

# Attitudes and Purchase Intention Towards Counterfeiting Luxurious Fashion Products in Vietnam

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Received: September 25, 2015

Accepted: October 13, 2015

Online Published: October 25, 2015

doi:10.5539/ijef.v7n11p207

URL: <http://dx.doi.org/10.5539/ijef.v7n11p207>

## Abstract

The research aims to analyze factors affecting the attitudes toward counterfeiting luxurious fashion products, and attitudes' effect on the purchase intention of consumer. A survey was conducted with 585 individuals in Vietnam. The research used the method of EFA, multiple regression and testing difference and found 06 factors, such as brand image, social influence, price-quality inferences, Integrity, novelty seeking, status consumption, influence to attitudes toward counterfeiting luxurious fashion product. A positive correlation between attitudes and intention of purchase counterfeiting luxurious fashion product was also found. In addition, the research figured out the difference between attitude and purchasing intention of the consumer in monthly income, genders and types of companies.

**Keywords:** counterfeit product, luxury fashion product, attitudes, intention of purchase

## 1. Introduction

Nowadays, a trend of production, distribution and consumption of counterfeiting products from luxurious brand is growing at an alarming rate. Leaders, managers, designers across the globe have recognized the rapid growth of this trend, and then they come to a decision to work with Union international anti-counterfeiting organizations (IACC) and the Institute of ownership international intellectual (IIPI) to protect their designs from being copied (Norum & Cuno, 2011). Matos (2007) indicated that 5% of the global transaction is a transaction of counterfeit products. Researchers estimated that the total market trading in fake goods is more than 500 billion US dollars (Reuters, 2007). In 2010, total cargo traffic was 37.000 billion US dollars while the value of counterfeit goods was 2.000 billion US dollars. Korea Customs Service announced they seized 162.5 million US dollars worth of counterfeit goods, in which Channel brands got 23.5 million US dollars (Fashion United, 2006).

The consumer behavior of purchasing counterfeiting brings a big threat for the industry and damage effects upon our society as a result (Lysonski & Durvasula, 2008). According to estimates, every year the United States loses 250 billion US dollars, German 25 billion US dollars and 70,000 jobs because of counterfeiting (Plafker, 2004; cited by Nguyen & Tran, 2013).

Counterfeiting and fake luxurious brand fashion products appear more and more in Vietnam and the growth would have been even stronger and higher. Although the Vietnamese government has enacted the Law on Intellectual Property (which took effect from 6/2006), the guide implementation is taking a long-overdue. Nowadays, Vietnam is integrating into the global economy so infringing intellectual property is not allowed by the prohibition in international law and affects the Vietnamese's prestige. Vietnam has still been listed among the countries which have the highest degree of violation, and Vietnam has to face with the lawsuit of intellectual property infringement of clients and international organizations. The handling of intellectual property infringement law is way neither effective nor dissuasive compared to benefit obtained of those who make fake goods. Vietnam is an emerging market with large-scale market, counterfeiting is now an urgent problem for the Vietnamese government and businesses.

The remainder of this paper is organized as follows: The next section gives a brief literature review. Section 3 describes the research methodology, and Section 4 presents the research results. Finally, Section 5 concludes the paper and draws managerial implications.

## 2. Literature Review

Counterfeiting appears in two types: deceptive and non-deceptive counterfeiting. Deceptive counterfeit products are presented in the marketplace as being genuine with the intent to deceive the purchase (Penz & Stottinger, 2005). This research focused on non-deceptive counterfeit goods, which no intent to deceive the purchaser and their purchasing are entirely intentional. According to Cordell et al. (1996), counterfeiting products is “any unauthorized manufacturing of goods whose special characteristics are protected as intellectual property rights (trademarks, patents and copyrights) constitutes product counterfeiting.”

### 2.1 The Attitudes toward Counterfeiting

“Attitude” is “...a learned predisposition to behave in a consistently favorable or unfavorable manner with respect to a given object” (Schiffman & Kanuk, 1997). Meanwhile in Bagozzi et al. (2002) attitude is defined as reviews, it is “...a psychological tendency that is expressed by evaluating a particular entity with some degree of favor or disfavor”. The attitude is closely related with the intention of a person, it is a reasonable factor to predict that person's behavior (Ajzen & Fishbein, 1975). Therefore, the attitude of consumers against counterfeiting goods is supported, then most likely they will have the intention of buying it and vice versa (Nordin, 2009).

### 2.2 Intention to Purchase Counterfeiting

According to Fishbein and Ajzen (1975), intending to buy is the decision to act or psychological status representing for the awareness of individual participants and a particular behaviour. According to the Theory of Planned Behavior (TPB) of Ajzen (1991), the purchasing behavior of consumers is measured by intentions of purchasing, whereas the intention of buying is measured by the attitude of consumers according to the Theory of Reasoned Action (Ajzen & Fishbein, 1975). Although performing an act of buying also need to have other elements of the opportunities or resources such as money or the accessibility of goods, the intention is the major measurement factors for purchasing behavior of consumers (Phau & Teah, 2009).

