

# Original brands in competition against high quality copycats

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## Abstract

**Purpose** – Copycat brands offering improved product quality pose serious challenges to original brands. This paper aims to provide a better understanding of why consumers prefer copycat brands with superior product attributes and how original brands can shift this preference back by strategically leveraging brand identity cues.

**Design/methodology/approach** – Four experimental studies test different types of brand identity cues that original brands can use to influence consumer preferences. Logistic and linear regression analyses analyze the effects.

**Findings** – The results systematically show the power of brand identity cues in helping original brands reduce share loss to copycat brands using superior product attributes. They also reveal the role of brand equity, conspicuous consumption and consumers' tendency of using brands as status symbols in enhancing the effect of brand identity cues in the face of superior copycats.

**Research limitations/implications** – This paper extends cue diagnosticity theory and the brand identity literature by showing the power of brand identity cues in predicting consumer choices of original brands.

**Practical implications** – This paper provides useful guidelines for managers of original brands on how to effectively use brand identity cues to compete against copycats.

**Originality/value** – Prior research focuses on how copycat brands' characteristics influence consumers' evaluations of copycats. These studies are limited, however, by their focus on cheap and low-quality copycats. The current paper examines the effects of brand identity cues and draws attention to the trade-offs consumers make when choosing between original brands and copycats offering superior product features.

**Keywords** Brand equity, Brand identity

**Paper type** Research paper

## Introduction

In today's marketplace, copycat brands increasingly imitate names, logos, package designs and product features of original brands to take advantage of their brand equity and compete against them (Bodoni *et al.*, 2007; Van Horen and Pieters, 2012a). More often than not, the pioneer paves the way, and the imitator enjoys a free ride, saving not only on research and development but also on marketing. "The imitators avoid dead ends, whether a losing bet on



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a dominant design, such as Sony's Betamax VCR format, or an innovative prescription drug that proves not to work" (Shenkar, 2012, p. 3).

The marketing literature adopts a broad definition of copycat brands – that is, any brand that imitates the trade dress (brand name, logo and trademark) or product features of a leading brand (Aribarg *et al.*, 2014; Qui *et al.*, 2016; Van Horen and Pieters, 2012b). Accordingly, copycats can range from weaker competitors that imitate certain product features of the leading national brands (Van Horen and Pieters, 2012b) to knockoffs and counterfeits that focus on imitating trademarks, brand names and logos (Wilcox *et al.*, 2009). For example, Mega Bloks imitates the general concept of Lego and is fully compatible with Lego blocks. Lepin of China, currently sued by Lego, is another example of a copycat, and Lego refers to it as a counterfeit brand.

Overall, while low-quality copycat products are ubiquitous, it is quite common to find those with superior product features, as imitators can tweak the original to fit shifting consumer tastes. For example, many Mega Bloks playsets are superior to Lego; Samsung's Galaxy Nexus is a copycat of the iPhone 4S but has double processing power and seven times the graphic acceleration (Cheng, 2012). Similarly, Vkontakte.ru is a Facebook knockoff that imitates its design and marketing strategy but is geared toward user entertainment (McDonald, 2014). Copycats that outperform the original brands are even more common in the electronics domain. BatteryFort brand charger adapters tend to last much longer than original Mac adapters. Even on the Apple.com website, original Mac adapters receive 1- to 2-star ratings from customers for their subpar quality, while their imitations receive higher-quality ratings. Similarly, Denaq laptop batteries outperform the original Hewlett-Packard (HP) batteries, while BTI batteries last longer than original Dell's. Users generally perceive Xiaomi's Mi Band, the Chinese copycat of Fitbit, as superior to the original brand (Roose, 2015). Despite their lower price tags and perceived status, many copycats have higher quality than the original brands they imitate.

When a product in development for years can be copied in several months, the first mover loses all advantages (Shenkar, 2012). With the growing prevalence of copycats generating hundreds of billions of dollars in G20 economies every year (USCC, 2011), original brands are experiencing large losses in revenues. Thus, a critical question for brand managers is how to compete against high-quality copycats to defend their leading market position. Research on copycats, however, is scant, as most studies examine the impact of the similarity (either subtle or blatant) between the original brand and the copycat in terms of brand names, logos and package designs on consumer evaluation of the copycat (Aribarg *et al.*, 2014; Qin *et al.*, 2016; Van Horen and Pieters, 2012a, 2012b, 2017). These studies have predominantly focused on discount copycats with inferior product quality (Berger and Ward, 2010; Van Horen and Pieters, 2012a), but not on copycats having superior product attributes (see Table I for a literature review). Therefore, an insightful examination of consumer responses to original brands in the face of superior-quality copycats will shed light on this important question.

Drawing from cue diagnosticity theory (Richardson *et al.*, 1994) and the brand identity literature (Berry, 2000; de Chernatony *et al.*, 2004), this research investigates how original brands leverage identity cues to compete against high-quality copycats offering superior product attributes, including:

- search attributes that can be searched before consumption;
- experience attributes that can be discerned during or after consumption; and
- credence attributes that cannot be detected after consumption (Nelson, 1970, 1974).

**Table I.**  
Review of copycat literature

Articles	Characteristics of copycat	Moderators	Outcomes	Key findings
<i>Wilcox et al. (2009)</i>	Counterfeit brand	Social motivation	Likelihood of purchase	Preferences for a counterfeit brand are greater when consumer attitudes serve a social-adjustive rather than a value-expressive function
<i>Miceli and Pieters (2010)</i>	Copycat strategy (visual attributes and theme)	Consumer mindset (featural vs relational focus)	Perceived similarity of copycat and original brand	Consumers with relational mindsets perceive a theme-based copycat as more similar to the original brand than consumers with featural mindsets
<i>Van Horen and Pieters (2012a)</i>	Similarity of copycat brand and original brand	Comparative evaluation mode	Evaluation of copycat relative to original brand	Moderate-similarity copycats are evaluated more positive than high-similarity copycats when evaluation takes place comparatively
<i>Van Horen and Pieters (2012b)</i>	Imitation type (features, theme)		Evaluation of copycat	Consumers consider feature imitations unacceptable, causing reactance to the copycat brand. In contrast, they perceive theme imitations as acceptable, thus helping copycat evaluation
<i>Ariberg et al. (2014)</i>	Brand imitation	Retailer brand equity	Evaluation of the original brand and other national brands	Brand imitation harms not only the original brand but also other national brands in the category that are not being imitated
<i>Herm and Möller (2014)</i>	Comparative evaluation mode		Brand identification and confusion	A comparative mode increases accurate brand identification of an original product and decreases brand confusion
<i>Satomura et al. (2014)</i>	Visual similarity of package design		Consumer confusion	Copycat packaging's visual features have an impact on consumer confusion
<i>Qin et al. (2016)</i>	Perceptual similarity of copycat and original brand	Conceptual similarity of copycat and original brand	Evaluation of copycat	Perceptual similarity leads to negative evaluation of copycat; conceptual similarity mitigates this negative effect
<i>Braxton et al. (2017)</i>	Original brand scandals	Separate versus comparative evaluation mode	Evaluation of copycat	Original brand scandals have a negative effect on evaluation of copycat. The presentation mode moderates this effect
<i>Kelting et al. (2017)</i>	Copycat private labels	Category knowledge	Choice ease and evaluation	Copycat private labels positively affect choice ease and evaluation, especially for consumers with high category knowledge
<i>Van Horen and Pieters (2017)</i>	Out-of-category imitation		Evaluation of copycat relative to original brand	Out-of-category imitation helps copycat brands and hurts original brands
<i>This study</i>	<i>Brand identity cues</i>	<i>Brand-, consumption context- and consumer-related factors</i>	<i>Original brand choice compared with copycat</i>	<i>Brand identity cues help original brand reduce share loss to copycat. Brand equity, conspicuous consumption and consumers' tendency of using brands as status symbols enhance the effect of brand identity cues.</i>

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We then explore brand, consumption context and consumer characteristics that likely influence the effect of brand identity cues on consumer choices of an original brand versus a high-quality copycat.

