

**ATTITUDE OF “Y GENERATION” WOMEN REGARDING
BUYING BRAND COUNTERFEIT PRODUCTS IN THAILAND**



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**ATTITUDE OF “Y GENERATION” WOMEN REGARDING
BUYING BRAND COUNTERFEIT PRODUCTS IN THAILAND**

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ABSTRACT

Recently, Counterfeit products have become the global issue in both developed and developing countries. It affects the existing business and related one. This paper aims to find the factors that influenced counterfeit purchasing customers intention and the way to reduce the number of buying counterfeit products in Thailand. The paper examined the effect of two groups of variables on purchase intention of brand counterfeit goods: attitudes toward buying counterfeits, and factors influencing on purchase intention. Data of 10 CMMU women aged between 21s and 30s were collected by in-depth interview. Using the coding analysis to determinant the variables which related to purchase intention of counterfeit good. The results indicate the 5 key influenced purchase intention factors for Thai “Y generation” which are Price, Value consciousness, Purchase situation/Mood, Product attributes, and Cognitive component.

KEY WORDS: Brand Counterfeits / Purchase counterfeits goods / Y Generation / Attitude / Thailand

27 pages

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CHAPTER I

INTRODUCTION

Luxury counterfeit products can be a nightmare for the legal existing business owners and any relevant businesses. In the 21st century, these goods have a huge affect on the existing luxury business in different categories. Counterfeiting product is one of the leading crises for most business in this century (Cademan, Henriksson, & Nyqvist, 2012). The counterfeit market has continued to flourish in many countries. In Thailand, for instance, this counterfeit market could generate the value more than USD 20 million (ASEAN Pulse, 2013). Moreover, the seizure of the counterfeit goods in Thailand was around 6.2 million (ASEAN Pulse, 2013). This counterfeit issue seems to be the main problem that could affect the existing original luxury business's profitability. In Europe, for example, having counterfeit products are illegal and prohibit. Japan and some countries in the world, also, do not allow counterfeits goods in their country.

As Thailand is the most popular tourist destination in Asia awarded by Go Asia Award in 2014 (Tourist Authority of Thailand Newsroom, 2014) the number of visitors has increased year by year. In addition, most of the leading luxury brand in the world decided to open their shop in the leading shopping mall, in Bangkok area. These luxury shops are one of the magnets that influence visitors to make a purchase and spend in Thailand. It seems to be the great opportunity for those luxury shop located in Bangkok to earn profit. In the reality, it turns out in a different direction. These goods were produced in the different categories such as leather bag, wallet, watches, stationary, etc. and came from China. These counterfeit goods are easy to find at the leading fashion wholesale center in the middle of business street in Bangkok, namely as Pratunam. This wholesale centre is a huge distribution channel for all fashion and non-fashion goods in Bangkok. The number of consumers who are willing to pay for these luxury goods has increased. However, some of the consumers prefer to buy counterfeit goods rather than original one.

Recently, Thai society is adapting into the materialism era. Social image jump to take an action to represent how wealthy and set up the social level in the society for everyone. Social image can be another reason that counterfeiting market in Thailand has continually increased. It is sad to say that people in the society will judge another by their appearance and personal belonging. It seems that the brand value or brand history has not influenced consumers as much as before. Therefore, this paper sets out to focus on why consumers are spending on the counterfeit products in Thailand.

Initial, the purpose of this study is to explore Thai “Y Generation” females’ attitude toward buying brand counterfeit products. These females age are around 20s-30s. Generation Y can define as people who born between 1980 and 2000 (Chung & Fitzsimons, 2013). Second purpose is to examine the possible influenced factors related to their attitude. Last one is to find the useful ways to reduce the brand counterfeit buying in Thailand.

This research paper outline will follow the list below:

1. Introduction
2. Literature Review
3. Research Methodology
4. Findings & Discussion
5. Recommendation

CHAPTER II

LITERATURE REVIEW

There are many factors that influenced on consumer's perception of making any purchase. From the past studies, Phau and Teah (2009) stated that attitude has influenced on consumer behavioral intention of buying luxury goods. In this chapter, it aims to explore why consumers buy brand counterfeit products and what factors that influence intent on consumers buying counterfeit goods.

2.1 Attitude

Solomon (2008) stated that consumers' attitude was one factor to evaluate a product or service. Moreover, consumers' attitude was a combination of these following; consumers' belief, feeling and intentional behavior (Perner 2010). These combinations reflected how consumers were thinking about products or services. The positive and negative attitude took a huge effect on the future purchase. Attitudes were formed during consumer's experience about products, service and brand. Most of consumers created their own expectation and standards for the products or services. Allport (1935) and Eagly & Chaiken (1998) also agreed that attitudes was like an representation of the evaluation of people and a guide of behavior In addition, consumers came up with high needs when they were going to purchase any luxury goods or receive a service from the leading international brand. For luxury goods, consumers' attitude was one of the major playing roles to influence consumers' purchase intention (Phau & Teah 2009).

Based on The ABC model of attitudes, attitude consists of three components namely affective, behavioral, and cognitive as shown in Figure 1. Maio and Haddock (2007) explained three components of attitudes into small parts. First, affective component was about feeling or emotions, which linked to one attitude

object. It would generate both positive and negative affective reaction. Second, Maio et al. (2007) described that behavioral was referring to past experiences or past behavior on any attitude object. Last, cognitive mostly was about personal's belief and thought, and attributes, which related to specific attitude object.

