

Factors affecting Consumer Buying Behaviour for Jewellery

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Abstract:

Every market starts with a consumer and ends with a consumer. Growing incomes, numerous households, different lifestyles and continuous media hammering are changing the consumer aspirations and their consumption patterns. The purchase behaviour of different type of consumers is uncertain for different types of products and also this behaviour subjects to change over time due to social and cultural influences. Due to the complexity of human nature, it's quite difficult to understand their behaviour. This study is mainly focusing on describing the factors affecting consumer buying behaviour for jewellery among doctors. Data was collected with the help of self-administered questionnaire based on 5 point Likert scale. The total sample size taken for this study was 400. The major hospitals in Punjab were targeted for collecting the data. As the doctors are considered as the high earning professionals and they have all the resources for buying jewellery. So, this study majorly focused to study their buying behaviour for jewellery. The analysis of the data was made with the help of Factor analysis technique. Factor analysis technique explored six factors from fifty variables which affect the consumer buying behaviour for jewellery and the researcher has named these factors as Sales Promotions & Reference Group Influence, Customer Loyalty, Brand Loyalty, Customer Convenience, Payment Mode and Customer Preference.

Keywords: *Consumer Buying Behaviour, Jewellery, Marketing, Promotion and Brand.*

1. Introduction:

We live in the era of an informed consumer, who looks for information from multiple sources like cell phones, I-Pads, social sites etc. before making a purchase decision. Consumers are facing exciting challenges with a wide variety of products available at their disposal. As a result, they become more quality conscious than ever before and want that products for which they are ready to pay the price. They buy things to make a statement, to show off their personality or to boost their self-esteem and define themselves through their shopping. He is considered as a “KING” of the market and the central theme of marketing. So, it becomes very crucial for companies to catch the right pulse of an Indian consumer. Satisfaction of consumer becomes the success mantra of every business enterprise. As per Michael LeBeouf, “A satisfied customer is the best business strategy of all”. Happy consumers always make the company happy. If they are satisfied from the company’s product, then they will repeat their

own product purchases and refer the company's products to the other people, hence will results in increasing the sales of the companies. To ensure consumer satisfaction, marketers want to know that why consumer makes purchases stressing what, where, when and how, what are the factors that affect their buying behaviour for particular type of product and what are their reactions to the firm's marketing strategies. Companies who fail to understand consumer behaviour are more likely to face big failures. So, the present study is focused on the factors affecting consumer behaviour for one of the flourishing business of India and a leading foreign exchange earner i.e. Jewellery. People buy jewellery not as a financial investment but more as an emotional investment. The lure of glitter always attracts the customers and this necessitates the importance of this study.

2. Review of Literature:

Walter and Paul (1970) stated that "Consumer behaviour is the process where individuals decide what, when, where, how and from whom to purchase the products or services". Also, Daneshvary and Schwer (2000) stated the same that the "Consumer behaviour is the study of how people buy, what they buy, when they buy and why they buy and attempts to understand the buyer decision-making process both individually and in groups". Solomon (1996) has defined consumer behaviour as a "differential behaviour of persons over time as they acquire process and utilise information from various sources and settings in purchasing, consuming and communicating about brands, products and cluster of products". Schiffman and Kanuk (2009) stated that "consumer behaviour is the behaviour that consumers display in searching for, purchasing, using and evaluating products, services and ideas which they expect will satisfy their needs". Engel, Blackwell and Miniard (1986) has given a very comprehensive idea about consumer behaviour and defined it as the "act of individuals directly involved in obtaining and using economic goods and services, including the decision process that precedes and determine the acts". Stanton (1997) stated that "consumer behaviour is the study of individuals or groups that how they select, purchase, use, and dispose of products, services, ideas or experiences to satisfy their needs". Reynolds & Wells (2000) also stated that "it is a differential behaviour of persons over time as they acquire process and use information from various sources and settings in purchasing, consuming and communicating brands and cluster of products". Consumer behaviour is concerned with the behaviour of people when they are serving in their role of consumers in our economy.

