

# Female Consumer Behavior towards Jewellery Products in Bangladesh: Evidence from Khulna City

Kajol Karmoker\*, Md. Enamul Haque\*\*

\*Lecturer, Human Resource Management Discipline, Khulna University, Khulna-9208, Bangladesh

\*\*Associate Professor, Business Administration Discipline, Khulna University, Khulna-9208, Bangladesh

DOI: 10.29322/IJSRP.8.8.2018.p8090

<http://dx.doi.org/10.29322/IJSRP.8.8.2018.p8090>

**Abstract:** Consumer behavior is the study of how people buy, what they buy, when they buy and why they buy. Accordingly this study aimed to know why the female consumers in Bangladesh purchase gold ornaments or what factors influence their purchase, how often they purchase and from where they purchase. Data used in the study was collected from 200 female consumers using a self-administered questionnaire. Convenient sampling method was used to select 200 female consumers. At first Data was analyzed using some descriptive statistics (mean, standard deviation and frequency). Later Factor analysis was applied to find out the factors driving or affecting the gold ornaments purchase decision in Bangladesh. Factor analysis revealed that 19 variables used in the study are loaded on 5 specific factors named as Social Status, Financial Security, Unique Design & Price, Occasion and Trust. Kaiser-Meyer-Olkin (KMO) Measure of Sampling Adequacy statistic was found 0.677 and the cumulative percentage of variance explained in the current study was 53.229 implying that 5 factors are responsible for 53.229% of variance.

**Index Terms:** Factor analysis, Consumer behavior, Jewellery products, Khulna city.

## 1. INTRODUCTION

Among the luxurious items the history of gold jewelry is long and goes back many years with many different uses in different cultures. Jewellery ornaments are seen as a symbol of status in most cultures except Christian and Buddhist (Danziger, 2004). Even in the Bangladeshi customs and traditions, gold is a formidable part of showcasing. Traditionally Bangladesh is known as the finest gold ornaments producer (Sultana et al., 2015) and most of the people here wear gold jewelries during the religious festivals such as Eid or Puja, in the engagement or wedding session, even to celebrate the cultural programs like Pahela Baishakh, Pahela Falgun, valentine's day etc. (Mimnun, 2015). Women and teenagers wearing gold ornaments like rings, necklaces, earrings and bracelets to celebrate these occasions are very common here. So buying of gold ornaments is an essential part of Bangladeshi people specially in the occasion of birthday, marriage ceremony, religious ceremonies (Chitradevi, 2017). In association with the cultural and religious programs many other factors also motivate the women to purchase gold ornaments. Decrease or increase of the gold price, financial securities in the worst time, symbol of social status, Trust in the brand, Celebrity Endorsement, Promotion, Brand Name, Exhibitions, Launch of new collections, might be some influential factors to purchase gold jewelries. Some consumers view the gold purchase as future investment giving return in their crisis. In Bangladesh this Jewellery business can play an important role in the economic development. But the segment is rarely explored by the researchers. As a result this study aimed at exploring the factors which drive or affect the gold purchase decision of women in Bangladesh as well as their behavioral pattern towards the jewelry products. The

findings of this study can be essential for the jewellery industry comprising of companies who are involved in the creation, chasing, etching, or engraving of jewellery products. For the researcher, the study can help them uncover critical factors that many researchers will not be able to explore in future.

## 2. OBJECTIVES OF THE STUDY

The major objectives of this study were:

- To know about the behavioral pattern of Bangladeshi consumers towards jewellery products purchase decision.
- To find out the factors that influence the female consumers of Bangladesh in purchasing jewellery products.

## 3. LITERATURE REVIEW

Jewellery products are credence goods by nature. Product attributes like quality are difficult to measure even after experiencing in case of jewellery products. A number of internal and external factors affect the gold purchase behavior (Sultana et al., 2015). For every products internal factors like motivation, learning, perception, beliefs and attitudes in association with external factors like culture, environment, social class, religious, national economic condition and 4p directly or indirectly affect the consumer behavior (Kotler et al., 2002).

In one study Dubois & Duquesne (1993) concluded that income is one of the dominant internal factors limiting an individual's pleasure of consumption needs. Income must be considered as it indicates the social status or hierarchy of a person in the society. Motivation is another internal factor which influences consumer's needs and wants or leads the consumers to do something to get satisfaction. (Reid, 2002). In addition to income and motivation, perception defined as how consumers select, organize, and interpret the physical sensory elements such as sight, sounds, and smells also influence the consumer behavior (Solomon, 2004).

