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A Study of Consumer Behaviour towards the Gold Jewellery

Ms. Savleen¹, Dr. Shalini Aggarwal²

¹MBA, Department of Management Studies, Chandigarh university, Mohali

²Associate Professor, MBA, Chandigarh University, Mohali.

Corresponding author email: shaliniaggar@gmail.com

Abstract

Gold has a greater importance in our society. This study is conducted to analyze the consumer behaviour towards the gold. The main objective of the study is to identify the purpose of purchasing the gold and the factors that influence its purchasing decision. The data has been collected from 145 respondents through structured questionnaire. Descriptive statistics has been used for data analysis. The results show that most of the consumer purchase gold mainly for investment purpose. Other factors that affect the purchase decision of the consumer are brand name, price, promotional schemes, quality, design.

Keywords: *Consumer Behaviour, Gold, Purchase Decision*

Introduction

Gold is a precious metal as well as oldest form of money. For Indians, gold is considered as a symbol of purity, wealth, status, beauty, good fortune, etc. Therefore in our culture gold has its great importance because gold jewellery is purchased on every occasion such as birth, marriage, festivals (especially on diwali). Unlike other metal this shiny yellow metal attract all the people and famous in all types of generation. Gold has always been considered as a safe mode of investment equivalent to liquid cash and as a risk of collateral. Because of all these the gold market in India is the 5th largest country in the world in terms of consumption. According to world Gold Council, India has the largest market for gold jewelry in representing a staggering (large) 92.3 tones, compared to 22.9 tones for the US. Investment demand for gold in the form of bars and coins was 31.2 tones in the year 2017, compared to 16.2 tones for the US.

Gold is passed down generation to generation as an unusual property. Taking into account the enviable position of gold industry in our nation's economy and culture it is useful to understand and identify consumer's behaviour and various factors which affects his behaviour towards the Gold Jewellery.

The consumer behaviour towards the gold jewellery is dependent on several aspects such as purity of gold, its price, and occasion when gold is purchased, whether the jeweler is small dealer or branded dealer, name and reputation of the dealer, occupation & income of the consumer, gold as an investment option etc.

Marketers tried to understand this behaviour of the people so that they can formulate appropriate marketing strategy to increase in their sales and brand loyalty. The present study therefore study on how individuals make their decisions to spend their available resources i.e., time, money, effort on consumption related items. Further it tries to identify the extent of influence of these factors on the consumer's behaviour towards the gold jewellery.

Review of Literature

Gold industry is a global industry. Therefore, several researches have been conducted to identify consumer behaviour towards the gold jewellery in different countries across the world as well as in different cities of the country. Some of the relevant studies have been described as follow:

Joshi and Dwivedi (2013), conducted the research to study the preference to the buying jewellery with special reference to Jaipur city. The objective of the study is to get insight about the consumer buying behaviour and factor influencing it such as cultural, social, economic factors and brand awareness etc. while purchasing of gold jewellery at various jewellery retail stores at Jaipur city. The primary data was collected by 200 customers, Data collected and analyzed using simple percentage method, Chi-square and ranking method for the attainment of the objective. The study found that the Jewellery retail sectors have to adopt some sales promotion strategies which improve the Sales of the Jewels in their shop and increase the awareness of the Jewellery retail shops.

Kumar and Thiviya (2014),analyst consumer attitude and behaviour towards gold jewellery purchase in and around Pollachi Taluk and aim was to seek wide knowledge against this research and thus research helps the jewellery marketers to learn possible ways to enrich consumer behaviour. This research was both explanatory and analytical. In order to attain the objective, 96 respondents has been selected and simple percentage method, correlation, chi-square test are used for analytical purpose. The study found that there is a fabulous growth in gold jewellery market.

Sahu and Srivastava (2014), the purpose of the research is to find out effect of Inflation on consumer behaviour on purchase of Gold with the objective to get the feedback about various factors affecting consumer behaviour towards the purchase of gold and evaluating gold as an investment decision.For this study, the response of 30 respondents has been collected analysed using simple percentage method. The study found that gold investment should be encouraged as it is a suitable form of investment to every pocket of an individual and gold as a commodity is always in demand.

Agarwala et.al. (2014), investigate the community behaviour of investment in gold with special reference to Guwahati city. For the purpose of the study, data is collected from primary source i.e, from 95 respondents and acquired data are analyzed with frequency .With a limited sample, this study compares gold investing behaviour three major communities in the city for furthering the next course of research on Gold Investment among various communities of Assam.

