

4. YOUR MARKETING

The diamond jewellery retail market is extremely fragmented, with over 300,000 retailers worldwide and large players only account for a small percentage of global sales. Consequently, a huge, untapped opportunity exists for retailers to differentiate themselves and grab a larger share of the pie through effective store and product marketing.

This section provides a practical guide to ways in which you can drive more customers to your store through the use of branding, PR, merchandising and media techniques. To help put the theory into context, it also looks at how 'Boodles', a leading UK retailer, underwent dramatic rebranding, resulting in the tripling of turnover and significant profit growth.

This section covers:

- 4.1 Retail Innovation – Branding
- 4.2 Merchandising
- 4.3 Public Relations (PR) and Events
- 4.4 Advertising and Promotion



Jewellery brands only account for a small percentage of total retail sales

4.1 Retail Innovation – Branding

This chapter looks at why branding is key to helping you provide a more exciting shopping experience for your customers.

This chapter covers:

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What are brands?

Your retail shop is 'a brand' in its own right, as a retailing brand you also have the benefit of selling other brands within your environment.

A brand is a symbolic embodiment of all the information connected to a company, product or service.

Branding is extremely important in any industry because multiple, competing brands create category excitement and bring new consumers to the market by giving them more choice and clearly differentiating product offerings. This is especially true for the jewellery and luxury goods industry.

Benefits of Branding

Brands occupy a special place in our minds and hearts. Many brands are associated with a known and trusted set of benefits and values that satisfy our rational and emotional needs. They can help us distinguish between products, recognise the promise of an understood experience, choose and create preference, and target the people who are going to exercise that choice and preference.

The key to understanding and managing a brand is to grasp the emotional benefits and connectivity that the brand has over and above what it offers rationally. **In fact, the success of a brand is more related to its emotional appeal than its rational or functional characteristics.**

Customer benefits of branding include:

- Easily recognisable products
- Gauge of product quality and consistency
- Reassurance/reduces risk (as every brand has a promise about what the product will do for you. Strong brands will generate certain benefits, reducing risk)
- Reduces shopping time (consumers can identify products that are relevant and appealing)
- Provides cues about sources/origins (branding gives products more identity)

Retailer benefits include:

- Higher margins (there are generally greater margins on branded products)
- Increased product differentiation (giving your store an image of offering greater choice)



- Customer loyalty/retention (brands are built on satisfying customer's emotional needs, so consumers will be more loyal to a brand than a generic product)
- Assists integrated marketing
- Corporate identity (brands can help to reinforce your corporate identity by providing a very targeted brand message that will also appeal to your target audience)
- Legal/intellectual property

Branding in the jewellery industry

There is a revolution taking place in the jewellery industry and it is the emergence of branding as a powerful force for the future.

Jewellery brands only account for a small percentage of total retail sales. Yet, brands are just as important in generating consumer choice in the industry as they are in other luxury goods categories. Multiple, competing brands create category excitement, give consumers more choice and bring new consumers to market.

There are eight simple reasons why there is a huge opportunity for jewellery brands in the future. These are listed below (*we have addressed this section focussing on the diamond jewellery business, however the issues are relevant for the entire jewellery industry*).

1. The diamond jewellery industry is a big business

On a worldwide basis diamond jewellery is about the same size as the branded luxury goods industry as a whole. So a small share translates into big dollars and there is a huge, untapped opportunity for branded products. Branded diamond jewellery offerings help secure market share and increase customer loyalty.

2. The retail market is particularly fragmented

The diamond jewellery retail market is currently very fragmented, *with over 300,000 retailers world-wide. Even large players account for a small percentage of total global sales. Branding offers all players an opportunity to differentiate themselves.*

3. The 'shopping experience'

Brands help to improve the shopping experience. The consumer experience of buying diamond jewellery is generally bland and outdated compared to that of other luxury goods. While there are always notable exceptions, there is a real opportunity to change the nature of the diamond purchase process. Often, displays are poorly conceived and consumers with different needs are not well segmented. Furthermore, browsing behaviour, critical to generating store traffic and desire, is not really a part of our business in the way that it is in fashion retailing.

In an era where shopping is part of the fun, diamonds are a big opportunity for those who meet consumer needs in terms of the in-store experience.

4. Industry players do not spend significantly to support brands

The diamond industry is in need of companies that can bring strong value adding marketing approaches and a consumer focus. In general, the industry under invests in marketing initiatives, dedicating only around 1% of sales to marketing activities.

Investing smartly in the development of successful diamond jewellery brands built on defined consumer needs will serve to generate excitement around the category, drive demand for diamond jewellery and guarantee improved margins for those involved.

5. The global jewellery market is largely unbranded

Diamond jewellery brands only account for a small percentage of total diamond jewellery sales worldwide. This provides opportunity for those who can build customer brand awareness. In many ways the jewellery industry is not that different from the way that the watch industry was 25 years ago

6. Real consumer anxiety exists in the purchase process

Buying a diamond is a frightening experience for many because it's expensive; consumers find it hard to judge the value for themselves; purchases are usually infrequent; and consumers feel the need to deal with someone that they trust.

Consumers inherently believe well known names are more trust-worthy. If a brand is seen to be credible in the sector, it can succeed in reducing consumer anxiety. Research has suggested that this alone is worth around 20% added margin to the consumer.

7. Excellence in design

Women are increasingly buying for themselves because they want to feel empowered. Therefore there is a big opportunity for retailers to stock product designs that will appeal to women.

When women purchase jewellery for themselves, they tend to be very design driven. In general, women are most interested in the details, the look and the feel of the jewellery. Those retailers who really understand how to translate these consumer needs and desires into product designs will be the ones to capture this expanding market. Diamond jewellery brands can be created across different sizes, grades and cuts of diamonds, as well as around different jewellery designs or diamond jewellery product concepts. However, it is important to remember that whatever the product concept, ***at the heart of any brand is a consumer dream which is built on satisfying a particular consumer need.***

Successful brands understand how to communicate the product 'dream' and satisfy consumer needs. They are not just focused on a differentiated product offering. They are marketing driven, invest in and prioritise innovation in design, inspire trust and confidence, and understand the importance of the retail shopping experience.

... the success of a brand is more related to its emotional appeal than functional characteristics

Case Study

Boodles

BOODLES
SINCE 1798

Boodle and Dunthorne was a 200-year-old company in need of a facelift. Its merchandising was old-fashioned and dowdy, its shops not consistent and its stock made up of other people's brands. After a mediocre Christmas in 1996, Boodles began its branding mission.

While they recognised it was time to sell a brand, they realised they first had to build one. They appointed a branding consulting company and committed to change.

And it's worked, says managing director Michael Wainwright, "Our turnover has trebled and profits have increased at an even greater rate."

So what did Boodles do?

They developed their re-branding by addressing the following key areas:

- Develop recognisable designs
- Evolve a consistent look and feel in the stores
- Invest in staff training and styling
- Make changes to advertising, PR and sponsorship
- Overhaul corporate identity

Boodles used to stock a wide variety of other diamond jewellery designs as well as their own style of product.

As part of their branding mission, they strengthened their design team to 10 people. They now make 95% of their product in house, and their style has evolved to a recognisable Boodles contemporary look.

They have reduced the number of external brands they carry. These must now fit two criteria: enhance the Boodles brand and make a significant contribution. The only external brands in a Boodles shop are Patek Philippe and Wellendorff.

Do the brands you stock reflect the image you would like to project? For example, Boodles used to stock Rolex but decided it no longer matched their image. Do the external brands you stock make a contribution? If you have in house designs, are they given prominence? If you wanted to increase your in house designs, how would you start the process? Would you follow the style you have already established, or would you seek out a new one?

Evolve a consistent look and feel across the stores

In 1996, Boodles had five stores with five different styles. In 1998, their branding consultants introduced architect Eva

Jiricna to design the Sloane Street shop. Now all eight shops will be Jiricna designed, to give a unique identity with a new shop to be opened on New Bond Street in London in 2007.

The feel is more contemporary, younger and exciting. "With our new image, we hope to attract new, younger customers to our stores," says Wainwright.

Whether you have one store or eight, identity is critical. If you aspire to attracting a younger market, do you project a stuffy image?

What makes your store yours and not the next-door shop with a different carpet? Think about small things you can do to begin establishing an identity all of your own – even if it's just fresh flowers every day.

Invest in staff training and styling

Boodles invested in staff training and styling. They hired style gurus to help their staff to make the most of themselves. Staff are encouraged to wear contemporary clothing and express some style. "Our management team are fully on board with our objectives and fully committed to our vision," says Wainwright.

How do your staff reflect your identity? Are they well-groomed and friendly? Do you invest in staff training? Think about ways you can increase their confidence in your brand, and as a result their ability to sell your product.

