

# *A Study of Buying Behaviour of Customers Towards Branded and Non-Branded Gold Jewellery with Reference to Meerut City*

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## **Abstract**

*History of Indian jewellery is as old as the history of the country itself. Around 5000 years ago, the desire to adorn themselves aroused in people, leading to the origin of jewellery. Since then, Indian women and jewellery have gone in hand in hand. There cannot be a woman in India, who does not adore herself with minimum jewellery. In fact, jewellery is considered as security and prestige of women in the country. The attraction for jewellery has been great in India that it is no more a craft than an art. In India, gold jewellery is a store of value, a symbol of wealth and status and a fundamental part of the many rituals. In the country's rural population, a deep affinity for gold goes hand in hand with practical consideration of the portability and security of jewellery as an investment.*

**Keywords :** *Jewellery, women, security, Investment.*

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## **1. GOLD JEWELLERY MARKET IN INDIA**

Before the liberalization of the Indian economy in 1991, only the Minerals and Metal Trading Corporation of India (MMTC) and the State Bank of India (SBI) were allowed 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 1993, gold and gold ornaments mining were opened up for private investors and foreign investors were allowed to own half the equity in mining ventures. In 1997 overseas banks and bullion suppliers were also allowed to import gold into India. These measures led to the entry of foreign players like DeBeers, Tiffany and Cartier into the Indian market.

In the 1990s, the number of retail jewellery outlets in India increased greatly due to the abolition of the Gold Control Act. This led to a highly fragmented and unorganized jewellery market with an estimated 1,00,000 workshops supplying over 3,50,000 retailers, mostly family-owned, single shop operations. In 2001,

India had highest demand for gold in the world; 855 tons were consumed a year, 95% of which was used for jewellery. The bulk of the jewellery purchased in India was designed in the traditional Indian style. Jewellery was fabricated mainly in 18, 22 and 24 carat gold. As Hallmarking was not very common in India, under carat age was prevalent. According to a survey done by the bureau of Indian Standard (BIS), mostly gold jewellery advertised in India as 22 carat was of a lesser quality. Over 80% of the jewellers sold gold jewellery. The late 1990s saw a number of branded jewellery players entering the Indian market. Titan, the gold jewellery exporter, sold 18 carat jewellery under the brand name 'kiswa'.

## **Meerut Jewellery Market**

From time immemorial women have been embellishing themselves with jewellery. In the ancient times jewellery was deemed as a status symbol. High profile people like the king and rulers used to adorn themselves with precious jewellery. The status accorded to jewellery in the ancient times has remained totally unchanged even in the modern time. Jewellery

is considered as a must wear for women on special occasions like festivals and wedding ceremonies. Jewellery is famous all over the world. The gem and jewellery industry in India has seen an unprecedented growth during the last couples of years.

Meerut jewellery market has an important place in Indian Jewellery market. It has own identity in the world having customer loyalty and purity. More over designer jewellery manufactured in Meerut District is known for its creative and attractive designing. As far as the origin of jewellery market in Meerut is concerned, it started here around 1908. Till than it did not have its identity as a jeewellery market. Before that gold smith themselves went to the customer’s house and took order for making the jewellery as per the specification of him/her. After making the jewellery, they also made the delivery of it and collect the money. In most of the cases, the jewellery work was restricted to make the jewellery from old design to new design by melting the old jewellery, even for some making charges. It means no stock of ready made jewellery was maintained by the jewellers.

At that time Heera Bullian bank Limited started ready made jewellery making besides its traditional business of money landing. After that this work of jewellery making got converted into a kind of business. During this period of jeweller Jodha Mal Kailash Chand Jain and after that Raghunandan Prasad also opened small jewellery shops where ready made jewellery was also available for sale. This was the turning point of Meerut Jewellery Market. After then Manohar Lal and Radhey Lal started their business and they also contributed a lot for the development of Meerut Jewellery Market. Later, a number of jewellers came and started manufacturing and selling gold and silver jewellery. Now Meerut is Asia’s largest jewellery market. At present, Meerut consists the following four main jewellery markets.

- ❖ Abu Lane jewellery Market
- ❖ Bhagat plaza jewellery Market
- ❖ Sadar Bazar jewellery Market
- ❖ Valley bazar jewellery Market

## 2. METHODOLOGY

It is micro level study based on the primary data collected from both 50 male and female, respondents of Service and Business class families in Meerut city. This study is based specially on liking of customers towards branded and Non-branded jewellery because the area of this study is Meerut a major jewellery market of India. The data is primarily collected through personal interviews and questioning with families. The questionnaire is based on their position in family, financial and family status and their problems.

