

A STUDY ON CUSTOMER PERCEPTION TOWARDS ONLINE PRECIOUS METAL JEWELLERY SHOPPING IN INDIA

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Abstract: *The objective of this paper is to examine the difference in perception between online and non-online jewellery buyers toward online precious metal jewellery shopping in India. Data was collected through online questionnaire from eighty respondents using Snowball sampling technique. Perceptions of respondents were compared on the basis of twelve statements with respect to online shopping of precious metal jewellery. The twelve statements were grouped into four factors i.e., Product, Convenience, Service and online shopping hindrances and the composite score were calculated for each grouping factor. Independent sample test was applied on collected data set to analyse and compare the difference in perception of respondents of two groups of respondents. A significant difference is observed in the perception of two groups in case of three set of factors i.e. Product, Convenience and Service.*

Keywords: *Online shopping, Precious Jewellery, Online Buyer, Non-online buyer.*

1. INTRODUCTION

Jewellery has its own importance in traditional Indian culture. It was not merely used as a personal adornment, but also signified the wearer's symbol of wealth and status, and marked the rituals in different stages of life Nick Barnad (2008). To the Indian women, jewellery has been more than the ultimate enhancer of beauty; it was stridhan – her security, to be encashed in times of need and distress Usha and Meera (2004). The jeweller built up generations of trust working with one family, and as the craft passed from father to son, so did his clientele Usha and Meera (2004). Today, sophisticated designing and manufacturing techniques have emerged to meet the changing need of customers and the market is moving from traditional family business to professional branded market. A diverse range of jewellery and unique designs can be witnessed across Indian states.

Since the early 1990s, modern Indian women have been wearing jewellery with contemporary designs for their everyday use and office wear. Young and affluent consumers of India prefer those jewellery pieces which express their identity and

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are a blend of modern designs reflecting their heritage and culture Indian Jewellery market. At the end of 2015, the estimated demand for jewellery was 57% of gold demand, out of which India and China accounted for 60% Global gold jewellery market. Factors like growing acceptance of e-commerce, investment support by established names in business and aggressive promotion has helped the online jewellery business to flourish in India Banikinker (2015). Though the Indian online jewellery market is too small compared to its overall jewellery market, its fast pace of expansion is an indicator of its growing acceptance say industry executives Banikinker (2015). According to Deepak Tulsian, Head of jewellery at eBay, India (2015) "The domestic online jewellery market will likely grow at an average 60-70% annually for the next several years, from roughly \$200 million now" Banikinker (2015).

2. REVIEW OF LITERATURE

There are several works available that compares the perception of online and non-online shoppers. However, much literature was not found which compares the perception of online and non-online shoppers of jewellery in specific.

According to study by Mutum D and Ghazali E (2006), the internet oriented lifestyle of Malaysian shoppers differs from that of non-shoppers. They identified eight significant factors influencing internet shopping that function as satisfiers and dis-satisfiers. They reported that between two groups there is a significant difference in six factors out of eight key factors.

A Cross functional cooperation with design teams in new product development tried to identify critical factors (Kim and Kang 2008). They applied Independent T-test to compare the factor difference between a design group and a non-design group. On the basis of T-test it was identified that the two groups had significant difference in case of eight factors.

Demirdogen et. al., (2010), had done a study on customer risk perceptions of internet banking. The primary objective of the study was to assess the difference in risk perception between customers using internet and those not using the internet. It is based on six research hypothesis which in turn is based on six groups of risk perception of customers. They found that there is significant difference in risk perception of three groups (financial risk, Psychological risk and Security risk) of risk categories.

A study by Tandon et.al (2015), analyses the difficulties and inhibitions of online users and non-users in India. Various statistical tools like ANOVA, Correlation and Factor analysis were applied on the data collected from both users and non-users of

online shopping for northern part of India. The study found significant difference in the mean ratings of both the groups for most of the deterrents to online shopping.

Dai et. al., (2014), studies the influence of experience (of online shoppers) on perception of product, finance and privacy factors and does this experience has direct influence on purchase intention in case of digital and non-digital products. The study revealed that there is a major role of product category in deciding online purchase intension.

Kaveri and John (2015), studied the consumer perception towards gold jewellery.

Ramachandran and Dayana (2014), examined the consumer awareness of branded jewellery and factors influencing branded jewellery.

However, that there is no ample literature available specific to online shopping of precious jewellery. Therefore, the objective of this paper is to examine the difference in perception between online and non-online jewellery buyers toward online precious metal jewellery shopping in India.

3. RESEARCH METHODOLOGY

A questionnaire was developed to measure the perception of online and non-online shoppers of precious jewellery. The questionnaire mainly covered the 12 statements which broadly included the various factors (product, convenience, service and hindrances of online shopping) influencing online purchase of jewellery and the responses were received online from both the groups. The respondents were asked to indicate their level of agreement to each statement on a 5 point scale (5 = strongly agree to 1 = strongly disagree). Eighty responses were received through snowball sampling technique.

4. DATA ANALYSIS AND FINDINGS

The data was collected from eighty respondents, out which thirty nine respondents were online buyers of precious jewellery and forty one respondents were non-online buyers of precious jewellery.

