## The Effects of Design Piracy on Consumer Perception: When Large Fashion Corporates Pirate Small Independent Fashion Designers

by

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#### **Abstract**

Unlike most creative industries, fashion design is not adequately assessed by Intellectual Property law in the United States. Fashion design piracy occurs when part or all of a designer's original design is reproduced or redistributed under the name of an unauthorized entity. A design piracy risk for designers who wish to protect their work is pervasive, and this occurrence has the potential to particularly impact small independent fashion designers (SIFDs) who may exclusively employ digital media to reach their audience, allowing a vast online exposure to their designs. In fact, numerous notable cases have emerged within the last several years of SIFDs purportedly pirated by large fashion corporations (LFCs). Despite the swift emergence of this phenomenon and the apparent outcry from many in the fashion community, prior to this study, virtually no research has examined consumers' reactions involving these occurrences. Bridging this gap, the purpose of this research was to examine the effects of a revelation of a fashion design piracy case on consumers' perceptions about the LFC, the SIFD, and the design involved.

Fifteen hypotheses predicting product and brand level consequences as revealed by consumers' perceptions of an elicited fashion design piracy revelation were tested through an online experiment utilizing a student sample of 260 participants (145 women,  $M_{age} = 20.39$ ). The study employed a 2 (Piracy Case: Granted Clothing [SIFD] and Forever21 [LFC], Piracy Case: Jamie Spinello [SIFD] and Nasty Gal [LFC]) x 3 (Revelation: LFC Exposure, SIFD Exposure, Revelation Exposure) between-subjects design utilizing stimuli determined through a pretest (n = 60) of 10 alleged piracy cases. At the product level, findings revealed a non-significant effect of

a design piracy reveal on consumers' perceived value and quality of both LFCs' (pirated) and SIFDs' (original) designs. At the brand level, the results revealed that a design piracy reveal had a non-significant effect on consumers' brand attitude towards both the SIFDs and the LFCs, but significantly lowered consumers' perceived ethicality of LFCs that pirated SIFDs. In addition, consumers' perceived ethicality of the LFC was found to trend positively with their attitude toward the LFC brand. Results further indicated that a design piracy revelation lowered consumers' perceived brand creativity for LFCs, but increased their perceived brand creativity for SIFDs. Subsequently, perceived brand creativity of LFCs and SIFDs was found to positively trend with brand attitude towards the LFCs and SIFDs, respectively.

Several notable academic, societal, and managerial implications are discussed. At the forefront, this study offers a first of its kind by conducting an empirical analysis of a reversed piracy direction which has remained absent in current academic literature. Further, findings have practical implications that although brand attitude and value perceptions of the designs involved do not change after their piracy knowledge, ethicality towards corporate brands that pirate small designers, as well as brand creativity towards both corporates and small designers does. Future research is required to investigate differences between small designer and large corporate brand qualities that may alter consumers' perceptions for some brands over others in terms of piracy knowledge. Further, an investigation of mediating and moderating analyses in the structural relationships for the proposed conceptual framework is recommended, as well as an analysis of long-term brand effects in chronic occurrences of this type of fashion design piracy.

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#### **CHAPTER 1. INTRODUCTION**

#### **Background and Problem Statement**

The fashion industry, unlike most creative good industries, has limited intellectual property protections and subsequent legal accommodations concerning piracy (Raustiala & Sprigman, 2006, 2009, 2016). What little legal protection that exists for fashion design has proven to be unclear and defective (Barnett, 2005), with much of the confusion lying in the equivocal nature of the combination of functional and aesthetic aspects of clothing design (Buccafusco & Fromer, 2016). In the United States, the legal schema of intellectual property (IP) offers various types of protections for creative works such as copyrights, trademarks, and patents (Granstrand, 2003). Although authors in creative industries such as music or literature are able to utilize these types of protections, designers in the fashion industry are severely limited in their access to IP. Other than a few peripheral rights such as textile print copyrights and logo trademarks (Marshall, 2006), fashion designers endure a severe lack of IP protection. Raustiala and Sprigman (2009, 2016) categorize fashion as existing in the "negative space" of legal rights, meaning that for doctrinal, historical, or other reasons, fashion is not properly assessed by IP law. What accompanies this apparent lack of legal protection for fashion design is a piracy risk for those designers who wish to protect their work (Marshall, 2006).

Fashion design piracy occurs when part or whole of a designer's original fashion design is reproduced or redistributed under the name of an unauthorized entity. Despite conceptual similarities, design piracy differs from that of design counterfeiting where counterfeiters not only

copy another's design, they infringe on legal rights such as protective trademarks (Chaudhry & Zimmerman, 2009). Counterfeiting in the fashion industry often occurs in the case of luxury brand goods where a brand's well-known logo may be protected through trademark rights; this trademarked logo will often simultaneously function as a brand's name/identity and a distinct element for the brand's designs. For instance, with a Louis Vuitton bag, the 'LV' print serves as the bag's design as well as the Louis Vuitton brand's logo. In the case of counterfeiting, counterfeiters are concerned with copying and reproducing a brand's identity more so than a design driven element. On the other hand, design pirates copy another's design under the disguise of their own work, and thus are often exclusively concerned with replicating a design. In doing so, the original designer/brand's identity are desired to be lost as the pirate is more concerned with passing the design off as one of its own.

Piracy is a phenomenon not new to the fashion industry; however, in the wake of recent digital proliferation, the pace of purported instances of piracy have dramatically increased (Marshall, 2006). Although designers renown at all levels have been known to be affected by design piracy (Marshall, 2006), this phenomenon has seen the potential to highly impact small independent designers who may exclusively use digital mediums to reach their audience, allowing a level of exposure not seen in the pre-digital-age. As Marshall (2006) noted, designers run the risk of having their work replicated by large companies before their original designs may even have a chance to enter the market. Further, the fashion industry's inherent piracy nature likely hurts emerging designers whose original work can potentially be copied prior to claimed authorship, even if they do have financial means to support what little legal rights are available through IP law (Rosen, 2013).

The focus of academic literature concerning the unauthorized replication of designs within the apparel industry has almost exclusively centered on luxury counterfeit goods. Several studies have been conducted to examine consumers' attitudes and perceptions towards luxury counterfeit goods, as well as how such perceptions inform their willingness to purchase luxury counterfeits (Bian & Moutinho, 2011; Cordell, Wongtade, & Kieschnick, 1996; Ha & Lennon, 2006; Kim & Karpova, 2010; Nia & Zaichkowsky, 2000; Phau, Teah, & Lee, 2009). Because the ability to protect design through IP law necessitates substantial financial backing, it is unsurprising that most of this literature is exclusively concerned with counterfeits of luxury brands, which can afford such financial protection. Not only are luxury brands able to expense the IP protection and legal up-keep for their designs if they wish, these designs are often well known by consumers and costly for them to attain, stimulating the counterfeit market. What is largely absent from this academic discussion and appears to be a growing phenomenon is the design piracy practices of large fashion corporates on small independent fashion designers. This form of design piracy is arguably the reversed piracy direction of what has been traditionally examined. That is, where previous studies have focused on the counterfeiting practices of virtually unknown manufacturers on large well known luxury brands, the aforementioned described fashion design piracy phenomenon is regarding the piracy practices of large fashion entities on virtually unknown small fashion designers.

The current study wishes to address this immense gap in the literature concerned with a specific fashion design piracy phenomenon not currently addressed by academic means. This phenomenon occurs when a *large fashion corporate* (LFC) pirates a design original to a *small independent fashion designer* (SIFD). In regard to the current study, a LFC refers to a large scale entity such as a retailer, corporation, wholesaler, or manufacturer that functions on a macro scale

in the fashion industry and is usually readily recognizable by the general public. With generous consumer bases and revenues, examples of LFCs include large scale fashion brands and retailers such as Urban Outfitters, Zara, and Forever21, as well as corporate wholesalers or manufacturers (e.g., the big box retailer Target has apparel lines associated with their corporation which umbrellas wholesalers and manufacturers that take on the Target brand). SIFD, on the other hand, refers to a sole designer (or a small set of designers functioning as one brand) at a micro scale within the fashion industry. SIFDs are usually not readily recognized by the general public and may potentially only capture a niche or small market of followers. SIFDs may reach and engage with their consumer bases through personally crafted websites, social media accounts, and/or e-commerce platforms such as Etsy.

Purported instances of SIFDs' work being pirated by LFCs is evident through the influx of nonacademic Internet articles and controversial social media posts within the last several years. One of the LFCs frequently accused of pirating SIFDs is the fast-fashion brand Forever21, reported to have been sued over 50 times for pirating designs within 27 years of production (Sauers, 2011). One such example of Internet backlash from a small fashion design community against Forever21 is the 2013 incident between a SIFD known as SAFii claiming unauthorized design appropriation by the LFC. An online petition generated by SAFii claimed that Forever21 will "steal and copy designs from small designers...without their permission," and that it "is morally wrong and disheartening to the brands who work hard creating their unique designs...to have them taken and mass produced by [a] company who then takes the credit" (Samaroo, [ca. 2013], para. 1).

Examples of LFCs allegedly pirating the designs of SIFDs may continue to increase with the growing online accessibility and ease of marketing of small designers' work through social

media means. The advent of technological exposure for SIFDs seems two-folded. In one regard, independent designers are allowed more exposure than ever before, potentially garnering consumer followings and eligible proprietorship through online means not possible in the presocial media era. On the other hand, having their work readily accessible to the vast online community leaves them at a piracy risk, especially with corporate designers and merchandisers potentially analyzing trend information related to their target markets through open-sourced social media and Internet related platforms.

In addition to SIFDs directly distributing piracy information to their followers and the generating of online petitions rebuking such allegations like in the previously mentioned example concerning SAFii, other means for consumers acquiring this piracy information seem to be growing. Platforms such as The Fashion Law, a website that describes itself as an objective source of fashion news and information related to law and business analysis (thefashionlaw.com, 2018), have also covered instances of purported piracy by LFCs on SIFDs. Sources such as these open consumers to alleged piracy information that may otherwise be lost in the oftentimes small reach of SIFD platforms. One social media account known as Diet Prada is an Instagram platform exclusively devoted to covering instances of design piracy in the fashion world. Diet Prada's Instagram account has been actively operating since 2014 (thefashionlaw.com, 2018) with the sole purpose of unveiling cases of purported piracy to its half a million fashion followers (Diet Prada, 2018), and several of these cases are concerned with the piracy practices of large fashion entities on small designers. One recent example concerned a group of small independent designers accusing the fashion label We Wore What of pirating several of their designs for a jewelry collection distributed by the large fashion corporate Nordstrom. Regarding the ordeal, Diet Prada took to their Instagram account, posting pictures of We Wore What's

designs next to the small designers' designs, and speaking out for the small designers by stating, "These designers spend all their time and money to create beautiful, meaningful product and often don't have the resources to protect their designs or litigate...let's check up on our local Nordstrom and Nordstrom Rack and make sure they've actually been pulled from the physical stores (not just from online)" (Diet Prada, 2018).

The proliferation of such cases concerning the piracy of SIFDs by LFCs and the accessibility of this information to consumers appears to be growing. If consumers are showing concern for this type of piracy as evident by the large following accrued by social media accounts such as Diet Prada, or purely encountering the piracy information at all, then this phenomenon becomes a huge branding and marketing concern as it may in fact have an influence on consumers' perceptions of the brands and products (i.e., designs) involved. Hence, the goal of this research was to investigate how consumers feel about this type of piracy, and in doing so, evaluating how this phenomenon affects perceptions about associated brands and designs. Accounting for the current lack of legal rights for fashion design, and what could perceivably be a continuation of pirating practices through the ease of digital exposure, it is necessary to tap into the consumer perspective of the phenomenon by understanding potential perceptual and attitude changes about brands and designs, especially in the wake of an absence of such an analysis from an empirical vantage. Despite an apparent outcry from small fashion followers evident through the incursion of online petitions and related posts criticizing LFCs for pirating SIFDs, to the researcher's knowledge, no empirical studies have been conducted to measure consumers' perceptions regarding the phenomenon. In the advent of this type of fashion design piracy, a practical problem from a marketing and branding perspective is evident; but further, the lack of an academic discussion to inform such perspectives in its wake also deserves critical attention.

In order to address the aforementioned discussion, this study examined the unexplored phenomenon by teasing out several key constructs believed to be relevant in explicating consumers' feelings regarding this type of piracy. Although literature pertaining to legal and theoretical implications has touched on this specific phenomenon (Marshall, 2006; Raustiala & Sprigman, 2006, 2009, 2016; Rosen, 2013; Tan, 2009), no known studies have been conducted to empirically investigate the phenomenon, notably by examining consumers' reactions to LFCs, SIFDs, and the designs involved upon the revelation that a LFC's design is in actuality original to a SIFD through the purported act of piracy. Therefore, this study examined selected key constructs to expound the phenomenon from a consumer's perspective at both product (the designs involved: original and pirated) and brand (the brands involved: LFCs and SIFDs) levels.

In an effort to unveil perceptions about this type of piracy at the product level, consumers' perceived value and perceived uniqueness of the designs (pirated and original) involved were examined. *Perceived value* is the consumer's assessment of the affective and cognitive aspects of design features (Holbrook & Hirschman, 1982), including emotional, social, and quality attributes (Sweeney & Soutar, 2001) of a design. *Perceived uniqueness* is the consumer's interpretation to which a design is different and special from others within similar product categories (Franke & Shreier, 2008; Tian, Bearden, & Hunter, 2001). By measuring reactions through examining these two constructs with an elicited fashion design piracy phenomenon, the study wishes to arrive at an interpretation of how consumers feel about the designs involved, thus explicating the phenomenon itself by addressing a deficiency in discussion surrounding pirated (as opposed to counterfeit) designs in the fashion industry.

At the brand level, consumers' perceived ethicality of LFCs and their perceived brand creativity and brand attitudes towards both LFCs and SIFDs involved were analyzed. It is

valuable to understand consumers' brand perceptions in regard to an incited fashion design piracy phenomenon as it informs the lack of theoretical discussion regarding this phenomenon, as well as offers practical information for pirating and pirated brands by revealing how consumers feel about them once realizing this type of piracy has occurred. Perceived brand ethicality is the consumer's perception of a brand's overall moral disposition (Brunk, 2012; Brunk & Bluemelhuber, 2010). Piracy is closely tethered to ideas of morality; therefore, it is important to examine consumers' perception of ethicality to understand if changes occur in how they feel about LFCs who pirate SIFD designs once confronted with this information. Perceived brand creativity is the consumer's evaluation of the originality of what the brand produces, specifically in regard to the brand's artistic merit. This construct will be examined in relevance to both LFCs and SIFDs involved in the fashion design piracy phenomenon to examine changes in creative perceptions with consumers' acquisition that piracy has occurred. Finally, the current study conceptualizes brand attitude as consumers' overall evaluation of branded attributes and benefits (Keller, 1993) in such that they valenced favorably or unfavorably (Aaker & Day, 1982). The consumer's internal evaluation about the brand (Mitchell & Olson, 2000) encompasses overall positively or negatively valenced favorability (Park, MacInnis, Priester, Eisingerich, & Iacobucci, 2010). Understanding how consumers feel about the brands involved in the phenomenon offers a more holistic conceptualization of the phenomenon not previously examined. Further, this study will also analyze how brand attitudes towards LFCs and SIFDs involved are mediated by the aforementioned brand perception variables. Examining mediated relationships on perceptions of brand attitude within this phenomenon will offer an elevated understanding of the how consumers' perceptions about the brands involved in the piracy lead to their attitude formation. By evoking a fashion design piracy revelation, this study will address

several gaps in the literature while offering a novel perspective by conceptualizing how the knowledge of a LFC's piracy of a SIFD's design affects consumers' perceptions about the designs and perceptions and attitudes toward the brands involved.

### **Statement of Purpose and Objectives**

Based on the aforementioned discussion, the purpose of this study was to explore the fashion design piracy phenomenon through investigating consumers' perceptions and attitudes affected by the revelation of LFCs' piracy of SIFDs' designs. In doing so, the design (i.e., product) and brand level consequences of a fashion design piracy revelation were examined, which addressed gaps in current discussion. Specifically, the following seven objectives were established for this study:

- 1. To examine the effect of a fashion design piracy revelation on consumers' perceived value and uniqueness for (a) original (i.e., SIFD) and (b) pirated (i.e., LFC) designs.
- 2. To examine the effect of a fashion design piracy revelation on consumers' brand attitudes towards (a) LFCs and (b) SIFD brands involved.
- 3. To examine the effect of a fashion design piracy revelation on consumers' (a) perceived ethicality of LFC brands, (b) perceived brand creativity of LFC brands, and (c) perceived brand creativity of SIFD brands.
- 4. To examine the relationships between consumers' (a) perceived ethicality of LFCs and (b) perceived brand creativity of LFCs and their brand attitude towards LFCs.
- 5. To examine the relationship between consumers' perceived brand creativity of SIFDs and their brand attitude towards SIFDs.

- 6. To investigate the role of consumers' perceived ethicality of LFCs that mediates the effect of a fashion design piracy revelation on the consumers' brand attitude towards LFCs.
- 7. To investigate the role of consumers' perceived (a) brand creativity for LFCs and (b) brand creativity for SIFDs that mediates the effect of a fashion design piracy revelation on the consumers' brand attitudes towards LFCs and SIFDs, respectively.

#### **Definition of Terms**

The following terms are used throughout this study; in addition to the terms adapted from the literature, researcher-created terms are used to explicate the phenomenon explored.

Additionally, some conceptual definitions may include provisos to further operationalize terms with clarity for the study's context.

- **Brand attitude:** the consumer's internal evaluation about the brand (Mitchell & Olson, 2000) that encompasses overall positively or negatively valenced favorability (Park et al., 2010).
- Fashion design piracy: an unauthorized entity's act of reproducing or redistributing a legally unprotected fashion design with an intention to pass the original design off as its own.

  For the purpose of the current study, the direction of piracy occurs by the large fashion corporate (perpetrator) to the small independent fashion designer (victim).
- Fashion design piracy revelation: the acquisition of consumer knowledge that one fashion entity has pirated the design of another fashion entity. For the purpose of the current study, because the direction of piracy occurs by the large fashion corporate to the small independent fashion designer, consumers' revelation acquisition is content specific to

- these cases. That is, the fashion design piracy revelation in this study refers to the acquisition of knowledge that a large corporate has pirated a small designer's design.
- Large Fashion Corporate (LFC): a macro fashion entity such as a retailer, corporation, wholesaler, or manufacturer that functions on a large fashion industry scale and is usually readily recognizable by the general public. Examples include Forever21, Zara, Target, and Urban Outfitters.
- Original fashion design: the fashion design conceived and produced by the fashion entity in which is pirated. For the purpose of the current study, the original fashion design refers specifically to those produced by the small independent fashion designer and purportedly pirated by the large fashion corporate.
- **Perceived brand creativity:** the consumer's perceived aspects of a brand's production such as novelty, meaningfulness, and the ability to generate positive feelings (Ang & Low, 2000), specifically in regard to artistically motivated merit.
- **Perceived brand ethicality:** the consumer's subjective and aggregate perception of a brand's overall moral disposition (Brunk, 2012; Brunk & Bluemelhuber, 2010).
- **Pirated fashion design:** the reproduction of an original fashion design without the permission of its original creator. For the purpose of the current study, the pirated fashion design refers specifically to that produced by the large fashion corporate and purportedly stolen from the small independent fashion designer.
- **Perceived uniqueness:** the consumer's view of the degree to which an object and its use are "outside of the norm" (Tian et al., 2001, p. 50).

- **Perceived value:** the consumer's assessment of affective and cognitive aspects of a product's features (Holbrook & Hirschman, 1982) including emotional, social, and quality anticipated benefits (Sweeney & Soutar, 2001).
- **Small independent fashion designer (SIFD):** a sole designer or small group of designers facilitated as a single brand that functions in the fashion industry on a micro scale, exhibiting independence from corporate retail and not readily recognized by the general public.

#### CHAPTER II. REVIEW OF LITERATURE

This chapter provides an overview of the fashion design piracy revelation in regard to the constructs of the study's proposed conceptual model (see Figure 2.1). This research desired to capture consumers' perceptions and attitudes at product and brand levels upon the revelation that a large fashion corporate (LFC) pirates the design of a small independent fashion designer (SIFD). The first subsection of this chapter outlines fashion design piracy, including a review of the current legal and theoretical discussion of design protection, as well as an understanding of the design piracy this study is concerned with. Following, the research framework and conceptual model (see Figure 2.1) are presented, summarizing the hypothesized relationships developed through the review of extant literature to follow. The latter subsections will review the proposed product- and brand-level constructs as they appear in the model to offer a conceptualization of the fashion design piracy phenomenon.

#### **Fashion Design Piracy**

#### **Intellectual Property and Design Piracy**

In the United States, legal protection for fashion design is mostly limited to the broad schema of intellectual property (Raustiala & Sprigman, 2006, 2009, 2016). Intellectual property (IP) rights function to protect creative works, and at their theoretical foundation, some legal scholars argue that the main purpose of IP is to stimulate innovation among creative products (Raustiala & Sprigman, 2016). This theoretical aspect does not address fashion designers' concerns for protecting their own work, and a lot of small designers face competition from large companies who have the capability of replicating their ideas with ease (Marshall, 2006).

In 2006 and 2011, out of a desire to curb rampant piracy within the fashion industry, the Design Piracy Prohibition and the Innovative Design Protection and Piracy Prevention Acts were proposed to the U.S. House of Representatives to extend copyright protection to fashion design (Design Piracy Prohibition, 2006; Innovative Design Protection and Piracy Prevention, 2011). Although these bills never passed, the proposals gave way for fashion design to largely enter the legal realm of IP in the United States. Importantly, these propositions offered terms in defining aspects of piracy within fashion, such as giving the legal definition of original designs (versus pirated designs) in providing "unique, distinguishable, non-trivial and non-utilitarian variation over prior designs for similar types of articles" (subsection 2.b.7, Innovative Design Protection and Piracy Prevention, 2011). These legal proposals offer testament to designers lobbying against the onslaught of piracy within the fashion creative domain (Marshall, 2006), and highlight a need for further investigation to continue a legal discussion regarding piracy.

IP can provide various types of protections for creative authorship including copyrights, trademarks, and patents (Granstrand, 2003). Legally, the holistic picture for protecting fashion becomes unclear when considering the combination of aesthetic and functional attributes of design. With the exception of fabric prints (Marshall, 2006), since almost all fashion design is arguably inherently functional, it is legally prohibited from copyright protection (Buccafusco & Fromer, 2016; Raustiala & Sprigman, 2016). Further, because of the aesthetic nature of fashion, patents equally fall short in offering legal security (Buccafusco & Fromer, 2016), although the one caveat being a design patent (versus a utility patent), which is useful for ornamental design, even still with its own list of legal specificities (Raustiala & Sprigman, 2016). Furthermore, rights granted by trademarks are devised to exclusively protect logo designs (Marshall, 2006). Although this can be useful in the case of protecting luxury fashion goods where designs are

often in symbolic referent of the brand's logo, for small designers, this type of protection heeds limited use. Even in specific instances where legal rights are appropriate and available for a designer's work, the attainment of protection has been known to be a somewhat nebulous endeavor riddled with expenses and legislative stipulations ("The Devil Wears Trademark," 2014), which could be nearly impossible to navigate financially for small independent designers who often survive on modest incomes (Marshall, 2006).

Despite the (unsuccessful) legislative moves by design lobbyists to curb piracy within the fashion industry, the practice remains incredibly commonplace, and indeed, some theoretical scholars argue that design piracy is necessary for the continued creative innovation among designers. In discussing legal implications of IP and design piracy, Raustiala and Sprigman (2006, 2009) contend that piracy works as a catalyst for designers to out-do one another, spurring innovation among each other as evident by the pervasive observation of copying in the fashion industry. Raustiala and Sprigman (2006, 2009) further argue that the unprotection of fashion design assists in anchoring trends in the fashion industry; that is, copying and reproducing other designers' work helps to communicate and disseminate fashion trends to consumers. The allowance of design piracy not only helps to establish consumer trends, it assists designers in the creation process by inducing the need to always be innovating (Raustiala & Sprigman, 2006, 2009). Further, some scholars note that the nature of imitation may be profitable for designers, as copies draw attention to their original design work (Hilton, Choi, & Chen, 2004). Despite these notions, Marshall (2006) claims that most small fashion designers are self-employed and cannot risk their work to the piracy of other fashion entities as it already remains difficult to root themselves within the industry among the obvious competition, and many designers are closely tied to the beginning and end stages of production, in some instances managing up to 24 months

of work investment on a single design. The ability to pirate designs with little effort has become more accessible in the digital age; combining that with the fashion industry's history of piracy practices has created a restraining environment for small designers whose work is at risk for copying, potentially before they can rightfully claim ownership for their designs (Marshall, 2006; Rosen, 2013).

#### When LFCs Pirate SIFDs

The focus of the current study was the corporate pirating of small fashion designers' work; in other words, when a LFC pirates the design of a SIFD. Despite a lack of academic discussion surrounding this type of fashion design piracy, let alone any evidence from an empirical investigation, instances of LFCs purportedly pirating SIFDs have been noted through a recent barrage of Internet backlash by small designers, artists, and fashion followers. Oftentimes SIFDs who have felt as though their work has been pirated by LFCs have taken to personal social media platforms for public outcry, and at times, online petitions have been a result either initiated by their followers or the designers themselves. Additionally, fashion social media accounts such as the aforementioned Diet Prada Instagram, as well as fashion law websites and related social media have also been known to cover these instances, disseminating such information to consumers and often urging them to not support LFCs that copy SIFDs.

Furthermore, on several occasions, small designers have even filed lawsuits against the corporates they claim have stolen their work despite the lack of IP attainment available to them.

Several notable cases of small designers claiming piracy by large corporates can be observed through the online fashion community. One recent example of an LFC accused of pirating the work from dozens of small designers involves the fast-fashion brand Zara.

Independent designer Tuesday Bassen filed official copyright complaints with Zara after being

notified by hundreds of her followers about potential piracy (Addady, 2016). Zara responded tersely to Bassen's claims stating that "the lack of distinctiveness" in Bassen's "purported designs makes it very hard to see how a significant part of the population anywhere would associate the designs with" her work; adding for Bassen to "...please note that such notifications amount to a handful of complaints only" for the company "when...millions of users worldwide visit the...[Zara] websites monthly" and these "figures clearly put those few notifications into sharp perspective" (Addady, 2016, para. 4). Bassen was later quoted saying that the unethical piracy, Zara's response to her claims, and the failed attempts to legally protect her designs had "an awful impact on the livelihood of an artist," adding that Zara diluted her brand "by literally stealing from" her (Addady, 2016, para. 5).

