
Analysis of Factors Affecting Deceptive Consumers of Counterfeited Cosmetics and Food Supplements Products in Lebanon

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Abstract. Most consumers in markets are subjected to any kind of cheating during their purchasing. The worst case of cheating consumers is selling them counterfeit products and deceive them that it's a genuine one.

This study focuses primarily on combating counterfeited cosmetics and food supplement products through generating consumer awareness. To enhance consumer awareness by finding the factors that impact on them during their purchasing, and that make them be cheated in markets.

In regards to “deceptive consumers”, the researcher has delved deep into the factors which precipitated the consumers to be cheated on within the markets. What makes this study unique compared to previous studies was the sampling method which was utilized. Through the convenience sampling method, the researcher contacted the participants (the deceptive consumers) through their complaints which were submitted to the company based in the field of cosmetics and food supplements and its products have been subjected to counterfeiting.

The qualitative approach was utilized by following the phenomenological method and consisted of a focus group to have a deeper understanding of the factors behind deceptive consumers as well as their own personal experience.

Consequently, data were analysed using the content analysis method to cultivate the factors which affect the consumers and make them prone to counterfeited products. The factors include: lack of consumer awareness, market influence, word of mouth, materialism, and brand, and past purchase experience.

Key words: Counterfeit products, Consumer behaviours, Deceptive consumers, Combat counterfeit products

Introduction: Background and Overview

Deceptive consumers are those who have been deceived by their purchase and have no knowledge of the fact that they have invested in a counterfeited product. In this case, they cannot distinguish between both the genuine and counterfeited products. The issue here isn't confined to the monetary or materialistic swindling of counterfeited products, rather the issue constitutes greater health implications that can result in severe illnesses or even go as far as death, particularly in relation to drugs and car parts.

In 2017, WHO reported that “1 in 10 medical products in developing countries is substandard or falsified”. This is particularly alarming considering the consumption of such medication can not only foster severe health damage, but contribute to other health implications. This is problematic, because these medications do not include all of the necessary medical components which in turn could potentially constitute to a lethal concoction of chemicals. The most common counterfeited products are antimalarial, antibiotics, vaccines cancer treatment.

One of the most unethical scenarios of this illegal trade is the process of selling the consumer the product on the basis that it is authentic in its nature. Previous literature is primarily composed of defining the concept of the “deceptive consumer” and the possible impacts of them using counterfeited products. However, it was apparent that there was no

previous record of empirically conducted studies (found during the research process of this study) which delved deeper into the factors effective deceptive consumers or what makes them prone to this kind of deception. Moreover it was noted that a staggering 39.08 percent of consumers were victims of counterfeit products while, 56.30 percent were willing consumers of such products (Kala & Chaubey, 2017).

Literature Review

Counterfeit Products in Markets

Counterfeiting is a very complex phenomenon that governments, companies, and communities have yet to conjure a feasible solution to combat this crime. There are sizeable markets which due to their unique characteristics are considered to be ideal for the counterfeiting industry. For example, rural regions have a greater number of counterfeited products than other regions due to the lack of implemented laws, the lack of legal supervision through government entities in order to combat counterfeiting products, markets structures, and consumer's culture and behaviours. For example, in India, one quarter of consumers live in the rural market where 40-50 percent of goods sold is counterfeit (Assocham, 2014).

Consumer demand and the transaction of counterfeit products across an array of markets encourage counterfeiters to produce and sell more counterfeit products. In addition, it will also increase the counterfeiter's potency that leads them to infiltrate various markets across different industries. What is considered to be even more alarming is that these products are being counterfeited within industries which are potentially harmful to the consumer and can potentially jeopardize their health. These typically include products within both the medical and supplement industry. Another factor which motivates the greed of counterfeiters is the appeal revolving around the high profit margin generated from the transaction of these fake products. This has essentially spurred them into entering the industry in a far extensive manner and developing more misleading ways to deceive their consumers.

When non-deceptive consumer's intentions and purchasing of counterfeit products decrease the illegal trade of counterfeiting products will also decrease in size. As mentioned before, the power and the distribution channel of counterfeiters in markets increases due to the consumer's demand of counterfeit products. The greatest implication is the greed of the counterfeiters which leads them to deceive consumers and also to sell products which are potentially toxic. Separate the non-deceptive consumers from deceptive consumers cannot be divided in this illegal trade, both are the main rationale for counterfeiters to expand businesses. Therefore, as a result of increased consumers demand, it consequently has a knock on effect on the productivity of counterfeiters who are then encouraged to further deceive consumers in other markets and other products in order to increase their profit margins.

Factors Affecting Consumer's Intentions towards Counterfeit Products

To combating this illicit trade, the researcher will need to delve deeper into the factors affecting consumer's intentions towards counterfeit products. In previous study the researcher concluded the common and dominant factors which impact on non-deceptive consumers within different regions and various product categories were derived. These include the following factors: person demographic and psychographic, lack of consumer awareness, market influence, social influence, word of mouth, perceived risks, materialism and brand, ethics, key product factors, price-consciousness, and purchase experience (Al Atat, 2020).

Factors Influences Non-Deceptive Consumers Intentions towards Counterfeit Products

