

CUSTOMER'S PREFERENCE TOWARDS GEMS AND JEWELLERY DURING PANDEMIC PERIOD AND ITS PRICE FLUCTUATIONS WITH REFERENCE TO COIMBATORE CITY -AN INVESTIGATIVE STUDY

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ABSTRACT

The India's gems and jewellery market and its industry were one of the highest growing sectors in among the developing countries. Indian jewellery market is very traditional, customs and cultural background of the society due to their habitual and religion behaviour. The India is a world largest gold importer and a consumer in terms of ornaments comparatively other developed and developing countries due to their cultural heritage. The demand of the gold were increasing connected with marriage, culture, customs and devotional aspects as well as gold is acting as a major investment options in among the rich and middle class people in India.

***Keywords:* Gems and jewellery, Diamond, stone, job market, world market, cheap labour and quality design.**

PREAMBLE AND DESIGN OF THE STUDY

The recovery of Indian gems and jewellery market are complicated task during the period 2020-21, due to pandemic period factors gold rate are getting high in all over the world as per the World Gold Council statement to CNBC. Indian gold market is one of the largest markets in all over the world connected with gold sales volume and its related industry. The gold is acting as a valuable of materials and its acting as a spiritual connected metal in among the Indian customers as well as their cultural bonding jewellery are treated by them as important elements in their part of life. Therefore, the Indian customers are purchasing the jewels during their religious connected festival times and their wedding seasons as well as gold is acting as a safest investment instruments in among the Indian public from ancient period to till date.

HISTORICAL GROWTH OF GOLD PRICES IN INDIA

The researcher has collected the gold prices changes after the liberalization, globalization and privatization 1991 due to the high consumption of gold as well as healthy business growth happened after this period only.

Year	Gold Prices (in rupees per 10 gms)	Exchange Rate (per US dollar)	CPI (in % p.a.)	BSE Index	PDI (in thousand billion rupees)	Interest Rate (in % p.a.)	Crude Oil Prices (in hundred rupees per barrel)
1991-92	4.298	24.474	13.483%	1.880	5.479	13.000%	4.612
1992-93	4.104	30.649	9.825%	2.896	6.385	11.000%	5.865
1993-94	4.532	31.366	7.316%	2.899	7.395	10.000%	4.961
1994-95	4.667	31.399	10.275%	3.975	8.678	11.000%	5.253
1995-96	4.958	33.450	9.962%	3.289	9.917	13.000%	5.842
1996-97	5.071	35.500	9.432%	3.469	11.837	12.750%	7.492
1997-98	4.347	37.165	6.842%	3.813	13.048	11.750%	6.454
1998-99	4.268	42.071	13.127%	3.295	15.232	11.000%	5.249
1999-00	4.394	43.333	3.320%	4.659	16.712	10.250%	9.454
2000-01	4.474	45.684	3.923%	4.270	18.315	9.750%	12.835
2001-02	4.579	47.692	4.315%	3.332	20.172	8.250%	10.984
2002-03	5.332	48.395	3.975%	3.206	21.358	5.875%	13.313
2003-04	5.719	45.952	3.857%	4.492	23.565	5.375%	13.357
2004-05	6.145	44.932	3.831%	5.741	25.823	6.250%	18.531
2005-06	6.901	44.274	4.411%	8.279	29.109	6.750%	25.282
2006-07	9.240	45.250	6.729%	12.277	33.286	8.125%	28.698
2007-08	9.996	40.261	6.147%	16.569	37.348	8.750%	32.397
2008-09	12.890	45.993	9.113%	12.366	45.314	8.125%	37.572

2009-10	15.756	47.443	12.379%	15.585	51.985	7.250%	33.108
2010-11	19.227	45.563	10.462%	18.605	60.041	8.625%	38.544
2011-12	25.722	47.923	8.380%	17.423	71.788	8.875%	51.344
2012-13	30.164	54.410	10.439%	18.202	77.657	8.750%	56.046
2013-14	29.190	60.502	9.686%	20.120	87.685	8.800%	62.834
2014-15	27.415	61.144	6.261%	26.557	96.968	8.375%	50.653
2015-16	26.534	65.469	5.655%	26.322	107.052	7.150%	29.979
2016-17	29.665	67.072	4.137%	27.338	118.168	6.625%	32.115
2017-18	29.300	64.455	3.079%	32.397	129.867	6.500%	35.915
2018-19	36700	71.851	-	-	-	-	-
2019-2020	41650	73.534	-	-	-	-	-
2020-21	48000	76.434	-	-	-	-	-

Source: www.ijar.com

CONCEPTUAL PROBLEM OF THE STUDY

The present studies are focusing towards identifying the pandemic impact over the gold price fluctuations in Indian context with reference to Coimbatore city. This present study ensures the level of Gold prices movement based on the lockdown impact and economic unstable as well as poor share market growth during the pandemic periods. Since the gold jewellery is acting as a precious metal, material and ornaments in the Indian society. Therefore, there is necessary to evaluate the impact of pandemic period situation connected with gold price changes for find out customer point of view towards gold price changes in Indian context.

