# CONSUMER PERCEPTION TOWARDS GOLD JEWELLERY ON SELECT

# RETAILERS IN COIMBATORE DISTRICT

## R. KAVERI[1] & A. JOHN WILLIAM[2]

[1]Research Scholar, Karpagam College of Engineering, Coimbatore, Tamil Nadu, India

[2]Assistant Professor, Department, of Management Studies, Karpagam College of
Engineering, Coimbatore, Tamil Nadu, India

## ABSTRACT

The study of consumer behavior is concerned not only with what consumers buy, but also with what they buy it, when, from where and how they buy it and how often they buy it. It is concerned with learning the specific meanings that products hold for consumers further the study portrays the consumer perception on gold jwellery perhaps the main attraction of branded jewels is that they have a unique style of their own that differentiates them from others further The objective of the study is to get response about various factors affecting the buying behaviour of jewellery products from the study it was identified that behind purchasing jewellery price, purity and design wshich scores the maximum

**KEYWORDS:** Consumer Perception, Consumer Learning, Jewellery Price, Purity & Design

## INTRODUCTION

Consumer perception applies the concept of sensory perception to marketing and advertising. Just as sensory perception relates to how humans perceive and process sensory stimuli through their five senses, consumer perception pertains to how individuals form opinions about companies and the merchandise they offer through the purchases they make. Merchants apply consumer perception theory to determine how their customers perceive them.

They also use consumer perception theory to develop marketing and advertising strategies intended to retain current customers -- and attract new ones. This has been a familiar theme for Apple's iPhones since the induction of the original model back in November 2007, during which sales amounted to 1.4 million units in just the first 90 days.

## REVIEW OF LITERATURE

**Paul Noronha (2005)** in her study "Brand appeal" that published in THE HINDU Volume 22 - Issue 23 mentioned that Branded jewellery has carved a niche for itself in the tough Indian market and Its increasing growth rates show that before long it will corner a significant share of the jewellery market. DTC's Supplier aims to grow consumer demand for diamond jewellery in the context of the growing competitive luxury goods sector.

**Rncos(2006)** Reported in his article "Indian Customers Showing Interest in Branded Jewellery" that Indian Gems and Jewellery Market Future Prospects to 2011, gems and jewellery market in India possess tremendous potential for future growth. It has an added advantage of low production cost and highly skilled labor that separate it from its competitors. It is projected that the overall gems and jewellery market will grow at a CAGR (Compound Annual Growth Rate) of around 14% during 2009-2012.

**Zoewood and Richard watchman (2010)** Opined that gold has always been seen as a safe heaven for investors at times of economic uncertainty. Authors further explained that in 2009, India accounted for a quarter of all gold used in jewellery products and is the world's biggest jewellery market, a head of china, the US on the Middle East. Further, authors have identified that gold has been a standard medium of exchange for Indians over the centuries and almost the only means of saving in rural areas, which account for 70 per cent of the population

**Iftikhar, Hussian, Khan and Liyas (2013)** In their study "Social Class is a Myth or Reality in Buying Behaviour" explored the significance of social class on consumer buying behaviour. The study examined the relationship between status, income, education and occupation which in turn cause effect on social class and show consumer buying behaviour.

**Geiger-Oneto, Gelb, Walker and Hess (2013)** in their study "Buying Status, by Choosing or Rejecting Luxury Brands and Their Counterfeits" examined the choice that the consumers make between the luxury brand and non-luxury brands and the counterfeits. The study also investigated how the choice is structured in the consumers mind.

**Mulky, Bose, Grace, Majumdar, Pundra and Saritha (2012)** In their study "Market Entry Strategies in Platinum Jewellery Category" analyzed the brandedJewellery market and develop a market entry strategy for the potential player in the platinum Jewellery sector in India. The study also explored the reason behind the low performance of the platinum Jewellery sector.

**Jain (2012)** In their study "Strategy for Perfect Jewellery Designing" explored that designing of the Jewellery must be according to the customers specification. The articles specified a number of strategies for designing the Jewellery.

**Dr. Chandra Bose (2011)** In the study "Challenges and strategies for development of Indian gems and Jewellery", explore that the Indian Gems and Jewellery market is dominated by the unorganized sector so in order to gain market share, branded Jewellery may have to come up with new designs and must improve the confidence of consumers by hallmarking.

