Jewellery Business in India: Opportunities & Challenges

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Abstract:
This text provides a comprehensive overview of the global gold market, with a particular focus on India and its bustling city of Mumbai. Gold, a precious metal, holds multifaceted significance worldwide, from jewelry to investments. The global gold reserves, distribution, and usage are analyzed, highlighting its dominance in the jewelry industry. India, known as the "Golden Bird," plays a pivotal role in the global consumption of gold, and its gem and jewelry industry is a significant contributor to the nation's economy. The text delves into India's consumption patterns, gem and jewelry exports, and the impact of government policies, including import tax fluctuations. Festivals like Diwali significantly influence gold demand. Mumbai, India's financial capital, stands out as a major consumer of gold, with the historic Zaveri Bazar being a hub for jewelry enthusiasts and artisans. The Gem & Jewellery Export Promotion Council (GJEPC) hosts the prestigious "India International Jewellery Show" in Mumbai, attracting international attention. Government initiatives, including hallmarking requirements and changes in GST rates, aim to regulate and standardize the gold jewelry industry. The text also discusses the establishment of a gem and jewelry park in Navi Mumbai, promising significant investments.

Keywords:
Gold market, Global gold reserves, Jewelry industry, India's gold consumption, Gem and jewelry exports, Government policies, Import tax, Diwali festival, Mumbai, Zaveri Bazar, Gem & Jewellery Export Promotion Council (GJEPC), India International Jewellery Show, Hallmarking, GST rates, Gem and jewelry park, Opportunities, Challenges, Virtual Reality (VR), Jewelry buying process, Indian gold industry.

CHAPTER 1: INTRODUCTION
1.1 Worldwide
Gold is a precious metal that is used in jewellery, investments, gifts, and, for some, as a source of desire. Around 1,97,576 tonnes of mined gold were said to be present in the world as of the end of 2019. It is dispersed in many ways, including jewellery (92,947 tonnes, or 47 percent), private investments (42,619 tonnes, or 21.6%), official holdings (33,919 tonnes, or 21.6%), and other sources (28,090 tonnes, or 14.2%). As of right now, underground reserves are thought to be roughly 54,000 tonnes. The data shows that gold is mostly used for jewellery production and coin issuance.

In 2018, there was a stunning demand for 2,200 tonnes of gold jewellery worldwide, according to a Forbes Magazine article. As one of the best metals that can be shaped into any design, gold is ideal for use in jewellery production. Silver, diamonds, and gemstones are other precious metals and crystals that
are frequently utilised in the production of jewellery. Because diamonds and gemstones are valued as precious crystals and are more expensive than gold and silver, jewellery manufactured with them has a premium price tag. Furthermore, because crystal jewellery is more expensive than other types of jewellery, the wealthy class or part of society prefers it.

1.2 India

India, also known as "Sone Ki Chidiya" (the golden bird), is highly known for its elaborate and beautiful traditional art forms that go into making its gold jewellery. India is one of the greatest contributors to the world's consumption of jewels and stones, accounting for almost 29% of the total. More than 3,10,000 companies operate in India's jewellery and gems industry. By 2023, the market's size is anticipated to rise by US$103.06 billion. India used 496.11 tonnes of gold in the first nine months of 2019.

The value of India's gem and jewellery exports in FY20P (through January 2020, Provisional) was US$25.11 billion. And, the value of cut and polished diamond exports was 16.31 billion US$, or roughly 73.46 percent of the entire value of gem and jewellery exports.
Due to the fact that it accounts for a sizable amount of the nation's foreign exchange reserves, the Indian gem and jewels industry is crucial to the nation's economy. Recent increases in the import tax on gold by the Indian government from 10% to 12.5 percent (GST excluded) have led to new all-time highs in gold prices on the Indian Commodity Marketplace. The impact on people's ability and purchasing power was substantial.

The demand for jewelry is also influenced by events in India. The Diwali festival day of Dhanteras is regarded as one of the most lucky days to buy gold and silver bars and jewellery. According to information provided by the Confederation of All India Traders (CAIT), an estimated 6,000 kilogrammes of gold, or Rs 2,500 crore, was traded on one Dhanteras (25th October) day in 2019. Different forces have an impact on the consumption patterns of gems and jewellery in each state of India.

1.3 Mumbai
Mumbai is regarded as India's financial capital, and as of 2011 there were 1.84 crore residents there. Around 112.4 tonnes of gold were used by the city alone in 2109 alone, making it one of the country's biggest consumers.

