



Beyond price: Factors influencing consumer behavior towards purchasing counterfeit goods

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Abstract:

This research, titled Beyond Price: Factors Influencing Consumer Behavior Towards Counterfeits, explores the various factors that drive consumer behavior in purchasing counterfeit goods. The study focuses on a population of consumers aged 18-35 in Naga City, Philippines, particularly those who belong to the lower- middle class. Key objectives include identifying the factors influencing purchasing decisions, assessing the level of consumer awareness regarding counterfeit goods, and determining significant relationships between consumer profiles, awareness, and behavior. The research employs a mixed-method approach, using both qualitative and quantitative data to develop a strategic marketing model aimed at mitigating counterfeit purchases and promoting authentic luxury goods. Results provide insights into the motivations behind counterfeit purchases and suggest strategies for addressing this ongoing issue.

Keywords:

Counterfeit goods, consumer behavior, marketing strategy, consumer awareness, luxury brands.

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INTRODUCTION

Counterfeiting, a global economic crime, is the production and distribution of goods with trademarks that are indistinguishable from authentic ones, posing significant risks to competition and economic development. It is estimated that counterfeit products account for 3.3% of global trade, or approximately USD 509 billion (OECD, 2021). The rise of e-commerce has increased the accessibility and prevalence of counterfeit goods, particularly in Southeast Asian countries like the Philippines, where counterfeit items are widely accessible in physical marketplaces and online platforms such as Shopee and Lazada.

In Naga City, counterfeit products such as apparel, footwear, and handbags are widely available, raising concerns about consumer safety, economic loss, and brand integrity. Previous research has focused on the economic impact of counterfeiting while overlooking the factors influencing consumer behaviour in purchasing such products. This study aims to fill this gap through assessing the motivations of counterfeit purchases, consumer awareness, and attitudes, and by proposing strategic marketing models for promoting authentic luxury goods.

By assessing these factors, the research aims to help local businesses combat counterfeiting and restore consumer trust in authentic products. Data collection involved surveys and interviews with 180 Naga City residents aged 18-35, highlighting their attitudes and behaviour towards counterfeit goods. The findings will help provide practical strategies for reducing the widespread of counterfeits in the city

Research Questions

This study aims to explore the factors influencing consumer behavior toward purchasing counterfeit goods.

Specifically, these questions are addressed:

1. What is the profile of Consumers in Naga City in terms of age, gender, socio-economic status, educational attainment, and employment status?
2. What factors influence consumer behavior towards purchasing counterfeit goods along with personal, social, and economic aspects?
3. What is the level of awareness of consumers in Naga City regarding counterfeit goods in terms of quality, accessibility, and risks?
4. Is there a significant relationship between the profile of consumers and their level of awareness of counterfeit goods?
5. Is there a significant relationship between the factors influencing consumer behavior and their level of awareness of counterfeit goods?
6. What strategic marketing model can be developed to mitigate the spread of counterfeit goods and promote authentic products?

