

## **EFFECT OF CONSUMER ATTITUDE ON CONSUMER BUYING BEHAVIOR TOWARDS 24 KARAT GOLD ORNAMENTS**

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### **Abstract**

This study attempts to analyze the effect of consumer attitude on buying behavior towards 24 karat gold ornaments. Both primary and secondary data are used in this study. The respondents are selected by using two-stage random sampling method. Targeted respondents are customers who bought gold ornaments from retail stores in Junction City Shopping Mall at Yangon. The sample size is 120 which is selected from five gold ornament shops among ten shops in Junction City. Structured questionnaires are used to collect data by using face to face interview method. By Tri component attitude model, three at level which cognitive, affective and conative attitude components are applied in this study. According to the descriptive analysis, customers have high cognitive and affective attitude level towards 24 K gold ornament whereas conative attitude have moderate level. Regression analysis indicates that affective attitude has positively significant effect on consumer buying behavior towards 24K gold ornaments. Based on the result of the findings, 24 K gold ornament retail stores should make reasonable installment plan, update design, sense of luxury in order to generate affective attitude.

**Key words:** Consumer Attitude, Buying Behavior

### **Rationale of the Study**

Gold, a precious metal people all over the world value not only used for the jewelry purpose but also for investment as well. Gold provides the opportunity for the investors as it was an asset that had high liquidity so investors can sell it whenever they want and they do not have to monitor. Aside from the cash, gold had the highest liquidity as it can be exchanged for cash immediately. As in other Asian countries, gold is a very popular investment and store of value for local people alike. Country with a complex banking system, most people in our country see gold as safe investment assets.

In Myanmar, people buy golden jewelry for ornamental purpose and for saving. People like to wear gold ornaments and buy it for beauty and hedging against inflation. For thousands of years, the golden ornaments business has been contributed to serve a variety of functions. The valuation of gold is based on the facts that it can be used as an object of beauty, symbol, status and commodity. According to Myanmar tradition, Myanmar people usually buy golden jewelry if they have extra money, hence the saying "Golden jewelry means food when you haven't money and ornaments when you have plenty of money". So, golden jewelry is not only for ornaments but also food. Among many types of gold shop in Yangon, 24K gold shops are the most popular because consumers attitude tend to 24K gold shop increasingly as they come to realize good quality and variety of design provided by them. Consumers prefer to buy gold from 24K gold shop for ornamental purpose. On the supply side, 24K gold shop offers a wide variety of innovative and elegant design and modernized ornaments. Nowadays, 24K gold ornament plays an important role in the gold market.

24K gold is the highest purity of gold available for commercial use. Gold purity is measured in karats, with each karat representing 1/24th part of pure gold in an alloy. Therefore, 24K gold is considered 100% pure gold. Pure gold is a soft and malleable metal and is naturally

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yellow in color. It is highly valued for its beauty and rarity. However, because of its softness, it is not suitable for most jewelry and other applications that require durability. Therefore, gold is often alloyed with other metals to enhance its strength and durability. Lower karat ages such as 22K, 18K, 14K, and 10K are commonly used in jewelry production. These alloys contain a proportion of gold mixed with other metals such as silver, copper, nickel, or zinc. In the past, it's worth noting that 24K gold is relatively soft and can be easily scratched or dented, making it less practical for everyday jewelry. However, modern gold shops use a technique that involves pouring 24K gold into the mould in order to get the ideal design for ornamental purpose for consumer.

Consumer attitude of 24 K gold play part of the consumer buying behavior which is the actions and decision-making processes of consumer who buy 24K gold ornaments for personal use. Consumer buying behavior depends upon how customers use their valuable time, money and effort make decisions for buying materials. That involves what consumer purchases, why consumer purchases it, where consumer purchase, how after consumer spend and use it, how they evaluate it after consumer purchased and the impact of such evaluations on next purchases and how consumer dispose of this. Sellers of gold shop focus on trying to know the consumers and their buying behavior.

Nowadays, consumer attitude and buying behavior towards gold ornament has changed dramatically in Yangon. Whether in towns, cities or rural areas, there has sociocultural changes which have altered the attitude and buying behavior of consumers with regard to gold ornaments. Gold shops in Yangon is becoming complex because increasing many competitors, changes in macroeconomic factors and due to perfect competition market. Thus, gold shop owners need to build positive attitude of consumer and then need to attract and maintain as loyal customers. It became a need to know what attitudes are behind the rise in buying behavior. Understanding consumer attitude and buying behavior is one of the elements that help to be successful in gold market especially in competitive environment. For effective marketing strategies, the study can help in determining consumer attitude on 24K gold ornaments and buying behavior for gold ornament shops in Junction City Shopping Mall.