### 2.3 Brand Image and Attitudes

Brand image is “consumer’s perception of the brand” (Aaker, 1996), in other words it is the way that brand exists in consumers’s mind (Nguyen & Tran, 2013). Brand image significantly contributed to the decision to buy or not to buy that brand personally (Bian & Moutinho, 2011). Phau et al. (2009) also indicate if luxurious goods on which consumers know about its brand and reputation, they will tend to favor its counterfeiting. However the survey data hasn't proved it yet. In high fashion field, the better the product image is, the more helpful it would be to strengthen consumers willingness to purchase its counterfeiting (Nguyen & Tran, 2013). Therefore, the hypothesis H1 is proposed:

*Hypothesis H<sub>1</sub>: Brand image has a positive significant influence on favorable attitudes toward counterfeiting luxurious fashion product.*

### 2.4 Social Influence and Attitudes

Consumers often refer groups and consulting before making their purchasing behavior. Reference groups have potential in forming a person attitudes or behavior in goods and its brand name (Bearden & Etzel, 1982). Social factors also impact the buying behavior of consumers (Ang et al., 2001). Consumer's choice is influenced by others whether they acknowledge about it or not, on the other hand, consumers are interested in impressing or influencing others (Ang et al., 2001). According Phau et al. (2009), consumers have supportive attitudes if their friends or relationships around them supporting it and vice versa. Nguyen Van Phuong and Tran ThiBaoToan (2013) found a positive relationship of social influence to favorable attitudes toward counterfeiting fashion products. H2 hypothesis is proposed:

*Hypothesis H<sub>2</sub>: Social influence has a positive influence on favorable attitudes toward counterfeiting luxurious fashion product.*

### 2.5 Price-Quality Inference and Attitudes

To have the inferences from the price-quality, consumers consider price as “light” then they perceive that a higher price will reflect good materials and better skills, so in this situation the price will play an important role for their purchasing intention (Lichtenstein et al., 1988). However, when they feel that their high cost consuming expense is not as equal quality as they expected, they accept other products with lower rates (Lichtenstein et al., 1988). Consumers believe that “high prices, good quality” and “low prices, poor quality”, this is precisely the inference of consumers from the price-quality (Huang et al., 2004).

Huang et al. (2004) proved that the more consumers understand the theory “they will get exactly what they paid”, the less they supported counterfeit. Research of Phau et al. (2009) found that inference from price-quality has a

strong impact and negative to favorable attitudes toward counterfeiting. Hypotheses H3 is set as follows:

*Hypotheses H<sub>3</sub>: Price-quality inference has a negative influence on favorable attitudes toward counterfeiting luxurious fashion product.*

#### *2.6 Integrity and Attitudes*

Integrity has a strong effect on purchase intention (Ang et al., 2001; Matos et al., 2007; Phau & Teah, 2009). Integrity is determined by personal ethical standards and obedience toward law. If consumers view integrity as crucial, the chances of them viewing counterfeits of luxurious brands in a positive light would be much smaller (Ang et al., 2001). Consumers, who are lawfulness or legality when using counterfeits good, will have more intention to purchase counterfeits. In other words, integrity showed to be a significant predictor of consumers', they willingness to pay more for purchase genuine goods. (Nordin, 2009). Ang et al. (2001) found a negative effect of integrity to favorable attitudes toward counterfeits. Matos et al. (2007) also found the reverse impact of integrity to favorable attitudes toward counterfeits of consumers in Brazil. Consumers have integrity is as high as it had favorable attitudes toward counterfeits (Phau & Teah, 2009). H4 hypothesis is proposed:

*Hypotheses H<sub>4</sub>: Integrity has a negative influence to favorable attitudes toward counterfeiting luxurious fashion product.*

#### *2.7 Novelty Seeking and Attitudes*

The new favorite is people's curiosity in search of diversity and difference (Wang et al., 2005). Consumers seek novelty (try to use new goods) is the following strong influence factor after price (due to genuine is too expensive) (Cheng et al., 1997; Wang et al., 2005). For fashion products, there are many factors affecting buying behavior of consumers, in particular to trend or change, consumers quickly forget the product and want novelty (Yoo & Lee, 2009). Consumers follow fashion trends, and always look for the latest products, from which they tend to choose and buy counterfeit goods for more reasonable prices (Nordin, 2009). For updated fashion consumers, the more they like new trend, the higher they support to counterfeit goods (Harun et al., 2012). Hidayat and Diwasasri (2013) found a positive relationship between the new favorite of consumers and their attitudes toward pro fakes. Hypothesis H5 is set as follows:

*Hypothesis H<sub>5</sub>: Novelty seeking has a positive influence on favorable attitudes toward counterfeiting luxurious fashion product.*

#### *2.8 Status Consumption and Attitudes*

Consumers buy products high fashion to express class and individual images. it is like being shown "how others see me" (Yoo & Lee, 2009). The present status of consumer is defined as a group of people to express their prestige, and to influence others by using certain brands. When a person has a status, which means that people have a certain position in society, and may be jealous by someone else (Phau & Teah, 2009). Those consumers who have lower status, they have an idea of buying counterfeit goods to present a higher position (Budiman, 2012). Phau and Teah (2009) have found a positive effect of status of consumers to attitudes and intention to purchase toward counterfeiting product of consumers. Hypothesis H6 is set as follows:

*Hypothesis H<sub>6</sub>: Status of consumers has a positive influence on favorable attitudes toward counterfeiting luxurious fashion product.*