Theoretical Framework

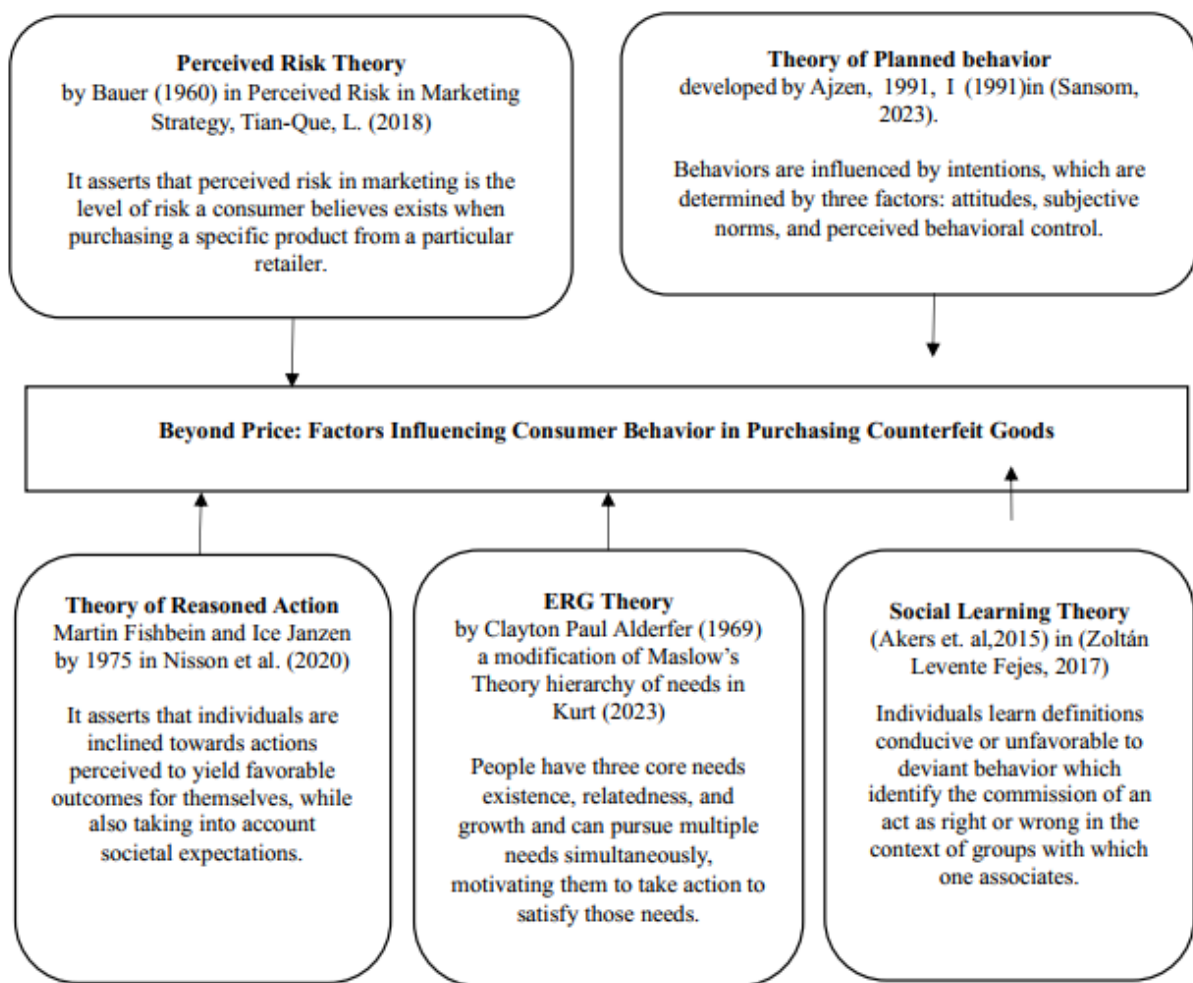


Figure 1. Theoretical Paradigm

The figure shows the theories that are essential knowledge components in the study. The Perceived Risk theory by Tian-Que, L. (2018) refers to the uncertainty that consumers feel regarding the potential negative consequences of their purchases, which significantly influences their buying decisions. In marketing, it asserts that perceived risk is the level of risk a consumer believes exists when purchasing a specific product from a particular retailer. When a consumer is engaged in a rational decision-making process with purchasing products or services; it is not about the actual risk, but how individuals saw it based on uncertainty and potential consequences. The higher levels of perceived risk related to counterfeits, could hinder consumers from engaging in illicit markets for replicas.

The theory of planned behavior by Ajzen, (1991) discussed by Samson (2023), states that individual behavior as resulting from intentions, which in turn were influenced by attitude, subjective norms, and perceived behavioral control. A consumer's positive attitude towards purchasing counterfeit products due to cost savings may have clashed with concerns about social disapproval and difficulty in finding authentic pieces. However, if the resources required to obtain counterfeit goods were accessible and the risks associated with

acquiring them appeared manageable, then the probability of purchase intention rose significantly. TPB offered valuable insight into the complex interplay of cognitive processes and external influences shaping consumer behavior concerning counterfeit goods.

Malik et al., (2020) states that the theory of reasoned action claims that people intended to behave in ways that allowed them to obtain favorable outcomes and meet the expectations of others. This suggests that individuals who prioritize material possessions might find counterfeits appealing due to its association with luxury and status. This rested on the assumption that the decision to engage in behavior was based on the outcomes that the individual expected to accrue from the behavior.

Existence-relatedness-growth theory (ERG) as discussed by Hamilton and Baumeyer (2023), the theory believes that a person could be motivated by more than one need simultaneously. Relating to this, consumer's aspiration to belong to a certain social group or impress others could have motivated individuals to buy counterfeits that projected an image of wealth or status (existence), fulfilling their need for connection and belonging (relatedness). Owning a luxury brand, even if counterfeited, could have provided a sense of accomplishment and boosted their self-esteem, therefore fulfilling their need for growth and self actualization (growth).

The social learning theory by Akers et al., (2015) discussed by Zoltan Levente Fejes, (2017) suggested that social behavior is learned through observing and imitating the behavior of others. It implies that consumers are influenced by peers who approve of counterfeit goods. Consumers who purchase counterfeits proves that positive attitudes about counterfeiting with approving peer and family members were significant predictors of such purchases. Imitation because it was on trend, or to get the attention of their peers.

