

## Customers' Attitude towards Non-deceptive Counterfeit Mobile Phone in Bangladesh: A Study on Dhaka City

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### **Abstract**

The purpose of this study is to know Bangladeshi customers attitude and examine the impact of the factors i.e. low price, prior experience, positive attitude, reference group influence, value consciousness, moral values and ethics, easy accessibility on customer purchase intention toward non-deceptive counterfeit mobile phone. Self-administered questionnaire based on 5-point likert scale was used to collect data from users of counterfeit mobile phones. Descriptive statistics, reliability statistics, One-way ANOVA and multiple regression analysis have been used to analyze the collected data. Findings of this study showed that low price, prior experience, positive attitude, reference group influence, value consciousness, moral values and ethics significantly determine Bangladeshi customer purchase intention toward counterfeit mobile phone but easy accessibility did not prove to have any significant impact on counterfeit mobile purchase. It is also shown that low price is the most dominant factor among 6 significant factors which mostly motivate Bangladeshi customers to buy counterfeit mobile phone. The findings provide manufacturing implications for branded companies and regulatory implications to the government.

**Keywords:** Counterfeit products, Low price, Positive attitude, Prior experience, Reference group influence, Value consciousness, Moral value and ethics, Purchase intention

### **Introduction**

Counterfeit goods are those goods containing several characteristics that are alike or in distinct from, a brand mark filed to some other party and encroach the privileges of the owner of the brand mark (Grossman and Shapiro, 1988; Kapferer, 1995; Chaudhary and Walsh, 1996; Eisend and Schuchert-Guller, 2006). According to Trade-Related Aspects of Intellectual Property Rights (TRIPS, WTO Treaty), counterfeits are any products holding an unlawful property brand mark and in that way contravene the property of brand mark owner rendering the law of country importation. Product counterfeiting is now global problem in both consumer and industrial goods and it has an intense effect on developing countries like Bangladesh. According to The Organization of Economic Collaboration and Development's (OECD, 2008), the development the rate of counterfeiting and piracy business is 15% per annum. The International Anti-Counterfeiting Association shows that counterfeiting trade is accountable for US\$200 billion a year in lost jobs, not paid taxes and lost garage sales (Furnham and

Valgeirsson, 2007). Along with this, real manufacturers also face some intangible losses such as failure of goodwill (Barnett, 2005; McDonald and Roberts, 1994; Nia and Zaichkowsky, 2000), loss of brand reputation and reduced brand equity (Nia and Zaichkowsky, 2000)

Counterfeiting can be different types including deceptive, non-deceptive and blurs counterfeiting (Grossman and Shapiro, 1988; Bian, 2006). In deceptive and blur counterfeiting, consumers are either not aware or uncertain about the facts that they are purchasing counterfeit products. On the other hand, non-deceptive counterfeiting is situation where consumers are intended to acquire fake products (Bamossy and Scammon, 1985; Bloch et al., 1993). Selling of counterfeit products mainly attract those people who have less income and a lot of expenses because counterfeits are cheaper than unique brands (Bhatia, 2014). Although laws aimed to reduce the trade of counterfeit goods, manufacturing leaders around the world have worked closely with groups such as International Anti-Counterfeiting Coalition (IACC) to protect their products from being imitated. A research has showed that consumer's moral arrogances can shift the possibility of buying imitated goods (Muncy and Vitell, 1992). Profitable gains can also cause the need for imitated products (Bloch et al., 1993; Dodge et al., 1996).

## Literature Review

### Purchase Intention

Businesses are now customer oriented. Modern marketers think not only to satisfy customers but also to delight them by providing more values according to their desire. Organizations want to know customer attitude towards purchase intention of their products. So, purchase intention is one of the significant aspects in purchasing of non-deceptive counterfeit mobile phone. According to Ajzen and Fishbein (1975), purchase intention is the activities or psychological status showing the consciousness of individual participants and a specific behavior. High purchase intention means high desire of buying a product (Dodds et al., 1991). Several studies showed that purchase intention is not only an attitude but also a function of economic deliberations. Thus, the purchase of a product is backed by the affordability, no matter whether the buyer becomes aware of the product as counterfeit or low-priced.

