

A STUDY ON CONSUMER PREFERENCE ON BRANDED JEWELLERY AND NON-BRANDED JEWELLERY

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ABSTRACT : The study of consumer behavior help marketer to forecast a consumer behavior in the market; it also manufacturing understanding of the role that consumption has in the lives of individuals. Consumer behavior is defined as a behavior that consumers display while searching for purchase, evaluation, using and disposal of products, services and ideas that they to satisfy their needs. The study of consumer behavior is concerned not only with what consumers buy, but also with what they buy it, when, from where and how they buy it and how often they buy it. It is concerned with learning the specific meanings that products hold for consumers. Consumer research takes place at every phase of the consumption process; before the purchase, during the purchase and after purchases. It attempts to understand the buyer decision processes/buyer decision making process, both individually and in groups. It studies characteristics of individual consumers such as demographics, psychographics, and behavioral variables in an attempt to understand people's wants. It also tries to assess influences on the consumer from groups such as family, friends, reference groups, and society in general.

KEYWORDS: Non-branded jewellery, Branded Jewellery, need, purchasing power

INTRODUCTION

Till the early 1990s, the average Indian bought jewellery for investment rather than for adornment. Jewellery made of 18-karat gold was not favored as it was considered a poor investment. Around 5000 years prior, individuals started getting inquisitive about decorating themselves with gems things to embellish themselves and its appeal has not diminished from that point forward. Branded jewellery also gained assumption forcing non-branded jewelers to go in for branding. Given the opportunities the branded jewellery market offered; the number of gold retailers in the country increased sharply. Branded players such as Tanishq, Gilli, TBZ, Kalyan Jewellers etc. opened outlets in various parts of the country. Non-Branded jewelers also began to bring out lightweight jewellery, and some of them even launched their in-house brands The branded jewellery segment occupied only a small share of the total jewellery market because of the mindset of the average Indian buyer who still regarded jewellery as an investment. Moreover, consumers trusted only their family jewelers when buying jewellery. Consequently, the branded jewellery players tried to change the mindset of the people and woo customers with attractive designs at affordable prices.

However branded jewellery players will continue to face lot of competition from local jewelers. In order to gain market share, they will have to come up with designs that customers want and win the trust and confidence of consumers by hallmarking and demonstrating the purity of the gold used by them.

The diamond and gems industry in India is an exceptionally divided one comprising of in excess of 50000 pearls and ornaments players the nation over. Despite the fact that larger part of the players is little, India is turning into a worldwide sourcing goal by worldwide organizations like Walmart and JC Penney. Sorted out retail is 4-6% of the market yet it apparently is developing at a quick pace with individuals' disposition being increasingly ideal towards the sorted out retail part. Pearls and gems segment is an essential piece of the Indian economy as it is send out situated and work escalated. It is a developing division and has added to around 14% in India's absolute product trades in 2011-12. As we realize that ornaments is an extravagance thing and really one of the significant parts of the Indian extravagance advertise, the Indian extravagance market is developing at a Compounded Annual Growth Rate (CAGR) of 25-30% per annum. India is one of the biggest consumer of gold with over 20% offer in the all out world gold utilization. India is likewise the world's biggest center point for cutting and cleaning of precious stones. 80% of the ornaments market is overwhelmed by gold and precious stones. In this way, India is a rewarding business sector principally because of the accessibility of exceedingly talented work and low generation costs notwithstanding the strong government approaches and positive business condition.

Gili, Tanishq, Carbon, Oyzterbay and Trendsmith are real brands in the Indian ornaments part. Dependence Retail, Damas ornaments, Gitanjali Gems, Swaroski, Diamond Trading Company, Gold Souk India, Dubai-based Joy Alukkas, Viswa and Devji Diamonds and Vardhaman Developers are significant players in the Indian retail area. Pearls and Jewelry segment has been announced as a center territory for fare advancement by the Government of India.

JEWELLERY RETAIL SECTOR

As per reports by Gems and Jewelry Export Promotion Council (GJEPC) as appeared in figure underneath, from 29.4 US \$ Billion out of 2009-10 to 36.2 US \$ Billions of every 2014-15 India has seen ascend in fare of diamond and gems fragment. Following comparable pattern, the fare of cut and cleaned precious stones has ascended from 18.2 US \$ Billion out of 2009-10 to 23.2 US \$ Billion in year 2014-15. The significance of diamonds and ornaments in our nation is exhibited by this reality and the commitment to the development of our GDP also which is giving outside trade and work to the general population of our nation.

