

# U.S. Consumers' Motivations for Purchasing and Not Purchasing Fashion Counterfeit Goods

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Fashion  
Counterfeit  
Goods

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**Abstract** *This study explores U.S. consumers' perceptions about fashion counterfeit goods and counterfeiting and motivations for purchasing and not purchasing those goods. A qualitative research technique utilizing self-administered essay questions was used to collect data. A convenience sample of female college students (N=128) drawn from classes at Midwestern and Southern universities in the U.S. participated in this study. This study found that a majority of consumers tended to perceive that fashion counterfeit goods are merely imitations of the legitimate goods and that counterfeiting is producing and selling fake goods, but a small number of consumers associated those goods with illegally produced goods and illegal practices or violations of intellectual property rights. The major motivations for purchasing counterfeit fashion goods were found to be price/value consciousness, appearance of counterfeit goods, status consumption, availability of the goods, desire for souvenirs, and social (family and peer) influences. In addition, the major deterrents to purchasing these goods were identified as integrity/ethical judgment, poor quality of counterfeit goods, self-image/status, and unavailability of the goods. This study provides policy makers and anti-counterfeit coalitions with information to develop effective educational programs or campaigns to influence consumers' counterfeit fashion purchasing behavior.*

**Key words** *Fashion counterfeiting, counterfeits, motivations, non-deceptive counterfeiting*

## Introduction

Counterfeiting is a \$600 billion dollar industry which has showed a 10,000% increase during the last two decades from \$5.5 billion in 1982 (IAAC, 2008) and which costs U.S. businesses about \$250 billion annually (IAAC, 2008; Tucker, 2005). Counterfeiting is defined as copies produced to deceive consumers into believing that the goods are genuine (Bamossy & Scammon, 1985). The International Anti Counterfeiting Coalition (n.d.) states that "counterfeiting is illegal and purchasing counterfeit products supports illegal activity." Because this business is unlawful and therefore non-taxable, it costs the U.S. economy tens of billion dollars each year (Li, 2011) and results in the loss of honest jobs (Bosworth, 2006). In ad-

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dition to the harm imposed upon the economy, profits from the sale of counterfeit goods have been linked to organized crime in the form of money laundering, drug trafficking, prostitution, and even terrorist efforts(Bosworth, 2006).

In an attempt to combat such detrimental behavior, organizations both national and worldwide have implemented laws restricting counterfeit practices and have made great efforts to enforce trade barriers blocking the entrance of pirated items. For example, the Anti-Counterfeiting Trade Agreement(ACTA) recently completed the legal verification of the ACTA text, a document which inaugurates international standards for enforcing intellectual property rights in order to fight counterfeiting and piracy issues, build best practices for enforcement, and provide an effective legal basis for prosecuting counterfeiters("Anti-Counterfeiting Trade," 2012). However, Frontier Economics forecasts that the annual global economic impact of counterfeiting will increase to \$1.7 trillion by 2015("Sink the Pirates," 2012). This statistic shows that the legal steps taken by customs agencies and the judicial system to deter counterfeiting on the supply side may offer only benign "slap-on-the-wrist" punishments and fall short of a solution to the problem.

While the counterfeiting trade encompasses a vast array of products, one of the most mainstream and controversial product categories is luxury fashion goods. The U.S. Customs and Border Control reported at mid 2006 that fashion items accounted for 45% of the counterfeits seized(Casabona, 2006). Among the products confiscated, luxury names Louis Vuitton, Gucci, and Prada comprised three of the top five brands counterfeited(McGlone, 2006). This fact indicates that counterfeiting poses a serious threat to legitimate luxury brands as well as to the fashion industry(Oldenberg, 2005).

Despite the efforts of U.S. legal policies and the fashion industry to limit production and sale of counterfeits on the supply side, fashion counterfeiting has continuously increased due to strong consumer demand for luxury brand goods and perceived price advantage over the genuine goods(Kim & Karpova, 2010). In an effort to determine a more effective way to counter counterfeits, researchers have examined consumers' motivations for purchasing counterfeit goods. However, while most studies have used a quantitative research technique(see Table 1), studies using a qualitative research technique on this topic are limited and no qualitative studies have been conducted to examine U.S. consumers' motivations to purchase fashion counterfeits. Hoe, Hogg, and Hart(2003) suggest that in-depth explanations for consumers' underlying motives when purchasing counterfeits can be better assessed by qualitative research. While qualitative research allows researchers to obtain a deeper understanding of the way consumers think and the motivations behind their behavior(Ruyeter & Scholl, 1998), the use of interviews may result in censored responses that are tailored around social norms because respondents tend to offer socially acceptable responses(Churchill & Iacobucci, 2005). This limitation is particularly relevant to questions regarding non-deceptive counterfeit purchasing due to the illicit nature of the subject matter. In addition, no studies have investigated consumers' association with counterfeiting and counterfeit goods by asking them to define those terms. Therefore, the purpose of this study was to explore U.S. consumers' perceptions toward fashion counterfeiting and counterfeit goods and motivations for purchasing and not purchasing those goods using self-administered essay questions.

