Consumers' Attitude and Purchase Intention towards Counterfeit Products: Empirical Evidence from Uttarakhand State

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The market for consumer goods is immensely significant in India in terms of both magnitude and spending capacity. This makes it a country that is attractive for product counterfeiters, which poses a major risk for both companies and consumers. The aim of the present research study is to identify factors which influence consumers' attitude to purchase counterfeits and its relationship with their demographic characteristics. Data was collected from a sample of 325 consumers using an online questionnaire developed on Google docs. The results indicate that a majority of consumers make a willing decision to purchase counterfeits and fashionwear and its accessories are the prime area for counterfeits. The findings also show that subjective norm and status influence play important roles in consumer intention towards purchasing counterfeits. Similar to prior studies, this study advocates that lower price, customer willingness to purchase, hedonic purpose, reasonable performance and satisfactory past purchase behavior are the strong antecedents of purchase intention of counterfeits. The research findings can help marketers better understand how and why consumers are driven to purchase counterfeit products rather than the originals and thus to create effective marketing campaigns and anti-counterfeiting efforts.

Keywords: Counterfeits, Consumer Attitude, Purchase Intention, India.

INTRODUCTION

Globalization, increase in world trade, emerging new markets, technology advancements and the increase in goods those are worth imitating have all contributed to the catalytic growth of counterfeiting across the globe. Globally, sales of counterfeit goods were approximately $300 billion in 2009 and are expected to increase annually due to strong demand (Gentry et al., 2006; OECD, 2007). Counterfeiting is the unauthorized representation of a trademarked brand which is closely similar or identical to genuine articles, including packaging, labeling and trademarks, but normally lowers in performance, reliability, and quality, intended to pass off as the original product (Ang et al., 2001).This unauthorized manufacturing and selling of goods may cause the loss in sales, damages the brand image, loss of goodwill and customer's trust and consequently leads to the failure of the organization. International chamber of commerce estimates that counterfeits worth $750 billion per year globally and holds more than 7-10 % of total trade in the world (ICC, 2011).

It has been recorded that 40-45% of goods sold in the Indian market are counterfeit goods (ASSOCHAM, 2014; FICCI-KPMG, 2015). Indian FMCG counterfeit market at the end of 2014 stood at 65 % of the total market of counterfeit products, which was worth Rs 1.05 lakh crore. The FMCG counterfeit market stood at Rs 68,000 crore at the end of 2014 (FICCI-KPMG,

2015). The counterfeit products market is expected to grow at a compounded annual growth rate of 40-45%. The counterfeit luxury retail market in India is likely to double to Rs. 5,600 crore by 2015 (ASSOCHAM, 2014). Global corporations view India as one of the key markets from where future growth is likely to emerge. The growth in India's consumer market would be primarily driven by a favourable population composition and increasing disposable incomes. The trading of luxury goods in India has proved to be a lucrative market. With such a rampant counterfeit industry, it could reduce profits and attractiveness for companies and may threaten the brand equity of international and local luxury products.

Consumers play a crucial role in counterfeit trade and willing consumer participation is evident worldwide, especially in developing countries like India. People buy the brands which are famous and popular in public in order to get social acceptance. Customers, who cannot afford the genuine brands, generally buy counterfeits. The Price advantage of counterfeits over genuine goods also helps in maintaining continuing demand. Morality and lawfulness in consumers' mind is not strong enough to push them not to buy counterfeit goods (Cordell et al., 1996). Counterfeiting has become a global economic phenomenon considering the demand for such products. This makes the study of why consumers decide to purchase counterfeits more worthwhile. In particular, a study of this nature is justifiable in Indian context as it is the second fastest growing economy in the world, after China. Together with a population of 1.25 billion people, India is designated as the second largest emerging consumer market in the world and rapid economic transformations have led to an increase in consumption. Moreover, this research is interesting to be done because India occupied the third position of nations that had the highest product counterfeiting level in Asia in 2013 (United States Customs and Border Protection, 2014). The outcomes of this study will be of immense value to marketers of genuine brands in framing appropriate strategies to market their products in this emerging market.