Make changes to advertising, PR and sponsorship

Boodles shift in focus from selling the brand to building the brand made an impact on every aspect of their business, from their brochure, to their merchandising and their shop windows. Their brochure now contains far less product, and the look is cleaner, more stylish and contemporary.

Their style of advertising has also changed. The old print ad was crammed full of product, with no people and a lot of words. Now, with their new proposition 'I want to be Boodled by you', the print ad features a single piece of diamond jewellery and a woman. A double page spread instead of a single, it is confident but discreet.

Boodles' window displays "used to contain everything but the kitchen sink," says Wainwright. Once again, there was too much product. Integral to the shops' design, the window displays are sleeker and focus only on their icon products. "We think PR is vitally important, but it is very difficult to achieve. Although we don't spend much on PR, we have increased our investment with some success," he says.



They will be sponsoring the Boodles Champions Challenge, a tennis tournament at Stoke Park shortly before Wimbledon. This will be an ongoing commitment, aimed to reach men and women in a relaxed, garden party atmosphere. With Andy Roddick, Andy Murray and Mark Philippoussis on board, Boodles look forward to good coverage.

Are there ways to improve your brochures and print ads? Can you make your window displays more inviting? Apply Boodles 'less is more' theory, and see if it works for you!

Overhaul corporate identity

Boodles gave their corporate identity a complete overhaul. They changed their logo and stationery, using a more elegant font. They added a dark green to their packaging, used new materials and more sophisticated textures. The branding is much more subtle.

Boodles only sell genuine gems, so everything else in their shop is genuine – they only serve real champagne, only use real flowers (silk ones are out!) and everything in the shop is made of natural materials. This message will reach the customer: everything in the shop is real, natural and thus trustworthy.

There is also a new focus on the consumer, away from the product. Boodles has produced three guides for the consumer:

- 'Look Before you Leap' – A man's guide to buying an engagement ring
- 'Oh darling you shouldn't have' – A man's guide to giving jewellery
- 'How to Boodle your Bonus' – Mary Killen's guide to etiquette in the City

Do you need to improve your merchandising? Is it in need of a revamp?

If you don't go for complete rebranding, you can still make simple changes to better reflect your image:

- Update your stationery, with colour or a new font
- Choose a new ribbon to tie up customers' packages

- Offer them something to drink when they're sitting down trying on jewellery

Remember, you don't want to make changes for changes' sake, but it is worth taking a fresh look at the way you do things. People who buy engagement rings, for example, tend to be young. How can you make first-time diamond buyers feel more comfortable – and thus more likely to spend?

What's the outcome of their branding mission?

"We've had to ask ourselves, out of the 4 Ps – product, people, pricing, positioning – which is the most important to us," says MD Michael Wainwright. "Ten years ago, product would have been the most important, but now it's positioning, or branding. Then product, people (our staff) and price."

He describes the branding mission as 'a marathon' – you make a mental decision to take part, then there's the hard physical grind and finally reaching the customer is like crossing the finishing line.

What is it that the old Boodle & Dunthorne have done to rebrand themselves as the new Boodles?

- Taken on expert advice and listened all the way
- Hired the best staff and included them in their branding mission
- Made significant investment in the design team
- Made significant investment in advertising, sponsorship and PR

"This means we're no longer just a retail brand, and we're not trying to be a nice place to buy other people's brands," he says. "We're trying to be a fantastic place to buy things we have created ourselves."





No matter how beautiful your merchandise, or how skilled your staff, customers will not increase the frequency of their visits if the experience is not enjoyable

4.2 Merchandising

How do you attract new customers to your store and keep them coming back? How do you make sure you inspire and excite people visiting your store? This section illustrates how a little creative thinking can take you a long way.

Also, we have provided a practical and simple tool (page 78) that will help you select and maintain the right range of jewellery in your store. While some of the content of this chapter refers to diamond jewellery you should apply the principles across all of your product lines.

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How to build store traffic

What does it take to keep all your customers coming back regularly? A little imagination goes a long way. To attract new customers you need to innovate beyond the normal, the routine. Be creative in your thinking, and understand what it is that will inspire them.

The experience of buying at your shop has to support your shop's brand image, and it has to appeal to all of your clients. No matter how beautiful your merchandise, or how skilled your staff, customers will not increase the frequency of their visits if the experience is not enjoyable. They'll come in when they absolutely have to, but that's it.

Since women are the most likely jewellery-shop shoppers, you must create an environment that will naturally excite and make them feel welcome. Consider the types of store environments that women enjoy spending time buying other products in, such as designer handbag or clothes stores.

Without making sweeping changes, you could make small alterations to achieve additional diamond sales. For example, why not create a masculine comfort zone? If your shop has private diamond rooms or offices, consider creating one with a masculine feel – using colours, furnishings for your male customers. If a separate room is not an option, perhaps you can create a space where a man would feel more comfortable than standing at one of your jewellery counters. The important point is to have a chair and a 'feeling' of privacy, and perhaps position some products nearby, that are interesting to men (e.g. pens, lighters, cufflinks etc.).

Creating a unique buying experience

This section looks at ways of ensuring your customer has a memorable shopping experience.

1. Choosing your stock of jewellery

You must hold enough stock to present an interesting choice within each segment, and make sure you have a broad selection of designs – modern as well as classic.

By knowing your customers and their tastes you will be better placed to buy the right stock and may even buy particular pieces with particular customers in mind. When making your stock selection, try to create a

balance between what's popular now and what's coming in to style and watch the fashion magazines to see how styles are changing.

You should represent the whole of the price range in your stock, and it may be worthwhile having a few 'aspirational' pieces at the top end of the price range within each segment. This will raise your customers' horizons and inspire them to trade-up.

2. Promote your profit centre

In deciding how to display the merchandise, it's essential to give the best spaces to the most profitable lines. It may make sense not to devote too much space to low value items that have a high turn rate. Don't confuse customer activity with profitability.

Use your working capital to its best effect with a balanced range of stock in order to get the best return. This policy also allows you to spend more time with each customer personally, so you can begin to build your customer base with the right customers.

3. Embrace innovation in your product ranges and presentation

Do you stock the latest jewellery brands or designs? What event or in-store promotions are you running to make new customers aware of that stock? Are these events or promotions tied to your advertising? Stimulate your customers' imagination and they will return again and again. Ensure you always have something new to show that will give them the excuse to keep coming back to browse.

4. Ensure excellence in design

Men and women purchase differently when it comes to the designs they choose. When men buy gifts they generally prefer to choose from simple classic diamond designs. Women are far more design driven. They are most interested in the details, the look and feel of the jewellery. Those jewellers who really understand how to translate these consumer needs and desires into product designs will be the ones to capture the market.



Try standing back from your windows and ask what is the core message – what story is it telling?



5. Choose the right products and make them compelling

What are you doing to ensure your range of jewellery meets the different aspirations or desires of your customers? Before you invest heavily in new designs, do some test research. At the very least, check what research suppliers have done to verify the appeal of their product lines. Find out if your suppliers will help you promote the new lines to your customers. Check to see whether they will offer cooperative advertising or some other sales support packages.

6. What messages do your window displays communicate?

A good play needs a good stage to succeed. The same can be said for your diamond jewellery inventory. It needs the kind of backdrop; (lighting, signage and positioning) that will show it off to its best advantage. Try standing back from your windows and ask what is the core message – what story is it telling?

Do your windows present a clear idea or design concept? If your displays are tightly packed and mix diamond jewellery with other types of jewellery or pieces for other types of occasions without a clear focus the chances are they will communicate nothing but confusion.

If your windows are to grab attention and inspire interest they will need a strong consistent theme, and offer an immediate focus on just one or two designs and accessories. Less, as they say, is more. Consider too that the jewellery itself may not express this idea strongly enough. If the point of emphasis was, for instance three

stone jewellery, how else could you express this idea clearly and sympathetically within your window display?

Your windows should offer a reason to enter, and re-enter your shop. Change the displays frequently, so that even regular passers-by are inspired or intrigued by them.

7. Is your shop welcoming and accessible?

People often lack confidence when buying diamond jewellery, so you need to ensure that everything about your shop puts them at their ease. For example is it easy for customers to find what they want? How well do you carry through window themes around the shop? How well do you use point-of-sale material from your suppliers? It's usually a matter of balance, with displays to reassure and direct your customers, without cluttering the in-store experience. Have you got the balance right? Why not ask your customers?

Merchandising Diamonds

Your in-store displays must maintain the image of the exterior, and encourage the customers to 'think diamonds', the moment they enter. Living up to the promise is essential, so lay out the interior to reflect the promise of the window. In-store you should display a representative range, displaying merchandise within each market segment, taking advantage of point-of-sale materials, to create the right image and ambience.

