

**Luxury Fashion Brands: An observation into Johannesburg consumers
preferred counterfeit branded products**

By

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DECLARATION

I declare that “*Luxury Fashion Brands: An observation into Johannesburg consumers preferred counterfeit branded products*” submitted in fulfilment of the requirements for the Honours Degree in Strategic Brand Communication at Vega School of Brand Leadership, is my own work and that all sources utilised within this research study have been acknowledged by means of complete reference.

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ABSTRACT

Counterfeiting is an illegal activity that continues to boom in the 21st century. Many research studies regarding counterfeiting undertaken in the past have had a strong focus on the supply side of the industry, whereas few studies look to consumer demand and even fewer towards consumer demand for counterfeit products in an emerging African market.

The aim of this research study, therefore, was to provide a descriptive analysis of the Johannesburg consumers' preferred luxury fashion counterfeit branded products. In order to achieve the research objective, an extensive literary review was conducted with specific focus on the South African (Johannesburg) counterfeit industry. An empirical study was conducted with Johannesburg consumers, through a mixed method approach. Qualitative research formed the first leg of the study and assisted in identifying past previous purchases on luxury fashion counterfeit brands. Once identified, these brands were then utilised to satisfy the research objectives.

The results of this research study indicate that Johannesburg consumers' have a high intention to purchase luxury fashion counterfeit products.

Key terms:

Counterfeit; luxury brands; product; brand value; consumers; authentic; demand; illegal; Johannesburg

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CHAPTER 1

INTRODUCTION

“...counterfeiting is an alarming and growing problem worldwide, occurring both in secondary and well developed countries.” (Ergin, 2010:2181)

1.1 Introduction

Counterfeiting is a term describing “the multiplication or duplicate version of the authentic article” (Teah & Phau, 2001: 1). The act of counterfeiting is a phenomenon that was first thought to be of minor significance to manufacturers (Ergin, 2010: 2181). However, as time has passed, the world has come to realise this is not the case, as the illicit industry today accounts for an estimated 5–7% of total world trade (Kim & Karpova, 2010: 79).

Luxury fashion counterfeiting is a market that has been growing dramatically across the globe, and one which relies on the collaboration of the consumer. It is frequently seen as an illegal activity. Thus, making it a difficult trade to control because as long as consumers desire luxury brands, the greater the market for counterfeits. This research paper will consider the consumer-centered approach in an attempt to evaluate which luxury fashion brands are commonly consumed by Johannesburg consumers.

Traditionally, most research regarding counterfeiting has strongly focused on the supply side of the industry, and what is lacking, is consumer behavior which fuels the counterfeit industry. The results point to an inherent and fundamental contradiction in consumers views on counterfeit branded products, and their willingness to buy and wear the fakes.

1.2 Significance of the study

The significance of this study lies in the fact that very little research studies has examined the demand side of the counterfeit industry (Heike, 2010: 160; Penz & Ströttinger, 2005: 568) and even less research has been conducted on emerging markets demand for or purchase intentions towards counterfeit

products. Therefore this study aims to bring to light the gap in academic literature by investigating Johannesburg consumers' intention to purchase luxury fashion counterfeit products. The South African Institute of Intellectual Property Law (SAIIPL, 2015.) also reports that South Africa in particular is being targeted by counterfeiters as a "dumping ground" for counterfeit products, whereby annual losses due to the illicit trade are roughly R200 billion and one of the main drivers of this industry is due to consumer demand for counterfeit products (Rose, 2011).

1.3 Purpose of the research study

The proposed research study will adopt a consumer-centred approach in an attempt to examine which brands amongst Johannesburg consumers are the most preferred when it comes to purchasing luxury fashion counterfeit products. The study therefore, aims to describe consumer demand for counterfeit products in Johannesburg which is an area in academic literature that has received very limited attention in the past.

1.4 Background of the study

The act of counterfeiting products; the production and sale of products that appear to be the same as the authentic product is a well-known problem, and a problem that has been and will be around for many years (Chaudhry & Zimmerman, 2009: 7; Frerichs, 2008: 19). Bate states that "as long as people have been in the business of inventing, others have been in the business of faking their inventions" (2008: 1). It appears to be the case that whenever there is money or a profit to be made off the sale of a product, other manufacturers will seek to counterfeit that product in order to tap into the original profit-making strategy, regardless of whether or not it is seen to be legal, ethical or even moral to society (Zaichkowsky, 2006: 9). However, what many consumers and brand owners are not always aware of with regard to counterfeiting is the degree of damage that counterfeiting causes, as well as the extent to which this illicit trade is spreading worldwide (Hopkins, Kontnik & Turnage, 2003: 1). This is an industry that poses considerable economic and societal problems to both developed and

undeveloped countries (Ergin, 2010: 2181; Kim & Karpova, 2010 :79; Ha & Lennon, 2006: 298).

The counterfeit industry would also not be present if it were not for the existence of brands and what they represent in the mind of the consumer (Penz & Ströttinger, 2005: 568). Branded products that are successful often charge higher premiums, as consumers over time have come to believe that they represent better quality, more unique styles and features in their product offerings (Bian & Moutinho, 2009: 368).

Branded products are important to consumers as they create a sense of achievement, and promote individual identity (O'Cass & Frost, 2002: 67). Organisations invest vast amounts of money into their brands, hoping to create a belief among customers that their brands are prestigious and exclusive. However, the more an organisation seems to invest in promoting its brand name to consumers, the more susceptible the brand becomes to counterfeiting (Commuri, 2009: 86).

At the heart of the counterfeit issue are illicit traders who affect the brand value and equity of authentic products by replicating products that imitate the promise of authentic branded products' superior quality, customer support and product benefits without the actual fulfillment of the brand's promise (Hopkins et al., 2003: 1). Therefore a firm that imitates another brand's offering is exploiting that brand's equity for its own gain (Zaichkowsky, 2006: 111).

Counterfeiters can be seen to exploit all product categories; from the shoes we wear to the toothpaste we use (Bian & Moutinho, 2009: 368). However, products that are usually targeted by counterfeiters are usually products that are easy to produce and have high brand image, for example clothing (Penz & Ströttinger, 2005: 568). Phau, Sequeira and Dix (2009a: 262) further assert that amongst all counterfeit products, it is luxury fashion brands in particular that are extensively being targeted by counterfeiters. These include products categories such as clothing, watches and wallets, for example. The most popular counterfeit markets according to Ergin (2010: 218) are the clothing, handbags, watches, accessories, shoes and jewellery markets.

1.5 The research question

1.5.1 Primary research objective:

To examine which brands amongst Johannesburg consumers are the most preferred when it comes to purchasing luxury fashion counterfeit products?

1.5.2 The secondary research objectives:

- To identify most frequently purchased luxury fashion branded products within the product categories of watches, sunglasses, apparel/ clothing, leather and leather accessories, and shoes.
- To examine where most Johannesburg consumers purchase luxury fashion counterfeit brands.
- To determine average amount spent on luxury fashion counterfeit brands.

1.6 Ethics

It is imperative for the researcher to consider ethical issues around the research topic, such as fabricating the information and/or data for a desired goal, by allowing bias to influence interpretations in order to achieve a particular result (Marianne Louw, 2014). The researcher will ensure confidentiality, and not sell and/or reproduce the information to any external body besides the academic institution to which the research has to be presented to. Furthermore, the researcher will also ensure to avoid plagiarism, by giving credit to all sources directly quoted and/or referenced to.

1.7 Limitations of the study

According to dr Carla Enslin (2014) the purpose of including delimitation in the research is important because it defines the boundaries of the paper in order to narrow down the scope of the study being investigated. As Counterfeiting and the concept of branding are broad concepts, the paper will exclude other variables relating to counterfeiting and branding due to the shortage of time and in order to keep the research focused. Many of the pivotal factors will be taken into account when investigating Johannesburg consumers' intentions to purchase luxury fashion counterfeit brands. However, the results obtained in this research study are limited to the targeted sample of the regions of Johannesburg. This region

is selected because, according to the literature, this area is where most counterfeit activity occurs in South Africa (Naidu, 2005) and therefore the study cannot be generalised to the South African population as a whole. A limitation, however, is that not all individuals have the same interest in the selected brands.

1.8 Chapter outlines

The chapter outlines below indicate the direction of the research and paint a picture of what will be investigated.

Chapter 1: Introduction

The purpose of the research study is stated, and then a background sketch is given of the counterfeit industry in modern-day society, consumer needs for branded products and consumer demand (intention to purchase) for authentic luxury fashion counterfeit brands. The research question, objectives and the significance of the study are then provided. This is followed by a brief explanation of the research methodology employed.

Chapter 2: Literature Review

This chapter deals with the impact counterfeit products have on the society in which we live, through a detailed explanation on the global counterfeit problem to that of a South African, and from an industry to an individual perspective.

Chapter 3: Research Methodology

A detailed explanation of the research design is given in this chapter, so that the reader has a comprehensive understanding of how the research problem will be investigated.

