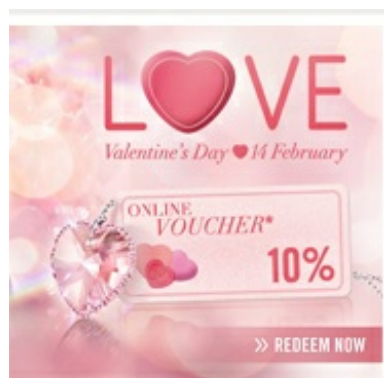


INTERNET

## Swarovski St. Valentine's Day discounts could harm jeweler's luxury status

January 25, 2012



By RACHEL LAMB

Precision-cut crystal maker Swarovski is attempting to increase ecommerce transactions for St. Valentine's Day by offering discounts via email offerings and through paid search, but experts fear this could set a pattern for slashed prices and harm the brand's luxury status.

**Sign up now**  
**Luxury Daily**

Swarovski sent out an email yesterday offering a 10 percent discount voucher on Valentine's Day items on orders more than \$155. This paired with paid search results that flaunt sales on Swarovski's ecommerce site could make the jeweler seem desperate for sales – at any price.

"In my opinion, if a brand like Swarovski needs to see an immediate lift in online sales, this is an effective way to do so," said Andrea Wilson, Fort Worth, TX-based director of digital strategy and luxury practice lead at **iProspect**. "However, I don't feel it's useful for all luxury jewelers because the message of discounting is being communicated with the audience and setting that precedence could prove harmful.

"A pattern can be set for expecting discounts, and that could halt future sales as well as make that brand seem less luxurious," she said. "This is telling the consumer that sees the paid search and email that Swarovski is a discounter.

"This consistent story across platforms is going to make the online sales lift even bigger than if communicated just through email, but shares with a larger audience that Swarovski is discounting."

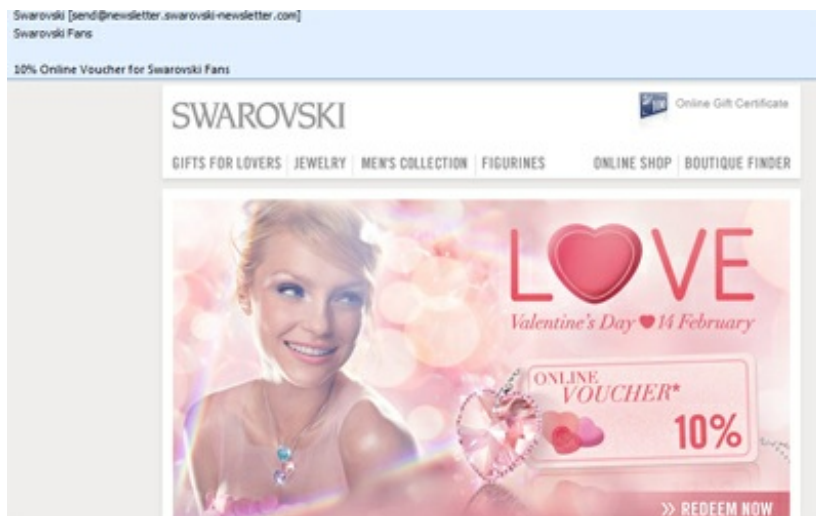
Ms. Wilson is not affiliated with Swarovski, but agreed to comment as an industry expert.

Swarovski did not respond before press deadline.

Don't discount love

The Valentine's Day email cut right to the chase in the subject line with the headline "10 percent online voucher for Swarovski fans."

This to-the-point headline likely intrigued consumers and increased email opens.



