

G J E P C S U R V E Y

Time for India's Magic Makeover

To succeed in today's world, it is not just imperative to produce and deliver, it is equally essential to work on one's image and how one is perceived by one's global counterparts as well. In order to study and analyse its standing in the eyes of the world, the Gem & Jewellery Export Promotion Council (GJEPC) engaged in an exercise which helped them track the Indian industry's global image. It commissioned Marco Casanova, founder of the Branding-Institute CMR AG in Switzerland, to conduct a survey during the Baselworld fair this year. The results are out, and the analysis is insightful.

SHANOO BIJLANI and REGAN LUIS spoke exclusively to MARCO CASANOVA to find more about how the Indian jewellery industry is perceived in relation to other nations.

In our May cover story, we had elaborated on the GJEPC's initiative to conduct a Perception survey during the Baselworld fair this year to find out how the world views the Indian gem and jewellery industry as compared with the US, Europe, Asia and the Middle East.

"It was mission accomplished," said Marco Casanova, founder and executive

consultant of Branding- Institute CMR AG in Switzerland, who was commissioned to do the job. "The results are out and the analysis is substantial. The survey results throw up substantial revelations that could be optimally utilised by the industry as a whole and raise its bar by engaging in carefully thought out image-building and branding exercise – either collectively or individually – on a prompt basis," noted Casanova.

It is imperative that whichever path the jewellery industry adopts, it will have to adhere to certain parameters to reach to that level and to be able to optimise perceptions that the world has about the Indian gem and jewellery industry. This will collectively help the industry to justify a price premium when selling 'Made in India' diamonds, jewellery and gemstones.

Conducting the survey of this



The single most important thing to manage is the image of your brand. <<

- MARCO CASANOVA

magnitude at one of the world's premier and busiest fairs was no mean feat. First, surveys cannot be carried out on the fair grounds. However, Branding-Institute CMR AG engaged 12 students from the University of Berne, to get the results. The motivated band of girls and boys managed to interview 759 visitors attending the fair outside of the fair precincts such as the nearby bars, restaurants, entertainment lounges, and auditoriums.

All the 759 subjects who took the survey were grilled for 10-15 minutes and they managed to wade through a complex questionnaire. The number of subjects who took the survey only on the diamond segment were 246; 463 answered the questions on jewellery, and 50 took the survey on gemstones. There were more male respondents than females, and among the nationalities who took the survey, Europeans were the largest segment (479), Asia (100), North America (60), South America (22), the Middle East (31), Africa (10), and unspecified (57).

The questionnaires were different for all the three sections because India's 'perceived' competitors are different – in gemstones, it is Brazil; in jewellery, it is Italy and France; and in diamonds, it is Belgium, noted Casanova.

THE METHODOLOGY

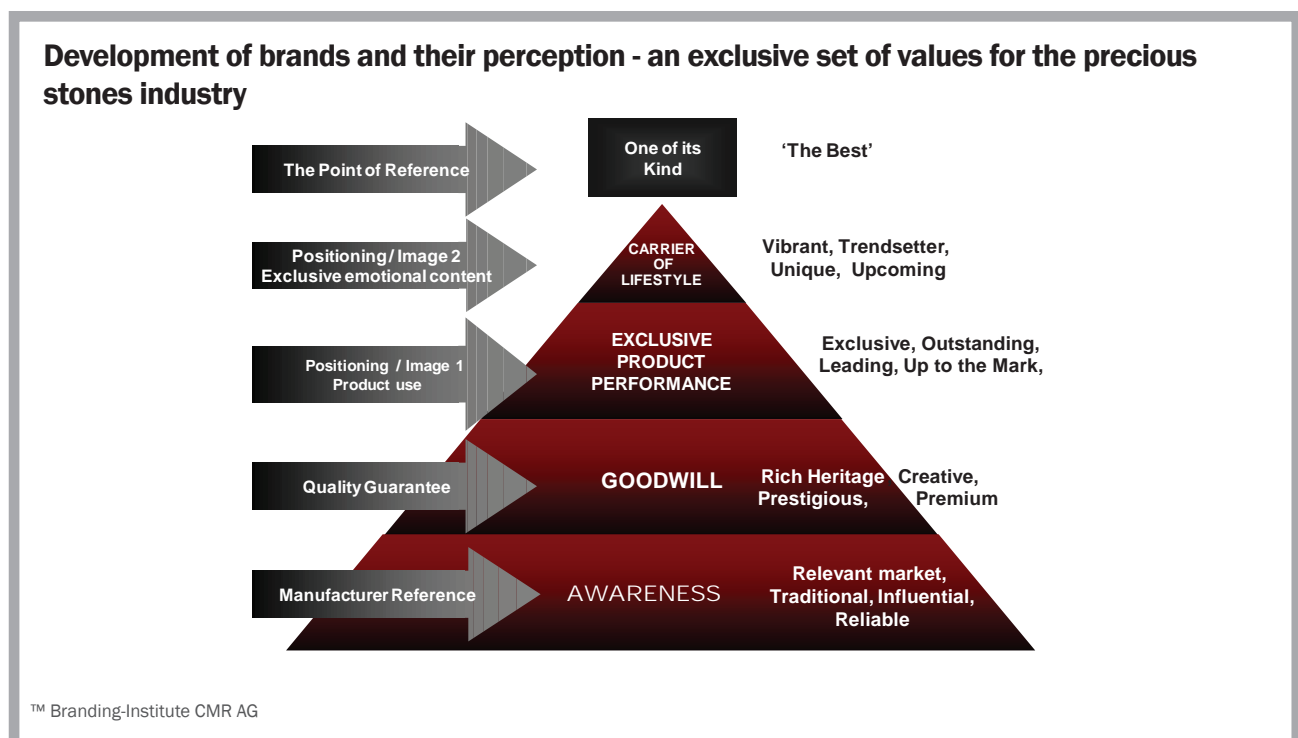
Casanova had outlined 18 values and attributes to measure the perception. The 18 values were divided into five segments on a pyramid that helped track the development of

