CHAPTER - I

INTRODUCTION AND DESIGN OF THE STUDY

1.1 INTRODUCTION

The word ‘Jewellery’ is derived from the word jewel, which was anglicized from the Old French word “joule” in the 13th Century. Further tracing leads back to the Latin word “jocale” meaning plaything.[1] Jewellery is a form of personal adornment, made from any material usually precious gem stones, beads or shells. Factors affecting the choice of materials include cultural differences and the availability of materials. In India, gold jewellery is a storehouse of value, a symbol of wealth and a fundamental part of many rituals. 85 per cent of the jewellery being sold in India is gold jewellery. The preciousness of this shiny metal has made it a favourite investment tool of millions of Indians. That it can also be used for adornment is the further icing of the cake.[2]

1.2 SIGNIFICANCE OF INDIAN JEWELLERY

Jewellery has been an integral part of the Indian culture and civilization since ancient history. They were in demand and fashion since ancient civilization of Harappa and Mohanjadora.[3] Gold has always played a pivotal role in the Indian social fabric. Even today, gold remains the Indian brides’ streedhan, the only wealth women take with them when they go to their new home. In India, jewellery is not just a means of adding glitter and attraction to the personality. It is worn to strengthen various religious beliefs and for social security. Earlier both men and women used to wear ample of them but with the passage of time, men didn’t really seem keen on wearing them. However, they still use simple jewellery like chains, rings and bracelets.
Gold jewellery is the most preferred gift given by the dear ones to express their love, affection and gratitude. Jewellery has not only been considered for the purpose of adornment, but it also acts as a security in times of contingency. Gold is also valued as an important savings vehicle in India, and is the second preferred investment behind bank deposits.[4]

1.3 GOLD JEWELLERY CONSUMPTION AT WORLD LEVEL

According to World Gold Council, China is the world's largest single consumer of gold in 2013 and toppled India for the first time with Chinese consumption increasing by 32 per cent in a year, while that of India only rose by 13 per cent and world consumption rose by 21 per cent. Unlike India where gold is used mainly for jewellery, China uses gold mainly for manufacturing goods other than jewellery. China ranks one in gold consumption with 1,120.1 tonnes, followed by India with 974 tonnes. Of this 974 tonnes nearly 600 tonnes goes into making jewellery. South Korea occupies the last place with 17.5 tonnes.[5]

1.4 INDIAN JEWELLERY INDUSTRY

Jewellery industry is one of the fastest growing industries in the country. It occupies an important position in the Indian economy and is a leading foreign exchange earner. Jewellery industry is predominantly divided into two segments. They are gold jewellery and fabricated studded jewellery [diamonds as well as gemstone studded jewellery]. Gold jewellery forms around 80 per cent of the Indian jewellery market, with the balance comprising fabricated studded jewellery.[6]

The Wealth Report of Karvy (2013) says that the amount of gold held by Indians is over 18,000 tonnes worth Rs.50 lakh crore. Worldwide roughly 52 per cent of the gold produced is used for making jewellery, about 12 per cent is used for industrial purposes, 18 per cent as investments holdings (Gold ETFs etc,) and
remaining 18 per cent is Central Bank holdings. Out of the 52 per cent worldwide jewellery consumption, majority happens in India. Roughly a middle class household buys Rs. 15-80 lacs worth of gold jewellery in a lifetime.\[7\]

Gold is consumed most in South (37 per cent), West (32 per cent), North (18 per cent) and East (13 per cent).\[8\] According to World Gold Council, Tamil Nadu and Kerala are key markets in India. The precipitate consumption of gold in Tamil Nadu and Kerala is the highest in the world. Buying trends are different among the southern states. Bulk purchases for marriages mostly take place in Kerala and metros of other southern states.\[9\]

The Gem and Jewellery sector is largely unorganized at present. The industry is dominated by family jewellers, who constitute nearly 96 per cent of the market. Organized players such as Tata with its Tanishq and Gitanjali have entered the market with branded jewellery which constitutes the remaining 4 per cent. Branded jewellery is a new concept in this sector and it is gaining importance among the people who look for quality, reliability and wearability factors. \[10\] Today, traditional handcrafted jewellery is slowly giving way to machine-made jewellery.

The price of gold has increased to a level beyond expectation, but nothing seems to stop the gold-lust customers from buying and investing in gold. Industry experts say that the high prices have not affected the sales of gold jewellery. Indian jewellery industry has been gaining prominence as an international sourcing destination for high quality jewellery. Policy changes implemented by various governments over the past decade and even before have resulted in an overall development of the jewellery industry in India. Thus, emerging from relatively humble beginnings of a small and unorganized sector in the 1950s and 1960s, the
Indian jewellery industry has now emerged as the manufacturing powerhouse of India. [11]

1.5 JEWELLERY INDUSTRY IN TAMIL NADU

Tamil Nadu leads in gold consumption among the southern states. Apart from Chennai, which has become the hub of gold consumption, cities like Coimbatore, Madurai, Trichy and Salem have become important centers for the sale of yellow metal. [12] In Tamil Nadu, gold is the second most popular instrument after bank deposits. That is why people in the south buy mostly plain gold jewellery in comparison with their counterparts in the North who buy jewellery studded with precious and semi-precious stones. Mr. L.K.S. Syed Ahmed, Chief Advisor, Tamil Nadu Jewellers Federation and Chairman of L.K.S. Gold House, says that plain gold jewellery forms more than 75 per cent of the jewellery market, with the rest coming from studded jewellery that includes diamond and other gemstones studded jewellery. In Tamil Nadu, high prices have not affected the sales of jewellery and the trend seems to be very positive for designer jewels. Purchasing has gone up by 15 - 20 per cent. [13]

Coimbatore is one of the major gold jewellery manufacturing hubs in India, renowned for making cast jewellery and machine made jewellery. The city is home to some 3000 jewellery manufacturing companies and to over 40,000 goldsmiths. [14] Owing to the presence of a large number of jewellery manufacturers and the strong engineering base, the city is home to a number of companies manufacturing jewellery making machinery. The city is also a major diamond cutting centre in South India. For example Kirtilal's Jewellers alone have 5 diamond cutting and polishing centres in Coimbatore. [15]
There are more than 30,000 jewellery shops in Tamil Nadu, which are mostly family-run and un-organized. There are nearly 1,00,000 workshops engaged in jewellery making and run by skilled goldsmiths. Organized jewellery retailers dominating the jewellery market in Tamil Nadu are Kalyan jewellers, Malabar Gold and Diamonds, Jos Alukkas, Joy Alukkas, Thangamayil Jewellery, Tanishq, and Lalitha Jewellery. Key brands in southern districts of Tamil Nadu are Bhima Jewellers, GRT Jewellery, Shahjahans, Khazhana, Alagar Jewellers, Annai Jewellers, Senthil Murugan Jewellers, MH Jewellers, AVM Jewellers and Ganga Jewellers.

