The Impact of Past Behavior, Attitude towards Counterfeit, Self Characteristic, and Purchase Intention of Original Crocs towards Consumer Purchase Intention of Counterfeit Crocs

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ABSTRACT

This research is conducted to reveal the impact of past behavior, attitudes toward counterfeit, self-characteristic, and purchase intention of original Crocs towards the purchase intention of counterfeit Crocs. This problem needs to be analyzed because of the widespread of counterfeit in Indonesia which causes economical loss for the country.

Data collection is done through simple random sampling method. There are 140 respondents. The analysis in the research is done through multiple linear regressions to describe the relationship between the independent and dependent variables. All the variables are also tested using blue classic assumption test, F-test, and t-test. The finding shows that the independent variables simultaneously impact the consumer purchase intention of counterfeit Crocs.

Keywords: Past Behavior, Attitudes toward Counterfeit, Self-Characteristic, Consumer Purchase Intention.

INTRODUCTION

Counterfeiting activities have been an increasing issue in the world. The Organization for Economic Cooperation and Development stated that in 2007, the value of counterfeit goods that crossed international borders was over $250 billion (Adityowati, 2014). The growth of industry in China and India also facilitates the growth of counterfeit products (Quinn, 2012). It is not only affecting the world’s gross domestic product, but it affects almost every aspect of economy starting from the loss of tax revenue until the loss of jobs. In 2008 itself, the developed country lost USD125 billion of tax revenue. Moreover, the presence of fake products caused loss of 2.5 million jobs (Hargreaves, 2012).

Not only giving negative impact to the world’s economy, counterfeiting also causes harm to the brand owner (Hargreaves, 2012). The impact of counterfeit to the brand owner is not only from economic side, it will affect the brand reputation in long term. The quality and design of counterfeit products are worse than the original products. It will give bad brand image to the customer.

Aside from global impact and the impacts to the brand owner, Indonesia as a specific country also suffers loss from counterfeiting activities. Indonesia is placed in the eighth rank of nations with highest product counterfeiting level in Asia (Fact Sheet: Counterfeit Level in Asia, 2007). In 2010, Indonesia suffers IDR 43.2 trillion losses because of counterfeit circulation. The amount increased in 2013 into...
The irony is counterfeit culture is increasing in Indonesia as can be seen in the increase of ‘notorious markets’ list in the US Trade Representative (The Jakarta Globe, 2012). Indonesian people or consumer lack of copyright awareness and only few of them have the awareness about the impact of counterfeit in Indonesia. They think that buying counterfeit goods is common. It even become a trend since the price is more affordable and the quality is similar (Hidayat & Phau, 2003). There is also no significant action from the government. Indonesia government somehow does not care about the case of counterfeiting (Fake Products: Who Cares?, 2006).

When talking about counterfeiting, footwear is considered as one of the most counterfeited products (Dickler, 2012). Footwear is ranked seventh in 2012 as the world’s most counterfeited products (Fact Sheets: Intellectual Property Rights, 2012). In Indonesia, footwear industry has a major role for the country. It contributes large amount of jobs and revenues for Indonesia (Ministry of Trade, 2009). However, the counterfeit footwear distribution holds one of the biggest portions in counterfeit circulation in Indonesia. To be specific, counterfeit footwear owns about 10% proportion of products counterfeited in Indonesia (Handayani, 2010). The footwear that will be analyzed in this research is Crocs products because almost 68% of Surabaya consumers ever purchase counterfeit Crocs footwear (Widjaja & Soedarmadj, 2013).

The research is using the example of previous research by Yoo and Lee in 2009. In their research, Yoo and Lee (2009) stated three factors which are past behavior, attitudes toward buying counterfeits, and individual characteristic. The research then will analyze the connection of those attributes toward the intention to buy counterfeit products. Those three factors are broken down into some attributes. The first one is past behavior which is represented by past purchases of counterfeits. Past behavior usually forms repeating habit which can affect the purchase intention of products. Purchase intention is a plan to purchase certain goods in the future (Whitlark, Geurts, & Swenson, 1993). So, past purchases of counterfeit goods will result in purchase intention of counterfeit goods (Bamberg, Ajzen, & Schmidt, 2003). Second, the attitude toward buying counterfeit which is divided into economic and hedonic benefits. Economic benefit of counterfeit will develop positive attitudes toward buying counterfeit since people think buying counterfeit will be worthier. Hedonic benefit of counterfeits will make people have positive attitude toward buying counterfeit because hedonic benefits make people think that the experience and characteristics of the goods themselves already valuable and they do not concern about the quality of the products (Babin, Darden, & Griffin, 1994). The last factor, individual characteristics, includes materialism, perception of future social status, and self-image. This research will also analyze the connection of purchase intention of originals toward the purchase intention of counterfeits.

**LITERATURE REVIEW**

This research will analyze the impact of past behavior, attitudes toward buying counterfeits, individual characteristics, and purchase intention of original towards purchase intention of counterfeit Crocs. To elevate the comprehension about the topic, those four concepts will be elaborated further. The concepts need to be explained are past behavior which will be explained using past purchases of counterfeit, attitudes toward buying counterfeit which is divided into hedonic and economic benefit, individual characteristics which will be explained by materialism, and purchase intention itself. Hereby several researches done in the past which have connection with the current research.

