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Pandora's Silver Dilemma: Why Moving to Platinum-Plated Jewellery May Be a Risky Strategy

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Abstract

This research paper examines the possible risks of Pandora moving away from sterling silver and placing greater focus on platinum-plated jewellery. Pandora has built its global success around affordable luxury, personalisation, emotional value and sterling silver charm jewellery. Sterling silver has also become closely connected with the company's sustainability strategy, especially after Pandora shifted to 100% recycled silver and gold. The paper studies whether introducing platinum-plated jewellery could strengthen Pandora's premium image or instead weaken the brand qualities that have made it successful. It considers possible advantages such as higher retail prices, improved profit margins and access to more premium customers. However, it also identifies major concerns, including customer confusion, reduced affordability, durability issues, brand dilution and possible sustainability challenges. The paper argues that platinum-plated jewellery should not replace sterling silver as Pandora's main product material. Instead, Pandora could introduce a small and clearly separated platinum-plated collection to test customer interest before making a larger investment. Overall, the study concludes that maintaining sterling silver as the foundation of the brand while carefully experimenting with new materials would be the safer and more sustainable business strategy.

Keywords: Pandora, Sterling Silver, Platinum-Plated Jewellery, Brand Identity, Consumer Perception, Sustainability, Pricing Strategy, Jewellery Market

1. Introduction

If you have ever walked past a jewellery store at the mall, there is a good chance you have seen the iconic white boxes and charm-covered bracelets in the window. That store is probably Pandora. Founded in 1982 in Copenhagen, Denmark, by a goldsmith named Per Enevoldsen and his wife Winnie, Pandora started as a tiny jewellery shop with a simple idea: make beautiful jewellery that real people can actually afford. Over the next four decades, that small shop grew into the world's largest jewellery brand by volume, selling more than 100 million pieces every single year across more than 100 countries. Today, Pandora is more than just a jewellery company, it is a global cultural symbol of personal expression, memory and gifting.

What made Pandora so special was never about being the most expensive name in the room. It was about being meaningful. A Pandora charm bracelet is a timeline of someone's life. Each charm represents a birthday, a trip, a graduation or a friendship. The bracelet becomes a wearable scrapbook. And the metal holding all of those memories together? Sterling silver. Simple, beautiful, affordable and completely tied to the Pandora identity.

Recently however, Pandora has been exploring a new direction. The company has been looking at introducing platinum jewellery. On the surface, this sounds like a smart business move, who would not want to upgrade their image? The problem is that when you look closer, this strategy carries some very serious risks that could hurt the brand more than help it.

This case study looks at how moving away from sterling silver toward platinum-plated jewellery is a risky strategy for Pandora. While a small, carefully tested platinum-plated collection could work, replacing silver as the foundation of the brand would confuse customers, damage Pandora's hard-earned identity, raise questions about quality and sustainability and push the brand into a market space it was never built to compete in. To understand why, we first need to understand exactly how Pandora built itself into what it is today and why silver is not just a material choice, but the backbone of everything the company stands for.

Source: https://au.pandora.net/en/bracelets/charm-bracelets/

2. Background of Pandora

To understand why changing Pandora's core material is such a big deal, you first have to understand how Pandora built itself up from nothing. Most huge companies started with a lot of money and big investors. Pandora did not. It started as a tiny jewellery shop in Copenhagen, Denmark in 1982, run by a goldsmith named Per Enevoldsen and his wife Winnie. They were not trying to compete with Tiffany or Cartier. They were just trying to make beautiful jewellery that everyday people could actually buy. That simple idea turned out to be one of the most powerful business strategies in the history of the jewellery industry.

For years, Pandora operated as a small local business, importing jewellery from Thailand and selling it out of their shop. Then in 2000, everything changed. Pandora launched its now-iconic charm bracelet, and it completely transformed what jewellery could mean to someone. The launch of the iconic charm bracelet in 2000 revolutionized the industry, making personalized jewellery accessible. The idea was simple but brilliant. Instead of buying one finished piece, customers could build their own bracelet over time by adding individual charms. Each charm told a story. A little Eiffel Tower from a trip to Paris. A graduation cap after finishing school. A heart from a best friend. The bracelet became personal in a way that regular jewellery never had been before.

