## MODELING OF DETERMINANTS INFLUENCE IN CONSUMER BEHAVIOR TOWARDS COUNTERFEITS OF FASHION PRODUCTS.

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## Abstract

This paper investigates determinants that influence on consumers' attitudes toward nondeceptive counterfeit fashion products and behavioral intention to purchase them. The results show that brand image, social influence and previous experiences have a positive impact on consumers' attitudes toward counterfeit fashion products. Meanwhile, personal gratification has a negative effect on counterfeit fashion products. Furthermore, the study illustrates that consumers' attitude has a strong and positive relationship with intention to purchase counterfeit fashion products. These findings help manufacturers and government agencies understand the current issues of counterfeits and create effective strategies to prevent inadvertent sales of counterfeit products. The study is based on a random sample of 300 participants who are living in Ho Chi Minh City, Vietnam.

## **1. Introduction**

Product piracy and counterfeiting of either industrial goods or luxury consumers is a significant and growing problem universally and is more serious in developing nations than in developed ones. A dangerous truth needs to take into account is that almost any customer do not conscious of their fallacious behaviors, which is harmful to a particular industry and can lead to a social cost (Lysonski and Durvasula, 2008); they only recognize the social benefit of counterfeit products. According to the agreement on Trade-Related Aspects of Intellectual Property Rights (a World Trade Organization agreeement), counterfeits are any goods sustaining an unofficial trademark and therefore breaking the rights of the trademark owner under the nation's law of importation. Generally, public are likely to use the terms piracy and counterfeit as the same, or the latter as more comprehensive than the older (Eisend and Schuchert- Guller, 2006).

Particularly, in enlarging economies, counterfeit produced get enticed to the business when they conceive little risk in exchange for a considerable profit. Time-consuming processes in judiciary, gaps in laws and its compulsion, and weak condemnation rates and punishments (if any) authorize counterfeits to arise and develop (Wee et al., 1995; Cordell et al., 1996; Chaudhury et al., 1996). Therefore, regions with upgraded levels of counterfeiting have been connected with both the level of economic growth and the level of bribery (Santos and Ribeiro, 2006).

On the authority of some researchers (Bian and Moutinho, 2008), the loss caused by trade of unoriginal products is estimated to be approximately 300 billion dollars. Matos et al. (2007) was also highlight the negative effect of this phenomenon and led to the conclusion that 5% of all the traded goods are forgeries. Indeed, counterfeit products created a significant impact on any economy. In more detail, they bring damage to brand equity, devaluate the image of original goods, cause sales loss for genuine manufacturers, decrease the amount of taxes, raise unemployment, and simultaneously, deceive consumers (Maldonado et al., 2005).

The luxury products industry is a very profitable market. According to Phau et al. (2009), market analyst had estimated that the global luxury goods industry would be set to grow at a compound annual growth rate of 12 percent from the current market value of US\$70 billion to \$100 billion by 2008 (Economic Development Board, 2004). With the luxury market value growing at such an alarming rate, many luxury designer brands have become targets for fake products. It is estimated that the trade in counterfeit brands has exceeded more than \$500 billion (Reuters, 2007), and is assumed to be a thriving market (Vida, 2007; Commercial Piracy Report, 2005). The market in counterfeit products may reach the \$2 trillion mark in 20 years, which represents 3 million businesses in the United

States (Fashion United, 2006). Counterfeiting is intensely develop in Asia (Courtenay, 2006), for example, Korean Customs Service proclaimed that out of the \$162,5 million worth of counterfeit goods that have been seized, those bearing Channel's logo alone have accounted for \$23,5 million, far exceeding any other brand (Fashion United, 2006).

With counterfeit merchandise cutting across various industries in business-toconsumers and business-to-business markets in industrialized and emerging economies are in common, trademark infringement cannot be ignored. Many countries have implemented anti-counterfeiting strategies to curb the problem. For example, the French authorities have imposed a penalty on those who bring fake designer goods into the country (Embassy of France in United States, 2001). The Chinese government has attempted to clamp down on retailers selling counterfeit products before the Olympic 2008 (Plafker, 2004). Following the countries, on March 1<sup>st</sup>, 2013, Vietnamese government enacted the Decree 8/2013 prescribing penalize administrative infringement regard to manufacturing and selling fake products.

