

Consumer Preferences on Branded Jewellery in Rajkot – A Case Study

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Abstract: The understanding of consumer behaviour is unpredictable marketer to predict consumer behaviour in the market; it also produces understanding of the role that consumption has in the lives of individuals. Consumer behaviour is defined as a behaviour/attitude that consumers to be presented while searching for purchase, using, evaluation and disposal of products, services and ideas that they to satisfy their needs. The buying of the consumers is not only concern the study of consumer behaviour, 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 study the specific meanings that products hold for consumers. Consumer try to understanding takes place at every site of the consumption process; before the purchase, during the purchase and after purchases. It attempts to understand the buyer decision processes/buyer decision making process - individually, of course in groups. It studies characteristics of individual consumers such as demographics, psychographics, and behavioural variables in an attempt to knowledge people's wants. Consumer also tries to assess influences on the consumer from groups such as family, friends, reference groups, and society in normal terms. What we buy, how we buy, where and when we buy, in how much quantity we buy depends on our perception, self concept, social and cultural background and our age and family cycle, our attitudes, beliefs, values motivation, personality, social class and many other factors that are both internal and external to us. The study of consumer behaviour is the study of how individuals make decision to spend their available resources on consumption elated items. It includes the study of what, why, when and form where they buy etc.

I. INTRODUCTION

Till the early 2000s, the average Indian behaviour to bought jewellery for investment rather than for adornment. Branded jewellery gained acceptance forcing traditional jewellers to go in for branding. Branded jewellery market offered given the opportunities the; the number of gold retailers in the country sharply increased. Branded players such as Tanishq, PCJewellers, TBZetc, opened outlets in various parts of the country. Due to increase the price of gold traditional jewellers also began to bring out lightweight jewellery, and some of them even launched their in local brands. 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 and also from local makers. Moreover, 80% consumers trusted only their family jewellers when buying jewellery. Consequently, the branded jewellery players tried to change the mindset of the people and who customers with attractive designs at affordable prices.

However branded jewellery makers will continue to face lot of competition from local jewellers. In order to gain market share, they will have to come up with designs that customers want and win the trust and confidence of consumers by hallmarking and demonstrating the purity of the gold used by them (Govt. Policy about hallmarking compulsory).

A. Jewellery Sector in India

Followed by China and Japan, India is the largest consumer of gold in the world. Before the liberalization of the Indian economy in 1991, only the Minerals and Metals Trading Corporation of India (MMTC) and the State Bank of India (SBI) were allowed to import gold. The abolition of the Gold Control Act in 1992, allowed large export houses to import gold freely Exporters in export processing zones were allowed to sell 10 percent of their produce in the domestic market. In 2003, India had the highest demand for gold in the world; 855 tons were consumed a year, 95% of which was used for jewellery.

Dominated by the unorganized sector, the Indian gems and jewellery market continues. Indian consumer becoming more aware and quality conscious, branded jewellery is becoming very popular and the Market for branded jewellery is to be worth. Moreover, the government allows 51 percent foreign direct investment in single brand retail outlets, attracting both Global and domestic players to this sector. A booming market has in recent years attracted a large number of players to the Indian gems and jewellery.

Research conducted would help me understand the consumer's preference while purchasing jewellery. How much impact does a brand have on their purchase decision? Does price play an important role in guiding their purchase decision? The growth of the Branded jewellery market in India The study would also help to find out the consumer preference and their buying behaviour towards branded and non branded jeweller's, this would help both the retailers to know what are the consumer preference and what strategies should they adapt to grab the market.

II. INDIAN CUSTOMERS TURN ON TO BRANDED JEWELLERY

India possesses world's most competitive gems and jewellery market due to its low cost of production and availability of skilled labour. As per our new research report "Indian Gems and Jewellery Market - Future Prospects to 2011", highly skilled and low cost manpower, along with strong government support in the form of incentives and establishment of SEZs, has been the major driver for the Indian gems and jewellery market. The market also plays a vital role in the Indian economy as it is a leading foreign exchange earner and accounts for more than 12% of India's total exports. Currently the Indian market remains highly fragmented, but is rapidly transforming into an organized sector. Currently, the industry is facing a slowdown due to global economic turmoil.

Given the fact that majority of market share is occupied by family-owned jewellers, the domination of unorganized segment still continues on the Indian gems and jewellery market. However, this scenario is gradually changing with the entrance of organized players who primarily focus on customer satisfaction by giving better and finer quality products. Thus, consumers are now moving towards branded jewellery which is more reliable in terms of quality and design.

A. Objectives Of The Study

- The objective of the study is to find out the consumer’s buying preferences in Jewellery.
- The Study on the Consumer’s Preference towards Branded Jewellery over Non Branded Jewellery.
- Brand awareness of various brands in the jeweller’s market.
- To study the attitude of customers towards Branded Jewellery.