In a series of four studies, we examine situations in which copycats explicitly use superior product attributes to demonstrate how strategic use of brand identity cues can help original brands compete against high-quality copycats and shift consumer preferences. Study 1 focuses on copycats that claim superior credence attributes (product efficiency) and shows how an original brand can compete by using brand identity cues, such as original packaging, to achieve superior post-consumption outcomes. Study 2 examines copycats with superior experience attributes (printing sample) to show how original brands can use multiple brand identity cues, such as brand name, logo and product image, to shift consumer preferences. We follow up with two additional experiments that investigate how an original brand competes against copycats' offering superior search attributes (product technical features and pricing levels). We also investigate the moderating roles of brand equity, consumption conspicuousness and consumers' tendency of using brands as status symbols.

This research makes several important contributions to the marketing literature. First, it sheds light on the power of brand identity cues in influencing consumer preferences for original brands over copycats by showing instances when original brand identity cues can neutralize the effect of superior product attributes claimed by copycats. These effects are novel, as they derive from experimental settings in which both the original brand and the copycat are present. This setting allows us to uncover the trade-offs consumers make when choosing between an original brand and a copycat offering superior product features. Second, the findings reveal the level of quality diagnostics associated with a wide range of brand identity cues. We also demonstrate brand-, consumption context- and consumer-related situations in which the effects of brand identity cues are more pronounced. In doing so, we extend the literature on brand identity and cue diagnosticity. Third, while prior studies focus on cheap and low-quality products (Kelting *et al.*, 2017; Qin *et al.*, 2016; Van Horen and Pieters, 2012ab), our studies investigate how consumers choose between high-quality copycats and original brands. The findings provide actionable implications for manufacturers and retailers to leverage original brand identity cues to compete effectively against high-quality copycats.

## Theoretical background and hypotheses

### *Copycat brands using superior product attributes*

A copycat brand imitates an original brand in appearance, especially its distinctive perceptual features, such as brand names, logos, packaging, text or sound, to take full advantage of the latter's positive associations and marketing efforts (Van Horen and Pieters, 2012ab). When knowledge about an original brand is activated, favorable associations with that brand transfer to the copycat, thus improving the consumer's evaluation of the copycat (Fazio, 1986). To further attract customers, many copycat brands offer additional superior product features to compete against original brands. These attributes, such as the technical specifications of electronics products, ingredients of toothpaste and prices of hotels, are called *search attributes* (Nelson, 1970). Other attributes, such as the taste of a food product or a printer's output quality, can only be discerned after product use; thus, they are *experience attributes* (Nelson, 1974). In such cases, consumers might still test a product and/or compare consumption outcomes with the original brands. However, it might be very difficult, if not impossible, to determine the effectiveness of some attributes even after product use (e.g. the effectiveness of vitamin pills). At other times, product efficacy may be subjective and contingent on user interpretation or personal effort (e.g. physical training services,

motivational books and videos). These characteristics are *credence attributes* (Ford *et al.*, 1998), and consumers may not have the chance to compare them directly with those of the original brand.

Our research focuses on the potential competition between an original brand and a copycat that has some superior product attributes. A copycat may claim superior search, experience or credence attributes to the original brand. Search attributes can be considered potential proxies for product performance. For example, copycat toothpaste with a greater amount of mint than the original brand will compete with the original brand's identity related to having fresh breath. An experience of a stronger mint taste and feelings of breath freshness using the copycat (i.e. a superior experience attribute) will challenge the original brand's identity. In contrast, consumer may not be able to tell whether any actual improvement in mouth freshness occurred in the long run; thus, a superior credence attribute claimed by a copycat can be more easily challenged by the original brand with the strong identity. In the next section, we build on cue diagnosticity theory (Richardson *et al.*, 1994) and the brand identity literature (Berry, 2000; de Chernatony *et al.*, 2004) to examine how original brands use identity cues to compete against copycats boasting superior attributes.

#### *Original brands and identity cues*

Prior research shows that brand identity cues reinforce identity and equity of established brands, further building trustworthiness (Berry, 2000), self-brand connections (Escalas and Bettman, 2003), brand loyalty (de Chernatony *et al.*, 2004) and brand meaning (Berry, 2000). Brand identity cues such as logos and brand name marks also create and reinforce quality perceptions (Montgomery and Wernerfelt, 1992).

Cue diagnosticity theory sheds light on the relative effect of brand identity cues versus superior product attributes in the context of consumer choice of and/or preference for original brands versus copycats. The theory contends that extrinsic cues, such as brand identity cues and advertising messages, are more diagnostic than intrinsic cues, such as product ingredients, and therefore are more effective in shaping product perceptions and consumer choice (Richardson *et al.*, 1994). Ha and Hoch (1989) and Suri and Monroe (2003) suggest that consumers rely more heavily on extrinsic cues that provide additional information to consider before purchase. Therefore, brand identity cues used by the original brand are more likely to enhance original brand preferences and also mitigate the negative impact of superior product attributes used by copycats.

Cue consistency literature proposes that multiple sources of information are more useful when they provide corroborating information (Maheswaran and Chaiken, 1991; Rao and Monroe, 1989). In such cases, attitudes are derived by a straightforward integration of the value of each cue. When cues are consistent, they are more likely to be used jointly in evaluations that use information integration models, such as linear averages (Maheswaran and Chaiken, 1991). Empirical evidence provides support for this notion. For example, Dawar and Parker (1994) observe that, together, brand name and price are most useful in quality determination. Similarly, Brucks *et al.* (2000) find that price is often paired with a consistent brand cue. Analogous to other extrinsic cues, Chao (1993) finds that the price-quality relationship is enhanced when paired with a positive country of origin, and Boulding and Kirmani (1993) find that warranty effects are stronger when paired with high-reputation warrantors.

Thus, we posit that when the number of brand identity cues increases, choice of the original brand will increase because these cues will reinforce the quality and equity perceptions of the original brand. Given that credence attributes are the most difficult to

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validate even over time, we expect brand identity cues to be especially effective when competing with high-quality copycats claiming superior credence attributes. When copycats have superior search attributes serving as proxies or claims of actual superior performance, original brands can similarly depend on their own brand identity cues. The number of brand identity cues should increase the power of an original brand when competing against copycats with superior attributes. Even when copycats have superior experience attributes that are readily observable, we propose that original brands can still use a high number of brand identity cues to prevail against high-quality copycats:

- H1a.* Brand identity cues can increase the effectiveness of an original brand in competition against a copycat brand offering superior product attributes.
- H1b.* Increasing the number of brand identity cues in marketing communications reduces the original brand's share loss to a copycat brand offering superior product attributes.

*The moderating roles of brand, consumption context and consumer characteristics*

In considering how consumers respond to brand identity cues and choose between original brands and quality copycats, we argue that several brand-, consumption context- and consumer-related factors can moderate the effect of brand identity cues because these factors can affect consumer perceptions of the credibility, quality and value of the cues (Erdem and Swait, 1998; Han *et al.*, 2010; Strizhakova *et al.*, 2008). These contingents include brand equity, conspicuous consumption and consumers' tendency of using brands as status symbols.