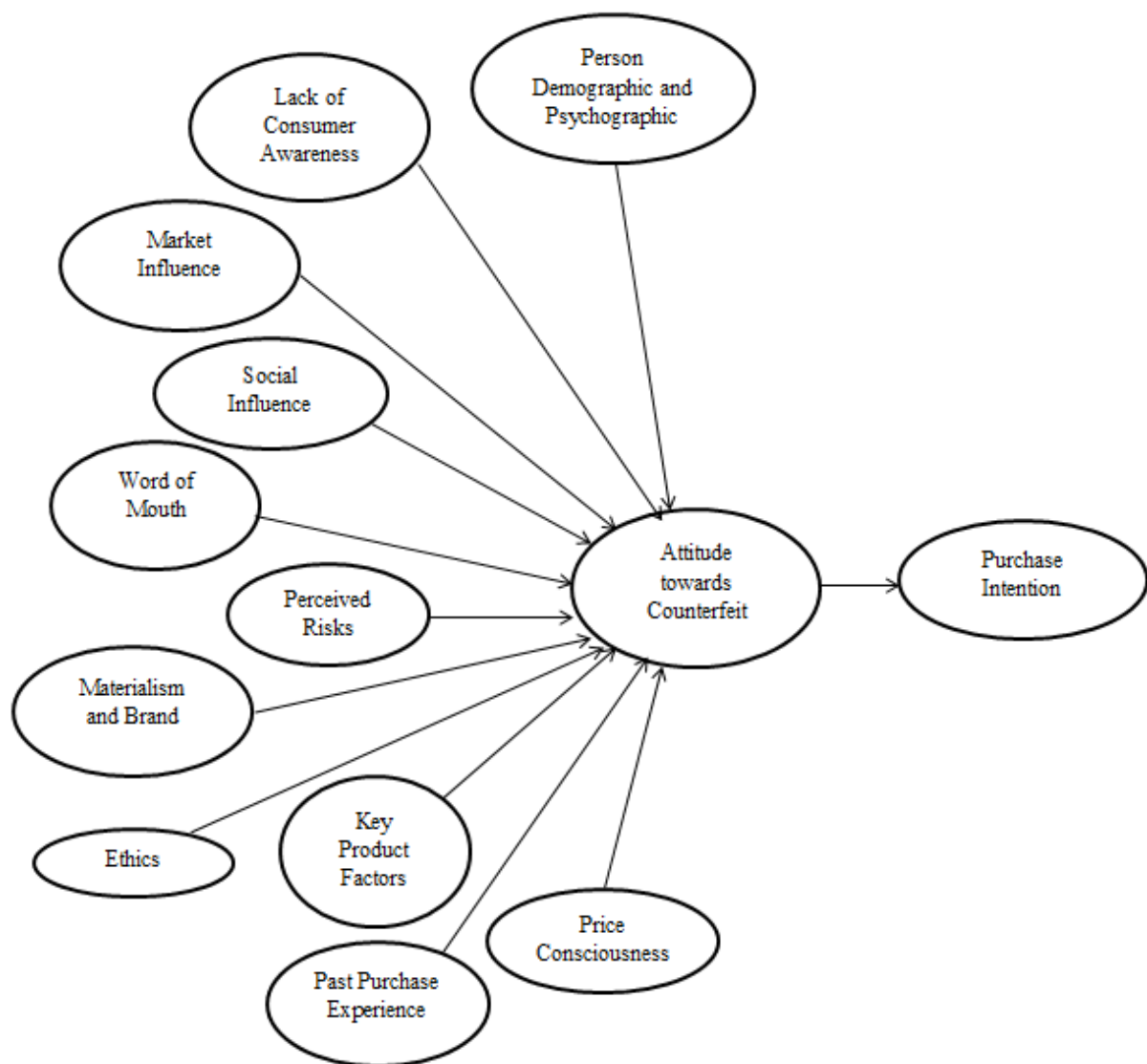


Figure 1: Framework summarizes the factors affecting non-deceptive consumer's intentions towards counterfeit products across sectors

Source: Work of researcher

In this study the researcher will determine the factors that influence deceptive consumers and that make them prone to the cheating of counterfeiters.

Deceptive consumers deceived by counterfeiters are paying for products with the intention that they are purchasing the genuine one. They cannot visually distinguish nor identify the differences between genuine and counterfeit and this can generally apply to any product. However, what poses the greatest risks are drugs, cosmetics, food supplements, and fake car parts that are harmful and may potentially lead to critical illness and death.

The practice of counterfeiting is directly related to the consumer being both cheated on and deceived. Consumers are paying for the quality of the product as if it was genuine in its nature. Counterfeiters copy the fundamental attributes of the authentic product, without paying attention to the components and compositions of the products. These in turn do not meet the required quality or deemed fit for human consumption, or follow standards related to the adequate manufacturing of products.

The aim of previous studies was to essentially define the notion of a deceptive consumer and the situations or cases they experienced from being cheated on by counterfeiters. In

addition, there are no available studies which establish what are the determinants in regards to deceptive consumers or why they are deceived by counterfeiters. Researching on deceptive consumers and on the factors, that make them prone to be cheated on by counterfeiters is a unique and recent exploration which may develop a deeper understanding of this illegal trade in markets in the case of deceiving consumers.

Methodologies

Deceptive Consumers and Counterfeit Trade

This chapter aims to study the factors which affect deceptive consumer's purchase of counterfeited products in the context of a specific brand as well as the reasons which make them prone to being cheated on within this fraudulent trade. The importance of this chapter lies in the fact that the researcher was unable to find any previously conducted studies (during the research process) which focuses on why consumers are deceived by counterfeiters. In addition to this, an effective strategy was established in order to reach the deceptive consumers of this particular brand. It is important to note that it was not feasible to contact deceptive consumers because it is common that consumers do not know that they have been cheated on by counterfeiters. The issue lies in the fact that the consumers believe that they have invested in an authentic product but are left unsatisfied with the poor quality as well as the potentially harmful consequences of using such product, in turn they blame the authentic company. Also, some deceptive consumers feel a sense of shame when put in a position to confess that they have in fact been deceived.

It is not considered an easy endeavour to conduct research which studies the factors affecting deceptive consumers in the different sectors which are infiltrated by counterfeited products. The researcher chose to focus on identifying the main factors of having deceptive consumers for a specific brand, in this case a cosmetic and food supplement brand which has been subjected to counterfeiting. The researcher chose a company which has facilities in conducting this research; moreover, through the cooperation of the managers it was permitted that the researcher collects data which is related to the study and topic. In particular, the auditing department which holds the responsibility for combatting counterfeiting products and study consumer's complaints. In the past this company's brand has been exposed to various forms counterfeiting.

Research Design

This study is considered to be an exploratory research study as the researcher is attempting to develop a better understanding of why consumers are deceived in these markets. It is of utmost importance to develop a level of understanding regarding this phenomenon, especially because there are no previous studies which investigate and define the factors in regards to deceptive consumers. The exploratory research design is used when we have to describe something, get an understanding of what or why this situation happened, where little work has done, and when situation is still not clear (Creswell, 2014).

Research Method

The researcher abided by qualitative approach due to the study's characteristics and investigation of counterfeit phenomena in the case of deceptive consumers. Besides, the study's characteristics, it does not match the specifications of the quantitative approach which is based on a large sample size that represents a population, rather it relies on numerical data and mathematical analysis a problem.