LITERATURE REVIEW

Researchers have identified two types of consumers of counterfeit products. The first would be a victim, who unknowingly and unintentionally purchases counterfeits due to it being so closely similar to the genuine articles (Grossman and Shapiro, 1988; Bloch et al., 1993). However, the second is a willing consumer of counterfeits (Bloch et al., 1993; Cordell et al., 1996; Prendergast et. al., 2002). A counterfeit is a lower-quality, lower-price choice whereas a genuine item is a higher-quality, higher-price choice (Gentry et al. 2006; Prendergast et al. 2002). However, counterfeit consumers don't mind low quality and poor materials because they do not see counterfeits as inferior choices and appreciate the economic benefits of counterfeits (Nia and Zaichkowsky, 2000). Consumers easily accept counterfeits when they focus on hedonic rather than utilitarian needs. Consumers, who purchase for a pure hedonic reason, don't feel embarrassed when other notice themusing counterfeits and are less concerned about the low quality of such products. Consumers will have the identical appearance, whether they wear a counterfeit or an original, but consumers for originals purchase originals for what luxury means, whereas consumers for counterfeits, who need only resemblance, purchase just the prestige of the originals without paying for it (Penz and Stöttinger 2005).

Counterfeits do not affect the demand for the originals, since consumers strongly believe that originals provide the exclusivity, durability, better quality, after-sales service, status, ethicality, and legality (Nia and Zaichkowsky, 2000; Cheung and Prendergast 2006). Consumers of genuine brands demand counterfeits less because genuine brands bring them admiration, recognition, and acceptance by others. Consumers are less likely to purchase counterfeits when they are highly involved with the product category, care about brands, brand-loyal

and earn a high income enough to afford genuine brands (Wee, Tan, and Cheok 1995;d'Astous and Gargouri, 2001). Experiences of originals provide more satisfaction through better physical quality and interpersonal approvals of the products, and, accordingly, make consumers lose interest in counterfeits. Ritson (2007) advocated that a third of consumers for counterfeits wanted to buy the original in the future as a result of negative counterfeit experiences. In the context of this study, consumer evaluation of counterfeits will be an important predictor of his intention to purchase a counterfeit product. Thus, the factors which drive consumer to purchase counterfeit products become the focus of the investigation. Based on the literature review, the main predictors are presented below.

Price consciousness indicates the extent to which consumers are concerned with paying low prices, orientation to make price comparisons and to gain information to make decisions that minimize prices (Lichtenstein et al., 1993).Price conscious consumers have higher search intentions for lower prices and are more involved in processing price-related information (Kukar-Kinney et al., 2007). Consumers are more likely to buy counterfeits when the price of the genuine is significantly higher than counterfeit (Bloch et al., 1993; Poddar et al., 2012). Even though, consumers overlook the quality due to the lower prices. Value consciousness is a concern to pay at a low price, while expecting to a certain quality constraint (Lichtenstein, et al., 1993). Phau and Teah (2009) found a significant relationship between the consumers' level of value consciousness and their likelihood of buying counterfeits, suggesting that value-conscious consumers may see counterfeits as a better deal than the actual status brand. As counterfeits usually provide the same functional benefits as the original, but at a fraction of the price of the genuine product, it is perceived as 'value for money' and have positive attitudes towards counterfeits of luxury brands (Furnham and Valgeirsson, 2007).

Perceived risk is the concern about the consequences of a poor decision making. The risk may include performance, financial, safety, social and psychological risk. Specifically, counterfeits are considered risky in view of the amount of money lost through quality and performance deficiencies (Cordell et al., 1996; Maldonado and Hume, 2005; Penz and Stöttinger, 2005).Previous researches including Bian and Moutinho (2009), Gentry et al. (2006) and Huang et al. (2004) reported that consumers who perceive higher levels of risk will have a negative attitude and intention towards counterfeits. Personal gratification concerns the need for a sense of accomplishment, social recognition, and the desire to enjoy the finer things in life (Ang et al., 2001).Ang et al. (2001) reveal that there is no significant influence of personal gratification on consumer attitudes toward counterfeits. While in the contrary, some studies found that personal gratification proven to have a significant negative relationship towards attitudes of counterfeits (Phau and Teah, 2009; Nordin, 2009).

