

MSU CAS 827

Charles and Colvard

Group 6

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Executive Summary

The cornerstone of the Charles & Colvard jewelry company is their position as a premier provider of moissanite gems. However, recent years have seen the business dwindling due to a combination of patent expirations and the increasing development of moissanite among competitors, while the company also faces a challenge in disrupting the perception that diamonds are the best and most acceptable gem on the market.

In analyzing both Charles & Colvard and their competitors, it seems that Charles & Colvard could increase sales and their consumer base by implementing a stronger social media campaign. Immediate actions they could take could include increasing credibility by becoming a member of the Responsible Jewelry Council and increasing interaction on their YouTube channel due to the strong consumer response to that particular social media platform (see the social audit media table for KPIs to support encouraging this platform).

However, a more long-term profitable goal we suggest would be to generate leads and create brand awareness in the United States over the next five years in order to outsell diamonds among young consumers. The suggested target market will be men and women ages 23–38 who self-identify on social media as being involved in a relationship, as millennials are currently Charles & Colvard's leading consumer market.

The campaign OVP will focus on the environmental, ethical and cost benefits of moissanite in comparison to diamonds. Campaign tactics will include targeted display ads, broadly targeted press releases, and social media posts aimed toward a mixed target reach. Another large push will be to create an authentic video series that will show how moissanite is made, highlight the benefits of moissanite over diamonds and share client experiences with our brand.

In order to implement these tactics, Charles & Colvard will need to employ an internal marketing manager to work with an outside advertising agency to develop basic templates for the creative elements for the social pages, after which an internal marketing team would direct the strategy and creation of content going forward.

Finally, using existing benchmarks we will continue to measure for brand awareness and customer base growth by tracking social media data points such as new follows and likes, and by tracking first-time consumers with surveys, to continue working toward sales and brand awareness growth.

Client Background

Silicon carbide, also known by phys.org as stardust, is an extremely resistant element found in meteors. This resistance is what makes it a perfect candidate for one of the toughest stones on earth, falling just below the hardness of a diamond on the Mohs scale (Russell-Ausley, n.d.).

When Nobel Prize–winning chemist Dr. Henri Moissan was searching inside of a meteorite crater for electrical conductors, he had no idea that he would discover something that Charles and Colvard would later use to challenge the world’s traditional beliefs of what is considered fine jewelry (Charles & Colvard).

Over a century after Moissan’s discovery, Charles and Colvard developed an efficient method of creating their own pure form of silicon carbide crystals which lead to the development of the Moissanite gemstone (Burnham, 2019). This stone shares a similar hardness to a diamond, has a higher refractive index which makes it more brilliant, and is less expensive than a diamond (Foley, 2019).

Moissanite is sure to last forever but we can’t say the same about the Charles and Colvard patent. Over the last several years, patents in 27 countries have expired, the first of which took place in the United States in 2015. Since then, other jewelry manufacturers have begun experimenting with and developing their own version of the gemstone (Charles & Colvard Must Sell Millennials and Gen-Z on Moissanite Or Fail) Although none of them have Charles and Colvard’s 20 years of expertise, it’s in the client’s best interest to show the world that they are in fact the original creators and the most trusted industry leaders of this new and brilliant gem before anyone else takes the lead.

Unfortunately, one of the major challenges of Moissanite is the strong hold diamonds have on the fine-jewelry market. Many years of diamond marketing and popularity has made engagement proposals synonymous with diamond rings. Charles and Colvard is attempting to disrupt a long-held perception of diamonds created by one of the most successful marketing campaigns in history famous for the slogan “a diamond is forever” (Foley, 2019).

Charles and Colvard is a public company which currently employs 76 people and holds a stock market share value of approximately \$1.45. According to Bloomberg, this company designs and manufactures jewelry products which falls into the Apparel & Textile Products industry.

Competitive Analysis

Client: Charles & Colvard (C&C)

Charles & Colvard is a publicly owned company founded in 1995 with headquarters in Raleigh, NC. Employees at this site numbered 76 and sales amounted to \$ \$27.0 M as of 2018 (Mergent, 2018).

In examining the Charles & Colvard website it becomes clear that the company stands out as a premier provider of Moissanite gems, which have advantages over diamonds including their more environmental and ethical means of production and lower cost. The consumer has the ability to choose from a range of options, such as stone shape, cut, color, weight, gem type (colorless vs. accented), size, price, product type (rings, earrings, etc.), and gender (women vs. men). Purchasing benefits afforded by Charles & Colvard include free shipping, a 60-day free