Solomon (2004) also noted that as the people belong to a society or group, group influence becomes an important external factor to influence the purchase behavior of the consumers because consumers ask suggestions or information regarding the products. Moreover religious, culture and environments are considered influencing factors in case of consumer buying decision process (O' Cass and Julian, 2003 cited in sultana, 2015). Finally, the marketing mix is also considered an important external factor. Marketing mix is generally known as the "4Ps" - product, price, promotion, and place (Grönroos, 2007; Kotler and Armstrong, 2004). Normally products can be measured through feature, quality and quantity; and the right balance between these 4P can either make or break a product. For instance, correct pricing strategy; placing the product in the right location to make it available or accessible to customers and right type of promotion to increase awareness can enhance the chance of the product being purchased.

Gold creates an emotional attachment to the female consumers because they consider gold as a precious metal or as a symbol of purity, luxury, wealth, status, prestige, beauty and affection. (Deepika, 2014; Gao, 2009; Goody, 2006). Asha et al. (2014) also noted that gold is considered as a glamorous metal and as a symbol of status among people. Moreover the historical events reveal that ancient women would wear gold ornaments as a symbol of status and dignity (Nia and Judith, 2000). Gold buying is ritualistic to the Bangladeshis because gold is worn in many religious festivals and occasion such as eid, puja or wedding ceremony (Dempster 2006). According to Ramaswamy and Namakumari (1983) factors like culture, education, economic status, and level of exposure or degree of sophistication induce consumers to purchase and wear gold ornaments whereas khadekar, et al. (2016) concluded that People are more directed toward gold because of their growing prices. It's seen to be a pure investment. Lakshmi (2016) also noted that most of

the Indian female customer purchase gold with intention of long term investment and prefer to buy quality marking (Halmark, KDM ECT) gold.

Berad, et al. (2015) concluded in their study that factors like design, price, purity, image, variety, display, service, promotion & offers, family & friends direct the women consumers to purchase the gold ornaments. In their study it was also observed that around 80% respondents preferred the branded jewellery items over the non-branded jewellery items. Gomathy & Devi (2015) also concluded in their study that maximum number of consumers are aware of the branded jewellery. And the main attraction towards the branded jewellery items is its unique style (Ramachandran & Karthick, 2014).

According to Kearney, (2013) the rise of the usage of the gold ornaments among the women is also driven by the rising income levels and the exposure of western concepts such as solitaire engagement rings. And In many situation the purchase decision of the women is influenced by their family, friends and needs.

#### **4. METHODOLOGY**

A descriptive study was conducted to know the behavioral pattern as well as the factors that affect female consumers in purchasing gold jewelry in Bangladesh. Data were collected from 200 female consumers living in Khulna city of Bangladesh using convenient sampling method. They were from different religions and from different professions like students, service holders, housewives and others. A total of 200 consumers were selected because in factor analysis we need 5 times or more of the number of variables used in the questionnaire. To collect data the consumers were provided with a self-administered questionnaire in which there were two parts; one part was designed with the demographic variables such as age, religion, marital status etc. and the other part was designed with one dependent variable (purchasing gold ornaments) and some independent variables such as reducing price, security, investment etc. Five point of Likert Scale (1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree) was used to express the consumer's opinions on each statement. After the data collection, internal consistency of the data was justified by the Cronbach's  $\alpha$  score which was 0.667. Later data were analyzed by some descriptive statistics (mean, standard deviation and frequency). Factor Analysis, a data reduction tool was applied to group the 19 variables on some significant factors. Kaiser-Meyer- Olkin (KMO) measure of sampling adequacy was used to prove the data appropriateness for factor analysis. Varimax rotation, a principal component of the factor analysis was used to identify the factors. All the data analysis was done using statistical package SPSS 20.

#### **5. DATA ANALYSIS AND FINDINGS**

Descriptive statistics (Mean, standard deviation and frequency) was used to know when, how often and from where the female consumers in Bangladesh purchase the Jewellery products. Table 1(Appendix) illustrates when the female consumers feel the necessity to purchase the gold jewelries. It is found that around 38% consumers purchase gold ornaments during a special occasion like Eid, Puja or wedding ceremony. Table 2 (Appendix) illustrates how the female consumers take the decision of buying gold jewelries. It is seen that around 48.5% consumers take the decision by themselves though some consumers seek suggestion from friends or relatives before purchase. Table 3 (Appendix) describes from where the female consumers purchase the gold ornaments. It is evident that around 60.5% consumers feel comfortable to purchase gold ornaments from their familiar jewelry shops. Table 4 (Appendix) illustrates the descriptive statistics (Mean & Standard Deviation) of the variables used in the study. Reliability test score of the variables used in the study is presented in the Table 5 (Appendix). Once the internal consistency of data was examined by the

Cronbach's Alpha score illustrated in Table 5 (Appendix), 19 variables used in the study were purified and validated through the factor analysis.

