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Counterfeiting on Customer-Based Brand Equity of Sportswear in South Africa

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Counterfeiting on Customer-Based Brand Equity of Sportswear in South Africa

Marina Maema

392178

A research report submitted to the Faculty of Commerce, Law and Management, University of the Witwatersrand, in partial fulfilment of the requirements for the degree of Master of Management in the field of Strategic Marketing (MMSM)

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ABSTRACT

Counterfeiting is a phenomenon that exists in various industries and continues to rise at unprecedented rates. Counterfeiting involves the manufacturing of products that have features and characteristics of a brand. Counterfeiting is a profitable business for those involved in it as it exploits the popularity of the brand. Brands that are most susceptible to counterfeiting because of increased popularity and exclusive products.

Counterfeiting has been described to be harmful to customer-based brand equity (CBBE) and have damaging long-term effects, however, it is important to investigate if there are any positives that can be derived from it. This study explores counterfeiting of sportswear brands and how this impacts customer-based brand equity and the consumer willingness to purchase the original brand. Three elements of customer-based equity that were investigated are brand awareness, brand loyalty, and perceived quality. This paper builds on research conducted that investigates counterfeiting in a South African context.

A quantitative study was conducted on a sample of 294 university students in the Johannesburg central business area, using a self-administered questionnaire. SEM analysis was applied to investigate the hypotheses. The results indicate that counterfeiting of sportswear products, positively influences perceived quality and the willingness to purchase the original brand. This was true for people that buy counterfeit clothing and for those that do not. Perceived quality was found to not have a negative effect on CBBE and the willingness to purchase the original brand. Conversely, counterfeiting does not have any effect on brand awareness and brand loyalty on the willingness to purchase the original brand. The study shows that the purchase of counterfeit sportswear brands does not have a negative effect on CBBE. The study contributes to the growing literature on counterfeiting and supports a different view on the impact on CBBE, to be of benefit to marketers, policy makers and luxury brands in South Africa.

Key words: Customer-based brand equity, counterfeiting, brand awareness, perceived quality, brand loyalty.

DECLARATION

I, Marina Maema, declare that this research report is my own work except as indicated in the references and acknowledgements. It is submitted in partial fulfilment of the requirements for the degree of Master of Management in Strategic Marketing at the University of the Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination in this or any other university.

Marina Maema

Signed at Maseru, Lesotho

On the … day of January 2023

DEDICATION

In loving memory of Nqetsoane Mphoko Maema.

In our hearts forever

Robala ka Khotso Motaung.

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Firstly, I would like to thank my supervisor Mr Neale Penman for the support throughout this entire process, I am extremely grateful for everything that you have done for me.

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I would also like to thank myself. It is done. Dieu merci.

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CHAPTER 1. INTRODUCTION

1.1 Purpose of the study

The purpose of this study is to understand the effects of counterfeiting on the elements of customer-based brand equity (CBBE) by millennials in South Africa by investigating the impact it has on consumer willingness to purchase original sportswear brands. This study assists in marketers' understanding of whether counterfeit sportswear goods can have a positive effect on CBBE and the willingness to purchase the original brand. Understanding the effects is essential to addressing counterfeiting effectively.

This study focuses on measuring the impact of counterfeiting on CBBE through Aaker's (1991) model of brand equity by investigating if this has an effect on willingness to purchase of the original brand. Few studies have been conducted in the South African context regarding the impact of counterfeiting on sportswear brands; one notable study was conducted by Dhurup and Muposhi (2020), however, it focused on the purchase intentions and drivers of counterfeiting. For brand managers, it is also important to understand if any positive effects on the willingness to purchase the original brand can be derived from this phenomenon and to use this information to try and build brand equity going forward.

The focus of the study is limited to the purchasing of sportswear brands. This study demonstrates an understanding of the impact of CBBE on purchasing sportswear brands and the willingness to purchase the original brand and provides recommendations for possible further research on the topic, perhaps in additional industries and other brands. Furthermore, the paper contributes to the academic work that has already been undertaken in the study of counterfeiting and sheds light onto the impact of CBBE in an African context.

1.2 Context of the study

Counterfeiting has become a trillion-dollar global business on a rapid rise across different industries (Bian & Haque, 2020). More than 7% of all goods traded in the market are counterfeit (Ahuvia, Gistri, Romani & Pace, 2013). The process of

counterfeiting involves the manufacturing of products that have features and characteristics of an authentic brand in order to exploit the overall brand image and brand popularity (Kei, Osman & Abu Bakar, 2017). Counterfeiting has been seen as a negative aspect for any business and has generally created sets of challenges for marketers and companies globally where products result in lost revenue, increased costs due to over production and loss of profit margin and other forms of financial-based brand equity (Samaddar & Menon, 2020). The growing demand for counterfeit goods is the most important cause of its existence as one-third of consumers who purchase counterfeit goods do so intentionally (Pasricha, Jain & Gautam, 2019).

In addition to monetary damage for organisations, counterfeiting also creates potential health and safety issues for consumers (Samaddar & Menon, 2020). Despite this, the clear and obvious legal problems, and attempts by various industries to prevent counterfeiting, many customers are still in favour of it (Wang, Jin, Yang, 2020). The demand for counterfeit goods is estimated to be worth over USD$509 billion (Klein, 2020). Counterfeiting exists simply because there is clear consumer demand for it (Wang, Jin, Yang, 2020). Through various studies, counterfeiting has been seen to create a range of problems that ultimately have a negative effect on brand equity (Evans, Starr & Brodie, 2019; Astray, Darke & Tasa, 2021). In addition to the damaging effects that counterfeiting can have on the target brand, it can also negatively impact associated and competing brands (Astray et al., 2021).

South Africa, being one of the biggest economies in Africa, has become a hotspot for the growth of counterfeit products (World Bank, 2020). According to the South African Revenue Services (SARS, 2019), the growth of counterfeit goods continues to rise, and the value of seized counterfeit clothing and apparel is estimated at over R2.8 billion (SARS, 2019). Through globalisation, there has been a significant shift in the way people consume things, and this has allowed for the growth of counterfeiting in developing economies (Wang, Jin & Yang, 2020).

South Africa shares borders with Eswatini, Namibia, Botswana, Mozambique, Lesotho and Zimbabwe; this has allowed those that engage in counterfeit trade several loopholes due to the flow of goods to and from the neighbouring countries (Budeli, 2021). Despite efforts from border police and the South African customs police, containers and airfreight consignments end up in the market while others are

transported into the neighbouring countries before being smuggled back into South Africa through the land borders (Budeli, 2021). There are several counterfeit hotspots in South Africa which located in the big cities, notably in the commercial business districts CBD, the largest ones being in Johannesburg, Pretoria, Durban, and Cape Town (Budeli, 2021). Most of the items sold are sports apparel, luxury brands, fast-moving consumer goods and fragrances (Budeli, 2021).

The existence of counterfeiting is due to the success of well-established brands (Cant, Wild & Manley, 2014). Counterfeiting exists because consumers are attracted to big, branded products and the items that are the most susceptible to counterfeiting are luxury goods and sportswear (Hussain, Kofinas & Win, 2017). Big sportswear brands such as Nike and Adidas have built their brand equity on their perceived images and the quality of the products that they produce (Su & Tong, 2015). The sportswear industry is a highly lucrative and competitive market with high barriers to entry, leaving it vulnerable to counterfeiting (Su & Tong, 2015). While counterfeiting exists in different industries, counterfeiting in sportswear is growing at a significant rate in South Africa (Dhurup & Muposhi, 2020). South Africa has a thriving sporting culture and a growing interest in the various forms of sportswear (Dhurup & Muposhi, 2020). The literature widely states that counterfeiting is said to do irreparable damage to brand equity, particularly to luxury brands. However, there is a limited view of the potential positive impact it can have on brand equity and on the willingness to purchase the original brand (Samaddar & Menon, 2020; Astray et al., 2021).

Millennials in South Africa have the largest disposable income compared to the previous two generational and demographic cohorts (Thusi & Maduku, 2020). They are the main target market for sportswear big name brands, and they represent approximately 35% of the population of South Africa (Statistics SA, 2019). Millennials in South Africa have significant buying power and they have been found to engage in the purchase of counterfeit goods more frequently and at a younger age than the previous generational cohorts (Botha & Reyneke, 2016). It is important for strategic marketers to analyse ways in which counterfeiting can be used to enhance the brand advocacy, willingness to purchase and overall CBBE of sportswear brands.

Counterfeiting is a global phenomenon that continues to grow, and while it has been important to understand why consumers purchase these items, it is also important to

understand if the brand and symbolic attributes of the original brands are transferred to the counterfeit counterparts and if there is an influence in the willingness to purchase (Baghi, Gabrielli & Grappi, 2016). It is therefore important to understand the impact that these items have on CBBE and willingness to purchase the original from a consumer perspective. This study focuses on millennials and sportswear purchase of counterfeit products and how this affects CBBE.

1.3 Problem statement

The research that exists on counterfeiting, does not all provide a critical analysis of the positive effect that counterfeiting has on CBBE and how it influences willingness to purchase the original sportswear brand. Counterfeiting is an ambivalent phenomenon that needs to be explored further and while research has been done on the threats and the purchase intentions, it is important to understand the opportunities it presents from a CBBE perspective and how it can affect customer and brand advocacy and willingness to purchase the original brand.

The consumption of these counterfeit products continues to grow, particularly in emerging markets, with a limited understanding of the potential positive effect that it can have on the brand. Counterfeiting is renowned in emerging countries, in countries such as Malaysia, Thailand and China which is said to be where the phenomenon originated (Xi & Cheng, 2017). The growth of counterfeit sportswear from a technical perspective is due to the relative ease with which they are manufactured as they require less skill compared to luxury products (Xi & Cheng, 2017). The growing counterfeit sportswear market in South Africa is no different from the trends seen in other developing countries, however, more analysis is required to probe into this phenomenon. Existing literature assumes that there is a negative effect on brand equity therefore affecting consumer willingness to purchase (Bian and Moutinho, 2011; Commuri, 2009; Hieke, 2010).

To fully understand if there is a positive or indeed negative effect of counterfeiting on CBBE, it is important to understand the willingness to purchase the original brand as the result. As stated by Romani, Gistri and Pace (2012), in counterfeiting in the developed market context, brand awareness, brand loyalty and perceived quality play

a mediating role in the purchase of original luxury brands, and it is important to explore if this is the same in the context of other brands.

1.3.1 *Main problem*

To investigate the impact counterfeiting has on CBBE by looking at all aspects including brand awareness, perceived quality, and brand loyalty of sportswear brands amongst millennials in South Africa, and to establish whether this affects the willingness to purchase the original sportswear brand.

1.4 Research Questions

The research question based on the sub-problems are therefore as follows:

1.4.1 *Research Question 1*

What is the relationship between counterfeit sportswear brands and brand awareness on the willingness to purchase the original brand?

1.4.2 *Research Question 2*

What is the relationship between counterfeit sportswear brands and brand loyalty on the willingness to purchase the original brand?

1.4.3 *Research Question 3*

What is the relationship between counterfeit sportswear brands and perceived quality on the willingness to purchase the original brand?

1.5 Significance of the study

Counterfeiting in the sportswear industry is rampant and, on the rise, as counterfeit goods are easier to technically produce compared to other industries for those that

manufacture them (Perumal & Sapihan, 2017). There have been changes and growth in consumer behaviour where a healthier lifestyle has resulted in a growing interest in sportswear (Sharma, 2017). The rate of growth and size of the sportswear market has resulted in forces trying to share the revenues (Septianto, Northey & Dolan, 2019).

Previous studies have been done in the attempt to understand the increasing demand for counterfeit goods by understanding purchase intention (Cant et al., 2014; Kim & Karpova, 2010; Phau & Teah, 2009, Chiu, Lee & Won, 2014; Xi & Cheng, 2017; Chuchu, 2016) and this study aims to build on the work that has already been done from a CBBE perspective (Gabrielli, Grappi & Baghi, 2012). The studies on counterfeiting in emerging countries are focused on the east and this study provides insight into the South African market (Ting, Goh & Isa, 2016).

Research that has been done in the attempt to understand the relationship between counterfeiting and its positive effect on CBBE has been majorly focused on luxury brands and this study fills a gap in the work that has been done in the research from emerging countries (Romani et al., 2012; Evans et al., 2017; Baghi et al., 2016; Castano & Perez, 2014; Nia & Zaichkowsky, 2000).

The research ultimately contributes toward the strategy development of understanding how counterfeiting can be an opportunity for the brand and provide insight into the effect it has on CBBE. There have been studies conducted to show how beneficial counterfeit goods are to the original brand, particularly with luxury brands with limited studies on how this can affect alternative brands and the willingness to still purchase the original items. This research builds on research that has been done on the potential positive effects of counterfeiting on CBBE and how this applies to sportswear. Sportswear brands over time have become luxury goods and it is important to provide some insights into whether the theories still apply to other brands.

The objective of the research is not to present counterfeiting in a positive light but to show its impact on brands and help in the design of strategies that can be used for CBBE and willingness to purchase the original brand.

1.6 Delimitations of the study

While the research was focused on sportswear, it covers a broad range of items that are traditionally associated with sportswear and does not focus on specific major brands.

Participants may have been reluctant to admit that they do purchase counterfeit items and how it may contribute towards their relationship with the original brand.

Although the study looks at some social and psychological reasonings for engaging in counterfeiting, it does not engage in other factors such as the possible role of culture or cultural influences.

As many studies on counterfeiting have been done on millennials, there is potential to look at other generational cohorts, notably generation Z to assess the impact on the next generation.

1.7 Definition of terms

- **Counterfeit goods**
  Counterfeit products are illegal copies or replicas of genuine brands (Dhurup & Muposhi, 2020).

- **Sportswear**
  Clothing or footwear for leisure or activewear manufactured by sportswear companies such as Nike, Adidas, Puma. For the purposes of this research, sportswear will refer to apparel and footwear.

- **Customer-Based Brand Equity (CBBE)**
  "The differential effect of brand knowledge on consumer response to the marketing of the brand" (Keller, 1993, p. 2)

- **Brand equity**
  Brand equity is the "added value endowed by the brand to the product or service" (Shafi & Madhavaiah, 2014, p.34)

1.8 Assumptions

It is assumed that:

- Respondents answered honestly.
- Counterfeiting will indeed have a positive effect on all the components of CBBE therefore there will not be a negative influence on the willingness to purchase the original brand.
- Counterfeiting creates some form of brand advocacy, brand awareness and ultimately enhances brand loyalty towards the original brand.

CHAPTER 2. LITERATURE REVIEW

2.1 Introduction

For a successful research project, it is important to evaluate existing literature and previous studies that have been conducted in the effort to understand the effect counterfeiting has on CBBE not only in the sportswear industry but across the different industries globally (Rowley & Slack, 2004). To define counterfeits as merely inferior copies does not highlight the complexity of the disruption they have in the market, we need to explore this phenomenon further (Hietanen, Mattila, Sihvonen & Tikkanen, 2018).

The chapter will introduce the concept of counterfeiting, followed by an understanding of customer-based brand equity and what it means for this research paper. Following the discussion on counterfeiting and brand equity, it is important to evaluate the theoretical grounding of the research through a critical analysis of counterfeiting and CBBE which over the years have been used to explain the behaviour of consumers and what the research will be based on. This will be followed by a detailed analysis of the conceptual framework that was used to guide the research and the hypotheses that were tested. This chapter serves to evaluate all constructs and variables taking into consideration the existing literature and to highlight their relevance and how they contribute to the study.

2.2 Background discussion: Counterfeiting

Counterfeiting may be defined as the illegal reproduction or illegal replicas of genuine products from brands that have not authorised this manufacture (Dhurup & Muposhi, 2020). Counterfeiting is different compared to other products that may appear similar but that have different features (Wang et al., 2020). Counterfeiting involves exact replicas of the products and therefore makes it an intellectual property right infringement (Wang et al., 2020). Counterfeiting is not only detrimental to the social and economic environment, but it also has a negative impact on the ecological environment as products are mass-produced and health and safety regulations are therefore not followed due to the illegal nature of the production (Usmani & Ejaz, 2020).

As a means of trying to address counterfeiting, companies need to engage in comprehensive brand protection strategies and not rely on their legal teams to hire people on a part-time basis to investigate counterfeiting (Wilson et al., 2016).

Counterfeiting can be identified in two forms as defined by Grossman and Shapiro (1988): deceptive and non-deceptive counterfeit (Hamelin, Nwankwo & Hadouchi, 2013). Deceptive counterfeiting occurs when the consumer unknowingly purchases a counterfeit product thinking that it is an original product (Wang et al., 2020). These are high-quality and high-priced replicas of the original product, designed to trick the consumer into believing that they are the original (Wang & Song, 2013). Deceptive counterfeiting is seen mostly in industries such as pharmaceuticals, computers and medical devices, where the consumer is unlikely to have a lot of information on the product or service and is therefore unable to tell the difference (Nia & Zaichkowsky, 2000). Non-deceptive counterfeiting in comparison occurs when consumers purchase the product consciously knowing that it is counterfeit for various reasons including a price advantage (Wang et al., 2020).

