See Through the Luxury Jewelry Supply Chain

A New Methodology for Sustainable Practice

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We are in a material crisis that is creating the need to disrupt the system further. In the past few years, there has been a growing awareness and concern regarding issues of sustainability in the fashion industry and its exploitive systems. That is not the case in the jewelry industry. When working on my M.A thesis, I investigated the luxury jewelry industry from a broad and critical lens including the sustainability perspective. Through my research, I examined and analyzing the history of jewelry-making and found that the material sources and techniques used to be a symbol of prestige; such was the legacy of the wealthy. When, however, did jewelry makers and designers lose track and connection to the origins of their materials?

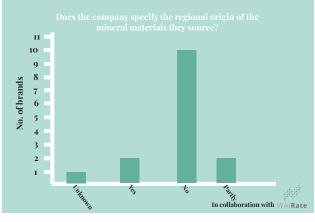


Figure 1

Although the historical meaning and understanding of luxury have not changed drastically, the production of luxury has undergone a massive shift. Luxury is still perceived as embodying the finest guality, reflecting the efforts of the most professional and craftspersons, and preserving skilled old techniques. However, today's luxury items are not made in Italy, France, or Switzerland, as Dana Thomas expresses it in Deluxe: How luxury lost its luster. There is a need to learn from the values and execution of the past- the exquisite technical skills, styles and craft work.

Metals and precious stones are chemical elements mixed in the soil. After extraction, it cannot be reinserted into the soil without intruding the ecosystem. If so, all the metals and precious stones that has been extracted in history still exists. There is up to 30 times more gold in a tonne of discarded mobile phones than in a tonne of gold ore (Pechstein, 2018). The impact of metal is largely driven by the water, air and soil pollution caused by heavy chemical used in production. These affects the life quality of the animals and people and might lead to deadly consequences. Besides the environmental issues, these materials are still associated with corruption and conflicts. In addition, today's luxury jewelry are treated as trendy items that can be worn just few times. As a solution to some of these issues few standards and certifications are in use. Still, parts of the jewelry supply chain are not covered at all like, certification for recycled gold and transparent precious stones. Others are not monitored well such as ,sustainable diamonds and the jewelry supply chain standard. This keeps the industry from supplying the ethical garuantee they need to be towards the industry and consumers.

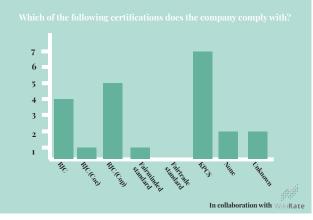


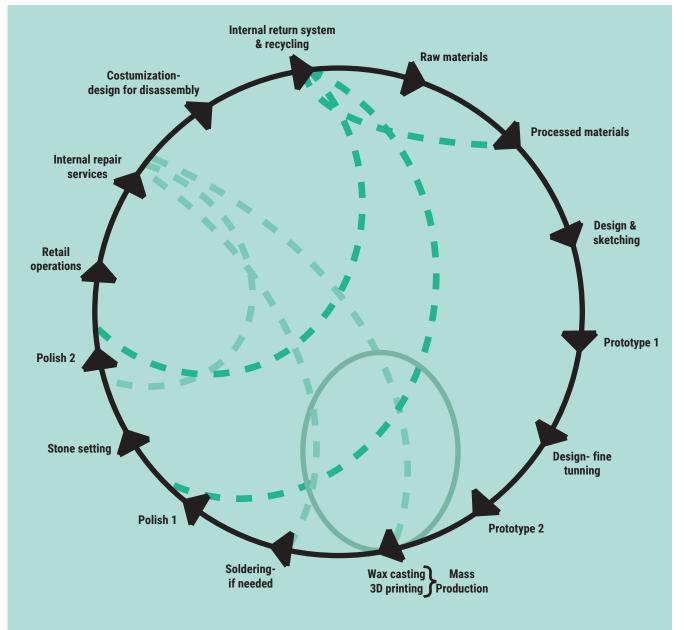
Figure 2

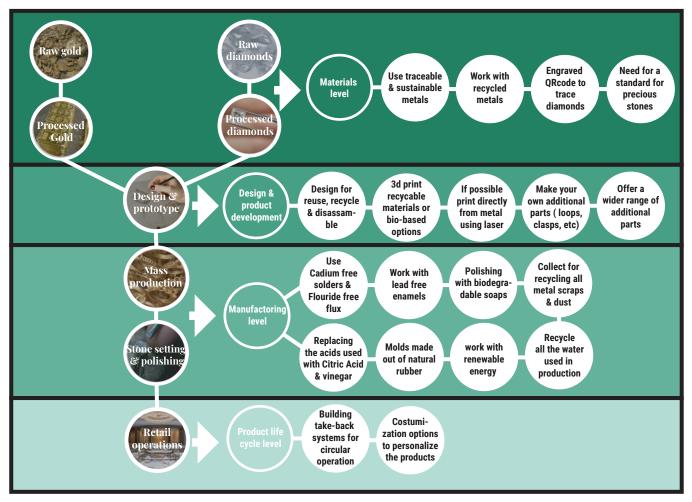
Luxury should always set an example for creativity and innovation, pursuing the highest standards and behaviors as much as for product quality and refinement (Pinkhasov and Nair, 2014).

Figure 1+2- in the research with Wlkirate, 15 major luxury jewelry companies reviewed, analyzing what sustainable issues they deal with and which ones remain unresolved. All the data is based on publically available resources: a report by Human Rights Watch – *The Hidden Cost of Jewelry* from early 2018, the CSR/sustainable section in the company website and company reports.

Enterprises producing luxury goods should use their creativity, financial and communicational resources to attain leadership in creating sustainable products, devising new business models and steering the industry towards future thinking. Traceable steps would restore their responsibility and security when it comes to their suppliers and, when it comes to their products for consumers. The innovative part of this research concerns the establishment of new sustainable luxury jewelry requirements (figure 4), and the methodology developed (figure 5 partly). In the research that underlies this thesis, any kind supply chain tool/methodology was not found. That is, neither far-reaching circular strategies nor the design and development of sustainable jewelry appears to exist. Appreciating and empowering the power designers and brands have on consumers to choose better appealing products and services.

After interviewing designers and professionals in the fine jewelry industry, I clearly sensed the need for a support system customized for this industry, through which it challenges in respect of sustainability issues can be analyzed and available alternatives to common production processes, along with inserting transparency and traceability into the equation, can be broached. Otherwise, sustainability will be overlooked as it is still today, in the conventional production routine due to the complications that still arise in sourcing materials, implementing sustainable design strategies, changing production methods, and building and developing circular models and take-back systems. Using sustainability and traceability as a unique selling points for luxury brands and demonstrate the need for values, as a way to create market differentiation and distinctive story. This could enhance luxury brands profits.







Given the lack of legislation that would prompt businesses to be more responsible, other stakeholders such as NGOs and consumers have become active players in convincing brands to do better (Verde and Hanton, 2011). This is the point of departure for the methodology described below. Its aim is to create a reliable industry information platform on sustainability, support, and encouraging businesses to approach sustainability and implement it in their daily strategies along their supply chain.