3. Research Methodology:

This study was based on Punjab state and responses were collected from 400 doctors in the major hospitals all over the state. To collect responses, first of all, the state was divided into 3 regions i.e. Majha region, Malwa region and Doaba region and then major hospitals were considered for study. The doctors from these hospitals were selected randomly. The research was based on both secondary as well as primary data. Secondary data was collected through books, journals, magazines and research reports. Primary data was collected through self-administered questionnaire based on Likert 5 point scale with options as (5) Strongly Agree, (4) Agree, (3) Neutral, (2) Disagree, (1) Strongly Disagree. Data analysis was done with the help of SPSS Software like SPSS.

4. Analysis and Interpretation:

4.1 Demographic Analysis: On the basis of data collected, it was clear that majority of the respondents who have participated in survey were female doctors and most of them were married lying in the age group of 20-50.

4.2 Factor Analysis: To explore the factors affecting consumer buying behaviour for jewellery, Factor analysis technique was used. As per Field (2005), factor analysis is a tool for grouping similar variables as factors where information can be summarised in to meaningful aspects. Before applying factor analysis, it is mandate to check its appropriateness. So, following two measures are used i.e. KMO value and Bartlett's test of sphericity. Both the values are satisfactory and use of factor analysis is appropriate.

Table 1: KMO and Bartlett's Test Results

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.897
Bartlett's Test of Sphericity	Approx. Chi-Square	8396.856
	Df	1225
	Sig.	.000

Source: Researcher's calculation based on primary data

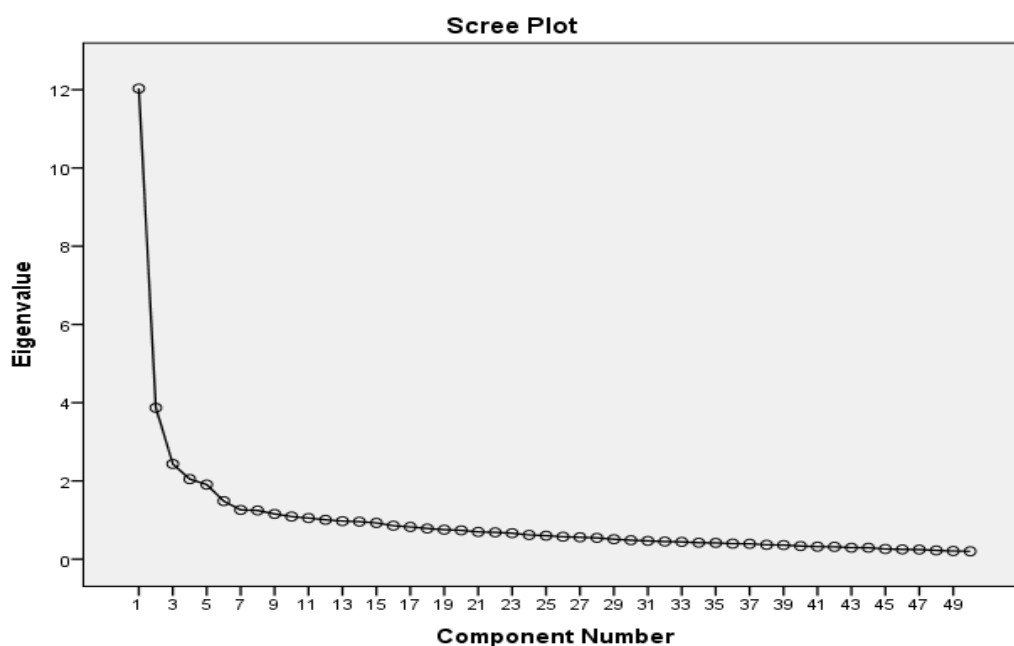
After deciding the appropriateness of the factor analysis model, an appropriate technique for analysing the data was determined. Aaker, Kumar and Day (2000) stated that "when the objective of the factor analysis is to summarise the information in a larger set of variables into fewer factors, the principal component analysis is used". It is possible to have a number of factors as the number of

variables available in the factor analysis. If this is the case, the rationale of applying the factor analysis is questionable. For the present study, researcher has used three criteria for determining the number of factors:

Eigen value criteria:The factor having more than one eigenvalue should be included in the model because the factor that has an eigenvalue of less than 1 is not better than a single variable as due to standardisation each variable has a variance of 1.

