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NEW TECH MEETS OLD WORLD

Lab-Grown Diamonds Awareness & Acceptance in Western Europe

Executive Summary



Report by
THE MVEye



EXECUTIVE SUMMARY

The Expected & Unexpected

New Tech Meets Old World. If there was any market validation that lab-grown diamonds (LGDs) have arrived, it is the high awareness and acceptance for the product that is shown among consumers in the Western European Market.

Consumers from five countries — France, Italy, Germany, Spain and Great Britain — expressed strong awareness for LGDs, with

77% of consumers reporting they were aware of the product before taking the survey.

This is just slightly less than the 80% of U.S. consumers reporting knowledge of the product prior to the survey.

“**BEFORE BEGINNING THIS STUDY WE KNEW THERE WAS GROWING AWARENESS OF LAB-GROWN DIAMONDS IN THE EUROPEAN MARKET. BUT WE DID NOT EXPECT THE DRAMATIC LEVEL OF AWARENESS THAT THE RESEARCH RESULTS POINT OUT.**”

THE MVEye CEO Marty Hurwitz

When looking at the individual countries, the highest awareness and acceptance of LGDs were among

ITALIAN CONSUMERS, 86%

In fact, Italians are the least skeptical of LGDs, at 13%, and showed the most enthusiasm for the product, with over 28% overwhelmingly positive about LGDs and more than half wanted more information.

UNEXPECTED



Lab-grown diamond necklace from COURBET

For such a traditional jewellery country, the data also reveals high interest among Italians in trending designs in fashion fine jewellery, important to 48% of consumers in Italy, while 36% are driven by the designers and brands they like.

With Milan considered the iconic capital of international fashion, this may not be such a surprise. They reveal in the survey a high propensity for LGDs in fashion fine jewellery (necklaces, earrings, bracelets) — over 40% to 47%, and about a third would consider LGDs for both fashion and bridal diamond jewellery in those categories.

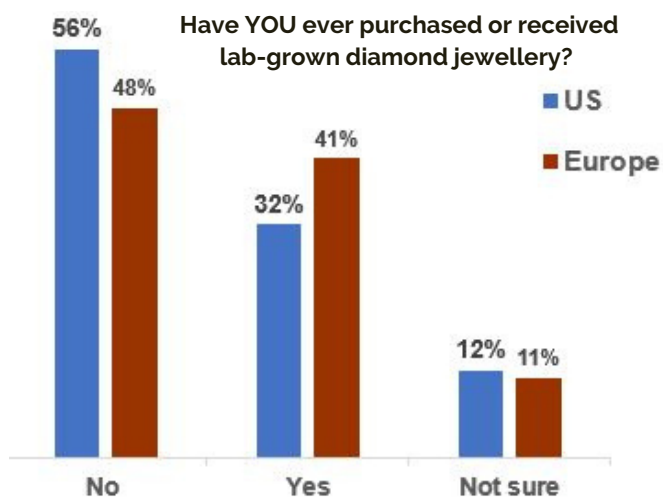
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cont.

UNEXPECTED

Not only is awareness high for LGDs in these Western European countries, but so is acceptance, with

41% of European consumers reporting they have either purchased or received LGD jewellery before taking the survey.



UNEXPECTED

for such a traditional fine jewellery market, this is nearly 10% higher than U.S. Consumers reported in

2020 32%



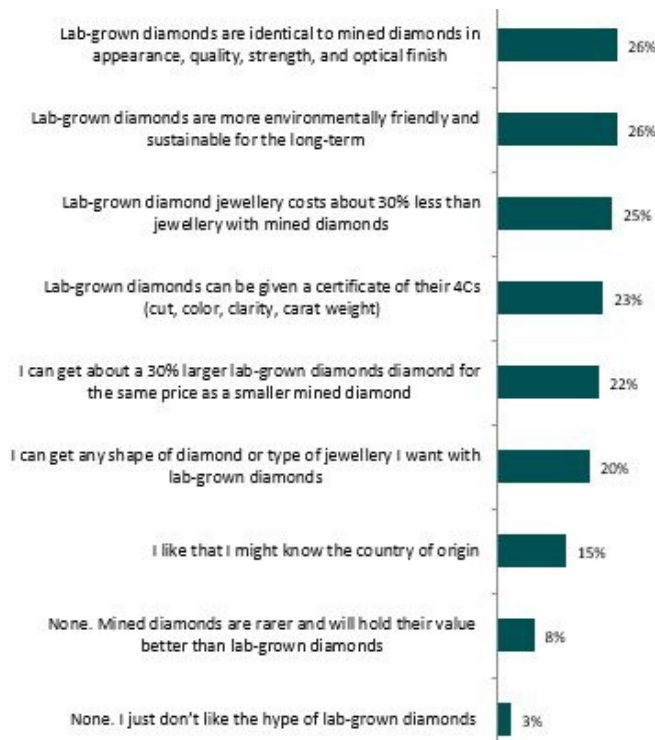
LAB-GROWN DIAMONDS ARE RECEIVING CONSIDERABLE ATTENTION LATELY BECAUSE THEY ARE:

- Considered more Environmentally Friendly & Sustainable Long-Term
- Visually Identical to Mined Diamonds
- 30% Less in Cost Than Jewellery Set With Mined Diamonds

More people in these Western European countries seem to be **interested in wearing lab-grown diamonds because of the reduced costs, their identical properties to mined diamonds, and as a sustainable, greener choice.** All these statements resonate the most with **26% of consumers.**

Nearly a **quarter of consumers** also like that LGDs can come with a **grading certificate**, as well as get a **30% larger LGD** for the same price as a smaller mined **diamond** (see following chart).