If you have some 'special' pieces, (for example from one designer), you should try a collective display of the whole range in one cabinet. There's no point in hiding your best

pieces in the safe, where customers can't see them. Similarly, you need to carefully choose the pieces you do display.

It's important that you change the interior displays as well as changing the window displays. You should aim to change the interior layout at least once every three months, and depending on the levels of stock you carry, change the stock on display every month.

Remember that diamonds don't sparkle if there's no light. If the lighting in your shop is simply a blanket of lights shining down from the ceiling, the effect will be flat and dismal and none of your merchandise will display itself to best effect. You should use a range of spotlighting to create pools of light and dark, shadows and space, highlights and features. Let the diamonds reveal their hidden beauty, their fire and brilliance.

A friendly 'browsing-environment'

It is important to make people feel that it's acceptable to just browse. The more people can browse, the greater the chance of them buying. Plentiful and well-placed mirrors; inviting displays; and an openness that says, "browse all you want" will remind women of the department store atmosphere to which they've become accustomed. Small discreet price tags also mean that they are put at ease.

Fundamental rules for good window display

Having identified potential customers, and persuaded them to come along and take a look at your store you must then fulfil the promise you have created. Good window display is fundamental if you are to get the customers you want. There are no set rules on how to create an attractive window display, but there is a very hard and fast rule about what it must achieve. The function of every window display is to:

> Stop > Attract > Motivate

Research has shown that you have only a matter of seconds in which to catch a customer's eye and get them to stop for a closer look. So displays should be simple, stylish and to the point.

Remember: less is more

The window is a theatre. The secret is to build the set you need to bring your particular audience into your shop. You should aim to create a stylish, uncluttered inviting display that shows off your diamond merchandise to best advantage. In your customers' eyes, the quality of your presentation equals the quality of your stock – so it's well worth getting it right.

Themes for window displays can be topical, to connect with some local or national event; or seasonal for the time of year, (Christmas is the obvious example, but not the only one). They can also create an artistic impression, which fits with the fashion or prevailing mood. The options are only as limited as your imagination. You should also endeavour to link your displays with national or local advertising campaigns that your suppliers or promotional agencies may be organising as this will allow you to benefit from others spent on media.

In most cases you should:

- Change the stock selection on display every week
- aim to change the window display at least once a month (preferably more often)
- Change the visual theme of the window every month
- Change the colour scheme of the window every three months

There is no 'correct' or 'ideal' amount to invest in window display. You may be an expert in display; or have a member of staff who has talent in this area; otherwise you should employ a freelance professional. Whoever does the work; you must make a positive commitment of both time and money. As a guide **this could be 10-20% of your overall promotion and publicity budget**, but would not include the capital sum required periodically to re-fit your displays.

The window is a theatre.
The secret is to build the set you need to bring your particular audience into your shop

Buying your stock

To a great extent, successful marketing depends upon you buying the right product, at the right time for the right price. To assist you with this we have included a guide that will assist you in selecting and maintaining the correct range of jewellery (see page 78). Your merchandise mix is fundamental to the success of your business and your ability to spot winning lines. You must continually ask yourself if you have the right diamond merchandise for your target customer. This means a mixture of traditional, new and inspirational items.

The woman of today is not just looking for quality and value; market research has shown that when a consumer is asked what influences her diamond jewellery buying decision, the most important influencing factor is 'design'. Design is critical and you will not be perceived as a professional jeweller unless you stock and display a mixture of fashionable and new designs in jewellery.

Women also like promotions and displays that are reminiscent of the clothing stores where they shop, using fashion-orientated, and lifestyle photography featuring diamond jewellery. Promotions that take place during peak clothes buying seasons in autumn and spring are also well timed to attract women buyers. Avid repeat buyers of diamond jewellery, for instance, women, can quickly become 'regulars' at the jewellery counter, if your merchandising and promotion ideas are targeted to them.

A partnership with your suppliers:

In today's competitive environment it makes sense to work in harmony with your suppliers. It is in your best interest to ensure that you build strong relationships that ensure:

- You buy at a fair price
- You buy what is currently selling well
- You receive a fast repeat service
- You are advised of current trends and new designs
- You benefit from an 'on-approval' service
- You get the first opportunity to participate in free (or low cost) supplier promotions that will help you to sell through
- You get training opportunities for your staff, for example visits to manufacturers or product knowledge presentations. Suppliers are just like you – professional business people. Think about the way you work – the more you sell to a customer the more you will offer them added service and other benefits. Well, the same applies to your suppliers. The more you buy, the more a supplier will support you and the better 'value' you will get. Take advantage of offers they make to you regarding marketing and training and give them opportunities to participate in your promotions. Look at your suppliers as 'partners'.

To a great extent successful marketing depends on spotting winning lines



Business Tool

Stock the right range of jewellery

Next to you and your goodwill, your inventory is the most important part of your store. It's also an area of potential savings if you follow three simple rules.

Rule One: Know what you have in your inventory at all times, what is selling and what isn't.

- Keep detailed records of merchandise lines in each category.
- Include such data as sales, markdowns and the date merchandise was received.
- Be systematic and regular in your record keeping.
- Promptly re-order best-sellers in sufficient quantities.
- Verify that all orders are shipped and received on time. Late deliveries cost sales and mean markdowns.

Rule Two: Once you know what you have, only order as much as you need – and get it at the best possible price. Consider the following:

- If interest rates are high, for example reduce overstocking and stick to what you need.
- Manufacturers and wholesalers can help here. Most have had to improve service to help retailers keep inventories low.
- Concentrate annual or seasonal purchases with a relatively small number of key suppliers. This produces better service and prices.
- Study whether it's more profitable to buy direct from the manufacturer or from local wholesalers.
- Maintain good relations with your suppliers.
- If you pay promptly and have a good reputation with your suppliers, use that reputation to bargain for extras, co-op money, displays, boxes, better delivery, staff training, etc.

Rule Three: After you determine how much to buy, look at what you're buying.

- Too many jewellers still try to sell things to all people.
- Sell what's profitable. Jewellery store space is expensive. Consider dropping one product line if you are known for another.
- Finally, sell what sells. Keep distinct customer groups in mind when buying merchandise.
- Keep a 'want list' of specific customers and special events in their lives (like anniversaries) in mind when selecting items for inventory.



Slow moving Jewellery

No jeweller likes those slow-moving, hard-to-get-rid-of pieces that every store seems to have. Here are some tips on how to get rid of slow movers:

- Relocate them. Slow merchandise moves better in a different section of the store or counter.
- Mark up, not down. Be aggressive. A piece of jewellery with a new price can look more attractive to some people.
- Motivate your salespeople. Have a contest on the best way to revitalize slow stock, with the best idea winning a prize.
- Revitalize that old piece. Give it a new look. Update it. Polish it. Break up the piece and remount it.
- Remember old merchandise is 'only old to the people in the store.' To customers, it's new.
- Promote it. The best defence is often a good offence. Put an advertising spotlight on those hard-to-move items.



Public relations is about creating news that is persuasive to the target audience

4.3 Public Relations (PR) & Events

Consumers will generally choose to buy from retailers who have a distinct and positive image. Through the effective use of simple PR tools, you can build your store's image and market your business for the fraction of the cost through the media. Furthermore, getting editorial endorsement of your store or products through credible print, broadcast and online media, is potentially more convincing for consumers than ads which you have placed yourself.

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What is PR?

PR aims to create a unique, positive image of an organisation or a company, and its products and services in the minds of its target audience(s), by providing relevant and impactful information to the press so that they will generate positive news stories about your business. Used as part of your integrated marketing efforts PR can be a highly effective marketing tool.

As with advertising, direct marketing and point-of-sales promotions, good coverage through PR activity can stimulate direct sales results. However, PR can market your business for a fraction of the cost of pure advertising. It can build name recognition and make an organisation or company or product stand out from the competition.

Publicity never works in the same way as advertising. Consumers know that when they see advertising, they are being sold a product or service. Rarely do they experience the sense of excitement or discovery they get from news coverage.

Publicity can be generated through various tools such as press releases, special events, placement of feature articles, media conferences, sponsorships and celebrity endorsements.

Why and when to use PR

Problems such as public criticism of your company, often result from a lack of information and understanding. This can be rectified through positive PR. However educating the public is seldom achieved quickly.

PR works best when it is ongoing. While a 'one-off' or 'single event' PR programme can generate some initial awareness of a new product line, the excitement quickly dissipates. Consumers need to be constantly reminded about the product or company. Sustained PR activity is needed to build up consumer awareness and demands significant time investment.

