



Habit Of Indian Women About Gold As An Investment: Causes & Motive

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Abstract

Gold a name itself acts as stimuli to human minds, in Indian tradition gold enjoys a special status since ancient time; now a day's Indian Government has 618.2 tonnes of gold and become 10th largest gold reserves in the world. Surprisingly Indian household may have accumulated upto 25000 tonnes of gold thereby retaining the tag of world's largest holder of gold.

Indian culture is a mixed culture and there are hundreds of languages and different Religions. On every 100 km the culture, habits and even food can be changed. Interestingly there are two common facts i.e. household saving & Investment in gold. There are countless reasons which compel Indian household to stock gold but the attitude, perception & attraction of Indian women towards gold and gold ornaments maybe the giant reason behind the investment in gold.

In the present research paper, researcher intended to evaluate the various causes and motives behind unabated habit of Indian women towards gold as an investment.

Introduction

Gold is always a subject of attraction since thousands of years. From king to beggars and for millionaire to poor almost every individual is gold aspirant. According to world gold council India is the one of the largest market of gold. The demand is continuously rising as gold has a central role in the country's culture. Council further stated that gold is central to more personal life events too. Gifting gold is deeply ingrained part of manage rituals in Indian society-wedding generate approximately so percent of annual demand. (www.gold.com) Also according to world gold council's India retail investors insights survey report gold jewelry and coins are two of the five top five investments by Indian investors. There were 1005 rural and 1280 urban investor were surveyed. It has further found that 2/3rd of potential gold investor told that they don't have enough knowledge on what impacts gold price (**Bhayani, 2020 April 24**)

Indian Government possess 557.7 tonnes of gold and stood on 10th rank of countries with largest gold reserves. Coming as surprise to no one United States is the single largest holder of gold reserves in world who have 8133.5 tonnes of gold. But very surprisingly Indian household possess up to 25000 tonnes of gold in India. It is averages of 17 grams per person gold with respect to 135 crore population of India. The statistics clearly shows the attraction as well as passion of Indians about gold. In the Indian culture where family is centrifugally oriented about women in it, the choice, willingness and feminine but is also plays a vital role in investments decisions. As gold can fulfill both the requirements i.e. ornaments as well as investments, hence it is widely accepted by women of India.

Review of Literature

Dr. M Nishad Nawaz and Mr. Sudindra V R (2013) conducted a study on various forms of gold investment. It has concluded for the research that there are various alternatives available for investment in gold through options like jewellery, coins, bullions, ETF, mutual funds, E-gold etc. The present study tries to study forms of gold investment available to investors. It is suggested that investors to invest in gold ETF where possibilities of losses or limited. ETF's are available at easy and not need high knowledge.

P. Vanishree Sah(2017) conducted study on investment behavioral patterns of women investor. This study is based on survey conducted in Hyderabad during January to June 2017. Primary data was collected through questionnaire method, using Judgment sampling. The respondents were selected on the basis of judgment to include all demographic segments. It is concluded that research showcases that women are more concerned

about meeting their immediate expenses like medical expenses. Therefore women investors prefer short term investments rather than making provisions for long term benefits. There are numbers of educated working women, and still mostly dependent on their family member, friends, and relatives for investment related information and for taking investment decision. Women do not want to take much risk while making financial investments and therefore option for safer investment like bank deposits and gold rather than investing in shares and bonds.

Shobha C.V. (2017) has conducted research with objectives to find whether gold investment is safer than other alternative investments like stock and government bond in the present economic situation. Also to find out factors influencing the decision on the kind of gold investment they make. Primary data was collected through a structured questionnaire from a sample of 100 in Kozhikode district. Researcher concludes that the daily volatility of gold prices is less when compared to stock index and bond yield. The study found that when various factors (age, gender, educational level, marital status, income level) that influence investors to make investment in gold was analyzed educational qualification as a variable was not found significant.

Dr. R. Rupa and Dr. P. Salini (2016) study was carried out with objective like to ascertain if gold is preferred investment of customers and to analyze the reasons for investing in gold. Other objective is to ascertain the investment pattern of gold by the customers. It has found in study that most of the respondents make investment in gold, real estate and bank deposit. Most of the respondents have family influence while making gold investment. Also mostly respondent strongly agree that they purchase gold as it explains their status. Majority of the respondents agree that gold investment is better investment and would generate good returns. It is concluded for the research that though there are various investment options available to the investor namely securities, real estate, bank deposits, commodity exchange and mutual funds. Gold has been considered as the most preferred investment due to its high liquidity and profitability. However the public are not aware of various forms of gold namely gold account, EFT's, gold bullion which yields a high amount of returns comparatively to that of physical form of gold. Hence awareness should be created.

