

Jewelry & Watches

Industry Report 2024



Table of Contents



0.0	Significant Opportunity for Growth in the Jewelry & Watch Industry	3
1.0	Welcome to the Jewelry & Watch Industry Report 2024	4
2.0	What to Expect from the Jewelry & Watch Industries in 2024	6
	2024 Consumer Trends in Watches and Jewelry	8
	1. Market polarization	8
	2. Growth of branded jewelry segment	9
	3. Accelerated growth in Pan-Asian markets	9
	4. Emerging generational demographics	10
	5. Evolving gender norms	11
	6. Sustainable materials and design solutions	12
3.0	The Digital Acceleration	13
	Digital Strategies for Luxury Retail	14
	1. Social media, social commerce	14
	2. Personalization and augmented reality	15
	3. Building new worlds: metaverse and immersive technology	15
4.0	Driving the Customer Experience	17
	Cultivating Premium Experiences	18
	Upgrading Omnichannel Strategies	19
	Striding forwards with omnichannel strategies	20
	1. Create an unforgettable in-store experience	21
	2. Leverage and infuse brick-and-mortar expertise	21
	3. Data Collection & Analytics	22
	4. Invest strategically in technology and people	22
5.0	Join the Total Experience Revolution	23
	How to Develop a Total Experience to Drive Sales & Service	25
	1. Multiexperience (MX)	25
	2. Customer Experience (CX)	26
	3. Employee Experience (EX)	26
	4. User Experience (UX)	27
6.0	A Look Ahead at the Future	28
	About Us	28

Significant Opportunity for **Growth**

in the Jewelry & Watch Industry

In a post-pandemic world, jewelry and watch businesses have seen significant changes in not only who they sell to, but how, and the tools they use. But, with change comes unlimited opportunity for growth — businesses must be ready to adopt new technologies and new consumer behaviors.

At Salesfloor, our signature offering is in granting retailers the tools and the training to connect with customers for better service and increased conversion and retention rates. We believe that value is an exchange: give value, grow value. Our unique digital tools are central to cultivating loyal and satisfied customer segments, ones that will remain resilient to the strong and ever-shifting currents of ecommerce — be it a global pandemic, inflation or a recession.

Salesfloor is a customer engagement platform designed with enterprise jewelry retailers in mind. It is the only platform on the market that unifies virtual shopping, clienteling, and AI assisted selling — driving sales and Total Experience with proven ROI. Salesfloor's mission is to revolutionize the retail sales and service experience by fusing the human connection with the power of AI.

We are committed to helping our customers in the jewelry and watch industry achieve long term, sustainable growth. We want to help our customers stay one step ahead of the competition, by utilizing those who know the industry best — your store associates. Ultimately, we hope this industry report helps you look ahead at opportunities for growth, and we look forward to speaking with you on how to implement a Total Experience that will wow your customers, and build loyalty for years to come.



Welcome to the Jewelry & Watches Industry Report 2024

Jewelers and sellers of luxury watches are no strangers to volatile boom and bust cycles and the accompanying fluctuations in consumers' disposable income.



With a potential recession on the horizon, fluctuating consumer demographics, and shifting retail technologies, the status quo is changing at an unprecedented speed. Yet in this sea of change, one thing remains certain: the relationship between jewelers and their customers is not static, but rather ever-evolving. Given the particularly emotional experience of purchasing jewelry and accessories, consumers in this space have historically preferred more personal customer service, which greatly influences who they buy from. Combined with the rise of Millennial shoppers—whose expectations surrounding convenience, brand values, price, availability, and quality surpass previous generations—brands are increasingly faced with new pressures and opportunities to adapt and diversify their offerings.

The COVID-19 pandemic provoked lasting change in how consumers shop and interact with brands. Previously reluctant to embrace online shopping and ecommerce, the fine jewelry and watch market faced the concept of “innovate or die” head-on. As brick-and-mortar traffic declined—as well as overall sales—the market responded with unprecedented agility. Mid-tier to luxury brands quickly implemented digital technology and software, seeking new ways to offer their product virtually and recreate the magic of brick-and-mortar stores online. Particularly encouraging was the willingness with which consumers turned to digital channels to purchase high-ticket, luxury items; a trend that is on the rise in India and China, but also, in the United States. As consumers continue to gain digital purchasing confidence, online sales of fine jewelry are set to expand from 13% of the market, as of 2019, to 18-21% in 2025 (McKinsey).

Brands who can provide efficient and engaging online buying experiences will prosper in the years to come. Industry leaders at Avtex are adamant that omnichannel is the way forward, with brands needing to offer: “an integrated approach to customer engagement that focuses on enabling customers to move seamlessly between browsing, shopping, purchasing, and returning products through a variety of channels—including physical stores, social media, websites, voice, SMS, chat, and more.”

This report provides an overview of the jewelry and watch industry and seeks to identify ways that retailers and brands can further refine their business models through innovative digital strategies and practices—now, and into the future.

Through this report, readers will learn about:

1. Industry forecasts, including major jewelry consumer trends
2. How innovations in tech are changing the retail sales & service experience
3. The status of omnichannel integrations and what brands can do to improve
4. How to drive a Total Experience to take your business to the next level

Brands must offer an integrated approach to customer engagement that focuses on enabling customers to move seamlessly between browsing, shopping, purchasing, and returning products through a variety of channels—including physical stores, social media, websites, voice, SMS, chat, and more.