PR should therefore always be part of the planning process of your long-term marketing campaigns. New product launches, special promotions, visits by brand ambassadors, etc. are all occasions where pro-active PR can add significant value.

How can PR help diamond jewellers?

Diamonds are one of the most enduring symbols of luxury, glamour and love. They are unique and magical. They are also inextricably linked to everchanging trends in fashion and consumer behaviour. This means that diamonds can provide you with endless PR opportunities.

Through PR, you can increase positive awareness and knowledge of your product, company, and the industry. PR also helps to:

- **Leverage media exposure opportunities** – such as a new product or store launch – that will enhance the profile of your products and company
- **Identify and solve problems** – relating to the public's perception of your company or product
- **Keep you informed** – about and responsive to public opinion through open lines of communication
- **Anticipate trends**
- **Stimulate sales**

The importance of the company and product image

Building the brand in the media:

A diamond jeweller's image directly influences the consumer's decision-making process. The consumer will generally buy from a jeweller who has a distinct and positive image. A diamond jeweller's image (or brand) is everything the consumer sees or hears about the company or its products. All programmes must therefore work towards projecting an image that creates the most favourable attitude towards the company.

Fundamental factors such as store décor, product display, customer service and advertising images do affect the consumer's perception of a diamond jeweller's proposition, but the consumer is also influenced by the media.

Articles in newspapers, feature stories in magazines and TV exposure all help create a distinct brand identity. Sustained PR efforts refine and reinforce that distinctiveness by continually communicating messages that inform, educate, persuade, and influence perceptions, opinions and attitudes. They reinforce your marketing messages and help to give them credibility through external endorsement.

PR can market your business for a fraction of the cost of advertising

Who handles PR?

Everyone, from the head of the company to the frontline staff, all have a role to play in your company's image. Each staff member is a company ambassador who takes part in your company image building. Your company should strive to ensure that everyone within the organisation has some understanding of the vital role of managing the image and reputation of the company.

How to generate PR

The jewellery business targets consumers who want jewellery for a number of reasons. Within this huge market, it is important to focus on small sub-groups who desire jewellery for the same reasons. PR can reach these customers directly through a good selection of relevant media channels. You can gain media interest in a number of ways.

1. Media relations

Media Relations is about generating and/or placing stories in newspapers, magazines, television, radio or the internet. A story published in a newspaper is going to influence the public more than if the same information appears in an advertisement. This is because the public perceives reporters and journalists to be unbiased, whereas an advertisement reflects the view of the advertisers.

The key to successful media relations is to know when to talk to the media, when not to waste their time, and which media to approach. A good nose for news is essential. Media Relations is all about:

- Getting to know the media well
- Issuing press releases or news stories
- Placing articles in newspapers and magazines
- Arranging interviews for jewellers' representatives with the media
- Organising media conferences for announcements

2. Event management

You can generate positive PR by:

- Organising special celebrations
- Organising social events to launch new products or new store locations
- Staging events to launch new companies, products or services

(We have included a guide to organising a successful event on page 89)

3. Third party endorsement

Another way of getting the press to generate positive stories about your company or product is to get third party endorsement from a recognised or respected personality. This could include people such as celebrities, experts in the field of jewellery or fashion, artists, entertainers, etc.

Editorial coverage:

Have you ever wondered why it is never your shop that gets a mention in the local paper or county magazine, or even on TV or radio? To ensure that it is your shop that you read or hear about next time, it is important to distinguish between the kind of free publicity for which you are aiming, called editorial, and publicity for which you have to pay – advertising. It is possible to get free publicity by providing the right information to the right person in a format that he or she finds acceptable.

The editorial or free publicity you are aiming for will be in five general media categories:

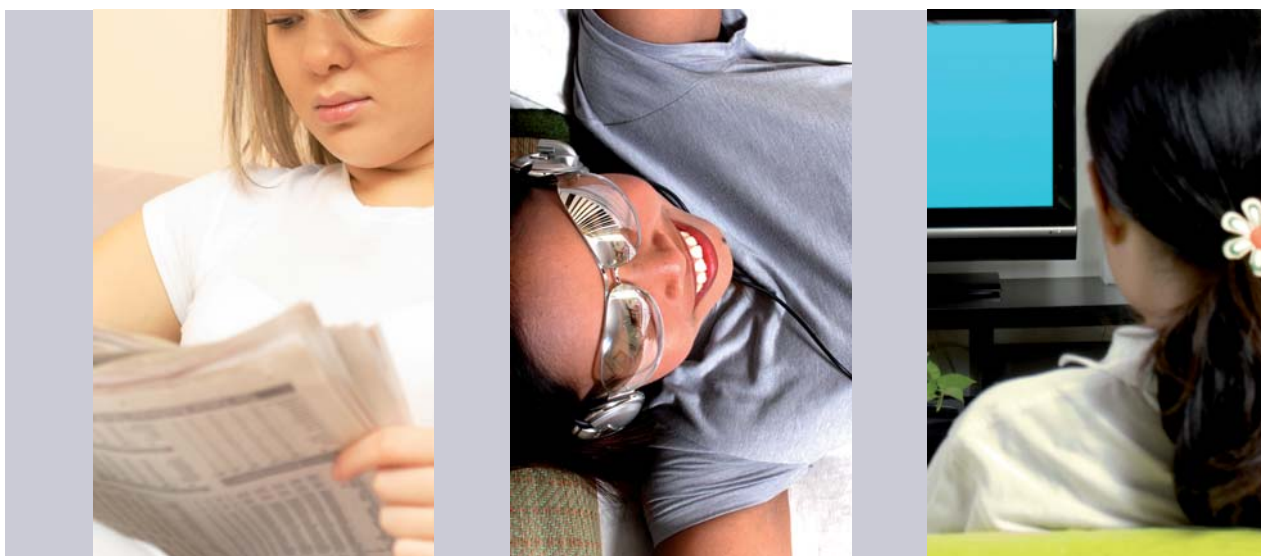
Print: Newspapers, magazines

Broadcast: Television, radio and cinema

Endorsers: Third parties who can influence the target audience

Online: Websites on the internet

News Agencies: International agencies that provide news for print and electronic media



The end result

By influencing the media through events, media relations or third party endorsement you should be aiming to get positive stories about your company in the following areas:

1. Print

Within print media, there are four broad sections:

- Newspapers: dailies, weeklies and monthlies.
General, financial and tabloid
- Magazines: news, business, lifestyle and special interest
- Trade Publications: news, business
- In-house Publications: internal newsletters and magazines of companies or organisations

2. Broadcast

- Television: terrestrial, cable and satellite
- Radio: local and national, global news agencies

3. Online

- Jewellers' Websites: intranet and extranet jewellery sites
- Public Websites: news organisations, internet service providers and the jewellery industry

4. News Agencies

- Networks: international and national news agency networks

Rules for targeting the right media

It is not as difficult as it seems to get free publicity as editors are always looking for something to interest their readers, viewers or listeners. The 'secret' is knowing how to present your story, by means of a media/press kit, in a way that makes it easy for the editor to use. You also need to ensure you only submit stories which you know will suit the publication or programme.

Whenever you are aiming to get editorial coverage, there are certain tools you can use and certain rules you should follow in presenting the information. These are outlined below.

Stage 1: Creating a media List

A media list is a list of all the possible media contacts that you need, to try and generate media coverage. Compiling a media list can be time-consuming, but well worth the effort in the long run.

Initially you might focus on compiling information on all newspapers, magazines, TV or radio programmes where you would like your shop to be featured. Names of correspondents, titles, addresses, telephone numbers, fax numbers and e-mail addresses should all be kept up to date.

- **You could start off by simply visiting a wellstocked newsagent** and making a note of the newspapers and magazines that may be receptive to news from your company. All magazines publish a list of editorial contacts – including the editor and reporters. Larger publications are divided into different sections –



business, lifestyle etc. Telephone the various media to check that names in your list are current

- **Think about who your target audience is.** Who do you want to read or hear about your shop, your jewellery or about a special diamond promotion you are running. Is it everyone within a certain catchment area, the town or county, or are people likely to travel from further a-field to shop in your area?

- **Think about the age of the people you want to attract** and the age of the people who read certain magazines or listen to radio programmes.

Once you have a list of newspapers, magazines and TV and radio programmes, you need to find out the right person to send your material to. Is it a news story or a feature story?

