T. C.

ISTANBUL AYDIN UNIVERSITY

INSTITUTE OF SOCIAL SCIENCES

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MASTER THESIS

Roula MARDINI

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Thesis Advisor: Assoc. Prof. Dr. Zelha ALTINKAYA

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YÜKSEK LİSANS TEZ ONAY FORMU

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FOREWARD

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January, 2019   **Roula MARDINI**

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ABBREVIATIONS

CAGR   : Compound Annual Growth Rate
COBDS   : Copying of the Original Brands in Developed State
EPBP   : Extra Promotion of the Branded Products
EU   : European Union
OECD   : Organization for Economic Co-operation and Development
TCU   : Taxation and Custom Union
TSS   : The Market Share of Technical Superstore
TL   : Turkish Lira

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SAHTE MARKALARIN TÜKETİCİLERİN ORİJİNAL MARKALARI KABUL ETMELERİNE ETKİSİ

ÖZET

Sahte markaların, tüketicilerin orijinal markaları kabul etmeleri üzerindeki etkisini incelemek için mevcut araştırmalar yapılmıştır. Sahte marka, büyük şirketlerin iş hayatlarında uğraştığı bir konudur. Üreticiler arasında rekabetin artmasına yol açan teknoloji ve iş dünyasının gelişmesiyle bazı üreticiler, kendi markalarını müşterileri için tanınabilir hale getirmek için belirli bir isim ve renkte yapmaya başladılar. Bununla birlikte, bazı küçük üreticilerin bazı şirketlerin orijinal markalarını kopyalayıp üretmeye başladığında, sahte markalar konusu tartışıldı. Ürünler başka bir fabrikada, orijinal ürünle aynı veya daha az kaliteye sahip orijinal adında üretilir ve normalde daha düşük fiyata satılır. Bu ucuz fiyat, muhtemelen orijinal markayı satın alamayan pek çok müşteriyi çekiyor. Hükümetler, orijinal şirketler için özel ürün ve ad üretme hakkını korumaya karar vermiş olsalar da, sahte markalar günlük olarak yüksek miktarda satılmaktadır. Sahte markaların üretildiği ve satıldığı yerlerden biri de Türkiye'de. Bu nedenle, sayaç markalarının orijinal markaların tüketicilerini nasıl etkilediğini bulmak için mevcut araştırma yapılmıştır. Araştırma, sahte markaların geliştiği bir işin olduğu Türkiye'de yapıldı. Araştırmanın yapılacağı nüfus Türkiye'deki tüketiciler, hedef nüfus ise İstanbul'daki tüketiciler. Mevcut araştırma, tüketicilere sahte marka algıları hakkında fikirlerini sormak için araştırma aracı olarak yakın uçlu anketlerle nicel araştırma yönteminde gerçekleştirilmektedir. Araştırmaya katılanların belirlenmesinde çok aşamalı kümeleme örnekleme yöntemi kullanılmıştır. Bu nedenle, İstanbul'daki 12 alışveriş merkezindeki katılımcılara 200 anket dağıtılmıştır. Bulgular SPSS ile analiz edildi.

Anahtar Kelimeler: *Sahte markalar, Müşteriler, Karar verme, Orijinal markalar, Türkiye.*

IMPACT OF COUNTERFEIT BRANDS ON CONSUMERS ACCEPTANCE ON THE ORIGINAL BRANDS

ABSTRACT

The current research has been conducted to examine the impact of counterfeit brands on the consumers' acceptance of the original brands. Counterfeit brand is an issue that big companies deal with in their business life. By the development of technology and business which lead to higher competition among producers, some producer started making their own brand in a specific name, shape, to color to be recognizable for their customers. However, the issue of counterfeit brands came to discussion when some small producer started to copy and produce the original brands of some companies. Goods are produced in another factory in the name of original brand having same or less quality than original and sold in lower price normally. This cheaper price attracts a lot of customers who are probably not able to buy the original brand. Although governments agreed to save the right of producing specific goods and name for the original companies, counterfeit brands are sold in a high amount on the daily basis. One of the places where the counterfeit brands are produced and sold is in Turkey. Therefore, the current research has been conducted to find how counter brands effect consumers of the original brands. The research is done in Turkey where the counterfeit brands have a flourish business. The population for the research is the consumers in Turkey and the target population is consumers in Istanbul. The current research is carried out in quantitative research method with close-ended questionnaires as research tool to ask consumers' opinion about their perception of counterfeit brands. Multistage clustering sampling method is used for determining respondents for the research. Therefore, 200 questionnaires are distributed among the respondents in 12 shopping center in Istanbul. The findings are analyzed by SPSS.

Keywords: *Counterfeit brands, Customers, Decision-making, Original brands, Turkey*

1. INTRODUCTION

The Turkish female products market is constantly changing and doing everything to adapt the needs of its key consumers who are mostly university students and working class women. Before, many products were used by woman basically for every purposes but their use in the modern society has changed from old fashioned syles to modern ones. This change equal share of the interest of key consumers of the female products on various local and international markets. The Turkish female products market trends in lady bags, clothes and shoes and therefore sells specific brands to its customers and these brands give a certain image to consumers of the lady products.

The most important consumers of female products in the Turkish market are university students and working class. Consumers of ladies handbags, shoes and other products on all the markets are much more aware of the brand image manaufacturers create in this segments. Until now, ladies handbags products have become self-identification tool that enables the woman to make themselves quite different from others. Actually, ladies products can represent afar better percentage of the lifestyle, habits, even the professional life of the individuals, especially.

Everyone wants to manage a business to be called a sole proprietor while other people want a joint business to be called a company. The company produces in large quantities and makes profits. Not only one but so many companies have emerged and they face a fiece competion from each other leaving the world market in a state of striving for the same or different customers.

Companies that started to operate in the yesteryear are well known to be the parent or original companies and have since then carried on their operations under an original brand. The offshoots of these parents companies would find it not easy to use the original brand as they would have to make a copy of the original brand and do business under the copied brand.

Other new companies may want to copy brands of already established companies in order to secure their own share of the market. This makes it a lot more complicated when experts do evaluation because they consider this as brand counterfeit. Counterfeit

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brands does not only have consequences on the companies' productivity and sales it also has an impact on the consumers' behaviour on the market about the uncertainty of the original brand they need to purchase.

Brands beautify the products and make them attractive to the consumers and also give more concise information about the company's products on the market. The place brands occupy in a compny's sales of its products is important and delicate. As a result, goods with the original brands will sell more than goods with counterfeit brands.

Goods with counterfeit brands are spread easily and could even reach a customer in the bedroom to pay a price. This will no doubt save shopping time for the customer who will be distracted from the original brands and end up consuming counterfeited goods to the detriment of the original brands.

Although some economies, companies and private businesses are flourishing nowadays owing to counterfeit brands, counterfeit brands have caused more harm than good on the market. This has got severe impact on the consumers accepting the original brands. Brand counterfeit could be in the form of colour, model, and shape or size.

Choosing the original brands from the counterfeit brands will clearly show how consumers behave on the market and their behavour determines demand and supply. If consumers have the willingness and ability to buy but could not find the original brands and went back home with empty shopping carts, then there is serious problem with brand counterfeit.

Counterfeit brands really divert the attension of consumers from buying the original brands which they need most. This creates an impact in which the purpose of this study is to investigate the impact of counterfeit brands on the consumers acceptance of the original brands.

1.1   The Importance of Research

The practice of product counterfeiting is one of the most relevant problems of the luxury goods market. Counterfeit products allow anyone to have and show the luxury brand without spending a great amount of money. In this sense, counterfeits could be considered a hidden competitor for original and luxury brands. Marketing literature lacks investigations into how the presence of the counterfeit alternative on the market

could influence the perception of the genuine luxury brand in the minds of users and non-users.

The center of interest of this research is on the Impact of Counterfeit Brands on Consumers Acceptance on the Original Brands which is widespread nowadays across many product types (Zaichkowsky 1995) and across many markets especially the university student products market in Turkey. To copy or counterfeit a brand is to copy a leading brand of a product. When copying the brand which is well known by many people similiar characters like brand name, shape, logo and design are used. In the opinion of the brand maker and owner, copying a brand changes the most important value of the authentic brand (Keller & Sood 2003).

Most countries have passed laws to protect leading brands from being counterfeited. The key factors for the law to take action in case a leading brand has been copied is to notice that consumers mistakenly think they are buying the original brand. Despite the regulation put forth to protect leading brands from being counterfeited, counterfeited brands still feature in the markets leaving consumers to knowing buy counterfeited products. So, academics suggest that before going to take any measures to fight againt brand counterfeit, producers should first know why buyers will prefer to purchase imitations (Wee et al 1995).

Knowing how consumers assess brands counterfiet is important point to the academics and also to the brand maker and owner. Researchers like D'Astous & Gargouri (2001) have done in-depth research on the factors that influence consumers assessment of imitations. From their reseach, brand owners can develop effective marketing strategies to brand their products and to take precautions to protect their brands from brand counterfeiting.

By effective developing strategies and taking precaution to protect authentic brands from being imitated and counterfeited, consumers will become aware and their attitude will change towards counterfeited brands. They will prefer leading brands over counterfeited brands.

1.2   The Aims of the Research

The current research aims to examines whether and to what extend counterfiet products affect conusmers' acceptance of the original brand, and how it affects consumers'

purchasing behavior. Therefore, the main objectives are catagorized into the follwoing catagories.

- Defining the consumers' purchasing behavior
- Explaining the counterfeit market of goods in textile industry
- Observing how the counterfeit goods affect consumers' purchasing behavior

1.3   Organisation of the Research

This study made up of five chapters. Chapter one gives an overview of the whole study. This chapter presents an orientation of the research problem background. It describes the aim and outlines definition of key concepts. Also, chapter one clarifies limitation of the reseach.

The second chapter is literature review. The main objective of this chapter is to review those factors that influence consumers to assess brand counterfeiting. To gain a complete understanding of brand counterfeit, this second chapter begins by looking at the Turkey's ladies handbag and shoes market before viewing the early studies of brand counterfeit and based mainly on brand ownership viewpoint. The main findings in this chapter are compare with studies based on consumer viewpoint. The factors that influence the opinions of the consumers are reviewed.

Chapter three gives an overview of the research. It discusses in detail the method of data collection used in this quantitative research. This chapter covers all the aspects of the study including research design, research population, sampling technique, survey instrument and collecting data.

In chapter four, information collected from respondants will be indentified, analysed and reported followed by a thorough discussion of the findings. The findings of the research will be linked to the literature that has been been reviewed in the literature review part of the research.

Chapter five is the last chapter. This chapter will dwell on the conclusion of key findings of the research and evaluates recommendations for further research.

2. LITERATURE REVIEW

2.1   History of Counterfeiting

Counterfeiting has been with us for at least 2,000 years. Pliny the elder described counterfeit coins as popular collector's items for Romans (Barry, 2007). The counterfeiting of coinage was part of the normal exchanges involving smuggling, minting privileges, alchemy and foreign trade in Genoa in the sixteenth and seventeenth centuries

Goldsmiths, soldiers, bankers, convicts on galleys and even priests were involved in developing counterfeit coinage. A most famous example of counterfeiting occurred in Renaissance France when, over a 10-year period, supporters of the Pope directed parallel minting to undermine official coinage issued by a Protestant king. Since "official counterfeiting" was reserved for princes the penalties for doing this were rather severe and included being boiled alive (Gillard, 1990; Grendi, 1994). But product counterfeiting may even be older. Babylonian and Egyptian priests placed inscriptions from earlier civilizations on monuments to increase their proceeds.

The advent of trademarks used to identify manufacturers of particular products certainly created the opportunity for counterfeiting. Some form of trademark has probably been in use since ancient times. Marked pottery appeared in China 4,000–5,000 years ago and Greek vases identified both the maker and also the wholesaler of the item. Merchant's marks appeared in about the tenth century. These were used to prove ownership of goods. In Japan lumber was marked when tied onto a raft before being sent down river (Ono, 1999). Roman builders indicated the maker of bricks and tiles by stamping an identifying mark on them. Marcus Sestius, a Roman wine merchant, apparently lost a large shipment of branded wine jars when his ship went down off the coast of Marseilles probably in about 230 BC (Rokicki, 1987). During the first three centuries of the Roman Empire oil lamps were made using the FORTIS brand-name. Many artefacts with this name have been found which may indicate widespread product copying at the time (Winterfeldt, Dow, & Albertson, 2002). Pliny also warned of counterfeit opals made of glass (Sidebotham, 1986). While there is no

record of legal enforcement of trademarks during Roman times it appears that the Romans punished abuses through their commercial institutions (Paster, 1969).

During the middle Ages guilds required craftsmen and merchants to affix marks which distinguished their products from low-quality imitations. The main function of these marks was to assign responsibility for inferior products (Ono, 1999). By the thirteenth century trademarks were common in England. In fact a compulsory marking law required that a baker puts his mark on every loaf of bread and goldsmiths were required to place marks on their work. During this time trademark infringement became a crime and in some cases rather draconian capital punishment was applied to abusers (Abbott & Sporn, 2002). Stolte (1998) identifies the earliest trademark infringement action in England, Sandforth's Case, heard in 1584. The plaintiff had manufactured woolen clothing marked with the letters J. G. and a sign called a tucker's handle. The defendant had made similar clothing which were "ill, insufficient and unmerchantable; and deceitfully marked…J.G."

In the Aztec Empire some dishonest dealers sold counterfeit cacao beans. Honest sellers divided beans into piles according to their origin. But the counterfeiters used artificial colouring to sell inferior beans or even disguised worthless amaranth dough or avocado seeds with cacao hulls (Rust, 1999). Fifteenth century Chinese painters accommodated forgeries by other artists (Alford, 1995). In the seventeenth century Domingo Navarette, a Spanish priest, noted the Chinese ability to copy products. He complained that the Chinese had "imitated to perfection whatsoever they have seen brought out of Europe" (The Economist 2003).

Product counterfeiting came to the attention of the US government more than 100 years ago. Curtis (1889), reporting for the government, wrote "the superiority of American [cotton] goods is so great that the Manchester [England] mills send few goods to South America that do not bear forged American trademarks." In his report, Curtis quotes a member of the New York law firm of Smith, Hogg and Gardner as having recovered damages and costs in Manchester (UK) "although we have great difficulty in definitely locating the forgeries."