B. Sundaravadhani, P. Sathya(2016) study was carried out with an objective to study the investors awareness on various forms of gold investment. Other objective is to study the pros and cons of various forms of gold investment. Majority of investor feel that investment in ETF is very easy. Most of the respondent feels that mutual funds are professionally managed and give more advantages and profit and also feel it is very risky due to market uncertainty. It is concluded that many investor still prefer jewellery, gold coins and gold bullion bars forms of investment and less prefer to invest in ETF and future and options which gives more profit and easy form of investment.

Research Methodology

The methodology of the research work undertaken is as follows

Problem Recognition

The Indian peoples are always is in love with gold. The various researches shows that the Indian household possess around 11% of worlds total gold volume which is even greater than gold reserves of first 10 gold holding countries. The maximum household gold investments in India become a dead investment as it never turn into transaction i.e. it is out of economy. Also the demand for gold is always rising amongst Indian women. There are hundreds of reasons behind the passion of women about gold. Interestingly the demand amongst women for gold is in every segment of society. This gold attraction grabs and isolate the huge amount of Indian wealth which might be perform well if it is in flow. The passion amongst women for gold is itself keeps their savings isolated. Interestingly gold commodities do not get considerable response as compare to physical gold. In spite of numerous advertisements gold commodity are far behind than physical gold quantum to fulfill the gold demand. Import of gold may consume foreign currency which might be affects on value of rupee. On such background and hurdles created by excessive demand of gold, the perception and attitude of Indian women towards gold is stagnant.

Hypotheses- Passion about gold compels women to prefer gold over other investment options.

Objectives-

- 1) To know the attitude of Indian women towards gold.
- 2) To evaluate the willingness of Indian women towards investment options excluding gold.
- 3) To check the acute perception of Indian women behind selection of gold as an investment.

Selection of sample & sampling

The study was carried out in Jalgaon district of Maharashtra state. The total women population in the district is our sample of study. The women belongs to middle and upper middle class are considered as a population of study because they should have ability to purchase the gold as an investment. It is not possible to segregate them from total women population of district i.e. 2212566 on such class parameter, therefore as exact population is unidentified, with view of expert opinion and as per census of Indian who states 40% of resident of Jalgaon is in below poverty line the estimated population is around 600000, out of them 200 women are considered as a sample of study. The convenience sampling method is used for selection of sample.

During the collection of data 220 questionnaires were distributed. Out of which 205 were collected and after screening 192 full fledge questionnaire are considered for study.

Data collection tools and techniques

Primary data has been collected form respondents i.e. women of Jalgaon district with the help of questionnaire however, secondary data is made available through books, journals & relevant websites like shodhgandha etc.

The data analyses have been done with the help of SPSS software. The Allied tools are also used as an when required.

Limitation of Study

- 01) The Data Collected from various women is a real Sample so as to get a true picture of the passion towards gold investment but it covers only middle and above class women and not poor class of the society.
- 02) The reliability of the data depends on authentically of information provided by the respondents

Table 01: Profession

Factor	Response	Frequency	Percentage
Profession	Service	28	14.6
	Business	35	18.2
	Housewife	129	67.2
	Total	192	100

67.2% of Respondents are housewives whereas 32.8% are earners.

Table 02: Annual Family Income

Factor	Response	Frequency	Percentage
Annual Income of Family	Upto 2 Lac	59	30.7
	2 to 5 Lac	105	54.7
	5 to 10 Lac	22	11.5
	More than 10 lac	06	3.1
	Total	192	100

Out of 192 respondents 54.7% earns 02 to 05 lacs per annum whereas 30.7% earns upto 2 lac

Table 03: Like to invest in gold

Factor	Response	Frequency	Percentage
Like to invest in gold	Yes	157	81.8
	No	28	14.6
	Can't say	07	3.6
	Total	192	100

It has been crystal clear from the table 03 that 81.8% of women like to invest in gold.

Table 04: Why women prefer gold

Factor	Response	Frequency	Percentage	Percentage of Cases
Why women prefer gold	Price hiking	19	5.2	9.9
	Liquidity in cash	58	15.7	30.2
	Investment cum ornament option	115	31.1	59.9
	Secured Investment	38	10.3	19.8
	Passionate of about gold	122	33.1	63.5
	Other	17	4.6	8.8
	Total	369	100	192.1

In response to above multiple choice pattern questions almost 63.5% women replied that they are passionate about gold. Total 59.9% have prefer gold due to its investment cum ornament option followed by 30.2% women mark it as a liquidity in cash option

Table 05: Most prefer Investment option

Factor	Response	Frequency	Percentage
Most prefer Investment option	Gold	97	50.5
	Fixed Deposits	36	18.8
	SIP Investment	23	12.0
	Shares & Commodity	14	7.3
	RD, Bhishi Etc.	19	9.9
	Others	03	1.5
	Total	192	100

Almost half i.e. 50.5% of respondents choose gold as a most preferred investment option whereas 18.8% have selected fixed deposits as an preferred investment option.

