

FACTORS INFLUENCING YOUNG CONSUMERS' PURCHASE INTENTION OF COUNTERFEIT FASHION BRANDS

ZERNIGAH IRSHAD KIANI

Mohammad Ali Jinnah University, Islamabad, Pakistan

ABSTRACT

Counterfeiting has become a major problem in the market place. Though manufacturers of original products worldwide are trying to combat this unethical practice, still they are not able to fully overcome it as it has penetrated deep down into the markets all around the globe. This study aimed at analyzing the factors that influence young consumers purchase intention of counterfeit fashion brands. The data were gathered from 160 respondents from the twin cities of Pakistan: Islamabad and Rawalpindi. Correlation and regression analysis were used to find out the relationship between dependent variable, i.e., purchase intention of counterfeit fashion brands, and the independent variables which were fashion consciousness, status consumption and value consciousness, and the moderating role of consumers' ethics was analyzed. The study findings did not find support for any of the hypotheses, however, consumer ethics moderated the relationship between fashion consciousness, value consciousness and consumers purchase intention of counterfeit fashion brands. Some managerial implications for designers were also discussed.

INTRODUCTION

Counterfeiting is an illegal activity and a major problem in the marketplace (Kozar & Marcketti, 2011), which is taking place equally in both the developed and underdeveloped countries (Lan, Liu, Fang, & Lin, 2012), and which has increased in scope, size and level of complexity within the last two decades (Vagg & Harris, 2000). Each year, the producers of counterfeit products steal billion of dollars from the manufacturers of genuine products by using their brand names and by appealing to those consumers who support them in their illegal activities (Stumpf, Chaudhry, & Perretta, 2011). It is one of the biggest problems faced by luxury goods manufacturers in today's globalized marketplace because with the expansion and distribution of operations across countries, the practice of counterfeiting has become easier and easier (Hilton, Choi, & Chen, 2004). Hence, what has fostered the expansion of counterfeiting, is the increased use of outsourcing by manufacturers who, in order to take benefit of the lower production and labor costs, provide avenues to producers in those countries to copy their designs and goods in an illegal way (Mackenzie, 2010). Counterfeit products of various types are offered in the marketplace; garments, watches, perfumes, software, videos and CDs being the primary areas of counterfeiting (Vagg & Harris, 2000).

Most of the previous research regarding the

investigation of counterfeits had been focusing on luxury goods (Norum & Cuno, 2011). The effect of life values and materialism (Fumham & Valgeirsson, 2007), the role of non-price determinants (Wee, Tan, & Cheok, 1995) and the role of word-of-mouth (Lan et al., 2012) on purchase intention of counterfeits have been explored by many researchers. Likewise, the volitional purchase of counterfeit products (Penz & Stottinger, 2005) and non-deceptive counterfeiting purchase behavior (Koklic, 2011) has also gained ample attention from researchers.

The industry focused for the purpose of this research is that of fashion brands. As the fashion industry of every country is growing by leaps and bounds every day, and as consumers have become more fashion conscious in their purchase behavior, they tend to go for products that are considered more fashionable. The problem of counterfeiting is on the rise in fashion industry. Most of the value of high-end fashion goods, which are also termed as luxury goods, originate from their looks and not their functionality, therefore, the production of these goods and copying of their designs has become comparatively easy (Hilton et al., 2004). Fashion brands, in this study, refers to designer labels and other branded clothing shops that tend to satisfy consumers' demand of having up-to-date fashion items, and at the same time satisfy their need of gaining status. However, as all consumers cannot afford prestigious designer labels and other branded stuff, they go for something that is

more reasonable yet fashionable at the same time, and this opens their way to counterfeit products. Worldwide, the shops that sell counterfeit designer goods at a price lower than the original ones can be found easily, and it is easy for producers to create cheap, fake copies of designer wear from the pictures of haute couture that are printed in fashion magazines from time to time (Hilton et al., 2004).

The constructs used in this study have not been studied together in any of the previous researches. Hence, this study will contribute to the existing literature by focusing on the variables of status consumption, fashion consciousness and value consciousness, and by observing the moderating role of consumer ethics in shaping their behavior regarding the purchase of counterfeit fashion brands. Moreover, to our knowledge no previous research has been conducted on this topic in Pakistan, and as China is the neighboring country of Pakistan and the biggest producer of counterfeits (Chapa, Minor, & Maldonado, 2006) the trade and use of counterfeit goods is quite high in Pakistan, and fake copies of almost all brands are easily available in its marketplace. Therefore, this topic is worth exploring as it will provide valuable insights regarding young Pakistani consumers' behavior regarding counterfeit products. The study focuses specifically on the area of non-deceptive counterfeiting, whereby consumers know that they are purchasing fake copies of original products (Koklic, 2012). The focus is laid upon the younger segment of the society because young consumers are particularly more conscious of their dressing and have a desire of buying prestigious fashion brands, even though they may not have enough money (Lee, 2009). Hence this study aims at answering these two very important questions: first, what are the factors that influence young consumers to purchase counterfeit fashion brands? Second, what role does consumer morality play in shaping young consumers' behavior regarding purchase of counterfeit products?

