

A STUDY OF CONSUMERS' ATTITUDES TOWARDS COUNTERFEIT PRODUCTS AT KOTA SAMARAHAN SARAWAK

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SARAWAK

JANUARY 2015

LETTER OF SUBMISSION

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19th January 2015

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Dr. Voon Boo Ho Second Advisor, Lecturer of UiTMCS Universiti Teknologi MARA, Sarawak

Dear Research Advisors,

SUBMISSION OF PROJECT PAPER MKT 662

I am pleased to present to you my project paper for this Industrial Training Report (MKT662) which entitled "A Study of Consumers' Attitude toward Counterfeit Products at Kota Samarahan Sarawak".

I hope that this study is extensive enough and have specifically met all the requirements needed. Thank you for all the cooperation given by both research advisors in the process of completing this report.

Yours sincerely,

(NURJANAH BAIZURA BINTI JEMAN)

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Bachelor of Business Administration (Hons) (Marketing)

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A STUDY OF CONSUMERS' ATTITUDES TOWARDS

COUNTERFEIT PRODUCTS

AT KOTA SAMARAHAN SARAWAK

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ABSTRACT

This project paper titled "A Study of Consumers' Attitude toward Counterfeit Products at Kota Samarahan Sarawak" is undertaken in the Faculty of Business and Management at Universiti Teknologi Mara. 381 respondents have involved in this survey which was conducted for two weeks and the data from the questionnaires were analyzed and computed as mean score. The purpose of this study is to determine factors influencing customer attitudes among Kota Samarahan residents. Based on the types of population background, three factors were tested which are Psychographic, Product Attributes and Price Determinants. From this research, Price Determinants is the most influencing factor of consumer attitudes towards counterfeit products. This research also discovers types of counterfeit products usually purchased by Kota Samarahan residents and the result shows that watch is the most consumers' purchases in online shopping. This research also determines that there is a significant relationship between factors and reliability. Overall, this study provides a greater knowledge sharing for the marketers and manufacturers of genuine branded products. Knowing the attitude plays a role in determining the purchase intention of a consumer, manufacturers and marketers can work on finding ways to change consumers' attitude and beliefs.

Keywords: consumer attitudes, counterfeit products, psychographic, product attributes, price determinants, Kota Samarahan populations.

CHAPTER 1: INTRODUCTION

1.0 Introduction

This section will provide all information regarding the study background, objectives, research questions, significance and limitations of study and finally the definitions of terms. This will provides a clear picture of what the study is all about, in what ways it was done, and how the marketers will benefit from the study.

1.1 Background of Study

There are various types of products that can be counterfeited. According to Eisend and Schubchert-Guler (2006), counterfeit products include music CDs, shirts, pants, shoes, sandals, pain relievers, clothing accessories, jewelry, auto parts, televisions, cameras, bags, purses, watches, perfumes, leather accessories, pain relievers, sunglasses, and software. The quality of counterfeit products has raised concern as some may pose many health and safety risks to the consumers that purchase them. Jennings (1989) said that counterfeit birth control pills, hormones, shampoo, and heart pumps have been found to be extremely dangerous and have had a serious effect on consumers. Counterfeiting products that have the potential to be hazardous to the consumer is something that started nearly 80 years ago where in year 1930, during Prohibition, fake alcohol was the cause of paralysis of the hands and feet of approximately 15,000 consumers, then in the 1950's there were fake vaccines that were sold to many naive customers. Due to the several of products that may be counterfeited, the potential negative effects on consumers and also affect the economic, there is a need to better understand consumer buying attitudes and behavior.