

Determinants of Customer Perception Regarding Purchase of Counterfeit Garments, Evidence from Rahim Yar Khan Region(Pakistan)

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Abstract

There are lots of reasons to purchase counterfeits in this world. People purchase counterfeits due to its low price, to seek social status, due to their low income etc. The sale of counterfeits has a great effect on any country's economy and it also damages the intellectual property rights. So the research in this matter is a dire need in market. Several Research Studies in the world have discussed reasons of buying counterfeits in different regions. This research paper aims to understand the determinants of customer perception regarding purchase of counterfeit garments in Rahim Yar Khan Region. This paper tries to analyze whether these determinants are one of the reasons of buying counterfeits. A sample of 200 respondents was collected from the population. The collected data after being coded were analyzed using Statistical Package for Social sciences Research (SPSS) and various statistical tests were applied based on hypotheses and matching variables.

Keywords: Determinants of counterfeits, Purchase Intention towards counterfeits, Counterfeit product purchase

Introduction

It's a perception that every consumer is intended to buy counterfeits intentionally or unintentionally. The names like knock-off, replicas, illegal products, piracy etc all are referred to the phenomenon counterfeiting. Whether we change the name of this phenomenon but it effects negatively to any country's economy, negatively effects the brand image and spread negative word of mouth about any company. Usually counterfeiters select the popular luxury brands to replicate because they are easy to sell in market and consider low manufacturing costs (Clifford J. Shultz II, Bill Saporito, 1996).

Brief Background

The authentic/branded goods are copying illegally with same brand names; this is known as counterfeiting (Grossman, Shapiro, 1998). According to (Scandizzo, 2001) Counterfeited Goods are those products which have not any type of differences regarding its characteristics as compare to branded products but are considered as low quality. Counterfeited products are those which are difficult to differentiate from the genuine or branded items and which violates the intellectual property rights of owners (Xuemei Bian and Cleopatra Veloutsou, 2007). There is also a difference between counterfeiting and counterfeits. Counterfeiting is basically a technique of reproducing genuine products by using cheap material with a thinking of minimal profit in business without any permission from the copyright owner (faqs/what-difference-between-piracy-and-counterfeiting). While the word "counterfeit" describes the replica products like music, books, CD's, mobiles, garments etc. These goods have low quality, low price, less durability and not reliable as compare to original/branded products. Moreover counterfeit products are often harmful for the skin of humans as the companies who make these products use cheap material or chemicals for their production which make the product attractive in the eyes of consumers (No to Fake). Counterfeit products have a great effect on any country's economy and it also damages the intellectual property rights such as Trademark legislations, Copyrights, Patents etc (Budiman, 2012).

Counterfeiting is not a today's problem; it was dramatically came into being in 1970s. Counterfeiting is one of the fastest growing and profitable businesses in today's world (Gene M. Grossman, Carl Shapiro, 1988). Counterfeiting is regarded as illegal and criminal crime in many developed countries. In today's world

counterfeiting has been done on large extent to all the consumer's goods and there is no issue in the production of counterfeit products due to the latest technology (Brian Hilton, Chong Ju Choi, Stephen Chen, 2004). Also copying of brand name is not a big problem now. Counterfeit products having a low price often made with expensive materials which increase their value. Through their packaging and quality people can't distinguish the counterfeited product with an original one. The main aim of counterfeiters is to produce those fake products which have high demand and which can produce high margin of profit (Franses, 2012). With this production the organizations or people making counterfeits are able to earn reasonable margin of profit. The goods mostly counterfeited are computer software, CD's or DVD's, Pharmaceutical products, Mobile Phones, Clothing, Watches, Shoes, Wallets, Perfumes etc (Lee, 2005). These products spread the negative impact on consumer's mind regarding genuine items. In many different cases the purpose of producing and selling counterfeited products is to satisfy the customers rather than deceiving them (Gail Tom, et al, 1998). Often consumers get confuse while differentiating counterfeit products from branded products. This thing can destroy the brand equity and impose a negative effect on company's reputation (Xuemei Bian & Cleopatra Veloutsou, 2005).

Often counterfeiters make high quality counterfeit products which are impossible to discriminate from original or genuine branded items. Laboratory tests are a way through which companies distinguish their products from counterfeits. Counterfeited products effects branded or luxury products and spreads negativity in the minds of customers regarding the purchase intentions (Xuemei Bian & Cleopatra Veloutsou, 2005).

