



**A STUDY OF YOUNG FEMALE'S ATTITUDE
TOWARDS FINE JEWELRY IN BANGKOK**

BY

MISS VARISSARA ATAVUTIPAKORN

**AN INDEPENDENT STUDY SUBMITTED IN PARTIAL
FULFILLMENT OF
THE REQUIREMENTS FOR THE DEGREE OF
MASTER OF SCIENCE PROGRAM IN MARKETING
(INTERNATIONAL PROGRAM)
FACULTY OF COMMERCE AND ACCOUNTANCY
THAMMASAT UNIVERSITY
ACADEMIC YEAR 2016
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INDEPENDENT STUDY

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ENTITLED

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IN BANGKOK

was approved as partial fulfillment of the requirements for
the degree of Master of Science Program in Marketing (International Program)

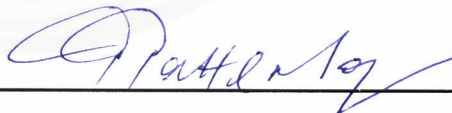
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ABSTRACT

Jewelry market in Thailand is constantly undergoing change. The consumer behavior amongst the younger generation is shifting. Furthermore, there is a significant price difference between fine jewelry and other types of jewelry. Consequently, more and more female consumers are switching from fine jewelry to other types of jewelry. Therefore, the growth of fine jewelry market in Thailand is on a declining trend. Whereas, a more robust and dynamic growth is observed for costume jewelry, (Jewelry in Thailand, 2016).

The purpose of this study is to comprehend the perception and attitude of young consumers towards fine jewelry. Moreover, the study gives an in depth understanding of their purchasing behavior. It illustrates the consumer's underlying motivation for purchasing the product; the process involved, and identifies the common characteristics among groups of different consumers.

Data was obtained through primary and secondary sources. Qualitative research was employed. Face to face, semi-structured, in-depth interviews were conducted. The interviewees were 24 young females divided into equal groups; those who use fine jewelry and those who do not use fine jewelry. They are Thai women in the age group of 25-40 years residing in Bangkok and belonging to the SES class A+.

The respondents were recruited using non-probability sampling method through personal connections.

The results were analyzed to show the similarities and differences among users of fine jewelry in relation to non-users. It was found that the attitude and perception towards fine jewelry of both users and non-users of fine jewelry is positive. Users of fine jewelry experience emotional satisfaction (benefit) of self-actualization, a key driver in the purchasing decision. The study also reveals that wearing fine jewelry has a positive effect on self-confidence. Consumers perceive fine jewelry not only as a personal accessory but also as a profitable investment. The most important criteria for buying (from a particular retailer) are design and trust of the store. Another interesting observation was that the most popular type of fine jewelry purchased by young female customers in Bangkok is *diamond jewelry with a white gold setting*.

Overall, this study gives a better understanding of the perception of young females (residing in Bangkok) towards fine jewelry. It gives the reader deep insights of the purchasing process. The results can be used by managers, entrepreneurs and others associated with the jewelry industry to make informed decisions such as those in marketing strategies.

Keywords: Fine Jewelry, Luxury, Self-actualization , Ideal-self reflection, Consumer behavior for luxury goods

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Miss Varissara Atavutipakorn

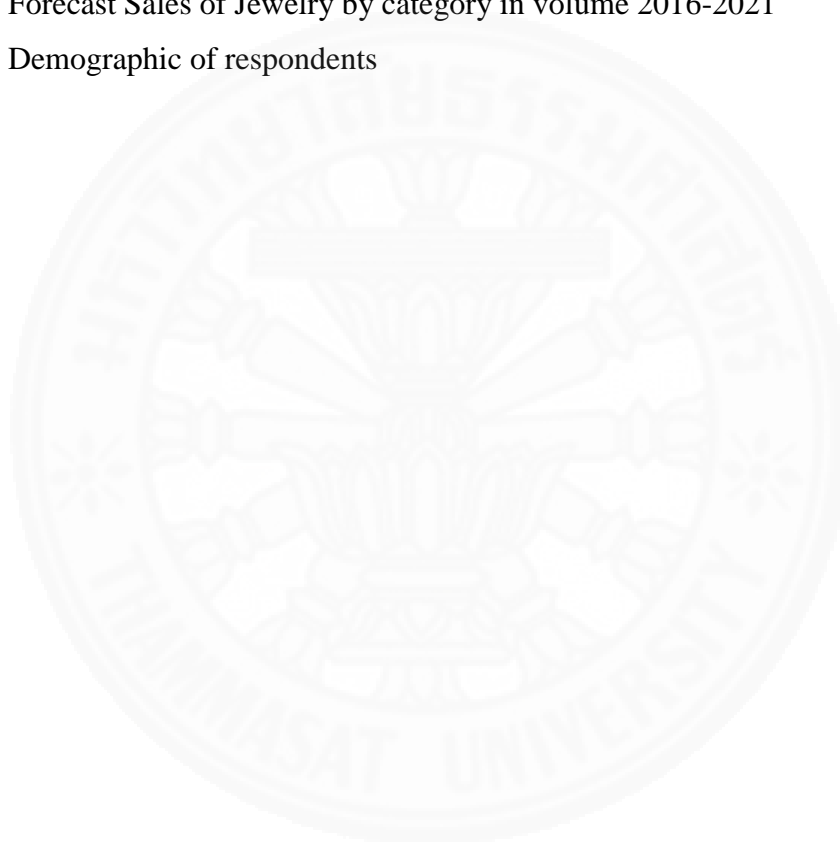
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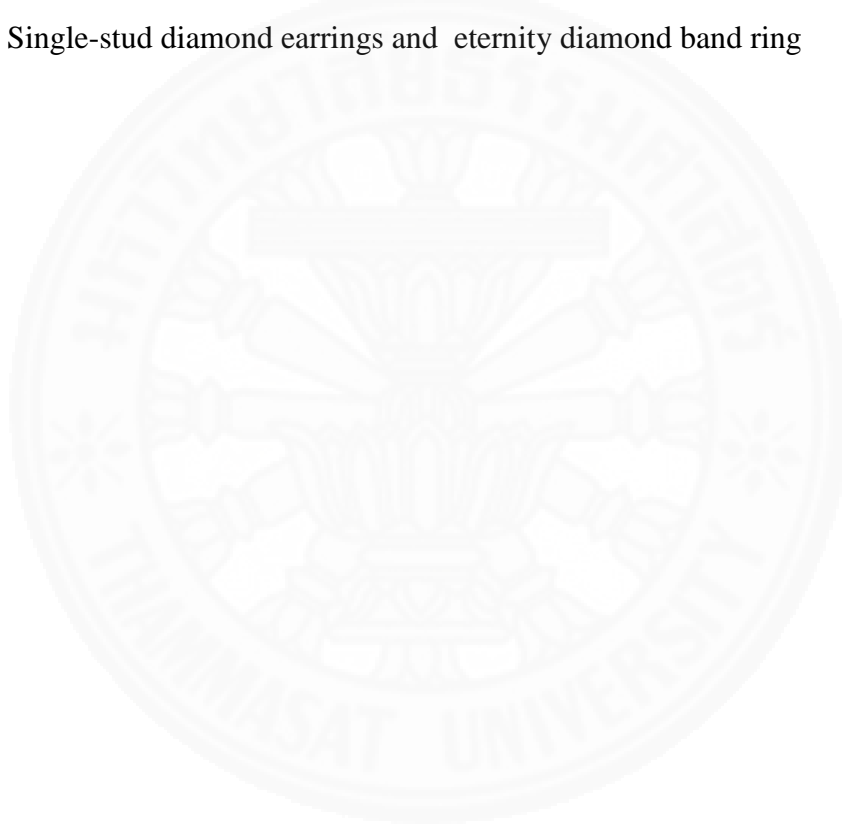
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CHAPTER 1