— Avtex

What to **Expect**

From the Jewelry & Watches Industries in 2024

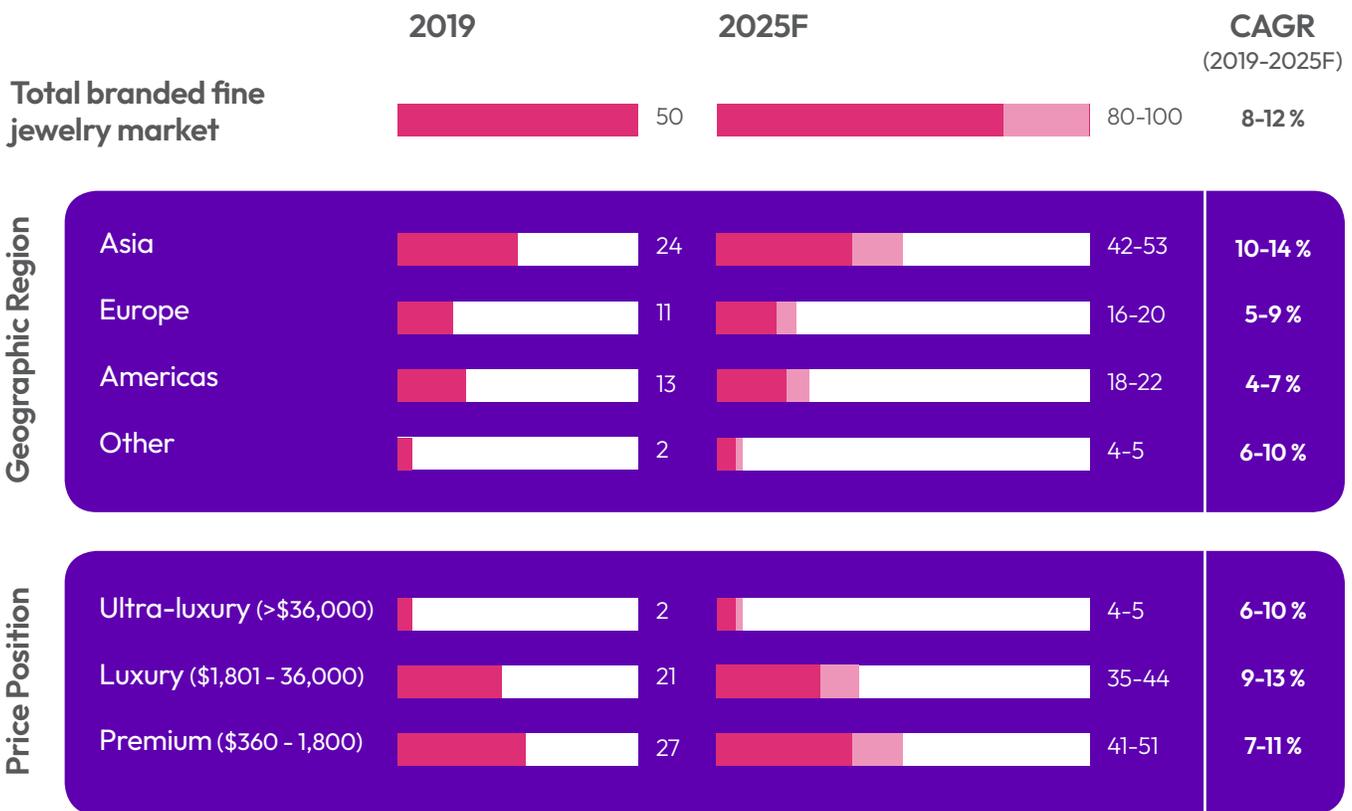
Across industries, 2024 will be marked by unprecedented inflation, as well as evolving consumer preferences. Although jewelry revenue declined by \$3.8 billion USD in early 2020, London luxury strategists, Matter of Form, report that sales bounced back later in the year and have been continuously growing ever since. According to Statista, [the value of the jewelry market](#) is expected to increase from about \$230 billion USD in 2020 to about \$307 billion by 2026, with China, the United States, and India (in that order) accounting for the largest shares of sales.

During the pandemic, consumers limited their discretionary spending on travel, restaurants and events, allowing for increased spending on luxury goods: In 2021, full-year sales of watches and jewelry reached \$115.29 billion USD, a year-over-year increase of 51% (National Jeweler). As life returns to normalcy, this enthusiastic growth is predicted to provide a steady year-over-year increase of 4% to 8%, with full-year sales in 2022 expected to reach \$125.53 billion (National Jeweler). Meanwhile, the online share of jewelry sales is on a steady uptick. Apviz, a cloud-based 3D product configurator for jewelry, reveals that by 2027, the online jewelry industry will reach \$21.5 billion USD worldwide—with rings and diamond jewelry holding the biggest segments of market share. In all, jewelry brands have much to be optimistic about.



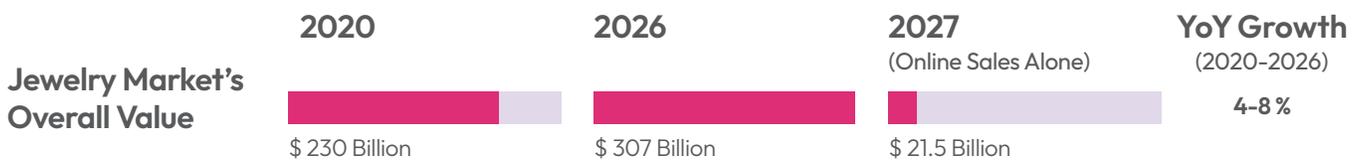
The global branded fine jewelry market is expected to grow significantly in the coming years, with **Asia leading overall global growth**

(Market Value: USD Billion)



Note: All market valuation figures are approximates

Source: McKinsey analysis, expert interviews



Consumer Trends

in Watches and Jewelry

Even before the unanticipated economic turbulence of early 2020, the jewelry market was already buffeted by winds which, three years later, are blowing consumers—and therefore retailers—in new directions. Brands who can rapidly keep up with consumer preferences and demands will be ready to convert and keep customers for years to come. With an eye on the future, savvy brands will need to stay relevant and consider the following trends.

1 Market Polarization

Fruchtmann Marketing reports that economic recovery, and therefore spending power, has differed widely across income brackets. More immune to the current widespread job losses and inflation, high-income individuals are currently the most promising demographic for increased spending on fine jewelry. In comparison, middle and low-income segments continue to lag in economic recovery, resulting in reductions in overall spending power. But it isn't only middle-income earners feeling the squeeze of inflation and increased commodity prices; middle-market jewelry brands are also facing challenges and competition.



Even before 2020, luxury brands releasing lines of lower-price point offerings conflicted directly with the higher-priced, middle-market offerings. At the same time, brands specializing in fashion jewelry—made from non-precious metals at highly accessible price points—cut into the mid-market's lower end (McKinsey). More recently, lower foot traffic in multi-brand retailers and department stores has affected how consumers are exposed to mid-market brands: without the benefit of in-store discovery, this tier is suffering from severely reduced consumer attention. With less capacity to invest in mono-brand brick-and-mortar, middle-market brands will increasingly need to pivot to survive. This could entail acquisition by larger houses, or differentiating through innovative design, marketing, and digital platform deployment to boost brand recognition.

2 Growth of Branded Jewelry Segment

Branded jewelry is produced by recognizable luxury brands and sold at premium prices up to six times the price of gemstones of similar material value. This segment is headed for dramatic growth: between 2019 and 2025, sales are set to swell from approximately one fifth to approximately one third of the market (McKinsey), representing a compound annual growth rate (CAGR) of 8-12%. Among the drivers of this trend are the growth of the Pan-Asian fine jewelry market, where branded jewelry has experienced a **CAGR of 10-14%** since 2019. According to Grandview Research, branded jewelry is an attractive buy among emerging markets— not only as a wealth signifier, but as a guarantee of “authentic and trustworthy products and unique designs.” Branded jewelry can also represent a reliable investment, retaining value through recessions and periods of inflation (Forbes). However, for Jacques Roisin, senior vice president of Pandora, the real value of branded jewelry lies in the strength of the brand mythology: “it’s about creating an emotional connection” (McKinsey). For branded jewelry makers to differentiate themselves meaningfully from unbranded makers, they must engage customers in storytelling and world-building— justifying premium price points by creating potent narratives of exclusivity, legacy, and enchantment.

3 Accelerated Growth in Pan-Asian Markets

Economic development in the Asia Pacific region has meant increasing disposable income, as well as a desire on the part of economically mobile individuals to signal their accession to affluence. Indeed, according to the World Gold Council, “India and China accounted for more than 50% of the global gold jewelry demand in 2018” (Grand View Research). The growth of the fine jewelry market across these regions is not only being driven by new wealth, but by tradition: bridal jewels and wedding spending represent a major market force, particularly with respect to fine rings. Kent Wong Siu-Kee, managing director of Chow Tai Fook Jewelry Group, states that fine jewelers are attracted to China’s exploding jewelry market for good reasons: “not only for its scale and resilience, but because it represents a bigger opportunity than other markets when converting consumers of unbranded jewelry to buy branded jewelry instead.” Moreover, China is also a global leader in ecommerce and social commerce adoption, with livestream product launches and in-app buying options increasingly becoming the new norm, a trend which is rapidly encroaching on North American and European markets (McKinsey).