returns policy, limited 12-month lifetime warranty, financing starting from 0%, a loyalty program, and an additional 10% discount with a purchase from the already discounted “Brilliant Savings” shopping category. The company also includes customer reviews on their website that seem to feed into their Facebook “testimonials” page, which allows the company to show transparency. While the website does a great job displaying the company strengths, it is clear that certain weaknesses also exist. For one, the fact that the company, although as aforementioned is a premier provider of Moissanite gems, does not provide any other gem options besides Moissanite, which excludes potential consumers who might be looking for a gem other than a diamond but not specifically Moissanite and thus causes the company to lose out on potential sales. It would be beneficial to Charles & Colvard to offer other gem options in addition to Moissanite that are not diamonds, which would allow them to gain more customers while retaining the environmentally and ethically conscious image they’ve created. Second, upon examining the company’s use of social media, it becomes evident that it lacks a consistent social media focus. For example, Charles & Colvard’s Facebook posts range from 2–3 posts a day multiple day in a row to zero presence multiple days in a row, including accidental reposts of the same content in the same day. Third, in terms of accountability, it might seem hurtful to some that Charles & Colvard is not a certified member of the Responsible Jewelry Council while certain competitors including both listed here are certified members. Finally, in consideration of website accessibility and product preferences, “personalized,” i.e., engraving, options are available but are not very visible on website; personalizing products for the types of events that Charles & Colvard seem to target (weddings, engagements, etc.) is a popular way to commemorate the products, and the company might do better to make this option more readily available to consumers perusing the website.

Competitor 1: Lazare Kaplan (LK)

Lazare Kaplan is a publicly owned company founded in 1903 with headquarters in New York City. Employees at this site numbered 56 and sales amounted to \$11.9 M as of 2016 (Mergent, 2016).

Overall this company seems to be lacking in strengths compared to both Charles & Colvard and the second competitor listed here, Brilliant Earth. Lazare Kaplan’s identity is based on its self-proclaimed (on their website) position that it is the foremost diamond-cutting company in the world. Diamonds are the only gem that the company sells, which lends itself to the same weakness that Charles & Colvard’s has in selling only Moissanite—the company loses out on customers looking for gems outside of well-cut diamonds. One advantage Lazare Kaplan might have in the diamond industry is its “zero tolerance” policy for conflict diamonds, which is somewhat comparative to Charles & Colvard’s environmental and ethical commitments. Added to this policy, Lazare Kaplan is a founding member of the United Nations Global Compact and (unlike Charles & Colvard as noted above) is a certified member of the Responsible Jewelry Council. A point of parity with Charles & Colvard that can be seen on the website is a product warranty guarantee; however, a big point of difference between the two entities is that Lazare Kaplan is retail only while Charles & Colvard allows online purchasing, which is a weakness on

the part of Lazare Kaplan as it effectively kills a potential channel of distribution. A point of difference that works to Lazare Kaplan's advantage, however, is its laser inscription model that acts as a sort of insurance for the purchaser; a unique identifier is encrypted into the diamond, which acts as both proof of Lazare Kaplan authenticity and proof of purchase in case of product loss or theft. Other brand negatives are highlighted by the brand's lack of activity on social media (see the social media audit), as well as the brand's discoverability, as the brand name appears on social media as "Lazare Diamonds" rather than the brand's official name Lazare Kaplan, which makes the brand hard to search. This lack of social media activity is further seen with the company website, as it still lists a Google+ icon on the website footer even though Google+ shut down for consumers in April 2019.

Competitor 2: Brilliant Earth (BE)

Brilliant Earth is a privately-owned company founded in 1995 with 7 locations in the U.S. Company headquarters is in San Francisco, and as of 2018 hosted 25 employees with sales at that specific location amounting to \$14M (Mergent, 2018).

This company is highly effective in terms of social media in comparison to both Charles & Colvard and Lazare Kaplan. First, it provides a large selection in terms of gemstones, as it offers both Moissanite and diamond options. It also provides sapphire, emerald, aquamarine, and Morganite options besides others. The website includes a moissanite vs. diamond FAQ page, which could be hurtful to potential Charles & Colvard consumer looking for more variety. They also carry "beyond conflict free" diamonds, which mitigates Charles & Colvard in terms of their practice to be environmentally and ethically conservative. In terms of consumer feedback, which is essential to any practice, it has a "join the conversation" option at the bottom of website that allows people to post messages publicly. It also allows for a "create your own diamond ring" option, which allows potential consumers to create a sense of autonomy in creating their own product. As an aside, they allow for free shipping, a free 30-day return policy, free lifetime warranty, free lifetime diamond upgrade, engraving services, and multiple monthly repayment plans with starting rates as low as 0% APR for well qualified buyers, which is a larger package than either Charles & Colvard and Lazare Kaplan allow. They also have purchasing initiatives, for example "Earn \$250 with a purchase of \$5k to \$100k," that seem to be remiss with both competitors. Finally, Brilliant Earth is also a certified member of the Responsible Jewelry Council (although this is not well advertised on the website). The only real weaknesses that could be assessed from their platform include, specifically against Charles & Colvard, fewer search options (e.g., style, cut) than C&C allocated over jewelry type (engagement, wedding, diamonds, gemstones, general jewelry); an absence of YouTube (which Charles & Colvard has performed somewhat strongly on in comparison to the competitors listed here); and, most importantly, an item not linked to their website, but prominent in SEO searches, which would be a lawsuit against video blogger:

<https://www.thediamondloupe.com/articles/2017-11-02/brilliant-earth-resolves-lawsuit-against-video-blogger>. The website obviously highlights a consumer distrust in the company, to which I

could not find a personal/consumer argument or, more importantly, a stance of response from Brilliant Earth.