Conceptual Framework

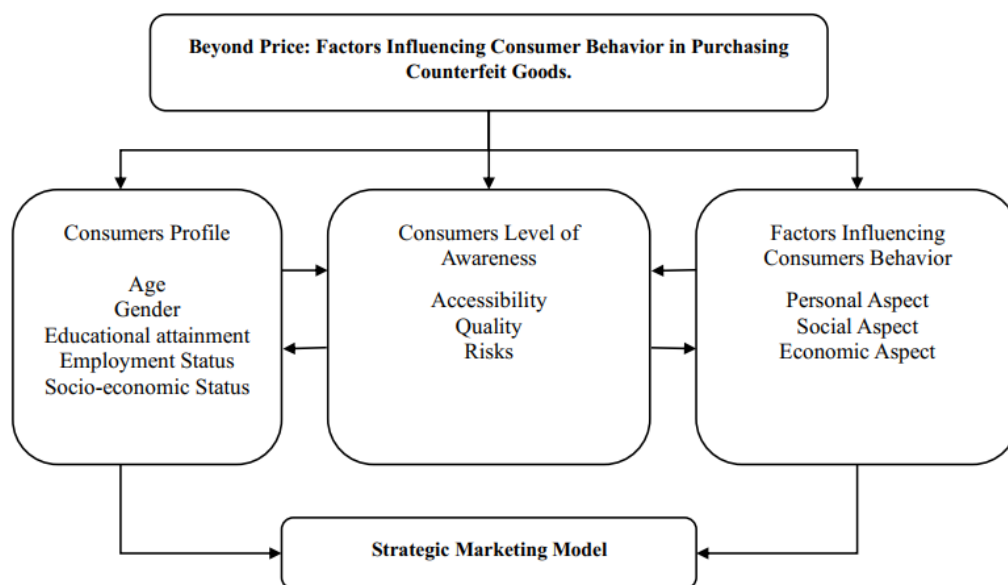


Figure 2. Conceptual Paradigm

The figure shows the structure and flow of the key variables and concepts that form the basis of this research. It focuses on the factors influencing consumer behavior as the dependent variable, the consumer profile as the independent variable, and the consumer level of awareness as the mediating variable. The conceptual paradigm highlights the relationship between consumer profiles—age, gender, socioeconomic status, educational attainment, and employment—and their perceptions and behaviors toward purchasing counterfeit products. A Strategic Marketing Model was developed to mitigate counterfeit prevalence, enhance consumer awareness, and promote ethical consumption in the fashion bags industry.

METHODS

Research Methods

This study used a mixed-method approach within a descriptive-correlational framework. In the descriptive phase, variables outlined in the problem statement were examined, encompassing the demographic profile of consumers engaged in counterfeit purchases, factors influencing consumer behaviors, and consumers' level of awareness towards counterfeit goods. The correlational aspect used to investigate relationships highlighted in the problem statement, specifically exploring associations between customer demographics and their level of awareness of counterfeit goods, as well as examining links between factors influencing customer behavior and their awareness towards purchasing counterfeit products.

The researchers ensured that the participants in the study had participated voluntarily and were aware of their right to withdraw in participating without any consequences through data privacy consent. The survey questionnaire is structured as a modified checklist with a 5-point Likert scale, divided into three parts. The first part was about knowing the demographic profile of the consumers who are purchasing counterfeits; the second part assessed the factors influencing consumer behavior in purchasing counterfeit goods along with personal, social, and economic aspects; the third part examines the consumers' level of awareness of purchasing counterfeit goods in relation to their accessibility, quality, and risks. Additionally, the respondents had a follow-up interview with open-ended question at the end of the survey to further gather insights guiding the development of marketing model to sell authentic luxury goods in Naga City.

Sampling Procedures

The study targets local customers aged 18–35 from the middle class in Naga City, Camarines Sur, a demographic significantly involved in purchasing counterfeit goods (Bumanglag, 2022). A convenience- purposive sampling method was used, combining accessibility (convenience sampling) and specific attributes relevant to the study (purposive sampling). Convenience sampling selects participants based on availability or willingness (Savitsky et al., 2022), while purposive sampling involves deliberately choosing participants

with relevant characteristics (Andrade, 2020). This approach enabled the researchers to efficiently gather insights without the time demands of random sampling.

RESULTS AND DISCUSSION

Demographic Profiles of Consumers

The demographic profile of consumers reveals significant patterns influencing their behavior in purchasing counterfeit goods. The majority are young (18–22 years old, 29.02%), predominantly female (58.03%), with undergraduate educational attainment (75.65%), and mostly students (75.13%) from lower- middle-income classes (30.05%). Younger consumers, constrained by limited budgets, favor affordable counterfeits for trendy items. Females are drawn to counterfeits for social validation, while students and middle-income individuals prioritize affordability and perceived value over authenticity.

The demographic profiles of consumers are pivotal in understanding their behaviors, particularly in purchasing counterfeit goods. Age, gender, educational attainment, and socio-economic status have a significant influence on purchasing decisions. Accordingly, younger consumers, particularly those between 18 to 22 years old, are the most frequent buyers of counterfeit goods. This is consistent with research by Bumanglag (2022), who found that younger consumers are more likely to purchase counterfeit products due to financial constraints and the desire for social status. Khan et al. (2023) also emphasizes that younger consumers, especially Millennials and Gen Z, are highly susceptible to counterfeit products, particularly in the fashion industry. Moreover, the predominance of female consumers in the study aligns with Sondhi (2019), who observed that women, especially those with higher education, are often drawn to counterfeit luxury items to meet their social and cultural aspirations. In terms of socio-economic status, the study shows that consumers from lower-middle-income classes are more inclined to buy counterfeits, a trend also supported by Harun et al. (2020), who linked lower- income groups with increased counterfeit purchasing behavior due to affordability concerns. Additionally, Savlani and Grover (2023) highlighted that consumers with lower income often view counterfeits as an accessible way to enjoy luxury brands without the high price tag, reinforcing the economic motivations behind such purchases.

