

Getting Insights Into The Worlds of Luxury &
Counterfeiting: an Exploratory Analysis

Anne-Flore MAMAN, ESSEC Ph.D.

Instructor : Prof. Sonja PROKOPEC

March 2009

Trade in counterfeiting amounts for billions of dollars each year, and yet the buyers of these products are still a mystery. A large panel of luxury products is being counterfeited: perfumes, jewellery, haute-couture, leather goods, accessories, gastronomy, wines and liquors... Counterfeits range from strict copies to sole use of a feature of the brand (usually the logo), including classical imitations. As a French symbol, the luxury industry is characterized by a constant sought of perfection embedded at the same time in tradition and technological innovation. Brand name and value are key in the industry. Therefore, the spreading of counterfeiting in this field is undoubtedly a real threat to the long-lasting of industrial and craft employment in the sector. Besides, on top of the financial loss inherent to counterfeiting, the counterfeiter is using the notoriety of the counterfeited brand and can severely damage its equity (Source: INPI, 2008). Large luxury brands or conglomerates such as LVMH have set up special entities to tackle the issue of counterfeiting. Still, a lot has to be done to not only better understand the process and fight against it with legal tools, but also to capture the consumers' ways of seeing it and develop more efficient discourses towards them. Academic research can help achieving this.

The present study is a first step in this exploration of the topic. It will present results gained from several in-depth interviews, conducted among a student population. Two particular topics will be addressed during the interview process: the general attitude of the interviewee towards luxury, and its attitude towards counterfeiting in general. We hope to unfold the potential connections existing between those two attitudes.

We will first conduct a short review of the literature dealing with previous research conducted on the counterfeiting of luxury products, we will then present our research context and interest, as well as the chosen method to conduct our investigation. A presentation of the results gained from the analyses of the interviews will finally help us to introduce potential research to be conducted in a next step of research.

THEORETICAL BACKGROUND

Counterfeiting and the Luxury Industry

A literature review of what has already been done in researching luxury counterfeiting will help define more precisely the research questions of this paper, as well as identifying better the research context to be used for investigations.

Quality Value of Counterfeits and the Theory of Cognitive Dissonance

Kocher, Müller and Chauvet (2007) have been conducting research to enhance knowledge related to evaluations of original products, counterfeits and imitations for luxury products. Their main finding is that, in general, consumers do not have a more positive attitude toward original products than counterfeits. This is a particularly threatening feature of the consumption of counterfeited luxury goods for the luxury industry, for it could imply that the emotional explanation for the purchase of counterfeits (the desire to be part of a group due to a logo) could be enhanced by the rationale explanation (good value for the money). Therefore, social pressure to engage in misbehaviour would be rationalised by economic reasons. Actually, buyers of counterfeits try to legitimate their behaviours and experience reasons for justification, as a proof of applicability of the theory of cognitive dissonance (Eisend and Schubert-Güler 2006). According to the theory of cognitive dissonance (Festinger 1957), dissonance can occur after a decision is made or because intended behaviour contradicts attitudes. In cases of counterfeit, consumers experience it in the form “I bought/will buy a faked product” and “Faked products are of minor quality, illegal, and they do harm consumers, companies and economies as a whole” (Eisend and Schubert-Güler 2006). In the case of non-deceptive counterfeited products, the awareness of the negative consequences can

differ from person to person, and decision to decision. More awareness will lead to higher dissonance and more efforts in applying coping strategies, or it leads to a decreased willingness to purchase counterfeits. In the case of Kocher et al.'s respondents, they displayed the coping strategy through the re-interpretation of dissonant elements by devaluating the non-chosen alternative ("The original luxury brand is almost identical to the fake, but costs a lot more...").

Consumers' willingness to buy a counterfeit is usually increasing if they can rate the quality of the product before purchase. If, as this is the case in Kocher et al.'s study, consumers do not value more real luxury goods vs. fakes (especially in terms of quality), they can find pretty easily a rationale to submit to the double social pressure of possessing a luxury-looking good (thanks usually to a logo) and of misbehaving as the others members of the group already did/do.

Towards a typology of non-deceptive counterfeiters

In a more classical, but still highly valuable, way of exploring the counterfeit world of luxuries, research has been conducted, trying to profile consumers of pirated products within the Chinese market (Phau, Prendergast and Chuen 2001; Teah and Phau 2007). While Phau, Prendergast and Chuen focused on pirated brands of clothing, Teah and Phau have tried to examine the influence of social factors on attitude towards counterfeiting in luxury brands and purchase intention within the Chinese market. Attitude towards ethically debatable consumption behaviour has been proved as a primary factor explaining the act of engaging in such behaviour (Penz and Stöttinger 2005). Besides, ethical concern can be a factor refraining a consumer from engaging in illicit consumption of counterfeits, especially owing to the culpability feeling which might result (Viot, Le Roux and Kremer 2006). However, these studies were conducted on a personal basis, without taking into consideration the social

pressure our research is investigating. Similarly to past research findings (Eisend and Schuchert-Güller 2006), Teah and Phau demonstrated that attitudes towards counterfeiting is the driving force that influences purchase intention. “Perceptions of counterfeits” is found to have a positive influence on purchase intentions. This explains why consumers are attracted by counterfeits when counterfeits are of good quality. And admittedly, counterfeits of luxury brands in China are of unbelievable good quality... There are even Grade systems attached to them to segregate the better quality counterfeits from the less superior ones (Gentry, Putrevu and Schultz 2006).

Both studies’ findings provide useful insights on the topic, although very culturally specific. However, China is of particular interest both for the luxury industry and the study of counterfeiting in general. China has built a reputation as the source of counterfeits. According to the International Chamber of Commerce (2004), more than 60 per cent of counterfeited products seized by US authorities in 2003 were produced in China, and foreign multinationals estimate that they lose at least 20 per cent of the value of their potential sales to counterfeiters there (Porteous 2001). For instance, Ralph Lauren has been fighting counterfeited goods since the creation of its Tokyo branch in Asia (1988). They have continually issued warnings to many stores selling fake ‘Polos’ in Asia and demanded repressive actions to be conducted. In spite of all these actions, the growth of fakes has not stopped (Wada 1996). Therefore both studies have to be considered as useful tools to better understand this “grey area” of the world.

Quite surprisingly, one issue of Teah and Phau’s study is that collectivism does not play a role in affecting consumer attitudes and purchase intention towards counterfeiting of luxury brands. They advance the hypothesis that this is due to their sample’s geographical origin (Shanghai), which is advancing into western-style cosmopolitan areas that would have contributed to increased individualism (Li and Su 2007). Therefore, in their study, the sample

of Chinese consumers of counterfeits they use could be considered as individualistic as their western counterparts. However, in the frame of our study, which is focusing on social influence, we believe that this dimension of collectivism could be further investigated...

Clustering the consumers in a dual typology, Phau, Prendergast and Chuen (2001) identified low-spenders and high-spenders differing on a number of socio-demographic factors. Low-spenders appeared to be 19 to 24 years old with blue-collar occupation, relatively low monthly income, secondary education level, and no children. On the opposite, high-spenders are 25 to 34 years old with a white-collar occupation, a monthly income of HKD 10,000 - HKD 19,000, tertiary or university education, and children. For both clusters, consumers pay less attention to ethical and legal issues when buying pirated products. This is consistent with the social norm in China which accepts and encourages the purchase of counterfeits (Teah and Phau 2007). Displaying a counterfeited product is even a “source of face” for some Chinese consumers (Gentry, Putrevu and Schultz 2006). Therefore, normative influence has positive effects on consumers (Teah and Phau 2007). On the opposite, information susceptibility has negative effects on consumers. Information susceptibility is the basis of purchase decision on the expert opinion of others to make informed choices (Ang et al. 2001). If peers or reference group has some knowledge on the differences between originals and counterfeits (such as product quality), and the negative consequences of counterfeiting, consumer attitudes will be unfavourable towards counterfeiting of luxury brands.

Search Process and Non-deceptive Counterfeiting

In discourses on search in marketing and consumer behaviour, consumers are usually assumed to search for brands within a product. Gentry, Putrevu and Schultz (2001) have investigated this search process within the field of counterfeited luxury goods, and have come to the conclusion that in a counterfeit culture, brands and products are considered as different

entities serving different purposes. Actually, counterfeits are said by the respondents to be opportunities to try a low-grade version of the luxury item, with the potential intent to buy the real good in the future. They are seen as acceptable compromises (less value for less cost, at a good trade-off) for products highly susceptible to fads and trends (low life expectancy). But Gentry, Putrevu and Schultz's most important contribution to the literature is the finding that consumers do often purchase counterfeits out of conscious choice: they are reaching for a specific brand while looking for a price compromise and that's it. Counterfeits are only good as long as they are counterfeiting a specific brand, even if we believe that this might be product-dependant. Thus, the reason why people buy a counterfeit is because it represents the brand it is supposed to be copying. "A counterfeit appears to offer consumers a chance to separate the brand from the product. While the purchase of a counterfeit represents the consumption of the brand (brand decision), it does not appear to represent a "product" decision" (Gentry, Putrevu and Schultz 2001). What remains is the choice of the product within the brand offering, taking into consideration the various offered prices. Therefore, compared to the classical view of search in consumer behaviour, the process appears reversed in the case of counterfeits.

Research Questions and Context

Based on the literature review, our research aims at better understanding how people understand the two worlds of luxury and counterfeiting, something not really captured by the previous research, especially as far as the potential connections in between the two views are concerned.

Therefore, our research will be focused on non-deceptive counterfeiting, meaning that the consumer know that he is buying a fake product. This is consistent with the previously identified connections between conspicuous consumption and attitude towards counterfeiting.

