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Users and non-users of counterfeits: motivations, emotional outcomes and neutralization processes

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Abstract

Purpose – This paper aims to examine how socio-economic status (SES) shapes consumers' purchase behavior of genuine brands and counterfeits. It also forms a typology based on the decision-making processes of these two groups by exploring neutralization processes and emotional outcomes related to their behaviors.

Design/methodology/approach – Data are collected through in-depth, semi-structured interviews with 42 users and non-users of counterfeits from different SES groups.

Findings – This paper develops a consumer typology based on the customer behavior of counterfeit and genuine brand users, as well as emotional outcomes and neutralization strategies used to justify their actions according to their SES group. These categories are defined as the black chameleons, the counterfeit owners, the genuine brand owners and the authenticity seekers.

Originality/value – This paper contributes to the counterfeit literature by examining the consumption practices of each SES group of users and non-users of counterfeits by focusing on motivations, emotional outcomes and neutralization processes. The study shows how consumers' end consumption practices and their SES group explains the mix findings on the counterfeit literature.

Keywords Counterfeiting, Consumer behaviour, Qualitative research, Counterfeits, Brand choice, Genuine brands, Original brands, SES Groups

Paper type Research paper

Introduction

Counterfeit trade is still one of the most significant phenomena shaping the world economy with a yearly worth of nearly half a trillion dollars, around 2.5 per cent of global imports (OECD, 2016). Further enabled by international trade agreements, the globalization of value chains and the growth of e-commerce, counterfeit trade follows the recent trends in consumer and business markets (OECD, 2016). The Organization for Economic Co-operation and Development (2016) states that any intellectually protected product can be subject to counterfeiting such as luxury goods (e.g. clothing, bags and shoes), convenience goods (e.g. fruits and oil), raw materials (e.g. chemicals) and capital items (e.g. machines).

Following the call of international organizations towards the elimination of counterfeit trade and the intensified volume of counterfeit consumption, this study examines how socio-economic status (SES from now on) shapes consumers' purchase behavior of genuine brands and counterfeits. Prior studies investigate consumers' conspicuous counterfeit

purchase behaviors from psychographic and demographic perspectives (Eisend *et al.*, 2017). Although these studies enhance our knowledge of the antecedents of counterfeit consumption, there are limited studies that investigate the phenomenon both from the perspective of users and non-users. Furthermore, differences in income level, status, education and lifestyles take little notice in the counterfeit literature. As an exception, Pueschel *et al.* (2017) examine affluent consumers' risk perceptions in luxury counterfeit purchase. By examining the consumption practices of each SES group of users and non-users of counterfeits this study provides a more holistic approach. As the subject is socially undesirable and self-relieving, in-depth semi-structured interviews were used to get a deeper inquiry.

This study has two main contributions. First, it compares the motives of buyers and non-buyers of counterfeits and enhances our understanding on why some people prefer not to buy counterfeits, whereas others are very keen to buy. Except identifying the underlying motivations, the study also focuses on the decision-making processes of these two groups by exploring cognitive, emotional and behavioral responses. Especially, consumers' neutralization processes and emotional outcomes are also investigated. Second, the findings of

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Pueschel *et al.* (2017) show that counterfeit purchase is not only performed by low income customers, but it also preferred by the extremely rich. Therefore, the study will compare users and non-users of counterfeit products for each SES group. From a managerial perspective, apart from the contributions to the counterfeit consumption literature, the findings may help marketing practitioners and policymakers to deal with the phenomenon.

The remaining of the article is organized as follows. Section 2 provides the theoretical framework by discussing the findings of key articles by identifying the theoretical gap that this study tries to provide insights. Then a discussion of the research design by focusing on the research context, the methodology used, the formation of the sample and the methods used for the analysis of data is provided in Section 3. Section 4 reports the findings of the qualitative research. Finally, Section 5 discusses the theoretical and managerial contributions, identifies areas for future research and discusses potential research limitations.

2. Literature review

2.1 Defining counterfeits

Many terms are used interchangeably to imply counterfeit products such as imitations, fakes, pirates, non-originals and copycats. According to the agreement on Trade-Related Aspects on Intellectual Property Rights (TRIPs), "counterfeit trademark goods refer to any goods bearing, without authorization, a trademark which cannot be distinguished in its essential aspects from the trademark registered for such goods" (World Trade Organization, 1994). Indeed, a counterfeit is a direct copy, whereas an imitation is an indirect copy (Bamossy and Scammon, 1985). Another classification used is the degree of deceptiveness of the counterfeit product. If customers buy products by not being aware of its unoriginality, this refers to deceptive counterfeiting, whereas if they buy counterfeits on purpose it refers to non-deceptive counterfeiting (Staake *et al.*, 2009). Bian (2006) adds into this classification the blur counterfeiting construct, pointing out that consumers are not sure whether products are genuine, counterfeit, genuine but from a parallel import arrangement, genuine but on sale or even stolen merchandise. As it is more likely to reveal hidden motives and discuss the issue from the perspective of subjective norms, the study concentrates only on non-deceptive counterfeit purchase and consumption.

2.2 Motivational drivers of counterfeit consumption

Previous studies that investigate the demand side motives behind counterfeit consumption can be classified into three categories: product/brand-based, social based and trait/demographics-based motivators (Eisend and Schuchert-Güler, 2006; Baruönü Latif *et al.*, 2018). The first category covers only the studies that examine counterfeits through product attributes such as price, quality, identicalness with the original version and brand attributes like brand identity, brand personality, brand image and loyalty (Bian and Moutinho, 2011; Poddar et al, 2012; Van Horen and Pieters, 2013; Le Roux et al, 2016). For example, perceived quality (Chaudhry and Stumpf, 2011; Poddar *et al.*, 2012) and degree of identicalness between the counterfeit product and its original as well as the gap between the prices of counterfeit and genuine

brands (Poddar *et al.*, 2012) increase the likelihood of its preference (Gentry *et al.*, 2006; Van Horen and Pieters, 2013; Le Roux *et al.*, 2016) . The second group of studies focus on the social perspective of the construct by employing the theoretical constructs of Veblenism, Hedonism and Bangwadon effect (Inkon, 2013; Geiger-Oneto et al, 2012; Amaral and Loken, 2016). Several studies discuss that status consumption, subjective norms and social group acceptance are positively correlated with counterfeit consumption (Geiger-Oneto *et al.*, 2012; Turunen and Laaksonen,2011; Inkon, 2013). The final group of studies explains counterfeit preference by focusing on users' personal traits and demographics. Studies show that there is a positive relationship between value consciousness and counterfeit consumption, (Ang et al, 2001; Randhawa *et al.*, 2015; Penz and Stöttinger, 2012; Türkyılmaz and Uslu, 2014) and a negative association between the intensity of ethical value/morality and counterfeit consumption (Kozar and Marcketti, 2011; Kim *et al.*, 2012; Chaudhry and Stumpf, 2011). Scholars also argue that integrity is negatively (Ang et al., 2001; Türkyılmaz and Uslu, 2014; de Matos *et al.*, 2007; Phau and Teah, 2009), whereas materialism (Kozar and Marcketti, 2011; Türkyılmaz and Uslu, 2014) and the happiness dimension of materialism (Engizek and Şekerkaya, 2015) and subjective norms (Fernandes, 2013; de Matos *et al.*, 2007) are positively correlated with counterfeit consumption (Fernandes, 2013; Penz and Stöttinger, 2012; Bian and Veloutsou, 2007; Rod *et al.*, 2015).