### **Objectives of the Study**

1. To describe consumer attitude and buying behavior towards 24K gold ornaments in Junction City Shopping Mall.
2. To analyze the effect of consumer attitude on buying behavior towards 24K gold ornaments in Junction City Shopping Mall.

### **Scope and Method of the Study**

Primary data are collected customers who bought 24 K gold ornaments from Junction City Shopping Mall. Two-stage random sampling method are used in this research. In the first stage, five gold shops such as Shwe San Eain, Shwe Nann Taw, Sein Nann Taw, Treasure Sea and Diamond Sea are selected among ten gold shops in this shopping mall by using simple random sampling method. Total population is unknown and sample size is determined 120 respondents by using Cochran (1977) unknown population formula. In the second stage, 120

respondents are selected for randomness, every five customers who are coming out from 24 K gold ornament shops by using systematic random sampling. Self-administered questionnaires designed are based on Tri-component model of attitude and buying behavior of the study. Questionnaires survey is conducted in Junction City shopping at Yangon during the period of 1<sup>st</sup> Sep to 31<sup>st</sup> Oct, 2023 at every weekend. Friends participated as data collectors. Secondary data are gathered from previous paper, library and textbook.

## **Literature Review**

### **Consumer Attitude**

According to Kotler (2000) “an attitude is a person’s enduring favorable or unfavorable evaluations, emotional feelings, and action tendencies toward some object or idea”. Consumer attitude is defined as human beings’ learned predisposition for consistent response in a favourable and unfavorable manner to a given object.

According to Binninger (2008), attitudes serve as the foundation for many models of consumer behaviour. They are also frequently utilised for market segmentation, predicting product adoption, and creating marketing campaigns. Attitude is made up of cognitive, emotional, and behavioural components that impact the fulfilment of four main functions: utility function, ego-defensive function, value-expressing function, and expertise function. General private label attitude is an important factor in the evaluation of individual private label attitudes as well as with regard to consumers intentions to purchase private label. Attitudes towards private labels are formed on the basis of certain perceived benefits that consumers expect, such as competitive pricing, efficiency, or a favourable price to quality ratio.

### **Tri Component Model**

Solomon and Rabolt (2008) redefine as ABC model of attitude, which includes affect, behavior and cognition. Underlying assumption on both theories are same, although there are other variables included on ABC model such as personality traits, previous knowledge, family circle, media and marketing activities; also, the effect on attitude formation contribute by that components are on the manner how people convey their attitude (Sheth & Mittal, 2004). This includes three different belief as normative belief focus on ethical judgment, evaluative belief creates individual level of perception about liking or disliking some object and descriptive belief help to evaluation of object based on quality or outcome (Sheth & Mittal, 2004).

The cognitive component refers to the beliefs and thoughts that a receiver has toward the object. This component can also consist of an individual's opinion, perception and knowledge about an issue or item. Individual opinions may not be based on an objective assessment or be true, but still play a vital role in how the person perceives reality and furthermore the attitude of an object. The cognitive component is likely to be more conscious than the other elements of attitudes, and is more vulnerable than others to logicbased persuasive techniques (Solomon et al., 2014).

The affective element or feeling consist of emotional aspect of attitude. In marketing, affect is consumer’s feelings on different product service or on various marketing activities relating to the overall attribute. Evaluation of the consumer’s feeling are depending on their favorableness that create reaction towards particular product ultimately that effect on consumer buying intention and decision process (Arora & Sahney, 2018).

Intention or certain action that persons take towards particular object is describe by behavioural or conative element. However, Solomon & Rabolt (2008) noted that consumers actual behavior is not always resulted by their intention. Above mentioned components affect and cognition cannot express the particular attitude.

