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Forget the “Real” Thing—Take the Copy! An Explanatory Model for the Volitional Purchase of Counterfeit Products

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ABSTRACT

As the supply with fake products has been growing dramatically across the globe, manufacturers of the original products and governments find themselves in a constant battle against counterfeiters. While the supply side has attracted considerable attention of researchers, the knowledge on what drives customers to buy the fake rather than the original remains still far from consolidated. Based on a sample of 1040 respondents, this study uses the Theory of Planned Behavior to systematize past findings in the field and comes up with a model explaining key drivers of the demand for counterfeits.

INTRODUCTION

Counterfeiting, the production and sale of fake products, which seem identical to the original product, has been spreading across the globe at an alarming rate. Preferred targets of counterfeiters are products which carry a high brand image and require a relatively simple production technology, such as wearing apparel, consumer electronics, media, cigarettes, watches and toys (International AntiCounterfeiting Coalition, 2002). Manufacturers of the original products are well aware of these developments and leave no opportunity untapped to limit damages to their company’s brand reputation and profits (e.g., Green & Smith, 2002; Kay, 1990; Nash, 1989; Wee, Tan, & Cheok, 1995).

The academic literature displays a strong focus on the supply side, while the demand side—why consumers buy fake products—was neglected badly. Even if companies and governments manage to restrict the supply of fake products, counterfeiters have consistently demonstrated their abilities to find new ways to serve customers, as long as the demand is still thriving (Albers-Müller, 1999; Ang, Cheng, Lim, & Tambyah, 2001). It appears necessary, therefore, to focus more attention on the demand side in order to gain a better understanding of what drives customers to voluntarily buy counterfeits.

Within this paper, we attempt to take a fresh look at the demand side of counterfeiting. Specifically, we aim to consolidate existing findings and to develop a comprehensive, yet parsimonious model of the antecedents and drivers of volitional purchase of fake products. Using the theory of planned behavior as theoretical framework, we develop a conceptual model that explains the purchase intention for counterfeits and use a sample of 1040 Austrian consumers to test its explanatory power.

THEORETICAL BACKGROUND

Counterfeiting appears in two different forms, as deceptive and non-deceptive counterfeiting. Under deceptive counterfeiting, the consumer is not aware of the fact that he/she purchases a copy rather than the original product and cannot be held accountable for the behavior. We focus on non-deceptive counterfeiting, where consumers intentionally purchase fake products (Grossman & Shapiro, 1988; Phau & Prendergast, 1998). When looking at theoretical underpinnings to explain the demand for fake products, three streams of literature appear helpful in structuring and explaining this research question. First, counterfeits would not exist if it were not for brands and what they promise (Bloch, Bush, & Campbell, 1993; Cordell, Wongtada, & Kieschnick, 1996). Undoubtedly, the literature on brands and why people buy branded products provides insight in what makes counterfeits attractive.

Consumers are buying branded products basically for two reasons: physical product attributes and the - intangible - brand image associated with the product. They communicate meaning about their self-image and enhance their self-concept (e.g., Dornoff & Tatham, 1972; Onkvist & Shaw, 1987). This is especially true for luxury goods, which are bought much more for what they mean than for what they are (Dubois & Paternault, 1995; Nia & Zaichkowsky, 2000). While the fake product might not fully comply with all the physical attributes the original product offers, the image dimension of the original branded product is preserved. The price differential, however, is much to the advantage of the counterfeit product. The bottom line is that buying fake products means getting the prestige of branded products without paying for it (Cordell et al., 1996; Grossman & Shapiro, 1988).