2.2   Measuring the Counterfeit Market

The United States for sure has not been innocent of piracy. It has been claimed with some accuracy that the Industrial Revolution in the United States began with significant help from an industrial spy, Samuel Slater. The English textile industry grew rapidly based on the invention of the water spinning frame by Richard Arkwright. The British wanted to be sure that this invention never reached America since it was the world's largest exporter of cotton but had no manufacturing industry of its own. By 1774 it was illegal for an English textile worker to share technological information or to leave the country. Slater, born in England in 1768, started as an apprentice in a cotton mill owned by a former partner of Arkwright and eventually became a supervisor. In America both state governments and entrepreneurs were offering rewards for machines like Arkwright's. After reading in a Philadelphia newspaper of a £100 bounty paid to the designer of an inferior cloth-making machine, Slater came to New York in 1789. He was able to reconstruct the entire mill from memory and eventually, with the support of a Rhode Island merchant, built the first water-powered cotton spinning mill in America. (BBC, n.d.; PBS, n.d.). Although creating a system of patents and copyrights was a priority for George Washington, the Patent Act of 1793 did not provide protection for foreign inventors. This meant that an American could copy any product patented in a foreign country and then apply for a US patent (Choate, 2005). In the country's infancy product copying as well as literary piracy were common. Charles Dickens, visiting the United States in 1842, was irate when he found many pirated copies of his novels in Boston bookstores. In nineteenth century America it was common to find counterfeit foreign wines, gloves and thread (Mihm, 2007).

Attempting to measure the effects of counterfeiting is extremely difficult. Discovering and measuring output is a real challenge. As we will see below, there is a great deal of variation in the estimate of the damages caused by fake products. This is understandable given the illegal nature of this activity. Only surrogate indicators such as seizures by police or customs authorities are available. In addition, there is no agreement on factors that should be considered when calculating the scale of counterfeiting. Should the calculation include sales lost by specific brands and at what prices, damage to brand equity, total sales of counterfeits, or some combination of these factors (Green & Smith, 2002)? In a recent study the (OECD 2007b) states "the overall degree to which products are being counterfeited and pirated is unknown, and

there do not appear to be any methodologies that could be employed to develop an acceptable overall estimate." The existence of a large counterfeit market takes its toll in many ways. The harmed constituents are identified in Fig. 2.1. Obviously consumers may be harmed by using inferior products. This harm can be as minimal as the loss of a few dollars or disappointing product performances or as important as serious damage to physical well-being. The World Health Organization [WHO] (2006) estimates that between10% and 30% of medicines on sale in developing countries are counterfeit. Recent bad news coming from China makes the problem of counterfeit goods a matter of life and death. In less than a week cough syrup containing ethylene glycol was identified as responsible for the deaths of hundreds of people in Panama and the Dominican Republic, toothpaste tainted with the same chemical had been found on three continents (Castle, 2007) and a cell phone exploded killing a 22-year-old man in western China. Phone manufacturers Motorola and Nokia blamed counterfeit batteries (Barboza, 2007). These episodes followed the tainted pet food problem which surfaced in the United States in the spring and summer of 2007.

Figure 2.1: Damage from Counterfeit Goods Market

Home countries of firms suffering from imitated products lose exports, taxes and other revenues as well as employment. Even host countries (here identified as the source of the counterfeit goods) while they may experience some short-term gains in consumer welfare will probably eventually suffer a reduction in foreign direct investment since firms may fear their products may be copied once they are manufactured or introduced into a particular market. In addition, these host countries may experience a growth in the underground economy, less legitimate employment, more employment at substandard wages and reduced competitiveness because of a heavy reliance on counterfeit products. There is some evidence that exports will be reduced from countries that are known for substandard goods particularly in pharmaceutical products (OECD, 2007c). Host countries also incur a loss of tax revenues and additional costs for anti-counterfeiting activities. In some cases, corruption is more widespread with the growth of a large counterfeit market. Both home and host

countries may also suffer from environmental effects first from the waste of destroying pirated goods and second because substandard products may have negative effects. For instance, the use of counterfeit fertilizers caused serious damage and destruction of harvests in large areas in China, Russia, the Ukraine and Italy. Various effects of pirated products can cause risks to public health and even loss of confidence in the governments themselves. For purposes of this book the losses to the owners of the intellectual property interests us the most. Obviously these firms may suffer loss of revenues from royalties, sales and profits as well as increased costs for policing and fighting pirates. These costs may reduce organizational growth. In addition, they may suffer from declining customer loyalty through brand dilution. Because of widespread copying, some firms may cut their investments in research and development thereby decreasing innovation. Smaller firms face displacement of management time from growing the business to fighting the counterfeiters. Legitimate wholesalers and retailers are also harmed by counterfeit goods. First they lose revenue to the fakes. But these channel members may also be put in a difficult position when consumers ask for repairs or replacement of counterfeit products. The end result may be a loss of confidence in these middlemen and ultimately in the brand. One additional cost must be considered. Counterfeiting is a major funding source for organized crime and terrorist organizations like Hezbollah and those who perpetrated the Madrid train bombings in 2004 (Anti-counterfeiting amendments, 2004; "Counterfeit goods linked," 2007).

At an Eastern Economic Association Conference, an economist even questioned the idea that there were losses associated with counterfeiting. Her point was that consumers who buy fakes are a market segment that purchases counterfeit because of their inability to afford the genuine product. Therefore, buyers in that class do not really represent lost sales. Those consumers would not have bought the genuine product anyway. Recently The Economist ("Look for the silver lining," 2008) advised brand holders to "look for the silver lining" of piracy. Companies can find out which songs are most popular by determining those most often shared on peer-to-peer networks. Or a software firm may establish itself as the standard since the initially used pirated software creates a future market for the real thing. But even this article advises that IPR owners should fight for their rights even if sometimes they can use the

counterfeit product to their advantage. As we have seen, getting an accurate measurement of counterfeit goods is difficult as well as controversial.

2.3   The Growth of the Counterfeit Goods Market

There is no doubt the counterfeit market is growing but it is not clear what the real magnitude is. In 1982 the International Trade Commission estimated the worldwide sales of counterfeit goods at $5.5 billion (Abbott & Sporn, 2002). Since that time many estimates of world counterfeit goods markets have been12 2 The Global Growth of Counterfeit Trade made. In 1984 the International Anti-Counterfeiting Coalition estimated the worldwide market at $25–30 billion (Stern, 1985). By 1996 the Economist ("Not real, but," 1996) even found a source that gauged the market at $1 trillion. In 2001the International Chamber of Commerce estimated that 5–7% of world trade was in counterfeit goods and that the counterfeit market was worth $350 billion. This 5–7% figure initially was used by the Chamber in 1997 which even then called the percentage only a "general assumption" (Bialik, 2007). As the OECD report (2007b) politely puts it "the metrics underlying the ICC estimates are not clear."

The OECD report says that the ICC estimates "reflect judgments that are not supported by clear data." In 2006, the US government estimated the global market value of the counterfeit industry at $500 billion with a growth rate of 1,700% over the past 10 years (Chaudhry, 2006). World estimates seem to have coalesced around $500–600 billion annually (International Anti-Counterfeiting Coalition [IACC], 2007; Punch, 2005). This estimate includes all forms of intellectual property rights violations involving products and services and sales within and across country borders. The OECD (2007b) puts the worldwide volume of tangible counterfeit products at about $200 billion, an amount larger than the GDPs of150 countries. However even the OECD estimates are based on incomplete information. The OECD (2007c) itself says, "available information on counterfeiting and piracy falls far short of what is needed for robust analysis and policymaking" and the organization makes a series of detailed recommendations for the improvement of data collection. According to Bialik (2007) the OECD's estimate was originally extrapolated from customs seizures based on reports from 45 countries who responded to requests for data with enough information to be useful for analysis.

The amount of counterfeit product intercepted by Customs Services around the world is a tiny percentage of the overall estimate of the worldwide counterfeit goods market. The OECD (2007c) gives the value of seizures by Customs Services in 35countries reporting this particular data at about $769 million in 2005, representing 0.01% of total imports for these countries. Nevertheless, the received data were extrapolated to the non-responding countries. Researchers used a factor of 5% for frequently pirated goods in countries where there are a large number of pirates. Using this factor, researchers calculated a total of $100 billion then doubled that number to account for "statistical variability in their model" (Bialik, 2007), yet searching "OECD counterfeit goods report" on Google results in 1,320,000 hits, most of which are unquestioningly repeating the $200 billion figure. Organizations as diverse as the BBC and the Sydney Morning Herald include this figure prominently in their stories. Another example of this may be found in an organization called Havocscope. This organization puts forth a global estimate for counterfeit and piracy of $527 billion (Havocscope, 2007) and estimates the total availability of counterfeit products in the United States at $290 billion. However even a cursory review of this organization's website reveals problems with the numbers. Estimates are developed from published resources such as newspapers and government studies. The organization also states that "the manner in which the original source determined the figure is not always available" and "the numbers will include a high level of uncertainty. A majority of the figures will be based on estimates and will be difficult to verify."

In Canada the cost of counterfeiting was estimated at $30 billion annually. This figure, used repeatedly by many, including US Ambassador David Wilkins in a March 2007 speech, originated with the Royal Canadian Mounted Police (RCMP)in 2005. Careful research by Professor (Geist, 2007) of the University of Ottawa Law Faculty revealed that the $30-billion number was derived from two main sources: an IACC claim that 20% of the Canadian market is made up of counterfeit product and an estimate that 3–4% of Canadian two-way trade consists of counterfeit product given by the chief economist for the Canadian Manufacturing and Exporters Association in 2005. The recent OECD estimate placing the cost of global counterfeiting at $200 billion certainly calls into doubt the formerly accepted $30 billion Canadian figure.

Researching the size of the counterfeit market reveals that the same numbers from very few sources are repeated over and over. In truth it is virtually impossible to determine

the real size of the worldwide counterfeit product market. But despite the uncertainty of measurement methods, it appears that product counterfeiting is significant and growing. (S. Croxon, personal interview, October 19, 2007; IACC,2007; United Nations Economic Commission for Europe [UNECE], 2007; United States Immigration and Customs Enforcement [ICE], 2007).

2.4   Products Counterfeited

Products that are most vulnerable to product counterfeiting fall into four categories according to (Jacobs, Coskun, and Jedlik, 2001): Highly visible, high volume, low tech products with well-known brand names such as toothpaste and chocolate• High-priced, high-tech products such as computer games, CDs, DVDs, auto and airplane parts• Exclusive prestige products such as clothing, apparel and perfume, Intensive R&D, high-tech products such as pharmaceuticals and some industrial products. More contemporary research indicates that the types of products being counterfeited are expanding. The OECD (2007f) finds a shift from high-value luxury items to common products and an expansion of the range of pirated luxury products. Their list of products subject to intellectual property infringement includes all the product types identified by Jacobs et al. but also chemicals and pesticides, electrical components, food and drink and agricultural products, tobacco products, furniture, sporting goods and a variety of other items including qualification certificates. In the OECD study (2007c) 13 countries reported that the scope of products counterfeited was expanding rapidly and 16 other countries said the range was expanding steadily. (Naim, 2005) also supplies an exhaustive list. He identifies the Chery QQ, made in China, as an automobile which has the look and feel of the Chevrolet Spark. Heal so describes forgeries of American-made sewer pumps and Italian valves. Hopkins et al. (2003) tell of counterfeit aircraft bolts as well as helicopter blades. In the US, types of products seized vary from year to year but wearing apparel and footwear have often topped the list since 1982 (Stern, 1985). The Customs Service (2005) reported that wearing apparel, handbags, and wallets accounted for about a third of the seizures. In 2006, these products accounted for about 25% of seizures, while footwear accounted for 41% of confiscated products and climbed into first place. In previous years, media (motion pictures on video or DVD, computer software and music), cigarettes and consumer electronics accounted for a much larger share of customs seizures. Table 2.1 describes

the latest US government seizures. Recent data from the European Union (European Commission, 2008) show similar patterns. While footwear is not accounted for in a separate category, 64% of the counterfeit product cases registered by Customs in EU member countries related to clothing and accessories, included in this category, 25% of the cases concerned ready-to-wear clothing, and 26% accessories such as handbags and sunglasses. Watches and jewellery accounted for 12% of cases while CDs and DVDs accounted for 6%. Other commodities also added up to 6%. As in the US, medicines accounted for 1% of these cases. Software is particularly vulnerable to copying. In testimony given to a U.S. House of Representatives' subcommittee, a senior manager of Microsoft in charge of fighting counterfeits stated that 25% of software used in the United States and 40% used worldwide is pirated. In parts of Asia the piracy rates reach 90%. Such widespread copying amounts to $13 billion in annual losses from counterfeiting for the software industry. Microsoft alone claims annual seizures of nearly $2 billion in counterfeit products (Anti-counterfeiting amendments, 2004). The FBI, in a joint effort with Chinese authorities, recently arrested 25 people and seized more than $500million worth of counterfeit Microsoft and Symantec software being produced in China and distributed throughout the world (Barboza & Lohr, 2007). The sales of counterfeit drugs amounts to nearly $40 billion and will be rising to $75 billion by 2010 (WHO, 2008). Counterfeit drugs take a heavy toll. A healthy 22-year-old Argentinean woman was given iron injections to cure her mild anaemia. In December 2004 she died of liver failure after receiving these injections. It was determined that she had been given a toxic counterfeit but the authorities were unable to determine the source of the product because of falsified paperwork. Are call was begun but the fragmented distribution system made it impossible to recall the entire harmful product. In May 2005 another woman died (WHO, 2006).