## 3. OBJECTIVES OF THE STUDY

- (i) To study the customer behaviour while purchasing.
- (ii) To make the study about customers liking towards branded jewellery and Non branded jewellery.
- (iii) To study the causes preferring branded or Non branded jewellery by customers.
- (iv) To arrive at the logical conclusion and to purpose constructive suggestions for the betterment of jewellery industry in Meerut.

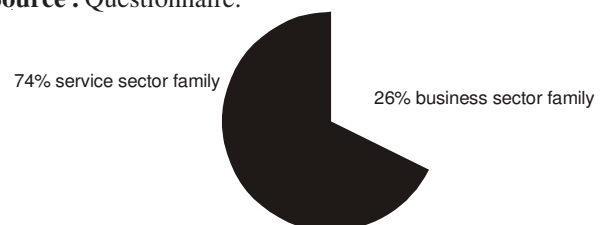
## 4. ANALYSIS AND FINDINGS

Hence, the first question was to find out the family structure and occupation as it is the main factor for purchasing jewellery. The respondents were just asked to tick on the family structure and occupation they belong to. The result is as follows :

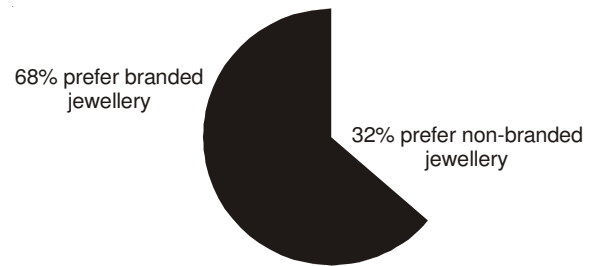
**Table No. 1**

Family structure	Occupation		
	Service	Business	Total
Joint	09	04	13
Single	28	09	37
Total	37	13	50
Percentage	74%	26%	100%

Source : Questionnaire.



In study table no. 1, shows that researcher has taken 50 families for sample. There are 13 joint families out of 50 families, in which 09 families belong to service class and 04 families belong to business class. As same 37 families are single structure families out of 50, in which 28 families belong to service class and 09 families belong to business class. This study shows that out of 50 families 27 persons belong to service class which is more than business class and joint family structure No. of persons 37 are greater in single structure family.



In this study table no. 2, shows that there are 37 consumers belong to service class, in which 29 consumers like to purchase branded jewellery and 08 consumers like to purchase non-branded jewellery, where as 13 consumers are belong to business class, in which 05 consumers prefer branded jewellery and 08 consumer prefer non-branded jewellery. This study shows that consumers of service class mostly like to purchase branded jewellery. The reasons for liking toward branded jewellery is monthly payment service given by brands, own home budgetary system etc.

**Table No. 2**

Occupation	Jeweller prefer		
	Branded Jew.	Non-Branded Jew.	Total
Service	29	08	37
Business	05	08	13
Total	34	16	50
Percentage	68%	32%	100%

Source : Questionnaire.

Table no. 3 is based on purpose of purchasing jewellery which is related to monthly income of consumers. Researcher can see that 28 persons are belong to 20000-40000 income class, in which 21 consumers like to purchase for marriage purpose, 04 like to purchase for investment purpose and 03 for

**Table No. 3 : Income-wise Purpose of Purchasing Jewellery**

S. No.	Monthly Income	No. of Person	Purpose of Purchasing		
			Marriage	Investment	Interest
1.	Below 20,000	02	02	–	–
2.	20,000 – 40,000	28	21	04	03
3.	40,000 – 60,000	10	03	07	–
4.	60,000 – 80,000	02	01	–	01
5.	80,000 – 1,00,000	01	01	–	–
6.	1,00,000 – 1,20,000	01	01	–	–
7.	1,20,000 – 1,40,000	–	–	–	–
8.	1,40,000 – 1,60,000	06	02	02	02
	<b>Total</b>	<b>50</b>	<b>31</b>	<b>13</b>	<b>06</b>
	<b>Percentage</b>	<b>100%</b>	<b>62%</b>	<b>26%</b>	<b>12%</b>

Source : Questionnaire.

their own interest, Whereas 10 persons are to belong to 40000-60000 income class, in which 03 consumers like to purchase for marriage purpose, 07 for investment purpose. This study shows that 06 persons belong to 1,40,000-1,60,000 income, in which 02 persons like to purchase for marriage purpose, 02 persons like to purchase for investment purpose and 02 persons like to purchase for their own interest.

