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Research Paper Marketing

Customers' Preferences and Satisfaction towards Jewellery Marts in Southern Districts of Tamilnadu

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ABSTRACT

Indian jewellery market is the largest market world next it China. Tamilnadu is India's largest gold jewellery retail market and home to some of the biggest names in the country's gold jewellery trade. The jewellery retail business is unorganized and expanding rapidly in Tamilnadu, with even single – outlet, neighbourhood jewel – type stores opening branches in other localites and towns. This study describes the demographic factors of the consumers and focusses on their preferences and attitude towards jewellery marts in southern districts of Tamilnadu.

KEYWORDS Gold, Jewellery, Retailing, Goldsmiths

Introduction:

Reforms in government policies in the early 1990 resulted in India taking the initiative towards globalization. Globalization of Indian economy has given a fresh impetus to all sectors, whether financial, cultural or political. Indian economy is becoming prosperous and has brought about greater awareness and increased the purchasing power of the consumers. This awareness has given a major boost to the Indian retail market. The retail jewellery segment in India currently accounts for 7-10% of the total retail market. Before 1990, only certified goldsmiths and traders could make an easy entry into jewellery retailing. But with the withdrawal of the Gold Control Act in 1990, even non-trading goldsmiths invested in this business. Thus the number of jewellery retail outlets has increased considerably. The jewellery market is dominated by the traditional jewellers, commonly referred to as the unorganized sector. The share of unorganized sector is 96 per cent. Only 4 per cent of the sector is in organized hands like Tanishq, Gold Plus, Geetanjali, Malabar Gold and Diamonds and Kalyan jewelers. Since Indian consumers are becoming more aware and quality conscious, the unorganized sector is slowly transforming into an organized one.

Review of literature:

Previous studies and articles are reviewed to gain insight about the topic taken for the study. A brief review of some of the information collected from various articles, journals and websites are given below:

Pinank Mehta[1] (2002) has stated that, Gold to Indians is that ultimate love object not only does it adorn our bodies, it also acts as a good investment. Gold is ancestral. From mother to daughter to grand-daughter, (father to son to grandson) gold has a tendency of getting passed down from generation to generation, so for Indians at least, gold will never lose its sheen".

A research conducted by Shivani Mishra[2] (2007), reveals that 80% of jewellery is bought for investment purposes, 90% of the customers make their jewellery purchases from their traditional jeweller, 5-6% of merchandize is branded jewellery, and 85% of sales take place during Diwali and Akshaya Tritiya. They also further state that the traditional family jewellers are selling jewellery under their own brand names. They do not stock other brands and if they do, it is not more than 5-6 per cent.

Shanoo Bijlani, Regan Luis and Michelle Pinto[3] (2007), state that design is the only thing that differentiates one jeweller from the next. Design is the major deciding factor for Indian customers. Today's generation wants to wear jewellery that is fit-to-be-worn and not fit-for-lockers. Retailers are finding that their customers are becoming more demanding and even small-town retail jewellery outlets find the need to stock something special. Consequently, manufacturers are happy that their customer base is broadening.

The study titled, "Indian Jewellery Retail-An Impressive Phenomenon"[4] by Daisy Tanwani (2007) points out that the three basic but most important factors for success in jewellery retail stores are stock and range, ambience and service. Daisy Tanwani also states in her report that the traditional jeweller has now recognized the need of branding and superior services and that the customer is accorded utmost respect and is pampered with comfortable shopping and better services.

Akshay Verma (2010)[5] has stated that, "The introduction of universally accepted quality standards like hallmarking and diamond certification has overhauled buyers perception towards jewellery. Consumers are of late becoming quality conscious rather than discount –conscious. Therefore, quality is becoming the key criterion for purchasing jewellery, and not discount".

Rutam Vora[6] (2010) has pointed out that jewellery companies have now recognized the true buying power of precious jewellery in rural and semi –urban areas and have started targeting them with caution of trust and mutual relationship. However, it would probably take generations for rural community to change their priority from the local, traditional jeweller to the national organized corporate.

Research on Indian Gems and jewellery sector by CARE[7] (2011) reveals that family owned business will move towards greater degree of professionalism and trust on the neighborhood jeweller will be replaced by the hallmarking and certification of jewellery.

Aarti Deveshwar and Rajesh Kumari[8] (2014) analyzed women's behavior towards branded jewellery in India and have stated that Indian women's behavior are affected by a number of factors as quality, durability, design, variety, purity, reliability, comfort ability to wear, uniqueness, price, discounts, credit facility, advertising special gifts and special gifts and special offers, warranty period, resale value, after sales services, popularity of retail outlets, ambience and services provided in the store, occasions, friends and relatives' influence, trust in jewellers, brand name popularity and fashion. They buy jewellery for many purposes as investment, festivals, fashion, status, and gift. Women purchase Jewellery at various occasions as wedding, anniversary, birthday, baby birth, New Year, festivals, house warming, and bonus/sudden financial gain.

