

EXAMINING THE IMPACT OF GENERATION Z'S
ATTITUDE TOWARD COUNTERFEIT FOOTWEAR
IN MALAYSIA

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EXAMINING THE IMPACT OF GENERATION Z'S ATTITUDE
TOWARD COUNTERFEIT FOOTWEAR IN MALAYSIA

BY

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I hereby declare that:

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- (2) No portion of this research project has been submitted in support of any application for any other degree of qualification of this or any other university, or other institutes of learning.
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- (4) The word count of this research report is 10274.

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LIST OF ABBREVIATIONS

ANOVA	Analysis of Variance
ATT	Attitude
EU	European Union
INTA	International Trademark Association
IP	Intellectual Property
OECD	Organisation for Economic Co-operation and Development
PG	Personal Gratification
PQI	Price-quality Inference
PR	Perceived Risks
SAQs	Self-administered Questionnaires
SET	Social Exchange Theory
SPSS	Statistical Package for Social Sciences
USTR	United States Trade Representative
VC	Value Consciousness

PREFACE

This research project unit, UKMZ3016 Research Project is completed by one Bachelor of International Business student as the partial requirement for the academic study. The title of the thesis is “Examining the Impact of Generation Z’s Attitude Toward Counterfeit Footwear in Malaysia”. The research project aims to cultivate intellectual interest and critical thinking among undergraduates besides their regular responsibilities. The research project enhances undergraduate in their integration of research capabilities and application of the theoretical elements into discussion, written and oral presentation ability.

This research is conducted to investigate the relationship between the impacts that influence Generation Z’s attitude toward counterfeit footwear. The fact of this research is conducted also due to there being only limited numbers of research studies done that related to counterfeit footwear in Malaysia.

The impact of Generation Z’s attitude toward counterfeit footwear is identified in this study to be price-quality inference, perceived risks, personal gratification, and value consciousness. In this study, Generation Z is targeted due to the influence and independence they wield in their decision-making and the influence they have on the footwear industry

Finally, this result generated marketers to understand better the factors that are important to emphasize to better market share.

ABSTRACT

The research study is developed to examining the impact of Generation Z's attitude toward counterfeit footwear in Malaysia. The main concern of this research will be around the identified price-quality inference, perceived risks, personal gratification, and value consciousness that impact Generation Z's attitude toward counterfeit footwear. There are four hypotheses constructed to study and generate comprehensive results.

The target respondents in the research are Malaysians Generation Z who purchased counterfeit footwear. In addition, 165 sets of valid questionnaires were collected and analyzed by using Statistical Package for Social Science (SPSS) version 29. The researcher adopted Pearson Correlation Analysis and Multiple Linear Regression.

Moreover, before the inferential analysis, the results of the internal reliability test (Cronbach's Alpha) indicated that the measurement scales were consistent and reliable in measuring the proposed constructs. According to results generated from Multiple Linear Regression and Pearson Correlation Analysis, all the variables (price-quality inference, perceived risks, personal gratification, and value consciousness) indicate a significant relationship.

Lastly, a few limitations that hinder the research from being conducted effectively were identified and recommendations are presented to propose beneficial suggestions for further studies to be conducted.

CHAPTER 1: RESEARCH OVERVIEW

1.0 Introduction

The first chapter provides a detailed explanation of the background of the study, the target population, the problem statement, the objective, and the significance of the study.

1.1 Research Background

Counterfeiting and counterfeit products negatively impact the global economy. As a presence of counterfeiting, consumers may have difficulty trusting a brand in an open marketplace (Goldstein, 2022). Counterfeiting is an immoral and criminological practice (Ahmad, Abbasi, and Farooq, 2020). The act of counterfeiting is the unauthorized use of a trademark owned by another person or company. Counterfeit products are manufactured by other manufacturers illegally, not by legitimate, authorized manufacturers. Materials used in the production of counterfeit products are often made using low-quality standards and components, and they are usually produced using other brands' trademarks. Therefore, trademarked and copyright-infringing goods may both be included. Trademarks help consumers identify products from others. Trademarks identify the source of a product or service in commerce. There are many types of trademarks, including letters, words, names, signatures, numerals, devices, brands, designations, labels, package contents, or combinations of these elements (Intellectual Property Corporation of Malaysia, 2023).

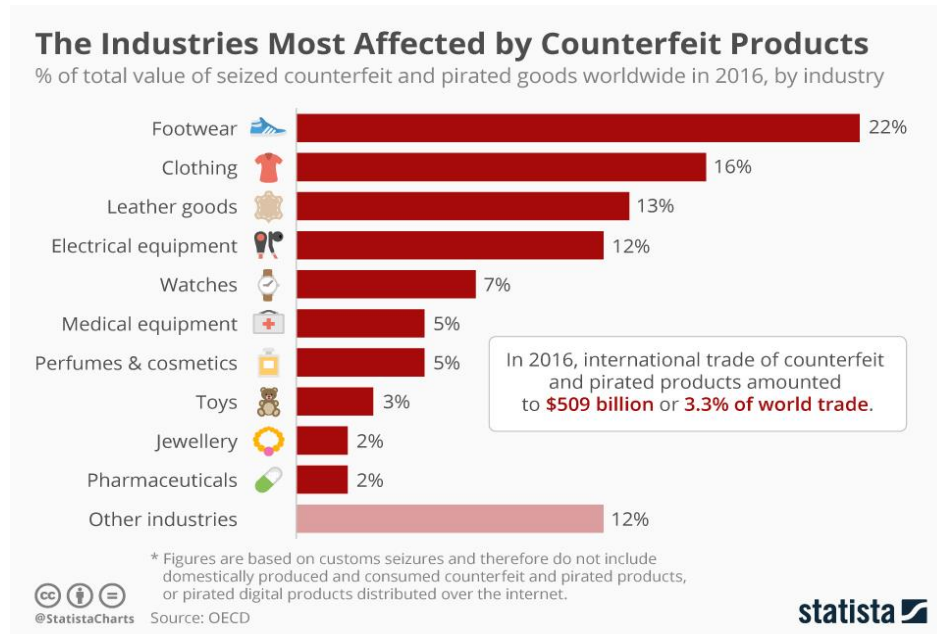
There are two different types of counterfeiting, namely those that are non-deceptive counterfeiting and deceptive counterfeiting. Deceptive counterfeiting entails the presentation of products in the market as authentic items with the intent to mislead

consumers. Consumers are unaware that the product they are purchasing is counterfeit (Ghadge, Duck, Er, and Caldwell, 2021). Through the act of non-deceptive counterfeiting, a consumer can become an accomplice to the dark trade of illegal goods if they purchase a counterfeit product knowingly and deliberately (Samaddar & Menon, 2020). Counterfeiters seek to take advantage of the established reputations of trademark owners to make a profit. Consequently, counterfeit products pose a threat to manufacturers, consumers, and the public, as they cannot meet the performance requirements intended for them (Peinkofer & Jin, 2022).

Global counterfeit trade has grown unprecedentedly over the past decade. The Organisation for Economic Co-operation and Development (OECD) reports that in 2019, fake products accounted for 2.5% of world trade worth \$464 billion. European Union (EU) statistics indicate that in 2019, counterfeit and pirated products accounted for EUR 119 billion, which is 5.8% of EU imports. These figures cover a wide range of goods, including clothing, footwear, spare parts, pesticides, fashion apparel, and deluxe watches (OECD/EUIPO, 2021a).

As of the reporting period, China, Hong Kong, Malaysia, India, Thailand, Singapore, Mexico, Turkey, and the United Arab Emirates remained the largest source economies for counterfeit goods and the largest manufacturers of counterfeit goods (OECD/EUIPO, 2021b). Hong Kong and China exported over three-quarters of all dangerous counterfeits seized. With the increase in popularity of e-commerce, counterfeit products are now frequently distributed via postal parcels, increasing the complexity of screening and detecting counterfeit goods, and reducing their detection probability (OECD/EUIPO, 2022).

Figure 1.1: The Industries Most Affected by Counterfeit Products



Source: Statista, (2019)

According to data from Statista (2019), footwear, clothing, leather goods, electrical equipment, and watches are the top five industries most affected by counterfeit products. Counterfeit products account for a high percentage of the footwear industry, which generates tens of billions of dollars in annual sales. Approximately 22% of all counterfeit goods seized globally in 2016 were related to footwear. This excludes undetected and locally manufactured. The objective is to take advantage of global sneakers and luxury footwear to profit from it. The most counterfeited brands include Michael Kors, Gucci, Louis Vuitton, and so on. There are numerous popular brands, such as Nike, Levi's, and Adidas, that spend billions of dollars every year in an aggressive battle against counterfeiters (Statista, 2019).

A counterfeit product worth RM87,979 was seized by the Ministry of Domestic Trade and Cost of Living (KPDN) in Malaysia. There were 2,845 pairs of counterfeit shoes seized from a warehouse in Chemor. Under the provisions of the Trademarks Act 2019, those arrested and convicted are liable to a fine of RM3.5 million and penalties (Aqilah, 2023). In addition, police seized 4,277 pairs of counterfeit branded shoes at a premises in Melaka (The Star, 2022, September 2). Two company directors and a manager were

fined RM130,260 each by the Kuala Lumpur Sessions Court. They sold a total of 4,342 pairs of counterfeit designer shoes and slippers, including those bearing the words "Nike" and "Adidas" (Free Malaysia Today, 2023). As indicated by the above counterfeiting incidents, Malaysia is flooded with counterfeit products, and the ones that go undetected are numerous. Therefore, this research aims to examine the impact of Generation Z's attitudes towards counterfeit footwear in Malaysia, focusing on the interplay between price-quality inference (PQI), perceived risks (PR), personal gratification (PG), and value consciousness (VC). This study focuses only on the counterfeiting of footwear products.

1.1.1 Target Population

Generation Z, known as "zoomers," refers to those born between 1997 and 2012 (Sramkova & Sirotiaková, 2021). Generation Z was born into an era of advanced technology, an environment where large amounts of information could be absorbed quickly. In addition, they were able to search for information quickly to find it. They exhibit a strong desire for personal gratification and place importance on their appearance. They tend to opt for popular fashion brands and purchase high-quality cosmetics. These Generation Z consumers are adept at navigating online platforms to secure the best deals on products. They frequently encounter brands that align with their self-image or desired identity, finding themselves surrounded by a plethora of brand options (Sramkova & Sirotiaková, 2021).

It is estimated that Generation Z accounts for 29% of the total population in Malaysia, with a monthly disposable income of US\$327 million. With the advent of digital technology today, high-profile individuals such as influencers, celebrities, and singers are having a major impact on what Generation Z considers fashion. For Generation Z, the most credible sources of information

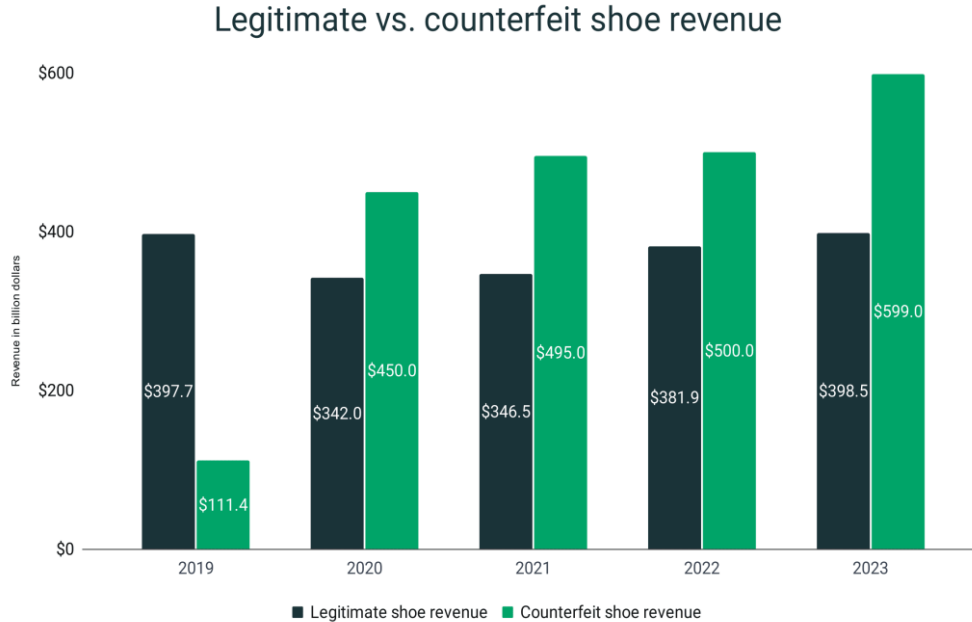
about counterfeiting are branded creators or employees, media personalities, and social media influencers (Tjiptono, Khan, Yeong & Kunchambo, 2020).