**Theory of Counterfeits**

Counterfeiting is defined as “the act of producing or selling a product containing an intentional and calculated reproduction of a genuine trademark” (Yoo & Lee, 2005). Counterfeits can also be called as pirated, fake, or imitation products. Many companies produce counterfeit products because the manufacturers think that they can get more profit in a short amount of time since they do not have to build brand image for their products. All they need is to copy and reproduce famous existing brands and sell it (Lai & Zaichkowsky, 1999). The target of counterfeiting activity is luxurious and well-known brands (Verdict Research Co., 2007). Why is that so? It is because many companies are investing in famous and luxurious brands since such brands promise more benefits and income for the investors. The big amount of investment in those luxurious brands then triggers the counterfeiting of the brand (Communi, 2009) since it is easier to gain profit from counterfeiting prestigious brands. However, counterfeit products usually have inferior quality and lower price compared to the original products which have good quality and expensive price (Gentry, Putrevu, & Shultz, 2006; Prendergast, Chuen, & Phau, 2002). The second-rate condition of the counterfeits will damage the name and the demand of the originals (Nia & Zaichkowsky, 2000).

Basically, there are two kinds of counterfeiting: deceptive and non-deceptive counterfeiting. Deceptive counterfeiting means that the consumers do not know that they purchase fake products while non-deceptive counterfeiting means that the consumers know about the fake products and purchase them on purpose (Spink, 2009). In this research, we will focus on the non-deceptive counterfeiting where people intentionally purchase counterfeit products because this research aims to analyze purchase intention of counterfeit. In order to know the intention of purchasing counterfeit, the consumer should be aware that they want and willing to buy counterfeit products.
Past Behavior
Past behavior is one of factors affecting purchase intention. Past behavior is defined as the best predictor of future behavior. One theory said that humans are creatures of habit. Human will keep on doing things that they are used to be doing. By doing the same things again and again, it will become behavior and people will be able to do it without any burden (Schneider & Shiffrin, 1977; Webb & Sheeran, 2006). So, when being faced into certain situation, human will react in the same behavior that they were used to be doing especially if the consumer already felt satisfied with their past purchase of the products (Hill & Alexander, 2006; Neelamegham, 2000). It means if the consumer has experienced the products in the past and they got a good impression, they will relate to that experience in the future whenever they want to purchase the products (Hill & Alexander, 2006). That theory by Hill and Alexander (2006) is also supported in this theory by Bamberg, Ajzen, and Schmidt (2003): past behavior forms a habit with repeated action as long as the condition is stagnant. When being faced with same situation repeatedly, people will have same reaction over and over again. That past behavior and habit then will have more effect towards later behavior than perceptual deliberation (Bamberg, Ajzen, & Schmidt, 2003). It means that consumer will automatically do certain action because they are used to doing it rather than using logical reasoning. In another research, future decision and action are influenced more by past behavior rather than effect of intentions and behavioral comprehension (Bagozzi, 1981; Oulette & Wood, 1998; Janis & Nock, 2008).

Attitudes towards Buying Counterfeit
Attitude is a form of organization which includes beliefs, feelings, and behavioral disposition that always come up when people face certain social objects, groups, condition, or symbols (Hogg & Vaughan, 2005). Attitude is how people react to certain situation or objects, which is based on their mood and behavior. An attitude can also be defined as a tendency to act consistently if someone is faced into a certain circumstances whether the action is ideal or not (Schiffman, Kanuk, & Wisenblit, Consumer Behavior, 2010). In their research, (Yoo & Lee, 2009) stated:

“Attitudes refer to the degree to which a person has a favorable appraisal of the behavior in question and are an immediate indicator by which her/his intention of conducting the specific behavior can be predicted.”

Yoo & Lee (2009) divided the attitudes toward buying counterfeit into economic benefit and hedonic benefit. Economic benefit is benefit that can be measured economically. For example, by money profit or saving based on an activity (Solomon, 2009). Before going deeper, we should recall the definition of counterfeit. A counterfeit is defined as product with low price which comes with lower quality than the originals (Gentry, Putrevu, & Shultz, 2006; Prendergast, Chuen, & Phau, 2002). In their research, Ang, Peng, Elison, & Siok (2001) explained about economic benefit by stating that counterfeit purchases are proper because consumers can spend less money and they can get the same products although the quality is different. Consumers who experience limitation in budget think that they can elevate their prestige with less money. Those definitions of counterfeit explain that economic benefit has connection with purchase intention of counterfeits since counterfeit goods have lower price than the originals. Economic benefit makes people think logically about their ability to afford certain goods. Therefore, they will choose to buy counterfeits rather than genuine products.

Hedonic benefits are benefit which gives positive vibes in people’s shopping activity (Babin, Durden, & Griffin, 1994). Hedonic consumers find that buying goods is not only about the ‘buying’, but also about the pleasure and satisfaction they get in the buying and after buying activity (Zhang, Chaipoopirutana, & Combs, 2011). Moreover, consumers with hedonic value prefer satisfactions that came from the emotional side of owning the goods which are the brand, design, and appearance and they cannot be fulfilled only by the functional side of the goods. They have to find pleasure in owning and using the goods rather than only using the good as a functional tool (Wang, Chen, Chan, & Zheng, 2000). Hedonic consumers appreciate appearance more than price and quality that is why they prefer buying counterfeit. Hedonic consumer will not feel embarrassed and guilty in buying and using counterfeit products.

Materialism
Materialism is one of the individual characteristics that have impacts towards the purchase of counterfeit products or brands. Materialism eliminates emotional sense and subjectivity in purchasing (Ahuvia & Wong, 2002). However, it will lead them to over-purchasing. It means they will purchase too much goods since they think owning goods means happiness (Burroughs & Rindfleisch, 2002). Some theories also said that adolescent consumers purchase materialistic things to express themselves (Achenreiner, 1997). Those past theories are also supported by later research which stated that consumers with materialistic value think possession of goods is important. They think owning goods will bring them satisfaction, pleasure, and happiness. They also perceive possession as an achievement and to show how successful they are since the products they have represents amenities and luxury (Peter & Olson, 2008). Materialistic value also place material objects as the center of life and people should acquire material things to be happy through possession of a key for life satisfaction and well-being (Eren, Eroglu, & Hacioglu, 2012).

