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A Case Study on Online Jewellery Portals: A Potential Solution for Purchasing Jewellery during Pandemic

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Abstract

Due to pandemic, the business situation is rapidly changing. The pattern of buying has changed drastically. Due to pandemic situation, people fear mass gatherings and crowded markets. Due to lockdowns, non-essential businesses are facing the brunt. People are preferring only essential commodities at these challenging times and non-essential product and services are facing the heat. Indians love gold jewellery, because to them it is a great way to invest money and also get social recognition. Indians buy gold for every occasion. Due to pandemic situation, customers are finding it difficult to buy jewellery offline. The Jewellery business has always had slow digital adoption due to various factors. But this pandemic situation can stimulate online demand during lockdown. This study connotes its significance by unearthing the factors or forces influencing the consumer attitudes and perceptions about the purchase of jewellery online and how online jewellery portals are a potential solution for purchasing jewellery during pandemic.

Keywords: E-Commerce, online jewellery shopping, pandemic

INTRODUCTION

Amid lock down, gold purchases have fallen drastically, resulting effect on Indian economy. The shutdown has caused a huge damage to Indian economy. As per Moneycontrol.com, many sectors have been hit including aviation, retail, finance, realty, automobiles. The dent that is caused due to pandemic situation is deep. Many sectors are suffering from low sales, employee attrition, and such grave issues. This situation may persist for few more years until proper medications and vaccinations arrive.

Jewellery industry is no exception to it. Lockdowns and curfews have impacted on events, shows, exhibitions, and weddings which is why people have stopped or postponed buying jewellery at the moment. The anticipations of major Jewellery brands have gone in vain due to COVID-19. Government of India and the health departments have strictly warned people not to venture out for any kind of activities, which has brought imports and exports to a grinding halt.

The gems and jewellery industry has suffered major disruption in its operations across the world. People are hesitant to buy jewellery at stores despite weddings. Companies are in doldrums facing financial challenges. Gem and Jewellery industry will be facing a huge loss if situation still persists. Indian Jewellery market is quiet dependent on weddings and festivities. COVID-19 has lost its sheen. Governments are discouraging people from organising weddings and asking them to stick on to basic life necessities.

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Jewellery industry has been in crisis off late due to issues like hike in customs duty, fall in exports and the likes. Price rise is another challenge, this industry was already facing which had a negative impact on sales. This outbreak of virus added to the problems the industry was already facing (The impact of COVID-19 on the gems and jewellery industry, by Sanjay Kothari (SMB Story) [1].

RESEARCH METHODOLOGY

Primary Data

The study is conducted to obtain data on "*A case study on online jewellery portals: a potential solution got purchasing Jewellery during pandemic".*

Sample Size and Sampling Unit

A sample size of 100 was collected using the snowball sampling procedure. The sample includes online shoppers as their response determines the reliability of the survey.

Sources of Data Collection

Primary Data

Questionnaire was used for collecting primary data. The responses from the respondents were collected and analysed using the simple percentage method.

Secondary Data

The secondary data are collected through Records, Articles, Journals, Survey reports, Research Data, and Website information.

REVIEW OF LITERATURE

Article published in Financial express April'26, 2020 describes that Industry body for jewellers said that deals would just be 5% contrasted with a year ago's Akshaya Tritiya, despite the fact that Kalyan Jewelers is progressively hopeful and anticipated that deals should be 10% of the ordinary interest as jewellery shops were shut because of the lockdown to control corona virus. A study on "The impact of COVID-19 lockdown in India on gold business", tries to opine that COVID-19 has increased unemployment rate, and income drop, loss to tourism industry, and young start-ups are heavily impacted due to lack of funding [2]. Government revenue has been affected with tax collections going down due to export ban.

The COVID-19 is the "Greatest emergency since independence". The second biggest consumer of gold in the world is India. Meanwhile, during the month of April 2020, the nation imported less amount of gold. This is the lowest in almost three decades. With the nation-wide lock down, imports faced a drastic drop of 99.9% year-on-year in the same month. The main reason behind this significant drop is due to the ban on jewellery and tourism industry to irradiate the spread of COVID-19. During this pandemic, people stopped stepping out to buy gold. This resulted significantly the drastic drop down in terms of gold business.

