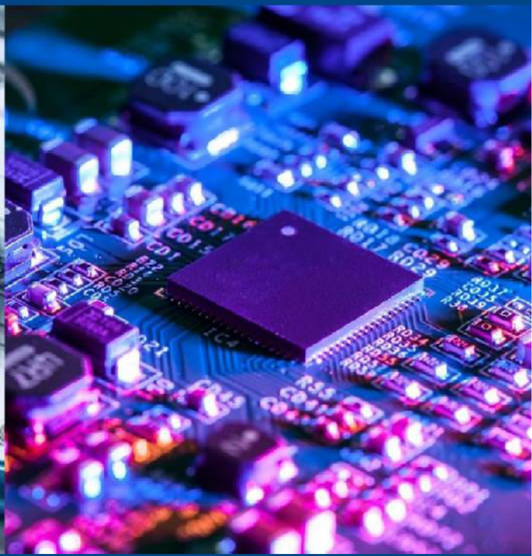
ISSN: 2582-7219

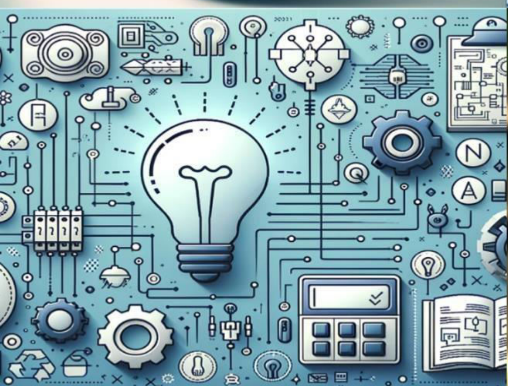




International Journal of Multidisciplinary Research in Science, Engineering and Technology

(A Monthly, Peer Reviewed, Refereed, Scholarly Indexed, Open Access Journal)



Impact Factor: 8.206

Volume 8, Issue 12, December 2025

© 2025 IJMRSET | Volume 8, Issue 12, December 2025| DOI:10.15680/IJMRSET.2025.0812074

ISSN: 2582-7219 | www.ijmrset.com | Impact Factor: 8.206| ESTD Year: 2018|

International Journal of Multidisciplinary Research in Science, Engineering and Technology (IJMRSET)

(A Monthly, Peer Reviewed, Refereed, Scholarly Indexed, Open Access Journal)

Consumer Perceptions and Investment Behavior Toward Gold: A Case Study of Kerala

Darsana Mohan, Dr. Grish Babu

Research Scholar, Department of Commerce, Sunrise University, Alwar, Rajasthan, India

Professor, Department of Commerce, Sunrise University, Alwar, Rajasthan, India

ABSTRACT: Kerala is famous for its cultural affinity with gold; this study investigates how consumers and investors there feel about the precious metal. In terms of individual and family wealth, gold is an important social and economic factor. Surveys and in-depth interviews with customers from a range of socioeconomic backgrounds make up the research's mixed-method methodology. Consumer sentiment towards gold is highly affected by cultural norms, economic stability, and market volatility, according to the results. Particularly during milestone events like weddings, people often view gold as a status symbol and a secure investment. New investment opportunities and shifting market dynamics are, however, slowly but surely, altering tastes. The research reveals what motivates people to put their money into gold and offers advice on how banks may better adapt their tactics to meet customer needs. The need of lawmakers taking these socio-cultural issues into account when crafting financial rules is further emphasised.

KEYWORDS: Gold investment, consumer behavior, Kerala, perceptions, financial markets.