The Indian gems and jewellery market continues to be dominated by the Unorganized sector. There are over 2.5 million jewellery shops in India and most of them are family run. However, with the Indian consumer becoming more Aware and quality conscious, branded jewellery is becoming very popular and the Market for branded jewellery is likely to be worth US\$ 2.2 billion by 2010. With an Increasing number of jewellery houses entering the branded jewellery sector, Retail of jewellery is becoming organized. Moreover, the government allows 51 percent foreign direct investment in single brand retail outlets, attracting both Global and domestic players to this sector. A booming market has in recent years attracted a large number of players to the Indian gems and jewellery. Consumer behavior is a relatively new field of study emerged in late 1960s with no history or body of

research of its own unlike branches of economics. Many early theories concerning consumer behavior were based on economic theory on the notion that individuals act to maximize their benefits in the purchase of goods and services. The gems and jewellery industry occupies an important position in the Indian economy and is one of the fastest growing industries in the country. Hence the research conducted would help me Understand the consumer's preference while purchasing jewellery. How much impact does a brand have on their purchase decision? Does price play an important role in guiding their purchase decision? The previous research done on branded and non branded jewellery markets are Indian Gems and Jewellery Market - Future Prospects to 2011, The impact of recession on the jewellery industry, The growth of the Branded jewellery market in India The study would also help to find out the consumer preference and their buying behavior towards branded and non branded jeweler's, this would help both the retailers to know what are the consumer preference and what strategies should they adapt to grab the market.

GEOGRAPHICAL CLUSTERS OF GEMS AND JEWELLERY INDUSTRY

Mumbai is the center point of India's ornaments industry getting the greatest number of gold and jewel imports. Different exceptional financial zones are available in Mumbai supporting a ton of present day, self-loader manufacturing plants and laser-cutting units. Precious stone handling is significantly done in Gujarat in Surat, Bhavnagar, Ahmedabad and Bhuj. Rajasthan likewise has numerous precious stone preparing focuses however Gujarat still contributes 80% of the absolute jewels handled in India.

CHALLENGES FACED BY THE INDUSTRY

- **Dependence on Import-** As the pearls and gems industry can't meet its crude material prerequisites, it needs to rely upon the imports which significantly comprises of harsh jewels (practically half). India is likewise the biggest shopper and shipper of silver on the planet.
- **Lack of Financial Support-** Adequate help with terms of fund isn't been given by the banks of our nation. Despite the fact that the gross credit arrangement towards the diamonds and ornaments industry been expanding regarding esteem yet it is still under 3%. As the business is significantly framed by little disorderly players, banks and money related establishments delay to give them with help and on the off chance that they do, they do at a high rate of enthusiasm with individual insurances in question which is demonstrates to be hurtful for the development and funds of the independent ventures and proprietors.
- **Exchange rate fluctuations-** As the pearls and ornaments industry is fundamentally send out import arranged, any variance in conversion scale influences the edges of the members engaged with exchange. Therefore, rupee/dollar conversion scale is a significant determinant of the benefits
- **Threat of Competition-** China is a noteworthy risk to this industry inferable from shabby work, foundation and steady government. In spite of the fact that India is one of the significant center points of precious stone handling, despite everything it faces aggressive danger from China as far as innovation too. Israel and Belgium are

different nations representing a risk because of their sound and proficient innovation in diamonds and ornaments industry.

- **Changing Consumer Preferences** - India has deficient plan focuses or focuses wherein criticism can be acquired to tailor the gems according to the changing patterns and fashion. Thus, it needs advancement and is at times not ready to keep with the pace of the developing style needs of the general population. Producers make explicit kinds of gems according to the interest however as the design needs keep quickly changing, the interest steadily decreases which prompts stock heap up because of the powerlessness to auction everything.

DEMAND DRIVERS OF THE INDUSTRY

- **Investment and Savings Tool**- The family unit reserve funds and the spending intensity of the consumers have expanded throughout the years despite the fact that because of expansion the development rate has diminished. The youthful and gaining populace in our nation is one of the biggest and they are happy to dish out more cash for good administration and configuration went with more prominent straightforwardness. This will help position ornaments as a way of life item. As land and money related market were not ready to pull in the particular measure of addition now and again, gold turned into a progressively worthwhile choice for speculation and buyers have been progressively putting their surplus assets into gold.
- **Penetration of Organized Players**- The composed retail brands are coming into the scene to rule. The main brands have a great deal of chances to develop. They likewise guarantee a ton of assortment in items and plans. Notwithstanding the assortment and administration, they give financing plans to further lift the deals to make it advantageous for the shoppers. This is to a great extent seen in level 1 and level 2 urban areas for the time being.