"E-commerce trends during COVID-19 Pandemic" by Bhatti *et al.* postulates that e-commerce has seen a new rise due to COVID-19 [3]. E-commerce is replacing brick and mortar stores off late. How far it has impacted is yet to be examined. Cost benefits analysis has to be done to understand the success of e-commerce over offline sales. Another study, "Technology adoption: a solution for SMEs to overcome problems during COVID-19" was conducted by Kumar and Ayedee [4]. This research study tries to opine that technology adoption can be a plausible solution to lockdown. Manufacturing sectors and retailers can adopt technology solutions.

Digital marketing social media presence have changed the way people are buying the products. These tools have increased customer demand and enhanced automation thereby avoiding physical contact and still ensure sales and increased turnover [5].

All India Gems and Jewellery council has estimated loss of business to the tune of 80% and it may worsen in the days to come, as per 'E Retailing of Jewellery in India: A Substitute of Brick and Mortar-An Analysis' by Mariam [6].

Given the pandemic situation and considering the limitations of the brick-and-mortar jewellery stores, E-retailing is a plausible solution. Indian consumers are adapting to e-commerce at large. Online Jewellery retailers like Caratlane, Bluestone have already forayed into Indian jewellery industry.

Emproitechnologies.com posted an article on 29/12/2018 mentioning the benefits of online stores. Established online brand with a good brand value helps increase sales. Online presence helps gaining global recognition as it gets worldwide visibility. Compared to offline, selling jewellery online involves small amount of risk. Possessing an e-catalogue will help to reduce risk associated with physical goods. Promotions can be done in a much effective way as offers can be mentioned in detail and can attract more number of customers. Round the clock service availability is possible with online stores. Customers can view, compare and buy the jewellery at any point of time and as per their convenience. Coming to the investment part, given the high prices of precious metals, online store will save a lot of money for the business owners. Rightly said, online selling fetches more returns for a reasonably less investment. Online jewellery portals make it easy for the purchasers to assess the products by price, metal etc. Customers can get huge collections at lesser price. E-catalogue enables buyers to expect more designs and ranges to choose from, thereby increasing the chances of sales.

As per the blog posted by Jewelslane.com on 27.10.2016, following are the benefits of online stores for customers: All possible information is provided in the websites which help customers to buy jewellery with ease. Payment method, size charts, materials used and such features enables the customer to buy jewellery online hassle free.

'Attitude and behaviour towards internet shopping' by Li and Zhang concludes that consumers prefer online stores to actual stores, thanks to potential reasons like convenience, cost and selection [7]. The shopping attitude intention and behaviours are highly influenced by characteristics, store service quality, product uniqueness and website effectiveness and efficiency.

Factors Influencing Consumers' Attitude towards E-Commerce Purchases through Online Shopping: Zuroni Md Jusoh Goh Hai Ling, 2012

E-commerce challenges faced by consumers, perception about product, and the efficiency of the company to provide quality customer service, have a strong bearing on formation of attitude of customers. Consumers ought to accept the fact that E-commerce is the future. The research helps create awareness to consumers about the benefits of modern technology.

Trust and risk as an element: Assessments of shopping attitudes of Generation Y (Fabiola Galeziewska, 2014) [8]. This research tries to opine that there is a direct relationship between trust and intention to buy. As well the research results revealed that there exists a negative relationship between perception of risk and trust. Retailers must accept the fact that e-commerce is the future. They must come up with a trustworthy website, safe process of transactions and robust and dynamic payment gateway systems. This helps the online portals to loop in more customers.

