
1-1-2018

The Influence of Price, Status Consumption and Reference Groups on Consumer Attitude to Purchase Counterfeit Sport Products in UAE

Hamza Salim Khraim

Follow this and additional works at: <https://sword.cit.ie/irishbusinessjournal>



Part of the [Advertising and Promotion Management Commons](#), [Business Analytics Commons](#), [E-Commerce Commons](#), [Marketing Commons](#), and the [Sales and Merchandising Commons](#)

Recommended Citation

Khraim, Hamza Salim (2018) "The Influence of Price, Status Consumption and Reference Groups on Consumer Attitude to Purchase Counterfeit Sport Products in UAE," *Irish Business Journal*: Vol. 11 : No. 1 , Article 1.

Available at: <https://sword.cit.ie/irishbusinessjournal/vol11/iss1/1>

This Article is brought to you for free and open access by the Cork at SWORD - South West Open Research Deposit. It has been accepted for inclusion in Irish Business Journal by an authorized editor of SWORD - South West Open Research Deposit. For more information, please contact sword@cit.ie.

The Influence of Price, Status Consumption and Reference Groups on Consumer Attitude to Purchase Counterfeit Sport Products in UAE

Hamza Salim Khraim

Abstract

The purpose of this study is to explore factors that influence the consumers' attitude to purchase counterfeit sports products in the UAE. We will examine the influence of price, status consumption and reference groups on consumers' attitudes to purchase counterfeited sport products in the UAE. A sample of 235 respondents was collected for the study, which was carried out in two famous sports retailers GO Sports and Rebook in the UAE. The collected data were analyzed using SPSS. Different analytical tools have been used including, descriptive statistics, and multiple regression. Results show that price and reference groups have a positive influence on consumers' attitudes to purchase counterfeited sport product in the UAE, while status consumption was not significant. Reference groups were found to be the most significant in influencing consumers' attitudes towards purchasing counterfeited products.

Key Words: Counterfeiting, Price, Status Consumption, Reference Groups, Attitude

Introduction

Counterfeiting is one of the rapid growing economic crimes which can be found in developed and developing countries. For example, counterfeit clothing, both fashion and sportswear is very prevalent in Europe. A common technique is to import plain clothing and attach the labels in one EU member state and then release the products for sale in another member state, benefiting from the free movement of goods across borders (OECD, 1998). Phau, et al., (2001) declared that counterfeited products are an international problem, and the demand for counterfeited activities has been growing in the developing economies of Eastern Europe and Asia. The estimates for the size of the worldwide counterfeit goods market seem to have coalesced around \$600 billion annually (Chaudhry and Zimmerman, 2013). In fact, it is a problem that is in part fueled by consumer demand. Consumers demand for counterfeited luxury products and pirated products such as clothing, music, accessories and movies has increased due to the status of the product's logo and due to the fact of their value (Phau et al., 2001). Pertaining to sport products there are mainly two types of counterfeit products in the market. The first is products that are readily reproducible, such as T-shirts, non-technical shoes and gadgets, which are primarily sold on stalls in local markets and, more generally, by street vendors: it is estimated that this type of counterfeiting amounts to about 90% of the total market.

The remaining 10% are counterfeit products of high quality, which are sold in stores along with original products. This type of merchandise is more difficult to identify as it is used by those same companies in outsourcing or licensing, which in contravention to agreements with companies who own the labels continue to produce, even after the expiry of the license agreement. According to Jacobs et al., (2001) product counterfeiting fall into four categories:

Highly visible, high volume, low tech products with a well-known brand name such as toothpaste and chocolate.

1. Highly visible, high volume, low tech products with a well-known brand name such as toothpaste and chocolate.
2. High-priced, high-tech products such as computer games, CDs, DVDs, auto and airplane parts.
3. Exclusive prestige products such as clothing, apparel, and perfume.
4. Intensive R&D, high-tech products such as pharmaceuticals.

It is obvious that counterfeiting is a very huge and serious problem facing the whole globe, and it is beyond the scope of this research to cover all types and aspects of this problem. Therefore, this research will focus on the third type concerning clothing and more specifically sports products and more exclusively to understand the factors that influence the consumers' attitudes to purchase counterfeit sports goods in the UAE. Furthermore, Eisend and Schuchert-Guler (2006) carried out a meta analysis of 30 studies about counterfeit purchases which allowed them to prove the need for further research, indicating the shortfalls in the majority of previous studies which includes: 1) absence of general framework, suitable for detailed investigation, 2) narrow geographic area of the previous research, mainly North American and South Asian countries. This study will try to contribute in understanding and constructing the suitable framework to study this phenomenon. In addition, the study will be conducted in a new location and with new perspectives.