**Priya M.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. The brands are gaining more popularity and customers are expecting more and more transparency apart from the choice to choose from various varieties of designs

**Zaveri Samrat (2003)** However, since the late 1990s, there was a shift in consumer demand and as a result women were increasingly opting for fashionable and lightweight jewellery instead of traditional chunky jewellery. There was a rise in demand for lightweight jewellery, especially for consumers in the 16 to 25 age group, who regarded jewellery as an accessory and not an investment. Jewellers should understand the shifting needs, motivations and aspirations of consumers in the jewellery market, and to identify new trends and opportunities..

**Bhandari Vandana (2005)** The branded jewellery segment occupied only a small share of the total jewellery market because of the mindset of the average Indian buyer who still regarded jewellery as an investment. Furthermore, consumers have faith on only their family jewellers while buying jewellery. Consequently, the branded jewellery players tried to change the mindset of the people and woo customers with attractive designs at affordable prices.

**Consumer Perception towards Gold Jewellery on**
**Select Retailers in Coimbatore District**
      **65**

**Craig Symons (2004)** The director of Osjag, a wholesaler of Gold jewellery, mentioned in his paper "Branding success" that "Branding gives customers more confidence in their purchasing decision as they can identify with the brand and therefore feel they've made a good purchase which they can show their friends and family. "This brand recognition gets retailers half the way through making a sale before a customer even walks into their store." Therefore, perhaps not surprisingly, the jewellery industry has finally seen the branding light and begun to harness its power to sell jewellery.

**Mckinsey (2005)** In his paper titled "Strategies for Wooing Customers" mentioned that The branded jewellery industry is still in its infancy, but increasing growth rates show that in a short time it will corner a significant chunk of the market. The best compliment to the branded segment is that traditional jewellers have also begun to design jewellery lines under a brand name.

**Shah, Ashwin (2008)** Head of Retail at C. Mahendra Exports, he holds a similar view with regard to jewellery sales at modern shopping malls. Shah elucidates his point, "The young generation often resorts to some impulse buying." He stresses that serious buyers who are looking for high value purchases for occasions such as weddings prefer to plan their jewellery shopping and eventually purchase from known reputed jewellers.

**Osjag, (2009)** Concluded in his paper "Branding-success" that branding is "an irreversible trend". It gives clients a certain degree of confidence that they're buying a genuine product. Branded jewellery has arrived and earned its place on world jewellery retail shelves. Indeed the consumer must pay more attention, which brand they should buy, instead of thinking "branded or non branded".

## STATEMENT OF THE PROBLEM

- Buying behavior is based on demand.

- Consumer preference is based on customer service.

- Economical status of the consumer influences.

- Brand preferences influence the consumer buying.

## OBJECTIVES OF THE STUDY

- To analyze the consumer buying behavior towards gold jewellery in Coimbatore

- To explore the consumer perception towards gold jewellery.

- To study brand awareness among the consumers

- To determine the factors influencing the consumer towards branded jewellery.

- To understand the level of consumer satisfaction regarding various factors provided by jewellery shops.

**Sample Design**

In the consumer market research there is a problem of selecting a sample of few hundred respondents from a vast population. The reason for sampling is that it is not possible to cover the entire population in the field research.

**Sampling Method**

- This study is based on probability sampling method. Each sampling unit in the defined target population has a known, non-zero probability of being selected for the sample. In probability sampling simple random sampling is being used. This appears very easy to do when there is a relatively small number of people to pick from randomly.

**Sampling Size**

- The number of elements of the population to be sampled is chosen a sample size is 142.

**Determination of Sample Size**

- Formula to be used:

$$S = \frac{X^2\, NP\, (1-P)}{d^2\, (N-1) + X^2 P(1-P)}$$

- Where,

- S=Sample size

- X=Z value (eg: 1.96 for 95% confidence level)

- N=Population size (Study population)

- P=Population proportion (assume 0.87)

- d =Degree of accuracy i.e. (error rate 5% as given) expressed as proportion as (0.05).

