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Shifting Gen-Z behaviour in the jewellery industry: A case study of lab-grown diamond adoption in the Indian market

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ABSTRACT

This research explores the shifting preferences of Generation Z (Gen Z) in India's jewelry market, focusing on the growing adoption of lab-grown diamonds (LGDs) as an alternative to natural diamonds. This study investigates how Gen Z's values, sustainability, ethical consumption, digital influence, and price sensitivity are reshaping traditional diamond consumption patterns in a market deeply rooted in cultural and emotional significance. Using a qualitative methodology, semi-structured interviews were conducted with 10 Gen Z and millennial participants to analyze perceptions of LGDs through thematic, sentiment, and content analysis. Key findings reveal that while Gen Z is highly receptive to LGDs due to their environmental benefits (70% lower carbon emissions than mined diamonds), affordability (30-50% cheaper), and ethical transparency, cultural barriers persist. The traditional associations of natural diamonds with weddings, status, and legacy create intergenerational resistance, with older family members often pressuring younger consumers to adhere to conventional choices. Digital platforms, particularly Instagram and YouTube, play a pivotal role in shaping Gen Z's preferences, with influencers and social media content driving awareness and normalization of LGDs. However, misconceptions about LGDs being "fake" or lacking investment value hinder broader acceptance. This study highlights a generational divide: Gen Z prioritizes sustainability and self-expression, while older cohorts remain tied to notions of rarity and long-term value. The study concludes that LGDs represent a disruptive force in India's jewelry market, but their full integration depends on overcoming cultural inertia, enhancing education around their scientific equivalence, and developing robust resale markets. Industry stakeholders must leverage digital marketing, influencer partnerships, and policy support (e.g., standardized certifications) to align with Gen Z's values while addressing traditional consumer concerns.

Keywords: *Lab-grown diamonds, Gen-Z, Indian jewellery market, Digital influence*

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INTRODUCTION

The Indian jewelry market stands at a fascinating crossroads, where centuries-old traditions of diamond consumption are being challenged by modern values and technological innovations. At the heart of this transformation is Generation-Z, the demographic cohort born between the mid-1990s and early 2010s - whose purchasing behaviors and value systems are dramatically reshaping the diamond industry. Traditionally, Indian consumers have revered natural diamonds not only for their beauty but also as symbols of status, emotional significance, and prudent financial investments. These deeply ingrained cultural associations have made diamonds an integral part of weddings, festivals, and family heirlooms across the generations. However, the emergence of lab-grown diamonds (LGDs) has introduced a disruptive alternative that aligns perfectly with Gen Z's priorities of sustainability, ethical consumption, and value-conscious purchasing (Lin et al, 2023).

What makes this generational shift particularly noteworthy is the stark contrast in how different age groups perceive diamond jewelry. While older generations in India continue to associate natural diamonds with tradition and long-term value preservation, Gen Z consumers demonstrate a remarkable openness to LGDs (Khokhani & Mehra, 2024). This divergence stems from fundamental differences in worldview, where baby boomers and Generation X might prioritize tangible assets and established norms, Gen Z places greater emphasis on environmental impact, social responsibility, and personal expression (Green &Patel, 2021). The

implications of this shift are profound for an industry that relies heavily on traditional perceptions of value and prestige. Industry reports suggest that, while LGDs currently account for approximately 7-10% of the global diamond market, their share is growing at an annual rate of 15-20%, with younger consumers being the primary drivers of this growth (Jewelry Economics, 2023).

Several interconnected factors are fueling Gen Z's growing preference for lab-grown diamonds in the Indian market. Foremost among these is environmental consciousness, a value that permeates nearly all aspects of this generation's consumption patterns (Lin et al, 2023). The environmental toll of traditional diamond mining, including land degradation, water pollution, and significant carbon emissions, resonates strongly with young climate-aware consumers (Zhdanov et al., 2022). They are increasingly drawn to LGDs' comparatively smaller ecological footprint, with studies indicating that lab-grown diamonds generate approximately 70% less carbon emissions than their mined counterparts (Zhdanov et al.,2022). Ethical considerations equally influence this demographic, as they actively seek to avoid products associated with human rights violations or conflict financing (Lin et al, 2023). The "blood diamond" narrative, though less prevalent today, still lingers in consumer consciousness and makes the ethically transparent production of LGDs particularly appealing (George, 2024).

Economic factors played an equally crucial role in this transition. India's Gen Z is coming of age in an era of economic uncertainty, with concerns about employment stability and rising costs of living shaping their spending habits (Jewelry Economics, 2023). The significant price advantage of LGDs, typically 30- 50% lower than natural diamonds of comparable quality, makes them particularly attractive to younger consumers who may be purchasing their first significant pieces of jewelry or building their collections gradually (Xu, 2024). This price differential allows them to acquire larger or higher-quality stones within constrained budgets, or to allocate savings to other priorities such as travel or experiences. The affordability factor also aligns with Gen Z's tendency to view jewelry more as personal adornment and self-expression rather than as family assets or financial investments.

Digital native behaviors profoundly influence Gen Z's discovery, evaluation, and purchase of diamond jewelry (Memme, 2023). Unlike previous generations that relied on family jewelry or physical store visits for purchases, Gen Z consumers conduct extensive online research before buying (Eichhorn,2023).

Social media platforms such as Instagram and YouTube serve as primary sources of information and inspiration, with influencers and user-generated content playing pivotal roles in shaping perceptions (Memme, 2023). E-commerce platforms have capitalized on this trend by offering detailed product information, 360-degree views, and augmented reality try-on features that replicate the offline experience (Eichhorn, 2023). Digital marketplaces also provide transparent pricing comparisons and certification details that appeal to this generation's preference for informed decision making (Khokhani & Mehra, 2024). Notably, brands that effectively communicate their sustainability credentials and ethical practices through digital channels tend to resonate particularly well with Gen Z consumers (George, 2024).

