

REDEFINING CORE MARKETS AND GROWTH POSSIBILITIES

DESPITE THE PRESSURES OF LOW-QUALITY OFFSHORE COMPETITION.



BACKGROUND

A New England-based findings manufacturer with production facilities in both Massachusetts and China, ABC Co. has been a dominant player in the jewelry industry for over 30 years. Producing the pieces and components that become an integral part of finished jewelry, the company has largely focused on “clutches” — used to secure an earring to the wearer’s earlobe. ABC Co. is certified to meet international standards for quality and safety. Its client list includes household-name retailers such as JC Penney, Swarovski, Macy’s and several other well known names.



CHALLENGES

Moving to a higher place on the distribution chain.

Despite several new product introductions over the past five years, sales for ABC Co. had flatlined. Price competition from low-quality offshore competitors kept driving its component prices down and eroding its margins. It needed a way to break out of the commodity trap, increase margins and minimize offshore competition.

ABC Co. decided the solution was to graduate to the high-end, precious metal jewelry market. Over a 12-month period, it developed a patented 14kt solid gold earring back that addressed the needs of luxury jewelry manufacturers. Through an innovative design, this low-cost, easy-to use product was fully compliant with the 14kt gold standard.

Since its current customers were traditionally focused on low-end jewelry components, ABC Co. set its sights on attracting an influential distribution partner to help introduce and distribute this new product to the high-end luxury audience. With no formal marketing department in place, the company enlisted TribalVision to prepare a marketing strategy.



Dressing up the brand to look the part.

From the outset, TribalVision knew ABC Co. needed to revamp its brand image. This was key to match the modern and innovative styling of the new 14kt product. It was equally crucial to attract the interest, and secure an agreement, with a large luxury-market distribution partner. Within three months, TribalVision overhauled the overall brand look and messaging for ABC Co., while developing a set of high-powered marketing assets. These assets included:

- High-quality product mockups
- A two-minute animated product video
- Print and digital marketing materials detailing key product features
- A high-end company/product introduction sales deck presentation
- A financial model estimating the expected return from the collaboration of both parties

TribalVision's initial efforts helped to attract and close a deal with the world's largest distribution partner for high-end jewelry — a publically traded multi-billion dollar company with offices worldwide. Based on this phase-one success, ABC Co. retained our services as its outsourced marketing department to provide support for this new partnership.

Refining marketing assets to serve the new partnership.

The myriad of marketing activities led and managed by TribalVision included:

- Development of customized sales presentations & sell sheets
- Concept/creation of a co-branded microsite
- Orchestration of the product introduction at a key industry trade show
- Customization of the initial product video to reflect the new partnership
- Design of a product-specific template for email marketing campaigns
- Conducting and moderating numerous in- person marketing meetings between the two companies

Creating a follow-up strategy for DTC retail.

With the product launch successfully complete, TribalVision is now developing a direct-to-consumer retail strategy. The focus is to sell replacement kits to customers looking to upgrade their earring backs. The multi-channel marketing campaign consists of online storefront development; partnerships with Amazon, eBay and Etsy; targeted paid search campaigns, email outreach, DRTV, and affiliate co-marketing efforts. TribalVision is also helping to identify well-known jewelry designers for a targeted sample outreach strategy/campaign — to build awareness and buzz to drive future online sales.



Sales and information channels with expanded reach.

ABC Co's new partnership with its luxury-jewelry distribution partner has significantly expanded its reach and influence in the high-end market. This partnership has also empowered the company through:

- Access to an international network of salespeople in over 10 countries, with 15 dedicated customer service representatives in the US alone. ABC Co. was previously limited to a team of four salespeople, who were splitting duties between new sales and customer service.
- Direct access to over 30 trade-publication editors and hundreds of PR contacts to help distribute product announcements to industry news channels. ABC Co. previously had limited pull due to its small size.

Increased revenues, margins and company growth.

Beyond providing additional reach, TribalVision forecasts the collaboration will be highly profitable for both ABC Co. and its new distribution partner in the following ways:

- ABC Co. expects to increase revenues between 10% and 17% in the first year alone. This assumes that 2012 revenues would have held constant to 2011 levels and an average gold price of approximately \$1,600 per ounce.
- By 2015, the company's new product sales alone could generate the equivalent of 50% of 2011 revenues.
- Thanks to entering this higher-end jewelry market, ABC Co's margins on new products are forecasted to exceed 50%.
- Demand for the new products is expected to drive a 30% increase in manufacturing and administrative staff for ABC Co.

