**Consumer evaluations of trend imitation: brand equity, consumer attitudes and preference**

By: Areti T. Vogel, Kittichai Watchravesringkan


© Emerald Publishing Ltd. Published under a Creative Commons Attribution-NonCommercial 4.0 International License (CC BY-NC 4.0); https://creativecommons.org/licenses/by-nc/4.0/deed.en

Made available courtesy of Emerald Publishing: http://dx.doi.org/10.1108/JPBM-07-2016-1257

Abstract:

**Purpose** This paper aims to uncover consumer evaluations of high-priced traditional retail luxury brands and more affordable neo-mass luxury retail brands when they imitate the innovative designs of one another.

**Design/methodology/approach** Using a scenario inspired by a lawsuit involving admitted copying practices, this study used a one-way (time of product introduction: the traditional luxury brand launches the product design before the neo-mass luxury brand vs the neo-mass luxury brand launches the product design before the traditional luxury brand) between-subjects experimental design to examine the effect of time of product introduction (such that consumers are aware of imitation practices) on brand attitude, brand equity (measured via the dimensions of brand associations, brand image, brand credibility and brand leadership) and brand preference.

**Findings** Results reveal that consumer awareness of imitation practices is important in determining changes in brand equity, brand attitude and brand preference, regardless of luxury brand type. The research also indicates that consumers evaluate traditional luxury brands that engage in imitation practices more negatively than neo-mass luxury brands that do so.

**Research limitations/implications** This research provides a deeper understanding of consumer response to imitation practices, along with managerial insight for luxury brands operating in that sphere. Limitations and future research directions are also offered.

**Originality/value** This study appears to be one of the first to investigate imitation practices by using stimuli inspired by a copycat case, and one of few that assesses consumer evaluations of imitation by existing brands.

**Keywords:** retailing | brand image | attitude | consumer brand equity | luxury branding | democratization | brand preference | copycats | dilution | trend imitation

**Article:**
Introduction

Almost immediately after a product or service reaches the market similar offerings are available to consumers. In the retail sector, and particularly within the apparel and accessories industry, firms imitate affordable trendy goods (e.g. Crocs's sandals) as well as high-priced luxury brand products (Beltrametti, 2010; Pouillard, 2011; Wilke and Zaichkowsky, 1999); however, the issue seems a bit more controversial when traditional luxury brands (TLBs) launch trends or innovative designs (i.e. those that are first to appear in the market) that are subsequently imitated by neo-mass luxury brands (NLBs) (i.e. affordable luxury brands attempting to convey the same prestige as TLBs) and mass market brands. Albeit a less frequent occurrence and not usually public knowledge, TLBs also imitate the designs of others (e.g. the case of Christian Louboutin SA et al. v. Yves Saint Laurent America, Inc. et al. [2011]). For instance, Horyn (2002) reported that Nicolas Ghesquiere admitted to copying a patchwork vest originally debuted by an underground designer from San Francisco while he served as the creative director at the high-end Balenciaga fashion house. In the instant study, the practice of copying the innovative designs and/or trends launched by another firm will be referred to as trend imitation, and a traditional luxury brand (i.e. extremely high-priced and exclusive) will be referred to as a TLB, while a NLB (i.e. more affordable) will be referred to as a NLB.

The existence of trend imitation and the simultaneous availability of both originals and the copycats thereof, which can confuse consumers as to the originator of an innovative design, may seem counterintuitive in light of US intellectual property laws designed to prevent copying. However, such legislation in the USA only prevents certain types of copycats. The use of another firm’s trademark in such a manner that causes confusion for the consumer as to which company produced the goods or services is considered trademark infringement in the USA and is illegal (Lanham Act, 1946). This law renders counterfeit goods (i.e. exact replicas) illegal, as they feature the trademark of another firm (Beltrametti, 2010; McCarthy, 2015). Design piracy consists of copying the design of another without using the firm's exact trademark; however, if the designs are confusingly similar to consumers, these copies are also illegal (Lanham Act [1946]; Louis Vuitton Malletier v. Dooney & Bourke, Inc. [2006], 454 F.3d 108, 2007, 525 F. Supp. 2d 558). Counterfeits and design pirates comprise a global multi-billion-dollar industry, with the US market accounting for US$196bn (Ellis, 2010), and cause financial losses of greater than US$200bn, and labor losses of approximately 750,000 jobs per year (Kim and Karpova, 2010).

Goods that are extremely similar to the copied originals, yet do not cause confusion because these goods feature their own brand name/logo, may trigger lawsuits based on US trademark dilution law (Bird, 2007; Tushnet, 2008). Dilution occurs when these copies decrease the ability of an already famous trademark (i.e. that of the design innovator) to differentiate its goods (Federal Trademark Dilution Act [1995]). Three types of dilution exist: blurring (when consumer brand awareness of the original trademark is interrupted by the copycat), tarnishment (when the favorability of the original trademark is reduced by the copycat) and free-riding (when the copycat benefits from the previous branding efforts of the original) (Bird, 2007; Ty Inc. v. Perryman [2002]).

In the USA, goods that do not qualify as counterfeits, design pirates or trademark diluting goods are legal (Bird, 2007; Lanham Act, 1946; Tushnet, 2008; Ty Inc. v. Perryman [2002]). These circumstances result in a successful market of legal copycats, or trend imitators, in the USA (Ederer and Preston, 2011). This is not the case in other jurisdictions (e.g. India, Japan, France, Italy, Spain), where intellectual property protection extends further than it does in the USA, even going
so far as to protect fashion designs (Ellis, 2010). On the opposite end of the spectrum is China, where intellectual property law enforcement is quite lax, contributing to the country's status as the largest producer of counterfeit goods (Turnage, 2013). China is also where luxury counterfeits are preferred to trend imitators (Jiang and Shan, 2016). Essentially, trend imitation (i.e. legal copying) is possible due to narrowly construed US intellectual property laws, in conjunction with the general incongruence between empirical evidence related to imitation practices and evidence legally acceptable in the US court system (Bird, 2007; Ederer and Preston, 2011; Tushnet, 2008).