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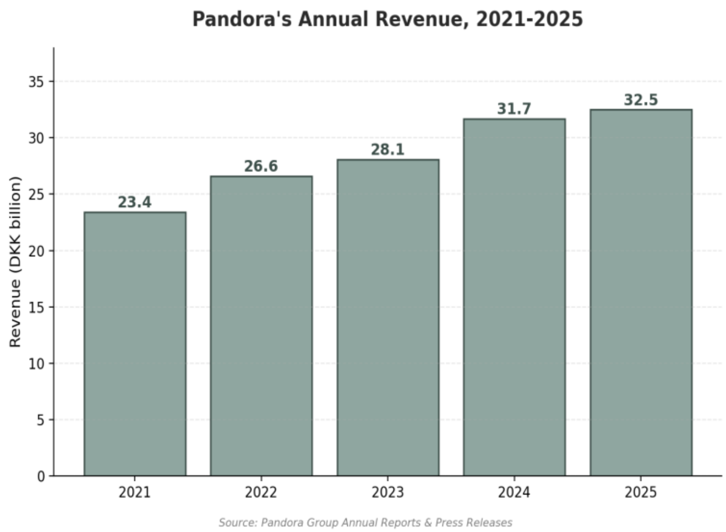

Table 1: Pandora's annual revenue increased steadily from DKK 23.4 billion in 2021 to DKK 32.5 billion in 2025, showing consistent business growth.

This concept of personalisation was the rocket fuel that launched Pandora into a global powerhouse. Pandora expanded into the US market in 2003 and opened its first concept store in 2006, laying the groundwork for its sustained growth. Today, Pandora has grown into the world's largest jewellery brand, selling in more than 100 countries. Headquartered in Copenhagen, Denmark, Pandora employs around 39,000 people worldwide and generates billions of dollars in revenue every single year. Pandora generated revenue of DKK 32.5 billion, which is around EUR 4.4 billion, in 2025. That is a long way from a small Copenhagen shop.

What made all of this possible was the price point. Sterling silver was the perfect material for Pandora because it looked beautiful, it felt premium, and it was affordable enough that a regular person could buy it without stressing out. Most experts categorize Pandora as entry-level luxury, a brand that works with precious metals like gold and sterling silver at price points lower than many other fine jewellery brands. That sweet spot between affordable and special is exactly what Pandora owns. It is not a random gift you grab at the checkout line but it is also not something that only rich people can afford. It sits right in the middle, and that middle is a very powerful place to be.

Beyond the product itself, Pandora has also built a strong emotional brand. People do not just buy Pandora jewellery. They buy it to mark a moment, celebrate someone or express who they are. CEO Alexander Lacik, who took over in 2019, helped move Pandora beyond its charm bracelet roots, positioning the company as a complete jewellery brand. Campaigns like "BE LOVE" in 2024 showcased the emotional core of Pandora, focusing on love, memories, and connection. Partnerships with cultural icons and franchises like Disney, Marvel, and Game of Thrones expanded Pandora's appeal to pop-culture fans and younger audiences. This approach helped Pandora stay relevant with younger shoppers who might otherwise skip traditional jewellery entirely.

One of the most impressive things Pandora has done recently is take sustainability seriously in a real way, not just as a marketing slogan. The company made the decision to exclusively use lab-grown diamonds from 2021 and completed its transition to 100% recycled silver and gold in December 2023. This initiative is projected to avoid approximately 58,000 tons of CO_2 annually, a substantial environmental benefit. For a company that sells over 100 million pieces a year, that is an enormous amount of material, and switching all of it to recycled sources is genuinely impressive. Pandora has set out to halve greenhouse gas emissions across its value chain by 2030 and aims for net-zero emissions by 2040. These are not small goals. They show that Pandora is thinking about the future, not just the next quarter.

