

# Customer's Purchase Intention of Counterfeit Mobile Phones in Pakistan

#### Arslan Rasheed

Department of Management Sciences, The Islamia University of Bahawalpur, Pakistan E-mail: arslan.rasheed05@gmail.com

#### Muhammad Farhan

Department of Management Sciences, The Islamia University of Bahawalpur, Pakistan E-mail: farhan613@gmail.com

#### Maimoona Zahid

Department of Management Sciences, The Islamia University of Bahawalpur, Pakistan E-mail: maimoona.zahid@ymail.com

# Nageen Javed

Department of Management Sciences, The Islamia University of Bahawalpur, Pakistan E-mail: hasherali007@gmail.com

### Muhammad Rizwan

Lecturer, Department of Management Sciences

The Islamia University of Bahawalpur, Pakistan

E-mail: rizwan.arshad@iub.edu.pk

Accepted: July 01, 2014

Doi:10.5296/ jpag.v4i3.5848 URL: http://dx.doi.org/10.5296/ jpag.v4i3.5848

### **Abstract**

Purchase intention is the willingness of people to buy a certain product. When we evaluate the alternatives, purchase decision is ready to be made by the consumer. Purchase Intention



does not result in actual purchase every time. The marketing organization should help consumer to act purchase intention. Variety of ways is used by organization to attain it. Our Purpose of this study is basically to identify the purchase intentions of counterfeit mobile phones by consumers in Pakistan. Four preceding factors influence the consumer's purchase intentions based counterfeits products. By using self-administered questionnaires we collected data from our 160 respondents. For regression analysis we entered all that data into SPSS and do analysis also. Results of our study show significant relationship of past experience and attitude towards counterfeits on purchase intention. The results show insignificant relationship of low price and easy access on purchase intention, and easy access also shows significant relationship towards attitude towards counterfeits. These factors influence the purchase intention. This study is a vital source for the national and international marketers to collect information how different factors effect consumer's purchase intention.

**Keywords:** Purchase Intention, Attitude towards counterfeits, Low price, Easy Access, Past Experience

#### 1. Introduction

Counterfeiting trade is rising as a serious dilemma for authentic trade all over the world (Bian and Veloutsou, 2007). It accounts just about 7% of the worldwide trade (Ergin, 2010). The estimations show that the development rate of counterfeiting and piracy business is 15% annually by the Organization of Economic Cooperation and Development's (OECD). Counterfeiting will increase its value up to \$960 bln. By 2015, if it continues to grow at the same rate (Frontier Economics, Feb 2011). The main manufacturer of counterfeits and pirated products in the globe is China. The key sources of counterfeits are Russia, Argentina, Chile, Egypt, India, Israel, Lebanon, Thailand, Turkey, Ukraine, Venezuela, Brazil, Paraguay and Mexico after China. The major end user of counterfeits with miniature household manufacture is USA (Chaudhry and Zimmerman, 2009). A range of studies on the enlargement of counterfeits analyzed the impact of numerous factors (Ergin, 2010; Yoo and Lee, 2009). But most of these studies were common in focus. The purpose of our study is to observe the impact of low price and easy access on the customer's attitude to non-deceptive counterfeit purchase intentions. Generally, counterfeits are separated into 2 categories – deceptive and non-deceptive (Grossman and Shapiro, 1988). Customers are deceived by fake products in case of deceptive counterfeiting which look like the originals, while in case of non\_ deceptive counterfeiting customers intentionally purchase fake products (Bamossy and Scammon, 1985; Bloch et al., 1993). Counterfeits become a solemn hazard to genuine industries especially when customers intentionally buy them.

That containing a characteristic that is related to or not capable of being well-known from, a brand mark filed to some other party and influence the human rights of the vendor of the brand mark are counterfeits merchandises (Grossman and Shapiro, 1988; Kapferer, 1995; Chaudhary and Walsh, 1996; Eisend and Schuchert-Guller, 2006). Academic rights are those particular features which are confined of any unlawful manufacture of merchandise i.e. Trademark, Patents and Copy rights, comprises product counterfeiting (Cordell et al. 1996).



and Chaudhary et al. 2005). A global dilemma of immense consequence is product counterfeiting and plagiary of either luxurious end user goods or trade goods and is more severe in the rising countries than in the modernized nations. The certainty that customers, on the whole, do not distinguish that their behaviors are not as good as to a specific industry or that it can take to a group cost is the issue of anxiety (Lysonski and Durvasula, 2008). They only take societal settlement of imitated products into account. Counterfeits are any products holding an unauthorized assets brand mark and in that way breach the property of brand mark owner representation the law of country importation according to Trade-Related Aspects of Intellectual Property Rights (TRIPS, WTO Treaty). The terms piracy and counterfeits seems similar for regular people at times or the later most comprehending than the former (Eisend and Schuchert-Guller, 2006). In the TRIPS a generally used definition of counterfeiting and plagiary is presented. According to this agreement, the term, "counterfeit brand mark goods" take in violation of copyright and concerned intellectual property rights (World Trade Organization, 1994).

