Introduction
INTRODUCTION

Marketing deals with the activities that direct the flow of goods and services from producer to consumers. Identifying and meeting the human and social needs fall under its ambit. Perhaps the shortest and most precise definition of marketing is offered by Sontakki. He considers marketing as “meeting needs profitably”¹. The present business situation is characterized by consumer-oriented market. Immense competitions, rapid strides in technology and liberalization, privatization and globalization have become the major points in competitive edge in the market. In these circumstances the survival and growth of a business firm essentially depends on a marketing strategy which results in broadening the customer bases as much as possible by not only creating new customer bases but also retaining existing customers.

Innovative marketing strategies greatly influence the mind of consumers. To arrive at the marketing objectives, a firm has to make an in-depth analysis of the attitude of the consumers. This calls for adding a new dimension to their traditional marketing strategies. Bansal (2003)² is of the view that marketing strategies are comprise of covering all traditional 4 P’s. An effective strategy is the unique formula for success that forms the foundation of a business plan as well as of governing daily operations. In the commercial world, it is the plan for getting the best return from resources. It is

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the understanding of the peculiar quality of an industrial area and the programme for matching with it. To make a significant contribution to marketing, companies need to understand all marketing strategies.

The researcher was fascinated by the new developments and trends in the marketing field of Kerala. After surveying the scene, it was decided to focus on the gold ornament market which has its own uniqueness both in the wholesale and retail market. Buying ornaments and investing in gold is ingrained in the culture of Keralites for generations. Hence the researcher took the decision to strategize the study in relation to this very vibrant market. The strategies include product strategies like BIS 916 hall marking schemes and purity analyzer, promotional strategies like brand ambassadors, celebrating auspicious days, advertisements, various offers and canvassing agents, pricing strategies such as price reductions, gold purchasing plans and rate tag facility; and people-oriented marketing strategies like relationship marketing strategy and social responsibility programes. Besides, one has to take into consideration the influence of demographic and regional character of consumers on the gold ornament market of Kerala.

The study seeks to formulate a suitable strategy to fill up the gap and to take care of future needs of customers. The introductory part deals with the following elements of the study as 1.Statement of the problem, 2.Reviews of literature, 3.Significance of the study, 4.Scope of the study, 5.Objectives of
the study, 6.Hypothesis of the study, 7.Research methodology, 8.Variables selected for the study, 9.Limitations of the study and finally 10.Chapterization.

1. **Statement of the problem**

   It is an accepted fact that all marketing strategies do not work and are not equally effective but the reasons responsible for the success or failure of marketing strategies are not known to the interested groups. This opens up a series of questions to be answered academically. In the present day, some questions are raised relating to marketing strategies and their interplay in the gold ornament market.

   - Whether the degree or impact of marketing strategy is a contributing factor in the success of a jewellery shop.
   - Whether the relationship marketing strategies influence the consumers purchasing frequency in the gold ornament market of Kerala.
   - Whether there is any influence of advertisements on the purchasing behaviour of consumers in the gold ornament market of Kerala.
   - Whether there is any influence of brand ambassadors on the purchasing behavior of consumer in the gold ornament market of Kerala.
   - Whether any motivational factors influence the consumers to purchase BIS 916 hall-marked gold ornaments in Kerala.
The present study focuses on the effectiveness of marketing strategies on consumers, the attitude of consumers towards different marketing strategies and the relationship between the demographic character of consumers and marketing strategies in the gold ornament market of Kerala. In the process of the conversion of this actual problem faced by the gold ornament market into a research problem it is titled “A study on the impact of marketing strategies in the gold ornament market of Kerala”.

2. Review of literature

The basic principles in the successful performance of a jeweller lie in developing loyal customers and implementing suitable marketing strategies. The researcher could observe the articles of a number of famous authors that have real gem of creativity in developing marketing strategies. The researcher’s basic interest in and need for studying the impact of marketing strategies on the gold ornament market of Kerala is very much justifiable based on the review of literature collected from various journals, theses, magazines, newspapers and books. In this section, the researcher briefly reviewed all the available literatures. In order to make the review in a systematic manner, the available literature is mainly divided into two heads. Studies under part- A are related to marketing strategies and; studies under part-B are related to gold and gold ornament market in India and abroad.
PART- A

Studies related to marketing strategies

Several studies have been conducted on the marketing strategies in India and abroad. This part of the study is divided into four sections. Here an attempt is made to present a brief review of such studies:

I Studies related to marketing strategies in general

Here three major studies have been undertaken so far which focus on the marketing strategies in general.

Fisk (2006)\(^3\) in his book ‘Marketing Genius’ attempted to show that marketing strategies gave the perspective and focus to create lasting competitive advantages. He underscored the importance of applying the ideas to business through better marketing strategies and selection, portfolio analysis and competitive positioning. He pointed out that marketing created more economic value for business than any other activity and marketers were much more competitive than ever before.

In yet another study Sasikanth Prabhu (2006)\(^4\) suggested that an effective strategy was the unique formula for success that forms the foundation of a business plan as well as governing day to day operations. He stressed that strategy is all about long term goals, resource allocation/


utilization and about actions to achieve the goals. He also added that the relationship between strategy and time is obvious.

