



Received: 10-04-2024
Accepted: 20-05-2024

ISSN: 2583-049X

Unveiling the Authenticity: Exploring Consumer Patronage on Counterfeit Goods in Noveleta, Cavite

¹ Janila Ann Piamonte B, ² Bea Cristel Bocalan G, ³ Rezzie Abogado D, ⁴ Rica Mae Silvestre, ⁵ Lazaro Bryan Louis G

^{1, 2, 3, 4, 5} Noveleta Senior High School, Noveleta, Cavite, Philippines

DOI: <https://doi.org/10.62225/2583049X.2024.4.3.2860>

Corresponding Author: **Janila Ann Piamonte B**

Abstract

The study titled "Unveiling the Authenticity: Exploring Consumer Patronage on Counterfeit Goods in Noveleta, Cavite" aims to investigate the factors influencing consumer patronage of counterfeit goods in Noveleta, Cavite. Genuine products that are copied and manufactured without the owner's permission are known as counterfeit goods. Consumer behavior towards counterfeits is a complex topic that is the product of in-depth research from their perspectives. The questionnaire will consist of five distinct sets of questions, each tailored to address specific aspects of the research problem statement (SOP). Qualitative is the nature of the study and the focus of a particular locality for the potential and proportionality of responses and participants for participants who are used to understanding

and responding to consumer interest in counterfeit products. Provide an in-depth discussion involving fifty (6) people Acting as participants, the respondents were selected using describe, credibility, transferability dependability and confirmability. These statements say that one of the reasons why the consumer, like I.E. Icko, Sam and Maria chose to buy fake products because of the high prices of legitimate branded products in the market. The significant difference in price of genuine products compared to counterfeit products has a significant impact on the decision making and purchasing behavior of consumers. This is one of the reasons why, even with the risks involved in buying fake products, consumers still buy them as consumers try to satisfy their needs and wants in a cheaper way.

Keywords: Counterfeit Goods, Consumer, Authenticity, Unveiling, Patronage

Introduction

Counterfeit goods refers to unauthorized and deceptive replicas, often illicitly produced or circulated, using the name, logo, or branding of another entity without proper permission of its owner, thereby it is violating the intellectual property rights and integrity of the original owner. According to Antonopoulos, *et al*, (2020)^[4] Counterfeit goods are considered as one of the fastest-growing businesses worldwide. Furthermore, it is said that the number of consumers patronizing counterfeit goods is increasing at an alarming rate. According to the World Customs Organization, the US Government, and the European Commission, it has been reported that a significant portion of counterfeit products circulating worldwide originate from China. China is identified as the primary source of millions of dollars' worth of counterfeit goods that are being produced and distributed globally. This issue has raised concerns among various authorities and organizations regarding the proliferation of counterfeit products and the impact it has on the economy, consumer safety, and intellectual property rights protection.

Elsantil *et al*, (2021)^[5] asserts that the escalating prevalence of counterfeit goods has led to its recognition as a significant global economic problem, demanding careful attention and strategic intervention to mitigate its adverse effects on international trade and economic stability. It is also mentioned here that the prevalence of counterfeit products originating from China has been a significant concern highlighted in various reports and studies. China has emerged as a primary source for a large portion of counterfeit goods circulating globally. This trend has contributed to the rise in consumption of counterfeit products, with China playing a pivotal role in the production and distribution of such goods. The influx of counterfeit products from China has raised alarms among authorities and organizations due to its adverse effects on the economy, consumer safety, and intellectual property rights protection.

The widespread availability of counterfeit goods not only undermines legitimate businesses but also poses risks to consumers who may unknowingly purchase substandard or potentially harmful products.

According to Mustafa, *et al* (2021) the decision-making process of consumers regarding the purchase of counterfeit products or goods is influenced by a multitude of factors. These factors encompass a wide range of considerations that play a significant role in shaping consumers' choices in this regard. One of these influential factors is price consciousness, as consumers inherently exhibit vigilance towards the prices of the products they intend to purchase. They meticulously compare the prices of various options before arriving at a decision to make a purchase, ensuring that they obtain the best value for their money.

