



United we stand, divided we fall: How firms can engage consumers in their fight against counterfeits



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Abstract Counterfeit goods are rampant in today's global business world. Original brand manufacturers usually appeal to governments, international organizations, distribution partners, and their own employees to fight counterfeits. This overlooks one important stakeholder: the consumer. However, eradicating counterfeiting cannot be accomplished without eliminating consumer demand. In this article, we describe how consumers have changed in the way they relate to and engage with brands and counterfeits. At the same time, the advent of new media and the Internet have not only opened new distribution channels—particularly for counterfeits—but also new ways to address and reach consumers. These changes in basic parameters call for a fresh look at consumer-directed anti-counterfeiting measures (CAMs). Based on a summary of extant literature and current managerial insights derived from 15 interviews with high- to low-end luxury brand protection experts in Italy and Hong Kong, we suggest a portfolio of CAMs that (1) takes into account different consumers' relationship with the brand and the counterfeit (*weak to strong*) and (2) differs in how actively the CAMs engage the consumers as partners against crime (*low to high*). At the end of the contribution, we offer practical suggestions and recommendations for action.

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1. Counterfeits: Still around and here to stay?

For years, counterfeits have created a global challenge for original brand manufacturers. Despite all countermeasures to curb this illegal business, counterfeit sales are thriving and projections show them reaching approximately \$1.77 trillion by 2015 (Frontier Economics Ltd., 2011). As the numbers

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indicate, there is no reason to believe that fake product sales are slowing down. On the contrary, new channels are speeding its growth. Most notably, the rise of the Internet provides a global distribution channel that is low cost and available to billions of people. Sellers of fake products have traditionally relied on street vendors or night markets across the globe; now, many have shifted to online distribution to reach a worldwide audience (Berman, 2008). Analysts' figures corroborate this trend; while counterfeit sales increased in 2008 by 45%, 80% of this growth is due to rampant online sales ("Protecting Your Brand," 2013). Moreover, the Internet not only spurs demand, but also makes it more difficult to trace supplying counterfeiters due to its virtual nature.

To fight counterfeits, brand manufacturers are employing various countermeasures (Cesareo & Pastore, 2014). In a comprehensive overview, Chaudhry, Zimmerman, Peters, and Cordell (2009) outlined a portfolio of activities addressing governments, international organizations, distribution partners, the counterfeiters themselves, their own employees, and—last but not least—consumers. In that context, they also highlighted the fact that among all stakeholders, consumers receive the least attention. We call such activities consumer-directed anti-counterfeiting measures (CAMs)—online or offline measures intended to dissuade consumers from buying counterfeits and encourage them to become advocates against fakes.

The caution manufacturers exercise when addressing consumers directly is based on several reservations. First and foremost, companies do not believe that CAMs are effective and rate activities toward other stakeholders as more impactful. Some firms also fear alerting consumers that their brand is exposed to counterfeiting, as such announcements bear the risks of negatively affecting brand perception and of generating anti-big business sentiments (Kwong, Yau, Lee, Sin, & Tse, 2003). Thus, companies shy away from large investments with low effectiveness because consumers often choose fakes deliberately and are unlikely to be dissuaded.

2. Why address consumers nevertheless?

While these hesitations are comprehensible, we see at least three key arguments that advocate a stronger consideration of final consumers in the fight against counterfeits. First, a market can only exist if there is demand and supply. Although the predominant assumption is that supply drives the counterfeit business (Sonmez, Yang, & Fryxell, 2013),

supply side activities do not automatically lead to eradicating demand. In addition, demand currently is spurred as the Internet enables consumers who previously had restricted physical access to buy fake products with just a mouse click. While the Internet has facilitated the availability of counterfeits, it also represents a daunting marketplace. Increasingly, consumers are deceived by attractive offers that appear to be a great deal on an original but turn out to be fakes upon delivery (Mavlanova & Benbunan-Fich, 2010). Therefore, any anti-counterfeiting strategy may fall short of its full potential if it does not consider consumer-directed aspects (Bloch, Bush, & Campbell, 1993; Shultz & Saporito, 1996).

The second key argument that supports a stronger focus on consumers is that consumer behavior has changed as regards buying originals versus fakes. While traditionally consumers had been categorized into those who buy counterfeits and those who do not (Phau & Min, 2009), this distinction clearly blurred over time. As an industry report showed, the economically less well-off are not the only consumers who satiate their hunger for branded products with the cheaper fake; increasingly, we see those who can afford the original also buying counterfeits extensively (Ledbury Research, 2007). Therefore, rather than applying a traditional broad-brush approach, consumer-directed measures may need to be tailored more closely to these target groups and their different motivations for buying counterfeits.

