ANTECEDENTS OF THE INTENTION AND BEHAVIOR TOWARD PURCHASE OF COUNTERFEIT LUXURY GOODS IN AN EMERGING ECONOMY: A STUDY OF YOUNG VIETNAMESE CONSUMERS

Nguyen Thi Tuyet Mai*
Lecturer, National Economics University

Nguyen Hoang Linh
PhD. Candidate, University of Lille 2, France

Abstract. This study examines some antecedents of the intention and behavior toward buying counterfeit luxury goods among young consumers in Vietnam, an Asian emerging economy. The data was obtained from university undergraduate students in Hanoi, the capital of Vietnam. The results of structural equation modeling show support for most of our hypotheses. The findings indicate that materialism (the centrality component) has positive impact on attitude toward purchase of counterfeit luxury goods. Attitude and subjective norm toward counterfeit luxury goods are found to be positively related to purchase intention, while perceived behavioral control is not found to have a direct impact on purchase intention. In addition, perceived behavioral control and purchase intention are found to be significant predictors of purchase behavior. The research findings are discussed and implications for managers and policy makers are provided.

Key words: purchase intention and behavior, counterfeit luxury goods, materialism, emerging economy, Vietnam.

Introduction

In literature, the topics related to consumer behaviors in the context of emerging economies have attracted much attention from scholars (e.g., Loper & Crittenden, 2017; Nguyen & Tambyah, 2011; Tjandra et al., 2015). The emerging economies refer to those with characteristics of rapid pace of economic development and the adoption of market-based policies (Hoskisson et al., 2000). Prior research has suggested rapid growth of luxury consumption and also counterfeit luxury production and purchases...
in emerging markets (e.g., Kaufmann et al., 2016; Phau & Teah, 2009; Ying & Yiping, 2013). Despite significant literature pertaining to counterfeiting (e.g., Furnham & Valgeirsson, 2007; Tang et al., 2014; Wiedmann et al., 2012; Wilcox et al., 2009), it is noted that much of the past research has been conducted in the context of developed countries, and there is still a strong need to understand the factors explaining purchase behavior toward counterfeit luxury goods in the context of emerging economies (Kaufmann et al., 2016). In addition, many previous studies have spent effort on examining counterfeit luxuries from the supply side. This calls for more research pertaining to investigation of counterfeiting from consumer perspective (e.g., Phau et al., 2009; Trinh & Phau, 2012; Ying & Yiping, 2013).

Vietnam is an emerging economy in Asia with a large population of more than 90 million people, of which young consumers account for a large proportion (Euromonitor International, 2016). The country is considered one of the fastest growing consumer markets in Southeast Asia. Like many other emerging markets, there has been an increasing number of luxury brands appearing in Vietnam, including many counterfeits (SGTT, 2012). In Vietnam, purchase and use of counterfeits in general and counterfeit luxury goods in particular has become more apparent, especially among young consumers. Moreover, it has been suggested that consumer behavior regarding counterfeit purchase differs across countries (Chiu & Leng, 2016). Therefore, it is meaningful to examine the purchase of counterfeit luxury goods in the context of Vietnam, an emerging economy in Southeast Asia, where the research topic seems to receive still very modest attention.

In the literature, the Theory of Planned Behavior (TPB) has been extensively used to explain consumer purchase intention (PI) and behavior. With regard to counterfeit consumption, the TPB has generally been found to well explain the purchase of counterfeit goods (cf. Chiu & Leng, 2016). In this study, we employ TPB as a theoretical framework to examine the impact of some factors on intention to buy counterfeit luxury goods among young Vietnamese consumers. In addition, we seek to extend the TPB model by adding an important variable, materialism that has been extensively investigated as an antecedent of consumer behavior (e.g., Kozar & Marcketti, 2011; Podoshen & Andrzejewski, 2012; Tambyah & Nguyen, 2011). Albeit the established importance of materialism in luxury consumption, it has often been overlooked in the literature of luxury counterfeit consumption and it calls for further investigation (Trinh & Phau, 2012). There is also a more appealing motivation to examine the role of materialism in the context of an emerging economy, where materialism is considered as a consumer value emerged due to the economic transition (Tambyah et al., 2009).

This study contributes to better understanding the consumers’ intention of buying counterfeit luxury products and the factors driving this behavior in the context of Vietnam, an emerging economy. In the following sections, we present a theoretical background of the study and research hypotheses, followed by the research methodology and then the research results. Finally, we discuss the findings and provide implications and future research directions.
1. Theoretical background and hypotheses

1.1. The research context, young consumers and counterfeit luxury goods

The research context. Vietnam is considered a typical case of an emerging economy and an interesting and compelling case to study (Shultz, 2012; Nguyen & Tambyah, 2011). The country implemented the Doi Moi policy (i.e., renovation) in 1986, transforming Vietnam from the centrally planned economy into the market-driven one. Since then, Vietnam has enjoyed a steady economic growth and significant increase in disposable income as well as consumers’ expenditures (cf. Nguyen et al., 2017). The GDP per capita has been increasing significantly since Doi Moi, from $239.4 in 1985 to $2185.7 in 2016 (World Bank Group, 2017).

