Moderated Mediation Effect of Consumer Knowledge on the Relationship between Social Cultural Factors and Purchase Intention through Attitude of Mobile Phone Counterfeits in Kenya

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Abstract
Counterfeit consumption has been on an upsurge globally aided by comparative higher trade margins and increasing demand for renowned brands at lower prices. Social cultural factors have been found to play a major role in the growth of the trade as they influence the intention, hence purchase of such good. This study investigated the moderating effect of consumer knowledge on the relationship between social cultural factors (SCF) and Purchase Intention (PI) through attitude. The study applied an explanatory research design among university students guided by the Theories of Planned Behavior, Reasoned action, Moral competence and consumer theory. Data was collected from university students using simple random sampling methods using structured questionnaires. Data collected from 450 respondents were analyzed using descriptive and inferential statistical procedures, with the significance of each independent variable and relationship being tested at 95% confidence level (P=0.05). The study findings showed a positive and significant relationship between Social cultural factors (SCF) and Purchase Intention (PI) (β_1=0.579, P<0.05, r^2=0.334) and found that consumer knowledge had a positive (ΔR^2=0.0042, [F=5.25, P<0.05]) moderated mediated effect (index 0.0668, [LLCI 0.128, ULCI 0.1361]) on the relationship between Social cultural factors and Purchase Intention through Attitude. The study concluded that Social Cultural Factors have an influence on Purchase Intention while Attitude intervenes significantly in the relationship between Social Cultural Factors and Purchase Intention with the relationship conditioned by Consumer Knowledge at different levels of interaction. The study recommends that manufacturers put product differentiating features and information on the packages so that consumers get information before they make purchase choices.

Keywords: Social cultural factors, Attitude, consumer knowledge, purchase intention, counterfeits

1. Introduction

Consumption of counterfeit goods has been on the increase and has become a major concern in the world because of the disastrous effect it has on genuine business. The vice has been in the increase because of the expensive and high-status characteristics of some brands, increasing consumer information about leading brands and the desire of consumers to purchase and enjoy the best brands the world has to offer and the inefficiencies in the supply chain for genuine goods.

Consumers' decisions to purchase fakes instead of originals have brought disastrous outcomes and worldwide crisis. Furnham & Valgeirsson (2007), for example, reports that the counterfeit market is responsible for at least 200 billion dollars a year in lost jobs, taxes and sales, while Carty (1994) says that it is estimated that the value of counterfeits in the global market grew by 1,100% between 1984 and 1994.

The Kenya Association of Manufacturers (2008) estimated that counterfeits penetration ranges up to 40% for some items. The association claimed that counterfeits cost Kenyan Small and Medium Enterprises (SMEs) 50 billion shillings ($650 million) and the government 19 billion shillings ($250 million) in taxes in 2008 with the most counterfeited products being dry primary cells such as, Ball Point Pens, cosmetics, pharmaceutical products, toothpaste products, some brands of cooking oils, mobile phones, electronic equipment, juices and detergents (GOK, 2010).

An attitude is defined as 'a learned predisposition to behave in a consistently favourable or unfavourable manner with respect to a given object' (Schiffman, Kanuk, & Wisenblit, 2010). Yoo & Lee (2009) say that an attitude can be used to

predict an individual's intention of doing a specific behaviour (e.g., buying a product) and therefore, a consumer, who has positive attitudes toward counterfeit products, will be willing to purchase such counterfeit products and vice versa.

Ajzen and Fishbein (1980) opine that attitude correlates with one's intentions, which, in turn, is believed to be practical predictor of behavior. They explain that there is a link of attitude, intention and behavior which implies that people normally act in accordance with their intentions.

2. Literature Review

2.1. Counterfeits

Counterfeits are reproductions of trademarked brands (Cordell *et al.*, 1996), which are closely similar or identical to genuine articles. This includes packaging, labelling and trademarks, to intentionally pass off as the original product (Kay, 1990; Ang *et al.*, 2001; Chow, 2000). Lai and Zaichkowsky (1999) stated that counterfeiting and piracy are the same since they are both the reproduction of identical copies of authentic products.

