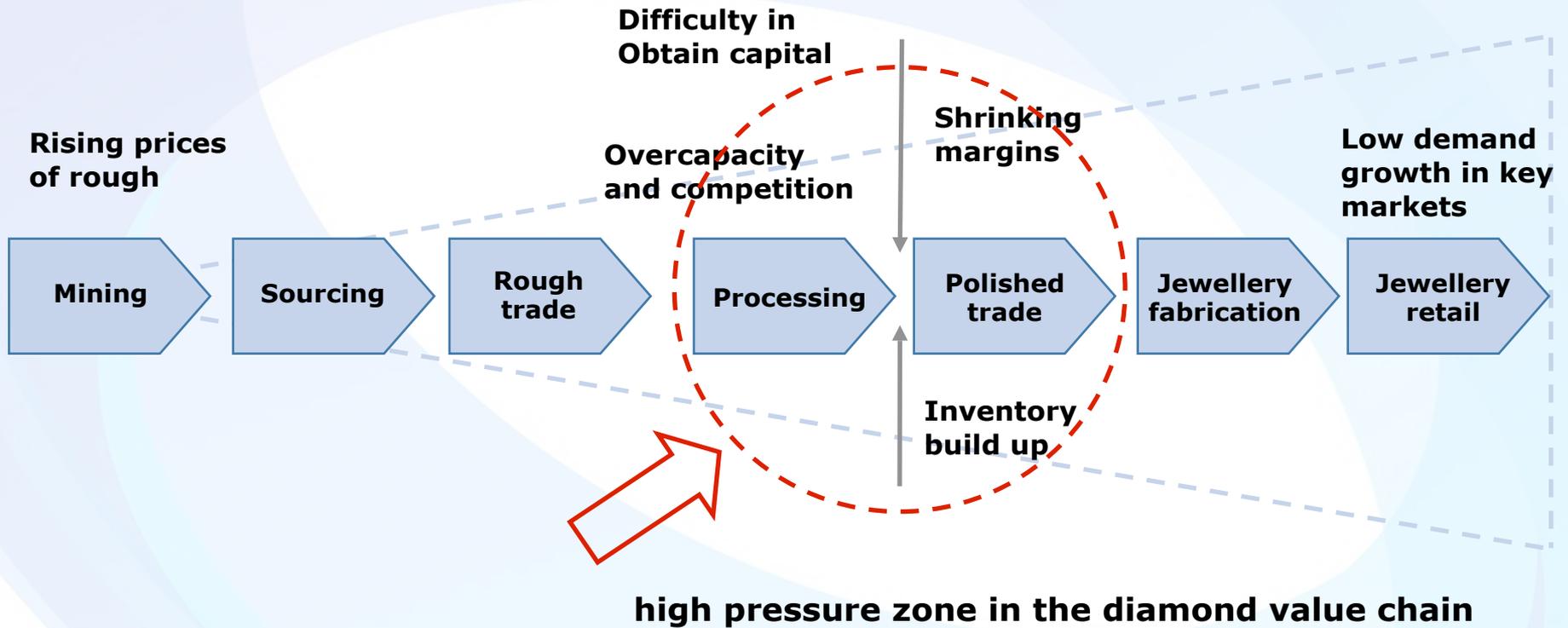


Current market situation



Way out: Diamond brand development

*Different diamond - different manufacturer - different consumer
(like cars: Mercedes, Toyota, Honda, BMW)*

Design and quality = dominant base of competition

One of the main concerns of any jewellery manufacturer is to give the consumer the product he/ she wants, while ensuring that costs are under control and the business is sustainable and profitable.

However, competition and slow growth in the industry have eroded margins. The average consumer demands quality, finish, and innovative designs but at 'reasonable' prices.

Technology as the silver lining

Customer need: Innovative designs conforming to the latest trends

Solutions provided by technology: CAD and computer integrated machinery to design innovative diamond cuts

Market trends

	Current trend	Implication for suppliers
Consumers	Become cosmopolitan. Compare products across the world before buying.	Need to adapt their 'made-to-stock' designs to meet changing customer preferences .
Changing fashion	Increasing influence of 'fashion' in jewellery , short-term demands.	Need to reduce 'time-to-market' and develop more efficient design, production, distribution, and inventory management processes.
Channels	Consumers spending more online. Last survey: 10% of jewellery shoppers are online.	Opportunity to adopt B2B as well as B2C Internet business to access customers regardless of geography.
Competition	Traditional structure of small-to-middle-size independent retailers is under pressure from large, international brands such as Chanel, Dior or Jean-Paul Gaultier, Esprit, and Mont Blanc.	Fewer customers with greater bargaining power. The need to satisfy and manage customer needs has become a key requirement for all jewellery manufacturers.

The need to satisfy and manage ultimate customer needs has become a key requirement for all jewellery manufacturers.

Octonus Cycle

