

# Customer's Behavior and Motivating Factors towards Purchase of Ornament Products - An Analytical Study

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*Customer behavior study is based on consumer buying behavior, with the customer playing the three distinct roles of user, payer and buyer. The objectives of the present study are to analyze the behavior of customers towards Thangamayil Jewelers, to find the motivating factors of customers in purchasing ornaments at Thangamayil Jewelers and this study is based on both primary and secondary data. This study to understand the behavior of the customers of Thangamayil Jewellery with reference to its Karaikudi Branch, apart from helping to acquire a better insights and understanding into the vital but trivial aspects of the Jewellery market, also helps in assessing the company's strength and weakness against the competing jewelry brands. In addition those for analyzing the collected data the appropriate statistical techniques like percentage analysis and Garret's Ranking Technique were used. This study reveals that the overview about the products sold by Thangamayil jewelers is satisfactory. Customer behavior towards the purchase decision is influenced more by trust worthy, service, price, and quality. As result, it has been observed from the respondent that the Thangamayil products are quality products and pricing is reasonable and affordable. But customers also expressed the need for improvement in schemes. To concludes the overall response of the customers of Thangamayil Jewelers' is good.*

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## **Introduction**

The success of the marketing efforts largely depends on the ability of the marketer to study the behavior of their present and prospective customers and to deal with them accordingly. The most popular construct which has been useful in better understanding them are economic, demographic, psychological, social and cultural factors. The interplay of these influences affects consumer purchasing and consumption patterns of products and services which they perceived as relevant to their life. Customer behavior study is based on consumer buying behavior, with the customer playing the three distinct roles of user, payer and buyer. Great importance is also placed on

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consumer retention, customer relationship management, personalization, customization and one-to-one marketing. Marketing provides services in order to satisfy customers. With that in mind, the productive system is considered from its beginning at the production level, to the end of the cycle, the consumer.

### Review of Literature

The researcher has made an attempt to present a brief review of the literature available which consists of theses, dissertations and articles in the related area.

V. Vijay Durga Prasad, (2010)<sup>1</sup>, in his article "**Hallmarking in India: a Major Quality Initiative in the Largest Gold Jewellery Market in the World**" says Indian hallmark consists of five marks: the first mark is the standards mark which is very similar to the BIS corporate Logo. The second mark, which is put on the hallmarked jewellery by the hallmarking centers, is the fineness mark, 916. Purity can be marked for different fineness such as 916 for 22 carat, 750 for 18 carat, or in the case of lower caratages, there is a provision in the standard to mark six caratages starting from 23 carat to 9 carat. The third mark, which is one of the components of the hall mark, is the assaying and hallmarking center's logo. The fourth mark is the jeweller's logo and the last one is the year of marking which is denoted by a letter. When the scheme started in 2000, the mark used was "A", 2001 was "B", 2002 was "C" and so on.

David Fickling (2010)<sup>2</sup>, in his article "**India's Gold Sales Likely to Grow**" the focus is on India, the world's biggest gold market, when buying gold is believed to bring good fortune. In India are expected to climb 3.6% in the coming days to a fresh record of 19,000 rupees (about \$420) for 10 grams in Mumbai, the country's gold hub. This is roughly equivalent to a little more than \$1,300 per troy ounce. The most actively traded gold futures contract, for June delivery, hit an intraday record high of \$1,249.70 a troy ounce on Comex division of the New York Mercantile Exchange. Futures gained 1.4% as the euro plunged to fresh lows, sparking volatility in equities, credit and commodities markets.

### Objectives of the study

The objectives of the present study are to analyze the behavior of customers towards Thangamayil Jewelers, to find the motivating factors of customers

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<sup>1</sup> V. Vijay Durga Prasad "Hallmarking in India: A Major Quality Initiative in the Largest Gold Jewellery Market in the World", International Journal of Marketing Studies, Vol. 2, No. 1; May 2010.

<sup>2</sup> David Fickling, "India's Gold Sales Likely to Grow", The wall street journal, Monday, May 17, 2010.

in purchasing ornaments at Thangamayil Jewelers and to offer suggestions based on the results of the study.

