

Bring us your diamonds, never mind the grade or the cut

By ZHANG ZHAO

Most consumers are confused when buying a diamond because they often do not have any idea about the grading system, according to a recent survey in the Chinese city of Kunming, in Yunnan province.

The Gem and Jade Quality Supervision Inspection and Research Institute of Yunnan and National Gold & Diamond Testing Center conducted the survey. The idea came from the Kunming Department

Store and other shopping centers along the city's Nanping Street, a major business thoroughfare.

The pollsters used a questionnaire with 12 questions and collected 111 responses.

People aged 18 to 25 accounted for more than 40 percent of responses; those 26 to 35, accounted for 36 percent; those between 36 and 50, for 18.9 percent; and those above 50, for 4 percent.

The study showed the following: most diamond customers are female, accounting

for nearly 70 percent; 56.7 percent of the buyers look for design and style in a diamond; and 45 percent pay attention to size; 37.8 percent are interested in the price; while 36 percent pay attention to the cutting technique; and, 29.7 percent are interested in the brand.

And, although 76 percent of the buyers want a certificate from an authorized specialist before they make the leap, only about 40 percent actually understand what is written on the certificate, such as the grading. And, 41.4 percent said they have "some basic knowledge about the certificate", but 27 percent admitted to knowing nothing about it.

That left 24 percent who said they do not care about certificate if the seller has a good reputation.

For those who are interested, one of the most commonly accepted diamond grading systems is the 4C method – where the 'C's stand for carat, color, clarity and cut – for determining a diamond's cost.

Only 27 percent of the people polled were acquainted with this system, and were able to tell a diamond's quality from its certificate. Around 30 percent knew what the 4C stands for, but were not clear about all the details. Another 42.4 percent "had basically no idea" at all about the grading system.

Although more than 30 percent believed that the 4C system is a precise standard for deciding a diamond's quality, nearly half of the people polled said the system was too difficult for most

people to understand.

The survey found that clarity and color of a diamond are the most important factors in choosing one. Clarity got the nod from 57.7 percent, while 42.3 percent voted for color.

The cutting technique appears to be the last thing to arouse concern, with only about 22 percent voicing an interest in this aspect.

The pollsters concluded that, in spite of the popularity of a diamond's certificate, there are still some problems in figuring out a way to get customers to understand it easily.

Moreover, many buyers are misled by advertisements and focus too much on clarity and size, while ignoring the cutting technique. As a result, many manufacturers do not spend much on better cutting techniques, which are actually the key to a diamond's beauty.

Australia, Zaire, Botswana, Russia and South Africa are the top five diamond producers, while China is now one of the largest consumers, second only to the United States.

Data from its Shanghai Diamond Exchange (SDE) show diamond imports and exports growing five fold, from 2004 to 2010.

In 2008 alone, the SDE's trade increased 28 percent, making China the only nation that claimed an increase in diamond imports amid the global economic crisis.

China will also become the largest diamond market in the world this year, according to accountancy firm KPMG's estimates.



PHOTOS BY LI JINCAN / FOR CHINA DAILY

Luo Xia, general manager of the Kunming Kong Yuu Jewelry Co Ltd, showing off her company's first diamond quality certificate.



Showy jewelry, courtesy of Kunming Kong Yuu Jewelry Co Ltd.

Long search for a single, effective jadeite quality

By LI YINGQING AND GUO ANFEI

The first diamond quality certificate was shown at the 2011 Yunnan High-Grade Jadeite Appreciation Conference, on April 21. The first regional jadeite quality standards in Yunnan have come from the province's Gem and Jade Quality Supervision Inspection and Research Institute, in a move to "discipline the flourishing market".

The Grade Quality of Diamonds and Gemstones ruling was drafted in conjunction with the National Gold and Diamond Testing Center, and accepted on March 2. They said this was China's first diamond grade evaluation system.

China is the world's second largest diamond consumer, just behind the United States. But, the lack of a national diamond grade standard has kept consumers from getting

a clear understanding of the certification that the Administration of Quality Supervision issues.

The Research Institute and the Testing Center managed to come up with a single, effective standard for jadeite quality," said Deng Kun, head of the Institute.

Deng went on to explain that the new revised standard first takes weight into consideration, since this is the most direct way to judge gemstone quality on a single index. This is also fit for use in Chinese diamond market,

and is an easy way to solve the misguided consumer problem.

It also satisfies various social needs, and increases consume confidence, he said.

Luo Xia, general manager of Kunming Kong Yuu Jewelry Co Ltd, said that her company is the first one to get quality evaluated certifications from the province's Research Institute, so sometimes it is easy for customers to judge the diamonds by certification.

One diamond lover from Kunming, He Li, said, "I used to be interested in weight, color, clarity and cut, but the 4C classification is very professional. Now, I can buy with confidence since there's a diamond certificate."

The 2011 Yunnan High-Grade Jadeite Appreciation Conference is now underway in Kunming, with many examples of exceptional jade and gems, valued at more than 2 billion yuan (\$306 million).