Effects of Resource Availability on Consumer Decisions on Counterfeit Products: Role of Justification

Jungkeun Kim, Auckland University of Technology, New Zealand
Jae-Eun Kim, Auckland University of Technology, New Zealand
Jongwon Park, Korea University, Korea

Four studies asked participants to make a purchase decision about a counterfeit product when their cognitive resource was either limited or not. Participants were consistently more likely to purchase the counterfeit when their resource was non-limited than when it was limited. This “resource availability” effect generalized over different product categories (knit sweaters, T-shirts, and video games) and was robust across different manipulations of resource availability. However, the effect was restricted to individuals who had strong moral beliefs against unethical consumption in general, and was pronounced only when justification of counterfeit purchase to others was not explicitly required. These and other results suggest that the effect of resource availability was mediated by its influence on participants’ justification process about the counterfeit purchase.

[to cite]:

[url]:
http://www.acrwebsite.org/volumes/15205/volumes/v37/NA-37

[copyright notice]:
This work is copyrighted by The Association for Consumer Research. For permission to copy or use this work in whole or in part, please contact the Copyright Clearance Center at http://www.copyright.com/.
Effects of Resource Availability on Consumer Decisions on Counterfeit Products: Role of Justification

Jungkeun Kim, Auckland University of Technology, New Zealand
Jae-Eun Kim, Auckland University of Technology, New Zealand
Jongwon Park, Korea University, Korea

EXTENDED ABSTRACT

People consider counterfeit products to be unethical, yet sometimes engage in counterfeit purchases. Previous research has identified various determinants of counterfeit purchases, including price benefits, perceived risks, demographic factors, and personality variables. For example, it has been shown that the most important motive for purchasing counterfeit products over genuine ones is their functional quality and physical appearance comparable to that of originals (Wee, Tan, and Check, 1995). It has also been shown that consumers’ risk perceptions about counterfeits and their moral beliefs against them decrease purchases for counterfeit products (Logsdon, Thompson, and Reid, 1994; Moores and Chang 2006). However, most of these findings are generally descriptive and based on correlational analyses. In addition, situational influences and cognitive processes underlying these influences have rarely been investigated.

The present research investigated the effect of resource availability on the consumption of counterfeit products. We contend that to the extent that counterfeit purchases being considered as unethical behavior, people need to be able to justify their decisions in order to engage in counterfeit purchases. However, the justification process requires considerable amount of cognitive resources. Consequently, people are more likely to consider purchasing counterfeits when they have cognitive resources than when they do not. This effect is more likely to occur among people who have strong moral beliefs against unethical consumption behaviors in general. If people do not consider the counterfeit purchase as unethical, however, they may feel no need to justify their purchases, thus are likely to consider purchasing counterfeit products regardless of whether their cognitive resource is non-limited or limited. On the other hand, if people are required to explain and justify their purchase decisions to others, they may not be able to generate sufficient justification for counterfeit purchase, thus unlikely to consider counterfeit purchase regardless of resource availability.

These possibilities were examined in four studies. In experiment 1, participants were asked to perform either a resource-depleting task or a control task, which was to manipulate the amount of cognitive resources available for a subsequent task (limited resource vs. non-limited resource). Then, participants were introduced to a purchase situation for knit sweaters and were asked to decide whether they would like to buy counterfeits over genuine products. As expected, participants reported a higher level of purchase intentions for counterfeits when their cognitive resource was non-limited rather than limited. In addition, this effect was mediated by the effect of resource availability on participants’ perceptions of justifiability about the counterfeit purchase. Finally, a follow-up study replicated these results in a different product category and in addition, eliminated a mood-based alternative explanation for the effect.

Experiment 2 replicated results from experiment 1 in another different product category and in addition, identified consumers’ moral beliefs against unethical consumptions as a moderator for the effect. To do so, participants’ moral beliefs were assessed. In addition, resource availability was manipulated by a distraction task during the counterfeit purchase situation rather than by a depletion task prior to the purchase situation for generalizability of results. As expected and consistent with experiment 1, resource availability increased counterfeit purchase intentions. As also expected, however, this effect was restricted to individuals who have high moral beliefs, whereas participants with low moral beliefs exhibited high purchase intentions for counterfeits regardless of resource availability conditions. This difference was evidenced by a significant interaction of moral beliefs and resource availability, and was mediated by participants’ justification perceptions about the counterfeit purchase.

Experiment 3 identified accountability of decisions as another moderator for the effect. When participants were required to account for their decisions to others and thus found it difficult to fully justify their decisions, their purchase intentions for counterfeits was low, regardless of people’s resource availability.

In sum, these and other results suggest that people intend to purchase counterfeits if they can justify their decision, but that such justification requires cognitive resources. Theoretical and managerial implications are discussed.