Counterfeit brands are commonly regarded as those bearing a trade mark that 'is identical to or indistinguishable from a trade mark registered to another party and infringes on the rights of the holder of the trade mark' (Bian & Veloutsou, 2007, p. 211). Price is often the main method for consumers to identify counterfeit products and the main motivator for buyers to buy pirated products (Cordell, Wongtada, & Kieschnick, 1996). The price of a pirated product is normally only a fraction of the price of the genuine product. Six main types of counterfeiting have been identified in previous studies (e.g., Key, 1990; Phau & Prendergast, 1998; Spink & Moyer, 2011).

2.2. Social Cultural Factors

Social cultural factors define and affect the way one thinks and acts even in different situations including the area of consumption. Social cultural factors define a people and differentiate one group from another and people from animals. Technically, culture represents all of human behaviors and attitudes that are learned (directly or indirectly, overtly or covertly) through the process of social interaction and which are inherited by generations. Selznick and Broom (1968) describe culture as social heritage. Culture is so much attached to human life that human animal is often classified as cultural being. Different cultural values involve different levels of satisfaction with counterfeit goods. Studies have shown that such cultural issues like subjective norm, materialism and Social norm as well as value consciousness affect the way people perceive issues including intentions to act in one way or the other.

2.3. Purchase Intention

Purchase intention is an individual's willpower to buy specific brand and is often taken as surrogate for actual purchase. Intention is an indication of a person's readiness to perform a given behavior, and it is considered to be the immediate antecedent of behavior. Usually purchasing intention is related with consumers' behavior, perception and their attitude. It defines individuals who desire to buy the specific brand after considerable evaluation. Studies by Laroche & Sadokierski (1994) and Laroche & Zhou (1996) found that a consumer's intention is established by an attitude towards the same. Ghosh (1990) stated that purchase intention is an effective tool used in predicting purchasing process. Ashdown *et al.*, (2011) and Wilcox *et al*, (2009) report that consumers' preferences for a counterfeit brand and the subsequent negative change in their preferences for the real brand are greater when their luxury brand attitudes serve a social-adjustive rather than a value-expressive function.

2.4. Attitude

Attitude is an 'instructed tendency to retort a situation in an advantageous or disadvantageous mode' (Huang *et al*. 2004). It refers to an individual's internal evaluations of the objects or events based on his or her beliefs. Attitude affects an individual's intentions which, in turn, influence his or her behavior. It is the mental states individuals use to structure the ways to perceive their environment. It also guides them how to respond to their environment. Consumer's attitude can be positive or negative, including in issues of counterfeiting. Positive attitude towards counterfeits translates to intention to purchase especially if just positioned with other conditions like low knowledge or lack of funds.

Attitude affects an individual's intentions which, in turn, influence his or her behavior. It is the mental state individuals use to structure the ways to perceive their environment. It also guides them how to respond to their environment. Attitude reflects the reasons for performing a particular act. Consumer's attitude can be positive or negative, including in issues of counterfeiting. Positive attitude towards counterfeits translates to intention to purchase especially if just positioned with other conditions like low knowledge or lack of funds.

According to Fishbein and Ajzen (1975), attitude directly impacts intention, subsequently influencing behavior. Yoo & Lee (2009) say that an attitude can be used to predict an individual's intention of doing a specific behaviour (e.g., buying a product) and therefore, a consumer, who has positive attitudes toward counterfeit products, will be willing to purchase such counterfeit products and vice versa.

2.5. Consumer Knowledge

Consumer knowledge is a key construct in explaining consumer behavior (Klerck and Sweeney, 2007). It refers to the amount of accurate information held in memory as well as perceptions about a product (Rao and Sieben 1992) and could be either subjective or objective knowledge. Consumer product knowledge has been recognised as a characteristic in consumer research that influences all phases in the decision process (Bettman and Park, 1980).

The amount of knowledge (subjective or objective) that consumers have about a product is an important influencer on the purchase of the product, since such product knowledge is known to mediate the relation between attitude and intention (Chio 1998). Consumers with extensive knowledge, also called experts have a greater capacity for understanding advertisements (Sujan, 1985; Brucks, 1986; Celsi & Olson, 1988; Ma & Glynn, 2005) and therefore their decisions are likely to be more deliberate and calculated.