In order to achieve the desired outcome, the researcher followed the phenomenological method which is both a flexible appropriate type of methodology. The phenomenological

method is used when describing an individual's experience in regards to a certain phenomenon, event or activity and helps researchers to investigate the perception, perspective, and understanding of the actions or feelings of individuals experiencing a situation or phenomenon. This study is considered to be a direct investigation with individuals who have experienced the scenario which is being examined. This study investigates the perspective of multiple participants experience towards counterfeit products. Upon studying the participant's experiences the results and findings can then be generalized upon different individuals who have experienced the same situation (Creswell, 2014).

Data Collection Method

In the study, the researcher chooses the focus group data collection method. It is a useful technique in collecting data on the cultural norms of a group and in generating broad overviews when there is a commonality between the groups. This is because they all have experienced similar circumstances and therefore have developed a deep understanding in regards to the situation. A focus group is a suitable method that is helpful for participants to discuss perceptions, ideas, opinions, and thoughts (Krueger & Casey, 2000).

Within this study, the focus group helps to discuss and generate a more comprehensive understanding of participant's negative experiences upon using the counterfeit product. Participant's sense of belonging to a group increases their sense of cohesiveness (Peters, 1993) which in turn helps them to feel safe upon sharing their information (Vaughn, Schumm, & Sinagub, 1996) in regards to the cases they faced through discussing their problem (Duggleby, 2005). In addition, the interactions between participants are valuable and cultivate good results (Morgan, 1988). Through the integration of open-ended questions this allowed participants to answer the questions in their own words; moreover, the researcher can respond immediately to the participant's answers and asks them various questions in regards to their experience. So, the intention behind the integration of a focus group is to gather ideas, opinions, perceptions, attitudes, and beliefs of participants. It is important to analyse their experience as deceptive consumers and consequently identify out the factors which has affected them from the use counterfeited products. Moreover, to detect how deceptive consumers behave and take decisions whilst undergo the transaction. Essentially, the objective is to discover the factors which make consumers prone to counterfeit products.

Sampling Method and Reaching Deceptive Consumers

The participants of this research are deceptive consumers. These are individuals who are deceived by counterfeiters in different markets. These consumers have effectively purchased products of the same brand but in different regions. Within this study, the sampling method which was implemented was convenience sampling. Convenience sampling is appropriate when the criterion is to select several participants with special characteristics; in order to have initial primary data regarding specific issue.

Deceptive consumers were contacted through the submission of their complaints to the researcher's company of choice. Auditors within the company also supported the study as a result of the role they played in monitoring these complaints and contacting those who submitted a complaint. Those who have previously submitted a complaint were asked to participate in the study. What is important to note is that organizations should make a conscious effort to study their consumer's complaints in order to improve the efficiency of their operations. This is achieved by finding solutions to help consumers with the problems they face from using these products. After discussing with the managers of the company all the necessary details, they agreed to conduct this study with their deceptive consumers. The researcher then prepared to the focus group with the aid of the company.

Preparing of the Focus Group

Focus groups help when discussing with participants the cases they faced in order to detect the factors that make them prone to be cheated on by counterfeiters in markets. To begin with participants are educated in regards to previous studies about the harmful impacts of counterfeit products on deceptive consumers in markets as well as efforts which have been exerted by various organization and committees to combat this fraudulent behaviour. This is particularly the case in sectors which are considered to be both dangerous and harmful to consumers.

Then, participants are informed in regards to the manufacturing process of genuine products of the brand we choose. Light is shed on the procedures and processes undergone by the authentic manufacturing company as well having an idea about the differences between the manufacturing processes of genuine products and counterfeit ones.

Group Composition

The researcher began to contact deceptive consumers of this particular brand through their complaints to the company. The researcher contacted a total of 15 consumers based on the investigations made by the auditor. Essentially these 15 consumers had submitted a complaint and had been considered by the auditors to have been cheated on by the counterfeit manufacturers.

Out of these 15 consumers, only 10 accepted to participate in the focus group as deceptive consumers. Essentially, they have all had negative experiences through the use of counterfeit products of a specific brand and this is what brought them together. The participants had already complained to the company about how useless and inefficient the products were. Later with the help of auditors, they discovered that they have in fact been deceived by the counterfeiters. There is a level of homogeneity present within this focus group as all the members have similarities between each other. The only notable difference is that they have purchased different counterfeit products, but from the same brand in different regions. In the study, it was fundamental that there was the consideration of different demographic characteristics of participants such as, sex, age, marital status, education level, and income level.

Interview Protocol and Logistics

The research team consisted of three people, a single moderator and two assistants from the auditing department of the company. One of the auditor's responsibilities in the company is to combat this crime and try to help consumers not be cheated on by the counterfeiters. Their role is to follow up the consumer's complaints and try to have solutions for their complaints with the help of the management to decrease the risks of counterfeit products on consumers.

With the help of assistants, a focus group was scheduled with the participants. There was preparation in regards to the logistics for the meeting with participants such as attention paid to the booking of the room, recorder, and other tools could be used in meetings. Both assistants were qualified and have a graduate degree as well as possessing impressive experienced within customer relationship management.

A few days before the meeting with participants, the researcher gathered the demographic data of participants in a table. The researcher printed the name of each participant and put it in front of his/her seat. Moreover, they were informed of where they were going to be sat during the meeting.

Table 1: Participants Profile Demographic Characteristics

Name	Sex	Age	Nationality	Purchased the item from	Last Education	Income Level per year
Majida	Female	24	Lebanon/ Baabda	Shop in village	Bachelor Degree in Pharmacy	18000\$
Nisrine	Female	30	Lebanon/ Bekaa	e-commerce	Bachelor Degree in Business Management	20000\$
Salwa	Female	32	Lebanon/ Beirut	e-commerce	Bachelor Degree in Arts	14000\$
Christelle	Female	36	Lebanon/ Beirut	e-commerce	Master Degree in education	20500\$
Rasha	Female	37	Lebanon/ Tripoli	Shop in Village	Master Degree in Finance	30000\$
Joelle	Female	38	Lebanon/ Jbeil	Shop in Village	High School	14000\$
Dalia	Female	40	Lebanon/ Bekaa	e-commerce	High School	12000\$
Jawad	Male	28	Lebanon/ South	Shop in Village	High School	12000\$
Amir	Male	35	Lebanon/ South	e-commerce	Bachelor Degree in Graphic Design	16000\$
Fadi	Male	42	Lebanon/ Beirut	e-commerce	Bachelor Degree in Information Technology	30000\$

Source: Work of research team

Participants were selected based on the complaints that they submitted to the company. There was an apparent level of diversity amongst participants with 70 percent of them being female, and 30 percent being male. Their ages ranged between 24 -42 years old as well as being from different regions, having different educational background, and different income level.

