

Investors' Perception and Satisfaction Towards Gold Jewellery Investment -An Empirical Study

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ABSTRACT

In the current market scenario of high volatile, rapidly changing market place, various avenues for investment in gold are creating the confusion among Investors. As per various studies 16,000 tons of gold is there in Indian households predominantly in the form of jewellery. There are various alternatives available for investment in gold through options like jewellery, coins, bullions, ETF, mutual funds, E-gold etc. Gold is considered as the most noble metal in the world. And India is the world's second largest consumer of gold. The main reason behind the above mentioned propaganda is that gold investment plays a vital role among investors as compared to any other investments. This is because gold is considered as the more protected and invulnerable investment and most importantly gold investment is an impregnable tool against hedging. The current study focuses on the perception and satisfaction level of gold jewellery investment among investors. These investors were assorted on the basis of their annual income. For this study, an individual whose annual income is less than Rs.2lakhs as well as an individual whose annual income is more than Rs.2lakhs but up to Rs.5lakhs are taken into account. The objective of the study is to find out the perception, satisfaction and also the influencing factors of the investors among gold jewellery investment. The study involves both the compilation of primary and secondary data. Compilation of primary data through questionnaire as well secondary data through previous research papers, websites etc., for analysis, statistical tools like Percentage Analysis and Independent sample t-test were used.

Keywords: *Gold Jewellery, Annual Income, Satisfaction and Perception. Hedging*

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I. INTRODUCTION

In the long run, gold investment provides lot of benefits and also protects your investment. It is an accepted theory by the people across the world and engaged on gold while other assets do not offer security. Consequently, you can see a sharp inflation in gold whenever there is conflict in the global equity markets or when there are political unrest between powerful nations. The another merit of having gold as an option that the price are stable and can buy gold more or less at the same price throughout the world. Financial knowledge is not a necessary factor to the people who invest in gold and it is followed from centuries. At this point, it is very important to understand why physical gold investment is beneficial for the future.

When it comes to investment, the important thing to remember is that the investment in long run is safe or not. It is inflation and this is the rate at which money loses its value over the years. Particularly in growing countries like India, you won't make cash investment and it will depreciate the value of money. From the risks of inflation, it is better to invest in gold or other safer assets. And it will help you to monitor the variation in the market and can start your investment in a planned manner.

It is essential for regular income people to save money and it is advisable to invest their small amount of money in gold when comparing with real estate investment. It will protect your investment and give better returns in the long run. One can easily buy the gold from any jewellery store and even from banks as gold coins will provide guarantee certificate on the product. When it comes to selling, it is easy to sell the gold with the local jewelers are with the bankers.

The important factor on investing gold is that it does not require any maintenance and can kept safer for Hundreds of year. And after all these years, it is assured that the gold have good values in the market and provides full stability in the future.

STATEMENT OF THE PROBLEM

If there was ever a symbol of wealth and abundance it is 'GOLD'. Gold is considered globally by investors as an 'Asset' to hold during periods of market fluctuations and to sell when the economy is

expanding. But on the contrary; economic growth has always influenced the gold demand positively. In this situation, the research study focuses on the awareness and the satisfaction level among small and medium investors on gold jewellery investment.

IMPORTANCE OF THE STUDY

Gold as a tangible asset plays a very important role in an investor's portfolio as it not only provides security for returns but also gives an opportunity to maximize the wealth of the investors. Investors generally buy gold as a way of diversifying risk. Price of gold is determined by the market force of demand and supply.

LIMITATION OF THE STUDY

- i. Primary data presented in this research was the information provided by the gold jewellery investors only.
- ii. Only 150 respondents were selected at random for sampling.
- iii. Data is collected only from Chennai city.
- iv. Results of this research will be confined with sampling data only.
- v. This study is confined with the data collection during 2023-2024 only and it will not affect the earlier or future researches in this title.

II. REVIEW OF LITERATURE

This chapter deals with the brief review of literature relevant to the study. The reviews presented in this study related to the gold investments. To have a comprehensive idea of these studies on operational efficiency, a brief review desirable and also an attempt is made to identify the research gap.

Robiyanto (2018) viewed that gold as a safe haven and an instrument that cannot be damaged physically. Gold can be used as a payment tool that can be received by any party and also used as a tool to accumulate wealth. The study has to emerge after the happening of the subprime mortgage crisis in 2008. The data were analysed in this study by using quantile Regression using ordinary least square. In this study of potential gold as a hedge and a safe haven, the technique of quantile regression is most commonly used. The study proves that the gold can serve as a safe haven in the stock market even when extreme shock occurs in the stock market.

