

# The Demand for Counterfeits: Are Consumers Across Borders Triggered by the Same Motives?

# Barbara Stöttinger

izredna profesorica Oddelek za mednarodni marketing in menedžment Ekonomska univerza na Dunaju Avstrija

Elfriede Penz

docentka Oddelek za mednarodni marketing in menedžment Ekonomska univerza na Dunaju Avstrija



*Elektronski naslov avtoric:* barbara.stoettinger@wu-wien.ac.at elfriede. penz@wu-wien.ac.at

## Abstract

This paper analyses consumer attitudes towards purchasing counterfeit products. Following a review of the literature, a series of hypotheses are developed which aim to explain consumers' attractions towards such products. An empirical investigation of 580 respondents from two countries reveals that the country background of consumers has a strong impact on attitudes and purchase behavior. Other findings highlight the role of price advantages versus regular products and illustrate that potentially detrimental aspects of counterfeit purchases, such as embarrassment potential and concern for child labor, do not diminish consumers' enthusiasm for fake products. The paper closes with a discussion of the theoretical and managerial implications of the findings and highlights promising future research avenues.

Keywords: counterfeit products, consumer willingness to buy, cross-border consumer behavior, Austria, Slovenia

## Povzetek

# Povpraševanje po piratskih izdelkih: Imajo porabniki na obeh straneh meje enake motive?

Prispevek analizira odnos porabnikov do kupovanja piratskih izdelkov. Na podlagi zbrane literature sta avtorici postavili serijo hipotez, katerih namen je pojasniti, zakaj takšni izdelki privlačijo potrošnike. Empirična raziskava na vzorcu 580 respondentov iz dveh držav odkriva, da ima nacionalna pripadnost porabnikov močan vpliv na odnos in nakupno obnašanje. Druge ugotovitve izpostavljajo vlogo cenovnih prednosti v primerjavi z originalnimi izdelki in ilustrirajo, da potencialno nezaželeni vidiki nakupa piratskih izdelkov, kot sta možnost zadrege, skrb zaradi otroškega dela, ne zmanjšajo entuziazma porabnikov do piratskih izdelkov. Prispevek se konča z razpravo o teoretičnih in menedžerskih implikacijah ugotovitev in izpostavi obetavne bodoče smeri raziskovanja

Ključne besede: piratski izdelki, pripravljenost porabnikov za kupovanje, obnašanje porabnikov na obeh straneh meje, Avstrija, Slovenija

# **1. INTRODUCTION**

The production and trade with counterfeit products has emerged as a major concern for global marketers (Blatt,

# 

1993; Sweeney, Greenberg, & Bitler, 1994). Figures reported on its magnitude are impressive. In 2001, for example, the U.S. Customs Services seized counterfeit products such as watches, toys and textiles with a total value of \$ 57 million (2002). While traditionally producers in the Far East were held accountable for the largest number of counterfeits, the production of fake products is by far not restricted to these areas. Many companies have to fight counterfeiters in their close vicinity. Out of the \$ 15 million counterfeit products seized in Germany 1999, a large part came from Eastern Europe - particularly the Czech Republic - and Turkey (Communities, 1998; 1999). The list of industries and the damages incurred may be extended almost endlessly. Mostly, products which carry a high brand image and require a relatively simple production technology are preferred targets. However, also computer software, movie and music CDs are victims of counterfeiting. Estimates speak about 40% of all software industry revenues being lost through illegal copying. In some countries, up to 90% of software products are illegitimate copies. Despite substantial efforts to curb down on the supply of counterfeit products, its growth is still phenomenal. Indeed, it is estimated that the value of counterfeit goods in the world market has grown by 1100% since 1984 (Blatt, 1993; Carty, 1994).

The production of fake goods offers strong financial incentives to counterfeiters, since almost no investments in brand name recognition and research & development are required. As modern technologies are available globally, the production of counterfeits has become less expensive and rather easy to set up (Harvey & Ronkainen, 1985). Unfortunately, revenues gained from counterfeiting are at the expense of legitimate marketers. The damage to their brand reputation and profits is tremendous (Blatt, 1993; Kay, 1990; Nash, 1989; Sweeney et al., 1994; Wee, Tan, & Cheok, 1995).

For consumers, the purchase of counterfeit products offers advantages as well. The fake products are usually of low physical, performance and financial risk, but carry the high image and prestige connected to a well known brand name such as Polo, Ray Ban, Gucci, Rolex or Chanel. By buying the fake product instead of the original, the consumer takes advantage of the benefits sought-after from branded products, such as prestige, image or design, without paying for them (Cordell, Wongtada, & Kieschnick, 1996; Grossman & Shapiro, 1988).

Compared to the practical relevance of the topic and the abundance of studies dealing with supply side measures, consumer attitudes and sentiments towards counterfeiting are still somewhat unexplored, particularly when it comes to exploring cross-cultural differences in the consumer demand for fake products. This is surprising, as counterfeiting has to be perceived as an international phenomenon calling for sanctions transcending national borders. Demand-oriented counteractions, however, will only be successful, if sufficient knowledge on the aspects triggering this demand is obtained, and if consumers across countries are driven by similar motives.

As the prevailing literature points to the fact that there are country-specific influences on consumer misbehavior (the purchase of counterfeit goods is considered to be one facet of it) through different cultural values, legal norms, ethical codes or personal experiences (e.g., Fullerton & Punj, 1997), we make a first attempt to establish cross-national similarities and/or differences in consumer attitudes towards counterfeiting in two selected countries, namely Slovenia and Austria. For that purpose, we limit the products investigated to luxury brand clothing and watches.

The paper opens by a brief review of the existing literature on the demand for counterfeit products. Subsequently, the hypotheses are drawn up. Following the presentation of the empirical results, we close with a discussion of the theoretical and managerial implications and offer some suggestions for future research avenues.

# 2. CONCEPTUAL FRAMEWORK

The demand for counterfeit products may be considered a facet of aberrant consumer behavior, however, only under the condition that the consumer willfully engages in this misbehavior. This aspect appears important, as the literature distinguishes two types of counterfeiting, namely deceptive and non-deceptive counterfeiting (Cordell et al., 1996; Grossman & Shapiro, 1988; Nia & Zaichkowsky, 2000). In the former case, consumers do not realize that they are buying a counterfeit product. They rather believe to be buying the original product. Given that consumers are unaware of buying fake products, deceptive counterfeiting is an issue that can only to be dealt with through supply side measures taken by companies or legal institutions.