Chapter 4: Data Analysis and Interpretation

This chapter provides the reader with a detailed analysis of data that was collected through the investigation of the subject matter

Chapter 5: Conclusions and Recommendations

The last chapter is a summative explanation as to the main findings resulting from the research that was conducted. Furthermore delineations and limitations of the results are explained and recommendations are made to build on the body of knowledge pertaining to that of branding and counterfeiting.

1.9 Summary

This chapter provided an overview of what the research study is about and what it aims to achieve. Firstly, the purpose of the study was stated, followed by a background overview of the topic at hand. The research question, objectives and research design will then be discussed. The limitations of the research study were next identified followed by chapter outlines.

LITERATURE REVIEW

“Products are created in the factory; brands are created in the mind.” (Wheeler, 2006: 8)

2.1 Introduction

South Africa is considered to be one of the economic leaders amongst developing countries (Loots, 2000: 7). The attraction to counterfeiters in entering the South African market may be attributed to South Africa becoming a part of the “global village” at a slower pace, as the country initially did not get all the brands that other key countries were being exposed to. The reason for this was that pre-1994 the country was under autocratic rule, which other countries opposed. During this period many European and other developed countries imposed sanctions against South Africa, prohibiting any exports to the country. International sanctions also did not allow the citizens of South Africa the opportunity to invest abroad (Loots, 2000: 15). It was only post-1994 that the country became more exposed to internationally branded products. Once South Africa had been accepted back into the “community of nations” in 1994, many challenges arose as well as many opportunities (Du Plessis & Rousseau, 2003: 166).

A vast array of products was made available to the citizens of South Africa and brand names and trademarked clothing became available to citizens virtually overnight (No to Fakes, 2011). The continued counterfeiting in South Africa can be linked to the high unemployment rate the country faces. This is what makes the country an ideal and lucrative dumping ground for counterfeit merchandise. The hawkers form the final link in this illicit industry, as these are individuals that try to make a living from selling the counterfeit products (No to Fakes, 2011).

Haman (2009: 345) suggests that counterfeiters could also be interested in the South African market due to South Africa having a variety of ports. This facilitates penetration into the African market as a number of African countries are landlocked.

South African Institute of Intellectual Property (SAIIP, 2015), asserts that counterfeits can be seen mainly in product categories such as; eyewear, watches, shoes and clothing; however, counterfeit activities have become more sophisticated and have extended to various other product categories as well. Fadela Slamdien, a reporter for the West Cape News (2010), reports that experts are becoming increasingly concerned with the number of counterfeit clothing imports that are entering the market. Slamdien (2010) further states that the market for counterfeit branded clothing designer products has increased dramatically and large volumes of such merchandise are being imported from countries such as China, Bangladesh and Vietnam.

Naidu (2005) points out that counterfeit goods in South Africa are found mostly in the provinces of Gauteng, KwaZulu-Natal and the Western Cape, and the Southern African Federation Against Copyright Theft (SAFACT) maintains that O.R. Tambo Airport in Johannesburg lends itself to being a major gateway for inbound counterfeit goods (SAFACT, 2009). Itumeleng Mogaki (2004), an ITWeb junior journalist, reported that South Africa was rated sixth out of the top seven countries with the most counterfeit activity, with seizures and losses of R8 954 348 in the September of 2004. South Africa was then rated 16th out of the top 20 countries in 2008 in terms of IP violations with losses of up to \$21 million (Spoor & Fisher, 2008). It is clear that South Africa is a key target in the eyes of the criminals that manufacture and sell counterfeit merchandise, with fashion being one of the top counterfeited goods.

2.2 Origin of branding

The ideology behind branding is not new to the world; it is a concept that has been around for centuries (Davis, 2010: 4). The first signs of branding can be traced back to ancient Egypt, where brick makers would put symbols

onto products to be able to identify them (Batey, 2008: 2). Branding was also found in Greek and Roman times, where signs or pictures carved in stone were placed along footpaths and above stores so that consumers would know where shops were and how to gain access to them (Reizebos, Kist & Kootstra, 2003: 1; Okonkwo, 2007: 13). Shop owners created such signs because of the level of illiteracy at the time (De Chernatony, McDonald & Wallace, 2011:39) therefore and the signage indicated what items were being sold inside. Branding was also used by farmers, who would brand cattle to differentiate theirs from that of other farmers, but also to indicate the difference in quality of stock, which would then assist potential buyers in making a purchasing decision (Blackett, 2009: 13–14; Okonkwo, 2007: 14). The concept of branding, however, has grown considerably since then. The idea behind the branding of familiar everyday household products and branding as we know it today originated from a small group of manufacturers towards the end of the 19th century, who believed that by providing a product with a unique name would give it a competitive advantage over unnamed items (Danesi, 2006: 1). Blackett (2009: 13–15) agrees, stating that it was only really in the late 19th and early 20th century that the branding we know today truly began, and by the 1920s vast numbers of producers had begun to use the concept of branding, as brands were being perceived as something with “personal and lifestyle meanings” (Danesi, 2006: 1).

The concept of branding strengthened further in the 20th century as technological innovation started to greatly increase the dissemination of information about branded products. In addition, accessibility to brands became easier due to the increased usage of electronic media (satellite television, the internet and more). True to the prediction made by communications theorist Marshall McLuhan, the usage of electronic media has allowed manufacturers to expand offerings to larger markets, transforming a fragmented world into an “electronic global village”. This shows that the key to branded success in today’s modern society lies behind the concept of globalisation (Danesi, 2006: 117). Davis (2010: 5–6) defines globalisation as the changes that occur in the global environment that allow businesses to compete across borders more easily and more frequently. Hence the concept of branding plays a pivotal role in

organisational success. Having gained an understanding as to the origin and evolution of branding products, the following section now addresses the difference between a commodity product and that of a branded product.

2.3 The impact of counterfeiting on authentic brand value

Staake and Fleisch (2008: 133) state that the counterfeit industry has the ability to greatly damage the relationship between legal manufacturers and consumers and is an industry that undermines the entire concept of branding. The greatest threat that the counterfeiting industry has is on brand equity which will in essence affect a brand's value. The reality is that in modern-day society, whenever there is an opportunity for money to be made, individuals will be attracted to this profit scheme, irrespective of the ethical implications, or the legal bedrocks of society (Zaichkowsky, 2006: 9). According to Hopkins et al. (2003: 37), if brand values are high, an organisation will most undoubtedly be susceptible to counterfeiting.

At the heart of the counterfeiting issue is the fact that it is an organisation's brand value that is in jeopardy, which will then have a direct effect on the organisation's brand equity. Brand equity to a large degree is the promise an organisation makes to the consumer with regard to quality, utility and customer support of the product, and when counterfeiting steps in, all of these aspects are seen to be lacking (Hopkins et al., 2003: 1). Therefore essentially counterfeiting affects the relationship an individual will have or could have had with the authentic branded product (De Chernatony et al., 2011: 397).

It was noted in the previous section of this chapter that brand value forms from a multitude of elements within branding. However, it is brand equity which initiates the formation of the brand's value.

The equity of strong brands is stolen mostly due to short-term gains that infringers can make; cheaply and effectively. Luxury brands are most often targeted by infringers due to the brand being highly visible, very expensive and also highly desirable to the population and it is these aspects that act as

motivators to manufacturers, sellers as well as buyers to take part in and back the practice of stealing brand identity (Zaichkowsky, 2006: 1).

The question, however, remains: What is the impact that counterfeit merchandise has on the value of authentic brands?

An aspect that is reduced when counterfeits enter the market and that is pivotal to a brand is brand equity. It is the brand's image that is indicative of the strong relationship consumers will have with the brand due to the perceived quality of the brand, and it is this perceived quality which forms the basis of brand equity. When a counterfeit or an imitation product is made and sold to the population, such products are generally poorer in quality compared with the authentic product. Therefore the brand equity is reduced in terms of the consumer relationship with the product due to the perceived poorer quality. To better understand the link that brand image plays in the formation of brand equity, it must be understood that brand image is a complex concept and that it is composed of the brand associations that are placed on the brand. These include "...attitudes toward the brand, both functional and experiential; benefits derived from the use of the brand; and perceived product attributes, which are product and nonproduct related" (Zaichkowsky, 2006: 11).

Satisfaction with imitation or counterfeit products is an additional reason for the reduction in brand equity. Individuals that purchase brand counterfeits might be satisfied with the product, and this in essence will devalue the authentic brand because the counterfeit is a far cheaper substitute than the authentic product. This satisfaction with the counterfeited merchandise will devalue the authentic brand's equity as it takes away the uniqueness of the brand and the quality perception is therefore further reduced (Zaichkowsky, 2006: 10).

The erosion of brand equity is very significant to the manufacturers of luxury branded merchandise, as the low price of the counterfeited product not only reduces the uniqueness of the brand, but it also opens the door for individuals that once could not afford the merchandise. This reduces the

exclusivity of the brand, thereby reducing the brand equity of the company selling the authentic product (Zaichkowsky, 2006:10).

