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THE BUSINESS OF JEWELRY REPORT | Q3 2026

The Adaptation Odyssey

A Strategic Guide To Moving Sooner, More Often, On Smaller Decisions

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A Message from our CEO

Welcome to **The Business of Jewelry Report** Q3 2026.

I want to open with a sentence I have found myself repeating all year. Our industry's Achilles heel is that we do not adapt quickly enough.

I do not mean that as a criticism of anyone reading this. It is a description of how the industry is built. Our businesses are multi-generational, our relationships measured in decades, our craft in centuries. Those are real strengths, and they are also the reason we are slow to move when the ground shifts underneath us.

The ground keeps shifting. In roughly two years this industry has absorbed a permanent change in diamond supply, lab grown taking the mass market outright, tariff rules rewritten faster than anyone could plan around, gold at levels nobody had modeled, and artificial intelligence moving from curiosity to necessity. Not one of those arrived at a pace we were built to match. That distance, between how fast the world moves and how fast we move, is what this edition is about.

So we have called it **The Adaptation Odyssey**.

The comparison is deliberate. What is memorable about the Odyssey is not that Odysseus avoided the monsters. He faced them. Among many foes were the sirens and the Cyclops. Of the former he was forewarned and planned accordingly: wax in his crew's ears, himself lashed to the mast. Of the latter, he walked into the cave unaware of the danger and had to improvise his way out. You plan when you are warned. You adapt at all other times, and that is most of the time.

What follows is not a forecast. It is seven frameworks from eight guest experts who joined us at The Business of Jewelry Roundtable, our members-only forum for industry leaders. Each has shared, here, the thinking they brought into that room so it reaches far more of you than the room could hold.

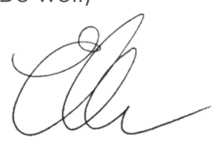
They arrive in a deliberate order. Dennis Campbell of Harvard Business School opens with the diagnosis, and it reaches well beyond technology: capability rises on an exponential curve while organizations absorb it in a straight line. Claudia D'Arpizio of Bain & Company and Anant Sharma of Matter Of Form take on the widest version of that gap, the distance between this industry and the customer it is trying to reach. Jennifer O'Brien and Art Tavee of Creative Strategy Incorporated, and Jennifer Gonzalez of Studio & Marie, address the gap between what we are and what the market sees. Helen Gibb and Cogent Labs' Ehmad Zubair bring it inside the business, to the capital sitting in your range and the work sitting on your team's desks.

Read across all seven and one instruction emerges. Stop waiting for conditions to settle, because they are not going to. Build instead the ability to move sooner, on smaller decisions, more often.

One more thing, because it runs through several of these articles and I say it constantly. What breeds trust? Consistency. Adapting quickly and behaving consistently sound like opposites, and they are not. Consistency is what lets you change direction without losing the people who buy from you. It is the mast you tie yourself to.

I hope you find this edition useful, and I hope some of it provokes you. Because you cannot steer a ship that is standing still.

Be well,



Elle

Founder & CEO

Closing the Absorption Gap

AI capability is on an exponential curve. Your organization's ability to absorb it is on a straight line. That gap is the whole problem, and the longer you wait, the harder it is to close.

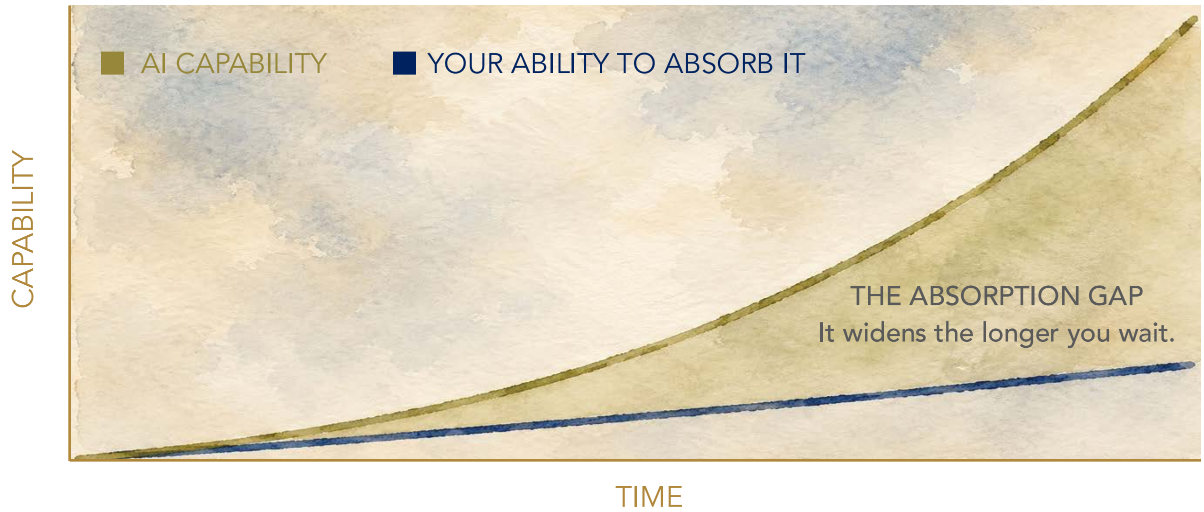
DENNIS CAMPBELL, DWIGHT P. ROBINSON JR. PROFESSOR OF BUSINESS ADMINISTRATION, HARVARD BUSINESS SCHOOL | BUSINESS STRATEGY EXPERT, HILL & CO.

I think of myself as an outsider-insider in this industry, which is why I enjoy forums like the Roundtable so much. The question I want to take up is the one everybody eventually arrives at: where does competitive advantage actually come from in a technology where everybody has access to the same underlying tools?

My answer is that the way you rethink your organization around this technology matters enormously for whether you get advantage out of it or not. And it is a genuinely difficult problem, for large and small organizations alike.

THE ABSORPTION GAP

AI Capability rises on an exponential curve. Your organization absorbs it in a straight line.



Illustrative. Drawn from Dennis Campbell, The Business of Jewelry Roundtable, 30 July 2006.

TWO CURVES, AND THE SPACE BETWEEN THEM

Start with a picture we use to explain why this is hard. Plot AI capability over time and you get the exponential curve we are all familiar with. You can see it in the frontier models. We went from millions of parameters to billions to trillions, which tells you they are far more complex and can reason far more.

You see the same shape in the output benchmarks tracking what these models can solve. That part is not really in question.

Now plot the typical organization's ability to absorb those capabilities and genuinely leverage them. Our experience with a great many companies, large and small, is that it does not look like that at all. It is slow, and more or less linear.

There are the traditional reasons. Change is hard. Workflows have to be redesigned around the technology. Mindsets have to shift. Good old-fashioned organizational resistance. But there is a second reason that is specific to this technology: it is probabilistic, and it does not always perform reliably on organizational tasks. Some engineers at Princeton looked at agents doing customer service, legal and coding work and found exactly these two curves. If you measure the average quality of what those agents can do, it is on the steep upward trend. If you instead ask how reliable they are getting, you get the bottom curve. Reliability is improving, but far more slowly than capability.

Reliability is the crux. A model can perform extremely well on some tasks and poorly on others, and differently over time even on essentially the same task. So, organizations have to get past the mindset and change problems, and then also rethink how they build reliability into their systems. That is increasingly an organizational question rather than a technical one. And the implication is uncomfortable: if the technology is on that curve, the further out we go, the harder that gap becomes to close. I see this in some of the largest technology and financial companies in the world, in small companies in your industry, and in everything in between.

WHAT THIS TECHNOLOGY ACTUALLY DEMOCRATIZES

It helps to be precise about what has changed. Digital technology and search democratized access to information, driving the cost of getting information to essentially zero. AI does that for expertise.

So when someone tells me they have built something that would have taken years before, they are describing something real. Previously it would have taken capital and access to scarce expertise, meaning software engineers who also understood your business.

Now the average person in your organization has access to a great deal of remarkable expertise through this technology.

Follow that through and the organizational implications are significant. You can broaden the scope of what individuals do. You can genuinely empower people. You can operate with flatter organizations at larger and larger scales. That is a real prize, and it is available to a small business as much as a large one.

KEEP JUDGMENT IN THE LOOP, NOT JUST A HUMAN

The risk on the other side is equally clear, and one that my co-author Jasmijn Bol and I are exploring extensively in our new book project, where we put it more sharply than the usual formulation. The goal is not to keep a human in the loop. It is to keep human judgment in the loop, the critical thinking.

