PUT A RING ON IT:
DE BEERS CREATES AN AMERICAN TRADITION

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MEMO TO: Dr. Andrew Spano

FROM: Shaun J. Gavidia

DATE: 18 April 2015

SUBJECT: Put a Ring on it: De Beers Creates an American Tradition

This report focuses on the creation of the diamond engagement ring as is known in American tradition today. I provide an accurate chronological breakdown of all factors involved regarding legal concerns, each company involved, and with their partnership. I discuss the inception of the "integrated marketing campaign," and its primary function, development, and results. In addition to secondary research, I also conducted a non-scientific study on the modern perceptions and associations with the diamond engagement ring and compare these results with the initial directives set out in 1939.

In accordance to the feedback you provided with my proposal, I was careful to avoid the more controversial subject concerning human rights violation and exploitations in the South African region. The background information contained in my findings pertains to the company history as is linked to the diamond industry's expansion into the United States, being careful not to shift the focus of my report.

The topic was extremely interesting to work on and I found great pleasure in conducting my primary research and engaging the public about this topic. Through my interviews and questionnaires, many people showed great joy and pride when discussing their personal experiences regarding marriage and proposals. Concerning my secondary research, I embraced the challenge of reorganizing the resources chronologically. I feel this increases readability and more accurately conveys the events as they were executed.

I enjoyed preparing this report for you and should you have any questions regarding any aspect of this project, please contact me at shaungavidia@gmail.com.

Sincerely,

Shaun J. Gavidia

ABSTRACT

The roots of diamond engagement ring in America are less tradition and more conception as the American symbol for perpetual union began as a correspondence between De Beers and N.W. Ayer & Son. De Beers held a monopoly on the world's diamond supply and was desperate to find a way stabilize the market. America at this time was more desirable than war-torn Europe and the possibility of selling diamonds as a symbol of love and prosperity was achievable. Using the first integrated marketing campaign, American perception of the diamond shifted from an item of aristocracy to the necessity of every young woman.

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INTRODUCTION

For almost 100 years, the diamond engagement ring has been a staple in American marriage tradition. Universally, the diamond is associated with love and passion with the diamond engagement ring symbolizing the pinnacle of love and commitment. The roots of this practice however are less tradition and more conception as the American symbol for perpetual union began as a correspondence between the De Beers Diamond Mine LTD and the N.W. Ayer & Son advertising agency of Philadelphia.

Emanating from the South African diamond rush of the late nineteenth century, De Beers Diamond Mine LTD. held a monopoly on the world's diamond and distribution system and was desperate to stabilize the market. America at this time was a more desirable than war-torn Europe. With American family law having been reformed shortly before and no current upheld engagement practices existing, the possibility of selling diamonds as a symbol of love, marriage, and prosperity was achievable.

De Beers and N.W. Ayer & Son utilized the first integrated marketing campaign to shift the American perception of the diamond from an item of aristocracy to the necessity of every young woman.

PURPOSE AND SCOPE

The purpose of this report is to analyze the factors involved with the diamond engagement ring taking its place in American tradition today. The diamond engagement ring signifies an upcoming marriage. It signifies love, passion, commitment, and livelihood. This was far from the case in early twentieth century America when the diamond was perceived as a luxury for the aristocrats and an unnecessary commodity for the average middle class person. In analyzing this change in perception, the following topics will be discussed:

1. A history of the De Beers Diamond company as it pertains to the topic
2. Reform of American family law signaling the public's desire for change
3. The lack of common engagement practices during this time period
4. Partnership with N.W. Ayer & Son and their background
5. Creation of the first integrated marketing campaign
6. Results as observed in present day America

By analyzing these topics and linking these factors, recognizing the diamond engagement ring as a symbol of love and American tradition is possible.

PROCEDURES

Primary and secondary sources were utilized in developing this report. Primary sources included questionnaires and interviews with engaged, married, and divorced persons of different age, gender, and economic brackets. Secondary research includes books, newspaper articles, Master's and Doctoral theses, academic journals, law journals, and magazine articles.

A questionnaire was created specifically for this project. The goal of this was to gain an understanding of how people in present-day America view the diamond engagement ring. By collecting these results, I am able to compare them with the initial goals of the De Beers and N.W. Ayer & Son campaign initiatives. From April 6th -17th, these questionnaires were administered in person or over the phone and not through email or social media correspondence. This provided the means to conduct a personal interview with all respondents. Participants were asked questions pertaining to the standards established by the De Beers Company concerning engagement and diamond purchasing. An example of this questionnaire, as well as the results can be reviewed in the Appendix of this report.

FINDINGS

Though it was the Italians who first equated the diamond with the fires of love, it was believed for centuries that a diamond engagement ring was bad luck. Symbolically, the circular band represents eternal love. A diamond on an engagement ring "breaks" this perfect circle and therefore "breaks" the love it symbolizes. However this was of no concern to Archduke Maximilian of Austria who gave Mary of Burgundy the first documented diamond engagement ring in 1477 (Ranger, 2004).

For centuries, interest in diamonds had never trickled below English and French aristocracy. Even early twentieth-century America saw little use for them. This would change drastically thanks to the De Beers Consolidated Mine LTD. and the N. W. Ayer advertising agency whose collective efforts shifted the public viewpoint concerning diamonds and spawned the staple in American marriage traditions – the diamond engagement ring.