However, the transition from natural to lab-grown diamonds among Indian Gen Z consumers has several significant barriers. Cultural and traditional attachments to natural diamonds remain deeply entrenched, particularly in the context of weddings and major life events where diamond jewelry often carries symbolic meaning beyond its material value. Many young consumers report family pressure to choose natural diamonds on important occasions, reflecting intergenerational differences in the value of jewelry (Shah, 2025). There are also persistent concerns about the long-term value proposition of LGDs, with some consumers questioning whether they will hold value over time or be seen as "fake" in social contexts (Jewelry Economics, 2023). The resale market for LGDs remains underdeveloped compared to that for natural diamonds, creating uncertainty for buyers who view jewelry purchases as potential financial assets (Xu, 2024).

The response of the Indian jewelry industry to these shifting dynamics has been multifaceted. Established jewelry brands are increasingly incorporating LGD options into their collections, often marketing them as "smart" or "conscious" choices rather than positioning them against natural diamonds (Bagathi et al., 2021). Some retailers have adopted dual strategies, offering both natural and lab-grown diamonds while educating

consumers about these differences (George, 2024). Digital-first brands have been particularly successful in capturing Gen Z's attention through social media marketing and influencer collaborations that highlight the modern, ethical appeal of LGDs (Memme, 2023). Industry organizations such as the Gem & Jewelry Export Promotion Council (GJEPC) have begun developing certification standards and promotional campaigns to build consumer confidence in LGDs (Maltseva et al., 2019).

Technological advancements in LGD production are crucial in driving this shift (Zhdanov et al., 2022). Modern chemical vapor deposition (CVD) techniques can now produce diamonds with identical physical and chemical properties that are virtually indistinguishable from natural stones to the naked eye (Bagath et al.,2021). The quality, consistency, and size availability of LGD shave improved dramatically in recent years, making them viable alternatives for various jewelry applications (Shah, 2025). These technological improvements, combined with increasing production efficiency, have contributed to the declining price premium of LGDs, further enhancing their appeal to younger price-sensitive consumers (Xu, 2024).

The policy environment in India is gradually adapting to support the growth of the LGD sector (Maltseva et al., 2019). Recognizing India's potential to become a global leader in lab-grown diamond production, the government has introduced measures to support domestic manufacturing, including research grants and export incentives (George, 2024). Educational initiatives aimed at jewelers and retailers help bridge knowledge gaps and ensure that accurate information reaches consumers (Bagathi et al., 2021). However, the industry still faces challenges in standardizing terminology and grading systems for LGDs, which could help alleviate consumer confusion and build trust in these products (Jewelry Economics, 2023).

Looking ahead, the trajectory of LGD adoption among India's Gen Z will likely depend on several factors. Continued improvements in production technology and cost reductions could make LGDs even more accessible (Zhdanov et al., 2022). The development of robust secondary markets may address concerns regarding long-term value retention (Xu,2024). Most importantly, evolving social norms around jewelry consumption and gifting traditions will determine whether LGDs can achieve widespread acceptance beyond their current niche. As sustainability concerns grow more pressing and digital channels become even more dominant in consumer decision-making, the conditions appear favorable for lab-grown diamonds to capture an increasing share of Gen Z's jewelry purchases in India.

The implications of this shift extend beyond consumer preferences to touch on broader economic and environmental considerations (Maltseva et al., 2019). The growth of the LGD sector presents opportunities for India to strengthen its position in the global diamond industry through technological innovation and sustainable manufacturing (Bagathi et al., 2021). However, it challenges traditional business models and requires stakeholder adaptation across the value chain (Shah, 2025). For policymakers, the emergence of LGDs raises questions about how to balance support for this innovative sector with the need to protect established natural diamond industries that provide significant employment (George, 2024).

Ultimately, the story of lab-grown diamonds in India reflects larger generational transitions in consumption patterns, environmental awareness, and the role of technology in traditional industries (Memme, 2023). While natural diamonds are likely to maintain their appeal for certain segments and occasions, the rise of LGDs among Gen Z consumers signals a fundamental reimagination of what diamonds represent in contemporary Indian society. This shift goes beyond mere product substitution; item bodies changing attitudes toward luxury, sustainability, and self-expression that will continue to reshape the jewelry market in the years to come (Lin et al, 2023).

This study is crucial because it dives into the seismic shift occurring in India’s diamond market, where Gen Z’s values, rooted in sustainability and ethical consumption (Lin et al, 2023), are clashing with centuries-old traditions that view diamonds as cultural and financial assets. The jewelry industry is at a tipping point. Lab-grown diamonds are gaining traction, with market share growing at 15-20% annually (Jewelry Economics, 2023), but no one really knows if this is a fleeting trend or a full-blown revolution. Are young consumers genuinely committed to sustainability, as their digital-native behaviors suggest (Memme, 2023), or is it just

social media posturing? Will they stick to their ethical guns when family expectations and wedding traditions, where natural diamonds still dominate (Khokhani & Mehra, 2024), come knocking? The stakes are sky-high: jewelers, brands, and policymakers need to determine whether to bet big on LGDs or hold onto natural diamonds. Without these insights, businesses risk billion-dollar mistakes in a market where tradition and disruption are now locked in a high-stakes battle.

Research Questions

- What factors would motivate Gen Z in India to switch from natural diamonds to LGDs?
- How do Gen Z's cultural and ethical values (sustainability, ethical sourcing) influence their preference for LGDs over natural diamonds?
- Do price sensitivity and affordability play a stronger role for Gen Z in choosing LGDs compared to older generations?

India's diamond industry stands at the crossroads of a significant generational shift. This research seeks to uncover the evolving power dynamics within the market, particularly in light of the rising influence of Gen Z consumers. Far from being a conventional consumer group, Gen Z represents a transformative force that challenges long-standing cultural, ethical, and economic norms in the jewelry sector. As this generation questions traditional values and prioritizes sustainability and ethical sourcing, the industry faces a critical dilemma: adapt to these emerging expectations or assume that such preferences are temporary and will fade with age and social pressure.

The core inquiry of this study goes beyond consumer trends; it interrogates whether Gen Z's commitment to sustainability is a decisive factor in purchasing behavior or merely performative activism shaped by social media. Key questions include: Will eco-conscious values persist when confronted with familial expectations, especially in high-stakes cultural events such as weddings? Will financial constraints, such as student debt, influence preferences toward more affordable lab-grown diamonds (LGDs), or will the traditional investment logic tied to gold and natural diamonds prevail?