Consumers tend to buy things or possess materials in order to impress other people, whether it is an original brand or counterfeit one. Thus, branded products are fulfilling this need of people. Difference in the quality will not be the main deliberation for consumers with high materialism (Triandewi & Tjipoton, 2013).

Consumer Purchase Intention
Purchase intention is the probability of consumer in purchasing certain products. Purchase intention of consumers is affected by some attributes including their past experience, preferences, and other information from other sources (Schiffman, Kanuk, & Wisenblit, Consumer
Because of those factors, a consumer will have certain intention to purchase goods. The more effective those factors affecting consumers’ intention, the possibility of those consumers purchasing certain goods is increasing. In short, purchase intention is the trigger of a consumer to purchase a product (Schiffman & Kanuk, Consumer Behavior, 2000; Yang, 2009). In this research, the author will analyze purchase intention of originals and counterfeits.

**Relationship between Concepts**

- Past Purchases of Counterfeits
- Attitudes toward Buying Counterfeits by Economic Benefits
- Attitudes toward Buying Counterfeits by Hedonic Benefits
- Materialism
- Purchase Intention of Originals

**Figure 1. Relationship between Concepts**

According to Yoo and Lee (2009), purchase intention of counterfeit is influenced by several factors. First of all, past purchases of counterfeits are expected to have positive impact toward purchase intention of counterfeits because past behavior, which in this case defined by past purchases, will form future habit (Bamberg, Ajzen, & Schmidt, 2003). Second, the attitudes toward counterfeit by hedonic benefit will surely impacting purchase intention of counterfeit because hedonic consumers appreciate appearance more than price and quality. They also will not feel embarrassed and guilty in buying and using counterfeit products. That is why they prefer buying counterfeit (Wang, Chen, Chan, & Zheng, 2000). Third, by economic benefit, people will think logically about their ability to afford certain goods. When people realize that they have limitation in budget, they will try to find a way to elevate their prestige with less money. One of the solutions is by buying counterfeit products. Fourth, materialism will make people purchase more. Materialistic people only care about possessing things. It will make them purchase more goods, whether original or counterfeit. Materialism might affect the purchase intention toward buying counterfeit positively (Yoo & Lee, 2009).

Last, purchase intention of originals will influence purchase intention of counterfeits. People who want to purchase originals have the intention to increase their self-image and social status which cannot be achieved by purchasing counterfeit.

Below are some hypotheses that will be used in this research:

**H1:** Past purchases of counterfeits affect purchase intention of counterfeits.

**H2:** Economic benefits toward buying counterfeits affect purchase intention of counterfeits.

**H3:** Hedonic benefits toward buying counterfeits affect purchase intention of counterfeits.

**H4:** Materialism affects purchase intention of counterfeits.

**H5:** Purchase intention of originals affects purchase intention of counterfeits.

**RESEARCH METHOD**

The objective of the current research is to analyze the impact of several factors towards consumer purchase intention of counterfeit products by conducting hypotheses testing. Therefore, the current research will be conducted using causal-explanatory study. By doing causal-explanatory study, the author can build some hypotheses and test them to verify the relations and influences of the factors towards consumer intention to purchase counterfeits.

The current research has five independent variables and one dependent variable. The dependent variable is consumer intention to purchase counterfeit while the independent variables are past purchase of counterfeit, attitudes toward buying counterfeit by economic and hedonic benefit, materialism, and purchase intention of originals.

The author will use several type of data in this research. There are nominal, ordinal, and interval scale. Nominal data will be used in the classification questions such as gender, last education level, and occupation. Ordinal data also used in classification questions for age classification and income level. Nominal and ordinal data in this research provide information about respondents and distinction between each other. Interval data in this research will be analyzed using 5 point likert scale. The respondents should choose the scale they prefer based on the indicator questions provided in the questionnaires for the independent and dependent variables.

Likert scale is the most frequently used scale for summated rating scales. Summated rating scales include “statements that express either favorable or unfavorable attitude toward the subject of interest” (Cooper & Schindler, 2014). This scale was found by Rensis Likert and it is mostly used because it can describe opinion better. Malhotra (2010) stated that there are five types of Likert scale: agreement scale, frequency scale, importance scale, quality scale, and likelihood scale. In this research, the author will use the agreement scale to acknowledge the response of the respondents whether they agree or not with the statements in the questionnaires. The current research will use 5-point likert scale ranging from “strongly disagree” until “strongly agree”.

In this research, the author will use primary sources and secondary sources. The primary data will be gathered through self-administered questionnaires which will be spread to respondents. The respondents will be the consumer of original and counterfeit Crocs in Surabaya. The secondary data used in this research come from several books, articles, websites, and journals. The data gathered from secondary sources will be used as reference and supporting theory for conducting the current research.
For the sampling method, the author uses probability sampling. Crocs company basically targets all gender and ages; from children until adults; man and woman (About Crocs, 2013). The counterfeiters also replicate almost all of the products of Crocs. It means that the target population in this research is consumers from young adult (start from 18 years old) above especially the consumer of original and counterfeit Crocs products in Surabaya who can differentiate original and counterfeit Crocs products. Surabaya is chosen because it is one of the biggest metropolitan cities in Indonesia with many counterfeit sellers in the shopping centers (Sentot, 2002). Since it is impossible to take data from all of Surabaya consumers, the author will take some sample from the population by using simple random sampling. Simple random sampling is chosen because it can give the same chance for every element in the population which means we can get more variable results.