the country brand – starting from the base and going up to the apex. The respondents were asked to associate a country of their choice with attributes in each segment and how strongly were the countries perceived on these attributes and values.

At the base of the pyramid was 'Awareness' featuring attributes such as relevant market, traditional, influential, and reliable. This was from the point of 'Manufacturer Reference', so if a country scored high here, it was considered a good start. Scoring high on Awareness level meant that "people know that you exist in this business," explained Casanova. "So, relevant market is an important indicator of awareness among stakeholders. Scoring high on traditional means you have a rich heritage, and have a track record of being influential and therefore, reliable. If you score high here, then the possibility of scoring high in the upper segments is more likely."

One level up was 'Quality Guarantee' with values describing rich heritage, creative, prestigious, and premium. "Scoring high in this segment means that 'I know they exist, and they are trustworthy', Casanova said. "So these four factors determine the level of goodwill."

The next two levels are 'Positioning in terms of Product Use' with values describing exclusive, outstanding, leading, up to the mark, topped by 'Positioning in terms of Exclusive Emotional Content' with values like vibrant, trendsetter, unique, upcoming. And on the apex is 'One of its kind' – the best.



PRODUCT ATTRIBUTES MOST LIKED

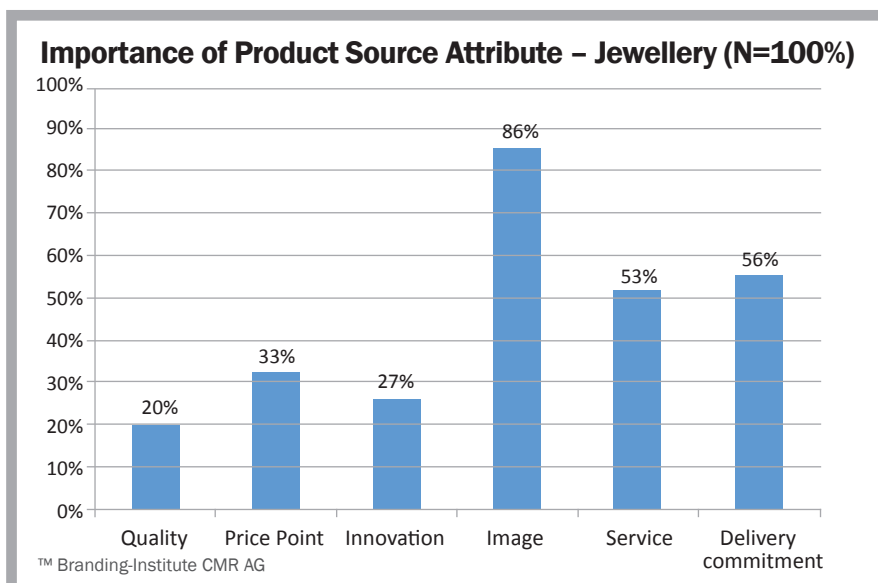
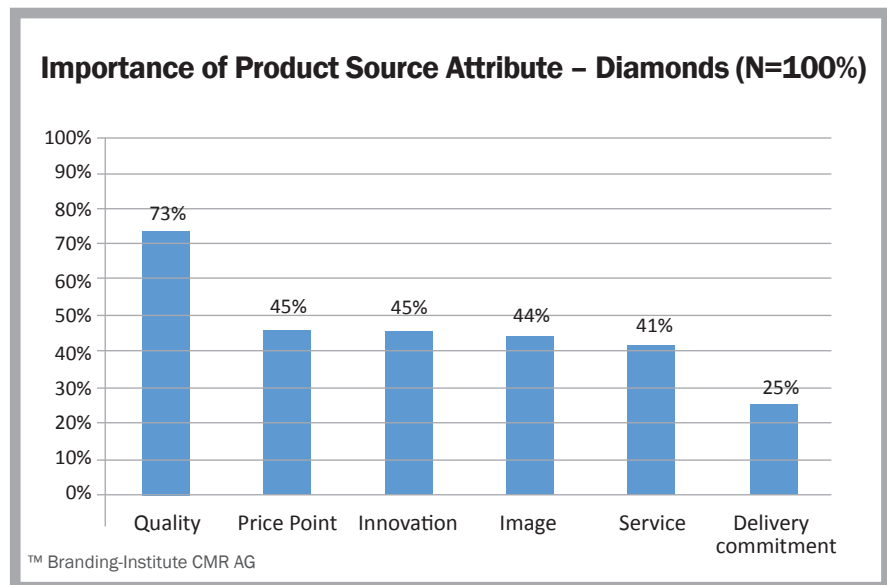
When the 246 respondents were asked what would be the most important criteria when sourcing diamonds, 73% voted for quality. Price point and innovation ranked second and third, with image in a close fourth.