#### *2.9 Attitudes and Intention to Purchase Toward Counterfeiting Luxurious Fashion Product*

Attitude is a factor to predict intentions and behavior of consumers (Fishbien & Ajzen, 1975; Ajzen, 1991). Although attitudes toward behavior are recognized as a predictor of consumer behavior better than attitudes toward the product (Fishbien & Ajzen, 1975; Ajzen, 1991), but the attitude toward counterfeit goods is also seen as a factor has an important influence to the idea of buying counterfeit goods (Phau & Teah, 2009). Counterfeit is financial risk, however, if it meets the expectations and satisfies the needs of consumers, it can also feel satisfied when using. So the attitude toward counterfeit goods is an vital factor to predict the intention of buying counterfeit goods, especially for luxurious fashion brands (Nordin, 2009). There is a positive relationship between favorable attitudes and intention to purchase toward counterfeiting goods (Ang et al. 2001; Huang et al., 2004; Matos et al., 2007; Phau & Teah, 2009; Nguyen & Tran, 2013). Hypothesis H7 is set as follows:

*Hypothesis H<sub>7</sub>: Favorable attitudes has a positive influence on intention to purchase counterfeiting luxurious fashion product.*

### 3. Methodology and Research Model

#### 3.1 Methodology

The research is a combination of both quantitative and qualitative data. Qualitative research did directly interview ten consumers over 18 years old, to adjust the scale for quantitative research. Qualitative's data is collected through surveyed questionnaires.

Five pointlikert scale "1-Totally disagree", "2-Disagree", "3-Neutral", "4-Agree", "5. Totally agree" is used to measure observed variables in each factor.

#### 3.2 Research Model

To study factors that influence attitudes toward counterfeiting luxury, this research will analyze the impact of factors of two groups: factors that influences from outside and inside of consumer: i) Outside individual factors: Brand image; Social influence; ii) Inside individual factors: Price-quality inference; Integrity; Novelty seeking; Status consumption.

The research will analyze the degree of influence of these factors on the attitude toward counterfeiting luxurious fashion products, then explore the influence of attitudes on intentions to purchase luxurious fashion products of consumers in Vietnam. The proposed model is as follows:

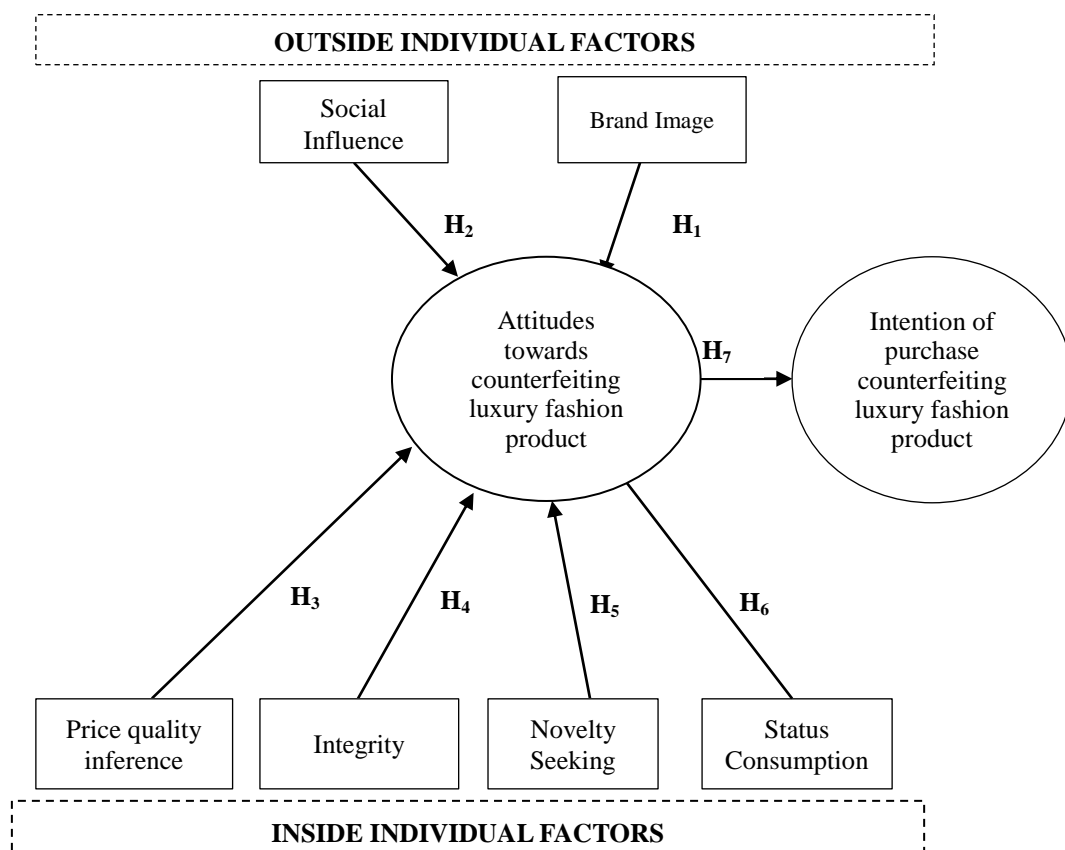


Figure 1. Proposed research model

### 4. Results

There are 703 questionnaires generated and collected, after sorting out unsatisfied forms due to lack of information, the remaining 585 valid questionnaire forms (83.2%) used to analyze this data.