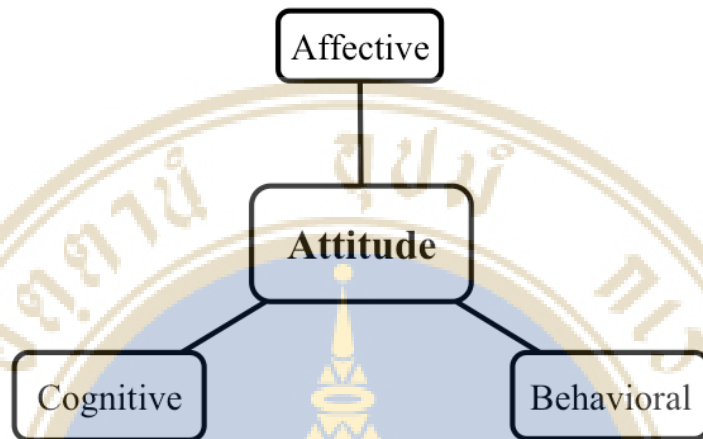


Figure 2.1 The ABC Model of Attitudes

This ABC model assumes that the relationship between attitude and behavior is reliability. LaPiere (1934) argued that attitude could not always lead to behavior. His finding also showed that cognitive and affective were not consistent with behavior. From Wicker's studies in 1969, he illustrated that attitude and behavior had a low relationship in the Meta-analysis method.

2.2 Counterfeit

Counterfeit is unoriginal production goods that have a trademarks and features that are similar to the registered trademarks such as packaging, logo and labeling, etc. (Kay, 1990; Cordell et al., 1996; Ang et al., 2001; Eisend & Schuchert-Guler, 2006; Chow, 2000 as cited in Phau & Tech, 2009). Husic & Cicic (2009) also described the counterfeit goods as the goods that have recently given a feeling of prestige to the owner. "Counterfeit goods are illegal, low-price and often lower quality

replicas of products that typically possess high brand value” (Lai and Zaichkowsky, 1999 as cited in Wilcox, Kim & Sen, 2009).

Penz, Schlegelmilch & Stöttinger (2009) stated that counterfeit products were a major global problem for the market in the past several years. For example, Chuchinprakarn (2003) mentioned that Thailand faced up with the luxury counterfeit issue in many luxury sectors. He, also, stated that in Thailand, buying and selling these counterfeit goods was common and the demand of purchasing counterfeit goods has increased all the time. Nia and Zaichowsky (2000) stated that “the more popular are the luxury goods, the more likely they are to be counterfeited” (Nia and Zaichowsky, 2000, p.494 as cited in Stravinskiene, Dovaliene & Ambrazeviciute, 2013)

Most of the past studies agreed that price was the most important factor that influenced consumers to buy the counterfeit products (Albers-Miller, 1999; Wiedman et al., 2007 as cited in Stravinskiene et al., 2013), especially in the developing countries like Thailand (Gentry et al., 2001). It implies that counterfeit goods are attached to the low-income people or who cannot afford them. Moreover, these counterfeit goods are also attractive to the high-income consumers who live in both developing and well-developing countries (Gentry, Putrevu & Shultz 2006; Prendergast, Chuen & Phau 2002 as cited in Berlin and Schuchert-Guler, 2006; Stravinskiene et al., 2013). Addition, the low price of counterfeit goods leads to the higher ratio of perceived value, which is the relationship between price and quality (Ang, 2001).

Eisend and Schuchert-Guler (2006) has studied about the factors that influence intent of buying counterfeit goods from the past studies and their exploration. Therefore, they divided “the factors into the four main factor groups, which affect on the counterfeit’s consumer intention: personal (demographic and psychographic variables, product (price, product attributes, and scarcity), social and cultural context, and purchase situation/mood” (Eisend and Schuchert-Guler, 2006). Albers-Miller (1999) also indicated that situation, price, and risk associated with purchase were the important variables on counterfeit’s buying intention. Moreover, Albers-Miller believed that these three variables could predict the consumer misbehavior. In contrast, Wee et al., 1995 defined that “psychographic factors and

product attribute variables should be a predictor on the consumer misbehavior”. In a study by Bloch (1993), it was found that “product, store reputation, self-image and fashion & style consciousness, and price are also important for counterfeit consumer intention”. Additional, studies indicated that “lack of ethical judgment, self ambiguity, value consciousness, and fashion consciousness” were the reasons that consumer purchase the counterfeit goods (Fernandes, 2013).

The following diagram shows a summary of the important factors that influence intent on consumers buying counterfeit goods.

