PURSE PARTIES: A
PHENOMENOLOGY OF IN-HOME COUNTERFEIT LUXURY EVENTS

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ABSTRACT

Purpose — The objective is to extend the concept of purse parties introduced by Gosline (2009) and to explore the phenomenon of counterfeit consumption through the in-home “purse parties” channel. The authors seek to reveal themes from the depth interviews and build a consumer typology reflecting attitudes toward purse parties and counterfeit luxury products.

Method/approach — The method is a qualitative phenomenological approach. Authors assessed attitudes toward purse party attendance and counterfeit goods — along with any subsequent behavioral intentions or behaviors. Authors addressed the objective using depth interviews among 28 women.

Findings — Findings included five emerging themes: distinctness of in-home consumption settings, obligatory attendance, social engagement, curiosity, and disregard for legalities of counterfeit consumption/disdain for purse parties.

Research limitations — The sample primarily consists of female college students and is not representative of all consumers. Due to social desirability
bias and the controversial nature of counterfeit consumption, informants may have struggled to provide honest responses.

Social implications — Research implications suggest potential increases in purse party events and consumption due to informant’s blatant disregard for the legalities of the practice, and interests in social engagement, intimacy (exclusivity), and curiosity.

Originality/value — The main contribution is a typology representing four types of purse party consumers: loyal, curious/social, skeptic, and disengaged. This proposed typology stems from the aforementioned themes uncovered. Further, authors identify the social implications of in-home purse parties and underscore the significance of an under-investigated purchase channel.

Keywords: Luxury brands; counterfeit consumption; experiential consumption; in-home purchasing events socially embedded markets; consumer behavior

...Everybody, the rich, middle class, and people who don’t even have any money, will buy a bag.

— A convicted counterfeiter/purse party host

As the illustrative quote above implies, despite the illegal nature of counterfeit goods exchange, there is an interesting and socio-economically significant consumer behavior occurring behind closed doors, typically in an invitation-only setting. This phenomenon is deserving of scholarly attention. In recent years, counterfeit products have been incorporated in “posh purse parties” that are generally hosted by suburban women (Ingrassia, 2004). These parties have turned “a lot of otherwise law-abiding women into enthusiastic and guilt-free lawbreakers” (Gosline, 2010). Introduced by Gosline (2009), purse parties are defined as in-home parties (e.g., similar to Tupperware parties) that sell counterfeit designer goods; they are typically focused on designer accessories such as purses. Despite the name, other goods aside from just purses are sold — namely wallets, watches, luggage tags, and sunglasses.

In many cases, purse party hosts invite attendees from their social circle and provide snacks, alcoholic beverages, door prizes, music, and camaraderie, which are not typically offered in other channels of counterfeit consumption. Those channels include street vendors, flea markets, and individuals selling goods online. A major differentiator from those channels is that purse parties offer a socialization aspect that is not only not conducive in other channels, but not particularly welcomed. For instance, in the case of a counterfeit exchange with a street vendor, an expectation is a more covert exchange best done as quickly and inconspicuously as possible in public given the illegal nature of the
exchange. In stark contrast, any phenomenon of a socially embedded, private counterfeit exchange seems intriguing and of scholarly interest. As such, this study focuses on the socialization, motivation, emotional responses, and purchase intentions of guests who either attended purse parties, or have purchased counterfeit designer brands.

SOCIAL AND ECONOMIC JUSTIFICATIONS

Empirical research on in-home social shopping, as exemplified by the phenomenon of exchanging counterfeit luxury goods (often termed purse parties), is important consumer behavior research for several social and economically justified reasons. First, related activities such as counterfeit goods shopping and in-home social shopping are socio-culturally significant practices. Second, there may be a latent cultural tension and market resistance to in-home events selling counterfeit luxury goods. This latent tension is likely to co-mingle with the surrounding legal and moral components to such less visible marketplace activities.