- **Phone the newspaper or TV station and ask to speak to the editor's secretary.** Explain that you will be sending a story. Briefly summarise the story's content and ask to whom it should be addressed:

The editor? The features editor? The news editor? The women's page editor? The fashion editor? For each story a different editor may be interested

- **Check on deadlines and publication dates.** Daily and weekly local newspapers can turn information around much more quickly than monthly magazines, so plan well in advance. Find out which day of the week the paper you are targeting goes to press. Even if a paper appears on the new-stands on a Friday, the chances are that if you call the editor on Thursday with your story you are too late; press day may well be as early as Tuesday or Wednesday. Each newspaper has to be contacted individually to find out its deadline date

- **Ensure you tailor your information accordingly.** Television, radio and newspaper reporters work under considerable pressure – they have daily or hourly deadlines to meet. Television reporters look for information that will be visually effective. Radio journalists look for a distinct sound or sound bite. Magazine writers and trade reporters tend to have longer lead-times and will be less in a rush and more interested in details

- **Plan ahead.** Many magazines have deadlines three months in advance of publication. So if you are running a special promotion on diamond jewellery for St. Valentine's Day, you must have a press release and a suitable photograph on the magazine editor's desk before Christmas

Stage 2: Telephone contact

After your initial phone call to the editorial secretary, call the person she suggested and establish contact:

- Explain who you are, what your business is and what story you have that would be of particular interest to him/her. Ask whether they would like to come and see the shop/jewellery, or whether they would like to be sent a press release. Be polite and come to the point quickly – journalists are generally very busy with tight deadlines so they don't want to chat for hours
- Ask if their publication uses black and white photographs or colour transparencies, or a high-resolution PDF file of images
- If it is a TV or radio station you are approaching, ask if they would like a videotape or DVD submitted or if they would like to interview someone (make sure you have someone suitable for this, or don't offer it)
- If you get the 'cold shoulder' don't take offence. Just be polite and courteous and remember you'll get another chance with another story soon
- Whenever you are telephoning any publication or programme always be polite to the secretaries: it is not their fault if their bosses can sometimes be too busy to be courteous. Secretaries are always a useful source of information and if they like you, they may be able to persuade the editor to use your story

Stage 3: Media monitoring

For future PR planning and for sound business evaluation, it is vital to track media coverage. Media monitoring can be carried out on your own, although this can take up considerable time. Most markets have companies that offer specialist media monitoring services – tracking of the media to check for news items on a client's products, company, market or industry.

If you employ a PR consultancy, it will normally monitor the media for you – using a combination of external specialist media monitoring service providers and in-house staff. It will also provide you with summaries or translations of local language articles, as required

Editors are always looking for something to interest their readers, viewers or listeners

Stage 4: Media evaluation

While it may be gratifying to see a large volume of media coverage, it is also important to evaluate how effective the articles have been. Many companies evaluate their media coverage based on the equivalent advertising cost, i.e., how much the space would have cost if it was 'paid for' advertising. This is not an effective evaluation method, as it does not tell you the real value of the articles or programmes, which requires a degree of subjective and qualitative benchmarking.

Practical tips to help you generate positive PR

There are various strategies or tools to effectively achieve maximum positive publicity. Generally, the choice of tools and whether a single tactic or a combination of complementary tools should be used depends on the objective to be achieved and the budget available. For example, the tools to be used for announcing the launch of a newly designed product, could be simply the distribution of a press release. Alternatively it could include a combination of tools, such as a media event hosted by a celebrity, media interviews of the designer plus comprehensive media kits for journalists.

Below we consider some practical ideas to help you generate your own PR in the most effective way.

1. Press release

The press release is a key tool for getting successful editorial. Often it all depends on the first paragraph – if that is badly written, a busy editor may just throw the whole story straight into the bin. But if you plan your story carefully, you are in with a good chance of holding the editor's attention. Always ensure your story is newsworthy. (See in Business Tool 1 on page 86 'Writing the Press Release' for a Press Release template you can use).

Target your story carefully

Be realistic about the sort of editorial coverage you are likely to get. Decide whether you are providing a news story or a feature story. News stories are more difficult to generate in major newspapers, but local media will be more interested. The only way the editor of a national newspaper will ever hold the front page for you is if something awful happens like a lorry drives into the front window of the shop and that is definitely not what we are aiming for.

Producing a media kit:

A **media kit** – sometimes called a 'press kit' – is a file of information distributed to journalists. This is often used to present background information to the press in a highly organised manner that supports a specific press release. Media kits are also distributed at large-scale events such as media conferences or special occasions. They are presented in folders, branded with the product or event name and logos.

The kit will contain a variety of information that:

- Educates journalists about the product, organisation and event
- Provides additional information that might motivate journalists to write more than one article or extend their stories into larger features

There are no fixed rules on what material should be in a kit. However, the kit would normally include the following:

- **Press release** – brief information about the main news being publicised
- **Backgrounders** – fact sheets on the product or event taking place
- **Biographical** – information on the spokesperson(s) quoted
- **Photographs** – of the product, the event or the spokesperson
- **CD-Rom disks** – containing photographs, logos and information

You are most likely to get coverage in the feature sections of newspapers, either on the women's or fashion pages. Sometimes you may make it into the news section of a local paper with a celebrity opening or similar event.

- Timing is important. Release the story at the peak of its newsworthiness. If you are planning a special event or shop opening, give the newspaper or radio station plenty of advance warning, either by letter or phone
- If appropriate, invite a journalist and/or photographer to attend the event to get the story first hand

Find your story

News stories would include:

- Decorate a Christmas tree with diamond jewellery. Invite the press and public to an exclusive cocktail evening and lighting ceremony

It is not as difficult as it seems to get free publicity as editors are always looking for something to interest their readers

- Organise celebrity opening of latest new diamond collection for men
- Launch a Mother's Day special diamond collection. Hold an exhibition and a lucky draw for mothers only
- Create a competition with chance to win a piece from the latest Designer Diamond Jewellery Collection (this can be tied in with a local newspaper)
- An exhibition of important diamonds, with guest Diamond Cutter to demonstrate diamond cutting and polishing

Feature stories would include:

Gift ideas for special events – Valentine's Day; Mother's Day; Father's Day; Christmas

- Fashion ideas – which diamond jewellery to wear with which outfit
- Seasonal advice – diamonds for spring/summer; diamonds for autumn/winter
- How to choose jewellery to match your personality
- What your jewellery says about you/your partner

2. Organising a successful event

Event marketing is the development and creation of events specially designed to communicate a specific message and drive editorial coverage. A consumer event is a fundamental and powerful tool to boost consumers' desire for and confidence in a company's product(s). However, only hold an event when it is appropriate. A large-scale event requires investment and commitment from you and all of your staff. We have included a further guide to organising a successful event on page 89.

Careful planning and execution of a successful event includes:

- A suitable theme that strengthens the promotional message, attracts consumers' attention and motivates them to action
- A 'gimmick' – to create consumer hype, such as celebrity testimonials, lucky draws, try-on sessions or free gifts

- **An effective invitation** – to provide key details, including the name of the event, date, the venue and a brief description. The design of the invitation should match the overall theme of the event
- **An inspiring venue** – choosing the correct venue is vital. Match the venue to your image and ensure that it is of the appropriate size with all the amenities that you require, including plenty of power points for presentation facilities for TV journalists

Venue decoration

Venue decorations should enhance the overall theme and atmosphere that you want to create, as well as match the product image projected by your company. There are some practical matters to consider:

- **Lighting** – The angle and intensity of lighting directly affects the brilliance of diamond jewellery
- **Logo** – The company logo should be displayed in prominent places at the venues, such as in the area where VIPs and celebrities will be most photographed
- **Colour scheme** – A well co-ordinated colour scheme can greatly enhance the beauty of diamond jewellery
- **Existing diamond visuals** – Be creative by using visual materials that are already on hand, such as posters and visual stands. Alternatively organise your own photo-shoot so you can have a consistent and high-quality look and feel.

Event set-up production

External production houses can offer professional advice, creative ideas and execution expertise to meet the project needs. A series of pre-production meetings is usually required to ensure smooth implementation.

Stage programme

An interesting and exciting stage programme will draw attention, such as a model show or dance performance to showcase the jewellery. Hire a choreographer to create the art direction for the stage show. The choreographer is responsible for the show's concept, which includes model selection, styling and presentation of the jewellery, music, make-up and hair direction. Other than model shows, programmes like try-on sessions, photography sessions, lucky draws, quiz and prize promotions or games with



rewards are proven to be highly effective in capturing guests' attention and enhancing interaction. Aligning to a charitable cause that has a good synergy with the product you are promoting may also be an effective strategy.

Celebrity appearance/involvement

Since celebrities are trendsetters, celebrity endorsement is considered as one of the most effective approaches to publicity generation for diamond jewellery events. Also, the promise of a VIP lures the media.

Inviting a celebrity to be your special guest needs extra care and special attention and therefore, it might be advisable to appoint a public PR agency to give a helping hand.

Photographer and Videographer

A successful event provides an excellent opportunity to create visual materials for internal reference as well as for other publicity purposes.