Besides, we will focus on a Western environment (at least from the respondents' nationalities point of view), for research has proven differences in-between Asian and Western consumptions of both luxury products and counterfeits.

METHODOLOGY

Qualitative research looks like being the most appropriated way to begin our research, since our first purpose is really to get insights and understanding of the problem setting we have discussed in the previous part of this paper. Since we have limited experience and knowledge about the research issue (although we do know what features we want to assess), exploratory research will be a useful step (Zikmund and Babin 2003). This will be a first step to a more rigorous, conclusive, confirmatory study by reducing the chance of beginning with an inadequate, incorrect or misleading set of research objectives.

“Depth interviews are much the same as psychological, clinical interview” (Zikmund and Babin 2003). Therefore, this research method suits our needs in understanding the various values associated with the luxury/counterfeiting world or the consumption of products belonging to one of these worlds. Attitudes are mentally-driven, and since we are interested in getting the ‘why’ of their existence, and not only identify them, in-depth interviews should bring more material to our study than questionnaires. It will enable us to uncover underlying motivations, beliefs, attitudes and feelings. We need a detailed understanding of complicated behaviour and this can be at least partially assessed by depth interviews.

Besides, to be able to take into account the emotional dimension of the respondents' attitudes, as social agents, we have to rely on very personal data and refer to a poststructuralist method of analysis (Holt 1997).

Study Design and Data Collection

Three in-depth interviews with ESSEC MBA students were conducted for this study. Students from Western business schools are usually said as having more purchasing power and as being more sensitive to the consumption of conspicuous goods, such as luxury or luxury-looking goods. At the same time, since they learn and know about the rules of the market, communication strategies and pricing strategies, they may be more reluctant than other youths to pay the products full-price. The incentive to turn to counterfeits may thus be more important.

In-depth interviews were conducted in the ESSEC Business School Research Center. Respondents were recruited via an electronic submission system. As this study was in its exploratory phase, no filter was applied and all profiles were welcome to participate. The participants were granted bonus points to be allocated to the course of their choice for participating to the study. The author conducted all three interviews in English. Interviews lasted around 45 minutes. Each participant will be introduced later in this paper.

The overarching goal of the interviews was to discuss thoughts, feelings, and behaviours associated firstly with the luxury world and the consumption of luxury products, secondly with the counterfeiting world and the consumption of counterfeits. As we were interested more specifically in the issue of luxury counterfeiting, we paid attention to first draw the respondents' attention toward luxury and then asked them about counterfeits. All three of them focused on luxury counterfeits.

With the aid of a detailed interview protocol document, the interviews covered various themes. The first part of the interview dealt with the topic of luxury. Respondents were asked to describe past experience and express feelings about luxury consumption. Their ultimate luxury was also touched upon. The second part of the interview dealt with counterfeiting. Past experience about its consumption and various thoughts were under investigation in this part. It

also included a projective drawing to elicit deeper feelings of the respondents. The interview guide and projective cartoon are presented in appendix of the project.

Data Analysis

For the analysis, interviews were transcribed and coded, with a goal to characterise and dimensionalise the key themes in the responses (see Spiggle 1994 and Strauss and Corbin 2008 for a discussion of the procedures used in this stage). In the next stage of analysis, findings from each respondent were compared with and contrasted against findings from the other two. The goal at this stage was to identify the key dimensions on which the respondents differed/were similar as well as to identify the bases for such differences/similarity points. We focused mainly on the values/specificities attributed to either the luxury world/products or their counterfeited equivalent.

Coding schemes were modified as analysis progressed and new concepts were uncovered, following the general procedures of grounded theory (Strauss & Corbin, 2008).

Brief Presentation of the Respondents

Paula is a third-year student of 22 years old. She holds a double nationality, French and Portuguese. She is interested in finance and shares an apartment in Cergy with three other girls, who are also her schoolmates. She considers herself as active, and stresses the fact that she enjoys doing sports. She values nature and health a lot. Her parents did not have a lot of money when moving to France. Therefore, she has not been used to luxury products.

Marc is a second-year student of 22 years old. He is French and has interests in micro-assurances and social entrepreneurship. He lives with his mother and his brother in Malakoff. His parents are divorced. He considers himself as a product of the Parisian suburbs. He is not from a healthy family, and therefore has not been used to luxury products.

Anna is an exchange student of 22 years old. She comes from Germany and is at the end of her studies. She lives in Cergy with her fiancé, who is also German. She defines herself as a person loving doing some shopping but as being price-concerned. She likes nature and comes from the countryside, where no luxury shops/products are really available in Germany. Her parents are divorced.

RESULTS

In the following part, we will present the results gained from the analysis of the three verbatims. Verbatims are available in appendix of the paper. As previously mentioned, the objective of the analysis was to be able to identify potential connections in-between how people view the world of luxury, and their view of the world of counterfeiting. This will be achieved in three steps. A content analysis of what the interviewees mentioned about luxury goods ended up in the identification of six specificities related to Luxury, potentially leading to purchase intents. A content analysis of the discourses regarding counterfeiting isolated four actors in the consumption process of counterfeits: the brand, the context, the consumer and the product per se. A comparison of the two previous steps should help us to propose potential explanations about how and why people display somewhat contradictory behaviours/views on the two subjects. This last part will be presented as future research opportunities, in a conclusion to the present paper.

What's in the World of Luxury?

For our three respondents, who are not usual or even occasional buyers of luxury goods, the world of luxury has six faces. Table 1 sums up the characteristics and identification 'labels' of these faces. A description of each face follows, illustrated with quotes from the respondents.

	EXTERNAL	SOCIAL	SELF
MATERIAL	<p>PRODUCT CHARACTERISTICS</p> <ul style="list-style-type: none"> ➤ Industry ➤ Environment ➤ Impressiveness ➤ Quality/perfection ➤ High price ➤ Difference 	<p>PRODUCT USAGE</p> <ul style="list-style-type: none"> ➤ Impressiveness ➤ Gift ➤ Special usage occasion 	<p>DEFINE ONESELF</p> <ul style="list-style-type: none"> ➤ Investment ➤ Self-gift / reward ➤ Self-fulfilment ➤ Usage ➤ Education ➤ Purchase experience
IMMATERIAL	<p>ANOTHER WORLD</p> <ul style="list-style-type: none"> ➤ Sensory evidence ➤ Not needed product ➤ Weirdness ➤ Brand ➤ Art / creation ➤ Uniqueness ➤ Sophistication 	<p>IDENTIFICATION</p> <ul style="list-style-type: none"> ➤ Impressiveness ➤ Style ➤ Class status / belonging ➤ Culture ➤ Symbol ➤ Proof to others ➤ Sophistication 	<p>EXPRESS ONESELF</p> <ul style="list-style-type: none"> ➤ Re-assurance ➤ Style ➤ Comfort / easiness ➤ Self-fulfilment ➤ Freedom

Table 1: The Six Faces of Luxury

Product Characteristics

The product per se holds some specificity turning it into a luxury item. First of all, it belongs to a very specific industry, with specific selling and attitudinal codes.

“There are many persons into the sale team in such shop. It is quite comfortable to do your shopping because there are people to help you, to give you advice” MARC

This enables the shopping experience to be positive and part of the added-value of the products. It is strengthened by the shop which is described as different from usual shops by the respondents:

“From the outside, when you walk on the Champs Elysées, you see the outside of the shop. [...] it’s very very clean, without many people like there is in normal shops” “I think the shop in itself makes the difference” MARC

However, the shopping environment can be experienced negatively, especially when the sales team behaves in an unusual way:

“You have the impression people are not speaking truly to you, they’re artificial, they cheat you” ANNA

Getting Insight into the Luxury and Counterfeiting Worlds Anne-Flore MAMAN

This does not hide the products' specificities, qualifying it as a candidate for being a luxury good. According to our informants, a luxury product should be high-quality, highly-priced (justified by the quality), different from other products, but still somewhat normal while above normality...

"I mean luxury can be expensive handbag or expensive earrings. It can also be expensive holidays. It's very much of something and very expensive" "something that would be special but not too special. [...] So a bit special, but still a bit normal." ANNA

"I think there is the guaranty of quality. You can't simply sell a product of low quality for 1,000 Euros or so. There is absolute guarantee of quality in my opinion." MARC

"It is also good quality and different that what is in different stores." "Some people buy it because they have money." PAULA

Product usage

How the products will be used and for which reasons partly define the second face of Luxury. Luxury goods are often associated with gifts, with respondents reluctant to buy luxuries willing to buy some for friends:

"I would be ready to buy luxury goods for people who like this kind of products. I have for example one friend who likes this kind." PAULA

"If I know someone who loves luxury product, yeah maybe. I don't know but this can be an idea. But rather not for me." MARC

Luxury products are devoted to be used in specific occasions, not on a daily basis:

"There are ways or situations. When you go out, certain special party living" ANNA

"Maybe one luxury shirt can be useful. I don't know when, where, with who, but maybe have one in case of. But not for everyday clothes." MARC

This can even lead the luxury product to be perceived as a burden:

"I would resell it to buy a normal wallet. [...] You tend to be afraid of making scratch, of loosing it... Always in your mind: my wallet, my wallet..." MARC

Define Oneself

Consuming luxury is a way for the respondents to help becoming somebody, defining one's personality. It is the reflection of a given certain education. As such, if one has not been raised

Getting Insight into the Luxury and Counterfeiting Worlds Anne-Flore MAMAN

in the sense of luxury, he would probably not even think about buying/being attracted by luxury products:

“It’s not in my habitudes. I am accustomed to wearing such clothes. From my family no one buys Chanel or Louis Vuitton.” MARC

The direct implication of this educational background is that experience with luxury goods develops new skills/feelings which lead consumers to consider re-purchase of similar goods. This is an important feature to be taken into consideration by luxury firms.

