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Counterfeit purchase typologies during an economic crisis

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Abstract

Purpose – This paper aims to explore, and attempts to explain, consumer perspectives on the purchasing of counterfeit brands. The economic crisis has become a global phenomenon, although in Europe it mostly affected the Mediterranean countries of Southern Europe. In times of economic stress, counterfeit products increase their market share.

Design/methodology/approach – The study utilized an email-based open-ended questionnaire as its data collection method. The research used a sample of 83 participants belonging to Generation Y (younger and older) and upper-medium- and high-income class brackets.

Findings – Purchasing behaviour of counterfeit products during the economic crisis enabled this study to identify four types of consumers. Furthermore, the results indicated that some consumers have significant interest in counterfeits, whereas some consumers show apathy or indifference towards counterfeiting. Furthermore, some consumers believe that the government's economic austerity policies cause high-level consumption of counterfeits, whereas others consider the authorities to be responsible for counterfeiting, as they do not adequately tackle it.

Research limitations/implications – This research is exploratory in nature and restricted to Greek Generation Y consumers. Suggestions are presented regarding future studies and generalization of the findings.

Practical implications – Implementation of law, joint communication campaigns and social media usage are the major implications for the stakeholders in the marketplace.

Originality/value – This study extends the body of knowledge of purchasing behaviour on non-deceptive counterfeit products by offering empirical findings from Greece, a country facing a severe economic crisis. This is the first study that explores counterfeit buying behaviour during an economic crisis period.

Keywords Greece, Economic crisis, Consumer behaviour, Counterfeit brands, Generation Y

Paper type Research paper

Introduction

Counterfeiting is an old phenomenon (Veloutsou and Bian, 2008), however, contemporary literature (Fernandes, 2013; Staake *et al.*, 2012; Wiedmann *et al.*, 2012), suggests that the extent of counterfeiting has increased, plaguing markets all over the world. According to Wilcox *et al.* (2009), counterfeiting is the trade of illegally made products that are manufactured in a way that resembles genuine goods, yet are inferior



in terms of quality, performance, reliability and durability. Similarly, the [International Trademark Association \(n.d.\)](#) defines counterfeiting as “the practice of manufacturing goods, often of inferior quality, and selling them under a brand name without the brand owner’s authorization. Generally, counterfeit goods are sold under a trademark that is identical to or substantially indistinguishable from the brand owner’s trademark for the same goods, without the approval or oversight of the trademark owner”. However, [Gheorghe and Madar \(2008\)](#) state that a universally acknowledged definition of counterfeiting does not exist, though there are various definitions of the term and the activities closely related to it.

Counterfeiting is divided into two categories depending on consumer awareness, deceptive and non-deceptive counterfeiting. The former includes those cases of counterfeiting where consumers are totally unaware that the product is an imitation of the original one; therefore, they cannot be held accountable for the purchase. The latter category includes consumers who are aware that the products are fake, yet intentionally buy them ([Penz and Stottinger, 2005](#)). Furthermore, [Bian \(2006\)](#) introduced a third category, the blur counterfeiting, referring to cases where consumers are not sure whether the products are counterfeit or genuine versions.

[Bian and Moutinho \(2011\)](#) assert that consumers’ relationship to purchasing counterfeited goods is becoming an important field of study for academic researchers and practitioners. It is still a new area of research with several literature gaps, and a need for more rigorous research ([Staake et al., 2009](#)). First of all, the majority of empirical studies apply quantitative approaches and only a few studies are qualitative in nature ([Jiang and Cova, 2012](#); [Perez et al., 2010](#)). Second, although, there are several studies focused on consumers and counterfeit products from developed countries such as the USA ([Wilcox et al., 2009](#); [Marcketti and Shelly, 2009](#)), and developing countries such as Morocco ([Hamelin et al., 2013](#)), or comparative studies; such as between the UK and China ([Bian and Veloutsou, 2007](#)), none of them has researched consumer purchasing behaviour during the global economic turndown nor has researched this in countries facing major financial hardship, like Greece. Today, Greece is under the supervision of the Troika and Greeks are experiencing major financial problems due to considerable salary cuts and job losses. It is noted that counterfeiting in Greece has increased ([Telidis, 2009](#)), and according to the [European Commission’s \(2012\)](#) Report on EU customs enforcement for the year 2012, Greece detained 171 counterfeit cases in contrast to 2011 where 117 numbers of cases were detained, an increase of 46 per cent.

