

## FACTORS THAT INFLUENCE THE PURCHASE OF COUNTERFEIT PRODUCTS BY STUDENTS: A CASE OF SOUTH AFRICA

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### Abstract

The current research attempts to investigate the use of the two potential predictors of customer purchase intention of counterfeit products (perceived behavioural control and price-quality inference of counterfeit products) as a means of establishing whether they have influence over customer attitudes towards economic benefits of purchasing counterfeit products which ultimately lead to purchase intention of counterfeit products. Field study is conducted in Braamfontein, Johannesburg and research data are collected from 380 respondents 25 years and older. Using SPSS 22 and AMOS 22 software program, Structural Equation Modeling (SEM) is performed to analyse the data set. The results reveal that price-quality inference of counterfeit products is seen to possess the strongest influence on customers' attitudes towards the purchase intention of counterfeit products as compared to the other variables.

Keywords: Counterfeits, Price-quality, Purchase intention, students, consumer

### INTRODUCTION

The issue of counterfeiting is an important threat for manufacturers of original brands (Turkyilmaz & Uslu, 2014). The counterfeiting of branded products is an emerging problem worldwide for genuine producers and policy makers (Bian & Veloutsou, 2007; Phau, Sequeira & Dix, 2009; Rasheed *et al.*, 2014). Counterfeits refer to goods that possess trademarks/features that are identical or only slightly vary from those of other companies' registered trademarks/features, thus infringing the registered trademarks owners' rights (Eisend & Schuchert-Guler, 2006; Stravinskiene, Dovaliene & Ambrazeviciute, 2014). Several studies have been conducted on the purchase intention counterfeits (Turkyilmaz & Uslu, 2014; Rasheed Farhan, Zahid, Javed & Rizwan, 2014; Tang, Tian & Zaichkowsky, 2014).

Purchase intention is defined as the consumers' will for purchase (Inkon, 2013). Prior research has revealed that purchase intention of counterfeits is not influenced by low prices and that attitudes towards counterfeits directly influence purchase intention of counterfeits (Yoo & Lee, 2009; Rasheed *et al.*, 2014). The intention to purchase can be viewed as a link between the buying behaviour and attitudes in understanding the buying behaviour of consumers, therefore has been considered to have a deep connection to buying behaviour (Inkon, 2013). Perceived behavioral control, the perceived ease or difficulty of performing the behaviour when combined with attitude toward the behaviour, subjective norm, and perception of behavioral control lead to the formation of a behavioural intention (Ajzen, 2002). It is useful to consider perceived behavioural control in addition to behavioural intention because perceived behavioural control is likely to affect purchase intentions

(Ajzen, 1991; 2002). Perceived behavioural control predicts an individual's intent to purchase counterfeit products (Kim & Karpova, 2010). According to Ang, Cheng, Lim & Tambya, (2001) attitudes towards piracy influences the purchase intention of counterfeit goods. Positive attitudes toward buying counterfeits are expected to affect purchase intention of counterfeits positively (Yoo & Lee, 2009). The more favourable consumer attitudes are towards counterfeits of luxury brands, the higher the likelihood that they will purchase counterfeit brands (Phau, Teah, & Lee 2009). The remainder of the paper will provide literature, research methodology, data analysis, discussion of results, implications, limitations and future research and the references.

## **LITERATURE REVIEW**

The review of literature plays a crucial role in the current research. In this section efforts are directed to explore or assess the findings of the studies conducted by various scholars in the same field. Previous authors such as De Matos, Ituassu & Rossi (2007); Eisensd & Guler (2006); Phau & Teah (2001); Bian & Mountinho (2009); Kwong, Yau, Lee, & Tse (2003); Chuchinprakarn (2003) and Cheng, Fu & Cam (2011) have covered facets such as age, gender, perception, perceived risk, quality and individual influence as far as research on counterfeit purchasing is concerned. The above mentioned authors found that facets such as gender, age, perceptions and individual influence directly impacts the decision to purchase counterfeits. Kwong, *et.al* (2003) conducted a study to assess the ethical perceptions on purchasing counterfeit products and found that gender and age were significantly related to the intention to buy pirated CDs. Phau & Teah (2001) conducted a study on the attitudes towards counterfeit products and discovered that attitude is an instant indicator of an individual's intent to carry out a specific task. Finally Kumar & Rojhe (2015) carried out research to find out customers' behaviour towards counterfeit products in Himachal Pradesh, India and they observed that gender, age, education, income and profession have positive influence towards the purchase of counterfeit products.