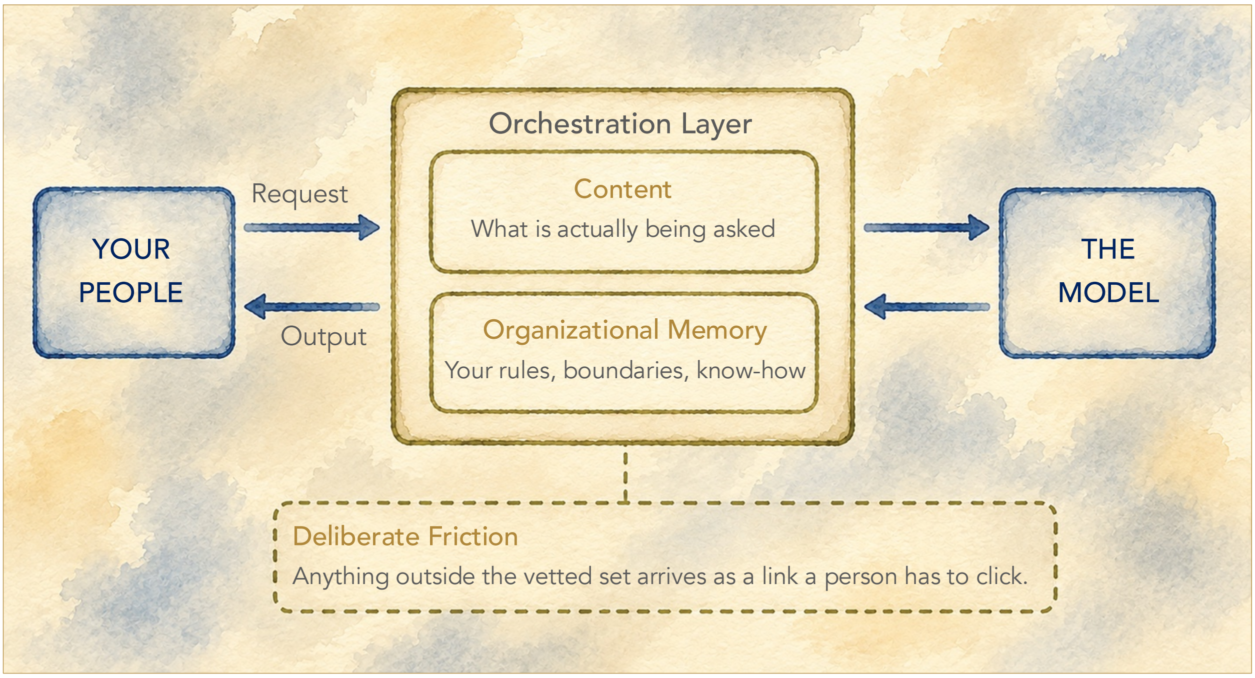
One large global bank is a useful example, because they are wrestling with this at scale. They are empowering private bankers and analysts with this technology, and they also want to be certain those people are vetting what comes back, confirming that it is reliable and genuinely useful for the customer. Part of their answer is cultural: a great deal of time spent on training and mindset. But part of it is built into the system as deliberate friction.

Consider an analyst with a client who has a complex estate or tax planning question. Previously that analyst would have had to go and find the tax expert and the estate planning expert. Now the system can assemble that almost immediately. The problem is that it can pull from internal sources and from a great deal of external data too. So they maintain a vetted body of information the system can rely on, and anything from outside gets collapsed into a link the analyst has to click. It does not get ingested automatically. It does not appear in the output on its own. It certainly could have been designed that way; they deliberately inserted a moment of friction so that a person looks at the information and decides whether it should be used at all.

That is the design principle I would take from it. Sometimes you have to build friction on purpose, precisely because the efficient path would remove the judgment you most need.

BUILD THE MEMORY BEFORE YOU BUILD THE AGENTS

The shape organizations are converging on, from small businesses upward.



Illustrative. Drawn from Dennis Campbell, The Business of Jewelry Roundtable, 30 July 2006.

BUILD THE MEMORY BEFORE YOU BUILD THE AGENTS

The architecture that makes this work is worth understanding, because almost every enterprise is converging on the same shape, from small and medium businesses upward.

The important move is that your people do not go directly to the large language model, which is what all of us do individually. Instead there is an orchestration layer in between, and it does two things.

First, context: understanding what the person is actually asking for. Is this a marketing task, a customer service task, a tax question? That matters for retrieving the right material, and it also matters commercially, because if every single request pulls in everything you have ever stored before it goes out to the model, your token costs and your latency get out of hand very quickly.

Second, and more importantly, organizational memory. This is the persistent layer: the tacit knowledge you want guiding every output. It can be as simple as insisting that any deck comes back with your logo, your brand colors and your image library rather than whatever it finds on the web, and we all know that web images of jewelry do not always look great. It can be as consequential as encoding which data is off-limits. It is what your own history and research say about the questions you get asked most.

The reassuring part is that none of this needs to start large. If you have used a project with a set of custom instructions, or built a custom GPT, you have already built a small persistent memory. You can curate it yourself and be responsible for it. There are more sophisticated versions. I know a company in France running an architecture very like that bank's, where the memory updates itself, noticing when the same error keeps recurring and revising the memory so it stops happening. The difficulty there is teaching it to distinguish significant events from trivial ones, which is exactly why curating it by hand is a perfectly good place to begin.

THE TECHNOLOGY IS AGNOSTIC TO THE LOGIC IT ENTERS

Now the strategic question, and it is the one I always open with when I teach this material. If a firm has built an orchestration layer that can research, analyze and produce customized recommendations, why not simply make it customer-facing? Why does an advisor need to sit in between?

That bank's answer is that the relationship is where their competitive advantage lives. So they deliberately keep it in the hands of advisors, because they are worried about disintermediating the very thing that makes them valuable: the trust a client has in that person, and the accountability that comes with it. If I interact with a system on my own and make a bad decision, who is responsible? With an advisor, there is always accountability. What they call hand-holding has real value, because it gives people confidence in the recommendation.

The general point is this: AI is agnostic to the management logic it enters. If you are a hierarchical organization that wants to automate everything, you can go that direction, put the system in front of customers, and automate the advisors out of existence. Or you can use it to empower the advisors to do more. Those are two different strategies enabled by the same technology, and choosing between them is a leadership decision, not a technical one. Every year I look at the data on the firm that chose the second path, and they have continued to grow both their advisor and analyst headcount while productivity per person has risen. That is the shape of a deliberate choice.

YOUR TACIT KNOWLEDGE IS THE ADVANTAGE

Which brings me to what I think matters most for the businesses in this room.

Everybody now has a new baseline. Everyone has access to the models, everyone can vibe-code a website, everyone can generate something mediocre very quickly. What separates two organizations using identical tools is the ability to look at the output and know it is not quite right, that it needs to look like this, sound like this, communicate like this. That is tacit knowledge, and it is the thing that makes the output good rather than merely adequate.

This industry is unusually rich in it. You have multi-generational businesses, deep tradition, and a great deal of accumulated knowledge about what makes you different. That is where competitive advantage comes from. The AI does not create it; it amplifies it, if you use it in the right way.

So the practical version of the question is: how do you get your judgment out of your head and into the system? That is what I mean when I talk about cloning yourself. For a large firm it is asking what the minimum set of values, brand parameters and hard boundaries are that must shape every communication before the model produces anything. For a smaller business it is the same exercise at a smaller scale, and smallness is genuinely an advantage here, because you retain control rather than delegating to someone who will accept the output as given.

You can feel the absence of this immediately. I go to academic conferences and I know within moments when someone generated their slides with a model, because they fall apart the instant you ask a question the model did not consider. The mindset that this simply takes work away is the wrong one. It may automate parts of the work, the no-joy work, and what it should do is free you for the part where you add most value: the judgment, the creativity, knowing when something will actually land with your customer.

GET YOUR HANDS ON THE KEYS, AND WATCH FOR THE WALL

Two closing pieces of advice, and they pull in slightly different directions.

The first is to build. We now require all nine hundred of our MBA students to take a course on data science and AI, and half the grade is building something. We made that choice because the skill of iteration matters: getting your hands on the keys, working the second screen, not getting frustrated the first time it fails. Around ninety-five percent of those students arrive with no engineering or coding background of any kind, and they build genuinely remarkable things: agentic systems that learn someone's taste and shop for them, post-operative care applications that alert a family when a protocol is not being followed. They iterated their way there. If it is not working, tell it so, tell it what you actually want, and let it loop back and fix the errors. And do not try to boil the ocean at the start. Start simple, because you do not need it perfect up front. Where you do want outside help is in understanding which workflows are genuinely high-value, so you spend your limited time and attention well, and in the back-end engineering if you later want automatically updating memory and agent routing.

The second is a caution. A colleague of mine talks about the Gen AI wall. Yes, this dramatically increases your access to expertise, and you can build the website you would have hired an engineer for. But at some point you hit the wall. You want it to be better. Customers are going to make payments through it and it needs all the back-end work you cannot vibe-code your way into. So we cannot forget to keep investing in the expertise that lets us be effective generalists with this technology. If organizations stop thinking about what skills they will need, and start hollowing out the entry-level ladder that produced those skills, that is a serious problem.

There is a version of this specific to your industry that I find clarifying. Someone who has earned a graduate gemologist qualification using this technology in your business is doing something very different from me using the same technology in your business. There is a baseline set of capabilities that shapes what a person can do with an identical tool. Working out what those core skills are in your context, and giving people real encouragement to acquire them, is one of the more important things you can do as a leader right now. I do not have a fully satisfying answer to it. It is something all of us, companies and universities and individuals, are experimenting with at the same time.

TAKING THIS FORWARD

Name your absorption gap. Capability rises exponentially; organizational adoption does not. Ask honestly how fast your business is closing that distance, because waiting makes it wider.

Separate capability from reliability. A model that is impressive on average is not yet dependable on your task. Reliability is an organizational design problem, not a vendor problem.