The answers to these questions carry high stakes. If Gen Z's ethical stance holds firm, lab-grown diamonds may well emerge as the dominant future trend in India's jewelry market. If not, they risk being dismissed as a fad. For industry stakeholders, the choice is stark: embrace a shift toward affordability and ethical sourcing—potentially alienating older, more traditional consumers—or maintain the status quo and risk losing relevance with the next generation of buyers. Ultimately, this study aims not only to map current attitudes but to offer strategic insights for businesses navigating a rapidly changing cultural and economic landscape.

LITERATURE REVIEW

The Indian jewelry market has long been deeply rooted in tradition, with diamonds, particularly natural ones, symbolizing luxury, legacy, and love. Over the years, natural diamonds have been associated with profound cultural values, often seen as heirlooms passed down through generations (George, 2024). However, this entrenched mindset is now being challenged by a new wave of consumers, Generation Z. Known for their technological fluency, environmental consciousness, and strong ethical compass, Gen Z presents a significant shift in the way luxury goods, including diamonds, are perceived and purchased in India. The question now is whether Gen Z, with its unique values and preferences, can catalyze the transition from natural diamonds to lab-grown diamonds (LGDs) in the Indian jewelry market (Khokhani & Mehra, 2024).

One of the primary driving forces behind this potential shift is Gen Z's heightened awareness of ethical and environmental issues (Lin et al, 2023). The younger generation is increasingly critical of the sustainability concerns surrounding natural diamond mining, particularly the human rights violations and environmental damage associated with traditional diamond extraction (Zhdanov et al., 2022). This growing awareness has led to a significant demand for products that align with their values of sustainability, transparency, and ethical sourcing (Green &Patel,2021). In this context, LGDs present as an attractive alternative. Lab-grown diamonds,

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which are virtually identical in appearance and composition to natural diamonds (Bagathi et al., 2021), provide a means of accessing the same luxury without the ethical baggage of traditional mining practices.

Research indicates that Gen Z is more likely to make purchasing decisions based on ethical considerations than previous generations (Lin et al, 2023), prioritizing companies that are transparent about their production processes and commit to sustainable practices (George, 2024). The appeal of LGDs lies not only in their ethical advantages but also in their promise of sustainability. Lab-grown diamonds, produced through technologically advanced processes that replicate the conditions under which natural diamonds are formed, have a much lower environmental footprint than their mined counterparts (Zhdanov et al., 2022). The production of LGDs occurs above the ground, reducing the need for disruptive mining practices that can have a devastating impact on local ecosystems and communities (Lin et al, 2023). In an age when climate change and environmental degradation are pressing global issues, the eco-friendly aspect of LGDs could be a major factor in Gen Z's decision to switch from natural diamonds.

Furthermore, Gen Z's values are being shaped by an increasing interest in innovation and technological advancements (Memme, 2023). This generation, which has grown in the digital age, tends to be more open to new technologies and more willing to embrace products that challenge traditional norms (Eichhorn,2023). The rise of lab-grown diamonds represents not only a sustainable alternative but also a symbol of progress, technological ingenuity, and modernity (Bagathi et al., 2021). Unlike their older counterparts, who may still be influenced by the traditional appeal of natural diamonds, Gen Z is more inclined to embrace the novel and innovative, which could give LGDs an edge over natural diamonds in the future (Khokhani & Mehra, 2024).

However, despite the promising advantages of LGDs, several challenges remain in convincing Gen Z to make the switch. One of the primary hurdles is the deep cultural attachment to natural diamonds in India. Diamonds have been symbols of status, wealth, and tradition in Indian society for centuries (George, 2024). The notion of a diamond as a permanent, unchanging symbol of love and commitment is deeply ingrained in the culture. For many, the idea of purchasing a diamond is not just about the jewelry itself, but about the emotional and symbolic value it carries (Shah, 2025). Natural diamonds, with their perceived rarity and long-standing history, have been positioned as the epitome of luxury (Jewelry Economics, 2023). In this cultural context, LGDs, despite their ethical and environmental advantages, may be seen as inferior or less prestigious (Xu, 2024).

Gen Z's shift towards LGDs will therefore depend largely on how effectively the industry can address these cultural perceptions (George, 2024). While the younger generation may be more willing to embrace ethical consumption, emotional attachment to natural diamonds is likely to remain a significant barrier. It will take time for LGDs to be viewed as equally valuable or desirable as their mined counterparts (Jewelry Economics, 2023). For this shift to occur, the jewelry industry will need to challenge the traditional perceptions of diamonds and position LGDs as symbols of contemporary luxury, responsible consumption, and innovation (Bagathi et al.,2021).

Price sensitivity is another fact that could influence Gen Z's adoption of LGDs (Xu, 2024). India, being a price-sensitive market, often sees younger consumers opt for products that offer value for money (Jewelry Economics, 2023). LGDs, being significantly cheaper than natural diamonds (Zhdanov et al., 2022), present a compelling alternative for Gen Z, who may be more likely to invest in a product that offers the same aesthetic appeal at a fraction of the cost (Khokhani & Mehra, 2024). In a country where economic factors play a crucial role in purchasing decisions, the affordability of LGDs could help drive their acceptance, especially as Gen Z becomes a more dominant consumer group (George, 2024).

Digital platforms and social media also play a critical role in shaping Gen-Z's attitude towards LGDs (Memme, 2023). The younger generation is highly active on platforms such as Instagram, YouTube, and TikTok, where they engage with influencers and content creators who are increasingly promoting ethical and sustainable consumption (Eichhorn, 2023). These platforms have become powerful tools for raising awareness and changing perceptions, especially for products such as LGDs (Memme, 2023). Social media campaigns highlighting the ethical advantages of LGDs, along with their ability to showcase them in trendy, glamorous contexts, could be

instrumental in normalizing their acceptance (George, 2024). As Gen Z consumes much of its media and shopping experience through digital channels, LGD brands need to tap into this space and create a narrative that resonates with the values of this generation (Khokhani & Mehra, 2024).