Around the world, there are many studies on counterfeiting problems. While the supply side of counterfeiting has received considerable attention in the literature, investigations focusing on the demand side are still scarce. Additionally, researchers and analysts consent that the phenomenon is global in nature and that an in-depth understanding of the factors driving counterfeiting activities is a pre-requisite for national, industry or policy-driven actions. However, there is a little study on this field in Vietnam. Therefore, it is good time for us to conduct this study.

Counterfeit products have created a considerable amount of damage in the Vietnamese market. In addition, future investment in research and development (R&D) is placed at risk from the unfair competition generated by counterfeit products. Despite the importance of this phenomenon, there is lack of understanding of the factors that may influence customers to buy and evaluate these counterfeit products. Therefore, the

purpose of this study is to investigate the factors affecting on the attitudes towards nondeceptive counterfeit fashion products that in turn influences on the intention to purchase counterfeits in Vietnam. In other words, the objective of this study is to answer the question: "What factors lead to customers' purchase decision of counterfeit fashion products?"

Unlike many previous studies, our research model has concerned about the interactions among independent variables as well as a control variable of income. We conducted the survey in March and April 2013 and received 300 qualified questionnaires from 320 respondents. We find some interesting results. Particularly, both social influence and previous experiences are positively associated with the attitude toward non-deceptive counterfeits with regardless of income. Meanwhile, there is a negative correlation between personal gratification and the attitude. Furthermore, we also find the attitudes have a strong and positive effect on the intention to purchase counterfeits. This paper provides some managerial implications derived from our results, which enable manufacturers, distributors as well as government agencies in Vietnam to create appropriate strategies to prevent in producing and selling fake fashion products.

The rest of the paper is organized as follows. Section 2 provides a review of the related literature and research hypotheses. Section 3 introduces the research methodology and provides a description of the dataset. The main results are reported in Section 4. The concluding section discusses some of the implication our findings.

## 2. Theoretical background and conceptual model

In this section, we briefly summarize some previous studies related to our research model and then we propose our hypotheses as follows:

We follow the previous studies from Phau et al. (2009) and Riquelme et al. (2012) to build up the research model. This paper only focuses on exploring the factors that influence the purchase decision of customers towards non-deceptive counterfeit fashion

products. Therefore, after combining the above two models and excluding unnecessary factors, the conceptual framework for this research includes eight main factors: Brand Image (BM), Personal Appearance (PA), Value Consciousness (VC), Social Influence (SI), Personal Gratification (PG), Previous Experience (PE), Attitude towards non-deceptive counterfeit fashion products (ATC) and Behavioral Intention to purchase non-deceptive counterfeit fashion products (BI).

However, our research model is different from previous studies in two aspects. First, we attempt to control the interaction effects among independent variables. Particularly, the brand image could affect on the value consciousness. Obviously, consumers are willingness to pay high price for the brand name products. The next interaction effect is that value consciousness is more likely to impact on social influence. Clearly, after buying a product, a buyer often shares information about the seller, price, quality, other utilities to his/her relatives or friends. We also concern about the effect of social influence on personal gratification. There is a certain amount of social influence in motivating personal gratification. Second, we introduce income variable as a control variable. It enables us to differentiate the effect of independent variables on the dependent variable for consumers with different levels of income.

#### **2.1. Behavioral intention**

The "attitude-behavioral intention" interconnection has been broadly investigated in the marketing literature. As a result, previous studies such as Ang et al. (2001), De Matos et al. (2007), and Wilcox et al. (2009) proved there was the positive relationship between attitudes and behavioral intentions.