### Low Price

Low price is an important consideration while purchasing a product or service. Customers want to purchase genuine products but few of them can afford them. Thus, those customers who cannot buy original brands because of high price, buy low priced counterfeit products or services to satisfy their needs and wants (Chuchinprakarnm, 2003; Chaudhry et al., 2009). Most often customers choose to purchase counterfeit products because of its low priced as

compare to branded items (Peter et al., 1993). There is a positive relationship between the consumers purchase intention and low price counterfeit products (Dodge et al., 1996; Albers Miller, 1999; Prendergast et al., 2002; Harvey and Walls, 2003). The above literature can come up with the following hypothesis:

**H1:** There is a significant relationship between low price and purchase intention of non-deceptive counterfeit mobile phone.

### Prior Experience

Consumer behavior is an output of learning (Bentlar and Speckart, 1979). Counterfeit buyers are entirely different from non-buyers of counterfeit products because counterfeit buyer will consider this purchasing as not unethical, less risky, and trusting the products for former counterfeit purchase (Ang et al., 2001). Prior knowledge enhances positive attitudes towards the counterfeiting purchases (wang et al., 2005; Tom et al., 1998). The above literature can come up with the following hypothesis:

**H2:** There is a significant relationship between prior experience and purchase intention of non-deceptive counterfeit mobile phone.

### Positive Attitude

Attitude is a psychological situation where people use to form the behaviors to identify the environment (Aaker et al., 1995). How people respond to his or her environments is directed by attitude. Some consumers have positive attitude towards counterfeit goods while some think them negative (De Matos et al., 2007). For example, Lee and Workman (2011) showed that Korean students are more willing to purchase counterfeit goods than American students as they have more confirming attitude towards counterfeits. Yoo and Lee (2009) said that buyer's positive attitude for counterfeit goods can extremely determine their purchase intention.

The above literature can come up with the following hypothesis:

**H3:** There is a significant relationship between positive attitude and purchase intention of counterfeit mobile phone.

### Value Consciousness

Value consciousness can be defined as an interest for yielding lower prices, based on few quality deficiencies (Ang et al., 2001). Customer's value consciousness has positive impact on attitude towards counterfeit goods (Bloch et al., 1993, Ang et al., 2001, Wang et al., 2005). In case of purchasing pirated goods, customers have less income and are thus repelled by the price/value insight (Bloch et al., 1993). Therefore, good features of counterfeits influence value conscious buyers to make purchase of counterfeit products (Eisend and Schuchert-Guller, 2006). According to Dodge et al. (1996) buyers perform doubtful

behavior due to economic effects. Perceived value is in height, as imitated goods allow enormous cost savings to buyers, while with certain settlement in quality. Buyers are willingly buying counterfeit products because it has severe price benefit over the genuine goods (Bloch et al., 1993). The above discussion allows us in constructing following hypothesis:

**H4:** There is a significant relationship between customer's value consciousness and purchase intention of non-deceptive counterfeit mobile phone.

#### Reference Group Influence

Reference group can be defined as a group of people whose attitudes and standards influence an individual's current behavior (Schiffman and Kanuk 2007). Generally, friends, relatives and acquaintances constitute a social circle of a person, members of which are termed as peers or reference group (Pilgrim and Lawrence, 2001). People are mostly influenced by others to purchase non-deceptive counterfeit products. (Ang et al., 2001). Previous research revealed that friends, who purchase illegal goods, develop the willingness to purchase counterfeited products (Albers- Miller, 1999). The above literature allows to construct following hypothesis

**H5:** There is a significant relationship between reference group influence and purchase intention of non-deceptive counterfeit mobile phone.

#### Moral Values and Ethics

Ethics is moral principles that govern a person's behavior or prevent people from performing dishonest activities. There are four factors influencing the customer ethics. These are:

1) deriving benefits from illegal activity actively, 2) deriving passive benefits, 3) deriving active benefits from questionable actions, and 4) not engaging in harm or foul (Muncy and Vitelle, 1992). According to Cordell et al. (1996), customers who follow law strongly have negative perception on counterfeit products. A consumer having higher moral values has a strong self-identity. Therefore, he would consider purchase of counterfeit product ethically wrong (Penz and Stöttinger, 2005). Consumers who focus on honesty, he is not likely to support counterfeit purchase (Ang et al., 2001; Wang et al., 2005).