Finally, a third argument is that consumers' and managers' views on effective measures differ, as clearly demonstrated by Stumpf, Chaudhry, and Perretta (2011). Managers predominantly rate the effectiveness of CAMs as rather low. However, consumers see more deterrents as feasible and necessary to prevent them from buying counterfeits: This opens up new perspectives toward a broader portfolio of CAMs. Additional measures may also arise from using new communication tools (e.g., social media, blogs, forums) that engage consumers more actively and at the same time offer attractive cost/output ratios.

To come closer to an effective toolset of consumer-directed anti-counterfeiting measures, we start by revisiting past work. We complement it with findings from industry experts to evaluate managerial trends in the usage of CAMs. As mentioned above, consumer behavior has changed substantially in regard to buying and owning fakes versus originals. Thus, we suggest four consumer segments that differ in their relationship with brands/counterfeits and therefore need to be addressed differently in order to better curb the demand for fakes. We conclude with specific suggestions on how to approach each of these

segments more effectively with a portfolio of targeted CAMs.

3. Which consumer-directed anti-counterfeiting measures are available and how effective are they?

To evaluate the state of the art in CAMs, we looked into measures that have been suggested and/or implemented in the past (see Table 1). We have grouped these into four categories: communication-related CAMs, product-related CAMs, distribution-related CAMs, and price-related CAMs. The results show a clear tendency toward *communication-related CAMs*. Key messages highlight the negative effects of purchasing fakes on the consumer, the original manufacturer, and society at large, and stress counterfeiting’s criminal implications. Interestingly, linking the purchase of counterfeits to ethics, while popular among managers, seems to be less effective for consumers, as they increasingly do not consider buying fakes an ethical dilemma (Freestone & Mitchell, 2004). A second group of themes focuses on the communication of product-related aspects—for example, why the original is superior to the fake, how fakes can be detected, and why originals are more expensive. Marketing tools

other than communication activities have attracted less attention.

In regard to *product-related CAMs*, several solutions have been suggested. In order to differentiate the original from the fake, companies can highlight the original’s product features and additional benefits. To stress genuineness, companies can use specific labels and packaging, as well as authentication certificates. Finally, in order to close the price gap to counterfeits, companies can introduce additional lower priced product lines.

Distribution-related CAMs tie in with product-related measures, like warranties, guarantees, and after-sales service; call for highlighting legitimate distributors, such as by providing pertinent lists or displaying certificates in authorized dealerships; and avoid selling in ‘fake districts’—shopping areas where counterfeits are frequently sold. Finally, yet importantly, *price-related CAMs* are put forward, again closely connected with product-related measures such as reducing price gaps through, for example, less-expensive product lines.

Looking at this variety of CAMs, two aspects are worth noting. First, most suggestions are of normative character and have not been checked for their actual effectiveness (Sonmez et al., 2013). In fact, only two studies (Chaudhry et al., 2009; Stumpf et al., 2011) have actually done so. While Chaudhry

Table 1. Overview of current CAMs

CAMs Typologies	CAMs
<i>Product-related CAMs</i>	<ul style="list-style-type: none"> • Differentiate products as much as possible from counterfeit versions • Create effective labeling and featured packaging • Issue authentication certificates & technologies • Include access to additional benefits • Offer related product lines (at lower prices)
<i>Communication-related CAMs</i>	<ul style="list-style-type: none"> • Emphasize quality and appearance to make consumers aware of the difference between original and fake • Stress buying counterfeits as ethically questionable and unlawful • Educate consumers how to spot fakes • Create awareness for negative impact of counterfeits on society (child labor, human trafficking, etc.), personal (functional, social, health risk), and company consequences (reduced R&D, job losses, etc.) • Highlight the criminal aspect of counterfeits (link to organized crime, etc.) • Educate consumers on the price structure of the original • Promote the firm-consumer relationship
<i>Distribution-related CAMs</i>	<ul style="list-style-type: none"> • Provide warranties, guarantees, and after-sales service • Provide lists of authorized retailers • Display certificates within authorized dealerships • Avoid distribution in ‘fake districts’
<i>Price-related CAMs</i>	<ul style="list-style-type: none"> • Reduce price gaps

Note: This table summarizes existing literature in the field. See Berman (2008); Chaudhry, Zimmerman, Peters, & Cordell (2009); Chen, Yu, & Murray (2013); Freestone & Mitchell (2004); Kwong, Yau, Lee, Sin, & Tse (2003); Phau & Min (2009); Romani, Gistri, & Pace (2012); Shultz & Saporito (1996); Stumpf & Chaudhry (2010); Stumpf, Chaudhry, & Perretta (2011); Wee, Tan, & Cheok (1995); Yang, Sonmez, & Bosworth (2004). Further information is available upon request.