Thanks to the economic openness, many products from the whole world have flowed into Vietnamese market including the original and also the counterfeit luxury goods. It is noted that in the market, despite a broad spectrum of counterfeit products, common luxury counterfeits often refer to clothing, handbags, shoes, watches and glasses. The price range of the luxury counterfeit items is quite large depending on the type of the counterfeit article (e.g., ‘fake 1’, and ‘fake 2’) (Thuy Ha, 2017). For example, Louis Vuitton (LV) brand has been among the most popular fake luxury bags in Vietnam market. While the authentic LV Alma handbags can be priced from $1200 to $3100, LV Alma ‘fake 1’ (i.e., the counterfeit item that looks almost like the genuine one and is difficult to recognize as a fake product) is priced less than $100, and ‘fake 2’ (i.e., the counterfeit item that has much lower quality and is easy to recognize as a fake) can be easy to find at such a low price as several dollars.

Young consumers and counterfeit luxury goods. Previous studies have suggested that younger consumers are more likely to purchase counterfeit products (Chiu & Leng, 2016; Moores & Chang, 2006). In line with this, Gamble (2011) also pointed out that young consumers with lower income were more likely to purchase counterfeit luxury items. Among young consumers, students are considered to be more likely to do something that is less ethical and are more likely to accept unethical practices (Vitell & Muncy, 2005). In the literature, a number of studies about unethical behaviors including purchases of counterfeits have used students as subjects (e.g., Tang et al., 2014; Wilcox et al., 2009; Yoon, 2011). In this study, we also employ the sample of young undergraduate students to serve our research purpose.

In the literature, although counterfeits have been defined differently, they often refer to the products that are illegally made and resemble the genuine ones. These products are typically characterized by lower quality in terms of performance, reliability, or durability compared with the original ones (Lai & Zaichkowsky, 1999; also see Wilcox et al., 2009). Previous studies on counterfeit consumption have mainly focused on luxury goods (cf. Tang et al., 2014). Counterfeits of luxury goods are commonly defined as a reproduction or a replicated version of the genuine product, usually of a well-known trademark brand. The copy resembles the genuine item in details such as packaging,
color, labeling, and trademark so as to pass off as the genuine one (Cordell et al., 1996). The original luxury goods often carry prestigious brands such as Cartier and Rolex watches, Hermes handbags, and Gianni Versace suits, and these products are often expensive and exclusive (Nia & Zaichkowsky, 2000).

Counterfeiting is one of the common forms of intellectual property rights infringement. From the consumer’s perspective, it can be either deceptive or non-deceptive, of which the latter is particularly prevalent in luxury brand markets (Nia & Zaichkowsky, 2000; Wilcox et al., 2009). This study focuses on the consumer’s non-deceptive purchase of counterfeit luxury goods (i.e., consumers know they are buying counterfeits). Specifically, the research seeks to understand the antecedents of PI and purchase behavior (PB) toward counterfeit luxury goods among young Vietnamese consumers.

1.2. Antecedents of the intention to buy and the purchase of counterfeit luxury goods

The TPB (Ajzen, 1991), an extension to the Theory of Reasoned Action (TRA), is a well-researched model that has been proved successful in predicting and explaining behaviors across a variety of domains, including explaining individuals’ unethical behaviors (cf. Yoon, 2011). In the context of studying consumers’ purchase of counterfeits including fake luxury goods, the TPB is considered as an appropriate theoretical framework and it has been largely employed in prior research (e.g., Phau et al., 2009; cf. Chiu & Leng, 2016 as well).

According to the TPB (Ajzen, 1991), a consumer’s actual purchase behavior is directly determined by his/her PI, which refers to the individual’s subjective probability of engaging in the behavior. In its turn, PI is jointly influenced by the consumer’s attitude, subjective norm (SN), and perceived behavioral control (PBC) toward performing the purchase. Previous studies have generally provided empirical support for these factors as antecedents of PI. However, many researchers have sought to increase the explanatory variance of PI by exploring other independent variables to extend the TPB in the specific research context (e.g., Chiu & Leng, 2016; Nguyen et al., 2017). In the context of purchase of counterfeits, materialism has been considered as a promising factor, but the empirical results from past research are still inconsistent and unclear (e.g., Furnham & Valgeirsson, 2007; Phau et al., 2009). This calls for more research attention to clarify the relationship between materialism and purchase of counterfeits. In this study, together with three antecedents from the TPB, materialism is included in the research model as a predictor of attitude and intention toward purchasing counterfeit luxury goods.