Another example of fashion design piracy involving the LFC Forever21 is the 2015 incident of Canadian independent business owners of the small fashion retailer Granted Clothing claiming that Forever21 produced pirated copies of their sweater designs (Harowitz, 2015). The small designers of Granted Clothing produced a social media post claiming that Forever21 manufactured and sold "blatant copies" of their designs, adding that they are "not the only [independent designers] being exploited by large companies" (Granted Clothing, 2015, para. 3). Further, a few years earlier in 2011, Forever21 was accused of textile appropriation by Moriah Carlson and Alice Wu of the independent fashion label Feral Childe. After recognizing their distinct textile print being massed produced without permission by the LFC, Feral Childe filed a copyright infringement lawsuit against Forever21 for the purported piracy (Sauers, 2011). This claim additionally garnered an online petition to protect SIFDs from the pirating practices of LFCs, accumulating over 6,700 signatures that year (Starbuck, [ca. 2011]).

Yet an additional example involves the corporate retailer Urban Outfitters, another LFC frequently suspected of design piracy. In 2011, an independent designer named Stevie Koerner who operated a personal jewelry line through an Etsy account, claimed that Urban Outfitters stole her jewelry designs (Linkins, 2011). Although Urban Outfitters denied the pirating allegations, claiming that they work ethically with dozens of independent artists, and that Koerner's designs are not particularly original to her (Urban Outfitters, n.d.), Internet fashion followers, bloggers, and independent artists alike expressed contempt regarding the belief that the company had stolen the small designer's work (Brooks, 2013). This case gained considerable attention and is arguably a pioneering incident of fashion design piracy accusations on LFCs of SIFDs.

#### Distinguishing Piracy by LFCs on SIFDs from Counterfeiting

One type of copying that occurs in the fashion industry that has been widely academically examined is the occurrence of small manufacturers counterfeiting designs of popular luxury brands. Although this phenomenon is related, it remains abundantly different from the piracy practices of LFCs on SIFDs for several reasons. Namely, in counterfeiting, relatively unknown off-brand retailers are stealing the designs of popular well-known brands, whereas in the piracy phenomenon of interest, well known retailers are stealing the designs of relatively unknown fashion designers. The mechanism for design stealing is dissimilar between the two types of occurrences, and thus implications and consumer perceptions and attitudes resulting from encountering such remain different. In counterfeiting, there is largely an attempt to pass the designs in question off as the original designer's brand identity; in pirating, such attempts are left to be desired as the designs in question venture to be perceived by consumers as the pirate's own work or conceptual ideas (Wilke & Zaichkowsky, 1999).

Furthermore, the act of counterfeiting technically legally necessitates that the copied design in question is protected by IP law (Cordell et al., 1996). As previously mentioned, IP can encompass various types of protections for creative authorship such as copyrights, trademarks, and patents (Granstrand, 2003) but is seldom accessible for fashion design due to the functional aspects that confound with creative (aesthetic) stipulations necessary for IP protection (Buccafusco & Fromer, 2017). The designs relevant to the current study are not legally protected, at least at the time of their piracy, if ever. This is in part due to the existing legal friction between IP rights and fashion design protection; furthermore, the SIFDs of the study's interest often work on modest incomes (Marshall, 2006) and are arguably not able to afford legal up-keep for design protection if accessible. The designs relevant to this study are also usually created by designers who have a small following or are not well known. Therefore, they will not have well established or easily recognized brand logos or famous designs, which remain the most frequently legally protected types of fashion design in the cases of counterfeiting and luxury brand goods (e.g., a recent case where Gucci filed copyright infringement lawsuits against Forever21 for what Gucci claims is the unlawful replication of their blue-and-red and green-andred trademark protected striped motifs [Pearson, 2017]).

However, with the acknowledgement of such discrepancies between the two varying types of design copying, in order to illustrate a rationale with what limited literature exists in regard to LFCs' piracy on SIFDs, the current study employed counterfeit literature for the development of hypotheses when relevant. Consumers' perceptions, attitudes, and behavioral intentions regarding counterfeit goods (fashion or otherwise) have been studied widely (Alex & James, 2015; Bian & Moutinho, 2011; Bloch, Bush, & Campbell, 1993; Commuri, 2009; Cordell et al., 1996; De Matos, Ituassu, & Rossi, 2007; Grossman & Shapiro, 1988; Ha & Lennon, 2006;

Hoon Ang, Cheng, Lim, & Tambyah, 2001; Kim & Karpova, 2010; Nia & Zaichowsky, 2000; Phau & Teah, 2009; Wee, Ta, & Cheok, 1995; Wilcox, Kim, & Sen, 2009), and such studies are used to make comparisons of some of the relationships between variables of the current research framework given their relevance while still acknowledging that underlying mechanisms may diverge.

#### **Research Framework**

In order to investigate consumers' perceptions regarding the occurrence of LFCs pirating designs original to SIFDs, this study examined consumers' perceptual consequences at the product and brand levels upon a fashion design piracy revelation. Figure 2.1 depicts the study's conceptual model which outlines the perception variables and their hypothesized relationships based on the rationale from relevant literature outlined in the following subsections. The model groups the dependent variables into product versus brand level perceptions radiating from one independent variable, the fashion design piracy revelation. The model also identifies the piracy revelation effects for the dependent variables regarding the LFC versus SIFD.

This study conceptualized the fashion design piracy phenomenon by explicating consequences on consumers' evaluations for both LFC and SIFD brands and designs involved through an experimental reveal of piracy. At the product level, value (H1, H2) and uniqueness (H3, H4) perceptions of SIFD (original) and LFC (pirated) designs were measured. The brand level of the model involves several variables, and this study examined direct and indirect effects of the fashion design piracy revelation on them. Understanding consumers' brand attitudes towards both the pirating (H5) and pirated brands (H6) involved was first analyzed. Next, an analysis of how ethical consumers perceive the pirating brand was conducted (H7), as well as an examination of how perception of ethicality of the brand influenced brand attitude (H8).

Following, an analysis of how the perceived ethicality of the pirating brand mediated the effect a piracy revelation has on brand attitude was examined (H9). Furthermore, how consumers' perceptions of how creative they feel both brands to be (H10, H11) is influenced by the piracy revelation was analyzed, as well as how these perceptions influence brand attitudes towards both brands involved (H12, H14). Finally, the mediating effects of perceptions of creativity for brands were analyzed between the piracy revelation and brand attitudes towards both brands involved (H13, H15). The conceptual model (Figure 2.1) offers a novel, holistic theorization of the fashion design piracy phenomenon through a combination of product and brand level consequences, LFC and SIFD piracy effects, as well as proposed direct and mediated relationships hypothesized through a review of relevant literature in the following subsections.

# Product Level Consequences of a Design Piracy Revelation Perceived Value of Design

Although some scholars regard consumer perceived value as a unidimensional construct, most agree that value is a complex, multi-dimensional variable (Aulia, Sukati, & Sulaiman, 2016). Unidimensional interpretations of perceived value may be completely price or trade-off centric (Cravens, Holland, Lamb, & Moncrieff, 1988; Grewal, Monroe, & Krishnan, 1998; Zeithaml, 1988), whereas multi-dimensional takes on perceived value involve more cognitive and affective aspects of an experience with a product (Holbrook & Hirschman, 1982). In approaching perceived value from a consumer purchasing perspective, Sheth, Newman, and Gross (1991a, 1991b) offer an interpretation of value as a complex construct where multiple consumptive values (i.e., social, emotional, functional, epistemic, and conditional) relate additively to one another and function incrementally to arrive at a purchasing decision. Sweeney and Soutar (2001) utilize this conceptualization as a foundation in creating a perceived value

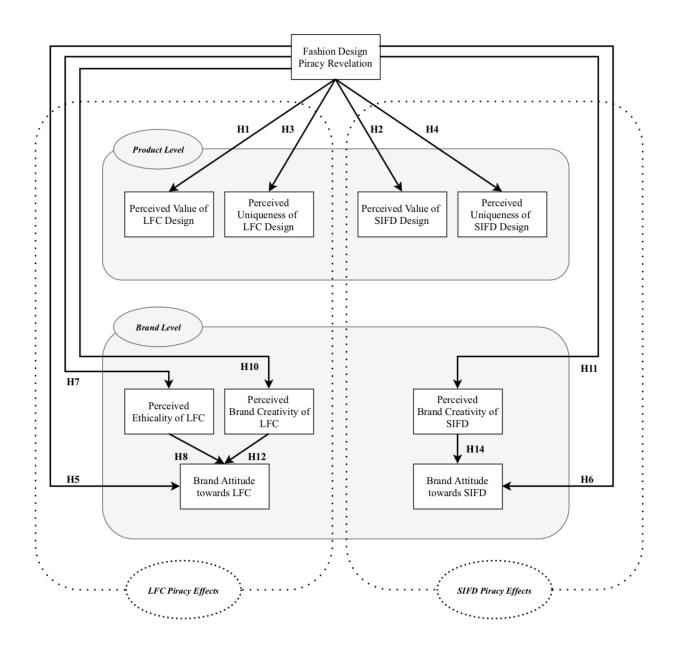


Figure 2.1. Conceptual Model. Note: Hypotheses testing mediation are omitted from the figure. For H9, perceived ethicality of LFC was tested as a mediator between the design piracy revelation and brand attitude towards LFC. For H13, perceived brand creativity of LFC was tested as a mediator between the design piracy revelation and brand attitude towards LFC. For H15, perceived brand creativity of SIFD was tested as a mediator between the design piracy revelation and brand attitude towards SIFD.

scale (PERVAL) that includes four distinct value dimensions that interact with one another in order to explain consumers' attitudes and behaviors: emotional, social, quality, and price. In order to capture consumers' feelings of value for the designs involved in a fashion design piracy revelation, and to understand the relationship between the reveal and potential changes in design value as elicited by such, the current study employs the emotional, social, and quality dimensions of Sweeney and Soutar's (2001) conceptualization of perceived value. The price dimension of the PERVAL framework will not be utilized in this analysis as it represents a more extrinsically motivated aspect of value (Sweeney & Soutar, 2001) that is not relevant to what the current study hopes to capture through examining design value within the piracy phenomenon.

Perceived emotional value of design. The emotional dimension of perceived value can be regarded as consumers' view of the "utility derived from the feelings or affective states that a product generates" (Sweeney & Soutar, 2001, p. 211). In an elicited fashion design piracy revelation, consumers will be confronted with the information that a LFC has pirated the design of a SIFD, and due to the nature of the information, affective responses may ensue. While consumers often engage pragmatically while making consumptive judgements, they are also largely impacted by emotional judgements and yearn for positive affective experiences (Schmitt, 1999). A study conducted on consumers' attitudes towards counterfeit products showed that ethical obligations regarding such counterfeits are called upon in consumers' interpretations of the products (Alex & James, 2015). Gaudine and Thorne (2012) conceptualized that ethical feelings are rooted in the arousal and feeling affective states of emotion. The knowledge acquisition that a SIFD's design was unrightfully copied and reproduced without consent is may call ethical affective attitudes to mind, and generally, it has been shown that consumers do not want to associate themselves with the negative affective attitudes involved in illegal activity

(Augusto de Matos, Trindade Ituassu, & Vargas Rossi, 2007). Therefore, consumers may associate negative affective states about a design when they know of its unethical context, and thus, the study postulate that the emotional value of an LFC's design will be negatively impacted upon a revelation that it is a pirated copy original to a SIFD.

Conversely, the study conjectures that the emotional value of a SIFD's design will be positively impacted upon a revelation that it has been copied. The same knowledge acquisition of a design piracy revelation concerned with the unlawful copying of a small designer's work may positively influence consumers' perceptions of the designer and thus imbue the design itself. While ruminating on a piracy occurrence, consumers may empathize with the designer and thus the designer's work. One study has shown that consumers are increasingly forming consumptive preferences that promote societal well-being (Stratton & Werner, 2013). With a design piracy reveal, consumers will acquire knowledge of a small designer purportedly being cheated of their own work by a large corporate entity, and with this information in mind, consumers may emote the occurrence as unbeneficial to the designer's well-being. Thus, consumers may emotionally empathize with the designer, wanting to support the designer's well-being, and transfer those feelings to the perception of the designer's work (i.e., the design).

Perceived social value of design. Sweeney and Soutar (2001) define the perceived social value of design as derived from a product's ability to enhance one's social self-concept. This value represents the usefulness of an object resulting from its perceived symbolic image in relation to social referent groups (Sheth, Newman, & Gross, 1991a). In other words, the ownership of products offer various socially symbolic benefits to the consumer. One of the differences between original products and pirated products is contextualized through their socially symbolic identity; where one design can be deemed "authentic," and the other design as

a stolen concept of the "authentic." This study conjectures that consumers' perceived social value of pirated designs will decrease with a knowledge incursion of their piracy. Further, it is postulated that consumers' perceived social value of the original SIFD designs will increase with the knowledge that they have been pirated. In context of the current study, the aforementioned "authentic" designs can be likened to the SIFD's design, and the stolen concept of the original can be seen as the LFC's pirated design.

In a study conducted on consumers' attitude towards counterfeit products, it was indicated that consumers were exceptionally aware of the social consequences that exist for the purchasing of counterfeit DVDs; results indicated that buyers were cognizant of a less socially approved stigma attached to the counterfeit goods (Alex & James, 2015). Like counterfeit goods, pirated designs are unauthentic copies of an original product through the act of piracy. Hence, given the unacceptable social nature of unauthentic goods, it can be conjectured that consumers' social value perception for copied designs may decrease with the revelation of their piracy. Conversely, the nature of authentic goods is shown to be socially valued (Alex & James, 2015), and as previously mentioned, Stratton and Werner (2013) found that consumers are increasingly geared towards consumptive preferences that promote societal well-being, like with consumption that promotes small independent designers.

Perceived quality value of design. Consumers' perceived quality value is informed by the functional aspects of a product (Sweeney & Soutar, 2001). Sheth, Newman, and Gross (1991a) conceptualize functional perception as related to product attributes such as reliability and durability. Quality distinguishes itself as a dimensional aspect of functionality as it is concerned with the acceptable standard and craftsmanship of a product (Sweeney & Soutar, 2001). A pirated product may be less reliable than an original product due to its inherent deviation from an

authentic original. This can be likened to the craftsmanship of an original fashion design versus a pirated counterpart, and this argument may be exceptionally true for fashion designs such as pirated jewelry or other accessories where the material that embodies the design may be lacking in quality due to the cheap materials often used in large-scale LFC production. It can also apply to the craftsmanship of a design such as a textile print. The large-scale production and manufacturing systems inherent to the operation of LFCs inevitably make it difficult to replicate the often fine-tuned craftsmanship that SIFDs work imbue in original designs. Indeed, in a study conducted on perceptions of counterfeit products, findings revealed that consumers perceived the quality of a counterfeit good as less superior than that of a genuine product (Bian & Veloutsou, 2007).

Furthermore, a lot of LFCs notably function to produce products at low, competitive prices; in turn, the quality of the products suffer, and designs that have been pirated by LFCs should conceivably be no exception to this. Conversely, SIFDs typically put a lot of effort and quality into a designed piece. As Marshall (2006) notes, small fashion designers have a very personal relationship with their work, often spending months or sometimes years developing and producing a design from start to finish, involved in most if not all steps of the process. This type of attention to quality is certainly lost in the creation and distribution of LFC production of fashion designs, but is retained in the creation and production of SIFD designs. In a study conducted on consumers' perceptions of counterfeit products, Alex and James (2015) found that consumers are aware that original products have a better quality than their fake counterparts. In the context of the current study, SIFDs' designs can be likened to originals, and pirated designs can be likened to counterfeit products in that they are copies of original designs. Therefore, it can be postulated that in addition to the inherent lack of craftsmanship that comes with the large-

scale LFC production of designs, consumers' acquisition of the knowledge that a design is a pirated copy will echo Alex and James' (2015) findings that pirated design quality will decrease through the revelation of piracy on an original design. Further, it can be conjectured that the revelation will highlight the sentiments of quality and craftsmanship that go into the creation of original designs, supporting the idea that the quality perception value of a small designer's work will increase.

Based on the aforementioned discussion pertaining to consumer perceived value, the following hypotheses were proposed:

Hypothesis 1: Consumers who are exposed to a fashion design piracy revelation will have lower perceived (a) emotional, (b) social, and (c) quality value of pirated (LFC) designs than those who are not exposed to a revelation.

Hypothesis 2: Consumers who are exposed to a fashion design piracy revelation will have higher perceived (a) emotional, (b) social, and (c) quality value of original (SIFD) designs than those who are not exposed to a revelation.

# **Perceived Uniqueness of Design**

In addition to perceived value, this study was concerned with consumers' perception of how unique consumers perceive both the LFC and SIFD designs involved in fashion design piracy. Tian et al. (2001) regard the perception of a product's uniqueness as the extent to which the consumer distinguishes the product as being *different* from others within the same or similar product categories. Perception of uniqueness is often tied to notions of creativity (Dollinger, 2003), and products regarded as unique can be seen as innovative creations in relation to product category domain (Lee & O'Connor, 2003). When consumers are confronted with a design piracy reveal that a LFC has purportedly copied a design original to an SIFD, they will gain the

knowledge that a design thought to be original to LFCs is in fact original to SIFDs, segueing an exposure to the unauthentic conceptualization of the LFC design. This exposure acquisition may influence consumers' perception of the LFC's innovation in creating a unique product, and prior studies have postulated that products perceived as unique are often viewed as having novel conceptualizations (Cooper, 1979). Therefore, it is postulated that with a piracy reveal, exposing the purportedly unauthentic origin of a LFC's design, consumers' perception of the LFC design uniqueness may diminish.

On the other hand, in terms of SIFDs' designs, given their claimed authenticity and unique origin, it is postulated that consumers' perception of the design uniqueness will increase upon a piracy exposure. Commodity theory can be employed to theoretically support Tian et al.'s (2001) definition of perceived uniqueness which contends that product desirability is augmented by the perception of a product's unavailability, or its scarcity (Brock, 1968; Jung & Kellaris, 2004; Lynn, 1989). The unique origin of a SIFDs' product design will be exposed to consumers upon a piracy reveal, and the ownership of products perceived as scarce has shown to heighten consumers' value for such products, with research showing that the desire to own scarce products seems to be a preference for many consumers across the board (Simonson & Nowlis, 2000). Along these lines, the work of SIFDs is inherently scarce in several ways. For one, the ability of certain designs to be unavailable for mass consumption and hold rare, handcrafted attributes appeals to consumers (Dodds, Monroe, & Grewal, 1991; Lynn, 1989; Snyder & Fromkin, 1977; Tian et al., 2001). Small designers normally do not utilize nor have access to large-scale production methods, and this in turn makes the actual quantity of their design inventory naturally scarce, especially compared to the large-scale capabilities of LFCs. Secondly, the innovation that goes into constructing fashion designs that are not mass-produced makes a lot of SIFD designs one-of-a-kind; meaning that even in instances where SIFDs may produce a large quantity of designs, the withstanding small-scale production methods may not produce two designs that are completely alike. This notion is entirely lost in the mass production quality of LFC products given that they are often fabricated through machine precision at a lower quality, and upon a piracy reveal this information may enhance consumers' notions of the small designer's work as a unique innovation. Further, a lot of SIFDs design for a small or niche market of fashion followers, and supporting the idea that unique products are bolstered by consumers' perception of their innovation (Dollinger, 2003; Lee & O'Connor, 2003), this may intrinsically make their designs perceived as creative in the sense that they are more inclined to deviate from what is offered in the main-stream market. Lastly, and arguably most importantly, once the consumer fashion design piracy has been elicited, consumers will realize that the LFC's design is actually a pirated copy of a small designer's, and therefore the purported authentic origin of the designer's product conceptualization will be allegedly confirmed. Thus, this information may lead consumers to heighten their perception of the SIFD's design uniqueness based on creative origin and perceptions of innovation that accompany original work.

Based on the aforementioned discussion regarding consumer perceived uniqueness in relation to the fashion design piracy phenomenon, the following hypotheses were proposed:

*Hypothesis 3:* Consumers who are exposed to a fashion design piracy revelation will have lower perceived uniqueness of pirated (LFC) designs than those who are not exposed to a piracy revelation.

*Hypothesis 4:* Consumers who are exposed to a fashion design piracy revelation will have higher perceived uniqueness of original (SIFD) designs than those who are not exposed to a piracy revelation.

### **Brand Level Consequences of a Design Piracy Revelation**

### **Brand Attitude**

Various conceptualizations of brand attitude exist within the literature. Attitude is described as a function of discriminable associations between salient beliefs in an individual's mind (Fishbein & Azjen, 1975); attitude towards objects can be conceptualized as a multiplicative function of an individual's salient beliefs that the object possesses certain qualities and the importance of such qualities in the individual's mind (Azjen & Fishbein, 1980). In contextualizing the notion of attitude from a marketing perspective, a brand can be likened to the object in mind, and an individual's assessment of the brand attributes can be likened to object qualities (Mitchell & Olson, 2000); therefore, brand attitude can be thought of as a multiplicative function between consumers' salient beliefs about a brand's attributes and the weighted importance of such attributes in the mind of a consumer (Keller, 1993).

Furthermore, attitude about a brand can be viewed as a brand association that simultaneously interacts and is influenced by other brand associations such as benefits conjectured about product- or non-product-related brand attributes (e.g., symbolic benefits [Rossiter & Percy, 1987]) in a consumer's mind; these brand associations (including attitude) reflect an overall perception of consumers' image about a brand, and their associations vary according to their strength and favorability to the consumer (Keller, 1993). Brand attitude can also be thought of as a formation of related perceptual components of branded objects, such as cognitive and affective attributes (Aaker & Day, 1982). Cognitive components of brand attitude are formed through awareness, beliefs, and judgements about a brand's product, whereas affective perceptions are comprised of how much consumers favor or unfavor the product (Aaker & Day, 1982). Keller (1993) echoes the aforementioned concept in discussing the favorability of

brand associations, where it is conjectured that positive overall brand attitude is formed in how favorable brand associations are appraised by the consumer. For the current study, brand attitude is operationalized as a reflection of Aaker and Day's (1982) notion that the consumer exhibits an element of favorability regarding the brand's product (in this case, the brand's design: pirated or original), which in turn provides an overall evaluation of brand attitude itself (Keller, 1993) valenced by positive and negative strength (Park, et al., 2010).

Any associations reliant on perceptual inferences of the pirated or original qualities of designs may be highly linked to the designs' respective producers. That is, the occurrence of fashion design piracy may influence perceptions about the brands involved. In the instance of the large company, the occurrence highlights the LFC's brand behavior (i.e., the act of piracy on a small designer). In the small designer's case, the piracy occurrence highlights what has been done to the SIFD brand (i.e., act of piracy by a large company). Thus, consumers' perceptions about the LFC and SIFD brands involved are in question. To the researcher's knowledge, no studies has been conducted on consumers' attitudes towards large brands and small designers involved in the type of fashion design piracy this study is concerned with; however, a few studies have investigated conceptually similar situations and consumers' evaluations of purported culprit and victim brands.

The act of counterfeiting products, a similar occurrence to that of fashion design piracy, is generally seen as a serious social, economic, and even political problem by consumers (Bian & Veloutsou, 2007). In a study conducted on consumer demand for counterfeit goods, Tom, Garibaldi, Zeng, and Pilcher (1998) found that the majority of respondents chose not to purchase counterfeit products when posed with the opportunity. This finding may suggest a negative connotation associated with counterfeit production, providing a brand association that forms a

negative brand attitude with the replicator. Further, in a study examining cross-cultural differences in consumers' attitudes towards non-deceptive counterfeiting brands, findings suggested that many respondents in two countries (the U.K. and China) had a low opinion of brands that counterfeit, showing lesser favorability in China than those in the U.K (Bian & Veloutsou, 2007). Moreover, Wilke and Zaichowsky (1999) suggest that when consumers learn of a brand being copied, they may likely see this as an act of plagiarism, which is usually viewed as an immoral occurrence that subsequently exposes the brand to reputation penalties. Hence, given the nature of consumers' brand associations suggested to negatively falter in the wake of information that is conceptually similar to that of a piracy reveal, it can be conjectured that once consumers learn a company has purportedly stolen and replicated a design concept original to a smaller fashion entity, their attitude towards that company may diminish.

Attitude towards the small designer brand is likewise in question. For the SIFD, a piracy reveal will showcase to consumers an act that has been purportedly committed on the brand, and in essence, has allegedly victimized this brand. That is, consumers' exposure to the information that a large company has pirated a small designer may have an impact on consumers' overall evaluation (i.e., brand attitude) of the small designer involved. Although in the context of luxury counterfeit goods, previous research has revealed that consumers' brand equity towards an original designer *does not* diminished with the availability of knock-off products of their designs on the market (Nia & Zaichkowsky, 2000). Instead, equity for the original designer brand was shown to increase through the availability of its counterfeits, potentially revealing that consumers are aware of the valued quality and workmanship imbued in original designs if they are sought for piracy (Nia & Zaichkowsky, 2000). Brand equity is likened to brand attitude in that equity is the effect of brand knowledge on consumers' responses to the brand (Keller, 1993).

In the instance where brand equity actually increased potentially at the realization that a product was valued enough to be copied, attitude towards the SIFD may similarly increase when consumers realize that the SIFD's design was possibly valuable enough to be pirated by the LFC.

Moreover, in Bian and Veloutsou's (2007) study investigating consumers' views of brands involved in counterfeiting products, findings suggested that the act of being counterfeited insinuated brand success for the counterfeited party. That is, consumers acknowledged that only well liked, respected, and recognized brands are likely to be copied (Bian & Veloutsou, 2007). In the case of fashion design piracy relevant to this study, Bian and Veloutsou's (2007) finding could suggest that not only may brand attitude heighten for copied designers based on consumers' perception that they must be well liked and respected to warrant piracy, but because the small designers relevant to this study are virtually unknown unlike counterfeit cases, this sentiment may hold particularly true. That is, it is suggested that well-known brands are copied due to their notable caliber, perhaps the brand success sentiment signals even stronger to consumers when they are revealed that the piracy act is on a brand that is virtually unknown, like in the small designer case.