## 2.2. Brand image

Brand image is "how a brand is perceived by consumers" (Aaker, 1996), which represents the set of brand organization in consumer memories. According to Bian and Moutinho (2011), brand image plays an important role because of its contribution to the consumers' deciding whether the brand is the one for them (Dolich, 1969). Thus, the following hypothesis is proposed:

## H1a: Brand Image has a positive influence on personal appearance.

# H1b: Personal Appearance has a positive influence on attitudes toward non-deceptive counterfeit fashion products.

## 2.3. Value Consciousness

Value consciousness is considered as a concern for paying lower prices, subject to some quality constraint (Ang et al. 2001) and expected to have a positive effect on attitude towards counterfeits (Ang et al., 2001; Wang et al., 2005). Ang et al., (2001) stated that typical customers of counterfeit brands were more value conscious and had lower average income compared to those who do not buy fake products. Likewise, Bloch et al. (1993) discovered that customer of counterfeits had more scanty financially and were hence guided by the price-value perception. Having the similar functional benefits to originals, the price of counterfeit of luxury brands was much cheaper than the price of genuine ones. However, for customers who are value conscious, "good value" of fake products reinforces the desirability of purchase (Eisend and Schuchert- Guller, 2006). Therefore, the following hypothesis is proposed:

## H2: Value consciousness has a positive influence on attitude towards non-deceptive counterfeit fashion products.

## 2.4. Social Influences

The expenditure stereotype of a consumer is a representation of his or her social class position. It is a more important determinant of his or her purchasing behavior than just income (Martineau, 1968). People tend to connect themselves to their social class or higher ones (Mellott, 1983). Accordingly, branded products, which bring brand

status of success, prosperity and hierarchy, are more likely to be their selection. In the case that people appreciate the brand status but they are difficult to attain to the luxury originals, they are totally can buy a counterfeit brand instead. Customers' purchasing original or counterfeits of luxury brands subject to their social group norm (Bearden et al., 1989). Therefore, the following hypothesis is proposed:

# H3: Social influence has a positive effect on attitude towards non-deceptive counterfeit fashion products.

## 2.5. Personal Gratification

Personal gratification refers to the requirement for a sense of perfection and social perception, and the desire to get the better things of life (Ang et al., 2001). Suchlike a trade-off, consumers are willing to purchase fakes regardless the awareness that original and counterfeits are not at the same quality. Nill and Shultz II (1996) have planned a model illustrating the process of moral reasoning that customers have to experience when they made the decision to buy a fake. The process goes through three seperated steps, they are, the expected personal consequences in terns of punishment, reward or exchange of favors; the social influence and conformity to the conventional order of the society; and the desire to differentiate values and moral principles from referent groups and authorities. The authors are also concluded that the self-chosen ethical principles are adopted by individual steadily and universally. Therefore, the following hypothesis is proposed:

H4: Personal gratification has a negative influence on attitude towards non-deceptive counterfeit fashion products.

## **2.6. Previous Experience**

Yoo and Lee (2009) demonstrated that customers prefer genuine items over fakes regarding their product experiences. Nonetheless, once customers tried fakes and price information was provided, the preference for the genuine items decreased and individuals expressed a stronger intention to purchase fakes. Swami et al., (2009) in a survey of 287 respondents in London found that previous experience was meaningful and positively predicted willingness to buy fake products. Therefore, the following hypotheses are proposed:

H5a. Consumers who have already experienced in using counterfeits have more favorable attitude toward counterfeits.

H5b. Consumers who have already experienced in using a counterfeit have a more favorable intention to purchase counterfeits.

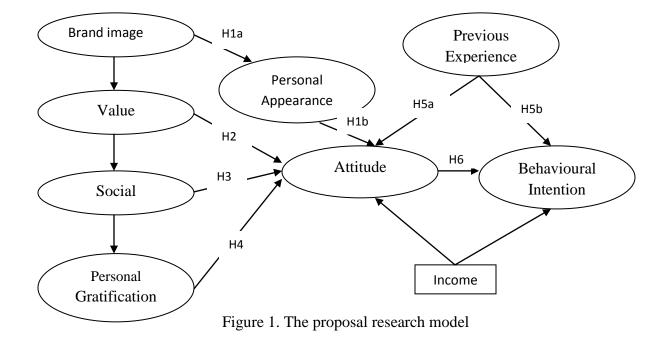
## 2.7. Attitude towards non-deceptive counterfeit fashion products

Constructing on the theory of planned behavior, purchase behavior influenced by purchase intention that in turn influenced by attitudes. Attitudes towards behavior are noticed to be better predictor of behavior than attitudes towards products (Penz et al., 2005). Furthermore, the theory also pointed that the opportunities and resources, for example, the accessibility of fake goods have to be display before purchase behavior can be conducted.