3. Methodology

3.1. Research Design

The study adopted explanatory research design based on the causal-effect relationship (Hair *et al*, 2013) and employed cross sectional self-administered questionnaire as the main data collection instrument, to collect data at one point in time to explore the factors that inform consumer social-cultural factors and attitudes towards counterfeits. According to Mark, Phillip & Adrian (2009), studies, that seek to establish causal relationship between variables, use explanatory design, since this design is premised on describing, analyzing and interpreting relationships among variables as well as hypothesis formulation and objectively testing relationships.

3.2. Target Population

As relatively very little is known about the state of counterfeit and non-counterfeit consumers in the target market, the project sought range of views from a relatively large range of consumers which, whereas, does not make up for sampling bias (Fricker G, 2008). It helps to identify themes and issues which can then be explored in depth in any subsequent qualitative work. In this study different demographic cohorts were used as demographic segments since demographic, social, economic, cultural, psychological and other personal factors beyond the control and influence of the marketer have been found to have major effect on consumer behavior and purchasing decisions, making demographics an increasingly used segmentation method. Studies have shown a co-relation between age and consumption where age has been found to account for 6-14% of the variance in the relationship (Astray, 2011).

3.3. Sample and Sampling Technique

Sampling was among university students in the three cohorts using convenient random sampling. Stayman and Brown (1992) say that students are always found lacking in income required to buy luxury mobiles and tend to resort to low cost counterfeits, hence their responses are likely to mirror the trend in the society and make generalisation possible.

3.4. Sample Size

The sample size of the study was 500 respondents spread across the baby boomers - generation X and generation Y. In determining the sample size for this research, the study was guided by Krejcie and Morgan's (1970) table for determining sample size which postulates that to reduce sampling error at a particular confidence, as population increases, the sample size increases at a diminishing rate, eventually remaining constant (plateau) at slightly above 380 cases and that there is little to be gained to warrant the expense and time spend sampling beyond 384 cases, a view supported by Alreck and Settle (1995).

3.4.1. Validity of the Instrument

Face validity and content validity were checked by showing the questionnaire to a focus group of 10 students and two experts with good knowledge in the academic field in line with recommendations of Bryman & Bell (2005). Construct validity was guaranteed by doing a correlation analysis (Nolan & Heinzen, 2007) coupled with a test of multi-collinearity through discriminant validity to check the degree to which each of the construct variables is different from other construct variables.

3.4.2. Reliability of the Instrument

To secure internal reliability, Cronbach alpha (α) was calculated using statistical package for social sciences (SPSS). An alpha value of 0.70 (Nunnally & Bernstein), above 0.6 (Hair *et al.* 2003) or above 0.650 (Peterson, 1994) indicated acceptable internal consistency. We adapted Nunnally & Bernstein (1994) to confirm the validity.

3.5. Data Collection Methods and Sources

Survey method was used in this study as it is the most common method regarding social science when the predicted population is too large to be observed (Bryman & Bell, 2005). The data was collected using a Web-based survey sent to the three target cohorts and randomly in the streets of the selected districts of Nairobi using Self-administered survey forms.

Participants were asked to tick as appropriate on a five-point Likert scale, with individuals required to choose from approximately five response alternatives where 1=strongly agree, 2= agree, 3= Neutral, 4= disagree, and 5= strongly disagree

3.6. Data Analysis and Presentation

The data was analysed using both descriptive statistics like mean and standard deviation and inferential statistics including correlation analysis, analysis of variance and regression using SPSS. Hayes process model PROCESS Model 4 and 14 (a macro for mediation, moderation and conditional process modeling for SPSS and SAS) (Hayes, 2013) was utilized to

test for moderated mediation. This macro uses bootstrap confidence intervals to estimate the moderated mediation in which the indirect effect of the independent variable on the dependent variable, through the mediating variable, is contingent on the value of the moderator.