Based on the aforementioned discussion regarding consumers' brand attitude in the wake of a fashion design piracy revelation, the following hypotheses were expected:

*Hypothesis 5:* Consumers who are exposed to a fashion design piracy revelation will have a lower brand attitude towards the LFC involved than those who are only exposed to the LFC's design.

*Hypothesis 6:* Consumers who are exposed to a fashion design piracy revelation will have a higher brand attitude towards the SIFD involved than those who are only exposed to the SIFD's design.

### Perceived Ethicality of the Large Fashion Corporate

Increasingly, consumer awareness of corporate ethical misconduct has brought many companies under public scrutiny, bringing consumers' perceptions of ethicality into examination (Brunk, 2012; Tsalikis & Seaton, 2006). Consumers' perceived ethicality can be defined as the overall subjective impression and aggregate perception of a brand's moral disposition, judged by the consumer (Brunk, 2012; Brunk & Bluemelhuber, 2011). Several major themes emerged from a study conducted by Brunk (2012) on a qualitative analysis of individual interviews with consumers regarding the meanings attributed to the term 'ethical' in a consumer context. In investigating the question of what it means to consumers for companies to be ethical, emerged themes included respecting moral norms, acting in a socially responsible way, and avoiding any kind of damaging behavior (Brunk, 2012). Copying other entities and disguising it as one's own work has been discussed as an ethical concern (Bian & Veloutsou, 2007; Wilke & Zaichkowsky, 1999), and the case of fashion design piracy holds no exception to ideas of ethicality. Thus, it was important for this study to expose perceptions of corporate ethicality within the context of consumers learning potentially incriminating corporate behavior. Perceived brand ethicality was examined as influenced by a reveal that a company allegedly pirated a small designer, as well as the potential mediating effects of consumers' brand ethicality perception on their brand attitude. Despite no literature on this type of fashion design piracy on concepts of corporate ethicality and brand attitude to the researcher's knowledge, reasonable conjectures can be made based on applying similar previous findings in a fashion design piracy context.

In the example previously mentioned in Chapter 1 regarding the Tuesday Bassen versus Zara case, which represents just one of conceivably hundreds of similar design piracy scenarios, it can be seen that Zara violates several aspects of Brunk's (2012) themes of what consumers

perceive an ethically sound corporate to represent. Consumers felt that companies should respect moral norms by exhibiting qualities such as honesty, transparentness, fairness, and integrity (Brunk, 2012). It can be conceived that LFCs' pirating practices like Zara's purported behavior are not only dishonest and non-transparent to their consumers in that they are attempting to pass off a design as original when it is in fact a pirated copy, these pirating practices can also be seen as unfair to the small designers that they are copying like Bassen vocally expressed to the public, thus lacking an overall corporate integrity that can be viewed by the consumer, especially in the wake of a piracy revelation. Furthermore, these corporate piracy actions also violate Brunk's (2012) findings in that they are not socially responsible to the designers they are copying. Lastly, consumers felt that companies need to avoid any type of damaging behavior; essentially the contrary to philanthropic actions that aim to advance welfare (Brunk, 2012). In the Zara and Bassen example, Zara is the contrary of advancing the welfare Bassen's integrity as a small designer. Not only did Bassen express that Zara's piracy had a negative impact on her living as an artist, she contends that Zara's actions diluted her brand by copying her (Addady, 2016). Based on these comparisons, it can be postulated that upon receiving the knowledge that a LFC such as Zara has pirated the design of a SIFD such as Bassen, consumers feelings of ethicality towards the pirating brand may likely diminish.

Creyer and Ross (1997) conducted a similar study to Brunk (2012) by empirically examining how much consumers value corporate ethics and if they determine corporate brand perceptions. Findings revealed that consumers preferred companies that give precedence to ethical behavior over those that do not. Further, consumers showed that they were willing to pay more to support firms that value ethical conduct (Creyer & Ross, 1997). These findings are congruent with theories of brand attitude formation. Companies who exhibit misconduct may be

at risk for long-term consequences to the consumer's formation of unfavorable brand attitudes (Brunk, 2012). In the context of the fashion design piracy revelation, there is reason to believe that a lowered perceived ethicality of the LFC with the knowledge of its piracy practices will in turn create less favorable brand attitude towards the LFC. Contingent on the nature of this postulated relationship, it is also reasonable to conjecture that consumers' perceived brand ethicality may mediate consumers' piracy exposure and attitude towards the pirating company.

Thus, based on the aforementioned discussion regarding consumers' perceived ethicality of large fashion corporates, the following hypotheses were proposed:

*Hypothesis 7:* Consumers who are exposed to a fashion design piracy revelation will have lower perceived ethicality of the LFC involved than those who are only exposed to the LFC's design.

*Hypothesis* 8: Consumers' perceived ethicality of the LFC will positively influence their brand attitude towards the LFC.

*Hypothesis* 9: Consumers' perceived ethicality of a LFC involved in a fashion design piracy revelation will mediate the effect that a fashion design piracy revelation has on brand attitude towards the LFC.

# **Perceived Brand Creativity**

To the researcher's knowledge, consumers' perceived creativity is a construct that is not contextualized in relation to brands in the extant literature; however, this study wished to shed light on a nuanced brand perception in the wake of a design piracy reveal. Perceived creativity appears to have a wide range of definitions in the literature, but the current study's conceptualization most aligns with those of perceived advertisement creativity, as notions of advertisement are most akin to concepts of brand. Researchers have assessed that an

advertisement's perceived creativity is the means by which the consumer interprets an advertisement as evoking value and quality aspects (Modig & Rosengren, 2014) while remaining novel, yet relevant (Rosengren, Dahlén, & Modig, 2013; Smith et al., 2007). Perceived brand creativity in the context of a fashion design piracy reveal is conceptualized by this study as the consumer's evaluation of the originality of a brand's production, particularly in relation to perceived aesthetic merit. Creative brand components for both LFCs and SIFDs are elicited by fashion design piracy revelation in two ways. For one, aesthetic aspects regarding designs are interpreted by consumers through design exposure, and these aspects inform consumers' perception of a brand's creative nature. In terms of products, Gurérin (2008) conceptualizes that objects perceived as creative are advantageous over competing objects because they call to consumers' needs by providing pronounced aesthetic components. Further, Meyer (2002) suggests that perceptions of creative products should be extensions of brand services and communications to their consumers. Secondly, a piracy revelation exposes consumers to the alleged origin of a design's conceptualization (i.e., its creation) which informs aspects like novelty. For the LFC, consumers learn the information that a design thought to be an original concept is actually a fabrication of another brand's idea; for the SIFD, consumers learn that a design has been allegedly imitated and distributed by a much larger entity. These aspects warrant the investigation of consumers' perceptions of how creative they think the brands are in the wake of a piracy exposure.

Large companies' brand creativity comes into question when consumers learn they have been accused of copying a design. Although no known studies have examined perceived brand creativity in relation to consumers' perception of alleged corporate pirates, it has been suggested that occurrences of piracy are likened to those of plagiarism given the creative (i.e., aesthetic)

element of fashion design (Wilke & Zaichowsky, 1999). In a study conducted on the value of original versus plagiarized art pieces, Newman and Bloom (2011) observed that consumers were willing to purchase original artworks for substantial sums of money, whereas duplicates (albeit identical copies of the originals) were interpreted as being worth substantially less; this being suggested to the fact that duplicates do not embody the creation value of being original conceptualizations. Since consumers' beliefs about branded objects extend to beliefs about brands themselves (Zeithaml, 1988), consumers' perception of brands' designs given the piracy information may extend to their perceptions about the creative disposition of the brands, and thus the alleged copying behavior may lead consumers to conclude that the LFC acting as a replicator is less creative through the act of piracy.

Conversely, however, in terms of consumers' perception of small designers' brand creativity in the wake of a design piracy reveal, the opposite of the aforementioned may be true. That is, there is rationale to believe that consumers' perception of a small designer's brand creativity may strengthen once learning the designer has been pirated by an entity much larger than itself. As previously mentioned, studies have suggested that equity towards brands increase with the availability of that brand's counterfeits on the market (Nia & Zaichkowsky, 2000). This may suggest consumers detect that if a design is special enough to be copied by another entity, it may signal that there is something special about the copied brand in question. This sentiment can serve as rationale for a relationship between a piracy reveal and perception of small designer creativity. That is, if brand equity increases as previously shown with copies of brand designs, perhaps a designers' brand creativity perception will increase with the knowledge of its piracy, signaling to consumers that if this brand was special enough to be copied, especially by a large corporation that has access to an abundance of resources not available to small designers, the

small designers themselves may be incredibly creative. Indeed, Bian and Veloutsou's (2007) study revealed that consumers acknowledged that a brand being copied alluded to brand innovative success.

Based on the aforementioned discussion regarding consumers' perceived brand creativity with the exposure of a fashion design piracy, the following hypotheses were proposed:

*Hypothesis 10:* Consumers who are exposed to a fashion design piracy revelation will have lower perceived brand creativity for the LFC involved than those who are only exposed to the LFC's design.

*Hypothesis 11:* Consumers who are exposed to a fashion design piracy revelation will have higher perceived brand creativity for the SIFD involved than those who are exposed only to the SIFD's design.

In addition to the potential for a piracy reveal to influence consumers' perception of a brand's creativity, consumers' brand attitude may also be impacted by creativity perceptions. Shams, Alpert, and Brown (2015) proposed that brands should not only be concerned with consumers' perception of how innovative their products are, but how consumers perceive the innovativeness of their brand, as creativity perceptions inform attitudes about brands. The aforementioned comparison of plagiarism regarding large companies allegedly stealing concepts from small designers and producing pirated designs may be applicable in terms of consumers' brand attitude formation in the wake of a piracy reveal. Plagiarism discussed in literature regarding types of creative works have noted that the act is interpreted seriously by consumers and can often have ill effects on an imitator's reputation (Bian & Veloutsou, 2007; Wilke & Zaichkowsky, 1999). The negatively charged sentiments surrounding piracy and the lack of perceived design creation (i.e., creativity) exposed to consumers in revealing the alleged

unauthentic origin of a design conception may therefore diminish consumers' attitude towards a company given a design piracy reveal. A diminished perception of a company's brand creativity may even be strong enough to mediate the effect of consumers' exposure to a design piracy reveal on their company brand attitude. Thus, in addition to a piracy reveal potentially negatively impacting consumers' perception of a company's brand creativity, consumers' brand attitude may likewise falter for the LFC and perception of creativity may mediate this relationship. The following hypotheses reflect these speculations:

*Hypothesis 12:* Consumers' perceived brand creativity of the LFC will positively influence their brand attitude towards the LFC.

*Hypothesis 13:* Consumers' perceived brand creativity of a LFC involved in a fashion design piracy revelation will mediate the effect that the revelation has on brand attitude towards the LFC.

Building from the discussion regarding the conjectured positive impact a design piracy reveal may have on consumers' perception of brand creativity for SIFDs, brand attitude may also be positively impacted by SIFD creativity, and potentially mediate the relationship of a reveal on brand attitude. As mentioned, these specific relationships have not been analyzed within the literature to the researcher's knowledge; however, previous advertisement literature has revealed support for the link between perceived creativity and consumers' brand attitude (Modig & Rosengren, 2014; Modig, Dahlén, & Colliander, 2014; Smith, Chen, & Yang, 2008). One such study conducted by Modig and Rosengren (2014) on the effects of perceived advertisement creativity on retailer evaluations can provide some empirical insight to these relationships. Modig and Rosengren (2014) study claims to be the first to evaluate advertisement creativity in the context of retail which is associated with brands like the current study; further, their use of

experimental design make their findings robust. Results from their study revealed that perceived advertisement creativity positively influenced consumers' attitude towards brands. In this way, there is rationale to conjecture that consumers' perceived brand creativity for SIFDs may positively influence their attitude towards these small designers. Further, advertisement creativity was found to signal brand effort to consumers, accentuating positive brand sentiments (Modig & Rosengren, 2014). The exposure of information that a SIFD was copied by LFC may highlight the notion that where the LFC lacked effort through simply copying a design, the designer as the alleged original author of the design, produced all of the creative effort involved in the design's conceptualization. Given that there is reason to believe that a piracy reveal will positively impact consumers' evaluations of a small designer's brand creativity, and that brand creativity may positively influence brand attitude, it can also be conjectured that perceived brand creativity may mediate the relationship between a piracy reveal and consumers' brand attitude towards small designers. Thus, the following hypotheses illustrate these speculations:

*Hypothesis 14:* Consumers' perceived brand creativity of the SIFD will positively influence their brand attitude towards the SIFD.

*Hypothesis 15:* Consumers' perceived brand creativity of a SIFD involved in a fashion design piracy revelation will mediate the effect that the revelation has on brand attitude towards the SIFD.

#### CHAPTER III. PRETEST

Prior to the study's experiment, a pretest was conducted for calibrating the stimuli for manipulating the independent variable. The first part of this chapter outlines the pretest design, stimulus development, instrument, and sampling and data collection procedures. The second part of this chapter outlines the pretest results, including sampling characteristics, manipulation check results, instrument validity and reliability, and the chosen stimuli for the study's main experiment.

### Method

# **Design**

The pretest was conducted to (1) determine two sets of stimuli that represent two purported piracy cases for manipulation of the three experimental conditions in the main study and to (2) ensure that consumers strongly perceived said stimuli sets as fashion design piracy, but that their prior case awareness of the purported instances was limited. An online survey questionnaire was created and administered to participants using Qualtrics, an Internet-based software that enables a range of data collection techniques. Participants were presented with 10 purported piracy cases and 5 "dummy" cases to respond to questions regarding perception of fashion design piracy and piracy case awareness.

# **Stimulus Development**

Real-world cases of purported fashion design piracy by LFCs on SIFDs were collected to compile a pool of visual stimuli subjected for the pretest. These cases were collected from nonacademic Internet articles, blog entries, and social media posts regarding the purported LFC

pirating practices of SIFDs. The researcher compiled content utilizing Internet search engines and a snowballing technique achieved through links between articles and posts. Images of 10 sets of SIFD designs and their purportedly pirated LFC copies were judged to be subjected for pretesting based on the researcher's discernment that said image sets were good representations of capturing the fashion design piracy phenomenon.

Each stimulus set included the original SIFD design and the design purportedly pirated by the LFC. Designs were viewed side-by-side on one screen, and order (left-to-right or right-to-left) of SIFD and LFC design juxtapositions was randomized throughout image sets to control the potential order effect. In order to achieve this, two versions representing two presentation orders (left-to-right and right-to-left) for each instance was created, equaling a total of 20 image sets representing the 10 design piracy instances. Qualtrics randomly selected one of the two presentation orders to present to each participant, per instance. Each of the 10 instances was also presented to participants in random order. To control for potential confounding effects within image pairs, photographic quality, color, size, and formatting was edited by the researcher so that images appeared comparable to each other. Further, any trace of brand name (SIFD or LFC) was removed from the photographs. To further reduce noise not pertaining to the designs, participants were instructed to focus on the actual design through the use of written instructions as well as circle and arrow visual cues indicated on images (see Figure 3.1 for example and Appendix C for all 10 stimulus sets).

As mentioned, in addition to the 10 design piracy sets, five "dummy" image sets were created by the researcher. Each dummy set mimicked the design piracy sets employed but were pairs of designs that are *not* purported instances of piracy; that is, image sets depicting designs that are similar in product category but differ in design content (see Figure 3.2 for example and

Appendix C for all dummy image sets). The purpose of the dummy image sets was to prevent the "response set" phenomenon where participants stop paying attention to the stimuli/questions by making assumptions of their similarity to prior ones after responding to a series of similar stimuli/questions. The presentation order of the dummy image sets and design piracy image sets was randomized throughout the survey. By offsetting piracy cases with dummy cases and randomizing their presentation order, it was expected that participants remained focused on individually evaluating each stimulus set, parsing these potential confounding effects.

Please view the two side-by-side images below, focusing on the fashion designs circled and arrowed in yellow. Then, choose a response below that best indicates your level of agreement (on a scale of "Strongly Disagree" to "Strongly Agree") with each of the statements about the fashion designs shown on this page.



*Figure 3.1.* Example of design piracy stimulus set pretested with indicator arrows and written instructions; SIFD design (left) and LFC design (right). Order of SIFD and LFC juxtaposition was randomized in addition to the pretested piracy cases.

Please view the two side-by-side images below, focusing on the fashion designs circled and arrowed in yellow. Then, choose a response below that best indicates your level of agreement (on a scale of "Strongly Disagree" to "Strongly Agree") with each of the statements about the fashion designs shown on this page.



*Figure 3.2.* Example of dummy stimulus set pretested with indicator arrows and written instructions that mimic piracy case stimuli. Written instructions also remained unaltered from piracy cases. Dummy stimuli were randomly dispersed with piracy case stimuli.

# Instrument

Each of the stimulus sets (10 piracy and 5 dummy sets) was presented on its own page with participant instructions above the stimulus (Appendix D for pretest questionnaire including the 15 pretest stimuli); piracy image sets and dummy image sets had the same instructions.

Below each stimulus was the perception of fashion design piracy measure. After participants completed the 15 stimulus pages with the perception of fashion design piracy measures for each, they were presented with each of the piracy case stimuli again but with information containing the alleged piracy cases' story and the measure of fashion design piracy case awareness. These

items were used in conjunction with the perception of fashion design piracy measure to determine stimuli of design piracy best fit for the main experiment. Finally, demographic items completed the pretest survey.

Perception of Fashion Design Piracy. To ensure the perceptual integrity of each of the purported pirated designs employed, a perception of fashion design piracy measure was asked per image set. This measure assessed that based on visual inspection, participants perceived a purportedly pirated fashion design as actually pirated. Due to the academic scarcity of the fashion design piracy phenomenon, to the researcher's knowledge, no known studies have procured a measurement for perception of piracy. Therefore, a 5-item measure using a 7-point Likert scale (1 for strongly disagree and 7 for strongly agree) was created to evaluate the respondents' perception of design piracy for each stimulus. Item wordings were generated based on rationale derived from the conceptual definition of fashion design piracy. The items include (1) "these two fashion designs look very similar to me," (2) "if these two fashion designs were created by two different designers, I would think that one designer copied the other designer," (3) "I think these two fashion designs can be viewed as the same design," (4) "if these two fashion designs were created by two different designers, I would suspect that one designer stole the other's design," and (5) "I feel like these two fashion designs are so similar that they could have been made by the same person."

Fashion Design Piracy Case Awareness. To capture potential pre-existing knowledge pertaining to each stimulus set, participants were asked about their awareness of the piracy cases used in the pretest. After all image sets (piracy and dummy) were tested, participants viewed two screens depicting a comprehensive display of all 10 piracy sets again with the text:

Some of the fashion designs you saw on the previous pages have been allegedly accused of instances where large fashion corporations copied designs original to small independent fashion designers. On the next two pages, you will be given some of the fashion design images again, along with the story of their alleged cases, as well as the names of the brands involved and the time frames in which the involved designs were introduced to the market by each brand. Please review each of the alleged cases and indicate if you had seen or heard of each case BEFORE you participated in this survey.

Following these instructions, participants viewed the 10 piracy image juxtapositions with a short description of each story including the names of the LFC and SIFD involved in each case (see Figure 3.3 for example). Following each case, participants had the option to select "YES, I have seen or heard of this story prior to this survey" or "NO, I have NOT seen or heard of this story prior to this survey."

*Demographic Items.* A series of demographic items measuring participants' gender, age, class standing, ethnicity, annual household income, and college/school affiliation were collected.

Designer **Pamela Love** released her crystal block cuff jewelry designs in the Fall/Winter of 2011. A year later in their Fall/Winter 2012 collection, **Chanel** debuted their crystal bangles. In an article that quickly went Internet viral, fashion law writer Julie Zebro commented "...when I glanced at a photo of an industry insider wearing Chanel's crystal bangles, they registered in my mind as Love's designs...That's called consumer confusion, folks! It's also called stealing."

Source: https://fashionista.com/2012/03/adventures-in-copyright-how-much-does-karl-lagerfeld-love-pamela-love



Pamela Love's designs pictured left; Chanel's designs pictured right

- O YES, I have seen or heard of this story prior to this survey.
- NO, I have NOT seen or heard of this story prior to this survey.

Figure 3.3 Example of fashion design piracy case awareness question. All 10 piracy cases were presented with background information on their alleged piracy, the re-presentation of the stimulus, and the yes or no fashion design piracy case awareness question.

# **Sampling and Data Collection Procedures**

Upon Institutional Review Board (IRB) approval, a convenience sample of college students (n = 65) from a variety of majors recruited from a Southeastern university was recruited for the pretest (see Table 3.1 for complete pretest sample characteristics). As an incentive,

students received instructor approved extra credit compensation for their participation. The researcher searched the University's online directory of courses for those with an optimally even distribution of genders, ages, and college/school majors. The researcher contacted instructors of said courses, exchanging information about the study. One instructor agreed to allow the researcher to use the course in exchange for giving their students extra credit. Next, an email was sent to the course's students outlining the purpose of the study, participant requirements, anticipated time of study completion, potential risks and benefits, researcher contact information, an explanation of extra credit compensation, and the survey link (see Appendix A for invitation email). If students decided to participate, they clicked on the survey link which directed them to an information page elaborating on the email information and including directions to consent for the online survey by clicking a "Next" button located at the bottom of the screen (see Appendix B for information letter).

After participants clicked to begin the survey, 15 consecutive pages appeared, each page containing one of the 10 design piracy and 5 dummy image sets and the perceived design piracy measure, presented in randomized order (see Appendix D for the pretest questionnaire).

Following these 15 pages, two pages of fashion design piracy case awareness questions were asked, revealing to participants the piracy case stories and asking their awareness of each case.

Finally, a demographic information page finished the survey with a "Submit" button located at the bottom of the page. Once participants clicked "Submit," they were taken to a secondary website unrelated to the pretest survey where they viewed a thank you message and entered their name and class information for extra credit recording. The separate storing of participant identity allowed confidentiality for the pretest, as no identification information was associated with

responses. The researcher recorded participant information from this secondary website and relayed it back to course instructor for the purpose of extra credit compensation.

## **Analysis and Results**

Data were downloaded from Qualtrics, cleaned, coded, and analyzed using the Statistical Package for Social Sciences (SPSS) Version 24.

# **Sample Characteristics**

Of the 68 participants who clicked on the survey link, 65 participants fully completed the survey items, which included 43 females (66.2%) and 22 males (33.8%). Participants ranged in age from 18 to 27 years old; however, the majority of participants were between 18 to 21 years of age (81.4%), with a mean age of 19.58 (SD = 1.76). Participants of all class standings were present, with the largest group being sophomores (44.6%). The majority of participants were White, Non-Hispanic (70.8%), followed by Asian/Pacific Islander (18.5%), and Black, Non-Hispanic (6.2%). Further, the majority of participants were identified as having an annual household income of \$100,000 or more (53.9%), whereas 20% had an income between \$50,000 and \$99,999 and 12.3% below \$50,000. Finally, although participants from numerous colleges made up the sample, most were from the College of Liberal Arts (20.0%), followed by the College of Business (15.4%). Table 3.1 presents a comprehensive overview of sample characteristics.

Table 3.1

Pretest Sample Characteristics and Frequency Distributions (n = 65)

Variable and Categories	f	0/0
Gender		
Female	43	66.2%

Male 22 Age	33.8%
18 years old 18	27.7%
19 years old 21	32.2%
J	21.5%
21 years old 5	7.7%
22 years old 3	4.6%
23 years old 1	1.5%
24 years old 1	1.5%
25 years old 1	1.5%
27 years old 1	1.5%
Current College Class Standing	
Freshman 20	30.8%
Sophomore 29	44.6%
Junior 12	18.5%
Senior 4	6.2%
Ethnicity	
Asian Indian/Alaskan Native	1.5%
Asian/Pacific Islander 12	18.5%
Hispanic 1	1.5%
Black, Non-Hispanic 4	6.2%
White, Non-Hispanic 46	70.8%
Other 1	1.5%
Family's Total Annual Household Income	
Under \$25,000 2	3.1%
\$25,000 to \$49,999	9.2%
\$50,000 to \$74,999	13.8%
\$75,000 to \$99,999 4	6.2%
\$100,000 to \$124,999	26.2%
\$125,000 to \$149,999	12.3%
\$150,000 to \$174,999	15.4%
\$175,000 to \$199,999 2	3.1%
\$200,000 and above 7	10.8%
College/Schools of Major	
College of Agriculture 5	7.7%
College of Architecture, Design, and Construction 2	3.1%
College of Business 10	15.4%
College of Education 5	7.7%
College of Engineering 5	7.7%
School of Forestry and Wildlife Services 3	4.6%
College of Human Sciences 8	12.3%
College of Liberal Arts 13	20.0%
College of Pharmacy 6	9.2%
College of Sciences and Mathematics 8	12.3%

### **Measurement Validity and Reliability**

To assess the construct validity of the perception of fashion design piracy measure, exploratory factor analysis (EFA) was conducted for data from each stimulus set with the principle components analysis (PCA) procedure with varimax rotation. A factor solution was determined using Kaiser's Criterion by extracting a factor with eigenvalues greater than 1.0. EFA results revealed unidimensionality for the scale across all 15 piracy and dummy stimuli (see Table 3.2). Cronbach's  $\alpha$  coefficient of the perceived design piracy items was greater than .8 for data from each of the 15 stimulus sets (see Table 3.2), indicating internal consistency of the scale.

# **Perception of Fashion Design Piracy**

After ensuring that the fashion design piracy instrument yielded one factor for each scenario and was consistent between scale items, a composite score for each case of fashion design piracy and dummy instance was calculated by averaging the five items' scores (see Table 3.3). The instances of fashion design piracy that yielded the highest mean scores for piracy perception were Black Heart Creatives' laser printed palm tree earring design versus the fashion company New Look (Mean = 6.2, Median = 6.8, Mode = 7), Jamie Spinello's metal necklace design versus fashion company Nasty Gal (Mean = 6.2, Median = 6.4, Mode = 7), and Granted Clothing's sweater design versus Forever21 (Mean = 6.2, Median = 6.2, Mode = 7). All dummy piracy instances averaged a mean score of design piracy perception less than 2.5.