The focus group was conducted in a meetings room of the company. It was recorded and lasted 2 hours and 30 minutes. The company's management team was very supportive in making sure that the focus group was efficient and valuable experience and that it was conducted within an appropriate environment.

The Note-Based analysis method was implemented as a source of focus group data. During the focus group, the moderator and assistants were taking notes. The notes were gleaned and reviewed in order to ensure no valuable information is missing. As well as reviewing the notes that were collected, the researcher also made sure there was nothing missing.

Data Analysis

Data analysis helps with both the understanding and clarification of the data collected from the focus group. This is considered to be the most important and critical part of the study. The cultivation of data and valuable information allows for the creation of themes from the participant's discussions and the experienced that they faced from using these products. It should be systematic, sequential, verifiable and continuous (Krueger & Casey, 2000). Following these steps and conditions will lead to greater reliability, constancy and the collection or valuable information which will in turn help achieve the required goals.

The target is to generate valuable themes that correlate with the participant's experience. There may be different participant's viewpoints and dissenters; this may help the researcher to engage with a more diverse focus group and increase the richness of data (Sim, 1998).

In this study, the researcher followed the content analysis method, in this instance most of the data was collected through group interaction during the focus group, by recorded speech, observations of their behaviour, and various forms of nonverbal communication during the focus group to make the content analysis.

Content data analysis consists of the following steps:

- Collect all the data from the focus group.
- Arrange the data in an orderly manner based on the questions we prepared.
- Categorizing and compressing the huge amount of data. Information of a similar nature is automatically grouper together.
- Highlight the selected phrases (quotes) and main ideas collected from the focus group, merging similar quotes together and re-arranging them in order to manage the data.
- Check the validity of data in order to make sure it is not flawed, meet the required research method as we planned before, and sees if the method we followed produces accurate data.
- Final step is the conclusion of the analysis. The data collected from the focus group conducted with the participants is gathered and analysed. In addition to this there is consideration of the different views in which lead to the creation of various themes. The following questions were imposed:
 - What major themes emerged?
 - What do we understand about the phenomena of deceptive consumers?
 - Based on the cases that participants faced, what are their viewpoints and experience towards counterfeit products?

All the data that was collected through the discussions made by the focus group has been allotted below the previously prepared questions (Appendix A).

Interpretation of Data

After the researcher conducted the focus group with participants from different Lebanese regions who were cheated from counterfeiters, the following information was collected which consequently aided in the deep understanding of the factors that affect deceptive consumers in the case of counterfeit cosmetics and food supplement of a specific brand.

These are as follows:

From the demographic data collected in Table 2, it is clear that there is a level of diversity amongst the participants. The participants are of different gender, age, income and education level. This means that person demographic and psychographic do not affect deceptive consumer's decision while purchasing the products. The participants are both male and female their ages ranged between 24-42 years, they have different incomes and educational levels, and all were cheated on by counterfeiters.

The person demographic and psychographic does not influence deceptive consumers during their purchase.

None of the participants were able to detect the differences between genuine and counterfeit products based on the key product's factors and as its attributes and characteristics. This was established after a small test on the participants was conducted and not one of them was able to differentiate between the counterfeit products from a genuine one. With the use of technology, counterfeiters have the power to copy products very similarly to the authentic one. In order to deceive consumers, counterfeiters paid attention to the attributes and features of the item in order copy it exactly. This essentially makes it hard for consumers to recognize the difference between authentic and counterfeit products. Also for auditors, it's hard for them to

detect the authentic item from counterfeit one without using a specific technique (covert code in packaging). Even selling products online makes it easier to deceive consumers. Online sellers of counterfeit products put the picture of the original products on online platforms and sent counterfeit products to consumers.

It has become hard to distinguish the differences of key product factors between genuine and counterfeit products, due to the expertise of counterfeiters in copying the genuine products.

Regarding the price, it was noted that in general a lower price point attracts consumers. 30 percent of participants purchased the items which had a price point which was slightly lower than its original price.

They thought it was a genuine product which was on special offer or had some kind of discount applied to it. This is considered to be a mistake on behalf of the company who has failed to provide their consumers with sufficient information regarding their authentic products. When consumers made a comparison between prices of items and found that retailers sell the items for a lower price than the genuine, consumers will assume that both items are genuine. Price is not a detector or a sign that the product is counterfeit when we have slight differences in pricing. Usually, when counterfeiters want to deceive consumers, they place the price point of counterfeited items close or similar to the genuine one. On the other hand, if there is a big difference between the prices of the counterfeit and authentic products, consumers may be aware of it and doubt that something wrong with the price difference, particularly if they are aware of the authentic product.

To deceive consumer's counterfeiters priced the counterfeit products close to or the same as the genuine products. (Case Deceptive Consumers)

Participants purchase the products from online websites and unauthorized shops. 70 percent of participants have not visited the authorized branch of this brand, because of the geographic inconvenience. They have little experience from purchasing from the authentic brand. Not all participants know that there are counterfeit products of this brand in the market. Many factors increase consumer's positive experience upon purchasing the product. When consumers have a good experience in purchasing, he/she will ask about the location of authorized branches and legal shops selling authentic product of the brand they want to purchase.

Consumers past purchase experience could increase their awareness of being cheated on by counterfeiters in the market. Consumer's purchase experience encourages them to investigate where to purchase genuine products.

Most probably, consumers that experienced the harmful impacts from using counterfeit products will send complaints to the authentic company in order to receive compensation for their negative experience. The auditor's investigations lead to the fact to the reality that these consumers had been deceived from counterfeiters in markets. As a result of being continuously deceived the consumer will have enhanced experience in regards to purchasing the correct product. Participant's cases show that 60 percent of participants experienced harmful impacts from using the counterfeit product of the brand and 40 percent just where unsatisfied by the result they had with the usage of the product. It was noted that these products were considered to be "inefficient" and "useless".