When explaining counterfeiting, a great number of studies focus only on consumers who use counterfeits, and only a limited number of studies focus on non-users and their demographic and psychographic attributes, their underlying motivations and their decision-making processes. However, the findings of the studies that investigate both users and non-users of counterfeits are also controversial. Kaufmann *et al.* (2016) reveal that the stronger the purchasing intentions in buying counterfeits, the lower the purchasing intentions to buy original luxury fashion brands. On the contrary, Castaño and Perez (2014) investigate individuals that possess both original and counterfeit brands, and their findings reveal that consumers, who voluntarily acquired both original luxury brands and their counterfeits transferred the symbolic personality traits of the original brand to the counterfeit, experienced significantly higher association between their personality traits and those of the original brand and also perceived a stronger overlap between their overall self-concept and the genuine brand's image than with the counterfeit's image.

The findings regarding the relationships among income level, SES groups and counterfeit consumption are also controversial. Some studies show that household income is negatively correlated with counterfeit purchase intention (Rod *et al.*, 2015; Nia and Zaichkowsky, 2000; Yoo and Lee, 2004), whereas Norum and Cuno (2011) state that there is not a significant relationship between the two constructs. Early publications on counterfeit consumption reveal that the main reason that drives counterfeit purchase is the products' low prices (Albers-Miller, 1999). This assumes that counterfeit consumption is most likely to be popular among low-income consumers. However, recent studies reveal that high-income consumers also buy counterfeits even though they can afford originals (Gentry et al, 2006). High-income consumers not

only buy counterfeits but also mix it with original products (Perez et al, 2010). In their meta-analysis, Eisend *et al.* (2017) focus on the effect of the context and argue that income level does not influence consumer responses in developing countries, but it reduces intentions of purchasing counterfeit products in developed countries. Similarly, Pueschel *et al.* (2017) investigate counterfeit consumption behavior of the United Arab Emirates citizens and explain how high-income consumers employ different coping strategies to reduce different forms of perceived risk. Furthermore, counterfeit luxury products and brands play different roles in consumer identity projects in developed countries in comparison to the developing ones. This can be explained by the relative prices of genuine and counterfeit products in relation to consumer incomes in these countries and their different legal and social contexts (Eisend, 2017). All these findings lead us to investigate users and non-users of counterfeits by exploring members of different SES groups in Turkey, a developing country with a heterogeneous income distribution.

2.3 Cognitive dissonance and neutralization processes

The purchase of counterfeits is often regarded as consumer misbehavior and an unethical form of consumption (Penz and Stöttinger, 2012). Even though consumers are aware of the commercial loss caused by counterfeits, as well as the ethical issues and the violation of law (Nia and Zaichkowsky, 2000), still the demand for counterfeits is rapidly increasing in recent years (OECD, 2016). Counterfeiting accounts for 10 per cent of the world trade (Liu *et al.*, 2015). Users develop some cognitive excuses to deal with the cognitive dissonance caused by counterfeit consumption. Cognitive dissonance is defined as the establishment of "internal harmony, consistency, or congruity among (…) opinions, attitudes, knowledge and values" (Festinger, 1957, p. 260). Individuals want to be consistent within themselves, between what they believe and what they do. Therefore, users of counterfeit products seek justification to legitimize their behavior and thus, may often develop a variety of neutralization strategies.

Indeed, neutralization techniques (Sykes and Matza, 1957) allow individuals to justify and rationalize their misbehavior, thus enabling individuals to avoid any sense of guilt. Therefore, individuals can defend themselves and avoid self-blame. Sykes and Matza (1957) classify neutralization techniques in five categories: denial of responsibility, denial of injury, blaming the victim, condemnation of the condemners and appeal to higher loyalties. In the denial of responsibility, individuals do not feel personally responsible for the misbehavior and reflect it to third parties that are outside their control (McGregor, 2009). Denial of injury involves cognitions that deny that the behavior is harmful and that can cause any damage for anybody. Blaming the victim refers to relieving oneself by judging the victim as the one who has already deserved this punishment. Condemnation of the condemners transfers the focus of attention away from firms to the authorities, who develop policies, laws and regulations (Cromwell and Thurman, 2003). Appeal to higher loyalties involves the violation of rules to realize higher order ideals for the benefit of sub-groups that consumers are members of (Gruber and Schlegelmilch, 2013). Sykes and Matza's (1957) neutralization techniques are the most widely accepted and used techniques within the literature.

Eisend and Schuchert-Güler (2006) first introduced the theory of cognitive dissonance in the counterfeit literature and developed a model to explain the effects of rational and moral justifications during the purchase of counterfeit products. Bian *et al.* (2016) and Pueschel *et al.* (2017) structured their studies on Eisend and Schuchert-Güler's (2006) conceptual model. The study of Bian *et al.* (2016) emphasizes the interplay between motivational drivers and neutralizations processes. It argues that initial motivations are often sustained by two neutralization techniques: denial of responsibility and appealing to higher loyalties. These techniques address cognitive dissonance associated with counterfeit consumption or the discrepancies between their actual behavior and their ethical values.

Pueschel *et al.* (2017) explore how consumers cope with cognitive dissonance regarding the perceived risk towards counterfeit products. According to the findings, some counterfeit owners argue that counterfeits can help low-income individuals to become fashionable and provide equal access to desired brands not only for the wealthy, but also for the poor individuals. Some of them pass the responsibility to the seller and feel comfortable with their counterfeit purchase. Others claim that they would buy counterfeits even if the product has no name because of the attractiveness of the product features, not the brand name and the symbolic meanings attached to it. Even some Muslims justify their behavior by referring to Zakat, one of the five pillars of Islam – a form of obligatory alms-giving. These Muslim counterfeit consumers argue that they buy counterfeits to be able to give more resources to the poor. Furthermore, the "Robin Hood Mentality" decreases consumers' empathy for producers of luxury brands, and their financial and symbolic loss motivates individuals to buy from sellers of counterfeits (Ang *et al.*, 2001).