**Calculation of Sample Size**

$$S = \frac{(1.96)^2 * 800 * (0.87)\,(1-0.87)}{(0.005)^2 * (800-1) * (1.96)^2 * (0.87)\,(1-0.87)}$$

$$S = \frac{3073.28 * 0.1131}{1.9975 + 0.43448}$$

$$S = \frac{347.587968}{2.43198496}$$

$$S = 142$$

## ANALYSIS AND INTERPRETATION

**Table 1: Chart Showing Age Group of the Respondents**

| Age | No. of Respondents | Percentage |
|-----|-----|-----|
| 15-25 | 49 | 35% |
| 25-35 | 59 | 42% |
| 35-45 | 27 | 19% |
| >45 | 7 | 4% |
| **Total** | **142** | **100%** |
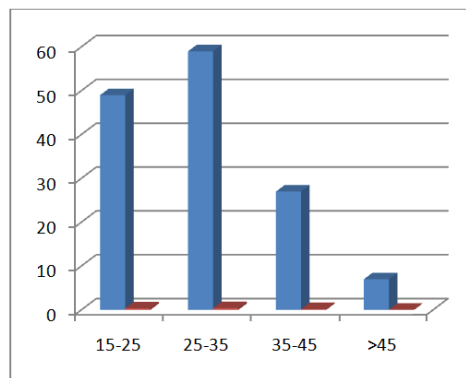


**Figure 1**

**Table 2: Chart Showing Gender of the Respondents**

| Gender | No. of Respondents | Percentage |
|-----|-----|-----|
| Male | 57 | 40% |
| Female | 85 | 60% |
| **Total** | **142** | **100%** |
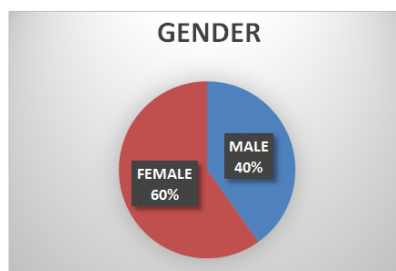


**Figure 2**

**Table 3: Chart Showing Education of the Respondents**

| Education | No. of Respondents | Percentage |
|-----------|-------------------|------------|
| PhD | 23 | 16 |
| PG | 68 | 48 |
| UG | 46 | 32 |
| Schooling | 5 | 4 |
| **Total** | **142** | **100%** |
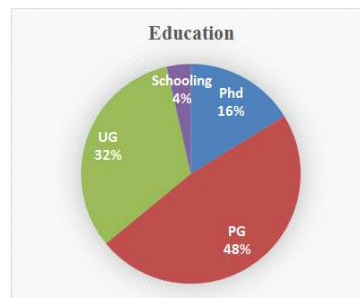


**Figure 3**

**Table 4: Chart Showing Income of the Respondents**

| Income | No. of Respondents | Percentage |
|--------|-------------------|------------|
| 100000 - 300000 | 58 | 41 |
| 300000 - 500000 | 53 | 38 |
| 500000 - 700000 | 17 | 11 |
| >700000 | 14 | 10 |
| **Total** | **142** | **100%** |
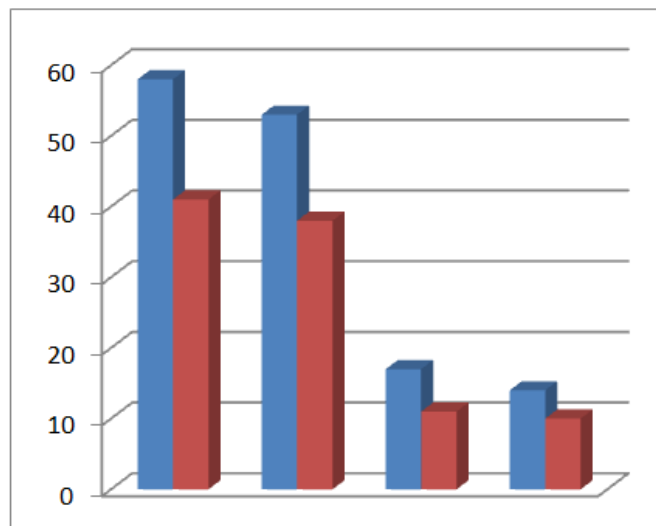


**Figure 4**

**CHI SQUARE ANALYSIS**

**ANNUAL INCOME OF THE RESPONDENTS AND HOW OFTEN THEY BUY JEWELLERY**

**Hypothesis**

$H_0$ = There is no relationship between annual income of the respondents and how often they buy jewellery

$H_1$ = There is a relationship between annual income of the respondents and how often they buy jewellery.

