



Special Supplement BriteCo Edition

Jewelers Going Digital™

State of Digital Transformation
Survey Report

See what technologies retail jewelers are using to manage their vendor communications, appraisals and more. Report based on a survey was conducted in October/November 2020 among retail jewelers to identify their digital practices and transformation in the wake of COVID-19

Survey Sponsored by



According to Mastercard SpendingPulse, even though overall jewelry sales were down 4.3% in 2020, **eCommerce sales were up 44.6%** during the expanded holiday season, running from October 11 through December 24, 2020.

From BriteCo Founder & CEO Dustin Lemick

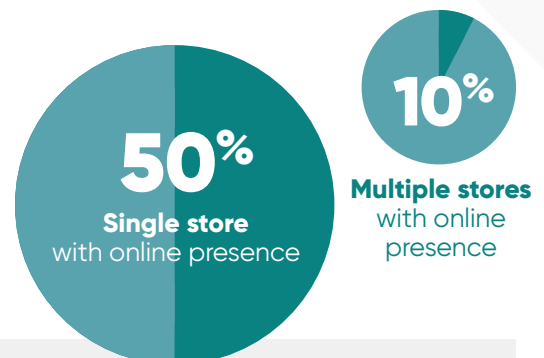
There is growing recognition in the retail jewelry industry that the pandemic has accelerated a trend toward digital communications that has been building for many years.

In 2020, many independent retail jewelers had to reckon with managing a digital Internet presence they may or may not have been prepared for.

To help share how our individual retail stores are responding, a group of leaders representing digital technology enablers including BriteCo, GemFind, Polygon, and IGS, along with the Facebook group Jewelers Helping Jewelers, and our media sponsor, Instore magazine came together to invite participation in a survey aimed specifically at the digital transformation happening among jewelers today.

More than 200 retail jewelers from throughout the U.S. completed the online survey. Of these respondents, 50% had a single store with an online presence (website and social media), and 10% had multiple stores with online presence.

This supplemental report is based on the results of the survey covering specific questions around how jewelers are leveraging digital technology for communicating with vendors, what jewelry appraisal systems they are using and the importance of personal jewelry insurance for their customers



Download the full survey report at
www.jewelersgoingdigital.org

BRITECO SPECIAL EDITION

Executive Summary

The impact of COVID-19 has made the digital transformation of retail jewelers more imperative than ever before. By limiting face to face contacts through mandated closures and consumer fears, jewelers have been forced to manage their stores more efficiently and effectively than ever before. That has highlighted the importance of digital tools in retail jewelry store management.

This supplement focuses on vendor communications, how appraisals generate income, what jewelry appraisal systems they use and the importance of personal jewelry insurance for their customers.

Nearly all jewelers (93%) now rely on various digital tools for their vendor communications.

About one in three (30%) retail jewelers consider appraisals an important source of store income, while just over half (51%) indicated they perform only a few appraisals each month.

More than one-third or 34% of jewelers still use a computer template or manual paper system to do appraisals. Another 25% use downloadable desktop appraisal software, while only 16% are using more advanced, and streamlined online cloud-based appraisal software systems.

Most jewelers (88%) said it was important their customers get personal jewelry insurance, with more than half of these jewelers (45%) saying it was very important for their customers to get coverage.

However, only 17% say their customers ask about insurance "all the time," while more than 50% said they are asked about insurance "occasionally."

INTERESTING NOTE: Only one in ten jewelers say they are never asked about personal jewelry insurance—the same number that said jewelry insurance was not important to their customers

SURVEY REPORT

Key Takeaways

No More Status Quo

One of the major takeaways from the Jewelers Going Digital report emphasized that **maintaining the status quo is no longer acceptable for retail jewelers.**

To survive and thrive in a post-COVID environment, jewelers must **focus on growing their online engagement and interaction with customers and vendors.**

Jewelers need to leverage digital technology to transform their businesses and engage customers where they live:... **online and on their smartphones.**

This imperative applies to the retail jeweler's **appraisal system and personal jewelry insurance coverage** for their customers.

A large, light gray geometric pattern consisting of overlapping, stylized shapes resembling diamonds and squares, positioned in the background on the right side of the page.

With the **BriteCo cloud-based appraisal system**, the independent retail jeweler now has the digital tools to not only streamline the jewelry appraisal process, saving hours of time, they can make their customer's experience faster and much more convenient.

