

Print ISSN: 1738-3110 / Online ISSN: 2093-7717
doi: <http://dx.doi.org/10.13106/jds.2013.vol11.no7.31>

[Field Research]

A Study on Spending Patterns and Buying Motives of Indian Gold Consumers

Rajasekhara Mouly Potluri*, Rizwana Ansari**, Srilakshmi Challagundla***

Abstract

Purpose - The objective of this research is to be acquainted with the spending patterns and buying motives of Indian gold consumers along with the opinions of gold traders.

Research design, data, and methodology - The study administers a structured questionnaire survey with 450 consumers and conducts personal interviews with 60 gold businesspersons in the Indian state of Andhra Pradesh, a leading gold consuming state in the entire country. Using Analysis of Variance, the collected data was analyzed and the hypotheses were tested.

Results - Results indicate that 85 percent of Indian gold consumers are purchasing gold in the form of ornaments and jewellery as against 10 percent invested in gold coins/bars. Another 5 percent consumers is investing in gold by choosing either gold traded mutual funds or gold schemes introduced by corporate gold traders.

Conclusions - Majority of the Indian gold consumers are considering occasions and festivities while buying gold and then giving preference to price as against least preference to recommendations of brand ambassadors.

Keywords : Gold Consumers and Traders, Spending Patterns, Buying Motives, Gold Ornament Market, India.

JEL Classifications : L81, L89, M30, M31, M39.

1. Introduction

The world's largest democratic country India has a blend of different cultures, sub-cultures, communities, customs, food habits and dressing. But the affection on gold is universal across the length and breadth of the nation. Gold is not just a metal for affluent class anymore in India because it is part and parcel of their tradition. Buying gold is considered auspicious during the births, religious festivals and marriages in India. Right from the birth to death, this precious and inert yellow metal plays an epochal role in their culture. To express their love and affection, majority of the Indians are enduing gold ornaments from the newly born baby to surprisingly even at the time of funeral, they dropped modicum of gold in the mouth of the diseased. Gold plays a prominent role in the Indian weddings and subsumed as mandatory obligation rather than a luxury. The gold and silver ornaments received by the bride are called her "Streedhan" ("Stree meaning woman and "dhan" meaning wealth) and are a means of passing on some birthright to daughters, as Hindu tradition dictates that the family assets are only passed down to sons. The Streedhan will remain the property of the bride, allowing her parents to ensure she is economically secure.

Gold is especially imperative in this respect as it remains directly under wives control. Even though, India is the largest market for gold, frankly speaking there is no matured way of purchasing gold because of plethora of reasons. Some of them are lack of ken in identifying gold purity, poor estimation on price fluctuations, exploitation towards making and wastage charges, charging gold prices even for stones used in the jewellery and the greedy nature of gold businessmen etc. Henry Ford had once remarked, "If I asked my customers what they want, they simply would have said 'a faster horse'". He meant to say that consumers simply do not know what they want (4Ps Business and Marketing, 2012). This statement given by Henry Ford is a perfect personification which clearly resembles the mind set of Indian gold consumers.

In the last two to three decades, drastic changes have taken place in the consumers, markets and marketers in every sector of the Indian market in general and gold market in particular. Like the global consumer, Indian consumer is not only a king over the decades since liberalization but has conferred with the status of most vulnerable community. India's favorable demographic trends like growing affluent middle classes and declining age profile should ensure buoyant consumption growth (World Gold Council, 2013a). Along with these, reasons like treating gold as a major investment option, using

* First Author and Corresponding Author, Professor & Head, Department of Management Studies, Nimra Institute of Science & Technology, Nimra Nagar, Jupudi, Ibrahimpatnam- 521 456, Andhra Pradesh, INDIA. Tel: +91-866-288-2911 Fax: +91-866-288-1852. E-mail: prmourly@yahoo.co.in