Making an unethical decision, for instance, buying fakes, is explained mainly by attitudes without regard to product class (Wee et al. 1995, Ang et al., 2001, Chang 1998). According to Wee et al., (1995), the more favourable customer attitudes are towards counterfeit brands, the higher likely are the opportunities of purchasing. Also, the more unfavourable customer attitudes are towards counterfeit brands, the less the opportunies that they will buy them. Therefore, the following hypothesis is postulated:

## H6: Attitude has a positive effect on intention to purchase counterfeits.

Figure 1 presents the proposal research model and hypotheses.



## 3. Methodology

3.1. Pilot test

Concerning qualitative approach, before the surveys officially delivered to individuals, the semi-structured interview was conducted to ask 20 participants about their opinions and experiences in counterfeit fashion products. It helps us to modify and revise the questionnaire that is easier to read and understand as well as maintain the research content. Particularly, the interviewees also shared their perceptions on counterfeit fashion products. For instance, some of them told that with their current income, they were able to purchase genuine products but they did not know where to buy genuine ones.

## **3.2.** Main study

The survey questionnaires are designed to ask for people consideration and decision towards non-deceptive counterfeit fashion products. The questionnaires were delivered to citizens who have been living in Ho Chi Minh City and already purchased counterfeit products. During March and April, 2013, we delivered 220 survey questionnaires in person and sent 100 samples via e-mail to individuals residing in Ho Chi Minh City. After excluding 20 invalid questionnaires, there are 300 quality questionnaires used for analysis. Table 1 presents some demographic characteristics of the interviewees.

Respondents were 300 of which 53 percent (159) was female. Moreover, 39.3 percent (118) of the respondents were between 15 and 24 years old, 33.7 percent (101) between 25 and 34 years old, and 27 percent (81) were between 35 and above.

Measure	Items	Frequency	Percent (%)
Gender	Male	141	47.0
	Female	159	53.0

Table 1. Some key demographic characteristics of the interviewees.

Age	15-24	118	39.3
	25 - 34	101	33.7
	Over 35	81	27.0
Income per month	Less than VND 5 million	104	34.7
	VND 5 million- VND 10 million	85	28.3
	VND 10 million- VND 15 million	67	22.3
	Over than VND 15 million	44	14.7

Sample size = 300. Exchange rate (on June 2, 2013)=20,828.00 VND/US\$

We follow the previous studies to design the questionnaire. Table 2 provides a list of measurement variables for their respective constructs and sources. The questionnaire includes two sections. The first one covers demographic information including gender, age and income. The second one contains 31 main statements measured on a five-point Likert scale where 1-strongly disagree to 5-strongly agree. The survey instrument was developed in English and translated into Vietnamese.

### 3.3. Data analysis

After processing data and analyzing demographic information, we summarized factors and indicators as presented in Table 2. The perception of respondents about fashion image is very high with the means ranging from 4.08 to 4.28. The means of personal appearance vary from 3.71 to 4.03. The means of value consciousness range from 3.60 to 4.26. The means of social influence range from 2.87 to 3.49. The means of personal gratification range from 2.03 to 2.18. The means of previous experiences range from 3.76 to 3.99. The means of attitude towards counterfeit fashion products range from 3.44 to 3.78. The means of behavioral intention to purchase counterfeit fashion products range from 3.37 to 4.25. In general, the indicators of personal gratification have low loading means.