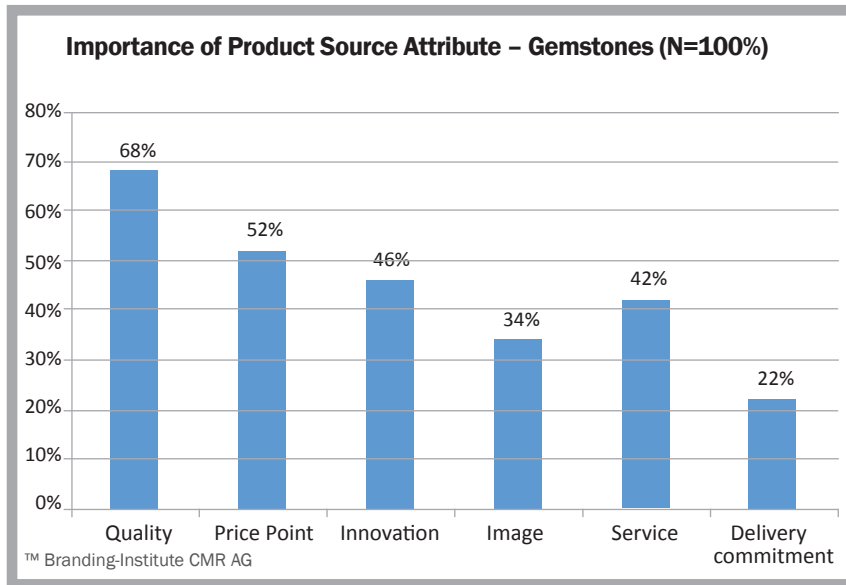
For jewellery, 86% (of the 463 respondents) selected image over quality. Service and delivery commitment ranked second and third respectively. Quality was the lowest priority with 20%. “So, as you can see, for customers, the criteria in choosing diamonds are completely different from the criteria in selecting jewellery,” explained Casanova.



Marco Casanova

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When sourcing gemstones, quality, price point and innovation were voted in that order.

THE VERDICT

First the good news: It emerges that India is perceived as being one of the top three leading nations along with Belgium and South Africa in the field of diamonds. In the jewellery section, India is also viewed as one of the top three countries along with Italy and France. And in the coloured gemstone segment, too, India is seen as the top three together with Brazil and Myanmar.

“If you put all this data together, India is the number one in precious stones. And it is the only country that has a presence in the top three slots in all the categories,” Casanova noted. “For India, it is a solid start but it’s clear that India is nowhere in the lead. So you still have to move up the value chain.”

To get a better insight into the results one will have to go through it with a fine comb. Here’s how the picture emerged.



COUNTRY-WISE DIAMOND ANALYSIS

Here in the graph below, we get to see many coloured bands – green for high number of votes, amber for mixed verdict, red for faring poor.

In the diamond category, Belgium is leading in most attributes, but interestingly the world crowns South Africa as “the best” among the countries in diamonds. “This is obviously because if you speak of diamonds, the association with South Africa comes first to your mind,” observed Casanova.