Table 1 Consumer Profile

Age	F	%	Rank
18-22	147	76.17%	1
23-27	40	20.73%	2
28-32	6	3.11%	3
33-35	0	0	4
Total	193	100%	
Gender	F	%	Rank
Male	74	38.34%	2
Female	112	58.03%	1
Non-Binary	5	2.59%	3

Prefer not to say	2	1.94%	4
Total	193	100%	
Educational Attainment	F	%	Rank
No Formal Education	0	0.00%	4
Elementary	0	0.00%	4
High School	8	4.15%	3
Undergraduate	146	75.65%	1
Bachelor's Degree	39	20.21%	2
Master's Degree	0	0.00%	4
Doctoral	0	0.00%	4
Total	193	100%	
Employment Status			
Student	145	75.1%	1
Self-employed	4	2.1%	5
Part-time	8	4.1%	3
Unemployed	7	3.6%	4
Employed	29	15%	2
Total	193	100%	
Socio-Economic Status	F	%	Rank
Source: Philippine Statistics Authority			
Poor	28	14.51%	4
Low-Income Class	51	26.42%	2
Lower Middle-Income Class	58	30.05%	1
Middle-Income Class	47	24.35%	3
Upper Middle-Income Class	7	3.63%	5
Upper Income Class	1	0.52%	6
Rich	1	0.52%	6
Total	193	100%	

Factors Influencing Consumer Behavior in Purchasing Counterfeit Goods

The factors that influence consumer behavior in purchasing counterfeit goods are detailed in Tables 2.1 to

2.3. Statistical tools like weighted mean and ranking were utilized to gain deeper insights into consumer behavior and decision making. This aimed to highlight the drivers for counterfeit purchases.

Personal Aspect

Table 2.1 shows that personal factors significantly influence consumer decisions to purchase counterfeit goods, with an overall mean of 3.65, indicating “Very Influential.” Among the parameters, “brand liking and preference” ranked highest with a mean of 4.00, while “satisfaction of owning counterfeit goods” ranked lowest at 3.15, labeled as “Moderately Influential”.

The findings highlight those personal preferences, such as the desire for luxury, emotional gratification, and self-esteem, play a key role in consumers' decisions. While counterfeit goods offer short-term satisfaction and brand association, they also bring compromised fulfillment due to their lack of authenticity. Consumers may rationalize their behavior through moral disengagement and prioritize immediate gratification over ethical

concerns. The data suggest that to combat counterfeit purchasing, local businesses should collaborate with advocacy groups, utilize online platforms to educate consumers, and improve marketing strategies to re-engage buyers with authentic goods. These efforts aim to shift consumer behavior towards purchasing genuine products.

Table 2.1

Factors Influencing Consumer Behavior in Purchasing Counterfeit Goods in Terms of Personal Aspect

Parameters	Mean	Rank	Interpretation
Personal Beliefs and principles in decision-making.	3.93	2	VI
Brand liking and preference towards buying products from specific brand.	4.00	1	VI
Attitude towards counterfeit products.	3.49	4	MI
Satisfaction from owning a counterfeit product.	3.15	5	MI
Brand Influence on reputation and emotional appeal to people.	3.70	3	VI
Overall Mean	3.65		VI

Notes: 4.50 - 5.00 - Extremely Influential (EI); 3.50 - 4.49 Very Influential (VI); 2.50 - 3.49 - Moderately Influential (MI); 1.51 - 2.49 - Slightly Influential (SI); 1.00 - 1.50 - Not at all Influential (NI)

As Hawkins (2020) suggests, even individuals with strong moral values may rationalize their actions through *moral disengagement*, allowing them to justify purchasing counterfeit goods. This is further supported by Fejes (2019) and Harun et al. (2020), who highlight that personal factors such as brand admiration, materialism, and social conformity are significant drivers of counterfeit purchases. To address this, local businesses are encouraged to collaborate with advocacy groups and utilize online platforms to educate consumers about the risks of counterfeits. Strengthening campaigns against counterfeits and promoting the benefits of genuine products could help shift consumer behavior toward authenticity.

Social Aspect

Table 2.2 indicates that "One's position in society, influenced by job, income, and way of living," is the most influential social factor driving counterfeit purchases, with a mean score of 3.78, classified as "Very Influential." Conversely, "Lessons and morals taught in the Church influenced by different religions" ranked lowest with a mean of 3.08, deemed "Moderately Influential." Overall, the social aspect has a mean score of 3.40, suggesting it is "Moderately Influential" in consumer decisions.

Table 2.2

Factors Influencing Consumer Behavior in Purchasing Counterfeit Goods in Terms of Social Aspect

Parameters	Mean	Rank	Interpretation
One's position in society, influenced by job, income, and way of living.	3.78	1	VI
Beliefs, Traditions, and Behaviors in society about luxury goods.	3.49	2	MI
Lessons and morals taught in Church on different religions.	3.08	5	MI
Peer pressure and acceptance by friends or social group.	3.24	4	MI
Impact of opinions and behaviors of people when buying counterfeit goods.	3.40	3	MI
Overall Mean	3.40		MI

Notes: 4.50 - 5.00 - Extremely Influential (EI); 3.50 - 4.49 Very Influential (VI); 2.50 - 3.49 - Moderately Influential (MI); 1.51 - 2.49 - Slightly Influential (SI); 1.00 - 1.50 - Not at all Influential (NI)