To capitalise on this opportunity, it is recommended that a photographer and a videographer be hired to record the event. The photographs/footage can then be edited to a vignette for use by TV stations, which will further boost publicity.

Good PR shots

PR shots are different from product shots. At the event people are highlighted rather than objects. The primary task of the photographer is to identify key people to shoot, but it is equally important to take a variety of shots for PR use.

Lead-up release and post-event release

To leverage an event for maximum publicity, a well-planned press release programme can be incorporated into the event planning. A pre-event release or a media alert should be distributed at least two weeks before the event to arouse the media's interest.

A well-written press release about the event, along with quality photos, should also be available for media distribution at the event. The release should focus on highlights and interesting facts that were not publicised beforehand. In terms of photos, 'the more the merrier'. The press appreciates a good variety for their selection. Photos provided in the press kit must support the text or the theme of the release.

To ensure maximum publicity, a post-event release should also be produced to re-cap its success and highlight the talking points. The release should be distributed to press that did not show up at the event.

Business Tool 1

Writing a successful press release

You might have a great story about a product or promotion you are running, but how do you get the press interested? The first stage is the creation of an effective press release.

There are two parts of the press release to which an important set of rules must be applied: Layout and Content.

1. Layout

Follow the layout as shown below:

- Always insert the date
- Set wide margins each side and top and bottom to leave room for editing
- Give the release a title of no more than two lines and put it in block capitals
- Leave about two inches blank space above the title for headlining by the media
- Put the number of words at the top of the release
- At the end of each page type 'more'
- Try to limit releases to two pages in length
- At the end of the copy type 'ends'
- If you are also submitting photographic material put 'ends (with photograph or colour transparency)'
- Always give the name and telephone number of the person the editor may contact for more information

2. Content

- The first paragraph of a news story must answer five key questions: **Who? What? When? Where? Why?**
- For a feature story, an evocative opening paragraph to arouse the editor's attention is more appropriate, followed in the second or third paragraph by the answers to: Who? What? When? Where? And Why? See example press release on page 88
- Keep paragraphs short
- Use simple sentence structure
- Never use two words where one will do
- Resist using too many adjectives so the release does not become 'PR puff'
- Avoid clichés
- Check all facts and spellings of names and places
- Always get someone else to read for typing errors
- Where appropriate include a relevant quote

Continued overleaf

Business Tool 1 continued

3. Supports

Once you have finalised the layout and content of your Press Release, you need to think about ways of 'selling' your story.

Letter to the Editor

Usually the release you send will speak for itself, but sometimes it is appropriate to send a covering letter to the editor, for example, when you want to create your own news by organising a competition or in-store activity. Often it is a good idea to do this jointly with one selected newspaper, magazine, TV or radio programme.

Photographic Material

Photographs can be more effective than words. Not only will a quality photograph attract readers to your particular story, it will also greatly increase the chances of your press release or feature being published in the first place.

Bear in mind that a prize-winning picture could be useless for PR purposes if it fails to correspond with the message to be conveyed. Diamond jewellery photography requires the services of a specialist, so look at a selection of portfolios from various still-life and fashion photographers before hiring anyone.

Here are some useful tips:

- Avoid busy pictures – Do not feature too many products in one photograph, as there will be no focal point. Two or three pieces is enough
- Sparkles – Diamonds sparkle more against a dark background
- Close-ups – Products look better at close range
- Impression of quality – Use the biggest diamonds and best quality jewellery
- Consistency in design – Products in the same photo should be of matching design
- Human interest – Where relevant, it is effective to introduce people into pictures
- Check with the editor to establish the preferred format, e.g. a transparency, print or a high-resolution digital image.
- Send photos with the news release, but always write at the end of the release that photographs or transparencies are enclosed and use the title of the release on the photo caption in case the photos become separated from the release.

- Do not ask for black and white photos to be returned.

Tips for Photographs

- Make sure the photo relates to the story!
- Compose the photo carefully – people should face the camera
- Always write a caption
- Identify all persons shown correctly (from left to right), including their names and titles or occupations, where appropriate. Check and double-check spellings
- If the photographs show merchandise, give a description and the recommended retail price (RRP) of each item. Again check accuracy
- Put the name and telephone number of the person for the editor to contact on the caption, in case it becomes separated from the release
- Type your caption on plain white paper and then stick it to the back of the photo with glue or sticky tape
- Never write on the back of the photo. Marks will show through and make the photo unusable
- Never use paperclips or staples on photos
- For mailing, put a cardboard stiffener in the envelope and write 'DO NOT BEND' on the outside

Most newspapers work with black and white photographs, though colour is being used more often on the fashion and feature pages. Magazines usually prefer colour, but check what the editor prefers.

If you are doing a large mailing, after you have written the word, 'ends' type 'colour transparency or hi-res PDF available on request,' – then only those publications that will actually use the transparency will get one.

Captions

A picture without a caption is incomplete and confusing. While a press release may be rejected, the accompanying picture may be retained in the photographic library, so a caption with an identifiable source is essential. Captions should contain the following information:

- The name and contact numbers of the sender
- The text should state what the picture couldn't say for itself. As a general rule, the caption should answer some or all of the basic questions: who, where, what, when, why and how
- Copyright ownership should be stated if necessary.

Business Tool 2

Press Release Template

FOR IMMEDIATE RELEASE

DATE: _____

Headline: the gist of the story

Sub-heading: Subordinate points about the story

<Place, Date> Lead Paragraph: 20-40 word summary of essential facts.

Next 2-3 paragraphs: Repeat story in more detail. Could include quotation from spokesperson if appropriate.

Final paragraph: Give background and general information.

End

Business Tool 3

Organising successful events

Promotional activity in-store will be nothing new to you and no doubt you will know which kind of activity works well in attracting new customers to your shop. But do you know how to maximise the impact of your promotion by linking it to your local media?

Many of the promotional activities you have already planned would make suitable stories for the press. For example, if you have arranged for a diamond expert to be in-store to give valuations on customer's personal jewellery, family heirlooms, etc, this would make an ideal story. Call your local TV station well in advance and see if there is a programme that would like to come and film any interesting cases.

Below is a list of other promotional ideas that can also be used to generate press stories and extend your selling opportunities. These events also serve to maximise your premises.

1. Special Customer Event

Why not invite your key customers to attend a special 'Diamond Evening' to view the latest diamond collection and enjoy a glass of wine? Perhaps target 'ladies who lunch' with a special event linked to a local charity?

2. Create a Diamond Exhibition

Organise a diamond exhibition in your shop and invite a diamond cutter to work in it for a few days to demonstrate to your customers how the brilliance of a diamond is unlocked from within a rough crystal. Ideally, tie this in with the launch of a new diamond cut in collaboration with a supplier.

3. Organise a Prize Draw

The names and addresses of all customers who make a purchase during a promotional evening will be put into a hat and whichever one is drawn out will win a wonderful prize – maybe a diamond charm, or whatever you decide.

There are many promotional ideas that can extend your selling opportunities

4. Organise a 'Happy Hour'

With neighbouring shops, why not organise a 'happy hour', during the early evening to show off your latest new diamond designs. Maybe invite a designer/goldsmith to come and chat to your customers about his/her work.

5. Bridal Shows

Link with another local business for a joint customer evening focused on the 'bridal' theme. Tie-in with a local or national 'brides' magazine in a specific feature to gain maximum consumer exposure.

6. Link in with any other local happenings

If there is a popular blockbuster film opening at your local cinema, why not create a display showing the kind of jewellery that would complement the fashion and style of the central characters?

7. Create Special Displays

Design displays that suggest quality and fashion. Why not create special displays to complement any local exhibitions/events that are going on in your town, either in the window or in-store to attract your targeted customer?

8. Invite a Fashion Expert

Invite a fashion expert to offer advice to customers on what jewellery to wear to complement their image and how to use jewellery to project a different look for a variety occasions.

9. Competitions

Newspapers, radio and TV stations love to run competitions as they always attract a lot of interest from readers and listeners. If you tie in your competition with one of these you have the chance of attracting many more people into your shop that you could ever do on your own. It is always worthwhile, so how do you do it?

- Decide how much you can afford to spend on prizes, or what you want to give away.
- Phone the editor of the newspaper or programme you would like to work with and check whether they run competitions.
- Find out whether competitions come under the editorial or advertising banner.

Sometimes you have to pay for the space in the same way as you would for an advertisement. Sometimes the value of the prizes can guarantee a good editorial position. This will have to be negotiated with the editor.

- The amount of space on the page or airtime you get will also depend on the value of the prize. If you cannot afford to give away much, think about bringing in another compatible retailer to make for a more interesting offer.
- Discuss the format of the competition with the editor: does he want you to devise the questions yourself? Discuss the layout. Make sure you have a say in this to keep the name of your shop prominent.
- It is often a good idea to provide all the copy, photographs and questions set out exactly as you wish on a visual layout that the editor could send straight down to the printers.