DE BEERS DISCOVERY

All Rhodes lead to Africa. Tracing the diamond engagement ring tradition in the United States begins in Africa with the establishment of the Diamond industry as is known today. In 1867, a 15 year old boy found a "glittering pebble" on the farm owned by the De Beers brothers in South Africa (Otnes & Pleck, 2003). Two years later, in 1869, the "Star of Africa" was discovered in the neighboring Kimberly farm measuring 83.5 carats (Reilly, 2005). These two events spawned a great rush to the area as mining for diamonds in South Africa began. Shortly after, the De Beers family sold their farm to prospectors in 1871 (Otnes & Pleck, 2003).

Cecil Rhodes, a young prospector from England, was one of the 50,000 people who travelled to the De Beers farm in search of diamonds. As Rhodes and his brother were unable to achieve any significant results, Rhodes' business ventures shifted elsewhere. He began to sell water and ice cream to other prospectors and later invested his money into importing the only steam pump to the region from England. Diamond mining required large amounts of water which made the dirt walls of the mine unstable. Shortly after Rhodes' steam pump arrived, a flood damaged the region. This forced miners to use Rhodes' services at highly inflated costs. As smaller mine owners' finances became exhausted, Rhodes began accepting claims to their mines as forms of payment. In six years, Rhodes took control of the De Beers mine making him the largest claim owner in Kimberly (Pequignot, 2010).

The discovery of diamonds in this area was vast and the sudden increase in supply diminished the diamond value to an all time low. Rhodes understood that to maintain the diamond industry as a profitable market, he must limit the supply released to the rest of the world. Though the dilution of the market created hardships for many of the smaller miners, Rhodes continued to see the value and, as neighboring mines were either abandoned or shutdown, he would take possession of them (Pequignot, 2010). In 1876, local restrictions limiting the number of claims an individual could own were lifted leaving Rhodes, Barney Barnato, and Compagnie Francais des Mines de Diamant du Cap (The French Company) as the three main claim owners in the region. Barnato, a failed vaudeville comedian, purchased the French company and established the Kimberly Central Diamond Mining Company which Rhodes purchased one-fifth of the stocks. Finally Rhodes acquired Barnato's company and, in 1888, founded De Beers Consolidated Mines Limited which gave Rhodes control of over 90% of the world's diamond production (Reilly 2005).

Left: Cecil Rhodes
Above: Sir Ernest Oppenheimer

After acquiring his monopoly on the diamond industry of Africa, Cecil Rhodes shifted focus onto a political career. He became head administrator of the British South African Company (Reilly, 2005) and was responsible for English colonization all throughout southern and eastern Africa. His political achievements garnered three countries named after him in Africa: Rhodesia, Northern Rhodesia, and the former Rhodesian Federation. Rhodes' legacy continued after his death in 1902 when he left his fortune to Oxford University and established the future Rhodes Scholars (Pequignot, 2010).

Marrying the diamond with the gold band. Parallel with the diamond industry, Africa was also a major supplier of the world's gold market. In similar fashion to the De Beers Consolidated Mines LTD. and their control over the diamond trade, the Anglo-American Corporation had a vast grip on the gold production in the Rand region (Reilly, 2005). Headed by Sir Ernest Oppenheimer, the Anglo-American Corporation took control of the Consolidated Diamond Mines in Namibia which, in terms of potential diamond production, was a wealthier claim than the existing De Beers Consolidated Diamond Mine LTD. Oppenheimer used the Namibia Diamond mine as barter for large amounts of stock in the De Beers Company which, at the time, was led by Francis Oats who was Rhodes' successor. Oppenheimer, chairman of the Anglo-American Corporation, was appointed to board of directors and purchased remaining stock in the De Beers Company whenever opportunity became available. Finally, in 1927, the Anglo-American Corporation was the largest shareholder of the De Beers Consolidated Mines LTD. and Sir Ernest Oppenheimer was the new chairman and controlling figure of the diamond market (Pequignot, 2010).

Sir Ernest Oppenheimer had a similar belief to Cecil Rhodes concerning the control of supply. "Only by limiting the quantity of diamonds put on the market, in accordance with the diamond, and by selling through one channel, can the stability of the diamond trade be maintained" (Reilly, 2005). Oppenheimer incorporated the Diamond Corporation Limited and the Central Selling Organization to control the supply of diamonds from mines not under De Beers' control. A central sorting exchange was established in London allowing non-De Beers sourced diamonds to be sold at non-negotiable prices, increasing their control of the diamond supply. The Central Selling Organization would later be known as the Diamond Trading Company (Reilly, 2005). It was this monopoly that would later restrict their ability to conduct business directly within the United States.