To help define oneself, luxury goods have to match specific purchase occasions, such as self-gift or reward for accomplishing something (most of the time, social and professional achievement, testified by increased purchasing power).

“If I got promoted or something and I would like to reward me, it would be something like that...” ANNA

Then, it helps the individual to get a feeling of self-fulfilment:

“I guess people could feel self-confident because they have some luxury goods. Maybe it is also something of self-fulfilment. I guess this would be the case for me.” ANNA

It is also a good way to express one’s uniqueness, for instance via the shopping experience:

“The atmosphere in the shop that makes you feel let’s say special.” MARC

Then, the purchase of luxury goods becomes some kind of investment: the present-oriented self-reward becomes a future-oriented proof of success.

“I will be very careful with the product to protect it as long as possible.” PAULA

Another World

For most of our respondents, the luxury world is outside their scope and beyond their reach. This must come from the sample of respondents, who were not raised in wealthy families... They even describe themselves as being “very far from this stuff.”(PAULA)

The very first characteristic of a luxury product is that it is superficial, meaning you do not need it. The three respondents do mention this explicitly:

Getting Insight into the Luxury and Counterfeiting Worlds

Anne-Flore MAMAN

“We think it is superficial.” PAULA

“I see luxury goods as an extra thing, that you buy only really if you have other things that go before buying luxury goods.” MARC

“It’s something that you don’t need to fulfil your basic needs. I guess I would not need something luxury.” ANNA

The luxury environment and people evolving in it appear ‘weird’ to our respondents. One of the interviewees even connects luxury with art, either the shop or the products per se, associated with creation (an unknown and mysterious concept for the usual consumer):

“I found some things really strange.” “Designers, they have created an approach to design clothes.” “It was some kind of artwork this luxury shop.” ANNA

This immaterial dimension of luxury cannot be detected by usual means. Therefore, our respondents seem to rely upon various sensory evidences, often connected with the atmosphere. They can tell that this is luxury because they feel it.

“It smelled luxury.” ANNA

“You take this atmosphere with you. [...] It’s kind of aura.” MARC

A direct consequence of all the previous features is that luxury has to be unique and sophisticated:

“Something you cannot find in other place, very specific.” PAULA

Identification

Buying and holding luxury products or not buying/holding some is also seen as a way to show one’s belonging to a particular group or to enable you to convey specific messages to the rest of the world. This message can be one’s proof of success:

“Maybe it is a signal towards the rest of the world that I made it.” ANNA

One’s testimony of a shared style:

“It’s because of the ambiance in which I evolve.” MARC

One’s social attachment to a specific group:

“I think luxury products are symbols. They mean they belong to certain kind of social class.” PAULA

One’s expression of a cultural background:

Getting Insight into the Luxury and Counterfeiting Worlds

Anne-Flore MAMAN

“In my surroundings, young people don’t like luxury products.” MARC

“In fact, I am Portuguese. My parents came to France when they were very little. We are very far from this stuff.” PAULA

“Where I come from you do not have luxury shops.” ANNA

Therefore, in this category, luxury goods are very much considered as symbols, an added-value to the product often materialized via conspicuous display of logos and brands:

“I think it will be a bag. Eye catching.” PAULA (answering to the question: If you had to think of a luxury product...?)

“The brand is visible. [...] You can see that it is a luxury product avec la griffe de la marque.” PAULA

“The reason why you buy a luxury good could also be achieved with a non-luxury good, except the added-value part, the symbolic part.” ANNA

Express Oneself

This sixth face of luxury deals with the self-expression of one’s identity, as being defined potentially in the third face of luxury. Therefore, the respondents were eager/reluctant to purchase/hold/display luxury products depending on some personal characteristics they wanted to display or hide.

For instance, having luxury goods is a good way to re-assure oneself, expression the wish of self-fulfilment, as previously described:

“I guess people could feel self-confident because they have some luxury goods.” ANNA

It is also a good way to show one’s personal style. This is particularly self-rewarding in case of a gift: it is a proof that people see you in a certain way, a one that you favour/admire:

“I will be happy to have this luxury good, but I will say she sees me as a distinguished person since she offers me.” PAULA

“Chanel or Louis Vuitton, it would not fit my person cloths style.” MARC

The most important feature of luxury, for all three respondents, is that it is associated with freedom, space and opportunity to do whatever one’s want with no constraints and even help to achieve this in an easy way. This was strongly held by the respondents’ definition of their ultimate luxury:

Getting Insight into the Luxury and Counterfeiting Worlds

Anne-Flore MAMAN

“That would be a huge villa in the French countryside.[...] I prefer the countryside. [...] I like being on my own. When I live in the countryside, I can decide whether or not to see anybody.” ANNA

“I would say quietness, calm. [...]You are not pushed by someone because there are many persons.” MARC

“It will be to go in a hotel very... with everything you want.” PAULA

“I could say I can spend that, do whatever I want with it.” ANNA

Our sample of respondents has therefore helped us to identify six original faces of the luxury world. Some of them would lead them to consume luxury products, while others are more turning them away from a world which appears to them as out of their own dimension.

This could be interesting for marketers to take into consideration, for it would enable them to better understand how people could evolve from one state of mind to another one, depending on several proxies identified in table 1. Interesting further research could be conducted in this direction.

The Four Factors in the Consumption of Counterfeits

A content analysis of the second parts of the three conducted interviews lead to the identification of four ‘Actors’ in the process of consuming luxury counterfeits, non-deceptively: the brand, the context, the consumer and the product. These four actors are no surprise but what is more interesting is the various characteristics associated with them and how they interact. Figure 1 sums up the overall findings.

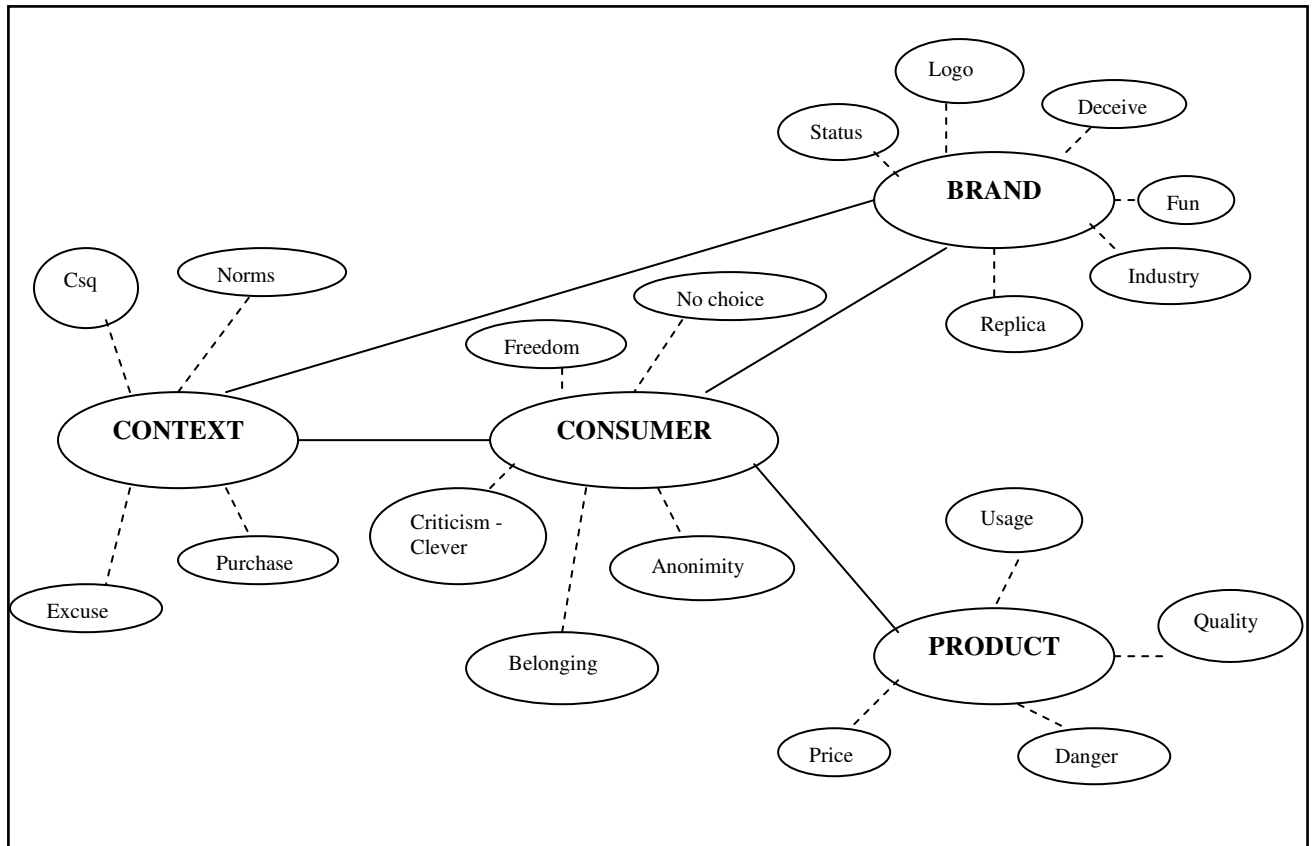


Figure 1: The Actors of the Non-deceptive consumption of luxury counterfeits

We will now provide a brief description of each actor, illustrated with chosen respondents' quotes.

Context

The contextual environment does matter a lot in the choice of consuming fakes. Its impact can be two-directional: it can turn down the respondents' wishes to consume counterfeits, or it can give them excuses to engage in the misbehaviour.

For instance, the legal environment can be an incentive to buy fakes, for the respondents have the feeling that it is usual in the setting where they are.