*Impact of brand equity.* As previously hypothesized, we speculate that by leveraging brand identity cues, original brands can influence consumer choice favorably when customers are deciding between an original brand and a high-quality copycat. In the absence of concrete evidence of product quality, brand identity cues play an important role in consumer decision-making (Montgomery and Wernerfelt, 1992). Consumers also rely on such cues to draw inferences that are particularly helpful in their decision and consumption tasks (Gunasti and Ross, 2009; Kardes *et al.*, 2004). We expect the effect of brand identity cues to be particularly stronger for high-equity (vs low-equity) original brands. This is because brand equity provides a credible signal of product quality for the original brand, reduces consumers' perceived risk and increases expected utility (Erdem and Swait, 1998). Therefore, it should enhance the positive effect of brand identity cues on choice of and preference for the original brand. Research shows that high-equity brands evoke greater consumer interest, liking and loyalty (Spiggle *et al.*, 2012), motivating consumers to search for and rely more on brand identity cues in making purchase decisions. When confronted with a high-quality copycat, consumers may form inferences about the original brand's utility beyond simply the available product attributes (Kardes *et al.*, 2004; Lynch and Srull, 1982). For high-equity brands, we argue that consumers will internalize brand identity cues, making these brands more resistant to negative information from lower-quality assessments relative to a high-quality copycat.

In summary, brand identity cues offered by high-equity (vs low-equity) original brands can be more effective in reducing product quality uncertainty, thus enhancing consumer choice of the original brands. Although high-quality copycats can use superior quality cues to lure consumers and capture significant market share from the original brands, high-equity original brands can more effectively withstand share erosion from copycats:

H2. A higher- (vs lower-) equity original brand can better withstand share erosion from a copycat brand offering superior product attributes.

*Impact of conspicuous consumption.* Prior research documents that conspicuous consumption (i.e. when a product is consumed publicly to display social status) significantly affects brand choice (Han *et al.*, 2010; Wilcox *et al.*, 2009). In many cases, the social utility gained from using a product in a public context, such as user reputation, image and social relationship, is contingent on the brand and its meaning (Thompson and Norton, 2011). Consumers are highly concerned with social observation and approval of their brand preferences and experiences (Gosling, 2009; Thompson and Norton, 2011). Prior studies suggest that the presence of others, even without direct interaction, activates personal concerns about how others will judge them (Puntoni and Tavassoli, 2007). As such, in public or other conspicuous consumption contexts, the importance of brand originality becomes more powerful, and the relative effects of brand identity cues that communicate an original brand image, equity and identity should be stronger on choice of the original brand (Veblen, 1973). Likewise, research on conspicuous consumption also indicates that consumers will choose an original brand (vs a copycat) in more conspicuous categories, such as designer handbags, watches, luxury cars and men's shoes (Berger and Ward, 2010; Han *et al.*, 2010). Thus, we expect that in social (vs private) settings, consumers are more likely to choose original brands over copycats even though the latter offer superior product attributes:

H3. In a high conspicuous consumption setting, consumers are more likely to choose an original brand over a copycat brand offering superior product attributes.

*Tendency of using brands as status symbols.* Brands can be a symbol of the self and part of a consumer's self-identity (Belk, 1988). Prior studies suggest that consumers purchase high-status brands to enhance and communicate their social status (Strizhakova *et al.*, 2008). The more consumers rely on extrinsic cues, such as brands, in making purchase decisions, the more likely they are to prefer original brands (Richardson *et al.*, 1996). Furthermore, consumers who are more concerned about social status are less likely to purchase imitation products because they do not want to be perceived as cheap or unable to afford more expensive brands (Gainer, 1995). Therefore, we expect that consumers who are concerned about their social status will be more likely to choose an original brand over a superior copycat so as to express social identity:

H4. Consumers with a high tendency of using brands as status symbols will be more likely to choose an original brand over a copycat brand offering superior product attributes.

### Research methodology

We conducted four studies to investigate how an original brand uses brand identity cues to prevent share loss to a copycat using superior product attributes and to determine factors that moderate the effect of brand identity cues. Study 1 manipulates a novel situation in which a copycat claims a superior *credence attribute* and examines the effect of brand identity cues on post-consumption outcomes. Study 2 examines how an original brand uses a single versus multiple brand identity cues to influence consumer choice between its product and a copycat when the latter offers a superior *experience attribute*. Study 3 uses well-known original brands with higher and lower equity, respectively, to investigate how consumers respond to the original brands when their counterparts offer superior *search attributes* and whether these responses differ between higher- and lower-equity brands.

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Study 4 examines how conspicuous consumption and consumers' tendency of using brands as status symbols affect consumers' choices between an original brand and the copycat when the latter offers a superior *search attribute*.

*Study 1: brand identity cues versus copycat superior credence attributes*

Study 1 examined a situation in which a copycat claimed a superior credence attribute (i.e. efficacy of an energy drink). We tested the effect of original brand identity cues, particularly original packaging, on consumers' post-consumption behavior. Packaging, which usually serves as the initial exposure of consumers to a brand, entails brand name, logo, trademark and various product features. Having a decent package distinguishes original brands (e.g. Lanson Black Label champagne has a luxury hinged and stained wooden box), whereas lack of proper packaging or generic packages are typical indicators of imitations. For example, cosmetic products such as perfumes that do not come in fancy boxes are usual suspects of copycats. Lepin brand playsets come in unmarked boxes unlike the original Legos.

We chose the energy drink category, a consumer-packaged product that offered an ideal setting for examining the role of original packaging and brand name/logo cues in consumer evaluations of credence attribute claims. To avoid any confounds with existing brand attitudes, familiarity and beliefs about brand efficacy, we used a lesser known brand, PitBull, which had no existing brand associations in participants' minds. We used undergraduate students because they effectively represent typical consumers of energy drinks (Johnson, 2012).

*Pretest.* To help identify the stimulus for our study, 68 undergraduate students from a large Northeastern university participated in a taste test of the new PitBull BrainPower energy drink, a brand extension of PitBull (with less than 0.5 per cent US market-share, Passport Euromonitor, 2015). Participants were randomly assigned to one of the two conditions in which the experimenter poured the "new" BrainPower energy drink into three-ounce cups. In the original packaging condition, the experimenter poured the drink from the PitBull cans, whereas in the second condition, the experimenter poured the drink from a pitcher with an imitated PitBull label. Both conditions used the identical original PitBull drink.

After consuming the drink, participants completed a short paper-and-pencil questionnaire that measured perceived product originality ("I think PitBull BrainPower is a real product", "I think PitBull BrainPower is an authentic product",  $r = 0.88$ ), product taste ("PitBull BrainPower tastes good"), product quality ("PitBull BrainPower has a good quality"), brand familiarity ("I am familiar with PitBull energy drinks") and consumption habit ("I consume PitBull energy drinks often") on seven-point Likert scales. Across the two sessions, we found no significant difference in product taste ( $M_{\text{can}} = 4.05$ ,  $M_{\text{pitcher}} = 3.97$ ;  $F(1,66) = 2.67$ ,  $p > 0.10$ ) or product quality ( $M_{\text{can}} = 4.97$ ,  $M_{\text{pitcher}} = 4.61$ ;  $F(1,66) = 1.98$ ,  $p > 0.15$ ). Consistent with the identification of PitBull as a lesser known brand, participants showed less familiarity with PitBull ( $M_{\text{can}} = 1.35$ ,  $M_{\text{pitcher}} = 0.98$ ;  $F(1,66) = 1.83$ ,  $p > 0.15$ ) and low consumption habits ( $M_{\text{can}} = 1.03$ ,  $M_{\text{pitcher}} = 1.00$ ;  $F(1,66) = 1.25$ ,  $p > 0.20$ ). Participants who observed the energy drink being poured from real PitBull cans (vs the pitcher) rated the drink as more original ( $M_{\text{can}} = 4.84$ ,  $M_{\text{pitcher}} = 3.25$ ;  $F(1,66) = 36.66$ ,  $p < 0.001$ ). These results validate the use of the PitBull energy drink for our main experiment because there is no significant differences in product taste, quality, brand familiarity and consumption habits, thus removing any concerns about their confounding effects; the only difference between the two conditions is the original versus non-original packaging.