Percentage of variance criteria:This approach is based on the concept of cumulative percentage of variance. Top six factors explained the 72% of the variance.

Scree Plot criteria: Cattell (1966) stated that one of the most popular guides for determining how many factors should be retained in the factor analysis is the Scree test. As per Bentler and Yuan (1998), “the objective of the Scree plot is to visually isolate an elbow, which can be defined as the point where the eigenvalues form a linear descending trend”. Factors on the steep slope should be retained in the model and the factors on the shallow slope can be excluded from the model.



Hair et al. (2010) stated that “to provide minimum coverage of the construct’s theoretical domain, three or more variable are required”. Six factors were extracted on the basis of above mentioned three criteria’s. So, researcher took six factors out of total 10 factors emerged from the factor analysis. After the selection of factors, the immediate step is to rotate the factors. Reise, Waller and Comrey (2000) found that the rotated simple structure solutions are often easy to interpret as compared to un-rotated factors. Fabriger et al. (1999) stated that “Varimax has been regarded as the

best orthogonal rotation and is overwhelming the most widely used orthogonal rotation in psychological research”. Hair et al. (2010) suggested that “variables with loading greater than 0.30 is considered significant, loading greater than 0.40 more important, and loading 0.50 or greater are very significant”. In the present study, the factor loading of 0.40 or greater was considered. Based on the rotated component matrix, following factors were framed comprised of high correlated variables.

**Table 2: Factors Affecting Consumer Buying Behaviour
For Jewellery**

Factor	Variables	Factor Loadings
Sales Promotion & Reference Group Influence	Special sales offers	0.629
	Advertisements	0.617
	Free gifts/Discounts	0.600
	Festive seasons/functions	0.600
	Sales Representatives Influence	0.586
	Big posters/bill boards	0.520
	Display of jewellery	0.491
	Friends Influence	0.478
	Family Influence	0.471
	Spouse/Fiancee/Special friend influence	0.470
	Store ambience	0.448
	Relatives Influence	0.427
	Seating Arrangement	0.411
Customer Loyalty	After sales services	0.772
	Reputation of store	0.761
	Customer care	0.703
	Customer service	0.653
	Product satisfaction	0.632
	Self image	0.451
Brand Loyalty	Premium price	0.735
	Perceived quality	0.649
	Status symbol	0.617

Factor	Variables	Factor Loadings
	Brand commitment	0.578
	Overseas buying	0.42
Payment Mode	Paytm	0.726
	Internet Banking	0.695
	Discount Preference	0.572
	EMI's	0.563
	Online shopping	0.522
Customer Convenience	Easy Accessibility	0.698
	Location Convenience	0.687
	Transaction Convenience	0.518
Customer Preference	Jewel Fiend	0.632
	Gold jewellery	0.685
	Diamond jewellery	0.615
	Platinum jewellery	0.494
	Stone studded jewellery	0.405

Source: Researcher's calculation based on primary data

5. Results and Discussion:

Factor 1: Sales Promotion & Reference Group Influence: Sales promotions comprised of variables like special sales offers, advertisements, free gifts/discounts, festive seasons / functions, big posters / billboards, display of jewellery, store ambience and seating arrangement. Chandon et al. (2000) indicated that sales promotion is the best marketing tool for promotion prone consumers to do price savings. As per Gilbert (1999), other than price reduction technique, coupons/ refunds, free samples, Buy 1 – Get 1 free etc. given by the companies induce the consumer to buy more. Das (1992) also stated in his study that “formation of advertising messages and presentation of information influence consumer's willingness to purchase”. Many consumers switch their brands to get better deals from other brands. The variables like sales representative's influence, friend's influence, family's influence, spouse/fiancee/special friend's influence, relative's influence were covered under Reference group influence. Like sales promotions, reference group also influence the consumer buying behaviour to a great extent. Jang et al. (2007) stated that “there are underlying forces that compel people to make the choices that reflect one's sense of belongingness or influence or aspiration received from their reference groups”. Chaisuriyathavikun and Punnakitikashem (2016) also found the variables like

friend's influence, family's influence, special sales occasion, gifts for others and self-gift and named all as Buyer's Preference. Jewellery is considered as a high involvement product and a metal for adornment, so sales promotion and reference group influence plays an effective role in making the mind of the consumers to buy the jewellery and they also need the second opinion from other people like friend, spouse, fiancée, family, relatives or sales representative to get the best jewellery matching with his/her personality.