Internet is a well known conveyance channel for counterfeited items. Companies use different methods or selling techniques on internet to sell out the counterfeited items because it permits dealers or sellers to be unnamed and the branded products can easily be replaced with counterfeits because customers can't be able of pre-purchased examination of that product (Gamble, 2011; Arghavan Nia, Judith Lynne Zaichkowsky, 2000).

Broad development in the business of producing brands has cleared routes to introduce counterfeits. Selling of counterfeits mainly attracts those people towards its purchase who have less income and a lot of expenses. And these counterfeits are much less expensive than unique brands (Bhatia, 2014). The arising problem of counterfeiting has induced many companies to take part in lawful activities towards counterfeiting or rely on the firms which are specialized in taking actions against counterfeiters (Ashuri, 1993). Legislations against counterfeiting have been secured by numerous nations (Chow-Hou Wee, 1995).

Problem Statement:

Counterfeit products are often harmful for the skin of humans as the companies who make these products use cheap material or chemicals for their production which make the product attractive in the eyes of consumers. Counterfeit products have a great effect on any country's economy and it also damages the intellectual property rights such as Trademark legislations, Copyrights, Patents. Companies take many years to move at maturity stage from introduction stage and after the lot of efforts of company's employees, a firm build a brand. But counterfeits destroy their efforts by creating negative image of a brand. So for this matter, the purpose of this study is to examine the determinants of customer perception regarding purchase of counterfeit garments.

Research Objectives

1. To find out the factors that motivates the individuals to purchase counterfeit garments.
2. To know the impact of factors on customer's perception towards the purchase of counterfeits.

Research Questionnaire

1. Do the determinants effect the customer perception towards the purchase of counterfeit garments?
2. Which determinant or factor has more effect on purchase intention of counterfeits?

Significance

As counterfeit goods are cheaper than branded items and hence low priced, lower income households and a way to seek status may influence individuals to purchase these counterfeits. Everyone in this world wants to be in touch with some well known brand. The main purpose of this study is to examine the determinants regarding purchase of counterfeit garments. Because counterfeit garments is continuously targeted by counterfeiters. Previous researches indicates that why consumers purchase counterfeit garments. In those researches many factors regarding purchase have been studied. Now in this research there are some other factors that are involved in purchase of counterfeit garments. These determinants/factors are Price, Income and to seek social status attached to any brand. Often the consumers who purchase the counterfeit garments have these things in their mind. In this research we are focusing on those customers who are willingly purchase the counterfeit garments. The research has been conducted in RYK Region as it is one of the biggest markets of counterfeit garments.

Literature Review

Counterfeits are regarded as low in quality as well as in price while branded items are considered as high priced

and high quality and from well established brand (James W Gentry, Sanjay Putrevu, Clifford J Shultz, 2006). Consumers tend to buy counterfeited products because brand's logo expresses the status and price especially in clothing. The stylish logo of a well known brand positioned significantly on counterfeited item improves its image among the purchaser's of counterfeits (I Phau, G Prendergast, 1998). Due to lot of expenses, consumers who purchase counterfeits have not concerned about the low quality and cheap material products (Arghavan Nia, Judith Lynne Zaichkowsky, 2000). They spend their money on counterfeits with the thinking that this small spending will increase their social status (Swee Hoon Ang et al, 2001).

Buying of counterfeits may include deceptive (unintentionally) buying or non-deceptive (Intentionally) buying (Gene M. Grossman, Carl Shapiro, 1988). In non-deceptive buying, consumers already know that they are buying low quality products in low price. Whereas buying in which consumers think that they are purchasing high quality branded products; although at the same time they come across in purchasing counterfeits is deceptive buying (Bloch et al, 1989). Usually the intention of manufacturers of counterfeited garments is to deceive the customers by making them believe that the products they purchased are branded or genuine (Ahasanul Haque, Ali Khatibi and Sabbir Rahman, 2009).

Consumers usually have a reason to buy counterfeits. In case of sending a gift to the family or to close friends one can buy counterfeited products. As people who can't afford to purchase gifts for someone mainly purchase counterfeits to fulfill the formality. In case of any accident like theft or losing something to somewhere a person can purchase counterfeits for temporary purposes (Giacomo Gistri, et al, 2009).