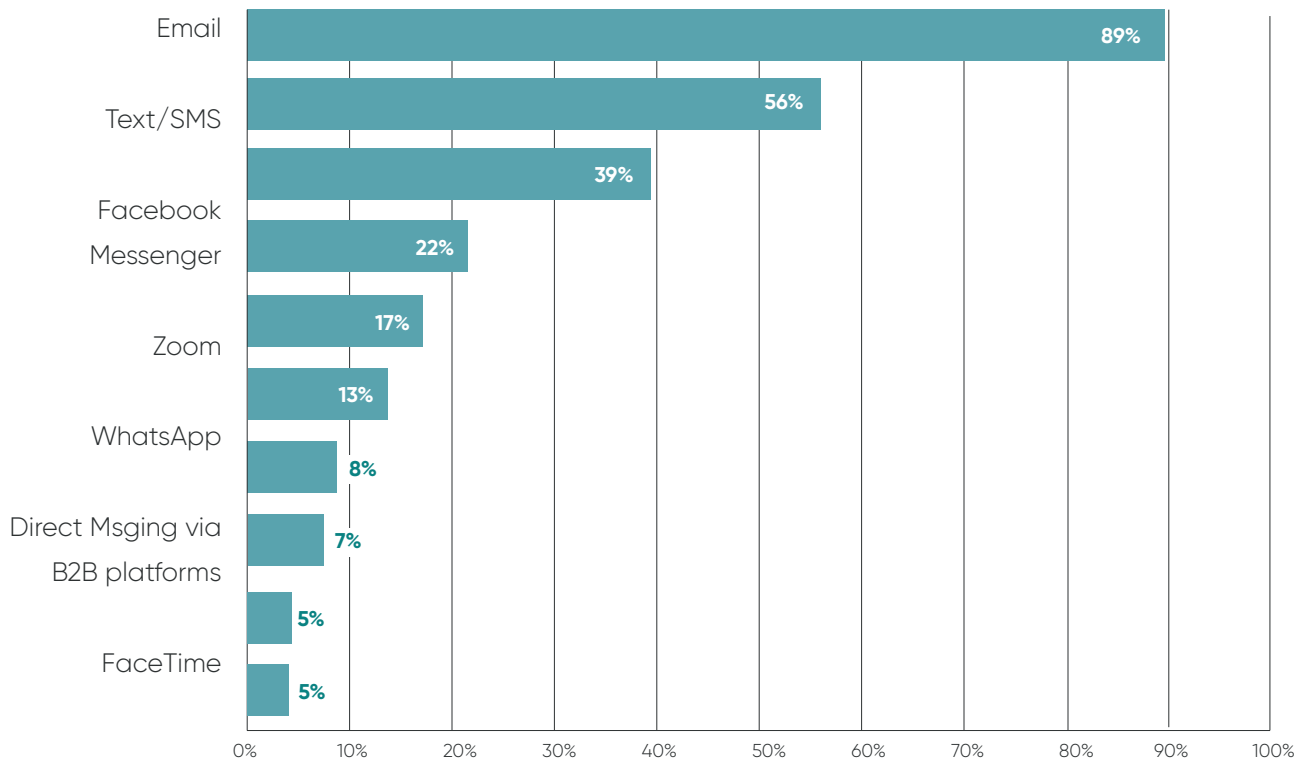
Likewise, **BriteCo instant customer jewelry insurance quotes** provide the ultimate in easy, accurate and affordable replacement insurance coverage.

SURVEY RESULTS

Most jewelers now rely on digital tools for vendor communications.

These days less than 7% of jeweler respondents use only telephone or face-to-face communications in dealing with their vendors. So, it's not surprising that retail jewelers rely heavily on digital tools to help them keep in touch with vendors. According to survey respondents, nearly 90% use email to communicate with their vendors, followed by texting/sms at 57% and Facebook Messenger at 39%.

Which digital tools do you use to communicate with vendors?

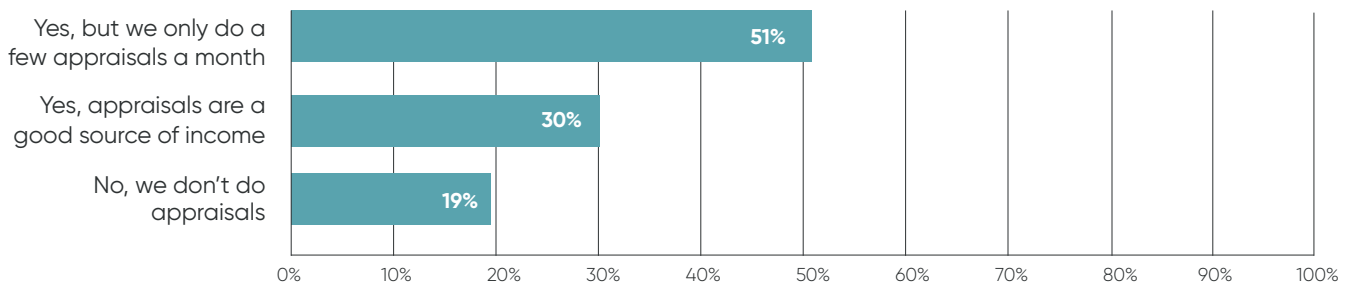


Appraisals are an important source of income for one out three jewelers.

