

# The Impact of Counterfeit Purchasing Behavior on Brand Image

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**Abstract:** This study investigates the effects of counterfeit purchasing behavior on brand image, utilizing a purely humanities and social sciences theoretical framework. Through literature review and theoretical analysis, the research delves into the potential impacts of counterfeit purchases on consumer psychology, brand trust, and market order. The study first establishes the prevalence and complexity of counterfeit purchasing behavior, then examines how counterfeits, by mimicking the appearance and logos of genuine products, mislead consumers and damage brand image. Building on this, the research explores the long-term effects of damaged brand image on consumer loyalty, brand trust, and market competition order. A comprehensive analysis of brand image theory, consumer behavior theory, and market order theory reveals that counterfeit purchasing directly harms brand image and reputation and may lead to a decrease in consumer trust in the overall market, affecting normal market competition order. Additionally, the study analyzes strategies for brands to counter counterfeits, such as enhancing brand protection and improving consumer identification skills, aiming to provide theoretical support and strategic suggestions for brand management and market regulation. Ultimately, the research concludes that the impact of counterfeit purchasing behavior on brand image is profound and complex, necessitating joint efforts from brand owners, consumers, and market regulatory authorities to implement effective measures to reduce the influence of counterfeits and protect brand image and market order.

**Keywords:** Counterfeit Purchasing Behavior; Brand Image; Consumer Trust; Market Order; Brand Protection

## 1. Introduction

### 1.1 Research Background and Significance

In the context of globalization and digitization, brands have become a core element of corporate competitiveness. However, with the expansion of markets and the diversification of consumer needs, the issue of counterfeit goods has become increasingly severe, posing a significant threat to brand image. Counterfeit products not only infringe upon the intellectual property rights of brands but also potentially harm consumer interests through inferior quality products, thereby affecting brand reputation and market position. Therefore, studying the impact of counterfeit purchasing behavior on brand image is of great theoretical and practical significance for brand protection, consumer rights maintenance, and market order preservation.

### 1.2 Review of Domestic and International Research Status

In the current globalized and digitalized context, brand image's impact on consumer purchasing behavior is increasingly significant. Under the guidance of the Two Sessions spirit, emphasizing brand building and consumer rights protection, the impact of counterfeit purchasing behavior on brand image has become a social hot topic. This paper aims to review the current research status on the impact of counterfeit purchasing behavior on brand image domestically and internationally, and analyze it in conjunction with relevant literature.

Domestic scholars have conducted extensive research on the relationship between brand image and consumer purchasing behavior. For example, Long Chengzhi and Gan Shouguo (2011) explored the impact of brand relationships on consumer brand image perception and purchasing behavior, indicating

that the quality of brand relationships directly affects consumer brand loyalty and purchasing willingness. Huang Li et al. (2018) empirically verified the significant impact of brand image on consumer purchasing behavior. Additionally, Pang Lei and Yang Xiaowei (2014) analyzed the specific impact mechanism of brand image on consumer purchasing decisions in the notebook computer industry. In terms of counterfeit purchasing behavior, domestic research has also gradually deepened. For instance, Wang Xue (2020) studied the impact of food brands on consumer purchasing behavior, indirectly revealing the potential damage to brand image caused by counterfeits. Dai Jing (2013) focused on the impact of brand image on women's clothing purchasing behavior, discussing how counterfeits influence consumer choices by affecting brand image. International research similarly focuses on the relationship between brand image and consumer purchasing behavior. Lu Pinging and Zeng Guocheng (2015) studied the impact of brand image and product styling on consumer purchasing behavior using digital cameras as an example, providing instances of brand image application in different product categories. Moreover, Wu Yanfei et al. (2023) explored the impact of virtual image entertainment value on fashion brand purchasing intentions, reflecting new changes in brand image in the digital era. [1-10] Under the guidance of the Two Sessions spirit, protecting and enhancing brand image is considered a crucial means to promote consumption upgrading and protect consumer rights. The existence of counterfeits not only damages the image of the original brand but also affects consumer purchasing decisions, potentially disrupting market order. Therefore, studying the impact of counterfeit purchasing behavior on brand image is of significant importance for formulating effective market regulation strategies and brand protection measures. In summary, domestic and international research generally agrees that brand image significantly impacts consumer purchasing behavior, and counterfeit purchasing behavior is one of the important factors affecting brand image. Future research should further explore how to effectively combat counterfeits while protecting consumer rights, maintaining a healthy brand image, and market environment. Additionally, with the

development of digitization and globalization, the strategies for constructing and maintaining brand image need continuous innovation and adjustment to adapt to the new market environment.

