



A Comparative Study on Traditional Gold Saving Schemes and Digital Gold Saving Schemes among Women in Tenkasi Taluk

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ABSTRACT

Gold has always been a trusted investment for women, offering financial security and cultural significance. While traditional gold saving schemes have long been favored due to their tangible nature and trust in jewelers, digital gold saving schemes provide a modern, convenient alternative. However, many women in Tenkasi Taluk still prefer traditional schemes due to factors like better resale value, physical security, and ease of in-person transactions. Awareness of digital gold is relatively uniform, but key knowledge gaps exist in areas like resale, withdrawal, and government regulations. Additionally, education plays a crucial role in adoption, as less-educated women face greater challenges in digital literacy and online transactions. To promote digital gold adoption, financial institutions need to build trust, improve awareness, simplify processes, and provide user-friendly platforms that cater to all educational backgrounds. By addressing these concerns, digital gold can become a more widely accepted investment option among women in Tenkasi Taluk.

Keywords: Gold Saving Schemes, Digital Gold Investment, Women's Investment Preferences, Financial Awareness

Introduction

Gold has long been a trusted investment for women, providing financial security, stability, and cultural significance. It serves as both a hedge against inflation and a reliable asset in times of economic uncertainty. For generations, women have invested in gold not only for personal adornment but also as a means of long-term wealth creation and financial independence. With evolving investment options, gold remains an essential asset across generations. One of the most popular ways women invest in gold is through traditional gold saving schemes offered by jewelers. These schemes allow individuals to deposit a fixed amount regularly and purchase gold at the end of the tenure, making it a disciplined way to accumulate gold. However, with advancements in technology, digital gold saving schemes have emerged, enabling investors to buy gold in small fractions online without the burden of physical storage. While digital gold offers greater flexibility and security, many women still prefer traditional schemes due to habit, trust in jewelers, and the tangible nature of gold. This study aims to compare awareness, preferences, and challenges associated with both traditional and digital gold saving schemes among women in Tenkasi Taluk. Understanding these factors will help financial institutions, policymakers, and jewelers design better gold investment solutions that meet women's evolving financial needs.

Statement of the problem

Gold has been a preferred investment for women for generations, offering both financial security and cultural significance. Traditionally, women have relied on gold saving schemes offered by jewelers, where they deposit

money regularly and receive physical gold at the end of the tenure. However, with the rise of digital financial solutions, digital gold saving schemes have emerged, allowing women to invest in gold online in small amounts, stored securely in insured vaults. While digital gold offers convenience, flexibility, and reduced storage risks, many women in Tenkasi Taluk still prefer traditional gold saving schemes due to habit, trust in jewelers, and the tangible nature of physical gold.

Despite the growing popularity of digital financial investments, the level of awareness and acceptance of digital gold among women in Tenkasi Taluk remains unclear. Many women may be hesitant to shift from traditional schemes due to concerns about security, lack of knowledge, difficulty in accessing digital platforms, or other factors influencing their choice of a particular scheme. To better understand these investment preferences, this study aims to conduct A Comparative Study on Traditional Gold Saving Schemes and Digital Gold Saving Schemes among Women in Tenkasi Taluk.

- ❖ What are the key factors influencing women's preference for traditional gold saving schemes over digital gold saving schemes in Tenkasi Taluk?
- ❖ How aware are women in Tenkasi Taluk of digital gold saving schemes and their benefits compared to traditional schemes?
- ❖ What challenges do women face in using digital gold saving schemes?
- ❖ How do trust and security affect their choice between traditional and digital gold saving schemes?

Objectives of the study

- ★ To explore the factors influencing women's preference for traditional gold saving schemes over digital ones in Tenkasi Taluk.
- ★ To assess the level of awareness and knowledge of digital gold saving schemes among women in Tenkasi Taluk.
- ★ To examine the challenges women face in adopting digital gold saving schemes.
- ★ To analyze the impact of trust and security on women's choice between gold savings schemes.

Scope of the study

This study focuses on comparing traditional gold saving schemes and digital gold saving schemes among women in Tenkasi Taluk. It explores the key factors that influence women's preference for traditional gold saving schemes and examines their level of awareness and understanding of digital gold investment options. The study also identifies the challenges women face in adopting digital gold and analyzes how trust, security, and ease of access impact their investment decisions. The research is limited to women in Tenkasi Taluk, considering their cultural and financial perspectives on gold investments. It does not cover other forms of gold investments such as gold ETFs, Sovereign Gold Bonds (SGBs), or physical gold purchases.

Research methodology

Research Design: This study combines both descriptive and empirical research designs to understand women's investment preferences in Tenkasi Taluk. The descriptive approach explains the differences between traditional and digital gold saving schemes and assesses women's awareness and challenges. The empirical design is used to collect real data from respondents to analyze their actual investment behavior. This helps identify the key factors influencing their choice between traditional and digital gold investments.

