

FACTORS INFLUENCING CONSUMER'S PURCHASE INTENTION TOWARDS COUNTERFEIT PRODUCTS AMONG STUDENTS IN UITM KOTA BHARU CAMPUS

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ABSTRACT

This study aims to examine the factors influence customers purchase intention towards counterfeit products among student UiTM Campus Kota Bharu and the researchers also interested to find out which factor that most influence on consumers purchase intention towards counterfeit products. There are consist of attitude, novelty seeking and personality traits on consumers' purchase intention towards counterfeit products. In collection data, the researcher used both primary and secondary data. Moreover, this study also used questionnaire that been distribute for the 100 respondents, which is students UiTM Kota Bharu. The data collected was then tested on its reliability and then further analysed using frequency analysis. Moreover, Pearson Correlation and multiple regression was use in this study to test the hypothesis. Based on the result obtained from this study, the researcher suggest some recommendation that can help consumers and marketer for further action

Keywords: *Counterfeit, attitude, novelty seeking, personality trait*

INTRODUCTION

First cases of brand counterfeiting emerged around forty years prior. At the time, just a few manufacturers of very highly priced and very prestigious product such as jewellery accessories, textiles, were affected and it was assumed that this phenomenon would be of minor significance.

Product counterfeiting and piracy of either luxury consumer or industrial goods is a major worldwide issue and is progressively intense in developing countries such as Malaysia than in developed countries. In general, consumers do not perceive that their behaviour is harmful to a particular industry or that it can lead to a social cost. They only perceive the social benefit of fake products [1]. Study done by [2] counterfeit products are unauthorized products that use other registered good' trademark. The range of product categories that were counterfeit has also shifted from luxury as practiced a few decades ago all kind of consumer good, such as software, spare parts, music, for aircraft and vehicle, cosmetics, razor blades, clothes, washing powder, and also food and pharmaceuticals, CDs, DVDs, textiles, wine, military, electronic devices, cigarettes, fertilisers, and pesticides [3].

Malaysia reported are top countries of the highest counterfeit offender. As identified by [4] China, Thailand, India and Malaysia are named as “Home for piracy” and “world’s worst violator of intellectual property right and worst counterfeit offender”. However, as stated by [5], the top three countries of the highest counterfeit shipment seized in 2013 are China, Hong Kong, and Turkey. Interestingly, consumers who buying counterfeit products usually know that they are buying a fake product. Over the past several years, researchers have begun to address the demand side of the counterfeit product market. Previous studies have estimated that several factors may affect consumer intention to buy genuine product or counterfeit ones. Those factors are attitude, past purchase experience and personality traits which influence customer purchase intention and their behaviour [6]. Presently in existing research, the research found that the connection between fashion and consumer purchase intention is not plenteous.

Counterfeit manufacturers, especially in emerging economies, get attracted to the business as they find little risk in return for a large profit. Islam is the official religion in Malaysia, in Islam and the law of Malaysia has prohibited to sell of counterfeit products. In Surah An-Nisa[4:29-30] Allah S.W.T said “O you who have believed, do not consume one another’s wealth unjustly but only (in lawful) business by mutual consent. And do not kill yourselves (or one another). Indeed, Allah is to you ever Merciful. And whoever does that in aggression and injustice- then we will drive him into a Fire. And that, for Allah, is (always) easy. These three common factors in this study which are attitude, novelty seeking and personality traits investigate consumer purchase intention towards counterfeit products. Therefore, it is interesting to study what factors influence the purchase intention among student, while trying to understand what major factor and least.

A. Literature on Independent Variables

1. Attitude

An attitude refer as “predisposition to behave in a consistently favourable or unfavourable manner with respect to a given object”[12]. Meanwhile in [13] attitude is defines as reviews, it is “...a psychological tendency that is expressed by evaluating a particular entity with some degree of favour or disfavour”. Against counterfeit products, the function of an active attitude is a part of the social identity function of attitudes [14]. Hence, a consumer willing to purchase counterfeit goods and ice versa if they has positive attitudes toward counterfeit good. The theoretical approaches are uses to understanding, perception, motivation, behind the formation of the reaction caused by the attitude of the function so that consumers perform as action. Two theories i.e. **Theory of Reasoned Action (TRA)** of [15] and **Theory of Planned Behaviour (TPB)** by [16], had been the most fundamental and influential theories discussed by researchers. In brief, the theories stated that if a person’s attitudes towards counterfeit product favourable, it is highly likely that the person would

consider purchasing a counterfeit product but if a person's attitudes toward products is unfavourable, then it is most likely that the person would not consider purchasing a counterfeit product. Consumers nowadays prefer to purchase of counterfeit products even so it is an illegal activity [17]. Farzana, Sara Pahlevan, Jihad Mohammad and Thurasamy (2016) found that consumers' attitude mediates the relationship between personal aspects, ethical concern and consumers' intention. Their result is consistent with the TPB, which postulated that intention always mediates the relationship between attitude and behaviour

2. Novelty Seeking

Novelty seeking is the curiosity of individuals to seek variety and difference [18]. Consumers who always seek variety and differences when purchasing a product are referred to novelty seeking. Consumer usually more on safe purchase the counterfeit product with a low risk when they have novelty seeking especially for the product is out dated [19]. Even original brands has a low purchase risk especially when the product is out dated but some consumer who love luxury brand purchase counterfeit product version of the luxury brands. There are many factors affecting buying behaviour of consumers if for fashion products, in particular to trend or change, consumers quickly forget the product and always want novelty [20]. Consumers always look for the latest products due to follow fashion trends, and from which they tend to choose and buy counterfeit goods for more reasonable prices. For updated fashion consumers, the more they like new trend, the higher they support to counterfeit goods [21]. Research done by Hidayat and Diwasasri [22] found a positive relationship between the new favourite of consumers and their attitudes toward pro fakes. The indicators used for novelty seeking in this research are explained by the following statements :1) Be the firsts to try new products, 2) Excitement to purchase some interesting products, 3) Owning a lot of popular products, 4) Desire to keep up with fashion [19] [23]. According to Qaderi Ahmed Abdullah and Jianliang Yu (2019), there is a strong positive and significant relationship between novelty seeking and consumer attitudes toward counterfeits luxurious fashion products. This research is similar with N. M. Ha and H. L. Tam (2015) because they already examined this factor impact on consumer's attitudes toward counterfeiting products and found the positive impact of this factor in Malaysia and Vietnam market.