1.6 INDIA’S GOLD DEMAND DRIVERS

Gold has several applications or uses, but in India gold is mostly used in making jewellery. The main reasons for more consumption of gold jewellery in India are as follows:

- Indians consider gold as a safe investment.
- Traditional demand for gold jewellery during wedding season, festive season and on auspicious occasions.
- Gold has great ornamental value.
- High rural demand for gold due to non-taxation of agricultural income.
- Increase in India’s per capita income leads to an increase in gold purchase as an alternative mode of savings.
- Growing popularity of trendy, affordable and light weight gold jewellery among the people.[16]
1.7 SOCIO-ECONOMIC CONTRIBUTIONS OF JEWELLERY INDUSTRY

The jewellery industry provides employment to around 3.2 to 3.4 million people directly. Majority of the workforce come from economically weaker sections of the society. The jewellery industry also plays a key role in the Indian economy and commands a high percentage of the exports from the country. The industry accounts for nearly 20 per cent of the total Indian exports. Jewellery is the second largest foreign exchange earner next to textile and apparel sector. Diamond processing and jewellery manufacture do not pollute the environment, either air or water. Being an import-based industry, it does not deplete natural resources and also leaves the flora and fauna intact. Thus jewellery industry is an environment friendly industry. \[^{[17]}\]

1.8 STATEMENT OF THE PROBLEM

Indian jewellery is unique in its design and workmanship. India and jewellery, jewellery and Indian women - the terms are linked inherently. Even men wear simple gold ornaments like rings, bracelets and chains. The average customer now wants designs that are unique and contemporary. A woman buys jewellery today not just for investment and as a status symbol but also to express her individuality.

India has well established capabilities in making hand made and machine made jewellery in traditional as well as modern designs. The Indian jewellery retail sector continues to be dominated by the unorganized jewellers. There are over 2.5 million jewellery shops in India and most of them are family-run. \[^{[18]}\] However, with the Indian consumers becoming more fashion and quality conscious, retailing in the Indian jewellery sector is emerging stronger with various big companies like Tata, Thangamayil, Kalayan, and Malabar gold are opening multiple stores across the country.
Tamil Nadu leads in gold consumption among the southern states and is India’s largest gold jewellery retail market and home to some of the biggest names in the country’s gold jewellery trade. The jewellery retail business is unorganized and expanding rapidly in Tamil Nadu, with even single-outlet, neighborhood jeweller-type stores opening branches in other localities and towns. People in Tamil Nadu have a culture of buying gold from their savings and the yellow metal is seen as an investment here because of its liquidity. The high end consumers in Tamil Nadu view gold as a piece of adornment. Tamil Nadu has a gold jewellery base and has the potential to become the hub of the gold jewellery industry.

Indian jewellery industry plays an important role in Indian economy. But the industry faces certain problems that act as bottlenecks for the industry to compete globally. Being largely unorganized, the jewellery sector mainly uses labour-intensive and indigenous technology that affects their growth prospects. This sector is mainly constituted by small and medium jewellers who face stiff competition from large and organized retailers. Further, banks and financial institutions hesitate to provide financial assistance to these retailers who mainly carry on jewellery retailing as family-owned business.

Jewellery industry is also highly dependent on import of gold for meeting its raw material requirements. Country’s current account deficit increased mainly due to rising import of petroleum products and gold. High gold price has also changed consumer buying behavior. High price has not stopped the customers from buying gold jewellery. But it has reduced the volume of consumption of gold jewellery. Today, consumers have started to prefer light weight designer wear and imitation jewellery. With the advent of imported jewellery making machines in Tamil Nadu, these traditional goldsmiths have been hit badly. No in-depth study has been
undertaken to study the preferences of consumers towards gold jewellery and jewellery marts, marketing strategies adopted by jewellery retailers and the income and expenditure pattern of master goldsmiths in southern districts of Tamil Nadu. Hence the present study “A Study on Jewellery Industry in Tamil Nadu” is undertaken to analyse the strengths and weaknesses of the jewellery industry in the southern districts of Tamil Nadu.

1.9 REVIEW OF LITERATURE

Review of literature is an essential part of academic research project. It provides a background to the study and helps to address the research problem. To develop clarity and comprehension in any study, it is necessary to review the earlier studies. This would help the researcher to have better understanding of the perspective of the research problem. Books, magazines, journals, newspapers and research articles on the websites have been reviewed to gain adequate knowledge about the problem. Reviewing such articles also helps in understanding the problem well and creates awareness of technical terminology to be used in the study. Keeping in view the objectives of the study, the following literatures have been reviewed and presented as follows:

1.9.1 REVIEW OF GOLD TRADE IN ANCIENT INDIA

Ball .V (1879) in his article, “A Geologist’s Contribution to the History of Ancient India,” [21] says that Ophir, the golden country, is the earliest Indian port mentioned in ancient texts as the source for gold and precious stones. Its location has been identified as Sauvira, in the Gulf of Cambay, north of Bombay. Cities all along the western and eastern coasts acted as entry and exit points for commercial vessels. Names of ports that occur repeatedly in the mercantile context include Cambay, Broach, Diu, Goa, Calicut, Kaveripattinam and Pulicat. The Roman trade was
centered along the coast of South India, an area abundantly rich in gold, diamonds and pearls. Gems flooded the market of cities such as Madurai and Puhar.

Chopra (1974) in his book titled, “A Social, Cultural and Economic History of India”[22] says that northern India also had its flourishing urban centers. He further says that this can be inferred from descriptions of an archaeological site in ancient Taxila. The description was given by Vladimir Zwalf (in Jewellery, 7000 years – Hugh Tait, Editor) who says that, “The site has yielded magnificent and well-preserved gold jewellery, notably necklaces, ear-pendants and finger-rings, characterized by a mastery of granulation and inlay”. While most ornaments from that period have not survived, sculpture from several sites shows heavy adornment. Patliputra (now Patna) during the Mauryan period was described by travellers as one of the grandest cities of that period.

1.9.2 REVIEW OF SIGNIFICANCE OF INDIAN GOLD JEWELLERY

Rajbali Pandey (1991) in his book, “Hindu Samskaras”[23] reveals the statements of Atharvaveda and Manusmriti. According to the Atharvaveda, concluding the marriage ceremonies, the bride’s father gives her away with the utterance: “I give away the girl adorned with gold ornaments to you…..” According to the Manusmriti, the oldest Hindu treatise on social law, a woman’s jewels are her streedhan, the only property legally and irrevocably hers.

Bernard liven (1996) in his article titled, “Travel in Golden Realms”[24] describes Indian people’s great fascination towards gold as, “For thousands of years, Indians have dug for gold, prayed for gold, begged for gold, died for gold, killed for gold, gone mad for gold and wasted their lives for gold.”
Pinank Mehta (2001) in his article, “India’s love of Gold”[^25] has stated that, gold to Indians is that ultimate love object not only does it adorn our bodies, it also acts as a good investment. Gold is ancestral. From mother to daughter to granddaughter, (father to son to grandson) gold has a tendency of getting passed down from generation to generation, so for Indians at least, gold will never lose its sheen.