Research Objectives

The purchase of counterfeit products in the UAE is increasing and government agencies have focused mainly on the supply side (Fernandes, 2012). The growth in counterfeiting activity has pressured manufacturers to redesign strategies to overcome this problem. To contribute to preventing this phenomenon and to help in reducing demand for counterfeit products, it is essential to recognize what factors influence the buyer to willingly buy a counterfeit product. Based on that, the objectives of this research are from three folds:

1. To explore the demand side of counterfeiting purchase patterns.
2. To highlight the nature and side effects of sport product counterfeiting.
3. To understand the factors that affect the consumers' attitudes to purchase counterfeit sports products in the UAE.

Literature Review

Chiu et al., (2014) confirmed that sporting apparels among consumers are very popular, despite that, counterfeits in this product category has not received much research interest. The rise of counterfeit products is very popular in the UAE. Almost every product does have a counterfeit and one of the prominent sectors which we focus on our study is sports products. Since there isn't much trade flow restrictions in the UAE with respect to the other countries, counterfeit product enter into the country.

The unprecedented rise of the counterfeit goods used by the consumers in the country can bring several damages to the economy of the UAE. UAE is mainly a trading hub rather than a manufacturing one and as a result almost all the counterfeits come into the country via international trade. Havocscope (2011) estimates the counterfeit market across industries in the UAE to be around \$1.02 billion a year with counterfeit auto spare parts having the highest share at 48 per cent. The UAE government is concerned about its image as a tourist retail-shopping destination and is striving to eliminate counterfeit products which may deter high-end customers from shopping in the UAE (Fernandes, 2012).

Counterfeit Typology

In preceding literature, researchers use terms like counterfeiting, forging, brand piracy, imitation of brands or logos, fake replicas etc. The most commonly used term in the reviewed literature was counterfeiting or counterfeits (Jurgita, et al., 2013). Different definitions have been used for counterfeiting in different areas by different authors. For example, there is a difference between music piracy and cloth counterfeiting, and based on consumer's consciousness as deceptive and non-deceptive counterfeiting. Kay (1990) defined counterfeiting as the production of copies that are identically packaged, including trademarks and labeling, so as to seem to a consumer that the item is the genuine article. Bloch, et al., (1993) defined counterfeiting as the unauthorized copying of trademarked or copyrighted goods. While Cordell et al., (1996) defined product counterfeiting as any manufacturing of goods whose special characteristics are protected as intellectual property rights. Previous research has identified two types of counterfeiting based on consumer's perspective, deceptive and non-deceptive.

Under deceptive counterfeiting, the consumer is a victim of deception, they are not aware of purchasing a fake product. In this study, we specifically focus on non-deceptive counterfeit product, where consumers intentionally purchase fake products (Grossman and Shapiro, 1988). According to Eisend and Schuchert-Guler, (2006) non-deceptive counterfeiting occurs when consumers, due to the situation (place of purchase, price, and item composition) are aware that the item is not original, but still make a conscious decision to buy it. This implies that consumers are often able to distinguish counterfeits from genuine brands based on differences in price, the distribution channels, and the inferior quality of the product itself.

Damages Caused by Counterfeiting

There are numerous documented damages that counterfeiting can cause for society, economy and governments. From an economic point of view, it causes problems such as unfair competition, brand companies invest in product, materials and communication research; they strive to offer their customers products that are better, safer, more functional and more attractive. These huge investments are largely outweighed by those who produce counterfeits. They often use inferior materials, do no research, and exploit brand advertising. Also they cause loss of product value. Registered brand name products are based on a thorough job of planning, design, manufacturing, distribution and communication. While for counterfeit products all these requirements are not applicable. Counterfeit products weaken the market share and sales volume of genuine products in the market, putting downward pressures on prices.

Trademark- and copyright-infringing items cause sales lost to consumers who purchase a counterfeit or pirated product believing it is genuine and as well as consumers who knowingly purchase a lower-priced counterfeit or pirated product instead of a genuine article (OECD 2007). Another damage caused by counterfeited products is loss of tax revenue for the government. The huge turnover of the counterfeits industry generates huge profits for international crime, but does not produce any income tax which lowers their tax revenue. The loss of tax revenue then fatally translates into increased social costs. Another drawback of counterfeiting is destroying jobs. Counterfeiting also has a big impact on employment. Data suggests that approximately 2.5 million jobs have been destroyed by counterfeiting and piracy in G20 countries (IEC, 2013). Finally, concerning the environment, counterfeiting can have negative effects on the environment. The growing volume of seized goods raises environmental issues since destruction can be a costly process that creates considerable waste (OECD 2007).

Counterfeit of Sport Products

According to OBCD (2008) counterfeit sportswear is relatively easy to produce for a number of reasons. Firstly, international trade in counterfeit clothing is relatively straightforward since the counterfeiter can import plain clothing and attach logos close to the point of sale. Another method that is becoming increasingly common is to use grey-market channels. The second reason is sale of counterfeit sportswear is closely connected to large events. Concerts and championships or other major events normally attract organized counterfeiters who set up trade around the venues. The vendors are very mobile and carry small stocks, making police action ineffective. Police investigations in Europe have found evidence of international rackets specializing in selling counterfeits at large events. Thirdly, the main target customers for counterfeit sportswear are youngsters who are the most willing to buy counterfeits. In the United Kingdom, for example, a study on public attitudes to counterfeiting showed that 40 per cent of consumers knowingly go shopping for counterfeits and of these, more than 50 per cent were between the ages of 15 to 24 (Anti-counterfeiting Group, 1997).