The results suggest that consumers often purchase counterfeit goods to elevate their social status, maintain a trendy appearance, or conform to peer expectations. The normalization of counterfeit purchases within social circles reduces moral hesitation, while the affordability of counterfeits allows individuals to mimic a luxurious lifestyle. Religious teachings, however, appear to play a minimal role in decision-making, reflecting the impact of secularization on consumers' ethical considerations. As Hoffman (2024) and Wang et al. (2019) discuss, the *Bandwagon Effect* and *Moral Disengagement* allow consumers to rationalize counterfeit purchases as socially acceptable behaviors. Fejes (2019) adds that the widespread social acceptance of counterfeits, coupled with materialism and peer dynamics, amplifies their appeal. To combat this, Harun et al. (2020) and Koay (2018) recommend targeted social influence campaigns, including buy-back programs and collaborations with influencers, to promote awareness of the ethical and practical benefits of purchasing authentic goods. These strategies could help shift consumer behavior toward genuine products.

Economic Aspect

Table 2.3 highlights that the accessibility of counterfeit products, especially through e-commerce platforms, is the most significant economic factor influencing consumer purchases, with a mean score of 3.89, categorized as "Very Influential." In contrast, the perception that "Buying counterfeits has economic benefits" ranked lowest with a mean of 3.27, labeled as "Moderately Influential." Overall, economic factors are deemed "Very Influential" in driving counterfeit purchases.

Table 2.3

Factors Influencing Consumer Behavior in Purchasing Counterfeit Goods in Terms of Economic Aspect

Parameters	Mean	Rank	Interpretation
Income level of people when buying counterfeits.	3.78	2	VI
Benefits of buying counterfeits are worth the money.	3.49	2	MI
Accessibility of counterfeits on E-commerce platforms.	3.89	1	VI
Value of counterfeits is preferred than the authenticity of the product.	3.30	4	MI
Buying counterfeits has economic benefits.	3.27	3	MI
Overall Mean	3.52		VI

Notes: 4.50 - 5.00 - Extremely Influential (EI); 3.50 - 4.49 Very Influential (VI); 2.50 - 3.49 - Moderately Influential (MI); 1.51 - 2.49 - Slightly Influential (SI); 1.00 - 1.50 - Not at all Influential (NI)

The widespread availability of counterfeit products—both online and offline—makes them convenient for consumers, reducing barriers to purchase. Consumers often see counterfeits as cost-effective alternatives that offer short-term savings, especially for luxury goods. However, while counterfeits are appealing for their affordability, their lack of quality, durability, and resale value diminishes their long-term economic advantage. This understanding reflects that while counterfeits provide immediate financial relief, they may not meet the same economic value as authentic products over time.

Weak regulatory controls on online marketplaces, as noted by Williams (2024) and Red Point (2024), have allowed counterfeits to thrive. Basu et al. (2019) highlight that economic hardships often push consumers to view counterfeits as practical alternatives, further normalized by reduced social stigma. Harun et al. (2020) and Wu and Zhao (2021) point out that affordability is a major draw for counterfeit goods, though this short-term financial advantage often comes at the expense of long-term value and satisfaction.

Consumer Level of Awareness In Purchasing Counterfeit Goods Accessibility

The level of awareness of consumers in purchasing counterfeit goods was highlighted in tables 3.1 to 3.3. The data were analyzed using statistical methods, such as weighted mean and ranking to understand awareness in terms of accessibility, quality, and risk.

The high accessibility of counterfeit goods on e-commerce platforms simplifies consumer access to these products, often bypassing their ability to distinguish authentic items from counterfeits. This ease of access is further facilitated by minimal purchase restrictions and low enforcement of authenticity checks. The prevalence of counterfeits online offers consumers a convenient alternative to genuine products, particularly when these are either too costly or unavailable in their locality.

Table 3.1

Consumer Level of Awareness In Purchasing Counterfeit Goods in Terms of Accessibility

Parameters	Mean	Rank	Interpretation
Regularity of physical stores to sell counterfeits.	3.72	4	VA
Sellers of counterfeit goods utilized influencers for promotion.	3.64	5	VA
Counterfeits are common on E-commerce platforms.	4.25	1	VA
Counterfeit goods are easy to buy.	4.21	2	VA
Availability of other options instead of buying authentic products.	4.18	3	VA
Overall Mean	4.00		VA

Notes: 4.50 - 5.00 - Extremely Aware (EA); 3.50 - 4.49 Very Aware (VA); 2.50 - 3.49 - Moderately Aware (MA); 1.51 - 2.49 - Slightly Aware (SA); 1.00 - 1.50 - Not at all Aware (NA)

The high consumer awareness of counterfeit prevalence on e-commerce platforms underscores the role of extensive online listings, targeted advertising, and the convenience of digital shopping, all of which contribute to impulsive purchasing behaviors. Chow (2020) supports this, stating that the convenience of online shopping reduces the likelihood of authenticity checks, while Brandão and Gadekar (2020) highlight the appeal of competitive pricing and variety on these platforms. Meanwhile, Basu et al. (2019) emphasizes the normalization of counterfeit purchases within online shopping communities.

Quality

As shown in Table 3.2, consumer awareness of the quality of counterfeit goods indicates that they are "very aware" of "the key differences between counterfeit goods and luxury items," which ranks highest with a mean score of 3.90. Meanwhile, awareness of the "lifespan of counterfeit goods" ranks lowest with a mean score of 3.73. Despite this variation, the overall mean of 3.81 suggests that consumers remain "very aware" of quality-related factors when evaluating counterfeit goods.