Status consumption indicates the purchase, use, display and consumption of goods and services as a means of gaining status. It involves a social ranking or recognition that a group would award to an individual that is irrespective of social and income level. Status consumers seek to possess brands that exude brand symbols to reflect their self-identity and communicate impressively about themselves to their reference groups. Phau and Teah (2009) found that status consumption influence attitudes towards counterfeits, while Nordin (2009) found no effects of status consumption on attitudes towards counterfeit products. Subjective norm is the apparent social pressure to perform or not to perform a specified behavior. Regarding counterfeits, friends and relatives may act as inhibitors or contributors to the consumption, depending on how much this behavior is approved by them.

Attitude is a learned predisposition to behave in a consistently favorable or unfavorable manner with respect to a given object. Understanding the factors influencing consumers' attitude toward counterfeits

is important, especially as studies have shown that one-third of respondents would knowingly buy counterfeit goods when available (Phau et al., 2001; Swami et al., 2009). The more favourable consumer attitudes towards counterfeiting are, the higher the chances that they will purchase counterfeit brands and vice versa (Wee et al., 1995).Several studies found that attitudes towards counterfeit products play an important positive influence to purchase intention (Phau and Teah, 2009; Nordin, 2009; Matos et al., 2007; Huang et al. 2004). The more favorable consumer attitudes towards counterfeiting, the higher the chances those consumers will purchase counterfeit brands and vice versa.

OBJECTIVES AND HYPOTHESES OF THE STUDY

The research has been undertaken to investigate the attitude of consumers towards counterfeits and factors which form their purchase intention. The main objectives of the research are:

(a) To analyze the trend of counterfeits across the different product categories.

(b) To analyze the purchase patterns of counterfeits and its relationship with demographic characteristics of consumers.

(c) To identify the factors driving customers to purchase counterfeit products.

Hypothesis 1:

H0: The different socio-economic factors have no significant impact on purchase intention of counterfeits.

H1: The different socio-economic factors have significant impact on purchase intention of counterfeits.

Hypothesis 2:

H0: There is no significant association between counterfeit products purchase pattern and demographic characteristics of consumers.

H1: There is a significant association between

counterfeit products purchase pattern and demographic characteristics of consumers.

RESEARCH METHODOLOGY

Data for the present study was collected from Indian consumers using an online survey developed on Google Docs in September and October, 2015. Consumers were invited to participate in the study through email. Online surveys are now common research instruments as they enable quick transmission and fast turnaround as well as significant cost benefits (Wilson and Laskey, 2003). A total of 356consumers participated in the study, with a final valid 325 questionnaire being used in this study, excluding 31 responses that were unreliable or insincerely answered. The survey questionnaire consisted of two sections. The first section contained questions to examine respondents' demographic profile. The second section was concerned with attributes related to consumers' awareness of counterfeits, extent of counterfeits across different product categories, and various factors related to purchase of counterfeits. Respondents were asked to indicate their level of agreement with each of the 36 attributes related to purchase of counterfeits in a five-point Likert-scale ranging from 1 (strongly disagree) to 5 (strongly agree). Out of 36 attributes, four were related to price consciousness, three were regarding value consciousness, five were associated with perceived risks, four variables were concerned with the personal gratification, four were related to status consumption, three were regarding subjective norm, nine were associated to attitude towards counterfeit product and four were concerned with purchase intention. The existing literature helped in the preparation of the second section of the questionnaire and included questions were selected based on related studies of consumers' attitude towards counterfeit products. Specifically, it was based on the research works of Ang et al. (2001), Huang et al. (2004), Matos, Ituassu and Rossi (2007), Bian and Moutinho (2009), Phau and Teah (2009),

Yoo and Lee (2009). Some questions were then modified by the researchers in order to focus on specific information.