Second, prevailing literature suggests that the intentional purchase of counterfeits is considered consumer misbehavior, “which violates the generally accepted norms of conduct in exchange and is therefore held in disrepute by marketers and by most consumers.” (Dodge, Edwards, & Fullerton, 1996; Fullerton & Punj, 1993, p. 570; 1997; Solomon, 1992; Vitell & Muncy, 1992). Often, misbehavior is provoked by certain characteristics or situational factors such as price, penalty and situation-specific elements (Dodge et al., 1996). This holds particularly true for counterfeits which sell at much lower prices than the original (Bloch et al., 1993). What may prevent consumers from engaging in this misbehavior is the fear of punishment. However big the temptation to misbehave, the decision to exhibit deviant behavior is strongly intertwined with the consumer’s ability to rationalize his/her behavior (Strutton, Vitell, & Pelton, 1994). Consumers frequently ease their conscience by concluding that their behavior is not “really” illegal or immoral, and they tend to come up with pseudo-rational excuses, even deflect the blame on someone else (Gellerman, 1986). Past research has identified anti-big-business sentiments as important to excuse the consumers’ misbehavior. Supporting counterfeiters by buying their products is justified, as they calculate more reasonably with lower margins than the original manufacturer. Moreover, they are deemed to simply be more efficient in R&D and distributing their products than the “big guys” (Ang et al., 2001; Tom, Garibaldi, Zeng, & Pilcher, 1998; Wee et al., 1995).

Thirdly, given the fragmented knowledge base in the field, we use the Theory of Planned Behavior (TPB) (Ajzen, 1991) for guidance in systematizing existing findings and adding additional variables, such as psychographic and demographic determinants. In brief, TPB states that behavior is determined by the intention to engage in such behavior, which in turn, is determined by the attitude toward the behavior and the subjective norm as well as the perceived behavioral control (Ajzen, 1991). We are using attitudes towards behavior rather than attitude towards objects (e.g. attitude towards a counterfeit item), as the former are said to be better predictors of behavior (Fishbein, 1967; Fishbein & Ajzen, 1975). Moreover, TPB incorporates the amount of control one has over the own behavior and elucidates its influence on it. In the case of behaviors that are difficult to perform, TPB proved more applicable than the Theory of Reasoned Action (TRA). The purchase of counterfeits seems to be a difficult decision, as temptations to consume are strong given the often tremendous price advantages of fake compared to original products.

CONCEPTUAL FRAMEWORK AND HYPOTHESES

In the following, the theoretical constructs and hypothesized relationships between the measures of the TPB are outlined in more detail. Intention represents an individual's motivation to put effort into displaying certain behavior. Therefore, behavior is influenced by intentions (Eagly & Chaiken, 1993). Thus, we suggest the following hypothesis:

H1: The more positive the intentions towards purchasing fake products are, the more likely consumers will actually purchase them.

In line with the TPB, the intention to purchase counterfeits is influenced by three groups of variables—the attitudes towards counterfeiting, subjective norm and perceived behavioral control. Past research identified mainly two directions in which pseudo-rational excuses to justify non-normative consumer behavior are developed (Sykes & Matza, 1957): towards the supplier of counterfeits by defending them for the reasons outlined below and towards one's own actions, being smart by purchasing the “cheaper” copy.

Defending counterfeiters. Previous studies showed that consumers display feelings of sympathy for small rather than large businesses (Fullerton & Punj, 1993; Moore, 1984; Tom et al., 1998). They perceive counterfeiters as more efficient in terms of how they conduct business and more customer-oriented than the original manufacturers (Ang et al., 2001; Tom et al., 1998; Wee et al., 1995). Along these lines, original-product manufacturers are blamed for charging exorbitant prices, while counterfeiters offer (fake) products at lower prices due to the more reasonable margins (Ang et al., 2001; Cordell et al., 1996; Sandler, 1994). Dodge et al. (1996) pointed out that direct economic consequences on the marketer would lead to a stronger condemnation of aberrant behavior than more general ones (Fullerton, Taylor, & Gosh, 1997). A very serious consequence of counterfeiting singled out in the literature is the chilling effect on technology development and firms' R&D expenditure (Jacobs, Samli, & Jedlik, 2001; Nill & Shultz, 1996; Wilke & Zaichkowsky, 1999). Therefore, it is hypothesized that:

H2: The more consumers defend counterfeiters, e.g., because of their more efficient business practices etc., the stronger is their intention to purchase counterfeits.

Smart Shopper. Buyers justify their misbehavior with pseudo-rational excuses. Tom et al. (1998) suggested that the purchase of counterfeits may seem to be a smart solution for consumers, who might not be able to afford the original or might not be willing to spend the money on the original, if they can get the copy for less (with similar benefits).

