

Chapter 2

Review of Literature

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2.1 Introduction

Literature reviews are secondary sources that are treated as an overview of the previously published works in the same or related research areas. It plays a significant role in the research for identifying the research gap, framing objectives and spotting variables for the study, and formulating hypotheses. Increased population, increasing desire to have branded products and scarcity in the availability of branded products, affordability concerns, etc. act as fertilizers in the growth of counterfeit products and bogus brands. The researcher retrieved literature reviews from the journals, books, conference proceedings, theses, and published reports of internationally and nationally recognized associations relating to the challenging phenomena of counterfeiting. It is relevant in formulating the research objectives and facilitating the derivation of the hypotheses of the study.

This chapter discusses a detailed literature analysis on the antecedents of consumer attitude towards counterfeit products or the factors that drive customers to buy counterfeit products. It has also been investigated what sorts of inclinations are possibly going to influence the consumers' ability to make decisions regarding counterfeit products. Non-deceptive counterfeiting studies have been incorporated into the current research work, and the results of deceptive side investigations were

used for background data as well as comprehension of the dynamics and progress of counterfeiting practices. The current study also augmented the fundamental model of Ajzen (1991) for examining the relationship between the attitude of consumers and their purchase intentions towards counterfeit products. In short, the chapter comprises contributions made in the concept of counterfeiting practices, counterfeit products, customer motives of attitude towards counterfeit products and purchase intentions, and all other leading components towards the focus of the research.

2.2 Trends in Counterfeiting

Counterfeit implies fabricating, replicating or imitating without authorization or right, intending to deceive or defraud by passing the forged copy or object for the original or authentic item (Black, 1968). An adage from long ago that goes, "If you can make it, they can fake it," still rings true today (Rawat & Singh, 2021). Legitimate businesses contribute towards the economic growth of the nation and counterfeit businesses destroy the same (Nawi et al., 2017). Product counterfeiting has been generally recognized and universally accepted as the most widespread economic crime in the twenty-first century's business milieu around the world. Since unethical and deceitful conduct in trade and commerce seem as old as the business world, counterfeiting is not a concern that has emerged recently. The companies had less motivation to participate in pricey innovation activities since counterfeiters had the capacity to swiftly compete away income linked with the release of new or improved items (Globberman, 1988). It made a decrease in the amount of cash that was used to fund the creation of new products.

The worldwide proliferation of counterfeiting is harming companies and the global financial system, endangering investments in research and creativity, damaging well-known brands, and posing concerns to consumer health and safety. Thus the problem of counterfeiting is a threat to local as well as global manufacturers (Khalid & Rahman, 2015). Hundal and Jasmineen (2016) focused to provide theoretical insights into the counterfeit market of premium brands, explaining what a counterfeit is, how it affects every business, and why the issue has to be addressed right away and concluded that the existence of counterfeiting caused a monetary

loss, physical hazards, reputational damage, revenue loss on account of tax for the government, and serves as an impediment to innovation (Olsen & Granzin, 1993). The transformation of counterfeiting consumption has been perplexing. Zhang et al. (2012b) highlighted the growing dominance and prominence of online commerce that paves way for the growth of counterfeiting practices. The demand for counterfeit goods was increased by the online communities in which the elements of technical proficiency, willingness to pay, expectations for product performance, and dealer trust paved the way for greater opportunities for easy counterfeit consumption (Key et al., 2013).

According to Green and Smith (2002), brands are frequently regarded as the most priceless assets for commercial organizations. Marketers strive to cultivate their brands in order to create a distinctive brand identity that helps them to develop consumer loyalty (Cordell et al., 1996). The products with loud brand prominence are those in which the conspicuous brands will be more easily counterfeited than those of a quiet brand prominence i.e., a non-conspicuous brand (Chen et al., 2015). Bian and Haque (2020) observed that the emotional brand connection and customer repurchase behaviour were significantly positively correlated. When customers favour knockoffs of popular brands, unfortunately, such attempts to develop a brand may be seriously jeopardized (Baghi et al., 2016). As Clunas (1991) mentioned, the practice of counterfeiting has been prevalent for a while, but authorized manufacturers have only taken it seriously since the middle of the 1970s (Harvey & Ronkainen, 1985). According to Wiedmann et al. (2012), counterfeiting has an impact on brands across a variety of product categories.

Customers are more inclined to repurchase a counterfeit brand if they are impressed with it and are aware of its falsehood (Lai & Zaichkowsky, 1999). As counterfeiting was on the rise and had become a complex problem in many nations, policymakers and management were always looking for solutions to deal with the problem and lessen the availability of fake goods (Hien & Trang, 2015). Basu et al. (2015) mentioned in a cross-country comparison in the context of counterfeit products about a higher possibility that customers were more ready to purchase counterfeit goods in India than in the USA since customers from India were more cost-conscious than USA.

In the research literature, counterfeiting is defined as the unauthorized replication of genuine products under an established brand (Grossman & Shapiro, 1988b; Yao, 2015). Kwong et al. (2003) commented on the four typical IPR violations that are identified in the literature on business ethics: counterfeiting, piracy, imitation brands, and grey marketing. According to Lai & Zaichkowsky (1999), the reproduction of copies that are exact replicas of the original items is akin to the first two types of infringement. In certain research such as Wee et al. (1995), counterfeiting and piracy were employed interchangeably. Despite the modest differences in meaning among the phrases described, they are all related to the challenges that businesses have as a result of the ever-growing counterfeiting issue. The numerous challenges with enforcement are also highlighted. According to Philips (2005), the fundamental idea that counterfeiters gain financially from the intellectual property of others proves to be true irrespective of the terminology employed. Comparing products at the level of individual items showed that while the quality and durability of originals and counterfeits were viewed as being relatively comparable, looks, functionality, image, and physical appearance varied between them across nations.

Producing, distributing, and selling a product under a brand with the intent to conceal the use of a trademark constitutes counterfeiting (Babamiri et al., 2020). However, items with fake trademarks are also created with designs that are very similar to those of the real product (Forzley, 2003). Swami et al. (2009) found that along with increasing financial loss, trademark counterfeiting also has the potential to devalue the distinctive qualities of genuine trademarks. Brand management in the modern era is confronted with tremendous difficulty as a result of the serious threat that counterfeiting poses to businesses (Green & Smith, 2002). Furthermore, it has a negative impact on many people, ranging from consumers, policymakers, and financial systems, as well as the community at large (Amaral & Loken, 2016; Bloch et al., 1993). The counterfeiting industry has a significant negative impact on the global economy in terms of lost yield and employment generation (Amaral, 2020; Yoo & Lee, 2009). As Green and Smith (2002) rightly said the magnitude of counterfeiting is a topic of concern among counterfeiting researchers. Hamelin et al. (2013) emphasized fighting against counterfeiting as a shared obligation rather than

the sole domain of any one organization like governments, corporates, or para-governmental entities.

The prevention of counterfeiting of high-value goods is one component of the economic dimension of sustainable business growth. This is especially true for consumer goods, where a sustainable production process plays an increasingly significant role, such as in the development of a brand's reputation (Blankenburg et al., 2015). To encourage investment in anti-counterfeiting, it is necessary to solve the cost-efficiency issue of protection measures given the steadily rising dangers of product piracy (Gossen et al., 2015). Herstein et al. (2015) analyzed anti-counterfeiting strategies and mechanisms and their influence on customers' attitude towards counterfeit items in which four distinct consumer types such as struggle, spurious, indifferent, and liberated were identified. He implied that if a particular method was tailored to each type, counterfeit purchases may be decreased. In comparison to indifferent and emancipated customers, positive rather than negative techniques were proven to be more successful for struggling and false consumers.

The business of counterfeiting is growing rapidly (Randhawa et al., 2015). This is partly due to the increasing supply of counterfeit goods (Penz & Stöttinger, 2005), the augmentation of the counterfeit business practice (Hamelin et al., 2013), the absence of trade tariffs (S. Ha & Lennon, 2006), poor enforcement of anti-counterfeiting regulation (Green & Smith, 2002), the sprouting quality of counterfeit goods (Wilcox et al., 2009), and a feeble regulatory environment. Because of its negative effects on customer confidence in authentic items and the destruction of brand equity, counterfeiting was viewed as a societal concern. It was also regarded as an economic issue since it put a firm in danger of future investments in R&D owing to unfair competition with items that were being sold which were not authentic and ended up in revenue losses. Several businesses were compelled to either scale back or abandon their investments as opined by Kenawy (2013).

Each nation's economy is greatly impacted by the selling of counterfeit goods, which also harms intellectual property rights. Acquiring real goods at reasonable prices may be the key to avoiding the tendency to purchase counterfeit goods. However, the main stimulant comes from strong consumer demand

(Prendergast et al., 2002; Randhawa et al., 2015), which acts as an agitator for this global hazard (Eisend et al., 2017). Waziri (2011) assessed the impending economic and social conundrum of intellectual property infringement and counterfeiting and observed that the ineffective cost-benefit analyses, a lack of public awareness, a lack of inclusion in law school curricula, corruption, weak custom enforcement, delays in judicial enforcement, a lack of well-trained personnel, and a lack of support from the inhabitants were the main barriers to effective enforcement of intellectual property laws.

If the customers are convinced about the continuous services of authentic manufacturers and genuine companies in meeting their social and moral responsibilities, then they may reward them with increased purchase intentions (Mohr & Webb, 2005) and reduced likelihood of buying a counterfeit product (Shoham et al., 2008). It is to be noted that higher price differentials and lower quality differentials paved the way for an increase in the purchase of counterfeit goods.

2.2.1 Counterfeit Products

Product counterfeiting is increasing in volume, magnitude, and impact (OECD, 2007; WCO, 2008). Counterfeit items are identical to real products or are hard to distinguish from the registered brand, infringing on the rights of the person who owns the trademark. Trade-related Aspects on Intellectual Property Rights (TRIPs) explained that counterfeit goods are those goods that are offered for sale without a license and are not distinguishable from items bearing registered trademarks based on features including design, logo, trademark, and company name. Even though counterfeit items are economical, cheaper, and widely available, counterfeiting is an offense and unethical practice since these products are typically created from low-quality ingredients in order to offer a low-priced copy of identical products manufactured by authentic businesses. According to Hilton et al. (2004), high-end fashion items were luxury or aspirational commodities, and the majority of their worth came from their appearance rather than from the way they work or the materials they were made of. The idea also covers replicating the product's packaging, labelling, and any other important aspects (Bosworth & Yang, 2006).

The swift adoption of manufacturing technologies has increased the capacity to reproduce things in a simple, fast, and economical manner. Fake corporate logos and branding are common on counterfeit items (Patil & Handa, 2014). Electronics and computer components, medicines, and even fast-moving consumer goods (FMCG) including food, drinks, and cosmetics were just a few of the constantly-emerging sectors of counterfeit goods (Kollmannová, 2012). Because of the low quality of materials used in their production, these items may be dangerous to users. Now, with the advancements in technology, counterfeiters have upgraded with more quality-oriented counterfeits than in earlier times (Justin et al., 2021). Chuchinprakarn (2003) discovered that the usage of counterfeit items was moderately influenced by materialism, as well as by gender, family income, membership group influence, and preference for foreign products.

In layman's terms, counterfeit products are imitated or duplicated items. In general, counterfeiting is a deceptive practice in which producers place a trademark on an item bearing the trademarked name or label of the actual product without having any knowledge of the legal owner of the brand in question. A counterfeit is an imitation, generally constructed with the objective of fraudulently passing it off as authentic, and is frequently produced to profit from the better worth of the copied goods (Grossman & Shapiro, 1988a). The terminology employed for this study is drawn from the research of Grossman and Shapiro (1988a), in which counterfeit products are defined as things that illegally imitate genuine products with a registered trademark. Counterfeits are also defined as items having a trademark that is similar to, or unrecognizable from, a brand registered in the name of another party (Chaudhry & Walsh, 1996), consequently infringing the rights of the trademark holder (Bian & Veloutsou, 2007).

Similarly, Staake et al. (2009) stated that counterfeit trade is the trade in products that carry a reference to a trademark or brand, a manufacturer, or an entity lacking authorization that warrants the superiority or standard compliance of the products in a manner that the counterfeit products might possibly be confused with products that legitimately use this name. Likewise, Olsen and Granzin (1993) treated counterfeit items as unauthorized duplicates of a product sold as if it were a genuine company's product. Teah and Phau (2008) characterized counterfeiting as

the duplication or replication of authentic merchandise. Marticotte and Arcand (2017) have introduced a new variable, Schadenfreude which means the pleasure experienced in response to another person's misfortune and concluded that it was less prevalent among consumers who were more aware of the societal repercussions of fake goods, and Schadenfreude had a mediated effect on consumers' purchase intentions rather than having a direct effect.

The worldwide counterfeit product trade has been growing. (Rizwan et al., 2013). Users of counterfeited items have substantial independence and desire to acquire a place in society without surrendering a large portion of their money. The goods showed that, compared to the genuine products, counterfeits had comparable quality and durability and, as a result, gave more value for the money (Sondhi, 2017). In addition, Sondhi (2017) opined that customers might not find anything wrong with consuming counterfeit brands. Counterfeit items have an edge over genuine products in terms of product qualities, and hence the counterfeiting operations surely hurt the original manufacturers, both domestic and foreign producers (Sasongko & Haryanto, 2017). Counterfeit goods are unlawful, cheap, and frequently cheap-quality replicas of products with a high-end brand value in the opinion of Lai and Zaichkowsky (1999).

A counterfeit has been very simply interpreted as a duplicate of an established trademark (Cordell et al., 1996). Successful branded products will be acting as the most tempting to counterfeiters as rightly mentioned by Harvey and Ronkainen (1985). If branded products did not attract customers, counterfeiting would most likely not be a concern at all (Bloch et al., 1993). As Rizwan et al. (2013) rightly mentioned, sometimes the entire product is counterfeited and sometimes only some of the resources or materials in the making are compromised which are comparatively less expensive. Counterfeit goods have been discovered in practically every category of consumer goods, sometimes with disastrous results, including electronic devices, aircraft and automobile components, medicines, as well as household products (Carpenter & Lear, 2011; Philips, 2005). As a result, counterfeiters obstruct economic progress compromising the safety and health of the public (Penz et al., 2009). Commuri (2009) elaborated on the concept of counterfeits

as those products that fail to represent the brand and instead simply replicate the design and characteristics of expensive brands.

Forzley (2003) outlined the act of counterfeiting as anything that is forged, replicated, or imitated without the person responsible having the authorization to do so, with the intention of misleading or enticing others. It was further described that counterfeiting is the unauthorized duplication of an item that is covered by either one or more rights to intellectual property. According to Ha and Lennon (2006), counterfeiting is a deliberate attempt to trick consumers by unlawfully marketing and duplicating or copying high-end, unique items and selling them at cheaper rates. The main goal of a counterfeit product is to deceive others into conceiving it is real and authentic (Nadeem et al., 2016). In the literature, counterfeit products are occasionally referred to as illicit commodities since they are produced unlawfully (Albers-Miller, 1999). There are other terminologies used in the literature to define and discuss counterfeit items in addition to illegal commodities. It is prudent to distinguish between each of the other phrases that are used synonymously with counterfeits: knock-offs, imitations, fakes, copies, counterfeit products, copycats, overruns, and pirated products. Although these items aren't entirely comparable to the original, Lai and Zaichkowsky (1999) claim that they are still identical to a genuine authentic good in nature. These goods resemble branded goods, but they lack a registered trademark.

The products that are made through illicit methods are included in the definition of counterfeit products by Nordin (2009). The business continues to prosper in terms of revenue, clients, and the number of companies it is working with, despite the efforts done thus far to root out or minimize counterfeiting. No one appears to be able to understand the problem at its root despite the passage of strict legislation and the publication of multiple studies, policy papers, and discussions. Even brand owners often struggle to distinguish fake items from real ones without the use of laboratory tests since counterfeits are now being produced with such sophisticated methods (Chow, 2000). Certain counterfeits are beyond the possibilities of such tests too and hence they stay non-detectable. However, Amin and Miah (2017) revealed that the consumers feel very comfortable purchasing counterfeit brands and the same factor had a significant relationship with the element

of consumer involvement in purchase decisions towards bogus products. Various motivating elements and their relative importance in influencing attitude and purchase intention differed across the symbolic and experiential product contexts (Michaelidou & Christodoulides, 2011). A detection app for counterfeit merchandise was suggested by Yoo and Lee (2009) that might enable not only legal authorities or customs officials to detect counterfeits, but also any customer who loved to eliminate counterfeits from the economy.