Attitude toward the purchase of counterfeit luxury goods and purchase intention. In this study, based on the TPB (Ajzen, 1991), attitude toward the purchase of counterfeit luxury goods is defined as a consumer’s favorable or unfavorable assessment regarding this purchase behavior. The positive relationship between attitude toward the purchase of counterfeit goods and PI has been established from the
literature (Ang et al., 2001; Chiu & Leng, 2016; Phau et al., 2009). This means that if a consumer’s attitude toward buying counterfeit luxury goods is favorable, he or she is more likely to purchase counterfeit luxury products. Conversely, if his or her attitude is unfavorable, then he or she is less likely to consider buying counterfeit luxury products. We expect to see similar findings for Vietnamese consumers. Therefore, the following hypothesis is presented.

**H1:** The consumer attitude toward the purchase of counterfeit luxury goods is positively related to purchase intention.

**Subjective norm and purchase intention.** In our study, SN refers to the consumer’s perceived social pressure to purchase or not to purchase counterfeit luxury goods. Similar to the impact of the consumer’s attitude on PI, SN has been well found to be a predictor of intention to purchase counterfeits (cf. Chiu & Leng, 2016). For the purchase of counterfeit luxury goods, when the consumer’s important others (e.g., friends, relatives) agree and/or accept the purchase of counterfeit luxury goods, the consumer may show stronger engagement in buying these products. In the context of Vietnam, a country associated with collectivistic culture, the positive impact of SN on PI is expected. Therefore, we propose the following hypothesis.

**H2:** The consumer subjective norm toward the purchase of counterfeit luxury goods is positively related to purchase intention.

**Perceived behavioral control.** Based on the TPB (Ajzen, 1991), in this study, PbC refers to consumers’ perception of the ease or difficulty of implementing the purchase of counterfeit luxury goods. If a consumer perceives that his or her ability to purchase the counterfeit luxury goods is high, this can lead to a higher level of PI. The positive relationship between PbC and intention to purchase counterfeit goods has generally received empirical support from past research albeit some mixed findings (e.g., Chiu & Leng, 2016).

In the context of Vietnam, it is expected that when the customer has greater perception of the ease of buying luxury counterfeit goods, he or she may think of more opportunities and fewer obstacles in making the purchase, and thus is more likely to indicate a stronger PI. Thus, we present the following hypothesis.

**H3:** The consumer perceived behavioral control toward the purchase of counterfeit luxury goods is positively related to purchase intention.

**Materialism.** Materialism is an important concept that has been studied extensively in consumer behavior domain. The concept of materialism has traditionally been associated with Western societies. However, nowadays it has been adopted and investigated in emerging economies such as China and Vietnam (e.g., Leung, 2008; Nguyen & Tambyah, 2011; Sun et al., 2017). Richins & Dawson (1992) defined materialism as a “set of centrally held beliefs about the importance of possessions in one’s
life” (p. 308). They identified three important belief domains of materialism: a) Success: the extent to which one uses possessions as indicators of success and achievement in life; b) Centrality: the extent to which one places possession acquisition at the center of one’s life; and c) Happiness: the belief that possessions are essential to satisfaction and well-being in life.

It has been noted that understanding the motive underlying consumer purchase of luxury brands is really relevant to understanding why people buy luxury counterfeits (Wilcox et al., 2009). Previous studies in emerging economies such as China and Vietnam have empirically found materialism as a significant predictor of luxury purchases (Nguyen & Tambyah, 2011; Sun et al., 2017). Specific to the purchase of counterfeits, the literature has explored the role of materialism in predicting counterfeit purchase intention (e.g., Kaufmann et al., 2016; Swami et al., 2009). However, past research has provided unclear and inconsistent findings regarding the impact of materialism. In a study by Furnham & Valgeirsson (2007), among the three components of materialism, centrality was considered to have the strongest connection with willingness to buy counterfeit products, and it was found to be the only component that has a significant (negative) influence on the willingness to buy. In a recent study by Kaufmann et al. (2016), materialism was found to have a modest but significant impact on the intention of purchasing either original or counterfeit. However, Phau et al. (2009) found that materialism had no significant relationship with either attitude or intention to buy counterfeit luxury goods.

In Vietnam, it is suggested that the level of materialism is increasing, especially among young consumers (Nguyen & Tambyah, 2011). Highly materialistic consumers are driven to consume more than other consumers, especially luxury goods, and they tend to enjoy buying things and place material acquisition at the center of their lives. Materialists incline to be more concerned about both quantity and quality of possessions. These consumers tend to indicate stronger preference to own things, and more than that to own the real and authentic ones (Furnham & Valgeirsson, 2007). However, when they face difficulties, usually in terms of the financial capacity, they may be more likely to turn to buying counterfeit luxury brands to achieve their aspirations. The subjects in our study are young students who may generally hold a modest level of income while showing a strong desire for luxury products. These consumers are more likely to engage in the purchase of counterfeit luxuries when they find it difficult to afford the original ones.