## 4.1 Statistics

Table 1. Descriptive statistics

		Frequency	%
Genders	Male	248	42.4
	Female	337	57.6
<b>Total</b>		<b>585</b>	<b>100%</b>
Age	18-30 years old	284	48.5
	31-40 years old	163	27.9
	41-50 years old	118	20.2
	>51 years old	20	3.4
<b>Total</b>		<b>585</b>	<b>100%</b>
Marital status	Single	334	57.1
	Marrried	251	42.9
<b>Total</b>		<b>585</b>	<b>100%</b>
Monthly income	<10 millions VNĐ	116	19.8
	10-20 millions VNĐ	320	54.7
	20-30 millions VNĐ	97	16.6
	> 30 millions VNĐ	52	8.9
<b>Total</b>		<b>585</b>	<b>100%</b>
Education	Intermediate - Junior college	12	2.1
	College	447	76.4
	Postgraduate	126	21.5
<b>Total</b>		<b>585</b>	<b>100%</b>
Employer	Limited Liability Company	109	18.6
	Join Stock Company	146	25.0
	Private Company	88	15.0
	Foreign investment company	102	17.4
	Government section	140	23.9
<b>Total</b>		<b>585</b>	<b>100%</b>

*Genders:* In the sample, the majority of the respondents are female, accounting for 57.6%. Male accounting for 42.4%.

*Age:* Respondents, who aged from 18-30 years old, account for 48.5%; from 31 to 40 years old account for 27.9%; from 41-50 years old account for 20.2%; and over 51 years old account for 3.4%.

*Education:* A large percentage of the respondents has graduated from college with 76.4%, 21.5% are postgraduate, and 2.1% are intermediate-junior college level.

*Employer:* Respondents worked in many types of enterprises. The majority of the respondents worked in Join Stock company with 25%, Government section with 23.9%, Limited Liability Company with 18.6%, Private Company with 15.6% and Foreign investment Company with 17.4%.

*Monthly Income:* The demographic summary also reported 54.7% of the respondents have the monthly income between 10–20 million VNĐ while there're only 116 respondents who have the monthly income lower than 10 million VNĐ, accounting for 19.8%. The respondents have monthly income between 20-30 million VNĐ accounting for 16.6% and higher 30 million VNĐ accounting for 8.9%.

Table 2. Descriptive statistic of quantitative variables

	<b>Content</b>	<b>Min</b>	<b>Max</b>	<b>Mean</b>	<b>Standard Deviation</b>
<b>Brand Image</b>					
TH1	I'm especially concerned about the impression that I make on others.	1	5	3.31	0.904
TH2	Physical appearance and fashions are very important to me.	1	5	3.26	0.930
TH3	I'm rather sensitive to interpersonal rejections.	1	5	3.32	0.865
TH4	I feel confident when wearing famous brands product.	1	5	3.17	0.931
TH5	I believe that fashion product increases my value.	1	5	3.30	0.902
TH6	Fashion product can bring me prestige.	1	5	3.16	0.906
TH7	Fashion product can make me attract other people's attention.	1	5	3.18	0.936
<b>Social Influence</b>					
XH1	My best friends and relatives buy counterfeit luxurious fashion products.	1	5	3.44	0.884
XH2	People around me buy counterfeit luxurious fashion products.	1	5	3.30	0.904
XH3	My best friends and relatives usually use counterfeit luxurious fashion products.	1	5	3.38	0.880
XH4	People around me encourage me to buy counterfeit luxurious fashion products.	1	5	3.19	0.891
XH5	It is acceptable in my society to buy counterfeit of luxurious brand products.	1	5	3.31	0.941
XH6	In this society, it is difficult to distinguish between genuine and counterfeit products in luxurious fashion.	1	5	3.48	0.774
<b>Price quality inference</b>					
SL1	Generally, the higher the price of a product, the higher the quality.	1	5	2.48	0.920
SL2	The price of a product is a good indicator of its quality.	1	5	2.58	0.830
SL3	You always have to pay a bit more for the best.	1	5	2.70	0.858
<b>Integrity</b>					
CT1	I consider honesty as an important quality for one's character.	1	5	3.34	0.862
CT2	I consider very important that people be polite.	1	5	3.42	0.773
CT3	I admire responsible people.	1	5	3.32	0.837
CT4	Self-esteem is an important characteristics.	1	5	3.23	0.850
<b>Novelty Seeking</b>					
MM1	I want I am always the first one to try new fashion products.	1	5	3.09	0.965
MM2	I am excited to purchase some interesting fashion products.	1	5	3.62	0.844
MM3	I own a lot of popular fashion products.	1	5	3.05	0.926
MM4	I keep up with fashion.	1	5	3.62	0.827
MM5	I like the newness of my fashion.	1	5	3.20	0.892
<b>Status Consumption</b>					
DV1	I am interested in new products with my status.	1	5	3.34	0.843
DV2	I would buy a fashion product just because it has status.	1	5	3.43	0.817
DV3	I would pay more for a fashion product if it had status.	1	5	3.32	0.846
DV4	I am interested in fashion product's status.	1	5	3.35	0.864
DV5	A product is more valuable to me if it has 'high status'.	1	5	3.38	0.860
<b>Attitudes toward counterfeiting luxurious fashion product.</b>					
TD1	I prefer counterfeit of luxurious brand fashion product's market.	1	5	3.41	0.859
TD2	Generally speaking, buying counterfeit of luxurious brand fashion product's market is a better choice.	1	5	3.29	0.882
TD3	Buying in counterfeit of luxurious brand fashion product's market generally benefits the consumer.	1	5	3.47	0.945
TD4	Counterfeit luxurious fashion products provided similar functions to the genuine products.	1	5	3.23	0.815
TD5	Counterfeit luxurious fashion products have similar quality to the genuine products.	1	5	3.37	0.822
TD6	Counterfeit luxurious fashion products are as reliable as the genuine products.	1	5	3.33	0.864
TD7	It is acceptable to buy counterfeit luxurious fashion products.	1	5	3.37	0.898
<b>Intention of purchase counterfeiting luxurious fashion product.</b>					
YD1	I intend to purchase counterfeit luxurious fashion products.	1	5	3.50	0.822
YD2	I think about a counterfeited of luxurious brand fashion product as a choice when buying something.	1	5	3.38	0.914
YD3	I buy counterfeit luxurious fashion products if I think genuine designer products are too expensive.	1	5	3.41	0.864