However, consumers often purposefully buy a counterfeit good, while being well informed about the specific qualities of the generic and the fake product (Grossman & Shapiro, 1988; Nia & Zaichkowsky, 2000). In order to come up with effective measures to reduce the demand for counterfeit products, it is necessary to fully understand what drives consumers to buy fake products. Several streams of literature have the potential to provide explanations: the concept of brands and what leads consumers to buy them, how consumers deal with their own "mis"-behavior and what potential ethical predispositions have to prevent such a behavior. These considerations and their relevance to purchasing counterfeit products will be outlined briefly in the following.

Undoubtedly, the literature on branding and why people buy branded products provides insight in what makes counterfeits attractive. Brands and the concepts associated with it are the prerequisites for counterfeiting. If branded products would not attract consumers, counterfeits would not be an issue (Bloch, Bush, & Campbell, 1993; Cordell et al., 1996). Consumers are buying branded products basically for two reasons: physical product attributes and the - intangible - brand image associated with the product. They communicate meaning about their self-image and enhance their selfconcept (e.g., Dornoff & Tatham, 1972; Onkvist & Shaw, 1987). While the fake product might not fully comply with all the physical attributes the original product offers, the image dimension of the original branded product is preserved, as the copy resembles the original in terms of logos, trademarks etc. However, the price differential is much to the advantage of the counterfeit product. As a matter of fact, the prevailing literature has identified the lower price of counterfeits compared to the genuine brand product as key determinant for their purchase (Ang, Cheng, Lim, & Tambyah, 2001; Bloch et al., 1993; Rongoni-Machiavelli, 1999; Tom, Garibaldi, Zeng, & Pilcher, 1998; Wee et al., 1995). Only recently however, counterfeits,

# AKADEMIJA

which offer but a very small price discount compared to the original brand, find their market too (Kattoulas, 2002). This raises the issue of price sensitivity and its importance for the purchasing situation. Therefore, it appears called for to investigate not only the importance of price in general for the decision to purchase counterfeits, but to evaluate the consumer's reaction to different price levels for fake products.

While the intentional purchase of fake products seems to have distinct advantages to consumers, displaying such a behavior violates the accepted norms of conduct in purchasing situations and is, in general, disdained by marketers and most consumers (Fullerton & Punj, 1993, 1997). The question arises of how consumers handle the dilemma of breaking these norms and purposefully engaging in misbehavior. Sykes and Matza (1957) showed that consumers come up with pseudo-rational excuses that exculpate themselves and deflect the blame on someone else. For instance, to explain their behavior, consumers tend to deny their responsibility and the injury of their deed. They downplay the damages to the victims, even blame them for their behavior or appeal to higher loyalties.

Some of the excuses that where reported in past research in the field are outlined in the following. Consumers say that they feel more sympathy for small rather than large businesses and justify their behavior with anti-big-business attitudes (Fullerton & Punj, 1993; Moore, 1984; Tom et al., 1998). Other frequently put forward arguments in this context are that counterfeiters deserve support, as they act more customeroriented than the original manufacturers. Original-product manufacturer are blamed for charging exorbitant prices to capitalize on the snob appeal of their products (Ang et al., 2001; Cordell et al., 1996). In turn, counterfeiters would offer (fake) products at lower prices, as they are more reasonable on the margins they require. Also, consumers feel that counterfeiters are more efficient in terms of how they conduct business (Ang et al., 2001; Tom et al., 1998; Wee et al., 1995).

Purchasing fake products and thus "misbehaving intentionally" can be considered ethically questionable. While buying counterfeits might serve immediate self-interest, the behavior is harmful to others such as the original manufacturer. It not only reduces profits and damages the brand image, but it is said to have a chilling effect on technology developments. Often, it is also associated with employing child labor to achieve low production costs (Nill & Shultz, 1996). Most likely, high ethical standards will prevent consumers from buying counterfeits.

Given the still fragmented knowledge base in the field, we are using the expectancy-value attitude model (Fishbein, 1967) for guidance in systematizing existing findings. Additionally, selected psychographically-based influences such as readiness to take risk, fashion involvement and religiousness as an estimate of ethical understanding as well as demographic determinants are included in the model. Basically, the model states that an attitude consists of expected values of the attributes ascribed to the attitude (in our case "counterfeiting"). In other words, the attitude toward counterfeiting is the sum of the beliefs consumers have toward counterfeiting multiplied by the evaluations of their beliefs. Therefore, methodologically we are providing a list of positive and negative statements to learn more about expected values of consumers regarding counterfeiting. In addition, we are using attitudes towards behavior rather than attitude towards objects (e.g., attitude towards a counterfeit item), as they are said to be better predictors of behavior (Fishbein, 1967; Fishbein & Ajzen, 1975).

### 3. PROPOSITIONS AND RESEARCH METHODOLOGY

Based on the theoretical considerations outlined above, we derived a set of propositions which are tested using two samples from Slovenia and Austria. The country-selection resulted from a comparison of the (a) economic situation (GDP per capita) and relevant (b) psycho-graphical characteristics (e.g. religiousness, risk aversion). Both, similarities and differences are expected. While the availability of counterfeit products as well as the desire for branded luxury products is similar between Slovenia and Austria, the economic development and consumers' psycho-graphical attitudes are different. According to the World Bank (World Development Indicators, 2002), GDP per capita is \$ 188,7 Mio in Austria (rank 21) and \$ 18,8 Mio in Slovenia (rank 64). Austrians and Slovenians also differ in their religiousness which influences their ethical understanding: For example, about 80% Austrians belief in God, while only 63% Slovenians do so (Religion II ZA Study 3190, 2001). Additionally, political attitudes differ. Slovenia as an excommunist country presumably still has socialist values leading to different people's consumer attitudes (Feick & Gierl, 1996), risk readiness (Shiller, 1992) or ethical decisions (Stewart, Sprinthall, & Siemienska, 1997) (see Table 1).