I. INTRODUCTION

Among the many social and economic traditions in India, gold has always been held in high esteem as a sign of affluence, social standing, and cultural importance. Gold is more than simply an investment; it is a treasured possession tightly interwoven into the social fabric of Kerala, a state renowned for its abundant cultural history and customs (Lahari, G. 2017). Merchants in the state used to sell spices for gold, which led to the state's long-standing fondness for the precious metal. How people view gold and how they invest in it now are both heavily influenced by this historical backdrop. A variety of variables, like as changes in the economy, worldwide market trends, and consumer tastes, have shaped the investing environment, which has changed throughout time despite its ever-present appeal (Nair, C. V. 2017). The increasing price of gold and the relative stability it provides have contributed to its increased popularity as a financial asset in Kerala in recent years. It is critical for stakeholders, such as governments, financial institutions, and investors, to comprehend the complexities of consumer views and investing behaviours around gold (Hamzah, Z. 2017).

II. REVIEW LITERATURE

Shobha B.G, (2023) The goal of this article is to investigate how buyers in the Indian market for gold and diamond jewellery think and act. Indian jewellery is world-renowned for its exquisite craftsmanship and a wide array of techniques, including Kundan, jadau, meenakari, lacquer, and filigree, among many others. A comprehensive review of secondary sources is the backbone of this paper's research technique. the majority of the papers come from reputable publications, books on marketing, trend forecasting periodicals, and online resources. Needs, wants, options, technology, fashion, etc., all influence consumers' ever-changing preferences. Jewellers need to up their game in terms of design, quality, waste, production costs, and customer service. The factors that influence consumers' interest in branded jewels include the following: the ease of use of the product, the knowledge of the jeweller, the price, the value, and the quality of the after-sale services. Becoming a game-changer requires keeping up with the newest marketing trends.

Ramesh Kumar (2022) Investing in gold is the subject of this descriptive research, which looks at how investors think about the asset class, what variables impact their choices, and what the future holds. A large percentage of the younger generation and women in Hissar, Haryana, are very conscious, according to data gathered from 80 respondents. Gold ETFs and derivatives are becoming increasingly popular as investment alternatives to actual gold, which continues to enjoy widespread popularity. Investment decisions are heavily influenced by factors including the fear of inflation, past success, and the general belief that gold is a secure investment. Almost everyone who took the survey thinks gold will be around for a long time, which speaks to its timeless allure.

Anupam Rana (2022) The gold industry plays a major role in the cultural and economic landscape of nearly every state in India. The peculiarities of customer behaviour in the Keralan gold jewellery sector are examined in this study. The study's primary objective is to catalogue the variables that impact the state's gold market customers' decisions. Considerations such as client behaviour towards branded jewellers and small gold dealers, the impact of sellers' names, reputations, and store atmosphere on sales, gold's purity and price, the impact of marketing on sales, and so on are the main areas of attention in this research.

Jojo Joseph (2021) "Research and Markets" predicts that the Indian jewellery market will expand from 2014 to 2019 at a CAGR (Compound Annual Growth Rate) of 14.95%. Gold jewellery is an integral aspect of many Indian ceremonies, symbolic of affluence and social standing, and a treasure trove of worth. The average weight of the jewellery worn by a middle-class or upper-class bride in Kerala may reach 320 grammes, according to statistics compiled by the World Gold Council (WGC). This amounts to almost Rs 9 lakh at current rates, and that doesn't even account for the production expenses, which can vary greatly. With almost 5,000 outlets, up from 1,000 a decade earlier, Kerala is the leading state in the country when it comes to gold expenditure, according to business sources.

M. Nandhini (2017) For both the well-off and the impoverished, gold is an indispensable social and economic commodity. Not only are there strong social and economic reasons for owning gold in India, but people also get quite attached to the gold jewellery they own because of the long tradition of passing it down through the generations. In our culture, getting your hands on some gold is a certain way to boost your luck and provide a sense of security to your loved ones. A growing number of people see gold as a safe haven investment that can protect their wealth from inflation and serve as collateral for loans in tough economic times.

III. SIGNIFICANCE OF THE STUDY

Customers and investors: this study will shed light on new trends in gold investing, allowing customers to get more out of their money and feel safer about their money. Researchers, academics, and students interested in learning more about gold investments may find this study to be a great resource. Customer understanding, perception, and contentment with Gold as an investment will be revealed by the research. Investment, according to society, is crucial for boosting national economies by increasing productivity and competitiveness. Putting money into gold in all its forms guarantees that consumers and society will have access to stable, long-term funding.