The United States will not engage De Beers. Passed in 1890, the Sherman federal anti-monopoly and anti-trust statute prohibited activities restricting commerce and competition in the marketplace. Section 1 of the Sherman Anti-Trust act states "[e]very contract, combination in the form of trust or otherwise, or conspiracy, in restraint of trade or commerce among the several States, or with foreign nations, is declared illegal" with section 2 further prohibiting monopolizations or attempts at monopolization in any aspect of trade or commerce making the acts a felony. This affected De Beers because of the monopoly they controlled over the diamond industry. Though De Beers could not directly sell diamonds to the American consumer because of the Sherman Anti-Trust Act, they managed to surpass this restriction by funneling their diamond supply through their London based Diamond Trading Company and into the United States (Pequignot, 2010). The Sherman Anti-Trust Act continued to affect the De Beers Company until 2004 when De Beers agreed to pay a $10 million fine for price fixing after losing control of the diamond mining industry and expanding their company into retail locations throughout the United States, a $28.7 billion industry (Reilly, 2005).

ENGAGEMENT PRACTICES

Before the diamond engagement ring became the American symbol of a couple's intent to marry, other religious or legal procedures took precedence in 19th and early 20th century America. The origins of these procedures were enacted to maintain the purity and sanctity of marriage. Even today, there are modern marriage practices that stem from these early traditions though they hold little to no legal or religious significance now. These traditions include the reading of the banns and a law mandated waiting period.

The reading of the banns began in 12th century France and was incorporated into English engagement tradition in the 16th century. The purpose of this practice was to allow any persons or parties potentially harmed by the union of two engaged people an opportunity to speak up and denounce the upcoming union. To comply, a couple would have their banns read three times during church service, get a license, or, have a notice announcing their engagement placed publically, usually on a church door. This practice followed the early settlers to America and was practiced in large scale until the mid-nineteenth century. Similar to "handfasting," an English engagement tradition of the fifteenth- and sixteenth-century, the reading of the banns allowed time for discovery of an existing spouse, a woman pregnant with the groom's child, or any other marriage impediment to come to light.

The reading of the banns continued among the Catholic Church until the 1930's and its roots are still evident today in the form of newspaper announcements celebrating new engagements within cities. This transition from notices displayed on church doors to small columns in the local newspaper stems from early twentieth-century high society. In New York City, as a member of the *Blue Book of Social Registries*, you were permitted to announce a couple's engagement in the local newspaper and, if your ceremony were conducted in the Episcopalian Church, in the large metropolitan dailies outside of New York City.

Though the reading of the banns was no longer legally required in the United States, most states still enforced a mandatory waiting period for engaged parties. This state determined waiting period took place from the time a couple would receive their marriage license to the day their wedding ceremony took place. This waiting period, in addition to the "Breach of Promise to Marry" laws were the original legal ways the United States attempted to maintain the sanctity of marriage (Otnes & Pleck 2003).

LEGAL CHANGES

The "breach of promise to marry" or "heart-balm" laws were heavily ratified or abolished throughout the United States starting in 1935. Beginning in Indiana, these reforms faced little to no negative backlash as they spread from state to state. The four actions of the Heart-Balm laws were Alienation of Affection, Criminal Conversation, Seduction, and Breach of Promise to Marry. It was the abolition of these laws that aided the diamond engagement ring to rise as a legal representation of a woman's upcoming marriage, further solidifying the diamond engagement ring in American culture and tradition.

Alienation of Affection and Criminal Conversation. Alienation of Affection is an intentional tort action that interferes with a plaintiff's marriage. There are four actions necessary to pursue an alienation of affections case which includes marriage at the time the actions took place, the defendant's intentional wrongful actions with the plaintiff's spouse, loss of affection within the marriage, and a casual connection between the defendant's actions and the aforementioned loss of affection. No direct intimate contact between the spouse and defendant was necessary either. Under this law, close family members were successfully pursued for their interference in the plaintiff's marriage. Documented financial damages or losses were not required as the court system would award damages based on the "value of 'love, society, and companionship' lost to the plaintiff spouse at the hands of a willful and knowing intruder (Belleau, 2012)."

Criminal Conversation pertains to the man having exclusive rights to sexual intercourse with his spouse. The only two actions necessary in pursuing a criminal conversation case are marriage at the time of the offense and sexual intercourse between the wife and accused defendant during that marriage. Damages awarded to the plaintiff for criminal conversation were based upon "the injury which the husband sustains by the dishonor of his bed, the alienation of his wife's affection, the destruction of his domestic comfort, and the suspicion cast upon the legitimacy of her offspring, the degradation which ensues, and the mental anguish which the husband suffer (Belleau, 2012)." Though the woman voluntarily performed these actions with the defendant, a woman's affection was viewed more as property than privilege in the marriage institution.

Seduction. Part three of the Heart-Balm laws included Seduction. Seduction occurs when a person, either by persuasion, deceit, fraud, or false promise, induces a chaste, unmarried woman to engage in sexual intercourse. In an attempt to maintain female purity, fathers would often be the plaintiff this course of legal action as their daughters would be considered damaged and impure in the eyes of society. In similar fashion to a household chore or responsibility, a daughter was expected to maintain her virginity. As a result, the court would rule damages from seduction similar to those that would be awarded for a loss of a commodity to the father. Eventually, a woman was allowed to press charges based on seduction but this would make her vulnerable to the stigma that accompanied (Belleau, 2012).