3.7. Statistical Measurement Model

Two models were used to determine moderated mediation, one to confirm mediation effect and a subsequent one to confirm moderated mediation and to test the null hypothesis that consumer knowledge has no significant moderating effect on the relationship between consumer attitude (ATT) and purchase intention (PI) (path b in figure 1 below). Hayes (2007) states that the test for moderated mediation helps to reveal the contingent nature of the effect of the independent variable (SCF) on the dependent variable (Purchase Intention) through a mediator (Attitude) as conditioned by changes in the moderator (Consumer knowledge)
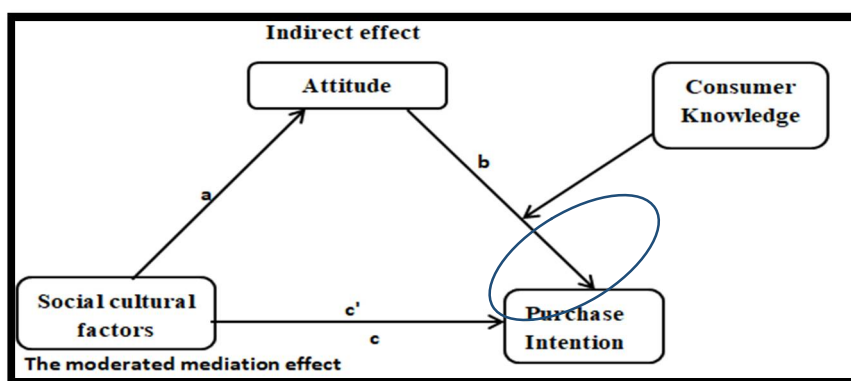

Figure 1:   Moderated Mediation Model

3.8. Mediation Model

Mediation explains the mechanism or process that underlies an observed relationship between an independent variable and a dependent variable via a third middle variable, the mediator (Hayes 2017). The mediation test followed the views of Baron and Kenny (1986) that a variable can function as a mediator in the causal sequence if regression analysis reveals statistically significant relationships at three models.

Model 1 established the relationship between Social cultural factors and Purchase intention (path c), Model 2 established the relationship between social cultural factors and attitude the mediator (path a), while Model 3 established the mediating effect of attitude on the relationship between Social Cultural Factors and Purchase Intention (path b).

$Y= \alpha_1+ C_1X+\mathcal{E}_1$..MODEL 1

$M= \alpha_2+ \beta_2X+\mathcal{E}$... MODEL 2

$Y= \alpha_3+ C_1X+ \beta_3M +\mathcal{E}_3$..MODEL 3

Where:

Y: Represents the dependent variable (Purchase Intention)

X: Represents the independent Variable (Social Cultural Factors)

M: Represents the mediator variable (Attitude)

$\alpha_1 - \alpha_3$: Represents constants representing the Y and M intercepts in respective equations.

β_2: Represents the effect of slope co-efficient denoting the influence of the independent variable (SCF) on the mediator variable (Attitude)

C_1: Represents the effect of slope of the co-efficient denoting the influence of the independent variable (SCF) on the dependent variable (PI)

$\mathcal{E}_1 - \mathcal{E}_3$ = Represents the respective error terms

3.8.1. Model of Moderated Mediation

Moderated mediation refers to the integration of moderation and mediation analysis to understand the conditional nature of the mechanism(s) by which a variable transmits its effect on another (Hayes 2017). Moderation implies an interaction effect where the introduction of a moderator variable changes the direction and magnitude of the relationship between the independent variable and the dependent variable (Hayes 2015). In this study, this effect was shown by testing the two models below.

According to Hayes (2012), equation 1 is decisive to establish if there is an effect of the interaction of the mediator variable (Attitude) and the moderator (consumer knowledge) on the independent variable (Purchase Intention), subsequent to which Equation II applies.

$M= \beta_4+\alpha_5X+\alpha_6W+\alpha_7MW+\mathcal{E}_4$...Equation 1

$Y= \beta_5+C_1X+ \beta_6M+\mathcal{E}_5$...Equation 11

Where:

M=represents the mediator variable

β_4=Represents the intercept of the mediator variable (Attitude)

α_5 = Represents the effect of the independent variable on the mediator variable (SCF on ATT)

α_6= Represents the effect of the moderator variable (Consumer Knowledge) on the Mediator variable (Attitude)
α_7= Represents the effect of the interaction of the mediator variable (Attitude), the moderator variable (Consumer Knowledge) and the independent variable (Purchase Intention).
X= Represents the Independent Variable (SCF)
M=Represents the mediator (ATT)
W=Represents the moderator variable (CK)
MW= Represents the product of the interaction of the mediator and the moderator variables
β_5=Represents the intercept of dependent variable (Purchase Intention)
C_1=Represents the effect of the Independent Variable (Social cultural factors) on the dependent Variable Purchase Intention
β_6=Represents the effect of the mediator variable (Attitude) on the independent variable (Purchase Intention)
ε_{4-5}=Represents respective the error terms

4. Results and Discussions

4.1. Sample Characteristics
Table 1 below shows the characteristics of the samples used in the study. Both gender (male and female), age sets, married and single groups were represented in this study. Out of the 500 questionnaires administered, 450 were returned representing a good 90% response rate.