Moreover, the role of influencers cannot be overstated (Eichhorn, 2023). Influencers, who have become significant cultural icons for Gen Z, have the power to shape purchasing behavior (Memme, 2023). Many influencers are now promoting sustainable fashion, beauty, and lifestyle choices, including the use of lab-grown diamonds (George, 2024). Their endorsement could be a powerful tool for overcoming the stigmas surrounding LGD and positioning them as desirable, aspirational products for the younger generation (Khokhani & Mehra, 2024). If LGDs are embraced by key influencers in the Indian market, this could pave the way for broader consumer acceptance (Eichhorn, 2023).

Despite the potential advantages of LGDs, the pace of change may be slower in India than in Western markets (Maltseva et al., 2019). Cultural preferences for natural diamonds, combined with a lack of awareness about LGDs (Jewelry Economics, 2023), may result in a delayed transition. However, the fact that LGDs are gaining traction globally, particularly in markets like the United States and Europe (Shah, 2025), indicates that this shift is not merely a passing trend. As Gen Z in India becomes more aware of the ethical and environmental implications of diamond mining (Lin et al, 2023) and as digital platforms continue to play a larger role in shaping consumer behavior (Memme, 2023), the acceptance of LGDs is likely to increase (Khokhani & Mehra, 2024).

While there are several challenges to the widespread adoption of LGDs in India (Jewelry Economics, 2023), Gen Z's openness to sustainability, ethical consumption, and innovation offers a promising opportunity for the transition from natural diamonds to lab-grown alternatives. The ability of the industry to overcome cultural barriers, leverage digital platforms (Eichhorn, 2023), and highlight the economic advantages of LGDs (Xu, 2024) is crucial in determining whether Gen Z can successfully drive this shift in the Indian jewelry market (George, 2024).

Data Collection and Methodology

The data for this study on shifting Gen-Z behavior in the jewelry industry, specifically focusing on the adoption of lab-grown diamonds in the Indian market, were gathered through a qualitative research methodology centered around semi-structured interviews. Ten respondents were selected, including individuals from both Gen Z and millennial cohorts, to provide a comparative generational perspective. The sample consisted of young adults aged between 20 and 35 years, with an emphasis on Gen Z (ages 17–27). The purposive sampling technique was employed to ensure that participants had some level of engagement with or awareness of the jewelry industry—either as consumers, through family businesses, or exposure via social media and digital marketing campaigns. To capture a broad spectrum of consumer attitudes, the participants represented diverse educational and occupational backgrounds, including marketing, fashion, sustainability, and finance. The interviews were conducted in both online and offline formats, depending on the respondent's availability and location, ensuring flexibility and inclusivity. Each session lasted approximately 20–30 minutes and revolved around key themes, such as brand perception, awareness of ethical sourcing, pricing sensitivity, influence of social media, sustainability preferences, and cultural attitudes towards diamonds. The data was then transcribed and thematically analyzed to identify recurring patterns and unique insights. The open-ended- freely, which helped capture the deeper behavioral and emotional drivers behind their preferences. Special attention was paid to the influence of digital platforms such as Instagram and YouTube, which emerged as major sources of awareness of LGDs among Gen Z respondents. Millennials, while more brand-conscious and rooted in traditional perceptions of jewelry, also showed interest in LGDs, primarily for economic and ethical reasons. This small-scale but rich qualitative dataset offered varied insights into how values around authenticity, sustainability, and affordability are evolving, and how Gen Z, in particular, is reshaping norms in the Indian jewelry market.

DATA ANALYSIS

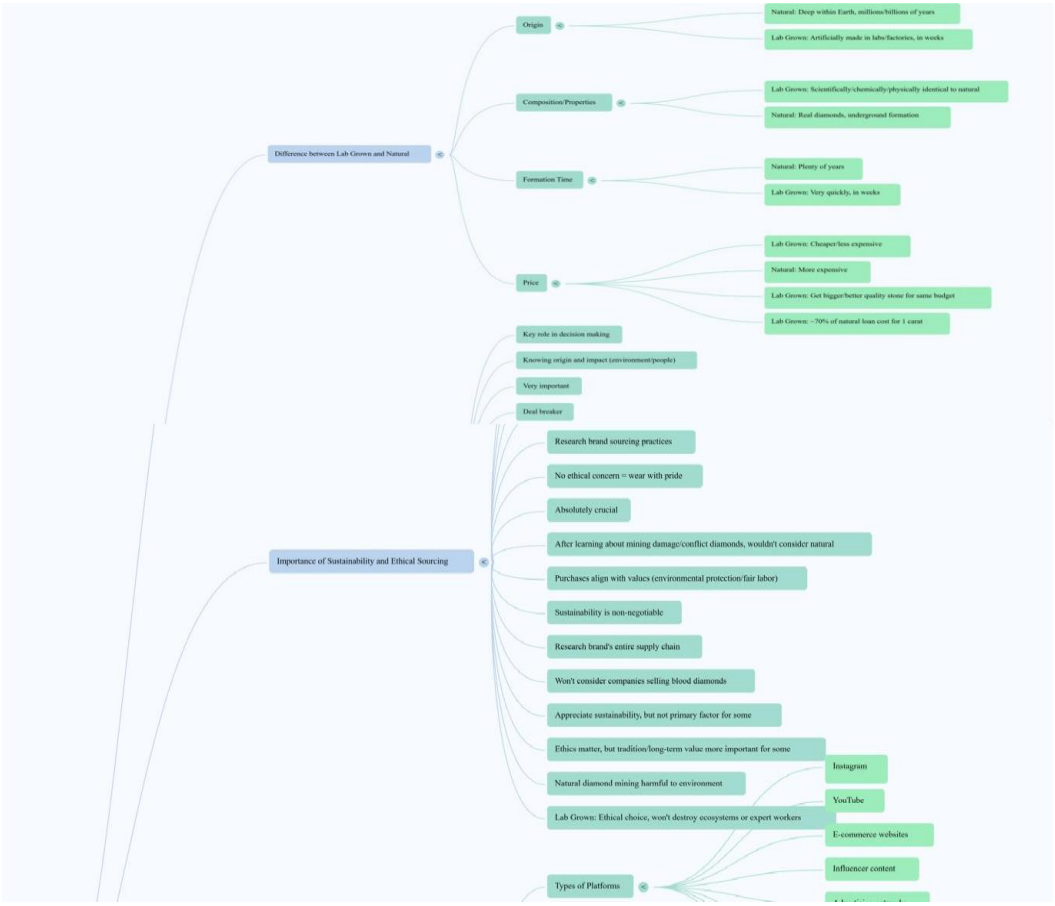
The qualitative investigation has provided an opportunity to explore the familial influences on diamond