** Professor, Nimra College of Business Management, Nimra Nagar, Jupudi, Ibrahimpatnam- 521 456, Andhra Pradesh, INDIA. Tel: +91-866-288-2786, Fax: +91-402-353-5900. E-mail: rizwanark@hotmail.com

*** Assistant Professor, Department of Management Studies, Nimra Institute of Science & Technology, Nimra Nagar, Jupudi, Ibrahimpatnam- 521 456, Andhra Pradesh, INDIA. Tel: +91-866-288-2911, Fax: +91-866-288-1852. E-mail: csrilaxmi@gmail.com

of gold ornaments by the male and younger community, wide availability of credit facilities, enhancing trend of industrial demand, also led to augment the growth of gold demand. This Indian affinity towards gold besides changing trends of demographics has created strong fervor among the researchers in continuum of research on spending patterns and buying motives of gold consumers.

2. Literature Review

Gold is a precious soft yellow colored corrosion-resistant element, the most malleable and ductile metal, which is found in the veins of rocks and alluvial deposits. It is recovered by mining, panning, sluicing. It has the characteristics of the heaviest substances known (specific gravity 19.32). Gold is generally alloyed to increase its strength, and it is used as an international monetary standard, in jewellery, for decoration, and as a plated coating on a wide variety of electrical and mechanical components. Despite its unrivaled properties, gold is an inert material. Indians in general and particularly women crazy about gold jewellery which created an alluring demand for the gold specifically in the festivities and marriage seasons.

Gold is an auspicious and sacred metal, no matter whether they are rich or poor seek to get gold ornaments or jewellery is simply a tradition of the Indians. Irrespective of the price, it is imperative to purchase gold ornaments in specific occasions are the essential activity of an average Indian. The BhagavadGita, most revered book of Hindu philosophy, states that death is a delusion; what dies is the flesh not the soul. The soul wears flesh like cloths a time of birth and discardsthem at time death. The new flesh retains no memory of the old flesh but the soul remembers. The soul is divine, pure, indestructible watching the flush, waiting for the flush to discover it. Until the discovery happens, rebirth will continue. This idea is best embodied with gold. Gold, the metal symbolizes the soul because it is pure and indestructible, ever losing its sheen. It can be shaped into different designs. Designs are forms of flush. Designs are created and destroyed just like flush, but the gold remains, its value unaffected, awaiting realization patiently. Thus through gold and gold jewellery a very fundamental Indian philosophy expresses itself (Pattanaik, 2013).

2.1. Spending Patterns and Buying Motives of Indian Consumers

Most vibrant and sensational economic policies like liberalization, privatization and globalization introduced in the year 1991 have had significant impact on the nature of spending among consumers in India. Broadly speaking, consumer spending can be categorized into regular spending and lifestyle spending. In a developing country like India, regular spending towards basic necessities is very frequent whereas from the last few decades phenomenal changes has taken place in the minds of Indians towards lifestyles pending particularly on cars, mobiles, jewellery, internet and other luxurious products. There are plethora of reasons for this significant changes like rising

income levels resulting in more disposable income with individuals, growing trend of super rich class, changing attitudes towards consumption, changes in prices, introduction of new products, availability of credit such as loans, mortgages and credit cards, rising aspiration levels, increased literacy, growing brand consciousness and rapid urbanization. Shopping habits of Indians are changing due to their growing disposable income, relative increase in the younger population, and the change in attitudes towards shopping. The emphasis has changed from price consideration to design, quality and trendiness. The desire to look and feel good is also guiding factor for customers while making their purchase decisions. Growing disposable income is also propelling demand for consumer durables and eating in restaurants among Indians. Age is also a major factor that affects the spending decisions of an individual. The attitude of people towards shopping has changed from it being a regular chore to one that provides an enriching experience

