

Diamonds Loose Badly To Other Luxury Spend Competitors

◆ Diamond jewellery is forecast to grow sluggishly at 3.3% annually. Demand for polished diamonds is predicted at 4.2%.

- ✓ This is down from the overall global gems and jewellery CAGR of 5.2% since 2000.

- ✓ And below the predicted overall global gems and jewellery growth rate of 4.6%

◆ Key luxury spend competitors are growing much more quickly and stealing share of high end discretionary spend.

- ✓ For example, luxury apparel is forecast to grow at 10-15% annually.

- ✓ Other competitors are also strong

- ✓ Low to mid range luxury - watches, high end electronic gadgets, travel

- ✓ The top end luxury competitors – fast cars, yachts...

Source: KPMG

Why ?

➔ Because growth in high end and luxury items is driven by a number of factors including:

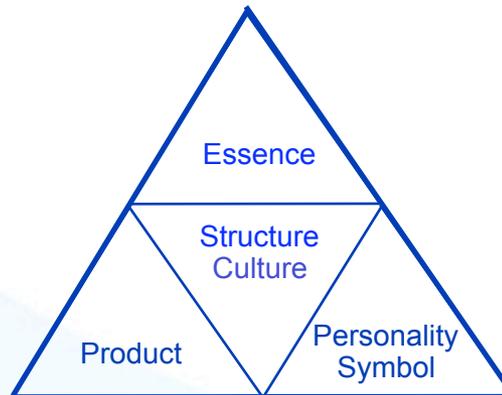
- ✓ advanced segmentation and targeting,
- ✓ customisation,
- ✓ technical novelties,
- ✓ keying into fashion trends,
- ✓ smart aggressive marketing,
- ✓ and commanding price premium,

i.e.

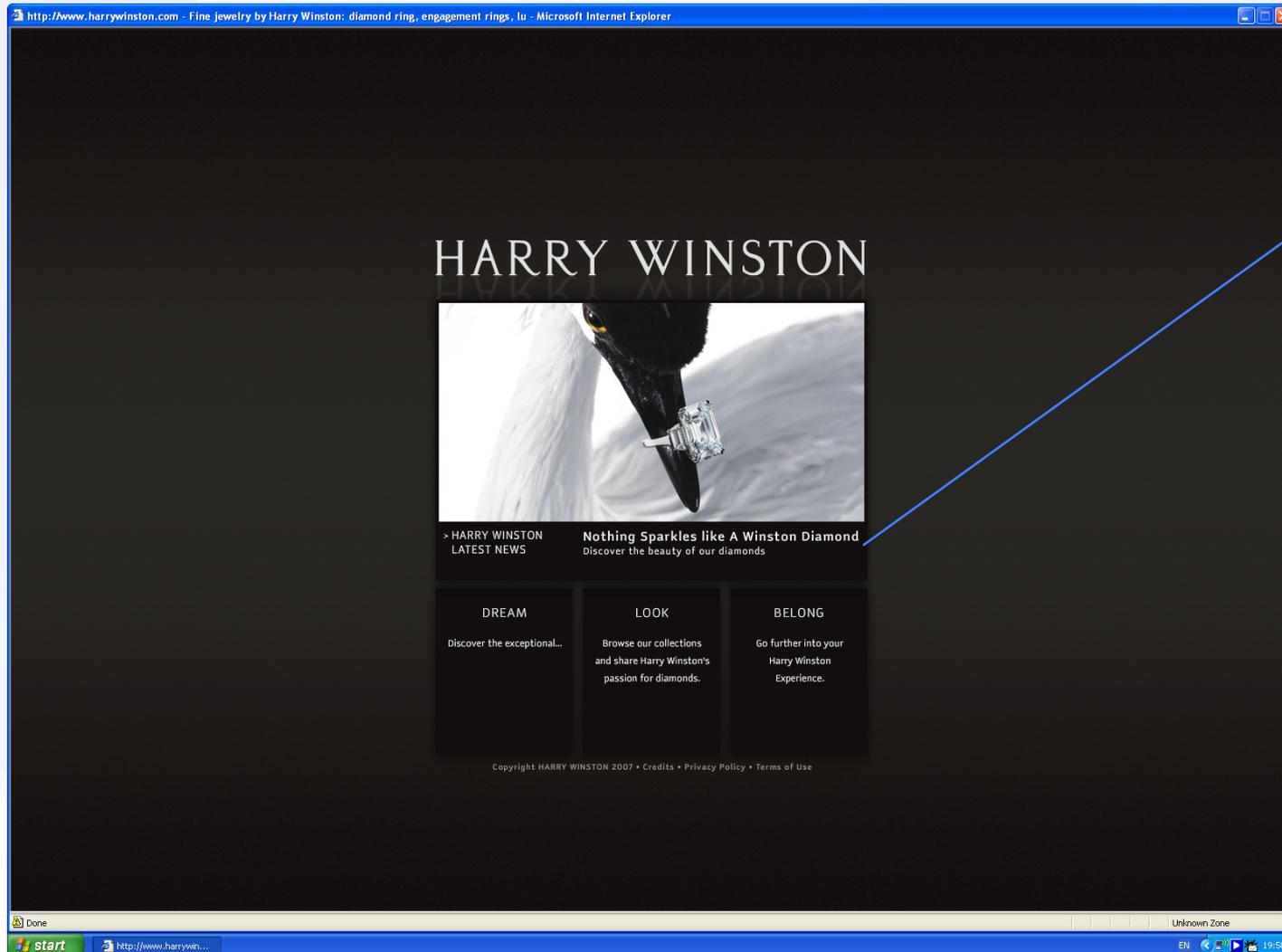
because competitors develop BRANDS

Brand Structure

- The reproduction system of the coherent set of emotional and functional benefits of consumption at all stages: choosing, buying, (presenting), possession, wearing, collecting, upgrading.



Currently Even the Well-Established Diamond/Jewelry Brands Lack the Coherency



The brand promise does not have any kind of support/justification/further references/follow ups

Why Coherent Emotional Part Is So Important?

→ It tells about the consumer PERSONALITY to:

- ✓ Him/herself
- ✓ People around

Where Are Diamonds Now On Personality Conveying?

“Your pulse is like a jackhammer. Sweat trickles with the glare of 100 spotlights. Your ego shrinks to the size of.. er...half a carat?

What’s his name, Francois? Frappe? The smug watches you squirm. All you want is a diamond for your sweetheart.

If this supercharged carbon was beer or cameras, it would be a breeze. But diamonds, you’ve gotta learn about carats, clarity, brilliance, color, marquise, Tiffany.....

Well we are here to make it as painless as possible. Even fun!”

Source: www.pricesscope.com –the leading Internet resource for diamond buying

What kind of personality feels this?

Would you like to experience the pleasure of shopping once again after that kind of a trial purchase?

Where Are Diamonds Now On Personality Conveying?

1.07 ct G SI1 Round

Report: **GIA**
Shape: **Round**
Carat: **1.07**
Depth %: **62.9**
Table %: **58**
Crown Angle: **35**
Crown %: **15**
Star : **50**
Pavilion Angle: **41.6**
Pavilion %: **44**
Lower Girdle %: **80**
Girdle: **Medium to Slightly thick**
Measurements: **6.51-6.56X4.11**
Polish: **Excellent**
Symmetry: **Excellent**
Culet: **None**

Is there ANYTHING about the PERSONALITY?