18/00N/139/2013

# THE APPLICATION OF DESIGN INNOVATION FOR **INCREASING GEM SET JEWELLERY EXPORTS** IN SRI LANKA

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Thesis submitted in partial fulfillment of the requirements for the degree

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#### Abstract

Application of 'Design innovation' to increase gem set jewellery exports in Sri Lanka is the focus of this research.

The vast discrepancy between country's resource capacity and its level of fabrication has inspired to conduct this research work. It was revealed during the study that the capability for further expansion of the jewellery industry lays mainly on Small and Medium Enterprises. Concurrently, lack of design innovation has been identified as a key constraint hindering the industrial competency and expansion. Thus, the approach of design innovation has been explored to maximize the gem set jewellery exports in Sri Lanka.

The research methodology used was 'mixed methods'. Multiple methods of data collection and analysis entailed to explore the research questions. The current circumstance of the Sri Lankan jewellery industry in relation to the design led innovation was explored employing semi-structured, face-to-face interviews with a purposive sample. Data triangulation employed to increase the reliability and the validity.

The triangulated data confirmed that most of the companies of leading and the medium categories successfully apply design innovation while the small sector lacks this approach in practice. It was revealed that the best approach to be succeeded through exports is the application of design innovation based on user centered design. It was suggested that inhouse design skill development, make available necessary information on user requirements and current global trends, international exposure can improve design innovation among the small sector. To attain the industrial goals, two major components need to be modified; the policy and the attitudes within the industry. In conclusion, approach of design innovation has been identified as the prominent avenue to develop the gem and jewellery industry in Sri Lanka.

Key words: design innovation, gem and jewellery, exports, small and medium enterprises

## Dedication

This thesis is dedicated to my parents for their love, endless support and encouragement

### Acknowledgements

There are many who helped me in carrying out this research and completing my degree requirements in Postgraduate Degree of Master of Philosophy. I sincerely thank all of them for their encouragement and continuous help to complete this effort successfully.

My sincere and heartfelt gratitude offers to my supervisor, Professor Nimal De Silva, for his enormous encouragement, guidance, and advice, which helped me to throughout the research process. Indeed, I very much appreciate his kindness that motivated me to work hard toward completing this research.

My warmest and sincere gratitude presents to my co-supervisor Professor P.G.R. Dharmaratne, for his continuous and abundant support, encouragement and guidance provided me throughout the research process enormously.

My exceptional thanks offers to Professor Roger I. Millar, the external progress review (PR) committee member, for his guidance, support and providing valuable comments throughout the research which helped me to think beyond the boundaries.

My special gratitude offers to Mr. Ashan S. Amarasinghe, the industrial expert for progress review (PR) committee, for the valuable comments provided me to sharpen my knowledge on gem and jewellery industry in Sri Lanka.

My sincere thanks offers to the responsible authorities of the University of Moratuwa and the Faculty of Architecture namely; the Vice Chancellor, Dean, Faculty of Architecture; Head, Department of Integrated Design; Head, Department of Architecture; Director, Postgraduate studies; Research Coordinators, Staff Development Centre, Technical officers and other related non academic staff, for their support throughout the academic process.

I am grateful for the University Research Fund for providing the research grant to complete this research successfully.

My very sincere thanks to all the research participants related to the gem and jewellery industry in Sri Lanka, who spent their precious time sharing their experiences and providing required information, thus enriching me with extremely rich information to successfully carry out this research.

I am highly appreciated and offer my gratitude to the National Gem & Jewellery Authority, Sri Lanka Export Development Board and Sri Lanka Gem and Jewellery Association for their special support proving to obtain required statistics and information to enrich my thesis.

I thank all my colleagues to providing me support in numerous ways to complete this task successfully.

I am highly gratifying my parents and all my family members, for their continuous support, encouragement and love, to fulfill this effort a success.

My heartfelt and warmest gratitude offers my husband for his constant encouragement, support, patience and unconditional love extended to me during the studies and I want to express my special thanks to my little daughter for bearing the unbearable conditions.

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#### List of Abbreviations

Abbreviation Description

CAGR Compounded Annual Growth Rate

CIS Community Innovation Survey

DSI Department of Small Industries

EDB Export Development Board

EU European Union

GBG Gem Bearing Gravel

GDP Gross Domestic Product

GJRTI Gem and Jewellery Research and Training Institute

GTB Gem Trading Bank

HCD Human Centered Design

HNWI High Net Worth Individual

ICA International Colored Gemstone Association

IDB Industrial Development Board

NEDP National Export Development Plan

NGJA National Gem & Jewellery Authority

OECD Organization for Economic Co-operation and Development

PGI Platinum Guild International

R&D Research & Development

SGC State Gem Corporation

SLGJA Sri Lanka Gem and Jewellery Association

SLGJE Sri Lanka Gem & Jewelry Exchange

SME Small and Medium Enterprise

UCD User Centered Design

UK United Kingdom

USAID United States Agency for International Development

USA United States of America

TCI The Competitiveness Initiative

TCP The Competitiveness Program

WGC World Gold Council

WTO World Trade Organization

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