The above literature can come up with the following hypothesis:

**H6:** There is a significant relationship between moral values and ethics with purchase intention of non-deceptive counterfeit mobile phone.

#### Easy Accessibility

Easy accessibility of counterfeits and pirated products induces consumers to purchase them (Penz and Stöttinger, 2005; Stumpf et al., 2011). According to OECD (2008), non-deceptive counterfeit products are easily accessible because

these products are sold at open market and at street vendors. In urban area of Turkey, customers are frequently buying counterfeit products because counterfeits are available in both confined and high street shops (Ergin, 2010). The level of easy availability of counterfeits and pirated products is mainly increased demand for them. But this situation may be different at diverse markets. Nowadays, the chances to buy counterfeit products at open markets are higher than at regulated markets (Lee and Yoo, 2009).

The above discussion allows us in constructing following hypothesis:

**H7:** There is a significant relationship between easy accessibility and purchase intention of non-deceptive counterfeit mobile phone.

#### Research Gap

Now, counterfeiting is the most lucrative businesses in Asia and it is widespread day by day. Both buyers and sellers of counterfeit products do transactions in open market. This phenomenon is alarming for genuine product manufactures because counterfeit products will turmoil company's brand reputation, reduce profits to greater extent. The question may rise what factors really motivate customers to purchase counterfeit products even though they are aware that these products are of lower quality (Albers-Miller, 1999). There are very few researches conducted to understand consumer purchase behavior in counterfeit products. Many past researches had been done in countries such as. Malaysia, Pakistan China, Brazil, Taiwan, Singapore (Huang et al., 2004; Wang et al., 2005; De Matos et al., 2007; Phau and Teah, 2009). Besides, the existing literature gives mixed and contradictory findings. For example, Fan et al. (2013), showed that price is not a significant factors to purchase counterfeit product was contradicted by Hamelin et al. (2013) who concluded that price is a key driver of purchasing counterfeit product. Therefore, this study is conducted to understand customer attitudes toward non-deceptive counterfeit mobile phone and what influential factors motivate customers to purchase non-deceptive mobile phone in Bangladesh. This study will help producers and marketers of genuine mobile phone to understand what really motivates customers to purchase non-deceptive mobile phone.

#### Objectives of the Study

The main objective of this study is to examine the impact of Low price, Prior experience, Reference group influence, Positive attitude, Value consciousness, Moral Values and Ethics, Easy accessibility on customer intention to purchase non-deceptive counterfeit mobile phone in Bangladesh. To be specific, the study has the following objectives:

1. To understand customer attitude toward non-deceptive counterfeit mobile phone.

2. To examine whether low price has significant relationship on customer purchase intention of non-deceptive counterfeit mobile phone.
3. To examine whether prior experience has significant relationship on customer purchase intention of non-deceptive counterfeit mobile phone.
4. To examine whether reference group influence has significant relationship on customer purchase intention of non-deceptive counterfeit mobile phone.
5. To examine whether positive attitude has significant relationship on customer purchase intention of non-deceptive counterfeit mobile phone.
6. To examine whether value consciousness has significant relationship on customer purchase intention of non-deceptive counterfeit mobile phone.
7. To examine whether moral values and ethics has significant relationship on customer purchase intention of non-deceptive counterfeit mobile phone.
8. To examine whether easyaccessibility has significant relationship on customer purchase intention of non-deceptive counterfeit mobile phone.
9. To explore the most dominant factors influence customers to purchase non-deceptive counterfeit mobile phone.
10. To recommend some actions plan for genuine producers on the basis of this research findings.