What makes the act of counterfeiting so fascinating is that an authentic branded product asks a premium price for merchandise. Therefore the higher the power of the brand to demand such a premium, the more attracted infringers are to moving into the field. The actual act of counterfeiting is an indication of the influence and the desirability of a brand in the market (Chevalier & Mazzalovo, 2008: 115).

Luxury branded merchandise is one such industry that counterfeiting infringers have hit hard. Zaichkowsky (2006: 14) states that consumers that are unable or unwilling to pay for such merchandise are now able to have the status or prestige of consuming certain high-end products, even if they are counterfeits. Counterfeited merchandise further allows lower income groups to have the prestige of the authentic product and individuals can display the merchandise which essentially allows them to feel better about themselves. In essence luxury branded products are not only highly targeted by counterfeit infringers, but are also knowingly purchased by individuals to express how they wish to be viewed (De Chernatony et al., 2011: 397).

Commuri (2009: 87) asserts that in most cases the counterfeiting of merchandise occurs because authentic merchandise provides a signal that is important to customers, such as exclusivity, prestige and privilege. The author states further that in terms of authentic merchandise, only a few individuals have access, and that if every individual had access to these products, then the signalling of importance would have no value to the holder and exclusivity would be undermined.

From the viewpoint of the marketer, keeping a premium price plays an important role in maintaining the exclusivity of the brand, because mass purchasing the product is not possible, therefore the holders of this merchandise are in an exclusive group of their own (Commuri, 2009: 87). This is where counterfeiting comes into play: it allows the less wealthy to have that

feeling of exclusivity at a much lower cost and quality. This allows individuals to feel exclusive by wearing or using a product that costs less but in many cases portrays the same level of prestige and exclusivity. Consumers also purchase counterfeited merchandise because it fulfils their “social goals”, in other words the purchasers’ aspiration to be part of a particular group of individuals (Wilcox, Kim & Sen, 2009).

With the impact that such merchandise has on the purchaser, the benefit to counterfeiters is the authentic product’s brand equity, without having to pay the costs of initially building it or ensuring that the product is of the same quality as the authentic branded good (Hopkins et al., 2003: 9). However, this act reduces the equity of the branded merchandise, as stated. From the above explanation of the impact counterfeit merchandise has on the authentic product’s brand value and consumers’ desire to buy such merchandise to achieve a particular status or social level, it becomes apparent that the choice between the purchase of an authentic product and a counterfeit product can be explained through research methodologies. These will be discussed in the following chapter.

2.4 The role of branding for the customer

To consumers buying is a form of problem solving and it is branding that makes this process significantly easier, as people first search for information, evaluate this information and then only decide to make a purchase decision (De Chernatony et al., 2011: 61).

According to Laforet (2010: 2), individuals today are undoubtedly a generation that consumes brands, from the clothes they wear, to the food they eat and even to the toothpaste they use. A brand is formed today not only as an outcome of marketing activities but also, vitally, because of the consumer’s reaction to and interpretation of those activities (Batey, 2008: 4). Ind (2007: 15) asserts that the key function of brands and branding is to reduce or even eliminate the anxiety that comes along when individuals are subjected to choice. The more individuals think they know about products they want to purchase, the less anxious they feel. Kapferer (2004:43) illustrates this

evaluation consumers make by summarising the product-brand relationship – see figure 2.1 below.

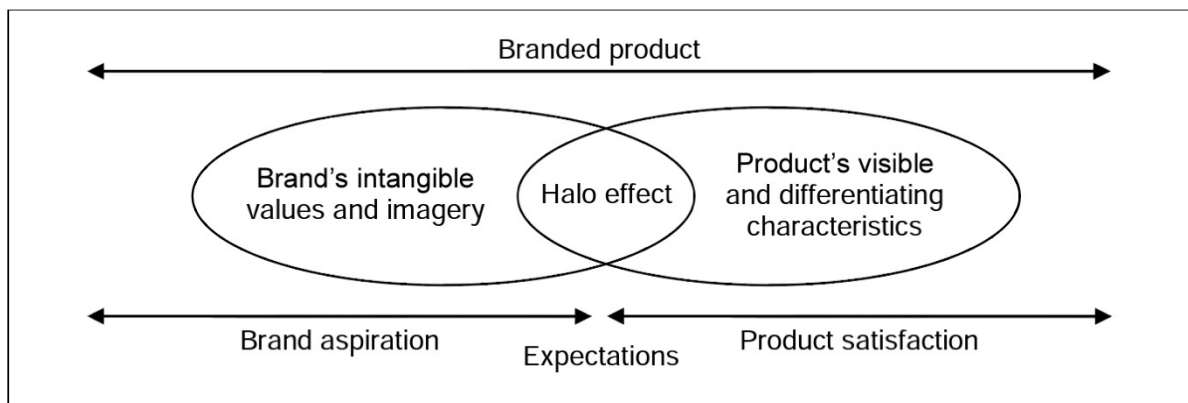


Figure 2.1: The product and the brand relationship

Source: Kapferer (2004: 43)

Figure 2.1 shows that for a product to meet customers' expectations, consumers will need to consider not only the visible cue advantages that the product presents, but also the invisible cue advantages.

Branding a product does not only allow a consumer to differentiate between merchandise on offer; it also provides the consumer with a multitude of benefits (roles of a brand for the consumer). Table 2.1 below shows the role the ideology of branding has for the consumer.

Role	Consumer benefit
Identification	Identify and differentiate between offerings.
Practicality	Ease of decision making through loyalty and repurchase of items.
Guarantee	Consistent service offering
Optimisation	Assurance of best product performance.
Badge	Reinforcement of self-image within society.
Continuity	Relationship due to the satisfaction with the brand over the years.
Hedonistic	Consumer attraction to the brand due to experiential rewards.
Ethical	Satisfaction due to the branded organisations role in society.

Table 2.1: The role of branding for the consumer

Source: Adapted from Kapferer (2004: 23)

From table 2.1, it becomes apparent that brands can create value to consumers in two different ways: functionally as well as psychologically. This

enhances the trust consumers have in the brand, thus forming an all-important relationship with the consumer.

2.4.1 Functional value of brands to the consumer

The value if a brand comes into play when the organisation forms a valuable relationship with the consumer. This relationship can be formed through the following functional values that a brand provides:

- Information efficiency – Branded products are information carriers as they assist consumers in identifying with merchandise, thus acting as a marker on a map. Branded products assist consumers by providing clear and unambiguous information which helps them recognise merchandise they wish to purchase from specific manufacturers (Reisenbeck & Perrey, 2007:9; Chitale & Gupta, 2011:199).
- Risk reduction – Brands create trust between the consumer and the producer; they act as a promise of consistent quality and furthermore aid the consumer against making the wrong purchasing decisions. Various risks that a branded product can reduce are (Keller, 2008:8; De Chernatony et al., 2011:112):
 - Functional risk – Merchandise does not meet expectations.
 - Physical risk – The merchandise poses a threat to the individuals' health and well-being.
 - Performance risk – The risk that something might go wrong with an unfamiliar product.
 - Financial risk – Individuals pay more for merchandise than what it is actually worth.
 - Social risk – Reduces social embarrassment.
 - Psychological risk – Upsetting the consumers' psychological well-being.
 - Time risk – The time wasted after not being satisfied by the purchased product and the search for a satisfactory product.

The functional values that a branded product provides to the consumer are therefore essential as this is the basis on which a consumer will make a decision. However, over the last few years research has shifted from a focus on the functional values provided to customers towards the psychological value.

2.5 The relationship between the brand and the consumer

Organisations have come to realise that it is not enough to merely differentiate product offerings from those of competitors, as consumers do not form relationships with offerings but form emotional connections with brands. This relationship is formed through an individual's perception of value that a product or service offers (Laforet, 2010: 15). For consumers to gain a positive perception of a branded product, trust needs to be earned in the mind of the consumer. Trust by consumers is vital in the development and sustainability of brands as this is essentially what will promote and enhance the brand equity. This will essentially lead to enhanced customer value and in essence generate economic value to the organisation (Neal & Strauss, 2008: 127). The process of gaining such mind space can be seen in figure 2.2 below.

