

GETTING THE BEST OUT OF *branded* JEWELLERY

RETAILERS WHO DECIDE TO STOCK BRANDS MUST DO MORE THAN PUT PRODUCT ON A SHELF. COLEBY NICHOLSON CHATS WITH SUPPLIERS ABOUT HOW BEST TO LEVERAGE BRANDED JEWELLERY.



When the branded jewellery mega-trend first became entrenched in Australia – largely courtesy of Pandora – almost everyone jumped on the bandwagon. Suppliers and retailers alike tried to understand the phenomenon, given the jewellery industry was late to the party on branded product, before trying to ensure they had their share of the pie.

The problem was that many retailers didn't fully understand the need to align branded jewellery ranges with their store's own brand. Some thought the international brands were pennies from heaven – easy sales along with an influx of customers. However, the number of branded ranges soon began to confuse customers.

These days, retailers are more selective in their consumer offering and have come to realise that stocking branded jewellery means working closely with the supplier to achieve a complete, long-term strategy. Likewise, Australian suppliers have focused on collaborating with retailers to offer a point of difference and ensure that both parties gain from the business' relationship.

Laura Sawade, Peter W Beck's marketing manager, advises retailers that those who choose to stock branded jewellery must stay true to the brand.

"To make the most out of having a brand, it's important to communicate the brand's message, whether that be from their website or other advertising and communications," she says. "The brand's look and feel also needs to be communicated in your store. Consumers will recognise the brand's own marketing but if it looks different in your store, their desire for the brand may fade."

It's a vital point because the strength of any brand is the message it communicates to the consumer and it usually has a considerable investment

in marketing. "Allow the supplier to help you with images, displays and merchandise," Sawade adds. "Trust that suppliers are there to assist you to sell their product; they will do what's best for you at all costs."

Bolton Gems director Brett Bolton echoes this message: "Build a strong relationship with your brand manager or company representative. Use them! Brand managers have all the knowledge, are invested in the product and want to see it work for retailers. Utilise any marketing materials provided by the supplier and don't be afraid to ask for help, be that with product, marketing or training."

Leveraging suppliers is only one part of any retail brand strategy. If a retailer has exactly the same product (brands) as a nearby competitor and manages that product in exactly the same way, there is no point of difference for the consumer. This was the conundrum in the 'early' days of Australian jewellery branding, which was only five to 10 years ago.

The good news is that the increased number of brands, especially Australian brands, has made it easier for retailers to find that USP (unique selling proposition) so as not to be just another 'me too' outlet.

Raj Barnecha, managing director at Sparkle Impex, believes, "Retailers should look for ranges that break the mould. It's certainly great to stock what seems to be in fashion, but many sophisticated buyers like the element of exclusivity that comes with buying a product that is not prevalent in every store."

While TWMM Co chief of operations Roberto Ulas offers similar advice, he also points to profitability. "My advice to retailers is to try something new," he says. "If all you have to offer customers is exactly what the next guy's got then it's just a matter of who's going to make the least money [margin] to get the sale."

It's an important issue because when too many stores have the same product – the situation when the branding boom commenced here – consumers simply begin shopping on price, which is the opposite of what a branding strategy aims to achieve. Many Australian businesses have since seen gaps in the market and, either through good management or not having the large advertising and marketing budgets the international companies enjoy, local suppliers are targeting small niches in which to build successful brands.

"Retailers should realise that while the 'system' of selling branded product seems easier, it can cause an issue by not engaging in the personalisation of the purchase," Gerrim managing director Gerri Maunder says. "Retailers then risk the loss of their client to another jeweller just down the road who stocks the same brand."

In other words, staff must treat the sale in a way that captures and retains the brand's customer as their own.

In addition, it's up to the brand suppliers to ensure their product can be differentiated from others. Maunder says it's an issue she recognised some time ago and she now aims to differentiate her range by offering a choice of precious metal and gemstones. "With slight alterations of a piece, it can become a bespoke item styled for you [the customer]," she says, adding, "What could be better? Happy customers. Happy retailer. Happy life!"

This kind of brand harmony can't be achieved if retail staff aren't trained to understand and work with a brand's message and philosophy, according to Daniel Bentley, co-founder of Daniel Bentley Fine Jewellery.

"It's most important to ensure the floor staff understand the brand and its philosophy, and that they get that it's more than just metal and gems," he explains, adding that staff must be able to "convey that brand's message to their clients."

Bentley believes successful brands are built around stories. "Each of our ranges has a name and story about the design and the inspiration that lead to it," he says. "All pieces come with a card, which contains the story of that particular design."

It's about linking the brand to the customer's experience. "Creating an emotional

attachment to a design for a client will increase the chances of a success and help to ensure they become a repeat customer," Bentley concludes.

Clayton Peer, national account manager for Opals Australia, agrees that brand's story is paramount and the whole purpose of branded product and recommends retailers concentrate on well-presented ranges to communicate this.

"I always advise our customers to maintain a selection. Customers will see a variety of designs when they visit a store and it's important to tell their story," Peer says.

Nerida Harris of Pearl Perfection says a branded range is designed to perform its best when marketed as a whole. "If you are deciding to stock branded ranges then do the whole story. Diluting a branded range with generic pieces of ranges just negates the whole concept of branding, damaging the integrity of the range and also compromising the benefit to the retailer and consumer."

Barbara Hastings has closely watched the evolution of the Australian jewellery industry. As founder and director of Pastiche, she has witnessed everything from the shift of jewellery manufacturing offshore – when everything was only price – through to the rise of silver jewellery at the expense of gold and recently, the brand boom.

There is no doubt in Hastings' mind that the consumer's increasing demand for branded products indicates that branding is the way of the future; however, it's important for retailers to carefully consider the brands with which they want to align their business and then they must fully get behind the brand message.

"Retailers should invest their time in getting to know and identify with the brands they stock," she insists. "Having sound product knowledge and knowing the story behind collections gives the consumer confidence in and an emotional connection to the brand."

The key message for all retailers is to not only choose brands that can differentiate their store from competitors, but also to ensure that branded product is used in a manner that enhances a retail store's own identity rather than overrides it.

Then, and only then, can a brand partnership be considered successful.



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