**Table 4 : Characteristics of Family Jewellery**

Characteristics of Family Jewellery	No. of Points
Reasonable/Convenient	15
Taditional Design	03
Purity	02
Trust	02
Hallmark	02
Variety	02
<b>Total</b>	<b>26</b>

Source : Questionnaire.

In the above Table no. 4, researcher can see that the most common reason for purchasing non-branded jewellery by customers is their budget i.e., reasonability.

**Table 5 : Characteristics of Branded Jewellery**

Characteristics of Branded Jewellery	No. of Points
Purity	24
Trust	08
Quality	02
Hallmark	05
Return Value	13
Status Symbol	02
Variety	06
<b>Total</b>	<b>65</b>

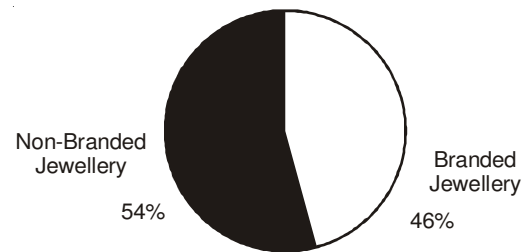
Source : Questionnaire.

From the above Table no. 5, it is clear that customers like to purchase branded jewellery because of purity and return value at the most.

**Table 6 : Jewellery Prefer for Gifting Purpose**

Jewellery Prefer for Gifting Purpose	No. of families
Branded Jewellery	23
Non-Branded Jewellery	27
<b>Total</b>	<b>50</b>

Source : Questionnaire.



In the above table no. 6, 23 families i.e., 46% prefer to purchase jewellery from brand for gifting purpose, whereas 27 families i.e., 54% prefer to purchase non-branded jewellery are most expensive that non-branded jewellery.

**Table 7 : Satisfaction from Meerut Jewellery Market**

Satisfaction from Meerut Jewellery Market	No. of families
Yes	46
No	04
<b>Total</b>	<b>50</b>

Source : Questionnaire.



In the above Table no. 7, researcher can see that 96% customers are satisfied from Meerut jewellery market, whereas 4% customers are not satisfied from Meerut jewellery market. The reason for more

satisfaction in Meerut is one the largest area in India of jewellery market.

**Table 8 : Causes for liking Non-branded Jewellery**

Causes for Purchase Branded Jewellery	No. of Customers
Purity, Trust and Return Value	02
Purity, Trust	02
Purity	04
Quality, Purity	01
Purity, Return Value	05
Purity, Hallmark	02
Variety, Purity, Return value	03
Purity, Variety	02
Trust and Return Value	02
Hallmar, Trust	02
Trust, Return Value, Variety	01
Status Symbol, Purity	02
Design, Quality	01
Purity, Hallmark, Trust	01
<b>Total</b>	<b>30</b>

Source : Questionnaire.

Table no. 8 shows that consumers like to purchase brand jewellery because of purity, return value and trust at the most.

**Table 9 : Causes given by consumers for liking Branded Jewellery**

Causes of purchasing Non-Branded Jewellery	No. of Consumers
Reasonable with quality	13
Purity, Trust, Hallmark	01
Traditional	02
Return Value and Varity	01
Purity	01
Reasonable, Traditional	01
Reasonable, Trust	01
<b>Total</b>	<b>20</b>

Source : Questionnaire.

Table no. 9, shows that in case of liking towards non-branded jewellery, the most burning reason is reasonability given by non-branded jewellers to customers. Other reasons are not so important for them.

## 5. CONCLUSION AND FINDINGS

The conclusion that draw from the study are:

1. The guiding factor behind purchasing jewellery is trust, purity and return value which score the maximum. Other factors are variety, hallmark, influence of family and friends. The least guiding factor for purchasing jewellery is the quality & status symbol. Hence when a customer goes to buy jewellery they do keep the purity in mind followed by the return value and the trust. Factors like variety, status symbol do not have a very big impact on the customers.
2. 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. Brand like Tanishq is the most popular brand in Meerut. Gitanjali is a brand which is not very popular.
3. As stated in the study that there was a shift in consumer tastes; women were increasingly opting for fashionable and lightweight jewellery instead of traditional chunk jewellery. It 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 investment and less of an accessory.
4. When jewellery is bought for gifting purpose the population still wants to buy it from their family jewellers.
5. When it comes to family jewellers, they are popular because of the trust that their have with their customers and also because they charge reasonable prices. These family jewellers are also popular for traditional design when a customer is specially looking for traditional jewellery.



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