On that basis, the purpose of this qualitative study is to explore and attempt to explain the buying behaviour of non-deceptive counterfeits (clothes and shoes) from consumers-members of Generation Y (younger and older) in the upper-medium- to high-income bracket and who have a high education level. Moreover, the main objectives of the study are twofold:

- (1) to explore Generation Y consumers’ knowledge, beliefs and perceptions of the counterfeit product phenomenon and the impact of the financial crisis on the expansion of counterfeiting; and
- (2) to explore counterfeit buying behaviour during the financial crisis.

The prime focus was to obtain preliminary insights rather than test theory.

Additionally, this study expands our knowledge on counterfeiting literature in the following fashion. First, to our knowledge, there has not been an empirical study on

counterfeits in the sphere of the economic crisis, either from Greece or elsewhere, from the customers' perspective. Fortmann (2011, cited in Kasl Kollmanová, 2012) states that counterfeiting has been increasing since the 2008 crisis. Stravinskiene *et al.* (2013) point out that during the economic crisis the demand for counterfeit luxury goods has increased, and consequently the shadow economy has grown. According to Schneider (2013), the shadow economy in Greece for the years 2011 and 2012 was about 24 per cent of gross domestic product (GDP). Furthermore, Yoo and Lee (2009) suggested further research in different contexts, while Eisend and Schuchert-Güler (2006) assert that prior research has neglected the situational context since purchase situations for consumers under investigation were comparable. Second, it focused on Generation Y, several studies point out that Generation Y represents an extremely attractive market segment, due to its size, its large disposable income and spending power (Littman, 2008), and its long future of potential consumer decisions (Williams and Page, 2011). Third, to our knowledge, no studies focus particularly on higher educated upper-middle- to high-income consumers. Finally, our findings could be of value to both academics and practitioners and could serve as reference for future research on counterfeiting.

This paper is further organized as follows. The next section gives the theoretical literature background on consumer behaviour on counterfeits, on Generation Y shopping behaviour and on the consequences of the economic crisis in Greece. Section 3 describes the research method, whereas Section 4 discusses the results of our study. Finally, in the last section, we present the main conclusions, limitations and implications of the study.

Consumer behaviour on counterfeits

Previous studies on consumers' purchase of, or intention to buy, non-deceptive counterfeit products have investigated the phenomenon from different perspectives. Many studies have focused on ethical issues (Ang *et al.*, 2001; Belk *et al.*, 2005), consumer socio-cultural characteristics (Bloch *et al.*, 1993; Gentry *et al.*, 2006; Nia and Zaichkowsky, 2000) and motivations (Nia and Zaichkowsky, 2000; Gentry *et al.*, 2006; Wilcox *et al.*, 2009). Other studies used various established theories such as Fishbein and Ajzen's (1975), Theory of Reasoned Action (Shoham *et al.*, 2008; Marcketti and Shelly, 2009), Ajzen's (1991) Theory of Planned Behavior (Fernandes, 2013; Penz and Stottinger, 2005) and Kohlberg's (1976) Theory of Moral Reasoning (Phau *et al.*, 2009) to explain the purchase of luxury brand counterfeits. Furthermore, the work of Yoo and Lee (2009) identified that consumer interest in buying counterfeit products may be affected by a number of factors such as their beliefs about the economic and hedonic benefits of counterfeit purchases, their previous purchases of originals and their perceived future social status and self-image.

