

BRICK AND MORTAR-FIED

THE JOURNEY OF BLUE NILE



Blue Nile is a premier jewelry business that focuses on customizable rings and jewelry for any occasion. Founded in 1999, the idea behind their brand is that all pieces of jewelry can be handcrafted, not just picked out from a display case. As a whole, the organization found enormous success online, leveraging a digital platform that enthralled virtual visitors with a unique service offering, website branding, and customer experience outlook. However, all businesses must grow and adapt to survive and thrive. For Blue Nile, they needed to take the next step from an online presence: it was time to expand from digital to physical.



FROM CLICKS TO BRICKS

While many businesses can find great success remaining strictly digital, many businesses have found even greater success expanding to physical locations. According to the International Council of Shopping Centers, on average, retail brands see a 37% boost in web traffic when they open a store in a new market. Many consumers are preferring to utilize a hybrid of shopping types, often resulting in viewing products online, but then traveling to retail locations to try on certain pieces or view products up close.

Dave Gilboa, co-founder of online and on-site retail brand Warby Parker, explained that by optimizing both digital and retail markets, they've found rich stores of in-person customer data they wouldn't otherwise have obtained. "We have learned so much from face-to-face conversations, feedback that from

a purely digital relationship probably would have been impossible to get," Gilboa explains. "What we found from having both an online and offline experience is that people aren't choosing one channel over the other. We're finding that 75% of people that buy something in our store have been to our website first. What they really value is convenience, so we invested in technology to make the online and offline experience as convenient as possible."

While a strong digital presence is necessary, a physical location can utilize space as a way to deliver firsthand in-person experiences that customers can't get online. These experiences are what drive return shoppers back to the store and give clients a steady stream of physical shoppers without investing thousands of dollars into extra marketing materials.



PROTOTYPE DEVELOPMENT AND ROLLOUT

Blue Nile began partnering with NewGround for prototype development and rollout after a change in leadership led to existing plans being scrapped. Blue Nile needed to start from scratch and find a way to bring their vision to life.

To properly develop a prototype and set a plan to roll it out, a few things have to happen:

1. Align and Understand Client Goals.

How many stores are they seeking to build? What do they want the customer experience to look like? What is the overall goal of the company, as well as the specific goals for the retail locations?

2. Ask the Right Questions.

For clicks to bricks clients like Blue Nile, sometimes asking the right questions is key to understanding all aspects of the brand, goals, and design preferences. These are especially important for clients, like Blue Nile, who have never had physical retail locations before. These questions aren't as simple as just "what's the brand's main color scheme?" Sometimes these questions are meant to get the client thinking and evaluating what's important to them as an organization and how they want that to translate into a physical space.

3. Craft a Customizable Design.

The trickiest part of prototype development involves the actual design itself. It must be consistent enough to be reflective of the company throughout each location, but customizable enough to fit into a variety of different site locations and retail building types. This means that each location must be unique while still fitting an overall theme.

4. Communication Communication Communication.

No prototype can be developed without proper communication between the client and the firm, and vice versa. If the client is unresponsive to planning and meetings, this can cause delays to design and rollouts, pushing all projects back and creating huge expenses. Likewise, the clients' time is important – they must be able to get their designs and locations out as quickly as possible to start seeing a return on investment. Communication must remain consistent, both in the beginning of the process as ideas are being fleshed out, and throughout the project as ideas are fine-tuned and adapted for each location. Furthermore, consistent communication puts the client's mind at ease.

5. Volume and Velocity.

To see the quickest return on investment, clients need a partner who can produce as many showrooms as possible as fast as they can without compromising quality.

When all of these factors come together, a prototype can be developed and then rolled out to as many locations as needed as quickly as possible.

INCORPORATING BRANDING

Branding isn't just the color scheme of a website or the logos used to display the company name; branding is the overall look, feel, and connection a company wants to leave with their customers.

Customers should recognize a brand regardless of whether they are visiting a digital platform or visiting an in-person retail store, and the brand should overall provide the same feelings and look. However, transforming what was previously a solely digital brand into a physical space isn't as easy as it seems. A physical space has to include elements that reinforce the brand even on a subconscious level – the space must be an extension and expression of the brand itself. For Blue Nile, it was initially tricky to come to a consensus on a brand expression for the showrooms.

“Everybody seemed to know they wanted something different in the showrooms, that something wasn't right, but nobody knew how to fix them,” says Richard Avery, Director of Retail at NewGround who oversees the Blue Nile projects. “They wanted maybe warmer colors, more textures, they couldn't decide. We have to get them to



understand that a deeper dive was needed, and that they need to decide what they wanted before rollout. Even if something as simple as a paint color changes after a rollout has started, it can seriously delay completion of a project. Finding the new paint color, making sure the distributors near the rollout showrooms have the color, making sure it arrives on time, all of these things play a huge factor in prototype development.”

As the meetings and collaboration with Blue Nile continued, Richard and the NewGround



team fine-tuned the branding elements and specifics needed to highlight the design and create the atmosphere Blue Nile needed for their retail locations.

“The way Blue Nile sees it, you shouldn’t feel like you have to dress up to go buy jewelry, so their new store design should welcome you no matter what you’re wearing,” says Richard. “Towards that end, NewGround put a material palette that mixes materials like rift cut oak, rustic tile flooring, and black metal with more refined elements such as venetian plaster, marble, and brushed brass. This combination gives the stores an approachable, everyday vibe, that doesn’t lose sight of the fact that the company sells expensive jewelry.”