Design deliberate friction. Where the efficient path would remove human judgment, put a step back in. A link a person has to click is a design decision, not an inefficiency.

Build the memory layer first. Your brand parameters, your boundaries, your accumulated knowledge, curated by hand, is fine. Get your judgment into the system before you scale access to it.

Get your hands on the keys. Iteration is the skill: start simple, fail, correct, loop. It is learnable without any engineering background.

The Customers Luxury Lost

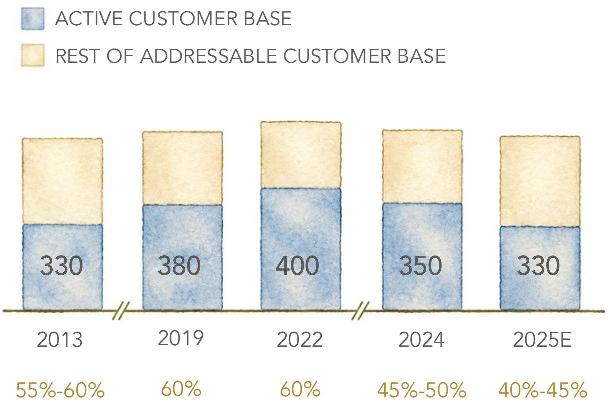
Seventy million people stopped buying personal luxury goods between 2022 and 2025. Jewelry is the category best placed to win them back.

CLAUDIA D'ARPIZIO, SENIOR PARTNER AND GLOBAL HEAD OF FASHION & LUXURY, BAIN & COMPANY | CHAIR, BAIN ITALY

Let me start with the size of the thing we are discussing. If you encompass all the luxury categories, including cars, art, experiences and luxury travel, we are talking about roughly 1.4 to 1.5 trillion euros, shared across around 400 million customers. It is a niche, but it is a very large niche. Narrow it to personal luxury goods, and it is 358 billion euros.

That narrower market has been suffering for two or three years, after twenty-five years of substantial growth. Cycles are normal in this business. 2008 and 2009 knocked it down, COVID knocked it down and then produced a remarkably sharp recovery. What is not normal is what has happened since. For the first time in the history of this industry, the number of people buying personal luxury goods has fallen. We estimate seventy million fewer customers between 2022 and 2025.

PERSONAL LUXURY GOODS ADDRESSABLE CUSTOMER BASE (MILLIONS OF CUSTOMERS)

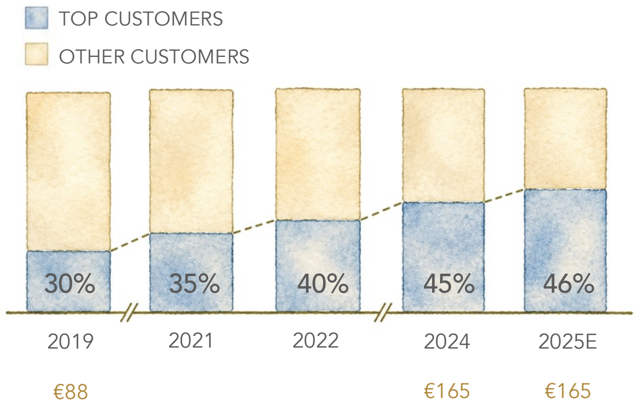


Active customer base in percentage of total addressable customer base

Notes: E indicates estimated value; addressable customer base defined according to disposable income and other demographic variables that differ across countries; some historical customer base data revised after methodological upgrades to improve precision and comparability.

Source: Bain & Company

SHARE OF PERSONAL LUXURY GOODS SPENDING ATTRIBUTABLE TO TOP CUSTOMERS



Top customers' spending (€B)

Notes: E indicates estimated value; top customers defined as those spending more than €20,000 a year in personal luxury goods

Source: Bain & Company

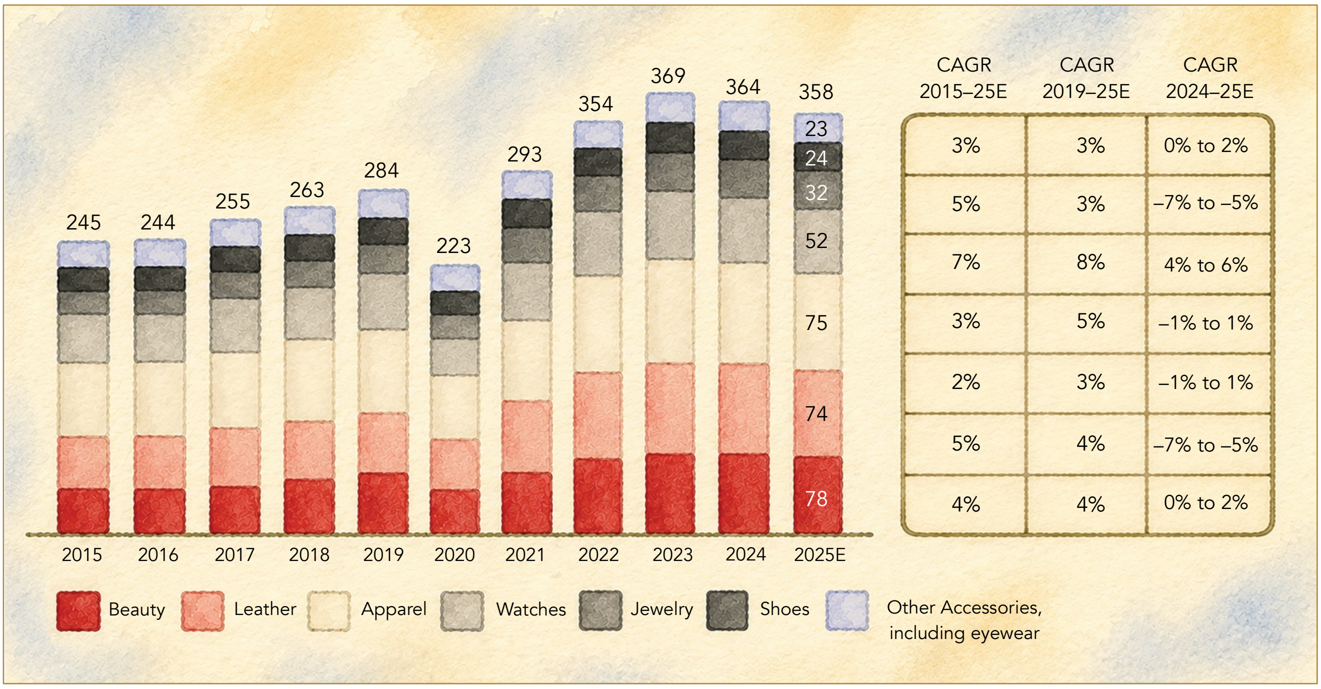
THIS WAS A STRATEGY, NOT AN ACCIDENT

That number is the result of decisions the industry made. I started working in this industry in the mid-nineties, when it was a much smaller cohort of customers and jewelers had a handful of stores speaking to a very high-end base. Then came the phase that was called democratization, or la sortie du temple. Brands opened the doors. Not only lower prices or more affordable items, but new stores, new markets, desire created among a much broader public. Hundreds of millions of new customers arrived, from Asia, from the United States, and then the great chapter of China from the mid-2000s.

After COVID, after the fear of that period, the empty stores and the costs that stayed while the revenue did not, brands focused on the most resilient cohort of customers: the very top, the ultra-high-net-worth individuals. And they over-corrected. Let me use that word deliberately, because catering to the top of the pyramid has always been the right strategy for these houses. But their growth came from enlarging the base while keeping a strong focus at the top. The over-correction brought price increases, clienteling designed only for top customers, raised thresholds for what counts as a VIP client, by-appointment-only selling ceremonies.

That alienated exactly the young customers who had been the core target immediately before and during COVID. Before, the language was self-expression, inclusivity, cultural relevance, a customer experience that was friendlier and more approachable, social media that amplified the message and created transparency about the creators and the meaning of the products. Then came the shift toward the wealthiest, who are also not the youngest. And it is happening in a period of the highest wealth polarization, not only in emerging markets but in the United States and Europe, where the middle class has decreasing purchasing power and the very wealthy are growing their wealth. That gap used to produce something like the American dream, the aspiration to a better life. We are now in a phase where the feeling is closer to: this is unreachable for me. Catering too much to the super wealthy creates real distance between people and these brands.

GLOBAL PERSONAL LUXURY GOODS MARKET, BY CATEGORY (€ BILLIONS)



Notes: Growth shown at current exchange rates; E indicates estimated value.

Source: Bain & Company, Finding a New Longevity for Luxury (2025).

WHY JEWELRY IS OUTPERFORMING

Jewelry is the best-performing category, and I am speaking here of branded jewelry, a minority of the great jewelry market you know so well. And it is not an accident.

These brands did not increase prices too much. There were price increases, of course, but they kept value quite stable. They kept the eyes on the top of the pyramid, as they always have, while developing a great deal of newness in entry items: declinations of the iconic hero pieces that retain both intrinsic content and strong symbolic content. They evolved their communication quickly into social media and became more approachable, and they were less risk-averse about audacious means of communication. You may know this better than I do, but I think one of the best campaigns I have seen using AI came from a jewelry player. And they worked hard on CRM and customer intimacy, including strategies that speak to mother and daughter together, building a legacy inside families the way watches once did.