Breach of Promise to Marry. The fourth and final section of the Heart-Balm laws is the Breach of Promise to Marry which is founded in both contract and tort. Under this action, a woman had full legal right to sue a former fiancé should he break off their engagement. Damages awarded were often based upon mental anguish, embarrassment, humiliation, expenses in preparing for marriage, the loss of other marriage opportunities, and the woman's loss of marketability (Belleau, 2012; Brinig, 1990). This loss of marketability was based that nearly half of engaged women were sexually intimate with their fiancé before marriage. If sexual intimacy had occurred, the defendant was also open to charges of seduction (Brinig, 1990).

A change in heart. A societal shift in the views concerning Heart-Balm laws led to its reform beginning in 1935. The breach of promise to marry law was regarded as a legally sanctioned form of blackmail forcing young men, who would normally not marry their former fiancé, into union (Brinig, 1990). Secondly, women who claimed breach of promise were viewed by society as gold-diggers and no longer the virtuous victims they were once regarded (Otnes & Pleck, 2003). Finally, under the Heart-Balm acts, there was a lack of any consequences to the erring spouse and a person defending themselves against accusations had to be "*wholly* innocent and free of *any* wrongdoing" (Kane, 1936). These difficult criteria led many to demand reform.

Indiana was the first state to sponsor a bill abolishing the Heart-Balm actions with many other states quickly following. The courts in many states believed "treating a marriage like a contract made it 'soul-less' by subjecting lovers to contractual compulsion" (Otnes & Pleck, 2003). Additionally, a Bar Association Committee reporting on the proposed legislation, stated, "Social morality will not be promoted by relieving either sex of legal responsibility for voluntary action" (Kane, 1936). There was not a complete abandonment by the court system regarding these family laws. As Professor Feinsinger of the University of Wisconsin points out in 1935, "social interest in family solidarity and purity of offspring requires some legal protection." However, this was in regards to the current penal laws regarding adultery and its grounds for divorce and not a statement justifying the Heart-Balm actions. As stated in Section 61-a titled "Declaration of Public Policy of the State" in the "Actions Against Public Policy" article of the New York Civil Practice Act, "it is hereby declared as the public policy of the state that the best interests of the people of the state will be served by the abolition of such remedies."

DE BEERS & AYER

In an effort to stabilize the diamond market and absorb excess production, Sir Ernest Oppenheimer set his sights to America. This was an early challenge for him as American prosperity during the 1920's quickly collapsed into the Great Depression of 1929. The European market was not better. With the ensuing war, Nazi refugees were using uncut diamonds sewed into their clothing as mobile assets and higher-quality diamonds were no longer selling (Otnes & Pleck, 2003). De Beers cut production 90% with diamond demand at an all-time low throughout this period and needed a way to stabilize the diamond market (Reilly 2005).

Initially, other directors in the De Beers Consolidated Mine LTD. Company viewed advertising negatively and believed they should not pursue such an endeavor so as not to cheapen their image. In 1934, the first attempt at penetrating the United States market was to have Chanel design diamond jewelry believing that "high fashion" was the key to selling diamonds. This move eventually failed and in 1938, De Beers' board member Henry

Oppenheimer, son of Chairman Sir Ernest Oppenheimer, traveled to the United States in an attempt to discover a way of creating mass market appeal for the diamond (Reilly 2005).

Advertising - America's diamond mine. Henry Oppenheimer met with Gerald Lauck, the Executive Vice President of N.W. Ayer Advertising Agency in Philadelphia office and the meeting was successful. Shortly after on June 22, 1939, De Beers and N.W. Ayer & Son entered into a one year contract to conduct sales research and begin advertising for De Beers. Upon receipt of a $10 thousand check, N.W. Ayer began the "Diamond Market Investigation and Survey Report" (Pequignot, 2010).

The De Beers' director's initial hesitance toward advertising is understandable as the field of advertising was still relatively new. Their choice in N.W. Ayer & Son was of solid foundation. Prior to the inception of agencies devoted solely for the purpose of advertising, individuals and companies would have to deal directly with local newspapers. With limitations in communications and transportation during the mid- to late-nineteenth century, this was a rather difficult process. In 1868, with little to no formal knowledge of the advertising industry, Frances Wayland Ayer travelled throughout Philadelphia recruiting clients for his employer's newspaper. That year, Ayer's earnings were $2,000 plus an additional $1,200 in commission. He then used this capital in 1869 to start his own agency N.W. Ayer & Son, the first substantial advertising agency in the United States. This was the beginning of American advertising agency as we know it today (Pequignot, 2010).

Initially, advertisements were for "patent medicines" and by the 1880's, packaged food, drinks, and other consumer goods entered the marketplace. Marketers travelled throughout the United States to advertise these new consumer goods in promotional items and newspapers and, through these advertisements, America shifted to a consumer culture. As the nineteenth century came to a close, magazines became the new medium for advertisers (Pequignot, 2010).

The 1920's brought even more demand for the modern advertiser. As new industries arose, so did the need of a liaison between manufacturer and consumer. Advertisers would inform the general public of new innovations or products and the consumer, through their buying power, would provide companies the needed capital to increase their production. This acceleration in growth would soon suffer with the onset of the Great Depression in 1929 (Pequignot, 2010).