Usha R. Balakrishnan (2005) in the book entitled, “Icons in Gold – Jewellery of India”[^26] says that from time immemorial, Indians have regarded gold as indestructible and endowed with properties going far beyond its utility in jewellery. Gold is a symbol of the sun, by analogy with the latter’s colour and imperishability. It is also associated with Lakshmi, the goddess of wealth. When an ornament is worn, there is an automatic association of ideas between the jewel, the symbolism inherent in each ornament and the reaction of an observer from the same culture milieu.

Usha R. Balakrishnan (2005) in “Icons in Gold - Jewellery of India”[^27] has also highlighted the spiritual significance of gold jewellery. According to her, traditionally, jewellery in India was worn on practically every part of the body and particularly on the joints and pressure points. From the crown of the head, the seat of all knowledge and enlightenment, to the ear lobes, the neck, the arms and forearms, around the waist and the hips, and right down to the ankles, these points closely correspond to the energy centers which, according to tradition, regulate the flow of prana or life-breath through the body. It was believed that wearing jewels imbued with symbolic and spiritual significance on these pulse points enhanced the flow of energy, thereby keeping the body and mind in a state of perfect balance and harmony.

Assocham (Associated Chamber of Commerce) (2012) in its report entitled, “India’s Gold Rush: Its Impact and Sustainability”[^28] has pointed out certain qualities of gold that make it a desirable investment option. Some of these qualities are the
ability of gold to insure against instability and protection against risk, universal acceptance, liquidity and deep cultural affinity with gold purchase.

1.9.3 REVIEW OF JEWELLERY DESIGNS, PERCEPTION OF CONSUMERS, AND BUYING BEHAVIOUR OF CONSUMERS OF GOLD JEWELLERY

Ruplekha Roy Choudhury (2005) in her article “Spiritual Jewellery” [29] in “The Art of Jewellery” has stated that there is a huge market for spiritual jewellery in India, which extends to international borders. The market consists of quite stylised versions of spiritual jewellery. A sizeable export market exists catering to international tastes, which usually consists of more experimental motifs. Motifs of Lord Ganesha, Muruga, Lingam, Krishna, Goddesses Lakshmi, Shakti, Om, Sun, Swastika, Snake, Cross, Dove, Crescent moon and Star are popular in India.

Rebecca Clark (2006) in her article entitled “Changing Consumer Attitudes Drive Gold Jewellery Demand”, [30] has given the findings of the research conducted by World Gold Council with women aged 15-65 years in six key gold jewellery markets-China, India, Italy, Saudi Arabia, Turkey and the USA. The research revealed that, developing countries have historically accounted for the majority of gold jewellery demand, and there is an increasing appetite for gold amongst the emerging middle class. Demand is driven not only by increased wealth but also a greater sense of independence and significant changes in consumer attitudes, whereby gold jewellery is much more desirable now to women around the world than it was three years ago.

Ramesh Pahlajani (2006) in his article entitled, “Hall Marking” [31] in Solitaire International has given the findings of a study conducted by Bureau of Indian standards (BIS) in 2002. It was found that around 88 per cent of all gold jewellery
sold in India is under-karated. They estimated that the total loss to consumers due to unscrupulous methods of jewellery fabrications amounted to Rs. 10,000 crore.

Shanoo Bijlani (2007) in her article “Tastes are changing down South” in Solitaire International has said that the tastes of South Indian people are changing. According to Shanoo Bijlani, southern India, long known as the gold market with a huge appetite for both bullion and plain gold jewellery, is now undergoing a transformation. Increasingly affluent, southern consumers are willing to look at options other than gold and experiment with products other than the traditional. Their gold-buying habits too are being redefined. She also says that some 45 per cent of the 691 tonnes of gold that went into Indian consumer market was snapped up by the southern Indian states of Tamil Nadu, Kerala, Andhra Pradesh and Karnataka.

A research conducted by Shivani Mishra (2007) reveals that 80 per cent of jewellery is bought for investment purposes, 90 per cent of the customers make their jewellery purchases from their traditional jeweller, 5-6 per cent of merchandize is branded jewellery, 85 per cent of jewellers acknowledge that a team of trained designers is a must, 70 per cent of the customers prefer yellow gold with rhodium plating, 5 per cent of the customers showed preference for platinum, and 85 per cent of sales take place during Diwali and Akshaya Tritiya. They also further state that the traditional family jewellers are selling jewellery under their own brand names. They do not stock other brands and if they do, it is not more than 5-6 per cent.

Shanoo Bijlani (2009) in her article, “Flower power still drives Indian Jewellery Industry” has stated that just as the diamond engagement ring is seen as being the backbone of the jewellery industry in Europe, the US and Japan, floral motif jewellery is the mainstay of the Indian jewellery industry.
Akshay Verma (2010) in his article “Discount the Discount”[35] in Retail Jeweller has stated that, the introduction of universally accepted quality standards like hallmarking and diamond certification has overhauled buyers’ perception towards jewellery. Consumers are of late becoming quality conscious rather than discount-conscious. Therefore, quality is becoming the key criterion for purchasing jewellery and not discount.

World Gold Council (2010) in its article titled “India Heart of Gold Revival”[36] has stated that India has one of the highest saving rates in the world; estimated at around 30 per cent of total income, of which 10 per cent is invested in gold. The article further reveals that only 21 per cent of rural India had no access to formal financial sources. Therefore lack of availability of alternate avenues of investment might be resulting in heavy gold purchases.

Julian D.W. Phillips (2011) in the article “The Indian Gold Market”[37] in the Business Line has highlighted the fact that the rural agricultural sector, which accounts for 70 per cent of the population, has been the source of 2/3 of gold demand. Indian gold buying starts its year in August and carries on through until May of the next year.

Neeru Jain (2011) Assistant Professor of Jewellery Design, IIS University, Jaipur, in her article, “Jewellery Design”[38] has suggested the need for the study of jewellery, to implement hallmarking and bring about standardization in levels of gold purity because it is a growing issue of concern to all consumers and to make international quality ethnic jewellery to create a new stream of innovative, contemporary jewellery, both for the domestic as well as international markets.
The article entitled “Bring on the New Bling”[^39] by Shibi Kumaramangalam (2012) reveals the preferences of young consumers. The article points out that many young women prefer contemporary designs, who team such pieces with both western and Indian wear. While modernizing the traditional may seem tricky, the evolution in designs is welcomed by urban, well-travelled and certainly younger jewellery owners. Working professionals are especially happy to own trendy pieces without cumbersome gems and stones.