et al. (2009) studied the perceived effectiveness of CAMs from a managerial standpoint, Stumpf et al. (2011) actually interviewed both managers and consumers to verify whether their perceptions of CAMs' effectiveness matched or diverged. What is most interesting to note in their study is that managerial and consumer perceptions *do* differ. What managers consider the least successful CAMs—such as stressing the harmful effects of counterfeiting, emphasizing the benefits of legitimate products, publishing lists of legitimate distributors and retailers, and communicating the warranties of genuine products—are actually perceived as most effective by final consumers. Second, the CAMs outlined take a very broad-brush approach that does not differentiate between consumer types and their specific motivation to buy or not buy fakes. In addition, consumers are treated as mostly passive recipients of manufacturer-initiated CAMs. This does not reflect the current trend of consumers being more actively engaged with brands they relate to and buy. Taken collectively, these aspects may be the reason why Staake, Thiesse, and Fleisch (2009) see little guidance in how to address consumers effectively. What is missing are targeted CAMs and an understanding of how to engage those consumers who are willing to support the fight against fakes.

4. What do companies currently find helpful in addressing consumers in their quest against fakes?

To gain an up-to-date insight, we complemented our CAMs review with interviews from 15 marketing and brand protection experts within leading luxury brand manufacturers—high, middle, and low-end—in Italy and Hong Kong. They held different roles within their companies: CEO/Chairman (n=2), Brand protection/Anti-counterfeiting Director (n=2), Legal Affairs Manager/Director (n=4), Intellectual Property Manager/Director (n=6), and Head of Anti-Counterfeiting Training Academy (n=1). The managers were mainly males (53.3%), college educated (90%), and had an average of 9 years of work experience in the anti-counterfeiting field. Their companies operate in sectors where counterfeiting is especially prevalent: apparel, accessories, jewelry, eyewear, and footwear (European Commission, 2014).

Our interview partners are very cautious with communication-related CAMs. They worry about the huge investments with little perceived return, as well as generating anti—big business sentiment. For these reasons, some companies decided to limit their communication to talking about originals only. Therefore, targeting other stakeholders is

perceived as more effective. What respondents agree upon is that consumers need to be educated more to stop from buying counterfeits: both in what lies behind the phenomenon (e.g., counterfeiters' illegal supply chain, organized crime, sweatshops, child labor) and the downsides for companies, countries, consumers, and society (e.g., unemployment, health hazards). Hence, companies advocate general awareness campaigns initiated by governments and industry associations. As for product-related CAMs, some companies are implementing authentication systems such as serial numbers or codes marked on the product or packaging. They reveal such activities primarily to police or customs officials involved in raids or legal action to help detect fakes more easily and support seizures. At the same time, manufacturers are hesitant to communicate such measures more broadly so as not to alert and educate the counterfeiters.

In regard to distribution-related CAMs, almost all companies have a list of authorized dealers and a store locator on their corporate websites, as well as a link to their official online stores. In this way, consumers can be sure to buy an original product if they shop at one of the authorized stores listed, either offline or online. Furthermore, manufacturers educate consumers on how to detect fakes—however indirectly—through employees and distribution partners using newsletters or brochures rather than through widespread communication. We found little to no evidence that firms in our sample use price-related CAMs extensively. Taken collectively, the interviews support previous observations: consumer-directed anti-counterfeiting activities are scarcely used, broad-brushed, and rarely grant the consumer a more active role in the fight against counterfeits.

In some exceptions, firms *do* step up to consumers and are quite open in their communication-related CAMs. They have sections on their websites where they explain what counterfeiting is, what counterfeit production implies, the damages it causes, and how a counterfeit product differs from an original. These firms also use two-way communication channels to engage consumers more actively. For example, companies provide toll-free numbers, call centers, ad hoc links, or e-mail options on corporate websites via which consumers can report fakes, inquire whether a product is authentic, or ask whether a seller is authorized. Consumers can place information about the seller or details and images of the counterfeit product bought or received. Such feedback schemes allow consumers who unintentionally bought a counterfeit to obtain a declaration from the legitimate company that their product is a fake. This supports their quest for reimbursement

from the credit card or online payment company. Other companies in the sample involve consumers through product-related CAMs. With the often-used authentication systems (e.g., BrandWatch Technologies[©], Certilogo[®], OpSec), consumers can insert special serial numbers or codes online to verify product authenticity. If the result is negative, consumers can interact with the original manufacturer through the communication-related CAMs outlined above. In our interviews, we tried to gain qualitative insights into how the more proactive manufacturers judge the usefulness and effectiveness of their CAMs. It was interesting to see that companies who engaged more intensely with their consumers found these approaches more rewarding than the traditional one-way CAMs.