Ravi Raheja (2005), Managing Director of Raheja Group once remarked, "Consumers don't want to experience shopping; they want to shop for experience." Indian consumer spending habits considerably differ from the western world and even from the yester years Indian consumers. Recent Consumer Lifestyle Reports in India provide current and detailed snapshots of the unique behaviors, attitudes and spending patterns of consumers in India. In addition to cover important core topics like household disposable income, consumer expenditure, savings and credit housing and home ownership, this report also contains hard-to-find statistics on more specific consumer related topics like eating and drinking habits, shopping habits, preferred types of stores and retail venues, clothing and fashion trends and descriptions of how consumers spend their leisure and recreation time. Another side, with the fast economic growths, we can see distinct variations in the spending patterns of Indians. According to the study conducted by Morgan Stanley on Asian inflation, Indian consumers feel that the time is right for investing on properties and cars. The spending habits, especially in the urban areas are tilting more towards the purchase of luxury items as well. (<http://www.euromonitor.com/consumer-lifestyles-in-india/report>). Traditionally, India is a price sensitive market but radical changes has identified by the marketers from all the sectors in general and gold merchants in particular. Instead, they are giving preference to design, quality, trendiness, brand consciousness.

2.2. Gold Markets in India

In India, gold seems to be a sign of opulence and a symbol of protection. Transversely, the love for gold has not only spread across many generations but along with entire social strata within the country. Indian consumers perceive gold jewellery as an investment and are well aware of gold's benefits as a store of value. Gold is also recognized as a form of money in India, a trad able liquid asset. It is one of the rudimentary assets for Indian households and a means to accumulate wealth. Buying gold is subsumed as auspicious during the religious festivals in India. The festival season starts with Eid in the month of August and ends in October with Diwali, which is followed by the traditional wedding season, next to Christmas, New Year and Pongal season. India is the largest gold market in the

world with a consumer demand of 864.2 tons worth \$46491 million by the end of 2012 as against 986.3 tons worth \$48,973 million in the year 2011 (World Gold Council, 2013b). Marcus Grubb (2013), Managing Director, Investment at the World Gold Council said: "China and India remain the world's gold power houses, and by some distance, despite challenging domestic economic conditions. In India, consumer sentiments on gold remained strong despite measures aimed at curbing demand, reaffirming gold's role in Indian society. In an underdeveloped financial system in India, gold has an important role to play. Despite the turbulent macroeconomic climate throughout the year, as well as the regional uncertainties affecting India and China, the two largest gold markets, annual demand was 30% higher than the average for the past decade".

In a case study, Bhattacharya (2002) postulated that the historical roots of the unique position that gold has always enjoyed in the Indian society. White and Stanfield (1974) stated clearly in the National Geographic Study on gold described uses of gold to Indians. They pointed out that according to Hindu tradition gold is the noblest of metals and one of the foremost among the things pure and auspicious. They revealed another interesting thing that wearing gold brings prosperity and luck, and giving it removes one's sins. In his article, Prasad (2010) stated that the gold market in India was predominantly a market for buying and selling of physical gold and gold in the form of ornaments. He reiterated that in the physical gold front, the wholesale segment nominated agencies was the bulk importers. He was conducted this study to understand the perception of customers purchasing level of gold ornaments and their awareness level on the concept of hall marking by Bureau of India. Kumarasamy (2012a) estimated that India held 18,000 tons of gold in private hands in 2011 whereas The Times of India (1979) stated that Indian gold market in its directory and year book remarked that India has the world's largest stock of privately hoarded gold estimated unofficially at 5000 tons. As per the statistics of Macquarie (2011), Indian households hold 18,000 tons of gold which represents 11% of the global stock and worth more than \$950 billion.

