

Covid-19 Impact on Consumer Buying Behaviour: A Study of the Gold Jewellery Market in Tamilnadu

Dr. S.C.B. SAMUEL ANBU SELVAN,

*Associate Professor and Research supervisor
Department of Commerce, The American College (Autonomous), Madurai.*

Mr. RAMRAJ G,

*Assistant Professor and Research scholar,
Department of Commerce (CA), VHNSN College (Autonomous), Virudhunagar.*

ABSTRACT

The COVID-19 pandemic presents the greatest test the world has faced. This pandemic is a historic challenge for any economy to overcome as they have no prior preparation. Lack of testing kits, insufficient ventilators and community spread has forced countries to impose indefinite shutdown that has made major markets to suffer, the consumer faced unforeseen challenges to deal with the abrupt change in buying behaviours. The purpose of this research is to contribute to understanding the influence of the COVID-19 outbreak in Tamilnadu on consumer gold jewellery purchase behaviour. Consumer preferences fluctuate according to requirements, wants, choices, and fashion. Gold is a sign of success, power, and riches in many civilizations. Based on the foregoing, client buying habits. The survey indicated that females aged 26-40 make up the majority of investors. Most customers are self-employed and make very little money, but they invest it in gold, especially gold jewellery. They acquire gold with their own funds. During the epidemic, the bulk of consumers switched from monthly to annual purchases. Price, Quality, Trustworthy/Safety, Advertisement, Brand, Transparent, Convenient easy, Transparent, Family/Friends suggestion and Shop Display are 10 aspects that influence while purchasing gold jewellery. The study will assist to identify customer preferences for jewels during a pandemic and investigate different essential measures to boost the jewellery market's economy.

KEYWORDS: Buying Behaviour, COVID-19, Factors influence, Gold Jewellery, Investment.

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I. INTRODUCTION

Gold is a very unique precious metal with which humanity has a deep and personal history. To Indians, gold is more than a precious metal. Since time immemorial, Indians have considered gold as a symbol of purity, luxury, wealth, status, beauty, affection, and good fortune. This brilliant yellow metal, unlike any other, elicits strong emotional responses in humans. Historically, gold has been seen as a safe investment, akin to liquid cash, and has been used as risk collateral. Purchasing gold jewellery is an integral part of our culture, and it plays a crucial role in all aspects of our life, including birth, marriage, health, house construction, festivals, and religious rites. Women in India, regardless of religious affiliation, like wearing gold jewellery. Gold jewellery is the preferred wedding present for close relatives of the bride and groom. Farmers are particularly fond of jewellery, with gold sales surging following a prosperous agricultural season. There were several theories regarding the impact of various types of jewellery on health, and it was worn to ward against particular maladies such as smallpox. The application of gold to the nose was intended to provide protection against colds. While "Rudraksha beads" were believed to lower blood pressure, valuable stones were believed to have a positive effect on one's health and disposition. Jewelry has been associated with a number of health and well-being benefits. As a result of this, India's gold market is one of the largest and fastest growing in the world in terms of consumption of gold jewellery.

The globe is currently battling the century's largest pandemic, called "COVID-19," which is being fuelled by the new corona virus SARS-CoV-2. The illness, which was originally identified in December 2019 in Wuhan, Hubei Province, China, has spread globally, causing severe respiratory discomfort in susceptible individuals. The World Health Organization (WHO) declared the COVID-19 outbreak a pandemic in March 2020. WHO has asked countries worldwide to act swiftly to treat COVID-19 and safeguard human life. The WHO suggested staying at home, using face coverings or masks, maintaining social distance, and adhering to

personal hygiene standards as strategies to reduce viral transmission. This epidemic has had a significant influence on communities and economies worldwide, affecting many areas of society in unique ways. In India, the government announced a nationwide lockdown, allowing citizens to leave the house only to purchase essentials. This created a new obstacle. Consumer purchase behaviour involves much more than a consumer's approach to product acquisition. Marketers place a premium on the manner in which a consumer makes a purchase. It includes grasping a customer's history of decisions (what, why, when, how much, and how frequently). Consumers ensure a safe shopping experience during a pandemic. The goal of this study is to determine the impact of COVID-19 on customer purchasing behaviour in Tamil Nādu's gold jewellery sectors.

II. REVIEW OF LITERATURE

The gold industry is a global one, and the covid pandemic had a large global influence. As a result, several studies have been conducted to analyse consumer behaviour in the gold market in various countries throughout the world during and before the pandemic. The following are a few of the most relevant ones that were reviewed for this study. (Mansoor and Jalal, 2011) According to the research, the four shifting themes in consumer behaviour throughout the current global business crisis caused by the virus are fearful, cautious, anxious, and rational customers. According to, the three most important considerations when choosing jewellery are price, purity, and design (Kumar, 2012). Furthermore, diversity, brand image, and influence from family and friends all play a role. The after-sales service and product display in the store are the least important factors to consider while purchasing jewellery.