2.4 Emotional outcomes

Consumers are influenced by the types and levels of risks they perceive during the purchase or avoidance counterfeit products (Michaelidou and Christodoulides, 2011). Possible risks perceived with counterfeit consumption are financial, performance, physical, psychological, and social (Jacoby and Kaplan, 1972).

Perceived financial risk refers to the loss of money and waste because of the malfunction of the product. Perceived performance risk occurs when the product fails to perform as expected. Perceived physical risk involves the possible damage to consumer health and safety. Perceived psychological risk includes concerns about consumers' self-concept, such as a fear of not making the right product choice. Perceived social risk refers to the negative reactions or thoughts that consumers may experience from others.

Additionally, Gregory-Smith *et al.* (2013) introduced the construct of psychosocial risk that expresses damage to the social self-image caused by the experience of self-conscious emotions such as embarrassment and shame. In the case of fake brand acquisitions, apart from financial, physical and performance risks, some consumers perceive a psychosocial risk as they feel embarrassed or humiliated when their use of counterfeit products is understood by others. At this point, it is expected that individuals with higher perceived psychosocial risk will be more abstentious about using counterfeit products.

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Bian et al. (2016) identify two opposing emotional outcomes regarding psychosocial risk that occur upon the purchase of counterfeits. The first emotional outcome is social embarrassment, the fear of being identified as a counterfeit user by significant others (Bian et al., 2016; Gistri et al, 2009). Especially in collectivistic cultures, in which people "accept the legitimacy of the judging of individuals based on group identities, such as family" (Wong and Ahuvia, 1998, p. 427), consumers are most likely to perceive psychosocial risk (Pueschel et al.,2017)). This psychosocial risk is able to keep many consumers away from buying fake brands. Additionally, this risk decreases because of the closeness of the relationship (Wong and Ahuvia, 1998; Wilcox et al., 2009). On the contrary, Bian et al. (2016) argues that there are several counterfeit customers, who do not perceive psychosocial risk and thus are not concerned about their social self-image and continue to buy fake brands. Then rather than negative, a positive emotional outcome occurs, as consumers feel content for being able to buy high-quality products for low prices and friends can appraise them for being knowledgeable and wise consumers.

Kim and Johnson (2014) stated that emotional reactions of dependents and interdependents were also different from each other in terms of feelings of pride or shame. Lee and Shrum (2012) show that when counterfeit customers were questioned about the originality of their products, they intend to buy less likely counterfeits in the future. In the light of previous literature, we expect that people with higher psychosocial risk perceptions would reveal more negative emotional outcomes through counterfeit consumption. Individuals' fear of social embarrassment, taking the label of a counterfeit user and loss of self-esteem, keep consumers' away from counterfeit products as expected negative emotional outcomes are more severe than the financial benefits of using counterfeits. Oppositely, individuals who are not affected by others judgements are more likely to buy and use counterfeit products, and their emotional reactions are more positive compared to non-users.

Although previous studies have been conducted largely on counterfeit product users, the factors that are negatively related to counterfeit product purchase give clues about the behavior of consumers who avoid counterfeit products.

Overall, in their call, the *Journal of Product and Brand Management* emphasized that most of the studies focus only on the users of counterfeits and overlook non-users. To enhance our understanding on counterfeit consumption, the differences in the underlying motivations and in the decision-making processes of these two distinct groups of customers should be studied. Unlike previous studies, rather than focusing only on the factors that motivate counterfeit users, factors that keep consumers away from counterfeits are also examined. Moreover, in the case of a counterfeit purchase, to cope with cognitive dissonance, consumers' neutralization processes are also explored for each SES group. While for non-users of counterfeits, consumers' cognitive dissonance because of the higher financial value of the genuine brands was also investigated. Finally, emerging emotional outcomes are also discussed for each SES group as well.

3. Research design

Turkey is one of the three countries where counterfeits originate from (OECD, 2016). Thus, the context provides a fruitful field for the investigation of the market for counterfeits. An exploratory research design was developed to explore consumers' consumption practices of genuine brands and/or counterfeits. As the topic is sensitive, qualitative research provides an effective methodology to decrease the distance between the researcher and the interviewee and to increase the depth of the data through probing (Ger and Sandikci, 2006). To be able to gain an initial understanding of the phenomenon and to develop the interview guide, two focus group interviews were performed with generation Y consumers at a private university in Turkey. In terms of sampling design, the sample was formed using the criterion sampling technique. SES groups (high, medium and low) and consumers' ownership status of counterfeits and/or genuine brands were used to identify informants. By snowballing, in-depth, semi-structured interviews with projective techniques were conducted with 42 consumers to understand how SES group shapes the purchase and consumption of genuine brands and counterfeits and to reveal their motivations, decision-making processes, emotional outcomes and neutralization processes (Table I). Specifically, while semi-structured interviews allowed to probe informants on their consumption practices by asking for clarifications, explanations and examples sometimes even on issues that were not included in the interview guide, projective techniques helped to reveal consumers' hidden motivations and attitudes towards the purchase and use of counterfeits and/or genuine brands. To capture the heterogeneity of the phenomenon, informants varied in terms of gender, age, occupation, educational and economic backgrounds.

According to the report published by the Organization for Economic Cooperation and Development (2016), the fashion industry represents one of the main industries that suffers from counterfeiting. Moreover, as the topic is sensitive this product category allowed an easier access to informants especially for the users of counterfeits. For this reason, the interview guide was prepared using products from the fashion industry mainly clothing, footwear, bags, watches, sunglasses, jewelry, perfumery and cosmetics.

The interview guide consists of four main sections. The first section investigates consumers' demographics and questions concerning their lifestyle (e.g. hobbies and interests, ways of spending free time and media consumption habits) and consumption behaviors (e.g. brands and retail formats preferred, frequency of shopping, product categories interested in, motivations for shopping and attitudes towards shopping) to reveal their SES group.

In the second part, an opening question asks the meanings of counterfeit and genuine brand. These questions allowed the informants to define using their own words both the meaning and the users of counterfeit and genuine brands and also helped the flow of discussion towards the other sections of the interview guide.