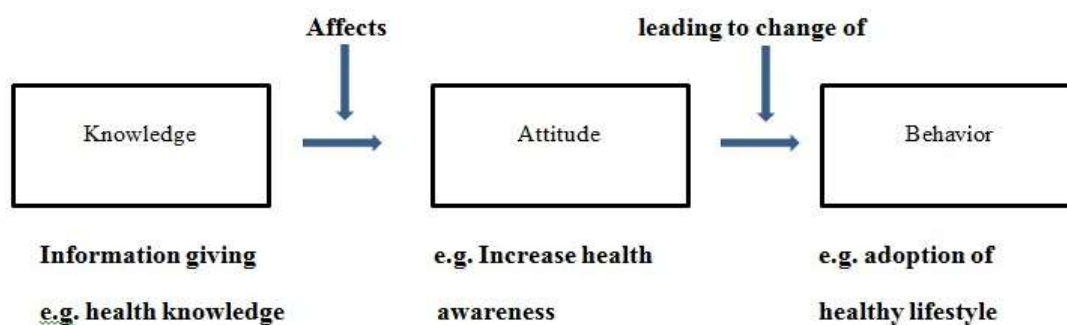
### Consumer Buying Behavior

According to (Kotler, 2001), consumer behavior refers to the study of how individuals are selected, buying or use and disposal of products, services, and how different experiences or ideas that meet consumer needs and wants. (Solomon et al., 2014) Indicate, that customer satisfaction is the total measurement of customers' experience after purchasing products or utilizing services.

Babu et al., (2010) described buying process in three steps which is pre-purchase, purchase and post-purchase. In Pre-purchase step when customers realize their needs, they search for information about a product or service provided by a company, it is therefore important that the company provides its customers with easy access to product information, where the consumers can use online media or word of mouth for obtaining information., in addation the Internet offers customers great opportunities to evaluate alternatives and compare product information. At the step of purchase after collecting all the necessary information and comparing the product alternatives, the customer decides whether to buy. The last stage is post-purchase, all the activities and experiences that follow pre- purchase and purchase are included in the post purchase behavior. Typically, it affects the information search and alternative evaluation stage. It depends on the customer satisfaction or dissatisfaction after making a purchase, it is common for customers to distribute their positive or negative feedback about the product or service. This might be through social media networks or word of mouth.

### Previous Studies

According to the Figures (1), the previous study is the relationships between the elements of attitude. This research is conducted by (Engel et al., 1995). The study is health care sectors of consumer attitude and behavior. Attitude and behavior are not synonyms of each other, attitude may result from behavior. Attitude has a motivational quality, which means a consumer towards a particular behavior. The knowledge-attitude-behavior model considers that knowledge is especially important for effecting changes in behavior and that individual can obtain knowledge and skills through learning.

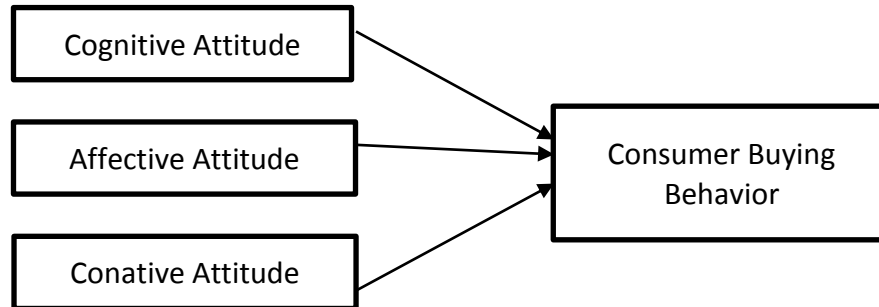


Source: James E Engel, Roger D Blackwell & Paul W Miniard (1995)

**Figure (1)** Knowledge – Attitude – Behavior (KAB) Model

### Conceptual Framework of the Study

The conceptual framework of this study is based on the literature review on the previous studies. In this model, the independent variables are cognitive attitude, affective attitude and conative attitude. The dependent variable is consumer buying behavior.



Source: Own Complication (2023)

**Figure (2)** Conceptual Framework of the study

### Analysis and Findings

#### Profile of the Respondents

The personal profile of the respondents is shown in Table (1). This Table illustrates the profile of respondents including gender, age, occupation, marital status and monthly income.

**Table (1) Profile of the Respondents**

No	Particular	Respondents	Percentage
	<b>Total</b>	<b>120</b>	<b>100.00</b>
1.	Gender: Male	36	30
	Female	84	70
2.	Age: 20 – 30	38	31.67
	31 – 40	32	26.67
	41 – 50	23	19.16
	51 – 60	21	17.5
	61 and above	6	5
3.	Occupation		
	Business Owner	43	35.83
	Employee	38	31.67
	Government Staff	39	32.5
4.	Marital Status: Marriage	42	35
	Single	78	65
5.	Monthly Income: KS 200,000 – 300,000	27	22.5
	KS 300,001 – 400,000	41	34.17
	KS 400,001 – 500,000	32	26.66
	More than 600,000KS	20	16.67

Source: Survey data, 2023

According to Table (1), among 120 respondents, the majority of the respondents are female. This is because gold is often associated with social status and wealth and they would like to wear 24K gold ornaments, which is a symbol of prestige. Most respondents are between 20 and 30 years old followed by age between 31 and 40 years old. The reason is that younger individuals may see purchasing gold jewelry as a way to invest in a tangible asset. It is found out that most of the respondents are business owners because they may view gold as a reliable long-term investments and therefore they may buy gold ornaments as part of their investment portfolio. Regarding marital status, most respondents are single. Gold ornaments can be a means of self-expression so singles may buy them to express their individuality and tastes. The majority of respondents get monthly income between KS 300,001 and 400,00. The reason is that they may have disposable income to invest, and gold is often seen as a stable and valuable long-term investment.