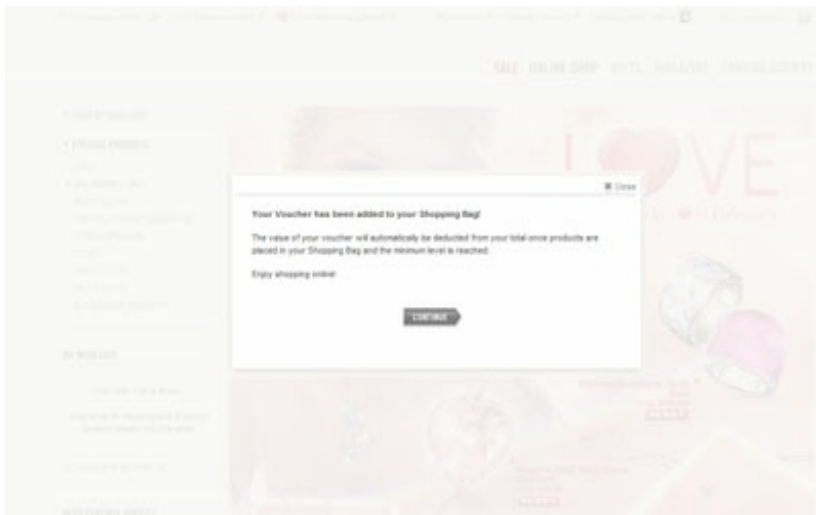
*Swarovski email*

"At face value, this seems like a normal promotional strategy designed at increasing sales," said Vic Drabicky, a New York-based luxury digital consultant. "The interesting part is that they are only sending it to current email subscribers – this means they may be using it to reward existing brand advocates, which can be an effective CRM tactic."

The email then went on to say that all orders except on sale products, binoculars, gift cards, SCS products and special sculptures would receive the discount.

The Swarovski email pointed to products such as crystal heart pendants that could be used for Valentine's Day gifts.

Clicking through the email brings users to the Swarovski ecommerce site at <http://www.swarovski.com> where the voucher is automatically added to the shopping bag.



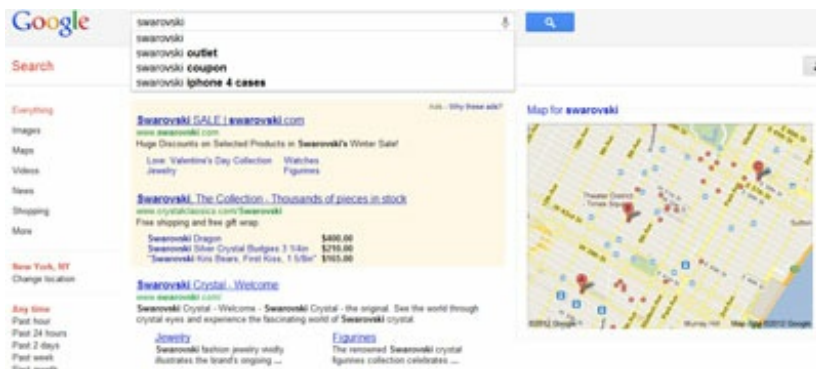
### *Voucher added to the Swarovski bag on-site*

Or, consumers can enter the key word “VAD12VCHR” into the “gift certificate/card or voucher” field at check-out.

In addition to the editorial, the brand included quite a few products and campaign images that could be clicked-through.

### *Searching for customers*

Email is not the only medium in which Swarovski is attempting to get at consumers. It is also flaunting its sales via paid search.



### *Swarovski's search results*

In fact, the very first result that comes up on the search page involves discounts on the Swarovski site.

However, for luxury brands, promotions on their own are not necessarily bad or wrong. This is keeping in mind that a promotion does not always have to be a discount, according to Mr. Drabicky.

Rather, it is how the promotions are communicated or carried out that is absolutely crucial.

“Just as any brand, luxury or not, Swarovski has to make money – and these types of promotions can help drive sales,” Mr. Drabicky said. “The key for a luxury brand is executing this type of promotion without hurting the brand image, or training customers to expect discounts in the future.

“A luxury brand carrying out their promotion in a way that furthers their brand image or further endears customers to their brand will not only increase immediate revenues, but also set the brand up for more success down the road,” he said.

Final Take

*Rachel Lamb, associate reporter on Luxury Daily, New York*

---

© Napean LLC. All rights reserved.

Luxury Daily is published each business day. Thank you for reading us. Your [feedback](#) is welcome.