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STRATEGY

Maximizing Your Holiday Season: A Guide for Retail Jewelers

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For many retail jewelers, the holidays generate a majority of yearly revenues.

INTRODUCTION

The holiday season is an especially important time for retailers, none more so than retail jewelers. For many jewelry stores, combined sales figures from November, December and January account for between 30% and 50% of their total yearly revenue. Additionally for some retailers, the average amount a customer spends on fine jewelry is at its highest during the holiday season. With so much riding on holiday sales - not to mention the added stresses of the season – it can be a very competitive time for jewelers.

More than any other time of year, the holidays inspire jewelry stores to roll out promotions, sales events, and advertising campaigns to attract sought-after clientele. In this competitive climate, many retailers would like to know: what are the best ways to attract and engage your target market in 2013? In this article, we will examine proven methods to draw in customers, improve engagement, and even give a little back to your community, all without breaking the bank.

With the right combination of product offerings, targeted promotion, and customer engagement, you can offer your clients an unforgettable holiday jewelry shopping experience – one that strikes a winning balance between savvy product marketing and genuine good cheer.

Gift card mail-outs have been very effective sales drivers for some retail jewelers.

PROMOTIONS

Many jewelry retailers have reported success using a gift card giveaway program to drive sales and increase average per-customer spend during the holidays. One jeweler mailed out no-strings-attached \$50 jewelry gift cards to households in targeted neighborhoods, after doing research to determine where the most likely buyers of jewelry would live.

Another jewelry retailer sent a smaller amount of gift cards to their top clients, but increased the value of the card, reasoning that the higher the gift, the more the customers would spend. Both jewelers reported a very high ROI for the promotion, and intend to continue using gift cards as part of their promotional initiatives at least once a year.

Importantly, both jewelers used the same producer of gift cards for their promotions, Wowcards, and give credit to Wowcards' high-quality custom design and packaging as part of the formula that turned their promotional investment into won sales.

A gift with no strings attached...was quite scary...but it works!

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Comments



A-Bryan's Jewelers

Industry: Jewelry

Cost: \$993.08

ROI: \$74,000 7,452%

Campaigns:



General

A-Bryan's Jewelers | Angie Spallino

We are very pleased with Wowcards! We mailed to right under 1,000 customers a \$50 gift with no strings attached, which was quite scary for us to even think of sending out that quantity. But, as you said, IT WORKS! The total approximate number of customers who came in was 155 and the average sale per customer was \$511.00. Our total sales were approximately \$75,000.00. Needless to mention, we are ordering more for Valentine's Day!

Complimentary services and quality perks can contribute to client loyalty.

SALES EVENTS

Single or multi-day sales events built around a holiday theme have also proven to be successful initiatives for retail jewelers. Creating an inviting and engaging atmosphere for your customers, along with offering some unique perks, not only increases the amount of time an average customer spends in your store during the event - it also contributes to a sense of loyalty and community between retailer and client. By offering a clear financial incentive for customers to come to your jewelry store, such as a percentage discount or a free service, you may feel that you are taking on too great of a risk. However, many professional jewelers themselves dispute this thinking, and have repeatedly realized impressive returns on their generous investments.

For example, one retailer chose to provide free jewelry polishing for in-store customers, as well as complimentary tea and coffee, creating an inviting, low-pressure atmosphere. The cost of such small gestures is negligible compared to the potential ROI coming from increased walk-ins, improved customer experience - not to mention word of mouth advertising. Imagine you visited one jewelry store that paid attention to your needs, provided a comforting experience and atmosphere, and also provided quality complimentary services during your visit. Now imagine visiting another retailer that offered none of these perks. Which would you return to when it was time to buy?

Other retailers have reported success in holding customer appreciation parties for their preferred clients. [The Gem Collection](#), a retail jewelry store in Tallahassee, Florida, reported a year-over-year increase of 5% in December sales following their holding of two customer appreciation events (one in late November, another in early December) as part of their promotional buildup to the Christmas season – proof that while such events may not drum up significant revenue during the parties themselves, the residual sales generated as a result can be impressive.

