



Social media influencer and copycat crisis: Focus on the trademark law infringement

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Social Media Influencer (SMI) has become effective product endorser in various businesses with the growth of the social media industry (Janssen et al., 2022). However, legal issues as to the SMIs' promotions have also been steadily controversial, most of which are related to exaggerated and false advertisements involving Intellectual Property Rights (IPR) infringement (Butwin, 2016). IPR infringement is the violation of copyright (Butwin, 2016), which has been consistently filed by fashion companies for legally protecting their copyright granted to trademarks, logos, designs, songs, and ad phrases (Dogan. & Lemley, 2006). Moreover, since the endorsement is a contract between a third-party SMI and the company, the legal issues in their promotions can hurt SMIs themselves and become a legal crisis for the brands that endorsed them (Bakker, 2018). In order to figure out the crisis, a lot of research has been done on crisis communication regarding illegal situations regarding the public's concerns toward crisis transgressions and victims (e.g., Lee et al., 2021). However, technically, the SMIs' IPR copy issues are not the product's functional problems, and the victims are those who have the originality of the copyright. As a result, despite the growing interest in IPR, there is a lack of research on consumer perceptions of SMIs' intellectual property infringement in their promotions. In particular, due to the public's unfamiliarity with the legal issue and its enforcement, their blame would be based on the wrongdoers' intentionality, which leads to transgression (Yakut & Bayraktaroglu, 2022). Therefore, this study aims to explore how consumers react to IPR-related crises by examining the SMI's trademark infringement advertisement case with two experimental conditions: (a) intentionally copied advertisement (ICA) and (b) unintentionally copied advertisement (UCA).

According to attribution theory, consumers tend to find and analyze the causes to attribute blame when negative events happen (Coombs & Holladay, 2007). If the person fully controls the situation and is responsible for it, consumers blame them and vice versa (Coombs & Holladay, 2002). Since the SMI endorsement situation is in the form of mutual responsibility between SMI and the brand, both can be blamed for any one of their faults (Knittel, 2014). After the consumers clarify who is responsible, they react to the crisis with negative emotions (Grappi et al., 2013). Further, the expectancy violation theory (EVT) explains the reason for the consumers' negative emotions (Hornsey et al., 2021). Consumers construct their own expectations of the brands and influencers through the sources such as advertisements and product performances (Tao & Song, 2020). For example, when the SMIs' superficial ad images violate consumers' expectations, they express negative emotions (i.e., feeling deceived) and even judge them immorally, which affects

their future attitudes or intentions toward the SMIs and brands (Hornsey et al., 2021). Accordingly, to fill the research gap, this study posits three hypotheses.

H1. ICA (vs. UCA) crisis weakens the brand's crisis responsibility (CR).

H2. ICA (vs. UCA) crisis enhances consumers' negative response to expectancy violation (EV).

H3. UCA crisis has a greater attitude (ATD) and purchase intention (PI) of the SMI's future advertisement than the ICA crisis when compared to the ICA crisis.

Two online-based experiments using scenarios were conducted. The specific scenarios are as follows. A fictitious SMI collaborated with one fictitious cosmetic brand to promote the new product. In the scenarios, after uploading the advertisement post on the social media feed, the SMI was accused of trademark infringement. The plaintiff claimed that the advertising phrase appropriates their trademark without a permit. This study set two different conditions that are convicted at the end: (a) the court granted her intentionality (ICA, high intentionality), and (b) the court granted her unintentionality (UCA, low intentionality). Survey questionnaires were developed by adopting scales from the existing studies (i.e., Coombs and Holladay, 2002; Grappi et al., 2013; Hornsey et al., 2021). A pre-test was conducted to verify whether the blame is well controlled by intentionality. Participants ($n=62$) were randomly assigned to one of two conditions and answered to following questions. The result showed that UCA enhanced the CR ($MICA = 3.15$, $MUCA = 4.79$, $t = -3.695^{***}$, $p < .001$), which confirms the manipulation check. For the main study, we recruited 133 female respondents aged in their 20s to 40s who had previously subscribed to SMI advertisements. The data analysis was conducted using SPSS for the exploratory factor analysis, the t-test, and Chi-square.

As a result, H1 was supported. The difference in CR between ICA and UCA was significant ($t = -3.46^{***}$, $p < .001$, see Table 1.). It revealed that the brand that provided the basic guideline is more liable for this crisis in the UCA. However, as the two scenarios were convicted due to her post, PC showed high scores for both ($MICA = 5.04$, $MUCA = 4.63$), which indicated that in any given case, the SMIs should be careful about their words and behavior. H2 was rejected. Overall, the moral emotions were low and insignificant, which indicated that the respondents didn't feel anger, contempt, and disgust from her trademark infringement. Even though the EV was significantly different between ICA and UCA ($MICA = 4.45$, $MUCA = 5.14$, $t = 2.60^{**}$, $p < .01$), UCA was higher than ICA. For H3, it was rejected. This study expected that if the SMIs unintentionally copy the other's trademark, the ATD and PI regarding their future advertisement would be higher than the intended copy situation. However, they were not significantly different from each other. It revealed that regardless of intentionality if they feel the crisis is psychologically distant, they do not need to react emotionally and behaviorally.

This study explored how consumers react to the SMIs' IPR infringement crisis. The findings offer several implications for the industry and SMIs. First, the SMI marketing manager should pay attention to the SMIs' excuses. If the brand doesn't dispute the SMIs' refutations, the

consumers will conclude that the brand is more liable for it. Second, the SMIs should be aware of their refutations in court. If they frame this crisis as having occurred by negligence and ignorance, consumers will feel their expectancy more violated based on their past authentic reviews. As this study provides overall consumer responses to the IPR infringement legal crisis, in-depth analyses were not offered. Therefore, future research is recommended to figure out the illegality and the SMIs' appeal strategies.

Table 1. Difference between ICA and UCA

Variables	ICA <i>M(SD)</i>	UCA <i>M(SD)</i>	<i>t</i>
PC	5.04 (1.38)	4.63 (1.63)	1.55
CR	3.53 (1.73)	4.56 (1.67)	3.46***
EV	4.56 (1.57)	5.14 (1.44)	2.60**
ATD	3.57 (1.53)	3.77 (1.31)	.80
PI	3.58 (1.50)	3.73 (1.36)	.57

** $p < .01$, *** $p < .001$, PC = Personal Control, CR = Crisis Responsibility, EV = Expectancy Violation, ATD = Attitude, PI = Purchase Intention, ICA = Intentionally Copied Advertisement, UCA = Unintentionally Copied Advertisement

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