#### Table 1: List of Propositions

Intention to purchase counterfeit products

Proposition ; There is a difference of intentions to purchase counterfeit Polo/Lacoste shirts between various price levels (20%, 40%, 60%, 80% and 90% below the price of original item) Proposition the is a difference of intentions to purchase counterfeit Cartier/Rolex watches between various price levels (20%, 40%, 60%, 80% and 90% below the price of original item). Proposition 24 Slovenians and Austrians differ in their intentions to purchase counterfeit Polo/Lacoste shirts at various price levels (20%, 40%, 60%, 80% and 90% below the price of original item) Proposition and Solution Proposition and Austrians differ in their intentions to purchase counterfeit Cartier/Rolex watches at various price levels (20%, 40%, 60%, 80% and 90% below the price of original item). Attitudes towards counterfeiting Proposition as Slovenians and Austrians differ in their attitudes toward the relevance of price regarding purchasing counterfeit products. Proposition as Slovenians and Austrians differ in their attitudes toward "big business". Proposition as Slovenians and Austrians differ in their attitudes toward the problem of child labor caused by the producers of counterfeits. Proposition and Solution and Austrians differ in their embarrassment when others recognize their usage of counterfeits. Proposition 34: Slovenians and Austrians differ in their attitudes toward the negative effects of producing counterfeits on R&D for new products. Proposition 31 Slovenians and Austrians differ in their attitudes toward the efficiency of producers of counterfeit products. Psycho-graphical characteristics Proposition, Slovenians and Austrians differ in their degree of ethical understanding (religiousness). Proposition, Slovenians and Austrians differ in their degree of fashion involvement. Proposition, Slovenians and Austrians differ in their readiness to take risks.

#### Intention to purchase counterfeit products

Polo/Lacoste shirts

Proposition<sub>74</sub>: The relevance of price has an impact on the intention to purchase (at 20%, 40%, 60%, 80% and 90% below the price of original item) counterfeit products. Proposition<sub>75</sub>: The impact on the intention to purchase differs between Slovenia and Austria.

	ADEMIJA	
Propos 40%, 6 Propos Polo/L. Propos 20%, 4 Propos 20%, 4 Propos Polo/L. Propos 20%, 4 Propos	Rolex watches tion ,; The relevance of price has an impact on the intention to purchase (at 20%, 10%, 80% and 90% below the price of original item) counterfeit products. tion ,, The impact on the intention to purchase differs between Slovenia and Austria. costs shirts tion ,, The anti-big business attitude has an impact on the intention to purchase (at 10%, 60%, 80% and 90% below the price of original item) counterfeit products. tion ,, The impact on the intention to purchase differs between Slovenia and Austria. Rolex watches tion ,, 60%, 80% and 90% below the price of original item) counterfeit products. tion ,, 60%, 80% and 90% below the price of original item) counterfeit products. tion ,, 60%, 80% and 90% below the price of original item) counterfeit products. tion ,, 60%, 80% and 90% below the price of original item) counterfeit products. tion ,, 60%, 80% and 90% below the price of original item) counterfeit products. tion ,, 60%, 80% and 90% below the price of original item counterfeit products. tion ,, 60%, 80% and 90% below the price of original item counterfeit products. tion ,, 60%, 80% and 90% below the price of original item counterfeit products. tion ,, 60%, 80% and 90% below the price of original item counterfeit products. tion ,, 60%, 80% and 90% below the price of original item counterfeit products. tion ,, 60%, 80% and 90% below the price of original item counterfeit products. tion ,, 60%, 80% and 90% below the price of original item counterfeit products. tion , for the intention to purchase differs between Slovenia and Austria. tion , for the intention to purchase differs between Slovenia and Austria.	<ul> <li>40%, 60%, 80% and 90% below the price of original item) counterfeit products (Polo/Lacoste shirts, Cartier/Rolex watches).</li> <li>Proposition <sub>Bo</sub>: The impact on the intention to purchase differs between Slovenia and Austria.</li> <li>Proposition <sub>Bo</sub>: Readiness to take risks has an impact on the intention to purchase (at 20%, 40%, 60%, 80% and 90% below the price of original item) counterfeit products (Polo/Lacoste shirts, Cartier/Rolex watches).</li> <li>Proposition <sub>Bo</sub>: The impact on the intention to purchase differs between Slovenia and Austria.</li> <li>Cartier/Rolex watches</li> <li>Proposition <sub>Bo</sub>: Readiness to take risks has an impact on the intention to purchase (at 20%, 40%, 60%, 80% and 90% below the price of original item) counterfeit products (Polo/Lacoste shirts.</li> <li>Cartier/Rolex watches</li> <li>Proposition <sub>Bo</sub>: Readiness to take risks has an impact on the intention to purchase (at 20%, 40%, 60%, 80% and 90% below the price of original item) counterfeit products (Polo/Lacoste shirts, Cartier/Rolex watches).</li> <li>Proposition <sub>Bo</sub>: The impact on the price of original item) counterfeit products (Polo/Lacoste shirts, Cartier/Rolex watches).</li> <li>Proposition <sub>Bo</sub>: The impact on the intention to purchase differs between Slovenia and Austria.</li> </ul>
Propos 20%, 4 Propos 60%, 8 Propos Austria Cartier, Propos 60%, 8 Propos Austria Polo/La Propos intentio	Rolex watches tion $_{D^{\prime}}$ : Embarrassment has an impact on the intention to purchase (at 20%, 40%, 1% and 90% below the price of original item) counterfeit products. tion $_{D^{\prime}}$ . The impact on the intention to purchase differs between Slovenia and	The subsequently developed questionnaire consists of 25 statements designed to capture attitudes toward counterfeits (5-point Likert scale ranging from "strongly agree" to "strongly disagree"), 10 questions aimed at measuring purchase intent for different types of counterfeit goods (textiles, watches) at different price levels (5-point scale ranging from "would definitely buy" to "would definitely not buy"). The measurement approach for each theoretical construct is now described in more detail. <i>Intention</i> : We use attitudes to understand, and more precisely, to predict behavior. Following (Fishbein, 1967; Fishbein & Ajzen, 1975), the proximal cause of behavior is one's intention to engage in the behavior. Therefore, the intention to purchase counterfeits was measured. We
Propos. Cartier, Propos. intentic counte Propos. Polo/Le Propos. Austria Cartier, Propos. purcha	<i>tion</i> <sub>pu</sub> . The impact on the intention to purchase differs between Slovenia and Austria. <i>Rolex watches</i> <i>tion</i> <sub>nc</sub> . Perceived negative <i>effects of counterfeiters on R&amp;D</i> have an impact on the n to purchase (at 20%, 40%, 60%, 80% and 90% below the price of original item) feit products (Polo/Lacoste shirts, Cartier/Rolex watches). <i>tion</i> <sub>nd</sub> . The impact on the intention to purchase differs between Slovenia and Austria. <i>coste shirts</i> <i>tion</i> <sub>pd</sub> , Perceived <i>efficiency</i> of counterfeiters has an impact on the intention to e (at 20%, 40%, 60%, 80% and 90% below the price of original item) counterfeit s (Polo/Lacoste shirts, Cartier/Rolex watches). <i>tion</i> <sub>pd</sub> , The impact on the intention to purchase differs between Slovenia and Austria.	operationalized this construct by using representative examples of luxury brands which are due to their attractiveness within the countries of interest particularly prone to counterfeiting: these are Rolex/Cartier watches and Polo/Lacoste shirts. In addition, we considered that the intention to purchase counterfeits is related to the price of the item (e.g., Bloch et al., 1993). To substantiate our assumptions on the role of price sensitivity for purchasing counterfeits, five different price levels were investigated (20%, 40%, 60%, 80% and 90% below the price of original item). Thus, with two brand choices and five price reductions versus the original, a total of ten items measuring the intention to purchase counterfeits were used.
<i>Proposi</i> Austria	coste shirts	Attitudes: The attitudes towards counterfeiting and purchasing counterfeits were assessed by multi-item measures. Specifically, attitudes towards behavior were used, since they are better predictors of behavior than attitudes