The sustainability push also made sterling silver feel even more meaningful. It was not just cheap metal anymore. It was recycled, responsible and part of a larger mission. Pandora had taken something simple and turned it into a statement about values.

So when you look at the full picture, Pandora's success is built on three things working together. First, personalisation, the idea that jewellery should tell your story. Second, affordable luxury, the idea that beautiful jewellery should not just be for wealthy people. Third, values, the idea that a big company can still care about the planet. Sterling silver sits at the center of all three. It is beautiful but not overpriced. It is now made from recycled materials. And it has been the canvas for millions of personal stories told through charms.

That is why the next move Pandora is considering, pulling back from silver and pushing into platinum-plated jewellery, is not as simple as it might sound. Changing the metal is not just changing a material. It is changing the foundation that everything else is built on.

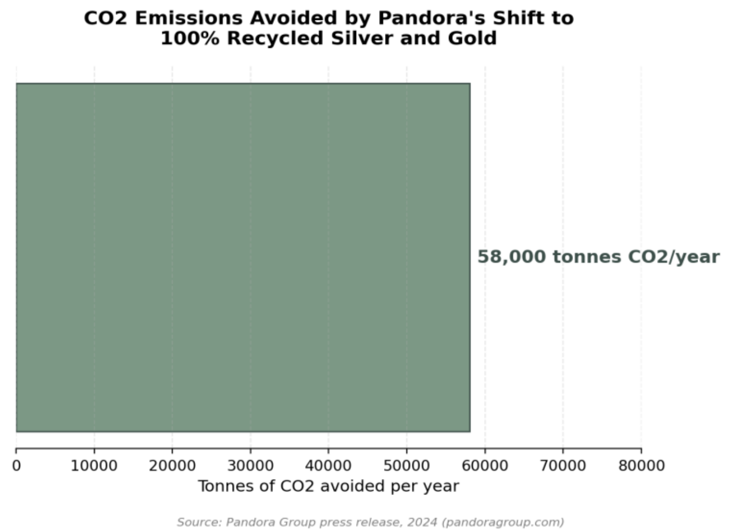

Table 2: Estimated annual CO_2 emissions avoided through Pandora's transition to 100% recycled silver and gold, amounting to approximately 58,000 tonnes per year.

3. The Proposed Change

After spending decades building its reputation around sterling silver jewellery, Pandora is now exploring a different direction. The company has been introducing more premium collections and experimenting with materials that could help it appeal to customers who are willing to spend more money on jewellery. One idea that has gained attention is the possibility of expanding into platinum-plated jewellery and reducing the company's heavy dependence on sterling silver.

At first glance, this seems like a reasonable business decision. Platinum is often associated with luxury, exclusivity, and wealth. In the jewellery industry, platinum is considered one of the most prestigious metals because it is rare, durable, and expensive. For many consumers, the word "platinum" immediately creates an image of something high-end and special. Because of this perception, moving toward platinum-plated jewellery may appear to be a natural way for Pandora to elevate its image and compete more directly with luxury jewellery brands.

The idea is not necessarily to use solid platinum throughout the jewellery. Instead, Pandora could use a base metal and apply a thin layer of platinum on the surface. This process is known as platinum plating. It allows companies to create jewellery that looks similar to platinum while keeping production costs much lower than they would be for solid platinum pieces. In theory, this would allow Pandora to sell jewellery that appears more luxurious without charging the extremely high prices usually associated with pure platinum jewellery.

This is where the real issue starts to show up. Platinum plating is actually cheaper for Pandora to produce than sterling silver, because the base metal hidden underneath the thin platinum layer costs less than solid silver does. But at the same time, the word "platinum" carries so much prestige that Pandora could still charge customers more for it, not less. In other words, Pandora would be spending less to make the jewellery while asking customers to pay more to buy it. The company would profit on both ends, lower costs on one side and higher prices on the other, while the customer ends up with less actual material value than they had with sterling silver. This is the heart of the "quality versus brand name" problem. The change is not really about giving customers a better product. It is about using a prestigious sounding word to justify a bigger price tag on something that costs less to make.