Selling of counterfeits with original labels and logos and by using well known distribution channels is now becomes a major problem (Timothy Paul Cronan, Sulaiman Al-Rafee, 2008). Previous research argued that purchasing of counterfeits depends on the good image of a brand which is copied illegally (Maldonado, et al, 2005). The past experience of using counterfeits can influence consumers to repurchase these products (Thorsten Staake, Frédéric Thiesse, Elgar Fleisch, 2009). High quality and affordable prices can enhance past experience of consumers and their perception towards the purchase of counterfeits (Jatinder J, et al, 2007). Already published researches indicates that positive word-of-mouth increase the intention of customers towards the purchase of counterfeits and also influences customer perception for further purchases in future (Sarah Steenhaut, Patrick van Kenhove, 2006). And good perception can increase the sales of counterfeits (Barry J Babin, William R Darden, Mitch Griffin, 1994).

Previous researches (Ahasanul Haque, Ali Khatibi and Sabbir Rahman, 2009) indicate the buying behavior of customers towards counterfeits. That research concludes that huge number of individuals who purchase counterfeits belongs to well educated tertiary. These types of individuals have similar characteristics in sense of demographic, demand-side, supply-side factors which influence them to purchase the counterfeited garments by their physical appearance (Ahasanul Haque, Ali Khatibi and Sabbir Rahman, 2009).

Many brand owners in the world recognize counterfeiting as a big problem so they are engaged with different firms like International Anti-Counterfeiting Coalition (IACC) which helps them in defending of copying their branded products. Counterfeit products are produced and used almost in every developed as well as undeveloped country. It affects trade, FDI, well known businesses of the country. In world trade 5-7 percent involves counterfeited products. This estimate had been given by IACC in 2008 (Muhammad Rizwan, et al). In worldwide trade, counterfeit products generate more revenues through its sales which are about 7-10 percent of the whole. This survey is done by World Customs Organization (Amine, L.S. and Magnusson, 2007). World Customs Organization's report indicates that in international trade 7% of the total includes counterfeit products which are of \$512 billion approximately. In this report one thing is also mention that 67% of the counterfeits were made in China (Seung Yeob Yu, Nami Kim, 2013).

Through previous researches (Bhatia, 2014) (Xuemei Bian, Luiz Moutinho, 2009) (Seung-Hee Lee and Boonghee Yoo, 2009) (Vida, Irena), we can understand many determinants of customer's perception regarding purchase of counterfeits in garments. Socio-demographic factors, attitude towards piracy, demand side factors, supply side factors etc have been discussed in previous researches. In this thesis we are studying the three determinants regarding non-deceptive buying in which we will highlight the behavior of people who willingly purchase the counterfeited garments.

Price

Price is one of the important aspects while purchasing a product or services. Consumers often select the counterfeit products as due to its low price as compare to branded items (Peter H. Bloch, Ronald F. Bush, Leland Campbell, 1993). There is a positive relationship between the consumers and low price counterfeit products (James W Gentry, Sanjay Putrevu, Clifford J Shultz, 2006). Usually an individual having a low income can't afford to buy high priced genuine or branded products. So these types of individual rely on low priced counterfeit products. Through which they think they can be a part of society. Consumers having high income also buy counterfeits in well developed countries. Price conscious consumers attentively concentrate on the money they consume. They analyze different brands and their prices and make pre-purchase decisions and try to

purchase those products which have low price. So these consumers often intentionally but rarely unintentionally buy the counterfeits in low prices (J.Xiao, 1998).

We can come to know from previous researches that the customers who previously purchased the counterfeits in low prices has a belief that those counterfeited products are too good as compare to branded products. This thinking or activity inspires them to repurchase the counterfeits (Ali, 2008). So a motivational factor of purchasing counterfeits is must be a low price.

Income

Income is one of the demographic factors which influence the individuals to purchase counterfeits. People having low income are not able to fulfill their expenses regarding family or regarding their house. So they have lot of intention to buy pirated products. Higher prices influence the lower-income individuals towards the purchase of counterfeits. Mainly the daily routine things of a person includes in this behavior. These things or goods may involve watches, perfumes, wallets, sunglasses etc (Franses, 2012). Consumers tend to maintain their behavior by buying low priced products i.e. counterfeits, when their income levels has been dropped down due to economic crisis i.e. inflation/deflation. This behavior increases the demand for counterfeited products (Jurgita Stravinskiene, et al, 2013). The attraction of branded products is so high among all consumers either they are of lower income or they are from elite class. But it's all about affordability. People who do not afford the branded products i.e. lower income people move towards the purchase of counterfeits which increase the demand of counterfeited items while the others purchase branded products (Martin Eisend, Pakize Schuchert-Güler, 2006).

