



Ring

Meet the CEO whose company shifted to **selling diamond jewelry online** during the pandemic while still providing the all-important human connection.

BY **BRIAN COOK**
PHOTOGRAPHY BY **RYAN SMITH**

"BRILLIANCE" IDEA
With the digital-first Path to Brilliance program, CEO Gina Drosos is leading Signet (and buyers) in new directions.

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Leader

Last spring, just as the COVID-19 pandemic was starting to transform the world, a prospective groom visited the Kay Jewelers website, where he customized a stunning Neil Lane Premiere engagement ring with a pear-shaped center diamond and a halo of smaller diamonds.

Typically, he would have followed up with a consultation at a physical Kay location for a more hands-on experience before making a \$16,000 purchase. But Signet Jewelers, which operates some 3,200 stores under brands including Kay Jewelers, Zales and Jared, had temporarily closed its North American locations on March 23.

That could have resulted in the loss of a significant sale. But Signet was prepared. It had responded quickly to the pandemic, making rapid investments to its e-commerce platforms that gave customers the personalized experience they expect in planning a considerable purchase, even when they couldn't have the experience in person.

And so as stores closed, sales continued. In this case, the customer booked a private virtual appointment with a Kay consultant. He saw high-definition photos and video of the ring's features and asked questions in real time. The sale was made, and the ring was shipped—properly insured, of course—to his home. >>>

BIO:

Virginia (Gina) C. Drosos

- CEO, Signet Jewelers Unlimited, since August 2017; board member since 2012. Signet is the parent company of Kay Jewelers, Zales, Jared, H.Samuel, Ernest Jones, Peoples and Piercing Pagoda; it also operates *JamesAllen.com*.
- **Corporate HQ:** Akron, Ohio
- **Stores:** Approx. 3,200
- **Employees:** Approx. 28,000
- **Annual sales:** Approx. US\$6.25 billion
- **Previously:** President and CEO, Assurex Health; Group President, Global Beauty Care, The Procter & Gamble Company.
- **Education:** Bachelor of Business Administration, Terry College of Business, University of Georgia; MBA, The Wharton School, University of Pennsylvania

It seems almost unthinkable for the high-end jewelry retail category to move from what has long been a primarily physical—even emotional—buying experience to the ostensibly impersonal online environment.

Then again, 2020 was a year of the unthinkable. Just ask Signet CEO Gina Drosos.

“I’ve always loved to help transform businesses and make them future-worthy, trying to envision how to change not only the company, but the category,” she says.

Under her leadership, the world’s largest retailer of diamond jewelry has created a successful “integrated consumer experience,” harnessing the power and convenience of e-commerce while preserving and even enhancing the personal aspect.

Perhaps the most important aspect of the CEO function is to be the “‘Chief Future Architect’ for the enterprise,” says Insigniam consultant Ashley Tappan. “As Ms. Drosos demonstrates, in today’s context that role has an even greater impact when the intent is building a bold, game-changing future.”

Ms. Drosos wants to transform Signet’s brands into digital-first, data-driven retail destinations. The first major decision she made after becoming CEO in August 2017 was to buy the fastest-growing online retailer of diamond jewelry, *jamesallen.com*. “In some ways it was to defy the paradigm that people wouldn’t buy diamond jewelry online,” she says. “We already knew they would, because we were seeing startups do it. I thought having *jamesallen.com* would inspire us and help us move faster in that direction. That has come true.”

Little did anyone know how such a move would factor into the company’s ability to handle the challenge that 2020 would offer. In late March, as the coronavirus spread, Signet temporarily closed all of its retail stores in North America and the U.K.; most have reopened, and most furloughed

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employees have been brought back. But it appears that customers have accelerated their acceptance of online shopping. Third-quarter earnings released in early December showed same-store sales grew 15% and e-commerce grew just over 71%. And yet, you can’t dismiss brick-and-mortar: 90% of stores are open, with 6.8% same-store sales growth.

