A Study on Consumer Buying Behavior of Gold Purchase in Thanjavur Town

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ABSTRACT

Consumer is a king in a market. Everybody likes to purchase of gold or gold ornaments. Specially, women consumers are interested in the purchase of gold. Gold has occupies marriage, purpose of investment, for fashion and many other purpose. Now days the rate of gold is increasing in the gold market day to day. The study aims at understanding the behavior while purchase of gold and ornaments. In present study the researcher analyzed the consumer buying behavior of gold purchase in Thanjavur the study area. For that analysis, they used the tools like percentages and chi square test and make out the valid suggestions based on the findings of the study.

Keywords: consumer, gold ornaments, chi square test, behavior.

1. INTRODUCTION

In present marketing scenario, the study of consumer buying behavior has become essential. Consumers are the kings of markets. Without consumers no business organization can run. All the activities of the business concerns end with consumers and consumer satisfaction. Consumer buying behavior has become an integral part of strategic market planning. Consumer buying behavior has been always of great interest to marketers. The knowledge of consumer buying behavior helps the marketer to understand how consumer think, feel and select from alternative like products, brands and the like and how the consumers are influenced by their environment, the reference groups, family, and salespersons and so on.

A consumer's buying behavior is influenced by culture, social, personal and psychological factors. Most of these factor are uncontrollable and beyond the hands of marketers but they have to be considered while trying to understand the complex behavior of the consumers. Consumer is the study of the processes involved when individuals or groups select, purchase, use, or dispose of products, services, ideas or experiences to satisfy needs and desires. In the marketing context, the term consumer refers not only to the act of purchase itself, but also to patterns of aggregate buying which include pre-purchase and post purchase activities.

Pre-purchase activity might consist of the growing awareness of a need or want, and a search for and evaluation of information about the products and brands that might satisfy it. Post purchase activities include the evaluation of the purchased item in use and the reduction of any anxiety which accompanies the purchase of expensive and infrequently –bought items. Each of these has implications for purchase and repurchase and they are amenable in differing degrees

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to marketer influence. Consumer buying behavior as those acts of individuals directly involved in obtaining, using, and disposing of economic good and services, including the decision processes that precede and determine these acts. Simple observation provides limited insight into the complex nature of consumer choice and researchers have increasingly sought the more sophisticated concepts and methods of investigation provided by behavioral sciences in order to understand, predict, and possibly control consumer behavior more effectively.

2. REVIEW OF LITERATURE

Srinivas Rao, Padma CharanSahu, Sathyapriya and Deepa IttimaniTholath (2014) stated in their article that the chemical form of gold is marked Au which comes from Latin word of gold aurum. It means shining dawn. This article focused the customer's attitude and behaviour toward purchase of ornamental gold. In this 32 article the authors suggested through their study that the ornamental gold has not only considered for maintaining the status of any individual or respect and also considered as a liquid asset. Basically, Indians buy gold in any form very frequently irrespective immaterial of any occasions like weddings and worshipping events. The Indian concern for gold is not only symbol of richness and also associated with religious and cultural significance. This is main reason for gold is inevitable place in Indians‟ life. The article ends with statement that the customer's attitude and behavior on ornamental gold purchasing in Chennai City have played a significant role.

Himanshu Pandya (2013) informed that the gold has always been a good investment option and will continue to be so. But if you are looking for a repeat of the superlative performance of the recent past, you may have to tone down your expectations. There is every possibility that the gold delivers lackluster performance in the near future. It would be advisable to increase /maintain exposure 23 in line with your strategic asset allocation derived from your financial plan. But if you are looking for a medium-term tactical investment, equities could be a better bet in the prevailing circumstances. With macro- economic variables turning benign, this may just be the right time to enter the equity market. In India, buying gold has traditionally been an integral part of social and religious customs. Gold is less correlated to other assets and, hence, it carries importance as a diversification tool. We have been recommending investors to allocate a certain percentage of overall portfolios to gold in the form of an ETF or gold funds. In recent years, gold has given very good returns since it has been on the rise on account of global uncertainties, high inflation and rupee depreciation.

Asha. K. Moideen, Rashid Khan, K.Sreeranganadhan (2012) examined in their article the impact of marketing strategies on consumers purchasing behaviour in the ornament gold market in India. The researchers adopted multistage random sampling technique to collect 1,312 respondents from all over India. The researchers used primary and secondary data sources and some objectives and hypotheses were formulated through the review of the literature in this field. This study revealed that the income of the respondents plays main role on the influence of the marketing strategies of jewellery. This study helps the researcher to understand how gold marketing strategies differ from other marketing strategies and has included this concept in his study.

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According to the Associated Chambers of Commerce and Industry of India (2011) in the year 2010-11, India's gold imports were not only higher than the twelve states‟ GSDP and also higher than the budget estimated expenditure for development of urban, housing and family welfare. Hence for the purpose of sustainable development of financial sector, urgently we need to encourage the substitution of gold purchases. Gold is the best financial instrument to protect against political and economic threats for a developing country like India. But in India domestic production of gold is very less and rising demand for gold is managed by import from other countries. Gold does not support the productive capacity of the economy, because it is either stored in safety lockers or hang in the neck of women as converted jewels. In both the cases money is stuffed into nonproductive assets.

3. STATEMENT OF THE PROBLEM

The study is narrowed to the following aspects such as,

- When do they purchase gold?
- Why they buy?

