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## *GST Awareness on Purchasing Gold Jewellery in Polachi Taluk*

**M. Gayathri<sup>1</sup>**

Research scholar

PG and Research Department of Commerce  
NGM college, Pollachi, Tamil Nadu – India

**R. Vidwakalyani<sup>2</sup>**

Assistant professor

Department of commerce (E \_Commerce)  
NGM college, Pollachi, Tamil Nadu – India

**Abstract:** *Gold is precious yellow metal in Indian culture organization. This study is identified the awareness on purchasing of gold jewellery in pollachi taluk. The main objective of the study is to measure the level of awareness on purchasing of gold jewellery. The data is collected through questionnaire, with the sample size of 204 respondents. The collected data is analyzed using simple percentage, ANOVA and weighted average method. The study found that the level of awareness on buying behavior of gold jewellery. Customers should aware of gold purity, wastages charges, making charges and GST charges. Government should concentrate the awareness advertisement program created by purchasing of gold jewels.*

**Keywords:** *Gold jewellery, buying behaviour, preference, Gold Investment scheme and level of GST awareness.*

### I. INTRODUCTION

Gold is considered as a symbol of status among people and it is one of the precious yellow metals. Gold is a valued commodity, particularly in India where it's considered favorable and has been use for centuries in the form of ornaments, coins and other assets. Indian consumers have greater attraction towards purchasing of gold jewellery, especially women consider gold ornaments as their vital necessity in day – to – day life. Now a day cost of the gold jewellery is very high as well as the potential of customers purchasing gold is also high and they are investing gold like bullion, E-gold, paper gold, mutual fund and other gold investment scheme. GST is a popular issue that is being discussed by people day to day, it is necessary to know whether the customers are aware of the government's plan and do they have knowledge on this issue. It is concluded that providing adequate and relevant information is necessary to make them better understand the general principle of GST by organizing seminar, talk, training, course and forum in order to increase awareness on and knowledge and also conform to regulation.

### II. STATEMENT OF PROBLEM

Now days the customers at more dynamic, their needs and preference can be changing as per current scenario. Thus, there is a need to study the different purchasing behavior of the people and adopt the changes as per the modern trendy people requirements. However the following questions may arise regarding customer awareness.

- 1) What are the factors affect in buying behaviour of gold jewellery?
- 2) What is customer's preference of gold ornament items?
- 3) What is the level of awareness on purchasing gold jewellery?

### III. OBJECTIVE OF THE STUDY

1. To analyze the consumer buying behavior of gold jewellery in Pollachi.
2. To study the consumers preference of gold jewellery items in Pollachi taluk

3. To find out the customers level of awareness about purchasing of gold jewellery.

#### IV. REVIEW OF LITERATURE

**Bhuvanshkumar and kungumathiviya(2014)** undertook “A study on customer behaviour towards gold jewellery purchase” The study revealed that analysing personal factors of the respondents were dependent on purchase of jewellery. **Gomathy and Yesodhadevi (2015)** made a study on “Consumer behaviour in purchase of Gold Jewellery –An analytical study, Outcome of the study require that, most of the consumers purchase gold jewellery because it helps them at the time of emergency. **AnanthaLaxmi and ArunSarathKumar (2016)** carried out a study entitled “Awareness and attitudes of consumers in using internet for online purchase” The outcome of the study was that the age and monthly income does not affect the attitude of consumers in buying goods online. **Prabhakumari and Anitha (2016)** made a study on “A study on consumer preference towards gold jewellery shop in erode city” The outcome of the study was attractive advertisement they chose for qualities, design are prefer by respondents. **Priyankagautam1 and Urmilathakur (2015)** made a study on "A customer preference-among branded and non-branded jewellery" The finding of the study has been said that, consumers prefer buying branded jewellery over non branded jewellery.

#### V. DATA AND METHODOLOGY

The study is concerned with customers of customer awareness about after GST. The data required for the study is primary in nature. The total part of the study 204questionnaires, are distributed and collected for the analysis. Tools used for this study Simple percentage, weighted average method and ANOVA. Convenient sampling method is adopted to select the sample users.