"In China, for example, you have always fake products, so it gives this feeling of a more normal reaction." ANNA

"I think that everyone came back with counterfeited goods." MARC

For this reason, all respondents mentioned the fact that they have bought or would consider buying a fake in a foreign country, on a vacation occasion:

Getting Insight into the Luxury and Counterfeiting Worlds Anne-Flore MAMAN

“On the market, in Portugal, at the border.” PAULA

“After a trip to Vietnam.” MARC

“I would not do this in Germany but as I am considering to go to China...” ANNA

Various consequences of the act of purchase are taken into consideration, including legal, financial and social ones.

“Because in Germany you have the feeling of doing something criminal.” ANNA

“There can be people discover you buy counterfeits and then they do not want to contact you anymore because of that.” ANNA

“If you are caught with counterfeited product you have to pay twice its price in terms of fine.” MARC

“It is risky when you buy it because policemen can check what you have just bought and if they see it is a counterfeited product I can have a fine.” “If the imitation is very good, the thief thinks that it’s a real one, and he can aggress me to steal the product.” PAULA

When it comes to ethics, the respondents tended to view counterfeiting as negative and it was an incentive for them to fight against it.

“I hope governments will act against counterfeiting since I have seen a reportage in Asia and it reminds me...” PAULA

“There is an ethical standpoint[...] They might be ethical objections to buy these products.” ANNA

Consumer

Freedom is involved in the process of consuming fakes, it two different occasions. The first one is that some people cannot afford buying the real products, therefore they have no other choice than buying its counterfeited version:

“Or the person is really rich, has the means to buy a Chanel or Louis Vuitton. [...] Or second case the person does not have the mean to buy Chanel, so ...” MARC

The second feature of freedom is that consuming counterfeits is part of one’s private life and free will. One should not condemn this or try to convince someone not to buy fakes. This would be an invasion of privacy. For instance, when exposed to the projective cartoon, Marc had strong words: “It reminds me [...] the Gestapo. [...] Denunciation, it reminds me really totalitarian regime with lack of liberty.”

The two other informants are less harsh but still express the same idea:

Getting Insight into the Luxury and Counterfeiting Worlds Anne-Flore MAMAN

“I don’t see why they care.” ANNA

“It’s just the counterfeited product I am wearing, so maybe you can be blind to this product and let me follow my life.” PAULA

Consuming fakes can be done for several reasons, including the wish to try to show a kind of belonging to a group, or in a more critical way, to make fun out of people consuming real products. It can also be as a smart behaviour, for there is no reason to pay so much money for a real item.

“I do not see the sense in paying so much money for something which is not worth it.” ANNA

“Maybe it’s making fun of people who are wearing Adidas because they consider it necessary for their personal environment?” ANNA

“In some cases it can be useful so I bought it.” MARC (speaking of the shirts mentioned in previous part)

However, even if positively oriented towards counterfeiting, the respondents know that it’s illegal, hence a wish to be anonymous when purchasing the product:

“On the Internet, there is the problem that it can be traced back.” ANNA

Brand

Counterfeiting luxury is associated with brand mocking. Therefore, emphasis is put on the logo and quality of the counterfeit, which can even happen to be some kind of exact replica. What is interesting is that some respondents completely identify the counterfeited product with the original one:

“It was a wallet by Louis Vuitton. [...] It was a Lacoste bag, with the same logo.” PAULA

“I have one false Versace shirt. [...] I bought two Diesel shirts for my brother. [...]The brand is enough” MARC

Most of the time, the purchase here is made to deceive others and to show some kind of fake display of social belonging/wealth:

“I think for a person who is interested in the social status brought by luxury product, he will go for the counterfeited product.” MARC

“There are certain groups, if you don’t have brands, you’re not side us? So maybe people want not to be side out. And there, for one to wear brands, if they are not real, they do not care.” ANNA

Getting Insight into the Luxury and Counterfeiting Worlds

Anne-Flore MAMAN

“The product has to be the same as the real one, to deceive people.” PAULA

Mention of the luxury industry is also made, to show how it is right not to pay for such pricy and marketed items.

Product

The last actor is the counterfeited product per se. It is characterised through four different features.

Firstly, it has to be cheaper than its original version:

“You do not want to afford it. [...] It costs like 70% off the price, then I would consider price to be ok.” ANNA

“It is cheaper than luxury clothes, I would say just as expensive as normal clothes.” MARC

“Which are very similar to real ones but with lower price. [...] We tried to negotiate because it was not expensive for a counterfeited product but it was not cheap too.” PAULA

The second feature of fake products is their quality, which is below the one of the real goods.

Some degrees of quality are acknowledged by the respondents:

“It means to imitate another brand and to do the same product with a lower quality.” PAULA

“About quality I imagine it’s not as good as the original product.” MARC

The third feature of counterfeited goods is connected with its quality: it’s its potential danger, physically harmful for instance:

“In this kind of case, it is really important to check if things are real or fake because it can be really dangerous.” ANNA

The last feature is the usage which can be made of the product, which for instance can be seen as a substitute to be used in situation where the real product would not be appropriated or affordable:

“When I do another activity where I don’t want to damage my stuff, I prefer to abimate the other.” PAULA

“In some places, I do not know, where you have to give good impression to people.” MARC

Interaction Between the Actors

The context can have an impact on the consumer, defining its cultural ethical background and providing him with excuses. It also has an impact on the brand, for the complicity of the products are very much connected with the social environment. Brand and product are directly connected to the interest of the consumer towards counterfeiting but does not have an impact on one another, at least from the analysis of the three interviews. Those results are very much superficial and additional research should be conducted to focus on the potential causal links in between the actors. The Actantial Model developed by Greimas could be useful in this sense, as part of a semiotic approach toward the issue.

CONCLUSION: EXPLAINING BEHAVIOURS & FURTHER RESEARCH

The two content analyses give a better understanding of how people develop an initial attitude toward luxury, toward counterfeiting and potentially how one attitude may impact another one. For instance, seeing the luxury world as a superficial/artificial world is very much connected with the idea that some people engage in the consumption of counterfeits to display artificial symbolic codes of belonging to a potential social class.

We would recommend a discourse analysis leading to a semiotic analysis of the discourses hold by the respondents to be mapped and then compared in order to identify potential points of similarity/discrepancy. This would be achieved by the use of semiotic squares.

In terms of managerial implications, the present research should help marketers to better understand the potential boundaries in consumers' minds when thinking about luxury as well as the potential connection with the engagement in the consumption of counterfeits. It could also help them anticipate how actual consumers of luxury goods may perceive the

counterfeiting of items they have paid so much for. Practical communication policies could be proposed taking this into account.

REFERENCES

- Ang S.H., P.S. Cheng, E.A.C. Lim, and S.K. Tambyah. 2001. Spot the Difference: Consumer Responses Towards Counterfeits. *Journal of Consumer Marketing* 18, no. 3: 219-235.
- Eisend M. and P. Schuchert-Guler. 2006. Explaining Counterfeit Purchases: A Review and Preview. *Academy of Marketing Science Review* 12: 1-22.
- Festinger, Leon. 1957. *A theory of cognitive dissonance*. Stanford, CA: Stanford University Press.
- Gentry J.W., S. Putrevu and C.J. Schultz Jr. 2006. The Effects of Counterfeiting on Consumer Search. *Journal of Consumer Behaviour* 5: 245-256.
- Holt D.B. 1997. Poststructuralist Lifestyle Analysis: Conceptualizing the Social Patterning of Consumption in Postmodernity. *Journal of Consumer Research* 23: 326-350.
- Kocher B., B. Müller and V. Chauvet. 2007. What Makes People Evaluate Differently and Purchase Original Goods, Counterfeits and Imitations in the Luxury Industry? An Investigation of a Personal Variable and Hindering Conditions. Paper presented at the 36th European Marketing Academy Conference, May 22-25, in Reykjavik, Iceland.
- Penz E. and B. Stöttinger. 2005. Forget the “Real Thing”-Take the copy! An explanatory model for the volitional purchase of counterfeit products. *Advances in Consumer Research* 32: 568-575.
- Phau I., G. Prendergast and L.H. Chuen. 2001. Profiling Brand-Piracy-Prone Consumers: An Exploratory Study in Hong Kong’s Clothing Industry. *Journal of Fashion Marketing and Management* 5, no. 1: 45-55.
- Spiggle S. (1994), “Analysis and Interpretation of Qualitative Research in Consumer Research”, *Journal of Consumer Research*, 21 (December), 491-504.
- Strauss A. and J. Corbin (2008), *Basics of Qualitative Research*, 3rd Edition, Sage Publication, Thousands Oaks (CA), USA.
- Teah M. and I. Phau. 2007. The Influence of Information Susceptibility, Normative Susceptibility and Collectivism on Attitudes Towards Counterfeiting of Luxury Brands. In *Proceedings of the Australian and New Zealand Marketing Academy Conference 2007*, eds. M. Thyne, K. Deans and J. Gnoth, 1136-1143. University of Otago. New Zealand.
- Viot C., A. Le Roux and F. Kremer. 2006. Les Déterminants de l’Achat de Produits de Contrefaçon: une Exploration du Côté Obscur du Comportement du Consommateur. Paper presented in the 5th International Congress in Marketing Trends. January 20-21, in Venice, Italy.
- Wada T. 1996. Brand Name Demand Brings More Fakes. *Nikkei Weekly* 32, no. 1: 742.
- Zikmund, William G., and Barry J. Babin. 2007. *Essentials of Market Research*. Mason, OH: Thomson South-West.

APPENDIXES

- Interview Guide & Projective Cartoon
- Verbatims

INTERVIEW GUIDE

Thanks for showing-up and presentation of objective of the study. Ask for interviewee's consent. Let the interviewee know that all conversation will be tape-recorded but that it will be kept anonymous and confidential.