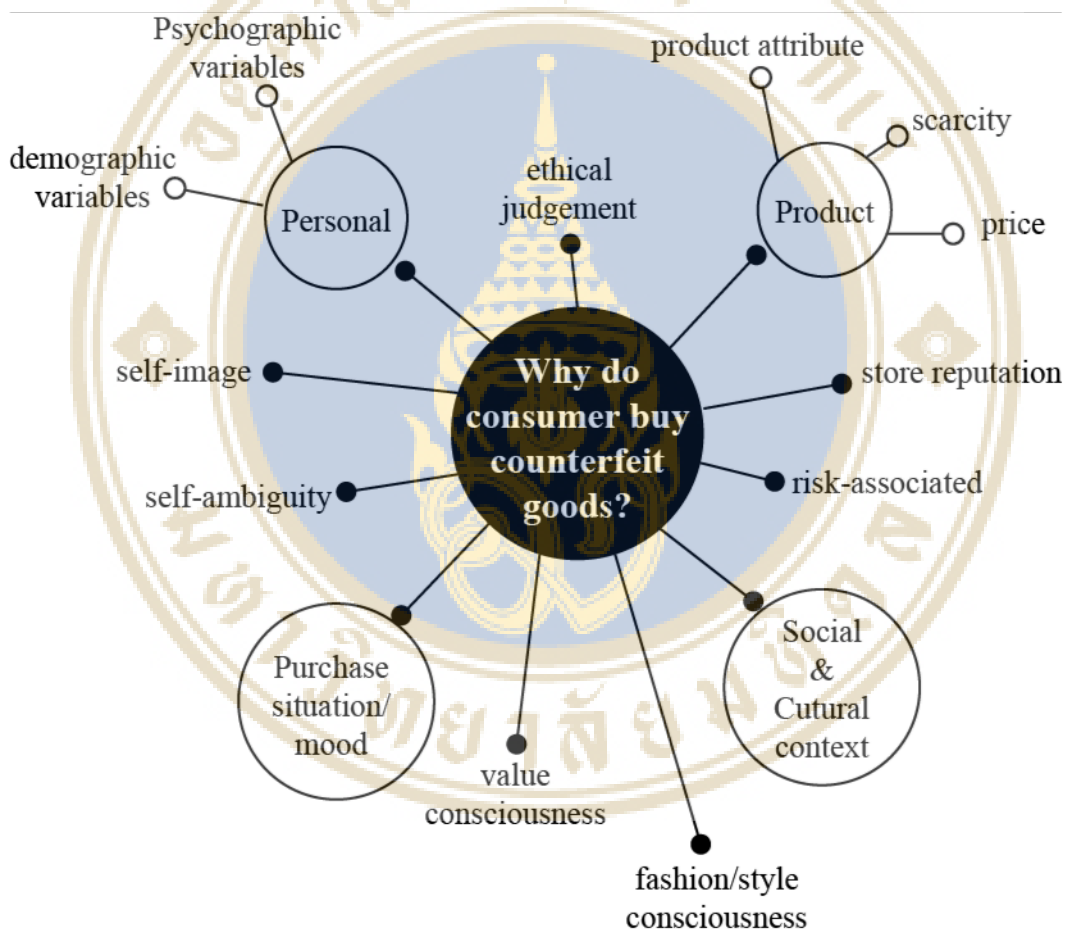


Figure 2.2 The important factors that influencing on buying counterfeit goods

CHAPTER III

RESEARCH METHODOLOGY

As this paper sets out to focus on why consumers are spending on the counterfeit products in Thailand, the process that can help a researcher to examine and illustrate the hidden message from target group is qualitative research method by doing a one-on-one and an interview.

This chapter is divided into four parts, which are (1) sample selection, (2) research instrument, (3) data collection, and (4) data analysis.

3.1 Sample selection

In this study, the researcher uses a convenient sample of 10 young professional female age between 21 and 30 years old who studied at College of Management, Mahidol University (CMMU) in Both Thai and International program.

3.2 Research instrument

An in-depth interview is the method that interviewer can get an insight information on the particular issues along the one-to-one discussion with the interviewee (Hennink, Hutter, & Bailey, 2011). Moreover, Boyce and Neale (2006) state that an in-depth interviewing is suitable for a small number of respondents and useful for exploring a participant's attitude and behavior. Normally, the in-depth interview requires one-to-one, face-to-face interaction between an interviewer and an interviewee (Johnson, 2011). Moreover, "It can be conducted through various forms of media including in person, by telephone, and occasionally, online" (Polaris Marketing Research, 2009). This in-depth interview could take a lot of time and effort. It could take a several day, for example, if the interviewees could not make an appointment or

cancel the appointment because of their urgent business. Due to time constraints, a research decided to conduct the in-depth interview by using online communication technology, for example, one-to-one video call on the existing social networking software, like Facebook and Line.

In this paper, the researcher conducts a forty minutes interview session for each individual respondent. During the interview session, the researcher, as an interviewer, will not give any personal opinion regarding the discussing issue. Moreover, the interviewer follows the semi-structured interview guide to control and elicit the story from what the interviewee's conversation (Hennink et al., 2011). Hennink et al. (2011) also offers the guidelines to help interviewer achieve the significant story and emic perspective from the interviewee: 1) Guide the interviewee by using a semi-structured interview guide, 2) Build up a trust relationship between the interviewer and interviewee, 3) Asking with both close-ended and open-ended questions, 4) Always motivate the interviews to tell theirs story and ask them to give an example.