Table 3.2

Consumer Level of Awareness In Purchasing Counterfeit Goods in Terms of Quality

Parameters	Mean	Rank	Interpretation
Product design of counterfeit goods.	3.77	4	VA
Lifespan of counterfeit goods.	3.73	5	VA
Perception of the quality of counterfeit goods based on the materials.	3.82	2	VA
Key difference of counterfeit goods and luxury items	3.90	1	VA
Performance of warranty and customer support when buying counterfeits.	3.81	3	VA
Overall Mean	3.81		VA

Notes: 4.50 - 5.00 - Extremely Aware (EA); 3.50 - 4.49 Very Aware (VA); 2.50 - 3.49 - Moderately Aware (MA); 1.51 - 2.49 - Slightly Aware (SA); 1.00 - 1.50 - Not at all Aware (NA)

The perception that price differences between genuine and counterfeit products are unjustified may stem from the subtle distinctions and similarities between the two. Many consumers view luxury goods as overpriced, attributing the higher costs to brand prestige rather than material or craftsmanship differences. Additionally, consumers does not prioritize after-sales services, given their low expectations for customer support and understanding lack guarantees

Kapferer and Bastien (2019) argue that luxury brands differentiate themselves through superior craftsmanship and exclusivity, elements that counterfeit goods cannot replicate. These attributes create emotional and symbolic value, fostering consumer loyalty and enhancing the perception of quality. Chen et al. (2018) further note that counterfeit goods fail to meet luxury consumers' expectations due to their lack of emotional resonance and authenticity. Wu and Zhao (2021) highlight that counterfeits, made with inferior materials and poor manufacturing processes, degrade faster than genuine products. Samaddar and Gandhi (2022) add that financial appeal often outweighs concerns about longevity, especially among younger consumers focused on short-term savings. As Sobh and Perry (2018) note, the lower cost of counterfeits frequently overshadows durability concerns, shaping consumer perceptions of their longevity.

Risks

Table 3.3 highlights consumer awareness of the risks associated with purchasing counterfeit goods.

Consumers are "extremely aware" of the "likelihood of counterfeit goods being poor quality," with the highest mean score of 4.25. Awareness of "the possibility of getting into legal trouble for purchasing counterfeit goods" ranks lowest with a mean score of 3.60, yet remains significant. Overall, consumers are "very aware" of the risks, as shown by an overall mean of 3.88.

Table 3.3

Consumer Level of Awareness In Purchasing Counterfeit Goods in Terms of Risks

Parameters	Mean	Rank	Interpretation
Chance of counterfeit goods and being poor quality.	4.25	1	EA
Damaging the buyer's reputation.	3.94	2	VA
Feeling bad and unhappy after buying counterfeit goods.	3.67	3	VA
Toxic materials and other dangers counterfeit goods might pose.	3.94	5	VA
Possibility of getting into legal trouble for purchasing counterfeit goods.	3.60	4	VA
Overall Mean	3.88		VA

Notes: 4.50 - 5.00 - Extremely Aware (EA); 3.50 - 4.49 Very Aware (VA); 2.50 - 3.49 - Moderately Aware (MA); 1.51 - 2.49 - Slightly Aware (SA); 1.00 - 1.50 - Not at all Aware (NA)

Despite high awareness of quality risks, consumers may still purchase counterfeits due to prior positive experiences or the belief that the products will meet their basic needs. Short-term gratification, societal acceptance, and a perceived low likelihood of facing legal consequences also drive counterfeit purchases. Many consumers assume safety risks are minimal and view legal risks as more relevant to sellers than buyers, reflecting a lack of concern over potential legal repercussions. Conversely, limited enforcement and the anonymity of online transactions contribute to the lower concern for legal risks, as consumers perceive the likelihood of facing legal consequences as minimal.

Perceived Risk Theory supports these results, emphasizing that quality concerns significantly influence consumer decisions. Studies by Bian and Moutinho (2021) and Khan et al. (2023) show that poor quality, including shorter lifespans and potential hazards, makes counterfeit products a high-risk purchase. The high mean score of 4.25 reflects this strong awareness. Additionally, Nguyen and Vu (2021) add that casual or anonymous purchases further diminish consumers fear of facing legal trouble.

Relationship between Consumers Profile and Level of Awareness

Table 4.1 shows the relationship between consumer profile and level of awareness. The employment status has a highly significant relationship with quality awareness with a p-value of 0.000001869, while socioeconomic status has a significant relationship with accessibility awareness. In contrast, the age, gender, and educational attainment does not show any significant relationship with the level of awareness. This shows that employment and socioeconomic status are the primary factor influencing consumer awareness in specific areas (quality and accessibility, respectively). Consumers' employment status tends to be associated with income stability. Individuals with higher-paying jobs may spend considerably more than usual, allowing them to notice the quality of products. In areas with lower income levels, counterfeit goods may be more accessible due to weak enforcement of intellectual property laws, and locals may seek cheaper alternatives. Consumers from lower socioeconomic backgrounds encounter these counterfeits more frequently in local markets, increasing their accessibility.