It has also been suggested that the motivations to buy counterfeits can be complex and vary across cultures (Chiu & Leng, 2016). At a national level, Vietnam is considered a highly collectivist culture. However, at an individual level, it seems that many urban consumers, especially the young ones indicate an increasing level of individualism (Nguyen & Tambyah, 2011). These young consumers may see the purchase of counterfeit luxury goods as proof of their ability to buy quality counterfeits at a low and reasonable price. They, therefore, are more likely to have a positive attitude toward
the purchase of counterfeit luxuries and demonstrate a stronger PI. On the basis of the above discussions, we hypothesize:

\[ H_{4a} \]: Materialism (centrality) is positively related to attitude toward the purchase of counterfeit luxury goods.

\[ H_{4b} \]: Materialism (centrality) is positively related to purchase intention toward the purchase of counterfeit luxury goods.

Antecedents of the purchase of counterfeit luxury goods. According to the TPB, PI will directly affect actual purchase. To predict better actual behavior, PBC can, together with intention, be used to determine the behavior (Ajzen, 1991; Chang, 1998). In the context of buying counterfeit luxury goods, it is expected that PI and PBC play the role of significant determinants of purchase behavior. Therefore, the following hypotheses are presented.

\[ H_{5a} \]: The consumer intention to purchase counterfeit luxury goods is positively related to purchase behavior.

\[ H_{5b} \]: The consumer perceived behavioral control toward the purchase of counterfeit luxury goods is positively related to purchase behavior. The framework of the proposed conceptual model is presented in Figure 1.

![Conceptual model: The antecedents of intention and behavior toward the purchase of counterfeit luxury goods](image)

2. Research methodology

2.1. Scales and questionnaire development

The scales used in this study were adapted from earlier studies. All scale items were scored on a 7-point Likert-type format ranging from (1) strongly disagree to (7) strongly agree. These scales have been widely used in the literature. Specifically, the scale measuring attitude toward the purchase of counterfeit luxury goods includes three items adapted from Chang (1998); SN is measured by three items (Ajzen, 1991);
PBC is measured by three items adapted from Chang (1998); four items measuring PI are modified from Ang et al. (2001), and three items measuring purchase behavior are developed based on Ajzen (1985). The scale measuring centrality component of materialism includes 7 items adapted from Richins & Dawson (1992).

The survey instrument was developed based on the observed variables that measure the constructs in the model. In addition, the survey also includes demographic questions such as gender, age, and income. To ensure common understanding among respondents, the brief definition of counterfeit luxury goods was provided at the beginning of the questionnaire. Specifically, counterfeit luxury goods were defined as a reproduction or a replicated version of the genuine product of a well-known brand such as Rolex watches, Louis Vuitton handbags and Lacoste shirts that are often associated with being expensive and exclusive. We also emphasized the situation in our study that the consumer knows that the products are counterfeits (i.e., non-deceptive counterfeiting).

With regard to the questionnaire translation issue, some scale items already used in previous studies in Vietnam (i.e., seven items measuring centrality) were adopted for the questionnaire. The rest of the items were translated into Vietnamese through the back-and-forth translation process (cf. Nguyen & Tambyah, 2011). Before sending out the questionnaires for data collection, the initial questionnaire was tested using a small sample for the purpose of ensuring correct understanding of the content of the questionnaires, and to make the final changes in terms of the format.

2.2. Sample and data collection

In our sample, there were more female (61.7%) than male (38.3%) respondents. The sample covered the range of ages from 18 to 26, with 98% younger than 24 years old. The respondents held various levels of personal income. However, more than 98% of the respondents’ families earned an average monthly income of VND 7.5 million and above.

Our data was collected within one week through different channels such as via emails, Facebook and in person. A total of 350 questionnaires were distributed to students from several universities in Hanoi, of which 303 were valid and included for analyses. In this study, we chose Hanoi as a research location, one of the largest commercial centers in Vietnam which has often been selected as a research site for recent studies on consumer behaviors (e.g., Nguyen & Smith, 2012; Nguyen et al., 2017). Compared with the counterparts in Ho Chi Minh City, Hanoians are found to have stronger desire for luxury products (Nielsen, 2009). Also, Hanoi is a targeted market for various types of fake products, which are available for people to purchase.

3. Research findings

In order to test the model and hypotheses, structural equation modeling (SEM) was employed. Before doing that, we assessed the reliability and validity of the scales used in our study.
3.1. Scale assessment

Scale reliability tests and EFA. To assess the scales used in this study, we first conducted EFA (PCA using Varimax rotation with a criterion of eigenvalue greater than 1.0) and a reliability test using Cronbach coefficient alpha, using a sample of 120 students from a big university. During conducting the EFA and Cronbach's alpha analysis, three items measuring ‘centrality’ were removed due to low item-total-correlations, low squared multiple correlations (< .30), and/or confusing loading patterns (loaded highly on several factors or on the wrong factor). The correlation between the new scale (i.e., after dropping three items) and the original one was high ($r = .89; p < .01$).

