

Pennachio Jewelers – One Success Story in an Economy Fraught With Failures

Glastonbury, Connecticut, June 09, 2009 -- In an economy where most retail jewelry stores are doing whatever they can to survive, Pennachio Jewelers sales are increasing and so is their staff. What makes their story even more unique is that Pennachio Jewelers opened their doors less than one year ago, amidst a declining economy, and in a town that already has several well-known jewelry stores. So why take a risk in starting a new business and competing against established stores



Cutting the Ribbon at Their Grand Opening are Owners Tracey Pennachio-Drost and Ron Drost Along With Their Son Eric.

during down economic times? "The answer's very simple," says Tracey Pennachio-Drost, co-owner and sales manager of Pennachio Jewelers. "Our business model is significantly different than everyone else. Not only does it address all of the concerns and fears most people have about buying jewelry, it does so at levels we feel nobody else can match. We know of no other store that combines quality, value, and informed service the way we do. And in these economic times, it's exactly what people are looking for."

Tracey has been in the jewelry industry for over 14 years, including most recently having managed a retail jewelry store and was tired of watching values deteriorate in the industry. "As the store manager, I was the person people dealt with, but since I wasn't the owner, I didn't have much say in how things were done. And there were a lot of very unethical things I was asked to do by the owner, quite often I would come home in tears." When Tracey confronted the owner, she was told that she was just too honest to work in his store. Upon hearing this, Tracey's husband, Ron Drost, surprised her one night at dinner. It happened to be on her birthday when he made up a business card and left it on her dinner plate. The business card had the name *Pennachio Jewelers* on it with Tracey Pennachio-Drost

included as owner and sales manager. There was also a tent card next to it that simply said "A Dream Needs to Start Somewhere." And so it did. Tracey says that it was only a matter of days before her husband put together a business plan and a few weeks later they were signing a lease for a space in the new Eric Town Square development at the intersection of Hebron Avenue and New London Turnpike in Glastonbury. Their jewelry store opened a few months later, a birthday wish come true, and they haven't looked back since.

And what specifically makes their business so different that they are expanding in an economy where most businesses are downsizing? "It's all about how the customer is treated," Tracey says. "Every decision we made regarding the business was centered on the customer, from the free refreshment bar with multiple selections of gourmet coffee to the child's chalkboard neatly tucked against a wall for the little ones to keep active while their parents shop." The layout, which includes a handicap accessible public bathroom, is elegant but certainly not intimidating and gives the impression of fine quality inventory, but invites you in to explore and have fun trying on the diverse variety of jewelry and watches they have available including several exclusive designer lines. On the wall above the register is a curious sign. It talks about the 4 C's of customer satisfaction. "This is why we opened the store," says Ron Drost, co-owner and business manager. "It's an obvious play on the 4 C's of Diamonds, which most people have heard about; however, the 4 C's here represent Concern, Consideration, Conscientiousness, and Cooperation. It's all about letting people know that customer service is our number one priority. Everybody talks about customer service but we feel our level of service is unmatched anywhere since our goal isn't just to meet expectations, it's to exceed them. First of all, we recognize that the process of buying jewelry can be intimidating and confusing and we believe education is the key to buying with confidence. As a result, we take the time up-front to educate and guide our customers on all aspects of jewelry selection. Even if they don't purchase from us, we want people to leave our store feeling at ease knowing they have all the information they need to make their selection with confidence. Combine this with only the highest quality merchandise

at the best prices every day and you get a comfortable and memorable buying experience which is what people want. We're amazed by how many customers come to us and tell of the negative experiences at other stores; how they fell victim to deep discounts offered over high marked up prices or bought a low quality product that was advertised at higher quality. We have everyday price guarantees in place and we back up everything we sell. We just want our customers' jewelry buying experience to be as special as the moment or feelings they are trying to capture or represent."

The best test of how well a business is satisfying their customers is by asking the customers themselves. What's curious here is that Pennachio Jewelers usually doesn't have to ask. "Most customers are so delighted by their experience with us that they can't help but comment on how much they enjoyed shopping with us," says Tracey. "We try to mail out thank you cards to our customers after a purchase and what we find is that they are mailing us thank you cards as well.



The Interior of Pennachio Jewelers is Elegant but Not Intimidating.