Table 1
Respondents Classification

<i>Group</i>	<i>Frequency</i>	<i>Percent</i>
Online Buyer	39	48.8
Non-online Buyer	41	51.3
Total	80	100.0

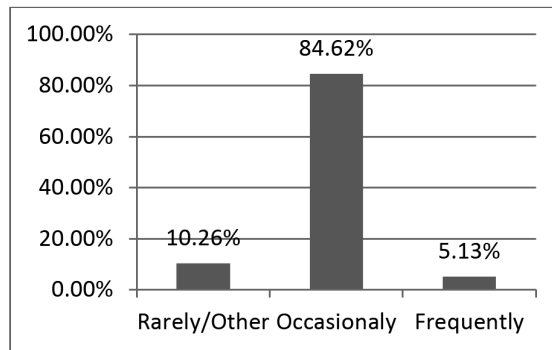


Figure 1: Purchase frequency of online buyers

Table 2
Average Purchase Value of Online Buyers

<i>Average Purchase Range</i>	<i>Frequency</i>	<i>Percent</i>
More than Rs 1,00,000	0	0%
Rs 50,000 - Rs 1,00,000	6	15%
Rs 10,000 - Rs 50,000	12	31%
Less than Rs. 10,000	19	49%
No response	2	5%

From Table 2; it can be seen that most of the online jewellery buyers i.e., 49% have purchased jewellery worth less than Rs. 10,000 and 31% have purchased in the range of Rs 10,000 – Rs 50,000. It can be observed that high value purchase is very low among online buyers (15% between the range of Rs 50,000 – Rs 1,00,000 and none above the range of Rs 1,00,000).

Table 3
Factors Influencing Online Shopping of Precious Jewellery

<i>Factors</i>	<i>Statements</i>
Product	It offers wide choice of designs It offers lower karat jewellery to fit the customer pocket It offers wide range of low weight jewellery Not sure about the purity of metal and quality of stone
Convenience	It is time saving, as I need not visit the shop It is more convenient, as I may order the jewellery at my convenient time It gives the benefit of comparing the jewellery range between different online portal
Service	The replacement and repair of jewellery may take more time
Online shopping hindrances	I do not get to see and feel the actual jewellery The image of jewellery may not match the actual jewellery It is not possible to try jewellery before purchase It will not give the clear idea about the size of jewellery

The twelve statements were grouped into four factors on the basis of proximity in nature of statements as shown in Table 1. The composite score of each factor was calculated by determining the mean score of all statements within the grouping factor.

Hypothesis

H1: There is difference in perception between the two groups with respect to product factors

H2: There is difference in perception between the two groups with respect to convenience factors

H3: There is difference in perception between the two groups with respect to service factors

H4: There is difference in perception between the two groups with respect to factor online shopping hindrances

Table 4
Group Statistics

<i>Variable</i>	<i>Buyer</i>	<i>N</i>	<i>Mean</i>	<i>Std. Deviation</i>
Product Factors	Online	39	3.9038	.62201
	Non-online	41	3.3841	.80641
Convenience Factors	Online	41	3.3333	.97753
	Non-online	39	4.0385	.75989
Service Factors	Online	39	3.6667	1.05963
	Non-online	41	4.3415	.82492
Factors hindering online shopping	Online	39	4.0385	.75989
	Non-online	41	4.3110	.78617

Table 5
Independent Sample Test

<i>Variable</i>	<i>T</i>	<i>df</i>	<i>Sig. (2-tailed)</i>	<i>Mean Difference</i>
Product Factors	3.216	78	.002	.51970
Convenience Factors	3.961	78	.000	.78632
Service Factors	-3.167	71.780	.002	-.67480
Factors hindering online shopping	-1.575	78	.119	-.27251

Based on the result from Table 4 & Table 5, significant difference was found in:

1. Product factor score of online (M = 3.9038, SD = .62201) and Non-online buyers (M = 3.3841, SD = .80641); $t(78) = 3.216, p = 0.002$;

2. Convenience factor score of online ($M = 3.3333$, $SD = .97753$) and Non-online buyers ($M = 4.0385$, $SD = .75989$); $t(78) = 3.961$, $p = 0.000$; and
3. Service factors score of online ($M = 3.6667$, $SD = 1.05963$) and Non-online buyers ($M = 4.3415$, $SD = .82492$); $t(71.780) = -3.167$, $p = 0.002$.

Therefore, there is significant difference in perception on Product, Convenience and Service factors between online and non-online buyers. However, no significant difference was seen in the Factors hindering online shopping score of online ($M = 4.0385$, $SD = .75989$) and Non-online buyers ($M = 4.3110$, $SD = .78617$); $t(78) = -1.575$, $p = 0.119$. Therefore, H_1 , H_2 and H_3 Hypothesis are accepted and H_4 Hypothesis is rejected.

5. CONCLUSION

Online shopping is the most preferred shopping means of many buyers today. Most of the products are available online for purchase. In Recent decade the online shopping has entered the Indian precious metal jewellery sector too. However, it is observed in this study that among respondents who are precious metal jewellery shoppers online, most of them make their purchases occasionally (84.62%) and most of the respondent's average purchase value was less than Rs 10,000 (49%). The study reveals that there is significant difference in the perception of online and non-online shoppers in terms of product factors, convenience factors and service factors. However, the perception of online and non-online shoppers still remains the same in terms of the factors hindering online purchase.

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