India again has a robust image in the diamond segment, with no red bands, except for an amber band in the trend setting criterion – that means it is not perceived as being *en vogue*. India secures a yellow band in influential and reliable criteria too. It is viewed as a traditional market. “It is ironical that many people around the world don’t know that more than 80% of the diamonds are manufactured in India,” noted Casanova. “So, the perception about the Indian link with

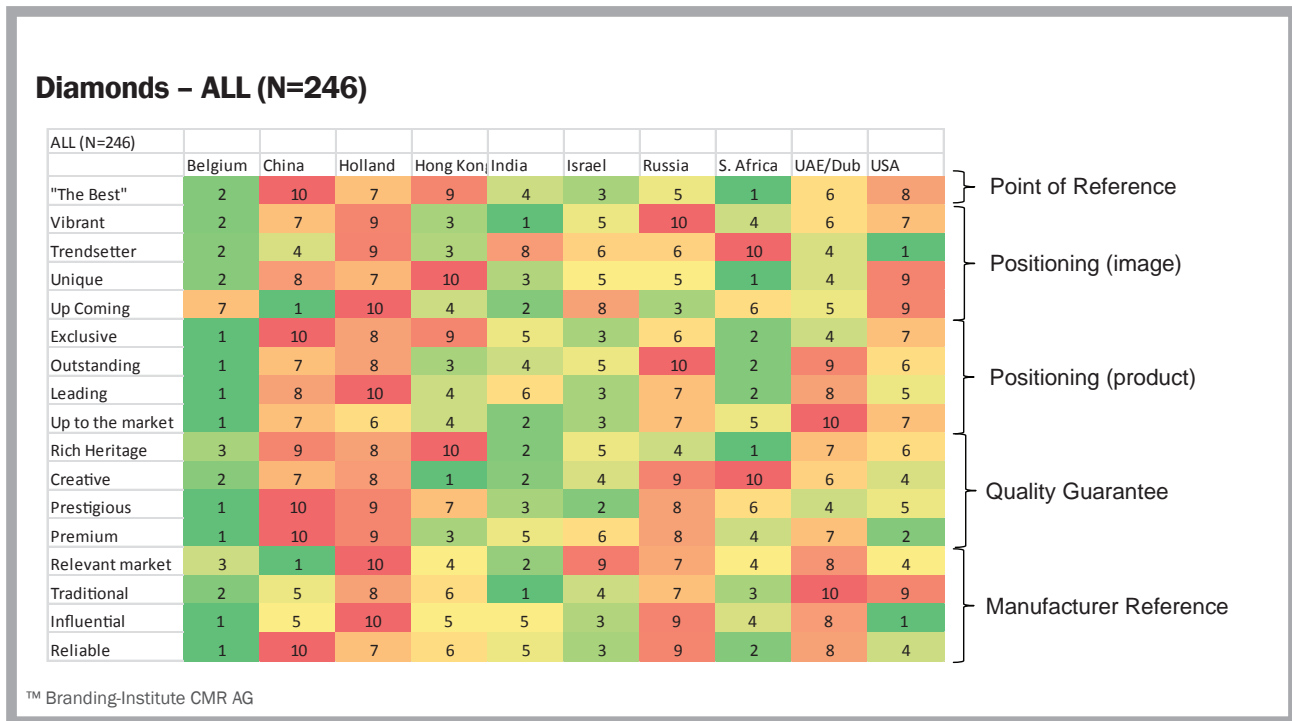
diamonds has significant room of improvement.”

India is leading in vibrant, traditional, and secures a second position in heritage and creative segments; it has an overall robust perception; it is seen second in upcoming and premium traits, and is viewed as fourth in the best category.

Belgium is the second best, and leads in 8 categories, while India stands third.

So what should India do move up the value chain?

India is seen as a manufacturer and supplier of precious stones. It is already established in the business-to-business and business-to-consumer markets. “But what India lacks is international branding in the diamond segment. India faces the most obvious threat from China, because if it decides to pump in efforts to grow the manufacturing sector, it can quickly overtake India. India has to move up the value chain soon because it cannot stay in the comfort zone of being just the world’s top manufacturer of diamonds.”



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COUNTRY-WISE JEWELLERY ANALYSIS

Of the three top well perceived countries -- France, Italy and India -- Italy is ahead of India in terms of 'the best' category, France is the second best and India is third. India scores high in categories like traditional, relevant market, rich heritage, upcoming, unique and vibrant.

"The good point is that India is nowhere judged as really weak on any of these 18 criteria. Overall, it is a robust judgement. China 'is in the red' when it comes to unique, prestigious, premium," observes Casanova. "Hong Kong is a very strong competitor to India's third position, but is perceived weak in terms of being unique and having a rich heritage."