Vijayaraghavan and Muhammedunais (2018) Eliminates the relationship between the spot market price of the gold and the silver in the commodity market over the last decade in India in which the daily price having a high value in these days. The high volatile price mechanism of both the gold and the silver commodity are contributes really much towards the markets in India. The study pointed out the significance of the substantial evidence that these two metals play a vital role in diversifying the risk for the investors.

Yunhao Sun (2018) determine the relationship between the Gross Global Product, real gold price trend, the real interest rate, inflation rate and USDI. The purpose of the study was to investigate the effects on the macroeconomic factor of the price of gold. The study will also estimate the regression model of the price of gold. The study selected the data on a quarterly basis and the data which has to be adjusted to the real terms by adjustment for the inflation impact. The study concludes that there is a phenomenon that shows when the rate of interest rises, the real gold price will not fall indefinitely.

OBJECTIVES OF THE STUDY

The present study has been conducted with the following objectives

- To find the Perception Level of Gold Jewellery Investors
- To find the factors influencing the Gold Jewellery Investors
- To find the satisfaction level of Gold Jewellery Investors

SAMPLING METHODS USED

Sampling is a method of selecting sample from a given universe with a view drawn conclusion about the universe. Convenient random sampling is being used in the present study

SAMPLING SIZE

The sample size for the survey conducted is 150 respondents in Chennai city.

III. DATA ANALYSIS AND INTERPRETATION
TABLE 1.DEMOGRAPHIC PROFILE OF THE RESPONDENCE

Age	Frequency	Percent
Up to 25 years	24	16
26-35 years	62	41.3
36-45 years	62	41.3
Above 56 years	2	1.3
Gender	Frequency	Percent
Male	70	46.7
Female	80	53.3
Marital status	Frequency	Percent
Married	124	82.7
Unmarried	26	17.3
Education level	Frequency	Percent
Below SSLC	6	4
SSLC to HSC	26	17.3
UG	72	48
PG and Professional	38	25.3
Others	8	5.3
Religion	Frequency	Percent
Hindu	112	74.7
Christian	30	20
Muslim	8	5.3
Employment Status	Frequency	Percent
Govt Employee	34	22.7
Private Employee	90	60
Business and professional	22	14.7
House Wife	4	2.7
Income	Frequency	Percent
Up to200000	102	68
200001 -400000	32	21.3
400001 – 600000	6	4
600001 -800000	2	1.3
above 800000	8	5.3

INDEPENDENT SAMPLE T-TEST

TABLE 2.KNOWLEDGE AND PERCEPTION ABOUT GOLD JEWELLERY

Independent sample t-test shows the gender difference towards the awareness of small and medium investors about their investment product

Gender wise knowledge and awareness about gold product

Awareness	Gender	N	Mean	Std. Deviation	t value	p value
Knowledge about Purity	Male	70	2.057	1.0441	0.35	0.726
	Female	80	2.1	1.0711		
Knowledge about Wastage	Male	70	2.429	1.0805	0.175	0.861
	Female	80	2.45	1.0267		
Knowledge about Making charge	Male	70	2.486	1.1091	2.747	.006**
	Female	80	2.15	0.9918		

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Knowledge about Stone type	Male	70	2.514	1.3002	0.434	0.665
	Female	80	2.575	1.0963		
Knowledge about hallmark 916	Male	70	2.029	1.0858	0.785	0.433
	Female	80	2.125	1.0325		

Source: Computed value using primary data

Note: ** denotes significance @ 1% level, * denotes significance @ 5% level

The above table portrays the results of Independent sample t-test between male and female with respect to the awareness of small and medium investors about their investment product. It is identified from the above table that the p value for the statement 'Knowledge about Making charge' is less than 0.01, and therefore these are statistically significant at 1% level. Hence it is concluded that there is significant difference between male and female customer with respect that statement.

Since the p value for the statements 'Knowledge about Purity' 'Knowledge about Wastage' 'Knowledge about Stone type' and 'Knowledge about hallmark 916' is greater than 0.05, it is statistically insignificant. Hence it is concluded that male and female investors has similar knowledge about the investment product.

