Factors Influencing Attitudes and Purchase Intention of Fashion Counterfeits among Batswana College Students

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Abstract

Counterfeit products pose a serious threat to the manufacturers and retailers of authentic designer products most especially in the Botswana Economy. The aim of the present research study is to examine the influence of antecedents of attitudes toward fashion counterfeit among Batswana college students and its relationship to purchase intention of counterfeit products. The research mainly discussed the effect of social factors and personality factors toward youth consumer attitudes to buy counterfeit product. Approximately 250 respondents aged between 18-32 participated to give response to the survey gathered from questionnaire distribution. The analysis using path coefficient analysis shows that social and personality factors have mostly significant impact towards attitudes. The study also found out that social factors and value consciousness have significant and positive relationship with purchase intention towards counterfeit fashion products among Batswana college students. The research findings could be used to formulate strategies for academia, practitioners and more importantly policy makers in Botswana.

Keywords

social factors, personality factors, attitudes toward fashion counterfeits among college students, purchase intention, Botswana

1. Introduction

Counterfeits are reproduction of a trademarked brand (Cordell, Wongtada, & Keischnick Jr., 1996), which are closely similar or identical to genuine articles, including packaging, labeling and trademarks intentionally to pass off as the original product (Ang et al., 2001; Chow, 2002; Kay, 1990). The growth in the counterfeit market can be attributed to the increase in world trade and emerging new markets (Wee et al., 1995). As a result of fast paced technology advancements, luxury goods are easier to counterfeit since technology is more easily available (Bloch et al., 1993; Teah & Phan, 2008). Luxury brands are more vulnerable targets to counterfeiters as they are popular with consumers (Shultz & Soporito, 1996). This paper thus attempt to explore the Batswana college students' mindset in relation

to purchasing counterfeits of fashion brands. There are three main objectives of the current study. Firstly, it examines the influence of social and personality factors on the attitude towards fashion counterfeits among college students in Botswana. Secondly, it investigates the relationship between consumer attitudes and purchase intention of counterfeits of fashion brands. Thirdly, it examines the influence of social and personality factors on the purchase intention of counterfeit fashion products among youth consumers. The producers and marketers of genuine products could then come up with ways or different strategies in engaging the consumers to buy the genuine fashion brands over counterfeit products.

2. Literature Review and Hypotheses Development

Very few publications (Harvey & Roukainen, 1985; Liu et al., 2005; Khouja & Smith, 2007) are dedicated to the supply side issues of the counterfeit market, though knowledge in this field is of great importance for understanding the way the illicit market operates, how companies in emerging economies use imitation products to foster learning and development processes, and how licit brand owners could fight illicit producers. The research addressing awareness, purchase intentions, demographic characteristics or the attitudes of counterfeit consumers make up the largest portion of the publications (Moores & Chang, 2006; Cheung & Prendergast, 2006). This is in contrast to the claims of many authors who motivate their work by stating that demand side investigations were underrepresented in counterfeit related literature. Several other contributions have also concentrated on investigating customer attitudes toward counterfeit. Moores and Chang (2006), for example, find that infringements of intellectual property rights in the context of pirated software appear not to affect the perceived morality. Eisend and Schuchert-Guler (2006) thoroughly reviewed selected studies on the determinants of consumer's intention to purchase counterfeit products and provide a theoretical concept in order to explain the motives for such goods. Aside from lost revenues incurred as a result of counterfeiting, legitimate producers also face intangible losses, such as loss of goodwill (Jacobs et al., 2001; Barnett, 2005), loss of brand reputation and reduced brand equity (Nia & Zaichkowsky, 2000). Furthermore, many counterfeited brands experience lost confidence from their consumers (Gordon, 2002; Bloch et al., 1993; Barnett, 2005).