preferences, price sensitivity, generational attitudes toward LGDs, and the impact of digital platforms such as Instagram, online jewelry ads or stores, and social media. Sample responses highlight tensions between tradition (viewing natural diamonds as heirlooms) and modern priorities (sustainability and affordability), with younger consumers embracing LGDs as ethical and cost-effective alternatives. The research also considers how influencer marketing and online jewelry stores reshape perceptions, while examining participation biases in Gen-Z studies. The findings reveal an evolving luxury landscape in which heritage competes with innovation, and digital media accelerates changing consumer behavior. We interviewed 10 people, and the data was analyzed using Google LM Notebook, NVivo, and TurboScribe to identify key themes and sentiments from the transcriptions of semi-structured interviews with 10 people.

RESULT

Analysis of the mind map

Lab-grown diamonds are gaining increasing attention in India, particularly among Gen Z consumers, due to their affordability, ethical sourcing, and environmental benefits. These diamonds, created in labs within a few weeks, are chemically and physically identical to natural diamonds, which take millions of years to form deep within the Earth. The key distinctions between the two lie in their origin, price, and public perception. Lab-grown diamonds are significantly more cost-effective, often 25–40% cheaper, appealing to budget-conscious but quality-seeking buyers. However, cultural and traditional sentiments in India remain strong, with natural diamonds still viewed as status symbols and key elements in wedding rituals and family heirlooms. This deep-rooted cultural association continues to be a major barrier to the wider acceptance of lab-grown alternatives, particularly among older generations and within conservative families.



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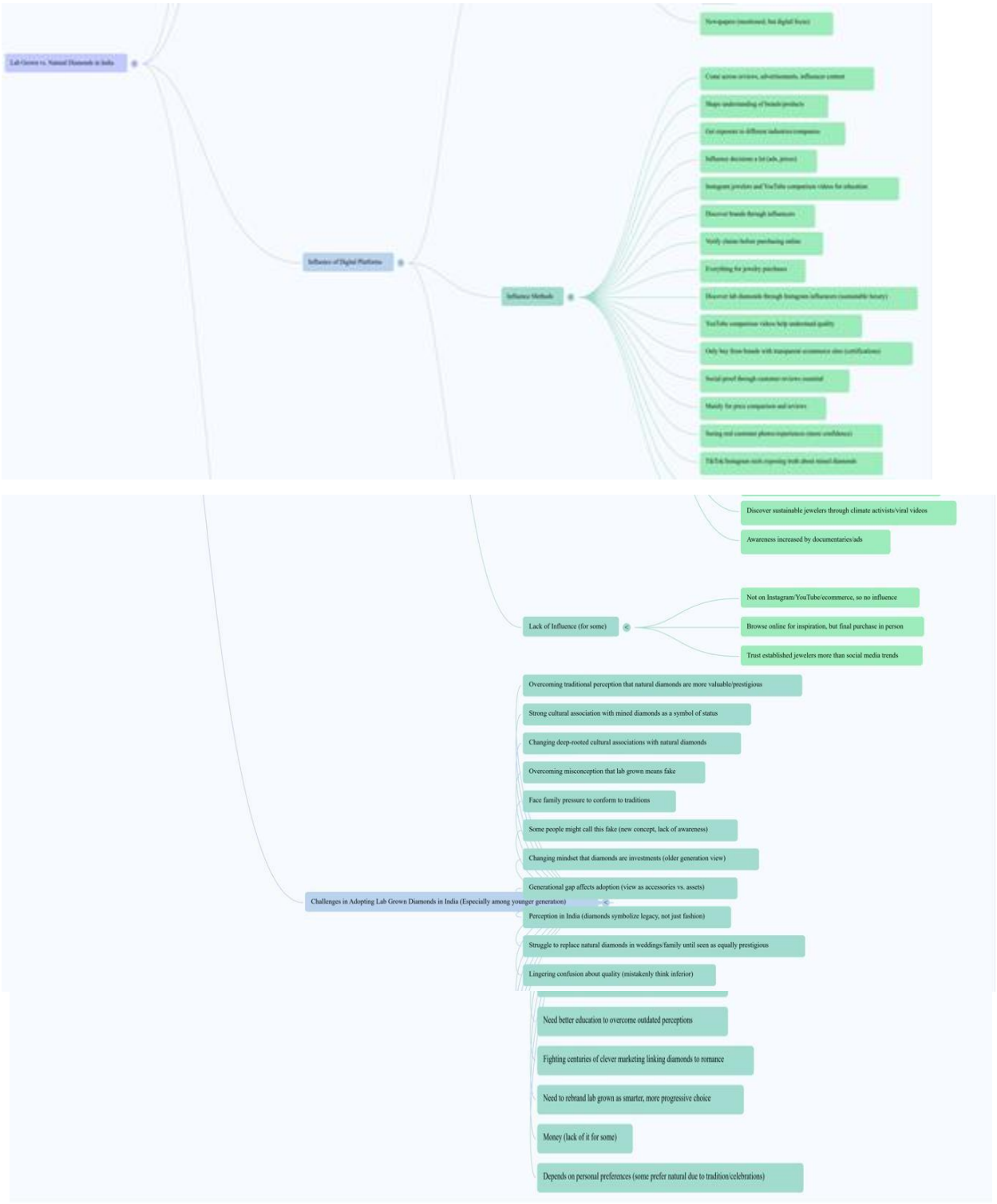

Figure1: *Mind Map of the responses of Gen-Z on LGD adoption in India*

Sustainability and ethical sourcing are powerful motivators for younger buyers, who value transparency and environmental consciousness. Gen Z places a premium on brands that align with their values, often going to great lengths to verify the diamond's origin and the brand's sourcing practices. These consumers reject products associated with unethical labor or environmental harm, making lab-grown diamonds attractive as "guilt-free" luxury. Influencer marketing and digital platforms, such as Instagram, TikTok, and YouTube, play a pivotal role

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in educating and influencing purchase behavior. These platforms not only highlight the visual appeal and affordability of lab-grown diamonds but also share powerful narratives around ethics and sustainability. Influencers and celebrities endorsing these diamonds add social credibility and help shift perceptions, particularly through visually driven content and reviews.