Both academics and professionals are still baffled by why consumers choose to buy counterfeit items. Price, the most apparent reason, followed by ego fulfilment, symbolic significance, psychographic factors, product attributes, and socio-economic variables have all been proposed as reasons for buying such things (Ang et al., 2001; Cordell et al., 1996; Wee et al., 1995). The discussions concerning the consumption of counterfeit goods are still in their infancy, despite the numerous justifications that have been put out. Much study has to be conducted in this area since only by fully understanding what drives a consumer to buy a counterfeit commodity will marketers be able to develop effective plans for educating consumers and safeguarding respectable brands.

2.2.2 Counterfeit Investigations

The complexity of the topic and the need for a larger categorization system for counterfeiting exhibits and evaluations or investigations were emphasized by Staake et al. (2009). They proposed six groups that may be used to classify investigations on counterfeiting such as broad descriptions of the counterfeiting phenomena, impact evaluations, management recommendations to prevent counterfeits, legal concerns, supply-side investigations, and demand-side investigations. These categories are probably going to start surfacing and get greater attention as the marketing research on counterfeiting grows stronger. Among these six classifications, supply and demand-based investigations of counterfeiting was the main focus of a significant portion of academic research efforts. The sale of counterfeit products affects the sale of genuine products as well as disrupts the selling, pricing and distribution strategies of any organization. Triandewi and Tjiptono (2013) explored how consumer intention to buy authentic luxurious fashion

brands and their knockoffs were affected by past purchases of those brands and their counterfeits, consumer attitudes towards the economic and hedonic advantages of buying counterfeits, and consumer traits such as self-image, materialism, and expected future social status.

The huge volume trade growth is the result of increasing consumer demand for counterfeit products (Rahpeima et al., 2014a). As the demand from consumers for such items keeps growing, effective enforcement tactics will be crucial. Genuine manufacturers and legitimate industries are seriously affected by counterfeit products. It becomes uncontrollable when customers knowingly purchase such products. There was a high demand for counterfeit products during the economic crisis. The situation vivified the germination of a shadow economy in many nations (Mangundap et al., 2018). Pecht (2013) discussed the issue of fake electronics, along with the effects they have on the electronic supply chain, in the study. Computers, telecommunications equipment, vehicles, avionics, and military systems were just a few of the goods where counterfeit electronics were found. Very cheap capacitors and resistors, pricey microprocessors, and servers were only a few examples of the wide range of counterfeit electrical devices.

D'Amato et al. (2019) supported the notion that although customers have an intrinsic capacity to distinguish between the fake branding components of a counterfeit, such as a logo, packing, etc. with great accuracy, the situation doesn't remain the same, especially if the counterfeit goods developer places up logos very momentarily or concisely, hampering the consumers' ability to determine if the product is counterfeit in the first place. Currently, it has been advocated that genuine producers create such inventive commercials that demonstrate how using an authentic product raises one's social status while choosing a knockoff damages self-worth (Negara et al., 2020). Additionally, since the laws that have been made only address the supply side of knockoffs and do not adequately address the demand aspect, which is the actual root cause close to the phenomenon, meticulously formulated techniques are required to fight the revolting condition of counterfeiting by means of the development and execution of robust and unparalleled associations between individuals alongside other spectators of the value chain of an organization's promotional system.

Yao (2015) mentioned how the demand-side penalties influenced counterfeit consumption in a deceptive counterfeiting context by focusing on the infringement of intellectual property rights whereby the customers being the victims, purchases counterfeit products unknowingly. Kaufmann et al. (2016) opined in their study that the concept of consumer-brand relationships is found to have a vital role in framing anti-counterfeiting strategies and the parallel or shadow market growth places a significant challenge for authentic luxury brands causing serious economic losses for them. Similarly, Duhan and Sheffet (1988) mentioned that counterfeit goods obviously violated the rights of the trademark owner since they were not authentic and did not develop from the trademark owner. There will always be providers who are prepared, capable, and equipped to produce illegal items given that there is demand from consumers for them. In order to gain insight into, counterfeit marketing literature examines both supply-side as well as demand-side findings from the previous studies.

2.2.2.1 Supply-Side Investigations on Counterfeits

Supply-side investigations, according to Staake et al. (2009), focused on the production environments, strategies, and goals of illegal players as well as the channels through which their goods reach the legal supply chain. Legal challenges and legislative matters are addressed with the help of such supply-side research works. Furthermore, it was suggested that supply-side investigations would examine ways to make it harder for counterfeit items to enter the legal supply chain. The research stream contains some supply-side examinations, but since the operations are illegal, it is exceptionally challenging to undertake an investigation of this kind. Manufacturing companies of counterfeit products are frequently cautious even if they are traced out when it comes to disclosing the details that might bring light to their operations, possibly lower demand for their products, or link them to illicit transactions.

Many researchers have focused a lot of their attention on the supply side, but their understanding of what makes consumers choose to purchase a counterfeit product over an authentic one was still rather fragmented (Penz & Stöttinger, 2005). Credibility impacts and social network effects influenced how much customers

showed a desire for the branded products (Hilton et al., 2004). In its Supply Chain Tool Kit, the U.S. Chamber of Commerce's Coalition Against Counterfeiting and Piracy (CACP) contends that many components of the counterfeiting issue are out of the hands of companies (CACP Report, 2006). Enterprises were called upon to enhance their internal processes and work in tandem with other stakeholders including the government. According to Barton (2007), while most companies are inclined to believe that their goods' supply chain runs directly from a legitimate manufacturer to the end consumer, the truth is much harder. The study also claimed that a rise in procurement from economies that are inexpensive opens up supply chains to counterfeiting organizations.

Eser et al. (2015) in their study examined the supply networks for counterfeit products in Turkey using insider information from participants in these networks and credible witnesses. Semi-structured interviews with participants or witnesses to such chains constitute a key component of the study. The findings of the study revealed the existence of a wide variety of supply chains that are engaged in counterfeits, the deterrent effect of threatening legal action against counterfeiters, higher margins of profit for counterfeiters than for authentic companies, the prominence given by law enforcement authorities to fight against counterfeits that dangerously affects the safety and well-being of the public, and the apparent price erosion of genuine goods caused by the abundant availability of counterfeits. As a whole, it appears that inadequate regulatory measures on the side of authorities, poor anti-counterfeiting strategies by genuine enterprises, and low consumer awareness encourage or support the existence of counterfeit supply chains. Numerous studies made various recommendations for strategies to address supply-side concerns related to counterfeiting. Lokesh et al. (2021) provided one such idea in their work with a comprehensive overview of the technology of blockchain and how it might be employed to develop a flawless method of removing counterfeit items from the markets particularly, in the context of pharmaceutical products.

Products that are counterfeited might possess any of the features such as they are actively promoted, widely disseminated, having a limited supply, being high in status, having a strong consumer brand connection, and being technologically sophisticated (Bloch et al., 1993). Because of technological advancements and

increased accessibility, it has become a lot simpler to manufacture counterfeit items (Thaichon & Quach, 2016; Zhang et al., 2012a). Considering the availability of supply management rules and standards, a significant share of operational results has yet to be achieved (Agarwal, 2021).

2.2.2.2 Demand-Side Investigations on Counterfeits

The supply of counterfeit products in the market will continue until there is demand for the same (Ting et al., 2016). Hence, even with supply-side initiatives undertaken to lessen counterfeiting, the problem persists. The tremendous global demand for high-profile goods that command higher prices and are simple to imitate has led to a flourishing counterfeit industry. Demand-side investigations, as opposed to supply-side investigations, concentrate on how consumers react to counterfeit products. Bloch et al. (1993) conducted a demand-side investigation into product counterfeiting and the research was the first of its kind to make an effort to gauge real consumers' sentiments and preferences toward counterfeit vs genuine goods. The concept that demand-side investigations concentrate on customer behaviour and perceptions in the context of counterfeit products was discussed by Staake et al. (2009). A comprehensive knowledge of customers' fundamental purchase motivations is necessary for demand-side strategies to be effective (Bian & Moutinho, 2011b). Therefore, the increasing amount of research on counterfeiting makes an effort to examine the variables affecting the purchase of counterfeit products (Yoo & Lee, 2012). There are various factors that contribute to customer demand for counterfeit goods. Some of them include brand recognition and appeal (D'Astous & Gargouri, 2001), material benefits, and low cost (Ang et al., 2001; De Matos et al., 2007; Furnham & Valgeirsson, 2007; Prendergast et al., 2002), self-justification, as in a mode of everyone purchase it (Eisend & Schuchert-Guler, 2006), low perceived legal risk (De Matos et al., 2007), low social risk perception (Penz & Stöttinger, 2005), ethical detours which plot excuses like the counterfeiter acts unethically, not the buyers (Ang et al., 2001), and earning more self-identity in the society (Bloch et al., 1993).

Age, gender, income, and education were among demographic characteristics that have been the subject of prior research (Cheung & Prendergast,

2006; Tom et al., 1998). Product-related factors have been highlighted in some studies, including the cost of counterfeit goods (Hussain et al., 2017), the cost of genuine brands (Yoo & Lee, 2012), price variations (Poddar et al., 2012), brand prominence (Wilcox et al., 2009), quality of the product, their intended use, longevity, visual appeal along with a sense of fashion trends (Cordell et al., 1996; Wee et al., 1995), and brand attributes (Bian & Moutinho, 2011b; Kaufmann et al., 2016). Socio-cultural factors like subjective standards (Penz & Stöttinger, 2005), peer group influences (Kim & Karpova, 2010; Phau & Teah, 2009), value-expressive and social-adjustive aspects of attitude (Wilcox et al., 2009), and collective actions (Phau & Teah, 2009) were also examined in the previous studies.

Psychographic elements were comprised of consumerism (Kaufmann et al., 2016), cost consciousness (Penz & Stöttinger, 2005), impulsive behaviour (Randhawa et al., 2015), value perception (Randhawa et al., 2015), novelty exploration and aversion to risk (Penz & Stöttinger, 2005; Wee et al., 1995), style seeking (Eisend et al., 2017), and integrity (Jiang et al., 2018). The researchers also performed individual studies on religiosity (Jiang et al., 2018), ethical conviction (Hussain et al., 2017), status-seeking (Moon et al., 2018), self-gratification (Teah et al., 2015), and ethical judgement (Jiang et al., 2019). Last but not least, several studies also addressed situational aspects such as availability to counterfeits and counterfeit identification (Penz & Stöttinger, 2005), state of mind, and seasonal purchases (Eisend & Schuchert-Guler, 2006).

In general, low cost is a major factor in people buying counterfeits. Highly educated consumers might be concerned about buying such products. However, they still might do so out of justifying themselves or if they believe that the consequences of unlawful activity or social exclusion are relatively negligible. Customers with low knowledge and awareness purchase these products mostly because they offer good value for the money. Despite the fact that the market for high-end goods is growing, many buyers choose non-premium brands instead of buying premium brands or their knockoffs. While a few customers may do so for financial explanations, others may be capable of buying elite goods but prefer non-elite labels in order to avoid being seen as materialistic. Other people who buy premium goods may favour knockoffs because they like obtaining a good offer (Geiger-Oneto, 2007).

Interestingly, supply-side solutions have received far more attention than the variables that fuel the demand for counterfeit goods (Penz et al., 2009). Previous investigations failed to establish an extensive model which incorporated all of the significant aspects mentioned above. Therefore, a demand-side investigation that examines customer attitudes on the intention to buy counterfeit products is the main focus of the current study.

2.2.3 Counterfeiting Practices and Transactions

The prevalence of counterfeiting, which has a specific effect on branded items, is growing and becoming more significant in modern marketplaces. The consuming phase was undervalued so far as it was dominated by the factors that influence buying (Gistri et al., 2009). Deceptive and non-deceptive counterfeiting are the two main types of counterfeiting as per the available counterfeiting literature (Grossman & Shapiro, 1988c; Vida, 2007). The consumer cannot be held responsible for the behaviour when deceptive counterfeiting is involved since they are unaware that they are buying a replica rather than a genuine article. Non-deceptive counterfeiting involves people knowingly purchasing bogus goods. Due to the illicit nature of the counterfeit commodities, transactions involving counterfeit goods were exclusively shadow marketing transactions.

Counterfeiting has been a crucial issue for high-end brands because it dilutes brand equity (Le Roux et al., 2016). Different types of counterfeiting practices were explored and the reactions of customers towards the same were tested. Items that are counterfeit lessen the figurative significance of genuine items and reduce brand equity (Chacharkar, 2013). Since counterfeit goods are less expensive substitutes for more expensive real goods, there could not be an apparent distinction in a consumer's perception of quality, which would cause genuine brand equity to diminish. Blur counterfeiting is another kind of counterfeiting as reported by Bian and Moutinho (2009) when there is a blurring of the lines between the types of counterfeiting. Sometimes the customers may not be able to tell if a product is genuine, counterfeit, imported from an alternative arrangement, or even stolen goods. This is known as blur counterfeiting. Chen et al. (2015) opined that by prompting the anticipation of regret and by spreading awareness regarding the risks of buying counterfeit products,

the sale of conspicuous counterfeit products can be minimized. In academic literature, counterfeit items were investigated from either deceptive or non-deceptive viewpoints; hence, it is essential to distinguish between the two ideas.

2.2.3.1 Deceptive Counterfeiting Practices and Transactions

According to Grossman and Shapiro (1988a), deceptive counterfeiting happens when a customer thinks they are purchasing a certain brand of a product made by a specific authentic manufacturer while, in reality, they are purchasing a product from another manufacturer who deals in counterfeits. In the words of Yao (2015), deceptive counterfeiting was characterised as situations in which customers think they have purchased genuine goods when it was actually fake, not knowing they are actually violating or infringing intellectual property rights.

Due to the fact that deceptive and non-deceptive counterfeit goods are illegal, they are never advertised in the media in accordance with the findings by Mir (2011). However, the adaptability and security flaws of internet technologies give counterfeiters a communication channel. They market and advertise fake goods using various websites, blogs, and personal pages. In order to mislead the customer, counterfeit items are sold at retail establishments under the false pretense of being genuine (Hundal & Jasmine, 2016). According to Grossman and Shapiro (1988a), consumers who are deceived into purchasing counterfeit goods are unaware of the fact that they are getting hooked on a fake item. This is a common occurrence in the case of industries like electronics, medicine, and automotive components (Eisend et al., 2017; McDonald & Roberts, 1994).

According to the research of Green and Smith (2002) on counterfeiting, deceptive counterfeit merchandise tends to have a few, or all of the four conditions such as consumers may buy the counterfeit goods without realizing it, the goods may endanger the safety and health of consumers, governments incur measurable losses in the manufacturing and commercialization of the products, and the authentic manufacturers may experience decreased sales and brand equity. Deceptive counterfeiting can be extremely challenging because of these traits. Customers may

lose trust in a legitimate brand when initially appearing to be genuine goods turn out to be of poorer quality or end up with dangerous effects (Ghadge et al., 2021).

Deceptive counterfeiting involves producing replica products with similar packaging, labelling, and trademarks. They are imitated in an effort to create confusion over the original items. Customers are tricked into accepting counterfeit items because they are gullible. The producer and sellers deceive consumers into conceiving that they are acquiring genuine goods when, in reality, they are buying counterfeit goods that have been manufactured or distributed unlawfully as per the research conducted by Patil and Handa (2014). As a result, when customers buy these things without knowing them, their behaviour in doing so cannot be held liable in this situation. As per the findings of Raman and Pramod (2017), there is a possibility that a consumer will be preyed on while making an online purchase of goods or services and might never realise that they are choosing a fake item. Such problems are caused by how difficult it is to discern between real and fake items. Fejes (2016) opined that counterfeit products result in exorbitant expenditures, recalls of merchandise, lost revenue, trade complications, and sometimes judicial proceedings. In the opinion of Ghadge et al. (2021), the adaptable preventive measures against deceptive counterfeiting in supply chains include transparency in the networks, quality expenditure, pre-supply evaluation procedures, and the management of supplier relationships.

The possibility of replacing the branded products with its counterfeits by the retailers for intermediaries in the distribution channel if the quality of the latter is relatively high and the actions against committing such wrongdoing attract only a lower penalty. Zhang and Zhang (2015) identified the penetration in distribution channels by way of deceptive counterfeit products. The policies and strategies to combat counterfeiting differ from market to market as well as from distribution channel to channel. Deceptive counterfeits are those which are mixed up with genuine and authentic products and are not easily identifiable as counterfeits. Consuming misleading counterfeit products including food, medicines, and what seems to be the newest trend in bogus vehicle and aircraft components that might have disastrous effects on customers. In this situation, when the products have an effect on health and safety, it can be too late for the naive customers to realize they've

bought a product that is counterfeit. Regrettably, it frequently happens only at that stage when it becomes apparent that the product is a counterfeit.

