

## **THE ROLE OF HALLMARKING IN SHAPING WOMEN'S PURCHASE DECISIONS FOR GOLD JEWELRY: INSIGHTS FROM KARNATAKA**

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### **Abstract**

Hallmarking is a vital certification of gold purity, which significantly creates the confidence of consumers and purchasing behavior. This study examines the impact of the characteristics on the decision to buy women for gold jewelry in Karnataka focusing on key factors such as trust, price perception, quality, social influence and level of awareness. The structured quantitative survey was carried out in 400 women from Bengaluru, Mysuru, Hubballi and Mangaluru, using statistical techniques such as regression tests. The finding suggests that the characteristics increase consumer confidence and perceived quality and strengthen its role in deciding on purchase. However, the gaps persist, especially in radius and rural areas, which affects the adoption rate. Sensitivity to the price and reputation of the brand continues to influence consumers' choice. This study provides valuable knowledge of consumer behavior and recommends targeted campaigns to raise awareness, retailers' incentives and political interventions to strengthen adoption and promotion of ethical gold trade in India.

**Keywords:** Hallmarking, Gold Jewelry, Consumer Trust, Women's Buying Behavior, Karnataka, Quality Certification

### **Introduction**

Gold jewelry in India has a deep cultural, economic and emotional significance, especially among women. It is not just a necessary part of traditional clothing and celebrations such as weddings and festivals, but also serves as a form of financial security and investment. The Indian gold market is one of the largest in the world, while consumers place high value on cleanliness and processing. However, due to the fears of authenticity, falsification and fraudulent practices, which ensures that the purity of gold jewelry has become a fundamental aspect for the buyer.

In order to resolve these concerns, the Bureau of Indian standards (BIS) presented as a certification system that guarantees the purity of gold. Hallmarking provides consumers a proven certainty about the quality of the gold they buy, which reduces the risk of fraud. The aim of this initiative is to improve transparency on the gold market and build consumer trust. Despite the advantages of the characteristics, consumers' behavior continues to be influenced by several other factors, including brand reputation, price perception, social influence and personal preferences. Many buyers, especially in urban areas, trust renowned jewelers from lease certification, while in rural regions, limited awareness and accessibility prevent extensive adoption.

The aim of this study is to explore the role of hallmarking in the formation of the purchase behavior of women towards the gold jewelry in the carnat. They seek to understand how trust, price perception, quality and level of awareness affect purchasing decisions. In addition, the research examines key motivators and obstacles to the adoption of hallmarking and provides

valuable knowledge for retailers, politicians and industry parties. The study by identifying the challenges that consumers face in prioritizing the characteristics, offers recommendations to increase its acceptance and ensure ethical practices of gold trade in India.

### **Background of the Study**

Gold jewelry has been an integral part of the Indian society for a long time and serves for ornamental and financial purposes. It is deeply rooted into cultural traditions, plays an important role in wedding, religious ceremonies and festivals. With regard to their dual function as a decorative asset and investment, consumers place high premiums on cleanliness and authenticity of gold. However, the Indian gold market historically faced the challenges related to falsification, insufficient and misleading claims of the purity of gold. In response to these concerns, the Office for Indian Standards (BIS) presented characteristics as a certification system for standardizing gold and consumer interest.

The BIS Hallmarking system serves as a mechanism of ensuring quality regulated by the government and certifying gold jewelry based on predefined levels of purity. This system ensures that gold sold on the market meets the required standards, thus preventing fraudulent procedures and increasing consumer confidence. Despite these advantages, the acceptance of hallmarks remains inconsistent across various demographic segments in India. City consumers, especially in metropolitan cities, tend to be more aware of hallmarking and prefer certified jewelry because they are more exposed to advertising campaigns, initiatives for digital awareness and government mandates. On the other hand, rural consumers often rely on traditional jewelers and family recommendations with limited familiarities about characteristic standards.

The extent that women consider when buying gold jewelry affects several factors. Sensitivity to price plays a key role, because many consumers perceive hallmarked jewelry as more expensive, despite the long-term advantages of ensured cleanliness. The brand's loyalty also affects the selection of consumers, with many women prefer renowned jewelry over independent Hallmark certification. Lack of awareness and availability for characteristic facilities in smaller towns and rural areas leads to a lower degree of adoption.

The aim of this study is to bridge the existing gap in knowledge by analyzing female attitudes to characterize and its effectiveness in influencing the purchase of trust. By understanding consumer behavior, the study seeks to emphasize key drivers and obstacles when receiving. The findings will be valuable for retailers, politicians and stakeholders of industry in shaping strategies to improve consumer confidence, raise awareness and ensure wider adherence to hunting standards across Karnataka..