4 Emerging Generational Demographics

According to the World Gold Council, India and China accounted for more than 50% of the global gold jewelry demand in 2018.

— Grand View Research, 2020

As Millennials and Gen Z age into higher-paying jobs, their spending power—and share of the luxury goods market—is steadily increasing. In fact, TechHQ reports that these cohorts are set to comprise up to 40% of the overall luxury market by 2025. With this demographic shift comes a change in needs and values, to which jewelry brands and retailers must attend to stay profitable and desirable. These generations, as well as the newly emergent “Gen Alpha”, are “global, digital, social, and sustainable” (Deloitte). Largely due to their life-long use of technology, these generations see themselves as networked global citizens: deeply plugged-in, and sensitive to the goings-on of the international village. Compared to their generational predecessors, these cohorts are more exposed to global trends and brands. They are also more concerned with global issues, such as climate change. As such,

these generations are particularly reachable through social media, and are particularly interested in purchasing from brands with demonstrated values. The analysts at Matter of Form capture these larger trends well: “We are in the midst of a second revolution in gender, LGBTQ+, racial and age equality. This needs to be visible across the industry.” Thankfully, consumer-brand alignment translates intangible ethical values into real consumer values. According to McKinsey’s 2022 report, up to 31% percent of Gen Z are willing to pay a premium for sustainable and ethically produced products—while only 12% of Baby Boomers would say the same.



5 Evolving Gender Norms

In keeping with the younger generations' changing values, the evolution of gender norms has had a notable impact on the jewelry industry. Among the most striking market shifts of the past decades has been the emergence of high-income women who purchase their own jewelry— rather than receiving it as a gift. Picup Media, a provider of jewelry photography services and solutions, has found that women who purchase their own jewelry are less bound to occasion spending, choosing to buy at less predictable— but more personally meaningful moments, including specific occasions, to celebrate achievements, and often— just because. These shoppers are a particularly high-value category: most women purchasing on their own behalf will spend upwards of \$400 USD at a time, and up to 14% will spend upwards of \$6,000 USD on jewelry and watches yearly.

It appears that women are not the only ones expressing a measure of liberation in jewelry shopping. McKinsey reports an increasing demand not only for unisex designs, but for male jewelry. The industry will soon see men across the world interested in a greater variety of items and styles. New York-based jewelry designer Jelena Behrend describes the impact of evolving gender norms on jewelry design, stating that “women are opting for more texture and matte finishes while men increasingly prefer sparkle and high polish.” In the Pan-Asian market, standards around male jewelry have long been different than in Western countries. In the latter, relaxing gender norms will allow men to try out ornamental pieces, and more delicate and experimental styles, in addition to the more functional, conventionally masculine accessory categories of cufflinks, signet rings, and watches.



6

Sustainable Materials and Design Solutions

Watches and jewelry are luxury items, invested with high levels of emotional, as well as material value. Going forward, brands must set a high ethical standard in order to respect and maintain the emotional investments of their customers by addressing concerns around sustainability. Precious gems and metals are both resource and labor intensive to produce, and the industry has long been haunted by conflict, exploitation, and environmental irresponsibility. On the flip side, consumers show strong interest in paying for ethical and sustainable gems. Quipped by McKinsey analysts as the “sustainability surge,” concern for the environment and an emphasis on transparency isn’t a passing trend: “by 2025, sustainability-influenced purchases will account for 20 to 30 percent of all fine-jewelry sales, equivalent to as much as \$110 billion.”

Thankfully, brands are seizing upon new opportunities to make a positive impact. For example, both Pandora and DeBeers are beginning to offer lab-grown diamonds as alternatives to natural diamonds, as they are conflict-free and less resource-intensive. According to Signet president Jamie Singleton, “lab-grown diamonds offer better prices than natural diamonds for bigger looks,” making them an appealing choice for consumers who are both value and style-minded. Another approach, taken by such companies as Tiffany’s and Bulgari (McKinsey), is to make use of recycled metals, procured from consigned items, overstock, or supply chain excess.

In the luxury watches market, brands like Panerai are making positive changes by committing to a 5R sustainability plan: recycle/upcycle, reduce, rethink, repurpose, and reuse; integrating business practices that correspond to each of these pillars (Forbes). From the responsible sourcing of precious metals to under-producing new items to reduce waste, watch and jewelry brands are adapting linear business models towards more sustainable circular paradigms.



By 2025, sustainability-influenced purchases will account for 20 to 30 percent of all fine-jewelry sales, equivalent to as much as \$110 billion.

— McKinsey

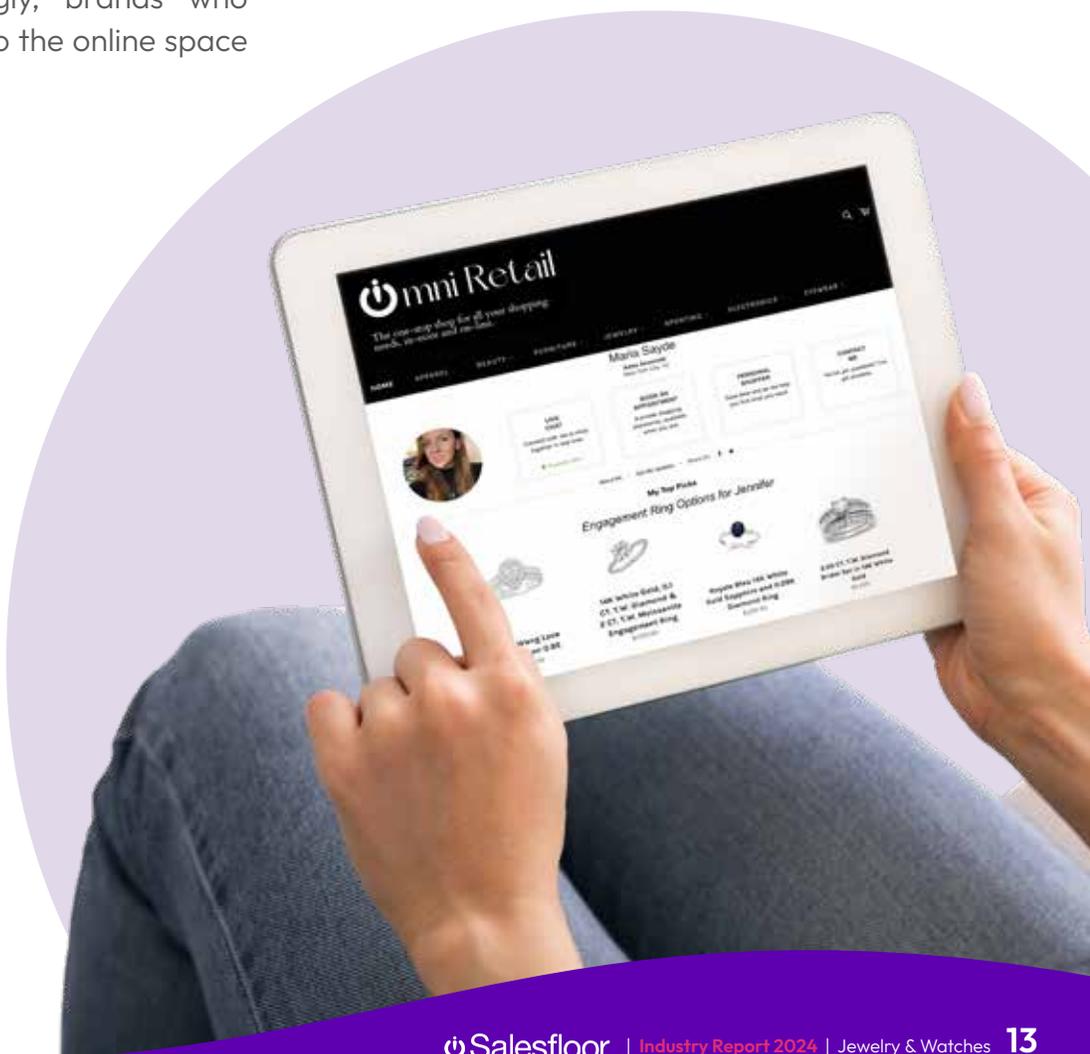
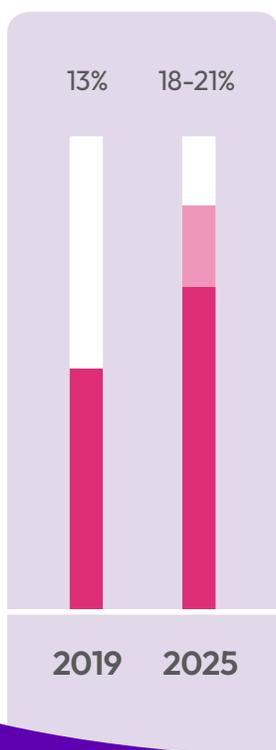
The Digital Acceleration