The above literature reviews give us insights about what are the factors considered by customers when choosing online jewellery shopping. Extensive literature has been developed by various research scholars to seek out the factors influencing customers to shop for online. The literature review explains the impact of COVID-19 on business and economy by and enormous. The impact of lockdown on gold business is negative. Due to risk and fear of spread of COVID, customers stopped buying the jewellery by getting to stores. Upon that, Government's strict lockdown impositions caused loss of 80% of jewellery business nationwide. One among the main festivals of India, Akshaya

Tritiya has lost its sheen this year. People believe buying gold on Akshaya Tritiya brings prosperity and health. Another important phase of each Indian is marriage. Gold plays a really important role in Indian marriages. People buy gold for each occasion. As said, gold is an integral a part of Indian families. Thanks to COVID and lockdowns, customers could not buy jewellery for the occasions. Lot of studies reveal online shopping may be the best solution off late. It has created time utility, space utility and convenience utility. Online shopping has various benefits, the research reveals. Customers can search, evaluate, select, compare, and even virtually try with the assistance of visual merchandising technologies. Various research studies have given guidelines to online stores on the way to maintain the websites and portals in order that customers can trust them and check out to avoid risk. Efficient and trustworthy payment gateway is another element which helps customers to shop for jewellery online. Research studies have revealed various factors which influence online shopping behaviour of consumers. These factors are assessed during this study to know how beneficial online shopping is often for patrons to shop for jewellery online.

RESULTS AND DISCUSSION

Factors like gender, age, occupation, online shopping status, were considered to assess the demographic details of the respondents. Awareness levels with respect to online shopping and portals were assessed. The preparedness of respondents to online shopping was analysed in this study. Factors influencing online shopping like product assortment, fashionable and glamorous, website and product presentation, convenience, trust, gifts and offers, and payment options were assessed. Occasion is one such factor which plays a predominant role in purchase of jewellery. The attitude and perception of respondents with respect to online jewellery shopping is assessed in this study. The impact of COVID-19 on Jewellery business is assessed in this study. This study focused on the benefits enjoyed by customers while shopping online especially at times of lockdown and pandemic situations.

Sex Ratio of Respondents

The Table 1 and Figure 1 show status of respondent’s sex. Majority of respondents are female with 55%. It is obvious that jewellery is an adornment item, especially for females.

Table 1. Sex ratio of respondents.

Women	Men	Total
55	45	100
55%	45%	100%

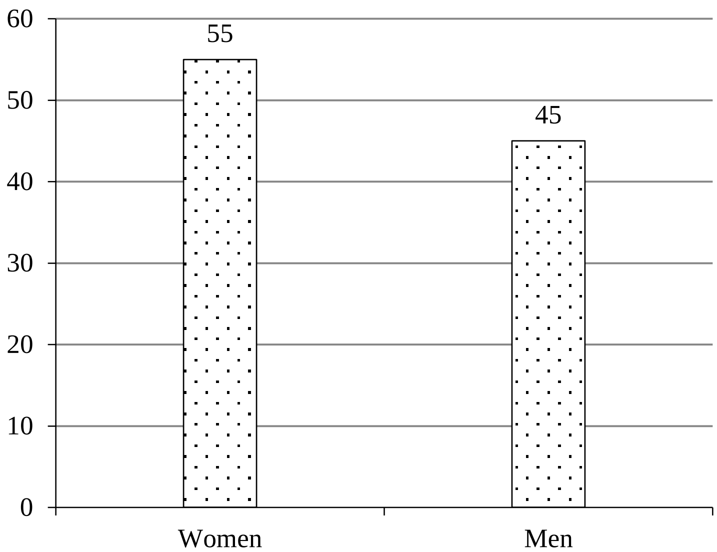

Figure 1. Sex ratio of respondents.

Status of Respondent's Age

Table 2 and Figure 2 show that the majority of respondents are from age-group 30–40 years with almost 40%, followed by age group 40–50, 20–30 and 50 and above. This clearly explains that 30 to 50 years is the age where majority of the people prefer buying jewellery with lot of interest.

Occupation

Table 3 and Figure 3 represent the occupation of the respondents. Highest percentage of respondents are employees with 35%, followed by self-employed with 30% and the home makers with 9% and the least being students with 4%. Also, this data gives us an idea that employees prefer online shopping compared to home makers and self-employed.