A Precient Strategy

That’s not to say there weren’t more than a few dark days and sleepless nights for Ms. Drosos. But more than many companies, Signet was prepared for the upheaval. “I think change is a part of every business situation,” she says, “and one of the most important qualities that an organization can have is the ability to pivot as needed. Thankfully, we were already transforming.”

That transformation centers on a digital-first strategy designed to make Signet more agile and efficient. It’s at the core of Path to Brilliance, a three-year program launched by Ms. Drosos before the pandemic to create a high-performance online platform that would lead the company—and buyers—in new directions.

As bad as it’s been, the pandemic created what she calls a “silver lining of unprecedented opportunity to define the future of the industry and think beyond the product.” >>>



THE EYES HAVE IT

Customers can still shop the traditional, hands-on way. "Stores matter," says Ms. Drosos.



SCREEN SAVOR

Jewelry consultants use advanced video imaging to convey the sparkle to online shoppers.

“When I was a junior in college, I chartered sailboats, an entrepreneurial experience that paid for my spring break in the Bahamas. I thought, ‘This business thing is really good. I think I’ll pursue it.’”

— Gina Drosos

Customers are shopping online more than ever, she says. “The operational flexibility, technological agility and cost efficiencies we’ve built ahead of time are helping us thrive in this new marketplace. We’re now positioned to be the category leader and come back stronger.

“What’s been so interesting about this pandemic is that we’ve been able to provide that human connection through virtual consulting and digital sales tools.”

Among the new digital tools are enhanced visualization techniques, better product curation and improved website speed. One of the recently added capabilities is called asynchronous communication.

“If you start a chat with us,” says Ms. Drosos, “and then two days later you want to come back to that chat, it’s still available. We don’t lose our place in the conversation.”

Those conversations can still take place in person. “Stores matter,” she says emphatically. If they prefer, customers can meet with a consultant and buy jewelry the traditional, hands-on way. They can also purchase online and pick up in a store, or curbside.

Ultimately, the customer decides how to engage. They can book a virtual appointment, ask a live expert for advice, join live events and engage across their personal social media channels to find that must-have piece. “If you’re on a store site, I can direct you to certain SKUs that I think will meet your needs, based on what you’ve described to me,” says Ms. Drosos. “Or I can share your screen and co-browse with you to show you merchandise that I think might work. If you want to see that item in greater detail than on the site, I can use an online feature where a consultant can take items out of the case for you to see.”

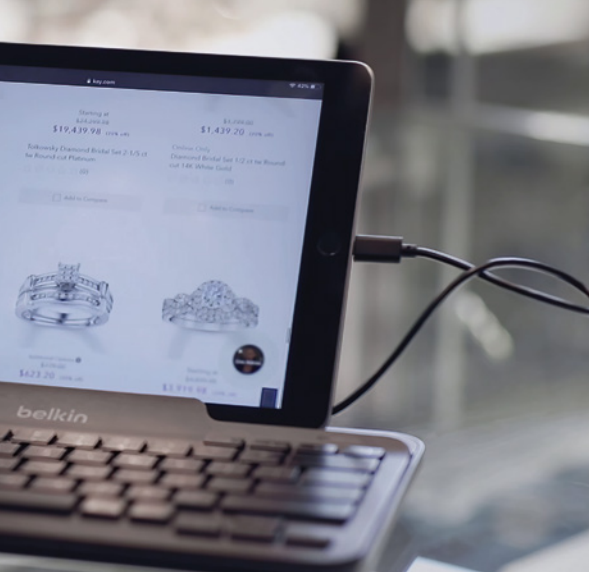
“When done well, customer-centered design—where the business is built starting with the world and the context of the customer—results in customer delight and even surprise,” says Ms. Tappan, the Insigniam consultant.

Trending in Signet’s Direction

Benefiting Signet’s bottom line is its ability to capitalize on buying trends revealed through proprietary research, says Ms. Drosos. Countless weddings have been delayed, but the engagement business has been “very strong.” Fifty percent of those surveyed said their engagement plans have not changed due to the pandemic, while 12% reported speeding up their plans. Among pre-engagement couples—those who plan to get engaged in the next 18 months—more than half decided to quarantine together. Of those couples, 93% said that their relationship was the same or better since quarantine.

