AND FINANCES

Valentine's Day Valentines: What we gift each other*

And what are they planning to buy? Here are the top three gifts by gender.



*Multiple selections were allowed.

VALENTINE'S DAY AND FINANCES

Valentine's Day Self-Love: What we gift ourselves

When looking at the answers of those who would treat themselves to a little something on Valentine's Day, the top three gifts look a little different. Here are their preferences, by gender.

 WOMEN



62%
Chocolate



29%
Flowers



25%
Jewelry

 MEN



54%
Chocolate



33%
A Lavish Dinner



23%
Jewelry



Valentine's Day and Retailers

Retailers and e-tailers aren't feeling the love when it comes to this holiday. Marketing spend tends to increase due to rising advertising costs and a need to stand out among other retailers. According to Mediapost, companies spent 23% more on online search advertising even though consumers only spent 5% more on online purchases. With markdowns and specials eating into profit margins, you might not even be doing your mom and pop shop any favors by participating in the holiday.

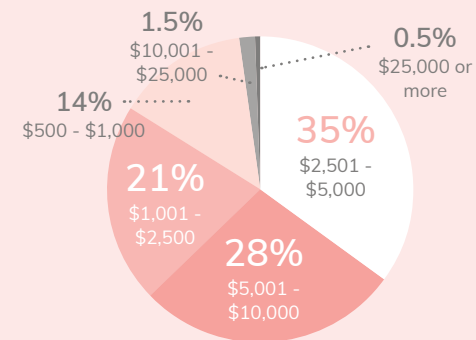
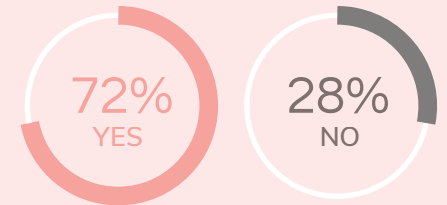
The holiday is a tough sell for retailers,

because a lot of jewelry was already just purchased for Christmas so we need to find a compelling reason for people to revisit jewelry for Valentine's Day. In order to have a new angle on the holiday, we offer a discount promotion for the holiday and look to market new and relevant products.

— Leon Rbibo, President of The Pearl Source

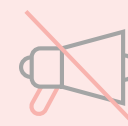
In a survey of 500 retailers and e-tailers, specifically those in marketing or e-commerce management roles, we found that most feel like they needed to discount and market themselves heavily due to the holiday even though it led to little success. 68% of retailers would do away with the holiday altogether and over 70% felt they needed to spend more to promote discounts, existing promotions, and products.

Does your brand require added marketing spend around Valentine's Day promotions, discounts, and specialty products?



If yes, about how much additional marketing budget is required?

Agree/disagree: I'd do away with Valentine's Day initiatives if I could.



68% YES

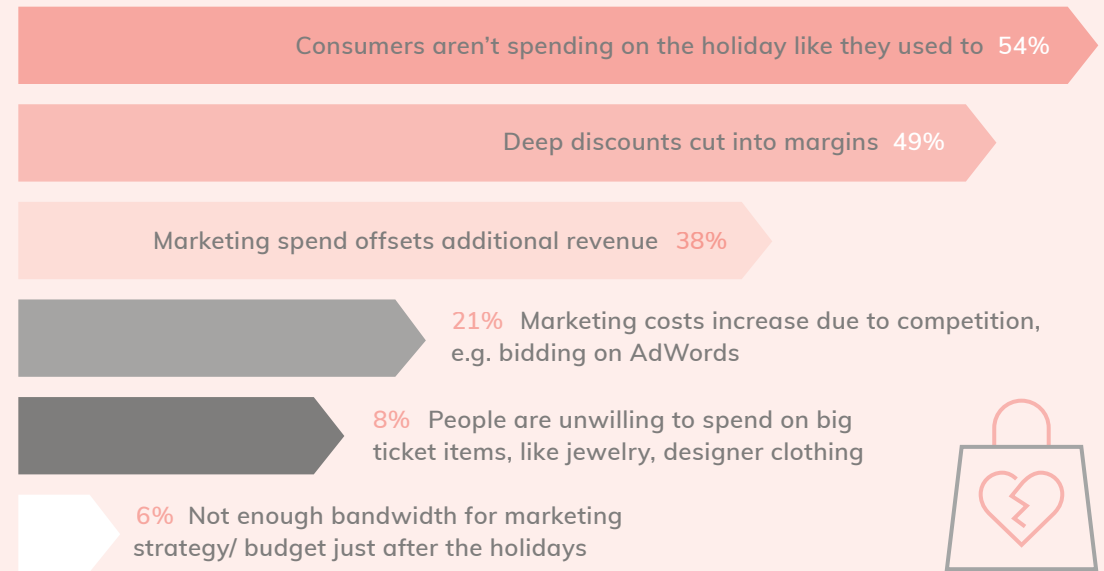
32% NO





Retailers show no love for Valentine's Day

Nearly 90% of retailers said that Valentine's Day WAS NOT a lucrative holiday for their brand. When asked why, here are the options they selected (respondents were allowed to select more than one option).



As you can see, retailers dread the holiday too.