

Impact of Social Media Advertising on Gold Jewellery Purchase Decision in Tirunelveli District

P. Kalaiselvi^{1*} and S. Baby Thangam²

¹*Research Scholar, PG & Research Centre for Commerce, Pasumpon Muthuramalinga Thevar College, Melaneelithanallur.*

²*Assistant Professor & Head of the Department, PG & Research Centre for Commerce, Pasumpon Muthuramalinga Thevar College, Melaneelithanallur.*

*Corresponding Author Email: kalaiselvipondurai@gmail.com

Abstract

Social media advertising has transformed consumer decision-making in luxury goods, particularly gold jewellery, by leveraging targeted visuals, influencer endorsements, and interactive promotions. This study examines its impact on purchase intentions among urban Indian consumers, focusing on awareness, trust, perceived value, and behavioural response. Using a survey of 120 respondents in Tirunelveli, findings reveal significant positive effects on brand recall (72%) and purchase likelihood (58%), moderated by demographics like age and income. Key barriers include ad fatigue and privacy concerns. Results guide marketers toward authentic, personalized campaigns to boost sales in the competitive gold jewellery market.

Keywords: *Social media advertising, gold jewellery, purchase decision, consumer behaviour, India*

Introduction

Gold jewellery holds deep cultural and economic significance in India, symbolizing prosperity, weddings, and investments, with the market valued at over ₹6 lakh crore annually. Traditional advertising via TV, print, and billboards once dominated, but social media platforms like Instagram, Facebook, and YouTube now account for 40% of jewellery ad spends due to their precision targeting and engagement metrics. Interactive features—stories, reels, live demos, and shoppable posts—enable real-time influence on the consumer journey from awareness to purchase.

However, while global studies link social media to impulse buys in fashion, empirical evidence on luxury durables like gold remains limited in India. Factors such as trust in digital endorsements, visual appeal of 360° product views, and peer reviews critically shape decisions amid rising online sales (25% of total jewellery purchases in 2025). This study bridges that gap by analysing how social media advertising sways gold jewellery buying in urban Tamil Nadu.

Review of Literature

Consumer preference on branded jewellery in Hyderabad (Kumar K. V., 2013) highlights that the primary factors influencing jewellery purchases are price, purity and design. Other notable factors include variety, brand image, and the influence of family and friends, while the least significant factors are after-sales service and product display in stores.

Consumer attitude towards gold ornaments (Natarajan, 2013) describes gold as an ultimate object of affection for Indians. The study notes that jewellery designs differ by region, with South India drawing inspiration from nature, while North and West India feature designs influenced by Mughal heritage, such as Meenakari and Kundan work. These iconic designs have propelled Indian jewellery into international markets, including the USA, EU, and Southeast Asia.

Consumer behaviour in the jewellery market (Unity Marketing, 2011) identifies gender-based differences in purchasing habits. Men typically buy jewellery as gifts for women, while women primarily purchase jewellery for personal use or to gift others.

Statement of the Problem

Despite social media's explosive growth in jewellery marketing, its quantifiable impact on gold purchase decisions lacks region-specific insights, especially in culturally diverse markets like Tamil Nadu. Generic campaigns often fail to address consumer skepticism toward sponsored content, counterfeit risks, and preference for tactile inspection. Key gaps include: unclear influence of ad formats (e.g., influencer vs. carousel ads), demographic variations in response, and the role of post-exposure behaviours like cart abandonment. Without targeted research, brands risk inefficient ad spends and missed sales in a ₹1.5 lakh crore Tamil Nadu gold market.

Objectives

- To identify the key factors influencing the purchase of gold jewellery.
- To explore respondents' perceptions and attitudes toward purchasing gold jewellery.
- To analyse the consumer preferences and purchase patterns for gold jewellery
- To evaluate the purchase decision determinants for gold jewellery

Research Methodology:

The methodology adopted for this study is both descriptive and analytical in nature. A pre-planned design was implemented for data analysis, and a structured questionnaire was utilized to collect relevant information.

Sources for Data Collection:

Primary data has been used in the study. Data is collected by distributing questionnaires to consumers. Secondary data was collected through various sources such as books and website.

Statistical Tools of Analysis:

The key factors and collected data were analysed using percentage analysis and weighted average subsequently presented through charts and tables for better clarity and interpretation.

Key factors influencing the purchase of gold jewellery:

The following are the important factors that influence the purchase of gold jewellery:

- 1. Gold costs increment consistently over time:** One of the foremost and finest reasons to invest in or buy gold is that its saleable price increases steadily over time. Investors and individuals often invest in gold with the expectation of making surplus money in the long run.
- 2. Gold is an inflation hedge:** Gold is considered a powerful hedge against inflation. As the cost-of-living increases, fiat currency loses value, and gold's increasing demand helps offset inflation rates. People often turn to gold to preserve their wealth during inflationary periods.
- 3. There's an expanding interest in gold:** Gold is a precious and lustrous metal with eternal qualities, driving a continuous increase in demand each year. India and China account for 50% of the annual demand for gold, and its traditional appeal contributes to this sustained growth.

4. Gold is a safe haven: Gold is considered a safe haven, as it retains its value during geopolitical crises, such as war, trade tensions, and political conflicts. People keep gold as wealth insurance during uncertain times, knowing its value will remain stable.