During the economic crisis of the Great Depression, advertiser and consumer focus shifted towards function, and price. Print advertisements featured less full color and illustrated spreads and instead used simpler, text-inspired advertisements to grab consumer's attention. Headlines and articles were more abrupt and forceful creating the illusion that the advertised products were not a luxury but a necessity (Pequignot, 2010). It was during this period that De Beers entered the United States marketplace and N. W. Ayer was in the position to sell a product to the masses that they did not need and did not want. However, it was during this period N.W. Ayer & Son would create a tradition (Sullivan, 2014).

The results are in. In 1939, N.W. Ayer & Son's market research plan showed that the American public perceived the diamond as a sign of love, not fashion as originally thought. However, the American attitude towards diamonds was still somewhat negative. They were a luxury for the ultra-wealthy and considered an unnecessary expense. Women preferred money be spent on a more practical item such as a car or washing machine (Sullivan, 2013). The study also reported that "the great middle class is the backbone of the diamond market in the United States" (Pequignot, 2010).

Less than two months after N.W. Ayer & Son received payment for their services, a De Beers advertisement was published in *Ladies Home Journal*. Shortly after, the first campaign directed towards men was published (Pequignot, 2010). The message of the advertisement stated that presenting a woman with a diamond affirmed masculinity and reflected your financial status and achievements (Otnes & Pleck, 2003). N.W. Ayer & Son soon followed with the "famous church and cathedral" campaign signifying the relationship between the diamond with the sanctity of a church wedding. Then, by utilizing great modern artists like Pablo Picasso and Salvador Dali, N.W. Ayer & Son released the "Great Artists" campaign to link the diamond ring with priceless works of art. This campaign also featured diamond sizes and prices for each size. N. W. Ayer & Son believed that educating the consumer would make purchasing easier. Results of the print campaign were an instant success with sales increasing 25% by June of 1940 and a further 55% in 1941 (Pequignot, 2010).

However, the key to N.W. Ayer & Son's success with De Beers did not solely reside with standard print advertisements but within a new form of marketing. The perception of the American public needed adjusting and, because of the Sherman Anti-Trust Act, N.W. Ayer & Son could not promote the De Beers name or even show pictures of jewelry (Sullivan, 2013). They were not simply promoting a product but a belief. They were to change the perception of a luxury into a necessity. In a 1938 memo, N.W. Ayer & Son described the target audience as "some 70 million people 15 years and over whose opinions we hope to influence" (Otnes & Pleck, 2003). In another 1938 memo, De Beers inquires about "the use of propaganda in various forms" (Sullivan, 2013). "The conception of a new form of advertising," an internal N.W. Ayer & Son document points out, "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" (Sullivan, 2014). Later, this "new form" of advertising, known now as an "integrated marketing campaign," would become widely imitated.

A diamond is everywhere. Since the goal of N. W. Ayer & Son's marketing campaign was to change the public perception and psychology associated with the diamond, there was no limit to what facet they would concentrate their efforts on. In 1940, N.W. Ayer & Son successfully convinced Paramount Studios to rename their upcoming film *Diamond Dangers* to *Adventures in Diamonds.* Additionally, at N.W. Ayer & Son's request, Paramount Studios inserted a long scene of Claudette Colbert shopping for diamonds in their 1941 release *Skylark* (Otnes & Pleck, 2003).

The relationship between diamonds and Hollywood was not just onscreen but off screen as well. N.W. Ayer & Son would have their own Dorothy Dignam, a copywriter with N.W. Ayer & Son, write monthly letters to newspapers describing the diamond jewelry donned by Hollywood celebrities. She had a pen name – Diamond Dot Dignam, and would even be a guest columnist for the woman's pages (Sullivan, 2013). In 1946, this practice became a weekly occurrence and was titled "Hollywood Personalities (Pequignot, 2010).

In 1946, N.W. Ayer & Son bypassed Hollywood and had their own films commissioned. *The Magic Stone* was an informational film on diamonds which ran in over 2,000 theatres for four months and received requests for an additional 500 bookings. The film was so successful that N.W. Ayer & Son produced *The Eternal Gem* in 1947. This ten-minute informative film was viewed by an estimated 15 million Americans in 39,000 theatres.

This national campaign was reinforced by traveling seminars. By the late 1940's, Jewelers would give assigned talks at women's luncheons and service clubs with prepared seminars titled "The Right Ring for the Left Hand." N.W. Ayer & Son also employed Gladys Babson Hannaford, known as the "Diamond Lady," to travel throughout the United States educating high school and college girls on information concerning diamonds and the diamond engagement ring (Otnes & Pleck, 2003). Under the pretense that her symposiums were applicable to geology, economy, and merchandising courses, Hannaford was in great demand and travelled nearly 25,000 miles a year educating young women on diamonds. Her lectures included samples of cut and uncut diamonds, replicas of famous diamonds, and also considering factors regarding the purchase of diamonds (Pequignot, 2010).

Above: Marilyn Monroe in "Gentlemen Prefer Blondes"
Right: Movie Poster for "Diamonds Are Forever"

In 1950, expanding on their "Hollywood Personalities" practice, N.W. Ayer & Son began lending diamond jewelry to starlets and socialites for major events such as the Kentucky Derby and the Academy Awards. N.W. Ayer & Son believed that "carefully constructed news stories were effective in planting the ideas into the public mind" (Pequignot, 2010).