### **Theoretical Grounding**

#### ***Theory of Reasoned Action***

Derived from the social psychology field, the theory of reasoned action (TRA) was proposed by Ajzen & Fishbein (1975 & 1980). Theory of reasoned action (TRA) is a well-developed and validated intention model that has been established successfully in predicting and elucidating behaviour (Liao, Lin & Liu, 2009). The theory of reasoned Action is the most successful and well validated psychological model for decision making for voluntary actions that is based on behavioural analysis (Houran, Lange & Lange, 2013). Phau, Sequeira & Dix (2009) stated that the theory of reasoned action (TRA) in terms of counterfeit products purchasing would mean that the individual's decision to purchase counterfeit products is determined by that individual's intention to perform the act directly. The TRA posits that the most immediate precursor of behaviour is an individual's intention to behave, which in turn

is determined by attitude toward target behaviour and subjective norms (Aleassa, Pearson & McClurg, 2010). Kim, Jeong & Hwang (2012) stated that the theory of reasoned action, the theory of planned behaviour and the integrative model of behavioural prediction predict that behaviour is determined by behavioural intentions, which in turn are influenced by several psychological factors. The theory of reasoned action specifies what consumers perceive and how perceptions guide what consumers do and this is reminiscent of earlier studies on the drive toward conformity (Guo & Feng, 2012).

### ***Theory of Planned Behaviour***

The theory of planned behaviour (TPB) is a theory intended to predict and explain human behaviour in precise settings Ajzen (1991). The theory of planned behaviour rose about due to the fact that the theory of reasoned action had limitations in its model when dealing with behaviours over which people have incomplete voluntary control (Ajzen, 1991). Henle, Reeve & Pitts (2009) pointed out that when individuals have a stronger motivation or intention to engage in a particular behaviour, the TPB proposes that individuals are more likely to follow through with that behaviour. The TPB is a model about how human behaviour is guided (Ajzen 1988 & 1991). The theory of planned behaviour is an extensively applied expectancy-value model of attitude-behaviour relationships which has fairly succeeded in predicting a variety of behaviours (Ajzen, 1991; Conner & Sparks, 1996; Godin & Kok, 1996; Conner & Armitage, 1998). The theory of planned behaviour has emerged as one of the most influential and prominent conceptual frameworks for the study of human action (Ajzen, 2002). Armitage & Conner (2001) pointed out that the theory of planned behaviour (TPB) is essentially an extension of the theory of reasoned action (TRA) that includes measures of control belief and perceived behavioural control. It predicts the occurrence of a specific action provided that the action is intentional (Francis, Eccles, Johnston, Walker, Grimshaw, Foy, Kaner, Smith, Bonetti, 2004). Francis *et al* (2004) pointed out that in order to predict whether an individual intends to do something, there is need to know: whether that individual is in favour of performing that particular act, how much the individual feels social pressure to do it and whether the individual feels in control of the action in question.

### ***Proposed Conceptual Model and Research Hypotheses***

The proposed conceptual model below in figure 1 consists of two predictor variables and these are perceived behavioural control (PBC) and price –quality inference of counterfeit products (PQ). Also in the proposed conceptual model is the mediator variable: attitudes towards economic benefits of purchasing counterfeit products (ATT) and the outcome variable which is the purchase intention of counterfeit product (PI).