After presenting the literature review, the paper discusses the research methodology, findings of the research and its managerial implications. Finally, it discusses the limitations of this study and some implications for future research.

REVIEW OF LITERATURE

The unauthorized copies of original brands are termed as counterfeits (Taormina & Chong, 2010). Or according to the definition of Vagg and Harris (2000) "A counterfeit is an article that displays a trademark the manufacturer is not entitled to use, or a very close copy that could easily be confused with it (P.107)." In recent times, the manufacturing, distribution and consumption of counterfeit products has been rising at an alarming

rate, and due to an increase in consumer demand, over the last 20 years, the problem of counterfeiting has grown more than 10,000 percent (Norum & Cuno, 2011). Likewise, new challenges are brought to brand management due to counterfeiting, as brand owners not only have to compete with other brands, but also have to deal with challenges brought by counterfeits in the marketplace (Bian & Moutinho, 2011a).

Regardless of legislations for reducing the sale of counterfeit products, designers worldwide are struggling hard to protect their designs from being copied, and have declared counterfeiting as a growing problem (Norum & Cuno, 2011). As the producers of counterfeit products use the brand names of others without incurring any design or marketing costs, whereas, the owners of authentic brand names invest heavily in designing, marketing and manufacturing their products (Furnham & Valgeirsson, 2007), therefore, there is a need of ending the practice of counterfeiting from both the supply and demand side (Kozar & Marcketti, 2011) by means of integrating anti-counterfeiting campaigns with corporate social responsibility schemes (Bian & Moutinho, 2011b). Moreover, by driving down the prices of original products and making them more affordable, consumers can be compelled to stay away from counterfeit products (Haque, Khatibi, & Rahman, 2009). Also, by convincing consumers that the benefits of purchasing original products are a lot more than those of fake products, consumers can be discouraged from buying counterfeit goods (Ergin, 2010).

Several factors influence consumers' perception towards counterfeits (Haque et al., 2009). This study is designed to access the factors that influence young consumers' purchase intention of counterfeit fashion brands by using the three variables (Status consumption, Value consciousness Fashion consciousness) to predict consumer behavior, and to see the moderating role of consumer ethics in shaping consumers behavior regarding purchase intention of counterfeit products, as due to increased globalization there is a need for considering how ethical behavior can vary among consumer markets all over the world (Belk, Devinney, & Eckhardt, 2005).

Purchase Intention

According to Spears and Singh (2004) "Purchase intentions are an individual's conscious plan to make an effort to purchase a brand" (p.g. 56). The purchase intention of counterfeit products is determined mostly by the perceived personality of counterfeit goods, and the purchase intention is less likely if consumers believe that buyers and sellers of counterfeit products are committing a crime, whereas a major determinant of the purchase intention of counterfeit products is found

to be consumers' attitude towards counterfeit products (Norum & Cuno, 2011; Phau & Teah 2009). Hence, unfavorable attitudes of consumers toward counterfeits negatively affect their purchase intention of buying such products (Koklic, 2011). However, consumers are more intended to buy counterfeit products if there are fewer hindrances in their way to buy counterfeits such as the time required to find them, geographic fences etc (Penz & Stottinger, 2005).

According to Carpenter and Lear (2011), cultural differences can also play an important role regarding the purchase decision of counterfeit goods. Chapa et al. (2006) found education to be an important predictor of consumers' attitudes towards counterfeits, and reported that well educated consumers are less likely to purchase counterfeit products. In studying the effect of country of origin, it was observed that consumers' purchase intention is indeed influenced by the country of origin and the study results indicated that consumers are more likely to purchase American counterfeits than Chinese counterfeits.