IV. SCOPE OF THE STUDY

Gold investment has been an integral part of Jaipur's history for a very long time. According to a 2011 article in Economic Times, selling gold was either socially unacceptable or just not feasible in ancient times. But as time went on, those investors saw the value in alternative investment strategies, such as hedging, diversifying their holdings, and keeping some in a safe deposit box. There has been scant research on how investors in Jaipur, the capital of Rajasthan state, feel about the buy/invest option in gold. Portfolio advisors and international investors can benefit from the current study's findings on client perceptions of investment aspects by developing practical strategies for a variety of important investors.

V. OBJECTIVES

1. To study about the various options available to investor while investing in gold.
2. To examine the consistency and pattern of investment towards gold and other financial instruments among customers.
3. To identify level of awareness and perception of customers towards their belief in gold buying behaviour due to selected attributes (Secure, diversification tool, return value, liquidity).
4. To determine the leading factors Influencing the respondents towards gold as an investment.
5. To study the relationship in between customer’s perception, purpose with their buying and investment behaviour towards gold.

ISSN: 2582-7219 | www.ijmrset.com | Impact Factor: 8.206| ESTD Year: 2018|

International Journal of Multidisciplinary Research in Science, Engineering and Technology (IJMRSET)

(A Monthly, Peer Reviewed, Refereed, Scholarly Indexed, Open Access Journal)

VI. HYPOTHESES

H01: There is no significant relation in between awareness, perception, purpose of customer with their investment decision in gold.
HA1: There is a significant relation in between awareness, perception, purpose of customer with their investment decision in gold.
H02: There is no significant impact of selected attributes of gold investment towards customer's buying behavior.
HA2: There is a significant impact of selected attributes of gold investment towards customer's buying behavior.
H03: There is no significant difference in between customer's buying and investment behavior towards gold on the basis of socio-economic factors.
HA3: There is a significant difference in between customer's buying and investment behavior towards gold on the basis of socio-economic factors.

VII. RESEARCH METHODOLOGY

Research technique, according to Mishra B.S.(2019) in "Handbook of Research (2019) ISBN 978-1-5457-0340-3," is the best way to address emerging problems in the field. Research is referred to as the discipline of learning the new scientific approach, as Mishra B.S. (2019) has highlighted. Customer attitudes regarding gold as an investment will be studied using the following research approach.

7.1 Research Design
A research design is a comprehensive plan for finding new information. Finding out how to gather primary and secondary data is aided by the study design. Additionally, this provides guidance on how to evaluate gathered replies and aids in the design and administration of survey instruments.

7.2 Sampling design
The current research makes use of subsamples drawn from a larger unit sample in order to portray important demographic characteristics. The researchers in this study utilised the "Simple Random Sampling Method" to choose their sample. If an infinite population is sampled using simple random sampling, then each item in the sample will be selected at random from the population using the same probabilities, and the results will not depend on each other.

7.3 Data Collection Methodology
Consumers were surveyed using a structured questionnaire to collect primary data. Secondary Sources: Articles, Books, Journals, and Research Papers.

7.4 Data Analysis Tools
Editing → Coding → Classification → Tabulation → Diagrams

7.5 Statistical Tools of Data Analysis
Design of the Questionnaire-As part of the survey, we used a five-point Likert scale where 1 was for Strongly Disagree, 2 was for Disagree, 3 was for Neutral, 4 was for Agree, and 5 was for Strongly Agree. In addition, we used a 5-point Likert scale to collect responses from the participants, where 1 meant never, 2 meant seldom, 3 meant sometimes, 4 meant often, and 5 meant very often.