Counterfeiting has three types deceptive, non-deceptive and blurs counterfeiting (Grossman and Shapiro, 1988; Bian, 2006). In deceptive and blur counterfeiting consumers are either not aware or unsure of facts that he/she is purchasing counterfeits. While in non-deceptive counterfeiting, consumers knowingly purchase counterfeits (Grossman and Shapiro, 1988). Moreover, focus on a more crushed difference should be created with respect to buyer perceptions as we concentrate on counterfeit physical goods. Buyers may get articles on counterfeiting either by not being conscious of the original academic property infraction (deceptive counterfeiting) or by being fully aware of unlawful nature of the goods (non-deceptive counterfeiting). Around tierce of customers would buy counterfeit thoughtfully (Tom et al. 1998; Phau et al. 2001). According to the World Customs Organization, universal trade is close to 7-10 percent and revenues are being generated through the sales of counterfeit products. Counterfeit goods are manufactured and used approximately in universal economies and have far-reaching effects on trade, service, foreign investment, innovation, delinquency and the surroundings. Due to the increased margins attained through counterfeiting by producers, counterfeiting keeps on rising world widely and the demand for trade name merchandises at value-prices by buyers (Amine and Magnusson, 2007).

Despite of law aimed to reduce the trade of counterfeit goods, manufacturing leaders and creators around the world have familiar it as per an arising issue, such as International Anti-Counterfeiting Coalition (IACC) are work with groups to protect their products from being imitated. According to the IACC (2008) estimation, 5-7 percent of the world trade comprises illegal merchandises. The problem has arise over 10,000 percent in the previous 20 years due to increased consumer demand,. In USA counterfeiting prices the businesses up to \$250 billion every year. Forward research has exposed that consumer's moral arrogances can move the opportunity of buying imitated goods (Muncy and Vitell, 1992). Profitable gains can also cause the need for imitated products (Bloch et al. 1993; Dodge et al. 1996). In certainty, counterfeiting is legally responsible for getting serious monetary and societal impairments to both legal manufacturers and society, collectively. The anti-counterfeiting



group investigation exposed buyers ignore the damaging impacts, irrespective the impairment reasoned by fake goods. The achievement of luxurious brand artificial can be related mostly to the amount of advantage it proposes above the actual goods (Bloch et al. 1993), the brand relations that drive along with status brand as well as the prospective for enormous manufacture through production processes (Nill and Shultz, 1996). Counterfeiting industries stay to achieve manufacturing opportunities in rising nations. It may be assumed that the industries may be missing risk management because of short term benefits of lower manufacturing charges, or in spite of excited to chance the punishment of studious goods with its possible long term destruction of loss of free-enterprise advantage for the gain of short-term advantages. Furthermore, several successful business societies have themselves urged a plagiary scheme when establishing their technical ability as business straggler we should not watch over their detail (Germany, Japan in the 19th century, and the Asian "tiger" economies after the Second World War). However, words knock off, plagiary, fake imitated goods, infected, copycat are usually used for counterfeits. They are unlike in meanings but create alike difficulties to business.

The procedures to limit counterfeits can occur from both supply and demand side, considering the strategy companies employ to prevent counterfeits (Chaudhry et al., 2005) and the motivations that make a counterfeit an remarkable option for some customers (Huang et al., 2004; Ang et al., 2001). Because research addressing counterfeit purchasing from the consumer's point of view is still initial, particularly considering the antecedents of the construct "attitudes toward counterfeits", this study focuses on the demand side. The aim is to suggest and to study a model that deals with the main predictors of consumer attitudes toward counterfeits and their intentions to purchase such products, integrating the main conclusion obtainable in the literature.

There has been significant research into the worldwide happening of counterfeit brand usage, but comparatively few studies have empirically explored key relationships influencing purchase intention. This research aims to reflect on the respective roles of low price, easy access, past experience and attitude, and to set these relationships within a broader theoretical context of the literature on possession and consumer identity.