Status consumption

Status consumption is defined as the "tendency to purchase goods and services for the status or social prestige that they confer on their owners" (Eastman, Goldsmith, & Flynn, 1999, p.g. 41). Phau and Teah (2009) found that status consumption and integrity are powerful influencers of purchase intention. A status consumer purchases goods for the purpose of gaining status and is conscious of displaying achievement, thus holds unfavorable attitude towards counterfeit goods. One way of gaining status is by buying goods having designer labels (Oneto, Gelb, Walker, & Hess, 2012) as prestigious brands are usually seen as an icon of value and status (Casidy, 2012). There are people who buy branded products just to enhance their image in the eyes of others (Taormina & Chong, 2010) therefore, the social risk involved in the purchase and consumption of counterfeit products can actually inhibit consumers from purchasing counterfeit products (Bian & Moutinho, 2011a; Koklic, 2011). As status conscious consumers associate their purchase choices to certain social consequences of shame and embarrassment, they are more likely to buy authentic products and not their counterfeits (Oneto et al., 2012). However, those consumers who consider themselves as having lower status are more likely to purchase products that are of less value, such as counterfeit products (Taormina & Chong, 2010). Hence it is hypothesized that:

Hypothesis 1. Status consumption has a negative influence on consumers' purchase intention of

counterfeit fashion brands.

Value consciousness

Value consciousness is a decision making style of consumers who are worried about getting lower prices (Sproles & Kendall, 1986), and they wish to capitalize on value or maximize the ratio of quality relative to the price, hence, to these individuals counterfeit products are more attractive as they offer same functional quality at a price much lower (Oneto et al., 2012). Consumers get counterfeit products at lower and more appealing prices than original products (Taormina & Chong, 2010) hence, due to the availability of counterfeits, the manufacturers of original products are often blamed by value conscious consumers for charging high prices, and thereby questioning the value of the original product and negatively impacting its brand image (Bian & Moutinho, 2011a). According to Phau and Teah (2009) counterfeits of luxury brands offer same functional benefits like original ones but at a price lower than the genuine product, hence, value conscious consumers perceive them favorably and have positive attitudes towards them. Those consumers who believe that by buying counterfeit products they get good value for money are more willing to buy counterfeit goods (Furnham & Valgeirsson, 2007). Similarly, the study of Belk et al. (2005) identified that most consumers prefer getting a good product at a good price caring less about the manufacturer of the product and neglecting the issues of copyright. However, according to Chapa et al. (2006) although consumers perceive counterfeits to be of lower quality compared to the original products, they still look for high quality counterfeits when making a purchase and are willing to buy counterfeits from sources that offer superior quality. Therefore, it is hypothesized that:

Hypothesis 2. Value consciousness has a positive influence on consumers' purchase intention of counterfeit fashion brands.

Fashion consciousness

Sproles and Kendall (1986) defined fashion consciousness as a consumer style and an important aspect of a person's lifestyle that influences his or her purchase decisions and consumption behavior, and refers to consumers who like new and innovative fashion products and who gain pleasure by seeking up to date products. Similarly, according to Lee (2009) fashion consciousness relates to a person's extent of involvement with new fashion styles. In case of fashion items like haute couture, buyers derive most of the value from the belief that they are purchasing something new

and fashionable (Hilton et al., 2004), therefore, fashion conscious people pay more attention to prestigious brands than those who are less fashion conscious (Casidy, 2012). It has been observed that those fashion items that are having well known brand names are more vulnerable to being copied (Lee, 2009). China, being the biggest producer of counterfeits, is also the first one to counterfeit new/latest fashion products (Chapa et al., 2006). However, as fashion trends change in a short period of time, they put considerable financial strain on fashion followers, so, for these fashion conscious people the alternative of buying counterfeits instead of buying the original product becomes more lucrative (Penz & Stottinger, 2005). As consumers' involvement with fashion influences their behavior towards the purchase of fashion products, hence, on the basis of the reviewed literature it has been hypothesized that:

Hypothesis 3. Fashion consciousness has a positive influence on young consumers' purchase intention of counterfeit fashion products.

Moderating role of consumer ethics

Norum and Cuno (2011) defined consumer ethics as "the moral rules, principles and standards guiding the behavior of an individual or group in the selection, purchase, use or selling of a good or service (p.g.29)." Ethical consumer choices relate to purchasing of goods from companies and nations whose marketing behavior and products are considered ethical, and avoiding those who are involved in unethical practices (Belk et al., 2005). Kozar and Marcketti (2011) in their study found out that consumers who have high ethical values, and who are ethically conscious in their purchase behavior are less inclined towards the purchase of counterfeit apparel products, and consumers who have knowledge about counterfeiting are against the practice of making and selling counterfeit products, and consider it as an illegal activity. Likewise, people from religious backgrounds who have high moral values and moral guidance are more aware about what is right and what is wrong, and hence are less willing to buy counterfeit goods (Furnham & Valgeirsson, 2007). Therefore, moral intensity has been observed to have a considerable negative influence on purchase of counterfeit products (Koklic, 2011).