*Main experiment.* In all, 92 undergraduate students from a large Northeastern university were randomly assigned to one of three product serving conditions (original packaging with brand name/logo, served in a pitcher and control [not served]) in a between-subjects experimental design. Similar to the pretest, participants were served PitBull BrainPower drink in three-ounce cups poured either from a pitcher or directly from an original can that had the PitBull brand name and logo. At the beginning of the study, participants were told that the new energy drink was made from natural ingredients extracted from Acai berries, which enhance mental performance. Participants read the following statement:

We invite you to try a new PitBull energy drink – PitBull BrainPower. This drink consists of natural ingredients extracted from Acai berries, a South American native fruit that not only possesses all the antioxidant, vitamin and brain benefits of other purple berries but also contains essential fatty acids, such as Omega-3. Scientists believe that this type of fruit is a “true super food for brain and body.”

In the original logo/packaging condition, participants were told that five minutes after consuming PitBull BrainPower energy drink, the drink would activate and enhance their brain system slowly. In the pitcher condition, participants were told that the drink would activate and enhance their brain system quickly, to manipulate the superior credence attribute of the copycat energy drink. During their five-minute wait, participants completed a distraction task and then were asked to solve as many word-jumble puzzles (Shiv *et al.*, 2005) as possible in the allotted 10 minutes. Participants in the control condition also participated in the distraction task and the word-puzzle task. After completing the puzzle task, participants completed questions to measure product taste, product quality, brand familiarity and consumption habits on seven-point Likert scales; these were similar to the questions used in the pretest.

*Results.* Our manipulation check reveals consistent results as reported in the pretest, thus validate our manipulation. ANCOVA results indicated that the average number of puzzles solved was significantly different across the three experimental conditions ( $F(2,89) = 9.14$ ,  $p < 0.01$ ). Participants who saw the energy drink poured from an original PitBull can solved significantly more puzzles ( $M = 7.68$ ) than those who observed the drink poured from a pitcher ( $M = 4.90$ ;  $F(1,62) = 18.30$ ,  $p < 0.01$ ) and those in the control condition ( $M = 5.68$ ;  $F(1,60) = 8.81$ ,  $p < 0.01$ ). Neither brand familiarity ( $F(1,89) = 0.92$ ,  $p > 0.30$ ) nor consumption habits ( $F(1,89) = 0.68$ ,  $p > 0.40$ ) had a significant effect on the number of puzzles solved.

These results reveal the effects of brand logo/packaging identity cues, in that participants who consumed the PitBull energy drink from its original packaging performed better than those who consumed it from a pitcher or did not drink it, thus providing support for the effect of original packaging (*H1a*). The findings suggest that to compete against a copycat claiming a superior credence attribute, such as product efficiency, the original brand can benefit from using extrinsic brand identity cues, such as packaging, and achieve a desirable placebo effect on consumption outcomes.

#### *Study 2: brand identity cues versus copycat superior experience attributes*

Study 2 manipulated various types of brand identity cues, including product images, logos and brand names. The purpose was to examine their impacts on consumer choice of an original HP printer over a copycat offering a superior experience attribute (i.e. a better-quality printing sample).

*Main experiment.* We conducted an experiment using a sample of 187 actual consumers recruited by a US market research firm. Participants were randomly assigned to one of the four experimental conditions in which various brand identity cues were manipulated (for

experimental conditions, see [Appendix 1](#)). In the control condition, respondents only viewed two printing samples of printer/cartridge sets Options 1 and 2, respectively; no image, logo or brand name was shown. Following [Gunasti and Ross \(2010\)](#), we manipulated Printing Sample 1 as having better quality than Printing Sample 2 ([Appendix 1](#), Control Condition). In Condition 1, participants viewed images of the two sets of printers and cartridges with their printing samples. Option 1 was an HPZ printer, and we manipulated cartridges as a copycat of the original HP brand. Option 2 was an original HP printer and cartridges. Logos of the two printers were made salient ([Appendix 1](#), Condition 1). In Condition 2, respondents were exposed to brand name information for the two printer/cartridge sets and their printing samples. Option 1, labeled as “HPZ Printer and Cartridges”, represented an HP copycat printer, and Option 2, labeled as “HP Printer and Cartridges”, represented the original brand ([Appendix 1](#), Condition 2). Finally, Condition 3 integrated all brand identity cues (images, logos and brand names) from Conditions 1 and 2. For Option 1, participants saw images of the HPZ printer and cartridges labeled as “HPZ Printer and Cartridges”. For Option 2, they viewed the original HP printer and cartridges with logos and the brand labeled as “HP Printer and Cartridges” ([Appendix 1](#), Condition 3).

In all three treatment conditions, the copycat printer/cartridge set was associated with the higher-quality printing sample, while the original HP printer/cartridge set was associated with the lower-quality printing sample. By keeping the superior experience attribute of the copycat brand relative to the original brand constant across all conditions, we could examine how using more original brand identity cues affects consumer choice of the original brand in the face of a superior copycat. After reviewing information about the two printer/cartridges sets and printing samples, participants chose one of the two sets. Finally, we asked the respondents several questions to measure their knowledge of and personal connection with HP as well as their perceptions of the originality of the stimuli and the quality of printing samples used for the manipulation check (see [Appendix 3](#) for measures).

*Results.* After carefully reviewing 187 responses, we removed 22 duplicate IDs and retained 165 observations (56 per cent male; 73 per cent with bachelor’s degree or higher; 8.5 per cent aged 18-24, 58.8 per cent aged 25-34, 18.8 per cent aged 35-44, 7.3 per cent age 45-54 and 6.7 per cent age 55 years and older). We conducted a manipulation test on how respondents perceived the originality of the two printer/cartridge stimuli in the three treatment conditions. To evaluate the perceived originality of the HP printer/cartridge option, we asked participants to indicate their opinions for two statements (“The HP printer and cartridges in Option 2 are original HP products” and “The HP printer and cartridges in Option 2 are real HP products”) on a seven-point Likert scale (1 = strongly disagree, 7 = strongly agree). The results indicate that participants were more likely to perceive Option 2 as original/real HP products ( $M = 5.3, p < 0.001$ ).

Similarly, to evaluate the perceived imitation of the HPZ printer/cartridge option, we asked participants to rate their opinion of the two statements using the same scale (“The HPZ printer and cartridges in Option 1 are a copycat of the original HP products” and “The HPZ printer and cartridges in Option 1 are an imitation of the original HP product”). The results show the participants were more likely to assess the HPZ printer/cartridge set as a copycat ( $M = 5.0, p < 0.001$ ). We also checked the respondents’ assessment of quality of the two printing samples. In all conditions, they were more likely to agree that the quality of Printing Sample 1 was better than that of Printing Sample 2 ( $M = 5.7, p < 0.001$ ), thus confirming our manipulation.