Between Crawford Market and Mumbadevi in Mumbai is the 150-year-old gem and jewellery market known as Zaveri Bazar, which is known as a jewellery buyer's dream. Around 7000 small and large shops are located in the Zaveri Bazaar's congested pathways. These stores are famous destinations to visit because some of them are more than 300 years old.

These shops carry a wide variety of jewellery, such as Kundan, Jadau, Rajasthani, Maharashtrian, Bengali Kada and Necklaces, Italian Jewellery, Diamond and Gemstone Jewellery, Moti Work Jewellery, Silver Jewellery, Artificial Jewellery, and 1 Gramme Gold Jewellery.
In Zaveri Bazar, there are at least 30,000 Artisans employed by businesses that refine, process, and design jewellery. These karigars are regarded as being comparable globally for their work and designs.

Mumbai is another well-liked tourism destination in India. Visitors from all over the world come to the city to see its famed markets, culture, and legacy. The Gem & Jewellery Export Promotion Council (GJEPC) is the host of one of the largest jewellery exhibitions in the world, the "India International Jewellery Show," which takes place in Mumbai. In 1966, the Indian government's Ministry of Commerce established the GJEPC. Visitors to this show are drawn from practically every region of the world. Small- and large-scale business owners, retailers and wholesalers, independent clients, jewellers, etc. are among the visitors. Inflows of foreign direct investment into gold and diamond jewellery were US$ 1.18 billion between 2000 and 2019.

The August 2018 Indian International Jewellery Show (IIJS) saw transactions totaling Rs. 8,000 crore ($1.18 billion). Virtual Reality (VR) is a technology that many businesses, including PC Jewellers, Popley & Sons, want to use in the jewellery industry. With VR, customers will be able to choose any piece of jewellery, inspect it from all perspectives, and virtually wear it to see how it looks on them. The process of buying jewels will be altered by this technology.

1.4 Government Initiatives

- The Government of India has made hallmarking necessary for gold jewellery and artefacts. The rule's implementation has a deadline, which is January 2021. In the Union Budget of 2019-20, GST rate on labor work in relation to gems and jewellery is reduced to 5% from 18%.
- The Bureau of Indian Standards (BIS) has amended some gold jewellery standards to assure the quality check on gold jewellery. The BIS mark, purity in carat, assaying & hallmarking center's identification symbol/number, and jeweller's identification symbol/number are all required to be present on any gold jewellery, according to this rule.
- A Memorandum of Understanding (MoU) has been signed between the Gems and Jewellery Export Promotion Council (GJEPC) and the Maharashtra Industrial Development Corporation (MIDC). This action is being made to create the biggest gem and jewellery park in the country at Ghansoli, Navi Mumbai. Over 5100 jewellery units will be built as part of this project on 25 acres of land. A substantial investment of Rs. 13,500 crore (US$ 2.08 billion) will be required.
1.5 Opportunities and Challenges

1.5.A) Opportunities:
- In addition to the rising demand for stones and diamonds, a lot of small jewellery businesses have popped up recently. Both real and fake jewelry is sold at these retail locations.
- The value graph for both silver and gold has shown an increasing tendency for a very long time. As a consequence, the commodity obtains the trust of investors as well as customers.
- A customer acquires jewellery when they are pleased with the product's design and quality. Consumers continue to have the view that the only way to assess a product's quality and good design is by touching and feeling it. Due to this consumer behaviour, shoppers visit local stores rather than e-commerce platforms to make their purchases.

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**CURRENT RATES OF GOLD AND SILVER: (August 4, 2023)**
- **GOLD RATE**: Rs. 59,652 + 3 PERCENT {GST} = Rs. 61,441/10 GRAM.
- **SILVER RATE**: Rs. 73,943 + 3 PERCENT {GST} = Rs. 76161/1 KILOGRAM.

1.5.B) Challenges:
- It is the industry that suffers the most during a recession. Jewellery and gem purchases are people's last resort in a weak or suffering economy since they are a choice or pleasure rather than a necessity.
- Travel and vacation costs make up a large portion of young people's spending patterns today. People are reportedly investing their savings in a variety of industries, which contrasts greatly with the previous ten years. In the past, people saved their money to buy jewelry.
- India is heavily reliant on imports because there isn't as much jewelry made there. Additionally, there is a very limited quantity of recycled gold available on the domestic market due to Indians' preference for keeping their gold in safes.
- Due to a lack of options, the jewellery industry has trouble choosing financial facilities. This is a major factor in the decline of small jewellery enterprises.
The lack of technological advancement has prevented this industry from expanding at the anticipated rate. Additionally, there is a lack of jewellery makers due to the high rate of casualties recorded by the karigars (artisans).