Third, there is an untapped opportunity to make a contribution to the consumer behavior literature that combines scholarship on in-home shopping experiences and counterfeit luxury consumption. More broadly, the in-home consumption channel focus may make a contribution to the marketing literature with respect to counterfeit brand exchange. When designer products become highly desired or unobtainable, the original products may become compromised and sold as counterfeit goods. Counterfeit goods are broadly defined as unauthorized manufacturing of goods whose defining characteristics are protected by intellectual property rights (Cordell, Wongtada, & Kieschnick, 1996). Counterfeit goods are often replicated unauthentic fashion designer brands (e.g., Prada, Louis Vuitton, Gucci, Chanel) that are sold through a variety of online and offline channels across the globe. As such, the practice seems rampant in fashion—which may be a function of the relatively high social visibility and the emblematic and status functions of fashion brands and accessories.

In addition to the social significance of the lesser-investigated in-home counterfeit exchange channel, the broader scope of this topic has startling economic impact too. By 2016, the Organization for Economic Cooperation and Development (OECD) reports global sales of counterfeit and pirated products shockingly amount to nearly half a trillion dollars annually; this figure equates to 2.5% of the global GDP. Since the last OECD data, the dollar figure for global counterfeits doubled from $200 billion in 2005 to $461 in 2013 (OECD and European Union Intellectual Property Office, 2016). Hence, counterfeit exchange has been growing and it is important to study the in-home channel because perhaps this channel may destigmatize the illegal behavior.
RESEARCH GAP

While the in-home counterfeit channel is relatively void of scholarly attention, the counterfeit literature in general is well developed. Here, the authors briefly summarize key topical areas of the counterfeit literature in recent years. For instance, the counterfeit literature is rich in the area of consumer motivations to purchase counterfeit goods (c.f., Bian & Moutinho, 2011; Chen, Teng, Liu, & Zhu, 2015; Gosline, 2009; Kang & Park, 2016; Randhawa, Calantone, & Voorhees, 2015; Richardson, 2007; Stöttinger & Penz, 2015; Wee, Tan, & Cheok, 1995). Many of the aforementioned motivation studies overlap with a focus on consumer attitudes about counterfeit consumption, with a recent study focusing on attitudes by Schade, Hegner, Horstmann, and Brinkmann (2016). Furthermore, scholars have focused on counterfeit consumption with respect to the correlated aspects of cultural components (e.g., Liu, Yannopoulou, Bian, & Elliott, 2015) and ethics (e.g., Eckhardt Belk & Deviancy, 2010). Last, from a brand lens, the counterfeit literature has a focus on consumer-brand relationships (e.g., Commuri, 2009), and authenticity (c.f., Beverland & Farrelly, 2010; Falkowski, Olszewska, & Ulatowska, 2015; Lee, Chen, & Wang, 2015; Roux, Bobrie, & Thébault, 2016; Sundar & Noseworthy, 2016). Hence, the counterfeit consumption literature is robust.

As for the socially embedded purse parties, only one unpublished paper exists. In her dissertation, Gosline (2009) conducted a longitudinal study over two years to explore the implications of counterfeit consumption and consumers’ relationship with authentic brands purchased at street markets and purse parties. Findings unveiled a three-stage model illuminating the process of how consumer-brand relationships in the embedded market are formed. The stages—distinction, democratization, and omnivorism—both reflect and impact boundaries in socially embedded markets, like purse parties. Distinction focuses on the hierarchy integrated in society with impermeable boundaries between elite and lower-status consumers. Hence, distinction induces emulation of high-status consumers through counterfeit consumption at purse parties. The democratization stage represents porous boundaries and enables both elite and lower-status groups to consume luxury. Cultural capital is not exclusively consumed by the elite consumers. Therefore, counterfeit consumption purchased in a social setting like purse parties, enables any consumer to purchase goods regardless of social boundaries due to its intrinsic value. In contrast, the omnivorism stage describes the practice of high-status dominant group members who also reject exclusive consumption of luxury goods. Consumers who purchase at purse parties were found to attest that their bags were fake after receiving compliments from friends, family, and strangers. Their behavior represented omnivorism as they displayed status, yet still wanted to be recognized as reasonable consumers with priorities. One aspect relatively
underdeveloped was a focus on the in-home channel/in-home counterfeit good shopping experiences.

