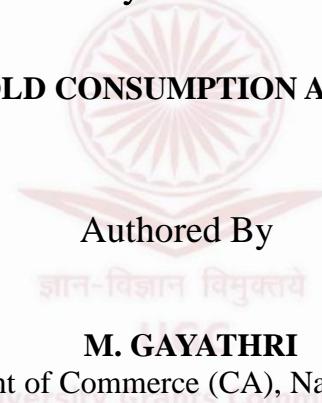




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CHANGING TRENDS IN GOLD CONSUMPTION AMONG YOUNG CONSUMERS



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CHANGING TRENDS IN GOLD CONSUMPTION AMONG YOUNG CONSUMERS

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Abstract

This study explores the attitudes of young consumers toward purchasing gold, with a focus on understanding the factors that influence their investment decisions. The gold consumption patterns of young consumers have undergone significant transformations in recent years, influenced by evolving lifestyles, technological advancements, and shifting economic priorities. Unlike previous generations, young consumers view gold not just as a symbol of wealth and tradition but also as a versatile asset that aligns with modern investment strategies and fashion trends. There is a noticeable shift towards minimalistic and contemporary jewelry designs, preference for digital gold investments, and increasing reliance on online platforms for purchasing. Additionally, ethical considerations, such as sustainable sourcing and redesigned in new forms of gold are shaping buying decisions are based on our taste and preference point buying attitude changed. The influence of social media, celebrity endorsements, and flexible payment options has further revolutionized the way young consumers perceive and acquire gold. This study explores these changing trends, highlighting the key factors driving young consumers' preferences and the future outlook of gold consumption in a dynamic, digitally-driven marketplace.

Key factor:

Young Consumer - Consumer Behavior - Gold Purchasing Trends- Buying Attitudes - Investment Preferences - Financial Literacy

Introduction

Gold has historically held a significant place in various cultures worldwide, symbolizing wealth, prosperity, and tradition. For generations, it has been valued not only as an ornament but also as a reliable investment and a status symbol. However, the attitudes and consumption patterns of young consumers toward gold have evolved considerably in recent years. This shift can be attributed to several factors, including changing lifestyles, technological advancements, economic fluctuations, and the growing influence of globalization.

Unlike older generations who primarily viewed gold as a traditional asset tied to cultural practices, young consumers approach gold with a more dynamic perspective. They seek products that align with their modern tastes, financial goals, and ethical values. The rising popularity of minimalistic jewelry designs, the increasing adoption of digital gold, and the preference for sustainable and ethically sourced products reflect this transformation. Furthermore, the digital revolution has made online gold purchases more accessible, with social media, influencers, and e-commerce platforms playing a pivotal role in shaping consumer preferences.

This paper aims to explore the changing trends in gold consumption among young consumers, examining the key factors influencing their purchasing decisions, the shift from traditional to contemporary preferences, and the future outlook for gold in an increasingly digital and sustainability-conscious world. Understanding these trends is crucial for businesses, marketers, and policymakers to adapt to the evolving demands of the younger generation.

REVIEW OF LITERATURE

ChitraChellam (2015) made a study on “Customers Preferences and Satisfaction towards Jewellery Marts in Southern Districts of Tamilnadu”. The main objective of the study was to the factors influencing the customers in the selection of a jewellery mart. The primary data was collected through questionnaire and secondary data was collected from journals, textbooks and through the internet. The 300 respondents were selected for this study by convenience sampling method. Tools like simple percentage, Garrette ranking and likert scaling was used. It finding of this study reveals that consumer were buying gold jewellery from expressed a favourable attitude towards the reputation and credibility

of the quality and design. **JigerManek and RutaKhaparde (2015)** carried out a study entitled “consumer buying behaviour towards online jewellery shopping” The main objective of study was to understand the awareness about online shopping of jewellery. A sample size of 100 respondents was selected for the interview schedule questionnaire using convenient sampling method. Tools like simple percentage and hypothesis framed this study. Finding of the study were online jewellery shopping has been preferred by educated consumers and more designs available while online shopping, which makes their shopping experience more attractive. **Asha and Edmund Christoper (2014)** carried study on “buying behaviour of customers towards branded and non-branded gold jewellery with reference to kanyakumari district”. The main purpose of the study was to identify the buying motivation and concerned factors while consuming gold jewellery in Kanyakumari District. The study based on primary and secondary data. The 350 respondents were selected from stratified random sampling method. The tools like Mean, f test and chi- square test were used. It the study reveals that, results of this test suggest that there is significant difference in the reasons for not buying from branded jewellers. **Dalvi (2015)** made a study on “customer buying behaviour relating to purchase of gold in kolhapur city” The main objective of study was to develop different customer behaviour in market for purchase of gold. The Data were collected thought primary data and secondary data. The 100 respondents were selected for this study by using quota convenient random sampling method. The tool like analysed data for chi-square, tabulated for analysis. The finding of the study the calculated value is more than table value, we reject chi-square hypothesis.

