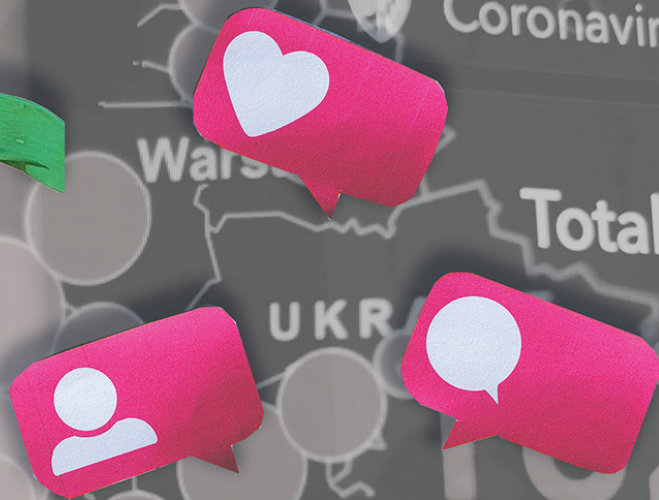




THE VIRTUAL CIBJO CONGRESS 2021

SPECIAL REPORT MARKETING & EDUCATION COMMISSION



Crisis and Opportunity: An Industry Transformed

By Jonathan Kendall, President
CIBJO Marketing & Education Commission

How significantly times have changed in so short a period of time. For those of you with good memories, who remember the last Marketing & Education Commission Special Report, which was published in September 2019, you will recall that I focused

my attention on the next major jewellery consumer group, Generation Z. For those who do not remember, or would like to review what was written two years ago, [PLEASE CLICK HERE](#).

Since then, we have all lived through what have certainly been some of the toughest times for humanity since World War II. COVID has significantly impacted all of us and our ways of living.



Jonathan Kendall, President of the CIBJO Marketing & Education Commission.

But as a society in general, and as a business community more specifically, we have learnt to adapt to the new normal. Video conferencing and non-face-to-face selling are now standardly used in the industry, leading to a massive rise in Internet sales and an ever more intense focus on social media marketing.

My list could go on, and yours most certainly does, as each of you consider the changes you have made to your strategies, plans, goals, routines and habits.

PANDEMIC ACCELERATES EXISTING TRENDS

So how relevant today are the views I expressed back in September 2019? Well, the short answer is: even more so. Indeed, one of the most salient features of the past two years is that many of my suggested trends “sped up,” being implemented far faster than any one of us would have expected.

Social media plays an even greater part in all our lives today. All the platforms saw huge increases in use and impact, albeit at different rates, depending on the engagement of the audiences at which they are targeted. If consumer-facing businesses are not actively implementing a successful social media programme, they will be limiting their opportunities, and frankly their future must be in doubt. Gone are the days of classic communications strategies, with the new normal being a wide omni-channel approach, with a social media emphasis at its core.

Even more younger entrepreneurs are starting new businesses. One of the great advantages of the Internet is the opportunities it brings to anyone who wishes to set up and develop their own enterprise or brand.

In the jewellery industry we have seen more young designers and craftspeople using their creativity independently to fulfil their dreams. As an industry we must look to support and nurture new talent and provide education and training where possible.

In this regard CIBJO plays an important part in the educational materials it makes available. We are excited to be relaunching the *Retailers' Reference Guide*, which



Key facts

Retailers' Reference Guide





Members of Generation Z are buying antique and retro jewellery at an increasing pace, often with an eye on preserving natural resources, and indicating greater awareness of the circular economy. (Photo: Giallo@Pexels/Diagram: Europa.eu)

has been extensively updated. It is an excellent reference manual for all in the industry, and especially those younger budding entrepreneurs who represent the future with their creativity, flair, enthusiasm and new ideas.

The demand for authentic products is another theme that is playing out at an even faster pace than expected. Generation Z are buying the original clothes, jewellery, accessories and collectables from bygone decades, at an ever-increasing pace. We are seeing demand for classic jewellery brand pieces skyrocket, with prices inflating. It seems very likely jewellers will sell greater quantities of such items alongside their new designs and brands. A mix of old and new offerings is the future. This theme also plays into the important aspects of the circular economy.

CLIMATE IS THE CHALLENGE OF OUR TIMES

I emphasized in my previous report the absolute criticality of us focusing on the environment and sustainability. Over the past 18 months, the pressure from consumers (especially from Generation Z and Millennials) for all companies to become environmentally friendly and sustainable has gained unprecedented momentum.

As an industry we must make this our greatest priority, especially in light of the recently released Sixth Assessment Report (AR6) by the Intergovernmental Panel on Climate Change (IPCC), which reflects the most current scientific

understanding of our geophysical system and global warming. The message is very clear – we are running out of time. To read the AR6 report, [PLEASE CLICK HERE](#).