The growth of e-commerce has had a big impact on neighbourhood jewellery shops as some customers opt to buy jewellery online from the convenience of their homes and busy schedules.

Due to the statewide lockdown caused by the corona virus epidemic, sales of jewellery during the two big festivals of Gudi Padwa and Akshaya Tritiya, which are known for potential sales, have been ZERO. This caused a significant economic loss for the nation as well as for the companies whose main sales were reliant on these festivals.

CHAPTER 2: OBJECTIVES

• The following list includes the project's main goals:
• To research and comprehend customer purchasing patterns for branded and unbranded jewellery.
• To gain knowledge of the factors that consumers take into account while purchasing jewelery.
• To ascertain the amount of consumer knowledge regarding the market-available jewellery brands.
• To determine consumer awareness of the jewelry's authenticity, quality, and purity.

• To understand consumer behaviour:
  1) Purchase occasions
  2) The most popular goods
  3) Point of sale
  4) Consumers seek purity in jewellery 5) Purchasing factors

• To understand the most favoured and well-liked types of jewelery among consumers
• Recognising and comprehending cultural, social, and psychological influences on consumer purchasing.
• Becoming aware of how consumers make decisions while buying jewels.
• To comprehend how one customer affects the choices made by other customers.

CHAPTER 3: LITERATURE REVIEW

1) A Complex Future: The Jewellery Sector in 2020
Written by Nathalie Remy, Thomas Tochtermann, and Linda Dauriz Printed in February 2014
This article begins by describing the history of the jewellery industry's success. It discusses how the sector had been impacted by the worldwide recession in 2009. However, the future appears pretty bright and exciting. The industry is thought to be one of the quickest expanding in terms of demand regulation, which gives it a dynamic aspect. Consequential changes in consumer behaviour and the industry itself were seen.
Customers are reportedly moving away from buying unbranded jewellery in favour of branded jewellery in substantial numbers, although they continue to primarily rely on local businesses for their everyday requirements. The primary aspect influencing customer preferences is the fissionability of ordinary apparel. These days, people are greatly affected by the latest fashions and trends, which has an effect on how frequently they purchase jewellery. It is believed that several well-known businesses, such as Cartier, Tiffany & Co., H&M, Zara, and others, have the biggest effect on trends in fashion jewellery.

2) Rising & Shining: India’s fashion jewellery market

*Article by*: Rosy Ngaihte Sharma  
*Published*: December 5, 2019

The market for fashion jewellery in India has shown accelerating expansion in recent years. Due to significant domestic and international (exports) demand, India is one of the world's major producers of fashion jewellery, and its output is constantly growing. People used to wear jewellery in the past for ceremonial purposes and on traditional attire, but that has altered in the twenty-first century. It now serves as a vehicle for expressing originality and style. In India's organised retail market, there are just a select few brands, claims the report. In India, men and women both like wearing fashion jewellery. Men have begun donning fashion jewellery, although the market hasn't yet fully explored the men's fashion jewellery niche.
We can see from the photograph above that it has a price tag on it for Rs. 999. While the same jewellery could cost up to 2-3 lacs in gold if it had to be manufactured. Many buyers have been compelled to switch to buying artificial jewelry due to price variations.

India is also well-known for their BIG FAT INDIAN WEDDINGS, which have a high risk of theft. Customers now have peace of mind as artificial jewelry has replaced the use of gold and diamond jewellery.

3) Indian Traditional Jewellery

Weddings in India are a great opportunity to spot different types of traditional jewellery. Indian weddings are distinctive and opulent because of these traditional jewelry pieces. The traditional jewellery appears special and wonderful due to the original patterns and artisan craftsmanship.

Many Indian households still possess ancient items of traditional jewellery that have been passed down from generation to generation. In addition to passing on the culture, emotions, and sentiments linked with the jewellery, this preserves historic styles and designs.

Native jewellery exists in many different designs, some of which are as follows: Armlets (Baju-Bandh), Waistbands (Kandora), Earrings, Fingerings, Large and Small Necklaces (Har), Bangles, Kadas (Men/Women), Bracelets, Earrings, Anklets, Pendants, and Hathpan. These jewellery items all have a distinctive and classic appearance since they are mostly made of Kundan and Meena craftsmanship.