The demand for counterfeit products continues to increase despite consumers being aware of the ethical and legal issues surrounding it (Bian & Moutinho, 2011). There is an array of counterfeit products that differ in the quality of the copy to the original; from expensive, high-quality replicas that visually look very close to the original to those that are inexpensive and of poor quality (Wang, John & Stoner, 2018).

Beyond the definition of deceptive and non-deceptive, there are different versions of counterfeited products as seen below:

Table 1: Different versions of counterfeits

Counterfeit versions	**Type of counterfeit**
a) Copycats	Deceptive / Non-deceptive
b) No-name imitations	Deceptive
c) Slavish copying	Non-deceptive
d) Gray goods	Deceptive / Non-deceptive
e) Doppelgänger	Deceptive

a) **Copycats** are designed to look very similar to the original brand but have a different name which is close to the original (Davcik, Sharma, Chan & Roy, 2019). Copycats imitate the features of a brand, and in some cases with the aim to mislead the consumer by having a name that is very similar e.g., Puma and Fuma (Cova & Cova, 2019). Nagar (2020) explains that because they are not identical to the original brand, consumers consciously seek to purchase these because they look like the original without having to expose that they have bought the counterfeit version. In a study by Cova and Cova (2019), they argue that they need to work with the makers of copycats as it presents an opportunity for sub-branding as a means not to hurt the original brand.

b) **No-name imitations** are similar to copycats, but they do not have any brand name attached to them and are designed to confuse the consumer (Davcik et al., 2019).

c) **Slavish copying** involves counterfeiters producing the exact same copies of the original, most consumers purchase these knowingly (Evans et al., 2019). They imitate the trademark of the brand, the product features and are deliberate fakes (Le Roux et al., 2016).

d) **Gray goods** or unauthorised authentic, are products that have been manufactured by the original brand and are genuine but have found their way into the market without authorisation (Evans et al., 2019; Huang, Lee & Ho, 2004). These are prevalent with sportswear brands. The factories produce more than necessary, and the extras are sold illegally (Wang & Song, 2013). While they were made in the same factory, brands consider them to be counterfeit (Wang & Song, 2013).

e) **Doppelgänger** brands are those that resemble the original brand, but the marketing and communication to the consumer differ from what is intended by the original brand (Hietanen et al., 2020).

This study focuses on non-deceptive counterfeiting. Consumers knowingly purchase nondeceptive counterfeit goods as they are comparatively affordable and because

they are extremely similar to the original, such that other people would not be able to tell the difference (Ahmed, 2016). Consumers are concerned with having the same prestige as the original product (Kei et al., 2017). The argument is that the people who purchase counterfeit products do so willingly and are not being defrauded (Ahuvia et al., 2013). There is a study that underlines the private and public consumption of counterfeit goods, and it reveals that people are likely to do it in private because they are conscious of what they are doing (Nagar, 2020). Ahuvia et al. (2013) propose that if the genuine product had been available, they still would have opted for the counterfeit which would consequently hurt the brand due to the cannibalisation of people preferring counterfeits (Ahuvia et al., 2013).

Moral disengagement is defined as the process in which consumers convince themselves that moral standards do not apply to them in certain situations (Wang, Stronger & John, 2018). They find a way to make their behaviours acceptable and this is applicable to the process of counterfeit consumption (Wang, Stronger & John, 2018).

One of the consequences of having a successful brand is that there is competition coming from all angles, and one of the prices that a brand is forced to pay is that counterfeiters will want to take advantage of this (Davcik et al., 2019). In some instances, the impact of counterfeiting is very bad for the brand and can force it out of a market. Louis Vuitton once had to withdraw from the Italian market because of the impact of counterfeiting and its inability to compete with the counterfeit market (Radón, 2012). Counterfeiters benefit from appropriating the original brand and this creates confusion among consumers as they believe that the two products are interchangeable (Evans et al., 2019).

Counterfeits tend to spread more widely in emerging economies (Chand & Fei, 2021). In emerging economies, the increase in counterfeiting can be attributed to the inaccessibility of certain products and services from specific brands (Eisend et al., 2017). For example, Nike Air Jordan tends to release certain sneakers in particular colours in specific regions leaving other markets without them and this creates a demand that counterfeiters capitalise on. In emerging countries, there are also more opportunities for counterfeiters due to fewer legal restrictions (Eisend et al., 2017).

Despite this, anti-counterfeiting strategies are often prioritised for developed markets (Cant et al., 2014).

Various marketing studies have been done about counterfeiting which range from discussions about luxury brands (Cant et al., 2014; Kaufmann et al.,2016; Phau & Teah, 2009; Radón, 2012;Yoo & Lee, 2012; Hussain et al., 2017; Koay, 2011) to those that focus on the intentions behind purchasing counterfeits in general (Budiman & Wujaya, 2014; Ting et al., 2016; Xi & Cheng, 2017; Chaudary et al., 2014; Bakhshian et al., 2019; Gani et al., 2019). Others have focused their efforts on consumer attitudes that lead to counterfeiting (Kim & Karpova, 2010; Wang & Song, 2013; Bian & Veloutsou, 2007) and on materialism (Davidson et al, 2019; Nagar & Singh, 2019; Singh & Shani, 2019). This study will focus on the effect on the original brand and contribute to the literature that already exists (Evans et al, 2019; Khandeparkar, 2018; Nia & Zaichkowsky, 2000; Romani et al., 2012; Singh & Trott, 2019; Gabrielli et al., 2012).

From a branding perspective, “counterfeits essentially make the original brand dimensions and elements accessible to those that would not ordinarily have access to them but would want to be integrated” (Kapferer, 2009, p. 487). The literature does not deep dive into the evaluation of the original brand and how the availability of counterfeit goods changes the perception of the original (Gabrielli et al., 2012). This research addresses this gap.

2.3 Millennials

Market segmentation is an important tool used in marketing to identify which products and services are suited towards a specific target market base (Mothersbaugh & Hawkins, 2016, p. 13). Market segmentation is comprised of identifying the needs of the consumers, grouping the consumers that have similar needs, separating the groups and then focusing marketing efforts according to each group (Mothersbaugh & Hawkins, 2016, p. 13). One way of segmenting consumers is by demographic variables including location, sex, income level and age (Mothersbaugh & Hawkins, 2016). This study will focus on the variable of age, using the generational cohort known as millennials.

Millennials or generation Y are currently the largest age cohort in the world (Van den Bergh, 2013). Millennials are born between 1996 and 1982. Millennials are a global and tech-savvy group and have become very important to marketers. Millennials are more accultured to globalisation and have a buying power that exceeds generation X (Licsandru & Cui, 2019). Millennial consumption behaviours have shown that they are more likely to purchase foreign brands and they are interested in foreign consumer lifestyles, and they consume global advertising (Licsandru & Cui, 2019). Most millennials exhibit what is known as xenocentrism, which is the belief that foreign brands are superior to local brands (Diamantopoulos, Davydova & Arslanagic-Kalajdzic, 2019). These foreign brand products are the ones that are likely to be counterfeited (Diamantopoulos et al., 2019).

Counterfeits are lucrative to bottom of the pyramid (BOP) customers that want to achieve a certain status level without having the financial means to do so which is a category that most millennial students are in (Singh & Trott, 2019). Students between the ages of 18 and 35 are likely to purchase counterfeits (Koay, 2017). This segment's financial support is largely from parents, scholarships, or bursaries and may not be adequate to purchase the original (Koay, 2017). As a result, young consumers, students to be specific, with lower incomes compared to other millennials are likely to consume counterfeit goods (Mai & Linh, 2017). Millennials are likely to have more access to counterfeit products because of the financial gain that they think the counterfeits have (Kei, Osman & Bakar, 2017).

Millennials are more brand conscious than the other generational cohorts and develop an interest in high-profile brands (Fastoso, Bartikowski & Wang,2018). Millennials are conscious of what is available in the market and are an easy target (Lee & Trim, 2019). There are some millennials that are known to be socially conscious, brand loyal and seek quality when they shop (Anvar & Venter, 2014).

The behaviour of millennials is inherently different from the previous generational cohorts because of their ability to adapt, and their independence in seeking information (Lee & Trim, 2019). Thrill and risk-seeking elements that exist in this cohort contributes to them not being afraid of the consequences of purchasing counterfeit brands (Singh, Kastanakis, Paul & Felix, 2021). Therefore, the positive attitude towards counterfeiting is higher amongst younger consumers (Bakhshian, Lee & Cao, 2019).

Counterfeiting allows them to pay less for the status even though they may be compromising on the quality (Han et al., 2010). Millennials go for brands that are recognisable and that would allow them to acquire the status that comes with owning a product or service from that specific brand (Han et al., 2010).

In a study in China, young consumers are found to often mix and match the original with the counterfeit to challenge their peers to discern whether they are wearing the real thing or not (Li, Lam & Liu, 2018). The consumers of counterfeits in China are millennials who purchase both original and counterfeit with no preference for one over the other (Wang & Song, 2013). They know what is counterfeit and what is not, and they often do it on purpose (Li et al., 2018). In a study by Li et al. (2018) participants revealed that they purchase counterfeit to express that they are unhappy with the price points and what they deem to be problematic marketing strategies.

Consumers generally have three distinct reactions when a brand is counterfeited; they will either support the brand, use the counterfeit in private or abandon the brand (Commuri, 2009). In a quantitative study conducted in Thailand, Commuri (2009) found that most millennials abandon the brand once they become exposed to counterfeited products. Yet it can also be argued that the presence of counterfeit products in the market is exaggerated and does not harm brand equity in the way luxury brands present it (Wang & Song, 2013).

Research shows that the reasons this generational cohort engages in counterfeit purchases vary from materialism to financial reasons (Francis et al., 2015). The counterfeit gives the consumer pseudo-access to the brand and the consumer is therefore forming some form of relationship with the original brand while it is not one that was intended by the original (Kauffman et al., 2016). One of the reasons explored is what is referred to as cool consumption; a way for consumers to go against what is considered normal and go against the grain (Francis et al., 2015). Millennials care less about the brand but rather the behaviour and reasons showing that this would not influence CBBE and the willingness to purchase the original brand (Francis et al., 2015).

2.4 Sportswear Industry

Despite the efforts that organisations are taking in preventing counterfeiting it is still increasing, and it is rare to find an industry that has not been plagued by product counterfeiting (Wilson et al., 2016). The sophistication of counterfeits is becoming very good and over time, this will leave the consumer challenged (Lee & Trim, 2019). It creates a paradox because it is a reflection of the growth of the market; people are unable to counterfeit something that is not wanted (Hietanen et al., 2018). Research has shown that luxury brands are vulnerable but there has been a shift and fashion goods and non-luxury brands are just at risk (Park-Poaps & Kang, 2018).

Footwear and athletic gear are a big target with counterfeiters and sportswear brands and are usually at the top of the lists of counterfeit items seized at borders (Qian, 2014). Sporting companies have lost over 11.5% of their annual revenue due to counterfeiting (Chiu et al., 2014). A study in Portugal revealed that the three most counterfeited brands are Ray-ban, Louis Vuitton, and Nike (Varela et al., 2021). Similarly, the most counterfeited shoe brand in South Africa is Nike (Cant et al., 2014). The highest number of counterfeiters in Gauteng reside in the Johannesburg area and the least in KZN (Cant et al., 2014). The highest scoring locations in Johannesburg for these counterfeit purchases are flea markets, Chinese shopping malls and street vendors in the central business district (Cant et al., 2014).

Sporting goods have become the main target of counterfeiting as it does not require a high level of technical expertise to create or manufacture them (Chiu et al., 2014). In addition, because the brands are so strong, there is a high demand and a market that is readily available to consume these products (Chiu & Leng, 2015).

Brands have resorted to using Radio Frequency Identifications or QR codes to curb counterfeiting (Maaz & Ali, 2020). This is no different in the sportswear industry, Nike has started using RFID tags in their sneakers to verify legitimate products because of the effect of counterfeiting (Marko, 2021).

The demand for sporting goods has increased over the years due to the changing nature of sportswear apparel (Chiu & Leng, 2015). Consumers purchase these beyond

the need for sports, but they are widely accepted for leisure which has made them more attractive for counterfeiters (Chiu & Leng, 2015).

With the demand increasing for counterfeit sportswear, it is important to address what effects this has on the brand.

2.5 Theoretical Grounding

For the purpose of this study, the theoretical grounding that was used will revolve around the literature concerning brands. The growth of counterfeiting in the sportswear industry demands that a more comprehensive study is done to understand the influences of counterfeiting on CBBE and the consumer willingness to purchase the original, this will guide marketers in developing effective campaigns and strategies to address it (Bian & Moutinho, 2011). It is therefore important to understand the theory surrounding the concept of a brand and what brand equity is to fully appreciate the understanding of CBBE and how this study aims to contribute to that study.

2.5.1 Brand Equity

Brands are an important tool in marketing. Brands represent a relationship between the consumer and the firm (Evans, Starr & Brodie, 2019). Brands reflect who the consumers are, and it is important they reflect similar beliefs and principles as people use brands as a signal of self-identity (Eisend et al., 2017). The consumer plays an important part in building and maintaining a brand (Castano & Perez, 2014). In the consumer purchase decision process, the influence of a brand is more important than ever as the creation of a strong brand provides a sustainable competitive advantage that is needed for long-term survival (Aydin & Ulengin, 2015). To sustain a competitive advantage in the market, having strong brand equity is crucial (Aaker, 1991).

Brand equity can be explained as the added value that has been placed on a brand (Christodoulides & de Chernatony, 2010). Paproski (2011) defines brand equity as the result of a firms marketing activities that affect consumer behaviour and creates a form of advocacy for the brand. Brand equity can also be defined as the value of a brand from a customer perspective; a differentiating factor that separates it from other brands (Baghi et al., 2016). Aaker (1991, p.4) defined brand equity as “a set of brand assets

and liabilities linked to a brand, its name and symbol, that add to or subtract from the value provided by a product or service to a firm and or to that firm's customers (Aaker, 1991). Aaker (1991) continues to explain that the brand equity assets and liabilities must be linked to the brand in question and should anything change the brand equity will be affected. Brand equity is important as it is a performance indicator for the brand in the market; brand equity affects the purchase intentions and willingness to purchase of consumers (Aydin & Ulengin, 2015). A good brand equity influences long-term cash flow and future profits and ultimately will influence the consumer's willingness to pay premium prices for the brand (Yoo & Donthu, 2001).

Demand for counterfeiting is growing with brands and manufacturers constantly trying to find a solution for this phenomenon (Penz & Stottinger, 2005). Counterfeits would not exist if not for the power of the brands and what they promise the consumer (Penz & Stottinger, 2005). Research has shown that there is a loss of revenue due to the infringement of intellectual property caused by counterfeiting and this affects brand equity (Commuri, 2009). Counterfeiting can have adverse effects on the brand because it creates a substitute for the authentic product (Qian, 2014). For firms that are trying to maintain a certain level of prestige and exclusivity, they are forced to invest heavily in their brands and their product catalogues (Commuri, 2009). The price point plays an important role in the exclusivity of a brand and counterfeiting removes that completely and over time the consumer perceives the brand in a different light (Commuri, 2009). Counterfeited products generally cost a fraction of the original and thus devalue the brand equity (Commuri, 2009). Counterfeiting affects the finances of the firm beyond lost revenues as a lot of time and money is spent on trying to combat infringement (Bian & Veloutsou, 2007).

While counterfeiting does present an opportunity to erode brand equity, there is also an opportunity to look at how brands could try and build on the brand with the information from those that purchase counterfeited products (Castano & Perez, 2014). Counterfeit purchasing is not only about the financial benefit that it provides consumers and brands have neglected this by assuming that they would not have been their customers in the first place instead of identifying other motivating factors that lead consumers to purchase counterfeit products (Khandeparkar & Motiani, 2018). It is important to understand how counterfeiting affects brand equity beyond the

financial equity that is lost by sales. Counterfeit goods cannot be looked at in one dimension; they can be both friends and foes of the brands (Qian, 2014).

There are five categories according to Aaker (1991) that underlie brand equity: Brand loyalty, Brand Awareness, Perceived Quality, Brand Associations, and other proprietary brand assets (Aaker, 1991). Brand equity is obtained through these dimensions (Sharma, 2020). These five dimensions form what is known as customer-based brand equity. Aaker (1991) argues that companies need to invest in each of these areas if brand equity is to be maintained.

2.5.2 Customer-Based Brand Equity

Customer- based brand equity is a theory that views the concepts of brand equity from a customer's perspective (Christodoulides & de Chernatony, 2010). In Aaker's (1991) study of brand equity, he identified five key dimensions and scholars such as Keller (1993), Yoo and Donthu (2001) would also expand on this theory (Christodoulides & de Chernatony, 2010). Whereas Keller's (1993) model of CBBE is slightly different where he developed a model that revolves mainly around the effect that brand knowledge has on consumer reactions to specific marketing initiatives. CBBE occurs when the consumer holds strong brand associations and is more than familiar with the brand (Su & Tong, 2015).