Despite these advantages, the industry in India faces several challenges. Misconceptions that lab-grown diamonds are "fake" or inferior persist; largely due to a lack of awareness and the absence of traditional emotional value. There is a generational divide where younger buyers are more accepting, while older family members might resist such changes. The social pressure to adhere to legacy customs, especially during weddings, further hinders widespread adoption. Additionally, lab-grown diamonds are not yet seen as strong investments, unlike natural diamonds, which are often viewed as long-term assets. Retailers and marketers need to educate consumers, normalize lab-grown purchases through trusted influencers, and emotionally reframe lab-grown diamonds not just as economical, but as meaningful and modern choices. As awareness spreads and sustainability becomes increasingly non-negotiable, lab-grown diamonds are poised to reshape consumer preferences, albeit gradually, within the Indian market.

Content analysis

The word cloud analysis of Gen Z's behavior toward lab-grown diamonds (LGDs) in the Indian jewelry market highlights key themes, including sustainability, ethical sourcing, and digital influence. The prominence of terms like "lab-grown," "sustainability," and "ethical" suggests that Gen Z prioritizes environmentally and socially responsible consumption, aligning with findings that noted that younger consumers increasingly favor ethically produced goods. The frequent appearance of digital platforms such as "Instagram," "YouTube," and "e-commerce" underscores the role of social media in shaping purchasing decisions, a trend supported by Kumar and Sharma (Kumar and Sharma, 2021), who found that digital marketing significantly influences Gen Z's buying behavior. However, conflicting terms like "tradition," "fake," and "investment" indicate persistent cultural and perceptual barriers, consistent with research (Mehta and Choudhary, 2023), which identified generational resistance to LGDs due to entrenched beliefs about diamond value. This duality reflects a transitional phase in India's jewelry market, in which modern ethical consumption clashes with traditional norms.

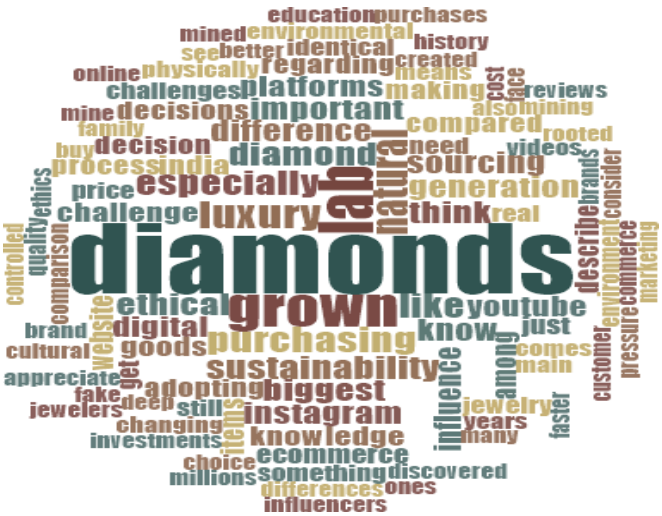

Figure 2: *Word Cloud of the responses of Gen-Z on LGD adoption in India*

Thematic analysis

Awareness and Perception of Lab-Grown Diamonds

Across the interviews, there is a broad awareness that lab-grown diamonds are chemically and physically identical to natural diamonds, although their perceptions vary (Bagathi et al., 2021).

"Some people mistakenly think lab made means fake or inferior."

Some respondents see LGDs as the only ethical and environmentally responsible choice, emphasizing their identical qualities and less harmful production methods (Lin et al, 2023). These individuals are confident in viewing LGDs as modern and progressive alternatives. Others, particularly those learning more traditional or sentimental, feel that natural diamonds hold a certain historical and emotional value that lab-grown versions lack. For them, the appeal of natural diamonds lies in their geological formation over millions of years and their symbolic status as heirlooms (Shah, 2025). This contrast reveals a generational divide: while Gen Z shows openness to rethinking the definition of luxury (Khokhani& Mehra, 2024), some millennials still prioritize legacy and tradition when it comes to diamonds (Mehta & Choudhary, 2023).

Sustainability and Ethical Sourcing

Sustainability and ethics were emphasized as critical decision-making factors by most Gen Z respondents. Several described them as "non-negotiable" or "deal breakers," noting that they thoroughly researched a brand's supply chain before making a purchase (Lin et al, 2023).

"After learning about the environmental damage from mining and the history of conflict diamonds, I would consider buying a natural diamond."

There is clear awareness of the environmental and human rights concerns linked to traditional diamond mining (George, 2024), and this knowledge heavily informs consumer behavior. Ethical considerations are more than a bonus; they are a core part of brand evaluation. However, a few participants admitted that, while they appreciated sustainable practices, they prioritized price and quality more directly (Jewelry Economics, 2023), treating ethical sourcing as an added advantage rather than a must-have (Xu, 2024). This varied response highlights that while sustainability is highly influential, it may still be weighed alongside practical factors like cost and value (Reddy & Shah, 2022).

Influence of Digital Platforms

Digital platforms play a dominant role in shaping the views of Gen Z buyers. Instagram, TikTok, YouTube, and e-commerce reviews are crucial for discovering new brands, comparing products, and building trust through social proof (Memme, 2023). Influencer endorsements and sustainability-driven content have helped reshape the narrative around LGDs (Eichhorn, 2023), especially in debunking greenwashing and exposing traditional diamond industry practices (Lin et al, 2023). Several participants cited learning about LGDs through climate activists, viral videos, or influencer-led campaigns (Khokhani & Mehra, 2024). These platforms are not only informative but also persuasive, often forming an initial point of awareness (George, 2024). However, one respondent preferred traditional retail experiences (Mehta&Choudhary,2023), indicating that for some, tactile assessment and in-store validation still hold greater weight, particularly for high-investment items like diamonds.