Social Media Audit

WHO	WHERE (Website/Channel)	WHAT (Content/Sentiment)	WHEN (Date/Frequency)	WHY (Purpose/Performance)
Client: C&C	Facebook	<ul style="list-style-type: none"> ● Product pictures with links to website <ul style="list-style-type: none"> ○ No more than 50 likes/post on avg., closer to 15 ○ No more than 2 shares/post if any 	1 post/day	<ul style="list-style-type: none"> ● Drive to website ● Product promotion <ul style="list-style-type: none"> ○ 246.9k page likes ○ 246.0k followers
	Instagram	<ul style="list-style-type: none"> ● Product pictures with hashtags (no links) <ul style="list-style-type: none"> ○ 200 likes/post avg. ○ 5–7 comments on avg. 	1 post/day	<ul style="list-style-type: none"> ● Product promotion ● Brand promotion <ul style="list-style-type: none"> ○ Many hashtags, no page links ○ 25.9k followers ○ 3.0k following ○ 1.1k likes
	Twitter	<ul style="list-style-type: none"> ● Product pictures with links to website <ul style="list-style-type: none"> ○ Almost zero likes/retweets 	1 post/day	<ul style="list-style-type: none"> ● Drive to website ● Product promotion <ul style="list-style-type: none"> ○ 2.9 followers ○ 647 following
	Pinterest	<ul style="list-style-type: none"> ● 31 boards with various wedding and ring style themes 	n/a (dates not linked to boards)	<ul style="list-style-type: none"> ● Product promotion <ul style="list-style-type: none"> ○ 493k monthly views ○ 3.2k followers ○ 161 max board pins

	YouTube	<ul style="list-style-type: none"> ● Style guide series ● Q&As ● Inspiring client stories 	<ul style="list-style-type: none"> ● 60 clips ● Newest clip posted 1 month ago 	<ul style="list-style-type: none"> ● Product promotion ● Client interaction <ul style="list-style-type: none"> ○ 1.73k subscribers
Consumer (communication with client)	Facebook	<ul style="list-style-type: none"> ● Seeking help <ul style="list-style-type: none"> ○ Negative social media experience 	Single comment in past month	<ul style="list-style-type: none"> ● Complaints
	Instagram	<ul style="list-style-type: none"> ● Spam ● Product questions ● Product praise 	Between 5 and 7 comments on avg.	<ul style="list-style-type: none"> ● Information ● Praise
	Twitter	<ul style="list-style-type: none"> ● Almost zero likes/retweets 	1–3 likes total in past month	<ul style="list-style-type: none"> ● Praise
	Pinterest	<ul style="list-style-type: none"> ● Pins ● Posts showing pics of product purchase 	Pins	Praise
	YouTube	<ul style="list-style-type: none"> ● Product questions ● Product praise 	<ul style="list-style-type: none"> ● Few comments ● 123k highest views with holiday ad 	Information

Comp 1: LK	Facebook	<ul style="list-style-type: none"> ● Product pictures with hashtags (no links) <ul style="list-style-type: none"> ○ No more than 20 likes/post on avg., closer to 10 ○ No more than 2 shares/post if any ○ 3 comments at most even on promo post 	Last post 12/17	<ul style="list-style-type: none"> ● Product promotion ● Customer appreciation <ul style="list-style-type: none"> ○ 16.5k page likes ○ 16.5k followers
	Instagram	<ul style="list-style-type: none"> ● Product pictures with hashtags (no links) ● Pictures of/links to current events <ul style="list-style-type: none"> ○ 40–45 likes/post on avg. ○ 1–3 comments on avg. 	Last post 3/18	<ul style="list-style-type: none"> ● Product promotion ● Customer appreciation <ul style="list-style-type: none"> ○ 1443 followers ○ 146 following
	Twitter	<ul style="list-style-type: none"> ● Product pictures with hashtags (no links) ● Pictures of staff/co. events ● Pictures of/links to current events <ul style="list-style-type: none"> ○ Almost zero likes/retweets 	Last tweet 4/18	<ul style="list-style-type: none"> ● Product promotion ● Customer appreciation <ul style="list-style-type: none"> ○ 1,218 followers ○ 893 following ○ 68 likes
	Pinterest	<ul style="list-style-type: none"> ● 27 boards with various styles and events including random promotions 	n/a (dates not linked to boards)	<ul style="list-style-type: none"> ● Product promotion <ul style="list-style-type: none"> ○ 922 monthly views ○ 690 followers ○ 195 max board pins
	YouTube	<ul style="list-style-type: none"> ● Clips detailing ideal cut ● Tutorials 	● 7 clips	<ul style="list-style-type: none"> ● Product promotion ● Product differentiation