There have been studies that have investigated the effect of counterfeiting on CBBE. Gabrielli et al. (2012) used Keller's model of CBBE and found that counterfeiting does not have a negative effect on CBBE. Contrary, a study by Kordnaeij et al. (2015), found that the impact of counterfeiting in the clothing industry on brand equity is negative.

To adequately measure CBBE, through the guidance of Aaker's (1991) framework, the following core variables and concepts will be used: brand awareness, brand loyalty and perceived quality. CBBE according to Yoo and Donthu (2001) is a three-dimensional construct composed of the three elements and this is what will be used for the purposes of this study.

2.5.3 Willingness to Purchase

Purchase intention and willingness to purchase are presented as two different concepts as underlined by (Gibbons et al., 2009 as cited in Dhuruo & Muposhi, 2020). Willingness to purchase is when consumers who had no prior intention to purchase are motivated or influenced by ideal conditions at the time of purchase (Dhuruo & Muposhi, 2020). Several studies including (Perumal & Saphan, 2017; Dhuruo & Muposhi, 2020) investigate the willingness to purchase counterfeit goods whereas this study, like Romani et al. (2012), will focus on the willingness to purchase the original despite having easy access to the counterfeit and subsequently the effect of this on brand equity. Ahuvia et al. (2013) found in a study that more than 60% of consumers who purchased counterfeit goods had also purchased the original within the past 3 years and that it is quite a common practice for people to own both. The risk in the counterfeited product is not transferred to the original brand which would not affect the willingness to purchase the original (Bain & Moutinho, 2011).

There is a willingness to purchase the original brand as the counterfeit can be seen as merely a gateway to the original, it gives the consumer insight into the original and introduces consumers to certain products in that environment (Ahuvia et al., 2013). A 2013 study suggests that the presence of counterfeit products in the market has not harmed the sales of the original despite the growth (Ahuvia et al., 2013). A similar study in Glasgow, Bian and Moutinho (2011) identified that counterfeiting was favourable to the original brand and did not affect the willingness to purchase the original. Nia and Zaichkowsky (2000) conducted a study on luxury brands and identified that the demand for the original brand was not altered due to the increase of counterfeit products in the market

The growth of counterfeit goods is largely based on both the intent and willingness to purchase the original brand, and this is what this study focuses on (Pasricha et al., 2019). Understanding the willingness to purchase original products despite the rife amount of counterfeit goods is important in marketing as it serves as a study of consumer behaviour and it helps marketers make better predictions about future purchases (Xi & Cheng, 2017).

Counterfeit consumers switch back to the original because of the memory of the original brand (Yoo & Lee, 2012). The experience with the counterfeit plays an important role in determining if the consumer will go back or not (Yoo & Lee, 2012). In general, consumers have a positive view of originally branded products over their counterfeits and the perception of the counterfeited product does not have an impact on the original brand (Bian & Moutinho, 2011).

Khandeparkar and Motiani (2018) argue that consumers buy counterfeit goods to test the original that they will later purchase and merely use it as a trial. However, the danger of counterfeit products is that the consumer ends up developing a relationship with this fake brand and this is not often translated to the original (Khandeparkar & Motiani, 2018). Brand loyalty can play a role in this regard as the levels of emotional attachment to the brand make it easier to rationalise whether to buy the fake or remain with the original (Orth, Hoffmann & Nickel, 2019).

Sport involvement plays a role in the attitude and willingness to purchase counterfeit sporting goods as those who place value in sport performance are likely to stick to the original (Chiu & Leng, 2015). Nia and Zaichkowsky (2000) argue that counterfeits merely allow those who would not normally have access to have the product which takes nothing away from the original brand.

2.5.4 Brand awareness

Brand awareness as defined by Aaker (1991) is the ability of a consumer to recall or recognise the brand in a particular product category. Brand awareness is the most important construct in the building of brand equity (Keller, 1993). Without people knowing the brand it is impossible to build a relationship with the customers (Keller, 1993). The brand needs to be registered in the mind of the consumer before anything can happen (Sharma, 2017). Brand awareness is what affects the intention to purchase specific brands and what ultimately creates the desire to want to purchase or consume the product or services (Keller, 1993). Without brand awareness, the consumer is unable to build any positive or negative associations towards the brand (Aydin & Ulengin, 2015). Aaker (1991) explains that a recognised brand will always be selected ahead of an unknown brand and the awareness factor is important in building

positive brand equity. Brand awareness is the prerequisite to creating any brand associations in the mind of the consumer (Sharma, 2020).

Aaker (1991) identified three levels of brand awareness in what he called the awareness pyramid: brand recognition, brand recall, and top of mind.

Brand awareness pyramid as created by Aaker (1991) as seen in Figure 1

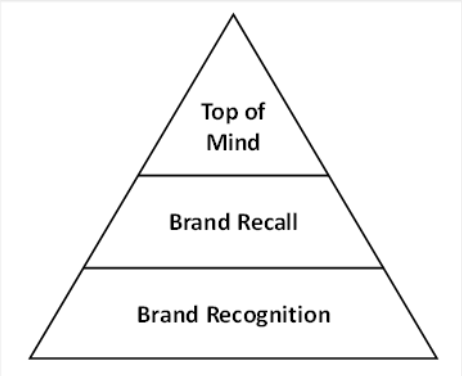


Figure 1: Aaker's Brand Awareness Pyramid

The lowest level is when the consumer has some form of recognition of the brand and has heard of the brand before; although the link is not strong; it is enough to influence the consumer at the point of purchase (Aaker, 1991). Brand recognition provides a level of comfort for the consumer and creates a liking (Aaker, 1991). Brand recall is when the consumer can name the brand and the associated product categories unaided (Aaker, 1991). The stronger the brand position is, the stronger the brand awareness becomes. Top of mind is what brands aspire to and this is when they are ahead of other brands in the minds of the consumer (Aaker, 1991).

Brand awareness and brand image are the most important aspects in the determination of brand equity and play a role in the probability of a consumer purchasing a product or not (Stocchi et al., 2020). Brand image is combination of brand attributes, consumer evaluations, and the benefits of the brand (Stocchi et al., 2020). Brand image and a good marketing strategy help to establish a brand in the market, and this is key to building brand equity (Hashim et al., 2018). Value is added to the brand through awareness by ensuring that the brand is constantly in the mind of the consumer (Sharma, 2020).

Without brand awareness, it would be difficult for the consumer to have any loyalty, and research has indicated that the higher the brand awareness is, the higher the perceived quality is (Aydin & Ulengin, 2015). Counterfeiting relies heavily on the physical elements that a consumer uses to identify a brand; brand awareness and brand identity therefore play a crucial role as counterfeiters leverage off the strength of the brand (Evans et al., 2019).

i. *Brand Awareness and Counterfeiting*

Brand awareness is an important factor in the purchasing of any counterfeit products. Brand awareness is what allows the consumer to recognise a product or service in the market (Stocchi et al., 2020). The ability of the consumer to recognise the brand and of the counterfeiter to create products that are of similar quality is reliant on the strength of brand awareness (Baghi et al., 2016). The counterfeit's identity stems from the original brands are they seek to mirror everything about the brand (Evans et al., 2019).

It can be argued that counterfeiting is a sign that the brand is a top brand, and that rather than lowering the value of the brand, counterfeiting increases it due to the brand awareness it inertly creates (Ahuvia et al., 2013). While it can be said that there is an increase in brand awareness, Wang and Song (2013) state that the financial aspect plays a big role in the erosion of brand equity because of how the counterfeits are priced in the market compared to the original and this cannot be understated (Wang & Song, 2013).

Bastos and Levy (2012) argue that brand awareness is more important than product performance in the counterfeiting process. They argue that it is easy to replicate a product but what will attract the consumer is ultimately the awareness of the brand that is being counterfeited (Bastos & Levy, 2012)., Research conducted on the logo in deceptive counterfeiting showed that manipulated logos influenced the brand equity of the original highlighting the importance of brand awareness (Pathak et al., 2019).

In a study by Ahuvia et al. (2013), they argue that counterfeiting increases the awareness of the brand, and it also increases the credibility of the brand showing that it is a successful brand. Conversely, while counterfeiting does

increase brand awareness, later that effect is negative and ultimately affects brand equity (Hietanen et al., 2018). One of the solutions would be to inform the consumer about counterfeits but Evans et al. (2019) show that warning the consumer that the brand is being counterfeited could lead to the consumer switching brands to avoid the risk of purchasing a fake.

Consumers who do not have high levels of brand awareness are likely to see no difference between the counterfeit and the original and these people are likely to purchase the counterfeit (Hamelin et al., 2013).

Brand Awareness in terms of counterfeiting creates a demand for the brand and will not have a negative effect on the willingness to purchase the original brand; therefore, it is proposed:

H_1 There is a positive relationship between Brand Awareness of counterfeit sportswear brands and the willingness to purchase the original brand.

2.5.5 Brand Loyalty

Brand loyalty is the attachment that the consumer has with their preferred brand (Aydin & Ulengin, 2015). The stronger the emotional brand attachment is, the more likely the consumer is to defend it against other alternatives in the market (Bian & Haque, 2020). Once the consumer is aware of the brand, it is important that they continue to choose this brand amongst the competitors (Aaker, 1991). Brand loyalty, according to Aaker (1991), is how likely a customer is to use an alternative brand. In Keller's (2003) model of CBBE, this is expressed by way of brand resonance, and he details the consumers' relationship with the brand and elements that make them stay with the brand (Ahuvia et al., 2013). Brand loyalty serves as a way for consumers to express their beliefs and values about a brand to others (Fastoso et al., 2018). Brands need to ensure that consumers go from being indifferent to the brand to being a committed buyer where brand loyalty is maintained (Aaker, 1991).

Brand loyalty is a commitment that consumers have to consistently patronize a product or service despite any efforts in the market to get them to switch to a competitor brand (Fastoso et al., 2018). It is the intention to make the brand as their primary choice (Yoo & Donthu, 2001).

Brand loyalty has a direct association with the firm's financial equity (Sharma, 2020). Loyal customers are important as they are likely to spend more, are less likely to be influenced by the competitor, and are used as a tool for word of mouth through their referrals (Sharma, 2020). Brand loyalty is an important aspect of brand equity, and like brand awareness it can be influenced by the other dimensions of brand equity (Aaker, 1991). Brand loyalty could arise from the perceived quality of the product and its attributed associations; it can also be independent from these dimensions where consumers could be loyal despite the perceived quality of the product (Aaker, 1991). The market costs to acquire a new customer are high and therefore brand loyal customers are a great asset to the company and contribute greatly to the return of investments (Sharma, 2017).

i. ***Brand Loyalty and Counterfeiting***

Brand loyalty can be defined cognitively or behaviourally where the cognitive loyalty shows the brand's ability to be top of mind for a consumer and is closely linked to the top of the pyramid of brand awareness (Aydin & Ulengin, 2015). Behavioural loyalty is shown through the commitment of repeat purchases in the market by consumers (Aydin & Ulengin, 2015). Strong brand equity means that consumers know about the brand and its trademark even if they have not heard of its name. Brand loyalty is considered to be one of the main drivers for high brand equity because these customers are less sensitive to changes in price or products, and they are committed to the brand (Kordnaeij et al., 2015).

There is also a sense of loyalty to the brand for consumers who purchase the counterfeit version. One thing that is common with those that purchase the original and the counterfeit is the love for the brand (Ahuvia et al., 2013). The core of any relationship with the consumer and the brand is love; this is what will ultimately drive brand loyalty (Castano & Perez, 2014). There are a higher

levels of brand love for the original branded product despite the consumer feeling the need to purchase the counterfeit (Castano & Perez, 2014).

Consumers form an emotional attachment to brands as they assign human-like traits to brands which leave customers forming a love-like relationship with their preferred brands (Khandeparkar & Motiani, 2018). Counterfeits attempt to sponge off this connection that consumers have with the original brands (Khandeparkar & Motiani, 2018). Counterfeiting successfully allows consumers to express themselves through an alternative means but this does not change the love they have for the corresponding original brand, it merely provides access (Khandeparkar & Motiani, 2018). Ultimately those that purchase the original and the fake are in love with the corresponding real brand, and this would not have a negative effect on the brand equity of the original (Khandeparkar & Motiani, 2018).

A study by Francis et al. (2015) showed that counterfeiting did not influence CBBE. It revealed that there is a sense of brand loyalty that is created for the counterfeits and in the mind of the consumer, the counterfeit brand and the original brand are two different brands (Francis et al., 2015). The relationship that the consumer has with counterfeits stems more from convenience than it does with ill feelings for the original brand (Castano & Perez, 2014).

It is hypothesised that the purchase of counterfeit goods is due to some element of brand loyalty and due to some price factors, which would not have any impact on the willingness to purchase the original. Therefore, it is proposed:

H_2 There is a positive relationship between Brand Loyalty of counterfeit sportswear goods and the willingness to purchase the original brand

2.5.6 Perceived Quality

Perceived quality as explained by Aaker (1991) relates to the perception of the quality associated with the brands products or services. This is defined as the process which

allows the firm a distinct point of parity from competitors (Aaker, 1991). Perceived quality is the customers overall judgement of the product or service and determined by whether they view it as superior or inferior (Aydin & Ulengin, 2015).

Perceived quality is the perception that the consumer has of the product or service in relation to its intended purpose (Aydin & Ulengin, 2015). Yoo and Donthu (2001) state that perceived quality is based on the user's subjective experience and not on what the brand wants the consumer to perceive of the product or service. Perceived quality and objective quality are different as the perceived quality is the users' subjective experience of a product and objective quality is to do with the objective manufacturing of the product (Sharma, 2020).

Brand equity and perceived quality are directly linked, and the brand equity will increase provided the consumer finds the brand to be of higher quality (Sharma, 2017). There is a positive correlation between the satisfaction of the consumer and the perceived quality of the brand (Sharma, 2017). The literature relating to product quality of counterfeits is not widely explored in comparison to the other aspects of CBBE but it is important to explore what its effects are (Qian, 2014).

i. ***Perceived Quality and Counterfeiting***

Perceived quality is considered after purchasing the product (Hussain, Kofinas & Win, 2017). The higher the perceived quality and expectations, the more likely the consumer will continue to purchase the counterfeit product (Hussain et al., 2017). Counterfeiting would not affect the perceived quality of the brand as the quality of counterfeited products has become so good that even the manufactures of the original brands are unable to tell the difference, which has enabled customers to continue to engage in their purchase (Ahuvia et al., 2013). In some cases, the product makers have required lab results to confirm the difference (Hashim, Shar & Oman, 2018).

In a study examining the perception of original and counterfeited products, Castano and Perez (2014) investigated the brand relationships and how consumers form relationships with both the counterfeit and the original. They found that the consumers tend to transfer the personality traits that they have

assigned to the original brand on to the counterfeit and vice-versa (Castano & Perez, 2014). Similarly, Bian and Moutinho (2011) found that consumers have created personalities for the counterfeited branded products as well as the original and the result was that the superior is the latter.

The purchase of original or counterfeits will depend on the attributes of the product (Hamelin, Nwankwo & El Hadouchi, 2013). These attributes include design, quality, price, and image (Hamelin et al., 2013). Those who purchase counterfeit goods believe that is as good as the original (Hussain et al., 2017). Some counterfeited products may not have all the physical and branding aspects of the original, but the image of the original brand is maintained, therefore there can be no harm done to the original brand (Penz & Stottinger, 2015).

However, Buttice et al. (2020) have argued that for companies that rely on innovation, counterfeiting causes a lot of damage (Buttice et al., 2020). There are counterfeits that are of a sub-standard quality which damages the reputation of the original brand (Buttice et al., 2020). It can also be argued that the quality will ultimately influence the original brand whether it is positive or negative (Bian & Veloutsou, 2007). Counterfeits eliminate the perception of uniqueness and exclusivity attached to a brand and consumers end up associating cheapness to the original (Buttice et al., 2020).

Even though brands believe that counterfeits are destroying their reputation and ultimately eroding their brand equity, many consumers are buying these counterfeits knowingly and are aware of the key differences between the two (Nia & Zaichkowsky, 2000). This is further confirmed in a study by Qian (2014) that counterfeiting has more of an effect on low-end products than on high-end products.

What would allow for the erosion of brand equity and subsequently have a negative effect on CBBE would be if the originals had the sub-standard quality that consumers would expect in the counterfeit (Nia & Zaichkowsky, 2000). Perceived quality is important, and brands need not concern themselves with counterfeiters or people who consume the low-quality products as those people

were never going to purchase the original (Qian, 2014). Bian and Moutinho (2011) claim that the presence of counterfeited products may lead consumers to have a negative view of the original brand if the quality is the same; why is the financial burden is higher with the original.

Perceived quality in purchasing counterfeits is important as the reward of the quality needs to outweigh the risks (Hamelin et al., 2013). It is found that men are likely to purchase counterfeits than women are (Singh & Trott, 2019). Women pay more attention to quality and assess the risk factor differently (Hamelin et al., 2013). Research explores guilt as a moderating factor in what prevents them from buying counterfeits and this is seen more in women than it is in men (Ren & Kang, 2018).