B. Scope Of Study

The study is conducted to understand the various aspects of customer buying preferences towards Jewellery at various shops in Hyderabad. The findings and conclusions from this study are based on responses of Jewellery customers in the city only. This study will be helpful to some extent in gaining an insight into Customer Preferences in buying Branded and Unbranded Jewellery.

III. RESEARCH METHODOLOGY

A. Research Design

The main purpose of this study is to know about customer preferences in buying Branded and Unbranded Jewellery and find various factors affecting their satisfaction. Statistical research Descriptive research also known as descriptive research is used here for studying customer preferences and consumer buying characteristics. The main goal of this Descriptive research is to describe the data and characteristics about the subject that is under study.

B. Area of the Study

The study is conducted on customers at various Jewellery Shops in the City. The sampling frame used in this study included the customers of KALYAN, PCJWELLERS, MALABAR, TANISHQ and various goldsmith outlets in Hyderabad. Structured Questionnaires were being distributed to customers on a random basis.

C. Research Approach

Customer Survey method is used for collecting the required data from customers at Jewellery outlets. We requested the respondents to fill the given questionnaire, by self after clearly explaining the various questions in it. The Size of the sample taken in this study is 100.

For analysis and interpretation, only primary data is used. However for conclusion and recommendations both primary and the secondary data along with the verbal knowledge and information although obtained from respondents, though they are outside the parameters of questionnaire were also included. The data collected from these sources were analyzed using various tools like percentage analysis, chi-square test, cross table analysis method.

A standard questionnaire is formulated for the collection of survey data from various customers. The Questionnaire is designed in such a way that it would collect all the needed information for the study and cover all the aspects defined in the objectives.

IV. ANALYSIS AND INTERPRETATION

A. General Profile of the Respondents

| Sex | Male | Female | |
|---------------------|--------------|-----------------|-----------|
| | 29 | 71 | |
| AGE | 19-30 | 31-40 | >40 |
| | 17 | 26 | 56 |
| INCOME | >5,00,000 | >5,00,000 | |
| | 43 | 57 | |
| AVE YEARLY PURCHASE | Below 50,000 | 50,001-2,50,000 | >2,50,000 |
| | 55 | 31 | 14 |

Source: Primary

From the above table, we infer that 29% of the total respondents are male and 71% are female. On further classification according to age group, we find that of all the respondents 17% are 19-30 years old and below, 26% are of the age group 31-40 and 56% are above 40 years. On the basis of Yearly income, 43% are below the income of 5, 00,000, 57% are above the income level of Rs 5, 00,000. On the basis of Average Yearly Purchases, 55% spend below 50, 000, 31% spend between 50,001 – 2, 50, 000, and 14% spend above 2, 50,000 for Jewellery Shopping.

B. Customer Satisfaction Levels of Various Parameters of Service Provided at Organized Retail Outlets

| | HS | S | Neutral | DS | HDS |
|--|----|----|---------|----|-----|
| Quality of Service at BRANDED JEWELLERY OUTLETS? | 44 | 41 | 25 | 0 | 0 |
| How well is the VARIETY at BRANDED JEWELLERY OUTLETS? | 46 | 35 | 29 | 0 | 0 |
| Quality of BRANDED JEWELLERY | 41 | 32 | 37 | 0 | 0 |
| Satisfied with DISCOUNTS AT BRANDED JEWELLERY STORES | 29 | 20 | 27 | 32 | 0 |
| Is shopping at BRANDED JEWELLERY STORES a pleasant and Pleasurable Experience? | 39 | 35 | 36 | 0 | 0 |
| Your Satisfaction that makes You Visit Only BRANDED JEWELLERY | 21 | 18 | 27 | 19 | 25 |
| What is the purpose of visit to Jewellery Stop frequently? | 44 | 20 | 29 | 14 | 03 |

Source: Primary

Chi-Square Test

Is There a Relation between INCOME and AVERAGE YEARLY JEWELLERY PURCHASE?

Case Processing Summary

| | Cases | | | | | |
|-----------------------------|-------|----------|---------|----------|-------|----------|
| | Valid | | Missing | | Total | |
| | N | Perce nt | N | Perce nt | N | Perce nt |
| NCOME*A vg. Yearly Purchase | 110 | 100 | 0 | 0 | 110 | 100 |

Source: Primary

INCOME* AVGYEARLY PURCHASE Cross Tabulation

| | Average Yearly Price | Total |
|--|----------------------|-------|
|--|----------------------|-------|

| | | | | |
|-----------|----|----|----|-----|
| | 1 | 2 | 3 | |
| Income- 1 | 27 | 09 | 06 | 42 |
| Income- 2 | 08 | 26 | 34 | 68 |
| Total | 35 | 35 | 40 | 110 |