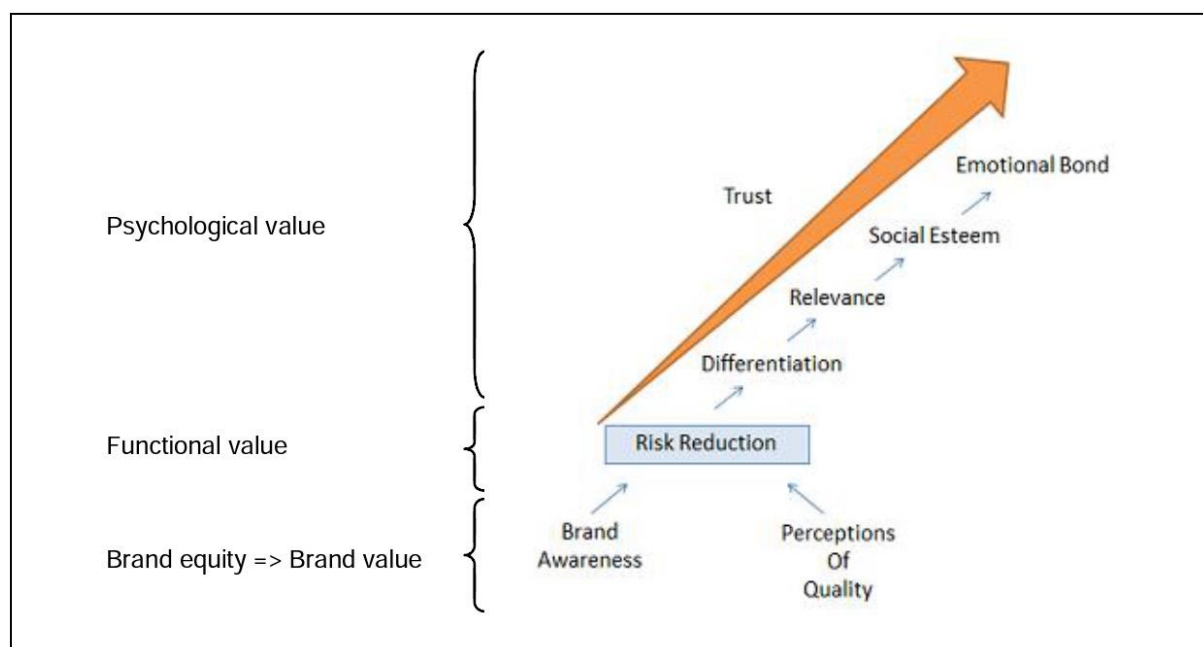


Figure 2.2: Building a brand in consumers mind space

Source: Adapted from Rosenbaum-Elliot, Percy and Pervan (2011: 177)

Figure 2.2 illustrates that with continuous satisfaction provided by products and several purchase decisions, trust in the branded product is gained. It becomes evident that the perceived value that is placed on merchandise both functionally and psychologically by the consumer, an illicit industry was bound to have arisen. Therefore it becomes imperative to explore the effect such an industry has on the brand value of authentic branded products and the reasons for purchasing such products.

2.6 Consumer Demand for Luxury Brand Counterfeit

Previous research has developed many factors to understand the phenomenon of counterfeits activities. It is commonly agreed that the consumers' demand for counterfeits is one of the major reason of the existence of the counterfeiting phenomenon. So a number of researches have called for investigation in consumer demand behavior of counterfeiting study, in particular, the determinants of CBP purchase intention. We classify here the determinants into five categories:

The first category based on characteristics of the product, such as price, investment risk (e.g. Cordell et al., 1996), product type (e.g. Albers-Miller, 1999), product attribute variables, and style/fashionability (e.g. Bloch et al., 1993). Obviously, the price difference is the best advantage of the counterfeit product, those consumers buy counterfeits because they are getting prestige without paying for it (Bloch et al., 1993; Albers-Millier, 1999; Harvey and Walls, 2003); The second category includes consumers' demographic and psychographic variables, as well as consumer's attitudes toward counterfeiting. For example, previous studies have found that consumers who purchase counterfeit products are usually have a lower social status (e.g. Bloch et al., 1993; Wee et al., 1995) and have more favorable attitudes toward counterfeiting (e.g. Penz and Stottinger, 2005); The third category refers to the social and cultural context in which the counterfeit purchase decision is made from cultural norms (Lai and Zaichkowsky, 1999), there is a significant relationship between the country of origin, consumers' ethnocentrism and consumers' perceived risk when buying a counterfeit (Chakraborty, Allred, & Bristol, 1996). Likewise, the social functions served by consumers' luxury brand attitudes can influenced the demand for counterfeit. (Wilcox et al., 2009); The fourth category refers to the mood and situational context. For example, consumers are likely to purchase a counterfeit

brand when they are abroad or on holiday. The tourist consumers are more likely to purchase the counterfeit products as an authentic experience (e.g. Gentry & al., 2001); The fifth category refers to the consumers' ethical and lawfulness cues. For some, they holding lax attitude about the legal protection of intellectual property (e.g. Tom et al., 1998). The consumers who are more lawful-minded are less willing to buy counterfeit. In contrast, those who have lower ethical standards are less feel accountable for a counterfeit buying behavior (e.g. Cordell et al., 1996)

2.7 Summary

This chapter aimed to provide an understanding of the concept of branding by firstly painting a picture of the origin of branding. This is then introduced with the first theme of the literature which is the impact of counterfeiting on authentic brand value. The second theme deals with the role of branding for the consumers, followed by the relationship of the brand and the consumer. The last theme within the literature review dealt with consumer demand for luxury fashion brand counterfeit. Through this literature review, it became evident how the need and opportunity for counterfeit branded products has arisen.

RESEARCH METHODOLOGY

“Marketing research is an excellent tool for discovering opportunities in the market place.”
(McDaniel & Gates, 2010a: 4)

3.1 Introduction

The previous chapters introduced the research study and the literature review. This chapter will look at the research methodology which according to Business Dictionary, research involves collecting data in order to generate knowledge about the phenomenon being studied (2015). The definition provided is a sound description of what this thesis will reach and insightful conclusions regarding Johannesburg consumers' preferred luxury fashion brands when purchasing counterfeit products. For the purpose of this study, a mixed-method approach has been used consisting of quantitative as well as qualitative research methods (Welman, 2005).

In line with the above mentioned, the objective of this chapter deals with the research design, data collection methods, sampling, population, research instrument and data-analysis methods. The research methodology is important as it serves to deliver valuable conclusions and recommendations. This is done to confirm and establish the research study, to examine which brands amongst Johannesburg consumers are the most preferred when it comes to purchasing luxury fashion counterfeit products?

This chapter will commence with a presentation of the research process and the working methods applied.

3.2 The research process

Kapoor and Kulshrestha (2010:10) state that businesses in the 21st century that are preparing to compete are forever and now on a more frequent basis being challenged with creating new and innovative strategies in order to respond to and meet the constant and rapid market changes. Not only are vast changes constantly occurring, but information needs in both developed

and developing countries are changing too. This is due to industrialised countries now becoming more geographically integrated whereby direct links and the flow of information to suppliers, retailers and customers are being established. As a result of this integration there is a greater need for market research to be conducted across a variety of country borders to discover potential market opportunities and to better coordinate strategies across various borders. Therefore the current study fits in well with the explanation of Kapoor and Kulshrestha (2010:10) for the need for research. The study conducted by Yoo and Lee (2009) on buying counterfeit or luxury fashion branded products was done in Korea. A partial to full replication of such research in South Africa would therefore prove to be beneficial in terms of understanding different market segments.

(Zikmund and Babin (2010:5) define marketing research as a scientific method that is utilised in searching for the truth about a marketing phenomenon. The result is discovering marketing opportunities as well as problems, being able to monitor organisational performance; generating and evaluating marketing ideologies as well as gaining a general understanding of the marketing process as a whole. In order to better understand what marketing research is, it can be defined as:

“the planning, collection, and analysis of data relevant to marketing decision making and the communication of the results of this analysis to management”
McDaniel and Gates (2010a:6).

For marketing research to be conducted, however, a researcher needs to establish a process or “blueprint” so that research objectives can be achieved. Aaker et al. (2007:48) explain that the research process provides a researcher with a systematic, planned procedure for the research project and makes sure that all parts of the research project are consistent. According to Zikmund and Babin (2010:57), however, marketing research does not always follow a generic set of stages; some stages can overlap continuously over the course of the investigation into the subject matter, but what is observed is that there is some sort of general pattern that marketing research needs to follow in order to fully conduct an investigation.

3.3 Research design

The essential goal of a mixed-method research design is to tackle a given research question from any relevant angle (Welman, 2005). By doing so, this thesis may make use of previous research from different perspectives. To utilise this design effectively, an understanding of both qualitative and quantitative research is needed as they are both used in a mixed-method approach (Welman, 2005)

Qualitative research is about exploring issues, understanding phenomena and answering questions by analysing and making sense of unstructured data (Welman, 2005). Qualitative research is about asking people for their opinions in a structured way and by doing so the result will be the findings and insights into questions asked (Welman, 2005). The aim is to gather an in-depth understanding of human behaviour and the reason that control such behaviour. The qualitative method investigates the 'why' and 'how' of decision-making and not only the 'what', 'where' or 'when'. Qualitative research aims to get a better understanding from first-hand experience from truthful reporting and quotations of actual conversations. The definition of 'qualitative' is "having to do with or measured by quality" (Website, 2014), the 'quality' referred to in the quote provided is people's opinions and feelings towards a question or issue. Due to qualitative research being aimed at people's opinions and feelings smaller but focused samples are often used instead of large samples as it would be difficult to capture a large number of people's opinions and feelings accurately (Welman, 2005).

Quantitative research refers to the systematic empirical investigation of social phenomena through statistical, mathematical or numerical data (Welman, 2005). The objective of quantitative research is to develop and employ mathematical models, theories and or hypothesis relating to the phenomena. The process of measurement is central to quantitative research and any data that is numerical in the form of statistics or percentages is considered as quantitative (Welman, 2005). The definition provided of 'quantitative' emphasises measurement and quantity that is central to qualitative research, 'quantitative' defined as "relating to or measured by quantity" (Website, 2014). Quantitative research focuses on gathering numerical

data and generalising it across groups of people and this is done by using an appropriate sample of people (Welman, 2005).