The ultimate love object, according to Indians (Natarajan, 2013), is gold. It also emphasises the fact that jewellery designs differ according to geography. South Indian patterns are influenced by nature, but Mughal heritage, particularly 'meenakari' and 'Kundan' craftsmanship, inspired designs in North and West India. Because of these well-known designs, Indian jewellery is breaking into global markets such as the United States of America, the European Union, and Southeast Asian countries. Branded jewellery, according to their research (Ramachandran, 2014), has sparked a revolution in the jewellery sector. Branded jewellery is intriguing because it has a distinct style that sets it apart from unbranded jewellery. (Singh, 2013) investigated patterns in gold pricing and demand, as well as gold price volatility and the underlying drivers of rising gold prices in the Indian economy. This study also looked at how India and China differ in terms of trends and patterns. He determined that the yearly growth rate is 12.27 percent on average, implying that gold investments might be beneficial. According to (Raju, 2013), the primary motives for acquiring jewellery are cost, purity, design, variety, and image, as well as pressure from family and friends. According to (Asha & Christopher, 2014), a significant portion of the general population purchases gold jewellery for family weddings, anniversaries, birthdays, and religious holidays. The majority of clients are aware of branded jewellery, according to the report (Gomathy & Devi, 2015). (Rawal, 2015) Throughout his analysis, he discovered the factors that influence customers' purchasing decisions to buy branded jewellery from branded merchants. It aids in comprehending the consumer's expectations, knowledge, and attitudes toward branded jewellery.

(Hashem, 2020) Consumers make six behavioural changes when they have a better grasp of COVID-19's spread in their areas. The method is broken down into six steps, which are as follows: Proactive health-conscious purchasing includes proactive health-conscious shopping, reactive health management, pantry preparation, limited living preparation, and transitioning to a new normal. (Roggeveen, 2020) People's shopping habits altered as a result of the epidemic; formerly, shopping was about enjoyment, fun, and entertainment; now, it's about cleanliness and safe places. Customers have re-examined their purchasing habits, as well as recognised benefits from previously unknown services.

(Pantano, Pizzi, Scarpi, & Dennis, 2020). Some people, for example, are migrating to online shopping after learning about the security and convenience of home delivery, store pick-up, and cashless payment. Furthermore, these authors observed that unanticipated government rules demanding social isolation had a significant influence on customers' previously selected purchase platforms. This study was performed on a recent study of the existing literature, which found that no research has been conducted on the state of Tamil Nadu's consumers regarding their behaviour in the gold market during this pandemic condition. By contributing to the expanding body of information, the current work is likely to fill this research gap.

OBJECTIVES OF THE STUDY

- ✓ To Study the Socioeconomic Background of the Respondents in the study area
- ✓ To investigate the impact of the covid pandemic on the frequency of buying gold jewellery
- ✓ To identify the key attributes of the factors influencing consumer buying behavior during COVID-19.

III. RESEARCH METHODOLOGY

The research design is descriptive as it describes the characteristics of the sample population being studied. The study is embodied with both primary and secondary data. This primary data is collected through a

structured questionnaire. The survey method of data collection via google forms has been employed for this research. The sampling design used for this research is convenience sampling and the sampling method used is the non-probability sampling method. The study was carried out in Tamil Nadu. The secondary data for this study has been collected from various publications, journals magazines and books. The sample size for the study is 100 and the respondents answered a survey that tested their gold jewellery buying behaviour during the COVID-19 pandemic through various questions showing zero constraints. A complete analysis is made after collecting the data. For analysis, the data “SPSS 22” statistical software package and Microsoft Excel were used to perform analysis such as Frequency, mean, Friedman test and Independent t-test were used to analyze the data

IV. RESULTS AND ANALYSIS

Table – 1
Socio-Economic Background of the Respondents

Variable	Particulars	No. of Respondents
Gender	Male	44
	Female	56
Age	Less than 25 years	10
	26-40 years	42
	41-55 years	32
	More than 55 years	16
Marital status	Married	14
	Unmarried	86
Educational Qualification	Higher Secondary	08
	Under Graduate	51
	Post Graduate	17
	Professional	24
Occupational Status	Agricultural	06
	Self employed	39
	Business	21
	Government	10
	Others	24
Monthly Income	Less than ₹20,000	46
	₹20,001 – ₹40,000	14
	₹40,001 – ₹60,000	19
	More than – ₹60,001	21
Monthly Savings	Less than ₹5,000	41
	₹5,001 – ₹10,000	30
	Above ₹10,000	29
Investment Motive	Occasions	24
	Investment	45
	Festival	19
	Fashion	12
Mode of Purchase	Cash	56
	Gold exchange	23
	Chit funds	17
	Others	04
Preference to buy	Gold Coin / Bar	06
	Jewellery	72
	Gold Deposits	08
	Other	16

Source: Primary Data

From table 1, indicates the demographic profile of respondents. Out of 100 respondents, 56 respondents were female which denotes that females are more interested in gold jewellery investments. In connection with age, most of the respondents are belongs to the middle age group of 26 – 40 (42 respondents). Regarding marital status most of them are married and only 14 respondents are unmarried. For the education category, most of the investors are around 92 respondents were well educated are more than undergraduate degrees. As per this study, 39 were self-employed and 21 respondents were business, 10 from government employees and very few are

working in the agricultural sector. In terms of monthly income around 46 respondents are from less than 20,000 rupees per month and also saving category 41 respondents belongs to less than 5,000 rupees only monthly saving and very few are saving more than 10,000 rupees per month. As investment motive is concerned 45 respondents were aiming for their future investment benefit and only 12 respondents were investing for fashion purposes. In order to study the mode of purchase around 56 respondents were purchase gold jewellery by using cash only and 72 respondents are only willing to buy gold jewellery (ornaments only).