Item/Variable	Categorization	Frequency	Percent (%)
Gender	Male	240	53.3
	Female	210	46.7
	Total	450	100
Age	18-24	194	43.1
	25-34	127	28.2
	35-44	78	17.3
	45-54	51	11.3
	Total	450	100
Marital Status	Married	243	54
	Single	207	46
	Total	450	100

Table 1: Sample Characteristics

4.2. Descriptive Statistics
Descriptive statistics provide a simplified comprehension of the collected data and present the data in ways that give more meaning and are easier to comprehend and understand (Tebachinch & Fidel 2010). The descriptives are presented in terms of the mean and Standard deviation for each variable.

4.2.1. Purchase Intentions
On expressing their views on purchase intension (PI), the respondents seemed to disagree (mean = 2) with most of the statements on purchase intention as detailed in table 2.

Items(s)	Mean	Std. Dev.
Think about counterfeit product as a choice while buying goods	2.23	1.199
Buy a counterfeited product	2.15	1.179
Recommend to friends and relatives that they buy a counterfeit product	1.93	1.160
Recommend to friends and relatives that they buy a counterfeited phone	1.96	1.218
Say favourable things about counterfeit phones	2.07	1.276

Table 2: Response on Purchase Intention
Key: 1=Strongly Disagree; 2= Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree

4.2.2. Consumer Attitude
Response on consumer attitude towards mobile phone counterfeits attracted mixed responses from the respondents with majority of the respondents disagreeing (mean of 2) but with a moderate standard deviation (less than 2) from the mean as detailed in table 3 below.

Items	Mean	Std. Dev.
Generally speaking, counterfeits have satisfying quality	2.10	1.163
I have a positive perception towards counterfeit goods	1.79	1.115
While shopping, buying counterfeit goods is a better choice	1.83	1.135
There's nothing wrong with purchasing counterfeit goods	1.98	1.146
It would be desirable for me to buy counterfeit goods	1.85	1.094
Generally speaking, counterfeits are practical	2.58	1.257
Generally speaking, counterfeits are reliable	2.28	1.253
For me to buy/use counterfeits is convenient	2.21	1.201
Generally speaking buying counterfeits benefits the consumer	2.26	1.260
For me to buy/use counterfeits is proud	1.89	1.131
For me to buy/use counterfeits is guiltless	2.35	1.361

Table 3: Response on Consumer Attitude
Key: 1=Strongly Disagree; 2= Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree

4.2.3. Consumer Knowledge

As seen in Table 4 below, the respondents' feedback on consumer knowledge had a mean close to 3, indicating that most respondents were inclined to agree with all the statements on consumer knowledge.

Item	Mean	Std. dev.
I feel very knowledgeable about phones	3.39	1.096
I can give people advice about different brands of phones	3.3	1.145
I only need to gather very little information in order to make a wise decision	3.19	1.264
I am confident on my ability to tell the difference in quality/brands of phones	3.45	1.113
Compared to an average person, I know a lot about mobile phones	3.41	1.107
My friends consider me as an expert on mobile phones	3.06	1.228
I can easily tell the difference between a counterfeit phone and a real one	3.42	1.185
I can tell the value I can get from a counterfeit phone as compared to a real one	3.44	1.197

Table 4: Response on Consumer Knowledge
Source Researcher

4.3. Reliability Analysis

Reliability analysis was performed on both dependent and independent variables to ascertain the properties of measurement scale and the items that compose the scales. The ranges of the Cronbach Alpha obtained were within the acceptable levels as elaborated in Table 5, confirming a strong internal consistency among measures of variable items, hence their qualification for further analysis