YD4	I recommend to friends and relatives that they buy a counterfeited luxurious fashion product.	1	5	3.29	0.846
YD5	I say favorable things about counterfeited luxurious fashion products.	1	5	3.47	0.870
YD6	When purchasing luxurious fashion, I will choose counterfeited products.	1	5	3.43	0.897
YD7	As financial conditions, I will continue to buy counterfeit luxurious fashion products.	1	5	3.34	0.956

*Brand Image:* According result in Table 2, TH3 has maximum mean value (3.32), while TH6 has minimum mean value (3.16). So, the consumer prefer receiving praise for their fashion, but don't feel that fashion can bring them credibility.

*Social influence:* XH6 has the maximum mean value (3.48) and XH2 has the minimum mean value (3.19). Therefore, consumer hard to distinguish between genuine and counterfeit products in luxurious fashion and not usually receive some advice for buying counterfeit luxurious fashion.

*Price quality inference:* Generally, mean value of this factor is at low level. SL3 has the maximum mean value (2.70) and SL1 has the minimum mean value (2.48). So, consumer willingness to pay more for the best but don't agree that "higher price-higher quality".

*Integrity:* CT2 has the maximum mean value and CT4 has the minimum mean value (3.23). It can show that the consumer has a high appreciation with self-esteem.

*Novelty seeking:* MM2 and MM4 has the maximum mean value (3.62) and MM3 has the minimum mean value (3.05). Consumers keep up with fashion and interested in buying new fashion products but they are not the owner of many popular fashion products.

*Status Consumption:* This factor has 05 observed variables. DV2 has the maximum mean value (3.43), while DV3 has minimum mean value (3.32). Consumers are interested in status of fashion product and want to have higher status via status of fashion product, but they don't want to pay more for a fashion product, which have status.

*Attitudes toward counterfeiting luxurious fashion product:* TD3 has the maximum mean value (3.23), while TD4 has the minimum mean value (3.23). Although consumers think that counterfeit don't have similar functions to the genuine products, they feel beneficial when buying counterfeit fashion product.

*Intention of purchase counterfeiting luxurious fashion product:* This factor has 07 observed variables. YD1 has the maximum mean value (3.50), while YD4 has the minimum mean value (3.29). Therefore, consumers intent to buy counterfeit fashion product, but they don't ready to recommend their friend and relatives. Specially, YD7—"As financial conditions, I will continue to buy counterfeit luxurious fashion products", which has the mean value with low level (3.34), showed that consumer would not continue to buy counterfeit luxurious fashion products.

#### 4.2 Cronbach's Alpha

Cronbach's alpha coefficient of the scale of "brand image" factor is qualified at 0.873; in addition, correlation coefficients are all qualified at above 0.3, thus all 7 observed variables will be added into EFA for analysis. The scale of "social influence" contains variable XH6 whose total correlation coefficient of variables is 0.165 below 0.3; then this observed variable will be removed. Consequently, the Cronbach's Alpha of that scale becomes qualified at 0.802, and correlation coefficients of the other variables are all more than 0.3; those other variables will, thus, be added into EFA for analysis.

All Cronbach's Alpha coefficients of other variables—"price-quality inference", "integrity", "novelty seeking", "status consumption", "Attitudes toward counterfeited luxurious fashion product", and "Intention of purchase counterfeiting luxurious fashion product"—alternatively are: 0.714, 0.758, 0.751, 0.802, 0.793, 0.773 which are all more than 0.7; all of the observed variables measuring these factors achieve a total correlation coefficient of variables above 0.3. Therefore, those variables measure the above factors, as shown in Table 3, are all qualified to be added into EFA.

Table 3. Cronbach's Alpha coefficients of variables in the model

Variable	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted	Cronbach's Alpha
<b>Brand Image</b>			
TH1	0.679	0.851	
TH2	0.749	0.841	
TH3	0.673	0.852	
TH4	0.602	0.862	0.873
TH5	0.690	0.850	
TH6	0.638	0.857	
TH7	0.535	0.870	
<b>Social influence</b>			
XH1	0.618	0.753	
XH2	0.569	0.769	
XH3	0.544	0.776	0.802
XH4	0.577	0.766	
XH5	0.615	0.754	
<b>Price-quality inference</b>			
SL1	0.496	0.674	
SL2	0.582	0.567	0.714
SL3	0.525	0.633	
<b>Integrity</b>			
CT1	0.469	0.749	
CT2	0.498	0.730	
CT3	0.739	0.594	0.758
CT4	0.532	0.714	
<b>Novelty seeking</b>			
MM1	0.550	0.694	
MM2	0.444	0.731	
MM3	0.609	0.670	0.751
MM4	0.403	0.744	
MM5	0.575	0.685	
<b>Status consumption</b>			
DV1	0.666	0.739	
DV2	0.484	0.794	
DV3	0.762	0.707	0.802
DV4	0.632	0.749	
DV5	0.405	0.819	
<b>Attitudes toward counterfeit luxurious fashion product</b>			
TD1	0.567	0.758	
TD2	0.515	0.768	
TD3	0.520	0.768	
TD4	0.473	0.776	0.793
TD5	0.513	0.769	
TD6	0.549	0.762	
TD7	0.517	0.768	
<b>Intention of purchase counterfeiting luxurious fashion product</b>			
YD1	0.529	0.739	
YD2	0.574	0.728	
YD3	0.600	0.724	
YD4	0.437	0.756	0.773
YD5	0.526	0.739	
YD6	0.406	0.763	
YD7	0.410	0.764	



### 4.3 Exploratory Factor Analysis (EFA)

The study conducted the EFA for the factors affect to attitudes toward counterfeit luxurious fashion product. After the 1<sup>st</sup> and 2<sup>nd</sup> implementation, variables TH7, MM2, MM4, DV2 are removed since their load factor are lower than 0.5. The KMO coefficient from the 3<sup>rd</sup> time was qualified at 0.894, and level of significance of Barlett's test was qualified at 0.000.