We've also received flowers, wine, figurines, lunches, dinners, and numerous other gifts from our customers. We've even been invited to three weddings of customers we got to know during the process of buying their engagement rings from us. One customer actually brought us a romantic dinner for two, which included a huge tray of lasagna, bread, candles, flowers in a vase, and dessert because she knew my husband and I were working late hours during the holiday season and were so busy we didn't have time to eat a home cooked meal. How many businesses can tell a story like that?"

Tracey tells of another story where a gentleman came into the store to kill some time while his girlfriend was

working at Whole Foods. The couple lives in Boston where she works as a traveling sales representative for a Boston area food company. He decided to join her on this trip to Glastonbury and then visit local jewelers to learn about diamonds and engagement rings since they were recently talking about getting engaged. Tracey said he spent about an hour talking to her about the usual things a guy would talk about regarding engagement rings and then he thanked her for her time and left the store. Not thinking anything further of it, Tracey received a phone call a few weeks later from that same gentleman from Boston. He commented about how much he enjoyed his experience with her and said that in four weeks of visiting Boston area jewelry stores, he couldn't find any that matched the quality, price, or overall experience that he had at Pennachio Jewelers. The next day he left work and drove the two hours from Boston to Glastonbury, purchased a diamond engagement ring from Tracey, and drove two hours back to Boston and went back to work. "It's experiences like this that tell us we are doing something right," says Tracey, "which is exactly why we opened the store."

Even their suppliers, several of which provide merchandise to their competitors as well, are amazed at what Tracey and Ron have accomplished. "We talk to our suppliers regularly and they let us know how we are doing on a relative basis," says Ron. "This is important to us because we have nothing else to compare to since this is our first year in business. It's comforting to hear a supplier tell us that we are outperforming established stores that have been in business for decades. It's all about providing unparalleled service in a comfortable environment while providing the best quality merchandise at the best value around," says Ron.

"As a new business we've done a lot of advertising, including a fairly significant television ad campaign," says Ron, "but word of mouth seems to be our best method of advertising. We've had so many customers as referrals that we've actually instituted a customer referral program to reward our loyal customers for helping expand our business. And this program is like no other. The program offers a referred customer 20% off their initial purchase but then also credits the person that referred

them 5% of the total purchase. To explain the value for our customers, we tell them that if someone is referred to us and spends \$10,000, the person that referred them gets \$500 in store credit good towards anything in the store, and it never expires and you can refer as many people as you like. It's amazing to watch people's reactions when they find out how much store credit they have from referrals," says Ron.



*An Engagement Ring
from Pennachio Jewelers'
Bezame Bridal Collection.*

While Pennachio Jewelers carries a wide variety of jewelry, a big part of their business is bridal as they have one of the largest selections of engagement rings and wedding bands in the area with over three hundred styles in stock. They also advertise a low price guarantee on all loose diamonds. "Our diamond supplier is still trying to figure out how we do such a large volume; he jokes that everyone in Glastonbury must be single and in love. This is an obvious compliment from a company that services over 400 stores nationwide," says Tracey. "It's not about making a quick sale; it's about making friends and lifelong customers while selling a quality product at the best possible price," says Ron. "It's about becoming a true hometown jewelry store where people can come to feel at home and trust in the merchandise and especially trust in the people. We want to be your jeweler for life. We don't pressure anyone into buying anything and based on customer feedback, people really appreciate that. Our goals are simple - be a family run jewelry store where customer service is first priority; quality and value are designed into every product; integrity is inherent in every employee; and honesty takes precedence over sales gimmicks. Unfortunately a lot of these attributes are hard to come by this day and age. But not at Pennachio Jewelers and as a result, we like to think we're becoming Glastonbury's hometown jeweler, one customer at a time."

Pennachio Jewelers is a full service fine jewelry store. Their services include expert jewelry repair, custom design orders and engraving, as well as appraisal and consignment services. They carry several designer lines including two wildly romantic bridal collections Bezame and Genesis; an exquisite collection of fine jewelry by Andrea Candela; a bold line of watches from NFW; a distinct jewelry collection from Caroline Ballou; and an elegant line of jewelry and watches from Skagen. They also carry a wide selection of giftware for all occasions.

Pennachio Jewelers is located at 120 Hebron Avenue in Eric Town Square in Glastonbury and can also be found on the web at www.pennachiojewelers.com.

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