		<ul style="list-style-type: none"> ● Ads 	<ul style="list-style-type: none"> ● Newest clip posted 8 years ago 	<ul style="list-style-type: none"> ○ 51 subscribers
Comp 2: BE	Facebook	<ul style="list-style-type: none"> ● Pictures of jewelry, mainly engagement/wedding rings ● Wedding/engagement photos ● Links to product in picture posts <ul style="list-style-type: none"> ○ Around 400 likes/post on avg. ○ Around 5–7 avg. shares/post ○ Around 20 avg. comments/post 	1 post/day	<ul style="list-style-type: none"> ● Drive to website <ul style="list-style-type: none"> ○ 2.1M page likes ○ 2.1M followers
	Instagram	<ul style="list-style-type: none"> ● Pictures of jewelry, mainly engagement/wedding rings ● Wedding/engagement photos ● Links to product pages in bio 	1 post/day	<ul style="list-style-type: none"> ● Drive to website <ul style="list-style-type: none"> ○ 488k followers ○ 103 following
	Twitter	<ul style="list-style-type: none"> ● Pictures of jewelry, mainly engagement/wedding rings ● Wedding/engagement photos ● Links to product in picture posts <ul style="list-style-type: none"> ○ Around 15–17 likes/post ○ 1–3 retweets/post 	1 tweet/day	<ul style="list-style-type: none"> ● Drive to website <ul style="list-style-type: none"> ○ 79.5k followers ○ 1.4k following ○ 1.8 likes

	Pinterest	<ul style="list-style-type: none"> ● 45 boards with various wedding and ring style themes 	n/a (dates not linked to boards)	<ul style="list-style-type: none"> ● Product promotion <ul style="list-style-type: none"> ○ 10m+ monthly views ○ 103.4k followers ○ 2.8k max board pins
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* Values of 1–5 were assigned and looked at from the perspective of how well Charles & Colvard seems to be performing based on KPIs like social media presence and likes in comparison with their competitors, while the consumer values were assigned in accordance with their response to the Charles & Colvard social media campaign.

Situation Analysis

CHARLES & COLVARD	STRENGTHS – S	WEAKNESS – W
	<ol style="list-style-type: none"> 1. Brand - environmentally & socially responsible fine jewelry & fashion jewelry (Moissanite) 2. Customer base: global, conscientious; direct relationship focused 3. Distribution: online channel segment (50%+ sales) with free shipping & 60-day free returns 4. Types of Partners: Yanbal (home party business), Helzberg Diamond stores, Amazon.com, White Oak (Credit facility) 5. Technology: original, leading worldwide source of moissanite 6. B2B relationships: Exclusive supply agreement with Cree; international e-commerce agreements. 	<ol style="list-style-type: none"> 1. Brand Perception: low moissanite and C&C brands 2. Personnel: Lack strong social media implementation manager (inconsistent repeat posts) 3. Intermediaries: retailers, dropshipper sites 4. Lack of control over partner and influencer relationships 5. Cross-channel support: No dedicated member of the Responsible 6. Churn Rates
OPPORTUNITIES - O	SO STRATEGIES	WO STRATEGIES
<ol style="list-style-type: none"> 1. New Markets 2. Market Trends 3. Cross Selling 4. Alliances 5. New Services 	<ol style="list-style-type: none"> 1. Market share growth strategy 2. Exploit online shopping trends using go-to-market strategy 3. Partnership & Alliance strategies 4. Enhance website to spotlight new services 	<ol style="list-style-type: none"> 1. Content Marketing 2. Strengthen digital experience management/personnel 3. Global omni-channel sales 4. SEO and Paid search strategy 5. Refine eCRM program

THREATS - T	ST-STRATEGIES	WT STRATEGIES
<ol style="list-style-type: none"> 1. Greater awareness of competing brands 2. Number of jewelers and gems available for customer to choose 3. Reputation of Diamonds as a premier competitive product. 4. Competitors high engagement on social media 5. Potential changes to laws and regulations for patents, shipping and sourcing raw materials. 	<ol style="list-style-type: none"> 1. Enhance digital output: video streaming across web and SM channels 2. Behavioral Targeted advertising 3. Differential strategy: educate on product and price 4. Enhanced email & lifecycle model; encourage voluntary opt in 	<ol style="list-style-type: none"> 1. Policies: cross-border trade international trade policies 2. Quality Assurance programs alliances 3. Customer Engagement strategies referral and loyalty programs 4. Multi-channel analytics: 5. Influencer marketing development

(Mergent, 2019)

Goal

Generate leads and create brand awareness in the United States over the next five years in order to outsell diamonds among young consumers.

Strategy

We will employ a multi-channel approach designed to increase followers and engagement in order to generate leads and create brand awareness among young consumers. This will position Charles & Colvard as the leading creators of moissanite. We will focus on three primary objectives looking to 1) increase social media followers by 20 percent in the next year; 2) increase brand awareness from 5 to 10 percent in the next five years; and 3) increase the number of first-time customers by 10 percent in the next year.

Objectives and Target Markets

In order to enhance credibility on social media we will focus on three key areas: developing a brand personality, developing video content to demonstrate trustworthiness and leveraging influencers.