Counterfeit products diminish the symbolic value of authentic luxury products and dilute the brand equity (Zhou & Hui, 2003). According to Tom et al. (1998), consumers are more inclined to purchase products with a fashion component attached, such as is the case for luxury products. Consumers are also expected to prefer counterfeit products with a famous brand name attached that would present some meaning to the consumer (Cordell et al., 1996). This reinforces the concept that only brand names that are well known or worth counterfeiting are targeted for illegal production (Eisend & Schuchert-Guler, 2006). Social influence refers to the effect that others have on an individual consumer behaviour (Ang et al., 2001). Two common forms of consumer susceptibility to social influences are information susceptibility and normative susceptibility (Bearden et al., 1989; Wang et al., 2005). The

assurance of opinion of others plays an important role as a point of reference especially when consumers have little knowledge of the product category in question. If peers or reference groups were to have expert knowledge on the difference between originals and counterfeits, the negative consequences of being perceived to purchase counterfeits will therefore have an effect on consumers perception toward counterfeits of luxury brands. On the other hand, normative susceptibility concerns purchase decisions that are based on the expectations of what would impress others, Wang et al. (2005). Therefore we postulate that:

H1a: Normative and informative susceptibility have a negative influence on college students' attitude towards fashion counterfeits.

Lichtenstein et al. (1993) define value consciousness as a consumer's concern for the price paid as compared to the quality received. Bloch et al. (1993) reported that some consumers select counterfeits in lieu of the original when there is a price advantage, despite a consumers' intention to knowingly purchase unlawful counterfeit products. For a lower price and a slightly substandard quality, counterfeits are still considered value for money (Bloch et al., 1993; Lichtenstein et al., 1990). Since counterfeits of luxury brands usually provide the same functional benefits as the original, but at a fraction of the price of the genuine product, they are perceived favourably. Value consciousness is defined as the concern for paying lower prices for products but subjected to some quality constraints (Lichtenstein et al., 1990). In this instance, counterfeit products are of lower quality, but offer consumers huge savings as compared to the genuine products. Therefore, consumers perceive counterfeits of luxury brands as value for money, Furnham and Valgeirsson (2007). Accordingly, Ang et al. (2001) found that value conscious consumers in particular display a positive attitude toward counterfeit products. Another study found that the higher the consumer's value consciousness, the more likely it is to choose a counterfeit over the genuine branded product (Oneto et al., 2010). It could be postulated that:

H1b: Value consciousness has a positive influence on College students' attitude towards fashion counterfeits.

Novelty seeking is the curiosity of individuals to seek variety and difference (Hawkins et al., 1980; Wang et al., 2005). Novelty seeking consumers are particularly inclined toward products with low purchase risk. Wee et al. (1995) concluded that low cost of counterfeit products is well suited to satisfying their curiosity and the need for experimentation. While it would seem logical and proper to assume that people tend to engage in machine like behaviour in order to simplify and standardize a complex world, there seems to be strong evidence that, at least occasionally, we seek variety and difference simply out of a curiosity need (Hawkins et al., 1980). We thus postulate that:

H1c: Novelty seeking has a positive influence on College students' attitude towards fashion counterfeits.

Integrity is determined by personal ethical standards and obedience to the law. Wang et al. (2005) concluded that if consumers view integrity as crucial, the chances of them viewing counterfeits of

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luxury brands in a positive light would be much smaller. Wee et al. (1995) examined Asian students' intention to purchase fake fashion and media products, thus reporting that consumers did not expect durability from the low cost fakes. Rather, for fashion items, such as wallets and handbags, appearance was a key determinant. Wee et al. (1995) concluded that the more closely the fake resembled the branded original, the greater the subject's willingness to buy the counterfeit product, as they are able to enjoy the snob appeal, without paying the higher prices. In accordance with Kohlberg's (1976) moral competence theory, an individual's behaviour is affected by his or her personal sense of justice. The influence of values like integrity will affect one's judgement towards succumbing to unethical activities (Steenhaut & vanKenhove, 2006). Integrity represents an individual's level of ethical consideration for and obedience to the law (Wang et al., 2005). Research shows that consumers who are more lawfully minded, possess unfavorable attitudes toward counterfeits and are less willing to purchase counterfeits (Cordell et al., 1996). We thus postulate that:

H1d: Integrity has a negative influence on College students' attitude towards fashion counterfeits.

Consumers with high sense of personal gratification would be more conscious of the appearance and visibility of fashion products. Consumers with a high sense of personal gratification will value the genuine versions of luxury products hence they will have a negative attitude toward counterfeits of luxury brands. It can be postulated that:

H1e: Personal gratification has a negative influence on College students' attitude towards fashion counterfeits.

