

Diamond Jewellery Has an 18% Share Of The Jewellery

(Source from: GJEPC INDIA)

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Stephen Lussier spoke with gjepec.org one-to-one on the sidelines of the Forevermark Forum held this year in Hyderabad from June 21st to 23rd.

Do you think the luxury market in India is faring better than, or has an edge over, the other segments, in these difficult times?

We have not actually done a study of the luxury market or luxury business in India; our recent Diamond Acquisition Study (DAS) did not cover that. But from our experience at Forevermark I can definitely say that yes, the luxury and branded segment of the jewellery market is doing better. I can say that over the decade, the size of the diamond jewellery market in India has increased four-fold. And it now has an 18% share of the jewellery market; compared to the rather miniscule share it had earlier.

Could you tell us something about the findings about the DAS?

We are putting it all together and I am sure conclusions from it will be put out shortly. We studied consumer attitudes in the survey and found that there is a marked preference for jewellery and within that, diamond jewellery.

What has been the growth trajectory of Forevermark in India?

As I said the upper bracket is doing well as is confirmed by our experience at Forevermark. We have been growing at about 30% to 40% annually. We expect to do so this year as well.

Strangely, the market being tough has helped Forevermark to grow. For when business is tougher it refocuses retailers' minds on how to generate sales. They are looking for ideas for growth. They look for new avenues, they look at the marketing aspect.

Forevermark is adding more doors, growing in business and for the retailers it is an avenue to a more successful business.

Have you found a price resistance to the brand in India?

The Indian consumer is very price conscious and has a very price centric sensibility. This is, of course, true everywhere, but more so in India. But it is a question of informing them about the value of what they are purchasing. And now we encourage people to look beyond the 4 Cs.

We introduced the 4Cs in our marketing when people didn't know anything about diamonds; they didn't understand why one diamond was more expensive than another – even why a 2 carat one was priced higher than a 1 carat stone. We had to introduce the 4 Cs to explain the basis of pricing. Now we have taken this beyond the basics. We have added the criteria of beauty, rarity and responsibility – responsible sourcing with all that it means. That is what the Forevermark stands for and guarantees. And that brings us to the fact that only 1% of the world's diamonds are eligible to become a Forevermark diamond.

Consumer psychology is such that they don't know the situation. But they come into a store and say, "Look we can get this cheaper at the other retailer". I think they are only asking for a reason as to why this diamond is different, what makes it special. You need to give them that information, train the sales people to answer their questions adequately and convincingly.

Yes, I noticed that there was a new word added in the lexicon of the Forevermark brand marketing – beauty. Could you explain that a bit more? Is there an objective, verifiable criterion for "beauty"?

Two diamonds with the same grades can differ greatly in beauty. For example If there are clouds in a diamond, they may not affect the clarity grade but will take away some of the glitter. Similarly, the symmetry of a cut, the culet, the evenness of the girdle – should not be too thick or too thin and should not differ at different points - of a diamond can vary without affecting the 4C classifications. But this difference or differences can impact the beauty of one stone from the other.

How will the old slogan “A Diamond is Forever” be used in the new campaigns? I see it is already becoming the tagline for the Forevermark name and logo.

Currently, we are working at creating a meaning for the slogan to relate it to the millenials, many of whom might not have been around when the slogan was in circulation. The campaigns will be produced after that.

Could you tell us where the plans of the Diamond Producers Association for the Generic Marketing of diamonds stand currently?

We are presently working on building the team; we will become active in 2016. We would like to keep the diamond dream alive for each succeeding generation of consumers. We will use digital media, new media -- but of course it all depends on the team.

Would you be willing to join hands with other stakeholders on Generic Marketing of diamonds?

We will work with other stakeholders. But the DPA *is* an association of diamond **producers** and only diamond producers can be a part of that.

Of course, but you can jointly take up activities, maybe in particular markets, it could be events, joint projects etc.

I was just clarifying that because we have been approached by some people/sections asking if they can become members, and of course we had to say no. Having said that, yes, we are open to joining hands with other segments and associations to promote diamonds. The more people that do so, the better it is for the diamond market.

- See more at: http://www.gjepc.org/news_details.php?id=1072#sthash.ZUZNNHPm.1wXoR6cC.dpuf