

Eternity or Identity? What Diamonds Mean to Chinese Millennials

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Source: The Diamond Loupe



Millennials are big buyers of diamonds. Aged 18-34, millennials from the US, China, Japan, and India contributed to 45 percent of total retail sales, worth about \$26 billion, according to a 2015 De Beers report. And Chinese millennials are even bigger spenders. They account for 68 percent of diamond sales in China, a number that's significantly higher than other markets.

"A diamond is an investment for me. I bought it for the inherent value, but more importantly, it feels good to treat myself," says Sheryl Li, 28, who works at a hedge fund in New York City. She put aside a small amount out of her annual salary to purchase the diamond. For Li, diamonds don't symbolize marriage, but the commitment to something else — her financial independence.

According to research from advertising agency J. Walter Thompson, over 40 percent of Chinese women regard financial independence as more important than marriage, and over 30 percent of them think financial independence equals success.

As women become more independent and financially successful, they are less willing to tolerate an unequal marriage. Before, marriage could be seen as a means to gain financial safety, but in today's society, to marry or not, or remarry or not, doesn't have a single, definite answer. Consequently, the magical symbolism of "one diamond forever" has faded. When marriage is not eternal for Chinese millennials, it challenges the diamond industry that builds upon the notion of eternity — bad news for luxury jewelry brands. As the meaning of committed relationships blurs, it also grants an opportunity for millennials to reinterpret diamonds as accessories, and the reasons to own a unique one.

Like more and more young people who resist big logos, Li told me she prefers attractive pieces with unique designs that don't come from big brands like De Beers, Cartier or Graff. "I take great pleasure in spotting a good quality unique one, but I am still learning how to examine the value of a diamond."

For luxury jewelry brands, this new trend indicates that further growth opportunities lie in design. They can serve young millennials' interests in self-expression by marketing unique designs that mean something to them, a relationship with a diamond that's more akin to a tattoo than an engagement ring.