### **Objectives**

1. To examine the impact of hallmarking on women's purchasing decisions for gold jewelry in Karnataka.
2. To assess the role of brand trust, price perception, and quality assurance in influencing purchase behavior.
3. To analyze the level of consumer awareness and trust in hallmarking across urban and rural segments.
4. To provide recommendations for improving hallmarking adoption and consumer education.

## **Importance of the Study**

Understanding consumer behavior towards characterization is essential for multiple parties in the gold jewelry industry, including retailers, manufacturers and politicians. PATYMARKING serves as an ensuring cleanliness and authenticity, but its adoption is influenced by factors such as awareness, sensitivity to price and confidence in the brand's reputation. This study provides valuable knowledge that can help jewelers adapt their marketing strategies to emphasize characteristics as a key factor in purchase, ensuring that consumers recognize their importance beyond loyalty or brand prices. By understanding what motivates or discourages women from choosing hallmarks, retailers can strengthen their promotional efforts, educate customers and place characteristics as a design of critical value.

For politicians, the findings of this study can contribute to the development of targeted campaigns to be aware that support adoption in various segments of consumers. Given the difference in the level of awareness between urban and rural buyers, this research can help bodies propose strategies specific to the region to ensure more widespread compliance with BIS brands. In addition, this study allows consumers by allowing them to make informed purchase decisions, which eventually promotes transparency and ethical business practices on the gold jewelry market. By improving awareness of awareness and trust, industry can move towards a more standardized and reliable system and ensure that buyers receive real value for their investment..

## **Hypotheses**

- H1: Awareness of characteristics significantly affects the decision to buy gold jewelry.
- H2: TRUST brand relieves the impact of characteristics on consumer behavior.

## **Literature Review**

**1. Kumar & Sinha (2020)**Kumar and Sinha (2020) investigate differences in consumer preferences for hallmark gold jewelry between urban and rural buyers in India. The study emphasizes that city consumers show higher awareness and confidence in characteristics due to increased exhibition of certification standards, regulatory measures and brand advertising. On the other hand, rural consumers often prefer traditional relationships of jewelers and recommendations on the mouth of certification. The study identifies factors such as the level of education, income and access to information, as key determinants affecting awareness and acceptance of characteristics.

The findings suggest that while city consumers perceive characteristics as fundamental measures to ensure quality, rural consumers consider this to be additional costs that may not be necessary for trustworthy jewelers. Research recommends targeted campaigns to raise awareness and political intervention to bridge the gap in knowledge and increase consumer confidence in the hallmarking of demographic segments. It also emphasizes the role of local jewelers in the spread of awareness because they remain primary influential workers in deciding to buy country gold.

**2. Sharma et al. (2018)**Sharma et al. (2018) explore the role of hallmarking in promoting consumer confidence in the purchase of gold jewelry in India. Their study found that the characteristics significantly increase consumers' confidence, especially among the first buyers and those who invest in high -valuable jewelry. Research emphasizes that consumers who actively seek punching jewelry perceive them as a guarantee of fraud and falsifying and

strengthen confidence in the product and jeweler. The study also reveals that the characteristics positively affects the brand's reputation, leading to increased loyalty to customers.

However, the study also identifies challenges, such as consumer awareness and the availability of unhealthy jewelry in local markets that prevent extensive adoption. Many consumers, especially in radius and rural areas, rely on the established credibility of jewelers rather than on Hallmark certification. The authors indicate that government regulations that order characteristics, along with permanent initiatives to public awareness are necessary to increase trust and compliance with the regulations.

**3. Mehta & Gupta (2021)**Mehta and Gupta (2021) investigate the relationship between price perception and consumers in buying gold jewelry with hallmarking. The study shows that while consumers recognize the benefits of characteristics in ensuring cleanliness and authenticity, many perceive it as additional costs rather than as an increasing value. This perception is particularly prevailing to price -sensitive buyers who often prefer availability over certification. Studies also find that groups with high income and education consumers are more willing to pay premiums for hallmarked jewelry because of their greater confidence in certification standards.

The research further identifies the gap in price transparency, where some jewelers charge extra characteristics without clearly communicating its necessity to consumers. The authors recommend the standardization of the price and education of consumers to dispel the misconceptions of the cost -related costs. They also emphasize the need for financial incentives, such as lower taxation from characteristic jewelry to support adoption, and ensure that quality ensuring does not become a burden for buyers with price knowledge.

**4. Reddy & Nair (2019)**Reddy and Nair (2019) examine deeply rooted cultural factors that affect the decision to buy gold jewelry in Indian women. The study finds that gold has not only economic value, but also immense cultural and emotional significance, especially for weddings and religious ceremonies. Research shows that purchasing decisions are often driven by traditional beliefs, family customs and social expectations rather than purely economic considerations. As a result, brand awareness remains secondary to many consumers who prefer relationships with heritage, design and seller.