Variable	No. of Items	Cronbach's Alpha	Standardized Cronbach's Alpha
Social Cultural Factors (SCF)	32	0.832	0.835
Attitude (ATT)	11	0.828	0.849
Purchase Intention (PI)	5	0.865	0.865
Consumer Knowledge (CK)	8	0.887	0.889

Table 4: Reliability Analysis
Source Researcher

4.4. Correlation Analysis

To establish the relationship between the variables of the study, Pearson's Correlation analysis was carried out to identify the strength and direction of the associations among the variables of the study. Results in Table 6 show that the independent variable of Social Cultural factors is moderately correlated with purchase intention of counterfeit mobile phones ($r^2 = 0.579$, p = 0.01). The correlation analysis also reveals that Attitude is moderately related to purchase intention ($r^2 = 0.427$, p= 0.01) and Consumer Knowledge is strongly related ($r^2 = 0.770$, p=0.01) to purchase Intention. As none of the variables had a correlation of more than >0.8, it indicates there was no multi-collinearity.

		PI	SCF	ATT	CK
PI	Pearson Correlation	1			
SCF	Pearson Correlation	.579**	1		
ATT	Pearson Correlation	.427**	.415**	1	
CK	Pearson Correlation	.770**	.523**	.393**	1
**. Correlation is significant at the 0.01 level **p < 0.01, *p < 0.05 (2-tailed). N = 450.					
**. Correlation is significant at the 0.01 level (2-tailed).					
*. Correlation is significant at the 0.05 level (2-tailed).					

Table 5: Correlation Analysis

4.5. Regression Analysis
Regression analysis was done to establish the form of the relationship between dependent and independent variables, as a pre requisite to determine moderated mediation.

4.5.1. Effect of Social Cultural Factors on Purchase Intention
Social cultural factors were found to have positive and significant effect on purchase intention of counterfeits (β=0.579, P<0.05). The hypothesized model fits very well in the analysis; hence it can be used to predict the model since the adjusted r^2 is 0.334.

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.579a	.336	.334	.32743
a. Predictors: (Constant), SCF				

Table 7: Model Summary

4.5.1. Effect of Consumer Attitude on Purchase Intention
Table 8 below shows the regression model of consumer attitude on purchase intention. Attitude is a 'learned predisposition to respond to a situation in a favourable or unfavourable way' (Huang *et al.*, 2004). The results below (R^2=0.182) indicate that the model predicts 18.2% of the variation in Purchase intention.

Model	R	R Square	Adjusted R Square	Std. Error
1	.427a	0.182	0.181	0.36327
a. Predictors: (Constant), ATT				

Table 8: Model Summary Consumer Attitude on Purchase Intention

4.5.2. Moderated Mediation Effects of Consumer Knowledge on the Relationship between Social Cultural Factors and Purchase Intention through Attitude
Moderated mediation occurs when the mediation effect differs across different values of a moderator such that the moderator variable affects the strength or direction of the mediation effect of *X* on *Y* via *M*. To determine moderated mediation, bootstrapping technique is used as it helps in assessing the significance of indirect effects (Preacher et al. 2007). In the current analysis, the bootstrap resamples for moderated mediation were done with 5,000 resamples and a bias-corrected 95% confidence interval at each level of the moderator (Hayes, 2013).
As shown in Table 8 the output of PROCESS MACRO model 14 (Hayes, 2013) was applied to test for moderated mediation and reveal the contingent nature of the effect of the independent variable (SCF) on the dependent variable (Purchase Intention) through a mediator (Attitude) as conditioned by changes in the moderator (Consumer knowledge).

4.5.1.1. Model 1
The precursor to prove moderated mediation model requires that there is a moderated indirect effect in which the predictor variable (Social cultural factors) significantly affects the outcome variable (Purchase Intention) through the mediator in the presence of the moderator. The results of the model 1 below show that Social cultural factors have positive and significant effect on Purchase intention (0.243[0.16499, 0.3211]), P<0.000) in the presence of both the mediator and the moderator, which implies that with each unit increase of Social cultural factors (SCF) in the presence of the moderator, there is a 0.243 unit increase in Purchase intention. The co-efficient of determination r^2 shows that the model accounts for 64.65% of the variation in Purchase intention of counterfeits but also the amount of variation is significant (F=203.4, P<0.000), satisfied the first necessary requirement for performing moderated mediation and paved way for performance of the subsequent second regression model. The model has a significant interaction of path b (0.134, (0.0223 [0.0193, 0 .2514])). Besides the test of highest order unconditional interaction(s) indicates that the interaction explains up to 4.2% additional variance based in complimentary analyses on hierarchical regressions. The results show that there is a significant R^2 variation once the interaction of all the variables happens (ΔR^2=0.0042, [F [5.25, 445, p<0.05]**.