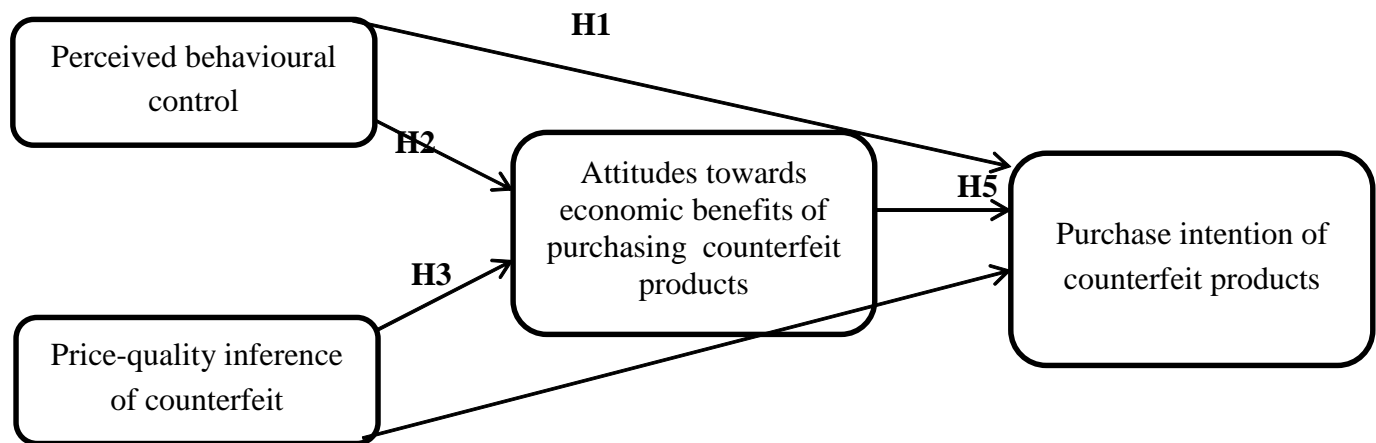


Figure 3: The proposed conceptual model, research hypotheses and related statistics

### *Hypotheses Development*

Based on the conceptual model above the hypotheses are stated in following section.

#### **Perceived behavioural control and purchase intention of counterfeit products**

According to (Ajzen, 1991) perceived behavioural control refers to people's perception of the ease or difficulty of performing an act. It is useful to consider perceived behavioral control in relation to intention since it affects purchase intentions (Ajzen, 2002). Penz & Stöttinger (2005) suggested that the higher the perceived behavioural control the stronger the intention to purchase counterfeits. Conner & Armitage (1998) stated that the connection between perceived behavioural control and behaviour is complex, suggesting that one is more likely to engage in (attractive/desirable) behaviours that he or she has control over and is prevented from carrying out behaviours that he or she does not have control over. Conner & Armitage (1998) further stated that the more the perceived behavioural control increases, the more the behaviour is likely to be performed given that intention is held constant. Perceived behavioral control (information, time and the ability to solve problems) positively affect intention to purchase counterfeits (Penz & Stöttinger, 2005; Cheng, Fu & Tu, 2011). Therefore, deducing from the literature and the empirical evidence abovementioned, the current study hypothesizes that H1: Perceived behavioural control has a positive relationship with purchase intention of counterfeit products

#### **Perceived behavioural control and attitudes towards economic benefits of purchasing counterfeit products**

According to Cheng, Fu & Tu (2011) attitudes towards purchasing counterfeits and perceived behavioural control both have a positive influence on the intention to purchase counterfeits and ultimately lead to behaviour. The combination of attitude toward behaviour, subjective norm and perception of behavioural control lead to the formation of behavioural intention (Ajzen, 2002). According to Yoo & Lee's (2009) conceptual framework, attitudes toward buying counterfeits by economic benefits positively influence purchase intention of

counterfeits. Therefore, inferring from the literature and the empirical evidence abovementioned, the study hypothesizes that H2: Perceived behavioural control has a positive relationship with attitudes towards economic benefits of purchasing counterfeit products.

