CUSTOMER SATISFACTION TOWARDS GOLD PRICE VOLATILITY IN RAMANATHAPURAM TOWN

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Abstract

The purchasing behavior of Indians towards ornamental gold is something different from the gold purchase of the world people. The important aspect of gold purchasing among the Indians is that it is a better investment. Buying of gold is considered as buying an asset. Indians feel that buying of gold is a process of asset maximization. It has made the researcher to have big doubt in their mind that, why, Indians like ornamental gold very much and whether both genders equally like the ornamental gold or only female like it. The Investor always looks for the various investment avenues which increase their risk-adjusted returns and add diversification. Since ages, gold is preferred as the one of the major investment option especially by the Indian investors. The prices of the gold are increasing and the price of the gold is affected by various factors. The price of the gold are decreasing the investors are satisfied or not. From the study we concluded that the demand for gold as an investment is gaining women has become a one of the important of investment. Consumers have purchased gold jewellery for the purpose of investment and most of the consumers purchase gold because it helps them at the time of emergency

Keywords:

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1.   Introduction

Gold is one of the coinage metals and has served as a symbol of wealth and a store of value through out history. Gold standards have provided a basis for monetary policies. It also has been linked to a variety of symbolisms and ideologies for centuries, gold has meant wealth, prestige, and is rarity and natural beauty have made it precious to men and women alike, owning gold has long been a safeguard against disaster. Many times when paper money has failed, men have turned to gold as the one true source of monetary wealth. Today is no different, while there have been fluctuations in every market and decided downturns in some, the expectation are that gold will hold its own. There is a limited amount of gold in the world, so investing in gold is still a good way to plan for the future. Gold is homogeneous, indestructible and fungible. These attributes set gold apart from other commodities and financial assets and tend to make its returns insensitive to business cycle fluctuations. Gold is still bought (and sold) by different people for a wide variety of reasons as a use in jeweler, for industrial applications, as an investment and so on.

Gold, an obstinate yellow colored metal, was almost certainly the first metal known to the early hominid that, on finding it as nuggests and spangles in the soils and stream sands were certainly involved by this inherent beauty, great flexibility and implicit indestructibility. Irrespective of age, gender, community, status and country, people like gold very much. Gold ornaments are not only a pleasure to own and possess but also a good investment. The metal is accepted by all throughout the ages and around the world. It is an obsession among many people that gold and gold ornaments are symbols of prestige and social status and their values are determined by the quantity of gold worn or owned by them.

The purchasing behavior of Indians towards ornamental gold is something different from the gold purchase of the world people. The important aspect of gold purchasing among the Indians is that it is a better investment. Buying of gold is considered as buying an asset. Indians feel that buying of gold is a process of asset maximization. It has made the researcher to have big doubt in their mind that, why, Indians like ornamental gold very much and whether both genders equally like the ornamental gold or only female like it.

Statement of the problem

Today the consumers are relating the market that is why the famous author. "Philip Kotler" described the consumers as the king markets are highly complex. To meet this environment, a firm has to be constantly innovating and understanding the latest consumer's need and wants.

The Investor always looks for the various investment avenues which increase their risk-adjusted returns and add diversification. Since ages, gold is preferred as the one of the major investment option especially by the Indian investors. The prices of the gold are increasing and the price of the gold is affected by various factors. The price of the gold are decreasing the investors are satisfied or not. In this context the present study the customer satisfaction towards gold price volatility in Ramanathapuram town.

Scope of the study

The scope of the study is to find out consumers satisfaction towards gold price volatility and to find out their satisfaction level about the gold price volatility.

Objective of the study

- ✓ To analyze the functioning of jewellery shops in Ramanathapuram town.
- ✓ To analyze the view of customer attitude towards gold price in the area of the study.
- ✓ To offer suitable findings, suggestions and conclusion.

Hypotheses of the study

In order to achieve the objectives of the study an analysis is made to understand the opinions of customer and advertisers on various amenities and the following hypotheses have been formulated and tested for this purpose. The socio-economic factors like age, educational qualification, occupational level, and monthly income have not influenced the opinion of the passenger on amenities provided by gold price volatility.

The Hypotheses framed for the study are,

- ✓ There is significant relationship between occupational level and level of satisfaction towards gold price volatility.

✓ There is no significant relationship between age and fluctuation of gold price towards gold price volatility.

Limitation of the study

✓ The study is restricted to gold and hence other jewels like silver, diamond etc. are not included.

✓ The respondents are from only in Ramanathapuram town only.