This study is going to generate a possible ways to analyze the customer behavior on the purchase of the gold jewellery .Hence, the present study is conducted on the consumer buying behavior of gold purchase in Thanjavur town which is related to bridge the gaps in the research and also provide information to the consumers, marketers, academicians and policy makers to evolve effective strategies.

4. OBJECTIVES OF THE STUDY

- To know the buying behavior of customer in Gold purchase.
- To identify the reasons for Gold purchase by the people.
- To know the changing behavior of the consumer regarding Gold purchase in today's trend.
- To study the Reason's for increasing gold purchase.
- To know the awareness of Gold purchase by the people.

5. RESEARCH METHODOLOGY

The research design followed for this research study is Descriptive Research Design where we find a solution to an existing problem. The problem of this study is finding the consumer buying behavior of gold.

6. SCOPE OF THE STUDY

- This study is conducted towards customer' s at Thanjavur city
- This research helps to examine buying behavior of consumer's for gold purchase.
- This study aims to understand the consumer awareness about the gold.
- To know the perception level of consumer to select the verities of gold.
- This research is help to the purchasing power of the people is increased.

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- This strongly shows the economic position of the people.

7. LI MITATIONS OF THE STUDY

- The research is conducted only by considering small universe.
- Through the Bureau of Indian Standards in April 2000. Because the performance in this regard was very slow and very few of the jewellery shops accepted the necessary certification, most of them were having only partial stocks of their jewels hallmarked.

8. DATA ANALYSIS AND INTERPRETATION

RESPONDENTS BASED ON GENDER

OPINION	NO OF RESPONDENTS	PERCENTAGE (%)
Male	11	15
Female	64	85
75	**100**	100

TABLE NO 1

RESPONDENTS BASED ON INTERESTED TO WEAR GOLD

OPINION	NO. OF RESPONDENTS	PERCENTAGE
Yes	66	88A
No	9	12
Total	**75**	**100**

TABLE NO 2

RESPONDENTS BASED ONSELECTION OF PARTICULAR SHOP

OPINION	NO. OF RESPONDENTS	PERCENTAGE (%)
Quality and price	61	81
Best customer service	5	7
Personal sentiments	8	11
Offer and deduction	1	1
Total	**75**	**100**

TABLE NO 3

CHI-SQUARE TEST

TEST-1

ASSOCIATION BETWEEN AGE AND INTEREST TO PURCHASE OF GOLD

INTEREST TO PURCHASE OF GOLD	AGE				TOTAL
	20-30	30-40	40-50	Above 50	
Yes	17	20	19	7	**63**
No	3	5	4	0	**12**
Total	20	25	23	7	**75**

TABLE NO 4

$x^2 = \sum(Oi - Ei)^2$ / E = **1.677**
Calculated value =**1.677**
The tabulated value x^2 0.05 dif at 5% level of significance is **16.9**

CONCLUSION

Since, calculated value of x^2 is high than the tabulated value hence, null hypothesis is accepted. So it conduces that there is no significant association between the age and the interest of purchase the gold.

TEST-2
TO TEST SIGNIFICANCE BETWEEN INCOME AND MODE OF PURCHASE THE GOLD

MODE OF PURCHASE	INCOME				TOTAL
	Rs.5000-Rs.10000	Rs.10000-Rs.15000	Rs.15000-Rss.20000	Above 20000	
Cash	13	7	1	0	**21**
Credit	4	3	0	2	**9**
Gold saving plan	8	6	8	4	**26**
E-payment	1	1	0	3	**5**
Total	**20**	**22**	**15**	**18**	**75**

TABLE NO 5

$x^2 = \sum(Oi - Ei)^2$ / E = **10.529**
Calculated value =**10.529**
The tabulated value x^2 0.05 dif at 9 at 5% level of significance is

CONCLUSION

Since, calculated value of x^2 is lower than the tabulated value, hence alternative hypothesis is accepted. So, it conduces that there is no significant association between income and mode of purchase.

SUGGESTIONS

- Giving attractive advertisement through the media like online, Tv , Newspaper , Radio , Magazine.

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- Conducting customer survey vary points could review changes in taste and attributes of customer.
- Introducing more attractive cash discount and schemes to the customer to enhance the sale of gold.
- Introducing more sale promotions measures depending upon changing taste and preference of organization.
- Introducing more attractive designs latest fashion of gold to the customers.

9. CONCLUSION

Precision in judging and anticipation of customer perceptions is critical for the seller of a product. As is demonstrated in the above points regarding customer preferences for gold ornaments, the end-user looks for unique designs, promotional activities of corporate show rooms etc. Shopping for gold typically requires that some degree of bargaining or haggling over price takes place. When the customer asks, how much the gold is usually weighed and the cost calculated according to the world market price which changes daily. It is the fixing, or making, part of the price which is negotiable and subject to discounting as the salesperson and the customer move toward a mutually acceptable amount that will conclude the sale. This suggests opportunities for retail and financial establishments to use nationality when marketing to customers noting that gems and precious metals have deeper significance beyond jewelry.

It must be understood that no corporate show room can be the best on all parameters of customer expectations. This is where positioning comes in, which means that each product must plan to create a major identity which differentiates it from designs and promotional activities of the same genre; in a way that it „stands out". The researcher has made an attempt to study the female consumer intentions which may further extended to study the buying patterns in jewelery market including Diamonds, Platinum, Silver and Gems and the strategies of the sellers which induce the female customers for buying branded and non branded jewelry.

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