



MASMIRA KURNIAWATI <masmira-k@feb.unair.ac.id>

[JDM] Submission Acknowledgement

1 message

Nury Ariani Wulansari <journal@mail.unnes.ac.id>
To: Masmira Kurniawati <masmira-k@feb.unair.ac.id>

Mon, Mar 25, 2019 at 10:28 AM

Masmira Kurniawati:

Thank you for submitting the manuscript, "ANTICIPATED REGRET IN THE PURCHASE OF SECONDHAND AND COUNTERFEIT PRODUCT" to Jurnal Dinamika Manajemen. With the online journal management system that we are using, you will be able to track its progress through the editorial process by logging in to the journal web site:

Manuscript URL:

<https://journal.unnes.ac.id/nju/index.php/jdm/author/submission/18537>

Username: masmira_75

If you have any questions, please contact me. Thank you for considering this journal as a venue for your work.

Nury Ariani Wulansari
Jurnal Dinamika Manajemen

Jurnal Dinamika Manajemen. Department of Management, Faculty of Economics,
Semarang State University, Indonesia
C6 Building, 2nd Floor, Sekaran Campus, Gunungpati, Semarang, Central Java,
Indonesia 50229
Phone: +6224-8508015
Mobile: +6285-742880802
Fax: +6224-8508015
Email: jdm.unnes@gmail.com
Web: <http://journal.unnes.ac.id/index.php/dinamika>



MASMIRA KURNIAWATI <masmira-k@feb.unair.ac.id>

Pemberitahuan Artikel

2 messages

Jurnal Dinamika Manajemen <jdm@mail.unnes.ac.id>

Thu, Dec 26, 2019 at 2:44 PM

To: masmira-k@feb.unair.ac.id

Kepada Yth.
Bapak/Ibu Masmira Kurniawati
di tempat

Terimakasih telah berpartisipasi menjadi penulis di Jurnal Dinamika Manajemen (JDM) edisi Vol. 10 No. 2 September tahun 2019. Berikut kami lampirkan Letter of Acceptance (LoA) dan surat permohonan kontribusi penulis atas artikel Bapak/Ibu beserta beberapa formulir yang harus diisi oleh penulis.

Mohon pada Bapak/Ibu penulis untuk menyiapkan biaya administrasi dan ganti produksi cetak sebesar Rp. 1.000.000,- (satu juta rupiah) ke No. Rek Bank BNI 0233517036 a.n Siti Ridloah dengan **batas waktu sampai 30 Desember 2019**. **Setiap penulis akan mendapatkan 2 cetak penuh dan 3 cetak lepas yang akan dikirimkan via pos ke alamat penulis.**

Demikian pemberitahuan dari kami. Dimohon Bapak/Ibu untuk mengisi formulir yang terlampir dan mengirimkan kembali hasil copy scanner formulir yang sudah diisi melalui email JDM . Atas perhatian dan kerjasamanya, kami ucapkan terimakasih.

Best Regards,

Nury Ariani Wulansari
Editor in Chief JDM

4 attachments

 FORM DECLARATION OF ORIGINALITY.docx
44K

 FORM KESEDIAAN KONTRIBUSI.docx
49K

 6. Masmira Kurniawati.pdf
122K

 9. Masmira Kurniawati.pdf
314K

MASMIRA KURNIAWATI <masmira-k@feb.unair.ac.id>
To: Jurnal Dinamika Manajemen <jdm@mail.unnes.ac.id>

Fri, Dec 27, 2019 at 3:46 PM

Yth. Jurnal Dinamika Manajemen,

Terima kasih atas dimuatnya artikel kami di Jurnal Dinamika Manajemen.
Bersama ini saya kirimkan Deklarasi Orisinalitas, Surat Kesiediaan Kontribusi, dan Bukti Transfer atas kontribusi tersebut.

Terima kasih banyak.

Hormat saya,

Masmira Kurniawati

[Quoted text hidden]

Dr. Masmira Kurniawati

Departemen Manajemen
Fakultas Ekonomi dan Bisnis
Universitas Airlangga

*Department of Management
Faculty of Economics and Business
Universitas Airlangga*

3 attachments



Bukti transfer.png
29K

 **Kesiediaan.pdf**
356K

 **Declaration.pdf**
376K



MASMIRA KURNIAWATI <masmira-k@feb.unair.ac.id>

[JDM] Copyediting Review Request

1 message

Thu, Jan 9, 2020 at 11:50 AM

Hasan bin Saleh <journal@mail.unnes.ac.id>
To: Masmira Kurniawati <masmira-k@feb.unair.ac.id>

Masmira Kurniawati:

Your submission "ANTICIPATED REGRET IN THE PURCHASE OF SECONDHAND AND COUNTERFEIT PRODUCT" for Jurnal Dinamika Manajemen has been through the first step of copyediting, and is available for you to review by following these steps.

1. Click on the Submission URL below.
2. Log into the journal and click on the File that appears in Step 1.
3. Open the downloaded submission.
4. Review the text, including copyediting proposals and Author Queries.
5. Make any copyediting changes that would further improve the text.
6. When completed, upload the file in Step 2.
7. Click on METADATA to check indexing information for completeness and accuracy.
8. Send the COMPLETE email to the editor and copyeditor.

Submission URL:

<https://journal.unnes.ac.id/nju/index.php/jdm/author/submissionEditing/18537>
Username: masmira_75

This is the last opportunity to make substantial copyediting changes to the submission. The proofreading stage, that follows the preparation of the galleys, is restricted to correcting typographical and layout errors.

If you are unable to undertake this work at this time or have any questions, please contact me. Thank you for your contribution to this journal.

Hasan bin Saleh
[SCOPUS ID: 57192089000] Faculty of Technology Management and
Technopreneurship, Universitas Teknikal Malaysia Melaka, Malaysia
hsaleh@gmail.com

Jurnal Dinamika Manajemen. Department of Management, Faculty of Economics,
Semarang State University, Indonesia
C6 Building, 2nd Floor, Sekaran Campus, Gunungpati, Semarang, Central Java,
Indonesia 50229
Phone: +6224-8508015
Mobile: +6285-742880802
Fax: +6224-8508015
Email: jdm.unnes@gmail.com
Web: <http://jurnal.unnes.ac.id/index.php/dinamika>

Selamat siang Ibu..

Memberitahukan artikel Ibu sudah selesai proses Initial Copyedit oleh copyeditor. Selanjutnya silakan download file hasil editing di OJS JDM pada bagian Initial Copyedit. Kami juga mengirimkan lampiran **Grammarly** Report via email sebagai rekomendasi perbaikan artikel dari sisi tata bahasa.

Kemudian apabila telah selesai direvisi, silakan upload kembali di OJS JDM dengan klik **button Step 2 Author Copyedit**. Kami menunggu hasil revisinya sampai besok.

Terima kasih atas kerja samanya

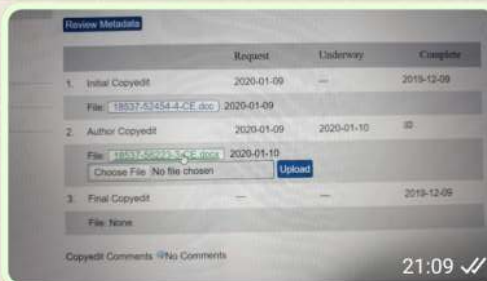
Atas perhatiannya kami ucapkan terima kasih.

12:07

January 10, 2020

Di step 2 author copy edit sudah ada file nya. Itu diganti dgn hasil revisi saya kah? Soalnya setiap kali saya choose file dan upload, file saya tdk terupload

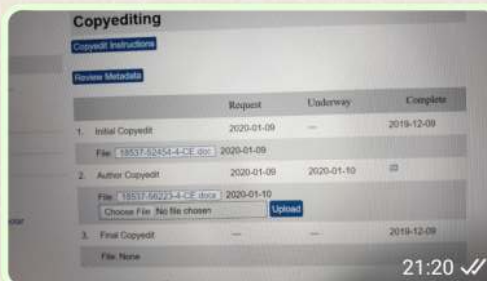
21:08 ✓✓



21:09 ✓✓

Mohon maaf bu itu kesalahan dari kami, copyeditor tidak sengaja salah upload. Silakan choose file kemudian upload bu. Kalau angka semula -3-CE sudah berubah menjadi -4-CE berarti sudah terupload bu.

21:16



21:20 ✓✓

Terima kasih banyak 🙏🙏 Sdh berhasil upload ya saya berarti.

21:20



Mohon maaf bu itu kesalahan dari kami, copyeditor tidak sengaja salah upload. Silakan choose file kemudian upload bu. Kalau angka semula -3-CE sudah berubah menjadi -4-CE berarti sudah terupload bu.

21:16



21:20 ✓✓

Terima kasih banyak 🙏🙏 Sdh berhasil upload ya saya berarti.

21:20 ✓✓

Setelah upload, saya sudah selesai proses revisi grammar nya?

21:23 ✓✓

Betul bu sudah terupload filenya. Jika file tersebut sudah direvisi sesuai komentar copyeditor dan rekomendasi **grammarly** maka prosesnya sudah selesai dan bisa langsung klik complete. Namun jika Ibu masih ingin melakukan perbaikan maka silakan memperbaiki dan upload kembali kemudian baru klik complete.

21:32

Terima kasih infonya

21:33 ✓✓

Baik bu terima kasih kembali

21:34



Message



Pemberitahuan Artikel

1 message

Jurnal Dinamika Manajemen <jdm@mail.unnes.ac.id>
To: masmira-k@feb.unair.ac.id

Fri, Jan 10, 2020 at 7:22 AM

Kepada Yth.
Bapak/Ibu Masmira Kurniawati
Di tempat

Kami beritahukan bahwa artikel yang Bapak/Ibu submit pada OJS JDM telah masuk proses Editing. Berikut kami lampirkan File Grammarly Report yang bisa digunakan untuk rekomendasi perbaikan penulisan.

Apabila proses revisi sudah selesai, silakan upload kembali melalui OJS JDM di bagian Author Copyedit. Kami menunggu hasil revisi Bapak/Ibu sampai tanggal 10 Januari 2020.

Atas perhatiannya kami ucapkan terima kasih.

 Grammarly Report Kurniawati.pdf
480K

JDM_18537_KURNIAWATI

by Management Analysis Journal

General metrics

32,078	4,817	305	19 min 16 sec	37 min 3 sec
characters	words	sentences	reading time	speaking time

Score



This text scores better than 50% of all texts checked by Grammarly



Writing Issues



261	86	175
Issues left	Critical	Advanced

Plagiarism

This text hasn't been checked for plagiarism

Writing Issues

119	Correctness	
13	Misspelled words	
34	Determiner use (a/an/the/this, etc.)	
19	Punctuation in compound/complex sentences	
9	Comma misuse within clauses	
1	Mixed dialects of english	
2	Incorrect verb forms	
11	Incorrect noun number	
6	Wrong or missing prepositions	
6	Misplaced words or phrases	
3	Incorrect phrasing	
1	Pronoun use	
2	Misuse of semicolons, quotation marks, etc.	
7	Confused words	
4	Faulty subject-verb agreement	
1	Misuse of modifiers	
69	Engagement	
68	Word choice	
1	Monotonous sentences	
71	Clarity	
6	Intricate text	
7	Hard-to-read text	
44	Passive voice misuse	
13	Wordy sentences	

- 1 Word choice 
 - 2 **Delivery**
 - 2 Potentially sensitive language 
-

Unique Words

19%

Measures vocabulary diversity by calculating the percentage of words used only once in your document

unique words

Rare Words

36%

Measures depth of vocabulary by identifying words that are not among the 5,000 most common English words.

rare words

Word Length

5

Measures average word length

characters per word

Sentence Length

15.8

Measures average sentence length

words per sentence

JDM_18537_KURNIAWATI

ANTICIPATED REGRET IN THE PURCHASE OF SECONDHAND AND COUNTERFEIT PRODUCT

Abstract

In every buying decision process, consumers' goal is minimizing negative emotion¹ they will probably experience. One of negative emotion that consumers could experience is regret. When consumers develop a mechanism to anticipate future regret after buying decision², it is called anticipated regret. This research identifies how anticipated³ regret affects consumer choice between two risky buying decisions, which are counterfeit product⁴ and secondhand product⁵. This research also investigates whether perceived risk mediates the effect of anticipated regret on consumers' choice. Experimental⁶ design is used⁷ with 120 participants. The result of the analysis shows that anticipated regret significantly affects perceived risk, anticipated regret has negative significant effect toward^{8 9 10} purchase intention, and perceived risk also negatively affect¹¹ purchase intention. The bootstrap results indicate that perceived risk mediates the effect of anticipated regret on consumers' choice. Managerial implications and suggestions for future research then will be¹² delivered.