"I browse jewelry online for inspiration, but I would never make a final purchase without seeing it in person."

Cultural and Emotional Barriers

Cultural perceptions continue to pose a major obstacle to LGD adoption. Diamonds in India are deeply associated with family traditions, weddings, and status (George, 2024). Respondents expressed that older generations, especially parents, expect natural diamonds to be used in key life events (Mehta & Choudhary, 2023). This generational pressure remains a major deterrent, even for Gen Z who intellectually support LGDs (Khokhani & Mehra, 2024).

"Ethics matter, but for something as sentimental as diamond jewelry, tradition and long-term value are more important to me."

The symbolic status of natural diamonds as "real investments" or "legacy items" creates emotional resistance that can't be easily countered by affordability or sustainability (Jewelry Economics, 2023). For lab-grown diamonds to be accepted widely, they must overcome decades of marketing that equated diamonds with

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romance, commitment, and permanence—a narrative that is still deeply embedded in Indian culture.

Economic Considerations

Cost emerged as a major advantage for LGDs (Xu, 2024), particularly for younger consumers who are more price-conscious (Jewelry Economics, 2023). Several participants mentioned that they could get a larger or higher-quality lab-grown diamond for the same budget as a smaller natural diamond (Zhdanov et al., 2022).

"I can get a one car at lab diamond for about 70% of what a natural diamond costs."

This appeals to Gen Z's desire for value and their awareness of financial constraints in early adulthood. However, some skepticism persists around LGDs as investments (Shah, 2025). A few respondents noted that natural diamonds are still seen as assets with potential resale value (Jewelry Economics,2023), while LGDs are viewed more as adornment rather than financial instruments (George, 2024). This economic hesitation reinforces the idea that while affordability is attractive (Xu, 2024), perceived long-term value still influences buying decisions (Mehta & Choudhary, 2023).

Misconceptions and Education Gaps

A recurring barrier mentioned was the misconception that lab-grown diamonds are "fake" or inferior. Despite scientific evidence proving their equivalence to natural diamonds (Bagathi et al., 2021), confusion persists, especially among less informed consumers or older generations (Mehta & Choudhary, 2023).

"My go-to for diamond education. I'll discover brands through influencers."

Some interviewees stressed the need for better public education to address this misunderstanding (Sharma&Patel,2024) and shift the dialogue from questioning legitimacy to appreciating innovation (George, 2024). Overcoming this stigma is crucial for LGDs to gain equal footing in the market (Khokhani & Mehra, 2024). Brand transparency, certification clarity, and influencer-led awareness campaigns were recommended by respondents as key strategies to close this knowledge gap.

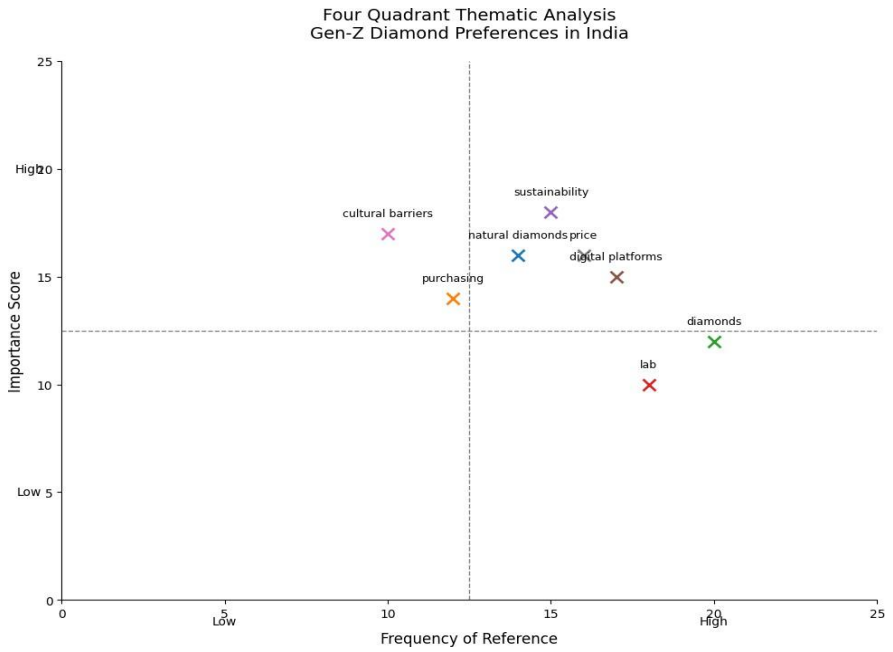

Figure 3: *Quadrant of themes revealed by the responses of Gen-Z on LGD adoption in India*

Sentiment analysis

The sentiment analysis of Gen Z's attitudes toward lab-grown diamonds (LGDs) in India reveals a predominantly positive outlook, with "moderately positive" sentiments dominating, suggesting cautious optimism regarding ethical

sourcing, sustainability, and affordability. However, the presence of "moderately negative" sentiments highlights persistent cultural and perceptual barriers, particularly around authenticity and traditional jewelry norms. The scarcity of "very positive" responses indicates that while LGDs are gaining traction, they have yet to fully replace mined diamonds in emotional and legacy-driven purchases. The minimal "very negative" sentiments suggest that outright rejection is rare, reflecting Gen Z's openness to ethical alternatives, though deeper cultural and educational interventions are needed for broader acceptance (Sestino et al, 2022).