Table 2.1: FY 2006 Top IPR Commodities Seized

Commodity	Domestic value	Percent of total
Footwear	$ 63,445,619	41
Wearing apparel	$ 24,320,976	16
Handbags/wallets/backpacks	$ 14,750,201	9
Computers/hardware	$ 14,287,989	9
Consumer electronics	$ 7,057,034	5
Media	$ 6,965,156	4
Headwear	$ 3,257,963	2
Health Care	$ 3,092,919	2
Watches/parts	$2,832,364	2
Pharmaceuticals	$2,298,694	1
All other commodities	$13,060,321	1
Total FY 06 domestic value	$155,369,236	
Number of seizures	14,675	

Source: US Customs and Border Protection, L.A. Strategic Trade Center

2.5 Reasons for the Growth of Counterfeit Goods

A number of reasons have been given for the growth in the counterfeit goods market. These driving forces are shown in Fig. 2.4. (Diagram and this section adapted from our primary research and Harvey, 1987; Hopkins et al., 2003; Jacobs et al., 2001; Morris & Stevens, 2007; Naim, 2005; Nill & Shultz, 1996; OECD, 2007c; Parloff, 2006; Punch, 2005; Stern, 1985; Thomas, 2007; "Why fakes booming," 2008). There are seven major driving forces behind the worldwide growth of counterfeit goods. These can be identified as: low cost high technology which results in low investment and high profits; globalization and lower trade barriers; consumer complicity; expansion of channels and markets; powerful worldwide brands; weak international and national enforcement and finally high tariffs and taxes. Each of these is explored in the following sections

2.5.1 Low cost high technology = Low investment, high profits

Pirates avoid all the usual costs related to creating and marketing a product, including research and development, advertising, quality control, acceptable minimum wages and warranty service. Without all the start-up costs and benefiting from sharply reduced overhead costs, counterfeiting is vastly profitable. Many products can be manufactured with easily purchased high technology equipment that is widely available at reasonable prices. And technological developments in modelling, printing and scanning make it easy to make convincing copies through reverse engineering.

According to a recent Fortune article, manufacturers themselves have shared technology and know-how including designs, melds, specifications and trade secrets with various subsidiaries, licensees, contractors and subcontractors in markets all across the world and therefore "it's extremely hard to police global supply chains, and IP is leaking out through 1,000 cracks" (Parloff, 2006).

One example of the rapid reduction in cost for technology is computer equipment, which formerly was priced out of the grasp of most pirates, and is now available at a fraction of the cost. Doms (2003) shows the cost of computer equipment declining between 14% and 17% annually from 1991 to 2000. This makes copying of DVDs and CDs quite simple and inexpensive. This computer equipment, combined with high quality digital printers, also makes it easy to imitate genuine trademarks and packaging. In the fashion industry pirates can buy one copy of a genuine product, take it apart and using scanning equipment, develop patterns which allow them to make almost perfect fakes. Counterfeiters have also improved their ability to reproduce holograms and other sophisticated genuine identifying marks. Searching the Internet will give a pirate many sources for manufacturing equipment. Purchasing software to help in manufacturing is also easy with some of it even available on the counterfeit market. Since manufacturing is driven by software, getting the right CD allows pirates to make a clone that looks right but uses lower grade materials. The decline in the cost of communications is also a boon to pirates. For instance, (Doms, 2003) estimates the cost of cell phones fell an average of 17% from 1983 to 1997.The Internet also allows pirates to keep in contact with their distribution outlets at very low cost and with high security.

Of course, the lowest investment of all is faced by subcontractors who engage in "split runs," a term used by Chris Israel, US Coordinator for International Intellectual Property Enforcement. This means making legitimate products under contract to brand holders by day and then either high quality overruns or poor quality imitations by night after the official shutdown of the factory. These so-called "third shift" products, even if they are indistinguishable from genuine products, are still counterfeit by our definition and have been found to be so in some courts.

2.5.2 Globalization and lower trade barriers

The rapid growth of world trade through the opening of markets, coupled with the reduction of barriers to financial and merchandise flows has certainly opened opportunities for product pirates. The sheer volume of imports in many countries makes it almost impossible for Customs Services to interdict phony products. According to United Nations Conference on Trade and Development (UNCTAD, 2006) 10,000 containers per day arrive at the major port in Thailand and over63,000 per day in Singapore. The advent of NAFTA and the closer cooperation within the European Union means fewer checks on products flowing across borders. Just since 1999, according to the World Trade Organization (2007), annual world trade in goods and services has doubled from less than $6 trillion in 1999 to nearly $12 trillion in 2006.

During the same time, the average tariff applied to imports by developing countries declined from 16.5% in 1996 to 10.9% in 2005 and in the most developed countries the average tariff declined from 5.3% to 3.4% over the same period (World Bank, 2005). The OECD reports that free trade zones and free ports are attractive to counterfeiters. The zones are used in three different ways. First, products are shipped into the free-trade areas and then re-exported. This allows the pirates to engage in "origin laundering" whereby the true origin of these products is obscured or erased by moving them to a number of ports and sometimes altering the documentation accompanying the shipments. Second, unfinished products may be shipped to these free-trade areas for further processing including adding counterfeit trademarks or labels or repackaging. Finally, free-trade areas are used for manufacturing pirate goods.

A recent seizure revealed that large amounts of counterfeit drugs were supplied through a complex arrangement using a free-trade zone known as Jebel Ali in Dubai, United Arab Emirates (UAE). The drugs were originally manufactured in China sent through Hong Kong to the free-trade zone in Dubai to Britain then the Bahamas and finally back to Britain where the products were mailed to customers with UK postage. They were sold on an Internet site which made American customers believe they were buying medicines from a Canadian website. Jebel Ali is the biggest and oldest free-trade zone in Dubai, housing some 6,000 companies. The sheer sizeof this free-trade area makes it extremely difficult to track down counterfeit product. In addition, there

is a "murky line of authority" for rooting out counterfeits there. A third of all counterfeit drugs confiscated in Europe in 2006 came through the UAE (Bogdanich, 2007).

The free flow of financial resources has also been helpful to counterfeiters since it is relatively easy for them to launder profits from pirate operations and to move investment and therefore production from one country to another. Exchange controls have been reduced or eliminated in most countries. The growing wire transfer industry including Western Union and even the expanding use of ATM cards make it easier for counterfeiters to move their funds to the most advantageous markets.

2.5.3 Consumer complicity

There is a great deal of evidence to suggest that consumers are all too willing to purchase counterfeit products even when they know the products are fake. Tom, Garibaldi, Zeng, and Pilcher (1998) found that consumers purchase counterfeit goods for a variety of reasons, including a perception of the counterfeit to be as good as the authentic version; support of the counterfeit market as a means of expressing anti-big-business sentiment; and lax attitudes about the legal protection of intellectual property. Studies of consumers in the UK completed by the Anti-Counterfeiting Group found that about a third of the public would knowingly purchase counterfeit goods if the price and quality were right (Anti-counterfeiting group [ACG], 2003).

Clothing and footwear were the fake products most frequently knowingly purchased by these consumers. Research completed by the authors revealed that, in markets where a firm was experiencing the most difficult counterfeit problems, over two-thirds of managers interviewed believed that consumers were willing to purchase a counterfeit good. We asked managers to rate the importance of specific product attributes that might be used by a consumer to determine whether a good was counterfeit or legitimate (Table 2.2).

According to the managers we surveyed, consumers are fairly sophisticated. They can tell by price and by where they purchase the product whether it is legitimate or counterfeit. In any event consumers are quite willing to purchase counterfeits.

Table 2.2: Product Attributes Used To Determine Authenticity

Product attributes	(% choosing)
Price	88
Point of purchase	88
Slight difference in brand name	75
Packaging	56
Quality	50
Warranty	38
Anti-counterfeiting label	31

2.5.4 Expansion of channels and markets

With the growth of world trade, manufacturers have penetrated many markets which they were unable to serve only a few years ago. The emergence of an affluent class in countries like China and India offers huge new markets for products with well-known global brands.

Counterfeiters have three major distribution outlets to customers: established retail shops, informal channels such as "flea markets," sidewalk vendors and clandestine shops and of course the Internet. While it is difficult for pirates to gain any real market share in well-established retail outlets, research suggests that the sale of counterfeit product through this channel is increasing. Some counterfeit product may be found on supermarket shelves. In these cases, it is most likely that the retailer is not aware that the products are illegitimate. A more common distribution method for fake products is through informal channels. A walk along Canal Street in New York City, Santee Alley in Los Angeles or Nanjing Lu in Shanghai will reveal a number of street vendors selling every kind of pirated product. Flea markets around the world feature branded products at impossible prices. On a recent trip to Shanghai one of the authors was able to spot fake Callaway golf clubs right next to counterfeit Docker shorts, being sold openly all in the same market. (Toth, 2007) describes a harrowing experience searching for counterfeit handbags in New York's Chinatown, being admitted to back room and basement "retail outlets."

In the case of auto or aircraft parts, health and beauty aids, pharmaceuticals and even wearing apparel, the sheer complexity of distribution makes it easy for counterfeiters to intervene at some step to substitute copies for the real thing. The Internet has provided an outstanding opportunity for pirated product. This channel allows a producer of counterfeit products to reach a nearly unlimited worldwide audience with his offers. According to *The Economist* (2003) $25 billion in counterfeit goods is traded online annually. Virtually every type of product is now sold across the Internet and consumers have gained more confidence when using this channel. One brazen site claiming to sell "replicas" is called canyouseethedifference.com. It features knock-off Rolex watches, Gucci handbags and Tiffany earrings. Photos of the real products are positioned next to the fakes with the question posed by the site itself: "can you see the difference?"

The OECD (2007) gives five major reasons for pirates' attraction to the Internet:

- Anonymity – it is easy for counterfeiters to conceal their true identities and lower the risk of detection.
- Flexibility – pirates can easily establish an online site then take it down or move it within 24–48 hours to markets where IPR enforcement is weak.
- Market size – the sheer number of e-commerce sites and listings makes it very difficult for IPR owners and enforcement agencies to find and take action against pirates.
- Market reach – the Internet allows sellers to reach a huge global audience at low cost 24 hours a day.
- Deception – widely available software and images on the Internet make it easy for pirates to create "clone" websites that look almost exactly like the brand holders' official sites.

Auction sites like eBay are popular venues for counterfeit product. eBay claims to host 50 million listings at any given time. They say infringing product available on their site accounts for only 0.01% of total listings, although they do acknowledge that there has been a growth in the number of counterfeit products. Other sources claim the percentage of fake items offered on eBay ranges from 50% to 75% (S. Croxon, personal interview, October 19, 2007). One way to measure this is to look at the number of designer items for sale on sites like eBay. The truth is major designers rarely sell their products across the Internet nor do they license others to sell online. The

inability of buyers to look carefully at these items makes it easy to sell fakes. Tiffany & Co. filed suit against eBay claiming that only 5% of Tiffany items for sale on the auction site were genuine (Punch, 2007). Tiffany also claims that eBay has a financial interest in looking the other way when it comes to counterfeit products sold on their site.

Counterfeit drugs are an especially troubling aspect of Internet sales. Some Internet pharmacies are legitimate but there are many which provide prescription drugs just for the asking. In many cases these drugs are counterfeit. They may not produce the curative effects of the real thing or in the worst case they may do untold harm.

2.5.5 Powerful worldwide brands

Manufacturers have spent literally billions of dollars promoting their brands around the world. As a result, more people know these names than ever before. According to Interbrand, the world's most valuable brand is Coca-Cola worth over $65 billion, not far behind were Microsoft, IBM and GE each of which is worth over $50 billion. In the $30 billion range are Toyota, Intel, McDonald's and Disney. Marlboro, ranked 14th, Gillette (16) and Louis Vuitton (17) are each worth over $20 billion. Each of these brands has been subject to extensive counterfeiting as have Gucci (46), Chanel (58), Gap (61), Rolex (71) and Hermes (73) ("Best global brands," 2007). Globalization has made it possible to develop truly global brands. Consumers in Shanghai, London, Mumbai and Moscow are now completely familiar with these brands. As described above these consumers want these brands but many cannot afford to purchase the legitimate items. This has given rise to suppliers who fill the need for products with famous brands at much lower prices.

2.5.6 Weak international and national enforcement

The risk of starting a counterfeit products business is rather low in many countries for one very good reason: weak enforcement of intellectual property regulations. US laws such as the Tariff Act of 1930, the Lanham Act, the Trademark Counterfeiting Act of 1984, and the Stop Counterfeiting in Manufactured Goods Act of 2006 are all designed to provide some form of legal recourse for the owners of intellectual property through civil and criminal law penalties in the United States.

In addition, the NAFTA treaty, The Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) in the World Trade Organization (WTO), and the Scrivener regulations of the European Union are international measures implemented to encourage protection of intellectual property rights. For a detailed discussion of these multilateral trade agreements, see Chaudhry and Walsh (1995, 1996). Although there are a number of national laws and international agreements designed to protect intellectual property rights, according to Chaudhry and Walsh (1996), "legal remedies available to the victims of counterfeited or pirated goods historically have been inadequate." For example, in Friedland (1998), the Deputy Attorney General leading Mexico's anti-counterfeiting program states, "Although in Mexico, laws protecting patent holders have been strengthened, piracy continues to cost foreign companies hundreds of millions of dollars annually." The profits of Mexican pirates are much larger than any fines they may face, as is the case in many other countries. Moreover, an overwhelming majority of those arrested for patent infringements are never indicted. Naim (2005) attributes the lack of enforcement to government fiscal restraint imposed by the demands of the global capital markets.

Since investors are "turned off" by large government deficits, these governments have had to cut funding to law enforcement. In addition, these governments cannot compensate their civil servants adequately leaving them no alternative but to accept bribes from counterfeiters and to limit their enforcement activities. The extreme example of this is the so-called "failed state," where criminal elements can capture the government.

The descriptions in an earlier part of this chapter of the problems faced by Heelys, Disney and Starbucks in China and the paltry fines levied on the pirates reinforce the idea that the rewards of counterfeiting far outweigh the potential penalties.

2.5.7 High tariffs and taxes

We have seen how lowering trade barriers has increased trade, creating opportunities for counterfeit product to be made in one country and exported to others. At the same time, while it may seem counterintuitive, high tariffs and taxes can create opportunities for counterfeiters as well. These extra costs price consumers out of certain markets especially in less developed countries. In the case of disease-curing drugs, consumers may be aware that products are available and they are obviously highly motivated to

get these products. Where governments have placed artificial price controls or import duties on these drugs counterfeiters may step in to supply the demand, offering far less effective or even dangerous products at affordable prices. According to Morris and Stevens (2007) combined total duties and taxes on retail medicines in 11 developing countries in 2003 ranged from 24% in Mexico to 55% in India. Many high-tariff countries have a serious problem with counterfeit medicines and the authors state "it is unlikely that this is entirely coincidental."