Another trend that’s worked in Signet’s favor: an increase in “romantic gifting.” “People want to express in a special way who is important to them,” she says. “Pre-COVID-19, they might have done that with a nice dinner out or maybe a special trip, but those aren’t quite as relevant right now. Jewelry is a lasting and meaningful gift.”

Helping the buyer decide just how to express that sentiment is a key aspect of the consultant’s job, notes Ms. Drosos. “We have tremendous expertise in this category. Signet people really care, so that means that they’re willing to overcome the obstacles of change to be able to meet customers wherever and however they want. Counseled selling and building trust are incredibly important.”



The Takeaway: Enhancing Your Management Style

LIKE A PAIR OF TIMELESS DIAMOND EARRINGS THAT COMPLEMENT ANY OUTFIT, SIGNET JEWELERS CEO GINA DROSOS RELIES ON THESE FIVE CORE VALUES AND STRATEGIES TO HELP HER LEAD SUCCESSFULLY.



Always Learning

“I originally thought I’d be a lawyer like my dad,” says Ms. Drosos. “But when I was a junior in college, I chartered sailboats, an entrepreneurial experience that paid for my spring break in the Bahamas. I thought, ‘This business thing is really good. I think I’ll pursue it.’” A strong work ethic nurtured by her parents served her well as she earned an MBA from The Wharton School.

Ms. Drosos returned to her entrepreneurial roots in 2013 with Assurex Health, a startup using DNA to help clinicians determine the right medication for individual patients. She led the company to a position where it was sold to Myriad Genetics in 2016.

“What I took from that experience was how to do things quickly, and to simplify because startup resources are scarce. When leaders think that way, you help your organization to be more efficient and move faster.”

Prior roles at Procter & Gamble, including leadership of the \$6B+ Global Beauty Care unit, also helped prepare her for 2020. “I was a leader in digital transformation at P&G. I went to Amazon’s warehouse long before it was popular to do so to see how they picked our products. How could we match our packaging to their systems to make it work better? I was thinking about this digital transformation in marketing and in e-commerce while I was there and able to take a lead.”

Like other executives, Ms. Drosos is using recent experiences to inform planning for 2021. Looking back, she says, gives her reason to be optimistic about what lies ahead.

“From a company standpoint, we’ve learned so much through this crisis, and if anything we’ve accelerated our transformation. I think we’ll come into [the new] year even stronger than we were before.” **IQ**

1 Always do the right thing.

“When you do the right thing for your employees, it’s always the right thing for your business. Integrity, and that trust relationship with your employees, is probably the most important thing a leader can have.”

2 Set a clear vision, set the culture and set the strategies.

“Explain to your team the ‘why,’ and then start breaking down barriers, enabling them to really lead the way forward. The creativity of the total team is always so much more powerful than the creativity of just a few leaders. When they can feel empowered to do their best work, and you get out of the way, they can do it more quickly and in a more agile way. That’s when magic happens.”

3 Say ‘thank you.’

“I think that recognition of employees is incredibly important, and in a time like this maybe more than ever. There are so many different ways we can do that. We had to furlough a number of employees to stay liquid when our stores were closed. For the employees who worked 24/7 to make sure the company was strong when everybody could come back, I [gave them] an extra week of vacation to say ‘thank you.’”

4 Put the customer first.

“Understand who your customers are and what they care about. What is your value proposition to them? We make very high-quality jewelry, but we make it accessible to people of all means, and that’s important to us.”

5 Insist on diversity.

“Leaders must be humble enough to recognize that you have blind spots; the only way to see [them] is to surround yourself with a diverse team that sees differently from you, and create an environment where they can speak up. Then you see 360 degrees, and that’s how you move forward faster together. People think that when you get to the top, you’ll have all the answers. It’s not true. I’ve gotten comfortable enough to ask the right questions, or to say, ‘I don’t know, I’ll get back to you.’ I know that someone on the team will have those answers.”

ABOVE, COURTESY SIGNET JEWELERS