Before all, I would like to know more about you: who are you as a person? And how would you describe yourself as a consumer?

First of all, I would like to discuss with you some points regarding the world of luxury

- How would you define a luxury good?
 - Type of product
 - Quality vs. symbol
 - Examples...
- Have you ever been exposed to it?
 - Circumstances
 - Media?
 - Purchase?
 - Friend? Family?
- According to you, what makes people buy luxury goods?
 - Type of goods
 - Gift vs. self-purchase
 - Brand vs. product
 - Symbolic representation vs. product characteristics
- Have you ever considered buying a luxury good?
 - If no: reason why
 - If yes: type of product, circumstances, place of purchase, time of purchase, alone or with somebody else. Description of consumption experience.
- How would you describe somebody who buys luxury goods?
 - Nationality, gender, behaviour, social context
 - Positive vs. negative person
 - Feelings
- Would you describe yourself as such a person?
- What is for you the ultimate luxury?

Let us now consider the topic of counterfeiting.

- What does the word "counterfeiting" mean to you?
- Have you ever been exposed to it?
 - When, where, how (media?)
 - Feelings
- Could you describe the first good you think about when considering counterfeits?

Getting Insight into the Luxury and Counterfeiting Worlds
Anne-Flore MAMAN

- As precise as possible
- Differences between the real item and the fake
- Why do you think people buy counterfeits?
 - Type of purchased goods
- Would you consider buying a counterfeited good?
- If you had to do so, how would you proceed?
 - Where?
 - What type of product?
 - Price ready to pay
- Do you think that it is risky to buy counterfeits?
 - Type of risk: psycho-social, legal, physical?
 - If no, explanation for the rationale behind this justification
- Do you think that it is good to communicate on the topic?

If the interviewee is a luxury consumer and not a counterfeit consumer: How do you feel when you see a luxury brand you happen to buy counterfeited?

+ Projective Cartoon “The fake Rolex”

- Could you describe the setting?
- Any reactions on it?
- If you were the guy, what would you say?

Is there any additional thoughts or feelings you would like to share with me, either concerning luxury or counterfeiting?

Thanks for participation & debriefing. Fill-in of a demographics questionnaire. Offer the opportunity to contact back (business card).



*“We’re from the Neighborhood Watch committee.
We’ve heard you’re wearing a fake Rolex.”*

1 PROJECTIVE CARTOON

VERBATIM 1: PAULA

I would like to know a little more about you first so could you describe yourself as a consumer? What are your buying habits?

Ok so I am 22 years old , I am student at essec and I enjoy doing sports a lot, running, climbing, and as a consumer when I buy something I first consider the quality of the product but also the price I so both quality and price so it is the 2 main criteria I consider

You mention that you do a lot of sports. Is it important for you? Why are you doing so much sport?

First of all to relax to be in contact with nature and to be in contact for my health

You like being contact with nature. How do you consider relationship between nature and consumption today?

I think it s a good topic today, sustainable growth and I think that marketers are not exploiting relation to make new products more environments friendly and more convenient with nature

Do you think this is also relevant for luxury products?

I think it is relevant because luxury brands use nature products: leather for bags. They have to a adapt to consumers who are more concerned about nature and sustainable development

If we now just talk about the world of luxury? Have you been exposed to it in magazine, How is your relationship with luxury? Do you have any relationship?

I am very far from this world because I don't think I have enough money to buy this stuff Maybe later I will buy a LV bag, I have seen luxury products on TV , on magazine for girls but I never bought a luxury bag

In your family, do some people have luxury bags or luxury goods?

In fact, I am Portuguese, my parents came to France when they were very little, we are very far from this stuff, we think it's superficial, so I think it s a difference of culture between my roots and other people who are born in this culture family. Not exposed to that kind of products

Could you explain why you consider it as superficial?

I think we can have the same product for o lower price. Well I think the quality is also lower with other product. If I can have the same product with a lower quality but not very bad, I will be fine so that is why I consider it is superficial. Other brands can do products who are quite similar but cheaper

So if you had to think to a luxury product.

I think it will be a bag.

Could you describe it?

Heu Eye catching,

What do you mean by eye catching? Is it the brand, the colour,

The brand it is visible. Not a pink bag. A classical product. You can see that it is a luxury product avec la griffe de la marque.

I clearly understood that you are not a consumer of luxury goods. But why do people buy them?

I think luxury products are symbols, they mean they belong to certain kind of social class. Some people buy it because they have money and also for a better quality.

Even if you do not buy for you, would you be ready to buy luxury goods for a gift?

I would be ready to buy luxury goods for people who like this kind of product. I have for example one friend who likes this kind. Later, I will buy this kind of product since I know she will be happy to receive this gift. But for my mom will never buys it because she regards this kind of product as superficial

And your friend does she like buying luxury goods because of the reasons? What makes her?

It is in her family culture. Her mum is happy with this kind of product. She teaches their children to do the same. She consider it is also good qualities and different that what is in different stores. Quite the same reasons for her;

DO you think the consumers are more girls or boys?

I think it depends on the product: for bags it is girls but for champagne spirits both gender buy this kind of product

Could you describe me somebody who is regular buyer of luxury product.

I think it will be a men or women with top position in the company, earns a lot money in his job. Could be also a kind of nouveau riche, to show off the spend the money or also a very distinguished person who are concerned by the quality and products that means they are social status in the society.

What do you think about this kind of people?

I respect them, it good for them if they can afford products

What is for you the ultimate luxury?

It will be to go in hotel very... with everything you want and something that you cannot find in other place, very specific. I am thinking about the atlantide in Dubai. I have seen an emission about that. The more luxury rooms are impressive

Imagine that somebody offers you a luxury product? A Gucci Bag?

I will be happy to have this luxury good , but I will say she sees me as a distinguished person since she offers me , and I will be very careful with the product to protect it as long as possible

So you would use it. Ok

I think I don't have any more questions. Do you have anything to add ?

No

Topic of counterfeiting

What does counterfeiting means to you?

It means to imitate an other brand and to do the same product with a lower quality and with the logo of the brand but a little different for other people to see it is a counterfeited product

You can tell the difference between real and counterfeited product?

It depends if the counterfeiting is very good but brand can identify their product with maybe a sign or check code. But as a consumer I won't be able to distinguish which product is false and which is the real one?

Have you ever seen a counterfeited product and can you tell me where, when?

On the market, in Portugal, a la frontier, there are a lot of sellers who sell that kind of products which are very similar to real ones but with lower price and I have already buy this kind of product

Can I ask what it was?

Ok a portefeuille . It was a wallet by Louis Vuitton, White with the letters in color.and you bought it at the border between Portugal and France?

Someone gave me this product, but he bought it in Portugal where there were sellers. It was a gift, but my mum bought a bag on the border.

It was a Lacoste bag, with the same logo, it was pink, very different from what Lacoste do but there was that logo and the imitation of the quality.

Were you with your mom and how did you feel? Could you describe your shopping experiment? How it happened?

we went to the market. We saw of sellers proposing this kind of product. It was messy and my mum: oh there are some imitations with very low prices, maybe we can afford one and buy one. Woo we were looking at the bags. She saw the pink and she loves pink. It was convenient with the bandoulière. It was 20€ for a lacoste bag. It was very cheap for the bag.

For the friend did you ask him to buy something?

No he gave me this because he wanted, it was 5€, it was nothing for him, he is a boy, he does not need the wallet for him, so he gave me to make me happy

Were you happy?

I was

Do you still use it?

I do not still use it because then a friend of me offered me a guess one, it s a true, I prefer the true one.

Where is it? Did you throw it?

No I never throw things, It s In my room, and when I do an other activity where I don't want to damage my stuff, I prefer to abimate the other.

Was it important that it was a LV ?

First of all, it was not important; because I did not have this kind of product but then I received this one I say the other is false. When we start to have real product, you prefer keeping the real ones and let the others aside.

So you have this guess wallet. Would you buy a fake guess bag?

I do not have the opportunity to buy one. If the fake is very similar to the real one, if I am sure we can see it s a false one, I will buy it if it is cheap. But if expensive, I prefer the real.

You want it looks really exactly the same?

It has to be the same thing

Why

When someone buys false bags or wallet, it is to look as if it is the real one. The product has to be the same as the real one, no to deceive people who are looking to the bag. This person does not want person that they think ah it s a false bag she has bought it in Barbes. It has to be as the same as the real one.

And for you ?

For me, if it is the same, it is ok

You would have no problem to put in a fake guess bag a real guess wallet;

No no problem

You told me why for your mother but why people buy counterfeits?

For bags and wallet, because it's very good imitation, if the quality is lower, there are no side effects. But for other luxury products such as wine, food, people don't buy this kind of products because they are afraid of bad quality. It not the same.

What about Counterfeit very far from the real one? Poor quality counterfeit?

Maybe because they do not know the real brand but also they think, it's a counterfeit but it means I consider the brand even if they can't afford a real one, and also they need this product, they need a bag.

To come back to you mom. She bought it for practical reasons?

Would she have bought the same bag without shape ?

No she saw the Lacoste bag. I can do as it if it was the real one, and it is practical for me so I buy it

The brand is also important the quality

If I give you some money to buy a counterfeit?

I think I will go with my friend who buys the real products because she can tell me if it is a good imitation or not

She would agree to come with you ?

Heuuu. It depends where it is. If the place is unsafe, I won't go there; if it is a place very safe, she will come with me, she won't buy this kind of product, but she will advise me?

She won't try to prevent you from buying?