H3: The stronger the belief of consumers' that purchasing counterfeits creates a “smart” image, the stronger the intention to purchase counterfeits.

Embarrassment Potential. Branded products are used to improve a person's self-concept. This is achieved through the transfer of attributed meanings and thus the enrichment of self-value. To be effective however, the interaction with others is required, as only others deliver meaning to brands, and as brands are interpreted differently by different consumer groups (Aaker, 1999; Hogg, Cox, & Keeling, 2000; Keller, 1993). People who are buying branded products may be described as self-conscious and especially concerned about the impression they make. They are deemed to be

more compliant with societal standards and more sensitive to interpersonal rejections (Ang et al., 2001; Bushman, 1993; Nia & Zaichkowsky, 2000). When the impression on others is important, consumers who buy counterfeits run the risk that they may be “detected” of doing so, and consequently have to reckon with social sanctions. Therefore, we assume that:

H4: The stronger the perceived embarrassment potential of counterfeits, the weaker the intention to purchase counterfeits.

Subjective Norm. In line with the TPB, the normative pressure that relevant others exercise on an individual plays an important role in the formation of purchase intention and behavior. The subjective norm is defined as the consumer's perception of social pressure exerted on him regarding the purchase of (counterfeit) products. It is a function of normative belief expressing the consumer's perception of what relevant others think of whether one should or should not purchase counterfeits. Therefore, it is suggested that:

H5: The more consumers perceive a normative pressure from important others on the decision to buy counterfeits, the stronger the intention to actually purchase them.

Perceived behavioral control. Ajzen (1985) suggests that the degree to which intentions lead to actual behavior depends partly on the amount of control of the individual over this behavior (Eagly & Chaiken, 1993). External and internal factors may diminish or increase control. In the case of counterfeits the easy/difficult access to counterfeit products, the knowledge about these products and individuals' ability to access and purchase the original/counterfeits may serve as influencing factors. The more an individual finds itself in a position to act, the more likely this individual will display the intention to act. In the case of counterfeits, we assume that perceived behavioral control, i.e. easy access, knowledge about counterfeits, and high ability will positively influence the intention to purchase fake products (Ajzen, 1985, 1991).

H6: The higher the perceived behavioral control of purchasing counterfeits, the stronger the intention to purchase counterfeits.

Self Identity. Self identity was suggested as additional determinant of intention (Eagly & Chaiken, 1993; Sparks & Shepherd, 1992). Individuals who have a rather vague and uncertain self-concept tend to possess low self-esteem. This renders them less certain that they will be able to meet what they believe are others' standards for worthiness and more susceptible to the effects of outside influences on their self-concept (Brockner, 1984; Campbell, Chew, & Scratchley, 1991). Consequently, they may tend to acquire prestigious luxury products to signal a more elite social position, helping them to construct and preserve their individual identity and self-image. Especially when the behavior has become a central aspect of their self-concepts and is repeated, self identity is expected to explain consumers' intention (Cook, Kerr, & Moore, 2002; Eagly & Chaiken, 1993). Thus, it is predicted that:

H7: The weaker the self identity of the consumer, the stronger the intention to purchase counterfeits.

In addition to the variables that have a direct impact on the intention to purchase counterfeits, personality traits are regarded as antecedents to attitudes towards purchasing counterfeits.

Readiness to Take Risk. Perceived risk of purchase decisions is of high importance in the context of fake products (Cordell et al., 1996; Cox, 1967; Tan, 2002). Buying counterfeits may be considered risky in the light of the amount of money lost through malfunction or other quality deficiencies. Most important, however, is the social risk involved. Being detected as purchaser of counterfeit products, the consumer risks to be publicly sanctioned for using them (Wee et al., 1995). Therefore, the readiness to take risks was used as an antecedent to defensive attitudes towards counterfeiters, to embarrassment potential and towards smart shopping attitudes. Therefore, we derived the following hypotheses:

H8a: Readiness to take risks has a positive impact on the degree of defending counterfeiting due to e.g. efficient production and/or distribution.

H8b: Readiness to take risks has a negative impact on the embarrassment potential of counterfeit goods.

H8c: Readiness to take risks has a positive impact on the perception that purchasing counterfeits is a smart consumer behavior.