There is a deeper structural reason too. Jewelry brands have been more customer-centric than other luxury brands, which were more designer-centric or creativity-centric. Retailization happened here earlier. Many pieces are tailor-made or adjusted, which creates a genuinely stronger relationship with the customer. The rest of the luxury industry is learning that intimacy now; the jewelry houses learned it a couple of decades ago, and it helps them read trends and understand needs.

And jewelry can do something fashion finds very hard. If you buy the mini version of a famous bracelet, you do not feel you have bought a poorer version. You feel it is smaller, and still precious. In fashion, the entry item always feels like the cheap version of the creativity. They tried the mini bags, and the feeling persisted. Putting creativity at lower prices is the challenge those houses are working on hardest, and it is why they are all entering jewelry. That means more competition for you, but it is also positive: it creates more gravitas around the category.

WHAT THE YOUNG CUSTOMER IS ACTUALLY LOOKING FOR

In this moment of strong uncertainty, jewelry holds intrinsic value. It is something that holds its value, that you can gift within your family, that reduces the guilty feeling of buying something highly fashionable that will be out of season and out of your wardrobe within a year. Rational elements combine with emotional ones.

And the emotional elements here are unusually strong. Jewelry is the first thing human beings put on their bodies to symbolize something. In our memories it is attached to affection, to grandparents, to people who are no longer here. You look at pieces you never wear and all the memories come up. That resonates particularly with a young generation strongly seeking for meaning. Whatever carries additional meaning is valuable to them, and meaning can span the whole spectrum: a feeling, an emotion, a tradition, a culture, or even an extreme innovation. Other categories cannot stretch across all of that. Jewelry can.

Two specific behaviors follow. First, investment. We have a customer segment we call investors, and they are not all collectors with money. An investor can be a young customer with very little money who wants the real value of the goods. In periods of uncertainty that instinct is pervasive across every segment. It is the rational part, and it now carries a sustainability dimension too: if you gift something you no longer wear, you are gifting something that has kept its value. Millennials began that shift in mindset and the younger generation has gone further, because they are deep in resale. Resale is bargaining and it is entertaining. It is a way to feel smart and to feel right. That option is far from obvious with a dress.

Second, permanence. Iconic is an abused word in luxury; everything is iconic now. But jewelry genuinely has iconic shapes and themes, and they are reassuring. You never feel out of fashion. You always feel right. That reassurance is much stronger here than in fashion.

TRUST LIVES WITH THE RETAILER

There is an important asymmetry in this category. A branded piece gives the customer three layers of trust: the product, the iconic shape, and the brand. Without the brand, conveying the storytelling is harder, and harder still because it usually comes with a distribution model where you do not control the relationship with the customer. Somebody else is speaking about your product at the moment of truth.

But look at what the retailer actually holds: the trust of the customer. In a category where knowledge about quality is not widely spread, where it is genuinely difficult for a customer to judge a stone, its value or its authenticity, you have to rely on trust. You can trust a brand, and you pay a premium for it, so it is a paid trust. Or you trust the retailer and the human being in front of you.

That is exactly why the unbranded market in jewelry is so large when the unbranded segment in every other category is cheaper and mass-market. Here, unbranded runs across every price point, including the very expensive and very precious, because you buy the stone, you commission the piece, you rely on the relationship. In Italy there are three jewelry stores in every small village, and every other kind of multi-brand store there has died. The local jeweler sells the wedding, the special occasion, takes the resale, makes the customer feel they have chosen well.

For manufacturers, this is a backbone to use collaboratively rather than a channel to route around. It is a fragmented channel in many markets and not always sophisticated from a

systems standpoint, and communication with manufacturers is not always fluid. That is precisely where I would innovate: collaborating to convey the message consistently and doing a kind of joint CRM on the customer. The watch industry has done this well. Even the largest houses still rely mostly on this channel and the relationships of trust it creates.

BUILD PROMOTERS, NOT REACH

On communication, my advice is simple: always tell the truth and never over-promise. Social media is where every one of us now gets information, not only young customers. It is an extremely powerful channel, and in the past we never had a medium that felt so true by definition. But there is pollution there, and the span of attention is very low, so you have to find ways of communicating that breakthrough the noise and feel authentic at the same time.

The mechanism that actually works is not reach. It is word of mouth. Find the ambassadors of your truth and let them speak to their circle, then enlarge the circle. Build a network of promoters. On influencers, do not abuse influencers who are not authentic. Use the ones who are close to your cause and genuinely embody the values you want to convey. There was a phase where influencers were influencing about everything and they lost credibility everywhere, in China as in the United States and Europe. A micro-influencer or a loyal customer who is relevant inside a small community is often more interesting than someone with twenty million followers, because they connect more deeply with their cohort and tell a story that is not just an advertisement.

It sounds simple, and it is very powerful, because if you tell your best friend why you love something, that lands in a way advertising cannot. A friend's community shares your views and at least some of your values. It is a sophisticated marketing exercise, and technology and AI now make it far easier to identify who the real opinion leaders in a community are. But the mechanism itself is not digital at all. At its best it is a physical gathering in a physical place, with real people talking, hosted by the customers who already love you. Which should sound familiar to this industry. The famous trunk shows of the past did exactly this. A dinner, a party, friends invited, things explained. It still works, and it is broadly how luxury brands now do clienteling with their top customers.

One caution on values-based messaging. If you look at the surveys, customers declare that they care about these things. If you look at what they buy, there is a very big say-do gap. Sustainability is a reason not to buy, more than a reason to buy. People will stop buying when there is a scandal, and social media amplifies the negative far more than the positive. In luxury, consumers largely assume that fair treatment is already embedded in the premium they pay. They are very able to do the math. If you have a store on Fifth Avenue, they know they are partly buying the store when they buy the ring. What they do not forgive is discovering that the assumption was false. Recovery from that is extremely difficult, and the higher the love, the greater the sense of betrayal. It is a human relationship at the end.

I would add one balancing point. The sensitivity to these topics is genuinely growing with the younger generation, and the number of people making sustainable purchases is growing with them. It is still a minority, and a smaller minority still will pay a premium for it, but the direction of travel is real, and the reputational risk of getting it wrong is what you should be managing to.

THE MISSING SHELF IS STYLING

Here is where I think jewelry retail is leaving real money on the table. Mixing and matching high and low is a megatrend that swept every other category, across every generation. Very wealthy customers wear a total look of affordable brands with one expensive bag.

In jewelry they usually do not compromise in the same way, but young customers do combine vintage and resold pieces with new ones. In jewelry, it is happening now, driven by what they see on TikTok: a branded bracelet that belonged to their mother, something they made themselves, and a bracelet from Ibiza that cost ten euros but carries the memory of a summer, all on the same wrist.

What helped fashion enormously here were the e-tailers, who were able to style affordable items alongside expensive ones and make the result look cool. That editing and styling function is what I see missing in jewelry retail. There is no store that really mixes it. Jewelry stores tend to be institutional, and I do not only mean at the high end, with a selling ceremony that feels stiff.

Compare it with fragrance, where the young generation now layers and mixes to create their own scent, and the growth in the category has been huge. There is a store that helps you do that. There is no equivalent for jewelry. This is precisely a service you could help retailers offer. That is an opportunity, and it is a particularly good one for small brands and unbranded products, because these trends go viral and become big very quickly.

AND THE OTHER FIVE GENERATIONS

I will add one thing, because I think the obsession with the young generation is correct for the longevity of the business but incomplete. People now live longer and live healthier. We have six generations buying these products. That is another way this market is enlarging, not only that people buy earlier, but that they buy for far longer. They still have desire, they still fall in love, they marry at an older age.

So think about a long horizon. A great many people, at every different stage of their lives, with different feelings and different emotions. The real power of jewelry is that it accompanies people through their lives. And the generations are influencing each other in both directions. You will increasingly see much older customers behaving like the TikTokers.

TAKING THIS FORWARD

Understand what the industry did. Seventy million lost customers between 2022 and 2025 came from an over-correction toward the very top after COVID. Price rises, raised VIP thresholds and by-appointment ceremonies alienated the young.

Play jewelry's structural advantage. Your entry piece feels precious, not cheap. That is something fashion cannot replicate, and it is the single best route back to the aspirational customer.

Sell meaning, permanence and resale value. A generation short of meaning responds to symbolism; a generation deep in resale responds to a piece that holds its value and never feels out of fashion.

Treat the retailer as the trust layer. In a category where the customer cannot judge the stone, the relationship is the product. Collaborate on storytelling and consider joint CRM rather than routing around the channel.

Build a network of promoters. A handful of authentic voices inside real communities beats reach. The jewelry trunk show of the past is the same mechanism.

Add styling to the offer. Every other category learned to mix high and low. Jewelry stores still separate them, and the young customer is already mixing without you.

Do not forget the other five generations. Six generations are buying now. Jewelry's real power is accompanying a person across a whole life.

Psychological Innovation

Businesses obsess over product innovation and forget that how a thing is framed is as important as what it is.

ANANT SHARMA, FOUNDER & CEO, MATTER OF FORM

I started Matter Of Form fifteen years ago as an innovation business, doing digital transformation for high-end retail and hospitality. Halfway through that journey we pivoted into what I call emotional innovation, and I want to set out why, because it explains everything else I think about this industry.