Vishwanathan (2007) in her article "Indian Jewellery" said that south India has been famous for temple jewellery that is made of gold studded with precious stones. She pointed out that women in India embellish themselves from head to foot with both traditional and modern fashion jewellery. India's appetite for gold, despite rising prices, can be attributed to three reasons. One, two-thirds of the gold consumption comes from jewellery purchases to mark weddings and other auspicious occasions. This portion of gold demand will certainly not decline sharply just because of prices; Two, Indians are convinced with the virtues of gold as an investment option for good reason; Finally, investing in gold does not entail complicated Know Your Client norms and usually helps to avoid tax, unlike financial instruments. Gold as a glittering investment alternative gets everyone's attention in recent years because of continuous price appreciation which has given marvelous returns to their spending. The attractiveness of gold is also on account of its high return vis-à-vis bank deposits in a high inflation environment. Thus, gold turns out to be a better option than other financial products. As such, demand for gold in India grew at 39 per cent per annum between 2009-10 and

2011-12, compared to 24 per cent at the global level (Misra, 2013). Krishnan (2013) argued that gold is not an ideal investment because it is essentially unproductive, offers no regular cash flows and has no valuation metrics to assess its intrinsic value.

The demand for gold is driven by four major uses—jewellery fabrication, industrial applications, as bullion for governments and central banks, and as an investment for private individuals (Kumarasamy, 2012b). As per the World Gold Council (2011a) statistics the consumption of gold produced in the world is about 55.3% in jewellery, 32.7% in investment (excludes OTC investment and other stock flows and central banks) and 12% in technology. Mostly jewellery demand is motivated by a combination of afford ability and desirability by consumers. Based on these two influential factors, Indians are mostly choosing their required gold jewellery or ornaments based on their wherewithal with a view to keep in mind the latest designs. India is the largest consumer in volume terms accounting for 552.0 tons in 2012 as against 618.3 tons in the year 2011 with a decrease of 11 percent. As mentioned in Eenadu (2013), the total potential of Indian jewellery market is Rs. 80,000 Croresin which only 4% is under the branded segment and the remaining 96% is vested in the hands of 300 thousand local small gold traders.

Along with the above, key factor like continuous and epochal returns in the gold investment has received the attention of both institutional and private investors since 2003. The growth in investment demand has flashed number of innovations in gold investment, ranging from online bullion sales to gold ETFs. In the last ten years, investment in gold has symbolized the strongest source of growth in demand. The last five years to the end of 2011 saw an increase in value terms of around 534%. In 2011 alone, investment attracted net inflows of approximately US\$82.9 billion. Gold technological demand mostly for electronic, industrial, medical and dental applications (together classed as 'Technology') accounts for 12% of gold demand, an annual average of over 450 tons from 2007-2011 (World Gold Council, 2011b). Therefore, the research ersattempted to know the various spending patterns, buying motives, its influence on purchase decisions of Indian gold consumers along with gold businessmen opinions. Based on the above discussion and empirical data collected, the researchers has selected the following hypotheses:

- H1. There is a significant variance between the spending patterns of Indian gold consumers.
- H2. There is no difference between buying motives occasions and prices.
- H3. Majority of Indian gold consumers are influenced by brand ambassadors.
- H4. Buying motive occasions and festivities has great influence on purchase decisions of Indian gold consumers.
- H5. There is no difference between the opinions of Indian gold traders and consumers on buying motives of occasions and prices of gold jewellery.

3. Research Methodology

The principal objective of the research is to be familiar with the spending patterns and buying motives of Indian gold consumers along with the opinions of gold traders on the same. The researchers collected the required information with the help of both self-administered questionnaires and structured personal interviews which were designed in English language. The questionnaire was initially pre-tested with 45 sample gold consumers for its reliability and consistency. Both closed ended and open ended questions were used to collect the consumers' response. And a team of well-trained 30 MBA final year students has taken up the responsibility to garner the opinions of both gold consumers and traders. Wherever necessary, they explained the questionnaire in local vernacular language Telugu to offer required cohesiveness on data collection tools. The chosen 450 gold consumers and 60 gold traders for the study equally selected from three regions of the Andhra Pradesh.