INTRODUCTION

1.1 Problem Statement and Research Purpose

Fine jewelry are ornaments typically made of precious metals such as gold, silver, and platinum in combination with natural gemstones, natural pearls, and diamonds. It is distinct from Costume jewelry, which consists of ornaments, made of inexpensive materials such as brass combined with imitation gems.

Thailand is a well-known destination for fine jewelry. It is world famous for being a great source of gemstones and the excellent jewelry craftsmanship that is found in the country. Most Thai women own at least one piece of jewelry; either fine or costume jewelry.

The jewelry industry is amongst the most significant industries in Thailand. Its large share in the GDP has helped driving the country's economy for more than a decade. According to a report from the Euro monitor International (2016), the fine jewelry market is expected to grow at the rate of 2.8% (CAGR) and reach 75.8 billion baht in 2021.

However, more consumers are switching from fine jewelry to costume jewelry. Costume jewelry can be considered a threat to the fine jewelry industry.

The costume jewelry market in Thailand is expected to grow at the rate of 4.5% (CAGR) from 2016 to 2021 with market size expected to reach 12.3 billion baht in 2021, (Jewelry in Thailand Report, 2016).

The jewelry market in Thailand has become very competitive. Many fine jewelry retailers have gone out of business because of their inability to adapt to the rapid changes in the market.

As a business woman in the fine jewelry industry, I have noticed many fellow business owners struggling to survive. Fine jewelry retailers and entrepreneurs need to find new ways to engage their customers to be profitable in the long run.

This study will give the reader a better understanding of the attitudes and perceptions of young consumers towards fine jewelry and the key factors involved in their buying behavior. Entrepreneurs can develop more informed marketing and product strategies and execute them successfully.

1.2 Research Objective

1. To understand the perception and the attitude of female consumers towards fine jewelry.

1.1 To understand underlying motivation for purchasing fine jewelry.

2. To understand consumer buying behavior

2.1 To understand consumers purchasing decision process

2.2 To understand every decision making point of consumers

2.3 To identify key purchasing factors

2.4 To identify occasions to buy jewelry

2.5 To identify the common characteristics among groups of consumers who purchase fine jewelry.

3. To provide business implications/directions for entrepreneurs. These can be used to develop marketing and product strategies which are aligned with consumer perception and attitudes.

CHAPTER 2

REVIEW OF LITERATURE

2.1 Why luxury and its definition

People consume what they believe offers value, functionally and emotionally. It is one of the fundamental drivers of people's purchasing decisions. For products that we buy regularly, the value that we perceive is largely a trade-off between what it costs, mainly in terms of price, and the benefits (functional and emotional) in terms of how useful it is (Navarwan & Prattana,2016).

A strong element of human involvement, very limited supply and the recognition of value by others are key components (Cornell,2002)

Jewelry and accessories are considered as luxury goods, which often include a branded product meant to bring prestige to the owner (Gao et al., 2009). Individuals usually buy and use luxury goods to improve their image and identity and to gain higher social position (Penz and Stottinger, 2005).

2.2 Consumer's Needs and Motivations

“A need becomes a motive when it is aroused to a sufficient level of intensity to drive us to act” (Kotler& Keller,2012) . Consumer motivation is difficult to understand for many reasons. It is a complex concept as similar motives can be expressed in different behaviors. People may buy the same product for different reasons. For example, someone would buy a diamond ring to display his/her social status whereas someone else would buy a diamond ring for marriage, which could be the only piece of fine jewelry for their entire life.

According to Maslow's hierarchy of needs (Abraham Maslow,1954) , the motivation for purchasing jewelry stems from Social needs, which is the need to belong

and be accepted by others. Esteem needs are the needs for the consumer to think well of themselves, and at the top of Maslow's pyramid is Self-actualization, the desire to grow psychologically, to display social status or the best that they are capable of doing. Thus, the translation of jewelry into specific functional and emotional benefit is highly related to the motives of purchasing jewelry.



Figure 2.1: Maslow Hierarchy of Needs(Kotler & Keller, 2012)

2.3 Consumer's self-image and purchasing behavior

Self and ideal self-image both impact purchasing intention of consumers. Actual self-image is one's perception of what he or she is; while ideal self-image is the way that one would like to be perceived by others (Schenk,1980). Therefore, it can be assumed that one has many ways to express themselves through many situations depending on social role and social position.