Table 2. Status of respondent's age (years).

20–30	30–40	40–50	50 and Above	Total
19	40	32	9	100
19%	40%	32%	9%	100%

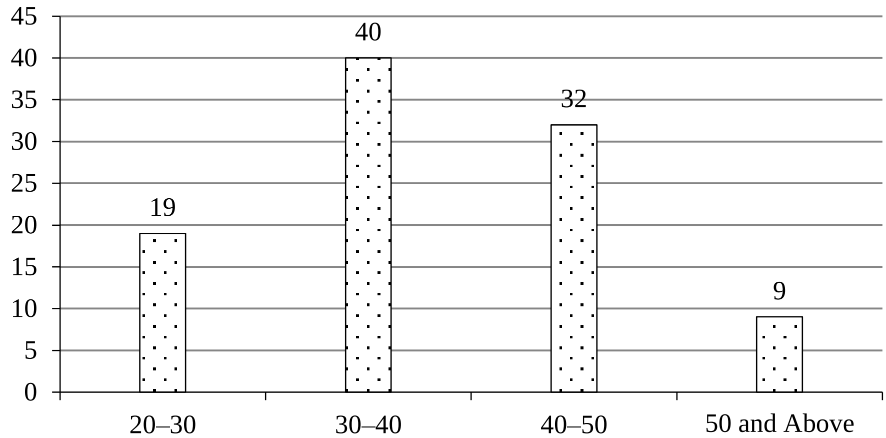

Figure 2. Status of respondent's age.

Table 3. Occupation of respondents.

Student	Professional	Employee	Self employed	Home maker	Total
4	22	35	30	9	100
4%	22%	35%	30%	9%	100%

Figure 3. Occupation of respondents.

Status of Online Shopping

Table 4 and Figure 4 reveal that more than 98% respondents are online shoppers and hence, it is satisfactory for the study. The respondents have been found very keen to share the information.

Awareness about Online Jewellery Shopping

Table 5 and Figure 5 reveal that majority of respondents are aware that jewellery is sold even through online mode.

Table 4. Status of online shoppers.

Yes	No	Total
98	2	100
98%	2%	100%

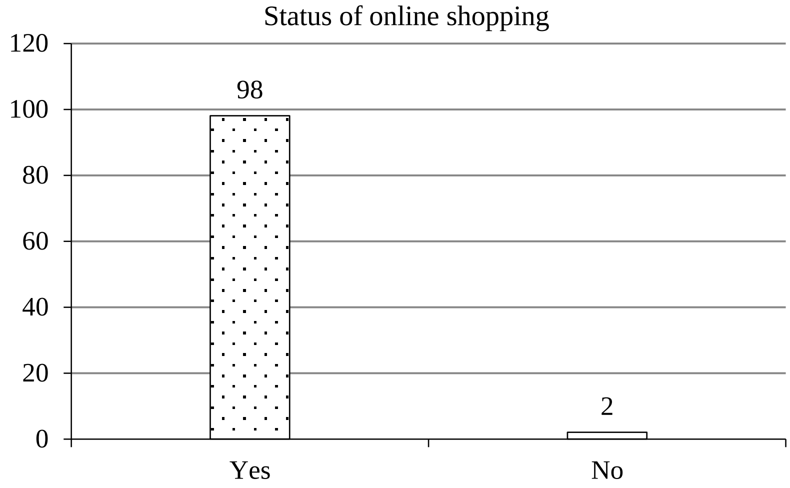

Figure 4. Status of online shoppers.

Table 5. Status of online jewellery shopping.

Yes	No	Total
90	10	100
90%	10%	100%

Figure 5. Status of online jewellery shopping.

Awareness of Online Jewellery Portals

Table 6 and Figure 6 reveal that majority of respondents are aware of online jewellery portals and most famous being Caratlane, Bluestone, Malabar Gold and diamonds, Kalyan Jewellers, followed by Velvet case and least being Candere.com.

Table 6. Respondents' awareness of jewellery portals.