Table 2. Descriptive statistics

	Scale	Mean	SD
	Brand image (Phau et al., 2009)		
FI1	I am especially concerned about the impression that I make on others.	4.28	0.8
FI2	I am rather sensitive to interpersonal rejections.	4.08	0.8
	Personal Appearance		
PA1	Physical appearance and fashions are very important to me.	3.71	0.9
PA2	I believe that fashion product reflects my social class.	4.03	1.04
VC1	Value Consciousness (Lichetenstein et al., 1993) I'm very concerned about low prices, but I am equally concerned about product quality.	4.08	0.7
VC2	When purchasing a product, I always try to maximize the quality I get for the money I spend.	3.60	0.9
VC3	I generally shop around for lower prices on products, but they still must meet certain quality requirements before I buy them.	4.26	0.8
VC4	When I shop, I usually compare the price information for brands I normally buy.	3.92	0.8
VC5	I always check prices at the market to be sure I get the best value for the money I spend.	4.01	0.9
	Social Influence (Hsu and Shiue, 2008 and Van den Putte et al., 2005)		
SI1	My best friends and relatives buy counterfeit products.	3.21	1.0
SI2	People in my environment buy counterfeit products.	3.26	1.0
SI3	People in my society encourage me to buy counterfeit products	2.87	1.0
SI4	It is acceptable if someone knows that I buy counterfeit products.	3.47	0.9
SI5	It is acceptable in my society to buy counterfeit products.	3.49	0.9
	Personal Gratification (Ang et al., 2001)		
PG1	I always endeavor to have a sense of social recognition.	2.11	0.9
PG2	I always attempt to have a sense of accomplishment.	2.18	1.0
PG3	I always desire to enjoy the finer things in life.	2.03	1.0
PG4	I always chase a higher standard of living.	2.06	0.9
	Previous Experiences (Riquelme et al., 2012)		
PE1	I bought counterfeits and pleased.	3.76	0.8
PE2	Once I tried fake products, my favouritism for genuine items becomes less.	3.88	0.9
PE3	After using several times, I have more positive look at counterfeits.	3.82	0.9
PE4	My preference for the genuine articles diminished when its' price information was provided.	3.99	0.9

	Attitude towards counterfeit fashion products (De Matos et al., 2007)		
ATC1	I prefer counterfeit market goods.	3.60	1.19
ATC2	There's nothing wrong with purchasing counterfeit market goods.	3.61	0.93
ATC3	Buying counterfeit market goods generally benefits the consumer.	3.78	1.03
ATC4	Generally speaking, buying counterfeit market goods is a better choice.	3.44	0.99
	Behavioral Intention to purchase counterfeit fashion products (De Matos et al., 2007)		
BI1	I recommend to friends and relatives that they buy a counterfeited product.	3.37	1.07
BI2	I intend to purchase counterfeit products.	3.73	1.07
BI3	I think about a counterfeited product as a choice when buying something.	3.75	0.95
BI4	I buy counterfeit products if I think genuine designer products are too expensive.	4.25	1.02
BI5	I buy counterfeit products, instead of the designer products, if I prefer specific brands.	3.55	1.26

Sample size = 300.

#### 4. Results

## 4.1. Factor analysis

We use an exploratory factor analysis (EFA) to test for constructs' unidimensionality. According to Hair et al., (1998), factor loading is a criterion to ensure practical significance of EFA. Factor loading is regarded as reaching the minimum level if it is greater than 0.3; significance if it is greater than 0.4; and practical significance if it is greater than 0.5. All factor loadings are greater than 0.5, thus the unidimensionality for each of the factors is obtained. Furthermore, we also implement the reliability test by measuring Cronbach's Alpha. Depending on the nature and purpose of the scale, George and Mallery (2003) suggested that Cronbach's Alpha is acceptable if it is above 0.6. If the "Item-total correlation" of any items is lower than 0.3, those items need to drop out to increase the reliability and validity of the measurement. Table 3 shows the factor loading

ranges and Cronbach's  $\alpha$  for each construct identified and used. All Cronbach's  $\alpha$  value range from 0.722 to 0.909, which are larger than 0.6 is acceptable. Therefore, the constructs are considered reliable and no measurement item is deleted in this step.

