



RIGHTEOUS GEMSTONES

Signet Jewelers CEO Gina Drosos shares an update on the company's sparkling growth and performance. —Jon Ball

In our Winter 2021 issue, *IQ* profiled Signet Jewelers and its CEO, Virginia “Gina” C. Drosos, as she was leading the company's effective and efficient response to the COVID-19 pandemic, making rapid investments in company e-commerce platforms, which gave customers a personalized experience. Due in no small part to her leadership, Signet was able to turn a profit, even as brick-and-mortar locations faced unprecedented challenges. As a result, **the company's Q3 2021 earnings showed e-commerce grew by over 70%**. And yet, even with brick-and-mortar setbacks, the company still achieved 6.8% same-store, brick-and-mortar sales growth with 90% of stores open.

As the retail market continues to stabilize, **we are checking back in with Ms. Drosos to explore how the company continues to achieve growth** amid evolving customer preferences and purchasing habits.

IQ: *Congratulations on Signet Jewelers' being named among the Best Workplaces in Retail™—that's quite an honor! To what factors do you attribute your consistent success?*

Ms. Drosos: Thank you. We are honored to be recognized by *Fortune* and Great Place to Work on their Best Workplaces in Retail list. I am so proud of our highly engaged team, who continue to inspire love with our customers and each other.

Over the past five years, we have been on a transformational journey to be the jewelry industry's growth and innovation leader. We began with our “Path to Brilliance” transformation plan that focused on building a company that recognized consumers' changing expectations and invigorated our culture to be based in core values, including our “People First” value. We also invested in our digital capabilities, as well as our team, which has made all the difference. Building on these foundational changes, we entered phase two last year, called “Inspiring Brilliance.” As we grow, our intent is to be a sustainable-growth company powered by our “Purpose of Inspiring Love,” which has galvanized our entire team and has become a part of the everyday fabric of our company. It's a part of our filter for making decisions in every part of our business—strategically and culturally. >>>



PHOTOGRAPHY RYANSMITH



90
%

Of Signet's premium customers—those who have spent at least \$500 on jewelry in the past three years—are Connected Commerce customers who use multiple channels as they shop.

Thanks to our team's creativity and dedication, we have grown revenues from over \$6 billion to nearly \$8 billion over the past three years alone. We also added three banners to our family of brands with Rocksbox, Diamonds Direct and, most recently, Blue Nile. We have driven our market share from roughly 6% to 9.3% in the U.S., and we have been Certified™ as a Great Place to Work® and recognized by Bloomberg Gender-Equality Index.

Amid our success, what I am most inspired by is the fact that we're just getting started, and our culture has dramatically transformed in a positive way that we believe accelerates the momentum we are seeing. We're operating in a new normal and are most grateful for our team, which was focused on transformation years before the pandemic and was able to become truly agile and deliver in new, meaningful ways.

IQ: *In our previous discussion, we noted that execution and agility are two areas in which Signet has excelled during the past few years—especially amid considerable uncertainty. How are you continuing to empower and enable your teams to generate agility, innovation and grit?*

Ms. Drosos: One of the things that gives me great pride is our culture of agility and innovation, which has become a powerful source of our competitive advantage—and a critical way we fulfill our Purpose of Inspiring Love. It's such an honor to work alongside such an amazing group every day. We move faster and learn faster than ever before. We're more diverse, incredibly collaborative and seamless as we innovate. And we're humble.

We know we're never as good as we can be—and will be.

Most importantly, we're genuinely inspired by our purpose, and it's resonating with our team members. In fact, in recent surveys, 89% of our team members indicated they understand how their work ties to our purpose, and 90% also indicated they feel a sense of pride when they look at what we accomplish.

We have the wonderful privilege of being part of people's meaningful life moments and of focusing on inspiring love in all that we do. What's not to love about that?

IQ: *How has Signet pivoted since the onset of the pandemic to serve customers with more disposable income and limitations on travel, perhaps due to lockdowns?*

Ms. Drosos: The pandemic was an accelerator for our transformation. Since 2018, we had been laying the groundwork with investments in our technology infrastructure to offer a more digital experience. When we had to temporarily close our stores in March 2020, we had to bring our in-store sales and product experience to our customers virtually. It was a change for us and for our customers and has helped pave the way for our "Connected Commerce" experience today.

With Connected Commerce, we are reinventing the way people shop for jewelry. We're integrating customer experiences by leveraging in-store, online, mobile and ubiquitous delivery as both mindsets and capabilities. It is data-driven and channel-agnostic. It is seamless. It brings our people and our technology together in a powerful way so that we are there for our customers



“Ms. Drosos has always possessed great compassion for her workforce and empathy for her customers—both of which have been major factors in the company’s sustained innovation.”

—Shideh Sedgh Bina
Founding Partner, Insigniam

whenever, wherever and however they choose to shop with us. In fact, 90% of our premium customers—those who have spent at least \$500 on jewelry in the past three years—are Connected Commerce customers who use multiple channels as they shop with us.

IQ: *What were some of the bumps in the road that you (and your teams) solved?*

Ms. Drosos: When I joined as CEO, we had websites crashing on Black Friday. It taught me that you cannot put Band-Aids on things. To be successful, you need to build a strong foundation, even if it means it will take longer. And it needs to be a future-proof foundation. That became the basis for our Path to Brilliance growth strategy. It focused on both strategy and company culture. We focused on putting our customers first, building our omnichannel presence, and creating a culture of agility and efficiency. We also believe in continuous improvement by learning every step of the way to further refine our approach as the world continues to change. Ongoing learning and adapting are now a key part of our business practices.

IQ: *We know the labor shortage has affected retail, with many retailers operating with a 20% reduction in their workforce. How has Signet reacted to shifting workforce dynamics and labor challenges?*

Ms. Drosos: The data-driven investments we were making in our transformation helped us from both timing and planning standpoints. Our employee retention rate also speaks to our teams and the culture that we’ve created these past few years.

IQ: *Is it possible to re-engage with shoppers using tactics that worked before the pandemic?*

Ms. Drosos: Consumers have shown they are willing to spend when they are offered a unique and differentiated product that matters to them. Today they are looking for value, and sentimental gifting is absolutely a priority for people today, including meaningful pieces of jewelry. We are well positioned to be there for consumers as we have 11 distinct banners in our portfolio that span the value spectrum, offering something unique for each type of customer.

And, of course, Connected Commerce is here to stay. People love the integration of online and in-store, and the conveniences of buy-online-pick-up-in-store, curbside pickup and innovations such as virtual try-on and asynchronous chatting. The pandemic was a factor, and today more than 65% of our customers enjoy both experiences.

IQ: *What do you see as the next breakthroughs for Signet?*

Ms. Drosos: When I look back over the last few years, our culture is now stronger: We’re more agile, more innovative and truly unified behind our Purpose of Inspiring Love. We’re also much more data-driven now, with deeper insight to create highly personalized customer experiences.

We have built a foundation of capabilities that allow us to lean into growth and that have become competitive advantages, including continuous learning.

I believe these are the levers that will enable our continued success, hopefully for many years to come. **IQ**

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