When an individual decides on a particular image to display for a social position, he or she uses a particular good or service to display this image (Ertimur, 2003). Luxury goods catch attention of people when they evaluate each other. The consumption of luxury goods involves purchasing a product or service that brings esteem to consumers to satisfy their emotional and functional needs.

2.4 Branding in the jewelry industry

CIBJO or The World Jewelry Confederation, the international confederation of jewelry, silverware, pearls and stones, states that “A brand is a symbolic embodiment of all the information connected to a company, product or service” (Retailer’s guide,2012).

Branding in jewelry is critical to acquire new customers and to retain the existing customers. How?

1. A brand helps secure market share and increase customer loyalty.
2. Branding helps in differentiating your product from the competitors’ products.
3. Branding improves customers’ shopping experience.
4. The global jewelry market is mostly unbranded. Thus, there’s competitive advantage for those who can create brand awareness.
5. Branding creates trust in the consumer’s mind.
6. Women tend to be driven by design while purchasing jewelry. A brand helps communicate and assist their style.

Retailers who understand how to convert these desires will be the ones who will succeed in the market. There are five ways for to create a brand for a jewelry retailer :

1. The jewelry retailer should have adequate stock that match with the varieties of customer needs.
2. The jewelry retailer should have strong relationships with the right customers.
3. The retailer should embrace product innovation to stimulate customer’s desires.
4. The jewelry retailer should have an excellence in desire of the products.

5. The jewelry retailer should create a friendly environment for customer.

2.5 Five categories of the fine jewelry consumers

Fine jewelry customers are segregated by their attitude, rather than age or income into five categories. They are :-

1. The Sentimentalist

This person likes the idea of participating in the ownership experience, has a very good understanding of materials and is searching for a high quality piece with value.

2. The gifter

This person only buys jewelry because he or she thinks jewelry is a good choice for gifting but does not know much about fine jewelry.

3. The stylish shopper

This person wears many kinds of jewelry as a part of outfits.

4. The influencer

This person wears jewelry to show status and care much about brand.

5. The practical shopper

This customer is a budget purchaser who likes inexpensive jewelry and wears it every day.

However, the most important factor in choosing a jewelry store is trust.

(Bob Gates,2015)

2.6 The Customer Buying Decision Process, the Five – Stage Model

The Buying Decision Process is the method used by marketers to identify and track along the decision making process of a customer journey from start to finish. It comprises the following five stages :-

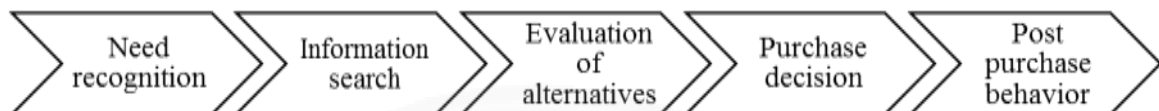


Figure 2.2 : The Buying Decision Process(Kotlor,2012)

Need recognition is the first stage of consumer decision making process which may arise due to an internal or external factor(s). It may relate to an actual need of a prospective customer to a specific product or service. The second stage is Information Search, once the need or problem is recognized. The customer would seek information regarding alternatives to satisfy the need or to solve the problem. Customers are influenced by marketing strategies during this stage. In the third stage, customers will evaluate each alternative by considering the relative importance of each attribute with product-service mix. Finally, in the fourth stage the purchase decision is made after evaluating important factor such as brand, past shopping experiences, services, intensity of need, budget. Several factors can come into play concurrently. Nevertheless, during this stage attitudes may intervene between the purchase intention and the actual purchase decision. At the fifth and final stage, the post-purchase behavior of the customers who are satisfied with the product or service is likely to have a high degree of loyalty towards the brand and lead to repeated purchase. Dissatisfied customers will behave in an opposite manner. This stage is critical for the brand as it influences the customer's attitude and perception towards the brand. Hence, brands have to ensure both on product and service delivered and the customer's experience after purchase as well.

CHAPTER 3

RESEARCH METHODOLOGY

This research is focused mainly on the attitudes of young female consumers towards fine jewelry in Bangkok. It employs qualitative research methodology, which begins from secondary research followed by in-depth interviews. The process chart is as follows:

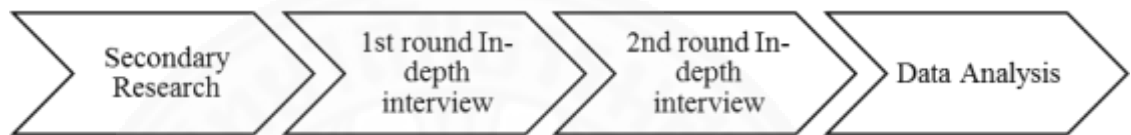


Figure 3.1 : Research Methodology

3.1 Secondary Research

In order to gain an overview of fine jewelry industry secondary data was obtained from credible sources such as academic journals, reports, books, and reliable websites. The literature review focuses on the current economic situation in the fine jewelry industry, the consumer self-image concept and consumer self-motivation. To be able to develop discussion guide accordingly for the primary research.

3.2 Primary research

3.2.1 In-depth interview

For qualitative research, in-depth interviews were conducted with 24 females who live in Bangkok. They are divided into 2 groups, users and non-users of fine jewelry. The in-depth interviews are used to gather consumer insights in terms of their attitude and perspective towards fine jewelry. The question guide framework was developed through the first round of the in-depth interview from October to December 2016. During this period, a total of three in-depth interviews were

conducted to explore general attitude and perception towards fine jewelry. They were used as a guideline for discussion for the second round in-depth interview. This ensured the questions for discussion covered all key variables. It also helped in examining the extent of the framework.

After the first round of interview and the discussion guideline design, the second round of interviews were conducted between January 2016 and March 2016. In total 24 in-depth interviews were conducted to achieve an objective understanding of consumer attitudes towards fine jewelry. One-on-one discussions using the Probing and Laddering techniques with open-ended questions was used. (Appendix B).

The Probing technique creates a dynamism on the interview and encourages the respondents to elaborate and explain more on their points. It helped uncover specific details on key issues such as buying behavior, details at every touch points of decision making processes and more that will lead to the core of the respondent's insight. Along with "The Laddering Technique" which is the interview method that draw out a response from the respondents to reveal underlying value and to find subconscious motive behind certain behaviors and or choices.