Social Status

Seeking social status is a behavior through which an individual tends to show him or her one of the respectful members of a society. These types of individuals want to attach themselves with an affiliated or well known brand. But these types of individuals can't afford to buy expensive and well known brands due to their low income or high expenses. So they want some alternatives through which they can be a part of society. With this thinking many individuals choose their alternatives as counterfeited products (Chow-Hou Wee, Soo-Jiuan Tan and Kim-Hong Cheok, 1995). By buying counterfeits in cheaper prices individuals specially women tends to create curiosity of showing them to other people of society especially in some occasions. Their devotion towards this is to show themselves as a social class people. Counterfeited products are the substitutes of luxury or branded goods in cheaper prices; which is a way to be in trend for mediocre families. They can seek social status and can become social class people in the eyes of other people.

Researchers did lot of work to find out that the individuals wants to build strong social relationships in society and to increase their power among society. They also found that these individuals are influenced to be successful in near future and wants to show their abilities and competency skills (Stephanie Geiger-Oneto, et al, 2012). These individuals tend to buy counterfeits for status seeking.

Social status is one of the motivational factors through which individuals' attempts to enhance his/her social position by using branded or genuine items which indicates any person's status in the eyes of other peoples. Mainly consumers are aspired to become an elite class people and these people readily purchase the counterfeited products through which they think that they are recognized as a sociable people (Jamal). There are many individuals who purchase counterfeited goods due to the other people who think these products are unique or original, they feel more certain not on account of the item is unique but due to other individuals who thinks that it is original (Lee Hoe, 2003).

Purchase Intention

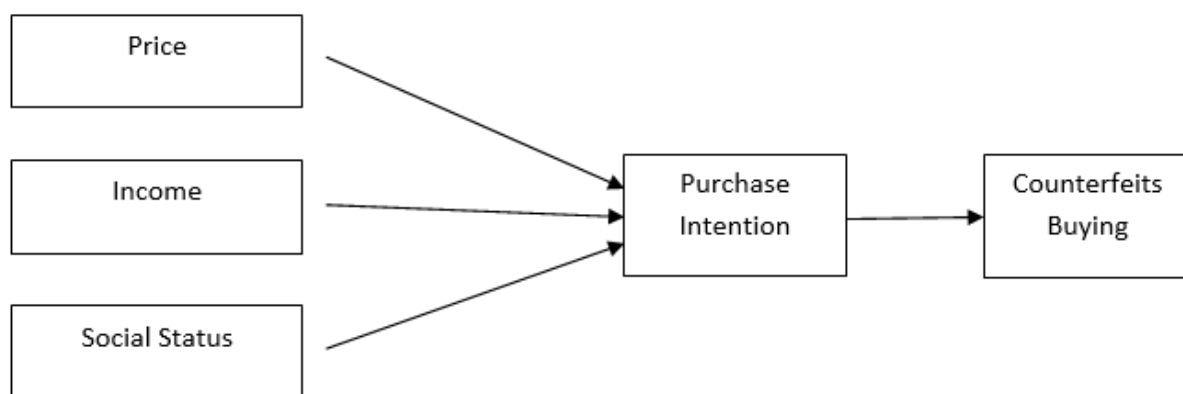
In today's world, environment is changing rapidly with the passage of time. Businesses are now become customer oriented and prefer customer's varying choices. Now marketers think not only to satisfy the customers but to delight them by giving them according to their needs and wants. Organizations take interest to know how the customer behavior towards the purchase intention of their products. So purchase intention is one of the most significant aspects in purchasing counterfeits. According to (Gillani, 2012) purchase intention can be defined as the act of dealing between customer and retailer to purchase something willingly. The attempt of buying products or services reflects the purchase intention of customers (Dodds, et al, 1991). Purchase intention indicates the probability of buying a product. High purchase intention means high desire of buying a product (Dodds, et al, 1991). Consumers thinking about genuine or fake products are that the more the valuable a product, the more it's worth to buy and vice versa. And the value of product can be determined by consumer's purchase intention towards it (Arghavan Nia, Judith Lynne Zaichkowsky, 2000). Purchase intention towards counterfeits can also be positive due to the neighbors who purchase and consume counterfeit goods (Alber-Miller, 1999). Often a person who has no intention to follow rules and regulation are more concerned to purchase counterfeits (Swee Hoon Ang. et al, 2001).