3.3 Data Collection

To collect data, the researcher uses an online interview via social media channel such as Facebook Chat with video call feature, Video Call on Line. The online interview is the appropriate channel to discuss with all participants. In the online in-depth interview, the researcher asks the participant with these following key questions:

- 1) Have you ever bought any brand counterfeit products?
- 2) Why would you buy counterfeits?
- 3) What inspired you to purchase counterfeit products?
- 4) How often do you purchase counterfeits?
- 5) Where would you buy counterfeit products?
- 6) How do you feel about using counterfeit products?
- 7) Have you ever been spotted use the counterfeit bag? How did you feel?

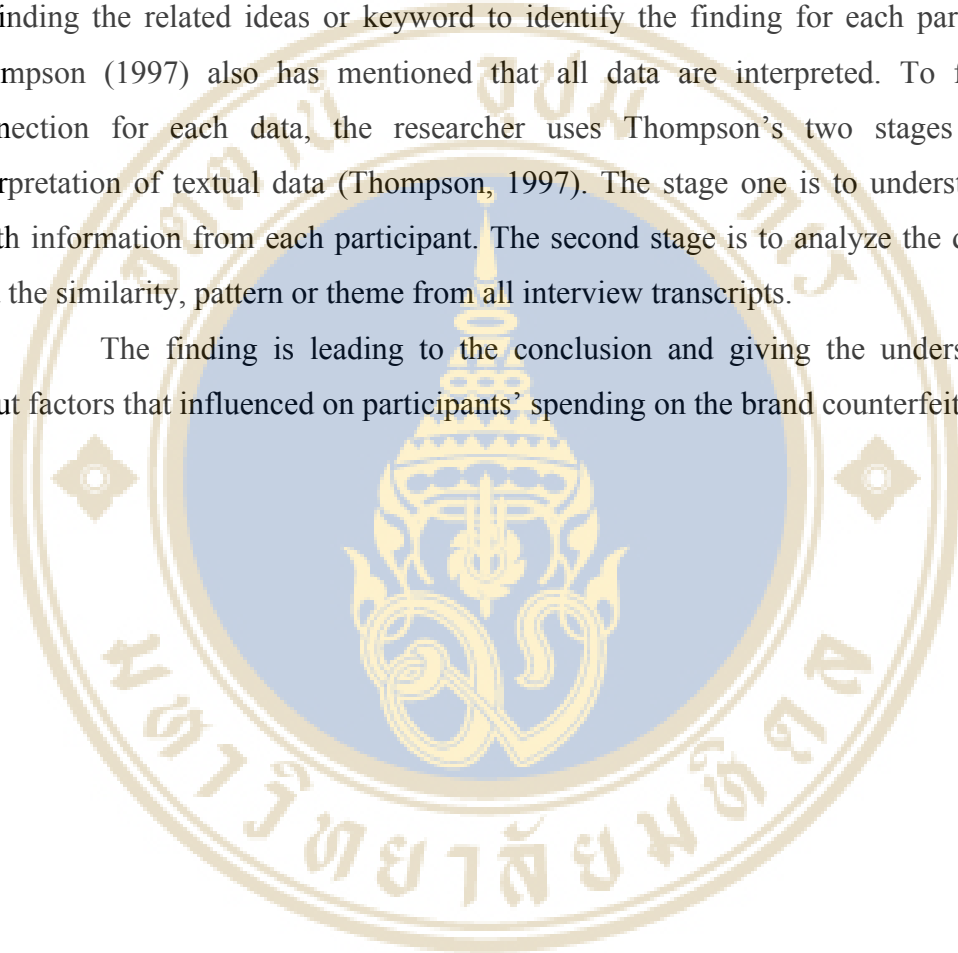
During the interview, the researcher will keep motivate the participants to keep explaining and giving an example. Moreover, the researcher is keep asking with

semi-structured questions that reflect participants' attitude and the reason why they buy a brand counterfeit product.

3.4 Data Analysis

To analyze the interview, a researcher transfers the data into paper format to finding the related ideas or keyword to identify the finding for each participant. Thompson (1997) also has mentioned that all data are interpreted. To find the connection for each data, the researcher uses Thompson's two stages of the interpretation of textual data (Thompson, 1997). The stage one is to understand the depth information from each participant. The second stage is to analyze the data and find the similarity, pattern or theme from all interview transcripts.

The finding is leading to the conclusion and giving the understanding about factors that influenced on participants' spending on the brand counterfeit goods.



CHAPTER IV

FINDING AND DISCUSSION

4.1 Findings

After interview all participants, the following transcripts illustrate the content of the conversation regarding two key questions for this study: “Have you ever buy a brand counterfeit product? and why did you buy it?”.

Interviewee #1

“Yes, I used to buy a fake sneaker from JJ Market. The shoe’s appearance was similar to the original one. Also, the material and quality were acceptable compared with its price. I did not want to spend more than 2,000 baht for the sneakers. My friend told me that most leading brand sneaker was manufactured in Thailand and some Asian countries. So, I thought it would be good if I could buy the same quality products, but I paid only two times less than the original price. I always bought a new sneaker once a week, so it would be worth if I bought a fake one.”