The third section explores consumers' decision-making processes toward the purchase and use of counterfeits and/or genuine brands. This section consists of two sets of questions: one for the purchasers of counterfeits and one for the

Table I Informants' demographics and purchase behaviors

Informant	Pseudonym	Gender	Age	SES group	Genuine ownership	CF ownership
1	Asya	Female	37	High	Yes	Yes
2	Erol	Male	40	High	Yes	Yes
3	Bekir	Male	29	High	Yes	Yes
4	Esra	Female	34	High	Yes	Yes
5	Hale	Female	55	High	Yes	No
6	Özlem	Female	39	Medium	Yes	Yes
7	Alp	Male	37	Medium	Yes	Yes
8	Mine	Female	37	Medium	Yes	Yes
9	Ozan	Male	39	Medium	Yes	Yes
10	Gökçe	Female	30	Medium	Yes	Yes
11	Sevim	Female	33	Medium	Yes	Yes
12	Alya	Female	66	Medium	No	Yes
13	Çağrı	Male	28	Medium	No	Yes
14	Ferhan	Female	56	Medium	No	No
15	İlyas	Male	36	Medium	Yes	No
16	Öykü	Female	38	Medium	Yes	No
17	Özüm	Female	40	Medium	Yes	No
18	Verda	Female	65	Medium	Yes	No
19	Selda	Female	22	Medium	No	No
20	Demir	Male	33	Medium	No	No
21	Esen	Male	75	Medium	No	No
22	Yavuz	Male	53	Low	Yes	Yes
23	Nuriye	Female	52	Low	No	Yes
24	Fatma	Female	47	Low	No	Yes
25	Ali	Male	51	Low	Yes	Yes
26	Ayşe	Female	61	Low	No	Yes
27	Ömür	Female	36	Low	Yes	No
28	Naz	Female	24	Medium	No	No
29	Beren	Female	23	High	Yes	No
30	Halil	Male	23	Medium	Yes	No
31	Ata	Male	25	High	Yes	No
32	Nazlı	Female	24	Medium	Yes	Yes
33	Ceren	Female	25	High	Yes	Yes
34	Ela	Female	25	Medium	Yes	Yes
35	Elif	Female	25	High	Yes	Yes
36	Metin	Male	23	High	Yes	No
37	Selim	Male	23	Low	No	Yes
38	Osman	Male	40	Medium	Yes	No
39	Berk	Male	21	Low	No	Yes
40	Alişan	Male	22	Low	No	Yes
41	Cemre	Female	24	Medium	Yes	Yes
42	Banu	Female	32	Medium	Yes	Yes

purchasers of genuine brands. Specifically, for each consumer segment questions related to motivational drivers, neutralization processes as well as emotional reactions were also developed. For consumers that purchase genuine brands, questions focus on consumers' motivations, rationalizations for the avoidance of counterfeits and the emotional outcomes regarding both their own purchases and the emotional outcomes in the case of buying and using counterfeits. For consumers that purchase counterfeits, questions focused on consumers' motivations for the purchase of fake brands, the product categories that they prefer and avoid, the sources for the collection of information, in-store experiences and post-purchase behavior specifically focusing on emotional outcomes and rationalizations for the enactment of such a behavior. For

consumers that buy both genuine and counterfeits, brands both of the previous set of questions were used to understand this concurrent ownership.

In the third section, to be able to uncover consumers' underlying motivations and attitudes, three projective techniques were also used for both users and non-users of counterfeits. First, the informants were asked to imagine that they had unlimited financial resources and, in this case, whether they would consider buying counterfeits for any product category. This projective technique helped to uncover both consumers' desires and to question consumers' stated motivations toward the purchase and use of counterfeits. Second, the informants were presented with a shopping scenario for the purchase of a new pair of sneakers. The

informants were given three options and were asked to explain in detail the reasons for their selection: an original Nike branded sneaker (100$), a Tchibo branded sneaker (40$) and a fake Nike branded sneaker (40$). As the topic is sensitive, this projective technique helped to uncover consumers' rationalizations for the selection of a fashionable genuine brand, regular genuine brand or a fake product. Third, by using the gift giving ritual, informants were asked how they would feel and what they would do if they received a counterfeit product as a gift, as well as whether they would ever consider buying a counterfeit as a gift. This projective technique allowed to reveal consumers' attitudes toward the use of counterfeits and consumers' perceived psychosocial risk, especially as a significant other is responsible for this behavior and as the use of such a counterfeit should sometimes be conspicuous to show appreciation to the gift giver. The last section examines ethical issues regarding the production and consumption of counterfeits and consumers' future consumption practices. This set of questions help to understand consumers' attitudes toward the retailers of counterfeits as well as to uncover consumers' rationalizations toward the performance or avoidance of illegal consumption practices. All interviews were recorded and lasted from 30 to 90 min.

The verbatim transcribed data were analyzed following the coding procedures of grounded theory (Strauss and Gorbin, 1998). Following a constant comparative analysis, data collection, data analysis and theories were related reciprocally. Initially, the researchers analyzed each interview independently and then collectively to identify categories used for the development of themes. The categories identified in the open coding phase followed mainly the stages of the individual decision-making process: consumer motivations, sources of information (internal and external) and perceived risk, evaluation of alternatives (brands, original and counterfeits and retailers), purchase decision (retail store, sales representatives, co-consumers and store atmospherics) and post-purchase behavior (positive and negative experiences and emotional outcomes, neutralization processes for the performance of the specific behavior and loyalty). After each transcript was interpreted at the idiographic level, using axial coding each of the interviews was related to each other and common categories were identified.

4. Research findings

Based on the research findings, the study develops a consumer typology, which shows that there are behavioral similarities among SES groups namely, the black chameleons, the counterfeit owners, the genuine brand owners and the authenticity seekers (Table II). Each identified segment explains consumers' purchase behaviors as well as emotional

Table II Consumer typology of users and non-users of counterfeits

Genuine users	Genuine non-users
CF Users	
The genuine brand owners	The authenticity seekers
CF Non-users	
The black chameleons	The counterfeit owners

reactions and neutralization processes employed to justify their actions. The labels of the categories were identified by using previous theorizations. Luxury brands are perceived as prestigious high-quality products that offer authentic value and thus, are worthy the premium price required for their ownership (Ko *et al.*, 2017). However, in the opening section of the interview guide, the research findings show that consumers' perceptions of genuine brands depend on their social standing in the society. While low SES group consumers refer to Zara and Mango, medium SES group consumers refer to Lacoste and Tommy and high SES group consumers refer to Prada, Dolce and Gabbana and Chanel as luxury brands in the fashion industry. Each customer segment and their motives, feelings and neutralization processes will be explained in detail in the following sections.