In an another stratification, the selected respondents from the three regions uniformly preferred from both the sexes and in the case of gold traders, the researchers subsumed the opinion of corporate gold malls, local organized shops, and traditional goldsmiths equally. Both stratified and convenience sampling techniques were used to make the data collection more manageable with a total sample of 510 (450+60) Indian gold consumers and businessmen. The south Indian state of Andhra Pradesh has selected for the study which is one of the largest gold consuming state in the country. The researchers also conducted personal interviews to know the opinions of Indian gold consumers and traders on issues like discriminatory pricing, making charges and wastage, purity of the gold, prices of ornaments studded with stones, imposition of taxes, using of credit facilities and plastic money, opinion about sales promotional schemes etc. Questionnaires were distributed by the interviewers and assisted in-filling those to only willing consumers and businessmen who were just completed their gold trading. The filled-in questionnaires were collected from the respondents then and there itself because of which the response rate is 100 percent. The study was supplemented by secondary data obtained from journals, magazines, news papers, the Internet and other documents. The collected data was analyzed with the help of Excel along with statistical tools such as percentages, mean, and to test the chosen hypotheses, the researchers applied Analysis of Variance test.

4. Analysis and Discussion

The perusal of this section clearly elucidate the information related to spending patterns and buying motives of Indian gold consumers along with the opinions of gold traders just to cross verify the collected data with the help of both questionnaires and personal interviews. The following Table 1 highlights information about the demographic profile of the respondents selected for the study. The total respondents equally chosen from both the sexes with 225 each and related to professionals participated in the survey, 125 each from the employees and housewives and 100 each from the businessmen

and farmers community whereas 150 respondents has selected for the study each from the Andhra, Rayalaseema and Telangana regions. Related to gold traders, twenty respondents selected each from the corporate shopping malls, local small shops & traditional goldsmiths and banks & AMC's from the selected three regions.

<Table 1> Demographic Profile of the Respondents

Demographic Feature	Indian Gold Consumers	Indian Gold Traders
1. Gender		
Male	225	
Female	225	
2. Profession		
Employees	125	
Businessmen	100	
Farmers	100	
Housewives	125	
3. Region		
Andhra	150	20
Rayalaseema	150	20
Telangana	150	20
4. Trading Type		
Corporate Gold Showrooms		20
Local Small Gold Shops & Traditional Goldsmiths		20
Banks or AMC's		20

The below Table 2 highlights information about the Indian gold consumers spending patterns towards the options viz., gold ornaments/jewellery; gold coins and bars; gold mutual funds; and gold schemes introduced by corporate gold malls. Associated with the spending patterns or investment options in gold, 85 percent Indian gold consumers invested in gold ornaments/jewellery as against just 10 percent only opted for gold coins and bars. Mere 5 percent Indian gold consumers who recently started to invest either in gold traded mutual funds or gold savings schemes introduced by corporate malls. The world's second largest Indian market which consists of majority of popular class populous mostly purchasing gold in ornaments/jewellery form because of their tradition in using gold ornaments for their mangalsutras, ear rings and other ornaments. Irrespective of religion, the usage of gold ornaments/jewellery simply symbolizes the Indian women's marital status along with shindur (a red color dot in middle of the forehead of Hindu women exclusively).

<Table 2> Spending Patterns of Indian Gold Consumers

Gold Spending Patterns	Percentages of Spending			Average Spending
	Andhra	Rayalaseema	Telangana	
1. Gold Ornaments/Jewellery	86	84	85	85
2. Gold Coins and Bars	08	13	09	10
3. Gold Traded Mutual Funds & Gold Schemes	06	03	06	05