The same logic may be applied to branded luxury goods where extensive advertising and highly visible retail outlets create demand but high prices deter most consumers from purchasing the products. This umbrella is one counterfeiter will most happily step under where investment is minimal and rewards are significant.

2.5.8 Customers' decision-making behavior

The most important consumers of female products in the Turkish market are university students and working class. Consumers of ladies handbags, shoes and other products on all the markets are much more aware of the brand image manaufacturers create in this segments. Until now, ladies handbags products have become self-identification tool that enables the woman to make themselves quite different from others. Actually, ladies products can represent afar better percentage of the lifestyle, habits, even the professional life of the individuals, especially.

The first need for female products products in the daily life in the female products market in Turkey clearly shows that the need for these products have increased and expectations are high that during the next ten (10) years, revenues will go up to a generally acceptable rate. In the past few years, there has enormous growth in the Turkish retail market (Gezer, 2015).

Penetration is low and female consumers have switched to products with high quality like Kemal Tanca and Tergan. This has caused the growth in the female market which reached 36.3 billion Turkish Lira with a 3 year Compound Annual Growth Rate (CAGR) of 15.1%. The market share of Technical Superstore (TSS) got to %127 in 2003 from %16 in 2008. In spite of a strong international chain entering the Turkish market, many original brands sold in shopping malls still kept their market leader position (Gezer, 2015).

The Turkish female products market supply their costumers with well-known and unknown brands. As a result, when consumers are buying these products, the brand name and image create awareness to the costumers and brand name and image play an important role in consumers decision making. The awareness created allows the consumers to know whether the handbag products are original or counterfeited. For this reason, the consumers will decide to purchase the original brand to conciously or unconciously have social ties with a specific brand community or cultural group (Muniz & O'Guinn, 2001).

2.5.9 The consumers' belief, feeling and behaviour toward brands

Belief, feeling and behaviour are the consumers attitude which indicates the consumers buying activity that can be divided into threee distinct sections (Rayport & Jaworski 2003). This include:

- Pre-purchase
- Purchase
- Post-purchase

In addition to the consumer purchase process (Rayport & Jaworski 2003) argued that the various three parts of the purchase process are important. This is true because the purchase process is composed of many interconnected parts.

First, when the consumer decides to purchase or buy a product, the product purchase process commences. From this start point, the consumer starts to gather adequate information on the factors that really determined the choice of the product to be purchased and the exact place from where the product will be purchased.

When chosing to purchase a product, the consumer does not escape asking the question about loyalty of the product, authenticity of the product, utility of the product, importance of the product, and the quality services rendered to the consumer on the day the consumer makes the purchase.

When these questions have been answered the consumer will do the purchase in such a way that the supplier will hope that consumer will surely come again for shopping. That is why Schultz (2005) suggested that a well satisfied customer will demonstrate absolute loyalty to a brand in such a way that will repeat the process and provide

significant and positive comments to a particular social group using the technique called word-of-mouth.

Purchase decision making is an important factor in the consumer buying behaviour. According to Delong et al (2004), purchase decision making can be motivated by enough knowledge about brand and the consumer will likely rely on the brand they are aware of. For this reason the main objective of the suppliers is to build a concret brand image that will be attracting to consumers to purchase a particular brand.

In their book, Customer identity and implications for the brand (Milhacea & Catoiu 2008) the brand image is constructed through the media, advertising, celibrities, word-of-mouth, and reference groups. This will create a specific meaning and awareness of the brand and customers will be motivated and see themselves as an essential part of a certain social group and same cultural environment.

Most marketers started to systematically inquire the whole concept of brand quality and counterfeit brand which could described as; the value and the authenticity of brand in the marketplace (keller 2003). This indicates that the brand is completely different from other brands and the consumer can easily recognize the brand. Any alteration on the brand will make the brand counterfeit and the consumer will quickly know that the brand has been immited or counterfeited. As a result, the consumer will be willing and able to pay more money for the branded product (Pulling 2008) and will decide to go home with an empty shopping cart in case the product has been counterfeited.

The customer's buying attitude towards a brand can be portrayed by different purchasing approaches. Every customer on the market has a clear understanding about the concept of purchase. The customer's purchase approch is shaped and developed when the customer was in the early stage of childhood. The purchase for a particular brand and the brand's authenticity is that the customer establishes various purposes.

Also, the purpose decision making process is greatly affected by the consumption values of the customers. The customers choice of one brand over the other, which product is counterfeit and not counterfeit, which type of product is more appropriate, and why the customer choices to buy the products used on a daily basis are all explained by the consumption value.

2.6 Factors Affecting Customers' Decision-Making Behabior

In their research, Sheth et al (1991) found out that the concept of purchase decision making can be explained by just five basic factors. These five basic factors include;

- Functionl
- Epistemic
- Conditional
- Emotional
- Social

Brand awareness and purchase decision making are solely dependent on the consumer's approach to the product and what consumption values the consumer has. As aresult, in this research, Impact of Counterfeit Brands on Consumers Acceptance on the Orıgınal Brands will be adapted and analysed through theorical perspectives.

In addition, argued that five factors directly impact customer purchase decision. These factors set products apart from other products, therefore encouraging the customer to decide to purchase that products. There are two categories of such product. This include; factors and non-product factors.

Product factors are those factors associated with the product itself, while non-product factors are those factors that are not directly related to the product itself. It is very important to note that the product factors and the non-product factors impact a consumer's purchase decision. Pricing, packaging, product placement, reputation, and brand name are the five factors that influence consumer purchase decision.

2.6.1 Brand's name

Brand name is an essential aspect of a product because the way the name sounds and the image it portrays greatly influences the consumers' purchase decision. When buying a ladies handbag of shoes from a kemal Tanca store, the brand name and strong image on the the handbag and shoes will influence the consumers' decision of buying the Kemal Tanca ladies handbag or shoes.

2.6.2 Packaging

Packaging is a product factor and it is also argued that packaging is a non-product factor. Packaging plays an important role in attracting the complete attention of

consumers. That is why producers spend a valuable time their to give their products good packaging. This will absolutely attract the attention of consumers and positively influence their decision making process.

Product packaging is an important factor and it should encourage the purchase decision of the consumer by transfering a special and relevant value position. Also, product packaging should be fitting with the position of the brand and consumers should recognize the brand to be authentic. In addition, packaging needs to be very noticeable and capable of attracting the consumers.

2.6.3 Reputation

Advertisement on social media plays an important role in creating awareness about a particular product and its original brand but, word of mouth marketing plays a better role to promoting and maintaining a positive product reputation. Telling people about a brand and its authenticity will be the cause of an important change and this will be impressive to the customers who hear about a brand and its originality and reputation. Customers will decide to purchase the product because they were told the product is original and highly reputable.

2.6.4 Pricing

When the price a product is high demand or purchase for that product will be relative low. In some companies, like Kemal Tanca and Tergen and other companies that supply to to shopping malls price is a non-product factor and plays the important role and in other companies, the role of price is very small. A working class buying a Kemal Tanca handbag maybe very price sensitive.

If two handbags with the same quality are sold for 100TL. and 200TL. respectively, the working class may decide to buy the handbag for 200 TL. because the customer perceived that it is the original brand. The handbag brand can be counterfeited and sold for a far lesser price, say 100TL.The working class has to be brand sensitive and aware that a high quality handbag cannot be sold for 100TL.therefore the brand has been counterfeited. In this case, a more expensive lady handbag will be prefered.

2.6.5 Product placement

Product placement generally has nothing to do with the product itself. Where the products are placed in the shop is more significant. As a result, products in the shop should be well located in the front of the shelves as this will easily attract the attention of the cosumers. Therefore, the consumer's attention will be caught and a purchase decision will be made. Ladies shoes and handbags products in the stores should be located in the front of the shelves or displaced on tables in the store's room where the consumers can easily see and touch to know whether the product is not counterfeited before deciding to buy it.

The only option is not going to the shopping malls in Güngoren, Avcılar, Bakırköy, and Bağcılar in Istanbul to physically buy a handbag or shoes, a consumer can sit at home and do purchase online. The online suppliers of the producers will have to list their products on the first page or in the side bar of the webpage.

More goods will be sold and more money will be earned in these position than listing the products on the last webpages. The product placement of the companies Harvey, M. G**.** (1987). allows buyers to easily do shopping online and benefit from the company's top and genuine brand, low prices, big discounts, fast delivery.

2.7   Counterfeit Goods

Many reports on marketing have stated that the rate of counterfeiting is on the rise and will continue to rise on the markets. One of such reports is the Taxation and Customs Union from the European Commission (EU). This report stated that the number of counterfeit articles detained in Europe in particular has increased to 178 million in 2008 from 25 million in 1999 (Europen Commission, 1998).

Also, on their international trade data, OECD (Organisation for Economic Co-operation and Development) mentioned that in the international trade, approximately $200 billion of world trade products in 2005 could have been conterfeited. OECD is an international organisation whose members are countries with advanced economies and whose aim is to encourage economic growth all over the world. Despite of these reports marketing, counterfeit marketing is illegal and could be quite difficult to determine the exact size of the counterfeit product market (Chaudry & Zimmerman, 2008).

The idea that there are no laid down and generally acceptable agreement about the factors that should be taken into consideration when calculating the value of money of counterfeit marketing has been blamed (Green & Smith, 2002). Although the generally acceptable agreement has been widely blamed, Green & Smith (2002) clearly mentioned that product counterfeit is greatly significant and rapidly growing.

The extremely large of counterfeiting is growing even bigger as well as its scope is widening and the type of products being counterfeited are expanding. Although this research examines the Impact of Counterfeit Brands on Consumers Acceptance on the Original Brands, consumers behaviour is different towards counterfeited brands on handbags and shoes products on the market in Turkey. Other luxury and common products like clothes, toys, beverages, food, tobacco are counterfeited. These products and many more still count for the largest part part of counterfeit trade. To put it more clearly, Gentry et al (2006) suggested that if one can attach some value to a consumer brand, one is likely to find counterfeit imitations of it, somewhere.

Counterfeited brands are not authentic brands. They are unauthentic and are the reproduction of the original brands by someone else without verbal or written permission from the maker of the original brand. Purchasing products of the original brand is the duty of the consumers who are aware of the taste and fashion of the authentic brand. Any change on the brand tocopy it fraudulently would easily be identified by the consumers. This will influence the consumers who will decide not to purchase such products because they have been reproduced or counterfeited.

2.8   The Affect of Counterfiet Products on Market

The common culture of the counterfeit goods impacts a lot on the liking and disliking of the customers. Due to the knowledge of the counterfeit products the buyer of the original branded goods started looking for the alternative brands which are not able to comp easily. Some brands are very difficult for the seller of fake goods to copy and to sell in the open marke. Therefore it is the first preference of the buyer of the goods that to buy such goods which cannot be copied very easily. Because the brand which do not care about much being copied of their products, such brand's goods are easily cipied (Cuno, 2008).

The dilemma of the selling of unoriginal goods is mostly in developing countries where use of branded goods is considered a sense of pride and honour. Most of the time the brand owners do not bother themselves because of selling of fake goods of their products in the markert. Because they have earned a lot and they do not want to creat hurdles in the way of their smooth business.

In the developed states the culture of the counterfeit goods is very low. Because the customer are well awared of the original goods and original brands. The phenomenon of the counterfeit brands affects a lot the owner and customers in the developing states where the people are not well educated and they have very little knowledge of the branded goods (Bian, 2009).

The promotion of the latest technology is one of the reason of the promotion of the fake branded goods in the local and international markets. On the other side the the accessability of the latest technology is also one of the fundamental element of the copying of the original brands. İn the modern day it is very easy for the people to copy and to sell the branded goods in the market. Because most of the time like in the poor states of developing states the governments of such states do not bother about the fake goods of original brands. The easiness of making the same kind of goods of a specific brand as the original brand owner produce is the fundamental reason of the large scale business of the counterfeit products (Penz, 2008).

In the routine hour of business the seller of the fake copy of the branded products most of the time deceive the customer by selling the fake goods in the name of original branded goods. İn this way the innocence customers get loss much due to the lake of knowledge of the original products of the brand. Therefore, it is the responsibility of the owner of the original brand to promote the features of the original brand name.

It is the basic duty of the proprieter of the specific brand that he should promote the hidden and certain quality of his products. Otherwise the loyal customer of a product start looking towards the other brands. And the loss is beared by the customer as well as the seller and original owner of the brand (Bloch, 1993).

The globalization of the national branded products has weakened the quality and performance of the branded products. How does this happened? This is the result of the larger the range of the company or its products and smaller the control of the management on company's operation. When the company is working at the smaller

level the control of the management on the operations of the company is stronger whereas when a brand or a company started working at the international level the control of the management on the operations of the company become lesser and lesser (Phau, 2010).

2.9   Copying of the Original Brands in Developed States

In the developed states some people copy the name of the original brand and then sell them in the developing states. The culture of the selling of the fake goods in the name of the original brand is started in the developing states but it has reversed in the developed states when the native of the original brand name are aware about the importance of some brand of their country in the foreign states. Copying of the Original Brands in Developed States (COBDS) is a great treat in developed countries. In this case instead of the copying of the goods of the original brand at the international level the native trader of the brand owner start copying and selling the counterfeit goods in the local as well as in the international markets. Here started the business of the counterfeit goods (Chaudhry, 2011).

Some outlets of the original brand seller have started selling the counterfeit goods in some states in the name of original branded goods. This activity has increased the level of profit on the double figures. The seller of the products of the original brands turn towards the selling of the fake goods along with the original goods. This thing affects the confidence of the customers a lot.

When the customers buy the goods from the outlet of a brand in the name of the original branded goods but they are in fact counterfeit goods. The trust of the customer shaken a lot due to this ill activity of the original seller of the branded products. This activity is sometimes done by the staff of the outlet and most of the time the intention of the management is included (Fernandes, 2013).

