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Exploring the Efficacy of Consumer Education with Regard to Consumption of Branded and Luxury Counterfeit Merchandise

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Counterfeiting in general has become a worldwide phenomenon, and the production of fashion merchandise is at the forefront of this economic predicament. As severity of the issue rises, businesses and scholars suggest that consumer education and awareness could be the tool to lessening the impact of counterfeit manufacturing (Berman, 2008; Cheek & Easterling, 2008; Juggessur, 2011; Marcketti & Shelley, 2009; Phillips, 2005).

This study presents the topic of counterfeiting, its negative consequences and the fight against this illegal business. The study uses consumer education as a method of creative vigilance toward the public in an effort to find out whether this alters future purchase intentions of counterfeit merchandise.

Method

A mixed-methods research design was conducted in two phases, with a pilot study informing the final reearch. A 30-minute educational seminar on counterfeit merchandise consumption was constructed, and the following topics were presented:

- Definition of copyrights and trademark infringement
- Popularity of counterfeiting among brands with noticeable insignia
- Why counterfeiting is attractive to businesses and consumers
- World trade statistics with regard to counterfeiting
- Economic statistics with regard to counterfeiting
- Governmental efforts to decrease counterfeit production
- How counterfeit merchandise is assembled and shipped across borders
- Counterfeiting's links to child labor, terrorism, organized crime, corrupt governments, drug trafficking, and human trafficking
- Where counterfeit merchandise is produced
- Company efforts to decrease counterfeit production and consumption
- Where counterfeit merchandise is bought and sold.

The seminar was delivered in two different undergraduate courses, with a total of 252 students. A total of 174 (69.05%) usable pre- and post-survey pairs were collected for data analysis. The majority of the participants were female (69.54%) with a mean age of 20 years.

A pre-survey was developed to measure consumer knowledge, attitudes, and behavior about counterfeiting prior to exposure to the educational presentation, and a post-survey was developed to see whether consumer's attitudes, reported knowledge, and purchase intentions changed after the presentation. Open-ended questions, designed to produce qualitative data, were unique on each survey. Close-ended questions were matched on the pre- and post-survey so statistical analysis could be performed.

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SPSS software was used to analyze demographic and quantitative data. T-tests were utilized to compare data from pre- and post-survey instruments. Qualitative analysis was done by hand for content analysis.

Results

Results indicate strong support for the efficacy of a consumer education seminar with regard to knowledge, attitudes, and planned behavior toward the consumption of counterfeit merchandise. Additionally, three variables, parents' annual income, sex, and country of citizenship, introduced some variation among participants that suggest there are differences based on demographic factors.

After the educational seminar, students had a greater understanding of counterfeiting, felt more knowledgeable about the topic, acknowledged that it is illegal, realized how it affects the global economy and retailers, and linked it to social issues such as organized crime, terrorism, child labor, and sweatshops. In congruence with scholars who suggest consumer education as a vehicle to decrease counterfeit consumption, participants agreed that this seminar was educational and informative, and an effective means towards minimalizing the consumption patterns of counterfeit merchandise. Because participants gained a significant amount of knowledge in the educational seminar, this could affect preferences for authentic and counterfeit merchandise, and reduce intent to purchase counterfeits. An educational session would be expected to have relatively immediate change in knowledge and attitude, but not in behavior, because it takes time for consumers to take action.

This exploratory study substantiates the notion that consumer education is effective in influencing knowledge, attitudes, and behaviors about counterfeit merchandise consumption.

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