The biggest change in the jewelry and watch vertical to date has been the shift to digital. The effect of the COVID-19 pandemic on consumers' ability to visit physical stores brought about an increased level of comfort in making high-price purchases online. As consumers continue to gain digital purchasing confidence, online sales of fine jewelry are set to expand from 13% of the market, as of 2019, to 18-21% in 2025 (McKinsey). Brands who previously considered online shopping and ecommerce to be incompatible with the luxury experience are being shaken awake. And, unsurprisingly, brands who have expanded rapidly into the online space

are now noticing a corresponding increase in profits. Oliver Smith, for instance, Owner of Oliver Smith and of a Panerai Boutique, saw watch sales jump to \$65,000 USD per week almost instantly upon integrating online chat and digital customer service functions (New York Times). Along with an increase in actual sales, technological advancement 'writ large' is driving how consumers discover and engage with jewelry brands and their offerings.

Online Jewelry Sales Growth

(% of Total Market)



Digital Strategies

for Luxury Retail

For brands looking to differentiate themselves from amongst the highly competitive sea of both digitally-native disruptors and legacy jewelry houses with premium name recognition, the new digital landscape presents opportunities—as well as challenges. Many brands are already rising to the occasion with various innovative digital offerings. Alone or in combination, these strategies can contribute to brand discovery and outreach, storytelling, and the creation of exclusive experiences. Moreover, they can offer cutting edge tools for personalization and customization.



1 Social Media, Social Commerce

Successful jewelry brands have long understood the importance of having a social media presence. Writing in Forbes, Paige Weiners, a senior marketing communications manager at Blue Fountain Media, states that while social media was once perceived as detrimental to the aura of exclusivity surrounding luxury and fine jewelry brands, this is no longer the case. To remain competitive, brands must now adopt a ‘social-first approach’ to all marketing and brand-building efforts. Thankfully, social media not only offers a way to showcase new product offerings in tasteful editorials: social platforms, by design, are powerful channels for customer-base expansion. Among the most powerful emerging marketing content available is user-generated content, which reads as more authentic than conventional advertisements (Hubspot). Influencer content, such as sponsored posts, live streams, and reviews, is also compelling to consumers—the key is for brands to choose these figures wisely. For Kathleen Marrero, digital marketing strategist at First Fig Mat, consumers increasingly favor “smaller influencers who are more relatable.” Trust is crucial for developing strong and lasting customer relationships, and social trust in particular can be cultivated by a strong social media strategy that meets audience needs and expectations (Hubspot). Finally, with the rise of social commerce and in-app buying options, social platforms are also becoming the final purchasing destination for shoppers, rather than merely a discovery tool (Grand View Research).

**Key benchmarks
for a winning
social media
strategy:**



Trusted
Influencers



User-
Generated
Content



In-app
Buying
Options

2 Personalization and Augmented Reality

In recent years, simulation technologies such as virtual reality (VR), augmented reality (AR), and three-dimensional (3D) displays have become central to many brands' online-first strategies. On the ecommerce side of things, a combination of AR and 3D has been used by brands such as Clarity, ThreeKit, and Chrono24 to create digital models of watches and jewelry items. Tanishq, De Beers and Kalyan Jewellers allow customers to peruse "digital catalogs" to view their potential purchases in high-resolution. These displays use 3D and AR technology to represent multidimensional and dynamic views of watches and jewelry, contributing to an experience of tangibility so often lacking in online retail. 3D simulation is also an asset for brands offering personalized jewelry, enabling customers to use online configurators to design their own bespoke gems and jewel styles, with real-time visualization and price updates (Apviz). Augmented reality can be particularly useful for customers concerned about proper fit: brands such as Chrono24, a European luxury watch retailer, and Edenly, a jewelry retailer, are using the technology to allow potential customers to 'try on' items prior to purchase, building buyer confidence that their high-value purchase both fits and flatters.

How brands can use AR to turn the digital into the tangible:



Virtual kiosks for interactive browsing and 3D product views



Virtual try-ons to ensure that items fit and flatter



Live customization of gems for an ultra-personalized design

3 Building New Worlds: Metaverse and Immersive Technology

For high-end luxury, the use of simulation technology has extended beyond merely 'augmenting' reality to offering fully immersive virtual experiences. Brands are increasingly partnering with specialists in game design and immersive content to create digital store environments—or to bring brand experiences to the Metaverse. Digital commerce agency Vaimo cites Prada as an example of a premium brand who has remade their brick-and-mortar flagships into digital environments; these spaces can be toured by potential clients, offering a novel analogue to the experience of in-person shopping.