TABLE 3.FACTOR INFLUENCED TO GOLD JEWELLERY INVESTMENT

Gender wise factor influenced to gold investment

Independent sample t-test shows the gender difference towards the influencing factor of small and medium investors about their investment product

Factor influenced to gold investment	Gender	N	Mean	Std. Deviation	t value	p value
Product	Male	70	1.9714	1.00855	2.078	.039*
	Female	80	1.7688	0.59976		
Price	Male	70	2.2612	0.95193	0.344	0.731
	Female	80	2.2964	0.79814		
Promotion	Male	70	2.3571	1.09438	0.214	0.831
	Female	80	2.3333	0.78508		
Place	Male	70	2.4286	0.91268	0.862	0.389
	Female	80	2.3438	0.77234		

Source: Computed value using primary data

Note: ** denotes significance @ 1% level, * denotes significance @ 5% level

The above table portrays the results of Independent sample t-test between male and female with respect to the influencing factor of small and medium investors about their investment product. It is identified from the above table that the p value for the statement 'influencing factor about product' is less than 0.05, and therefore these are statistically significant at 5% level. Hence it is concluded that there is significant difference between male and female customer with respect that statement.

Since the p value for the statement for the influencing factor about price, promotion and place' is greater than 0.05, it is statistically insignificant. Hence it is concluded that male and female investors has similar influencing factor about the investment product.

TABLE 4.SATISFACTION LEVEL OF GOLD INVESTMENT

Gender wise satisfaction level of gold investment

Independent sample t-test shows the gender difference towards the satisfaction of small and medium investors about their investment product

Satisfaction level of gold investment	Gender	N	Mean	Std. Deviation	t value	p value
Place	Male	70	2.4	1.04434	0.891	0.374
	Female	80	2.3	0.87811		
Promotion	Male	70	2.3918	0.88535	0.366	0.714

	Female	80	2.4286	0.84356		
Product	Male	70	1.9486	0.93942	0.334	0.738
	Female	80	1.98	0.63571		
Price	Male	70	2.4204	1.0091	0.601	0.548
	Female	80	1.9486	0.93942		

Source: Computed value using primary data

Note: ** denotes significance @ 1% level, * denotes significance @ 5% level

The above table portrays the results of Independent sample t-test between male and female with respect to the satisfaction of small and medium investors about their investment product.

Since the p value for the statements of satisfaction level of place, promotion, product and price is greater than 0.05, it is statistically insignificant at 5% level. Hence it is concluded that male and female investors has similar satisfaction about the investment product.

IV. FINDINGS OF THE STUDY

1. Majority 41.3% of the respondents are in the age group of 26 – 35 Years and 36-45 Years.
2. Majority 53.3% of the respondents are female and 46.7% of the responded are male.
3. Majority 82.7% of the respondents are married and the rest of 17.3% of the respondents are unmarried.
4. Majority 48% of the respondents are having UG level education, 25.3% of the respondents are having PG and Professional level education.
5. Majority 74.7% of the respondents Hindu. Followed by 20% of the respondents are Christians.
6. Majority 60% of the respondents are private employee and 22.7% of the respondents are Government employee.
7. Majority 68% of the respondents are comes under the income group upto Rs. 2 Lakhs and 21.3% of the respondents are comes under the income group of Rs. 2 lakhs – Rs. 4 Lakhs.
8. Majority 25.3% of the respondents are having aware and 24% of the respondents are no aware about gold jewellery investment.

V. SUGGESTIONS

On the light of this analysis and significant findings of this study the following suggestions could be made small and medium investors will increase the awareness and satisfaction level on gold investment.

1. The Government must take steps in creating awareness on the availability of gold investment options.
2. The traditional jewellery shops can provide adequate information to their customers on gold investments.
3. Social media will display the safety and risk level in options to create awareness level among small and medium investors.
4. Newspapers will publish the information relating to the daily value of gold and stone type which increases the small and medium investors satisfaction level towards gold jewellery.
5. Advertisements through TV and internet about the branded shops which are selling the gold approved as hallmark 916 values.

VI. CONCLUSION

This study investigates the awareness and satisfaction level among small and medium investors on gold investment by conducting a risk and return analysis of gold safety, liquidity, high return, security and low risk. The benefits of buying gold jewellery are many in number. Gold has resale value and creates gold of great benefits and of great asset value to the buyer. Gold is leading on the list of investment and value. In maximum part of the world, gold holds a very imperative value in several cultures since it is a symbol of achievement, power and wealth. In India, gold tends to have a religious as well as cultural significance. This is one of the numerous reasons, which makes gold jewellery a gentle of art in India. The various dimensions of the awareness and satisfaction level of the small and medium investors in this research should be viewed as improving the awareness level and the satisfaction level from the point of view of the investors. Based on this research it is found that majority of the small and medium investors have awareness and satisfaction of gold jewellery investment.

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