It has been noticed that socioeconomic characteristics also affect consumers' purchasing behaviour of counterfeit goods. Consumers who are of a lower socioeconomic status and who are younger (Bian and Veloutsou, 2007; Casola *et al.*, 2009) have a greater inclination to purchase counterfeit goods (Rutter and Bryce, 2008; Hieke, 2010). However, some studies indicate that counterfeit brands are also purchased by high-income consumers in developed countries (Gentry *et al.*, 2006). Many consumers characterize counterfeit products as low quality, yet they admit that they constitute an alternative, especially when it comes to clothes and accessories. Despite the fact that counterfeiting is not considered to be legal, there are people who have purchased

counterfeit brands and are likely to repurchase them under particular circumstances (Gentry *et al.*, 2001). It is not unusual for consumers to be satisfied with a counterfeit due to the fact that the price is particularly low, and expectations about the quality are moderate-to-low (Wiedmann *et al.*, 2012; Wilcox *et al.*, 2009). Therefore, consumers who are moderately satisfied by the products are those who are likely to repurchase them (Hieke, 2010). Because the counterfeit brands serve the same need as the genuine ones and consumers are satisfied with the quality, they will repurchase the particular product. The approval of this purchase by the consumers' reference group is critical to the decision about a potential repurchase. Thus, the possibility of repurchasing a counterfeit product depends on the level of satisfaction (Tom *et al.*, 1998) and social influence (Jiang and Cova, 2012), as the price is a factor that will always contribute positively to this decision.

On the other hand, academic research on counterfeit purchasing behaviour in times of economic crisis is very scarce. There is a very limited published work on the topic (Kasl Kollmanová, 2012; Olorenshaw, 2011; Stravinskiene *et al.*, 2013), which is theoretical (general view) and not empirical.

Generation Y and shopping behaviour

Generation Y consumers were born between 1977 and 1994 (Aquino, 2012), are very well-educated (Wolburg and Pokrywczynski, 2001) and more aware of marketing tactics than previous generations (Tsui and Hughes, 2001). Studies outline them as skeptical, rationally oriented and concerned consumers (Phillips, 2007; Williams and Page, 2011). In particular, they consider price and product features as more important factors than brand names (Phillips, 2007). Additionally, Generation Y is often characterized as being highly oriented towards consumerism and sophisticated in terms of tastes and shopping preferences (Holtshausen and Styrdom, 2006; Wolburg and Pokrywczynski, 2001).

This generation is more consumption-oriented than previous generations (Eastman and Liu, 2012), as it has grown up in a materialistic society (Bakewell and Mitchell, 2003). Because Gen-Yers love to shop, they have a profound impact on retailing (Taylor and Cosenza, 2002), and are very concerned about what others think of them because of their group and community orientation (Markow, 2005). They are more involved with their purchases than previous generations because they are more concerned about the social consequences of the wrong purchase (Fernandez, 2009). Generation Y consumers are driven by a need to have a "trendy" social image (Twenge and Campbell, 2008) which they tend to realise through brand consumption, they are also more fashion conscious and keep up-to-date with the latest fashion trends (Rathnayake, 2011). These consumers use brands to express themselves by making congruence between themselves and the brand which is critical to their potential brand loyalty.

However, the literature provides contradictory results on Generation Y consumers' brand loyalty. For example, some studies state that most Gen Yers are not brand loyal (Greenberg, 2011; Phillips, 2007). Young consumers are often only loyal to the brands which are in line with their personality and values; for example, studies indicate their dedication to brands expressing social and community values (Beirne and Howe, 2008). The study of Lodes and Buff (2009) offers a more balanced approach by concluding that Gen Yers will demonstrate brand loyalty towards high-priced items, but will adopt a low loyalty attitude towards low-price commodity goods. Littman (2008) asserts that Gen

Yers' choice of new brands is often determined by peer recommendations transmitted directly or through social networking channels.

Economic crisis in Greece – consequences

Since the beginning of 2010, Greece has entered a long period of severe austerity in an effort to bring public finances back under control. The government has announced rounds of austerity measures, and under these, public sector pay and pension benefits were cut. In the context of tax reform, the government changed personal income tax, raised the top rate and announced a clampdown on tax evasion (Matsaganis and Leventi, 2011). Even today, the government keeps imposing austerity so that the Troika of the European Union-International Monetary Fund-European Central Bank (EU-IMF-ECB) will keep rescue loans coming. That has worsened the country's recession, now in its sixth year (Dabilis, 2013) with dramatic consequences for the Greek economy and society. The unemployment rate increased to a record 26.8 per cent in March 2013 from 9.4 per cent in 2009, due to the policies of the Troika (ELSTAT-Hellenic Statistical Authority). According to a study by the Organization for Economic Cooperation and Development (OECD), Greece's gross domestic product has reduced by a quarter, while prices continue to be high. For example, a typical household "basket" with supermarket products that cost €100 in Greece, costs the equivalent €110 in Germany. It is noted though that the average income in Germany is more than double compared to Greece (ekathimerini.com, 2013). Furthermore, the severity of Greece's crushing economic crisis and austerity measures demanded by international lenders has drastically cut the incomes of more than 90 per cent of Greek households, with an average drop of 38 per cent (Dabilis, 2013).

