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CONSUMER ATTITUDES AND BEHAVIOR IN RELATION TO COUNTERFEIT GOODS – SURVEY RESULTS FROM SIX ASEAN COUNTRIES *

*Document prepared by Mr. Mike Clubbe, Independent Market Researcher, Twickenham, United Kingdom***

ABSTRACT

This contribution outlines the key findings from a consumer survey into attitudes and behavior in relation to counterfeit goods in six countries of the Association of Southeast Asian Nations (ASEAN). Survey fieldwork was carried out in August and September 2022, with a representative sample of 1,000 respondents each in Indonesia, Malaysia, the Philippines, Singapore, Thailand and Viet Nam.

Overall, we observed high levels of respondents both seeing counterfeit goods for sale and respondents purchasing these goods. Nearly one in five respondents said they had bought counterfeit goods in the preceding twelve months knowing that the goods were counterfeit. A further 51 per cent had bought at least one counterfeit item without being aware at the time of purchase whether it was genuine or not. We asked about attitudes towards counterfeit goods, and while many in the survey said they were against the idea of counterfeit goods, few seemed sufficiently concerned to change their purchasing behavior.

* The survey was undertaken with the aid of funds provided by the Japan Patent Office (JPO).

** The views expressed in this document are those of the author and not necessarily those of the Secretariat or of the Member States of WIPO.

I. INTRODUCTION AND OVERVIEW

1. In 2016, WIPO approached us to design a Consumer Survey Toolkit to aid WIPO Member States who wished to conduct research into consumer behaviors and attitudes towards counterfeit goods by setting up a simple consumer survey. The toolkit was enhanced in 2021 and provides a suite of survey questions that can easily be assembled into a comprehensive questionnaire to suit a range of budgets and project briefs[1]. In 2022, we received funding from the Japan Patent Office to carry out such a survey in six countries of the Association of Southeast Asian Nations (ASEAN). This document gives a brief overview of that survey.

2. Survey fieldwork was carried out in August and September 2022 with a target of 1,000 respondents each in Indonesia, Malaysia, the Philippines, Singapore, Thailand and Viet Nam. Specific quotas were applied to certain respondent attributes, such as gender, age, household income, urban vs. rural area to ensure that samples in each country were representative of their respective national populations.

3. Overall, we observed high levels of respondents both seeing counterfeit goods for sale and respondents purchasing these goods. Nearly one in five of the respondents said they had bought counterfeit goods in the preceding twelve months knowing that the goods were counterfeit. A further 51 per cent had bought at least one counterfeit item without being aware at the time of purchase whether it was genuine or not. We asked about attitudes towards counterfeit goods and while many in the survey said they were against the idea of counterfeit goods, few seemed sufficiently concerned to change their purchasing behavior.