Factor 2: Customer Loyalty: This factor was emerged from the variables like after sales services, reputation of store, customer care, customer service, product satisfaction and social visibility. Palmatier et al. (2006) stated that "customer loyalty refers to customer behaviours that indicate a desire to better an on-going relationship with a company". Even the researchers like Kuusik (2007) defined similar factors of customer loyalty in his study, Shukla and Barad (2015) found that physical / tangibles, reliability, personal interaction, problem solving and policy are the factors affecting customer loyalty and Ammar, Mateen, Ghaffar and Rehman (2017) also stated in their study on mobiles handsets that "product quality, perceived value and product attributes are the key factors that contribute towards customer loyalty". So, this factor is considered to be an important factor affecting the consumer buying behaviour for jewellery.

Factor 3: Brand Loyalty: Brand loyalty also emerged as one of the factors affecting consumer buying behaviour for jewellery with the variables like premium price, perceived quality, status symbol, brand association and overseas buying. The researchers like Fornell (1992) stated that brand loyalty involves satisfaction, switching barriers and having a voice, Kocoglu et al. (2015) has also found that the factors which are affecting the brand loyalty are perceived quality, brand association, brand awareness and brand value. As jewellery is a high involvement product and consume maximum portion of consumer's income so most of the times, the consumer wants to buy this product from branded jewellers to reduce the risk of buying fake jewellery. This builds his loyalty towards some certain brands.

Factor 4: Payment Mode: This factor was emerged from the variables like payment through Paytm, internet banking, discount preference, EMI's and online shopping. This factor shows that buying decision of jewellery is also affected by the mode of payment. As per Marlin (1998), "new generation payment mechanisms like smart cards, memory cards, and electronic payments increased the significant proportion of all consumer transactions". Hirschman (1979) and Feinberg (1986) also found that consumers who use advanced payment options like credit cards usually spend more as compared to the consumers who use cash or cheques for making payment. So, mode of payment is considered an important factor which affects the consumer buying behaviour for jewellery.

Factor 5: Customer Convenience: Customer convenience was another factor which emerged from the factor analysis with variables like easy accessibility, location convenience and transaction convenience. As per Wales (2009), customer convenience includes aspects of both effort and time saving. Khazaei et al. (2014) explained the similar factors originated through this study affecting the customer convenience in his study on banking industry. In a strategical mix called the 4C's, convenience is considered as one of the C along with consumer, cost and communication. In today's fast paced lifestyle, every consumer turns to that product which is available conveniently. So, this factor is also considered as an important factor affecting consumer buying behaviour for jewellery.

Factor 6: Customer Preference: Customer preference consists of variables such as jewel fiend, gold jewellery, diamond jewellery, platinum jewellery and stone studded jewellery. Consumer always prefers to buy that jewellery which suits its personality and lifestyle. For the present study, gold jewellery, diamond jewellery, platinum jewellery and stone studded jewellery were taken into consideration.

6. Conclusion:

Jewellery is more an emotional investment as compared to financial investment. People buy jewellery not as a basic need but it is found that people buy jewellery to show their wealth, power and status to others and medical profession nowadays is considered as the most earning profession as compared to other professions. So, due to the high earning, the doctors are investing their money in different ways. This study addresses to the marketers the major points that need to be taken care of while designing marketing strategies for this rich segment of the society. The study stated that mostly females doctors, married people, people in the age group of 20-30 and housewives were easily get influenced by the jewellery because of their love for jewellery. The factors like sales promotion & reference group influence, customer loyalty, brand loyalty, customer convenience, payment mode, customer preference for jewellery plays an important role in directing the consumer mind towards the jewellery purchase.

7. Limitations:

As the research was entirely focused on to the study the factors affecting consumer buying behaviour of doctors for jewellery. So, the findings of the study cannot be generalize for the other professions. So, the similar study can be conducted for other professions and area as well. The one can replicate the study with big sample size for more accurate results. The future studies can use all the explored factors in this study for further research in this area.

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