Counterfeits Buying

According to consumer survey's report of UK, 80% of young respondents while 94% of old people think that buying of counterfeits is morally wrong (Anti-counterfeiting Consumer Survey, October 2013). Consumers are well known about the production and distribution of illegal products but they are still encouraging the sales of these products by buying them (Peggy E.Chaudhry, Stefan A.Stumpf, 2011).

Theoretical Framework:

The below figure represents theoretical framework of this study. Through this figure we can identify the dependent variable which is counterfeits buying. Whereas independent variables are at the left side of the figure which are price, income and social status. These factors help out in increasing the purchase intention of consumers towards the buying of counterfeits. And purchase intention is the mediating variable which can change the impact of dependent variables through independent variables.



Dependent Variable

A dependent variable is what you measure in the research and what is affected during the research (<http://www.ncsu.edu/labwrite/po/dependentvar.htm>, 2014).

- *Counterfeits' buying* is a dependent variable in this research.

Independent variables

This type of variables has a positive or negative effect on the dependent variable.

Independent variables are given below:

- *Price*
- *Income*
- *Social Status*

Intervening Variable

An intervening variable is one that occurs between the independent and dependent variables. It is caused by the independent variable and is itself a cause of the dependent variable (http://sociology.about.com/od/I_Index/g/Intervening-Variable.htm, 2014).

- *Purchase Intention* is an intervening variable in this research.

Hypotheses

This article focuses on the factors of customer perception regarding purchase of counterfeit garments. Based on the purchase intention towards counterfeits buying, the following hypotheses are derived.

H1: There is a significant and positive relationship between price and purchase intention.

H2: There is a significant and positive relationship between income and purchase intention.

H3: There is a significant and positive relationship between social status and purchase intention.

H4: There is significant and positive relationship between purchase intention and counterfeits buying.

Research Methodology

This study examined the relationship of Price, Income and Social Status with the purchase intention and the relationship of purchase intention with counterfeits buying.

Data Sources

Both primary and secondary data was my sources but our major source was primary data.

- **Primary Data:**

A formal questionnaire was used for the data collection. The questionnaire is designed in such a way that this make the individuals to respond correctly and completely.

- **Secondary Data:**

Literature Review (Previous publications) worked as secondary source. This data was collected from various journals, websites, books, magazines etc.

Sample Data

A survey was conducted in Rahim Yar Khan Region among all types of individuals whether they are employees or students or businessman. The questionnaire was designed on the basis of 5 point Likert scale. Total of 200 questionnaires were distributed among individuals in different areas of RYK Region.

Instrument and Measures

Sampling technique adopted for the study is Judgmental Sampling (Non-Probability Sampling). A 22-item questionnaire at 3 pages was used that consists of 6 sections, the first section of the questionnaire focused on the demographic data that included information about profession, income, education, gender and age. 2nd Section was consists of 7 questions to get the respondents view about price factor while buying counterfeits. 3rd Section consisted of 3 questions about Income factor. 4th Section was consists of 7 questions about Seeking Social Status. 5th Section was about Purchase intention towards counterfeits. And 6th Sections was about Counterfeits Buying. Questionnaire for variables used 5 point Likert scale to measure respondent's possible responses from 1=strongly disagree to 5=strongly agree.

Testing Variables

In this study, I use SPSS on which I build a SPSS sheet and analysis is of descriptive statistic, frequency distribution, correlation and regression for the Price, Income and social status. On the other hand mediating variable is Purchase Intention and the dependent variable is Counterfeits Buying.

Analysis and Discussion

Frequency and Descriptive Statistic

Frequency Distribution and Descriptive Statistics With Respect to Age

Items	19 and Under	20 to 25 Years	26 to 34 Years	35 to 50 Years	Mean	Standard Deviation
Age	57	64	66	13	2.1750	.92120

The above table describes that the age of the respondents; 57 percent respondents between 19 and under, 64 percent respondents between 20 to 25 years, and 66 percent are between 26 to 34 years and remaining 13 percent are 35-50 years. The mean of age is 2.1750 and the standard deviation is .92120

Frequency Distribution and Descriptive Statistics With Respect to Gender

Items	Male	Female	Mean	Standard Deviation
Gender	144	56	1.2800	.45013

The above table describe that my study respondents males and female are 200 from which the male are 144 whereas the females are 56, there mean is 1.2800 and the standard deviation is .45013