However, Saraswathy (2006)\(^5\) was of opinion that the four P’s of marketing – price, product, place and promotion- are not much useful in developing marketing strategies.

II  Studies related to the place-related marketing strategy

Here an attempt is made to present a brief review on the literature on the influence of various place-related strategies.

In a study, Anu Singh Lather and Kaur (2006)\(^6\) aimed at understanding the strategies adopted by retailers to keep pace with the changing moods of the shoppers. In this study they addressed how factors within and outside the stores affect store-level shopping decisions. They rightly emphasized the six main indicators on the basis which retailers decide to go for specific types of retail format are: price, quality of merchandise, assortment of merchandise, advertising, services and other convenience services.

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Bell, Ho and Tang (1998) found that location no longer explained most of the variance in store choice decisions.

III Studies related to the promotional strategy

The studies reviewed in this section predominantly concentrate on the literature related to the influence of various promotional strategies existing in the form of theoretical and conceptual framework.

In an article co-authored by Gupta and Varma (2000), it was pointed out that marketers design promotional strategies to reach members of families. They suggested that marketers advertise their products in Sunday newspapers, magazines or a special supplement of the product, which are read by a majority of the members of the families and the products be advertised on radio and television during or before the programmes, which are enjoyed by the whole family. They also suggested that while advertising in women magazines, the beauty and aesthetic aspects of the model should be given prominence, emphasizing at the same time the price cuts or any other sales promotion offers.

Kumar and Leone (1988) and Walter (1991) found a significant impact of promotions on store switching.

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Prasad and Nataraj (2006)\textsuperscript{10} in their article, “Why Exhibit at an Exhibition” observed that marketing and advertising today had become as important as manufacturing and production due to the increasing competition and awareness among consumers.

Similarly Poul (2001)\textsuperscript{11} in his doctoral thesis opined that advertising is an important marketing communication strategy in marketing mix. He observed that advertising fills the “consumer information gap” but the specific meanings attributed to advertising should be viewed from different angles. This study provides more ‘tangible’ advertising. He believed that based on this study, advertisers could interpret how consumers form attitudes towards the advertisement and for their brands.

In a study, Cramphorn (1996)\textsuperscript{12} emphasized that the prevalent belief that successful advertising represents successful communication with consumers.

Yet another study by Ventaeshwarlu and Purushoman (2000)\textsuperscript{13} expressed the view that advertising should be linked with frequency of purchase. As per their study a majority of the urban working women purchase their products in the beginning or once in three months, which led

to the attention of several companies for concentrating their advertising campaign during that period of time.

In a study by Jha (1997) it was mentioned that even the ordinary people of India understand the information contained in advertisements and they even find the same as a sort of entertainment. In his opinion, advertisement has gained popularity among both the urban and rural audience of India. He also opined that almost all Indian consumers take things and information in the same way in which they view such items through advertisements.

Similarly Swamy (1996) in his article observed that advertisements helped America to become the world’s number one economic power. In his opinion America reached the stage of high consumption in 1920, while Europe did so only after 1945. America was the first to reach the high consumption stage, because advertising and attention given to the consumer had created the mass market needed for high consumption.

Kim and David (2008) investigated the question of what contributed to advertising likeability and advertising dislikeability in India by surveying the respondents in Mumbai. He pointed out that the Indian respondents have a positive attitude towards advertising in general.

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Yet another study by Thorson (1991)\textsuperscript{17} it was stated that advertisement likeability was an important determinant of advertising impact, regardless of the involvement level of the product or viewing situation.

Similarly a study conducted by Vikram (2008)\textsuperscript{18}, mainly focused on the impact of TV advertisement on the buying habits of consumers in Kerala. He observed that a large majority of the respondents liked to watch advertisements. He pointed out that irrespective of consumer’s age, gender, education, occupation, income and place of dwelling, TV advertisement had a strong influence upon their behaviour.

Kumar (2007)\textsuperscript{19} in his article said that advertising as a powerful tool of communication created mass awareness and induced consumers for a trial. He concluded that advertisement influences product purchases. For a consumer of a non-durable product the main factor is the quality. Advertisements create more brand awareness and it influences the consumer.


Similarly Mathur (2005)\textsuperscript{20} considered advertising communication as a chain reaction consisting of various steps in a sequential manner of creating awareness, comprehension, and acceptance of the product, belief, purchase action, use and repeat purchase.

Thomas (1996)\textsuperscript{21} in his article highlighted the impact of advertising. He said that advertising could create awareness. He emphasized the fact that brand awareness works in 3 important ways: (1) it relates the possibility of purchase (2) it helps people see a brand in the store (3) it orientates people in favour of the known brand. He believed that advertising could create a model people wish to identify with and imitate.

In a study conducted by Bhandary(1993)\textsuperscript{22}, it emerged that the models and their actions projected in majority of the advertisements had considerable impact on the viewers and that by seeing advertisements people got obsessed with the style and actions of the model’s presented.