OBJECTIVE AND ROADMAP

Hence, given the relative void in the literature regarding in-home shopping experiences, the social dynamics, motivations, and counterfeit consumption, more work is justified on this socially and economically important phenomenon. The objective is to extend the concept of purse parties introduced by Gosline (2009) and to explore the phenomenon of counterfeit consumption through the in-home “purse parties” channel. The authors seek to build a consumer typology reflecting attitudes toward purse parties and counterfeit luxury products.

This chapter is organized as follows. The authors begin with a discussion on counterfeit consumption. Moreover, the literature review will synthesize the economic, social, and legal ramifications of counterfeit consumption. The literature review will address attitudes toward counterfeiting, unlawful behavior, and channels. Following the literature review, authors discuss phenomenological interviews along with analysis of the key themes, and a typology of purse party consumers is proposed. Last, the chapter concludes with key discussion points and future research.

COUNTERFEIT LUXURY BRAND CONSUMPTION

Counterfeit products are sold throughout a variety of more obscure channels – namely non-traditional due to the illegal nature of the exchange. The non-traditional channels include offline and online channels. With the advent of technology – mainly social media and e-commerce, an unprecedented and undocumented amount of internet sales has contributed to the growth and vast accessibility of counterfeit goods. Aside from other non-traditional offline channels including street vendor locations and flea markets, in-home purse parties offer a unique socialization aspect that is not conducive in other channels. The in-home channel is a growing channel for selling counterfeit goods in a private home setting. Yet, the in-home channel is lesser investigated and as such is of scholarly inquiry here.

Scholars refer to in-home purse parties as an example of a socially embedded market that is centered on social relations and product exchanges (Frenzen & Davis, 1990; Gainer & Fischer, 1991). Very little research exists on purse
parties. However, Gosline (2009) discovered purse parties inversely encouraged guests to buy the real brands after the fake products lacked original quality. Consumers also developed an increased attachment to the real brand. While counterfeit consumption has posed a negative impact on sales and brand equity for the copied brand, the harm is limited as it leads to future trials of the real brand (Gosline, 2010). Aside from quality, Gosline (2009) suggests that self-presentation also contributes to guests buying the real products at a later time. These consumer behaviors, among others, will be illuminated here to help shape the discussion of consumer motivations and psychological implications in the counterfeit consumption arena.

Counterfeit Consumption: Attitudes, Motivations, and Intent

In general, the counterfeit consumption literature largely addresses attitudes toward counterfeit consumer behavior, motivations to purchase or sell counterfeit products or brands, and purchase intent to buy counterfeit branded products. Counterfeit proliferation has been linked to consumers’ relentless desire for real luxury brands. Typically, counterfeit goods are low priced, lower-quality replicas of high price and valued luxury brands (Lai & Zaichkowsky, 2009). Whereas many consumers know they are purchasing the replica, some consumers fall prey to purchasing what they think is an authentic brand, where it is actually a counterfeited replica. As such, within the counterfeit consumer group there are two different factions: victims and willing collaborators (Cordell et al., 1996). Victim counterfeit consumers are deceived during the purchase of luxury brands. They unknowingly purchase the faux luxury good with the assumption that it is authentic. Collaborators meanwhile willingly purchase a known or suspected counterfeit good. In this role, they act as an accomplice to illegal acts on behalf of the counterfeit producer and seller (Cordell et al., 1996). Attitudes toward counterfeiting vary depending on if the consumer is a victim or willing collaborator. In this study, the authors focus on the “willing accomplice” and not on the “victim,” as in attending an in-home purse party it is implied and open that the goods exchanged are not authentic. In some ways, hosting or attending such an event may be associated with a more open attitude toward counterfeiting.