Preethi Chamikutty (2012) in her report “Branded Gold and Diamond Jewellery attracting Indian Buyers”[^40] points out the results of a study by the World Gold Council. The writer says that the study conducted by World Gold Council reveals that over 80 per cent of the 13,000 Indian women surveyed look at gold as a financial investment. Many of the women also pointed to the spiritual significance of the metal. Traditionally, Indians are comfortable buying their gold jewellery from family-owned brands that have been around for generations.

Kumar and Varadaraj (2013) in their study entitled, “A Study on Buying Behavior of Woman Customer’s towards Jewellery Products with special reference to Tripur City”[^41] have stated that since the late 1990s, there has been a shift in consumer tastes. Women were increasingly opting for fashionable and lightweight jewellery instead of traditional chunky jewellery. There was a rise in demand for lightweight jewellery, especially from consumers in the 16 to 25 age group, who regarded jewellery as an accessory and not an investment.

Nirupama Soundarajan (2014) in the report titled, “Why India needs a Gold Policy”[^42] has revealed that 77 per cent of the respondents bought gold at least once during 2013 while some bought it more than once. Indian consumers buy gold as an investment and for adornment. More than 75 per cent of respondents perceived gold
as a safe investment and 53 per cent consider it primarily an adornment; and the overwhelming majority believe that gold is both. Gold demand is not dependent on price fluctuations. Among the respondents, 34 per cent said their behaviour would not change if the gold price increased and 20 per cent said they would buy more under such circumstances.

Aarti Deveshwar and Rajesh Kumari (2014) in “Indian Women Buying Behaviour towards Branded Jewellery” [43] analyzed women’s behaviour towards branded jewellery in India and have stated that Indian women’s behaviour are affected by a number of factors as quality, durability, design, variety, purity, reliability, comfortability to wear, uniqueness, price, discounts, credit facility, advertising, special gifts and special offers, warranty period, resale value, after sales services, popularity of retail outlets, ambiance and services provided in the store, occasions, friends and relatives influence, trust in jewellers, brand name popularity and fashion. They buy jewellery for many purposes as investment, festivals, fashion, status, and gift. Women purchase jewellery at various occasions as wedding, anniversary, birthday, baby birth, new year, festivals, house warming, and bonus/sudden financial gain.

Balaji and Maheswari (2014) in “A Pragmism shift in the Buying Behaviour of Indians towards Gold Jewellery – A Theoretical Approach with reference to the growth of Branded Retailers” [44] have given the report of FICCI-Technopak which states that currently, people of working age - between 16 and 60 years - represent 64 per cent of the total population of the country. India now has a rich base of young consumers who have a different set of needs and are more amenable to branded products and services towards jewellery. These new Indian consumers demand greater
transparency, better service and a more compelling value proposition driven by brands and fashion. In India mostly jewellery purchases are investment oriented.

1.9.4 REVIEW OF JEWELLERY RETAILING IN INDIA

Shanoo Bijlani, Regan Luis and Michelle Pinto (2007) in the article “Festival Season for Jewellery kicks off with IIJS”, [45] state that design is the only thing that differentiates one jeweller from the next. Design is the major deciding factor for Indian customers. Today’s generation wants to wear jewellery that is fit-to-be-worn and not to be locked up. Retailers are finding that their customers are becoming more demanding and even small-town retail jewellery outlets find the need to stock something special. Consequently, manufacturers are happy that their customer base is broadening.

The study titled, “Indian Jewellery Retail-An Impressive Phenomenon”[46] by Daisy Tanwani (2007) points out that the three basic but most important factors for success in jewellery retail stores are stock, range, ambience and service. Daisy Tanwani also states in her report that the traditional jeweller has now recognized the need of branding and superior services and that the customer is accorded utmost respect and is pampered with comfortable shopping and better services.

Rutam Vora (2010) in his article “Jewellery Retailing in India : A Corporate Acid Test” [47] in Commodity Online has pointed out that jewellery companies have now recognized the true buying power of precious jewellery in rural and semi-urban areas and have started targeting them with caution of trust and mutual relationship. However, it would probably take generations for rural community to change their priority from the local, traditional jeweller to the national organized corporate.
Manish Sukhija (2013) in the research report titled, “The Indian Gems and Jewellery Industry”[48] reveals that family owned business will move towards greater degree of professionalism and trust on the neighbourhood jeweller will be replaced by the hallmarking and certification of jewellery.

1.9.5 REVIEW OF GOLDSMITHING IN INDIA

Stellman.J.M (1998) in the book titled, “Encyclopedia of Occupational Health and Safety”[49] reveals that there is a general tendency among the jewellery makers to leave the work during their mid-thirties and forties, which is too early for a person’s work life. Generally visual capacity deteriorates with age of the worker. The flying particles of gold arising during the process of machine cutting, pose a threat of foreign body injury in the eye. Higher amount of exposure to sulphuric acid fumes can cause eye irritation.

Usha R. Balakrishnan and Meera Sushil kumar (2004) in “Indian Jewellery - Dance of the Peacock”[50] have given a detailed description about ancient goldsmiths and their workshops in India. The goldsmith, or sonar as he is popularly known in the north, and thattan, achary or tattasari, as he is known in the south, belongs to a separate caste, whose position in the social hierarchy is relatively low.

The Yajurveda refers to bead-makers as manikara, and the goldsmith as hiranyakara. Asvaghosa calls them svarna kara, svarna karmara and ratna karmatya. Perhaps the first indicated an ordinary goldsmith and the second a specialist, while the third was probably the gem-setter. But the name suvarnakara, meaning ‘one who worked in gold’, was most common. With the large supply of gold and gems at their disposal, kings established ateliers (kharkans), their sole purpose being to create jewels for the ruler.
Palanithurai and Ramesh (2008) in their book titled, “Globalization, Issues at the Grassroots” reveals that present state of conditions of goldsmiths in India. The number of people who approach the goldsmiths for making jewellery has drastically come down, and the trend to select ready-to-wear jewellery from showrooms is fast catching up. This is sending shock waves in the spinal cord of the goldsmiths. After liberalization, jewellery showrooms have assumed the prime-place, where traditional goldsmiths go seeking employment. Small and medium-size jewellery shop owners needed either investment or finance to showcase ready-to-wear jewellery items, and so they started holding new business deals with gold traders and financiers from north India. In the bargain the goldsmiths who depended on local jewellery shops got sidelined. The goldsmiths as artisans who have hitherto been making a livelihood out of their capabilities suffer as they need money to invest in gold to supply to the customers or to the small jewellery shop owners. Business giants (such as the Tatas) who have never been in jewellery business are opening gigantic jewellery showrooms and showcase machine-cut designs, fashion jewellery and branded jewellery which sell like hot-cakes. The goldsmiths are mute spectators to these developments.