However, according to Phau and Teah (2009) consumers' purchase intention of counterfeits are influenced more by their perceptions of counterfeits, rather than by ethical and legal considerations, and the urge of owning possessions that are desired by consumers can force consumers to act in ways that are unethical, thereby making them believe that they are not committing any crime (Norum & Cuno, 2011).

Likewise, many consumers are of the opinion that when sellers of counterfeits do not care about what is right and what is wrong, then why should they care about it (Belk et al., 2005). However, Carpenter and Lear (2011) suggested that by providing help to some consumers, ethical factors can be induced into their product choices. Hence, a strong negative influence has been observed of ethical standards on purchase of counterfeits. Therefore, on the basis of the reviewed literature, the following hypotheses have been derived:

Hypothesis 4a. Consumer ethics moderates the relationship between status consumption and young consumers' purchase intention of counterfeit fashion brands.

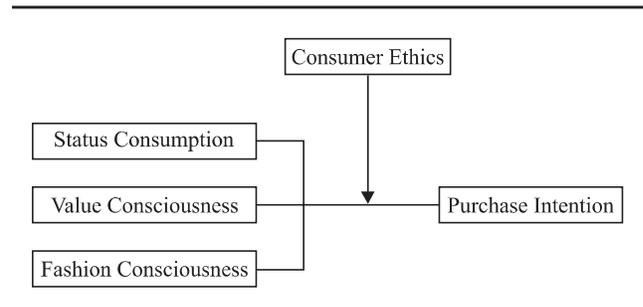
Hypothesis 4b. Consumer ethics moderates the relationship between value consciousness and young consumers' purchase intention of counterfeit fashion brands.

Hypothesis 4c. Consumer ethics moderates the relationship between fashion consciousness and young consumers' purchase intention of counterfeit fashion brands.

Research Model

The current study attempts to test the model presented in Figure 1. In order to develop the model, the article begins with the review of selected variables that influence consumers' purchase intention of counterfeit fashion brands and shows the link between these variables. The study also attempts to show that consumer ethics may act as a moderator that affects the relationship between status consumption, value consciousness, fashion consciousness and purchase intention. Theory of planned behavior (TBP) provides the basis for this model to explain consumers' purchase intention of counterfeit fashion brands. According to this theory, intentions are those motivational factors that influence an individual to perform a behavior. Hence, the stronger the intention, the more likely it is that the behavior would be performed (Ajzen, 1991).

FIGURE 1
Theoretical Framework



METHODOLOGY

Sample and data collection

Convenience sampling technique was used for the purpose of data collection and the questionnaires were personally administered. The sample chosen for this study was of university students as the focus of this research was on young consumers who are more conscious of following latest fashions, but are value conscious and at the same time tend to gain status to fit themselves in likeminded groups. Hence, the sample chosen was fit for the purpose of this study. A total of 200 questionnaires were distributed to the prospective respondents of which 160 fully filled questionnaires were received back from respondents. So, the response rate remained only 80%. The sample size for this study was 160 (N=160). The respondents included 93 males (58%) and 67 females (42%) who were in the age group between 18-35 years with a mean age of 23.27. The study sample included undergraduate, graduate and postgraduate students from various public and private sector universities across Islamabad and Rawalpindi. The sample educational profile included 40 Undergraduate degree holders (25%), 50 Graduate degree holders (31.3%) and 70 Postgraduate degree holders (43.7%).

Measures

Primary data was collected for the purpose of this research and the instrument used for the collection of data was a structured, closed ended questionnaire. All variables were measured using a 5 point Likert scale where 1 = strongly disagree and 5 = strongly agree. The questionnaire consisted of 24 items in total. The instrument comprised of two sections. Section 1 included questions regarding factors that influence young consumers purchase intention of counterfeit fashion brands, whereas section 2 collected respondents' demographical data using a nominal scale which collected data about their gender, age, education and occupation.

Status Consumption

Status consumption was measured with a scale developed by Eastman, Fredenberger, Campbell, and Calvert (1997). This scale consisted of 5 items (e.g. "I would buy a product just because it has status"). Internal reliability of the instrument was ascertained using Cronbach's alpha. The Cronbach's alpha coefficient of this scale in this study was 0.678. Original number of items did not match acceptable reliability hence, 2 items were dropped to achieve acceptable reliability. According to Malhotra (2004) a value of 0.6 depicts weak, 0.6-0.8 shows fairly strong and 0.8-1.0 portrays very strong internal reliability.

Value Consciousness

The measure used for value consciousness was adapted from Lichtenstein, Netemeyer, and Burton (1990). The scale consists of 4 items in total and items such as "I am very concerned about low prices, but I am equally concerned about product quality" were included in the scale. A Cronbach's alpha value of 0.775 was obtained for value consciousness scale which showed a good reliability of the scale.

