

Diamond Evaluation: A Changed World

Retailers need to prove a diamond's properties for educated consumers

BY PETER J. GOLLON AND UDI LEDERER

In the past decade, trends developed in diamond marketing that go beyond the traditional 4Cs of carat weight, cut, color and clarity. One of these is greater consumer knowledge, including better access to pricing information.

The diamond-investment mania of the late 1970s and 1980s accentuated and publicized the knowledge that diamond quality could be evaluated and graded by trained gemologists in independent laboratories. This information was spread by jewelry organizations, which promoted consumer education and publicized the 4Cs.

Tangled Web

The growth of Web sites providing information on diamond evaluation has also helped educate the consumer. Many Web merchants establish their legitimacy through consumer education, just as many retailers do. As a result, customers know more about diamonds and the factors affecting beauty and price than they did even five years ago.

Of course, a little knowledge can be a dangerous thing. That different sites provide conflicting perspectives may leave the consumer with more knowledge but less certainty than before. More than ever, you must provide consumers with information so they can better assess what they are



The Gran Colorimeter from Kassoy measures a diamond's complete spectrum and can grade from D to fancy colors

considering buying and feel reassured about purchases.

The days of unwavering customer loyalty and trust in the "family jeweler" are fast disappearing. Because the products most retailers offer can be readily compared on-line on the basis of stone quality and price, customers will. And because retailers are buying from the same manufacturers, and various manufacturers are buying from the same sources, no one has a clear price advantage, except, of

course, for Web-based vendors. Branded diamonds may also have an advantage, if you can prove the added price has a value to your customers.

Total Internet retail sales increased 34% in 2002 over the previous year, though the number of such sales is still low compared to total retail sales. Consumers who were paranoid two years ago about credit card fraud on the Web overcame that fear. Left unchecked, the low-overhead Internet diamond and jewelry vendors – and vendors in all other categories – will continue to gain in market share at the expense of traditional retailers.

Take Advantage of Technology

Traditional retailers can take advantage of low costs by buying diamonds on the Web through such networks as Polygon, the Diamond Floor and Rapaport. Many of those listing stones for sale this way have 3-D Sarin diamond profiles available for downloading and viewing, allowing buyers to better understand the stone's cut before sending for approval. Similarly, anyone selling stones to dealers or retailers can post a stone's profile for rapid viewing by multiple potential buyers, gaining an advantage over other sellers who do not.

To compete with non-traditional vendors, you must be able to provide

all the information as a customer wants or needs. A certificate is a good start. An inscription loupe, which holds the stone in the proper orientation and position for viewing through its built-in lens, is a safe way to let customers verify the certificate number on the girdles of loose stones. For mounted stones, a 15X or 20X loupe will do the job. But some consumers may demand information beyond certificates and looking through loupes. They may want direct demonstration of the diamond's properties. Many jewelers demonstrate differences in diamond clarity using gemological microscopes. However, even an experienced gemologist can have difficulty using a master set to show color differences to a customer's untrained eye. In this situation, a colorimeter could provide a quick and reproducible result that does not depend on human perception.

The least expensive colorimeter is the two-channel Austron device, which measures the white to yellow range. A more complex instrument, the Gran Colorimeter (sold by Kassoy and made by a subsidiary of Sarin Technologies), measures the diamond's complete spectrum, and can grade from D to fancy colors. This machine will measure loose stones from 0.25 to 10 carats to within one-half of a grade, and mounted stones to within one full grade. Its capabilities are determined by its software, which can be upgraded, so it's possible capabilities might be added to existing units. At the very top of the scale, the Adamas SAS2000 unit is a research-grade instrument with the complexity, capabilities and price to match.

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Kassoy is famous for offering innovative products that help you do your job better. As distributor and service center for the Gran Diamond Colorimeter in the Western Hemisphere, we continue that tradition of innovation. The Gran Diamond Colorimeter lets you buy, sell, and color grade loose diamonds with complete confidence to within 1/2 GIA grade. The Gran Diamond Colorimeter provides accurate and repeatable results on stones from 0.25 to 10 carats. You can also grade mounted stones with a tolerance of plus or minus one grade. An optional label printer will allow you to print the results for appraisal or parcel papers. Thousands of Gran Diamond Colorimeters are in use worldwide for one simple reason. They're the best...just as you'd expect from Kassoy.

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