Finally, large-scale counterfeiters of sportswear generally target only a few brands that are market leaders, such as Adidas and Nike. These companies have in-house facilities to deal with counterfeits. Table 1 summarizes the driving factors for counterfeit sport products from supply and demand sides. It is important to note that we will focus on the demand side in this study.

Table 1: Drivers for Counterfeit Sport Products

Summary of Drivers for Counterfeit and Pirate Activities	
Counterfeit Supply Driving factors	Knowing Demand for Counterfeit Products Driving Factors
Market Characteristics High unit profitability Large potential market size Genuine brand power	Product Characteristics Low prices Acceptable perceived quality Ability to conceal status
Production, Distribution and Technology Moderate need for investments Moderate technology requirements Unproblematic distribution and sales High ability to conceal operation Easy to deceive consumers	Consumer Characteristics No health concerns No safety concerns Personal budget constraint Low regard for IPR
Institutional Characteristics Low risk of discovery Legal and regulatory framework Weak enforcement Non-deterrent penalties	Institutional Characteristics Low risk of discovery and prosecution Weak or no penalties Availability and ease of acquisition Socio-economic factors

Source: OECD 2007

Attitudes Towards Counterfeited Products

The pioneer definition of attitude was provided by Fishbein and Ajzen (1975) who defined attitude as the psychological emotion and the positive or negative evaluation which was caused as an individual engages in a certain behavior. Previous research indicated that attitude is an important construct in the study of counterfeit purchase behavior (Sharma and Chan, 2001), and that unethical decision making such as the purchase of counterfeits is explained largely by attitudes, (Wee et al., 1995, Ang et al., 2001, Phau and Teah, 2009, Koklic, 2011). Research has pointed out that consumer’s attitudes towards counterfeits can be influenced by social elements and personality influence elements (Phau and Teah, 2009; Ang et al., 2001). The social element is social pressure which could influence consumers’ attitude by either “follower” or as well as “break rules” (Ang et al., 2001). This includes the normative and informational susceptibility towards social influence and collectivism. Informational susceptibility is an element that influences consumers to be a “follower.” The person, who has expert knowledge on the differential advantage between forged and original, as well as in product quality, can influence consumers' attitude towards counterfeits brands. While normative susceptibility indicates that purchase decision is based on impressing others.

If the counterfeit products will not provide a good look or make a good impression, consumers will not buy it.

Kozar et al., (2011) assert that attributes such as price, brand name (logo), demographics (age, gender, cultural background, religion etc.) and ethical and moral standards are important characters that impact consumers' attitudes towards counterfeit. While in Eisend and Schuchert-Guler (2006) meta analysis, they identify four main factor groups, influencing counterfeit consumers: personal (demographic and psychographic variables), product (price, product attributes, and scarcity), social and cultural context, purchase situation/ mood. In this current research we will focus on two factors; product and social factors. A brief discussion on those factors will be given below. Based on that we can propose the following hypothesis:

H1: There is a significant positive influence of price, status consumption, and reference groups on consumers' attitudes toward purchasing counterfeited products.

Price

In the majority of studies price was indicated as the most important factor influencing consumers to purchase counterfeit goods (Wiedmann et al., 2007; Stravinskiene et al., 2013). For consumers who do not possess the economic means to purchase the higher priced genuine products, counterfeits can be substitutes for the real thing (Weisheng and Leng, 2016). Low price of counterfeits allows consumers to save money, therefore the perceived value (price and quality ratio) of these goods is high (Ang, 2001). Most of previous research has addressed this relationship as "value consciousness" which is defined as the willingness to pay lower prices for products but subject to some quality constraint. It plays an important role in counterfeit purchase as it is directly linked with the price and the degree to which consumers feel that the product's worth is comparable to the cost they incur (Fernandes, 2013). Consumers who are value conscious are likely to have a favorable attitude towards purchasing counterfeits than the less value conscious (Ang et al., 2001). Based on that we can propose the following hypothesis:

H1a. Price has a positive influence on attitude toward purchasing counterfeit sport products.

Status Consumption

One important motivating force that influences a wide range of consumer behavior is the desire to gain status or social prestige from the acquisition and consumption of goods (Park et al., 2008). Goldsmith et al., (1996) defined status consumption as the "motivational process by which individuals strive to improve their social standing through the conspicuous consumption of consumer products that confer and symbolize status both for the individual and surrounding significant others". Regardless of their current class ranking, status-consumption consumers may desire products which are indicators of a higher social status (Goldsmith et al., 1996). While O'Cass and McEwen (2004, p.28) defined status consumption as the individual nature of possessing status goods both for inner reasons (self-reward, without showing the product to the public) and/or external reasons (to show wealth through public display of products).