Within the market, where trend imitation is at least legally approved, are NLBs (also termed masstige brands) that attempt to convey the same prestige as costly TLBs at lower price points, and that have emerged rather recently in the luxury sector (Truong et al., 2009). This phenomenon, the democratization of luxury, has resulted in a spectrum of brands of varied levels of luxuriousness and pricing (Vigneron and Johnson, 2004). To illustrate this phenomenon in conjunction with imitation practices, consider the case of Louis Vuitton Malletier v. Dooney and Bourke, Inc. [2006], [2007]) instigated by Louis Vuitton (LV) after Dooney & Bourke (DB) launched its "It-Bag", which had obvious similarities to LV Murakami handbags in terms of the color scheme and the repeated use of a monogram in the fabric. The pricing of the LV products featuring the innovative design admittedly copied by DB ranged from US$360 (for small accessories) to as much as US$3,950, while the pricing of the DB products featuring the copied design ranged from US$125 to US$400 (Louis Vuitton Malletier v. Dooney and Bourke, Inc. [2006], [2007]). The federal court held in favor of DB, reasoning that the handbags were not similar enough to cause consumer confusion as to the true manufacturer (Louis Vuitton Malletier v. Dooney and Bourke, Inc. [2006], [2007]). The Louis Vuitton Malletier v. Dooney and Bourke, Inc. case ([2006], [2007]) indicates, at least to an extent, that LV is a more traditional, exclusive, high-priced luxury brand, while DB is a more affordable luxury brand. Due to DB's admission to copying LV in the case (Louis Vuitton Malletier v. Dooney and Bourke, Inc. [2006], [2007]), along with its arguable realistic illustration of the democratization of luxury and the copying of a market leader (LV) by an NLB (DB) (Millward Brown, 2015; Truong et al., 2009; Vigneron and Johnson, 2004), the case serves as the inspiration for and focus of this study.

This research seeks to uncover the effects of trend imitation by luxury brands (TLBs and NLBs) on their brand equity, particularly when they copy the innovative designs of one another. Although DB explicitly stated that it copied LV's innovative design, admissions of trend imitation practices are not easily acquired, especially with respect to luxury brands. Nevertheless, imitation is extensive in retail, as indicated not only by the number of imitation-related lawsuits that have peppered court dockets (Christian Louboutin SA et al. v. Yves Saint Laurent America, Inc. et al. [2011]; Gucci Am., v. Guess?, Inc. [2012]; Levi Strauss & Co. v. Abercrombie & Fitch Trading Co. [2011]; Louis Vuitton Malletier v. Burlington Coat Factory Warehouse Corp. [2005]; Wang, 2013) but also by simple comparisons of products offered by expensive and popular luxury brands and those offered by fast fashion brands (such as Zara or H&M), some of which engage in trend imitation as part of their primary merchandising strategy (Burns et al., 2011). Trend imitation by mass market brands has historically been connected with the trickle down of trends to the masses (Simmel, 1957) and, as a result, somewhat accepted as these brands are not vying for the same patrons as the brands they mimic (Beltrametti, 2010). However, consumer evaluations of luxury brands that are perceived to be originators of innovative designs may fluctuate once consumers are aware of imitation practices by these brands. A market valued in 2014 at over US$900bn, the luxury industry has witnessed steady growth and is buttressed by personal goods (mainly accessories) (D'Arpizio et al., 2014). Research on luxury brands engaging in trend imitation is
important to managers of brands that regularly (or even infrequently) use merchandising philosophies based on imitation. Specifically, this research attempts to demonstrate the potential effects trend imitation may have on consumers' brand attitude, brand equity and brand preference.

**Literature review**

**Consumer assessments related to trend imitation**

Consumer assessments of copycat products have been measured via positive (versus negative) evaluations (Horen and Pieters, 2011, 2012, 2013) and favorableness (Choy and Kim, 2013), as well as brand preference (Warlop and Alba, 2004). The literature indicates that typicality of a brand (in relation to a product category), presence of the original, brand name, appearance and level of similarity to the original affect consumer evaluation of imitations (d’Astous and Gargouri, 2001; Horen and Pieters, 2011; Le Roux, Thébault, Roy, and Bobrie, 2016). Regarding similarity to the original, consumers generally evaluate less similar imitations more positively than highly similar imitations (Horen and Pieters, 2011), especially when consumers are aware of trend imitation practices and consider the original to be high quality (Horen and Pieters, 2013). Somewhat contrarily, Warlop and Alba (2004) found that practically identical imitations are preferred when imitations are priced lower than the original, at least with respect to grocery store retail items.

In the same research stream, consumer evaluations of copied brands have been assessed by the measurement of changes in brand equity (Morrin and Jacoby, 2000; Pullig et al., 2006; Simonson, 1993). Yet, a gap seems to exist regarding comparisons of types of brands employing imitation practices. Moreover, consumer evaluations of copycats in the literature appear to be more focused on copycat products rather than existing brands likely because the extant research seems to have used fictitious copycat products as stimuli (Horen and Pieters, 2011, 2012, 2013; Morrin and Jacoby, 2000; Pullig et al., 2006; Warlop and Alba, 2004).

Fusing the literature on copycat evaluations and brand evaluations (Choy and Kim, 2013; Fishbein and Ajzen, 1975; Horen and Pieters, 2011, 2012, 2013; Solomon, 2013), brand attitude serves as the first theoretical component of this study. Brand attitudes are antecedents of brand equity (Choy and Kim, 2013; Morrin and Jacoby, 2000; Pullig et al., 2006) and brand preference (Warlop and Alba, 2004). Thus, the theoretical foundations of this study include brand attitude, brand equity, and brand preference, each of which is addressed below.

