

## How Jewelers Are Capitalizing on Cross-Promotional Campaigns

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At first glance, a retail jeweler and a pizzeria might not appear to have much in common. But when Jan Marten, owner of JEM Jewellers in Carmel, Indiana was approached by neighboring business Tony Sacco's Coal Oven Pizza asking to do a joint marketing event last year, she immediately saw that the two businesses had hundreds of potential commonalities: their clientele.

"About half our clients are bridal couples in their mid-to late 20's," says Marten. "Tony Sacco's has a family crowd but attracts many dating couples." A joint campaign, Marten realized, could sweep some of those couples and families her way.

A strategy was quickly formulated: upon purchase, Tony Sacco's customers would be entitled to draw from a jar containing 200 cubic zirconias and one 1-carat round diamond. After selecting their stone, pizza customers would be directed to JEM Jewellers, a few doors away, to have it appraised. Cubic zirconia holders would receive a 10% discount for any in-store purchase. The diamond winner, naturally, would keep their \$5,000 prize – preferably after having JEM Jewellers design a custom setting for it.

The plan worked like magic. "Some people wanted to win the diamond so much they'd go [to Tony Sacco's] every night," says Marten. "And it was great for us. Lots of new faces came through our door." Marten turned a tidy profit from the promotion, scoring four custom designs and other sales. The diamond winner became a faithful, friend-referring customer.

As Marten recognized, partnering with another business for promotional purposes can be a shrewd move. A cross-promotion can slash PR costs and double your marketing impact. Moreover, it can allow access to a pool of prospective clients you might not have otherwise reached. "A cross-promotion is like receiving a third-party endorsement for your brand," says

marketing expert Ashley Schaffer of the public relations firm Cashman & Associates. “You’re piggybacking off your cross-promotion partner’s reputation to get in front of a new audience.”

Benjamin Stahl, manager of Schwarzschild Jewelers in Richmond, Virginia agrees: “When it’s done well, people will come in saying, ‘I never even thought about coming here, but I love [your cross-promotion partner].’”

Stahl often hears such remarks thanks to Schwarzschild’s partnership with a local Mercedes-Benz dealership. Three years ago, the companies teamed up to give away a \$5,600 IWC AMG timepiece. To promote the giveaway, Mercedes sent a direct mail package to thousands of customers, each with a different serial number, inviting people to the showroom to see if their number matched that on the watch. Eighty people filled the showroom in a single afternoon. Mercedes was so pleased they began a campaign offering customers a \$500 Schwarzschild gift certificate with each Mercedes purchase, paying half the cost of each certificate redeemed.

Both promotions sent numerous Mercedes clients to Schwarzschild. “I even had one Mercedes customer who’d never shopped with our firm before spend \$20,000,” Stahl says, “all because of that \$500 tickler.”

### **The More, The Merrier**

While having only one partner is most common, some jewelers prefer cross-promotions with multiple participants. “From our perspective, the more partners we can involve in an event, the greater our reach,” says Rebecca Hasson, Marketing Director at Bernie Robbins Jewelers in New Jersey. More partners can equal more Tweets, Facebook ‘likes’, word-of-mouth promotion, and, of course, more potential customers.

Multi-partner promotions are usually single events in which each business donates their merchandise or service to form the whole. For example, earlier this year, Raymond Lee Jewelers of Boca Raton, Florida joined with three businesses to create a Valentine’s Day package where the winner received a \$3,000 diamond tennis bracelet, flowers, a limousine ride, and a romantic dinner for two. Similarly, Schwarzschild has thrice hosted a popular in-store wedding salon with other high-end vendors that target the bridal market.

This summer Bernie Robbins is taking a new approach to the multi-partner promotion. Instead of creating one event with several partners, the retailer is running a multi-event series with different partners. Every Friday evening throughout July and August, they'll host happy hour at their flagship store, partnering each week with a local charity.

### **Eyes on the Prize**

Although the underlying goal of every cross-promotion is to broaden one's client base and win sales, the success of a promotion shouldn't solely be defined by a jump in the bottom line. "It's important to look at the big picture and consider the long-term impact the promotion might have on your business," says Susan Morgan of Susan W. Morgan Public Relations.

Schwarzschild had the big picture in mind when, upon opening a store in an area unfamiliar to most potential clients, they planned an event designed to both lure people to the store and build a relationship with a budding market: young professionals with children. To do this, they joined forces with the Richmond Ballet, who was soon to kick-off its annual performance of "The Nutcracker." The event was an all-day, bring-your-kid affair where ballet members in full costume talked to children, read stories, painted faces and more. Over 600 people turned up. "Nobody sold that day – people couldn't even reach the counters," says Morgan, who organized the event. Nonetheless, the promotion fulfilled two important functions: the community now knew the store's location and Schwarzschild caught the eye of a new demographic.

Breanne Wittrock at Gunderson's Jewelry in Sioux City, Iowa takes a similar long view. Gunderson's is deeply involved in community outreach, teaming exclusively with local non-profits and charities in their promotions. "We don't always see an immediate benefit, but we definitely get customers saying things like 'thanks for all you do for the community.' So, people are spending in return [for our efforts,]" says Wittrock.

Wittrock also notes that cross-promotions can serve as an opportunity to showcase lesser-known merchandise. One of their most successful campaigns involved helping the local art pavilion attract attention for the opening of an Ansel Adams exhibition. To contrast Adams'

black-and-white nature photos with something naturally colorful, Gunderson's volunteered to display its colored diamond collection, grouped by color, between the photographs.

The kick-off pulled in nearly triple the amount of visitors expected, and countless people have since visited Gunderson's wanting to view the colored diamonds. A few serious inquiries have been made. "I don't think we'll sell thousands of pink or red diamonds because of it," Wittrock says, "but people know we have them now. It's possible."

#### **SIDEBAR: JCK 5**

1. **Pick the Right Partner.** Brands, goals, demographics and enthusiasm must be aligned. "The more strategic and specialized the partnership is, the better," says Ashley Schaffer. "It has to make sense."
2. **Stoke the Staff.** Staff commitment can be key to the promotion's success, says Jan Marten. She brought her staff and her cross-promotion partner's team together to keep everyone informed and excited.
3. **Keep it Simple.** "The least complicated promotions are often the most effective," says Susan Morgan. Even if multiple partners are involved, stick to a single theme.
4. **Get it in Writing.** When working with partners, clear communication is essential. "Always use email to keep everyone on the same page," says Liz Edmunds of Raymond Lee Jewelers.
5. **Roll Out the Red Carpet.** "Once you create a connection, make sure your service doesn't do a disservice to the partnership," recommends Benjamin Stahl. Your partner trusts you to treat their customers as they do.