We ran a logistic regression analysis on printer choice (original HP printer = 1, copycat HPZ printer = 0) as a dependent variable and brand identity cues as independent variables,

with brand knowledge and self-brand connection as covariates (see Table II for results). The model exhibited a good fit ( $\chi^2(5) = 98.93, p < 0.001$ ). As predicted, we found a positive and significant effect of brand identity cues on choices of the original brand ( $ps < 0.05$ ). Specifically, in the control condition, 95 per cent of respondents indicated that they would choose the printer/cartridges associated with the better-quality printing sample (Option 1); only 5 per cent chose the lower-quality Option 2 ( $p < 0.001$ ).

When product images and logos were made salient to respondents in Condition 1, the number of respondents choosing the original printer/cartridge associated with the lower-quality printing sample (Option 2) increased to 28 per cent ( $\beta = 1.78$ , Wald  $\chi^2 = 3.83, p < 0.05$ ). When brand name information of the printers and cartridges was made salient in Condition 2, the number of respondents choosing the original printer/cartridge associated with the lower-quality printing sample (Option 2) increased to 40 per cent ( $\beta = 2.07$ , Wald  $\chi^2 = 5.57, p < 0.05$ ). When product images, logos and brand names were made salient, the percentage of respondents choosing the HP printer (with the lower-quality image) increased to 59 per cent ( $\beta = 4.48$ , Wald  $\chi^2 = 18.66, p < 0.001$ ). Self-brand connection also had a positive effect on choice ( $\beta = 1.81$ , Wald  $\chi^2 = 25.46, p < 0.001$ ).

The findings from Study 2 indicate that choice share of the original brand decreased when the copycat brand offered superior experience attributes. However, the original brand can leverage various types and multiple brand identity cues to withstand the share erosion. The articulation of multiple brand identity cues (logo, product image and brand name/trademark) increased the choice share of the original brand relative to the copycat offering superior experience attributes, in support of *H1b*. We observed a strong shift in consumer preferences for the original brand as we increased the strength of brand identity cues. The findings underscore the importance of using multiple brand identity cues to increase the original brand's perceived overall utility and to counter competition from copycat brands.

*Study 3: brand identity cues versus copycat superior search attributes: the moderating role of brand equity*

The purpose of Study 3 is to assess the impact of multiple superior search attributes offered by copycats on consumer preferences for the original brand versus the copycat. We manipulated types and numbers of search product attributes in favor of the copycat. We also selected original brands with high and low equity to assess the moderating effect.

*Identification of high- and low-equity brands.* To identify a product category that can be used to manipulate search product attributes and high-/low-equity brands, we chose cell phones. In the Top 100 Global Brands in 2016 (Interbrand, 2013), Apple's brand value was \$98.316mn and ranked first in the top 100 most valuable brands; LG was not ranked. In addition, Apple captured 45 per cent of the US market share compared with 8 per cent by

**Table II.**  
Study 2: Effect of superior experience attributes on choice share of original brands versus copycats

Variables	B	S.E.	Wald
Intercept	-9.46***	(2.08)	20.69
Condition 1 (product image/logo) <sup>a</sup>	1.78*	(0.91)	3.83
Condition 2 (brand name information) <sup>a</sup>	2.07*	(0.88)	5.57
Condition 3 (multiple brand identity cues) <sup>a</sup>	4.48***	(1.04)	18.66
Self-brand connection	1.81***	(0.36)	25.46
Brand knowledge	-0.48	(0.31)	2.37

**Notes:** <sup>a</sup>Reference is the control group that viewed only printing outcomes; \*\*\* $p < 0.001$ ; \*\* $p < 0.01$ ; \* $p < 0.05$

LG, further showing Apple's superiority to LG in the USA. In a pretest, 32 participants completed a short online survey to assess self-brand connection using three seven-point Likert items related to the two brands, LG and Apple ("I feel a personal connection to [brand]", "[Brand] reflects who I am" and "I can identify with [brand]"; Escalas, 2004). As the results show, participants indicated a stronger self-brand connection with Apple ( $M = 4.29$ ) than LG (vs 2.49;  $t(31) = 6.39, p < 0.001$ ). Thus, Apple should have higher brand equity than LG, which validates our brand equity manipulation.

*Main experiment.* We used a market research firm to recruit actual consumers for this study. Participants ( $n = 184$ ) were randomly assigned to one of the six cell phone brand choice conditions in a 2 (high equity: Apple vs copycat; low equity: LG vs copycat)  $\times$  3 (search attributes: control vs sound/talk vs display/warranty) between-subject design (see Appendix 2 for experimental conditions). In the control condition, participants were provided an information sheet that included only the original brand names (Apple or LG) and their copycats; we kept the brand identity cue constant across all conditions.

Participants were randomly assigned to evaluate one of the Apple versus copycat pairings or one of the LG versus copycat pairings. After that, they were asked to indicate the price they would be willing to pay (WTP) and whether they would choose the original brand or the higher-quality copycat. We also measured participants' product category involvement and used it as covariate in our analysis (see Appendix 3 for measures).

*Results.* After reviewing all responses, we dropped 11 duplicate observations from further analysis. We conducted a logistic regression analysis with cell phone choice (original brand = 1, copycat = 0 for both Apple and LG) as the dependent variable; independent variables included the search attributes and brand equity dummy code to contrast Apple as a higher-equity brand to LG as a lower-equity brand (Apple = 1, LG = 0). Cell phone product involvement served as a covariate. Using the same set of independent variables and covariate, we conducted a linear regression analysis with WTP for the original cell phone.

Panels A and B of Table III report the results of the logistic and linear regression analyses, respectively. Both models showed a good fit (choice model:  $\chi^2(5) = 97.56, p < 0.001$ ; WTP model:  $F(4,163) = 9.78, p < 0.001$ ). The results indicate that when copycat

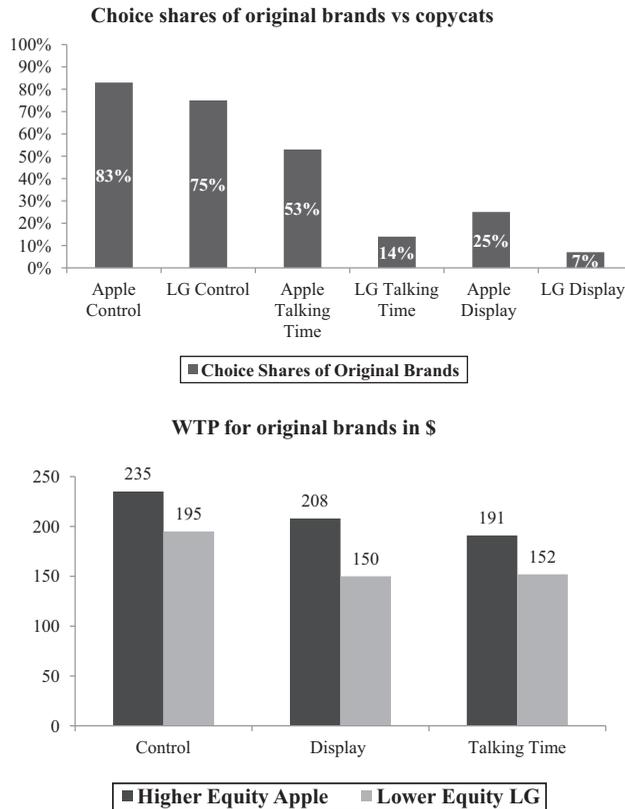
Variables	B	S.E.	Wald
<i>A. Results of the choice model</i>			
Intercept	-2.15*	(1.02)	4.97
Superior attributes (talking time) <sup>a</sup>	-2.63***	(0.55)	22.84
Superior attributes (display) <sup>a</sup>	-3.86***	(0.63)	33.29
Brand equity	1.45***	(0.47)	18.78
Brand equity $\times$ superior attributes	0.87*	(0.05)	5.17
Product category involvement	0.89***	(0.02)	17.72
<i>B. Results of the WTP model</i>			
Intercept	139.86***	(23.09)	6.06
Superior attributes (talking time) <sup>a</sup>	-43.86**	(12.45)	-3.52
Superior attributes (display) <sup>a</sup>	-31.23*	(12.15)	-2.57
Brand equity	39.56***	(9.94)	3.98
Brand equity $\times$ superior attributes	9.04*	(3.76)	2.40
Product category involvement	10.05**	(3.27)	3.07