As consumers, Malaysian Gen Z have influence and independence in their decision-making process. Gen Z is influencing streetwear trends, and for Gen Z footwear is more than just a casual wear trend (Mehta & Patel, 2022). Footwear continues to be dominated by social media 'influencers' who design clothing and curate looks for themselves as a form of self-expression, culture, and community knowledge. Limited editions do create a sense of exclusivity for today's Gen Z, but not through pricing, but through community spirit. These brands such as Nike, Adidas, Skechers, Puma, and other designer brand footwear.

1.2 Problem Statement

On behalf of the International Trademark Association (INTA), Insight Strategy Group, LLC conducted research in 2019 that examined Generation Z attitudes toward counterfeit products in 10 different countries, including China, India, Indonesia, Italy, Japan, Mexico, Nigeria, Russia, Argentina, and the United States (Insight Strategy Group, LLC, 2019). 79% of Generation Z respondents have purchased counterfeit products in the past year. The study indicates that some consumers purchase counterfeits because they cannot afford the genuine products they want. They can only afford branded counterfeit products. The study found that 81% of respondents felt that the brand name was less important than how the product met their needs. Generation Z is most engaged with counterfeit apparel and shoes & accessories. Generation Z is motivated to purchase products that are exact imitations of a branded product and its packaging because counterfeits are easier to find than genuine branded products, and because consumers can only afford to spend money on counterfeits of certain brands (Insight Strategy Group, LLC, 2019).

Figure 1.2: Legitimate vs. counterfeit shoe revenue from 2019 to 2023



Source: RunRepeat, (2023)

According to RunRepeat, (2023), revenue from counterfeit footwear has been 1.5 times higher than revenue from legitimate footwear since 2020. The report shows that in 2023, counterfeit footwear revenues reached \$599 billion while legitimate footwear revenues were only \$398.5 billion. Genuine brands are the biggest victims when looking at the counterfeiting industry. Brands have to worry about both legitimate competitors taking market share and counterfeit goods contributing to a loss of consumer trust in the brand (Goldstein, 2022).

Petaling Street in Malaysia has been named as one of the most notorious and well-known counterfeit streets in the report "2023 Review of Notorious Markets for Counterfeiting and Piracy" released by the United States Trade Representative (USTR) (United States Trade Representative, 2024). Bazaars along the street are reportedly filled with a wide variety of counterfeit luxury goods ranging from branded footwear, watches, handbags, wallets, and more. Counterfeit goods are sold that are exact imitations of an authentic brand's products and their packaging (Dudekula, 2023). Footwear is the most counterfeited item in the world. On July 12, 2023, the Department

of Internal Trade and Cost of Living (DITC) seized 2,505 pieces of counterfeit foreign goods valued at RM250,000 from nine premises in Petaling Street, Malaysia during Operation Ops Putra (Bernama, 2023a).

The advances in technology such as social media provide information that increases the focus of Generation Z more aware of the fashion industry. However, branded footwear brands such as Nike, Adidas, Rebook, and Puma are launching new footwear products that are not inexpensive. Not everyone can afford them, especially Generation Z. Everyone wants to be part of the upper class. Therefore, under the influence of their environment, friends, or idols, they willingly buy counterfeit footwear to satisfy their desire for branded products. This is known as "intentional counterfeiting".

Today, a wide range of counterfeit products are readily available in the market with a wide choice of both online and offline stores. The popularity of the Internet and the use of smartphones have also contributed to the unrestricted trade in counterfeit products. Therefore, curbing such activities is very challenging.

Counterfeit footwear is made from inferior materials and low standards and sold to consumers at a lower price than the genuine article. Therefore, the consumer may purchase a counterfeit product without being aware of it and mistake it for a genuine product. A counterfeit product may have a serious adverse effect on the reputation of a genuine brand due to its inferior quality. It is because the counterfeit product causes physical harm to the consumer or does not meet the consumer's expectations in terms of quality.

Such fraudulent counterfeiting or forgery is considered a serious offense. The impact of counterfeiting goes far beyond the legal consequences. In addition, counterfeit manufacturing and fake products lead to significant financial losses for legitimate businesses and intellectual property (IP) holders. Not only that, but counterfeiting affects consumer trust and skepticism about the authenticity of well-known brands, which can damage a brand's global reputation (iacc.org). Additionally, it increases the

risk of consumer harm and places increased burdens on law enforcement agencies funded by taxpayers throughout the world to investigate and prevent crimes (Office of the United States Trade Representative, 2020).

Looking at past research, Bakhshian, Lee, & Cao (2019); Kaiyethire Bupalan, Suzari Abdul Rahim, & Nor Aida Abdul Rahman. (2019) mostly it has been focused on the purchase intention toward counterfeit products. However, less research has been carried out on attitudes towards counterfeit footwear, particularly for Generation Z. There is a large body of scientific research on consumer intentions to purchase counterfeit products. However, research on consumers' attitudes toward counterfeit footwear products is less and limited, particularly for the large Generation Z demographic.

However, in Malaysia, the awareness of the legal consequences does not put people under careful conditions. Therefore, can see there are a lot of counterfeit products available in the market. Because people know that counterfeit products are not illegal but people still buy them. The law is not in place.

Consumer lack of awareness of the consequences of purchasing counterfeit footwear. Moreover, consumers also take it very lightly when purchasing counterfeit footwear although there is no prohibiting this type of purchase. Generation Z's price-quality inference leads them to believe that counterfeit footwear, perceived as less expensive, is "good enough" in quality, driving a preference for counterfeits (Ndofirepi et al., 2022; Christen et al., 2022).

Thus, lower perceived risks, including legal consequences and poor quality, make Gen Z more inclined to purchase counterfeit shoes. Personal gratification is important to everyone, derived from self-expression and style, which further motivates these purchases. Gen Z's value consciousness involves weighing benefits against costs, making them prioritize the perceived value of acceptable quality at a lower price over brand authenticity.

As can be seen from the discussion above, Malaysia is currently lacking and has limited information regarding solutions to this problem among Generation Z. That assumption lacks study in Malaysia focusing on Generation Z in the counterfeit footwear industry thus needing further investigation to be done.

1.3 Research Objectives

This study aims to find a solution to the problem statements through the development of more specific objectives.

1.3.1 General Objective

This study is to examine the independent variables (price-quality inferences, perceived risks, personal gratification, value consciousness) that affect Generation Z's attitude toward counterfeit footwear in Malaysia.

1.3.2 Specific Objectives

The following are the research's objectives:

1. To examine the relationship between price-quality inferences and Generation Z's attitude toward counterfeit footwear in Malaysia.
2. To examine the relationship between perceived risks and Generation Z's attitude toward counterfeit footwear in Malaysia.
3. To examine the relationship between personal gratification and Generation Z's attitude toward counterfeit footwear in Malaysia.
4. To examine the relationship between value consciousness and Generation Z's attitude toward counterfeit footwear in Malaysia.

1.4 Research Questions

1. Does the price-quality inferences affect the Generation Z's attitude toward counterfeit footwear in Malaysia.
2. Does the perceived risks affect the Generation Z's attitude toward counterfeit footwear in Malaysia.
3. Does the personal gratification affect the Generation Z's attitude toward counterfeit footwear in Malaysia.
4. Does the value consciousness affect the Generation Z's attitude toward counterfeit footwear in Malaysia.

1.5 Research Significance

Generation Z's attitude has influenced the counterfeit footwear industry in Malaysia. By gaining a more thorough understanding of Generation Z's characteristics, it is possible to understand what stimuli influence Generation Z's attitudes towards counterfeit footwear. The increase in counterfeit products has a significant impact on the Malaysian economy. Therefore, the Malaysian government needs to endeavor to strengthen and enforce intellectual property laws, including revising legislation and enforcement. This will promote socio-economic development and combat piracy and counterfeiting in the country. Protecting trademark holders' rights.

Malaysian law requires that any goods or imported goods must be labeled with the details of the manufacturer, importer, wholesaler, producer, and country of origin of the imported goods. These details on counterfeit goods are often fictitious or inaccurate. In such cases, the Ministry can seize such products and enforce the Act's relevant provisions. In addition to this, the Malaysian government can also launch an anti-counterfeiting program or online campaigns against counterfeiting to protect trademark rights.

Purchasing counterfeit footwear products is an offense and usually has negative repercussions. However, there are various reasons for purchasing counterfeit footwear products. Consumers consider that counterfeit footwear products are less expensive than genuine brands. They also believe that some counterfeit footwear products are even of " excellent " quality and that unauthorized products may allow consumers to follow current fashion trends at a lower price than they can afford. This would be more cost-effective for consumers.

1.6 Conclusion

To summarize, counterfeit footwear negatively impacts Malaysian economies, trust, and Generation Z consumers' safety. Furthermore, counterfeit footwear elimination requires focused research and action. Among these measures are the fight against counterfeit goods, enforcement, the education of consumers, and the protection of trademarks.

CHAPTER 2: LITERATURE REVIEW

2.0 Introduction

This chapter explains the theories slated for application in this study, delineating independent and dependent variables. Social Exchange Theory will serve as a theoretical framework throughout the study, with four primary dependent variables identified: price-quality inference, perceived risks, personal gratification, and value consciousness. Attitude will be the overarching dependent variable under examination.

2.1 Underlying Theories

2.1.1 Social Exchange Theory (SET)

Social Exchange Theory (SET) was published by American sociologist George Caspar Homans (1958). According to SET, relationships are established through a cost-benefit exchange between two people in society (Enayat et al., 2022). In addition, social exchange theory may be defined as interpersonal interactions viewed as a form of trade that integrates psychological, economic, and sociological elements (Copeland & Bhaduri, 2019). People participate in exchange relationships because they expect to receive reciprocal benefits such as economic resources (e.g., products and services) and interpersonal resources (e.g., friendship) in their interactions (Wang, Wu, Xia, & Lu., 2020). The cost of what someone gives to get back in terms of quality or value. This is determined as a mutual exchange. In this research, social exchange theory is applied to brand-consumer interactions. Consumers are more likely to engage with a brand if the benefits of transacting with the brand are greater than the costs.

This research was influenced by Social Exchange Theory. Humans are considered economic animals that can rationally make decisions based on their interests according to this theory (De Souza Meira & Hançer, 2021). Regarding this study, consumers may consider both the risks and benefits associated with purchasing counterfeit footwear. Thus, a social exchange theory framework was considered appropriate for studying Generation Z's attitudes toward counterfeit footwear.

Numerous past studies have used social exchange theory in various fields of study which includes the hospitality industry (De Souza Meira & Hançer, 2021); (Wu, Sun, Ye, Kwan and Yang, 2021), the tourism industry (Dutt et al., 2022); (Musinguzi, 2019); (Wang et al., 2023), higher education (Romani-Dias & Carneiro, 2019) and others.

In social exchange theory, it tells that the benefits gain, from the view of this research status that Gen Z paying a certain amount of money to purchase counterfeit footwear. They are looking into the benefits, like the price quality they earn, and quality they can enjoy. In order to satisfy their needs, Generation Z is willing to spend a certain amount of money on branded shoes that provide them with benefits and satisfaction. Thus, in social exchange theory, there exists a quid pro quo how much money is exchanged for how much quality is exchanged.

Therefore, this research will apply the Social Exchange Theory to examine the independent variables (price-quality inference, perceived risks, personal gratification, and value consciousness) impact of Generation Z's attitude towards counterfeit footwear in Malaysia.

2.2 Dependent Variable

2.2.1 Attitude

Attitudes entail the assessment and validation of an object, event, or individual and reflect how the individual feels about it. As stated by Novita and Husna (2020), attitude is the precursor of behavioral intention. In the study of Costa, Da Costa, Maciel, Aguiar, & Wanderley (2021), attitude is considered one of the most important variables for analyzing individual consumer behavior and it has been studied in different marketing fields. According to Junejo, Sohu, Ali, Qureshi, & Shaikh, (2020), attitude refers to an individual's propensity for consumer behavior that may or may not be adopted in terms of purchasing behavior. Relevant studies have shown that consumers with positive attitudes towards sustainability are more likely to purchase green products. Moreover, purchase intention is also influenced by attitude (Basha & Lal, 2019).

In this study, attitude is defined as reflecting consumers' feelings towards counterfeit footwear products, as well as various factors that will influence consumers' attitudes toward counterfeit footwear. Consumers who have positive attitudes toward counterfeit goods and engage in purchasing such goods practice the two-sided principle. Consumers will justify their purchase of counterfeit goods and place the blame on the manufacturers of counterfeit goods. This positive attitude towards counterfeit goods encourages the manufacture and sale of counterfeit goods and assists manufacturers of illegal goods (Jiang et al., 2019).

2.3 Independent Variables

2.3.1 Price-Quality Inference (PQI)

The concept of price-quality inference pertains to consumers' tendency to gauge the quality of a product based on its price (Ndofirepi et al., 2022). The price-quality inference tends to be more pronounced in lower price ranges (Zielke et al., 2022). Based on the study by Vörös (2019), it can be concluded that consumers' final purchase decisions are greatly influenced by the relationship between price and perceived quality. Customers make their final decision based on the level of satisfaction they feel with the product quality. Furthermore, consumers will be receptive to paying a price for a product if they perceive the quality of the product and price to be cost-effective. Abdullah and Yu (2019) research stated that consumers utilize price-quality inference theory to evaluate product quality and naturally associate higher prices with high quality and lower prices with low quality. Therefore, if consumers want authentic designer brands at a high price, they will prefer to purchase counterfeit goods that are less expensive and conveniently affordable (Elsantil and Hamza, 2021).