India is home to numerous diverse areas and cultures, all of which are renowned for adopting their own distinctive styles. The south is renowned for its large temple design-based jewels, whereas the north is well-known for its carved designs. West is renowned for its mirror and stone work, whereas East is well-known for its beaded work on jewellery. The Middle Eastern regions are the source of many of these themes, although the designs are distinctive. Filigree, Meena, and Kundan work are only a few examples of the numerous designing methods.

4) Is India where the diamond is shining?

One of the top 3 nations for diamond jewellery purchases is India. Chennai and Bengaluru are the market leaders, with the west coming in second. Forevermark India, the company with the largest share of market in the Indian gemstone business, graded over 2,09,000 gemstones in 2017.

The diamond jewellery industry is currently facing a bleak future due to several scams, and banks have strengthened their control over these sectors. Bank and other institution loans are becoming more
challenging to obtain and come with hefty interest rates. The effects of this extend beyond large and small firms to the people whose daily livelihoods depended on these sectors.

In the business sector, Yasir Sultan, CEO of Sultan Gems, points out that these kinds of scams and legal problems are nothing new; they may have happened before and after these frauds developed, but they remained unreported since the firms involved were little and lacked an international profile. All of the scams that attracted the public's and consumers' attention did so since they had high turnover, were associated with or had famous persons or celebrities advocate their brands, or were multinational businesses (MNCs). owing to the harsh lending terms enforced by both banks and NBFCs (Non-Banking Financial Organisations), the difficulty to sustain competitive marketplaces owing to customer distrust, and other factors, he said, many recently founded enterprises and firms face difficulties in the market.

• A Russian corporation called Alrosa is building an office in Mumbai after expanding its operations to nations like China, the United Arab Emirates, and Israel. The Moscow-based corporation supplied Indian businesses with almost 700 million dollars' worth of raw diamonds in 2017. The largest mines in the world are located in Russia, which serves as a hub for businesses that purchase rough diamonds. Along with Russia, the continents of Africa, Australia, and South Africa are home to some of the world's largest diamond mines.

5) Covid-19's effects on the Indian jewellery industry

The catastrophic coronavirus pandemic that is currently affecting the entire planet has had a significant influence on many different industries' day-to-day operations. The jewellery business is one where people rely on one another for supply and sales. For instance, a wholesaler depends on a retailer for its sales, whereas the store prioritises sales to consumers. Therefore, if the retail jewels industry does not generate any revenue, wholesalers would also be affected. Additionally, this effect extends beyond the two of them and also has an effect on the artisans (Karigars) who work in this industry. The retailers, though, are bullish about it. They think the wedding season will provide them with a chance to make up for their losses after the global pandemic has subsided.

Large scale businesses have a large number of employees, and it is thought that the current circumstance is ideal for training their workers and preparing them for the industry after this pandemic subsides. This time can be effectively employed to teach the company's employees in accordance with the recommendations made by specialists in the field. The ability of the workforce to use the evolving technology can be trained and made comfortable, thus improving customer happiness. Customers can receive social and responsible communications in the form of image templates, quick films, and text messages, which will aid businesses in building brand and service memory. According to the article, owners should act as responsible leaders by boosting the self-esteem of their staff members and providing them with all the resources they need.

Additionally, the piece mentions how unstable the market is right now. The price of gold has dropped by about 2000 rupees in the last week, and virtually little movement is anticipated in the weeks to come. No one is likely to make an investment right now due to the severe liquidity (cash) shortage in the market.

To sum up, based on the investigation and the read article. There are currently very few opportunities for jewellery sales to increase. Even if the government eases the lockdown regulations and the showrooms reopen, they will see a sharp increase in old gold sales by consumers as a result of the cash constraint and limited liquidity. Future events are still highly uncertain, but a downward sales trend in the entire jewellery business can already be detected going back at least three to four months.
6) How To Launch A Home-Based Artificial Jewellery Business

The essay starts out with giving a quick overview of this particular sector of the Indian economy. It discusses the steadily rising demand for fake or counterfeit jewels in India and shows how this industry has an impact on the gross domestic product of our country. According to the survey, the demand for fake fashion jewellery is predicted to rise three times above the existing levels in the future years. The demand will increase as a result of people becoming less willing to spend money on jewellery accessories. As a result, fake jewellery is the best and most cost-effective option available to them after gold and gemstone jewellery. Sales of imitation jewellery are becoming more and more popular as e-commerce usage grows quickly. It asserts that India's future for this specific industry is bright.