Fashion Involvement. Fashion items carrying a well-known brand are particularly prone to counterfeiting. As a rule, they have to go out of fashion after a certain period of time putting substantial financial burden on the consumers, if they want to stay up to date. Buying counterfeits may therefore be an acceptable and a thrifty alternative to buying the original product (Wee et al., 1995). As appearance and visibility are particularly salient for fashion items (Tom et al., 1998), the only deterrent to that behavior might be the embarrassment potential of counterfeits. Consequently, we propose the following antecedent:

H9a: Fashion involvement has a positive impact on the degree of defending counterfeiters due to e.g. efficient production and/or distribution.

H9b: Fashion involvement has a positive impact on the embarrassment potential of counterfeit goods.

H9c: Fashion involvement has a negative impact on the perception that purchasing counterfeits is a smart consumer behavior.

Ethical Predisposition. Buying fake products violates commonly shared norms in the marketplace (Dodge et al., 1996). Ethical considerations of what is “importantly right and wrong” (DeGeorge, 1982) play an important role in the consumption behavior, as they may have a self-binding effect on the individual. Therefore, we predict that a stronger awareness of ethical aspects of buying counterfeit goods will influence consumers’ embarrassment potential positively. Consumers want to impress others by purchasing counterfeit goods which ethically is wrong. The more they realize that the more they would feel ashamed and experience negative effects on the self-identity when being detected. Additionally, consumers who themselves have strong ethical predispositions are more independent of others’ opinions. The following hypotheses were derived:

H10a: The higher the ethical predisposition the more embarrassed a consumer reacts when being detected buying counterfeits.

H10b: A strong ethical predisposition weakens the normative pressure of important others.

H10c: A strong ethical predisposition strengthens the social identity of the consumer.

Price Consciousness as Mediating Variable between Intention and Behavior

Previous research points to financial reasons as the major incentive for the purchase of counterfeit goods. Bloch (1993, p.31) states that “people buy counterfeits because they are getting prestige without paying for it”. To control for the effect of price on behavior, we used price consciousness as a mediating variable.

H11: Price consciousness is mediating the effect of intention to purchase counterfeits on the actual behavior.

Price Level of Counterfeits as Moderating Variable

Consumers who willfully buy counterfeits benefit from getting the prestige of the original branded product for a fraction of its price (e.g., Ang et al., 2001; Bloch et al., 1993; Tom et al., 1998). While the importance of price is undisputed in the literature, the issue of price sensitivity was neglected until to date. It still remains unclear up to what price reduction customers still respond to the offer of counterfeiters. Therefore, we introduced two price levels (significantly cheaper and slightly cheaper than the original product).

H12: The effect of the intention to purchase counterfeits on the actual behavior is moderated by the price difference between counterfeit and original product.

METHODOLOGY

Sample and Data Collection

Based on the pertinent literature and expert interviews, a questionnaire was developed, pre-tested and checked for content validity. A quota sample (based on gender, education and age) of Austrian consumers was drawn and 1.469 questionnaires were distributed with the help of research assistants. Of the returned questionnaires, 1040 were usable for analysis, yielding a response rate of 70.8%. Gender was equally represented in the sample. Less than a third of our respondents (31.0%) received only elementary school level education, while 35.2% were educated through apprenticeship, with about another third having received at least secondary or vocational school education. Average age of respondents ranged was 35.7 years (S.D.=13.70).

Measurement

Behavior. Behavior was measured based on past purchases of counterfeits using a single item.

Intention. Following Fishbein (1967) and Fishbein and Ajzen (1975), the proximal cause of behavior is one’s intention to engage in the behavior. The intention to purchase counterfeits of brand products was measured using single items. In addition, we considered that the intention to purchase counterfeits is related to the price of the item (Bloch et al., 1993). Therefore, two different price levels were deemed important (slightly vs. significantly cheaper than the original branded product).

Attitudes. Consumers’ attitudes towards counterfeiting were investigated through the use of a multi-item scale. Items were anchored in a five-point Likert-scale, ranging from 1 “strongly disagree”, 3 “neither agree nor disagree” to 5 “strongly agree”. Based on the literature review, 13 items were developed and served as measures of consumers’ attitudes towards counterfeiting and purchasing counterfeit luxury brands.