The most significant factor that influences customers' decisions to purchase counterfeit designer footwear is price in this research. Consumers define the quality of a product based on its price since there is no direct way to determine its quality level. This implies that the product quality is equal to the price.

2.3.2 Perceived Risks (PR)

According to Makhitha and Ngoben (2021), perceived risks can be defined as an evaluation of the chance of dissatisfaction with a purchase decision in light of the buyer's objectives. Perceived risk is unavoidable for consumers when purchasing counterfeit goods. Consumers' perceived risk has been known to influence consumers' purchase intention and decision-making process. It indicates the consumer's subjective judgment about the uncertainty and adverse consequences of the purchase decision (Gazali & Suyasa, 2020).

A subjective evaluation of perceived risks in this study was made by consumers, which focused on uncertainties and potential negative outcomes related to the acquisition of counterfeit footwear. The perceived risk of counterfeit footwear is unavoidable for consumers. Perceived risks have been identified as prevalent factors that affect Generation Z's attitude toward counterfeit footwear.

The perceived risk of purchasing and wearing counterfeit products involves social, legal, physical, performance, and psychological risks. Social risk is the risk of embarrassment of being found out that a counterfeit product was purchased (Elsantil & Hamza, 2021). Legal risk is the possible legal consequences such as imprisonment, fines, or both (The MDTCA confiscates over RM5 million worth of counterfeit Jersey clothing, 2022). Physical risks arise when the low quality of counterfeit products may cause physical harm to consumers (Montecchi et al., 2019). Generally, performance risk refers to the likelihood that damage will occur to the product. Therefore, it potentially influences the decision-making of consumers to purchase counterfeit articles. Psychological risk pertains to the sense of guilt associated with purchasing counterfeit products (Elsantil & Bedair, 2022).

2.3.3 Personal Gratification (PG)

Personal gratification is related to three aspects of personal satisfaction which are fulfillment, social identity, and aspirations. It can also be described as the need for personal happiness (Mwihaki, 2022; Ravidaran et al., 2019). Consumers who focus on satisfying their need for gratification base their entire purchasing and consumption behavior on their feelings of pleasure, self-esteem, and well-being. As a result, consumers who place a high value on personal fulfillment tend to be more focused on the need for personal satisfaction (Phau, Akintimehin, Shen, & Cheah, 2022). In this study, personal gratification can be interpreted as a sense of personal fulfillment, the desire to be recognized by society, the enjoyment of the finer things in life, and the individual's pursuit of a high standard of living. Personal gratification is the purchasing behavior that people are motivated to make based on pleasure, self-esteem, and happiness.

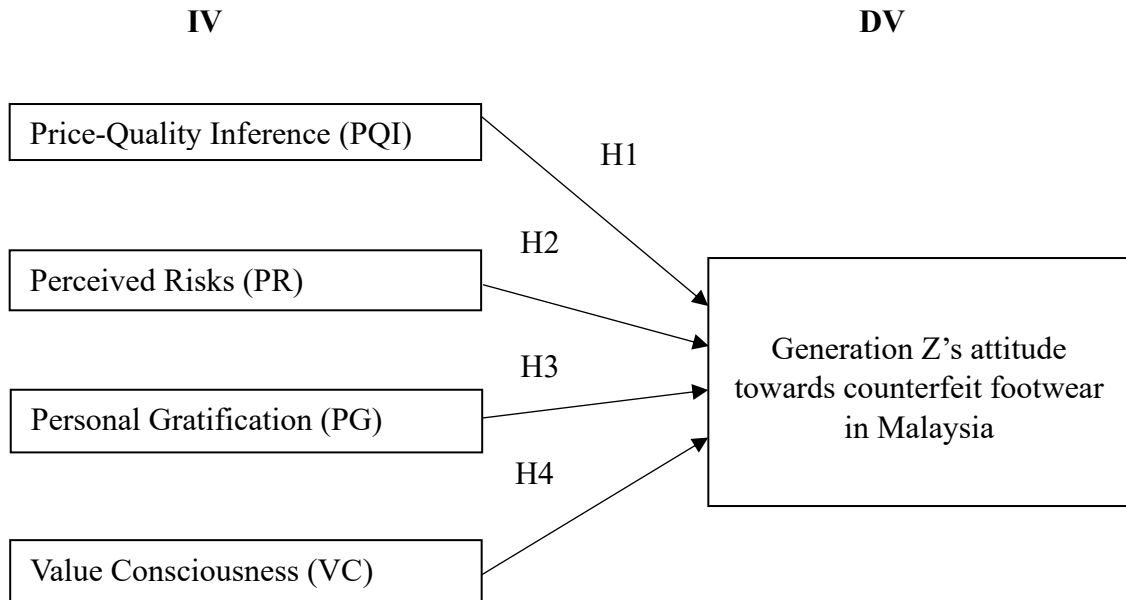
2.3.4 Value Consciousness (VC)

Value consciousness, as defined by Kassim et al. (2020), entails consumers' desire to obtain products at a lower price without compromising on quality. It encompasses two main components: the emphasis on product quality and the consideration of price when making purchasing decisions. Consumers evaluate the value offered by various products and may opt for counterfeit goods if they perceive them to offer better value compared to genuine products.

Consumers are more inclined to pay lower prices for products of similar value. Compared to genuine luxury branded products, counterfeit branded products have a significant advantage in terms of price factor, although they are generally less expensive. As a result, some consumers who tend to buy luxury products, limited to their purchasing power, will tend to buy more affordable counterfeit luxury products. Study findings by Wu and Zhao (2021) indicate that value consciousness impacts the intention to purchase counterfeit luxury goods.

2.4 Theoretical Framework

Figure 2.1: Theoretical Framework



Source: Developed for the research

2.5 Hypotheses Development

2.5.1 Price-Quality Inferences (PQI) and Attitude

According to Tseng, Chiu, & Leng (2020) research studies, price quality inference predicts consumer attitudes regardless of product category, as lower price tags are perceived to indicate a lower-quality product. Ndofirepi et al. (2022) conducted a survey that found that indirect price-quality inferences positively influenced attitudes toward non-deceptive counterfeits. Singh et al (2021) found a positive correlation between price-quality inferences and attitudes regarding counterfeit designer products. Based on their research, it is evident that the perceived relationship between price and quality has a significant influence on the desire to obtain counterfeit products. As a result, the price advantage outweighs the low quality, making counterfeit products appear to be a good value for money.

Price-quality inference is predictive of consumer behavior, and for some consumers, the cost may be seen as a cue to indicate product quality. The findings of Abdullah and Yu (2019) indicate a negative relationship between consumer attitudes toward counterfeit luxury fashion products and price-quality inference. Wang, Lin, & Choi, (2020) discover that price-quality inference has a significant negative relationship with consumer attitude towards gray market products. Therefore, this study puts forth the following hypothesis:

H1: There is a significant relationship between price-quality inference and Generation Z's attitude toward counterfeit footwear in Malaysia.

2.5.2 Perceived Risks (PR) and Attitude

This study cited by Khin (2019) result shows that the perceived risks have a significant value between perceived risk and attitude toward footwear online. Based on Julia, Linggam, Hibatullah & Justianto, (2023), this research indicated that perceived risk has a positive relationship with attitude and intention to use digital banking. The study conducted by Toklu and Baran (2017) suggests that perceived risk does not exert a negative influence on attitudes and the willingness to purchase counterfeit luxury brands.

In the study by Tseng et al. (2020), the perceived risk had no significant relationship influence on the consumers' attitude towards counterfeit products. Generation Y or Millennials have a negative influence on perceived risk in their attitudes towards counterfeit products on the online marketplace, even if they are aware of the risks and consequences of purchasing them (Sastika & Secapramana, 2022). In Zhang, Tao, Qu, Lin & Zhang, (2019) study, there is no direct effect of perceived risk including Perceived Safety Risk (PSR) and Perceived Privacy Risk (PPR) on attitude toward automated vehicles. Thus, the present study proposes the hypothesis as follows:

H2: There is a significant relationship between perceived risk and Generation Z's attitude toward counterfeit footwear in Malaysia.

2.5.3 Personal Gratification (PG) and Attitude

The study cited by Chang et al. (2021) indicated that personal gratification will positively influence attitude. De Jong et al. (2019) found that attitudes are positively impacted by personal gratification. Results revealed also that attitude toward counterfeits is most significantly affected by personal gratification (De Matos et al., 2007).

Tseng et al. (2020) result shows that personal gratification had no significant relationship with Turkish consumers' attitudes toward designer counterfeit products. Mwihi (2022) found that personal gratification among 86 % of respondents did not affect consumer attitudes towards counterfeit products. Based on these rationals, the study proposes:

H3: There is a significant relationship between personal gratification and Generation Z's attitude toward counterfeit footwear in Malaysia.

2.5.4 Value Consciousness (VC) and Attitude

In an article published by Kassim et al. (2020), it is shown that value consciousness has a significant impact on customers' attitudes toward designer counterfeit products. The study conducted by Sastika and Secapramana (2022) suggests that value consciousness has a positive impact on the millennials or Generation Y's attitude toward counterfeit goods. Specifically, consumers will be more willing to pay lower prices for counterfeit products that closely resemble the brand's genuine products.

However, Tseng et al., (2020) studied the consumers' attitudes toward designer counterfeit products in Turkey, and the result shows that Value consciousness did not have a significant relationship with attitudes toward designer counterfeit products. According to Phau and Teah (2009), value consciousness was not significantly correlated with counterfeit attitudes. Consequently, the fourth hypothesis is:

H4: There is a significant relationship between value consciousness and Generation Z's attitude toward counterfeit footwear in Malaysia.

2.6 Conclusion

This chapter provides a comprehensive overview of previous research in the literature related to the independent variables of price-quality inference, perceived risks, personal gratification, and value consciousness as well as the dependent variables of attitude. In addition, the overview includes previous research findings on the relationship between independent and dependent variables. As part of the theoretical framework, the hypotheses for this study are presented.

CHAPTER 3: METHODOLOGY

3.0 Introduction

This chapter presents a thorough exposition of the systematic methodologies employed to execute this study and analyze the gathered data. The methodologies encompassed within this study comprise research design, sampling design, data collection methods, research instruments, questionnaire design, construct measurement, and data analysis. These methodologies were selected to employ the most appropriate techniques to effectively gather and analyze the data collected.

3.1 Research Design

During the process of a research project, a researcher will establish a research design to outline the methodology and techniques they will employ. It is established prior to the commencement of data collection and analysis, aimed at efficiently attaining the research objectives. Research designs serve to translate research problems into actionable data and subsequently analyze them, facilitating the resolution of research inquiries with optimal cost-effectiveness. These designs are typically categorized into three groups: quantitative, qualitative, and mixed-method research designs (Asenahabi, 2019).

3.1.1 Quantitative Research

There will be quantitative research conducted in this research. Quantitative research uses observations or measurements to examine questions about the sample population (Allen, 2017). Quantitative research is applied to learn about

a particular group of individuals who are Generation Z in Malaysia in this research. Numerical data is gathered in quantitative research. Quantitative research includes methodologies such as questionnaires, structured observations, or experiments Ahmad, Wasim, Irfan, Gogoi, Srivastava, & Farheen (2019). This research solicited opinions and data from respondents. The questionnaire focuses on the independent variable, while the list of journal articles included in the literature review serves as the source of the dependent variable. This research tests the hypothesis that independent variables impact the dependent variable.

3.2 Sampling Design

3.2.1 Target Population

This research targets Generation Z individuals in Malaysia who purchase designer counterfeit footwear. The age range is between 18 to 26 years old (Sramkova & Sirotiaková, 2021). There is a reason for focusing on this particular population since they have potential value. This is because Generation Z is experiencing economic instability and some of its members may be struggling financially. They may be limited in their ability to purchase authentic designer products. Moreover, they are also influenced by social media, through which celebrities and influencers can influence their fashion styles and trends. Therefore, purchasing counterfeit footwear is the most suitable option for them.

3.2.2 Sampling Technique

Sampling is defined as the process of identifying a subset of elements from the sample frame to study. Sampling also helps researchers make inferences about a population based on the characteristics of the selected sample. There are mainly two types of sampling methods, probability sampling and non-probability sampling. Simple random sampling of probability sampling was selected as one sampling methodology in this research. The method of random sampling is often utilized in surveys and quantitative research designs (Rahi, 2017). An equal chance of being enrolled in research is achieved with simple random sampling. It is therefore considered an unbiased and fair selection method. By properly designing the sample, the sample can represent the entire population which is Generation Z (Noor, Tajik & Golzar (2022).