4.1 The black chameleons

The black chameleons refer to the consumers that own genuine brands and counterfeits concurrently (Stöttinger and Penz, 2015; Pueschel *et al.*, 2017). This is the only consumer segment in which all SES groups perform the same end behavior, however driven by different motives, having different feelings and using different neutralization processes (Table III).

Informants of the high SES group state that they are regular users of luxurious brands, for this reason no one will ever imagine their use of counterfeits as they mix it with genuine brands. The primary motivation for buying counterfeits is that the counterfeit innovators want to follow all the recent trends in fashion and thus, counterfeits gives them the opportunity to experiment a variety of products that can become fad after one season:

> Existing social pressure pushes me to buy more branded products. As I don't' want to spend too much for luxury brands and I want to enlarge my collection, I buy both counterfeit and original products. Indeed, I spend a lot of time to find the best quality counterfeit therefore it is very difficult to be disclosed by others Asya (F, 37).

Similar to Asya (F, 37), several consumers try to eliminate the social risk that can damage their social status. For this reason, they use several heuristics during the purchase process. Asking very close friends and relatives, visiting counterfeit stores, controlling the genuine brand portfolio to compare the functional similarity of the genuine brand with the counterfeit help them to identify retailers that will provide them with the best quality of products. They even develop loyalty towards counterfeit retailers. Elif (F, 25) explains that she used to live in Cyprus and she found a retailer who produces only first quality counterfeits. Every summer she visits the island both for holidays and counterfeit shopping. She explains how the counterfeit retailer helps the elimination of perceived risk:

> The retailer displays both genuine brands and the counterfeits. This gives you the opportunity to compare every small detail of both products. As a consumer you observe that they are identical.

In terms of neutralization processes, members of the high SES group justify the purchase of the counterfeit by stating that they would never consider buying a cheap counterfeit as it will be easily identified by significant others. Elif (F, 25) refers to these low-quality counterfeits as "the counterfeit of the counterfeit". For this reason, some high SES group consumers accuse consumers, who buy counterfeits of affordable brands (such as Mango and Nike) and this helps them to rationalize their own

Table III The black chameleons

	SES GROUPS		
Steps	**Low**	**Middle**	**High**
Motivational drivers	Desire to be in style; trickle-up	Buy and use more products	Follow all recent trends in fashion
Neutralization processes	Pay to become owners of these products; nothing unethical about it	High counterfeit involvement - search extensively to a make a rational decision and choose the "A" quality CF; CF retailer loyalty to eliminate performance risk	No one will ever imagine their use of counterfeits; Use heuristics to eliminate social risk – CF retailer loyalty; prices of CF high
Emotional outcomes	Satisfied; Unashamed	Happy; Unashamed	Fear; Upset

counterfeit purchase as they only buy the first quality counterfeits of genuine brands. Erol (M, 40) moreover, states that his counterfeit purchase doesn't affect the original brand as he thinks that he spends more than enough for the original brand (as he regularly buys original products of the genuine brand) and the counterfeits purchased are just extra products to increase the assortment of the products owned.

From the emotional perspective, they generally prefer to hide their purchase of counterfeits, as they do not want to damage their social status. If the counterfeit becomes conspicuous, they state that they would feel upset as their significant others may question all the other possessions owned. Ata (M, 25) although not a black chameleon explains how her cousin's (high SES group) counterfeit purchase was revealed when his sister, regular owner of genuine bags, borrowed her cousin's "genuine product":

> When my sister used the bag, something happened to its handle. She took the bag to the original store and said to the sales representative that there was a production defect. The sales representatives told her that they would check it from the serial number. When she went back to the store, they told her that this bag was not produced by the firm, it was not original. My sister got so upset and deeply embarrassed. She immediately called our cousin and swore.

Informants of the medium SES group feel consent with the concurrent ownership of brands and counterfeits as this allows them to buy and use more items. They do not buy counterfeits for all product categories, as they perceive higher performance and physical risk for some product categories (e.g. sunglasses, shoes and underwear). They generally have high counterfeit involvement, for this reason they search extensively to make a rational decision, as there is heterogeneity in the quality and the products features of counterfeits. Ceren (F, 25) discusses how she is still looking for a specific pair of Calvin Klein shoes and expresses her determination on finding the exact counterfeit product:

> I saw a girl wearing the pair of Calvin Klein shoes. I asked her "it's really nice, where did you buy it from, how much did you pay for it". She was a stranger, a girl waiting at the bus stop. I don't mind asking. She told me that she bought it in the district where I live for 10$. She gave me the directions, but I couldn't find it. Unfortunately, it's been a few months and still I was not able to find it. But I will find it.

Especially for fashionable products that can be found in every counterfeit retailer, medium SES group consumers often form a counterfeit retailer loyalty to eliminate performance risk. This also allows them to ask for after sales services.

In terms of the neutralization of their counterfeit purchase, medium SES group consumers rationalize their behavior by

referring to price differences and for this reason they perceive themselves as smart shoppers. Nazlı (F, 24) expresses why she likes this mixing and matching behavior:

> If the original is 50$ in the counterfeit stores you can buy it for 10$. Rather than buying a single pair of jeans, I buy four pairs. I can create different looks and I invest in four products rather than one.

Unlike high SES group consumers, medium SES group black chameleons mostly feel comfortable to share this information with others:

> I will not feel bad if others understand that the product is not original. I don't care. Once, I bought a fake Lacoste bag. Someone told me "Wow, you are using Lacoste, it's an expensive brand". I told her "Would I pay so much money for a bag, it's fake. (Ela, F,25).

Even though they do not care about what others think, they still try to avoid counterfeits with huge logos or counterfeits that they are not similar to the genuine brand in terms of product features. This also helps them to create a negative attitude toward the producers of poor quality counterfeits. Nazlı (F, 25) explains that she always controls the features of genuine brands by visiting the physical or online stores:

> I always control the quality of the counterfeit. There are some fakes that when used 2-3 times will end their life or its obvious that they are fakes. I don't buy this kind of bags. If it's poor quality let's say that there are three colors in the original, they produce it in 10 colors. They (counterfeit producers) produce it in colors that do not exist.