5. Why changes in consumer purchase behavior regarding counterfeits call for changes in countermeasures

Buying fakes means obtaining the prestige of a branded product without paying for it (Cordell, Wongtada, & Kieschnick, 1996). While this basic principle still applies to many buyers of counterfeits, we have observed significant changes in how consumers approach counterfeits. Without claiming to be complete, we outline four types of consumers who differ in the way they look at originals and counterfeits. We also contend that the variations in the relationship with both product types affect original brand manufacturers differently and thus need to be addressed in a diverse manner.

Traditionally, consumers buying counterfeits are classified as not having the financial means to buy the originals in the first place. They are intrigued by the intangible benefits of brands, such as image and prestige, but they cannot afford to buy the original. For some experts, these customers deserve leniency, as the financial damage caused through lost sales is limited. One may even argue that spreading the brand through counterfeits is additional promotion and raises overall brand awareness in new customer segments (Romani, Gistri, & Pace, 2012). If one concurs with these arguments, this customer group might not be a primary target segment for CAMs. Notwithstanding, the wide visibility and availability of the brand—even if in its counterfeit version—is counterproductive to the essence of a premium brand: scarcity and exclusivity (Kapferer & Bastien, 2009). Moreover, wide availability may give consumers the perception that counterfeits are rightful and therefore tolerable to purchase (Tang, Tian, & Zaichowsky, 2014). We call this customer segment the ‘wannabes.’

A second group of customers are those who can afford originals, but do not always choose to buy them. They own originals and fakes concurrently. This concurrent ownership does not necessarily cut across all product categories; for example, some consumers may choose to own original and fake bags at the same time, but not watches. Nevertheless, these consumers directly affect legitimate manufacturers’ sales because they do not always buy the original. For this group of customers, the choice of counterfeits is clearly not income-related. While they are interested in original brands, they prefer a counterfeit version for certain reasons—such as fun, pleasure, and excitement (Yoo & Lee, 2009)—and circumstances—for example, to protect the original from wearing out during travel (Gentry, Putrevu, & Shultz, 2006; Gistri, Romani, Pace, Gabrielli, & Grappi, 2009; Stöttinger & Penz, 2015). The Internet as a distribution channel allows these consumers to gain even further access to fakes because it broadens the number of products to choose from. For original brand manufacturers, this customer group is a very important one, as they can afford the originals but partly refrain from purchasing them. This represents lost sales for the original manufacturer and a change in brand relationship. We call this customer segment the ‘hybrids.’

A third group of consumers buys counterfeits because they were deceived about a product’s authenticity. To date, deceptive counterfeiting has been an issue with pharmaceutical products and other product categories where consumers have no means to distinguish an original from a fake. The Internet now brings deceptive counterfeiting into previously less affected product categories, such as handbags, clothes, and accessories. Websites can be set up easily and artwork is often copied from the original manufacturers; even for experts, discerning between a fake and an original online can be difficult (Steigrad, 2011). Furthermore, the prices appear to offer a seemingly great bargain on a consumer’s favorite brand, but the product turns out to be fake once it physically reaches the consumer’s doorstep (Mavlanova & Benbunan-Fich, 2010). For a brand manufacturer, this group appears particularly vulnerable, as these consumers are faithful to the brand yet want simply to cut a good deal. The negative experience dissatisfies them not only with the purchase but also with the original manufacturer, as they feel unprotected from such frauds (Hieke, 2010). We call this consumer segment the ‘outsmarted.’

Finally, yet importantly, there is a group of brand loyal consumers who see the spread of fakes as harmful to their personal relationship with the brand. The exclusivity they expect is diluted by the wide availability of look-alikes that everyone can afford

Table 2. Consumer relationships to counterfeits and originals by segment and their impact on the original brand manufacturer