Table 4. Result of exploratory factor analysis EFA

Number of implementation	Removed variables	KMO coefficient	Significance of Barlett's test
1 <sup>st</sup>	TH7. MM2. MM4	0.904	0.000
2 <sup>nd</sup>	DV2	0.895	0.000
3 <sup>rd</sup>		0.894	0.000

Component	Component					
	1	2	3	4	5	6
Brand image	TH2	0.798				
	TH5	0.774				
	TH1	0.756				
	TH3	0.706				
	TH6	0.698				
	TH4	0.579				
Social influence	XH1		0.767			
	XH5		0.708			
	XH2		0.639			
	XH4		0.630			
	XH3		0.599			
Status consumption	DV4		0.813			
	DV3		0.773			
	DV1		0.611			
	DV5		0.584			
Integrity	CT3			0.840		
	CT2			0.789		
	CT4			0.657		
	CT1			0.656		
Novelty seeking	MM1				0.748	
	MM3				0.703	
	MM5				0.679	
Price-qualityinference	SL2					-0.806
	SL3					-0.703
	SL1					-0.672
Eigenvalues	8.006	2.352	1.678	1.320	1.177	1.108
% of Variance	32.022	9.410	6.710	5.279	4.708	4.431
% Cumulative	32.022	41.432	48.142	53.421	58.129	62.560

### 4.4 Regression Analysis

After conducting the EFA, all factors are tested in regression model.

*Attitudes toward counterfeit luxurious fashion product model:* According to result in table 5. Adjusted R<sup>2</sup> get value 53.7%. this mean 53.7% of "Attitudes toward counterfeit luxurious fashion" can be explained by independents variable in this model.

Table 5. Attitudes toward counterfeit luxurious fashion product model

Model	Unstandardized Coefficients	Standardized Coefficients	t	Sig.	VIF
	B	$\beta$			
Constant	0.932		7.802	0.000	
Integrity	-0.099**	-0.107	-3.459	0.001	1.213
Novelty seeking	0.085**	0.109	3.038	0.002	1.625
Brand Image	0.187**	0.227	6.155	0.000	1.718
Status Consumption	0.274**	0.316	8.826	0.000	1.617
Social influence	0.229**	0.265	6.948	0.000	1.833
Price-quality inference	-0.058*	-0.069	-2.052	0.041	1.434
R		0.736			
R <sup>2</sup>		0.541			
Adjusted R <sup>2</sup>		0.537			
F (Anova)		113.726			
Sig. (Anova)		0.000			
Durbin-Watson		1.708			

Dependent Variable: Attitudes toward counterfeit luxurious fashion product.

\*\* : significant at the 0.01 level; \* : significant at the 0.05 level.

F value = 113.727 with sig = 0.000. so multi-variate regression model is qualified. “Integrity” and “Price-quality inference” are statistically significant and negative correlation to Attitudes toward counterfeit luxurious fashion product; the other independent variables are positive to dependent variable.

*Intention of purchase counterfeiting luxurious fashion product model:* According to Table 6. R<sup>2</sup> is 50.4%. that mean 50.4% of Intention of purchase counterfeiting luxurious fashion product can be explained by Attitudes toward counterfeit luxurious fashion product.

Table 6. Intention of purchase counterfeiting luxurious fashion product model

Model	Unstandardized Coefficients	Standardized Coefficients	t	Sig.	VIF
	B	$\beta$			
Constant	1.037		10.527	0.000	
Attitudes toward counterfeit luxurious fashion product	0.706**	-0.711	24.395	0.000	1.000
R		0.711			
R <sup>2</sup>		0.505			
Adjusted R <sup>2</sup>		0.504			
F (Anova)		595.103			
Sig. (Anova)		0.000			
Durbin-Watson		1.446			

Dependent Variable: Intention of purchase counterfeiting luxurious fashion product.

\*\* : significant at the 0.01 level.

F value is 595.103.with sig. = 0.000.therefore regression model is qualified. Attitudes toward counterfeit luxurious fashion product is statistically significant and positive correlation to Intention of purchase counterfeiting luxuriousfashion product.

#### 4.5 Results Discussions

*Brand image affect on the attitudes toward luxurious fashion product.*”Brand image”, which has sig.= 0.000 (at 1% level); and  $\beta_1$  value is 0.227>0, proving that theory H<sub>1</sub> is accepted.

