

JEWELRY

## COVID-19 led to fundamental shifts in business: De Beers Group exec

June 4, 2021



*The last 15 months have likely permanently changed how individuals interact and conduct business. Image credit: De Beers Group*

By NORA HOWE

NEW YORK The COVID-19 pandemic, matched with the Black Lives Matter movement and various environmental crises, has led to a seismic shift in social behavior and consumption and a reexamination for the luxury sector.

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As luxury looks to recover, industry leaders must reexamine how they conduct business in a changed world, understanding how the events of the last 15 months will have a long-lasting impact on society. During the closing fireside chat with Luxury Daily editor in chief Mickey Alam Khan at the Women in Luxury eConference June 2, a top executive from De Beers Group shared insight on how the jewelry industry has evolved in the past year, ways consumer behavior has shifted and what corporate culture may look like in the future.

"We must not underestimate how difficult this period has been for so many people," said Sally Morrison, director of public relations for **De Beers Group**, New York. "We have to be kind to each other, making allowances for people who have suffered tremendously.

"As executives, we have to check in on people, as there will be significant long term behavioral effects of what we have experienced."

*Women in Luxury was produced by Luxury Daily*

Life post-pandemic

In her new role at De Beers Group, Ms. Morrison oversees marketing initiatives to expand interest and drive desire for natural diamonds through media, trade and designer outreach, with a particular focus on the U.S. market.

She has lead campaigns from influential brands such as Lightbox, Gemfields and the World Gold Council, and currently oversees the marketing efforts for Natural Diamonds at De Beers Group.

"Last year, there was a fall off of activity," Ms. Morrison said. "We were forced to confront our own consumption, and people had to evaluate their own habits.

"When people came back into the buying market, they became more intentional and thoughtful about the things they

spent money on," she said. "In the diamond space, it meant a return to classics things that were ageless, timeless and would be a lasting part of a consumer's jewelry wardrobe."



*When asked to rank potential gifts, diamond jewelry was the first choice among consumers. Image credit: De Beers Group*

In its 2020 Diamond Insight Flash report, De Beers found that two-thirds of Americans canceled travel plans and more than half of those respondents, 55 percent, claimed to have more disposable income as a result. Without the ability to travel, one in eight respondents said they would mark a special occasion with diamonds.

Consumers also reported looking for "meaningful" and "practical" gifts, with more than a third of women respondents describing diamonds as practical for everyday wear ([see story](#)).

"Everything we have gone through has led to a fundamental shift in the way people perceive themselves and each other, and there is no going back," Ms. Morrison said. "I have become more intentional in seeking the experiences and opinions of people that I do not directly collaborate on projects with.

"There has been an intergenerational transfer of power where younger generations are pushing to take power from older generations, and rightly so," she said. "The future of luxury is about what young consumers want."

As Gen Z and millennial consumers increase their buying power and enter the marketplace, they are demanding new standards for social responsibility and environmental sustainability.

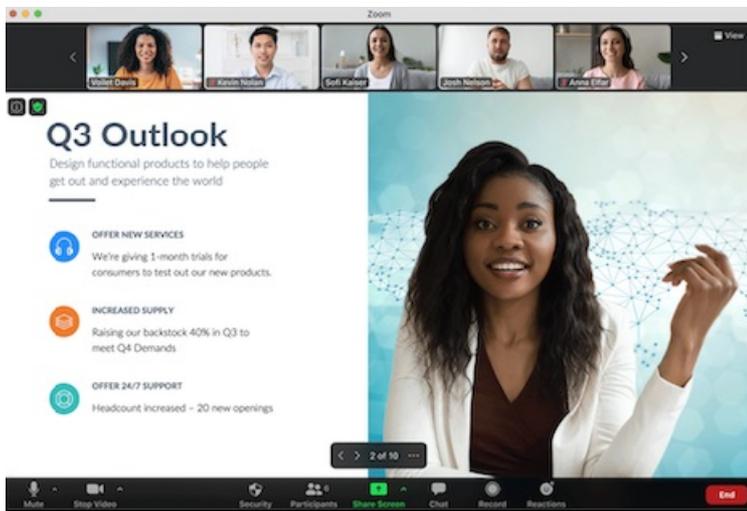
Earlier this year, the Natural Diamond Council (NDC) partnered with jewelry designer Lorraine Schwartz on a program to support up-and-coming designers. The Emerging Designers Diamond Initiative awarded \$1 million of diamond credit to support BIPOC, or Black, Indigenous and people of color, jewelry designers.

The goal was to help as many emerging designers as possible, awarding each designer \$20,000 in diamond credit ([see story](#)).

In 2019, the Group received \$514,000 in funding support from Natural Resources Canada's Clean Growth Program towards carbon-neutral diamond mining. The grant supported research and field demonstrations at De Beers' Gahcho Ku Mine in the Northwest Territories ([see story](#)).

#### Work style changes

With social shifts comes operational shifts as well, and luxury executives are anticipating new standards in terms of corporate management.



*Video calls will likely continue as people adopt the work-from-home model more permanently. Image credit: Zoom*

"Zoom culture has created a level of intimacy between people that was not previously available in conference rooms," Ms. Morrison said. "We have developed a new awareness of employees as human beings.

"I have also noticed more democratization in the way that people solicit views from each other through video conferencing, at least at De Beers Group," she said. "No one is at the head of the table' or being scrutinized for arriving a minute late there's a certain equality to this way of engaging."

Despite the benefits of this new model, Ms. Morrison noted some significant drawbacks to not being in an office setting, most outstanding being the loss of water cooler conversations.

"Young people have so many new ideas and unique points of view, and I get a lot of stimulation from them," she said. "However, without being in an office, I'm missing their off-the-cuff input, so I'm discovering new ways of getting it.

"When you're working in an isolated way, you have to find ways to intersect with people who have varying opinions to make sure you don't cut off that bit of experience, for the sake of your business."

In a world saturated by video calls, Ms. Morrison relies on the informality of phone calls to catch up on non-work related topics and to maintain authentic connections with her colleagues and other professionals in her network.

While she does not see herself going back into an office full-time, she believes in-person meetings will be considered special occasions.

"I do miss the energy of the tangible, physical space," she said. "In-person meetings have a quality that feels more real more authentic."

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