This procedure represents the most crucial part for this study. The essential information will be extracted at this stage by using helpful mentioned method, to gain insights of consumer's particular behavior and exploring their underlying motivation along with information regarding decision-making process, and reasons behind decision in every touch points, usage and personal preferences.

3.3 Sampling plan

The 24 respondent are young Thai females in the age group of 25 to 40 years who live in Bangkok with purchasing power regarding income of SES class A+ (Thailand Marketing Research Society,2014). (Appendix A). The respondents were divided into the following two groups-

Table 3.1 : Respondent type and qualification

Users	Non-users
- Purchased <u>fine jewelry</u> at least 2 times within the past year.	- Purchased <u>other type</u> of jewelry at least 5 times within past year.

3.4 Data Collection

Respondents were recruited through personal connections and snowball method. Screening questions relating to socio-demographic information were utilized to filter the respondents. Criteria such as age, residence location, household income, frequency of buying jewelry and occupation were used to ensure that they meet the desired qualifications of a respondent.

Due to time limitation and financial constraint, the in-depth interviews were semi-structured, face-to-face, video calls and over the telephone, which took 30 to 40 minutes approximately. The respondents were explained the purpose of the interview and consent was taken for use of a note taker. The interviews were standardized by the discussion guide to ensure that all key topics are covered.

3.5 Data Analysis

Sound recorders as well as note taking methods were used to record the conversation during the interviews. Then, the unstructured and subjective data was transcribed into written form. Using content analysis the data was grouped into three categories; positive, negative, and other response. The purpose of data classification was to be able to identify the patterns and linkages to analyze according to the study objective. The theoretical framework was applied to define key variables, which reflect the understanding of young female's attitude towards fine jewelry. The verbatim statements were used to support the summary which will lead to conclusion and recommendation.

3.6 Key Research Variables

According to the initial study of literature reviews and the first round of in-depth interviews, the key variables to be studied in the primary research are as follows:

1. General information
Income, Lifestyle, Occupation, Shopping behavior
2. Marketing tactics
Brands, Perception and attitude towards fine jewelry
3. Customer selection and satisfaction
purchasing behavior , occasions of usage and product design preferences.

3.7 Theoretical Framework

Framework of this study is based on the secondary data obtained as following :

1. The Customer Buying Decision Process, the Five-stage model (Kotlor,2012)
2. The Maslow's hierarchy of needs (Abraham Maslow,1954) in order to see relative importance and analyze the findings.

3.8 Limitation of study

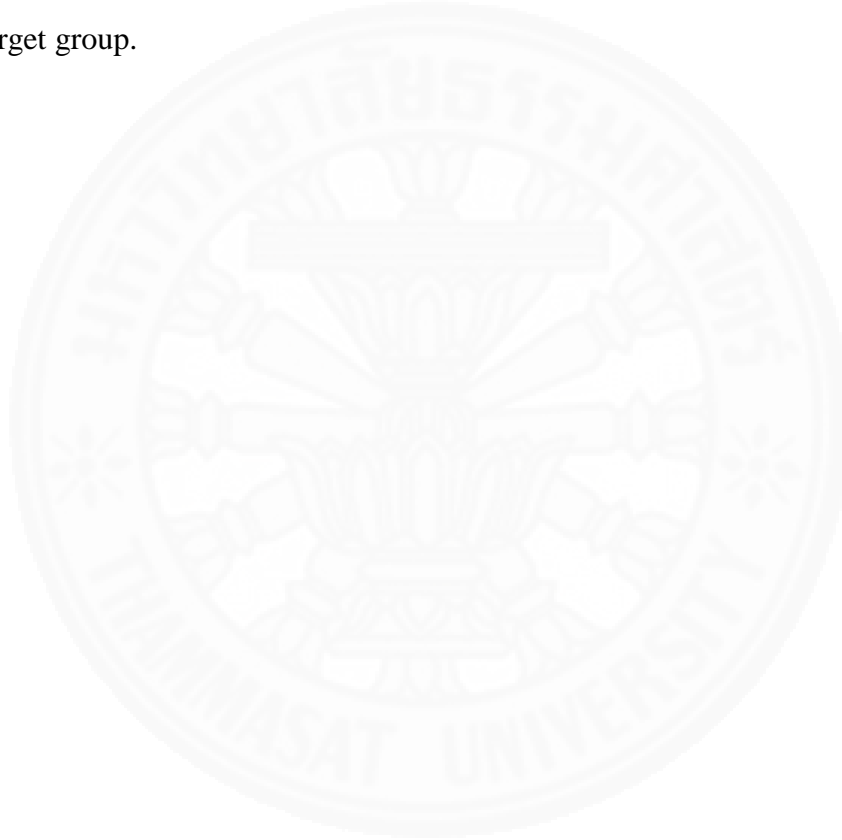
Due to the limitation of time and resources, this study aims to be only a preliminary study to explore the attitudes of young female consumers towards fine jewelry in Bangkok.

The limitations are as follows:

1. A small sample size is used through non-probability sampling method. The findings from the in-depth interviews may not be a true representation of the entire population of fine jewelry users and non-users.

2. Sample selection may not cover all types of young female fine jewelry users and non-users to reflect accurately on the segmentation.

However, the limitation of this study has an insignificant affect on the report. in summary and recommendations for attitude of young female consumers towards fine jewelry in Bangkok. The small sample size may cause an inappropriate use of this study for case study or proof supporting business decision. Therefore, the further quantitative study may generalize the data to represent the entire population of the target group.