The results of this first integrated marketing campaign were astounding. From 1950 - 1952, diamond sales in the United States increased 55% (Reilly, 2005). Additionally, after the twelve year partnership between De Beers and N.W. Ayer & Son, 85% of all engagements in the United States resulted in the purchase of a diamond engagement ring accounting for 60% of their total diamond sales (Pequignot, 2010). N.W. Ayer & Son states in its 1951 annual report, "For a number of years we have found evidence that the diamond engagement ring tradition is consistently growing stronger. Jewelers now tell us 'a girl is not engaged unless she has a diamond engagement ring'" (Sullivan, 2013). Pop culture references extended beyond the deliberate interjections created by N.W. Ayer & Son and now featured starlets like Marilyn Monroe singing "Diamonds are a Girl's Best Friend" in the 1953 film "Gentlemen Prefer Blondes" (Russell, 2010) and the James Bond 1953 book and 1971 film, "Diamonds are Forever." As quoted in Edward Epstein's 1982 book, *The Rise and Fall of Diamonds*, "We spread the word of diamonds worn by stars of screen and stage, by wives and daughters of political leaders, by any woman who can make the grocer's wife and the mechanic's sweetheart say 'I wish I had what she has.'"

Above: 1947 A Diamond is Forever advertisement
Right: Example of 2 months' salary rule with classic size chart on bottom right

Dear God, give me a line. Frances Gerety began work at N.W. Ayer & Son as a copywriter in 1943. Shortly after her arrival to the agency, Gerety was assigned to the De Beers campaign. It was customary at that time to have female copywriters handle women's products which Gerety was one of three (Sullivan, 2013; Pequignot, 2010). From 1943-1970, Gerety wrote all of the De Beers advertisements (Sullivan, 2014). An issue concerning the early advertisements was the lack of a positioning line. Exhausted after completing an ad for De Beers in 1947, Gerety knew she needed a slogan. She quickly scribbled the words "A diamond is forever" on a slip of paper and went to bed. The next morning she introduced this slogan with little or no acceptance.

According to Gerety, "Nobody jumped," as she revealed her new slogan (Sullivan, 2013). They further criticized, "the word 'forever' wasn't even grammatically correct." Even Gerety was not convinced of the new tagline. She describes in a letter, "I shudder to think of what might have happened if a great line had been demanded. Every copywriter in the department coming up with hundreds of lines and the really great one lost in the shuffle" (Sullivan, 2014). It was Gerald Lauck, the Executive Vice President of N.W. Ayer & Son, who decided to incorporate Gerety's line into the De Beers' advertisements. The tagline would come to represent eternity and sentiment. It would signify both the lasting value of the diamond as well as a couple's romantic aspirations. An underlying connotation also implied that once received, a diamond should not be resold. The second-hand diamond market was a threat to De Beers due to the possibility of price erosion (Pequignot, 2010). De Beers was known to even threaten dealers who bought diamonds back from purchasers (Brinig, 1990).

N.W. Ayer & Son continued to influence the American public through print campaigns regarding diamond purchasing by developing the "Four C's of Diamond Buying" in the 1960's. The four C's include cut, color, clarity, and carat weight in an attempt to educate the potential buyers. Then, by the early 1980's, the "two-months' salary rule" was enacted in an advertisement reading, "How can you make two months' salary last forever" (Russell, 2010)?

The tagline continues to be used in every De Beers advertisement and, in 1999, just one week after Frances Gerety passed away, *Advertising Age* named "A Diamond is Forever" the best advertising slogan of the twentieth century (Otnes & Pleck, 2003).

MAN-GAGEMENT RING

One failed tradition from the past making resurgence today is the male engagement ring. Originally created in 1926, L. Bamburger & Co. partnered with Macy's to launch an advertising campaign featuring the male engagement ring. This campaign was to no avail due to the diamond being a symbol of femininity and because De Beers and N.W. Ayer & Son had not yet partnered to engrain the diamond engagement ring as an American marriage tradition (Zabell, 2014).

In 1956, Henry Peterson, president of Feature Ring Company of New York City, created the "acceptance ring." A return gesture by the woman for the man once she said yes. Sold as a match to her ring, the inscription "Omnia Amor Vincit" (Love Conquers All) would be etched on the band and featured white gold and diamonds. Similar to the 1926 attempt, diamonds were still viewed as a feminine object and this tradition did not catch on in the United States (Otnes & Pleck, 2003).

In recent years, a shift in American gender roles has occurred and in a 2010 study from Pew Research Center, 62% of those surveyed favored a household where domestic responsibilities were shared. This information gave jewelers the confidence to try again. Rebranded as the "Man-gagement ring," British jeweler H. Samuel created the Tioro Ring. Designed to be fancier than a traditional men's wedding band, the ring features titanium design, small embedded diamonds, and most desirably, a maximum price of $204. Further justification on expanding this market is evident with Jewelry chain Robbins Brothers who surveyed 800 respondents and stated, "67% of the men polled are 'open' to wearing an engagement ring." Pop culture is also embracing this trend resurgence. Celebrities Johnny Depp, Michael Bublé, and David Otunga (husband to Jennifer Hudson) all donned male engagement rings during their respective engagements. The legalization of same-sex marriages throughout the United States has also increased demand for male engagement rings. Australian jeweler Gus Hashem, the managing director and founder of Diamond Emporium states, "Anything goes these days, which is great from a jeweler's perspective. The more people wearing high-end jewelry, the better" (Zabell, 2014)!