The questionnaires will be spread through online media by using Google doc, while the offline media will be printed questionnaires and spread to Surabaya citizen in some malls and universities. Next, the sample size will be determined by using Green’s (1991) formula to calculate sample size for testing multiple correlations:

\[
N > 50 + 8M
\]

\[
N = \text{number of subjects}
\]

\[
M = \text{number of predictors/independent variables}
\]

In this research, there are 5 independent variables, therefore:

\[
N > 50 + 8(5)
\]

\[
N > 50 + 40
\]

\[
N > 90
\]

The sample size in this research must be greater than 90 samples; therefore, the number of questionnaires that will be spread is more or less 150 to anticipate lost and invalid response.

Analytical Method

To analyze consumer purchase intention of original and counterfeit Crocs, the author intend to use multiple linear regression to analyze which independent variable has the most significant impact towards the dependent variable. The validity, reliability, and classic assumption test will be run in this research.

The validity being tested in this research is internal/constructs validity. Validity test is done by comparing calculated r value with the r table.

If calculated r value is greater than value in r table and the value is positive, it means that the indicators are valid. However, if the calculated r value is less than value in r table, the indicators are not valid (Ghozali, 2011).

Reliability test ensures that the instruments used in the research are free from error and it makes sure that the measurement procedure is accurate and precise (Ghozali, 2011; Cooper & Schindler, 2014). This research focuses on the internal consistency. Internal consistency is the evaluation of homogeneity among the items which is tested through the Cronbach’s Alpha. A questionnaire is said to be reliable if respondents’ answer is consistent from time to time. Reliability is tested using Cronbach’s Alpha statistic (α). A variable is said to be reliable if the Cronbach’s Alpha value is above 0.70 (Ghozali, 2011). The higher the value of Cronbach’s Alpha (closer to 1), it means the indicators are more reliable.

The first statistical test needs to be passed is “Classical assumptions test” which are needed for multiple linear regression. There are several types of classical assumption test. The first one is normality test. Normality test is used to acknowledge whether the residual value is normally distributed (Ghozali, 2011). A good regression model’s residual should be normally distributed, Garson (2012) described that normally distributed data will have Z value between -2 and 2. Statistically, normality can be tested by checking the Z-kurtosis and Z-skewness. The value of Z should be around -2 and 2 in order for the model to be considered normally distributed (George & Mallery, 2010).

\[
Z_{\text{skewness}} = \frac{\text{skewness}}{\sqrt{k/N}}
\]

\[
Z_{\text{kurtosis}} = \frac{\text{kurtosis}}{2\sqrt{k/N}}
\]

The next test is multicollinearity test. Multicolinearity is used to analyze the inter correlation of two or more independent variables (Ghozali, 2011). This test is important because if the independent variables are much correlated, the result of multiple regressions will be unreliable because the impacts of the independent variables cannot be separated. The researcher should check the tolerance value and variance inflation factor (VIF) to determine whether the independent variables are correlated or not. Tolerance value measures the variability of the chosen independent variable that is explained by the other variables. If the tolerance value is less than 0.10, it means there is multicollinearity. VIF (Variance Inflation Factor) is the reciprocal of tolerance value. If the VIF is more than 10, it means multicollinearity exists. Higher VIF means higher possibility of multicollinearity (Garson, 2012).

The third test is autocorrelation test. Autocorrelation test is used to prove whether there is correlation between residual in t-period with residual in (t-1) period (Ghozali, 2011). Autocorrelation can be checked using Durbin-Watson test. Durbin-Watson test will check for autocorrelation by testing the correlation between errors in the regression models. Checking autocorrelation is done by seeing the dL and dU. The dL value is taken from the d-value table by looking at the significance level, number of samples or n, and number of independent variable or k.

The last test is heteroscedasticity test. Heteroscedasticity test is used to identify the differences in variance from residual in one observation with the other observation (Mahendra, 2011). A favorable research should not have heteroscedasticity, instead it should have homoscedasticity. Homoscedasticity or heteroscedasticity can also be tested using statistical test, which is the Park test (Ghozali, 2011). The test is being done by doing regression on the absolute unstandardized residuals with the independent variables. If the significance t (P value) in the SPSS output is higher than 0.05, it means that there is no heteroscedasticity in the equation. However if the significance value is lower than 0.05, it means there is heteroscedasticity in the equation. Then it means that the H0 is fail to be rejected.
Multiple linear regressions measure the relationship between independent variables and the dependent variables. Multiple linear regressions are used when there is more than one independent variable (Cooper & Schindler, 2014). By doing multiple linear regression, the author can predict the value of dependent variable. Here is the multiple linear regression equation for the current research:

\[ Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \ldots + \beta_nX_n + e \]

Where:
- \( Y \) = value of dependent variable.
- \( \beta_0 \) = intercept/constant value (the value of \( Y \) when all \( X \) equals to zero).
- \( \beta_i \) = coefficient of \( X \) values.
- \( X \) = value of independent variable.
- \( e \) = error term (normally assumed as zero).

After the coefficients are determined, F-test is conducted. F-test is measuring the significance of the regression model. It analyzes whether the independent variables in the research have significant impact toward the dependent variables (Mahendra, 2011). The author might check the significance F (P-value) which should be lower than 0.05. P-value should be compared with the significance level (\( \alpha \)).

Then, t-test is conducted. T-test is used to decide the impact of each independent variable’s relationship toward the dependent variable by testing the significance t (P-value) or t-value (t-test statistic) (Ghozali, 2011).

R square test is used as the indicator to show how well a model describes the real condition in a population. R square (\( R^2 \)) is called as determinant coefficient. It measures goodness of fit from a regression analysis. It gives proportion or percentage of total variance of the dependent variable which can be explained by the independent variables. The value of \( R^2 \) is between 0 – 1. If the value of \( R^2 \) is closer to 1, it means independent variables can explain the dependent variable better (Battaglia, 2008).