It covers a variety of business strategies, such as wholesale, retail, physical and online stores for fake jewellery, and selling on online marketplaces. Surprisingly, you can multitask by accomplishing all of these jobs from home while simultaneously doing other things. I wish to draw attention to the growing availability and popularity of fake jewellery. Due to the fact that this jewellery is far less expensive than...
gold or diamond jewellery and almost meets all the criteria for precious jewellery, consumer demand for it has increased significantly over the past three to four years.

7) After COVID-19 lockout, jewellers still have a long way to go to get customers back into their stores.

The problems & hurdles that merchants may have after the Novel Coronavirus Pandemic-related statewide lockdown is lifted. It demonstrates the level of concern people have regarding the possibility of a virus spreading through jewellery. It is thought that one item of jewellery is worn by several persons to experiment with different styles, and that incorrect cleaning of the jewellery after each wearer may be a source of the virus' propagation.

As reported by an affiliate of the All India GJC (Gem & Jewellery Domestic Council), a large number of labourers and jewellery artisans have returned to their home nations, making it hard for businesses in the main cities to function normally. Additionally, the lack of transit choices made it impossible for employees and staff members who were in the town itself to commute. All of these factors have resulted in a projected loss of Rs. 70,000 crore, forcing many small jewellery businesses to liquidate their shops permanently along with others to temporarily move their businesses into other industries.

In light of all of these developments, GJC thinks that the Indian government ought to think about reducing the imposed customs fee by at least 4%. As part of the annual budget, which was published on July 5th, 2019, the government increased the customs fee on gold up 2.5 percent, taking it to a sum of 12.5%. The rise in customs tax was met by a substantial increase in the cost of gold and silver. The price hike caused customers to lose interest in purchasing gold and silver jewellery. Therefore, reversing the charge may lead to a lower price, which would keep people interested in buying jewellery.

8) REVEALED:

Obstacles producers and retailers encounter in the bridal jewellery business

The British bridal jewellery market. Offering home services for jewels buying and selling is a recent trend. Due to this, small retailers are now competing for customers and facing higher customer satisfaction hurdles.

The bridal jewellery business is still mostly dependent on brick-and-mortar retailers, with purchasing still being the most popular method in this niche. However, it is important for this business sector to establish
its e-commerce presence in this fast changing globe and with new reforms emerging, so they are not left behind in the competition of the expanding market.

Selling bridal jewellery is a type of seasonal business that necessitates the development and implementation of numerous business strategies. When there is a wedding in the family or only during the marriage seasons of the year, that is, the last and first months of the year, a person only buys bridal jewellery. Online jewellery stores don’t need to have physical locations to sell their goods, which reduces their significant expenses. These reduced costs are then passed along to clients in the form of discounts and deals.

9) In the first quarter, global jewellery demand slowed due to the rising price of gold.

Demonetization was a programme that the Indian government undertook in late 2016 to combat corruption in the nation. This reduced the amount of currency in circulation in the Indian economy by about 80%. The economy and many businesses, especially the jewellery industry, were shocked by this. Due to rigorous government regulations and a dramatic rise in gold prices globally, it was one of the most difficult years for the gold jewellery sector. Due to this, India had a 7-year low in the market for gold jewellery; nevertheless, the demand increased by almost 16% in the quarter under comparison. Further, until the final decision on the implementation of the Goods & Service Tax, which is scheduled to be made in early July, is made, the demand for gold jewellery in India as a whole won't stabilise. This action is thought to have a further negative influence on the demand for jewellery because it could result in higher gold and silver prices as well as more complicated (hectic) company operations. Early in 2017, India began
to recover from the shock of the demonetization, but the industry also anticipated significant challenges from the implementation of the GST. In my perspective, all of these government initiatives caused a dramatic decline in the market for gold and diamond jewellery, but they were ultimately seen as helpful. The coronavirus epidemic once again caused a large decline in the industry and compelled it to suspend all activities for about 3–4 months as the retailers and wholesalers were recovering from this scenario and beginning to prosper with their enterprises.

10) The fascinating history of India's jewels and jewellery is revealed in Maharajas, Myths, and Mysteries. The different types of jewellery worn in the past. Details and photographs of ancient jewellery, Indus Valley Civilization jewellery, temple jewellery, 16th-century jewellery, Mughal jewellery favourites, Hyderabad's Nizam jewellery, & some of the most priceless Kohinoor are all included.