The study also emphasizes regional differences in the behavior of gold, while South Indian consumers show stronger preference of purity due to cultural traditions emphasizing the internal value of Gold. On the other hand, North Indian consumers show more interest in aesthetic attraction and branded jewelry. The authors suggest that while the characteristics can increase consumer confidence, the effort to raise awareness should be in line with cultural stories to be more efficient. They recommend cooperation between politicians and local jewelers to integrate brands with hallmarking into traditional shopping experiences.

**5. Chakraborty (2017)**Chakraorty (2017) examines how consumer confidence in branded gold jewelry affects loyalty and repeated purchases. The study has found that consumers connect branded jewelry with quality, transparency and better customer service, making them more inclined to prefer hallmarks. Research identifies three key factors of confidence building: brand reputation, third -party certification (such as BIS Hallmarking) and consistent quality experience. Together, these elements strengthen consumers' confidence and support the long -term loyalty of the brand.

The study also shows that younger consumers and city buyers show a stronger preference for branded branded jewelry, while older and rural consumers continue to rely on local jewelers

with long -term credibility. While Hallmarking is perceived as another certainty when buying branded jewelry, it is not always a primary factor affecting trust. The author recommends that jewelry brands use gambling brands in their marketing strategies and place it as a signal of credibility as just a regulatory requirement.

These research findings collectively emphasize various perceptions and challenges related to characteristic adoption, emphasize the need for targeted awareness of consumers and regulatory interventions to increase trust and compliance.

### **Research Methodology**

A **quantitative research approach** was employed, utilizing a structured questionnaire to collect primary data. The study followed a **descriptive research design**, analyzing consumer behavior patterns related to hallmarked jewelry.

### **Sample Size and Sampling Technique**

A **sample of 200 respondents** was selected using **stratified random sampling** across Bengaluru, Mysuru, Hubballi, and Mangaluru. Participants included working professionals, homemakers, and businesswomen.

### **Data Analysis Techniques**

- **Descriptive Statistics:** To summarize consumer awareness and preferences.
- **Chi-Square Test:** To assess the relationship between hallmarking awareness and purchase behavior.
- **Regression Analysis:** To evaluate the influence of brand trust on hallmarking-based purchasing decisions.

### **Data Analysis**

#### **Demographic analysis**

#### **Hypothesis Testing**

- H1: Awareness of characteristics significantly affects the decision to buy gold jewelry.

| <b>I am aware of the BIS hallmarking system and its significance. * I trust government certification over verbal assurances from jewelers. Crosstabulation</b> |   |  |    |    |    |
|--|---|--|----|----|----|
| Count  |   |  |    |    |    |
|  |   | I trust government certification over verbal assurances from jewelers. |    |    |    |
|  |   | 1  | 2  | 3  | 4  |
| I am aware of the BIS hallmarking system and its significance.   | 1 | 36   | 44 | 0  | 72 |
|  | 2 | 16   | 0  | 28 | 4  |
| Total  |   | 52   | 44 | 28 | 76 |

| Chi-Square Tests             |                      |    |                                   |
|------------------------------|----------------------|----|-----------------------------------|
|                              | Value                | df | Asymptotic Significance (2-sided) |
| Pearson Chi-Square           | 118.496 <sup>a</sup> | 3  | .000                              |
| Likelihood Ratio             | 124.898              | 3  | .000                              |
| Linear-by-Linear Association | 2.075                | 1  | .150                              |
| N of Valid Cases             | 200                  |    |                                   |

- a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 6.72.

### Decision on Hypotheses:

We consider the **Pearson Chi-Square test** as the primary statistic.

#### Step 1: Compare p-value with Significance Level ( $\alpha = 0.05$ )

- The **p-value (0.000) < 0.05**, meaning the test result is **statistically significant**.
- This indicates a significant relationship between **Awareness of BIS Hallmarking** and **Buying Decision of Gold Jewelry**.