Fashion Consciousness

Fashion consciousness was measured with a scale developed by Bruner and Hensel (1998). This scale consists of 7 items (e.g. "I often try the latest styles when they change"). The alpha reliability of this scale in our study was 0.713 which lied above the acceptable range and showed a good reliability of the scale.

Consumer Ethics

Consumer ethics was measured using a scale adapted from Carpenter and Lear (2011). The scale consisted of 3 items (e.g. "people who buy counterfeit products are committing a crime"). Original number of items did not meet the acceptable reliability, hence, an item was dropped and an alpha reliability of 0.679 was achieved.

Purchase intention

Purchase intention was measured with a scale developed by Spears and Singh (2004). The scale consisted of 4 items (e.g. "I have high purchase interest in counterfeit clothes"). The Cronbach's alpha reliability for this scale was observed to be 0.837 which is well above the acceptable value, thereby showing a very good reliability.

Table 1 shows the correlation coefficients between different variables of the study. The correlation coefficient ranges between -1 and + 1. A correlation value of above 0.5 depicts a strong positive association between the variables. It is noted that almost all the variables of the study i.e. fashion consciousness, status consumption, value consciousness and consumers' ethics have an insignificant correlation with the dependent variable of purchase intention ($p > 0.05$). Multiple regression analysis were conducted to see the combined effect of all independent variables over the dependent variable of purchase intention of counterfeit fashion brands. The R-square value ($R^2 = .019$) shows that only 1.9% variance in the dependent variable of purchase intention of counterfeit fashion brands is explained by the independent variables of fashion consciousness, status consumption and value consciousness. A significance value ($p > .05$) shows poor fitness of the model.

RESULTS

TABLE 1
Correlations between measures

VARIABLE	MEAN	S.D.	A	PI	FC	SC	VC	CE
PI	2.675	0.94536	0.837	1				
FC	3.41	0.70026	0.713	0.015	1			
SC	3.016	0.94857	0.678	0.113	.319**	1		
VC	3.893	0.84375	0.775	0.066	.339**	0.018	1	
CE	3.118	0.02406	0.679	-0.058	0.153	0.107	0.136	1

Note. ** $p < 0.01$, $N = 160$

TABLE 2
Regression statistics

Variable	Beta	t-value	p-value
Fashion consciousness	-0.072	-0.598	0.551
Status consumption	0.128	1.529	0.128
Value consciousness	0.092	0.97	0.334
R-square	0.019		
Adjusted R-square	0		
Significance	0.387		

Table 2 shows the beta values and significance values of the independent variables. Fashion consciousness has an insignificant relationship with consumers' purchase intention of counterfeit fashion brands ($p > .05$; $\beta = -.072$) which means that fashion consciousness does not have any significant impact on consumers purchase intention of counterfeit fashion brands. Likewise, status consumption ($p > .05$; $\beta = .128$) and value consciousness ($p > .05$; $\beta = .092$) also do not have any significant impact on purchase intention of counterfeit fashion brands as evident from the results of regression analysis.

In order to see whether consumer ethics moderates the relationship between independent variables and the dependent variable of purchase intention, a moderated regression analysis was carried on. Table 3 shows the results of moderated regression analysis.

TABLE 3
Moderated Regression Analysis

Interaction term	β	t-value	p-value
SCxEthics	.333	0.905	0.367
VCxEthics	1.279	2.593	0.010**
FCxEthics	1.978	3.956	0.000**

Moderated regression analyses show that consumer ethics significantly moderates the relationship between value consciousness ($p < .05$; $\beta = 1.279$), fashion

consciousness ($p < .05$; $\beta = 1.978$) and consumers purchase intention of counterfeit fashion brands. However, it does not moderate the relationship between status consumption and consumers' purchase intention of counterfeit fashion brands ($p > .05$; $\beta = .333$).

DISCUSSION

On the basis of the above analysis no support has been found for H_1 . Hence, it is concluded that status consumption does not negatively affect consumers purchase intention of counterfeit fashion brands. The study findings are in contradiction with researches conducted in other parts of the world who found that the social risk involved in the purchase and consumption of counterfeit products inhibits consumers from purchasing counterfeit products (Bian & Moutinho, 2011a; Koklic, 2011). The main reason for such results can be that younger segment is usually not conscious about their status, and clothing may not be as such a good indicator of status as other luxury items like branded wrist watches, handbags, sun glasses etc, hence, they think that buying or wearing counterfeit clothes may not harm their personality in anyway. Moreover, at times it is usually difficult to differentiate between genuine brands and their fake copies, thus consumers, especially young consumers, believe that wearing counterfeit clothes would not damage their personality and status and the low risk involved with it makes them likely to purchase counterfeit fashion brands. Moreover, many of the international brands and designer labels such as Marc Jacobs, Versace, Fendi and many others that are seen as icon of status in other parts of the world are not available in Pakistan as their outlets are not yet opened there. Therefore, even if anyone is wearing their counterfeits to impress others in their social circles, people are not able to recognize whether they are original or not. Thus, the social risk involved in the use of such counterfeits is very low and many people taking advantage of this fact make use of such fake copies to build and enhance their status and image in eyes of others.