**Notes:** <sup>a</sup>Reference is the control group with name information only (i.e. no superior product attributes information); \*\*\* $p < 0.001$ ; \*\* $p < 0.01$ ; \* $p < 0.05$

**Table III.**  
Study 3: Effect of superior search attributes and brand equity on choice share of and WTP for original brands versus copycats

brands offered superior search attributes, choice share of and WTP for the original brand reduced significantly (choice model:  $\beta_{\text{talktime}} = -2.63, \chi^2 = 22.84, p < 0.001$ ;  $\beta_{\text{display}} = -3.86, \chi^2 = 33.29, p < 0.001$ ; WTP model:  $\beta_{\text{talktime}} = -43.86, t = -3.52, p < 0.01$ ;  $\beta_{\text{display}} = -31.23, t = -2.57, p < 0.05$ ). Furthermore, the higher-equity Apple brand was more resilient when the copycats offered superior search attributes than the lower-equity LG brand, as indicated by the positive and significant interaction effects of brand equity and superior search attributes on choice of and WTP for the original brand (choice model:  $\beta = 0.87, \chi^2 = 5.17, p < 0.05$ ; WTP model:  $\beta = 9.04, t = 2.89, p < 0.05$ ). Note that the main effects of brand equity and product category involvement on choice of and WTP for the original brand were both positive and significant (choice model:  $\beta_{\text{equity}} = 1.45, \chi^2 = 18.78, p < 0.001$ ;  $\beta_{\text{involve}} = 0.89, \chi^2 = 17.72, p < 0.001$ ; WTP model:  $\beta_{\text{equity}} = 39.56, t = 3.98, p < 0.001$ ;  $\beta_{\text{involve}} = 10.05, t = 3.07, p < 0.01$ ).

Figure 1 provides the percentage of participants for each condition who chose the original brands (Apple and LG). With only brand name as a cue, 83 per cent of participants chose the Apple versus the copycat, and 75 per cent of participants chose the original LG versus the copycat; the average WTP for an original Apple was \$236 versus \$195 for an original LG cell phone, suggesting that participants preferred the original brands to the copycats. We next considered the extent to which a lower- (LG) and a higher- (Apple) equity



**Figure 1.**  
Study 3: effect of superior search attributes and brand equity on choice share of and WTP for original brands versus copycats

brand would withstand choice share from copycats that explicitly provided superior search attributes. In particular, when the LG copycat provided information about superior talking time and sound quality, consumer choice of the original LG decreased from 75 to 14 per cent ( $\chi^2 = 21.67, p < 0.01$ ) and WTP from \$195 to \$152 ( $p < 0.05$ ). When respondents were provided information about superior quality display and warranty, the choice of the original LG decreased from 75 to 7 per cent ( $\chi^2 = 27.45, p < 0.001$ ) and WTP from \$195 to \$150 ( $p < 0.05$ ). For the higher-equity brand, when the Apple copycat provided information about superior talking time and sound quality, consumer choice of the original Apple decreased from 83 to 53 per cent ( $\chi^2 = 5.85, p < 0.05$ ) and WTP decreased from \$236 to \$191 ( $p < 0.05$ ). When information about superior quality display and warranty was provided, consumer choice of the original Apple decreased from 83 to 25 per cent ( $\chi^2 = 19.16, p < 0.001$ ), and WTP decreased from \$236 to \$208 ( $t = 2.56, p < 0.05$ ). These results indicate that the higher-equity Apple brand withstood share erosion from copycat brands using superior product attributes better than the lower-equity LG brand, in support of *H2*.

In summary, this study demonstrated the challenges an original brand faces when copycats offer superior search attributes. The findings show that both choice share of and WTP for the original brand decreased significantly when the copycat used more superior search attributes. However, high-equity brands favored by consumers were less vulnerable to threats from high-quality copycats than low-equity brands.

*Study 4: brand identity cues versus copycat superior search attributes: the moderating effects of conspicuous consumption and consumers' tendency of using brands as status symbols*

Study 4 examined the moderating effects of conspicuous consumption context and consumers' tendency of using brands as status symbols on the relationship between brand identity cues and consumer preference for original brands. We hypothesized that in the conspicuous (vs inconspicuous) consumption context (*H3*) and for customers with high (vs low) tendency of using brands as status symbols (*H4*), the effects of brand identity cues on choice of the original brand over the high-quality copycat would be stronger.

*Main experiment.* Different products serve as status symbols for women and men. For example, purses, dresses and jewelry are important for women who use brands as status symbols, whereas watches, pens and shirt cuffs are status symbols for men. Gender also affects price sensitivity. To avoid any confounding effects of product category and gender, we used products that were most likely to serve as status symbols based on gender. The study was a 2 (consumption context: wedding vs no event)  $\times$  2 (original brand vs copycat)  $\times$  2 (product category: dress vs watch) between-subject design. The sample consists of 371 actual consumers recruited by the same market research firm. We used a gender-screening question to assign participants to either the female (dress) or the male (watch) condition; then, participants were randomly assigned to one of the four conditions. We manipulated social context of consumption, such that participants in the high social context condition were looking for a dress (or a watch) to wear at an upcoming wedding event. Participants in this condition read, "You are invited to a friend's wedding next month, and you are excited to attend, particularly because some friends you haven't seen in some time will be there". Conversely, participants in the low social context condition were shopping for a dress (or a watch) with no social context.

Female (male) participants indicated their likelihood of choosing a designer dress (watch) priced at \$179 versus a dress (watch) of similar quality but without the designer label, at \$99. In this study, we manipulated product price in favor of the copycat. We used a six-point bipolar scale to reinforce definitive preferences (1 = more likely to buy the designer dress

[watch] priced at \$179, 6 = more likely to buy the dress [watch] of similar quality, but without a designer label, at \$99) to enforce a preference between the two products. We incorporated differential pricing of products in our experimental design, as copycats often offer lower pricing than original brands. This increased the realism of the setting, so we could examine whether brand identity cues can compete against superior attributes of copycats when controlling for price sensitivity. In addition, price is an important search attribute in marketing literature (Brucks *et al.*, 2000).

Participants also answered a question to measure their tendency to use brands as status symbols (Strizhakova *et al.*, 2008) as a variable of interest. As signaling social status is highly associated with a need for uniqueness (Tian *et al.*, 2001) and WTP more for an original brand is contingent on price sensitivity (Lichtenstein *et al.*, 1993), we also included those measures as covariates in our analysis (see Appendix 3 for measures). After reviewing all responses, we included 349 participants (55 per cent female) in our analysis (22 duplicate responses were removed).