**Brand attitude**

Brand attitudes are consumers' evaluations of and/or general feelings toward brands (Fishbein and Ajzen, 1975; Solomon, 2013), and measurement of attitudes is pertinent when measuring brand equity (Farquhar, 1989). General attitudes toward brands comprise both cognitive and affective dimensions (Fishbein and Ajzen, 1975). The cognitive dimension refers to brand knowledge as it relates to brand associations in consumer memories (Keller, 1993). These associations relate to brand attributes that are either more functional (e.g. durability and color) or symbolic (e.g. status and prestige) (Czellar, 2003). Thus, the cognitive dimension of attitude stems from consumer evaluations of brands that are based on brand knowledge. The affective dimension represents feelings that are associated with product categories or brands (Loken and John, 1993). In other
words, the affective aspect of attitude refers to consumer brand evaluations based on feelings, which can result from prior positive or negative experiences with brands.

**Brand equity**

Brand equity is generally defined as the additional value a brand gives a product (Farquhar, 1989). Brand equity is based on consumer perceptions of the brand and associations therewith (Baldinger and Robinson, 1996; Dyson et al., 1996) and can be conceptualized from the perspective of either firms or consumers (Aaker, 1991; Cobb-Walgren et al., 1995; Erdem and Swait, 1998; Farquhar, 1989; Simon and Sullivan, 1993; Yoo et al., 2000). Research related to the effects of copying has focused on brand equity in relation to consumers (Choy and Kim, 2013; Pullig et al., 2006; Morrin and Jacoby, 2000), as will this study. Aaker (1991) conceptualizes consumer brand equity as a brand's collective assets and liabilities. Often referred to as dimensions, these assets and liabilities include brand loyalty, brand associations, perceived quality of a brand, awareness of brand name and additional proprietary factors and/or assets of the brand (e.g. distribution channels, trademarks, patents, brand leadership, perceived value, price and market share) (Aaker, 1991, 1992). Inspired by Aaker (1991), other conceptualizations of brand equity have emerged that, as examples, combine brand awareness and associations (Yoo et al., 2000) or add dimensions (e.g. brand credibility) (Erdem and Swait, 1998).

The prior research in the area of retail imitation focuses on brand image (Choy and Kim, 2013), as well as brand associations and brand awareness as two distinct dimensions of brand equity (Pullig et al., 2006; Morrin and Jacoby, 2000) in line with Aaker (1991, 1992) and Pappu et al. (2005). Using this view, and in consideration of the likelihood that the dimension of brand associations is more likely to capture changes in consumer evaluations due to trend imitation than brand awareness, we focus on brand associations along with brand image. Brand associations are related to perceived quality (augmented by brand leadership) (Aaker, 1991, 1992), which is likely to be an additional indicator of the effects of trend imitation, along with brand credibility, which refers to the trustworthiness of a brand (Erdem and Swait, 1998). Consequently, this study conceptualizes brand equity as being comprised of the dimensions of brand associations, brand image, perceived brand quality (as measured in terms of brand leadership) and brand credibility by combining the research of Aaker (1991, 1992, 1996), Pappu et al. (2005) and Erdem and Swait (1998).

**Dimensions of brand equity**

Brand associations, the first dimension of brand equity employed in this study, exist in the minds of consumers and can be considered links to certain brands or the meaning of those brands (Aaker, 1991, 1992; Keller, 1993). The concept of brand association is rooted in associative network theory, which holds that information about brands is stored in consumers' minds in patterns that are made up of links between nodes, which represent brands and their particular aspects (Anderson, 1983; Collins and Loftus, 1975). Brand associations include items such as price, celebrities/people, users/customers and product attributes, among other things, and have varied degrees of strength (Aaker, 1991, 1996; Keller, 1993). Based on the ability of consumers to recollect favorable attributes of brands, brand associations influence brand equity, brand attitude and, ultimately, purchase decisions (Aaker, 1991; Keller, 1993; Yoo et al., 2000).
Sets of brand associations make up brand images that are unique to brands and that differentiate them from their competition, and, as such, the dimension of brand image can be considered a facet of brand associations (Aaker, 1991, 1996). The second dimension of brand equity used in this study, brand image, is often metaphorically referred to as the brand as an individual or person (Aaker, 1996; Lau and Phau, 2007). Within that sphere, brand associations encompass brand personality (Choy and Kim, 2013; Pappu et al., 2005; Yoo and Donthu, 2001), which refers to the human-like characteristics of a brand (Aaker, 1996).

The third dimension of brand equity used in this study, perceived quality, can be defined as consumers' subjective judgments about the overall excellence or superiority of certain brands signaled by cues in the consumption environment (e.g. price, country of origin and brand name) (Yoo et al., 2000). The perception of high brand quality affords brands competitive advantage by differentiating them from their competition and, naturally, increasing consumer patronage (Pappu et al., 2005). Aaker (1996) notes that the perceived quality dimension may lack the ability to capture changes in the dynamics of the market (e.g. when market entrants sway patronage from an original brand without changing consumer quality perceptions thereof). For this reason, Aaker (1996) posits augmenting the perceived quality dimension with a leadership variable, which accounts for sales leadership, product class innovation and consumer acceptance, all of which provide information as to the popularity and importance of the brand. This falls in line with the view of a number of consumer researchers (Mazursky and Jacoby, 1985; Zeithaml, 1988) that brand leadership could be used as a signal of quality.

Brand credibility is the fourth and final dimension of brand equity used in this research, defined as the ability of brands to deliver what they promise (Erdem and Swait, 1998). Erdem and Swait (1998) posit that brands serve as signals, which are assessed by consumers in terms of clarity (i.e. lack of ambiguity) and credibility (i.e. level of agreement between brand actions and brand projections). Consumers believe more credible brands are associated with less risk (Erdem et al., 2002). Trend imitation by luxury brands that are considered design innovators may result in decreases in brand credibility, and, as such, we include it as a dimension of brand equity to be explored in the current study. Erdem et al. (2002) found that the impact of brand credibility on consumer price sensitivity and choice varies between products in situations of consumer uncertainty. In a study specific to retail-based services, Sweeney and Swait (2008) found that brand credibility assists companies with the issue of consumer propensity for brand switching through enhancement of satisfaction (primarily) and committed brand loyalty (secondarily), along with continued commitment. Brand credibility also mediates the impact of the credibility of an endorser on brand equity (Spry et al., 2011).