GOVERNMENT INITIATIVES AND POLICY SUPPORT

- The Government has found a way to give pearls and gems industry a lift by chipping away at different zones like financing, foundation (SEZs and EPZs), obligations and duties.
- Middle class and different segments of society have been offered tax reductions. For the expense piece Rs. 250000-500000, it is 5% now which was 10% at first according to the Union Budget 2017-18. This will build utilization and support the diamonds and gems industry.
- A huge number of MSME pearl and ornaments exporters will profit by the proposition of 25% assessment rate cut for Micro, Small and Medium Enterprises with a yearly turnover of upto 50 crores.
- The Government of India likewise reported the proposition of building up gold spot trade which will enable India to decide the cost of gold in the universal markets.
- As individuals are urged to utilize plastic cash or MasterCard's attributable to the move of demonetization, individuals are purchasing ornaments with it which is great over the long haul guaranteeing straightforwardness too.

- To mitigate weight on the exchange balance and lessen gold imports, the Central Bank of our nation, the RBI (Reserve Bank of India) has reported standards for gold monetization which will support people, trusts and shared assets to store gold with banks.
- With changed gold import standards by the RBI, star and chief fare houses can import wares and banks can offer gold for local use as advances to dealers and diamond setters.
- The Memorandum of Understanding (MoU) marked with Russia to source information on precious stone exchange between the two nations will help create Mumbai in the same class as Antwerp and Dubai which are the top jewel exchanging center points. India being the top worldwide processor of precious stones while Russia being the biggest unpleasant jewel maker. Legislature of India expects to set up a unique tax reductions zone in Mumbai to satisfy the above said objective.
- By 2022 more than four million individuals are expected to be prepared by the Gems and Jewelry Council to fight the absence of gifted labor. The committee likewise plans to tie up with existing preparing establishments like Gemological Institute of America (GIA) and Indian Gemological Institute (IGI). It additionally plans to build up new establishments in significant precious stone cutting and handling focuses.
- A ornaments park is proposed to be based on Thane-Belapur Road around 5 kilometers from Mumbai to give the gems business a lift with all the advanced offices and administrations.
- A three-year graduate program in Jewelry Design and Manufacturing Techniques with a prologue to Management studies has been presented by Indian Institute of Gems and Jewelry (IIGJ) in a joint effort with the Welingkar Institute of Management.
- To activate huge amounts of gold put away in the families and sanctuaries, the Government of India concocted Gold Metal Loan (GML) and Gold Deposit Scheme (GDS) in September 2015. The presentation of Sovereign Gold Bond Scheme was endorsed by the Union Cabinet under which the gold bonds named in grams of gold will be issued to people win discussion with the Ministry of Finance, by the RBI.

INVESTMENTS/DEVELOPMENTS

As buyers are step by step embracing toward the western ways and way of life, their inclinations have likewise seen a change. They request new structures and assortment in the gems and not simply adhere to the conventional ways. In this situation, the marked gem specialists are in a superior position to satisfy the requests than the nearby disorderly players. Besides, gems have turned into a materialistic trifle now because of the expansion in per capita salary which has likewise prompted the increment in offers of ornaments.

As indicated by Department of Industrial Policy and Promotion (DIPP).The combined Foreign Direct Investment (FDI) inflows in precious stone and gold ornaments in the period April 2000-September 2016 were US\$ 851.34 million. A portion of the key interests in this industry are recorded beneath. An venture of US\$ 5 million has been made by the International Institute of Diamond Grading and Research (IIDGR) in the extension of its engineered precious stone testing office in Surat.

- Kalyan Jewelers have plans of extension in Northern and Eastern districts of India alongside West Asia. They intend to contribute Rs. 500 crore (US\$ 75 million) to include 15 new showrooms and contribute 900 crores (US\$ 133.55 million) throughout the following 3 years to set up their quality in Sri Lanka, Malaysia and Singapore.
- Faberge, London's ultra-extravagance gem specialist claimed by Gemfields Plc. which is one of the world's top emeralds and rubies-digger has chosen to enter Indian market to focus on the uber wealth in Mumbai and Delhi with the assistance of select trunk appears.
- An fare request contract from Singapore worth Rs 1045 crore (US\$ 154.85 million) of architect scope of gold and precious stone studded ornaments and emblems has been won by an Indian Jewelry exporter and retailer, Rajesh Exports Limited (REL).
- 'Bjewelz' brand possessed by Birla Jewels Ltd., an entirely claimed auxiliary of KSS Ltd. which is an advanced and amusement major is wanting to open 500 stores to go into gems retailing.
- Lightbox Ventures, an investment firm has supported (US\$ 5million) a Bengaluru-based online ornaments start-up named Melorra for brand building, ability procurement and innovation improvement.
- To enable Indian producers to straightforwardly manage the excavators and dispose of go between in precious stone exchange, real mining organizations like Rio Tinto, Alrosa and De Beers have chosen to take an interest in the Indian Diamond Trading Center (IDTC).
- To set up India's first bullion trade through a Special Purpose Vehicle (SPV), an agreement has been marked between India Bullion and Jewelers Association (IBJA) and Bombay Stock Exchange (BSE) with the last holding 30 percent stake.
- Five Montblanc Boutiques are intended to be opened in Mumbai, Delhi, Hyderabad and Pune through a joint endeavor with Titan Co Ltd. which is India's biggest watchmaker.
- Joyalukkas plans to add on to its current 95 outlets by setting up 20 additional stores in India and 10 abroad with a speculation of Rs 1,500 crore (US\$ 220.08 million).
- Gemfields, a global firm having some expertise in shading gemstones mining and promoting is wanting to gain shading gemstone mines in Odisha and Jharkhand, and partake in the investigation of the Kashmir sapphire mines.
- Rs 135 crore (US\$ 20.28 million) was contributed by Creador which is a Private Equity Firm giving long haul interests in India, Malaysia and Singapore, for a minority stake in PC Jeweler Limited.
- Kalyan Jewelers intends to utilize the store of Rs 1,200 crore (US\$ 176 million) given by US Private Equity Firm Warburg Pincus to extend its assembling and retail tasks.

