CHAPTER 3
RESEARCH METHODOLOGY

In this chapter the methodology employed in the study is outlined. It consists of five major parts. Firstly, the procedure employed in the data collection is discussed. Next, the rationale behind the questionnaire design is explained. The following parts will cover the sampling plan, statistical techniques used for data analysis and finally, the limitations of the study.

3.1 Types of Data

The data relevant to the study was obtained through secondary and primary data search. Secondary data search was intended to give a brief understanding on the development of counterfeiting in Malaysia as well as worldwide. In addition, it also attempted to explore some theories of consumer behaviour related to counterfeit purchases. The data was gathered from articles in journals, newspapers and magazines available in the main library, the FEA library of Universiti Malaya and via Proquest's website in the Internet. It is necessary to note the secondary data formed the basis of the questionnaire design used in this study.

The primary data for the study was derived from a survey conducted between November to December 1999. The survey intended to examine consumer behaviour related to counterfeit products in the Malaysian field setting.

3.2 Questionnaire Design

The survey instrument was a seven-page questionnaire (see Appendix B). The questionnaire was divided into six sections. The purpose of the study and a brief definition on counterfeit products were stated in the beginning of the questionnaire. Section 1 attempted to elicit some information on the subjects' experience in counterfeit purchases. This included type of counterfeit products
that they had knowingly purchased, the frequency and location of the purchases and finally the intention to purchase in the near future.

Section 2 discerned the general belief and attitude of the subjects concerning counterfeit products. A total of 13 items were in the form of statements with responses recorded on 7-point Likert scales ranging from (1) "Strongly Disagree" to (7) "Strongly Agree". The subjects were asked to indicate their level of agreement to those 13 statements. It is noted that the statements were extracted from Tom, Garibaldi, Zeng and Pilcher (1998). However, some modifications have been done to suit the local environment. Specifically, Statement 1 was amended from "Counterfeit products do not hurt the United States economy" to "Counterfeit products do not hurt the Malaysian economy" and Statement 2 was amended from "I buy counterfeit products because the prices of designer products are unfair and gouge" to "I buy counterfeit products because the prices of designer products are unfair and overcharge". The 13 statements were used to measure various dimensions of consumer behaviour in counterfeit purchases. The dimensions and respective statements were listed below. Nevertheless, the statements that tapped the same dimension have been placed randomly to check for the consistency of the responses.

a) consumer attitude regarding the effect of counterfeiting on the Malaysian economy and the economic health of manufacturers of legitimate goods
1) Counterfeit products do not hurt the Malaysian economy
2) Counterfeit products hurt the companies that manufacture the legitimate product

b) consumer attitude concerning the legality of manufacturing, selling and buying of counterfeit products
1) People who manufacture counterfeit products are committing a crime
2) People who sell counterfeit products are committing a crime
3) People who buy counterfeit products are committing a crime
c) Anti-big business attitude

1) Buying counterfeit products is a way to get back at uncaring and unfair "big business"
2) I buy counterfeit products because counterfeiters are "little guys" who fight big business
3) I like buying counterfeit products because it's like playing a practical joke on the manufacturer of the non-counterfeit products
4) I buy counterfeit products because the prices of designer products are unfair and overcharge
5) I would buy counterfeit products even if I could easily afford to buy non-counterfeit products

d) Quality Assessment

1) Counterfeit products are just as good as designer products
2) Buying counterfeit products demonstrates that I am a wise shopper
3) I like counterfeit goods because they demonstrate innovative and ingenuity

In Section 3, respondents were asked to indicate the importance of the 11 attributes when they purchase a counterfeit product. The 11 attributes are "Good value for price", "Durability", "Image", "Fashionable", "Physical appearance", "Serve the purpose", "High quality", "Attention getting", "Attractive", "Prestigious", and "Comfortable". Respondents were required to rate these attributes on a 7-point Likert scales ranging from (1) "Not Important At All" to (7) "Very Important". Data obtained from this section was useful in understanding attributes that a consumer seeks when purchasing a counterfeit product. It is important to highlight that attributes 2, 3, 5, and 6 were adopted from Chow, Soo and Kim (1995) whereas, attributes 1, 4, 7 to 11 were from Bloch, Bush and Campbell (1993).

Section 4 of the questionnaire sought to measure the subjects' level of satisfaction with respect to the counterfeit products. The same attributes as in Section 3 were used in this section. The subjects were required to rate their
satisfaction level ranging from (1) "Not Satisfied At All" to (7) "Very Satisfied" based on a 7-point Likert scales.