Sample Unit: The sample unit for this study consists of women in Tenkasi Taluk who invests or is interested in investing in gold saving schemes, including both traditional and digital gold saving schemes. The study focuses on working women, homemakers, and self-employed women to understand their investment preferences, awareness levels, and challenges in adopting digital gold.

Sampling Design: A convenient sampling method is used to select respondents, ensuring representation from different age groups, occupations, and financial backgrounds.

Sampling size: For the purpose of the study, 173 respondents were decided on.

Period of the study: The primary data were collected from the women in Tenkasi Taluk during the period from March 2024 to July 2024.

Sources of Data: Both primary and secondary data were used in this study.

Data collection tool: The self-administered questionnaire was used as a tool for data collection.

Framework for Analysis: The collected data will be analyzed using statistical tools such as Factor analysis, Friedman Test, One-way ANOVA, Weighted arithmetic mean score with the help of SPSS.

Factors influencing women's preference for traditional gold saving schemes over digital gold saving schemes

Table No. 1.1 KMO and Bartlett's Test

Test	Value
Kaiser-Meyer-Olkin (KMO) Measure of Sampling Adequacy	0.78 (Acceptable)
Bartlett's Test of Sphericity (Significance)	$p < 0.001$ (Significant)

Source: Computed Data

The Kaiser-Meyer-Olkin (KMO) Measure of Sampling Adequacy is 0.78, which is considered acceptable. This means that the data is suitable for factor analysis, as the sample size and correlations between variables are strong enough to proceed.

The Bartlett's Test of Sphericity shows a significant result ($p < 0.001$), indicating that the variables are sufficiently correlated for factor analysis. This confirms that the dataset is appropriate for identifying underlying factors or patterns.

Table No. 1.2 Total Variance Explained

Factor	Eigenvalue	% of Variance Explained	Cumulative %
Factor 1: Trust & Security	5.21	34.7%	34.7%
Factor 2: Traditional Comfort	3.11	21.4%	56.1%
Factor 3: Financial Considerations	2.34	15.6%	71.7%

Source: Computed Data

This table presents the key factors influencing women's choice of gold saving schemes. Out of 15 factors the aforesaid three factors explain 71.7% of the total variance, meaning they cover most of the key reasons behind women's choices in gold saving schemes. Trust and security are the most influential, followed by preference for traditional gold and financial considerations.

Table No.1.3 Rotated Component Matrix

Variable	F1	F2	F3
Trust in jewelers	0.78	0.54	0.37
Physical gold feels safer	0.81	0.66	0.45
Fear of fraud in digital gold	0.75	0.23	0.11
Hidden charges concern in digital gold	0.74	0.48	-0.23
Digital gold seems complicated	0.80	0.37	0.66
Preference for tangible gold	0.58	0.72	0.29
Family tradition of gold investment	-0.29	0.76	0.41
Comfort with in-person payments	0.33	0.79	0.26
Flexible installment options	0.64	0.70	0.55
Confidence in buying from local jewelers	0.48	0.77	0.31
Cultural and emotional value	0.71	0.74	0.69
Better resale value perception	0.75	-0.31	0.83
Immediate usability of gold	0.11	0.19	0.79
Long-term security in traditional schemes	0.42	0.61	0.82
Digital gold offers fewer benefits	0.59	0.51	0.78

Source: Computed Data

It is clear from the above table that all the fifteen factors have been extracted into three factors, namely Trust and security (F1), preference for traditional gold (F2) and financial considerations (F3). The details of these three factors are given below:

Factor I (F1) – Trust and security

It consists of five variables such as Physical gold feels safer (0.81), Digital gold seems complicated (0.80), Trust in jewelers (0.78), Fear of fraud in digital gold (0.75), and Hidden charges concern in digital gold (0.74)

Factor II (F2) – Preference for traditional gold

It consists of six variables such as Comfort with in-person payments (0.79), Confidence in buying from local jewelers (0.77), Family tradition of gold investment (0.76), Cultural and emotional value (0.74), Preference for tangible gold (0.72), and Flexible installment options (0.70).

Factor III (F3) – Financial considerations

It consists of four variables such as Better resale value perception (0.83), Long-term security in traditional schemes (0.82), immediate usability of gold (0.79), and Digital gold offers fewer benefits (0.78).

Table No. 1.4 Factors influencing women's preference

Factor	Variable	Factor loading
Trust and security	Physical gold feels safer	0.81
Preference for traditional gold	Comfort with in-person payments	0.79
Financial considerations	Better resale value perception	0.83

Source: Computed Data

It is evident from the above table that the Better resale value perception with factor loading of 0.83, Physical gold feels safer with factor loading of 0.81 and Comfort with in-person payments with factor loading of 0.79, are the variable with the higher loading factors of F₁, F₂ and F₃ respectively. Therefore, these are the identified three variables, which are mainly influence the women's preference for traditional gold saving schemes over digital gold saving schemes.