Changes in brand equity: dilution or reinforcement

General changes in a brand's equity are referred to as dilution or reinforcement effects, where dilution represents a decrease in the brand value and reinforcement represents an increase therein (Kort et al., 2006; Loken and John, 1993; Pullig et al., 2006). A number of studies related to changes in brand equity are focused on effects resulting from actions taken by the brands themselves, namely, offering brand extensions (Gurhan-Canli and Maheswaran, 1998; Lau and Phau, 2007; Loken and John, 1993; Leong et al., 1997). In these circumstances, similarity between the original brands and their extensions is paramount for successful extensions (Aaker and Keller, 1992; Kim et al., 2001), particularly in terms of quality (Dacin and Smith, 1994; Park and Kim, 2001; van Reil et al., 2001). The equity of brands can also be affected by circumstances that are
not within their control. For example, Buchanan et al.'s (1999) study found that brand equity dilution can result from retailer choices with respect to product placement at the point-of-sale. The determination of whether to engage in trend imitation when strategizing brand offerings is certainly within the control of such brands.

**Brand preference**

Brand preference is, in effect, a measure of consumer choice (Pullig et al., 2006; Yoo et al., 2000), which falls towards the end of the consumer decision-making process (Solomon, 2013). Although higher brand equity leads to higher consumer preference (Cobb-Walgren et al., 1995), it is not certain that changes in brand equity will result in any action related to the copycats available in the market. Accordingly, to capture consumer choice, brand preference is included as the third and final theoretical component of this study. As Helgeson and Supphellen (2004) posit, consumers prefer brands that fall in line with their sense of self, which explains the likely relationship between the brand personality dimension of brand equity and brand preference. Further, personal values, individual goals (intrinsic and extrinsic) and social influences affect brand preference (Dietz and Stern, 1995; Truong et al., 2010; Yoo et al., 2000).

The research streams discussed above collectively result in the conceptual framework that guides this research (Figure 1). The framework indicates that when a brand engages in trend imitation (i.e. launches a product featuring the innovative design of another firm after the original is released), such that consumers are aware of the copying practices, consumer brand attitude (Czellar, 2003; Fishbein and Ajzen, 1975; Keller, 1993; Loken and John, 1993), brand equity (Aaker, 1992, 1992; Keller, 1993; Pullig et al., 2006) and brand preference (Pullig et al., 2006; Warlop and Alba, 2004; Yoo et al., 2000) toward the trend imitator will decrease. The related research questions are set forth in the following section.

**Research questions**

Research in the area of retail trend imitation has investigated, to some extent, consumer evaluations of copycats (Horen and Pieters, 2011, 2012, 2013; Le Roux et al., 2016; Warlop and Alba, 2004), and provided a metric to assist in identifying confusing copycats (Satomura et al., 2014). Nonetheless, regarding the stimuli used in the prior research, there does not seem to have been a clear distinction between trend imitators and copies that might reach illegal levels of mimicry. In addition, a gap appears to exist with respect to evaluations and comparisons
of brands that engage in trend imitation, as opposed to copycat products. Much of the extant literature on copycat evaluations appears to have used copycat products by fictitious brands as stimuli (Horen and Pieters, 2011, 2012, 2013; Morrin and Jacoby, 2000; Pullig et al., 2006; Warlop and Alba, 2004).

Further, apart from Jiang and Shan's (2016) study focused on luxury counterfeits and trend imitators, there does not seem to be much research related to luxury brand trend imitation. Consumers tend to display strong brand attitudes and brand preferences toward luxury brands due partly to extrinsic aspirations (Truong et al., 2010). Yet, with the rise of NLBs and the democratization of luxury, consumers do not consider all luxury brands to be at the same level of luxuriousness (Vigneron and Johnson, 2004). The theory of double jeopardy (DJ) holds that consumers who patronize brands with lower market share, such as NLBs, have less positive brand attitudes (Ehrenberg et al., 1990). A brand that is a market leader (e.g. LV) (Millward Brown, 2015) may benefit in that consumers are likely to have favorable attitudes toward the brand, establish strong brand preference, and become more loyal to the brand (Ehrenberg et al., 1990). In addition, based on the strategic management literature, the brand can take advantage of its position as a leading brand, which thus affects brand loyalty, economies of scale, switching costs and entry barriers (Hill and Jones, 2001).

Intensified competition and changing consumers' demographics have forced luxury brands (i.e. TLBs and NLBs) to pursue market opportunities by using others' designs, hoping that spillovers may occur between competing brands that are perceived to be similar. Social and cognitive psychology literature further explains such practice in that consumers make similarity-based inferences regarding countering, yet similar brands, and these inferences (e.g. prestige) impact brand choice (Janakiraman and Niraj, 2011). Moreover, a number of consumer researchers (Mazursky and Jacoby, 1985; Zeithaml, 1988) contend that brand leadership could be used as a signal of quality; that is, consumers tend to believe that a leading brand carries superior quality products. Moreover, luxury brands rely on design innovation and exclusivity (Truong et al., 2009). In the event that TLBs engage in trend imitation, consumers' attitudes and perceptions toward such TLBs may become more negative due to decreased trust and confidence in the brands, especially when they employ imitation strategies reserved for fast fashion and/or mass market brands (Burns et al., 2011).

Consumer assessments of copycat products depend on the types of copycats at issue, with some evaluated more positively than others depending on the similarity of the attributes of the copycats (Horen and Pieters, 2011, 2012). When the original brand is present and the copycat is in the same category, consumers perceive copycats that are highly similar to the original brand (i.e. those that mimic specific features rather than overall design themes) more negatively than moderately similar copycats (Horen and Pieters, 2011, 2012). Moreover, when consumers are aware of imitation practices (as they will be in the instant study) and are in a familiar setting, copycats are disliked more than products that do not mimic the original (Horen and Pieters, 2013).