A holiday sales event is also an excellent time to turn inventory. Some jewelers believe that reducing margin a little in order to move inventory isn't a losing decision; rather, they immediately replace the turned inventory with new stock, allowing them the potential to reap more profit within the same timeframe. Giving a little tends to go a long way in jewelry retailing, and there are plenty of success stories to prove it.

Partnering with a charitable organization can lead to significant residual sales.

CHARITABLE INITIATIVES

There is no better time than the holidays to reach out to your local charity groups with the prospect of a partnership or shared promotional initiative. Some retailers have partnered with charities and offered up a diamond ring or other valuable item as the prize for a charitable lottery, whereby the charity raises funds by selling tickets to win the donated item. Not only do participating retailers enjoy the good will and gratitude of their community, they also benefit long-term from the increased name recognition of their business and positive association with community groups. When you are recognized as a business that gives back to the community, local residents tend to return the favor.

Your contribution to charity does not have to be a high-priced item. In lieu of a lottery theme, [Captain's Jewelers](#), chose to offer “black ice” earrings to clients for a very low price – five dollars a pair. It’s not known how much the earrings cost the jeweler, but the store clearly considered it a worthwhile investment. The charitable initiative garnered them some prime time publicity as well.

Weston Jewelry Store Supports Local Charity

Posted: Nov 25, 2013 6:37 PM EST
Updated: Nov 25, 2013 6:42 PM EST

By Alex Hines, Lewis, Gilmer, Barbour and Randolph County Reporter - bio | email



A Lewis County jewelry store is helping its community this holiday season.

Caplan's Jewelers in Weston is offering a five dollar pair of earrings through the month of December.

All the proceeds from the sale of those earrings will support “Our Neighbor” and its outreach in Lewis County.

This is the second year the store has raised money through this sale, and more and more people are chipping in.

“Last year it was very popular, this year it’s a little more popular. We’ve already sold over a hundred, and people are still coming in and asking for them,” said Caplan's Melissa Fox.

Fox said they'll continue the sale until the end of the year, or until they run out of earrings.

Local News

Obama: Nuclear deal blocks Iran's path to bomb

Bridgeport City Council Approves First Phase of Stormwater Drainage Initiative

WVU Competitive Cheerleading Squad

Comfortable seating, ambient lighting, and mirrors create a buying atmosphere.

DISPLAYS AND DECORATIONS

Eye-catching displays and in-store decorations can be used to maximum effect during the holiday season. Whether your retail store is located in a shopping center, strip mall, or city-street storefront, people expect to see some effort put into decorative displays at this time of year. Take cues from successful independents and top chain retailers, as each store has their own approach.

Some retailers push too far, adorning every visible surface with tinsel, or placing an overwhelming number of products on display. It's a fact that too many items in a storefront or display case can confuse and ultimately dissuade a client who is ready to buy. Keeping this in mind, the idea is to remain tasteful while still putting enough effort into your presentations to attract attention and draw in foot traffic.

In a 2010 case study on retail jewelry store design, the World Jewelry Confederation (CIBJO) noted that an inviting, comfortable atmosphere is an important part of creating a "buying comfort zone" for jewelry customers, particularly women. Specifically, research showed that the use of ambient lighting, mirrors and comfortable seating all contributed to a 'browser-friendly' retail experience, which should be a priority when considering your own design concepts this holiday season.



Take the time to define your unique marketing plans for the holiday season.

CONCLUSION

Preparing for the holiday season can be challenging, but the potential rewards generated as a result of targeted marketing and customer appreciation initiatives are well worth the effort. There is no better time of year to demonstrate exactly what your store has to offer both longtime and potential customers in terms of products, services, events, ambience and customer care.

Take the time to define your unique vision for the season, while incorporating elements that have proven effective for other retailers. Focus on creating a comfortable and engaging atmosphere for your clients, and consider encouraging generosity in your community by partnering with local charities and non-profits.

With sufficient planning, and a healthy dose of the holiday spirit, retail jewelers can transform this all-important season from an exercise in patience to an enjoyable and profitable venture benefitting their customers, their communities – and the bottom line.