### **Price – quality inference of counterfeit products and attitudes towards economic benefits of purchasing counterfeit products**

Price -quality inference is the universal assumption across product categories that the level of the price cue is related positively to the quality level of the product (Zhou, Su & Bao, 2002). It is believed that consumers may assume a positive relationship between price and product quality and rely on this price -quality relationship or price-quality schema as a shortcut to making purchase decisions (Lichtenstein et al., 1993; Zhou, Su & Bao, 2002). The price-quality schema performs a critical role in consumer decision making thus it affects the judgments of perceived quality, influences perceived value and purchase intentions, and determines information search and other aspects of consumer decision-making processes (Zhou, Su & Bao, 2002). Based upon past studies on counterfeits it has been established that consumers are more inclined towards choosing a counterfeit product over a genuine one if there is a price advantage (Phau, Teah & Lee 2009). Therefore, deducing from the literature and the empirical evidence from the study, the study hypothesizes that H3: Price – quality inference of counterfeit products has a positive relationship with attitudes towards economic benefits of purchasing counterfeit products.

### **Price – quality inference of counterfeit products and purchase intention of counterfeit products**

According to Phau, Teah & Lee (2009) based on previous studies on counterfeit purchasing; consumers are more likely to purchase a counterfeit product over a genuine product if a price advantage exists. Grossman & Shapiro (1988) suggested that two types of counterfeit buyers exist as far as price and quality inference is concerned. The first group perceives counterfeit products as being comparable to genuine products in all aspects and yet is superior in price offered then consumers will choose counterfeits, as they provide the gain of the status and quality attributes of brand-name products (Grossman & Shapiro, 1988). The second group perceive counterfeit products to be inferior to genuine products, their superior prices more than compensate for the lack in quality and performance (Grossman & Shapiro, 1988). Therefore, inferring from the literature and the empirical evidence, the study hypothesizes that H4: Price – quality inference of counterfeit products has a positive relationship with purchase intention of counterfeit products.

### **Attitudes towards economic benefits of purchasing counterfeit products and purchase intention of counterfeit products**

According to Yoo & Lee (2009) attitudes are defined as the extent to which one has a favourable judgement of the behaviour in question and is an immediate indicator by which

his or her intention of conducting the specific behaviour can be predicted. According to the assumptions of the theory of planned behaviour, attitudes toward an act positively affect behaviour (Ajzen 1991; Ajzen & Fishbein 1980; Yoo & Lee, 2009). Building on the theory of planned behaviour Phau, Teah, Lee & (2009) suggested that attitudes determine purchase intention and purchase behaviour influences purchase intention. Yoo & Lee (2009) illustrated in their conceptual framework that attitudes towards economic benefits of purchasing counterfeit products have an influence on purchase intention of counterfeit products. Cordell, Wongtada & Kieschnick (1996) stated that consumer involvement in counterfeit transactions facilitates illegal activity, thus an attitude-intention-behaviour linkage between the consumer's appreciation for lawfulness and willingness to buy counterfeits could explain consumer participation in the activity. Phau, Teah & Lee (2009) pointed that accessibility of counterfeit products is necessary for purchase behaviour to occur because the absence of access to counterfeit products would make their purchase difficult to perform. Therefore, inferring from the literature and the empirical evidence abovementioned, the current study hypothesizes that H5: Attitudes towards economic benefits of purchasing counterfeit products have a positive relationship with purchase intention of counterfeit products.

## **RESEARCH METHODOLOGY**

### ***Measurement Instrument***

The research constructs were developed based on prior studies of the same research area. Adequate adaptations were made to the research constructs so as to accommodate the current study's context and purpose. A seven-item Likert scale anchored by 1= disagree completely to 7 =agree completely, 1= very difficult to 7 = very easy, 1= very unlikely to 7 = very likely and 1 = not control at all to 7 = complete control adapted from Kraft, Rise, Sutton & Røysamb (2005) was used to measure the first predictor variable which was perceived behavioural control. The other predictor variable was price-quality inference of counterfeit products anchored by 1= strongly disagree to 7 = strongly agree was also measured by a seven-item Likert scale that was adapted from De Matos, Ituassu & Rossi (2007). The mediator variable: attitudes towards economic benefits of purchasing counterfeit products was measured on a seven item Likert scale that had 1 = strongly disagree to 7 = strongly agree was adopted from Lee & Yoo (2009) and finally the outcome variable the purchase intention of counterfeit products was also measured on a seven point Likert scale anchored by 1 = very high to 7 very low adapted from Dodds, Monroe & Grewal (1991). Individual scale items are listed in the Appendix.