Based on their future requirements, 10 percent of Indian consumers are also spending on gold coins and bars with a view to convert

those either into jewellery or cash whenever required. In recent years, majority of the Asset Management Companies (AMC's) introduced gold traded mutual funds and gold schemes by the corporate gold shops. Most of the middle income groups who have plans to invest in gold are choosing either the scheme by investing their small amounts through systematic investment plan or monthly installment plan. The main reason for this segment's attention in the said two schemes is an attitudinal change on savings with small amounts and escalating trend of gold prices in recent years. One more recent change which attracts the attention of most of the customers in this segment is both mutual fund companies and corporate gold shops introduced exchange of gold for the money invested by the customers. The below Table 3 represent information about Indian gold consumers buying motives. Even though, India is a price sensitive market, associated with the buying motive price, a mere 15 percent of Indian gold consumers has taken a decision to purchase or invest in gold based on alluring price escalations. Startlingly, irrespective of whimsical gold prices, 55 percent of gold consumers in India have considered occasions and festivities as a prime buying motive as against just 10 percent of consumers mull over on easy convertibility of gold into cash. Using of gold ornaments at the time of occasions and festivities is an imperative and it blends with their tradition.

<Table 3> Buying Motives of Indian Gold Consumers

Gold Buying Motives	Percentages of Gold Consumers			Average
	Andhra	Rayalaseema	Telangana	
1. Occasions and Festivities	56	54	55	55
2. Increasing Trend Gold Prices	14	17	14	15
3. Convertibility into Cash	10	09	11	10
4. Latest Designs	08	08	08	08
5. Quality/Hallmark/KDM	07	08	06	07
6. Schemes/Discounts/Exchange Offers/Freebies	04	02	03	03
7. Brand Name	01	01	01	01
8. Brand Ambassadors	00	01	02	01

Only 8 percent of Indian gold consumers have preferred to purchase ornaments/jewellery by considering latest designs as against 7 percent favored on quality issues of gold. Though general Indian consumers are having profound interest on schemes, discounts, exchange offers and freebies whereas gold consumers never take a buying decision based on these offers. Astonishingly, there is no significant impact of brand name and brand ambassadors on Indian gold consumers while buying either ornaments or jewellery. Based on the research, even though 95 percent of Indian gold consumers are occasional gold purchasers but they expressed their intention to invest regularly in the near future based on the escalating trend of gold prices. This keenness facilitates to turn as a regular investor in gold so as to create enormous business opportunity to all kinds of gold businessmen in the country.

The researchers also conducted personal interviews to garner the

opinions of Indian gold consumers and traders on issues explained below. Related to price discrimination, customers and traders admitted that there is a slight difference in ornament or jewellery prices based on designs and models. By and large, Indians feel that bargaining is their right in purchasing all most all every kind of product or service including gold. To avoid intense pressure in the form of bargaining power of customers, traders habituated to proffer some kind of reductions both in making and wastage charges. At the time of personal interviews, customers admitted their inability in identifying quality aspects of gold ornaments or jewellery which leads to extreme displeasure on the purchased gold. Gold customers in India identified that traders charged gold prices even on the ornaments studded with stones or beads again they charged extra price for studded stones and beads. Indian gold traders have persistently given information to the customers about various taxes imposed by the authorities along with credit facilities offered by different financial institutions at the time of their personal interviews. Most of the Indian local gold traders reluctant to accept plastic money while selling gold ornaments. The interviewers also identified gold customers' discontentment over the sales promotional schemes introduced by traders. Finally, the researchers noticed a clear attitudinal change in the Indians on procuring gold by treating as an investment.

Testing of Hypotheses:

The researchers identified that there is a significant variance between the spending patterns of Indian gold consumers which means Hypothesis 1 is valid because calculated value of ANOVA is greater than the tabulated value at 1% level of significance with Degrees of Freedom (2, 6) as mentioned in the Table 4. Regarding Hypothesis 2, there is a clear difference between buying motives occasions and prices which proves the selected hypothesis is invalid because of calculated ANOVA is more than the tabulated value. The Hypothesis 3 is invalid because of calculated analysis of variance is larger than the tabulated value that there is no influence of brand ambassadors on Indian gold consumers.