Online Shopping Portals	% of respondents aware	% of respondents not aware
www.caratlane.com	90	10
www.bluestone.com	90	10
www.gitanjalishop.com	60	40
www.pcjeweller.com	55	45
www.tanishq.co.in	80	20
www.malabargoldanddiamonds.com	90	10
www.kalyanjewellers.net	90	10
www.velvetcase.com	20	80
www.candere.com	10	90

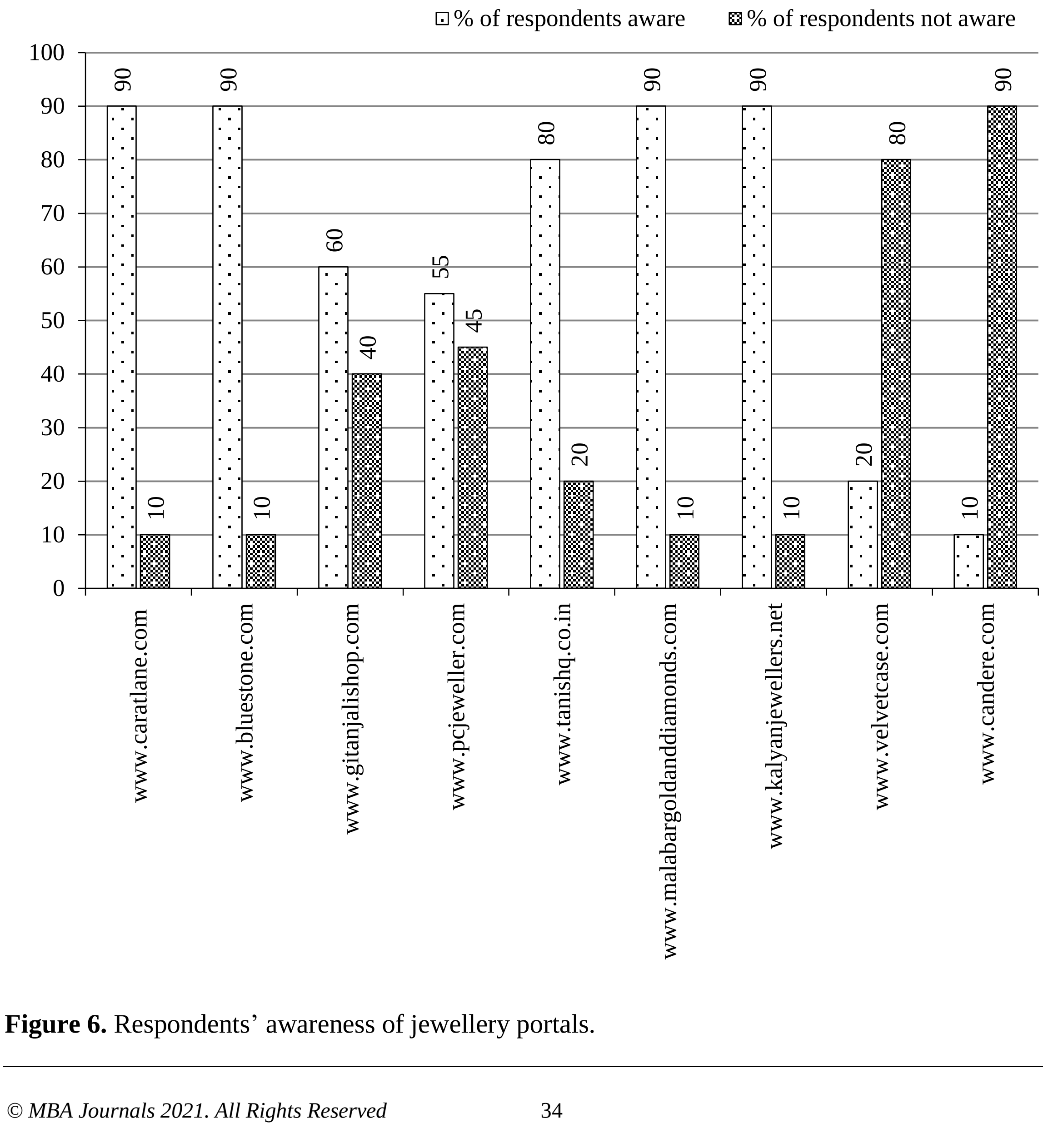

Figure 6. Respondents' awareness of jewellery portals.