1.9.6 REVIEW OF GROWTH OF INDIAN JEWELLERY SECTOR

Priya M. Lakshmi and Suganya (2009) in their study, “A Study on Customer Preference and Satisfaction towards Gold Jewellery”, explores that Indian jewellery sector should focus on developing brands that stand for quality and transparency. The brands are gaining more popularity and customers are expecting more and more transparency apart from the choice to choose from various varieties of designs.
The study entitled “Despite Short Term Setback, Indian Gems Poised to Glitter” [53] by Export-Import Bank of India (2010) describes India as one of the fastest growing jewellery markets in the world. The growth in this industry is likely to be driven by growth in jewellery exports to the major markets like the US and Europe as well as demand in the domestic market. The EXIM bank has stated that the demand for this industry which is income elastic is likely to remain moderate in the near future.

Pointing to the industry in the emerging economics referred earlier, the study stresses that, changing lifestyle and urbanization are also expected to stimulate the sales growth in the gems and jewellery industry, mainly in the branded jewellery. The consumer awareness generated through the vigilant measures adopted by various national governments is expected to increase the demand for branded and hallmarked jewellery.

The Associated Chambers of Commerce (ASSOCHAM) (2011) in a study titled, “Current Trends in Indian Gems and Jewellery Sector” [54] published by the Hindu Business Line points out that rising purchasing power, lifestyle changes and overall increasing affordability among Indian middle-class consumers, introduction of hallmarking and certifications, availability of skilled artisans with expertise in jewellery making, designing diamond cutting, processing at competitive wages and conscious marketing efforts by jewellers are the most important reasons for the growth of jewellery sector. The report also states that traditional jewellers in India are realizing the importance of internet in the contemporary world and providing hassle free shopping experience thereby luring customers from higher status in large numbers.
Chanchala Jain (2012) in the article entitled, “A Trend Analysis of Export Performance of Gems and Jewellery Industry in India” suggest that government must liberalize the custom duties and procedures. Further, the Government should encourage the domestic exports and help them to export their product in the international market. She also says that the exporter of gems and jewellery must know the procedures to be followed in the export.

Naresh Kumar (2013) in his article entitled “Indian Gems and Jewellery Industry: Problems and Future Prospects” stresses the need to organize trade fairs and exhibitions and to establish more designing institutes of jewellery patterns especially in major cities. Furthermore, the researcher also subscribes to the view of popularizing the use of gem and jewellery products among the various sections of society at the national and international level, and that proper publicity measures should be initiated through media network.

1.9.7. REVIEW OF JEWELLERY INDUSTRY IN TAMIL NADU

Kapferer (2008) in his article entitled, “Consumer Involvement Profiles: A New Practical Approach to Consumer Involvement”, has said that brand is not only decided by the personality but it also shows consumers sense of stability and consistency. The author pointed out that a brand is less flexible, because once the image of brand personality is shaped in the minds of consumers, it is very difficult to alter. As per researcher’s observation, in Tamil Nadu the role of brand in determination of the purchasing pattern of ornamental gold is very low.

Vinojkumar (2008) in his article entitled “Indian Goldsmiths face a Doomed Future” has stated that traditional goldsmiths in Tamil Nadu, who belong to the Vishwakarma community, have been hit badly by the mechanization in jewellery making. Not too long ago, they led comfortable lives making jewels for established
retail outlets and taking orders from families during weddings and other functions. Since a typical Tamil wedding is incomplete without gold jewellery they got orders almost round the year. All that changed since the late 1990s with the advent of imported jewel-making machines. The writer also says that a machine can manufacture 25kg of gold chains in an hour, an output the goldsmith cannot produce even if he works throughout the year and also a machine does a year’s work of a hundred goldsmiths in about 10 hours.

Saravanan.S (2010), in his article entitled, “A Study on Consumer Behaviour of Women with Special Reference to Durable Goods in Coimbatore City, Tamil Nadu” [59] found in his article that the present modern market is very competitive and celebrity insists an individual consumer to make purchasing decision. At present women play important roles not only in other all fields but also play a major role in determining marketing condition particularly taking purchase decisions. His study moulds the present study the extent to which women’s role plays on the purchase of luxury products like gold ornaments in Tamil Nadu.

Prabhakar Rajkumar (2010) in his article, “Factors Influencing Consumers’ Perception of Gold Purchase in Four Major Districts of Tamil Nadu” [60] has stated that the most influencing perception towards the purchase of gold is the long term capital appreciation. Most of the gold buyers believe that gold is having an unassailable value accepted by all at all times. The second and most influencing factor is an assurance of confidence that gold gives to the possessor or investor. The next influencing factor is its suitability for Indian skin, most of the gold buyers feel that the yellow metal makes their appearance glowing and enhance their personalities. Festivals and conventions are the next influencing factors, because people in Tamil Nadu never think of any festival without associating it with gold and it is being
conventionally accepted by all. Advertisements are the least influencing factors, because gold buyer feels that advertisements are not great motivators to buy gold. In the process of the research study, through the survey of people in four major districts of Tamil Nadu it is found that investment in gold jewels shows that gold is to be considered a safe alternative and saving of gold in any form is a means of security for the future. In rural Tamil Nadu, the people never considered investment in life insurance and mutual fund as a best investment mode. Gold certainly has its own value for even with the soaring gold prices, we still find out jewel shops floated by people, which easily explains that still we feel that gold is the best investment.

Krishna kumar (2011) in his report entitled, “South India Accounts for 40 per cent of Gold Purchases” [61] has stated that, traditionally gold has been selling well in Tamil Nadu. In addition, it is increasingly accepted as a gold investment.

Balanaga Gurunathan and Muniraj (2012) investigated in their article entitled, “Impact of Consumer Awareness and Buyer Behaviour on Buying Jewellery Products-with Special References to Tamil Nadu States” [62] investigated the impact of customer awareness on behaviour and buying pattern of ornamental gold in Tamil Nadu. The social status played a significant role in Tamil Nadu for buying and investing in ornamental gold. The impact of awareness among the respondents on investments in ornamental gold was evaluated in terms of their preferences to buy. The respondents’ first preference was investment in yellow metal (mean value is 4.60), followed by white metal (mean value is 2.30), diamond jewels (mean value is 1.12) and platinum jewels (mean value is 0.62).
Kumar and Varadaraj (2013), “A Study on Buying Behaviour of Women Customers’ towards Jewellerey Products with Special Reference to Tirupur City” brought out the various factors affecting buying behaviour of ornamental gold products, measures the awareness on brand and buying attitude of the women buyers’ in purchasing of ornamental gold in different jewels retail stores in Tirupur. The authors found that the three fourth of the female respondents agree that jewels retail stores gives brand awareness. 36.5 per cent of the female respondents, purchase ornamental gold once in three months. 67 female respondents agree that they frequently buy ornamental gold during the festival seasons. 36.5 per cent of the female respondents spent Rs.20,000 in a year for purchasing ornamental gold and 46.5 per cent of the female respondents made gift purchases of Rs.10,000. 34.5 per cent respondents give importance to gold purity in jewels at the time of purchase. Majority respondents are expecting offers and discounts at the time of purchase.