Objective of the study

- Examine how young consumers' attitudes and preferences toward gold have evolved over time.
- Assess the role of fashion trends, income levels, digital gold investment, and changing cultural values in gold consumption.

Comparison of Traditional vs. Modern Preferences in Gold Consumption among Young Consumers

Gold consumption among young consumers has evolved significantly over time, shifting from traditional preferences to modern alternatives. Below is a comparison of the key aspects:

Aspect	Traditional Preferences	Modern Preferences
Product Choice	Heavy gold jewelry, intricate designs, wedding-related purchases	Minimalist jewelry, lightweight designs, trendy pieces, digital gold
Purpose of Purchase	Investment for long-term wealth and family inheritance	Fashion statement, convenience, resale value, and digital investment
Buying Behavior	Purchased on special occasions (weddings, festivals)	Frequent purchases based on trends, gifting, or online availability
Shopping Medium	Traditional jewelry stores, family jewelers	Online platforms, brand stores, fintech apps, influencers' recommendations
Form of Investment	Physical gold (jewelry, coins, bars)	Gold ETFs, digital gold, gold-backed cryptocurrencies
Design Preferences	Traditional cultural motifs, heavy ornamentation	Minimalist, contemporary, mix of gold with other materials (diamonds, gemstones)
Influencing Factors	Family traditions, cultural values, gold as a status symbol	Global trends, social media, affordability, and convenience
Price Sensitivity	Willing to pay a premium for purity and craftsmanship	Prefers affordability, flexibility in purchase (e.g., small-ticket digital gold investments)

Impact of Economic and Market Factors on Gold Consumption among Young Consumers

Gold consumption among young consumers is significantly influenced by various economic and market factors. These factors shape purchasing behavior, investment preferences, and overall demand for gold.

Gold Prices and Affordability

- **Rising Gold Prices:** When gold prices increase, young consumers may shift towards alternative investments like digital gold, gold ETFs, or other asset classes.
- **Affordability Concerns:** High gold prices discourage bulk purchases of traditional jewelry, leading to a preference for lightweight, minimalist designs or smaller gold investments.

Inflation and Economic Stability

- **Gold as a Hedge Against Inflation:** During economic instability, young investors may consider gold as a safe-haven asset, opting for gold ETFs or digital gold over physical jewelry.
- **Recession and Job Market Uncertainty:** Economic downturns reduce disposable income, leading to lower spending on luxury gold jewelry but increased focus on gold as an investment.

Income Levels and Purchasing Power

- **Higher Disposable Income:** Young consumers with higher income levels may prefer branded and designer gold jewelry, customized pieces, or luxury gold accessories.
- **Lower Disposable Income:** Budget-conscious consumers may opt for gold-plated jewelry, affordable 14K/18K gold instead of 22K, or smaller gold investments like coins and bars.

Investment Trends and Financial Awareness

- **Shift towards Gold ETFs & Digital Gold:** Young consumers, especially those financially literate, prefer digital gold investments over physical gold due to flexibility, liquidity, and lower transaction costs.
- **Crypto currency vs. Gold:** Some young investors explore alternative investments like crypto currency instead of traditional gold investments, reducing gold's dominance as a safe-haven asset.

Interest Rates and Monetary Policies

- **Low-Interest Rates:** When interest rates are low, gold becomes a more attractive investment as it does not yield interest, prompting higher purchases of gold-backed assets.
- **High-Interest Rates:** Higher interest rates make other investment options (stocks, bonds, real estate) more appealing, reducing demand for gold.

Global Economic Trends and Market Sentiment

- **Geopolitical Events and Currency Fluctuations:** Economic crises, wars, or political instability often push young consumers towards gold investments as a financial safeguard.
- **Stock Market Volatility:** When stock markets are unstable, young investors might shift towards gold-backed investment options to mitigate risks.

Conclusion:

The trends in gold consumption among young consumers have undergone significant transformations driven by evolving lifestyles, economic factors, and technological advancements. Unlike previous generations, young consumers view gold not just as a symbol of cultural heritage and status but also as a versatile asset for investment and fashion. The growing awareness of gold's investment potential, coupled with the influence of digital platforms, has reshaped purchasing behaviors, making online gold trading and digital gold increasingly popular. Additionally, factors such as financial literacy, brand consciousness, and changing fashion trends play pivotal roles in their buying decisions. To effectively engage this dynamic demographic, businesses must adopt innovative marketing strategies, promote sustainable and ethical sourcing, and offer personalized experiences that align with the modern consumer's values. Understanding these changing trends is crucial for stakeholders aiming to tap into the evolving gold

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