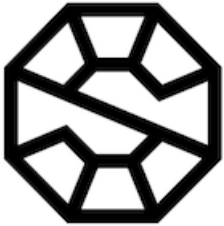


JEWELRY

Swoonery aims to recalibrate online jewelry retail through intuitiveness

July 22, 2016



Swoonery's logo

By JEN KING

Purchasing fine jewelry online is challenging due to the lack of personalized service, but technology-driven retailers such as Swoonery are using innovative methods to connect clients with relevant pieces.

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Launched in February 2016 by former lawyer Jean Z. Poh, Swoonery relies on an application of intuitive technologies to personalize the online jewelry shopping experience, presenting consumers with more than 50 fine and high-jewelry designers. Through behavior profiling, machine learning and purchasing tools, Swoonery is able to appropriately recommend pieces by personal preference, creating an intimate consumer-retailer dialogue, an intrinsic element of jewelry purchasing that has been neglected by the industry at large.

"I absolutely think innovation is the answer. Consumer behavior has changed," said Jean Z. Poh, founder of **Swoonery**. "We no longer read magazines or pay attention to advertisements in print. We have less time and inclination to shop in stores and that is reflected in falling foot traffic.

"The jewelry industry has been ignoring the data and instead maintaining the position that people don't want to buy high-end or designer jewelry online," she said. "In a world where 98 percent of affluent consumers shop online and only 5 percent of all online purchases are placed on monobrand sites, it no longer makes sense to resist.

"However, the key lies in being able to reimagine the personalized luxury experience online and letting the customers' needs drive innovation."

In this Q&A, Ms. Poh discusses Swoonery's presentation at the LVMH Luxury Labs during Viva Technology Paris June 30 to July 2 ([see story](#)), how the retail platform learns individual's style and where the fine jewelry industry is headed and what innovations will help the sector to evolve.



Swooney founder Jean Z. Poh

Here is the dialogue:

Can you share how you got your start in the jewelry industry?

I am fourth generation in a line of high-jewelry professionals and collectors. In the early 1900s my great-grandfather acquired the Asia operations of British jewelry company Alexander Clark, and built it into the most prestigious purveyor of luxury jewelry and watch brands in China Laliq, Mikimoto, Rolex, etc.

Our retail store was on the Bund in Shanghai and occupied the entire first floor of the Peace Hotel. My grandfather succeeded him and operated it until he was forced to close it during the Cultural Revolution. When my parents came to New York in the early '80s my father started his company, specializing in fabrication of one-of-a-kind pieces for high-jewelry brands.

I started my career as a corporate attorney during which time I developed a fascination with technology and started investing in startups at the age of 28. My prior corporate experience helped me view the jewelry industry in a different context.

In 2008, I decided to leave law and immerse myself in my family's legacy and began working with my father. I've always been passionate about fashion and design I started designing clothing for my dolls when I was 6 and my grandmother would help me make them so when I decided to enter into the jewelry business I started as a designer.

I got my graduate degree in diamonds from the Gemological Institute of America, studied jewelry history, taught myself how to render jewelry both by hand and on CAD and did an apprenticeship with a Russian jewelry master who made the most ethereal pieces all by hand.

Coming from a legacy in high-jewelry, I've always viewed it as an art form so it was natural to study the masters who came before me, know every part of the process and be as comfortable with traditional techniques as well as modern innovations.

I designed custom pieces for private clients as well as brands, oversaw the fabrication of the pieces and continued to expand my knowledge of the industry by acting as a corporate strategist for one of the largest Chinese jewelry companies during which time I brokered high-volume gem, diamond and jade deals and helped them set up their United States flagship.



A hand-drawn jewelry design by Jean Z. Poh

Where did the idea for Swoonery come from?

I kept being confronted with two problems: the difficulty for consumers to discover and buy jewelry and the inefficiencies of the industry itself that prevented the most unique and well-crafted products from reaching consumers. One is a direct result of the other. Once I saw a solution to this two-sided problem I was compelled to create it. That is what Swoonery is.

Jewelry is and has always been an intensely personal purchase. One's affinity to a piece of jewelry depends entirely on the individual's tastes. Since jewelry has predominantly been given to mark a milestone or celebrate a life event, it is the act of buying jewelry that holds significance for the purchaser but the piece itself should still reflect the personality of the recipient.

As a result, having a personal relationship with the client is crucial. However, today very few retailers train sales associates to focus on developing that kind of understanding of each client or knowledge about the aesthetics of jewelry.

The ecommerce experience is infinitely worse because it has been viewed by the jewelry industry as a means to reach massive scale rather than to provide personalized service to a wider audience. The Internet is flooded with low-priced, low-quality, generic products that have turned a luxury good into a commodity, and this has impacted how consumers view jewelry and the value they place on it.