- **Indus Civilization Jewellery:**

India used to be world's greatest producer and exporter of beads, and it was also known as the centre for diamond trade. When making jewellery during the Indus Valley Civilization, the artisans used a variety of semiprecious materials, including turquoise, emerald, stones, engravings, bands, and other patterns. The Mohenjo-Daro necklace is displayed in the National Museum in Delhi.

- **Jewelry during the Mughal era:**
The Kundan setting in pure gold was the way that jewellers most frequently used to create jewellery during the Mughal era. The age during which this new technology emerged also saw the insertion or placing of stones in gold. These techniques were developed over time, but they were perfected during the Mughal era since the Kings and Queens adored this particular style and thought they were quite valuable. The popularity of this form of jewellery continues to grow because of its distinctive and archaic appearance.

11) Gems and jewellery seeks out new markets
March to November 2019. Exports of gems and jewellery fell by around 4.67%, and it is anticipated that this downward trend would continue for the rest of the fiscal year in question. As a result of the economic downturn in China and the interruption to Hong Kong's shipment of items related to gems and jewellery, exporters are looking for fresh markets such as Singapore, Brazil, Russia, France, etc., with the ability to increase demand for gems and jewellery.

According to Colin Shah, vice chairmen of the Gem & Jewellery Export Promotion Council, businesses currently need to investigate new markets. Additionally, he said that markets for cut and polished diamonds may include nations like Russia, Brazil, Vietnam, etc., while gold jewellery markets could include nations like the United Kingdom, Qatar, Thailand, etc.

Gemstones are also regarded as birthstones in India and are connected to specific months. Additionally, some diamonds are seen as lucky and are worn to entice success, fortune, and other positive traits. India has a sizable market and great potential for gemstone buyers and sellers, however at the moment the business is having trouble because of the slowing economy. Because the price of this gemstone jewellery is considerable (between Rs. 70,000 and Rs. 3 lakhs and beyond), buyers should consider their options carefully. Although gemstones are expensive, individuals nevertheless choose to purchase them because of their spiritual significance.
12) How India's jewellers missed a chance created by the trade dispute

- Indian retailers are allegedly failing to benefit from the competition brought on by the US-China trade dispute. The United States has put a 10% duty on Chinese jewellery imports. This new tariff applies to all types of jewellery created with precious and semi-precious stones, as well as rough and polished diamonds.

- Indian retailers are finding it challenging to adapt and take advantage of this potential due to the restrictive rules in India. Additionally, neighbouring nations like Vietnam and Thailand have more open and welcoming trade and economic regulations, which is strengthening competition.

- The report also notes that because of India's stringent policies, retailers are finding it challenging to expand their operations and meet consumer demand while prioritising profits and customer satisfaction. Additionally, the rising price of gold in Indian markets is having an effect on consumer purchasing power and lowering overall demand for precious jewellery.

CHAPTER 4: RESEARCH METHODOLOGY

4.1 Sources of Data

- **Primary Data:-**
  In order to obtain direct and accurate answers regarding the knowledge that different people have regarding various forms of jewellery and the jewellery sector in India, primary data has been employed. The most recent news, fashion, and trends were also presented. The data was obtained from persons of all ages because it was a self-check assessment for people.

- **Secondary Data:-**
  The overview, overview of the literature, and section on government attempts to support the Indian jewellery business were all produced using secondary data that the researcher obtained from a number of websites, journals, and other freely accessible sources.
4.2 Data Gathering Technique

• Gathering the information required for the study is the primary objective of data collection. Using a particular approach known as a data collecting method, this operation is carried out to prepare and collect the data.

• The survey technique used in this study uses primary data. Primary data are those that a researcher collects firsthand; they are thus completely original. To ascertain the public's understanding of various jewellery kinds, current style patterns, and information, as well as their acquaintance with the jewellery business, a methodical questionnaire was developed in this case.

• Secondary data is used by reading and looking up various books, websites, and articles. Data are gathered, discovered, and summarised using various data gathering techniques. To understand the past, present, and future of the jewellery industry on a national and international scale, a number of scholarly articles were studied and reviewed in this case.

CHAPTER 5: DATA INTERPRETATION AND ANALYSIS

When shopping, what kind of jewellery do you personally prefer?