Yoo and Lee (2009) identified that consumer interest in buying counterfeit products may be affected by their perceived future social status and self-image. Husic and Cacic (2009) assert that by using status goods as symbols, individuals are able to communicate impressively about themselves to their reference groups. Previous research found that status consumption seems to consistently influence attitudes of counterfeits (Phau and Teah, 2009). For some consumers it is important to have superior status for the symbolic value or to belong to a higher social class, hence, some consumers do not have the income to support it. These consumers want to achieve respect and envy from others and counterfeit products may help them achieve the respect they want (Phau, et al., 2009). In short, consumers buy counterfeits because they are getting prestige without paying for it (Bloch et al., 1993).

Sport products are among the product categories used to communicate one's status, since it's used externally outside home. Therefore, clothing assists individuals in expressing their identities associated with social class (Coskuner and Sandikci, 2004, p.287). It's noteworthy to say that there are also different results shown from another literature that status consumption has no effects on attitudes towards counterfeit products (Nordin, 2009). In UAE, consumers are motivated to purchase counterfeited products to be part of the elite society and to gain social approval from their peers and close knit community, friends and family (Vel et al., 2011). With this background, we suggest the following hypothesis:

H1b. Status consumption has a positive influence on attitude toward purchasing counterfeit sport products.

Reference Groups

Consumers' attitudes towards counterfeits are different in different communities. The social structure plays a significant role in influencing views of family and friends on their social circle, leading to an affirmative attitude towards counterfeits products (Riquelme et al., 2012). Social environment plays an important role in influencing consumers, because the more respondents see their friends, family and other people in their society buying counterfeit products, the more they develop a positive attitude towards counterfeits products (Hernan et al., 2012). The reference group includes mainly the family members, relatives, or friends. The norms followed by a social group and the pressure arising from the instinct to emulate that reference group, can induce a consumer's decision to use original or counterfeits of luxury brands. Consumers are more likely to purchase counterfeits under the influence of their peers (Bearden et al., 1989). Fernandes (2013) in his study of counterfeit fashion in the UAE discovered that social influences are a significant factor for the consumer that is likely to purchase counterfeits, indicating that the pressure of significant others is likely to influence purchase of counterfeits. Vel et al., (2011) maintained that UAE consumers are social oriented type of people and they have a need to maintain class and exclusivity in everything they do. Most of them are concerned with society approval and care about being approved and accepted by others. Based on that, we will propose the following hypothesis:

H2c. Reference groups have a positive influence on attitude toward purchasing counterfeit sport products.

Research Methodology

A self-administered questionnaire was distributed to the respondents to collect the required data. The questionnaire was distributed randomly to 250 consumers in two famous retail sport stores called GO Sport at Dubai's Mall of the Emirates and Reebok at Marina Mall. Participants were asked to tick the box that best represented their answer for each of the questions. The options ranged from 1 = strongly disagree to 5 = strongly agree on a five-point Likert scale. Around 235 completed questionnaires were collected for the study.

Measurement of Variables

The questionnaire contained 31 questions. The first section includes participant demographics. While the second section, contained statements reflecting consumer attitude, price, status consumption, and reference groups' influence. Attitude towards purchasing counterfeited sport products has been measured by 7 questions adopted and modified from De Matos et al., (2007) and Chiu and Leng (2015) and (Weisheng and Leng, 2016). Status consumption consisted of 5 questions and were adopted from Eastman et al., (1999) and Phau and Teah (2009). For price variable, it was measured by 6 questions adopted and modified from Lichtenstein et al., (1993). While for reference groups' influence, it was measured by 7 questions adopted and modified from Van den Putte et al., (2005). Coefficient alpha reliability was used to test the several scale items used in this study. All the scales demonstrated a satisfactory level of reliability with coefficient alphas exceeding the cut-off value of .70. For Attitude towards counterfeiting (alpha = .74), status consumption (alpha = .77), price (alpha = .77), and for reference groups was (alpha = .80). Cronbach Alpha exceeded the critical value (0.60) suggested by Sekaran. So, the overall reliability of the scale is acceptable as shown in Table 2.

Table 2: Descriptive and Reliability Analysis Results

Variables	No. of Items	Mean	S/D	Cronbach's Alpha Coefficient
Price	6	3.530	.8711	0.77
Reference Groups	7	3.650	.9364	0.80
Status Consumption	5	3.542	.8158	0.77
Attitude	7	3.632	.7500	0.74

Table 3: Respondents Demographic Profile

Variables	Total Cases	Categories	Fre	%
Gender	235	Male	191	82.3
		Female	44	18.7
Age	235	16-22years	120	51.1
		23-30years	102	43.4
		More than 30	13	5.5
Income	235	Level of Education	122	51.9
		5001 –10,000 AED	42	17.9
		10,001 – 20,000 AED	34	14.5
		20,001 – 30,000 AED	37	15.7
Nationality	235	Indian	97	41.3
		Pakistani	91	38.7
		Jordanian	9	3.8
		Lebanese	17	7.2
		Emirati	21	8.9
Level of Education	235	High School	152	64.7
		Graduate	83	35.3