The low SES group on the other hand own both genuine brands and counterfeits, as they do not have the necessary financial resources to buy genuine products. They desire to be in style and admire the product features as well as the symbolic meanings of brands that can help them to trickle up the social hierarchy. Often, they buy original products during sale season; however, they use them only on special occasions. For example, Yavuz (M, 53) explained that he buys both original and fake perfumes and use them interchangeably depending on the situation. They feel comfortable with their purchases, as they believe that the quality and design of counterfeits is better than no-name products sold in bazaars or in small retail stores. This allows them to recommend counterfeits to significant others. After all, they do pay to become owners of these products and there is not anything unethical about it. Yavuz (M, 53) explains why he does not feel ashamed about the purchase of counterfeits:

> As my budget is limited, I buy original products only when on sales. My income is low, and this is not a secret. If asked, I tell the truth. Because if I lie, people will not believe me as they know my budget.

4.2 The counterfeit owners

The counterfeit owners refer to the consumers that only buy counterfeit products (Table IV). This behavior is enacted only by medium and low SES groups, as their limited financial resources motivate them to perform this behavior. Informants believe that they make a rational decision by purchasing counterfeit products. Given the low prices of counterfeits, they believe that they receive a good deal and criticize the purchasers of genuine products:

> I only buy the counterfeit goods which I can already afford, because they are cheap and price quality equilibrium is better than originals. I prefer to invest my money, it is irrational to pay too much for a good" (Çağrı,M, 28).

Low SES group counterfeit owners accuse the popular culture and the influencers on social media. This helps the low SES group consumers to neutralize their counterfeit consumption:

> Influencers on social media push me to wear branded products. As I can't afford them I prefer to buy counterfeits (Berk, M, 21).

The only difference between medium and low SES group informants lies in the way that they evaluate the counterfeits, which also affects their neutralization processes. While often medium SES group consumers spend time searching for the best quality of counterfeits (and often form counterfeit retailer loyalty), low SES group consumers search only for the most affordable counterfeits. Selim (M, 23) explains why he is not loyal to any counterfeit retailer:

> I purchase from different counterfeit retailers, as all of them are fake product sellers, I don't want the same retailer to earn money all the time. Also, the prices of counterfeits may vary from shop to shop. I always try to find best offer.

Counterfeit owners share mixed emotions towards the purchase and use of counterfeits. One group feels confident about the purchase experience and they do not need to hide their counterfeit consumption practices. These informants neither feel ashamed nor embarrassed, as their significant others already know their purchasing power, and they would never consider that they have purchased the genuine brand. For this reason, they also feel comfortable to share this information with others. Çağrı (M, 28) states:

> People know me. They know that I will not spend my money on such bullshit.

The second group shares negative emotions about their purchase behavior. They refrain from telling to others that they buy counterfeits, as they feel ashamed and are afraid of being criticized. Alişan (M, 22) expresses:

> I would tell only to my close friends and specifically those who have already bought counterfeits. But I wouldn't share this information with anyone else. If they ask, I will say it's original.

4.3 The genuine Brand owners

The genuine brand owners refer to the consumers that buy only genuine brands (Table V). The findings indicate that only consumers of high and medium SES groups avoid counterfeits. Informants from both SES groups agree that counterfeits have a very low performance, often carry physical risks and they can be easily identified by loyal consumers. Some informants in this segment have purchased some counterfeits before and they express that they would never consider buying a counterfeit again. Metin (M, 23) explains that he used to buy counterfeits until high school, but now he avoids any kind of counterfeit because of their quality defects:

> Counterfeits do not offer any guarantees. If something happens you just throw it to the garbage, you throw money to the garbage. I remember buying a pair of basketball shoes for 100$, while the original price was 400$. I wore it for two weeks and the sole was off. This was a breaking point. I paid 100 $for something that was not original, I was so upset.

Similar to Metin (M, 23), other informants also regret as they consider it a waste of money. Feelings of embarrassment, social rejection and loss of self-confidence create a negative attitude towards the use of counterfeit products in the public space. Specifically, for consumers that used to buy counterfeits before, individual life cycle stages (e.g. changes in social environment because of education or occupation) and family life cycle changes (e.g. birth of children) often motivate consumers to avoid counterfeits. To overcome financial barriers, in contrast to high SES group consumers, medium SES group consumers wait for seasonal sales, visit outlet stores or find affordable original products.

Both SES groups also express their irritation toward consumers of counterfeits, and if there are any individuals in their close social environment, they try to persuade them to avoid counterfeits and sometimes recommend them solutions not only for avoiding counterfeits, but also for finding better-quality counterfeits. Ata (M, 25) explains how he helps his friend to find better, less conspicuous counterfeits:

Table IV The Counterfeit owners

	SES groups	
Steps	**Low**	**Middle**
Motivational drivers	Limited financial resources	Limited financial resources
Neutralization processes	Search only for the most affordable counterfeits; rational decision; against consumer culture and influencers	Spend time searching for the best quality of counterfeits (and often form counterfeit retailer loyalty); rational decision
Emotional outcomes	Confident; Unashamed	Confident; Unashamed

Table V The genuine brand owners

	SES groups	
Steps	**Middle**	**High**
Motivational drivers	Counterfeits have a very low performance; high perceived risk	Counterfeits have a very low performance; high perceived risk
Neutralization processes	Anti-counterfeit loyalty – inconsistent look; CFs easily identified by loyal consumers	Anti-counterfeit loyalty – inconsistent look; CFs easily identified by loyal consumers
Emotional outcomes	Ashamed if purchased; Irritation towards counterfeit users; Happy with their choice	Ashamed if purchased; Irritation towards counterfeit users; Happy with their choice

For example, if huge brand names are printed on t-shirts like "Armani, Gucci", these products are obviously counterfeits. Because, genuine brands do not carry these types of products. And if there are, they cost 200 to 300$. These products can only be afforded by the rich and as my friend is not rich, the counterfeit could be easily identified. I tell him, if you are going to buy counterfeits choose the ones without brands names or logos.

Finally, the genuine brand owners develop an anti-counterfeit loyalty because of their both previous personal experiences (if they had any) and observations in the public sphere. This anti-counterfeit loyalty is rationalized by referring to the inconsistent look of individuals that use counterfeits. This inconsistent look makes everything visible. Ata (M, 25) states that he liked the new pair of Adidas Yeezy shoes. When he visited the Adidas store, the sales representative told him that these shoes are limited version and the lucky consumers will be announced through a sweepstake. Ata (M, 25) said that he saw so many individuals wearing the same pair of shoes. Apart from that, the informant described that the total look of these consumers defines them as counterfeit owners:

From their clothes, hair style, jeans and shoes it is obvious. When there is an inconsistency you understand that it is fake [...] even the places where they spent their free time. Imagine someone works at a restaurant in Kadıköy and wears a Rolex watch. It is obvious that it is a fake.