Methodology

The purpose of this study was exploratory and, therefore, qualitative research methods were considered to be more appropriate (Creswell, 2009). The research took place in April-May 2012 in Thessaloniki, the second largest city in Greece. Initially, 118 Greek consumers were approached by individualized email to inform them about the research objectives and to invite their participation in the study. The invited consumers were known personally to the researchers from previous business and academic cooperation, as well as from social activities. They were chosen based on their age, from 18 to 35 years (members of Generation Y) with an upper-medium- to-high income with an annual family income of €21,000 and above (GR Reporter, 2012), and based on the fact that they had a third-level education. Eighty-three consumers participated representing a response rate of 70 per cent. Unlike other studies which used only young adult members of Generation Y (Durvasula and Lysonski, 2008), in this study, older Gen Yers were included too. Furthermore, it tries to take account of Yoo and Lee's (2009) suggestions about allowing for a greater age range, as studies on counterfeit purchase tend to collect data with students only. The selection of this type of consumer was made intentionally because it is useful to identify the reasons why a consumer who could afford the original brand may purchase a counterfeit one.

Participants were recruited using a non-probability sampling method, and specifically by convenience sampling. Data were collected through open-ended email questionnaires (Bryman and Bell, 2011; Burns, 2010; Meho, 2006) using the form of online asynchronous interviews, in which the respondent does not respond

instantaneously. The primary rationale in adopting this technique was to make use of the online competence of Generation Y participants who feel very comfortable with this approach, as well as taking account of participants' time and availability restrictions.

The questionnaire consisted of five questions. The questions were designed to draw more information from personal experiences. The participants also had to respond to six demographic questions. In this paper, only a part of the questionnaire is presented. The process was initiated by sending a personal email to participants expressing our appreciation for their involvement to this study (Meho, 2006). This email explained how their responses would be anonymous, that there were no right answers, that it would take approximately 25-30 minutes to complete the survey and that they should not share the interview record with others (Kazmer and Xie, 2008). Three days later, we sent a follow-up email to remind them about the research. When the interviews were complete, the data were copied into a Word file, anonymised and then transcribed and translated from Greek into English.

Data analysis was performed by conducting thematic analysis. The information gathered through the email questionnaires was processed into categories or themes (Mitic and Kapoulas, 2012). The data were divided into categories to be analyzed (Kapoulas *et al.*, 2002). Each question was considered to be a different category, and the answers of all the respondents were analyzed at the same time for each question; therefore, differences and similarities could be analysed more accurately. This method also helped us in comparing and contrasting information and data from both primary and secondary sources (Saunders *et al.*, 2009). Finally, a personalized reply email was sent to the participants thanking them for their time, effort and contribution to the study.

Sample

Eighty-three consumers aged from 18 to 35 years participated. In terms of age distribution, 30 (36.1 per cent) were aged from 18-23 years and 22 (26.6 per cent) were aged 24-29 years and 31 (37.3 per cent) were aged 30-35 years. Referring to gender, the majority, 46 (55.2 per cent) were females, whereas 37 (44.8 per cent) were males. The sample divided almost equally between students and non-students. Forty participants (48.2 per cent) were private college/university (undergraduate and postgraduate) students; 11 (13.3 per cent) were public employees; 21 (25.2 per cent) were professionals; and 11 (13.3 per cent) respondents were dependent (housewives and unemployed). The vast majority, 66 (79.5 per cent) were single while the rest 17 (20.5 per cent) were married and 7 of them had children. Regarding the educational level of the non-student participants, 26 indicated that they had a bachelors degree, 12 a masters degree and 5 a PhD.