From a marketing perspective, the strategy has several attractive features. First, it could help Pandora attract consumers who currently view the brand as too affordable or too common. Some customers may associate higher prices with higher quality, even when the actual difference in quality is small. By offering platinum-plated collections, Pandora could attempt to position itself as a more sophisticated and premium brand.

Second, introducing platinum-plated jewellery could allow Pandora to increase its average selling price. Luxury products generally generate higher profit margins than affordable products. If customers are willing to pay more for jewellery labeled as platinum-plated, Pandora could potentially increase revenue without dramatically increasing production costs. For a company operating in a competitive global market, the opportunity to earn more from each sale can be very attractive.

Third, the move could help Pandora enter market segments that it currently does not dominate. While Pandora is highly successful in the affordable luxury category, there are many consumers who shop from more expensive jewellery brands because they want products that feel more exclusive. Platinum-plated collections could be designed to appeal to these shoppers and help Pandora expand beyond its traditional customer base.

The strategy also fits into a broader trend seen across many industries. As companies become successful, they often try to move upmarket. Fashion brands, cosmetics companies, and even automobile manufacturers frequently introduce premium products in an effort to increase prestige and profitability. From a business standpoint, Pandora's interest in platinum-plated jewellery follows a pattern that many growing brands have attempted before.

However, what looks appealing on paper can become much more complicated in reality. Pandora is not just another jewellery company selling metal and gemstones. The brand has spent more than twenty years creating a very specific identity built around personalization, affordability, and sterling silver craftsmanship. Millions of customers know exactly what Pandora represents. They know what the jewellery looks like, what it costs, and what it means.

This is where the proposed change becomes more controversial. Moving toward platinum-plated jewellery is not simply a matter of introducing a new product. It represents a shift in the image and positioning of the entire brand. Pandora would be moving away from the material that has been at the center of its success and toward a category that sends a very different message to consumers.

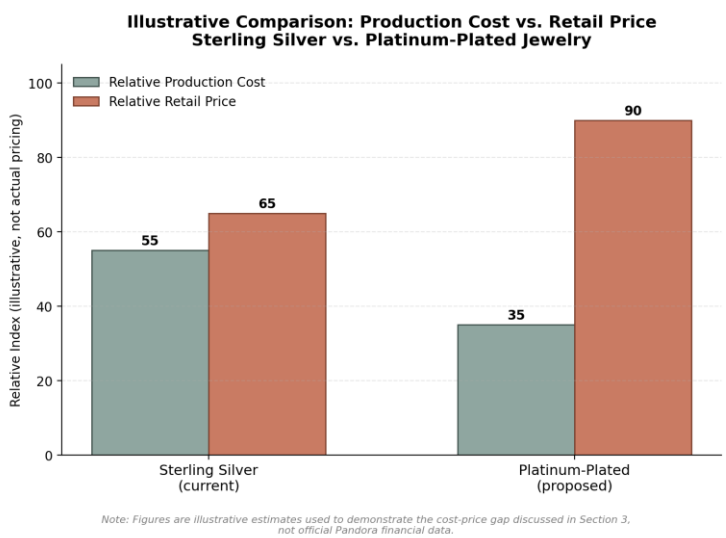

Table 3: Illustrative comparison showing that platinum-plated jewelry may have a lower relative production cost but a significantly higher potential retail price than sterling silver.

Supporters of the idea argue that Pandora needs to evolve in order to remain competitive. They believe that introducing platinum-plated jewellery could modernize the brand, attract new customers, and create additional sources of revenue. In their view, customers may welcome more luxurious options while still remaining loyal to Pandora's existing collections.