[Diagram showing the percentage of preferences:]
- Gold/Silver Jewellery: 41%
- Diamond/Gemstones/Pearl Jewellery: 44%
- "Imitation" Jewellery: 15%

- The majority of people preferred real diamond, gemstone, and pearls jewellery over faux gold and silver jewellery, it was discovered.

- There were 32 respondents in all, and 14 of them chose jewellery made of diamonds, stones, or pearls, 13 chose jewellery made of gold or silver, and 5 chose imitation (fake) jewellery. All of the responses ranged in age from 18 to 50 and older. Furthermore, the younger generation (age range = 18 to 30) dominates the response, and preferences may vary when additional factors, such as changes in income patterns or seasonal demand, are taken into account.
Which aspect significantly influences your decision?

From Responses

According to the graph, the majority of individuals prioritize jewellery quality when making purchases. Then comes design, purity, and the most recent fashion trends.

Millennials look for quality while purchasing jewellery, despite adhering to the most recent trends and fashion.

There were 32 responses in all, of whom 28 selected quality, 21 selected design, 12 selected purity (gold and silver jewellery), and 8 selected the most recent fashion trends.

The data shown above mostly involves millennials since it is expected that the current generation are primarily concerned with concepts like design and the most recent trend whereas older generations would prefer the highest standards over other things.

With reference to the graph above, it is evident that quality is the most crucial consideration and has a significant impact when choosing jewellery, whether it be precious or synthetic.

In your opinion, what is the ideal marketing strategy for the jewellery industry?
• One of the best marketing tactics for the jewellery sector was decided to be Customer Schemes.
• T.V. advertisements were ranked as the second best method for marketing the jewellery industry in India by 12 of the 32 respondents.
• The least thought-out marketing strategies for the jewellery industry were promotional messages, hoardings and pamphlets, and social media advertisements.
• Overall, it can be seen from this figure that consumers may find that customer loyalty programmes offered by shops are the most effective kind of advertising.
• It is believed that whenever a retail company runs customer incentive programmes, it may draw a significant client base and hence lead to brand and trust development.

CHAPTER 6: FINDINGS
6.1 Primary:
• The majority of individuals like the diamond and gemstone jewellery over gold or imitation jewellery, according to primary research.
• It implies that most individuals are lured to pricey patterns and designs.
• People prioritise quality above everything else, which is why they want to get a good deal and are spending wisely on or purchasing jewellery.
• It was found that individuals preferred branded jewellery over unbranded jewellery in the gold jewellery segment, however in the imitation jewellery segment, people chose unbranded/local street shops to satisfy their requirements & desires.
• Finally, it was discovered that consumer programmes are seen to be the greatest technique to promote jewellery in India and that this strategy may draw in a sizable number of clients. Additionally, this could increase brand value and trust for specific companies.

6.2 Secondary:
• It can be seen from the articles that have been read that the price of gold and other precious metals has changed significantly over the past few years. Compared to last year, the price of gold has largely increased significantly. Gold's price reached a record high of over 62,000/ 10 grammes on March 31, 2023.
• As a token of their love and respect, older people and the elderly purchased gold jewellery and handed it to those who were younger. In India, passing down inherited jewels to subsequent generations is customary since it upholds the family's prestige.
• Gold is the safest investment because its price has steadily climbed over time. People have experienced stock market losses and are unable to work due to lockdown as a result of the global coronavirus outbreak. The price of gold is also very constant at this time and is gradually rising. It is a good investment as a result.

CHAPTER 7: RECOMMENDATIONS/ SUGGESTIONS
• Based on the data gathered, it is clear that the jewellery industry has room to grow. Particularly the branded jewelery, which was selected by roughly 75% of the study participants, and the majority's choice for the best marketing strategy, customer programmes. Therefore, it may be advised that the
businessman anticipate designing the demands in accordance with what customers are expecting and in the manners in which they want services to be delivered.

• The majority of those who were asked which form of jewellery they were interested in investing in indicated gold or silver, implying that there may be opportunity there. This was due to the fact that many of them thought the opportunity was safe and that there was the potential of earning an exchange rate that was higher considering gold and silver is highly liquid commodities that have a significant demand on the global market. Simply said, this gives the marketplace even another strong reason to expand.

• Although the majority of them preferred gold- and silver-colored jewellery, a few of them noted that because of an increase in showmanship and a lack of security, individuals are more likely to choose imitation jewellery because it fulfils the same goal at a lower cost. Which would eventually be a major factor in the growth of the fake jewellery industry. Jewellery manufacturers have a competitive edge, and in the years to come, we might even see imitation flourish. Price is the foundation that would enable imitation to expand.