Penz and Stottinger (2005) argue that counterfeiting makes the original product look more attractive because there is an element of prestige that it has that the counterfeit could never replicate. This shows that counterfeiting creates a flattery effect that could benefit the original brand (Romani et al., 2012). Research by Astray et al. (2021) on the impact of counterfeiting on overall brand equity, found that poorly made counterfeit products did not have negative effects on the Nike brand.

Counterfeiting would not have an impact on the perceived quality of the original brand and not have an impact on the willingness to purchase the original brand therefore it is hypothesised that:

H_3 There is a positive relationship between Perceived Quality of counterfeit sportswear goods and the willingness to purchase the original brand

2.6 Conclusion of Literature Review

The literature review chapter has outlined the hypothesis that the research intends to study and the theoretical grounding these theories initiate from. Figure 2 outlines the theoretical concept or framework that will be used to answer the research questions.

Table 2: Hypothesis

	Hypothesis	Core References
H1	There is a positive relationship between Brand Awareness of counterfeit sportswear brands and the willingness to purchase the original brand.	Aaker (1991) Aydin & Ulengu (2015) Commuri (2009) Evans, Starr & Brodie (2019) Francis et al. (2015) Gabrielli et al. (2012) Hietanen et al. (2018) Keller (1993) Kordnaij et al. (2015) Nia & Zaichkowsky (2000) Penz & Stottinger (2005) Phau & Teah (2009) Ren & Kang (2018) Romani et al. (2012) Umar et al. (2012) Wang & Song (2013)
H2	There is a positive relationship between Brand Loyalty of counterfeit sportswear goods and the willingness to purchase the original brand.	Aaker (1991) Baghi et al. (2016) Bian & Haque (2020) Castano & Perez (2014) Commuri (2009) Fastoso et al. (2018) Francis et al. (2015) Gabrielli et al. (2012) Kauffman et al. (2016) Keller (1993) Khandeparkar & Motiani (2018) Kordnaij et al. (2015) Nia & Zaichkowsky (2000) Phau & Teah (2009) Romani et al. (2012)
H3	There is a positive relationship between Perceived Quality of counterfeit sportswear goods and the willingness to purchase the original brand	Aaker (1991) Astray et al. (2021) Bian & Mountinho (2011) Baghi et al. (2016) Commuri (2009) Francis et al. (2015) Gabrielli et al. (2012) Keller (1993) Kordnaij et al. (2015) Nia & Zaichkowsky (2000) Park-Poas & Kang (2018) Penz & Stottinger (2005) Phau & Teah (2009) Romani et al. (2012)

Below is a conceptual framework for the study that highlights the hypothesis and what the study will investigate.

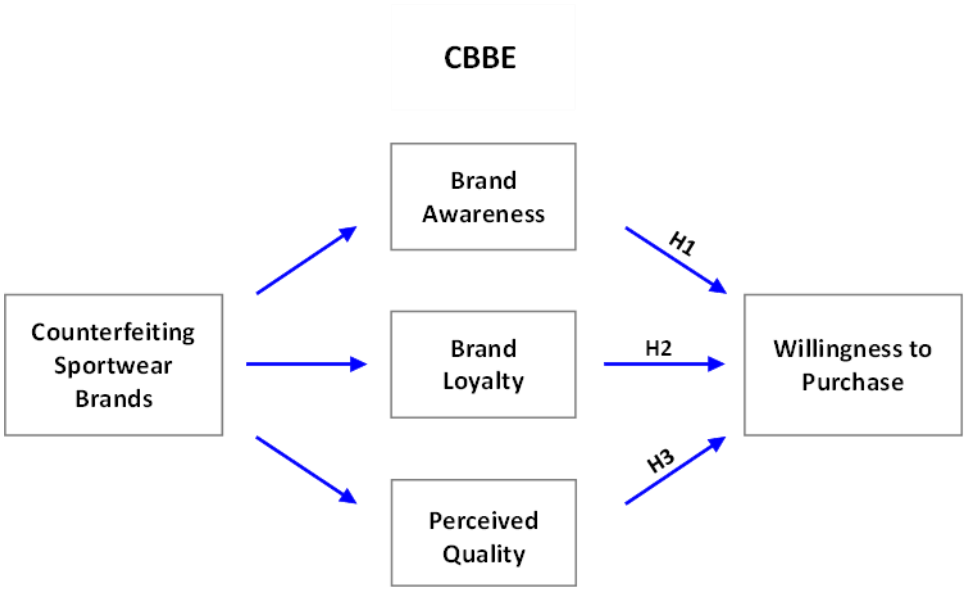


Figure 2: Conceptual model

CHAPTER 3. RESEARCH METHODOLOGY

This chapter will discuss the methodological process and the research design utilised for this study. The chapter describes the methodology applied to answer the research questions and to address the hypotheses that were established in the previous chapter. Included in this chapter are the research philosophy/paradigm used and the reasoning behind this selection, a discussion of the population and sample methods required for the success of the study, a discussion of the instrument used for the study, and the data collection procedure. This will be followed by a discussion of the analysis of the data collected and the limitations and validity thereof.

3.1 Research methodology / Paradigm

The research methodology describes the strategy was used for the research (Saunders, Lewis & Thornhill, 2016). The strategies employed are backed by philosophical and methodological beliefs that will be applied to the research (Saunders et al., 2016; Duffy & Chenail, 2011). The research methodology that is applied to this study is based on the postpositivist paradigm. Post-positivism which is slightly different from pure positivism acknowledges that absolute objectivity is not obtainable (Duffy & Chenail, 2011). In the understanding of consumer behaviour, the postpositivist approach is the most appropriate research paradigm to use as it stems from human experiences (Mackenzie & Knipe, 2006; Collins, 2010).

There are three strategies that can be employed in research: qualitative, quantitative, and mixed methods (Creswell, 2009). Qualitative and quantitative are often mistakenly viewed as opposites, however, they merely represent different sides of a continuum (Newman & Benz, 1998 in Creswell, 2019). The differences in the approaches stem from their philosophical origins (Creswell, 2009). A distinction between qualitative and quantitative as described by Duffy and Chenail (2011) is that quantitative research takes human experiences and translates them into numerical values whereas qualitative research translates them into words. Creswell (2009) explains that mixed methods research integrates both quantitative and qualitative approaches.

For this study, a quantitative research approach was used. “The purpose of a quantitative research is to make a substantiative contribution to a particular scientific

literation through description, explanation or prediction" (Nielsen, 2011, p. 86). It was important for this study to use a quantitative approach to ensure the reliability and validity of the information provided by the respondents. Quantitative research is accurately measured to validate the hypotheses that have been derived and to conclude if the research problem was merely a perception or if it is real (Ahmad, Wasim et al., 2019). In quantitative research, the hypothesis is tested by probing the relationship between the variables which are quantifiable and can be measured (Creswell, 2009). A quantitative approach was used as it can be accurately measured and is strictly outcome-orientated (Ahmad et al., 2019).

3.2 Research Design

The research design is an important aspect of academic research. The design is a tool that will be used to accurately answer the research questions (Cooper & Schindler, 2014). The research design guides the way the research will be conducted and essentially provides a framework for the information that is to be collected and a guide for analysis going forward (Cooper & Schindler, 2014). The research design essentially lays the foundation for the research and is used as a blueprint that will align intended objectives with the desired outcomes (Malhotra et al., 2017).

The research is exploratory research rather than descriptive. This is because according to Malhotra et al. (2017), a descriptive study would be appropriate for studies that involve analysing elements such as consumption patterns and consumer responses to changes in product, price, or other market characteristics. This research is conclusive as it tests a specific hypothesis and analyses the relationships between variables and constructs (Malhotra et al., 2017). Exploratory research is also appropriate for the methodology used.

The methodology used for this research is cross-sectional which is frequently used for quantitative studies, particularly with survey studies (Bryman, 2012). Cross-sectional designs in research represent a "snapshot in time" (Cooper & Schindler, 2014, p. 128). The use of a cross-sectional design in this research is important to test the different hypotheses, constructs and variables accordingly. Cross-sectional designs are also

important for this quantitative study as it involves the once-off collection of specific information about a selected population (Malhotra et al., 2017).

3.3 Population and sample

3.3.1 Population

For this study, millennials were identified as the target population as they have strong buying power and remain the biggest cohort in the country, and, in addition, they reflect the growing economy in the country (Mai & Linh, 2017). As identified through various studies, the growth of counterfeiting can be attributed to the influence that the millennials have on it, therefore an affluent youth base is an appropriate part of the population for this study.

According to Statistics SA (2019), South Africa's youth population account for a third of the 58.78 million total population where 30% are in the Gauteng province. The target population for this research is young South African, consumers aged between 26-40.

3.3.2 Sample and sampling method

The sample is derived from the population group identified in the population statement (Bryman, 2012). Sampling in research is important because it is not practical target the entire population that needs to be studied, therefore a sample creates an opportunity for the researcher to gain an understanding of the population through a select few (Vanderstoep & Johnston, 2009). To avoid bias, it is crucial for the sample to not have any discrepancy with the population (Cash, Isaksson, Maier & Summers, 2022). Sample sizes in both quantitative and qualitative methods can be large or small depending on the analysis approach and the type of research being conducted (Cash et al, 2022).

There are two types of sampling probability and non-probability sampling where the former uses certain mathematical guidelines to ensure that everyone in the population has an equal opportunity of being included (Cash et al., 2022, p. 10). Non-probability sampling can be viewed in three key formats as defined by Creswell (2012) and Daniel (2012) as based on the quota that is available to the researcher, the availability of the

group of people and importantly it needs to be purposive (Cash et al., 2022). This means that the sample selected needs to be based on the characteristics of the population and cannot simply be random (Cash et al., 2022). Non-probability sampling is also based on the judgement of the researcher in question and the sample including members that fit a desired characteristic of the population (Cash et al., 2022).

For the purposes of this research, the sample was the affluent youth or millennial population found in the province of Gauteng. Specifically, the sample was derived from students at the University of the Witwatersrand. They were determined to be a suitable sample as they are in the province of Gauteng and the location of the university is in an area of Johannesburg where counterfeiting is high. Affluent youth are the target market for sportswear brands and they are likely to be tempted into purchasing counterfeit sportswear goods and therefore make a good sample.

The targeting of university students in research is often done because they are more homogeneous, and this can lead to stronger hypothesis testing (Peterson, 2001). However, it is also important to note that homogeneity does not always translate to stronger hypothesis testing, it simply reduces the number of differences that exist within the variables being studied (Peterson, 2001). However, a disadvantage of using a student population is that people are likely to have different characteristics than the population and it is possible that the sample may not reflect the larger population in the way that the researcher intended (Vanderstoep & Johnston, 2009).

The sampling method used for this study is probability sampling. According to Fricker (2008), this is when there are mechanisms involved in the process of how the sample is selected, which in this case creates an opportunity for students who fit the criteria to partake in the survey. Therefore, through this form of probability sampling, the target minimum of millennials to be surveyed was 300 based on the size of the population.

Table 3: Profile of respondents

Description of respondent type	**Number to be sampled**
Gen Y Millennials	300

The researcher collected a total of 648 responses from the university sample. Out of the total responses collected, 289 were valid for the study as they qualified as millennials.

3.4 The research instrument

Surveys are the most used form of quantitative research design (Leavy, 2017). In quantitative studies, the use of surveys is important as the researcher can collect a large number of responses (Vanderstoep & Johnston, 2009). Surveys allow for the researcher to ask a set of questions that are scientifically formulated and once collected, are analysed statistically (Leavy, 2017). An instrument used for data collection in survey research is the questionnaires (Leavy, 2017). The instrument that was used for this study was a survey questionnaire that was distributed to the intended sample.

The survey that was distributed to the respondents had three sections. In section A, respondents were requested to provide general information about the type of sportswear that they purchase and the brands that they purchase from. This first section allowed respondents to provide their ages to confirm that they were within the intended sample frame. Section B measured the constructs that this study explores using a seven-point Likert scale. Section C allowed for demographic details of the respondents.

The survey used the 7-point Likert scale where the ranges are from “strongly disagree” to “neutral” to “strongly agree”. Saris and Gallfoher (2007) argue that 7-point scales are the most optimal in quantitative research. This was done in line with previous research done on the study and adapted to this specific research.

The research constructs evaluated are seen in table 4:

Table 4: Research construct

Research Construct	Source	Items
Brand Awareness	Jalilvand et al., 2011 Aydin & Ulengu, 2015	5 item scale

	Romani et al., 2012 Francis et al., 2015 Gabrielli et al., 2012 Kordnaij et al., 2015	
Brand Loyalty	Jalilvand et al., 2011 Kaufmann et al., 2016 Romani et al., 2012 Francis et al., 2015 Gabrielli et al., 2012	5 item scale
Perceived Quality	Jalilvand et al., 2011 Park-poaps & kang, 2018 Aydin & Ulengu, 2015 Romani et al., 2012 Francis et al., 2015 Gabrielli et al., 2012	4 item scale
Willingness to Purchase	Kaufmann et al., 2016 Romani et al., 2012 Francis et al., 2015 Gabrielli et al., 2012 Kordnaij et al., 2015	3 item scale

3.5 Procedure for data collection

Given the target population and the sample that was selected, the appropriate procedure for this quantitative study is a self-administered questionnaire, survey distributed to the intended sample through emails. Qualtrics was used to develop the survey. The Qualtrics database was used to store the data that was collected.

3.6 Data analysis and interpretation

To accurately analyse the data collected from the research, a descriptive statistical analysis was done using Structural Equation Modelling (SEM). This is used to analyse the connections that occur between concepts to see their relevance to solving a problem (Blunch, 2012). SEM is a “collection of statistical techniques that allow a set of relationships between one or more independent variables and one or more dependent variables to be examined” (Ullman & Bentler, 2013, p.661). Researchers begin their studies with a theory and then start the process of verifying these theories to map out possible connections between variables (Blunch, 2012). SEM is then used as a tool to test the model that has been created against the data collected to test the strength of the connections of the variables being examined (Blunch, 2012). SEM is

particularly useful in marketing as most constructs like those being investigated in this paper cannot be directly observed and can only be measured in “their degree of observational meaningfulness and validity” (Steenkamp & Baumgartner, 2000, p.196).

There are several advantages to using SEM, firstly the error from the relationships between the variables has already been estimated and removed (Ullman & Bentler, 2013). Additionally, SEM allows for the analysis of complex multidimensional relationships, therefore, giving the researcher license to complete simultaneous tests of all relationships being investigated (Ullman & Bentler, 2013).

The aim of the study is to measure the effect of counterfeiting on the components of CBBE and therefore to test the hypothesis, this is done through regression analysis (Saunders et al., 2016).

3.7 Limitations of the study

The intention of the study is to explore the effects of counterfeiting on CBBE and the willingness to purchase the original brand in South Africa and the sample of respondents was limited to the Gauteng province. The results do not reflect the views of the entire country which may affect the quality of the research.

The data collection instrument and method through self-administered surveys resulted in relatively low turnover and therefore limited the number of usable results.

Allowing the customer to pick any type of brand resulted in varied results and may not have the same results that would occur from analysing one specific brand.

3.8 Ethical considerations

Ethical considerations are vital to ensuring the success of any academic research. The respondents who participated in this study did so voluntarily giving their clear and unwavering consent to participate. The researcher provided full transparency of what the data would be used for for and clarified that their anonymity would be preserved. Respondents were not offered any form of incentive and were informed that the data

collected would be processed and analysed for academic purposes only. Respondents were free to withdraw their participation at any time.

3.9 Validity and reliability

To ensure the accuracy of the results from the data collected, different validity and reliability tests were performed.

3.9.1 External Validity

The external validity according to Bryman and Bell (2007) is concerned with whether the research is valid and applicable to other research areas beyond the context that has been stipulated. Validity is the measure of truthfulness (Vanderstoep & Johnston, 2009). To determine whether the research accurately measures what it seeks to achieve (Vanderstoep & Johnston, 2009). The aim of the research is to have this valid for other areas where the variables and constructs of brand equity can be applicable.

3.9.2 Internal Validity

Internal validity is the “extent to which conclusions from a specific study apply to other contexts with implications in the wider world” (Cash et al., 2022, p. 12). The internal validity of the research differs from the external in that the focus is on the causality of the different variables that have been stated as part of the research (Bryman & Bell, 2015). This specific research’s internal validity can be seen in the relationships between the different dimensions of CBBE and how it relates to counterfeiting and the willingness to purchase the original brand.

3.9.3 Reliability

According to Malhotra et al. (2017, p. 160), the reliability of research is “the extent to which a scale produces consistent results if repeated measurements are carried out on the characteristic”. It is important that given the same set of results and a different researcher, the interpretation and the analysis remain the same (Malhotra et al., 2017, p. 160).

Reliability measures consistency and the extent to which a person can take a survey or test and produce the same results each time (Vanderstoep & Johnston, 2009). The most accurate way that this can be measured is through Cronbach's alpha (Vanderstoep & Johnston, 2009).