#### 2. Literature Review

## **Purchase Intention of Counterfeits:**

A buyer's assessment, attitude and external components build buyer's purchase intention, and it is an essential reason to forecast buyer conduct (Fishbein and Ajzen, 1975). To purchase a merchandise purchase intention can amount chances of a buyer to purchase a certain product, Greater the purchase intention the larger a buyer's intention to purchase a merchandise (Dodds et al. 1991; Schiffman and Kanuk, 2000). Purchase intention specifies that buyers will keep up with their knowledge, first alternative and exterior surroundings to collect information, and make buying alternative by assessing substitutes (Zeithaml, 1988; Dodds et al. 1991; Schiffman and Kanuk, 2000; Yang, 2009). Purchase intention is a function of financial negotiations too, and not only of attitudes is claimed by numerous researches. Moreover, apparent affordability is a financial variable that can influence behavioral intention



(apparent economic control). Thus, the purchase of that merchandise is encouraged by the perceived ability to afford a product, no matter whether the buyer becomes aware of the product as pricey or low- priced. The present study intended to discover the consequences of self-assessed merchandise knowledge, product involvement, and buyer's perceived brand image of fake goods, along with the relations among these variables on buyer's purchase intention of counterfeit goods (Rizwan et al., 2013).

# **Easy Access**

Counterfeits and pirated products are easily available and it motivates consumers to buy them (Penz and Stottinger, 2005; Stumpf et al., 2011). Non-deceptive counterfeits, are available at such places which consumer's often visit. They are frequently sold at open markets and at street vendors (OECD, 2008). Counterfeits are generally sold through 3 distribution outlets: "side walk vendors", "established retail shops"; familiar channels such as "flea markets", "clandestine shops" and Internet. The unlawful nature of these deceptive counterfeits make retailers mostly unconscious that's why some deceptive counterfeit products may be found at supermarket shelves (Chaudhry et al., 2009). In Turkey, in the most of urban cities of the country, counterfeits can be easily found in both confined and high street shops that's why customers have adequate opportunities to buy them (Ergin, 2010). The huge supply network enhances purchase intentions for high spenders than low spender (e.g., in case of VCDs) (Prendergast et al., 2002). The demand for both counterfeits and pirated products is influenced by the level of availability and ease of purchase. But this circumstances may differ at unusual markets For instance, the probability to buy counterfeits at regulated markets are lesser than at open markets (Lee and Yoo, 2009; Rizwan et al., 2013). Similary, impact of easy access to the counterfeits on consumers in Hong Kong is higher than in Singapore (Moores and Dhillon, 2000; Moores and Dhaliwal, 2004).

# **Low Price**

A variety of studies found that motivating demand for counterfeit products is an important determinant of low price (Dodge et al., 1996; AlbersMiller, 1999, Prendergast et al., 2002; Harvey and Walls, 2003). Customers want to buy authentic brands but only some of them can afford them. To meet the wants of those who cannot meet the expense of unique brands, the best priced unique brands provide a chance to low priced counterfeits (Chuchinprakarnm, 2003, Chaudhry et al., 2009). Deceptive counterfeits' low price has been witnessed to motivate demand for non deceptive counterfeits (Staake and Fleisch, 2008). Non deceptive counterfeit brands are classified by the consumers by their low price and buying location (Prendergast et al., 2002). Due to the low income level and limited education, consumers from the USA and Brazil believe that people entail in counterfeiting (Stumpf et al., 2011). When counterfeits are evidently available at lower prices than consumers prefer counterfeits over original brands (Bloch et al., 1993; Gentry, 2006; Ergin, 2010). Moreover, some consumers are not reasonably sound to buy unique brands and are left with the alternative of counterfeits, even after they want to embrace prosperous lifestyle (Gistri et al., 2009). Similarly, counterfeits are cost effective that's why price sensitive consumers eagerly buy (Haque et al., 2009; Gino, 2010).



#### **Attitude**

Attitude is an "instructed propensity to retort a condition in an advantageous or disadvantageous form" (Huang et al. 2004). "Attitude" is "...an academic tendency to behave in a constantly favorable or unfavorable behavior with respect to a given purpose" (Schiffman and Kanuk, 1997, p. 167). Indeed, according to Bagozzi et al. (2002, p. 4), the most extensively conventional definition of attitude conceives of it as an assessment, for example: "A psychological tendency that is expressed by evaluating unit with some degree of favor or disfavor." In this way, what factors influence consumer assessment of a counterfeit becomes the focus of the analysis. Attitude toward behavior refers to individual evaluations being favorable or unfavorable to perform the behavior. According to Ajzen (1985), an individual is more liable to undertake a assured behavior if he/she has a positive attitude toward enterprise the behavior.