The results of EFA showed good convergent and discriminant validity of the constructs in our study (i.e., the number of factors emerged as expected and the items loaded highly on the designated factor, while loaded lowly on the others). The Cronbach’s alpha for all the scales in this study ranged from .77 (for centrality) to .92 (for PBC).

<table>
<thead>
<tr>
<th>TABLE 1. Factor loadings for scale items</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Constructs and the scale items</strong></td>
</tr>
<tr>
<td><strong>Centrality (alpha = .77)</strong></td>
</tr>
<tr>
<td>I usually buy the things I need and also the things I don’t need</td>
</tr>
<tr>
<td>I enjoy spending money on things that aren’t practical</td>
</tr>
<tr>
<td>Buying things gives me a lot of pleasure</td>
</tr>
<tr>
<td>I put more emphasis on material things than most people I know</td>
</tr>
<tr>
<td><strong>Attitude (alpha = .86)</strong></td>
</tr>
<tr>
<td>Purchase of counterfeit luxury products is a smart choice</td>
</tr>
<tr>
<td>Purchase of counterfeit luxury products brings many benefits</td>
</tr>
<tr>
<td>Purchase of counterfeit luxury products is a good thing to do</td>
</tr>
<tr>
<td><strong>Subjective norm (alpha = .83)</strong></td>
</tr>
<tr>
<td>People who are important to me think I should buy counterfeit luxury products</td>
</tr>
<tr>
<td>People who are important to me would approve of my purchasing counterfeit luxury products</td>
</tr>
<tr>
<td>People who are important to me want me to buy counterfeit luxury products</td>
</tr>
<tr>
<td><strong>Perceived behavioral control (alpha = .92)</strong></td>
</tr>
<tr>
<td>I have complete control of buying counterfeit luxury products</td>
</tr>
<tr>
<td>I meet no difficulties in buying counterfeit luxury products</td>
</tr>
<tr>
<td>If I want to buy, I could easily find counterfeit luxury products</td>
</tr>
<tr>
<td><strong>Purchase intention (alpha = .91)</strong></td>
</tr>
<tr>
<td>I would intend to buy counterfeit luxury products</td>
</tr>
<tr>
<td>My willingness to buy counterfeit luxury products is high</td>
</tr>
<tr>
<td>I am likely to purchase any counterfeit luxury products</td>
</tr>
<tr>
<td>I have a high intention to buy counterfeit luxury products</td>
</tr>
<tr>
<td><strong>Purchase behavior (alpha = .90)</strong></td>
</tr>
<tr>
<td>I often make purchases of counterfeit luxury products</td>
</tr>
<tr>
<td>I often buy counterfeit luxury handbags and shoes</td>
</tr>
<tr>
<td>I often buy counterfeit luxury clothing</td>
</tr>
</tbody>
</table>
These results demonstrated a good level of reliability with coefficient alphas exceeding minimum recommended level of .70 (Nunnally, 1978). Table 1 presents the results of EFA and Cronbach’s alpha tests.

**Confirmatory factor analysis.** We performed CFA to analyze the full measurement model before analyzing the structural model. The full measurement model was constructed including all 20 items as observed variables, and six constructs as latent variables (three exogenous variables and three endogenous variables). One item measuring SN was dropped because several values of standardized residual covariances associated with it were larger than 2.58 (Hair et al., 1998). The results of CFA exhibited a good level of fit: $\chi^2(134) = 362.64, p < .01$; minimum discrepancy/degrees of freedom (CMIN/DF) = 2.70; root mean square error of approximation (RMSEA) = .07; goodness of fit index (GFI) = .91; comparative fit index (CFI) = .95; and Tucker-Lewis index (TLI) = .94. All t-tests of the observed variables were significant at the .001 level. Cronbach’s alpha were calculated again and the results indicated good level of reliability for all the scales (i.e., all alpha coefficients were larger than .70).

3.2. The structural equation model and hypotheses testing

Before testing the proposed hypotheses, we checked the correlations among the constructs used in this study. There was no serious multicollinearity problem found. In general, the correlation coefficients are in the expected direction. Table 2 presents descriptive statistics and correlations.

| TABLE 2. Descriptive statistics and correlations (n = 303) |
|---------------------------------|-------------|-------|---|---|---|---|---|
|                                | Mean       | S.D.  | 1  | 2  | 3  | 4  | 5  | 6  |
| 1. Attitude                    | 3.524      | 1.335 | 1  |   |    |    |    |    |
| 2. Subjective norm             | 4.164      | 1.365 | .413" | 1  |    |    |    |    |
| 3. Perceived behavioral control| 4.573      | 1.533 | .046 | .396" | 1  |    |    |    |
| 4. Centrality                  | 4.029      | 1.120 | .170" | .194" | .054 | 1  |    |    |
| 5. Intention                   | 2.841      | 1.325 | .575" | .348" | .024 | .082 | 1  |    |
| 6. Behavior                    | 2.901      | 1.308 | .517" | .319" | .133" | .136" | .777" | 1  |

**Correlation is significant at the 0.01 level (2-tailed).**

*Correlation is significant at the 0.05 level (2-tailed).