Statement of the Problem:
Jewellery has been an integral part of the Indian culture and civilization since ancient history. They were in demand and fashion since ancient civilization as Harappa and Mohanjadora. In India gold jewellery is not only used as an adornment, but it is also used as an investment which acts as a security in times of contingency. Gold jewellery is the second preferred investment next to bank deposits. Gold jewellery can be purchased either from goldsmiths or from jewellery marts. Goldsmiths make ornaments, especially traditional jewellery according to the requirements of their patrons. They take orders from families during weddings and other functions. They make intricate designs with finest workmanship. With the advent of machine made jewellery and modern designer jewellery which comes in alluring designs, people show greater preference towards jewellery marts rather than goldsmiths to buy gold jewellery. At this juncture, an attempt has been made to identify the factors which induce people to prefer jewellery showroom to buy jewellery, factors influencing customers in the selection of a jewellery mart and the attitude of customers towards the jewellery mart from where they purchase jewels.

Objectives:
The objectives of the study are:

1. To identify the factors which induce people to prefer jewellery marts.
2. To study the factors influencing the customers in the selection of a jewellery mart.
3. To analyse the attitude of consumers towards jewellery marts from where they buy jewellery

Methodology:
A sample of 300 consumers in four southern districts of Tamilnadu, namely, Thoothukudi, Madurai, Tirunelveli and Kanyakumari have been selected by applying convenience sampling technique. 75 consumers were selected from each of the 4 districts. A structured questionnaire has been administered to the consumers to collect primary data from them. Percentage analysis, Garrette ranking technique and likert scaling are used to analyze the primary data. Secondary data has been collected from journals, magazines, websites and books.

Analysis:
Demographic factors influence a consumer's buying behavior. So these factors are studied and are presented in Table 1.1

Table 1.1
Demographics of consumers

Demographics		No.of consumers	Percentage
Gender	Male	122	41
	Female	178	59
Religion	Hindus	201	67
	Christians	82	27
	Muslims	17	6
Age	Upto 20 years	18	6
	20 to 30 years	97	32
	30 to 40 years	105	35
	40 to 50 years	42	14
	50 to 60 years	27	9
	Above 60 years	11	4
Literacy level	Upto SSLC	7	3
	Higher Secondary level	51	17
	Degree level	229	76
	Above degree level	13	4
Occupation	Agriculturists	15	5
	Businessmen	44	15
	Government employees	17	6
	Private concern employees	91	30
	Professionals	11	3
	Homemakers	122	41
Monthly Income (Rs)	Below Rs.10,000	128	43
	10,000 – 20,000	105	35
	20,000-30,000	40	13
	30,000 – 40,000	16	6
	Above Rs.40,000	11	3
Marital Status	Married	233	78
	Unmarried	67	22

Table 1.1 shows that 59 per cent of the consumers are women and the remaining 41 per cent are men. Data has been collected from men also because men are behind every jewellery purchase either as a father or brother or husband or son. They play an active role in decision – making and buying process. For most of the women, whether a housewife or an employee, it is the men who provide the necessary means to buy gold jewellery. Majority of the consumers are Hindus who form a predominant part of the population. Young adults belonging to the age group of 20 to 40 years constitute a major portion of the jewellery market in southern districts of Tamilnadu. A greater proportion of consumers in southern districts of Tamilnadu (80 percent) have good educational standard which facilitates them to take a wise purchase decision. Homemakers (41 per cent) and private concern employees (30 per cent) are the major consumers of gold jewellery. Though gold jewellery is a specialty product, it is also bought by lower and middle income group. Married people constitute a larger market for gold jewellery.

Table 1.2
Source of purchasing gold jewellery

Source	No.of consumers	Per cent
Jewellery marts	257	86
Goldsmiths	43	14
Total	300	100

Table 1.2 highlights the fact that 86 per cent of the consumers buy gold jewellery form jewellery marts. Only 14 per cent buy jewels from goldsmiths.