10. Special Offers

Special offers work well with magazines, where the first ten readers to write in get a special offer of a diamond bracelet, for example. The other readers get a copy of your latest Spring or Autumn catalogue showing all the new diamond merchandise for the season.

11. Charities – Fund Raising

Choose a favourite local charity and organise a special event to help raise money for it. Either contribute 10% of all sales on a certain day to the charity, or have a prize draw where money raised from ticket sales is donated. Make sure the local newspaper is there to photograph your managing director when you hand over that fabulous cheque.

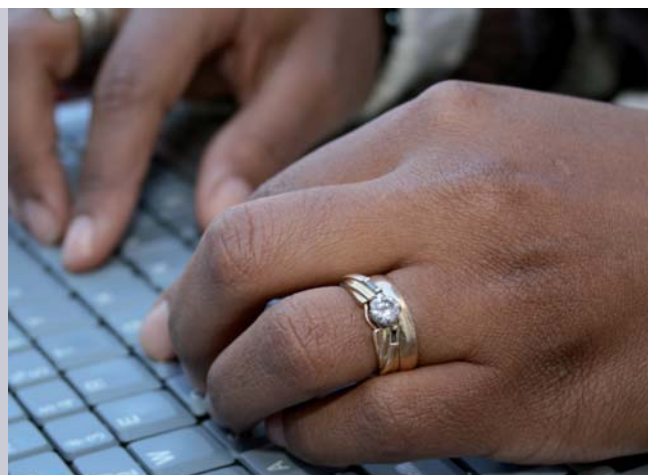
12. Talks

Offer to talk to local groups/schools, ideally involving some of your staff, so that the audience and your staff feel involved and special.

13. Website

Don't forget to make it exciting and relevant to what is going on in-store. Link to other high traffic sites.

Don't forget to make your website exciting and relevant to what is going on in-store





Advertising is a key tool in attracting customers to your store and driving demand for your jewellery

4.4 Advertising and promotion

Stimulating consumer interest in your store and the products you are selling relies on effectively using PR, personal selling, merchandising, advertising and sales promotions tools. In earlier sections, we looked at PR, merchandising and selling techniques. This section focuses on the final promotional elements of advertising and sales promotion. We have also included a grid (page 95) that gives an overview of each of the communication mediums that you might employ in your advertising, detailing the benefits and drawbacks of each.

This chapter is not intended as a 'do-it-yourself' guide. Instead it aims to provide you with the information to prepare yourself to get the most from your advertising and in-store promotions.

It is important to remember that advertising in particular, can be expensive and whatever your budget, it is always advisable to take professional advice before setting out on your project – preferably through an advertising, design and/or media buying agency.

This chapter covers:

- The importance of defining your proposition 92
- The difference between advertising and promotion 92
- How to approach advertising 92
- Sales promotion 94
- Understanding how to choose the right media 94

The importance of defining your proposition

Before embarking on any sort of advertising or promotional campaign, it is first important to decide what you want to communicate – what your 'proposition' is.

If you have read and completed the business tools in the first module of this guide – 'Your Business', you will understand what your unique value proposition is. This must guide your advertising and promotions.

For example, if we look at the Nicholas James case study from the first module (page 22) we know that their unique offering was a focus on platinum jewellery. Your unique value proposition does not have to relate to your product offering. It might be serviced based. For example your unique proposition might be 'an intimate environment with first class service' or 'after sales service that is second to none'.

The key point is that you want your advertising and promotion to stand out, so ensuring that your unique value proposition guides your advertising means that potential customers who are exposed to your in-store promotions and advertising do not judge you on price alone.

The difference between advertising and sales promotion

The key difference between advertising and promotions is that advertising campaigns generally have longer-term results and work over a period of time to create brand loyalty and communicate your store's positioning, whereas sales promotions tend to be short-term, focusing on driving immediate sales of a product. Getting the right balance between sales promotions and advertising is essential.

Remember:

- Advertising pulls the customer towards the product
- Sales Promotion pushes the product towards the customer

How to approach advertising

Advertising is a key tool in attracting customers to your store and driving demand for your jewellery.

It is vital to define what you intend to advertise. Is it a promotion or product or do you want to build the profile of your store?

If you are promoting a specific product, consider whether it is the:

- **Right product:** What will appeal to the target audience? If you're not advertising a product, think about what you want to say about your store (ensure this complies with your identified value proposition).
- **Right price:** This must be competitive, or have added value or position the product as exclusive to reflect whether your pricing strategy is correct.
- **Right time:** To maximise opportunities and impact you need to ensure this is the right time to advertise your product. For example, the months leading up to Christmas and Valentines Day are obvious times when potential customers will be most receptive to your advertising.

Once you determine what you plan to advertise you then need to know who to advertise to. So you need to know who your target audience is and target your advertising and promotions to this audience. For example, if you are advertising a new range of wedding rings then it makes sense to advertise in publications whose readers might be getting married soon, bridal magazines. If you are advertising cufflinks, then you would be best advised to utilise publications with a readership of corporate men.

It is important to determine why the particular offer you are advertising will appeal to your target audience. It helps if you think about their emotional needs and then appeal to them.

All campaigns should be driven by a single and distinctive positioning

While the appeal of any advertising may be emotional, it requires a clear concept that will be executed across all your customer communications. Different campaigns will trade on different concepts over time, but they should all be driven by a single and distinctive positioning, encouraging customer recognition and loyalty over time as well as within a particular promotion.

Getting the most from an advertising agency

Advertising can be expensive and whatever your budget, we recommend that you take professional advice before setting out on your project – preferably by using a design, advertising or media buying agency. It's worth remembering that if you are going to advertise, it is important to spend time and money on the development of a great ad, as the ultimate placement of the ad will potentially cost more than any of the development work.

If an agency is helping to develop an advertising or promotional campaign for you, it is good practice to put together a short brief for them which distils what you really want to achieve from the campaign. This is also a useful tool for managing the agency through the project to ensure the final campaign meets your initial objectives.

A simple brief should include:

- **The overall objective of the campaign:** what do you want to achieve by advertising?
- **Your target budget:** how much do you have to spend? (you don't have to reveal this to the agency, but you should have a rough figure that will help govern the scale of the campaign)
- **Your target customer:** who is the message for? (give as much detail as possible about who you want to reach with the campaign – this should be broader than just your existing customers too)
- **Your message:** what do you need to say and how do you best say it? (what do you really want to convey? Does this tie-in with a specific promotion? Is there a specific call to action you want to include?)
- **Timescales** – when do you want the campaign to run?

You should also indicate whether you want the agency to come up with a concept for just a piece of advertising or for point of sale material or whether you are



interested in a whole campaign that combines many different elements to drive consumers to store.

Once you have finalised your brief, you can get several agencies to come up with concepts that respond to it and 'pitch' for the job. Obviously, you should choose to go with the agency that has the best initial ideas, understands your brief and can get you the best campaign for your budget, within your timescales.

Your design agency should be able to help you pull together an effective campaign that combines sales promotion and advertising (through a variety of different communications channels e.g. TV, print, outdoor) to achieve your objectives. This will of course be guided heavily by your objectives and budget.

Evaluation

After any campaign, you must ensure that you collect evidence and information that will be of use to you in future marketing activities. This will help you to consistently improve, identify worthwhile activities and avoid other less worthwhile activities by understanding why and how they failed to work for you.

In order to do this you will need to establish some evaluation or monitoring procedures. This does not need to be complex or difficult but it is essential. You must be able to decide from an objective stance whether the activity was:

- **Worthwhile**
- **Cost effective**

So, what information do you need to evaluate a campaign? At the most simplistic level you merely need to find out why the customer has come to your shop, whether they make a purchase and how they found out about the store, promotion. In order to capture this information it will be essential that all of your staff know that you require them to collect information about why the customer is making their enquiry and, if and what they buy. A simple question or comment when the customer purchases should suffice to gather the initial information, for example ask the customer if they have seen your recent adverts.

For some marketing activities evaluation is relatively easy particularly if there is a call to action on your advertising. Others can be more difficult. Remember though, that you must weigh any results against your initial objectives to evaluate how any campaign has really performed for you.

Sales promotion

Sales promotion is an important component of a jewellery retailer's overall marketing strategy. Sales promotion is aimed to increase demand for a product for a limited time and directly stimulates consumer purchasing, selling effectiveness or the effort of your sales staff. It is a great method that jewellery retailers can use to provide extra incentive for potential customers to purchase or support your store and brand over another. It is particularly effective at encouraging spontaneous purchases – even though jewellery is often a 'considered purchase'.