Which of these statements about lab-grown diamonds resonates most with you?



For **U.S. consumers**, the **cost-savings** and **size-upgrade** resonate most with nearly a third of respondents for each attribute.

The **environmental message** appealed to **28%**, and the fact that **lab-grown diamonds are identical to mined in appearance, quality, strength, and optical finish** resonated with **25%** of U.S. respondents.

EXPECTED

in both markets the statements resonated most with diamond consumers who would consider buying LGD jewellery.

The least influential factor for both European and American consumers (15% each) was that with buying LGDs, you'd likely know the country-of-origin

“*Younger European consumers, who responded to this study, articulated a strong interest in seeing the lab-grown diamond category expand. Compared to their American counterparts, of similar age, they are more engaged in social issues, as well as how businesses address Environmental, Social and Governance issues.*”
THE MVEye CEO Marty Hurwitz



Lab-grown diamond studs from Chelsea Rocks

UNEXPECTED

The latest study revealed even greater excitement among consumers in the Western European market than the U.S. for lab-grown diamonds.



How Felt When
First Heard About
LGDs



25%	Overwhelmingly Positive	17%
48%	Wanted to Learn More	44%
19%	Skeptical	22%

Fewer European consumers than U.S. found the idea of LGDs to be terrible or not worthy of use in fine jewellery.

2%	Terrible Idea	5%
6%	Not Worthy of Fine Jewellery	12%



Lab-grown diamond rings from COURBET

EXPECTED

in both markets was that more women than men buy jewellery for themselves as a celebration, reward and just because, and more men than women buy fine jewellery as a gift or to maintain social status.

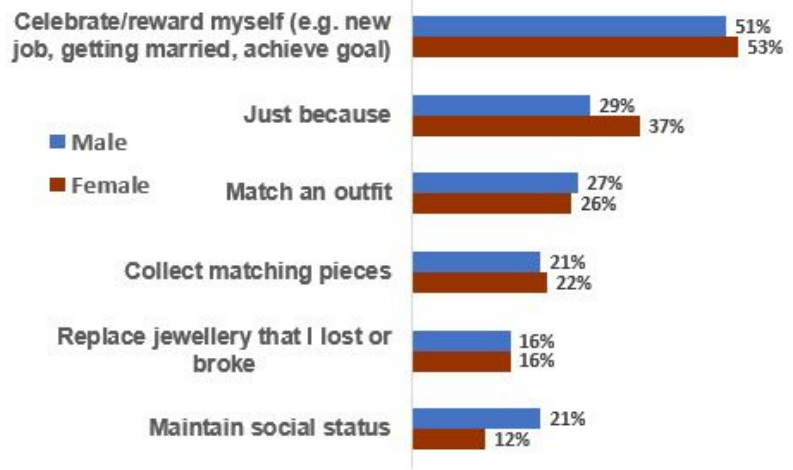
Europe

- 54% of women versus 51% of men buy fine jewellery to celebrate/reward self
- 37% of women versus 29% of men buy fine jewellery "just because"
- 37% of men versus 22% of women buy fine jewellery to gift
- 21% of men versus 12% of women buy fine jewellery for social status

United States

- 57% of women versus 36% of men buy fine jewellery to celebrate/reward self
- 33% of women versus 24% of men buy fine jewellery "just because"
- 63% of men versus 28% of women buy fine jewellery as a gift
- 11% of men versus 4% of women buy fine jewellery for social status

When are you most likely to buy fine jewellery for yourself?



Perhaps that is because male consumers in Western Europe have a higher propensity to buy fine jewellery for its status than their U.S. male counterparts, embracing the value of jewellery to signify something about the wearer/gifter.

The gap in the percentage of men versus women in the U.S. market, who buy fine jewellery as a gift, is wide

63% of men versus 28% of women 

This might indicate that the historic role of men gifting fine jewellery is stronger in the U.S. market than in Western Europe.

UNEXPECTED

is that more consumers in Europe are interested in fine jewellery with lab-grown diamonds set in an array of fashion and bridal styles, for a traditional diamond jewellery market.

There is healthy interest in fashion jewellery, 41% each for necklaces, earrings and bracelets, and 32% to 34% for those who would buy LGDs in both fashion and bridal styles in all three product-categories.

UNEXPECTED
Male consumers in the European market are more closely aligned to their female counterparts in their purchasing triggers to buy fine jewellery, as celebration or reward, just because, or match an outfit, than their counterparts in the United States.



Lab-grown diamond rings from LoyalLe Paris



Assorted lab-grown diamond jewellery images from Loyale Paris

EXPECTED

that more U.S. (53%) than European (45%) consumers would choose the LGD diamond if presented with two loose round diamonds for the same retail price, one a 1.9-carat LGD, the other a 1.4-carat mined diamond. Awareness for LGDs in the the past two years (2018 to 2020) has jumped more than 20%.



45% of European Consumers would choose LGD

53% of U.S. Consumers would choose LGD

Similarly, if presented with two rings that are identical, except one is set with a lab-grown diamond and the other mined, with the LGD priced £2400 and the mined £3100 (\$US3,000 and \$3,900 respectively), more U.S. consumers (57%) would choose the LGD ring than their European counterparts (49%)

49% of European Consumers would choose LGD ring

57% of U.S. Consumers would choose LGD ring



UNEXPECTED



Nearly **50% of consumers in Spain would choose the 1.9-carat LGD**, the highest percentage among the 5 countries surveyed, followed by Italy at 48%. **More than half of consumers in 3 of the 5 countries would select the LGD ring** — Italy (54%), Spain (53%) and Great Britain (52%).

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