Objectives of the Study

The objective and purpose of this study is twofold: Firstly, to determine the various factors influencing consumers' decisions when it comes to purchasing counterfeit goods; and secondly, to elucidate the impacts that counterfeit goods have on their consumers. By delving into these aspects, the study seeks to provide a comprehensive understanding of the dynamics surrounding counterfeit products in consumer behavior. This study aims to provide valuable insights to enhance consumer awareness regarding the purchase of counterfeit products. Through comprehensive analysis and findings, it seeks to equip consumers with the necessary knowledge and understanding to make informed decisions and avoid the inadvertent purchase of counterfeit goods.

Methods and Materials

A proper research design matches our goals and provides the right kind of analysis for data. According to Edward *et al.* (2020)^[3] reflexivity is common to most qualitative studies. It is clearly one of the major advantages of qualitative designs for examining the messy and constantly changing contexts of early childhood. Validity is often a vexed issue in qualitative research approaches. Indeed, qualitative researchers argue that the field-sensitive evidence gathered in qualitative investigations offers more valid representations of social worlds than those found in studies which reduce the lives of others to statistically significant generalisations. And through this, we can get a deeper understanding of the loss of the right behavior and trust of fakes. Product and its spread in Noveleta, Cavite.

Qualitative is the nature of the study and the focus of a specific locality for the potential and proportionality of the responses and participants for the participants who are accustomed to understanding and responding to the consumer's interest in counterfeit products.

This qualitative research design is a qualitative approach to exploring consumer perceptions of counterfeit products in Noveleta, Cavite, providing a framework for conducting an in-depth investigation into this phenomenon.

This research endeavors to employ questionnaires as the primary tools for gathering data and insights. The researchers aim to gather responses from potential respondents. These responses are sought with the purpose of deriving plausible solutions to the specific issue at hand, which constitutes the focal point of the research inquiry. Thus, the overarching aim of this research is not only to gather information but also to discern actionable insights that can contribute meaningfully to addressing the targeted issue.

According to Hamed Taherdoost (2021), one crucial aspect of research is data collection. It enables researchers to derive potential solutions and answers. Data Collection is a

systematic process geared towards acquiring insights directly related to the research objectives or topics. Furthermore, one of the primary data collection methods is the questionnaire.

Researchers frequently employ questionnaires due to their versatility in containing a open-ended questions. This provides researchers with the flexibility needed to explore diverse aspects of their research topic comprehensively. This method proves beneficial as it facilitates the gathering of diverse information from various individuals and groups. In our methodology, we have carefully selected a data collection technique that incorporates a open-ended questions. This strategic choice is driven by the necessity to ensure the acquisition of comprehensive and reliable information, as well as diverse perspectives from a wide array of individuals.

Results and Discussion

This study looked at qualitative data. To transcribe the collected data, the researcher initially used qualitative data. The Thematic Analysis approach is the last step in evaluating qualitative data; it is used to find recurring themes, patterns, and insights in the answers to open-ended questions.

Affordability and Perceived Quality

Participants consistently highlighted affordability as the driving force behind their decision to purchase counterfeit goods. *"Shoes, I buy it because it is budget friendly"* and *"I want to save money for my future goals."* This statement aligns with economic theories of consumer behavior, where individuals seek to maximize utility within budget constraints. Despite acknowledging that counterfeit products may not match the quality of authentic ones, *"Parang yun narin goods sa quality maganda din yung quality niya kahit fake product siya."* This participant generally rated the quality of the counterfeit goods he purchased relatively high. This discrepancy between perceived quality and authenticity raises interesting questions about consumer perceptions and the value they attribute to products based on price alone.