**Table 5**

| How often They Buy / Annual income | Yearly | 2years | 2-5years | Occasionally | Total |
|---|---|---|---|---|---|
| 1,00,000-3,00,000 | 17 | 10 | 5 | 5 | 37 |
| 3,00,000-5,00,000 | 7 | 12 | 5 | 2 | 67 |
| 5,00,000-7,00,000 | 7 | 12 | 5 | 2 | 27 |
| >7,00,000 | 5 | 2 | 2 | 3 | 12 |
| **Total** | **49** | **57** | **19** | **16** | **142** |

## CALCULATIONS

**Table 6**

| O | E | (O-E) | $(O-E)^2$ | $\dfrac{(O-E)^2}{E}$ |
|---|---|---|---|---|
| 17 | 12.767 | -2.767 | 7.65 | 0.599 |
| 10 | 14.852 | -9.852 | 97.06 | 6.579 |
| 5 | 4.950 | 0.049 | 0.002 | 0.004 |
| 5 | 4.169 | 0.283 | 0.690 | 0.165 |
| 7 | 23.116 | -16.111 | 259.84 | 11.240 |
| 12 | 26.894 | -14.894 | 221.84 | 8.248 |
| 5 | 8.964 | -3.964 | 15.713 | 1.752 |
| 2 | 10.836 | 5.838 | 30.79 | 4.079 |
| 7 | 3.612 | 1.387 | 5.36 | 0.575 |
| 12 | 3.042 | -1.0422 | 34.08 | 3.144 |
| 5 | 4.140 | 0.859 | 1.924 | 0.532 |
| 2 | 4.816 | -2.816 | 1.086 | 0.357 |
| 5 | 4.140 | 0.859 | 0.738 | 0.178 |
| 2 | 4.816 | -2.816 | 7.934 | 1.647 |
| 2 | 3.612 | -1.612 | 2.600 | 0.720 |
| 3 | 1.352 | 1.647 | 2.715 | 2.008 |
| **Total** | | | | **40.1775** |

## DEGREES OF FREEDOM

DOF=(r-1)*(c-1)

=(4-1)*(4-1)

= 9

## Interpretation

From the table it is noted that the calculated value (**40.1775**) is greater tabulated than value (**16.919**) so, Alternate hypothesis ($H_1$) is accepted.

**Preferred Shop and Uniqueness of the Shop**

$H_0$: There is no relationship between preferred shop by the respondents and customer service they like in that shop

$H_1$= There is a relationship between preferred shop by the respondents and customer service they like in that shop

**Table 7**

| Customer Service Like They Shop They Prefer to Buy | Knowledgeable Staff | Display | Hospitality | Pleasant Environment | Total |
|---|---|---|---|---|---|
| KTM | 11 | 23 | 5 | 7 | 46 |
| JOY ALUKAS | 10 | 20 | 6 | 4 | 40 |
| Kalyan | 16 | 10 | 13 | 2 | 15 |
| Khazana | 5 | 3 | 1 | 2 | 11 |
| **Total** | **42** | **56** | **125** | **19** | **142** |

## CALCULATIONS

**Table 8**

| O | E | (O-E) | $(O-E)^2$ | $\dfrac{(O-E)^2}{E}$ |
|---|---|---|---|---|
| 11 | 13.60 | -2.605 | 6.789 | 0.499 |
| 23 | 15.77 | 7.23 | 52.279 | 3.314 |
| 5 | 8.09 | -3.09 | 9.60 | 1.186 |
| 7 | 6.15 | 0.84 | 0.714 | 0.116 |
| 10 | 11.83 | -1.83 | 3.348 | 0.283 |
| 20 | 15.77 | 4.22 | 17.85 | 1.132 |
| 6 | 7.04 | -1.042 | 1.08 | 0.154 |
| 4 | 5.35 | -1.352 | 1.82 | 0.341 |
| 16 | 4.43 | 11.56 | 133.71 | 30.18 |
| 10 | 5.91 | 4.08 | 16.68 | 2.822 |
| 13 | 2.64 | `0.35 | 107.31 | 40.64 |
| 2 | 2.00 | 0 | 0 | 0 |
| 5 | 3.25 | 1.74 | 3.05 | 0.938 |
| 3 | 4.33 | -1.33 | 1.790 | 0.413 |
| 1 | 1.93 | -0.93 | 0.877 | 0.454 |
| 2 | 1.47 | 0.52 | 0.278 | 0.189 |
| **Total** | | | | **82.65** |

**Degrees of Freedom**

DOF=(r-1)*(c-1)

=(4-1)*(4-1)

= 9

**Interpretation**

From the table it is noted that the calculated value (**82.65**) is greater than tabulated value (**16.919**) so, Alternate hypothesis ($H_1$) is accepted.

## Annual Income and Amount of Spending

$H_0$ = There is no relationship between annual income of the respondents and how much they spend on their jewellery purchase

$H_1$ = There is a relationship between annual income of the respondents and how much they spend on their jewellery purchase.