	Wannabes	Hybrids	Outsmarted	Brand lovers
Stance on original brand vs. fake	<ul style="list-style-type: none"> • Love the price/performance relationship in counterfeits • Cannot afford the original 	<ul style="list-style-type: none"> • Own a portfolio of original brands and fakes which they juggle at their discretion • Counterfeits are fun to purchase and own, they also serve additional purposes (e.g., protect the original in certain situations) 	<ul style="list-style-type: none"> • Get deceived by seemingly good deals for an original brand which turns out to be fake 	<ul style="list-style-type: none"> • Have a profound relationship with their favorite brands
Impact on original brand	<ul style="list-style-type: none"> • While the heightened visibility through counterfeits may raise awareness for the brand, it may tamper with the key contention of premium brands (scarcity and exclusivity) • May promote the perceived rightfulness of buying fakes among fellow consumers 	<ul style="list-style-type: none"> • Change in brand relationship to a more casual approach • Use the Internet to broaden their product portfolio • Tarnishes original brand's sales 	<ul style="list-style-type: none"> • May lose their trust in the original brand • Feel unprotected by the original manufacturer 	<ul style="list-style-type: none"> • Get deterred by the wide availability of fakes • Expect protection from original manufacturers
Impact on original manufacturer sales	Low/medium	High	Medium/high	High

(Commuri, 2009). They eventually might refrain from buying the original, which clearly has negative effects on brand sales. We call this consumer segment the 'brand lovers.' Table 2 summarizes key consumer behavior patterns and their impact on original brand manufacturers' operations.

6. Which directions can future CAMs take?

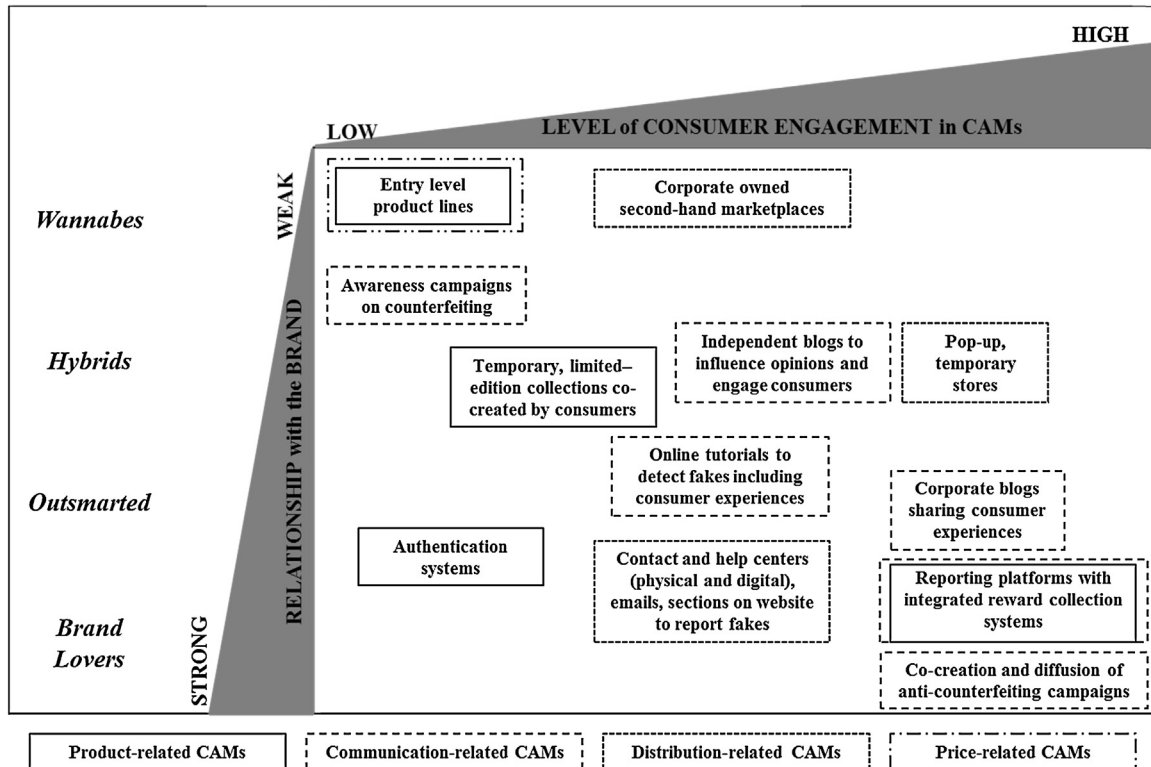
So far, we can draw two conclusions. First, consumers have become more versatile in how they buy and use counterfeit products; this flexibility has changed their relationship with original brands. Second, measures that try to keep them away from buying counterfeits are mainly manufacturer-driven and broad-brushed rather than responsive

to different target groups and their specific relationship with originals and counterfeits. At the same time, we see that among the segments described, there are consumers who have a stake in the brand and its prosperity, such as the brand lovers, the outsmarted, and the hybrids. Even the wannabes might revert to the original brand if they find ways to afford it. Therefore, we suggest a range of CAMs (see Figure 1) that (1) take into account different consumers' relationship with the brand and the counterfeit (*weak to strong*) and (2) differ in the extent to which they engage the consumers as partners against crime (*low to high*).