In this section we will highlight the highest mean scored for the different variables used in this study. For the dependent variable, attitude towards purchasing counterfeit sports products, statement number 2, "I prefer the counterfeit market for sport products", received the highest mean with (4.18) and it was also the highest among all variables as well. Statement number 6, "I recommend to friends and relatives to purchase a counterfeited sport product" received the second highest mean with (3.85). While statement number 3, "In general, buying counterfeit sporting products is a better choice" received the third place with (3.75) mean. Concerning the independent variables, the highest mean was for statement 3 in price, which says "I purchase counterfeit sport products, because of the high price of the original sports products". While statement number 2 "Considering price importance, I prefer counterfeit sporting products" arrived in the second place with (3.66) mean. In third place statement 3 "Counterfeit sport products are cheap and easily available" with (3.65) mean. Regarding status consumption, statement number 4, "I buy counterfeit sport products because I am concerned about the manner I present myself to others" received the highest mean in this variable with (3.84). Followed by statement number 5 "I am interested in new counterfeit sport products with status" with (3.78) mean. While statement number 1 "I buy counterfeit sport product because I want to have high status" ranked thirdly with (3.69) mean.

Finally, reference groups received the highest mean among the three independent variables. Statement number 7, "My family members think it is okay to purchase counterfeit sport products" received the highest mean with (3.87). Whereas statement number 1, "I purchase counterfeit sport products because I have seen them with my colleagues" ranked second with (3.85) mean. Finally, statement number 4, "The usage benefits of counterfeit products by reference groups motivate me to buy the same" was in the third place with (3.81) mean.

Research Finding

Multiple Regression is used because it can identify each variable's relative contribution and determine the best predictor variable between a set of variables. Multiple regression analysis was used to test the influence of price, reference groups and status consumption on consumer attitude to buy counterfeited sport product. The main hypothesis was tested with a regression analysis. The R-square result of explaining 77.5% is considered an excellent predictor in marketing research. While Durbin-Watson test result of 1.950, as shown in Table 4, is an indicator that the autocorrelation is almost reaching to zero or there is a significant difference which exists between the dependent and independent variables (no autocorrelation).

Table 4: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin Watson	F	Sig
1	.881a	.775	.772	0.3578	1.950	265.7	.000a

a. Predictors: (Constant), Status Consumption, Reference Group, Price

Table 5 show the Variance Inflation factor (VIF) indicates that Multicollinearity does not cause any problem since all independent variables are below the threshold of 10 (Neter and Kunter, 1990). Furthermore, when the tolerance value is above .60, it is also considered as an evidence of the absence of multicollinearity among the independent variables as indicated by Hair et al. (1995).

Table 5: Model Testing

	Unstandardized Coefficients		Unstandardized Coefficients			Collinearity Statistics	
	B	Std. Error	Beta	t	sig	Tolerance	VIF
(Constant)	1.341	34.5		3.82	.000		
Price	.276	.071	.185	11.6	.000	.783	1.925
Reference Group	.807	.029	.878	28.0	.000	.996	1.004
Status Consumption	.011	.035	.014	0.91	.058	.754	1.919
Hypothesis Testing							

H1: There is a significant positive influence of price, status consumption, and reference group on consumer attitude toward purchasing counterfeited products.

As shown in Table 5, The R2 value is 0.775; therefore, the model is regarded as being suitable to be used for multiple regressions with the data. The three factors together explained 88.1 per cent per cent of the variance, where $R^2 = 0.775$, $F = 265.7$ and significance = 0.000. In testing the main hypothesis, we found that two variables, price and reference group have a significant positive influence on consumer attitude toward purchasing counterfeited products. While for status consumption, there was no significant influence. We can assume that the main hypothesis is partially accepted. The results also shows that the reference group variable has the highest effect on consumer attitude toward purchasing counterfeited products, where $\beta = 0.87$ and significance = 0.00. Thus, it indicates that reference group variable is the most significant, and it positively and directly regresses to consumer attitude toward purchasing counterfeited products, followed by price, where $\beta = 0.18$ and significance = 0.00. While status consumption variable has the lowest effect, where $\beta = 0.014$ and not significant. H1a. Price has a positive influence on attitude toward purchasing counterfeit sport products

From Table 5, it is concluded that there is a positive direct effect of price on consumers' attitudes to purchase counterfeited sport product, where $\beta = 18.5$ and significance = 0.05. Because $t = 11.60$ and $p < 0.05$, based on that the hypothesis is accepted, which indicates that price has a positive influence on attitude toward purchasing counterfeit sport products, at $\alpha = 0.05$.

H1b. Status consumption has a positive influence on attitude toward purchasing counterfeit sport products

From Table 5, it is concluded that there is no positive direct effect for status consumption on consumer attitude to purchase counterfeited sport product, where $\beta = .014$ and significance = 0.05. Because $t = .091$ and $p < 0.58$, based on that the hypothesis is rejected, which indicates that status consumption has a positive influence on attitude toward purchasing counterfeit sport products, at $\alpha = 0.05$.