Coding analysis

Excerpt	Theme
<ul style="list-style-type: none"> • Shoes’ appearance .. similar to the original • Material and quality were acceptable • The material & quality compare with price • Did not want to spend more than 2,000 • Most leading brand sneaker was manufactured in Thailand • Buy the same quality products but paid only two times less • Bought a new sneaker once a week 	<ul style="list-style-type: none"> • Product Attribute • Product attribute • Value consciousness • Price • Cognitive component • Price/ Value consciousness • Fashion consciousness

Interviewee #2

“Of course! I loved to buy fake iPhone cases from one of the leading retailing shop in Bangkok. Personally, I thought all mobile cases were manufactured in China. So it was very pointless to spend much money for purchasing the original one. I always changed my iPhone cases. I had been to the retailing shop at least twice a week. Last time I went there, I bought 30 cases, which cost me only 2,400 baht. If I bought the original one, it would cost me at least 8,000 baht. I had seen reviews of someone who bought the mobiles cases from the same shop saying they were happy with the quality and price. They, also, said they did not care if someone recognized that their case were fake. I was totally agreed with these reviews. In my experience, I used to buy one original iPhone case from the department store. A few weeks later, my case got scratch and broken. From that day onwards, I did not buy any original mobile cases.”

Coding analysis

Excerpt	Theme
<ul style="list-style-type: none"> • Loved to buy • All mobile cases were manufactured in China • Bought 30 cases, which cost only 2,400 baht • Original one, it would cost at least 8,000 baht • Had seen reviews of someone who bought the mobiles cases from the same shop saying they were happy with the quality and price • Used to buy one original iPhone case. Later the case got scratch and broken 	<ul style="list-style-type: none"> • Purchase situation/Mood • Cognitive component • Value consciousness • Price • Social group • Experience

Interviewee #3

“Yes, I started to buy fake jeans several years back. When I was young, I thought the original brand products should have a good quality and long lasting. In the reality, it went another direction. For many years back, I used to buy jeans from the leading brand in the market. In 2010, my friend brought me to Platinum, the leading wholesale store in Bangkok. He said I could get 10 jeans for only 5000baht. I felt I should come to buy my jeans from this place earlier. My friend said the wholesale jeans shop at Platinum bought all jeans from the same jeans manufacturers. Those jeans manufacturers produced all favorite international labeled jeans. My friend said we were a smart shopper and we knew how to spend our money for good quality products. I totally agreed on what he said.”

Coding analysis

Excerpt	Theme
<ul style="list-style-type: none"> • Original brand products should have a good quality and long lasting • Get 10 jeans for only 5000baht • The same jeans manufacturers ... favorite international labeled jeans • Knew how to spend our money for good quality products 	<ul style="list-style-type: none"> • Cognitive component • Value consciousness/ Price • Cognitive component • Value consciousness/ Price

Interviewee #4

“On a trip in 2013, I found Hermes necklaces and bracelets for 100THB each. A real Hermes bracelet costs \$800AUD. Although it does not look exactly the same, it looks similar in style. It is also sterling silver, so it does not discolor with sweat and moisture etc, and also genuine leather, so it very good quality especially for the price. Because it was so cheap, I was able to buy a variety of necklaces and bracelets for gifts, and also for myself. As I don't have a high income, I cannot afford to be spending \$800AUD on accessories like a bracelet or necklace. I believe it should be more about the quality of a product than of it's price tag and the brand name on it.”

Coding analysis

Excerpt	Theme
<ul style="list-style-type: none"> • Hermes necklaces and bracelets for 100THB each • Real Hermes bracelet costs \$800AUD • It does not look exactly the same, it looks similar in style. It is also sterling silver • Good quality especially for the price • Was so cheap • Don't have a high income, cannot afford • Should be more about the quality of a product than of it's price tag and the brand name 	<ul style="list-style-type: none"> • Price • Price • Product attribute • Value consciousness • Price • Personal Income • Cognitive component

Interviewee #5

“Of course, I used to buy the counterfeit products especially bags and watches. In the past, I bought these products from JJ market, Siam Square, and Tawanna. Nowadays, I could buy fake products via online and social media such as Facebook and Instagram. It makes my life more convenience and save time for shopping. The reason I bought these fake goods because I thought fashion is come so fast and it is not stable. It will popular for a while and new products will replace it for the next season. So, I think it does not necessary to buy the original one that is expensive and it can use in the specific of time.”

Coding analysis

Excerpt	Theme
<ul style="list-style-type: none"> • JJ market, Siam Square, and Tawanna • Thought fashion is come so fast and it is not stable • Does not necessary to buy the original one that expensive 	<ul style="list-style-type: none"> • Purchase situation • Cognitive component • Believe/Value consciousness

Interviewee #6

“My sister's birthday was coming up. I was travelling to Kuala Lumpur, Malaysia and I wanted to buy her something special as a souvenir and birthday gift. I went shopping at Petaling Street Market where I found a stall selling counterfeit Louis Vuitton wallets for 60MYR, which is the equivalent of 600Baht. I bought one for her, as it looked exactly like the original, which costs 42,000Baht. I figured I could buy her something that looks luxurious without the designer price tag. I knew my sister wouldn't mind that it is a fake, as she is not a materialistic type of person. Since I've given her this wallet, she uses it daily, and says that it is good quality. Friends have even commented on how nice it is, and don't even know that it is a fake.”