This is not a time to point fingers and expect others to act on our behalf. It is all our responsibility to respond urgently, changing the way we work, the way we think and the way we live. It is vital that as a planet we dramatically reduce our carbon emissions, or we could see temperatures rise by 1.5 degrees Celsius by as early as 2034.

Already today we are witnessing the devastating impacts of increasingly unstable climates. The consequences of even more extreme temperature increases are difficult to contemplate.

The world's rapid response to what ultimately is a lesser long-term threat – COVID 19 – is indicative what we as members of humanity can achieve when we come together. It is clear that if we can keep the temperature-warming to below 1.5 degrees Celsius, we can avoid some of the most serious outcomes. It is not too late to decarbonize and invest in a green future, but it is so important that we collectively make real changes now.

A SUSTAINABLE JEWELLERY COALITION

CIBJO began its environmental journey back in 2011 with its development of the Greenhouse Gas Initiative to encourage our members to measure, reduce and offset their carbon footprint.

Today many members use this programme and others of a similar nature to reduce their impact, but there are also many participants within the industry that are still not doing enough. I implore you all to do as much as possible. Understand your impact, reduce it, and become carbon neutral as soon as you can.

With obligations taken under the Paris Accords, governments' policies will demand that we act in the relatively near future. But for an industry that sells creatively beautiful products, it feels correct that we must be leaders in achieving carbon neutrality and operating in a sustainable way. Jewellery is a discretionary purchase that consumers will not make if we do not do the right things ahead of the crowd, and this is particularly true for Generation Z.

I have a personal dream that, as business community, we become carbon positive by 2030. Would that not be a wonderful place to be? We need to come together across the



Climate change is almost certainly the most important challenge of our times, and all sectors, including the jewellery and gemstone industries, must engage to blunt its impact.

industry in a Sustainable Jewellery Coalition, to share ideas, best practice, collaborate and work creatively on carbon reduction solutions.

We share one earth and the only way to make change happen is to switch from being part of the problem to becoming the solution, before it is too late. The new Sustainable Jewellery Coalition must be created and achieve fast momentum across the industry, delivering solutions for the future.

GROWING AWARENESS OF GENDER EQUALITY

There are other issues that have climbed to the top of the consumer's agenda. Gender equality, in the broadest sense, is one of them. For we are not only required to address this important subject in terms of who we hire and how we compensate our members of staff for their work, but we also need to consider gender equality in terms of the jewellery products we manufacture and sell.

More senior positions in the industry are being held by women. This is obviously great news, especially since our consumers are primarily women.

It always struck me as very odd and wrong that women were underrepresented in the more senior levels of our business. But times "are a changing", and that is really good news for the likely success and growth of our community.

Gender in general has become a hot-button topic in recent years, and the gender neutral theme in jewellery that I wrote

about in 2019 continues to develop. To an ever increasing degree, there are major jewellers beginning to successfully design and sell gender-neutral pieces.



CIBJO is committed to advancing the UN Sustainable Development Goals, in including SDG 5, which calls for gender equality. (Photo Credit: Tima Miroshnichenko on pexels.com)

CIBJO Special Report

Fluidity in taste and demand provides opportunity across the spectrum, with consumers less restricted by earlier convention. It is little surprise, therefore, that the predicted demand for male jewellery is becoming a reality, especially in China.

THE DIGITAL REVOLUTION AT RETAIL

Technology has long been a catalyst for change in the industry, and particularly so during the COVID period, especially at the retail end.

With brick-and-mortar-store traffic falling precipitously during the lockdowns, ecommerce sales increased almost exponentially, as did the use of technologies like augmented reality AR. This is not a passing phase. When COVID is thankfully behind us, continue to expect growth in digital solutions as they provide greater security from the retailers' perspective, are more comfortable for many consumers, and are environmentally positive.

Statista estimates there will be 2.4 billion mobile AR users by 2023. That is a huge number, and the jewellery sector will be significantly impacted. Trying on all sorts of jewellery without entering the store is not only more secure from the retailer's perspective, but for the consumer it creates a more comfortable, low-pressure environment, all of which is seen as positive.

McKinsey estimates that 21 percent of global jewellery sales will be concluded online by 2025.

Technologies being used to secure the integrity of the supply chain are also key, and provide solutions to consumers' growing demands from luxury product vendors for accountability, sustainability and social responsibility.

A new Technology Committee was established in CIBJO after the congress in Bahrain in November 2019 and will play an important role in supporting the industry in the years ahead.

JEWELLERY INDUSTRY VOICES

Educating the industry is a key role played by CIBJO, and one that has evolved considerably over the past 18 months.