6.1. Product-Related CAMs

Consumers buy original brands for the superior price-performance relationship—the combination

Figure 1. CAMs suggestions targeted to different consumer segments



Note: Due to graphical and space constraints, the individual CAM's position in this matrix represents its approximate location in the relationship-engagement space rather than its absolute location. For further detailing of CAMs, please revert to the main text.

of tangible (i.e., product quality, durability, design) and intangible (i.e., prestige, image, social acceptance) product features.

For the wannabes, this package is so intriguing that they are looking for less expensive, yet similar alternatives, and therefore turn to counterfeits. While their choice of fakes indirectly affects brand manufacturers, their direct impact on originals' sales is low to medium. In terms of targeted CAMs, wannabes are less interested in protecting the original brand because they benefit from the counterfeit version. Thus, they are the least committed of all four segments to actively fighting counterfeits alongside the manufacturer. However, there are still ways to reduce their desire for fakes and turn them toward originals. Creating lower priced, entry level product lines, such as the 'Armani Exchange' and 'Armani Jeans' by Giorgio Armani, makes originals more accessible to wannabes without alienating more affluent consumers who can afford pricier product lines. Furnishing wannabes with a prominent logo can satiate their need for brand visibility and social recognition among peers. This might connect them more strongly to the original manufacturer, who apparently understands their needs.

The hybrid consumers have a stronger connection to the original, as they own them alongside fakes. Clearly, they can be more actively involved in fighting counterfeits. Hybrids see purchasing counterfeits as fun, exciting, and a rational choice for certain occasions. This is where the original manufacturer can step in. Temporary product lines next to the perennial classic models provide newsworthy and fun opportunities for hybrids to shop for originals. Fast fashion companies such as H&M have occasionally invited star designers (e.g., Karl Lagerfeld, Stella McCartney, Alexander Wang) for limited collections as a way to stay connected and strengthen the bond with consumers. Moreover, such temporary, limited editions would be a great way to engage consumers by asking them to co-create these product lines. They could also raise ideas on which models to develop and can take part in a vote on the final selection.

The outsmarted have a strong interest in the original brand yet they have been deceived by seemingly good deals on an original that turns out to be fake. As they try to remedy a bad experience, the outsmarted are open to a proactive manufacturer who offers protection from similar incidents.

Clearly visible authentication signals on the product or packaging, security codes, serial numbers, or other safety features help them to identify fakes. For example, central banks have installed authentication elements in banknotes to detect forged currency, and they were quite effective in communicating them to the public. Communication-related CAMs (see next section) can help spread information about protection measures and actively involve consumers through feedback loops and word-of-mouth (WoM) communication.

Brand lovers, who have a profound relationship with their favorite brand, are deterred by the wide availability of fakes and expect protection from the original manufacturer. As with the outsmarted, authentication measures demonstrate that manufacturers are aware of the dissonance counterfeiters create for brand lovers and that they care about product authenticity. These activities may reinforce brand lovers' trust in the original.

In regard to other product-related activities, CAMs may more often take the form of rewards for active engagement of brand lovers in the fight against fakes, such as a branded pin, a key chain, or a mobile phone cover. Even more effective are appeals to the intrinsic motivation of brand lovers—the pleasure they personally get from supporting their favorite brand. For that purpose, add-on products can be integrated with gamification elements into reporting platforms. For example, by doing something good for their favorite brand, brand lovers can collect points and badges to move up in the 'brand-lover ranks' to become a brand champion, become brand ambassadors recommended by the original manufacturer to talk to other customers about the topic, or receive special gifts such as limited editions or products otherwise not available through regular sales channels. This playful approach can be effective beyond an individual level because consumers may talk about their achievements to their peers and compare themselves with others in their interest group—in that manner tying in well with communication-related CAMs in the next section. FourSquare is a nice example for such a gamification approach. By checking in at a specified location—for example, a restaurant or pub—via mobile app, the location-based game-like service gives users points, badges, and rewards that consumers can then transform into free products.

6.2. Communication-Related CAMs

Communication is a tool that has been used extensively in past efforts to fight fakes. Its role has changed as modern online communication channels provide consumers with abundant information on

brands but also counterfeits. At the same time, communication provides manufacturers with novel and cost efficient gateways to reach and engage their audiences on a global scale. Communication will therefore maintain its prominent role among the CAMs.