The structural equation analysis was applied to estimate path coefficients for each proposed relationship in the structural model. The results indicated that the model achieved an acceptable level of fit: $\chi^2(138) = 388.13$, CMIN/DF = 2.81, GFI = .90, CFI = .95, TLI = .94, RMSEA = .07. The $R^2$ for ‘attitude’ was .22, for PI it was .60, and for ‘purchase behavior’ it was .66. This showed that the model provided considerable insights with regard to antecedents of PI and PB toward buying counterfeit luxury goods. Seven hypotheses were tested. Five of the seven hypothesized paths were statistically significant and in the predicted direction.
With regard to the antecedents of intention to purchase counterfeit luxury goods, as expected, attitude toward purchase of counterfeit luxury goods was a significant predictor of PI (β₁ = .71; t-value = 10.33). Thus, H₁ received support from the data. The results also provided support for H₂ (γ₁ = .13; t-value = 2.36), pertaining to the positive impact of SN on PI. However, unlike our expectation, PBC was not found to be significantly related to PI, and the relationship was in an opposite direction (γ₂ = -.07; t-value = -1.51). Thus, H₃ failed to get support from the data. This will be discussed in the subsequent section.

H₄ₐ proposes a positive relationship between materialism (centrality) and attitude toward purchasing counterfeit luxury goods. As expected, this hypothesis received support from the data (γ₃ = .47, t-value = 6.67). However, the data did not lend support for H₄₉ regarding the positive impact of centrality on PI (γ₄ = .06, t-value = .94).

With regard to the antecedents of PB, the results showed that the path from PI to PB was positively significant as expected (β₂ = .80, t-value = 14.34), lending support for H₅ₐ. The results also confirmed that PBC was a significant predictor of PB (γ₅ = .13, t-value = 3.23). Thus, H₅₉ was supported. The results of hypotheses testing are summarized in Table 3.

<table>
<thead>
<tr>
<th>Structural path</th>
<th>Standardized estimate</th>
<th>P value</th>
<th>Hypothesis*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attitude – Purchase intention</td>
<td>.71</td>
<td>&lt; .01</td>
<td>H₁ (s)</td>
</tr>
<tr>
<td>SN – Purchase intention</td>
<td>.13</td>
<td>&lt; .05</td>
<td>H₂ (s)</td>
</tr>
<tr>
<td>Perceived behavioral control – Purchase intention</td>
<td>-.07</td>
<td>&gt; .05</td>
<td>H₃ (ns)</td>
</tr>
<tr>
<td>Centrality – Attitude</td>
<td>.47</td>
<td>&lt; .01</td>
<td>H₄ₐ (s)</td>
</tr>
<tr>
<td>Centrality – Purchase intention</td>
<td>.06</td>
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<td>H₄₉ (ns)</td>
</tr>
<tr>
<td>Purchase intention – Purchase behavior</td>
<td>.80</td>
<td>&lt; .01</td>
<td>H₅ₐ (s)</td>
</tr>
<tr>
<td>Perceived behavioral control – Purchase behavior</td>
<td>.13</td>
<td>&lt; .01</td>
<td>H₅₉ (s)</td>
</tr>
</tbody>
</table>

* s: the hypothesis was supported; ns: the hypothesis was not supported.

4. Discussion and implications

4.1. Discussion

Investigation into consumer behaviors in emerging economies has attracted increasing research interest from scholars due to the rapid changes and the growing importance of these markets (Horváth et al., 2013). In response to that, this research focuses on examining the antecedents of purchase intention and purchase behavior toward buying counterfeit luxury goods among young consumers in Vietnam, an emerging economy in Asia. An extended TPB was employed as the theoretical framework for this study. Seven hypotheses were developed and tested, five of which received support from the data. Specifically, the findings share some similarities compared with the findings from
previous studies regarding the significant impact of attitude and SN on PI. This study confirms the strongest impact of attitude toward the purchase of counterfeit luxury goods on PI, while SN shows a relatively modest impact on intention. Perhaps, for many young consumers, the influence of their important people could be modest since they are getting to be more individualistic and more independent in their purchase behavior. Also, in a sense, purchasing counterfeits can be considered as a sensitive action that may be driven more by inner motivations rather than social pressure.