3.2.3 Sampling Size

The most appropriate and accurate range of sample size to avoid Type II errors is 30 to 500 for behavioral research (Delice, 2010). As a general rule, the sample size must be ideal and is neither too large nor too small. If the sample size exceeds 30, the researcher can benefit from the central limit theorem. However, if too large of a sample size has been set, the researcher will be prone to committing Type II errors (Kim, 2015). To collect data for this research, 165 sets of survey questionnaires were valid.

3.3 Data Collection Methods

Primary data will be used in this research. To obtain valuable results, the researcher will distribute questionnaires to respondents, clean up the data, and then analyze and interpret the questionnaires. Hypotheses and research questions will be formulated based on the data obtained.

3.3.1 Primary Data

Primary data collection is the collection of first-hand experiences or evidence, particularly for research. Methods include surveys, interviews, observation, and focus groups. Primary data can be analyzed and used to answer research questions by researchers. Surveys will be used in this research. A questionnaire will be sent to respondents via the Internet for response. The responses will be sorted into tables and charts for further research.

3.4 Research Instrument

Researchers will require respondents to complete self-administered questionnaires (SAQs) as part of this study. SAQs are survey techniques composed of questionnaires completed by respondents themselves without the assistance of the researcher. The questionnaires are distributed online due to the common use of the Internet by respondents. In addition, the convenience of the Internet allows respondents to complete online surveys with minimal time required for completion. The researcher can obtain accurate feedback from the moderated questionnaire information. In addition, interviewer error or bias was eliminated because the sample was self-administered.

3.4.1 Questionnaire Design

Closed-ended questions were used in this research. The respondents should select the most fitting answer based on their perceptions due to limited choices (McCombes, 2019). The questionnaire consists of three components, Section A of the Questionnaire survey is demographic information about the respondent, which includes gender, age group, income level or pocket money, and education level. Section B is the general question is to carry out whether respondents have ever purchased designer counterfeit footwear. Section C of the questionnaire constructs the construct measurement of four independent variables and one dependent variable.

3.4.2 Pilot Test

Before analyzing any hypotheses and evaluating their reliability, this research will be conducted as a pilot test. Pilot testing facilitates researchers to modify all data collection methods and ensure that all relevant questions are asked and answered during the research process. A pilot testing questionnaire was collected and analyzed using Cronbach's Alpha to determine validity. This research was distributed to 60 respondents. However, only 56 questionnaires were valid, this is because 4 of the respondents had not purchased designer counterfeit footwear before. Cronbach's Alpha test demonstrated acceptable internal consistency for the initial scales. In this study, Cronbach's alpha values will be analyzed using SPSS version 29. All values will refer to Table 3.1 for Cronbach's Alpha rule of thumb.

Table 3.1: Rules of Thumb about Cronbach's Alpha

Cronbach's Alpha	Internal Consistency
$\alpha \geq 0.90$	Excellent
$0.80 \leq \alpha < 0.90$	Good
$0.70 \leq \alpha < 0.80$	Acceptable
$0.60 \leq \alpha < 0.70$	Questionable
$0.50 \leq \alpha < 0.60$	Poor
$\alpha < 0.50$	Unacceptable

Source: George and Mallery (2002)

According to George and Mallery (2002), Cronbach's alpha has a value between 0 and 1. The result above 0.9 is excellent, more than 0.8 and less than 0.9 is considered good, more than 0.7 and less than 0.8 is acceptable, more than 0.6 and less than 0.7 is questionable, more than 0.5 and less than 0.6 is poor, and the value less than 0.5 is unacceptable. The results of Cronbach's Alpha of the pilot test regarding this study are illustrated in Table 3.2. The result of one independent variable (price-quality inference) is above 0.7 which indicates acceptable, while the result of the other variables (attitude, perceived risks, personal gratification, value consciousness) is above 0.8 which is considered good.

Table 3.2: Result of Pilot Test

Variables	Cronbach's Alpha	No. of Items	Internal Consistency
Attitude	0.803	5	Good
Price Quality Inference	0.705	3	Acceptable
Perceived Risk	0.889	3	Good
Personal Gratification	0.821	4	Good
Value Consciousness	0.851	5	Good

Source: Develop for the research

3.5 Construct Measurement

Three sections were included in the questionnaires for this study. Section A provides an overview of demographic information, including information such as gender, age, income or pocket money, and educational level. Section B consists of general questions asking respondents to indicate whether they ever purchased counterfeit designer footwear and how much they spent on it. Respondents can only choose one answer.

Section C discusses the 5-point Likert scale calculation for four independent variables and a dependent variable. There are 15 statements defining the four independent variables as stated above and 5 statements defining the dependent variable. The Likert scale range is from "strongly disagree" (1) to "strongly agree" (5). Furthermore, the survey questions used were selected from previous studies, indicating that other researchers had piloted them.

Table 3.3: Origin of Construct

Variables	Questionnaire	Modified Questionnaire	Authors
Attitude	<ol style="list-style-type: none"> 1. Considering price, I prefer gray market goods. 2. I like shopping for gray market goods. 3. Buying gray market goods generally benefits the consumer. 4. There's nothing wrong with purchasing gray market goods. 5. Generally speaking, buying gray market goods is a better choice 	<ol style="list-style-type: none"> 1. Considering the price, I prefer designer counterfeit footwear. 2. I like shopping for designer counterfeit footwear. 3. Buying designer counterfeit footwear generally benefits the consumer. 4. There's nothing wrong with purchasing designer counterfeit footwear. 5. Generally speaking, buying designer counterfeit footwear is a better choice. 	(De Matos et al., 2007)
Price-Quality Inference (PQI)	<ol style="list-style-type: none"> 1. Generally speaking, the higher the price of a product, the higher the quality. 2. The price of a product is a good indicator of its quality. 3. You always have to pay a bit more for the best. 	<ol style="list-style-type: none"> 1. The higher the price of designer counterfeit footwear, the higher the quality. 2. The price of a designer counterfeit footwear is a good indicator of its quality. 3. I always have to pay a bit more for the best. 	(De Matos et al., 2007)
Perceived Risks (PR)	<ol style="list-style-type: none"> 1. The risk that I take when I buy a counterfeited product is high. 	<ol style="list-style-type: none"> 1. The risk that I take when I buy designer counterfeit footwear is high. 	(De Matos et al., 2007)

	<p>2. There is high probability that the product doesn't work.</p> <p>3. Spending money with a counterfeited product might be a bad decision.</p>	<p>2. There is high probability that the designer counterfeit footwear doesn't work.</p> <p>3. Spending money with a designer counterfeit footwear might be a bad decision.</p>	
<p>Personal Gratification (PG)</p>	<p>1. I always endeavor to have a sense of social recognition.</p> <p>2. I always attempt to have a sense of accomplishment.</p> <p>3. I always desire to enjoy the finer things in life.</p> <p>4. I always chase a higher standard of living</p>	<p>1. I always endeavor to have a sense of social recognition.</p> <p>2. I always attempt to have a sense of accomplishment.</p> <p>3. I always desire to enjoy the finer things in life.</p> <p>4. I always chase a higher standard of living.</p>	<p>(Nguyen & Tran, 2013)</p>
<p>Value Consciousness (VC)</p>	<p>1. I'm very concerned about low prices, but I am equally concerned about product quality.</p> <p>2. When purchasing a product, I always try to maximize the quality I get for the money I spend.</p> <p>3. I generally shop around for lower prices on products, but they still must meet certain quality requirements before I buy them.</p>	<p>1. I'm very concerned about low prices, but I am equally concerned about product quality.</p> <p>2. When purchasing counterfeit designer footwear, I always try to maximize the quality I get for the money I spend.</p> <p>3. I generally shop around for lower prices on counterfeit designer footwear, but they still must meet certain quality requirements before I buy them.</p>	<p>(Nguyen & Tran, 2013)</p>

	<p>4. When I shop, I usually compare the price information for brands I normally buy.</p> <p>5. I always check prices at the market to be sure I get the best value for the money I spend.</p>	<p>4. When I shop, I usually compare the price information for designer brands I normally buy.</p> <p>5. I always check prices at the market to be sure I get the best value for the money I spend.</p>	
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Source: Develop for the research

3.6 Proposed Data Analysis Tool

Data analysis is the practice of working with data to glean useful information. It also can extract meaning from data, which can then be used to make informed decisions. For instance, it can answer research questions and theories. This study will utilize SPSS version 29 software to process, summarize, and analyze all data collected. To process the data in this study, descriptive and inferential analyses will be applied. Findings will be further evaluated, measured, and elucidated to answer the research questions.

3.6.1 Descriptive Analysis

The descriptive analysis of data uses current and historical data to summarize and describe the primary properties of a dataset to establish trends and relationships. This process involves the process of explaining, analyzing, and summarizing raw data so that it can be transformed into knowledge that is useful for researchers to access, manage, analyze, and interpret them. Data from Part One and Two of the survey questionnaires will be analyzed using frequency analysis and percentage counting.

3.6.2 Scale Measurement

The legibility of data obtained through survey questionnaires is verified using scale measurement in this research. The reliability test will be applied in this research.

3.6.2.1 Reliability Test

According to George and Mallery (2010), Cronbach's Internal quality is measured by reliability, while accuracy is measured by validity. Alpha was used to assess the constructs' stability, credibility, and validity.

3.6.3 Inferential Analysis

Inferential statistics analysis involves establishing conclusions about populations based on samples. This technique makes predictions or generalizations about a larger population based on data collected from a sample of the population. Generalize findings to a larger population, make predictions, test hypotheses, evaluate relationships and support decision-making. This research will conduct Multiple Regression Analysis using SPSS version 29.

3.6.3.1 Pearson Correlation Coefficient Analysis

The Pearson correlation coefficient provides a measure of the strength of linear association between two variables. As cited by Sedgwick (2012), is represented by the sample selected, while in the population from which the sample was drawn, it is represented by ρ . The coefficient is measured on a scale with no units and can take a value from -1 to $+1$. A significance test can be undertaken to derive a P value for the correlation coefficient.

3.6.3.2 Multiple Linear Regression Analysis

An analysis of multiple linear regression is a method of establishing a relationship between two or more independent variables on a single dependent variable at the same time. The multiple Linear Regression Method is a regression technique that produces equations and explains the relationship patterns of the variables used. Multiple linear regression analysis predicts changes in dependent variables when independent variables change. The results will determine whether the relationship between independent variables and dependent variables has significance.

3.7 Conclusion

Various research methodologies are discussed in this chapter, including research design, data collection methods, sampling design, research instruments, construct measurement, and data analysis.

CHAPTER 4: DATA ANALYSIS

4.0 Introduction

An analysis of the results based on responses from 165 survey respondents is presented in this chapter. This is followed by an analysis of the questionnaire data utilizing SPSS version 29. Furthermore, this chapter provides a comprehensive explanation of descriptive analysis methods, including scale measurement, alongside inferential analyses employed for data analysis. By way of charts and tables, the results of the descriptive analysis will be visualized.

4.1 Descriptive Analysis

In this study, 184 questionnaires were distributed online and face-to-face to the target respondents. However, only 165 sets of respondents were valid and usable for this research. The 19 sets of respondents were not valid due to they had not purchased counterfeit footwear before.

4.1.1 Demographic Information

There are 4 demographic questions were prepared regarding the gender, age, income level or pocket money, and level of education of the respondents.

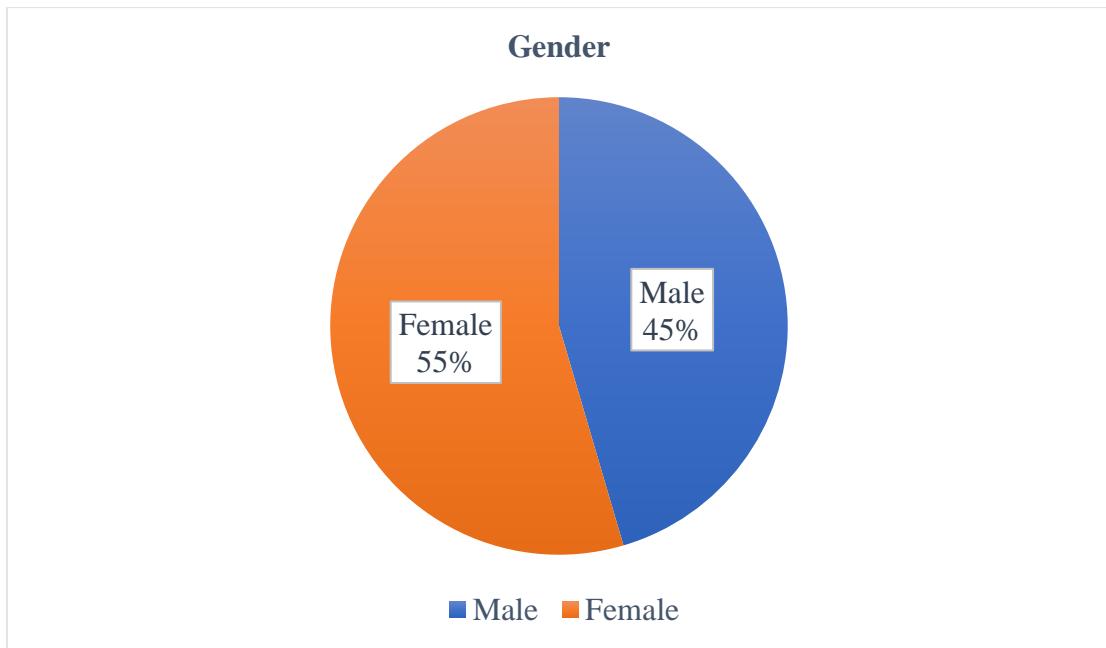
4.1.1.1 Gender

Table 4.1: Gender

	Frequency	Percent (%)
Male	75	45
Female	90	55
Total	165	100

Source: Developed for the research

Figure 4.1: Gender



Source: Developed for the research

A total of 165 respondents participated in this survey. Female respondents constituted the majority of them as shown in Figure 4.1 and Table 4.1, totaling 90 respondents (55%). Whereas, male respondents accounted for 45% of the total with a total of 75 respondents.