Geo: United States

Demo: 23–38 Men and Women

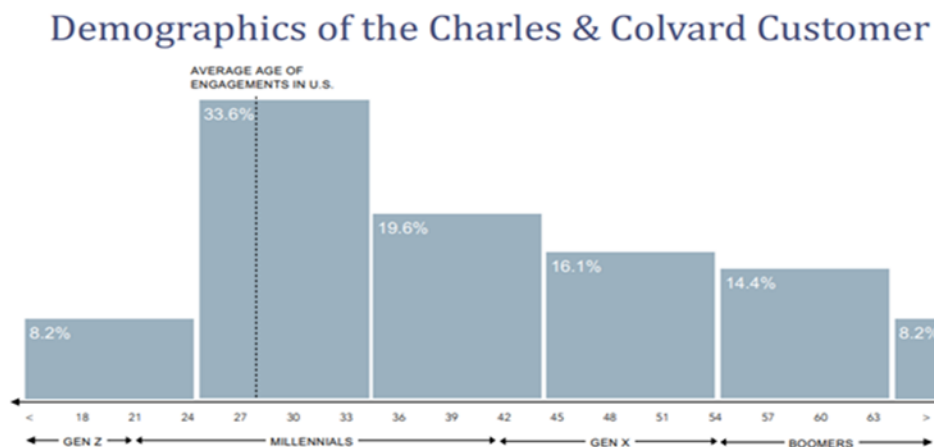
Education: Some College, College, Grad School

Language: English

Relationship status: In a relationship, married, engaged, civil union

Income: \$40,000 +

Table 1. Charles & Colvard Customer Demographics



Source: <https://ir.charlesandcolvard.com/static-files/cf86981c-f258-4dbc-91ea-1e5e0fa88e86>

Objective 1: Increase social media followers by 20 percent in the next year.

Millennials are currently Charles & Colvard's leading purchaser ranging from ages 23 to 38 years old. It is predicted by the company that this number will rise to 45 percent by 2025. Through social media posts and advertising we will position Charles & Colvard's moissanite as a sustainable and practical option to millennials with a combination of parameters from our target market:

Objective 2: Increase brand awareness from the baseline of 5 percent to 10 percent in the next five years.

The target market for increasing brand awareness will be adults ages 23-38 with a social media presence. A direct relationship with consumers is critical to increasing the brand awareness for moissanite products as premium gemstones and for Charles & Colvard as a jewelry brand. To generate brand awareness, we will develop relationships by educating consumers on moissanite on our website and social media as well as engaging in dialogue with our consumers across key social media sites.

Objective 3: Increase the number of first-time customers by 10 percent in the next year.

The target market for increasing the number of first-time customers by 10 percent will be males and females ages 23–38. This market segmentation encompasses a younger population that is more likely to be entering into committed partnerships that would lead to purchases of rings symbolizing commitment (e.g., engagements and weddings). The position we will take will focus on the company's status as the premier supplier of moissanite gems, the ethics and environmental benefits of moissanite in comparison to diamonds (especially important to millennials due to today's environmental climate), and the affordability of moissanite in comparison to diamonds (also important to millennials due to student loan debt and other economic pressures that the generations before them did not experience).

The Online Value Proposition (OVP)

The OVP will focus on emphasizing Charles & Colvard as the premier supplier of the moissanite gem; detail why moissanite is preferable to diamonds, focusing primarily on the brand's commitment to environmental and ethical sustainability; and emphasize the cost-effectiveness of purchasing moissanite gems vs. diamonds. A suggested OVP would be "Exquisite and affordable gems that leave both a lasting imprint and a minimal carbon footprint."

Credibility

In terms of enhancing credibility, the website fortunately already has a "Why Moissanite" FAQ page on the website, but, as previously noted, one item separating Charles & Colvard from competitors Brilliant Earth and Lazare Kaplan is that they are not members of the Responsible Jewelry Council. They should apply to become a certified member of the council so they can advertise that membership on their webpage (as do their competitors Brilliant Earth and Lazare Kaplan).

Integration

Since an integral part of increasing customers is brand awareness, the channel strategy will primarily focus on social media marketing, specifically the platforms in which the company

is already involved, with increased presence on the platforms with more of an opportunity as shown in table 2 (i.e., Facebook, Instagram, Twitter, Pinterest, YouTube and LinkedIn, all of which provide strong platforms for incorporating visual images).

Tools

The tools that will be used include content marketing on social media platforms to specifically encourage page likes, views shares and subscribers (e.g., “Like this post for a chance at winning a Charles & Colvard gift certificate!”) as well as promotions including coupons and limited-time-only deals.

Tactics

We will use display ads for a high-reach, high-target campaign with a focus on keywords like gems, moissanite, diamond, jewelry, wedding, engagement or special occasion. PR will be used for an untargeted push to reach a larger population. Social media posts on our key social media sites will be used for a broad, mixed targeting reach. These tactics will work together to address our three key areas of developing a brand personality, developing video content to demonstrate trustworthiness and leveraging influencers. Following are some examples of social media posts.

Promotion and Engagement Examples

Free Jewelry! Post a picture of how you wear your Charles & Colvard jewelry with #charlesandcolvard for a chance to win. Each retweet or like will be another entry! Link to full contest rules in profile.

Post encouraging users to visit Charles & Colvard website to subscribe to online newsletter for exclusive deals w/ link to and image of C&C website home page: “What’s your reasoning for purchasing moissanite over a diamond? Answer in the comments to receive a special discount on a Charles & Colvard jewelry item (w/ picture of item in question)

Throwback Thursday: Share a recent pic of a product you’ve purchased from us and get a chance to win a coupon for an item from our Brilliant Savings line! (picture of item from Brilliant Savings line)

Follow us Friday! Follow our page to receive discounts, product tutorials, and more! (sponsored, i.e., paid for, ad)

Picture of brand product with caption encouraging likes/comments, e.g., “What do you think about our latest arrival?”