### ***Survey Design***

In any study the theoretical constructs that are measured are the determining factors for the choice of measurement methodology (Fagarasanu & Kumar, 2002). The primary data collection instrument used for this research was a research questionnaire. This questionnaire was developed by the researcher and was self- administered to willing respondents in

Braamfontein, Johannesburg. The questionnaire comprised of five sections A, B, C, D and E. Section A represented the respondent's biographical information such as gender and age. Sections B, C, D and E utilised a 7 point likert scale to ask the respondents questions that were based on the research model. Section B asked the respondent questions regarding his or her perceived ease or difficulty (Perceived Behavioural Control) in the purchasing of counterfeit products. Section C asked about respondent's attitudes towards the economic benefits of purchasing counterfeit products. Section D asked about the respondent's perceptions of the relationship between price and quality of products (Price –quality inference of counterfeit products). Section E asked the respondent questions about his or her intention to purchase counterfeit products. The researcher made the decision to use a questionnaire to collect data from respondents as this was seen to be the most appropriate tool for collecting the data. The questionnaire was designed based on the study's research model. A total of 380 questionnaires were collected and used for data analysis.

Table 1: Sample Demographic Profile

<b>Gender</b>	<b>Frequency</b>	<b>Percentage</b>		<b>Occupation</b>	<b>Frequency</b>	<b>Percentage</b>
Male	187	49,2 %		Student	380	100,0 %
Female	193	50,8 %		Total	380	100%
Total	380	100 %		<b>Purchase frequency</b>	<b>Frequency</b>	<b>Percentage</b>
<b>Age</b>	<b>Frequency</b>	<b>Percentage</b>		Monthly	236	62,1 %
14 -19	158	41,6 %		Seasonally	65	17,1 %
20-25	121	31,8 %		Annually	79	20,8 %
26+	101	26,6 %		Total	380	100%
Total	380	100 %		<b>Amount of money spent</b>	<b>Frequency</b>	<b>Percentage</b>
<b>Marital status</b>	<b>Frequency</b>	<b>Percentage</b>		Less than R250	104	27,4 %
Married	22	5,8 %		Between R250-R500	82	21,6 %
Single	358	94,2 %		Between R501-R1000	96	25,3 %
Total	380	100%		More than R1000	98	25,8 %
<b>Level of education</b>	<b>Frequency</b>	<b>Percentage</b>		Total	380	100%
Primary	1	0,3 %				
High School	178	46,8 %				
Diploma	27	7,1 %				
Degree	95	25,0 %				
Post Graduate	79	20,8 %				
Total	380	100%				

## DATA ANALYSIS AND RESULTS

### *Sample Description*

Table 1 presents the profile of the participants. The profile indicates that the proportion of males to females was almost evenly split with males taking up 49,2% of the total sample and females accounting for 50,8% of the total sample. Most of the respondents were from the age group of (14-19years) and the age group with the least number of respondents was the (26 years and older) represented by 26,6% of the total sample. Most of the respondents were single comprising of 94, 2% of the total sample as compared to the married respondents only comprising of 5,8% of the total sample. The results showed that most of the respondents indicated high school education as their highest qualification, this was indicated by 46, 8% of the total sample and only one respondent indicated primary as the highest educational level representing 0.3% of the total sample. The majority of the participants indicated that their purchase frequency is mostly on a monthly basis represented by 62.1% of the total sample. The second highest percentage representing the student's purchase frequency was for annual purchasing which was 20,8 % indicated by 79 out of 380 students and the lowest percentage representing student's purchase frequency was for seasonal purchasing indicated by 17,1 % represented by 65 out of 380 students. Most of the respondents indicated that they spend less than R250 on luxury goods and this is represented by 104 out of the total 380 respondents. Table 1 illustrated in the following section presents a profile of the participants.