Almost all of the genuine brand owners agree that using no name or low-end brands is better than counterfeits. Some members of this group are highly psychologically concerned about wearing or carrying a counterfeit product. If they are identified as counterfeit users, they express that they would feel very embarrassed, humiliated and even be ashamed of themselves:

If I buy luxury counterfeits that are higher than my income, I would feel ashamed, out of place. People would think that I am wannabe (Beren, F, 23).

Some genuine brand owners avoid fake products not because of what others think, but because of how they feel about themselves. Öykü (F, 38) states it that is not only about others, but she thinks that she fools herself.

4.4 The authenticity seekers

The authenticity seekers refer to the consumers that buy neither genuine brands nor counterfeits (Table VI). Only medium SES group consumers fall into this segment and they use different strategies to rationalize their behaviors. The authenticity seekers avoid both branded products and their counterfeits. While the genuine brand owners feel anger and pity, the authenticity seekers feel ashamed about the consumers that use counterfeits, as there is not a consistency among the product features used to complete their look. Naz (F, 24)

Table VI The authenticity seekers

	SES groups
Steps	**Middle**
Motivational drivers	Being unique
Neutralization processes	Prefer to buy products for their functional benefits; products instrumental role in helping them develop and express their unique individual identities
Emotional outcomes	Ashamed if purchased; Irritation towards counterfeit users; Happy with their choice

explains how her best friend's new pair of Michael Kors shoes was obviously fake, as she does not have the necessary financial resources to buy the genuine product. The informant also adds:

If it is original there is a consistency. Expensive clothes, expensive shoes, expensive bags. But if you wear a Michael Kors pair of shoes with an ordinary outfit, it is obvious.

At the same time, they avoid genuine brands, as what matters is whether the consumers like the product. Others feel desperate about the effects of global consumer culture. They argue that individuals should not be evaluated based on the products that they possess and the meanings that brands communicate. Rather, they prefer to buy products for their functional benefits, as well as for their instrumental role in helping them develop and express their unique individual identities. Ferhan (F, 56) expresses that material possessions are the least important things in life.

I do not want to be evaluated with my income. I believe that I have many good features and qualifications and I would prefer to be known by my personality.

Because of ethical and religious values, some informants are sensitive towards the social problems of the country, especially for the consumers at the bottom of the pyramid. For this reason, in the case of unlimited financial resources, medium SES group consumers feel uncomfortable to spend above "regular prices", as it is nearly equal to a poor family's yearly rent.

Other informants state that they do not want to be restricted by the limited product offerings of genuine brands and their counterfeits. For example, Selda (F, 22) explains that she prefers to buy more authentic and mass customized products without considering their brand value.

5. Discussion and conclusion

This study provides a thorough socio-economic group perspective on consumers' purchase behaviors of genuine brands and counterfeits. Rather than providing an understanding on only consumers' motivations and attitudes (Bian *et al.*, 2016; Eisend and Schuchert-Güler, 2006; Staake *et al.*, 2009), the study explores how consumers with different SESs perform similar end practice(s). This does not mean that consumers from different SES groups will be driven by the same motives, follow the same decision-making processes, perform the same neutralization practices or have similar emotional reactions. Rather the end consumption practice is what unities the identified consumer segments. The following sections will discuss theoretical contributions as well as implications, limitations and areas for future research.

5.1 Resolving the mixed findings in the counterfeit literature: socio-economic status groups – users and non-users of counterfeits

The study contributes to the counterfeit literature by not only focusing on the motives, neutralization strategies and emotional responses of consumers from all three SES groups, but also revealing the attitudes and behaviors of users and non-users of counterfeit products. While there are several studies that focus on users of counterfeits and users of both counterfeits and genuine brands (Herstein *et al.*, 2015; Stöttinger and Penz, 2015; Pueschel *et al.*, 2017), the research

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provides insights in the literature by comparing and contrasting users of counterfeits, users of counterfeits and genuine brands, users of genuine brands, and users of authentic brands. The exploration of the phenomenon from both the SES group perspective and the end consumption practice (users and non-users of counterfeit products) particularly helps to shed light on the controversial results in the literature on counterfeits.

In line with the recent studies, counterfeit purchase is not only a consumption practice of the low SES group consumers (Gentry *et al.*, 2006; Perez *et al.*, 2010). Especially, the findings of the study are consistent with the findings of Pueschel *et al.* (2017) about the counterfeit consumption practices of the affluent. The only difference is that the high SES group consumers used all of the strategies discussed by Pueschel *et al.* (2017), except the use of moral, religious values. This difference might have occurred because of the strong religious values that shape consumers' social, political and economic life in the Gulf Cooperation Council countries, the research context of Pueschel *et al.*'s (2017) study.

Previous studies find a positive influence of attitudes towards counterfeiting on counterfeit purchase intentions and past purchase behavior (Wee, *et al.*, 1995; Penz and Stöttinger, 2005), but others find no effect (Hoe *et al.*, 2003; de Matos *et al.*, 2007). The findings of the present study help to reveal how attitudes towards counterfeiting can have different effects on counterfeit purchase intentions and past purchase behavior based on the end consumption practice and the SES group. For example, the high and medium SES group black chameleons have a positive attitude towards counterfeits and use both counterfeits and genuine products. However, this positive attitude can have a positive or negative effect on past and future purchase behaviors based on the product category, as they perceive higher risk (psychosocial, performance and/or physical risk) for some products. An informant stated that despite her favorable attitude towards counterfeits, she would never consider buying a pair of shoes because of a video that she watched on YouTube about a consumer that faced serious health problems upon the use of counterfeits. While the low SES group black chameleons' attitudes toward the counterfeits does not have an effect on past and future purchase behavior as their limited financial resources leave them with few consumption choices shaping the purchase of not only genuine products but also counterfeits (in terms of quality and similarity with the genuine product).

The same applies for the mixed findings on the effect of perceived social risk on counterfeit purchase behavior (Veloutsou and Bian, 2008). The findings of the study show that depending on the consumption practice and the SES group, consumers' subjective norms can lead to a low or high intention to buy counterfeits. For example, while the high SES group black chameleons hide the purchase of counterfeits and often avoid certain counterfeits because of perceived social risk, medium and low SES group chameleons share their experiences both with their significant others as well as with totally strangers. Only the findings for the counterfeit owners segment are mixed as medium and low SES group consumers' subjective norms can create a low or high intention to purchase.

