

A Study on the Continued Development of Darry Ring Based on "True Love Marketing" in the Future Chinese Market

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Abstract: With fierce competition in nowadays Chinese jewelry market, Darry Ring has become one of the most popular brands by using integrated marketing communication based on the "True Love Marketing". The aim of this paper is to analyze the strengths and possible problems that Darry Ring may face in its future continued development, in the Chinese market. And the possible of continued development is investigated from four aspects, which are: brand concept, marketing, sales model, and consumer stability. This paper mainly uses methods of desk study and SWOT analysis. And there are four main findings. Firstly, the Darry Ring brand concept will be its unique selling point in the future Chinese market. Secondly, the marketing method used by Darry Ring, i.e., new media marketing, will be one of the strengths for its future development. Thirdly, DR's existing sales model will help it improve its market sensitivity. However, with the used of organizational behavior theory, over-reliance on "True Love Marketing" will reduce customer brand loyalty to Darry Ring. And it might become a serious hidden problem in the future development of Darry Ring. The conclusion is that the "True Love Marketing" is not only an opportunity for Darry Ring, but also a pitfall.

Keywords: Darry Ring, true love marketing, future development

1. Introduction

China is the second largest diamond consumer market in the world [1], but the proportion of diamond category consumption of jewelry is still below international levels [2]. Therefore, the consumption of diamond products in Chinese market still has a great potential to be improved. With the continuous development of China's economy and the upgrading of the consumer structure, people's consumption of diamonds will become more artistic and spiritual in the future [3]. And the diamond industry will develop towards personalization of products, diversification of consumption scenarios and integration of consumption venues. When it comes to jewelry brands, people always link them to these key words: couture, unique, luxury and so on. As a very popular diamond ring brand in China in recent years, Darry Ring adheres to the concept of offering only romance, and creates the "True Love Marketing", which successfully combines true love with diamond rings [3]. Besides, the company mainly adopts customized and self-operated sales models, cooperates with online and offline sales channels, quickly builds, and promotes its brand. With its unique brand culture and romantic services Darry Ring has become an excellent example of the success of traditional jewelry within the new media communication environment.

As for the research gap, there has been less systematic analysis in the previous literature about the future development of the Darry Ring relying on "True Love Marketing" in the Chinese market. This paper will show the SWOT analysis of Darry Ring by using desk research. And the paper will present an analysis and forecast of the development of DR's business based on "True Love Marketing" according to the theory of organizational behavior. Firstly, this article will use a desk research and SWOT analysis to examine the general business situation of Darry Ring in China and its prospects. Then, the existing strengths and weaknesses of Darry Ring will be systematically discussed according to four factors. And these four perspectives are brand philosophy, marketing, business model and customer stability. Secondly, the future development of Darry Ring's business will be critically discussed in this article, by applying theories of organizational behavior. And then, the key findings from the above analysis of Darry Ring's "True Love Marketing" will be used to make recommendations. There are five main aspects of advice, which are sustainability, market segmentation, chain management, privacy protection and customer service. Finally, a conclusion will be given to summarize what this article has analyzed and whether DR has an advantage in the future development of the Chinese market.

2. Darry Ring's Business Model and SWOT Analysis

2.1. Darry Ring's Current Operations in China

Darry Ring shares is a leading diamond wedding ring customization enterprise in China. It was formerly known as Inset Enterprise Management Consulting Co., Ltd. In 2011, its main business was changed to jewelry brand operation, R&D design, and customized sales. The company's brand philosophy is "only" and "true love", that is, men can use their ID to customize a Darry Ring for the only love in their life. In the area of luxury jewelry, Darry Ring's "True Love Marketing" has created a huge impact on social media [1]. These actions of Darry Ring have set a unique marketing model in the jewelry industry and Darry Ring becomes one of the most popular diamond ring brands in China within three years.

2.2. Darry Ring's SWOT Analysis

SWOT analysis is the method used to analyze the company's situation based on the internal and external competitive environment and conditions, and comprehensively studies the internal and external factors of the company from four aspects. And they are strengths, weaknesses, opportunities, and threats [2]. And there are some strengths and weaknesses for Darry Ring's marketing. Firstly, the marketing spreads widely. This is due to Darry Ring's adept use of new media for marketing. The second point is that true love marketing has been recognized by the consumers, and sales have experienced explosive growth. Thirdly, new media marketing costs are low, which can cut communication costs. Furthermore, Darry Ring has some opportunities, which are the emergence of a new generation of consumers and a shift in their consumer attitudes.