Adjusted R square is different with R square because the estimate of the true value of population given by adjusted R square is more accurate. Adjusted R square means the value of \( R^2 \) is already adjusted with the amount of variables in the equation (Freireich, 2008). Below is the formula of adjusted R square:

\[ \text{Adjusted } R^2 = 1 - \left( 1 - R^2 \right) \left( \frac{n}{n-k-1} \right) \]

where:
- \( n \) = number of sample
- \( k \) = number of independent variables

In regression equations, the favorable model should have \( R^2 \) value close to 1 and bigger value of adjusted \( R^2 \). The bigger the value of adjusted \( R^2 \), it means that the independent variables can explain dependent variable better. However, the ideal value of adjusted \( R^2 \) must be positive (Mahendra, 2011).

**RESULTS AND DISCUSSION**

This study is analyzing the impact of past behavior, attitude toward counterfeits, and self-characteristic toward purchase intention of counterfeit. After going through several statistical tests and analysis, the result of the tests need to be discussed further and analyzed in order to confirm the hypotheses developed in chapter 2. The validity and reliability of the variables in this study have been tested and the results show that all of the variables are statistically valid and reliable to be tested further.

<table>
<thead>
<tr>
<th>Table 1. Cronbach’s Alpha</th>
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<tbody>
<tr>
<td><strong>Variable</strong></td>
</tr>
<tr>
<td>PPC</td>
</tr>
<tr>
<td>EB</td>
</tr>
<tr>
<td>HB</td>
</tr>
<tr>
<td>MP</td>
</tr>
<tr>
<td>CIO</td>
</tr>
<tr>
<td>CIC</td>
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</tbody>
</table>

Regarding the validity test, the author uses the Corrected Item Total Correlation section in the reliability table. The table shows that all of the value in Corrected Item Total Correlation value is higher than 0.1660. It means that all the indicators in the research are valid to be further processed.

After that, the regression model is tested using blue classic assumption test. The result shows that the model passed all the assumption tests in section and it is statistically proven to be a linear regression. Based on those tests, the model is qualified to be used in the hypotheses testing.

The next test is F-test. F-test is used to test the significance of the overall model. The result shows that the overall model is significance since the significance value is 0.000 which is much lower than 0.05. This result confirms that the null hypothesis should be rejected meaning the independent variables simultaneously impacting the purchase intention of counterfeit. However, the significance of each variable still needs to be confirmed through t-test.

The value of the F table is 2.2818 which come from df nominator of 5 and df denominator of 134 with 0.05 significance level. The F value is 18.921 which is much bigger than the value of F table. It supports the first finding which the independent variables simultaneously influence the purchase intention of counterfeit. Therefore, the null hypothesis is rejected and alternate hypothesis is accepted.

<table>
<thead>
<tr>
<th>Table 2. Regression Coefficient Table</th>
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</thead>
<tbody>
<tr>
<td><strong>Model</strong></td>
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<tr>
<td></td>
</tr>
<tr>
<td>Constant</td>
</tr>
<tr>
<td>AVG PPC</td>
</tr>
<tr>
<td>AVG EB</td>
</tr>
<tr>
<td>AVG HB</td>
</tr>
<tr>
<td>AVG MP</td>
</tr>
<tr>
<td>AVG CIO</td>
</tr>
</tbody>
</table>

a. Dependent Variable: AVG CIC

Based on table 2, the unstandardized coefficients are used to create multiple linear regressions. The formula will be:

\[ Y = 0.062 + 0.290 X_{\text{PPC}} + 0.345 X_{\text{EB}} + 0.269 X_{\text{HB}} + 0.114 X_{\text{MP}} - 0.063 X_{\text{CIO}} \]

Where:
- \( X_j \) = Past purchase of counterfeit
$X_1 = $ Attitude toward counterfeit by economic benefit
$X_2 = $ Attitude toward counterfeit by hedonic benefit
$X_3 = $ Materialism
$X_4 = $ Consumer intention to purchase originals

Table 3. Adjusted R Square

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.643$^a$</td>
<td>.414</td>
<td>.392</td>
</tr>
</tbody>
</table>

The value of adjusted R square for this study is 0.392. It means that 39.2% of the purchase intention of counterfeit can be explained by the independent variables in this regression model. However, there are 60.8% of other variables outside the current regression model that can influence the purchase intention of counterfeit.

After conducting F-test, T-test is then conducted to decide the impact of each independent variable’s relationship toward the dependent variable by testing the significance (t-value) or t-value (t-test statistic) (Ghozali, 2011).

T-test is conducted using two approaches which are comparing the significance-t with significance level 0.05 and comparing calculated t-value with the value in t-table. If the significance value is lower than 0.05, it means that the null hypothesis is rejected. Meanwhile if the t-value is greater or lower than +/- 1.9778 which comes from t-table (0.05 significance level and df/134), the null hypothesis should be rejected. With the rejection of null hypothesis, it means that the independent variable has significant impact toward the dependent variable.

Table 4. Regression T-Test Table

<table>
<thead>
<tr>
<th>Model</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.109</td>
<td>.913</td>
</tr>
<tr>
<td>AVG PPC</td>
<td>4.226</td>
<td>.000</td>
</tr>
<tr>
<td>AVG EB</td>
<td>5.155</td>
<td>.000</td>
</tr>
<tr>
<td>AVG HB</td>
<td>3.818</td>
<td>.000</td>
</tr>
<tr>
<td>AVG MP</td>
<td>1.237</td>
<td>.218</td>
</tr>
<tr>
<td>AVG CIO</td>
<td>-8.59</td>
<td>.392</td>
</tr>
</tbody>
</table>

a. Dependent Variable: AVG CIC

The first variable to be tested is past purchase of counterfeit. The t-test result of past purchase of counterfeit shows that this variable is significantly impacting the purchase intention of counterfeit. Table 4.19 shows that the significance t value is below 0.05 which is bigger than 1.9778 (value in t-table). This result supports the alternate hypothesis (H1) and rejects the null hypothesis for the first variable.

