

# Understanding Consumer Buying Behaviour of Jewellery: An Exploratory Factor Analysis Study

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## ABSTRACT

Consumer buying decision making is dynamic process which is not static in nature. Every individual contains different psychology and family and social structure. It is very difficult to predict and understand the behaviour of individual in dynamic environment. Therefore, the purpose of this research is to understand the consumer buying behaviour of jewellery. This research has conducted in Rohtak, Haryana from January to June 2018. A structure questionnaire has developed to collect the responses of buyers of jewellery. Nineteen statements have been included in questionnaire which is measured on five point likert scale. In this research, exploratory factor analysis technique is used to extract the factors. This research contributes four factors which can help to understand in decision making process of buyer of jewellery. These four factors are *Perceived Quality, Promotion and Payment Options, Locality of Shop/Outlet and recommendations*.

## 1. Introduction

Gold is one of the oldest precious metals known to man & for years it has been valued as a global currency, an investment, a commodity and an object of beauty and India is not an exception to this. India's love affair with gold is timeless spanning over centuries and millennia (Godbole & Arekar, 2015). Jewellery is valued as an important savings and investment vehicle in India. Even in present times, Jewellery remains the Indian bride's 'Streedhan', the wealth she takes with her when she marries and which remains hers. Gold jewellery is the preferred jewellery worn by women in India irrespective of their religious beliefs. In marriages, gold jewellery is the gift preferred by the near relatives of the bride and the groom. Jewellery is very popular among farmers, with an upsurge in gold sales after a good agricultural season (Chitradevi, 2017). Therefore, in this research will be explored the consumer buying behaviour of jewellery.

## 2. Objective of study

Objectives of this research study are following:

- i. To explore the socio-economic profile of consumer of jewellery.
- ii. To understand consumer buying behaviour of jewellery.
- iii. To explore the factors those impact the buying behaviour decision making of jewellery.

## 3. Methodology

The main objective of this research is to understand the consumer buying behaviour of jewellery. This research has conducted in Rohtak, Haryana from January to June 2018. A structure questionnaire has developed to collect the responses of buyers of jewellery. Nineteen statements have been included in questionnaire which is measured on five point likert scale. A total 280 questionnaire were distributed among buyer through convenient sampling. We received 262 questionnaires out of total 280. Out of 262 found unsuitable and incomplete for research study. We use exploratory factor analysis techniques to extract the factors.

## 4. Result and discussion

Table I shows demographical characteristics of buyer of jewellery. Table I reveals that 34% of respondents are in the age group of 30-40 years followed by 40-50 years age group. This research also represents the old age group 60 and greater than 60 years. This research contain majority of female respondent which are 93% and rest of respondents are male. 85% of respondents are married and 11.54% are single. This research also contains small representation of widowed and separated individual. More than half of respondent are graduate and 34% are post graduated. Around 4% of respondents are PhD.

Table I: Demographic profile of buyer of Jewellery

Variables	Items	Frequency	Percentage
Age (year)	less than 30	50	19.23
	30- 40	90	34.62
	40-50	65	25.00
	50- 60	30	11.54
	60 and above 60	25	09.62
	Total	260	100.00
Gender	Male	18	06.92
	Female	242	93.08
	Transgender	0	00.00

	Total	260	100.00
Marital Status	Married	220	84.62
	Single	30	11.54
	Divorced	3	01.15
	Separated	6	02.31
	Widowed	1	00.38
	Total	260	100.00
Education Qualification	Up to Higher Secondary	22	08.46
	Graduation	132	50.77
	Post Graduation	90	34.62
	PhD	10	03.85
	Any other	6	02.31
	Total	260	100.00
Family Income (Annually)	Below 3,00,000	82	31.54
	3,00,000-500,000	132	50.77
	5,00,000 and above 5,00,000	46	17.69
	Total	260	100.00
Occupations	Not Employed	12	04.62
	Self Employed	60	23.08
	Private Employee	120	46.15
	Government Employee	63	24.23
	Others	5	01.92
	Total	260	100.00
Buying of Jewellery from	Traditional Family Jewellers	180	69.23
	Branded Store	78	30.00
	Online Retailers	2	00.77
	Total	260	100.00