Similarly, David and Austad (2004)\textsuperscript{23} found that endorsement advertising effectiveness could be strongly influenced by consumers’ inferences concerning whether the endorser truly liked the products.

Assael (1984) suggested from a theoretical perspective that celebrities are effective endorsers in advertisements because of their symbolic aspirational reference group association.

Atkins, Charles and Block (1983) in their article said that proper selection of celebrities would result in increased advertisement effectiveness. While selecting celebrities, the firm should consider the celebrity’s impact on variables like brand awareness, recall of copy points, brand attitudes and purchase intention.

Similarly Friedman and Friedman (1979) in their article found that the use of a celebrity endorser would lead to higher believability, more favourable evaluation of the product and advertisement and a significantly higher intention to purchase the product than advertisements using a non-celebrity endorser.

Yet another study Gupta (2003) stated that a celebrity might be successful in drawing the attention, creating interest and desire in the target market and also might be able to really penetrate the target customers’ perceptual mapping.

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In a study by Kamins (1982)\textsuperscript{28} stated that celebrity endorser produced more positive attitude towards advertising and greater purchase intentions than a non celebrity endorser.

Terron (2004)\textsuperscript{29} pointed out that celebrities were the conduits that conveyed the brand’s advertising message. Far too much depends on the ability to match the celebrities’ traits with the products’ positioning the consumers’ ability to accept it as a reflection of their self image and aspirations.

Similarly Sharma (2006)\textsuperscript{30} in an article observed the fact that celebrities are often used in advertisements to endorse the product, solely based on their value to use it to gain advantage for the product advertised. She observed that the advertiser spent much money for celebrity endorsement. But the problem is that the huge advertising cost is included in the cost producers spend, which the customer has to bear. When the producers spend so much money, it naturally escalates the cost of the product.

In a study conducted by Tellis (2004)\textsuperscript{31} it was rightly observed that an advertiser’s selection of either expert celebrity or lay endorser depended on the characteristics of the brand message, and especially the target audience for the advertisement.

\textsuperscript{28} Michael Kamins.(1982). Celebrity non celebrity advertising in a two sided context. Journal of Advertising Research. 18(2). 4-10.

\textsuperscript{29} Adrian Terron,(2004). Business World, 15 March, p.56.


Similarly Muruganatham (2008) in his doctoral thesis stressed the desirability of a celebrity being selected in an advertisement on the basis of the product, which he/she was going to endorse, so that the meaning and values of the celebrity would be transferred to the audience through message or action.

Yet another study by Muruganatham & Kaliyamoorthy (2006), the authors emphasized the fact that people such as movie stars, sports icons, television personalities, models or popular entertainers, etc were used as celebrity in advertisement because they were people of high credentials. In their point of view a large segment of the audience could instantly recognize and identify themselves with the famous person and the attraction and goodwill associated with him/her could be transferred to the products. They also pointed out that there was a difference between a celebrity and brand ambassadors.

Thus, a review of the above literature brings to light the fact that a number of studies have emphasized that advertisement as an important promotional strategy admittedly plays an important role in imparting and disseminating knowledge. Here, the researcher has also made an effort to present the influence of the brand ambassador as a promotional instrument.

An interesting study carried out by Balachandran and Venkatesh (2006)\textsuperscript{34}, revealed that promotion was an important element of marketing mix. They opined that (G) localization at this level started right from the choice of brand ambassadors. They also said that credibility was dependent upon the selection of brand ambassadors and when selecting actors as brand ambassadors a popular actor in that region was the best choice. It is not advisable to select one actor for all areas. The study reveals that the choice varies from region to region.

Similarly Sen (1998)\textsuperscript{35} in his article opined that a brand ambassador is a person who represents a brand both in the advertising media and the public relation function.

IV Studies related to people (consumer)-oriented marketing strategy

The studies reviewed in this section mainly concentrated on the literature related to the influence of various people related strategies stay alive in the form of theoretical and conceptual frame work.

Berry (1983)\textsuperscript{36} noted in his book ‘Relationship Marketing, Emerging Perspective in Service Marketing’ that there is wide range of literature available on attracting new customers, but hardly there is any work done on finding the ways to retain customers. He endorsed the

\textsuperscript{34} V. Balachandran and Venkatesh J. (2009). Influence of brand ambassadors in India. Indian journal of Marketing, xxxvi(2).


marketing strategy, which would help the business men to develop the relationship marketing plan. He listed five such strategies: (1) Core Service Strategy (2) Relationship Customization (3) Service Augmentation (4) Relationship Pricing (5) Internal Marketing. He opined that all these strategies were independent of one another and could be used in combination to develop proper marketing strategies.

In a study by Bhavani and Jebanesen (2007)\textsuperscript{37}, they pointed out that in today’s business environment companies could strive only if they could get, retain and add more customers by delivering appropriate products and service. They should be capable of creating unbreakable lifetime relationship with customers. Therefore the companies are to be sensitive to the acquisition of the feedback on satisfaction level and the potential of future expectations. In this article they attempted to provide valuable insights into mind of the customers so they could act as sales persons in influencing peer customers. This research was carried out for the period of one year (2005-2006). They have concluded that customer retention is equally important as that of customer attraction. A customer can be retained when she\he is highly satisfied with the performance of the product.