Srinivas Rao, Padma Charan Sahu and Sathyapriya (2014), in their article entitled, “A Study of Customers’ Attitude and Behaviour on purchase of Gold Jewellery in Chennai City” focused on the customers’ attitude and behaviour towards purchase of ornamental gold. In this article the authors have suggested through their study that the ornamental gold has not only considered for maintaining the status of any individual and also considered as a liquid asset. The article ends with statement that the customers’ attitude and behaviour on ornamental gold purchasing in Chennai City have played a significant role.

Anbumani and Sundar.V (2014) in their research article, “A Study on Consumers awareness about Gold Jewellery in Tamil Nadu” have identified that the most of the consumers are aware of the gold jewellery. 66.5 per cent of the consumers wish to buy machine-made gold jewellery primarily for more weight and
more designs. The consumers watched many times gold jewellery advertisements and advertisements of Kalyan Jewellers.

Raja and Ponramu P (2014) in, “Jewellery Market Sales Promotion (Tamil Nadu for the month of April and May 2014)” studies mainly about jewellery consumer buying behaviour like how they act and respond to jewellery advertisements and communication. This article also measures the media preference with respective jeweller and their buyers. Based on the analysis, the researchers found that all the jewellers were focusing their own customers through saving schemes, tele calling and personal invite.

Raja and Ponramu.P (2014) in another study entitled “A Product Study on Gold Jewellery Sales Analysis (Tamil Nadu for the month of April and May 2014)” have found that sales volume of gold jewellery is high during Akshaya Tritiya when compared to the Tamil New Year. The researchers further state that the sale of all the gold ornaments is high during Akshay Tritiya as all hindus are very fond of buying gold on this day. Quantity is immaterial but the number of buyers is a huge volume. While in Tamil New Year, only Tamil speaking people and income surplus people would like to buy gold jewellery on this day.

Prabhakarrajkumar and Mohandass (2014) in “Gold Price Trend and Investigation of Purchasing Patterns of Ornamental Gold Buyers in Tamil Nadu” observed that the ornamental gold price movements form 2005 onwards showed a continuous hike and it was found that there was a continuous hike in the average ornamental gold price per gram and this shows that there was a steady increase in the price from 2005 to 2012.
Asha and Edmund Christopher (2014) “A Study on Buying Behaviour of Customers towards branded and non-branded Gold Jewellers with Reference to Kanyakumari District” [69] showed that the majority of the people of Kanyakumari district buy gold jewellery for the marriages in their family. It is also understood from the study that the respondents are highly satisfied with the goodwill factors of the branded jewellery such as wide product range, finishing and designs etc. Purity factor of the branded jewellery makes the people to buy from branded jewellery. Television plays a main role in advertisement to create awareness towards the brands and it ranks first and Radios become the outdated mode of advertisement, theatres scores the last mode of advertisement to create awareness. Television plays a main role in the mode of advertisements towards brands. Majority of the male and female respondents are satisfied with the overall performance of the branded outlets. They are satisfied with the service, price, design and wide product range provided by branded outlet.

Kumaran Thayumanavan, Moses Daniel and Prabaharan (2014) in their study entitled, “The Impact of Jewellery Retailers’ Television Advertisements on Buying Behaviour in Madurai District” [70] reveals that Madurai consumers like jewellery retailer’s television advertisements. TV advertising has enhanced their involvement in jewel selection and purchase, they prefer to buy TV advertised jewels and it is also helpful in selecting the jewellery retailers. Female consumers are more influenced by television advertisements than their male counterparts. Involvements of celebrities, songs and slogans in the Television advertisements attract the Madurai consumers and it also influence in purchasing the jewels from those particular retail outlets.

Gireesh Babu (2015) in his report, “Tamil Nadu Jewellers line up attractive offers” [71] has revealed that the organized retail players are trying to lure customers with special offers and discounts. Retailers in Tamil Nadu expect robust sales,
including the advanced bookings on Akshaya Tritiya, which is considered an auspicious day to buy new jewellery. Sales on Akshaya Tritiya would be 15-20 per cent higher than normal day’s business.

Kaveri and John William (2015) in their study entitled, “Consumer perception towards Gold Jewellery on select Retailers in Coimbatore District” [72] portrays the consumer perception on gold jewellery. Perhaps the main attraction of branded jewels is that they have a unique style of their own that differentiates them from others. Further the objective of the study is to get response about various factors affecting the buying behaviour of jewellery products. From the study it was identified that behind purchasing jewellery price, purity and design scores the maximum.

Bhuvaneswari and Muthupandi (2015) in their study entitled, “Buying Behaviour of Women towards Gold Ornaments” [73] have revealed that majority of the sample women respondents bought neck type of gold ornaments. Branded jewellery was preferred only by the upper class sample respondents. Status symbol has dominated more for purchase of gold ornaments. It is found that there is significant relationship between the amount spent on buying gold ornaments and the income pattern. It is inferred from the study that more than 90 per cent of respondents not preferred to buy gold ornaments from goldsmith. The gold ornament ‘chain’ was preferred by most of the women respondents in the study area.

Kumaran, Moses Daniel and Kannan (2015) in their article entitled, “Brand Loyalty: A Perception among Gems and Jewellery Retailers in Madurai District” [74] pointed out that the Madurai Gems and Jewellery market continues to be dominated by the small and medium size jewellery retail outlets. There are around 2000 small and medium jewellery retail outlets (Madurai Jewellers and Bullion Merchants Association 2013 report) in Madurai district and most of them are family run. After
2000 there is a tremendous change in the gold market with the heavy competition and advertisements provided by various jewellery retailers. Now, the Madurai jewellery industry is one of the fastest growing Industries in the country. The inherent attractiveness of the segment is luring more and more investors from both India and abroad, as is clearly indicated by the opening of a number of jewellery retail outlets by major corporate houses. However, to build long-term customers loyalty, price, quality, variety, and right image are very much needed. To attain this, the layout, ambient elements and the service of the retail outlets and the way the jewels are displayed at the outlets are very important.