Proposition <sub>By</sub>' *Ethical understanding (religiousness)* has an impact on the intention to purchase (at 20%, 40%, 60%, 80% and 90% below the price of original item) counterfeit products (Polo/Lacoste shirts, Cartier/Rolex watches).

 $\textit{Proposition}_{\textit{DF}}$  The impact on the intention to purchase differs between Slovenia and Austria.

#### Cartier/Rolex watches

Proposition <sub>de</sub>: *Ethical understanding (religiousness)* has an impact on the intention to purchase (at 20%, 40%, 60%, 80% and 90% below the price of original item) counterfeit products (Polo/Lacoste shirts, Cartier/Rolex watches).

 $\textit{Proposition}_{\textit{Bd}}$  The impact on the intention to purchase differs between Slovenia and Austria.

#### Polo/Lacoste shirts

Proposition <sub>He</sub><sup>-</sup> Fashion involvement has an impact on the intention to purchase (at 20%, 40%, 60%, 80% and 90% below the price of original item) counterfeit products (Polo/Lacoste shirts, Cartier/Rolex watches).

 $\textit{Prapasition}_{\textit{H}\textit{B}}$  The impact on the intention to purchase differs between Slovenia and Austria.

#### Cartier/Rolex watches

Proposition <sub>m</sub>; Fashion involvement has an impact on the intention to purchase (at 20%,

towards objects (e.g. attitude towards a counterfeit item)

(Fishbein, 1967; Fishbein & Ajzen, 1975). Based on the

purchasing counterfeit luxury brands.

literature review, 25 items were developed and served as

Personality Traits: To measure readiness to take risks, an

established scale was slightly modified. More specifically, the

scale "Risk Taker (Purchase)" was used as a basis. This scale

measures the degree to which a person reports to be willing

to take a risk by, for example, trying unfamiliar products or

reasonable<sup>1</sup>. However, the construct validity of the scale is

reported to be questionable and the grouping of the items for

brands (Raju, 1980). Reported reliability of this scale is

measures of consumers' attitudes towards counterfeiting and

the scale was based on subjective classification. Therefore, we conducted an exploratory and confirmatory factor analysis of the scale. Subsequently, three items were excluded and the remaining six items were used for the following analysis.

The scale "Fashion Involvement Factor (FIF)" is deemed to reflect important behavioral activities related to fashion (e.g. adopting early, interest in and knowledge about fashion, monitoring fashion trends, etc.) (Tigert, Ring, & King, 1976). In terms of test statistics, only factor loadings were reported for this scale. However, cross-classification analyses showed that more highly involved fashion consumers were heavier buyers of fashionable clothing items than less involved consumers. In our model, all six items were taken into consideration.

Finally, religiousness as a proxy for ethical standards was measured using selected items from the scale developed by (Kecskes & Wolf, 1993). Reliability is reported high (Cronbach's alpha = .97). In total, six items were used.

After pre-testing and checking for content validity of the measures, the final questionnaire was available in German and Slovenian. Linguistic equivalence between the two different versions of the questionnaire was established through back-translation (Brislin, 1970). In Austria, a quota sample based on age, gender and education was used. In Slovenia, data was collected through convenience sampling, which appeared acceptable given the exploratory nature of the study. The Austrian questionnaire was answered by 385 respondents (66,4% of the total sample), while the Slovenian sample was comprised of 195 respondents (33,6% of the total sample). In total, 580 questionnaires were returned and used for further analysis. Table 2 illustrates the sample characteristics in more detail.

#### Table 2: Selected Sample Characteristics

· · · · · · · · · · · · · · · · · · ·	Austria	Slovenia
Number of Respondents	385	195
Gender		
Female	50.9%	63.2%
Male	49.1%	36.8%
Occupational Status		
Self-employed	8.2%	10.8%
Student	7.1%	20.5%
Pupil	6.1%	14.6%
Manager/Government Employee	60%	29.2%
Retired	8.2%	4.3%
Running the Household	6.8%	2.2%
Others	3.7%	18.4%
Education		
Primary School	26.2%	26.2%
Vocational Education	37.1%	36.6%
Secondary School	29.6%	8.4%
College Degree (Bachelor)		26.7%
College Degree (Master)	6.0%	.5%
Others	1.0%	1.6%
Age Mean (Std.dev)	35.5 (14.43)	29.1 (14.24)
Number of Years of Work Experience		
Mean (Std.dev)		
16.3 (12.42)		
10.2 (12.03)		
Residence		
Urban	66.7%	65.3%
Rural	33.3%	34.7%
Household Income (in )		
lower than 1.090	36.0%	28.2%
1.091, 1.817,-	39.5%	10.0%
1,818, 2.544,-	14.8%	18.8%
2.545, 3.270,-	5.2%	30.0%
3.271,4.724,-	2.9%	8.8%
more than 4,724	1.5%	4.1%

# 4. ANALYSIS AND RESULTS

### 4.1. Structure of Attitudes Towards Counterfeiting

Exploratory factor analysis (Principal Component) was initially employed to purify the attitude scales. Items exhibiting significant loadings on the intended factor and no substantial cross-loading were retained. In total, six attitude factors were extracted, explaining 65.3% of total variance. The first factor explained 14.2% of variance and was labeled "Irrelevance of Price". It consisted of items, which state that purchasing counterfeits does not depend on the price of the item. The second factor explained 10.6% of variance and expressed the negative effects of counterfeiting on R&D. It consisted of statements concerning the effects of production of counterfeits but also the effects of consumers' purchase on company's expenditures on R&D. The third factor, "Embarrassment" explained 10.5% of variance. Herein, the concerns of consumers being revealed as owner of counterfeits were summed up. The fourth factor, explaining 10.4% of variance, was labeled "Anti-Big Business". It consists of four items which show consumers' support for small rather than big companies. Next, the factor called "Problem of Child Labor" was extracted. It explains 9.9% of variance and includes consumers' concerns about a potential negative influence of counterfeiting on child labor. Finally, the sixth factor, called "Efficiency" explained 9.7% of variance. Opinions regarding the influence of counterfeiters' efficient distribution and production on the low price of counterfeit products were expressed through this factor. Table 3 reports the results of the exploratory factor analysis and reliability of the six factor solution.