Findings

Counterfeiting as a phenomenon-knowledge and perceptions

In terms of the participants' knowledge and perceptions about counterfeiting, the majority linked the term with "low cost", "low quality" and "black economy/illegal trade", which is in agreement with an extensive body of literature (Tom *et al.*, 1998; Wilcox *et al.*, 2009). They also acknowledge that these products can be hazardous to health because they are produced in countries where the production costs are particularly low, and the quality of the ingredients is questionable.

[...] counterfeits are produced in China, which is a low cost production country and the products are of a very low quality and may pose a threat to our health [...] thus, I do not buy

them and I prefer to buy original less known brands [...] (C4, male, 28, single, BSc, professional).

This view supports the work of [Van Kempen \(2003\)](#) and contradicts the view of others ([Jiang and Cova, 2012](#)), who state that today many counterfeits have the same quality and even better durability than the genuine ones. Moreover, some respondents expressed their concerns about whether the genuine luxury brands that are sold in the regular stores or department stores are not counterfeits. In other words, they mentioned [Bian's \(2006\)](#) blur counterfeiting category. The following statement offers this perspective:

[...] I am not sure anymore whether what is sold in stores is genuine. It was on the news that a well-known expensive apparel retailer was selling counterfeits. Since then I have had this doubt [...]. (C83, female, 22, single, student).

The impact of financial crisis on the expansion of counterfeiting

All consumers seemed to realize that the practice is rather extensive in Greece. This is due to the economic crisis, which decreased consumers' purchasing power, and the lack of will from the authorities to resolve the problem, as it was noted:

[...] I can understand people that buy counterfeits. Especially, those that have seen their salary evaporate, or lost their job. It is logical. The thing that I do not understand is the apathy of the authorities, local and central. We pay so many taxes, and they are incompetent in terms of eliminating or reducing this phenomenon. Instead of putting taxes on citizens they should have eliminated counterfeiting, which costs the country many billions per year through tax evasion [...]. (C52, Male, 34, single, MSc, professional-businessman).

[...] the phenomenon has increased due to the crisis because people cannot purchase expensive products like they used to. Counterfeit ones are sold at a very low price and provide the image of the original ones so consumers buy them [...] [...]. (C72, Female, 21, single, student).

[...] the financial crisis pushes people to purchase cheaper products in order to satisfy their needs. In terms of aesthetics, it is not that bad because holding a branded product can boost their mood. The consumer tries to satisfy his/her needs at the least possible cost [...]. (C9, Male, 32, married, BSc, public employee).

Financial crisis and counterfeit purchasing behaviour

Literature highlights that consumers have changed their buying patterns due to the economic crisis ([Ang et al., 2000](#); [Nistorescu and Puiu, 2009](#)). People have started to compare different products and purchases based on price and quality ([Nistorescu and Puiu, 2009](#)). Additionally, these changes in consumption behaviour may be moderated by various personality characteristics such as the degree to which consumers are risk adverse, value conscious and materialistic ([Ang, 2001](#)).

There were a significant number of respondents who do not buy counterfeits because they favour the quality and durability of the brands, and still continue to buy them, however, not as regularly or in the same quantities. Respondents stated with emphasis:

[...] I have never purchased counterfeits since I believe that 'you get what you pay for'. Even in this difficult period with financial stringencies, I prefer to buy brands because of their

quality [...] [...] although, I have reduced my purchases significantly [...] I also believe that you are what you wear, not only what you eat! We cannot all be classy, or all be of the same social class, whether we like it or not [...] (C57, male, 35, single, PhD, professional).

I am studying classical music and opera and for that I have to maintain a certain image. My clothes have to be of good quality and not fake [counterfeit] in any way. The people that I deal with are classy and if I want to be part of the group I have to dress and behave in the same manner. I have to keep my image of my work as well, because any time I can be called for a job. Of course, the brands are expensive and I do not buy them very frequently, but I do not want to be embarrassed if someone of my social group thinks that I wear a counterfeit [...] [...] (C82, female, 30, single, student and professional singer).