Ethical Considerations

While affordability was paramount, participants struggled with ethical concerns associated with purchasing counterfeit goods. The tension between affordability and ethical considerations underscores the complex decision-making process consumers face. *"Bibili ka ng sapatos pagdumating sayo...kunware umorder ka sa online kala mo maganda yung quality pagdating sayo ang panget"*. Despite recognizing the potential negative impact on original creators and businesses, participants often prioritized personal financial constraints. This ethical dilemma highlights the need for an understanding of consumer behavior and the broader societal implications of counterfeit commerce.

Social Influence and Perception

Social factors exerted a significant influence on participants' decisions to purchase counterfeit goods. *"Nire-recommend nila kung magandang quality"* and *"I always look for the comments of other buyers to know if there is a good or bad feedback regarding the product."* Peer recommendations and positive online reviews shaped their perceptions of counterfeit products, underscoring the power of social

influence in consumer decision-making. Additionally, participants acknowledged societal attitudes toward counterfeit items, with perceptions varying based on factors such as social status and educational attainment. This suggests that consumer behavior is not solely driven by individual preferences but is also influenced by social norms and peer interactions.

Risks and Drawbacks

Participants acknowledged several risks associated with purchasing counterfeit goods, including concerns about product quality and the potential for legal repercussions. *“Don't expect that the product will have the same quality as the original; on the other hand, always expect the damage of every counterfeit product that you purchase”* Personal experiences of receiving low-quality or misrepresented products highlighted the inherent risks of counterfeit purchases, illustrating the importance of consumer vigilance and due diligence. These findings underscore the need for greater consumer awareness and education regarding the potential pitfalls of counterfeit commerce.

Conclusion

By the Summary of findings, the researchers come to the following conclusions:

Based on the findings, one of the most significant factors affecting consumer's decision making when purchasing counterfeit goods is money. The impact of money is significant because consumers buy things only based on their budget. Therefore, the low cost of counterfeit products has a considerable impact on consumer's buying behavior. Even if there are many risks associated with buying fake products that can affect consumers; they have no choice but to continue buying counterfeit products as a substitute for the genuine products they want to purchase. Furthermore, buying counterfeit goods has advantages, primarily allowing consumers to save money due to its affordable price. But, products like these can only serve as temporary replacements for genuine products due to their inferior quality. In addition, social media has a substantial impact on shaping consumers' perceptions of purchasing counterfeit products. Many consumers often buy products based on trends or the influence of people on the internet. However, education also plays a crucial role in influencing consumers, as people with higher education are less likely to purchase counterfeit products. The consumers' desire to save money and cut costs results in many risks, such as the low quality of counterfeit products that lead to the rapid deterioration of such items, and a negative experience with the product especially if the purchased item is food, medicine, or electronic, as it can cause accidents. To sum up, the findings of this study revealed that there are crucial factors affecting consumers' decision-making when purchasing counterfeit goods. Their purchase or patronage also has a positive effect on them; however, the potential negative effects they may experience from buying such products outweigh the positive ones. Therefore, researchers recommend continuing to support legitimate products not only to maintain the identity of authentic products but also for your personal safety as a consumer.