Status consumption has long been defined as the purchase, use, display and consumption of goods and services as a means of gaining status (Eastman et al., 1997). Status consumers seek to posses brands that exude brand symbols that reflect their self identity. This posts numerous implications for their attitude towards counterfeit of luxury brands (Hoe et al., 2003). Hence, the addition of status consumption construct using a developed scale from Eastman et al. (1997). Husic and Cicic (2009) assert that by using status goods as symbols, individuals are able to communicate impressively about themselves to their reference groups. Previous research found that status consumption seems to consistently influence attitude of counterfeits (Phau & Teah, 2009), admittedly, there is also different result shown from another literature that status consumption has no effect on attitude towards counterfeit products (Nordin, 2009). We thus postulate that:

H1f: Status consumption has a negative influence on College students' attitude towards fashion counterfeits.

According to the Theory of Planned Behaviour (TPB), purchase behaviour is determined by the purchase intention, while purchase intention is in turn determined by attitudes (Phau & Teah, 2009). Attitude towards behaviour instead of towards the product are important to be a better predictor of behaviour (Phau & Teah, 2009; Penz & Stottinger, 2005). Wee et al. (1995) concluded that the more favourable consumer attitudes towards counterfeiting are, the higher the chances that consumers will purchase counterfeit brands. Attitude is a learned predisposition to respond to a situation in a favorable

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or unfavorable way (Huang et al., 2004). The attitude construct is often used as a predictor of consumer intentions and behaviours. As attitudes cannot be observed directly, researchers must rely on determining consumer attitudes through research measures (Huang et al., 2004).

H2: There is significant relationship between attitude and purchase intention toward counterfeit products.

Social and personality antecedents have long been established to have an influence on consumers decision making towards purchase intention (Nordin, 2009). Wee et al. (1995) examined Asian students' intention to purchase fake fashion and media products, reporting that consumers did not expect durability from the low cost fakes. Rather, for fashion items, such as wallets and handbags, appearance was a key determinant. The more closely the fake resembled the branded original, "the greater the subject's willingness to buy the counterfeit, as they are able to enjoy the snob appeal, without paying the higher prices". It is therefore postulated that:

H3: There is a significant relationship between social and personality factors (Information susceptibility, normative susceptibility, value consciousness, novelty seeking, integrity, personal gratification and status consumption) and purchase intention towards fashion counterfeits.

3. Research Method

The primary data of this research was gathered from questionnaire distribution. The questionnaire was developed based on seven point Likert scale adopted from Phau and Teah (2009) and Nordin (2009). This research used quantitative approach with quota-purposive convenience sampling method and all methods of data collection were conducted from September to November 2013 in Gaborone and its environ. A total of 230 samples were considered acceptable after being tested for reliability and validity using SPSS 16.0. Coefficient of the parameter was estimated using standardized coefficient while the method used to calculate path coefficient is Ordinary Least Square (OLS).

Table 1. Items and Coefficient of the Construct

Variables Measurement	Source	Number Of Items	α
Information susceptibility (IS)	Phau & Teah (2009) Bearden et al. (1989)	4	0.82
Normative susceptibility (NS)	Phau &Teah (2009) Bearden (1989)	4	0.80
Value consciousness (VC)	Phau & Teah (2009) Lichtenstein et al. (1990)	4	0.89
Integrity (l)	Phau & Teah (2009)	4	0.72

	deMatos et al		
Personal gratification (PG)	Phau & Teah (2009)	5	0.81
Novelty Seeking (NS)	Phau & Teah (2009)	4	0.82
Status consumption (SC)	Phau & Teah (2009)	5	0.80
	Eastman et al. (1997)		
Attitudes towards counterfeiting Products (ATT)	Matos et al. (2007) Phau & Teah (2009)	7	0.81
Purchase Intention (PI)	Phau & Teah (2009) Matos et al. (2007)	4	0.79

Source. Authors.

4. Research Findings

The total usable sample was 230. The calculation of the coefficient correlation was conducted by using software SPSS 16.0, using Cronbach alpha technique. The result of the reliability analysis is presented in Table 1 above, and all the variable measurements scale items were found to be above 0.60 considered to be reliable (Nunally, 1978). The results of the path analysis using SPSS software in Table 2 showed that social factor have negative effect on attitude toward counterfeit products.