Table 2:Correlations between constructs

<b>Interconstruct Correlation Matrix</b>				
	<b>PBC</b>	<b>ATT</b>	<b>PQ</b>	<b>PI</b>
Perceived behavioural control <b>PBC</b>	1			
Attitudes towards economic benefits of purchasing counterfeit products <b>ATT</b>	0.65**	1		
Price – quality inference of purchasing counterfeit products <b>PQ</b>	0.66**	0.76**	1	
Purchase intention of counterfeit products <b>PI</b>	0.72**	0.74**	0.75**	1

### *Scale Accuracy Analysis*

The scale construct correlations are presented in Table 2, the mean scores of scales and their corresponding scale items are presented in Table 3. Individual scale item test summaries related to research scale reliability and validity are explored thereafter. The results of scale reliability tests are shown in Table 3. As can be seen, item-to-total values ranged from 0.648 to 0.948, while Cronbach's alpha coefficients ranged from 0.838 to 0.960 and composite reliability (C.R.) indexes were between 0.835 and 0.959. These values exceeded the estimate criteria used by previous literature. All average variance explained (AVE) values were above 0.7 thus marginally accepted according to the (Fraering & Minor, 2006). These results provided proof of marginal to acceptable levels of research scale reliability. The scale validity was investigated mainly utilising a confirmatory factor analysis (CFA) while all



scale items were joint. The results are illustrated in Tables 2 and 3. Convergent validity was tested by evaluating whether the path coefficients (loadings) between each latent construct and its corresponding scale items were statistically significant. All factor loadings in the CFA were significant (between 0.6 and 0.9), confirming the convergent validity of all scale items. Discriminant validity of the research constructs was assessed using correlations among latent constructs of less than 1.0, acceptable CFA model fit, and chi-squared difference in all two-factor (i.e., any paired latent constructs) CFA tests that regulated the factor inter-correlations to unit. All correlation values were below 0.8; the measurement model produced a ratio of chi-squared value over degree-of-freedom of 2.456, and GFI, CFI, IFI, TLI, RFI, NFI and RMSEA were 0.901, 0.971, 0.971, 0.964, 0.941, 0.952 and 0.062 respectively. The above results indicated that the research scales decisively encompassed distinct components, thus supporting discriminant validity of the research constructs. In the previous page on table 2 it can be observed that all intercorrelations of constructs are below 1 and meet the threshold recommended by Chinomona, Lin, Wang & Cheng (2010).

Table 3: Accuracy Analysis Statistics

Research Construct		Descriptive Statistics			Cronbach's Test		C.R.	AVE	HSV	FL		
		Mean Value	Standard Deviation	Item-total	$\alpha$							
PBC	PBC 1	3.86	3.90	0.78	0.74	0.71	0.96	0.96	0.73	0.52	0.65	
	PBC 2	3.95		0.72							0.72	0.66
	PBC 3	3.97		0.76							0.72	0.66
	PBC 4	3.93		0.73							0.77	0.74
	PBC 5	3.86		0.79							0.84	0.87
	PBC 6	3.89		0.73							0.94	0.99
	PBC 7	3.88		0.72							0.95	0.99
	PBC 8	3.89		0.72							0.94	0.99
	PBC 9	3.89		0.72							0.94	0.99
ATT	ATT1	4.07	3.99	0.76	0.74	0.73	0.89	0.89	0.84	0.60	0.81	
	ATT2	4.02		0.68							0.73	0.79
	ATT3	3.99		0.74							0.66	0.71
	ATT4	4.02		0.72							0.73	0.78
	ATT5	3.96		0.75							0.70	0.74
	ATT6	3.86		0.80							0.67	0.72
PQ	PQ1	3.98	4.02	0.72	0.71	0.71	0.84	0.84	0.76	0.60	0.81	
	PQ2	4.03		0.71							0.74	0.80
	PQ3	4.05		0.70							0.66	0.77
PI	PI1	3.89	3.96	0.76	0.75	0.71	0.87	0.87	0.81	0.57	0.78	
	PI2	3.86		0.78							0.71	0.77
	PI3	3.98		0.74							0.71	0.75
	PI4	3.99		0.76							0.65	0.67
	PI5	4.07		0.72							0.69	0.77

CR: composite reliability; AVE: average variance extracted; HSV: highest shared variance; FL: factor loading