#### **Presentation Order Effect**

To check that the presentation order of each image set (left-to-right or right-to-left of SIFD and LFC images) was not a confounding factor in participants' responses, an independent samples *t*-test was conducted for both orders per piracy stimulus set where perception of fashion

Table 3.2 Perception of Fashion Design Piracy EFA Results across 10 Piracy Case and 5 Dummy Stimuli

							Fac	tor Load	ding						
Items	Piracy Case								Dummy Case						
	<b>1</b> <sup>a</sup>	<b>2</b> <sup>b</sup>	<b>3</b> °	<b>4</b> <sup>d</sup>	5 <sup>e</sup>	<b>6</b> <sup>f</sup>	<b>7</b> g	<b>8</b> <sup>h</sup>	<b>9</b> <sup>i</sup>	<b>10</b> <sup>j</sup>	<b>1</b> <sup>k</sup>	<b>2</b> <sup>1</sup>	<b>3</b> <sup>m</sup>	<b>4</b> <sup>n</sup>	<b>5</b> °
These two fashion designs look very similar to me. If these two fashion designs were created by two different designers, I would think that one designer copied the other	.797	.746	.727	.834	.737	.817	.757	.901	.829	.863	.831	.747	.861	.802	.886
designer.  I think these two fashion designs can be viewed as the	.905	.896	.846	.900	.839	.885	.921	.828	.881	.941	.949	.920	.887	.910	.916
same design.  If these two fashion designs were created by two different designers, I would suspect that	.854	.839	.868	.874	.884	.743	.852	.953	.913	.841	.951	.823	.856	.856	.899
one designer stole the other's design.  I feel like these two fashion designs are so similar that they could have been designed by the same person.	.905	.934	.870	.857	.881	.866	.901	.933	.864	.884	.957	.884	.919	.931	.895
-	.679	.673	.770	.661	.672	.589	.719	.886	.810	.790	.772	.698	.672	.677	.612
Eigenvalue Variance Explained (%)	3.36 67.18	3.39 67.80	3.35 66.96	3.44 68.82	3.26 65.13	3.10 62.04	3.48 69.55	4.06 81.21	3.70 74.03	3.74 74.85	4.01 80.16	3.35 67.00	3.56 71.15	3.53 70.56	3.61 72.15
Cronbach's α	.87	.87	.87	.87	.85	.83	.89	.94	.91	.92	.92	.86	.88	.87	.88

<sup>&</sup>lt;sup>a</sup> Simka Sol vs. Forever21

<sup>&</sup>lt;sup>b</sup> Kesh vs. Versace

<sup>&</sup>lt;sup>c</sup> Pamela Love vs. Chanel

<sup>&</sup>lt;sup>d</sup> Jamie Leigh Stewart vs. Dolls Kill <sup>e</sup> Black Heart Creatives vs. New Look

<sup>&</sup>lt;sup>f</sup> Granted Clothing vs. Forever21 <sup>g</sup> Aurora James vs. Zara

h Jamie Spinello vs. Nasty Gal i Di\$count Universe vs. Nasty Gal

<sup>&</sup>lt;sup>j</sup> Lisa Marie Fernandez vs. H&M

<sup>&</sup>lt;sup>k</sup> Graphic T-Shirts

<sup>&</sup>lt;sup>1</sup> Hats

<sup>&</sup>lt;sup>m</sup>Leggings <sup>n</sup>Earrings

<sup>°</sup> Shoes

design piracy served as the dependent variable (see Table 3.4). Presentation order was not significant for any of the stimuli based on participants' perception of fashion design piracy. Therefore, it was identified that order of SIFD or LFC design image was not a factor in participants' responses, and the SIFD/LFC order for the chosen stimuli used in the main experiment is eligible to be presented at random.

Table 3.3

Perceived Design Piracy Descriptive Statistics

Stimulus <sup>a</sup>	Mean	Median	Mode
Black Heart Creatives vs. New Look	6.20	6.80	7
Jamie Spinello vs. Nasty Gal	6.18	6.40	7
Granted Clothing vs. Forever21	6.17	6.20	7
Pamela Love vs. Chanel	5.82	6.00	7
Jamie Leigh Stewart vs. Dolls Kill	5.71	6.00	7
Di\$count Universe vs. Nasty Gal	5.63	5.80	7
Simka Sol vs. Forever21	5.57	6.00	6
Kesh vs. Versace	5.28	5.60	6
Aurora James vs. Zara	4.74	5.00	5
Lisa Marie Fernandez vs. H&M	4.38	4.40	2
Dummy: Earrings	2.49	2.20	2
Dummy: Leggings	2.44	2.20	1
Dummy: Hats	2.11	2.00	1
Dummy: Graphic T-Shirts	1.56	1.00	1
Dummy: Shoes	1.51	1.20	1

<sup>&</sup>lt;sup>a</sup> For piracy pairs, SIFDs are listed on the left and LFCs are listed on the right.

Table 3.4

Independent Samples t-Test Results for Presentation Order Effect

	M	ean		df	p
Piracy Case	SIFD First	LFC First	t		
Aurora James vs. Zara	4.74	4.74	005	63	.996
Black Heart Creatives vs. New Look	6.16	6.24	279	63	.781

Di\$count Universe vs. Nasty Gal	5.74	5.50	.755	63	.453
Granted Clothing vs. Forever21	6.06	6.11	226	63	.822
Jamie Leigh Stewart vs. Dolls Kill	5.53	5.89	1.287	63	.203
Jamie Spinello vs. Nasty Gal	6.37	5.98	1.47	63	.146
Kesh vs. Versace	5.33	5.24	.269	63	.789
Lisa Marie Fernandez vs. H&M	4.59	4.18	1.10	63	.278
Pamela Love vs. Chanel	5.97	5.67	1.109	63	.272
Simka Sol vs. Forever21	5.79	5.36	1.405	63	.165

### **Fashion Design Piracy Case Awareness**

Next, to understand how many participants were aware of each design piracy instance prior to participation in this pretest, frequencies for "Yes" and "No" responses per stimulus were calculated (see Table 3.5). Regarding the three cases that indicated the highest mean scores for piracy perception, two respondents (3.1%) were aware of the *Black Heart Creatives* case, three respondents (4.6%) were aware of the *Granted Clothing* case, and five respondents (7.7%) were aware of the *Jamie Spinello* case.

In order to enhance external validity of findings by including stimuli from two product categories, the Granted Clothing case and the Jamie Spinello case were chosen to be used for the main experiment representing both clothing and jewelry apparel design. The Granted Clothing case was chosen given that it had the combination of *highest* perception of piracy (M = 6.7) and the *lowest* level of case frequency awareness (f = 3) for a clothing product category. Although the perception of design piracy was higher for the Black Heart Creatives case than the Jamie Spinello case, the Jamie Spinello case was chosen based on a combination of design aspects and non-significant differences in piracy perception. The designs in the Black Heart Creatives' case were minimal and slightly generic, whereas the Jamie Spinello case offered more complex and novel designs (see Appendix A for both cases' designs). Additionally, a marginal mean

difference in perception of piracy between the two cases remained ( $M_{difference} = .02$ ), and a paired samples t-test further showed a non-significant difference in piracy perception (t = .191, df = 64, p = .849); therefore, the Jamie Spinello case was selected over the two, representing a jewelry product category. Frequencies for piracy case awareness for both Granted Clothing (f = 3) and Jamie Spinello (f = 5) fell below the median (5.5); thus, they served as suitable selections for the high average perception of fashion design piracy and low frequency of awareness stimuli for main experiment employment.

Table 3.5

Frequencies for Fashion Design Piracy Case Awareness

	Y	Yes	I	No
Piracy Case	f	%	f	%
Di\$count Universe vs. Nasty Gal	1	1.5%	64	98.5%
Black Heart Creatives vs. New Look	2	3.1%	63	96.9%
Jamie Leigh Stewart vs. Dolls Kill	3	4.6%	62	95.4%
Granted Clothing vs. Forever21	3	4.6%	62	95.4%
Jamie Spinello vs. Nasty Gal	5	7.7%	60	92.3%
Kesh vs. Versace	6	9.2%	59	90.2%
Lisa Marie Fernandez vs. H&M	6	9.2%	59	90.8%
Pamela Love vs. Chanel	7	10.8%	58	89.2%
Simka Sol vs. Forever21	9	13.8%	56	86.2%
Aurora James vs. Zara	11	16.9%	54	83.1%

#### CHAPTER IV. MAIN EXPERIMENT

This chapter outlines the methodology and results of the main experiment. The first section includes the main study's research method, including experiment design, stimuli and instrument, and sampling and data collection procedures. The second part of this chapter outlines the experiment results, including sample characteristics, measurement validity and reliability, and hypotheses testing results.

#### Method

# Design

The main experiment was designed to test 15 proposed hypotheses. Like the pretest, Qualtrics was utilized to create an online questionnaire which employed a 3 (Revelation: revealing only the LFC vs. only the SIFD vs. both the LFC and SIFD) × 2 (Piracy Case: Forever 21 and Granted Clothing vs. Nasty Gal and Jamie Spinello) between-subjects design. To test the hypotheses, an analysis of comparisons between conditions was employed, where the LFC exposure only (C1) and SIFD exposure only (C2) conditions acted as control groups to be compared with the Revelation condition (C3).

#### Stimuli

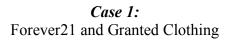
The two piracy cases selected from the pretest, Granted Clothing vs. Forever21 (Case 1), and Jamie Spinello vs. Nasty Gal (Case 2), were used as experimental stimuli to manipulate the three conditions. C1 used LFC stimuli only (Forever21 and Nasty Gal), C2 used SIFD stimuli only (Granted Clothing and Jamie Spinello), and C3 used both LFC and SIFD stimuli to expose consumers to a piracy case. Given the two piracy cases tested among the three conditions, the

study was composed of six experimental cells. Figure 4.1 provides a comprehensive overview of stimuli relevant to each cell.

For C1, the same images for LFC Forever21's sweater design (Case 1) and LFC Nasty Gal's necklace design (Case 2) from the pretest were utilized. However, unlike in the pretest where design images were stripped of brand identity to focus solely on the design, indication of brand name was presented on each stimulus as critical for dependent variable measures relevant at the brand level. Each brand's logo was depicted via screenshot image from the brand's website and inserted at the bottom right corner of the design image. Further, indicator circles and arrows present on the pretest images were removed for participants to focus holistically on both design and brand elements (see row 1 in Figure 4.1). For C2, the same images for SIFD Granted Clothing's sweater design (Case 1) and Jamie Spinello's necklace design (Case 2) from the pretest were used; however, like C1, brand logos were inserted at the bottom right corner of design images, and circles and arrows present on pretest images were removed (see row 2 in Figure 4.1). Both LFCs and SIFDs representing each case were used in the revelation condition. C3 stimuli included the same images used for each LFC and SIFD in C1 and C2, but juxtaposed next to each other representing each piracy case, respectively (see row 3 in Figure 4.1).

## **Instruments**

Study instruments included four manipulation check measures and nine dependent measures, as well as demographic items. The four manipulation check measures included prior brand awareness, prior brand attitude, prior piracy case awareness, and perception of fashion design piracy. The nine dependent variables included four product-level measures (perceived value of LFCs' designs, perceived value of SIFDs' designs, perceived uniqueness of LFCs'



Case 2: Nasty Gal and Jamie Spinello



Figure 4.1. Overview of the stimuli used in the main experiment with respect to each condition and piracy case.

designs, and perceived uniqueness of the SIFDs' designs) as well as five brand-level measures (brand attitude towards LFCs, brand attitude towards SIFDs, perceived ethicality of LFCs, perceived brand creativity of LFCs, and perceived brand creativity of SIFDs).

# **Manipulation Check Measures**

Prior Brand Awareness. Participants in all three conditions were asked about their brand awareness prior to the exposure of their assigned brand(s) (in the case of C3, participants were exposed to both the SIFD and LFC brands). This was done in order to ensure that prior brand awareness was constant among the six experimental cells. For prior brand awareness, participants responded to the instructions: "We would like to know if you know any of the following fashion brands/designers. Please check ALL brands/designers below that you have seen or heard of." Participants were given a list including all of the brands used in the main study regardless of their assigned case and condition (Forever21, Granted Clothing, Nasty Gal, and Jamie Spinello) to check prior awareness (coded as 1 for checked or 0 for unchecked). In order not to prime participants of the information that followed, additional brand names at the corporate and small designer level that were not relevant to the study (e.g., Marc Jacobs, Black Heart Creatives, and Romwe) were also presented in the prior brand awareness checklist.

Prior Brand Attitude. Brand attitude was also assessed prior to brand exposure by listing the same brands in the prior brand awareness measure, but with the instructions "For each of these fashion brands/designers, please indicate how much you like or dislike each brand/designer." Participants responded to each brand using a Likert-type scale (1 for I dislike it very much and 7 for I like it very much). The option to select I have never seen/heard of this brand or designer before was also given, and those values were treated as missing data in the subsequent analysis.

Perception of Fashion Design Piracy. To ensure the manipulation of the fashion design piracy revelation, the same researcher-created 5-item perception of fashion design piracy measure asked in the pretest was used in all three conditions. This measure assessed whether participants perceived the allegedly pirated fashion designs as pirated based on visual inspection of the stimuli. Questions were altered from the pretest version by inserting the brand names in which the questions were being asked about and referencing the type of design in question depending on the condition to which the participant was assigned (see Table 4.1 for item wordings). All questions were asked using a 7-point Likert scale (1 for strongly disagree and 7 for strongly agree). Similar to the pretest, questions were presented with the juxtaposed LFC and SIFD images along with information containing the alleged piracy case story. In C1 and C2, the perceived fashion design piracy items were asked at the end of the survey after all dependent measures were completed, whereas in C3, these items were asked prior to dependent measures.

Table 4.1

Measurement Items for Perception of Fashion Design Piracy

## **Items**<sup>a</sup>

- 1. These Forever21/Nasty Gal and Granted Clothing/Jamie Spinello sweater/necklace designs look very similar to me.
- 2. I would think that Forever21/Nasty Gal copied the sweater design of Granted Clothing/Jamie Spinello.
- 3. I think these two *sweater/necklace* designs can be viewed as the same design.
- 4. I would suspect that Forever21/Nasty Gal stole the sweater/necklace design of Granted Clothing/Jamie Spinello.
- 5. I feel like the two *sweater/necklace* designs are so similar that they could appear to be designed by the same brand.

<sup>&</sup>lt;sup>a</sup> Italicized words indicate LFC brand, SIFD brand, and product design type which were changed depending on piracy case.

Prior Piracy Case Awareness. To ensure that the alleged piracy cases utilized in the experiment were not ones that participants were already aware of, at the end of each survey they were instructed "We would like to know if you have seen or heard of the case described above BEFORE you participated in this survey." The question was modified for C3 participants by adding the actual LFC and SIFD brand names used in the assigned piracy case. To respond, participants either answered 1 for Yes, I have seen or heard of this story prior to this survey, or 2 for No, I have NOT seen or heard of this story prior to this survey. This question was asked at the end of all three conditions.

## **Dependent Measures**

Perceived Value of the LFC and SIFD Designs. Perceived value of LFC and SIFD designs was measured using 15 items (see Table 4.2) rated on a 7-point Likert scale (1 for strongly disagree and 7 for strongly agree). These items were adapted from Sweeney and Soutar's (2001) PERVAL scale which was developed to measure consumers' perceived value of a product. The original scale included 19 items representing four dimensions (quality, emotional, price, and social); however, items representing the price dimension were removed as they were not relevant to the perceived value of interest of this study. All item wordings for the quality (6 items), emotional (5 items), and social (4 items) dimensions of the PERVAL scale remained unaltered with the exception of changing the subject of each item. In the original scale, all item wordings were prefaced to refer to an object by using the words "This item:" This phrase was replaced to indicate which design the questions were referring to by using the words "This design."

Table 4.2

Measurement Items for Perceived Value of the Design

Dimension	Items
	This design:
Quality value	<ol> <li>Has consistent quality.</li> <li>Is well made.</li> <li>Has an acceptable standa0rd of quality.</li> </ol>
	<ul><li>4. Has poor workmanship.</li><li>5. Would not last a long time.</li><li>6. Would perform consistently.</li></ul>
Emotional value	<ol> <li>Would perform consistently.</li> <li>Is one that I would enjoy.</li> <li>Would make me want to use it.</li> <li>Is one that I would feel relaxed about using.</li> <li>Would make me feel good.</li> <li>Would give me pleasure.</li> </ol>
Social value	<ul><li>12. Would help me to feel acceptable.</li><li>13. Would improve the way I am perceived.</li><li>14. Would make a good impression on other people.</li><li>15. Would give its owner social approval.</li></ul>

Perceived Uniqueness of the LFC and SIFD Designs. Perceived uniqueness of LFC and SIFD designs was measured with the three items (1) "this design is highly unique," (2) "this design is one of a kind," and (3) "this design is really special," utilizing a 7-point Likert scale (1 for strongly disagree and 7 for strongly agree). These items were adapted from Franke and Schreier's (2008) perceived uniqueness scale (Chronbach's  $\alpha > .8$ ), which was developed through a synthesis of literature relevant to uniqueness perceptions. Item wordings, originally developed to refer to cell phone covers, were modified to fit the context of the study by referring to the design in the stimulus participants were exposed to (sweater or necklace); otherwise, the scale was retained in its original form.

Brand Attitudes towards the LFC and SIFD. Brand attitude towards each of the LFC and the SIFD was measured with five items adapted from Spears and Singh's (2004) scale measuring brand attitude (Chronbach's α = .95). A slight alteration to the instructions was made in order to fit the context of the study. Originally, the scale was developed using a hypothetical advertisement as an exercise to elicit brands in consumers' minds. Whereas the original instructions of the scale stated, "Please describe your overall feelings about the brand in the ad you just read," the instructions in the current study were modified as "Below are 5 pairs of words describing how consumers may feel about a fashion brand. For each word pair, please select the response that best reflects how you feel about [LFC or SIFD brand name]. [LFC or SIFD brand name] is: \_\_\_\_\_\_. "Participants indicated their responses using a 7-point semantic differential scale with five pairs of bipolar adjectives (unappealing/appealing, bad/good, unpleasant/pleasant, unfavorable/favorable, and unlikeable/likeable), with a larger number indicating a more positive attitude.

Perceived Ethicality of the LFC. Perceived ethicality of the LFC was measured with six items (see Table 4.3) using a 7-point Likert scale (1 for strongly disagree and 7 for strongly agree). This measurement was adopted from Brunk's (2012) Consumer Perceived Ethicality Scale and was retained in its original form other than inserting the name of the LFC relevant to the exposed stimulus. For example, the original item "[company/product/brand name] is a good company/product/brand" was customized to read "Forever2/Nasty Gal is a good brand."

Table 4.3

Measurement Items for Perceived Ethicality of the LFC

Items<sup>a</sup>

1. Forever21/Nasty Gal respects moral norms.

- 2. Forever21/Nasty Gal always adheres to the law.
- 3. Forever21/Nasty Gal is a socially responsible company.
- 4. Forever21/Nasty Gal avoids damaging behavior at all cost.
- 5. Forever21/Nasty Gal is a good company.
- 6. Forever21/Nasty Gal will make a decision only after careful consideration of the potential positive or negative consequences for all those involved.

Perceived Brand Creativity of the LFC and SIFD. Perceived brand creativity of each of the LFC and the SIFD was measured with five items (see Table 4.4) using a 7-point Likert scale (1 for strongly disagree and 7 for strongly agree). This scale was adapted from Guérin's (2008) scale measuring perceived creativity of an advertisement. Although Guérin's scale included the novelty, complexity, and aesthetic dimensions, only the novelty dimension was used for its relevance to the creativity construct. The novelty dimension consisted of concepts such as originality, ingenuity, and uniqueness in regard to product type or sector. This study's scale was modified to refer to a brand; thus, item wordings were retained in their original form other than changing the word "ad" to the name of the LFC or SIFD participants were exposed to. For example, the original item "this ad is original" was modified for Case 1 to "Forever21 is original" and "Granted Clothing is original" and for Case 2 to "Nasty Gal is original" and "Jamie Spinello is original." Further, for the last item which was originally referred to a product, wording was changed to refer to the design in the stimulus (sweater or necklace).

Table 4.4

Measurement Items for Perceived Brand Creativity of the LFC and SIFD

<sup>&</sup>lt;sup>a</sup> Italicized words indicate LFC brand, which was changed depending on participants' corresponding piracy case.

## **Items**<sup>a</sup>

- 1. Forever21/NastyGal/Granted Clothing/Jamie Spinello is original.
- 2. Forever21/NastyGal/Granted Clothing/Jamie Spinello is full of imagination.
- 3. Forever21/NastyGal/Granted Clothing/Jamie Spinello is surprising.
- 4. Forever21/NastyGal/Granted Clothing/Jamie Spinello is striking.
- 5. Forever21/NastyGal/Granted Clothing/Jamie Spinello allows the design to be differentiated.

**Demographic Items.** The same series of demographic items that were asked in the pretest were asked in the main experiment. Following all measures in each condition, participants were asked their gender, age, ethnic group affiliation, college/school major, class standing, and total household income.

# **Sampling and Data Collection Procedures**

For the main experiment, a similar sampling technique was utilized as in the pretest to capture a convenience sample of college students enrolled in several classes in the Physics

Department from a Southeastern university. Recruitment from this department was conducted as a variety of university majors and a suitable distribution of genders and ages was offered (see Table 4.5 for complete sample characteristics). To allow for a minimum of 30 participants per experimental cell, the target usable sample size was 180 (30 participants x 6 cells), and 266 participants total were achieved. After removing six participants who withdrew from the study due to partial completion, the usable sample size of 260 was achieved.

As in the pretest procedure, students received instructor approved extra credit for their participation as an incentive. The researcher contacted one instructor overseeing multiple courses and exchanged information about the study. Once the instructor agreed to let his students take the survey for extra credit, an email was sent to the students outlining the study's purpose,

<sup>&</sup>lt;sup>a</sup> Italicized words indicate LFC brand and SIFD brand, which was changed depending on piracy case and condition.

participant requirements, anticipated time of completion, potential risks and benefits, researcher contact information, an explanation of extra credit compensation, and the survey link. Students who agreed to participate clicked the survey link and were led to an information page that further outlined study details, including those previously mentioned in addition to information regarding confidentiality and consent. A "Next" button was located at the bottom of the information page for participants to click to provide consent and begin the online experiment.

When participants entered the experiment site, they were randomly assigned to one of six cells representing the 3 (Revelation: revealing only the LFC vs. only the SIFD vs. both the LFC and SIFD) × 2 (Piracy Case: Granted Clothing and Forever 21 vs. Jamie Spinello and Nasty Gal) factorial design. Participants in all six conditions first completed the prior brand awareness and prior brand attitude measures.

Then, participants in C1 and C2 clicked to a new page where they read the following instructions: "On the next page, you will see an image of a fashion design along with its fashion brand name. Please review each image, and think about the design and the brand carefully. Then, answer the questions that follow." After reviewing instructions, participants clicked to a new page with the LFC (C1) or SIFD (C2) stimulus and completed all dependent measures related to the assigned design and the assigned LFC (C1) or SIFD (C2) brand. Next, participants clicked to a page with the measures for perception of fashion design piracy and fashion design piracy case awareness with the LFC and SIFD design image juxtapositions and alleged piracy case information.

Unlike participants in C1 and C2 which were exposed to only a LFC or SIFD design and brand, participants in C3 were exposed a fashion design piracy revelation. After completing the prior brand awareness and prior brand attitude measures, participants in C3 clicked to a screen

with the following instructions: "On the next few pages you will view images of fashion designs. Please take a few moments to carefully review each of the designs." After reviewing these instructions, participants clicked through pages for the revelation. In order to solidify this reveal, participants were first asked to take a few moments to view a page containing only the (alleged copy) LFC design stimulus. Next, they clicked to another page containing the (alleged original) SIFD design stimulus and were asked to take a few moments to review the design. Both LFC and SIFD design images were stripped of brand logo so that participants focused solely on the designs. Following, participants clicked to a new page containing the juxtaposition of the LFC and SIFD designs containing brand logos. This page also contained the alleged piracy case story exposing participants to the revelation. Further, the perception of fashion design piracy measure was asked on this page directly following the revelation exposure. After completing this page, participants clicked to another screen that contained only the LFC stimulus with design and brand dependent measures. Then, participants clicked to a new page containing only the SIFD stimulus with design and brand dependent measures. Finally, participants clicked to a new page containing the fashion design piracy case awareness question. All three conditions ended with demographic items.

## **Analysis and Results**

Data were analyzed using the SPSS Version 24. Questionnaire data were first downloaded from Qualtrics, sorted, and cleaned.

## **Sample Characteristics**

In order to describe sample characteristics, frequencies were calculated for all demographic variables by experimental cell and total (see Table 4.5 for a comprehensive overview). In total, the usable sample of 260 participants included 145 females (55.8%) and 115

males (44.2%), with 41-45 participants in each of the six experimental conditions. Participants ranged in age from 18 to 29 years old, the majority of participants being between 19 and 21 years of age (80.8%), with a mean age of 20.39 (SD = 1.51). Participants of all class standings were presented, with the largest percentile being juniors (36.5%) and sophomores (35.8%). The majority of participants were White, Non-Hispanic (81.9%), followed by Asian/Pacific Islander (7.3%), and Black, Non-Hispanic (6.5%). Further, the majority of participants identified as having an annual household income of either \$100,000 to \$124,999 (20.4%) or \$200,000 and above (20.4%). Participants from all colleges made up the sample; however, the majority of participants were from the College of Sciences and Mathematics (56.5%) followed by the College of Architecture, Design, and Construction (14.6%) and the College of Education (13.5%).

In terms of characteristics across the six cells, gender frequencies were fairly consistent; Condition 2 Case 2 captured the highest number of female participants (62.2%) and the lowest number of male participants (37.8%). Some gender cells differed; for instance, although overall the study had more females than males, Condition 3 Case 1 had more males than females. Age means were fairly similar across cells, ranging between 20.21 to 20.67. Ethnicity across cells was also fairly consistent, with the most frequently represented ethnicity, White, Non-Hispanic, occurring most often for Condition 3 Case 2 (90.2%), followed by the second most frequently ethnicity, Asian/Pacific Islander, occurring most often for Condition 3 Case 1 (15.6%). Current college class standing was a little inconsistent across cells. Although Junior was the most frequent class standing across the total sample, it ranged between 8 occurrences in Condition 3 Case 1 and 21 occurrences in Condition 1 Case 1; graduate student was the least frequent class standing in the sample, occurring twice among the total, but represented only by Condition 3

Case 1. In terms of annual income, the least frequently occurring income in the sample total, \$175,000 to \$199,999 (4.2%), occurred 5 times in Condition 3 Case 2, but not at all in Condition 2 Case 2. The most frequently occurring college/school major among the sample total, College of Architecture, Design, and Construction, occurred 10 times in Condition 3 Case 1, but only 2 times in Condition 3 Case 2. Remaining majors were fairly distributed among the rest of the cells with the exception of the second most frequent major in the sample total, College of Education (13.5%), which occurred 7 times in Condition 3 Case 1, but not at all in Condition 1 Case 1.