Coding analysis

Excerpt	Theme
<ul style="list-style-type: none"> • My sister's birthday was coming up • Wanted to buy • Petaling Street Market • Counterfeit LV wallets for 60MYR • Looked exactly like the original • I ...wouldn't mind that it is a fake, as she is not a materialistic type of person • Don't even know that it is a fake 	<ul style="list-style-type: none"> • Purchase Situation • Mood • Purchase situation • Price • Product attribute • Cognitive consciousness • Self-image

Interviewee #7

“ I bought a fake mobile phone at Pantip, Patunam two months ago. My old phone stopped working, so I decided to go to Pantip to find cheap mobile phone which can make a call and access the internet. The shop owner offered me a Samsung that it had every function I need, and it costs only 3,500 Baht. Then the shop owner offered me another mobile model; a fake Samsung Galaxy S4 made in China. At first, I was about to say no but she convinced me to check it out, so I did. The appearance and function were exactly the same with the original Samsung S4. So I ended up buying this fake Samsung Galaxy S4 at 4,000Baht. I bought it because it had all the feature and function I need and no one recognize that it was not a real Samsung S4.”

Coding analysis

Excerpt	Theme
<ul style="list-style-type: none"> • Pantip, Patunam • Cheap mobile phone • Make a call and access the internet • No one recognize that it was not a real Samsung S4 	<ul style="list-style-type: none"> • Purchase situation • Price • Product attribute • Self-image

Interviewee #8

“Yes, I bought a fake cony doll for my three years old niece. I bought the cony doll for only 100baht. At first, I did not have an intention to buy any counterfeits. After walked around Silom area for an hour, I ended up buying it because it got a size that I had been looking for and the quality of material was acceptable. For my niece, I knew that she would not care about how much I spent on the gift, as she knows that it is about the thought and love rather than monetary value.”

Coding analysis

Excerpt	Theme
<ul style="list-style-type: none"> • Only 100baht • Silom area for an hour • Got a size and quality of material 	<ul style="list-style-type: none"> • Price • Purchase situation • Product Attribute

Interviewee #9

“Last January, I took one week holiday to Chiang Mai. I went to explore the local nightlife at Nimmanhemmin Road. I saw many street stalls selling both local products and counterfeit one. I saw one stall sell only channel earring, which look similar to the original one. It costs only 1,000-2,000Baht whereas the real channel earring costs up to 12,500baht. Personally, I did not spend 12,500 baht for channel earring because it looked like a cheap earring. So I bought 2 pairs of fake channel earring for my friends. They did not realize the earring I gave them was not the real one.”

Coding analysis

• Excerpt	• Theme
<ul style="list-style-type: none"> • Nimmanhemmin Road • Selling both local products and counterfeit one • Costs only 1,000-2,000Baht • Did not spend 12,500 baht for channel earring because it looked like a cheap earring • Did not realize ... was not the real one. 	<ul style="list-style-type: none"> • Purchase situation • Location/ Situation • Price • Value consciousness • Self-image

Interviewee #10

“I traveled to China with my mom a month ago; we went to the market that is popular for a variety of cheap product with good quality, it's always cheaper in China, I found a shop, they sell a fake power bank. I did not realize that it's fake; I was surprised that the price is incredibly cheap compared to Thailand price, the shop owner demonstrated and described its benefit that was quite impressive. I bought it without a second thought because it's very cheap and good quality. Then I came back to Thailand and realize that it's fake but I did not bother because it served me well. Some of my friends even asked me to buy one for them next time I go to China. I do not stick to the brand much since I've found that the cheap product with good quality worth my money.”

Coding analysis

Excerpt	Theme
<ul style="list-style-type: none"> • Went to the market that is popular for a variety of cheap product with good quality • Product is very cheap • Good quality products • Variety of battery model 	<ul style="list-style-type: none"> • Purchase situation • Price • Value consciousness • Product attribute

4.2 Key findings and Implications

After analyzing these 10 interview's transcripts, it could clearly be seen that price is the main factor motivating customers to purchase an counterfeit product as shown in figure 4.1. Moreover, there are four outstanding themes that had affected on purchasing intention for this sample Thai female group: Value consciousness, Purchase situation/Mood, Product attributes, and Cognitive component as shown in figure 4.2.