In focusing more on copycat brand evaluation rather than the copycat product, it seems logical that consumer evaluations of copycat brands will be more positive when consumers perceive the copycat product offered by the brand to be less similar to the original. This suggestion is buttressed by research indicating that in situations of high typicality (i.e. where the brands used are frequent representatives of a product category, as the brands here arguably are), any product appearance alterations by copycat brands result in negative brand evaluations (Le Roux et al., 2016). As the LV and DB products assessed by consumers in the instant study have similar features as well as overall designs, and consumers will be made aware of imitation practices via priming,
we believe consumers will evaluate the copycat brands negatively, and certainly more negatively than when these brands are evaluated alone (i.e. apart from any imitation inference or explicit indication). As consumer evaluations of brands are essentially brand attitudes that are antecedent to brand equity (Chang and Liu, 2009; Faircloth et al., 2001; Fishbein and Ajzen, 1975; Solomon, 2013), which assist in predicting brand preference (Cobb-Walgren et al., 1995; Pullig et al., 2006), it is logical to expect that negative brand evaluations associated with trend imitation will result in brand equity dilution and negative brand preference. Accordingly, the following research questions guided our study:

**RQ1.** Do trend imitation practices negatively affect consumer evaluations of the copying brands in terms of brand attitude, brand equity (comprising brand associations, brand image, brand leadership and brand credibility) and brand preference?

**RQ2.** If trend imitation practices negatively affect consumer evaluations of the copying brands, do consumers more negatively evaluate TLBs that copy innovative designs of NLBs than NLBs that imitate TLBs in terms of brand attitude, brand equity (comprising brand associations, brand image, brand leadership and brand credibility) and brand preference?

**Method**

To respond to the research questions, the research used a one-way (time of product design introduction: LV launches the product design before DB vs DB launches product design before LV) between-subjects experimental design inspired by the case of Louis Vuitton Malletier v. Dooney & Bourke, Inc. ([2006], [2007]). Participants were randomly exposed to one of four related scenarios as follows: Scenario 1 (DB launches after LV); Scenario 2 (LV launches after DB); Scenario 3 (LV control group); and Scenario 4 (DB control group). Scenarios were used in lieu of enactments to reduce bias stemming from memory lapses and the propensity to rationalize (Smith et al., 1999). Participants then responded to scaled questions.

**Stimuli development and procedure**

As indicated above, the extant research related to imitation practices primarily used existing original brands, which were selected based on their status as either a brand that enjoys the greatest share of the market (Horen and Pieters, 2011, 2012), or a brand that is familiar or well-known to consumers (Choy and Kim, 2013; Morrin and Jacoby, 2000; Pullig et al., 2006). LV is the luxury brand market leader (Millward Brown, 2015), and, as such, we expected participants to be familiar with the brand and did not pretest for familiarity. Rather, we assessed participant familiarity levels with the original LV brand, as well as the DB copycat in conjunction with the identities of the brands in the inspirational case (Louis Vuitton Malletier v. Dooney and Bourke, Inc. [2006], [2007]), in the survey, which is discussed in more detail below.

In addition to being the general inspiration for the study, the case of Louis Vuitton Malletier v. Dooney and Bourke, Inc. ([2006], [2007]) specifically served as the basis for the stimuli associated with Scenarios 1 and 2. In the case, LV sued DB over the similarities of the latter's "It-Bag" (launched in July, 2003) to the former's Murakami handbag (launched in October 2002) with respect to the overall color scheme and the repeated use of a monogram (Louis Vuitton Malletier v. Dooney and Bourke, Inc. [2006], [2007]). The stimuli contained two juxtaposed photographs of the handbags that were the subjects of the lawsuit (the original LV handbag and the DB copycat).
Above each photograph was the brand name and text revealing the launch date of the handbag by the brand. In Scenario 1, the launch date for the LV handbag was October 2002, and the launch date of the DB handbag was July 2003. The dates were switched in Scenario 2 (i.e. the launch date of the DB handbag was the earlier of the two dates). The stimuli for Scenarios 1 and 2 were displayed to participants via a single Microsoft PowerPoint slide. Copying practices were not explicitly indicated by the stimulus, as they would likely not be in the marketplace (i.e. either brands may not admit to or advertise copying practices). However, as consumers make tangential inferences that affect their judgment when presented with information (Loken, 2006), the time of product design introduction was used so that the initial inference could be made that either DB copied LV or vice versa. In the following section of the questionnaire, participants were informed that one brand copied the design of the other. Additionally, incorporated toward the beginning of each survey was general company information (e.g. brand logo, date of incorporation, commitment to quality) for both brands from the website of each (Dooney & Bourke, 2016; Louis Vuitton, 2017). Scenarios 3 and 4, which served as control groups, received only this company information on either LV or DB. Thus, four scenarios were created: only LV, only DB, LV copies DB and DB copies LV.

**Instrument development**

The extant literature served as the basis for the development of a questionnaire that comprised four major sections. After providing some general preliminary information, participants were first asked to read the company information for both brands and, for those in Scenarios 1 or 2, to refer to the PowerPoint slide featuring one of the two stimuli discussed above. Second, participants responded to questions regarding the perceived level of similarity of the handbags and the possibility that one copied the other (for the purpose of manipulation checks). Third, participants were told that the brand that was second to launch the product copied the design of the other and were asked to provide their evaluations of the copying brand in terms of attitude, brand equity and brand preference. Finally, participants responded to demographic questions.

All measures (brand attitude, brand equity dimensions of brand image, brand leadership, brand association and brand credibility, as well as brand preference) were adapted from existing scales. Additionally, all measures (except for brand attitude) were assessed using seven-point Likert-type scales. Brand attitude was assessed using a seven-point semantic differential scale. Items measuring brand attitude focused on brand favorability, goodness (Stayman and Batra, 1991; Stokburger-Sauer and Teichmann, 2013) and leadership (Doss and Robinson, 2013), as well as purchase interest (Stokburger-Sauer and Teichmann, 2013).