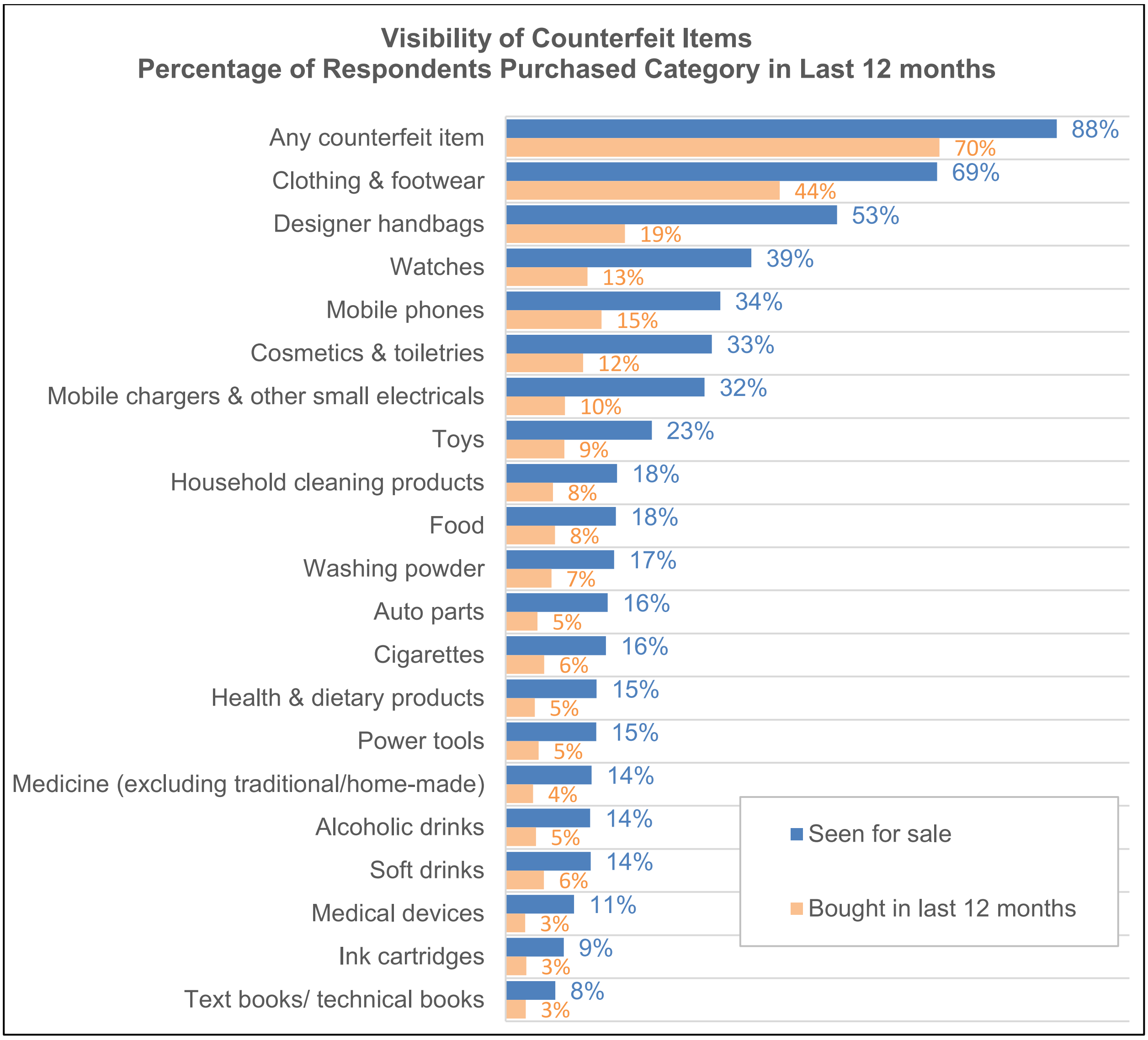
II. INCIDENCE

4. A very high level (88 per cent) of respondents said they had seen counterfeit goods for sale in the previous 12 months, each reporting an average of 4.7 different categories of counterfeit goods. The lowest incidence was in Singapore where 76 per cent had seen counterfeit goods for sale and the highest in Viet Nam (95 per cent).

5. A majority of the respondents had bought counterfeit goods: 70 per cent of survey respondents reported having bought at least one counterfeit item in the previous 12 months, each buying an average of 2.7 different categories of counterfeit goods. The lowest incidence was again in Singapore, where 50 per cent of the respondents said they had bought at least one category of counterfeit goods, and the highest was again Viet Nam, where 85 per cent said they had bought at least one category.

6. The survey covered a wide range of categories of goods for sale with the potential to be counterfeited. The most prevalent category for which counterfeit goods were seen for sale was clothing and footwear. An average of 69 per cent of the respondents said they had seen counterfeit clothes or footwear for sale and 44 per cent reported buying counterfeit items in the previous twelve months.