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## *Review of Literature*

In order to explore this topic, existing research regarding consumers' motivations to purchase counterfeits was first reviewed to gain a better understanding of previous insights on counterfeit consumption motivations. As shown in Table 1, researchers have identified a number of factors influencing attitude and/or behavioral intentions toward counterfeit goods, including psychographic and product attribute variables. These factors include informational and normative susceptibility, subjective norm, status consumption, value consciousness, integrity, ethical judgment, perceived risk, past purchase experience, and product appearance.

Informational susceptibility refers to individuals' tendency to base their purchase decisions on the opinions of others perceived to be knowledgeable, whereas normative susceptibility refers to the tendency to rely on the expectations of others in making purchase decisions (Bearden, Netemeyer, & Teal, 1989). Ang, Cheng, Lim, and Tambyah (2001) found that both informative and normative susceptibility affected attitudes toward piracy of CDs. However, in the context of fashion counterfeiting, Kim and Karpova (2010) found that only normative susceptibility influenced attitudes toward purchasing fashion counterfeit goods, which in turn influenced intent to purchase those goods. Similarly, researchers have found that the subjective norm, which includes social pressure and peer pressure, predicts consumers' attitude toward and willingness to purchase counterfeits (Albers-Miller, 1999; Kim & Karpova, 2010). Consumers' purchasing decisions are often shaped by family and friends' opinions of their behavior (Bearden et al., 1989) and peer pressure or support encourages individuals to participate in inappropriate consuming behavior (Powers & Anglin, 1996).

Status consumption is the idea that consumers are more likely to buy branded products that convey a message of affluence, wealth, and social rank (Wee, Tan, & Cheok, 1995) due to individuals' tendency to associate themselves with the class above them (Mellot, 1983). A status-conscious consumer who is unable to afford the legitimate goods may choose to purchase counterfeit goods as a cheap alternative to the original ones (Wee et al., 1995). Although brand image of the good counterfeited was found to influence consumers' intent to purchase the good (Gentry, Putreva, & Shultz, 2001; Wee et al., 1995), Kim and Karpova (2010) found no relationship between status consumption and attitudes toward purchasing fashion counterfeits. While Kim and Karpova (2010) studied U.S. consumers, Wee et al. (1995) and Gentry et al. (2001) selected consumers from Southeast Asia. Therefore, it is possible that in collectivistic cultures such as those of Southeast Asia, people tend to be concerned with their "face" to others (Li & Su, 2007) and may purchase the counterfeits of the branded goods as a status symbol that is more obtainable than the authentic one.

Value consciousness is defined as "a concern for paying lower prices, subject to some quality constraint" (Lichtenstein, Netemeyer, & Burton, 1990, p. 56) and includes the perceived benefits acquired by the consumer in return for the price paid to the supplier (Parasuraman & Grewal, 2000). Value consciousness (i.e., customers' awareness of the lower price of counterfeit goods compared to authentic goods) is one of the main antecedents of consumers' attitudes toward purchasing and intent to purchase counterfeit

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fashion goods(Cordell, Wongtada, & Kieschnick, 1996; Kim & Karpova, 2010; Prendergast, Chuen, & Phau, 2002; Wee et al., 1995).

Integrity and ethical judgment have also been examined in the context of fashion counterfeiting. Integrity includes the characteristics of responsibility, honesty, and self-control(Rokeach, 1968). Ethical judgment refers to an individual's beliefs about the moral rightness or wrongness of a certain behavior(Hunt & Vitell, 1986). Previous research has found conflicting findings regarding these variables; while Kim & Karpova(2010) found no relationship between integrity and attitude toward the purchase of fashion counterfeits, Ha and Lennon(2006) found that ethical judgments influenced intent to purchase fashion counterfeits. Some studies, using non-fashion counterfeits(e.g., CDs, cameras), found a negative relationship between integrity and attitude and behavioral intention(Ang et al., 2001; de Matos, Ituassu, & Rossi, 2007).