The coefficient of this variable is 0.290. It shows positive value which indicates that there is positive correlation between past purchases of counterfeit and purchase intention of counterfeit. It also means that every single increase in past purchase of counterfeit will lead to 0.290 increases in purchase intention of counterfeit.

This finding in line with Yoo and Lee (2009) and Triandewi and Tjiptono (2013). Although the location of their researches are different; South Korea and Yogyakarta; they have the same statement that consumers, who had ever purchased counterfeits before, will be more likely to buy counterfeits again in the future. It indicates that past experience will always be a significant influence towards future action. Hill and Alexander (2006) also confirmed that people will always relate to their past experience; which in this case is past purchase of counterfeit. It means if the consumer has experienced the products in the past and they got a good impression, they will relate to that experience in the future whenever they want to purchase the products. The finding in this research indicates that people have positive impression towards their past purchases of counterfeit and it triggers their intention to buy counterfeit again in the future.

The next variable to be tested is attitude toward counterfeit by economic benefit. The t-test result shows that this variable is significantly impacting the purchase intention of counterfeit. Table 4.19 shows that the significance t value is below 0.05 which is bigger than 1.9778 (value in t-table). This result supports the alternate hypothesis (H2) and rejects the null hypothesis.

The coefficient of this variable is 0.345. It shows positive value which indicates that there is positive correlation between attitude toward counterfeit by economic benefit and purchase intention of counterfeit. It also means that every single increase in attitude toward counterfeit by economic benefit will lead to 0.345 increases in purchase intention of counterfeit.

Ang, Peng, Elison, & Siok (2001) explained that counterfeit purchases are proper because consumers can spend less money and they can get the same products although the quality is different. Consumers who experience limitation in budget think that they can elevate their prestige with less money and therefore the positive attitude toward purchasing counterfeit by economic benefit will lead to purchase intention of counterfeit.

This finding confirms Yoo and Lee’s finding in 2009. Moreover, the previous research by Triandewi and Tjiptono (2013) also found that attitude toward counterfeit by economic benefit has significant positive correlation with purchase intention of counterfeit. The research conducted by Hidayat and Diwasasri in 2013 also supports the same result about attitude toward counterfeits of luxury brands. Hidayat and Diwasasri mentioned that consumer attitude toward counterfeit is parallel with the purchase intention of counterfeits which means the more positive the attitude, the bigger the purchase intention.

The next variable to be tested is attitude toward counterfeit by hedonic benefit. The t-test result shows that this variable is significantly impacting the purchase intention of counterfeit. Table 4.19 shows that the significance t value is below 0.05 which is bigger than 1.9778 (value in t-table). This result supports the alternate hypothesis (H3) and rejects the null hypothesis.

The coefficient of this variable is 0.269. It shows positive value which indicates that there is positive correlation between attitude toward counterfeit by hedonic benefit and purchase intention of counterfeit. Table 4.19 shows that the significance t value is below 0.05 which is bigger than 1.9778 (value in t-table). This result supports the alternate hypothesis (H3) and rejects the null hypothesis.

The value of adjusted R square for this study is 0.392. It means that 39.2% of the purchase intention of counterfeit can be explained by the independent variables in this regression model. However, there are 60.8% of other variables outside the current regression model that can influence the purchase intention of counterfeit.

After conducting F-test, T-test is then conducted to decide the impact of each independent variable’s relationship toward the dependent variable by testing the significance (t-value) or t-value (t-test statistic) (Ghozali, 2011).

T-test is conducted using two approaches which are comparing the significance-t with significance level 0.05 and comparing calculated t-value with the value in t-table. If the significance value is lower than 0.05, it means that the null hypothesis is rejected. Meanwhile if the t-value is greater or lower than +/- 1.9778 which comes from t-table (0.05 significance level and df/134), the null hypothesis should be rejected. With the rejection of null hypothesis, it means that the independent variable has significant impact toward the dependent variable.

Table 4. Regression T-Test Table

<table>
<thead>
<tr>
<th>Model</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.109</td>
<td>.913</td>
</tr>
<tr>
<td>AVG PPC</td>
<td>4.226</td>
<td>.000</td>
</tr>
<tr>
<td>AVG EB</td>
<td>5.155</td>
<td>.000</td>
</tr>
<tr>
<td>AVG HB</td>
<td>3.818</td>
<td>.000</td>
</tr>
<tr>
<td>AVG MP</td>
<td>1.237</td>
<td>.218</td>
</tr>
<tr>
<td>AVG CIO</td>
<td>-8.59</td>
<td>.392</td>
</tr>
</tbody>
</table>

a. Dependent Variable: AVG CIC

The first variable to be tested is past purchase of counterfeit. The t-test result of past purchase of counterfeit shows that this variable is significantly impacting the purchase intention of counterfeit. Table 4.19 shows that the significance t value is below 0.05 which is bigger than 1.9778 (value in t-table). This result supports the alternate hypothesis (H1) and rejects the null hypothesis for the first variable.

The coefficient of this variable is 0.290. It shows positive value which indicates that there is positive correlation between past purchases of counterfeit and purchase intention of counterfeit. It also means that every single increase in past purchase of counterfeit will lead to 0.290 increases in purchase intention of counterfeit.

This finding is in line with Yoo and Lee (2009) and Triandewi and Tjiptono (2013). Although the location of their researches are different; South Korea and Yogyakarta; they have the same statement that consumers, who had ever purchased counterfeits before, will be more likely to buy counterfeits again in the future. It indicates that past experience will always be a significant influence towards future action. Hill and Alexander (2006) also confirmed that people will always relate to their past experience; which in this case is past purchase of counterfeit. It means if the consumer has experienced the products in the past and they got a good impression, they will relate to that experience in the future whenever they want to purchase the products. The finding in this research indicates that people have positive impression towards their past purchases of counterfeit and it triggers their intention to buy counterfeit again in the future.