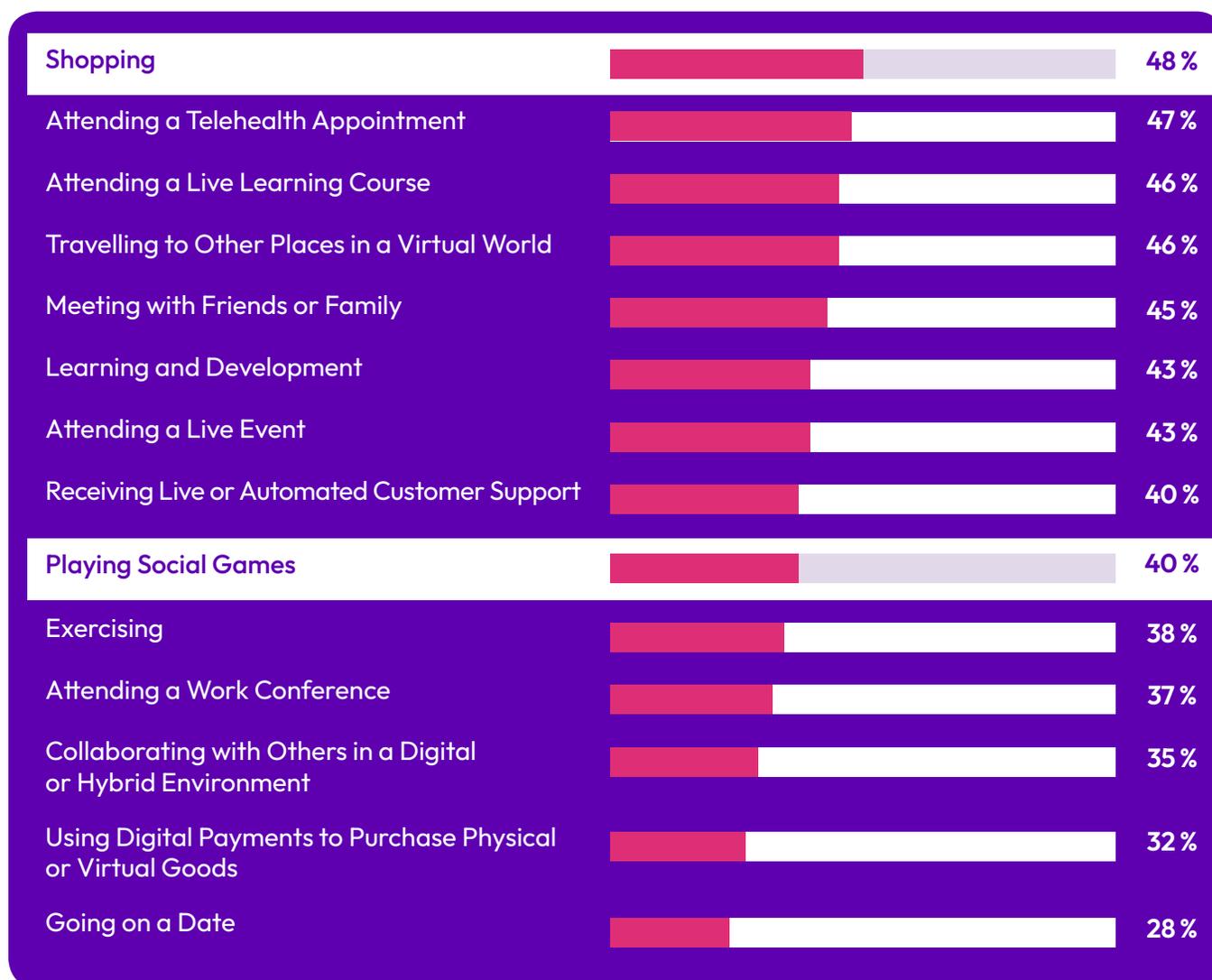
Gucci is another brand which has been quick to adapt to the possibilities offered by the virtual world. In partnership with the gaming platform Roblox, the "Gucci Garden Experience" allows users to stroll through a virtual world and experience equivalents of classic Gucci designs. As stated on the Roblox blog, "while fashion and art may feel out of reach, the metaverse is bringing them closer and making them more accessible for millions of people".

Continued on next page...

Virtual reality is increasingly used to host virtual events, such as pop-ups and product drops, offering customers exclusive admission to virtual products and social environments (Matter of Form). Ultimately, VR and the metaverse are an opportunity for brands to expand the possibilities of luxury and exclusivity, not merely by drawing customers into the world of the brand’s mythos, but into virtual realms that transcend the limitations of the physical.

Future US Consumer Interest in the Metaverse Spans a Range of Other Digital Activities

Interest in Immersive Digital Activity or Experience in the Next 5 Years
(% of the respondents)



Source: Mckinsey Metaverse Consumer Survey (Feb 2022)

Driving the Customer Experience

What are customers looking for in the shopping experience, and how can brands help cultivate these values across channels?

For jewelry designer Sean Leane, the experience of buying jewelry is “about the magic.” Far more than other retail categories—wherein consumers may be motivated to purchase by necessity, entertainment, or self-expression—fine jewelry is motivated by emotion, ritual, and storytelling. No wonder, then, that high-quality customer service is central to the overall “sensory and emotional” experience of jewelry shopping (OMD).

However, a major change took place during the early days of the COVID-19 pandemic: watch and jewelry sales moved online, with record results. For the fine jewelry market alone, online sales are projected to grow up to 60% of total sales by 2025, amounting to a total value of \$60-\$80 billion. Given this unprecedented shift, brands are compelled to reconsider the relationship between their in-person and online customer service offerings. Indeed, research from Adyen highlights that 61% of consumers desire the same level of multichannel fluidity that they experienced during the height of the pandemic.

Far from dead, brick-and-mortar represents rich opportunities to keep heritage, exclusivity, and brand differentiators alive and well. A survey conducted by Avtex makes this clear: 46% of shoppers still prefer a brick-and-mortar experience, which “affords consumers the opportunity to take advantage of limited time offers, engage with interactive displays, try on clothes, and sample products.” While luxury brands are aware of this aspect of physical retail, they have, by-and-large, been slow to recognize the value of digital marketing and ecommerce. In the wake of COVID-19, brands whose online offerings are underdeveloped will find themselves falling behind more agile competitors who have made

inroads in ecommerce and social marketing. Of foremost importance for fine jewelry and watch brands remains strategies that translate their premium customer service into digital terms.



Market share of online sales set to grow 60% by 2025

60%



46% of shoppers still prefer a brick-and-mortar experience

46%



65% of customers begin with online research before finally buying in-person

65%



73% of customers use multiple channels during their shopping journey

73%

Cultivating Premium Experiences

Digital and physical shopping channels are ultimately symbiotic, with up to 65% of customers beginning with online research before finally buying in-person (Forbes). For this reason, leaders in the field are clear: although digital can never replace physical retail, as Ron Peterson of AKQA states, “digital is now a way to drive a more luxurious, premium experience.”

Many options are available to brands looking to streamline the online shopping experience, such as virtual showrooming, and virtual one-on-one appointment bookings with sales associates. Brands should also ensure that several baseline digital offerings are covered, from high-quality mobile browsing experiences to the creation of customer profiles integrating personalized recommendations and facilitating post-purchase follow-up can bring the experience of shopping online in line with brands’ other premium offerings (McKinsey).