The likelihood of a person being involved in a deviating behavior depends on the level of the risk associated with the behavior(Feldman, 1977). The relationship between perceived risk and consumers' intent to purchase counterfeits is not clear and researchers have found conflicting results. Wee et al.(1995) found no influence of perceived risks, such as social, psychological, financial, and performance risks, on consumers' likelihood of purchasing counterfeit goods. In addition, Albers-Miller(1999) reported no relationship between perceived criminal risk and consumers' willingness to buy pirated TV. However, Ha and Lennon(2006) found that consumers' uncertainty about consequences(i.e., financial risk, psychological risk, performance risk, and time risk) was negatively related to intent to purchase fashion counterfeits.

Consumers' *past purchase experience* of counterfeit goods was found to be a predictor of attitude toward and intent to purchase those goods. Buyers of counterfeit goods tended to have more favorable attitudes toward counterfeiting practices than did non-buyers(Ang et al., 2001; Tom, Garibaldi, Zeng, & Pilcher, 1998). Kim and Karpova(2010) found that consumers who have purchased fashion counterfeits in the past are likely to have positive attitudes toward purchasing those goods.

Finally, the attributes of the counterfeit products, including durability, quality, and appearance, have been found to influence consumers' purchasing behavior(Wee et al., 1995). In the context of fashion counterfeits, researchers have consistently found *product appearance* to be the most significant predictor of attitude toward purchasing those goods(Kim & Karpova, 2005) and intent to purchase(Prendergast et al., 2002; Wee et al., 1995).

**Table 1.** Research findings regarding consumers' perceptions and behavioral intentions in the context of counterfeit goods

Quantitative Research				
Authors	Product Type	Independent Variable	Dependent Variable	Research Method(Sample)
Albers-Miller(1999)	TV	Peer pressure; Perceived criminal risk; Product price	Willingness to buy	Survey(U.S. college students)
Ang et al.(2001)	Music CDs	Social influences(informative/normative susceptibility); Personality characteristics(value consciousness, integrity, personal gratification); Demographics	Attitude; Purchase intention	Survey(Singaporean consumers)
Bian & Veloutsou (2007)	Fashion (sunglasses)	Demographic variables(gender, age, education)	Purchase intentions	Survey(UK/Chinese consumers)
Chakraborty et al. (1997)	Auto parts	Country of manufacture of genuine product(US vs. foreign) Failure rate of counterfeit	Perceived risks; Purchase intentions; Post-purchase feelings of guilt	Survey(U.S. college students)
Cheung & Prendergast(2005)	VCDs; Clothing/ accessories	Light vs. heavy counterfeit buyers	Demographic variables (gender, age, marital status, occupation, income)	Survey(Hong Kong, Shanghai, Wuhan consumers)
Cordell et al. (1996)	Knit shirt; Camera	Attitude toward lawfulness; Perceived performance of product; Brand; Retailer; Price	Willingness to purchase	Experiment(U.S. college students)
de Matos et al. (2007)	General counterfeit goods	Price quality inference; Risk averseness; Perceived risk; Integrity; Sense of accomplishment; Friends/relatives approval; Past purchase behavior; Attitudes toward counterfeits	Attitude; Behavioral intentions	Survey(Brazilian consumers)
Ha & Lennon (2006)	Fashion counterfeits	Ethical ideologies; Idealism; Relativism; Perceived risk; Ethical judgments	Ethical judgments; Intent to purchase	Survey(U.S. college students)
Kim & Karpova (2010)	Fashion counterfeits	Informational susceptibility; Normative susceptibility; Value consciousness; Integrity; Status consumption; Materialism; Product appearance; Past purchase behavior; Attitude; Perceived behavioral control; Subjective norm	Attitude; Intent to purchase	Survey(U.S. female college students)
Kim et al.(2009)	Fashion products (handbags)	Moral affect; Moral judgment; Moral intensity; Proneness to shame; Proneness to guilt	Intent to purchase	Survey(U.S. college students)
Penz & Stottinger (2005)	Branded counterfeit goods	Purchase intention; Defending counterfeiters; Embarrassment potential; Subjective norm; Perceived behavioral control; Self-identity; Readiness to take risk; Fashion involvement; Ethical predisposition	Actual purchase; Intent to purchase; Degree of defending counterfeiting; Embarrassment potential; self-image(smart image)	Survey(Austrian consumers)
Prendergast et al. (2002)	VCDs; Branded clothing counterfeits	Low/high spenders of pirated VCDs/clothing brands	Demographic variables; Price; Quality; Popularity of item; After-sales	Survey(Hong Kong consumers)