No support was found for H_2 as well. The results

depict an insignificant relationship between value consciousness and purchase intention of counterfeit fashion brands and the results are not in accordance with the results of other studies which show that it is likely for value conscious people to buy counterfeit brands (Phau and Teah, 2009). Though counterfeit brands are available at lower prices, yet they do not offer the same quality as of the original brand, and hence consumers who value quality of a product more than its price tend to purchase original product, especially when it comes to clothes, the quality is of utmost importance because fake copies of designer labels are of low quality and are not durable enough, and usually frequent washes result in faded color. Thus, many consumers are of the point of view that it is better to buy fewer clothes but to buy of those brands that provide good quality and here is what makes consumers to prefer original brands over their cheap low price counterfeits. Moreover, in Pakistan, high quality counterfeits are usually not available which makes them less attractive for consumers and they are less likely to purchase them.

H₃ has also found no support as evident from the results of the study. No significant relationship has been observed between fashion consciousness and consumers purchase intention of counterfeit fashion brands. These results are in contradiction with the results of Lee (2009) who found that college students who are highly fashion conscious strongly believe in the purchase of fashion counterfeits because of the inherent benefits associated with their purchase such as cheaper price, luxurious image and almost same details like those of original brands and also because of the fact that for fashion conscious people the alternative of buying counterfeits instead of buying the original product becomes more lucrative (Penz & Stottinger, 2005). However, the results of the present study show a different picture. A number of reasons can lead to such results where fashion consciousness may not result in purchase of counterfeit fashion brands. The most obvious seems to be that fashionable consumers tend to buy clothes having brand names that are famous and are known by majority of people in their social circles. Therefore, in order to showoff, they buy original brands though they have to pay a higher price for their acquisition as fashion conscious people pay more attention to prestigious brands than those who are less fashion conscious (Casidy, 2012). Moreover, peer pressure is another factor that may have a significant influence. Youngsters tend to be friends with likeminded people and in order to be a part of a group and to gain acceptance of others they wear what their friends wear and as people usually judge others by their clothing and what brands they wear, for such reasons the ownership of original brands matter a lot for certain people especially in case of students.

Moderation results were significant for the variables of fashion consciousness and value consciousness, whereas insignificant for status consumption so, hypotheses 4b and 4c were accepted which shows that consumer ethics moderates the relationship between value consciousness, fashion consciousness and purchase intention of counterfeit fashion brands. However, hypothesis 4a was rejected which shows that consumer ethics do not moderate the relationship between status consumption and consumers' purchase intention of counterfeit fashion brands. This implies that the urge of gaining status overcomes consumers' ethical standards, and in quest for gaining status they are willing to engage in any unethical activity that may be harmful for others which in this case is the purchase of counterfeit products, which affects the producers of original products as the producers of counterfeits steal billion of dollars from original manufacturers every year (Stumpf et al., 2011).

CONCLUSION

In summary, the study findings indicate that young consumers in Pakistan are not inclined towards the purchase of counterfeit fashion brands and the factors of status consumption, value consciousness and fashion consciousness do not impact the purchase of counterfeit fashion brands. Though these results are in contradiction with many of the previous researches, it is in good faith for the designers and owners of branded labels in Pakistan as consumers are not inclined towards purchasing counterfeit fashion brands. This is due to the low quality of counterfeit brands that are available in Pakistan which inhibits consumers from purchasing them. Another reason might be peer pressure which forces young consumers to buy original brands over their fake copies because it is important for people, especially for youngsters, to gain acceptance of their friends and the circles in which they move, which makes them buy branded and designer labels to gain acceptance in society.

Furthermore, high ethical standards of consumers prevent them from buying counterfeit products as it is not in favor of the manufacturers of original products. They also feel that their family and friends would be disappointed in them for acting unethically, which discourage them even more because it is important for youngsters to meet their family and friends expectations even if they are related to their dressing and purchase intentions. However, the urge of gaining status forces people to neglect moral standards as evident from the results of the study. It is very unethical on the part of consumers

to exhibit such behavior because gaining status at the expense of moral standards is not in the best interest of consumers as it causes damage not only to themselves but also to the society at large to which they belong to.

