



AngloGold Ashanti's AuDITIONS launches in China

March 2007 saw the culmination of AngloGold Ashanti's first gold jewellery design competition in China, the world's third biggest gold market in terms of consumption. As part of its strategic marketing programme, AngloGold Ashanti has been involved in establishing, organising and sponsoring gold jewellery competitions in many different countries during the past eight years. These events – staged under the AuDITIONS banner since 2005 – have encouraged original and striking contemporary gold jewellery design, thus serving as powerful tools for the group's ongoing promotion of its product.

Partnerships

In China, AngloGold Ashanti partnered with the innovative pure gold jewellery retailer Just Gold® and the World Gold Council (WGC) in order to stage the 2006/2007 competition. The success of the competition was due in large part to the expertise and support contributed by these local partners.

Just Gold® and AngloGold Ashanti are pursuing a broader framework of cooperation in China in order to develop gold jewellery demand in this fast-emerging market, and it was therefore a natural choice for AngloGold Ashanti to ask Just Gold® to become the co-sponsor of AuDITIONS. In 1991, Just Gold® was the first retailer to open speciality gold jewellery boutiques in Hong Kong to market its own branded designs of pure gold jewellery. After a successful debut in Hong Kong, Just Gold® opened its first store in Taiwan in 1993, and in 2002 Just Gold® entered mainland China, where the company now has some 16 retail outlets.

The World Gold Council has been active in the region since it first opened an office in Singapore in 1992 and has since worked to lower regulatory barriers to the ownership of gold products and to promote consumption of gold jewellery through interventions designed to upgrade product and improve the design, marketing and retailing of gold jewellery.

The impact of AuDITIONS on the Chinese gold jewellery market

A rapidly emerging economy, China has the potential to become a major consumer of gold. Gold demand in the country in 2006 was 260 tonnes, or US\$5 billion, an increase of 39% compared with 2005. In taking the decision to establish AuDITIONS in China, AngloGold Ashanti and its partners were seeking to raise the benchmark of design in 24-carat gold jewellery and contribute towards increasing demand for gold jewellery in China.

Among Chinese people the purchase of 24 carat gold jewellery on occasions such as weddings is part of the traditional fabric of life. However, in order to attract and retain new consumers, particularly the rapidly-growing segment of young, urban, working females, it is considered essential to make more innovative jewellery designs for daily wear available at retail level and to market and retail them in an attractive and exciting way. Gold jewellery is not only vying for consumers' spending power alongside diamonds and platinum, it is also competing against fashion accessories such as handbags and other discretionary purchases such as mobile phones and iPods.

The intention of the design competition, therefore was to raise the level of interest of Chinese consumers in gold jewellery by showcasing innovative 24-carat jewellery designs and proving that gold jewellery can be exciting, fashionable and wearable.

To extend the competition beyond the traditional 'haute couture' designs produced in jewellery design and to make a real impact at retail level, AngloGold Ashanti, together with Just Gold®, manufactured a range of commercial jewellery which was made available to consumers through Just Gold®'s retail outlets in Greater China immediately after the competition. This commercial range drew on the competition designs, translating and diffusing the design inspirations from the competition into wearable jewellery at accessible prices.

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The competition

The theme of AngloGold Ashanti AuDITIONS China 2006/2007 was 'Just Woman'. Entrants were asked to design jewellery inspired by the 'Just Woman' of today; a creative, confident woman who has the means and the ability to determine her own future.

Given the particular focus of the competition, it differed in several ways from the AuDITIONS events held in other markets. Firstly, it had two streams: couture jewellery and commercial designs. All entrants had to submit one or more designs in the first category but had the option of entering one or more two- or three-piece sets in the second category. Drawing on the design of the participants' couture item/s, the commercial pieces had to be smaller and lighter with the focus on saleability and daily wear.

Secondly, as a way of focusing attention on the competition, several well-known female personalities, including actors, TV presenters and sportswomen were asked to design a piece inspired by the 'Just Woman' theme.

Thirdly, all entrants were invited to attend a design seminar prior to the cut-off date for receipt of entries. While workshops precede the competition in South Africa and regional forums the event in Brazil, in China the sessions had very specific intentions. These were to explain to participants what is meant by 'progressive jewellery design' and why it is important; to discuss the difference between designing a piece for a competition and for commercial sale; and to suggest ways in which designers could translate progressive jewellery design ideas into jewellery for commercial sale.

Students, amateur designers and professionals from jewellery and other design disciplines entered the competition with the organising committee receiving hundreds of renderings from all over China. Twenty designs, each weighing up to half a kilogram of pure gold, were chosen to make up the AuDITIONS Collection.

"Originality and creativity were key judging criteria for AuDITIONS China. The finalists' showed an impressive fusion of Chinese culture with modern international design to make a spectacular collection."

Attended by more than 500 guests, including celebrities, designers and jewellery enthusiasts, the awards event was held in March 2007. High points of the evening were a catwalk show with models wearing the finalists' pieces from the couture designs; the auction of the celebrities' designs on the 'Just Woman' theme; and the launch of the commercial gold jewellery range.

Proceeds from the auction went to the China Women Development Foundation to establish a training fund to promote entrepreneurship among Chinese women. As well as their category prizes, the finalists placed first, second and third in the couture category and the overall winner in the commercial category were all given the offer of employment contracts with Just Gold®.