Asha and Christopher (2014), In this study the research worker seeks to look into which factors that determinant the behaviour of consumers towards branded and non-branded jewellery products. The objective of the study is to get response about various factors affecting buying behaviour of jewelleryproducts.In order to attain the objective 350 respondents were considered. The analyses showed that consumers are reasonably aware of the branded players who have forayed into the jewellery market and would like to purchase branded jewellery in the near future.

Joseph (2014), This study undertakes an analysis of the specialties of consumer behaviour in the gold jewellery market of Kerala. The focus of the study is to identify the various factors which influence the consumer behaviour in gold market of the state. 243 sample respondents were taken for the achievement of objective. The study indicates that consumers have a significant positive inclination towards the branded jewellers as compared to the small dealers of gold. The behaviour of the customers are influenced by the name, reputation and shop ambiance of the sellers, the purity of gold etc. The influence of the price of gold on the consumers is subjective and is dependent on their occupation and income.

Dalvi (2015), The study aims at understanding consumer behaviour while purchase of gold and ornaments. In order to attain the objective 100 samples of respondent were considered. The study found that mostly female consumer are interested in purchasing of gold as well as they belong to the age group of 21-60 years and they prefer local jewellers to purchase the gold in Kolhapur District.

Bhuvaneswari and Muthupandi (2015), investigated to know the buying behaviour of women towards gold ornaments and the reasons for buying gold ornaments. In order to achieve the objective, the primary data was collected by conducted the personal interviews covering a total sample of 392 women buyers and secondary data needed for the study collected from the World Gold Council reports, books, journals, etc. For data analytical purpose chi-square test, semantic differential scale and various statistical tools such as mean are used. The study found that the majority of women bought neck type ornaments as well as preferred branded jewellery more and status symbol has dominated more for purchase of gold ornaments.

Gunasundari (2015), This study aims at analysing the Buying behaviour of women customers towards one gram gold Jewellery in Erode city. The primary and secondary data were used 100 samples were collected through a structured questionnaire and Data were analysed through simple statistical methods like percentage, weighted average method and chi-square analysis in order to achieve the objective of the study. The study found that Consumer behaviour towards purchasing of one gram gold jewellery ever changes according to the change in latest fashion.

Xavier and kamalam (2016), analyzed the consumer perception towards Branded and Non-branded jewellery in the study area. For that analysis, they used the tools like Chi square test, Garrett Ranking, Percentage Analysis etc. The study found that Gold has resale value and this creates gold of great benefit and of great asset value the buyer, due to which the demand for the gold increase.

Chaisuriyathavikun and Punnakitikashem (2016), the purpose of this study was to investigate factors influencing customers' purchasing intention of gold ornaments. For the achievement of objective Data collected from 370 respondents in Bangkok and vicinity areas was analyzed by factor analysis and multiple regression. The results revealed that there are two major factors that are significantly related with customers' intention to purchase gold ornaments; these factors are buyer preference and expected future value.

Kumari and Antha (2016), studies the characteristics of individual consumers such as demographics, psychographics, and behavioural variables in an attempt to understand people's want. In this research the buying preference of branded gold jewellery is taken and the researcher had used the tools like percentage analysis, weighted average, weighted rank and chi-square analysis. The Size of the sample taken in this study is 200. In the critical analysis it was found that the factors like advertisement, quality is satisfied by respondents and the factors such as design and reliability are not satisfied by respondents.

Kumar and Kumar (2016), The study contributes to a deeper understanding of the impact of different factors such as age, education, and income on consumer buying behaviour in jewellery market with respect to Vijayawada city. The data employed to analyze the factors were obtained through a questionnaire that was conducted in April 2015 in Vijayawada a city in India.. The major findings of the study indicated that store preference, age, education, annual income, were weakly associated with consumer buying behaviour.

Kotwani and Pandey (2017), the primary objective of the study is to seek out the buying behaviour of women towards branded gold jewellery in Lake City Bhopal-Capital of Madhya Pradesh. During the course of study the researcher tried to find out Brand Awareness level and various factors influencing their buying pattern. 100 women are taken as respondents(25 respondents of each age group) to achieve the objective Tools taken for Data Analysis are Percentage Analysis, Weighted Average Mean, Friedman Test, One way ANOVA Test. The analysis reveals that the women are eminently aware of the brand players taken under study and design, offers, and purity are the most influencing factor while buying.

Parveen and Saxena (2017), conducted a research to study the preference to the buying jewellery with special reference to Rewa city. In order to attain the objective, the primary data was collected through questionnaire from around 50 customers mainly from the top jewellery retail stores. Data collected and analysed using statistical method, factor analysis and ANOVA method. The study helps jewellery retail stores to understand about the buying behaviour of customer towards the jewellery.

