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### **Abstract**

The research paper aims at exploring the awareness on digital gold in Pollachi Taluk. Data for the study have been collected from 120 respondents through issue of well-structured questionnaire by adopting convenience sampling method. Simple Percentage and Chi-Square test has been used to analyze the data. The study reveals that majority of the respondents are female residing in urban area and are post graduate. It is found that most of the respondents are highly aware with digital gold for quality, secured investment and availability. Also, majority of the respondents are aware with digital gold for price, tax charged, high liquidity, return on investment, availability, no making charge & wastage whereas most of the respondents are unaware with cyber risk and storage & maintenance. It is also found that gender, marital status, occupation, number of earning members in the family, monthly income, family income (per month), sources of information, and financial goal are found to be significant with the level of awareness towards digital gold.

### **Keywords:**

Digital –Gold –Awareness – Investor.

### **Introduction**

Gold has long been considered a store of value, a symbol of wealth, and a hedge against economic uncertainty. For centuries, people have invested in physical gold bars, coins, and Jewellery to preserve and grow their wealth. However, in today's digital age, a new form of gold investment has emerged digital gold. Digital gold combines the traditional appeal of gold with modern technology, allowing investors to buy, sell, and store gold electronically without the need for physical possession. It is backed by real gold and offers greater convenience, security, and accessibility. With just a few clicks on a Smartphone or computer, anyone can invest in gold, starting with small amounts and without worrying about storage or security.

This shift from physical to digital gold represents the perfect blend of tradition and innovation. While physical gold remains valuable, digital gold offers new opportunities for investors, making gold ownership easier, more flexible, and more efficient than ever before. Whether you are a seasoned investor or new to gold investment, understanding digital gold is essential in today's fast-evolving financial landscape. Digital gold is a popular investment choice, allowing investors to easily buy, sell, and convert their assets. They offer a variety of advantages like convenience, accessibility, transparency, high liquidity, tax charged on gold, storage and maintenance cost and much more that makes them worth investing. By raising awareness, we can ensure that investors, whether seasoned or new, are better equipped to make informed decisions in this exciting new frontier of digital finance.

### **Review of Literature**

**Menakadevi, Prabha, and Latha Natarajan (2021)**, in their article titled "An Awareness of Multifaceted Investment Behaviour in Different Gold Instruments – as Paper, Physical and Digital Gold", aim to explore the awareness and preferences of investors in Coimbatore toward various forms of gold investment. Using a structured questionnaire and simple random sampling of 150 respondents, the study employed tools like Percentage Analysis, Chi-square, Correlation, and Rank Correlation. The findings reveal that most investors prefer physical gold due to lack of awareness of alternative instruments like Gold ETFs, sovereign gold bonds, and digital gold. It concludes that though multiple gold investment options are available, investor education is necessary to encourage diversification and safer investment practices. **Shiva Shankari (2023)**, in the article titled "A Study and Creating Awareness on Investment in Digital Gold", examines the growing interest and accessibility of digital gold investment. The study, based on secondary data, explores how technology enables investment in

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gold without physical possession, allowing users to buy as little as ₹1 through platforms like Google Pay and Paytm. It outlines the benefits such as 24K purity, high liquidity, and secure storage, while also discussing drawbacks like the ₹2 lakh investment cap and lack of regulation. The paper concludes that digital gold is a convenient, modern alternative, especially beneficial for small investors and those seeking flexibility in gold trading.

### Statement of the Problem

In recent years, digital gold investment has emerged as a convenient and secure alternative to traditional gold investment. However, despite its growing availability, many potential investors remain unaware or misinformed about its benefits, risks, and mechanisms. The lack of awareness poses significant challenges, including hesitation to adopt digital gold, susceptibility to fraudulent schemes, and limited understanding of how digital gold differs from other investment options. And, there arises questions like: What is the socio- economic profile of the respondents? What is their level of awareness towards digital gold? and What are the factors influencing the awareness of respondents towards digital gold? To answer the above raised questions the following objective has been framed.

### Objectives

The following are the main objectives of the study:

- To know the socio-economic profile of the sample respondents
- To identify the level of awareness towards digital gold
- To ascertain the variables associated with level of awareness towards digital gold

### Research Methodology

The study is based on primary data which have been collected through issue of structured questionnaire. It contains questions relating to the socio-economic profile, sources of information and level of awareness towards digital gold. The data for the study have been collected from 120 responses residing in Pollachi Taluk. Convenience sampling method has been adopted to collect the data. Simple Percentage and Chi-Square test have been used to analyze the data.