H2c. Reference groups have a positive influence on attitude toward purchasing counterfeit sport products

From Table 5, it is concluded that there is a positive direct effect of reference groups on consumer attitude to purchase counterfeited sport product, where $\beta = 87.8$ and significance = 0.05. Because $t = 28.0$ and $p < 0.05$, based on that hypothesis is accepted, which indicates that reference groups has a positive influence on attitude toward purchasing counterfeit sport products, at $\alpha = 0.05$.

Discussion and Conclusions

Given the large market for counterfeits and the potential impact it has on business, it is not surprising that there exists a large body of literature on counterfeits. However, there have been few studies examining the purchase of the category of counterfeit sporting products. This issue exists all over the world and the UAE is not an exception. In this paper the focus is mainly on the influence of price, status consumption and reference groups on consumers' attitudes to purchasing counterfeit sports products in the UAE. Results of hypotheses testing revealed that, out of the three independent variables (price, status consumption and reference group), two were found to be significant and to have a positive influence on consumer attitude toward purchasing counterfeited products. Reference group has the highest standardized b , it is a key factor in consumers' decision to purchase counterfeits sport products and more specifically, family, which have the highest influence. Results show that price is one of the most important factors for consumers who purchase counterfeits. Another result shows that status consumption has no significant influence on consumer attitude toward purchasing counterfeited products. Based on these results it is highly recommended that companies target their consumers with highly original brands advertisements that appeal to those consumers. Also it's worth to focus on personal image. Consumers who value the opinion of others will feel awkward and experience 'loss of face' if they are discovered to be using or buying counterfeit products. The majority of consumers emphasize that they purchase counterfeit sport products, because of the high price of the original sports products. This fact can help brands in offering more sales promotions for customers, such price discounts or in-store samples and coupons in order to reduce price sensitivity for original products. In addition, educating the potential buyer of the superior physical attributes of the product is important.

Customers also cite that counterfeit sport products are cheap and easily available. This extensive availability of counterfeit products in the marketplace give consumers more opportunities and choices to purchase counterfeit products since these products can be easily found in local markets and high street shops scattered across most cities in the country. To overcome this problem, marketing managers need to emphasize the quality of their products and demonstrate how counterfeits cannot compare to the genuine products. In addition, managers can focus their communications on how socially desirable a genuine product is compared to a counterfeit. This can inhibit consumers from purchasing counterfeit sports products especially when counterfeits can be easily identified.

Results also reveal that family members are the most influential reference groups in purchasing counterfeit sport products. When respondents see their family members and other people in their society buying counterfeit products, the more they develop a positive attitude towards counterfeits products. Findings from this study suggest that there are differences between countries when it comes to consumer behavior in the purchase of counterfeit sporting products. While status consumption is predictive of attitude in some countries, it is not applicable in other countries. The findings from this study also suggest that attitude towards counterfeits may explain the differences between countries. Theory development in this area will need to take this into consideration.

References

- Ang, S.H., Cheng, P.S., Lim, E.A.C. and Tambyah, S.K. (2001). Spot the difference: consumer responses towards counterfeits. *Journal of Consumer Marketing*, Vol. 18, pp. 219-35.
- Bearden, W.O., Netemeyer, R.G. and Teel, J.E. (1989). Measurement of consumers susceptibility to interpersonal influence. *Journal of Consumer Research*, Vol. 15, pp. 473-81.
- Bian, X. and Moutinho, L. (2011). Counterfeits and Branded Products: Effects of Counterfeit Ownership. *Journal of Product & Brand Management*. Vol. 20 No.5, pp. 379-393.
- Bloch, P., Bush, R. and Campbell, L. (1993). Consumer 'accomplices' in product counterfeiting. *Journal of Consumer Marketing*, Vol. 10 No. 4, pp. 27-36.
- Chiu, W., Lee, K. Y. and Won, D. (2014). Consumer behavior toward counterfeit sporting goods. *Social Behavior and Personality*, 42, pp. 615-624.
- Cedwyn Fernandes, (2013). Analysis of counterfeit fashion purchase behavior in UAE. *Journal of Fashion Marketing and Management: An International Journal*. Vol. 17, No. 1, pp. 85 - 97.
- Chaudhry P. and A. Zimmerman, (2013). *Protecting Your Intellectual Property Rights. Management for Professionals*, Springer Science Business Media New York.
- Chiu, Weisheng and Leng Ho Keat (2015) Is That a Nike? The Purchase of counterfeit Sporting Goods through the Lens of the Theory of Planned Behavior. *Sport Management International Journal*. V. 11, No. 1, pp.79-94.
- Coskuner, G. & Sandikci, O. (2004). New clothing: meanings and practices. *Advances in Consumer Research*, 31, pp. 285-189.
- Constantinos-Vasilios Priporas I., Kamenidou A. Kapoulas F., Maria P., (2015). Counterfeit purchase typologies during an economic crisis, *European Business Review*, Vol. 27, No.1, pp. 2 - 16
- Donnelan, J. (2014). *Merchandise Buying And Management*. London, UK: Bloomsbury Publishers.
- Dabija, D. C., Dinu, V., Tăchiciu, L., and Pop, C. M. (2014). Romanian Consumers' behavior towards counterfeit products *Transformations in Business and Economics*. Vol. 13, No. 2, pp. 124-143.
- De Matos, C.A., Ituassu, C.T. and Vargas, C.A. (2007). Consumer attitudes toward counterfeits: a review and extension. *Journal of Consumer Marketing*, Vol. 24 No. 1, pp. 36- 47.
- Eastman, J. K., Goldsmith, R. E., & Flynn, L. R. (1999). Status consumption in consumer behavior: scale development and validation. *Journal of Marketing Theory and Practice*, Vol.7 No.3, pp. 41-52.
- Eisend, M. and Schuchert-Guler, P. (2006). Explaining Counterfeit Purchase: A Review and Preview. *Academy of Marketing Science Review*, 12 (online) Available at: www.amsreview.org/articles/eisend12.