 Parasakthi and Dhanalakshmi (2015) in their article entitled, “A Study on Problems faced by Gem and Jewellery Exports with Special Reference to Coimbatore city” have revealed that 44 per cent of the respondents are having 10 to 15 years experience in exports. Most of the respondents are using both air and water transport to export their products. Majority of the respondents told challenges takes place because of more competitiveness in the domestic market and 44 per cent of the respondents reported lack of institutional support. 40 per cent of the respondents reported that the condition of future market for gold is bad. Most of the exporters are facing competition with China, Philippines and Thailand and our India exporters are lagging in many ways in exporting of gold. Exporters are expecting to reduce import duties on gold. Most of the problem faced by gem and jewellery exporter is insufficient of raw materials. They need to import more raw materials from other countries and they have to pay more duty for imports of raw materials. There is no proper price rate for gold jewels, each and every day there will be a change in prices.
Prabhakumari and Anitha in (2016) their study entitled, “A Study on Consumer preference towards Gold Jewellery shop in Erode City” \cite{p1} reveals that majority of the respondent in Erode city select Joyalukkas. Advertisements have a great impact on the buying decision of the consumers so more focus on advertisements and media is necessary. Price, purity, design, variety, brand image, influence of family and friends are the most important factors guiding consumers in the selection of jewellery mart. The least guiding factor for purchasing jewellery is the service and display. Hence when a customer goes to buy jewellery they do keep the price in mind followed by purity and design. Branded jewellery is extremely popular since it has 100 per cent awareness. Brands like Shri Kumaran, Kalyan, Joyalukkas, Malabar and GRT are the most popular brands. It was found that the factors like advertisement and quality are satisfied by respondents and the factors such as design and reliability are not satisfied by respondents.

Kumaran Thayumanavan and Moses Daniel (2016) in their research article “Visual Merchandising: Factors Influencing Consumer Impulse Buying Behaviour in Jewellery Retailers” \cite{p2} have studied the various components of visual merchandising at jewellery retail outlets in Madurai city, Tamil Nadu and it aims to find out how and to what extent jewellers incorporate visual merchandising, that appeals to the customers and lead to a potential purchase. The major findings of this study were that most of the jewellers need to have attractive window displays, proper stores layout, appealing visual merchandising themes to attract present and potential customers into the outlet. It is also understood that the most important aspect of visual merchandising in jewellery retailing is to have proper lighting and attractive display themes with numerous designs.
1.10 OBJECTIVES OF THE STUDY

The following are the specific objectives of the study:

- To study the origin, history and growth of jewellery industry in India.
- To study the consumers’ preferences towards gold jewellery in southern districts of Tamil Nadu.
- To identify the marketing strategies of intermediaries in gold jewellery industry in southern districts of Tamil Nadu.
- To study the consumers’ attitude towards jewellery marts in southern districts of Tamil Nadu.
- To study the income and expenditure pattern of master goldsmiths in southern districts of Tamil Nadu.
- To offer suggestions to improve the functioning of jewellery industry.

1.11 SCOPE OF THE STUDY

Jewellery industry is predominantly divided into two segments. They are gold jewellery and fabricated studded jewellery [diamonds as well as gemstone studded jewellery]. Gold jewellery forms around 80 per cent of the Indian jewellery market, with the balance comprising fabricated studded jewellery. The present study attempts to explore the gold jewellery industry in Tamil Nadu. The study makes an attempt to present comprehensive information and data on consumers’ perception and preferences towards gold jewellery, their buying behaviour and attitude towards gold jewellery marts in the four southern districts of Tamil Nadu, namely, Thoothukudi, Madurai, Tirunelveli and Kanyakumari. It also aims at generating data and information on the marketing strategies, that is product strategies, pricing strategies, promotional strategies and place / distribution strategies adopted by jewellery
retailers, their problems and prospects. The study also seeks to obtain information on the income and expenditure pattern of master goldsmiths in the study area.

1.12 DATA AND METHODOLOGY

To achieve the objectives, the present study largely depends upon primary data and information in respect of marketing strategies of jewellery retailers, consumers’ preferences towards gold jewellery and jewellery marts, income and expenditure pattern of master goldsmiths. For this purpose three different sample surveys were conducted.

They are:

- Sample survey of consumers of gold jewellery.
- Sample survey of jewellery retailers involved in jewellery trade.
- Sample survey of master goldsmiths involved in jewellery making.

For the first survey, a total of 300 consumers were chosen as samples. For the second survey 240 jewellery retailers were selected as samples. And the third sample survey covered 120 master goldsmiths. The three sample surveys covered the consumers of gold jewellery, jewellery retailers and master goldsmiths in the four districts of Thoothukudi, Madurai, Tirunelveli and Kanyakumari.

To generate comprehensive, reliable and adequate data and information from the primary sources through the sample surveys, three different structured interview schedules were prepared. The customers, jewellery retailers and master goldsmiths were interviewed, it was quite informal and in a conversational style. The interview was administered to the respondents and the data were recorded in the interview schedules. After the completion of each interview, a checkup of the data was made to ensure completeness and accuracy.
Secondary data were also collected in respect of the history of Indian jewellery industry, jewellery industry in Tamil Nadu, production, demand, price, export and import of gold. These data were obtained from various jewellery books, magazines, journals, newspapers, annual reports of jewellery companies and websites.

1.13 SAMPLING DESIGN

For the present study on jewellery industry in Tamil Nadu, southern districts of Tamil Nadu were taken as study area. The study was conducted in the four districts of Tamil Nadu viz., Thoothukudi, Madurai, Tirunelveli, and Kanyakumari. For selecting the sample, stratified random sampling method is adopted.

To study the consumers’ preferences towards gold jewellery and consumers’ attitude towards jewellery marts, 300 customers were interviewed at their houses, when they were with the family members. The consumers were co-operative and they gave all information without any hesitation. 75 respondents were taken from each district of Thoothukudi, Madurai, Tirunelveli and Kanyakumari.

To obtain information regarding marketing strategies of intermediaries in gold jewellery industry, 240 jewellery retailers were surveyed using structured interview schedules. 60 jewellery retailers were contacted in each of the four districts.

Further, for the purpose of analyzing the income and expenditure pattern of master goldsmiths, 120 master goldsmiths were selected. 30 master goldsmiths were surveyed in each of the four districts for the purpose of the study.

1.14 DATA PROCESSING

Data collected with the help of structured interview schedules have been edited properly to make ready for coding. A master table has been prepared to sum up all the information collected from the interview schedules. With the help of master
table, classification tables have been prepared and then the latter have been taken directly for analysis.

1.15 STUDY AREA

In Thoothukudi district, data was collected from the consumers, jewellery marts and master goldsmiths in Thoothukudi city, and the rural areas like Korampallam, Mullakadu, Perurani, Kootampuly and kaanam.

In Tirunelveli district, data was collected from the consumers, jewellery marts and master goldsmiths in Tirunelveli and Palayamkottai.

In Madurai district, data was collected from the consumers, jewellery marts and master goldsmiths in Madurai city.

In Kanyakumari district, data was collected from the consumers, jewellery marts and master goldsmiths in Nagercoil.

1.16 HYPOTHESES

The following hypotheses were framed for the study.

$H_0$ - There is no association between the gender of the consumers and their perception towards gold jewellery.

$H_0$ - There is no association between the age of the consumers and their perception towards gold jewellery.

$H_0$ - There is no association between the income of the consumers and their perception towards gold jewellery.