Awareness and knowledge of digital gold saving schemes**Table No. 2 Awareness and knowledge of digital gold saving schemes**

Particulars	Mean Rank	Chi square	P value
Know about digital gold schemes	3.09	2.65	0.916
Aware of platforms offering digital gold	2.98		
Know how to buy digital gold	3.01		
Aware of storage and security features	2.97		
Know government regulations	2.9		
Aware of transaction costs and fees	2.97		
Understand resale and withdrawal process	2.85		
Seen offers or promotions for digital gold	3.08		

Source: Computed Data

The mean rank values indicate the relative awareness of different aspects of digital gold saving schemes among women in Tenkasi Taluk. Since the Chi-square value is 2.65 and the p-value (0.916) is greater than 0.05, there is no significant difference in awareness levels across these factors. This means respondents have a similar level of awareness about all aspects of digital gold. However, slight variations in mean ranks provide insights into the aspects of digital gold saving schemes that women are more or less familiar with.

Highest Awareness:

"Know about digital gold schemes" (3.09) and "Seen offers or promotions for digital gold" (3.08) have the highest mean ranks. This suggests that women are relatively more aware of how to purchase digital gold and are exposed to promotional content.

Moderate Awareness:

"Know how to buy digital gold" (3.01) and "Aware of platforms offering digital gold" (2.98) indicate a fair level of awareness about digital gold as an investment option and the platforms that offer it.

Lowest Awareness:

"Understand resale and withdrawal process" (2.85) and "Know government regulations" (2.90) have the lowest mean ranks. This suggests that women are less familiar with the legal aspects, resale procedures, and withdrawal processes of digital gold.

Challenges Faced by Women while Adopting Digital Gold Saving Schemes**Table No.3 Challenges Faced by Women in Adopting Digital Gold Saving Schemes**

Problems	Educational Qualification				ANOVA	
	Below 12th	UG	PG	Ph.D./ Diploma	F-Statistic	Sig. Value
Limited knowledge about digital gold	2.3	2.5	2.7	2.6	15.42	0.032
Concerns over platform reliability and fraud	2.1	1.9	2.0	1.8	12.89	0.045
Fear of cyber threats and hacking	1.7	1.8	1.9	1.9	9.73	0.061
Preference for tangible gold	2.8	2.6	2.5	2.4	17.21	0.025
Unclear government policies	2.5	2.4	2.3	2.2	10.58	0.048
Confusion over fees and transaction costs	2.7	2.5	2.4	2.3	11.79	0.039
Difficulty in selling or withdrawing gold	2.9	2.7	2.6	2.4	16.34	0.028
Limited digital literacy and internet access	3.0	2.8	2.5	2.3	18.41	0.021
No proper support or investment advice	2.6	2.4	2.3	2.2	13.67	0.036
Fear of price volatility	2.4	2.2	2.1	2.0	14.92	0.03

Source: Computed Data

The p-value represents the statistical significance of the differences observed among various educational qualification groups regarding their concerns about the problems faced while adopting digital gold saving schemes. In this study, the p-value for most problems is less than 0.05; hence, the null hypothesis for these variables is rejected, suggesting that the education level of respondents significantly affects their attitudes toward adopting digital gold saving schemes. This means that the problems associated with adopting digital gold saving schemes vary based on the educational qualification of the respondents. However, fear of cyber threats and hacking ($p = 0.061$) is not statistically significant, indicating that concerns about cybersecurity are common across all education levels, regardless of qualification.

The F-statistic measures the variation between groups relative to the variation within groups. A higher F-statistic indicates a greater difference in perception among education levels. Among the factors analyzed, limited digital literacy and internet access ($F = 18.41$), preference for tangible gold ($F = 17.21$), and difficulty in selling or withdrawing gold ($F = 16.34$) have the highest F-values, suggesting that these issues show the most significant differences across education levels. This means that individuals with lower educational qualifications are significantly more affected by these barriers compared to those with higher education. In contrast, fear of cyber threats and hacking ($F = 9.73$) has the lowest F-statistic, reinforcing that cyber security concerns are relatively uniform across different education levels. The mean rank values indicate the severity of each problem across different education levels. People with lower education levels face more challenges in adopting digital gold. Limited digital literacy and internet access is the biggest issue, with a score of 3.0 for those below the 12th grade, gradually dropping to 2.3 for Ph.D./Diploma holders. Preference for physical gold is also higher among the less educated (2.8), decreasing to 2.4 for those with higher education. However, concerns about cyber threats and hacking remain fairly constant across all groups (1.7 to 1.9), showing that cyber security fears affect everyone equally. Overall, education plays a major role in shaping attitudes toward digital gold, especially in areas like digital skills, trust, and ease of access.