Technology has stripped so much process out of life. Luxury used to be defined by comfort and convenience and signaling, and then the world of tech took its place. Silicon Valley created a path from A to B so friction-free that we have taken the serendipity out of everyday life. You can order a meal into your home, find a shortcut to any end result you want, and it leaves you with a certain hollowness, an emptiness of meaning. What luxury now needs to deliver back is the slower path. The storied path. A sense of symbolic meaning in the things people invest in.

We had a minor version of this crisis when we digitized everything, and a lot of major luxury brands exposed their supply chains and undermined what they stood for without quite realizing what they were doing. Now we are entering a second crisis of meaning, and everyone reading this knows it. There is a meme I keep coming back to: I wanted AI to do my dishes, not my art. We are still foolishly bending over and moving dishes from bottom right to top left while AI writes for us and adds a layer of obfuscation between us as human beings. Surely if we used technology for anything, it was to free up the time to be with each other, and to invest in things that have craft and provenance in them.

ALL VALUE IS A FRAME OF REFERENCE

There is a well-known psychology video where people are asked to count the number of passes in a basketball game. They come back with nine, eleven, fifteen. Then they are asked to watch the same video again and say whether they saw the person in an ape costume walk straight through the middle of the game. Almost nobody saw the ape.

I think that is a very good analogy for brand. We see what we are told to see. Brand gives us a way of organizing emotions that are ultimately subjective and have no fixed point of reference. It provides a value reference, a framework for deciding whether something is important and how valuable it is.

Here is the trap. The older you get and the better you get at what you do, the more of a technocrat you become, and the more you start assuming the value is intrinsic. You forget that all value is based on a frame of reference. That is a dangerous thing to forget right now, because value is about to change a great deal, as all of us are forced to ask what we actually value about any form of creative expression.

WHAT WE VALUE IS BLOOD, SWEAT AND TEARS

Ask yourself honestly whether you value something written by AI as much as something that was not. Anyone who cares about creativity or craft hunts for the signal of humanity in a thing. For a while we all looked for the em dash, and now that the em dash has been retired as a tell, we are looking for the next one.

There is a truth in that hunting. We value blood, sweat and tears. We value dedication to craft, because it symbolizes sacrifice and focus and flow, and that will always matter more than something money can buy or machinery can recreate. It is one of the reasons a hand-stitched bag holds value that a mass-produced one never will. It is why 3D-printing an antique rug is a fool's errand. You have synthesized the appearance of a well-worn object from a different age while removing the only thing that made it meaningful.

And the evidence that people are moving toward this is everywhere, if you look outside our industry. More records were sold in 2015 than in 1985. J.J. Abrams shot Star Wars on 35mm and avoided CGI, citing the inherent perfection of the computer-generated model as the reason to go back to film. The film factories at Kodak and Fuji have been reinvigorated. There are analog reading clubs in New York where young people gather to read books rather than Kindles. There is a rising value on the analog, on imperfection, on the soul of a thing, in a world of easy come, easy go.

Which brings me to the concept I would most want this industry to sit with: wabi-sabi. Sometimes the process of a thing means more than what it looks like. If I were positioning a natural stone today, I would not go on the defensive, and I would not talk about what I believe intrinsic quality is, because that means very little to a young customer. I would talk about why something forged over that length of time under that kind of compression has a kinetic and soulful energy to it. Every imperfection is a reflection of the soul of the thing, and that soul matters more than ever in an age of overly crafted, picture-perfect everything. The crack, the flaw, the part that is not perfect, is actually the truest reflection of the love and the humanity you are trying to express through the gift.

YOU ARE SELLING THE BEFORE AND AFTER

When someone invests in a luxury product or experience, they are doing two things. They are paying for their own time, giving themselves permission to connect with the symbolic importance of a moment, and room to revel in a process that modern life has taken away. And they are buying a before and after. They are not buying the product itself. There is a reason multi-million-dollar industries exist of people simply unboxing things on YouTube. Often it is the anticipation of a thing more than the thing itself.

The sequence of interactions leading up to a purchase is as important as the purchase, because they build the value reference that carries forward into how the owner cherishes the object afterwards. This is why buyer's remorse happens. A large majority of people report a dejecting comedown after buying something, and the reason is simple: if there is no

meaningful path to the purchase, no anticipation, no engagement with the story, then it does not matter how valuable the product is. If the goal is just to sell to someone as quickly as possible, the thing becomes meaningless.

So the ritualization of the selling process is vital. Get people to invest a level of effort and engage with the story, or even just with the decisions around the purchase. Benjamin Franklin said that if you want someone to like you, get them to do you a favor, because afterwards they post-rationalize that they must have liked you enough to have done it.

In an extraordinarily noisy world (Google estimates something like a quarter of a million interactions and fifty touchpoints between a customer and a conversion, on average across categories), the instinct is to believe you influence a decision by influencing thought, and that you influence thought by shouting louder. Bigger billboards, punchier headlines, more clickbait. The truth is the opposite. If you can get someone to do something small, if you can invite them to become part of the story, they will post-rationalize their thoughts and beliefs into congruence with their actions.

SMALL ACTS BUILD IDENTITY

Behavioral design is where this becomes practical, and the examples are almost comically small. In a famous experiment, a stall selling jam sold to a far higher proportion of passersby when it offered a handful of varieties than when it offered twenty-odd. Less choice, more purchase. One of the biggest luxuries you can offer a high-net-worth customer today is the removal of dissonance.

A hotel group asked guests to reuse their towels for environmental reasons and about a tenth did. They changed the sign to say that most people reuse their towels, which is social proof in a single line of copy, and reuse rose meaningfully. Then they changed it to say that most people in this room reuse their towels, and it rose again.

Thousands of gallons of water, from a twist in the copy.

In one American study, researchers asked residents to put a large sign in their front yard asking drivers to slow down. Almost nobody agreed. They asked a different group to put a small sticker in their car window instead, and most of them did. When they came back later and asked that same group for the front-yard sign, the overwhelming majority said yes, because they now self-identified as the sort of person who asks people to drive more slowly.

Every act of consumerism is an act of self-expression. Giving people a way of actualizing their identity through a series of small steps changes what they buy, why they buy it, and the symbolic meaning they attach to it afterwards.

GO BACK TO THE FOUNDING SPIRIT

Too often luxury brands rest on the laurels of history and heritage, and that is not enough anymore. What matters is founding spirit. Go and revisit yours, and use it as a lens on the world today.

Coco Chanel was an orphan who manifested success through dress. Someone tried to return a Bugatti because the brakes failed, and Ettore Bugatti told them he made cars to go, not to stop. The innovators at Louis Vuitton made round luggage you could roll onto a horse and cart. Astor gold-plated the plumbing because he cared that much about opulence. Christian Dior consulted a séance before major decisions. César Ritz was so paranoid about service standards that he once fired his entire staff. Kimpton put yoga mats in the rooms, long before anyone valued the spiritual dimension of a stay.

Every one of those companies was founded by a maverick, by people who chose to do things differently and who were then adopted as status symbols precisely because most people are not mavericks themselves. We build a portfolio of products that together become a representation of who we would like to believe we are. So the question is: what is the thing in your founding spirit that lets you reinterpret culture today?

That will matter more than ever in a world of AI and automation. Because two things are happening at once. Brands are becoming increasingly inhuman, and people are increasingly trying to become brands.

WHERE THE MARKET IS ACTUALLY GOING

A few shifts worth planning around. Traditional institutions are dissolving; a great deal of this industry's revenue has historically been attached to marriage, and people will express love in ways that are not always for the partner they spend their life with, and not always at the traditional institutional moments. There will be lower-tier expressions of meaning, for friends, for oneself. Self-purchase has risen from around five percent to forty percent in the last decade, which is a reflection of the hyper-individualized, main-character-energy world we have built.

You can read that cynically. We are celebrating a world of do what works for you, love yourself, and it is being interpreted at surface level in ways that sometimes camouflage quite bad values. But there is an offset. People are trying to create ceremony around moments of significance, and they are willing to invest in being kind to themselves, in a world that has in many ways become quite unkind. Attention is interrupted, work does not end at six, wealth disparities are widening. Think about which of your products are built for those moments.

And when you decide how to frame all of this, remember how malleable a value reference really is. I sit on the board of an olive oil company, so I have been in the detail of this one: there are businesses in California selling high-quality olive oil at extraordinary prices on subscription, framed as a daily ritual complete with a shot glass. It is olive oil. Non-alcoholic gin sells at the same price as gin because it sits on the same shelf in the same mental category, and none of us would pay that price for elderflower cordial, though the ingredients are not far apart. People focus on product innovation and forget psychological innovation. Psychology is as important as product.

TAKING THIS FORWARD

Sell the before and after. Anticipation, ritual and sequence build the value reference that determines how much the owner cherishes the piece afterwards. A fast sale destroys value even when the product is exquisite.

Design the small yes. One small act of participation moves a customer more than a louder message ever will, because they post-rationalize their beliefs to match what they have done.

Offer less choice, not more. Removing dissonance is itself a luxury. A curated handful outsells an overwhelming range.

Lead with imperfection. In an age of picture-perfect everything, the flaw is the proof of humanity. Wabi-sabi is a stronger position than a defense of intrinsic quality.