3.4 Population and sampling parameter

The population of a research study refers to the “complete set of events, people of things to which the research findings are to be applied” (Bless, Higson-Smith & Kagee, 2006: 184), while the sampling refers to the specific members within the population that will be used to obtain data from (Travers and Cooper, 2006). The population and sample used for this research will include consumers of any age, race or economic bracket and be focused around how consumers feel, react and think in relation to how Johannesburg consumers feel about purchasing luxury fashion counterfeit branded products. The researcher will be able to deduce why consumers behave in certain ways and the rationale behind these behaviours. The demographic of the sample will affect the choices and behaviours as different demographics have preconceived ideas about things because of the certain influences in their personal lives. The researcher anticipated to engage face-to-face with a population size of 100 potential participants in order to get 50 useful results from the accessed population group. The survey took place at the end of the month, following pay day as this is a motivating factor for consumers to shop.

Since Johannesburg is the principal province in South Africa, it can be argued that it represents a wider demographics of South Africans. Therefore the researcher only visited Sandton City, Clearwater and Eastgate Mall, as these three malls pull in a wider demographics of South Africans.

3.5 Research Instruments Measurement

The research instrument refers to the way or rather devices used to collect data (Nicole Mason, 2015). The following instruments were used by the researcher for the quantitative data collection:

- Checklist of all the instruments
- The survey with paper and questionnaires: Research questions were based in relation to the research topic and literature reviews

- Cover letter communicating the research study, academic institution and research purpose
- Closed-ended questions, to limit respondents answers to specific questions in order for them to easily be able to interpret the questions
- The closed-ended questions consisted of options, for example; a Yes or No option
- Pen to answer the questions
- Consent form

3.6 Data analysis methods

Once data has been collected through the use of a survey questionnaire given to the respective respondents, a data analysis will be conducted and interpreted. The Oxford Dictionary defines 'analysis' as; "a detailed examination of the elements of structure of something" (Oxford University Press, 2001).

3.6.1. Quantitative data analysis methods

According to Mason (2015), quantitative research methods seeks to make use of numerical data analysis. Meaning, the collected data is represented in numbers. The objective is therefore to be able to calculate the numerical into percentages in order to obtain the result findings. The researcher used Microsoft Excel Programme to capture and quantify the results of the respondents. The figures captured on excel were calculated on the formulas and calculation functions on the excel programme. Frequency tables, graphs and pie graphs were used to visually produce the figures.

Furthermore, in order to obtain the quantitative data, the researcher looked out for the following proposed themes in line with the research topic and literature review; brand identity, brand image, brand positioning and brand equity. The information for the research study was obtained between July to September 2015, as it is a cross-sectional research design.

3.6.2. Qualitative data analysis methods

According to Rose-Marié Bezuidenhout and Franci Cronje (2014:237), "coding is a way of organising data into a manageable chunks". For the qualitative analysis, the

researcher analysed texts, rather than numbers. When analysing qualitative data, the focus on text is therefore an important feature.

According to van Wyk (2015), the focus on text is usually represented in the form of recordings, interview notes, manuscripts or any other text formula that which is investigated. Having established this, the objective of a qualitative data analysis is therefore to gain raw information in order to be able to understand the data beyond numerical statistics as presented in a qualitative data analysis.

Text, led by the research question was marked in different colours in order to identify common characteristics and/or themes which may have emerged from the information obtained. This was evaluated against the research question for the conclusion

3.6. Validity and Reliability

None of the collection methods or analysis methods matter unless the data collected is valid and reliable. Validity is defined as; “the quality of being logically or factually sound; soundness or cogency” (Website, 2014) and reliability can be defined as; “able to be trusted; predictable or dependable” (Website, 2014). The research done thus far in the literature review is both valid and reliable as the data used comes from reliable sources and is written by competent authors who have done extensive research in their respective fields to come to the conclusions they have. Although this is being said it is the duty of the researcher not to just accept any proposed theories or ideas without deeper research in to the topic and to compare different ideas and then come to your own understanding and interpretations (Welman, 2005).

3.7 Ethiics

As this study will be conducting interviews, it will be necessary to respect the interviewee and not ask questions that are not personal or offensive. This also applies to the questions asked in the questionnaires. It will be made clear to the interviewee and participants that their answers will be used in this research paper findings and be published in the thesis add that they may remain anonymous if need be.

3.8 Summary

This chapter initially identified the research methods that will be used as well as the reasons for making use of such methodologies. Quantitative as well as qualitative data analysis was discussed and the importance of validity and reliability was stressed. Along with this the population and sample for this study were identified and explained. Careful considerations were made in the form of ethical considerations, with regards to the people whom this research will question.

CHAPTER 4

DATA ANALYSIS AND INTERPRETATION

“Analysis concerns the identification of meaningful patterns of data...” (Bradley, 2007: 346)

4.1 Introduction

In chapter 3, the research methodology employed in the study was discussed. All raw data, i.e. data in which nothing had been done to extract meaning from it (Nykiel, 2007: 102), was then cleaned, coded and edited so that data analysis and interpretation could commence. The aim of this chapter is to present the research findings and to interpret the results of the empirical study, with the intention of realising the primary and secondary research objectives and in so doing resolving the research problem. Firstly, an overview is provided of the research question, objectives and methodology employed in the study. This is followed by a descriptive analysis of the research results on a per survey per question basis. Each question is discussed in conjunction with appropriate tables and figures in order to assist with data interpretation. Once all descriptive analysis has been interpreted. The following section contains a brief overview of the research question, objectives and design employed in the study.

4.2 Overview: Research objectives and design

Chapters 1 and 3 stated the research question, objectives and methodology of the study. These aspects are briefly reiterated below.

4.2.1 The research question

Previous research has had a strong focus on the supply side of the counterfeit industry (Penz & Ströttinger, 2005: 568). Where the literature falls short, however is research on the consumer demand for counterfeit products (Heike, 2010: 160; Penz & Ströttinger, 2005: 568), but more so on the demand that consumers of emerging economies have for counterfeit products.

4.2.1.1 Primary research objective: *To examine which brands amongst Johannesburg consumers are the most preferred when it comes to purchasing luxury fashion counterfeit products?*

4.2.1.2 The secondary research objectives:

- To identify most frequently purchased luxury fashion branded products within the product categories of watches, sunglasses, apparel/ clothing, leather and leather accessories, and shoes.
- To examine where most Johannesburg consumers purchase luxury fashion counterfeit brands.
- To determine average amount spent on luxury fashion counterfeit brands.

4.3 Data analysis

Lacobucci and Churchill (2010: 178) state that demographic and socio-economic characteristics represents attributes of individuals. These attributes could, for example be participants age, gender, income level and social class. Figures 4.1, 4.2, 4.3 represent the demographic make-up of the respondents who answered the main research instrument.

Question 1: Please indicate your age group

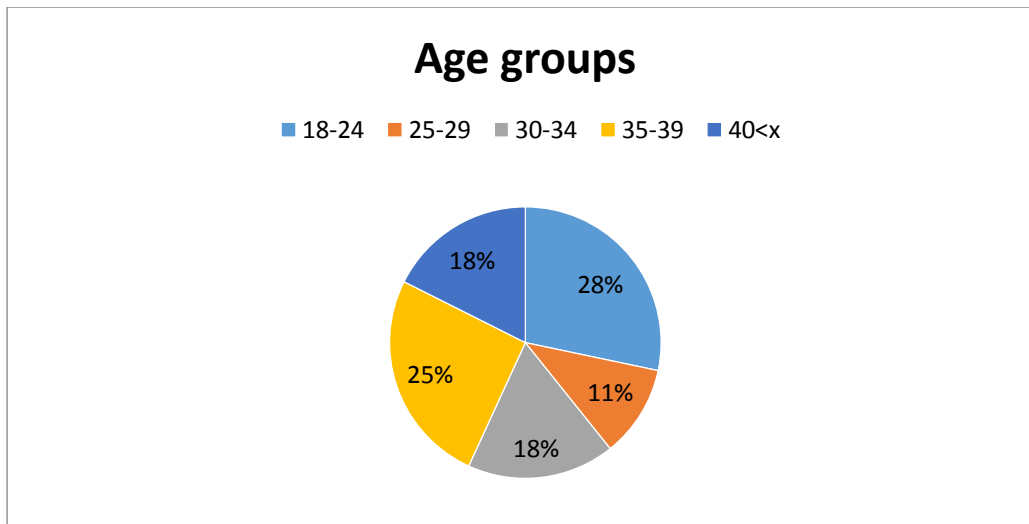


Figure 4.1: Age composition of respondents (n=100)

Figure 4.1 above indicates the different ages of the respondents who answered the main research instrument. It is evident from figure 4.1 that the majority of the respondents fell in the age group of 18-24 years (28%), and the rest fell in the 35-39 age groups (25%). Respondents were next asked to indicate their gender. Figure 4.2 below indicates the responses received.