In a swot analysis of the jewellery segment, India is second in upcoming; third in vibrant, unique, rich heritage, and relevant market, traditional, and third in the overall best ranking. Italy is leading in 9 values, France leads in values such as exclusive, premium, prestigious, traditional, and rich heritage.

"Although India has not received any red marking, it has been rated 8th and 9th country for premium and exclusive attributes. Also, it does not feature in the top five in some of the very important categories, like outstanding, leading, influential, trend setting, premium, exclusive, reliable and influential. That means India needs to move up the value chain to justify a price premium," remarks Casanova. "These are the areas where India has to scale up. The world has high expectations from India, and it is judged to have had a great past, and a promising future. But the present outlook can for sure be strengthened."

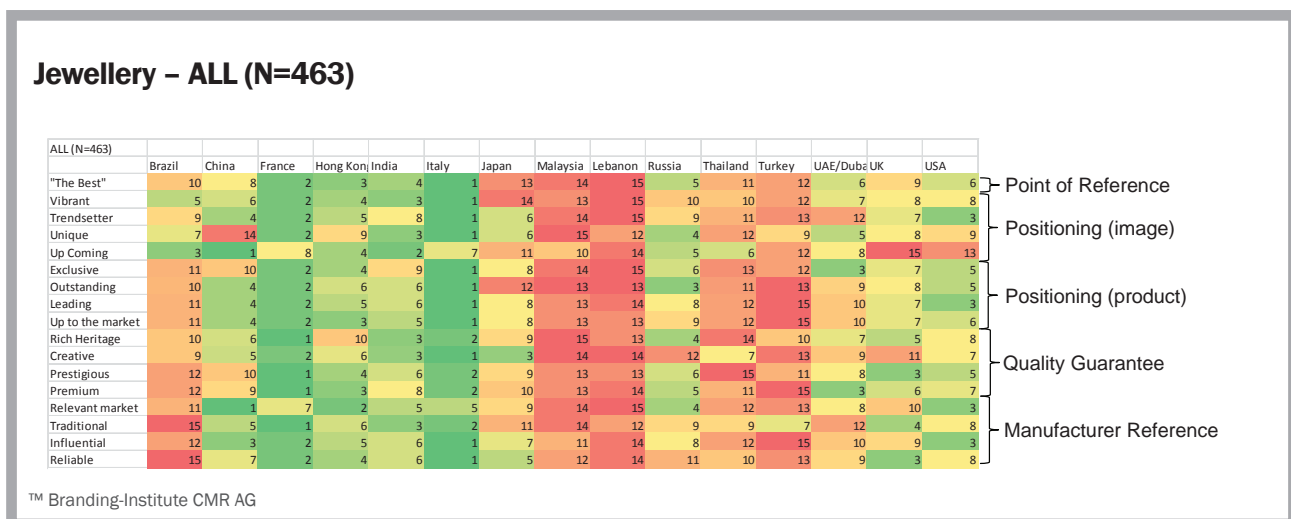
"There is a lot of work that needs to be done. First, the

industry should work towards being seen as reliable," said Casanova, adding, "I suggest implementation of quality seals like the ISO certification for sustainability, quality, processes; jewellery manufacturers should get these seals in place and then sell their product to retailers. Some of the leading jewellery manufacturing houses are already doing it, so it should not be difficult for others to follow suit."

Any country that wants to move up in the value chain has to be first seen as reliable. "Especially the manufactures, who exhibit at the international fairs," said Casanova. "If they don't convince the opinion leaders in the industry about their quality, how will they influence the end consumer?" he asked.

"India is seen as an upcoming and relevant market. Italy and India are on equal footing in the traditional trait. The future for jewellery lies in building on diamond strengths to move up in the value chain of jewellery. For instance, you need to make the following connection – 'Which is the most valuable jewellery? The one that has the most valuable diamonds,'" suggested Casanova.

"My recommendations would be to build on the strong connection India has in diamonds, its rich heritage and tradition, vibrant and premium, and to extend this connection to jewellery and gemstones, by educating the relevant stakeholder groups. India has to tell the world about its traditions, because it seems that this story has not been perceived the way it ideally should," remarked Casanova.