Revisit your founding spirit, not your heritage. Every one of these houses was started by a maverick. Find the thing in that story that lets you reinterpret culture now.

Innovate psychologically, not just physically. Framing, format and ritual can change what a product is worth without changing the product at all.

Start Acting Like the Challenger

The natural diamond category needs one clear point of view, and a hundred different ways of telling it.

JENNIFER O'BRIEN AND ART TAVEE, CO-FOUNDERS, CREATIVE STRATEGY INCORPORATED

For eleven years we built luxury, fashion and beauty brands together at Laird + Partners in New York, and since 2017 we have run Creative Strategy Incorporated, doing insight-driven strategy for global luxury fashion, hospitality and jewelry brands. We are partners, and we are two sides of the same brain, so we tend to notice the same things at the same time in different ways. What we notice about the diamond conversation right now is that it is being treated as a series of individual brand problems when it is also, plainly, a category problem.

THE CATEGORY IS ITSELF A BRAND

Natural diamonds are a brand, in addition to all the strong brands that many of you lead. And once you accept that, you have to accept the corollary: there are broad category perceptions and drivers of behavior that affect everyone in the room at once. Those cannot be solved brand by brand. They need something addressed at the level of the category brand, whether that is a genuinely unified message or a series of coordinated efforts that add up to more than the sum of their parts. A unified front around quality. Around sustainability. Around craftsmanship. Around the things you actually want to be true of the category.

THERE IS A LEADER AND THERE IS A CHALLENGER

In any category there is a leader and there is a challenger. There is a Coke and there is a Pepsi. Natural diamonds are the leader and synthetics are the challenger, and that has to be acknowledged before anything useful can happen. Because here is the difficult part: in order for the establishment to fight back, the establishment has to start acting like a challenger in its own industry. Not just defending the claim, but something with a more proactive mindset than that.

We sense a lot of resistance in this industry to a single, monolithic category campaign of the old kind, and that may not be what is needed anyway. But look at what challengers do well. They are laser-focused in their messaging. In today's world, that means tailoring it to specific audiences and making it relevant for different channels. It is not one size fits all, and yet it is still a unified message. Nike manages this in a sea of competitors. They have had their own struggles, but the message holds. Nike talks to runners very differently from the way it talks to basketball players. It talks to consumers in Italy differently from consumers in Japan. Different demographics, distinct audiences, an entire machine and billions of dollars behind it. Yet you always come away with a consistent perspective on what Nike is.

"A DIAMOND IS FOREVER" WORKED BECAUSE IT CODIFIED THE EMOTION

Part of getting there is aligning on the rational support. Is it rarity? If not, fine. Is it uniqueness? Fine. Is it value? Whatever it is, agree on it. Then there are the emotional stories, which are going to be deeply personal. Not only the soul of the stone, but what the wearer brings to it, what the purchaser brings to it. Those things have to sit together. But there has to be a clear sense of what you are all building.

"A Diamond Is Forever" was so powerful because it posited an emotion and then codified what that emotion should be. For the longest time you owned the idea that a diamond equals love, and a commitment to love. You have been entrenched in that language ever since, without any other message beyond it. There now needs to be a reaction to what is happening: something that posits what diamonds are, and particularly what natural diamonds are, so that there is a consumer relationship with them and an established value equation. That is what lets you command the price you want to command.

If "A Diamond Is Forever" were launched today, it would not be a single line in a single place. It would be a multi-channel, multi-dimensional effort with many levers, targeting many different audiences, dimensionalizing what love is and what a diamond is and how the two relate, across different media. It was monolithic back then, and the channels were unified, which is why one message was easier to pursue. And much as Nike does it, it can still be done for a category today.

THE AUDIENCE IS UNUSUALLY RECEPTIVE RIGHT NOW

There is one more reason to move. We were reading a piece in Business of Fashion recently about how well jewelry is doing with the younger generation, and it is doing well at a moment when fashion is struggling and other luxury sectors, handbags included, are struggling too. Some of that is a perceived-value effect, and it is worth understanding honestly. When a bag falls apart, the owner knows it. A diamond is a much more difficult and abstract equation for a consumer, because they cannot really judge it for themselves the way they can judge a shoe that has come apart. That produces a much higher perceived value.

If there is a rising tide to capitalize on, and an audience that is more willing to listen than millennials or older generations were, then the question is not whether the category can be addressed. It is how you approach that messaging while the room is still receptive. We do not have the whole answer. But we would start by thinking about the category the way a challenger would.

TAKING THIS FORWARD

Treat the category as a brand. Some of what is hurting you is a shared perception no single company can fix alone. Name it, and address it at the category level.

Adopt a challenger's posture. Stop defending the claim and start making the case. Proactive beats reactive, even when you are the market leader.

Agree on the rational support, then let the emotion vary. Pick your ground, whether rarity, uniqueness or value, and hold it. The emotional stories should be many; the underlying claim should be one.

One message, many tailorings. Nike speaks differently to every audience without ever confusing anyone about what Nike is. That is the standard.

There Is No Such Thing as a B2B Audience

The buyer across the table is judging you by exactly the same standards they apply as a consumer. Behind the scenes is not a strategy.

JENNIFER GONZALEZ, FOUNDING PARTNER & CEO, STUDIO & MARIE

I have run Studio & Marie for almost twenty years. Most of our work is business-to-consumer, and most of that experience sits in luxury: fashion, jewelry, beauty, wellness, some hospitality and sport. But we also work extensively in the B2B side of the business with venture capital and private equity, helping those entities communicate the value of what they offer. And what they offer is not really an end product. It is mostly relationships. That is probably the closest proxy to the conversation this industry is having, and it has taught me the most fundamental thing I can offer you.

WE ARE ALL CONSUMERS

Regardless of whether it is B2B or B2C communication, the end audience is inherently the same. We are all consumers. We are all curating, selecting and modifying the types of brands that we invest in and engage with. I want to keep saying "end audience" rather than "consumer," because I want to put everybody in the same bucket: the industry professional buying at wholesale and the individual buying at retail.

That old-school mentality of dividing the world, so that a B2B audience gets one kind of communication while all of the marketing investment goes toward B2C because B2C is where the end product ends up, is a genuinely antiquated way of looking at it. Two things have made it obsolete. Digital and social media access has made people hyper-aware. And the collective taste level has improved dramatically, across the board. Audiences are looking at and critiquing businesses in a much different way.

CONSISTENCY HAS BECOME TABLE STAKES

Which brings me to brand consistency. Brand consistency is now one of the biggest table-stakes aspects of this discussion, whether you are talking to industry professionals or end consumers. That sense of consistency, rigor and trust in the brands we engage with and invest in is inherent. It is simply what people expect now.

So when someone comes to look at even a very isolated B2B business or wholesaler, ask what they are actually seeing. If I arrive at your website, or a LinkedIn page, or even just read the footer on the email messages I get back from you, is it consistent? Is it adhering to the basic standards of marketing and communication, even at that very minimal level?

I am cautious about telling this room that Instagram is essential. Instagram is absolutely table stakes, but I am well aware that a B2B business model often does not want to put the resources there, and that the optics of "we are strictly behind the scenes" feel right to a lot of you. Fine. But some of the other channels are not optional, and for an institutional or corporate business, maintaining visibility and consistency on those platforms is critical. You either have to have a consistent presence, or be genuinely white-label behind the scenes. What does not work is being visible and inconsistent.

THE RELATIONSHIPS ARE RECYCLING

Here is the part I would want a wholesaler in this industry to sit with.

These relationships are recycling. They are moving. It is generational. A new generation is taking over parts of these business transactions, and their expectations are different. What they are looking for is different, and their taste level is more elevated and refined.

So we really cannot rely on the relationships we had with the specific individuals who were responsible for selling and marketing, relationships with a handful of clients. The question is no longer only who do I know. It is: who is looking at our business right now? Who is shining a spotlight on our brand messaging in a different way? And will our reputation and our sense of trust be upheld through generational eyes?

PURPOSE IS NOT FLUFF, IT IS INFRASTRUCTURE

The reason this comes back to brand strategy is simple. Without a purpose or mission statement, and with many people inside an organization communicating on its behalf, your message is fractured. It is fragmented. It cannot be otherwise.

I know a lot of mission statements are fluffy. We do not write fluffy ones, and I do not believe in them, because any kind of superficiality is pretty transparent these days. But the painful process of developing the purpose and mission statement, agreeing on a set of values and deciding how we communicate as an organization is really the only way to do it. It seems traditional. It is fundamental. You come out of it with a set of brand guidelines, and where those used to run 200 pages, we now try to make them 25 or 30 and far more focused. What that gives you is a standard for the sticky topics. What is our stance? What is our business doing to dispel some of the misconceptions in this category? This is not about anti-campaigns or negative messaging. It is about education. And it matters because there is a fundamental difference between now and the era of the great category campaigns. Back then it was about style and desirability and how this adds value to your life. Nobody was thinking about origin, environmentalism, sustainability or energy consumption. Now those are a fundamental part of decision-making, and the misconceptions of a few decades ago still infiltrate it. That is precisely the foundation lab-grown has built its platform on: we are inherently not that.