Attitudes toward Counterfeiting

Attitudes toward counterfeit purchase behavior have been linked to several factors. Wilcox, Kim, and Sen (2009) suggest attitudes toward counterfeiting shape psychological functions during consumers’ daily lives (i.e., utilitarian function and knowledge function). Further, attitudes offer two sources of self-expression: value-expressive function and social-adjustive function (Wilcox et al., 2009). Consumers possessing value-expressive attitudes make
(counterfeit) purchase decisions to communicate their belief systems, attitudes, and values to others. In contrast, social-adjustive behavior is exemplified when consumers consume products to gain approval from their reference group. Both attitude functions are relevant for understanding counterfeit luxury consumption. Some consumers desire counterfeit luxury brands for each attitude exclusively. Wilcox et al. (2009) argue that consumers’ preferences for counterfeit luxury goods over authentic brands are greater when their luxury brand attitudes supply a social-adjustive function rather than a value-expressive function. Typically, consumers will prefer counterfeit luxury goods to gain approval from others. In contrast, value-expressive attitudes are dominant only when consumers possessed strong moral beliefs about counterfeit consumption. Also, conspicuous luxury brands determine the ability of the faux and authentic brands ability to serve the attitude function of self-expression (Wilcox et al., 2009). In turn, there are various motivating factors of counterfeit consumption.

**Motivating Factors of Counterfeit Consumption**

While value-expressive and social-adjustive attitudes explain counterfeit consumption, there are other constructs that support motivating factors as well. Eisend and Schuchert-Guler (2006) found three important areas linking counterfeit purchases and consumers together — the labeled person, aspects of the product, and the socio/cultural context. The *Labeled person* includes demographic and psychographic variables that impact consumers and their attitudes toward counterfeiting (Eisend & Schuchert-Guler, 2006). Counterfeiting is normally associated with lower socioeconomic backgrounds. Furthermore, *Aspects of the product* includes product attributes such as price, function, uniqueness and availability (Eisend & Schuchert-Guler, 2006). Consumers are more likely to buy a counterfeit brand based on the price of the authentic brand. A last area to consider is the *Social & cultural context* — counterfeit decisions are made in comfortable shopping environments for consumers (Eisend & Schuchert-Guler, 2006).

Further, Cordell et al. (1996) offer three counterfeit consumption motivations: status symbols, retailer’s channel of distribution, and price. Similarly, there is overlap with attitudes and motivations. Phau, Teah, and Lee (2009) suggest consumers have specific attitudes toward counterfeiting that contribute to their purchase (or attendance) motivations. Besides price and brand prestige, the function of the luxury good and the high visibility of the logo, each parallel with consumers’ interest in authentic luxury goods. Phau et al. (2009) find that consumers will buy faux luxury goods based on the intent to satisfy a personal need and to impress others.

**Counterfeit Purchase Intent**

Various factors have been associated with consumers’ intent for purchasing counterfeit luxury goods (Hoon Ang, Sim Cheng, Lim, & Kuan Tambyah, 2001).
These factors include brand consciousness, personal gratification, value consciousness, price-quality inference, social influence, and brand prestige. Each factor strongly impacts consumer decision during the purchase process. In most cases, consumers will weigh the prospective faux luxury good against these factors (Hoon Ang et al., 2001).

The aforementioned work by Hoon Ang et al. (2001) has since been developed. For example, two more drivers of counterfeit consumption include pragmatism and risk aversion (Cordell et al., 1996). Products that have little investment-at-risk or have product attributes that can be assessed before purchase have a higher chance of becoming a potential counterfeit product. Similarly, consumer attitudes and willingness to purchase counterfeit products were highly positive when purchases had little implications for risk. It is determined that price-quality inference and social influence have the strongest implications influencing attitudes toward counterfeit luxury and then ultimately drive purchase intentions (Phau et al., 2009).