Construct	Measurement items	Cronbach's a	Loading range	Number of items
Brand image	FI1, F2	0.722	0.881 - 0.885	2
Personal				
Appearance	PA1, PA2	0.737	0.890 - 0.891	2
Value	VC1, VC2, VC3, VC4,			
Consciousness	VC5	0.818	0.679 - 0.817	5
Social Influence	SI1, SI2, SI3, SI4, SI5	0.846	0.527 - 0.894	5
Personal				
Gratification	PG1, PG2, PG3, PG4	0.792	0.701 - 0.820	4
Previous				
Experiences	PE1, PE2, PE3, PE4	0.886	0.862 - 0.915	4
	ATC1, ATC2, ATC3,			
Attitude	ATC4	0.909	0.836 - 0.907	4
Behavioral				
Intention	BI1, BI2, BI3, BI4, BI5	0.874	0.644 - 0.903	5

Table 3. Results of reliability test

## 4.2. Confirmatory factor analysis

The following step, we implement a confirmatory factor analysis (CFA) by using the package Analysis of Moment Structures (AMOS) version 20 to test the validity of the measurement model. CFA is used to determine whether the measurement model reach standard and whether measurement scales meet the requirement of a good measurement scale. At the first round test, VC5, SI4, SI5, PG4, and BI5 are excluded due to low weights (<0.5). Consequently, the number of remained items is 26. The results of fit statistics: chi-square = 433.57; df = 257; p =0.000; chi-square/df=1.687 (<5); Goodness-of- fit index (GFI) = 0.907 (>0.9); Tucker and Lewis Index (TLI) =0.958 (>0.9); Comparative Fit Index (CFI) = 0.969 (>0.9); Root Mean Square Error Approximation (RMSEA) = 0.048 (<0.08).

Regarding to Standardized Regression Weights, there were all weights exceeding 0.5 and all had statistical significance (p=0.000 < 0.001). Table 4 presents the results of measurement model test by using CFA. Moreover, Composite Reliability (CR) of all factors greater than 0.7 and Average Variance Extracted (AVE) greater than 0.5. Hence, the measurement model meets standard of convergent validity.

Construct and	Standardized	Composite	Variance	Number of
indicators	Loadings	reliability	extracted	Items <sup>a</sup>
Brand image		0.705	0.545	2(2)
FI1	0.729***			
FI2	0.747***			
Personal Appearance		0.747	0.868	2(2)
PI1	0.775***			
PI2	0.769***			
Value Consciousness		0.799	0.502	4(5)
VC1	0.617***			
VC2	0.720***			
VC3	0.825***			
VC4	0.654***			
Social Influence		0.895	0.741	3(5)
SI1	0.900***			
SI2	0.904***			
SI3	0.771***			
Personal Gratification	n	0.784	0.548	3(4)
PG1	0.700***			
PG2	0.714***			
PG3	0.803***			
Previous Experience	S	0.885	0.659	4(4)
PE1	0.741***			
PE2	0.896***			
PE3	0.804***			
PE4	0.798***			
Attitude		0.915	0.731	4(4)
ATC1	0.916***			
ATC2	0.749***			

Table 4. Results of measurement model test by using confirmatory factor analysis

ATC3	0.900***			
ATC4	0.845***			
<b>Behavioral Intention</b>	l	0.891	0.672	4(5)
BI1	0.813***			
BI2	0.896***			
BI3	0.802***			
BI4	0.761***			

Notes: <sup>a</sup> Final items (initial items). VC5, SI4, SI5, PG4, and BI5 are excluded due to low weights (<0.5). \*\*\*p<0.001, \*\*p<0.01, \*p<0.05. Fit statistics after purification process: chi-square = 433.57; df = 257; p =0.000; chi-square/df=1.687; GFI = 0.907; TLI =0.958; CFI = 0.969; RMSEA = 0.048

## 4.3. Structural Equation Modeling

The last step, we implement Structural Equation Modeling (SEM) to test the hypothesized causal relationships in our research model. The results of fit statistics in SEM include: chi-square/df=2.584 (<5); GFI = 0.876; TLI =0.903 (>0.9); CFI = 0.928 (>0.9); RMSEA = 0.073 (<0.08).