While jewelry appraisals are an important source of income for nearly one third of jewelers, there are still stores that depend on outdated appraisal systems such as computer templates or manual paper processes.

Based on survey respondents, about a third or 30% consider appraisals an important source of income for their store. Just over half of the jewelers surveyed (51%) indicated that they perform only a few appraisals each month. And 18% said they don't do appraisals.

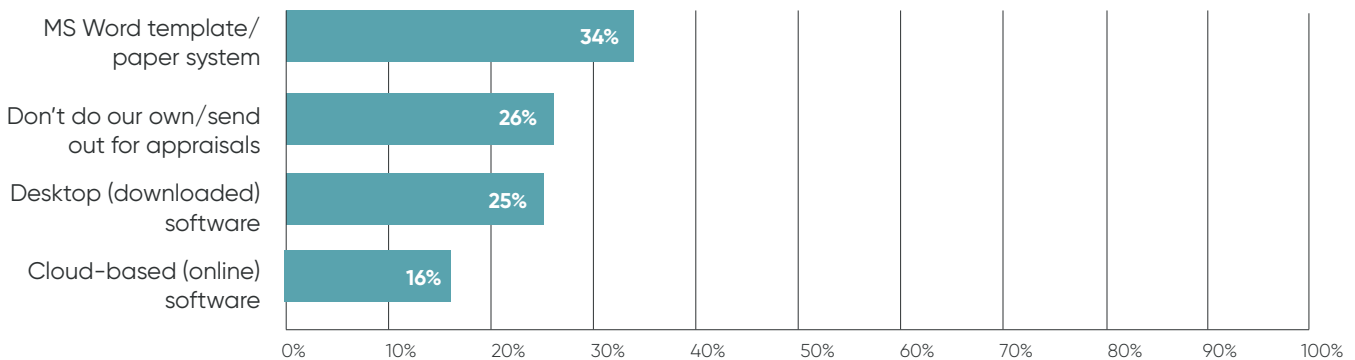
Do you make money on appraisals?



Many retail jewelers are still tied to outdated appraisal processes.

For those retail jewelers conducting appraisals, most appear to be “digitally challenged” in the sense that more than one-third or 34% still use a computer template such as Microsoft Word, or some kind of manual paper appraisal system. About one in four or 25% are using downloadable desktop appraisal software to perform appraisals, with 16% using more advanced, online cloud-based appraisal software. Another 25% indicated they do not do their own appraisals or outsource appraisals to a third party.

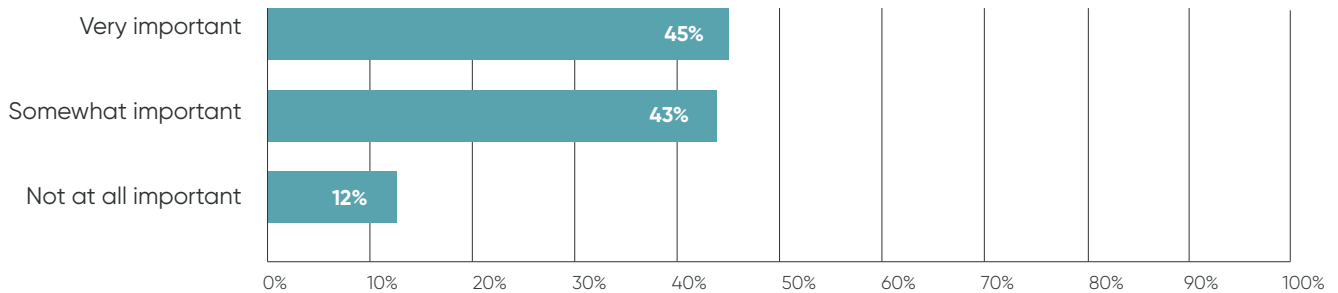
How do you perform appraisals?



Vast majority of jewelers say it's important their customers get jewelry insurance.

Of particular interest from BriteCo's perspective is how jewelers perceive their customer's need for personal jewelry insurance to protect their purchases. More than 88% of jewelers responding to the survey feel their customers should get jewelry insurance to protect their purchases, with more than half of those jewelers (45%) saying it was very important for customers to get coverage.