In the developing and in some poor states the people of such states like to use the products of different brands. In this way the trader due to the non-availability of the original branded products start the production of the copy of the original branded products. In this way the local traders on the one side satisfy the needs of the customers of the local by providing them the goods and on the other hand the seller earn a huge profit by offering such copy of the original brands. The people of such states do not

bother themselves with the sense of the original or fake goods. They just want to satisfy their inner self and to use the counterfeit products of the original branded ones (Harvey, 1987).

2.10 Extra Promotion of Brand Products and Their Merits and Demerits

The Extra Promotion of the Branded Products (EPBP) and their merits and demerits of the generic goods affects the common customer a lot. But the sensible customer of any small or big brand do not affect because of the counterfeit business in the market. The modern customer is well aware of the signs and symbols of the original and counterfeit goods.

Therefore the most of the customer only visit such markets, stores, departmental stores as well as outlets where they are assured that there is less possibilities of the buying and selling of the counterfeit goods. The different brands also launch different marketing and promotional activities on the social, print and electronic media to make people aware of the originality of the branded products (Kim, 2010).

In the modern days the multinational brands of the different products are well aware of the counterfeit products and the manufacturer of the fake products. That's why the international brands owners have started a huge global promotional strategy to counter the local seller of the counterfeit products of the original ones.

In this concerns the original brands use the electronic media to give the information of the original products. Companies spends millions of rupees to advertise of the brand and the quality of the brand so that the customer do not purchase the fake products from the market. This strategy of the company succeeded a lot in the modern day marketing tactics. Because in the Modern Age it is very easy to give the worldwide information about something to the international customers (Chaudhry, 2011).

Quality of the counterfeit products is most of the time is less than the original branded products. If a customer purchase the counterfeit product of a brand and the goods get wear and tear in a very short period of time as with the counterfeit goods are happened. In this environment the customer's trust and the brand name both are affected a lot.

The fake goods shake the trust of the customer on the company and the customer affects by purchasing the counterfeit products in the name of original branded goods. This is the most dangerous point for the branded companies in the open market. It is

because the culture of the fake goods on one side destroy the confidence on the brand and on the other side the original brand owner get loss due to the loss of a precious customer. It is because the customer is a king for a sensible trader of a specific brand (Bloch, 1993).

The selling and purchasing of the counterfeit products affects a lot the decision making power of the brand loyal customer. In the modern day the brand loyal customer are at the doldrums due to the abundance selling of the counterfeit products. Due to the specific techniques the modern seller of the counterfeit products left a very little difference in the counterfeit and original products.

As a result the innocent customers of the modern day affects and loss of the precious capital. The modern technology plays its role in the promotion and spread of the wide culture of the counterfeit products at the national and the international markets. It is a matter of great concern for the customers as well as for the owners of the original brands to counter the problem of selling of counterfeit goods in the market openly (Bian, 2009).

The business of the counterfeit products is not a very old business but it is the product of the Modern Age. In the real sense the transactions of the counterfeit products started after the advent of the modern technology when the people feel no difficulty in the making of the fake products. But all this is not due to the one and only technology factors which are the indifference of the governments and the interest of the governments in the selling of the counterfeit products.

It is the matter of concern for the local government because the local governments earn billions of revenue in the shape of taxes from these branded companies and if the fake companies are use the name of these original companies the revenues of the governments surely decrease (Fernandes, 201).

2.11 Availability of the Counterfeit and Original Brand Products on the Market

Counterfeit products are available more than the original branded products are available in the market. It is due to the use of the substandard material and low quality of the counterfeit goods. According to a rough estimation the maximum exports to the European States are mainly consisted upon the counterfeit goods with regards to the

luxurious goods. This is the alarming thing for the original brand owners and for the purchaser of the counterfeit goods in the name of the original branded goods.

The seller or dealer of the counterfeit goods feels nothing ashamed due to copying the original branded products because they think that it's their right to sell products in the market and no one can halt them from doing this fake business. This is the common dilemma of the modern world. The global world or village has connected the people through different ways, but this connection has created a lot of problems for the business community as well as the common people of the world (Sharif, 2016).

The business of the counterfeit goods started between the year of 2001 and 2008. This time period was the climax of the fake or dummy goods. And later on after the start of the second decade of the 21st century the level of the counterfeit goods started at the international level. Initially the people in the developed countries started this fake business, but later on the process of this business was also started in the developing states.

When the lasted technologies moved from the developed to the developing states, the business of the counterfeit goods also move from the developed to the developing states. Now this business is more progressing in the developing and poor states as compared to the developed states. It is because the people in the developed states are more literate and brand recognizer as compared to the people in the developing states. This is the reason that the seller of the counterfeit goods in the developed states have minimize the level of fake goods (Eisend, 2006)

The business of the counterfeit goods of fashion industry mainly affects the trust of the customers. Because the buyer of the fashion products do not bear the fake products in the name of the original products. Especially the brand loyal women are always keen to buy the original branded products of the fashion. If they know that the goods of fashion they have purchase are not original but fake or dummy goods, their level of confidence on the specific brand shake and they started looking for the alternative brand which is difficult to copy.

It is therefore, necessary for the branded seller to take much interest in the safeguard of the product of the original brand so that no one can easily copy the original brand products (Phau, 2009).

2.12 Safety of the Branded Food Industry

The branded food industry is almost safe from the threat of the counterfeit products. It is because the restaurants are mainly known by everyone. And it is very difficult for the people to open a restaurant in the name of a branded hotel or restaurant. But on the contrarily, the buying and selling of the counterfeit products of food are on climax.

The main field of the counterfeit goods is the food items. Because it is very difficult for the companies to watchdog the distribution of the goods. Currently, the big brewages company's products' counterfeit copies are easily available in the markets. The multinational companies are selling their products in scores of the country and their quality is unique. In this way when a counterfeit products is prepared by the fake company. The status or image of the international company affects a lot (Staake, 2009).

In the late 20th century the business of the fake goods was almost impossible because the latest technology was not developed much in the end of the 20th century. The business of the fake goods started after the advent of the 21st century when the different sorts of machinery was invented and industrial units started working at the international level. As a result the demand of the goods increased and the local people started business of the counterfeit goods to fulfil the demands of the local customers. This was the phenomena until the end of the last century (Bian, 2011).

In the field of the electronic and garments business the culture of the counterfeit goods is on its climax. It is due to the liking of the customer the branded cloths and branded electronic equipment's, like computer, laptops etc. the brand loyal customer prefer to busy the branded goods of their own. They do not like the generic goods. Because the branded goods can be trusted in any case and the quality of the branded goods is much higher than the non-branded goods. Therefore the seller of the fake goods target the field of the garments. Because it is very easy to manufacture the copy of the branded clothes as compared to the other branded products. It is therefore, the branded garments to look in the market and identify the counterfeit products of their brand (Wilcox, 2009).

Branded goods have more quality and value as compared to the generic products. In this way the people who cannot own their own brand name in the market start the business of the copying the famous brand. Because they know the familiarity of a branded products and its likings and disliking's in the market. The branded products

owner own a big company where the products are manufactured after the due care and research.

In this way, the goods manufactured after the market survey and by after knowing the demands of the customers are much important and earn a huge revenue from the market. This is the reason the people like the branded goods and the other business groups like to copy the original brands in the market (Hidayat, 2013).

In the very recent Age the copying of the original mobile brand is on its peak. The developing states are coping the expensive mobile brands of the developed states. And in this way they earn a lot of revenue from the market. And the copy products of the mobile phone companies are selling openly in the market. The people who cannot afford the expensive branded mobile use the way of fake copy mobiles to satisfy their needs, and this is very common in the South Asian states (Stumpf, 2011).

2.13 Implementation of the Laws to Control Fake Products

The lake of the implementation of the laws relating to the control of the fake products stimulates the seller of the counterfeit goods to carry on the business. With respect to the implementation of the counterfeit goods states are showing the reluctant behavior. It is the irony of the fate that in some states the governments are also involved in the business of the counterfeit products. In this environment it is very difficult for the multinational companies to control the copying of their goods at the national and international level. The government of the national and international states should show the business ethics.

The multinational organizations are managing their business from the abroad. They cannot properly follow the business activities in all the states. It is because, the business of the multinational organization consists upon scores of industrial units in scores of states. And the management hire the local representative to control the business activities there.

The large distance between the management and the location of the business units is the one of the main reason of selling of counterfeit products of multinational organizations. To control this phenomena there is need of proper linkage between the governments and the multinational organizations, so that the local governments with

the help and instructions of the multinational organizations can control the business of the counterfeit products (Cordell, 1996).

Many states and international business tycoons very recently managed many cross national and organizational treaties to counter the activities of the fake brand sellers. But due to the interest of the local seller and the governments the implementation of the treaties remained unapplied for a long time. As a result the activities of the counterfeit products are on their peak. No one is ready to take the responsibility to control the fake businesses of the counterfeit products. But it is the duty of the governments, big industrial units to educate the customers regarding the fake and original products (Harvey, 1987).

Nearly all the buyer of the counterfeit products know at the time of buying that the products is fake. Instead of all this they purchase the products just to compete the buyer of the original branded products. Sometimes people do not care about the counterfeit products, they just want to purchase the copy of the international brand. People who do not purchase the branded and expensive products from the market go to the market and buy the copy of the original products. People just want to satisfy their needs of the copy branded products. They just want to show off the people that they use the branded products. And it is very difficult for the people to recognize the copy of the original brand (Stumpf, 2010).

In the current time copy of almost all original brands is available, like garments, electronics, wrist watches etc. The counterfeit business is mostly done of the products of the garments, food items and fashion luxurious goods. All these goods are used as the luxurious items and people most of the time purchase the branded luxurious items. In this way the people who belong to the lower class of the society cannot buy the expensive branded goods and move towards the counterfeit market to compete the elite class of society. This is the basic reason of the selling and buying of the counterfeit products commonly in the markets (Wilcox, 2011).

The intention to buy the branded products is highly hurt to see and to hear about the fake products of the same brand. When the brand loyal customer see a products which is very similar to the branded product. But in the real sense the product is fake. The confidence of the customer hurts a lot. Customer think they why he is paying a huge price for such branded product which is easily available in the market at a much less

price. Here the brand loyalty disturbs and customer start looking towards the other strong brands (Bian, 2011).

2.14 Implementation of the Laws to Control Fake Products

Among the many factors of buyers of the counterfeit products, the main elements are as, the social status of the consumer as well as the psychological sensitivity. The people from the lower class strata are keener to maintain the status of the high class people in the society. It is the sense of inferiority or superiority which compel the lower class people to buy the fake products from the markets so that they can also compete the upper class of a society. When the lower class people see the upper class people wearing and using the branded goods of different kind, they become keener to buy and to use the branded goods from the market instead of the knowledge of the counterfeit goods (Stumpf, 2011).

In the current time the abundance of the counterfeit goods affects the purchasing behavior of the consumer much. Because the customer are not ready to pay more and receive less. Moreover, some customer do not want that a person with the low income buy the counterfeit product of a branded product and compete him.

Therefore, the customer are keener to maintain the status of the upper class. Whenever the brand loyal consumer know about the fake products of a famous brand he becomes conscious about the buying of that brand products from the market. In this way the business of the counterfeit products affects a lot the buying behavior of the brand loyal customer (Eisend, 2006).

The dealing of the counterfeit products is also done through the internet. In the Modern Age the internet is widely used for the online shopping. In this way the seller of the fake goods make the people fool about the originality of the products. The seller of the products show different goods on the internet while send the different goods through courier. This thing also hit the confidence of the customer because through the internet selling the customer are easily make fool due to the unoriginal goods. It is therefore, need of the keen interest from the companies side to protect the original brands (Wilcox, 2009).

Almost a large part of the branded brand enthusiast abounded buying the branded goods because of the availability of the counterfeit products of the original brands.

They do not want a person with counterfeit products to compete with them and that they use the original products. After the arrival of the 21st century, the culture of the brand goods began almost in all areas of life.

In the area of food, clothing, and vehicles the original race between the branded products and generic goods was recorded. When the seller of the generic goods looks at the reputation and high sales of the branded goods, they started selling the fake products. On the other hand, the large brand companies also started an advertising campaign for the branded goods. This way the journey of the branded products began (Cordell, 2009).

All major manufacturers as well as business magnates and government machinery must cooperate with each other for the common good of branded products. The common culture of counterfeit goods has a great impact on the taste and discontent of customers. Because of the knowledge of counterfeit products, the buyer of the original branded products has begun to look for alternative brands that are not able to calculate easily.

Some brands are very difficult to copy for the seller of fake products and sell in the open market. Therefore, it is the first preference of the buyer of the goods to buy such goods that cannot be copied very easily. There must be strict laws that deal with the seller of fake goods from the original brands with iron hands. Otherwise, the culture of fake products is day by day (Tom, 1998).

The huge distance between the administration and the location of the business units is the one of the key reason of selling of forged products of multinational organizations.

To control these portents there is need of proper linkage between the governments and the multinational organizations, so that the local governments with the help and instructions of the multinational organizations can control the business of the counterfeit products (Eisend, 2006).

Many countries and international business businesspersons very recently managed many cross national and organizational agreements to counter the activities of the fake brand sellers. But due to the interest of the local seller and the governments the application of the treaties remained unapplied for a long time (Penz, 2005).

It is a common phenomenon that when customer hears about the counterfeit products of the original brand they become conscious about the purchase of the branded

products. Studies show that the counterfeit products are available for such branded products which have a very high market value or have a very popular quality in the market. And the common man gives much importance to that brand name at international and national level. The brands which do not have much familiarity in the market are not copied and sold in the market. Because such branded products are manufacture and sold in the market which have a very big name in the market (Augusto, 2007).

2.15 Purchasing Conterfiet Products in Turkey

As it was mentioned at the beginning of the chapter, the intense competitive business environment, prices, luxury life orientation, culture and many more reason have caused counterfeit goods to merge. However, most of the countries have ratified regulations and law in order to criminalize the act of copying brands without permission (Penz, 2005). But, unfortunately the issue doesn't stop there. Counterfeit products are produced in a high level in many developing countries, where regulation are weak or not set up to control the counterfeit production.