References

1. Ajzen I, Schmidt P. Changing behavior using the theory of planned behavior. The handbook of behavior change, 2020, 17-31.
2. Ajzen I. The theory of planned behavior: Frequently asked questions. Human behavior and emerging technologies. 2020; 2(4):314-324.
3. Edwards A. Qualitative designs and analysis. Doing Early Childhood Research, 2020, 155-175.
4. Antonopoulos GA, Hall A, Large J, Shen A. Counterfeit goods fraud: An account of its financial management. European Journal on Criminal Policy and Research. 2020; 26(3):357-378. ISSN 0928-1371
5. Elsantil, Hamza. A review of internal and external factors underlying the purchase of counterfeit products. Academy of Strategic Management Journal. 2021; 20(1):1-13.
6. Farzana Quoquab, Sara Pahlevan, Jihad Mohammad, Ramayah Thurasamy. Factors affecting consumer's intention to purchase counterfeit product. Asia pacific Journal of Marketing and and Logistics. 2017; 29(4):837-853.
7. Fiza A, Shahzad I, Muhammad H, Rehman HU, Sajjad B. Impact of consumer attitude towards purchase intention of the counterfeit products: A multigroup analysis between the user and non-user. Industria Textila. 2021; 72(6):606-612.
8. Pacho Frida Thomas. Self-brand Connection and the Decision to Purchase Counterfeit and Original Luxury Brands in Tanzania. Journal of Consumer Sciences. 2023; 8(2):93-110.
9. Harwood J. Social identity theory. The international encyclopedia of media psychology, 2020, 1-7.
10. Junejo I, Sohu JM, Ali SH, Qureshi S, Shaikh SA. Luxurious Products: The Mediating role of Purchase Intention. Sukkur IBA Journal of Management and Business. 2020; 7(1):1-18.
11. Junsong Bian, Guoqing Zhang, Guanghui Zhou. The strategic impact of vertical integration on non-deceptive counterfeiting. International Journal of Production Economics. 2023; 260:108863.
12. Manfred Bruhn, Verena Schoenmuller, Daniela Schafer, Daniel Heinrich. Brand Authenticity: Towards a deeper understanding of its conceptualization and measurement. Advances in Consumer Research. 2012; 40.
13. Mehdi Khademi, Fateh Gadaryani, Shiva Nosrati. Effect of attitude Functions on Intention to Purchase Counterfeit Brands. Commercial Surveys. 2023; 21(118):35-60.
14. Mussanova. Reasons to counterfeit: Supply, demand and distribution of counterfeit goods. Wydawnictwo Uniwersytetu Wrocławskiego, 2024.
15. MS M, Rouly D. Customer purchase intention on counterfeit fashion products: Application of theory of reasoned action. International Journal of Economics and Management Studies. 2020; 7(10):105-108.
16. Olivia Agatha, Irantha Hendrika Kenang. The affect of social influence mediated by attitude toward decision to purchase counterfeit luxury products. SEAN INSTITUTE, 2024.
17. Posselt J, Hernandez TE, Villarreal CD, Rodgers AJ, Irwin LN. Evaluation and decision making in higher education: Toward equitable repertoires of faculty practice. Higher Education: Handbook of Theory and Research. 2020; 35:1-63.
18. Renganathan TS, Teh GM. The Effect of Social Media

- Influencers on Fashion Counterfeit Purchase Intention among Young Generation. *Information Management and Business Review*. 2023; 15(2 (I) SI):128-143.
19. Salminen, Kandpal, Kamel, Jung, Jansen. Creating and detecting fake reviews of online products. *Journal of Retailing and Consumer Services*. 2022; 64:102771.
 20. Sreekanth K, Ilavenil R, Nedumaran G. A Study of Online Shopping Behavior of College-Going Young Adults in Hyderabad. *International Journal of Emerging Knowledge Studies*. 2024; 3(2):70-72.
 21. Thompson J. *A Guide to Abductive Thematic Analysis*. Edinburgh Napier University, 2022.
 22. Vrontis D, Maarabani M, El Nemar S. Consumer Behaviour towards Purchasing Counterfeit Products. *Handbook of Research on Contemporary Consumerism*, 2020, 21-38.
 23. Yasmeen G Elsantil, Eid G Abo Hamza. A review of internal and external factors underlying the purchase of counterfeit products. *Academy of Strategic Management Journal*. 2021; 20(1):1-13.
 24. Yunos M, Lasi A. Factors Affecting Consumers' Intention to Purchase Counterfeit Products in Fashion Industry. *International Journal of Academic Research in Business and Social Sciences*. 2020; 10(10):939-949.
 25. Zhuzhu Song, Zhongfeng Qin, Tian-Liang Liu. Implications of counterfeiting and differentiation on online knowledge services with suitability upgrades. *Journal of Retailing and Consumer Services*. 2024; 78:103787.