Frequency Distribution and Descriptive Statistics With Respect to Education

Items	Bachelors	Masters	Others	Mean	Standard Deviation
Gender	55	82	63	2.0400	.76900

The above table describes that education of respondents, in this study the frequency of education is 200 from which the bachelors are 52; masters are 82, others 63. There mean is 2.0400 and the standard deviation is .76900

Frequency Distribution and Descriptive Statistics With Respect to Profession

Items	Student	Employed	Businessman	Other	Mean	Standard Deviation
Profession	88	77	32	3	1.7500	.77492

The above table describes the profession of respondents, in this study the frequency of profession is 200 from which students are 88, employees are 77, businessman are 32 and 3 are others, there mean is 1.7500 and the standard deviation is .77492

Frequency Distribution and Descriptive Statistics With Respect to Income

Items	10,000-25,000	25,000-40,000	40,000-55,000	55,000+	Mean	Standard Deviation
Income	29	36	97	38	2.7200	.93594

The above table describes the income of respondents, in this study the frequency of income is 200 from which people having 10,000-25,000 income are 29, employees are 77, 25,000-40,000 income are 36, having income of 40,000-55,000 are 97 and income of 55,000+ are 38, there mean is 2.7200 and the standard deviation is .93594

Frequency Distribution and Descriptive Statistics With Respect to Price Factor

Items	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean	Standard Deviation
PF1	161	38	0	1	0	4.1950	.93719
PF2	126	73	0	1	0	4.3650	.48264
PF3	149	50	1	0	0	4.2550	.43695
PF4	13	186	0	1	0	4.9350	.24714
PF5	85	115	0	0	0	4.5750	.49558
PF6	20	171	9	0	0	4.0550	.37774
PF7	69	94	37	0	0	4.1600	.71199

The above table describe the price factor variable, the response of the respondents are good so the price factor1 shows 161 respondents are strongly agree. Price factor1 mean is 4.1950 and standard deviation is .93719, price factor2 describe 126 are strongly agree so there mean is 4.3650 and the standard deviation is .48264, Whereas price factor3 describes 149 respondents are strongly agree so the mean is 4.2550 and standard deviation .43695, price factor4 explain that 186 are agree so the mean is 4.9350 and standard deviation is .24714, price factor5 explain that 115 are agree so the mean is 4.5750 and standard deviation is .49558, price factor6 explain that 171 are agree so the mean is 4.0550 and standard deviation is .37774, price factor7 explain that 94 are agree so the mean is 4.1600 and standard deviation is .71199

Frequency Distribution and Descriptive Statistics With Respect to Income Factor

Items	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean	Standard Deviation
IF1	42	156	1	1	0	4.2150	.41185
IF2	162	36	0	1	1	4.8100	.39329
IF3	88	112	0	0	0	4.4400	.49763

The above table describe the income factor variable, the response of the respondents are good so the income factor1 shows 156 respondents are agree. income factor1 mean is 4.2150 and standard deviation is .41185, income factor2 describe 162 are strongly agree so there mean is 4.8100 and the standard deviation is .39329, Whereas income factor3 describes 112 respondents are strongly agree so the mean is 4.4400 and standard deviation .49763

Frequency Distribution and Descriptive Statistics With Respect to Social Status

Items	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean	Standard Deviation
SS1	45	152	1	1	1	4.2250	.41863
SS2	27	173	0	0	0	4.1350	.34258
SS3	69	131	0	0	0	4.3450	.47656
SS4	42	150	4	2	2	4.2100	.40833
SS5	166	34	0	0	0	4.8300	.37658
SS6	105	84	11	0	0	4.4700	.60075
SS7	12	162	26	0	0	3.9300	.43131

The above table describes the Social Status variable, the response of the respondents are good so the social status1 shows 152 respondents are agree. Social status1 mean is 4.2250 and standard deviation is .41863, social status2 describe 173 are agree so there mean is 4.1350 and the standard deviation is .34258, Whereas social status3 describes 131 respondents are agree so the mean is 4.3450 and standard deviation .47656, social status4

explain that 150 are agree so the mean is 4.2100 and standard deviation is .40833, social status5 explain that 166 are strongly agree so the mean is 4.8300 and standard deviation is .37658, social status6 explain that 105 are strongly agree so the mean is 4.4700 and standard deviation is .60075, social status7 explain that 164 are agree so the mean is 3.9300 and standard deviation is .43131