DIAMOND TODAY

In a small study consisting of questionnaires and interviews to gauge the public's perspective on the diamond engagement ring tradition, only 3% showed any direct opposition to purchasing or receiving a diamond engagement ring. Of the sample group, 82% of all engagements included a diamond engagement ring with "tradition" being the largest stated reason at 85%. Additionally, men were the primary purchaser at 73% with 63% following or exceeding the "two-month salary" rule (Gavidia, 2015).

The desire for diamond engagement ring has also spread past the American border. Beatriz Diaz-Cohen, a participant who is originally from Venezuela but grew up in the United States, stated during her interview, "After seeing my engagement ring and those of my cousins who were raised and being married in the U.S., my mother mentioned how she wished she had one. Being from Venezuela, that was never a custom over there" (Gavidia, 2015). Japan quickly became the second largest diamond market. Associating the diamond engagement ring with the *yuinohin*, a bundle gifts from the groom's family, prospective Japanese grooms are spending three- to four-months' salary on diamond engagement rings (Otnes & Pleck, 2003).

The tradition of the diamond engagement ring has solidified itself into American culture. Historian Tom Zoellner notes, "85% of American women own at least one piece of diamond jewelry." Today, De Beers has expanded the diamond beyond the diamond engagement ring and into other life milestones. The forever ring, journey pendants, anniversary ring, eternity ring, and even millennial rings all aim to integrate the diamond into the celebration of life events. N.W. Ayers & Son "successfully positioned the diamond as not just an expression of romance, but as interchangeable with it – that is, diamonds had transformed from a symbol into an inextricable component of love" (Russell, 2010)

SUMMARY

Tracing the diamond engagement ring tradition in the United States starts in Africa with the establishment of the diamond industry as it is known today. Cecil Rhodes was one of 50,000 people to travel to South Africa in search of diamonds. In six years, Rhodes took control of the De Beers mine making him the largest claim owner in Kimberly. The sudden increase in supply diminished the value of the diamond to an all time low. Rhodes understood that in order to maintain the diamond's value, he must limit the supply released to the rest of the world (Pequignot, 2010). In 1888, Rhodes founded the De Beers Consolidated Mines Limited and had control of 90% of the world's diamond supply (Reilly, 2005).

Parallel with the diamond industry, Africa was a major supplier of the world's gold market. One company, the Anglo-American Corporation began acquiring De Beers Consolidated Mines LTD. stock until, in 1927, they were the largest shareholder and Sir Ernest Oppenheimer was appointed chairman and controlling figure (Pequignot, 2010). Oppenheimer incorporated the Diamond Corporation Limited and the Central Selling Organization to control the supply of diamonds from mines not under De Beers' control. This strengthened the De Beers diamond monopoly which would later restrict their ability to do business within the United States because the Sherman Anti-Trust Act (Reilly, 2005).

During this time, the only legally practiced and sanctioned engagement rituals in the United States were a court ordered waiting period and the "Heart-Balm" laws. The waiting period enforced a minimum time period between when a couple received their marriage license and when the ceremony could take place. The "Heart-Balm" laws were family laws regulating the courtship process in the United States. These laws were becoming unfavorable and in 1935, many states began to ratify or abolish them. With little to no proper wedding engagement customs, Sir Ernest Oppenheimer saw a great opportunity (Otnes & Pleck, 2003).

Oppenheimer set his sights on America in an effort to stabilize the diamond market. This time period was incredibly challenging as Europe was preparing for War and the United States was sinking into the Great Depression. In 1938, De Beer's board member Henry Oppenheimer came to Philadelphia to meet with Gerald Lauck, the Vice President of N.W. Ayer & Son advertising agency (Reilly, 2005). Advertising as an industry was still new and other board members within De Beers protested, believing this would cheapen the diamond's image. Still, in 1939, De Beers would enlist to services of N.W. Ayer & Son to create the "Diamond Market and Survey Report" (Pequignot, 2010). The results of the study showed that the American people viewed the diamond as a symbol of love but was not a practical expense. N.W. Ayer & Son would develop a marketing plan to alter the public perception of the diamond from a luxury to a necessity (Sullivan, 2013).

Female copywriter Frances Gerety created the slogan "A Diamond is Forever" for the De Beers print campaign. Though only receiving mixed reviews from colleagues, the slogan came to represent both eternity and sentiment and would be used in every De Beers advertisement starting in 1947. In 1999, *Advertising Age* magazine named "A Diamond is Forever" the best advertising slogan of the twentieth century (Otnes & Pleck, 2003).

The De Beers print campaign would further enhanced the American perception of diamond purchasing. Debuting in the 1960's, the 4-C's campaign discussed the factors to consider when purchasing a diamond – cut, color, clarity, and carat weight. De Beers then set a financial structure for men to follow when they released their campaign suggesting the appropriate price to pay was equivalent to two-month salary. The guidelines still hold strong today (Russell, 2010).