In order to ensure the validity of survey instrument, the initial questionnaire was given to a panel of experts and faculty members to judge its content's validity, the clarity of its items meaning and to assure its linkages with the study objectives. In order to validate the reliability, the questionnaire was pilot tested using 40 respondents, representing 12% of the total sample size, who were considered the representatives of the study population. The value of Cronbach's alpha was found 0.934, which suggested a highly acceptable level of reliability of the questionnaire. The data thus received was systematically arranged, tabulated and analyzed using SPSS 22.0.

RESULTS

Demographic Profile

The demographic characteristics of respondents shown in table 1 reveals that 8.6% of respondents were from the age group of up to 20 years, 53.3% were from 21-30 years, 20.6% were from 31-40 years and 17.2% were above 41 years. 45.8% respondents interviewed were graduate, 32% were post-graduate, 14.5% were professional and 7.7% were having others educational degrees. As regards to the residential status, the majority of respondents were from Metro/urban areas (48.6%), 42.5% were from semi-urban background and 8.9% were from a rural setting. Males dominate the sample with 62.8% of them included in the survey.

Awareness of Counterfeit Products

In order to know whether respondents is a willing customer of counterfeit or have purchased any product in good faith and then realized later that purchased product is counterfeit; it was found that 39.08% consumers were the victims of counterfeit products while 56.30% were willing customers of such products. Interestingly, 4.62% customers were not aware about whether purchased product was genuine or counterfeit.

Table 1: Demographical Profile					
Age	Frequency	Percent	Education	Frequency	Percent
Upto 20 Years	28	8.6	Graduate	149	45.8
21-30 Years	174	53.5	Post Graduate	104	32.0
31-40 Years	67	20.6	Professionals	47	14.5
Above 41 Years	56	17.2	Others	25	7.7
Residential Status	Frequency	Percent	Gender	Frequency	Percent
Metro/Urban	158	48.6	Male	204	62.8
Semi Urban	138	42.5	Female	121	37.2
Rural	29	8.9	No. of Respondents = 325		

Table 2: Counterfeit Product Purchase (n = 325)		
Counterfeit Product Purchase	Frequency	Percent
Yes	127	39.08
No	183	56.30
Don't Know	15	4.62

Data summarized in table 3 shows that majority of counterfeit products were fashion wear and its accessories (22.7%). It was followed by music & films (15.4%), perfume (15.4%), spare parts of automotive (12.8%) and software (12.5%).

On inquiring about the stores from where these counterfeit products can be purchased, 53.55% respondents mentioned corner lane shop, 26.31% respondents purchased them from specific market, 17.72% sampled consumers preferred imported stores and 3.7% consumers answered imported stores for such products (Table 4).

Confirmatory Factor Analysis

Past studies indicate that consumers make a purchase of counterfeits based on their own personal attributes such as age, gender, education, economic conditions, material needs and social norms as well as product attributes such as lower price, performance, reasonable quality. Consumer evaluation of counterfeits is an important predictor of his intention to buy a counterfeit, as well as how much agreement about this behavior he receives from his reference group. Keeping these into consideration, respondents were asked to complete a series of attitude statements using a five point scale. The results presented in Table 5, provide further insight about the factors that determine consumer purchase behavior towards counterfeits.

Table 3: Counterfeits across different product categories			
Product Categories	Responses		Percent of Cases
	Frequency	Percent	
Music and Film	118	15.4%	37.7%
Fashion wear and its accessories	174	22.7%	55.6%
Software	96	12.5%	30.7%
Perfume	118	15.4%	37.7%
Pharmaceutical Products	55	7.2%	17.6%
Consumer Electricals	94	12.3%	30.0%
Spare Parts of Automotive	98	12.8%	31.3%
Others	14	1.8%	4.5%
Total	767	100.0%	245.0%

Table 4: Stores of Shopping Counterfeit Products			
Store Types	Responses		Percent of Cases
	Frequency	Percent	
Online Stores	13	2.43%	4.00%
Specific Market	141	26.31%	43.38%
Corner lane Shop	287	53.55%	88.30%
Import Stores	95	17.72%	29.23%
Total	536	100.0%	164.9%

