

Marketing



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# NICHE POWER

BY D.A. BYLER



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**M**att Weiss was a 30-year veteran of the jewellery industry when he was laid off from his job at a diamond importer. With a strong background in retail, wholesale, and jewellery manufacturing, Matt decided it was time to establish his own business. He started out slowly, creating and selling jewellery to family, friends, and referrals in the comfort of their homes and offices.

When his growing cache of clients began calling him “the wandering jeweller” Matt realized that he had found his niche. By going to his clients rather than making them come to him, he was providing an untapped alternative to the traditional in-store shopping experience. And while other small jewellers around him were struggling, Matt was thriving.

In today's overly saturated marketplace (for fine jewellery or other products), more and more businesses are, like Matt Weiss,

maximizing profits by focusing on a niche market. The strategy is nothing new. After all, it was companies like Tiffany and Cartier which first tapped into the increasing wealth generated by the industrial revolution, recognising a niche market for very fine, handcrafted jewellery among the nouveau-riche. And for decades many jewellers have carved a niche for themselves as bridal and engagement jewellery specialists.

The reason Matt Weiss was so successful was that he not only found the right niche but was the first person in the local market to find it. He basically had no competitors. In many ways, what Matt did was combine niche marketing with what is popularly called “blue ocean” strategy. The “blue ocean” is said to represent that market space which is wide open, unexplored, and untainted by competition; while the red ocean is the crowded everyday marketplace, bloodied by cut-throat business practices that are necessary to stay afloat.



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1. Silver bracelets and ring from John Hardy
2. Floral diamond collar adorned by a diamond rose set with 2669 diamonds from Chopard
3. Diamond tiara from Harry Winston
4. Captured Flame ring in gold with octahedral spinel central stone and rubies from John Hardy

# Marketing



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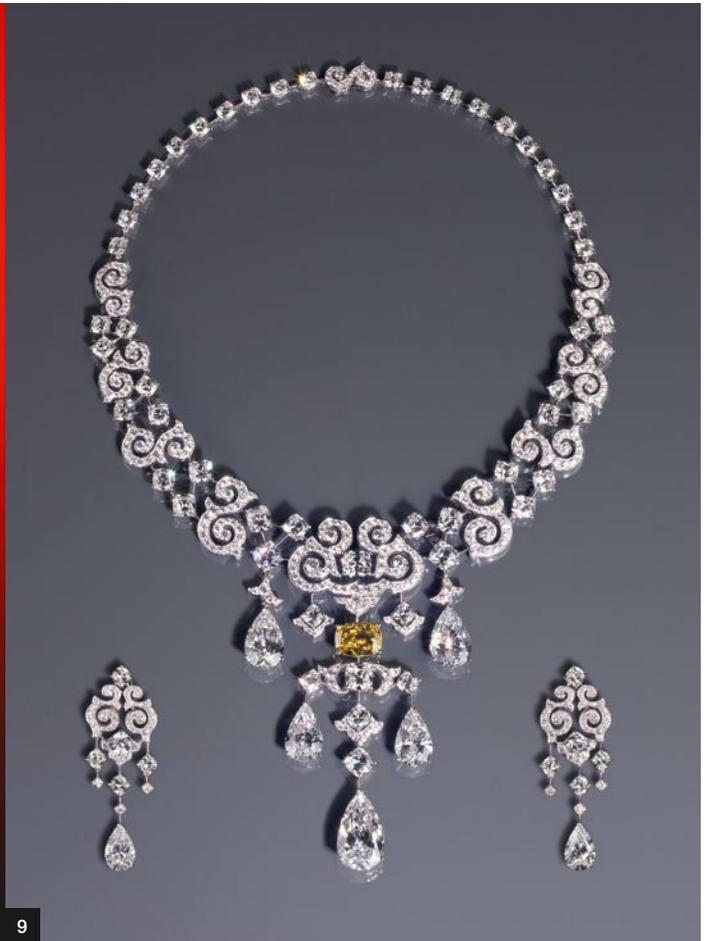
- 5. A customer at the Forevermark Floral Dazzle Jewellery & Fashion Preview trying rings from Larry Jewelry
- 6. Eternity ring with 15 round brilliant-cut diamonds weighing 6.69cts in total from Matt Meis
- 7. Hand crafted white gold diamond and sapphire eternity ring with 16 round brilliant-cut diamonds, and 16 baguette sapphires from Matt Meis

- 8. Lazare Diamond earrings and ring from Lazare Diamond
- 9. Platinum necklace and earrings with a cushion-cut yellow diamond and pear-shaped white diamonds from Cartier
- 10. Succession cuff bracelet with Hearts On Fire diamonds from Hearts On Fire

Anyone involved in today's jewellery and watch industry knows that most of us swim in the red waters. But we do not need to. There are always new products and retail paradigms waiting to be discovered...or rediscovered. Take for example, Kuldip Rupra, whose business TimeRevolution.com is flourishing because it is one of the few companies in Canada that serves mechanical watches and stocks parts for timepieces dating back to the 1920s. Or on a larger scale, consider John Hardy, who captured the spirit of Balinese culture and "sustainable luxury" to develop an international jewellery brand with yearly sales topping USD\$150 million.

For small to medium-sized jewellers, finding a niche market provides you with your best opportunity to compete against larger firms. Why? Because that niche allows you to concentrate on products, styles, or services that you're most passionate about, while catering to customers who share your passion. Your niche also facilitates an immediately recognizable identity within the market. Remember that shopping for fine jewellery can be (and often is) an overwhelming experience because of the flood of products and retailers to choose from. Focusing on a niche market makes buying jewellery easier and more enjoyable for your target customers, who in turn will reward you for your efforts.

So, how do you go about finding that profitable niche? Begin by brainstorming current and future sub-markets within the broad



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ON A LARGER SCALE CONSIDER JOHN HARDY, WHO CAPTURED THE SPIRIT OF BALINESE CULTURE AND “SUSTAINABLE LUXURY” TO DEVELOP AN INTERNATIONAL JEWELLERY BRAND WITH YEARLY SALES TOPPING USD150 MILLION.

marketplace of fine jewellery and watches. Consider those which are under-served and where you can employ the widest range of your talents, skills, and training. Once you've chosen a niche, profile your target customers. Make a detailed list of their characteristics: their likes and dislikes, the other products that they buy, their age and background, etc. Then communicate a unique marketing and brand message specifically tailored to the needs and personalities of these individuals.

Lastly, take advantage of the internet. Look for websites, forums, and newsgroups which your customers are likely to visit. Establish an e-mailing list, e-newsletter, and business blog to encourage a steady dialogue, and reveal behind the scenes work. Show them that you are more than just a company but a person (or group of people) actively interested in their lives, hopes, and dreams. **P**

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