How important is it that your customers get jewelry insurance?

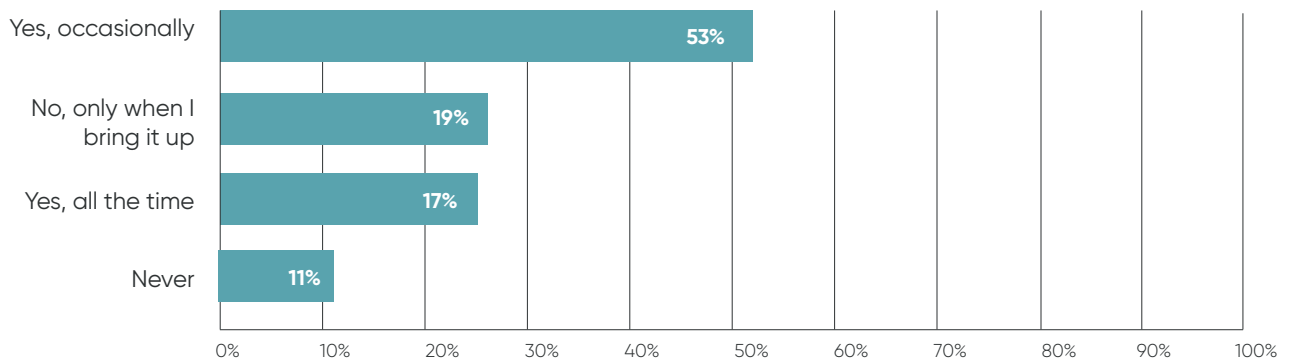


BriteCo's own analysis of personal jewelry insurance purchasing habits indicates that more than half of engagement ring purchases go uninsured every year in the United States.

Jewelry insurance not always top of mind among customers.

While retail jewelers are not licensed to sell insurance, they do find themselves in situations where they are asked about jewelry insurance by their customers. More than half or 53% are occasionally asked by customers about jewelry insurance while another 17% say their customers ask about insurance “all the time.” Interestingly, about one in ten jewelers say they are never asked about insurance—the same number that said jewelry insurance was not important to their customers.

Do your customers ask about jewelry insurance?



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Recommendations

Recognize that communications with customers via email, text has become a necessity to survive and thrive as an independent retail jeweler. With reduced in store visits, ensuring you offer online and smartphone connections to your customers is more important than ever. Even when the pandemic eventually subsides, your customers (especially the younger ones) will expect you to speak to them via the Internet, text, video and more.

Here's where BriteCo can help you harness digital technology to improve your sales and customer relationships:

1. Improve Your Appraisal System

Take a close look at upgrading your jewelry appraisal system and processes now to save time and make more money. More than 2,000 retail jewelers have already signed up to use BriteCo's cloud-based appraisal system. **Free to qualified retail jewelers at www.brite.co/for-jewelers**, BriteCo's appraisal system is an intuitive (no training required), automated time saver that makes creating and managing customer appraisals fast and easy. Once finalized, the customer receives a customized email from your store with a PDF of the appraisal.

2. Go Digital

Join the digital age by making sure your customers get the option to **purchase jewelry insurance at the point of sale** so that no one walks away without coverage. BriteCo makes it super convenient when you use our appraisal system. Once an appraisal is finalized and sent to your customer, BriteCo sends a text or email directly to the customer offering an immediate, no obligation insurance quote. Your customer answers a few questions, pays with credit card, and in a matter of minutes is fully insured with A+ rated coverage. There's **no deductibles** and each piece is insured up to **125% of appraised value** for replacement.

3. Offer Instant Quotes

If you are offering eCommerce transactions using Shopify on your website, you can make sure your customers get a no obligation insurance quote conveniently at checkout with **BriteCo's Instant Insurance Quote Tool**. You can download it free at the Shopify app store at **<https://apps.shopify.com/briteco>** and it installs in only a few minutes. With every completed insurance application, **you also get \$15**.

4. Join the Digital Revolution

You can educate yourself and your staff with free resources and get the full Jewelers Going Digital survey report results free at **www.jewelersgoingdigital.com**. BriteCo also provides retail jewelers with helpful industry updates and tips to improve your online presence and sales through the BriteCo Hub.

BRITECO IS HERE TO HELP

Start a conversation today!

Start a discussion with your staff to get input and share ideas about your store's digital priorities in 2021.

The COVID pandemic has accelerated the digital transformation of the jewelry industry with new management and communications technologies.

Ignore it at your peril. This faster pace of change means you need to act now.

GET IN TOUCH

Visit: www.brite.co/for-jewelers

Email us: jeweler@brite.co