

## CASE STUDY: Bromberg's Jeweler

### CASE STUDY: Bromberg's Jeweler: Planning for Long-Term Growth

#### The Client

Founded in 1836, Bromberg's is one of the nation's oldest family businesses, a virtual icon in Alabama jewelry retailing. Operating four stores in the Birmingham, AL area, the Bromberg family has been recognized locally and within the jewelry industry by the company's long association with the American Gem Society where family members have served as president of the AGS two times in recent years.

Bromberg's specializes in

- Fine diamonds and precious gemstones in the AGS tradition where all of the company's sales associates have earned American Gem Society titles through special training and study
- Fine Swiss watch brands like Rolex®
- Branded tabletop china and quality gifts, such as collections of Bernardaud from France and artistic patterns from Vietri in Italy

Now, Bromberg's faced growth problems with their flagship store in Mountain Brook, AL the branch store in Montgomery. The Mountain Brook store needed to be remodeled to effectively service the exclusive clientele that frequented the location, while the Montgomery store was in decline and needed to be divested.

#### The Gordon Company Assignment

Enable the Bromberg family to,

- Profitably operate the Mountain Brook store, while simultaneously remodeling the location
- Close the Montgomery store and mitigate negative publicity that could erode the brand value of Bromberg's in the company's trading areas
- Liquidate unproductive and toxic inventory to maximize cash flow
- Increase Bromberg's consumer franchise as a luxury jeweler
- Increase consumer awareness of the brand

The scope of The Gordon Company's assignment included:

- Developing a sales and marketing plan to sustain the profitability of the Mountain Brook store
- Developing a store closing marketing campaign for the Montgomery store to maximize the sales and return on liquidation of unproductive inventory
- Preparing an integrated business plan, including sales budget, media plan, and resource plans for the remodeling and store closure event
- Assisting Bromberg's management team in identifying excess and underperforming inventory
- Recommending an optimum pricing strategy to maximize the liquidation of toxic inventory
- Designing custom creative material, advertising plan, and public relations plan for the event

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- Integrating the store remodel and store closure event into the corporate marketing strategy and public relations program
- Preparing synergistic, in-store collateral material, print, and where appropriate other media advertising material for the store being renovated, closing store, and remaining on-going Bromberg's location
- Assisting with the management, staffing, implementation of the plan, and control of the event in order to optimize results

### Considerations:

- Protect Bromberg's iconic, high-quality jewelry position in the Birmingham market
- Bromberg's was historically a premium priced, non-discount jeweler
- Accommodate AGS accreditation terms and conditions, including use of discounts and promotional pricing
- Support family company brand values

### The Gordon Company Solution and Accomplishments:

- The Gordon Company designed and developed an exclusive marketing advertising, staffing, and implementation strategy for each stage of Bromberg's remodeling and store closure event
- The Gordon Company's solution maximized the return on Bromberg's dated and excess inventory
- Sales increased during the 135 day Montgomery store closure sale by 125% of the store's prior year turnover and by 3.8 X (277%) the previous period's sales
- In addition to excellent short-term results, Ricky Bromberg emphasized, The Gordon Company had orchestrated a number of events for the company through the years and had proved invaluable, protecting our interests and our reputation