Quantitative Research				
Authors	Product Type	Independent Variable	Dependent Variable	Research Method(Sample)
			service; Friends' or family members' opinions; Ethical/legal issue	
Tom et al.(1998)	Study 1: Counterfeit goods Study 2 & 3: CDs; Software; t-shirts; Purses	Study 1: Past purchase behavior Study 2: Preference of counterfeit/luxury products Study 3: Past purchase behavior Demographics	Attitudes; Post purchase satisfaction	Survey(U.S consumers)
Wee, Tan, & Cheok(1995)	Literature (textbook) Software; Leather wallet /purses; Watches	Psychographic variables(attitude towards counterfeiting, brand status, novelty-seeking, materialism, risk taking); Demographic variables(age, educational attainment, household income); Product attribute variables(appearance, durability, image, perceived fashion content, purpose, quality)	Purchase intention	Survey(South East Asian college students/ consumers)
Wilcox et al. (2009)	Luxury fashion brands	Attitude functions(social-adjustive/value-expressive); Moral beliefs(favorable/unfavorable toward counterfeits); Conspicuous brand; Type of advertisement(social-adjustive/value-expressive)	Likelihood to purchase	Survey(U.S. college students)
Qualitative Research				
Author(s)	Counterfeit product	Research purpose	Research method & sample	
Gentry et al.(2001)	Counterfeit goods	Exploring consumers' volitional or conscious choice for counterfeit goods	Interview(Singaporean, Malaysian, and Indonesian college students)	
Hoe et al.(2003)	Fashion counterfeits	Exploring how consumers use brands in the construction of their identity and the implications of the brands when they are counterfeit	Interview(U.K consumers)	

## Method

### Sample and Procedure

A convenience sample of female college students over the age of 18 was drawn from apparel merchandising classes in Midwestern and Southern universities in the U.S. College women were considered an appropriate sample for this study because they tend to be heavy users of fashion products that are frequently counterfeited(Cordell et al., 1996) and because women are more likely to purchase fashion counterfeits than men(Cheung & Pendergast, 2006).

The instrument developed for this study was a self-administered questionnaire. First, in order to establish a common baseline of understanding for the meaning of “counterfeit goods” and “counterfeiting,” respondents were asked to provide a self-definition of the two terms. Five short answer questions were

asked in relation to respondents' counterfeit purchase experience, type of counterfeiting (i.e., deceptive or non-deceptive), items purchased, and purchase satisfaction. In this study, counterfeit fashion goods included clothing, bags, purses, shoes, watches, accessories, sunglasses, and perfume. Two essay questions were included to gain a deeper understanding of consumers' motivations for purchasing or not purchasing counterfeit fashion goods. An example question is "If you had purchased any fashion counterfeit goods, please recall the purchase situation and explain what made you purchase them? Describe your motivations of purchasing those goods as much as you can think of." Finally, demographic characteristics (e.g., gender, age, major, school year, and ethnicity) were collected.

To collect data, the survey questionnaires were distributed in classes and students were given a week to complete their answers. Extra credit was given to students to encourage them to participate in the study and help them take this activity seriously when providing their answers, especially for essay questions. To content-analyze the data, this study used the constant comparison approach, which entails comparing data and themes until enough themes are developed to cover the data (Esterberg, 2002). Two coders reviewed data in order to elevate the credibility and trustworthiness of the study. Once a coding guide was established by the principal researcher, the second coder independently coded the statements. Inter-coder reliability was assured at 97.7%. When the coders did not agree on a statement, they negotiated until they could select a final category.