3. Personality Traits

Personality traits reflect people's characteristic patterns of thoughts, feelings, and behaviours. An individual's personality and attitude are closely related to consumer behaviour and intention to purchase counterfeit product. Various antecedents such as self-image, materialism, social class are most influence an individual to show off their personality traits in community [24]. Jiang et al. (2018) also showed the role of ethical antecedents in counterfeit goods purchasing behavior. Therefore, the study of personality traits associated with the attitude toward buying counterfeit goods can help in setting policies, directing advertisements against counterfeit goods, identifying target groups for intervention

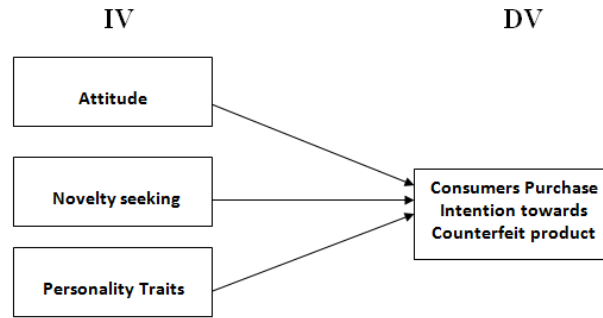


Figure 1: *The Framework of Consumers Purchase Intention towards Counterfeit product (Developed for this study)*

METHODOLOGY

This research is a positivist study. All accessible respondents were chosen as subjects. The method used in the research is nonprobability which is emphasizes on convenience sampling. The questionnaire distributed to those people who are able to give the cooperation. In this study, the researcher chooses 100 respondents, which are selected at UiTM.

ANALYSIS

	Frequency	Percent	Cumulative
Prestige	1	1	1.0
Price	53	53	54.0
Brand	21	21	75.0
Quality	6	6	81.0
Design	5	5	86.0
Stylish	14	14	100.0
Total	100	100	

Figure 2: *Frequency Analysis of Respondent’s Why Purchases Counterfeit Products*

Reliability Analysis	Cronbach’s Alpha	N. of items	Strength of Association
Purchase Intention	0.775	5	Good
Attitude (IV1)	0.793	5	Good
Novelty Seeking (IV2)	0.824	5	Very Good
Personality Traits (IV3)	0.699	5	Moderate

Figure 3: *Reliability Analysis Result*

Figure 3 shows that Cronbach’s Alpha for five (5) items in the factors influence consumers’ purchase intention towards counterfeit products among students UiTM campus Kota Bharu is 0.775. The result shows that reliability dependent variable for this research can be good. Dependent variable provided a reliable and these kind of question are accepted.

	N	Mean	Std. Deviation
Purchase Intention	100	4.084	.664
Attitude	100	4.074	.743
Novelty Seeking	100	3.680	.821
Personality Traits	100	3.928	.681
Valid N (listwise)	100		

Figure 4: *Descriptive Analysis*

From the figure 4, it shows the descriptive statistics for the dependent variable and independent variable. The descriptive statistic data indicates mean and standard deviation that gathered from SPSS version 24.

For the consumer purchase intention, which is dependent variable, the value is 4.084. The higher value for all independent variable attitude, personality traits and novelty seeking which are 4.074, 3.680, 3.928 respectively. This shows that the most of the respondents agree that the first independent variable which is attitude as the strongest influential factors to consumers' purchase intention towards counterfeit products among students UiTM campus Kota Bharu. The highest standard deviation for independent variable is 0.821 (personality traits), followed by 0.743 (attitude) and 0.681 (personality traits). This analysis will answer the second research objective which is the most factor influence consumers' purchase intention towards counterfeit products.

CONCLUSION & RECOMMENDATION

The results of the descriptive analysis show that the factors influence consumers' purchase intention towards counterfeit products which includes attitude, novelty seeking and personality traits. Based on the information and result derived from the questionnaires, this study come out with several recommendations in order to achieve issues in purchasing counterfeit product.

To Marketers

Further investigation of the study, only novelty seeking consumer will not have any intention to purchase counterfeit product and will have an unfavourable attitude towards the counterfeit. Since this study shows that only novelty seeking consumer would not purchase counterfeit product, thus the finding is beneficial to original manufacturer in producing new differentiated design for the original branded products that are difficult to be counterfeited. Indeed, marketers strengthen their planning strategy to market the original product such as highlighting brand prestige and advertisement about the humiliation on purchasing counterfeits products.

Organization

Companies of popular brands should also cooperate with government in educating the consumers. For the policy maker, educational program about the negative impact of counterfeiting to school children at early age is important. This is necessary to increase awareness among young consumers the negative effects of purchasing counterfeit product which may harm industry and society. Brand managers could organize more community activities, more social responsibility programs, etc. in order to attract more consumers. The future research should expand the view of the study by analysing other factor influence consumers' purchase intention towards market acceptance. Future research can be conducted in more depth with other factor such as price aspect, cultures, quality of products, social side dimension and economic factor.

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