For luxury brands in particular, brick-and-mortar provides an essential dimension of tactility and a rich sensory experience which contributes to the emotional and intangible value of fine jewelry. And in a retail vertical as intimate as jewelry and watches, investment in engaging store concepts that showcase a brand’s vital characteristics can go a long way. For companies that are looking for brick-and-mortar differentiators, delivering value will require a fusion of creativity, brand heritage and the unexpected. Consider luxury watchmaker Audemars Piguet’s launch of global ‘AP Houses,’ branded concept stores designed in the style of 5-star luxury lounges or private salons. Once in-store, visitors are enveloped into an “immersive brand experience in which customers are engaged in cultural events, such as musical performances and masterclasses” (McKinsey).



Upgrading **Omnichannel** Strategies

Brands must not look to digital sales platforms as wholesale replacements for in-person shopping experiences, but rather, as tools to address convenient purchasing, delivery, and research. As the line between the virtual and physical become increasingly blurred, winning brands need to establish—or upgrade—their omnichannel customer journeys to meet consumers where they are. If, as stated in the Harvard Business Review, “73% of customers use multiple channels during their shopping journey,” brands will increasingly need to move beyond conventional models—such as buy online, pick up in store (BOPIS)—to fuse IRL and URL touchpoints. Ultimately, innovation in omnichannel integration will be required to adapt the highly emotional and exclusive experience of watch and jewelry shopping to the omnichannel context.

Digital is increasingly being used to entice customers into visiting physical locations, offering a touchpoint for discovery and the finalization of sales in the case of high luxury (National Jeweler). Innovative technology also plays a vital role in design-now, purchase in-store journeys. To adapt to consumer needs for greater personalization, jewelry and watch brands can employ VR, 3D configurators and product simulations to customize their own jewelry and watch designs (Apviz). Pick up can then be done in-store, where the relationship continues to be nurtured; alternately, the package may be shipped to the individual’s home. Offering post-purchase services, such as repair will go a long way in terms of relationship continuity, drawing customers into your marketing and communications ecosystem over the lifetime of the product (McKinsey).

73% of customers use multiple channels during their shopping journey

— Harvard Business Review

For Celine Assimon, chief executive of DeBeers, “every touchpoint needs to add value” (McKinsey). Whereas the value of brick-and-mortar is in the immediacy, reliability, and personal touch—digital shines as a place to offer thorough product information and convenient purchasing options. Because initial contact with prospective consumers is increasingly occurring via digital channels, brands of the future must find new ways to optimize their online models to create connection and drive loyalty.

Continued on next page...



Central to watch and jewelry brands' promises of high-touch customer service is the role of the sales associate. Personal recommendations and individualized, premium-quality service are crucial to implement, even in the online space. Thankfully, there are digital strategies abound for providing high-level customer care. Firstly, there is the virtual appointment, employed by brands and retailers from Louis Vuitton to Saks Fifth Avenue, which allows online customers the opportunity to speak directly to sales associates in-stores. These tools even provide individualized tours of retail locations and personal recommendations—all via channels such as chat or video conferencing (Chain Store Age).

Because initial contact with prospective consumers is increasingly occurring via digital channels, brands of the future must find new ways to optimize their online models to create connection and drive loyalty.

— McKinsey, 2021

A major promise of ecommerce, on the other hand, is the opportunity to leverage customer data to perform powerful analytics operations. Ecommerce provides personal recommendations, as well as exclusive promotions on products tailored to customers' purchasing history. Analytics and AI can also be used in the provision of AI chatbots, which may be programmed in order to provide courteous entry-level customer service and respond to basic online queries in lieu of human sales associates (Vaimo).

Striding Forward with Omnichannel Strategies

Amidst changing consumption habits and unrelenting technological progress, leading jewelry and watch brands will face both challenges and opportunities. Adapting an industry whose strengths have historically been in physical retail and bespoke customer service models will require creativity, dedication and savvy integration of new technologies and business tactics. For brands and retailers at varying stages of omnichannel development, there is always room for improvement. As such, a robust omnichannel strategy will incorporate the following:

Continued on next page...

1

Create an Unforgettable In-Store Experience

A holistic brand strategy will leverage storytelling, luxurious in-person experiences, and an efficient shopping and payment infrastructure. As such, the hallmarks of luxury retail—heritage, timelessness, exclusivity, and luxury—must be incorporated across the omnichannel journey. Give customers the opportunity to immerse themselves in an environment that ignites both their senses and imagination. Brick-and-mortar is an opportunity to marry an immersive brand experience with the human touch that consumers continue to crave. Bringing together curated surroundings with dedicated attention from sales associates, including bespoke and tailored recommendations for each customer, will create lasting memories.

2

Leverage Brick-and-Mortar Expertise

Many leading jewelry and watch firms offer decades—if not centuries—of accumulated in-store customer experience. This deep knowledge is invaluable and should be leveraged to inform the development of human-centric virtual shopping and clienteling solutions. Although digital will never replace or perfectly emulate the physical, infusing a comparable ‘human touch’—grounded in deep insights of your customers and employee journeys—into digital spaces will go a long way. Nonetheless, brick-and-mortar locations will still play a pivotal role in ensuring smooth interconnections between the digital and physical realms. Once customers are present on-site, leverage the expertise of your sales associates to provide the high-quality customer service that your company is known for. Building lifetime customer relationships means knowing how to delight, inspire and connect with prospective and repeat customers.