## Results

A total of 128 usable responses were collected, resulting in a 91% response rate. Because the data from Midwestern and Southern universities showed a similar number of counterfeit fashion buyers (65% vs. 67%), both data sets were combined for further analysis. The average age of the respondents was 21 years old with a range of 19-25. About 80% of the respondents were in an apparel design and merchandising major. The majority of the respondents were Caucasian American (87%). About 85 out of 128 (66%) respondents reported that they had purchased counterfeit fashion goods. Among those who had purchased fashion counterfeits, 77 (91%) of respondents knowingly purchased those goods (i.e., non-deceptive counterfeiting). The most frequently purchased counterfeit fashion product category was purses. About 50% reported that their purchase experiences were satisfactory, whereas about 25% reported that their experiences were unsatisfactory.

### What do the terms "counterfeit goods" and "counterfeiting" mean to them?

To explore the types of associations that respondents have in relation to counterfeit goods and counterfeiting, we asked respondents to define the terms. First, for the term "counterfeit goods," three themes emerged: counterfeit goods as (a) knock-offs or imitations, (b) illegal goods, and (c) goods made by using stolen original ideas, copyrights, or trademarks. A majority of respondents (72%) defined counterfeit goods as *knock-offs or imitations*, using terms or phrases such as "fake," "not real," "knock off," "false branding," "copy of original," and "imitation." These respondents did not express any negative associations

such as illegality or violation of intellectual property with fashion counterfeits. About 15% of the respondents defined counterfeit goods as *illegal*, using terms such as “illegally produced goods” or “goods illegally passed into the U.S.” and sold at low prices. About 5% of respondents defined counterfeit goods as *stolen*, using expressions such as “goods made by using stolen original ideas,” “stolen trademarks,” or “without permission or copyright.” These respondents seemed to realize that counterfeits goods are associated with violations of copyright and intellectual property laws, but did not address the fact that those goods are illegally produced goods.

Similarly, three themes emerged from the respondents’ definitions of counterfeiting: counterfeiting as(a) producing or selling fake goods,(b) producing or selling illegal goods, and(c) stealing original designs, copyrights, or trademarks without permission. A majority of respondents(70%) described counterfeiting as *producing or selling fake goods(labels), knockoffs, or imitation goods* with a label that does not belong to the original brands. About 21% of respondents acknowledged that counterfeiting is *illegal* and therefore is an *unethical practice* and defined counterfeiting using expressions such as “illegally reproducing,” “selling illegally,” or “using trademarks illegally.” About 6% of respondents described counterfeiting as *stealing designs* or *stealing trademarks*, but did not address it as an illegal practice.

#### **Why do they purchase fashion counterfeit goods?**

The respondents were asked to describe their motivations for purchasing counterfeit fashion goods if they had purchased those goods. Eighty-four respondents who had purchased counterfeit fashion goods responded to the question. Most respondents reported multiple reasons for buying fashion counterfeits and the motivations were coded separately.

##### *Price/Value Consciousness:*

*“...Unable to afford the legitimate good, counterfeit is a substitute”*

A majority of fashion counterfeit buyers(89%) reported that their motivation for purchasing counterfeit goods was the price/value advantage of fashion counterfeits over buying the legitimate goods. The purchases derived by this type of motivation appeared to serve other purposes as well; the price advantage of buying fashion counterfeits was discussed in relation to other benefits such as design identical to the legitimate goods and status conveyed by the brand. Although the price advantage of buying fashion counterfeits was the key motivation, these consumers considered fashion counterfeit goods to offer them multiple benefits and expressed the value-for-money of those goods.

“I have purchased counterfeit goods because even though they are not high-quality, they are much less expensive than the real thing... I purchased purse and jewelry that were imitations in order to save money but also have the brand name people look for.”(Respondent 82)

“...Even if I could afford one of these luxury brands, at Chinatown I was able to purchase multiple items for a lower price than I could purchase if these items were real.”(Respondent 98)



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Consumers also tended to see fashion counterfeits simply as a less expensive alternative to the more expensive original one. Consumers who cannot afford the authentic goods considered fashion counterfeits as their only option to experience those goods.

“The reason I purchased the counterfeit item was because I wanted the designer good without pay such a hefty cost. I was looking for a stylish item that would fit in with the current trends. The cost of the actual item is beyond my budget, and purchasing a counterfeit item was the next best thing. It was a cheap alternative.”(Respondent 61)

*Appearance of the goods:*

*“Because it looked like the real thing…”*

About half of the buyers(39 out of 84) reported that their motivation for purchasing fashion counterfeit goods was that the appearance of those goods resembles the legitimate brand goods counterfeited.

“...We went down Canal St. and I was fascinated by the knockoff designer products. At the time the only thing I was thinking about was how I’m getting these purses that look so much like the real thing, but cheaper.”(Respondent 10)

“I knew that it was not real, but looked almost identical to the real thing. So I figured why not buy the cheaper fake that nobody is going to know it’s fake.”(Respondent 48)

*Status consumption:*

*“I could uphold my image by carrying the prestige item even though it’s not real”*

Thirteen out of 84 buyers mentioned that their motivation for purchasing fashion counterfeit goods was the status carried by the brand, even though the goods were not authentic. These respondents tended to buy fashion counterfeits because of what the original product(brand) means in society and to believe that carrying fashion counterfeits allows them to project a certain image that they would like others to see or a status that they want to share.

“Designer products give a sense of higher social status that we all want to be a part of. Counterfeit goods make it easier for people with less money to be a part of that high social class.”(Respondent 72)

“Even though I knew these items were counterfeit, some even possibly stolen, that did not stop me from buying these products. Today’s world is all about brand image and who you are wearing. That’s what strongly influenced my decision to buy these products. While I purchased these products because I liked them, I also knew when I bought these things that I would now be carrying something with a “designer” name on the outside and the status it has.”(Respondent 88)

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*Availability of fashion counterfeit goods:*

*"Counterfeit goods are easily and readily available..."*

Availability of the fashion counterfeit goods was one of the motivations for consumers to purchase those goods. About half of the counterfeit buyers mentioned that they purchased fashion counterfeit goods when they visited New York, L.A., London, China, or South Korea, where those goods were easily available.

"... Another reason for purchasing counterfeit goods is that they are more easily and readily available than the original. Whether it was being sold on the street or out of a van, it happened to be right in front of me and it caught my attention."(Respondent 7)

"The only instance in which I have purchased a counterfeit goods was in NYC. The Chinatown area is known for having "knock-off" purses so I wanted to take advantage of the opportunity."(Respondent 17)

*Desire for souvenir:*

*"They would make fun souvenirs for family and friends"*

Five respondents said that their motivation for purchasing fashion counterfeits was to buy souvenirs for their family and friends.

"Our motivation for buying those goods was the fun family memories we created while doing a little gift shopping for our extended family and friends."(Respondent 13)

"I thought they [counterfeits] would make fun souvenirs for family and friends..."(Respondent 28)

*Social(family and peer) influences:*

*"Lots of my friends were buying them..."*

Four respondents reported that family or peers whom they were shopping with influenced their purchase decisions. Family or peer support encouraged consumers to participate in fashion counterfeit purchasing behavior and made them feel safe performing the behavior even though they realized that purchasing those goods was not right.

"I went to NYC on a class trip and everyone was talking about how Chinatown has fake name brands(counterfeit items). I was a little hesitant at first, but when I realized that almost everyone does it, I figured it would be safe. My experience went great, nothing bad happened. In China town, a man or woman would guide through hallways and doors to get to all of their counterfeit items. It was a little out of my comfort zone, but I was with a group of people, so I did not mind."(Respondent 122)

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### Why do they not purchase fashion counterfeit goods?

Respondents who had not purchased counterfeit fashion goods were asked to explain their motivations for not purchasing them. Forty-three respondents who answered that they had not purchased counterfeit fashion goods responded to the question.

#### *Integrity/ethical judgment:*

*"I know that counterfeiting is against the law"*

About half of the non-fashion counterfeit buyers(18 out of 43) answered that they refused to buy counterfeit fashion goods on the basis that counterfeiting is illegal and it is unethical to devalue the original designer by purchasing imitation goods.

"An obvious reason that has led me to never purchasing one [counterfeit] is the fact that it is against the law of copyright and is illegal."(Respondent 80)

"Counterfeit goods are really stealing from the designer. They are not only stealing profits but also stealing the image that many of these top designers have built... When consumers purchase counterfeit items, it devalues the brand image. I believe that if you can't afford to have the real thing, then you should not have it. Stealing profits and brand image from designers is not right."(Respondent 49)

#### *Poor quality of counterfeits:*

*"Counterfeit goods look tacky and look to be poor quality"*

Another category that emerged from the data is the quality of fashion counterfeit goods relative to the authentic goods. Fourteen out of 43 non-buyers stated that they do not purchase fashion counterfeit goods due to the poor quality and shorter lifespan of those goods compared to the authentic good.

