THE ROLE OF CONSUMERS ATTITUDE IN PURCHASE OF COUNTERFEIT PRODUCTS IN INDIA

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ABSTRACT

In the present day, modern business seems to be complex and a greater degree of difficulties to manage the enterprises compared long ago. Luxury plays a vital role in many periods of century in India. In today's time luxury have covered all the geographical boundaries so much that luxury counterfeits have enough of space to easily float in the market. The purpose of this study is to understand the consumer's attitude and intension in respect to purchase of counterfeit products. In order to stay in fashion, consumer buys these products, as its price is less and many conditions that are more favorable. This study is a qualitative research, which has a sample size of 460 respondent of India. Sampling is convenient in nature along with this study focus on non-deceptive consumers. Data was collected through Self-made Questionnaire which is a 5 point linkertscale. The theory of planned behavior is covered to explain the attitude of consumers. Variables which are covered are Social influence, Materialism, value consciousness, brand consciousness and so on to define this research.

KEYWORDS: *Luxury, Counterfeits, Consumers, Attitude.*

INTRODUCTION

Counterfeits have emerged as a flourishing industry, especially in Asia. Counterfeiting is a problem faced by most of the luxury brand companies in the worldwide costing more than $500 billion and almost 7% of the world trade. In India, the direct lose to FMCG industry is also not less than Rs 200 million.A survey has been conducted to estimate the size of counterfeit of FMCG products and it revealed the reality of FMCG companies facing maximum loss up to 40%. Increased advancement in technology and liberalization of the Indian economy have created an ideal market for people misusing existing brand values that have been cultivated and tortured during period of time. In the case of goods, the counterfeits able to deceive the consumer in able to think they are purchasing legitimated products. Metro cities in India become the hub for manufacturing counterfeits products and in the violation of maximum intellectual property rights. Delhi is the hub of counterfeit products in India as nearly 80% counterfeits originated here. The price of these product is the attraction of customers as the purchase of these pirated products is directly proportional to price. These products are sold in 40-45 % lesser value than the original. A common person with limited knowledge falls for the counterfeit products due to its cheap and discounted prices. Enforcement of laws against counterfeiting is so strict in India, which is another big problem for brand industry. The most popular counterfeiting market is clothing, followed by shoes, watches, leather goods and jewellery. Followed by some brands like Louis Vuitton, Gucci, Burberry, Tiffany, Prada, Hermes, Chanel, Dior, Cartier are frequently pirated.

OBJECTIVES

The research Intents at detailed exploration of given objectives concerning Counterfeit Sector:

- To understand the variation of demographic factors like age, gender, qualification, occupation and income on Luxury Counterfeits of Indian youths.
- To study the consumer's perception towards luxury Value like Social value, uniqueness value, quality value, and product attribute value as a modern view of Indian youths.
- To identified the factors that influence the intension to purchase counterfeit products in the context of young Indian consumers.
- To determine whether there is a difference in response to the factors identified between those who are more likely to purchase and those less likely to purchase. To provide a fruitful contribution in the development of market strategy for anti-counterfeiting group in India.

METHODOLOGY

Research design is the framework of research methods and techniques chosen by a researcher. The design allows researchers to hone in on research methods that are suitable for the subject matter and set up their studies up for success. The

design of a research topic explains the type of research (experimental, survey, correlational, semi-experimental, review) and also its sub-type (experimental design, research problem, descriptive case-study). This study depends upon survey method. A proper survey was conducted to assess the impact of counterfeiting of luxury brands. The research type selected to this study is exploratory research and descriptive research.

SAMPLING DESIGN

Complete Indian Youths are denoted as sample populace. Luxury is one of the largest growing sectors, which have huge number of counterfeits in business area. As the emphasis of luxury fashion on an individual, it is decided to select the factor with the maximum people attentiveness for the study, specifically the Indian youths. During the research duration , the accurate number of Indian youths in India could not be confirmed. In understanding of these restrains, the researcher decided to assemble a list of Universities of India to cover most Indian Youths.

STATISTICAL DESIGN

Sample frame states University and Working professionals where study sample is taken.

My research study is based on Luxury Counterfeits, an attempt will be made to collect data from Indian youths and Working Professionals.

Selection of Indian youths is done based on Non- probability convenient sampling.

Population (N) - is given 36 crores approx. as per outlook India Report 2020.