This study also confirms that PI is a strong predictor of PB. Concerning luxury counterfeit purchases, PBC also demonstrates a significant impact on the PB. It suggests that when counterfeit luxuries are perceived as available, easy to find and easy to buy at an affordable price level, young consumers are more likely to engage in purchasing these products. Although the direct impact of PBC on PB was found for our data, the findings did not show the significant impact of PBC on PI as expected. This means PBC may not have any effect on PI for the young Vietnamese consumers with regard to counterfeit luxury goods. This is similar to the findings for Singaporean consumers in a recent study by Chiu & Leng (2016) in which attitude played the role as a powerful predictor of PI, PBC being less predictive of PI. In the context of unethical consumption behaviors, some previous studies have also suggested non-significant impact of PBC on PI (e.g., Randall & Gibson, 1991), or mixed results (e.g., Chiu & Leng, 2016). In the context of buying counterfeit luxury goods in Vietnam, it is possible that Vietnamese young consumers may not find the counterfeit luxury items attractive if the products are available and sold at the price levels that many people can easily access and well afford to buy. Therefore, this may become a barrier to form intention to buy these products. For better clarification, the relationship between PBC and intention to buy counterfeit luxury goods may need to be further investigated in the future studies.

With regard to the role of materialism (centrality), this study tested both the direct and indirect impact (through attitude) of centrality on PI. As expected, centrality was found to be a significant predictor of attitude toward the purchase of counterfeit luxury goods. It means that those young consumers who score high on centrality (i.e., place more emphasis on buying and acquiring material objects in life) are more likely to show favorable attitude toward buying counterfeit luxury goods than others are. However, unlike our expectation, no direct impact of centrality on PI was found. This is similar to the findings from the study by Phau et al. (2009), but different from the findings from Furnham and Valgeirsson (2007). A recent study by Sun et al. (2017) about the linkage between materialism and luxury purchase intention among Chinese consumers suggests only the indirect impact of materialism. Since literature provides inconsistent results pertaining to the mechanism through which materialism influences purchase intention toward counterfeit goods, the result may need further investigation in future studies.

The findings pertaining to the mean values of the main variables in our study suggest that the level of PBC was quite high (mean = 4.57/7; S.D = 1.53), followed by subjec-
tive norm (mean = 4.16/7; S.D. = 1.36). This implies a significant level of visibility and availability of luxury counterfeits in the market and highly positive social influence regarding counterfeit purchase. The level of materialism (i.e., centrality) was also above the average score. All of these raise concerns about the increasing trend of luxury counterfeits consumption among consumers, even for the group of young and highly educated consumers (i.e., university students).

Briefly, in response to growing concern about counterfeiting luxury products, this research aims to apply an extended TPB to investigate the impact of some antecedents of intention to purchase counterfeit luxury goods and purchase behavior among young consumers in Vietnam. Although the topic of the purchase of counterfeits has been much investigated in the literature, it is necessary and meaningful to examine this purchase behavior in different contexts since consumers’ acceptance and purchase behavior of counterfeit goods differ across countries and cultures (Chiu & Leng, 2016; Monkhouse et al., 2012). Therefore, the findings from this study contribute to the literature of consumer behavior toward the purchase of counterfeit luxury goods in the context of an emerging economy in Asia. Specifically, this research helps to understand better why young Vietnamese consumers buy counterfeit luxury goods. The findings pertaining to the impact of materialism also uncover the mechanism of how this important concept influences the purchase of counterfeit luxuries in the emerging economies such as Vietnam.

4.2. Implications

Implications for Managers. The findings from this study provide several managerial implications. It is critical for marketers to understand what motivates young consumers to engage in buying counterfeit luxury goods. The research results show that attitude toward buying counterfeit luxuries, SN and materialism (centrality) have significantly positive impacts on PI, of which attitude is the strongest predictor of PI. The findings reveal challenges for the firms marketing luxury products in Vietnam market in their anti-counterfeiting efforts. By designing and implementing appropriate and meaningful communication strategies, firms can contribute to curbing consumers’ purchases of counterfeit goods in several ways. First, the luxury brand owners may need to develop communication campaigns that effectively build consumer favorable attitude toward buying the authentic products and unfavorable attitude toward the purchase of the counterfeit ones. For example, in the firm’s advertisements and in PR activities the superior and nice images are designed to be associated with the purchases of the genuine luxury items, while the high risks of low quality and bad images of unethical behavior and social irresponsibleness are associated with the purchases of the fake ones. Next, the social pressure (e.g., the influence of family members, friends, colleagues and idols) can also be taken into account when designing the firm’s communication activities with the purpose of promoting the purchases of the authentic items and curbing the purchase of counterfeits.
In this study, Pb C was found to be a significant predictor of consumer purchase of luxury counterfeits. While enjoying advantages in terms of excellent product quality, superior and desirable image, firms’ authentic luxuries are often associated with a very high price. This is a significant challenge since consumers in emerging markets such as Vietnam are generally price-sensitive (Nguyen & Tambyah, 2011). Moreover, for many young consumers price of genuine luxuries may be the biggest barrier due to their low and unstable income, thus counterfeit alternatives may become the reasonable choice to satisfy their strong desire for luxury goods. In addition, when consumers perceive there is no difficulty in finding and buying the counterfeit luxuries and when being exposed to the products in the market they are more likely to make the purchase without the previously formed intention. In order to curb this situation, the firms may need to create more barriers, including socio-psychological ones for consumers when coping with the luxury counterfeits. Vietnam, an emerging economy in Asia, has been known as a highly collectivistic culture. The ‘loss of face’ can be an important issue in the society. It would be useful that luxury brand owners provide transparently the list of stores, clear addresses and locations where the authentic products are sold in the market so that consumers who engage in buying luxury counterfeits from other stores, locations or channels may suffer the ‘loss of face’ experience when being caught buying and/or using counterfeits. Some special events or services could be designed to offer authentic products to the buyers and their dear ones. The counterfeit buyers will never have a chance to enjoy these unique benefits and experiences, which could lead to their unhappy feeling. In addition, the luxury brand owners may need to spend efforts on designing the product features in the way that is hard for counterfeiters to imitate.