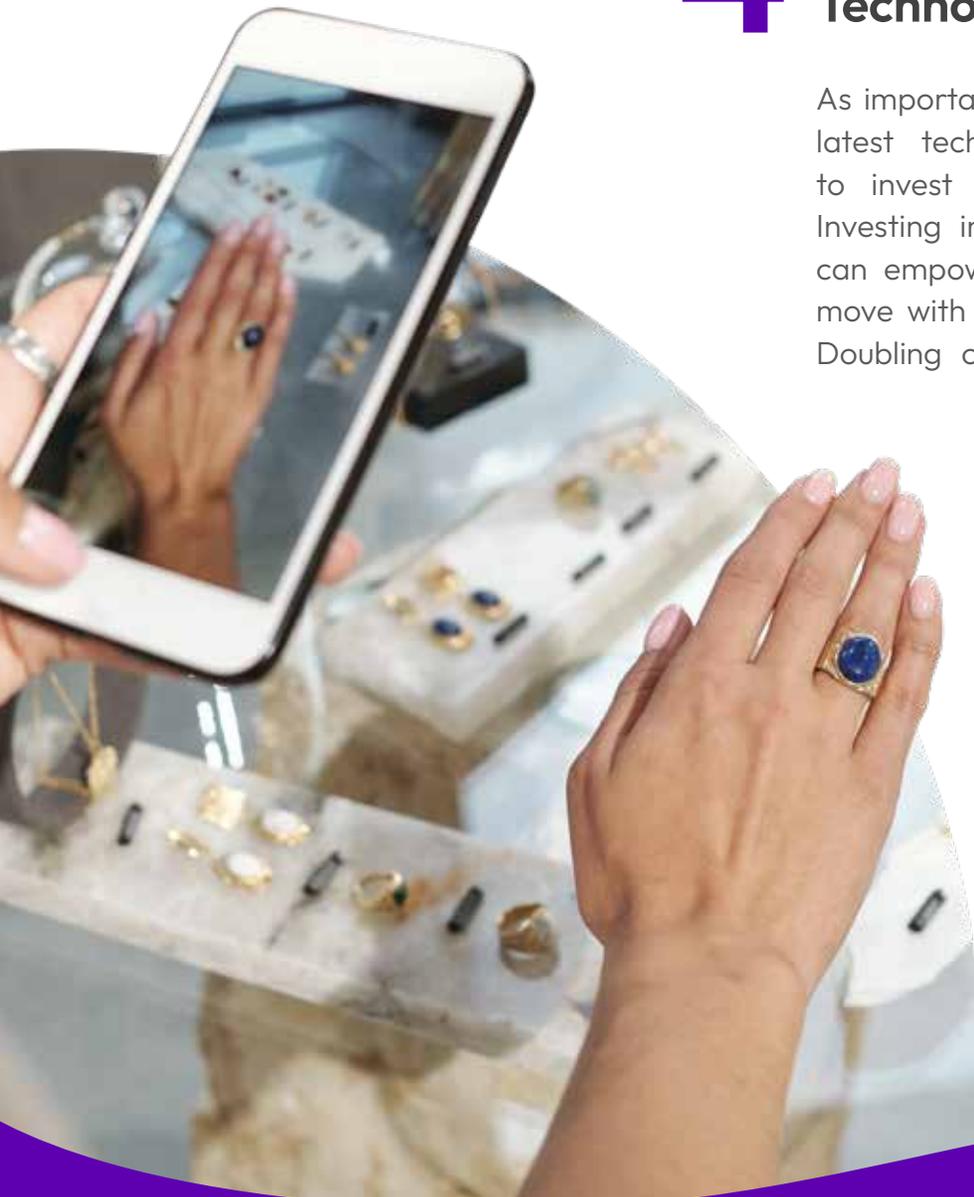
3 Data Collection and Analytics

Collect data wherever you and your customers are, whether that's online or in-store. Ensure that all touchpoints and channels serve as agile data collection sites and that strong feedback loops are put in place. Create opportunities to learn more about customer demographics, individual preferences, and shopping behaviors by leveraging AI and other data analytics tools. Subsequently, companies can use that data to improve both customer experiences and employee performance, and to shape training opportunities. A good place to start is payments data, yet most retailers—72% in total—have yet to capitalize on it to drive better customer experiences. Additionally, another tactic is to solicit information first-hand via surveys and other opt-in methods. This ensures the creation of robust customer profiles with accurate, up-to-date data.

4 Invest Strategically in Technology and People

As important as it is to be up to date with the latest technologies, it is equally important to invest in human talent and know-how. Investing in employee training and education can empower your customer service team to move with confidence in a tech-centric space. Doubling conscientious customer service with

the power of customer profiles and data analytics is a path to success, leaving customers feeling looked after and satisfied by the experience. To drive omnichannel development: take the opportunity to bulletproof your business by building AI personalization, mPOS systems, virtual clienteling and CRM capacities.



Join the Total Experience Revolution

Widespread behavioral change and the growing number of customer touchpoints has ushered in a revolution in how companies market and sell. But it's not only consumers that expect and want more—employees do too. In the aftermath of the Great Resignation and the blurring of work and home environments, employees are demanding better conditions, including new opportunities to shine and develop. A growing number of leading firms are realizing that they need to embrace a holistic experience strategy to drive sustainable business growth. As reported by TechTarget's Beth Stackpole: "what's emerging is what Gartner calls total experience, a strategy that connects the disciplines of customer experience (CX), employee experience (EX), user experience (UX) and multi-experience (MX) technologies that span myriad touchpoints and devices."

At its core, total experience (TX) provides a comprehensive framework for the always-on omnichannel world. In fact, its adoption is becoming imperative, with Gartner predicting that "by 2024, organizations providing a total experience will outperform competitors by 25% in satisfaction metrics for both CX and EX."

By 2024, organizations providing a total experience will outperform competitors by 25% in satisfaction metrics for both CX and EX.

— Gartner, 2022

Retailers and brands are realizing that addressing each discipline in a siloed manner won't help them enhance customer service or create healthy work cultures. In the end, "successful organizations know that you cannot separate customer and employee experience strategies into silos" (Gartner). Undoubtedly, brands need to bolster their understanding of employee and customer journeys and preferences, so that efforts to design 'seamless interconnectivities' between IRL and URL are not superfluous— but reflect real human needs.



How a Total Experience Strategy Enables Transformation

Gartner gives this example of how unifying CX, EX, UX and MX can improve the experiences of each stakeholder

Customer Experience

Before

Customer is waiting on the line and irate when customer service comes on.

After

Customer is now able to find a solution.

Employee Experience

Before

Employee answering call must do extra work to keep client happy but has no authority to override system.

After

Call volume is much lower and employees can provide concierge-level service for top customers by overriding defaults with special offers.

Multixperience

Before

The only option is to call in and wait on hold.

After

Customers and employees can find information through different gestures, touchpoints or voice commands that adapt to changing circumstances.



User Experience

Before

Devices don't allow customers or employees to find answers faster or solve issues without help.

After

Customers and employees can access self-service on multiple devices, increasing adoption.



How to Develop a Total Experience to **Drive Sales** & Service

Jewelry and watch brands of the future will seek to unify CX, UX, EX and MX into a Total Experience (TX) strategy, with the goal of enhancing the experience of both consumers and the people that make the magic happen—sales associates.

But how can brands drive TX? And what can they do to remove friction points that prevent employees and customers from having optimal experiences?

Selecting the right IT solution to bolster customer engagement and help sales associates do their job better will be integral to driving a successful and competitive TX. The optimal platform must be able to connect customers and employees through the various touchpoints in which they interact—the core of multi-experience. In Gartner’s view: “offering the right technology that’s easy to use and intuitive to your employees is just as important as it is to your customers.” But how tech is used to drive TX will be imperative to achieving results. Deep empathy, an understanding of employee and consumer preferences, behaviors, and distinct journeys—as well as how and where these overlap—will strengthen both internal and external operations.

For leaders considering new customer engagement solutions to upgrade their retail sales and service experience—and drive TX— consider the following areas:



Multiexperience (MX)

Collect data wherever you and your customers are, whether that’s online or in-store. Ensure that all touchpoints and channels serve as agile data collection sites and that strong feedback loops are put in place. Create opportunities to learn more about customer demographics, individual preferences, and shopping behaviors by leveraging AI and other data analytics tools.

Continued on next page...

Offering the right technology that’s easy to use and intuitive to your employees is just as important as it is to your customers.

— Gartner

Subsequently, companies can use that data to improve both customer experiences and employee performance, and to shape training opportunities. A good place to start is payments data, yet most retailers—72% in total—have yet to capitalize on it to drive better customer experiences. Additionally, another tactic is to solicit information first-hand via surveys and other opt-in methods. This ensures the creation of robust customer profiles with accurate, up-to-date data.



Customer Experience (CX)

Give customers easy access to you and the information they need. Conduct internal customer journey mapping exercises based on existing analytics. You know your customers better than anyone. Consideration of this area should therefore explore the question of “how can I best empower and embolden my customers?” In a vertical as personal as jewelry and watches, tailoring the customer experience and providing exclusivity at various touch points will pay dividends. In the end, you’ll want to provide your customers greater control to drive interactions, both in-store and online, allowing them to interact with you in a way that’s best for them. For retailers and brands hoping to offer higher product customization, consider online integrations of 3D, AR and interactive lookbooks.