Keywords: anticipated regret, perceived risk, secondhand product, counterfeit product

ANTICIPATED REGRET PADA PEMBELIAN PRODUK SECONDHAND DAN BAJAKAN

Abstrak

Dalam setiap proses keputusan pembelian, tujuan konsumen adalah meminimalkan emosi negatif yang mungkin akan mereka alami. Salah satu emosi negatif yang bisa dialami konsumen adalah penyesalan. Ketika konsumen mengembangkan mekanisme untuk mengantisipasi penyesalan di masa depan setelah keputusan pembelian, hal tersebut disebut sebagai anticipated regret. Penelitian ini mengidentifikasi bagaimana anticipated regret mempengaruhi pilihan konsumen antara dua keputusan pembelian yang berisiko, yaitu produk bajakan dan produk bekas. Penelitian ini juga menyelidiki apakah risiko yang dirasakan memediasi pengaruh anticipated regret pada pilihan konsumen. Desain eksperimental digunakan dengan 120 peserta. Hasil analisis menunjukkan bahwa anticipated regret secara signifikan mempengaruhi risiko yang dirasakan, anticipated regret berpengaruh negatif signifikan terhadap niat beli, dan risiko yang dipersepsikan juga secara negatif mempengaruhi niat beli. Hasil bootstrap menunjukkan bahwa risiko yang dirasakan memediasi efek dari anticipated regret terhadap pilihan konsumen. Implikasi dan saran manajerial untuk penelitian masa depan kemudian akan disampaikan.

JEL Classifiactio¹³: C9, M3

INTRODUCTION

Secondhand products once have a bad reputation. There are only limited secondhand¹⁴ products traded, such as automotive or property. People who purchase secondhand¹⁵ fashion products are considered not classy. Despite the sales and purchase of secondhand¹⁶ fashion products such as clothing, bags, or shoes, it usually occurs in the small markets and shops and is done under-the-table. The buyers are mostly from the middle to lower classes who want to look for trendy products at a low price. Now the trading of secondhand products has grown and penetrated into¹⁷ the world of fashion with buyers from middle¹⁸ to upper¹⁹ class. Currently²⁰ Indonesia has a fast-growing middle-class population with a consumptive²¹ lifestyle. They have good²² education, better access to information, and high social status. But in terms of income, only few²³ who²⁴ experienced a significant increase. Therefore, they are looking for alternative ways to be able to increase their prestige with limited financial conditions. Despite the²⁵ status of 'used',²⁶ a product, especially with premium-brand one, still has a high value as long as it is well cared and²⁷ packaged. This phenomenon is also influenced by information technology and online media that facilitate public access to the latest fashion trends and lifestyle²⁸. The desire to always look trendy causes high-end branded fashion products always^{29,30} in demand, although it is 'used'.³¹ Then, preloved³² term appears. The bored³³ owner can sell his or her branded goods³⁴, and then make a profit. On the other hand, those who

want to boost appearance through branded fashion goods will buy it. A mutually beneficial symbiosis happens.

Preloved products ³⁵are sold in many online stores. High quality used branded-fashion products ³⁶are sold at a lower price. In Prelo ³⁷for example, Emporio Armani watches ³⁸are sold at Rp 9.5 million (US\$ 680.85), from the original price of Rp 11 million (US\$ 788.31). Prada wallet ³⁹is sold at a price range of Rp 6 million (US\$ 429.96) from the original price of around Rp 16 million (US\$ 1,146.48). In Reebonz, Chanel bags ⁴⁰are sold at a price range of Rp 18 million (US\$ 1,289.79) from the original price of around Rp 30 million (US\$ 2,149.84). In addition to the practicality and time effectiveness, shopping for used products online is 'safer' because it minimizes the risk of caught by others. Consumers are also free to purchase secondhand products through disguised personal accounts. Given the phenomenon of preloved products, consumers can have the latest original fashion products at a lower price instead of buying expensive counterfeit products.

On the other hand, consumers' desire to purchase branded products at lower prices has led to the phenomenon of counterfeit products. In the case of counterfeit products in Indonesia, they come in several levels of quality. At the highest quality, this ⁴¹counterfeit product is very similar to the original. Prices are in the range of Rp 3 million (US\$ 215.13) and above. There are even ⁴²counterfeit bags that cost over Rp 10 million (US\$ 717.11)

(adorafashionshop.wordpress.com, 2016). There is a phenomenon in the market today where some preloved products ⁴³are sold at the same or similar price to counterfeit products as shown in Figure 1 below which shows ⁴⁴instagram of sellers selling preloved bags of Coach (original) and Chanel (counterfeit) bags at the same price (Rp 1.4 million or US\$ 100.38). ⁴⁵ ⁴⁶

Figure 1 Price Comparison of Preloved and Counterfeit Product in Instagram

Source: Instagram

The phenomenon of preloved products and expensive counterfeit products are both motivated by consumers' desire to have a look with the latest fashion trends at a more affordable cost. Both types of purchases actually are^{47 48} risky for consumers. Consumer risk refers to the expectation of a particular outcome or a possible negative⁴⁹ event (Rubio, Oubina, and Villaseñor, 2014). In purchasing decisions, consumers are basically exposed^{50 51} to functional, financial, psychological, and social risks (Dowling and Staelin, 1994; Pelaez, Chen, and Chen, 2019). Functional risks^{52 53} are due to performance failures over product utilities, financial risk⁵⁴ is a potential loss of money more than it should be, psychological risks⁵⁵ include the possibility of mental inconvenience as a consequence of a transaction⁵⁶, and social risks associated with a bad image that a consumer might experience by consuming a product certain^{57,58}.

Given the risks assumed by consumers when they make a purchase decision, it is very likely consumers will experience regret after purchasing the product.

The possibility is greater⁵⁹ when consumers buy secondhand or counterfeit products. Regret⁶⁰ is an emotion experienced when we realize or imagine that the current situation should be better if we take^{61,62} different decisions (Zeelenberg and Pieters, 2007; Pelaez, Chen, and Chen, 2019). Based on the assumption that consumers act rationally, consumers are aware that when they decide to

buy preloved or expensive counterfeit products, they are aware of the risks they may incur, such as declining product quality or social costs when friends or family find out that the product they purchased was a secondhand or counterfeit product^{63 64}. As an implication of this, consumers develop a mechanism to anticipate the regrets they may feel after making a purchase. This mechanism is referred to as anticipated regret (Chen et al., 2015). As consumers anticipate⁶⁶ negative⁶⁷ outcomes as a result of their actions, their memory and cognition will inform not only about the wrong choices they have made in the past but also about the choices⁶⁸ that are likely to be appropriate in the future (Davvetas and Diamantopoulos, 2018; Shih and Schau, 2011). Since the preloved phenomena is a substitute for expensive counterfeit products and the fact that both products are sold at relatively the same price, when consumers consider the advantages and disadvantages of buying expensive counterfeit products, they would prefer preloved products to maximize their purchasing utility.⁷¹

This study aims to confirm that if consumers develop anticipated regret when they buy expensive counterfeit products, they will prefer preloved products. This happens because because^{72 73} when they purchase pirated products, they will get products with a lower quality than when they bought the original product. As a consequence, the possibility of consumers to experience regret will be higher. Thus, this study aims to analyze the decline in consumers' desire to buy counterfeit expensive⁷⁴ products because of the anticipated regret⁷⁵. Furthermore, this study attempts to answer two questions: (1) Will consumers prefer to purchase preloved products than expensive counterfeit products in the presence of anticipated regret? (2) Does perceived risk mediate the effect of anticipated regret on consumers' intention to purchase counterfeit or preloved products? It is expected⁷⁶ that this study contributes theoretically in better

explaining and understanding the role of anticipated regret in consumer⁷⁷
decision making⁷⁸ process. In addition⁷⁹, this study is also expected^{80,81} to help
marketing managers in understanding consumer behavior in purchasing
decisions of preloved or counterfeit products. Several studies have examined
regrets in relation to⁸² unethical behavior, such as buying counterfeit products
(Chen et al., 2015; Bian et al., 2016) and regrets that consumers feel after
buying luxury products (Keinan and Kivetz, 2008; Lyons, Wien, and Altintzoglou,
2019) separately. Current research differs from previous research because it
examines regrets in relation to⁸³ counterfeit and original luxury product
purchases simultaneously since in Indonesia⁸⁴ this phenomenon is real and
experienced by many people.

Preloved and Counterfeit Product

Previously, purchasing secondhand products was associated with buyers' fund
limitation⁸⁶. In addition⁸⁷, consumers are also reluctant to buy secondhand⁸⁸
products with consideration⁸⁹ of product quality or short product life. But on the
other hand, consumers are also influenced by changes in fashion, availability of
lower price products, or new products that offer higher efficiency. In later
developments, the reluctance of consumers to purchase secondhand products
is declining with the increasing of attractiveness⁹⁰ of circular economy in
people's lives: reuse, refurbishment, and repair. Buying used or preloved
products today is a lifestyle choice as⁹¹ well as a financial decision (Williams and
Shaw, 2017).

The market development for secondhand products according⁹² to Thomas (2013)
caused by several things: first, the development of⁹³ Internet-based⁹⁴ market has
made transaction costs decreased. Similar thoughts are conveyed⁹⁵ by Williams
and Shaw (2017) with what they call a private economy where owners who no

longer want their products can easily resell their products to buyers who ⁹⁶ want them via the internet. Second, the liberalization of global markets has reduced the barriers to the sale of secondhand products around the world where the World Trade Organization (WTO) emphasizes its members to reduce ⁹⁷ barriers to global trade. Third, one of the ⁹⁸ important factors in the development of ⁹⁹ secondhand ¹⁰⁰ products market is the product life that is currently getting longer with the advancement of technology.

On the other hand, consumers today have the option to purchase counterfeit products in the market. Counterfeit products are products with trademarks that are identical to, or indistinguishable from, registered trademarks to other parties and are in violation of the rights of trademark holders (Chaudhry and Walsh, 1996; Kapferer, 1995; Grossman and Shapiro, 1988; Wilcox, Kim, and Sen, 2009). Although producing and selling counterfeit products is unlawful, there are now many ¹⁰¹ counterfeit products on the market. Since demand is a market driver, some researchers argue that consumers' ¹⁰² demand for counterfeit products is a ¹⁰³ major cause of the existence and development of counterfeit products (Bian and Moutinho, 2011).