Table 5: Consumers' attitude towards Counterfeits			
Statement	α	Mean	SD
Price Consciousness (PC)	**0.706**	**3.524**	**0.822**
I often find myself checking prices and purchase the cheapest items.		3.492	1.326
The price of a product is a good indicator of its quality.		3.059	1.119
You always have to pay a bit more for the best.		3.886	0.976
A person can save a lot by shopping for bargains.		3.659	1.062
Value Consciousness (VC)	**0.606**	**4.015**	**0.759**
I am concerned about price and product quality.		4.022	1.001
I compare prices for the best value for money.		3.985	1.098
I like to be sure that I get my money's worth.		4.357	0.911
Perceived Risk (PR)	**0.695**	**3.599**	**0.703**
When I buy something, I prefer not taking risks.		3.695	1.118
The risk that I take when I buy a counterfeit product is high.		3.379	0.924
There is a high probability that the product doesn't work.		3.551	1.063
Spending money with counterfeit products might be a bad decision.		3.880	1.022
Buying counterfeit products make me feel unhappy/frustrated.		3.489	1.102
Personal Gratification (PG)	**0.758**	**4.143**	**0.754**
A comfortable life is important to me.		4.379	0.950
I always attempt to have a sense of accomplishment.		3.957	1.244
I value for pleasure.		4.197	0.785
I value social recognition.		4.040	0.923
Status Consumption (SC)	**0.877**	**3.609**	**0.933**
Brands help me communicate my self-identity and express myself.		3.739	1.211
I am interested in new products with status.		4.049	1.203
I would buy a product just because it has a status.		3.034	1.263
A product is more valuable to me if it has 'high status' appeal.		3.277	1.295
Subjective Norm (SN)	**0.574**	**3.150**	**0.951**
I gather information from friends or family about a product before I buy.		3.615	1.273
My relatives and friends approve my decision to buy counterfeited products.		2.760	1.328
If I buy counterfeit, it may negatively affect what others think of me.		3.412	1.223
Attitude towards counterfeit product (ATCP)	**0.886**	**2.890**	**0.904**
Counterfeits are as reliable in quality & function as the genuine products.		2.815	1.188
Considering the price, I prefer counterfeit products.		2.526	1.328
Buying counterfeit products are a wise choice.		2.520	1.224
I buy counterfeit without hesitation if I have a chance to buy it.		2.720	1.247

Statement	α	Mean	SD
Buying counterfeits of luxury brands damages interests and rights of the legitimate/original manufacturer.		3.597	1.406
I buy counterfeit products because the prices of designer products are unfair.		2.625	1.303
I usually purchase counterfeits when it is difficult to distinguish between the counterfeits and the genuine products.		3.788	.854
I would buy counterfeit products, even if I could easily afford to buy non-counterfeit products.		2.517	1.469
Purchasing counterfeit brands are illegal.		2.905	1.125
Purchase Intentions (PI)	**0.916**	**2.595**	**1.209**
I would think about counterfeits as a choice when buying something.		2.935	1.305
I will consider purchasing counterfeit products for a friend.		2.452	1.263
I would recommend counterfeit products to friends and family.		2.434	1.466
I would say favourablethings about counterfeit products.		2.557	1.366

The results indicate that personal gratification is the most important dimension related to counterfeits purchase (mean =4.143). This shows that consumers purchase counterfeits to fulfill their sense of accomplishment, gain social recognition and enjoy the better things in life. It is followed by value consciousness (m=4.015), status consumption (m=3.609), perceived risk (3.599) and price consciousness (m=3.524).Consumers purchase counterfeits because to low price, perceive them as good value for money and seek self satisfaction by displaying status in their groups by having fake replica of genuine products. They also believe that buying a counterfeit can be risky as the amount of money would be lost through low quality and poor performance and therefore, have negative attitude towards counterfeits. Interestingly, consumers generally purchase counterfeits due to price advantage over genuine products. Friends and relatives may act as inhibitors or contributors to the purchase counterfeits. Statement, If I buy counterfeit products, it may negatively affect what others think of me (m=3.412), shows that subjective norms also influence consumer decision to purchase counterfeits. Concerning the attitude towards counterfeits, lack of meaningful differentiation between counterfeit and originals may lead to purchase to counterfeits (m=3.788). They also believe that buying counterfeits damages interests and rights of the legitimate producers (m=3.597).Regarding counterfeits purchase intention, consumers gave a low ranking to statement 'I will consider purchasing counterfeit products for a friend' (m=2.452) and 'I would recommend counterfeit products to friends and family' (m=2.434).