Table 4.5

Main Experiment Sample Characteristics Frequencies

				f(%)			
Variable	C 1.1a	C 1.2 <sup>b</sup>	C 2.1°	C 2.2 <sup>d</sup>	C 3.1 <sup>e</sup>	C 3.2 <sup>f</sup>	Total
Gender							
Female	25 (58.1)	23 (54.8)	23 (52.3)	28 (62.2)	22 (48.9)	24 (58.5)	145(55.8)
Male	18 (41.9)	19 (45.2)	21 (47.7)	17 (37.8)	23 (51.1)	17 (41.5)	115(44.2)
Age							
18	2 (4.7)	0 (0)	2 (4.5)	3 (6.7)	2 (4.4)	0(0)	9 (3.5)
19	12 (27.9)	8 (19.0)	8 (18.2)	10 (22.2)	8 (17.8)	14 (34.1)	60 (23.1)
20	13 (30.2)	17 (40.5)	14 (31.8)	18 (40.0)	18 (40.0)	14 (34.1)	94 (36.2)
21	10 (23.3)	12 (28.6)	11 (25.0)	10 (22.2)	7 (15.6)	6 (14.6)	56 (21.5)
22	5 (11.6)	2 (4.8)	7 (15.9)	3 (6.7)	4 (8.9)	2 (4.9)	23 (8.8)
23	0 (0)	1 (2.4)	1 (2.3)	1 (2.2)	3 (6.7)	4 (9.8)	10 (3.8)
24	0 (0)	1 (2.4)	0 (0)	0 (0)	1(2.2)	0 (0)	2 (0.8)
25	1 (2.3)	0(0)	0(0)	0 (0)	0(0)	1 (2.4)	2 (0.8)
26	0(0)	1 (2.4)	0(0)	0(0)	0(0)	0(0)	1 (0.4)
27	0 (0)	0 (0)	0 (0)	0 (0)	2 (4.4)	0 (0)	2 (0.8)
29	0 (0)	0 (0)	1 (2.3)	0 (0)	0 (0)	0 (0)	1 (0.4)
$M_{age}$	20.21	20.50	20.57	20.07	20.67	20.32	20.39
SD	1.32	1.38	1.74	1.10	1.91	1.46	1.51
<b>Current College Class</b>							
Standing							
Freshman	2 (4.7)	1 (2.4)	4 (9.1)	2 (4.4)	5 (11.1)	0 (0)	14(5.4)
Sophomore	17 (39.5)	9 (21.4)	12 (27.3)	15 (33.3)	22 (48.9)	18 (43.9)	93(35.8)
Junior	16 (37.2)	21 (50.0)	19 (43.2)	19 (42.2)	8 (17.8)	12 (29.3)	95(36.5)
Senior	8 (18.6)	11 (26.2)	9 (20.5)	9 (20.0)	8 (17.8)	11 (26.8)	56(21.5)
Graduate Student	0(0)	0(0)	0(0)	0(0)	2 (4.4)	0(0)	2(0.8)

Ethnicity							
Asian Indian/Alaskan	0 (0)	1 (2.4)	1 (2.3)	0 (0)	0 (0)	0 (0)	2(0.8)
Native	0 (0)	1 (2.4)	1 (2.3)	0 (0)	0 (0)	0 (0)	2(0.8)
Asian/Pacific Islander	4 (9.3)	5 (11.9)	3 (6.8)	0 (0)	7 (15.6)	0 (0)	19(7.3)
Hispanic	1 (2.3)	2 (4.8)	0(0.8)	0 (0)	0 (0)	2 (4.9)	5(1.9)
Black, Non-Hispanic	2 (4.7)	1 (2.4)	3 (6.8)	5 (11.1)	4 (8.9)	2 (4.9)	17(6.5)
White, Non-Hispanic	35 (81.4)	33 (78.6)	37 (84.1)	39 (86.7)	32 (71.1)	37 (90.2)	213(81.9)
Other	1 (2.3)	0 (0)	0 (0)	1 (2.2)	2 (4.4)	0 (0)	4(1.5)
Other	1 (2.3)	0 (0)	0 (0)	1 (2.2)	2 (4.4)	0 (0)	4(1.3)
Family's Total							
Household Income							
Under \$25,000	1 (2.3)	6 (14.3)	3 (6.8)	3 (6.7)	2 (4.4)	3 (7.3)	18(6.9)
\$25,000 to \$49,999	1 (2.3)	2 (4.8)	6 (13.6)	3 (6.7)	2 (4.4)	0(0)	14(5.4)
\$50,000 to \$74,999	8 (18.6)	6 (14.3)	5 (11.4)	3 (6.7)	7 (15.6)	3 (7.3)	32(12.3)
\$75,000 to \$99,999	6 (14.0)	1 (2.4)	4 (9.1)	5 (11.1)	5 (11.1)	$\stackrel{\smile}{0}$ (0)	21(8.1)
\$100,000 to \$124,999	10 (23.3)	10 (23.8)	10 (22.7)	7 (15.6)	7 (15.6)	9 (22.0)	53(20.4)
\$125,000 to \$149,999	6 (14.0)	3 (7.1)	4 (9.1)	5 (11.1)	4 (8.9)	4 (9.8)	26(10.0)
\$150,000 to \$174,999	3 (7.0)	2 (4.8)	5 (11.4)	5 (11.1)	9 (20.0)	8 (19.5)	32(12.3)
\$175,000 to \$199,999	1 (2.3)	3 (7.1)	1 (2.3)	0 (0)	1 (2.2)	5 (12.2)	11(4.2)
\$200,000 and above	7 (16.3)	9 (21.4)	6 (13.6)	14 (31.1)	8 (17.8)	9 (22.0)	53(20.4)
Calland Calanda C							
College/Schools of							
Major	1 (2.2)	4 (0.5)	2 (4.5)	2 (6.7)	2 (6.7)	5 (12.2)	10 (6 0)
College of Agriculture	1 (2.3)	4 (9.5)	2 (4.5)	3 (6.7)	3 (6.7)	5 (12.2)	18 (6.9)
College of Business	1 (2.3)	0(0)	0(0)	1 (2.2)	2 (4.4)	0(0)	4 (1.5)
College of Education	0(0)	6 (14.3)	4 (9.1)	5 (11.1)	7 (15.6)	5 (12.2)	35 (13.5)
College of Engineering	0(0)	1 (2.4)	1 (2.3)	0(0)	1 (2.2)	1 (2.4)	4 (1.5)
College of Liberal Arts	0(0)	0(0)	1 (2.3)	0 (0)	0(0)	0(0)	1 (0.4)
College of Pharmacy	1 (2.3)	1 (2.4)	0(0)	0(0)	0(0)	0(0)	2 (0.8)
University College	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)	1 (2.4)	1 (0.4)
College of Veterinary Medicine	0 (0)	0 (0)	0 (0)	1 (2.2)	1 (2.2)	0 (0)	2 (0.8)
College of Human	0 (0)	1 (2.4)	0(0)	2 (4.4)	0(0)	0(0)	3 (1.2)
Sciences	(-)	( )	(-)	( )	(-)	(-)	( )
College of Architecture,	3 (7.0)	8 (19.0)	11 (25.0)	4 (8.9)	10 (22.2)	2 (4.9)	38 (14.6)
Design, and	,	,	,	,	,	,	,
Construction							
School of Forestry and	1 (2.3)	1 (2.4)	2 (4.5)	1 (2.2)	0(0)	0(0)	5 (1.9)
Wildlife Services	( )	( - )	( )	( - )	- (-)	- (-)	( )
College of Sciences and	28 (65.1)	20 (47.6)	23 (52.3)	28 (62.2)	21 (46.7)	27 (65.9)	147
Mathematics	` ,	, ,	, ,	,	, ,	, ,	(56.5)
n	43	42	44	45	45	41	260
	73	72	77	73	73	71	200

 <sup>&</sup>lt;sup>a</sup>C 1.1 = LFC exposure; Forever 21 vs. Granted Clothing piracy case
 <sup>b</sup>C 1.2 = LFC exposure; Nasty Gal vs. Jamie Spinello piracy case
 <sup>c</sup>C 2.1 = SIFD exposure; Forever 21 vs. Granted Clothing piracy case
 <sup>d</sup>C 2.2 = SIFD exposure; Nasty Gal vs. Jamie Spinello piracy case
 <sup>c</sup>C 3.1 = Revelation exposure; Forever 21 vs. Granted Clothing piracy case
 <sup>f</sup>C 3.2 = Revelation exposure; Nasty Gal vs. Jamie Spinello piracy case

# Measurement Validity and Reliability

Exploratory Factor Analysis for Unidimensional Scales. Prior to creating composite scores for all measurements in hypotheses testing, exploratory factor analysis (EFA) with principle components analysis (PCA) with varimax rotation was conducted on all scales composed of more than one item. Factor solutions were determined using Kaiser's Criterion by extracting factors with eigenvalues greater than 1.0. Factor loadings for each item were assessed, and retained items loaded greater than .50 on their corresponding factor (Kline, 1998). EFA results revealed unidimensionality for all scales comprised of one latent variable (see Table 4.6 for manipulation check factor loadings and Table 4.7 for dependent measure factor loadings).

Table 4.6

Manipulation Check Perception of Fashion Design Piracy EFA Results

Pe	rception of Fashion Design Piracy <sup>a</sup>	Factor Loading <sup>b</sup>
1.	I would think that Forever21/Nasty Gal copied the sweater design of Granted Clothing/Jamie Spinello.	.807
2.	I would suspect that Forever21/Nasty Gal stole the sweater/necklace design of Granted Clothing/Jamie Spinello.	.797
3.	I feel like the two <i>sweater/necklace</i> designs are so similar that they could appear to be designed by the same brand.	.736
4.	I think these two <i>sweater/necklace</i> designs can be viewed as the same design.	.735
5.	These Forever21/Nasty Gal and Granted Clothing/Jamie Spinello sweater/necklace designs look very similar to me.	.734

<sup>&</sup>lt;sup>a</sup> Italicized words indicate LFC brand, SIFD brand, and product design type which were changed depending on participants' corresponding piracy case.

<sup>&</sup>lt;sup>b</sup> Items are listed in order of factor loading size.

Table 4.7

Dependent Measures EFA Results

	LFC	SIFD
Scale and Items	Factor Loading <sup>a</sup>	Factor Loading
Perceived Uniqueness of Design		
This design is highly unique.	.885	.921
This design is one of a kind.	.880	.904
This design is really special.	.821	.879
Brand Attitude		
Forever21/Nasty Gal/Granted Clothing/Jamie Spinello is: Unlikable/Likable	.918	.937
Forever21/Nasty Gal/Granted Clothing/Jamie Spinello is: Unappealing/Appealing	.890	.884
Forever21/Nasty Gal/Granted Clothing/Jamie Spinello is: Unpleasant/Pleasant	.877	.904
Forever21/Nasty Gal/Granted Clothing/Jamie Spinello is: Unfavorable/Favorable	.875	.920
Forever21/Nasty Gal/Granted Clothing/Jamie Spinello is: Bad/Good	.868	.904
Perceived Brand Creativity		
Forever21/Nasty Gal/Granted Clothing/Jamie Spinello is full of imagination.	.845	.897
Forever21/Nasty Gal/Granted Clothing/Jamie Spinello allows the product to be differentiated.	.843	.828
Forever21/Nasty Gal/Granted Clothing/Jamie Spinello is striking.	.802	.844
Forever21/Nasty Gal/Granted Clothing/Jamie Spinello is original.	.789	.840
Forever21/Nasty Gal/Granted Clothing/Jamie Spinello is surprising.	.774	.828
Perceived Brand Ethicality <sup>b</sup>		
Forever21/Nasty Gal avoids damaging behavior at all cost.	.865	
Forever21/Nasty Gal is a good company.	.839	
Forever21/Nasty Gal respects moral norms.	.823	
Forever21/Nasty Gal is a socially responsible company.	.815	
Forever21/Nasty Gal always adheres to the law.	.745	

## Exploratory Factor Analysis for the PERVAL Scale. Sweeny and Soutar's (1981)

PERVAL scale was the only measure composed of more than one dimension, including three value dimensions: emotional, social, and quality. Two items ("has poor workmanship" and "would not last a long time") from the Quality dimension were reverse-coded to match the valence of the other PERVAL items prior to EFA. Initial EFA with PCA results revealed that the two reverse coded items from the Quality dimension are isolated from their own factor, thus these two items were dropped from the original six items from the Quality dimension. A subsequent analysis revealed a two-factor solution where items from the emotional and social dimensions from the original scale loaded onto one factor, and the remaining four items from the quality dimension loaded onto a second factor. Therefore, the Emotional and Social dimensions were combined for a composite score and were treated in subsequent analyses as one variable; whereas the quality dimension was treated as its own to create a composite score (see Table 4.8 for the final two-factor solution).

Table 4.8

Final Two-Factor Rotated Solution of the PERVAL Scale

_	LFC	SIFD
Dimension and Items	Factor Loading <sup>a</sup>	Factor Loading

This design:

<sup>&</sup>lt;sup>a</sup> Items are listed in order of factor loading size by LFC Factor Loading column.

<sup>&</sup>lt;sup>b</sup> Perceived Brand Ethicality was only asked in relation to LFCs.

Emotional and Social		
Would give me pleasure.	.841	.808
Is one that I would enjoy.	.839	.814
Would make me want to use it.	.839	.854
Would make me feel good.	.818	.842
Would help me to feel acceptable.	.746	.800
Is one that I would feel relaxed about using.	.733	.802
Would make a good impression on other people.	.695	.759
Would improve the way I am perceived.	.579	.701
Would give its owner social approval.	.575	.714
Quality		
Has consistent quality.	.850	.872
Is well made.	.777	.875
Has an acceptable standard of quality	.747	.831
Would perform consistently.	.509	.637

<sup>&</sup>lt;sup>a</sup> Items are listed in order of factor loading size by LFC Factor Loading column.

*Cronbach's*  $\alpha$ . To assess measurement reliability, Cronbach's  $\alpha$  coefficient was calculated for each scale. Each scale achieved a Cronbach's  $\alpha$  coefficient of at least a .8 and was therefore determined to be internally consistent (see Table 4.9).

Table 4.9

Scale Reliability Results

	LFC	SIFD
Scale	Cronbach's α	Cronbach's α
Emotional/Social Value of Design	.933	.943
Quality Value of Design	.814	.878
Brand Attitude	.931	.946
Perceived Brand Creativity	.868	.910
Perceived Brand Ethicality	.893	
Perception of Fashion Design Piracy	.8	17 <sup>a</sup>

 $<sup>^{</sup>a}$  The Perception of Fashion Design Piracy scale was measured per LFC-SIFD pair, and thus one  $\alpha$  coefficient is reported.

# **Manipulation Check Results**

As aforementioned, four measures were used to ensure the success of the manipulation: prior brand awareness and prior brand attitude, which were measured at the beginning of each condition, and perception of fashion design piracy and piracy case awareness, which were measured subsequent to stimuli exposure in each condition.

Prior Brand Awareness. To ensure participants' awareness of their assigned LFC or SIFD brands was consistent across all cells prior to brand exposure, four chi-squared tests were conducted (see Table 4.10). First, two chi-square tests were conducted to ensure that LFC and SIFD prior brand awareness was consistent across the three Revelation conditions (see Table 4.10). Non-significant results indicated that prior brand awareness was consistent across the Revelation conditions for both LFCs ( $\chi^2 = 2.56$ , df = 2, p = .278) and SIFDs ( $\chi^2 = 1.47$ , df = 2, p = .480). Next, two additional chi-square tests were conducted to ensure that LFC and SIFD prior brand awareness was consistent between the two piracy case conditions. Results revealed that SIFD prior brand awareness level was not significantly different between the two piracy cases ( $\chi^2 = .002$ , df = 1, p = .960). However, the LFC prior brand awareness did significantly vary between the two piracy cases ( $\chi^2 = 129.79$ , df = 1, p < .001); Forever21 (98.5%) was significantly more frequently recognized than Nasty Gal (31.3%). In fact, more participants were unaware of the Nasty Gal brand than they were aware (Yes = 40, No = 88).

Given the significantly different prior LFC brand awareness levels between the two LFCs and the potential confounding effect this may cause to the experiment results, it was determined that prior LFC brand awareness would be used as a covariate (control variable) in subsequent hypotheses testing.

Table 4.10

Cross-Tabulation and Chi-Square Statistics for Prior Brand Awareness

<b>Experimental Factor</b>	Yes	No	$\chi^2$	df	p
Revelation LFC			2.56	2	.278
C1. LFC exposure	53	32			
C3. Revelation exposure	62	24			
<b>Revelation SIFD</b>			1.47	2	.480
C2. SIFD exposure	3	86			
C3. Revelation exposure	5	81			
Piracy Case LFC			129.79	1	< .001
Forever21	130	2			
Nasty Gal	40	88			
Piracy Case SIFD			.002	1	.960
Granted Clothing	5	127			
Jamie Spinello	5	123			

Prior Brand Attitude. To ensure that participants' attitudes for their assigned LFC or SIFD brands were consistent across the experimental cells prior to brand exposure, two 3 (C1 vs. C2 vs. C3) × 2 (Case 1 vs. Case 2) factorial ANOVAs were run with piracy revelation and piracy case as the between-subjects factors, and each of prior brand attitude towards the LFC and prior brand attitude towards the SIFD as the dependent variable. ANOVA results for prior brand attitudes towards both the LFC and SIFD revealed non-significant main and interaction effects (see Table 4.11) and were therefore determined to be consistent across all experimental conditions, eliminating concerns for their potential confounding effects.

Table 4.11

Factorial ANOVA Results for the Manipulation Check Prior Brand Attitude

Dependent Variable	Source	<b>df</b> <sup>a</sup>	$\boldsymbol{\mathit{F}}$	p
<b>Prior Brand Attitude</b>	Revelation	2	1.892	.154
towards LFC	Piracy Case	1	0.594	.442
	Revelation × Case	2	0.007	.993
	Error	181		
<b>Prior Brand Attitude</b>	Revelation	2	0.254	.777
towards SIFD	Piracy Case	1	0.043	.837
	Revelation × Case	2	0.023	.978
	Error	43		

<sup>&</sup>lt;sup>a</sup> The degree of freedom for the error term from the second ANOVA is smaller than that from the first ANOVA due to the missing data from the larger number of respondents who were not aware of the SIFD than those who were not aware of the LFC.

*Perception of Fashion Design Piracy.* To ensure that participants across the experimental conditions perceived the case assigned to them as an equal level of fashion design piracy, a 3 (C1 vs. C2 vs. C3) × 2 (Piracy Case 1 vs. Piracy Case 2) factorial ANOVA was run with perception of fashion design piracy as the dependent variable. ANOVA results revealed non-significant main effects for Revelation ( $F_{2,254}$  = .495, p = .610) and piracy case ( $F_{1,254}$  = .002, p = .966) on perception of fashion design piracy; further, no interaction effects were found ( $F_{2,254}$  = 1, p = .37) (see Table 4.12 for cell means). Additionally, to check whether participants in fact perceived the presented case as piracy, a one-sample t-test was conducted with the test value of 4, which is the mid-point of the perceived design piracy scale. Results revealed that the assigned piracy case was perceived as piracy at a level significantly above the mid-point of the scale (i.e., participants "agreed" that the case represented a piracy) ( $t_{259}$  = 29.55, p < .001).

Table 4.12

Perception of Fashion Design Piracy Means

Condition	Piracy Case	M	SD
C1. LFC exposure	Forever21 vs. Granted Clothing	5.97	.79
	Nasty Gal vs. Jamie Spinello	5.86	.94
C2. SIFD exposure	Forever21 vs. Granted Clothing	5.78	.87
	Nasty Gal vs. Jamie Spinello	6.03	.96
C3. Revelation exposure	Forever21 vs. Granted Clothing	5.85	1.28
	Nasty Gal vs. Jamie Spinello	5.70	1.21

Fashion Design Piracy Case Awareness. Lastly, in order to ensure that participants' prior awareness of their assigned piracy case was not different between the two piracy cases or across the three revelation conditions, chi-square tests were run, revealing non-significant results (see Table 4.13); thus, it was determined that participants' prior piracy case awareness was equivalent across all conditions.

Table 4.13

Cross-Tabulation and Chi-Square Test Results for Fashion Design Piracy Case Awareness

		Piracy Case Awareness		· · · · · · · · · · · · · · · · · · ·		
<b>Experimental Factor</b>	Condition	Yes	No	$\chi^2$	p	
Revelation	LFC only	1	84	1.016	.602	
	SIFD only	2	87			
	Revelation	3	83			
Piracy Case	Forever21 vs. Granted Clothing	4	128	.621	.431	
	Nasty Gal vs. Jamie Spinello	2	126			

# **Test of Hypotheses**

In order to prepare for hypotheses testing, data were first split into two sets containing variables exclusive to either LFCs or SIFDs. Each dataset contained both piracy cases: Forever21 vs. Granted Clothing (Case 1) and Nasty Gal vs. Jamie Spinello (Case 2). C1 (LFC only) and C3 (Revelation) were tested together representing hypotheses related to the LFCs. C2 (SIFD only) and C3 (Revelation) were tested together representing hypotheses regarding the SIFDs. The following subsections report results organized by LFC and SIFD analyses.

## Large Fashion Corporate (LFC) Hypotheses

To test the experimental effect of the fashion design piracy revelation on each of the dependent variables related to the LFCs, a 2 (Revelation: C1 vs. C3) × 2 (Piracy Case: Forever21 vs. Nasty Gal) between-subjects MANCOVA was employed. Emotional/social value of LFC design, quality value of LFC design, LFC design uniqueness, LFC brand attitude, LFC brand ethicality, and LFC brand creativity were included as dependent variables. Due to the significant difference of prior LFC brand awareness between the two cases found from the manipulation check analysis, prior LFC brand awareness was used as a covariate in the analysis to control for its potential confounding impacts on the hypothesized effects. MANCOVA results indicated a significant main effect of Revelation (Wilk's  $\lambda = .832$ ,  $F_{6,161} = 5.407$ , p < .001, partial  $\eta^2 = .17$ ) and non-significant effects of Piracy Case (Wilk's  $\lambda = .980$   $F_{6,161} = 0.552$ , p = .768, partial  $\eta^2 = .02$ ) and Revelation × Piracy Case interaction (Wilk's  $\lambda = .968$ ,  $F_{6,161} = 0.873$ , p = .516, partial  $\eta^2 = .03$ ). The covariate LFC prior brand awareness was found significant (Wilk's  $\lambda = .918$   $F_{6,1621} = 2.400$ , p = .030, partial  $\eta^2 = .08$ ), justifying its inclusion in the analysis.

The significant MANCOVA results justified further investigation with follow up univariate ANCOVA. ANCOVA results (see Table 4.14) revealed non-significant main effects of Piracy Case as well as non-significant Revelation × Piracy Case interaction effects for all LFC dependent variables, while the prior LFC brand awareness covariate had a significant effect on only one of the LFC dependent variables, LFC brand attitude.

With regard to H1, the ANCOVA results revealed that the Revelation factor had a significant main effect on both perceived emotional/social value of LFC designs and quality value of LFC designs; however, estimated marginal cell means revealed results in the opposite direction to H1 (see Table 4.15). H1 predicted that consumers who were exposed to a fashion design piracy revelation (C3) would have lower a) emotional/social value and b) quality value for pirated (LFC) designs than those who were just exposed to LFC designs (C1). This effect was significant for both emotional/social value (p = .019) and quality value (p = .022); however, participants in C3 actually perceived higher design value than participants in C1 for both emotional/social value ( $Marginal\ M_{C1} = 3.36$ ,  $Marginal\ M_{C3} = 3.81$ ) and quality value ( $Marginal\ M_{C3} = 4.33$ ). Thus, H1 was rejected.

Furthermore, with respect to H3, the ANCOVA results revealed a non-significant main effect of the Revelation factor on LFC design uniqueness (see Table 4.14). H3 predicted that LFC design uniqueness perception would be lowered when the design piracy was revealed. However, the marginal mean of perceived design uniqueness was not significantly different (p = .266) between C3 ( $Marginal\ M = 3.60$ ) and C1 ( $Marginal\ M = 3.36$ ), indicating a rejection of H3.

With regard to H5, the ANOCOVA results (see Table 4.14) revealed a non-significant main effect of Revelation on LFC brand attitude (p = .118; Marginal  $M_{C1} = 4.65$ , Marginal  $M_{C3}$ 

= 4.36), rejecting H5 which predicted that consumers exposed to the piracy revelation (C3) would have lower brand attitude towards the LFC involved than those who were not (C1). However, the ANCOVA results (see Table 4.15) showed significant main effects of Revelation on LFC brand ethicality ( $Marginal\ M_{C1} = 4.18$ ,  $Marginal\ M_{C3} = 3.60$ ; p < .001) and LFC brand creativity ( $Marginal\ M_{C1} = 4.16$ ,  $Marginal\ M_{C3} = 3.61\ p = .002$ ). The mean scores suggest that participants' perceived LFC brand ethicality and creativity were both decreased by the design piracy revelation, supporting H7 and H10, respectively.

