



## A Study on Consumer Perspective on the Online Acquisition of Gold in Chennai

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### ABSTRACT

The study aimed to investigate consumer perspectives on online gold acquisition in Chennai, focusing on trust, security, and convenience. Both quantitative and qualitative data collection methods were utilized, including all surveys and semi-structured interviews. Various tools such as pie charts, and bar charts were used in the report to gain insights. Quantitative analysis revealed that a lack of trust was a significant barrier preventing consumers from purchasing gold online. However, a notable portion of respondents viewed online platforms as equally reliable as physical stores for acquiring gold. Qualitative analysis highlighted the importance of trust, security, and convenience in shaping consumer attitudes toward online gold buying. Based on the findings, recommendations for online jewellery stores include providing comprehensive product information to enhance consumer confidence and implementing robust security measures such as encryption and multi-factor authentication to build trust and ensure the safety of online transactions.

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### INTRODUCTION

In a world of fast-paced technology, the traditional ways of buying and selling gold have changed. Online platforms have changed the way consumers buy and sell precious metals, and gold is at the top of the list. Not only has the precious metal market changed, but the consumer's perspective on buying and selling gold has changed as well. Gold has been around for centuries, and it's often associated with wealth and stability. In the past, people used to go to physical stores to buy and sell gold. But now, thanks to the digital age, people can buy and sell gold online with ease. Let's explore the many facets of the online buying and selling of gold.

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### REVIEW OF LITERATURE

**S. Praveen Kumar, (2019)** in his research "In India, gold is promoted largely for purchasing and selling physically or in the type of ornaments. It is appreciated as a savings and investment which is a proffered investment in India.

**Dr. C. Palanichamy (2019)** in his paper that the gold market in India is predominantly a market for buying and selling physical gold and gold in the form of ornaments. The Gold in India serves many functions and wearing it, has several implications.

**Joshi and Dwivedi (2013)** researched to study the preference for buying jewellery with special reference to Jaipur city. The objective of the study is to gain insight into consumer buying behavior and factors influencing it such as cultural, social, and economic factors and brand awareness, etc.

**Kumar and Thiviya (2014)** analyzed consumer attitudes and behavior towards gold jewellery purchases in and around Pollachi taluk and the aim was to seek wide knowledge against this research thus research helps jewellery marketers to learn possible ways to enrich consumer behaviour.

**Sahu and Srivastava (2014)** the purpose of the research is to find out the effect of inflation on consumer behaviour on the purpose of gold to get feedback about various factors affecting consumer behaviour towards the purchase of gold and evaluating gold as an investment decision.

**Rncos (2006)** in his study entitled "Indian Customers Showing Interest in Branded Jewellery" found that the gems and jewellery market in India possesses tremendous potential for future growth.

**Alok Kala (2010)** in his study entitled "Diamond World" stated that Jaipur offers great potential in the gem and jeweler industry.

**Shah Vipul (2012)** in his study entitled "Change in Leadership of Gem and Jewellery" stated that as the branded jewellery market came into trend, the number of gold retailers in the country increased sharply.

**Zaveri Samrat (2003)** in his study entitled "Branded & Gold jewellery market in India" found that since the late 1990s, there was a shift in consumer demand and as a result, women were increasingly opting for fashionable and lightweight jewellery instead of traditional chunky jewellery.

**Ekanayake, et.al., (2010)** in his study entitled “Entrepreneurial Strategic Innovation Model for Attaining Premium Value for the Sri Lankan Gem and Jewellery Industry” found that the gems and jewellery industry in Sri Lanka has been capable enough to develop a competitive product base but has been positioned to experience a reduction in market value.

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## OBJECTIVE OF THE STUDY

### Primary Objective:

To assess the factors influencing consumer attitudes and behavior towards online acquisition of gold in Chennai, focusing on trust, security, and convenience.

### Secondary Objectives:

1. To examine consumer perceptions of online platforms for gold acquisition.
2. To identify consumer motivations and preferences regarding online gold acquisition.
3. To evaluate trust and security concerns associated with online gold acquisition.
4. To assess user experience and satisfaction in the process of online gold acquisition.

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## LIMITATIONS OF THE STUDY

- The study's findings may be limited by sample bias, as participants who have engaged in online gold acquisition may differ from those who have not.
- Self-reporting biases may affect the accuracy of responses, as participants may provide socially desirable answers.
- External factors, such as economic conditions and market dynamics, may influence consumer behavior but are beyond the scope of this study.

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## RESEARCH METHODOLOGY:

To study on consumer perspective on the online acquisition of gold in Chennai. A structural survey for gathering essential information. Essential information was gathered from 180 respondents. Essential information in an organized configuration was gathered using direct addressing to respondents, which is immediate through the study technique.