Participants have heard a lot about the benefits of using such products through advertisements, friends, and families. They went to buy the product of this brand without knowing the location of the authorized branches of the company, or from where they can buy it. Most companies make the conscious effort to advertise their product but fail to advertise the location of their branches.

Market influence impacts consumer's decisions during their purchasing.

The intention behind the participants purchasing this product was in order to satisfy their personal needs. Mostly, consumers are attracted to products that are manufactured under good

quality standards in order to satisfy both their expectation and experience of using the product. Deceptive consumers who purchase cosmetics and food supplements did not find what they purchased to be of low quality. The packaging and attributes were the same as authentic products. The attributes of counterfeit products such as packaging, design, and colours in these cases meet the high standards of quality. However, the components of the material, the formula of the products, and the manufacturing process do not meet the specification or the required quality levels. Later, they concluded that the components of the products are not the same as authentic version. Prioritizing materialism and superiority of brand power encourages consumers to purchase products that will guarantee they achieve specific results.

Consumers are looking to own qualified and success products that meet their needs.

None of the participants are knowledgeable of the fact that this brand of cosmetics and food supplements is prone to counterfeiting. The company neither informs them that their products subjected to counterfeit, nor heard that from markets they purchased their products from. Some of the participants remain loyal to this company; even if they are cheated from counterfeiters. They are not educated enough in order to be aware of the counterfeited products in these markets. There is a low level of consumer awareness.

The absence of consumer's awareness makes them prone to being deceived by the counterfeiters in the market.

The use of cosmetics and food supplement products are consumed or used at home. It's not the luxury product and brand that gains its worth from being on show or worn in public. The benefits of cosmetics and food supplements are the result of consuming it and the satisfaction experienced by the consumer. Usually, consumers of cosmetics and food supplements products are not looking to own the brand for the social reasons. Unlike luxury products, there are no social benefits from purchasing this cosmetics and food supplement brand.

In purchasing cosmetics and food supplements, consumers are not looking to gain social benefits or to increase their social status.

After the consumers heard the positive feedback from friends and family who were satisfied with using the product and got the required result, this consequently encouraged them to purchase from the same brand. It is important that the consumer is knowledgeable of where to buy the genuine product. The issue is that they have heard that products will benefit them, but do not know that there are counterfeit alternatives or how to be aware of purchasing them. If the consumer finds out from friends or family that there are counterfeit products in some shops he/she will be aware of taking the decision to purchase this product from the illegal market. Thus, word of mouth impacts on deceptive consumers.

Hearing other people's opinion would make consumers more aware in regards to not purchasing the product.

Perceived risks and ethics do not impact on the decision of purchasing in the case of deceptive consumers. Participants were not aware that the product they purchased is in fact counterfeited. They thought that the products they bought were authentic; for this reason, no implications of personal ethics and perceived risks emerged during the purchasing process.

Deceptive consumers do not have the opportunity to compare between counterfeit products and authentic one during their purchase, nor to assess the purchasing risks and ethical implication. Logically, because they do not know that the product is counterfeit.

As a result, after the researcher conducted the focus group and analysed the note, various themes were generated. Essentially, this is a result of the cooperation of the participants who shared the experience that they had.

The researcher can categorize the factors which both do and do not influence deceptive consumers during their purchase, in the case of cosmetics and food supplements products.

Factors that do not influence deceptive consumers during their purchasing process are person demographic and psychographic, social influence, perceived risks, ethics, key product factors, and price consciousness. These factors do not play a role in influencing the deceptive consumers whilst they make their purchase. In other words, these consumers deceived by counterfeiters, and even if we have any changes or enhancing these factors, most probably they will still be cheated on from counterfeiters.

However, the factors that influence deceptive consumers during their purchasing are: lack of consumer awareness, market influence, word of mouth, materialism and brand, and past purchase experience. These factors play an instrumental role in affecting the decision-making process of deceptive consumers. The extent to which deceptive consumers are prone to this fraudulent market can be reduced by manipulating these factors. Moreover, by having a greater awareness of how these factors affect deceived consumers, allows for the development of suggestions and decisions of how consumers can be protected from such markets.

Figure 2 summarizes the final result which was cultivated after analysing the factors that influence deceptive consumers and that do not influence them during their purchasing process.