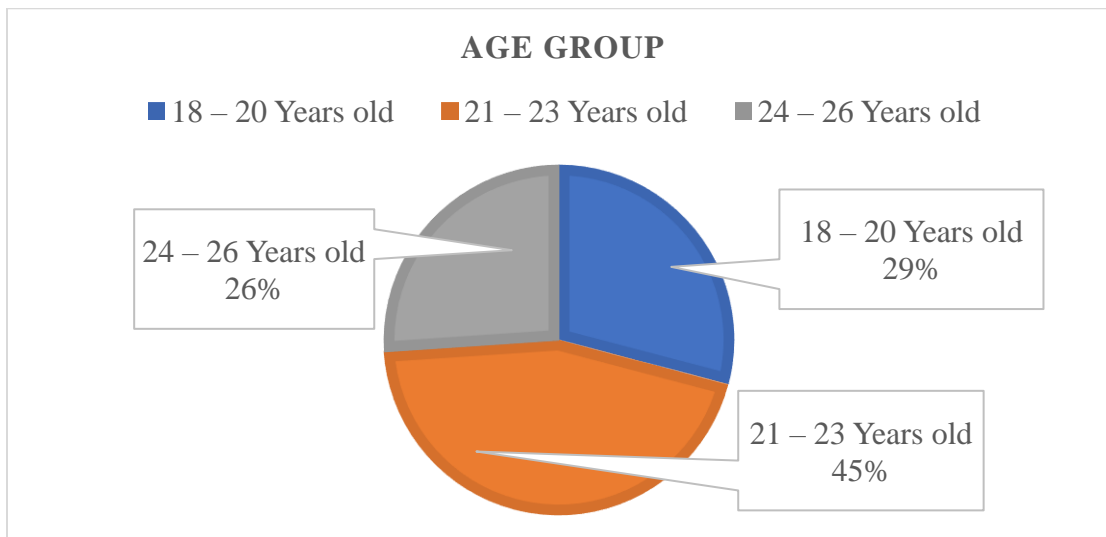
4.1.1.2 Age Group

Table 4.2: Age Group

	Frequency	Percent (%)
18 – 20 Years old	48	29
21 – 23 Years old	74	45
24 – 26 Years old	43	26
Total	165	100

Source: Developed for the research

Figure 4.2: Age Group



Source: Developed for the research

The respondents who participated in this survey were between the ages of 18 and 26 years old and the results are shown in Table 4.2 and Figure 4.2. 45% of the respondents were between the ages of 21 and 23 years old, a total of 74 respondents, which is the majority of the sample. In addition, 48 out of 165 respondents were between the ages of 18 and 20 years old, representing 29% of the sample. Respondents between the ages of 24 and 26 were in the minority, totaling 43 respondents or 26% of the sample.

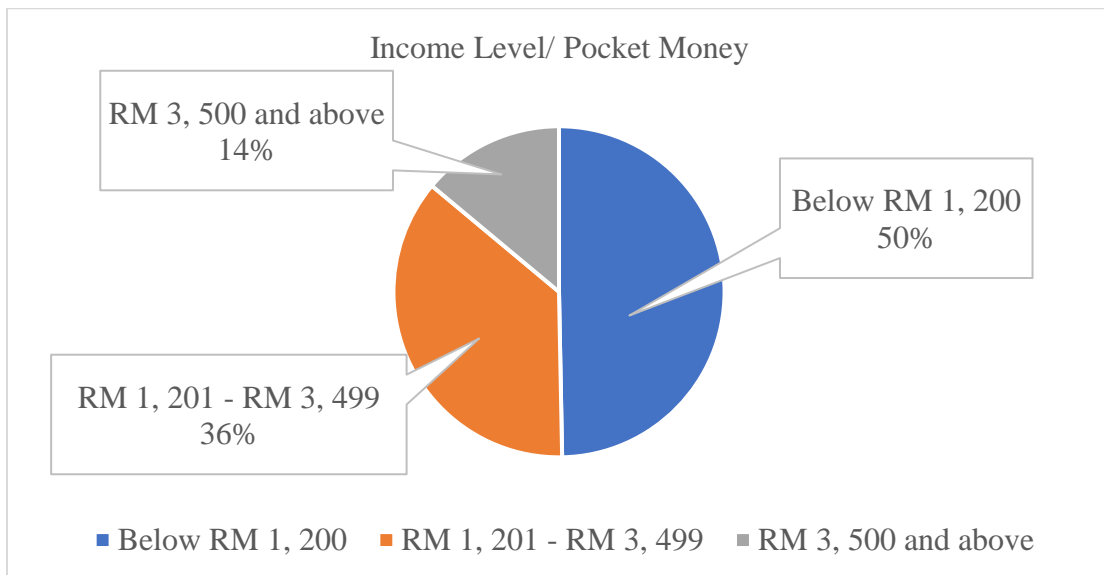
4.1.1.3 Income Level/ Pocket Money

Table 4.3: Income Level/ Pocket Money

	Frequency	Percent (%)
Below RM 1, 200	82	50
RM 1, 201 - RM 3, 499	60	36
RM 3, 500 and above	23	14
Total	165	100

Source: Developed for the research

Figure 4.3: Income Level/ Pocket Money



Source: Developed for the research

Table 4.3 and Figure 4.3 shows the results of this survey on the respondents' income level and pocket money. The results show that half of the total sample of respondents have income or pocket money that is below RM1,200, that is 82 (50%) respondents out of 165 respondents. Additionally, 60 respondents, or 36% have an income level between RM1,201 and RM3,499. Lastly, 23 or 14 % of respondents had income or pocket money in the range of RM3,500 and above.

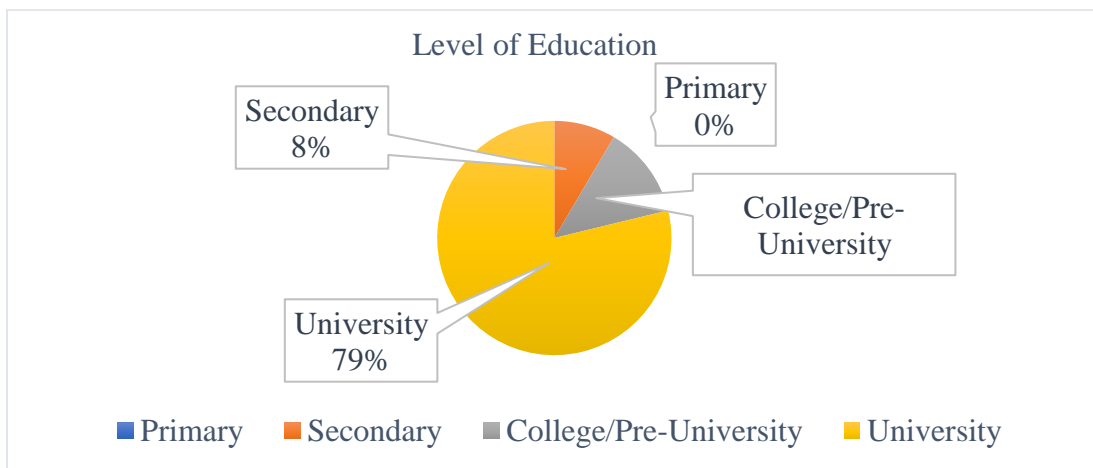
4.1.1.4 Level of Education

Table 4.4: Level of Education

	Frequency	Percent (%)
Primary	0	0
Secondary	14	8
College/ Pre-University	21	13
University	130	79
Total	165	100

Source: Developed for the research

Figure 4.4: Level of Education



Source: Developed for the research

Table 4.4 and Figure 4.4 present the results of the educational level of the respondents who participated in this survey. The results show that no respondent has an education level of primary school level only. Among the entirety of respondents, 130 respondents (constituting 79%) possessed a university-level education, which represents the majority of the respondents. Next, only 14 respondents (8%) indicated that they had only secondary school education. This was followed by only 21 respondents (13%) with college or pre-university education.

4.1.2 General Information

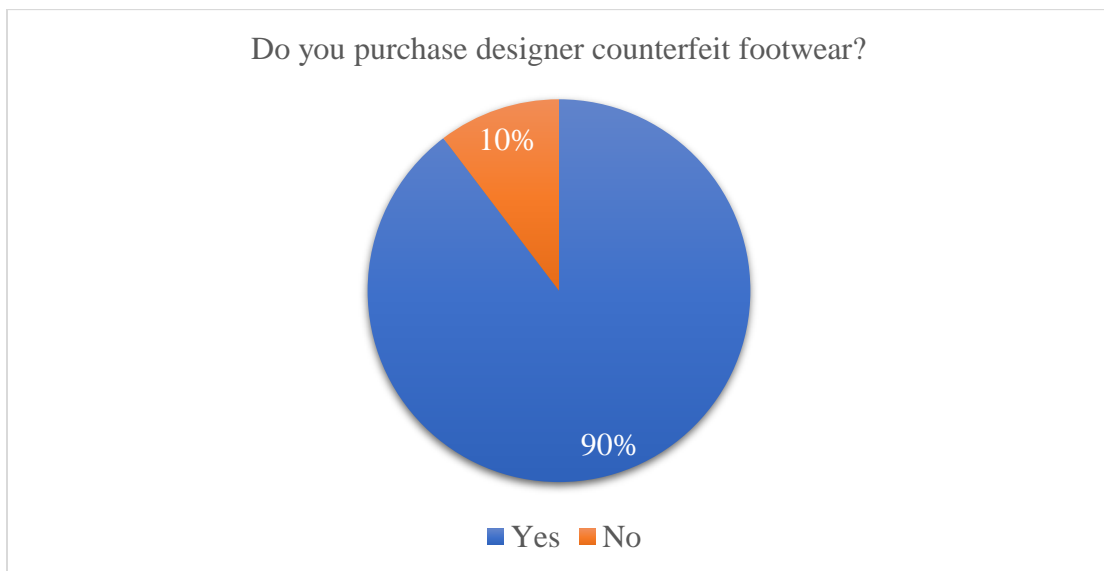
4.1.2.1 Do you purchase designer counterfeit footwear?

Table 4.5: Do you purchase designer counterfeit footwear?

	Frequency	Percent (%)
Yes	165	90
No	19	10
Total	184	100

Source: Developed for the research

Figure 4.5: Do you purchase designer counterfeit footwear?



Source: Developed for the research

Questionnaires were distributed to a total of 184 respondents. Table 4.5 and Figure 4.5 show that 165 individuals responded. There is a comprising 90% of the sample, reported having purchased designer counterfeit footwear. However, there have 19 respondents (10%) had not purchased designer counterfeit footwear.

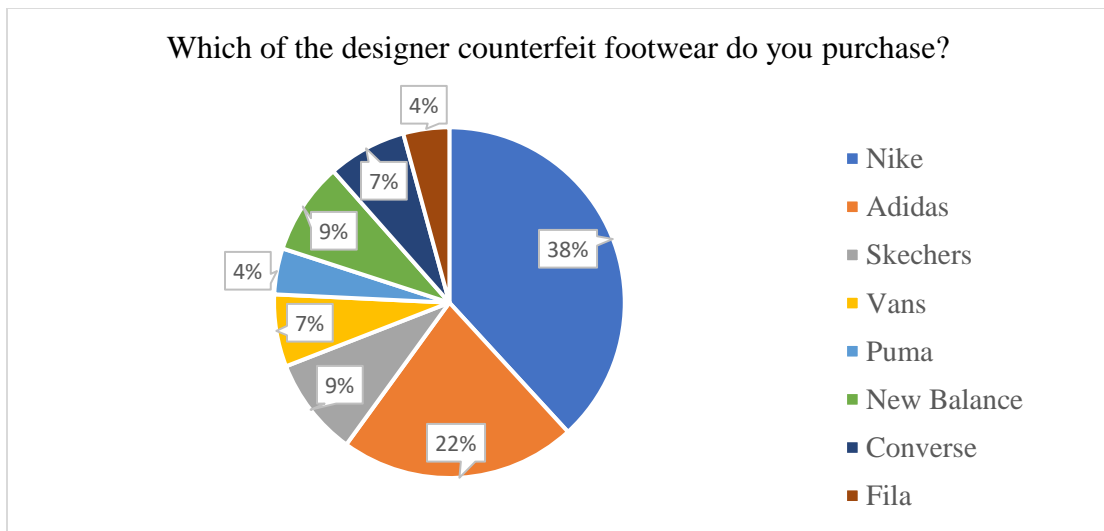
4.1.2.2 Which of the designer counterfeit footwear do you purchase?