Buyers of counterfeit products ¹⁰⁴ according to Park-Poaps and Kang (2018) and tend to have a positive image toward counterfeit products in their possession and do not feel that the products have inferior quality. Previous research has confirmed that consumers purchase counterfeit products due to the cost ¹⁰⁵ effectiveness (Davidson, Nepomuceno, and Laroche, 2019) or the desire to simply get the product ¹⁰⁶ in an unusual way. More recent research links consumers' motivation to purchase counterfeit products with social adjustment function in which consumers seek to enter into a social situation that is considered ¹⁰⁷ important (Wilcox et al., 2009). Nevertheless, consumers will

consider the extent to which other consumers will judge them when they consume counterfeit products (Hung et al., 2011).

Regret

Consumer purchasing decision process is a process that is full of emotion, and emotion is a very strong¹⁰⁸ predictor of consumer behavior in the future (Flavián-Blanco et al., 2011) and generally¹⁰⁹ consumers' goal is to minimize the negative emotions they may experience after making a purchase decision (Bagozzi et al., 2016). Among various negative emotions that consumers may perceive, regret is a very intense emotional response (Di Caprio, Santos-Artiaga, and Tavana, 2019) so that consumers will tend to avoid regrets and try to regulate their level of regret¹¹² (Zeelenberg and Pieters, 2006; Pelaez, Chen, and Chen, 2019).¹¹³¹¹⁴

Previous research found that regret affects consumer decision making process in two ways: first, consumers will correct the wrong decision they took after making a purchase (Mevec, Madey, and Gilovich, 1995); second, before making a purchase decision, consumers often expect that if the decision turns out to be wrong, they will anticipate the feeling of regret so that in the end they will change the choice.¹¹⁵ The first that occurs after purchasing is called experienced regret¹¹⁶, while the second that occurs¹¹⁷ before purchasing is referred to anticipated regret¹¹⁸ (Zhou and Gu, 2015).¹¹⁹¹²⁰¹²¹

Hypothesis Development

Hypotesis 1¹²²

When purchasing a product, consumers try to minimize the possibility of regret for the purchase (Bell, 1982). However, since counterfeit products are replication¹²³ of genuine products but with inferior quality, their reliability and

performance can not be ascertained¹²⁴. When consumers are considering purchasing a product, they consider¹²⁵ the cost and benefits of the purchase by performing a mental simulation in which they compare the circumstances in which they purchased¹²⁶ the product and the circumstances¹²⁷ in which they did not purchase¹²⁸ the product. When consumers, at the time of mental simulation¹²⁹, get a picture of a better condition when they purchase¹³⁰ the product compared to actual¹³¹ state, then consumers will experience a negative¹³² affect¹³³ (regret). Thus when the outcome of a purchase decision is still unknown, as in the case of purchases of counterfeit products, the consumer will anticipate that the purchase decision will cause regret in the future (Chen et al., 2015). Thus, the consumer's mental simulations of future events can influence their purchasing decisions (Davvetas and Diamantopoulos, 2018).

Consumers who want the newest branded products but do not have enough money will try to purchase counterfeit¹³⁴ product that is almost similar with¹³⁵ original¹³⁶ product even though the price is more expensive¹³⁷ than typical existing counterfeit products. But on the other hand, the decision to purchase counterfeit products is likely to bring negative¹³⁸ impact¹³⁹ to consumers in the form of shame if their relatives or friends find out about it. This risk can be avoided¹⁴⁰ by the consumer¹⁴¹ if they anticipate the regret¹⁴² before making a purchase. The highest quality of counterfeit products still will not look exactly like the original products. Thus, consumers will anticipate¹⁴³ more regrets¹⁴⁴ if they purchase counterfeit products compared to preloved products. Consumers' preference for counterfeit products will therefore¹⁴⁵ diminish¹⁴⁶ as they anticipate¹⁴⁷ feelings of regret¹⁴⁸ over the purchase decision. Hence, consumers will prefer preloved over counterfeit products in the presence of anticipated regret.

H1: consumers' intention to purchase preloved product is higher than counterfeit products in the presence of anticipated regret.

Hypothesis 2

Consumers may choose to purchase counterfeit products because of their financial problems. But these purchase decisions can damage their self-image and social image. This damage could be avoided if consumers have anticipated this regret before purchasing counterfeit products. In this condition, anticipated regret is a mechanism to minimize the regret they will feel after purchase. As consumers anticipate the negative outcomes of purchasing decisions, their memory and cognition will inform not only the faulty choices they have made in the past, but also the choice of decisions considered true in the future (Davvetas and Diamantopoulos, 2018; Shih and Schau, 2011). There is a psychological process behind the declining of consumer preferences toward this expensive counterfeit product. Psychologically, consumer preferences toward expensive counterfeit products decreases due to an increased consumer perceived risk (e.g. social risk or the functional risk). Thus, the consumer's perceived risk will lead to the anticipation of regrets that will further reduce consumer preferences for counterfeit products (Chen et al., 2015)

H2: consumer's perceived risk mediates the effect of anticipated regrets on consumers' intention to purchase counterfeit or preloved products.

Anticipated Regret

Purchase Intention

Perceived Risk

H1

H2

Figure 1 Research Model

METHOD

There are three variables in this study: independent variable (anticipated regret), mediation variable (risk), and dependent variable (purchase intention). Participants in this study were women who had purchased preloved products or expensive expensive¹⁶² counterfeit products. There were four experimental groups in this study with¹⁶³ 30 participants in each group. Thus, the total number in this study is as many as 120 participants. The data are analyzed using ANOVA.

Scenario Study 1

Study 1 aims to empirically test Hypothesis 1¹⁶⁴. This study uses between subjects with two levels of regret (anticipated regret vs. control). The dependent variable is purchase¹⁶⁵ intention of the participant toward expensive

¹⁶⁶expensive counterfeit products vs. preloved products. Fifty-five participants will be ¹⁶⁷assigned in the experimental group (anticipated regret) and 55 others in the control group.

In the control group, two pictures ¹⁶⁸are presented to the participants. ¹⁶⁹The first picture shows ¹⁷⁰original product with the note that the product is in secondhand ¹⁷¹condition. ¹⁷²The second picture is ¹⁷³high quality counterfeit product. ¹⁷⁴Both products have ¹⁷⁵similar price. ¹⁷⁶Participants are then asked to choose which product they want to purchase.

In the experimental group, 55 participants ¹⁷⁷were given the same treatment with the control group. Two pictures ¹⁷⁸are presented to participants: preloved and high-quality counterfeit products. However, in the experimental group, for anticipated regret manipulation, participants are asked how they feel when they buy ^{179,180}counterfeit product (preloved) ¹⁸¹and ¹⁸²then their friends or relatives find out about it. ¹⁸³Participants are also asked which products they want to purchase.

Scenario Study 2

The purpose of Study 2 is to test Hypothesis 2. Since ¹⁸⁴counterfeit product is a clone of the original product, ¹⁸⁵consumer bears the risk of their purchase decision. Therefore, the effect of anticipated regret ¹⁸⁶oerard consumer purchase decisions of counterfeit vs. preloved products ¹⁸⁷is mediated by consumers' perceived risks associated with the purchase of those products. Treatment in Study 2 is identical to Study 1. Sixty participants will ¹⁸⁸be assigned in the experimental group (anticipated regret) and 60 others in the control group. But in Study ¹⁸⁹2 before participants ¹⁹⁰are asked to choose which products they would ¹⁹¹purchase; ¹⁹²they are asked about their perceived risk. Perceived risk measurement ¹⁹³is adapted from Nordgren, Van der Pligt, and Van Harreveld (2007).

RESULTS AND DISCUSSION

Study 1

There are 124 participants in Study 1. Their ages¹⁹⁴ ranging from 20 to 42 years. They are students, employees, entrepreneurs, and housewives¹⁹⁵. To the 55 participants in the control group are presented bag pictures that are sold¹⁹⁶ in instagram¹⁹⁷. The first picture is a preloved bag (Coach) and¹⁹⁸ the second is a counterfeit bag (Chanel). Both are sold¹⁹⁹ at Rp 1.4 million (US\$ 100.38). After viewing the two pictures, participants are asked²⁰⁰ to state how their purchase intentions for each product on a scale of 1- 5 (1 = very unlikely - 5 = very likely). While 69 participants in the experimental group are presented²⁰¹ the same two images, but then they are asked²⁰² (1) how they feel if they purchased counterfeit products and then their friends or relatives found out about it, and² (2) how they feel if they purchase preloved products and then their friends or relatives found out about it.²⁰⁴ After²⁰⁵ that participants are asked²⁰⁶ to state their purchase intentions^{207,208} for each product on a scale of 1 to 5²⁰⁹ (1 = very unlikely - 5 = very likely). To the participants²¹⁰ it is conveyed that they are only allowed to assign a value of 4 or 5 to one of the product (preloved or counterfeit) products of their preference. ANOVA tests are used²¹¹ to compare consumers' purchase intentions in both experimental groups. The results show that Hypothesis 1 is supported. As indicated in Table 1, the purchase intention participants for preloved and counterfeit products in the experimental group are significantly different (Meanpreloved: 4.51; Meancounterfeit: 4.22; F = 4.398; Sig = 0.040). This study supports the argument that the existence of anticipation regrets will make

consumers want to purchase original products even though they are in preloved condition rather than counterfeit products. The presence of anticipated regrets² in influencing consumer purchase intentions is also supported²¹³ by the results of the ANOVA test in Table 2 where²¹⁴ in the control group the purchase intention of participants for preloved product is lower than that of the experimental group (Mean_{experiment}: 4.51; Mean_{control}: 4.05; $F = 11,013$; Sig = 0.001).

Table 1 ANOVA Analysis for Consumer's Purchase Intention of Preloved vs.

Counterfeit Product

Bag

Purchase Intention

Mean

F-Value

Sig

Preloved

4.51

4.398

0.040

Counterfeit

4.22

Table 2 ANOVA Analysis for Consumer's Purchase Intention of Preloved on
Control vs. Experiment Group

Preloved Bag

Purchase Intention

Mean

F-Value

Sig

Control

4.05

11.013

0.001

Experiment

4.51

The effect of anticipated regrets toward consumer purchase decisions were²¹⁵
also found²¹⁶ by Neel and Brad (2012) and Chen et al. (2015). When consumers
anticipate²¹⁷ regrets in purchasing a product, their preference for the product will

decrease. Consumers' mental simulations will sum up that regret in purchasing decisions of counterfeit products will be greater than the purchase of preloved products. This is very likely to happen because purchasing and consuming counterfeit products not only shows that they do not have sufficient financial condition but also support prohibited activities. This explains why participants' preferences for preloved products are higher than those of pirated products.

Study 2

There are total 89 women as participants in Study 2. The participants' demographics in Study 2 were not significantly different from those in Study 1. Their ages ranging from 22 to 43 years. They are students, employees, entrepreneurs, military, and housewives. The experimental procedure in Study 2 is identical to Study 1 with the exception of the participants being asked about their perceived risk. To obtain data on perceived risk, measurements are adapted from Nordgren, Van Der Pligt, and Van Harreveld (2007) by asking how much risk they perceived in purchasing preloved/counterfeit product on a scale of 1 - 5 (1 = no risk at all - 5 = very risky).

PROCESS for SPSS is used to test the mediation effect of perceived risk on the relationship between anticipated regret and consumer purchase decision on preloved/counterfeit products used. The result of the analysis shows that anticipated regret significantly affect perceived risk ($\beta = 0.57$, $t = 11.40$, $p = 0.01$), anticipated regret has negative significant effect toward purchase intention ($\beta = -0.20$, $t = -6.03$, $p = 0.00$), and perceived risk also negatively affect purchase intention ($\beta = -0.32$, $t = -8.22$, $p = 0.03$). The bootstrap results indicate that there is a significant indirect effect, indicated by 95% CI that the indirect effect does not contain zeros (0.15, 0.11). Thus Hypothesis 2 in this research is supported. This is in line with the findings of Chen et al. (2015). As a

symbolic product, fashion is often used by consumers to show their status and identity. When consumers associate purchase²³⁶ of counterfeit products with risky activity, they will consider purchasing the product based on the risks it may face. Social risk is often a major consideration for consumers in deciding to purchase a product, such as the embarrassment consumers will experience when people around them find out that they purchase and consume counterfeit products. In addition²³⁷, functional risks also accompany the purchase of counterfeit products such as poor-quality product²³⁸.