### Conceptual Framework

Based on the literature review, this study concentrates on conceptual framework of Bangladeshi customers' purchasing attitude towards non-deceptive counterfeit mobile phone. This framework includes seven independent variables which are Low price, Prior experience, Reference group influence, Positive attitude, Value consciousness, Moral values and ethics, Easy accessibility. These independent variables have significant relation with the consumer purchase intention towards non-deceptive counterfeit mobile in Bangladesh.

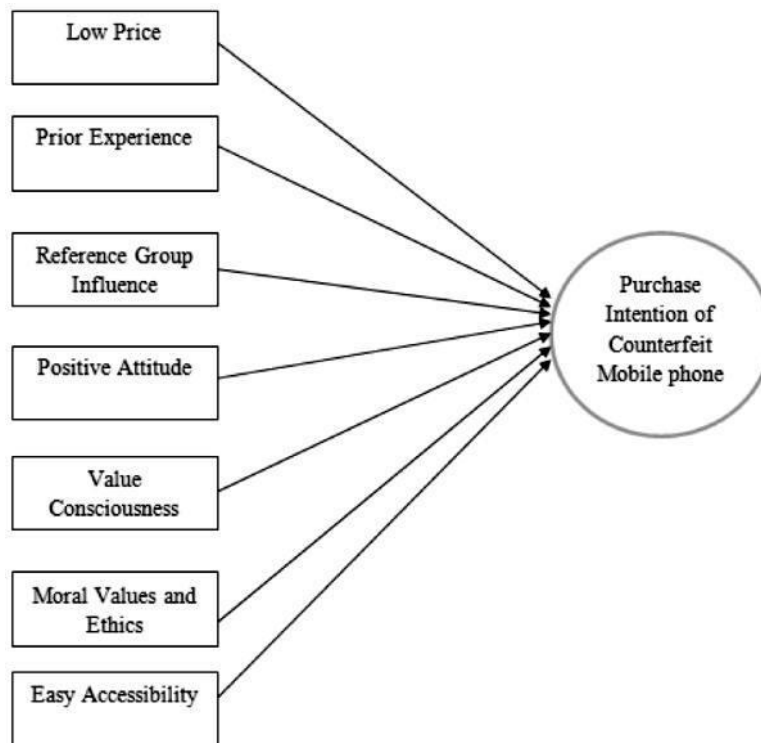


Figure 1: Conceptual framework

### Methodology

This study is descriptive in nature. Descriptive research can be explained as unfolding something, some observable fact or any particular condition. Descriptive researches are those researches that describe the current situation rather than

interpreting and making judgments (Creswell, 1994). The main purpose of the descriptive research is validation of the developed hypothesis that reflects the existing condition (Zikmund et.al., 2012).

### Sampling Design

The population of this study includes all the individuals in Dhaka city who purchase non-deceptive counterfeit mobile phone. The sampling unit includes both male and female doing business, service, home maker and students with any level of education but must have age 18 years. Data has been collected from the five areas namely Dhanmondi, Tejgaon, Banani, Shantinagor and Azimpur in Dhaka City. Time for collecting survey data is from August 2016 to November, 2016. Convenience sampling method of non-probability sampling technique has been used in this study. Hatcher (1994) recommended that the number of subjects should be larger than 5 times of the number of variables. It should be 100 (hundred). Based on this literature, two hundred (200) samples are selected for this research.

### Data Collection Procedure and Instruments

To accomplish the objectives of this study both the primary and secondary data have been used. Secondary data has been collected from journals, newspapers, magazine, books, reports, and websites etc. The researcher conducts a survey to collect the primary data from the respondents who are using non-deceptive counterfeit mobile phone or had prior experience regarding counterfeit mobile phone. Primary data is collected from the respondents through survey method. Considering the nature of the study, data were collected through a structured questionnaire using 5-point Likert scale where Strongly Disagree=1, Disagree=2, Neutral=3, Agree=4, and Strongly agree=5) to collect information about the factors influencing Bangladeshi customers to purchase non-deceptive counterfeit mobile phone. The questionnaire was designed in two parts. In part-I, it includes respondents' specific demographic criteria including gender, age, income level, occupation and education and in part-II includes 24 influential variables of purchasing counterfeit mobile phone.