Even the luxury jewelry houses who have recently acknowledged the need to embrace ecommerce to remain relevant have largely also adopted this approach and their reluctance is apparent. Ecommerce sites feel like an afterthought and are totally disjointed from brand identities and in an effort to increase reach products have been diluted to have mass appeal.

As a result, brands have lost their identity, consumers no longer feel a connection with the product and brands have no choice but to pour massive amounts of capital into inauthentic marketing and advertising to generate artificial demand which only exacerbates the problem. This is sending the industry into a death spiral of competitive pricing, discounting and loss of integrity.

How has your career prepared you to launch Swoonery?

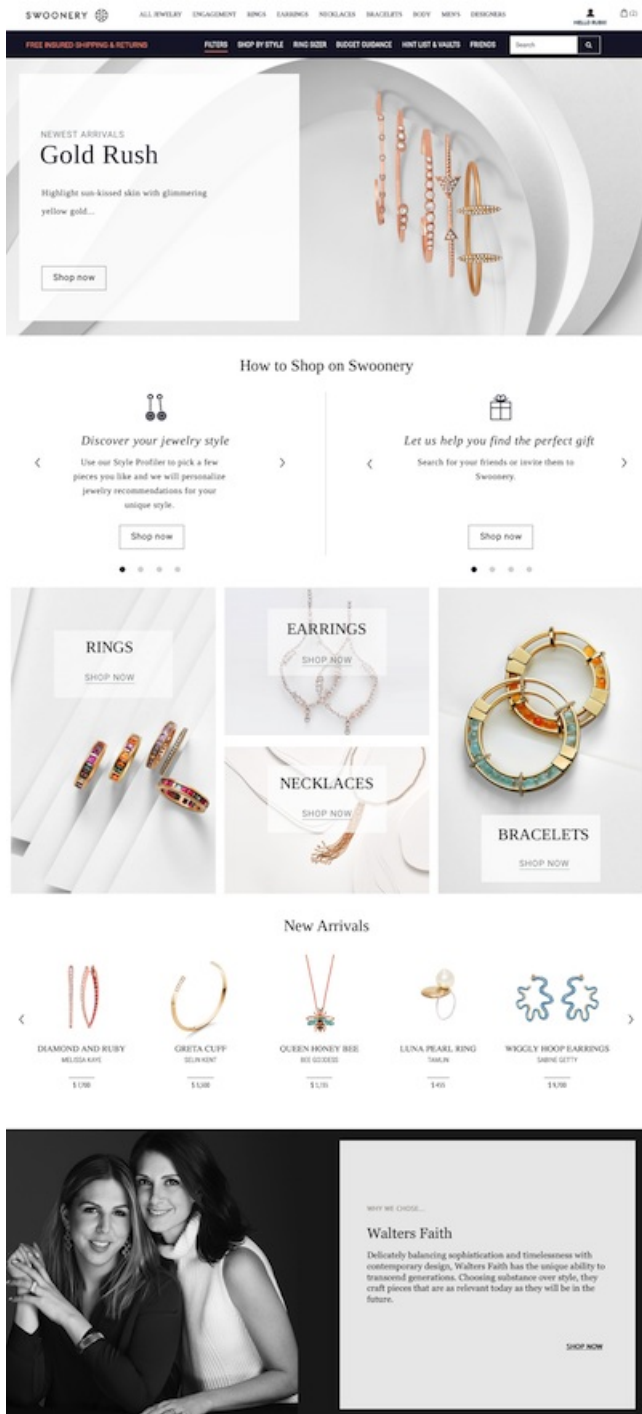
The jewelry industry is one of the most insular and complicated industries still in existence. Because of this, you'll find industry insiders have very focused areas of expertise many designers don't know how to source, manufacturers and diamond dealers are not familiar with the retail environment or the luxury consumer, most executives in large jewelry houses have never interacted with customers on a sales floor.

Very few individuals have experience at every level of the vertical. My breadth of experience has been so valuable in identifying designers with unique vision, quality craftsmanship and integrity of product and it has allowed me to address the pain points of consumers while creating a healthier ecosystem for the brands Swoonery works with.

In addition, having worked on private equity and venture capital deals, my brain is trained to see how larger market forces are shaping the future of industries and my experience investing in startups has given me the depth of understanding of frontier technology to apply it to the jewelry industry. The combination presents me with a unique opportunity to reinvent an industry that I care so deeply about. I wish I could say that it was intentional but it really was just luck.

Can you share a bit about your experience at the recent Viva Technology Paris event?
The LVMH Luxury Labs at Viva Technology Paris was a deeply moving experience for me because I've been talking about the need for innovation and personalization in the luxury sector for years and sometimes it felt like I was screaming into a void because no one else was seeing it.