"The quality of the good was very obviously cheap material that won't hold up after long term use. After seeing a designer handbag and then seeing the counterfeit goods, you cannot help but notice the large difference between the real deal and the fake. Also, many of them were tearing and ripping after only a few month use."(Respondent 81)

#### *Self-image/status:*

*"They don't hold any status."*

Ten out of 43 non-buyers reported that they do not purchase fashion counterfeits because fashion counterfeits do not hold any status and even negatively influence their self-image.

"I have not purchased any fashion counterfeits because I didn't want my friends to think that I couldn't afford the real thing so I just avoided it completely and said that I didn't want it

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anyways... Knowing that I won't be wasting my money on a bunch of fakes for a little status, instead of just waiting and getting the real thing when I can afford it seems like a better pay off to me. Not looking like a phony was worth more to than giving in to the newest fashion designer trends."(Respondent 93)

*Unavailability of the counterfeit goods:*

*"Low exposure to their availability"*

Five non-buyers reported that they did not have any opportunities to buy fashion counterfeit goods because they have not been in the places where those goods were available.

"I haven't ever purchased counterfeit goods because I have never been anywhere, where counterfeit goods have been available for me to purchase."(Respondent 71)

### ***Discussion and Conclusions***

This study examined consumers' experience and associations with fashion counterfeiting and counterfeit goods and explored their motivations for purchasing and not purchasing those goods. This study found that a majority of respondents knowingly purchased the fashion counterfeit goods, indicating that most purchases were volitional, rational choices. This finding supports the trend in counterfeit purchasing literature to study non-deceptive counterfeit consumers(e.g., Cordell et al., 1996; Gentry et al., 2001; Hoe et al., 2003) in an effort to combat counterfeiting from the demand side.

In this study, a majority of the respondents understood fashion counterfeit goods to be merely knock-offs of original designs. Only a small portion of those involved in this study associated counterfeit goods with illegal practice or violation of a designer's intellectual property rights. Similarly, about three-fourths of respondents defined counterfeiting as selling, producing, or purchasing of fake goods, whereas only about one-fourth of the respondents acknowledged that counterfeiting involves illegally reproduced or stolen goods. This alarmingly low number indicates a need for policy makers and anti-counterfeit coalitions to determine an effective means of educating consumers on the negative aspects associated with counterfeit goods and the illicit nature of the counterfeiting business(e.g., harm imposed on the economy, destruction of intellectual property rights).

In regard to consumers' motivations to purchase fashion counterfeit goods, this study found that consumers tended to be driven by the price/value of the counterfeit goods. This finding is consistent with that of previous studies which found that counterfeit goods, including fashion(e.g., Kim & Karpova, 2010) and non-fashion(e.g., Ang et al., 2001) goods, are selected over their genuine counterparts because there is a price advantage to the consumer. This study also found that the price advantage of fashion counterfeit purchases is related to consumers' value perception. Fashion counterfeit purchasers tend to think that the benefits they receive(e.g., product appearance and brand image/status) exceed the cost they pay to acquire the goods.

The appearance of the counterfeits has been an interest, particularly in fashion counterfeit stud-

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ies(e.g., Kim & Karpova, 2010; Wee et al., 1995). Similar to previous research that found the appearance of fashion counterfeit goods to be a predictor of consumers' attitude toward and intent to purchase those goods(Kim & Karpova, 2010; Wee et al., 1995) using a quantitative research technique(survey), this study showed that the major motivating factor of counterfeit fashion purchases was the appearance of the counterfeits, particularly when the counterfeits most resembled the legitimate brands. Because consumers tend to place considerable weight on the appearance of fashion counterfeit goods, anti-counterfeit campaigns and educational programs could emphasize the differences between the original brand items and their counterfeit copies. A "How to Spot a Fake" tutorial could be used to discourage consumers from purchasing counterfeit goods. If consumers are able to spot the differences between an original brand and counterfeit goods, they will be less likely to view the counterfeit as comparable in appearance to the original good. Such a program could also be effective because this study found that poor quality of the counterfeits is a major deterrent to purchasing those goods.