### Data Analysis

The data were analyzed using the Statistical Package of the Social Science (SPSS). In this study, both the descriptive and inferential analysis techniques including reliability statistics (Cronbach Alpha), and multiple regression analysis were used to achieve this purpose.

### Limitations and Future Direction

This research conducted in only Dhaka city specifically few areas and the sample size was small. These are the major limitations on generalizability of the research result. On the other hand, this research focused on only non-deceptive counterfeit mobile phone but there are many other products which are continuously counterfeiting and selling open market i.e., fashion product, perfume, software. Moreover, the research model doesn't include all the factors (i.e. Economic condition, Social Status, Novelty seeking, Individual personality, Brand image) that affect customer attitude toward non-deceptive counterfeit mobile phone. Therefore, future research should identify and test new factors that may have significant impact on counterfeit buying behavior.

### Analysis and Discussion

#### Reliability of Data

The reliability of a measure indicates the degree to which measures are free from random error and therefore yield consistent results (Zikmund, et al., 2012). Cronbach alpha is the most common measure of internal consistency or reliability. Nunnally (1978) has said that 0.7 is acceptable reliability coefficient but some studies 0.600 also considered acceptable (Gerrard et al., 2006).

**Table 1 : Reliability Statistics**

Cronbach's Alpha	No of Items
.738	24

In table 1, Cronbach's alpha is .738 which indicates a high level of internal consistency among 24 variables. These

results of reliability ensure a proper ground for further analysis.

**Table 2: Demographic Profile of the Respondents**

Variables	Respondents N= 200	Frequency (%)
<b>Gender</b>		
Male	136	68%
Female	64	32%
<b>Age (Years)</b>		
18-25	84	42%
26-35	68	34%
36-45	36	18%
Above 45	12	6%
<b>Income Level (Monthly)</b>		

Below 10000 BDT	70	35%
10000-25000 BDT	94	47%
25000-40000 BDT	26	13%
Above 40000 BDT	10	5%
<b>Education Level</b>		
SSC	30	15%
HSC	58	29%
Graduation	42	21%
Post-graduation	22	11%
Illiterate	48	24%
<b>Occupation</b>		
Business	46	23%
Service	88	44%
Students	66	33%

Table -2 presents the demographics profile of the customer of counterfeit mobile phone which includes gender, age, income level, education and occupation. From this study, it has been found that male respondents are dominant(68%) compared to female respondents (32%).In case of age group, 18 to 35(76%) are mostly the buyer of counterfeit mobile phone where only 6 percent purchases counterfeit mobile phone whose age above 45. The respondents whose monthly income level below 10000 taka to 25000 (82%) are mostly the buyer of counterfeit mobile phone while 5 percent buys counterfeit mobile phone whose monthly income 40,000 or above. The respondents who have SSC, HSC, and graduated degree are the major buyers of non-deceptive counterfeit mobile phone representing 65 percent while 11

% are post gradated. The remaining parts of the respondents are illiterate. Finally, statistics related to occupation reveals that a significant number of the sample belongs to service class (44 %) followed by students (33%) and business (23%).

The respondents with low income want to purchase counterfeit mobile phone for their usage. Students with high educational qualifications have negative attitude towards counterfeit mobile phone. On other hand, students with low educational qualification and illiterate people show their positive attitude toward the purchase of counterfeit mobile phone.

#### Multiple Regression Analysis

**Table : 3 Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.785 <sup>a</sup>	.698	.679	.45434

a. Predictors: (Constant), Moral Values\_Ethics , Prior\_Experience, Positive\_Attitude, Value\_Consciouness, Reference\_Group, Low\_Price, Easy\_Accessibility