### 1.3 Research Objectives and Questions

This study aims to explore how counterfeit purchasing behavior affects brand image through theoretical analysis and analyze its potential impact on consumer behavior and market order. Research questions include: (1) How does counterfeit purchasing behavior affect consumers' perception of brand image? (2) What is the impact of counterfeit purchasing behavior on brand trust and loyalty? (3) How can brand strategies and market regulation reduce the negative impact of counterfeits on brand image?

## 2. Overview of Counterfeit Purchasing Behavior

### 2.1 Definition and Classification of Counterfeit Goods

Counterfeit goods, as a prevalent economic phenomenon, are crucial to understanding their impact on markets and consumers. Counterfeit goods typically refer to products that are unauthorized, imitating or copying the appearance, trademarks, packaging, etc., of genuine products to deceive consumers. This behavior not only infringes upon the intellectual property rights of original brands but also harms consumer interests and disrupts market order.

Based on the degree and method of counterfeiting, counterfeit goods can be divided into two main categories: full counterfeits and partial counterfeits. Full counterfeits are almost identical to genuine products in appearance, trademarks, and packaging, making it difficult for ordinary consumers to visually distinguish them. These counterfeits often achieve a deceptive effect by highly mimicking every detail of genuine products, significantly impacting brand reputation and market trust.

In contrast, partial counterfeits differ from genuine products in some key features. These differences may be in product quality, functionality, materials, or design. Although partial counterfeits may resemble genuine products in appearance, consumers can usually

identify differences through careful inspection or use. These counterfeits, while not as directly impactful on brands as full counterfeits, still challenge consumer purchasing decisions and brand market positioning.

Counterfeit goods can be classified based on the objects they imitate, such as clothing, electronics, luxury goods, etc. Each type of counterfeit has its specific market and consumer group, so understanding the characteristics and market distribution of different types of counterfeits is crucial for developing effective anti-counterfeiting strategies.

The definition and classification of counterfeit goods not only help consumers identify and avoid purchasing fake and inferior products but also provide theoretical foundations and practical guidance for brand owners and market regulatory agencies to combat counterfeiting. By deeply analyzing the different types and characteristics of counterfeits, it is possible to more effectively protect intellectual property, maintain market order, and promote a healthy competitive market environment.

## **2.2 Characteristics of Counterfeit Purchasing Behavior**

Counterfeit purchasing behavior is a complex socio-economic phenomenon involving various psychological, economic, and socio-cultural factors. Understanding these factors is crucial for developing effective market strategies and consumer education programs.

Price is one of the primary drivers of counterfeit purchases. For price-sensitive consumers, the high cost of genuine products may exceed their budget, leading them to choose cheaper counterfeits. This choice is often based on economic considerations, despite consumers being aware that counterfeits may not match genuine products in quality and service.

The level of consumer brand awareness also significantly influences purchasing decisions. If consumers are not well-informed about a brand or product, they may not accurately distinguish genuine from counterfeit products. This lack of awareness can lead consumers to inadvertently purchase counterfeits. Therefore, enhancing consumer brand awareness and education is an important strategy to reduce counterfeit purchasing behavior.

Socio-cultural background is another key factor affecting counterfeit purchasing behavior. In certain socio-cultural environments, owning certain branded products may be seen as a symbol of social status. In such cases, even if consumers know they are purchasing counterfeits, they may choose to buy them to seek social recognition. This behavior reflects consumers' pursuit of brand social value, not just the practical value of the product itself.

In addition to these factors, consumers' personal values, purchasing motivations, and attitudes towards counterfeits also influence their purchasing behavior. For example, some consumers may purchase counterfeits out of appreciation for original designs, while others may intentionally buy counterfeits due to disrespect for intellectual property rights. In summary, the characteristics of counterfeit purchasing behavior are multidimensional, involving economic, psychological, and socio-cultural aspects. Understanding these characteristics not only helps brand owners better protect their intellectual property but also aids policymakers and market regulatory agencies in developing more effective strategies to reduce the circulation of counterfeits, protect consumer rights, and promote a healthy market environment.

## **3. Theoretical Foundations of Brand Image**

### **3.1 Components of Brand Image**

Brand image is the overall perception and evaluation of a brand by consumers, encompassing cognitive, emotional, and behavioral aspects. Cognitive image involves consumers' understanding of the brand's functional features; emotional image relates to consumers' emotional responses to the brand; behavioral image pertains to consumers' loyalty and purchasing behavior towards the brand.

### **3.2 Impact of Brand Image on Consumer Behavior**

Brand image has a profound impact on consumer behavior. A positive brand image can enhance consumer trust and loyalty, promoting purchasing behavior. Conversely, a damaged brand image may lead to decreased consumer trust, reduced purchasing willingness, and even a shift to competitors.