### **Methodology**

This study is based on both primary and secondary data. The primary data were collected from the respondents by the interview method by using an interview schedule. The secondary data were collected from books, journals, research reports, business dailies and web portals.

### **Area of the study**

This study to understand the behavior of the customers of Thangamayil Jewellery with reference to its Karaikudi Branch, apart from helping to acquire a better insight and understanding into the vital but trivial aspects of the Jewellery market, also helps in assessing the company's strength and weakness against the competing jewelry brands. Thangamayil Jewellery Limited was incorporated as a Private Limited Company on March 24, 2000 under the Companies Act, 1956 as Thangamayil Jewellery Private Limited vide Certificate of Incorporation issued by the Registrar of Companies, Tamil Nadu, Chennai. The name of the Company was changed to Thangamayil Jewellery Limited upon conversion into a Public Limited Company with effect from November 20, 2007 and a fresh certificate of incorporation has been obtained from the Registrar of Companies, Chennai, Tamilnadu.

### **Sampling Design**

The researcher adopted proportionate stratified random sampling technique to select the sample from the available universe. The respondents of the study consist of customers of the Thangamayil Jewellers alone. The details of customers have been collected from the database maintained by the Thangamayil Jeweller's, karaikudi. The sample respondents for the intensive study were selected from the four main towns Viz., Karaikudi, Devakottai, Pudukottai, and Thirupathur, representing the central, south, north, and west respectively. The details of sample selection for the present study are presented below,

### Selection of Sample for the Study

Towns	Customers	
	Total no. of customers as on 20-9-2011	% of customers selected as sample (5%)
Karaikudi	1640	82
Devakottai	936	47
Pudukottai	744	37
Thirupathur	400	20
<b>TOTAL</b>	<b>3720</b>	<b>186</b>

### Tools for Analysis

#### Percentage Analysis

Simple percentage analysis is one of the basic statistical tools which is widely used in analysis and interpretation of primary data. It deals with the number of respondents response to a particular question in percentage arrived from the total population selected for the study.

#### Garret's Ranking Technique

Garret ranks are calculated by using appropriate Garret ranking formula based on the Garret table value ascertained. The tables and scores of each factor are multiplied to ascertained rank. Finally the results get the Garret rank formula like,

$$=100 (R_{ij} - 0.5)/n_j$$

$R_{ij}$ -Rank given for  $j$ th variable by  $j$ th respondents of variable ranked by the  $j$ th respondents.  $N_j$  = Number of variables ranked by  $j$ th respondents

### Results and Discussion

#### Purchase of Ornament Products

Many kinds of ornament at products in the world but people particularly like gold, diamond, platinum and some stones. The Thangamayil Jewelers mainly focused on gold, diamond and platinum.

Table 1. Purchase of Ornament at Products

Product	Frequency	Percentage	Cumulative Percentage
Gold	168	90.3	90.3
Diamond	17	9.1	99.5
Platinum	1	0.5	100.0
Platinum	1	0.5	100.0
Total	186	100.0	

Source: Primary Data

From Table 1 it is clear that 90.3 per cent of the respondents buy gold, 9 percent buys diamond and 0.5 per cent buy platinum. Thus it is clear that the majority of the respondents buy gold product.

#### Types of Ornaments Purchased

Ornament types are determined according to the human body. There are different types of ornaments in the jeweler's field. The researcher has identified four main types of the ornaments, such as ring, chain, bracelet, and earring.

Table 2. Types of Ornaments Purchased

Ornaments	Frequency	Percentage	Cumulative Percentage
Ring	44	23.7	23.7
Chain	77	41.4	65.1
Bracelet	20	10.8	75.8
Earring	45	24.2	100.0
Total	186	100.0	

Source: Primary data

From the above Table 2 indicates that 23.7 per cent the respondents buy ring type of ornaments, 77 per cent buy chain type of ornaments, 10.4 per cent buy bracelet type of ornaments and 24.2 per cent buy earring type of ornaments. It is evident from the table the most of the respondents buy chain type of ornaments.

#### Preference for Jewels with Stone

Nowadays the ornament stones play in a crucial role in jeweler's field. People like unvalued stones. At present people like stone linked ornaments.