CONCLUSION AND RECOMMENDATION

The results of this study indicate that consumers will reduce their preference to²³⁹ counterfeit products when they are aware of the anticipated regret, they will feel in the future for their purchase decisions. The study also shows that the decrease in preference occurs because consumers perceive a risk on their purchasing decisions. The results of this study may contribute to efforts to reduce purchases of pirated products by consumers by governments and companies. The Indonesian government, where this research was conducted²⁴⁰, faced major²⁴¹ problems with the large²⁴² number of pirates on different types of products: movies, music, software, drugs, fashion products, and some other products. Based on the results of this study, consumers will change their purchasing patterns against pirated products if their preferences for the product change. Promotional activities can be run by the authorities²⁴³ by adding situations where consumers will be embarrassed to buy and use pirated products. This²⁴⁴ can be done²⁴⁵ by emphasizing the risks they will experience, such as social risks as well as functional risk.

For further research, researchers can engage in research on different cultures because each culture carries different values. Thus, there is the possibility of consumers ²⁴⁶ will behave differently. Still ²⁴⁷ in relation to ²⁴⁸ culture, it needs to be investigated about the social effect on consumer behavior in buying preloved or counterfeit products.

Funding

This work was supported ²⁴⁹ by Faculty ²⁵⁰ of Economics and Business, Universitas Airlangga research grants.

REFERENCES

- Bagozzi, R. P., Belanche, D., Casaló, L. V., & Flavián, C. (2016). The role of anticipated emotions in purchase intentions. *Psychology & Marketing*, 33(8), 629-645.
- Bell, D. (1982). Regret in decision making under uncertainty. *Operation Research*, 30(5), 961-981.
- Bian, X., & Moutinho, L. (2011). The role of brand image, product involvement, and knowledge in explaining consumer purchase behaviour ²⁵¹ of counterfeits: Direct and indirect effects. *European Journal of Marketing*, 45(1/2), 191-216.
- Bian, X., Wang, K. Y., Smith, A., & Yannopoulou, N. (2016). New insights into unethical counterfeit consumption. *Journal of Business Research*, 69(10), 4249-4258.
- Chaudhry, P. E., & Walsh, M. G. (1996). An assessment of the impact of counterfeiting in international markets: the piracy paradox persists. *The Columbia Journal of World Business*, 31(3), 34-48.

- Chen, J., Teng, L., Liu, S., & Zhu H. (2015). Anticipating regret and consumer's preferences for counterfeit luxury products. *Journal of Business Research*, 68(3), 507-515.
- Davidson, A., Nepomuceno, M. V., & Laroche, M. (2019). Shame on you: when materialism leads to purchase intentions toward counterfeit products. *Journal of Business Ethics*, 155(2), 479-494.
- Davvetas, V., & Diamantopoulos, A. (2018). "Should have I Bought the other One?" Experiencing Regret in Global versus Local Brand Purchase Decisions. *Journal of International Marketing*, 26(2), 1-21.
- Di Caprio, D., Santos-Arteaga, F. J., & Tavana, M. (2019). The role of anticipated emotions and the value of information in determining sequential search incentives. *Operations Research Perspectives*, 6, 100106.
- Dowling, G. R., & Staelin, R. (1994). A model of perceived risk and intended riskhandling activities. *Journal of Consumer Research*, 21(1), 119-134.
- Flavián-Blanco, C., Gurrea-Sarasa, R., & Orús-Sanclemente, C. (2011). Analyzing the emotional outcomes of the online search behavior with search engines. *Computers in Human Behavior*, 27(1), 540-551.
- Grossman, G. M., & Shapiro, C. (1988). Foreign counterfeiting of status goods. *The Quarterly Journal of Economics*, 103(1), 79-100.
- Hung, K. P., Huiling Chen, A., Peng, N., Hackley, C., Amy Tiwsakul, R., & Chou, C. L. (2011). Antecedents of luxury brand purchase intention. *Journal of Product & Brand Management*, 20(6), 457-467.
- Kapferer, J. N. (1995). Brand confusion: Empirical study of a legal concept. *Psychology & Marketing*, 12(6), 551-568.
- Lyons, S. J., Wien, A. H., & Altintzoglou, T. (2019). Guilt-free pleasures: how premium and luxury influence regret. *Journal of Product & Brand Management*, 28(3), 421-431.

- Medvec, V.H., Madey, S.F. & Gilovich, T. (1995). When Less Is More: Counterfactual Thinking and Satisfaction among Olympic Medalists. *Journal of Personality & Social Psychology*, 69(4), 603-610.
- Neel, D., & Brad, J. ²⁵⁶2012. The Interactive Effects of Decision-Making and Expertise on The Experience of Regret. *Journal of Applied Business Research*, 28(3); 333-346.
- Nordgren, L. F., Van Der Pligt, J., & Van Harreveld, F. (2007). Unpacking perceived control in risk perception: The mediating role of anticipated regret. *Journal of Behavioral Decision Making*, 20(5), 533-544.
- Park-Poaps, H., & Kang, J. (2018). An experiment on non-luxury fashion counterfeit purchase: The effects of brand reputation, fashion attributes, and attitudes toward counterfeiting. *Journal of Brand Management*, 25(2), 185-196.
- Pelaez, A., Chen, C. W., & Chen, Y. X. (2019). Effects of perceived risk on intention ²⁵⁷ to purchase: A meta-analysis. *Journal of Computer Information Systems*, 59(1), 73-84.
- Rubio, N., Oubiña, J., & Villaseñor, N. (2014). Brand awareness–Brand quality inference and consumer's risk perception in store ²⁵⁸ brands of food products. *Food quality and preference*, 32, 289-298.
- Shih, E., & Schau, H.J. (2011). To justify or not to justify: ²⁵⁹ The role of anticipated regret on consumers' decision to upgrade technological innovations. *Journal of Retailing*, 87(2), 242-251.
- Thomas, V. M. (2003). Demand and dematerialization impacts of second-Hand markets. *Journal of Industrial Ecology*, 7(2), 65-78.
- Wilcox, K., Kim, H. M., & Sen, S. (2009). Why do consumers buy counterfeit luxury brands? *Journal of Marketing Research*, 46(2), 247–259.
- Williams, I., & Shaw, P. (2017). Reuse: Fashion or future?. *Waste Management*, 60, 1-2.

Zeelenberg, M., & Pieters, R. ²⁶⁰2007. A Theory of Regret Regulation 1.0. Journal of Consumer Psychology, 17(1), 3-18.

²⁶¹Zhou H., & Gu, Z. (2015). The Effect of Different Price Presentations on Consumer Impulse Buying Behavior: The Role of Anticipated Regret. American Journal of Industrial and Business Management, 5(1), 27.

1.	emotion → emotions	Incorrect Noun Number	Correctness
2.	a decision	Determiner Use (a/an/the/this, etc.)	Correctness
3.	anticipated → likely	Word Choice	Engagement
4.	product → products	Incorrect Noun Number	Correctness
5.	product → products	Incorrect Noun Number	Correctness
6.	The experimental, or An experimental	Determiner Use (a/an/the/this, etc.)	Correctness
7.	is used	Passive Voice Misuse	Clarity
8.	a negative	Determiner Use (a/an/the/this, etc.)	Correctness
9.	significant negative	Misplaced Words or Phrases	Correctness
10.	toward → on	Wrong or Missing Prepositions	Correctness
11.	affect → affects	Faulty Subject-Verb Agreement	Correctness
12.	then will → will then	Misplaced Words or Phrases	Correctness
13.	Classifiaction → Classification	Misspelled Words	Correctness
14.	secondhand → worn	Word Choice	Engagement
15.	secondhand → worn	Word Choice	Engagement
16.	secondhand → worn	Word Choice	Engagement
17.	into	Wordy Sentences	Clarity
18.	the middle	Determiner Use (a/an/the/this, etc.)	Correctness

19.	the upper	Determiner Use (a/an/the/this, etc.)	Correctness
20.	Currently,	Comma Misuse within Clauses	Correctness
21.	consumptive → wasteful	Word Choice	Clarity
22.	a good	Determiner Use (a/an/the/this, etc.)	Correctness
23.	a few	Determiner Use (a/an/the/this, etc.)	Correctness
24.	who	Pronoun Use	Correctness
25.	Despite the → ¶ Despite the...	Intricate Text	Clarity
26.	↵ → ,'	Misuse of Semicolons, Quotation Marks, etc.	Correctness
27.	for and	Wrong or Missing Prepositions	Correctness
28.	lifestyle → lifestyles	Incorrect Noun Number	Correctness
29.	always → still	Word Choice	Engagement
30.	always	Wordy Sentences	Clarity
31.	↵ → ,'	Misuse of Semicolons, Quotation Marks, etc.	Correctness
32.	the preloved	Determiner Use (a/an/the/this, etc.)	Correctness
33.	bored → board	Confused Words	Correctness
34.	goods,	Comma Misuse within Clauses	Correctness
35.	are sold	Passive Voice Misuse	Clarity

36.	<i>are sold</i>	Passive Voice Misuse	Clarity
37.	, for	Punctuation in Compound/Complex Sentences	Correctness
38.	<i>are sold</i>	Passive Voice Misuse	Clarity
39.	<i>is sold</i>	Passive Voice Misuse	Clarity
40.	<i>are sold</i>	Passive Voice Misuse	Clarity
41.	counterfeit → fake	Word Choice	Engagement
42.	counterfeit → fake	Word Choice	Engagement
43.	<i>are sold</i>	Passive Voice Misuse	Clarity
44.	instagram → Instagram	Misspelled Words	Correctness
45.	counterfeit → fake	Word Choice	Engagement
46.	<i>There is a phenomenon in the market today where some preloved products are sold at the same or similar price to counterfeit products as shown in Figure 1 below which shows instagram of sellers selling preloved bags of Coach (original) and Chanel (counterfeit) bags at the same price (Rp 1.4 million ...</i>	Hard-to-read text	Clarity
47.	actually	Wordy Sentences	Clarity
48.	actually are → are actually	Misplaced Words or Phrases	Correctness
49.	negative → adverse	Word Choice	Engagement
50.	basically	Wordy Sentences	Clarity
51.	<i>are basically exposed</i>	Passive Voice Misuse	Clarity

52.	Functional → Operational, Technical, Operative, Practical	Word Choice	Engagement
53.	risks → chances	Word Choice	Engagement
54.	, financial → ; financial, , and financial, . Financial	Punctuation in Compound/Complex Sentences	Correctness
55.	risks → hazards	Word Choice	Engagement
56.	transaction,	Comma Misuse within Clauses	Correctness
57.	certain → specific, particular	Word Choice	Engagement
58.	certain → certainly	Misuse of Modifiers	Correctness
59.	greater → higher	Word Choice	Engagement
60.	Regret → Grief	Word Choice	Engagement
61.	take → make	Confused Words	Correctness
62.	take → make	Incorrect Phrasing	Correctness
63.	secondhand or counterfeit	Wordy Sentences	Clarity
64.	<i>Based on the assumption that consumers act rationally, consumers are aware that when they decide to buy preloved or expensive counterfeit products, they are aware of the risks they may incur, such as declining product quality or social costs when friends or family find out that the product they pur...</i>	Hard-to-read text	Clarity
65.	is referred	Passive Voice Misuse	Clarity
66.	anticipate → expect, predict, plan	Word Choice	Engagement
67.	negative → adverse	Word Choice	Engagement