Therefore, maintaining and enhancing brand image is a critical task in brand management. Through the above analysis, this study will delve into the specific mechanisms by which counterfeit purchasing behavior affects brand image and propose corresponding brand protection strategies and market regulation recommendations to provide theoretical support and practical guidance for brand management and market order maintenance.

#### **4. Mechanisms of Counterfeit Purchasing Behavior's Impact on Brand Image**

##### **4.1 Impact of Counterfeits on Brand Cognition**

The existence of counterfeits first affects consumers' perception of brand cognition. According to Keller's (1993) brand knowledge framework, brand cognition includes brand recognition and recall, which are consumers' abilities to identify and recall brands in different contexts. Counterfeits confuse consumers by mimicking the design, logos, and packaging of genuine products, making it difficult for consumers to distinguish between genuine and counterfeit products. This confusion not only diminishes consumers' ability to recognize the brand but may also lead to misunderstandings about the brand, perceiving a decline in quality or value. For example, a study by the International Trademark Association (INTA) showed that over 60% of consumers inadvertently purchased counterfeit goods, directly affecting their perception of the brand (INTA, 2019).

##### **4.2 Impact of Counterfeits on Brand Trust**

Brand trust is consumers' perception of a brand's reliability and integrity, a core component of brand image. The presence of counterfeits undermines consumer trust in the brand. When consumers discover they have purchased counterfeit products, they may feel deceived, which can translate into distrust of the brand. Additionally, counterfeits are typically of inferior quality, leading to poor user experiences that further erode consumer trust. According to Yoon et al. (2009), a decline in brand trust can lead to reduced repeat purchases and a potential shift to other brands.

##### **4.3 Impact of Counterfeits on Brand**

#### **Loyalty**

Brand loyalty is consumers' ongoing purchasing intention and willingness to recommend the brand. Counterfeits, by damaging brand image and trust, directly impact consumer brand loyalty. When consumer trust is compromised, they may seek alternative brands, reducing loyalty to the original brand. Furthermore, the presence of counterfeits may lead to a general distrust of the market among consumers, affecting their loyalty to all brands. According to Oliver (1999), a decline in brand loyalty can result in a reduction in brand market share, impacting the brand's long-term development.

#### **5. Impact of Counterfeit Purchasing Behavior on Market Order**

##### **5.1 Theoretical Framework of Market Order**

Market order refers to the rules and patterns of behavior followed by market participants in transactions. A healthy market order should ensure fair competition, consumer rights protection, and respect for intellectual property. According to Stigler's (1971) market order theory, maintaining market order requires effective market regulation and legal system support.

##### **5.2 Impact of Counterfeits on Market Competition Order**

The existence of counterfeits disrupts the fair competition environment of the market. Counterfeits attract consumers through low-price strategies, not only harming the interests of genuine brands but also potentially forcing genuine brands to lower prices, affecting their profitability. Moreover, the inferior quality of counterfeits may mislead consumers, affecting their overall evaluation of market products and thus the healthy development of the market. According to Baker (2003), the presence of counterfeits can lead to market failure, reduce innovation motivation, and impact the competitiveness of the entire industry.

#### **6. Analysis of Brand Strategies Against Counterfeits**

##### **6.1 Brand Protection Strategies**

Brand owners should take proactive measures to protect their brands from counterfeit

infringements. This includes strengthening intellectual property protection, such as registering trademarks and patents, and combating counterfeit production and sales through legal means. Additionally, brands can enhance product anti-counterfeiting technology, such as using unique packaging designs and anti-counterfeiting labels, to help consumers identify genuine products.

## 6.2 Consumer Education and Identification Ability Enhancement

Consumer education is an important way to improve consumers' ability to identify counterfeits. Brands can educate consumers on how to distinguish genuine from counterfeit products through advertising, social media, and public relations activities. Furthermore, governments and non-governmental organizations can also participate in consumer education, providing relevant information and resources to help consumers make informed purchasing decisions.

## 7. Conclusions and Recommendations

This study, through theoretical analysis, reveals the negative impact of counterfeit purchasing behavior on brand image, including confusion in brand cognition, damage to brand trust, and a decline in brand loyalty. At the same time, the presence of counterfeits also significantly impacts market order, disrupting the fair competition environment.

To address the issue of counterfeits, it is recommended that brand owners strengthen brand protection measures, enhance product anti-counterfeiting technology, and improve consumers' identification abilities through consumer education. Additionally, governments should strengthen market regulation, combat the production and sale of counterfeits, and protect consumer rights and market order.

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