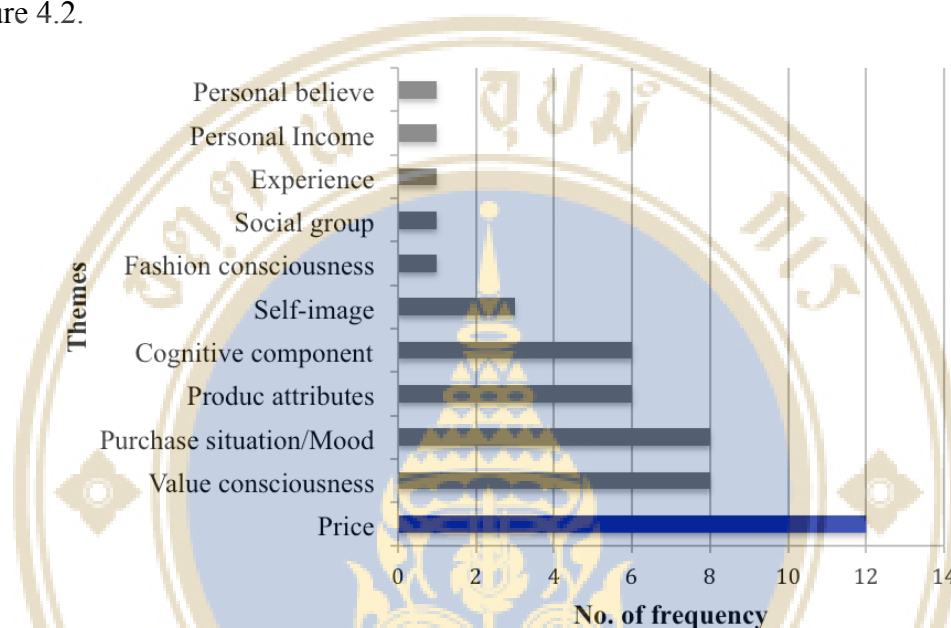


Figure 4.1 Ranking of themes influence on purchasing counterfeit products

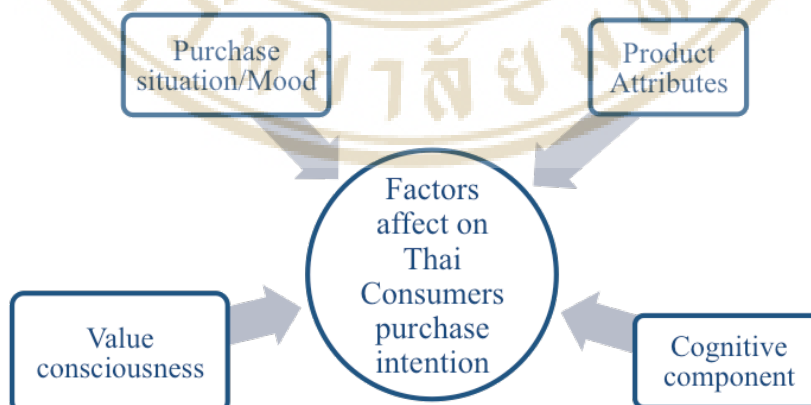


Figure 4.2 Outstanding factors affect on Thai “Y Generation” purchase intention

4.2.1 Price

In general, Price is a common factor that influence on consumer purchase intention. Regarding respondents' interview transcript, the majority of the respondents claimed that price of genuine products is the main reason they purchase an alternative luxury brand products, namely counterfeit goods. One respondent said, *"A real Hermes bracelet costs \$800AUD. I cannot afford to be spending \$800AUD on accessories like a bracelet or necklace."* Another women added that *"I found a stall selling counterfeit Louis Vuitton wallets for 60MYR, which is the equivalent of 600Baht. I bought one, as it looked exactly like the original, which costs 42,000Baht."*

4.2.2 Value Consciousness

In this research, value consciousness is defended as a concern for paying low price with acceptable product quality.

All respondents claimed that the quality of product they get for the price they pay has more value for money. A respondent said *"I could buy the same quality products, but I paid only two times less than the original price."* Another also mentioned about her own experience of buying counterfeit products *"I traveled to China with my mom a month ago.... I do not stick to the brand much since I've found that the cheap product with good quality worth my money."*

Furthermore, there is one respondent admitted that she switched to buy the counterfeits jeans after she found out that those jeans were made in the same factory. She added that *"I could get 10 jeans for only 5000baht."* One respondent also said *"Personally, I thought all mobile cases were manufactured in China. So it was very pointless to spend much money for purchasing the original one."*

4.2.3 Purchase situation/ Mood

"Purchase situation is the circumstances a person faces when making a purchase decision, such as the nature of their physical environment, their emotional state, or time constraints" (Consumer Buying Behavior Tutorial, 2014). One respondent claimed that *"I went to the market in China that is popular for a variety of cheap product with good quality.....I bought it without a second thought because it's*

very cheap and good quality". Another one also said *"I went to explore the local nightlife at Nimmanhemmin Road. I saw many street stalls selling both local products and counterfeit one. I saw one stall sell only channel earring, which look similar to the original one."* Moreover, one respondent mentioned about her own experience *"I was travelling to Kuala Lumpur, Malaysia and I wanted to buy her something special as a souvenir and birthday gift. I went shopping at Petaling Street Market."*

4.2.4 Product attributes

In this research, product attributes are about product appearance, material, product functions, feature, size, color, and some related components.

It is clear that all respondents concern about the product appearance that they bought. They also added that they preferred to buy the counterfeit goods that people could not recognize a fake. A 24 years old woman from Thai program, for example, mentioned that *"Yes, I used to buy a fake sneaker from JJ Market. The shoe's appearance was similar to the original one."* Addition, A 28 years old women exchange student said she bought a fake wallet for her sister's birthday. She added that *"Since I've given her this wallet, she uses it daily, and says that it is good quality. Her fiends have even commented on how nice it is, and don't even know that it is a fake."*

4.2.5 Cognitive Component

Cognitive component is about how consumer belief about the products which is based on the personal experience, actual experience, the knowledge or experience of other or perception.

Regarding the respondents' perception, a 25 years old woman said *"When I was young, I thought the original brand products should have a good quality and long lasting. In the reality, it went another direction. For many years back, I used to buy jeans from the leading brand in the market."* Now, she bought her jeans from Platinum, a leading wholesale mall in Bangkok. She also said her friend told her *"the wholesale jeans shop at Platinum bought all jeans from the same jeans manufacturers. Those jeans manufacturers produced all favorite international labeled jeans"*. Similar to a 23 years old woman who loves to buy sneakers, this sneaker lover woman said

“My friend told me that most leading brand sneaker was manufactured in Thailand and some Asian countries.” From that day onwards, she never buy any brand original products.