2.2.3.2 Non-deceptive Counterfeiting Practices and Transactions

Contrary to popular belief, the goal of counterfeiting is not necessarily to trick the consumer. Consumers who are fully informed may frequently take part in the nefarious trend of counterfeiting. Customers may purposefully buy fake goods even if there is ample proof of the brand's deception. In the words of Grossman and Shapiro (1988a), non-deceptive counterfeiting means when a buyer makes a choice decision to acquire a counterfeit product while he or she is fully aware of the brand's authenticity or lack thereof. Customers purchase with full knowledge about the characteristics of counterfeit products at the time of purchase itself based on factors such as price, quality, and the sort of outlet from which they bought the product (Gentry et al., 2006; Vida, 2007; Wilcox et al., 2009).

Researchers used a quantitative approach to analyze the attitude and purchase intentions in the context of non-deceptive counterfeiting (Jose Scotto et al., 2021). Demand-side investigations mostly concentrate on non-deceptive counterfeiting, which identifies customers as interested and active participants in counterfeiting operations despite its immoral and criminal foundations (Musnaini & Yacob, 2015). Higgins (1987) gives a more thorough study by applying the Leibenstein (1950) model to the consumption of fake Veblenian commodities in non-deceptive counterfeit cases, or, more precisely, situations when the buyer is informed beforehand of the unlawful character of the acquired object. Perez et al. (2010) mentioned that many consumers have also admitted that utilising a knockoff luxury item provides them the chance to display an authentic appearance and social status that they have been searching for a while. The makers and sellers cannot be held liable for misleading the customers since these customers voluntarily buy things that are counterfeit (Ang et al., 2001).

Nia and Zaichkowsky (2000) claim that non-deceptive counterfeits offer little to no damage to the general public's or the buyer's health or safety and have minimal evidence of harming legitimate brands. According to Green and Smith

(2002), non-deceptive goods have four assumptions such as they do not endanger the public's or consumers' health or safety; they are unlikely to have an adverse effect on the genuine brand; consumers participate in the deliberate deception process purposefully (Chaudhry et al., 2005; Cheung & Prendergast, 2006; Cordell et al., 1996; Prendergast et al., 2002); and they are advantageous to the country that manufactures the counterfeit goods. Penz et al. (2009) examined empirical evidence from the customers of four nations on the voluntary purchase of counterfeit products and opined that causes of the demand for counterfeit goods received far less attention than supply-side solutions.

Grossman and Shapiro (1988a) asserted in their study that the consumers behave as partners with counterfeit makers in a non-deceptive purchase and thereby actively support the illicit transaction (Cordell et al., 1996). In the opinion of Ang et al. (2001), the issue of counterfeiting is made worse by consumers' participation as willing collaborators in the counterfeit market. The growth of counterfeiting is mostly the result of customers' deviance from acceptable behaviour, which takes the form of purposeful cooperation with illegal producers (Cordell et al., 1996). The items like ornaments, footwear, purses and wallets, and other fashion accessories frequently show signs of being counterfeit, whether it's because they were made with inferior materials, were priced lower, or were offered for sale through unofficial channels. Vida (2007) discovered that religiosity was a strong predictor of respondents' views against counterfeiting on analysing the customers' willingness in purchasing non-deceptive counterfeit items in a study that was focused on the demand side of counterfeiting. People's demographic and psychographic characteristics, lack of consumer knowledge, market and social impact, word-of-mouth, perceived dangers, materialism and brand loyalty, ethics, important product characteristics, price sensitivity, and purchase experience were found to be the dominating characteristics that have an influence on non-deceptive customers in various areas and across numerous product categories (Al Atat, 2020). Further, Price sensitivity was the most crucial factor that had the greatest influence on attitudes towards non-deceptive counterfeit brands in the opinion of Faruqi et al. (2017).

Commuri (2009) found that even though the majority of buyers associate counterfeit goods with high-end items, almost any commodity or product category

might be impacted by these unethical practices. As a result, customers' justifications for purchasing counterfeit goods are likely to differ from those for acquiring legitimate brands in a non-deceptive deal (Eisend & Schuchert-Guler, 2006). Thus, people purposely buy counterfeits of high-end brands with the justifications for attaining specific consumer goals. It's unclear how legitimate brands will actually be affected. According to the literature, legitimate manufacturers suffer from the devaluation of high-end brands, brand disorientation, brand equity loss, decreased revenue, and unfavourable perception of brand images (Gentry et al., 2006; Green & Smith, 2002; Penz & Stöttinger, 2005). Since then, several reputable manufacturers have joined organizations like the International Anti-Counterfeiting Coalition (IACC) or started their own anti-counterfeiting initiatives. Given the foregoing context, it is crucial from an analytical and managerial perspective to investigate customers' motivations for the purposeful purchase of counterfeit goods. Therefore, the current study relies on non-deceptive counterfeiting, in which people consciously shop for goods or brands that they definitely know that the products are not actually from authentic manufacturers.

2.3 Customer Perception Towards Counterfeit Products

Customer perception refers to the thoughts, emotions, and opinions that consumers hold about the brand. It is crucial for increasing client retention and loyalty as well as recognition of the brand and credibility. In order to identify solutions to stop the practice of counterfeiting goods, it is crucial to understand how consumers feel about them, paying special attention to price, quality, value, status, and risk factors (Moon et al., 2018). Customers sometimes perceive purchasing counterfeits as a good deal and a viable alternative for people unable to purchase genuine brands. Consumers build their choices and responses on their perceptions (Aycock, 2019). Perception is regarded to have a significant impact on consumers' buying intentions. Cheung and Prendergast (2006) found that consumers exhibited favourable opinions towards counterfeit goods. Consumer perceptions of counterfeit goods are positively correlated with attitude and purchase intentions, according to the research by Norum and Cuno (2011). Bhanot (2019) in his study on consumer behaviour of counterfeit luxury brands among Indian consumers targeted the variables that affected people's perceptions of fake luxury products and found a

strong correlation in between the perceptions and counterfeit purchase decisions. Mir (2011) highlighted a positive correlation between customers' perceptions and their intent to purchase in the context of non-deceptive counterfeit products.

Determinants of perceptions of customers towards counterfeits were explored by many researchers (Dhingra & Bhatia, 2014b; Hennigs et al., 2015; Vida, 2007) by considering varying sets of socio-demographic factors and motives. Gul et al. (2020) explored how consumer perceptions of branded goods were affected by counterfeiting and found that the impression of counterfeit brands had been demonstrated to be positively impacted by attitudes towards and intentions to purchase branded items. On the other hand, the perceived quality of branded products had a detrimental effect on how consumers see knockoff goods and their intent to buy them. Yadav et al. (2018) discovered a substantial, positive association between counterfeit proneness and customers' perceptions towards counterfeits and other psychographic factors including attitude, status consumption, gratification, and value consciousness. Customer perceptions regarding quality had a favourable impact on customer attitude (Sharif et al., 2016). Consumption of branded goods has no appreciable influence on the prevalence of fake goods. A positive as well as a negative perception of price nomenclature was contributed by Lichtenstein et al. (1993). A key element in protecting the connection between customers and brands is comprehending how counterfeiting affects the original product (Mourad & Valette-Florence, 2011).

Hennigs et al. (2015) observed significant differences in risk perceptions among customers of different classes. Amjad and Mahmood (2018) found out customer perceptions about counterfeits were positively influenced by price consciousness, information susceptibility, and status consumption, whereas the factors of normative susceptibility and novelty seeking had no positive effects on how consumers perceive counterfeits. Long and Vinh (2017) in their research work explored the factors influencing the attitude of consumers to develop a framework and research model and to measure the impact of consumers' perception towards counterfeit luxury fashion brand products and they found that social influence augmented customers favourable perceptions towards counterfeits. Commuri (2009) investigated how the brand relationships of consumers who purchase authentic

products were affected by counterfeiting and demonstrated how the possible loss of exclusivity and status may either cause customers of authentic items to stop buying the brand or inspire them to defy their loyalty. Penz and Stöttinger (2008) observed that consumer willingness to purchase phoney goods was strongly influenced by company image and product attributes.

Chen et al. (2015) mentioned two types of consumers namely, social adjustive consumers and value adjustive consumers in which the former were those who want to convey a high social status in society and were more likely to buy a counterfeit brand whereas the latter were those who want to reflect their personality in society and therefore exhibited more likelihood to buy authentic brands. N. Ahmad et al. (2016) conducted an empirical investigation of counterfeit products' impact on consumers' buying behaviour for providing a better understanding of the influences on customers' purchasing decisions and perceptions of fake goods and indicated a strong correlation between the motivating factors and customer perceptions. However, certain studies showed that consumer preference for counterfeit goods was unaffected by the risk perceptions at the physical, legal, or financial levels (Pueschel et al., 2016). However, in terms of behavioural consequences, Hennigs et al. (2015) showed that customers from different nations had quite different perceptions regarding counterfeit risks and real buying behaviour.

Customers perceive benefits identically in both scenarios where the authentic brands and the counterfeit brands are supplied. Perceived benefits operate as a trigger for customers to buy counterfeits and, as a result, have a favourable intention to buy counterfeit goods (Modi et al., 2014). Bian and Moutinho (2011a) established that perceived brand personality predominated over other significant criteria in explaining customers' purchase intentions of counterfeit branded products. Customer profiling was done by Staake et al. (2012) based on the concept that the business actions and strategies of counterfeiters influence the business strategies formed by genuine brand owners highlighting the components of visual quality, functional quality, product complexity, potential loss or damage, and the extent to which the law was followed or obeyed with the identified clusters which were previously considered by Ward (1963). Consumer interaction with fake goods is correlated with less idealism articulated, a more pleasurable buying experience, a

lower level of moral concern, and a greater perception of product quality (Chaudhry & Stumpf, 2011). Lee and Workman (2011) pointed out that consumers' ethical decision-making processes were explained by three distinct factors such as attitude towards counterfeits, consumer ethics, and perceptions of corporate ethics, as well as culture.

Customers perceive counterfeit products on the grounds of differentiations based on socio-demographic factors. The perceptual variables were found to have a considerable impact on behavioural and purchase intention towards counterfeits of branded products (Bian & Moutinho, 2011b). Consumer behaviour studies revealed an interesting finding that because men and women think differently, they frequently have diverse impressions of the same object. Dhingra and Bhatia (2014b) indicated that purchasing counterfeits is not gender-specific. It was shown that the linear combination of concern, knowledge, and attitude explained the variations in willingness to pay extra for non-counterfeit items. The more concern, awareness, and attitude towards counterfeit products, the more the willingness to pay extra for non-counterfeit items (Marcketti & Shelley, 2009).

2.4 Customer Motives towards Counterfeit Products

Over the past ten years, both the research of counterfeit practices and the consumption of counterfeit goods, have grown in the discipline of marketing. Product attributes, socio-economic variables, psychographic elements, past buying habits, and demographic factors have all been used to study the consumption of counterfeit products. There is still much work to be done in building a theory of why customers choose to intentionally purchase counterfeits amid all the studies that look at consumer behaviour towards the purchasing of counterfeit items. Understanding the factors that contribute to a consumer's attitude towards counterfeit goods might be useful in establishing their purchase intention towards the same. The development and implementation of methods to combat the manufacturing and consumption of counterfeit goods can only be done by academicians and genuine producers with a superior grasp of the issue. The role of underlying economic rewards and incentives in the motivations behind counterfeiting is quite important (Zhang et al., 2012b).

Numerous studies have focused on different parameters of motivational factors that induce the customers in the formation of attitude and intention to occupy counterfeits. Jose Scotto et al. (2021) investigated the motivational factors that stimulates the Turkish consumers towards counterfeits of luxury goods. Khan et al. (2017) even introduced the drive theory of motivation into the marketing literature that deals with customer purchasing decisions from a theoretical viewpoint and identified the key factors that influence the customers in considering counterfeits as a choice for purchase. Bian et al. (2016) in their work on unethical counterfeit consumption revealed that the factor of the thrill of using something new was a pronounced motivational factor favoring counterfeit consumption. In the words of Viot et al. (2014), individual motives are essential since society's economic considerations do not affect attitudes towards or intentions to buy counterfeit goods. The sole factors influencing one's attitude towards counterfeits are personal motives and deterrents, with motivations playing the most significant role.

The presence of motivational factors or intrinsic motivations and analysis of the strategies that consumers adopt to cope with the cognitive dissonance as a result of their unethical behavior towards counterfeit consumption was considered in many studies (Ergin, 2010). Also, the most powerful motivational drivers of unethical counterfeit consumption were found to be financial and social-adjustive purposes, self-image enhancement, intrinsic hedonic outputs, and a strong sense of interest (Bian et al., 2016). By establishing the luxury notion as an antecedent, Jiang and Cova (2012) provided insights into how luxury counterfeits were consumed. The relationship between counterfeit and expensive goods highlighted the significance of societal concerns and the pursuit of individual satisfaction. Consumers are motivated to buy fake items by social and psychological reasons, such as reference groups and beliefs (Sari et al., 2018).

Poddar et al. (2012) explored the Robin Hood effect to identify the motives for counterfeit consumption including price and quality differences on the likelihood of buying counterfeit products and established that the element of moral profiteering, the effect of which highlighted the increased likelihood to purchase counterfeits when they have economic as well as moral justifications for their unethical actions. Rahman et al. (2013) bridged the research gap in understanding and evaluating the

motivating factors, attitudes, and behavioural intentions of consumers towards counterfeit products and discovered that frequent fashion changes were shown to be the primary factor influencing consumers' propensity to purchase knockoff brands. The influence of society and value for money have been identified as the top two reasons that motivate consumers to buy fake products as per the conclusion of Basu et al. (2015). Alfadl et al. (2012) examined the driving forces behind consumers' attitudes and motivations for buying counterfeit medicines and found that each of the variables such as perceived risk, risk aversion, price-quality inference, and knowledge of social consequences were not significant at all.

Zeashan et al. (2015) aimed at assisting businesses in understanding the primary drivers of consumer attitudes towards counterfeit goods and in developing effective anti-piracy strategies and found that attitude towards counterfeit products was driven by factors including price-quality inference, perceived risk, subjective norm, integrity, and personal gratification. However, Purwanto et al. (2019) revealed that the consumer motives for acquiring items had no significant influence on counterfeit products and conspicuous brand prominence and in turn had no considerable effect on the purchase behaviour of the customers. Age, price, fashion consciousness, social standing, and ethics were found to be the main elements driving the buying of counterfeit brands, according to Dhingra and Bhatia (2014a). Huynh and Wilson (2014) pointed to price advantage which had a decisive and predominant influence on customers' decision to buy a counterfeit item. Authenticate as well as counterfeit brands were influenced by social, affective and cognitive factors as per the findings of Chun (2017) who analyzed the matter from emotional and rational perspectives.

The following are the motives of customers' attitude and purchase intentions towards counterfeit products:

2.4.1 Cognitive Drivers towards Counterfeit Products

Cognitive drivers are elements that help clients comprehend, perceive, and make decisions. It is a division of psychology that focuses on understanding human thought. In psychology, the cognitive perspective focuses on how thinking, feeling,

being imaginative, and solving problems interact to influence how and why one individual thinks the way he or she does. Product characteristics and how customers incorporate them as cognitive clues when making decisions are referred to as cognitive drivers. A significant quantity of cognitive abilities is needed for defending the process of counterfeit consumption (Kim et al., 2012). The elements that affect the justification procedure may affect purchases of counterfeit goods. A product's cognitive qualities may be either consumer- or product-oriented (Moon et al., 2018). Therefore, the elements of price consciousness, price quality inference, value consciousness, and perceived risks connected with the counterfeits are considered as cognitive drivers for the study in the context of the consumption of counterfeits. The researcher further extended the levels of various cognitive drivers on the grounds of socio-demographic and economic factors as well as the association of the same with customer attitude and purchase intention towards counterfeits.