Table 2. Regression for the Determinants of Attitudes towards Fashion Counterfeit

Variable	Path coefficient	t-value	Sig.	Result
SF	-0.180	-4.715	0.000[××]	Significant
VC	0.159	4.59	0.000[××]	Significant
NS	0.312	9.23	0.000[××]	Significant
I	-0.269	-7.70	0.000[××]	Significant
PG	-0.215	-7.29	0.000[××]	Significant
SC	0.029	0.61	0.000[××]	Significant

R^2=0.915; Adjusted R^2=0.845; F=265.781; Sig=0.000.

Notes. Dependent variable: Attitudes towards counterfeit product; [××] significant at α =0.05.

Source. Primary data (processed).

Therefore, it can be said that the hypothesis *1a* is accepted, followed by hypothesis *1b* which is also supported by the result of path coefficient between value consciousness and attitude of College Students toward fashion counterfeits in Botswana. Also, path coefficient between novelty seeking and attitude toward fashion counterfeits are positive and significant, thus hypothesis *1c* is accepted. The path coefficient between integrity and attitudes toward fashion counterfeit is negative and significant as shown in Table 2. Thus hypothesis *1d* is supported. The path coefficient between personal gratification

and attitude toward fashion counterfeits is negative and significant. Hypotheses *1a-1e* are supported, while status consumption and attitudes towards fashion counterfeits is not negative and is insignificant, thus hypothesis *1f* is not accepted.

Table 3. Regression for the Determinants of Purchase Intention towards Fashion Counterfeits

Variable	Path coefficient	t-value	Sig.	Result
SF	0.241	3.451	$0.000^{\times\times}$	Significant
VC	0.201	3.433	$0.000^{\times\times}$	Significant
NS	0.312	0.393	0.457	Not Significant
I	0.118	1.706	0.314	Not Significant
PG	-0.051	-0.841	0.476	Not Significant
SC	-0.059	-0.723	0.429	Not Significant
ATT	0.745	6.471	$0.000^{\times\times}$	Significant

R^2=0.601; Adjusted R^2=0.592; F=58.451; Sig=0.000.

Notes. Dependent variable: Purchase intention towards fashion counterfeit; $^{\times\times}$ significant at α=0.05.

Source. Primary data (processed).

As indicated in Table 3, the path coefficient between attitudes towards fashion counterfeit and purchase intention is positive and significant. This finding thus explicate the position consistent with extant literature (Phau & Thau, 2009; DeMatos et al., 2007; Huang et al., 2004) that attitudes towards counterfeit products will positively affect the consumers purchase intention. Hypothesis 2 is accepted. Furthermore, the results of the path analysis show that social factors and value consciousness are positive and significantly related to purchase intention, while the path analysis of novelty seeking, integrity, personal gratification and status consumption are not significantly related to purchase intention. Hypothesis 3 is partially supported.

5. Conclusion and Recommendations

The antecedents of social and personality factors mostly have significant effect on attitude toward fashion counterfeits among Batswana youth consumers. Similarly, the result of the hypothesis confirms that there is significant effect between attitudes and purchase intention towards counterfeit products as shown in Table 3. The findings of this study are consistent with previous research conducted in the emerging markets of China and Malaysia (Phau & Teah, 2009; Nordin, 2009). Findings also show that

social and personality factors have considerable effect towards purchase intention in Botswana. This research thus contribute to the current body of literature concerning the demand side of counterfeit consumer goods and provide insight into ways brand owners can attend to curbing that demand. Specifically, the study therefore extends our knowledge of attitudes toward counterfeit products by focusing on fashion product categories. To confirm the generalizability of the finding or robustness of the study, extension could be made to other different socio economic groups or different demographic characteristics in Botswana and other developing economies. Factors such as perceived benefit, intrinsic and extrinsic cues, and lawfulness may be included to seek their respective influence on the attitudes toward fashion counterfeits. Efforts should now be made by the manufacturers, marketers, policy makers and other stakeholders of original fashion product to campaign against the use of counterfeit products so as to deter consumer complicity in Botswana. Moreover, this model may be tested on different low involvement and high involvement products across developing economies with a view to revisiting the psychometric competence of the factor structure of the scale items used in this study.

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