Another important finding of this research is that no difference was observed between genders regarding the purchase of counterfeit fashion brands as both males and females held negative attitudes towards the purchase of counterfeit fashion brands. A major reason for such results can be the level of education. It has been observed that more educated consumers are less likely to purchase counterfeits and as the focus of this study was on younger segment most of whom were attending universities, hence, their level of education depicts their disliking towards the purchase of counterfeits. Also, as university going students usually come from well off families and are able to afford original products, therefore, they tend not to go for the cheap, fake copies of original brands thereby rendering the purchase intention of counterfeits to be very low. Moreover, as the research was conducted in two major cities of Pakistan and the focus was laid upon the urban areas where people usually have high purchasing power, hence, it is less likely for consumers belonging to posh areas to hold favorable attitudes towards low quality counterfeits when they can easily afford the original brands.

Implications for Managers

Though younger consumers are not inclined towards the purchase of counterfeits fashion brands, the manufactures of original brands should run campaigns to create literacy and awareness among consumers and emphasize on the fact that how their purchase behavior regarding counterfeits affect the manufacturers of original products and the economy at large. They should discourage those who hold favorable attitudes towards counterfeits by emphasizing over their product quality and encouraging that the purchase and use of original brands will provide them with a level of satisfaction that fake copies cannot. Moreover, by manufacturing goods that are easily affordable by all segments of the society, designers can further reduce the likelihood of consumers purchasing counterfeits of their brands which would in turn discourage those who engage in the unethical practice of copying their designs.

Limitations and Directions for Future Research

Some of the limitations that were encountered during the research were that due to the shortage of time data could not be gathered from a large number of

people. Another limitation lies in the use of convenience sampling technique and the limited number of variables that were focused upon in this research. Moreover, the sample consisted primarily of students and the study was conducted in the urban areas because of which the findings of this study cannot be generalized as the sample was not a good representative of the whole population. Future research is required to confirm the findings. Future research should include people from all domains of life and from other parts of the country in order to generalize the findings of the study. Other variables can also be considered such as brand loyalty, and to see its impact on purchase intention of counterfeit products. Moreover, future research can also look into the role of media in encouraging or discouraging the purchase of counterfeit products by considering other product categories.

REFERENCES

- Ajzen, I. (1991). The Theory of Planned Behavior. *Organizational Behavior and Human Decision Processes*, 50, 179-211.
- Bian, X., & Moutinho, L. (2011a). Counterfeits and Branded Products: Effects of Counterfeit Ownership. *Journal of Product and Brand Management*, 20(5), 379-393. DOI: 10.1108/10610421111157900.
- Bian, X., & Moutinho, L. (2011b). The Role of Brand Image, Product Involvement and Knowledge in Explaining Consumer Purchase Behavior of Counterfeits. *European Journal of Marketing*, 45(1/2), 191-216. DOI: 10.1108/03090561111095658.
- Belk, R.W., Devinney, T., & Eckhardt, G. (2005). Consumer Ethics across Cultures. *Consumption, Markets and Cultures*, 8(3), 275-289. DOI: 10.1080/10253860500160411.
- Bruner, G. C., & Hensel, P. J. (1998). *Marketing scales handbook: A compilation of multi-item measures*, Vol. 2. Chicago: American Marketing Association.
- Casidy, R. (2012). Discovering Consumer Personality Clusters in Prestige Sensitivity and Fashion Consciousness Context. *Journal of International Consumer Marketing*, 24, 291-299. DOI: 10.1080/08961530.2012.728506.
- Carpenter, J.M., & Lear, K. (2011). Consumer Attitudes toward Counterfeit Fashion Products: Does Gender Matter? *Journal of Textile and Apparel, Technology and Management*, 7(1), 1-16.
- Chapa, S., Minor, M.S., & Maldonado, C. (2006). Product Category and Origin Effects on Consumer Responses to Counterfeits: Comparing Mexico and the U.S. *Journal of International Consumer Marketing*, 18(4), 79-99. DOI:10.1300/J046v18n04_05.
- Eastman, J.K., Goldsmith, R.E., & Flynn, L.R. (1999).