On April 22, 2020, as the full extent of the COVID crisis was just becoming apparent to many of us, CIBJO launched an original series of webinars entitled "Jewellery Industry Voices." Cognizant that accurate information would be one of our most critical commodities during these unprecedented times, a decision was made to create an industry-wide forum that would discuss and address challenges being posed, both health-wise and economically, to the jewellery value chain and its stakeholders.

The first series of Jewellery Industry Voices webinars ran weekly, through July 30, 2020. It concentrated on the economic and social impacts of the pandemic, with each webinar taking the form of a panel discussion, featuring three to five panelists. Broadcast live, they were also recorded and uploaded thereafter onto CIBJO's YouTube channel. Many seminars dealt with issues related to responsible sourcing and sustainability. The response to the series was most encouraging, attracting thousands of viewers from around the world

A second season of Jewellery Industry Voices started on September 2020 and ran monthly through July 2021. It included two hybrid seminar/webinars broadcast from the first international industry event to take place live since the



**POSITIONING THE PEARL
AS THE SUSTAINABLE GEM**

CIBJO's Jewellery Industry Voices webinar series, launched in April 2020 during the first of the COVID lockdowns, began by focusing on the impact of the pandemic in the jewellery industry, but has since branched out to other topics. The webinar streamed on July 9, 2020, focused on sustainability in the pearl sector.

COVID-19 lockdown in Europe, which was held in Vicenza, Italy. The first of those considered CSR and sustainability in the jewellery and gemstone sector in the post-COVID environment, and the second was on the growing jewellery industry in Africa and its effort to change the economic paradigm on the continent, where to date almost all raw materials mined are exported and processed elsewhere.

The third season of Jewellery Industry Voices, whose monthly webinars are now must-attend events for many the industry, will run from September 2021 through July 2022. As was the case last year, it will begin with a hybrid seminar-webinar in Vicenza, Italy, which this time will consider two of the 17 Sustainable Development Goals to which CIBJO is committed, SDG 5, promoting gender equality, and SDG 12, responsible consumption.

All the Jewellery Industry Voices have been recorded and are available online. To access them, [PLEASE CLICK HERE](#).

TRAINING OUR INDUSTRY'S SUSTAINABILITY OFFICERS

CIBJO's relationship with the United Nations and its special position as the industry's representative in the UN Economic and Social Council (ECOSOC), as well as being an active and committed member of the UN Global Compact, have meant that the promotion of the Sustainable Development Goals has been a key mission for the World Jewellery Confederation, as were the Millennium Development Goals before them. Many relate directly to the topics in our education programmes.

In September 2020, CIBJO, and Intertek Italia SpA, the Italian subsidiary of the Intertek Group, a multinational assurance, inspection, product-testing and certification company, announced a joint initiative to educate, train and certify CSR, sustainability and Sustainable Development Goals (SDG) compliance officers, specifically for the gemstone and jewellery industries. It will be the first dedicated programme of its sort worldwide.

The programme, which is scheduled to be launched shortly, involves the creation of professional qualification standards for several levels of jewellery industry CSR/sustainability/SDG compliance officers, specifying what each requires in terms of educational background, standards proficiency and work experience.

It also involves the establishment of the International Council for Sustainable Business (ICSB) by CIBJO's educational arm, the World Jewellery Confederation Education Foundation (WJCEF), which will be an academy providing educational programmes that provide prospective compliance officers with the knowledge and skills necessary. Potential candidates for the courses provided through ICSB would be employees of companies operating in the jewellery and gemstone industries, or individuals seeking employment as compliance officers in the sector.

This is an exciting development, as we take our education programs to a higher level in providing a greater depth of training and support to the industry.

CIBJO CONGRESS 2021

Unlike 2020, when almost all industry events were cancelled, a CIBJO Congress will take place in 2021. Nonetheless, given the times in which we are living, it will be held virtually rather than in a physical location.

The Marketing and Education Commission will conduct two online sessions, in the form of webinars organized together with the Ethics Commission, which is headed by my colleague, Tiffany Stevens.

The first webinar will be on Monday, November 15, 2021, at 4PM Central European Time. It will focus on subjects related to social and environmental responsibility. Participating in the webinar will be a new CIBJO Committee, which is developing a set of harmonized terminology relating to responsible supply chains in the industry.

The second webinar will be on Thursday, November 18, 2021, at 4PM Central European Time. It will concentrate on the impact of new technologies, particularly related to the marketing of jewellery at retail. Co-presenting the webinar will be CIBJO's new Technology Committee.

Updated information about the two webinars, including registration details and online links are available on the CIBJO Congress 2021 website at: www.cibjo.org/congress2021/.

Until then, please keep safe and well, and together let's look to the future with renewed energy and focus, with the objective of making our industry a beacon for exceptional corporate behaviour and responsibility.

PHOTO CREDITS

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