Nevertheless, as for the weaknesses, first, the brand-audience relationship is too one-way. DR cannot know the preferences of audiences through social media, which is not conducive to establishing long-term stable relationships with audiences. Second, because of the particularity of wedding ring products, the repurchase rate is extremely low. And DR's true love marketing will cause the brand repurchase rate to tend to 0, so it is difficult to cultivate customer loyalty. Besides, there are some threatens. Firstly, the Chinese jewelry market is highly competitive and there are many jewelry brands. Secondly, Chinese consumers are more cautious about spending on luxury jewelry and are less likely to develop the brand loyalty.

3. The Continual Development Potential of Darry Ring's "True Love Marketing" Business Model

3.1. Brand Concept

The brand concept of Darry Ring is "men can only customize one piece in their lifetime". By comparing customer unit price and sales volume, Darry Ring, a traditional jewelry brand, is significantly separated from other jewelry brands in terms of brand positioning through the characteristics of its main wedding ring. Emerging brands take high transaction volume, while luxury brands take high customer unit price as their profit point [2].

For example, the relatively Luxury brands BVLGARI and Tiffany & Co obtain higher unit price per customer through "professional" and "luxury" brand images to make profits. In comparison, emerging brands mainly use the labels of "fashion" and "trend" as their influence, aiming to gain a large number of fans and transactions, such as Swarovski, Pandora, etc. [4]. But the unit price and sales volume of traditional jewelry brands are adjusted according to different product lines [4].

Furthermore, the brand image can reflect the personalities of the DR diamond ring in the public psychology and the market, so that it can help organization deeply understand the evaluation and cognition of the public, especially consumers, on its brand [5]. The price of jewelry itself is difficult to determine, but how to better interpret the value behind the diamond ring is very important for the brand. Therefore, a clear and bright brand image is an indispensable and important part for such a competitive jewelry industry [6].

Additionally, the DR Diamond Ring by Darry Ring shares has successfully combined a diamond ring with an emotional concept, reinforcing the added value of a diamond wedding ring as a symbol of "eternal uniqueness". The brand has successfully combined a diamond ring with an emotional concept, reinforcing the added value of the diamond wedding ring as a symbol of "eternal uniqueness" and redefining its own product as "diamond equals to true love" [3]. This brand concept thus not only expands the definition of the product, but also creates scarcity. It successfully shifts the customer's focus from price to the brand's unique concept and thereby increases brand differentiation [6].

After the new generation of young people gradually have become major consumers of diamonds, crude and old-fashion marketing has become out-of-date. The young are full of personality and grow up in an environment of information explosion, and it is difficult to attract them with an unconventional brand slogan [7]. However, the rise of new consumer groups has also given opportunities to the new brands like Darry Ring, which equates diamonds with "true love" and communicates with its customers not about diamonds but about an attitude of love, i.e., loving only one person in a lifetime.

3.2. The Marketing of Darry Ring

Once a company has established that it has mastered the needs of its target customers, it knows how to enhance its brand image [1]. The first method is to use the celebrity effect. The appeal and attractiveness of a celebrity spokesperson can make a positive impact on consumers' recall of the advertisement. Marketers often choose pretty celebrities to appear in jewelry ads, using their face to match perfectly with the promoted product, thus attracting consumers and causing them to want to buy. For female consumers, for example, wearing celebrity-endorsed jewelry makes them feel gorgeous, confident, and fulfilled [8].

And the ingenious thing about Darry Ring's marketing is that they put their products into hot news, even turning the products themselves into a form of news, using celebrities to promote their distinctive brand concept rather than a particular range of products [4]. A good example of it is that, when the famous Chinese film star and his renowned host wife got married in 2014, Darry Ring decided to use the highly influential celebrity wedding as the highlight of its communications. The DR was used

throughout the wedding, from the extensive promotional soft ads placed before the wedding to the post-wedding display of the Darry Ring on the groom's social media platforms with the caption: "Love only one person for life", which brought the Darry Ring's popularity to its zenith. So far, more than 10 pairs of famous athletes have chosen to use Darry Ring to marry each other, and all of them have used DR to carry their true love on the proposal site, promising to "love only one person for life" [1]. The celebrity effect has made DR's concept of true love deeply rooted in people's hearts.