Table – 2
Frequency of Buying Gold Jewellery

Frequency	Pre-COVID		Post-COVID	
	No. of Respondents	Cumulative per cent	No. of Respondents	Cumulative per cent
Bi-Monthly	06	06	01	01
Monthly Once	14	20	07	08
Once in three month	32	52	25	33
Bi-Annually	41	93	37	70
Annually	07	100	30	100

Source: Primary Data

To determine the impact of covid on the frequency of buying gold jewellery, a questionnaire was used and respondents' responses were recorded. The question was grouped into two types: pre-covid and post-covid, and five subcategories: bi-monthly (24 times a year), monthly once (12 times a year), once a year three months (4 times a year), bi-annually (2 times a year), and annually (1 time a year). According to table 2, six respondents bought gold jewellery bi-monthly, and in the same division after covid, the pattern of buying has decreased significantly, to the point where only one respondent continues to do so. Due to the pandemic condition, the majority of purchasers have shifted their purchasing habits from monthly purchases to annual purchases.

Table 3
Buying Gold Jewellery – Paired sample T-test

Particular	Mean	Std. Deviation	Std. Error mean	95% Confidence Interval of the Difference		t	df	Sig (2-tailed)
				Lower	Upper			
Buying Gold jewellery pre-covid and post-covid situation	.482	.862	.086	.315	.665	5.534	99	.001

Source: Primary Data

A paired sample t-test is performed to measure the difference. The null hypothesis is considered as H₀: There is no significant difference in the mean value of buying gold jewellery during pre-covid and post-covid situations. From the table-3, the significant value is less than 0.05. Hence null hypothesis is rejected and hence there is a significant difference in the frequency of purchases made during the pre and post COVID-19 situations.

Table 4
Factors influence buying behaviour - Friedman Test

Factors	Mean Rank	Chi-Square value	P value
Price	4.92	84.765	0.000
Quality	4.86		
Trustworthy/safety	4.68		
Advertisement	4.36		
Brand	4.02		
Liquidity	3.89		
Convenient easy	3.64		
Transparent	3.57		
Family/Friends	3.36		
Shop Display	3.02		

Source: Primary Data

From table 4, it is interpreted that reasonable price of gold jewellery plays the first rank in influencing the customers to buy. Quality and trustworthiness (safety) play second and third ranks. Family/friends' influence and shop displays are playing the least impact on buying behaviour. The above table highlights Friedman Test is performed to measure the difference between the mean ranks with respect to factors influencing buying behaviour. The null hypothesis is considered as H₀: There is no significant difference between the mean ranks with respect to factors influencing buying behaviour of gold jewellery. The chi-square value is 84.765 and the corresponding p-value is 0.000, which is less than 0.01. Therefore, the null hypothesis is rejected at 1% level of significance. Hence it is concluded that there is a significant difference between the mean ranks with respect to factors influencing buying behaviour of gold jewellery.

V. CONCLUSION

COVID-19 is a pandemic in various ways, causing chaos on the world economy, most notably in terms of consumer purchasing behaviour. COVID-19 mitigation measures enacted by the government, including Lockdown restrictions, have influenced decision-making. Investors' behaviour and psychological well-being may be impacted. The goal of this study was to delve more into the influence of the COVID-19 outbreak in Tamilnadu on customer purchasing behaviour for gold jewellery. Today's market is consumer-driven, with a strong emphasis on the consumer. Consumer preference is always shifting in response to their requirements, interests, choices, and fashion, among other factors. Purchasing gold jewellery is extremely important in numerous cultures since it serves as a sign of success, power, and riches. Based on the foregoing, the customer's approach and behaviour when purchasing jewellery. According to this report, the majority of investors are female and in the age group of 26-40. The majority of consumers are self-employed and make very little money. Despite this, they invest their money in gold, particularly gold jewellery. They purchase gold with their own savings. However, during this pandemic condition, the purchasing patterns of the bulk of customers altered from monthly to annual purchases. And it is noted from the survey that there are 10 factors that influence when purchasing gold jewellery: price, quality, trustworthiness/safety, advertisement, brand, liquidity, convenient ease, transparency, family/friends recommendation, and shop display. The study will aid in understanding customer preferences for jewellery during a pandemic crisis, as well as in exploring the many essential measures for the jewellery market's economic recovery.

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