Some common types of in-store promotions in the jewellery industry include: a free-sample campaign, offering free gifts or trading stamps, arranging demonstrations or exhibitions, setting up competitions with attractive prizes, temporary price reductions,

personal letters etc. to promote a specific offer of proposition.

Whilst promotional activity like this can seem a more feasible option for small jewellers with limited marketing budgets, it is important to remember that effectively selling any luxury product relies on retaining the product's aspirational image in the mind of the consumer and too much promotional activity can erode this.

Understanding how to choose the right media


Jewellery is predominantly a 'considered purchase'; therefore it is important that, as a retailer facing lots of competition, you reach the consumer in a manner, which reflects the product and your shop environment.

Advertising is probably the most cost-effective promotional tool for creating high levels of awareness among target consumers. However, because it can be expensive, it is essential you choose the right media to advertise your products and services.

To do this, you should consider:

- Your target audience's media habits
- The media's likely effectiveness in presenting your product
- The relative cost of the media categories
- Whether it is better to target your customer with advertising or below the line material (for example POS promotions, direct mail etc.)

When you brief your advertising agency they will advise you on the most effective medium for your specific advertising approach. However, for your information we have included a grid that provides you with an explanation of each of the key media options and the benefits and drawbacks of each.



Choosing the right media is critical to getting your message across effectively

The key media areas are:



Television

The combination of sight, sound and movement, when used effectively can create a sense of personality, energy and excitement. This will leave a strong impression.

Benefits of TV advertising:

- Wide catchment area
- High impact, penetrates the majority of homes
- Visual impact – it allows personal 'in-home' involvement
- Wide choice of channels and programmes to reach target audience appropriately

Drawbacks of TV advertising:

- Expensive
- Low regional flexibility – restricted to TV regions
- TV is traded like the stock market (fixed budget – supply and demand market) – costs can be unpredictable
- Significant cost of making an advertisement
- Exposure is short therefore the message must be repeated for real impact
- TV landscape has changed considerably – proliferation of channels – lowest common denominator – advertising clutter



Internet Advertising/Promotion

Internet advertising can take the turn form of frames or 'pop-ups', sponsorship or adverts placed on a website.

Benefits of Internet advertising/promotion:

- Interactive
- Short lead-times (in terms of booking media/providing creative)
- Targeted
- Many creative opportunities – Banners – Pop ups – Skyscrapers – Sponsorship
- Opportunities to push consumers through to your own website
- Opportunities to create client database
- Accountable (easy to measure impact of advertising) by looking at 'click thru' numbers

Drawbacks of Internet advertising/promotion:

- High costs for complex creative formats
- Proliferation of websites – fragmented audience
- Audience has low boredom threshold
- Intrusive formats can turn the audience off



Cinema

Going to the cinema is an event in itself. The audience have actually chosen to be there and made an appointment to view.

Benefits of cinema advertising:

- Can have national coverage, but more accurate for targeting specific towns/regions
- Big visual impact
- Target by appropriate film
- Bigger names linked with cinema than TV
- Positive environment – captive audience who are in appropriate mood for receiving messages
- Shared experience – most people go in groups to the cinema and so seeing an advert or product they like can generate positive PR through word of mouth

Drawbacks of cinema advertising:

- High cost to produce ads
- No guarantee of admissions
- The film might flop! (no audience!)
- On average most people do not see the film at the cinema more than once – therefore, the advertisement will only reach them once



Radio

Clear concise messages can be communicated through radio advertising that can deliver a call to action.

Benefits of radio advertising:

- Cost efficient
- Frequent advertising slots/opportunities
- For the consumer, it is possible to absorb radio whilst doing something else e.g. driving
- Sponsorship/promotional opportunities around programming
- National, regional or local coverage
- Short lead times/flexibility with booking ad space
- Research/targeting information available (eg listeners)

Drawbacks of radio advertising:

- Not appropriate for all advertisers – maybe difficult to showcase your product or sophisticated messages
- Huge growth in stations – creates fragmentation of listenership
- Subject to audience zoning – the listeners concentration may fluctuate, so may zone out during the commercial break
- Creative is often poor in comparison to what is produced for TV, press, etc



Print

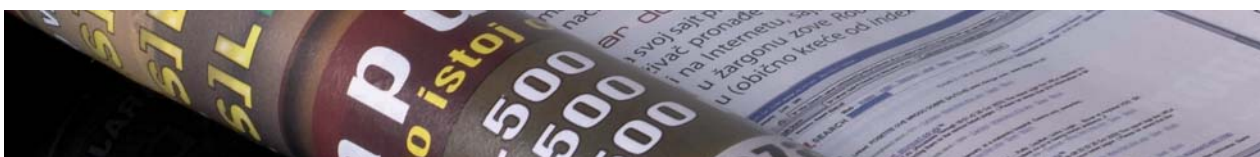
These can be newspapers, journals and or magazines. However, of the national press, women's magazines are the most effective way of contacting your target consumer, because the readership is primarily female. It is also felt that the sympathetic environment that many magazines offer is conducive to the luxury and fashion conscious image of diamond jewellery.

Benefits of print advertising:

- Magazines are an 'active choice media' – good for intimacy – possible to target on a very niche level – captive audience
- Magazines target many consumers in a style that suits them (as they have a very defined target audience)
- Possible for campaign to be wide reaching or targeted (National – Regional – Interests – Male or Female – Age groups)
- Production costs lower than broadcast media
- Fixed rate-card costs so possible to plan against fixed budget
- Creative benefits – magazines can provide a huge amount of information to communicate to target audiences

Drawbacks of print advertising:

- Highly fragmented media which can have cost implications for reaching numbers of people
- You may be spending more communicating with those not in your target audience
- Threat from new media – many people referring to online versions of publications or just the internet in general
- Disadvantage of reader possibly flicking through publication, especially when double page formats are used
- Advertising clutter – difficult to shout above the noise of other ads in the same publication
- Not an invasive media (such as TV) and so may have less impact



Advertorial

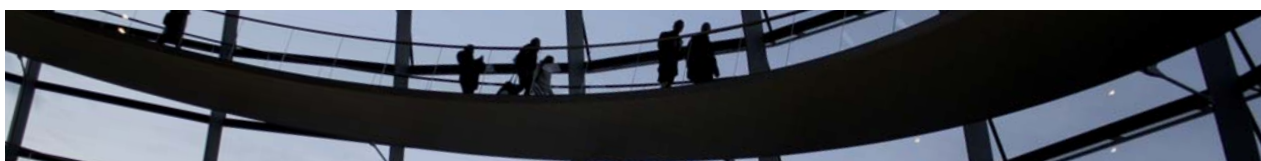
You may be aware that advertising can often be used as a 'hook' to capture editorial space. For example, editors will generate a certain amount of free editorial coverage if you are a regular advertiser. Another way of using the national press is by participating in a consumer promotion, which is sometimes referred to as an 'Advertorial'. This is a paid-for activity but is positioned using the creative style of an editorial feature.

Benefits of advertorial:

- Generally have more credibility and influence, in the eyes of the consumer as they appear as regular content in the publication – rather than advertising
- They provide the opportunity to offer additional information on the product/promotion

Drawbacks of advertorials:

- Consumers often recognise them as promotion
- You have to fit to the format of the publication: you might compromise your brand
- Less effective for displaying images of your product lines
- They can be as expensive as advertising without the same creative flexibility



Sponsorship

Sponsorship of an external event or activity can provide a number of opportunities. Strictly speaking, sponsorship is not a medium but a promotional tool. We have included it in this guide because it is effective way to achieve awareness in the minds of your target audiences.

Benefits of sponsorship:

- Can provide ownership
- Can be perceived as subtler than advertising
- Provides opportunities to experience brand/company product
- Increases brand values through association with similarly positioned products.
- Can get close to people's passions

Drawbacks of sponsorship:

- Long lead-times in terms of planning
- Expensive
- Difficult to measure direct impact
- Messages can get lost in coverage of other aspects of the event



Outdoor advertising/promotion

Outdoor promotion includes advertising on billboards, buses and any other media that appears 'outdoors'.

Benefits of outdoor advertising:

- Flexible and versatile
- Creative opportunities
- 24/7 – increasing illumination of sites
- Perfect 'announcement' vehicle
- High frequency – increasing numbers of passenger transport and car owners – high percentage of adults see outdoor advertising
- National, regional or local opportunities
- Can be tactical e.g. near point of sale

Drawbacks of outdoor advertising:

- Long lead-times in terms of booking and copy
- Difficult to measure direct impact of outdoor advertising
- Not all outdoor formats have a captive audience
- Bombardment of outdoor advertising messages