Gemstones – ALL (N=50)

| ALL (N=50) | Brazil | China | Hong Kong | India | Israel | Kenya | Mexico | Myanmar | Russia | Sri Lanka | Tanzania | Thailand | UAE/Dubai | USA |
|------------------|--------|-------|-----------|-------|--------|-------|--------|---------|--------|-----------|----------|----------|-----------|-----|
| "The Best" | 1 | 3 | 7 | 3 | 11 | 7 | 14 | 2 | 11 | 5 | 5 | 7 | 10 | 11 |
| Vibrant | 4 | 7 | 2 | 1 | 9 | 12 | 4 | 2 | 4 | 9 | 9 | 12 | 12 | 7 |
| Trendsetter | 2 | 4 | 1 | 5 | 11 | 13 | 8 | 11 | 8 | 13 | 8 | 7 | 3 | 5 |
| Unique | 1 | 10 | 3 | 5 | 7 | 10 | 14 | 7 | 10 | 10 | 1 | 3 | 7 | 5 |
| Up Coming | 3 | 2 | 4 | 1 | 13 | 10 | 13 | 9 | 6 | 6 | 10 | 4 | 10 | 6 |
| Exclusive | 3 | 5 | 9 | 1 | 5 | 12 | 12 | 1 | 5 | 12 | 9 | 4 | 9 | 5 |
| Outstanding | 1 | 3 | 7 | 4 | 1 | 13 | 13 | 7 | 9 | 9 | 12 | 6 | 9 | 4 |
| Leading | 1 | 3 | 4 | 2 | 9 | 9 | 14 | 5 | 9 | 8 | 9 | 6 | 6 | 9 |
| Up to the market | 7 | 4 | 7 | 1 | 9 | 13 | 13 | 4 | 9 | 4 | 9 | 9 | 1 | 3 |
| Rich Heritage | 2 | 5 | 9 | 1 | 11 | 13 | 7 | 7 | 4 | 3 | 9 | 5 | 11 | 14 |
| Creative | 4 | 3 | 1 | 1 | 11 | 13 | 11 | 7 | 7 | 7 | 13 | 5 | 7 | 6 |
| Prestigious | 1 | 6 | 4 | 1 | 12 | 12 | 14 | 3 | 9 | 10 | 10 | 6 | 4 | 6 |
| Premium | 3 | 10 | 2 | 5 | 9 | 10 | 10 | 3 | 7 | 5 | 7 | 10 | 1 | 10 |
| Relevant market | 1 | 1 | 4 | 3 | 6 | 13 | 13 | 6 | 9 | 9 | 9 | 5 | 12 | 6 |
| Traditional | 5 | 4 | 5 | 1 | 9 | 11 | 11 | 7 | 11 | 2 | 11 | 3 | 7 | 9 |
| Influential | 1 | 3 | 1 | 4 | 12 | 12 | 9 | 7 | 6 | 12 | 9 | 9 | 7 | 4 |
| Reliable | 1 | 5 | 2 | 2 | 2 | 13 | 13 | 10 | 12 | 7 | 10 | 9 | 5 | 7 |

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Point of Reference
 Positioning (image)
 Positioning (product)
 Quality Guarantee
 Manufacturer Reference

COUNTRY-WISE GEMSTONE ANALYSIS:

In gemstones, Brazil as compared to India has a stronger image, but India has hardly any weaknesses. Myanmar is second in the ‘best’ category -- again because gemstones are sourced from there. Other than that, it doesn’t have many strong perceived attributes.

India leads in the categories such as vibrant, upcoming, exclusive, up to the mark, rich heritage, creative, prestigious and traditional, and on the plus side, it is not judged critical on any of the 18 attributes; China is judged critical on premium and unique.

Brazil leads in 7 categories, Hong Kong in trend setter, creative and influential; Israel tops in outstanding; and China scores in the upcoming, outstanding and relevant market and influential categories.

Again India receives an overall robust judgement on all the attributes, but it can build on its strong perceived features like rich heritage, traditional and vibrant.

THE MAGICAL TRAIL

Casanova also added four more traits (see graphs on next page) that India could use for possible brand positioning. The traits were: glamorous, romantic, mysterious and magic. “We tried to find out how we can position the ‘Made in

India’ brand”, commented Casanova. “And the results were very significant. India is actually leading in the diamonds segment in terms of magic, mysterious, and romantic, but lags behind in the glamorous category. In the jewellery field, India is a strong second in magic, and the gap between India and Italy is not much. India is also leading in the mysterious trait. In gemstones, India is leading in all the four traits,” observed Casanova.

Offering tips to alter and control perceptions, Casanova said that, “India needs to work on glamour, but can build more on its magic trait which is its strong point. Magic is viewed as a positive trait. The world dreams of magic and it is a universal emotion. Mysterious is an attribute that may not just have a positive connotation.

“If we combine the results, it is clear that India is leading in magic and mysterious traits. It is rather strong in romantic, but does not score as high as France and Italy. However, India is not so strong on the glamour quotient yet. For that India could create glamorous events in the country and abroad to get the visibility and co-brand with partners that are strongly seen as glamorous.”