7.6 Content and Construct Validity
The structured questionnaire has verified the reliability and validity of the scales. The data obtained from the structured questionnaire that consumers are asked about their gold investment will then be subjected to a reliability test. Every remark pertaining to customer knowledge, choice, purpose, purchasing or investing behaviour in gold, and security in gold investment will be carefully examined by the researcher to guarantee a high level of data dependability.

7.7 Kmo and bartlett's test
Validity of the Sample Adequacy Measure in Terms of Both Content and Construct Preliminary testing of the questionnaire ensured that the validity and reliability of the scales were examined. The researcher carefully reviewed every statement aimed at studying consumers' perspective and awareness of gold investing to guarantee a high degree of

© 2025 IJMRSET | Volume 8, Issue 12, December 2025| DOI:10.15680/IJMRSET.2025.0812074

ISSN: 2582-7219 | www.ijmrset.com | Impact Factor: 8.206| ESTD Year: 2018|

International Journal of Multidisciplinary Research in Science, Engineering and Technology (IJMRSET)

(A Monthly, Peer Reviewed, Refereed, Scholarly Indexed, Open Access Journal)

data dependability. Determine the study's dimensionality relationships and sample adequacy The KMO and Bartlett's tests have been utilised.

VIII. DATA ANALYSIS & INTERPRETATIONS

The current research endeavours to comprehend how consumers view gold as an investment and their purchasing habits in relation to it, considering the gold investment options that have been chosen. This chapter aims to stress the descriptive analysis by utilising the study's demographic profile and rank analysis of the main data acquired.

8.1 Customer's Preference towards Gold as an Investments

Here, we asked respondents to select a Likert scale value that best describes their feelings about the gold investment. What this means is that they were likely to select the investment choice that best fits their tastes.

Table 1: Customer's Preference towards Gold as an Investments

Regularly Invest in Gold	Frequency	Percent %
Strongly disagree	12	3.13
Disagree	30	7.81
Neutral	113	29.43
Agree	144	37.50
Strongly agree	85	22.14
Total	384	100
Whenever have access money, usually Purchase Gold or Gold ornaments	**Frequency**	**Percent %**
Strongly disagree	13	3.39
Disagree	30	7.81
Neutral	96	25.00
Agree	147	38.28
Strongly agree	98	25.52
Total	384	100
Loan against Gold is, the popular source of short term & urgent financial need	**Frequency**	**Percent %**
Strongly disagree	11	2.86
Disagree	22	5.73
Neutral	99	25.78
Agree	163	42.45
Strongly agree	89	23.18
Total	384	100
Believe in return affects the Perception towards Gold Investment	**Frequency**	**Percent %**
Strongly disagree	7	1.82
Disagree	28	7.29
Neutral	94	24.48
Agree	176	45.83
Strongly agree	79	20.57
Total	384	100

© 2025 IJMRSET | Volume 8, Issue 12, December 2025| DOI:10.15680/IJMRSET.2025.0812074

ISSN: 2582-7219 | www.ijmrset.com | Impact Factor: 8.206| ESTD Year: 2018|

International Journal of Multidisciplinary Research in Science, Engineering and Technology (IJMRSET)

(A Monthly, Peer Reviewed, Refereed, Scholarly Indexed, Open Access Journal)

Table 2: Customer's Preference towards Gold as an Investments - Regularly Invest in Gold

Regularly Invest in Gold	Frequency	Percent %
Strongly disagree	12	3.13
Disagree	30	7.81
Neutral	113	29.43
Agree	144	37.50
Strongly agree	85	22.14
Total	384	100

The data in the table and figures clearly show that just 3.13 percent of respondents did not routinely invest in shares, while 29.43 percent were unsure and 22.14% strongly agreed or agreed that they did so. The majority of respondents appear to make regular investments in shares, according to the findings. The vast majority of respondents clearly engaged in frequent share trading. Some respondents were found to have a neutral stance towards their regular share investment. Some respondents may have been ambivalent about their frequent share investments.