Respondents who Purchased Jewellery Online

Table 7 and Figure 7 reveal that majority of the respondents have not purchased jewellery online.

Factors Driving for Online Shopping

Table 8 depicts the factors that drive the respondents to *shop for* jewellery online. Also, Figure 8 tries to assess the attitude and perception of respondents towards online shopping portals. It is observed that only 50% of the respondents felt online shopping is convenient, and about 75% feel that buying jewellery online is trustworthy. The factors like gifts and offers and payment options are relatively not driving the consumers for online shopping.

Occasions on which you Buy Jewellery

By Table 9 and Figure 9, it is observed that marriages are the major occasions where in gold jewellery is purchased the more. Followed by festivals like Akshaya Tritiya, anniversaries and gifting. This clearly indicates importance of occasions in assessing the buying pattern of Jewellery in India. This information plays pivotal role in understanding how much inconvenience has been created to customers as they were unable to buy jewellery on important occasions due to lockdown.

Table 7. Status of respondents who purchase jewellery online.

Yes	No	Total
40	60	100
40%	60%	100%

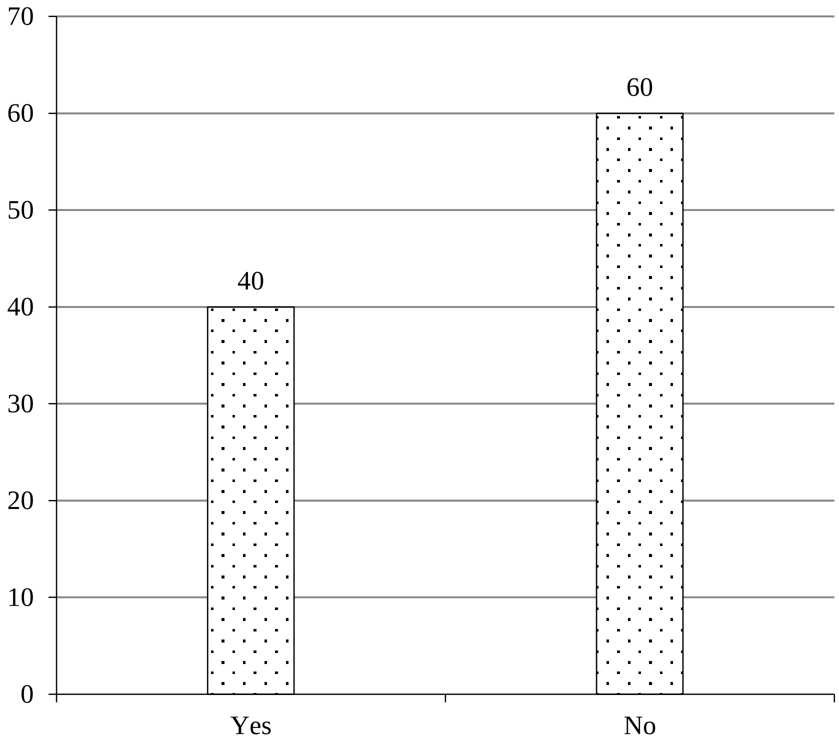

Figure 7. Status of respondents who purchase jewellery online.

Table 8. Factors responsible for online jewellery shopping.