However, the celebrity effect could become a hidden problem in the future sustainability of Darry Ring. The celebrity effect will only increase consumer positive perception of the product but will not fundamentally strengthen customer loyalty to the brand [8]. Even though Darry Ring's brand concept of true love is now gaining in popularity through the celebrity effect, the long-term sustainability of the brand is still dependent on the quality of the product itself [5]. Some of the previous news of DR diamonds being faked, although not proven, has had a negative impact on the brand. This is a warning to Darry Ring in the future, true love marketing can attract a lot of flow, but good quality products are the basis for retaining customers. Secondly, once the endorsement of the star relationship problems no longer in line with the DR true love concept, will have a more serious influence on the DR, which will also be the DR future sustainable development of a hidden danger cannot be ignored.

The second approach is integrated marketing communications. Darry Ring's current IMC combines traditional online, press, micro-video, and self-media [4]. Integrated Marketing Communications (IMC) is defined as a process whereby an organization uses multiple communication channels and other marketing-related methods to deliver product information to customers and maximize customer attraction [9]. It includes traditional and non-traditional marketing channels such as promotions, general advertising, new media, magazines, etc. [9]. According to Finne and Gronroos [10], IMC not only needs the help of traditional media, but also needs to be complemented by the segments, products, and services of communication, because communication occurs in a wide range of settings. DISSANAYAKE [11] believes that the impact of a coherent and unified message is far greater than a disjointed, non-systematic message. IMC can help companies build a stable and unified brand and help them block out the noise so that their ethos and philosophy are clearly reflected and communicated directly and effectively to their audience.

In addition, self-publishing is crucial in brand communication. The current IMC can be divided into two directions: "influencing a group of people" and "influencing a circle of people", with the former referring to mass communication and the latter mostly to the self-publishing circle. As a representative new media in China, Weibo is one of the largest and most trending social media platforms in China [12]. The campaign, which has been expanding the social network through publicity activities, has reached a high level of communication, with a total of 1.45 billion reads and 323,000 discussions since 2014 until 2016 [12].

Online word-of-mouth (eWOM) influences the purchase intention of consumer deeply. New digital media is changing the way people transmission information. For Chinese consumers, word-of-mouth recommendations are an important basis for purchasing products, especially when it comes to luxury items such as diamond rings [13]. Therefore, Darry Ring has a large and loyal fan base, which will be the source of a stable consumer base in the future.

3.3. Sales Model

Darry Ring's sales model is based on customization and outsourced processing. The non-standard nature of the products under the customization model helps to highlight the exclusivity and scarcity of the products and reinforce the brand concept. The uniqueness of a luxury brand can be easily diminished in a market that is so advanced in digital channels. The potential for rapid penetration of online distribution can dilute the distinctiveness and rarity of a brand, thus weakening the key values of it [14] [15].

Sales of Darry Ring are beneficial to its marketing and operations. Firstly, it allows for a large amount of flow and ensures that the brand concept is not being diluted. Secondly, customers choose the style and parameters before processing. And this way is more conducive to the company's ability to collect consumer demand and feedback and show high market sensitivity by responding to consumer preferences and diversified needs in a timely manner [7]. Thirdly, it allows the company to match production to demand, reducing the proportion of inventory and generating good levels of cash flow [4]. What's more, outsourcing has also been an advantage for Darry Ring. Because DR's parent company, Darry Ring shares, is in Shenzhen and has a well-developed jewelry processing chain there. The company outsources all its products to professional jewelry manufacturers and adopts strict control over the source of diamonds for them [7]. Therefore, low value-added diamond processing outsourced by Darry Ring to focus on brand building, channel development, product development and other businesses to reduce production costs and achieve high gross margin levels.

However, outsourcing involves the third party [16], which will increase the difficulty of supervision and management, and may lead to the emergence of this hidden problem such as uneven product quality. Secondly, the customization model may lead to a worse consumer experience because of the long-customized time and complicated process. Nevertheless, it also promotes and implements the brand's philosophy of true love and makes customers willing to pay a premium for the product. As a result, in the long run, the combination of customized sales and outsourcing will help Darry Ring to better control its own inventory, keeping it low, with a good cash flow and a high sensitivity to the market.

3.4. The Targeted Customer

Darry Ring targets young people in the upper middle class income group. Chinese consumers are significantly different from other countries when it comes to buying luxury accessories, the main feature is the lack of brand loyalty [13], which means that the product is the priority, and the brand is the second.