8.2 Customer Buying/ Investment Behaviour Towards Gold

Respondents' opinions on a range of investing criteria as they pertain to their gold purchasing habits are covered in this section of the survey. People who had positive experiences investing in gold were asked to share their purchasing preferences. Here is the response they provided:

Table 3: Assessing buying/investment behaviour in gold investment

Source of investment Advice	Frequency	Percent %
News Paper	40	10.42
Family & Friends	166	43.23
Social Media	90	23.44
Market Expert	79	20.57
Magazine	9	2.34
Total	384	100
Purpose behind investments	**Frequency**	**Percent %**
Income & Capital Preservation	73	19.01
Long term growth	174	45.31
Growth and Income	122	31.77
Short term Growth	15	3.91
Total	384	100
Kind of investment in gold made	**Frequency**	**Percent %**
Gold ETF	36	9.38

ISSN: 2582-7219 | www.ijmrset.com | Impact Factor: 8.206| ESTD Year: 2018|

International Journal of Multidisciplinary Research in Science, Engineering and Technology (IJMRSET)

(A Monthly, Peer Reviewed, Refereed, Scholarly Indexed, Open Access Journal)

Physical gold	219	57.03
Gold Certificates	68	17.71
Both in Physical gold & gold ETF	61	15.89
Total	384	100
Investment in gold futures	**Frequency**	**Percent %**
Above 75%	63	16.41
50% - 75%	71	18.49
25% - 50%	110	28.65
Less than 25%	129	33.59
None	11	2.86
Total	384	100

Table 4: Assessing buying/investment behaviour in gold investment

Source of investment Advice	Frequency	Percent %
News Paper	40	10.42
Family & Friends	166	43.23
Social Media	90	23.44
Market Expert	79	20.57
Magazine	9	2.34
Total	384	100

According to the data shown in the table and figure, family and friends account for 43.23% of respondents' investment advice sources, social media accounts for 23.44%, and market experts account for 20.57%.Among those who took the survey, 10.42% say they acquire their financial news and advice from newspapers. Investing advice from periodicals is relied upon by just 2.34 percent of respondents. According to the results, the majority of respondents got their investing advice from friends and relatives. The majority of respondents also said that social media had a role in their choice to invest. The majority of respondents make decisions about investing in gold based on recommendations from friends and family, and social media also plays a significant part in this process. The majority of respondents' gold investment decisions are influenced by social media with family and friends, in addition to professional guidance.

© 2025 IJMRSET | Volume 8, Issue 12, December 2025| DOI:10.15680/IJMRSET.2025.0812074

ISSN: 2582-7219 | www.ijmrset.com | Impact Factor: 8.206| ESTD Year: 2018|

International Journal of Multidisciplinary Research in Science, Engineering and Technology (IJMRSET)

(A Monthly, Peer Reviewed, Refereed, Scholarly Indexed, Open Access Journal)

Table 5: Demographic Profiles of the Respondents

Parameters	Category	Frequency	Percent
AGE	18 – 27	172	44.8
	28 – 37	143	37.24
	38-47	61	15.88
	48 & above	8	2.08
	Total	384	100
GENDER	Male	167	43.49
	Female	217	56.51
	Total	384	100
QUALIFICATION	Graduate	156	40.62
	Post – Graduate	145	37.76
	Professional	59	15.36
	Diploma	24	6.25
	Total	384	100
MARITAL STATUS	Married	182	47.4
	Single	202	52.6
	Total	384	100
ANNUAL INCOME	Less than 2 Lac	95	24.73
	Rs 2-5 Lac	58	15.1
	Rs 5- 8 Lac	47	12.23
	Rs 8-11 Lac	54	14.06
	Above 11 lac	130	33.85
	Total	384	100
Occupation	Business	107	27.86
	Professional	80	20.83
	Retired	5	1.3
	Salaried	110	28.65
	House wife	33	8.59
	Student	49	12.76
	Total	384	100

