#### **CHAPTER II**

#### LITERATURE REVIEW

The previous chapter has highlighted the importance of this study. This chapter will cover previous literatures of each topic area. Literature reviews are secondary sources obtained from published work such as journals, books, master's thesis, conference proceedings, and other reports, which are vital in supporting the derivation of hypothesis.

# 2.1. The Theory of Reasoned Action

The theory of reasoned action is interpreted as a sufficient representation of attitude-behavior relationship, since possible external influences on intentions and behavior are thought to be totally mediated by the information processing that underlies and subjective norms (Ajzen & Fishbein, 1980). The relationship between the theory of reasoned action and this study is to find what really influence people to buy fake sneakers product.

## 2.2. Behavioral Intention

Behavioral intention (BI) is defined as a person's perceived likelihood or "subjective probability that he or she will engage in a given behavior" (Committee on Communication for Behavior Change in the 21st Century, 2002, p. 31).

BI is behavior-specific and operationalized by direct questions such as "I intend to [behavior]," with Likert scale response choices to measure relative strength of intention. Intention has been represented in measurement by other synonyms (e.g., "I plan to [behavior]") and is distinct from similar concepts

such as desire and self-prediction (Armitage & Conner, 2001). Ajzen (1991) argued that BI reflects how hard a person is willing to try, and how motivated he or she is, to perform the behavior.

In theory in which it is included, BI is the most proximate predictor of behavior (Ajzen, 1991), and behavior is ultimately the variable that most health communication interventions aim to influence. In this framework individual behaviors are in pursuit of a larger goal, such as better health or quitting smoking. BI has been found to have high predictive validity in relation to behavior (Committee on Communication for Behavior Change in the 21st Century, 2002) indicating that respondents in general accurately rate their intention to perform the behavior in question. Meta-analyses reviewed, which included health behaviors, found from 19% to 38% of variance in behavior explained by BI (Armitage & Conner, 2001; Sheeran & Orbell, 1998; Sheppard, Jon, & Warshaw, 1988; Van den Putte, 1991).

The "attitude-behavioral intention" interconnection has been broadly investigated in the marketing literature. As a result, previous studies such as Ang et al. (2001), De Matos et al. (2007), and Wilcox et al. (2009) proved there was the positive relationship between attitudes and behavioral intention.

### 2.3. Brand Image

Brand image is how consumer measure your brand in the market. According to Aaker (1996), brand is how a brand is perceived by consumers, which represents the set of brand organization in consumer memories. A meaningful brand is more than a product, it is a story, and products are more than just an accumulation of functional benefits. Based on to Bian and Mountinho (2011) brand image plays an important role because of its

contribution to the consumers in deciding whether the brand is the one for them (Dolich, 1969). The following hypothesis is proposed:

H1: Brand Image has a positive influence on attitude towards non-deceptive counterfeit sneaker products.

## 2.4. Value Consciousness

Value consciousness is considered as a concern for playing lower prices, subject to some quality constraint (Ang et al., 2001) and expected to have a positive effect on attitude towards counterfeits (Ang et al., 2001; Wang et al., 2005). Typical customers of counterfeit brands were more value conscious and had lower average income compared to those who do not buy fake products. Customer of counterfeits had more scanty financially and were hence guided by the price-value perception. Some people think that the price of counterfeit of luxury brands was much cheaper than the price of genuine ones and also counterfeit product have a similar functional benefits to original. However, for customers who were value conscious, good value of fake products reinforces the desirability of purchase (Eisend & Schurchert-Guller, 2006). Therefore the following hypothesis is proposed:

H2: Value consciousness has a positive influence on attitude towards nondeceptive counterfeit sneaker product.

#### 2.5. Social Influences

Social influence is the action, reaction, and thoughts of an individual that are influenced by other people or groups. Social influence may be represented by peer pressure, persuasion, marketing, sales, and conformity.

The expenditure stereotype of a consumer is a representation of his or her social class position. It is a more important determinant of his or her purchasing behavior than just income (Martineau, 1968). People tend to connect themselves to their social class or higher ones (Mellot, 1983). Customers purchasing original or counterfeits of luxury brands subject to their social group norm (Bearden et al., 1989). Therefore, the following hypothesis is proposed:

H3: Social Influence has a positive effect on attitude towards non-deceptive counterfeit sneaker products.

#### 2.6. Personal Gratification

Personal gratification refers to the requirement for a sense of perfection and social perception, and the desire to get the better thing of life (Ang et al,. 2001). Suchlike a trade-off, consumers are willing to purchase fakes regardless the awareness that original and counterfeits are not at the same quality. In 1996, Nill and Shultz II (1996) have planned a model illustrating the process of moral reasoning that customers have to experience when they made the decision to buy a fake. The process goes through three separated steps, they are, the expected personal consequences in terns of punishment, reward or exchange of favors; the social influence and conformity to the conventional order to the society; and the desire to differentiate values and moral principles from referent groups and authorities. The authors are also concluded that the self-chosen ethical principles are adopted by individual steadily and universally. Therefore, the following hypothesis is proposed:

H4: Personal Gratification has a negative influence on attitude towards

## non-deceptive counterfeits sneaker products.

## 2.7. Attitude Towards non-Deceptive Counterfeit Sneaker Products

Based on the theory of planned behavior, purchase behavior is influenced by purchase intention that in turn will be influenced by attitudes. Attitudes towards behavior are noticed to be better predictor of behavior than attitudes towards products (Penz et al., 2005). The theory also pointed that the opportunities and resources, for example, the accessibility of fake goods to be displayed before purchase behavior can be conducted.

Making an unethical decision, for instance, buying fakes, is explained mainly by attitudes without regard to product class (Wee et al. 1995, ang et al., 2001, Chang 1998). The more favorable customer attitudes are towards counterfeit brands, the higher likely are the opportunities of purchasing (Wee et al., 1995). Also, the more unfavorable customer attitudes are towards counterfeit brands, the less opportunities they will buy them. Therefore, the following hypothesis is postulated:

H5: Attitude has a positive effect on intention to purchase counterfeits.

# 2.8. Proposed Conceptual Framework of The Study

This study investigates determinants that influence consumers attitude towards non-deceptive counterfeit sneakers and behavioral intention to purchase them. This study was aimed to find the relationship between/association between brand image and attitude towards non-deceptive counterfeit sneakers, the influence between value consciousness and attitude

towards non-deceptive counterfeit sneakers, the effect of social influence on attitudes towards non-deceptive counterfeit sneakers, the association between personal gratification and attitude towards non-deceptive counterfeit sneakers, and also the effect of attitude on behavioral intention.

By considering the research hypothesis, the following of conceptual framework of the brand image, value, social influence, personal gratification, attitude, and behavioral intention towards fake sneakers is proposed as:

