‘SECOND-HAND’ VS ‘COUNTERFEIT’ LUXURY FASHION GOODS: CONSUMER MOTIVES AND PREFERENCES IN A CROSS-CULTURAL INVESTIGATION

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ABSTRACT

The research in luxury goods usually focuses on exploring one type of luxury products: new luxury, counterfeit luxury or, more recently, second-hand luxury. More studies in the marketing literature have focused on new (i.e., first-hand) luxury goods exploring consumer’s as well as retailer’s perspectives. Hence, consumer’s preference between “alternative” types of luxury products (e.g., second-hand luxury vs counterfeit luxury) have been largely neglected and the role of culture (Easter vs Western) as a moderator on this decision is yet rather unknown. This research uncovers the perceived luxury values that drive consumer preferences for second-hand vs counterfeit luxury fashion products and tests whether these values are contingent upon consumers’ cultural characteristics: level of collectivism vs level of individualism.

KEYWORDS

Second-Hand Luxury, Counterfeit Luxury, Collectivism, Individualism

1. DESIGN/METHODOLOGY/APPROACH:

An online survey (N = 141) was conducted to (i) identify differences in luxury value perceptions between consumers in a collectivist culture (Saudi Arabia) and those in an individualist culture (UK) and (ii) explore how these differences affect consumers’ purchase intentions for second-hand over counterfeit luxury fashion products (women handbags). The participants (Saudi Arabia = 82; United Kingdom = 59) are female consumers, between 19 to 60 years old, 96% of whom were well-educated. Structural equation modelling (SEM) using AMOS was used to analyse the hypothesised relationships between variables and to test the model fit.

2. FINDINGS

Two consumer groups with different levels of individualism were selected. Specifically, Saudis scored 37 and Britons scored 89 on Hofstede culture dimensions model that measures level of individualism – which agrees with initial suppositions that people from Saudi Arabia are more collectivists while people in the United Kingdom are more individualistic. As existing literature suggests, the present study confirms that consumers in Saudi Arabia prefer counterfeit luxury over second-hand luxury (have high intention to buy counterfeit luxury). The opposite found to be the case among British consumers (preference for second-hand over counterfeits). No statistically significant difference was found in the perceived luxury values affecting the purchase intentions for second-hand vs counterfeit luxury fashion products between Saudi Arabian and British participants (except hedonism and materialism). However, materialistic and hedonic luxury values significantly explained the preference for both second-hand luxury and counterfeit luxury in the Saudi Arabian sample only. Specifically, it has confirmed that materialistic value has a positive relationship with both luxury alternatives “second-hand luxury and counterfeit luxury” (P value < 0.01). In contrast, hedonic value has a negative relationship with both luxury alternatives, more specifically it is significantly negative for second-hand luxury in Saudis participants ((P value < 0.02).
3. ORIGINALITY/VALUE

By considering cross-cultural difference in luxury consumption, this study provides important theoretical and practical implications. Specifically, extending luxury value perceptions (e.g., Wiedmann et al. 2009) model to validate consumer preferences for second-hand and counterfeit luxury fashion which is normally employed in new luxury. Through understanding the consumers values perceptions that associated with both luxury alternatives, this study may constitute insights for managers in developing strategies for second-hand luxury products.

REFERENCES