According to the theory of planned behavior, purchase intentions do not fully support the scope of counterfeit consumption. Instead, the necessary resources and opportunities must be accessible before purchase behavior can be performed (Phau et al., 2009). The aspect of opportunity is important because a purse party provides an opportunity to physically see and hold various counterfeit luxury goods — unlike online channels. Resources (i.e., financial, time) and an opportunity to purchase counterfeit goods, does not fully explain this facet of consumer behavior. Social influences are an important force in explaining and or predicting purchase intent (Eisend & Schuchert-Guler, 2006).

While scholars have done ample work in the area of attitudes and counterfeit-related consumer behaviors, there is more of an opportunity for a unique contribution in the area of channels and counterfeit luxury brands — namely the in-home purse party channel, the focus of the phenomenology is discussed next.

**METHODS**

With aims to understand the implicit meanings of consumer behavior rather than to predict behavior, qualitative methods are more appropriate (Braybrooke, 1965). In-depth interviews are especially useful when researchers are unaware of interpretations, codes, norms, affects, or rules guiding consumer behavior (Dexter, 1970). Specifically, this work is a phenomenology, as the process will help uncover and explain the phenomenon of interest (i.e., the consumer behavior related to attending purse parties and/or purchasing counterfeit luxury fashion goods).
Recruitment

Informants who attended or hosted a purse party were recruited in two ways: first, through word-of-mouth, and then through a university subject pool. Recruitment was initially impacted by the focus of this study, counterfeit luxury, which is both illegal and to some, unethical. Recruitment was expanded through a convenience sample to also include informants who may own or have purchased counterfeit luxury goods. No incentives were offered to the non-student sample for participation; student informants were offered course credit to satisfy research participation requirements. This study reflects an overwhelmingly female-oriented consumer behavior, and by default, the sample is female. Excluding males was not intentional; it happened organically and could be a function of selection bias of the topic and a subject pool in a major that skews female.

Sample

The sample included 28 female informants who have either attended a purse party or purchased/owned one or more luxury counterfeit brands. Of those, 12 informants attended a “purse party.” They represent varying geographic and socio-economic classes and are between the ages of 18–33. Six of the informants were working professionals, while 22 were university students. The authors assigned pseudonyms to informants to maintain anonymity and privacy. More detailed information about the sample is in Table 1.

Procedure

Instead of using the term “counterfeit designer brands,” the more neutral term “informal designer brands,” was used during interviews attempting to avoid potential social desirability biases. Questions were stated in third person for informant comfortability. The interviews began by asking participants’ general views on their own personal styles. And they were also asked if they self-identify as themselves as honest or not. Further questions were asked regarding benefits, drawbacks, and justifications for purchasing and using designer and counterfeit products. Lastly, direct questions about their motivations and benefits of attending or potentially attending counterfeit purse parties, in addition to the psychological and logistical nature of the party, were asked. The structured interviews lasted 45 to 90 minutes, and were recorded and partially transcribed. The partial transcriptions included key or representative quotes, along with interview notes and characteristics of the informants. Interviews were primarily conducted by the author team, with the exception of approximately six
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*aDenotes non-college students or working professionals.

interviews conducted by an undergraduate research assistant after being trained by an author who hired the student as part of a student enrichment award to foster undergraduate research. Authors collected data from 2012 to 2016.

Data Analysis and Theme Development

Data were analyzed based on objectives, theories, and themes identified in the literature. A thematic analysis approach was used to better understand symbolic and social interactions of informants and social implications of attending purse parties. This approach helped to identify, analyze, and report some of the common themes and experiences informants encountered while attending purse parties (Braun & Clarke, 2006).
Thematic analysis began first by coding for intriguing behavior patterns that were found during the interviews and field notes. A list of the initial codes included: consumption views, counterfeit consumption views, personal ethics, brand loyalty/equity, apathy, and social desirability. Following Braun and Clarke’s (2006) thematic plan, a search for themes throughout the field notes were reviewed, defined, and renamed during the process.