	Product Assortment	Fashionable and Glamorous	Presentation	Convenience	Trust	Patterns	Gifts and Offers	Payment Options
Yes	60%	90%	90%	50%	75%	80%	30%	54%
No	40%	10%	10%	50%	25%	20%	70%	46%

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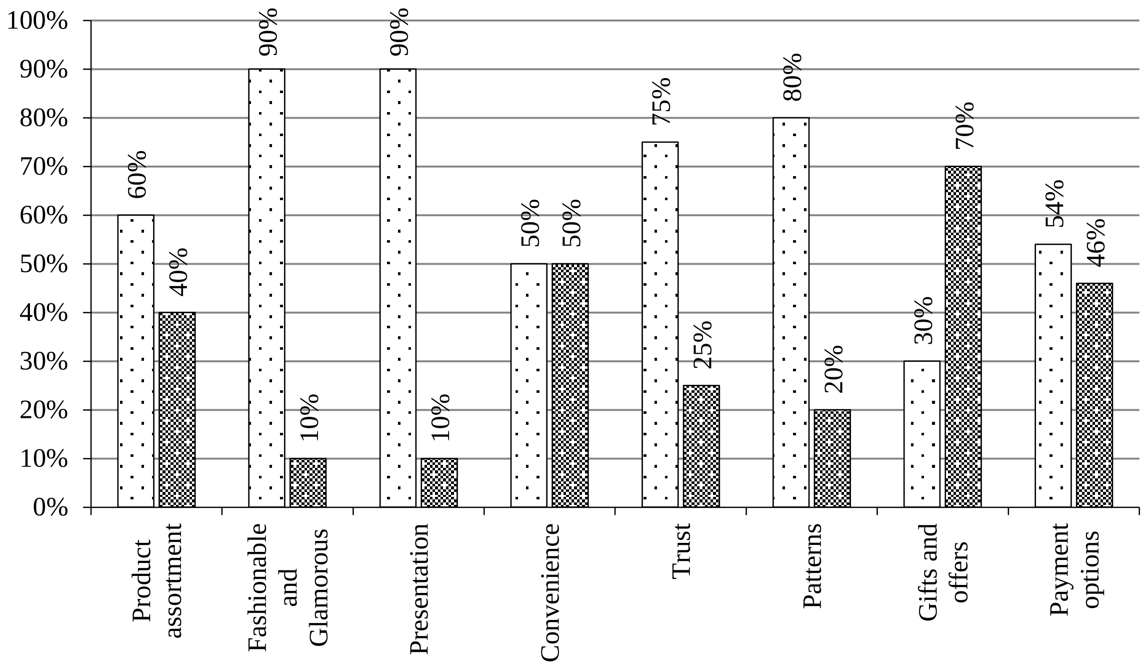

Figure 8. Factors responsible for online jewellery shopping.

Table 9. Status of jewellery sold as per the occasion.

Occasion	Percentage (%)
Weddings	80
Festivals	60
Birthdays and Anniversaries	40
Gifting	20

Figure 9. Status of jewellery sold as per the occasion.

Impact of Pandemic Situation on Life of Respondents

100% of the respondents opined that their life has come to a grinding halt due to pandemic situation.

Percentage of Respondents Who Missed out Opportunities to Buy Jewellery due to Pandemic Situation

70% of the respondents opined that due to lockdown they could not buy jewellery which they planned to buy for important occasions of their lives.

Responses for Preferences towards Purchase of Jewellery Online due to Lockdown or Pandemic Situation

80% of the respondents felt that buying jewellery online is a more convenient mode at time of lockdowns and pandemic situations.

DISCUSSION

From the study it is evident that customers' willingness towards e-shopping is high. Consumers pertaining to different age groups are preferring online shopping. Variety of products, up to date fashion and styling, convenience, visual merchandising, offers, effective payment gateways are the motivational factors to buy online. But the case is not the same when it comes to online Jewellery shopping. There are lot of apprehensions regarding buying jewellery online. The major concerns being trust, and convenience. Risk being another factor which has a major impact on attitude formation. Parallelly, respondents conveyed that inexpensive, fashionable, and stylish, good design and stylish look fascinate them much.

Our objective of study was to assess the impact of COVID on sales of jewellery and to seek out plausible solution. When respondents were asked generally about their comfort levels of shopping for jewellery, only 40% of them felt comfortable buying the jewellery online. Majority of respondents opined that they suffered, thanks to lockdown and omitted opportunities to shop for the jewellery on some important occasions of their life. But when asked about whether they can buy jewellery online at times of lockdown and pandemic situation, astonishingly 80% of them felt it is a worthy decision to shop for Jewellery online amidst COVID-19, which can ensure safety and that they need not panic. They need not miss out opportunities and occasions in their life due to pandemic situation.