Attitude cannot be ascertained directly so researchers trust on finding out consumer attitudes through research standards, (Huang et al. 2004). Attitude is important as it determines consumer actions straight away. An attitude towards an article is an intimate evaluation based on their opinions by persons (Fishbein and Ajzen, 1975). It determines person's intentions that influence their behaviors successively (Ajzen and Fishbein, 1980). People use attitude to build the behaviors to identify the environment and attitude is a psychological condition (Aaker et al. 1995). How to react to their surroundings is also directed by attitude. It can either be constructive or destructive. A person may hold positive attitude towards unlawful and immoral good while some consider imitated products negative. (De Matos et al. 2007). It is viewed particularly in case of imitated goods of costly brands that buyer's encouraging attitude towards imitated goods is positively related with their intentions, but this is culture specific attitude (Phau and Teah, 2009). For example, Lee and Workman (2011) determined that American students are less willing to purchase imitated goods than Korean students as they have less confirming attitude towards piracy. Yoo and Lee (2009) submitted that buyer's positive attitude for imitated goods can extremely determine their purchase intentions. Buyer's attitude towards imitated goods is determined by many components. For example, low price is a key component prompting buyers to buy counterfeits. (Dodge et al. 1996; Albers Miller, 1999; Prendergast et al. 2002; Harvey and Walls, 2003; Ergin, 2010). In the same way, easy access to counterfeits stimulates consumer demand for them (Penz and Stottinger, 2005; Stumpf et al. 2011). Attitude is a reasonable forecaster of behavior successively as it is thought to be jointly linked with one's intention (Ajzen and Fishbein, 1980).

So far there are four attributes i.e. economic, quality, lawful and ethical have been revealed important in determining buyer attitudes (Cordell et al. 1996; Ang et al. 2001; Gupta et al. 2004). According to these, in defining attitude towards imitated goods, price as an economic factor has been observed to carry out a dominant role. The buyer are probably to show more positive attitude for imitated goods and successively are more probable to buy imitated goods, if buyers think that they are animating "chiseled" by the actual manufacturers. (Ramayah et al. 2002). Additional components observed to motivate buyer attitude for imitated goods or counterfeits involves religion, gender, positional components, need



for personal benefit (Nill and Shultz, 1996; Gupta et al. 2004) and collectivism (Wang et al. 2005). Buyers often apply dual standards that have favorable attitude for imitated goods and luck in buying action with manufacturer of these goods. Consumers justify themselves of accusation by changing the blame over the manufacturers and rationalizing their activities. (Cordell et al. 1996; Ang et al. 2001; Penz and Stottinger 2005). Contributing to the support for prohibited manufacturer, these situational morals encourage buying (Ang et al. 2001). By saying that unauthorized manufacturers have least margins than the actual manufacturers and thus do not sense "chiseled" as consumers absolve their actions (Penz and Stottinger, 2005). Moreover people who cannot get the original goods but who desire to attain the position, icon and fervor attached with possessing such articles ineligible manufacturers is supposed to provide an approachable ambition for buyers (Gentry et al. 2001). Attitude is considered a requirement to consumer behavior research as it powerfully affects behavior (Ajzen and Fishbein, 1980; Arcury, 1990; Bejou and Thorne, 1991; Samuelson and Biek, 1991; Follows and Jobber, 2000).

# **Past Experience**

There is an argument among the researchers that consumer's past behavior can provide better predictions of behavioral intentions (Corner and Armitage, 1998) based on the supposition that consumer activities is the result of learning (Bentlar and Speckart, 1979), Munuera-Aleman and Delgado-Ballester (2005) established that the trust developed through past experience becomes a very important part of name the customer as loyal and current purchase moreover serves as brand equity in future. Ang et al. (2001) found counterfeit non-buyers different from buyers, the former take such purchases not as much of risky, not considering this purchase as immoral and trusting the stores for prior counterfeit purchase. Research has found non- counterfeit buyers poles apart from buyers and past experience to enhance attitudes (i.e. have more positive attitude) towards counterfeit products (Tom et al. 1998; Wang et al. 2005). A large number of consumers who had never purchased counterfeit product did not prefer counterfeit items and in future when they will be offered the opportunity to purchase the counterfeits they also did not express any positive intention to purchase counterfeit product

# **Hypotheses**

H1: Easy access positively affects the consumers' attitude towards non-deceptive counterfeit.

H2: Easy access directly positively influences the consumers' intentions to purchase non-deceptive counterfeit.

H3: Low price positively affects the consumers' attitude towards non-deceptive counterfeit.

H4: Low price directly positively influences the consumers' intentions to purchase non-deceptive counterfeit.

H5. Consumers' positive attitude towards non-deceptive counterfeit is positively associated



with their purchase intentions.

H6: Past Experience positively influences the consumer's attitude towards counterfeits.