Cronbach's alpha has a maximum value of 1.0 and values lower than 1.0 would mean that the similarity in responses was low (Vanderstoep & Johnston, 2009). Cronbach's alpha increases with the number of items on the scale as the reliability increases because the probability of random response errors decreases the more items there are on the scale (Schrepp, 2020). What is considered a good value for Cronbach's alpha has been debated by researchers, but they all agree that what is acceptable is dependent on the values of the scales (Schrepp,2020). The general rule of thumb regarding the alpha according to Schrepp (2020) is that $\alpha > 0.9$ is Excellent, $\alpha > 0.8$ is good, $\alpha > 0.7$ is acceptable, $\alpha > 0.6$ is questionable, $\alpha > 0.5$ is poor and $\alpha < 0.5$ is unacceptable.

The reliability aspect of the research will ensure that the results are consistent and that the set of questions in the survey indeed measure the desired or devised concepts.

3.10 Summary

In conclusion, the chapter has addressed the research methodology the study took and the research design and explained the reasoning behind it. The chapter has also addressed the sampling method and the research instrument used to conduct the study as well as the data collection methods. In addition to that, the chapter has explained how the data was collected and how it was analysed and the limitations thereof.

CHAPTER 4. PRESENTATION OF RESULTS

4.1 Introduction

This chapter focuses on presenting the outcomes of the research. The chapter provides an evaluation and interpretation of the results gathered from the research through a quantitative analysis. The data analysis was performed using IBM SPSS 28 and IBM SPSS Amos 28 programs. The theoretical grounding and objectives of the research led to the forming of hypotheses and this chapter provides the results after empirical evidence has been gathered to answer the research questions and hypotheses proposed. The analysis begins with descriptive statistics followed by the reliability and validity assessments of the constructs used, a confirmatory factor analysis, and a path analysis. Furthermore, a hypotheses analysis is conducted to verify whether the results collected support or reject the presented hypotheses.

4.2 Descriptive Statistics

The self-administered questionnaire composed of questions related to the different dimensions of CBBE was distributed to the Wits University students' emails. The questionnaires were successfully completed by participants from age groups varying between 18 to over 40 years across the Wits University student population. 648 total questionnaires were successfully completed with 181 by participants aged between 18-25 and 48 participants aged over 41, both of which fall outside the millennial criteria. A total of 125 did not specify their age groups. As a result, 354 participants were excluded from the sample study. A total of 294 participants fit the criteria, resulting in an overall positive response rate of 98%. The total response rate was 294 out of the required 300, but a good number of the respondents abandoned the survey either in one or two of the sections and were outside the accepted criteria of an age group of between 26 – 40 years. The response rate was deemed adequate for this research study as Mugenda and Mugenda (2003) argued that for research, a response rate of at least 50% is adequate.

The response rate obtained from the data collected was deemed satisfactory and appropriate for data analysis, as it was above the 50% threshold (Taherdoost, 2016).

Taherdoost (2016) is of the view that a survey response rate of 50% or more is deemed excellent as it is likely motivated by a high degree of commitment to complete the survey or a close relationship between research participants. This is in line with Musando (2013), who is of the view that a response rate of 50% to 70% is adequate to represent the entire population of the research study.

A profile of the respondents' qualifying demographic details was compiled on IBM SPSS 28 as seen in table 5.

Table 5: Frequencies

		Frequency	Percentage (%)
Age	26-31	110	37.4%
	32-36	117	39.8%
	37-41	67	22.8%
	Total	**294**	**100.0%**
Gender	Male	129	43.9%
	Female	158	53.7%
	Non-binary	6	2.0%
	Prefer not to say	1	0.3%
	Total	**294**	**100.0%**
Occupation	Full-time Student	100	34.0%
	Part-time Student	68	23.1%
	Employed	110	37.4%
	Self-employed	16	5.4%
	Total	**294**	**100.0%**

4.3 Demographic details

4.3.1 Age

Figure 3 shows the age distribution of the millennial participants. It has been observed that the highest proportion of respondents was from an age distribution of 32-36 with a proportion of 39.8%, followed by 26-31 and 37-41 with 37.41% and 22.8% respectively.

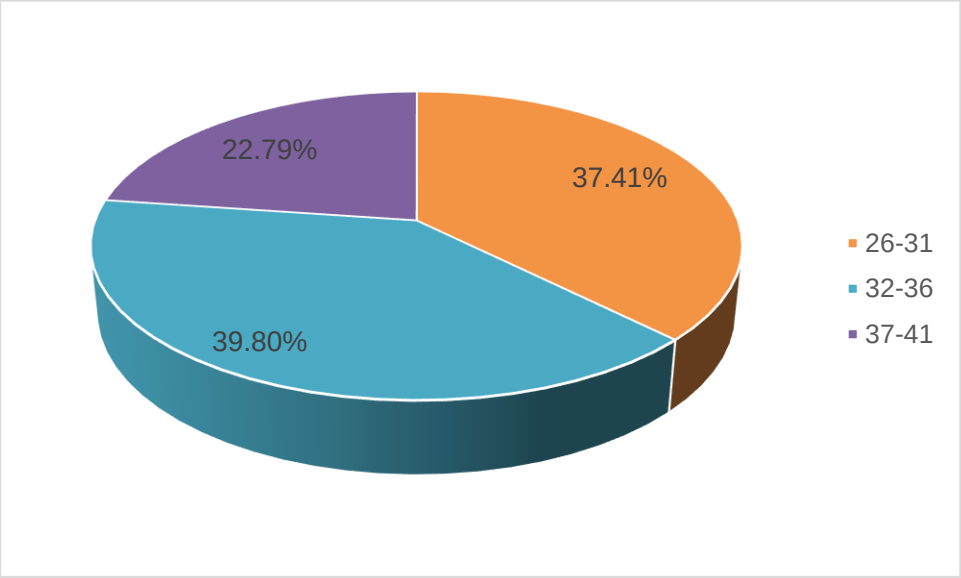


Figure 3: Age of Respondents

4.3.2 Gender

The aim of this measure is to understand the male and female split to ascertain the gender distribution of the respondents, and hence the study participants were requested to indicate their respective gender. Figure 4 revealed that most of the respondents were female (53.7%) compared to the males, non-binary respondents and those who prefer not to state their gender with 43.9%, 2.04% and 0.34% respectively.

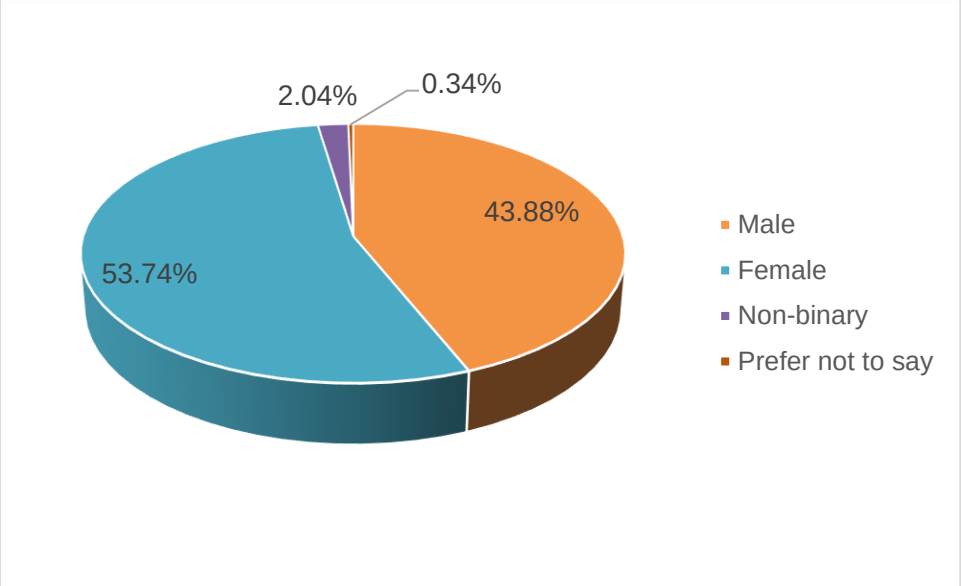


Figure 4: Gender of Respondents

4.3.3 Working Status

The working status associated with the profession of the participants was also established and the results are illustrated in Figure 5.

Figure 5 shows the status distribution associated with profession. The majority of respondents were employed students making up 38.06% followed by 23.53%, full-time students, 13.15% part-time and employed students, 9.34% part-time students who are not employed, 5.54% self-employed students and 0.69% unemployed students contributing the least.

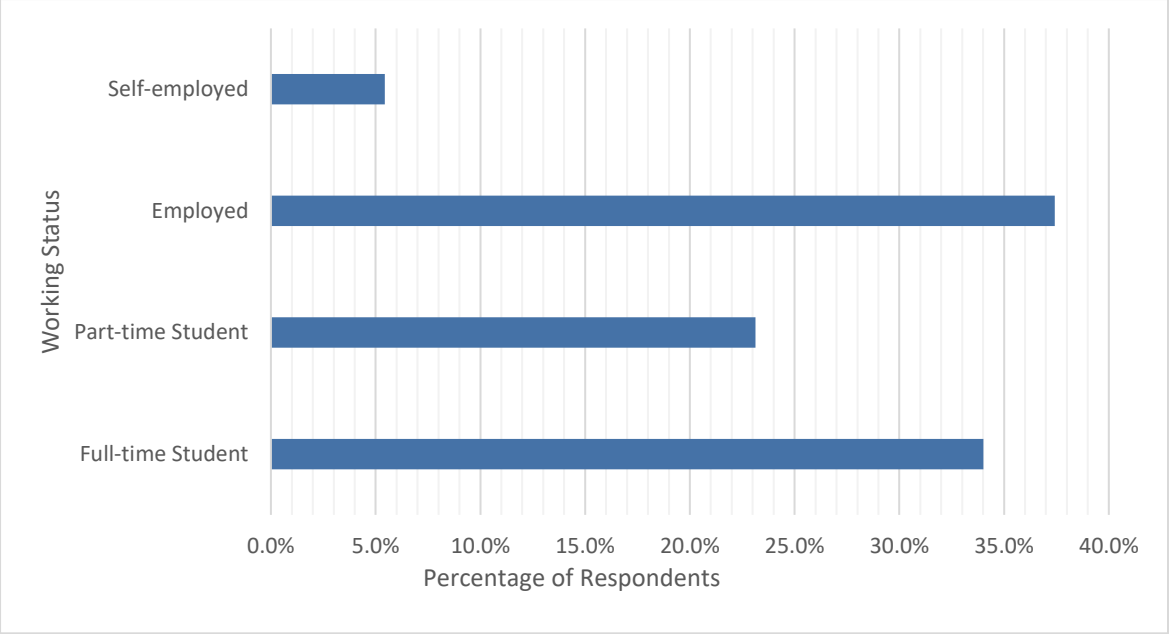


Figure 5: Working Status of respondents

4.4 Sportswear Preferences

Through the questionnaire, it was possible to establish the sportswear preference, what items participants own, and how much they have spent in total on the brands over the past year.

The survey showed that the five major sportswear brands are the most popular amongst the respondents as shown in Figure 6. The biggest share belonging to Nike with 46.5%, Adidas 25.23%, Puma 10.05%, New Balance with 3.97% and Jordan Brand with just over 3%.

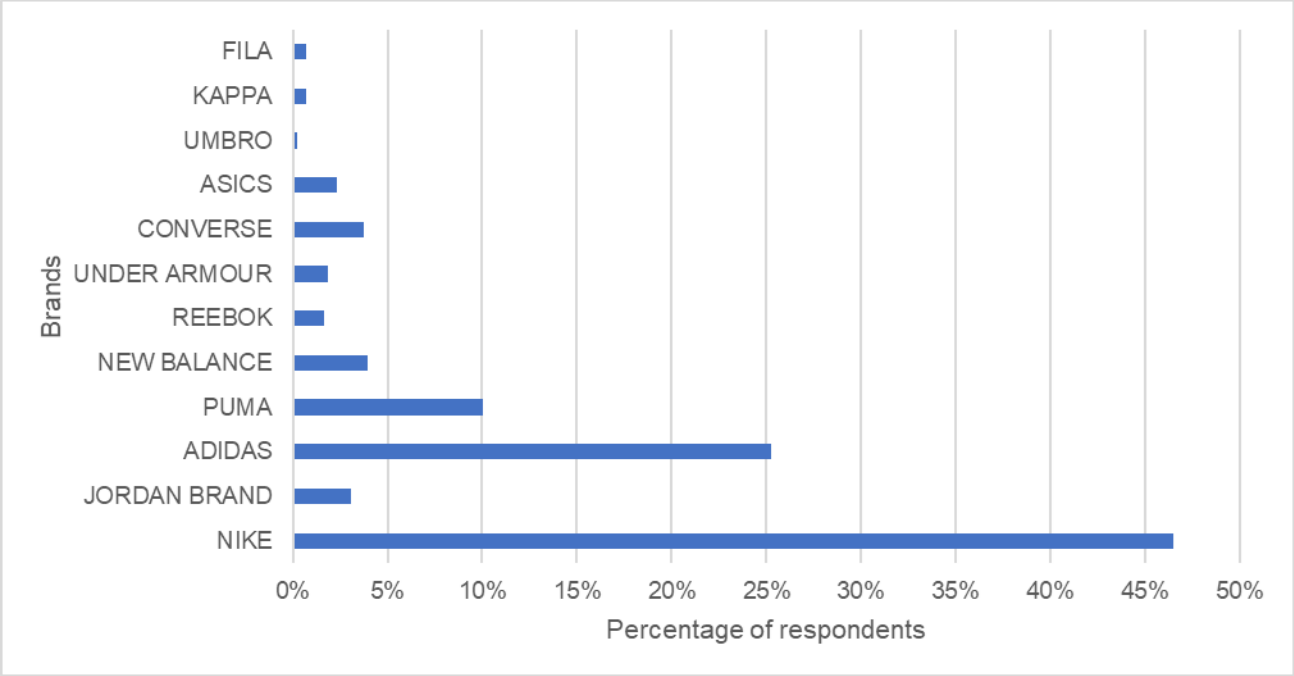


Figure 6: Sportswear brand preferences

4.4.1 Items owned

The respondents were then asked to reveal which items of their preferred sportswear brand they own. As seen in Figure 7, the top items were sneakers with 30.26%, Hoodies 11.22%, T-shirts 15.22%, and sweatpants 11.2%. Additional items listed by participants under the ‘other’ category included: caps, beanies, flip flops, dresses, backpacks, and headbands.

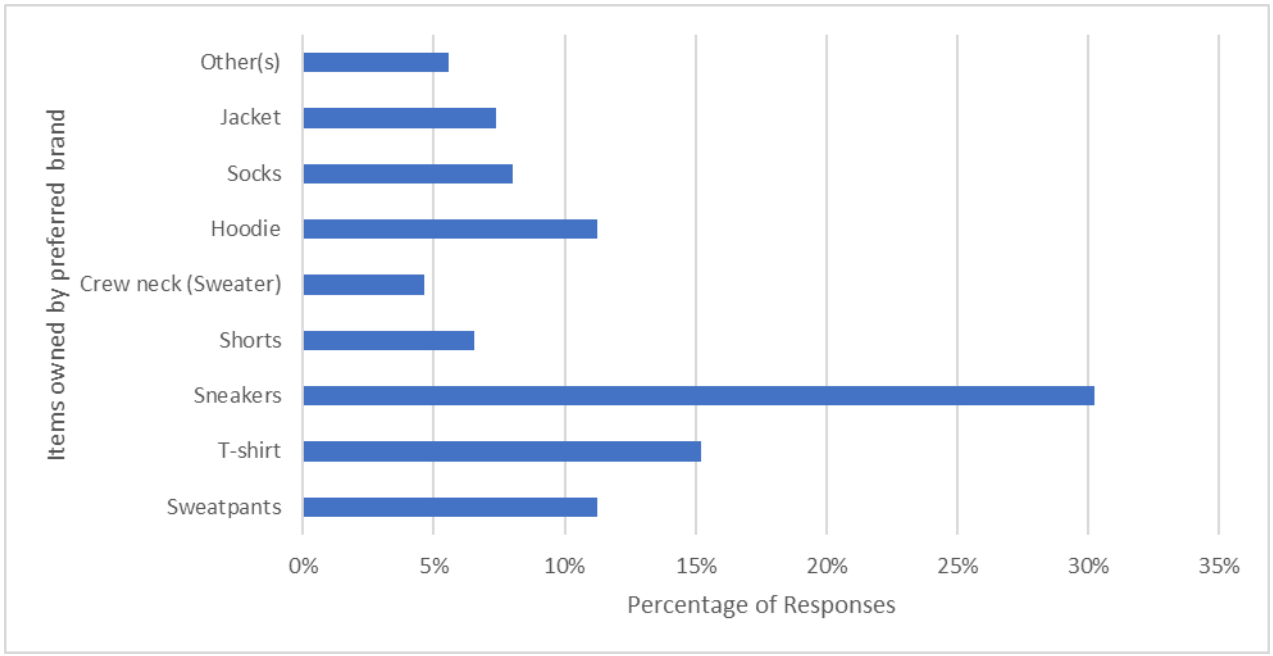


Figure 7: Items owned by respondents

4.4.2 Average Spend

The survey also revealed the average spend on the items purchased from the preferred brand over the past year as seen in Figure 8.