Table 4

Relationship between Consumers Profile and Level of Awareness

Consumers Profile	Level of Awareness		
	Accessibility	Quality	Risks
Age	0.4618	0.3956	0.3459
Gender	0.8232	0.626	0.7827
Educational Attainment	0.6914	0.414	0.6751
Employment Status	0.702	0.000001869***	0.4349
Socio-economic status	0.02084***	0.6016	0.265

Note: *** p is significant (p<0.05)

In contrast, higher-income consumers may have better access to information about counterfeit risks and may be more educated on avoiding them, while lower-income consumers may lack this knowledge, increasing their exposure to counterfeits.

The Economic Motivation Theory suggests that purchasing decisions are heavily influenced by financial constraints and employment status. People with unstable or lower-paying jobs prioritize affordability and accessibility, often opting for counterfeits to mimic luxury at a lower cost despite quality compromises (Wu & Zhao, 2021). Consumers from lower socio-economic backgrounds are more aware of counterfeit accessibility due to exposure to unregulated markets like street vendors and online platforms (Kaur, n.d.). Geographic barriers and limited access to authentic products also push consumers toward counterfeits (Shepherd & Whitman, 2023). Younger, price-sensitive consumers gravitate toward affordable luxury goods, driven by social acceptance and frequent interaction with counterfeit sellers (Bumanglag, 2022; Sondhi, 2019).

Relationship between Level of Awareness and Consumer Behavior

Table 5 indicates a weak relationship between social aspect and quality, with a correlation coefficient of 0.205. In contrast, economic aspects show a moderate relationship with accessibility and quality, having correlation coefficients of 0.482 and 0.427, respectively.

Table 5

Relationship between Level of Awareness and Consumer Behavior

Consumer Behavior	Level of Awareness		
	Accessibility	Quality	Risks
Personal Aspect	0.365	0.326	0.32
	W	W	W
Social Aspect	0.304	0.205	0.298
	W	W	W
Economic Aspect	0.482	0.427	0.288
	M	M	W

Note: 1.00- Perfect (P); 0.80-0.99 Very Strong (VS); 0.60-0.79 Strong (S); 0.40-0.59 Moderate (M); 0.20-0.39 Weak (W); 0.01-0.19 Very Weak (V W); 0.0 No Relationship (NR)

Legend: *** is significant ($p < 0.05$)

This shows that economic factors, such as spending power and financial resources, greatly influence consumer awareness of product accessibility and quality, whereas social factors have limited impact on quality awareness. Consumers with better financial resources are more aware of product availability and quality due to their exposure to premium markets and regulated channels that promote authenticity. While, consumers with limited financial

resources often lack access to such opportunities, reducing their quality awareness. Socially driven behavior prioritizes immediate enjoyment and social validation over long-term value, which can lead to a focus on trendy but lower-quality items. These behaviors are reinforced by short-term trends and social pressures that prioritize recognition over quality.

As supported by the *Perceived Value Theory*, consumers make decisions based on their perception of cost- benefit trade-offs (Basu et al., 2019). Savlani and Grover (2023) highlight that lower-income groups often purchase counterfeit goods as a cost-effective way to signal social status. Moreover, *Social Influence Theory* explains that individuals influenced by peer recognition are less concerned about intrinsic quality (Samaddar & Gandhi, 2022). Bellezza (2023) and Manimannan (2019) further emphasize that cultural and social norms reduce the perceived ethical dilemma of purchasing counterfeits, prioritizing social acceptance over quality. To enhance consumer awareness, businesses should leverage e-commerce platforms, collaborate with influencers, and offer premium services like “White-Glove Delivery” to emphasize quality and authenticity, creating value that counterfeits cannot replicate.

Strategic Marketing Model to Lessen the Widespread of Counterfeit Goods

This section presents a strategic marketing model designed to address the growing challenges of counterfeit goods in the market. The proposed model aims to lessen the widespread use of counterfeit goods by focusing on awareness, consumer education, and the promotion of authentic goods. Inputs, processes, and outputs were discussed.

Input

- a. Primary Resources - In developing the strategic marketing model, the researchers used survey questionnaires to gather data. The data was primarily collected from over 180 consumers in Camarines Sur.
- b. Secondary Resources - The internet was also utilized to browse some literature to support the development of a strategic marketing model, with sources primarily extracted from credible journals like Google Scholar. Additionally, other online resources were used to enhance the framework and provide a more comprehensive presentation.

Process

Step 1: The researchers created a survey questionnaire that was aligned with the research objectives, aiming to secure the relevance, reliability, and validity of the data collected.

Step 2: A survey questionnaire was distributed to over 180 respondents selected for this research which became the primary input for the creation of the model. The survey results were analyzed to identify key patterns in consumer behavior and

awareness of counterfeit goods. This provided 118 the foundation for the model's structure and each of the five steps.

Step 3: Based on the findings, the researchers formulated the "S.A.F.E. Model" and designed the visual representation using Canva. Each step of the model—advocating against counterfeits, utilizing consumer awareness, ensuring quality assurance, enhancing the purchase experience, and strengthening post-purchase support—was visually represented. The figure uses a cyclical design to emphasize the continuous and interconnected nature of the four steps. Icons in each section visually depict the actions associated with each phase, helping to quickly communicate the focus of each step. The line with a half circle connecting the steps reinforces the idea that this is an ongoing process aimed at maintaining the authenticity of luxury goods.

