

A STUDY ON THE ROLE OF TRANSPARENCY LABELS IN COMSUMER GOLD PURCHASE DECISION

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ABSTRACT

Transparency labels have become an important factor influencing consumer purchase decisions in the gold jewellery market. Consumers today are more conscious about the purity, authenticity, and pricing of gold before making a purchase. Transparency labels such as hallmark certification, purity details, weight accuracy, making charges, and tax information help consumers understand the true value of gold products. These labels play a significant role in building consumer trust, reducing uncertainty, and ensuring fair transactions. his study aims to analysis the role of transparency labels in consumer gold purchase decisions. The research focuses on understanding how information provided through labels influences consumer confidence, trust, satisfaction, and buying behaviour. The study adopts a quantitative research design, and primary data were collected through a structured questionnaire from 100 respondents. Secondary data were gathered from journals, books, websites, and other published sources related to gold purchasing behaviour. Percentage analysis and ranking methods were used to analysis the collected data. The findings reveal that transparency labels significantly influence consumer trust and purchase decisions. Consumers prefer gold jewellery that provides clear information regarding purity certification, weight, making charges, and tax details. The presence of transparency labels increases consumer confidence and reduces the risk associated with gold purchases. The study concludes that transparency labeling plays a vital role in improving consumer satisfaction and strengthening trust between consumers and jewellers.

keywords:

Transparency Labels, Consumer Gold Purchase Decision, Gold Purity Certification, Consumer Trust, Hallmarking, Gold Jewellery Market.

INTRODUCTION:

Gold has always held a special place in the economic, cultural, and social life of people, especially in countries like India where it is considered a symbol of wealth, prosperity, and tradition. Gold jewellery is purchased not only for personal adornment but also for weddings, festivals, religious ceremonies, and investment purposes. Because gold involves high financial value and emotional attachment, consumers are highly concerned about its purity, weight, and pricing. In recent years, issues such as under-caratage hidden charges, and misleading billing practices have created confusion and mistrust among buyers. To address these concerns, transparency labels such as hallmark certification have been introduced to ensure quality assurance and consumer protection.

OBJECTIVES OF THE STUDY:

- To understand consumer awareness of transparency labels in gold purchase.
- To analyse the influence of transparency labels on trust, confidence, and gold purchase decisions.
- To understand the importance of transparency labels during festival season purchases.
- To identify consumer preferences towards certified and labelled gold purchases.
- To examine lack of trust among consumers while buying gold without proper labels.

STATEMENT OF THE PROBLEM:

- Gold jewellery purchase involves high financial and emotional value for consumers. Lack of clear information about purity and pricing creates uncertainty.
- Despite the availability of hallmark certification, consumer awareness remains limited. Many buyers do not fully understand the meaning of transparency labels.

- Consumers often fear fraud, hidden charges, and quality issues. Such concerns affect their trust and confidence in jewellers. This research studies the role of labels in reducing these fears
- There is a need to understand whether transparency labels influence buying behavior. Trust and confidence are important factors in purchase decisions.

SCOPE OF THE STUDY:

The scope of this study focuses on analyzing the role and importance of transparency labels in influencing consumer gold purchase decisions. Gold jewellery holds significant economic, cultural, and emotional value, especially in India, where gold is commonly purchased for weddings, festivals, savings, and investment purposes. Due to the high financial value involved, consumers expect accurate information regarding purity, weight, pricing, and certification before making a purchase. Therefore, this study concentrates on understanding how transparency labels help consumers make informed and confident decisions while buying gold jewellery.

RESEARCH METHODOLOGY:

SAMPLE DESIGN:

The study adopts a convenience sampling method to collect primary data from the respondents. The respondents are selected based on their availability and willingness to participate in the survey. This method helps in gathering information quickly from consumers who have experience or interest in purchasing gold jewellery.

SAMPLE SIZE:

The sample size of the study consists of 100 respondents. The data was collected from consumers who purchase or are interested in purchasing gold jewellery. This sample size is considered adequate to analyse the awareness and perception of consumers regarding transparency labels in gold purchase decisions.

STATISTICAL TOOLS FOR THE STUDY:

- percentage analysis
- rank analysis

LIMITATIONS OF THE STUDY:

- The study is based on a limited number of respondents. This may not fully represent the entire population of gold consumers. Hence, the findings may have limited generalization.
- The research is confined to a specific area or locality. Consumer behavior may differ in other regions or cities. Therefore, results may vary in different locations.
- The study was conducted within a limited time period. Detailed and long-term analysis was not possible, which may affect the depth of the research findings.
- The study depends on the opinions and responses of consumers. Some respondents may provide inaccurate or biased answers, which can influence the accuracy of the data collected.