**Table 9**

| How much they spend / Annual Income | <10,000 | 10,000-30,000 | 30,000-50,000 | >50,000 | Total |
|---|---|---|---|---|---|
| 1,00,000-3,00,000 | 22 | 10 | 9 | 10 | 59 |
| 3,00,000-5,00,000 | 11 | 21 | 13 | 5 | 50 |
| 5,00,000-7,00,000 | 2 | 3 | 7 | 2 | 14 |
| >7,00,000 | 3 | 4 | 4 | 8 | 19 |
| **Total** | **38** | **46** | **33** | **25** | **142** |

## CALCULATIONS

**Table 10**

| O | E | (O-E) | (O-E)$^2$ | $\frac{(O-E)^2}{E}$ |
|---|---|---|---|---|
| 22 | 15.78 | 6.22 | 38.68 | 2.451 |
| 15 | 16.19 | -1.19 | 1.416 | 0.087 |
| 9 | 13.71 | -4.71 | 22.184 | 1.618 |
| 10 | 10.38 | -0.38 | 0.144 | 0.013 |
| 11 | 13.38 | -2.38 | 5.664 | 0.423 |
| 21 | 7.391 | 13.60 | 185.20 | 23.41 |
| 13 | 11.61 | 1.39 | 1.932 | 0.166 |
| 5 | 8.802 | -3.802 | 14.45 | 1.641 |
| 2 | 3.74 | -1.74 | 3.027 | 0.809 |
| 3 | 4.53 | -1.53 | 2.34 | 0.516 |
| 7 | 3.25 | `3.75 | 14.06 | 4.326 |
| 2 | 2.46 | -0.46 | 0.211 | 0.0860 |
| 3 | 5.08 | -2.08 | 4.326 | 0.851 |
| 4 | 6.15 | -2.15 | 4.622 | 0.751 |
| 4 | 4.41 | -0.41 | 0.168 | 0.038 |
| 8 | 3.34 | 4.66 | 21.715 | 6.501 |
| **Total** | | | | **42.6849** |

## Degrees of Freedom

DOF = (r-1)*(c-1)

= (4-1)*(4-1)

= 9

## Interpretation

From the table it is noted that the calculated value (**42.6849**) is greater than tabulated value (**16.919**) Hence,

Alternate hypothesis (Ho) is accepted.

**Prefered Shop by Respondents and What Attracts Them to Preferr that Particular Shop**

$H_0$ = There is no relationship between preferred shop by respondents and what attracts them to prefer that particular shop

$H_1$ = There is a relationship between preferred shop by respondents and what attracts them to prefer that particular shop.

**Table 11**

| What Attracts to buy in the Shop / Shop | Minimum Wastage | Branding | Customer Service | Offers | Total |
|---|---|---|---|---|---|
| KTM | 16 | 13 | 14 | 3 | 48 |
| JOY ALUKAS | 14 | 14 | 10 | 1 | 29 |
| Kalyan | 16 | 11 | 15 | 4 | 46 |
| Khazana | 2 | 2 | 6 | 1 | 11 |
| **Total** | **48** | **40** | **45** | **9** | **142** |

**CALCULATIONS**

**Table 12**

| O | E | (O-E) | $(O-E)^2$ | $\dfrac{(O-E)^2}{E}$ |
|---|---|---|---|---|
| 16 | 16.22 | -0.22 | 0.05 | 0.0031 |
| 13 | 13.52 | -0.521 | 0.271 | 0.020 |
| 14 | 15.211 | -1.211 | 1.467 | 0.096 |
| 3 | 3.042 | 0.042 | 0.0017 | 0.0005 |
| 14 | 13.18 | 0.816 | 0.667 | 0.050 |
| 14 | 10.98 | 3.014 | 9.084 | 0.827 |
| 10 | 12.35 | 2.359 | 5.565 | 0.450 |
| 1 | 2.47 | -1.471 | 2.166 | 0.876 |
| 16 | 15.54 | 0.45 | 0.203 | 0.013 |
| 11 | 12.95 | -1.95 | 3.8025 | 0.293 |
| 15 | 14.57 | `0.422 | 0.178 | 0.012 |
| 4 | 2.915 | 1.08 | 1.176 | 0.403 |
| 2 | 3.718 | 1.718 | 2.95 | 0.794 |
| 2 | 3.098 | -1.09 | 1.206 | 0.389 |
| 6 | 3.485 | 2.514 | 6.32 | 1.513 |
| 1 | 0.697 | 0.302 | 0.091 | 0.131 |
| **Total** | | | | **6.17071** |

**Degrees of Freedom**

DOF= (r-1)*(c-1)

= (4-1)*(4-1)

= 9

**Interpretation**

From the table it is noted that the calculated value (**6.17071**) is lesser than tabulated value (**16.919**) Hence, Null hypothesis (Ho) is accepted.