Table 3. Preference for Jewels with Stone

S.No	Preference	Frequency	Percentage	Cumulative Percentage
1	Yes	175	94.1	94.1
2	No	11	5.9	100.0
Total	186	100.0		

Source: Primary Data

It could be seen that the above Table 3, 94 per cent of respondents preferred jewels with stone and 5.9 per cent of the respondents do not prefer the jewel with stones. It is very evident majority of the respondents preferred jewel with stone.

#### Preference of Colours of Stones Link with Ornaments

People select the stone colours according to their desire. Sometimes people select the colours to their runt horoscope.

Table 4. Preference of Colours of Stones Link with Ornaments

Colours	Frequency	Percentage	Cumulative Percentage
<i>Red</i>	102	58.28	58.28
<i>Yellow</i>	21	12	70.28
<i>Green</i>	20	11.42	81.70
<i>Blue</i>	32	18.30	100.0
<i>Total</i>	175	100	

Source: Primary Data

From the above Table 4 it can be observed that 58.28 per cent of the respondents preferred the red color, 12 per cent are preferred yellow, 11.42 per cent of the respondents preferred green, and 18.30 per cent of the respondents are preferred blue color. Thus it can be observed that the majority of the respondents preferred red.

#### Amount of Gold Bought By the Customers

India is a tradition background country, so the people fixed gold ornaments are vital one for in any functions. People buy the gold ornaments in grams.

Table 5. Amount of Gold Bought By the Customers

Amounts	Frequency	Percentage	Cumulative Percentage
Below 10gms	11	5.9	5.9
10-20gms	85	45.7	51.6
20-30gms	20	10.8	62.4
30-40gms	54	29.0	91.4
Above 40gms	16	8.6	100.0
Total	186	100.0	

Source: Primary Data

From the above Table 5 it is clear that 45.7 per cent of the respondents buy 10 to 20 grams of gold, 29 per cent of the respondents buy 30 to 40 grams of gold, 10.8 per cent of the respondents buy 20 to 30 grams of gold, and 8.6 per cent of the respondents buy above 40 grams of gold. Hence the majority of the respondents have 10 grams to 20 grams of gold.

#### Frequency of Purchase

Most of the people buy gold for any general function. Sometimes people buy gold while the price is down.

Table 6. Frequency of Purchase

Often	Frequency	Percentage	Cumulative Percentage
Rarely	88	47.3	47.3
Frequently	16	8.6	55.9
Occasionally	82	44.1	100.0
Total	186	100.0	

Source: Primary Data

It could be seen from Table 6 that 47.3 per cent of the respondents are purchase ornaments rarely, 8.6 per cent purchase the ornaments frequently, and 44.1 per cent purchase the ornaments occasionally. Thus it can be majority of the respondents are purchase the ornaments rarely.

#### Consideration of Horoscope at the Time of Purchase

World wide many people believe in consulting their horoscopes to predict what helps or harms them. Astrology connects the planets which are supposed to influence the waves of individuals with certain precious stones. So some people are in the habit of selecting the composition of their jewelers so that the jewelers might bring them good luck. So the researcher asked the respondents whether they consulting their horoscope before buying jewelers.

Table 7. Consideration of Horoscope at the Time of Purchase

Horoscope	Frequency	Percentage	Cumulative Percentage
Yes	164	88.2	88.2
No	22	11.8	100.0
Total	186	100.0	

Source: Primary Data

From the above Table 7, it could be seen that 88.2 per cent of the respondents consider the horoscope at the time of purchase and 11.8 per cent of the respondents do not consider the horoscope at the time of purchase. Thus it can be majority of the respondents consider the horoscope at the time of purchase.

#### Media through which Respondents Learnt Thangamayil Jewelers

Media are a powerful tool for advertisements. The electronic and paper media impact on the people. The electronic Medias have the first place.