And that’s just for the paint colors and finer details. The bigger concern was the overall layout and presentation of the retail location. Blue Nile didn’t want a store for their customers, that wasn’t true to their brand. They wanted a showroom. They wanted something that would resonate with in-store customers the same way the website resonated with digital customers.

A key element to the brand of Blue Nile is unique customization. On the website, you can completely design a piece of jewelry from picking out the gemstones to the color of the bands or chains. It’s a personal, unique play on jewelry crafting and design, and that needed to reflect within the space. Customers could see examples of jewelry they liked, but it wasn’t likely that they would walk into the store and walk out with a carbon-cut piece of jewelry. To accommodate this and incorporate it into the brand, NewGround designed “pods” to meet and discuss the intricacies of designing a piece and to provide privacy between the associate and the customer. This perfectly reflects the brand of the website and was reflected in renderings presented to the client.

Renderings are a useful tool in situations such as these, as clients can make decisions and see their choices customized and adjusted in real-time using renderings. This is also a way to work with a compressed schedule commonly found in prototype developments and rollouts.



THE IMPORTANCE OF LIGHTING

As the prototype development continued, more and more branding and design elements were finalized. Paint colors, finishes, ceiling styles, seating areas, and more. But there was one key element that still needed to be decided: lighting.

Lighting plays a crucial role in a retail space, especially one dedicated to showcasing jewelry. The right lighting design can create the perfect ambiance that not only draws attention, but also evokes a sense of luxury and elegance. Illuminating the jewelry or key features with precise lighting focuses customer attention and maintains their attention. Properly placed ceiling lights and accent lights can accentuate the sparkle and luster of certain materials, while subtle ambient lighting can create a warm and inviting atmosphere.

For Blue Nile, NewGround focused on three key lighting areas: display case lighting, wall lighting, and ceiling lighting. The display lighting highlighted the cases and certain pieces, inviting customers to sit down or get a closer look. The wall lighting created a halo-like effect to make certain pieces appear that they were floating off of the wall itself. The ceiling lighting accentuated the blue and wooden color pallets to create an inviting atmosphere that wasn't too bright or harsh. By strategically manipulating the light intensity, color temperature, and direction, the Blue Nile locations guide customers' focus towards specific pieces to create a curated experience that fosters a connection between the customer and the space itself. The Blue Nile retail space incorporates lighting that acts as an invaluable tool to elevate the allure of the jewelry and makes each visit a captivating and memorable experience for customers.





DISPLAY CASE DESIGN

As the design of the space continued, NewGround now had to focus on furniture specifications. Round tables for informal consultation spaces and semi-enclosed spaces for formal consultation rooms were both considered, but the true furniture feature that had to be designed perfectly were the display cases.

NewGround designed a display case to ensure that the merchandise inside took center stage, effectively making it the focal point of attention. By utilizing glass, wooden finishes, and rich blue coloring, the case pulled customers in and presenting the beauty and intricacy of the jewelry. Secondly, case lighting plays

a crucial role in highlighting the jewelry's brilliance and allure, so thoughtfully placing the light fixtures to highlight the jewelry draws in customers to the glow and lights. Lastly, the design of the display case had to be visually appealing from a distance, enough to create an enticing visual display to pull customers in from afar. This was done by using a combination of all other elements, the lighting, the color scheme, the wooden finishes, and the height of the displays as a whole. The display cases were specifically designed to draw customers to sit down to get a closer look after research showed that customers who sat down were significantly more likely to make a purchase.

ADAPTING TO ROLLOUT TO DIFFERENT STORES

The design had been finalized, the colors and paint had been chosen, and now it was time to start rolling out the design across several different locations. But no two locations are exactly the same, meaning that the designs had to be customizable enough to fit many varying spaces. NewGround didn't design a space that could simply be cut and pasted from one spot to the other; they designed the space to be customized and fit each location. While rollouts focus on volume and velocity, quality and speed, that doesn't mean the design is reused over and over with no changes. On the contrary, each location requires careful consideration, planning, and adapting.

"For many of our clients, they've never done this before," says Richard Avery, Director of Retail

at NewGround. "Rolling out different locations, developing a prototype, all of it. We're there to question them, to help them understand their designs and what they want to accomplish in their space. More than that though, our role is to figure out what the client wants instead of just presenting a solution. We need a design that can be rolled out to several different spaces, but still feels like the client's brand. Because of this communication, this collaboration, the result is a beautiful and innovative spaces that the client is proud of and that resonates with clients across all locations."

"We're there to question them, to help them understand their designs and what they want to accomplish in their space. More than that though, our role is to figure out what the client wants instead of just presenting a solution."

Blue Nile had sites and locations ranging from narrow spaces, as narrow as 18ft, to alternating zig zap shapes, to wider and more traditional rectangular spaces. All of these spaces still incorporated the prototype design by utilizing the features in different ways. In the end, all of the spaces could be lined up, evaluated, and examined to see how the design was incorporated and adapt for even more future branches.



A ROLLOUT NEVER STAYS STAGNANT

A design isn't where the journey ends for any retail location. Each design must adapt, must be customized, and must be changed to fit not only specific space needs, but also regional customer needs as well. Over time, clients can also shift the focus of their branding, making changes after customer feedback. Perhaps they update their color scheme or change the display case, or maybe they've evaluated customer feedback to determine those certain aspects of the design work better than others. What's important is that the relationship



between the client, like Blue Nile, and a partnering firm like NewGround, remain consistent and collaborative. The journey is never really over; the business continues to grow and change to meet new customer demands, and the partner must also adapt to meet these changes. A truly successful prototype development and rollout is a journey that continuously evolves and grows a business's success.

Blue Nile

 NEWGROUND