Partner Posts

We will work to strengthen our brand and social media presence through our partnerships with Helzberg Diamond stores, Amazon and Macy’s, using promotions and events to educate and engage our partnerships and customers. See figure 1 in Appendix A for an example of a partner post.

Press Releases

Press releases will be posted on Twitter, Facebook, Instagram and LinkedIn to highlight events, company philanthropy, partnerships and product development. They will also be added to the website on the “Press Releases” page and sent to Charles & Colvard online subscribers. These will be at a minimum monthly but may be more frequent as needed.

Photos

We will post photos to Twitter, Pinterest, Instagram and Facebook according to our social media schedule (see tables 2 and 3) showing product, engagements, customers wearing their jewelry and partner events. See figure 2 in Appendix A for an example of a product photo post and caption.

Video Series

Consumers will be more likely to engage with the brand if they feel there is a human connection. When consumers are engaging with the brand, they are also more likely to trust and share the brand, which will further the reach.

Creating authentic video content allows for social media users to develop a deeper connection that will grow the social media audience and brand awareness. Content that is interesting and authentic will be more likely to be shared, which will enhance the overall reach.

Since our main goal is to surpass diamonds in popularity among young consumers, we need to find ways to disrupt the diamond tradition. An authentic video series will help create virality that will expand the reach while educating and inspiring people to change their perception of diamonds and moissanite. The videos will show how moissanite is made, highlight the benefits of moissanite over diamonds and share stories of our customers and partners. They will be uploaded to the Charles & Colvard YouTube channel monthly and will also be posted to Facebook, Facebook stories and Instagram stories.

Video Series: Fire and Passion in Every Stone and Every Story

What is moissanite and how did it get here?

Video 1: Who is Henry Moissan?

Video 2: What is silicon carbide?

Video 3: What is 'Fire'?"

Video 4: How has Charles and Colvard perfected moissanite over the years?

Sustainable practices and social responsibility and how Charles and Colvard compare to the diamond industry.

Video 1: The large carbon footprint of the diamond industry

Video 2: The small carbon footprint of the moissanite industry.

Video 3: How Charles and Colvard uses recycled metals.

Video 4: What does ethically sourced mean.

Meet the people who create the stones

Video 1: Meet the visionaries (executive team).

Video 2: Meet the jewelry designers.

Video 3: Meet the scientists

Video 4: Visit the manufacturer

Couples tell their engagement stories and why they choose moissanite over diamonds.

Video 1: Meet a heterosexual young couple.

Video 2: Meet a same-sex young couple.

Video 3: Meet a mixed-race couple.

Video 4: Meet an older couple.

Influencer Marketing

Influencers are going to be heavily utilized to increase social-media presence and develop brand awareness. As we saw earlier, millennials are our biggest audience. These are the people who are going to be influenced by influencers the most. In order to harness this tactic, we must locate influencers with a similar following to our target market. These individuals would also need to already be posting content in the jewelry, beauty or fashion markets in order to seem relevant. These influencers would be asked to post photos of the moissanite with proper tags in order to direct people to the company’s social media page and website.

Example influencer post from a fashion expert: “I paired this yellow sundress with moissanite stud earring from @CharlesandColvard”

Additionally, we will take advantage of organically created influencers by reposting and replying to posts that help increase our brand image. For an example of an influencer post, please see figure 3 in Appendix A.

Media Plan

While both Facebook and Instagram had similar measured schedules indicating what days and times are best to post, Pinterest and YouTube, being different platform types, had a less content-driven schedule. Charles & Colvard’s media person should be pinning relevant content 5 times per day, while posting to YouTube once a week, preferably on Thursday or Friday in the afternoon. In order to minimize work for the social media person, posts between Facebook, Instagram, and Twitter will be linked so the social media person will only have to post it once and it will automatically distribute across the platforms.

Table 2. Implementation Schedule

PLATFORM	<u>Daily</u>	<u>Weekly</u>	<u>Monthly</u>
Website			1x: Press release
Facebook	1x		
Instagram	1x		
Pinterest	5x		
LinkedIn			1x: Press release
Twitter	1x		
You Tube		1x	

Table 3. Example of Weekly Social Media Calendar for Charles & Colvard

	Monday	Tuesday	Wednesday	Thursday	Friday
Facebook	Post encouraging users to visit Charles & Colvard website to subscribe to online newsletter for exclusive deals w/ link to and image of C&C website home page	What’s your reasoning for purchasing moissanite over a diamond? Answer in the comments to receive a special discount on a Charles & Colvard jewelry item (w/ picture of item in question)	Picture of brand product with caption encouraging likes/comments , e.g., “What do you think about our latest arrival?”	Throwback Thursday: Share a recent pic of a product you’ve purchased from us and get a chance to win a coupon for an item from our Brilliant Savings line! (picture of item from Brilliant Savings line)	Follow us Friday! Follow our page to receive discounts, product tutorials, and more! (sponsored, i.e., paid for, ad).
Time:	11:00 a.m.	2:00 p.m.	11:00 p.m.	2:00 p.m.	10:00 a.m.
Instagram	Repost from Facebook	Repost from Facebook	Repost from Facebook	Repost from Facebook	Repost from Facebook
Time:	11: 00 a.m.	2:00 p.m.	11:00 p.m.	2:00 p.m.	10:00 a.m.
Twitter	Repost from Facebook	Repost from Facebook	Repost from Facebook	Repost from Facebook	Repost from Facebook
Time:	11: 00 a.m.	2:00 p.m.	11:00 p.m.	2:00 p.m.	10:00 a.m.
Pinterest	Pin to a mixture of wedding/ engagement boards	Pin to a mixture of wedding/ engagement boards	Pin to a mixture of wedding/ engagement boards	Pin to a mixture of wedding/ engagement boards	Pin to a mixture of wedding/ engagement boards
Frequency : 5x/day	5 pins	5 pins	5 pins	5 pins	5 pins