#### VI. RESULTS AND DISCUSSION

##### *Demographic profile, buying behavior and awareness of the respondents*

Simple percentage analysis was used to analyze the data collected regarding data

**Table 1 Personal profile & buying behavior**

Parameters	Number of Respondents (N=204)	Percentage
<b>Age(in years)</b>		
a) 18-20	59	29
b)21-40	103	50
c)41-60	26	13
d) Above 60	16	8
<b>Area of residence:</b>		
a)Rural	120	59
b)urban	52	25
c) Semi urban	32	16
<b>Gender:</b>		
a)male	62	30
b)female	142	70
<b>Marital status:</b>		
a)Married	74	36
b)unmarried	130	64
<b>Type of family:</b>		
a)Joint	62	30
b)Nuclear	142	70
<b>Educational Qualification:</b>		
a)up to HSC	33	16.1
b)UG	66	32.4
c)PG	64	31.4
d)Others	41	20.1

<b>Occupation</b>		
a)Agriculture & Home maker	36	18
b)Business	33	16
c)Student	57	28
d)professional	39	19
e) Government employee	23	11
f)Private employee	16	8
<b>Family Income:</b>		
a)up to 10000	61	30
b)10001-20000	75	36.8
c)20001-30000	40	19.4
d)above 30000	28	13.8
<b>Purpose :</b>		
a)Investment	82	40
b)Personal use	97	48
c)Gifts	15	7
d)Fashion	10	5
<b>Place of purchase</b>		
a)local shop	42	21
b)Goldsmith	41	20
c)Branded jewellery shop	102	50
d)Online purchase	19	9
<b>Type of gold jewellery</b>		
a)Gold jewellery studded with colour	64	31
b)Plain gold jewellery	98	48
c)Gold jewellery studded with diamonds	24	12
d)Pearl gold jewellery	18	9
<b>GST affect</b>		
a)High	75	37
b)Natural	100	49
c)Low	29	14

Source: primary data

The above table 1 describes about awareness on 204 respondents are Majority 103(50%) of the respondents are in age group of 21-40 years. Most 120(59%) of the respondents are residing in rural area. Majority 142(70%) of the respondents are female. Most 130(64%) of the respondents are unmarried. 66(32.4%) of the respondents educational qualification is under graduate. Majority 57(28%) of the respondents are students. 142(70%) of the respondents belong to nuclear family. 75(36.8%) of the respondents monthly family income ranges between Rs.10, 000 – Rs.20, 000. Majority 97(48%) of the respondents are buying a gold jewellery for personal use only. Majority 102(50%) of the respondents are purchasing of gold jewellery from branded shop. 98(48%) of the respondents purchase plain gold jewellery. Majority100 (49%) of the respondents say GST effects safe zone level while purchasing gold jewellery.

Table 2 Awareness of gold jewellery

Awareness	Number of Respondents (N=204)	Percentage
<b>Source of GST information</b>		
a)Advertisement and Net	77	38
b)Word of mouth	55	27
c)News paper	31	15
d)Banners/posters	24	12
e)Magazines	17	8
<b>Track of gold price before purchase</b>		
a)Once a week	53	26
b)Once in a month	54	26.5
c)Once in a six month	48	23.5

d)Don't check	49	24
<b>Branded jewellery shop</b>		
a)Yes	165	81
b)No	39	19
<b>Hallmark</b>		
a)BIS logo	91	45
b)Purity of gold	62	30
c)Assay centre	13	6
d)Jewellers identification mark	28	14
e)Year of making	10	5
<b>Purity level</b>		
a)24 karat	84	41.17
b)22 karat	83	40.6
c)20 karat	14	6.8
d)18 karat	11	5.3
e)14 karat	12	5.8
<b>Karat meter</b>		
a)yes	129	63
b)No	75	37

Source: Primary data

Table 2 reveals that 77(38%) of the respondents source of information about view the jewels designs is through advertisement and net. 54(26.5%) respondents are keeping in watch of gold price for once in a month. 165(81%) of the respondents are aware of the branded jewellery available in the market. 91(45%) of the respondents identity hall mark are BIS logo. Majority 84(41.17%) of the respondents buy gold 24 karat. 129(63%) of the respondents check jewels in karat meter.