With respect to the measurement of brand equity, the brand image dimension was measured via items related to luxuriousness, prestige and status (e.g. "Brand X is luxurious", "Brand X is prestigious" and "Brand X signals high status") (Dew and Kwon, 2010). Items capturing brand association included statements related to trust (e.g. "I trust the company that makes brand X") and fondness (e.g. "I like the company which makes brand X") (Pappu et al., 2005). Brand leadership items focused on innovation (e.g. "Brand X is known for innovative design") (Aaker, 1996). Finally, the brand credibility dimension featured items relating to brand sincerity and honesty (e.g. "Brand X makes a sincere and honest impression", "Brand X has lost its popularity among consumers") (Erdem and Swait, 1998).

Items signifying brand preference were adapted from Yoo et al. (2000) (e.g. "If I need a product of this nature, it makes sense to buy Brand X instead of any other brand, even if they are..."
the same", "Even if another brand has same features as Brand X, I would prefer to buy Brand X"). Finally, we assessed participant familiarity levels with both the LV brand and the DB brand on seven-point scales (anchored by "not at all familiar" and "very familiar"). As expected, participants were highly familiar with the LV brand (M = 5.29, SD = 1.21) and the DB brand (M = 4.70, SD = 1.49).

Characteristics of respondents and data collection

Data were collected from a mid-sized university located in the southeastern USA. Surveys were administered to students during either the first or last 10-15 min of class time. College students (aged between 18 and 25 years) were used because their socio-economic backgrounds and demographics allow for a level of homogeneity, which assists with the reduction of random error (Calder et al., 1981; Lysonski et al., 1995). Moreover, students in this age range are targeted by luxury brands (Doss and Robinson, 2013), as female teenagers were by DB in the case of Louis Vuitton Malletier v. Dooney & Bourke, Inc. ([2006], [2007]) that inspired this study. The incentive consisted of additional coursework credit. In addition, these students were randomly assigned to one of the four scenarios described above. The final sample consisted of 152 responses. Of these, 88 per cent were females and 12 per cent were males; approximately 57 per cent were aged between 18 and 22 years. Almost 70 per cent had a monthly allowance between US$500 and US$1,000. In terms of the ethnicity of participants, the majority considered themselves Caucasian (52 per cent) or Black (34 per cent). In addition, the majority of participants (88 per cent) reported business-related majors.

Results

All measures displayed acceptable reliability (> or =0.80). Manipulation checks were conducted via the use of two, single-item scales assessing participants' perception of the level of similarity of the handbags and the possibility that one copied the other (e.g. LV copies DB and vice versa). The majority indicated that the two products looked very similar (mean = 6.45, SD = 1.17) and the possibility that either one copied the other was high (mean = 6.18, SD = 1.25). To answer our research questions, a series of one-way analysis of variance (ANOVA) tests were conducted. Results show that scenario (four conditions: a TLB copies a NLB, a NLB copies a TLB, only a TLB and only a NLB), as an independent variable, had an impact on all dependent variables as measured in terms of brand attitude \((F (3, 143) = 29.22, p < 0.001, \eta^2 = 0.38)\), brand image \((F (3, 147) = 11.70, p < 0.001, \eta^2 = 0.19)\), brand association \((F (3, 146) = 7.56, p < 0.001, \eta^2 = 0.13)\), brand leadership \((F (3, 149) = 21.49, p < 0.001, \eta^2 = 0.30)\), brand credibility \((F (3, 150) = 21.24, p < 0.001, \eta^2 = 0.30)\) and brand preference \((F (3, 144) = 4.98, p < 0.01, \eta^2 = 0.09)\).

RQ1

Results pertaining to RQ1 reveal that brand attitude and brand preference were rated significantly lower for a TLB that copies a NLB than that of a TLB alone \(M_{\text{TLB-Copy-NLB}} = 3.91 \text{ vs } M_{\text{TLB} = 5.22, p < 0.001} ; \ M_{\text{TLB-Copy-NLB}} = 3.48 \text{ vs } M_{\text{TLB} = 4.38, p < 0.05} \) respectively). In terms of brand equity, results also show that the brand image, brand association, brand leadership and brand credibility dimensions were also rated significantly lower for a TLB that copies a NLB than for a TLB alone (brand image: \(M_{\text{TLB-Copy-NLB}} = 3.58 \text{ vs } M_{\text{TLB} = 5.46, p < 0.001} \); brand association: \(M_{\text{TLB}}\).
Copy-NLB = 3.91 vs MTLB = 4.58, \(p < 0.05\); brand leadership: MTLB-Copy-NLB = 4.18 vs MTLB = 5.12, \(p < 0.001\); and brand credibility: MTLB-Copy-NLB = 3.72 vs MTLB = 5.25, \(p < 0.05\); respectively) (Table I).

When an NLB copies an innovative design of a TLB, results reveal that both brand attitude and brand preference were rated significantly lower for a NLB that copies a TLB than that of a NLB alone (MNLB-Copy-TLB = 3.40 vs MNLB = 4.91, \(p < 0.001\); MNLB-Copy-TLB = 3.07 vs MNLB = 3.71, \(p < 0.05\)). In terms of brand equity, results further reveal that while brand image was not rated significantly different between an NLB that copies a TLB and a NLB alone (MNLB-Copy-TLB = 4.37 vs MNLB = 4.64, \(p > 0.05\)), brand association, brand leadership and brand credibility were rated significantly lower for a NLB that copies a TLB than that of a NLB alone (brand association: MNLB-Copy-TLB = 3.73 vs MNLB = 4.81, \(p < 0.01\); brand leadership: MNLB-Copy-TLB = 3.08 vs MNLB = 4.44, \(p < 0.001\); and brand credibility: MNLB-Copy-TLB = 3.56 vs MNLB = 4.62, \(p < 0.01\); respectively) (Table I).