No I don't think so

I will ask people in Paris where I can buy this kind of products. If it is a market or a store, I will look at all the counterfeited products in the store to make the choice. I think I will buy a guess bag for my wallet but not food or wine; Just a bag or wallet, or a shirt or a dress a guess one yes

I will try the product on the store, I will look into the mirror, and I will buy it

Ok did your mom tried to negotiate ?

We tried to negotiate because it was not expensive for a counterfeited product but it was not cheap too we only tried once then the seller did not want to negotiate and we bought it.

How much would you be ready to pay for the bag?

Do you know the price of a real guess bag in France?

Approximately I think it's about 100-150€ maybe

I will buy one if it is less than 40€ I think and if it is very similar to the brand

Do you think that it is risky? Any kind of risk.(physical, psychological)..

It 's risky when you buy it because policemen can check what you have just bought and if they see it is a counterfeited product I can have a fine I think . But when I have the product on me, it s not new anymore I am wearing it , I think ,on legal view point policemen cannot arrest me ? If they see that it's false, maybe they can give me a fine.

On a physical view point; if the imitation is very good, the voleur think that it's a real one, and he can aggress me to steal the product

On a psychological viewpoint, for me I don't matter if it is real or false?

Do you see it as a good thing or a bad thing counterfeiting? Regardless of the fact you would buy one, the very general topic.

I think it s not good product? Brands are loosing money. When imitation is very good, people don't matter to buy counterfeited products so it's not good for brands and also it is not good for consumers if product has a low quality and then that's all I think?

We are aware of this ?

We are not aware because government does not really act to prevent counterfeiting from mushrooming and the repression is not very high to prevent counterfeiters. The law is not very adapted to counterfeiting nowadays.

I show you a picture and tell me the story. Take the time to reflect

Some people form the neighbourhood watch TV are coming to the house of the men who seems to wear a fake Rolex. In this town,

Which town?

In the Us, I am seeing palmiers, it is Los Angeles.

There is a committee of neighbour who are watching people who are wearing fake product. It is an instance to prevent counterfeiting for mushrooming in the city. They have heard that a man is wearing a fake Rolex. People are paying attention to products and style and they are very concerned to counterfeiting and there is repression to struggle counterfeiting and maybe these men who are wearing the fake Rolex will have to follow the committee and to be judged.

In a trial, ?

yes

The watch committee is to prevent counterfeiting and if a person is not abiding the law, he will be judge for counterfeiting, I think,

The fake product will be destroyed, and men who seems to wear a fake Rolex seems surprises to see this committee coming in his house

I think he will follow them since it is in the city law to prevent counterfeiting

And If you were the guy ?

If I were the guy ?

The guy is wearing a watch. Maybe it's a rolex. So yes I would say it's a couterefited rolex and I will follow them since it 's the law

Tell me what you would say the sentence :exactly ?

Heuin. Yes it's true, I am wearing a counterfeited product on my hand as you can see and.. but it 's just the first couterfeited product I am wearing, so maybe you can be blind to this product and let me follow my life.

Ok so I m done with my questions. Do you have additional sort of things regarding luxury and couterfeiting ?

As regards counterfeiting, I hope governments will act fast against counterfeiting since I have seen a reportage in Asia and it remind me some people can earn lot of money thanks to counterfeiting and brands can loose a lot of money if they don't sell real product so it's a economic topic and they have consequences if nobody acts

Ok thank you

VERBATIM 2 : MARC

Once again, thank you for showing up to this interview.

Actually, this interview is for me to gather data regarding two different topics. First of all, it's the topic of counterfeiting and the second luxury

Before even going into this topics I would like you to describe me who you are, your personality, and how do you shop, who are you as a consumer

My name is ... I grew in the suburbs from Paris, I went to the high school in the surrounding of where I live that lead to classes preparatoires then the entrance exam to the Essec I did the first year then I specialized in social entrepreneurship. I am graduate on the social entrepreneurship chair. So but my background unlike most of my camarades i m not from a healthy family so It depends on luxury products but I usually don't buy luxury products because they are expensive.

Sometimes I can buy a shirt or pull over for let's say 50€, I wont go above 50€ for a shirt or lower. It s not only because of my financial means, it s also I don't find, even if I don't have a money I would rather use it to travelling to go see my friends with train, bus whenever I want, even for a few days, so I usually shop I don't always want to buy new things, I buy at Emmaus community, or big retails centre such as Carrefour or small shops rather cheap like Celio.

Do you have some people in your family or some friends who buy luxury goods?

I have a friend who works at Chanel and an other one at LV, so with the mean of private sales they can have things to a good price and so they buy luxury goods, not at their normal prices

Since they are your friends would you consider asking them to buy a luxury, Vuitton item for you for instance?

No, I would not maybe it's because of the ambiance in which I evolute : most of my friends don't wear LV or Chanel, it s not in my habitudes, I am accustomed to wearing such clothes, from my family no one buys Chanel or Louis Vuitton, it would not fit my person clothes style.

Could you describe your style?

My clothes styles rather casual and adapted to where I go: it's more like sweat, sweat shirt, jeans, sport shoes; I do wear polo shirts but it s not the kind of clothes I like.

What makes people buy Luxury goods?

It s hard for me some time to give answer, I think maybe the shop in itself make the difference. When you go to Louis Vuitton shop, it always very beautiful, they are many salesmen for you

Have you been in such shops?

Getting Insight into the Luxury and Counterfeiting Worlds

Anne-Flore MAMAN

I've just seen them, but I think that there is many person into the sale team in such shop it's quite comfortable to do your shopping because there are people to help you, to give you advices, you are not pushed by someone because there is many persons

You never been into luxury shops. How do you know that it's beautiful?

From the outside, when you walk on the champs Elysées, you see the outside of the shop from my own point of view, it's very very clean, without many people like there in normal shops

Why is it luxury?

I think there is the guarantee of quality. I've never bought one; I can imagine the product for this price would be a good quality. You can't simply sell a product of low quality for 1000 euros or so. There is absolute guarantee of quality in my opinion,

To sum up, people buy luxury for the shopping atmosphere and the quality of the product

Yes the atmosphere in the shop that makes you feel let's say special, and with the brand names, it's the kind, you take the atmosphere with you, when you have your Chanel or Louis Vuitton clothes, you it's kind of aura of luxury. Such like the shop smooth clean atmosphere.

If I ask you to describe me the typical luxury buyer, a guy or a woman

I think that women go more for luxury goods than men. Typical, I would say Rather old, not very young, maybe I'm mistaken but I have the feeling that luxury goods don't interest many young people. In my surroundings, (close friends) young people don't like luxury products as much as older people, so I would say always well dressed his or her, but she or he is garants well clothed, rather rich,

Could you describe rich and explain?

What's rich?

On what scale?

I think that people most of the buyer earns more than 4000€ a month. I think, in my perception, people who earn below 3000 or 4000 would spend that extra money on vacation or buying a new house, on entertainment rather than on luxury goods. I see luxury goods as an extra thing that you buy only really if you have other things that go before buying luxury goods..

Once you have a beautiful house, you can go in holidays wherever you want, your house is equipped with brand new technologies when you already have those things you can think about buying luxury goods.

You mentioned luxury products in the house

Garment?

Luxury products it's not always bags or shoes

Which brand?

Getting Insight into the Luxury and Counterfeiting Worlds
Anne-Flore MAMAN

Louis Vuitton Chanel, maybe Giorgio Armani for men
And for women. !

I did not know

You have some friends who buy luxury products would you consider making them gifts luxury goods?

Maybe, if I know someone who loves luxury product, yeah maybe, I don't know but this can be an idea.

But for you?

But rather not for me. Maybe one luxury shirt that can be useful , I don't know when where with who but maybe have one in case of but not for everyday clothes

If somebody gives you a luxury Wallet ?

...

Because it s very expensive I know I think if i had so valuable, I would be afraid someone stole me my wallet, but I cant say , I couldn't sleep , I would keep watching over it, making some scratches.

For me more something that annoys me that the advantages it would give. I would resell it to buy a normal wallet. It's so expensive, that you tend to be afraid of making scratch of losing it. . Always in your mind: my wallet, my wallet

What do you think of people buying luxury products?

I don't really know, I know this two friend of me because they told me but they took part to a private sale but I never figured out what they buy, I do not look, I don't notice if someone has a chanel bag or a normal bag, so I think I would say indifferent but I wonder, for luxury where does all the money go? It s quality so it can be a little expensive but the price they sell it, how are they not making huge and huge profits. I think it s publicity marketing, but that seems, the money they gain seems to be too important to go only in marketing so I wonder where it goes

I am totally ok,

Now we finished with the first topic

So lets speak of counterfeiting...what does counterfeiting means to you?

Counterfeiting, euuh, when someone or an enterprise makes a product looks like a luxury product but it's not made by the brand which is shown on the bag or the clothes, so the brand doesn't get any reward for the marketing publicity and all the money goes to the first firm who makes the counterfeited product. That s why it is cheaper than luxury clothes, I would say just as expensive as normal clothes.

About quality, I imagine it's not as good as the original product but I don't associate it with either a very low quality. So normal quality with the brand name on it so it's more attractive for the customer

A product which looks like. Could you give more precise.

For me, it's not only in looks like. For me it's really counterfeited product uses the brand name, so it's not only I don't see counterfeiting in just design. For me counterfeiting, is when you put the brand name, a brand name of luxury brand on the product

Even if the product does not even exist in reality?

it's counterfeiting because you use the brand name even if the product does not even exist in reality.

And have you ever been exposed to counterfeiting?

Yeah

How Why when where...

After a trip to Vietnam, I think that everyone came back with counterfeited goods.

Including you?

Yes, I said in case of I have one false Versace shirts. In fact I think it was an error, I never put it. It's not fitted to who am I, to how I usually dress, so I took it thinking that may be useful but in fact it was risky to go to Vietnam with it, and I think I have put it once or twice to be honest.