2.4.1.1 Price Consciousness

Price is usually determined by what the buyer is prepared to pay, what the seller is ready to take, and what the rivals are permitted to charge. Rizwan et al. (2013) mentioned that price is the consideration offered in return for goods or when transferring ownership and it is a key component of commercial transactions. Price is a crucial factor in influencing consumer behaviour and has been widely researched in the field of marketing (Long & Vinh, 2017; Mustafa & Salindo, 2021). According to Lichtenstein and Burton (1989), price consciousness is the degree to which a customer insists on paying the lowest prices available for any goods or services. Low pricing is a significant factor that fuels the market for counterfeit goods, according to several studies (Agwu et al., 2015; Bloch et al., 1993; Cheung & Prendergast, 2006; Tom et al., 1998).

When customers are conscious of the price issue, they are interested in finding ways to spend less while still receiving products or services that meet acceptable levels of quality (Ang et al., 2001). Pricing ranges are typically used by consumers to define upper and lower bounds on their pricing expectations. Reference pricing is regarded as a significant component that affects customer

purchase behaviour. As Staake et al. (2012) rightly said, low prices for counterfeits have been seen to increase demand for them.

In the words of Amjad and Mahmood (2018), users tend to favour counterfeit items when the price of real goods is greater than counterfeit products, with pricing playing the key role in swaying consumer behaviour. The exorbitant cost of the original items prevents most consumers from purchasing them. Customers who are unable to afford genuine products have a chance to purchase counterfeit goods because of their low pricing. When compared to authentic products, counterfeit goods are typically less expensive. Therefore, inexpensive knockoffs offer the chance to those who cannot afford the price of the original goods. Many people purchased counterfeit items to save money since they were reasonably inexpensive and widely available in their localities (Hashim et al., 2020). Sasongko and Haryanto (2017) indicated that the primary driver of customer decisions to purchase counterfeit goods was the element of pricing.

The success of a counterfeit brand may be determined by the price advantage it provides over real goods. When a product has a short life cycle yet is more stylish, people are hesitant to spend a lot of money since the product will become outdated quickly, increasing the demand for counterfeits. Therefore, it can be concluded that pricing has an impact on the intention to buy counterfeit goods. Customers with more price consciousness or sensitivity would prefer to buy the counterfeit goods supplied at a cheaper price when they are sold alongside an authorised channel at the same time.

Customers who are only interested in saving money on purchases are bound to prefer counterfeit merchandise. Furthermore, Justin et al. (2021) indicated that economic considerations best explained Chinese attitudes towards counterfeit goods. Price consciousness had a positive influence on the attitude towards counterfeits as per the study of Bhanot (2019). Certain research results revealed a negative significant effect of price elements on the attitude towards counterfeit products (Mustafa & Salindo, 2021) whereas in some other research findings, the price consciousness was found with an insignificant impact.

2.4.1.2 Price-Quality Inference

The research of Grossman and Shapiro (1988b) revealed that there are several counterfeit customers who vary in terms of price and quality. The price-quality inference can be described as the widespread assumption that a product's price is positively correlated with its degree of quality across all product categories (Bearden et al., 1989; Lichtenstein et al., 1993). Regardless of the product category, bigger price tags are thought to signify greater quality. Price-quality inference is crucial for forecasting customer behaviour (Chapman & Wahlers, 1999). Consumers frequently feel that price equals quality and that this belief plays a significant role in their purchasing decisions. Therefore, buyers are more likely to believe that a product is of excellent quality if its price is higher (Jose Scotto et al., 2021; Mangundap et al., 2018).

For certain consumers, the price-quality inference is crucial because they may view it as a cue to the product's quality. Tellis and Gaeth (1990) described in their study that when there is limited information available regarding the quality of the product or the customer finds it very difficult to assess the product quality, the propensity of consumers to assume that “high price implies high quality or low price implies low quality” becomes even more significant. Given that counterfeit goods are frequently supplied at cheaper costs, Huang et al. (2004) also suggested that consumers' perceptions about the quality of counterfeit goods would decline when the association between price and quality gets strengthened.

The attitudes of consumers towards counterfeit goods are more hostile when they choose price above quality (Borekci et al., 2015). Price variation is a highly important factor when picking counterfeit goods, according to earlier researches. Counterfeits are typically sold at cheaper prices. The lower the price at which a counterfeit product is often offered, the less likely it is that a consumer will seek out a counterfeit product, and the vice versa (Herstein et al., 2015). As per the research findings of Maqsood and Soomro (2021), the price-quality inference affects the brand image negatively. Similar views are shared by Chellasamy et al. (2020) as majority of respondents in their study cited quality as the reason they chose branded items. In contrast to those researches which discovered a substantial association

between price-quality inference and counterfeit-related characteristics, Jose Scotto et al. (2021) discovered that it was not significantly associated with the attitude towards counterfeits.

2.4.1.3 Value Consciousness

According to Zeithaml (1984), value is the consumer's total evaluation of a product's utility depending on what is provided and received. An important factor in a consumer's choice to buy a product is thought to be their perception of its worth (Ting et al., 2016). Existing research has shown that consumer attitudes and behaviours alter depending on the context, such as when buying food, presenting gifts, looking for clothing, or trying out sports items, etc. (Thurasamy et al., 2003). This is because various categories of commodities give different values to consumers. Despite the fact that counterfeits are thought to be of lower quality than genuine products, many consumers still view them as good value for their money due to their lower price and slightly inferior quality (Ang et al., 2001; Phau & Ng, 2010), indicating that value consciousness may affect consumer behaviour.

Consumers typically seek counterfeit goods because of the brand's prestige, brand value, and aesthetic advantages. The vast majority of purchasers of counterfeit goods look for benefits to their brand, reputation, and image but are hesitant to pay an excessive amount for them (Bloch et al., 1993). The fact that counterfeit goods typically offer the same functional benefits as the genuine goods at a fraction of the price of genuine goods means that they represent good value for the funds spent (Ang et al., 2001; Bloch et al., 1993; Lichtenstein et al., 1993). Value-conscious shoppers believe they are wise purchasers (Lichtenstein et al., 1993). They are worried that if they pay a cheap price, the product's quality may suffer. When pecuniary stimulants, such as conserving money, are present, research has revealed an association between increased unlawful buying habits (Phau & Teah, 2009; Yoo & Lee, 2009).

Both the studies of Hidayat and Diwasasri (2013) and Phau et al. (2009) assert that customers seek value for their money and are prepared to forgo both quality and integrity in exchange for financial advantages. According to Ang et al.

(2001), typical counterfeit brand purchasers were more value-conscious and had less disposable income than those who did not purchase counterfeit goods. The fundamental tenet of economics is that when prices fall, demand rises. As a result of the clear price advantage connected with counterfeit goods, consumers who are concerned with value find them to be a desirable alternative. In the literature on counterfeit marketing, this idea has been investigated in an elaborate manner.

A person's perceived level of financial or material utility from a recognized product in relation to other items is referred to as its value (Basu et al., 2015). According to the TRA, an individual may engage in a specific behaviour provided the results appear to be in his best interests. As a result, he may decide to purchase a counterfeit as it will provide him with the same value for what he pays in comparison to the original goods. Shrivastava (2023) found that value consciousness had a substantial impact on customers' attitudes toward counterfeit luxury goods.

In contradiction to those researchers who found a significant relationship of value consciousness in the context of counterfeit related aspects, Jose Scotto et al. (2021) found out that it was not significantly connected with the attitude towards counterfeits. The average counterfeit buyer is more value sensitive. Consumers that prioritise affordable costs and high-quality goods fall into this category. In order to get the most value for their money, customers focus on cost while purchasing such things and evaluate costs across brands and outlets. For the consumer, buying such things is seen as an indication of a good deal. Compared to those who have a low conscience level, a person with a high degree of value perception has a higher propensity to buy counterfeit items.

2.4.1.4 Perceived Risk

Perceived risk has long been recognised in marketing literature as a crucial factor in consumer decision-making, with research indicating that customers want to lessen uncertainty and the unfavourable effects of purchases. According to Mitchell (1999), risk perception is the critical thinking involved in categorising losses with two implications such as uncertainties and negative outcomes. With the potential to put consumers at financial risk, or social risk since their social group

does not support such purchase actions, or legal risk because they could be detained and charged by law enforcement for purchasing counterfeit goods, buying the same is regarded as a risky action (De Matos et al., 2007). The component of perceived risk was declared to be a significant predictor of customers' attitude formation in the opinion of Kamranfard (2018).

Perceived risk is made up of the following multidimensional constructs (Mitchell, 1999; Veloutsou & Bian, 2008):

- ❖ The functional risk that relates to how well a product performs.
- ❖ The social risk that relates to how other people perceive and judge the customer.
- ❖ The financial risk that connects to the possibility of financial loss.
- ❖ The physical risk that pertains to one's health or physical well-being.
- ❖ The psychological risk that pertains to one's self-esteem.
- ❖ The time risk that indicates the amount of time wasted due to a product failure.

In the words of Mitchell (1999), each customer has a different amount of tolerance for each of the hazards that come with purchasing a product. The possibility of penalties or punishment, if found in possession of counterfeit goods, is the anticipated legal risk. The term "perceived macro risk" refers to the negative economic and social effects of counterfeit products, such as evading taxes, job loss, a trade balance disparity, child labour, and even funding for terrorist activities (Hamelin et al., 2013). Veloutsou and Bian (2008) in their cross-national examination investigated customer perceptions of risk in the context of non-deceptive counterfeit brands in China and the UK observed that the only risk factor that was found to be involved in the construction of the total risk is psychological risk in both instances.

Due to the inferior quality of the counterfeit, the buyer may waste time, effort, and find it uncomfortable to repurchase. It was shown that the risk element has a big influence on buying fake goods. Shrivastava (2023) found that perceived risk had a substantial impact on customers' attitudes toward counterfeit goods. Moreover, Faisal et al. (2021) indicated that customer attitudes about counterfeiting

were significantly influenced by the element of perceived risk. Furthermore, Elsantil and Bedair (2022) observed that when customers were aware of the performance risk associated with counterfeit items, they were less inclined to buy them.

A link between psychological risk and social risk as well as the propensity to buy counterfeit goods was found and the consumers' propensity to buy counterfeit goods was negatively correlated with legal risk. Another striking contribution was made by Kurniawati (2019) stating the role of anticipated regret which had a significant impact on the element of perceived risk and it had a negative significant influence on purchase intention, while perceived risk also had a negative significant impact on purchase intention.

There are a few things that a consumer may think about when it comes to the risk component. The first thing is that the vendor does not provide a guarantee and the merchandise may not function compared to a genuine one. Second, purchasing a fake item is unlikely to result in the greatest financial advantage. Thirdly, it's possible that the item may fail to be as secure as the genuine product version. Fourthly, choosing counterfeit goods will negatively impact how the customer is judged by others. The customer perceptions of risk had a detrimental effect on attitudes towards and intentions to buy counterfeits of outdoor recreation items (Tseng et al., 2021).

The likelihood of purchasing counterfeit goods decreases if they sense higher levels of danger or perceive a great extent of risk element in them. This naturally demonstrates a negative connection between the perceived risk level and purchase intentions towards counterfeit products (Rizwan et al., 2013). In contrast to many studies, it was also discovered that the perception of risk had no impact on consumers' intentions to buy counterfeit goods by Mayasari et al. (2022). Similarly, consumer perceptions of risk had no discernible influence on how shoppers feel about knockoff clothing as observed by Bhatia (2018).

Thus, mixed perceptions regarding the risk levels were opined by the customers as marked by the earlier studies regarding counterfeit products.

Table 2.1**Summary of Major Literature: Cognitive Drivers and Counterfeits**

Cognitive Drivers	Empirical Studies
Price Consciousness	(Agwu et al., 2015; Bhanot, 2019; Bloch et al., 1993; Cheung & Prendergast, 2006; Justin et al., 2021; Lichtenstein & Burton, 1989; Mustafa & Salindo, 2021; Rizwan et al., 2013; Sasongko & Haryanto, 2017; Staake et al., 2012; Tom et al., 1998)
Price Quality Inference	(Bearden et al., 1989; Borekci et al., 2015; Chapman & Wahlers, 1999; Chellasamy et al., 2020; Grossman & Shapiro, 1988a; Herstein et al., 2015; Huang et al., 2004; Jose Scotto et al., 2021; Lichtenstein et al., 1993; Mangundap et al., 2018; Maqsood & Soomro, 2021)
Value Consciousness	(Ang et al., 2001; Basu et al., 2015b; Hidayat & Diwasasri, 2013; Jose Scotto et al., 2021; Phau et al., 2009; Phau & Ng, 2010; Shrivastava, 2023; Ting et al., 2016)
Perceived Risk	(Bhatia, 2018; De Matos et al., 2007; Elsantil & Bedair, 2022; Faisal et al., 2021; Hamelin et al., 2013; Kamranfard, 2018; Kurniawati, 2019; Mayasari et al., 2022; Mitchell, 1999; Tseng et al., 2021; Veloutsou & Bian, 2008)

Source: Developed by the Researcher from Secondary Data

2.4.1.5 Cognitive Drivers and Customer Attitude towards Counterfeit Products

Price consciousness was found to have a favourable effect on consumers' attitudes about counterfeit devices (Ahmad et al., 2014). People purchase counterfeit because they obtain a benefit without having to pay a huge price for it and hence price advantage establishes a major influence on the attitude of customers favourably towards counterfeits (Rizwan, Imran, et al., 2014). Bhatia (2018) stated that there was a positive relationship between value consciousness and customers' attitudes regarding counterfeit fashion goods. Value consciousness was found to be substantially related to customers' attitudes (Kumar et al., 2016). Similar view was shared by Patiro and Sihombing (2014) stating that the views towards counterfeit goods were influenced by value consciousness. Furthermore, Phau and Ng (2010)

observed that value consciousness was found to gauge internal individual characteristics positively towards attitude. It was discovered by Phau et al. (2009) that opinions regarding luxury brand knock offs were highly influenced by price-quality inference. A further important contribution to the literature was that price-quality inference of counterfeit products has a direct and positive influence on consumers' attitudes towards the economic benefits of purchasing counterfeits (Chuchu et al., 2016). Retailers might be interested to take this into consideration in order to increase their customers' purchase intentions. Perceived risk and value consciousness had a strong influence on attitude as per the study of Ting et al. (2016). Similarly, Hanzaee and Jalalian (2012) observed that perceived risk had a greater impact on attitudes regarding counterfeits than they do on behavioural intentions.

Perceived risk had a negative attitude towards fake versions of real goods (Kumar et al., 2016). Ali and Farhat (2017) stated that price-quality inference did not contribute significantly to the formation of customers' attitudes regarding counterfeits. Furthermore, the factor of price-quality inference was found to have a negative relation to customers' attitude as per the research work conducted by Abdullah and Yu (2019). Hanzaee and Jalalian (2012) observed that price-quality influence was not a significant antecedent. Similarly, Ha and Tam (2015) also found a negative relationship with the customer attitude and perceptions regarding counterfeit items. Value consciousness was found to have no influence on customer attitude as per Chaudary et al. (2014) and Phau et al. (2009).

2.4.1.6 Cognitive Drivers and Purchase Intentions towards Counterfeit Products

Price consciousness was favourably connected with consumers' purchase intent about counterfeit devices (Ahmad et al., 2014). Similar views are shared by Kei et al. (2017) showcasing a positive association of price consciousness towards purchase intent. Albarq (2015) identified a strong impact of perceived risk and price-quality inference on customers' intent to purchase counterfeit goods. Quality and price were found to have strongly and favourably related to consumers' intentions to buy knockoff goods (Alsaid & Saleh, 2019). Additionally, it was shown that there exists the most significant link between price-quality inference of counterfeit items on views regarding the economic advantages of acquiring counterfeit products in the

observation of Chuchu et al. (2016). Ndofirepi et al. (2022) demonstrated that respondents' opinions about the financial benefits of buying counterfeit goods and their desire to do so were strongly correlated with their price-quality inference of such goods. The factors that were significant in describing the consumer's purchase intention for counterfeit goods were risk elements and price consciousness (Bedi & Chopra, 2021). Bhatia (2018) showed a positive relationship between value consciousness and customers' attitudes regarding counterfeit fashion goods.

Khalid and Rahman (2015) unveiled the inverse relation of perceived risk with counterfeit purchase intentions. The fear of losing money, health hazards or safety concerns might be the reasons behind the negative relation of perceived risk with the purchase intentions of customers towards counterfeit products. Hien and Trang (2015) opined that perceived risk was found to be unrelated to customers' attitudes towards and intentions to buy counterfeit goods. Nadeem et al. (2016) stated that the relationship between price and buying intent was found to be marginally negatively significant. The construct of value consciousness showed a significant negative correlation with purchase intention towards counterfeit products as per Nawi et al. (2017) and no significant association between value consciousness and intention was claimed by Kei et al. (2017).