#### **Descriptive analysis of Cognitive Attitude, Affective Attitude, Conative Attitude and Consumer Buying Behavior Towards 24K Gold Ornaments**

In this study, the effect of consumer attitudes on buying behavior towards 24K gold ornaments. Consumer attitudes such as cognitive attitude, affective attitude, conative attitude and consumer buying behavior questionnaires are described with the range from one to five (1- strongly disagree, 2- disagree, 3-neutral, 4- agree, 5- strongly agree).

#### **Descriptive analysis of Cognitive Attitude**

**Table (2) Cognitive Attitude**

<b>Sr.No</b>	<b>Cognitive Attitude</b>	<b>Mean Score</b>
1.	Having experience with using 24K gold ornaments.	3.69
2.	Using to watch 24K new gold ornaments advertisement.	3.68
3.	Evaluating 24K gold ornament quality.	3.67
4.	Product quality equal value for money.	3.61
5.	24K gold ornament promotion is attractive and reliable.	3.73
6.	Wearing 24K gold ornaments bring fortune and positive energy.	3.68
	<b>Overall Mean</b>	3.68

Source: Survey Data, 2023

According to the table (2), the survey result represents that the highest mean is 3.73 and its statement “24K gold ornament promotion is attractive and reliable.” It means that the promotion of 24K gold ornaments, likely offered by a business or organization, is perceived as highly appealing and trustworthy. The statement of “Product quality equal value for money.” is the lowest mean score of 3.61. It shows that the product might have met their expectations in terms of quality, but the respondents expected even more given the price they paid. The overall mean is 3.68 and it indicates that customers agree on cognitive attitude towards 24K gold ornaments.

### Descriptive analysis of Affective Attitude

**Table (3) Affective Attitude**

Sr.No	Affective Attitude	Mean Score
1.	24K gold ornament shop's installment plan concerned with buying 24K ornaments that I like	3.68
2.	Proud of wearing 24K gold ornaments.	3.68
3.	Searching the update design of 24K gold ornaments.	3.68
4.	Wearing 24K gold ornaments is a modernized lifestyle.	3.64
5.	Wearing 24K gold ornament is unique than other 18, 20K gold ornament.	3.69
6.	Wearing 24K gold ornaments make me a sense of luxury and opulence.	3.55
	<b>Overall Mean</b>	3.65

Source: Survey Data, 2023

According to the table (3), the survey result represents that the highest mean is 3.69 and its statement "Wearing 24K gold ornament is unique than other 18K, 20K gold ornament." It means that 24K gold is the purest form of gold, consisting of 99.9% gold content and its rarity and exceptional purity make it unique and highly valued. The statement of "Wearing 24K gold ornaments make me a sense of luxury and opulence." is the lowest mean score of 3.55. It indicates that gold is often associated with a certain social status and prestige, which can make individuals feel opulent when wearing it. The overall mean is 3.65 which shows that respondents agree on affective attitude towards 24K gold ornaments.

### Descriptive analysis of Conative Attitude

**Table (4) Conative Attitude**

Sr.No	Conative Attitude	Mean Score
1.	24K gold ornaments to be a good investment for the future.	3.44
2.	The new innovative product design of 24K gold ornament shops make consumer incline to purchase it.	3.45
3.	Gold ornaments enhance my appearance.	3.45
4.	Thinking about to purchase 24K new gold ornaments.	3.47
5.	Willing to pay a premium price for high quality 24K gold ornaments.	3.45
6.	Information from 24K gold ornament shops website and social media makes me incline to buy it.	3.31
	<b>Overall Mean</b>	3.43

Source: Survey Data, 2023

In table (4.4), the survey result represents that the highest mean is 3.47 and its statement "Thinking about to purchase 24K new gold ornaments." It means that the recognition of gold's intrinsic value, especially in its purest form (24K), often leads individuals to consider it as a wise investment or a valuable addition to their assets. The statement of "Information from 24K gold ornament shops website and social media makes me incline to buy it." is the lowest mean score of 3.31, which indicates that gold is a valuable and high-investment product, and some

respondents may prefer to see or touch the items in person before making a decision. The overall mean is 3.43 and it indicates that respondents have moderate level related with conative attitude towards 24K gold ornaments.