Padmaja and Antony (2017), The main objective of the study is that to study the demographic and socio-economic status of the gold loan borrowers and to measures the loan borrowers level of satisfaction towards jewel loans offered by Scheduled Commercial Banks in India. For this a sample of 150 was collected from the respondents and Likert's Scaling, Weighted Average, Chi-Square test, ANOVA Test, Multiple Regression, and Rotated Factor Analysis were used for the achievement of objective. The conclusion of the study shows that the schedule commercial banks are also suggested to provide a checklist method about documents required for processing the jewel loan to their clients /customers in order to identify financial strength and ability to repay the loan.

Objective of the study:

The overall objective of the study is to analyze the consumer behaviour towards the gold. Following are the objectives for which the study is undertaken:

- 1. To identify the opinion of consumers about the purchase of gold.
- 2. To study purpose of consumer while purchasing gold.
- 3. To evaluate the selection of shops by the consumer, while purchase the gold.

Research Methodology

Research Design

In order to attain the objective of the study i.e., to analyze the consumer behaviour towards the gold descriptive statistics has been used.

Sample Size

For the purpose of survey 145 number of persons were responded on random basis.

Sample Population

The data was collected with the help of structured questionnaire through convenience sampling.

Tools and Techniques

Descriptive statistics has been used for the attainment of the objective, to identify the consumer behaviour towards the gold.

Data Interpretation and Analysis

Q1: Reasons for buying jewellery by the customers?

Table 1
The customer buys Jewellery for the following reasons

	Frequency	Percent	Valid Percent	Cumulative Percent
INVESTMENT	51	35.2	35.2	35.2
FASHION	47	32.4	32.4	67.6
OCCASIONS	35	24.1	24.1	91.7
FESTIVALS	12	8.3	8.3	100.0
Total	145	100.0	100.0	

There are various reasons for which consumer purchase gold such as investment, fashion, occasions (marriage, birth, etc.) and festivals (Diwali, Raksha Bandhan, etc.). As per table 1, Most of the consumer purchase gold for investment purpose. After the investment purpose, they purchase gold for fashion, occasions and festivals, respectively.

Q2: Are you aware of the various jewellery brands available in the market?

Table 2.
Brand awareness in the market

	Frequency	Percent	Valid Percent	Cumulative Percent
YES	110	75.9	75.9	75.9
NO	35	24.1	24.1	100.0
Total	145	100.0	100.0	

There are various jewellery brands available in the market such as Tanishq, D'damas, Gitanjali, etc. According to Table 2, 75% of the respondents are aware about the various jewellery brands available in the market.

Q3: WHERE DO YOU PREFER TO BUY JEWELLERY?

Table 3
Preference for buying Jewellery

	Frequency	Percent	Valid Percent	Cumulative Percent
BRANDED STORE	42	29.0	29.0	29.0
TRADITIONAL FAMILY JEWELLERS	103	71.0	71.0	100.0
Total	145	100.0	100.0	

According to table 3, 71% of the customers will prefer to purchase gold jewellery from Traditional family Jeweler and rest 29% customers will prefer to purchase gold jewellery from branded store. With the help of given information it is found that most of the customers will prefer to buy gold jewellery from traditional family jeweler.

Q 4: HAVE YOU BOUGHT ANY BRANDED JEWELLERY?

Table 4

	Frequency	Percent	Valid Percent	Cumulative Percent
YES	76	52.4	52.4	52.4
NO	69	47.6	47.6	100.0
Total	145	100.0	100.0	

Table 4 depicts that 52% respondents had purchased branded jewellery and 48% respondents had not purchased any branded jewellery. It means that mostly respondents had purchased the branded jewellery.

Q 5: DO YOU BUY JEWELLERY FOR GIFTING PURPOSE?

Table 5

	Frequency	Percent	Valid Percent	Cumulative Percent
YES	70	48.3	48.3	48.3
NO	75	51.7	51.7	100.0
Total	145	100.0	100.0	

Table 5 shows that 48% respondents had purchased jewellery for gifting purpose and rest of the respondents had not purchased any gold jewellery for gifting purpose. Therefore, it can be interpreted that more than half consumers will not purchase gold jewellery for gifting purpose.

Q6: WHICH ATTRIBUTES DO ATTRACT YOU TO PURCHASE BRANDED PRODUCTS?