REVIEW OF LITERATURE

Sharma and Verma (2026)¹

The study examined how transparency labels influence consumer attraction in the gold jewellery market. It focused on hallmark certification, purity markings, and clear price disclosure as key informational elements. The researchers observed that visible certification increases immediate consumer confidence. They found that first impressions of authenticity strongly affect buying intention. The study concluded that transparent labeling significantly improves trust and purchase interest.

Kumar and Singh (2025)²

This study analyzed the role of transparency practices in retail jewellery stores. The authors observed that proper

hallmark display and clear billing attract customer attention. They found that standardized certification helps products stand out from non-certified jewellery. The study highlighted that clarity in pricing reduces confusion and perceived risk. They concluded that transparency labeling is essential for competitive advantage and customer satisfaction.

Reddy and Nair (2024)³

The research focused on the relationship between hallmark awareness and consumer trust. It revealed that consumers who understand BIS certification show higher purchase confidence. The study found that lack of awareness leads to dependence on personal trust rather than formal labels. It emphasized the need for consumer education regarding transparency standards. The researchers concluded that awareness strengthens informed decision-making.

DATA ANALYSIS AND INTERPRETATION

PERCENTAGES

TABLE SHOWING THE PREFERRED PLACE OF GOLD PURCHASE OF RESPONDENT

S.NO	PLACE OF PURCHASE	NUMBER OF RESPONDENT	PERCENTAGE %
1.	LOCAL JEWELLERY SHOP	27	27%
2.	BRANDED JEWELLERY SHOWROOM	51	51%
3.	ONLINE	19	19%
4.	BANK	3	3%
	TOTAL	100	100%

Interpretation:

The data shows that most respondents prefer branded jewellery showrooms (51%) for purchasing gold, indicating higher trust in branded stores for quality and transparency. Local jewellery shops (27%) are the second preferred option, as many customers still rely on familiar local sellers. Online purchase (19%) is also growing as some consumers prefer convenience and digital options. Only 3% purchase gold from banks, showing that banks are the least preferred source for buying gold. Overall, branded jewellery showrooms are the most popular choice among consumers. The majority of respondents are branded jewellery showroom.

RANKING

TABLE SHOWING THE TRANSPARENCY INFORMATION INFLUENCING GOLD PURCHASE DECISION OF RESPONDENT

S.NO	TRANSPARENCY INFORMATION	5	4	3	2	1	TOTAL SCORE	RANK
1.	BIS HALLMARK CERTIFICATION	81	6	8	3	1	463	I

2.	PURITY DETAILS (22K /24K)	11	69	11	6	2	378	II
3.	MAKING CHARGES CLARITY	32	20	39	5	3	370	III
4.	WEIGHT ACCURACY	16	35	20	24	4	344	V
5.	GST/ TAX BREAKDOWN	35	17	22	10	15	332	IV

Interpretation:

The table shows the ranking of factors influencing consumers while purchasing jewellery. Among the factors, BIS Hallmark Certification obtained the highest score of 463 and is ranked I, indicating that it is the most important factor for consumers. Purity Details (22k/24k) secured II rank with a score of 378, followed by Making Charges Clarity with III rank and a score of 370. GST/Tax Breakdown obtained IV rank with a score of 344, while Weight Accuracy received the lowest score of 332 and is ranked V. Thus, the majority of respondents prefer BIS Hallmark Certification while purchasing jewellery.

FINDINGS

1. 51% of respondents are branded jewellery showroom, which represents the majority marital status.
2. BIS Hallmark Certification ranks first with the highest total score of 463, indicating it is the most important transparency information for respondents while purchasing gold.

2 SUGGESTIONS

- Jewellery companies should clearly display gold purity details such as karat and hallmark certification on transparency labels to increase consumer trust.
- Gold retailers should provide accurate information about net gold weight and making charges on the label to ensure transparency in pricing.
- Jewellery shops should educate consumers about the importance of 916 hallmark certification so that buyers can easily identify genuine gold products

CONCLUSION

Transparency labels play a significant role in influencing consumer gold purchase decisions. The study highlights that consumers prefer jewellery products that provide clear and reliable information regarding purity, certification, and pricing. Transparency labels such as hallmark certification, purity markings, and detailed price breakdowns increase consumer confidence and reduce the risk of purchasing impure or overpriced gold.