Sample size calculated using Taro Yamane's formula 1967 The Taro Yamane's method 1967 is devised to calculate sample size using 95% confidence level. Thus, the formula is as follows:

$$n = \frac{N}{1 + Ne^2}$$

Notion,
n-sample size,
N = populace,
e= significance level i.e., Std. error 0.05,
1=constant value.
Calculation of Sample Size
Considered

$$n = \frac{36000000}{1 + 36000000(.05)^2}$$

2. Sample calculated using creative research system (online calculator).Population 36 crore, 95% confidence level and 5% confidence interval. Thus, needed sample size is 384.

3. Sample size calculated using Raosoft (online Calculator). Population 36 crore, 95% confidence level and 5% confidence intervals. Thus, needed sample size is 385.

The sample size is 460, which was subdivided into 2 groups.

    a) Group one consist of 460 respondents from all over India.

    b) Group two consist of 125 respondents were exclusively from youths located in Madhya Pradesh, (M.P.).

The source of data is an important aspect for any research as the result. To keep the study in real time zone, the data in this study is collected through primary source and some of the data is collected from secondary source as well. Different categories of data collection tools used:

    1. Primary Data- is collected from interviews, questionnaire, Surveys etc.

    2. Secondary Data- is collected from internet, books, newspapers etc.

GEOGRAPHICAL DESIGN

The important obligation of an experiential research is sample collection style should nominate each sample representing the universe and outcomes acquired should be corporate. The sample of present research involved all youths from the Indian Universities, working professionals widespread over geographical zones where Luxury counterfeits have strong existence. Data accumulated from Students of diverse Universities and Business professionals scattered over Indore, Mumbai, Pune, Delhi, Hyderabad, Bangalore, Chennai, etc.

The questionnaire distributed to 75 Indian youths for pre testing and pilot study was conducted. Pretesting was done to ensure reliability and validity of the questionnaire.

It was done to check whether the instrument was correctly framed in an understandable manner. Considering proposal of the participated sample respondents, needed revisions and changes were integrated in questionnaire after the pilot study the cronbach alpha value was 0.833.

In order to attain research purposes structured questionnaire were designed after in-depth review of literature and discussion of purchase of counterfeit fashion products. A self-directed questionnaire was circulated to consumers planned to measure purchase intention of luxury counterfeits among Indian Youths.

The questionnaire is designed in 3 segments viz. In 1st segment respondents need to give basic personal and demographic info like name, age, gender, income, designation, experience, etc. 2nd segment comprised of fundamental question based on luxury counterfeit practices. 3rd segment is consist Luxury Practices in selection of counterfeit products. It also constitutes of questions related to the behavior for selection and uses of the products. The questionnaire is designed precisely that respondents can easily answer it has been divided into 3 sections as mentioned below:

1.Section A: It contains 7 questions based on demographic information such as age, gender, marital status, qualification, income, etc.

2. Section B: It covers 6 essential questions related to luxury counterfeit, which are based on multiple choice questions.

3. Section C: It contains 16 question related to variables framed using likert 5 point scale which mandate the subject to specify his or her impact level either in favor or in disfavor of a statement. In this questionnaire, respondents were offered 5 response options. Those alternatives operated as assessment of respondents choice on all interrogation items. Questionnaire nominated quantifications are listed below:-

Linkert scale starting 5 Point Ranking

Ranks	1	2	3	4	5
Extent of Impact	Strongly disagreed	Disagree	Neutral	Agree	Strongly Agree

RESULTS

Age group: Among the respondents of India, 54.3% are within the age group of 18-25 years, 26.3% respondents are within the age group of 26-35 years, and 19.3% are within the age group of 36-45 years. On the other hand, among the respondents of Madhya Pradesh, 55.2% are within the age group of 18-25 years, 26.4% respondents are within the age group of 26-35 years, and 18.4% are within the age group of 36-45 years.

Gender: Among the respondents of India, 74.1% were male and 25.9% were female. Among the respondents of Madhya Pradesh, 72% were male and 28% were female.

Marital status: Among the respondents of India, majority, i.e., 75.9% of the respondents are unmarried and 24.1% of the respondents are married. Among the respondents of Madhya Pradesh, majority, i.e., 75.2% of the respondents are unmarried and 24.8% of the respondents are married.

Qualification: Among the respondents of India, 3.5% of the respondents are undergraduate, 63.5% are graduate, 26.5% are PG and 6.5% are certified or hold a diploma. Among the respondents of Madhya Pradesh, 9.6% are undergraduate, 60.8% are graduate, 25.6% are PG and 4.0% are certified or hold a diploma.