H7: Past Experience positively influences the consumer's purchase intention of counterfeits

# 3. Research Methodology:

The current research is descriptive in its nature. Descriptive research can be explained as unfolding something, some observable fact or any particular condition. Descriptive researches are those researches that describe the current situation rather than interpreting and making judgments (Creswell, 1994). The main purpose of the descriptive research is validation of the developed hypothesis that reflects the existing condition. This kind of research provides information about the existing situation and focus on past or present for example customer behavior towards any marketing activities or quality of life in a society (Kumar, 2005).

# **Sample Data:**

A sample of 160 respondents was asked to take part in a self-administered questionnaire. To understanding the situation we gather the data about the purchase intention of counterfeit mobiles phones in Pakistan, The population for the current research is counterfeit users in Pakistan. The current study utilizes a non probability sampling technique that is convenience sampling. Convenience sampling is a sampling technique that obtains and collects the relevant information from the sample or the unit of the study that are easily available (Zikmund, 1997). For collecting a large number of completed surveys quickly and with economy Convenience sampling is normally used (Lym et al, 2010).

It is ensured that the sample members possess two main qualifications to participate in the self-administered survey. First, the sample members should have enough knowledge about counterfeit mobile phones; secondly, they never purchased counterfeit mobile phone because in the case of practical experience they did not find it as a improved product, it definitely influences the behavior and attitude of the respondent.

## **Instruments and Measures:**

The survey instrument of the current study address two major purposes: First is to, to gather information about the different characteristics of the respondents that can be used to understand the variations in different categories. Secondly to analyze the relationship of different variables in the adoption of counterfeit mobile phones. The survey instrument contains two sections. Section 1 includes different individual and demographic variables. This section will attain the respondent's information about gender, age, income and education.

Section 2 includes the latent variables that are important in the current study. These variables include purchase intention of counterfeit, consumer attitude towards counterfeits,



easy access, past experience and low price. This section of study is developed based on the past literature and already used questionnaires. The scales of the study were adopted from the published studies and previous literature. The first variable of the study was Purchase intention of counterfeits having four items taken from Rizwan et al. (2013). The next variable is Attitude towards counterfeits having five items that was taken from the study Rizwan et al. (2013). The next variables Low price and easy access was also taken from Rizwan et al. (2013).

**Table 1:** Scales of the Study

No	Variable	Items	Reference	
1.	Purchase intention	1.I would intend to buy counterfeit products	Bolton, R.N. and Drew, J.H. (1991),	
	intention	2.My willingness to buy counterfeit products is high		
	3.I am likely to purchase any counterfeit product			
		4.I have a high intention to buy counterfeit product		
2.	Attitude towards 1.I recommended to friends and recounterfeits that they buy counterfeit mobile phone		Swait and Sweeney (2000)	
		2. Buying counterfeit mobile phone generally benefit consumers.		
		3. I prefer counterfeit mobile phone.		
		4. There is nothing wrong with purchasing counterfeit mobile phone.		
		5. Generally speaking buying counterfeit mobile phone is a better choice.		
3.	Price	Price  1. I buy non deceptive counterfeit mobile phone because the prices of mobile sets are unfair and over -priced.		
		2. Without non deceptive counterfeit mobile phone, many people will not be able to enjoy mobile communication.		
		3. I buy non deceptive counterfeit mobile if original brand is out of my range.		
	4. Buying non deceptive counterfeit generally			



		benefits the consumer.	
4.	Past Experience	<ol> <li>I have bought counterfeit mobile in the past.</li> <li>I am intended to buy counterfeit mobile in the future as well.</li> </ol>	Muhammad Rizwan Arshad
		3. I found counterfeit mobile phones a better choice to have in the past.	
5.	Easy access	<ol> <li>I don't need to make much effort to buy a non-deceptive counterfeit mobile phone.</li> <li>Non-deceptive counterfeit mobile phones are available in my local area.</li> <li>In every electronic shop non-deceptive counterfeit mobile phones are available.</li> <li>There is no legal problem in obtaining non-deceptive counterfeit mobile phone</li> </ol>	Arbuthnot and Lingg (1975

# **Procedure**

The questionnaire was distributed among 160 respondents in Bahawalpur City of Pakistan. These respondents are selected based on the criteria above mentioned. Before giving the questionnaire, the purpose of the study and questions were explained to the respondents so they can easily fill the questionnaire with relevant responses. A total of 160 questionnaires selected. After collecting, the completed questionnaires were coded and entered into SPSS sheet for further analysis.

# **Reliability Analysis**

Scales	Items	Cronbach Alpha	
Purchase Intention	4	0.859	
Attitude towards counterfeits	5	0.804	
Price	4	0.679	
Past Experience	3	0.805	



Easy Access	4	0.507
-------------	---	-------

# 4. Results and Analysis

# **Profile of the Respondents**

Personal and demographic information of the respondents is presented in the following table.