Step 4: The researchers consulted the research adviser to improve the framework. The appropriate adjustments and modifications were implemented.

Output

This section presents the strategic marketing model developed to lessen the widespread of counterfeit goods based on the thorough analysis of the gathered data. Each approach outlined in the model focuses on addressing the key drivers of counterfeit purchasing behaviors and emphasizes methods to reduce their impact while strengthening the competitive advantage of businesses in Naga City.

Model

S.A.F.E Model presents a strategic approach to combat the proliferation of counterfeit goods. Rooted in consumer behavior insights and tailored businesses in Naga



4-Step Approach Against Counterfeits

City, this model prioritizes education and customer-centric strategies. The acronym stands for “Safeguard Authenticity, Amplify Consumer Awareness, Foster Trust and Quality, and Enhance the Purchase Experience,” each component targets the underlying factors that drive counterfeit purchases while empowering businesses to sell authentic goods within Naga City.

SAFE Marketing Model Strategic Approach

1. Safeguard Authenticity

This approach aims to motivate retailers to actively advocate in campaigns against counterfeits. Retailers play a vital role in combating counterfeit, and their active involvement in anti-counterfeit campaigns can significantly safeguard the authenticity of the brands. Effective strategies include educating consumers on how to distinguish genuine luxury goods from counterfeits. Retailers can implement awareness campaigns through launching both online and on-site campaigns to raise the risk awareness regarding counterfeit.

2. Amplify Consumer Awareness

This aims to capitalize on the increased consumer awareness to convert advocates into loyal consumers. Businesses should leverage educational initiatives and targeted messaging. As consumers become more informed about their rights and the implications of counterfeit products, brands can position themselves as trusted allies in this journey.

3. Foster Trust and Quality

This approach aims to sustain consumer interest by emphasizing the product's authenticity, quality, and luxury. Consumers are increasingly discerning and seek brands that embody genuine craftsmanship and heritage, which enhances emotional connection to the products. This approach transforms existing advocates into loyal patrons who appreciate the value of authentic luxury goods.

4. Enhance the Purchase Experience

The fourth approach strives to implement effective sales strategies to strengthen consumer confidence during and after point of purchase. Businesses should provide transparency to their customers by providing clear information about their products. Moreover, Post Purchase engagement is important. This approach not only addresses any potential concerns but also demonstrates that the brand values their feedback and experiences.

CONCLUSIONS AND RECOMMENDATION

These findings, conclusions, and recommendations can help create a strategic marketing model to help local businesses sell authentic luxury goods.

Factors Influencing Consumers Behavior In Purchasing Counterfeit Goods

1. Personal Preferences and Values. Personal preferences, such as brand liking,

significantly drive counterfeit purchases. Emotional connections to brands and affordability play a crucial role in consumer decision-making.

2. **Social Influences and Status.** Social factors, such as societal status and income, motivate counterfeit purchases. However, ethical considerations, such as religious teachings, influence consumer behavior minimally.
3. **Economic Factors.** Economic aspects, such as the availability and affordability of counterfeits, remain the most influential drivers of counterfeit purchases. These factors outweigh concerns about quality or legal risks.

Consumers Level of Awareness in Purchasing Counterfeit Goods

1. **Consumer Preferences and Financial Constraints.** The data highlights that consumers aged 18 to 24 and those belonging to the lower-middle-income class are more likely to purchase counterfeit goods. This is primarily due to financial constraints and preferences for trendy items. Undergraduate and female consumers are particularly inclined towards counterfeits for reasons of affordability and social validation.
2. **Widespread Availability of Counterfeits.** Counterfeits are prevalent on e-commerce platforms, where sellers utilize influencers to promote these products. This widespread availability significantly influences consumer behavior and makes it harder for authentic products to compete in the market.
3. **Limited Awareness of Risks and Benefits.** While consumers are aware of the poor quality of counterfeit goods, there is limited awareness of the legal implications and the long-term value of owning authentic products. This knowledge gap reduces the perceived benefits of buying authentic goods over counterfeits.

Relationship of Consumer Profile and Level of Awareness

The significant relationship between consumer profiles and levels of awareness highlights how factors like employment status and socio-economic standing affect preferences for authentic goods. Employed and higher-income individuals have better access to and preference for genuine items, while lower-income groups face affordability challenges. To address this, social enterprises can train entrepreneurs, lower product costs through partnerships, and raise awareness about the value of authentic goods to reduce counterfeit purchases.

Relationship between the Level of Awareness and Consumer Behavior

Consumer behavior is significantly influenced by economic factors, with accessibility and quality playing key roles. Moderate correlations show that accessibility and quality impact economic considerations, while social aspects have a weaker influence. To address this, businesses should expand e-commerce channels through partnerships with platforms like Shopee, Lazada, and Amazon. Collaborating with influencers to promote

authenticity and creating exclusive online platforms for premium consumers can enhance the shopping experience. Introducing services like White-Glove Delivery with premium packaging can further elevate authenticity, providing a competitive edge over counterfeit goods.

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