<Table 4> Testing of Hypotheses

Hypotheses	ANOVA CALCULATED VALUE	ANOVA TABULATED VALUE	Result
H1: There is a significant variance between the spending patterns of Indian gold consumers.	1643.1818	F0.01(2,6)= 10.92	Valid
H2: There is no difference between buying motives occasions and prices.	2607.4285	F0.01(1,4)= 21.20	Invalid
H4. Buying motive occasions and festivities has great influence on purchase decisions of Indian gold consumers.	150.0000	F0.01(1,4)= 21.20	Valid
H5. There is no difference between the opinions of Indian gold traders and consumers on buying motives of occasions and prices of gold jewellery.	13.5000	F0.01(1,4)= 21.20	Valid

In connection with the selected Hypothesis 4, the tabulated value is less than the calculated value of ANOVA that is the buying motive occasions and festivities has great influence on buying decisions of Indian gold consumers. Concerning Hypothesis 5, calculated value is less than the tabulated of variance which proves that there is no difference between the opinions of Indian gold traders and consumers on buying motives of occasions and prices of gold jewellery. As mentioned in the Table 4, the selected Hypotheses 2 to 5 are tested at 1% level of significance with (1, 4) degrees of freedom.

5. Practical Implication

In the light of above disquisition, this research clearly paves the way to the corporate sector in lifestyle segment in general and gold and jewellery segment in specific to develop clear perceptions on recent changes taken place in the minds of consumers particularly in spending and buying motives. Based on which, there is an immense opportunity to review their existing plans, policies, procedures, programs, strategies and budgets intended to draw the attention of Indian gold consumers through which there will be a chance to set right the things in their respective organizations. Besides, this information leaves a mammoth scope to design novel strategies to attract more market from the local small gold traders who occupy the lion's share in most parts of the country. In addition to the above, this research also presents information on price discrimination shown by the gold traders on ornaments, making charges and wastage, using of credit facilities and credit cards, information about prices of gold ornaments studded with stones, taxes imposed and opinion about sales promotional schemes. To defend their position from the fierce competition of the corporate world, Indian small gold shops have to enhance their operational and marketing abilities to retain the market for long period of time.

It is an imperative situation to enlighten Indian gold customers on quality and purity aspects of gold, haggling on jewellery prices, making and wastages charges, credibility over sales promotional schemes. It is a high time to Indian popular and economy class consumers who have strong affinity towards gold also can invest in gold exchange traded funds introduced by different government owned financial institutions in the form of systematic investment plans in small denominations rather than believing on schemes by corporate gold malls. The Indian financial institutions particularly banks, asset management companies and post offices which are involved in gold and gold traded mutual funds business has to intensify their efforts to enhance their market by introducing a best blend of promotional mix elements by recognizing the changing attitudes of Indian customer-stowards gold as a lucrative investment option. As per the feeling expressed by the customers at the time of personal interview, gold traders has to ponder over to avoid price discrimination, uniformity in fixing both making and wastage charges, introduction of sales promotional schemes with reciprocal benefits, technical facilities have to be provided for checking of quality in front of customers, explain various taxes imposed by government authorities and finally expound about credit facilities available and also on credit card sales. The re-

sult of this research is quite investigative in nature, to be tested and reviewed with further research because of incessant behavioral and attitudinal changes takes place in the spending patterns and buying motives of Indian gold consumers.

