What do consumers think about widespread fashion counterfeits?
A Q-methodological analysis of the diverse viewpoints

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Conceptual Framework: The counterfeits market is a thriving multi-billion dollar industry. The International Anti-Counterfeiting Coalition (IACC) estimates that the global market value in 2012 was about $ 600 billion including fashion products and has grown more than 10,000% during the last two decades (Visiongain, 2015). Recent research has discussed various viewpoints about global fashion counterfeits. However, little research has investigated distinctive viewpoints on the issue of fashion counterfeits and systematic similarities and differences among them. Previous studies (e.g., Wilcox et al., 2009) have discussed why and how people buy fashion counterfeits, but have not explored underlying subjective perceptions of the fashion counterfeits problem. Therefore, it is meaningful to examine understanding of widespread fashion counterfeits.

Purpose of the study: This study explores the complex facets of fashion counterfeits, focusing on (1) why such purchasing behaviors are widespread and (2) whether or not the behaviors are morally accepted and can be eliminated through law and regulations. In order to identify and categorize perceptual factors of the fashion counterfeits problem, we used Q-methodology with a combination of qualitative and quantitative techniques to identify different patterns of subjective perceptions (Brown, 2008).

Method: The Q-technique does not require large or representative samples because this method focuses on participants who can potentially reflect a diverse range of views. In order to develop Q-statements, we used previous research, focus-group interviews, and 15 newspaper editorials. For the P-sample of the Q-methodology, sixteen participants aged from 26 to 55 with 7 male and 9 female respondents from private companies (n=6), professors(n=4) and graduate students (n=6) rated 34 selected Q-statements (Q1-Q34) on a scale between -4 (most strongly disagree) and +4(most strongly agree). We used pc-QUNAL software to identify a systematic perception pattern from the Q-statements and the P-sample.

Results: The Q-methodology software generated four distinct factors with statistically significant Eigenvalues greater than 1.00: Factor 1 had 4.57 Eigenvalue with 22 percent of the total variance in the factor matrix (0.94 composite reliability); Factor 2 had 2.70 Eigenvalue with 17 percent of the total variance (0.94 composite reliability); Factor 3 had 1.68 Eigenvalue with

14 percent of the total variance (0.94 composite reliability); Factor 4 had 1.50 Eigenvalue with 12 percent of the total variance (0.89 composite reliability). We labeled these four factors respectively as (1) Natural Model, (2) Moral Model, (3) Institutional Model and (4) Economic Model**. Natural Model** shows that fashion counterfeits are common and purchasing counterfeits is a timeless phenomenon that can be found in all societies. In contrast, **Moral Model** strongly supports an ethical principle against fashion counterfeits. This second factor rejects the functional view that it is reasonable to purchase counterfeits with a low price. The second factor also rejects the view that it is almost impossible to prevent selling counterfeits (Q32). **Institutional Model** emphasizes that society can reduce fashion counterfeits through effective laws and regulations. The third factor strongly suggests a rational institutional design to effectively prevent fashion counterfeits. **Economic Model** strongly supports the view that money is the most important factor for happiness. The fourth factor emphasizes that people buy fashion counterfeits if the prices are reasonable. The economic model strongly rejects the conservative view that it is unethical to display fashion counterfeits and brag about purchasing them. The fourth factor also rejects the view that counterfeits destroy our community (Q13), while the other three factors all agree on it.

Conclusions/Implications: We identified four distinctive factors reflecting various viewpoints on selling and buying fashion counterfeits. Overall, Natural Model and Economic Model accept the ways people sell and buy fashion counterfeits as a widespread social phenomenon and an economic reason. However, Moral Model strongly rejects any reasons for selling and buying fashion counterfeits. Institutional Model suggests that effective regulation can be useful to prevent those unethical behaviors. It should be noted that Economic Model rejects the view that fashion counterfeits can destroy our community because they generate economic benefits. These findings suggest that the market of fashion counterfeits is viewed as a natural phenomenon around the world (Natural Model) and is legitimized due to its economic gains (Economic Model). But the findings also reflect a belief that effective institutions are needed to prevent fashion counterfeits (Institutional Model) and further a strong ethical principle rejects any reasons for allowing fashion counterfeits (Moral Model). Thus, based on these results, in particular Institutional Model and Moral Model, understanding of the counterfeits phenomena may lead to a focus on marketing or retailing of genuine luxury products.

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