Turkey, which is good destination for visitors from all many countries such as European countries, middle eastern countries, Gulf countries, and part of activity for the visitors is shopping, has got popularity in counterfeit production. Visitors who travel to Turkey find it available, cheap and easy to buy goods with brands that are expensive in their home country. Therefore, they may buy fake goods in a cheaper and show off buy wearing them in their country (Elif Akagun Ergın, 2010). Furthermore, in Turkey, as a traditionally collectivist society, social-perceptions are highly crucial, so in order to impress others customers buy products whose image matches their self-image. Therefore, consumers' genuine buying behavior is affected by status consciousness and high self-image positively because these products convey the image of wealth, high social standing and affluence (Wee, Tan and Cheok, 1995). However, these values are considered important in Turkish society.

Another issue which made Turkey popular in counterfeit products is availability and accessibility of counterfeit products in Turkey's markets, so the customers can find them easily in most of local markets and high street shops scattered across most urban cities in the country. The most popular counterfeit items are clothes' brands (D and G, Calvin Klein, Lacoste, Armani), wristwatches (Rolex, Omega), fragrances (D and G,

Hugo Boss, Versace), bags and belts (Gucci, Nine West, Guess, Prada, D and G, Chloe), sunglasses (Gucci, Dior, Armani) (Elif Akagun Ergın, 2010). Istanbul city which is a trade and touristic hub in Turkey is more popular in counterfeit products than other cities. In local markets like Grand Bazar an others shops and salespeople with a suitcase full of shirts bearing labels and logos such as Lacoste, Tommy or Abercrombie and Fitch, or athletic shoes bearing Adidas and Nike logos can be spotted (Penz, 2005). Although the government ratified regulations and punishment in producing counterfeit goods, they are stilled soled or even exported to other countries illegally.

However, it is important to mention that a lot tourist who travel to Turkey buy counterfeit brands from these markets (Elif Akagun Ergın, 2010). Since the prices are high in their home country, they have fewer opportunities to buy original products in their country, so they don't hesitate to do this lucrative deal which bring money for Turkish sellers and producers and goods with brands to costumers.

2.16 Coneptual Framwork

The conceptual framework for the current research has been designed to assess impact of counterfeit brands in consumers' acceptance of the original brands, an in order to find relationship between the research variables which are impact of counterfeit products and the dependent variables which is customers' acceptance of the original products. in order to find the relationship between variables, hypothesizes are designed based on the theory that the counterfeit goods affect customers' perception of quality of original brands, value of the original brand, and personal status of the customer.

Therefore, the customers' purchasing behavior and acceptance of original brands is evaluated by asking their perception of the quality of goods, prices, packaging and how the counterfeit goods affect their perception of the original brands. The figure below shows how the how the customers perception and acceptance of the original brand is affected by prices, packaging, reputation, and regulations on counterfeit brands.
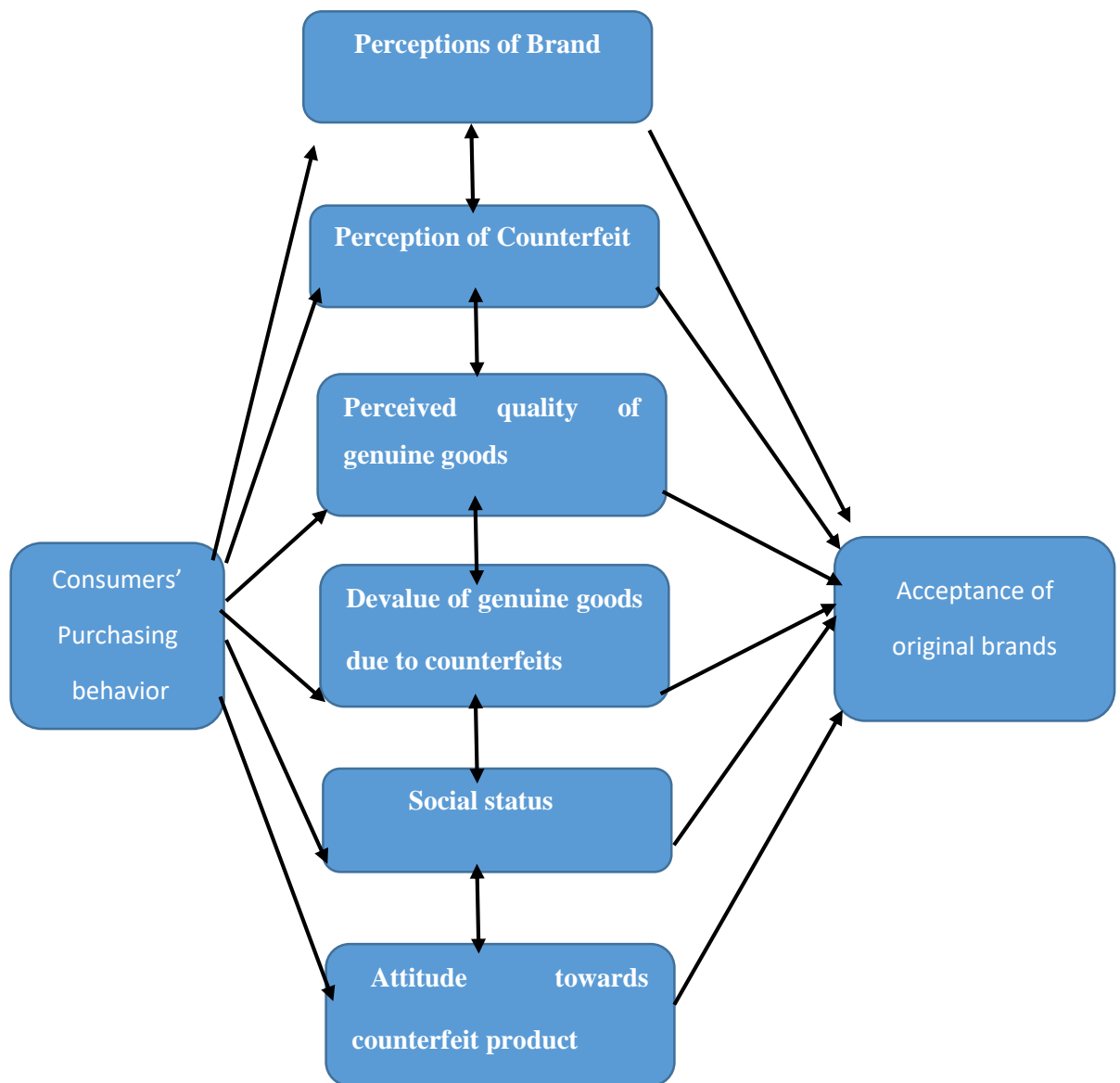
Figure 2.2: Conceptual Framework

3. RESEARCH METHODOLOGY

3.1   Introduction

Chapter three discusses in detail the method of data collection used in this quantitative research. This chapter covers all the aspects of the study including research design, research population, target population, sampling technique, sample size, construction of survey instrument, procedure of data collection and data analysis.

3.2   Research Design

Present study in based on quantitative research design. Data is collected via survey questionnaire, by applying the statistical tests data analysed and hypothesis were tested.

3.3   Research Population and Target Population

Research population is the people, upon whom the research is conducted. Population is referred to group people who share some common characteristics, which put them in distinctive group like government employees, staffs of an organizations, specific age class like youth or children. Since observing the whole population is somehoe unfeasible for the researchers, they determin a target population for their study so that it could be easier to observe. Target population is subset of of population, and it is smaller than the population. A Target population is a group individual or an organization with defining characteristics that researchers can study upon and chose them to study.

Population for the current research is the counterfiet product consumers' in Turkey. However, since Turkey has a population around 80 million people, observing the all population is not possible to be studied, so the counterfiet productions' consumer in Istanbul is targeted as research population. From almost 134 shopping malls in Istanbul 12 of them, where there is a branch from most popular brands exists, are targeted as places for picking up the respondents.

3.4 Sampling Strategy and Sample Size

The concept is that the more respondents will provide a better and more precise research. However, when the the amount or respondents also depends to time, budgets, magnitude of population. The process or strategies to select individuals for data collection from target population is called sampling. There are various sampling strategies under two main typrs probability sampling and nonprobability sampling. Mutli-stage cluster sampling is emplyeed for determining the number of respondents for the current research. However, due to short time period and the enormous reserch population 200 questionnaires were distributed for collecting the primary data. Validity and Reliabililty of the questionnaires is tested and explianed in analyze and findings chapter. By following the assumtions of convinient sampling, researcher collected data from 200 repondents.

3.5 Survey Instrumentation

To meet the objectives of the research a survey instrument was designed. There were six variables and demographic information included in the survey questionnaire. These variables include:

- Demographic variable has eight subquestions
- Perceptions of Brand has eight statements
- Perceived quality of genuine goods nine statements
- Demand of genuine goods has one statement
- Devalue of genuine goods due to counterfeits has three statements
- Social status has four statements
- Attitude towards counterfeit product has twelve statements

All the statements are close ended and following given 7 point likert scale was used for collection of responses on all statements of each variable.

1=Strongly Disagree	2= Disagree	3= Slightly Disagree	4= Neutral
2= Agree	3= Slightly agree	7= Totally Agree	

Figure 3.1: 7 Piont Likert Scale

3.6 Procedure of Data Collection

Researcher visited 12 shoping malls and access respondents on restaurants, brand shops, and shops of counterfeit products. İnitially, she requested every person to fill the survey; the person who agree, researcher guide his/her about filling. While filling, researcher also guide respondents where the face any problem. This way, researcher completed her target of 200 respondents.

3.7 Procedure of Data Analysis

After data collection data was enterend in SPSS (Statistical Package for Social Sciences) and the following tests were conducted:

- Demographic information (frequency analysis).
- Descriptive analysis (frequency analysis of all statements related to each variable).

3.8 Sources of Data

The researcher used both primary and secondary data to carry out this research study.

- Primary data

Primary data for this research was obtained from questionnaire administered on the impact of counterfeit brands on consumers acceptance on the original brands in Istanbul.

These respondents answered questions that were focused on the impact of counterfeit brands on the consumers acceptance of the original brand of products in Istanbul.

In order to meet the aim and objectives of this research, open-ended questions were asked to consumers during the actual questionnaire administration and their responses provided adequate and accurate information needed for this study to get complete. The wordings of the statements on the questionnaire were not bias and the questions were straightforward and were distributed under very good conditions.

- Secondary data

Secondary sources of data for this research include the use of published and unpublished books. Also, journals, articles, magazines, newspapers, and internet sources were exploited. Although much of the background work needed for this study has been carried out, it was beneficial for the research. Secondary data are basically depending on primary data (Funsho, 2012).

3.9   Research Objectives

- To compare the counterfeit impact on the value of owning original brands
- To determine the counterfeit impact on brand association of the original brands
- To determine the counterfeit impact on the perceived quality of the original brand
- To examine the counterfeit impact on the original brands as personal status symbols

3.10 Research Hypothesis

- H1: Counterfeit brands have an impact on the value of original brands
- H2: Counterfeit brands have an impact on brand association of the original brands
- H3: Counterfeit brands have an impact on the perceived quality of the original brand
- H4: Counterfeit brands have an impact on the original brands as personal status symbols

4. DATA ANALYSIS AND RESULT

4.1 Introduction

This chapter will present the data collected from the administered questionnaire. It will also dwell on the analyzing the data and the results reached.

4.2 Demographic Questions

Demographic results was got from the demographic information provided by the respondants during the questionnaire administration. The population under study was split into gender as seen in the table and the analysis below.

Table 4.1: Gender

	F	%
Male	89	44.5
Female	111	55.5
Total	200	100.0

According to the data collected 44.5% of the respondents were male. Whereas, 55.5% of the respondents were female which shows that majority of them was female.

Table 4.2: Age

Age	F	%
Less than 25 Years	69	34.5
25-35 Years	102	51.0
More than 35 Years	29	14.5
Total	200	100.0

According to the data collected, 34.55 of the respondents were less than 25 years, 51% of the respondents were between the age group of 25 and 35 and lastly 14.5% of the

respondents were more than the 35 years old. It shows that majority of the candidates was between the age group of 25 and 35.

Table 4.3: Education

	F	%
No Formal Education	4	2.0
BS	135	67.5
MS	61	30.5
Total	200	100.0

According to the data collected, 2% of the respondents have not formal education, 67.5% of the respondents have BS education and finally 30.5% of the respondents have MS education. Majority have BS education.

Table 4.4: Residential Background

	F	%
Urban	185	92.5
Rural	15	7.5
Total	200	100.0

According to the data collected and then interpreted, 92.5% of the respondents were belong to the urban area whereas, 7.5% of the respondents belong to the rural area. It shows that majority belonged to the urban area.

Table 4.5: Socioeconomic Status

	F	%
Upper Socioeconomic Status	59	29.5
MiddleSocioeconomic Status	119	59.5
Lower Socioeconomic Status	22	11.0
Total	200	100.0

According to the data collected and then interpreted, 29.5% of the respondents belong to the upper class, while 59.5% belong to the middle class and 11% belong to the lower class. It shows that 59% belong to the middle class.

Table 4.6: Income (Turkish Lira)

	F	%
.00	21	10.5
Less than and equal to 1500	11	5.5
1501-3000	60	30.0
Above 30000	98	49.0
10700.00	1	.5
12000.00	5	2.5
16000.00	4	2.0
Total	200	100.0

According to the data collected 5.5% of the respondents have less than 1500 Lira income, 30% have between 1500 and 3000, 49% have above 30,000, .5% have 10700, 2.5% have 120000 and finally 2% have 16000 Lira. It shows that majority of the respondents have above 30000 income.

4.3 Descriptive Results

The results that was got from the questionnaire can be described in the following tables and analysis below.