Table 8. Media through Which Respondents Learnt Thangamayil Jewelers

Media	Frequency	Percentage	Cumulative Percentage
Television	133	71.5	71.5
Radio	20	10.8	82.3
Magazines	33	17.7	100.0
Total	186	100.0	

Source: Primary Data

From the above Table 8 showing that 71.5 per cent of the respondents are came to know through the television, 10.8 per cent of the respondents are came to know through the radio, and 17.7 per cent of the respondents are came to know through the magazines. Hence it can be most of the respondents are came to know about Thangamayil jewelers through the television.

#### Influencer of Buying Decision

When people make pensive purchases of non-perishable goods they are likely to be influenced by people who influence the buying decision of his customers, he could try to bring their good opinion and goodwill. The researcher makes an effort to find who influenced them in decision making relating to the buying of jewelers.



Table 9. Influencer of Buying Decision

Influencer	Frequency	Percentage	Cumulative Percentage
Self	87	46.8	46.8
Parents	45	24.2	71.0
Friends	15	8.1	79.0
Relatives	17	9.1	88.2
Advertisements	22	11.8	100.0
Total	186	100.0	

Source: Primary Data

From Table 9 it is inferred that 46.8 per cent of the respondents are influenced by self, 24.2 per cent by parents, 11.8 per cent influenced by advertisements, 9.1 per cent influenced by relatives and 8 per cent influenced by friends. Thus it can be majority of the respondents are highly influenced by self.

#### Importance Given at the Time of Purchase

People give importance to the Thangamayil Jewelers for three factors reputation, reliability and tradition.

Table 10. Importance Given at the Time of Purchase

Factors	Frequency	Percent	Cumulative Percent
Reputation	113	60.8	60.8
Reliability	56	30.1	90.9
Tradition	17	9.1	100.0
Total	186	100.0	

Source: Primary Data

From Table 10 it is observed that 60.8 per cent of the respondents give importance to the reputation and 30 per cent to the reliability, and 9.1 per cent to the tradition. Hence it can be most of the respondents are give the importance to the reputation.

#### Awareness of the Schemes

Thangamayil jewelers give four schemes to the public and it shows in Table 11.

Table 11. Awareness of the Schemes

Awareness	Frequency	Percent	Valid Percent	Cumulative Percent
Yes	165	88.7	88.7	88.7
No	21	11.3	11.3	100.0
Total	186	100.0	100.0	

Source: Primary Data

From Table 11 it can be clearly seen that 88.7 per cent of the respondents are aware the schemes of Thangamayil Jewelers and 11.3 per cent of the respondents do not aware the schemes of Thangamayil jewelers. Thus it can be most of the respondents are aware the schemes of the Thangamayil jewelers.

### Types of Schemes

Data collected from the respondents and analyzed to find which scheme was highly preferred by most of the respondents. The various schemes offered by Thangamayil Jewelers was presented in Table 12

Table 12. Types of Schemes

Scheme of Months	Frequency	Percentage	Cumulative Percentage
6 Months	56	33.94	33.94
1 Year	76	46.34	80.28
3 Years	45	9.62	89.9
5 Years	18	10.10	100.0
Total	165	100	

Source: Primary Data

Table 12 shows that the 46.34 per cent of the respondents preferred the 1 year scheme, 33.94 per cent preferred the 6 month scheme, 10.10 per cent preferred the 5 year scheme and 9.62 per cent preferred the 3 year scheme. Hence it can be the most of the respondents are preferred the 1 year scheme.

### Satisfaction with Making Charges of Ornaments

Here the following table portrays the satisfaction with the making charges of ornaments, because the making charges differ from one shop to another shop.

Table 13. Satisfaction with Making Charges of Ornaments

Making charges	Frequency	Percentage	Cumulative Percentage
Yes	166	89.2	89.2
No	20	10.8	100.0
Total	186	100.0	

Source: Primary Data

Table 13 shows 89.2% of the respondents are satisfied with the making charges of the ornaments and 10.8% are not satisfied. Here most of the respondents are satisfied with the making charges of the ornaments.

#### Garret Ranking Technique

This technique was used to evaluate the factors influencing the customers of Thangamayil Jewelers. In this method, the customers were asked to rank the given problem according to the magnitude of the problem. The percentage position of each rank thus obtained was converted into scores by referring to the table given by Henry Garrett. Then for each factor the scores of individual respondents were added together and divided by the total number of respondents for whom the scores were added. These mean scores for all the factors were arranged in the order of their ranks and inferences were drawn.