Fernandes, C. (2013). Analysis of counterfeit fashion purchase behavior in UAE. *Journal of Fashion Marketing and Management*. Vol. 17, No. 1, pp. 85-97.

Goldsmith, R. E., Eastman, J. K., Calvert, S., and Flynn, L. R. (1996). Status consumption and self-image: A replication with Mexican consumers. *Association of Marketing Theory and Practice Proceedings*, 317-323.

Husic, M., & Cacic, M. (2009). Luxury Consumption Factors. *Journal of Fashion Marketing and Management*, Vol. 1 No. 32, pp. 231-245.

Havocscope (2011). UAE markets value at \$1.04 billion Havocscope Black Market Online Database for Black Markets, available at www.Havocscope.com/regions-main/middle-east/united-Arab-emirates.

Hair, J.F., Anderson, R.E., Tatham, R.L., & Black, W.C. (1995). *Multivariate data analysis*. New York: Simon and Schuster.

IEC "International electrotechnical commission" (2013). Piracy in electrical and electronic products: Anti-counterfeiting best practice and strategies.

Kozar, J. M., & Marcketti, S. B. (2011). Examining ethics and materialism with purchase of counterfeits. *Social Responsibility Journal*. Vol. 7, No. 3, pp. 393-404.

Koklic, M. K. (2011). Non-deceptive counterfeiting purchasing behavior: Antecedents of attitudes and purchase intentions. *The Journal of Applied Business Research*, Vo. 27, No. 2, pp. 127-137.

Khan, G. and Khan, N. (2005). Susceptibility of Informational Social Influence on Purchase Decisions of Designer Level Apparel: The Mediating Role of Gender. *The Business Review*, Vol. 4, No. 1, pp. 11-23.

Lichtenstein, D., Ridgway, N. and Netemeyer, R. (1993). Price perceptions and consumer shopping behavior: a field study. *Journal of Marketing Research*, Vol. 30 No. 2, pp. 234-45.

Neter, J., & Kunter, L. (1990). *Applied Linear Statistical Models*. Irwin, Homewood, IL.

Nordin, N. (2009). A Study on Consumers' Attitude towards Counterfeit Products in Malaysia. A Ph.D. Dissertation, University of Malaya, Malaysia.

O'Cass, A. (2001). Consumer self-monitoring, materialism and involvement in fashion clothing, *Australian Marketing Journal*. Vol. 9 No. 1, pp. 46-60.

OECD (2008). *The Economic Impact of Counterfeiting and Piracy*, Report by the Organization for Economic Co-operation and Development, available at: www.iccwbo.org/uploadedFiles/

OECD (1998). *The Economic Impact of Counterfeiting*.

OECD (2007). *The economic impact of counterfeiting and piracy: executive summary*.

Park, H.J., Rabolt, N., Jeon, K. (2008). Purchasing global luxury brands among young Korean consumers', *Journal of Fashion Marketing and Management*, Vol. 12, No.2. pp. 22-35. Penz, E.

and Stottinger, B. (2005). Forget the 'real' thing-take the copy! An explanatory model for the volitional purchase of counterfeit products. *Advances in Consumer Research*. Vol. 32 No. 1, pp. 568-75.