Frequency Distribution and Descriptive Statistics With Respect to Purchase Intention

Items	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Mean	Standard Deviation
PI1	73	127	0	0	0	4.3650	.48264
PI2	44	156	0	0	0	4.2200	.41529
PI3	183	17	0	0	0	4.9150	.27958

The above table describes the Purchase Intention variable, the response of the respondents are good so the Purchase Intention1 shows 127 respondents are agree. Purchase Intention1 mean is 4.3650 and standard deviation is .48264, Purchase Intention2 describe 156 are agree so there mean is 4.2200 and the standard deviation is .41529, Whereas Purchase Intention3 describes 183 respondents are strongly agree so the mean is 4.9150 and standard deviation .27958

Frequency Distribution and Descriptive Statistics With Respect to Counterfeit Buying

Items	Price	Income	Social Status	None of these	All of these	Mean	Standard Deviation
CB1	2	2	1	80	115	4.5750	.49558
CB2	6	15	5	21	153	4.6350	.70303

The above table describes the Counterfeit Buying variable, the response of the respondents is towards these variables of this thesis. Counterfeit Buying1 shows 115 respondents are respond at All of these scale, there mean is 4.5750 and standard deviation is .49558, Counterfeit Buying2 describes that 153 have responded towards All of these scale, so there mean is 4.6350 and the standard deviation is .70303

Correlation:

Items	Price Factor	Income Factor	Social Status	Purchase Intention	Counterfeits Buying
Price Factor	1				
Income Factor	.326**	1			
Social Status	.697**	.706**	1		
Purchase Intention	.513**	.501**	.490**	1	
Counterfeits Buying	.683**	-.148*	.198**	.383**	1

The above table describes the correlation of price factor, income factor, social status, purchase intention, counterfeits buying. Then describes the correlation of income with social status, purchase intention and counterfeits buying. After this describe the correlation of social status with purchase intention and counterfeits buying. In the end describe the correlation of purchase intention with counterfeits buying.

Price factor and income factor have positive relationship but not strong relationship; whereas Price factor and social status have also positive relationship but this is strong relationship as compare to income factor, purchase intention and counterfeits buying have direct relationship but the Price factor and counterfeits buying have a strong relationship with each other.

Correlation of Income Factor with social status, purchase intention and counterfeits buying have a positive and there is a strong positive relationship between the Income factor and counterfeits buying.

Correlation of the social status with purchase intention and counterfeits buying has direct relationship but the strong direct relation is with counterfeits buying.

Relationships between the purchase intention and counterfeits buying have a positive and this is strong relationship with each other.

Regression Analysis:

Independent Variables	Beta	T	Sig.
Price Factor	.513	8.413	0.00

N: 200	R Square: 0.263	Adjusted R Square: 0.260
F: 70.771	Significance: 0	Dependent variable: Purchase Intention

The above table shows the regression analysis. In this price factor is the independent variable and purchase intention is the dependent variable.

The R square value is 0.263, F value is 70.771 and the significance is zero, T value is 8.413 so it proves that price factor has the positive impact on the purchase intention.

Independent Variables	Beta	T	Sig.
Income Factor	.501	8.151	0

N: 200	R Square: 0.251	Adjusted R Square: 0.247
F: 66.445	Significance: 0	Dependent variable: Purchase Intention

The above table shows the regression analysis. In this income factor is the independent variable and purchase intention is the dependent variable.

The R square value is 0.251, F value is 66.445 and the significance is zero, T value is 8.151 so it proves that income factor has the positive impact on the purchase intention.

Independent Variables	Beta	T	Sig.
Social Status	.490	7.918	0

N: 200	R Square: 0.240	Adjusted R Square: 0.237
F: 62.693	Significance: 0	Dependent variable: Purchase Intention

The above table shows the regression analysis. In this social status is the independent variable and purchase intention is the dependent variable.

The R square value is 0.240, F value is 62.693 and the significance is zero, T value is 7.918 so it proves that social status has the positive impact on the purchase intention.

Independent Variables	Beta	T	Sig.
Purchase Intention	.383	5.836	0

N: 200	R Square: 0.147	Adjusted R Square: 0.142
F: 34.059	Significance: 0	Dependent variable: Counterfeits Buying

The above table shows the regression analysis. In this purchase intention is the independent variable and counterfeits' buying is the dependent variable.