Table 4.14

LFC Univariate ANCOVA Results

Effect and Dependent Measure	SS	df	F	p	partial η²
Covariate (Prior Brand					<u>-</u> ι
Awareness)					
LFC emotional/social value of design	.598	1	0.598	.532	.002
LFC quality value of design	2.879	1	2.879	.128	.014
LFC design uniqueness	5.894	1	5.894	.079	.019
LFC brand attitude	6.137	1	6.137	.041	.025
LFC brand ethicality	0.267	1	0.267	.590	.002
LFC brand creativity	0.528	1	0.528	.516	.003
Revelation (C1 vs. C3)					
LFC emotional/social value of design	8.51	1	5.588	.019	.033
LFC quality value of design	6.62	1	5.363	.022	.031
LFC design uniqueness	2.35	1	1.248	.266	.007
LFC brand attitude	3.55	1	2.464	.118	.015
LFC brand ethicality	14.06	1	15.366	< .001	.085
LFC brand creativity	12.48	1	10.016	.002	.057
Piracy Case (Forever21 vs. Nasty Gal)					
LFC emotional/social value of design	0.13	1	0.009	.925	.000
LFC quality value of design	0.179	1	0.145	.703	.001
LFC design uniqueness	5.635	1	2.994	.085	.018
LFC brand attitude	0.557	1	0.386	.535	.002
LFC brand ethicality	0.190	1	0.208	.649	.001
LFC brand creativity	1.285	1	1.009	.316	.006
<b>Revelation</b> × <b>Piracy</b> Case					
LFC emotional/social value of design	0.468	1	0.307	.580	.002
LFC quality value of design	0.102	1	0.083	.774	.000
LFC design uniqueness	0.828	1	0.440	.508	.003
LFC brand attitude	2.229	1	1.546	.216	.009
LFC brand ethicality	3.278	1	3.582	.060	.021
LFC brand creativity	1.290	1	1.035	.310	.006
Error					
LFC emotional/social value of design	252.894	166			
LFC quality value of design	204.780	166			
LFC design uniqueness	312.439	166			
LFC brand attitude	239.436	166			
LFC brand ethicality	151.927	166			
LFC brand creativity	206.881	166			

Table 4.15

LFC Dependent Variable Marginal Means and Standard Errors

	Piracy Condition	Revelation Condition <sup>a</sup>				
Dependent Variable		C1. LFC only	C3. Revelation	Total		
LFC emotional/social value of design	Forever21 vs. Granted Clothing	3.34 (0.21)	3.88 (0.21)	3.60 (0.16)		
	Nasty Gal vs. Jamie Spinello	3.40 (0.23)	3.74 (0.21)	3.57 (0.17)		
	Total	3.36 (0.14)	3.81 (0.13)			
LFC quality value of design	Forever21 vs. Granted Clothing	3.96 (0.19)	4.41 (0.19)	4.18 (0.15)		
or design	Nasty Gal vs. Jamie Spinello	3.91 (0.21)	4.26 (0.19)	4.09 (0.15)		
	Total	3.94 (0.12)	4.33 (0.12)			
LFC design	Forever21 vs.	3.70 (0.24)	3.80 (0.23)	3.74 (0.18)		
uniqueness	Granted Clothing Nasty Gal vs. Jamie Spinello	3.07 (0.26)	3.40 (0.23)	3.22 (0.19)		
	Total	3.36 (0.15)	3.60 (0.15)			
LFC brand attitude	Forever21 vs. Granted Clothing	4.85 (0.21)	4.33 (0.20)	4.59 (0.16)		
	Nasty Gal vs. Jamie Spinello	4.45 (0.22)	4.40 (0.20)	4.42 (0.17)		
	Total	4.65 (0.13)	4.36 (0.13)			
LFC brand	Forever21 vs. Granted Clothing	4.37 (0.16)	3.51 (0.16)	3.94 (0.13)		
ethicality	Nasty Gal vs. Jamie Spinello	3.99 (0.18)	3.69 (0.16)	3.84 (0.13)		
	Total	4.18 (0.10)	3.60 (0.10)			
LFC brand creativity	Forever21 vs. Granted Clothing	4.37 (0.19)	3.65 (0.19)	4.01 (0.15)		
v	Nasty Gal vs. Jamie Spinello	3.95 (0.21)	3.58 (0.19)	3.76 (0.15)		
	Total	4.16 (0.12)	3.61 (0.12)			

 $<sup>\</sup>overline{}^{a}$  Marginal means are reported along with standard errors in parentheses. All marginal means were computed at the prior LFC brand awareness level of 0.67 on dummy coding (0 = No, 1 = Yes).

LFC Multiple Regression: Hypotheses 8 and 12. A multiple linear regression analysis was used to test H8 and H12, which predicted that consumers' perceived LFC brand ethicality and LFC brand creativity would positively influence their LFC brand attitudes, respectively. The analysis supported both hypotheses (Adj.  $R^2 = .297$ , p < .001). Both perceived LFC brand ethicality (std.  $\beta = 0.422$ , t = 4.934, p < .001) and brand creativity (std.  $\beta = 0.174$ , t = 2.035, p = .043) were significant, positive predictors of participants' LFC brand attitude.

LFC Mediation Analyses: Hypotheses 9 and 13. H9 and H13 predicted consumers' perceived LFC brand ethicality and creativity will mediate the effect of a piracy revelation on LFC brand attitude, respectively. Mediation analyses were proposed to be completed in four steps, three of which were already completed through previous analyses. The first step requires the significant effects of independent variable (IV: fashion design piracy revelation) on the two mediating variables (MVs: perceived ethicality and creativity of LFCs); this was assured in the aforementioned MANCOVA analysis performed for H7 and H10. The second step requires the significant relationships between the MVs and the dependent variable (DV: LFC brand attitude), which were confirmed through the aforementioned significant multiple regression analysis results performed for H8 and H12. The third step in the mediation analyses requires the significant effect of the IV on the DV, which was revealed in the aforementioned MANCOVA analysis results related to H5 to be non-significant (p = .118). Given the non-significant IV-DV relationship, the fourth step, which would require a significant IV effect on the DV to become non-significant with the inclusion of the MVs as additional predictors in the model, is deemed unnecessary, and the mediation hypotheses (H9 and H13) were both rejected.

## **Small Independent Fashion Designer (SIFD) Hypotheses**

SIFD Multivariate Analysis of Covariance (MANCOVA): Hypotheses 2, 4, 6, and 11. A 2 (Revelation: C2 vs. C3) × 2 (Piracy Case: Granted Clothing vs. Jamie Spinello) between-subjects MANCOVA was also conducted to test the effect of the fashion design piracy revelation on each of the SIFD dependent variables. SIFD emotional/social value of design, SIFD quality value of design, SIFD design uniqueness, SIFD brand attitude, and SIFD brand creativity were used as dependent variables. Prior LFC brand awareness was again used as a covariate in the analysis. Results from the SIFD MANCOVA indicated no significant main effect of the Revelation (Wilk's  $\lambda = .962$ ,  $F_{5,166} = 1.319$ , p = .259, partial  $\eta^2 = .04$ ). Significant main effects were found for Piracy Case (Wilk's  $\lambda = .941$ ,  $F_{5,166} = 3.117$ , p = .010, partial  $\eta^2 = .086$ ) and the interaction effect (Revelation × Piracy Case) (Wilk's  $\lambda = .893$ ,  $F_{5,166} = 3.963$ , p = .002, partial  $\eta^2 = .11$ ). A significant effect was not found for the prior awareness of LFC brand (Wilk's  $\lambda = .948$ ,  $F_{5,166} = 1.829$ , p = .110, partial  $\eta^2 = .052$ ).

Although the MANCOVA did not reveal a significant Revelation main effect hypothesized in this study, the significant Piracy Case main effect found from the MANCOVA warranted further univariate investigation. Therefore, results from follow up univariate ANCOVAs (see Table 4.16) were examined, which again confirmed the non-significant Revelation main effects for perceived emotional/social value of SIFD design (p = .138) and quality value of design (p = .421), rejecting H2; perceived SIFD design uniqueness (p = .213), rejecting H4; and perceived SIFD brand attitude (p = .083), rejecting H6. However, in spite of the non-significant Revelation main effect from the MANCOVA, the ANCOVA results revealed a significant Revelation main effect for perceived SIFD brand creativity (p = .034). H11 predicted that consumers exposed to a piracy revelation (C3) would have greater perceived brand

creativity for SIFDs than those exposed only to the SIFD designs (C2). The estimated marginal means (see Table 4.17) supported H11 in that C3 participants did have higher perceived SIFD brand creativity than C2 participants (*Marginal M*<sub>C2</sub> = 4.21, *Marginal M*<sub>C3</sub> = 4.60).

In terms of the Piracy Case main effect, results from the ANCOVAs revealed significant effects at the product level for perceived emotional/social value of design (p = .008;  $M_{C2} = 3.69$ ,  $M_{C3} = 3.97$ ) and quality value of design (p = .008;  $M_{C2} = 4.57$ ,  $M_{C3} = 4.70$ ), revealing that participants perceived greater emotional/social and quality value of Granted Clothing's sweater design than Jamie Spinello's necklace design. Further, at the brand level, brand attitude was found to be significantly higher towards Granted Clothing than towards Jamie Spinello (p = .001;  $M_{C2} = 4.62$ ,  $M_{C3} = 4.92$ ). However, Piracy Case did not have a significant main effect on SIFD design uniqueness and brand creativity perceptions (see Table 4.16).

Results from the ANCOVAs (see Table 4.16) showed the interaction effect (Revelation × Piracy Case) was significant for perceived design uniqueness (p < .000) in that the perceived uniqueness of Granted Clothing's sweater design was increased with the piracy revelation ( $Marginal\ M_{C2} = 3.54$ ,  $Marginal\ M_{C3} = 4.64$ ), whereas that of Jamie Spinello's necklace design was decreased with the piracy revelation ( $M_{C2} = 4.47$ ,  $M_{C3} = 3.89$ ) (see Figure 4.2).

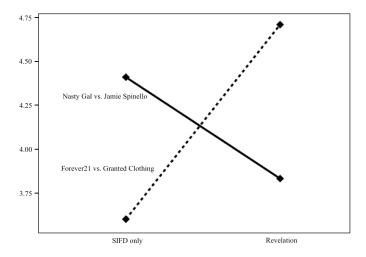


Figure 4.2. Significant interaction effect for perception of uniqueness of SIFD design.

Table 4.16

SIFD Univariate ANCOVA Results

<b>Effect and Dependent Measure</b>	SS	df	F	p	partial η²
Prior Awareness of the LFC					•
SIFD emotional/social value of design	635.701	1	2.579	.110	.015
SIFD quality value of design	873.533	1	1.344	.248	.008
SIFD design uniqueness	679.023	1	0.363	.547	.002
SIFD brand attitude	1021.836	1	7.763	.006	.044
SIFD brand creativity	749.187	1	0.136	.713	.001
Revelation (C2 vs. C3)					
SIFD emotional/social value of design	3.364	1	2.221	.138	.013
SIFD quality value of design	0.823	1	0.651	.421	.004
SIFD design uniqueness	3.066	1	1.565	.213	.009
SIFD brand attitude	3.714	1	3.039	.083	.018
SIFD brand creativity	6.276	1	4.561	.034	.026
Piracy Case (Granted Clothing vs. Jamie Spinello)					
SIFD emotional/social value of design	10.914	1	7.223	.008	.041
SIFD quality value of design	7.515	1	5.944	.016	.034
SIFD design uniqueness	0.028	1	0.014	.905	.000
SIFD brand attitude	13.646	1	11.166	.001	.062
SIFD brand creativity	0.013	1	0.009	.924	.000
Revelation × Piracy Case					
SIFD emotional/social value of design	3.625	1	2.394	.124	.014
SIFD quality value of design	4.215	1	3.334	.070	.019
SIFD design uniqueness	31.310	1	15.981	.000	.086
SIFD brand attitude	2.538	1	2.077	.151	.012
SIFD brand creativity	2.963	1	2.154	.144	.013
Error					
SIFD emotional/social value of design	257.491	170			
SIFD quality value of design	214.931	170			
SIFD design uniqueness	333.062	170			
SIFD brand attitude	207.755	170			
SIFD brand creativity	233.923	170			

Table 4.17

SIFD Dependent Variable Marginal Means and Standard Errors

		Revelation Condition <sup>a</sup>		
Dependent Variable	Piracy Case Condition	C2. SIFD only	C3. Revelation	Total
SIFD emotional/social	Forever21 vs. Granted Clothing	3.88 (0.20)	4.45 (0.20)	4.17 (0.15)
value of design	Nasty Gal vs. Jamie Spinello	3.50 (0.21)	3.49 (0.20)	3.49 (0.16)
	Total	3.69 (0.13)	3.97 (0.13)	
SIFD quality value of design	Forever21 vs. Granted Clothing	4.69 (0.18)	5.14 (0.19)	4.91 (0.14)
or design	Nasty Gal vs. Jamie Spinello	4.42 (0.19)	4.27 (0.19)	4.36 (0.14)
	Total	4.57 (0.12)	4.70 (0.12)	
SIFD design uniqueness	Forever21 vs. Granted Clothing	3.59 (0.23)	4.71 (0.23)	4.15 (0.18)
1	Nasty Gal vs. Jamie Spinello	4.40 (0.24)	3.82 (0.23)	4.11 (0.18)
	Total	4.00 (0.15)	4.26 (0.15)	
SIFD brand attitude	Forever21 vs. Granted Clothing	4.88 (0.18)	5.41 (0.18)	5.15 (0.14)
attitude	Nasty Gal vs. Jamie Spinello	5.41 (0.18)	4.42 (0.18)	4.39 (0.14)
	Total	4.62 (0.12)	4.92 (0.12)	
SIFD brand creativity	Forever21 vs. Granted Clothing	4.10 (0.19)	4.39 (1.13)	4.42 (0.15)
<b>-</b>	Nasty Gal vs. Jamie Spinello	4.33 (0.20)	4.45 (0.19)	4.39 (0.15)
	Total	4.21 (0.13)	4.60 (0.13)	

<sup>&</sup>lt;sup>a</sup> Marginal means are reported along with standard errors in parentheses. All marginal means were computed at the prior LFC brand awareness level of 0.67 on dummy coding (0 = No, 1 = Yes).

**SIFD Simple Regression: Hypothesis 14.** A simple linear regression was employed to test H14, which predicted that consumers' perceived SIFD brand creativity would positively influence their SIFD brand attitude. Results revealed that participants' SIFD brand attitudes

increased as their perceptions of the creativity of the SIFD brand increased (std.  $\beta$  = .484,  $F_{1,173}$  = 52.961, Adj.  $R^2$  = .230, p < .001); about 23% of the variance in SIFD brand attitude was explained by consumers' perception of SIFD brand creativity. Thus, H14 was supported. The regression analysis was further employed in the mediation analysis conducted for H15.

SIFD Mediation Analysis: Hypothesis 15. H15 predicted that consumers' perceived SIFD brand creativity would mediate the effect of a piracy revelation on SIFD brand attitude. Mediation was again examined in four steps, three of which were already completed through the aforementioned analyses. The first step required the significance of the IV (fashion design piracy revelation) on the MV (perceived brand creativity of SIFDs), which was confirmed in the aforementioned SIFD MANCOVA performed for H11. The second step requires a significant relationship between the MV and the DV (SIFD brand attitude), which was revealed in the simple linear regression performed for H14. The third step in the mediation analysis requires the significant effect of the IV on the DV; however, this effect was found non-significant according to the previously performed MANCOVA for H6. Given the non-significant IV-DV relationship, the fourth step, which would have required a significant IV effect on the DV to become non-significant with the inclusion of the MV, was deemed unnecessary, and thus the mediation hypothesis (H15) was not supported. An overview of hypotheses and results can be viewed in Table 4.18.

Table 4.18

Overview of Study Hypotheses

Hypothesis	Result
Hypothesis 1: Consumers who are exposed to a fashion design piracy revelation will have lower perceived (a) emotional, (b) social, and (c) quality value of pirated (LFC) designs than those who are not exposed to a revelation.	Rejected
<b>Hypothesis 2:</b> Consumers who are exposed to a fashion design piracy revelation will have higher perceived <b>(a)</b> emotional, <b>(b)</b> social, and <b>(c)</b> quality value of original (SIFD) designs than those who are not exposed to a revelation.	Rejected
<b>Hypothesis 3:</b> Consumers who are exposed to a fashion design piracy revelation will have lower perceived uniqueness of pirated (LFC) designs than those who are not exposed to a piracy revelation.	Rejected
<b>Hypothesis 4:</b> Consumers who are exposed to a fashion design piracy revelation will have higher perceived uniqueness of original (SIFD) designs than those who are not exposed to a piracy revelation.	Rejected
<b>Hypothesis 5:</b> Consumers who are exposed to a fashion design piracy revelation will have a lower brand attitude towards the LFC involved than those who are only exposed to the LFC's design.	Rejected
<b>Hypothesis 6:</b> Consumers who are exposed to a fashion design piracy revelation will have a higher brand attitude towards the SIFD involved than those who are only exposed to the SIFD's design.	Rejected
<b>Hypothesis 7:</b> Consumers who are exposed to a fashion design piracy revelation will have lower perceived ethicality of the LFC involved than those who are only exposed to the LFC's design.	Supported
<b>Hypothesis 8:</b> Consumers' perceived ethicality of the LFC will positively influence their brand attitude towards the LFC.	Supported
<b>Hypothesis 9:</b> Consumers' perceived ethicality of a LFC involved in a fashion design piracy revelation will mediate the effect that a fashion design piracy revelation has on brand attitude towards the LFC.	Rejected
<b>Hypothesis 10:</b> Consumers who are exposed to a fashion design piracy revelation will have lower perceived brand creativity for the LFC involved than those who are only exposed to the LFC's design.	Supported
<b>Hypothesis 11:</b> Consumers who are exposed to a fashion design piracy revelation will have higher perceived brand creativity for the SIFD involved than those who are exposed only to the SIFD's design.	Supported
<b>Hypothesis 12:</b> Consumers' perceived brand creativity of the LFC will positively influence their brand attitude towards the LFC.	Supported
<b>Hypothesis 13:</b> Consumers' perceived brand creativity of a LFC involved in a fashion design piracy revelation will mediate the effect that the revelation has on brand attitude towards the LFC.	Rejected
<i>Hypothesis 14:</i> Consumers' perceived brand creativity of the SIFD will positively influence their brand attitude towards the SIFD.	Supported
<i>Hypothesis 15:</i> Consumers' perceived brand creativity of a SIFD involved in a fashion design piracy revelation will mediate the effect that the revelation has on brand attitude towards the SIFD.	Rejected

#### CHAPTER V. DISCUSSION AND IMPLICATIONS

The aim of this study was to provide a holistic understanding of consumers' perceptions of designs and brands entangled in a piracy phenomenon when large fashion corporates (LFCs) pirate the designs of small independent fashion designers (SIFDs). This chapter discusses findings in regard to the relationships comprised in the study's conceptual framework of the piracy phenomenon. First, an explanation of product level effects as revealed by the study's results related to product design perceptions is outlined in relation to both LFCs and SIFDs, respectively. Following, a discussion of brand level effects is given in relation to both LFCs and SIFDs. Finally, study implications and contributions are explored, as well as limitations and recommendations for future research.

### **Discussion of Findings**

### **Product Level Effects of a Fashion Design Piracy Revelation**

Academic research concerning the piracy phenomenon when a LFC pirates the design of a SIFD is relatively non-existent, especially in terms of empirical analysis. Part of the goal of this research was to provide product level insights for both large companies and small designers in this piracy debacle through an empirical investigation. In doing so, this study examined the effect of an experimentally manipulated piracy revelation on consumers' perceptions of both LFC and SIFD designs. The following subsections provide a detailed discussion of analysis results related to each hypothesis at the product level.

*LFC Product Effects.* Perceived value of design, which was examined by H1, was operationalized by the emotional, social, and quality dimensions of the PERVAL scale (Sweeney

& Soutar, 2001). H1 proposed a direct effect of a fashion design piracy reveal on consumers' perceived value of pirated LFC designs. Specifically, it was postulated that consumers would have lowered emotional (H1a), social (H1b), and quality (H1c) value for large companies' designs when learning that the companies had pirated the designs from small designers.

Emotional and social dimensions of value were determined to be integrated as one variable through factor analysis, representing both H1a and H1b combined. The proposition of H1a and H1b was supported by previous findings on unauthentic goods, which resemble pirated designs in this case, showing that consumers prefer not to be associated with negative affective attitudes surrounding the illegal nature of copied products (Augusto de Matos et al., 2007), and they likewise do not find such products as socially valued as their original counterparts (Alex & James, 2015). Findings from this study, however, did not support H1a and H1b, meaning that consumers exposed to the fashion piracy reveal did *not* have less emotional and social value for the pirated LFC designs. In fact, findings show that consumers perceived *greater* emotional/social value for the pirated LFC designs once knowing of their piracy.

H1c, which involved the quality dimension of value, revealed similar results as H1a and H1b. H1c, which predicted that consumers would have lowered perception of quality value for pirated (LFC) designs once learning of their piracy, was rejected. The rationale for H1c was bolstered by the argument that because pirated designs are copies of small designers' work, they may lack the often fine-tuned craftsmanship designers imbue in the planning and creating of their designs, these aspects being related to functional attributes of a product. However, findings revealed that although a significant relationship was found between the piracy information reveal and perception of quality value of LFC designs, consumers actually showed *greater* quality value for pirated LFC designs once learning of their piracy.

Taken together, consumers perceived greater value for large companies' fashion designs when learning that the companies had purportedly pirated the designs from small designers, as opposed to when they did not know this information. One reason such findings can be speculated is it is possible that when consumers were revealed the piracy knowledge, they may have felt that if the design was good enough for a large and well-known company to copy the design idea from a smaller entity, then the design itself must be valuable, thus increasing perceptions of value for the pirated LFC design. This postulation has to acknowledge that consumers would have then ignored the idea that the occurred piracy may hurt the small designer, and instead focused on the value derived from the design itself. It is understandable how this may be the case since questions from the PERVAL scale directed participants to hone their attention on the designs in question, and perhaps in the framing of these questions and the provided directions, participants responded to such while ignoring feelings about the brands themselves. This study conjectured that feelings about piracy actions within a LFC and SIFD context would imbue feelings about the pirated LFC designs themselves; however, findings from the rejected design value hypothesis suggest otherwise, and thus warrant future investigation as to root causes.

Also, at the product level, an examination of consumers' perception of how unique LFCs' pirated designs were after learning of their piracy was analyzed. When it comes to consumers perceiving a product's uniqueness, Tian et al. (2001) regard this as the extent to which the consumer distinguishes the product as being *different* from other products within the same category. This notion of uniqueness is akin those of creativity (Dollinger, 2003) in that unique products can be seen by consumers as innovative and original with competing products in similar product categories (Cooper, 1979). H3 predicted that consumers would have a lowered perception of uniqueness of LFCs' designs once learning of their piracy based on the idea that

with piracy knowledge, consumers would be informed that LFC designs were actually purportedly stolen ideas form SIFDs, losing the distinguishing originality and innovativeness imbued in products viewed as original conceptualizations. That is, it was predicted that LFC products shown to consumers without being given the piracy claims would be assumed by consumers to be original LFC ideas, and the information of their piracy would lower their perception of uniqueness since consumers would be revealed that the designs were in actuality stolen concepts. Despite this postulation, a piracy reveal did not have a significant effect on consumers' perception of uniqueness for LFCs' designs, rejecting H3.

One reason for this non-significant result can be that consumers may have interpreted questions related to perception of design uniqueness more along the lines of their product scarcity rather than for their original conceptualization. In addition to representing ideas of creative innovation (Cooper, 1979), the perception of product uniqueness construct is also supported by commodity theory, which claims that product scarcity is a driving factor in consumers' desirability of unique products (Brock, 1968; Jung & Kellaris, 2004; Lynn, 1989). Questions regarding design uniqueness may have steered consumers into thinking more about the scarcity aspect of the design in relation to other designs rather than the creative qualities of the design's conception. If consumers' responses regarding a LFC's designs uniqueness were more related to their perception of the product's quantity-based scarcity, the information that a LFC's design would be mass-produced would be equally applicable to both conditions with and without a piracy revelation since they both utilized the same LFC design stimulus. Since both designs were exposed to consumers as corporate designs, embodying the notion of large-scale mechanization and distribution, the experimental factor (a piracy reveal) may not have wielded much influence, and thus resulted in the non-significant difference in perceived design uniqueness between the two conditions.

Further, the rejection of H3 can be extended from the aforementioned rationale regarding participants focusing solely on design characteristics while responding to questions and consciously ignoring the brand and piracy information given. Taken together, in terms of consumers' perceptions about pirated LFC designs upon a revelation of companies' piracy practices on small designers, this study provides evidence to support that product level effects of the design piracy are either inconsequential (in the case of consumers' product [design] uniqueness perceptions) or actually beneficial (in the case of consumers' value perceptions) for large companies. Further product implications will be discussed in later sections.

SIFD Product Effects. In addition to illuminating consumers' perceptions on LFCs' (pirated) designs, insights about SIFDs' (original) designs were also examined in the context of a piracy reveal. H2 conjectured that consumers would experience higher (a) emotional, (b) social, and (c) quality value for small designers' designs when learning that they had been pirated by a large company. In terms of emotional value, this was conjectured with the rationale that with a piracy reveal, consumers may empathize with designers and thus highly associate this perception with the designers' products. Along these lines, social value was hypothesized to increase based on findings that consumers are geared towards consumptive preferences that advocate social well-being (Stratton & Werner, 2013) as well as numerous real-world examples in which consumers advocate for small designers who have been purportedly pirated. Quality value was proposed to increase based on the idea that original designs hold the strong craftsmanship qualities that are lacking in large-scale manufacturing processes of company knock-off designs.

However, H2a, H2b, and H2c were all rejected, as the direct effects of the piracy revelation were not significant on any of these SIFD design value perception variables. This means that consumers did not perceive greater value (i.e., emotional, social, and quality) for

small designers' products after learning that they had been pirated by large companies. This may be the case for reasons that were speculated for the LFC design perception variables in that participants focused literally on just design related aspects, and in the process of responding to such measures, consciously refused to the influence of the informing piracy knowledge on their perceptions of the products themselves. Further, it can be speculated that in the simplest way, this piracy information was just not effectively strong enough in influencing perceptions about designs themselves.

Furthermore, in terms of product effects, H4 predicted that consumers would have a higher perception of uniqueness for SIFD designs after learning of their piracy by a large company. The main effect of the piracy revelation on perceived uniqueness was not found to be significant, rejecting H4. This unsupported effect can likely be due to reasons similar to those speculated for the rejection of LFC design uniqueness (H3). That is, consumers' perception of uniqueness for the SIFD designs may not have significantly changed since the same two products were being asked about in each condition. This means that rather than focusing on the uniqueness related to design conception (i.e., its unique origin), consumers interpreted more along the lines of the product quantity scarcity aspects of the uniqueness construct which did not falter due to the products being of the same (SIFD) origin. However, a significant piracy revelation × piracy case interaction effect was revealed in this study for perception of SIFD design uniqueness. That is, the revelation effect on perceived SIFD design uniqueness varied between the two cases (i.e., brands). Although consumers had lower perception of uniqueness for Spinello's necklace design after acquiring knowledge of its piracy, they perceived higher uniqueness for Granted Clothing's sweater design after finding out about its piracy, as proposed by H4.