The respondents' age groups are shown in the table and chart above. In addition, it reveals that at least two percent of the respondents were in the age bracket of 48 and up, while the vast majority were between the ages of 18 and 27 (44.8 percent). The purpose of the survey is to gauge consumers' attitudes towards gold investing. Results showed that the majority of respondents were between the ages of 18 and 27, according to the data gathered. You can see in this table that there must be at least 48 responders for the results to be considered valid.Results reveal that respondents between the ages of 18 and 27 had a higher level of knowledge about gold investment**.**

IX. CONCLUSION

Consumer perceptions have a crucial role in influencing gold investing behaviour in Kerala, according to this study. The results show that people's choices to invest in gold are significantly affected by cultural variables, economic stability, and social influences. Market volatility and other investment possibilities are increasingly becoming key concerns, even though gold is still a popular investment option due to its cultural importance and perceived stability. It is crucial for financial institutions to customise their products and services to match customer expectations and cultural values because of the correlation between customer perceptions and investing behaviour. This research highlights the significance of

ISSN: 2582-7219 | www.ijmrset.com | Impact Factor: 8.206| ESTD Year: 2018|

International Journal of Multidisciplinary Research in Science, Engineering and Technology (IJMRSET)

(A Monthly, Peer Reviewed, Refereed, Scholarly Indexed, Open Access Journal)

knowing local settings when marketing gold as an investment, which gives significant information for politicians and financial advisers. The effects of the region's shifting economic climate on regional investment patterns and consumer habits could be the subject of future studies.

REFERENCES

1. Kumar, Ramesh. (2024). Investor buying behavior towards gold investment: a descriptive study. Juni Khyat. 14. 124-133. 10.36893/JK.2024.V14I1N02.124-133.
2. Rana, Anupam & Chauhan, Himanshu. (2023). Perception & behaviour of consumers in indian gold and diamond jewellery market: a review. Xxii. 101-110.
3. B.G, Shobha. (2023). Analysis of consumer buying decisions. 9. 180-182.
4. Joseph, Jojo & Head,. (2021). Consumer Behaviour in Gold Jewellery Market of Kerala.
5. G., Ajai & Nandhini, M.. (2017). Consumers brand preference and purchase intention towards gold jewellery with special reference to school teachers in kottayam district. International Journal of Civil Engineering and Technology. 8. 278-286.
6. Dr. Shunmugathangam, P. (2017). Investment Decision Making for Small Individual Investors – A Study with Special Reference to Tirunelveli District, International Research Journal of Engineering and Technology (IRJET), 4(11), 1257-1261.
7. lakshmi, V. V. Niharika, D. A. and Lahari, G. (2017). Impact of Gender on Consumer Purchasing Behaviour, Journal of Business and Management, 19(8), 33-36.
8. Nair, C. V. (2017). A Study on Gold as a Safer Investment Alternative among Small and Medium Investors with special reference to Kozhikode District, International Journal of Research- Granthaalayah, 5(2), 27-45.
9. Sidin, S., Zawawi, D. and Hamzah, Z. (2017). The effects of sex role orientation on family purchase decision making in Malaysia, Journal of Consumer Marketing, 21(6), 381-390.
10. Lahoti , J. H. (2016). An Analytical Study on Perception of investors towards Gold as an Investment Option . Indian Journal of Research, 6(3), 571–572.
11. Anderson, D. R., Sweeney, D. J., Williams, T. A., Camm, J. D., & Cochran, J. J. (2016). Statistics for business & economics. Nelson Education
12. Benny, Vipin & M, Biju. (2014). Investment Attitude in Gold- An Investors Perspective. 19. 32-36.

INTERNATIONAL JOURNAL OF

MULTIDISCIPLINARY RESEARCH

IN SCIENCE, ENGINEERING AND TECHNOLOGY

| Mobile No: +91-6381907438 | Whatsapp: +91-6381907438 | ijmrset@gmail.com |

www.ijmrset.com