CHAPTER 4

RESULTS AND DISCUSSION

4.1 Secondary Research – Key Findings

Growth of the fine jewelry industry in Thailand has been declining

Table 4.1 : Sales of Jewelry by category in value 2011-2016 (Euromonitor,2016)

Type	2011	2012	2013	2014	2015	2016
Costume Jewellery	7,106.00	7,710.00	8,288.20	8,827.00	9,356.60	9,946.10
Fine Jewelry	53,265.00	56,460.90	59,284.00	61,655.30	63,813.30	66,238.20

Table 4.2 : Sales of Jewelry by category in volume 2011-2016 (Euromonitor,2016)

Type	2011	2012	2013	2014	2015	2016
Costume Jewellery	9455.30	10211.70	10926.50	11527.50	12103.80	12781.60
Fine Jewelry	2174.80	2266.20	2356.80	2439.30	2512.50	2595.40

According to the report, Jewelry in Thailand (2016), from Euromonitor International, compared to the review period average, retail value growth from 2011 to 2016 has been slower because consumers are being more careful with their spending despite the improving political and economic conditions. Thus, the player in fine jewelry market have to be thoughtful when setting the retail price. Another reason for slower growth is that fashion-conscious consumers are switching their interest to dressing with costume jewelry as the forecast data following.

Table 4.3 : Forecast Sales of Jewelry by category in value 2016-2021 (Euromonitor,2016)

Type	2016/2017	2016-21 CAGR	2016/21 Total
Costume Jewellery	3.30	3.90	21.20
Fine Jewelry	1.60	2.00	10.60

Table 4.4 : Forecast Sales of Jewelry by category in volume 2016-2021
(Euromonitor,2016)

Forecast Sales of Jewelry by category : percent value growth 2016-2021			
Type	2016/2017	2016-21 CAGR	2016/21 Total
Costume Jewellery	4.00	4.50	24.50
Fine Jewelry	2.20	2.80	14.60

Buying occasions of fine jewelry among Thai consumers

The demand for fine jewelry remains positive. The most popular category is diamond jewelry which is also increasing in growth (K-research Industry : Gems and Jewelry,2015) due to the expansion of shopping malls and complex buildings such as hypermarkets. In terms of tradition, diamond jewelry collections are bought for wedding ceremonies. This affects the category positively. Many customers also purchase fine jewelry as investment. They believe that materials such as gold, diamonds and gemstones are appreciating in value. Fine jewelry is also given as gifts for special occasions or achievements. It is also popular among Thais especially during Valentine 's Day, Chinese New Year, Songkran Festival and Year-end seasons. (Jewelry in Thailand,2016).

Types of commonly used jewelry in Thailand

Sequentially, the best-selling categories of fine jewelry in terms of value are rings, wrist-wear and earrings. Since, rings are essential for engagement and marriage it is the best-selling product. However, in terms of volume rings and earrings are the most popular. The prices of wrist-wears are comparatively higher than rings and earrings. Hence, it is ranked as the second biggest contributor to the fine jewelry. Gold Jewelry (yellow gold, white gold and rose gold) continue to be most popular type of fine jewelry among Thais which account for 72.7% in retail sales. Followed by 9.6% for silver jewelry and the rest is others. For stones, diamond still accounts as the most popular among Thais over other kinds of gemstones including sapphire, emerald pearl, ruby and jade (Euromonitor,2016).

The report Jewelry in Thailand, 2016 also reveals that earrings and neck-ware are the most popular items in costume jewelry as young females enjoy mixing their jewelry with their daily outfits. It has become more popular among a wider group of consumers due to its affordable price. The design for costume jewelry is usually more modern, colorful and flamboyant while fine jewelry is smaller in term of size and the designs are more likely to be simple and classic. The differences can be seen below with figure 4.1 and 4.2 .



Figure 4.1 : Fine Jewelry : Neckwear, ring and earrings



Figure 4.2 : Costume Jewelry : Neckwear, ring and earrings

4.2 In-depth interview – Key Findings

The results from face to face and online interviews with users and non-users of fine jewelry are given below. These results illustrate the distinct attitudes and perceptions of young female consumers in Bangkok towards fine jewelry.

Demographic background of total respondents

Table 4.5 : Demographic of respondents

Users		Non-users	
Age	No.of Respondents	Age	No.of Respondent
25-29	5	25-29	6
30-35	3	30-35	3
36-40	4	36-40	3

Wearing fine jewelry has an effect on self-confident

The results gathered from the responses from the interviews match the findings from the secondary research and literature review. It showed that wearing fine jewelry has an effect on self-confidence. Most users mentioned that fine jewelry is “a must” for a lady. It can be an ornament which helps complete the “look”. They admitted that they feel more confident when they wear fine jewelry even if others are not able to identify that the jewelry they are wearing is made of real diamonds or gemstone. More importantly, when they have to attend a social event at least one piece of fine jewelry is selected to match with the outfits.

“I was once wearing crystal dangling earrings that looked like diamond jewelry to a wedding ceremony with my mother. I felt my mother’s friend checking if it’s real diamond or not. Somehow I just felt uncomfortable. Now, I have decided not wear any costume jewelry to such events where there will be wealthy people. I do not want them to perceive me as cheap”

-Thitirat I., user, age 28

“I’m turning forty this year, and as you know I’m a businesswoman which means that I have to socialize with wealthy people, for business and professionally otherwise. I need to be confident and perceived well. So I usually use branded bags and fine jewelry. I’d definitely feel uncomfortable if I have to use copy version of luxury goods. Somebody might be able to spot it, so I only use authentic ones.”

-Phatruethai C.,user,age 39

Most of the statements of non-users can be interpreted as “wearing fine jewelry or costume jewelry has no effect on their self-confident”. They are more concerned with the overall look rather than focusing on the piece of jewelry. Four respondents of the non-users group mentioned that they were more concerned on the clothes and jewelry as part of outfits. They are confident in their taste.

“Well, I don’t really care what people think if I wear costume jewelry instead of fine jewelry. To me, I think I dress up quite well. I always go with the trend which is rapidly changing, so I’m wearing whatever I feel comfortable with and of course, it has to represent my style. I’m happy with my look and that should be enough. Good taste doesn’t always have to be expensive.

-NaddaponP.,non-users,age 34

Fine jewelry is not just the personal accessories, it is also perceived as a profitable investment.

All the respondents in the fine jewelry users group agreed that the benefit of purchasing fine jewelry is not only to use as an accessory. Its value appreciates overtime. Some of the respondents mentioned in case of money shortage, they can resell it or take it to the pawnshop if needed. They see it as “beauty investment”.