6. Conclusion

Finally, India's love affair continues with gold largely supported by cultural and religious backgrounds which are not unswervingly linked to universal economic trends. The researchers identified Indians affection towards gold which is an augury to wealth, hope, love, happiness, power, strength, warmth, optimism, intelligence, justice, balance, perfection, summer, harvest and the sun. Undoubtedly, to enhance their business, jewellery market deliberately created gold fever to purchase gold by introducing festivals like Dhana Thrayodasi and Akshya Tritiya in the country. Whatever may be the reason, either tradition or sentiment, Indians is opting gold jewellery/ornaments rather than coins, bars or mutual funds. Startlingly, in spite of mercurial changes has taken place in the gold prices over the last few years, there is no noteworthy change in the demand for gold because purchasing gold is an imperative situation in Indian marriages and festivities. Analogously, the Indian gold traders have expressed their views on the buying influences of consumers in the country. Irrespective of religion, caste, creed, gender, Indians are trying to buy modicum of gold mostly in ornament form ever, forever and ever. Against this positive milieu, provided that the information on spending patterns, buying motives and novel investment opportunities can be met, India's gold market future will be in a golden stride.

Received: March 31, 2013.

Revised: June 13, 2013.

Accepted: July 11, 2013.

References

- Bhattacharya, Himadri (2002), "Deregulation of a Gold Market in India", London: World Gold Council, September, Retrieved February 05, 2013, from <http://www.thebulliondesk.com/content/reports/temp/india.phf>.
- Eenadu (2013), "Special Article on Gold", Eenadu Sunday Special, 24 February, p. 26. Andhra Pradesh, India.
- 4Ps Business and Marketing (2012), "Annual Consumer Compendium: Decoding the World's Hottest Consumer Market", VII(1), 9th February, 48.
- Krishnan, Aarati (2013), "Is Increasing Import Duty on Gold a Good Move?", Business Line, The Hindu, 26 January, p.8. India.
- Kumarasamy, Umanath (2012a), "Gold: A Glittering Investment Alternative?" Facts for You, 32 (7), April, p. 9.
- Kumarasamy, Umanath (2012b), "Gold: A Glittering Investment Alternative?" Facts for You, 32 (7), April, p. 8.
- Macquarie (2011), "Indian Households Hold over \$950 billion of Gold:

- Macquarie", 2011-12-04
<http://economictimes.indiatimes.com/markets/commodities/indian-households-hold-over-950-billion-of-gold-macquarie/articleshow/10978409.cms>.
- Marcus Grubb (2013), "2012 Sees Gold Demand hit Record Value Level: Q4 2012 up 4% year-on-year as India, China and Central Banks drive Demand". Retrieved March 14, 2013, from https://www.gold.org/media/press_releases/archive/2013/02/gdt_q4_2012_pr/
- Misra, Biswa Swarup (2013), "Is Increasing Import Duty on Gold a Good Move?", Business Line, The Hindu, 26 January, p.8, India.
- Pattanaik, Devdutt (2013), "Sacred Gold", Retrieved February 5, 2013, from <http://www.gold.org/investment/research/>
- Prasad, Vijay Durga V. (2010), "Hall Marking in India: A Major Quality Initiative in the Largest Gold Jewellery Market in the World", International Journal of Marketing Studies, 2(1), 197-212.
- Ravi Raheja (2005), "Consumers Indulge in Lifestyle Spends Reveals KSA Consumer Outlook 2005," <http://www.agencyfaqs.com>, February 28, 2005; Retrieved March 12, 2013, from <http://www.icmrindia.org/casestudies/catalogue/Business%20Reports/BREP047.htm>
- The Times of India (1979), "Directory and Year Book", p.278.
- Vishwanathan, Sumathi (2007), "Indian Jewellery", Yojana, September.
- White, T. Peter & Stanfield, James L. (1974), "The External Treasure Gold" National Geographic, 145 (1).
- World Gold Council (2013a), Retrieved February 05, 2013, from www.gold.org
- World Gold Council (2013b), "GoldDemand Trends Full year 2012". Retrieved March 14, 2013, from https://www.gold.org/investment/research/regular_reports/gold_demand_trends/
- World Gold Council (2011a), Retrieved March 12, 2013, from http://www.gold.org/investment/why_how_and_where/why_invest/demand_and_supply/
- World Gold Council (2011b), Retrieved March 12, 2013, from http://www.gold.org/investment/why_how_and_where/why_invest/demand_and_supply/