Table I. Results of ANOVA for RQ1

<table>
<thead>
<tr>
<th>Variable</th>
<th>Brand as a copyright</th>
<th>Brand alone</th>
<th>Significance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>MeanTLB-copy-NLB (n = 45)</td>
<td>MeanTLB (n = 21)</td>
<td></td>
</tr>
<tr>
<td>Brand attitude</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BA</td>
<td>3.62 (1.03)</td>
<td>5.22 (1.14)</td>
<td>Significant</td>
</tr>
<tr>
<td>BI</td>
<td>3.58 (1.33)</td>
<td>5.46 (1.33)</td>
<td>Significant</td>
</tr>
<tr>
<td>BAS</td>
<td>3.91 (1.37)</td>
<td>4.58 (1.13)</td>
<td>Significant</td>
</tr>
<tr>
<td>BL</td>
<td>4.18 (1.12)</td>
<td>5.12 (1.14)</td>
<td>Significant</td>
</tr>
<tr>
<td>BC</td>
<td>3.72 (0.77)</td>
<td>5.25 (1.27)</td>
<td>Significant</td>
</tr>
<tr>
<td>Brand preference</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BP</td>
<td>3.48 (1.37)</td>
<td>4.38 (1.72)</td>
<td>Significant</td>
</tr>
<tr>
<td>MeanTLB-copy-NLB</td>
<td>MeanTLB (n = 47)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>BA</td>
<td>3.40 (0.76)</td>
<td>4.91 (0.99)</td>
<td>Significant</td>
</tr>
<tr>
<td>Brand equity</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BI</td>
<td>4.37 (1.20)</td>
<td>4.64 (1.12)</td>
<td>Not significant</td>
</tr>
<tr>
<td>BAS</td>
<td>3.73 (1.07)</td>
<td>4.81 (0.89)</td>
<td>Significant</td>
</tr>
<tr>
<td>BL</td>
<td>3.08 (1.11)</td>
<td>4.44 (0.95)</td>
<td>Significant</td>
</tr>
<tr>
<td>BC</td>
<td>3.56 (0.96)</td>
<td>4.62 (0.99)</td>
<td>Significant</td>
</tr>
<tr>
<td>Brand preference</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BP</td>
<td>3.07 (1.02)</td>
<td>3.71 (1.35)</td>
<td>Significant</td>
</tr>
</tbody>
</table>

Notes: BA = brand attitude; BI = brand image; BAS = brand association; BL = brand leadership; BC = brand credibility; BP = brand preference

RQ2

Regarding RQ2, results show that while brand attitude and brand preference were not rated significantly different between a TLB that copies a NLB and a NLB that copies a TLB (brand
attitude: $M_{\text{TLB-Copy-NLB}} = 3.62$ vs $M_{\text{NLB-Copy-TLB}} = 3.40$, $p > 0.05$; and brand preference: $M_{\text{TLB-Copy-NLB}} = 3.48$ vs $M_{\text{NLB-Copy-TLB}} = 3.07$, $p > 0.05$), three dimensions of brand equity were rated significantly different between a TLB that copies a NLB and a NLB that copies a TLB. That is, while brand leadership and brand credibility were rated significantly higher toward a TLB that copies a NLB than a NLB that copies a TLB (brand leadership: $M_{\text{TLB-Copy-NLB}} = 4.18$ vs $M_{\text{NLB-Copy-TLB}} = 3.08$, $p < 0.001$; and brand credibility: $M_{\text{TLB-Copy-NLB}} = 3.72$ vs $M_{\text{NLB-Copy-TLB}} = 3.56$, $p < 0.05$), brand image was rated significantly lower toward a TLB that copies a NLB than a NLB that copies a TLB (brand image: $M_{\text{TLB-Copy-NLB}} = 3.58$ vs $M_{\text{NLB-Copy-TLB}} = 4.37$, $p < 0.001$). However, the brand association dimension of brand equity was not rated significantly different between a TLB that copies a NLB and a NLB that copies a TLB ($M_{\text{TLB-Copy-NLB}} = 3.91$ vs $M_{\text{NLB-Copy-TLB}} = 3.73$, $p > 0.05$) (Table II).

**Discussion**

**Conclusions**

The federal court in the case of Louis Vuitton Malletier v. Dooney and Bourke, Inc. ([2006], [2007]) held in favor of DB, and, by doing so, practically promulgated highly similar innovative design imitation that features the copycat’s own logo/brand name. Although our research does not directly relate to the main issues in the case (e.g. whether DB was guilty of trademark infringement), and due to the strict evidentiary US legal standards may not have even been considered in the case (Bird, 2007; Tushnet, 2008), copying practices may not be without at least some ramifications for the trend imitator. Accordingly, the purpose of our research was to assess consumer evaluations of TLBs and NLBs engaging in trend imitation.

**Table II. Results of ANOVA for $RQ2$**

<table>
<thead>
<tr>
<th>Variable</th>
<th>$\text{M}_{\text{TLB-Copy-NLB}}$ ($n = 45$)</th>
<th>$\text{M}_{\text{TLB}}$ ($n = 21$)</th>
<th>Significance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Brand attitude</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BA</td>
<td>3.62 (1.03)</td>
<td>3.40 (0.76)</td>
<td>Not significant</td>
</tr>
<tr>
<td><strong>Brand equity</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BI</td>
<td>3.58 (1.33)</td>
<td>4.37 (1.20)</td>
<td>Significant</td>
</tr>
<tr>
<td>BAS</td>
<td>3.91 (1.37)</td>
<td>3.73 (1.07)</td>
<td>Not significant</td>
</tr>
<tr>
<td>BL</td>
<td>4.18 (1.12)</td>
<td>3.08 (1.11)</td>
<td>Significant</td>
</tr>
<tr>
<td>BC</td>
<td>3.72 (0.77)</td>
<td>3.56 (0.96)</td>
<td>Significant</td>
</tr>
<tr>
<td><strong>Brand preference</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BP</td>
<td>3.48 (1.37)</td>
<td>3.07 (1.02)</td>
<td>Not significant</td>
</tr>
</tbody>
</table>