YouTube				Tutorials	
Frequency : 1x/week				12:00 p.m.	
LinkedIn	Monthly newsletter				
Frequency : 1x/month	First Monday of the month				

Actions

Each of these tactics require a team that consists of a videographer, photographer, designer, data analyst, account manager, social media manager and project managers. Charles and Colvard should utilize an internal marketing manager who will work together with an external digital advertising agency to develop the creative elements for the social pages. The internal marketing director would direct the strategy and creation of content based on the needs of the company and direction from upper management.

Once the creative elements are developed, the social posts will be handled internally by the social media department. The social media department will also monitor social media sites and manage customer engagement. Press releases will be written and posted on the website and emailed to our subscribers by our communications manager as well as shared with our social media department for dissemination on social media sites. The social media department will also be responsible for researching and managing the influencer relationships.

The internal marketing, communications and social media managers will touch base daily to ensure consistency between departments.

Control

To determine if we are on track to surpass diamonds in popularity among young consumers, measurements for each objective will be compiled and reviewed quarterly by the internal campaign team. The campaign will be deemed successful when KPI's for all three objectives are met and when global industry reports show the annual sales for moissanite to consumers ages 23–38 is greater than for jewelry grade diamonds (raw diamonds excluded). Details of how each objective will be tracked are outlined below:

Benchmarks

A survey to determine the benchmark level of brand awareness with online customers and at our partner shopping sites has been conducted as well as analytics on our social media presence. The survey shows the brand currently has a 5 percent recognition rate. We have also conducted a benchmark survey to measure first-time customers that asks them for demographics and if the purchase is a first-time one or if they are a repeat customer. At the end of 2018 the survey responses indicated that 25% of purchases were made by first-time buyers. We will

include this going forward as incentive an unlimited-time offer coupon for 10% off any future purchases.

Brand Awareness

The survey used for benchmarking will be repeated bi-annually to gauge both the awareness of our brand and brand benefits with the expectation that brand awareness will increase by 20% per year from the baseline of 5 percent to a 10 percent recognition rate after 5 years. To ensure our posts are generating results, we will review and respond to customers engaging with our online activity daily and track engagement and affection levels twice a month.

Social Media Reach and Customer Growth

We will gather the following data points to monitor our media presence and first-time customers:

- New follows
- Shares
- Comments
- Likes
- Tags
- Impressions and clicks on sponsored posts

We will analyze and repeat these measures twice a month with the agency's data analyst to ensure our strategy is on target. This will also be a way to determine what is and isn't working in order to inform next steps.

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Appendix A

Examples of Social Media Posts

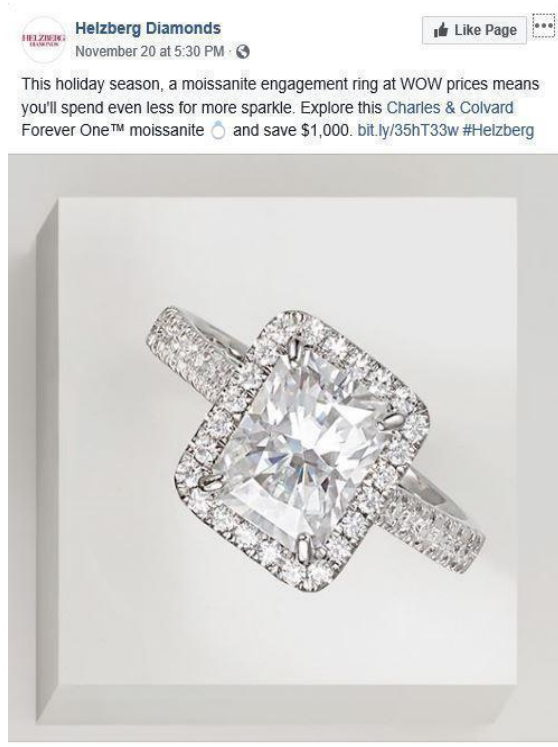


Figure 1. Sample social media partner post.