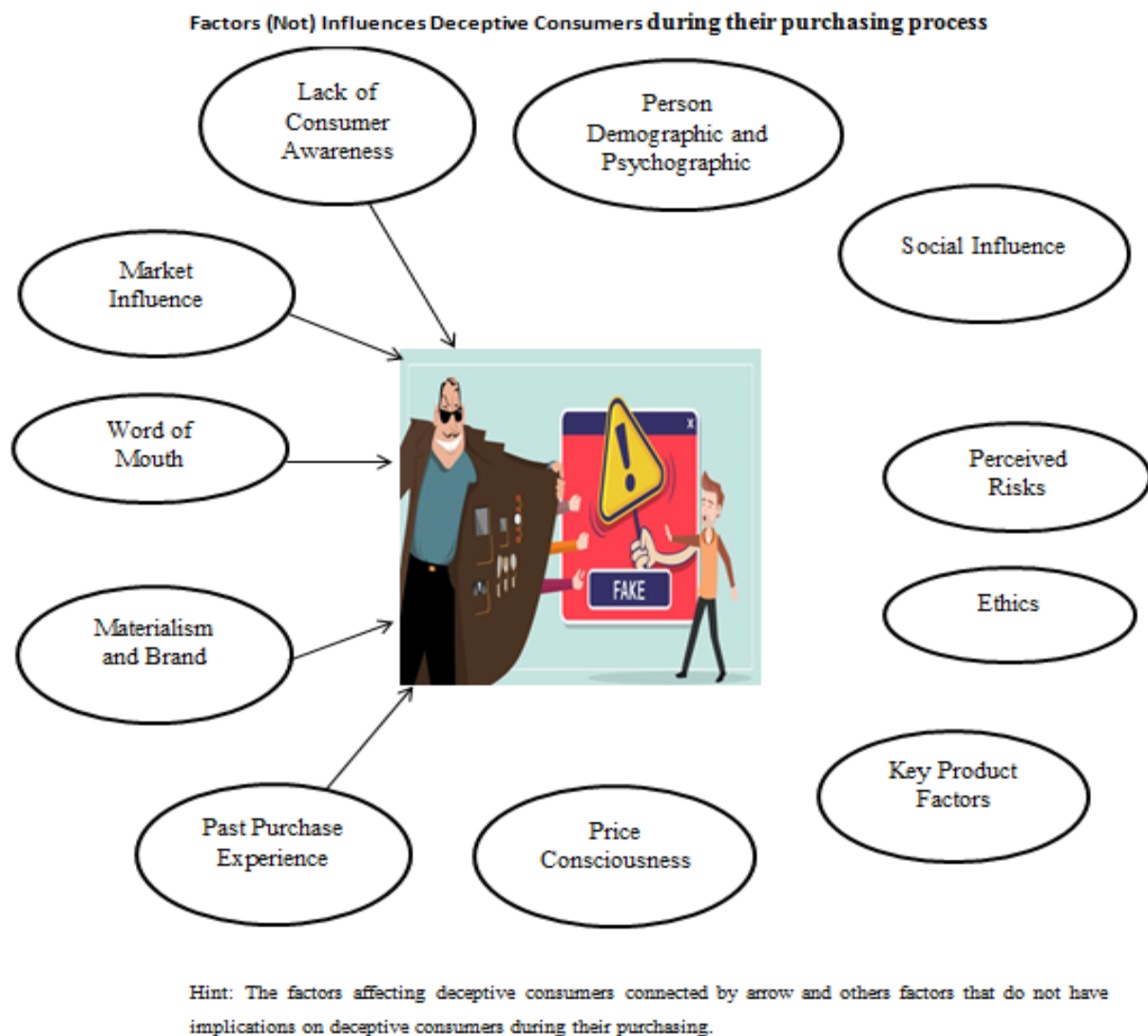


Figure 2: Factors that influence and do not influence Deceptive consumer's decision during their purchasing

Source: Work of researcher. Result of analysing the study with Deceptive participants. The Fake image collected from the search engine.

Conclusions and Recommendation

Conclusion

Many consumers are annually deceived by counterfeiters. Consumers are not only losing their money from purchasing counterfeit products but also suffer with low quality of such products. However, what pose the greatest risk in regards to counterfeit products are those which may result in health implications of the consumer, this includes drugs, food supplements, cosmetics, and spare car parts. Moreover, when the product is manufactured under poor conditions the products itself may contain harmful substances and lack the vital ingredients.

In order to combat this crime, there should be increased consumer awareness in regards to this illegal trade. This should be achieved through shedding awareness in regards to counterfeit products by studying the factors that increase their intentions of buying counterfeit products (particularly in the case of non-deceptive consumers) and analyse the factors that make them deceived by counterfeiters and buying counterfeit products in the case of deceptive consumers. By studying these factors, it will essentially aid in the understanding how consumer awareness can be enhanced in order to avoid purchasing counterfeit products (non-deceptive) as well as becoming prone (deceptive) to such illegal transactions.

Counterfeited products have truly infiltrated our lives this is regardless of whether or not we are conscious of the fact that we have purchased a fake duplicate or not. Consumer's demand for counterfeit products (non-deceptive consumers) is the dominant factor that encourages counterfeiters to continue and expand their illegal trade (Gentry, Putrevu, & Shultz, 2006). The high profit margin that is established as a result of this fraudulent trade is what encourages counterfeiters to invest in this illegal trade as well as across various industries.

Managerial and Organizational Implications

Deceptive and non-deceptive consumers play a key role in promoting the presence counterfeit products in markets. Counterfeiters are willing to do anything to sell their products by consciously deceiving consumers and will always intend to increase their markets through this lucrative criminal activity. In addition, the absence of most organization managerial strategies towards combating counterfeit products makes things easier for counterfeiters to expand their businesses. Staake, Thiesse, & Fleisch. (2009) mentioned some of the weaknesses of such organizations which include a limited supply of genuine products, inability to identify the original products, and high prices of the original products.

Managing team must work on increasing their consumer's loyalty towards their genuine products, develop strategies to protect their markets and increase the exertion of their efforts in order combat this crime. These steps must be taken in order to encourage consumer awareness to refrain them from purchasing and using these products regardless of whether they are deceptive consumers or non-deceptive consumers.

In this empirical study we concluded from the focus group the factors which impact on deceptive consumers. Based on the results which have been obtained, many suggestions can be made in which managers should follow in order to protect their consumers from being cheated on by counterfeiters:

- Lack of consumer awareness increases their probability in being prone to counterfeit. Organizations should establishing effective customer relationship management in order to increase consumer's loyalty and to inform them about the brand of the company. Customer relationship management is a tool that helps organizations to easily contact and manage every interaction with consumers to increase the efficiency of the sales and marketing team. This also will help organizations to detect external threats attack their brand and consumers in markets as counterfeiting.

- Markets have become very similar to each other which have resulted in companies having the advantage to distribute their products in many domestic markets due to the feasibility of distribution channels and orders delivery. This is primarily due to having many platforms that change the traditional trade and lead to the increasing in the online selling. So organizations should increase their efforts in regards to having authentic online sites as well as increased advertisements for their e-commerce and their genuine products. Nowadays, e-commerce contributes to the counterfeit trade. It connects the counterfeiters directly to consumers outside the legal distribution channel and away from governmental agencies. When organizations inform consumers about their legitimate online sites, they will be aware of them not to be prone to illegal and counterfeited e-commerce. Besides, companies should advertise the locations of the authentic shops. If the company has a wide distribution channel, like mass production, they should increase their efforts through auditors to make inspections in these shops to detect whether they sell counterfeit products or not.
- Word of Mouth impacts on deceptive consumers. Consumers are influenced by their friends and families regarding the purchasing of goods in markets. In this context, organizations should offer awards to anyone who can help them in giving information about counterfeiters and illegal shops that sell counterfeit products of the organization brand and those attack its Intellectual Property. Besides, organizations should increase their role in monitoring the market and take action by pursuing counterfeiters legally through law enforcement and prosecution of perpetrators. Organizations should have a good link with consumers in markets, they can benefit from this link with consumers to support their missions in combating counterfeit products. This could be done by increasing the consumer conscious towards counterfeit products. In this way companies could benefits from word of mouth factors between consumers to spot on the negative impacts of counterfeit products.
- Materialism and Brand impacts deceptive consumers who were interested in buying a product with high materialism and belong to a successful brand. Organizations should increase their distribution channel. Authentic products should be available within many markets, even in rural markets where they are not traditionally found. Consequently, consumers who look to have a product manufactured with high material quality and belong to a successful brand will be aware of the differences between the genuine products sold by owners of the brand which are controlled within a secure supply chain, and the counterfeit products that sold in markets out of these authentic branches. Lack of availability of genuine products increases the opportunity to deceive consumers (Pujara & Chaurasia, 2012).
- Organizations should reinforce consumer's experience of choosing the genuine products that should satisfy their needs. They should encourage consumers purchase experience through advertising or seminars. Consumer past purchase experience is a very important factor that helps consumer be aware of purchasing counterfeit products in case of deceptive consumers. Consumer's deceptiveness depends on their awareness, knowledge, and experience (Eisend, Schuchert-Güler, 2006).

