

CONSUMER BUYING BEHAVIOUR TOWARDS GOLD JEWELLERY WITH SPECIAL REFERENCE TO KOTTAYI PANCHAYATH, PALAKKAD DISTRICT

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Abstract

Gold also plays a large position in the economy of a country. Consumer behavior primarily refers to how and why people make the purchase decisions they do. Marketers strive to grasp this behaviour so they can better formulate appropriate marketing stimulus that will result in increased sales and brand loyalty. Consumer buying behaviour in jewellery industry can be calculated on the interiorl parameters such as Popularity of the brand, Trust in the brand, Impact of any occasions such as Festivals, Birthday, Anniversary, Marriage, Engagement etc., Celebrity Endorsement, Promotion, Brand Name, Exhibitions, Launch of new collections. The study was based on both primary and secondary data. The study throws light on consumer behavior pattern in purchasing gold jewellery .

Key words: Gold, Consumer, Buying behaviour

Introduction

Gold is rare among metals. In contrast to other metals generally gold, the shiny precious yellow metal creates some emotional attachments among folks. The year 2013 fired up discussions on 'Gold', the yellow metal or rather a costly non essential item for many in India. Gold's distinctive demand and supply dynamics ensures its role as a real diversifier for investors. The gold demand is wide spread across the planet. East Asia, the Indian sub-continent and the Middle-East accounted for approximately 66 percent of consumer demand in 2012. India, Greater China (China, Hong Kong and Taiwan), U.S. and Turkey are represented well over half of consumer demand. The skill of influencing consumer behaviour is foremost in determining which marketing efforts will be used and when. The study of consumer behaviour focuses on how individuals make their decisions to spend their available resources on consumption related items or consumption related aspects.

Statement of the Problem

India is the biggest importer of gold and that is the most imported commodity next to oil. Gold is highly cherished and valued commodity. Even in jewellery products branding exists.

Many factors are influencing consumers towards buying gold jewellery. The income level of buyers has important contact on the type of jewellery purchased by them. In India, gold is not only used as adornment, but it is also used as an investment which acts as a security in times of contingency. The study will focus to know the consumers perception, behaviour, awareness, satisfactory level and buying preferences regarding the Gold jewellery and also the study focuses on, whether the income level influences the purchasing decision and also to identify whether the people in 'Kottayi Panchayat', are investing in gold.

Objectives

1. To study the consumers' behavior pattern in purchasing gold jewellery.
2. To analyze whether a gold price hike influence their purchasing decision.

Research Methodology

The study was both descriptive and analytical in nature. Both primary data and secondary data are used for the purpose of the study. The primary data were collected from the people of 'Kottayi Panchayat' by administering questionnaire. Convenient sampling method was used for purpose of the study. Secondary data were collected from books, magazines, journals, and from various website.

Review of Literature

A review of the earlier studies relevant to the present investigation carried out in the study area as well as elsewhere is included here.

1. **Raju, K. V. & Kumar, D. P. (2013)** in their work entitled, "A study on consumer preference on branded jewellery in Hyderabad" opined that the guiding factor behind buying jewellery is price, purity, design, variety, the brand image; influence of family and friends.
2. **Ramachandran, K. K. & Karthick, K. K. (2014)** in their paper, "A study on the perception of customers towards branded jewellery" viewed that branded jewellery products have formed a sort of revolution in the field of jewellery market. The main attraction of branded jewellery is that it has a unique style of their own that differentiates them from unbranded jewellery.
3. **Vadra, R. & Malhotra, G. G. (2014)** in their study, "Customer perception towards branded jewellery in India" investigated that the consumers buying behaviour also shows a shift from content to design in jewellery i.e. fashionable jewellery.
4. **Berad, N. R. et al. (2015)** in their study "A comparative study on the consumer's preference towards branded jewellery over non branded jewellery in Nasik city" identified the factors that influence a customer while purchasing jewellery are design, price, purity, image, variety, display, service, promotion & offers, family & friends..

5. *Devi, Y. (2015)* in their paper, “A study on consumers’ awareness and perception about branded jewellery” examined that maximum number of customers are aware of branded jewellery. Tanishq brand is the preferred brand by the customers.
6. *Anderson Katherine and Sharp Byron (2011)* in their study explored that people of different age groups have different perception about the choice of brand. Even males and females have different views about the choice of a brand.
7. *PriyaM.lakshmi and Suganya.S (2009)* In their study “a study on customer preference and satisfaction toward gold Jewellery “, explores that Indian jewellery sector should focus on developing brands that stand for quality and transparency.

Results and Discussions

The variables such as gender, monthly income, purpose of purchasing gold jewellery, place of preference of gold jewellery, preference of brand ,jewellery items generally purchased, attributes attracted the consumers to buy gold jewellery were used for studying consumers’ behavior pattern in purchasing gold jewellery.