Therefore, according to 4 luxury brands need to constantly innovate and attract customers through new and intriguing content. And since Chinese consumers are keen to analyze and listen to advice, it is easy to create a mass purchasing trend [7]. Besides, with the younger generation gradually gaining control of the consumption, this huge new group of consumers is deeply influencing and changing the trends of the jewelry industry in terms of aesthetic and consumer attitudes [1]. Certainly, this feature of the Chinese consumer also provides a market opportunity for new brands such as Darry Ring. Contemporary young people are giving more emotional demand to jewelry consumption, especially to wedding rings [17]. The romanticization of products by consumers has increased the impact of attachment styles on romantic consumption because attachment styles evoke the concept of romance love and its accompanying thoughts and feelings of romance [18].

There are two dimensions of attachment style called attachment avoidance and attachment anxiety, and consumers with different attachment styles will have different romantic consumption preferences [19]. The full customization of Darry Ring can largely meet the needs of consumers about attachment consumption. From a long-term perspective, Darry Ring's customized marketing satisfies the needs of its target customers, with low repurchase rates to maintain and deepen the brand image and increase customer loyalty to the brand.

However, Darry Ring's brand concept has also been questioned by some audiences. Firstly, some people consider Darry Ring's slogan as a kind of sexism and moral abduction, as it only allows customization for men. Secondly, DR's true love philosophy does not include the LGBTQ community [1], which makes Darry Ring miss out on this kind of niche market.

4. Open System Theory and Advice

4.1. Open System Theory

Open systems theory refers to the notion that an organization is strongly influenced by its environment, which can be divided into political, economic, and social aspects [20], Darry Ring can better understand and analyze things by looking at these three aspects.

For Darry Ring, all operations should be dynamic, constantly changing according to the external environment, so that it can ensure the effectiveness of its marketing as well as meeting the needs of its customers promptly and that is to maintain a high level of market sensitivity and take the initiative to assume social responsibility.

4.2. Advice for Darry Ring

Based on the above theory, there are some advice for Darry Ring to avoid the hidden problems and realize a better sustainable development. Based on the huge effort on digital media marketing, DR are expected to take the social responsibility, which could help enhance its brand image. Corporate social responsibility (CSR) is significantly for an organization to build a good reputation, which is a vital factor for organization's sustainability [21]. CSR refers to a company's responsibility to consumers, communities, and the environment, as well as generating profits and being legally responsible to shareholders and employees [20].

Firstly, Darry Ring can through the activities like trade-in services, using eco-friendly packaging materials, to express the concept of green environmental protection and improve its social image [21]. Secondly, DR would have to cover all segments of its target market, such as the LGBTQ community [3], and DR is supposed to accept orders from gay buyers as well as create a product line specifically for these customers in order to deepen the idea of true love. First of all, the activities like trade-in services and the use of eco-friendly packaging materials to express the concept of green environmental protection and improve its social image [1]. Thirdly, DR should be more stringent in monitoring the outsourced diamond production chain to ensure the high quality of every product, which, as a customized sale, is critical to the reputation of DR.

Moreover, because of its strict customization requirements, DR holds important personal information about its customers, such as their ID numbers and names. If customer privacy is compromised, DR will suffer a crisis of confidence. Thus, DR has to ensure the security of customer information by improving the technology of protecting the information base and increasing the management of customer information. Last but not least, because of the long customization time [4], for some urgent customers, they have to choose other brands, so DR is expected to open a brand line without customization, that is to select and buy directly, to meet the different needs from different customers.

5. Conclusion

As the above analyzed, Darry Ring's unique brand concept is its most special selling point and will stay a strong advantage in the future development. From the perspective of marketing, the use of celebrity effect to enhance the brand image is an effective and influential way, but the bad behavior of celebrities will have a serious negative impact on Darry Ring. This is also a hidden danger in the DR's further operations. Nevertheless, the IMC and new media marketing have brought huge exposure to Darry Ring and made its "True Love Marketing" deeply rooted in the hearts of consumer. And in future operations, as a wider spread of self-media, these two marketing methods will still bring a lot of benefits to Darry Ring. Furthermore, a sales model based on customization and outsourced processing will increase the risk of uneven product quality. Nonetheless, in the long run this sales model helps Darry Ring to maintain a high market sensitivity and a low inventory level.

Finally, for the low brand stickiness and high customer uncertainty, Darry Ring can improve its brand reputation by taking the initiative to be socially responsible. In addition, the company can enrich its product range and add more personalized services to meet customers' needs fundamentally. The above summary shows that Darry Ring still has an advantage in the future of the Chinese market based on the “True Love Marketing” but cannot over-rely on it. For jewelry brands, creating high quality products and doing their best to meet the needs of customers is essential to achieve long-term development.

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