Income: Among the respondents of India, 57.8% of the respondents earns under 30k, 35% earns between 30-60k, and 7.2% earns between 60-90k. Among the respondents of Madhya Pradesh, 60% earns under 30k, 32.8% earns between 30-60k, and 7.2% earns between 60-90k.

Location: Among the respondents of India, 16.1% respondents are from Bhopal, 11.5% from Indore, 8.9% from Delhi, 12.6% from Pune, 8.9% Mumbai, 9.8% from Bangalore, 19.8% from Chennai, and 12.4% from Kolkata. Among the respondents of Madhya Pradesh, 60.8% respondentsfrom Bhopal, and 39.2% from Indore.

Social Influence

People in my environment by counterfeit products: among the respondents of India, 10.4% strongly disagreed that people in their environment were socially influenced by counterfeit products, 9.3% Disagreed, 13.9% were neutral, 19.3% agreed s, and 47% strongly agreed. Among the respondents of Madhya Pradesh, 9.6% strongly disagreed that people in their environment were socially influenced by counterfeit products, 12% disagreed, 16% were neutral, 20.8% agreed, and 41.6% strongly agreed.

People in my society encourage me to buy counterfeit products: among the respondents of India, 9.6% strongly disagreed that people in their environment encourage them to buy counterfeit products, 8% disagreed, 15.4% were neutral, 20% agreed, and 47% strongly agreed. Among the respondents of Madhya Pradesh, 11.2% strongly disagreed that people in their environment encourage them to buy counterfeit products, 10.4% disagreed, 22.4% were neutral, 13.6% agreed s, and 42.4% strongly agreed.

Materialism

Buying things gives me a lot of pleasure: among the respondents of India, 9.1% strongly disagreed that buying things gives them a lot of pleasure, 8.3% disagreed, 17.4% were neutral, 28% agreed, and 37.2% strongly agreed. Among the respondents of Madhya Pradesh, 9.6% strongly disagreed, 10.4% disagreed, 18.4% were neutral, 28.8% agreed, and 32.8% strongly.

I admire people who own expensive home, clothes and cars: among the respondents of India, 10.7% strongly disagreed that they admire people who own expensive home, clothes and cars, 6.1% disagreed, 12.8% were neutral, 28.9% agreed, and 41.5% strongly agreed. Among the respondents of Madhya Pradesh, 11.2% strongly disagreed, 9.6% disagreed, 16.8% were neutral, 32% agreed, and 30.4% strongly agreed.

Value Consciousness

I am concerned about price and products quality: among the respondents of India, 10.2% strongly disagreed that they are concerned about price and products quality, 7.8% disagreed, 14.8% were neutral, 26.5% agreed, and 40.7% strongly agreed. Among the respondents of Madhya Pradesh, 12% strongly disagreed, 11.2% disagreed, 16% were neutral, 28.8% agreed, and 32% strongly agreed.

Perceived Risk
The risk that I take when I buy a counterfeit is high: among the respondents of India, 9.6% strongly disagreed that the risk that they take when they buy a counterfeit is high, 7% disagreed, 14.1% were neutral, 25.9% agreed, and 43.5% strongly agreed. Among the respondents of Madhya Pradesh, 9.6% strongly disagreed, 9.6% disagreed, 16.8% were neutral, 25.6% agreed, and 38.4% strongly agreed.

There is a high probability that product does not work: among the respondents of India, 12.2% strongly disagreed that there is a high probability that product does not work, 45.7% disagreed, 38.3% were neutral, and 3.9% agreed. Among the respondents of Madhya Pradesh, 11.2% strongly disagreed, 44% disagreed, 40% were neutral, and 4.8% agreed.

Brand consciousness
It is important that others like the products and brands I buy: among the respondents of India, 11.3% strongly disagreed that it is important that others like the products and brands they buy, 11.1% disagreed, 20.4% were neutral, 28.5% agreed and 28.7% strongly agreed. Among the respondents of Madhya Pradesh, 10.4% strongly disagreed, 10.4% disagreed, 23.2% were neutral, 24.8% agreed and 31.2% strongly agreed.

I am rather sensitive to interpersonal rejection: among the respondents of India, 12.2% strongly disagreed that they are sensitive to interpersonal rejection, 10.2% disagreed, 16.1% were neutral, 20.9% agreed and 40.7% strongly agreed. Among the respondents of Madhya Pradesh, 14.4% strongly disagreed, 12% disagreed, 12% were neutral, 25.6% agreed and 36% strongly agreed.