Table 1

Gender

.Gender	Frequency	Percentage
Male	42	53
Female	38	47
Total	80	100

It is clear that 53 percentage of consumers belong to male category and 47 percentage of consumers belong to female category.

Table 2

Income

Income	Frequency	Percentage
Less than 25,000	47	59
25,000-50,000	23	28
Above 50,000	10	13
Total	80	100

The above table shows that, 59 percentage of consumers are having less than Rs25000 of monthly income, 28 percentage of consumers are having 25,000-50,000 of monthly income and only 13 percentage of consumers are having above 50,000 of monthly income.

Table 3

Purpose of purchasing gold jewellery

Purpose	Mean	Rank
Wedding	3.3	1
For own use	3.2	2
Investments	2.48	3
Status symbol	2.09	4
Gifts	1.78	6
Festivals	1.2	5
Others	0.7	7

The above table shows that highest mean (3.3) is for wedding purpose and it has been ranked first, second highest mean and rank (3.2) is for own use, third rank and mean (2.48) is for investment .

Table 4

Place of preference of gold jewellery

Category	Frequency	Percentage
Branded store	60	75
Traditional family store	20	25
Gold smith	0	0
Total	80	100

It is clear from the table that about 75 percentage of consumers are preferred to buy from branded store and only 25 percentage of consumers are preferred to buy from traditional family store and hardly any consumers are buying from gold smith.

Table 5

Preference of brand

Category	Frequency	Percentage
Kalyan Jewelers	19	24
Josco Jewelers	19	24
Malabar god & Diamonds	23	29
Joy Alukkas Jewelers	5	6
Akshaya gold & Diamonds	5	6
Local dealers	5	6
Other branded stores	4	5
Total	80	100

It is clear that, 29 percentage of consumer prefer to buy in Malabar gold and Diamonds, 24 percentage of consumer prefer to buy in Kalyan & Josco jewelers, 6 percentage of consumers prefer to buy in Akshaya gold & Diamonds, Jos alukkas, Local dealers and only 5 percentage of consumers prefer other branded stores.

Table 6

Attributes attracted the consumers to buy gold jewellery

Attributes	Mean	Rank	Rating
Gold quality	3.64	1	Satisfied
Price	3	4	Satisfied
Purity	3.3	3	Satisfied
Design	3.45	2	Satisfied
Making & wastage	1.55	5	Highly dissatisfied
Total	3		

The above table shows that, consumers are satisfied with Gold quality and it is ranked 1 and the second highest mean is for design which is ranked 2 and the third and fourth highest mean and rank is for purity and price and in the part of making and wastage it is ranked as highly

dissatisfied and ranked with 5. The above table revealed that consumers are satisfied with gold quality.

Table 7

Increase in gold price influence the consumers buying decision

Rating	Frequency	Percentage
Strongly agree	30	38
Agree	21	26
Neutral	15	19
Disagree	10	12
Strongly disagree	4	5
Total	80	100

It is clear that 38 percentage of consumer strongly agree that the increase in gold price influence their purchasing decision, 26 percentage of consumers agree with this, 19 percentage consumers are neutral and 12 percentage consumers disagree with this statement.

Table8

The hike in price of gold influence the consumers to postpone the purchasing decision

Opinion	Frequency	Percentage
Strongly agree	38	48
Agree	17	21
Neutral	11	14
Disagree	10	12
Strongly disagree	4	5
Total	80	100

48 percentage of consumers strongly agreed that, the hike in gold price influence them to postpone their purchase decision, 21 percentages of consumers agreed with the statement and 12 percentage consumers disagreed with the statement.

Findings of the study

1. Majority of the respondents in the study area are female (53%)
2. 59% respondents monthly income fall below 25,000
3. Most respondents purchase gold jewellery for the purpose of wedding and for their own use.

4. Majority (75%) of respondent's preferred to buy gold jewellery from branded store.
5. 29% of respondents prefer Malabar gold and diamonds for purchasing gold followed by Kalyan jewelers and Josco jewelers.
6. The attributr which attractef respondents to buy jewellery is gold quality and it is ranked 1 in the priority list, which follows design in the 2nd rank and purity in 3rd rank.
7. 38% of respondents strongly agreed that increase in gold price influence their purchasing decision.
8. 48% of consumers strongly agreed that hike in price of gold influence the consumers to postpone the purchasing decision.

Conclusion

Today's market is consumer oriented and the importance is given to the consumers. Investing in gold is although the universal acceptance, liquidity and safety have against economic or political turmoil makes gold lucrative, it does not add much of a value to the economy.

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