Table 6 (Appendix) of Kaiser-Meyer-Olkin (KMO) Measure of Sampling Adequacy represents the test of data appropriateness for Factor analysis. It is found that the value of KMO statistic is  $0.677 > 0.5$  supporting the application of Factor analysis and Bartlett's test of Sphericity with significance (.000) means that the relationship among the variables was strong. Once, it has been determined that factor analysis is an appropriate technique for analyzing the data, one method must be selected from the Common factor analysis (CFA) and principal component analysis (PCA). Principal component analysis (PCA) has been used as the aim of this study is to determine the minimum number of factors responsible for maximum amount of variance in the data. As shown in the table 7(Appendix) the cumulative percentage of variance explained in the current study is 53.229 implying that 5 factors are responsible for 53.229% of variance. Table 8 (Appendix) shows that 19 variables are loaded on 5 specific factors using varimax procedure, most commonly used orthogonal rotation method which minimizes the number of variables with high loading values on a factor. Each factor is composed of the variables with loading value of 0.30 or higher. And the factors have been titled and interpreted according to the variables of highest loading value.

## 6. RESULT DISCUSSION

The basic purpose of this study was to identify the factors that drive or affect the female consumers in Bangladesh while purchasing the gold ornaments. The study examined 19 variables developed from the previous studies related with consumer behavior towards jewelry products in different countries. Finally the factor analysis grouped the 19 variables into 5 specific factors titled as Social Status, Financial Security, Unique Design & Price, Occasion and Trust. **Social Status** explaining 16.796% of variance is composed of 5 variables with the highest loading value of .804. Most of the female consumers in Bangladesh feel proud to wear gold ornaments in any type of program. They would like to show off themselves or to increase their social status or self-esteem by wearing gold ornaments. **Financial Security** explaining 9.388% of variance is the second most influencing factor to the gold ornament users in Bangladesh. Consumers view the purchase of gold ornaments as one kind of investment or financial security. They believe that the gold might provide them financial support in case of any necessity like wedding of their daughter or opening of any business. The third factor of the findings is explained as **Unique Design & Price** responsible for 7.793% of variance. Sometimes the female consumers become motivated to make or purchase gold ornaments when a new design comes in the market. At the same time price reduction also induces them to make jewelry items. **Occasion** is the fourth influencing factor which accounts for 6.898% of variance explained. This factor is loaded by two variables with the highest loading value of .739. Most of the consumers in Bangladesh prefer to wear gold ornaments during any festive occasion like puja, eid or wedding ceremony. They target these occasions to purchase gold items. **Trust** towards the familiar jewelry shops or branded shops is another influencing factor which explains 6.450% of variance. Female consumers feel secured to buy gold jewelry from trusted and branded shop because this is very hard to judge the quality of gold even after using it.

## 7. CONCLUSION

This study has successfully identified a number of relevant factors associated with the purchase of gold ornaments. After the factor analysis we found five important factors that influence the female consumer in the Khulna city in purchasing gold ornaments. The factors are social status, price, security, durability, occasion, trust etc. It has been also found that around 38% female consumers in Khulna coity purchase gold ornaments during a special occasion like Eid, Puja or wedding ceremony, around 48.5% consumers take the decision by themselves though some consumers seek suggestion from friends or relatives before purchase and around 60.5% consumers feel comfortable to purchase gold ornaments from their familiar jewelry shops. The result may not be generalized reflection of all the customers of the country as the study was conducted only based on the opinions of Khulna city customers. The study might have failed to find out many other factors that also affect the customers to purchase gold jewelry. But what identified is obviously not less important. Similar findings were also identified in other studies. The results of this study have several practical and theoretical contributions. The marketers as well as the regulators can use the findings of this study.

**8. LIMITATION OF THE STUDY**

- The study is based on the opinions of only 200 female consumers of Khulna city in Bangladesh.
- The study has focused only on the behavioral pattern of female consumers and the factors that affect or influence their gold ornaments purchase decision.