Table 06: Awareness about of return rate

Factor	Response	Frequency	Percentage
Aware about mutual fund and other option gives more return than gold	Aware	26	13.5
	Partially Aware	47	24.5
	Not Aware	119	62.0
	Total	192	100

Only 13.5% Women are aware whereas 62% women are not aware about mutual funds & other options gives more than return as compare to gold in last five years i.e. since 2014.

Table 07: Frequency to Purchase Gold

Factor	Response	Frequency	Percentage
Frequency to Purchase Gold	Regularly	31	16.1
	Occasionally	57	29.7
	Depends on funds	104	54.2
	Total	192	100

54.2% of women purchase gold only when they have funds i.e. dependency on funds, whereas 29.7% of women purchase it occasionally.

Table 08: Willingly support by family members.

Factor	Response	Frequency	Percentage
Willingly support by family members to purchase gold	Yes	57	29.7
	No	63	32.8
	Can't say	72	37.5
	Total	192	100

29.7% of women are supported by family members, 32.8% are not supported and 37.5% can't say whether their family willingly supports them to purchase gold or not.

Table 09: Type of gift expected from in laws/ relatives

Factor	Response	Frequency	Percentage
Type of gift expected from in laws/ relatives	Cash	69	35.9
	Gold	83	43.2
	Household Commodity	21	10.9
	Clothes & Tour vouchers	12	6.3
	Others	07	3.7
	Total	192	100

It has pointed from table that 35.9% women expects cash as an expected Gift whereas 43.2% of them expects gold as a Gift from their in laws & relatives on any occasions.

Table 10: Offering of gold ornaments raises the demand

Factor	Response	Frequency	Percentage
Offering of gold ornaments raises the demand	Yes	147	76.6
	No	45	23.4
	Total	192	100

76.6% respondents admit that offering of gold ornaments in functions/occasions can raise the demand of it.

Table 11: Accept Gold gift in ceremony

Factor	Response	Frequency	Percentage
Accept Gold gift in household ceremony like marriage etc.	Yes	137	71.4
	No	55	28.6
	Total	192	100

Almost 71.4% women accept gold gifts in the household ceremony like marriage & etc.

Table 12: Awareness about commodity gold market option

Factor	Response	Frequency	Percentage
Awareness about commodity gold market & its process	Aware	18	9.4
	Partially Aware	39	20.3
	Not Aware	135	70.3
	Total	192	100

Almost 70.3 % women are not aware about commodity gold market option and only 9.4 % are aware about it.

Testing of Hypothesis

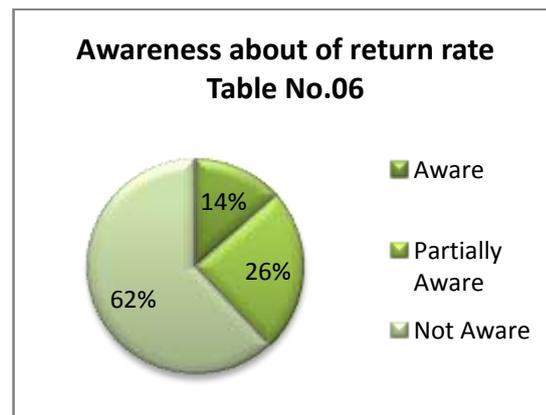
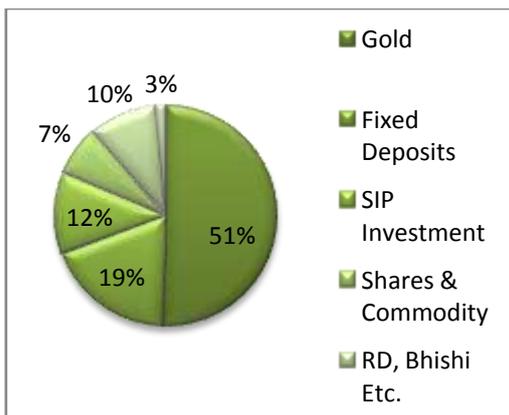
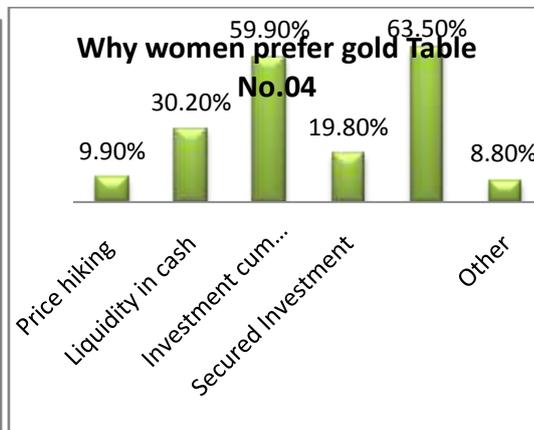
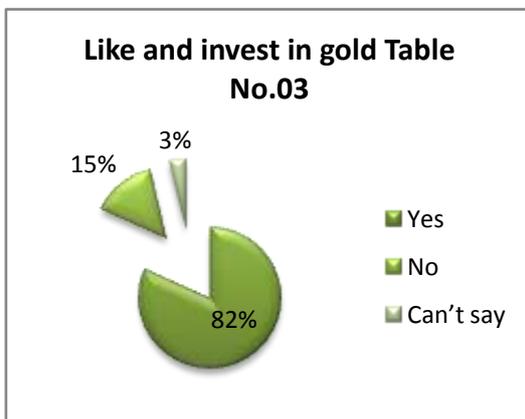
$\mu=0$ Passion about gold compels women to prefer gold over other investment options.