The R square value is 0.147, F value is 34.059 and the significance is zero, T value is 5.836 so it proves that purchase intention has the positive impact on the counterfeits buying.

Reliability Analysis:

The cronbach's alpha of all the variables included in the study is more than the acceptable and recommended level of $0.7 \leq \alpha < 0.9$ whose internal consistency is considered as good (Low-Stakes testing) (George, D., & Mallery, P., 2003).

Reliability Statistics

Cronbach's Alpha	N of Items
.733	5

Reliability Analysis

No.	Item	Frequency	Alpha
1	Price Factor	7	.596
2	Income Factor	3	.758
3	Social Status	7	.650
4	Purchase Intention	3	.635
5	Counterfeits Buying	2	.796

Conclusion

Through this research it can be concluded that customer's perception regarding purchase of counterfeit garments is more or less. The determinants of purchasing counterfeit garments given in this research are acceptable factors of buying counterfeits according to the respondents in Rahim Yar Khan Region. Majority of respondents are satisfied with the income factor and are willingly purchase counterfeits due to their low income and high expenses. Majority of people believe that the price factor is also a meaningful factor for the purchase of counterfeits. People are satisfied with the low priced counterfeited products. As there thinking is that through these low priced products they can satisfy their needs according to the present trend. People also think that purchasing of counterfeited products can be a way through which they can be a part of society. As clothing indicates any person's status in the eyes of other people.

Research also shows that purchase intention towards any product can be positive due to the high interest of friends and family members.

Research also shows that these are the main factors of customer perception regarding purchase of counterfeit garments. Minority think that there should be some other factors of purchasing counterfeits.

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Questionnaire on “Determinants of Customer Perception Regarding Purchase of Counterfeit Garments”

My research focuses on determinants of customer’s perception regarding purchase of counterfeit garments. I would appreciate your participation in this study in the form of a questionnaire. The questionnaire should only take about 05-10 minutes to complete.

Counterfeit Goods: The authentic/branded goods are copying illegally with same brand names; this is known as counterfeiting. This is also known as fake goods, replicas, first copies, duplicates, pirates etc.

Dear Respondent: Thank you for taking the time to consider this questionnaire. Please rate the following statements honestly and to the best of your ability. The data will only be used for academic purposes and strictly remain confidential.

1. In what age group are you?
 19 and Under 20-25 26-34 35-50
2. Gender:
 Male Female
3. Education:
 Bachelors Masters Others
4. Profession:
 Student Employed Businessman Others
5. Income/Parent’s Income:
 10,000-25,000 25,000-40,000 40,000-55,000 55,000+

Section A: Price Factor

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1. The price of counterfeit garments is very affordable.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. The counterfeit garments are very attractive in looks.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. The lower the price of product, the lower the quality.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Counterfeits are the substitutes of branded products in cheaper prices.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. I prefer to buy counterfeits in low prices as compare to branded products.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Counterfeits make me satisfied as I am using branded products in low prices.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. I usually purchase original products, even when the price of a counterfeit product is lower.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Section B: Income Factor

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1. Income is one of the factors which influence individuals in purchasing counterfeits.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. People with low income have high intention to purchase counterfeit garments.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Elite class people are also attracted to buy low priced counterfeits.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Section C: Seeking Social Status

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1. Clothing indicates any person's status in the eyes of other people.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Before purchasing a product, it is important to know what brands or products to buy to make a good impression on others.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Consumers aspire to purchase counterfeits to show themselves as social class people.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. I am more likely to buy counterfeit garments that it associate with a lifestyle I have or aspire to have.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. On specific occasions, wearing of counterfeit garments can create curiosity of showing them to other people of society.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. By purchasing counterfeits, it can be a way to be in trend.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Low priced Counterfeit garments can be a way to seek social status in the society.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Section D: Purchase Intention

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1. The value of product can be determined by consumer's purchase intention towards it.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Purchase intention towards counterfeits can be positive due to the high interest of friends and family in buying counterfeit goods.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. A person who has no intention to follow rules and regulation has low purchase intention towards counterfeits.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Section E: Counterfeits Buying

1. Consumers aspire to buy counterfeits due to which of the factors?
 - a) Price
 - b) Income
 - c) Seeking Social Status
 - d) None of these
 - e) All of these
2. If you would like to buy counterfeits then what will be the reason behind it?
 - a) Price
 - b) Income
 - c) Seeking Social Status
 - d) None of these
 - e) All of these

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