### Descriptive Analysis of Consumer Buying Behavior

**Table (5) Consumer Buying Behavior**

Sr.No	Consumer Buying Behavior	Mean Score
1.	Repurchase intention.	3.78
2.	Most likely to wear 24K gold ornaments next time.	3.78
3.	Irrelevant with price.	3.76
4.	Recommend to others.	3.77
5.	Share experience and opinions to friends and family members.	3.73
6.	Prefer to purchase 24K ornaments from trusted jewelry store.	3.68
7.	Consider resale value of 24K gold ornaments before making a purchase.	3.71
8.	Latest fashion 24K gold ornaments design influence my buying behavior.	3.76
9.	Brand reputation of 24K gold ornaments influence my buying behavior.	3.71
10.	I often buy 24K gold ornaments as gifts for special occasions.	3.67
	<b>Overall Mean</b>	3.73

Source: Survey Data, 2023

According to the table (5), the survey result represents that the highest mean is 3.78 and its statement “Repurchase intention and most likely to wear 24K gold ornaments next time.” It means that respondents may have had a highly satisfying experience with their pervious 24K gold ornament purchases, which motivates them to consider buying more in the future. The statement of “I often buy 24K gold ornaments as gifts for special occasions.” is the lowest mean score of 3.68, which indicates that respondents choose 24K gold ornaments as their preferred gift for significant events, such as birthdays, weddings, anniversaries, graduations, and other special moments in their lives. The overall mean is 3.73 and it indicates that customers express agreement or positive sentiment regarding purchasing actions and decisions.

### Analyzing the Effect of Consumer Attitudes on Buying Behavior Towards 24K Gold Ornaments

**Table (6) Analysis on the Effect of Consumer Attitudes on Buying Behavior Towards 24K Gold Ornaments**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig,	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	.880	.138		6.377	.000		
Cognitive Attitude	-.001	.088	-.002	-.016	.987	.159	6.290
Affective Attitude	.776(***)	.096	.887	8.060	.000	.145	6.900



Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig,	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
Conative Attitude	.008	.028	.013	.269	.789	.753	1.328
R Square	.796						
Adjusted R Square	.791						
F value	151.047						

Source: Survey Data, 2023

\*\*\* Significant at 1% level, \*\* Significant at 5% level, \* Significant at 10% level

According to the Table (6), the value of F test, overall significance of the model is significant at 1 percent level. This model explains the variation of buying behavior predicted by three independent variables as  $R^2$  value is 79.6 percent. VIF also checked, indicating that are no variables exceeding rule of thumb 10 for VIF. It is found that affective attitude has a positively significant effect on consumer buying behavior. The result explains a unit increase in affective attitude will lead to 0.776 unit increase in consumer buying behavior.

### Suggestions and Recommendations

Regarding cognitive attitude, 24K gold ornaments shop owners should provide customers with detailed information about 24K gold, its purity, and characteristics because educated customers are more likely to make informed decisions. Moreover, the shop owners should ensure that the quality of 24K gold ornaments meets or exceeds the expectations set by prices.

Concerning with affective attitude, 24K gold ornaments shop owners should offer personalized assistance and consultations to make customer feel valued and specials. They also need to emphasize the exclusivity and uniqueness of 24K gold ornaments and highlight that not everyone can afford or own such items, which adds to the sense of luxury.

In concern with conative attitude, 24K gold ornaments shop owners should implement interactive features like 360-degree product views, zoom options, and visual try-on on their website to enhance the online shopping experience. In addition, they should provide comparisons between investing in gold ornaments and other investment options, highlighting the stability and long-term value of gold.

For consumer buying behavior, 24K gold ornaments shop owners should provide elegant and luxurious gift packaging to enhance the presentation and perceived value of the gift. Personal assistants should be assigned in the gold shop to help customers choose the perfect gift based on the occasion and recipient. They should also display certifications that confirm the quality and purity of gold ornaments to build trust with customers.

According to the multiple regression analysis, affective attitude has positively significant on consumer buying behavior. This means that having strong affective attitude can lead to the buying behavior towards 24K gold ornaments. Therefore, 24K gold ornaments shop owners should craft marketing campaigns that evoke customers emotions related to love, family, tradition, and special occasions, highlighting the sentimental value of gold ornaments. Gold

shops also should run promotions and discounts during special occasions, emphasizing the emotional aspect of gifting and celebrating with gold ornaments.

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