*Results.* We regressed the likelihood of selecting the original brand on original brand cue (1 = original, 0 = otherwise), conspicuous consumption and consumers' tendency of using brands, with need for uniqueness, price sensitivity and gender (1 = female, 0 = male) as covariates. As Table IV shows, the overall model was significant ( $F(5, 343) = 264.63, p < 0.001$ ). Two of the three covariates, gender and price sensitivity, were significant ( $\beta_{\text{gender}} = 0.27, t = 4.23, p < 0.001$ ;  $\beta_{\text{price.sensitivity}} = -0.06, t = -1.91, p < 0.05$ ), suggesting that women were more likely to select the branded product than men; in contrast, highly price-sensitive customers were less likely to select the branded product.

Consistent with *H3*, we find a positive interaction effect between original brand cue and conspicuous consumption on choice share of the original brand ( $\beta = 0.28, t = 1.98, p < 0.05$ ), indicating that the likelihood of selecting the original brand was higher when the brand was consumed in the high social context. Furthermore, consumers' tendency of using brands as status symbols also exerted a positive moderating effect on the identity cue choice of original brand relationship ( $\beta = 0.14, t = 1.96, p < 0.05$ ). This finding suggests that consumers with higher tendency of using brands as status symbols were more likely to choose the original brand over the copycat, in support of *H4*.

The results of Study 4 show that social context plays an important role in shaping consumer choice of original brands. The findings support the notion that social influence on brand decisions is greater when the purchase is publicly consumed (Bearden and Etzel, 1982). They are also consistent with private label research that shows that people are less

**Table IV.**  
Study 4: Moderating effects of conspicuous consumption and consumers' tendency of using brands as status symbols

Variables	B	S.E.
Intercept	1.11***	(0.22)
Identity cue	3.73***	(0.28)
Conspicuous consumption	0.01	(0.06)
Brand status	0.20***	(0.03)
Identity cue × conspicuous consumption	0.28*	(0.14)
Identity cue × brand status	0.14*	(0.07)
Need for uniqueness	-0.02	(0.03)
Price sensitivity	-0.06*	(0.03)
Gender	0.27***	(0.06)
$F(5, 343)$	264.63***	

Notes: \*\*\* $p < 0.001$ ; \*\* $p < 0.01$ ; \* $p < 0.05$

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likely to choose private labels for products consumed socially (Richardson *et al.*, 1996). In addition, the results reveal that consumers with high versus low tendency of using brands as status symbols will respond to original brand identity cues differently, thus highlighting the significance of consumers' status-seeking tendency in shaping original versus copycat consumption.

### General discussion

This research investigates the impact of brand identity cues that original brands can use to compete against high-quality copycats more effectively. The four studies systematically demonstrate the power of brand identity cues in reducing share loss of the original brand to the superior copycat brand. We further demonstrate the moderating roles of brand equity, conspicuous consumption and consumers' tendency of using of brands as status symbols in strengthening the effect of brand identity cues.

#### *Theoretical implications*

Our findings extend cue diagnosticity and consistency theory by showing that the use of multiple, consistent brand identity cues enhances evaluations of original brands. Whereas prior research focuses on price and quality cues (Rao and Monroe, 1989), our study examines a wide range of brand identity cues, ranging from brand names, logos and packaging to labels. From a theoretical perspective, this research offers an empirical demonstration of the relative effect of original brand identity cues versus that of copycat superior attributes. We show the competing effects of original brand identity cues and copycat brand attributes on shaping consumer choices and identify boundary conditions of the effect. Our results support cue theories, providing new evidence of the effect of extrinsic brand cues.

This research also adds to the work on hypothesis confirmation bias. Prior studies provide non-diagnostic, ambiguous information on hypothesis confirmation bias (Hoch and Ha, 1986). Our studies offered explicit low-quality information that contrasts with expectations of a high-equity brand, thereby providing a stringent test of hypothesis confirmation bias. More important, despite the negative information, a significant percentage of participants who engaged in confirmation bias still chose the original brand with presumably inferior quality.

Wilcox *et al.* (2009) explore the reasons for purchasing illegal, lesser-quality counterfeits of luxury textile brands and the subsequent negative change in attitudes toward the original brands. They find that consumers do not consider purchasing counterfeits immoral and are more likely to purchase these products when their existing attitudes toward luxury brands serve a social-adjustive versus a self-expressive function. Our results complement this research stream by showing that when consumers use brands to express social status and gain appreciation in social consumption, they are more likely to choose original brands over copycats.

Beverland (2009) notes the significance of brand identity cues in reinforcing the socio-cultural role of brands in consumers' lives by contrasting Dunlop Volley's successes in emphasizing its heritage with Snapple's failure to use such cues, resulting in loss of brand equity. Although social utility from consumption was originally associated with inferences about wealth and social status, social perception literature suggests that people make personality judgments using "thin slices" of behavior from brief social interactions (Gosling, 2009; Thompson and Norton, 2011). Purchase decisions and personal items (seeking feature-rich products, determining preferences for food and choosing personal items) can convey meaningful information about the personalities, values and habits of their owners (Thompson and Norton, 2011). We extend this research domain further by showing that

original brands can communicate social utility by distinguishing between consumers who can afford to buy original brands and those who cannot.

We contribute to the copycat literature by examining high-quality copycats instead of the commonly studied lower-quality copycats (Berger and Ward, 2010; Van Horen and Pieters, 2012a; Wilcox *et al.*, 2009). We investigated the direct competition between original brand identity cues and copycats' superior quality cues by focusing on outcome-related variables, such as consumer choice and WTP. Our study on equity and the consumption of brands helps establish boundary conditions for the observed effects. This effort is an important step toward developing a comprehensive conceptual framework for consumption of original brands versus copycats.

#### *Managerial implications*

Our findings have important implications for both consumers and marketing managers. Brand identity cues alter product preferences to the degree that an objectively inferior original product can be chosen over a clearly superior copycat brand when different types of cues reinforce the identity of the original brand. To compete against high-quality copycats in the short run, manufacturers and retailers of original brands would do well to use multiple salient brand identity cues to communicate, reinforce and protect their authentic image and evoke favorable consumer responses. In a competitive context, when imitators claim identity, original brands should be proactive in signaling their own identity to protect their advantage over the imitators. In the long run, brand managers should invest in brand-building programs, in particular building brand uniqueness, creating/enriching positive associations in consumers' minds and making their brand identity cues more salient and memorable.

Our results show that high-equity original brands benefit most from identity cues because they can make better connections with consumers and evoke favorable consumer responses. They are also more resistant to multiple quality cues provided by high-quality copycats. In the face of continued competition from copycats and lower-equity brands, high-equity original brands need to take a continuous innovation and improvement path to maintain a strong hold on their market. They need to leverage and take advantage of all identity cues in the full range of communication venues.

Brands are symbols of the self and the means consumers use to express social status (Belk, 1988). When evaluating original and copycat brands and making consumption decisions, consumers not only consider their personal judgment of product features and satisfaction gain from the overall product quality (i.e. private utility) but also pay attention to other people's consideration and appreciation of their private utility, also known as social utility (Thompson and Norton, 2011). Moreover, consumers who use brands to express social status are more likely to choose a higher-priced original brand over an equal quality but lower-priced copycat in social consumption settings. Therefore, brand managers should emphasize the value of social utility of original brands in their marketing communications.