		Negative	Em-	Anti	Pro-	Effic
Relev	ance	Effects	barras-	Big	blem	enc
		on R&D	sment	Busi-	of Child	
the start to the fate				ness	Labor	
would not hesitate buying a fake						
Polo/Lacoste shirt at a substantially lower	01	00	00	11	00	n
price, providing the quality is right (R).	.81	03	.00	.11	08	0.
would not knowingly buy a fake	70	00	10	1.4	07	
Polo/Lacoste shirt regardless of price.	.73	.20	.12	14	.07	!
would not knowingly buy a fake	- 4			10	07	
Cartier/Rolex watch regardless of the price.	.54	.02	.40	.10	.07	.1
he production of counterfeit goods						
indermines the incentive for companies to						
pend money on research and						
levelopment for new products.	.02	.68	.09	10	.01	{
he purchase of counterfeit goods						
Indermines the incentive for companies						
o spend money on research and developme	ent					
or new products.	.07	.88	.04	01	.11	),-
would not wear a fake Cartier/Rolex becau	JSe					
eople might recognize it as a fake						
and laugh at me.	.18	02	.85	03	.10	[
f someone would point out that my						
Cartier/Rolex watch is counterfeit, I would						
be very embarrassed.	.15	.16	.81	.12	.02	.[
Buying a fake Polo/Lacoste does not						
narm our economy (R).	01	.07	.06	.70	.15	).
Counterfeits are not a serious problem,						
since they are usually restricted to a small						
group of luxury products (B).	03	03	.12	.64	.08	
The producers of counterfeit goods can offe						
ower prices, because they do not make						
as much profit as the producers of the						
priginal products (R).	06	21	.01	.59	01	.5

# AKADEMIJA

.31	on R&D 07 .03	sment 15	Busi- ness .56	of Child Labor 11 .86	16
.09	.03	03	.10	.86	<u>م</u> ں
.09	.03	03	.10	.86	nn
.09	.03	03	.10	.86	nn
					.00
.05	.10	.18	.06	.83	15
.06	12	08	.01	.04	.84
.08	01	.01	.16	19	.78
75	.52	.71	.74	.70	.61
	.06 .08 . <b>75</b>	.0801	.0801 .01	.0801 .01 .16	.0801 .01 .1619

Extraction Method: Principal Component Analysis Varimax Rotation

## 4.2. Willingness to Purchase Counterfeits at Various Price Levels

Subsequently, two GLMs with repeated measures were applied in order to test  $H_1$  (a and b) and  $H_2$  (a and b). Statistical significance of differences between the countries (between-subjects factor) and between price levels when purchasing counterfeit (a) Polo/Lacoste shirts or (b) Cartier/Rolex watches (20%, 40%, 60%, 80% and 90% price below the original item; repeated measures) was assessed. To start with, Mauchly's test of sphericity for counterfeit Polo/Lacoste shirts (a) was calculated. Results indicated that GLM is appropriate for data analysis, based on the assumption that the dependent variables are correlated ( $c^2 = 1228.67$ with 9 df, p < .001). A significant overall main effect was found for the price levels (F = 154.57; p < .001), but not for the two countries (F = 1.23; p = .267), indicating that consumers in both countries are similarly more willing to purchase counterfeit Polo/Lacoste shirts with high price discounts compared to the original item. Therefore, H<sub>12</sub> can be accepted and H<sub>2a</sub> is not supported.

Next, the Mauchly's test of sphericity for counterfeit Cartier/Rolex watch (b) was calculated and revealed that the method GLM is also appropriate for data analysis ( $c^2 =$ 1386.23 with 9 df, p < .001). A significant main effect for both, the price levels (F = 112.25; p < .001) and the countries (F = 13.37; p < .001) was found. Additionally, the interaction between the price levels and the countries was significant at a 5% level (F = 2.57; p = .036). Taken collectively, respondents from both countries are more willing to purchase counterfeit Cartier/Rolex watches with a high price reduction compared to the original product. However, in Austria, the willingness to purchase counterfeit Cartier/Rolex watches is significantly lower than in Slovenia. Therefore, H<sub>1b</sub> and H<sub>2b</sub> can be accepted.

# 1.1. Attitudes Towards Counterfeiting

The attitudinal factors derived from the exploratory factor analysis were retained for further analysis. Therefore, means of attitude items were calculated and used to test proposition<sub>3a</sub> to proposition<sub>3f</sub>. By using summated scales we try to minimize measurement error and represent multiple facets of attitudes

in a single measure (Hair, Anderson, Tatham, & Black, 1998). For the country comparison, several t-tests were applied. Austrian and Slovenian attitudes towards counterfeiting differ significantly along the following three dimensions: First, the factor "Negative Effects on R&D" is statistically different between Austria and Slovenia, the latter having a higher degree of agreement (t = -3.55; p < .001). Slovenians hold a stronger belief that counterfeits have a chilling effect on R&D investments than Austrians. Next, the factor "Anti-Big Business" is also statistically different: Slovenians agreed to a larger extent than their Austrian counterparts that small companies (producing counterfeits) shall be supported and not big companies (= holders of original trademarks) (t = -2.88; p < .01). Finally, the two samples differ in their "Embarrassment" potential (t = -3.72; p < .001). Specifically, Slovenians would be more embarrassed if others recognized their usage of counterfeit products than Austrians. Therefore, the propositions  $_{3b',3d}$  and  $_{3f}$  are supported, whereas the propositions  $_{3a',3c}$  and  $_{3e}$  are not supported.