**APPENDIX**

**Table 1: I Purchase Gold Jewelry**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Whenever I feel	76	38.0	38.0	38.0
	When need arises	48	24.0	24.0	62.0
	Special occasions	76	38.0	38.0	100.0
	Total	200	100.0	100.0	

**Table 2: I Prefer to Buy Gold Jewelry**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Buy myself	97	48.5	48.5	48.5
	When someone select jewelry for me	51	25.5	25.5	74.0
	According to friends, colleagues or relatives suggestions	52	26.0	26.0	100.0
	Total	200	100.0	100.0	

**Table 3: I Buy Gold Jewelry from**

	Frequency	Percent	Valid Percent	Cumulative Percent
--	-----------	---------	---------------	--------------------

Valid	Branded Showrooms	79	39.5	39.5	39.5
	Familiar jeweler	121	60.5	60.5	100.0
	Total	200	100.0	100.0	

**Table 4: Descriptive statistics**

Statements	Mean	Std. Deviation
Reducing price enhances my purchasing level	4.14	0.94
Reasonable price enhances me to buy more	3.93	1.08
I always buy gold jewelry from trusted shop	4.28	.93
Unknown shop disheartens me in buying gold jewelry	4.03	1.07
Purchasing gold ornament give me a best support when my financial condition is very poor	4.12	1.13
I feel secured having gold ornaments to me than other ornaments	3.75	1.08
I think investment in purchasing gold jewelry will provide support in future	4.12	0.91
Unique design influence me in buying gold jewelry	4.00	0.97
Using gold jewelry helps me expressing personality	3.33	1.29
I feel proud when I wear gold ornaments in any type of program	3.18	1.20
I wear gold jewelry to show off my social status	2.93	2.55
Location of the shop is more important to me	3.65	1.11
Gold jewelry can be repaired easily than others	4.07	0.98
I buy jewels only during festive seasons	3.14	1.21
I usually buy gold in wedding season	3.56	1.02
I like gold jewelry for giving gift to special one	4.01	0.95
Color of the product as an important feature	4.25	0.90
I think Gold jewelry is more durable than others	4.12	0.86
Display of product in store attracts me to buy jewelry	4.02	0.96

**Table 5: Reliability Test**

Cronbach's Alpha	N of Items
0.667	19

**Table 6 : KMO and Bartlett's Test**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.677
Bartlett's Test of Sphericity	Approx. Chi-Square	668.673
	Df	190
	Sig.	0.000

**Table 7: Total Variance Explained**

Components	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.359	16.796	16.796	3.359	16.796	16.796	2.235	11.177	11.177
2	1.878	9.388	26.184	1.878	9.388	26.184	2.155	10.776	21.952
3	1.559	7.793	33.977	1.559	7.793	33.977	2.021	10.105	32.058
4	1.380	6.898	40.875	1.380	6.898	40.875	1.470	7.348	39.406
5	1.290	6.450	47.325	1.290	6.450	47.325	1.400	7.002	46.407

**Table 8: Rotated Component Matrix**

Factors	Factors Interpretation	Variables Loaded on the Factors	Loading Value
<b>F1</b>	Social status	• I feel proud when I wear gold ornaments in any type of program	0.804
		• Using gold jewelry helps me express personality	0.708
		• I wear gold jewelry to show off my social status	0.696
		• Location of the shop is more important to me	0.462
		• Display of product in store attracts me to buy jewelry	0.338
<b>F2</b>	Security	• Purchasing gold ornament give me a best support when my financial condition is very poor	0.672
		• I feel secured having gold ornaments to me than other ornaments	0.653
		• Gold jewelry can be repaired easily than others	0.612
		• I think Gold jewelry is more durable than others	0.579
		• I think investment in purchasing gold jewelry will provide support in future	0.339
<b>F3</b>	Price	• Unique design influence me in buying gold jewelry	0.725
		• Reasonable price enhances me to buy more	0.723
		• Reducing price enhances my purchasing level	0.713
		• Color of the product as an important feature	0.459
<b>F4</b>	Occasion	• I buy jewels only during festive seasons	0.739
		• I usually buy gold in wedding season	0.648
<b>F5</b>	Trust	• I always buy gold jewelry from trusted shop	0.778
		• I like gold jewelry for giving gift to special one	-0.501
		• Unknown shop disheartens me in buying gold jewelry	0.495

**REFERENCES:**

Asha, K. & Christopher, S. E. (2014), "A Study On Buying Behaviour Of Customers Towards Branded And Non-Branded Gold Jewellery With Reference To Kanyakumari District", International Journal of Business Management, Vol. 5, No. 10, pp. 105-114.

Asha, K. and Christopher,S.E.(2014), "A Study on Buying Behavior of Customers towards Branded and Non-Branded Gold Jewelry with reference to Kanyakumari District", InternationalJournal of Management, Vol. 5, pp.105-114.