CONCLUSIONS AND RECOMMENDATIONS

The results N.W. Ayer & Son achieved with the De Beers advertising campaign is unprecedented. Through their print and integrated marketing campaigns, they were successful in shifting the perception of the diamond engagement ring to the American consumer. They created an emotional bond between a luxury good and the average American woman. In addition, they laid the foundation for other marketers to imitate concerning effective ways to communicate your product through various media.

The marketing plan consisted of two methods. The first was a standard print campaign which earned profitable results. By mid 1940, sales increased 25% and then a further 55% in 1951. The second was through what would now be considered an integrated marketing campaign. N.W. Ayer & Son portrayed diamonds in every conceivable medium to elicit change in the American consumer. These included newsprint, magazines, Hollywood films, socialites, starlets, music, and traveling educational seminars. By 1952, diamond sales in the United States increased 55% with 85% of all engagements resulting in the purchase of a diamond engagement ring. N.W. Ayer & Sons state in their 1951 annual report, "For a number of years we have found evidence that the diamond engagement tradition in consistently growing stronger. Jeweler's now tell us 'a girl is not engaged unless she has a diamond engagement ring."

Today, diamond jewelry is owned by 85% of American women and the diamond engagement ring is the cornerstone of American wedding culture. N.W. Ayer & Son were successful in creating this American tradition and changed the public perception of a diamond from an unnecessary commodity to an inextricable component of love (Russell, 2010).

Recommendations upon analysis of this information would be to further develop the male engagement ring in today's social and economic climate. Given the shift in perceptions and gender roles in modern America, the potential for success in this field are higher than ever before and studies are now proving that. Additionally, many states today are recognizing and legalizing same-sex marriages. As this is a relatively new concept, it seems to lack its own traditions and the diamond industry is in similar territory as it was before – the opportunity to create a lasting tradition where there currently is none.

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APPENDIX

Engagement Ring Questionnaire

1. Name: ____
2. Gender: MALE FEMALE
3. Birthplace:____
4. Current Age:____
5. Age When Engaged Man:_______________________ Woman:___________________________
6. Did you purchase a <u>diamond</u> engagement ring/was a <u>diamond</u> engagement ring purchased for you: YES NO
   a. If yes, why a diamond engagement ring as opposed to another stone:

      ____
7. Who purchased the ring? Man Woman Both
8. Was the ring purchase price approximately 1/6th of the man's annual income? (2 months' salary)

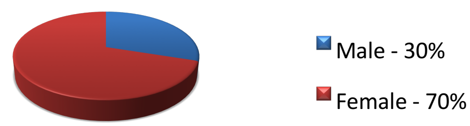
   MORE YES LESS
9. Approximate size of diamond? <¼ ½ ¾ 1 1 ¼ 1 ½ < _____
10. Approximately how long was your engagement? _______________________________________
11. Was an "Acceptance Ring" or "Engagement Watch" purchased for him? YES NO
12. Are you still currently engaged/married? Yes No
    a. If no, where is the ring currently?____
    b. If ring was resold, what percentage of original purchase price was recovered?____
13. What does your diamond engagement ring signify to you?

    ____

    ____

Questionnaire Results

Gender Polled



Questionnaire Averages

Age: 38

Age at Engagement:
Male: 29
Female: 27

Engagements with Diamond Engagement Ring Purchase
82%

Size of Diamond Purchased
0.89 Carats

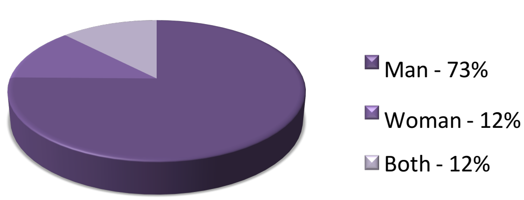
Length of Engagement (months)
14

Engagements with Male Acceptance Rings, Engagement Watch, or Man-gagement Rings
9%

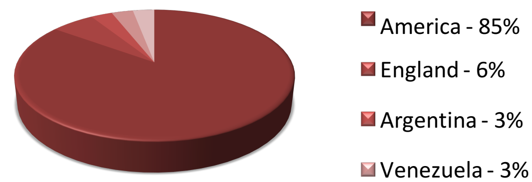
Percentage Who Resold Diamond Engagement Ring
14%

Purchase Price Recovered at Resale
18%

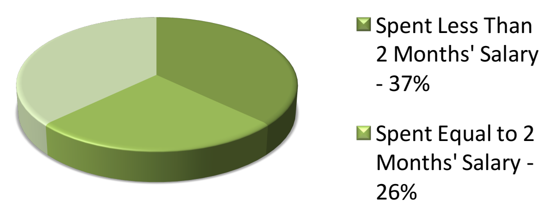
Ring Purchaser



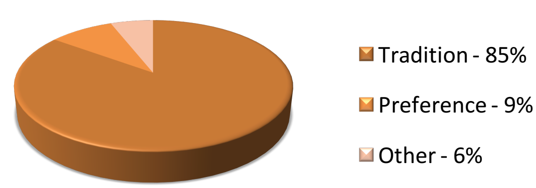
Birthplace of Participants



Two-Months' Salary Rule



Reason Behind Diamond Engagement Ring Purchase



Significance Associated with Diamond Engagement Ring