But some came with I would say 3, 4 or 5 goods, counterfeited goods: LV, Chanel bags, things like that

When you bought the shirt, where was it? How, the experience?

I think it was in an open market, not even in some dirty and not lighted place, it was really open? Put first on the stone like we have counterfeited products.

It was to buy counterfeit?

It was more a big market, so I wanted to buy clothes for me for my family to bring back things, things for my family, the shirt was rather beautiful, in fact I was first interested in it and then the vendor told me "it's a Versace" but if I remember well, I did not initially went for it because it was a Versace. The logo, I did not know it, so I could not recognize it, he told me then it's a Versace, it's beautiful, in some places I do not know, where you have to be very well dressed, where you have to give good impression to people, very rich people who wear such clothes.

Yeah in some cases it can be useful so I bought it. I do not know it is luxury goods but I bought 2 diesel shirts for my brother because he used to spend all his money and more money than he had to buy diesel shirts. I think they are 50€ or 40 € each.

So your brother is interested in luxury?

Getting Insight into the Luxury and Counterfeiting Worlds
Anne-Flore MAMAN

I would say small luxury yeah, things like diesel, he will spend 100€ on a very beautiful pull over on very beautiful shoes and not more. I could had two for 10€ if I did not buy it, he would have bought the same in France for 80€, so I decided to buy this 2 for him. I think that's why I came back then with one Versace and 2 diesel shirts.

Your brother, how did he react when you gave him the fake?

I think he did not care, he considers the fake, like a normal diesel shirts.

The brand is enough. You should have asked him, but he would speak about it for what I saw he did not care;

He wears them?

Yes he wears it

Does he mix real diesel and fake diesel?

Yes that s what I was about to say. I don't know if he always if now he knows which are the one he bought which are the real one and which are the one I bought for him and I brought back for Vietnam for him. I do not know if he makes the difference now two years after.

Do you think it's possible to tell the difference between the real product and the fake?

I think that depends on the level of customer and the knowledge of luxury goods. I don't know for Louis Vuitton or Chanel bags, I think that professional can tell the difference because it s not made the same way. I think sometimes counterfeited goods are so god only professional can tell the difference. Even people who are accustomed to buying luxury goods sometime can't tell the difference

When you think about counterfeiting what is the first good which came to your mind?

Bags, Chanel, because it's Bags and Chanel or Louis Vuitton

Why do you see people buy counterfeits?

They want to have let's say the status and the recognition that goes with the brand without paying the price for it. People want the brand for themselves they feel comfortable wearing Chanel or Louis vuitton. Some buy and like luxury products more for the impression and the feeling it gives to other people. I think for a person who is not personally interested in luxury goods but which is interested in the social status brought by luxury product, he will go for he can go for counterfeited products

Is it the case for your brother?

Yeah

The Image?

I mean that for him Diesel conveys an image of young dynamic and urban, yes young dynamic and urban so a counterfeited shirt as long as you can't tell the difference, it gives the same expression

Do you think it is risky to buy counterfeiting?

Yes. I say that many there were many guesses of what we risked. because, as I told you , many of my friends bought counterfeited products so many wanted to know what they risked and I think they agreed on how and which sauce if you are caught with counterfeited product you have to pay twice his price in term of fine. You have a fine of twice the price of the real product that was counterfeited, so 4 or 5 counterfeited products; it can go up to 10 000Euros. So yeah then It s a question of luck or bad luck.

So it is the legal risk but can you think of other risk or is it the only risky thing?

Yes, I think I know what you mean

Don't try to guess Tell me is it the only risk or not?

If I buy counterfeited products, since I won't be afraid of it can damage my body, it can for instance ignite very fast, and I would treat it as a kind of normal shirt with normal quality so I will see only the legal risk.

And if I ask you before Monday to buy a counterfeited good, where would you go, how much would you pay for it?

I don't know where I would go. I think I would ask people around me, I can't see people knowing where to go, I would not know what to do if you told me to bring back a counterfeited books. What I would bring back depends on what you want.

It's open. I will give you money

I will buy you a Louis Vuitton back ,for a woman , Chanel or Louis Vuitton bag is Classic, stereotyped counterfeited good , so that 's I would buy but I have no idea where

Do you think it is important to communicate around counterfeiting and first do you think people communicate?

I know that there is communication but not for clothes .for instance, for toys, for counterfeited toys given to small children, where the quality can be quite low. For me it is different from toys. I can see how a clothe can be really risky whereas a toy, I think that there is a communication on the risk of buying clothes (TOY ?) That can ignite very easily, that are not false proof, things like that, and I think it is quite efficient. For instance, I would not buy counterfeited toys that would seem to me to be a little bit strange.

You think for those goods it is important to communicate

I don't say luxury brands shouldn't communicate but to now, I have only seen communication about toys and on the risk, and I have never seen any communication on what damages it causes to luxury brands

I don t know if it will be really useful to communicate around counterfeiting:

Or the person is really rich, has the means to buy a Chanel or Louis Vuitton, to buy luxury goods he will buy it, he won't go to Shabby areas to buy a counterfeited good
Or second case the person does not have the mean to buy Chanel, so even they weren't any counterfeited goods, he would not buy luxury goods

I am going to show you a picture, tell me the story. You ca take all the time you want

Doesn't really like it. It reminds me , it's a French feeling it reminds me of second world war, to Gestapo, to always watch what people are doing, neighbour watching what the other is doing, insuring that no ones is doing something that is contrary to the law, denunciation, it reminds me really totalitarian regime with lack of liberty

In which country would it take place?

I would say maybe the USA, it s more this kind of stereotyped houses, with neighbour who can see in the garden what the neighbours is doing, neighbour speaking much with themselves, knowing what happens, who does what, so I would say a caricature of USA

If you were the guy, what would you answer?

I would answer: what am I supposed to do? Am I supposed to give it back, to go to jail?

Why those guy tell you that.

Maybe I see they have watches, maybe they buy real one's maybe they are hungry I have the same for the tenth of the price. I would say I did not mean to hurt them, it's not against them, against to depreciate the fact that they have real Rolex. If really it make them angry that I have the same, it annoys them I would simply take it away and take an other one.

IS there anything else you want to share?

No. When I went to Vietnam, My only experience with counterfeited goods

What is for you the ultimate luxury? If you get anything you want?

I think if someone told me you can buy one thing. I don't know

Le luxe ultime?

I would say quietness, calm

VERBATIM 3 : ANNA

As I told you, we will be dealing with two different subjects: the luxury world and the counterfeiting. But before, I would like you to tell a little bit more about yourself, who are you? How do you consume as a consumer, where do you go shopping and so on?

Ok, I am 22 years old, I m German I m doing an exchange program here for one year. I m at the end of my studies, I will finish in summer. I m also studying Chinese, and the thing about shopping is I like shopping, when I go shopping I go to 2 or 3 shops after then I m full I anymore. I m not the kind of person who buys expensive things I would not consider worth it I would not buy really expensive handbags just because some kind of brands

But I d like to buy thing that I find nice, but I m always looking at prices

How would you define luxury goods?

It's something you don't need to fulfil your basic needs, you need something luxury. Maybe some people need luxury to find themselves – I would not consider myself as this kind of person – one to have because you associate something positive with it

Like what?

I mean luxury can be an expensive handbag or expensive earrings can also be expensive holidays. It's very much of something and very expensive

You said it conveys some feeling, could you be more precise?

Maybe, it's not my personal feeling but I guess people could feel self confident because they have some luxury goods

Maybe it s also something of self fulfilment: this would be the case for me. When I know I would have achieve something in my work life, wI really have enough money, do whatever I want with it, maybe it s a signal towards the rest of the world that I made it . Maybe it s also personal, maybe I would find it natural if I could afford luxury. At the moment, I cannot afford many luxury things and I don't feel I need them.

And why do you think people need them?

I guess people need them because they do not feel self confident because they feel as a person??? If you really need it,

Have you ever bought one luxury good? No? In your family do you know someone?

No, no that I would define

Has anybody given you a luxury product?

How do you feel the difference between two products (a luxury one and an other). Is there only the symbolic value or an other value

Getting Insight into the Luxury and Counterfeiting Worlds
Anne-Flore MAMAN

There is also an other value , if you have an handbag you can carry things with it, or expensive holidays you relax and everything so there is an intrinsic value, but you can have a cheaper way maybe ? I mean the reason why you buy luxury good could be the acquaintance with non luxury goods except the symbolic part.

What is your opinion regarding luxury world?

I think it s very artificial. I do not know many people, but you have the impression people are not speaking truly to you, they artificial, they cheat you, they self concentrated; they are not looking aside, at what people do

Have you ever been in a Luxury Shop?

Yes

Which one?

Do you consider Printemps ?

Depending on the floor,

How do you feel?

It was funny to look at thing they had, I did not feel to urge to buy something because I found some things really strange

There was some kind of clothes that were really strange, I would never wear those clothes and there are clothes very normal but at such an high price I could not imagine why I should buy at this price so it was nice, it was some kind of artwork this luxury shop

So you would associate art and luxury shops?

In some parts

Which reasons ? What are the points of similarity; you put it on the table

Because people, designers, they ve created an approach to design clothes, whatever, and I guess they work in a similar way than people who paint pictures, and I think if you look at the development of art in the latest times, you can say everything got art: you do not have only r picture or music, you ve got all kind of mixtures so there is , it is difficult to distinguish the transition is very smooth between those two

Besides Printemps have you been exposed to Luxury?

Yes if you go to Paris...

And which specific places? What are you thinking precisely in which situation?

TO be honest, I was just in Paris, and was walking around the streets, and there certain where you have luxury shops

It was not the people; it was the shop with people in it?