2.4.2 Affective Drivers towards Counterfeit Products

According to Noel (2009), affective drivers or personality factors are psychological elements that are inherent to every person, often known as internal factors or essential determinants. Consumers' personal traits are those that come from within. In the words of Schiffman et al. (2010), personalities represent individual characteristics and are often consistent and long-lasting, although they can also change. The term "personality influence" describes a person's ability to have an impact on others without relying on their beliefs or accommodating their beliefs. Personal qualities are those of customers that come from the consumer themselves. Many of these traits have a direct influence on consumer behaviour. Thus, affective drivers are techniques for gathering and categorising an individual's consistency of response to a circumstance that is occurring (Negara et al., 2020).

A person's personality is the culmination of all of their responses to and interactions with other people. The power that guides a person's decision-making to achieve the intended reaction in related circumstances is known as the customer's personality. It's a fluctuating system of psychophysical processes that control how that person responds to his or her environment in a certain way. Personality, according to Blythe (2008) is what distinguishes one person from another and helps people manage the interaction between their internal reactions and external environmental stimuli. Sheth and Mittal (2004) claimed that both genetics and environment also contribute to a person's personality.

Personal variables are a method of gathering and categorising an individual's consistency of response to a circumstance that is occurring because many of these traits directly influence consumer behaviour. Thus, in the current study, the elements of risk averseness, integrity, personal gratification and novelty seeking are considered as affective drivers for the study in the context of the consumption of counterfeits. The researcher further extended the levels of various affective drivers on the grounds of socio-demographic and economic factors as well as the association of the same with customer attitude and purchase intentions towards counterfeits.

2.4.2.1 Risk Averseness

People who choose a known or certain outcome over the other that is unknown or uncertain are said to have a risk aversion. In accordance with Bonoma and Johnston (1979), the tendency to avoid taking risks is known as risk aversion, and it is typically thought of as a personality trait. This psychological consumer attribute is crucial for identifying and distinguishing between those who want to own or disown a product class, particularly one that is potentially risky and hazardous. The risk might include a variety of parameters including performance, financial, safety, social, psychological, and time frame aspects, according to De Matos et al. (2007).

In the context of counterfeiting, performance risk is the concern that a product will not be able to fulfill the functions or advantages that were promised, the physical threat includes the risk of durability and long-lasting capacity of counterfeit

products, and the financial risk includes the possibility of financial loss when purchasing counterfeit merchandise. As per the research findings of Maqsood and Soomro (2021), the individuals' tendency to avoid risk had an effect on the brand image. The likelihood of losing money after purchasing a replica, the potential for counterfeits to malfunction, the fear of losing one's social standing, the false satisfaction that comes from consuming counterfeits, and a general awareness of the overall potential risks associated with consuming counterfeits were the main risk factors that shown significant influences on consumers' attitudes towards purchasing counterfeits (Justin et al., 2021).

Huang et al. (2004) discovered a substantial inverse association between risk aversion and attitude in the context of non-deceptive counterfeits such as consumers who are more risk averse possess an unfavourable attitude and not be fond of counterfeits and vice versa. Thus, consumers who are less risk-tolerant would have a negative opinion of counterfeits.

2.4.2.2 Integrity

According to Cordell et al. (1996), integrity is the quality of being true or honest in one's activities as well as the degree to which a person respects and obeys the law. Accountability and honesty are connected to integrity. It encompasses the notion of consistency in ideals, deeds, measures, techniques, principles, results, and expectations. Integrity affects a consumer's perceptions of engaging in unethical behaviour and subsequent actions. Integrity is described as one's honesty, loyalty, or correctness of action in the context of ethics (Kumar et al., 2016). The element of integrity was considered as a significant factor that influenced people towards counterfeit goods (Mayasari et al., 2022). The literature supports the connection between integrity and attitude toward counterfeit items.

Consumers who lack integrity would likely to be inclined to go after counterfeiting practices. Rahpeima et al. (2014) opined that the consumers who give significance to sincerity, honesty and politeness tended to have a negative attitude towards counterfeit products. The prediction of purchase intention and attitudes

served as a representation of the function of integrity and ethical judgement (Lee, 2009).

According to the moral competence theory, a person's conviction in justice might affect their behaviour as a consumer. An individual with integrity is motivated to avoid engaging in unethical behaviour (Phau et al., 2009). It results in the establishment of personal ethical standards, adherence to the law, and strong moral values in addition to honesty, fairness, and compliance. Consumers would be less likely to regard counterfeits favourably if they believed that integrity was crucial (Bedi & Chopra, 2021). Respect for the law and one's own moral principles define integrity. Consumers are less likely to prefer counterfeit items if they believe that integrity is critical (Ang et al., 2001), but they are more likely to support them if they reckon integrity as unimportant. Sometimes integrity showed a positive significant influence on attitude towards counterfeit products (Mustafa & Salindo, 2021). The factor of integrity had a negative relation to attitude in most of the studies (Abdullah & Yu, 2019).

The acquisition of a counterfeit product by a customer is not unlawful, but since buying of a counterfeit product contributes to illegal conduct, the consumer's respect for the law might clarify how actively engaged the consumer is in purchasing counterfeit goods. Sometimes the integrity and morality of the customers were overshadowed by the product-related features and social factors in the case of counterfeit consumption (Chun, 2017). In fact, studies demonstrate a negative relationship between views towards legality and customers' desire to buy counterfeit goods (Cordell et al., 1996). Integrity had a negative influence on the attitude towards counterfeits as per the study of Bhanot (2019) also. As a result, buyers with lower ethical standards ought to feel fewer awful things about purchasing a counterfeit good. Instead, they justify their actions to lessen the cognitive dissonance associated with acting unethically.

2.4.2.3 Personal Gratification

In accordance with Ang et al. (2001), a sense of success, social acceptance, and enjoyment of life's greater delights are all aspects of personal gratification.

Personal gratification is a term used to define the relationship between the urge to feel accomplished and recognized in society at large, as well as the overall need for contentment in life. The genuine versions of branded items will be valued by consumers who place a high value on their own satisfaction, and they will view counterfeit goods with caution. Accordingly, it could be asserted that since these traits are prevalent in those who pursue success, social acceptance, and greater standards of living, the customers are unlikely to be interested in low-priced, subpar counterfeits of brands meant for elevating their status (Rahpeima et al., 2014).

The process of moral reasoning, according to Phau et al. (2009), involves three distinct steps: the desire to distinguish one's own convictions and moral principles from those of referent groups and authorities; the anticipated personal repercussions in the manner of punishment, reward, or exchange of favours; and the social impact and conformity to the typical order of the society. The further conclusion is that people consistently and uniformly embrace self-selected ethical ideals.

According to the research by Bloch et al. (1993), customers who buy counterfeit items are frequently less wealthy, less confident, and more likely to experience losses and failures compared to those who refrain from doing so. A person is likely to have a negative attitude towards the practice of purchasing a counterfeit good if he or she thinks that purchasing a product is a way to satisfy their own desires, project their own identity, or demonstrate their social position. It has been reported that consumers who do not purchase counterfeit goods are more self-assured, more successful, and have a better impression of themselves.

Jose Scotto et al. (2021) figured out that personal gratification was not substantially associated with one's attitude towards counterfeits, in contrast to other researchers who discovered a strong association between personal gratification and features related to counterfeits.

2.4.2.4 Novelty Seeking

According to Hawkins et al. (1980), novelty seeking is an urge that leads individuals to seek change and distinctiveness. Therefore, consumers who enjoy

staying abreast of trends and who want to be seen as having the newest products or designs are likely to purchase counterfeit goods because they can constantly change their style at a relatively lower cost (Wang et al., 2005). Customers that are novelty-seeking tend to favour items with less purchasing risk. Consequently, the low price of counterfeit goods is ideal for satiating their curiosity and need for exploration (Wee et al., 1995).

Hirschman (1980) distinguished between actualized and inherited novelty seeking when classifying novelty seeking. The willingness of the person to seek out novel stimuli is known as inherent novelty seeking, whereas actualized novelty seeking refers to the actual behaviour of the individual upon receiving novel stimuli. Due to their curiosity, novelty-seeking clients look for novelty and distinction. These are the kinds of people who are eager to try new things.

Some people found the idea of purchasing a counterfeit item to be stimulating and satisfying, while others saw it as unethical conduct. In the opinion of Mayasari et al. (2022), the novelty seeking behaviour of the customers was found to have a significant effect on people's views towards counterfeit products. A consumer that is open to trying new items would likely see counterfeits of well-known brands favourably. Consumers always seek the trendiest and most fashionable goods, and if they are costly, they choose the knockoffs that are readily available on a less price basis (Nordin, 2009). Customers buy fake goods more often because they presumably want to adhere to the latest vogue at a reduced price considering that it is less popular, but they also do so because they appreciate the novelty and want to stand out from the crowd (Harun et al., 2012).

Numerous studies have discovered a strong, positive, and significant connection between hunger for novelty and consumer perceptions of counterfeit merchandise (Abdullah & Yu, 2019; N. M. Ha & Tam, 2015; Hidayat & Diwasasri, 2013). Few research results ended up in portraying a negative significant effect of novelty seeking nature of the people on the molding of attitude towards counterfeit merchandise (Mustafa & Salindo, 2021).

Table 2.2**Summary of Major Literature: Affective Drivers and Counterfeits**

Affective Drivers	Empirical Studies
Risk Averseness	(Ali & Farhat, 2017; Bonoma & Johnston, 1979; De Matos et al., 2007; Huang et al., 2004; Justin et al., 2021; Maqsood & Soomro, 2021)
Integrity	(Abdullah & Yu, 2019; Bedi & Chopra, 2021; Bhanot, 2019; Cesareo & Pastore, 2014; Chun, 2017; Cordell et al., 1996; Ha & Tam, 2015; Kumar et al., 2016; Liao & Hsieh, 2013; Phau et al., 2009; Rahpeima et al., 2014; Ting et al., 2016)
Personal Gratification	(Adhikari & Biswakarma, 2017; Bloch et al., 1993; Hanzaae & Jalalian, 2012; Jose Scotto et al., 2021; Kala & Chaubey, 2017; Musnaini & Yacob, 2015; Rahpeima et al., 2014)
Novelty Seeking	(Abdullah & Yu, 2019; Harun et al., 2012; Hawkins et al., 1980; Hidayat & Diwasasri, 2013; Hirschman, 1980; Mayasari et al., 2022; Mustafa & Salindo, 2021; Nordin, 2009; Wang et al., 2005; Wee et al., 1995; Yadav et al., 2018)

Source: Developed by the Researcher from Secondary Data

2.4.2.5 Affective Drivers and Customer Attitude towards Counterfeit Products

Babamiri et al. (2020) explored the relationship between personality traits and attitudes towards purchasing counterfeit goods in the light of the excessive amount of counterfeit goods in the Third World countries and the losses caused by the sale of these goods and found to have significant correlation with attitudes towards buying counterfeit items. The study conducted by Kala and Chaubey (2017) showed that the most significant factor influencing the purchase of counterfeit goods among the affective drivers was personal gratification. Personal gratification had a positive effect on attitude as per the findings of Rahpeima et al. (2014). Musnaini and Yacob (2015) also had a similar view regarding the significant impact of personal gratification on customers' favourable opinions with counterfeit products. Integrity and self-gratification were found to gauge personal characteristics

significantly towards attitude regarding counterfeits (Phau & Ng, 2010). Risk aversion found to have a strong influence on the development of attitudes towards counterfeits as per the study carried out by Ali and Farhat (2017). Novelty seeking positively correlated with attitude towards counterfeits of premium products as per the study of Ha and Tam (2015).

Integrity element had a greater negative influence on the attitudes regarding the counterfeits of high-end fashion items (Ha & Tam, 2015). The level of integrity and moral judgment factors had a negative impact on attitudes towards online counterfeits (Cesareo & Pastore, 2014). Likewise, Liao and Hsieh (2013) found that integrity was adversely associated with consumers' attitudes towards counterfeit items. Similarly, Kumar et al. (2016) found out that integrity had a negative attitude towards fake versions of real goods whereas Ting et al. (2016) found that integrity had no influence on customer attitudes. According to Hanzaee and Jalalian (2012) and Phau et al. (2009), personal gratification and integrity were not significant antecedents of customers' attitude towards bogus brands.

2.4.2.6 Affective Drivers and Purchase Intentions towards Counterfeit Products

Affective driving forces strongly influences the purchase intentions of the customers either positively or negatively. Bang and Kim (2021) revealed a positive relationship of affective drivers or personality factors with the counterfeit version of luxury and masstige brands towards the attitude and purchase intentions of customers. The factors of novelty seeking and integrity were the major psychographic factors affecting customers' intentions to purchase counterfeit goods as opined by Yadav et al. (2018). Adhikari and Biswakarma (2017) found out that purchase intention was significantly correlated with all the independent variables out of which the high correlation was found out to be with personal gratification.

The construct of integrity showed a significant negative correlation with purchase intention towards counterfeit products as per Nawi et al. (2017). It was revealed that people who believe it is immoral to purchase counterfeit goods were less inclined to do so (Ahmad et al., 2012).

2.4.3 Social Drivers towards Counterfeit Products

Social factors are an assortment of individuals who regularly interact with one another in both official and informal settings and who strongly value equality in terms of status or respect within the community. Social variables are an amalgamation of individuals who have the power to affect how others behave and act out of habit (Negara et al., 2020). In the words of Khare et al. (2011), purchase decisions are influenced by social factors, such as societal standards and values. As a result, people can modify their behaviour to fit into their social environment (Mayasari et al., 2022). Individuals believed that buying fake goods was another method to integrate themselves into society.

Numerous studies demonstrated that the high level of enthusiasm among friends and family members positively affects a consumer's desire to make a purchase of any goods (Yaqub et al., 2015). Sahin and Nasir (2021) opined that consumers are influenced by environmental factors, interpersonal factors or features of status products. Consumers sometimes follow a “snob effect” to differentiate themselves from other consumers or a “bandwagon effect” (Nunes et al., 2011) trying to imitate others. According to Priporas et al. (2015), a sizable portion of customers were found to enjoy their purchases of non-deceptive counterfeits and were justified by their low cost, the need to maintain one's image, and a desire to follow current trends.

Consumers are giving importance to status symbols and social benefits than the functional benefits of the products they purchase. Gani et al. (2019) stated that the consumers were more likely to use fake luxury goods in order to uphold societal ideals and status than they were to utilize genuine goods. Titus and Ethiraj (2012) mapped the drivers of counterfeit consumers' attitude formation and found that the customers were motivated to purchase or use counterfeit goods by peer group pressure, social approval, cost benefits, family environment, the impact of role models, and the appreciation of notable individuals. Vigneron and Johnson (1999) suggested that self-consciousness influences consumers' decision-making when choosing brands. Depending on how susceptible a person is to interpersonal influence, this impact varies.

The consumer decision model was used to explain the factors of social influence and social consumption and the Stimulus-Response Model or black-box model was also applied to explain the stimulating role of social factors by Junejo et al. (2020). Social variables constitute a collective of individuals who have the power to affect how others behave and act out of behavioural patterns. In accordance with the findings of Kim and Karpova (2010), information susceptibility and normative susceptibility are the two psychographic characteristics that influence people's decisions to purchase counterfeit goods. People were impacted by individuals in their immediate surroundings. On that basis, the social impact element has to be considered seriously. Gaining identity recognition, societal appreciation, or fulfilling a need or desire is part of social achievements (Ansah, 2017). The majority of the consumers purchased fake products in order to gain social status or prestige as well as acceptance by some social groups in the words of Dabija et al. (2014).

According to Bearden et al. (1989), consumer susceptibility can be stated as an enhancement of one's image in the opinion of others who are significant to them through the acquisition and use of products and brands, the willingness to conform to the expectations of others regarding buying decisions and the tendency to learn about products by observing others or searching information from others. Consumers are susceptible to social influence and desire the favour of those who are important to them, as Fishbein and Ajzen (1975) explained. Ajzen (1991) described the term subjective norm as a feeling of social obligation to engage in or refrain from engaging in a certain behaviour.

Consumers may be normatively susceptible when they are more concerned with appearing classy to others as compared to informationally susceptible when the expertise of others impacts their choice on occasions when one is unaware of the product category (De Matos et al., 2007). With respect to how much they support this behaviour, friends and family members may either discourage the use of counterfeits or actively encourage it. The perceptions about the likelihood that certain people or groups who are known as referents with whom the individual is driven to comply would approve or disapprove of the behaviour and attitude towards counterfeit products.