Brand image is “consumer’s perception of the brand” (Aaker, 1996); in other words, it is how a brand can exist in consumers’ mind (Nguyen V& Tran, 2013). The results of this research is similar to those of Nguyen Van Phuong and Tran ThiBaoToan’s (2013) at a point that both regression analysis results show the positive impact of “brand image” to consumers’ support to counterfeiting luxurious fashion products. This consequence can be explained as follows: Viet Nam is a developing country; consumer average income is basically not high enough

to spend on luxurious fashion products. According to the research, the more reputations those products have, the higher desire the consumers have to own them. That habit and desire of purchasing luxurious brand products while income is not sufficient leads to the trend of supporting and having more intention to buy counterfeits. Besides, having well-known brand products will also increase the impression and attention from others, thus further boosting that trend.

*Social influence affect on the attitudes toward counterfeiting luxurious fashion product.* "Social influence" statistical meaning is at 1% (sig.= 0.000); and  $\beta_2$  value is 0.265>0, proving that theory H<sub>2</sub> is accepted.

Social influence is external influences—including society, friends, families, and surrounding people—on consumers. Previously, Ang and ctg (2001), Nordin (2009), Phau and ctg (2009) researches shows the positive impacts of social influence to the favor attitudes toward counterfeits. In Viet Nam, Nguyen Van Phuong and Tran Thi Bao Toan (2013) research also found out similar result. The same outcomes also applies to this research. Counterfeits, especially from luxurious fashion products, is emerging in Vietnamese market. Consumers can find various counterfeits from various brands with similar logos and designs with the genuine products. Even though Viet Nam is improving its laws and regulations to prevent counterfeit products, there is still no punishment for consuming them. Consumers are heavily influenced from families, friends, colleagues. When they see others use counterfeits, receive advice from them, are offered choices, or use counterfeits, they listen to them as well as continue to support counterfeiting luxurious fashion products.

*Price-quality inference affect on the attitudes toward counterfeiting luxurious fashion product.* "Price-quality" statistical meaning is at 5% (sig.= 0.041); and  $\beta_3$  value is -0.069<0, proving that theory H<sub>3</sub> is accepted.

"Price-quality inference" mentions consumers' trust and awareness of "high price-high quality" and "low price-low quality". Similarly to Huang and ctg (2004), Matos and ctg (2007), Phau and ctg (2009) researches, this work also found the negative impact of this inference to the attitudes toward counterfeiting luxurious fashion products. However, according to the result, this impact is rather low. In terms of normal commodity, consumers are aware that high quality products usually have higher price. Thus, they can choose the products with quality appropriate to their income. That applies to genuine fashion products and counterfeits as well: consumers are aware that genuine products with high quality will absolutely have much higher price accordingly, and that the low price counterfeits always have lower quality. This fact discourages them to support the counterfeiting products because they also want to own the best quality goods. The reason why, despite that fact, this impact is rather low to the attitudes toward the counterfeiting fashion products in Vietnam is that consumers still accept low quality counterfeits since they are more affordable to their income.

*Integrity affect on the attitudes toward counterfeiting luxurious fashion product.* "Integrity" statistical meaning is at 1% (sig.= 0.001); and  $\beta_4$  value is -0.107<0, proving that theory H<sub>4</sub> is accepted.

Integrity includes other virtues, such as honesty, responsibility, etiquette, and self-esteem. Previous researches in other countries, including those of Ang and ctg (2001), Matos and ctg (2007), Phau and Teah (2009), or Nordin (2009), has proved that the higher integrity, the less likely consumers will support counterfeiting products. This research also found the similar negative impact in Vietnamese market. This factor has the strongest negative relation. For instance, honest consumers feel that counterfeits are cheating to both genuine manufacturers and them. In addition, people who live and work responsibly try to fulfill their responsibility in their job, cultural and social economy development. In their view, supporting counterfeiting products is considered irresponsible to the national development. Besides, people with high etiquette and self-esteem considered consuming counterfeits while the whole world is criticizing this particular industry, especially in luxurious fashion products, is unacceptable. Feeling lack of politeness and self-esteem buying them, those consumers will less likely to support this type of product. That explains why people who having those virtues, as known as integrity, express negative attitudes toward counterfeiting luxurious fashion products.

*Novelty seeking affect on the attitudes toward counterfeiting luxurious fashion product.* "Novelty seeking" statistical meaning is at 1% (sig.= 0.002); and  $\beta_5$  value is -0.109<0, proving that theory H<sub>5</sub> is accepted.

"Novelty seeking" is one's curiosity looking for variance and differentiation. Consumers always follow fashion trend and look for the newest products. Phau and Teah (2009) was the first one analyzing this factor impact to the consumers' attitudes toward counterfeiting products, but no relation was found. However, Nordin (2009) has found the positive impact of this factor later in Malaysia market. This research confirms to that result by proving that positive impact of the "novelty seeking" factor. In the fashion industry, there are various styles whose trends are always changing. Therefore, consumers who are in favor of freshness in their style and costume always update the most current fashion trend. Luxurious fashion brands are always the first ones leading in fashion trends; thus their products are usually updated, and so do the counterfeits. This particular type of consumers,

whose income is not considerably high, will try to have products with similar design in famous brand logo, and have a positive attitudes toward counterfeiting luxurious fashion products.

*Status consumption affect on the attitudes toward counterfeiting luxurious fashion.* "Status consumption" statistical meaning is at 1% (sig.= 0.000); and  $\beta_6$  value is  $0.316 < 0$ , proving that theory  $H_6$  is accepted.