Yet another study by Nair (2005)\textsuperscript{38} emphasized that acquisition and retention of customers in the new global economy of competition and frequent change required building relationship with customers more than ever before. He opined that acquiring new customers and keeping existing customers were the major issues to be addressed by any organization today. He also opined that business leaders had been racing to develop the analytical and technological tools that would help them identify, attract and retain building relationships with precisely those customers they want.

Varcy (2002)\textsuperscript{39} in his book explained that the creation of customer satisfaction with the product and their treatment were the sure ways to earn repeat business. He observed that traditional ‘marketing’ practice aimed at recruiting new customers who would make purchases that contributed to profit margin with a short-term performance frame work. He was of opinion that current customers should be encouraged to participate in retention and expansion.


PART-B

Studies conducted on the gold and gold ornament market in India and Abroad

It is a fact that the literature on gold and gold ornament market has been enriched with worthy contributions of books, articles, reports and theses by academic stalwarts and others. Very few studies have been made about the various aspects of the gold and gold ornament market in India and abroad. Literary pieces of academic excellence and interest reviewed in the context of launching the present research work are briefly referred to here. This part of the study is divided into two sections. An attempt is made here to present a brief review of such studies:

I Studies conducted on the gold and gold ornament market in Abroad

In this section, studies conducted on the gold and gold ornament market in abroad are reviewed and analyzed elaborately.

Hawkes (1995)\textsuperscript{40} in an article said that among the western products the most precious and enduring metal indubitably is gold. He added that from time immemorial man has valued it for its mysterious and symbolic significance. He said that gold in the west of Europe was to be found in Spain and Portugal, south – western France and in certain parts of Brittany, but most of all in Ireland, mainly in the stream-sand of the wick low hills.

Baur and McDermott (2009)\textsuperscript{41} in their working paper examined the role of gold in the global financial system. In this paper they used a descriptive and econometric analysis for a sample spanning. They observed that a 30 year period from 1979-2009 showed that gold was both a hedge and a safe haven for major European stock markets and the US but not for Australia, Canada, Japan and large emerging markets such as the BRIC countries. They also distinguished between a weak and strong form of the safe haven and argued that gold might act as a stabilizing force for the financial system by reducing losses in the face of extreme negative market shocks.

Mendelsohn (1975)\textsuperscript{42} in an article gave a definition of the gold market to the effect that taken all in all, the gold market emerges like Prospero’s Island, a place filled with strange noises and apparitions. The reality is less dramatic.

Callaghan (1991)\textsuperscript{43} in his IMF Working Paper No. 91/120 described the structure of the world gold market, its sources of supply and demand, and how it functioned. This paper also pointed out that market had three principal functions in three major locations: the New York futures


\textsuperscript{42}S. Mendelsohn. (December, 1975). What has happened to the gold price?. \textit{The Banker}, October, p.1179.

market speculates on spot prices, which are largely determined in London, whereas physical gold is in large part shipped through Zurich. He has observed that the market is dominated by large suppliers and gold holders, including monetary authorities. This paper explains some unique characteristics of the gold market ensuring confidentiality, and as a result, there are gaps in existing knowledge and data.

Jun (2009)\textsuperscript{44} in his Working Paper noted that while most researches on the gold market were focusing on empirical studies, few researches existed about how each macroeconomic phenomenon could affect gold market. He said that gold was rarely dealt with from a macroeconomic perspective because of lack of analyzing tools. He has suggested that by including gold in a portfolio of risky assets and analyzing the portfolio indirectly, we can perform macroeconomic research on the gold market.

In a paper presented at the institute of mining and metallurgy conference in London, Potts (1981)\textsuperscript{45} spoke about the 1980 dishoarding. He pointed out that the real lesson from that high level of dishoarding was that there has been no shortage of gold. At that stage the price would start to rise rapidly, if demand remained persistently strong, until a trigger point was reached when abundant supplies of dishoarded gold came on the market.


In a study Riley (2009)\textsuperscript{46} opined that following a huge run-up in the 1970’s, precious metal prices have, until recent years, been very subdued. He emphasized the fact that investors tended to overlook precious metals, except to take note of the strong correlation properties with other asset classes, which justifies only a small allocation. However, given the current macroeconomic conditions and the extreme policy response that has been initiated due to these conditions, investors should not only be looking at the correlation properties, but also the exceptional returns that precious metals would provide in the coming years.

Roll (1979)\textsuperscript{47} in an article summed up the conventional view of the relationship of gold prices across world market.

Tully and Lucey (2005)\textsuperscript{48} in their paper examined both the cash and futures price of gold and significant economic variables identified during two periods: the 1987 crisis and the 2001 crisis.

Yet another study by Aggarwal and Lucey (2005)\textsuperscript{49} examined for the first time the existence of psychological barriers in a variety of daily and intra-day gold price mseries. They used a number of statistical


procedures in this paper and presented the evidence of psychological barriers in gold prices.