68.	choices → options, opportunities	Word Choice	Engagement
69.	is → are	Faulty Subject-Verb Agreement	Correctness
70.	are sold	Passive Voice Misuse	Clarity
71.	Since the preloved phenomena is a substitute for expensive counterfeit products and the fact that both products are sold at relatively the same price, when consumers consider the advantages and disadvantages of buying expensive counterfeit products, they would prefer preloved products to maximize t...	Hard-to-read text	Clarity
72.	This	Intricate Text	Clarity
73.	because because	Misspelled Words	Correctness
74.	expensive counterfeit	Misplaced Words or Phrases	Correctness
75.	regret → disappointment	Word Choice	Engagement
76.	is expected	Passive Voice Misuse	Clarity
77.	the consumer	Determiner Use (a/an/the/this, etc.)	Correctness
78.	decision-making → decision-making	Misspelled Words	Correctness
79.	In addition → Also, Besides	Wordy Sentences	Clarity
80.	is also expected	Passive Voice Misuse	Clarity
81.	expected → likely	Word Choice	Engagement
82.	in relation to → about, to, with, concerning	Wordy Sentences	Clarity
83.	in relation to → about, to, with,	Wordy Sentences	Clarity

	concerning		
84.	, in	Punctuation in Compound/Complex Sentences	Correctness
85.	Indonesia,	Punctuation in Compound/Complex Sentences	Correctness
86.	limitation → limitations	Incorrect Noun Number	Correctness
87.	In addition → Also, Besides	Wordy Sentences	Clarity
88.	secondhand → worn	Word Choice	Engagement
89.	the consideration	Determiner Use (a/an/the/this, etc.)	Correctness
90.	the attractiveness	Determiner Use (a/an/the/this, etc.)	Correctness
91.	, as	Punctuation in Compound/Complex Sentences	Correctness
92.	, according	Punctuation in Compound/Complex Sentences	Correctness
93.	development → growth	Word Choice	Engagement
94.	the Internet-based	Determiner Use (a/an/the/this, etc.)	Correctness
95.	are conveyed	Passive Voice Misuse	Clarity
96.	want → wish to	Word Choice	Engagement
97.	barriers → the obstacles	Word Choice	Engagement
98.	important → critical, crucial, essential	Word Choice	Engagement

99.	the secondhand	Determiner Use (a/an/the/this, etc.)	Correctness
100.	products → product	Incorrect Noun Number	Correctness
101.	counterfeit → fake	Word Choice	Engagement
102.	demand → desire	Word Choice	Engagement
103.	major → significant	Word Choice	Engagement
104.	, according	Punctuation in Compound/Complex Sentences	Correctness
105.	cost-effectiveness	Misspelled Words	Correctness
106.	in an unusual way → unusually	Wordy Sentences	Clarity
107.	important → necessary, significant, substantial	Word Choice	Engagement
108.	a very strong → a powerful, a robust	Word Choice	Engagement
109.	, and	Punctuation in Compound/Complex Sentences	Correctness
110.	and generally → . Generally,	Hard-to-read text	Clarity
111.	generally,	Comma Misuse within Clauses	Correctness
112.	regrets → disappointments	Word Choice	Engagement
113.	regret → grief, disappointment, sorrow	Word Choice	Engagement
114.	Among various negative emotions that consumers may perceive, regret is a very intense emotional response (Di Caprio, Santos-Artiaga, and Tavana, 2019) so that consumers will tend to avoid regrets and try to regulate their level of regret	Hard-to-read text	Clarity

(Zeelenberg and Pieters, 2006; Pelaez, Chen, and Chen, 2019).

115.	decision → choice	Word Choice	Engagement
116.	<i>Previous research found that regret affects consumer decision making process in two ways: first, consumers will correct the wrong decision they took after making a purchase (Mevec, Madey, and Gilovich, 1995); second, before making a purchase decision, consumers often expect that if the decision tur...</i>	Hard-to-read text	Clarity
117.	<i>is called</i>	Passive Voice Misuse	Clarity
118.	experienced → old	Word Choice	Engagement
119.	regret → sadness	Word Choice	Engagement
120.	occurs → happens	Word Choice	Engagement
121.	<i>is referred</i>	Passive Voice Misuse	Clarity
122.	Hypotesis → Hypothesis	Misspelled Words	Correctness
123.	a replication	Determiner Use (a/an/the/this, etc.)	Correctness
124.	<i>be ascertained</i>	Passive Voice Misuse	Clarity
125.	consider → find, think	Word Choice	Engagement
126.	purchased → bought	Word Choice	Engagement
127.	circumstances → items, things	Word Choice	Engagement
128.	purchase → buy	Word Choice	Engagement
129.	simulation → stimulation	Confused Words	Correctness
130.	purchase → are buying, buy	Word Choice	Engagement

131.	the actual	Determiner Use (a/an/the/this, etc.)	Correctness
132.	a negative	Determiner Use (a/an/the/this, etc.)	Correctness
133.	affect → effect	Confused Words	Correctness
134.	a counterfeit, or the counterfeit	Determiner Use (a/an/the/this, etc.)	Correctness
135.	with → to	Wrong or Missing Prepositions	Correctness
136.	the original	Determiner Use (a/an/the/this, etc.)	Correctness
137.	more expensive → higher	Incorrect Phrasing	Correctness
138.	a negative	Determiner Use (a/an/the/this, etc.)	Correctness
139.	to → on	Wrong or Missing Prepositions	Correctness
140.	The consumer can avoid this risk	Passive Voice Misuse	Clarity
141.	the regret	Determiner Use (a/an/the/this, etc.)	Correctness
142.	anticipate → expect	Word Choice	Engagement
143.	regrets → disappointments, sorrows	Word Choice	Engagement
144.	, therefore,	Comma Misuse within Clauses	Correctness
145.	anticipate → expect, plan	Word Choice	Engagement
146.	regret → grief	Word Choice	Engagement
147.	the preloved, or a preloved	Determiner Use (a/an/the/this, etc.)	Correctness
148.	product → products	Incorrect Noun Number	Correctness

149.	<i>be avoided</i>	Passive Voice Misuse	Clarity
150.	regret → disappointment, grief	Word Choice	Engagement
151.	anticipate → expect, predict, plan	Word Choice	Engagement
152.	negative → adverse	Word Choice	Engagement
153.	faulty → wrong	Word Choice	Engagement
154.	past,	Comma Misuse within Clauses	Correctness
155.	choice → option	Word Choice	Engagement
156.	true → valid, correct, authentic, accurate	Word Choice	Engagement
157.	declining → decline	Confused Words	Correctness
158.	decreases → decrease	Faulty Subject-Verb Agreement	Correctness
159.	e.g.,	Comma Misuse within Clauses	Correctness
160.	consumer's → consumer'	Incorrect Noun Number	Correctness
161.	regrets → disappointments	Word Choice	Engagement
162.	expensive expensive	Misspelled Words	Correctness
163.	, with	Punctuation in Compound/Complex Sentences	Correctness
164.	to test Hypothesis 1 empirically	Misplaced Words or Phrases	Correctness
165.	the purchase	Determiner Use (a/an/the/this, etc.)	Correctness
166.	expensive expensive	Misspelled Words	Correctness

167.	<i>be assigned</i>	Passive Voice Misuse	Clarity
168.	<i>are presented</i>	Passive Voice Misuse	Clarity
169.	the original	Determiner Use (a/an/the/this, etc.)	Correctness
170.	secondhand → used, pre-owned	Word Choice	Engagement
171.	a high	Determiner Use (a/an/the/this, etc.)	Correctness
172.	high quality → high-quality	Misspelled Words	Correctness
173.	a similar	Determiner Use (a/an/the/this, etc.)	Correctness
174.	price → prices	Incorrect Noun Number	Correctness
175.	<i>The first picture shows original product with the note that the product is in secondhand condition. The second picture is high quality counterfeit product. Both products have similar price.</i>	Monotonous Sentences	Engagement
176.	<i>are then asked</i>	Passive Voice Misuse	Clarity
177.	<i>were given</i>	Passive Voice Misuse	Clarity
178.	<i>are presented</i>	Passive Voice Misuse	Clarity
179.	counterfeit → fake	Word Choice	Engagement
180.	the counterfeit, or a counterfeit	Determiner Use (a/an/the/this, etc.)	Correctness
181.	product → products	Incorrect Noun Number	Correctness
182.	, and	Punctuation in Compound/Complex Sentences	Correctness

183.	<i>are also asked</i>	Passive Voice Misuse	Clarity
184.	the counterfeit	Determiner Use (a/an/the/this, etc.)	Correctness
185.	the consumer	Determiner Use (a/an/the/this, etc.)	Correctness
186.	o ard → heard	Misspelled Words	Correctness
187.	<i>is mediated</i>	Passive Voice Misuse	Clarity
188.	<i>be assigned</i>	Passive Voice Misuse	Clarity
189.	2,	Punctuation in Compound/Complex Sentences	Correctness
190.	<i>are asked</i>	Passive Voice Misuse	Clarity
191.	purchase; → purchase,	Punctuation in Compound/Complex Sentences	Correctness
192.	<i>are asked</i>	Passive Voice Misuse	Clarity
193.	<i>is adapted</i>	Passive Voice Misuse	Clarity
194.	ages are, or ages were	Incorrect Verb Forms	Correctness
195.	housewives → homemakers	Potentially Sensitive Language	Delivery
196.	<i>are sold</i>	Passive Voice Misuse	Clarity
197.	instagram → Instagram	Misspelled Words	Correctness
198.	, and	Punctuation in Compound/Complex Sentences	Correctness
199.			

	<i>are sold</i>	Passive Voice Misuse	Clarity
200.	<i>are asked</i>	Passive Voice Misuse	Clarity
201.	<i>are presented</i>	Passive Voice Misuse	Clarity
202.	<i>they</i>	Word Choice	Engagement
203.	<i>they</i>	Word Choice	Engagement
204.	feel → think	Word Choice	Engagement
205.	purchase → are buying	Word Choice	Engagement
206.	<i>While 69 participants in the experimental group are presented the same two images, but then they are asked (1) how they feel if they purchased counterfeit products and then their friends or relatives found out about it, and (2) how they feel if they purchase preloved products and then their friends...</i>	Hard-to-read text	Clarity
207.	that participant, those participants	Determiner Use (a/an/the/this, etc.)	Correctness
208.	, participants	Punctuation in Compound/Complex Sentences	Correctness
209.	<i>are asked</i>	Passive Voice Misuse	Clarity
210.	participants,	Comma Misuse within Clauses	Correctness
211.	<i>are used</i>	Passive Voice Misuse	Clarity
212.	regrets → disappointments	Word Choice	Engagement
213.	<i>is also supported</i>	Passive Voice Misuse	Clarity
214.	where in → wherein	Confused Words	Correctness