Berad, N., Agarwal, M., Vaity, R., Khan, S., Bhujbal, D., & Deshpande, G. (2015). "A Comparative study on the consumer's preference towards branded jewellery over non branded jewellery in Nasik city". International journal of Applied Services Marketing Perspectives Journals, Vol. 4, No. 1, pp.1419-1426.

Chitra, K. (2015), "Customers' Preferences and Satisfaction towards Jewelry Marts in Southern Districts of Tamilnadu", Indian Journal of Research, Volume: 4.  
<http://dx.doi.org/10.29322/IJSRP.8.8.2018.p8090> [www.ijsrp.org](http://www.ijsrp.org)

- Chitradevi, T. (2017), "A study on consumer behaviour towards jewellery products in Tiruchirappalli district", *International Journal of Applied Research*, Vol. 3, No.1, pp. 853-857.
- Dempster, Natalie, (2006), "The Role of Gold in India", *World Gold Council*, Vol. 1, No. 11
- Dwivedi, H., Joshi,S.P., "Consumer Buying behavior towards the Gold Jewelry specially in Jaipur City".
- Gomath, C., Yesodha, N. (2015), "Consumer behavior in purchase of Gold Jewelry – An analytical Study", *European Journal of Business and Management* Vol.7, No.5. pp. 79-84.
- Grönroos, C. (2007), "Service Management and Marketing: Customer Management in Service Competition", (3rd Ed.). Wiley Publishing.
- Kotler, P. & Armstrong, G. (2004), "Principles of marketing" (10th Ed.). Upper Saddle River, NJ: Prentice Hall.
- Kumara, L.M. & Kumar, N.T. (2016), "An Empirical Study of Changing Behaviour in the Jewellery Market", *Journal of Accounting and Marketing*, Vol. 5, No. 1, pp. 1-5.
- Lakshmi, H. (2016), "Female Customer Intentions in Buying Gold Jewelry", *International Journal of Research in IT*, Vol 6, No. 02.
- Mimum, S., Islam, S. (2015), "Factor Analysis of Consumer Behavior in Jewelry Business: An Empirical Study on Bangladesh", School of Business and Economics, United International University, Dhaka, Bangladesh.
- Ramachandran, K., & Karthick, K. (2014), "A study on the perception of customers towards branded jewellery", *Proceeding of Annual Tokyo Business Research Conference*.
- Rawal, R. (2014), "A Study of Consumer Buying Behavior for Purchasing of Diamond Jewelry from Branded Retailers", *International Journal of Business and Administration Research Review*, Vol.1, pp. 86.
- Reid, P. (2002), "A Critical Evaluation of the Effect of Participation in Budget Target Setting on Motivation", *Managerial Auditing Journal*, Vol. 17, No. 3, pp. 122-129.
- Solomon, M. R. (2004), "Consumer Behavior - Buying, Having, and Being", (6th Ed.). Upper Saddle River, NJ: Prentice Hall.
- Sumit, G., Khadeka, M.T. Wanjari, R. R. & Kohad (2016), "Study of Consumer Buying Behavior between Branded & Non-Branded Gold Jewellery in Vidarbha Area of Maharashtra State", *Journal of Research in Business and Management*, Vol. 4, No. 8, pp: 94-98.
- Xavier, A. J. & Kamalam, G. (2016), "A Study on Perception of Consumers towards Gold Jewellery in Sivakasi, Tamil Nadu", *Asian Journal of Managerial Science*, Vol. 5, No. 2, pp.15-22.

## AUTHORS

First Author – **Kajol Karmoker** was born on October 20, 1990 at Khulna in Bangladesh. He is currently serving as a Lecturer of Human Resource Management (HRM) Discipline, Khulna University, Bangladesh. Mr. Karmoker has obtained both BBA (Marketing) and MBA (Marketing) degree from Khulna University. His research interest includes consumer behavior, Fast Moving Consumer Goods, Human Resources. Email address: [kajol.bad@gmail.com](mailto:kajol.bad@gmail.com)

Second Author – **Md. Enamul Haque** was born on November 20, 1980 at Khulna in Bangladesh. He is currently serving as an Associate Professor, Business Administration Discipline, Khulna University. Mr. Haque has obtained both BBA (Marketing) and MBA (Marketing) from the University of Rajshahi. His research interest includes service marketing, consumer behavior, culture, ritual products. Email address: [heera.mkt@gmail.com](mailto:heera.mkt@gmail.com)

Correspondence Author – Kajol Karmoker, Email address: [Kajol.bad@gmail.com](mailto:Kajol.bad@gmail.com)