Subjective Norm was measured with the Normative Interpersonal Influence Susceptibility Scale developed by Bearden et al.(1989). It measures the degree to which a person expresses the

need to identify with others and a willingness to conform to their expectations about purchase decisions.

Perceived Behavioral Control was operationalized using a single item by asking whether the respondent considers purchasing a counterfeit, if it were offered to him/her in the future.

Self Identity was measured through the Self-Concept Clarity Scale (Campbell et al., 1996). The items tap the confidence aspect of self-concept clarity, and target internal consistency and temporal stability of self-concept (Campbell et al., 1996).

Personality Traits. To measure the *Readiness to Take Risk*, an established scale ("Risk Taker (Purchase)" by Raju (1980)) was slightly modified. *Fashion Involvement* (using Tigert's (1976) "Fashion Involvement Factor (FIF)") is deemed to reflect important fashion behavioral activities (e.g. adopting early, interest in and knowledge about fashion, monitoring fashion trends). The consumer's *ethical predisposition* was measured employing Fullerton's et al. (1996) set of 15 scenarios of unethical conduct in commonly experienced purchase situations that are structured in a way as to convey the idea that respondents are judging the behavior of others, not their own.

ANALYSIS AND RESULTS

Exploratory factor analyses were initially employed to purify the multi-item scales. Items exhibiting significant loadings on the intended factor and no substantial cross-loadings were retained. Reliability checks proved satisfactory, ranging from Cronbach's alpha=.51 to .68 for the attitude dimensions. For the remaining scales one factor each could be extracted (Cronbach's alpha ranging from .62 to .85). This set of items was then subjected to confirmatory factor analyses using AMOS 4.0 (Arbuckle & Wothke, 1999). The objective was to assess the applicability of the developed scale and, subsequently to estimate the structural models. Having satisfied the various measurement issues, the structural models were estimated.

In order to test the moderated influence of the price levels (significantly versus slightly cheaper than original) on the causal relationship between the attitudes towards counterfeiting, subjective norm, perceived behavioral control and self identity on intention to purchase fake brands, a multi-model analysis was used. The price level of counterfeits significantly moderates the causal relationships between the three attitude measures, the subjective norm, the perceived behavioral control and self identity ($\Delta\chi^2(7)=23.58$, $p<.001$, support for H12). The structural equation model has a significant chi-square value¹ ($\chi^2(1461)=5602.33$ ($p<.001$) and a χ^2/df ratio of 3.83.² Other fit statistics are: RMSEA=.05, CFI=.79, TLI=.77 and IFI=.79. Sample size and number of indicators seem to influence the model fit. However, we accepted the model because of the satisfactory RMSEA value and the acceptable value of the χ^2/df ratio. The results regarding the moderated effects are described in the following, followed with the more general impacts of personality traits on attitudes towards counterfeiting, subjective norm and self identity.

¹Since the value of χ^2 and in addition, the ratio χ^2/df is determined largely by the sample size, the evaluation of the model fit should include other indices: for example RSMEA, which is a population discrepancy function, or Bollen's comparative fit index (CFI) being an example of putting the to-be-tested-model into some perspective (e.g. comparing it to other models) (Arbuckle & Wothke, 1999).

²The critical ratio χ^2/df is sometimes proposed to be 1 for correct models (Arbuckle & Wothke, 1999), or ranging between 1 and 3 (Carmines & McIver, 1981), or also allowing a range between 2 and 5 (Marsh & Hocevar, 1985).

Predicting Purchase of Counterfeits through Intention to Purchase Counterfeits. The intention to purchase counterfeits impacts significantly the behavior of purchasing counterfeits (supporting H1). The unstandardized estimate is .45 ($p<.001$). The more people are willing to purchase counterfeits, the more likely they purchase counterfeit products. In order to test for mediating effects of consumers' price consciousness, total, direct and indirect effects were calculated. Price consciousness was hypothesized to mediate the relationship between the intention to purchase counterfeits and the actual behavior. However, no significant indirect effects were found (rejecting H11). It seems that the degree to which consumers care about the price in general does not affect the actual behavior regarding purchasing fake brands.