The chi-square test is applied to check the degree of association between demographic characteristics (age, gender, education level and residential status) of respondents and purchase of counterfeits across different product categories. It is found that the calculated value for all demographic characteristics is greater than the table value. Therefore, the null hypothesis is rejected, indicating that there is an association between demographic characteristics of respondents and purchase of counterfeits across different product categories.

Table 7 displays R, R squared, adjusted R squared, and the standard error. R value, the multiple correlation coefficients, is 0.872 suggesting a high correlation between dependent and independent variables. R squared value is 0.761.The regression model is able to explain 76% of the variation in the dependent variables so as to conclude that the regression model fits population to a reasonable degree. The value of adjusted R squared is almost same as of R Squared i.e. 0.756 indicating that the model is fit for population.

Table 6: Chi Square Test: Consumer Demography and Counterfeit Product Categories				
Product Categories	Demographic Characteristics	Degree of Freedom	Calculated Value of X2	Table Value of X2
Music and Film Fashion wear & its accessories Software Perfume Pharmaceutical Products Consumer Electricals Spare Parts of Automotive Others	Age	21	66.15	32.67
	Gender	7	34.86	14.07
	Education Level	21	65.11	32.67
	Residential Status	14	46.42	23.68
Total = 767	Level of Significance = 0.05			

Table 7: Regression Analysis: Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.872	0.761	0.756	0.597

Predictors: (Constant), Price Consciousness, Value Consciousness, Perceived Risk, Personal Gratification, Status Consumption, Subjective Norm, Attitude towards counterfeit product. Dependent Variable: Purchase Intention.

Table 8: ANOVA Table (Counterfeit purchase factors & Purchase Intention)				
Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	360.259	7	51.466	144.193	0.000ᵇ
Residual	113.144	317	.357		
Total	473.403	324			

Predictors: (Constant), Price Consciousness, Value Consciousness, Perceived Risk, Personal Gratification, Status Consumption, Subjective Norm, Attitude towards counterfeit product. Dependent Variable: Purchase Intention

Sum of squares, degrees of freedom, and mean square are displayed for two sources of variation, regression and residual in table 8. In this study, the regression value is more than the residual value. Thus it can be concluded that the regression model is able to explain good amount of variation in the dependent variables. The F statistic is the regression mean square divided by the residual mean square. If the significance value of the F statistic is small (smaller than, say 0.05) then the independent variables do a good job explaining the variation in the dependent variable and vice-versa. For the current study, the significance value of F is 0.000 and is smaller than 0.05 thus indicating that all the extracted factors have done a good job explaining the variation in counterfeit product purchase intention.

The above table shows the independent variables (factors) with their unstandardized coefficients, standardized coefficients, these are the coefficients of the estimated regression model. The unstandardised regression coefficient beta values, i.e. B for subjective norm is 0.694 and is largest indicating it as the most important factor that affects counterfeit product purchase. Other factors (importance wise) that influence the purchase of counterfeits are attitude towards the counterfeit product (B = 0.684), status consumption (B = 0.349) and personal gratification (B = 0.158. Only factor has been found less significant in explaining counterfeits purchase is value consciousness, indicating that customers may not be concerned too much about the low price of counterfeits while making the decision to purchase.