The aforementioned points are suggestions that could be followed by managers to protect their consumers from counterfeit products. We concluded these managerial suggestions based on the factors obtained in the result of this study and its impacts on consumer's intentions towards counterfeit products and that cause them cheated from counterfeiters. Moreover, the aim is to protect consumers from counterfeit products especially deceptive consumers, organizations should increase their research and implementation of technical anti-counterfeiting systems that help consumers to distinguish between genuine and counterfeit products.

Nowadays, it is the responsibility of technology engineers to invent a technique which combats counterfeited products. It is of utmost importance that they pave the way for methods that ensure products cannot be easily duplicated as well means for the end user to detect if the product they have purchased is one which is counterfeited or not.

Limitations and Future Research

Limitations of the Study

To begin with, the number of deceptive consumers studied was limited in its number. Why this was a limitation is because of how difficult it is to identify deceptive consumers. Not only do they are consumers do not know that they have been cheated on by the counterfeiters, but in addition to that some may find difficulty in admitting they have been victim to this fraudulent trade and would prefer not to admit it.

As we mentioned in this study that the participants in the focus group of this research were deceptive consumers of a specific brand with focus on its products subjected which was counterfeiting. We contacted participants through their complaints and with the help of auditors in the company.

Another limitation is that the researcher was unable to find any previous research in regards to factors affecting deceptive consumers in order to compare the result we achieved to prior studies even of other sectors.

Future Research

The factors that the researcher identified in regards to the deceptive consumers of a specific brand (in the field of cosmetics and food supplements) could be tested in further research with other deceptive consumers of other cosmetics and food supplements brand. Besides, in the future, it would prove valuable to increase the number of participants in order to compare the result to the one obtained with the limited number of participants in this research.

This study was conducted with regards to deceptive consumers who purchase from a specific cosmetic and food supplements brand which has been subjected to counterfeiting. This was done in order to investigate the factors related to having deceptive consumers purchase from this brand. Further research could delve deeper into the factors that affect deceptive consumers in other industries and towards different brands.

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Appendices

Appendix A: The data that was collected through the discussions made by the focus group has been allotted below the previously prepared questions.

a) Answers of Opening Question

- **Tell me about your educational background and your work?**

In table 2 it is apparent that there is diversity amongst the participants which have partaken in the study. This is most apparent in regards to the participant's educational background as well as their careers. Having knowledge in regards to the participants educational background allows the researcher to identify the factors which affects their decisions whilst investing in any product. The participants who partook in the focus group consisted of the following:

- Three have acquired a high school degree.
- Five have acquired a bachelor's degree.
- Two have acquired a master's degree.

b) Answers of Introductory Questions

- **What do you know about counterfeit products in the Lebanese market?**

All participants knew that there are a lot of counterfeit products distributed in specific shops and through e-commerce in the Lebanese market. In the case of demanding counterfeit products, when consumers want to purchase counterfeited products of a brand (especially luxury products with a lower price point) they can easily purchase it from the market. The price point and the locations of shops are the primary detectors of most of the counterfeited items in the Lebanese market.

In regards to participant's knowledge of the fraudulent business practice, 70 percent of participants have heard of some counterfeited products within the Lebanese markets. During the focus group participants discussed some of the famous cases in regards to consumers who have been previously deceived within the Lebanese market:

- A manager of a governmental hospital that worked in coordination with counterfeiters to purchase counterfeited drugs to give it for the patients in the hospital. Recently, government forces arrested her for prosecution.
- The result of an investigation in many car accidents obtained that it was due to the use of counterfeited spare parts.

- Many counterfeited detergent brands in the market that looked like the genuine product.
 - In the food sector, many types of famous brands are attacked by counterfeiters, and consumers do not discover that they have in fact invested in an unauthentic product until they experienced the negative health implications.
 - Counterfeited alcoholic drinks of many brands that easily distributed in the Lebanese market and a lot of consumers are victims of it.
- **In your opinion, what are the circumstances and factors that help this illegal trade to be easily identified and distributed in the Lebanese market?**

The participant's viewpoints closely resembled each other in regards to the circumstances and factors that help this illegal trade easy distribution within the Lebanese market. They all agreed with the lack of the incentives the Lebanese government has implemented in combating this crime. Besides, the Lebanese market is not wide in its nature and therefore this encourages counterfeiters to copy and distribute counterfeit products within the absence of authentic shops.

Moreover, low-income level makes it is hard for some to buy a luxury brand. Lebanese people are infatuated with having a high social positioning within their own community and consequently, this encourages some of them to buy counterfeit products.

- **Is it the first time you have been prone to counterfeiting?**

40 percent of participants have experienced counterfeit products. They demand and purchased specific counterfeited items from the market. Typically, they invest in shoes, bags, watches and accessories, which are considered to be relatively harmless in regards to the risks that they pose. These participants were conscious of fact that they had purchased a counterfeited item; however, did so regardless. So, the researcher can conclude that 40 percent of the participants demand and have intentions towards counterfeit products of some items. However, in this study, all participants were considered to be deceptive consumer of a specific cosmetics and food supplements brand, and it was their first time being subjected to the cheating of counterfeiters. After they purchased this cosmetic brand, they later discovered that it was counterfeit.

- **To which extent did you have a negative experience from using this counterfeited brand?**

60 percent of the participants experienced harmful effects from using the counterfeit products of this brand whilst 40 percent they just found that it's useless and below their expectations. They were unsatisfied with using the counterfeit items.

There are various cases of participants experiencing infection from the use of counterfeit cosmetics and food supplements of the brand that the researcher has studied. Records of **eye infections, allergic reactions, skin rashes, and chemical burns** were experienced. Not only did consumers waste their money, some of them had to take several days off work in addition to the medical expenses they were forced to invest in order to recover.