$\mu \neq 0$ Passion about gold does not compels women to prefer gold over other investment options.

Discussion

To test whether passion about gold compels women to prefer gold over other investment option, we have to consider responses to following factor:

- Like to investment in gold (Table 03)
- Why women prefer gold (Table 04)
- Most preferred investment option (Table 05)
- Awareness about other option gives more returns the gold (Table 06)



From the responses to above for prefer it has clearly seen that Table 03 depicts that 81.8% of women like to invest in gold. Table 04 depicts that 59.9% women considered gold as investment cum ornament option also 63.5% women confess that they are passionate about gold. Table 05 depicts that 50.5% of women thought gold is the most preferred investment option for them. Moreover finally Table 06 also depicts that 62% of women are not aware that mutual funds & other options who give more return as compare to gold in last 05 years since 2014.

From the responses and trends from all four factors it has been crystal clear that it's a passion about gold who compel women to prefer gold in every situation as compare to other investment options.

Hence, therefore on the basis of above analysis we confer and accept null hypothesis that "passion about gold compels women to prefer gold over investment options."

Findings

- 1) 67.2% of women are housewives and only 32.8% are either salaried or self earner.
- 2) The annual income of maximum women's family are below 05 lacs and only 14.6% of them earns above 05 lacs.
- 3) It has pointed out that 81.8% of women like to invest in gold.
- 4) It has found that 59.9% of women prefer gold as an investment cum ornament option.
- 5) It has also been found that 63.5% of women confess that they are passionate about gold and therefore they prefer gold.
- 6) At the same time 30.2% of women prefer gold due to its easily liquidity into cash when required.
- 7) It is pertinent to note that almost half of respondent women consider gold as a most preferred investment option.
- 8) Only 13.5% of women aware about mutual fund & other financial options who give more rate of return than gold in last 05 years.
- 9) Surprisingly 62% of women are not aware about other financial options who give more rate of return than gold.
- 10) It is purged out during analysis that 54.2% of women's gold purchasing is depend on 'availability of fund'
- 11) It is also revealed that only 16.1% of women's are frequently purchase gold.
- 12) Interestingly in 32.8% cases, the gold purchasing by women is not willingly supported by family members. However, in 29.7% cases the purchasing is willingly supported by family members.
- 13) It is worth to mention here that 37.5% of women are unknown whether their gold purchasing is willingly supported by family members are not
- 14) Reaching to new heights of passion, almost 43.2% of women expect gold ornament as a gift from their in-laws/ maternal family members.
- 15) There are 76.6% of women respondents who knows that offering of gold ornament can raise the demand of gold.
- 16) It is notable to write that 71.4% of women accept gold gifts in household ceremony in their family like marriage etc.
- 17) Very surprisingly 70.3% of women are not aware about gold commodity market and only 9.4% are aware about it.
- 18) It has crystal clear from testing of hypothesis that 'passion about gold compels women to prefer gold over other investment options.

Conclusion

India is the world largest gold market where requirement of gold has been gradually increase over years. The perception, attitude and behavioral patterns of Indian culture towards gold might be one of the reasons behind it. The Indian women are always wearing gold ornaments along with emotional attachment to it like mangalsutra etc. The passion of Indian women towards gold is one of the major reasons behind increasing demand of gold in India. It has been concluded in present study that even though the women is housewife or salaried the passion of gold does not changes, moreover to look towards gold as a investment option is originates through the multifunctional use of gold as investment as well as ornaments too. The passion of Indian women intentionally skips the other more output oriented investment option over gold. It is the passion

about gold that not only compel women to prefer gold than other options but also expect gold gifts in household ceremony in the family like marriage etc.

In spite of investing in physical form of gold that isolate the wealth from economy, investment in gold commodity market can be beneficial & keep the wealth in economy. But surprisingly, maximum women are not even aware about it. At a glance the passion of Indian women towards gold as a investment is a socially, culturally and traditionally developed thought process which needs a sound ice breaking.

Reference

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