## 4.4. Personality Traits

Subsequently, several t-tests were applied to detect potential differences between the two populations regarding their personality traits. For each of the personality scales used, an index was calculated and used for further analysis. Regarding the index of religiousness, Slovenians and Austrians differ significantly: Austrians are more religious than Slovenians (t = 2.50; p < .05). The index of fashion involvement is not statistically significant between the two countries. Finally, Slovenian and Austrian respondents differ in their readiness to take risks: Austrians were more ready to take risks. Therefore, proposition<sub>4</sub> and proposition<sub>6</sub> can be supported, and proposition<sub>5</sub> has to be rejected. Table 4 compares means and standard deviations of the indices of religiousness, fashion involvement and readiness to take risk between the two countries.

Table 4: Means and Standard Deviations for the Indices of Religiousness, Fashion Involvement and Readiness to Take Risk

Au	stria	Slovenia		
М	SD	M	SD	
2.94 *	1.12	2.69 *	1.17	
3,32	.79	3.23	.78	
2.86 *	.57	2.73 *	.54	
	M 2.94 * 3.32	2.94 *         1.12           3.32         .79	M         SD         M           2.94 *         1.12         2.69 *           3.32         .79         3.23	

Note:

a ranges from 1 = not religious to 5 = very religious

<sup>b</sup> ranges from 1 = 1000 fashion involvement to 5 = 1000 high fashion involvement <sup>c</sup> ranges from 1 =low readiness to 5 = high readiness

significant at 5% level

## 1.2. Predicting Intention to Purchase Counterfeits

Finally, several multiple regression analyses were applied in order to test proposition, to proposition 15. The extracted attitude factors and personality traits were included into the multiple regression analyses as predictors for the willingness to purchase counterfeit products (Polo/Lacoste shirts; Cartier/Rolex watches). Furthermore, for each country the regression coefficients were calculated and will be compared in the following.

In general, the relevance of price has a strong significant impact on the willingness to purchase counterfeit

# 

Polo/Lacoste shirts for respondents from both countries. Additionally, the higher the price reduction is, the stronger the influence of the attitude factor on the intention of respondents is: The b-coefficients increases from -.301 in Austria and -.347 in Slovenia at the 20% level to -.501 in Austria and -.638 in Slovenia at the 90% level. Therefore, proposition<sub>7a</sub> is supported, while no country difference was shown (reject proposition<sub>7b</sub>). Weak positive influences stem from expected negative effects on R&D in Slovenia and Austria, although at different price levels (support for proposition  $n_{a,b}$ ). Slovenians intention at 80% and 90% price reduction was strongly influenced by their embarrassment level, whereas for Austrians embarrassment didn't seem to be important at all (support for proposition  $_{\rm 10a,b}$ ). Slovenians' intention at a 40% and 60%, and Austrians' intention on 20% price below original is then influenced by their attitude toward "Big Business". The stronger the opinion, that smaller companies should be supported, the higher the intention to purchase counterfeit Polo/Lacoste shirts. Therefore, propositions<sub>8a</sub> and

<sub>ab</sub> are supported. Finally, the opinion that producers of counterfeits are more efficient and thus can offer low prices influences the intention at 20%, 60%, 80% and 90% price reduction level in Austria, while Slovenians intention only at the 20% level (support for propositions 12.1). Regarding personality traits, religiousness influences the intention (80% and 90%) in Austria on a higher price reduction level negatively. The lower the ethical understanding (religiousness), the higher the intention to purchase counterfeit Polo/Lacoste shirts (propositions 13ab). However, since the beta coefficients are very low, theses results should be interpreted with caution. Finally, the readiness to take risks is in Austria a predictor for the intention at 40% and 60% price below original item, but not in Slovenia (support for propositions 15 ab). The higher people in Austria are ready to take risks, the higher their intention to purchase counterfeit Polo/Lacoste shirts.Table 5 shows the b-coefficients and model fit indices for Polo/Lacoste shirts.

### Table 5: Multiple Regression Analysis Results for Polo/Lacoste Shirts

	Inte	ntion to purchas	e Polo/Lacoste	shirts at						
	20%	below price	40%	below price	60%	below price	80%	below price	90%	below price
	of original item		of original item		of original item		of original item		of	original item
	Austria	Slovenia	Austria	Slovenia	Austria	Slovenia	Austria	Slovenia	Austria	Slovenia
Factor "Irrelevance of Price"	347**	301**	429**	502**	478**	565**	471**	667**	501**	638**
Factor "Negative Effects on R&D"				.122*					.092*	
Factor "Embarrassment"								.205**		.163**
Factor "Anti-Big Business"	096*			183**		130*				
Factor "Problem of Child Labor"									.096*	
Factor "Efficiency"	.134**	.193**			.135**		.120**		.096*	
Religiousness (Index)							095*		106*	
Fashion Involvement (Index)										
Readiness to take Risks (Index)			.121**		.116**					
R2	.169	.194	.213	.317	.288	.351	.252	.374	.244	.348
Adjusted R2	.162	.181	.209	.306	.282	.344	.246	.367	.236	.341

Note:

Method: Stepwise

\*\* significant at 1% level

\* significant at 5% level

Analyzing the intention to purchase counterfeit Cartier/Rolex watches at different price levels, the following results were found. The intention to purchase counterfeit Cartier/Rolex watches can be predicted significantly by the attitude that price is relevant. In other words, the more consumers consider price important, the higher their willingness to purchase counterfeits. While in Austria the attitude increases constantly with price reduction, in Slovenia the highest coefficients were found for the 60%, 80% and 90% price reduction levels (support for propositions<sub>7cd</sub>). Considering the factor "Embarrassment", significant coefficients resulted again only for Slovenian consumers. Embarrassment has the highest prediction power on the intention to purchase counterfeit Cartier/Rolex watches at 20% below price of the original item. Therefore, if the price reduction is only low, the risk to be revealed as owner of counterfeits influences consumer intentions very much (support for propositions 10c,d). Furthermore, the expectation, that counterfeiters produce and distribute efficiently (factor "Efficiency") lead to a higher willingness to spend money on counterfeits in both countries, whereas Austrian consumers seemed to be independent of the price level and Slovenians' intention at a 20 and 40% level only can be predicted (support for propositions, 12 cd). Finally, taking into account personality traits, the intention to purchase visible luxury brands such as Cartier and Rolex is predictable on a high price reduction level (80% and 90%) using the fashion involvement of consumers in both countries. However, in Slovenia, the fashion involvement is even a stronger predictor. In Slovenia the readiness to take risks predicts the intention on 80% and 90% level (support for propositions  $_{\rm 14c,d}$  ). Also the readiness to take risks is only a predictor for Slovenians at the 90% level (support for propositions 15cd). Propositions 9cd and 13cd were not supported. Table 6 shows the b-coefficients and model fit indices for Cartier/Rolex watches.