Table 5 shows the results of regression weights. First, we recognize that the relationship between personal appearance and attitude towards counterfeit fashion products is very weak due to low statistical significant level (p = 0.173>0.05). Second, the value consciousness has no impact on the attitude towards counterfeit fashion products (p=0.196 > 0.05). Third, the previous experiences have no influence on the behavioral intention to purchase counterfeit products. Finally, the income also does not impact on the behavioral intention to purchase counterfeit products.

Factor		Factor	Estimate	S.E.	C.R.	Р
VALUE	<	Brand image	.558	.071	7.808	***
SOCIAL	<	VALUE	.687	.093	7.411	***
Personal Gratification	<	SOCIAL	312	.068	-4.580	***
Personal Appearance	<	Brand image	1.147	.101	11.360	***
Attitude	<	Experience	1.116	.100	11.184	***

Factor		Factor	Estimate	S.E.	C.R.	Р
Attitude	<	Income	.150	.033	4.599	***
Attitude	<	SOCIAL	.335	.056	6.016	***
Attitude	<	Personal Gratification	167	.048	-3.512	***
Attitude	<	Personal Appearance	.077	.057	1.363	.173
Attitude	<	VALUE	102	.079	-1.292	.196
Behavioral Intention	<	Attitude	.838	.071	11.787	***
Behavioral Intention	<	Experience	.076	.083	.923	.356
Behavioral Intention	<	Income	025	.023	-1.072	.284

After purification process, Figure 2 presents the results of SEM with standardized regression weights. As we expected, the attitude has a positive relationship with the behavioral intention to purchase counterfeits (the estimated coefficient  $\beta = 0.743$ ). There is a strong correlation between the social influence and the attitude ( $\beta = 0.571$ ). Meanwhile, the personal gratification has a negative and significant effect on the attitude as our expectation.

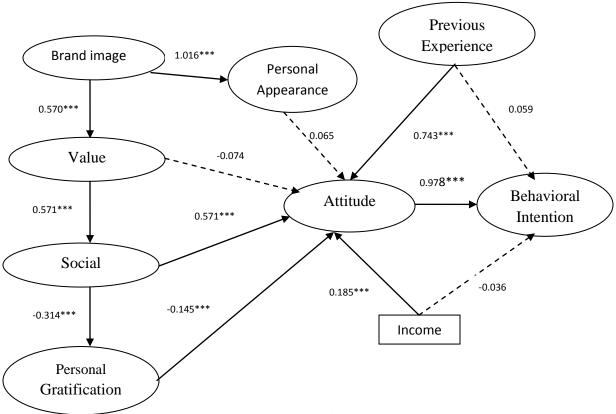


Figure 2. The results of testing research model. \*\*\*p<0.001

Table 6 presents the results of testing hypotheses. From Table 6, we recognize that the hypotheses H1b, H2 and H5b were rejected. Meanwhile, the remaining hypotheses are accepted. The following section discusses the results of testing hypotheses presented in Table 6.

Hypotheses	Result of testing
H1a: Brand Image has a positive influence on personal appearance.	Supported
H1b: Personal Appearance has a positive influence on attitudes toward non-deceptive counterfeit fashion products.	Not Supported
H2: Value consciousness has a positive influence on attitude towards non-deceptive counterfeit fashion products.	Not Supported
H3: Social influence has a positive effect on attitude towards non- deceptive counterfeit fashion products.	Supported
H4: Personal gratification has a negative influence on attitude towards non-deceptive counterfeit fashion products.	Supported
H5a. Consumers who have already experienced in using counterfeits have more favorable attitude toward counterfeits.	Supported
H5b. Consumers who have already experienced in using a counterfeit have a more favorable intention to purchase counterfeits.	Not Supported
H6: Attitude has a positive effect on intention to purchase counterfeits.	Supported

## **Table 6. Result of Testing Hypotheses**

## 4.4. Discussion

First, brand image is positively associated with personal appearance. Clearly, people think they are good looking as using fashion products. We expect that when people place so much emphasis on personal appearance, they will prefer genuine items to counterfeits, regardless of their previous experiences and income. However, there is not enough evidence to support the relationship between personal appearance and attitude toward non-deceptive counterfeit fashion products.