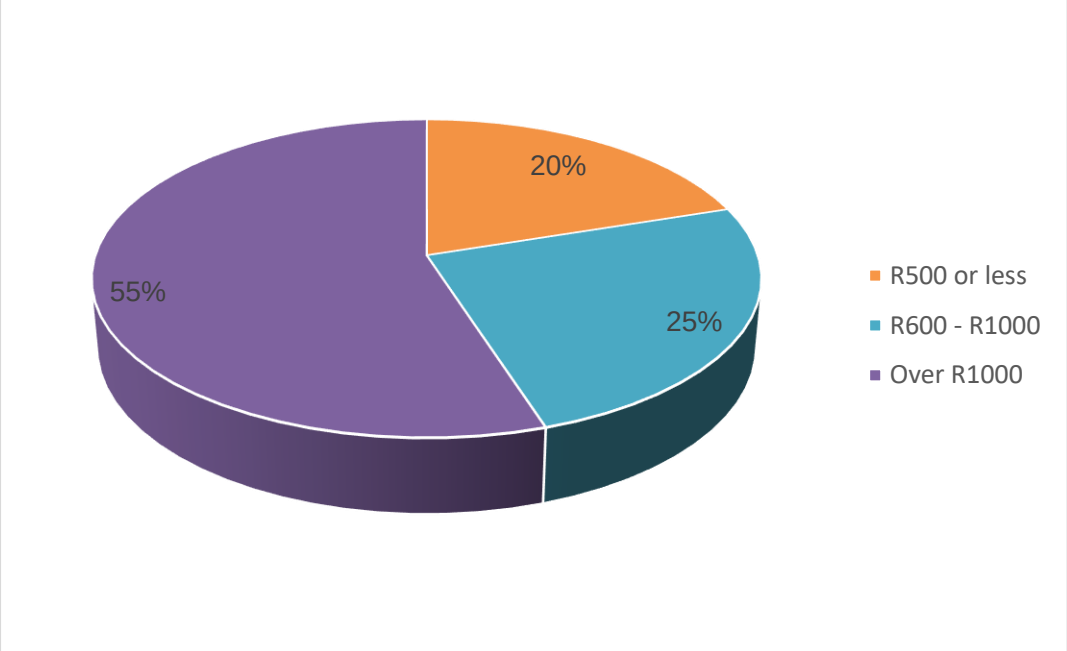


Figure 8: Average Spend over the last year

4.5 Reliability

As with the study conducted by Gabrielli et al. (2012), to effectively answer the research question, the sample was further broken down into two different groups: those that own counterfeit sportswear brands and the respondents who are genuine brand consumers. Over 57% of the respondents noted that all the sportswear items they own are original and they do not own counterfeit items, whereas 35% stated that they do own at least one counterfeit sportswear item, and less than 7% stated that they prefer not to say. The analysis only considers the respondents that stated that they own counterfeit sportswear and those that own 100% originals.

4.5.1 Reliability (Counterfeit users)

Table 6 shows the reliability and factor loadings that were performed on the research constructs for respondents that stated they owned at least one counterfeit sportswear item.

Table 6: Summary of Reliability and Validity Constructs

Research Construct		Mean Value	Standard Deviation	Cronbach's Alpha (α)	Composite Reliability (CR)	Average Variance Extracted (AVE)	Factor Loadings
Brand Awareness (BA)	BA1	5.44	2.013	.821	.877	.593	.616
	BA2	4.37	1.847				.702
	BA3	4.61	1.967				.834
	BA4	5.26	1.945				.801
	BA5	5.26	1.798				.870
Perceived Quality (PQ)	PQ1	3.77	.744	.639	.786	.481	.619
	PQ2	3.96	.959				.632
	PQ3	3.30	1.110				.793
	PQ4	3.15	1.042				.718
Brand Loyalty (BL)	BL1	5.30	1.867	.882	.921	.702	.899
	BL2	5.93	1.548				.900
	BL3	5.27	1.869				.804
	BL4	5.90	1.332				.758
	BL5	4.43	2.387				.821
Willingness to Purchase (WP)	WP1	3.03	.692	.646	.809	.586	.725
	WP2	3.73	.899				.763
	WP3	3.81	.864				.808

4.5.2 Cronbach's Alpha (Counterfeit users)

Cronbach's alpha is a method used in quantitative research to measure the reliability of the items used in the questionnaire (Christmann & Van Aelst, 2006). Cronbach's alpha tests the internal consistency of responses in the scales (Christmann & Van Aelst, 2006). "Alpha measures the extent to which item responses correlate with each other" (Vaske, Beaman & Sponarski, 2017, p. 165).

Table 7 presents the results of the reliability tests for this sample. The values range from 0.639 to 0.821, all of which are above what is required as an acceptable alpha value. Alpha for perceived quality and willingness to purchase do appear to be low in comparison to the other constructs, it is important to note that the alpha value should be interpreted in consideration with the number of items in the scales (Schrepp, 2020). The alphas are all acceptable as they all above what is deemed to be acceptable.

Table 7: Cronbach's Alpha

Construct	Number of Items	Cronbach's Alpha	Outcome
Brand Awareness	5	0.821	Very good
Perceived Quality	4	0.639	Questionable
Brand Loyalty	5	0.882	Very good
Willingness to Purchase	3	0.646	Questionable

4.5.3 Composite Reliability (CR) (Counterfeit users)

In addition to Cronbach's alpha, a measure of reliability used is composite reliability. Composite reliability according to Geldhof, Preacher and Zyphur (2014) can be considered to be a more accurate score for reliability as it produces more precise estimates compared to Cronbach's alpha. It is recommended that researchers do not rely only on the alpha value but also view composite reliability in conjunction to confirm that the results are reliable (McNeish, 2018). All research constructs returned a composite reliability value of greater than 0.7 and less than 0.95 which is the minimum

required and reflects that there is consistency in the variables (Bacon, Sauer & Young, 1995).

4.6 Validity

4.6.1 Convergent Validity

4.6.1.2 Factor loadings

Table 5 shows the factor loadings of the study constructs. Appropriate loadings are those that range from .40 to .90 (Bacon et al., 1995). For Brand Awareness, 5 scale items were used and retained as they had a value greater than 0.4. Perceived quality has 4 items that were used and the initial factor loadings of all 4 items were greater than the threshold value of 0.4. Thus, all the 4 items were retained. For brand loyalty, 5 scale items were used and all 5 items were retained. Willingness to purchase had 3 scale items used and all were retained.

4.6.2 Discriminant Validity

4.6.2.1 Average Variance Explained (AVE)

To determine if discriminant validity exists, it is important to test the average variance extracted (AVE) values. “AVE measures the explained variance of the construct” (Zait & Bertea, 2011, p. 218). To ensure discriminant validity, the value of AVE is expected to be above 0.50 (Zait & Bertea, 2011). All constructs except for perceived quality have values above 0.50, however, it passes the other validity tests and therefore remains.

4.6.2.2 Inter-Construct Correlation Matrix

The correlation matrix measures the level of association or the correlation between two variables and shows if they are positively or negatively related (Obilor & Amadi, 2018). The coefficients displayed on the table vary from -1 to +1 where -1 indicates a

perfect negative relationship and a perfect positive relationship is indicated by +1 (Obilor & Amadi, 2018). Table 8 shows the results of the correlation analysis where it is confirmed that discriminant validity exists as the coefficients are all less than 1.

Table 8: Pearson's Correlation

Constructs	**Pearson Correlation**			
	BA	PQ	BL	WP
Brand Awareness	1	.4756**	.138	.247**
Perceived Quality	.4756**	1	.195*	.479**
Brand Loyalty	.138	.195*	1	.169*
Willingness to Purchase	.247**	.479**	.169*	1

*. Correlation is significant at the 0.05 level (2-tailed)
**. Correlation is significant at the 0.01 level (2-tailed)

4.7 Confirmatory Factor Analysis

4.7.1 CFA Model (Counterfeit users)

The main statistical method used was confirmatory factor analysis (CFA). In confirmatory factor analysis, the observed variables are represented by a rectangle or square and these include the participants' responses from the Likert-scales (Schreiber et al., 2006). The unobserved variables in contrast are represented in circles or ovals (Schreiber et al., 2006). The straight lines from the latent variable to the observed highlight their causal effect latent whereas the curved arrows show that they are corelated (Schreiber et al., 2006). The direct straight one-headed arrow represents the hypothesised relationship between the two latent variables (Ullman & Bentler, 2013; Schreiber et al., 2006). The CFA analysis was done using IBM SPSS Amos 28.

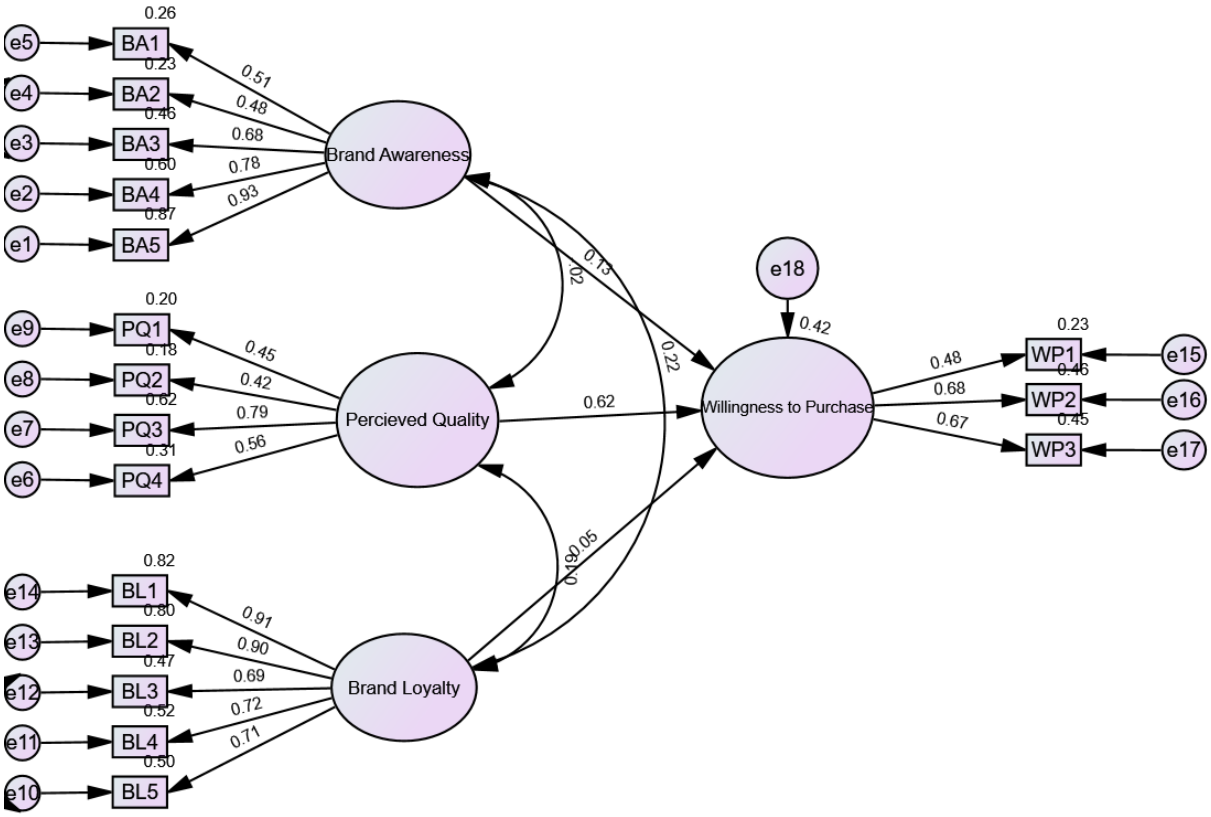


Figure 9: CFA Model

4.7.2 Model fit

It is important to test if the data collected fits the model that was hypothesised. Table 9 shows the model fit indices where the limits of acceptability were adopted from Satvati, Rabie and Rasoli (2016). From the results, all the model fit indexes fall within acceptable ranges. The only index that falls slightly below the acceptable range is the Goodness of Fit Index (GFI). The model is still acceptable as there is not a significant difference with the cut-off value (West, Taylor & Wu, 2012).

Table 9: Model fit Indices (CFA)

Index	Acceptable Value	Model value	Comment
Chi-square (CMIN/DF)	<3.0	1.416	Acceptable
Goodness of Fit Index (GFI)	≥0.9	0.849	Slightly below acceptable
Augmented Goodness of Fit Index (AGFI)	≥0.9	0.896	Slightly below acceptable
Comparative Fit Index (CFI)	≥0.9	0.930	Acceptable
Tucker-Lewis Index (TLI)	≥0.9	0.914	Acceptable
Incremental Fit Index (IFI)	≥0.9	0.933	Acceptable
Root Square Mean of Approximation (RSMEA)	0.05 <RSMEA<0.08	0.064	Acceptable

4.8 Path Modelling

4.8.1 Path Model (Counterfeit users)

To assess the hypothesis, a path analysis was conducted using IBM AMOS 28. A path diagram is important in research analysis because it provides clarity about the

relationships among the variables (Ullman & Bentler, 2013). Figure 10 presents the results of the analysis.

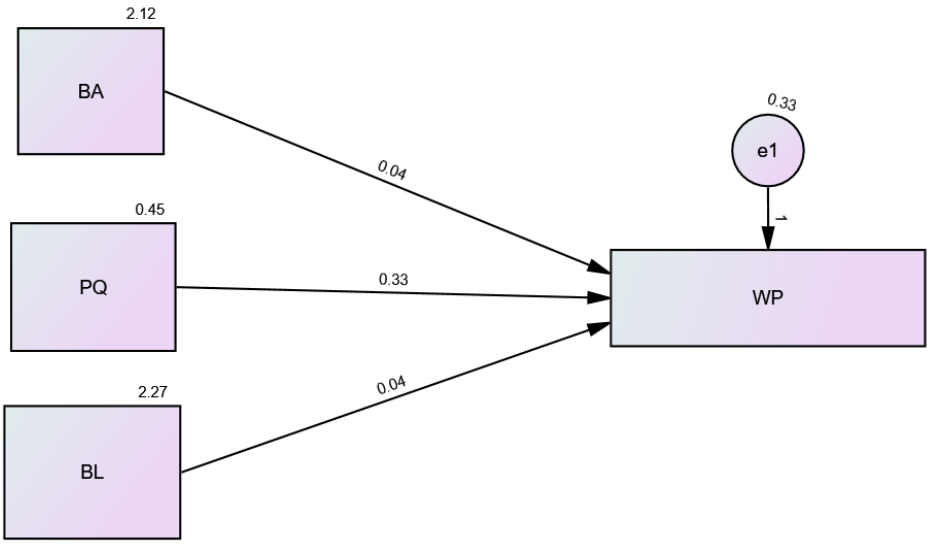


Figure 10: Path Analysis

4.8.2 Model fit

As with the CFA model, a model fit analysis is required for the path diagram. The model fit indices displayed in table 10 for the path model show that the goodness of fit, the chi-square, and the root square mean of approximation are within acceptable ranges. The other model fit indices are only slightly below the acceptable value, but the values are not alarming to discredit the model.

Table 10: Model fit Indices (Path Model)

Index	Acceptable Value	Model value	Comment
Chi-square (CMIN/DF)	<3.0	2.13	Acceptable
Goodness of Fit Index (GFI)	≥0.9	0.968	Acceptable
Augmented Goodness of Fit Index (AGFI)	≥0.9	0.894	Slightly below acceptable

Comparative Fit Index (CFI)	≥0.9	0.815	Slightly below acceptable
Tucker-Lewis Index (TLI)	≥0.9	0.830	Slightly below acceptable
Incremental Fit Index (IFI)	≥0.9	0.841	Slightly below acceptable
Root Square Mean of Approximation (RSMEA)	0.05 <RSMEA<0.08	0.08	Acceptable

4.8.3 Hypothesis testing

Following CFA and Path model analysis, it is important to then view the relationship between the variables and to confirm if the results of the study support the hypothesis proposed. Table 11 displays the regression weights.

Table 11: Regression Weights

Hypothesised Relationship	Estimates	Standardised Estimate	S.E.	C.R.	P-value	Support/ Reject
BA → WP	0.040	0.09	0.039	1.013	0.311	Rejected
BL → WP	0.036	0.09	0.039	0.937	0.349	Rejected
PQ → WP	0.330	0.36	0.086	3.814	***	Supported

The main problem of the research was to investigate the impact counterfeiting has on the CBBE through examining at all aspects including brand awareness, perceived quality, and brand loyalty of sportswear brands amongst millennials in South Africa and if this affects the willingness to purchase the original sportswear brand. This led to the formulation of sub-problems that were listed in chapter 1. For each sub problem a hypothesis was formulated, and the results are discussed in detail in the next chapter.