Emotions/ Sentiments	Exemplary Statements	Frequency	Percentage
Very negative	"I browse jewelry online for inspiration, but I had never made a final purchase without seeing it in person." "I need to know my luxury purchases aligned with my values about environmental protection and fair labor crisis."	3	1.81
Moderately negative	"After learning about the environmental damage from mining and the history of conflict diamonds, I would consider buying a natural diamond." "Some people mistakenly think lab rule means fake or inferior."	8	3.12
Moderately positive	"I researched a brand's entire supply chain and won't even consider companies that still sell blood diamonds." "Ethics matter, but for something as sentimental as diamond jewelry, tradition and long-term value are more important to me." "Older generations see them as assets, while we view Them as beautiful accessories."	12	6
Verypositive	"They're physically identical to mine diamonds but won't are physically identical to mine diamonds but won't destroy our ecosystems or expert workers." "We need to rebrand lab-grown diamonds as the smarter, more progressive choice for conscious consumers." "I'll discover brands through influencers, but always Verify claims before purchasing online."	3	1.96

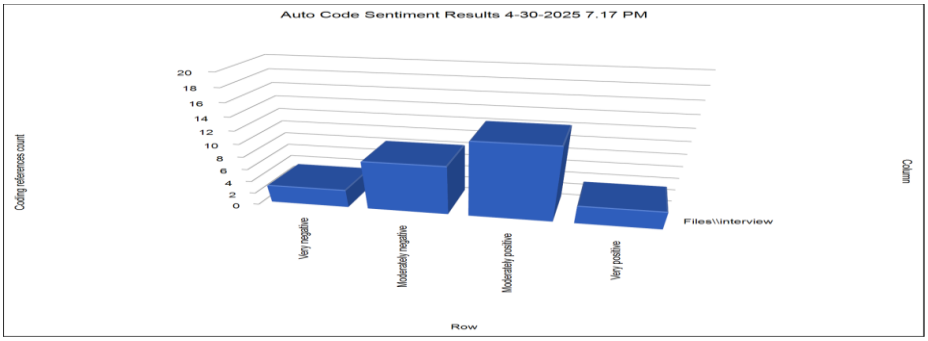

Figure 4:.*Sentiments Revealed by the Responses of Gen Z on LGD Adoption in India*

DISCUSSION

The study demonstrates that Gen Z's growing preference for lab-grown diamonds (LGDs) in India stems

primarily from environmental and ethical considerations, with sustainability emerging as a decisive factor in purchase decisions. Digital platforms significantly influence consumer perceptions, effectively challenging traditional notions of diamond value through influencer marketing and educational content (Kumar& Sharma,2021). However, cultural associations with natural diamonds as symbols of heritage continue to create market resistance, particularly for significant life events like weddings. This tension reflects a broader generational shift where younger consumers balance modern ethical priorities with traditional cultural expectations in their luxury purchases.

CONCLUSION

The study underscores a pivotal shift in India's jewelry market, driven by Gen Z's evolving values of sustainability, ethical consumption, and digital-first engagement. Lab-grown diamonds (LGDs) have emerged as a disruptive force, appealing to younger consumers through their environmental benefits (Zhdanov et al., 2022), affordability (Xu, 2024), and alignment with modern ethical standards. Digital platforms, particularly Instagram and YouTube, have played a transformative role in reshaping perceptions, with influencers effectively challenging traditional narratives and positioning LGDs as aspirational yet responsible choices (Kumar& Sharma,2021). However, cultural barriers persist, as natural diamonds retain deep symbolic value in weddings and family traditions, creating generational friction.

While sentiment analysis reveals cautious optimism toward LGDs, their full integration into India's market hinges on overcoming misconceptions about authenticity and long-term value (Mehta & Choudhary, 2023). The economic advantage of LGDs—being 30–50% cheaper than natural diamonds—resonates strongly with price-conscious Gen Z consumers (Xu, 2024), yet their perception as "investments" lags mined diamonds (Jewelry Economics, 2023). The industry must address this gap through education, transparent certification, and strategic marketing that reframes LGDs as both luxurious and meaningful (George, 2024).

Looking ahead, the trajectory of LGD adoption will depend on balancing innovation with cultural sensitivity. As Gen Z's purchasing power grows, their preference for sustainability and digital validation will likely accelerate demand. However, brands must navigate intergenerational dynamics, leveraging influencers and storytelling to bridge the gap between tradition and modernity (Memme, 2023). Policymakers and industry stakeholders can further support this transition by standardizing LGD certifications and promoting domestic manufacturing (Maltseva et al., 2019).

Lab-grown diamonds represent more than a product—they symbolize a generational reckoning with luxury, ethics, and identity. While natural diamonds will retain relevance for ceremonial and legacy purposes, LGDs are carving a niche as the choice for a conscious, connected generation. The Indian jewelry market stands at a crossroads, and its future will be shaped by how effectively it harmonizes Gen Z's progressive values with the enduring cultural fabric of diamond consumption (Lin et al, 2023).

Limitations and future scope of the study

While this study provides a valuable insight into Gen Z's shifting preferences toward lab-grown diamonds (LGDs) in India, it has notable limitations. The qualitative approach, with only 10 interviews, limits generalizability, and the sample, focused on urban, educated Gen Z and millennials, may not capture rural or older demographics' perspectives (Mehta & Choudhary, 2023). Self-reported data could introduce bias, as participants might overstate sustainability commitments to align with social desirability. Additionally, the study's cross-sectional design overlooks how attitudes might evolve as Gen Z ages or gains purchasing power. The reliance on digital-savvy respondents may skew findings toward tech-driven influences, underplaying offline cultural pressures. Future research could expand quantitatively across diverse regions and age groups to validate themes at scale. Longitudinal studies would track actual purchasing behavior—not just intent—to see if ethical claims translate to sales. Comparative analyses with Western markets could reveal cultural variation in LGD adoption (Maltseva et al., 2019). Investigating the role of policy interventions (e.g., certification standards) and deeper exploration of resale markets could address concerns about LGDs' long-term value (Xu, 2024). Finally, integrating industry perspectives (retailers, manufacturers) would provide a holistic view of this

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disruptive transition (George, 2024).

AUTHOR DECLARATIONS

CRediT author statement / Author contributions

Harshita Gupta: Conceptualization; Methodology; Software; Validation; Formal Analysis; Investigation; Data Curation; Writing – Original Draft; Visualization.

Anand Jaiswal: Conceptualization, Supervision; Project Administration; Writing – Review & Editing; Resources.

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