**Table 3 GST Awareness on investment scheme Gold Investment scheme**

Gold investment scheme	Aware	Neutral	Unaware	Total
Gold deposit(GMS-govt)	118(58%)	64(31%)	22(11%)	204(100%)
Gold bonds(govt)	86(42%)	93(46%)	25(12%)	204(100%)
Gold coin and bullion(Govt)	99(49%)	74(36%)	31(15%)	204(100%)
Chit fund(monthly saving amount)	74(36%)	94(47%)	36(18%)	204(100%)
SBI gold	56(27%)	91(45%)	57(28%)	204(100%)

Source: Primary Data

Hence, it is result that majority of the respondents 118(58%) are aware of Gold deposits, 95(47%) respondents are under the category of safe zone like neutral and SBI gold 57(28%) respondents are unaware.

**Preference for Gold Ornaments Items****Table 4 Weighted ranking analysis**

s.no	Ornaments items	Mean	Rank
1	Bangle	2.52	III
2	Bracelet	2.46	IV
3	Chain	2.72	I
4	Ear ring(stud)	2.72	I
5	Necklace	2.32	VI
6	Nose ring	1.76	XII
7	Ring	2.40	V
8	Toe rings	1.87	IX
9	Waist chain	1.80	X
10	Pendants	2.24	VII
11	Anklet	1.99	VIII
12	Armllets	1.77	XI
13	Head locket	1.71	XIII

Source: primary data

Majority of respondents preference, gold ornament items have ranked "Chain" and "Ear rings" as 1<sup>st</sup> followed by 'Bangle', 'Bracelet', 'Ring', 'Necklace', 'Pendants', 'Anklet', 'Toe rings', 'Waist chain', 'Armllets', 'Nose ring' and 'Head locket'.

**Associate between personal profiles and GST awareness on purchasing of gold jewellery**

Table 5 ANOVA &amp; level of awareness

Personal profile	Calculated F value	Tablevalue@5%level	Significant / not significant	Hypothesis Accept/reject
Age	1.237	2.60	Not Significant	Accept
Gender	0.517	3.84	Not significant	Accept
Marital status	1.273	3.84	Not significant	Accept
Educational qualification	2.618	2.60	significant	Reject

Source: primary data

From the above table 5 reveals there is an association between level of awareness and educational qualification. That result is rejected.

There is no significant association between level of awareness and demographic factors sources that age, gender, marital status. That result is accepted.

#### VII. LIMITATION OF THE STUDY

- ❖ The primary data is collected through questionnaire. So, all limitations to it are binded.
- ❖ This study is based on information of 204 respondents only. So this finding and suggestions of the study cannot extent to all cities.
- ❖ The study has been undertaken for one year only.
- ❖ Time was a limiting factor for the study, so data from sample may not reflect the whole.

#### VIII. SUGGESTIONS

- ✓ Customer should aware of gold purity, wastage charges, making charges and GST charges also.
- ✓ Government should take necessary steps to improve ETF's and investment scheme.
- ✓ Reduce GST for old gold to make new gold.
- ✓ Every jewellery shop check jewels karat meter (assay centre) followed.

#### IX. CONCLUSION

Gold is the most precious metal. It has a prestige status in the society. In India from earlier times, the kings were also interested to have more gold ornaments. Now-a-days investors more preferable investment avenue is gold. Customers should be aware of gold purity, wastages charges, making charges, GST charges and government should concentrate on more advertisement program created for purchasing of gold jewels in a public. In future government should introduce concepts like "**Government Gold Jewellery Shops**". It will be more useful for middle income groups.

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