215.	were → was	Faulty Subject-Verb Agreement	Correctness
216.	<i>were also found</i>	Passive Voice Misuse	Clarity
217.	anticipate → expect, plan	Word Choice	Engagement
218.	purchasing → buying	Word Choice	Engagement
219.	greater → higher	Word Choice	Engagement
220.	<i>This</i>	Intricate Text	Clarity
221.	<i>This</i>	Intricate Text	Clarity
222.	total of	Wrong or Missing Prepositions	Correctness
223.	ages are, or ages were	Incorrect Verb Forms	Correctness
224.	housewives → homemakers	Potentially Sensitive Language	Delivery
225.	, with	Punctuation in Compound/Complex Sentences	Correctness
226.	with the exception of → except, except for	Wordy Sentences	Clarity
227.	<i>being asked</i>	Passive Voice Misuse	Clarity
228.	<i>To obtain data on perceived risk</i>	Misplaced Words or Phrases	Correctness
229.	<i>are adapted</i>	Passive Voice Misuse	Clarity
230.	risk → threat	Word Choice	Engagement
231.	perceived → saw, understood	Word Choice	Engagement
232.	risk → chance	Word Choice	Engagement
233.	<i>is used</i>	Passive Voice Misuse	Clarity

234.	CI,	Punctuation in Compound/Complex Sentences	Correctness
235.	<i>This</i>	Intricate Text	Clarity
236.	the purchase	Determiner Use (a/an/the/this, etc.)	Correctness
237.	In addition → Also, Besides	Wordy Sentences	Clarity
238.	product → products	Incorrect Noun Number	Correctness
239.	to → for, of	Wrong or Missing Prepositions	Correctness
240.	<i>was conducted</i>	Passive Voice Misuse	Clarity
241.	major → significant	Word Choice	Engagement
242.	the large → a large	Determiner Use (a/an/the/this, etc.)	Correctness
243.	The authorities can run promotional activities	Passive Voice Misuse	Clarity
244.	<i>This</i>	Intricate Text	Clarity
245.	<i>be done</i>	Passive Voice Misuse	Clarity
246.	of consumers → that consumers	Incorrect Phrasing	Correctness
247.	Still,	Comma Misuse within Clauses	Correctness
248.	in relation to → about, to, with, concerning	Wordy Sentences	Clarity
249.	<i>was supported</i>	Passive Voice Misuse	Clarity
250.	the Faculty	Determiner Use (a/an/the/this, etc.)	Correctness

251.	behaviour → behavior	Mixed Dialects of English	Correctness
252.	One → one	Confused Words	Correctness
253.	riskhandling → risk handling	Misspelled Words	Correctness
254.	the online	Determiner Use (a/an/the/this, etc.)	Correctness
255.	Foreign → International	Word Choice	Engagement
256.	, 2012	Punctuation in Compound/Complex Sentences	Correctness
257.	the intention, or an intention	Determiner Use (a/an/the/this, etc.)	Correctness
258.	in store → in-store	Misspelled Words	Correctness
259.	justify → defend, explain	Word Choice	Engagement
260.	, 2007	Punctuation in Compound/Complex Sentences	Correctness
261.	Zhou,	Punctuation in Compound/Complex Sentences	Correctness

Pemberitahuan Dummy Article

1 message

Jurnal Dinamika Manajemen <jdm@mail.unnes.ac.id>
To: masmira-k@feb.unair.ac.id

Thu, Feb 6, 2020 at 9:07 AM

Yth. Bapak/Ibu Masmira Kurniawati
di tempat

Terimakasih telah berpartisipasi menjadi penulis di Jurnal Dinamika Manajemen (JDM) edisi Vol. 10 No. 2 (September) tahun 2019. Kami informasikan bahwa artikel Bapak/Ibu sudah selesai proses editing.

Berikut terlampir dummy article dan mohon untuk dicek terlebih dahulu file tersebut sebelum diunggah online dan dicetak. **Kami tunggu konfirmasi Bapak/Ibu sampai dengan 07 Februari 2020 Pukul 10.00 WIB (1 x 24 jam). Apabila tidak ada konfirmasi perubahan, maka dianggap tidak ada perubahan lagi dan segera diunggah online serta tidak diperkenankan untuk meminta revisi dikemudian hari.**

Demikian pemberitahuan dari kami. Atas perhatian dan kerjasama Bapak/Ibu, kami ucapkan terimakasih.

Best Regards,

Nury Ariani Wulansari
Editor in Chief JDM

 **Dummy Masmira Kurniawati 197-204.pdf**
395K

[Submit a Manuscript](#)

[Home / User / Author / Submissions / #18537 / Review](#)



#18537 Review

[Summary](#) | [Review](#) | [Editing](#)

Submission

Authors Masmira Kurniawati

Title Anticipated Regret in the Purchase of Secondhand and Counterfeit Product

Section Articles

Editor Hasan Saleh

Peer Review

Round 1

Review Version [18537-45047-2-RV.docx](#) 2019-08-21

Initiated 2019-08-12

Last modified 2019-09-02

Uploaded file None

Editor Decision

Decision Accept Submission 2019-10-17

Notify Editor [Editor/Author Email Record](#) 2019-10-19

Editor Version [18537-50433-1-ED.docx](#) 2019-08-21
[18537-50433-2-ED.docx](#) 2019-09-02
[18537-50433-3-ED.docx](#) 2019-10-17

Author Version [18537-51418-1-ED.docx](#) 2019-09-20 [Delete](#)

Upload Author Version No file chosen [Upload](#)

- [Focus and Scope](#)
- [Peer Review Process](#)
- [Online Submission](#)
- [Guidelines](#)
- [Editorial Board](#)
- [Reviewer Acknowledgement](#)
- [Abstracting/Indexing](#)
- [Ethics Statement](#)
- [Conference Collaboration](#)
- [Publishing System](#)
- [Scopus Citation Analysis](#)
- [Contact Us](#)
- [Author Fees](#)

User

You are logged in as...
masmira_75

[» My Journals](#)

[» My Profile](#)

[» Log Out](#)

JDM in DOAJ

ANTICIPATED REGRET IN THE PURCHASE OF SECONDHAND AND COUNTERFEIT PRODUCT

Abstract

In every buying decision process, consumers' goal is minimizing negative emotion they will probably experience. One of negative emotion that consumers could experience is regret. When consumers develop a mechanism to anticipate future regret after buying decision, it is called anticipated regret. This research identifies how anticipated regret affects consumer choice between two risky buying decisions, which are counterfeit product and secondhand product. This research also investigates whether perceived risk mediates the effect of anticipated regret on consumers' choice. Experimental design is used with 120 participants. The result of the analysis shows that anticipated regret significantly affects perceived risk, anticipated regret has negative significant effect toward purchase intention, and perceived risk also negatively affect purchase intention. The bootstrap results indicate that perceived risk mediates the effect of anticipated regret on consumers' choice. Managerial implications and suggestions for future research then will be delivered.

Keywords: anticipated regret, perceived risk, secondhand product, counterfeit product

ANTICIPATED REGRET PADA PEMBELIAN PRODUK SECONDHAND DAN BAJAKAN

Abstrak

Dalam setiap proses keputusan pembelian, tujuan konsumen adalah meminimalkan emosi negatif yang mungkin akan mereka alami. Salah satu emosi negatif yang bisa dialami konsumen adalah penyesalan. Ketika konsumen mengembangkan mekanisme untuk mengantisipasi penyesalan di masa depan setelah keputusan pembelian, hal tersebut disebut sebagai *anticipated regret*. Penelitian ini mengidentifikasi bagaimana *anticipated regret* mempengaruhi pilihan konsumen antara dua keputusan pembelian yang berisiko, yaitu produk bajakan dan produk bekas. Penelitian ini juga menyelidiki apakah risiko yang dirasakan memediasi pengaruh *anticipated regret* pada pilihan konsumen. Desain eksperimental digunakan dengan 120 peserta. Hasil analisis menunjukkan bahwa *anticipated regret* secara signifikan mempengaruhi risiko yang dirasakan, *anticipated regret* berpengaruh negatif signifikan terhadap niat beli, dan risiko yang dipersepsikan juga secara negatif mempengaruhi niat beli. Hasil bootstrap menunjukkan bahwa risiko yang dirasakan memediasi efek dari *anticipated regret* terhadap pilihan konsumen. Implikasi dan saran manajerial untuk penelitian masa depan kemudian akan disampaikan.

JEL Classification: C9, M3

INTRODUCTION

Secondhand products once have a bad reputation. There are only limited secondhand products traded, such as automotive or property. People who purchase secondhand fashion products are considered not classy. Despite the sales and purchase of secondhand fashion products such as clothing, bags, or shoes, it usually occurs in the small markets and shops and is done under-the-table. The buyers are mostly from the middle to lower classes who want to look for trendy products at a low price. Now the trading of secondhand products has grown and penetrated into the world of fashion with buyers from middle to upper class. Currently Indonesia has a fast-growing middle-class population with a consumptive lifestyle. They have good education, better access to information, and high social status. But in terms of income, only few who experienced a significant increase. Therefore, they are looking for alternative ways to be able to increase their prestige with limited financial conditions. Despite the status of 'used', a product, especially with premium-brand one, still has a high value as long as it is well cared and packaged. This phenomenon is also influenced by information technology and online media that facilitate public access to the latest fashion trends and lifestyle. The desire to always look trendy causes high-end branded fashion products always in demand, although it is 'used'. Then, *preloved* term appears. The bored owner can sell his or her branded goods, and then make a profit. On the other hand, those who want to boost appearance through branded fashion goods will buy it. A mutually beneficial symbiosis happens.

Preloved products are sold in many online stores. High quality used branded-fashion products are sold at a lower price. In Prelo for example, Emporio Armani watches are sold at Rp 9.5 million (US\$ 680.85), from the original price of Rp 11 million (US\$ 788.31). Prada wallet is sold at a price range of Rp 6 million (US\$ 429.96) from the original price of around Rp 16 million (US\$ 1,146.48). In Reebonz, Chanel bags are sold at a price range of Rp 18 million (US\$ 1,289.79) from the original price of around Rp 30 million (US\$ 2,149.84). In addition to the practicality and time effectiveness, shopping for used products online is 'safer' because it minimizes the risk of caught by others. Consumers are also free to purchase secondhand products through disguised personal accounts. Given the phenomenon of preloved products, consumers can have the latest original fashion products at a lower price instead of buying expensive counterfeit products.

On the other hand, consumers' desire to purchase branded products at lower prices has led to the phenomenon of counterfeit products. In the case of counterfeit products in Indonesia, they come in several levels of quality. At the highest quality, this counterfeit product is very similar to the original. Prices are in the range of Rp 3 million (US\$ 215.13) and above. There are even counterfeit bags that cost over Rp 10 million (US\$ 717.11) (adorafashionshop.wordpress.com, 2016). There is a phenomenon in the market today where some preloved products are sold at the same or similar price to counterfeit products as shown in Figure 1 below which shows instagram of sellers selling preloved bags of Coach (original) and Chanel (counterfeit) bags at the same price (Rp 1.4 million or US\$ 100.38).