4.8.4 Hypothesis Verification

a) Relationship between counterfeit sportswear brands, brand awareness, and the willingness to purchase the original brand

H1: There is a positive relationship between brand awareness of counterfeit sportswear brands and the willingness to purchase the original brand.

The results revealed that there is not a significant relationship with counterfeited sportswear brands to brand awareness on the willingness to purchase the original brand (B =0.04, β= 0.09, p-value > 0.05). This result does not support the hypothesis stated above as the p-value is greater than 0.05 the hypothesis is not supported.

b) Relationship between counterfeit sportswear brands to brand loyalty and the willingness to purchase the original brand

H2: There is a positive relationship between Brand Loyalty of counterfeit sportswear goods and the willingness to purchase the original brand

The results revealed that there is not a significant relationship with counterfeited sportswear brand and brand loyalty on the willingness to purchase the original brand (B=0.036, β=0.09, p-value> 0.05). As the p-value is greater than 0.05, the hypothesis is not supported.

c) Relationship between counterfeit sportswear brands to perceived quality and the willingness to purchase the original brand.

H3: There is a positive relationship between Perceived Quality of counterfeit sportswear goods and the willingness to purchase the original brand

The results in table 9 reveal that there is a positive relationship between the variables (B=0.330, β=0.36, p-value <0.05). The relationship is confirmed to be significant because the p-value is less than 0.05. Both the results from the correlation coefficients and the beta coefficient support the hypothesis H3.

4.9 Comparison with genuine brand users

Gabrielli et al. (2011), showed that the effect of counterfeiting on CBBE varies between genuine brand customers and non-genuine brand customers. The result of the study shows that counterfeiting had no negative effect on all factors of CBBE of genuine brand consumers, unlike in non-genuine brand consumers. To verify whether there are any differences between users that patronise counterfeit sportswear clothing and those that do not, a separate analysis was performed. This section displays the results of those that are genuine brand users.

Table 12 shows the reliability and factor loadings that were performed on the research constructs

Table 12: Validity and Reliability constructs (Genuine Brand users)

Research Construct		Mean Value	Standard Deviation	Cronbach's Alpha (α)	Composite Reliability (CR)	Average Variance Extracted (AVE)	Factor Loadings
Brand Awareness (BA)	BA1	5.99	1.607	.754	.835	.508	.530
	BA2	4.79	1.900				.704
	BA3	4.62	1.802				.722
	BA4	5.54	1.735				.776
	BA5	5.14	1.861				.801
Perceived Quality (PQ)	PQ1	2.70	0.746	.620	.744	.429	.495
	PQ2	2.92	0.970				.567
	PQ3	2.31	1.108				.792
	PQ4	2.21	1.013				.724
Brand Loyalty (BL)	BL1	5.33	1.696	.708	.811	.464	.734
	BL2	5.86	1.264				.776
	BL3	3.57	2.179				.677
	BL4	5.85	1.286				.595
	BL5	2.56	1.994				.607
Willingness to Purchase (WP)	WP1	2.86	0.666	.681	.754	.508	.716
	WP2	2.80	0.915				.628
	WP3	2.77	0.816				.786

4.9.1 Cronbach's Alpha

Table 13 presents the results of the reliability tests on each research construct. The values range from 0.54 to 0.620 all of which are reasonable and acceptable for research of this nature. The alphas are accepted as they all above the minimum threshold.

Table 13: Cronbach's Alpha (Genuine Brand Users)

Construct	Number of Items	Cronbach's Alpha (α)	Outcome
Brand Awareness	5	.754	Acceptable
Perceived Quality	4	.620	Questionable
Brand Loyalty	5	.708	Acceptable
Willingness to Purchase	3	.681	Questionable

4.9.2 Confirmatory Factor Analysis (Genuine Brand Users)

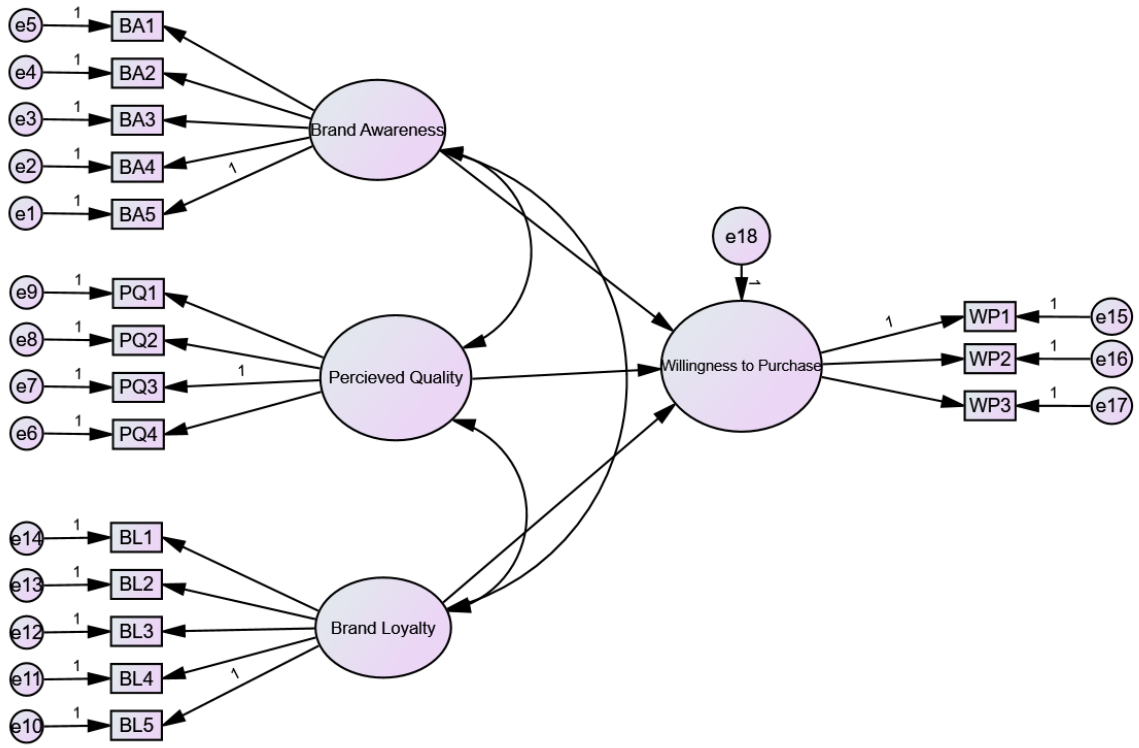


Figure 11: CFA (Genuine Brand Users)

The Chi-square and the root mean square error of approximation (RMSEA) fall within acceptable ranges. The goodness of fit index (GFI), augmented goodness fit index (AGFI), Comparative fit index (CFI), Tucker-Lewis index (TLI) and incremental fit index (IFI) fall only slightly below the range of acceptability. The model is still acceptable as the values ae not significantly far from the cut-off values (West, Taylor & Wu, 2012).

Table 14: Model fit Indices (CFA Model)

Index	**Acceptable Value**	**Model Value**	**Comment**
Chi-square (CMIN/DF)	<3.0	1.642	Acceptable
Goodness of Fit Index (GFI)	≥0.9	0.894	Slightly below acceptable
Augmented Goodness of Fit Index (AGFI)	≥0.9	0.853	Slightly below acceptable
Comparative Fit Index (CFI)	≥0.9	0.868	Slightly below acceptable
Tucker-Lewis Index (TLI)	≥0.9	0.838	Slightly below acceptable
Incremental Fit Index (IFI)	≥0.9	0.874	Slightly below acceptable
Root Square Mean of Approximation (RSMEA)	0.05 <RSMEA<0.08	0.062	Acceptable

4.9.3 Path Model (Genuine brand users)

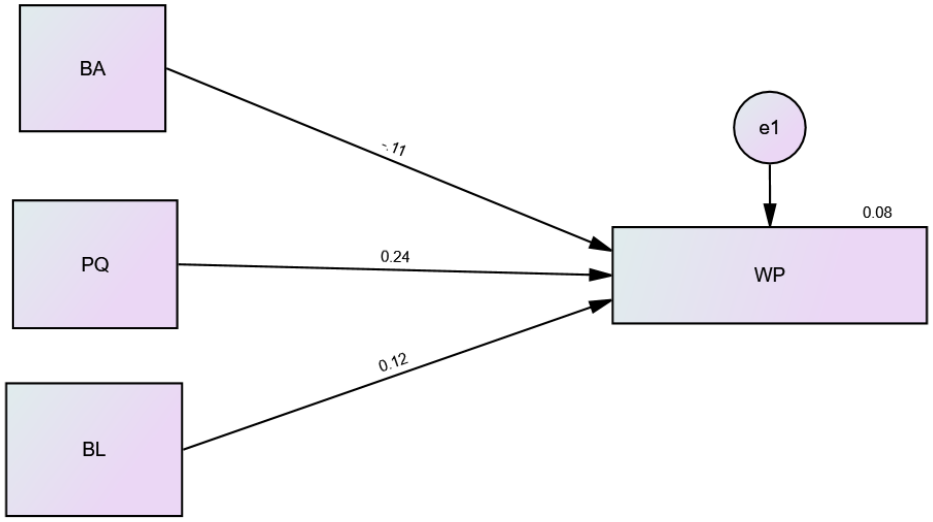


Figure 12: Path Diagram

Table 15: Model fit Indices (Genuine Brand Users)

Index	Acceptable Value	Model Value	Comment
Chi-square (CMIN/DF)	<3.0	1.498	Acceptable
Goodness of Fit Index (GFI)	≥0.9	0.987	Acceptable
Augmented Goodness of Fit Index (AGFI)	≥0.9	0.956	Acceptable
Comparative Fit Index (CFI)	≥0.9	0.886	Slightly below acceptable
Tucker-Lewis Index (TLI)	≥0.9	0.871	Slightly below acceptable
Incremental Fit Index (IFI)	≥0.9	0.907	Acceptable
Root Square Mean of Approximation (RSMEA)	0.05 <RSMEA<0.08	0.054	Acceptable

4.9.4 Hypothesis testing

Table 16: Regression Weights (Genuine brand users)

Hypothesised Relationship	Estimates	Standardised Estimate	S.E.	C.R.	P-value	Support/ Reject
BA → WP	-0.48	-0.11	0.033	-1.438	0.151	Rejected
BL → WP	0.059	0.12	0.037	1.603	0.109	Rejected
PQ → WP	0.214	0.24	0.066	3.221	***	Supported

For genuine brand users the results are slightly different. There is an adverse relationship between brand awareness and the willingness to purchase the original brand.

For brand loyalty, there is no significant relationship as the p-value is greater than 0.05.

As with counterfeiters, the proposed hypothesis is supported as the p-value is less than 0.05 showing that there is a positive and significant relationship between perceived quality of counterfeit sportswear brands and the willingness to purchase the original.

4.10 Conclusion

This chapter provided the quantitative analysis of data gathered through a closed-ended questionnaire. The results of the data collection have been analysed and presented in this Chapter. The respondents' descriptive profile was shared, in some instances, in tabulation form to demonstrate the sample of the study and associated variables. Confirmatory factor analysis was conducted to assess the validity of the constructs while Cronbach's Alpha was calculated to assess the reliability of the scale, also known as internal consistency. The findings of the research are discussed in detail in the next chapter.

CHAPTER 5. DISCUSSION OF THE RESULTS

5.1 Introduction

The results presented are discussed and examined in detail against the research hypotheses and conceptual framework discussed in the literature review. The findings are further discussed in detail with the aim of responding to the main problem and sub-problems. The demographics have already been outlined in detail previously and do not form part of this chapter, however, one of the main discussion points was the millennial generation and that is the only age demographic that was considered.

5.2 Discussion of the study results

The overarching problem of the study was to investigate the impact counterfeiting has on CBBE by looking at all aspects including brand awareness, perceived quality, and brand loyalty of sportswear brands amongst millennials in South Africa and the effect on the willingness to purchase the original sportswear brand. Table 17 summarizes the hypotheses that were tested in this study.

Table 17: Summary of Hypothesis

	Hypothesis
H1	There is a positive relationship between Brand Awareness of counterfeit sportswear brands and the willingness to purchase the original brand.
H2	There is a positive relationship between Brand Loyalty of counterfeit sportswear goods and the willingness to purchase the original brand
H3	There is a positive relationship between Perceived Quality of counterfeit sportswear goods and the willingness to purchase the original brand

5.2.1 Brand Awareness

H1: There is a positive relationship between Brand Awareness of counterfeit sportswear brands and the willingness to purchase the original brand.

The regression beta coefficient of the brand awareness of counterfeit users showed no influence on the willingness to purchase the original sportswear brand. The results showed β = 0.09; p = 0.311. This result showed the p-value (0.311) is greater than the significance level of 0.05. Therefore, this study rejects the hypothesis that there is a positive relationship between the variables. Given that the p-value is greater than 0.05, the null hypothesis, cannot be rejected. We can therefore conclude that brand awareness has no effect on customers' willingness to purchase the original brand.

The study results are not consistent with the observation of Gabrielli et al. (2011) who reported a positive influence of non-genuine brand users on brand awareness of the original brand. These inconsistencies maybe due to differences in the study contexts. Demographics such as age and income level have been shown to have a mediating effect (Commuri, 2009; Gabrielli et al.,2011).

5.2.2 Brand Loyalty

H2: There is a positive relationship between Brand Loyalty of counterfeit sportswear brands and the willingness to purchase the original brand.

The regression beta coefficient of the brand loyalty of counterfeit users showed the existence of no influence on the willingness to purchase the original brand. The results showed β = 0.09; p = 0.349. Given that the p-value is greater than 0.05, the null hypothesis H2, cannot be rejected. The same result was obtained by using the correlation coefficient with brand awareness.

The results are consistent with the results of Bain and Haque (2020), who reported that counterfeiting has no effect on brand loyalty (r = 0.067; p> 0.10). In a different study Francis et al. (2015) also reported that counterfeiting has no effect on brand loyalty (β = -0.069; p= 0.283). According to Bain and Haque (2020), the effect of brand loyalty varies depending on the level of exposure to counterfeiting and they argue that in cases where consumers are exposed to high levels of counterfeit goods, brand loyalty will remain unaffected (Bain & Haque, 2020).

5.2.3 Perceived Quality

H3: There is a positive relationship between Perceived Quality of counterfeit sportswear goods and the willingness to purchase the original brand

The regression beta coefficient between perceived quality and CBBE, showed the existence of a positive and significant influence of perceived quality. The results showed $\beta = 0.36$; $p < 0.05$. Given that the p-value is less than 0.05, the results are in support of the study conducted by Gabrielli et al. (2012) and are also contrary to the results reported by Dib and Alhaddad (2014), who showed that perceived quality had no effect ($\beta = 0.099$; $p = 0.0135$).

5.3 Conclusion

This chapter presented a discussion of the study results. The discussion intended to answer the overarching problem of the study which was to investigate the effect of counterfeiting on CBBE and its effect on willingness to purchase the original sportswear brands. As seen in the literature, CBBE is a multidimensional construct that can be described by measuring brand loyalty, brand awareness, and perceived quality (Aaker, 1991). The three hypotheses from the overarching problem, were listed as H1, H2, and H3.

In the case of H1 and H2, the null hypotheses were not rejected, this led to the conclusion that counterfeiting has no effect on both brand awareness and brand loyalty and the willingness to purchase the original sportswear brand. The lack of influence of brand awareness on CBBE, was shown to be in contrast with the results obtained in some studies. The lack of influence on brand loyalty, was shown to be consistent to some studies, but in contrast with the results of other studies. This points to the importance of context in mediating the effect of both brand awareness and brand loyalty with regards to counterfeiting.

In the case of hypothesis H3, the discussion showed that perceived quality of counterfeit sportswear indeed has a positive effect on the willingness to purchase the original brand. In this case, this was in support of the results reported in literature.

The results of this study underscore the importance of context when trying to understand the influence of counterfeiting on CBBE and willingness to purchase original sportswear brands. Therefore, when considering marketing strategies, original sportswear brand manufacturers need to consider the market context. This includes paying attention to demographics such as age, gender and income levels of the target market.

CHAPTER 6. CONCLUSION & RECOMMENDATIONS

6.1 Introduction

Counterfeiting is a phenomenon that is growing by the day, and it is important for marketers to find out what effect this has on brand equity. The main aim of this research was to investigate the effect that counterfeiting has on customer-based brand equity of sportswear brands and the willingness to purchase the original brand. The final chapter of the research provides a summary of the conclusions reached. This is followed by recommendations based on the results of the research and limitations observed based on the findings. The report concludes with suggestions for further research on the subject area.

6.2 Conclusions of the Study

This section addresses the conclusions reached on each of the sub-problems as were identified in chapter one.