Notes: BA = brand attitude; BI = brand image; BAS = brand association; BL = brand leadership; BC = brand credibility; BP = brand preference

The first research question inquired as to whether the equity enjoyed by established brands is diluted once they use imitation practices. The research reveals that when a TLB copies a NLB, brand attitude and brand preference, along with all dimensions of brand equity, are lower than when consumers are not aware of any copying. This translates to brand equity dilution for TLBs when they engage in trend imitation (Keller and Sood, 2003; Kort et al., 2006; Loken and John, 1993). When an NLB copies a TLB, brand attitude, brand association, brand leadership, brand
credibility and brand preference are lower than when consumers are not aware of the NLB engaging in imitation tactics. Although not all of the dimensions of brand equity measured in this study are diluted when NLBs use copying strategies, the equity is negatively affected. The lack of a significant difference in relation to the brand image dimension for NLBs may be because these brands already have lower equity than TLBs. Nevertheless, the results reveal that consumers react negatively when brands use imitation practices regardless of brand type.

RQ2 focused on whether consumers evaluate TLBs that engage in trend imitation more negatively than NLBs that do so. We found that consumers' evaluations related to brand image were lower when a TLB copies a NLB than when a NLB copies a TLB. In other words, consumers assessed the TLB as less luxurious and prestigious when the brand copied a NLB. While not exactly more negative overall for a TLB to copy a NLB, it does seem to be slightly more harmful for a TLB to engage in trend imitation than for a NLB to do so.

In essence, consumer awareness of imitation practices is an important factor in determining changes in brand equity dimensions, as well as in brand preference, regardless of whether a brand qualifies as more of a TLB or an NLB. Furthermore, TLBs are more negatively affected by trend imitation than NLBs. This may be so due to the general perception that TLBs are the vanguards of new trends in the apparel and accessories industry (Vigneron and Johnson, 1999). Finally, due to the decrease in brand preference for both TLBs and NLBs that use trend imitation practices, these brands may experience decreased patronage if consumers are aware of such practices.

Implications

This study contributes to the literature by providing information about trend imitation related to both the apparel and accessories and luxury industries, particularly in light of the democratization of luxury. Imitation is quite epidemic (Louis Vuitton Malletier v. Dooney & Bourke, Inc. [2006], [2007]; Pouillard, 2011); however, consumers react negatively when brands copy others. The literature also reveals that certain copycats are evaluated more positively than others (Horen and Pieters, 2011, 2012). Therefore, a gray area seems to exist in this genre and research is needed to provide insight into consumer reactions to common industry practices, which, in turn, may help build theory related to how the market operates as it changes.

The managerial implications of these findings are valuable for either brands with merchandising strategies based on copying other brands (Burns et al., 2011), or brands that engage the practice more infrequently. Copying may result in extreme profits; however, a fine line likely exists between high sales and negative evaluations and related preferences. This research could assist brands with gauging when they run the risk of crossing this line. Accordingly, the research could provide insight as to how these brands can improve their merchandising strategies and brand equity management (Aaker, 1992; Keller and Sood, 2003; Lassar et al., 1995). As indicated above, TLBs are not as commonly associated with imitation, but rather, innovative designs incorporated into products that are the first to reach the market (Burns et al., 2011; Vigneron and Johnson, 1999). Marketing strategies for these brands should focus on areas that are unique to such brands and that are not characteristic of other copycat brands, such as the long-standing histories of many TLBs. To illustrate, LV has been in existence since 1854 (Louis Vuitton, 2017), whereas DB can trace its history to a much more recent 1975 (Dooney & Bourke, 2016).
Limitations and future research

The methodology of this study included a stimulus that featured both the original product and the copy thereof, which cued consumers as to the existence of the two products. The juxtaposition of the two products may not always be the case in the actual market. For instance, if the copy of a TLB was significantly less expensive and of lower quality than the TLB, the copy would likely not be found in the same exclusive retail channel as the TLB (Buchanan et al., 1999; Burns et al., 2011; D'Arpizio et al., 2014; Vigneron and Johnson, 1999; Weidmann et al., 2009). The stimulus here also primed consumers to the act of copying. It would be prudent to conduct further research that does not prime participants as to the copying practices and/or juxtapose the original with the copycat. Along this vein, shopping context and/or environment, along with consumer ability to discern copycats and originals and/or levels of related scrutiny are variables that can be explored in future research.

The sample used in this study primarily included students in a retail and apparel degree program, who understand the industry and may hold opinions on trend imitation. Consumers that do not specifically study retail are likely not as aware of industry practices and may not already possess views related to the practice of copying. Thus, a more representative sample may be useful in future research.

References


blog/archive/2011/01/31/the-innovative-design-protection-and-piracy-prevention-act-

Ehrenberg, A.S.C., Goodhardt, G.J. and Barwise, T.P., (1990), "Double jeopardy revisited",
Journal of Marketing, Vol. 54 no. 3, pp. 82-91.

Ellis, S.R., (2010), "Copyrighting couture: an examination of fashion design protection and why
the DPPA and IDPPPA are a step towards the solution to counterfeit chic", Tennessee Law
Review, Vol. 78, pp. 163-211.


Fishbein, M. and Ajzen, I., (1975), Belief, Attitude, Intention and Behavior: An Introduction to
Theory and Research, Addison-Wesley, Reading, MA.


Helgeson, J.G. and Supphellen, M., (2004), "A conceptual and measurement comparison of self-
congruity and brand personality: the impact of socially desirable responding", International

Hill, C.W.L. and Jones, G.R., (2001), Strategic Management Theory, Houghton-Mifflin, Boston,
MA.

Horen, F. and Pieters, R., (2011), "When high similarity copycats lose and moderate similarity


imitation feel good", Journal of Economic Psychology, Vol. 37, pp. 54-64.

Horyn, C., (2002), "Is copying really a part of the creative process?", 9 April, The New York
Times.

to buy, and where to buy: evidence from high-tech durable goods market", Decision Sciences


Further reading