Antecedents to Intention to Purchase Counterfeits at Various Price Levels. Given the significant effect of the price levels on the intention, the specific causal relationships are calculated. The intention to purchase counterfeits at a significantly cheaper price is influenced by all three attitude dimensions (counterfeit defender, embarrassment potential and smart shopper) at a highly significant level ($p<.001$). Therefore the H2, H3 and H4 are supported for counterfeits at a significantly cheaper price. In contrast, the intention to purchase slightly cheaper counterfeits is only significantly influenced by the attitude of being a counterfeit defender ($p<.01$) and being a Smart Shopper ($p<.001$, support for H2 and H4). The more respondents agree on the fact that counterfeiting should be defended, the more willing they are to purchase significantly and slightly cheaper counterfeits. They would be kept from purchasing significantly cheaper counterfeits only when they fear to be detected wearing counterfeits. The more people think that purchasing counterfeits makes consumers smart, the more they intend to do so.

The normative pressure of important others on the intention to purchase counterfeits is highly significant at both price levels (support for H5). The greatest impact on the intention to purchase counterfeits has the perceived behavioral control: The more people think they are able to engage in that behavior and have the required resources (such as e.g. time, money) the more they are willing to purchase counterfeits at both price levels ($p<.001$, support for H6). While self identity has a significant impact on the intention to purchase slightly cheaper counterfeits ($p<.05$), this was not proven for significantly cheaper counterfeits (partly supporting H7).

Additionally, price consciousness and access to counterfeits were included into the model. While price consciousness does not affect the intention in both cases, the access to counterfeit products is significant at both price levels ($p<.05$). In brief, the price level is mainly moderating the effect of the attitudes on the intention to purchase counterfeits. The fear to be detected with counterfeits is only strong when significantly cheaper products are concerned.

Antecedents to Attitudes towards Counterfeiting, Subjective Norm and Self Identity. Some of the attitude dimensions are significantly influenced by personality traits, namely the embarrassment potential and the perception of the consumer to be smart ("Smart Shopper"). No measured personality trait impacts the "Counterfeit Defender" significantly (rejecting H8a and H9a). Those respondents who are highly involved with fashion (support for H9b) and have a higher ethical disposition (support for H10a) would react more embarrassed if discovered wearing counterfeits ($p<.001$). Additionally, higher readiness to take risks would decrease the likelihood of feeling embarrassed ($p<.001$, supporting H8b). The level of risk readiness is impacting positively the degree to which consumers think they act smartly when purchasing counterfeits ($p<.001$, supporting H8c). Finally, the smart shopper attitude is also negatively influenced by fashion involvement, although less significantly ($p<.05$, support for H9c): A higher interest in fashion weakens the attitude that purchasing counterfeits is a smart

TABLE 1
Measurement Models Moderated by Price Level of Counterfeits (Significantly vs. Slightly Cheaper than Original Product)

<i>Hypothesized Paths (Endogenous Variables)</i>		<i>Significantly Cheaper</i>			<i>Slightly Cheaper</i>		
		β	C.R.	P	β	C.R.	P
<i>Attitudes</i>							
Counterfeit Defender	> Intention	.19	3.23	***	.19	3.01	**
Embarrassment	> Intention	-.13	-3.39	***	-.05	-1.13	
Smart Shopper	> Intention	.33	5.27	***	.32	4.94	***
<i>Subjective Norm</i>							
Subjective Norm	> Intention	.12	4.26	***	.23	7.52	***
<i>Perceived Behavioral Control</i>							
Perceived Behavioral Control	> Intention	.48	19.92	***	.32	11.83	***
<i>Self Identity</i>							
Self Concept Clarity	> Intention	-.02	-.40		.11	2.53	*
<i>Price Consciousness</i>							
Price Consciousness	> Intention	.08	1.63		-.06	-1.12	
<i>Access to Counterfeits</i>							
Access to Counterfeits	> Intention	.08	2.30	*	.11	2.82	*

Note: As suggested by Bollen (1989) unstandardized estimates are used.
*** p<0.001, ** p<0.01, * p<0.05

behavior. The more ethically a consumer reacts the less important is the opinion of significant others ($p<.001$, support for H10b). The ethical disposition has no impact on self identity (rejecting H10c).