# 

	Inte	ntion to purchas	se Cartier/Rolex	watches at						
	20%	below price	40%	below price	60%	below price	80%	6 below price	90%	below pric
	of original item		of original item		of original item		of original item		of original item	
	Austria	Slovenia	Austria	Slovenia	Austria	Slovenia	Austria	Slovenia	Austria	Slovenia
Factor "Irrelevance of Price"	353**		402**	270**	461**	450**	468**	374**	466**	361**
Factor "Negative Effects on R&D"										
Factor "Embarrassment"		230**		187*				157*		156*
Factor "Anti-Big Business"	096*									
Factor "Problem of Child Labor"										
Factor "Efficiency"	.158**	.180**	.156**	.187**	.119**		.152**		.161**	
Religiousness (Index)										
Fashion Involvement (Index)							.119**	.280**	.121**	.344**
Readiness to take Risks (Index)								205**		215**
R2	.183	.083	.200	.192	.238	.203	.261	.331	.264	.363
Adjusted R2	.176	.073	.195	.179	.234	.198	.255	.316	.258	.349

Note:

Method: Stepwise

\*\* significant at 1% level

\* significant at 5% level

### 5. CONCLUSIONS AND RECOMMENDATIONS FOR FUTURE RESEARCH

As various figures and press releases on the issue show, the production and sales of counterfeit products have turned into a global operation. In order to fight it, original trademark holder and government have developed numerous supply side measures. However, as long as demand for fake products is flourishing, supply will never run dry either. Therefore, this contribution aimed at exploring the factors which influence the demand for counterfeit products. Given the fact that counterfeiting must be considered an issue which transcends country borders, we investigated the drivers of consumer demand for two different product categories in two different countries, Austria and Slovenia, which bear similarities but also differences in economic and cultural background.

As previously assumed, the consumer demand for counterfeits shares common drivers across country borders, while some national idiosyncrasies still seem to remain. More specifically, across product categories and country borders, the price is the most important factor influencing the intention to purchase counterfeits. This is increasingly the case, as the price differential between original and counterfeit product grows. Another factor that seems to transcend product categories and countries is the issue of efficiency. There seems to be a strong belief that counterfeiters are more efficient in activities such as production or distribution compared to the original trade mark holder, therefore, they are able to charge lower prices. The negative effects on R&D expenditure, the issue of child labor employed in counterfeiting operations or ethical considerations (as measured through religiousness) did not show any (or only very low and occasional) influence on the demand for counterfeits. Fashion involvement has effects on the demand for counterfeits for more expensive products, in our case Rolex/Cartier watches, and only when the price discount is very high. In this case, consumers might fear that the copy is too cheap and thus will not resemble the original damaging their image as fashion conscious consumers. Along those lines, the embarrassment potential of being detected as someone who wears/bears a fake product rather than the prestigious original only had an effect in the Slovenian sample.

Austrians do not feel deterred by it. The explanation for this effect can only be rather vague and hypothetical at this point. Looking at the Austrian business environment, manufacturer of well-known brands have increasingly used heavy price rebates during end of season sales or have resorted to so-called factory outlets, where price discounts are rarely less than 50%, that shoppers don't find it special any longer to obtain these products at cheap prices. The fact that they get a copy and not the original does not seem to bother them as much anymore, they rather consider them as smart shoppers. To our knowledge, these practices are not as widespread yet in Slovenia, so this might be the reason why the potential for embarrassment by wearing a fake product still exists. At this point, this is still speculative and would have to be subject to further testing.

In terms of managerial recommendations, several options unfold. Not surprisingly, price is the key determinant of demand for counterfeit products. In this respect, there is not much original manufacturers can do, as counterfeiters use the bandwagon effect of a famous (and thus expensive to create) brand without paying for it. Nevertheless, supply side measures such as sophisticated production technologies, special inks and dyes, which make it easier to detect copies, etc. may at least help to keep the price differential low between original and counterfeit. On the issue of efficiency that counterfeiters have in the eyes of the consumer, the trademark holder can capitalize on education. Stressing the benefits of the original product and explain the damaging effects of counterfeiting not only on the original manufacturer (who does not get much empathy being "big-business"), but on the society as a whole. Most likely, the arguments used in such campaigns need to have more emotional closeness to the customer him/herself. The problem of child labor potentially associated with counterfeiting or the negative effects on R&D expenditure did not seem to impress consumers to an extent that it would prevent them from buying. However, fashion consciousness might be a deterrent to consumers in both countries, at least when the discount compared to the original becomes very high. Presumably, consumers perceive the quality of counterfeits at very high discount levels not very high and thus fear for their image as fashion conscious (and fashionable) individual. So maybe the effects on the labor market or on consumer safety as well as

the damage on their public perception would be more suitable in this context.

At this point, we have to say that this study is still exploratory in its nature and generalizations have to be made very cautiously. In terms of future research, several avenues unfold. Further theory advancement may be fostered by developing a more comprehensive model that refines the constructs used in our study and adds new ones that might help to explore the phenomenon of consumer demand for counterfeits in more depth. For instance, it might be worthwhile to take a closer look at the impact of social norms on consumer behavior in this context, as the Theory of Reasoned Action by Fishbein & Aizen (Fishbein & Ajzen, 1975) suggests. Particularly, with publicly visible products that have a strong impact on how others perceive us social norms may be an important influence. What we provided with the dimension of embarrassment potential was a first step towards this direction.

Based on the experience we made with testing our hypotheses in two different countries, we encourage using additional country settings to consolidate the body of existing findings. As our results showed, the countries under investigation share communalities, but also are still different in various respects. Therefore, in order to come up with global demand side measures, the degree of similarity and difference between countries need to be explored in more detail. Moreover, cross-country studies will particularly enhance the quality of theoretical knowledge, if the selection is based on theoretical considerations about relevant differences and similarities. It might thus be interesting to include countries with different economic backgrounds or stages of development or different cultural backgrounds (e.g., strong group influence on decision making).

Finally, a diversification in terms of products investigated appears called for. While the influences on purchase decisions for luxury brand counterfeits might be similar, regardless of the specific product, the drivers of demand for counterfeit software or music CDs might be somewhat different, as issues such as functionality and performance gain more importance.