#### *Limitations and further research*

Several limitations in this research open opportunities for further research. First, our research focused on identity cues such as brand names, images, logos and marketing messages. Other work might take a broader view of identity and examine more sophisticated identity cues. Brown *et al.* (2003) find that consumers, when evaluating the New Beetle automobile, were sophisticated interpreters of marketing cues about that brand's identity, looking beyond the physical characteristics for definitions of Beetle's brand essence. Exploring how brand identity cues that convey the meaning of brand essence shape

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consumer perceptions of brand identity and how these perceptions influence consumer responses is a fruitful research direction. Moreover, our work focused on extrinsic cues easily visible to consumers; however, intrinsic brand identity cues, such as original ingredients, styles and design, warrant additional study. We speculate that creating messages that reinforce the view that intrinsic cues are genuine, real or authentic can communicate further brand identity.

Second, we accounted for consumers' self-brand connection and product category involvement in this research. Future studies could manipulate these factors to examine their effects on consumers' information processing from personal experience (vs external sources) when forming identity perceptions. It is likely that consumers with high (low) self-brand connection will react to the original brand identity cues more (less) favorably because of their strong (weak) bond with the brand (Escalas, 2004; Escalas and Bettman, 2003). In contrast, highly involved consumers may rely more on products' utilitarian attributes, such as their superior features and less on hedonic attributes, such as brand names. Thus, the effects of brand identity cues are more likely to be weaker for highly involved customers. Prior studies show that brand awareness influences consumer evaluation and choice of brands (Hoyer and Brown, 1990). Exploring the role of brand awareness in shaping consumers' response to copycats is also important. Further work might investigate cultural and regional differences as moderators for the effects of brand identity cues. Brand identity cues and copycats can also be examined in service settings.

Third, our empirical examination focused on copycats that mimic features of established brands, but not illegal counterfeits that obviously violate trademark, copyright or patent laws. We believe that consumers are not equally positively oriented toward the activity of imitating versus counterfeiting. Other research can extend the scope of study by examining the role of brand identity cues in fighting against illegal counterfeits. Our results show more positive evaluations of the original brand than of copycat brands when identity cues are present and both products are evaluated comparatively. However, with regard to comparative evaluation strategies, research shows that a copycat product is evaluated more favorably when it is presented separately from the original brand (Qin *et al.*, 2016). We acknowledge that in many purchase situations, consumers may not compare the two products because distribution channels may be different. Research might examine how the comparative evaluation mode moderates the effect of brand identity cues on brand choice.

Finally, several limitations in our empirical examination can be addressed in future research. Although a large percentage of energy drink consumers are 18-24 years old, the use of undergraduate students in Study 1 may not represent the entire market. Other researchers might consider whether and how the effect of brand identity cues varies across different consumer segments. In addition, the use of different products (watch and dress) as status symbols for men and women in Study 4 might artificially create the difference in the response. Further work might conduct a more conservative test by using the same product (e.g. watch) for both genders.

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	Option 1 <sup>a</sup> Stimuli for HPZ Copycat	Option 2 <sup>a</sup> Stimuli for Original HP Brand
<b>Superior Experience</b> <b>Attribute Manipulation</b> Control Condition	 x30 enlarged image	 x30 enlarged image
<b>Brand Cue Manipulation</b>		
<b>Condition 1:</b> Product image and logo		
<b>Condition 2:</b> Brand name information	HPZ Printer and Cartridges	HP Printer and Cartridges
<b>Condition 3:</b> Product image and logo combined with brand name information	HPZ Printer and Cartridges	HP Printer and Cartridges

**Notes:** <sup>a</sup> Option 1 conditions showed the HPZ copycat cues with the higher-quality photographics-print. option 2 conditions showed the original HP brand identity cues with the lower-quality photographics-print. within conditions, participants chose between the original HP printer/cartridges and HPZ copycat printer/cartridges

**Figure A1.**  
Study 2: Stimuli for  
original HP Brand  
and HPZ copycat

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	Option 1 <sup>a</sup>	Choice options Option 2 <sup>a</sup>
Superior experience attribute manipulation	Stimuli for original Apple/LG Cell Phone	Stimuli for Copycat Apple/LG Cell Phone
Condition 1: Control, Name information; No Quality Cues	Original Apple/LG Cell Phone	Copycat Apple/Copycat LG Cell Phone
Condition 2: Name information and Display and Warranty Cues	Apple/LG Cell Phone 3.5inch widescreen 960 × 640 pixels 12 month warranty	Copycat Apple/Copycat LG Cell Phone Multi-touch Retina display 4.2 inch widescreen 1,200 × 800 pixels 24 month warranty
Condition 3: Name information and Talk and Sound Quality Cues	Apple/LG Cell Phone Talk time: Up to 8 hours on 3G Internet use: Up to 6 hours on 3G Sound quality rating: 8 (out of 10)	Copycat Apple/Copycat LG Cell Phone Talk time: Up to 10 hours on 3G Internet use: Up to 8 hours on 3G Sound quality rating: 9 (out of 10)

**Table A1.**  
Study 3: Stimuli for original Apple/LG Brand and for Apple/LG copycat

**Notes:** <sup>a</sup>Option 1 conditions show the original Apple (higher-brand equity) or LG (lower-brand equity); Option 2 conditions show the copycat Apple or copycat LG with superior search attributes. Within condition (1, 2, 3), study participants chose between the original and the copycat Apple or between the original and the copycat LG

### Appendix 3. Constructs and scale items for Studies 2, 3 and 4

*Brand knowledge* (Dawar, 1996;  $r = 0.87$ )

(1 = not at all, 7 = very much).

I am familiar with the Apple (LG) brand.

I am knowledgeable about the Apple (LG) brand.

*Self-brand connection*<sup>a</sup> (Escalas and Bettman, 2003;  $\alpha = 0.94$ )

[The brand] reflects who I am.

I can identify with [the brand].

I feel a personal connection to [the brand].

I use [the brand] to communicate who I am to other people.

I think [the brand] help me become the type of person I want to be.

I consider [the brand] to be “me”.

[The brand] suits me well.

*Product category involvement*<sup>a</sup> (Laurent and Kapferer, 1985;  $\alpha = 0.88$ )

Cell phone product category matters to me.

I am interested in anything related to cell phones.

I value cell phones as important part of my life.

*Tendency of using brands as status symbols<sup>a</sup> (Strizhakova et al., 2008;  $\alpha = 0.89$ )*

- I avoid choosing brands that do not reflect my social status. (R)
- I use brands to communicate my social status.
- I choose brands that are associated with the social class I belong to.
- The brands I use reflect my social status.
- I communicate my achievements through the brands I own and use.

*Consumer's need for uniqueness<sup>a</sup> (Tian et al., 2001;  $\alpha = 0.84$ )*

- I actively seek to develop my personal uniqueness by buying special products or brands.
- I often try to avoid products or brands that I know are bought by the general population.
- The products and brands that I like best are the ones that express my individuality.
- Products do not seem to hold much value for me when they are purchased regularly by everyone.

*Price sensitivity<sup>a</sup> (Lichtenstein et al., 1993;  $\alpha = 0.78$ )*

- I am not willing to go to extra effort to find lower prices. (R)
- The money saved by finding low prices is usually not worth the time and effort. (R)
- I will grocery shop at more than one store to take advantage of low prices.
- Price is my primary concern when buying products.

<sup>a</sup>Rated on seven-point Likert scales, (R) = reverse-coded

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