$\chi^2/df=$  , GFI= 0.90, CFI = 0.97 , NFI=0.95 , RMSEA= 0.06; <sup>a</sup> significance level  $p<0.05$ ; <sup>b</sup> significance level  $p<0.01$ ; <sup>c</sup> significance level  $p<0.001$

### ***Proposed Conceptual Model Fit Assessments and Research***

#### **Hypotheses Testing**

The evaluation of the proposed conceptual model proceeded utilising the same data set. The following model fit measures were used to assess the reliability and validity of the data. The ratio of chi-squared over degree-of-freedom was 2.46. Additional GFI, CFI, IFI, TLI, RFI, NFI and RMSEA values were 0.90, 0.97, 0.97, 0.96, 0.94, 0.95 and 0.06 respectively. All model fit measures exceeded recommended thresholds, which posited that the proposed conceptual model converged well and could be a plausible representation of the underlying empirical data structure collected. The corresponding coefficients of the research hypotheses that suggested the existence of positive relationships between the two purchase intention predictors (perceived behavioural control and price-quality inference of counterfeit products), the mediator variable (attitudes towards economic benefits of purchasing counterfeit products) and the outcome variable (purchase intention of counterfeit products) were then observed. Table 3 below presents accuracy analysis statistics.

#### **Path Modeling & Hypotheses Testing**

Table 4 presents the results of the structural equation modeling followed by a discussion

Table 4: Results of Structural Equation Model Analysis

<b>Proposed relationship hypothesis</b>	<b>Hypothesis</b>	<b>Factor Loading</b>	<b>P Value</b>	<b>Supported/ Rejected</b>
Perceived behavioural control (PBC) → Purchase intention of counterfeits (PI)	H <sub>1</sub>	0.22 <sup>c</sup>	0.01	Supported and significant
Perceived behavioural control (PBC) → Attitudes towards economic benefits of purchasing counterfeit products (ATT)	H <sub>2</sub>	0.18 <sup>c</sup>	0.01	Supported and significant
Price – quality inference of counterfeit products (PQ) → Attitudes towards economic benefits of purchasing counterfeit products (ATT)	H <sub>3</sub>	0.82 <sup>c</sup>	0.01	Supported and significant
Price – quality inference of counterfeit products (PQ) → Purchase intention of counterfeit products (PI)	H <sub>4</sub>	0.47 <sup>c</sup>	0.01	Supported and significant
Attitudes towards economic benefits of purchasing counterfeit products (ATT) → Purchase intention of counterfeit products (PI)	H <sub>5</sub>	0.26 <sup>c</sup>	0.01	Supported and significant

Structural model fits:  $\chi^2/df=$  2.46; GFI= 0.901; CFI= 0.971; TLI= 0.964; IFI= 0.971; RFI= 0.941; NFI= 0.952; RMSEA= 0.062; <sup>a</sup> significance level  $p < 0.05$ ; <sup>b</sup> significance level  $< 0.01$ ; <sup>c</sup> significance level  $< 0.001$

#### ***Discussion of Hypotheses Results***

As illustrated in Table 4, all hypotheses coefficients were at least at a significant level of  $p < 0.01$ . Therefore all the proposed hypotheses from H1 to H5 were all supported. Individual

hypothesis coefficients between perceived behavioural control and purchase intention of counterfeit products (H1), perceived behavioural control and attitudes towards economic benefits of purchasing counterfeit products (H2), price- quality inference of counterfeit products and attitudes towards economic benefits of purchasing counterfeit products (H3), price- quality inference of counterfeit products and purchase intention of counterfeit products (H4), and finally attitudes towards economic benefits of purchasing counterfeit products and purchase intention of counterfeit products (H5) were 0.22, 0.18, 0.82, 0.47 and 0.26 respectively.