#### Step 2: Hypothesis Testing

1. **H1: Awareness of characteristics significantly affects the decision to buy gold jewelry.**
  - Since the p-value is **0.000 (< 0.05)**, we **reject the null hypothesis**.
  - This means that **awareness of hallmarking characteristics significantly affects buying decisions**.
- **H2: TRUST brand relieves the impact of characteristics on consumer behavior.**

| Regression Statistics |          |
|-----------------------|----------|
| Multiple R            | 0.959829 |
| R Square              | 0.921272 |
| Adjusted R Square     | 0.900168 |
| Standard Error        | 0.823276 |
| Observations          | 200      |

| ANOVA      |           |           |           |          |                       |
|------------|-----------|-----------|-----------|----------|-----------------------|
|            | <i>Df</i> | <i>SS</i> | <i>MS</i> | <i>F</i> | <i>Significance F</i> |
| Regression | 6.00      | 1562.48   | 260.41    | 768.42   | 0.00                  |
| Residual   | 197.00    | 133.52    | 0.68      |          |                       |
| Total      | 203.00    | 1696.00   |           |          |                       |



#### Significance of Trust-Related Variables:

The variable "I trust my jeweler's guarantee over a hallmark certification" has:

Coefficient = 0.09 (Positive Impact)

t-Stat = 2.81 (Above 2, which indicates significance)

P-value = 0.00 ( $< 0.05$ , meaning it's statistically significant)

Confidence Interval (0.03, 0.16) (Does not include zero, confirming significance)

→ This suggests that trust in the jeweler significantly influences consumer behavior.

#### Overall Model Significance:

$F = 768.42$ ,  $p = 0.00$  → The overall model is statistically significant.

$R^2 = 92.13\%$  → The independent variables explain a high proportion of the variance in consumer behavior.

#### Brand Reputation and Trust Influence:

The variable "Even if a jewelry brand does not sell hallmarked jewelry, I would still consider buying from them if they have a good reputation" has:

Coefficient = 0.87 (High Positive Impact)

t-Stat = 23.44 (Highly Significant)

P-value = 0.00 ( $< 0.05$ , meaning it's statistically significant)

Confidence Interval (0.80, 0.95) (Does not include zero)

→ This strongly suggests that trust in a brand (reputation) influences consumer behavior, even when hallmark certification is absent.

The hypothesis is accepted because the results confirm that trust in a brand (both in the jeweler and its reputation) significantly influences consumer behavior, reducing the impact of other product characteristics (such as hallmark certification).

#### Findings

1. Awareness of characteristics is higher in urban consumers, while rural buyers are more reliable on traditional jewelers.
2. TRUST brand significantly affects the behavior of purchase, sometimes prevails over Hallmarking certification.
3. The perception of prices remains the main barrier, and many women prefer lelné jewelry over hallmarks.
4. Social influence plays a key role because the recommendations of the family and peers strongly affect the decision to buy.
5. Campauts are needed because many consumers lack a detailed knowledge of the advantages of the characteristics.

## Discussion

Regression analysis provides valuable knowledge of the role of consumer awareness of characteristics and confidence in the brand when buying gold jewelry. The findings emphasize a complex interplay between Hallmark certification, brand reputation, prices and consumer behavior.

Key observations from finding:

Consumer awareness and characteristics

It is increasing awareness of characteristics and certification is perceived as a factor for ensuring quality.

However, the influence of Hallmark certification on purchasing decisions is not absolute - it is often rewritten by brand concerns and prices.

The value of P on a variable related to confidence (0.00) indicates a statistically significant influence of brand confidence over Hallmark certification.

Influence of trust in brand vs. characteristic

- The reputation of the brand and confidence in jewelers has a stronger effect than Hallmark certification.
- A significant 0,87 coefficient for "while not selling a jewelry jewelry jewelry, I would still consider buying from them if they have a good reputation" shows that many consumers prefer the brand's reputation over certification.
- This suggests that retailers with strong loyalty brands can sell non -almarked jewelry without significantly lose consumer confidence.
- Sensitivity to the prices and behavior of consumer
- Prices remain a key factor affecting purchase decision, especially for consumers who hesitate to pay for jewelry with Hallmark certification.
- It is necessary to introduce affordable puncymarked jewelry, which addresses segments sensitive to prices.
- The government and jewelery industry should cooperate on making certified jewelry available and at the same time increase consumer confidence in its value.
- The consequences for the parties involved and industry parties
- The governmental and industrial parties must cooperate on the initiatives of awareness.
- Digital and traditional consumer education media should be used to support characteristics.
- The jewelers should integrate Hallmark certification into affordable product lines to attract consumers with the knowledge of the budget.
- Strengthening campaigns by characteristics can reduce misinformation and strengthen its meaning.

## Conclusion

This study emphasizes the critical role of consciousness and trust in shaping the decision to buy gold jewelry. While the characteristics increase consumers' trust, its influence is limited by the reputation of the brand, price sensitivity and social influences.

- To increase the adoption and trust of consumers, the following steps should be taken:
- Promote awareness of characteristics through targeted educational campaigns.



- Ensure the availability of certified jewelry to increase availability.
- The retailers should present more jewelry with Hallmark certification in balance of price considerations.
- The Karnataka Gold market can benefit from stronger gambling campaigns, ensuring that consumers recognize its value.

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