Commented [HP1]: Nyatakan semua dalam Dollar

Commented [MK2R1]: Revised

Commented [HP3]: Di cek kembali

Commented [MK4R3]: Revised

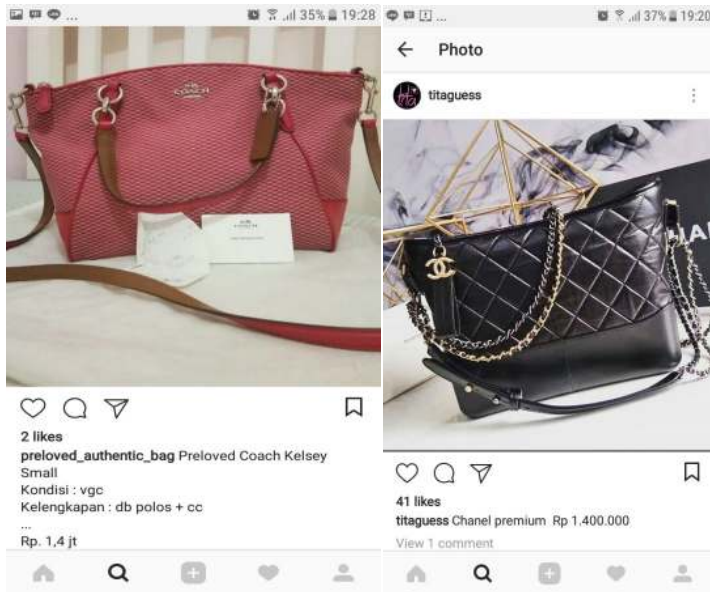


Figure 1 Price Comparison of Preloved and Counterfeit Product in Instagram
Source: Instagram

The phenomenon of preloved products and expensive counterfeit products are both motivated by consumers' desire to have a look with the latest fashion trends at a more affordable cost. Both types of purchases actually are risky for consumers. Consumer risk refers to the expectation of a particular outcome or a possible negative event (Rubio, Oubina, and Villaseñor, 2014). In purchasing decisions, consumers are basically exposed to functional, financial, psychological, and social risks (Dowling and Staelin, 1994; Pelaez, Chen, and Chen, 2019). Functional risks are due to performance failures over product utilities, financial risk is a potential loss of money more than it should be, psychological risks include the possibility of mental inconvenience as a consequence of a transaction, and social risks associated with a bad image that a consumer might experience by consuming a product certain.

Given the risks assumed by consumers when they make a purchase decision, it is very likely consumers will experience regret after purchasing the product. The possibility is greater when consumers buy secondhand or counterfeit products. Regret is an emotion experienced when we realize or imagine that the current situation should be better if we take different decisions (Zeelenberg and Pieters, 2007; Pelaez, Chen, and Chen, 2019). Based on the assumption that consumers act rationally, consumers are aware that when they decide to buy preloved or expensive counterfeit products, they are aware of the risks they may incur, such as declining product quality or social costs when friends or family find out that the product they purchased was a secondhand or counterfeit product. As an implication of this, consumers develop a mechanism to anticipate the regrets they may feel after making a purchase. This mechanism is referred to as anticipated regret (Chen et al., 2015). As consumers anticipate negative outcomes as a result of their actions, their memory and cognition will inform not only about the wrong choices they have made in

the past but also about the choices that are likely to be appropriate in the future (Davvetas and Diamantopoulos, 2018; Shih and Schau, 2011). Since the preloved phenomena is a substitute for expensive counterfeit products and the fact that both products are sold at relatively the same price, when consumers consider the advantages and disadvantages of buying expensive counterfeit products, they would prefer preloved products to maximize their purchasing utility.

This study aims to confirm that if consumers develop anticipated regret when they buy expensive counterfeit products, they will prefer preloved products. This happens because when they purchase pirated products, they will get products with a lower quality than when they bought the original product. As a consequence, the possibility of consumers to experience regret will be higher. Thus, this study aims to analyze the decline in consumers' desire to buy counterfeit expensive products because of the anticipated regret. Furthermore, this study attempts to answer two questions: (1) Will consumers prefer to purchase preloved products than expensive counterfeit products in the presence of anticipated regret? (2) Does perceived risk mediate the effect of anticipated regret on consumers' intention to purchase counterfeit or preloved products? It is expected that this study contributes theoretically in better explaining and understanding the role of anticipated regret in consumer decision making process. In addition, this study is also expected to help marketing managers in understanding consumer behavior in purchasing decisions of preloved or counterfeit products. Several studies have examined regrets in relation to unethical behavior, such as buying counterfeit products (Chen et al., 2015; Bian et al., 2016) and regrets that consumers feel after buying luxury products (Keinan and Kivetz, 2008; Lyons, Wien, and Altintzoglou, 2019) separately. Current research differs from previous research

because it examines regrets in relation to counterfeit and original luxury product purchases simultaneously since in Indonesia this phenomenon is real and experienced by many people.

Preloved and Counterfeit Product

Previously, purchasing secondhand products was associated with buyers' fund limitation. In addition, consumers are also reluctant to buy secondhand products with consideration of product quality or short product life. But on the other hand, consumers are also influenced by changes in fashion, availability of lower price products, or new products that offer higher efficiency. In later developments, the reluctance of consumers to purchase secondhand products is declining with the increasing of attractiveness of circular economy in people's lives: reuse, refurbishment, and repair. Buying used or preloved products today is a lifestyle choice as well as a financial decision (Williams and Shaw, 2017).

The market development for secondhand products according to Thomas (2013) caused by several things: first, the development of Internet-based market has made transaction costs decreased. Similar thoughts are conveyed by Williams and Shaw (2017) with what they call a private economy where owners who no longer want their products can easily resell their products to buyers who want them via the internet. Second, the liberalization of global markets has reduced the barriers to the sale of secondhand products around the world where the World Trade Organization (WTO) emphasizes its members to reduce barriers to global trade. Third, one of the important factors in the development of secondhand products market is the product

life that is currently getting longer with the advancement of technology.

On the other hand, consumers today have the option to purchase counterfeit products in the market. Counterfeit products are products with trademarks that are identical to, or indistinguishable from, registered trademarks to other parties and are in violation of the rights of trademark holders (Chaudhry and Walsh, 1996; Kapferer, 1995; Grossman and Shapiro, 1988; Wilcox, Kim, and Sen, 2009). Although producing and selling counterfeit products is unlawful, there are now many counterfeit products on the market. Since demand is a market driver, some researchers argue that consumers' demand for counterfeit products is a major cause of the existence and development of counterfeit products (Bian and Moutinho, 2011).

Buyers of counterfeit products according to Park-Poaps and Kang (2018) and tend to have a positive image toward counterfeit products in their possession and do not feel that the products have inferior quality. Previous research has confirmed that consumers purchase counterfeit products due to the cost effectiveness (Davidson, Nepomuceno, and Laroche, 2019) or the desire to simply get the product in an unusual way. More recent research links consumers' motivation to purchase counterfeit products with social adjustment function in which consumers seek to enter into a social situation that is considered important (Wilcox et al., 2009). Nevertheless, consumers will consider the extent to which other consumers will judge them when they consume counterfeit products (Hung et al., 2011).

Regret

Commented [HP5]: Di cek kembali penulisan yg tepat

Commented [MK6R5]: Revised

Consumer purchasing decision process is a process that is full of emotion, and emotion is a very strong predictor of consumer behavior in the future (Flavián-Blanco et al., 2011) and generally consumers' goal is to minimize the negative emotions they may experience after making a purchase decision (Bagozzi et al., 2016). Among various negative emotions that consumers may perceive, regret is a very intense emotional response (Di Caprio, Santos-Artiaga, and Tavana, 2019) so that consumers will tend to avoid regrets and try to regulate their level of regret (Zeelenberg and Pieters, 2006; Pelaez, Chen, and Chen, 2019).

Previous research found that regret affects consumer decision making process in two ways: first, consumers will correct the wrong decision they took after making a purchase (Mevec, Madey, and Gilovich, 1995); second, before making a purchase decision, consumers often expect that if the decision turns out to be wrong, they will anticipate the feeling of regret so that in the end they will change the choice. The first that occurs after purchasing is called experienced regret, while the second that occurs before purchasing is referred to anticipated regret (Zhou and Gu, 2015).

Hypothesis Development

Hypotesis 1

When purchasing a product, consumers try to minimize the possibility of regret for the purchase (Bell, 1982). However, since counterfeit products are replication of genuine products but with inferior quality, their reliability and performance can not be ascertained. When consumers are considering purchasing a product, they consider the cost and benefits of the purchase by performing a mental simulation in which they compare the circumstances in which they purchased the

product and the circumstances in which they did not purchase the product. When consumers, at the time of mental simulation, get a picture of a better condition when they purchase the product compared to actual state, then consumers will experience a negative affect (regret). Thus when the outcome of a purchase decision is still unknown, as in the case of purchases of counterfeit products, the consumer will anticipate that the purchase decision will cause regret in the future (Chen et al., 2015). Thus, the consumer's mental simulations of future events can influence their purchasing decisions (Davvetas and Diamantopoulos, 2018).

Consumers who want the newest branded products but do not have enough money will try to purchase counterfeit product that is almost similar with original product even though the price is more expensive than typical existing counterfeit products. But on the other hand, the decision to purchase counterfeit products is likely to bring negative impact to consumers in the form of shame if their relatives or friends find out about it. This risk can be avoided by the consumer if they anticipate the regret before making a purchase. The highest quality of counterfeit products still will not look exactly like the original products. Thus, consumers will anticipate more regrets if they purchase counterfeit products compared to preloved products. Consumers' preference for counterfeit products will therefore diminish as they anticipate feelings of regret over the purchase decision. Hence, consumers will prefer preloved over counterfeit products in the presence of anticipated regret.

H1: consumers' intention to purchase preloved product is higher than counterfeit products in the presence of anticipated regret.

Hypothesis 2

Consumers may choose to purchase counterfeit products because of their financial problems. But these purchase decisions can damage their self-image and social image. This damage could be avoided if consumers have anticipated this regret before purchasing counterfeit products. In this condition, anticipated regret is a mechanism to minimize the regret they will feel after purchase. As consumers anticipate the negative outcomes of purchasing decisions, their memory and cognition will inform not only the faulty choices they have made in the past, but also the choice of decisions considered true in the future (Davvetas and Diamantopoulos, 2018; Shih and Schau, 2011).

There is a psychological process behind the declining of consumer preferences toward this expensive counterfeit product. Psychologically, consumer preferences toward expensive counterfeit products decreases due to an increased consumer perceived risk (e.g. social risk or the functional risk). Thus, the consumer's perceived risk will lead to the anticipation of regrets that will further reduce consumer preferences for counterfeit products (Chen et al., 2015)

H2: consumer's perceived risk mediates the effect of anticipated regrets on consumers' intention to purchase counterfeit or preloved products.

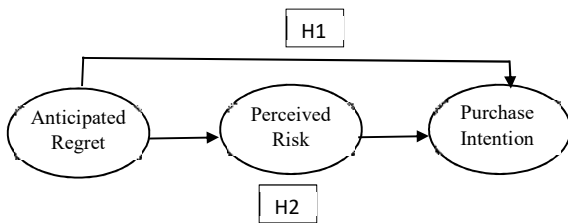


Figure 1 Research Model

METHOD

There are three variables in this study: independent variable (anticipated regret), mediation variable (risk), and dependent variable (purchase intention). Participants in this study were women who had purchased preloved products or expensive expensive counterfeit products. There were four experimental groups in this study with 30 participants in each group. Thus, the total number in this study is as many as 120 participants. The data are analyzed using ANOVA.

Scenario Study 1

Study 1 aims to empirically test Hypothesis 1. This study uses between subjects with two levels of regret (anticipated regret vs. control). The dependent variable is purchase intention of the participant toward expensive expensive counterfeit products vs. preloved products. Fifty-five participants will be assigned in the experimental group (anticipated regret) and 55 others in the control group.

In the control group, two pictures are presented to the participants. The first picture shows original product with the note that the product is in secondhand condition. The second picture is high quality counterfeit product. Both products have similar price. Participants are then asked to choose which product they want to purchase.

In the experimental group, 55 participants were given the same treatment with the control group. Two pictures are presented to participants: preloved and high-quality counterfeit products. However, in the experimental group, for anticipated regret manipulation, participants are asked how they feel when they buy counterfeit product (preloved) and then their friends or relatives find out about it. Participants are also asked which products they want to purchase.