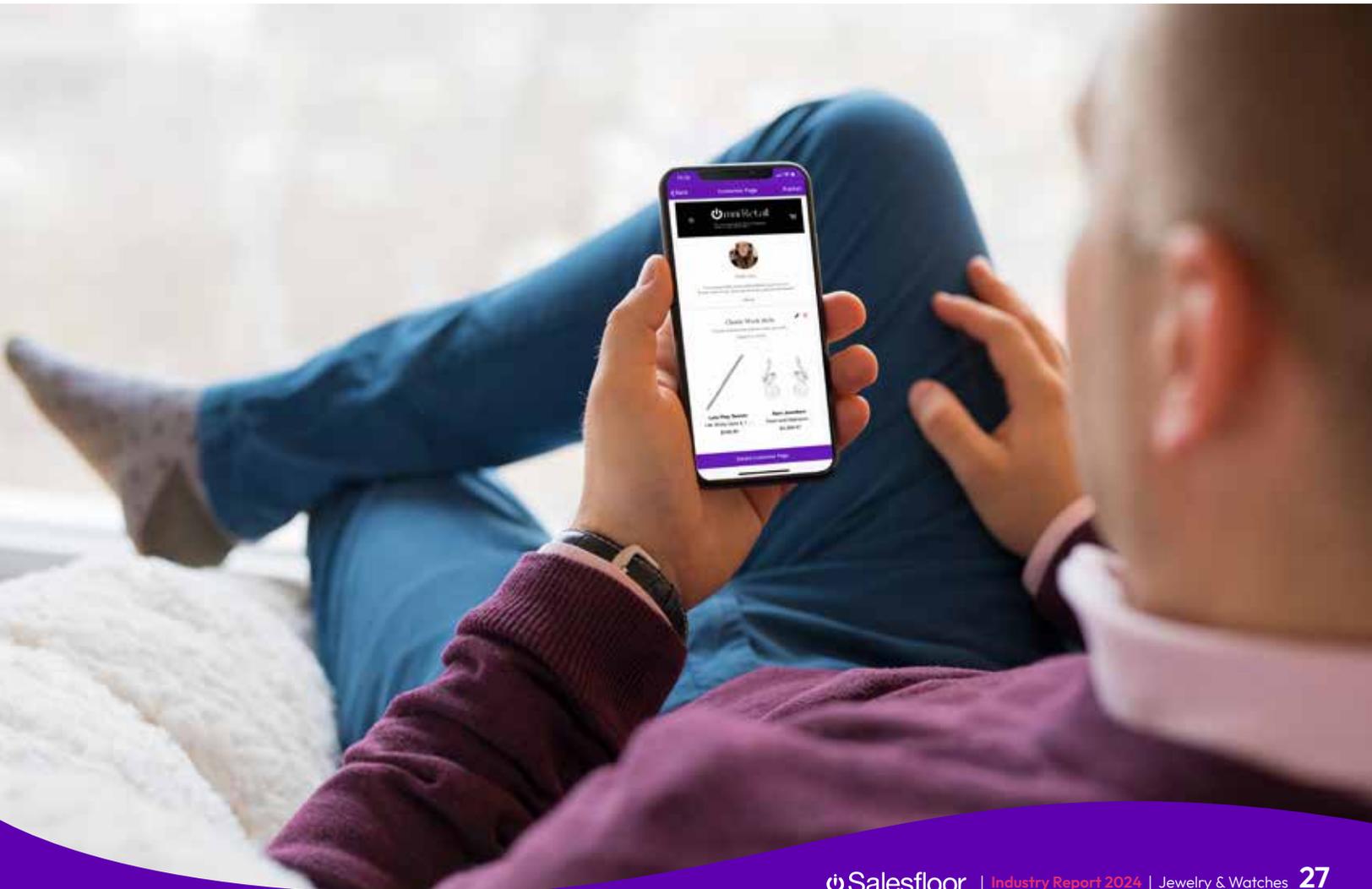
Employee Experience (EX)

Embolden sales associates to have closer and more meaningful relationships with customers. This will require you to create new opportunities wherein employees can build personal partnerships that delight customers and drive loyalty. To this end, empower sales associates with tools to drive superior service, including technology that can help them anticipate consumer needs based on purchase histories, recorded preferences and data analytics. Ensure that the selected solution allows for high-touch personalization across all virtual and physical touchpoints. Ideally, the solution accommodates remote working arrangements and can track employee performance that, in turn, informs meaningful training opportunities. Ultimately, digital transformation must always support the employee and their development.



User Experience (UX)

Select technologies that were built with a deep understanding, empathy, and insight into the realities of the human experience—of both employees and consumers. Thus, ease-of-use across sales and service functionalities are key. Intuitive interfaces will go a long way for driving more efficient and effective customer experiences and to reduce employee workloads—helpful to combat resistance to change. Ensure that technology supports internal and external sales and service processes, with an emphasis on the creation of seamless experiences for all stakeholder groups. Additionally, design pathways that promote convenience and easy access to services, with a focus on lessening navigation time across multiple devices. At the end of the day, your sales associates won't want to use technology that isn't human-centric and simple. Making the lives of end-users easier—and not harder—is imperative to achieving digital transformation success.



Look Ahead at the **Future**

In today's rapidly evolving retail landscape, players in heritage and luxury industries, such as jewelry, can no longer rely on name alone. Adaptation, differentiation, and prosperity depend on brands' agile adoption of innovative technology to build lasting relationships with customers. With the continuing emergence of cutting edge unified commerce platforms, jewelry and watches remain an exciting and future-looking industry. Yet digital acceleration doesn't mean that the human touch should be lost—brands need to return to the personal,

symbolic, and emotional elements that make jewelry such a meaningful and high-value investment. To achieve this, retailers will need to put the customer's experience first and invest in clienteling technologies that allow high-touch customer service to be provided with convenience, ease, and the intelligence that only a robust digital strategy can achieve. Not least, a deep understanding and appreciation of the employee experience—including adoption of the right platforms and processes to foster growth—will be paramount to seizing new opportunities in the retail space. To truly stand apart and drive a total experience, retailers will require a sound strategy that fuses human experience and connectivity with advanced technology. With the right tools in place, digital and ecommerce can be elevated to drive the creation of premium experiences that inspire, convert, and retain.

About **Salesfloor**

Salesfloor is a customer engagement platform for enterprise retailers. Salesfloor is the only platform designed for jewelry that unifies virtual shopping, clienteling, and AI assisted selling so as to drive sales and Total Experience, with proven ROI. Salesfloor's mission is to revolutionize the retail sales and service experience by combining the human connection with the power of AI.

Salesfloor's signature offering is in granting retailers the tools and the training to connect with customers for better service and increased conversion and retention rates. At Salesfloor, we believe that value is an exchange: give value, grow value. Our unique digital tools are central to cultivating loyal and satisfied customer segments, ones that will remain resilient to the strong and ever-shifting currents of e-commerce.

[Request Demo](#)

1-833-400-1146 | sales@salesfloor.net | www.salesfloor.net



 **Salesfloor**