The wannabes have the weakest bond with the original brand manufacturer. Therefore, less connective, one-way communication may be a good start. Wannabes cherish the fakes' alleged price-performance ratio. To set the record straight, highlighting counterfeiters' detrimental effects—such as personal harm and the negative impact on society—is definitely an option. The means to get in touch with wannabes depends on the age group and media consumption habits. For consumers preferring offline communication, mass-communication campaigns (e.g., TV, radio), articles in fashion magazines, or product-related special interest publications are viable options. For savvy online consumers, information needs to be where they find out about fakes: in product or brand-related discussion forums or news sites.

Connecting with the hybrids means educating them about the negative effects to cool their desire for fakes. However, hybrids may be more receptive than wannabes to negative impacts on the original brand manufacturer—for example, losing its competitive edge due to lower R&D expenditures or job loss of highly skilled labor. The offline media channels for hybrids are similar to the wannabes', with one addition that arose from the interviews: getting in touch with them when they travel to high counterfeit-replete destinations through, for example, information leaflets on flights or articles in in-flight magazines. Online media offers great opportunities to connect and engage the hybrids. Research shows that a large number of consumers seek other people's viewpoints on certain brand/product choices online before they buy. This number rises even higher for those who also buy online (Okonkwo, 2010). Therefore, online word of mouth is a powerful tool. Blogs can play a prominent role here, particularly when they are run by independent bloggers. They are passionate about a certain brand product and have high credibility within their network of followers (e.g., the *Atlantic-Pacific* blog by Blair Eadie or *The Blonde Salad* blog by Chiara Ferragni). Their statements against counterfeiters have the potential to change the hybrids' opinion too. Blogs also provide platforms where consumers enter two-way communication and become more engaged. Moreover, bloggers can help disseminate all other CAMs, such as temporary product lines or pop-up stores, increasing the hype around a brand.

What will win the outsmarted as supporters against fakes is to make them feel smart again (“Be smarter than the seller, make sure you do not get fooled by counterfeits”). One way to do this is to share knowledge about fakes, how/where they appear (e.g., ‘bargains’ on eBay, Amazon, or websites deceptively similar to the original), and how to tell an original from a fake. Communicating the company’s anti-counterfeiting efforts also instills trust and confidence in the manufacturer’s determination. Next to offline media campaigns, online video tutorials—shared on the company’s website or through social platforms such as YouTube—on how to detect fakes, where to look for authentication signals, and where to learn more about the illegal practices of counterfeiters can all increase awareness and provide trust in the original manufacturer. For more active engagement, consumers can be encouraged to share their stories about how they were fooled and what that meant to them. These vignettes provide authentic warnings for fellow consumers and can be diffused through multiple communication channels. For their courage of speaking up, the outsmarted should be rewarded by the manufacturer—as described previously—through free products, accessories, or other forms of recognition.

Communicating with brand lovers is particularly important to keep them loyal and passionate about the brand. The first step to gain credibility is to acknowledge the fact that counterfeits exist, as brand lovers have a good overview of the market and the different product offerings. Talking about counterfeits and their implications on the original is a great way to demonstrate transparency (e.g., Louis Vuitton’s statement about counterfeits on its homepage). More active ways to involve brand lovers is to use them as role models for less engaged consumers (e.g., hybrids). They can share precious moments with the brand and why counterfeits are not an option for them. To provide visible recognition for brand lovers and inspiration for others, these vignettes can be displayed on the company’s website or blog. As brand lovers are devoted to their favorite brand, they can be of great help in co-creating anti-counterfeiting campaigns. They can communicate their views on core messages or suitable communication channels to maximize campaign effectiveness. Brand lovers are also ideal partners to spread campaigns on social media; for example, they could change their profile pictures to the anti-counterfeiting campaign’s core message to show their support, like users supporting breast cancer prevention initiatives did by changing their profile pictures to the pink ribbon. Through passing on their experience and supporting the fight against

fakes, brand lovers could again earn rewards that provide them with high-end benefits such as special invitations to online fashion shows or exclusive product presentations.

6.3. Distribution-Related CAMs

Wannabes enjoy the attractive price-performance relationship in counterfeits, which may be altered through product- and communication-related CAMs previously outlined. A new way of reaching them may be to offer physical or digital marketplaces owned and operated by the legitimate brand holders—either openly communicated or under a different company name—or trusted retailers. There consumers can exchange verified second-hand originals at a fraction of the original price. The marketplace operator can take the role of independent quality control. This would not only provide a safe environment for wannabes to get good quality for their money but also educate them about an original’s benefits and connect them closer to the brand. Moreover, such marketplaces may be an option to fight a related challenge—grey markets—where original goods are sold through unauthorized channels. Providing officially authorized trade outlets where wannabes can get less expensive originals in a safe way may also reduce such uncontrollable purchase alternatives.