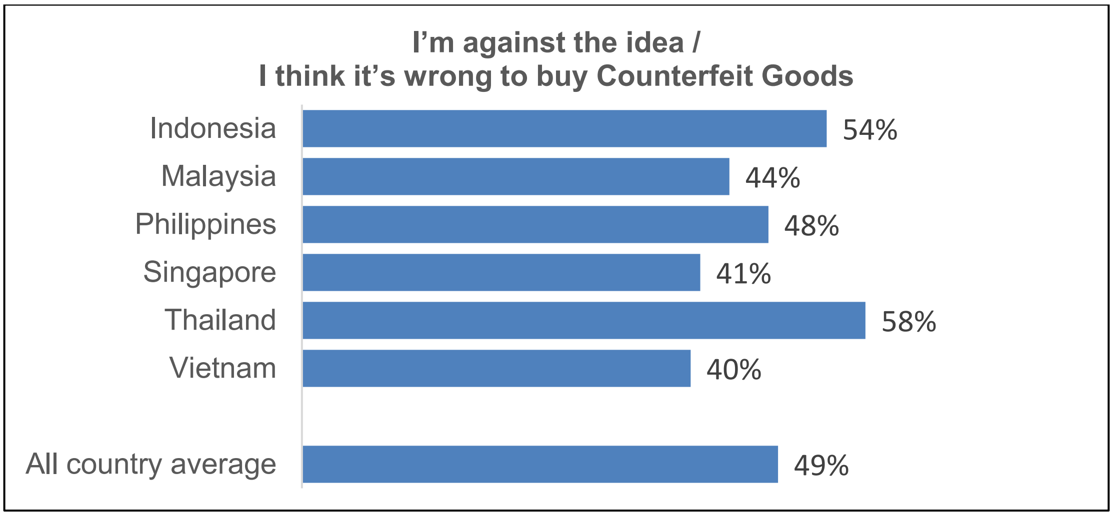
[1] This version of the WIPO Consumer Survey Toolkit was published in 2023 and is available at: https://tind.wipo.int/record/46999?ln=en.



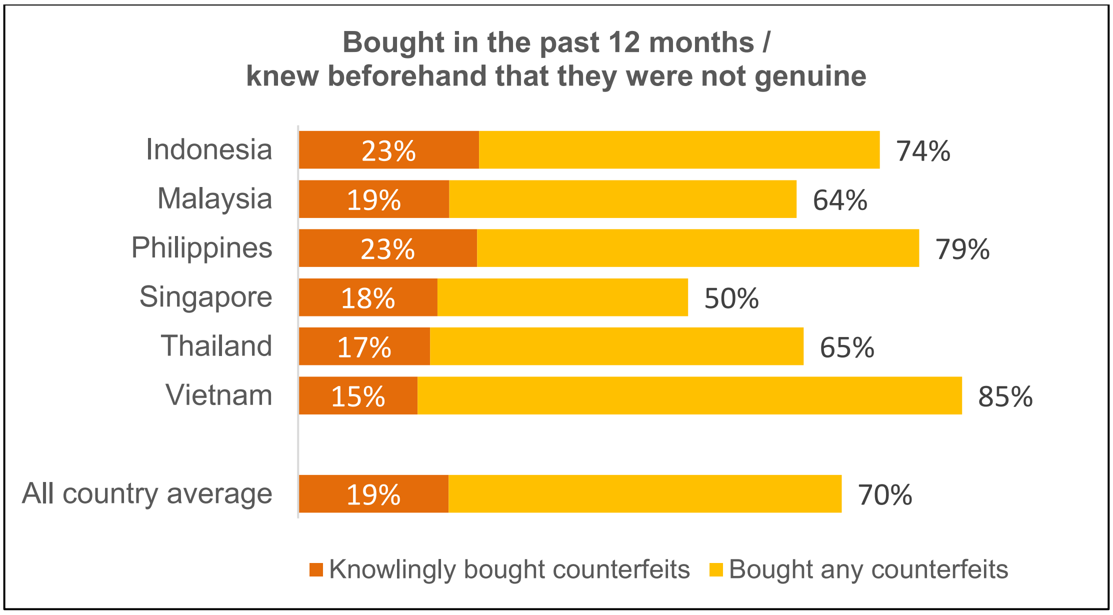
All respondents – six-country average.

7. Other higher frequency categories include designer handbags, watches, mobile phones, cosmetics and toiletries, mobile chargers and other small electrical goods. Categories for which counterfeit items were much less likely to be seen include textbooks/technical books, ink cartridges, medical devices, alcoholic and soft drinks and medicines.