Therefore, the elements of information susceptibility, normative susceptibility, status consumption and social influence are considered as social drivers for the study in the context of the consumption of counterfeits. The researcher further extended the levels of various social drivers on the grounds of socio-demographic and economic factors as well as the association of the same with customer attitude and purchase intentions towards counterfeits.

2.4.3.1 Information Susceptibility

One of the social factors that will be examined in this research is information susceptibility. When taking into account instances where people are consuming counterfeit goods, it has been discovered that information susceptibility is a strong predictor of purchase intent. According to Phau and Teah (2009), information susceptibility describes the consumer's decision to make a purchase based on the expertise of others.

The readiness to absorb information from others is known as information influence (Ting et al., 2016). Internalisation is the mechanism through which informational influence operates (Phau & Teah, 2009). Information susceptibility plays a significant role in assessing consumer attitudes since experts' judgements may serve as a benchmark for consumers when making their purchase decisions (Ang et al., 2001; Phau & Teah, 2009).

The factor of information susceptibility had a significant effect on how individuals approach counterfeit goods (Mayasari et al., 2022). For those who are unfamiliar with certain companies, brands or products, the views of others are vital since they provide an assurance or a point of recommendation and their attitudes towards counterfeit items will be influenced by their information susceptibility (Kasuma et al., 2020; Ting et al., 2016). The others may include a network of peers, or family members who are knowledgeable about the distinctions between authentic and counterfeit goods. Information susceptibility had a detrimental effect on favourable product qualities (Borekci et al., 2015). Amjad and Mahmood (2018) mentioned that consumers who are unable to define a product's kind are informationally vulnerable, and they disclose their perceived worth when the

approval of others influences their purchase decisions and undesirable outcomes might result, which will have a negative effect on attitude (Phau & Teah, 2009) and the intention to buy counterfeit goods.

2.4.3.2 Normative Susceptibility

According to Ang et al. (2001), normative susceptibility is the act of making a purchase based on the assumption that it would please others. Normative susceptibility is concerned with what consumers could believe or anticipate while making a purchase. Since the customers desire to make a good impression and meet society's expectations, the majority of consumers who exhibit normative susceptibility prefer to buy items based on what they believe others want to buy (Amjad & Mahmood, 2018). In other words, the buyer would choose a product that would make a favourable impression on others since their self-image is based on how they want to be perceived by others (Ting et al., 2016).

As a result, the normative susceptibility will impact customers' attitudes towards counterfeit goods since individuals with a significant amount of normative exposure are more likely to be inclined to buy something particular based on what they believe other people would anticipate (Kasuma et al., 2020). In accordance with Borekci et al. (2015), acquaintances, co-workers, or family may deter people who wish to satisfy their craving for counterfeit items. Users of counterfeit goods place a higher value on elements with generally obvious benefits, such as the product name and desirableness that would be endorsed by their co-workers, relatives, and friends.

Normative susceptibility is the propensity to live up to social norms. The prominent people might have an effect that is favourable or detrimental to the current state of consumption. The customer will have a favourable opinion of such items if the significant players promote or approve the purchase of counterfeit goods. The customer will have an unfavourable view of counterfeit products if the key players do not support or discourage the acquisition of such things. In other words, the consumers are more likely to buy counterfeit goods if they believe their significant others would support them and a person is more prone to acquire unfavourable views towards counterfeits if they believe that the bogus products they purchased may not

be appreciated, accepted or recognized by their social surroundings (De Matos et al., 2007; Kim & Karpova, 2010).

2.4.3.3 Status Consumption

Status consumption describes customers who are seeking self-satisfaction as well as exhibiting their social and economic standing to others, typically through visible evidence. A status is a form of supremacy that includes elements of dignity, consideration, and resentment from others and reflects the aspirations of a culture (Eastman et al., 1997). Status is an elite identity or position in a society that is bestowed upon a person by other people. Status seekers are drawn to brands that emanate brand symbols that correspond to their sense of self. According to Eastman et al. (1997), there are considerable amounts of status consumption in every community where the value of goods is determined by the perceived social benefit they provide. Purchasing counterfeit goods is the fastest and most affordable approach to attain the envisioned status. Although brands are appealing to everyone, some people can afford them while others cannot. The decision to purchase fake goods is made by consumers who cannot afford expensive brands. The status symbol factor makes it a target for counterfeiters to misuse the popularity of the well-known brands (Le Roux et al., 2016). In the opinion of several economists, the primary motivation for conspicuous expenditure is the indication of economic prosperity, or the desire to view as though one has a high social position (Rod et al., 2015).

According to Purwanto et al. (2019), who explored the theory of status, buying expensive goods demonstrates a person's superior status both to themselves and to others. Additionally, Eastman and Eastman's (2011) explanation of social status defined it as the honour one has in relation to any specific position within the society as a whole. As a result, status serves as an expressive tool that satisfies social requirements, and consumers are driven by the status motive. A person's status refers to how the group or community views them. The use of items in a society with the goal of being accepted in a materialistic group is referred to as the quest for status, and this form of status search is frequently accomplished by demonstrating the usage of an item (Sahin & Nasir, 2021). This indicates that the status may be connected to the symbolic usage of items as customers purchase and use things to enhance their

sense of themselves, disclose who they are, and project the image they wish to portray.

Purchases of prestige goods are driven by the desire for status consumption. Whether the consumer is motivated to gain status internally or externally may explain how the urge for status consumption has developed. Externally driven status consumption can encourage increased public consumption of conspicuous status goods or extravagant expenditure. High intrinsic drive individuals are more likely to satisfy their demand for self-awarding by purchasing both overt and covert status symbol items (Eastman & Eastman, 2011). Consumers often assign prestige aspects to goods and brands based on a combination of hedonistic values, product attributes, and societal interactions exhibiting the effect of the reference groups. The aforementioned interactions take place on both the individual and communal levels (Bonoma & Johnston, 1979).

The goods and brands that are esteemed and have status are determined by the group's normative influence. According to Perez et al. (2010), normative pressure is believed to have an impact on status consumption. Status seekers attempt to allay their status anxieties by surrounding themselves with goods and brands that display outward signs of the superior position they assert due to the pressure from normative society. Status consumers, therefore, consider items as a way to enhance their social standing in society. According to Nunes et al. (2011), status consumption represents a type of conspicuous consumption. O'Cass and McEwen (2004) claimed that status consumption is driven by both interpersonal influence and self-expression, whereas conspicuous consumption is only influenced by interpersonal influence. The underlying concept of status consumption is changed as follows once it has been determined that conspicuous consumption and status consumption are two distinct ideas such as the desire to elevate one's social or self-status through the use of conspicuous consumer goods that bestow status on the consumer and others close to them is known as status consumption. The element of social status had a favourable influence on their tendency to buy fake goods in the opinion of Elsantil and Bedair (2022). Junejo et al. (2020) opined that people showed a preference to purchase counterfeit luxury brands for the sake of getting accepted and included in

their social circle. Hashim et al. (2020) also observed a significant influence of social impact factors on counterfeit products' purchase intentions.

According to Phau et al. (2009), status consumption serves as the driving force behind people who desire to elevate their social status through the use of image-enhancing items. It pertains to any possession, usage, demonstration, or consumption of products or services with a motivation to elevate status in society. The driving factor, however, pushes someone to develop their personalities and portray their social position. Results of the study by Sahin and Nasir (2021) revealed that interpersonal influence strengthens the factors of status consumption and conspicuous consumption leading to the strengthening of perceived symbolic status. Status consumers are more concerned with status and the presentation of success than other consumers, and they have negative sentiments toward counterfeit products. They aspire to own brands that represent their self-identity (Harun et al., 2012). The factor of social status or prestige consumption showed a positive significant influence on attitude towards counterfeit products as per Mustafa and Salindo (2021). Customers would almost certainly purchase and even pay extra for a product with prestige. Mayasari et al. (2022) observed that status consumption variables had a significant impact on the attitude of the people towards bogus items.

The status consumers' views towards counterfeit items would be negative if their peers, close companions, or family members found out they were purchasing fake goods. They would be concerned that their profile is damaged and would thus stop buying counterfeit products.

2.4.3.4 Social Influence

The term social influence refers to the impact that a person's social circles, including family, friends, and other acquaintances, have on that individual through influencing their purchasing decisions. People's decisions to purchase original brands or counterfeits are influenced by the recommendations from the group serving as a reference (Phau & Teah, 2009; Wang et al., 2005). If relatives or close associates are supporting counterfeit goods, buyers are more likely to buy them, and vice versa. Parents, relatives, friends, and fellow pupils all have a greater probability

of influencing a person's thoughts than other social groups. In various social contexts, social pressure incites clients to carry out such acts in order to gain approval. Ajzen and Fishbein (1980) emphasized that both individual opinions and social influence are the forecasters of purchase behaviour and intentions.

According to research by Hamelin et al. (2013), communication with family, relatives, and close companions is the primary reason why people buy counterfeit items. In order to retain social connections and win others' favour in social settings, people need attitudes that provide a social-adjustive function. Recent studies have shown that when the customer's perspective toward original brands performs a social-adjustive role, their preferences for counterfeits and unfavourable changes in those preferences for legitimate brands are larger (Wilcox et al., 2009). Therefore, consumers who perceive genuine brands as accommodating a social-adjustive function tend to view counterfeit goods favourably as they may enable them to leave a favourable solid mark in social settings if others are unable to differentiate between counterfeit goods and genuine goods.

According to Amaral and Loken (2016), when lower classes use counterfeit brands, the majority of upper-class customers tend to ridicule them, but when the upper socio-economic groups use counterfeit versions, the lower classes do not generally do so. The development of consumer pride after consuming counterfeit goods can be used to identify the significance and involvement of the element of social influence. This pertains to a connection between a person's inner world and the desired outer world by means of sensory and symbolic accomplishment. Additionally, they assert that using well-known brands is strongly related to vanity. They were able to convince people who are prone to pride to spend money on high-status products, and as a result, these consumers will continue to demand these counterfeit brands to state their ravenous desires and maintain their self-respect without giving it a second thought whether the product is authentic or not.

Thus, the prevalence of friends, relatives, and role models in communities who purchase counterfeit goods would increase the apprehension to purchase such goods. Based on the available empirical data, it is reasonable to assume that social

influence would have a stronger impact on people's attitudes towards buying counterfeit goods.

Table 2.3

Summary of Major Literature: Social Drivers and Counterfeits

Social Drivers	Empirical Studies
Information Susceptibility	(Amjad & Mahmood, 2018; Borekci et al., 2015; Kasuma et al., 2020; Mayasari et al., 2022; Phau & Ng, 2010; Phau & Teah, 2009; Ting et al., 2016)
Normative Susceptibility	(Amjad & Mahmood, 2018; Ang et al., 2001; Borekci et al., 2015; De Matos et al., 2007; Kasuma et al., 2020; Kim & Karpova, 2010; Ting et al., 2016)
Status Consumption	(Bang & Kim, 2021; Bedi & Chopra, 2021; Ha & Tam, 2015; Kala & Chaubey, 2017; Liao & Hsieh, 2013; Phau et al., 2009; Shrivastava, 2023; Turkyilmaz & Uslu, 2014)
Social Influence	(Ahmad et al., 2014; Amaral & Loken, 2016; Bhatia, 2018; Chun, 2017; Hamelin et al., 2013; Jose Scotto et al., 2021; Nawi et al., 2017; Nguyen & Tran, 2013; Rizwan et al., 2014a; Shrivastava, 2023; Wilcox et al., 2009)

Source: Developed by the Researcher from Secondary Data

2.4.3.5 Social Drivers and Customer Attitude towards Counterfeit Products

A consumer's attitude towards counterfeiting does not differ from those who place less emphasis on enjoyment, comfort, and social recognition (Ang et al., 2001). Bang and Kim (2021) have measured the propensity for status consumption and conformity in explaining how the luxury goods, masstige brands and counterfeits have been perceived by consumers and found to have a favourable relationship with the attitude of consumers towards counterfeits of high-end items. Expression of consumption status had the greatest positive impact, followed by the social influence component on the attitudes regarding the copying of high-end fashion items (Ha & Tam, 2015). Similarly, status consumption had a positive effect on attitude as per the findings of Rahpeima et al. (2014). Further, Bhatia (2018) showed a positive relationship between social influence factor and customers' attitudes regarding

counterfeit fashion goods. Similarly, Nawi et al. (2017) and Ahmad et al. (2014) also mentioned that attitude and social influence were positively correlated with regard to counterfeits. Social influence affected a consumer's proclivity to purchase a counterfeit (Rizwan, et al., 2014a). It was further discovered by Phau et al. (2009) that opinions regarding luxury brand knockoffs were highly influenced by social influence. Social influence factor had a favourable effect on customers' perspectives towards counterfeit fashion goods after adjusting for the interaction effects of independent factors and income (Nguyen & Tran, 2013). The social purchasing factors when mixed up with the popularity of the brands acted like fertilizers in the formation of a positive attitude towards counterfeits as per the findings of Chun (2017). The social drivers of status consumption, information and normative susceptibility had a strong influence on attitude as per the findings of Ting et al. (2016). Normative susceptibility and informative susceptibility were found to gauge outside social impact on attitude formation (Phau & Ng, 2010).

However, Shrivastava (2023) observed that social influence had little to no effect on customers' attitudes towards counterfeits. Similarly, Jose Scotto et al. (2021) spotted that social influence factor was not substantially associated with one's attitude towards counterfeits. The research conducted by Prakash and Pathak (2017) concluded with no significant impact of social norms on the attitude of customers and social status was also shown with no influence on attitudinal levels of customers as per Chaudary et al. (2014). Status consumption was found to be adversely associated with consumers' attitudes towards counterfeit items by Liao and Hsieh (2013) and Phau et al. (2009).

2.4.3.6 Social Drivers and Purchase Intentions towards Counterfeit Products

The factor of status consumption was found to be the most significant in describing the consumer's purchase intention for counterfeit goods by Bedi and Chopra (2021). Similarly, social values had a strong and favourable relationship with the consumers' intentions to buy knockoff high-end goods. Turkyilmaz and Uslu (2014) observed that status consumption was the most influencing individual trait on the purchase intention of counterfeit goods. The elements of status consumption and peer pressure, were found to be the most influential social drivers affecting

customers' intentions to purchase counterfeit goods as per the study of Yadav et al. (2018) as well as Ahmad et al. (2014). Consumers under study were fond of social acceptance leading to a favourable inclination to purchase counterfeits as per the view of Adhikari and Biswakarma (2017). Kala and Chaubey (2017) demonstrated that status and subjective norm influences had a significant impact on whether people intended to buy counterfeit goods. Similarly, Jaiyeoba et al. (2015) discovered that social variables had a substantial and favourable link with purchase intentions towards counterfeits.

In contrast, Kasuma et al. (2020) revealed that the variable of information susceptibility showed a negative significant relationship towards purchase intention of customers whereas the variable of normative or subjective susceptibility resulted in no relationship with the purchase intention. They have concluded that the more information consumers receive on counterfeit products and counterfeit consumption, the lesser will be their purchase intention towards counterfeit products.

2.5 Perceived Value towards Counterfeit Products

There are different definitions of perceived value extended by various authors. Oliver (1997) used the complicated idea of value and stated it as a judgement weighing what was acquired (for example, performance) against the expenses of acquisition (for example, money, time, and psychological resources). Value is the mental sense of superiority or conviction. The customers' emotional assessment of the good or service is known as perceived value. Marketers and managers are focusing on value perception as a key aspect to explain consumer happiness and loyalty in recent years (Lin & Wang, 2006). The level of quality, as well as value of counterfeit goods, has substantially increased as a result of the outsourcing of production techniques and the advent of new technologies (Jiang & Shan, 2016). Perceived value had an encouraging impact on consumers' attitudes concerning counterfeit luxury products and their inclination to buy them as per the research findings of Toklu and Baran (2017).