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## DATA ANALYSIS & INTERPRETATION:

QUESTIONNAIRE	PARTICULARS	NO.OF.RESPONDENTS	PERCENTAGE
<b>Age</b>	18-25	62	34.4%
	26-35	48	26.7%
	36-50	44	24.4%
	51 above	26	14.4%
	<b>TOTAL</b>	180	100
<b>Gender</b>	Female	76	43.9%
	Male	93	51.7%
	Non-binary	2	1.1%
	Prefer not to say	6	3.3%
	<b>TOTAL</b>	180	100
<b>Monthly income</b>	BELOW 30000 INR	68	37.8%
	30001-50000 INR	45	25%
	50001-75000 INR	34	18.9%

	75001-100000 INR	24	13.3%
	ABOVE 100000 INR	9	5%
	<b>TOTAL</b>	180	100
<b>Qualification</b>	High school	11	6.11%
	Bachelor degree	67	37.22%
	Master degree	72	40%
	Doctorate or professional degree	23	12.78%
	Others	7	3.87%
	<b>TOTAL</b>	180	100
<b>Purchase of gold</b>	Rarely or never	54	30%
	Once a year	51	28.33%
	2-3 times a year	46	25.56%
	Monthly	29	16.11%
	More than once a month	0	0.00%
	<b>TOTAL</b>	180	100
<b>Purchase of gold online</b>	Yes	103	57.22%
	No	77	42.78%
	<b>TOTAL</b>	180	100
<b>Influenced to purchase gold online</b>	Convenience	42	23.33%
	Pricing	53	29.44%
	Product Variety	44	24.44%
	Trust in online platform	23	12.78%
	Others	18	10.00%
	<b>TOTAL</b>	180	100
<b>Considering purchasing online gold</b>	Very important	75	41.67%
	Important	63	35.00%
	Neutral	32	17.78%
	Not important	10	5.56%
	<b>TOTAL</b>	180	100

**CHI-SQUARE TEST:**

A chi-square test is a statistical test used to compare observed results with respected results.

**STEP 1:**

**H0 (Null Hypothesis):** There is no significant relationship between the factors influencing consumers' decisions to purchase gold online, such as convenience, pricing, and trust in online platforms.

**H1 (Alternative Hypothesis):** There is a significant relationship between the factors influencing consumers' decisions to purchase gold online, such as convenience, pricing, and trust in online platforms.

**STEP 2:**

**OBSERVED TABLE:**

PARTICULAR	CONVENIENCE	PRICING	PRODUCT VARIETY	TRUST IN ONLINE PLATFORM	OTHERS	TOTALS
30,000	21	13	10	11	8	63
30,000-50,000	10	21	11	2	1	45
50,001-75,000	7	11	13	2	1	34
75,001-100,000	4	4	8	6	2	24
ABOVE 100,000	5	4	2	2	1	14
<b>TOTALS</b>	<b>47</b>	<b>53</b>	<b>44</b>	<b>23</b>	<b>13</b>	<b>180</b>

**STEP 3:**

**EXPECTED VALUE**

O	E	O-E	(O-E) <sup>2</sup>	(O-E) <sup>2</sup> /E
21	16.45	4.55	20.7025	1.2585
10	11.75	-1.75	3.0625	0.3008
7	8.88	-1.88	3.5344	0.3980
4	6.27	-2.27	5.1529	0.8218
5	3.66	1.34	1.7956	0.4906
13	18.55	-5.55	30.8025	1.6605
21	13.25	7.75	60.0625	4.5330
11	10.01	0.99	0.9801	0.0979
4	7.07	-3.07	9.4249	1.3330
4	4.12	-0.12	0.0144	0.0034
10	15.40	-5.4	29.16	1.8935

11	11.00	0	0	0
13	8.31	4.69	21.9961	2.6469
8	5.87	2.13	4.5369	0.7728
2	3.42	-1.42	2.0164	0.5895
11	8.05	2.95	8.7025	1.0810
2	5.75	-3.75	14.0625	2.4456
2	4.34	-2.34	5.4756	1.2616
6	3.07	2.93	8.5849	2.7963
2	1.79	0.21	0.0441	0.0246
8	4.55	3.45	11.9025	2.6159
1	3.25	-2.25	5.0625	1.5576
1	2.46	-1.46	2.1316	0.8665
2	1.73	0.27	0.0729	0.0421
1	1.01	-0.01	0.0001	0.00009
				<b>C.V=29.49149</b>

**STEP: 4****DEGREE OF FREEDOM**

$$V = (r-1) (c-1)$$

$$= (5-1) (5-1)$$

$$= 16$$

The calculated value is 29.49149. The Table value is 26.296. Therefore there is significant.

$$C.V > T.V$$

**STEP 5:****INFERENCE:**

Therefore, there is a significant relationship between the factors influencing consumers' decisions to purchase gold online, such as convenience, pricing, and trust in online platforms.

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**CONCLUSION:**

In today's digital landscape, consumers are increasingly drawn to the convenience and accessibility of purchasing gold online, driven by its perceived investment value. However, amidst this growing interest, trust and security reign supreme as paramount factors influencing consumer decisions. Platforms offering robust security measures and transparent pricing are favoured, ensuring the safety of investments. Simultaneously, providing a seamless and user-friendly online purchasing experience, backed by responsive customer support, is essential for enhancing In today's digital landscape, consumers are increasingly drawn to the convenience and consumer satisfaction and cultivating loyalty. Yet, there exists a notable gap in education and awareness regarding the online gold market, investment strategies, and purchasing processes, highlighting the need to empower consumers to make informed decisions and mitigate risks. Furthermore, consumers prioritize customization options and flexible payment methods to tailor purchases to their specific preferences and financial situations. Thus, continuous improvement is imperative to address consumer feedback, adapt to evolving market trends, and sustain competitiveness within the online gold acquisition industry.

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