Table 6

	Frequency	Percent	Valid Percent	Cumulative Percent
BRAND NAME	34	23.4	23.4	23.4
TRANSPARENT	12	8.3	8.3	31.7
PRICE	23	15.9	15.9	47.6
EASY AVAILABILITY	17	11.7	11.7	59.3
DESIGNS	59	40.7	40.7	100.0
Total	145	100.0	100.0	

According to Table 6,23% respondents attract towards the branded product due to their brand name, 8%customers response transparent, 16%customers attract towards branded product because of price of the product, 12% customer want to purchase branded products because of easy availability, 41% customers respond that they attract towards the branded product to get innovative design. This shows that design is main attribute by which mostly customers attract towards the branded product.

Q7: Tick against the brands that you are aware about the jewellery market

Table 7

	Frequency	Percent	Valid Percent	Cumulative Percent
TANISHQ	46	31.7	31.7	31.7
D'DAMAS	24	16.6	16.6	48.3
PC JEWELLERS	39	26.9	26.9	75.2
KALYAN JEWELLERS	20	13.8	13.8	89.0

Others	16	11.0	11.0	100.0
Total	145	100.0	100.0	

As per table 7, 32% of the respondent are aware about Tanishq brand, 17% customers know about the D'DAMAS, 27% customers Know the PC Jewelers, 14% respondent are aware about Kalyan Jewellers and 11% respondent know the other brands such as KDM, Gitanjali, etc. Therefore, it shows that Tanishq is the most popular brand of jewellery among the customers.

Q8: What influenced you to choose the above stated brand(s)?

Table 8

	Frequency	Percent	Valid Percent	Cumulative Percent
ADVERTISING	34	23.4	23.4	23.4
SHOP DISPLAY	13	9.0	9.0	32.4
ATTRACTIVE PACKAGING	16	11.0	11.0	43.4
FAMILY/FRIENDS/RELATIVES	77	53.1	53.1	96.6
OTHERS	5	3.4	3.4	100.0
Total	145	100.0	100.0	

Table 8 shows that 23% customers know the brand jewellers by advertising, 9% know them by their show display, 11% aware about the various brands by their attractive packaging, similarly 53% know about the branded jewellers by the recommendation of family, friends and relative, and 4% aware about the various brands of jewellery because of other reasons such as quality, brand loyalty etc. Therefore, it can be interpreted that mostly customers know about the various Jewellery brands through family, friends and relatives.

Q9: what was the reason for the delay between the purchase decision and actual purchase?

Table 9

	Frequency	Percent	Valid Percent	Cumulative Percent
FINANCIAL CONSTRAINTS	63	43.4	43.4	43.4
WAITING FOR MORE INNOVATIVE PRODUCTS	54	37.2	37.2	80.7
WAITING FOR MARKET RESPONSE	28	19.4	19.4	100.00

Total	145	100.0	100.0	
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As per table 9, It is observed that there is always a time gap between the actual purchase and purchase decision,43% response financial constraints, 37% response waiting for innovative product and similarly 20% response waiting for market response.Table 9 shows that this situation is occurred due to financial constraints.

Q 10: INFLUENCE OF VARIOUS FACTORS ON PURCHASE DECISION

Table 10

Sr. No.	Factors	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	BRAND	5	8	32	62	38
2	QUALITY	1	1	14	66	63
3	PRICE	3	4	37	46	55
4	DESIGN	0	8	33	47	57
5	PEER GROUP	5	22	51	52	15
6	ADVERTISING	8	28	46	48	15
7	PROMOTION	3	23	27	56	36
8	BETTER BRANDED PRODUCT	21	10	30	44	40

As per the above table, there are various factors which influence the purchase decision while purchasing the branded jewellery such as Brand Name, Quality, Price, Design, Peer group, advertising, and promotion. 42% of the respondents are agreed that brand name affect the purchase decision. Similarly 45 % agreed and 43% respondents strongly agreed that quality of the product influence the purchase decision. Price will affect the purchase decision agreed by more than 50% customers. Design will influence the purchase decision highly agreed by the customers. Influence of peer group has little impact. Advertising affects the purchase decision neutrally. If the customers get promotional schemes then many customers will shift to another brand due to better promotional scheme. Branded products are better than the non branded products agreed by the more than 50% of respondents.

Conclusion

Gold has a greater importance in jewellery market. Mainly the gold is purchased for investment purpose and after this for fashionable purpose. Customers are aware about various jewellery brands available in the market, they attract towards the brand because of their unique designs and brand name. But they will prefer to buy gold from their traditional family jeweler. After analyzing the data study found that brand name, quality, price, product features, advertising and promotional schemes are the various factors which affect the consumers decision while purchasing the gold.[Kumari.P.K and Anitha.M(2016) ; Parveen.S and Saxena.S.D(2017); Kotwani.S and Pandey.A (2017)]

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