Table 4.7: Descriptive Results

Statements	SD (%)	D (%)	SL. D (%)	N (%)	SL. A (%)	A (%)	TA (%)
I would recommend counterfeit products to friends and family.	9 (4.5)	19 (9.5)	37 (18.5)	73 (36.5)	38 (19)	14 (7)	10 (5)
I will consider purchasing counterfeit products for a friend.	16 (8)	21 (10.5)	16 (8)	38 (19)	55 (27.5)	39 (19.5)	15 (7.5)
I would think about counterfeits as a choice when buying something.	18 (9)	10 (5)	50 (25)	57 (28.5)	33 (16.5)	19 (9.5)	13 (6.5)
Purchasing counterfeit brands are illegal.	11 (5.5)	10 (5)	43 (21.5)	47 (23.5)	36 (18)	45 (22.5)	8 (4)
I would buy counterfeit products, even if I could easily afford to buy non-counterfeit products.	22 (11)	19 (9.5)	41 (20.5)	58 (29)	44 (22)	11 (5.5)	5 (2.5)
I usually purchase counterfeits when it is difficult to distinguish between the counterfeits and the genuine products.	9 (4.5)	14 (7)	38 (19)	67 (33.5)	33 (16.5)	32 (16)	7 (3.5)
I believe Counterfeit products have low quality	29 (14.5)	51 (25.5)	34 (17)	17 (8.5)	22 (11)	21 (10.5)	26 (13)
I believe Counterfeit products are status symbols	27 (13.5)	41 (20.5)	49 (24.5)	25 (12.5)	34 (17)	17 (8.5)	7 (3.5)
I believe Counterfeit products are not worth the price you pay.	25 (12.5)	14 (7)	36 (18)	47 (23.5)	37 (18.5)	26 (13)	15 (7.5)
I believe Counterfeit products are durable	15 (7.5)	34 (17)	38 (19)	62 (31)	26 (13)	7 (3.5)	18 (9)
I believe Counterfeit products are exclusive	15 (7.5)	43 (21.5)	25 (12.5)	28 (14)	45 (22.5)	15 (7.5)	29 (14.5)
I believe Counterfeit products are common	11 (5.5)	12 (6)	24 (12)	65 (32.5)	40 (20)	34 (17)	14 (7)
I believe Counterfeit products are fun	2 (1)	13 (7.5)	43 (21.5)	68 (34)	34 (17)	34 (17)	6 (3)
I believe Counterfeit products give me prestige	23 (11.5)	37 (18.5)	27 (13.5)	50 (25)	29 (14.5)	27 (13.5)	7 (3.5)

Table 4.7 (cont): Descriptive Results

Statements	SD (%)	D (%)	SL. D (%)	N (%)	SL. A (%)	A (%)	TA (%)
I respect and admire people who wear original products (Brands)	6 (3)	23 (11.5)	65 (32.5)	30 (15)	30 (15)	27 (13.5)	19 (9.5)
Original products (Brands)has good reputation	10 (5)	42 (21)	31 (15.5)	53 (26.5)	40 (20)	13 (6.5)	11 (5.5)
Original products (Brands) are well regarded by my friends	5 (2.5)	19 (9.5)	44 (22)	49 (24.5)	48 (24)	20 (10)	15 (7.5)
I Believe original products (Brands)are expensive	8 (4)	19 (9.5)	40 (20)	46 (23)	29 (14.5)	24 (12)	34 (17)
I Believe original products (Brands)are associated with high level of service	4 (2)	17 (8.5)	47 (23.5)	43 (21.5)	32 (16)	34 (17)	23 (11.5)
I believe original products (Brands)are suitable for high class consumers	0 (0)	18 (9)	22 (11)	60 (30)	52 (26)	31 (15.5)	17 (8.5)
I like and trust companies which makes original products (Brands).	5 (2.5)	8 (4)	44 (22)	53 (26.5)	38 (19)	26 (13)	26 (13)
I would be proud to own original products (Brands)	5 (2.5)	19 (9.5)	36 (18)	35 (17.5)	42 (21)	38 (19)	25 (12.5)
Original products (Brands) are very durable	0 (0)	17 (8.5)	35 (17.5)	56 (28)	39 (19.5)	29 (14.5)	24 (12)
Original products (Brands)are very reliable	5 (2.5)	24 (12)	41 (20.5)	48 (24)	35 (17.5)	27 (13.5)	20 (10)
I trust the quality of original products (Brands)	0 (0)	26 (13)	32 (16)	36 (18)	33 (16.5)	47 (23.5)	26 (13)
Original products (Brands)have very good quality	0 (0)	19 (9.5)	22 (11)	41 (20.5)	54 (27)	26 (13)	38 (19)
Original products (Brands)offers excellent features	4 (2)	17 (8.5)	18 (9)	57 (28.5)	48 (24)	32 (16)	24 (12)
Original products (Brands)has consistent quality	0 (0)	10 (5)	29 (14.5)	53 (26.5)	46 (23)	40 (20)	22 (11)
If there were no fake/ Counterfeit products in the market place, I would purchase more original products (Brands)	13 (6.5)	39 (19.5)	47 (23.5)	62 (31)	11 (5.5)	15 (7.5)	13 (6.5)

Table 4.7 (cont): Descriptive Results

Statements	SD (%)	D (%)	SL. D (%)	N (%)	SL. A (%)	A (%)	TA (%)
I feel the value of owning original products (Brands)is decreased by the counterfeits available in the market place	9 (4.5)	11 (5.5)	24 (12)	27 (13.5)	76 (38)	37 (18.5)	16 (8)
I feel the satisfaction of owning original products (Brands) is decreased by the counterfeits that are available in the market place	10 (5)	27 (13.5)	73 (36.5)	36 (18)	34 (17)	17 (8.5)	3 (1.5)
I feel the status of owning original products (Brands)is decreased by the counterfeits available in the market place	1 (0.5)	9 (4.5)	17 (8.5)	77 (38.5)	61 (30.5)	20 (10)	15 (7.5)
Owning original products (Brands)gives me more personal satisfaction than owning fake products	7 (3.5)	18 (9)	35 (17.5)	59 (29.5)	34 (17)	29 (14.5)	18 (9)
Owning original products (Brands)helps me be more accepted by other people than owning fake products	3 (1.5)	4 (2)	40 (20)	70 (35)	53 (26.5)	23 (11.5)	7 (3.5)
Owning original products (Brands)help me be more admired by other people than owning fake products	0 (0)	16 (8)	35 (17.5)	59 (29.5)	42 (21)	38 (19)	10 (5)
Owning original products (Brands)help me be more recognized by other people than owning fake products	1 (0.5)	18 (9)	22 (11)	49 (24.5)	53 (26.5)	46 (23)	11 (5.5)
Counterfeits are as reliable in quality & function as the genuine products.	11 (5.5)	33 (16.5)	80 (40)	28 (14)	34 (17)	14 (7)	0 (0)
Considering the price, I prefer counterfeit products.	13 (6.5)	19 (8.5)	46 (13)	52 (26)	35 (17.5)	22 (11)	13 (6.5)
Buying counterfeit products are a wise choice.	6 (3)	26 (13)	26 (13)	73 (36.5)	49 (24.5)	17 (8.5)	3 (1.5)
I buy counterfeit without hesitation if I have a chance to buy it.	9 (4.5)	31 (15.5)	37 (18.5)	56 (28)	48 (24)	14 (7)	5 (2.5)
I would say favorable things about counterfeit products.	34 (17)	18 (9)	18 (9)	24 (12)	68 (34)	16 (8)	22 (11)

According to the data collected and then interpreted, almost 55.5%of the respondents said that they agree that they will recommend the counterfeit products to friends and family and other 9.5% of the respondents said that they are disagree with the statement

that they will recommend the family and friend regarding the counterfeit products. The majority of the respondents were in the favour of the statement.

According to the data collected, almost 47% of the respondents said that they are agree that they will consider to purchase the counterfeit products and almost 10.5% of the respondents said that they disagree with the statement. Therefore, majority of the respondents said that they are agree that they will consider the counterfeit products.

According to the data collected and then interpreted, almost 39% of the respondents said that they disagree that they will think about the counterfeit products as a choice when buying something. While on the other side, almost 16.5% of the respondents were agree that they will think about the counterfeit products when they have choice of buying something. It shows that majority of the respondents were not in the favor of the statement.

According to the data collected and then interpreted almost 42% of the respondents said that they are agree that purchasing the counterfeit products or goods of brands is illegal. Whereas on the other side, almost 21.5% of the total respondents said that they are disagree with the statement. Majority of the respondents said that they are agreeing with the statement.

According to the data collected and then interpreted, 52% of the total respondents said that they are agree that they will prefer to buy the counterfeit products even though they can buy the non-counterfeit products. On the other side, 20.5% of the respondents said that they disagree with the statement. Data shows that majority of the respondents were agree with the statement.

According to the data collected and then interpreted, 43% of the respondents said that they are neutral that they prefer the counterfeit products when they don't distinguish the original and counterfeit products. On the other, 19% of the respondents said that they disagree with the statement and other 16% of the respondents said that they are agreeing with the statement. Majority of the respondents said that disagree with the statement.

According to the data collected almost 45% of the respondents said that they disagree that counterfeit products have low quality and the other almost 11% of the respondents said that they are agree that counterfeit products have low quality. Majority of the respondents were disagreeing with the statement.

According to the data collected and then interpreted, almost 54% of the respondents said that they are disagreeing that counterfeit products are status symbol. On the other side 17% of the respondents said that they are agree that counterfeit products are status symbol. Majority of the respondents said that they are disagreeing with the statement.

According to the data collected, 35% of the respondents said that counterfeit products are not the worth the price they are paid for, on the other side, 18. % % of the respondents said that they possess such value for the price they are paid for. It shows that majority of the respondents were not in the favour of the statement.

According to the data collected, 59% of the respondents said that they are disagree that counterfeit products are durable and other 13% of the respondents said that they are agree that counterfeit products are durable. Majority of the respondents were disagreeing with the statement.

According to the data collected and then interpreted, 69% of the respondents said that they are agree counterfeit products are exclusive and 21.5% of the respondents said that they are disagree with the statement. Data shows that majority of the respondents were agree with the given statement.

According to the data collected and then interpreted, almost 59% of the respondents said that they are agree counterfeit products are common, whereas, on the other side, almost 24% of the respondents said that they are disagree with the statement. It shows that majority of the respondents were agree with the statement.

According to the data collected and then interpreted, 51.5% of the respondents said that they are disagree that counterfeit products are fun and on the contrary, 17% of the respondents said that they are agree with the given statement, therefore, majority of the respondents were disagree with the statement.

Counterfeit products are not a source of prestige according to the 68.5% of the respondents which are in majority. On the other side, 14.5% of the respondents they said that counterfeit products are a status symbol. Therefore, majority of the respondents said that they are disagreeing with the statement.

According to the data collected and then interpreted, 52.5 % of the respondents said that they are disagree with the statement that they respect the people and admire them who wear the original products. On the other side, 15% of the respondents said that

they are agreeing that they are agree with the given statement. Therefore, majority of the respondents were of the negative opinion regarding the statement.

According to the data collected and then interpreted, 61% of the respondents said that they disagree that counterfeit products have good reputation, and the other 20% of the respondents said that they are agree with the given statement. Therefore, majority of the respondents said that they're disagreeing with the statement.

According to the data collected, it shows that 42% of the respondents said that original products are well regarded by their friends and 24% of the respondents' said that original products are not regarded well by their friends. It is therefore, majority of the respondents said that they are agree with the statement.

According to the table given above, 50% of the respondents said that they are disagree with the statement that original products are expensive whereas, on the other side, 14.5% of the respondents said that they are agree with the statement. Therefore, the data shows that majority of the respondents were disagree with the statement.

According to the data collected and then interpreted 53.5 % of the respondents were of the opinion that they are disagree that they believe that branded goods are associated with the high level of the services. On the other side, 17% of the respondents said that they are agreeing with the given statement. Majority of the respondents said that they are disagreeing with the statement.

According to the data collected and then interpreted 66% of the respondents said that they are agree that branded goods are suitable for the high class consumer. Whereas, on the contrary, 11% of the respondents were having the opposite opinion. Therefore, the data shows that majority of the respondents were of the having positive opinion regarding the statement.

According to the data collected, 42% of the respondents said that they are disagreeing that they like and trust the companies which makes original products. Whereas, 19% of the respondents were disagree with the given statement. Therefore, majority of the respondents said that they were disagreeing with the statement.

According to the majority of the respondents they said that they agree that they would feel proud to own the original products of the brands and minority of the respondents said that they disagree with the given statement.

According to the data collected and then interpreted almost 26% of the respondents show negative response that original products are very durable, whereas on the other side almost 34% of the respondents were in favor of the statement. It shows that majority of the respondents were in favor that original products are very durable.

According to the data collected, almost 35% of the respondents said that original products are not reliable. On the contrary, almost 31% of the respondents said that original products are very reliable. Data shows that majority of the respondents were not in the favor of the statement.

According to the data collected, almost 29% of the respondents said that the do not trust on the quality of the original products. Whereas, 40% of the respondents responded positively that showed that majority of the respondents trust the quality of the original products.

According to the data collected and then interpreted almost 20% of the respondents replied that original products have not very good quality. On the other almost 40% of the respondents said that original products have very good quality. It shows that majority of the respondents were in the favor of the statement.

According to the data collected, almost 19% of the respondents replied negatively regarding that original products offer the excellent features. Whereas, on the opposite side, almost 40% of the respondents responded positively which shows that majority was in the favor of the statement.

According to the above table data, almost 20% of the respondents said that original products have not consistent quality. Whereas 54% of the respondents said that they believe that original products have consistent quality. It shows majority was in the favor of the statement.

According to the data above, almost 48% of the respondents do not agree with the statement that if there are no counterfeit products in the market they would buy more original products, whereas only almost 17% of the respondents were in the favor of the statement. It shows that majority was not in the favor of the statement.

According to the data collected almost 22% of the respondents said that they disagree with the statement that the availability of the fake products will decrease the value of the original products. On the other the majority of the respondents who were almost 62% were in the favor of the statement.

According to the table above, almost 54% of the respondents said that they disagree with the statement that they feel satisfaction of owning the original products is decreased by the counterfeit products that are available in the marketplace.

According to the data collected, almost 18% of the respondents said that they are disagree with the statement that they feel the status of owning the original products is decreased by the counterfeit in the marketplace. Contrary to this, majority of the respondents who are almost 48% were in the favor of the given statement.