Question 2: Please indicate your gender

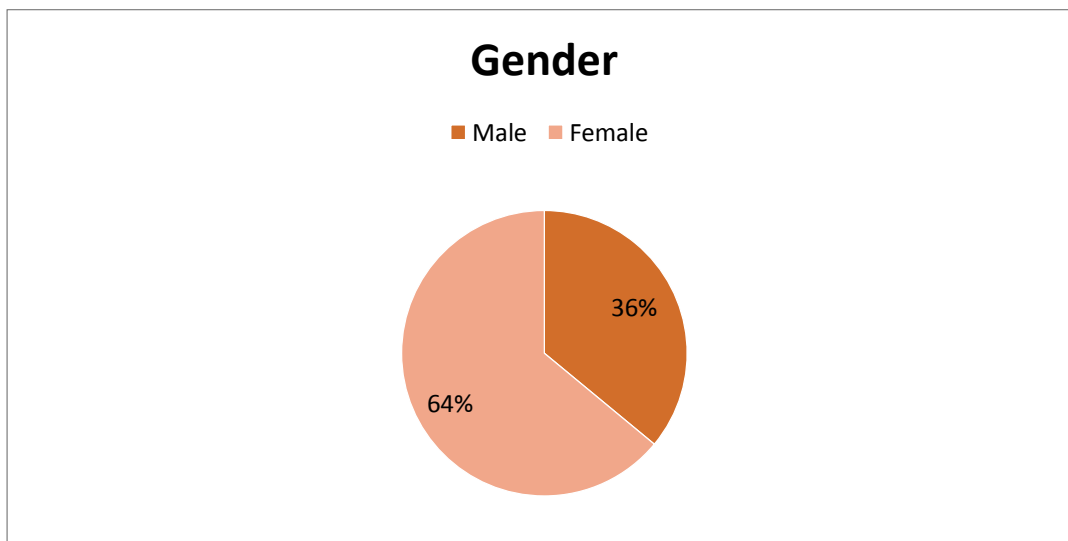


Figure 4.2: Gender composition of respondents (n=100)

The results for gender indicate that about 34% of the respondents were male and about 64% were female. This division can broadly be seen to be in line with strata

and relatively in line with regional average figures for gender. Respondents were then asked to indicate their racial group. Figure 4.3 below indicates the results obtained.

Question 3: Please indicate your racial group

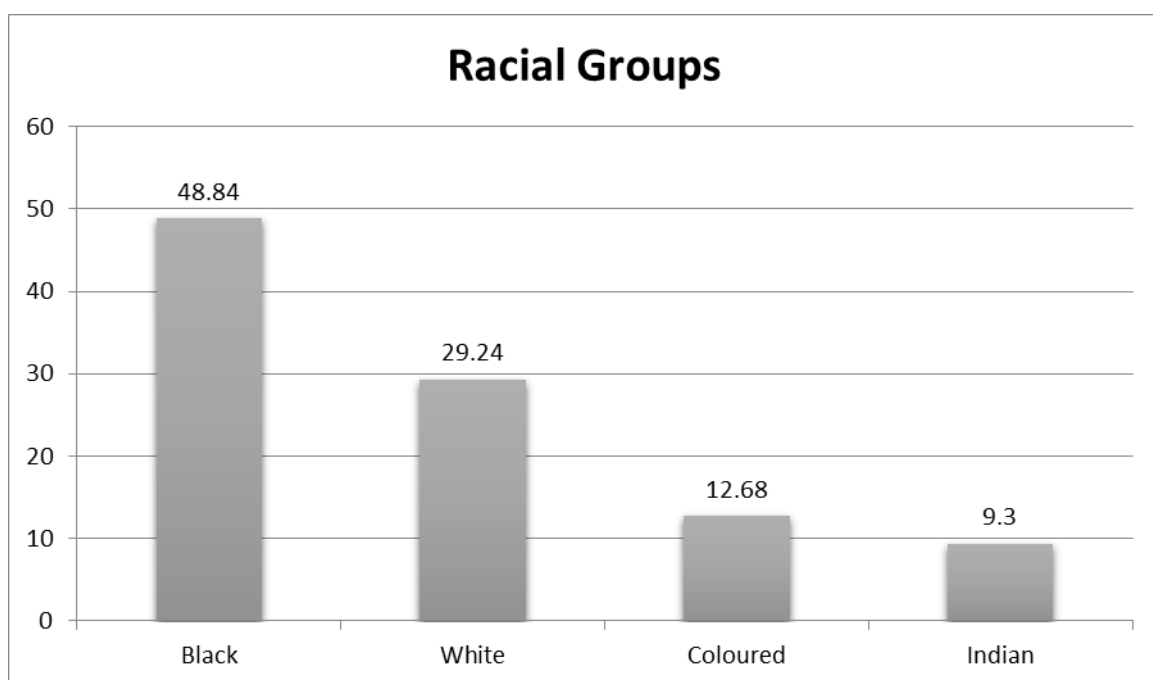


Figure 4.3: Racial composition of respondents (n=100)

The results obtained indicate that the majority of respondents were black (48.84%), followed by white (29.24%) and coloured individuals (12.68%), and lastly Indian (9.3%).

Lastly, respondents were requested to indicate their current socio-economic class. Figure 4.4 below presents the results that were obtained.

Question 4: How would you rank your current socio-economic class?

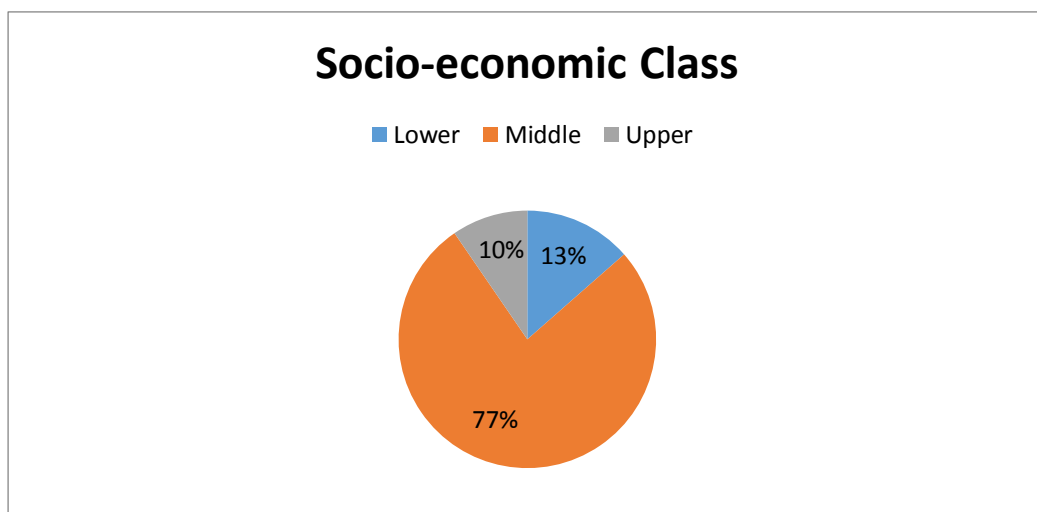


Figure 4.4: Respondents currents socio-economic class (n-100)

It can be seen from figure 4.4 that the majority of respondents fell in the middle class (77%), followed by the lower class (13%) and then the upper class (10%).

Question 5: Do you know what a counterfeit product is?

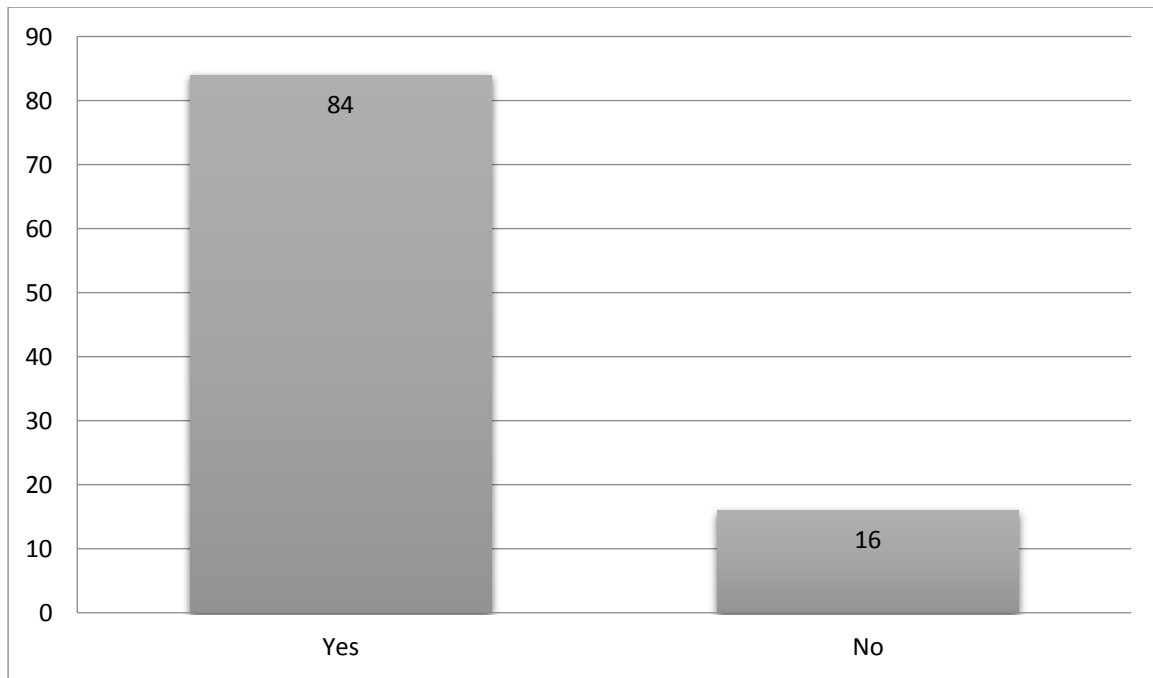


Figure 4.5: Respondents knowledge on what a counterfeit product is

From the above figure (4.5), respondents were asked if they know what a counterfeit product is. 84% of the respondents answered yes, while 16% of the respondents said no. From the above question, 84 of the 100 respondents continued with the primary research instrument.