	Category	Frequency	Percentage	
Variable				
Gender	Male	99	61.9	
	Female	61	38.1	
Age	Below 20	36	22.5	
	20-30	120	75.0	
	30-40	4	2.5	
Income	None	72	45.0	
	Below 10000	53	33.1	
	10000-20000	15	9.4	
	20000-30000	5	3.1	
	30000-40000	3	1.9	
	Above 40000	12	7.5	
Education	Below Metric	1	0.6	
	Intermediate	15	9.4	
	Bachelor	84	52.5	
	Master	59	36.9	
	PHD	1	0.6	



# **Hypothesis Testing**

This section of the study finally tests the model after satisfying the requirements of reliability and validity. The casual relationships of the independent variable were measured on dependent variables.

# Easy access and attitude towards counterfeits

The regression results of the study confirm the insignificant relationship between easy access and attitude towards counterfeit with (Beta=.028) and (p=.661). According to these results, price is 3% more than attitude towards counterfeit. The result of the study rejected H1.

# **Easy access and Purchase Intention**

The regression results of the study confirm the insignificant positive relationship between Easy access and purchase intention with (Beta=.012) and (p=.834). According to these results, easy access is 1% more than purchase intention. The result of the study rejected H2

### Low Price and attitude towards counterfeits

The regression results of the study confirm the significant positive relationship between price and attitude towards counterfeit with (Beta=.136) and (p=.046). According to these results, price is 14% more than attitude towards counterfeit. The result of the study support H3.

### **Low Price and Purchase Intention**

The regression results of the study confirm the insignificant negative relationship between price and purchase intention with (Beta=-.030) and (p=.614). This result of study rejects H4.

#### **Attitude towards counterfeits and Purchase Intention**

According to the results of the study, the variable attitude towards counterfeits has a significant positive relationship with purchase intention. Specifically, this variable has a significant positive relationship with (Beta=.636) and (p= 0.000) purchase intention. That means the attitude towards counterfeits more than 63% to purchase intention. This result of study support H5.

### Past experience and attitude towards counterfeits

The regression results of the study confirm the significant positive relationship between past experience and attitude towards counterfeit with (Beta=.639) and (p=.000). According to these results, price is 64% more than attitude towards counterfeit. The result of the study support H6.

# Past experience and Purchase Intention:

Regression analysis of the purchase intention model shows that there is a significant positive relationship with (Beta=.231) and (p=0.02). The results suggest that past experience almost 23% more than purchase intention. The result of the study support H7.



**Table: Regression Results** 

Hypothesis	Model Variables	Estimate	S.E.	C.R.	P	Results
H1	EA ATC	0.28	0.76	0.440	0.661	Rejected
H2	EA PI	0.012	0.080	0.209	0.834	Rejected
Н3	LP ATC	0.136	0.071	2.008	0.046	Supported
Н4	LP PI	-0.30	0.76	-0.506	0.614	Rejected
Н5	ATC PI	0.636	0.085	9.128	0.000	Supported
Н6	PE ATC	0.639	0.054	9.578	0.000	Supported
Н7	PE PI	0.231	0.72	3.156	0.002	Supported

# 5. Discussion

The model of our study resulted in rejection of H1 and acceptance of H3 and H6 regarding attitude towards counterfeits in respect of easy access, past experience and low price. H2 and H4 are rejected and H5 and H7 is accepted regarding purchase intention in respect of easy access, past experience, attitude towards counterfeit and low price. In spite of the ban imposed and legal action taken on counterfeiting trade, it is growing continuously and rapidly globally (Ergin, 2010).

In this study we observe the impact of low price and easy access on the consumers' attitude towards non-deceptive counterfeit mobile phones and their purchase intention. We found that low price positively affects on consumers' attitude towards non-deceptive counterfeit mobile phones and negative effect on the purchase intentions of them. Buying of non deceptive counterfeits motivates consumers due to low price (Staake and Fleisch, 2008) because counterfeits are substitutes for those consumers who cannot pay for genuine brands. Counterfeits are preferred by consumers over branded products especially when they are accessible markedly at lower prices (Bloch et al. 1993; Gentryet al. 2 006 Ergin, 2010). (Chuchinprakarn 2003). Consumers prefer counterfeits over original brands especially when counterfeits are markedly available at lower prices (Bloch et al., 1993;

2014, Vol. 4, No. 3



Gentry et al., 2006; Ergin, 2010). We found that easy availability to non deceptive counterfeit mobile phones does not influence the consumer's attitude positively. Surprisingly the young generation of Bahawalpur showed a unique attitude for low price towards purchase intention of counterfeit mobile phones. Strangely, by rejecting the general past trend they showed that low price is no more a significant factor regarding purchase intention towards counterfeit mobiles.