Table 4.6: Which of the designer counterfeit footwear do you purchase

	Frequency	Percent (%)
Nike	63	38
Adidas	36	22
Skechers	15	9
Vans	11	7
Puma	7	4
New Balance	14	9
Converse	12	7
Fila	7	4
Total	165	100

Source: Developed for the research

Figure 4.6: Which of the designer counterfeit footwear do you purchase?



Source: Developed for the research

There are approximately 63 respondents (38%) who purchased Nike brand footwear as shown in Table 4.6 and Figure 4.6. After Nike, Adidas footwear was purchased by 36 of the respondents (22%), followed by Vans with 11 of the respondents (7%). Then, Skechers, New Balance, and Converse purchased by respondents consisted of 15 respondents (9%), 14 respondents (9%), and 12 respondents (7%) respectively. It was reported that 7 respondents (4%) purchased Puma and Fila respectively.

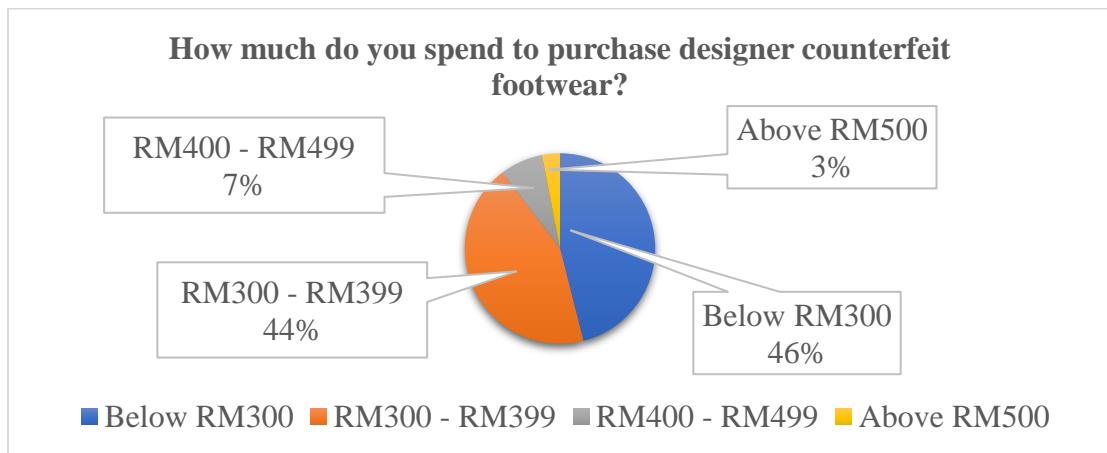
4.1.2.3 How much do you spend to purchase designer counterfeit footwear

Table 4.7: How much do you spend to purchase designer counterfeit footwear

	Frequency	Percent (%)
Below RM300	76	46
RM300 - RM399	72	44
RM400 - RM499	12	7
Above RM500	5	3
Total	165	100

Source: Developed for the research

Figure 4.7: How much do you spend to purchase designer counterfeit footwear



Source: Developed for the research

Based on the survey results, it is shown in Table 4.7 and Figure 4.7 that 76 respondents (46%) out of the total respondents are only willing to spend below RM 300 on purchasing counterfeit footwear. Furthermore, the price range of 72 respondents (44%) will spend to purchase designer counterfeit footwear is between RM300 to RM399. Next, 12 respondents (7%) of respondents from participated in this survey spent the price range of RM400 to RM499 to purchase designer counterfeit footwear. The minority of respondents spend RM500 and above to purchase designer counterfeit footwear, which only consists of 5 respondents (3%).

4.2 Scale Measurement

4.2.1 Internal Reliability Test

Table 4.8: Summary of Reliability Test

No	Construct	Cronbach's Alpha	No. Of Items	Internal Consistency
1.	Attitude	0.896	5	Good
2.	Price-Quality Inferences	0.799	3	Acceptable
3.	Perceived Risks	0.883	3	Good
4.	Personal Gratification	0.867	4	Good
5.	Value Consciousness	0.896	5	Good

Source: Developed for the research

According to George and Mallery (2002) rule of thumb, a construct is composed of a dependent variable (attitude) and independent variables (price-quality inference, perceived risks, personal gratification, and value consciousness). According to the rule of thumb, Cronbach's Alpha should be more than 0.7 to indicate consistency and reliability. Table 4.8 shows attitude and value consciousness ranked first in terms of strength associated with the test, each receiving a score of 0.896. As far as strength

associated with the test is concerned, perceived risks and personal gratification are both considered good by Cronbach's Alpha values of 0.883 and 0.867, respectively. A Cronbach's Alpha value of 0.799 was obtained for price-quality inference, which is acceptable for the correlation strength with the test.

4.3 Inferential Analysis

4.3.1 Pearson Correlation Coefficient

Table 4.9: Pearson Correlation Coefficient

		ATT	PQI	PR	PG	VC
ATT	Pearson Correlation	1	0.622**	-0.083	0.510**	0.453**
	Sig. (2-tailed)		<0.001	0.288	<0.001	<0.001
	N	165	165	165	165	165
PQI	Pearson Correlation	0.622**	1	0.241**	0.529**	0.409**
	Sig. (2-tailed)	<0.001		0.002	<0.001	<0.001
	N	165	165	165	165	165
PR	Pearson Correlation	-0.083	0.241**	1	0.209**	0.037
	Sig. (2-tailed)	0.288	0.002		0.007	0.634
	N	165	165	165	165	165
PG	Pearson Correlation	0.510**	0.529**	0.209**	1	0.577**
	Sig. (2-tailed)	<0.001	<0.001	0.007		<0.001
	N	165	165	165	165	165
VC	Pearson Correlation	0.453**	0.409**	0.037	0.577**	1
	Sig. (2-tailed)	<0.001	<0.001	0.634	<0.001	
	N	165	165	165	165	165

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

Source: Developed for the research

Table 4.9 shows the strength and direction of the relationship between the dependent variable (ATT) and the independent variables (PQI, PR, PG, VC) measured. The findings show that there is a significant correlation between Attitude (ATT) and Price-Quality Inference (PQI). The findings indicate a p-value of <0.001 between the two variables, which is less than the alpha value of 0.05. Based on the correlation coefficient

of 0.622, it appears that price-quality inference has a significant effect on the attitude of Generation Z towards counterfeit footwear in Malaysia.

A significant negative correlation exists between attitude (ATT) and perceived risk (PR). The p-value was 0.288 between PR and ATT, which is greater than the Alpha value of 0.05. This variable has a significant negative impact on Generation Z's attitude toward counterfeit footwear in Malaysia, as indicated by the correlation coefficient of -0.083.

Personal gratification (PG) is significantly related to attitude (ATT). Accordingly, the p-value is <0.001 , which is significantly less than the alpha value of 0.05. The correlation coefficient of 0.510 indicates that this variable has a strong positive impact on Generation Z's attitude toward counterfeit footwear in Malaysia.

In terms of attitude (ATT) and value consciousness (VC), there is a significant correlation. As a result of this research, the p-value is <0.001 , which is less than the alpha value of 0.05. Based on the correlation coefficient of 0.453. It can be concluded that this variable moderately impacts Generation Z's attitude toward counterfeit footwear in Malaysia.

4.3.2 Multiple Linear Regression Analysis

Table 4.10: Model Summary

Mode 1	R	R Square	Adjusted R Square	Standard Error of the Estimate
1	0.715 ^a	0.512	0.499	3.10229

Source: Developed for the research

- a. Predictors: (Constant), Price-Quality Inference, Perceived Risks, Personal Gratification, Value Consciousness
- b. Dependent Variable: Attitude

Table 4.10 shows the R square value is 0.512. It is calculated that the Adjusted R square value is 0.499. It can be concluded from this study that 51.2% of the variability of Generation Z's attitudes toward counterfeit footwear were influenced by independent variables such as price-quality inference, perceived risks, personal gratification, and value consciousness. Furthermore, the findings indicate that there is a significant positive correlation between the variables and the independent variables. This is because in this research the correlation coefficient (R) is 0.715, indicating a good value of prediction.

Table 4.11: ANOVA

Model		Sum of Squares	Degrees of Freedom (df)	Mean Square	F-Value	Significant
1	Regression	1612.677	4	403.169	41.891	<0.001 ^b
	Residual	1539.868	160	9.624		
	Total	3152.545	164			

Source: Developed for the research

- a. Predictors: (Constant), Price-Quality Inference, Perceived Risks, Personal Gratification, Value Consciousness
- b. Dependent Variable: Attitude

Statistical analysis of variance (ANOVA) is the most widely used method for evaluating hypotheses. Significantly, the F value of 41.891 is $P < 0.001$. Therefore, the overall regression model with independent variables such as price-quality inference, perceived risks, personal gratification, and value consciousness is likely to have a significant impact on Generation Z's attitude toward counterfeit footwear in Malaysia.

Table 4.12: Coefficient

Model		Unstandardized Coefficients		Standard Coefficient	T-Value	Significant
		B	Standard Error	Beta		P-Value
1	(Constant)	5.288	1.471		3.594	<0.001
	PQI	0.861	0.111	0.518	7.747	<0.001
	PR	-0.370	0.083	-0.258	-4.478	<0.001
	PG	0.306	0.104	0.218	2.933	0.004
	VC	0.142	0.079	0.124	1.799	0.074

Source: Developed for the research

a. Dependent Variable: Attitude

A beta value of 0.861 indicates that price-quality inference is the most significant independent variable according to Table 4.12. The perceived risks variable shows the lowest beta value (-0.370) as the lowest independent variable.

The following linear equation is formed:

Attitude

$$= (3.594) + 0.861 (\text{Price-Quality Inference}) + (-0.370) (\text{Perceived Risks}) + 0.306 (\text{Personal Gratification}) + 0.142 (\text{Value Consciousness})$$

4.3.3 Hypotheses Testing

Hypothesis 1

H0: There is no significant relationship between price-quality inferences and Generation Z's attitude toward counterfeit footwear in Malaysia.

H1: There is a significant relationship between price-quality inferences and Generation Z's attitude toward counterfeit footwear in Malaysia.

Reject H0, if p-value is <0.05

In this study, H0 is rejected while H1 is accepted. This is due to the price-quality inference significant value being <0.001 which is lower than the p-value of 0.05 as shown in Table 4.12. The findings suggest that there is a relationship between price-quality inference and Generation Z's attitudes toward counterfeit footwear in Malaysia.

Hypothesis 2

H0: There is no significant relationship between perceived risk and Generation Z's attitude toward counterfeit footwear in Malaysia.

H2: There is a significant relationship between perceived risk and Generation Z's attitude toward counterfeit footwear in Malaysia.

Reject H0, if p-value is <0.05

In this study, for independent variable perceived risks, H0 is rejected, while H2 is accepted. This is due to the significant value for perceived risks being <0.001 , which is lower than the p-value of 0.05 as shown in Table 4.12. The results indicate that there is a relationship between perceived risks and Generation Z's attitude toward counterfeit footwear in Malaysia.

Hypothesis 3

H0: There is no significant relationship between personal gratification and Generation Z's attitude toward counterfeit footwear in Malaysia.

H3: There is a significant relationship between personal gratification and Generation Z's attitude toward counterfeit footwear in Malaysia.

Reject H0, if p-value is <0.05

In this study, H0 is rejected, while H3 is accepted. This is due to the findings that the significant value for personal gratification is 0.004, which corresponds to a lower than the p-value of 0.05 as shown in Table 4.12. As a result, it appears that there is a significant connection between personal gratification and Generation Z's attitude toward counterfeit footwear in Malaysia.

Hypothesis 4

H0: There is no significant relationship between value consciousness and Generation Z's attitude toward counterfeit footwear in Malaysia.

H4: There is a significant relationship between value consciousness and Generation Z's attitude toward counterfeit footwear in Malaysia.

Reject H4, if p-value is >0.05

In this study, hypothesis H4 is rejected and hypothesis H0 is accepted. This is due to the findings that the significant value for value consciousness is 0.074, which is more than the p-value of 0.05 as shown in Table 4.12. Consequently, the attitude of Generation Z toward counterfeit footwear in Malaysia appears to be related to value consciousness.