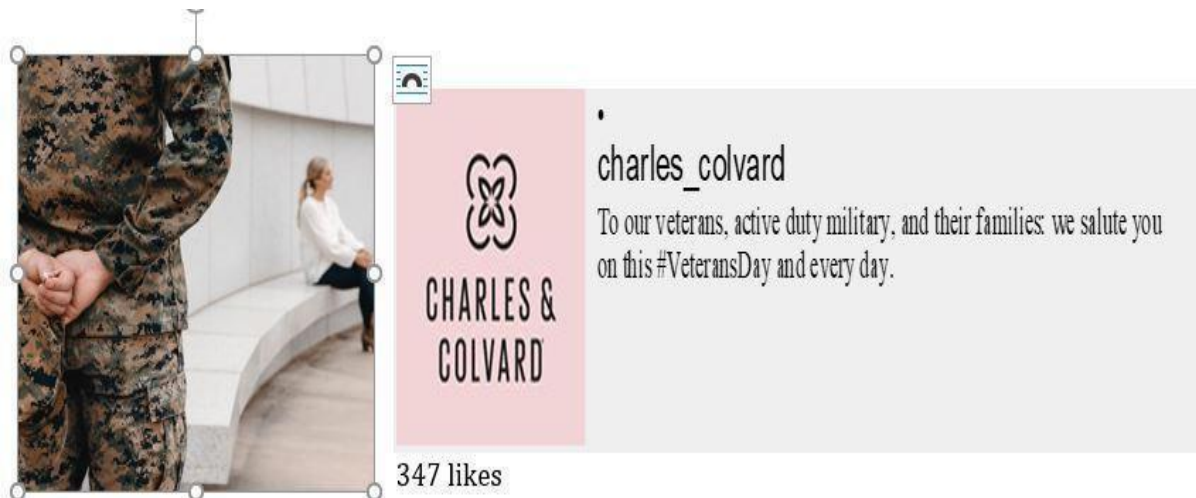


Figure 2. Sample social media post with product photo and relevant caption.

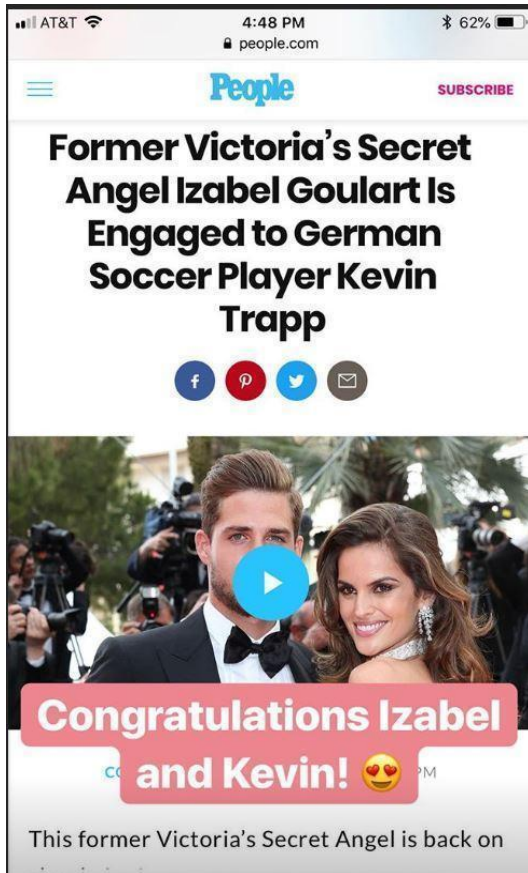


Figure 3. Sample influencer post.

Appendix B

Letter Detailing Feedback

Group 6

Beth Hoffman, wingbeth@msu.edu

Elise Jajuga, jajugael@msu.edu

Denise Negrea, negreade28@msu.edu

Hi Dr. A.,

Thank you for the opportunity to revise our work. Details of the changes we made are noted below:

FP1

The problem statement was revised to focus more on the issue to consumers rather than the lack of strategy.

FP2

The introduction was revised to include company size, nature of business and market value.

The bullet-point list under the Competitive Analysis section was revised so it was in a paragraph format, being sure to address the bullet points that required expansion in the feedback as well as trying to tie together some of the salient points of the analysis across all three competitors. An asterisk was added to the table to explain the methodology of the rating system used in the table and questions about the table were also addressed.

The threat section of SWOT was modified to be more specific.

FP2 and 3

The goal was adjusted to better reflect the outcome we are trying to achieve by removing the word “popularity” and changed this to “out sell.”

FP3

Objective measurements were modified for clarity and under the control section the statement on the benchmark survey was expanded to include the benchmark measurements for the objectives.

Obj 1: The objective was changed to increase social media presence by 50 percent to increase Facebook followers to by 20 percent. This is a more realistic goal and will be a testament to whether an increase in social media activity from the company is generating more follows.

Obj 2: The intention was to say brand awareness would double, so the goal was changed from “by 100%” to include the baseline measurement and the desired measurement.

Obj3: The objective for increasing the target market for first-time buyers by 25% was changed to increasing it by 10%. Noted both in the objective and then expanded upon in a new paragraph under controls, Charles & Colvard did not have a tracking system in place for first-time buyers. We suggested implementing a short demographics survey that asks customers if their newly purchased piece of jewelry is the first they have made, which will then track for the foreseeable future to measure growth.

In table 3, “Example of Weekly Social Media Calendar for Charles & Colvard,” the Pinterest content that was flagged for being unspecific was expanded upon to say, “Pin to a mixture of wedding/engagement boards,” and the proposed frequency of interaction was changed from 15 pins per day to 5 pins per day.

Regards,

Beth, Denise and Elise