

CHAPTER I

INTRODUCTION

1.1 Background

Shopping is done to examine goods or services with intent to buy, to hunt through a market in search of a best buy, and to make a search (Huddleston dan Minahan, 2011). Nowadays, the concept of shopping has a different reaction in the society. The shopping concept become their lifestyle and becomes their hobby.

People create shopping concept to fulfill their wants and desire which possibly is not needed. There are factors like mode and trends in the society that trigger and drive the people to buy more and more. They tend to buy the newest trend and better quality product which are actually the same with product that they already have before such as shoes, shirt, bag, make up and other stuff excessively. They want to get their identity by buying the newest and trending product that other people does not have before. They hope that other people will praise them. People also buy the product not only for the functional only, but also for the prestige, to increase their social status and lifestyle. Nowadays, many people buy the high-end smartphone not for the function itself, which is telecommunication, but they buy it for prestige and to increase social status.

Every people have their own needs and every people have different needs. They are divided into two. Firstly, people that fulfill their need normally and secondly is people that fulfill their need excessively. The second

one be can be called consumptive people. Consumptive attitude can belong to all people. Not only for worker people but also student because consumptive behavior become one of the behaviors that cannot be separated from the daily life of the people (Enrico, Aron, & Oktavia, 2014).

The shifting of lifestyle happened because the technology is more developed and in digital era the information can be accessed easily. By those kinds of factors, it can change the lifestyle in term of fashion style and create a consumptive lifestyle unconsciously in their daily life.

According to some researcher, consumptive lifestyle can be reflected by how they dress in fashion. Therefore, the people that are always up-to-date with fashion trend, may affect their social status. Social status is given by the people inside the society (Enrico, Aron, & Oktavia, 2014), that's why it triggers the competition among the others to show off their social status through fashion. The competition illustrate that if the appearance is more fashionable than that shown in the public, the people will assume their social status as middle-upper class people. There are many ways that they can do to follow the trend in social life, for instance by using they dress or fashion to show off their identity and their life style.

Counterfeits product is included in fashion on people's lifestyle. According to Chaudhry and Walsh (1996); Kapferer, (1995); Grossman and Shapiro, (1988a,b), counterfeits are those bearing a trademark that is identical to, or indistinguishable from, a trademark registered to another party and infringe the rights of the holder of the trademark. In my point of view, many

people attracted to buy counterfeits product because many people has low income per month and they want to buy branded product with not affordable price. Therefore, they assume that if they buy the counterfeits of branded product, it will increase their prestige on public. That is the reason why many people want to buy counterfeits product rather than original product. In Yogyakarta, there are lots of places that provide counterfeits product in their store. With lots of store selling counterfeits products, the consumer is very satisfied and happy because the desire to buy counterfeits product is easily fulfilled.

Nowadays, the type of counterfeits product that provided by many store is various, for instance shoes, bag, t-shirt, jacket and many more. Recently, the interest of the people for the counterfeits shoes is higher rather than few years ago. This phenomenon can be happened because the counterfeits shoes nowadays is very similar with the original shoes, in terms of the shape, materials, and color with more affordable price that they love. By wearing trending shoes, they can increase their confidence and fashion.

There are some factors that can influence the intention to buying counterfeits product such as: brand image, brand involvement, and brand knowledge. Conventionally, brand image is defined as how a brand is perceived by consumers (Aaker, 1996, p. 71). The brand image is the first most important factor because in terms of buying counterfeits product, consumer will choose the brand that has good brand image. It reflects the quality and increase their social status. Brand image is important because it

contributes the consumer's decision whether or not the brand is the one for him/her (Dolich, 1969) and it influences the consumers' subsequent buying behavior (Johnson and Puto, 1987; Fishbein, 1967), before brand equity (Biel, 1992).