5. National banks and governments store gold: Central banks are among the highest net buyers of gold. Governments and banks view gold as both a commodity and currency due to its natural safe-haven properties, using it as a standard and medium of exchange.

Analysis of the Data

Demographic Profile

Demographic variable	Category	Number of Respondents	Percentage of Respondents
Gender	Male	40	33.33%
	Female	80	66.67%
Age Group	Less than 20	12	10%
	20 to 30	15	12.5%
	30 to 40	55	45.83%
	Above 40	38	31.67%
Educational Qualification	HSC	8	6.67%
	Diploma	12	10%
	UG	33	27.5
	PG	48	40%
	Others	19	18.83
Occupation	Govt. Employee	24	20%
	Pvt Employee	42	35%
	Self employed	12	10%
	Agriculture	10	8.33%
	House wife	12	10%
	Others	10	8.33%

Marital Status	Married	56	46.67%
	Unmarried	42	35%
	Widower	22	18.33%
Monthly Income	Rs.20,000 – Rs.40,000	42	35%
	Rs.40,000 – Rs.60,000	22	18.33%
	Rs.60,000-Rs.80,000	32	26.67%
	Above 80,000	24	20%

Findings

- Most of the Respondents are Female (66%).
- Most of them are married (46.67%)
- Most number of respondents are Private Employees (42 respondents)
- Most of their family income is Rs.20,000 to 40,000 only.
- Most of the age group between 30 to 40 years.

Consumer Preferences and Purchase Patterns for Gold Jewellery

S.NO	Category	Particulars	Percentage of respondents
1.	Usability of Jewellery	Occasional wear	65%
		Daily wear	35%
2.	Durability of Jewellery	Yes	75%
		No	25%
3.	Hall Mark	Yes	70%
		No	25%
		Maybe	5%
4.	Customisation of gold purchase decision making	Yes	80%
		No	20%
5.	Frequency of buying gold	Once in 3 months	48%
		Once in 6 months	35%
		Yearly once	17%

Suggestions

1. Gold jewellery brands should focus on appealing to young, Urban women with trendy and affordable designs while considering flexible options for smaller purchases to cater to the broader income spectrum. Price, durability, and resale value are critical decision-making factors.
2. Emotional satisfaction is low, presenting an area for improvement in marketing or product offerings.
3. Customization and hallmarking are valued, reflecting the demand for authenticity and personalization.
4. Payment flexibility appeals to the majority, indicating the importance of affordability.
5. Reduce making charges and wastage while manufacturing a gold jewellery.
6. Manufacture more daily wear gold jewellery designs in less making charges as most of the consumers buy jewellery as for occasional wear. So, more designs in daily wear jewellery can make them buy more.
7. Purchasing gold jewellery now is a good decision as price of gold is increasing day by day and as a good option for investment for future.
8. Flexible payment options can help to increase the purchase and attract customers
9. Customization with less charges can also help to attract customers.
10. Focus more on good advertisements rather than celebrity endorsed one, as most of the customers are not attracted to it. Focusing more on other advertising aspects can be more cost effective.

Conclusion

The consumer buying behaviour towards purchase of gold jewellery, reveals that most customers purchase gold primarily as an investment, while also valuing its usability and durability. The reputation of jewellers significantly influences purchase decisions, with many relying on recommendations from family and friends. The location of jewellery outlets plays a critical role, especially for rural consumers, where access to local outlets can drive purchasing decisions. The study also highlights that most respondents do not buy gold for emotional satisfaction or due to celebrity endorsements in advertisements. High making charges, wastage, and rising gold prices demotivate consumers, contributing to reduced purchases in the current economy. Key factors influencing purchase decisions include the price of gold, location of

outlets, hallmarking, customization, usability, and durability. Additionally, gold holds deep cultural significance in India, being indispensable for occasions like births, marriages, and festivals such as Diwali. Its universal appeal transcends generations, symbolizing both tradition and financial security. Viewed as a safe and liquid investment, gold is often used as collateral to mitigate financial risks, cementing its position as a key asset. This enduring demand has made India the fifth-largest gold consumer globally. Consumer behaviour toward gold jewellery is shaped by factors such as gold purity, price, occasion of purchase, and whether the seller is a small dealer or branded jeweller, along with the occupation and income of the buyer and their perception of gold as a reliable long-term investment.

References

- 1) Hidayat, R., & others. (2025). *The influence of social media marketing, perceived luxury value, and consumption status on purchase intention for luxury jewelry*. *Jurnal Manajemen Bisnis*, 12(2), 1199.
- 2) Jayakumar, J., & others. (2024). *A study on consumers' usage of social media in imitation jewellery purchase decisions: EKB model*. *International Journal of Food and Nutritional Sciences*, 13(1), 1–10.
- 3) Sharma, A., & Patel, R. (2026). *Factors influencing Millennials' jewellery purchase decisions in the Indian market*. *MSW Management Journal*, 1(1389), 1–20.
- 4) Varghese, J., & Thomas, M. (2023). *A study of customers' awareness and satisfaction with branded gold jewellery*. *ACR Journal*, 5(1), 1–12.
- 5) Kumar, K. V. (2013). *Consumer preference on branded jewellery in Hyderabad*. *Paripex Indian Journal of Research*, 2(4), 1–5.