“Why would you wear plastic or artificial gems as your personal accessories, diamonds are diamonds, gems are gems. It cannot be

replaced. Costume jewelry with nice design and good quality are not generally cheap, so I would rather pay a bit more and get the diamond and gold, not the plastic thing that has no tangible value regardless the design and its brand name.

- Sabaijai V.,user ,age 34

“I used to buy a lot of costume jewelry when I was younger as I used to dress up quite fancily back then. Now, I’m older and I have a professional career. I think fine jewelry is more suitable for my role. The classic design makes me look more mature. It crosses my mind that I should start collecting fine jewelry instead of buying costume jewelry which is not long lasting. It usually tarnishes after a while compared to fine jewelry. If I get bored with the design, I’ll just take it to the jeweler to make a new one from the old material. Or perhaps if I’m in need of money, I might take it to the pawn shop... who knows. These are the good things about fine jewelry that I like.

- Patcharin T.,user ,age 37

Nonetheless, it is interesting that two-thirds of the non-users respondents agreed regarding the value of materials as well. However, they acknowledged that currently they would prefer costume jewelry due to the variety of styles, and they are always in trend, unlike fine jewelry. To own many designs that would fit their needs, it would mean spending a lot of money.

Design is the most important criteria.

The results show that young female consumers are more interested in design. They feel that designs reflect their personalities, ideal self-expression. Although design plays a significant role in purchasing criteria, most respondents select more timeless and classic design especially when they first start buying fine jewelry. Then they move towards more fancy designs. The most popular designs among all respondents are the classic diamond band rings and single-diamond stud

earrings, 10 out of 12 respondents stated that they own these two all-time classic designs.

“A pair of diamond stud earrings is the first fine jewelry I bought for myself as a graduation gift. Then the diamond eternity band ring. These designs are so simple yet classic, and never go out of style. More importantly, they go well with any kind of outfit. These are my everyday accessories.”

- Chatchaya P.,user ,age 27

These two classic designs are considered as basic items by the users group. A respondent from non-users group revealed that she only bought one piece of fine jewelry which is an eternity diamond band ring and some non-users mentioned that if they were ever going to buy fine jewelry then their first piece would be a classic diamond band ring.

“The only piece of fine jewelry that I have bought is a tiny diamond band ring. I find it cute and I think it suits all looks. I saw an actress wear one on her index finger on a TV show and that triggered me. I think a diamond ring is nice on your hand when you wave and people notice it. But, earrings I still like the big ones, so I’ll stick with costume jewelry for now”

- Rosesanant P.,non-user, age 30



Figure 4.3 : Single-stud diamond earrings and eternity diamond band ring

White gold setting and diamonds are the most popular type of fine jewelry among group of young female in Bangkok.

The interviews revealed an interesting insight; majority of users prefer white gold with diamond as primary stones of the piece. The reasons that were mentioned the most are as follows:

- The shade of white gold and diamonds are a great combination. It also fits with any style and colors of outfits; a one-for-all.
- The shade of white gold is modern and stylish compare to yellow gold.

Besides those statements above, there are some opinion towards yellow gold setting in negative way in both user and non-users groups. Majority of both groups states that yellow gold jewelry is for elders.

“Yellow gold makes me think of old people, I don’t like the color. It reminds me of my grandma’s jewelry.

- Tipaporn T.,user, age 28

“Hmm.. I think yellow gold setting is absolutely a no for me. I personally think it’s popular among people who live in rural areas. Can you imagine someone wants to show off their status by wearing thick chunky gold jewelry??

- Tanya S.,non-use , age 36

Blue sapphire, red rubies, yellow sapphire and other colored gemstones were mentioned by majority of respondents (both users and non-users) as gemstones that are hard to match with clothes. They also mentioned that such gemstones are usually worn by elders.

Passing fine jewelry from older generation to younger generation could trigger the younger's preference.

Half of users mentioned that their mothers are collectors of fine jewelry. Their first piece of fine jewelry was gifted to them by their mothers. They also mentioned that their mothers encouraged them to wear fine jewelry instead of costume jewelry. According to them, it improves their personality and people perceive them as persons of high social-class. Also, the timeless value of materials comes into the play.

“My parents gave me fine jewelry on special occasions when I was younger. They encouraged me to wear diamond stud earrings instead of crystal earrings daily. She said that wearing real diamonds makes me look proper and more professional as I am a business owner; I agreed as I have to meet people all the time so the way I look is important. Since then, I've started my own collection.

- Patra S., user, age 31

Concern regarding fine jewelry of young female customers.

The interviews revealed that despite daily usage, some users are uncomfortable in wearing fine jewelry as they are quite expensive. They worry if the piece might get scratches from or get lost.

A surprising fact was revealed. Most of the users cannot identify the authenticity of diamonds and gems by themselves. They are highly concerned about getting fake products. Therefore, they buy only from trusted stores recommended by family or friends or from well-known brands which have physical stores.

Fine Jewelry Buying behavior of young female customers.

To summarize each of the points in the customer purchasing decision process from the study, The model consists of 5 stages in Customer buying decision process will be use to elaborate each points

1. Need recognition

Besides special occasions such as weddings or buying as a gift for others, the need of fine jewelry is not an urgent need. Therefore, customers are likely to recognize the want when they see the designs that they like through media (both offline and online) and physical stores. Some respondents mentioned that they would buy fine jewelry as a self-rewarding gift for a life achievement.

“It is all about making yourself happy. I think it’s normal for girls to buy luxury items as self-rewarding gifts. Personally, I’m not really into brand-named bags as I think they are over-priced because of the brand name. The bags also wear and tear overtime. However, the value of diamonds and gold is always appreciating with time. I feel less guilty when spending money on this kind of luxury”

- Srisombut T., user, age 40

2. Information search

All of the respondents look online for information as it easily to accessible. Moreover, social media is a good source of information without advertising tie-in.

3. Evaluation of alternatives

As mentioned in the previous topic of “Concerns regarding fine jewelry in young female customers”, most users have limited knowledge of fine jewelry material. They are barely able to identify the authenticity. Also, the price of fine jewelry is relatively high compare to other type of accessories. All user respondents start from asking family members (mostly mother) or friends to refer trusted store to buy.

