

RETAIL

Swarovski takes digital store concept to US in online-offline meld

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Swarovski wants to restore - even enhance - the sparkle in retail-store experiences. Image courtesy of Swarovski

By MICKEY ALAM KHAN

Swarovski, known for its cut crystals, gemstones and jewelry, has taken its Crystal Studio retail concept to the United States, seeking to blend the best of online, mobile and bricks-and-mortar shopping.

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The store in South Coast Plaza's Costa Mesa, CA, shopping center is Swarovski's attempt to match the needs of millennials and Gen Z shoppers who prefer technology with mobile ease of checkout as they browse product. The company earlier this year inaugurated its digital concept store in Milan, followed by a rollout in Paris, Beijing and Shanghai.

"Before we started working on the aesthetics, we focused on functionality, with the ambition being to meet the digital demands of our consumers, while offering them a unique and immersive brand and shopping experience," said Robert Buchbauer, chairman of Swarovski's executive board and CEO of the company's consumer goods business.

Austria-based **Swarovski** has approximately 2,800 retail stores worldwide. The **Crystal Studio** is its fourth-generation store over the company's 125-year history.

Bar none

The new retail format comprises virtual try-on stations, sparkle bars with digitally accessed style inspiration, mobile point-of-sale and style finder capabilities, and a glow mirror that captures social media content for consumers.

The Sparkle Bar anchors the store experience: an immersive jewelry station to discover new products, curate looks with styling consultations from Swarovski's in-store experts and exploring product ranges virtually. The goal is to let shoppers create their own crystal sparkle.

Shoppers are invited to touch and try on a range of products using the variable lighting settings at the Sparkle Bar's mirrors. They can source digital styling inspiration from Swarovski's community of influencers.

The Sparkle Bar offers a wireless phone charging station and personalized gift options.

Swarovski inaugurated the U.S. Crystal Studio Nov. 21.

Opening-day guests to the South Coast Plaza store will benefit from incentives such as a new store opening gift, a travel jewelry roll with the first 100 purchases, and 10 percent off their purchase when they like Swarovski on Facebook.



The 25th anniversary Swarovski holiday ornament by singer Mariah Carey marking her song, "All I Want for Christmas." Image credit: Swarovski

Location still matters

Swarovski's choice of the South Coast Plaza for its Crystal Studio acknowledges the attraction of one of the United States' most upmarket shopping centers with 250 stores, hotel, restaurants and performing arts center.

The store is also surrounded by the affluence of its neighborhood: Southern California's Orange County, which boasts some of the wealthiest households in the country in its radius that includes Los Angeles.

At its core, Crystal Studio recognizes a growing reality that the online and mobile channels have eclipsed bricks-and-mortar in terms of influencing purchases, although the majority of transactions are still completed in-store.

However, online and mobile's share of the wallet cannot be underestimated in the U.S.

According to industry data, U.S. retail ecommerce sales this year are anticipated to reach \$600.63 billion, or 10.9 percent of overall retail transactions.

THE CONSUMER IS largely driving this push to online shopping, while expecting more excitement from the tactile and immediacy of bricks-and-mortar shopping.

Swarovski's Crystal Studio is an attempt to match the trend, if not stay ahead of it.

"Innovation, creativity and the customer are at the core of this exciting new store concept," Mr. Buchbauer said.

Sarah Jones contributed to the reporting.

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