8. Around half of the respondents said that they think it is wrong to buy counterfeit goods; there was some variation between countries with 40 to 41 per cent agreeing in Viet Nam and Singapore vs. 58 per cent agreeing in Thailand. However, an average of 19 per cent of the respondents had knowingly bought counterfeit goods in the preceding 12 months with a further 51 per cent saying they had bought counterfeit goods without necessarily knowing they were doing so.



Net agree (T3B) (all countries, straight-line responses removed).



Purchasing behavior (all respondents).

9. Amongst respondents buying counterfeit goods without knowing for sure at the time of purchase that they were doing so, 50 per cent said they would not have bought the goods had they known. Only 22 per cent said they would have bought them anyway.

10. The most common channel through which respondents had bought counterfeit goods was online retail (i.e., a specific site merchandising goods, distinct from an online auction site). Online retail was most common in the Philippines where 70 per cent of those who had bought counterfeit goods had bought through online retail. On average, across the region, 64 per cent of those respondents who had bought at least one counterfeit item said they had bought something counterfeit through online retail but even in Indonesia, the country with the lowest number of mentions, 59 per cent had bought something counterfeit this way.

11. The next most mentioned channel was physical retail store. Respondents were able to indicate having bought counterfeit items through more than one channel, and over half (53 per cent) reported buying counterfeit goods from a physical store. The survey distinguished between physical stores and market stalls, car-boot sales, yard sales, street sellers and mobile salespeople, which were measured separately.

III. ATTITUDES

12. Looking at the regional average, we found that there was significant acknowledgement of the potential harm caused by counterfeit goods. Forty-three per cent of the respondents disagreed (scoring 1-3 on a 10-point agreement scale) with the statement that “counterfeit goods and grocery products are not really harming anyone”. Only 17 per cent of the respondents agreed with this statement (scoring 8-10 on a 10-point scale). As mentioned above, 49 per cent of the respondents agreed (scoring 8-10 on a 10-point scale) with the statement “I’m against the idea / I think it’s wrong to buy counterfeit goods”. Despite this, the association with criminal gangs is not strong. Twenty-eight per cent agreed (8-10 on a 10-point scale) that “counterfeit goods are almost all made and distributed by criminal gangs” compared with 19 per cent who disagreed (scored 1-3 on a 10-point scale). Forty-two per cent scored somewhere in the middle of the scale (4-7) and 10 per cent said they weren’t sure.

13. Over a third of the respondents said they often see counterfeit goods for sale in shops; 36 per cent agreed (scoring 8-10 on a 10-point scale) with the statement “I often see counterfeit goods for sale in shops”.

14. Respondents do appear to be particularly concerned about counterfeit drinks, foodstuffs, cosmetic and healthcare products. Seventy-seven per cent of the respondents agreed with the statement “I worry that counterfeit cosmetic or healthcare products might harm me” and 74 per cent agreed with the statement “I worry whether counterfeit foodstuff and drinks are really safe to eat and drink”.

IV. CONCLUSION

15. Overall, we found a high incidence of counterfeit goods, a large number of people buying them and despite some acknowledgement that counterfeit goods are not a good thing, relatively low association with criminal gangs and relatively low impact on purchasing behavior.

16. The survey clearly illustrates the scale of the problem of counterfeit goods in the countries surveyed and highlights the need for further consumer awareness campaigns and enforcement action. The high level of visibility of counterfeit items presents a real challenge for market regulators and enforcement officers, particularly when many consumers are unaware that they are purchasing counterfeit items.

17. Consumer awareness campaigns need to focus their attention on helping consumers more easily identify counterfeit items and explaining their rights to return these goods as well as providing education on the connections with criminal elements. This is a difficult thing to achieve when counterfeit goods can often be substantially cheaper than their respective genuine items with cost-of-living pressures.

18. Further research is recommended (perhaps more qualitative) to understand how respondents become aware that goods they have bought are counterfeit when they were not aware at purchase, and this might help inform a consumer education campaign.

[End of contribution]