For instance, the impact of easy access to counterfeits on consumers in Singapore is weaker than in Hong Kong (Moores and Dhillon, 2000; Moores and Dhaliwal, 2004). However, easy availability to non deceptive counterfeit mobile phones positively affects the consumer's purchase intentions of them. Easy availability of counterfeits and pirated products motivate consumers to buy them (Penz and Stottinger, 2005; Stumpf et al., 2011). Similarly, we found that the young consumer's positive attitude towards non deceptive counterfeit mobile phones have positive impact on the purchase intentions. It is supported by Yoo and Lee (2009) who found that the consumers' positive attitude towards counterfeits influence their purchase positive intentions positively. Since, past experience proved have the is relationship with attitude towards counterfeits, this finding is consistent with Ang et al. (2001) and De Matos et al. (2007). It is recognized now that consumers who had already bought some counterfeit in past have more positive attitude towards counterfeits.

Similarly, we found that the young consumer's positive attitude towards non-deceptive counterfeit mobile phones have reliable positive influence on the purchase intentions. It is supported by previous studies which found that the consumers, positive attitude towards counterfeits influence their purchase intentions positively. Past experience is proved to have the positive relationship with attitude towards counterfeits; and also reliable, this finding is consistent with Ang et al. (2001) and De Matos et al.(2007). It is recognized now that consumers who have already bought some counterfeit in past have more favorable attitude towards counterfeits.

### 6. Limitations and Future Research

It is important to note that due to limited resources, the existing study is limited to one city of Pakistan i.e. Bahawalpur and it could not be the demonstrative of the all citizens of Pakistan. Present study includes the very small sample size; the follow up researches may increase the sample size and can collect the data from various major cities of Pakistan like Lahore, Karachi and Islamabad. Useful sampling is used and the respondent are all from the same university as such result may not represent the intention of whole country, it can limit the likely of the conclusions. In this respect further research is clearly needed in order to enhance the understanding of purchase intention and purchase intention of consumers to buy counterfeit mobile phones.

### References

Frontier economics (2011). Estimating the global economic and social impacts of counterfeiting andpiracy: A report commissioned by business action to stop counterfeiting and piracy (BASCAP). 2011



(February), Frontier Economics Ltd, London

Bian, X., & Veloutsou, C. (2007). Consumers' attitudes regarding non deceptive counterfeit brands in the UK and China. Journal of Brand Management, 14 (February), 211222.

Ergin, E.A.(2010). The rise in the sales of counterfeit brands: the case of Turkish consumers. African

Journal of Business Management, 4(10), 21812186.

Chaudhry, P. E., Zimmerman, A., Peters, J. R., & Cordell, V. V.(2009). Preserving intellectual property rights: managerial insight into the escalating counterfeit market quandary. Business Horizons, 52(1), 5766.

Lee, SH., & Yoo, B. (2009). A review of the determinants of counterfeiting and piracy and the proposition for future research. The Korean Journal of Policy Studies, 24(1), 138.

Grossman, G. M., & Shapiro, C. (1988). Foreign counterfeiting of status goods. Quarterly Journal of Economics, 1(February), 79100.

Bamossy, G., & Scammon, D. L.(1985). Product counterfeit: consumers and manufacturer beware.

Advances in Consumer Research, 12, 334339.

Bloch, P. H., Bush, R. F., & Campbell, L. (1993). Consumer accomplices in product

counterfeiting: A demand-side investigation. Journal of Consumer Marketing, 10(4), 27-36.

Chaudhry, P.E. and Walsh, M.G. (1996), "An assessment of the impact of counterfeiting in international markets: the paradox persists", Columbia Journal of World Business, Vol. 31 No.

3, pp. 34-48.

Cordell, V.V., Wongtada, N. and Kieschnick, R.L. (1996), "Counterfeit purchase intentions: role of lawfulness attitudes and product traits as determinants", Journal of Business Research, Vol. 35, pp. 41-53.

Amine, L.S. and Magnusson, P. (2007), ""Cost-benefit models of stakeholders in the global counterfeiting industry and marketing response strategies"", Multinational Business Review,

Vol. 15, pp. 1-23.

Gentry, J. W., Putrevu, S., & Shultz II, C. J.(2006). The effects of counterfeiting on consumer search.



Journal of Consumer Behaviour, 5 (May/June), 245256.

Fishbein, M., & Ajzen, I. (1975). Belief, attitude, intention and behavior: An introduction to theory and research. Reading, MA: AddisonWesley.

Moores, T., & Dhillon, G. (2000). Software piracy: A view from Hong Kong. Communications of the ACM, 43(12), 8893.

Moores, T., & Dhaliwal, J. (2004). A reversed context analysis of software piracy issues in Singapore.