Although conflicting findings exists in previous research regarding integrity and behavioral intention of purchasing counterfeit goods, including fashion goods(e.g., Ha & Lennon, 2006; Kim & Karpova, 2010) and non-fashion goods(e.g., Ang et al., 2001; Cordell et al., 1996), this study found integrity as one of the deterrents to purchasing fashion counterfeits. Respondents in this category emphasized that counterfeit goods devalue the original designer and infringe intellectual property, and therefore are unethical and illegal. However, it is important to note that while about one-fifth of the total respondents defined fashion counterfeit goods and counterfeiting as an immoral practice or a violation of their ethics, only one-tenth of the respondents mentioned integrity or ethical judgment as a motivation for not purchasing counterfeit goods. This finding shows that although consumers are aware that purchasing fashion counterfeit goods is illegal and unethical, these beliefs do not deter most consumers from actual purchasing behaviors. Since consumers seem to be aware that counterfeit goods are harmful to the original designer, anti-counterfeiting campaigns using designers(e.g., the YOU CAN'T FAKE FASHION campaign by eBay) may be effective to educate consumers on the implications of counterfeiting to their brands.

In this study, social influences from family and peers were found to be a major motivation for purchasing counterfeit fashion goods, supporting the findings from previous research using fashion(Kim & Karpova, 2010) and non-fashion counterfeit goods(Ang et al., 2001; Penz & Stottinger, 2005). This finding indicates that the opinions, beliefs, and behaviors of family and peers can have a significant impact on consumers' counterfeit fashion purchase behavior.

Interestingly, in this study, two motivations were found to be reasons both for purchasing and not purchasing counterfeit fashion goods: status consumption and availability of fashion counterfeits. Although Kim and Karpova(2010) found that status consumption did not have a statistically significant relationship to attitude toward purchasing counterfeit fashion goods, this study found that consumers tended to be motivated to purchase those goods because of the social meaning and status associated with the original product(brand). This finding is somewhat consistent with that of Gentry et al.(2001) using general counterfeit goods(e.g., CDs, VCDs, clothing, and handbags) and Wee et al.(1995) using literature. Fashion items are often used as symbols to communicate individuals' socioeconomic status to others(Damhorst,

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Miller, & Michelman, 2001). Individuals try to improve their social status through conspicuous consumption of goods that present or symbolize status for them and others surrounding them (Eastman, Fredenberger, Campbell, & Calvert, 1997). Consumers who cannot afford the legitimate goods may purchase fashion counterfeit goods hoping to present the status associated with the original brand. However, in this study, consumers' perceived status of fashion counterfeit goods differed depending on their fashion counterfeit purchase experience. Fashion counterfeit buyers tended to think that the fake goods also convey the image of real ones, whereas non-buyers believed that the counterfeit goods do not hold the same status as the original ones do. This finding supports that of Hoe et al. (2003) that the meaning of the brand is transferred to the counterfeits when consumers are unable to distinguish the authentic goods from the counterfeits. When the counterfeit is detectable, the halo effect of the original brand might disappear.

This study found availability of fashion counterfeit goods to be both a motivation for both purchasing and not purchasing fashion counterfeit goods, supporting Kim and Karpova (2010), who, using a quantitative research technique (survey), found that perceived behavioral control affected intent to purchase fashion counterfeits. According to the theory of planned behavior (Ajzen, 1985), perceived behavior control, that is, individuals' perception of how difficult it is to perform the behavior of interest, influences intent and performance of the behavior. Individuals' perceived ease of performing a behavior is related to resources and opportunities to carry out the behavior (Ajzen, 1985). Consumers are more likely to purchase fashion counterfeits when they are readily available and less likely to purchase them when they are not. In addition, this study found that consumers tended to make fashion counterfeit purchases when they were traveling to cities or tourism centers and wanted to purchase fun souvenirs for their family and peers. These findings emphasize the importance of regulations and laws to limit the availability of fashion counterfeit goods on the supply side.

The main limitation of the current study is the sample used. The subjects were restricted to female students enrolled at Midwestern and Southern universities, who were drawn from classes within apparel and merchandising majors. Therefore, the findings of study may not be generalized to other consumer groups. Although respondents in this study did not directly address risks associated with purchasing fashion counterfeits, they identified deterrents to purchasing these goods as integrity, social status/self-image, and poor quality of counterfeits, which may be associated with criminal, financial, social, and psychological risks. The counterfeits of luxury brands are often manufactured in China, South Korea, and Taiwan (Ritson, 2007) and therefore counterfeits may be more prevalent in those countries. Because research examining perceived risk associated with counterfeits among Asian consumers is limited (see Table 1), future research may compare consumers in China, South Korea, and the U.S. in terms of perceived risk associated with fashion counterfeits.

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U.S. Consumers'  
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