OBJECTIVE OF THE STUDY

The researchers are constructed objectives for identify the following factors as the outcome of the study. They are as follows.

- To observe the customers preferences towards gems and jewellery as well as their purchasing patterns during the pandemic period in among the study area.

- To investigate about the pandemic impact of gems and jewellery price changes in Indian context with reference to Coimbatore city.

SCOPE OF THE STUDY

The present study is concentrated towards pandemic impact of gold price changes in Indian context. In further any researcher may do the research related to the reasons habitual behaviour of gold buying customers, liquidity assets position of gold as well as the changing pattern of gold rate in world wide as well as Indian market.

COIMBATORE ZONE PROFILE

There is high demand over the gold ornaments and jewellery in among the Coimbatore high income, middle and low income group populations. Therefore, researcher has selected Coimbatore is the study area for conducting the present study.

RESEARCH METHODOLOGY

For find out the customer's preference and pandemic impact of gems and gold price changes, researcher has circulated 100 questionnaire in among the customer under the survey method and finally collected 100 questionnaire in Coimbatore –north, south, west and east zone each 25 questionnaire with the help of convenient sampling techniques.

RESEARCH DESIGN

The researcher has adopted descriptive and analytical research design for observing the pandemic period gems and gold price fluctuations in Indian context.

PERIOD OF STUDY

The researcher has collected the primary data from January 2021 to February 2021 in Coimbatore city.

METHODS OF DATA COLLECTION

The researchers has collected the information for drafting this study as afresh information as well as published information in print and mass media sources. The afresh data is collected through structured questionnaire and published data is collected through various sources like journals, dailies as well as other mass media sources for constructing this present study.

SAMPLING DESIGN

The researchers are adapted the flexible sampling techniques for gathering the primary afresh data from gold customers in the Coimbatore zone. The sample size is determined as hundred respondents in the study area.

STATISTICAL TOOLS APPLIED FOR THE STUDY

The researcher has applied the simple percentage method, Weighted average score analysis likert scale and means core scaling techniques for validating the raw quantitative data in to the qualitative data.

SHORT COMINGS OF THE STUDY

The study is based on Coimbatore zone customer opinion towards pandemic gems and gold rate fluctuations in Indian context only. The findings of the present study may not applicable entire state of India. Due to time constraint, researcher has collected 100 questionnaires from the customer in Coimbatore zone. If there is any bias of the respondents, it will slightly affect the results of the study.

CURRENT SCENARIO OF GOLD MARKET IN INDIA

Table number: 01. Customer's preferences & Pandemic impact over the gems and gold price fluctuations in Coimbatore city.

Serial number	Statements	Factors	Number of respondents	Percent -age
01.	What way the fluctuations of gold rate will affect you're buying behaviour of gold jewellery?	Quantity of purchasing gold jewels.	28	28
		Post pone the buying the jewels.	24	24
		Expecting to get less gold price.	24	24
		Less income of the family members.	24	24
02.	Whether the Covid 19 is affecting the gold jewel price India?	Yes	86	86
		No	14	14
03.	State your opinion towards price and sales of the gold jewellery volume after covid 19.	Increased	26	26
		Decreased	28	28
		Constant	46	46
04.	How your family members are	Disappointed	44	44

	reacting about the gold rate fluctuations during the pandemic period.	Happy	34	34
		No Changes	22	22
05.	State your investment opinion during pandemic towards gold will be	Very Useful	47	47
		Useful	33	33
		Not useful	20	20
06.	State your opinion towards price and sales of the Gold jewellery price connected with festival and marriage time.	Very high	49	49
		Average	31	31
		Low	20	20
07.	Still you like to purchase the gold jewellery.	Yes	56	56
		No	44	44
		Desire	39	39
		Maintain the social status	14	14
08.	Whether your pandemic period gold purchase levels are	Increased	46	46
		Decreased	34	34
		Constant	20	20
09.	State your opinion towards after the pandemic period gold price will be	Increase	39	39
		Decrease	31	31
		Constant	40	40

Source: Primary data

Table number: 02- State your opinion towards factors affecting gems and jewellery during the pandemic period.