Critics, however, see the situation differently. They argue that Pandora's greatest strength has always been its ability to offer meaningful jewellery at accessible prices. By emphasizing platinum-plated products, the company risks confusing customers about what the brand stands for. Instead of strengthening Pandora's identity, the change could weaken the qualities that made the company successful in the first place.

The central question is therefore not whether platinum-plated jewellery can be attractive. It certainly can. The real question is whether pursuing a more premium image is worth the risks that come with moving away from the sterling silver foundation that helped build Pandora into a global success story.

Before deciding whether this strategy makes sense, it is important to examine the challenges and potential problems that could arise if Pandora chooses to place greater emphasis on platinum-plated jewellery . These risks may be far more significant than they first appear.

4. Problems With This Change

Although introducing platinum-plated jewellery may appear to be an attractive opportunity for Pandora, the strategy also presents several significant risks. The company's success has been built on a clear identity centred around sterling silver, affordable luxury, and meaningful personalization. Moving toward platinum-plated collections could weaken these strengths and create challenges that outweigh the potential benefits.

4.1 Customer Confusion

One of Pandora's greatest strengths is that customers immediately understand what the brand represents. Over the years, Pandora has become closely associated with sterling silver charm bracelets that are both meaningful and reasonably priced. If platinum-plated jewellery becomes a major focus, customers may become uncertain about the company's identity. Some may wonder whether Pandora is still an affordable jewellery brand or whether it is attempting to become a luxury brand.

Brand positioning works best when it is clear and consistent. If Pandora tries to appeal to both budget-conscious consumers and luxury buyers at the same time, it risks satisfying neither group. Existing customers may feel that the brand is moving away from the values they appreciated, while luxury consumers may still prefer established premium brands with stronger reputations in the high-end market.

4.2 Durability and Quality Concerns

Another major concern relates to the durability of platinum plating. Unlike solid platinum, platinum-plated jewellery consists of a thin layer of platinum applied over another metal. With regular wear, this coating can gradually wear away, exposing the base metal underneath. As a result, the jewellery may lose its original appearance over time and require replating to restore its finish.

Pandora has built its reputation on jewellery that customers can wear regularly and treasure for years. If platinum-plated products begin showing visible signs of wear after repeated use, customers may perceive the products as lower quality despite their higher price. This could damage customer satisfaction, increase complaints, and negatively affect trust in the brand.

4.3 Higher Prices May Reduce Accessibility

Pandora has achieved global success by offering jewellery that feels luxurious without being out of reach for the average consumer. Platinum-plated collections would almost certainly carry higher prices than comparable sterling silver pieces because of their premium positioning. This gap is especially notable given that platinum-plated pieces are generally cheaper to produce than solid sterling silver jewellery, meaning customers would be paying more for a product that actually costs Pandora less to make.

Higher prices could discourage many of Pandora's traditional customers, especially younger buyers and gift shoppers who value affordability. Although premium products often generate higher profit margins, they also reduce the number of consumers who can comfortably purchase them. If prices rise too much, Pandora could lose the broad customer base that has driven its success for decades.

4.4 Brand Dilution

Perhaps the greatest long-term risk is brand dilution. Pandora has spent more than twenty years building a strong reputation based on personalization, storytelling, sterling silver craftsmanship, and accessible luxury. These qualities distinguish the company from both fashion jewellery brands and traditional luxury jewelers.

By placing greater emphasis on platinum-plated jewellery, Pandora risks weakening this carefully developed identity. Rather than reinforcing what makes the brand unique, the shift could make Pandora appear to be copying competitors in the premium jewellery market. Luxury brands such as Tiffany & Co. and Cartier already have long-established reputations in higher-priced jewellery, making it difficult for Pandora to compete directly in that space. Losing its distinct position without gaining a strong premium reputation would leave the company in an uncertain competitive position.

4.5 Sustainability Concerns

Pandora has invested heavily in building a reputation as a sustainable jewellery company. The transition to 100% recycled silver and gold, along with its commitment to lab-grown diamonds and ambitious climate targets, has become an important part of the company's brand image.