Question 6: Watches – Name the brand/s of luxury fashion counterfeit watches you have purchased before

Brand	Frequency	Percentage
Gucci	7	14
Rolex	12	20
Fossil	9	18
Tag Heuer	22	44
Total	50	100

Table 4.1

Table 4.1 above indicates the highest frequency counts of the watch brands that the sample population had previously purchased. From the results obtained in the

preliminary survey, Tag Heuer (14%) proved to be the brand that had the highest frequency count (brand most mentioned to have been purchased by respondents).

Question 7: Sunglasses – Name the brand/s of luxury fashion counterfeit sunglasses you have purchased before

Brand	Frequency	Percentage
Louis Vuitton	20	40
Ray-Ban	15	30
Tom Ford	8	16
Cazal	7	14
Total	50	100

Table 4.2

Respondents were then asked to name the brand/s of luxury fashion branded sunglasses that they had previously purchased. As can be observed in table 4.2 above, Louis Vuitton (40%) was the most frequently purchased luxury fashion counterfeit product in the sunglass category bought by respondents.

Question 8: Apparel/Clothing – Name the brand/s of luxury fashion counterfeit apparel you have purchased before

Brand	Frequency	Percentage
Burberry	31	62
Diesel	6	12
Zara	9	18
Versace	4	8
Total	50	100

Table 4.3

Table 4.3 indicates that the most purchased luxury fashion counterfeit apparel/clothing by respondents was Burberry. The Burberry brand dominated, with a percentage of 62%.

Question 9: Leather and leather accessories – Name the brand/s of luxury fashion counterfeit leather and leather accessories you have purchased before?

Brand	Frequency	Percentage
Burberry	7	14
Guess	3	6
Diesel	18	36
Gucci	17	34
Louis Vuitton	5	10
Total	50	100

Table 4.4

It is evident from the above table 4.4 that the highest frequency purchase experience consumers had had with luxury fashion counterfeit leather and leather accessories was Diesel.

Question 10: Shoes – Name the brand/s of luxury fashion counterfeit shoes you have purchased before?

Brand	Frequency	Percentage
Louis Vuitton	10	20
Nike	14	28
Burberry	12	24
Adidas	8	16
Versace	6	12
Total	50	100

Table 4.5

In table 4.5 above, it can be seen that the most popular luxury fashion shoe respondents had previously purchased was Nike (28%)

It is apparent from figure 4.6 below that most Johannesburg consumers surveyed had a positive intention to purchase luxury fashion counterfeit branded products in all five product categories and specified brands (watches, sunglasses, apparel/clothing,

leather and leather accessories and shoes). 22% of the respondents chose Tag Heuer to be the most common watch brand, 20% towards Louis Vuitton sunglasses, 12% towards Burberry apparel, 36% towards leather and leather accessories and lastly, 28% towards Nike shoes when purchasing counterfeit products.

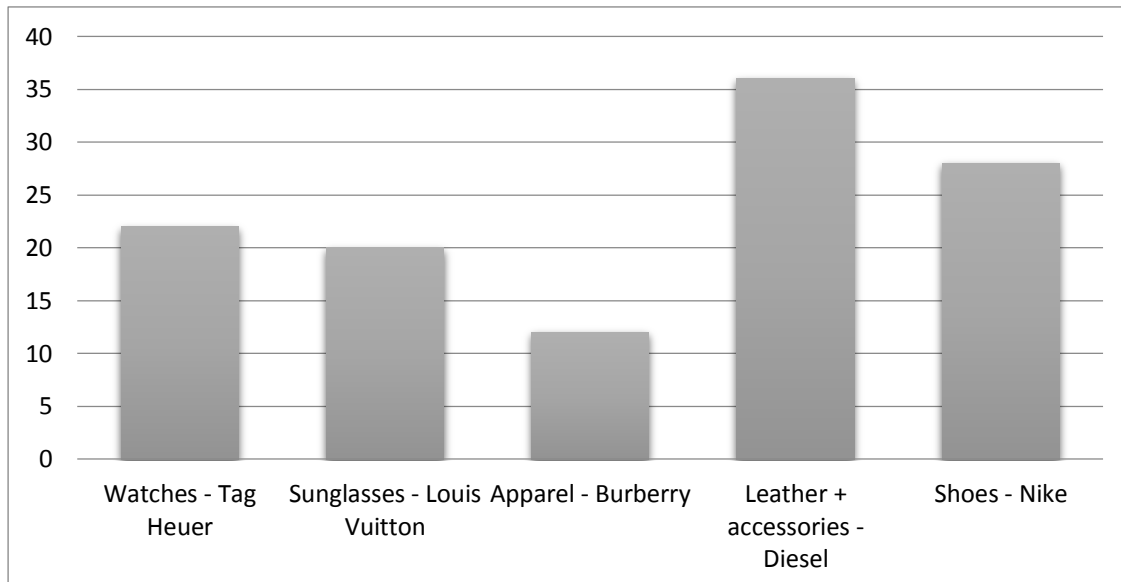


Figure 4.6: Purchase intention towards luxury fashion counterfeit branded products

Question 11: Where do you purchase luxury fashion counterfeit products from?

Once consumer intention to purchase luxury fashion counterfeit products had been established, respondents then indicated where they had previously purchased a counterfeit product. Figure 4.7 below illustrates the results obtained.

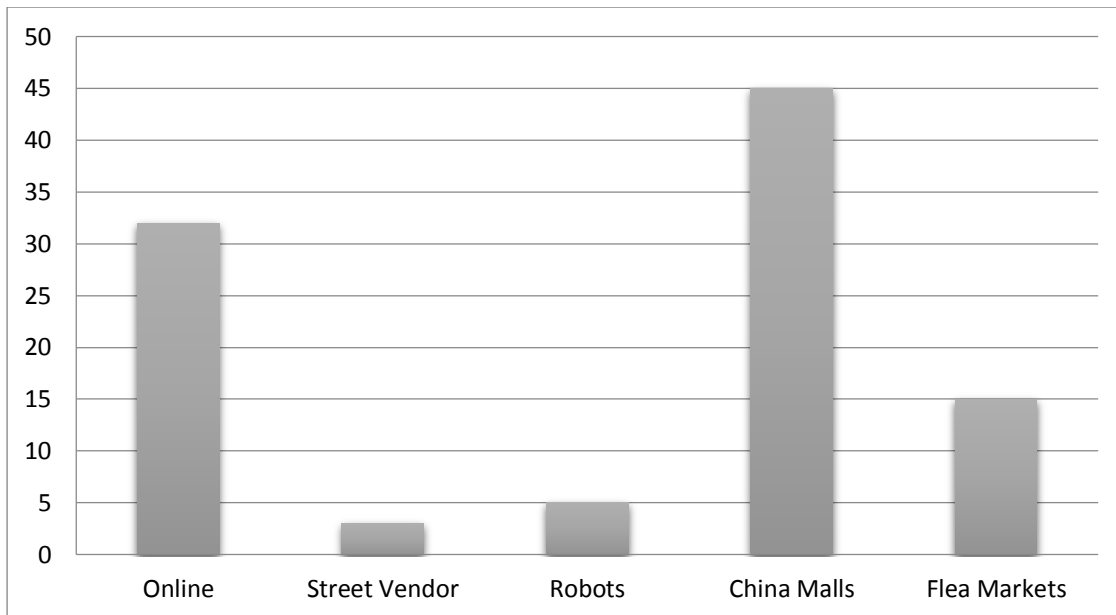


Figure 4.7: Location of counterfeit purchase

As indicated in figure 4.7 above, consumers surveyed could purchase counterfeit products from various places (note that individuals could provide multiple responses). From the graphic representation (figure 4.7) it can be deduced that the majority of counterfeit trade purchases were procured at China malls (45%), followed by online purchases (32%) and flea markets (15%).