4.3 Discussion

The finding observed in this research mirror those of the previous studies that have examined the factors that influence on consumer purchasing counterfeit products. These are five factors that influence on “Y Generation” woman regarding purchasing brand counterfeit products: 1) Price, 2) Value consciousness, 3) Purchase situation/Mood, 4) Product attributes, 5) Cognitive component.

As mentioned in the literature review, price was the most important factors that affect on consumer purchasing intention in general context. Most past studies also stated that product attributes was another factors that took a big role that affect on purchasing intention. For Thai context, however, these following factors are the most significant affect on Thai consumer purchase intention: Purchase situation/Mood, Value Consciousness, and Cognitive component.

Begin with Purchase situation, it can describe as how consumers make a purchase on counterfeit product in a situation. For example, the availability of places and selling the situation in Thailand are very high. Thus, Thai consumers have a great opportunity to purchase counterfeit goods from any local places. The mood for each selling places are about the same. At Tawana market, for example, there are many stalls selling the wide price range of the different counterfeit products.

Then, value consciousness is an example of personality factors, which were considered as an antecedent of consumer attitudes by Ang et al. (2001). Lichtenstein et al., (2003) stated that “ meaning the concern for paying lower prices, subject to some quality constraint”. In the findings, it reconfirms Ang’s research result as *“consumers who were more value conscious had a more favorable attitude towards counterfeits than less value conscious consumers.”*

Last, cognitive component is one of major components of Tricomponent Attitude Model as know as the ABC model. Cognitive component is about a person’s

knowledge, and perceptions that are acquired the personal experience, actual experience, or the experience of other and related information from various sources. Schiffman & Kanuk (2010) concluded that “the resulting perception commonly take the form of belief, where the consumer believes that the attitude object possesses various attributes, and that specific behavior will lead to specific outcome.”

In Thailand, “the buying and selling of counterfeit goods is considered a common phenomenon” (Chuchinprakarn, 2003). It is easy to buy counterfeit products in Bangkok. From the findings, Thai consumers focus on price and value of their money. They are willing to pay the lower price for the items that have a perceived quality. Regarding the interview session, there is no respondent feel guilty about their action. They mentioned that most people in Thailand do not care on buying the counterfeit products. This can imply that Thai consumers are lack of ethical judgment in term of brand counterfeit products.

In my opinion, I believe that the main factor that influence on “Y generation” Thai woman regarding purchasing brand counterfeit products is lack of ethical judgment. The lacking ethical judgment in the society will effect on the human mindset. The ethical judgment is about knowing what is right or wrong, what should or should not do. Thai consumers know that purchasing counterfeit products is illegal, but they do not care. They more concern on self-profit. Moreover, the finding factors in this study, cognitive component and value consciousness are the solid evidence that Thai consumers are facing up. Moreover, lack of ethical judgment can lead to the consumer attitude toward purchasing counterfeit products.

4.4 Limitation of the study

Time constraints were the main limitation in this study. In the short period of time, I have decided to use a exploratory method to help me understand and get more insight of the selected topic. This method was suitable for my research objective and the results can be used for any quantitative research on the similar topic.

CHAPTER V

RECOMMENDATION

This study aims to describe the factors that influenced counterfeit purchasing customers intention and find the way to reduce the number of buying counterfeit products in Thailand, especially for “Y GENERATION” women ages in 20s-30s. Based on the study results, there are five factors that have a high frequency in the coding analysis which are product attribute, price, value consciousness, cognitive component, and Purchase situation/mood.

To reduce counterfeits buying from Thai women, the brand manager should consider building a sub brand. The sub-brand strategy will help to increase the sale volume for a company, create a monopoly in the market, promote the product attributes and benefit that satisfied the needs of “Y GENERATION” women in Thailand. In general, there are two leading international brand from different segment using the sub-brand strategies to attached the low-income customer and a group of customer who love low price. Chanel, for example, is facing up with its counterfeit products in Thailand and another countries. Chanel decided to launch a new cosmetic brand called BOURJOIS Paris. This brand offers the similar makeup products same as Chanel and affordable products. In its website, it does not mention that BOURJOIS is a sub-brand of Chanel. However the customers still realize this fact. BOURJOIS products’ price is in the average range of another cosmetics brand, which sell at Watson’s and Boots. Another example is AMERICAN TOURISTER, which is a sub brand of Samsonite. American tourister’s product use the high standard quality of material same as Samsonite. But it focus more on function and feature that customers required for their travel bag.

Social media is another power tools to build up the strong sub-brand in the market. Most of “Y GENERATION” addict to these social media channel such as Facebook, Instagram, LINE, and Twitter. Brand manager should use this popular social media to connect with both existing customers and perspective customers. For

example, KTB bank keep update their customers about the new products and promotions by sending the message on LINE application. Moreover there are many companies from various segments use to do marketing online rather than traditional way.

To conclude, a sub brand strategy and social media marketing are the best solution to beat the counterfeits product producer in the market.



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