Section 5 intended to examine which individual traits were useful in predicting a willingness to buy counterfeit products. In line with this, the subjects were asked to response to 14 self-image items adopted from Bloch, Bush and Campbell (1993). For each of a list of adjectives, subjects were required to report the extent to which they agreed or disagreed that the adjective applied to them using a 7-point Likert scales. Higher scores reflected greater perceived applicability of the adjective in question.

In Section 6 of the questionnaire, respondents were asked to provide their demographic and socio-economic data. Except for the number of children, if the respondent were married with children, the demographic variables were measured using closed ended multiple choice format. Among the questions asked were respondents' age, ethnic group, sex, occupation, marital status and so on. This section was purposely designed to be asked at the end of the interview to prevent unnecessary resistance of the respondents in completing their questionnaire and to reduce bias responses, in case the respondents get irritated by the personal nature of the questions.

The questionnaire was prepared in the English version in view that the targeted respondents are postgraduate students who are generally competent in the English language.

A pre-test was conducted on five subjects whom the researcher believe that they possess similar characteristics of the targeted subjects, they were required to answered the questionnaires in the presence of the researcher. The completed questionnaires were visually inspected and the instruments were found to be effective. Hence, no changes need to be done after the pre-test.
3.3 Sampling Design

This section lays down the sampling procedure employed in the study. It is divided into three parts, namely, sample size, sampling method and data analysis techniques.

3.3.1 Sample Size

The targeted sample size was 300. However 320 questionnaires were distributed with the expectation that some of the targeted respondents might not respond or return the questionnaires to the researcher. The process of collecting the data spanned over a six week period from mid November to end December 1999.

3.3.2 Data Collection Techniques

Convenience sampling was employed for the study. The subjects were postgraduate students from local universities or private colleges. They were mainly students of Master of Business Administration (Universiti Malaya), Master of Economics (Universiti Malaya and Universiti Kebangsaan Malaysia), Master of Information Technology (Universiti Malaya and Universiti Putra Malaysia) and Master of Management (Universiti Malaya). The sample was considered particular suitable for the task, because they are adults that have attained the moral maturity to assess the legal or justice issues involved in this area. The study used past purchase experience as a screening device. Only those who had ever knowingly purchased a counterfeit product were included in the survey. Self-administered questionnaire was chosen as it was the less expensive way in terms of the manpower and time needed. However, in cases where the subjects filled in carelessly and haphazardly, the particular questionnaires were excluded as there were no opportunity to trace back the subject for clarification.

The questionnaires were distributed to the targeted respondent by the researcher herself, with assistance from her friends and coursemates. Most of the questionnaires were distributed to the targeted respondents at their faculties before their lectures began. The purpose of the survey was briefly explained and
the researcher or her representative was present for clarifications whenever the respondents encountered any difficulties in completing the questionnaires. The respondents also have been informed as to whom and when the completed questionnaires would be collected.

There was no control on the demographic variables. However, attempts have been made to ensure a well spread and good representation among all sub segments.

3.3.3 Data Analysis Techniques

After collecting the data, the next step was data analysis. This analysis process included editing, coding, analysing and summarising the data. For this purpose, the SPSS/PC+ for Windows Version Programme was utilised. The data analysis of the study was divided into two parts.

a) Respondents' Demographic Profile - to portray the respondents' general demographic profile or socio-economic characteristics, statistical tools such as means, frequencies and percentages were used.

b) Consumer Behaviour Analysis - the consumer experience with counterfeit products, beliefs and attitude as well as satisfaction with counterfeit products were studied. In line with this, again frequencies, percentages and other relevant statistical tools such as ANOVA tests, T test and Chi Square tests were utilised.

3.4 Limitations of the Study

The study was confined to postgraduate students in Kuala Lumpur and Selangor. Consumers in other parts of the country or with lower education level were excluded from the study due to the constraint of time, cost and ability. Hence, there is a probability that samples from other parts of the country or with lower education level may yield different results.

Secondly, only five types of counterfeit products were investigated in this study. In addition, the selection was done based on a subjective judgment of the overall representativeness of the counterfeit products. One could not
deny that the finding might change if other counterfeit products were included in the study.

Thirdly, the study employed convenience sampling in searching for the subjects. There were many criticisms on this sampling method (Zikmund 1994), for example; one may question about the generalisation ability of the research. It may not be general enough to represent the overall consumers in this country.

Finally, although instructions and explanation were given, respondents might have different interpretations of the statements used, particularly in the section on importance, level of agreement and satisfaction rating. This might arise from different competency in the command of the language.