BRANDED JEWELLERY RETAIL CHAINS IN INDIA

India houses probably the best and confided in brands in the nation and over the globe. Due to the few opportunites in this part, many composed retailers have entered the market. These retailers are in charge of changing the essence of the Indian pearls and gems

part. The items offered by them are designed by expert degree holders in the field from understood foundations. It isn't that the conventional diamond setters have left business however they also have been consolidated and the entire idea of

Tanishq- It is a standout amongst the most well-known gems brands of India and is headquartered at Bengaluru, Karnataka. It is an auxiliary of Titan Industries of the Tata Group and advanced by TIDCO (Tamil Nadu Industrial Development Corporation) too.

- PC Jewellers
- BhimaJewellers
- PC Chandra
- Malabar
- TBZ-Tribhovan das Bhimji Zaveri
- Kalyanjewellers-
- Josco Group
- Senco
- Amrapali
- Diya diamond
- Rivaaz jewellery
- Parineeta
- Kiah
- Nirvana
- C. KrishniahChetty& Sons

BRANDED VS UNBRANDED JEWELLERY

Basis of Distinction	Branded Jewellery	Unbranded Jewellery
Unique Selling Point	Name, reputation and confidence attached to the brand.	Tailor made jewellery according to one's preferences.
Guarantee	Written Guarantee for a lifetime.	No Written Guarantee as such; solely based on trust.
Services Offered	Attractive packaging, Ethical Selling Policies, Top notch quality, Effective Post-sale services.	Minimum efforts on advertising, packaging and finishing.
Look	Classy, modern, contemporary.	Bulky and traditional.
Availability	In multiple outlets. I	In selected traditional outlets locally.

Factors that influence Consumer Buying Behaviour towards Unbranded Jewellery

- 1.Price:
- 2.Family Trust:
- 3.Design Customization:

4.Purity:

Factors that influence Consumer Buying Behaviour towards Branded Jewellery

- 1.Payment Option
2. Purity
3. Variety of Designs
- 4.Brand Image
- 5.Service and Display

CONCLUSIONS

The conclusions that can be drawn from the study are:

The guiding factor behind purchasing jewellery is price, purity and design which score the maximum. Other factors are variety, the brand image, influence of family and friends. The least guiding factor for purchasing jewellery is the service and display. Hence when a customer goes to buy jewellery they do keep the price in mind followed by the purity and the design. Factors like service given the shop or by the jeweler and the display do not have a very big impact on the customers. Branded jewellery is extremely popular since it has 100% awareness. This may be due to the wide spread publicity taken up by the various brands. Brands like Kalyan, joyakkulas; Malabar and Tanishq are again the most popular brands.

Trend smith is a brand by Tnisqe Tribhovandas Bhimji Zaveri (TBZ) which is not very popular. As stated in the literature review that „there was a shift in consumer tastes: women were increasingly opting for fashionable and lightweight jewellery instead of traditional chunky jewellery“. It is proved to be correct by this research as respondents have selected fashion over investment while purchasing jewellery. Now jewellery is regarded as more of an accessory and less of an investment. Branded jewellery is bought by more than 3/4th of the population. Hence it can be said that the population is aware and has also tried these brands. When jewellery is bought for gifting purpose the population still wants to buy it from their family jewelers. When it comes to family jewelers the level of satisfaction that the population has on a scale of 1 to 10 is a little more than 7. These jewelers are also popular because of the trust that they have with their customers and also because they charge reasonable prices.

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