Consumers with higher levels of product knowledge have better-developed and more complex schemata with well-formulated decision criteria (Marks and Olson, 1981). When they process information, less cognitive effort is required and relevant knowledge structures can be activated automatically, and they are able to process more information (Alba and Hutchinson, 1987). Much evidence shows that product knowledge does have an impact on information processing to the consumer (Larkin et al., 1980). For example, Zhu (2004) states that, in a RV leisure van research, when the consumer selects a product, he/she usually rely on his/her product knowledge to evaluate it, and his/her product knowledge would also affect his/her information search procedure, attitude, and information search quantity. In addition, his/her level in product knowledge would determine consumer purchase decision, and indirectly affect his/her buying intention. The product knowledge will help the consumer to choose which product has good similarities with the original one.

Many research said that when product involvement is high, buyer decision processes are thought to proceed through extended decision making, a series of sequential stages involving information search and evaluation of criteria (Browne and Kaldenberg, 1997; Celsi and Olson, 1988); consumer

didn't want and cannot afford to exert high effort to process the information in low involvement situation. (Chung and Zhao, 2003). Thus, when product involvement is high, consumers are more likely to put in for more effort and are more capable of evaluating CBPs as opposed to their counterparts, the original branded products (BPs). This research aimed to examine the impact of perceived brand image, direct and indirect effects of product involvement and product knowledge on consumer purchase intention of counterfeits in the context of non-deceptive counterfeits.

1.2 Problem Formulation

1. Does brand image have a positive influence on purchase intention of counterfeits branded product of converse?
2. Does product involvement have a negative influence on purchase intention of counterfeits branded product of converse?
3. Does product involvement have a negative influence on brand image of counterfeits branded product of converse?
4. Does product knowledge have a negative influence on brand image of counterfeits branded product of converse?
5. Does product knowledge have a negative influence on purchase intention of counterfeits branded product of converse?

1.3 Limitation of Study

1. This research was only taken from Indonesian people who know and buy counterfeits branded product of converse.
2. Not all correspondents ever buy counterfeits branded product of converse.

1.4 Research Objective

1. To identify whether or not brand image have a positive influence on purchase intention of counterfeits branded product of converse.
2. To identify whether or not product involvement have a positive influence on purchase intention of counterfeits branded product of converse.
3. To identify whether or not product involvement have a positive influence on brand image of counterfeits branded product of converse.
4. To identify whether or not product knowledge have a positive influence on brand image of counterfeits branded product of converse.
5. To identify whether or not product knowledge have a positive influence on purchase intention of counterfeits branded product of converse.

1.5 Research Contribution

The research was conducted based on a research of Bian & Moutinho (2011) with some modifications and improvements in order to get the better results. There are, at least, two major contributions of this research, theoretical and practical:

1.5.1 Theoretical

This research helps to explain an overview of the theoretical framework of the role of brand image, product involvement, and knowledge in explaining consumer purchase behavior of counterfeits. As well as providing the contribution for further research in the field of marketing and provide additional literature in marketing strategy.

1.5.2 Practical

This research hopefully can help the manager of counterfeits producer to increase their seller by knowing what is the characteristic of consumer that can attract them to buy the counterfeits product rather than original product.

1.6 Systematical Writing

The systematical writing of the research is as follows:

Chapter I: INTRODUCTION

This chapter discusses about the background of the research, the formulation of the problems, the limitation of the study, the purpose of the study, the contribution of research, and systematic research.

Chapter II: LITERATURE REVIEW

This chapter exhibits the theoretical foundation of the product involvement, brand image, product knowledge, and purchase intention. In addition, there are researches hypotheses and the framework of the study provided.

Chapter III: RESEARCH METHOD

This chapter explains the models and methods used in this research, population and sample, sampling technique, the variables of the study and the testing methods used.

Chapter IV: DATA ANALYSIS AND DISCUSSION

This chapter shows data analysis and discussion of the results was obtained from statistical calculations using theoretical concepts and interpretation of research on theories that already exist.

Chapter V: CONCLUSIONS AND RECOMMENDATIONS

This chapter contains the conclusions on the results of the analysis and calculation of data obtained from the research. In addition, this chapter will also describe the weaknesses of the studies conducted and for future research