The exercise was conducted to check if India was viewed exclusive in any one of the four features mentioned above. “The uniqueness of the country lies in its magic, in terms of its

Possible Positioning

Diamonds (N=246)

| ALL (N=246) | Belgium | China | Holland | Hong Kong | India | Israel | Russia | S. Africa | UAE/Dub | USA |
|-------------|---------|-------|---------|-----------|-------|--------|--------|-----------|---------|-----|
| Glamorous | 3 | 9 | 10 | 5 | 6 | 8 | 4 | 7 | 2 | 1 |
| Romantic | 2 | 10 | 6 | 9 | 1 | 4 | 8 | 7 | 5 | 3 |
| Mysterious | 8 | 4 | 10 | 9 | 1 | 6 | 3 | 2 | 5 | 7 |
| Magic | 8 | 5 | 10 | 3 | 1 | 7 | 9 | 2 | 3 | 5 |

Jewellery (N=463)

| ALL (N=463) | Brazil | China | France | Hong Kong | India | Italy | Japan | Malaysia | Lebanon | Russia | Thailand | Turkey | UAE/Dub | UK | USA |
|-------------|--------|-------|--------|-----------|-------|-------|-------|----------|---------|--------|----------|--------|---------|----|-----|
| Glamorous | 9 | 10 | 2 | 8 | 6 | 1 | 11 | 13 | 14 | 4 | 12 | 15 | 5 | 6 | 3 |
| Romantic | 7 | 15 | 2 | 6 | 3 | 1 | 9 | 9 | 12 | 4 | 9 | 8 | 12 | 12 | 5 |
| Mysterious | 11 | 6 | 4 | 12 | 1 | 3 | 13 | 9 | 6 | 2 | 5 | 8 | 10 | 14 | 15 |
| Magic | 7 | 9 | 3 | 5 | 2 | 1 | 14 | 8 | 14 | 6 | 11 | 13 | 4 | 10 | 11 |

Gemstones (N=50)

| ALL (N=50) | Brazil | China | Hong Kong | India | Israel | Kenya | Mexico | Myanmar | Russia | Sri Lanka | Tanzania | Thailand | UAE/Dub | USA |
|------------|--------|-------|-----------|-------|--------|-------|--------|---------|--------|-----------|----------|----------|---------|-----|
| Glamorous | 3 | 3 | 3 | 1 | 12 | 14 | 10 | 8 | 3 | 10 | 8 | 12 | 2 | 3 |
| Romantic | 2 | 12 | 12 | 1 | 6 | 12 | 6 | 6 | 3 | 3 | 6 | 3 | 6 | 6 |
| Mysterious | 4 | 5 | 5 | 1 | 8 | 13 | 8 | 2 | 3 | 8 | 5 | 13 | 8 | 12 |
| Magic | 5 | 6 | 2 | 1 | 10 | 12 | 12 | 2 | 10 | 12 | 2 | 6 | 9 | 6 |

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Possible Positioning – Aggregated (N=759)

| | Belgium | China | Holland | Hong Kong | India | Israel | Russia | S. Africa | UAE/Dub | USA | Brazil | France | Italy |
|------------|---------|-------|---------|-----------|-------|--------|--------|-----------|---------|-----|--------|--------|-------|
| Glamorous | 8 | 9 | 17 | 7 | 6 | 11 | 5 | 11 | 4 | 3 | 13 | 2 | 1 |
| Romantic | 4 | 18 | 10 | 9 | 3 | 7 | 6 | 11 | 8 | 5 | 19 | 2 | 1 |
| Mysterious | 17 | 3 | 21 | 10 | 1 | 15 | 2 | 7 | 5 | 14 | 13 | 11 | 4 |
| Magic | 16 | 6 | 19 | 4 | 1 | 13 | 7 | 9 | 5 | 8 | 12 | 3 | 2 |

| | Japan | Malaysia | Lebanon | UK | Thailand | Turkey | Brazil | Kenya | Mexico | Myanmar | Sri Lanka | Tanzania |
|------------|-------|----------|---------|----|----------|--------|--------|-------|--------|---------|-----------|----------|
| Glamorous | 13 | 16 | 19 | 10 | 15 | 20 | 17 | 24 | 21 | 21 | 24 | 21 |
| Romantic | 12 | 16 | 16 | 21 | 14 | 13 | 14 | 20 | 21 | 24 | 23 | 24 |
| Mysterious | 15 | 7 | 6 | 20 | 7 | 11 | 21 | 23 | 18 | 18 | 25 | 24 |
| Magic | 17 | 10 | 18 | 13 | 11 | 15 | 20 | 24 | 23 | 20 | 25 | 20 |

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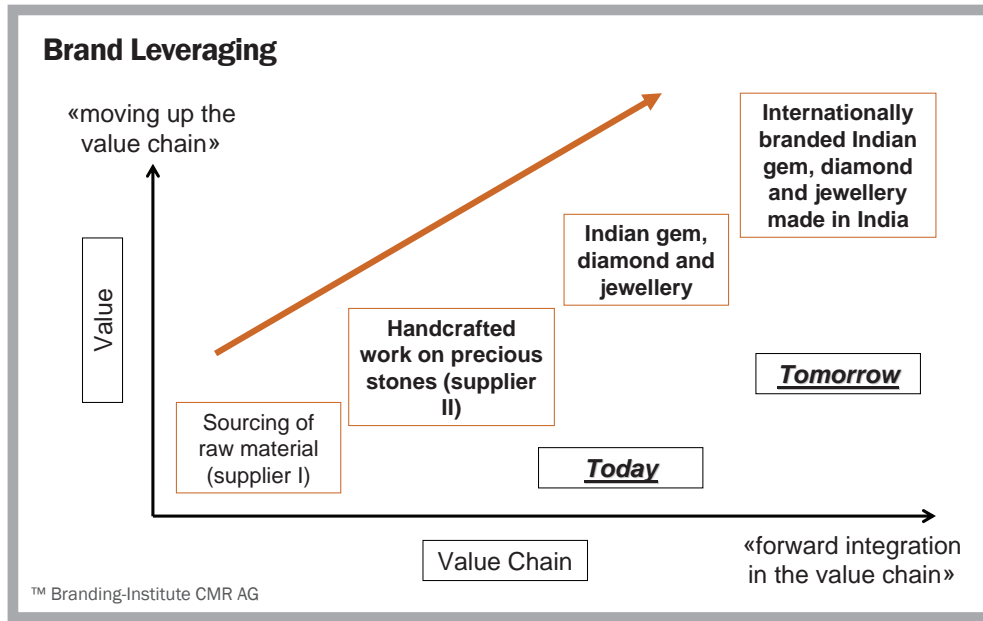
spiritualism, heroes like Gandhi, its unique landscape – all this could add to the distinctive identity of a country's brand in the context of precious stones," said Casanova.

NOW WHERE TO?

According to Casanova, India should promote itself as an all time leader in precious stones – this could be a promising brand identity because, "all time' means you are making the connection with the past to the future. So, basically you are somewhere closer to being precious and unique as opposed to positioning yourselves as a country that churns out commodities. Instead of co-relating to the 'Incredible India'

campaign, it would be to your advantage to change it to 'Precious India' campaign. The word precious is positive. You have to orchestrate the opinion of stakeholder touch points by developing and implementing strict quality labels for the 'Made in India' brand so that it becomes a symbol of quality for the rest of the world. India should be perceived as a brand that makes authentic jewellery which is precious and unique."

There are a few ways to go about it: global road shows demonstrating India's excellence in diamonds and jewellery will help; various co-brands and events to position the entire industry on a higher and more exclusive trendsetting level; to build an international reputation, one can earn accreditation of approval



and the Triple A seal whereby a jewellery firm gets retail space at premier international airports.

Even if India inches up in the Perception Pyramid, will the Indian jewellery be globally accepted? Perhaps, a fusion in design sensibilities will work well, Casanova suggested. “If you have the raw material, craftsmanship, creative talent and a segment the industry based on lifestyles that appeals to women globally, then India can definitely create magic. The choice is yours. But the first step is to move from simply orienting your business from merely being a mass producer to a business that caters to its customer needs.”

Quoting the example of Louis Vuitton, Casanova remarked that the brand doesn’t address the need for owning a bag, but it addresses to the snob appeal for which customers are willing to pay that much.

MOVING UP THE VALUE CHAIN

An orchestrated industry effort in promoting a global ‘Made in India’ positioning campaign can result in growth and prosperity. Selling globally branded Indian jewellery, diamonds and gemstones ‘Made in India’ will help India alter its brand image. Indian manufacturers could encourage this through a quality label initiative, to develop premium Indian diamonds, gems and jewellery brands; to start globalizing their own brands in a state-of-the-art way. One way could be to sell the ‘Made in India’ brand, and second, could be to develop product brands.

Casanova rounded off the conversation with a thought worth ruminating over. He drew our attention to the fact that the world’s most valuable luxury brand like Hermes uses images from India to promote itself.

“Hermes and Louis Vuitton need Indian references to promote themselves; you have it all here, but you are not using it effectively to your advantage!” Think about it. ■



Hermes advertisement: For illustrative purposes only.

The views and opinions expressed in this article are those of the interviewee and do not necessarily reflect those of The Gem & Jewellery Export Promotion Council.