In addition, the current findings both pose challenges and offer opportunities for local firms. Understanding motivations driving young consumers’ PI and PB toward counterfeit luxury goods can help local firms to develop relevant and efficient marketing strategies to win consumers’ hearts and minds with the purpose of attracting consumers to buy original domestic products instead of engaging in luxury counterfeit purchases. Local companies would need to improve their product quality, build desirable brand image and do smart marketing communications to provide strong motivations for consumers to support domestic products.

**Implications for policy makers.** Based on the research findings of this study, we expect that some implications for policy makers can be provided in an attempt to prevent purchases of luxury counterfeits among young Vietnamese consumers. Policy makers could develop and launch the programs and activities to educate consumers, especially the young ones, on consumption ethics and social responsibility in purchasing. The education programs should not be limited to schools only, but should also appear widely in various social media to develop anti-counterfeit attitude among young consumers and gain support for the purchase of the original products.

Currently, many counterfeit luxury items such as clothes, cosmetics, bags of famous brands are widely available in the market, both online and offline channels. The findings
from this study also indicate a relatively high level of PBC, and this can lead to consumer purchase of luxury counterfeits. The government should place the importance on developing anti-counterfeiting strategies. Authorities may need to launch effective policies and issue strict regulations in an attempt to prevent production of counterfeit goods, curb smuggling across the borders and control effectively trading counterfeits in the market. Punishment policy should be developed to apply for both suppliers and customers with regard to producing, trading and buying counterfeits.

At present in Vietnam, material objects have become strongly desired by many people, and materialism has an increasing tendency, especially among younger generation (Nguyen & Tambyah 2011). The findings from this study suggest that young people with high level of materialism (centrality) are more likely to have positive attitude toward buying luxury counterfeits. Various programs and activities should be developed with the purpose of educating and guiding young consumers to have appropriate attitude toward purchases of things in general and counterfeit luxuries in particular. The programs should teach them how to lead a responsible and meaningful life. Keeping the young generation both physically and mentally healthy is important for the development of the country.

Future Research Directions. This study has some limitations that could be improved in future research. First, in terms of methodology, future studies may want to use a more representative consumer sample rather than a student sample. The data could also be collected from other big cities in Vietnam such as Ho Chi Minh City and Da Nang. In addition, although the scales employed in our research were adapted from previous studies, they are heavily skewed toward the positive aspects of purchasing counterfeit luxury goods. To avoid potential bias results due to framing effect, future research may want to use also the scale items reflecting the negative aspects such as “purchasing luxury counterfeits is a shame” and “my friends would consider me as a cheater if I purchase luxury counterfeits”. Second, it may be necessary to examine purchase intention and behavior in some specific categories of counterfeit luxury products. In addition, future studies may want to explore more the mechanism through which materialism at both construct level and sub-construct level influences the purchase of counterfeit luxury goods. Another avenue for future research is that purchase behavior toward counterfeit luxury goods may be examined in the context of online shopping environment which has become increasingly popular, especially among young consumers. Finally, a comparative study could be conducted between Vietnam and another country that is different in terms of culture and/or economic development level. By doing so, it can significantly enhance our understanding of the purchase behavior toward counterfeit luxury goods, and based on that effective ways can be developed to prevent consumers from engaging in this buying behavior.

In conclusion, counterfeiting is a global phenomenon and it has become more common in emerging economies like Vietnam. The findings of the present study suggest that there are a number of factors explaining consumer purchase of luxury counterfeits.
in the emerging economy of Vietnam. In addition to the well-researched predictors such as attitude, subjective norm and perceived behavioral control toward buying counterfeit luxury goods, materialism, an overlooked component in counterfeiting literature was found to have significantly indirect impact on purchase intention and behavior. This study also raises concerns about the trend of wide spread counterfeit purchases and calls for effective measures to deter consumers from engaging in this illicit consumption behavior.

References


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