### References

- Ang, S. H., Cheng, P. S., Lim, E. A. C., & Tambyah, S. K. (2001). Spot the Difference: Consumer Responses Towards Counterfeits. *Journal of Consumer Marketing*, 18(3), 219–235.
- Blatt, J. (1993). Battling Counterfeit Products on teh US Side of the Pacific Rim. The International Computer Lawyer, 1(13), 2 - 16.
- Bloch, P. H., Bush, R. F., & Campbell, L (1993). Consumer 'Accomplices' in Product Counterfeiting: A Demand-Side Investigation. *Journal of Consumer Marketing*, 10(4), 27–36.
- Brislin, R. W. (1970). Back translation for cross-cultural research. *Journal of Cross-Cultural Psychology*, 1(3), 185–216.
- Carty, P. (1994). Fakes' Progress. Accountancy, 114(1216), 44–47.
   Coalition, I. A. (2002). International AntiCounterfeiting Coalition. Retrieved 7 August, 2002, from the World Wide Web:

http://publish.iacc.org/teampublish/109\_476\_1742.cfm Communities, C. o. t. E. (1998). *Combating Counterfeiting and Piracy in the Single Market* (Green Paper). Brussels: Commission of the European

Communities.
Cordell, V. V., Wongtada, N., & Kieschnick, R. L. J. (1996). Counterfeit Purchase Intentions: Role of Lawfulness Attitudes and Product Traits as Determinants. *Journal of Business Research*, 35, 41–53.

- Dornoff, R. J., & Tatham, R. L. (1972). Congruence Between Personal Image and Store Image. *Journal of the Market Research Society*, 14, 45–52.
- Feick, L., & Gierl, H. (1996). Skepticism about advertising: A comparison of East and West German consumers. *International Journal of Research* in Marketing, 13(3), 227–235.

AKADEMIJA

- Fishbein, M. (1967). *Readings in attitude theory and measurement*. New York,: Wiley.
- Fishbein, M., & Ajzen, I. (1975). Belief, attitude, intention, and behavior: an introduction to theory and research. Reading, Mass.: Addison-Wesley Pub. Co.
- Fullerton, R. A., & Punj, G. (1993). Choosing to Misbehave: A Structural Model of Aberrant Consumer Behavior. Advances in Consumer Research, 20, 570–574.
- Fullerton, R. A., & Punj, G. (1997). What is Consumer Misbehavior? Advances in Consumer Research, 24, 336–339.
- Grossman, G., & Shapiro, C. (1988). Foreign Counterfeiting of Status Goods. The Quarterly Journal of Economics(February), 79–100.
- Hair, J. F., Anderson, R. E., Tatham, R. L., & Black, W. C. (1998). Multivariate Data Analysis (Fifth Edition ed.). Upper Saddle River: Prentice Hall.
- Harvey, M., & Ronkainen, I. (1985). International Counterfeiters: Marketing Success without the Cost and the Risk. *Columbia Journal of World Business*, 20(3), 37–45.
- Kattoulas, V. (2002, 21 March). Bags of Trouble. Far Eastern Economic Review, 165, 52–55.
- Kay, H. (1990). Fake's Progress. *Management Today*, 54–58.
- Kecskes, R., & Wolf, C. (1993). Christliche Religiosität: Konzepte. Indikatoren, Messinstrumente. Kölner Zeitschrift für Soziologie und Sozialpsychologie, 2, 270–287.
- Moore, R. H. (1984). Shoplifting in Middle America. International Journal of Offender Therapy and Comparative Criminology, 28, 53–64.
- Nash, T. (1989). Only Imitation? The Rising Cost of Counterfeiting. Director(May), 64–69.
- Nia, A., & Zaichkowsky, J. L. (2000). Do Counterfeits Devalue the Ownership of Luxury Brands? *Journal of Product & Brand Management*, 9(7), 485–497.
- Nill, A., & Shultz, C. J. I. (1996). The Scourge of Global Counterfeiting. Business Horizons, 39(6), 37–42.
- Onkvist, S., & Shaw, J. (1987). Self-Concept and Image Congruence: Some Research and Managerial Implications. *The Journal of Consumer Marketing*(Winter), 13–24.
- Raju, P. S. (1980). Optimum stimulation level: its relationship to personality, demographics, and exploratory behavior. *Journal of Consumer Research*, 7(3), 272–282.
- Religion II ZA Study 3190. (2001). Köln: Zentralarchiv für Europäische Sozialforschung.
- Rongoni-Machiavelli, B. (1999). Opinion of the Economic and Social Committee on the Commission Green Paper "Combating Counterfeiting and Piracy in the Single Market". *Official Journal of the European Communities, C116*, 35–39.
- Services, I. C. o. C. C. (1999). *France and Germany see Counterfeits Rise*. International Chamber of Commerce Commercial Crime Services. Retrieved 7 August, 2002, from the World Wide Web: http://www.iccwbo.org/ccs/news\_archives/france\_and\_germany\_see \_\_counterfeis\_rise.asp
- Shiller, R. J. (1992). Hunting for Homo Sovieticus: Situational versus Attitudinal Factors in Economic Behavior. *Brookings Paper on Economic Activitiy*, 1, 127–181.
- Stewart, D. W., Sprinthall, N., & Siemienska, R. (1997). Ethical Reasoning in a Time of Revolution: A Study of Local Officials in Poland. *Public Administration Review*, 57(5), 445–453.
- Sweeney, J., Greenberg, S., & Bitler, M. (1994). Heading them off at the Pass Can Counterfeit Goods of Foreign Origin be Stopped at the
- Counterfeiter's Border. *The Trademark Reporter, 84*(5), 477–494. Sykes, G. M., & Matza, D. (1957). Techniques of Neutralization: A Theory of Delinquency. *American Sociological Review, 22*(December), 664–670.
- Tigert, D. J., Ring, L. R., & King, C. W. (1976). Fashion involvement and buying behavior: a methodological study. In B. B. Anderson (Ed.), Advances in Consumer Research (Vol. 3). Provo, UT: The Association for Consumer Research.
- Tom, G., Garibaldi, B., Zeng, Y., & Pilcher, J. (1998). Consumer Demand for Counterfeit Goods. *Psychology and Marketing*, 15(5), 405–421.
- Wee, C.-H., Tan, S.-J., & Cheok, K.-H. (1995). Non-Price Determinants of Intention to Purchase Counterfeit Goods. *International Marketing Review*, 12(6), 19–46.
- World Development Indicators. (2002). World Bank.