Teaching Notes

Target group: Undergraduates and postgraduates (Specifically MBA, BBA, PGDBM etc.), Research scholars (domains like; E-Commerce, ICT, Business decision making, Information technology in Jewellery etc.), Executives (mobile app developers, Jewellery businessmen, et al.).

Learning Objectives

To Understand the Attitude and Behaviour of Online Shopping

This study helps the readers to assess the behaviour and attitude of customers towards online jewellery shopping. This case analysis tries to provide an insight into understanding that what motivates customers to shop online.

To Understand the Challenges in Online Jewellery Shopping

Unlike offline stores, jewellery shopping in online mode is more challenging. This study tries to unleash what factors affect the customer's choice to go online.

To understand how Online Jewellery Portals can be a Potential Solution can be

Due to pandemic situation and lockdowns, many jewellers have lost sales and especially at times of major festivities like Akshaya Tritiya. Hence encouraging online shopping might be a plausible solution to jewellers to regain sales despite pandemic situation and lockdowns.

Relevant Theories

Theory of reasoned action, and technology acceptance model are the two models and theories which will help us to assess the attitude and perception of consumers towards online shopping.

CONCLUSION

1. COVID-19 has hit the retail industry very badly. 80% of the sales has been lost due to lockdowns and scare of spread of infections. Jewellery industry has been very badly impacted due to lockdowns. Majority of business happens in offline mode and this crisis has left jewellers on crossroads.
2. Convenience, trust, ease of operation, website quality, payment gateway effectiveness, fashionable products, range are the factors that are considered by consumers while buying online.
3. Convenience, trust, ease of operation, website quality, payment gateway effectiveness, fashionable products, range are the factors that form attitude of customers towards online shopping.
4. Resorting to online mode is the best way to combat the crisis. Customers will get the choice, range and collections. Without the risk of infections, the customers can shop being at their home. Also this helps jewellers to maintain their sales despite any crisis.

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APPENDIX

Annexure

Questionnaire

Dear respondent!

I Mr. **K. Ram Kiran**, A Research Scholar Working on A **“A Case Study on Online Jewellery Portals-A Potential Solution for Purchasing Jewellery During Pandemic”.** I request your good selves to cooperate in this study by providing the responses, which will help me in getting the data to assess consumer perception towards online jewellery shopping as a convenience factor to buy jewellery at times of COVID-19.

Name	:	
Age	:	20–30 □ 30–40 □ 40–50 □ 50 and above □
Gender	:	Male □ Female □
Occupation	:	Student □ Profession □ Employee □ Self-employed □ Home Maker □
Status of online shopping	:	Yes □ No □
Which of the following online Jewellery portals are you aware of	:	1. www.caratlane.com □ 2. www.bluestone.com □ 3. www.gitanjalishop.com □ 4. www.pcjeweller.com □ 5. www.tanishq.co.in □ 6. www.malabargoldanddiamonds.com □ 7. www.kalyanjewellers.net □ 8. www.velvetcase.com □ 9. www.candere.com □
Have you purchased jewellery online	:	Yes □ No □
Factors Driving for Online Shopping	:	1. Product assortment □ 2. Fashionable and glamorous □ 3. Presentation □ 4. Convenience □ 5. Trust worthiness □ 6. Availability of more patterns □ 7. Gifts and offers □ 8. Payment options □
Occasions on which you prefer to buy Jewellery.	:	Weddings □ Festivals □ Birthdays and anniversaries □ Gifting □
Do you think Corona Virus pandemic situation has disrupted your life	:	Yes □ No □
Have you missed out any important occasions to buy jewellery due to pandemic situation	:	Yes □ No □
At times of lockdown and pandemic situation do you feel buying jewellery online is more convenient and safe	:	Yes □ No □