The outcomes or advantages that consumers obtain in comparison to overall expenses, which comprise the amount paid plus extra expenditures related to the

transaction, are referred to as perceived value. The price is the major factor that influences how much consumers and nations adhere to purchasing counterfeit goods (Commuri, 2009; Cordell et al., 1996; Gentry et al., 2006; Wang et al., 2005). Dodds et al. (1991) discovered a favourable connection between perceived value and purchase intention of counterfeit items. Rawat and Singh (2021) observed that when counterfeit product prices climbed by 1 percent, consumer value perception and purchasing patterns increased by 77.8 percent indicating that the price had a significant effect on the perceived value regarding counterfeits. Alsaied and Saleh (2019) indicated that there was no link between perceived value and the inclination to acquire knockoff brands in a study conducted in the context of the Saudi market. Researchers have examined various aspects of perceived value pertinent to price (Cordell et al., 1996; Dodds et al., 1991; Gentry et al., 2006; Lichtenstein et al., 1993), individual image (Bloch et al., 1993; Chellasamy et al., 2020; Graeff, 1996; Yoo & Lee, 2009), quality of the products (Jiang & Shan, 2016; Lichtenstein & Burton, 1989; Phau et al., 2009), social factors (Amaral & Loken, 2016; Harun et al., 2012; Wilcox et al., 2009), integrity elements (Ang et al., 2001; Chun, 2017; Poddar et al., 2012; Rahpeima et al., 2014) and many more.

The perceived value of a product, which is based on a comparison of its price and quality, is a significant factor in determining how satisfied customers are. Regarding counterfeit luxury brands, Wiedmann et al. (2012) discovered a favourable correlation between the perceived value dimensions and the desire to acquire counterfeit luxury goods. This favourable correlation was attributed by Nia and Zaichkowsky (2000) to customers' desire to improve their social position as well as their individual image. After consuming a high-quality product, a consumer may see the worth of that product as an enhancement in their social standing. Thus, the contract of achievement of the good or service and the value system of the client are both addressed by the consumer's value perception (Neap & Celik, 1999). According to Gallarza and Saura (2006), perceived value is the idea that a client has that they are getting something for their money. Customers will be happy and wish to purchase the goods again if they receive benefits that are equal to the amount they paid. As a result, the perceived value is crucial to product marketing. Counterfeit consumption can be effectively controlled to a considerable degree if it is made clear

that consuming fakes might result in more harm than an upsurge in perceived worth (Sreejith & Shukre, 2016). Current research has looked into the connection between perceived value and attitude as well as purchase intent.

2.6 Customers' Attitude towards Counterfeit Products

Attitude refers to the inclination to gain knowledge and respond in a convenient or inconvenient manner towards particular persons or goods in a certain environment. The term attitude is defined by Fishbein and Ajzen (1975) as the extent of feelings a person must embrace or reject a subject or behaviour and is tested by a process that sets the person's attitude on a two-pole assessment scale either favourable or unfavourable or in other words, approve or dismiss. In the words of Albarq (2015), a comprehensive collection of accessible behavioural beliefs connecting behaviour to various events and other traits determines attitude.

As of now, four key metrics have been proven to be beneficial in assessing consumer attitudes: quality, economic, ethical or moral, and legal (Ang et al., 2001; Cordell et al., 1996; Rizwan et al., 2013; Swami et al., 2009). Ajzen and Fishbein (1980) rightly mentioned that attitude is a fair predictor of subsequent behaviour since it is assumed to be associated with a goal in mind. Kordnaeij et al. (2015) identified six variables, including personal gratification, value aversion, price-quality perception, ethical concerns, subjective norm, and perceived risk, and were found to have influence on buyers' attitudes towards counterfeits. However, Hidayat and Diwasasri (2013) revealed that the most important influences on attitudes were contributed by social and personality characteristics of customers.

Attitude is not an attribute that can be immediately witnessed because it is a person's mental state (Aaker et al., 1995). Schiffman and Kanuk (1997) defined an attitude as a learned predisposition to behave consistently favourably or unfavourably towards certain things. The positive conduct creates a foundation for the use of counterfeit items that duplicate the use of popular trademarks and branded products (Rod et al., 2015). Counterfeit goods purchases are more likely to occur among consumers who have a favourable disposition towards doing so (Chiu et al., 2014). Intentions are antecedents of buying behaviours, which are ultimately generated through attitudes, based on the Theory of Planned Behaviour (Ang et al.,

2001; Fishbein & Ajzen, 1975; Phau et al., 2009; Wee et al., 1995). Many argue it substantially correlates with one's motivations, which act as a logical behavioural predictor. Several researchers found that attitudes proved to have more significance than subjective standards (Ajzen, 1991; Donald & Cooper, 2001). It was further discovered that social and personality traits had a major impact on consumer attitudes towards counterfeits (Hundal & Jasmeen, 2016).

Consumer attitudes towards counterfeit goods can be positive or negative. Phau et al. (2009) and Wee et al. (1995) found that consumption of counterfeit products is more likely to outpace purchases of genuine brands based on the more positive customers' attitudes towards the products in question. If a consumer has favourable opinions about counterfeit goods, they may be willing to buy them and vice versa. In the words of Eagly and Chaiken (1993), a person's actions can possibly foresee their attitudes, which implies that a person's attitude towards any given notion will affect their intention to act on that thought.

The majority of customers hold protected values, which they describe as unchangeable and absolute, such as the law against theft (Norum & Cuno, 2011). However, Baron and Kenny (1986) assert that many customers are prepared to trade such safeguarded values for a lower cost on counterfeit goods. Tang (2021) in his study concluded that most of the respondents in the market for fake branded sports shoes had some level of comprehension of it through various channels, and there were only a few young people who had no understanding at all. Many people still have a reasonable attitude towards counterfeits and there was no chance to get overly captivated by it.

According to Fishbein and Ajzen (1975), behaviour is closely associated with one's attitude and personal objectives. In a nutshell, the theories claimed that if a person has favourable attitudes toward counterfeit goods, it is extremely probable that they will consider buying them, whereas if they have negative attitudes, it is almost certain that they will not (Ang et al., 2001; Bagozzi et al., 2002; De Matos et al., 2007; Huang et al., 2004; Thurasamy et al., 2003; Wang et al., 2005). Typically, counterfeit goods are less expensive than real ones. It is clear from this that there isn't a big variation in how people perceive quality. Customers are prepared to pay for the product's essential functions and aesthetic qualities but not for a product's

alleged quality. Cordell et al. (1996) further clarify that tangible benefits are crucial when purchasing counterfeit goods to have prominence and symbolic social standing comparable to registered trademarked products.

The most significant element influencing people's readiness to buy counterfeit goods was their attitude toward such products (Mayasari et al., 2022). There is a favourable correlation between attitudes toward counterfeit goods and purchasing intentions, according to several research (Bhatia, 2018; Carpenter & Lear, 2011; De Matos et al., 2007; Phau & Teah, 2009; Rizwan, et al., 2014b). Moreover, research by Pham and Nasir (2016) in the UK found a link between customers' favourable attitudes and their desire to buy counterfeit goods. Similar findings by Eisend and Schuchert-Guler (2006), referenced by Riquelme et al. (2012) in Kuwait, showed a link between customers' desire to buy counterfeit goods and their favourable attitudes about CPs. As previous research have demonstrated, consumer attitudes regarding counterfeit items have a favourable influence on their buying intentions (Ahmad et al., 2014; Kwong et al., 2003; Penz et al., 2009; Swami et al., 2009; Wang et al., 2005).

Attitude was found to be a significant predictor of purchase intentions of counterfeit luxury goods as well (Jose Scotto et al., 2021). Similar views have been shared by Mustafa and Salindo (2021) through their research work that attitudinal indicators influenced purchase intention of customers to purchase a falsified or counterfeit product. Park-Poaps and Kang (2018) in their experimental study explored the significant effect of appraisal of product features on the attitudes regarding non-luxury counterfeit items and stated that the purchasing environment significantly influences customers' attitude and purchase probability. Papiro and Sihombing (2014) discovered another perspective such as the customers who had previously bought counterfeit goods, had a more favourable attitude, subjective norms, and perceived behavioural control towards purchase intentions than those who hadn't purchased it before.

Even though it is against the law, consumers today prefer to buy counterfeit goods. The link between personal factors, ethical concern, and consumer intention is mediated, according to the research by Quoquab et al. (2017). The mediating role of attitude was analyzed by Ting et al. (2016) and the results revealed that attitude

mediated social factors and value consciousness, and purchase intention towards counterfeit premium goods. Mediating impact, according to Baron and Kenny (1986), occurs when an independent variable influences a dependent variable through a third variable. Numerous current research demonstrates the direct impact of the aforementioned factors in various contexts. The predispositions of consumers' attitudes towards counterfeit products and purchase intention are assumed to be mediated by attitude. Mediation effects are studied by Bentler and Speckart (1979) through the study of models of the relationship between attitude and behaviour. According to De Matos et al. (2007), attitude serves as a mediator between the factors that influence the intention to purchase. Ndofirepi et al. (2022) found that views towards the financial benefits of buying counterfeit goods acted as a partial mediating factor between price-quality inference and customers' intentions to buy non-deceptive counterfeit items.

Furthermore, Negara et al. (2020) demonstrated that normative susceptibility, value consciousness, integrity, consumption status, and materialism were mediated by attitude to purchase intention. The mediator role between the constructs and the behavioral intentions was played by the attitude of the customers which in turn was highly influenced by the attributes of the products (Prakash & Pathak, 2017). Kumar et al. (2016) highlighted that the attitude of the customers mediated the drivers of counterfeit product buying and purchasing intention. It was discovered that through the mediation of attitude, normative susceptibility, price consciousness, novelty seeking, and perceived risk were dominating in encouraging customers to buy counterfeit goods (Albarq, 2015). De Matos et al. (2007) also supported the statement that the element of attitude played as a mediator between the antecedents and intentions.

Certain studies showed an absence of mediation effect of attitude as well. Harun et al. (2020) employed a hierarchical regression analysis which showed that both the association between social characteristics and intentions as well as the relationship between economic advantages and intentions were not mediated by attitude. Customer attitudes regarding counterfeit goods failed to operate as a mediator in the interaction between prior purchases, materialism, social variables, economic rewards, and the desire for repurchase.

2.7 Purchase Intentions towards Counterfeit Products

The customers were proved to have a strong favourable purchase intention towards the counterfeit products based on several reasons such as favourable attitude towards counterfeits (G. Li et al., 2012), legal punishments mainly focusing on the supply side and rarely focusing on the demand side (Yoo & Lee, 2012), and the presence of only fewer obstacles in purchasing counterfeits (Penz & Stöttinger, 2005). The relationship between attitude and intentions has received a lot of attention in marketing literature. The attitude regarding counterfeits accounted for a large portion of the intention to buy them as per the previous studies. The Theory of Reasoned Action states that attitude has a positive relationship with buying intentions, which is a precursor to actual activity.

Purchase intention, often known as customer or buyer's intent, is a metric used to determine a buyer's tendency to make a purchase. It is the sum of a person's cognitive, emotional, and behavioural tendencies towards using a product, service, concept, or engaging in certain behaviour. In the words of Fishbein and Ajzen (1975), intention can be stated as the choice to act or the psychological state that displays the understanding of participants' perceptions and behaviours. Once a buyer has demonstrated a propensity to buy, they start making decisions that lead up to a purchase. These decisions are known as purchase intentions (Dodds et al., 1991). In the words of MacKenzie et al. (1986), purchase intent is expressed by a user's preference for a certain product. Shrivastava (2023) in his study comprehended on customer attitudes and intentions about buying fake goods that these items were purchased by consumers in order to maintain their sense of style because they were less expensive and come with better terms. Hien and Trang (2015) stated that one of the effective indicators of an intention to buy counterfeit goods was shown to be the attitude towards counterfeit goods and that was explained by the fact that customers who had favorable attitudes towards counterfeit goods led to stronger intention to buy them.

Favourable opinions and the likelihood of purchasing counterfeit goods are positively correlated (Ang et al., 2001; De Matos et al., 2007; Huang et al., 2004; Nguyen & Tran, 2013; Phau & Teah, 2009). Tuyet Mai and Linh (2017) concluded that the attitude towards counterfeit products was found to be the strongest predictor

of purchase intention. Accordingly, attitudes toward behaviour in comparison to attitudes towards the product are a greater predictor of actions (Fishbein & Ajzen, 1975; MacKenzie et al., 1986; Penz & Stöttinger, 2005). Furthermore, Awang et al. (2020) opined that attitude is the strongest influential factor to consumers' purchase intention towards counterfeit products.

The likelihood that people will buy counterfeit brands increases with how positive their sentiments are about counterfeiting practices. Abdullah and Yu (2019) also agreed with the same point by stating the more the favorable attitude, the stronger the favorable intention to purchase counterfeit products. Similarly, Long and Vinh (2017) also commented that favorable attitudes had a strong and favorable relationship with purchase intention towards counterfeit products and vice versa as per the research. Similarly, Rizwan et al. (2014b) observed that the consumer's inclination to buy a counterfeit included a positive attitude. Likewise, the likelihood of purchase decreases when consumers' sentiments towards counterfeiting become more negative (Kim et al., 2009; Wee et al., 1995). Hamelin et al. (2013) observed that concerns about one's health, the danger of disappointment, and integrity were the main elements that influence one's decision to buy counterfeit goods and the risk of embarrassment was found to be an insignificant deterrent factor.

Malik et al. (2020) observed that the three intervening factors of normative influence, social risk aspects, and status acquisition desires, each proved to have a significant favourable influence on the propensity to buy counterfeit goods. Social influence was found to be the most important element influencing consumers' intentions in the opinion of Yunos and Abdul Lasi (2020). Positive attitudes about purchasing fake goods, perceived behavioural control (Bupalan et al., 2019), and subjective norms positively affected purchase intention towards counterfeits (Tseng et al., 2021). The attitudes about fake goods and purchase intentions were significantly related as per the findings of Amjad and Mahmood (2018). De Matos et al. (2007) reported a favourable correlation between the two as well. Nguyen and Tran (2013) indicated that customers' attitudes were strongly and favourably related to their inclination to buy fake fashion items. Rahpeima et al. (2014) also discovered a favourable association between attitudes towards purchasing counterfeit goods and intention to do so.

Budiman (2012) established that the inherent qualities of counterfeit items and the propensity of the favourable respondents' attitudes strongly attracted customers to purchase counterfeit products. There are several correlating factors between attitude and the urge to buy counterfeit goods, according to Chiu et al. (2014). Mangundap et al. (2018) in their comparative research on consumer purchase intention towards original and counterfeit products pointed out the differences in purchase intention on the basis of product quality, price, personal appearance, social influence, and brand image. Further, Rizwan, et al. (2014c) found that the consumers' purchase intentions were influenced by brand satisfaction, brand pleasure and brand attachment factors. Liao and Hsieh (2013) reported that the inclination of customers to buy counterfeit versions of cell phones was found to be favourably correlated with their attitudes about counterfeit items, but negatively correlated with their perception of risk. The ethical belief was the most significant factor in predicting the intention to purchase according to Kwong et al. (2003).

Sharma and Chan (2017) examined the direct and indirect consequences of attitudinal functions on the appraisal of counterfeit products and purchase intention which were found to be mediated by the factors of purchase motivation. The association between social elements and the intention to acquire counterfeit products was not mediated by attitudes towards counterfeit goods, according to an earlier research by Thurasamy et al. (2003). Furthermore, Harun et al. (2012) discovered that the association between personality variables and the propensity to buy counterfeit luxury products was not mediated by attitudes towards such commodities. Interestingly, Thurasamy et al. (2003) discovered that the association between personality traits and the desire to acquire counterfeit items was partially mediated by the attitude towards counterfeit merchandise.

Table 2.4
Summary of Major Literature: Perceived Value, Attitude and Purchase Intention Towards Counterfeits

Constructs	Empirical Studies
Perceived Value	(Alsaid & Saleh, 2019; Commuri, 2009; Dodds et al., 1991; Gallarza & Saura, 2006; Gentry et al., 2006; Jiang & Shan, 2016; Lin & Wang, 2006; Neap & Celik, 1999; Nia & Zaichkowsky, 2000; Oliver, 1997; Sreejith & Shukre, 2016; Toklu & Baran, 2017; Wang et al., 2005; Wiedmann et al., 2012)
Attitude Towards Counterfeits	(Albarq, 2015; Bagozzi et al., 2002; Carpenter & Lear, 2011; Chiu et al., 2014; Donald & Cooper, 2001; Eagly & Chaiken, 1993; Fishbein & Ajzen, 1975; Hundal & Jasmineen, 2016; Kordnaeij et al., 2015; Kwong et al., 2003; Ndofirepi et al., 2022; Norum & Cuno, 2011; Prakash & Pathak, 2017; Quoquab et al., 2017; Schiffman & Kanuk, 1997; Swami et al., 2009; Tang, 2021; Wee et al., 1995)
Purchase Intention Towards Counterfeits	(J. Awang et al., 2020; Bupalan et al., 2019; Chiu et al., 2014; Dodds et al., 1991; Hien & Trang, 2015; MacKenzie et al., 1986; Malik et al., 2020; Mangundap et al., 2018; Penz & Stöttinger, 2005; Sharma & Chan, 2017; Thurasamy et al., 2003; Tseng et al., 2021; Yoo & Lee, 2012; Yunos & Abdul Lasi, 2020)

Source: Developed by the Researcher from Secondary Data

2.8 Socio-Demographic, Economic and Counterfeit Purchase Factors

Customers in the marketplaces do not all fall into one category. Therefore, demographic distinctions are crucial for the strategic choices made by the true brand owners. Since counterfeit product buyers come from a variety of sociocultural and psychological backgrounds, it is possible to change the factors around counterfeit items by changing their views towards such products. Individuals buy counterfeit goods owing to their low cost, desire for social standing, low income, etc. The low-cost counterfeit goods were well-liked by the public due to their low income and excessive expenditures. According to Du Toit (2011), socio-economic factors such as a person's gender, age, level of education, income levels, marital status, social standing, and population percentage are examples of the purposeful distinctiveness of a person.

