



DIAMOND RINGS

Capitalizing on Social Trends

By Sara Kohles

FROM BRIDAL GOWNS to multiple tiered cakes, elaborate weddings have become an American tradition: a tradition that usually starts with a trip to the jewelry store. Today, diamond engagement rings symbolize the couple's everlasting love for each other. Yet the origins of matrimonial diamond rings are considerably more materialistic, arising from the confluence of advertising campaigns and the deregulation of engagement and marriage contracts.

While De Beers and Madison Avenue are generally credited with masterminding the rise of diamond matrimonial rings in the 1940s, '50s and '60s, several additional contributing factors are evident. Even before the advent of the famous De Beers US marketing campaign in 1939, diamond imports were dramatically rising. Strong economic growth during and after World War II certainly aided sales of luxury goods like diamonds, as, eventually, did demographic trends that increased the number of young adults. But neither factor explains why *diamond*

matrimonial rings, of all the luxury items swamping the post-Depression economy, enjoyed such success.

According to Margaret Brinig, the Fritz Duda Family Chair in Law at Notre Dame Law, eradication of the "breach of promise to marry" action was the single most influential factor in the rise of the diamond engagement ring tradition following the Depression. Beginning in 1935, six states stopped allowing jilted brides to seek restitution from their erstwhile fiancés. By 1945, 16 states had abolished the action.

Diamond rings, Brinig asserts, filled the hole left by the defunct breach of promise actions, which had provided women with financial security at a time when many people still viewed marriage as more of a career path than a romantic relationship. For women, marriage opportunities were inversely related to their age and their sexual history. A failed engagement left a woman older and was humiliating, particularly if her virginity was no longer intact. In states where the law no longer protected jilted brides, society faced a

quandary: how to compensate women for the losses they suffered from failed engagements.

Instead of opting for any sort of paper contract, like a prenuptial agreement or performance bond, to fix the problem, couples turned to diamond rings to solve their dilemma. Diamond rings had symbolized betrothal in America since the 1840s, but their use had largely been restricted to the most affluent members of society. When the African diamond rush of the late 1800s flooded the market, however, diamond jewelry became a viable option for middle and even lower class consumers.

By the late 1930s, therefore, most Americans were familiar with diamond engagement rings and could afford to buy one commensurate with their budgets. The average retail price of a diamond engagement ring was \$80 (\$1,280 in 2011 dollars) compared to today's average of \$5,200. Nudged along by Madison Avenue, many saw diamond rings as a natural form of collateral—as something valuable that a jilted bride could keep as compensation if her

would-be husband absconded. Diamond engagement rings therefore joined the list of matrimonial requirements alongside white wedding gowns and something borrowed and something blue.

The need for a physical asset as security was also driven by the transformation of romantic relationships. Previously, it was customary for couples to meet at home and be entertained by family. After the economic hardships of the early 1930s, couples starting meeting outside of the household because many families no longer had the money or facilities to entertain guests. Instead, men began inviting women to activities outside of the home. The ritual of dating thus evolved into a type of economic exchange where the male paid for food and entertainment in return for female companionship. As the relationship escalated, so did the value of the “gifts,” culminating in a diamond engagement ring in return for lifetime companionship.

In 1939, De Beers hired an advertising agency, N.W. Ayer, to conduct research about why people bought diamond jewelry. Ayer concluded that people bought diamond jewelry for the emotional value. In an early report Ayer claimed, “There was no direct sale to be made. There was no brand name to be impressed on the public mind. There was simply an idea – the eternal emotional value surrounding the diamond.” The sentimental connection to diamonds, in other words, existed before De Beers launched its marketing crusade in America. The transformation of an essentially common gemstone into the envy of all women was not a De Beers success story. Rather, the diamond cartel capitalized on the opportunity created by pre-existing attitudes, changes in the legal code and courtship rituals.

That is not to say, however, that advertising played no role in the rise of the matrimonial diamond market. N.W. Ayer created an immense advertising campaign meant to reach American consumers from every direction. Diamond slogans appeared in newspapers, magazines, on



Model Nina Huby wears an array of diamond jewelry from the 1972 collection by De Beers.