- Status Consumption in Consumer Behavior: Scale Development and Validation. *Journal of Marketing Theory and Practice*, 7(3), 41-52.
- Eastman, J.K., Fredenberger, B., Campbell, D. & Calvert, S. (1997). The relationship between status consumption and materialism: a cross-cultural comparison of Chinese, Mexican, and American students. *Journal of Marketing Theory and Practice*, 5(1), 52-66.
- Ergin, E.A. (2010). The Rise in Sales of Counterfeit Brands: The Case of Turkish Consumers. *African Journal of Business Management*, 4(1), 2181-2186.
- Furnham, A., & Valgeirsson, H. (2007). The Effect of Life Values and Materialism on Buying Counterfeit Products. *The Journal of Socio-Economics*, Vol.36, 677-685. DOI: 10.1016/j.socec.2007.01.004.
- Haque, A., Khatibi, A., & Rahman, S. (2009). Factors Influencing Buying Behavior of Piracy Products and its Impact on Malaysian Markets. *International Review of Business Research Papers*, 5(2), 383-401.
- Hilton, B., Choi, C.J., & Chen, S. (2004). The Ethics of Counterfeiting in the Fashion Industry: Quality, Credence and Profit Issues. *Journal of Business Ethics*, 55, 345-354.
- Kozar, J.M., & Marcketti, S.B. (2011). Examining Ethics and Materialism with Purchase of Counterfeits. *Social Responsibility Journal*, 7(3), 393-404. DOI: 10.1108/17471111111154536.
- Koklic, M.K. (2011). Non-Deceptive Counterfeiting Purchase Behavior: Antecedents of Attitudes and Purchase Intentions. *The Journal of Applied Business Research*, 27(2), 127-138.
- Lan, M., Liu, F., Fang, C., & Lin, T.M.Y. (2012). Understanding Word-of-Mouth in Counterfeiting. *Psychology*, 3(3), 289-295. DOI: 10.4236/psych.2012.3304.
- Lichtenstein, D.R., Netemeyer, R.G. and Burton, S. (1990). Distinguishing coupon proneness from value consciousness: an acquisition-transaction utility theory perspective. *Journal of Marketing*, 54(3), 54-67.
- Lee, J. (2009). Understanding College Students' Purchase Behavior of Fashion Counterfeits: Fashion Consciousness, Public Self-Consciousness, Ethical Obligation, Ethical Judgment, and the Theory of Planned Behavior. A Master of Science thesis presented to the faculty of the College of Health and Human Services of Ohio University.
- Malhotra, N.K. (2004). *Marketing Research: An Applied Orientation*, Pearson Education Inc., New Jersey.
- Mackenzie, S. (2010). Counterfeiting as Corporate Externality: Intellectual Property Crime and Global Insecurity. *Crime Law Soc Change*, 54, 21-38. DOI: 10.1007/s10611-010-9246-5.
- Norum, P.S., & Cuno, A. (2011). Analysis of the Demand for Counterfeit goods. *Journal of Fashion Marketing and Management*, 15(1), 27-40. DOI: 10.1108/13612021111112322.
- Oneto, S.G., Gelb, B.D., Walker, D., & Hess, J.D. (2012). "Buying Status" by Choosing or Rejecting Luxury Brands and their Counterfeits. *Journal of the Academy of Marketing Science*, DOI: 10.1007/s11747-012-0314-5.
- Phau, I., & Teah, M. (2009). Devil Wears (Counterfeit) Prada: A Study of Antecedents and Outcomes of Attitudes towards Counterfeits of Luxury Brands. *Journal of Consumer Marketing*, 26(1), 15-27. DOI: 10.1108/07363760910927019.
- Penz, E., & Stottinger, B. (2005). Forget the "Real" Thing- Take the Copy! An Explanatory Model for the Volitional Purchase of Counterfeit Products. *Advances in Consumer Research*, 32, 568-575.
- Stumpf, S.A., Chaudhry, P.E., & Perretta, L. (2011). Fake: Can Business Stanch the Flow of Counterfeit Products?. *Journal of Business Strategy*, 32(2), 4-12. DOI: 10.1108/02756661111109725.
- Sproles, G.B., & Kendall, E.L. (1986). "A methodology for profiling consumers' decision making styles", *Journal of Consumer Affairs*, Vol. 20, No. 2, 267-279.
- Spears, N., & Singh, S.N. (2004). Measuring Attitude toward the Brand and Purchase Intentions. *Journal of Current Issues and Research in Advertising*, 26(2), 53-66.
- Taormina, R.J., & Chong, K.Y. (2010). Purchasing Counterfeit and Legitimate Products in China: Social and Psychological Correlates and Predictors. *Journal of East-West Business*, Vol.16, 118-145. DOI: 10.1080/10669868.2010.486103.
- Vagg, J., & Harris, J. (2000). False Profits: Why Product Counterfeiting is Increasing. *European Journal on Criminal Policy and Research*, 8, 107-115.
- Wee, C., Tan, S., & Cheok, K. (1995). Non-Price Determinants of Intention to Purchase Counterfeit Goods: An Exploratory Study. *International Marketing Review*, 12(6), 19-46.