- Penz, E., Schlegelmilc, B. and Sto'ttinger, B. (2009). Voluntary purchase of counterfeit products: empirical evidence from four countries. *Journal of International Consumer Marketing*. Vol. 21 No. 1, pp. 67-84.
- Phau, I., Prendergast, G., and Chuen, L. H. (2001). Profiling brand-piracy-prone consumers: An exploratory study in Hong Kong's clothing industry. *Journal of Fashion Marketing and Management*. Vol. 5 No.1, pp. 45-55.
- Phau, I., Dix, S. and Sequeira, M. (2009). Consumer's willingness to knowingly purchase counterfeit products. *Direct Marketing: An International Journal*. Vol. 3 No. 4, pp. 33-45.
- Putte V. D., B., Yzer, M. and Brunsting, S. (2005). Social influences on smoking cessation: a comparison of the effect of six social influence variables. *Preventive Medicine*, Vol. 41, pp. 186-93.
- Radón, Anita (2012). Counterfeit Luxury Goods Online: An Investigation of Consumer Perceptions. *International Journal of Marketing Studies* Vol. 4, No. 2, pp.74 -79.
- Riquelme, H. E., Abbas, E. M. S., and Rios, R. E. (2012). Intention to purchase fake products in an Islamic country. *Education, Business and Society: Contemporary Middle Eastern Issues*. Vol. 5 No.1, pp. 6-22.
- Shaw, D., Shiu, E. and Clark, I. (2000). The contribution of ethical obligation and self- identity to the theory of planned behaviour: an exploration of ethical consumers. *Journal of Marketing Management*. Vol. 16 No. 8, pp. 879-94
- Stravinskiene Jurgita, Aiste Dovaliene, Ruta A. (2013) Factors influencing intent to buy counterfeits of luxury goods. *Economics and Management*: Vol. 18 No.4, pp.1-8.
- Wiedmann, K.P., Hennigs, N., Siebels, A. (2007). Measuring Consumers' Luxury Value Perception: A Cross-Cultural Framework. *Academy of Marketing Science Review*. Vol.22 No.7, pp. 65-81.
- Wiedmann, K-P., Hennigs, N. and Klarmann, C. (2012). Luxury consumption in the trade-off between genuine and counterfeit goods: what are the consumers' underlying motives and value-based drivers? *Journal of Brand Management*, Vol. 19 No. 7, pp. 544-566.
- Wilcox, K., Kim, H.M. and Sen, S. (2009). Why do consumers buy counterfeit luxury brands? *Journal of Marketing Research*, Vol. 46 No. 2, pp. 247-259.
- Weisheng Chiu Ho Keat Leng (2016). Consumers' intention to purchase counterfeit sporting goods in Singapore and Taiwan. *Asia Pacific Journal of Marketing and Logistics*. Vol. 28 No. 1 pp. 1-20.
- Yoo, B. and Lee, S. H. (2009). Buy genuine luxury fashion products or counterfeits. *Advances in Consumer Research*. Vol. 36 No. 1, pp. 280-228.
- Vel, K., Captain, A., Al-Abbas, R. and Al Hashemi, B. (2011) 'Luxury buying in the United Arab Emirates'. *Journal of Business and Behavioral Sciences*. Vol. 23, No. 3, pp. 145-160.

Questionnaire

Section1: Respondents Demographics

Please choose the answer reflect your status:

1. Gender: Male Female
2. Age: 16-22 years 23-30 years More than 30
3. Choose income category you belong to:
 Less than AED 5,000 AED 5001 – AED 10,000
 AED 10,001 – AED 20,000 AED 20,001 – AED 30,000
 More than 30,000
4. Nationality _____
5. Level of Education _____

Section2:

To what extent do you agree to the following statements given below:

No.	Attitude	Strongly Disagree	Dis Agree	Neutral	Agree	Strongly Agree
1	I say favorable things about counterfeited sport products					
2	I prefer counterfeit market for sport products					
3	In general, buying counterfeit sporting products is a better choice.					
4	I enjoy shopping for counterfeit sporting products.					
5	Buying counterfeit market goods generally benefits the consumer					
6	I recommend to friends and relatives to purchase a counterfeited sport product					
7	There is nothing wrong with purchasing counterfeit sporting goods					

No.	Status Consumption	Strongly Disagree	Dis Agree	Neutral	Agree	Strongly Agree
1	I buy counterfeit sport product because I want to have high status					
2	My social class is a reason for the purchase of the counterfeit products.					
3	When I buy counterfeit sport products I want to impress others					
4	I buy counterfeit sport products because I am concerned about the manner I present myself to others					
5	I am interested in new counterfeit sport products with status.					
Price Factor						
1	Considering the price importance, I prefer counterfeit sporting products					
2	Counterfeit sport products are cheap and easily available					
3	I purchase counterfeit sport products, because of the high price of the original sports products					
4	I am very concerned about low prices, at the same time I want to own the original goods					
5	I am worried if I purchase the genuine good, whether I would get the right quality from the product					
6	Generally speaking, considering the price, I prefer counterfeit sporting products					
Reference Group Influence						
1	I purchase counterfeit sport products because I have seen them with my colleagues					
2	It is because of the peer pressure I purchase counterfeit sport products					
3	The credibility source from the reference group is a source of inspiration for me in purchasing counterfeit sport products					
4	The usage benefit of counterfeit products by reference groups motivate me to buy the same					
5	Imitating Celebrities/Famous personalities are the reason behind the purchase of the counterfeit sport products					
6	Usually I take advice from friend/peer when purchasing counterfeit sport products					
7	My family members think it is okay to purchase counterfeit sport Products					