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the radio and in motion pictures, which showcased movie stars wearing diamonds. An especially notable product placement occurred in the 1941 film, *That Uncertain Feeling*, when actress Merle Oberon wore \$40,000 (\$611,000 in 2011 dollars) worth of diamond jewelry. It became common to give celebrities diamond jewelry to wear on and off stage. Ayer even managed to change the name of a film from its original title, *Diamonds are Dangerous*, to the much more marketing-friendly *Adventures in Diamonds*. In 1946, 125 top newspapers published a weekly display of celebrities with descriptions of the diamonds they recently wore.

Exploiting the loss of the breach of promise action and changing courtship customs was just the beginning for De Beers and its Madison Avenue marketing moguls. Another opportunity was created when millions of men were conscripted into service during World War II. Loved ones needed something to secure their promise to wed after the war. Concerned that a long engagement might end with a KIA telegram from the War Department, women sought the physically hard

but emotionally warm collateral diamonds represented.

Ayer therefore devised an ad campaign focusing on reaching soldiers and their would-be spouses that portrayed diamond rings as a pledge to marry upon returning from war. War also created a social environment on the home front characterized by a surfeit of single women. For women, the chase to the altar became even more competitive, and the security afforded by a diamond ring became more necessary than ever.

In the wake of the war, diamond sales in Europe were bleak, so De Beers again looked to N.W. Ayer to increase US sales. In 1948, De Beers began asserting that “A Diamond is Forever,” arguably one of the most famous advertising slogans of the 20th century. The tagline promoted the product’s emotional impact but also enabled De Beers, a lucrative cartel controlling 80% of the world’s diamond trade, to control market prices by keeping

the secondary market in check. By limiting the secondary market for diamonds, however, De Beers also eroded their value as collateral. Diamond rings could be hocked, of course, but increasingly their value was as a bonding mechanism, as a signal that the man was serious about the engagement and, eventually, was committed to continuing the marriage.

During four decades of progressive marketing, De Beers managed to grow the value of the US diamond industry from \$23 million in 1939 (\$372 million in 2011 dollars) to \$2 billion in 1980 (\$5.46 billion in 2011 dollars). Yet De Beers’ advertising costs were modest, ranging from as little as \$200,000 to a maximum of \$10 million per year. Dollars spent years ago still resonate to such an extent that diamond advertising appears to be almost as robust as the product itself. But again, marketing was only part of a much more complex social picture. Economic growth provided the increased purchasing power but ultimately social conditions, keenly tracked and exploited by De Beers and its advertising agencies, induced Americans

to funnel some of their higher incomes into diamonds.

As the sanctity of marriage evolved, so did the diamond industry. After diamond rings became an established tradition, De Beers focused on tapping a new market, married women. A new style of diamond rings called eternity rings was promoted to married women as a way to rekindle romance. Eternity rings became especially popular in the 1980s, after the divorce rate had skyrocketed to about 50%. Eternity rings became a type of post-wedding signal of continued male interest in, and material commitment to, seemingly fragile relationships.

Today, singles are entering into marriage at ever-older ages because they want to first establish careers and financial stability. College loan debt has also been a contributing factor in deferring marriage. With graduates averaging \$20,000 in debt, expensive weddings and engagement rings are taking a back seat to repaying loans. Again, the diamond industry has responded to changing social trends and economic pressures. Promise rings, a promise to get engaged in the future, are becoming a popular option among today's couples. Just as engagement rings act as a bond to get married, promise rings offer a type of signal proving commitment to a relationship.

Early marketing focused primarily on men purchasing diamonds for women. By the late 1960s, feminists challenged the traditional market and sought the creation of a new one composed of female consumers independent of their male counterparts. De Beers took up the challenge. While still promoting the traditional role of diamonds as matrimonial gifts, new advertisements portrayed diamonds as "right hand" rings suitable for single, independent women. Successful in the 1960s, the right hand ring campaign has made a comeback in recent years. In 2003, De Beers headlined a new advertising promotion centered once again on independent women "worthy" of buying diamonds for themselves. The "Raise Your Right Hand" promotion successfully aided non-bridal diamond jewelry sales, which, buoyed by the "wealth effect" created by the housing boom, increased 15% in the campaign's inaugural year.

Throughout the company's history, De Beers has been able to identify changes in culture and adapt their product to exploit



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Publicity photo of actress Gwen Lee's proposal, 1930s.

those changes. Whether they will do so forever, however, remains to be seen as we enter yet another period of marital and societal evolution. \$

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