**Parkin’s (1980)**\(^{50}\) in his paper he concluded that OPEC with its oil price rise in the Fall of 1973 did not cause the inflation of the 1970s. It was caused by the monetary policies pursued by individual governments in the years leading up to 1973.

**Batten and Lucey (2007)**\(^{51}\) in their working paper investigated the volatility structure of gold, trading as a futures contract on the Chicago Board of Trade (CBOT) using intraday (high frequency) data from January 1999 to December 2005. He observed that this nonparametric measure incorporated the open, close, high and low price within a particular time interval.

### II Studies conducted to Gold and gold ornament market in India

In this section, literature related to the studies conducted on the gold and gold ornament market in India is reviewed in detail.

In a case study **Bhattacharya (2002)**\(^ {52}\) discussed the historical roots of the unique position that gold has always enjoyed in the Indian society. This paper revealed in sharp relief how the dominant economic philosophy in general and external sector policy frame work in particular significantly

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influenced specific policy actions on gold. The various sections of the paper analyzed different aspects of the policy regime.

**White and Stanfield (1974)** in the National Geographic study on gold described uses of gold to Indians. He pointed out that according to Hindu tradition gold is the noblest of metals and one of the foremost among the things pure and auspicious. He added that when a father sees his new born child, he should touch it with gold; when a person leaves the world on the burning pyre, a speck of gold should be put in the mouth. Wearing gold brings prosperity and luck, and giving it removes one’s sins.

In a study **Gurga Prasad (2010)** stated that the gold market in India was predominantly a Market for buying and selling physical gold and gold in the form of ornaments. He said that in the physical gold front, the wholesale segment nominated agencies was the bulk importers. He was conducted this study to understand the perception of customers purchasing level of gold ornaments and their awareness level on the concept of hall marketing by Bureau of India.

A study conducted by **The Times of India (1979)** describing the Indian gold market in its directory and year book remarked that India has the world’s largest stock of privately hoarded gold estimated unofficially at

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5000 tonnes. It said that the mobilization of this gold could affect the international market also, besides improving economic conditions in the country. But this is unlikely to happen unless a social revolution takes place.

In a case study Bhaumic and Kannabiran (2005)\textsuperscript{56} stated that organizations in the relative industries such as jewellery could achieve superior performance through systematic supply chain planning and implementation.

Vishwananthan (2007)\textsuperscript{57} in her article “Indian Jewellery” said that south India has been famous for temple jewellery that is made of gold studded with precious stones. She pointed out that women in India adorn themselves from head to foot with both traditional and modern fashion jewellery.

Geena (2007)\textsuperscript{58} in her article noted that jewellers have been spending crores of rupees for introducing new brands and their own special designer jewelleries in the gold ornament market of Kerala. According to the study jewellers are using different strategies for attracting and retaining customers. They set a great store by celebrity advertisements and brand ambassadors in the gold market. She also noted that some other new


\textsuperscript{57} Sumathi Vishwananthan. (2007). Indian Jewellery, Yojana, September.

strategies followed in the gold market included traveling allowance, value added services and advance booking.

The review of literature given above serves as a back ground for the present investigation and helps in understanding it in the proper perspective. Whereas presentation of the review of literature in the research report is a statutory requirement (as in a thesis), and it should be done meticulously. A thorough review of the existing literature leads to the conclusion that there is utmost need for the conduct of an exhaustive study of the impact of marketing strategies on the gold ornament market of Kerala and hence the present study.

3. **Significance of the study**

Gold has been the most valued metal from the earliest stages of human progress and civilization. The lure of gold has been a universal and almost timeless phenomenon cutting across castes, classes, creeds and colours, and it is only one metal the supply of which never exceeds the demand into this day. Humankinds consider gold as the most precious substance on our planet.

Traditionally, India is the largest market for the yellow metal. Gold has high demand in India and the available evidence shows that in India, few decades back the demand for gold touched at least 200 tones a year, whereas now it is over 800 tones which shows the fact that India is the
largest gold consumer in the world\textsuperscript{59}. However the fact is that out of this, 600 tones of gold is used for jewellery fabrication\textsuperscript{60}. Interestingly, south India is the largest and biggest market for gold and gold jewellery in India, and studies show that these markets are accounting for over 45 per cent of the country's demand\textsuperscript{61}. A recent survey conducted by Money Life magazine on different gold investment options of their readers reveal that half (46.85\%) of them were buying gold in jewellery form which means they are consumers rather than investors\textsuperscript{62}. The demand for gold jewellery is rooted in societal preference for a variety of reasons - religious, ritualistic, a preferred form of wealth for women, and as a hedge against inflation. It is unrealistic to assume that it is only the affluent that creates demand for gold. Rural India continues to absorb more than 70\% of the gold consumed in the country\textsuperscript{63} and it has its own role to fuel the barter economy of the agricultural community.