According to some consumers, purchasing non-branded products is a much wiser choice to purchase good quality products at economical prices. Respondents claimed:

[...] I do not buy brands because of their high prices or counterfeits because of their quality. I prefer to buy less known brands mainly local (Greek) because they have good quality and their prices are very reasonable. Besides that, in this economic crisis, I strongly believe that we have to support our own products, since the brands are of foreign origin and counterfeits do not contribute to the growth of our economy (C66, male, 27, single, BSc, PhD student).

[...] there is no reason to purchase something of low quality just to have the brand, there are many delicate products which are not branded and can meet my expectations (C39, female, 23, single, BSc, unemployed).

I have not purchased counterfeit products. I have always purchased Greek brands, although they are less known, I consider them to be of high quality [...] [...] and in today's situation, I believe that everyone should purchase Greek brands, and not imported brands, to support the economy, which means that the money stays here and creates jobs [...]. If we had done that in the first place, we would not have the Troika on our heads (C19, female, 28, single, MSc, public employee).

Also, consumers made a comparison with the attitudes they had in the past towards these products. The following extracts demonstrated this view:

[...] It is much easier now to purchase a counterfeit brand. In the past, because I had second thoughts, I did not purchase them. Nowadays, I do not think about it. I just do it [...] (C23, Male, 25, single, MSc student).

[...] I had not purchased counterfeits until now (economic crisis), since I could afford to buy original brands. However, now with the reduction in our salaries [mine and my husband's] and the birth of our child, my husband and I, when we want to buy clothes or athletic shoes, sometimes buy counterfeits because of their prices. The majority of our money goes on the increased taxes and on the needs of our child [...] (C30, Female, 34, PhD, public employee).

On the contrary, some claim that the recession has had no impact on their buying behaviour because those who have the rationale to purchase counterfeits will be willing to purchase them regardless of their financial situation. A participant stated with emphasis:

[...] Personally, I purchase counterfeit apparel not only now, but years ago because today is the era of 'what you show you are', and not what you really are. Nobody cares about people anymore. People care about what you wear, what you drive, where you go and whom you go

with [...] I did not make the rules, I just play the game.” (C47, female, BSc, 30, single, professional).

[...] I have been buying counterfeit clothes and sneakers since my teenage years mainly in order to be trendy and fashionable, and many times it was an impulse purchase. I think it is silly to buy some expensive clothes in order to follow the fashion every year. Now with this economic crisis- each of my parents has lost about 30-40 per cent of their salary- and I do not want to spend a lot of money on brands [...] (C33, female, 25, single, PhD student).

[...] I buy counterfeits, only. You are what you show you are. Lacoste from “laiki” (open-air market), but Lacoste (C26, 19, single, student).

Consumer typologies

In qualitative research studies where the samples are smaller than the quantitative ones, it is not uncommon for consumer typologies to be developed based on qualitative findings (Angell *et al.*, 2012; Green *et al.*, 2014; Öberseder *et al.*, 2013). Based on this study’s participants’ responses on counterfeit buying behaviour, we divided the buyers and non-buyers into four sub-groups of consumers.

- (1) *Brands’ buyers*: Consumers who used to purchase genuine brands before the crisis and still resort to buying them and are critical of counterfeits. This segment mainly consists of men, single, aged 30+ years, who hold a master degree and are professionals or businessman. They believe that what people wear reflects their identity.
- (2) *Unknown brand buyers*: Consumers who preferred unknown or less known brands and are not in favour of counterfeit products. This segment comprises almost equal numbers of men and women, married and single, aged 27-32 years, civil servants or PhD students. This subgroup consisted of people who do not believe that clothes and shoes reflect their personality. They are not brand-attached, and thus marketing techniques do not seem to “touch” them. They can be considered to be “conscientious consumers” regarding national economic interest. They could be ethnocentric consumers.
- (3) *Counterfeit switchers*: These are consumers who used to buy brands but now have switched to counterfeits. This segment includes married, aged 28+ years, public employees and dependents. They are the ones that have been “hit” more by the economic crisis, have experienced or are afraid that they will experience more salary cuts. For this reason, they are not willing to spend money on original brands, due to the cost, but neither are they willing to give up the image that brands’ shoes offer them.
- (4) *Counterfeit buyers*: Consumers who used to buy counterfeit products occasionally before the economic crisis and still buy them. This segment is mainly made up of university students, single, with ages ranging from 18 to 26. They are the apathy group who are fashion seekers, want to be “in” and in-style and are accepted by their reference groups for their image. They “are what they have” and are brand-attached.