4. Purchase decision

Customers choose to buy from well-known brands to reduce the risk of buying fake products. Some only buy from the shops that issue certificate of authenticity. The main criteria that were mentioned are:

- Design and Quality of product with reasonable price.
- Trust of the store; highly considered if recommended by friends or family members.
- Staff knowledge seems reliable.
- Sales promotion, e.g. installment payment schemes, seasonal sales and loyalty programs.

5. Post purchase behavior

This stage is also crucial for fine jewelry entrepreneurs. Fine jewelry is highly associated with trust and excellence in services. Most respondents mentioned that they usually purchase from the same store that they trust and the services provided are satisfactory. They are also willing to recommend to others. Word-of-mouth marketing has a significant impact in jewelry business. It highly contributes in sales.

“I always go to the same retailer recommended by my friend. I’ve been buying jewelry from there for a long time. I trust that they will not cheat or overcharge as I’m their loyal customer. Sometimes, I really like designs from other shops but, I do not want to buy from someone I’m not familiar with. So, I just search for the photo of that jewelry and ask my regular retailer to make one for me. ”

- Suteeorn S., user, age 34

Younger Non-users show positive attitude towards fine jewelry.

Almost all of the non-users between 25-29 years revealed that they would like to buy fine jewelry in future as they perceived it as a valuable personal ornament. However, the current generation considers fine jewelry as unnecessary due to the high price range. Three respondents stated that they are still into the fast fashion trend thus they cannot afford all pieces in fine jewelry. This is where costume jewelry comes into play. Couple of respondents mentioned one interesting statements as follow

“I love diamonds, of course, every girl does. I just think that because I’m still young people are not going to notice that I’m wearing real diamonds. So, I will go with costume jewelry for now and save that amount of money for something else. Later when I’m older, I will consider buying fine jewelry for sure.”

- Rachada S., non-user, age 25

“I like to dress up, so accessories are a must for me. I used to wear 5 rings every day! But, now with my career I have to keep a mature and professional look. I have decided to wear fewer accessories. I like diamonds; all the sparkling. But, for now I’d like to pamper myself with brand name bags. To be honest, once people see you with a Chanel bag, it is obvious. You’ll fit in easily and be attractive. When I’m older.. say turning forty or fifty.. I think that’s the time for diamonds because at that

stage of life most of my circle will probably be able to afford luxury brand items. That's when big diamond jewelry sets come into the play!"

- PongpimL., non-user, age 27



CHAPTER 5

CONCLUSIONS AND RECOMMENDATIONS

The purpose of this study is to understand the perception and attitude of young female customers (residing in Bangkok) towards fine jewelry and their buying behavior. Furthermore, the study provides insights for entrepreneurs. These can then aid in development of their marketing and product strategies.

Firstly, the perception and attitude towards fine jewelry of young female (in Bangkok) is highly associated with emotions of self-actualization. They want to be attractive to others. They want people to perceive them as the ideal self they want to be. Therefore, the selection of fine jewelry which are considered as personal ornaments is driven from this social need. The sense of belonging and to be accepted by a social group is the key.

Secondly, the characteristics of the sub-groups; the result shows that there are two types of fine jewelry users (among the young females in Bangkok). (1) The self-indulgent users, these people are driven by emotional satisfaction (benefit) obtained by owning luxury items. They want to express their social status to others to be perceived that they belong to a good social level through usage of fine jewelry and other luxury goods. (2) The Value –focused users, they are more concerned about the value of the items. They foresee fine jewelry as a profitable investment- the reasonable – smart luxury choice. They do not mind how others perceive them. They are happy with the fact that they actually spend money for the good's value. The non-users are also divided into two types. (1) The fashion-focused, these people consider the functional benefit of jewelry as personal accessories to complement their look. Therefore, the most important buying criteria are the design to reflect their style and sense of vogue regardless of the price of jewelry or the material. They also perceive fine jewelry as not being necessary to represent their sense of style. (2) The future users, they have a positive attitude towards fine jewelry. But currently they are not considered as necessary goods. They tend to consume the brand name of the product to fit in the social class and to represent their self-ideal.

Lastly, fine jewelry is a product in which a lot of involvement is required due to its high price and emotional benefit. An alignment with complication of natural materials is needed. Designs, trust and the kind of services provided are the main key criterion for the purchasing decision.

In conclusion, some recommendations for entrepreneurs are that they should highly focus on product design to match the preferences of the target groups and align with the marketing strategies. With regard to product strategies, the designs should reflect the brand and also the preferences of the target groups. Continuous innovation of product designs is required. In terms of internal process, the kind of services provided is crucial as jewelry business is mostly based on trust. It is important to maintain reputation of trust and transparency of product information, along with excellence in services. As word-of-mouth has a massive effect on the brand. It is the key method in acquiring customer in this industry. With this understanding, the entrepreneur or those who are in fine jewelry business could use as a guideline to build competitive advantage in the long run.

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APPENDIX A
TABLE OF SOCIO-ECONOMICS STATUS SCALE IN
BANGKOK 2014

Table of Socio-Economics Status Scale in Bangkok 2014						
Class	Family Income					
	BKK		UPC-Urban		UPC-Ruler	
E	0-7,500	3%	0-5,000	7%	0-3,200	9%
D	7,501-18,000	21%	5,001-10,000	23%	3,201-6,500	24%
C-	18,001-24,000	22%	10,001-15,000	23%	6,501-11,000	28%
C	24,001-35,000	25%	15,001-22,500	20%	11,001-20,000	22%
C+	35,001-50,000	17%	22,501-33,000	13%	20,001-24,000	6%
B	50,001-85,000	8%	33,001-55,000	9%	24,001-35,000	6%
A	85,001-160,000	3%	55,001-85,000	3%	35,001-58,000	3%
A+	>160,001	1%	>85,001	2%	>58,001	1%

Source of information: Thailand Marketing Research Society

APPENDIX B

DISCUSSION GUIDELINE FOR THE IN-DEPTH INTERVIEW

1. General Personal lifestyle

- A day in a life , Interests (to break the ice)
- Favorite activities when having free time, why?
- Media consumption, why?