Attitude towards counterfeit products
Counterfeit products are as reliable as the genuine products: among the respondents of India, 9.6% strongly disagreed that counterfeit products are as reliable as the genuine products, 12.8% disagreed, 17.2% were neutral, 30.7% agreed and 29.8% strongly agreed. Among the respondents of Madhya Pradesh, 9.6% strongly disagreed, 16% disagreed, 20.8% were neutral, 24.8% agreed and 28.8% strongly agreed.

Counterfeit products have similar quality to the genuine products: among the respondents of India, 9.6% strongly disagreed that counterfeit products have similar quality to the genuine products, 10.2% disagreed, 15.4% were neutral, 30.7% agreed and 34.1% strongly agreed. Among the respondents of Madhya Pradesh, 9.6% strongly disagreed, 13.6% disagreed, 20.8% were neutral, 24.8% agreed and 31.2% strongly agreed.
Purchase intention
I would think about a counterfeit product as a choice when buying something: among the respondents of India, 14.6% strongly disagreed, 9.3% disagreed, 25% were neutral, 23.5% agreed and 27.6% strongly agreed. Among the respondents of Madhya Pradesh, 13.6% strongly disagreed, 12% disagreed, 25.6% were neutral, 19.2% agreed and 29.6% strongly agreed.

I will buy counterfeit products: among the respondents of India, 10.9% strongly disagreed, 22% were neutral, 30% agreed and 26.1% strongly agreed. Among the respondents of Madhya Pradesh, 10.4% strongly disagreed, 12.8% disagreed, 23.2% were neutral, 31.2% agreed and 22.4% strongly agreed.

SUGGESTIONS
The results of this study have some suggestions as follows:
First, as mentioned, counterfeiting is a growing problem worldwide and many actions are being taken to reduce counterfeiting on both domestic and global levels. In order to reduce counterfeiting from demand side, it is necessary to reduce motivation to produce counterfeit goods. Results of the current study revealed that adolescent counterfeit buyers had more positive attitudes toward counterfeit products and lower consumer ethics than non-buyers, indicating that consumers' ethical beliefs may be the key to lessen consumer demand for counterfeit products. Thus, consumer ethics education programs in educational institutions or governments need to develop consumer ethics education programs to prohibit adolescents' products. purchasing counterfeit.

Second, anti-counterfeits organizations can encourage word-of-mouth communication among friends and family members, because as shown in the results, the influence of friends and family members is likely to be more powerful.

Finally, to reduce adolescents' purchasing of counterfeits, manufactures should reduce their prices. The lower margin of genuine goods discourages counterfeiters as the business is no longer as lucrative if they have to reduce their already low prices further to compete against the genuine goods.

Also, anti-counterfeit technology is any technology (or process) designed to prevent false goods from entering the legitimate supply chain. Firms can apply these technologies at virtually every stage, from raw material suppliers through packagers all the way to end consumers.

CONCLUSION
The study revealed that the attitude of consumers towards counterfeit luxury products get significantly impacted because of the value-consciousness, brand-consciousness, perceived risk and materialism but has no significant impact because of social influence.

It can be stated that despite of it being ethically wrong, consumers are highly inclined towards purchasing counterfeit products and many respondents suggest these products to their family members and friends. It can be observed from the study

that in future, the counterfeit market and consumption of these products will grow significantly despite the fact that it causes a great deal of loss to the manufacturers and suppliers of the original product.

Adolescent counterfeit buyers may deny they are wrong and blame the original-product manufactures for charging such exorbitant prices. They may have double standards, which are employed such that prospective buyers of counterfeiters do not hold themselves accountable for their action but hold counterfeit sellers as responsible. Such situational ethics encourage further purchase of counterfeits. The findings would benefit marketers and educators in understanding the decision process of adolescents' purchasing counterfeit products.

To stop the counterfeiting of the products, it is important to make the people understand the real value of the original products along with the losses like losing their influence socially and the risk they take in purchasing these items. The ethical value of purchasing these items must be understood by the consumers.

The production and trafficking of counterfeit goods poses a significant health and safety threat to consumers. It also impacts the economic growth of legitimate businesses and consumers through lost revenue, downtime, and replacement costs. The 'influence of society' and 'value for money' have been identified as the top two reasons that motivate consumers to buy fake products based on a survey conducted.

ACKNOWLEGEMENT

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