Source: Primary

Income

| | | | |
|-------|------------|------------|----------|
| | Observed N | Expected N | Residual |
| 1 | 42 | 55.0 | -13.0 |
| 2 | 68 | 55.0 | 13.0 |
| Total | 110 | | |

Source: Primary

Average Yearly Purchase

| | | | |
|-------|------------|------------|----------|
| | Observed N | Expected N | Residual |
| 1 | 35 | 36.7 | -1.7 |
| 2 | 35 | 36.7 | -1.7 |
| 3 | 40 | 36.7 | 3.3 |
| Total | 110 | | |

Source: Primary

Test Statistics

| | | |
|-------------|---------------|----------------------------|
| | INCOME | AVG YEARLY PURCHASE |
| Chi-Square | 6.145 | 0.455 |
| Df | 1 | 2 |
| Asymp. Sig. | 0.013 | 0.797 |

a. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 55.0.

b. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 36.7.

From the above SPSS calculation we infer that there is a significant relation between **Income** and **AVERAGE YEARLY JEWELLERY PURCHASE**.

Is there a Relation between QUALITY OF BRANDED JEWELLERY and AMOUNT OF JEWELLERY PURCHASE?

Yearly Purcase* Quality Cross Tabulation

| | | | | |
|--------------------|---------|----|----|-------|
| | Quality | | | Total |
| | 1 | 2 | 3 | |
| Yearly purchased 1 | 9 | 16 | 10 | 110 |
| 2 | 14 | 15 | 16 | 110 |
| 3 | 14 | 10 | 16 | 110 |
| Total | 37 | 41 | 32 | 110 |

Source: Primary

Yearly Purcase (Chi-Square)

| | | | |
|-------|------------|------------|----------|
| | Observed N | Expected N | Residual |
| 1 | 35 | 36.7 | -1.7 |
| 2 | 35 | 36.7 | -1.7 |
| 3 | 40 | 36.7 | 3.3 |
| Total | 110 | | |

Source: Primary

Quality

| | | | |
|--|----------|----------|----------|
| | Observed | Expected | Residual |
|--|----------|----------|----------|

| | | | |
|-------|-----|------|------|
| | N | N | |
| 1 | 37 | 36.7 | 3 |
| 2 | 41 | 36.7 | 4.3 |
| 3 | 32 | 36.7 | -4.7 |
| Total | 110 | | |

Source: Primary

Test Statistics

| | | |
|-------------|------------------|---------|
| | Yearly Purchased | Quality |
| Chi-Square | 0.455 | 1.109 |
| D f | 2 | 2 |
| Asymp. Sig. | 0.797 | 0.574 |

Source: Primary

0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 36.7. From the above SPSS calculation we infer that there is a significant Relation between QUALITY OF BRANDED JEWELLERY and AMOUNT OF JEWELLERY PURCHASE.

Is there a Relation between DISCOUNTS of BRANDED JEWELLERY and AMOUNT of JEWELLERY PURCHASE?

Discounts* Purchase Amount Cross Tabulation

| | | | | | |
|------------|---|-----------------|----|----|-------|
| | | Purchase Amount | | | Total |
| | | 1 | 2 | 3 | |
| Discount 1 | 1 | 15 | 6 | 8 | 29 |
| 2 | | 8 | 7 | 5 | 20 |
| 3 | | 5 | 12 | 10 | 27 |
| 4 | | 7 | 10 | 17 | 34 |
| Total | | 35 | 35 | 40 | 110 |

Source: Primary

Discounts (Chi-Square)

| | | | |
|-------|------------|------------|----------|
| | Observed N | Expected N | Residual |
| 1 | 29 | 27.5 | 1.5 |
| 2 | 20 | 27.5 | -7.5 |
| 3 | 27 | 27.5 | -5 |
| 4 | 34 | 27.5 | 6.5 |
| Total | 110 | | |

Source: Primary

Purchase Amount

| | | | |
|-------|------------|------------|----------|
| | Observed N | Expected N | Residual |
| 1 | 35 | 36.7 | -1.7 |
| 2 | 35 | 36.7 | -1.7 |
| 3 | 40 | 36.7 | 3.3 |
| Total | 110 | | |

Source: Primary

Test Statistics

| | | |
|-------------|----------|-----------------|
| | Discount | Purchase Amount |
| Chi- Square | 3.673 | 0.455 |
| df | 3 | 2 |
| Asymp. Sig. | 0.299 | 0.797 |

a. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 27.5.

b. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 36.7.

From the above SPSS calculation we infer that there is a significant Relation between DISCOUNTS OF BRANDED JEWELLERY and AMOUNT OF JEWELLERY PURCHASE.

Is There a Relation between VARIETIES OF BRANDED JEWELLERY and FAVOURITISM FOR ONLY BRANDED JEWELLERY?