Discussion and conclusions

The scope of this study, based in Greece during the economic crisis, was to explore the consumption of non-deceptive counterfeits (clothes and shoes) from consumers-members of Generation Y (younger and older) who had an upper medium to high income, and were third-level educated. This was accomplished through qualitative research, specifically 83 email asynchronous interviews. This research had a twofold objective. The first was to record Generation Y consumers' knowledge and perceptions of counterfeit products. Findings revealed that Gen Yers are knowledgeable about the practices of counterfeiting and its consequences to the economy. Counterfeits are perceived as low priced low-quality products and in some instances harmful to health, these findings are in line with the literature (Gentry *et al.*, 2006; Tom *et al.*, 1998). Additionally, they consider the phenomenon to be widespread, not only because of the economic crisis and its effects on buying behaviour (i.e. people spend less on brands and try to satisfy more essential needs) but also due to how local authorities and central government do not take adequate measures to restrict or eradicate counterfeiting.

The second objective of the study was to explore Gen Yers' counterfeit purchasing behaviour during the economic crisis. Findings revealed that a significant number of participants have purchased non-deceptive counterfeit clothes and shoes. The reasons given for these counterfeit purchases were their low-price image maintenance and an interest in keeping up with fashion trends. The reasons for non-purchase were also image maintenance, acceptance by the reference groups and an interest in purchasing good quality "unknown brands". Regarding this buying behaviour this study identified four distinctive groups of consumers: the "brand buyers" who believe that what a person wears reflects their personality; the unknown brand buyers regarded as the "conscientious consumers" regarding the national economic interest, the "counterfeit switchers" who turned to counterfeit "substitutes" due to the low price but good image and the "counterfeit buyers", the "in style" group.

This research is important because, as far as we are aware, the study is original in many ways, and thus fills gaps in the existing literature. First of all, it deals with counterfeit purchasing behaviour in a period of economic crisis; second, it has as a sample, all the age range of Gen Y consumers, those in upper middle to high income brackets, and those who are highly educated. Third, it is qualitative in nature, and finally, it deals with a country – Greece, that because of its economic crisis, has been the focus of international media attention.

Implications

The findings of this study have some implications for all the stakeholders in the marketplace; consumers, producers, retailers and the government. First of all, the local authorities and the government should be active and implement the law to protect legal trade and secure jobs in the retail sector. This way they can limit tax evasion from counterfeiting and can also protect consumers. Producers and retailers should join forces through communication campaigns in an effort to increase consumers' awareness about the benefits of legal trade for the economy and the prevention of job losses. Because consumers play a leading and growing role in the existence of counterfeit trade (Yoo and Lee, 2009), consumers' association campaigns and other non-government organizations would be very useful in informing and educating consumers to reduce the

practice. Finally, in all these cases, social media could be used because members of this generation are heavy Internet users.

Limitations and future research

It is important to acknowledge some avoidable research limitations which offer prospects for further research. This study was qualitative in nature and the focus was explicitly on obtaining depth of understanding rather than generalization. The sample used in this study was adequate for the purposes of this study and allowed reasonable conclusions to be drawn; however, it cannot be considered representative of all Greek consumers of Generation Y. Future studies should include larger samples in terms of size and geography and quantitative measures should be used to strengthen the current findings. Also, as the focus was only on Generation Y and non-deceptive apparels, other potential studies should include consumers from different generation cohorts to present a more complete picture of buying behaviour and counterfeits during an economic crisis period.

Additionally, further research studies could attempt a more in-depth analysis to identify more internal psychological factors that influence and shape purchasing behaviour. Furthermore, this research could be expanded to investigate the extent to which the new living conditions imposed by the new economy have affected consumers' behaviour. Finally, it is important that studies be undertaken in other countries that experience an economic crisis to build on the current findings.

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