CHAPTER 5: DISCUSSION, CONCLUSION AND IMPLICATIONS

5.0 Introduction

A summary of the findings of this study will be provided in this chapter, which will include both descriptive and inferential analyses. Also, the research will discuss its main findings and implications derived from the study outcomes, as well as the implications derived from the results of the study. The research will also include a discussion on the limitations and recommendations included in the study to facilitate future research endeavors.

5.1 Summary of Statistical Analysis

The 165 Malaysian Generation Z respondents who participated in the study purchased designer counterfeit footwear. Based on the results of the survey, the researchers concluded that 90 of the respondents were female and 75 were male. The study revealed that the majority of respondents belonged to the age group of 21 to 23 years old. This accounted for 74 (45%) of the survey respondents. In addition, 48 respondents were aged 18 to 20 years old, representing 29.9% of the total. It is estimated that 43 respondents or 26% of the minority population are between 24 and 26 years old.

Based on the level of income or pocket money of the respondents, half of the respondents had an income level or pocket money is below RM1,200, which amounted to 82 respondents (50%). This was followed by 60 respondents or 36% whose income level or pocket money was between RM1,201 and RM3,299. In addition, 23 respondents (14%) had an income level or pocket money range of RM3,500 and above.

In addition, the researcher performed a reliability test on each variable. The Cronbach's Alpha was calculated, and the result showed acceptable and good, which overall was between 0.7 to 0.8 and 0.8 to 0.9 respectively. According to George and Mallery (2002), when Cronbach's Alpha is 0.7 and above, the variables are reliable and dependable. Cronbach's Alpha rule of thumb is used to measure the consistency and reliability of variables.

Furthermore, the Pearson correlation coefficient results demonstrate that Generation Z's attitude towards counterfeit footwear in Malaysia is strongly influenced by independent variables (Price-quality inference, Perceived risks, Personal Gratification, and Value Consciousness). This study provides a summary of the model overview, the ANOVA analysis results, and the coefficient values for all variables. According to the summary of the model in this study, the R-square value is 0.512. This indicates that independent variables (price-quality inference, perceived risks, personal gratification, and value consciousness) influence Generation Z's attitude toward counterfeit footwear in Malaysia.

Moreover, the regression model with independent variables (price-quality inference, perceived risks, personal gratification, and value consciousness) is well to affect Generation Z's attitude toward counterfeit footwear in Malaysia at the significant value at $P < 0.001$. Overall, in this study, there is a linear relationship between the independent and dependent variables as the p-value is less than 0.05. However, only the significant value of value consciousness in this study is greater than the p-value of 0.05, which indicates that there is no linear relationship between value consciousness and Malaysian Generation Z's attitude towards counterfeit footwear.

5.2 Discussion of Major Findings

Table 5.1: Discussion of Major Findings

Hypothesis	Significant Value	Supported/Rejected
H1: There is a significant relationship between price-quality inference and Generation Z's attitude toward counterfeit footwear in Malaysia.	P=0.001 P<0.05	Supported
H2: There is a significant relationship between perceived risk and Generation Z's attitude toward counterfeit footwear in Malaysia.	P=0.001 P<0.05	Supported
H3: There is a significant relationship between personal gratification and Generation Z's attitude toward counterfeit footwear in Malaysia.	P=0.004 P<0.05	Supported
H4: There is a significant relationship between value consciousness and Generation Z's attitude toward counterfeit footwear in Malaysia.	P=0.074 P>0.05	Rejected

Source: Developed for the research

5.2.1 Price-Quality Inferences

H1: There is a significant relationship between price-quality inference and Generation Z's attitude toward counterfeit footwear in Malaysia.

Based on the hypothesis test, it has been shown in this study that the price-quality inference has a significant impact on Generation Z's attitude toward counterfeit footwear as a result of these findings. There is a strong correlation between product quality and price. The majority of consumers use price as an indicator of the quality level of a product. This particularly affects the lower classes, especially Generation Z consumers who do not have as much spending power. A consumer may decide to purchase counterfeit footwear based on the price-quality inference as it influences their ultimate purchasing decision

regarding the quality of the item. This is where consumers define the quality of a product by its price until they are sure of the final quality of the product. Due to the challenge of objectively assessing quality, consumers commonly hold the subjective belief that higher prices correspond to superior product quality, while lower prices indicate inferior quality. Consequently, a pervasive association exists between the perceived quality and pricing of products.

5.2.2 Perceived Risks

H2: There is a significant relationship between perceived risk and Generation Z's attitude toward counterfeit footwear in Malaysia.

The final finding of this study shows that the perceived risks significantly affect Generation Z's attitude toward counterfeit footwear. It is an indisputable fact that consumers' perceived risk of counterfeit footwear products is unavoidable. There are many perceived risks associated with the purchase and use of counterfeit products, including social risks, legal risks, physical risks, performance risks, and psychological risks. As outlined by Makhitha and Ngobeni (2021), perceived risk refers to the assessment of the likelihood of dissatisfaction with the purchasing decision targeted by the buyer. Before purchasing counterfeit footwear, consumers face perceived risk considerations. Consumers are considered to determine whether these risks have any adverse consequences after purchasing counterfeit footwear or whether they cause any substantial harm. Perceived risks therefore influence Generation Z's attitudes towards counterfeit footwear.

5.2.3 Personal Gratification

H3: There is a significant relationship between personal gratification and Generation Z's attitude toward counterfeit footwear in Malaysia.

Based on the hypothesis test, it has been shown in this study that personal gratification has a significant impact on Generation Z's attitude toward counterfeit footwear as a result of these findings. In particular, Generation Z is affected by personal gratification and plays an important role in consumer attitudes and decisions. It encompasses several basic aspects of personal gratification: a sense of accomplishment, a desire to enjoy the finer things in life, the pursuit of a higher standard of living, and the achievement of social recognition. As a result of this study, Generation Z consumers desire satisfaction through the achievement of their personal goals and aspirations. An individual is perceived as socially acceptable when he or she is recognized by others as well as how they perceive themselves in the social environment. People who place a high value on personal fulfillment are more likely to make consumption decisions based on their own personal satisfaction needs. Their consumption may be motivated by a sense of accomplishment, a desire for social recognition, and a desire to enjoy the finer things in life. These motives influence their attitudes and purchasing behavior toward counterfeit footwear.

5.2.4 Value Consciousness

H4: There is a significant relationship between value consciousness and Generation Z's attitude toward counterfeit footwear in Malaysia.

The study's results indicate that Generation Z's attitude toward counterfeit footwear remains unaffected by their level of value consciousness. Prior research has similarly demonstrated a lack of significant correlation between

value consciousness and attitudes toward counterfeit designer footwear (Tseng et al., 2020). These findings suggest that while consumers inclined towards value consciousness typically prioritize affordability, they may opt for counterfeit footwear over authentic alternatives when faced with financial constraints.

The findings indicate that counterfeit brand behavior is not significantly influenced by value consciousness. Although counterfeits are less expensive than authentic products and consumers recognize the value proposition of counterfeits, value-conscious consumers still tend to purchase counterfeit luxury brands rather than actively seek out authentic products.

Low-priced counterfeit footwear can overshadow designer footwear brands due to counterfeit footwear purchases. This highlights the need for brands to adopt a comprehensive strategy that addresses pricing, but also authenticity, brand integrity, and consumer education.

5.3 Implications of Study

This study has implications for Generation Z members, marketers, and more. However, a greater impact exists specifically on the reputation of authentic brands of footwear. Based on the results of the study, can gain an understanding of the factors that drive Generation Z's attitudes toward counterfeit footwear. Authentic brands can improve their brand authenticity, educate their consumers about counterfeits, as well as build stronger brand loyalty through the use of various tactics. This could help brands develop strategies to protect their intellectual property and combat the proliferation of counterfeit products.

Furthermore, counterfeit footwear has a profound impact on the economy. For instance, counterfeit footwear negatively impacts the sales and revenues of legitimate brands. In

the footwear industry, sales of genuine brands decline when consumers choose counterfeit footwear at a lower price than authentic footwear, resulting in lost revenue, reduced profits, and possible job losses (Fink, Maskus, & Qian., 2015). Besides, counterfeit can have a general socioeconomic effect on Malaysia's economy, including trade, foreign direct investment (FDI), innovation and growth, environment, employment, and crime activities (OECD, 2008).

5.4 Limitations of Study

As a first limitation, there is a lack of research on the influence of independent variables on Generation Z's attitude toward counterfeit footwear. There are only four variables examined in this study, namely price-quality inference, perceived risks, personal gratification, and value consciousness. Therefore, the results of the study may be generalizable and not representative of the entire population.

Furthermore, the second limitation is there is a narrow scope of the target population of this study, which is limited to Generation Z only. Even though Generation Z is a diverse group with different backgrounds, experiences, and cultural influences. However, conducting a study on a specific sample may not fully reflect the attitudes toward counterfeit footwear of the entire population, thus limiting the applicability of the findings to a broader population.

Furthermore, the study is limited by the limited survey and methodology. There is only quantitative research conducted in this research. This may be affected by the issues related to a bias associated with social desirability, especially when assessing sensitive topics such as whether they have purchased and attitudes toward counterfeit footwear. Respondents may hesitate to disclose their true attitudes or behaviors in answering survey questionnaires for fear of social acceptance or legal consequences. There is a possibility that the results of the study may be inaccurate due to the biased nature of the responses.

5.5 Recommendations for Future Research

For future research on counterfeit footwear and its economic implications, several areas could be explored to deepen our understanding and inform policy and industry responses. The recommendations for future research are to expand or add related variables to the study. Adding more related variables to the study will enhance understanding, which allows researchers to delve deeper into the complexities of a phenomenon and gain a more comprehensive understanding of the topic under investigation.

The respondents of this study can be from more than one generation. Researchers can broaden it to Generation X, Millennials, and other generations. This will help to expand the size and diversity of the sample pool. It can mitigate bias and confounding factors. As a result, the findings are likely to be more representative and reliable.

Moreover, apart from the questionnaire survey, it can also be done by visiting and interviewing in Petaling Street, Malaysia which is rated as one of the most infamous and well-known streets for counterfeit goods. This will provide a more intuitive understanding of consumer attitudes towards counterfeit footwear as well as purchasing behavior.

5.6 Conclusion

In conclusion, this research has successfully achieved the research objectives and solved the research questions. Based on this study, it is apparent that Malaysian counterfeit product research is lacking and limited. In addition, access to research information is limited. Moreover, it is shown that price-quality inferences, perceived risks, personal gratification, and value consciousness all play a significant role in influencing attitudes toward counterfeit footwear. The study also demonstrated the sampling technique employed to accomplish this study. Simple random sampling was conducted in this study to obtain a reliable sample of participants.

In the examination of the relationship between the independent and dependent variables, this study utilized several methodologies including Cronbach's Alpha is used to assess reliability, as well as Pearson's correlation coefficient. Multiple linear regression is then performed. Based on its findings, it appears that price-quality inference, perceived risks, personal gratification, and value consciousness will impact Generation Z's attitude toward counterfeit footwear in Malaysia.

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APPENDICES

Appendix 1: Research Questionnaire



UNIVERSITI TUNKU ABDUL RAHMAN
FACULTY OF ACCOUNTANCY AND MANAGEMENT
BACHELOR OF INTERNATIONAL BUSINESS (HONS)

Research Topic:

Examining the impact of Generation Z's attitude towards counterfeit footwear in Malaysia

Dear participant,

I am an undergraduate candidate of Bachelor of International Business (Honours) at Universiti Tunku Abdul Rahman (UTAR) who currently conducting my Final Year Project as a part of the requirement to complete my degree program. The title of this Final Year Project is to examining the impact of Generation Z's attitude towards counterfeit footwear in Malaysia.

Your cooperation and support are needed to complete the questionnaire, which takes about 10 to 15 minutes. Neither your personal information nor personal identity will be kept confidential and for academic purposes only.

If you have any questions or would like to have further information regarding this research study, please do not hesitate to reach me at the contact given below.

Thank you once again for your precious time and assistance.

Your faithfully,

Name	Student ID	Email
LIM SU KIM	21UKB01923	limsukim22@utar.my

Section A: Demographic Information

(Please tick $\sqrt{\quad}$ **only one** answer in the relevant box for each of the following statements)

1. Gender:
 - Male
 - Female

2. Age Group:
 - 18 – 20 Years old
 - 21 – 23 Years old
 - 24 – 26 Years old

3. Income Level / Pocket Money
 - Below RM1,200
 - RM1,201 – RM3,499
 - RM 3,500 and above

4. Level of Education
 - Primary
 - Secondary
 - College/Pre-University
 - University

Section B: General Questions

1. Do you purchase designer counterfeit footwear?
 - Yes
 - No

2. Which of the designer counterfeit footwear do you purchase? (Choose only one answer)
 - Nike
 - Adidas
 - Skechers
 - Vans
 - Puma
 - New Balance
 - Converse
 - Fila

3. How much do you spend to purchase designer counterfeit footwear?

- Below RM300
- RM399 – RM300
- RM499 – RM400
- Above RM500

Section C: Construct Measurement

This section is seeking your opinion regarding examining the impact of Generation Z's attitude towards counterfeit footwear in Malaysia. Respondents are asked to indicate the extent to which they agreed or disagreed with each statement using the Likert scale.