### Findings

The finding of the study are divided in to four sections namely, socio-economic profile of respondents, source of information, awareness and level of awareness towards digital gold are depicted in the following paragraphs

#### (i) Socio - Economic Profile of Respondents

- Most 52(43.3%) of the respondents are residing in urban area.
- Most of the respondents, 58(48.3%) belong to the age group of 26-35 years.
- Majority 64(53.3%) of the respondents are female.
- Majority 72(60.0%) of respondents are unmarried.
- Most 58(48.3%) of the respondents are postgraduate.
- Most 33(27.5%) of the respondents are professional.
- Majority 64(53.3%) of the respondents have up to 2 earning members in their family.
- Majority 82(68.3%) of the respondents have 2 non-earning members in the family.
- Most 51(42.5%) of the respondents monthly income (self) is up to Rs.26,000 to 50,000.
- Most 38(31.7%) of the respondents monthly income (family) is up to Rs.46,000 – 75,000.

#### (ii) Source of Information

- Most of the respondents, 38(31.7%) came to know about digital gold through friends and advertisement.
- Majority of the respondents, 78(65.0%) think digital gold is safer than traditional gold investment.
- Most of the respondents, 47(39.2%) are making investing in digital gold for 2-5 year.
- Most of the respondents, 45(37.5%) are reason for not investing digital gold is lack of awareness.
- Most of the respondents, 44(36.7%) are neutral to invest digital gold.

- Majority of the respondents, 66(55.0%) financial goal for investing in digital gold is short term profits.
- Majority of the respondents, 57(47.5%) spend amount below Rs. 5000 for Digital gold.
- Most 49(40.8%) of the respondents frequently invest in digital gold.

### (iii) Awareness towards Digital Gold

The table shows the classification of respondents based on their level of awareness on digital gold.

**Table: 1**  
**Awareness towards Digital Gold**

Factors	Highly aware	Aware	Unaware
Quality	64 (53.3%)	45 (37.5%)	11 (9.2%)
Price	26 (22%)	86 (72%)	8 (6%)
Storage & Maintenance cost	35 (29.2%)	66 (55%)	19 (15.8%)
High liquidity	26 (21.7%)	78 (65%)	16 (13.3%)
Secured investment	37 (30.8%)	71 (59.2%)	12 (10%)
Tax charged on gold	28 (23.3%)	79 (65.8%)	13 (10.9%)
Cyber risk	35 (29.2%)	63 (52.5%)	22 (18.3%)
Return on investment	34 (28.3%)	72 (60%)	14 (11.7%)
Availability	37 (30.8%)	74 (61.7%)	9 (7.5%)
No making charge & wastage	34 (28.3%)	72 (60%)	14 (11.7%)

From the above table, it is inferred that most of the respondents are highly aware with digital gold for quality, secured investment and availability. Also, majority of the respondents are aware with digital gold for price, tax charged, high liquidity, return on investment, availability, no making charge & wastage whereas most of the respondents are unaware with cyber risk and storage & maintenance.

### (iv) Variables Associated with Level of Awareness towards Digital Gold

To identify the association between the select variables and level of awareness towards digital gold, the Chi-square test has been employed.

**Table: 2**  
**Variables Associated with Level of Awareness towards Digital Gold**

Variables	d.f	Calculated $\chi^2$ Value	Table Value 5% Level
Age	6	7.825	12.592
Area of Residence	4	5.943	9.488
Gender	2	9.265*	5.991
Marital Status	2	7.959*	5.991
Educational Qualification	6	9.217	12.592
Occupation	10	19.635*	18.307
Number of Earning members in the family	6	16.254*	12.592
Monthly Income	6	12.954*	12.592
Family Income	6	13.122*	12.592
Sources of Information	6	13.457*	12.592
Financial Goal	4	10.266*	9.488

Eleven variables have been taken to analyze the level of awareness towards digital gold. Out of Eleven variables the following variables have significant association with level of awareness. (viz.) gender, marital status, occupation, number of earning members in the family, monthly income(self), family income (per month), sources of information, and financial goal while the other three variables does not have a significant association with level of awareness towards digital gold.

### **Suggestions**

Based upon the study conducted, the following suggestions are made:

- Awareness of digital gold can be improved across various digital and offline channels.
- Strategize new ways of marketing digital gold through all social media platforms to attract large customer base.
- Provide more offers such as bonus gold grams, lower making charges, or discounts on first purchases to encourage adoption of digital gold.
- Transaction processing time for buying and selling digital gold should be minimised for a smoother customer experience.
- Offer free storage charges for a certain period to increase customer trust and ease of entry into digital gold investment.
- Strengthen customer support services to educate users and resolve their queries promptly, ensuring customer retention and satisfaction.

### **Conclusion**

Digital gold provides a modern, secure, and accessible way for investors to own gold without the complexities of traditional gold investment methods. With its transparency, low entry cost, and the absence of making charges or wastage, it offers a compelling opportunity for both new and experienced investors. However, it is important to consider the associated storage, maintenance costs, tax charges, and potential cyber security risks. Overall, digital gold stands out as a valuable addition to diversified investment portfolios, ensuring short-term growth and wealth preservation.

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