Commented [HP9]: Method

Commented [MK10R9]: Revised

Commented [HP7]: Ditambahkan kerangka berpikir

Commented [MK8R7]: Revised

Scenario Study 2

The purpose of Study 2 is to test Hypothesis 2. Since counterfeit product is a clone of the original product, consumer bears the risk of their purchase decision. Therefore, the effect of anticipated regret on consumer purchase decisions of counterfeit vs. preloved products is mediated by consumers' perceived risks associated with the purchase of those products. Treatment in Study 2 is identical to Study 1. Sixty participants will be assigned in the experimental group (anticipated regret) and 60 others in the control group. But in Study 2 before participants are asked to choose which products they would purchase; they are asked about their perceived risk. Perceived risk measurement is adapted from Nordgren, Van der Pligt, and Van Harreveld (2007).

RESULTS AND DISCUSSION

Study 1

There are 124 participants in Study 1. Their ages ranging from 20 to 42 years. They are students, employees, entrepreneurs, and housewives. To the 55 participants in the control group are presented bag pictures that are sold in Instagram. The first picture is a preloved bag (Coach) and the second is a counterfeit bag (Chanel). Both are sold at Rp 1.4 million (US\$ 100.38). After viewing the two pictures, participants are asked to state how their purchase intentions for each product on a scale of 1-5 (1 = very unlikely - 5 = very likely).

While 69 participants in the experimental group are presented the same two images, but then they are asked (1) how they feel if they purchased counterfeit products and then their friends or relatives found out about it, and (2) how they feel if they purchase preloved products and then their friends or relatives found out about it. After that participants are asked to state

their purchase intentions for each product on a scale of 1 to 5 (1 = very unlikely - 5 = very likely). To the participants it is conveyed that they are only allowed to assign a value of 4 or 5 to one of the product (preloved or counterfeit) products of their preference.

ANOVA tests are used to compare consumers' purchase intentions in both experimental groups. The results show that Hypothesis 1 is supported. As indicated in Table 1, the purchase intention participants for preloved and counterfeit products in the experimental group are significantly different ($\text{Mean}_{\text{preloved}}: 4.51; \text{Mean}_{\text{counterfeit}}: 4.22; F = 4.398; \text{Sig} = 0.040$). This study supports the argument that the existence of anticipation regrets will make consumers want to purchase original products even though they are in preloved condition rather than counterfeit products. The presence of anticipated regrets in influencing consumer purchase intentions is also supported by the results of the ANOVA test in Table 2 where in the control group the purchase intention of participants for preloved product is lower than that of the experimental group ($\text{Mean}_{\text{experiment}}: 4.51; \text{Mean}_{\text{control}}: 4.05; F = 11,013; \text{Sig} = 0.001$).

Table 1 ANOVA Analysis for Consumer's Purchase Intention of Preloved vs. Counterfeit Product

Bag	Purchase Intention		
	Mean	F-Value	Sig
Preloved	4.51	4.398	0.040
Counterfeit	4.22		

Table 2 ANOVA Analysis for Consumer's Purchase Intention of Preloved on Control vs. Experiment Group

Preloved Bag	Purchase Intention		
	Mean	F-Value	Sig
Control	4.05	11.013	0.001
Experiment	4.51		

The effect of anticipated regrets toward consumer purchase decisions were also found by Neel and Brad (2012) and Chen et al. (2015). When consumers anticipate regrets in purchasing a product, their preference for the product will decrease. Consumers' mental simulations will sum up that regret in purchasing decisions of counterfeit products will be greater than the purchase of preloved products. This is very likely to happen because purchasing and consuming counterfeit products not only shows that they do not have sufficient financial condition but also support prohibited activities. This explains why participants' preferences for preloved products are higher than those of pirated products.

Study 2

There are total 89 women as participants in Study 2. The participants' demographics in Study 2 were not significantly different from those in Study 1. Their ages ranging from 22 to 43 years. They are students, employees, entrepreneurs, military, and housewives. The experimental procedure in Study 2 is identical to Study 1 with the exception of the participants being

asked about their perceived risk. To obtain data on perceived risk, measurements are adapted from Nordgren, Van Der Pligt, and Van Harreveld (2007) by asking how much risk they perceived in purchasing preloved/counterfeit product on a scale of 1 - 5 (1 = no risk at all - 5 = very risky).

PROCESS for SPSS is used to test the mediation effect of perceived risk on the relationship between anticipated regret and consumer purchase decision on preloved/counterfeit products used. The result of the analysis shows that anticipated regret significantly affect perceived risk ($\beta = 0.57, t = 11.40, p = 0.01$), anticipated regret has negative significant effect toward purchase intention ($\beta = -0.20, t = -6.03, p = 0.00$), and perceived risk also negatively affect purchase intention ($\beta = -0.32, t = -8.22, p = 0.03$). The bootstrap results indicate that there is a significant indirect effect, indicated by 95% CI that the indirect effect does not contain zeros (0.15, 0.11). Thus Hypothesis 2 in this research is supported. This is in line with the findings of Chen et al. (2015). As a symbolic product, fashion is often used by consumers to show their status and identity. When consumers associate purchase of

counterfeit products with risky activity, they will consider purchasing the product based on the risks it may face. Social risk is often a major consideration for consumers in deciding to purchase a product, such as the embarrassment consumers will experience when people around them find out that they purchase and consume counterfeit products. In addition, functional risks also accompany the purchase of counterfeit products such as poor-quality product.

CONCLUSION AND RECOMMENDATION

The results of this study indicate that consumers will reduce their preference to counterfeit products when they are aware of the anticipated regret, they will feel in the future for their purchase decisions. The study also shows that the decrease in preference occurs because consumers perceive a risk on their purchasing decisions. The results of this study may contribute to efforts to reduce purchases of pirated products by consumers by governments and companies. The Indonesian government, where this research was conducted, faced major problems with the large number of pirates on different types of products: movies, music, software, drugs, fashion products, and some other products. Based on the results of this study, consumers will change their purchasing patterns against pirated products if their preferences for the product change. Promotional activities can be run by the authorities by adding situations where consumers will be embarrassed to buy and use pirated products. This can be done by emphasizing the risks they will experience, such as social risks as well as functional risk.

For further research, researchers can engage in research on different cultures because each culture carries different values. Thus, there is the possibility of consumers will behave differently. Still in relation to culture, it needs to be investigated about the

social effect on consumer behavior in buying preloved or counterfeit products.

Funding

This work was supported by Faculty of Economics and Business, Universitas Airlangga research grants.

REFERENCES

- Bagozzi, R. P., Belanche, D., Casalo, L. V., & Flavián, C. (2016). The role of anticipated emotions in purchase intentions. *Psychology & Marketing*, 33(8), 629-645.
- Bell, D. (1982). Regret in decision making under uncertainty. *Operation Research*, 30(5), 961-981.
- Bian, X., & Moutinho, L. (2011). The role of brand image, product involvement, and knowledge in explaining consumer purchase behaviour of counterfeits: Direct and indirect effects. *European Journal of Marketing*, 45(1/2), 191-216.
- Bian, X., Wang, K. Y., Smith, A., & Yannopoulou, N. (2016). New insights into unethical counterfeit consumption. *Journal of Business Research*, 69(10), 4249-4258.
- Chaudhry, P. E., & Walsh, M. G. (1996). An assessment of the impact of counterfeiting in international markets: the piracy paradox persists. *The Columbia Journal of World Business*, 31(3), 34-48.
- Chen, J., Teng, L., Liu, S., & Zhu H. (2015). Anticipating regret and consumer's preferences for counterfeit luxury products. *Journal of Business Research*, 68(3), 507-515.
- Davidson, A., Nepomuceno, M. V., & Laroche, M. (2019). Shame on you: when materialism leads to purchase intentions toward counterfeit products. *Journal of Business Ethics*, 155(2), 479-494.

Commented [HP11]: Dicek kembali. Sebaiknya menggunakan sumber referensi baru maksimal 10 tahun yg lalu

Commented [MK12R11]: Some references have been updated, but some references that are more than 10 years old are retained because previous studies also refer to them (eg, Bell (1982) and Zeelenberg & Peters (2007))

- Davvetas, V., & Diamantopoulos, A. (2018). "Should have I Bought the other One?" Experiencing Regret in Global versus Local Brand Purchase Decisions. *Journal of International Marketing*, 26(2), 1-21.
- Di Caprio, D., Santos-Arteaga, F. J., & Tavana, M. (2019). The role of anticipated emotions and the value of information in determining sequential search incentives. *Operations Research Perspectives*, 6, 100106.
- Dowling, G. R., & Staelin, R. (1994). A model of perceived risk and intended riskhandling activities. *Journal of Consumer Research*, 21(1), 119-134.
- Flavián-Blanco, C., Gurrea-Sarasa, R., & Orús-Sanclemente, C. (2011). Analyzing the emotional outcomes of the online search behavior with search engines. *Computers in Human Behavior*, 27(1), 540-551.
- Grossman, G. M., & Shapiro, C. (1988). Foreign counterfeiting of status goods. *The Quarterly Journal of Economics*, 103(1), 79-100.
- Hung, K. P., Huiling Chen, A., Peng, N., Hackley, C., Amy Tiwsakul, R., & Chou, C. L. (2011). Antecedents of luxury brand purchase intention. *Journal of Product & Brand Management*, 20(6), 457-467.
- Kapferer, J. N. (1995). Brand confusion: Empirical study of a legal concept. *Psychology & Marketing*, 12(6), 551-568.
- Lyons, S. J., Wien, A. H., & Altintzoglou, T. (2019). Guilt-free pleasures: how premium and luxury influence regret. *Journal of Product & Brand Management*, 28(3), 421-431.
- Medvec, V.H., Madey, S.F. & Gilovich, T. (1995). When Less Is More: Counterfactual Thinking and Satisfaction among Olympic Medalists. *Journal of Personality & Social Psychology*, 69(4), 603-610.
- Neel, D., & Brad, J. 2012. The Interactive Effects of Decision-Making and Expertise on The Experience of Regret. *Journal of Applied Business Research*, 28(3); 333-346.
- Nordgren, L. F., Van Der Pligt, J., & Van Harreveld, F. (2007). Unpacking perceived control in risk perception: The mediating role of anticipated regret. *Journal of Behavioral Decision Making*, 20(5), 533-544.
- Park-Poaps, H., & Kang, J. (2018). An experiment on non-luxury fashion counterfeit purchase: The effects of brand reputation, fashion attributes, and attitudes toward counterfeiting. *Journal of Brand Management*, 25(2), 185-196.
- Pelaez, A., Chen, C. W., & Chen, Y. X. (2019). Effects of perceived risk on intention to purchase: A meta-analysis. *Journal of Computer Information Systems*, 59(1), 73-84.
- Rubio, N., Oubiña, J., & Villaseñor, N. (2014). Brand awareness-Brand quality inference and consumer's risk perception in store brands of food products. *Food quality and preference*, 32, 289-298.
- Shih, E., & Schau, H.J. (2011). To justify or not to justify: The role of anticipated regret on consumers' decision to upgrade technological innovations. *Journal of Retailing*, 87(2), 242-251.
- Thomas, V. M. (2003). Demand and dematerialization impacts of second-Hand markets. *Journal of Industrial Ecology*, 7(2), 65-78.
- Wilcox, K., Kim, H. M., & Sen, S. (2009). Why do consumers buy counterfeit luxury brands? *Journal of Marketing Research*, 46(2), 247-259.
- Williams, I., & Shaw, P. (2017). Reuse: Fashion or future?. *Waste Management*, 60, 1-2.
- Zeelenberg, M., & Pieters, R. 2007. A Theory of Regret Regulation 1.0. *Journal of Consumer Psychology*, 17(1), 3-18.

Zhou H., & Gu, Z. (2015). The Effect of Different Price Presentations on Consumer Impulse Buying Behavior: The Role of Anticipated Regret. *American Journal of Industrial and Business Management*, 5(1), 27.