• In general, it has been found that investing in and buying precious jewellery is more profitable and advised, but that fake jewellery has become a big force due to changing generations, societal attitudes, and economic trends.

CHAPTER 8: CONCLUSION

• It is clear from the study done above that the jewellery industry in India has had a successful history, despite some ups and downs recently. Indians have consistently demonstrated a strong interest in all types of jewellery, including imitation, gold, silver, and gemstones and pearls. It was found that older people invested in gold and diamond jewellery with authentic designs and value-creating potential, whereas millennials favoured fake jewellery.

• The survey makes the point that Indian jewellery businesses are having trouble keeping up with market demand and supply in both the retail and wholesale sectors. They encounter a variety of issues, including the inability of certain small-scale jewellers to meet the demands of their customers for new designs in short bursts of time due to their low sales, which makes it difficult for them to keep new inventory.

• The weak point in this case was how few individuals felt confident investing in jewellery owing to changing gold prices and a dearth of creative designs at local retailers. For plenty of reasons, such as cost savings, the opportunity to purchase new designs often, a low risk of losing or stealing it, and the reality that it isn't impacted by fluctuations in the value of commodities (like gold or silver), we have noticed that millennials prefer imitation jewellery to precious jewellery. However, elderly investors choose metals that are valuable and commodities because they think they're most secure and add value to life.

• Due to several regulatory limitations and the ongoing economic situation brought on by the coronavirus pandemic, India's gem and jewellery industry is currently experiencing a critical decline. When it comes to government policies, trade concessions, reforms, and the distribution of aid during the global pandemic, it has been observed that the government has given jewellery firms the least attention. Due to the quick decline in the economy and the poor GDP analysis, many wholesalers and retailers (between 20% and 30%) are anticipated to close their doors and go to another industry. Large
jewellery companies and MNCs have already defeated many small enterprises in this battle. Their last resort is relief from the government's side in the form of altered policies.

**CHAPTER 9: REFERENCES**

9.1 **GENERAL REFERENCES:**

9.2 **LITERATURE REVIEW REFERENCES:**
- https://www.fibre2fashion.com/industry-article/4972/traditional-jewellery-of-india
- https://www.thehindu.com/life-and-style/luxury/is-the-diamond-shining-inindia/article24229613.ece
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**CHAPTER 10: ANNEXURE**

**JEWELLERY BUSINESS IN INDIA: OPPORTUNITIES & CHALLENGES**

This survey is part of my research for dissertation project. I would be grateful if you could spend some moments to fill it out. Thanks!

Name *

Short answer text

Age Group *

- 18-25
- 25-32
- 33-39
- 40-47
- 48-55
55 above

Which State or Union Territory you live in? *

Your answer

When shopping, what kind of jewellery do you personally prefer? *

- Imitation (Artificial) Jewellery
- Gold/ Silver Jewellery
- Diamond/ Gemstones/ Pearl Jewellery
- Other:

How often do you purchase jewellery? *

- Once in 3 months
- Once in 6 months
- Once a Year
- Sometimes not even once in a year
- Other:
Which aspect significantly influences your decision? *

- [ ] Design
- [ ] Quality
- [ ] Purity (gold and silver jewellery)
- [ ] Latest Trend/Fashion
- [ ] Other: _______________

On a scale from 1-5, how much are you aware of latest jewellery trends? *

- [ ] 1
- [ ] 2
- [ ] 3
- [ ] 4
- [ ] 5

Least Aware Most Aware

What do you prefer? Branded or Unbranded Gold Jewellery? *

- [ ] Branded
- [ ] Unbranded

Do you prefer Branded or Unbranded Imitation (Artificial) Jewellery? *

- [ ] Branded
- [ ] Unbranded
Which platform you prefer for purchasing jewellery? *

- E-commerce platforms/ Online Stores
- Physical Stores
- Other: 

Are you aware of latest news about fashion jewellery? *

- Yes
- No
- Maybe

In your opinion, what is the ideal marketing strategy for the jewellery industry? *

- Hoardings and Pamphlets
- TV advertisements
- Promotional Messages
- Customer Schemes
- Other: 
If you have an opportunity to invest, what would you invest in? *

- Gold/ Silver Jewellery
- Imitation Jewellery
- Gems and Pearls
- Fine (Pure) Gold/ Silver Coins
- Other:

Reason for your above answer?

Your answer

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