Second, we find strong evidence that social influence has significant impact on the attitude towards counterfeits of fashion product. This result is consistent with previous studies (Phau et al., 2009 and Hsu and Shiue, 2008). Specifically, Vietnamese consumers are willingness to buy counterfeits of fashion products under the influence of their relatives and friends, regardless of their income. The vast majority of respondents indicated it was so much easier to buy counterfeits of fashion products than to purchase genuine ones. Therefore, counterfeit issue could be existed in Vietnam.

Third, our results show that personal gratification is negatively associated with the attitude towards counterfeits of fashion products. This finding is not consistent with previous studies (Phau et al., 2009 and Ang et al., 2001). The prior studies find no evidence to support the relationship between personal gratification and attitude. Our result implies that the consumers who search for higher personal gratification are more fear of being embarrassed and losing their self-image if others recognize their use of counterfeits of fashion products. In other words, consumers do not consider counterfeits as a means to achieve a comfortable or pleasurable.

Forth, as previous studies (Riquelme et al., 2012 and Wang et al., 2005), we also find that consumers who have previous experiences with counterfeits enhance attitudes towards counterfeits of fashion products. However, consumers who have already

bought a counterfeit have no effect on behavioral intention to purchase counterfeit fashion products. This result is consistent with the study of De Matos et al., 2007.

Finally, as mentioned above, our research model have attempted to control other interactions among independent variables such as brand image and value, value and social, social and personal gratification. These interaction results are indicated in significant and positive effects. Additionally, we also use income as a control variable to eliminate the different effects of various levels of income. Consequently, the consumer income is positively correlated with attitude towards counterfeits of fashion products, but has no impact on behavioral intention.

## 5. Conclusion and implication

## 5.1. Conclusion

Usage of counterfeit fashion products is a serious issue globally and has become too difficult to solve because of the easiness in duplicating fashion products. This study investigates determinants affecting the attitude toward non-deceptive counterfeit fashion products that in turn influence the intention to purchase counterfeits in Vietnam. Unlike many previous studies, our research model has concerned about the interactions among independent variables as well as a control variable of income. We find some interesting results. Both social influence and previous experiences have a positive impact on the attitudes towards non-deceptive counterfeits with regardless of income. Meanwhile, personal gratification has a negative relationship to the attitude with regardless of income. It implies that consumers who concern more about their impression on others and their accomplishment are less likely to accept counterfeits. Furthermore, we also find the attitudes have a strong and positive effect on the intention to purchase counterfeits.

### 5.2. Managerial implications

Demand for genuine products is increasing in Vietnam but there are a few genuine fashion stores. As some of respondents state that with their current income, they can afford both prestige and high quality of genuine products but it is not easy to purchase genuine items in Vietnam. It is worth noting that the personal gratification is negatively associated with the attitude. In other words, consumers who care more about their accomplishment and living standards are more likely to purchase genuine products. Therefore, manufacturers and distributors should implement strategies to build their reputation and customer trust and fairness.

We have mentioned that social influence is a significant factor that predicts the attitudes toward non-deceptive counterfeits. This implies that people do not recognize themselves as being unethical in purchasing counterfeits. Therefore, this issue is not easy to deal with. One of possible solutions in the long term is that students should be taught business ethics and manufacturers should commit themselves not produce fake products. Besides, the government enforcement is important. Government agencies have not acted strongly in preventing buying counterfeits. Therefore, counterfeits are bought and sold in everywhere in Vietnam.

### 5.3. Limitations

There are some limitations to this study. First, data collection only focused on people who have already purchased counterfeit fashion products. Future research could focus on other groups and other counterfeit products. Second, we conduct our survey in Ho Chi Minh city, Vietnam, therefore the findings have not reflected the counterfeit problems in the whole country. The future research should conduct the survey in different locations.

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