Model Summary

R	R-sq.	MSE	F	df1	df2	p
.8040	.6465	.0574	203.4541	4.0000	445.0000	.0000

Model

	Coeff	se	t	p	LLCI	ULCI
Constant	1.7813	.6905	2.5796	.0102	.4242	3.1385
SCF	.2430	.0397	6.1171	.0000	.1649	.3211
ATT	-.3740	.2050	-1.8243	.0688	-.7770	-.0289
CK	.1431	.1989	.7194	.4723	-.2478	.5340
Int_1	.1354	.0591	2.2928	.0223	.0193	.2514

Product terms key:
Int_1 :   ATT x   CK

Test(s) of highest order unconditional interaction(s):

	R^2-chng	F	df1	df2	p
M*W	.0042	5.2571	1.0000	445.0000	.0223

Table 9: Outcome Variable: Purchase Intention

4.5.2.2. Model II Conditional Effect

To establish and confirm the effect of the moderated mediation effect of consumer knowledge (moderator) on the relationship between social cultural factors (Independent variable) and the Purchase Intention (Dependent variable) through Attitude (the mediator), a second regression was run. The results, as seen in Table 10, show the conditional indirect effect of social cultural factors on Purchase Intention via Attitude as a function of different levels of consumer Knowledge, calculated at 95% Confidence Intervals using bootstrap method of analysis measured at three levels of the consumer Knowledge (1SD above the mean, at the mean, and 1SD below the mean). The results indicated that the mediating effect of Attitude changed according to the level of the consumer Knowledge and was not significant 0.0114[-.0336, .0539] at low levels of moderator (consumer knowledge), but at average levels of moderation the effect becomes significant 0.0394[.0084, .0751] and remained significant at high levels of the moderator 0.0674[.0307, .1137] with the overall moderated mediation at 0.0668 [.0128, .1361] as depicted in figure 2 below. Since the confidence intervals associated with the findings above do not pass through zero, it is concluded that the mediation effect of Attitude on social cultural factors and Purchase intention is significantly conditioned by consumer knowledge. The model implies that a positive change in CK by one unit indirectly strengthens the relationship between SCF and PI through attitude by 0.0668 units, the product of path a and b$_3$ below.

INDIRECT EFFECT: SCF   ->   ATT   -> PI

CK	Effect	BootSE	BootLLCI	BootULCI
2.9332	.0114	.0221	-.0336	.0539
3.3525	.0394	.0170	.0084	.0751
3.7718	.0674	.0211	.0307	.1137

Index of moderated mediation:
Index of moderated mediation:

	Index	BootSE	BootLLCI	BootULCI
CK	.0668	.0319	.0128	.1361

Table 10: Conditional Indirect Effects of X on Y

These findings of the moderated mediation effect of Consumer knowledge on the relationship between SCF and PI through attitude is presented in Figure 2 below.
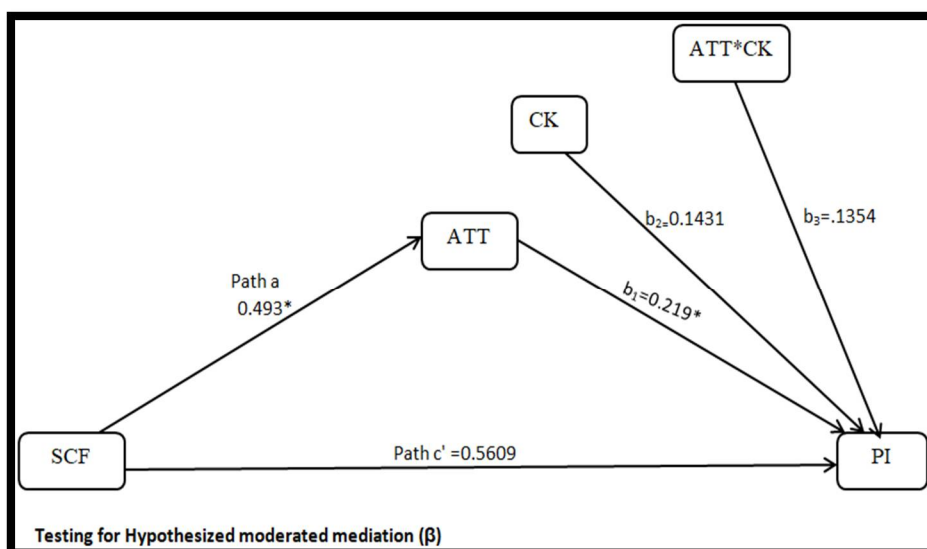
Figure 2: Hypothesized Moderated Mediation