6.2.1 Brand Awareness

In their study, Romani et al. (2012), found that brand awareness and perceived quality are the most important components of CBBE in counterfeiting. Brand awareness plays a role in getting the consumer deliberating counterfeiting while also playing a crucial role in the consumer's relationship with the original brand (Romani et al., 2012). Studies surrounding counterfeiting of luxury brands have widely stated that brand awareness can be negatively affected by counterfeiting while others found that there is a positive effect, and it increases the willingness to still purchase the original brand.

The study found that brand awareness of counterfeiting sportswear brands does not have any effect on the willingness to purchase the original brand. As stated in chapter 1, there are three main aspects of brand awareness as prescribed by Aaker (1991) and the results suggest that counterfeiting of sportswear brands has no effect on brand recall or brand recognition. It is possible to assume that the consumer is aware of the brand they are deliberately counterfeiting, and that there is therefore no negative effect

on the recall and the willingness to purchase the original brand. However, for genuine brand users, the study found that this has a negative but insignificant effect on the willingness to purchase the original brand. It can be assumed that because of the counterfeit, the genuine brand user displaces the brand as top of mind and therefore has a negative attitude towards the original brand, thus affecting the willingness to continue being a genuine brand user of that specific brand.

6.2.2 Brand Loyalty

Brand loyalty in many ways can be described as the heartbeat of customer-based brand equity (Dib & Alhaddad, 2014). Brand loyalty is what brands strive for and ultimately what drives brand equity. For brands to remain competitive, they need to ensure that consumers have high levels of brand loyalty, and this will ultimately drive the other aspects of CBBE.

For genuine brand users, it was found through this study that counterfeiting of sportswear brands had no effect on brand loyalty and the willingness to purchase the original brand. The same was reflected for counterfeit users - there was no significance in the relationship between the variables. It is possible that the counterfeit users can separate the counterfeit product and the original brand and resulting in no effect on the loyalty towards the brand and the willingness to purchase the original brand.

6.2.3 Perceived Quality

Perceived quality has a significant effect on overall brand equity and is one of the most important components of CBBE (Dib & Alhaddad, 2014). Perceived quality has been found to be influenced by counterfeiting when the price is significantly high (Poddar et al., 2012). Romani et al. (2012) found that the perception of the original increases if the copy is just as good therefore playing a role in increasing the willingness to purchase to the original brand.

The study found that perceived quality of counterfeit sportswear brands as hypothesised has a significant and positive effect on the willingness to purchase the original brand. This was also true with genuine brand consumers. The consumer can separate the quality of the two products and recognise that the product quality of the

counterfeit is not a reflection of the original brand. In a qualitative study, Bardey et al. (2022) found that despite the low quality of the counterfeit luxury brands, it did not affect the relationship customers had with the original brand.

Drivers of perceived quality are sales environment, price promotion, and product innovation (Jiang & Shan, 2018). For marketers, it is important to note that these three aspects play a role in improving the view of perceived quality for the consumer. To ensure that counterfeiting of sportswear brands does not have an effect on the willingness to purchase the original brand, the sales environment needs to reflect the values of the brand, the price should also reflect quality of the products being sold, and the brand should continue to innovate.

6.3 Recommendations

The main aim of research is to provide an understanding of a subject and to find potential solutions and a way forward. There is a clear willingness to purchase counterfeit luxury brands and it is therefore important as marketers to ensure that this does not harm brand equity (Tunçel, 2022). Counterfeiting has embedded itself into the culture of society and this has played a role in the attitude towards it (Song et al., 2021). Based on the results of this research and others presented in the literature, the following recommendations to ensure that CBBE and willingness to purchase are not affected negatively are presented.

Counterfeiting has made it increasingly difficult for customers to distinguish from the genuine brand products (Souiden et al., 2018). Counterfeiting is inevitable, and brands need to find ways of reducing the demand rather than trying to combat it altogether (Shaun, Jiang & Cui, 2021). The results of the research have shown that the counterfeiting of sportswear brand does not have a negative effect on perceived quality for both counterfeiters and genuine brand users on the willingness to purchase the original brand, therefore, it is important to maintain high levels of quality on the original product. As suggested by Jiang and Shan (2018), brands need to continuously and drastically improve the quality to make it increasingly difficult for counterfeiters to replicate and, as a result, drive the consumer away from the counterfeit product (Jiang & Shan, 2018).

Innovation is an important factor in the growth of brand equity. It is important for brands to continue to innovate regardless of counterfeiting. Qian (2014) suggested working with the government in their innovation departments as a way of trying to combat counterfeiting. Product innovation will reduce counterfeiting while not compromising on CBBE because it ensures the quality gap between the original and the counterfeits reduces (Jiang & Shan, 2018).

In their study on Australian millennials, Francis et al. (2015) found that with counterfeit and genuine brand users, there was no effect on overall customer-based brand equity and the willingness to purchase the original brand. Educating consumers about brand values will assist in trying to reduce the demand for counterfeits from consumers and help increase overall brand CBBE.

6.4 Limitations of the study

As with any research, there are limitations and shortcomings need to be acknowledged. This section highlights the limitations of the study and provides suggestions for how these limitations could be addressed.

This study used only three elements of CBBE based on Aaker's (1991) brand equity model: brand loyalty, brand awareness and perceived quality. The use of Aaker's model could have been limiting to the study to explore other elements of CBBE and given a bigger picture to the effects on CBBE and the willingness to purchase the original brand. There is an opportunity for further studies to examine other elements of CBBE including brand association or to consider Keller's model.

The study was very broad and included all items of sportswear brands. Further studies can investigate counterfeiting of specific sportswear items, as the effect might be different on consumers and lead to a different reaction to the brand at large. Counterfeiting of sneakers for example, could have a very different influence on CBBE as a whole on the brand compared to the counterfeiting of clothing.

6.5 Suggestions for further research

This section of the research addresses the suggestions by the researcher on further studies that can be done on the subject.

- Further research on Keller's model of CBBE can be explored to see if the results would still be the same. This research focused on Aaker's model and there is an opportunity to examine whether the results would be the same or if CBBE and willingness to purchase the original brand would be unaffected.

- Future research on the subject should expand to a different age group. This research focused solely on millennials and further research should investigate a different generational cohort. The research on counterfeiting has largely focused on millennials and there is an opportunity to expand and look at the next cohort, generation Z.

- Future research on counterfeit sportswear brands should consider studying one specific brand at a time. It is possible that the results could vary depending on the brand and it would be beneficial to investigate three of the biggest brands (Nike, Adidas and Puma) and see the impact that counterfeiting has and if the results are the same across the brands.

- A qualitative study on counterfeiting on CBBE would be the next direction researchers could take on the subject. Qualitative research would allow for more research depth and provide a more robust understanding of the topic (Leavy, 2017).

- Furthermore, the research can be expanded to include a different sample. It is suggested that researchers consider including other universities in other parts of South Africa to see if there is a difference in the attitudes towards counterfeiting and how this affects brand equity and the willingness for consumers to purchase the original brand.

- Counterfeiting specifically on social media is an area that can be investigated further. Whether this influences the components of CBBE and the willingness to purchase the original brand because consumers are exposed to more counterfeiting and what effect social media platforms have on CBBE can be investigated further.

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APPENDIX A

Wits Business School

2 St Davids Pl &, St Andrew Rd,
Parktown, Johannesburg, 2193

Dear Sir/ Madam,

My name is Marina Maema, I am a Master of Management in Strategic Marketing candidate at the Wits Graduate School of Business. As a requirement of my academic studies, I am required to undertake an academic dissertation and I would like to invite you to participant in my academic research.

The purpose of the academic study is to understand the impact that counterfeiting has on customer-based brand equity of sportswear brands in South Africa.

The questionnaire will take you approximately **8-12 mins** to complete. This is an anonymous study and your participation in the survey will be treated as confidential. Participation is entirely voluntary therefore by proceeding to completing the survey will be considered as consent to participate. There are no costs for participating and no incentives will be given to participants. This evaluation is subjective therefore there is no wrong nor right answer.

The results of the study will be written up as a research report which will be available online through the university library website. If you would like to receive a summary of this report, I will be happy to send it to you.

Should you have any additional questions or any concerns or complaints you are more than welcome to contact me or my supervisor Mr Neale Penman to provide any assistance.

Link to the survey is found below:

Thank you for taking time to participate in this survey

Marina Maema

392178@students.wits.ac.za

Actual Research Instrument

Questionnaire

Please answer ALL the questions and answer as honestly as possible.

The responses noted are strictly confidential and are for academic research purposes only.

SECTION A:

GENERAL INFORMATION

Please indicate your age:

Under 25	
26-31	
32-36	
37-41	

SPORTSWEAR BRAND PREFERENCE

Please indicate your preferred brand of sportswear

Nike	Under Armour	Umbro
Adidas	Converse	Kappa
Puma	Jordan Brand	Fila
New Balance	Asics	
Reebok	Skechers	

Over the last year, how much have you spent on your preferred brand?

R500 or less
R600 – R1000
R1000 or more

What items do you own by your preferred brand? (You may select more than one)

Sweatpants	Sneakers
T-shirt	Hoodie
Crewneck	Socks
shorts	Jacket

Other: _____

Where did you buy your items: (You may select more than one)

Studio88	Sportscene
Dragon	Totalsports
Flagship store	China mall
Brand official online store	Ali express
Social media	DHGate

Other: _____

SECTION B:

BRAND AWARENESS

Using the scale provided, indicate your level of agreement with the statements provided below relating to brand awareness on the preferred brand selected

		Strongly disagree	Disagree	Somewhat disagree	Neutral	Somewhat agree	Agree	Strongly Agree
1	I can recognise my preferred brand over its competitors							
2	I can recognise the original brand over its counterfeit versions							
3	I am aware products from my preferred brand							
4	If I want to purchase sportswear, I consider my preferred brand products first							
4	It is easy for me to picture my preferred brand in my mind.							

PERCIEVED QUALITY

Using the scale provided, indicate your level of agreement with the statements provided below relating to brand perceived quality of the selected brand

		Strongly disagree	Disagree	Somewhat disagree	Neutral	Somewhat agree	Agree	Strongly Agree
1	I trust the quality of the brand despite availability of counterfeits							
2	If I were to purchase counterfeit products, I would still choose my preferred brand							
3	Counterfeits of my preferred brand offer acceptable/reasonable quality that matches the original							
4	Counterfeit products of my preferred brand have influenced how I view brand quality of the original							

BRAND LOYALTY

Using the scale provided, indicate your level of agreement with the statements provided below relating to your attitude towards counterfeit sportswear

		Strongly disagree	Disagree	Somewhat disagree	Neutral	Somewhat agree	Agree	Strongly Agree
1	I consider myself loyal to my preferred brand							
2	When buying sportswear my preferred brand would be my first choice							
3	If I buy counterfeit products, my preferred brand is always my first choice							
4	I am willing to buy my preferred brand over its competitors							
5	As it is my preferred brand it does not matter if it is counterfeit							

WILLINGNESS TO PURCHASE

Using the scale provided, indicate your level of agreement with the statements provided below relating to willingness to

		Strongly disagree	Disagree	Somewhat disagree	Neutral	Somewhat agree	Agree	Strongly Agree
1	Despite seeing counterfeit products, I will still purchase the original							
2	Easy access to counterfeits prevents me from buying originals							
3	I will still buy an original of a heavily counterfeited brand							

Do you believe the items you have are original: (You may select more than one)

100% original
Some are original
Not original
Prefer not to say

SECTION C:

DEMOGRAPHIC PROFILE

Female	
Male	
Other: (Specify)	
Prefer not to say	

Please indicate all that applies to your profession:

Full-time Student
Part-time Student
Self-employed Student
Employed student
Unemployed student

Thank you for your participation in this survey, all information is treated confidentially and is anonymous.

Click End to exit

APPENDIX B

Consistency matrix

Investigate the effects of counterfeiting on customer-based brand equity (Brand awareness, Brand Loyalty, Perceived Quality) of sportswear brands and the willingness to purchase the original brand.					
Sub-problems	Literature Review	Hypotheses or Propositions or Research questions	Source of data	Type of data	Analysis
To investigate the relationship between counterfeit sportswear brands and brand awareness on the willingness to purchase the original brand	Aaker, D.A. (1991) Aydin, G. & Ulengu, B. (2015) Baghi, I., Gabrielli, V., & Grappi, S. (2016) Bian, X. & Veloutsou, C. 2007 Commuri, S. (2009) Evans, B. P., Starr, R. G., & Brodie, R.F. (2019) Francis, J.E., Burgees, L., & Lu, M. (2015) Gabrielli, V., Grappi, S., & Baghi, I, (2012) Hamelin, N., Nwankwo, S., & El Hadouchi, R. (2013) Hietanen, J., Mattila, P., Sihvonen, A., & Tikkanen, H. (2015) Jalilvand, M. R., Samiei, N., & Mahdavinia, S. H. (2011) Kei, L. M., Osman, S. & Abu Baker, N. S. (2017) Keller, K. L. (1993) Kordnaeij, A., Bakhshizadeh, A., & Askaripoor, H. A. (2015) Nia, A., & Zaichkowsky, J.L. (2000)	H_1: There is a positive relationship between Brand Awareness of counterfeit sportswear brands and the willingness to purchase the original brand.	Self-administered online survey Section B BA 1 -5	Seven-point Likert Scale Interval data	Structural Equational Modelling. Multiple regression analysis

	Penz, E., & Stottinger, B. (2005) Phau, I., & Teah, M. (2009) Ren, C. M., & Kang, M. J. (2018) Romani, S., Gistri, G., & Pace, S. (2012) Sharma, R. (2017) Sharma, R. (2020) Su, J., & Tong, X. (2015) Stocchi, L., Ludwichowska, G., Fuller, R., & Gregoric, A. (2021). Tong, X., & Hawley, J. M. (2009) Umar, T. R., Mat, N. K. N., Tahir, F. A., & Alekam, J. M. (2012) Wang, Y., & Song, Y. (2013) Yoo, B., & Donthu, N. (2001)				
To investigate the relationship between counterfeit sportswear brands and brand loyalty on the willingness to purchase the original brand	Aaker, D.A. (1991) Aydin, G., & Ulengu, B. (2015) Baghi, I., Gabrielli, V., & Grappi, S. (2016) Bian, X., & Haque, S. (2020) Bian, X., & Veloutsou, C. (2007) Castano, R., & Perez, M. E. (2014) Commuri, S. (2009) Fastoso, F., Bartikowski, B., & Wang, S. (2018) Francis, J.E., Burgees, L., & Lu, M. (2015) Gabrielli, V., Grappi, S., & Baghi, I, (2012) Jalilvand, M. R., Samiei, N., & Mahdavinia, S. H. (2011) Kaufmann, H. R., Petrovici, D. A., Filho, C. G., & Ayres, A., (2016) Kei, L. M., Osman, S. & Abu Baker, N. S. (2017) Keller, K. L. (1993) Khandeparkar, K., & Motiani, M. (2018) Kordnaeij, A., Bakhshizadeh, A., & Askaripoor, H. A. (2015) Nia, A., & Zaichkowsky, J. L. (2000) Phau, I., & Teah, M. (2009) Romani, S., Gistri, G., & Pace, S. (2012)	H_2 : There is a positive relationship between Brand Loyalty of counterfeit sportswear goods and the willingness to purchase the original brand	Self-administered online survey Section B BL 1-5	Seven-point Likert Scale Interval data	Structural Equational Modelling. Multiple regression analysis

	Su, J., & Tong, X. (2015) Tong, X., & Hawley, J. M. (2009) Yoo, B., & Donthu, N. (2001)				
To investigate the relationship between counterfeit sportswear brands and perceived quality on the willingness to purchase the original brand	Aaker, D. A. (1991) Astray, T. V., Darke, P. R., & Tasa, K. (2021). Aydin, G., & Ulengu, B. (2015) Bian, X., & Mountinho, L. (2011) Bian, X., & Veloutsou, C. (2007) Baghi, I., Gabrielli, V., & Grappi, S. (2016) Commuri, S. (2009) Francis, J.E., Burgees, L., & Lu, M. (2015) Gabrielli, V., Grappi, S., & Baghi, I, (2012) Hamelin, N., Nwankwo, S., & El Hadouchi, R. (2013) Jalilvand, M. R., Samiei, N., & Mahdavinia, S. H. (2011) Keller, K. L. (1993) Kei, L. M., Osman, S. & Abu Baker, N. S. (2017) Kordnaeij, A., Bakhshizadeh, A., & Askaripoor, H. A. (2015) Nia, A., & Zaichkowsky, J.L. (2000) Park-Poas, H., & Kang, J. (2018) Penz, E., & Stottinger, B. (2005) Phau,I., & Teah, M. (2009) Romani, S., Gistri, G., & Pace, S. (2012) Su, J., & Tong, X. (2015) Tong, X., & Hawley, J. M. (2009) Yoo, B., & Donthu, N. (2001)	H_3 There is a positive relationship between Perceived Quality of counterfeit sportswear goods and the willingness to purchase the original brand	Self-administered online survey Section B PQ 1-4	Seven-point Likert Scale Interval data	Structural Equational Modelling. Multiple regression analysis