✓ The sample may not be the representative of more general population. This is a factor that limits the generalization of results.

2. Research Method

Methodology is an essential aspect of any research of investigation. It enables the investigator to look at the problem in a systematic, meaningful and in on orderly way, methodology comprises sources of data, selection of data and analyzing the data.

2.1 Collection of data

The study based on both primary and secondary data, the primary data has been collected from the people of Ramanathapuram through structured questionnaire schedule and the secondary data has been collected from various articles, journals and through internet. This study is based on the convenience sampling method has been adopted to select the respondents.

2.2 Design of the study

The sample respondents were taken on the basis of random sampling method. The sample size for the study was restricted to 50 respondents.

2.3 Frame work of analysis

The researcher has collected information through well designed questionnaire from the user directly. After collected the data it is analyzed with suitable statistical tools. For the purpose of testing various hypothesis, chi-square Test, Garrett Ranking method and Karl Pearson's co-efficient of correlation test have been applied.

2.4 Chi-Square Test

The Chi-Square test is one of the simplest and most widely used parameter tests in statistical work. These tests were based on the assumption that samples were drawn from normally distributed population or more accurately, that sample means were normally distributed. Since the testing procedure requires assumption about the type of population or parameters that is population values. These tests are known as parametric.

$$\chi^2 = \sum \frac{(O-E)^2}{E}$$

Where 'O' refers to the observed frequency and 'E' refers to the expected frequencies to determine the value of the steps required is as follows:

Calculate the expected frequencies. In general the expected frequencies for any cell can be calculated from the following equation.

$$E = \frac{Row\ total \times column\ total}{Grand\ total}$$

c = Number of columns in a contingency table.

r = Number of rows in a contingency table.

2.5 Degree of Freedom (v)

While comparing the calculated value of Chi-Square with the value we have to determine the degree of freedom. The degree of freedom, we mean the number of classes to which values can be assigned. Arbitrarily at will without violating the restrictions or limitations placed. Symbolically the degrees of freedom are denoted by the symbol V. It is obtained as follows.

$$V = (c-1)\ (r-1)$$

Where V= Degree of freedom

CT = Column total

RT = Row total

3. Results and Analysis (10pt)

3.1 Socio Economic Profile

Age Wise Classification of the Respondents

Age is an important factor that influences the consumption of any product. Hence, an attempt was made to classify the customer on the basis of the age wise classification of the respondents is presented in table 1.

Table 1 Age Wise Classification of the Respondents

Sl.No	Age (in year)	No. of Respondents	Percentage
1	Below 20	11	22
2	20 to 40	31	62
3	Above 40	08	16
Total		**50**	**100**

Source: Primary Data

It is seen from table 1 that, 22 per cent of the respondents are in the age group of the below 20 years, 62 per cent fall within the age group of the 20 to 40 years, and 16 per cent are in the age group of the above 40 years. It is concluded that, the majority of the respondents are age group of 20 to 40.

3.2 Occupational Status of the Respondents

What a person does for a living is one of the most telling indicators of social class. This is because occupation largely dictates other signs of class membership, such as income, personal associations and status. Occupation shapes consumption needs. The occupational status of the respondents is presented in Table 2.

Table 2 Occupational Status of the Respondents

Sl.No	Occupational	No.of Respondents	Percentage
1	Students	22	44
2	Government employees	2	4
3	Private employees	13	26
4	Business	6	12
5	Others	7	14
Total		**50**	**100**

Source: Primary Data

It is observed from Table 2 that, 44 per cent of the respondents are student, 4 per cent of the respondents are government employees, 26 per cent of the respondents are private employees, 12 per cent of the respondents are business and the remaining 14 per cent of the respondents are others. It is concluded that the majority of respondents are private employee.

3.3 Satisfaction Level of the Respondents

Table 3 shows that details about the customer satisfaction of present gold price. The category of satisfaction level for Highly satisfied, Satisfied, Somewhat satisfied, Dissatisfied, Strongly dissatisfied.

Table 3 Satisfaction Level of the Respondents

S.No	Option	No. of Respondents	Percentage
1	Highly satisfied	6	12
2	Satisfied	19	38
3	Somewhat satisfied	11	22
4	Dissatisfied	8	16
5	Strongly dissatisfied	6	12
Total		**50**	**100**

Source: Primary Data

It is seen in Table 3 that, 12 per cent of the respondents are highly satisfied, 38 per cent of the respondents are satisfied, 22 per cent of the respondents are somewhat satisfied, 16 per cent of the respondents are dissatisfied, 12 per cent of the respondents are strongly dissatisfied. It is concluded that majority of the respondents are satisfied the present gold price.