Table 14. Factors influencing the customers to purchase ornaments from Thangamayil jewelers

S.No	Reason	Rank							Total
		1	2	3	4	5	6	7	
1	Quality	26	24	41	32	28	15	20	186
2	Designs	40	33	17	15	16	26	39	186
3	Company image	18	22	30	49	32	13	22	186
4	Offers	19	27	11	41	21	41	26	186
5	Schemes	23	42	23	6	35	23	34	186
6	Advertisement	35	17	22	25	34	32	21	186
7	Status symbol	25	21	42	18	20	36	24	186
	Total	186	186	186	186	186	186	186	

Source: Primary Data

Table 14 highlights the factors influencing the customers to purchase ornaments for Thangamayil Jewelers. The researcher has identified seven factors and asked them to rank. Based on the ranks awarded by the respondents in the interview schedule, the researcher has found that out of five respondents, two respondents placed in same rank to identify which is most vital one.

Garret ranks are calculated by using appropriate Garret ranking formula based on the Garret table value ascertained. The tables and scores of each factor are multiplied to ascertained rank. Finally the results get the Garret rank formula like

$$=100 (R_{ij} - 0.5) /n_j$$

$R_{ij}$ -Rank given for  $j$ th variable by  $j$ th respondents of variable ranked by the  $j$ th respondents.

$N_j$  = Number of variables ranked by  $j$ th respondents

Table 15. **Factor Influencing Purchase of Ornaments from Thangamayil Jewelers**

Factor	Rank							Garret Scores	Garret Rank
	1	2	3	4	5	6	7		
Quality	2054	1584	2337	1600	1204	510	420	9706	1
Designs	3160	2178	969	750	688	884	819	9448	2
Company image	1422	1452	1710	2450	1376	442	462	9314	4
Offers	1501	1782	627	2050	903	1394	546	8803	7
Schemes	1817	2772	1311	300	1505	782	714	9201	6
Advertisements	2765	1122	1254	1250	1462	1088	441	9382	3
Status symbol	1975	1386	2394	900	860	1224	504	9243	5

Source: Primary

Table 15 portrays the Garret scores. The highest score is awarded to the factor "Quality" with is ranked factor first, followed by "Designs". The least score is awarded to "offers". Hence it is inferred that "Quality" is the major factor that influenced to purchase ornaments from Thangamayil Jewelers.

### Suggestions

The researcher provides the following suggestions based on the findings of the study. The suggestions are

1. Thangamayil Jeweler customers are business men and high class people and have a high income, so it should be better to frame promotion programs targeting the middle and low class people.
2. It is that the use of branded jeweler increase with the increases in income. It means that people think that branded jeweler is costly as compared to unbranded. So, the Thangamayil jewelers should offer low price products and bring them the customer that branded jeweler is not so costly. This can be done through the use of suitable media.

3. Marriage seems to be the main occasion for the purchase of Jewellery. So, the Thangamayil jewelers should go for more promotional activities in the marriage season. Schemes such as exchange schemes or free gifts should be introduced in this season.
4. Design is the least considered factor. So, it suggested to the Thangamayil Jewelers to improve the designs.
5. With regard to advertising, the company should focus on persuasive advertising highlighting the unique feature and benefits of their products.
6. Only a few customers purchased diamonds and platinum ornaments, and so special attention should be paid in these areas.

### **Conclusion**

Thangamayil jewelers play a crucial role in the jewelry retail outlet in Tamilnadu. This study reveals that the overview about the products sold by Thangamayil jewelers is satisfactory. Customer behavior towards the purchase decision is influenced more by trust worthy, service, price, and quality. As result, it has been observed from the respondent that the Thangamayil products are quality products and pricing is reasonable and affordable. But customers also expressed the need for improvement in schemes. To conclude, the overall response of the customers of Thangamayil Jewelers' is good. The overall performances in all areas are satisfactory. But, there is some kind of promotion activities required to hold the present customer and make new customers.

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