According to Hawkins et al. (1980), socio-economic characteristics can have a direct impact on people's purchasing decisions. Bedi and Chopra (2021) conducted an empirical study in India to trace out the demographic predictors of counterfeit luxury consumption and found that different counterfeit product characteristics varied depending on demographic factors such as gender, age, income level, and educational attainment, further indicating that the status consumption and perceived risk are two characteristics that affected how men and women perceive counterfeit goods. The findings further explained that only the factor, value consciousness, explained the difference in the views of various age groups and the two factors which had the average effect on attitudes towards counterfeit goods across all income categories were integrity and price consciousness. Bedi and Chopra (2021) stated there was no statistically significant difference for numerous parameters across levels of education.

Wang and Song (2013) examined the counterfeit consumption experiences among Chinese consumers by categorizing under four groups and found that there were significant differences in age, personal yearly income, and educational attainment between the four groups, but not in gender distribution. Rajesh (2017) in his study on the influence of demographics on the acceptance of counterfeit products among graduate youths in South India, tried to establish the relationship between age and gender on the purchase intention of counterfeit products and found that age and the purchase of counterfeit goods were only very weakly correlated whereas gender and the purchase of fake goods were found to be significantly related. Contrary to the expectations with regard to many studies, Elsantil and Bedair (2022) found no association between socio-demographic factors, including religiosity, cultural background, and socio-economic position, and the propensity to buy counterfeit goods.

Faruqui et al. (2017) mentioned that a vast majority of customers came from lower middle-class households, suggesting that consumers of counterfeit brands were typically motivated to buy illegally made goods because of their weaker economic circumstances. Chun (2017) pointed out that people's never-ending desire for branded products along with monetary affordability concerns make room for counterfeit consumption. Kala and Chaubey (2017) found out that there was a strong

correlation between respondents' demographic traits and the purchasing of counterfeit goods. However, a distinction between customer attitudes and purchase intentions in terms of monthly income, gender, and kinds of companies was identified by Ha and Tam (2015). Age and gender were two demographic factors that shed light on respondents' intentions to purchase according to Kwong et al. (2003).

Kumar et al. (2016) found out that the consumers' attitudes were considerably influenced by their gender, education, and age; yet, income and other characteristics of their attitudes, such as perceived risk and prior experience, were highly correlated with their age and income. Economic activity, income, government stance, counterfeits, education, age, prejudice, sex, and town size were the eight explanatory categorical variables explored by Rod et al. (2015) and revealed that the factors such as household wealth, the size of the community in which a person lives, and the likelihood that a person will buy counterfeit items were all influenced by these factors. The variables of perceived level of affordability of the original product, previous experience with fake products, the propensity to purchase original and authentic products, product types and demographic variables such as age and gender were explored by Randhawa et al. (2015) and revealed significant associations between the variables. Kumar et al. (2015) demonstrated that factors such as gender, age, education, wealth, and occupation had a favourable attitude towards counterfeit goods.

Agwu et al. (2015) highlighted a negative relationship between the socio-demographic traits and customer attitude which indicated that lower education level and low-income level resulted in an increase in the favourableness towards consumption of counterfeit products. However, in certain instances, the association between the variables of gender, occupation, and whether or not counterfeit goods harm the economy or were purchased in retribution for unfair business practices by large corporations was shown to be non-significant. The socio-demographic factors along with perceived elements that influence consumers' propensity to contemplate buying counterfeit branded products were investigated by Bian and Moutinho (2009) and it was found that demographic factors and product involvement didn't seem to have a big influence.

It is important for advertisers to be aware of these types of criteria since they will help marketers decide which media and marketing strategies will work best for the target audience they intend to reach. As a result, they play a key role in deciding how customers feel about and react to counterfeit goods. There are a variety of results about how factors including gender, education, and income affect buying counterfeit goods. As a result, demographic factors are taken into account in their structure as drivers of counterfeit proneness. Thus, the socio-economic factors considered by the researcher are gender, age, education status, and annual income.

2.8.1 Gender

Gender differentiation was marked at various levels of perceptions regarding counterfeits. According to several studies, men and women prefer to purchase various counterfeit goods which shows the differences between their purchasing habits (Swami et al., 2009). According to a research, men found to be often more prone to engage in unlawful counterfeit purchases (Carpenter & Lear, 2011). Male customers demonstrated a stronger favourable attitude with respect to subjective norms and perceived behaviour control to acquire counterfeit items, according to the research of Khor and Lim (2019). In comparison to men, women were inclined to exhibit an idealistic viewpoint (Chaudhry & Stumpf, 2011). Women are less likely to purchase counterfeit goods when they perceive greater risk associated with things like product features and advantages (Babamiri et al., 2020). In contrary, Nawi et al. (2017) found out that females were influenced more to purchase counterfeit products than male customers. Therefore, the difference between men and women may be due to how the element of danger was perceived. It was also shown in the same study that there was a substantial variation in attitudes regarding buying counterfeit items by gender. According to Carpenter and Lear (2011), gender had an impact on customer opinions regarding the morality of counterfeiting, even though it had not moderated the social cost or the anti-big business aspects of consumer attitude about such items.

In contrast to the aforementioned views, Sarma et al. (2019) observed there were no distinctions between male and female consumers when it comes to choosing the counterfeits of luxury fashion labels because both genders proved to have similar

perceptions in their study. Gender has a negative association with buy intention, although it constitutes only for only a small percentage of the differences in purchase intention as concluded by Nadeem et al. (2016). There were no statistically significant differences between males and females in the means of attitude or intention to purchase, according to Riquelme et al. (2012) as well. The socio-demographic statistics in the research of Dabija et al. (2014) revealed that men refrained from buying counterfeit food, mobile phones and computers while women refrained to buy counterfeit fashion products, cosmetics and mobile phones. There was no discernible difference in the perceptions of buying fake goods between men and women as per the findings of Dhingra and Bhatia (2014b).

2.8.2 Age

Shrivastava (2023) found that the adolescent counterfeit purchasers showed more favourable attitudes towards counterfeit goods and weaker consumer ethics than non-buyers, suggesting that consumers' ethical convictions change as they get older and that can be used as a key in reducing consumer demand for counterfeit goods. Chou (2017) examined the ethical perception of counterfeit consumers and explored the relationship of the same with their age and concluded that the older people had a more positive ethical approach than younger ones which was reflected in their attitude towards counterfeit products. Dhingra and Bhatia (2014a) expressed that in comparison to the middle-aged and older age groups, the younger age group had a more favourable opinion of the knockoff brands. Accordingly, it was shown that young customers with high levels of fashion consciousness and public self-consciousness were more interested in purchasing counterfeit fashion goods (Ahmad et al., 2012).

Rajesh (2017) revealed a negative correlation between age and purchasing of goods, showing that buyers of all ages had not lessened their inclination to purchase counterfeit goods. Tuyet Mai and Linh (2017) revealed in their study that the young consumers had a favorable attitude and positive intention towards counterfeit consumption which is hazardous and troublesome for a physically and mentally healthy generation as well as the economic development of the nation. The

age of the individuals was also found to be a deciding factors in not purchasing some of the counterfeit product categories (Dabija et al., 2014).

2.8.3 Educational Status

The attitude towards acquiring fake items was more favourable among those with lesser levels of education (Babamiri et al., 2020). People with higher levels of education typically purchase fewer fake goods (Hanzaee & Jalalian, 2012). One explanation for this finding might be that individuals with greater education are more aware of counterfeit items or that those with higher social standing may not see purchasing counterfeit goods favourably. On the other hand, the inability of consumers to afford genuine items can also be one of the causes for the purchase of counterfeit goods. Higher educated people often have greater financial clout, which leads them to spend more money on authentic items and have negative attitudes towards purchasing fake goods (Babamiri et al., 2020). Similar views are shared by Mbura et al. (2020) that the customers with lower levels of formal education than consumers with higher levels of education had a larger association between attitude towards counterfeit products and purchase intention. The education level of the customers were found to be deciding factors in not purchasing some of the counterfeit or pirated product categories (Dabija et al., 2014). Furthermore, people with less education have more purchasing tendency towards counterfeit products in the opinion of Mishra and Rana (2019).

2.8.4 Annual Income

One significant demographic aspect that affects people's decisions to buy counterfeit goods is their level of income. Low-income individuals struggle to cover their costs for their families and homes. They therefore have a strong desire to purchase counterfeit goods. Lower-income people tend to buy counterfeit goods as a result of higher pricing (Yaqub et al., 2015). All consumers, whether they are from the upper class or the lower class, are very drawn to branded goods. But cost is the most important factor. Lower income individuals who cannot afford branded goods turn to buy knockoffs, which drives up the demand for these goods while encouraging others to buy branded goods (Eisend & Schuchert-Guler, 2006).

Counterfeit items are often substituted for legitimate goods by customers who are unable to have sufficient funds to purchase authentic items (Bupalan et al., 2019). Limited income people's desire to have branded luxurious products force them to satisfy with its counterfeits (Mishra & Rana, 2019). Chou (2017) examined the integrity levels of counterfeit consumers and found a significant relationship of the same with their monthly income. Similarly, Hamelin et al. (2013) discovered that low-income consumers are more likely to purchase fake goods on a socio-demographic level. The findings of the study by Gani et al. (2019) indicated that the income level had a stronger predictive power than price and gender for consumers' intentions to buy counterfeit goods. Similarly, Bhanot (2019) also revealed that the attitude had a favourable influence on purchase intention and there was a significant difference in purchase behaviour towards counterfeits on account of income.

Consumers in the low-income segment were brand and value concerned and felt little risk, which affected their attitude towards counterfeit items in a favourable manner (Bhatia, 2018). When their disposable incomes have plummeted owing to an economic crisis, such as inflation or deflation in general; or financial crisis in specific, consumers often retain their behaviour by purchasing low-priced items, or counterfeits. According to Stravinskiene et al. (2013), this behaviour promotes the market for items that are counterfeits.

2.8.5 Counterfeit Purchase Factors

The location of sales, advice and suggestions of the shop assistants were found to be vital in the favourable purchase decision of customers in owning a counterfeit version of the branded items (Dabija et al., 2014). Clothing, electronics, and mobile phones were the most popular categories of counterfeit goods, according to the research conducted by Dhingra and Bhatia (2014b). Consumers who purchased counterfeit goods were not apparently willing to pay a premium for the original product, not because they lack the means to do so, but rather because they believed that the premium paid for the original was not able to justify the similarity of intangible values provided by the counterfeits (Ferreira et al., 2008). It was shown that the product categories had a significant main impact on the intention to buy

fashion counterfeit items, showing that buyers had more intention to buy fashion counterfeit goods than non-purchasers (Ha & Lennon, 2006).

Sales outlets, price, quality and performance, and novelty were the significantly identified leads in purchasing bogus products according to Gentry et al. (2006). Customers opined the difficulty in recognizing counterfeits as their quality rises. Cant et al. (2014) expressed the view that vendors at flea markets, China shopping areas, and sidewalk vendors had the greatest rates for counterfeit buying locations. Hence, the authorities might focus on these areas in an effort to reduce the spread of counterfeit goods and the same can be accomplished by regularly conducting retail investigations within these areas. Furthermore, research has shown that customers are more likely to buy counterfeit goods the more easily available they are (Elsantil & Hamza, 2021). The prevalence of online counterfeit goods purchases would likely be attributed mostly to availability.

Hashim et al. (2020) mentioned that many people preferred to purchase counterfeit items since they were widely available in their nearby localities and added with a favour of reasonably inexpensive items. Junejo et al. (2020) mentioned the factors of insufficient funds and the non-availability of desired brands at reasonable prices as part of the consumer decision model which had an association with the formation of attitude and purchase intention towards counterfeit goods. Ease of availability and purchase had a big impact on people's decisions to purchase counterfeit goods (Sasongko & Haryanto, 2017). Further, Adhikari and Biswakarma (2017) mentioned that those markets which were good in availability and accessibility towards counterfeit goods stimulated customers to have a favorable purchase intention towards counterfeit products. The study conducted by Rasheed et al. (2014) indicated that cheap price and ease of access had a bearing on consumers' intentions to make purchases, and that ease of access had a substantial impact on consumers' attitudes regarding counterfeit goods. According to Ojo and Oluwakemi (2012), the easy possibility to find counterfeit versions of the majority of the products along with the quick availability found to be the strong attraction generators towards the same. Although easy access was discovered with an insignificant negative relation with purchase intention, it was positively connected with attitude in the observation of Chaudary et al. (2014).

2.9 Research Gap

Nearly all product categories are impacted by the prevalence of counterfeit goods, which is a global concern. Over the last few decades, the researchers' interest in counterfeiting has grown more intense. According to the literature review, a large number of studies have been carried out in Western nations as well as South Asia (Phau et al., 2009; Quoquab et al., 2017). This gives the potential for further investigation into Indian consumers of counterfeit products. Indians live in a community-oriented society where purchase behaviour is driven by other people's opinions, hence they behave differently while making purchases than the customers in the Western world. The Western culture, on the other hand, is characterized by independence or self-centeredness, and people tend to prioritize their own interests over those of others when making purchase decisions. Hence, it is hard to extrapolate the findings to the Indian scenario. Despite the fact that there have been numerous studies to analyze and explain the purchasing habits of consumers who buy counterfeit goods across the globe, the literature review reveals that there have been very few studies conducted to understand consumers' behaviour in purchasing and using counterfeit products in India (Bedi & Chopra, 2021; Bhanot, 2019; Nakassis, 2012; Patil & Handa, 2014; Yadav et al., 2018).

- ❖ Studies in the area of counterfeiting practices are found in many foreign nations whereas such studies are found to be few in the case of India and there is a scarcity of studies in the context of non-deceptive counterfeits with respect to the state of Kerala where counterfeit incidents are reported but remain unexplored. Therefore, the present study is constructed to understand and examine the perception of customers towards counterfeits, the driving forces behind the attitude of customers towards counterfeit products in Kerala and how attitude relates to the purchase intentions of buying a counterfeit product in the context of non-deceptive counterfeiting.
- ❖ The existing literature shows a lack of an integrated and comprehensive model on the perception of customers towards counterfeits as well as the influence of various driving motives of customers towards counterfeit products. To bridge this gap, the study examined the contribution of

cognitive, affective, and social drivers leading to the formation of attitude and purchase intentions towards counterfeits, and a comprehensive model was developed incorporating the factors from various theories and models.

- ❖ The mediation role of positive attitude and perceived value on the association between drivers of purchasing counterfeits and purchase intention have not been explored in the previous studies as per the literature. The study examines both the direct and indirect effects of cognitive, affective and social drivers of purchasing counterfeits on purchase intention by addressing the mediating role of positive attitude and perceived value.
- ❖ The study also examines the moderating effect of novelty-seeking behaviour in exploring the effect of price-quality inference on perceived value and purchase intentions towards counterfeit products. At present, there is a scarcity of research investigating the aforementioned relationship. Thus, the study is justified in filling this research gap by extracting the interaction-moderation effect of novelty-seeking behaviour of the customers in between price-quality inference and perceived value as well as in between price-quality inference and purchase intentions towards counterfeits.

2.10 Conclusion

The current chapter provides a comprehensive account of the existing literature on customer perception and motives towards the formation of attitude and purchase intention towards counterfeit products providing the researcher with an extensive understanding of the research topic. In spite of this, a sizable research gap was found across the review, underlining the necessity for more research to fill in the knowledge gaps. Thus, the framework of the present study is grounded on the identified research gap.