50.77% of respondents represent the 3-5 lakhs rupee income group followed by 31% whom family income is below 3 lakhs rupee. It is inferred from analysis of table I that 46% of respondents are private employee followed by 24% government employee. 69% of respondents prefer to buy the

jewellery from traditional family jewellers. 30% of respondent visit branded store to buy the jewellery.

Table II show the adequacy the sample. KMO value is 0.766 which confirms the adequacy of sample for further analysis of data.

**Table II: KMO and Bartlett's Test**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.766
Bartlett's Test of Sphericity	Approx. Chi-Square	874.152
	df	340
	Sig.	.000

Table III depict the rotated component matrix. All nineteen statements can be classified into four components. First component contents seven variables. Second factor consist of

five variables. Four variables represent the third component. Rest of the items represented the fourth component. All these nineteen statement converged through 16 iterations.

**Table III: Rotated Component Matrix<sup>a</sup>**

	Component			
	1	2	3	4
Purity of Jewellery (in karat)	.846			
Design of jewellery	.844			
Durability of jewellery	.832			
Faith on jewellery maker	.810			
Price of jewellery	.768			
Availability of jewellery as customize design	.736			
After sales services	.710			
Discount offered		.825		
Location of Shop/Outlet		.773		
Advertisement		.740		
Availability of credit purchasing policy		.667		
Availability of payment terminals		.686		
Shop/Outlet architecture and interior design			.710	

Parking facility	.876
Surrounding area to shop/outlet	.754
Connectivity to market	.654
Family recommendation	.71
	2
Salesman's recommendation	.68
	3
Prior experience with shopper	.66
	4

Extraction Method: Principal Component Analysis.  
 Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 16 iterations.

Table IV shows summary of explored factors. All these four factors show 65.432% variation in consumer buying behaviour of jewellery. *Perceived quality* contribute the 25.976% variation in buy decision making process followed by second factor *promotion and payment options* which contribute

17.654% variation. Third most important factor is *Locality of shop* which shows the around 12% variation in decision making process of jewellery. Four and last important factor is *recommendations*. This research shows that recommendations of different person influence the buying behaviour of consumer.

**Table IV: Factor explored and indentified for understanding consumer buying behaviour of jewellery**

Factor	Name of Factor	Total Variance Explained (%)	Variables	Factor loading
1.	Perceived Quality	25.976	Purity of Jewellery (in karat)	.846
			Design of jewellery	.844
			Durability of jewellery	.832
			Faith on jewellery maker	.810
			Price of jewellery	.768
			Availability of jewellery as customize design	.736
			After sales services	.710
2	Promotion and Payment Options	17.654	Discount offered	.825
			Location of Shop/Outlet	.773
			Advertisement	.740
			Availability of credit purchasing policy	.667
			Availability of payment terminals	.686
3	Locality of Shop/Outlet	12.968	Shop/Outlet architecture and interior design	.710
			Parking facility	.876
			Surrounding area to shop/outlet	.754
			Connectivity to Jewellery Shop/Outlet	.654
4	Recommendations	8.834	Family recommendation	.712
			Salesman's recommendation	.683
			Prior experience with shopper	.664

**5. Conclusion**

Consumer buying behaviour is dynamic process which is static in nature. Every individual contains different psychology and family and social structure. It is very difficult to predict and understand the behaviour of individual in dynamic environment. This research contributes four factors which can help to understand in decision making process of buyer of jewellery.

These four factors are *Perceived Quality, Promotion and Payment Options, Locality of Shop/Outlet and recommendations*. This research study confirms that *perceived quality* is most influencer component in decision making process followed by *promotion and payment options*. Policy maker should concern the preference of individual buyer.

**References**

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