Kerala, a state with 3.1 percent of India’s total population, accounts for 20 percent of its gold sale\textsuperscript{64}. In Kerala, the interest for gold is never speculative; rather it is driven by an underlying demand. Whatever may be the educational trends related to the research problem as revealed by the

\textsuperscript{59} Subhomoy Bhattacharjee.(2005). The Times of India / Economic Times, Gurgaon, October 24, \url{http://economictimes.indiatimes.com/articleshow/1272303.cms}
\textsuperscript{60} Businessdhipika.(2007), Abharanavipani 3000 kodi dollar aakum (mal.), 16, Oct.1-7
\textsuperscript{61} Uday Vummidi(2005). Chairman, GJIIE 2005, \url{http://www.gjiie.com}
\textsuperscript{62} Money Life magazine (7th April 2011).
\textsuperscript{63} \url{http://blueeye.11.forumer.com/a/futures-trading-in-gold-in-india_post4077.html}
review of earlier literature, it entails a further study in this area. A perusal of various empirical studies indicates many areas of agreement with regard to various marketing strategies and its importance with respect to consumers. The reviews also revealed that there have been no relevant studies related to marketing strategies in the gold ornament market.

The researcher has decided to study this problem because of the possible contributions it could make to the gold ornament market of Kerala in the following ways:-

- The study could change some of the prevailing beliefs regarding the involvement of brand ambassadors in the gold ornament market of Kerala.
- The study could suggest some relationship between marketing strategies and consumers’ purchasing behaviour in the gold ornament market of Kerala.
- The study could provide a deeper knowledge about the contributions of different marketing strategies on different types of consumers in the gold ornament market of Kerala.

In the light of this likely contribution and the growing importance of marketing strategies, a detailed study has been found to be relevant.
4. **Scope of the study**

This study seeks to measure the impact of marketing strategies on the gold ornament market of Kerala and probe the management of the gold ornament market effectively by employing new marketing strategies. The study covers the views expressed by various informants representing customers across various geographical and demographical spectra.

It is expected that this study will enable the jewellery merchant to device plans, polices and strategies more successfully in the gold ornament market in order to attain their target. The feedback from respondents would help a lot in keeping a good relationship with customers. For the purpose of conducting this study some objectives and hypotheses have been formulated based on the above review of the literature in the field.

5. **Objectives of the study**

A substantial number of studies have been conducted regarding the impact of different types of marketing strategies in the Indian context and in other countries. Nevertheless, no important study has been conducted pertaining to the impact of marketing strategies on the gold ornament market in the Indian context and in other countries. Therefore, the present study is an endeavour to determine the impact of marketing strategies on the gold ornament market of Kerala. For the purpose of conducting this study some objectives have been formulated. They are:
To find out the influence of different marketing strategies on acquiring and retaining consumers of various income levels in the gold ornament market of Kerala.

To identify the influence of various product-related marketing strategies on consumers’ in the gold ornament market of Kerala.

To examine the influence of place (distribution)-related marketing strategies on consumers’ purchasing behaviour in the gold ornament market of Kerala.

To ascertain the effect of price-related marketing strategies on consumers’ purchasing behaviour in the gold ornament market of Kerala.

To identify the impact of various promotional marketing strategies on consumers’ purchasing behaviour in the gold ornament market of Kerala.

To evaluate the influence of consumer (people)-oriented marketing strategies on consumers’ purchasing behaviour in the gold ornament market of Kerala.

6 Hypotheses of the study

1. $H_0$: $\mu = 0$, There is no significant difference between the ratings by consumers belonging to various income groups regarding the influence of different marketing strategies on the gold ornament market of Kerala.
2. \( H_0: \mu = 0 \), There is no significant relationship between consumers' religion and their purchase of a variety of gold jewellery design in the gold ornament market of Kerala.

3. There is no significant difference between the rating by consumers of various demographic characteristics (age, income and educational qualification) in the influence of different factors in the purchase of BIS 916 hall marked gold ornament in Kerala.

4. \( H_0: \mu = 0 \), There is no significant relationship between consumers’ gender & region-wise character, and their involvement in the gold purchasing plans of jewellery merchants in Kerala.

5. \( H_0: \mu = 0 \), There is no significant relationship between consumer’s income and their selection of a particular jewellery retailer for gold ornament purchase in Kerala.

6. \( H_0: \mu = 0 \), There is no significant relationship between consumers’ region and the influence of the promotional strategies on the gold ornament market of Kerala.

7. \( H_0: \mu = 0 \), There is no significant difference between the ratings by consumers of various demographic characteristic (such as age, gender, educational qualification and region-wise) regarding the role of brand ambassadors on the gold ornament market of Kerala.

8. \( H_0: \mu = 0 \), There is no significant relationship between consumers of various demographic characteristics (such as gender and age) and
the influence of relationship marketing strategies on the gold ornament market of Kerala.

7 Research Methodology

This section dwells at length on the methodology used for the study. The content of this section is being organized in a logical and coherent order in terms of the relationships of the concepts.

A. Collection of data

The study is primarily empirical in nature. The required information has been collected with the help of primary and secondary sources.