6. Conclusion

Based on the findings of this study, the following conclusions are made as detailed in sub-sections 4.1 and 4.2.

6.1. Regression Analyses for Social Cultural Factors and Purchase Intention

Social cultural factors have positive and significant effect on purchase intention of counterfeits (β=0.579, P<0.05). The standardized Beta value of 0.579 implies that with every unit increase in Social Cultural factors, Purchase intention of counterfeits increases by 0.579 units indicating that SCF explains up to 58% of the variation in Purchase intention of counterfeits.

Coefficients					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	1.114	.149		7.492	.000
SCF	.669	.044	.579	15.048	.000
a. Dependent Variable: Purchase Intention (PI)					
b. Predictors: constant, Social Cultural Factors (SCF)					

Table 11: Regression Analyses for Social Cultural Factors and Purchase Intention

6.2. Effect of Consumer Attitude on Purchase Intention of Mobile Phone Counterfeits

Attitude is found to have a positive relation with purchase intention of counterfeits. The standardized Beta value of 0.427 implies that there is up to 0.427 unit increase in Purchase intention for each unit increase in consumer attitude. That implies that as Attitude increases, as people's judgment to buy counterfeits improves, there is also an increase in the purchase intention of the counterfeit goods (β=0.427, P<0.05).

Coefficients					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	1.987	.136		14.569	.000
ATT	.415	.041	.427	9.996	.000
a. Dependent Variable: Purchase Intention					

Table 12: Coefficients

6.3. Moderated Mediation Effect of Consumer Knowledge on the Relationship between Social Cultural Factors and Purchase Intention of Mobile Phone Counterfeits through Attitude

The results indicated that the mediating effect of Attitude changed according to the level of the consumer Knowledge and was not significant 0.0114 [-.0336, .0539] at low levels of moderator (consumer knowledge), but at average levels of moderation, the effect becomes significant 0.0394 [.0084, .0751] and remains significant at high levels of the moderator 0.0674 [.0307, .1137]. The overall moderated mediation is 0.0668 [.0128, .1361], showing that once all the variables interact, there is significant change in the mediation effect of attitude on Purchase Intentions which is confirmed by the fact that the confidence intervals associated with the findings above do not pass through zero.

7. Recommendations

It is found that Attitude and social cultural factors are important in determining purchase intention of counterfeit mobile phones but consumer knowledge is found to be key in influencing and conditioning the effect of consumer attitude on the said relationship. The following recommendations were made from the findings.

First, the anti-counterfeiting agencies may consider amendment of their strategies in fighting counterfeits from forceful change to seek ways to influence attitude of the citizens. This is because evidence from the study has shown that attitude is a big contributor to the consumption of counterfeits in Kenya. Companies and authorities should also drive the idea that genuine products give better value in the long run, and advise consumers that cheap imitations are more expensive and offer less value for money in the long run.

Secondly, the Government and NGOs (Non-Governmental Organizations) are encouraged to address specific social cultural factors like, materialism subjective norm, value consciousness and morality that were found to be major influencers towards counterfeits.

Finally, it's advised that the Anti-counterfeit bodies should consider promoting subjective norm and moral intensity among the mobile phone consumers as this will significantly impact on consumer attitude towards counterfeit mobile phones in Kenya. To address Materialism, Government, religious groups and parents should impact upright values in the young generations so that they can now place less importance on earthly things and materials.

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