Expanding into platinum-plated jewellery could create new sustainability concerns. Platinum mining has significant environmental impacts, and plated jewellery may have a shorter lifespan because the coating eventually wears away and requires maintenance or replacement. Customers who value Pandora's environmental commitments may question whether the new products align with the company's sustainability goals.

Maintaining consistency between product choices and environmental commitments is increasingly important as consumers become more conscious of ethical and sustainable purchasing decisions. Any perception that Pandora is moving away from these values could weaken customer trust and reduce the positive reputation the company has worked hard to establish.

Overall, while platinum-plated jewellery may offer opportunities to attract new customers and increase revenue, the risks are substantial. Customer confusion, durability concerns, reduced affordability, brand dilution, and potential sustainability issues all threaten the core strengths that have made Pandora one of the world's most successful jewellery brands. For these reasons, any move toward platinum-plated collections should be approached cautiously.

5. Alternative Strategy

Pandora does not have to choose between two extremes. It does not need to throw away sterling silver completely, and it also does not need to ignore the platinum idea altogether. There is a middle path that makes a lot more sense, and it is one that many successful brands have used before when they wanted to try something new without putting their whole identity at risk.

The smartest move for Pandora would be to keep sterling silver as the foundation of the brand. Silver is what built Pandora's reputation, and it is the material customers expect when they think of the brand. Removing it or pushing it into the background would be like a coffee shop suddenly deciding coffee is not its main product anymore. It just does not make sense to walk away from the thing that made the company successful in the first place.

Instead of replacing silver, Pandora should treat platinum-plated jewellery as a small, separate experiment. This means releasing a limited collection, maybe a handful of designs sold for a short period of time or only in certain stores. This kind of small test lets Pandora see how customers actually react without risking the whole brand. If people love it, Pandora can slowly expand the collection. If people are confused or do not respond well, Pandora has not lost much, because sterling silver is still there holding everything together.

This approach also solves a lot of the problems mentioned earlier. Customer confusion becomes less of an issue because platinum-plated pieces would be clearly marked as a special, limited collection rather than a replacement for the classic sterling silver line. Durability concerns are less risky too, since only a small number of platinum-plated pieces would be out in the world instead of millions of them. Pricing stays under control because sterling silver pieces would still make up most of what Pandora sells, so the brand does not lose its "affordable luxury" identity.

It also helps with the sustainability issue. Pandora could be upfront about where the platinum comes from and be careful about how it sources the base metal used underneath the plating. Being transparent about this would help protect the trust Pandora has built with customers who care about the environment.

Basically, testing before committing is the safer and smarter business decision. Pandora gets the chance to explore a more premium image without gambling its entire identity on an unproven idea.

6. Conclusion

Pandora did not become the world's largest jewellery brand by accident. It got there by sticking to a clear idea: jewellery should be personal, meaningful, and affordable for regular people, not just the wealthy. Sterling silver has always been a huge part of that idea. It is the material that makes the charms and bracelets look beautiful without being too expensive, and now that it is recycled, it also fits with Pandora's sustainability goals. Silver is not just a metal Pandora happens to use. It is part of the brand's DNA.

Switching to platinum-plated jewellery as a major part of the business is a risky move. It could confuse loyal customers, raise prices too high, wear down over time and hurt the brand's reputation for quality, and make Pandora look like it is copying already well-established luxury brands instead of standing out on its own. None of these risks are worth taking if the goal is simply to look more "premium."

That said, testing is not the same as replacing. A small, carefully released platinum-plated collection could give Pandora a low-risk way to explore new ideas and see what customers think. But this should stay a side experiment, not the new direction for the whole company.

In the end, Pandora should not abandon sterling silver. It is the foundation the entire brand is built on, and walking away from it would put decades of hard work and trust at risk. Staying true to what made Pandora special, while cautiously testing new ideas on the side, is the smartest path forward.

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