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Press Release

INHORGENTA survey

Sustainability and the future of retailing absorb the industry

- **New online survey among 1,215 trade fair participants explores leading trends**
- **Majority of retailers and manufacturers plan to focus on sustainable products**
- **Future of retail is seen as a major challenge**

Altered customer behavior, digitalization and sustainability will be the most important issues for the jewelry and timepiece industry in future years, according to the results of a representative INHORGENTA survey. A total of 1,215 industry professionals took part in the survey and provided a clear picture of the state of the sector. INHORGENTA MUNICH will present a wide range of program areas about the top issues in the industry from February 14 through 17.

Consumers' buying behavior has changed in recent years, a fact that gives rise to one question: What will successful retail strategies look like in the future? Furthermore, manufacturers must come to terms with the issue of sustainability as a result of climate change and the finite nature of resources. Klaus Dittrich, Chairman and CEO of Messe München, said: "Our survey informs the industry about the steps that have already been taken and the areas where potential lies. At the same time, it enhances our understanding of the market's needs. We can systematically design the trade fair to address them."

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Sustainability – which customers are interested in it and what does the market have to offer?

Asked about the industry's most important issues, 58 percent of respondents answered sustainability. 57 percent of respondents described sustainability as extremely or very important. About 80 percent of them have already incorporated the issue into their companies' philosophy. As part of this transition, nearly 50 percent of manufacturers are already offering recycled materials, including precious metals and diamonds, in their product ranges, and two-thirds of retailers sell products made of sustainable raw materials. These materials include wood, cork and synthetic diamonds.

The respondents estimated that 75 percent of customers asking questions about sustainability when they make purchases are younger than 50 years.

The major challenges identified in the survey include, above all, the credibility of certifications (46 percent), transparency in the value chain (43 percent) and product quality (44 percent). In this regard, Patricia Syrvud of the University of Delaware will give a talk at the TRENDFACTORY MUNICH in which she will provide an overview of responsible diamond mining and the supply chain related to it. "In addition to the tracking of gold, the provision of data is a key point," said Ryan Taylor of Consensus who will elaborate on this topic in his address. "Even though communication via modern technologies has never been so easy, all of us do not have access to it. Not all of us can profit from it due to the restricted access. Inclusion will play an immensely important role if companies are to reach their sustainability goals." Elle Hill of Hill & Co. will offer some helpful communication tips in her talk titled "How You Can React to Demands for Ethical Sourcing in Your Jewelry Company and Communicate This Commitment to Customers."

The future of retailing – from the shopping experience itself in the store to completely new concepts

Regarding future retail or new retail, most respondents (38 percent) identified the "connection between online and offline retail" as a top priority. This issue was followed by "completely new concepts and strategies that are not available today

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online or offline” (27 percent). Altered buying behavior by younger generations (67 percent) was also cited along with digitalization (32 percent). Both points are interrelated. Stefanie Mändlein, Exhibition Director of INHORGENTA MUNICH, said in this regard: “Our TRENDFACTORY MUNICH is a real pool of ideas regarding new retail strategies. Our top experts will provide trade fair visitors with important ideas in their forward-looking talks.”

Many manufacturers and retailers are also thinking deeply about the topic of social media: More than 60 percent stated that retailers are profiting very much or significantly from social media and social networks (64 percent). They also noted that their own online offerings like websites and blogs (56 percent) would have the biggest impact on retail in the future. As part of the TRENDFACTORY MUNICH, industry expert Katerina Perez will lead a workshop on the use of Instagram as a sales platform.

As a way of attracting customers to bricks-and-mortar stores in this age of digitalization, 53 percent of survey respondents stated that “the experience character of stores” should be highlighted. They also identified the shopping experience as one of the major trend issues of the future. A majority of respondents (58 percent) said personalization of products and services was also important. Here, too, INHORGENTA MUNICH serves as the information platform for the industry: For instance, Lucas Rizzotto, CEO of Where Thoughts Go, will show how to optimize the shopping experience with the help of virtual and augmented reality. Björn Lederer of Magic Holo will speak on the use of holography. “Customers always want to experience something new and get excited,” Lederer said. “Holography is a fascinating eye-catcher and can be used to break the ice in conversations with customers.” Rafael de Molino, CEO of 2Shapes, will explore personalization opportunities in the jewelry industry during his talk.

The survey was conducted in December 2019. A total of 1,215 visitors and exhibitors of INHORGENTA MUNICH 2019 took part in the online poll.

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About INHORGENTA MUNICH

INHORGENTA MUNICH, the international trade fair for watches, jewelry and gemstones is the order and communication platform for the industry and reflects the market in all its diversity. Spread over six halls at Messe München, exhibitors from across the globe will present their latest creations. Through its extensive supporting program, comprising the Jewelry Shows, the INHORGENTA FORUM and the INHORGENTA AWARD, the trade fair offers an in-depth overview of international trends and developments. In 2018, the trade fair brought 1,026 exhibitors from 42 countries and more than 27,000 visitors from 70 countries to Munich. The next INHORGENTA MUNICH will be held from February 14 to 17, 2020.

Messe München

Messe München is one of the leading exhibition organizers worldwide with more than 50 of its own trade shows for capital goods, consumer goods and new technologies. Every year, a total of over 50,000 exhibitors and around three million visitors take part in more than 200 events at the exhibition center in Munich, at the ICM – Internationales Congress Center München and the MOC Veranstaltungszentrum München as well as abroad. Together with its subsidiary companies, Messe München organizes trade shows in China, India, Brazil, Russia, Turkey, South Africa, Nigeria, Vietnam and Iran. With a network of associated companies in Europe, Asia, Africa, and South America, and with around 70 representatives abroad for more than 100 countries, Messe München has a truly global presence.