The fact that one of the most prestigious luxury groups recognizes this need, has undertaken a massive initiative to encourage its brands to embrace technology and recognized Swoonery as a pioneer in the luxury space was incredibly rewarding and immensely humbling. I am so grateful to have been selected.



Swoonery's homepage

How can data better consumer experience for jewelry buying?

Data sounds so impersonal. I think of it as getting to know our customers and understanding what's important to

them. It is what I did for my private clients.

If a gentleman needed an engagement ring for his girlfriend I would get to know what was important to him be it size, quality or budget, and then I would ask him about what she was like so we could design something especially for her taste. Because I took the time to get to know my clients, every time they needed an anniversary gift or birthday present they would entrust me to help them choose a piece. It's about building a relationship that enables us to best serve people's needs.

Why was simplifying gift giving one of your goals for Swoonery?

Gifts constitute 60 percent of jewelry purchases yet buying jewelry is one of the most stressful experiences for men and every woman I've spoken to has received a piece of jewelry they never wear.

When someone purchases a gift their only intention is to make someone happy and the recipient wants to be able to wear it rather than just appreciate the sentiment. It just makes sense that Swoonery should make it easier for people to buy gifts they know the recipient will wear and cherish.

How does Swoonery fit within the existing jewelry retail landscape? What can others learn?

I think the main difference is that Swoonery strives to create experiences for the modern consumer landscape rather than try to fit into the existing jewelry retail landscape. Swoonery is designed to solve a broken consumer experience and help people conveniently discover gorgeous designer jewelry they connect with through an intuitive shopping experience that maintains a high level of personalized service.

We focus on quality, craftsmanship, communicating our designers' visions and continuing the tradition of jewelry as a precious piece with personal meaning and inherent value. At Swoonery all innovation, merchandising decisions and customer service initiatives originate from the desire to serve our clients and ensure they feel well taken care of.

To do this in our digital world we have had to rethink the way technology is used and how personal relationships are built. The world has changed and we as an industry have to evolve in order to provide the caliber of service that the modern luxury consumer expects and deserves.



Gaelle Khouri earrings sold on Swoonery

There has been a slowdown recently in luxury jewelry and watches. Do you think innovative platforms and ecommerce is the answer to these issues?

I absolutely do think innovation is the answer. Consumer behavior has changed. We no longer read magazines or pay attention to ads in print. We have less time and inclination to shop in stores and that is reflected in falling foot traffic.

The jewelry industry has been ignoring the data and instead maintaining the position that people do not want to buy

high-end or designer jewelry online. In a world where 98 percent of affluent consumers shop online and only 5 percent of all online purchases are placed on monobrand sites, it no longer makes sense to resist.

However, the key lies in being able to reimagine the personalized luxury experience online and letting the customers' needs drive innovation.

Do you think the jewelry industry can benefit from embracing a see-now, buy-now retail format?

I do not. In fact, I think this is causing much of the turmoil that has been impacting the jewelry industry. Fine jewelry is inherently different from retail because the materials are much costlier and truly impeccable workmanship can still only be done by hand in limited production.

Many of the multi-category fashion retailers have been pushing designers to create multiple collections a year according to the fashion schedule but consumers do not buy jewelry with as much frequency. Because jewelry still operates on a consignment model, when the retailers do not sell the pieces that they've pressured the designers to produce it is returned to the designer as excess inventory.

I've seen this bankrupt designers. Furthermore, when we focus on fast-fashion, quality inevitably suffers and producing that much volume of product that cannot be consumed is incredibly wasteful and socially irresponsible.

Some things should be held sacred design and craftsmanship are two of them. When a well-designed piece inspires one's imagination or when the level of mastery required to make something by hand inspires awe, it reminds us of the genius of mankind. That is where true fine jewelry will always derive its value.