Results from H2 and H4 suggest that design perceptions in the wake of a piracy revelation cannot be generalized across all cases for small designers. That is, for some small designers and their designs, piracy information of this kind may matter, while it may not for others. What aspects of the designers and the designs themselves revealed these findings is in question. Whether this is a consequence of aspects related to pre-existing perceptions of the SIFD or LFC brands or of a delivery of the piracy information (i.e., the actual story unique to each piracy case) is yet to be determined, and thus requires future investigation. Further, because this study tested two different design categories of apparel (sweater vs. necklace), the significant moderating role of piracy case for the piracy revelation effect on SIFD design uniqueness perception could stem from product category differences, and this suggestion likewise warrants further research in the product category domain of this type of design piracy. Lastly, it could be speculated that Granted Clothing's sweater design was perceived by participants as more intricate than Jamie Spinello's necklace design, giving consumers more information to determine product related perceptions about the designs. For instance, Granted Clothing's sweater depicts a repetitive image stitched into the sweater textile, as well as utilizes multiple colors. Spinello's necklace, on the other hand, is a simple metal weave design with a monochromatic finish. It can be said that certain aspects of the designs themselves may influence consumers' perceptions of how valuable and unique they are perceived in designs by small designers within this piracy context. All of the aforementioned theorizing warrants future investigation into aspects of designs and brands that revealed the current study's results.

# **Brand Level Effects of Fashion Design Piracy Revelation**

In addition to revealing product level effects, the other purpose of this research was to examine how consumers perceive the LFC and SIFD brands involved in this type of fashion

design piracy. In doing so, brand related constructs were empirically examined by this study, offering several unprecedented insights. The following subsections provide a detailed discussion of study results related to LFC and SIFD brands, respectively.

LFC Brand Effects. It was important for this study to offer a holistic perception towards companies that pirate small designers; thus, brand attitude towards the LFC was examined. H5 proposed a direct effect of a design piracy reveal on consumers' brand attitude towards the LFC; particularly, it was hypothesized that the revelation of a LFC's piracy practices on SIFDs would decrease consumers' attitude towards the LFC. The hypothesis was supported by the idea of negative connotations surrounding brands that copy other brands seen in similar studies regarding counterfeiting practices like Tom et al.'s (1998) research which revealed a majority of respondents in a study chose not to purchase products from brands that provide counterfeit goods when posed with the opportunity, highlighting negative brand associations. However, H5 was not supported in this study because the effect of the piracy reveal on consumers' brand attitude was non-significant.

Although this result does not necessarily contradict previous findings since there is virtually no literature on this specific type of fashion design piracy, it alludes to the fact that H5's underlying rationale built upon counterfeiting studies is not necessarily appropriate. That is, the non-significant revelation effect on LFC brand attitude suggests fundamental differences between piracy and counterfeiting in forming attitudes towards purported culprits. This was acknowledged by previous researchers in alluding to the differences in underlying mechanisms that may define the piracy and counterfeiting concepts (Raustiala & Sprigman, 2006, 2009; Wilke & Zaichkowsky, 1999). In this sense, findings of this study provide an insight on the differences between piracy and counterfeiting, which should be considered in future research in

order to further establish piracy as a concept unique from the counterfeiting studies that have already been conducted in consumer research.

Furthermore, why a holistic brand perception like attitude towards companies did not significantly decrease in the wake of what was conjectured by the researcher to be incriminating LFC information warrants future investigation. However, one reason this result was found regarding consumers' brand attitude perception could be due to the level of prior brand awareness revealed in this study. This research was diligent in acknowledging that consumers' brand awareness and attitude prior to brand exposure may impact subsequent study responses, and thus was captured as a pre-measure. In fact, it was found that prior brand awareness of the LFCs was *not* found to be consistent between the two cases. That is, of the two large company brands employed, the Forever21 brand was overwhelmingly more known by participants prior to brand exposure (98.5% of the time) than the Nasty Gal brand (31.3%). Acknowledging this, the study included prior brand awareness as a covariate to partial out such influence; however, the statistical significance of the relationship between a piracy reveal and LFC brand attitude did not change, meaning that awareness prior to brand exposure may have been ruled out as a possible reason for the rejection of H5. However, it can be speculated that in light of the significantly lower awareness for the Nasty Gal brand than for Forever21 among participants in this study, consumers may have perceived the brand as not a large fashion corporate at all, potentially confounding results. That is, where the study conceptualized a reveal specifically in a direction where a LFC pirates a SIFD, if consumers did not perceive the presented company as a LFC (which many were found to have not in the case of the Nasty Gal brand), then the argument can be made that the LFC brand could have appeared as relevantly known as a SIFD brand. The aforementioned changes the relationship the nature of the relationship that consumers perceived,

potentially inaccurately representing the fashion design piracy phenomenon as conceptualized in this study. Keeping this in mind, future studies are warranted to heed great measure in ensuring consumers differentiate between LFC and SIFD brands and the characteristics related to notions of each (i.e., what it means to be a "big brand" and a "small brand") in analyzing this specific phenomenon.

To further explicate brand perceptions towards large companies accused of pirating small designers, more nuanced brand perceptions were analyzed. Although in recent years examining concepts of ethical behavior in relation to brands has been a popular route of research, such as with the topic of corporate social responsibility, not many studies have specifically analyzed consumers' brand ethicality perception (Brunk, 2012; Tsalikis & Seaton, 2006). H7 predicted that consumers' perception of a LFC's ethicality would lower upon learning information that the LFC had pirated a small designer's product. H7 was reasoned on the idea that a company's piracy practices are not only non-transparent to their consumers, they could also be perceived as unfair to the copied entities (small designers), as evident by consumers' adverse reactions in the earlier cited examples of social media posts and petitioning against such companies. This notion was built based on Brunk's (2012) findings establishing the perceived brand ethicality variable, revealing that consumers significantly delineated this construct with qualities like a company's honesty, transparent disposition, fairness, and integrity. Indeed, this study found that consumers had lower perceived brand ethicality for LFCs when revealed their design piracy, supporting H7. These findings acknowledge that LFCs' piracy practices are seen as less ethical to consumers, supporting Brunk's (2012) notions of what it means for a company to be perceived as ethical.

H8 predicted that consumers' perceived ethicality of LFCs would positively influence their LFC brand attitude. Results indicated a significant positive relationship between brand

ethicality and brand attitude, supporting H8. As LFC ethicality decreased, LFC brand attitude did as well. Brand attitude captures cognitive components such as awareness, beliefs, and judgements about brands (Aaker & Day, 1982), and perceived brand ethicality can be likened to these types of cognitive associations. In this study, brand attitude was operationalized as a holistic form of brand favorability or likeness (Aaker & Day, 1982), and arguably consumers do not desire (or at least admit) to favor brands that commit what they perceive is unethical behavior (contextualized by Brunk's [2012] perceived brand ethicality construct). Thus unsurprisingly, but impactfully, results indicated brand attitude and perceived ethicality significantly trend in the same direction. Given the two aforementioned significant relationships (H7 and H8), consumers' ethicality of LFCs was further examined as a mediator between a reveal of LFC alleged piracy practices and consumers' brand attitude towards LFCs (H9). However, a complete analyzation of this relationship could not be accomplished due to the non-significant direct effect of the piracy revelation on LFC brand attitude (H5), and thus H9 was rejected. This means that although perceived brand ethicality as a mediator in the relationship between a piracy reveal and consumers' brand attitude was rejected for this study, a possibility for this structural relationship is not eliminated given the significance of the other two relationships (i.e., piracy reveal on perceived LFC ethicality and perceived LFC ethicality on LFC brand attitude) warranting further investigation for future studies.

The final LFC brand perception analyzed was creativity. Perceived brand creativity was operationalized as consumers' evaluation of the originality of a brand's products, specifically in relation to caliber of artistic merit. H10 proposed that consumers' perception of a LFC's brand creativity would lower upon a piracy reveal, and this was found, supporting the hypothesis. In other words, consumers who were revealed the information that a large company had pirated a

small designer had a lower perception of the company's brand creativity than those that were not revealed this information. This confirms the proposed notion that within this context, companies are seen as replicators of authentic work (i.e., design as creative work), and previous studies regarding fabricated artwork have shown that original pieces are more so valued than duplicates (Newman & Bloom, 2011).

H12 which predicted that consumers' brand creativity would positively influence brand attitude towards LFCs, was found to be supported. Results indicated that as LFC brand creativity weakened, so did LFC brand attitude. Further, perceived brand creativity of LFCs was also examined as a mediator between a reveal of LFC alleged piracy information and brand attitude towards LFCs (H13). Support for this hypothesis could not be sought due to the non-significant direct effect of a piracy revelation on LFC brand attitude. Despite no support to indicate that brand creativity is a mediator for brand attitude within this specific piracy context, this study offers an unprecedented insight by revealing both the empirical link between a piracy reveal and brand creativity as well as brand creativity and brand attitude, which, taken together, can suggest the structural relationships among these variables that should be further examined in future research.

were examined on consumers' attitudes towards the designer brands as well designer brand creativity. In order to understand a holistic brand perception, H6 proposed a direct effect of the revelation on small designer brand attitude. Specifically, it was conjectured that once consumers learned that the small designer was pirated by a large company, their attitude towards the designer would increase. This conjecture was supported in a case similar to the piracy phenomenon showing that consumers' equity for original designers increased with the availability of counterfeits of those designers' original goods (Nia

& Zaichkowsky, 2000). In this way, attitude towards the SIFD was conjectured to increase when consumers realized that the SIFD's design was possibly valued enough to be pirated by a brand much larger than them. Despite this conjecture, a non-significant revelation effect was found, rejecting H6.

Reasons for the rejection of H6 can be speculated similarly to the rejection of LFC brand attitude (H5), and it can again be conjectured that there are some fundamental aspects of pirating in this context that may not impact consumers' brand attitude at all. The rationale for SIFD brand attitude was built upon studies examining the counterfeiting phenomenon, which results from this study implicate are conceptually more dissimilar than originally presumed. These findings suggest that future studies should continue to distinguish the two concepts, especially when employing small designers.

Discussion pertaining to LFC brands highlighted that perhaps level of prior awareness was a factor in impacting brand attitude results, and this discussion can similarly be speculated for the rejection of H6. As previously mentioned, the conceptual association this study wished to present to participants regarding the nature of what a LFC and SIFD relationship is could have potentially been misperceived as evident through participants' unawareness of the LFC brand Nasty Gal. That is, as aforementioned, the LFC Nasty Gal brand was not well known by consumers in this study, alluding to the idea that the intention of a brand viewed as a large company may have in fact been viewed by participants as another virtually unknown fashion brand, like the SIFDs employed. This potentially compromised the SIFD brand attitude results in the relationship with the piracy reveal, which critically necessitated that consumers perceived a large-company-to-small-brand relationship. Therefore, brand attitude may not have been liable to increase upon a piracy revelation if consumers viewed the two brands as equal counterparts in this relationship. Not only does this indicate that level of awareness has more of an underlying

impact on brand attitude outcome than anticipated (for both SIFDs and LFCs), it also implicates that establishing the nature of the relationship between fashion brands is an important factor in understanding this specific piracy phenomenon.

Despite the rejection of H6 revealing a non-significant direct effect of a piracy revelation on consumers' brand attitude for small designers, unexpectedly, the significant piracy case main effect on SIFD brand attitude revealed that attitude towards the Granted Clothing brand was significantly more favorable than that of Jamie Spinello. This could have been caused by multiple speculable reasons. For one, given the lack of awareness of both designer brands among the study sample, the linguistic and/or semantic characteristics of the designer brand names themselves might have impacts (Grewal, Krishnan, Baker, & Borin, 1998; Maheswaran, Mackie, & Chaiken, 1992). Related, the two cases differed in their product categories (sweater vs. necklace) which may have resulted in this finding. Furthermore, the type of information participants were given regarding each small designer brand may have influenced responses. Perhaps the Granted Clothing piracy account was more descriptive and gave participants more brand information to develop an attitude (presuming there was not one already which was statistically confirmed by the prior brand awareness and attitude measures) towards the brand than the Jamie Spinello account. Further reasons could be due to other brand elements such as aesthetic preference for brand logo, the description of the brand's behavior in response to the piracy given in the account, and the preference of design elements. Brand attitude, which was operationalized to capture an overall favorability, could have been more impacted by these elements for Granted Clothing than for Jamie Spinello. All speculations in terms of small designer brand attitude warrant further investigation for research studies in the future.

Like the large company analysis, brand creativity was also examined in the context of small designers. H11 proposed that consumers would have a higher perception of small designers' creativity once learning that their designs had been pirated by a large corporation. Although findings indicated that the revelation effect was not significant, analysis of the univariate effect on brand creativity revealed a significant relationship. In other words, H11 was supported in that findings revealed participants did have a higher perception of brand creativity for small designers once learning they had been pirated. This result confirms that consumers' creativity perceptions change for small designers when knowing they have been pirated by a large company, specifically increasing with piracy information. This finding is incredibly novel in that perception of brand creativity has not been measured within a piracy context in prior studies to the researcher's knowledge. However, it does echo sentiments from literature suggesting that consumers acknowledge that the act of a brand being copied alludes to that brand's success in creating an innovative product that is desired to the extent of its piracy by other entities (Bian & Veloutsou's, 2007). This result may have manifested from consumers' perception that if a small designer's work was valuable enough by a large company to copy given the company's access to an abundance of resources beyond the scope of what is available to small designers, then the designer themselves may be highly creative. After all, design creativity is not contingent on resources, and in fact may often flourish in the absence thereof. These consequences will be further discussed in relation to the LFC implications in later sections.

This study reveals a direct positive relationship between perceived brand creativity and attitude towards the small designer (H14). Associations between perceived creativity and brand attitude have been found before in relation to advertisement creativity, showing that unexpected

ad creativity promoted favorable brand attitude (Ang & Low, 2000). Although in a vastly different context, this study's results corroborate those previous findings by revealing a positive association between perception of creativity and brand attitude. Divergently and importantly, however, they offer new insights by examining creativity as a brand construct and revealing how this perception positively impacts attitude towards brands, particularly in small designer brand contexts.

Brand creativity of small designers was also examined as a mediator in the relationship between consumers' acquisition of their alleged piracy and consumers' brand attitude towards small designers (H15). The mediating hypothesis could not be fully examined due to the rejection of H6 which determined a non-significant direct effect of the piracy reveal on consumers' brand attitude towards small designers. However, taken the significant effect of a piracy revelation on perceived brand creativity (H11) and the significant relationship between perceived brand creativity and brand attitude towards SIFDs (H14), the potential structural relationships among these three variables cannot be completely refuted, and thus require further investigation for future studies.

#### **Implications**

Through the empirical analysis of the relationships proposed in the study's conceptual model, this research offers several academic and practical (i.e., managerial and societal) implications, and such are discussed as organized by the following subsections. The following subsections will illustrate these implications in a holistic manner as revealed by the mix of hypotheses support previously discussed.

## **Academic Implications**

Theoretical implications from this study are vast. At the forefront, an academic evaluation of an unexplored piracy phenomenon from a consumer perspective is offered. At the forefront, where previous studies of this nature have focused on the fashion counterfeiting practices of off-brand and often virtually unknown merchants on popular luxury brands (Bian & Moutinho, 2011; Ha & Lennon, 2006; Kim & Karpova, 2010; Nia & Zaichowsky, 2000; Wilcox, Kim, & Sen, 2009), this study explored and empirically evaluated the piracy practices of large well-known fashion companies on scarcely known small independent designers. That is, the reversed piracy direction examined in this study spearheads an academic discussion regarding a reversed piracy direction than what has been previously offered, initiating the way for this specific academic discussion in consumer science domains. Further, robust evidence is offered to suggest divergences between traditional concepts of counterfeiting and the piracy relevant to this study. As previously mentioned, although piracy and counterfeiting practices possess theoretical similarities, nuances between the phenomena highlight the need to investigate and contrast dissimilarities inherent to their underlying mechanisms. To this answer, this study's findings highlight differences in relation to previous research on counterfeiting. For instance, where consumers' brand attitude may have faltered in the wake of counterfeiting information, this study implicates that brand attitude may not be as subjected to changes as influenced by piracy information (at least in a piracy direction of this kind).

Addressing the gap in research regarding this type of piracy phenomenon has valuable implications for academic discourse. For one, a focal point of this study was to tackle issues from a consumer's point of view by focusing on perception, and this research acknowledged this by evaluating several perception constructs related to marketing and branding disciplines.

Analyzing both product- and brand-level perceptions offers a well-rounded perspective to

explicate the phenomenon within the context of consumer studies. Further, this research created a unique depiction of the conceptual model regarding the phenomenon that simultaneously integrates consumer perception variables while addressing product and brand level consequences. Not only does this type of model offer an enriched understanding of the phenomenon, it can also serve as a catalyst for future research to expound upon in further investigation from both consumer and theoretical framework perspectives. This conceptualization can stimulate both academic and practical discussion. Building from this, the model can be extended or augmented for future studies. For instance, it may be of interest to analyze consumers' behavioral intentions as related to perception variables.

Methodological implications are also offered. Due to a lack of previous marketing and branding discussion, several of the study's constructs were operationalized by creating or augmenting existing instruments, and this effort has developed a way to investigate these constructs. For example, this research evaluated perceived brand creativity which is a variable lacking in current discussion regarding branding studies. By adapting an existing scale taken from advertisement literature (Gurérin, 2008) and performing analysis to ensure its construct validity and reliability, an innovative contribution in examining brand creativity is offered and can be utilized by future studies within this research topic and beyond.

Another methodological contribution of this study is the use of experimental design in examining a new phenomenon. This research uses a controlled empirical analysis to explore a rarely approached topic, and in this way, offers academic significance. Previous studies in this realm which have traditionally focused on counterfeiting practices have relied on the methodology of consumer surveys (e.g., Bian & Moutinho, 2011; Wilcox, Kim, & Sen, 2009). Such an approach is often hard pressed in foregoing consumer biases, such as a social

desirability bias which can easily be elicited with topics concerning ethical perceptions and or behaviors. Unlike these studies, the current research manipulated conditions through experimental design to arrive at empirical findings which bridge a methodological gap in studies of this kind. Not only did previous studies mostly rely on consumer surveys to arrive at conclusions about topics concerning piracy/counterfeiting, they also only generally examined such topics; this study empirically evaluated multiple causal relationships to understand the phenomenon as holistically and precisely as possible, a pioneering contribution.

## **Managerial and Societal Implications**

Evaluating transformations in consumers' perceptions contingent on the reveal of piracy information offers unprecedented knowledge to inform marketing practices and decisions for large fashion companies and small designer brands alike. First, for large companies, findings surprisingly revealed that consumers perceived greater social/emotional and quality value for LFCs' designs upon knowing they had been pirated from a SIFD. This result might suggest a potential benefit for companies who pirate small designers, with a possible increase in perceptions about alleged pirated designs in the advent of their piracy, although further investigation is warranted to replicate this result with other piracy cases as well as with different participant directions that more clearly instruct the design stimulus evaluation within the context of the LFC brand name. Further, at the brand level for large companies, brand attitude was not significantly impacted based on consumers' learning of a brand's piracy practices. Although there is reason to speculate other factors such as prior brand awareness may have influenced this result, this finding suggests that the revelation of piracy did not immediately decrease consumers' brand attitude toward the LFC. Although interesting, this finding may not be applicable to long-term effects on brand attitudes toward LFCs with repeated piracy allegations.

That is, this study only replicated a short-term, one iteration consumer exposure to a LFC's piracy practices, and it could be rightfully speculated that consumers' attitudes towards chronic offenders (such as the infamously cited Forever21, which had been sued for pirating allegations upwards of 50 times back in 2011 [Sauers, 2011]) could differ.

Although the above discussion may allude to potential benefits or lack of harm on LFCs in some product- and brand-level consequences of a piracy reveal, this study more importantly reveals that consumers show a significant decline in perception of large companies' ethicality and creativity upon learning of their alleged piracy practices. Since both of these brand perceptions are inextricably tied to brand attitude as demonstrated by the positive significant relationships for each variable found on brand attitude respectively, these findings suggest that companies need to heed against piracy practices unlike what is seemingly suggestive by the design perception and brand attitude results. Moreover, why ethicality and creativity of LFCs declined in the wake of a non-significant brand attitude result warrants further investigation. However, given the more holistic nature of the brand attitude variable in comprising an overall favorability, perhaps the more pointed and specific structure of the ethicality and creativity constructs allowed these consumer sentiments to be captured where they were missed in the general likability operationalization of brand attitude. Further, as aforementioned, long term effects should be considered beyond the one-time static example exposed to consumers in this study on related brand constructs such as brand image or brand equity, which embodies consumers' perception of a brand's goodwill (Keller, 1993). If a company continues to be a chronic pirating offender like they seem to pattern, lowering perceptions such as ethicality and creativity like observed in this study may lead to an eventual dilution on the company's brand image/equity, which in turn may likely result in a long-term effect on brand attitude.

Therefore, caution must be heeded by LFCs despite non-significant brand attitude and design perception results. It may be of best interest for large companies to closely monitor the behaviors, practices, and admission of design creation of their workers, which often can become overlooked in large scale production, unless they want to fall victim to consumers thinking they are a less ethical and less creative brand for such practices. In an age where a lot of target consumer information is derived from social media analytics (conveniently the same channel in which most small independent designers showcase their products), it can be very important for large companies to stress in their management practices that the blatant copying of small designers that represent products attractive to their consumer segments should be avoided, if not for the direct harm illustrated in this study on consumers' perceptions of perceived ethicality and brand creativity for one-time allegations, but for potential long-term effects that could be seen in these perceptions diluting overall brand image/equity through multiple offenses.

In terms of practical implications for small independent designers, this study revealed mixed results. First, in regard to product design, consumers indicated no increase in emotional/social or quality value for original design when knowing they had been pirated. Practically speaking, these results provide no conclusive implications for designers concerned about the integrity of their original designs in the wake of piracy information. That is, consumers felt an increase in value perceptions for one designer (Granted Clothing) over another designer (Jamie Spinello). Although future research must explore what aspects about these two cases revealed this finding, it is safe to conjecture that in some instances a benefit can be seen for small designers in terms of how consumers interpret their designs when knowing of their piracy. This being suggested, it may be of interest for designers to widely disseminate information regarding alleged piracy to their consumers when it is speculated, as this information may in fact increase

design level perceptions and become advantageous to designers. Like suggested by previous research concerning brands who have counterfeit copies of their products, brand equity perceptions may actually increase with the knowledge of their piracy given the brand may possess a special quality in order to warrant another entity's piracy (Nia & Zaichkowsky, 2000; Bian & Veloutsou, 2007). This finding echoes these previously found sentiments, but links the relationship with the fashion design piracy relevant to this study and brand attitude, offering novel insights. Lastly, for small independent designers at the brand level, findings did not reveal that brand attitude was impacted by piracy information. However, much like with the aforementioned results, the piracy case effect did reveal that one brand (again, Granted Clothing) was seen as more favorable, suggesting that small designers may benefit in terms of brand attitude in the wake of alleged piracy. This result, however, must be further explored in order to determine the nuances between brands that reveal this result. For instance, it could be speculated that because Forever21 (accused of pirating Granted Clothing) was vastly more known by consumers than the Nasty Gal brand, this could have impacted these findings. That is, aspects of LFC brands, such as their notoriety or their popularity, may actually impact how consumers view the SIFDs involved. Perhaps if the LFC pirating the SIFD is more well-known and liked, insinuating better success, brand attitude effects towards the SIFD would differ.

Further, another benefit for small designers was revealed in that consumers felt that the SIFDs had more brand creativity once learning they had been pirated, and brand creativity was shown to significantly positively impact brand attitude towards SIFDs. These findings are beneficial to small designers in that the piracy information may increase certain brand perceptions like creativity; however, it should be noted that these results were found upon consumers being presented with this information, and in the real world, they are mostly unaware

of such allegations. Hence, the aforementioned is not to suggest that LFC piracy practices are all around profitable for small designers conflicted in this type of occurrence. Therefore, again, it may be beneficial for small designers who have already been pirated by an LFC to publicize such allegations to their consumers and others in order to raise awareness for their specific case and for the phenomenon in general.

A broader impact of this study is regarding the ongoing legal discussion on the nature of piracy and fashion design. This study offers insights to inform discussions surrounding fashion law touched on by theoretical scholars (Marshall, 2006; Raustiala & Sprigman, 2006, 2009, 2016; Rosen, 2013; Tan, 2009) that have previously lacked empirical evidence. In the digital era, instances of small designers purportedly pirated by large companies have dramatically become more common, and an observation of this phenomenon was the driving force behind this research, filling a gap that warrants academic attention (Ha & Tam, 2015). A small designer's well-being can often be described as compromised by the piracy practices of large corporations, sometimes driving such designers to seek costly legal action which is often actually unattainable due to the lack in fashion law development (Marshall, 2006; Rosen, 2013). Findings from this study illuminate fundamental aspects to inform this discourse. For instance, this study found support that consumers perceived large companies' purportedly pirated work as more valuable and unique once learning it had been copied from a small designer. The original work by small designers, however, was not found to be perceived more valuable based on its piracy, and its uniqueness perception upon the revelation of its piracy varied by case. Despite what can be postulated on how findings illuminate the theoretical nature of piracy itself, this finding alludes to a compromise for small designers based on their work and a benefit for large companies that pirate. In addition to insights such as these, this study offers a launchpad for future research to

continue to test the current study's conjectures, eventually arriving at more informed evaluations of this phenomenon that can further develop theoretical discussion regarding the growing discipline of fashion law, especially within this SIFD to LFC context.

#### **Limitations and Recommendations**

Several limitations and future research recommendations have already been touched on in discussing the product- and brand-level effects revealed by study results; however, a few more should be acknowledged. Although overall this study significantly addresses several gaps pertaining to fashion design piracy, broader limitations should be mentioned, which lead the way for future research opportunities. This study employed an experimental design to examine an unexplored design piracy phenomenon, and while the use of such design enables a greater and unprecedented understanding of the conceptual nature of the study's subject, associated limitations do exist.