# FINDINGS, SUGGESTIONS AND CONCLUSION

## FINDINGS

- 42% of the respondents are in age of 25-35 years,

- 60% of the respondents are females.

- 48% of the respondents have completed PhD

- Majority of 41% of the respondents are earning an income of 100000 – 300000,.

- From chi-square test it is noted that annual income of the respondents influence the purchasing period.

- Shopping preference of the respondent is influenced by the customer service in the shop.

- Money spend on the jewellery purchase is influenced by the annual income of the respondent.

- The shop preferred by the respondent is not only influenced by the product in that shop .

## SUGGESTIONS

The retailers have to differentiate themselves from others in their offers and special discounts

The spending power of the consumer may vary from one to one based on demographic and psychological factors in order to create buying behaviour the shoppers have to provide schemes as per the spending power of the consumers

## CONCLUSIONS

Consumer processes a strong attitude on gold jwellery buying because the value they pay on the purchase is comparatively higher than the products they buy on a regular basis further the study it was portrayed that the price, purity and design which scores the maximum from the analysis as a whole the study highlights that the consumer perceptions are highly influences by the retailers schemes and the services offered by them further the study helps the future researchers to identify the perceptions towards gold jwellery buying

## REFERENCES

1. Paul Noronha (2005) "Brand appeal" THE HINDU Volume 22 - Issue 23.

2. Rncos(2006) "Indian Customers Showing Interest in Branded Jewellery", Journal Of Gems & Jewellery,, Vol.10(1), p.12-16

3. Zoewood and Richard watchman (2010), "Perception of Consumers Towards Branded Jewellery Products of Malabar Gold in Thiruvananthapuram City", International Journal of Management (IJM).

4. Iftikhar, Hussian, Khan and Liyas (2013). 0Social Class is a Myth or Reality in Buying Behavior. African Journal

of Business Management Vol. 7(9), pp.713-718, 7 March, 2013.

5.  Geiger-Oneto, Gelb, Walker and Hess (2013). Buying Status, by Choosing or Rejecting Luxury Brands and Their Counterfeits. J. of the Acad. Mark. Sci. (2013) 41:357-372

6.  Mulky, Bose, Grace, Majumdar, Pundra and Saritha (2012)"Branded Jewellery Market in India", ICMR, Vol. 29(3), p. 56-62. [

7.  Jain (2012). A Trend Analysis of Export Performance of Gems & Jewellery Industry in India.(IJESM), Vol.2, Issue 2:April-June:2012, 170-174.

8.  Chandra Bose (2011). Challenges and strategies for development of Indian gems and Jewellery industries. International journal of marketing and management research IJMMR vol-2, issue 3.

9.  Priya M.lakshmi and Suganya S. (2009). A study on customer preference and satisfaction toward gold jewelry. RVS Journal of Management vol.1, no-1.

10. Zaveri Samrat (2003), "Branded & Gold Jewellery Market in India", The jewellers, Vol.5 Issue.6, p. 17-21.

11. Bhandari (2015)"Indian Customers Showing Interest in Branded Jewellery", Journal Of Gems & Jewellery,, Vol.10(1), p.12-16.

12. Craig Symons (2004). "Branding Success", www.jewelleryworld.net, Quoted 21.4.2004.

13. AshwinShah(2008)"GoldJewelleryBecomesdiamond"http://www.diamondworld.net/contentview.html,02nd September,2008

14. Mckinsey. C, (2005). "Strategies for Wooing Customers", Jewellery News India, Vol.10, Issue 1, p.56-58

15. Osjag , S. (2009), "Gold Ornaments world", Bangkok Gems & Jewellery Magazine, Vol 22 Issue1, p.14-15.

16. Research methods for business- Uma Sekaran

17. Research methodology- Kothari C R

18. Business research method- Donald R Cooper

19. Agarwal, B.L. (2009) Basic Statistics, p. 809, New Age International Publisher, New Delhi.

20. Ahuja Ram (2001) Research Methods. P. 454, Rawat Publications, Jaipur.

21. www.scribd.com

22. www.slideshare.com

23. www.wikipedia.com

24. www.socialrearchmethods.net