The next variable to be tested is attitude toward counterfeit by economic benefit. The t-test result shows that this variable is significantly impacting the purchase intention of counterfeit. Table 4.19 shows that the significance t value is below 0.05 which is bigger than 1.9778 (value in t-table). This result supports the alternate hypothesis (H2) and rejects the null hypothesis.

The coefficient of this variable is 0.345. It shows positive value which indicates that there is positive correlation between attitude toward counterfeit by economic benefit and purchase intention of counterfeit. It also means that every single increase in attitude toward counterfeit by economic benefit will lead to 0.345 increases in purchase intention of counterfeit.

Ang, Peng, Elison, & Siok (2001) explained that counterfeit purchases are proper because consumers can spend less money and they can get the same products although the quality is different. Consumers who experience limitation in budget think that they can elevate their prestige with less money and therefore the positive attitude toward purchasing counterfeit by economic benefit will lead to purchase intention of counterfeit.

This finding confirms Yoo and Lee’s finding in 2009. Moreover, the previous research by Triandewi and Tjiptono (2013) also found that attitude toward counterfeit by economic benefit has significant positive correlation with purchase intention of counterfeit. The research conducted by Hidayat and Diwasasri in 2013 also supports the same result about attitude toward counterfeits of luxury brands. Hidayat and Diwasasri mentioned that consumer attitude toward counterfeit is parallel with the purchase intention of counterfeits which means the more positive the attitude, the bigger the purchase intention.

The next variable to be tested is attitude toward counterfeit by hedonic benefit. The t-test result shows that this variable is significantly impacting the purchase intention of counterfeit. Table 4.19 shows that the significance t value is below 0.05 which is bigger than 1.9778 (value in t-table). This result supports the alternate hypothesis (H3) and rejects the null hypothesis.

The coefficient of this variable is 0.269. It shows positive value which indicates that there is positive correlation between attitude toward counterfeit by hedonic benefit and purchase intention of counterfeit. Table 4.19 shows that the significance t value is below 0.05 which is bigger than 1.9778 (value in t-table). This result supports the alternate hypothesis (H3) and reject the null hypothesis.
benefit and purchase intention of counterfeit. It also means that every single increase in attitude toward counterfeit by hedonic benefit will lead to 0.269 increases in purchase intention of counterfeit. The result, which shows positive influence of consumers' attitude toward counterfeit by hedonic benefit, is in line with the finding of Yoo and Lee (2009), and Hidayat and Dwiasasri (2013). Both of them got the same findings that positive attitude towards counterfeit by hedonic benefit will increase purchase intention of counterfeits. Wang, Chen, Chan, and Zheng (2000) stated that people have to find pleasure in owning and using the goods rather than only using the good as a functional tool. It explains the positive correlation in the result of the research because hedonic consumers appreciate appearance more than price and quality that is why they prefer buying counterfeit. Hedonic consumer will not feel embarrassed and guilty in buying and using counterfeit products. However, the current finding is different from the finding of Triandewi and Tjiptono in 2013. They found no significant effect of attitudes towards counterfeit by hedonic benefit to purchase intention of counterfeits. It might happen because the consumers in Yogyakarta have different perception about hedonic benefit. Yogyakarta consumers might find that pleasure and satisfaction in buying products is not important (Putra, 2011). It might explain the insignificance of hedonic benefit in Triandewi and Tjiptono’s research.

The fourth variable to be tested is materialism. The t-test result shows that this variable is not significantly impacting the purchase intention of counterfeit. Table 4.19 shows that the significance-t value is above the 0.05 significance level and the t-value is 1.237 which is lower than 1.9778 (value in t-table). This result supports the null hypothesis (H4) and rejects the alternate hypothesis.

This finding is not aligned with the previous research by Triandewi and Tjiptono (2013) which found that materialism has significant negative influence towards purchase intention. Yoo and Lee (2009) also got different result which stated that materialism has significant positive influence towards purchase intention of counterfeit. These contradictory results from both previous researchers might happen because of differences in culture since Yoo and Lee’s research was conducted in South Korea, while Triandewi and Tjiptono’s research was conducted in Indonesia. However, this finding of insignificance of the variable might be caused by the choice of research object which is Crocs shoes. As in materialism context, consumers tend to buy things or possess materials in order to impress other people. Thus, branded products are fulfilling this need of people. Difference in the quality will not be the main deliberation for consumers with high materialism (Triandewi & Tjiptono, 2013). Surabaya consumers might not see Crocs as a product that can make them impress others. They might think that Crocs shoes are just ordinary kind of footwear although the price is expensive and many people own the same products so Crocs shoes are common things to be owned and there is no superiority in owning Crocs (Widjaja & Soedarmadji, 2013). These reasons make materialism as an insignificant influence toward purchase intention of counterfeit Crocs.

The fifth variable to be tested is purchase intention of original. The t-test result shows that this variable is not significantly impacting the purchase intention of counterfeit. Table 4.19 shows that the significance-t value is above the 0.05 significance level and the t-value is -0.859 which is higher than -1.9778 (value in t-table). This result supports the null hypothesis (H5) and rejects the alternate hypothesis.

The current finding is different with Triandewi and Tjiptono’s finding in 2013. They get the result of significant positive correlation between purchase intention of original and purchase intention of counterfeit. Furthermore, they also explained that consumers in Yogyakarta are still willing to buy counterfeit because they find counterfeit as good substitutes of the originals.