CONCLUSIONS

The model which was based on past research and our theoretical considerations was confirmed. Moreover, the Theory of Planned Behavior makes a strong contribution towards explaining the demand for fake products. The strongest influence on the intention to buy fake products comes from perceived behavioral control. The fewer the obstacles to purchase counterfeits in terms of time needed to find them, geographic barriers, etc., the more likely consumers will intend to buy them. Another strong effect was observed, when looking at the perception of being a smart shopper. Given these two results, it appears more useful to address the consumer using affective measures rather than cognitive.

When looking at the subjective norm and embarrassment potential, an interesting phenomenon occurred. At a price level which is only slightly cheaper than the original, the embarrassment potential did not affect the intention to purchase, while the subjective norm did. However, at a significantly cheaper price of the counterfeit, the subjective norm did have a - rather limited - effect, while embarrassment potential strongly influenced intentions. Our interpretation is that this is a result of the type of risk involved in each one of the decisions. At a very small discount, the financial risk of making the wrong decision by buying a fake product and not the slightly more expensive original is rather high. Therefore, the

individual seeks the reassurance of relevant others. However, the social risk of buying a fake product that does not live up to the original and is therefore detected by others is not as strong, as consumers may assume that the high price of the counterfeit is justified with a higher quality. On the other hand, if the price discount is high, the financial risk is reduced, while the social risk increases. A cheap copy of an original brand heightens the chance to be discovered from relevant others as someone who does not own the original, which might be extremely embarrassing to this person.

Less important as the drivers mentioned up to this point, but without difference between price levels, the attitude towards counterfeiting and the defense of counterfeiters' actions influence the intention to buy. So, it seems that consumer-related drivers have a stronger effect than supplier-related factors. Thinking of a potential communication campaign, it appears more successful to target the individual's attitudes towards the own behavior than trying to influence the perception of counterfeiters. Self identity, price consciousness and the access to fake products displayed very little to no effect on the intentions to purchase counterfeits. As to the antecedents, risk readiness has very strong impact (on embarrassment potential and “smart shopper”). Risk-ready individuals do not fear the embarrassment potential of being disguised as owning a fake. The individual's ethical disposition influences embarrassment potential and the subjective norm. A strong ethical disposition seems to supersede the subjective norm from relevant others. Fashion involvement had a strong influence on embarrassment potential and a weaker one on smart shopper.

TABLE 2
Measurement Model for Antecedents of Attitudes, Subjective Norm and Perceived Behavioral Control

Hypothesized Paths		γ	C.R.	P
<i>Exogenous Variables</i>		<i>Attitudes</i>		
Fashion Involvement	> Counterfeit Defender	.05	1.50	
Risk Readiness	> Counterfeit Defender	-.12	-1.80	
Fashion Involvement	> Embarrassment	.28	6.30	***
Risk Readiness	> Embarrassment	-.54	-5.62	***
Ethical Disposition	> Embarrassment	.24	5.00	***
Fashion Involvement	> Smart Shopper	-.14	-2.83	*
Risk Readiness	> Smart Shopper	.40	3.95	***
		<i>Subjective Norm</i>		
Ethical Disposition	> Subjective Norm	-.30	-5.96	***
		<i>Self Identity</i>		
Ethical Disposition	> Self Concept Clarity	.05	1.24	

Note: As suggested by Bollen (1989) unstandardized estimates are used.

*** p<0.001, ** p<0.01, * p<0.05

The Theory of Planned Behavior was established as a valuable instrument for model development in the context of the purchase behavior for fake products. Several avenues for future research emerge: First, it appears useful to test the applicability of the derived model to different product categories. The prevailing literature suggests that products like software entail a differently weighted set of risk (high functional and most likely financial, lower social risk) than luxury brands. Second, additional insight could be obtained by including a comparison of performance of fake vs. original product to increase the explanatory power of our model. Finally, as counterfeiting is a global phenomenon that can be fought only on a global scale, it appears useful to the model for its applicability in various country/culture contexts.

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