**Table : 4 ANOVA <sup>b</sup>**

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	9.789	7	1.398	6.775	.000 <sup>a</sup>
Residual	39.633	192	.206		
Total	49.422	199			

a. Predictors: (Constant), Moral Values\_Ethics , Prior\_Experience, Positive\_Attitude, Value\_Consciouness, Reference\_Group, Low\_Price, Easy\_Accessibility

b. Dependent Variable: Purchase\_Intention

The study has used to regression analysis to determine the impact of seven independent variables i.e. low price, prior experience, reference group influence, positive attitude, value consciousness, moral values and ethics, easy accessibility on customer purchase intention of non-deceptive counterfeit mobile phone. In table 3, the model summary shows that the R value is .785, which is the correlation of seven independent variables with dependent variable. It is also shown that the coefficient of multiple determination is  $R^2=.698$ . This means that 69.8 percent variations in the dependent variable i.e. customer purchase intention of non-deceptive counterfeit mobile phone are explained by

independent variables that are low price, prior experience, reference group influence, positive attitude, value consciousness, moral values and ethics, easy accessibility and the remaining 30.2% can be attributed by other factors which are not studied. Table 4 shows that the ANOVA test result ( $F= 6.775$ ,  $P=.000$ ) represents the fitness of the model. Therefore it can be concluded that the combination of the independent variables significantly predicts customer purchase intention of non-deceptive counterfeit mobile phone.

### Hypothesis Testing

**Table 5: Coefficients<sup>a</sup>**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	2.237	.427		5.233	.000
Low Price	.117	.035	.225	3.324	.001
Prior Experience	.085	.033	.174	2.578	.011
Positive Attitude	.244	.078	.210	3.147	.002
Value Consciousness	-.102	.034	-.196	-3.003	.003
Reference Group	-.046	.023	-.134	-1.992	.048
Moral Values and Ethics	-.118	.052	-.173	-2.258	.025
Easy Accessibility	.107	.057	.143	1.881	.061

a. Dependent Variable: Purchase\_Intention

The hypotheses of this study are concerned with the individual impact of seven variables on the customer purchase intention of non-deceptive counterfeit mobile phone. The test of these hypothesis leads to achieve the objective of this study. The strength of influence of each of the independent variable would have on the customer purchase intention of non-deceptive counterfeit mobile phone been addressed and results were shown in the Table 5.

#### Testing H1:

From table 5, it has been shown that there is a significant positive relationship between low price and purchase intention toward non-deceptive counterfeit mobile phone with ( $Beta=.225$ ) and ( $p=.001<.05$ ). This means that low price contributes more than 22% purchase intention towards non-deceptive counterfeit mobile phone. These results of the study support H1.

In this study it has been found that low price is the most dominant factor that motivates Bangladeshi customer to purchase non-deceptive counterfeits mobile phone. This phenomenon is true because the low purchasing power of customers and high rate of inflation in Bangladesh mainly persuade them to buy non-deceptive counterfeits mobile phone. It has also been observed that branded mobile phone is costly for students and teenagers who have low pocket money can't afford branded mobile phone. Therefore, they are motivated to purchase counterfeits mobile phone intentionally.

#### Testing H2:

From table 5, The result shows that there is a significant positive relationship between prior experience and purchase intention toward non-deceptive counterfeit mobile phone with ( $Beta=.174$ ) and ( $p=.011<.05$ ). This means that prior experience contributes more than 17% purchase intention towards non-deceptive counterfeit mobile phone. These results of the study support H2. In Bangladesh, customers who purchase counterfeit mobile phone certainly have prior knowledge and experience with counterfeit mobile phone. If customers get good experience using this counterfeit mobile phone, they will further purchase counterfeit mobile phone intentionally.

#### Testing H3:

From table 5, the result shows that there is a significant positive relationship between positive attitude and purchase intention toward non-deceptive counterfeit mobile phone with ( $Beta=.210$ ) and ( $p=.002<.05$ ). This means that positive attitude contributes 21 % purchase intention towards non-deceptive counterfeit mobile phone. These results of the study accept H3. In Bangladeshi perspective, it is true that customers who feel positive about the counterfeit mobile phone mainly lead to buy counterfeit mobile phone without any hesitation or confusion.

**Testing H4:**

From table 5, it is shown that there is a significant negative relationship between value consciousness and purchase intention toward non-deceptive counterfeit mobile phone with (Beta= -.196) and ( $p=.003 < .05$ ). This means that value consciousness contributes more than 19% purchase intention towards non-deceptive counterfeit mobile phone. These results of the study accept H4. This consequence can be explained as follows. In Bangladesh, a significant portion of customers who like to purchase genuine and branded quality mobile phone never buy counterfeit products because they think that counterfeit mobile phones are low quality and provide no customer service in future.