You might assume the end consumer of a major maison's product is never going to know where the material actually came from. But maybe they are researching. Maybe they are looking into it. That through-line of consistency, from your business all the way to the person wearing the piece, is exactly where B2B marketing becomes so important.

GET AN OUTSIDE PAIR OF EYES

One last thing, and I would say it even if it was not my business. Outside perspective is hugely valuable, because businesses are so myopic. We are so insular, so focused on the day-to-day operation. Having someone work with you from an objective standpoint is incredibly additive, and it takes a lot of the weight and burden off while you work out what your platform going forward actually is. Thinking of it as a platform may feel grandiose. But effectively, that is what it is.

TAKING THIS FORWARD

Audit what a stranger sees. Website, LinkedIn, the footer of your reply emails. Consistency at the most minimal level is now a trust signal, not a design preference.

Choose visible or choose white-label. Both are legitimate strategies for a B2B business. Being half-visible and inconsistent is the one position that costs you.

Write for the next generation, not the current one. The individuals your team has relationships with are being replaced by people with different expectations and a more refined eye.

Do the unglamorous brand work. Purpose, values, and a short, focused set of guidelines are what stop a dozen internal voices from fragmenting your message.

Have a stance ready on the hard topics. Not an anti-campaign, but an education position, decided in advance, consistent everywhere.

Profit Per Gram

High gold is not a crisis. It is a capital discipline problem, and an invitation to read your range completely differently.

HELEN GIBB, JEWELRY RETAIL CONSULTANT I FORMER COMMERCIAL DIRECTOR, SIGNET UK

Gold prices have changed incredibly quickly in a very short space of time, and retailers simply have not been able to adapt as fast as the price has moved. That is the honest position most businesses are in. But I do not think high gold is a crisis. It needs adaptation. Our industry adapts all the time. Everything about lab-grown has been an exercise in adapting, and we are now doing the same thing with gold.

IT IS NOT INVENTORY. IT IS DEPLOYED CAPITAL.

The first thing to change is the frame. High gold prices are a question of capital discipline. This is not a conversation about inventory; it is a conversation about deployed capital. And that gives you a new measure. Profit per piece is no longer the relevant number. It is profit per gram. How do you make more money out of the investment you already have sitting in gold?

We have never really been in a space where we said: let us look at our gold inventory, look at how much capital it is taking, and be honest about what is returning and what is not. That is the exercise now.

THREE CUSTOMERS, THREE DIFFERENT PLAYS

The customers walking through your door are not one group, and each one gives you a different lever.

Investment buyers will strengthen this market. You can talk to them about the price of gold, they are probably more aware of it than you are, and you can optimize around them in a way that was not really available two years ago.

Event buyers will usually still buy. In the UK, an eighteenth birthday probably means a curb chain. When gold was at $2,000 that chain was maybe $535; at $5,000 it is closer to $1,340. That is a big shift, but the event has not moved. Your job as a retailer is to be savvy about it. Do you need to offer more credit options to help them buy for the occasion? Just be clear-eyed about the arithmetic, because if that sale is now taking credit, and credit costs, you need the margin to cover the extra credit or you are losing more money than before.

Aspirational buyers will trade down in weight, and they are probably a fair piece of your market. This is where the real damage has been done, because everyone has an entry product, and when the gold price moves this quickly you have almost certainly just reworked all of your entry product, and now none of it sits at the price point or the weight you need. It all has to be reworked again. Some of it may mean looking at different materials, because there is a level an aspirational buyer will spend and you have to work to that.

I would not solve this with blanket price increases. Every business needs its margin and everybody has to be profitable, so you do need to reach the point where gold is costed appropriately for your business. But give yourself a longer-term plan, say eight months to get margin back where it needs to be, and put strategies in place along the way. What is your new entry price point? What is your new low-weight gold, and how long will it take you to get it in? In the meantime you are balancing percentage margin against volume, and that balance is genuinely different for every business.

READ YOUR RANGE AGAIN, GRAM BY GRAM

Then go through the range with the new measure in hand. If you have not sold something for a year, ask how much weight is sitting in that product and whether it needs to be melted. If you have a heavy chain that really is not selling, you might want to keep a few anyway, because it is good to show customers you have it, and melt some.

There is a cost to melting, so the question is what you get back versus the opportunity cost. You may not recover all the value, but by putting that metal into a product you can actually sell, you will make more profit from it. You can melt a gold chain and turn it into a ring. So the real question becomes: where are you seeing the demand, and where can you realize the potential of that metal?

Put more simply: if you sell one piece every two years, do you want forty grams sitting in that piece, or forty products at one gram? Look at it over a lifetime, or at least over a year, rather than over a week. And mind your calendar, because a lot of jewelry is sold in the fourth quarter, so look at it at the times appropriate to what you are holding and what you are doing with the product.

YOUR SOURCING STRATEGY IS THE OTHER HALF OF THE ANSWER

None of the above works if your supply base has not moved. The Italian jewelers have extraordinary lightweight technology, and there are now challenger vendors outside India, including one I know very well who is based in Bangkok, where you can still work in the metal but do it lightweight. India does not yet have the same metal technologies the Italians do. So this is partly about having a great sourcing strategy: where can you go to still offer your customer real gold, at nine, ten, fourteen carat, whatever you deal in, and be smart about the weight?

The good vendors know overall kilogram demand will probably decline, and they are adapting: one of the biggest suppliers over there has started doing stainless steel with gold plate for the first time in his life. So talk to as many suppliers as you can. What they are doing collectively tells you a great deal about where the market is going.

OWN THE CONVERSATION ABOUT REAL GOLD

That leads to the opportunity I find most interesting. Fashion brands are in vermeil. Some are plating over stainless steel or other metals to hit a price point.

You have probably all seen the platinum-plated lines coming out of the big mass-market brands. That is costume jewelry with a platinum plate, and it is certainly not jewelry in the traditional sense.

As jewelers, there is a conversation you can own about the quality of the metal you are giving the customer. In the UK we assay everything, so we know the metals, but there are online sellers marking pieces that have never been to assay. And most customers do not know what gold vermeil is. They thought they were buying gold. They only find out when the plating wears off. That is a huge education piece: with the customer, and with your own teams first. So the question for the specialists in this industry is: how do you make that education easy, and how do you help the retailers educate? What should they be talking about that is actually relevant?

There is a version of this that works in your favor on the value side too. There is a conditional consumer confidence in gold right now, because people know the value is going up. The question is how you optimize that confidence, which means they have to believe in what they are buying, and in the quality of it. They should be confident, because they are buying a precious commodity at a moment when everyone knows it. Just be careful with the language. "Investment" is a hard word for us to use, and I would not recommend straying into financial regulatory trouble. But heirloom value is entirely fair. People buy pieces they want to pass down. You are looking after it for the next generation. There are ways to speak to a customer who knows there is real value in the piece without making a promise you are not allowed to make.

THE RISK IS ACTUALLY THE OPPORTUNITY

I am glass-half-full, so I struggle to name a risk here. What I see is an opportunity, and it is innovation. The market has changed and you have to adapt quickly and decide how you are going to play in it. That process pulls out the innovators, and those are the partners you want, because when the next level of change comes, they will already be thinking about it. If you are working with people who think that way, you know you are working with the best in the field.

There are also plainly commercial ways to think differently in the meantime. In a B2B scenario, a lot of businesses will take gold on consignment, and consignment goes on spot price, but if you already own the gold, you do not need to be on spot. You can agree a price and make the deal trade better. And on planning: if you can hedge at today's level, knowing it might go higher by year end, at least you can plan your year and protect your margins. You do not want to be making price changes in the fourth quarter. That period is for trading, not for business adjustments. Gold just needs a bit more planning now than it used to, because it is definitely more volatile.

TAKING THIS FORWARD

Change the metric to profit per gram. Profit per piece hides the problem. Gold is deployed capital, and capital has to earn its place in the range.

Segment your buyers and plan for each: investment buyers to optimize, event buyers to support with credit that your margin can actually carry, aspirational buyers who need a genuinely new entry price point.

Interrogate slow-moving weight. If it has not sold in a year, work out what melting returns versus the opportunity cost of leaving the metal where it is. A chain can become a ring.

Widen your sourcing. Italian lightweight technology and challenger vendors elsewhere let you keep the customer in real metal at a workable weight.

Make real gold your argument. Vermeil and plated steel are flooding the price points beneath you. Educate your teams first, then your customers.

Say heirloom, not investment. Speak to the customer who knows the piece holds value, without straying into financial promises.

Plan the year, then trade the peak. Hedge where you can, get your pricing right before Q4, and leave the fourth quarter for selling. Have a stance ready on the hard topics. Not an anti-campaign, but an education position, decided in advance, consistent everywhere.

Quick Wins Beat Big Swings

The AI project your leadership team is most excited about is usually not the one that will pay you back first.

EHMAD ZUBAIR, CEO, COGENT LABS, HILL & CO.'S EXCLUSIVE AI PARTNER

I have spent the past thirteen years building enterprise software systems for clients across North America and Europe, and the last stretch of that almost entirely on AI-driven automation. I have now walked more than a dozen companies through an AI discovery sprint. The single most useful thing I can tell this room is what those sprints keep revealing, and it is not what the person who commissioned the sprint expects.