To evolve an appropriate methodology for the study and to formulate a conceptual framework for the study, the secondary data are immensely helpful. For this purpose, various secondary sources are used and they have been obtained from various sources such:-

- Different books dealing with gold, research methodology, marketing research, marketing strategies, relationship marketing strategies and advertisement.
- Newspapers like Malayala Manorama, The Hindu, Economic times and New Age.
- Magazines like Silver line, Money life, and Vanitha.
- Unpublished dissertations, and
- Working papers

A careful review of literature has helped the researcher to collect and synthesize prior studies and to discover the important variables relevant to the problem.

The primary data have been collected through direct interviews with respondents from various households in Kerala. Properly designed and pre-tested interview schedules were used for the collection of primary data. The primary data were collected with survey method with the help of a structured questionnaire. Other methods of data collection found unsuitable in this context were ignored. A pilot study was conducted at Kochi (Urban), Perinthalmanna (Semi-urban) and Kanjirappally (rural). On the basis of the results of this study, the final questionnaire was framed. The respondents were randomly selected for the pilot study. In the light of the pilot study, the survey schedule had to be redrafted and restructured. Slight
rearrangements in the logical order of the questions were also done. The language used was simple so that respondents were able to understand the meaning easily. The entire text of the reformed and reframed interview schedule used for consumer survey is shown in Appendix-I.

a. Structure of Questionnaire

The information was collected with the support of a structured questionnaire. A brief description of the nature of information sought through the questionnaire is given below:

- Profile of the respondents
- The general attitude of the respondents towards the gold ornament purchase in Kerala
- Marketing strategies for acquiring and retaining various consumers in Kerala.
- Influence of product-related marketing strategies on consumers
- Price-related marketing strategies and their influence on consumers
- Influence of place (distribution)-related marketing strategies on consumers
- Promotional marketing strategies and their impact on the purchasing behaviour of consumers’.
- The influence of people (consumer)-oriented marketing strategies on consumers purchasing behaviour.
The questionnaire was comprised both open ended and dichotomous questions.

b. Sample design

In Kerala, people purchase gold for different purposes and in different quantity from various jewellers. Since the population to be covered was large, spread over the entire state of Kerala, and a heterogeneous characteristic in the behavioural pattern of consumers was also observed, multistage random sampling techniques were resorted to as the sampling procedure for collecting data, which is detailed below.

- Selection of sample households

At the first stage, the whole state was divided into three regions, viz; north, south and central. Such a division almost corresponds with the erstwhile Malabar, Kochi and Travancore regions.

At the second stage, each region was divided into different districts. Then 2 districts were selected randomly.
At the third stage, more than one Grama Panchayats and Municipalities, and one Corporation from each sample district were selected (Appendix-II). For the selection of Grama Panchayats, Municipalities and the Corporation random method was followed.

- **Sampling frame**

  The 2001 census document and voters’ list of Grama panchayats, Municipalities and the Corporation (2005) were taken as the sampling frame. The 2001 census document was used as an instrument for selecting Grama Panchayats, Municipalities and the Corporation and also for selecting sampling units from these areas. The voters list of 2005 was used as an instrument for electing the sample households. Documents relating to 2001 census were obtained from the register of Economics and Statistical Department, Kottayam and the electoral roll of 2005 local bodies was

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**TABLE 1**

*Districts selected*

<table>
<thead>
<tr>
<th>Region</th>
<th>Districts selected</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) North</td>
<td>1 Kannur</td>
</tr>
<tr>
<td></td>
<td>2 Malappuram</td>
</tr>
<tr>
<td>2) Central</td>
<td>3 Kottayam</td>
</tr>
<tr>
<td></td>
<td>4 Ernakulam</td>
</tr>
<tr>
<td>3) South</td>
<td>5 Thiruvananthapuram</td>
</tr>
<tr>
<td></td>
<td>6 Pathanamthitta</td>
</tr>
</tbody>
</table>
obtained from the selected Grama Panchayats, Municipalities and the Corporation.

- **Sample Units**

  A Grama Panchayat or Municipality or Corporation ward was the unit area for the selection of consumers. Two wards were chosen from each selected Grama Panchayat, Municipality and the Corporation at the fourth stage by the lottery method. The 19 Grama Panchayats, 12 Municipalities and One Corporation selected for the present study consisted of 64 wards. At the time of conducting the final survey, there were only three Corporations in the state of Kerala- Thiruvananthapuram, Kochin and Kozhikkode. Out of this, Kochi Corporation was randomly selected as the sampling area to represent the urban population.

- **Sample sizes**

  Upon verification of the voter lists obtained from the authorities concerned (i.e Grama Panchayat officers, Municipality officers and the Corporation officers), it was found that the population of wards selected for the study was different. From the economic point of view, the households selected from each wards were treated as consumers. Rule of thumb method necessitates only a sample size ranging from 30-500. But the total population of the sample wards selected for the present study stood at 26380 households. It was felt that the rule of thumb method would not meet the reliability index. Consequently, the researchers chose to increase
the number of the sample size to 1319 (5% of the 26380) households to enhance the reliability of the study. As the sample size increases, the magnitude of the sampling error declines. Sample households were selected with the help of the lottery method.