**Testing H5:**

From table 5, the result shows that there is a significant negative relationship between reference group influence and purchase intention toward non-deceptive counterfeit mobile phone with (Beta= -.134) and ( $p=.048 < .05$ ). This means that reference group influence contributes more than 13% purchase intention towards non-deceptive counterfeit mobile phone. These results of the study support H5. Customers purchase counterfeit mobile phone influenced by friends, family members, and colleagues. Customers who have bad experience with the use of counterfeit mobile phone discourage others to purchase counterfeit mobile phone through negative word of mouth.

**Testing H6:**

From table 5, it has been shown that moral values and ethics have significant negative relationship (Beta= -.173) and ( $p=.025 < .05$ ) with purchase intention toward non-deceptive counterfeit mobile phone. This means that moral values and ethics contribute more than 17% purchase intention towards non-deceptive counterfeit mobile phone. These results of the study support H6. In Bangladesh, many customers think that purchasing counterfeit mobile phone is one kind of cheating with authentic manufacturers. In their view, supporting counterfeit mobile phone manufacturing is unacceptable and hampers national development. Therefore, customers who have strong moral values and ethics never buy counterfeit mobile phone because they consider it as an offense.

**Testing H7:**

From table 5, the result shows that there is an insignificant positive relationship between easy accessibility and purchase intention toward non-deceptive counterfeit mobile phone with (Beta=.143) and ( $p=.061 > .05$ ). This means that easy accessibility does not have any impact on purchase intention towards non-deceptive counterfeit mobile phone. These results of the study reject H7. In the context of Bangladesh, easy accessibility of the counterfeit mobile phones does not influence customers to purchase counterfeit mobile phone.

**Conclusion**

The objective of this study was to know about Bangladeshi customers' attitude towards non-deceptive counterfeit mobile phone and investigate the underlying factors that determine the decision to purchase counterfeit mobile phone intentionally. Multiple regression analysis is conducted in this study in order to find out motivating factors that lead customers to purchase counterfeit mobile phone. Based on previous literature, seven influential factors of counterfeit purchase were identified. The results show six factors significantly affecting the customer attitudes toward counterfeit mobile phone namely low price, prior experience, positive attitude, reference group influence, value consciousness, moral values and ethics. Easy accessibility is not a significant predictor in counterfeit mobile buying. The first three factors have positive relations to the supportive attitudes of counterfeit buying. The highest impact factor is low price followed by positive attitude and prior experience. On the other hand, reference group influence, value consciousness, moral values and ethics have negative relations to that attitude while customer value consciousness factor shows higher impact followed by moral values and ethics and reference group influence.

**Recommendations**

Purchase of non-deceptive counterfeit mobile phone is an unlawful activity. It is one of the ways through which government and companies' loose revenue. Therefore, it is necessary to take immediate actions to save both the firms and consumers. Few guidelines are given based on the findings to protect branded companies from huge loss.

- Customers purchase counterfeit mobile phones because of low price. Therefore, manufacturers should readjust the price based on cost and profit. They can reduce the level of price as much as possible through introducing brand extension or licensing contact.
- Branded manufacturers should provide better customer service with membership card, free service warranty and life-time guarantee which is very difficult to replicate by the counterfeit mobile phone manufacturers. This will help to create positive attitude toward branded mobile phones.
- Brand managers should participate in cause-related marketing programs in order to attract large number of customers which will definitely create positive word of mouth in favor of the branded companies.
- Genuine mobile manufacturers should give more emphasis on anti-counterfeiting campaigns and propose low makers to penalize both producers and suppliers of counterfeit mobile phone.
- Brand managers should create advertisements in such a



way so that customers can easily differentiate branded product from non-branded or counterfeit products.

- Producers of genuine branded products should differentiate their products in terms of unique style, design, aesthetic packaging, quality and appearance.

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