## CONCLUSION

The current research is primarily concerned with investigating the influence of the two predictors of customer purchase intention of counterfeit products: perceived behavioural control and price –quality inference of counterfeit products on the attitudes towards the economic benefits of purchasing counterfeit products and the purchase intention of counterfeit products. Structural Equation Modeling (SEM) was applied to assess the proposed research model and hypothesis. The analytical results implied that all proposed hypotheses were supported. Furthermore it was observed that the influence of price – quality inference of counterfeit products on attitudes towards economic benefits of purchasing counterfeit products was the most important relationship as it had the highest factor loading indicated by 0.82 (see table 4). Based on the findings of the study perceived behavioural control proves to have a positive impact on consumers purchase intention of counterfeit products. Based on the definition of perceived behavioural control given by Ajzen (2002) this would imply that human behaviour is responsible for consumers' intent to purchase counterfeit products. Another contribution to literature that the current research made was to confirm that perceived behavioural control has a great and direct impact on consumers' attitudes towards economic benefits of purchasing counterfeit products as suggested by the hypothesis of the current research. This finding is supported by a past study in the same area of research conducted by Wang (2014) which discovered that that the consumers' purchase intentions are influenced by the extent of attitude, subjective norms and perceived behaviour control of consumers. Furthermore Wang (2014) stated that the creation of a positive attitude towards the purchase of products may be a significant consideration for retailers to increase consumers' purchase intentions of those products. Another significant contribution to literature made by the current study is to establish that price-quality inference of counterfeit products has a direct and positive influence of consumers' attitudes towards economic benefits of purchasing counterfeit products. This finding is supported by a study conducted by De Matos, Ituassu & Rossi (2007) that also found that the price- quality inference of counterfeit products has a positive influence on consumers' attitudes towards counterfeit products. Finally, the last contribution to the literature of counterfeit purchases that the current study makes is that attitudes towards economic benefits of purchasing counterfeit products prove to have a positive influence on customers' purchase intention of counterfeit products as suggested by the hypothesis of the current study. This finding is supported by a

study conducted by Yoo & Lee (2009) also in the field of counterfeit purchases. Yoo & Lee (2009) found that attitudes towards economic benefits of purchasing counterfeit products had a positive impact on the purchase intention of counterfeit products. Based on empirical evidence of the study it can be concluded that that the two predictor variables: perceived behavioural control and price –quality inference of counterfeit products both posse significant influence on the mediator variable: attitudes towards economic benefits of purchasing counterfeit products and the outcome variable: the purchase intention of counterfeit products. Based on these research findings, academic and marketing implications are discussed and future research directions are suggested.

### ***Academic and Marketing Implications***

The results of the current research offer both academic and marketing implications. On the academic front the current study contributes to literature on perceived behavioural control's influence on the attitudes towards economic benefits of purchasing counterfeit products and the customer's intention to purchase counterfeit products. The results of the current study also supported by Wang (2014) prove that the customer's ability to control behaviour plays an important role in determining whether the customer actually purchases a counterfeit product. Results from the data analysis implied that attitudes towards the economic benefits of purchasing counterfeit products and the actual purchase intention of counterfeit products is significantly influenced by the relation between price and quality. On the practical front this relationship would imply that marketers are tasked with the challenge of the discrepancy between price and quality of the product in order to discourage the purchase intention of counterfeits. According to the findings, price- quality inference is seen to be the highest influence towards customers' attitudes towards the purchase intention of counterfeit products. This would imply that marketers should find ways of selling genuine products at prices that are not too high for customers so as to discourage them from purchasing inferior quality products being offered at lower prices by counterfeit manufacturers/retailers.

### ***Suggestions for Future Research***

The current study leaves room for further future research in the field of counterfeit products. There is an opportunity for researchers to either explore the same variables of this study in greater depth or to add new variables that could potentially predict the purchase intention of counterfeit products more accurately. The author would recommend that similar studies as to the current study be conducted on a larger scale, that is a larger sample size, larger geographic regions and not limit the study to respondents of a certain demographic profile. For instance the current study only utilised respondents residing in one area and recommendations for future research would be for researchers to consider larger populations such as surveying respondents from more than one town/ city or province. This would allow for more diversity in the sample and more informed results. The study suffered greatly from financial and time constraints and the researcher believes that if these challenges are

addressed it would result in a more meaningful and superior contribution to the literature of the purchase of counterfeit products.

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