2. Fine jewelry usage

- How many pieces of jewelry you own approximately?
- The buying frequency approximately?
- What occasion would u wear fine jewelry ? (prompt)
- What type of fine jewelry you often wear ? (ring / earrings/ pendant/ bracelet/ necklace)
- Would you prefer gold or silver as a main material, or it doesn't matter?

3. Purchasing decision process and buying behavior

- How do you search supporting-to-buy information before you make a purchase of fine jewelry?(internet, friends,magazine,advertising)
-why that source?
- Where do u often buy fine jewelry? (Why not from others?)
- Why do you choose those places? (recommended by friends/well known brand /internet reviews or others, prompt)
- What's your acceptable price range for a piece of fine jewelry?

- How well do you know about the material; be able to identify some types of gemstones, diamonds?
- what's the criteria that you use to make decision for a piece of fine jewelry?
(natural inclusion, color, cutting, clarity or else)

4. Perception and attitude towards fine jewelry

- What's your concern when purchasing fine jewelry?
What's your concern when using fine jewelry?
- What makes you decide to buy those piece of fine jewelry?(probe extensively for attitude motives)

5. Personal information

5.1 Age

5.2 Level of education

- High School and below
- Diploma
- Bachelor Degree
- Master Degree
- Doctorate or higher

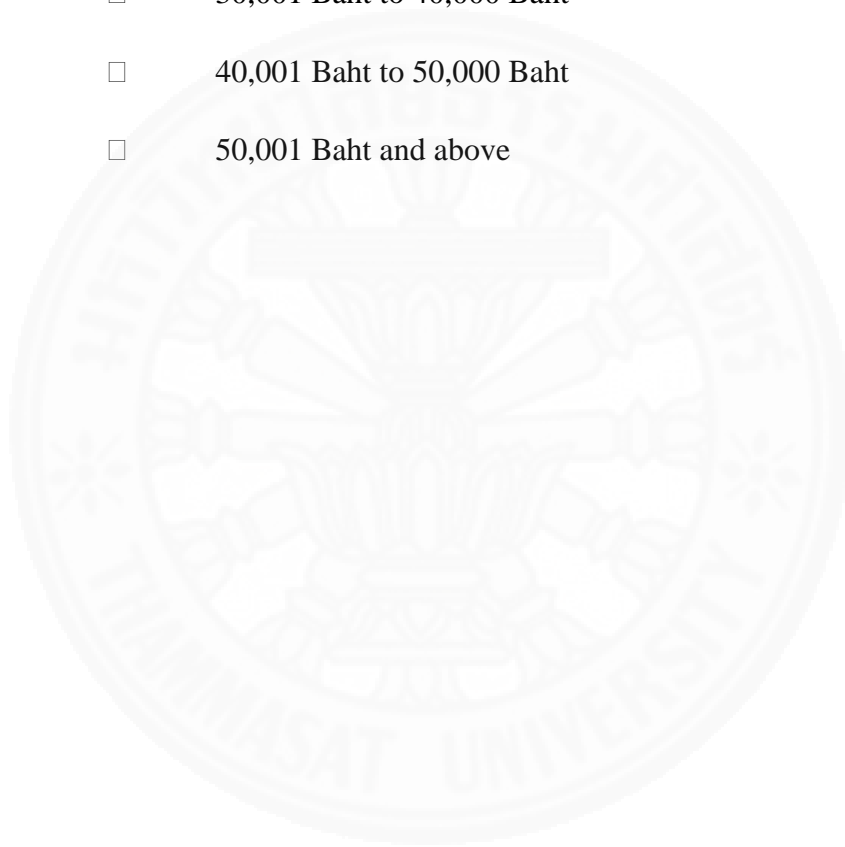
5.3 Status

- Single
- Married
- Divorce

5.4 Occupation and level of position

5.5 Personal Monthly Income range

- 10,000 Baht and below
- 10,001 Baht to 20,000 Baht
- 20,001 Baht to 30,000 Baht
- 30,001 Baht to 40,000 Baht
- 40,001 Baht to 50,000 Baht
- 50,001 Baht and above



APPENDIX C

SUMMARY OF RESPONDENTS PROFILE

Fine Jewelry users

No.	Name	Age	Occupation	Education Level
1	Thitirat I.	28	Business Owner	Master's Degree
2	Tunyarat C.	29	Therapeutic Sale rep.	Master's Degree
3	Patcharin T.	37	Business Owner	Master's Degree
4	Patra S.	31	Business Owner	Bachelor's Degree
5	Srisombut T.	40	Production Planning	Bachelor's Degree
6	Tipaporn T.	28	Interior Architecture	Bachelor's Degree
7	Suteeorn S.	34	Business Owner	Master's Degree
8	Chatchaya P.	27	Tour planner	Master's Degree
9	Patruethai C.	39	Business Owner	Bachelor's Degree
10	Aristsara K.	29	Financial Analyst	Bachelor's Degree
11	Sabajjai V.	36	Vice president	Master's Degree
12	Siriporn P.	33	Assist vice president	Master's Degree

Non fine Jewelry users

No.	Name	Age	Occupation	Education Level
1	Navaporn J.	28	Strategic planner	Master's Degree
2	Mayura P.	37	Business Owner	Bachelor's Degree
3	Rosesanant P.	30	Brand Manager	Master's Degree
4	Teeranate T.	30	Brand Manager	Master's Degree
5	Piyaporn S.	29	Business Owner	Master's Degree
6	Pongpim L.	27	Partnership Manager	Master's Degree
7	Tanya S.	36	Regional Marketing	Master's Degree
8	Kitsinee S.	38	Business Owner	Bachelor's Degree
9	Rachataporn I.	29	Public relation	Master's Degree
10	Naddapon P.	34	Business Owner	Master's Degree
11	Rachada S.	25	Student	Master's Degree
12	Phattra S.	28	Relationship manager	Master's Degree

BIOGRAPHY

Name	Miss Varissra Atavutipakorn
Date of Birth	October 25, 1989
Educational Attainment	2011-2008: Bachelor on Marketing, Faculty of Commerce and Accountancy, Thammasat University
Work Position	Assistant Managing Director Solid Jewelry Co., Ltd
Work Experiences	Assistant Managing Director Solid Jewelry Co., Ltd.