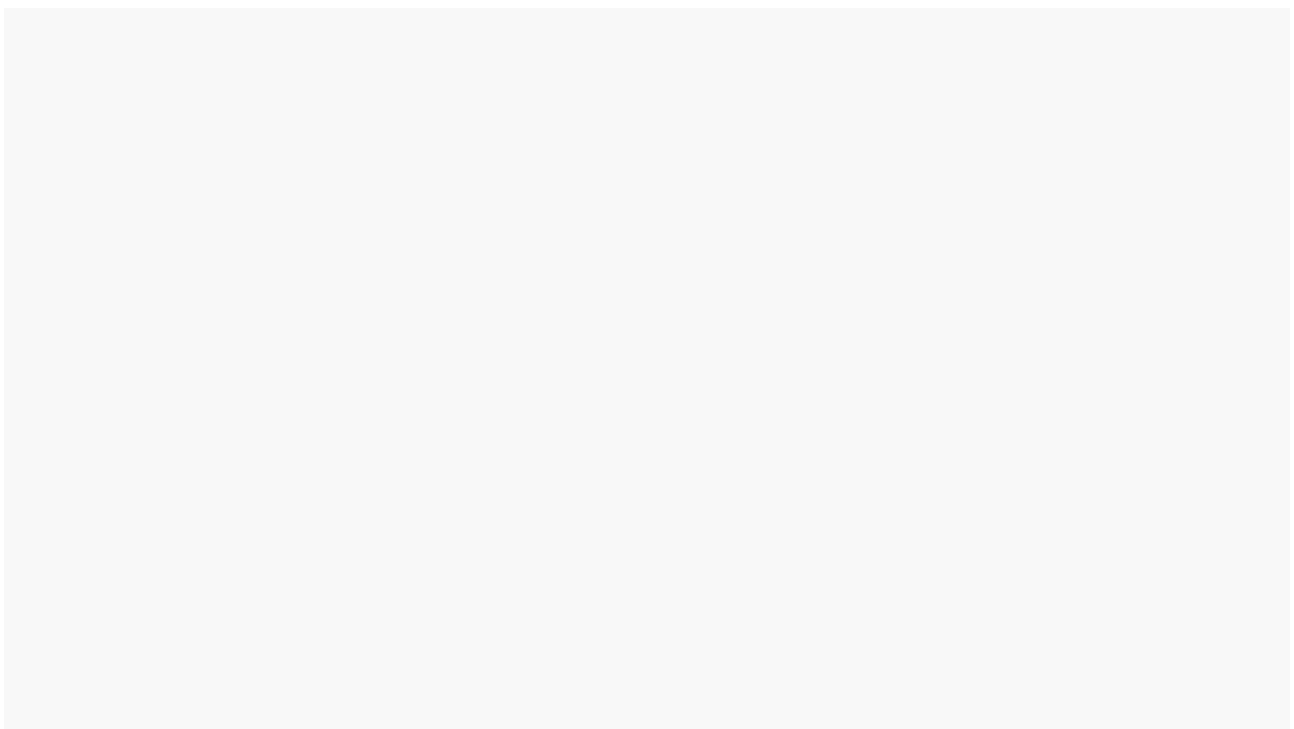
What do the brands that Swoonery carries have in common? How do you source these brands?

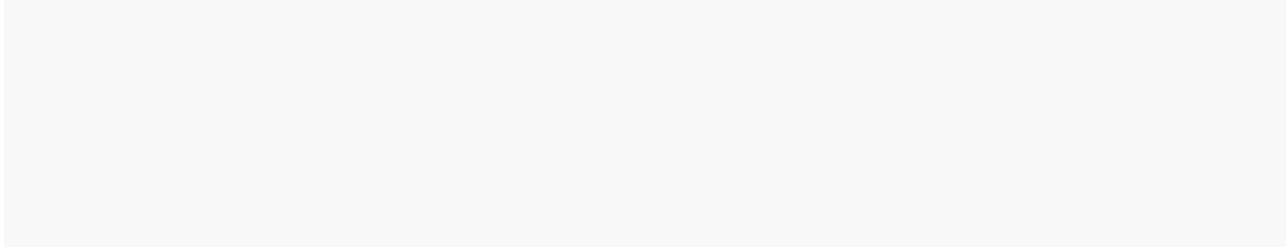
We work with brands and designers who have unique perspective, maintain a high standard of craftsmanship and operate with integrity. When people buy jewelry they want to know that they are buying something of value, it is our responsibility to maintain that standard.

We go to all the international trade shows and markets but many of our relationships also come from introductions from other designers and industry insiders. We have a very close rapport with our community so it's not uncommon for a designer to stop by our office to show us a work in progress or ask us for help if there is a particular gem they've had difficulty sourcing. Swoonery is a very loving environment and we care about supporting the industry; that makes us different.

How do you intend on marketing Swoonery? What is the target demographic?

Digital marketing and social media is naturally a focus but the most valuable way to acquire customers is by word of mouth. You'd be amazed at what an exceptional customer experience can do.





A little glamour goes a long way #happyhumpday Featuring @jenniferdawesdesignjewelry

A photo posted by Swoonery.com | Fine Jewelry (@swoonery) on Feb 24, 2016 at 7:04am PST

Where do you hope to see Swoonery in five years? Do you think expanding into other categories is in its future? Swoonery is a fine jewelry specialist and that will always be our focus. In five years Swoonery will have expanded internationally and I hope to also have a flagship location in New York. The fact that I am a proponent of innovation and ecommerce does not preclude the possibility of bricks-and-mortar stores.

Luxury is at an inflection point and no one knows yet what the future of the retail landscape will look like but the one thing I am certain of is that human connection and moments of wonder will always be in demand.

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