Status consumption is the desire to express social status. Phau and Teah (2009) has found the positive impact of this factor to the attitudes toward fashion counterfeits. This research also shares this similarity found in consumers' behaviors in HCM city. This factor shows the most positive relation. In most consumers' opinions in Vietnam, luxurious fashion products are not affordable, thus for only high consumption status consumers to purchase. Not having a high average income, spending money on those products is a significant decision. Therefore, to some consumers who have the desire to express a higher status, counterfeits are very attractive to them. One of the results also confirm this by showing that consumers whose income is above 30 millions VND/month have less intention to buy or support counterfeiting products than people who earn less than 10 millions VND/month. Consequently, expression of consumption status contributes to the positive attitudes toward counterfeiting products in Ho Chi Minh city. In addition, since lower income consumers, whose status is considerably lower than those of target market of luxurious brand products, have great desire to increase their status, this factor influences the most to the support of the trend.

*Attitudes affect on the purchase intention toward counterfeiting luxurious fashion.* The "attitudes toward counterfeiting luxurious fashion products" statistical meaning is at 1% (sig.= 0.000); and  $\beta_7$  value is  $0.711 < 0$ , proving that theory  $H_7$  is accepted.

Attitudes measures the support/unsupport of consumers to toward counterfeiting luxurious fashion products. Previous researches such as Ang et al. (2001), Huang et al. (2004), Matos et al. (2007), Phau and Teah (2009), Phau et al. (2009), Nguyen Van Phuong and Tran Thi Bao Toan (2013), and Trinh Viet Dung (2014) showed the positive impact the supportive attitudes to the purchase intention. This research confirms the accuracy of previous models and researches, and demonstrates the highly positive relation of the two factors in Vietnamese market. Attitudes may be used to forecast the intentions and behaviors of consumer (Fishbein & Ajzen, 1975; Ajzen, 1991). The more supportive attitudes, the more likely consumers will buy counterfeiting luxurious fashion products in Vietnam.

*The differences of attitudes and purchase intention to counterfeiting luxurious fashion products between different groups of consumers.*

*Gender:* Different gender has different level of attitudes and intention. Particularly, female consumers have more supportive attitudes than male, thus more intention to buy those counterfeits. The reason is that women are more sensitive and demanding to fashion.

*Monthly Income:* The results show a difference about attitude between consumers whose monthly income is above 30 millions VND/month and those whose monthly income is below 10 millions VND/month. Moreover, the higher income (above 30 millions VND/month) group has less intention of purchase toward counterfeiting luxurious fashion products than lower group (10-20 millions VND/month and below 10 millions VND/months). This group can spend more for their curiosity, desire of owning genuine products, gain higher status, acquire self-esteem, thus have less support and intention to purchase counterfeiting products.

*Employer:* According to the results, employees in foreign investment company have less support to counterfeiting luxurious fashion products than those in Limited Liability Company or government section. The working environment explains this difference. The former employees consider using counterfeits as cheating, irresponsible, and lack of self-esteem. Plus, the positive relations of "novelty seeking", "social influence", and "status of consumer" less affect to the supportive attitudes toward counterfeiting luxurious fashion products. In addition, those employees usually have higher income, so they are more likely to purchase a genuine product.

## 5. Conclusions and Recommendations

### 5.1 Conclusions

The research was conducted in two phases: preliminary research by qualitative method and formally research by quantitative method. Qualitative research was conducted using data from face-to-face interviews with 10 consumers older than 18 years old. Quantitative research was conducted through data from 585 individuals. All data was being cleaned, evaluated, and processed using SPSS 22. The results show six factors affecting the attitudes toward counterfeiting luxurious fashion products: brand image, social influence, novelty seeking, status consumption, price-quality inference, and integrity. The first four factors have positive relations to the supportive attitudes. The highest impact factor is expression of consumption status; social influence factor is following; and

the last one is novelty seeking. In the other hand, integrity and price-quality inference describe a negative relation to that attitudes; in details, the integrity factor shows higher impact. Regression analysis result also confirms that supportive attitudes strongly adds to the intention of buying those counterfeiting products.

### 5.2 Recommendations

From outside individual factor group, including social influence and brand image, both have strong impact to support to counterfeiting luxurious fashion products. Regarding inside individual factor group, according to this research, managers need to make moves to change consumers' awareness, thus adjust to more appropriate consumption following regulations, society, and their own income.

According to experience from other countries, entrepreneurs–patent owners–play an important role in implementation. Intellectual property regulations in Vietnam it is business owners' rights and responsibility for coordinating with law enforcement authorities. Collaboration between entrepreneurs–managers, business owners, distribution representatives of luxurious fashion products in particular–needs to be more forceful in fighting against counterfeits. In details:

- Avoid loose management, monitor goods consumed, providing clear agency information to consumers.
- Manufacturers should propose to law makers to penalize both suppliers and consumers of counterfeiting products, thus prevent that type of product from flowing in the market.
- Brand managers could make more community activities, more social responsibility programs, etc. in order to attract more consumers. At the moment, they can spread more information of oenalty cases to gain more supports from society against counterfeiting products.
- Spreading more advertisements how to differentiate genuine and counterfeiting products. It would probably be easier for consumers to differentiate between original products and counterfeits.
- Manufacturer of origin branded products should design products containg rare and high quality materials, associated with value and brand, thus making it more difficult to counterfeit them.
- Recalculate the price base on adjusting their cost and profit, so the customer will not feel that they are buying too expensive goods.
- Conducting customer service which is impossible for counterfeit manufacturers to copy, such as: life-time guarantee, exchanging new products with old products, preference membership, etc.
- Manufacturers, managers should create competitive advantages by focusing on style, design, quality, and unique appearance. Product creativity makes consumers too eager to wait for counterfeits to be made and sold. Besides, manufacturing a limited quantity might increase product's value in consumers' view.

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