Table 1.3
Reasons for buying jewellery from jewellery marts

Reasons	Garatte mean score	Rank
Attractive showrooms	53	5
Craziness towards designer jewel	68	2
Different models of readymade jewels	70	1
Price range	50	6
Quality assurance given by jewellery marts (916 Hallmark)	67	3
Less delivery time in case of mad to order jewels	48	8
Fair making charges & wastage	49	7
Fair resale value	42	12
More discount	46	10
Free complements	40	14
Durable	47	9
Creative designs	54	4
Good finishing	45	11
Persuasive jewellery advertisements	39	13
Lack of trust on gold smith	29	15

Table 1.3 shows that the availability of different models of readymade jewels, craziness towards designer jewellery, and quality assurance given by jewellery marts are the most important reasons which induce people to buy jewellery form jewellery marts. These reasons are ranked I, II, and III with a mean score of 70, 68 and 67 points respectively. Availability of creative designs in jewellery marts, attractive jewellery showrooms and price range offered by jewellery marts also play an important role in influencing consumers to prefer jewellery marts rather than goldsmiths and were given IV, V and VI ranks with a mean score of 57, 54 and 50 points respectively. The reason lack of trust on goldsmiths is given the last rank i.e, XV. This shows that consumers prefer jewellery marts not due to lack

of trust on goldsmiths but mainly due to the availability of different models of readymade jewels and designer jewellery.

Table 1.4
The most important factors influencing customers in the selection of a jewellery mart

Factors	Garrett mean score	Rank
Purity	71	1
Designs	69	2
Variety	62	3
Price range	45	7
Credibility of jewel	57	4
Accessibility	44	8
Reputation of mart	51	5
Sales staff	37	11
Parking facility	41	10
Wastage & making charges	47	6
Payment options	30	12
Sentimental Values	43	9

The most important factors as revealed in Table 1.4 influencing the customers in deciding the jewellery mart are purity, design, variety, credibility, reputation, making charges and wastage charged by the jewellers. The other factors like price range, payment options, sales staff, parking facility and accessibility are also equally important, but they are not given much consideration by the consumers while selecting the jewellery mart.

The jewellery shops most preferred by consumers in Thoothukudi are Azhagar, Annai jewellers and AVM jewellers. In Tirunelveli, Rajadeepan jewellers, Sivagami and Jos Alukkas are more popular among the people. In Madurai, Joyalukkas, Thangamayil jewellery Pvt Limited, and Kalyan jewellers are the favorite choice of the people in Madurai district. Whereas, in case of Kanyakumari district, jewellery shops like Shajahans, Harris Nadar and Ganga jewellers are more popular among the people. Survey also reveals that three- fifths of the consumers are buying gold jewellery from a particular jewellery mart for more than 5 years.

Table 5.12
Consumers' opinion about the jewellery marts (Likert's scale technique)

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Total	average	Rank
Innovative design	555	380	126	14	2	1077	4.19	4
Variety	545	424	93	6	8	1076	4.18	5
Good Quality	590	412	57	28	3	1090	4.24	3
Fair resale value	345	376	207	30	10	968	3.77	9
Low making charges	130	348	216	72	37	802	3.12	14
Adequate seating facility	95	304	189	114	42	744	2.89	16
Attractive Interior	370	404	147	56	5	982	3.82	7
Credibility	675	352	87	10	0	1124	4.37	2
Reputation	690	392	57	4	0	1143	4.45	1
Impressive advertisements	560	344	123	34	1	1062	4.13	6
Good Exterior	490	300	123	34	26	973	3.79	8
Lower wastage	250	276	123	76	59	784	3.05	15
Good ventilation	370	268	180	40	36	894	3.479	11
Adequate space inside the showroom.	270	244	198	52	50	814	3.17	13
Adequate parking facility	195	184	213	70	66	728	2.83	17
Good after sales service	365	324	195	58	9	951	3.70	12
Courteous sales staff	370	312	129	44	40	895	3.482	10

It is seen from table 1.5 that the consumers have shown a favourable attitude towards the reputation of the jewellery shop, credibility of the jeweller, quality of the jewellery, designs and variety offered by the jeweller and hence these factors get the first 5 ranks. Consumers are dissatisfied with the ventilation and space inside the showroom, after sales services, making charges, wastage, seating facility and parking facility provided by the jewellery marts and hence these factors get the last 7 ranks.

Findings:

- 86 per cent of the consumers prefer jewellery marts rather than goldsmiths for buying gold jewellery.
- Availability of different models of readymade jewels and craziness towards designer jewellery are the most important reasons which induce people to but gold jewellery from jewellery marts.
- Purity, designs, variety, credibility and reputation of the jewellery mart are the most important factors considered by consumers while selecting a particular jewellery mart.
- Majority of the consumers are buying gold jewellery from a particular jewellery mart for more than 5 years and have expressed a favourable attitude towards the reputation and credibility of the jewellery shop, quality, and designs offered by the shops.

Conclusion:

A vast majority of the consumers buy gold jewellery only from jewellery marts. They have also expressed a favourable attitude towards credibility of the jeweller, quality, designs and variety offered by the jeweller. It can also be said that the

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