Some of the participant's cases:

The worst-case was a consumer who used a counterfeited face cream. As a result of using this cream she experienced multiple second degree chemical burns on her face. She stayed at home for 15 days and purchased many medical ointments and creams in order to revive her radiant skin.

Another case of when a deceived consumer purchased a counterfeit supplement was in pursuit of her losing weight. Later the side effect emerged in the form of her experiencing depression, becoming aggressive and angry, feeling thirsty and high blood pressure.

However, there was an exception where one participant used a counterfeited slimming capsule and had found the results to be more superior than when using the authentic product. However, this proved to be counterproductive as she later suffered from stomach pain and chronic headache and submitted a complaint to the company. Auditors further investigated this case and found that the problem was that she had used a fake product which included high amounts of toxic chemical substances which included ingredients which were present in illegal percentages. The genuine version of this same product includes the legal percentages of these substances and therefore would be deemed safe to use.

There was also a case of a man who had invested into a bottle of shampoo in order to strengthen his hair and prevent hair loss. However, because he has invested in a

counterfeited product, he experienced no improvement only to find that it had caused him dandruff instead.

c) Answers of Transition Questions

- **What was the name and characteristics of the product that you purchased from the counterfeiters?**

There was a range of counterfeited items purchased by participants for this brand. These participants were deceived and bought counterfeited creams and food supplements. Some of the creams are skincare products, and most of the food supplements are for losing weight. This brand attracts counterfeiters to copy its products and sell them illegally in markets.

30 percent of participants purchased food supplements such as slimming and vitamins. 70 percent of them bought creams and shampoo. The majority of the items of this brand were subjected to counterfeit as the company has six different counterfeit products purchased by the participant.

- **How much did you pay for this product?**

In general, the prices of counterfeited products are close to the genuine ones. In three of the participant's cases was a very different price difference recorded. However, the other counterfeited products were priced similarly to the authentic products. The three participants knew the price of the genuine products during their purchase; however they invested in the lower priced item. These participants thought that these products were authentic and that there was some kind of promotion or discount applied to the product. Nowadays, we can see that retailers and companies apply promotions or discounts to their products as a common form of marketing strategy. This is particularly the case when products are sold online as it is becoming more accessible for consumers to make a price comparison of the same items from different sources; regardless of the quality and key product factor.

- **Were you previously knowledgeable of the price range?**

60 percent of the participants knew the price of the item before they purchased it. 30 percent of the participant's purchase decisions were based on the lower price of the

counterfeit products. As mentioned in the previous answer that these participants found little difference between the prices they knew and the one they purchased. However, the others found the price of the product purchased similar to the price they knew.

- **What motivated you to purchase product? Is it for its brand name?**

Participants were interested in purchasing these products and satisfied their needs by using it. Some participants demanded the products in order to achieve better facial skin; others used the supplements to lose weights and vitamins for better health. However, the results were below their expectations, in addition to experiencing some of the harmful effects. They were searching for the brand because they previously heard about the quality, the benefits of using its products and its positive reputation, not for social influence or prestige.

- **What about the quality of the packaging of the product you purchased?**

All participants were cheated on. Not one of them found that the quality of the product was poor. Even those participants that have previously purchased authentic products from the legal shop or e-commerce were not able to find any differences between the counterfeit products they purchased and the genuine one purchased previously. The quality of the packaging of counterfeit products is also similar to genuine products.

The researcher conducted a small test with participants. They were given a genuine product and counterfeit one of the same item. They were then asked to identify the genuine from the counterfeited product. Participants could not tell them apart, and they did not find the differences between the two products. The counterfeited products were manufactured to look very similar to the authentic ones.

The packaging and the entire product (design, shape, color, and smell) of counterfeit products are similar to the authentic ones. Both looked identical and it was noted that the participants found it hard to recognize the differences without using a specific technique as auditors use.

- **Where did you buy it from? Is it from a legal shop?**

60 percent of participants purchased the products from online websites. Many of illegal websites are selling counterfeited products in prices that close to the price of genuine products. In this case, deceptive consumers did not have the opportunity to check the characteristics of the product before buying. They just purchased the products based on their pictures and descriptions found online.

Others, 40 percent of deceptive consumers were deceived by non-authorized shops. A notable reason for this might be because the authentic branches are far from where they reside. They purchased the products by asking some shops in their village to bring it. Consequently, they have been deceived by the seller in these shops or the distributors of counterfeited products.

- **Is it the first time that you purchase from this shop or e-commerce site?**

30 percent of participants stated this it was not their first time buying from the shop or e-commerce which deceived them. They previously purchased items from the same shop or the same e-commerce. 70 percent stated that it was their first time that they had visited and purchased from the shops or the e-commerce that they deceived.

- **How did you hear of this brand? Through which media outlet? (TV, Radio, Internet Word of Mouth, family or friends)**

60 percent of participants purchased the products after they heard about this brand. They become knowledgeable of the product through the direct advertisements made by the company itself. While 40 percent of the participants bought the products because their families and friends had used them before, and were satisfied with their experience.

- **What about your experience with this brand? Have you purchased a product from this brand before?**

60 percent of participants are recurrent consumers, whilst 40 percent of them invested in the brand for first time. 30 percent out of 60 percent of the old consumers are loyal to this brand and in fact began purchasing this item several years ago. Usually, these loyal consumers visited the authorized shops of the company when they want to buy. But due to online sales, they found that it was easier to order it from online channels.

- **Have you visited an authorized shop of this brand before?**

Only 30 percent of participants visited the authorized shop of the company. Most of the participants are from areas where the company has few or no authorized branches. Usually, these organizations focus on dominant markets in Lebanon, particularly where there are high population levels.

- **Did you suspect that the product you were purchasing was counterfeit? What are the factors that make you suspect that the product you purchased may be counterfeited?**

All participants stated that they did not suspect that the products they purchased were counterfeited. They were not even aware of the fact that this brand could possibly be subject to counterfeiting. The counterfeit products are manufactured with quality of packaging similar to the genuine. For some participants, the lower price point of counterfeited products didn't serve as a signal that they have been deceived and naively invested into a counterfeit product. Moreover, the location or e-commerce they purchased from was not a detector or made them doubt that the product they purchased was counterfeited.