First, although controlled precision was exercised in the stimulus sampling of piracy instances and assessing their effectiveness in manipulation, findings still may not fully generalize to an authentic consumer experience in encountering design piracy in real life given the static one-time exposure and the nature of the exposure. This assumption is also highlighted by significant findings discovered between piracy cases (i.e., brands). The diligence practiced in selecting two different cases of purported piracy in order to extend generalizability also illuminated unexpected differences. For instance, attitude toward one SIFD (Granted Clothing) was more favorable than the other (Jamie Spinello), regardless of piracy revelation conditions, which could have impacted the results. Potential aspects related to LFC and SIFD brands involved, product design, and study design that could impact findings beyond the controlled manipulation warrant future research in further explicating this phenomenon (e.g., prior brand

associations, design product aesthetics, the study delivery of piracy information, etc.). Furthermore, other potential variables may be more influential than previously thought, and thus, future studies may wish to augment the current study's proposed method to account for such variables in order to enhance conjectures. For instance, no possible moderating effects of personal characteristics were proposed in the study's model, and these variables may be of interest to future studies as they could influence the effects found on consumers' perception of design piracy as manipulated through a revelation. For instance, the trust or suspicion consumers perceive regarding the legitimacy of each piracy case should be evaluated not only as a control measure, but as a potential personal moderator in the proposed relationships. Although the study practiced diligence in the presentation of piracy information during the study exposure (i.e., in an attempt to make no formal accusations against LFCs in the alleged cases, the researcher framed piracy case stories as objectively as possible so that consumers could arrive at their own judgements as to the legitimacy of each case), there was no measure taken in controlling for participants actual belief in the SIFDs' claims of their designs' piracy. It is well understood in the fashion industry that piracy is rampant (Raustiala & Sprigman, 2006, 2009). Therefore, a huge potential exists for consumers to perceived piracy allegations as mere instances of design inspiration, and in this case, the necessary components of the fashion design piracy relationship are ajar, potentially confounding insights. Thus, future studies are encouraged to capture this variable.

For example, because small designers' products may be inherently more niche-market driven, it may be of interest to consider how consumers' need for uniqueness through novel designs or need for social status markers in owning rare products influence their reaction to a

piracy revelation and perceptions of the designs and brands involved, especially since these are typically the types of designs being copied by large companies in this context.

In addition to consumers' personal moderators, contextual moderating variables should be examined in future research. Although the study tested two separate instances of purported piracy (i.e., two sets of LFCs and SIFDs) for the purpose of generalizability, future studies will want to investigate several more instances of piracy to not only improve the external validity of findings, but to pinpoint moderating roles of different characteristics of piracy cases that result in the variations seen in this study's results. For instance, to further understand this phenomenon, it is suggested to explore piracy case aspects in relation to product category, brand type (e.g., small designer operating under their name vs. small designer brand) and product design intricacy aspects, among other case nuances that could be speculated to influence consumers' perceptions. In terms of case nuances, as aforementioned, the specific piracy case may be in question as evident through some of the potential confounding results revealed due to discrepancies in consumers knowing the Forever21 brand vastly more so than the Granted Clothing brand. Like discussed, specific piracy case differences may be incredibly impactful in moderating the effects of some of conceptual relationships that should be further explored and controlled in order to arrive at case-specific determinants.

Although mediating relationships were attempted to be examined, due to the non-significant direct effects of piracy revelation on the dependent variables in these proposed hypotheses, these relationships were never actually fully explored in this study. Future studies will want to examine other types of mediating relationships and types of analyses, as those are undoubtedly important in the formation of consumers' perceptions in this context. The importance of these mediating aspects is further disclosed by the other parts of the proposed

mediating relationships which revealed to be significant (i.e., indicating that the structural relationships proposed should not be totally eliminated, but in fact explored further).

An additional limitation arises from the sample population employed by the study. Although diligence was used in employing a similar sample configuration for both the pretest and the main experiment, the study was limited in that the populations were exclusively derived from student-aged consumers in one geographic location. Furthermore, it was found that certain sample demographics varied unevenly between experimental cells that could have produced potentially confounding effects that was not completely controlled by this study. Future studies will want to examine other varied populations of consumers outside of the student-age range to enhance generalizability and ensure that demographic characteristics are controlled with even distribution among conditions in the case of experimental employment. Given that perceptions of protecting independent fashion design may differ cross-culturally as well, especially in nations where legal protection for fashion is more or less stringent or enforced than in the current sample's location demographic, future research should be interested in testing the study's model with more diverse and international consumer samples.

Lastly, along the lines of extending the study's model briefly mentioned regarding methodological implications, future studies may wish to consider consumers' behavioral aspects contingent on the perception and attitude variables that were examined by this study. For instance, consumers' purchase intention, word of mouth, or other behavioral intents within this context would serve as valuable practical information for LFCs and SIFDs alike as radiating from perception measures. Additionally, brands' behavioral responses may be of interest, especially in the case for large corporates accused of incriminating information such as piracy allegations. Due to practical need, literature on corporate responses strategies to various brand

crises has recently gained traction (Dutta & Pullig, 2011; Greyser, 2009; Gwebu, Wang, & Wang, 2018). Various LFC strategy responses to piracy allegations would be worthwhile in investigating perceptions towards the brand (e.g., perceived brand ethicality, brand equity). For instance, in the Tuesday Bassen and Zara example previously expounded upon, Zara was seen to respond to Bassen's piracy allegations with the denial response (Dutta & Pullig, 2011), even expressing disdain, mocking the small designer with a public statement (Addady, 2016). This type of responses strategy versus another type, such as corrective action (Dutta & Pullig, 2011) in acknowledging the designer and pulling items off of the shelf, may restore dilutions in brand perceptions due to a piracy reveal. A final limitation of the study in that although available theoretical discussion is used to contextualize the study's hypotheses, no one theoretical framework was applied in conjecturing the conceptual model. It is suggested that future academic studies may want to apply an established theoretical perspective to bolster the research framework developed for this phenomenon as offered by this study; particularly, the Theory of Reasoned Action (Fishbein, 1979) may be notable in a case of measuring variables to conjecture intention or behavior.

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#### APPENDIX A. INVITATION EMAIL

Dear Auburn Student,

I am a graduate student in the Department of Consumer and Design Sciences at Auburn University. I would like to invite you to participate in my research study to examine consumers' perceptions about fashion designs and fashion brands. You were selected as a possible participant because you are an Auburn University student and are 18 years old, or older. If you decide to participate in this research study, you will be asked to complete an online survey, and your total time commitment will be approximately 15 minutes.

There are no foreseen risks or discomforts associated with participating in this study. To thank you for your time, you will be offered **extra credit** from [COURSE NUMBER]. Please check with your instructor regarding how the extra credit will be applied for this course. Upon the submission of your survey, you will be asked to enter your NAME and COURSE number to receive the extra credit. However, none of your survey responses will be linked to your identifying information, so you can trust that your participation is completely anonymous.

If you would like to know more about this study or participate in this study, please click on this link: **LINK TO INFORMATION LETTER PAGE OF ONLINE SURVEY**.

If you have any questions or concerns about completing the survey or this study, please contact me at mkr0028@auburn.edu, or one of my advisors, Dr. Wi-Suk Kwon at kwonwis@auburn.edu or Dr. Hongjoo Woo at hzw0063@auburn.edu. Thank you in advance for your time and consideration!

Sincerely,

## Kassandra (Kacee) Ross

Master's Student Department of Consumer and Design Sciences College of Human Sciences Auburn University mkr0028@auburn.edu

#### APPENDIX B. INFORMATION PAGE

## [ON AUBURN UNIVERSITY LETTERHEAD TEMPLATE FROM QUALTRICS]

#### INFORMATION LETTER

# for a Research Study entitled "Consumer Perceptions of Fashion Designs and Fashion Brands"

You are invited to participate in a research study to assess consumers' perceptions of fashion designs and fashion brands. This study is being conducted by Kassandra (Kacee) Ross, under the direction of Drs. Wi-Suk Kwon and Hongjoo Woo in the Auburn University Department of Consumer & Design Sciences. You are invited to participate because you are a student currently enrolled at Auburn University and 18 years old or older.

What will be involved if you participate? Your participation is completely voluntary. If you decide to participate in this study, you will be asked to complete an online survey. Your total time commitment will be approximately 15 minutes.

**Are there any risks or discomforts?** There are no known risks involved in participating in this study, and you can withdraw at any time.

Are there any benefits to yourself or others? Your participation will benefit in advancing research of consumers' perceptions within the apparel industry.

Will you receive compensation for participating? If you complete the provided online survey, you will be given course extra credit for the class from which you are recruited. The amount of extra credit given is strictly determined and provided by your instructor. To receive extra credit, please provide your NAME and COURSE NUMBER after you have indicated survey completion by clicking the 'Submit' button.

**Are there any costs?** There are no costs to you involved in this study.

If you change your mind about participating, you can withdraw at any time during the study. If you choose to stop participating, your data can be withdrawn as long as it is identifiable. Once you've submitted anonymous data, it cannot be withdrawn since it will be unidentifiable. Your decision about whether or not to participate or to stop participating will not jeopardize any future relations with Auburn University or the Department of Consumer & Design Sciences.

Any data obtained in connection with this study will remain anonymous. To inform the instructor of your participation for extra credit, we will ask you to leave your name and the course number upon the submission of your completed survey. However, we will assure your anonymity and protect your privacy by storing your name and class information in an independent file separated from the survey data file. The file containing your name and course number will only be used for extra credit purposes and will

never be linked to your survey responses. Information collected through your participation may be published in a professional journal, and/or presented at a professional meeting.

If you have questions about this study, please contact Kassandra (Kacee) Ross at mkr0028@auburn.edu, Dr. Wi-Suk Kwon at kwonwis@auburn.edu, or Dr. Hongjoo Woo at hzw0063@auburn.edu.

If you have questions about your rights as a research participant, you may contact the Auburn University Office of Research Compliance or the Institutional Review Board by phone (334)-844-5966 or e-mail at IRBadmin@auburn.edu or IRBChair@auburn.edu.

HAVING READ THE INFORMATION PROVIDED, YOU MUST DECIDE IF YOU WANT TO PARTICIPATE IN THIS RESEARCH STUDY. IF YOU DECIDE TO PARTICIPATE, PLEASE CLICK ON THE "NEXT" BUTTON BELOW. THE DATA YOU PROVIDE WILL SERVE AS YOUR AGREEMENT TO PARTICIPATE. YOU MAY PRINT A COPY OF THIS LETTER TO KEEP.

Kassandra Ross			
Investigator	Date		
Dr. Wi-Suk Kwon			
Co-Investigator	Date		
Dr. Hongjoo Woo			
Co-Investigator	Date		

The Auburn University Institutional Review Board has approved this document for use from  $\underline{09/11/2017}$  to  $\underline{09/10/2020}$ . Protocol #  $\underline{17-363}$  EX  $\underline{1709}$ .

**NEXT** 

### APPENDIX C. PRETESTED IMAGE SETS



1. SimkaSol (SIFD) left; Forever21 (LFC) right



2. Kesh (SIFD) left; Versace (LFC) right



3. Pamela Love (SIFD) left; Chanel (LFC) right





4. Jamie Leigh Stewart (SIFD) left; Dolls Kill (LFC) right





5. Black Heart Creatives (SIFD) left; New Look (LFC) right



6. Granted Clothing (SIFD) left; Forever21 (LFC) right



7. Aurora James (SIFD) left; Zara (LFC) right





8. Jamie Spinello (SIFD) left; Nasty Gal (LFC) right





9. Di\$count Universe (SIFD) left; Nasty Gal (LFC) right



10. Lisa Marie Fernandez (SIFD) left; H&M (LFC) right



## 11. Dummy image set (graphic t-shirt)



12. Dummy image set (hat)





# 13. Dummy image set (graphic leggings)





## 14. Dummy image set (earrings)





## 15. Dummy image set (shoes)

### APPENDIX D. PRETEST QUESTIONNAIRE

**DIRECTIONS:** On each of next 15 pages, you will see a pair of fashion design images and be asked questions on your thoughts about the given designs.

**NEXT** 

Please view the two side-by-side images below, focusing on the fashion designs circled and arrowed in yellow. Then, choose a response below that best indicates your level of agreement (on a scale of "Strongly Disagree" to "Strongly Agree") with each of the statements about the fashion designs shown on this page.



	Strongly Disagree	Disagree	Somewhat Disagree	Neither Agree nor Disagree	Somewhat Agree	Agree	Strongly Agree
These two fashion designs look very similar to me.	0	0	0	0	0	0	0
If these two fashion designs were created by two different designers,	0	0	0	0	0	0	0

I would think that one designer							
copied the other designer.							
I think these two fashion designs	$\circ$	$\circ$	$\circ$	$\circ$	$\circ$		$\circ$
can be viewed as the same design.	)	)	O	O	)	U	)
If these two fashion designs were							
created by two different designers,	0	$\circ$	$\circ$	0	$\circ$	0	$\circ$
I would suspect that one designer	O	O			O		0
stole the other's design.							
I feel like these two fashion designs							
are so similar that they could have	0	0	0	0	0	0	0
been designed by the same person.							

**NEXT** 

[This page repeated 15 times with the same direction and questions for different sets of fashion design images like the example shown. Please see APPENDIX D.]

#### FASHION DESIGN PIRACY AWARENESS PAGE

**DIRECTIONS:** Some of the fashion designs you saw on the previous pages have been allegedly accused of instances where large fashion corporates copied designs original to small independent fashion designers without permission from the original small designers. On the next four pages, you will be given the fashion design images again along with the story of their alleged cases, as well as the **brand names** involved and **the years in which the involved designs were introduced** to the market by each brand. Please review each of the alleged cases, and check if you had seen or heard of each case **BEFORE** you participated in this survey.

**NEXT** 

(previously known as Bark Décor), stated that the fashion company **Forever21** stole their tank top design after one of their customers pointed out a design for sale on Forever21's website that appeared to be a copy of SimkaSol's design which was created two years before. SimkaSol posted a photo of their design next to Forever21's alleged copy on their Facebook page, stating "Thank you everyone for sharing the image of our stolen design...This is the best way to expose what this company [Forever21] is all about, I'm not the first and won't be the last [small designer] affected by this" (Source: <a href="https://www.dailydot.com/business/forever-21-ripoff-copyright-stolen-shirt-design/">https://www.dailydot.com/business/forever-21-ripoff-copyright-stolen-shirt-design/</a>).



SimkaSol, 2011

Forever21, 2013

- ☐ **YES**, I have seen or heard of this story prior to this survey.
- □ **NO**, I have NOT seen or heard of this story prior to this survey.

#### **DEMOGRAPHIC ITEMS**

**DIRECTIONS:** Please answer the following questions by checking the appropriate selection, filling in the blanks by typing your answer. 1. What is your **gender**? □ MALE □ FEMALE 2. What is your age (in number of years)? 3. To which of the following ethnic groups do you consider yourself a member? ☐ AMERICAN INDIAN/ALASKAN NATIVE ☐ ASIAN/PACIFIC ISLANDER ☐ HISPANIC □ BLACK, NON-HISPANIC □ WHITE, NON-HISPANIC □ OTHER (Please specify: \_\_\_\_\_) 4. Under which of the following colleges/schools does your major fall? (If you have multiple majors, please choose the central one). □ COLLEGE OF AGRICULTURE □ COLLEGE OF ARCHITECTURE, DESIGN, AND CONSTRUCTION □ COLLEGE OF BUSINESS □ COLLEGE OF EDUCATION □ COLLEGE OF ENGINEERING □ SCHOOL OF FORESTRY AND WILDLIFE SERVICES □ COLLEGE OF HUMAN SCIENCES □ COLLEGE OF LIBERAL ARTS □ SCHOOL OF NURSING □ SCHOOL OF PHARMACY □ COLLEGE OF SCIENCES AND MATHEMATICS □ COLLEGE OF VETERINARY MEDICINE □ UNIVERSITY COLLEGE 5. What is your current **class standing**? □ FRESHMEN □ SOPHOMORE □ JUNIOR □ SENIOR □ GRADUATE STUDENT

6. Which of the following ranges includes **your family's total annual household income?** 

□ UNDER \$25,000

□ \$25,000 TO \$49,999	
□ \$50,000 TO \$74,999 □ \$75,000 TO \$99,999	
□ \$100,000 TO \$124,999	
□ \$125,000 TO \$149,999	
$\square$ \$150,000 AND ABOVE	
	SUBMIT
	SOBMIT
NEW PAGE, UNLIN	KED TO ONLINE QUESTIONNAIRE
	~
<b>Thank you for your participation!</b> For number below.	receiving extra credit, please type your name and course
Last Name:	
First Name:	
Course Number (e.g., ABCD ####):	
,	

**SUBMIT** 

### APPENDIX E. MAIN EXPERIMENT QUESTIONNAIRE

**DIRECTIONS:** Please review the fashion design circled and arrowed in yellow below, and when you are finished, please click to the next page.



**DIRECTIONS:** Please review the fashion design circled and arrowed in yellow below, and when you are finished, please click to the next page.



Seen below are the two fashion designs that you viewed on the previous pages, along with their brand names and the years in which they were introduced to the market by their brands. On the left is a tank top design released in 2011 by a small independent fashion brand known as SimkaSol (previously known as Bark Décor). On the right is a tank top design released in 2013 by the fashion company Forever21. Sara and Shana Barrett, owners and creators of the small clothing boutique SimkaSol stated that the fashion company Forever21 stole their design after one of their customers pointed out a design for sale on Forever21's website that appeared to be a copy of SimkaSol's design which was created two years before. SimkaSol posted a photo of their design next to Forever21's alleged copy on their Facebook page, stating "Thank you everyone for sharing the image of our stolen design...This is the best way to expose what this company [Forever21] is all about, I'm not the first and won't be the last [small designer] affected by this" (Source: https://www.dailydot.com/business/forever-21-ripoff-copyright-stolen-shirt-design/).

**DIRECTIONS:** With this information and the images below in mind, please answer the following questions choosing a response that best indicates your level of agreement with each of the statements on a scale of "Strongly Disagree" to "Strongly Agree."





	Strongly Disagree	Disagree	Somewhat Disagree	Neither Agree nor Disagree	Somewhat Agree	Agree	Strongly Agree
These two fashion designs look very similar to me.	0	0	0	0	0	0	0
If these two fashion designs were created by two different designers, I would think that one designer copied the other designer.	0	0	0	0	0	0	0
I think these two fashion designs can be viewed as the same design.	0	0	0	0	0	0	0
If these two fashion designs were created by two different designers, I would suspect that one designer stole the other's design.	0	0	0	0	0	0	0
I feel like these two fashion designs are so similar that they could have been designed by the same person.	0	0	0	0	0	0	0



**DIRECTIONS:** By focusing on **SimkaSol's** fashion **design** above, please indicate your level of agreement with the following statements on a scale of "*Strongly Disagree*" to "*Strongly Agree*."

SimkaSol's design:	Strongly Disagree	Disagree	Somewhat Disagree	Neither Agree nor Disagree	Somewhat Agree	Agree	Strongly Agree
Has consistent quality.	0	0	0	0	0	0	0
Is well made.	0	0	0	0	0	0	0
Has an acceptable standard of quality.	0	0	0	0	0	0	0
Has poor workmanship.	0	0	0	0	0	0	0
Would not last a long time.	0	0	0	0	0	0	0
Would perform consistently.	0	0	0	0	0	0	0
Is one that I would enjoy.	0	0	0	0	0	0	0

Would make me want to use it.	0	0	0	0	0	0	0
Is one that I would feel relaxed about using.	0	0	0	0	0	0	0
Would make me feel good.	0	0	0	0	0	0	0
Would give me pleasure.	0	0	0	0	0	0	0
Would help me to feel acceptable.	0	0	0	0	0	0	0
Would improve the way I am perceived.	0	0	0	0	0	0	0
Would make a good impression on other people.	0	0	0	0	0	0	0
Would give its owner social approval.	0	0	0	0	0	0	0
Is highly unique.	0	0	0	0	0	0	0
Is one of a kind.	0	0	0	0	0	0	0
Is really special.	0	0	0	0	0	0	0

Below are 5 pairs of words consumers may *feel* about an apparel brand. With the small independent fashion brand **SimkaSol** and the alleged piracy information previously explained in mind, please describe your overall feelings about **SimkaSol** by selecting the response that best reflects how you feel with respect to each word pair.

Unappealing				Appealing
Bad				Good
Unpleasant				Pleasant
Unfavorable				Favorable
Unlikable				Likeable

Below are statements describing what consumers may *think* about an apparel brand. With the small independent fashion brand **SimkaSol** and the alleged piracy information previously explained in mind, please select your level of agreement with each statement about **SimkaSol** on a scale of "*Strongly Disagree*" to "*Strongly Agree*."

	Strongly Disagree	Disagree	Somewhat Disagree	Neither Agree nor Disagree	Somewhat Agree	Agree	Strongly Agree
SimkaSol is original.	0	0	0	0	0	0	0
SimkaSol is full of imagination	0	0	0	0	0	0	0
SimkaSol is surprising.	0	0	0	0	0	0	0
SimkaSol is striking.	0	0	0	0	0	0	0
SimkaSol allows the design to be differentiated.	0	0	0	0	0	0	0



**DIRECTIONS:** By focusing on **Forever21's** fashion design above, please indicate your level of agreement with the following statements on a scale of "Strongly Disagree" to "Strongly Agree."

Forever21's design:	Strongly Disagree	Disagree	Somewhat Disagree	Neither Agree nor Disagree	Somewhat Agree	Agree	Strongly Agree
Has consistent quality.	0	0	0	0	0	0	0
Is well made.	0	0	0	0	0	0	0
Has an acceptable standard of quality.	0	0	0	0	0	0	0
Has poor workmanship.	0	0	0	0	0	0	0
Would not last a long time.	0	0	0	0	0	0	0
Would perform consistently.	0	0	0	0	0	0	0

Is one that I would enjoy.	0	0	0	0	0	0	0
Would make me want to use it.	0	0	0	0	0	0	0
Is one that I would feel relaxed about using.	0	0	0	0	0	0	0
Would make me feel good.	0	0	0	0	0	0	0
Would give me pleasure.	0	0	0	0	0	0	0
Would help me to feel acceptable.	0	0	0	0	0	0	0
Would improve the way I am perceived.	0	0	0	0	0	0	0
Would make a good impression on other people.	0	0	0	0	0	0	0
Would give its owner social approval.	0	0	0	0	0	0	0
Is highly unique.	0	0	0	0	0	0	0
Is one of a kind.	0	0	0	0	0	0	0
Is really special.	0	0	0	0	0	0	0

Below are 5 pairs of words consumers may *feel* about an apparel brand. With the fashion company **Forever21** and the alleged piracy information previously explained in mind, please describe your overall feelings about **Forever21** by selecting the response that best reflects how you feel with respect to each word pair.

Unappealing				Appealing
Bad				Good
Unpleasant				Pleasant
Unfavorable				Favorable
Unlikable				Likeable

Below are statements describing what consumers may *think* about an apparel brand. With the fashion company **Forever21** and the alleged piracy information previously explained in mind, please select your level of agreement with each statement about **Forever21** on a scale of "*Strongly Disagree*" to "*Strongly Agree*."

	Strongly Disagree	Disagree	Somewhat Disagree	Neither Agree nor Disagree	Somewhat Agree	Agree	Strongly Agree
Forever21 is original.	0	0	0	0	0	0	0
Forever21 is full of imagination	0	0	0	0	0	0	0
Forever21 is surprising.	0	0	0	0	0	0	0
Forever21 is striking.	0	0	0	0	0	0	0
Forever21 allows the product to be differentiated.	0	0	0	0	0	0	0
Forever21 respects moral norms.	0	0	0	0	0	0	0
Forever21 always adheres to the law.	0	0	0	0	0	0	0
Forever21 is a socially responsible company.	0	0	0	0	0	0	0
Forever21 avoids damaging behavior at all cost.	0	0	0	0	0	0	0
Forever21 is a good company.	0	0	0	0	0	0	0
Forever21 will make a decision only after careful consideration of the potential positive or negative consequences for all those involved.	0	0	0	0	0	0	0





Please check if you had seen or heard of the above story about SimkaSol and Forever21 **<u>BEFORE</u>** you participated in this survey:

- $\square$  YES, I have seen or heard of this story before this survey.
- □ **NO**, I have NOT seen or heard of this story before this survey.

### **DEMOGRAPHIC ITEMS**

**DIRECTIONS:** Please answer the following questions by checking the appropriate selection, filling in the blanks by typing your answer.

1. What is your <b>geno</b>	ler? □ MALE	□ FEMALE
2. What is your age (in number of years)?		
3. To which of the fo	ollowing ethnic grou	aps do you consider yourself to be a member?
□ ASIA □ HISP □ BLAC □ WHI	RICAN INDIAN/AI N/PACIFIC ISLAN ANIC CK, NON-HISPANI FE, NON-HISPANI ER (Please specify: _	IDER IC C
4. Under which of the majors, please choose		s/schools does your major fall? (If you have multiple
□ COLLE □ COLLE □ COLLE □ COLLE □ SCHOO □ COLLE □ SCHOO □ SCHOO □ SCHOO □ COLLE	GE OF BUSINESS GE OF EDUCATION GE OF ENGINEER OL OF FORESTRY GE OF HUMAN SO GE OF LIBERAL A OL OF NURSING OL OF PHARMACY	CTURE, DESIGN, AND CONSTRUCTION ON RING AND WILDLIFE SERVICES CIENCES ARTS  AND MATHEMATICS
5. What is your curred FRESH SOPHO SENION GRADI	MEN DMORE R	

6. Which of the following ranges includes your family's total annual household income?

□ UNDER \$25,000 □ \$25,000 TO \$49,999	
□ \$23,000 TO \$49,999 □ \$50,000 TO \$74,999	
□ \$75,000 TO \$99,999	
□ \$100,000 TO \$124,999	
□ \$125,000 TO \$149,999	
□ \$150,000 AND ABOVE	
	SUBMIT
NEW PAGE, UNLIN	KED TO ONLINE QUESTIONNAIRE
Thank you for your participation! For number below.	receiving extra credit, please type your name and course
Last Name:	
First Name:	
Course Number (e.g., ABCD ####):	
Course rumber (e.g., ribeb """").	
	CYPNACE
	SUBMIT