The region-wise breakup of the sample households (Table.2) is as follows:

**TABLE.2**
The region-wise breakup of the sample households

<table>
<thead>
<tr>
<th>Region</th>
<th>Number of households</th>
</tr>
</thead>
<tbody>
<tr>
<td>Northern</td>
<td>410</td>
</tr>
<tr>
<td>Central</td>
<td>558</td>
</tr>
<tr>
<td>Southern</td>
<td>351</td>
</tr>
<tr>
<td>Total</td>
<td>1319</td>
</tr>
</tbody>
</table>

Source: Direct survey

The ward-wise breakup of the sample households from each selected Grama Panchayat is shown in Appendix-IV and Municipality or the Corporation, if any is, shown in Appendix-V.

From each selected households, the individual who used gold ornaments in the family or those who had more interest in its purchasing was taken as sample respondent (not necessarily the senior most person of the household, i.e the persons who have a role in the gold ornament

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purchase are mainly included in this study). The research participants comprised women and men belonging to the age group of 18 and above and others were excluded, as this category had more purchasing power and were included in the voters list.

C. Data analysis

Statistical techniques such as scaling and scoring techniques are used for the analysis of the data. Likerts’ scaling technique has been used to analyze the attitude of respondents and Nominal scale has been used to analyze the demographic, regional and psychographic characteristic of gold consumers. The results of the analysis have been presented by means of Tables whenever it was found necessary. The hypothesis formulated for the study was tested with the help of parametric and non-parametric tests. The parametric test used in this study was ANOVA -test. When the conditions (assumptions) required for ANOVA-test were not satisfied, the non-parametric test was used. The alternative nonparametric test used instead of ANOVA was Kruskal-wallis test. Mann-Whitney (U) test was used in this study as an alternative of t-test. The nonparametric test like Chi square test was used in this study for showing the relationship between two variables.

8 Variables selected for the study

The selection of the variable was in accordance with the level of understanding related to the objectives of the study or to the hypothesis formulated. The variables selected should be according to the level of
understanding of the researcher. For the purpose of conducting this study, variables meant for the study were classified into two. They are dependent variables and independent variables.

- **Dependent variables**

  A dependent variable may be defined as the phenomenon or characteristic hypothesized to be the outcome, effect, consequence or output of some input variables. It’s occurrence depends on some other variables which had preceded it in time. The dependent variables selected for the study include:-

  - Various marketing strategies
  - Advertisements
  - Brand ambassadors
  - Celebrating auspicious days
  - Offers
  - Canvassing agents
  - Factors influencing the purchase of BIS 916 hall marked gold ornaments
  - Various roles of brand ambassadors
  - Variety of designs
  - Relationship marketing
  - Gold purchasing plans
The above dependent variables selected were related with different independents variables and the hypothesis was formulated.

- **Independent variable selected for the study**

  The term independent variables refer to the phenomenon or characteristic hypothesized to be the input or antecedent variable. It is presumed to cause the dependent variable and is selected, manipulated or measured prior to measuring the outcome or dependent variable. The independent variables selected for the study include geographic and demographic variables. They were-

  I  Geographic variable
    ➢ Region

  II  Demographic variables
    ➢ Sex
    ➢ Age
    ➢ Religion
    ➢ Educational Qualification
    ➢ Income

  These variables were selected and information related to it was collected.
9 Limitations of the study

Since the study has been an individual effort, the investigator would like to point out that some unavoidable limitations have entered into the study. They are the following:

- Most of the primary data required for the study have been collected from sample respondents based on the sample survey method. As such, it is subject to the normal errors inherent in such social surveys due to the natural bias in the responses by respondents. Even though the utmost care has been taken in verifying the reliability of the data, the probability of such errors cannot completely be ruled out.

- The accuracy of the primary data collected depends upon the authenticity of the information provided by the respondents based on the questionnaire.

- The questionnaire used for the survey was rather lengthy and the questionnaire to a single respondent took roughly about a half an hour, thereby prolonging the duration of the data collection phase of the research.

- Even though the study was carried out from the point of view of the consumers selected from some selected wards of Kerala, the study could not encompass other areas. Therefore the generalization of the finding is also limited to that extent. However, the issues thrown up
by this study are crucial and the implications of the findings are of great significance.

- The findings of the study are based on the expressed opinions of the respondents, which may have its own limitations. The possibility of hiding certain facts from the parts of the respondents can not be ruled out, although all possible efforts have been made to elicit correct information.

- There is every chance of the answers of the respondents being influenced by their moods and cognitive limitations.

- The gold ornament market being very vibrant and dynamic, the results of the present study are not naturally based on the new strategies that have entered the market after the data collection was completed.

10. **Chapterization**

The thesis has been organized into five chapters.

- The First chapter gives an overview of the ornament market in Kerala.

- The Second chapter provides a conceptual overview of marketing strategies in the gold ornament market of Kerala.
• Chapter three is devoted to an analysis and interpretation of the impact of marketing strategies on the gold ornament market of Kerala.

• Chapter four deals with the findings of the study.

• The fifth chapter provides the suggestions & recommendations, and conclusions based on the findings of the study.