Similarly, studies find a negative effect of ethical and moral beliefs on counterfeit purchase behavior in contrast to other studies (Wang *et al.*, 2009). This mixed finding can be also explained because of the end consumption practice and the SES group. For example, while medium SES group authenticity seekers' moral and ethical beliefs distance them from the purchase and use of counterfeits and genuine brands, low SES group black chameleons even though they feel ethically uncomfortable they still buy counterfeits because of their limited financial resources.

The study also provides an explanation for the controversial results of the neutralization processes in the counterfeit literature (Bian *et al.*, 2016; Pueschel *et al.*, 2017). As the findings show based on the consumer segment and the SES group, consumers use different strategies to neutralize their end consumption practices. For example, consumers performing the same consumption practice can neutralize their counterfeit purchase by explaining that they have made a rational decision by finding the most affordable counterfeits (low SES group counterfeit owners), while others explain that they perform an extensive search to find the best quality counterfeit (middle SES group counterfeit owners) and thus, indirectly they do not perceive anything harmful in their purchase behavior.

Additionally, in contrast to previous studies on counterfeits in the consumer behavior literature, the findings of the study show evidence for all neutralization techniques. Different consumer segments (black chameleons, counterfeit owners, genuine brand owners and authenticity seekers) and different SES groups (low, medium and high) deny responsibility, deny injury, blame the victim, condemn the condemners and/or appeal to higher loyalties to eliminate the cognitive dissonance perceived after the purchase and use of counterfeits and/or genuine brands. Using the pioneering study of Sykes and Matza (1957) the neutralization strategies of each identified consumer segment is discussed below.

High and medium SES group black chameleons deny responsibility as they spend enough financial resources for the purchase of genuine products and for this reason they do not think that they are causing any damage on brand equity. Moreover, they deny injury, as they are very selective upon the purchase of counterfeits by developing heuristics to find the best quality counterfeit. On the other hand, low SES group black chameleons deny responsibility, blame the victim and appeal to higher loyalties. The limited financial resources of the low SES group leave them without choice, they blame the firms, who set high prices using the brands' equity and even if the purchase and use of counterfeits is unethical, they perform a social good by recommending these products to their significant others.

Low SES group counterfeit owners use the deny responsibility and the condemn the condemners neutralization strategies. They deny responsibility as they do not have any other option apart from buying counterfeits and also accuse the popular culture and the influencers on social media for communicating the fabulous of world of brands. Medium SES group counterfeit owners on the other hand deny injury by stating that compared with poor made counterfeits, they buy counterfeits that look like the genuine products (similar to the high and medium SES group chameleons).

High and low SES group genuine brand owners use neutralization strategies to justify the financial resources spent for the ownership of genuine brands despite the presence of cheaper lookalikes. The genuine brand owners appeal to higher

loyalties to rationalize their consumption practices. As often the prices of genuine products are unaffordable by many, they offer recommendations to consumers in their close social environment for preventing the purchase counterfeits and for finding better quality counterfeits. This group also includes some consumers that used to buy counterfeits. These genuine brand owners rationalize their past purchase behavior by denying responsibility as they did not have any other option (e.g. mother was the purchaser).

The authenticity seekers that buy neither genuine brands and counterfeits use the condemn the condemners neutralization strategy. Trying to avoid the homogenizing effect of the global consumer culture, authenticity seekers try to find products that will help them communicate their unique individual identity.

Finally, the literature on counterfeits provides evidence on consumers' affective influences in counterfeit consumption (Kim *et al.*, 2012; Zampetakis, 2014). Particularly, Zampetakis (2014) argues that counterfeit purchase creates mixed emotions. The findings of the research not only support that counterfeit purchase and/or avoidance may create different emotional reactions among the consumer segments but also show that these mixed emotions are also because of SES group differences. For example, in the black chameleon consumer segment (owners of both genuine and counterfeit products), while high SES group consumers are frightened from losing face value, medium and low SES group consumers feel unashamed.

5.2 Counterfeit Brand loyalty

The present study also attempts to introduce a new construct in the consumer behavior and counterfeit literature. The findings show that "counterfeit owners" and "black chameleons" prefer to purchase counterfeit products from the same retailers to eliminate specifically performance and social risk. While the construct of brand loyalty and the factors that affect directly or indirectly the development of brand loyalty has been investigated extensively in the marketing literature, exploring the reasons for the creation of such a form loyalty provides an attractive theoretical area for future research. The identification of the factors that lead to such a form of loyalty is important both for practitioners and policymakers, as this may help to fight the counterfeit phenomenon by eliminating the counterfeits that are the best lookalikes of the genuine brands.

5.3 Implications, limitations and areas for future research

In addition to the theoretical contributions, the current study offers implications for brand owners, policymakers and international organizations that try to eliminate counterfeit consumption and production. Our results recommend that firms should develop different marketing mix strategies to be able to reduce the purchase of counterfeits. Differences in counterfeit consumption behavior (counterfeit owners and black chameleons), neutralizations processes, mixed emotional reactions and SES group differences require the use of different product, price, place and promotion strategies.

In terms of product strategies specifically for medium and high SES groups, firms should develop more affordable genuine brands especially for luxuries. For example, Tiffany and Co., apart from their jewelry line, also developed a silver line for the masses (Silverstein and Fiske, 2013). For promotion strategies based on the consumer segment and their emotional outcomes, different message appeals (rational and/or emotional) and execution styles (e.g. brand imagery, demonstration, slice of life) should be used to eliminate or at least decrease the purchase and use of counterfeits. Especially, because of the investigated low context culture, ethical and religious values should also be used for the development of communication messages. Moreover, firms should help the development of second hand markets for genuine brands. When providing the necessary resources consumers can even form their C2C online communities for the sale of disposed genuine brands (for example see the literature on brand communities). The critical thing is that consumers should trust the platform for providing genuine products and over repeated purchases eventually will form a loyalty toward the retailer. To appeal to medium and low SES groups, firms should offer special prices for out of season products, increase the number of outlet stores and develop special events and pop-up stores to attract consumers' attention. For the high SES group that buy both genuine brands and counterfeits, firms should develop different and attractive strategies through direct marketing loyalty programs such as invitations for special events and private shows for the new season products.

The findings of the study should be read with the following limitations in mind. One limitation is that the research was conducted only in one country. For this reason, consumers' purchase of genuine brands and counterfeits may differ because of macro-environmental factors. Specifically, additional insights can also be derived by investigating the phenomenon in both low and high context cultures. Finally, even though qualitative research allows rich insight on the exploration of phenomena especially the development of a new construct, such as the counterfeit retailer loyalty, requires the design of a quantitative research to increase the generalizability of the findings.

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