Table 12: Regression Coefficients					
Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	-0.541	0.228		-2.367	0.019
Price Consciousness	0.146	0.065	0.099	2.234	0.026
Value Consciousness	-0.099	0.070	-0.062	-1.413	0.159
Perceived Risk	-0.151	0.068	-0.088	-2.202	0.028
Personal Gratification	0.158	0.066	0.099	2.412	0.016
Status Consumption	-0.349	0.053	-0.269	-6.543	0.000
Subjective Norm	0.694	0.064	0.546	10.841	0.000
Attitude towards counterfeit product	0.684	0.070	0.511	9.809	0.000

a. Dependent Variable: Purchase Intention

DISCUSSION

Counterfeiting is a one of the serious problems that put both in the developing countries and developed countries in trouble. Of late, the product counterfeiting has increased fast, from the scope, scale, or complexity side, and influencing the manufacturers of various luxury products. The present study found that 39.08% consumers were the victims of counterfeit products while 56.30% were willing customers of such products. Consumers are victims of counterfeits because they are unable to make a difference between counterfeits and original products. The majority of counterfeits can come across in fashion wear and its accessories, music & films, perfume, spare parts of automotive and software. Corner lane shops and specific markets are the main location of such products.

The findings have reflected that subjective norms and attitude towards counterfeits have significant influences on the consumer purchase intention towards counterfeits. This shows that in this materialistic society, consumers are willing to purchase fake replica of products because friends, relatives, family and peers approve their decision to counterfeits. The favorable attitude of consumers towards lower price and reasonable quality of counterfeits, and unfair prices of original products encourage them to buy counterfeits. The desire for luxury goods is still on the rise, propelling consumers to purchase for the sake of display. This contributes to dissonance, whereby consumers resort to buying counterfeits that can carry the same function as luxury brands, and can be displayed to their peers. The study also advocated that personal gratification motivates consumers to purchase counterfeit. Consumers generally buy counterfeits because they see themselves as financially poor, less confident, less successful and lower status than consumers of original products. In order to fulfill their need of achievement and gain social appreciation they generally prefer counterfeits.

Consumers do not perceive high levels of risk in their purchases of counterfeits due to similarity of such products to originals, moderate level of benefits and social acceptance of counterfeits. The study indicates that consumers' willingness to pay less price and search for lower price products help in increasing the demand of counterfeits. Consumers generally ignore the quality of fake products and buy counterfeits which are offered at reduced prices. Researchers also found no significant relationship between the consumers' level of value consciousness and their chances of purchasing counterfeits,

suggesting that value-conscious consumers don't see counterfeit products as a better deal than the actual status brand. Consumers are aware of lower quality of counterfeits and believe that genuine products offer better quality, status, superior performance, admiration and recognition by others. They are less likely to purchase counterfeits when they have experienced the genuine products.

The findings support previous researches that show consumers' attitudes are an important factor affecting the counterfeit purchase. Lower price, customer willingness to purchase, hedonic purpose, reasonable performance and satisfactory past purchase behavior are the strong antecedents of purchase intention of counterfeits. High prices of genuine products and comparatively lower prices of counterfeits motivate consumers' intention towards counterfeits. Further, good quality counterfeits present in the marketplace also offer a greater incentive for consumers to purchase. This is evident when consumers perceive product attributes of counterfeits and originals to be closely similar. Therefore, marketers of original products must attempt to differentiate their products with fake products and introduce as innovative features as possible to be 'a step ahead' of counterfeiters to avoid being easily imitated. Marketers should focus on developing effective measures to discourage consumers to buy counterfeits and encourage them to purchase genuine products. They must convince customers that they are not charging unfair prices for innovative and quality products. Awareness and education can be used to favorably influence consumer attitude towards originals. In addition, anti-social, illegal and unethical issues need to be highlighted to develop negative attitudes toward counterfeits.

CONCLUSION

This study contributes to the existing literature by identifying key drivers which encourage consumers to purchase counterfeit products. It is evident from the present study that consumers' favourable attitudes towards counterfeits of luxury brands play an important role in affecting consumer purchase intention. Subjective norm and status influence of the consumers play important roles in their intention towards purchasing counterfeits. Price and reasonable quality of the counter feitsover the genuine products is the incentive for consumer to purchase counterfeits. It is crucial for managers to understand the fundamentals of consumer attitudes and purchase behaviour of counterfeits to be able to counter the counterfeit epidemic. In order to decrease consumer demand for counterfeits of their products marketing managers need to highlight in their packaging, merchandizing, and ethical issues in advertising and understand the hedonic buying behavior of consumers.

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