Information & Management, 41(8), 103742.

Dodge, H.R., Edwards, E.A., & Fullerton, S. (1996). Consumer transgressions in the marketplace:

consumers' perspectives. Psychology and Marketing, 13(8), 821835.

AlbersMiller, N.D.(1999). Consumer misbehavior: Why people buy illicit goods. Journal of Consumer Marketing, 16(3), 27387.

Prendergast, G., Chuen, L H., and Phau, I. (2002). Understanding consumer demand for non deceptive pirated brands. Marketing Intelligence & Planning, 20(7): 405416.

Staake, T., & Fleisch, E. (2008). Countering counterfeit trade: Illicit market insights, best practice strategies, and management toolbox, ISBN: 3540769463, Berlin: Springer.

Prendergast, G., Chuen, L. H., and Phau, I. (2002). Understanding consumer demand for non deceptive pirated brands. Marketing Intelligence & Planning, 20(7): 405416.

Stumpf, S.A., Chaudhry, P. E., & Perretta, L.(2011). Fake: Can business stanch the flow of counter feit products? Journal of Business Strategy, 32 (2), 412.

Gentry, J. W., Putrevu, S., & Shultz II, C. J.(2006). The effects of counterfeiting on consumer search.

Journal of Consumer Behaviour, 5 (May/June), 245256.

Gentry, J. W., Putrevu, S., & Shultz II, C. J.(2006). The effects of counterfeiting on consumer search.

Journal of Consumer Behaviour, 5 (May/June), 245256.

Haque, A., Khatibi, A., & Rahman, S.(2009). Factors influencing buying behavior of piracy products and its impact to Malaysian market. International Review of Business Research Papers, 5 (March), 383401.

Gino, F., Norton, M. I., & Dan, A.(2010). The counterfeit self: The deceptive costs of faking it.

Psychological Science, 21(5), 712720.



Fishbein, M., & Ajzen, I. (1975). Belief, attitude, intention and behavior: An introduction to theory and research. Reading, MA: AddisonWesley.

De Matos, C.A., Ituassu, T.C., & Rossi, C. A. V. (2007). Consumer attitudes toward counterfeits: a review and extension. Journal of Consumer Marketing, 24(1), 36-47.

Phau, I., & Teah, M. (2009). Devil wears (counterfeit) Prada: A study of antecedents and outcomes of attitudes towards counterfeits of luxury brands. Journal of Consumer Marketing, 26(1), 1527.

Rizwan, M., Jamal, M. N., Abidin, Z., Zareen, K. G., Khan, A., Farhat, B. & Khan, R. (2013) The determinants of Purchase Intentions towards Counterfeit Mobile Phones in Pakistan, *Asian Journal of Empirical Research*, 3(2), 220-236

Dodge, H.R., Edwards, E.A., & Fullerton, S. (1996). Consumer transgressions in the marketplace:

consumers' perspectives. Psychology and Marketing, 13(8), 821835.

Prendergast, G., Chuen, L. H., and Phau, I. (2002). Understanding consumer demand for non deceptive pirated brands. Marketing Intelligence & Planning, 20(7): 405416.

Ajzen, I., & Fishbein, M. (1980). Understanding attitudes and predicting social behavior. Englewood

Cliffs, NJ: PrenticeHall.

Ang, S.H., Cheng, P.S., Lim, E.A.C. and Tambyah, S.K. (2001), "Spot the differences:

consumer responses towards counterfeits", Journal of Consumer Marketing, Vol. 18 No. 3, pp.

219-35.

Gentry, J. W., Putrevu, S., & Shultz II, C. J.(2006). The effects of counterfeiting on consumer search.

Journal of Consumer Behaviour, 5 (May/June), 245256.

Penz, E., & Stottinger, B.(2005). Forget the "real" thing – take the copy: An explanatory model for the volitional purchase of counterfeit products. Advances in Consumer Research, 32, 568575.

Bejou, D. and Thorne, D. (1991), "Exploring the differences between recyclers and non recyclers; the roles of demographics and personal factors", Proceedings of the Southern

Bentler, P. and Speckart, G. (1979), "Models of attitude-behavior relations", Psychological Review, Vol. 86 No. 5, pp. 452-64.

Conner, M. and Armitage, C. (1998), "Extending the theory of planned behavior: a review



and avenues for further research", Journal of Applied Social Psychology, Vol. 28 No. 15, pp.

1429-64.

Rizwan, M., Asif, R. M., Hussain, S., Asghar, M., Hassan, M. & Javeed, U. (2013) Future of Green Products in Pakistan: An Empirical Study about Green Purchase Intentions, *Asian Journal of Empirical Research*, 3(2), 191-207