According to the data collected and then interpreted, almost 30% of the respondents said that they are disagree that the owing of the original products gives them more personal satisfaction than owning the fake products. Whereas on the other side, the majority of the respondents who were almost 40% of the total gives positive statements.

According to the data collected and then interpreted, almost 24% of the respondents said that they disagree with the statement that owning the original products helps them be more accepted by the other people than owning fake products. Whereas on the other side, almost 31% of the respondents said that they are in the favor of the statement which shows that majority of the respondents were in the favor of the statement.

According to the data collected and then interpreted almost 26% of the respondents said that they disagree with the statement that owning the original products by them admire more people than owning the fake products. On the other hand the majority of the respondents who were almost 45% of the total responded positively.

According to the data collected and then interpreted, almost 25% of the respondents said that they disagreed with the statement that owing the original products help them be more recognized by the other people that owning the fake. Whereas majority of the respondents who were almost 45% were in the favour of the statement.

According to the data collected, almost 61% of the respondents said that they disagree with the statement (counterfeit products are more reliable in quality and function while comparing with brands) that fake products have same quality as the original products. On the other hand the minority of the respondents who were almost24% were in the favor of the statement.

According to the data collected almost 38% of the respondents said that they disagree with the statement (they prefer counterfeit products while considering their prices) that

considering the price they prefer the counterfeit products. Whereas, on the other side, the minority of the respondents who were almost 35% were in the favor of the statement which shows that the majority of the respondents were not in the favor of the statement.

According to the data collected, almost 42% of the respondents said that they disagree with the statement (its wise choice to purchase counterfeit products) that buying the counterfeit products is a wise decision. On the other side, almost 34% of the respondents were in the favor of the statement which shows that majority of the respondents were not in the favor of the statement.

According to the data collected and then interpreted, almost 37% of the respondents (they purchase counterfeit products with any hesitation) responded negatively that they but the fake products without hesitation if they have a chance to buy them. On the other side, almost 34% of the respondents said that they are agreed with the statement which shows that majority of the respondents were not in the favor of the statement.

According to the data collected, almost 32% of the respondents said that they disagree with the statement (they buy counterfeit products due to unfair prices of brands) that they but the fake products because the prices of the original products are unfair. On the other side, the majority of the respondents who are almost 48% of the total said that they are agree with the given statement which shows that majority was in the favor of the statement.

According to the data collected, almost 35% of the respondents said that they do not agree with the statement (they would favorable things about counterfeit products) that they would say favorable things about the counterfeit products. On the contrary, almost 53% of the respondents said that they are in the favor of the statement which shows that majority was in the favor of the statement.

5. CONCLUSION AND RECOMMENDATIONS

5.1   Conclusion

This is the Age of industrialization and the production level all over the world has increased. There are number of products of the same kinds and same quality. Goods are of two types, either they are branded or they are generic. The importance, quality and the price of the branded products is high. On the other side, the generic products are cheap and having low quality. This Age is considered the Age of branded products. People love to wear and use the branded products as compared to the generic products.

In this situation, the industrialists are producing the goods which are very similar to the original branded products so gain the benefits of the branded products. Now the people who cannot afford the original branded products are keener to purchase the counterfeit products to look beautiful and feel satisfied. People buy the counterfeit products and they recommend the other people to buy such products from the market. The branded products on the other side are not common but it is very difficult for the people to differentiate between the original branded and the counterfeit products.

Resultantly, the confidence of the people regarding the original branded products dwindle, because the trust of the people shake due to the availability of the counterfeit products of the same brand in the market. But the companies are providing facilities to the customers by providing them information and guidelines regarding the original products. It is the primary responsibility of the branded organizations that they should properly guide the customers regarding the originality of the products. Moreover, the customers should remain aware regarding the counterfeit products. But if the customers are ready to buy the counterfeit products then it is the responsibility of the brands that they should maintain the environment of the proper surveillance so that no one can deceit the customer.

The original brand owner should focus on the making the products easy to identify and mark such symptoms on the product so that the brand loyal customer can easily detect the original product. Moreover, the big brand owner in every field either it is garments

business or it is the business of the fashion products should introduce the low price and low quality products so that the people who belong to the lower class can easily buy the products of the same branded company.

Therefore, the original brand owners should recognize their responsibility for the welfare of the people as well as for the end of the counterfeit business of the different products. The international law making bodies should also identify their responsibility so that the worldwide business of the fake products can be controlled. Because these are the huge branded product companies who pay the billions of dollars taxes to the government. In case of counterfeit products and business the government cannot receive the due taxes from such counterfeit manufacturer.

5.2   Recommendations for Further Research

It is highly recommended for the owners and management of the branded products that they should maintain a proper check and control on their products so that no one can copy and then sell their products in the market. Therefore, a proper surveillance system must be maintained.

Similarly, the management of the branded products should also periodically check their goods in the open market so that a system of total quality management can be maintained and counterfeit products can easily identified.

Moreover, the owners of the branded goods should also focus on the periodic minor change in the style and covering of the brands so that the manufacturer of the counterfeit products feel difficulty in copying the branded products.

The management and as well as the owners of the branded products annually or for any other period should conduct the workshops for the identification of the branded products, so that it become easy for the brand loyal customer to recognize the products.

The brand owners should work with the government of the native government and civil administrations for the control of the counterfeit products. Because in many cases the civil administration is involved in the selling and purchasing of the counterfeit products.

It is illegal to sell the counterfeit products in any state. Therefore, the original brand owner should pursue the legal actions against the culprits of the persons who are doing

this business in any shape all over the world. Because the owner of the branded products is the real person who can manufacture and sell the products of the brands.

The culture of the counterfeit products in the current Age is at its peak level. Especially for the garments and fashion products. But it is very dangerous for the eatable products. Because the counterfeit products of the original brand have low quality which will affect the health of the customers.

It is very difficult for the customer to identify the counterfeit products. Even the brand loyal and educated people some time do not identify the original branded products and compel to purchase the fake products in the name of branded products. Therefore, brand owners should educate the customers regarding the originality of the branded products.

There must be the secret code system of the original branded products, so that the customer of the original branded products can buy the product and then can confirm about the originality of the products from the main office of the branded products through such code.

Furthermore, brand owner should cooperate with such customer who have been deceived in the name of the original products and then educate them regarding the original product so that in future he will not buy the counterfeit product.

There must be worldwide promotion of the branded products because in the modern world the branded products are traded all over the world without the distinction of the country and religion. Therefore, management should advertised the signals of original products all over the world.

Moreover, the international law making should formulate the international law regarding the selling purchasing and manufacturing of the original products so that it becomes possible the end of the selling and manufacturing of the branded products.

The brand owners of the different products should remain in contact so that if a brand owner detected any complaint of the counterfeit products, he can immediately contact with the original owner of the brand and a legal action can be taken against the culprit of the fake good seller.

The brand owner should introduce the same type of products which are cheap so that the people whose financial condition is not so strong to purchase the high valued

original branded product can buy the low value product of the same branded company. This step will certainly reduce the chance of production of the counterfeit products.

To copy the original branded products is prohibited but it is practicing all over the world. The international bodies should also play fundamental role in the control of the business of the counterfeit products to protect the business of the brand owner because at last these are the original brand owners who are giving millions of dollars taxes to the government.

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APPENDICES

Questionnaire

My name is Roula MARDINI. I am a final year master student of Istanbul Aydın University, Turkey. I am doing my research on the impact of counterfeit brands on consumers acceptance on the original brands.

Plaese, fill out this questionnaire which is purposely about my research work.

The purpose of this survey is designed to collect your opinions about the impact of counterfeit brands on consumers acceptance on the original brands.

Directions: Please, put a tick against your choice to the following statements.

1= Strongly disagree	2= Disagree	3= Slightly Disagree	4= Neutral
2= Agree	3= slightly agree	7= totally agree	

Demographic Information

Gender:	Male \ Female		
Age	**…………..**		
Nationality			
Education	BS (Hons)\MS\PhD		
Marital Status	Single\Married		
Residential Background	Rural/Urban		
Monthly Income	……………………..Lira		
Perceived Social Economic Status	1-Upper class	2-Middle Class	3-Lower Class

Perception of Counterfeit

I believe Counterfeit products have low quality	1	2	3	4	5	6	7
I believe Counterfeit products are status symbols	1	2	3	4	5	6	7
I believe Counterfeit products are not worth the price you pay	1	2	3	4	5	6	7
I believe Counterfeit products are durable	1	2	3	4	5	6	7
I believe Counterfeit products are exclusive	1	2	3	4	5	6	7
I believe Counterfeit products are common	1	2	3	4	5	6	7
I believe Counterfeit products are fun	1	2	3	4	5	6	7
I believe Counterfeit products give me prestige	1	2	3	4	5	6	7

Perceptions of Brand

Using original products (Brands) is a social status symbol	1	2	3	4	5	6	7
I respect and admire people who wear original products (Brands)	1	2	3	4	5	6	7
original products (Brands)has good reputation	1	2	3	4	5	6	7
original products (Brands) are well regarded by my friends	1	2	3	4	5	6	7
I Believe original products (Brands)are expensive	1	2	3	4	5	6	7
I Believe original products (Brands)are associated with high level of service	1	2	3	4	5	6	7
I believe original products (Brands)are suitable for high class consumers	1	2	3	4	5	6	7
I like and trust companies which makes original products (Brands)	1	2	3	4	5	6	7
I would be proud to own original products (Brands)	1	2	3	4	5	6	7

Perceived quality of genuine goods

Original products (Brands) are very durable	1	2	3	4	5	6	7
Original products (Brands)are very reliable	1	2	3	4	5	6	7
I trust the quality of original products (Brands)	1	2	3	4	5	6	7
Original products (Brands)have very good quality	1	2	3	4	5	6	7
Original products (Brands)offers excellent features	1	2	3	4	5	6	7
Original products (Brands)has consistent quality	1	2	3	4	5	6	7

Demand of genuine goods

If there were no fake/Counterfeit products in the market place, I would purchase more original products (Brands)	1	2	3	4	5	6	7

Devalue of genuine goods due to counterfeits

I feel the value of owning original products (Brands)is decreased by the counterfeits available in the market place	1	2	3	4	5	6	7
I feel the satisfaction of owning original products (Brands) is decreased by the counterfeits that are available in the market place	1	2	3	4	5	6	7
I feel the status of owning original products (Brands)is decreased by the counterfeits available in the market place	1	2	3	4	5	6	7

Social status

	1	2	3	4	5	6	7
Owning original products (Brands)gives me more personal satisfaction than owning fake luxury watches	1	2	3	4	5	6	7
Owning original products (Brands)helps me be more accepted by other people than owning fake luxury watches	1	2	3	4	5	6	7
Owning original products (Brands)help me be more admired by other people than owning fake luxury watches	1	2	3	4	5	6	7
Owning original products (Brands)help me be more recognized by other people than owning fake luxury watches	1	2	3	4	5	6	7

Attitude towards counterfeit product

	1	2	3	4	5	6	7
Counterfeits are as reliable in quality & function as the genuine products.	1	2	3	4	5	6	7
Considering the price, I prefer counterfeit products.	1	2	3	4	5	6	7
Buying counterfeit products are a wise choice.	1	2	3	4	5	6	7
I buy counterfeit without hesitation if I have a chance to buy it.	1	2	3	4	5	6	7
I buy counterfeit products because the prices of genuine products are unfair.	1	2	3	4	5	6	7
I usually purchase counterfeits when it is difficult to distinguish between the counterfeits and the genuine products.	1	2	3	4	5	6	7
I would buy counterfeit products, even if I could easily afford to buy non-counterfeit products.	1	2	3	4	5	6	7
Purchasing counterfeit brands are illegal.	1	2	3	4	5	6	7
I would think about counterfeits as a choice when buying something.	1	2	3	4	5	6	7
I will consider purchasing counterfeit products for a friend.	1	2	3	4	5	6	7
I would recommend counterfeit products to friends and family.	1	2	3	4	5	6	7
I would say favorable things about counterfeit products.	1	2	3	4	5	6	7

Sayı : 88083623-044
Konu : Roula MARDINI Etik Onay Hk.

Sayın Roula MARDINI

Tez çalışmanızda kullanmak üzere yapmayı talep ettiğiniz anketleriniz İstanbul Aydın Üniversitesi Etik Komisyonu'nun 13.09.2018 tarihli ve 2018/17 sayılı kararıyla uygun bulunmuştur.
Bilgilerinize rica ederim.

e-imzalıdır
Prof. Dr. Ragıp Kutay KARACA
Müdür

11/03/2019 Enstitü Sekreteri   NESLİHAN KUBAL

RESUME

ROULA MARDINI

Personal Information

Address	Başakşehir, Istanbul/Turkey
Marital Status	Single
Phone	+90 539 914 68 99
E-Mail	roulamardini@gmail.com

Education

Years	University	Department
2006-2010	Aleppo University, Syria	Bachelor of Business Administration
2014-2019	Istanbul Aydin University	Masters in Business Administration

Work Experience

Years	Company	Position
2018/01 – 2019*	Medexa Health Insurance	Manager's Assistant
2015/02 - 2017/10	Delsa Otomotiv	Sales Representative
2013/09 – 2014/08	Harikalar Diyarı Anaokulu	Kindergarten Teacher
2010/01 – 2012/06	Mardini Tex	Accounts Auditor

Responsibilities

- Understanding of professional business standards and practices.
- Ability to design and produce materials that will meet professional standards for reproduction.
- Organize a monthly report about student activities and outcomes.
- Developing sales goals for the team and ensuring they are met.
- Arranged weekly and monthly schedules as an assistant.

Language

Arabic	Native
English	Fluent, written and spoken
Turkish	Fluent, written and spoken
French	Written and spoken

Key Skills

- Good analytical and Problems solving abilities.
- Well organized and commitment to effective time management.
- Quick to learn to adaptable to changing environment.
- Ability to co-ordinate with team mates.
- Good Knowledge to operate various computer programs.

Interests

- Travelling, Reading, Shopping, Listening Music, Cooking, Swimming.