To be honest I would not associate luxury with any kind of people I would see there

No serious. I was invited to a friend here in Paris. I don't know what his parents do. They are living in a big apartment. When I came home, I said to my boyfriend, this is real luxury, it smelled luxury, and you saw that was expensive.

And what were the proxies who told you that? How did you know?

You see when you see people living in there in their environment. If you go in a room and you see it is a designer who fitted in a certain way. You re not able to do it if you have not been trained on that normally.

And I ask you to describe me the typical luxury buyer ?

It's a woman, between 25 and up, 45 -50. They have lots of money, and they have men who work for that money, or they have rich fathers. I don' want to aim at anybody. There maybe exceptions. They want to have something to do during the spare time. Maybe they want to look good because because of their men who earn the money that they spend some attractions if you look good, the men will stay with you so you ll get more money, ..

It s a win win situation

If I ask you the first brand which comes to your mind?

Chanel

And do you think that you will ever considering luxury product?

I think it will be a pair of shoes?

Where would you go? What will you be looking for?

This is a difficult subject because I m really specific concerning shoes. I would want to have something that would be nice and would be special but not too special, not the kind of pair of shoes green or yellow, with all kind of stuff on it. I would no wear this. So a bit special, but a still a bit normal

And why a luxury pair of shoes and not..a special but not too special

Because the money that I spent on shoes. If I want to have the perfect pair of shoes, but normal shoes, I need to spend much money. So I don't see why I should not be spending a little bit more money to get more special shoes. If I got promoted or something and I would like to reward me, it would be something like that..

So it would be a kind of reward?

Yes cause I want to do me something good

When would you wear them?like in everyday life?

Getting Insight into the Luxury and Counterfeiting Worlds
Anne-Flore MAMAN

Probably not. There are ways of situations when you go out, certain special party livings,

You told me your parents do not buy any luxury good. How would they react if you come back home with a luxury pair of shoes?

As long as they pay me my living, they would be a bit concerned. After that I guess they would be proud I could afford that

Last question: I would like to know what is ultimate luxury? If you got a little genius in here?

That would be a huge villa in the French countryside near the sea with a bathroom that goes to the sea, with big windows, and with certain kinds of special things in bathroom whirlpool sauna, ..

Can I ask you why the countryside?

I prefer the countryside, I was born there, and I prefer the countryside. I like the city, but not for too long. I like being not on my own but but not too many people

When I live on the countryside, I can decide whether or not to see anybody and..

Would you associate the world of luxury with urban style of life

Yes ?

Where I come from you do not have luxury shops

Where do you come from exactly ?

The Saar region, near the French border and the Luxembourg, you do not have big cities, you have small cities but it is not comparable to here.

and no luxury shops

no

We go toward the second subject ?

What does counterfeiting means to you?

GOING BACK TO COUNTERFEITING

Have you been exposed to it ?

Yes

My brother went on holidays to turkey I guess and he came back with some designers outfits that were not real

I don't remember to which kind of names it was

He went there, he bought some clothes, he went back and they would have been very cheap if they had been real brands they would have been more expensive

And there is something else. My other brother had a pull over, with this logo, it was not written Adidas but Abidas, or something like that. Same of the friend of mine coming from China with a pair of shoes

What did you think when you saw people coming back with not original products?

It was ok, I did not really care not because ethical reasons but because I do not care the kind of brands I wear as long as I like the clothes I have. I have clothes that were cheap and I have some clothes expensive just because I like them I want them, I don't care about the brands

So you think those people buy fake goods because of the brands?

Yes

Do you have a discussion with your brother?

No

Did he bring something for you?

No. It's my smaller brother so

And if I ask you the very first good when I tell you the word fake?

It was China.

And the goods now?

For Taiwan it would be electronics, for China, it would be, I can not really tell

Why do you think people buy counterfeits?

Because they are cheaper, because they want to have brands but they do not want to buy or they cannot afford to buy them but they want to have the positive association that goes with the brands with other people

Positive association?

There are certain groups, if you don't have brands, you're not side us? , so maybe people want not to be side out. And there, for one to wear brands, if they are not real, they do not care of others

For example The case of your friend, Abidas, everybody knows it's not the real one ...Why or she bought it?

Sometimes it is also fun I guess. I guess this was funnier thing?

Why?

Because you see adidas is just this kind of clothes with this logo on it and if you change it it's still the same kind of clothes so

Why fun I mean?

I don't know, I think it's funny if I see someone running around with this Adidas, maybe he's making fun of people who are wearing adidas because they consider it necessary for their personal environment ?

Would you consider buying a counterfeit?

Yes

Even though it's illegal?

Yes.

Kept confidential

So you would consider buying a fake product .do you have any idea of what kind of product?

It could be again shoes or it could be. I would not do this in Germany but as I m considering to go to China, I guess there is maybe the opportunity to buy something you really want to have would not want to buy if it's expensive? so I could consider that

Why not in Germany ?

Because in Germany you have the feeling of doing something criminal.. And I guess because in Germany you cannot buy it freely in the market you cannot go to Auchan or somewhere and buy something fake?. If you want to buy something which is fake, you need to put an effort on it, then it feels like doing something criminal, while in China, for example ,you have always have fake product , so give this feeling of more normal reaction. Which is irrational I know but...

Would you consider buying a fake product for somebody back in Germany ?

If someone asked me to do this maybe but no. no

Why?

Because it's not original. I guess. I would when I go to country such as China or Turkey, I would buy something that is typical for the area, or that has an association to the person that is meant to get a gift so

And something which is very Chinese?

yes

If right now in Paris, I ask you to buy me a counterfeit, I give you some money and I ask you to buy before next week... how would you do? Think of all the places?

I guess there are certain places of Paris where you can get it very easily but I do not know e Paris so well to know to be able to say where exactly. If I have a week, I would be able

So you think only of real places?

I could also go to the internet. On the internet, there is the problem that it can be traced back so I would not use it for you first

So, In a way you think there are some risks associated with buying counterfeits

Yes, because you are not allowed to

So there is the legal risk ok but are there other risks?

There can be people discover you buy counterfeits and then they do not want to contact you any more because of that in a way– so social risk in a way ? But I guess the legal risk is more

And there is an ethical standpoint. Because, I If you do not buy a cd. If you take the music from internet without paying for it- this is for me also counterfeiting – I guess this is, I would not do this, I can't explain you why but I do not want to hurt those people that do the music. They might be ethical objections to buy these products

But regarding luxury products, the counterfeited luxury products you see ethical considerations?

Of course, you

Well, I guess this is a bit different. When I talked of music, it's a little bit more basic I would consider it more basic. You would buy them I you could not have them otherwise but. The luxury products, there is always the question: if you do not buy the counterfeited product, would you have bought the real luxury product, and I would say no, so in a sense.

So for you no If you buy the fake good It s because you can not afford the original product?

Or maybe because you do not want to afford it. More because of that because I do not see the sense of paying so much money for something which is not worth it.

But you would buy the counterfeit; you would not buy the non branded good?

I would also buy the non branded goods.

Something I wanted to say ...Maybe comes back

...

I have also one question. Let's imagine than in a few years you buy a luxury pair of shoes. Would you consider wearing fake Chanel bag at the same time?

No

Can you explain me why?

When I want to wear something with the state of symbol, I do not need to cheat in that way that I pretend to have money that I do not have. No.

And if you can afford to buy the real stuff, would you buy a counterfeit?

...Maybe. I m not sure, because I guess it always will be my opinion,. It's not always like that, but sometimes luxury products are not worth the money that they cost. And it costs like 70% off the price, then I would consider price to be ok because it s new, it s interesting whatever.

I consider real luxury product to be too expensive, even if I can afford it. Just a feeling of price is not appropriate.

Now I remember. It s also not good for luxury companies like Chanel or others: if you buy other products and it's not ethical, it's not because they are big companies that you are allowed to buy counterfeited products. I guess there are no differences

**We are going to play a little game. I would like to describe me what's going on?
You can make people speak**

Ok, there is a group of people at the door, standing in front of this man he s said to wear a fake watch. I find it very strange, because if there is neighbourhoods watch committee

This must be higher class environment. I do not see why the person is not wearing a real Rolex. But on the other hand, I don't see why they care why he's wearing this Rolex. It could be because they re working there

Where do you think it Takes place?

You can see the outside. There are palms.

If you look at the house, it's a really normal house, not the High class environment that I was just speaking about. If you look at the people, I could imagine him to play golf with this kind of clothes.

The man,

Yes the man with trousers

Ok Imagine you are the guy, what would you answer them?

Heuu..

I m not really nice person in this case, I would tell them to leave my place, to leave me alone. I m not bothering them, why are they bothering me. This is not their job to watch them. We are not leaving in a society where everyone is watching his neighbour. If they think I do something, they are free to go to police, but not I don't see why they should do else , if they were a kind of authority

Do you think it is important to communicate around the counterfeiting?

It can be the brands, the state, and people.

Is it good to speak about it?

I do not know if it helps. I would doubt it; The thing is in Germany during the winter seasons, lots of toys coming from China, and they were tested and I thought 75% were dangerous, really dangerous for children, because they had dangerous ingredients or all kind of things I can imagine. In this kind of case, it is really important to check if things are real or fake because it can be really dangerous. But I guess this has nothing to do with the brand but with the product. The product that comes from China can have an other brand but still be

Getting Insight into the Luxury and Counterfeiting Worlds
Anne-Flore MAMAN

dangerous so but maybe people buy them, and they think they buy a real product, and then it can be dangerous so maybe it's good to

Do you think people can buy counterfeited luxury goods thinking it's a real one ?

Luxury goods ? I don't think so.

I m done with my questions.