THE MENTAL SHIFT THAT ALREADY HAPPENED

Before the generative AI shift, businesses operated with everything running perfectly well, a human doing small tasks on a screen over and over, until eventually a manager walked past and said, why don't we automate this? That is no longer how it works. The shift I see now across a plethora of industries is that founders are now starting to figure AI out themselves because of the low barrier to use frontier models. Once they see the initial results, they then default in their heads to automating everything, and whatever is left over gets done by humans.

There has been a second, more recent shift, and I think it was prompted by the research reports showing generative AI use cases failing to deliver in production. Founders have moved from thinking about replacing their workforce to augmenting their workforce first, and only considering replacement after that. It is a two-step process now: augment, then decide. Interestingly, while their teams are figuring it out, they default to hiring only if they absolutely need to.

WHAT AUGMENTATION ACTUALLY LOOKS LIKE

One of our customers in the fenestration industry used to receive roughly seventy purchase orders a day for small pieces: latches, glass, window panes. They had a team of three people coming in every morning and spending eight hours converting those orders by hand: finding the part, entering the ID, adding the quantity, finalizing the specific price for that specific customer, double-checking, then submitting the order into their ERP. They did it manually because every order was in a different format (PDFs, screenshots, text in the email body and even handwritten notes). The orders arrived by email, and email did not talk to their ERP, so they had humans sitting in the middle translating one into the other.

With computer vision, the AI now does ninety percent of that job. Nine out of ten times it gets the purchase order right, and you don't need any human intervention. One time out of ten, you need somebody to give it a final thumbs up. That is a human in the loop, and it is a classic case of augmentation rather than replacement. One person now covers what took three, and the other two can dedicate their time to genuinely higher-value work. The best part is that the more feedback you give it, the smarter it gets. It will make mistakes the first two or three times. You point them out, it labels that data, it trains itself, and next time you have even less to do. As of today, 97.3 percent of all purchase orders go from email to their ERP in less than 60 seconds.

WHY THE FOUNDER USUALLY PICKS THE WRONG PROJECT

Here is the funny part. What the founder thinks is the bottleneck that AI will solve consistently turns out not to be the best quick win for the business.

I know this from first-hand experience. You are in a boardroom, the founder believes they have it all figured out, and everybody in the room seems to agree. Then you go and deep-dive with the heads of departments and ask what they actually do day in, day out. The things that surface are not as sexy. They do not look impressive on a slide. And they are enormous wins for the team, with very little effort. Founders tend to focus on the big swings, which look good on the surface. The people down in the trenches focus on the quick wins, an incremental forty percent of productivity, identified from a one- or two-week implementation sprint.

So when you rank candidate use cases, use three measures. The effort required. The impact, where I would say the North Star metric is annual savings. And the readiness of the team and the data. You can have the best quick win in the world and then discover it is locked behind a SharePoint document that is not accessible via an API, and it stops being a great use case. You can also have a low-effort, high-impact, obvious win and a team that is convinced it will take their jobs, in which case start with something smaller and let them warm up to it. They are reading the same layoff headlines you are.

One piece of good news on data: you can use AI to clean up your own data, and even to manufacture synthetic data to train it further. If your records are a mess of free-text fields, you can set the rules and have an AI go back retroactively and fix them. A few steps through a pipeline can turn data you assumed was worthless into something usable. And if you live in Google Sheets, you barely need to leave. Create a column, type equals AI, give it a prompt and the cell you want it to act on, tell it to fix all the misspellings across ten thousand rows, go to lunch, and it will be done when you get back.

MEET PEOPLE WHERE THEY ALREADY ARE

For an AI use case to succeed, you have to introduce the minimum possible level of friction or change into how people already work. If your team lives inside your ERP, put the copilot inside the ERP. We have done exactly that for a customer in NetSuite, so they access everything without leaving the system they know.

Another customer needed insurance checks run for incoming patients. A person used to do it, entirely over email. We did not move the process. The AI now does it over email and simply adds the original person into the CC. Same modality, same channel, same routine. The AI is driving the process and the human is sitting in the copilot seat, checking in when the job is done or when it needs an intervention. Start there, and the value compounds over time.

THE THREE QUESTIONS TO ASK ANY VENDOR

Chatbots are such a 2022 use case. ChatGPT came out in November 2022 and everybody and their mother put a bot on their website, and a lot of what people experience as "AI does not work" is really just a poor implementation. Here is a free diagnostic: take your own website URL, give it to a leading model, ask it the question your bot got wrong, and compare. That tells you how good a job the right technology does with one line of your website versus something that was implemented badly.

When you are buying or building any of this, ask about three things. Evals, short for evaluations, are a suite of test cases you give the AI, the same discipline that stops the frontier models from saying something catastrophic. If your assistant gave a customer a wrong answer, that question goes into the evaluation set, and from then on either the system passes that test or it never reaches production. Guardrails, which are the boundaries of what it may and may not do. And feedback loops, because what is acceptable for one company's voice is not acceptable for another's, and you need a mechanism to say: not like that, be more direct, be more welcoming. Ask any vendor about evals, guardrails and feedback loops. Their answer tells you most of what you need to know.

DO NOT OUTSOURCE THE DECISIONS

This technology is about three and a half years old and evolving fast, and you do not want to give it access to the life-changing decisions inside your business yet. Think of it as a very smart intern who can do very narrow things extremely well. You do not outsource your decisions to a smart intern, because making decisions in your context is what you are paid for. You get it to do all the legwork and hand you far more intelligence, data and insight than you had before, and then you decide. There will come a time when it makes better decisions than you do, or at least helps you critique your own. I think we are a couple of years, maybe three, away from that point.

And contrary to what the gurus will tell you, you do not need twenty thousand dollars to start. You need the quick wins that make this real across the organization. I spent fifty dollars on a tool and it is saving me an hour every day. Two days later, that is already ROI positive. The real return comes from nailing the use cases that are genuinely quick wins, not the ones the higher-ups think are the sexiest thing around.

TAKING THIS FORWARD

Augment before you replace. The two-step sequence, giving people superpowers first and revisiting headcount later, is what separates the implementations that survive contact with production.

Ask the trenches, not the boardroom. Interview your heads of department about what they actually do all day. The best quick wins are unglamorous and almost never the founder's first guess.

Score every use case three ways. Effort, impact (annual savings as the North Star), and team plus data readiness. A brilliant use case behind an inaccessible system is not a use case.

Change the engine, not the workflow. Put the AI inside the tool your team already uses, on the channel they already use. Minimum friction is what gets adoption.

Ask about evals, guardrails and feedback loops. Three words that separate a vendor who will keep your assistant accurate from one who will embarrass you in front of a customer.

Start at fifty dollars, not twenty thousand. One tool that saves an hour a day is ROI positive within days, and it buys you the internal goodwill for everything after it.

Charting the Course

Eight experts, one instruction: stop waiting for the conditions to settle.

Read these seven articles together and the same shape keeps appearing under different names. Dennis Campbell calls it the absorption gap. Claudia D'Arpizio measures it in seventy million departed customers. Helen Gibb finds it in the safe, as capital that has stopped working. Anant Sharma locates it in a value equation nobody has reset. Conditions changed at one speed and the business responded at another.

None of them argues for moving faster in general. That is an exhortation, not a strategy. Each describes how to make the next decision sooner, on a smaller scale, with a clearer view of what you are deciding.

WHAT THE EIGHT AGREE ON

Adaptation is a capability, not an event. There is no completion date. Dennis's gap widens on its own if you do nothing, which makes standing still an active choice with a compounding cost.

Small moves beat big ones. Ehmad Zubair's quick win pays back before the flagship project is even scoped. Anant's behavioral evidence says the same of customers: the small yes moves people that the loud message never will.

The customer has already moved. Consumer or business, the person judging you applies consumer standards, has researched you before you meet, and is not who your team built the relationship with a decade ago.

Your tacit knowledge is the asset. Everyone has the same tools. What separates two businesses using them is knowing when the output is not quite right, and that lives in the heads of people who have done this for thirty years. Get it into your systems.

Consistency is what makes speed survivable. Jennifer Gonzalez puts it bluntly: being visible and inconsistent is the one position that costs you. Moving quickly only helps if the market still recognizes you afterwards.

WHERE TO START THIS QUARTER

Pick one gap and name it. Ask your leadership team where the business is slowest to respond, and insist on a specific answer rather than a general one.

Run the numbers you have been avoiding. Profit per gram on your top twenty lines. Sell-through on the range you reorder out of habit. A morning's work, and both usually change a decision.

Choose your one AI quick win. Not the project the leadership team is most excited about. The one with the most hours and the least glamour behind it.

Audit what a stranger sees. Your website, your LinkedIn, the footer of the last email your team sent. Fix the cheapest inconsistency this week.

Write down one thing you know that your systems do not. Then put it somewhere the systems can use it.

THE NEXT WAVE IS ALREADY FORMING

None of these forces has finished. Gold has not settled. The customer question is unresolved. AI is on the steepest part of its curve, and the honest reading of Dennis's two lines is that the gap is wider today than when he drew them.

That is not cause for alarm. It is a reason to build the muscle now, while the decisions are still small enough to get wrong safely. The businesses that come through the next two years will not be the ones that predicted correctly. They will be the ones already in the habit of moving. You know your market and your product better than any model does. Use that sooner.

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