

# **Determinants of Gold Purchase Behaviour Among Rural Investors**

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**Abstract:** *Gold has traditionally remained one of the most preferred investment avenues among rural households in India due to its cultural significance, liquidity, and perceived financial security. This study examines the determinants influencing gold purchase behaviour among rural investors, focusing on economic, socio-cultural, psychological, and financial awareness factors. The research further analyses how trust in gold as a safe asset, accessibility to alternative investment avenues, and financial literacy impact the frequency and volume of gold purchases. A descriptive and analytical research design was adopted, and primary data were collected from 180 rural respondents using a structured questionnaire. Statistical tools such as percentage analysis, descriptive statistics, correlation, multiple regression analysis, and chi-square tests were employed to analyse the data. The findings reveal that socio-cultural factors and trust in gold significantly influence purchase decisions. Gold continues to be perceived as a safe haven asset, particularly in the context of income uncertainty and inflation. Psychological aspects such as risk aversion and security perception further strengthen gold preference among rural households. However, increased financial awareness and improved access to alternative investment options demonstrate a negative relationship with gold purchase frequency, indicating gradual diversification among informed investors. The study concludes that although financial inclusion initiatives are expanding, cultural attachment and strong trust in gold continue to dominate rural investment behaviour. The research provides insights for policymakers and financial institutions to design targeted financial literacy programs and diversified investment products suitable for rural populations. Understanding these determinants is essential for promoting balanced investment practices and sustainable financial development in rural economies*

**Keywords:** Gold Investment, Rural Investors, Purchase Behaviour, Financial Awareness, Socio-Cultural Determinants