The finding for purchase intention of original is aligned with Yoo and Lee’s (2009) finding in term of the coefficient which stated that purchase intention of original have negative purchase intention of counterfeit. It happens because the consumers have more advantage by purchasing originals. However, the insignificance happened in this variable might happen because the consumers just feel indifferent with both original and counterfeit products although they can differentiate both products. The functionality of original Crocs can be replaced by counterfeit Crocs because the difference in quality is not much. People just do not really mind about the originality of the products anymore (Lestari, 2012). Because of that, they do not feel the necessity to purchase original Crocs when they want to purchase Crocs products which leads to insignificance of the finding in this research.

CONCLUSION

This research has the purpose to analyze the overall and individual impact of past behavior, attitudes toward counterfeit, self-characteristic, and purchase intention of original Crocs toward purchase intention of counterfeit Crocs. In this research, past behavior is represented by past purchase of counterfeit. Attitudes toward counterfeit are represented by economic and hedonic benefit. Self-characteristic is represented by materialism.

The research is done by spreading questionnaires through Google form and hard copy questionnaire. The author managed to gather 140 valid responses. The result then processed through validity and reliability test. The result shows that all of the variables are valid and reliable to be further processed to classic assumption test. Classic assumption test shows that all of the variables are normal and free from multicollinearity, autocorrelation, and heteroscedasticity. After that, the model is tested using multiple linear regressions, F-test, and t-test.

After conducting the regression, the author gets several findings to answer the objectives. The first finding is that all of the independent variables simultaneously impact the purchase intention of counterfeit Crocs which can be seen in the F-test in 4.1.4.1 section. The significance F value is 0.000 which indicates that the overall model has significant impact toward the dependent variable.

The next finding is that the first variable, which is past purchase of counterfeit, has a positive significant impact
toward the purchase intention of counterfeit Crocs. The second and third variables which are attitude toward counterfeit by economic and hedonic benefit also have significant positive impact toward the purchase intention of counterfeit. However, the analysis shows that materialism and purchase intention of originals do not have significant impact toward the purchase intention of counterfeit Crocs.

Recommendations

The findings from the research show that past purchase of counterfeit, attitude toward counterfeit by economic benefit, and hedonic benefit have positive significant influence towards consumer purchase intention of counterfeit Crocs. Therefore, the author comes up with several recommendations. First, Crocs should create products with more affordable price. As seen in the result, attitude toward counterfeit by economic benefit is the most significant influence toward the purchase intention of counterfeit which means that people buy counterfeit products simply because of the cheaper price. By realizing this fact, Crocs Company can create a new product with more affordable price. It does not mean that Crocs should lower their standard, but they need to do more research to produce shoes with lower cost to present an affordable product while still maintaining their quality.

Next, Crocs should maximize “Crocs’ experience” especially in Indonesia. Answering the positive influence of past behavior and hedonic benefit toward purchase intention of counterfeit Crocs, Crocs should also act and do efforts to make the consumers realize the superiority of original Crocs. Crocs can add more value to the consumers who purchase their product. For instance, they already have Crocs Club loyalty program. Crocs should notify the consumers more and remind them to use the benefit they got. Furthermore, Crocs can also give special promotion and discount for their consumers. Such “experience” is important for the hedonic consumers since they purchase a product not only because of the product itself, but also the experience they gained from buying the product.

By having Crocs’ experience, the consumers can feel the superiority of purchasing original Crocs and it will create a repeatable behavior of purchasing originals which hopefully can decrease the purchase intention of counterfeit Crocs.

Lastly, the government should enforce the counterfeit policy. Answering the past behavior findings which stated that past purchases of counterfeit Crocs significantly influence the purchase intention of counterfeit Crocs, it is necessary for the government to take action. A behavior of purchasing counterfeit started because the consumers had the chance to purchase it in the first place. This opportunity of trying counterfeit happened because of the low concern of the government. The government has not enforced the counterfeit policy. They have it, but they do not apply it strictly.

Indonesian government should enforce the counterfeit policy to combat counterfeiting business. It is simply because if the consumers already get used to using counterfeit, it will be difficult to stop them from purchasing counterfeit. The government needs to work with the original brand manufacturers to discourage consumers from buying counterfeit. Strong law enforcement needs to be applied to all of the parties related such as manufacturers, distributors, sellers, and also the buyers.

Limitations of the Research

The author realized that this research is still far from perfection. It happens because during the research, the author is faced to several limitations, which are limitation of independent variable and research object. The current research only uses five independent variables which are past behavior, attitude toward counterfeit by economic and hedonic benefit, materialism, and purchase intention of original. The result stated that these variables only influence 39.2% of the dependent variable. There are still 60.8% of other variables that have not been covered yet in the research.

The object of current research is only limited to Crocs products while to understand the purchase intention of counterfeit as an overall, Crocs products will not be sufficient since the products being counterfeited in Indonesia, especially Surabaya is not only Crocs, but also lot of other branded products.

Suggestion for Further Research

Despite the limitations faced by the author, there are several ways to make the research better in the future. Here are some suggestions for the future research:

First, increase the number of independent variable. The number of independent variable tested in the research should be increased to find the rest 60.8% of unidentified factors affecting purchase intention of counterfeit. The author only used Yoo and Lee’s theories in 2009 while there are still many theories from other researchers that explain the purchase intention of counterfeit. The future researchers should improve the findings by elaborating more theories from the other researchers in the past. For instance, moral intensity or moral judgment of a person and perceived risks of purchasing counterfeit (Tan, 2002). Other example is accessibility and social status (Chaudhary, Ahmed, Gill, & Rizwan, 2014). Jenner and Artun (2005) also added perceived difference of quality between counterfeit and genuine brand into the list of independent variables.

Second, broaden the research to other objects. The future research might be conducted to other objects. It does not have to be Crocs footwear. The researchers might analyze other products such as clothing, bags, jewels, etc. By doing so, the future researchers can get more insights of how is the attitude of consumers toward counterfeit products.

REFERENCES


counterfeited-products/?photo=2!slide=989463