$H_0$ - There is no association between the age of the consumers and their preference towards different jewellery models.

$H_0$ - There is no significant difference in the satisfaction of men and women towards jewellery marts.
There is no significant difference between the occupation of the consumers and their level of satisfaction towards jewellery marts.

1.17 TOOLS FOR ANALYSIS

The collected data had been processed with the help of appropriate statistical tools. The statistical tools were selected on the basis of the objectives of the study and also the nature of data included for the analysis. The details of statistical tools and its relevance of application is summarized below:

1.17.1 PERCENTAGE ANALYSIS

Percentage analysis was largely used for analyzing primary data.

1.17.2 WEIGHTED AVERAGE METHOD

Weighted average method was used to find out the fast moving item and slow moving item under each type of ornament, namely, nose pins, earrings, necklace, rings, maalai, bangles, bracelets and chains.

1.17.3 GARRETT RANKING TECHNIQUE

To find out the most significant factor which influences the respondents, Garrett ranking technique was used. This method was used to find out the most important reasons influencing consumers to prefer modern designer jewellery, traditional jewellery, antique jewellery, plain gold jewellery, jewellery marts, and goldsmiths. This method was also used to find the most important occasions during which the sale of gold jewellery is more, factors contributing to success in jewellery retailing despite high gold price, and the problems faced by jewellery retailers and master goldsmiths in the study area.

1.17.4 CHI-SQUARE TEST

Chi-square test has been administered to find out whether there is any association between the gender of the consumers and their perception towards gold jewellery, between the age of the consumers and their perception towards gold
jewellery, income of the consumers and their perception towards gold jewellery and the age of the consumers and their preference towards different jewellery models.

1.17.5 ANOVA

ANOVA test was used by the researcher to find out whether there is any significant difference between the occupation of the consumers and their satisfaction towards jewellery marts.

1.17.6 ‘t’ TEST

‘t’ test was used to find out whether there is any significant difference in the satisfaction of men and women towards jewellery marts.

1.17.7 FACTOR ANALYSIS

Factor analysis was employed to find out the factors influencing the selection of a particular jewellery mart.

1.17.8 METHOD OF LEAST SQUARES

Method of least squares was used to estimate the demand for gold, import of gold and export of gold jewellery in the year 2020.

1.18 PERIOD OF STUDY

The field survey was conducted during 2014, for the purpose of collection of primary data.

The first survey (survey of consumers) was conducted from January 2014 to March 2014.

The second survey (survey of jewellery retailers) was conducted during the period, May, June and July 2014.

The third survey (survey of master goldsmiths) was conducted during the month of August 2014.

Secondary data related to production of gold, demand for gold, gold price, import and exports of gold were collected from 2000 to 2015.
1.19 CHAPTER SCHEME

The thesis of the present study is presented in seven chapters as follows:

The First Chapter - INTRODUCTION AND DESIGN OF THE STUDY provides a brief introduction about gold jewellery, its significance, Indian jewellery industry, jewellery industry in Tamil Nadu, statement of the problem, review of literature, scope of the study, objectives of the study, data and methodology, sampling design, study area, data processing, hypothesis, study period, tools for analysis and chapter scheme.

The Second Chapter - ORIGIN, HISTORY AND GROWTH OF JEWELLERY INDUSTRY IN INDIA presents the history of Indian jewellery industry, contemporary jewellery industry, gold trade and government policy, supply of gold in India, value chain of gold jewellery industry in India that is, gold mining, refining, gold jewellery manufacturing / goldsmithing, export of gold jewellery and jewellery retailing, gold price, gold demand in India, key success factors and risk factors of the jewellery sector, regulating bodies in jewellery industry and jewellery of Tamil Nadu.

The Third Chapter - CONSUMERS’ PREFERENCES TOWARDS GOLD JEWELLERY IN SOUTHERN DISTRICTS OF TAMIL NADU analyses the geographical location of consumers, demographics of consumers, perception of consumers towards gold jewellery, consumers’ preference towards different models of gold jewellery, namely, traditional, modern designer and antique jewellery, and the type of gold jewellery preferred by consumers, that is, plain gold jewellery or studded jewellery, most preferred jewellery design - floral, birdal, spiritual, and geometrical designs, jewel collections of women and men, buying pattern of consumers - person who takes the buying decision, frequency of purchase, quantity of gold jewellery
purchased during 2012 and 2013, occasion of buying gold jewellery and sources of
finance for buying gold jewellery.

The Fourth Chapter - MARKETING STRATEGIES OF INTERMEDIARIES
IN GOLD JEWELLERY INDUSTRY IN SOUTHERN DISTRICTS OF
TAMIL NADU. This chapter analyses the social background of jewellery retailers,
product strategies - product mix of gold jewellery, product mix width, product line
length and product line depth, pricing strategies - calculation of price of the gold
ornament, making charges and wastage levied by jewellers, promotional strategies -
display advertising and media advertising, sales promotional activities of jewellery
retailers, ways of retaining consumers and personal selling, place / distribution related
strategies - location of jewellery marts, sale of gold jewellery in southern districts of
Tamil Nadu, net monthly income from jewellery retailing, occasions of sales, impact
of high gold price on sales, and factors contributing to success in jewellery retailing
despite high gold price. This chapter also lists out the most important problems faced
by jewellery retailers in the four southern districts of Tamil Nadu.

The Fifth Chapter - CONSUMERS’ ATTITUDE TOWARDS JEWELLERY
MARTS IN SOUTHERN DISTRICTS OF TAMIL NADU analyzes the sources of
purchase of gold jewellery, that is purchase of gold jewellery from goldsmiths and
jewellery marts, reasons for preferring jewellery marts, reasons for preferring
goldsmiths, information source, factors influencing the selection of a particular
jewellery mart, most preferred jewellery mart, period of purchasing jewellery from a
particular jewellery mart, time spent by consumers in a jewellery mart, amount saved
by consumers under gold saving schemes, and consumers’ satisfaction towards
jewellery marts.
The Sixth Chapter - INCOME AND EXPENDITURE PATTERN OF MASTER GOLDSMITHS IN SOUTHERN DISTRICTS OF TAMIL NADU analyzes the social background of master goldsmiths, occupational background – experience of master goldsmiths, ownership of workshop, number of assistants in the workshop, procurement of gold bars, jewellery making process, tools and machines used by master goldsmiths, making charges levied by master goldsmiths, daily working hours, types of customers, number of jobs undertaken in a month, time taken to deliver made-to-order jewels, monthly expenditure on workshop, occupational hazards and problems faced by master goldsmiths, economic background - net monthly income from jewellery making, income from other sources, borrowings, assets owned by master goldsmiths and their demands to raise their social, occupational and economic standard.

The Seventh Chapter - SUMMARY OF FINDINGS AND CONCLUSION summarizes the various findings of the study and the conclusions derived there from. It also incorporates certain suggestions based on the findings and conclusions.