3.4 Relationship between Occupational level and Level of Satisfaction

Table 4 shows that, the Chi-Square test has been applied to find out the relationship between the occupational and satisfaction level, let us take hypothesis that these is relationship between the occupational and level of satisfaction.

Table 4 Chi-Square Table Value

O	E	(O-E)	$(O-E)^2$	$(O-E)^2/E$
4	2.64	1.36	1.849	0.700
8	8.80	-0.80	0.640	0.073
4	4.84	-0.84	0.706	0.146
3	3.08	-0.08	0.006	0.006
3	2.64	0.36	0.129	0.049
0	0.24	-0.24	0.058	0.242
2	0.80	1.20	1.440	1.800
0	0.44	-0.44	0.194	0.441
0	0.28	-0.28	0.078	0.279
0	0.24	-0.24	0.058	0.242
1	1.56	-0.56	0.314	0.201
6	5.20	0.80	0.640	0.123
4	2.86	1.14	1.299	0.454
2	1.82	0.18	0.032	0.018
0	1.56	-1.56	2.434	1.560
1	0.72	0.28	0.078	0.108
1	2.40	-1.40	1.960	0.817
0	1.32	-1.32	1.742	1.320
2	0.84	1.16	1.346	1.602
2	0.72	1.28	1.638	2.275
0	0.84	-0.84	0.706	0.840
3	2.8	0.20	0.040	0.014
3	1.54	1.46	2.132	1.384
0	0.98	-0.98	0.960	0.980
1	0.84	0.16	0.026	0.031
Total				**15.699**

Table 5 Occupational Level and Satisfaction Level – Chi-Square Test

Calculated Value	15.699
Table value at 5 per cent	26.3
Degree of freedom	16.0

Source: Primary Data

Table 5 depicts that, the chi-square result reveal that the calculated value is less than the table value at the 5 per cent level. Hence the null hypothesis is accepted. It could be inferred that there exists a relationship between occupational level and level of satisfaction.

3.5 Relationship between Age and Fluctuation of gold price

Table 6 the chi-square test has been applied to find out the relationship between the age and fluctuation of gold price. Let us take hypothesis that this is no relationship between the age and opinion about fluctuation of gold price.

Table 6 Relationship between Age and Fluctuation of gold price

Sl. No	Age	Fluctuation of Gold Price			Total
		Low	**Medium**	**High**	
1	Below 20	2	7	2	**11**
2	20 to 40	3	22	6	**31**
3	Above 40	0	8	0	**08**
Total		**5**	**37**	**8**	**50**

Table 7 Chi-Square Table Value

O	E	(O-E)	(O-E)^2	(O-E)^2/E
2	1.10	0.90	0.810	0.736
7	8.14	-1.14	1.299	0.159
2	1.76	0.24	0.058	0.033

3	3.10	-0.10	0.010	0.003
22	22.94	-0.94	0.884	0.039
5	4.96	0.04	0.001	0.0002
0	0.80	-0.80	0.640	0.800
8	5.92	2.08	4.326	0.731
0	1.28	-1.28	1.638	1.279
TOTAL				**3.777**

Table 8 Age and Fluctuation of Gold Price – Chi-Square Test

Calculated Value	3.777
Table value at 5 per cent level	9.490
Degree of freedom	4.000

Source : Primary Data

The chi-square results reveal that the calculated value is less than the Table value at the 5 per cent level. Hence the null hypothesis is accepted. It could be inferred that there exists a relationship between age and opinion about fluctuation of gold price.

4. Suggestions and Conclusion

The customer satisfaction has been undertaken to identify the gold price volatility along with Chi-Square test on the basis of analysis and findings of the following suggestions can be made by the researcher.

➤ The traders should not enter when the market will have volatility condition.

➤ Customers not buy in bulk quantity because price fluctuates in every seconds. If the Customers put all money at once then they will able to buy more when it goes down. So buy in small quantities.

➤ Gold is the best alternative source of investment, when the investors find the market is too risky.

Gold is an important saving instrument in India and is very often used as a hedge against inflation, it is expected that gold may be looked upon as alternative asset for those holding idle money for speculation purpose. From the study we concluded that the demand for gold as an

investment is gaining women has become a one of the important of investment. Consumers have purchased gold jewellery for the purpose of investment and most of the consumers purchase gold because it helps them at the time of emergency.

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