Hybrid consumers enjoy the fun and excitement of shopping for fakes. Therefore, the goal is to connect them more tightly to the brand by offering similar experiences. Creating pop-up stores or other temporary product-related shopping opportunities could bond them to the brand. Through expert advice, styling tips, or other added features, online stores can also provide the hedonic shopping experience the hybrids seek. Moreover, they represent ways to interact with the company and fellow consumers (e.g., reporting their experiences, exchanging ideas).

The outsmarted suffer from the fact that they got a seemingly good deal on their favorite brand, which turned bad on arrival. Thus, they should find opportunities (e.g., a call center, e-mailing options, dedicated sections on the corporate website) where they can report dealers or websites where they suspect or experienced fakes. Manufacturers can also set up help centers at flagship stores or dealers worldwide where consumers can receive an evaluation of potentially counterfeit goods and be supported in reimbursement. Such activities can take place offline at physical distribution outlets or online through product authentication systems. As with communication-related CAMs, consumers should be given many opportunities to talk about

these experiences and share them with their peers through social networks.

For the brand lovers, it is important to support their strong relationship with the brand through adequate shopping experiences both online and offline. This reinforces the emotional and rational bond with the brand and provides experiences that trigger peer-to-peer communication. The store environment is a place where brand lovers can receive their rewards—for example, special treatment in the store, private sales, product add-ons (e.g., personalization), or access to special showrooms—for fighting against fakes alongside the manufacturer.

6.4. Price-Related CAMs

Price-related CAMs received the least attention in extant literature and our interviews with managers. This does not come as a surprise, as brand manufacturers do not want to tamper with the premium price of their high quality, high prestige brands. Price-related activities such as lowering prices, providing discounts, or holding special sales would immediately raise concerns or doubts and make the brand lose its exclusive appeal. One way to accommodate lower prices would be to introduce lower priced entry lines, as suggested under product-related CAMs, which would maintain the brand image and still provide affordable original brand alternatives to counterfeits.

In summary, taking a more differentiated perspective also provides more differentiated options for action, which may be more effective than what we have seen or assumed so far.

7. Where can we go from here?

In this article, we tried to take a fresh look at the fight against counterfeits. Unlike what most managers may think, we strongly advocate engaging consumers more actively. The supply of counterfeits can only be pushed back if we find effective ways to curb demand. We have outlined a portfolio of consumer-directed anti-counterfeiting measures that consider the variety of relationships consumers currently have with originals and fakes, and attribute a more prominent and active role to consumers in the fight against fakes. While we do not claim exhaustiveness for the CAMs we outlined, we consider them directions toward novel thinking.

Moreover, we strongly believe that to be successful, companies need an entire portfolio and an integrated implementation strategy of CAMs that, in an ongoing effort, addresses the different consumer segments through all sorts of channels.

Ultimately, the degree of CAMs usage also depends on how open, transparent, and proactive a company wants to address its customers about counterfeits. Our suggested CAMs range from more candid approaches to highly visible ones depending on a company's strategic choice.

While we see the great potential of the CAMs outlined above, the key to their adoption and implementation will be solid proof of their effectiveness. Along these lines, different knowledge gaps need to be addressed. First, there is a strong need for empirical analysis on consumers' perceptions on CAMs' effectiveness; because consumers are the targets of such actions, it would make most sense to ask *them* which of the proposed CAMs they deem effective. Second, as buying fakes is a global phenomenon in terms of both supply and demand, the scope of CAMs needs to be potentially global too. As our interview partners indicated, the public awareness for counterfeits and their potential downsides are usually higher in countries with a strong luxury industry (e.g., Italy, France) compared to other markets. This calls for international samples and investigations to provide managers with recommendations on which CAMs to use and where. Third, counterfeit sales are effected through both physical and virtual sales channels. Therefore, evaluating CAMs would also require taking the different purchase contexts—offline and online—into account. Finally, as called for by [Stumpf and Chaudhry \(2010\)](#), follow-up research should focus on actual behavior rather than purchase intention to verify whether CAMs actually decrease demand for counterfeits.

Taken collectively, the fight against counterfeits needs to engage all forces and stakeholders to have a realistic chance at being successful. Therefore, we hope to have inspired managers to consider CAMs in their fight against fakes and to provide researchers new insights along the lines suggested, as much still needs to be done.

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