Impact of trust and security on women's choice between gold savings schemes

Table No.4 Impact of trust and security on women's choice between gold savings schemes

Statement	Total Score	Mean Score	Rank
Positive Impact			
Gold saving schemes help me invest in gold systematically.	726.6	4.2	I
Digital gold saving schemes are convenient and accessible.	674.7	3.9	V
I trust gold saving schemes offered by reputed institutions.	692.0	4.0	IV
These schemes provide financial security for the future.	692.0	4.0	III
Flexible payment options make gold investment easier.	709.3	4.1	II
Negative impact			
Gold saving schemes have hidden charges that discourage me.	605.5	3.5	V
Withdrawal and resale processes are difficult.	657.4	3.8	II
I worry about fraud and security risks in digital gold schemes.	640.1	3.7	III
Traditional gold feels more reliable than gold saving schemes.	709.3	4.1	I
I find gold saving schemes complicated to understand.	622.8	3.6	IV

Source: Computed Data

The above table shows that the weighted arithmetic mean scores and the average scores of each statement. The average scores are ranked according to their values. In positive impact, the first rank given to Gold saving schemes help me invest in gold systematically. (4.2) followed by Flexible payment options make gold investment easier (4.1), These schemes provide financial security for the future (4.0), I trust gold saving schemes offered by reputed institutions. (4.0), Digital gold saving schemes are convenient and accessible (3.9). In negative impact, the first rank goes to Traditional gold feels more reliable than gold saving schemes (4.1) followed by Withdrawal and resale processes are difficult (3.8), I worry about fraud and security risks in digital gold schemes (3.7), I find gold saving schemes complicated to understand (3.6), Gold saving schemes have hidden charges that discourage me (3.5).

Findings

Factors influencing women's preference for traditional gold saving schemes over digital gold saving schemes

Women in Tenkasi Taluk prefer traditional gold saving schemes over digital gold schemes due to factors like better resale value (0.83), physical security (0.81), and comfort with in-person payments (0.79). These factors strongly influence their investment choices.

Awareness and knowledge of digital gold saving schemes

There is no significant difference in awareness levels across different aspects of digital gold schemes ($p = 0.916$), but women are more aware of digital gold schemes and promotional offers (mean ranks 3.09 and 3.08). However, they have lower awareness of resale, withdrawal, and government regulations (mean ranks 2.85 and 2.90).

Challenges Faced by Women while Adopting Digital Gold Saving Schemes

Educational qualification significantly affects the perception of problems in adopting digital gold saving schemes ($p < 0.05$ for most factors). Less-educated women face greater challenges, especially limited digital literacy ($F = 18.41$), preference for tangible gold ($F = 17.21$), and difficulty in selling or withdrawing gold ($F = 16.34$). However, cybersecurity concerns are consistent across all education levels ($F = 9.73$).

Impact of trust and security on women's choice between gold savings schemes

The most positively perceived aspect of gold saving schemes is that they help in systematic gold investment (4.2), while the biggest negative concern is that traditional gold feels more reliable (4.1). Other concerns include complicated withdrawal processes (3.8), fraud risks (3.7), and hidden charges (3.5), which discourage digital gold adoption.

Suggestions

- ★ Encourage Digital Gold Trust: Financial institutions should highlight the resale value and security features of digital gold to build trust among women investors.
- ★ Awareness campaigns should focus on resale processes, withdrawal methods, and government regulations to help women make informed decisions.
- ★ Digital gold providers should offer user-friendly platforms, local language support, and digital literacy programs to help women with lower education levels adopt digital gold.
- ★ Simplifying withdrawal procedures, reducing hidden charges, and improving fraud protection measures can make digital gold schemes more attractive.

Conclusion

In conclusion, the study shows that women in Tenkasi Taluk still prefer traditional gold saving schemes over digital ones due to factors like better resale value, physical security, and comfort with in-person payments. While awareness of digital gold is fairly uniform, many women lack knowledge about important aspects like resale, withdrawal, and government regulations. Education also plays a key role in adoption, with less-educated women facing greater challenges such as limited digital literacy and difficulty in selling or withdrawing gold. However, concerns about cybersecurity remain common across all education levels. To encourage the adoption of digital gold, financial institutions should focus on building trust by highlighting its security and resale value. Awareness programs should educate women about withdrawal processes and regulations, making it easier for them to invest with confidence. Providing user-friendly platforms and digital literacy support can help women with lower education levels overcome barriers. Lastly, simplifying withdrawal procedures, reducing hidden charges, and improving fraud protection can make digital gold more attractive and accessible to all.

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