Variety* Only Branded Cross Tabulation

| Variety | Only Branded | | | | | Total |
|---------|--------------|----|----|----|----|-------|
| | 1 | 2 | 3 | 4 | 5 | |
| 1 | 11 | 5 | 8 | 8 | 14 | 46 |
| 2 | 5 | 8 | 12 | 5 | 5 | 35 |
| 3 | 5 | 5 | 7 | 6 | 6 | 29 |
| Total | 21 | 18 | 27 | 19 | 25 | 110 |

Source: Primary

Variety

| | Observed N | Expected N | Residual |
|-------|------------|------------|----------|
| 1 | 46 | 36.7 | 9.30 |
| 2 | 35 | 36.7 | -1.7 |
| 3 | 29 | 36.7 | -7.7 |
| Total | 110 | | |

Source: Primary

Only Branded

| | Observed N | Expected N | Residual |
|-------|------------|------------|----------|
| 1 | 21 | 22.0 | -1.0 |
| 2 | 18 | 22.0 | -4.0 |
| 3 | 27 | 22.0 | 5.0 |
| 4 | 19 | 22.0 | -3.0 |
| 5 | 25 | 22.0 | 3.0 |
| Total | 110 | | |

Source: Primary

Test Statistics:

- Variety** - Chi-square 4.055; df 2; Asymp. Sig. 0.132

0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 36.7.

- Only Branded** - Chi-square 2.727; df 4; Asymp. Sig. 0.604

0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 22.0.

From the above SPSS calculation we infer that there is a significant Relation between VARIETIES OF BRANDED JEWELLERY and FAVOURITISM FOR ONLY BRANDED JEWELLERY.

Is There a Relation between VARIETIES OF BRANDED JEWELLERY and AMOUNT OF PURCHASED JEWELLERY?

Variety* Purchase Amount Cross Tabulation

| | Purchase Amount | | | Total |
|-------|-----------------|----|----|-------|
| | 1 | 2 | 3 | |
| 1 | 16 | 14 | 16 | 46 |
| 2 | 09 | 11 | 15 | 35 |
| 3 | 10 | 10 | 09 | 29 |
| Total | 35 | 35 | 40 | 110 |

Source: Primary

Variety

| | Observed N | Expected N | Residual |
|-------|------------|------------|----------|
| 1 | 46 | 36.7 | 9.30 |
| 2 | 35 | 36.7 | -1.7 |
| 3 | 29 | 36.7 | -7.7 |
| Total | 110 | | |

Source: Primary

Purchase Amount

| | Observed N | Expected N | Residual |
|-------|------------|------------|----------|
| 1 | 35 | 36.7 | -1.7 |
| 2 | 35 | 36.7 | -1.7 |
| 3 | 40 | 36.7 | 3.3 |
| Total | 110 | | |

Source: Primary

Test Statistics:

- Variety** - Chi-square 4.055; df 2; Asymp. Sig. 0.132

0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 36.7.

- Only Branded** - Chi-square 0.455; df 2; Asymp. Sig. 0.797

From the above SPSS calculation we infer that there is a significant Relation between VARIETIES OF BRANDED JEWELLERY and AMOUNT OF PURCHASED JEWELLERY.

CONCLUSIONS

The conclusions that can be drawn from the study are:

The guiding factor behind purchasing jewellery is price, purity and design which score the maximum. Other factors are variety, the brand image, influence of family and friends. The least guiding factor for purchasing jewellery is the service and display. Hence when a customer goes to buy jewellery they do keep the price in mind followed by the purity and the design. Factors like service given the shop or by the jeweller and the display do not have a very big impact on the customers. Branded jewellery is extremely popular since it has 100% awareness. This may be due to the wide spread publicity taken up by the various brands. Brands like Kalyan, PCJwellers; Malabar and Tanishq are again the most popular brands.

Trend smith is a brand by P.C.Jwellers which is not very popular. As stated in the literature review that „there was a shift in consumer tastes: women were increasingly opting for fashionable and lightweight jewellery instead of traditional chunky jewellery“. It Is proved to be correct by this research as respondents have selected fashion over investment while purchasing jewellery. Now jewellery is regarded as more of an accessory and less of an investment. Branded jewellery is bought by more than 3/4th of the population. Hence it can be said that the population is aware and has also tried these brands. When jewellery is bought for gifting purpose the population still wants to buy it from their family jewellers. When it comes to family jewellers the level of satisfaction that the population has on a scale of 1 to 10 is a little more than 7. These jewellers are also popular because of the trust that they have with their customers and also because they charge reasonable prices.

These family jewellers are also popular for traditional designs hence when a customer is specifically looking out for

traditional jewellery they approach these jewellers. The jewellery bought from these jewellers is considered to be pure and a good investment.

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