Question 12: How much do you spend yearly on counterfeit products?

Respondents next indicated how much they spent yearly on luxury fashion counterfeit branded products; the results are indicated in figure 4.8 below

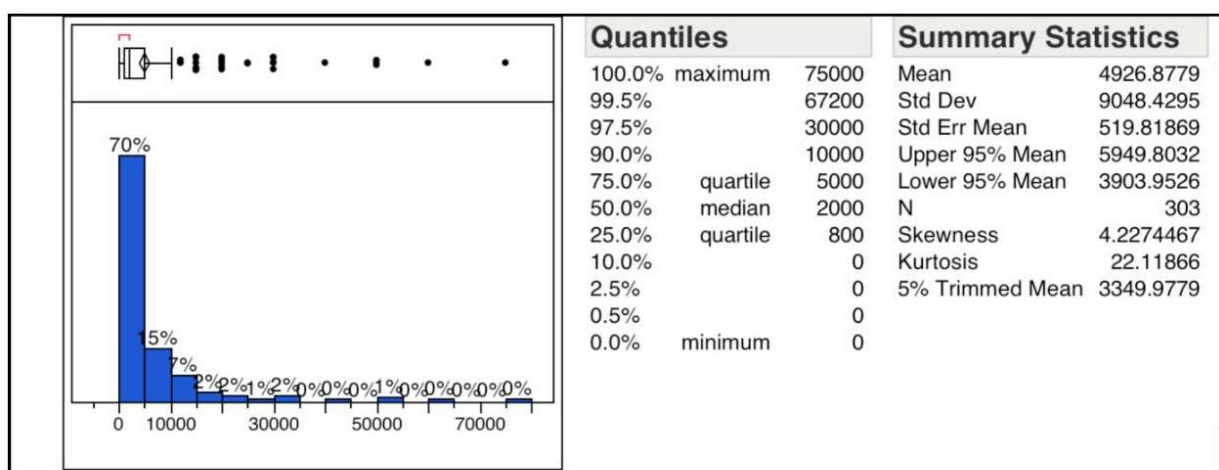


Figure 4.8: Annual spend on luxury fashion counterfeit brand products

It can be seen from figure 4.8 above that the average yearly spend on luxury fashion counterfeit products amongst the 84 respondents amounted to R4 926,09 yearly. From the standard deviation, however (R9 048,83), it can be seen that there is a large difference in the spending patterns of lower and top-end spenders. Hence there is a skewed distribution towards the lower end figures R0-R10 000, where 90% of respondents purchased within this expenditure range. However, of all the respondents, 75% indicated that their expenditure was between R0 and R5 000. In order to counteract this skewed distribution and to establish average spend the median score of R2 000 was considered to be accurate.

In order to gain a better picture of expenditure patterns of the selected sample regarding luxury fashion counterfeit products, descriptive statistics were obtained to reveal average spend in various demographic groupings. Table 4.6 below presents the average spend of respondents per age group.

Age Group						
Spend Counterfeit	Mean	18-24	25-29	30-34	35-39	40+
	Std	R3 346,90	R5 570, 10	R6 587,70	R6 027,30	R4 302,80
	Dev	R5 153, 80	R10 627,00	R9 349,60	R13 303,00	R7 843,40

Table 4.6: Average spend per age group

It can be deduced from table 4.6 above that the average value consumers spend on counterfeit products. The most came from the age group 30-34 (R6 587,70) followed by individuals between the ages of 35-39(R6 027,30), 25-29 (R5 570,10), older than 40 years (R4 302,80) and 18-24(R3 346,90).

Gender			
Spend Counterfeit		Male	Female
	Mean	R6 220,90	R3 479,00
	Std	R10 435,	R6 913,02

	Dev	00	
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Table 4.7: Average spend per gender

Table 4.7 above indicates that male respondents (R6 220,90) spend on average much more on luxury fashion counterfeit products than female respondents (R3 479,00).

Race Group					
Spend Counterfeit	Mean	Black	White	Coloured	Indian
		R5 301,80	R4 532,00	R4 223,70	R5 342,30
	Std Dev	R8 936,50	R8 952,10	R5 191,70	R10 480,00

Table 4.8: Average spend per racial group

The last comparison shows that the highest spend on luxury fashion counterfeit products was from the indian group (R5 342,30) followed by blacks (R5 301,80), whites (R4 532,00) and coloured (R4 223, 70).

4.4 Summary

This chapter presented the findings and the interpretation of the results obtained for the research study, and data collected for the survey was presented on a per survey per question basis. The survey's results identified the top luxury fashion counterfeit products that consumers have previously purchased. The data obtained was analysed by means of frequency count and was included in the main research instrument.

CONCLUSIONS AND RECOMMENDATIONS

“Conclusions must be logical inferences supported by the data analysis.” (Kuiper, 2009: 400)

5.1 Introduction

The retail environment is complex and retailers constantly have to be on the lookout for new opportunities and guard against threats in order to retain existing competitive advantage. With new brands continuously being launched into the market, an organisation’s brand value is what will ultimately retain competitive advantage within the marketplace. In modern society, however, everyone wants “a piece of the pie” and therefore a grey market has emerged within the retail environment, and attempts are made to steal brand value from authentic brand owners to make a profit. This industry is known as counterfeit trade.

Counterfeiting of merchandise is said to be as old as markets themselves, and is an industry that is predominant in the majority of trade sectors, but more so within the luxury fashion goods market due to consumer demand for such merchandise. The selling of counterfeit merchandise can have a detrimental effect on authentic brand owners as brand exclusivity will lose strength should luxury products become widely accessible. South Africa was the domain selected as the point of interest in this research owing to the fairly recent counterfeit trends of utilising Africa as a “transit route” (Meissner, 2010) and in particular utilising South Africa as a dumping ground for counterfeit merchandise (SAIPL, 2015.). This therefore heightened the need for research to be conducted within this geographical area.

Therefore the main objective of this research report was to describe South African consumers’ intention to purchase authentic luxury fashion brands versus counterfeit products.

The conclusions that can be drawn from the research findings as discussed in chapter 4 are provided in this chapter, as well as recommendations arising from these conclusions.

5.2 Conclusions to the study

In order to attain a full understanding as to whether or not the objectives were realised, the research objectives stated in chapter 1 will be reiterated below and conclusions will be drawn according to each respectively.

5.2.1 Primary research objective

The primary research objective for the study was to describe how do luxury fashion counterfeit products affect the concept of branding amongst Johannesburg consumers. For the primary research objective to be achieved, various secondary research objectives were formulated.

5.2.2 Secondary research objectives

Three secondary research objectives needed to be achieved for the primary objective to be validated. Each objective is stated below, followed by a conclusion supported by the data analysis.

The first secondary research objective as outlined in chapters 1 and 4 was to identify the most frequently purchased authentic luxury fashion brands consumers" have had a past purchase experience within the product categories of: watches, sunglasses, apparel/clothing, leather and leather accessories, and shoes. Tag Heuer was identified as the most prominently purchased counterfeit watch, Louis Vuitton the most prominently purchased brand of sunglasses, Burberry for apparel/clothing, Diesel for leather and leather accessories and Nike for shoes. However, because the preliminary survey was exploratory, these brands cannot be generalised to the entire population.

The second objective was to examine where most South African consumers purchase counterfeit products. This was evaluated through the use of descriptive statistics. From the results it can be seen that the most popular places to purchase counterfeit products are from China malls, online and flea markets. The reasons for this result could be that these organisations are informal and unregistered; these businesses often operate outside of the regulations that are in place for registered organisations, for example accurate bookkeeping and taxation.

The third secondary research objective was to determine the average amount spent on luxury fashion counterfeit products. The average amount of money spent by Johannesburg consumers on luxury fashion counterfeit products was R4000. A crosstabulation of the results was done to identify the most money spent on authentic and counterfeit products according to age, gender, and race. The most amount of money spent on counterfeit products was by individuals aged 35-39 years old, male respondents, Indian respondents.

5.3 Recommendations

From the findings presented in chapter 4 and the conclusions presented above, several recommendations can be made for organisations that offer luxury fashion branded products:

- One of the key recommendations emanating from the research is that identified brands of frequently-purchased counterfeit products should take this research into consideration and heighten organisational awareness as to the degree of counterfeiting the brand is undergoing within the market environment. This will enable them to evaluate their current market strategy.
- It is highly recommended that organisations emphasise the importance of luxury brand exclusivity so as to maintain brand value. Organisations should emphasise to potential buying clients that when purchasing a product they are not purely purchasing a name, they are purchasing

craftsmanship and an art form that has taken years to perfect and develop; something that is not evident in counterfeit merchandise.

- Authentic brand owners should create advertising campaigns to combat the counterfeit trade. They should emphasise the damage caused by counterfeit products and point out how they not only cause individuals to lose jobs, but could potentially be funding terrorism in some countries.
- A further recommendation to organisations is to appeal to governmental trade departments to impose greater punitive action on flea markets, China malls as well as street vendors that sell counterfeit products.

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