Sl. No.	Factors	SA	A	N	DA	HDA	Total	Mean score	Rank
01.	Less demand and supply of gold	34(170)	20(80)	14(42)	22(44)	10(10)	346	34.6	IV
02.	High inflation of gold price during the covid 19 period.	33(165)	23(92)	22(66)	14(28)	08(08)	359	35.9	II
03.	Impact of Crude oil price fluctuations	28(140)	22(88)	26(78)	12(24)	12(12)	342	34.2	V

	towards gold market during the corona virus.								
04.	Customer's normal life and income are become poor?	26(130)	24(96)	18(54)	14(28)	08(08)	316	31.6	X
05.	All customers were thinking about their future survival?	28(140)	26(104)	16(48)	18(36)	12(12)	340	34.0	VI
06.	Private sectors employees had fear of losing their job during covid-19 periods?	27(135)	23(92)	21(63)	18(36)	11(11)	337	33.7	VIII
07.	The rich customers were purchased the gems and jewels for their investment purpose?	26(130)	28(112)	16(48)	18(36)	12(12)	338	33.8	VII
08.	Customer's happiness was decreasing as the number of new deaths increased during the covid-19 period.	32(160)	26(104)	14(52)	14(28)	14(14)	358	35.8	III
09.	Few customers were purchased the gold for maintain their liquidity assets during the lockdown period.	29(145)	21(84)	16(48)	18(36)	16(16)	329	32.9	IX
10.	Many customers were select the alternate to gold like silver and other metal for celebrating their family functions during the covid 19 period due to high gold price in India.	28(140)	32(128)	24(72)	08(16)	08(08)	364	36.4	I

Source: Primary data
SA-Strongly Agree (5), Agree (4), Neutral (3), Dis-Agree(2), Highly Dis-Agree(1).

MAJOR OBSERVATION OF THE STUDY

1. The researchers are understood that 44% of gold purchasing customers' monthly income is coming around Rs.16000-20000.
2. 68% of the family type is nuclear family.
3. 54% of the respondent's families are residing in rental house.
4. 36% of the respondents are living in line houses.
5. 86% of the respondents are strongly agreed that there is a heavy impact due to the covid -19 in the gold market in India.
6. As per the mean score rank, many customers were select the alternate to gold like silver and other metal for celebrating their family functions during the covid 19 period due to high gold price in India.
7. Majority of the customers were did not purchase the gems and jewels due to high inflation of gold price during the covid 19 periods.
8. Customer's happiness was decreasing as the number of new deaths increased during the covid-19 period.

RECOMMENDATIONS OF THE STUDY

The state and central government must consider the import duty level as minimum for penetrating the gold market as well as retain and sustain customer demand towards gems and gold Jewels market in India. Gems and jewellery skill council of India as well as gold export promotion council must take severe effort for avoiding the gold sales transaction under the unorganised sector through efficient screening process in all the major gold hub market in India for controlling the unaccounted gold transactions through establishing policy measures for preventing the unauthorised gold transactions. From March 2021 onwards the gems and jewellery markets are stable due to the relaxation of lockdown and people are slowly get in their normal casual and professional life. During the pandemic period, the gold market was affected with various factors like poor income of individual, loss of job, fear of life survival and unbalanced supply and demand related to gems and jewels market all over the India. Right now, the gems and jewels market are recovered, there is a necessity to control this market by Indian Government with standard gems and jewels market policy for protecting the middle and low middle class customers were invested their hard earned money in the gold during the pandemic

period since the gold price was high, later the gold price has fall down nearly ten thousand per pawn, due to the unavoidable circumstances like their family marriage and other sentimental as well as festival time, the customers were forced to buy this yellow ornaments and the customers loosed their gold value after the pandemic period. Therefore, the GOI must take necessary steps for stable the gold price in India for protecting the customers as well as gold market in near future.

CONCLUSION OF THE STUDY

The earlier period, gems and jewels has been playing important role connected with customer; standard of living as well as their religious customs. The last ten years especially after the 2015, the gold prices were increased in Indian market and world market. The middle and low middle class customers are not able to purchase the gold due to the increase the price of gold in India. During the pandemic period 2019-2020, the gold price has gone to highest price level per pawn nearly Rs.44000, the customers are never expect this price fluctuations in Indian market. In the month of March 2021 per pawn gold price has Rs.34400/ plus making charges as well as wastage charges. This is the right time to GOI for find out the alternate to gold like one gram gold, artificial gold and silver ornaments in for safe guards middle as well as low income category customers and gems and jewel making employees life in near future with the effective measurement techniques and tools for maintain the stable gold price. Therefore, the GOI must take necessary steps for balancing and maintain the gold price stable for protecting the gold demand and its market in India.

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