Strongly Disagree (SD)	Disagree (D)	Neutral (N)	Agree (A)	Strongly Agree (SA)
1	2	3	4	5

For each of the following statements, kindly circle **ONLY ONE** number that represents your opinion the most.

No.	Question	SD	D	N	A	SA
Attitude						
1.	Considering the price, I prefer designer counterfeit footwear.	1	2	3	4	5
2.	I like shopping for designer counterfeit footwear.	1	2	3	4	5
3.	Buying designer counterfeit footwear generally benefits the consumer.	1	2	3	4	5
4.	There's nothing wrong with purchasing designer counterfeit footwear.	1	2	3	4	5
5.	Generally speaking, buying designer counterfeit footwear is a better choice.	1	2	3	4	5
Price Quality Inference (PQI) (Higher prices indicate higher quality, and Lower prices indicate lower quality.)						
1.	The higher the price of designer counterfeit footwear, the higher the quality.	1	2	3	4	5
2.	The price of a designer counterfeit footwear is a good indicator of its quality.	1	2	3	4	5
3.	I always have to pay a bit more for the best.	1	2	3	4	5
Perceived Risk (PR) (The uncertainty that a customer experiences when they purchase the products or services)						
1.	The risk that I take when I buy designer counterfeit footwear is high.	1	2	3	4	5

2.	There is high probability that the designer counterfeit footwear doesn't work.	1	2	3	4	5
3.	Spending money with a designer counterfeit footwear might be a bad decision.	1	2	3	4	5
Personal Gratification (PG) (Personal satisfaction in achieving one's needs and wants)						
1.	I always endeavor to have a sense of social recognition.	1	2	3	4	5
2.	I always attempt to have a sense of accomplishment.	1	2	3	4	5
3.	I always desire to enjoy the finer things in life.	1	2	3	4	5
4.	I always chase a higher standard of living.	1	2	3	4	5
Value Consciousness (VC) (Being concerned with the price paid and the quality obtained/received)						
1.	I'm very concerned about low prices, but I am equally concerned about product quality.	1	2	3	4	5
2.	When purchasing counterfeit designer footwear, I always try to maximize the quality I get for the money I spend.	1	2	3	4	5
3.	I generally shop around for lower prices on counterfeit designer footwear, but they still must meet certain quality requirements before I buy them.	1	2	3	4	5
4.	When I shop, I usually compare the price information for designer brands I normally buy.	1	2	3	4	5
5.	I always check prices at the market to be sure I get the best value for the money I spend.	1	2	3	4	5

Appendix 2: Descriptive Analysis

Demographic Profile

1. Gender

Gender					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Female	90	55.0	55.0	55.0
	Male	75	45.0	45.0	100.0
	Total	165	100.0	100.0	

2. Age Group

Age Group					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18 – 20 Years old	48	29.0	29.0	29.0
	21 – 23 Years old	74	45.0	45.0	74.0
	24 – 26 Years old	43	26.0	26.0	100.0
	Total	165	100.0	100.0	

3. Income Level/Pocket Money

Income Level/ Pocket Money					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Below RM 1, 200	82	50.0	50.0	50.0
	RM 1, 201 - RM 3, 499	60	36.0	36.0	86.0
	RM 3, 500 and above	23	14.0	14.0	100.0
	Total	165	100.0	100.0	

4. Level of Education

Level of Education					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	College/ Pre-University	21	13.0	13.0	13.0
	Secondary	14	8.0	8.0	21.0
	University	130	79.0	79.0	100.0
	Total	165	100.0	100.0	

General Information

1. Do you purchase designer counterfeit footwear?

Do you purchase designer counterfeit footwear?					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	165	100.0	100.0	100.0

2. Which of the designer counterfeit footwear do you purchase?

Which of the designer counterfeit footwear do you purchase?					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Adidas	36	22.0	22.0	22.0
	Converse	12	7.0	7.0	29.0
	Fila	7	4.0	4.0	33.0
	New Balance	14	9.0	9.0	42.0
	Nike	63	38.0	38.0	80.0
	Puma	7	4.0	4.0	84.0
	Skechers	15	9.0	9.0	93.0
	Vans	11	7.0	7.0	100.0
	Total	165	100.0	100.0	

3. How much do you spend to purchase designer counterfeit footwear?

How much do you spend to purchase designer counterfeit footwear?					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Above RM500	5	3.0	3.0	3.0
	Below RM300	76	46.0	46.0	49.0
	RM300 - RM399	72	44.0	44.0	93.0
	RM400 - RM499	12	7.0	7.0	100.0
	Total	165	100.0	100.0	

Appendix 3: SPSS Output

Pilot Test (n=56)

Dependent Variable: Attitude

Case Processing Summary			
		N	%
Cases	Valid	56	100.0
	Excluded ^a	0	.0
	Total	56	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics	
Cronbach's Alpha	N of Items
.803	5

Item Statistics			
	Mean	Std. Deviation	N
ATT1	3.80	.773	56
ATT2	3.52	.809	56
ATT3	3.77	.874	56
ATT4	4.16	.890	56
ATT5	3.50	.972	56

Item-Total Statistics				
	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
ATT1	14.95	7.070	.685	.738
ATT2	15.23	7.272	.586	.765
ATT3	14.98	6.745	.655	.743
ATT4	14.59	7.556	.436	.811
ATT5	15.25	6.555	.599	.762

Independent Variable: Price-Quality Inference

Case Processing Summary			
		N	%
Cases	Valid	56	100.0
	Excluded ^a	0	.0
	Total	56	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics	
Cronbach's Alpha	N of Items
.705	3

Item Statistics			
	Mean	Std. Deviation	N
PQI1	3.39	.928	56
PQI2	3.41	.910	56
PQI3	3.20	1.052	56

Item-Total Statistics				
	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
PQI1	6.61	2.861	.494	.648
PQI2	6.59	2.610	.624	.493
PQI3	6.80	2.597	.463	.699

Scale Statistics			
Mean	Variance	Std. Deviation	N of Items
10.00	5.273	2.296	3

Independent Variable: Perceived risks

Case Processing Summary			
		N	%
Cases	Valid	56	100.0
	Excluded ^a	0	.0
	Total	56	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics	
Cronbach's Alpha	N of Items
.889	3

Item Statistics			
	Mean	Std. Deviation	N
PR1	2.73	1.087	56
PR2	2.68	1.097	56
PR3	2.46	1.206	56

Item-Total Statistics				
	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
PR1	5.14	4.670	.760	.862
PR2	5.20	4.561	.780	.845
PR3	5.41	4.028	.814	.816

Scale Statistics			
Mean	Variance	Std. Deviation	N of Items
7.88	9.420	3.069	3

Independent Variable: Personal gratification

Case Processing Summary			
		N	%
Cases	Valid	56	100.0
	Excluded ^a	0	.0
	Total	56	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics	
Cronbach's Alpha	N of Items
.821	4

Item Statistics			
	Mean	Std. Deviation	N
PG1	3.25	.858	56
PG2	3.27	.820	56
PG3	3.70	.711	56
PG4	3.61	.802	56

Item-Total Statistics				
	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
PG1	10.57	3.704	.672	.762
PG2	10.55	3.815	.678	.759
PG3	10.13	4.402	.586	.801
PG4	10.21	3.953	.647	.773

Scale Statistics			
Mean	Variance	Std. Deviation	N of Items
13.82	6.658	2.580	4

Independent Variable: Value Consciousness

Case Processing Summary			
		N	%
Cases	Valid	56	100.0
	Excluded ^a	0	.0
	Total	56	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.851	5

Item Statistics

	Mean	Std. Deviation	N
VC1	4.07	.735	56
VC2	4.02	.700	56
VC3	4.09	.815	56
VC4	4.20	.862	56
VC5	4.16	1.005	56

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
VC1	16.46	8.471	.418	.876
VC2	16.52	7.563	.712	.812
VC3	16.45	7.233	.661	.820
VC4	16.34	6.665	.762	.792
VC5	16.38	5.911	.793	.783

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
20.54	10.799	3.286	5

Internal Reliability Test

Dependent Variable: Attitude

Case Processing Summary

		N	%
Cases	Valid	165	100.0
	Excluded ^a	0	.0
	Total	165	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.896	5

Item Statistics

	Mean	Std. Deviation	N
ATT1	3.63	.970	165
ATT2	3.41	1.059	165
ATT3	3.52	1.051	165
ATT4	3.85	1.040	165
ATT5	3.41	1.093	165

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
ATT1	14.19	13.093	.739	.875
ATT2	14.41	12.244	.791	.863
ATT3	14.30	12.369	.778	.866
ATT4	13.97	13.139	.664	.891
ATT5	14.41	12.267	.752	.872

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
17.82	19.223	4.384	5

Independent Variable: Price- Quality Inference

Case Processing Summary

		N	%
Cases	Valid	165	100.0
	Excluded ^a	0	.0
	Total	165	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.799	3

Item Statistics

	Mean	Std. Deviation	N
PQ11	3.36	1.047	165
PQ12	3.44	1.020	165
PQ13	3.52	1.057	165

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
PQ11	6.96	3.443	.623	.747
PQ12	6.88	3.156	.763	.597
PQ13	6.79	3.616	.554	.818

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
10.32	6.961	2.638	3

Independent Variable: Perceived Risks

Case Processing Summary

		N	%
Cases	Valid	165	100.0
	Excluded ^a	0	.0
	Total	165	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.883	3

Item Statistics

	Mean	Std. Deviation	N
PR1	3.08	1.071	165
PR2	3.10	1.111	165
PR3	2.95	1.214	165

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
PR1	6.05	4.681	.764	.843
PR2	6.03	4.420	.795	.815
PR3	6.18	4.121	.766	.845

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
9.13	9.368	3.061	3

Independent Variable: Personal Gratification

Case Processing Summary

		N	%
Cases	Valid	165	100.0
	Excluded ^a	0	.0
	Total	165	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.867	4

Item Statistics

	Mean	Std. Deviation	N
PG1	3.32	1.006	165
PG2	3.37	.912	165
PG3	3.66	.873	165
PG4	3.62	.900	165

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
PG1	10.65	5.520	.684	.847
PG2	10.61	5.582	.778	.806
PG3	10.32	6.120	.668	.850
PG4	10.35	5.729	.750	.818

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
13.98	9.768	3.125	4

Independent Variable: Value Consciousness

Case Processing Summary

		N	%
Cases	Valid	165	100.0
	Excluded ^a	0	.0
	Total	165	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.896	5

Item Statistics

	Mean	Std. Deviation	N
VC1	3.88	.861	165
VC2	3.78	.812	165
VC3	3.83	.908	165
VC4	3.88	.990	165
VC5	3.96	.981	165

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
VC1	15.46	10.360	.650	.892
VC2	15.56	10.151	.752	.872
VC3	15.51	9.520	.777	.865
VC4	15.45	9.091	.775	.866
VC5	15.38	9.151	.773	.866

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
19.34	14.701	3.834	5

Pearson Correlation Coefficient

		Correlations				
		ATT	PQI	PR	PG	VC
ATT	Pearson Correlation	1	.622 **	-.083	.510 **	.453 **
	Sig. (2-tailed)		<.001	.288	<.001	<.001
	N	165	165	165	165	165
PQI	Pearson Correlation	.622 **	1	.241 **	.529 **	.409 **
	Sig. (2-tailed)	<.001		.002	<.001	<.001
	N	165	165	165	165	165
PR	Pearson Correlation	-.083	.241 **	1	.209 **	.037
	Sig. (2-tailed)	.288	.002		.007	.634
	N	165	165	165	165	165
PG	Pearson Correlation	.510 **	.529 **	.209 **	1	.577 **
	Sig. (2-tailed)	<.001	<.001	.007		<.001
	N	165	165	165	165	165
VC	Pearson Correlation	.453 **	.409 **	.037	.577 **	1
	Sig. (2-tailed)	<.001	<.001	.634	<.001	
	N	165	165	165	165	165

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

Multiple Regression Analysis

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics		
					R Square Change	F Change	df1
1	.715 ^a	.512	.499	3.10229	.512	41.891	4

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1612.677	4	403.169	41.891	<.001 ^b
	Residual	1539.868	160	9.624		
	Total	3152.545	164			

a. Dependent Variable: ATT

b. Predictors: (Constant), VC, PR, PQI, PG

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients Beta	t	Sig.	95.0% Confidence ... Lower Bound
		B	Std. Error				
1	(Constant)	5.288	1.471		3.594	<.001	2.382
	PQI	.861	.111	.518	7.747	<.001	.642
	PR	-.370	.083	-.258	-4.478	<.001	-.533
	PG	.306	.104	.218	2.933	.004	.100
	VC	.142	.079	.124	1.799	.074	-.014