Via axial, open, and selective coding, we grouped similar findings and observations into categories of meaning. Such grouping helped reveal emergent patterns for each category (Wolcott, 1990). Thus, many new themes became apparent. The authors reviewed each other’s data interpretations until key findings reached a point of saturation. Although many consumer themes were found, greater focus was devoted to findings that relate to the unique consumption context (i.e., in-home social shopping gatherings), rather on counterfeit consumption attitudes and behaviors in general. The reason for this focus is to meet the objective to make a unique contribution to the very rich, established literature on counterfeit consumption.

Multiple theoretical perspectives were considered along with the findings. Afterward, respondent narratives were developed for each interview to condense data to only key themes illustrated in the next section.

**EMERGING THEMES**

Recall the purpose of this study was to explore the phenomenon of counterfeit luxury through a lesser visible channel of in-home purse parties — a term coined by Gosline (2009). With that goal in mind, informants provided rich insights about motivations and purchase intentions surrounding purse parties. Key findings, as they relate to themes and a theoretical contribution, are offered in Table 2. Five major themes were found in the study: distinctness of in-home consumption settings (namely intimacy and originality), social engagement, obligatory attendance, curiosity, and disregard of legalities of counterfeit consumption. Each theme is discussed in more detail below.

**Distinctness of In-Home Consumption Settings (Intimacy and Originality)**

Past work stressed the importance of the societal context in understanding counterfeit consumer behavior (e.g., Eisend & Schuchert-Guler, 2006). Thus, this theme focuses on the social psychology and environmental aspects of the purse party as a counterfeit purchase channel. There seems to be a resurrection of in-home shopping parties that are reminiscent of past generation’s Tupperware parties. The in-home setting is quite distinct from traditional shopping settings. Based on the concept of environmental psychology, especially
social environments, many studies indicate that shopping environments have substantial effects on consumer feelings and behaviors (Baker, Grewal, & Parasuraman, 1994; Park, Iyer, & Smith, 1989). Consumers tend to spend more time in shopping environments where they feel pleasant (Donovan, Rossiter, Marcoolyn, & Nesdale, 1994). Tombs and McColl-Kennedy (2003) argued that other customers and service providers, including the salesperson, are social cues that affect shoppers’ emotional and cognitive responses including purchase intentions. In this study, the in-home shopping environment provides unique social cues because consumers tend to be with friends and family.

As uncovered in the interviews, in-home private consumption settings have a few defining characteristics deemed important and distinct from traditional shopping channels. These characteristics of the in-home shopping context include: intimacy, originality, and socialization. As such, the sub-theme of socialization became so central that it morphed into a theme, and will be discussed next. The two areas emerging in the distinctness of in-home consumption settings include intimacy and originality of both the in-home shopping experience and the goods sold.

### Intimacy

Many informants noted that the in-home channel for goods exchange, such as purse parties, feels more intimate than traditional shopping experiences. For

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one, these purse parties tend to require personal invitations. In some cases, invitations are formal and done via a paper or online, similar to birthday party invitations. This is in sharp comparison to the general public being able to shop whenever a traditional store or website is open with no invitation needed.

A second area where intimacy is felt is due to the attendee’s relationship with the host(ess). The setting of a shopping opportunity seems very important as intimacy is felt or developed among hostesses (i.e., sellers) and attendees (i.e., customers). Compared to a trip to a mall or shopping website, these purse parties are in many ways opening someone’s home to shoppers. As a result, some informants feel intimacy of the shopper-seller relationship is different; it feels more personal and more intimate. As one woman explains, she considers the seller’s feelings and time. When probed if she has these thoughtful considerations toward salespersons in traditional stores, she is quick to say no.

When you go to someone’s house, you are investing a lot more than just taking a (regular shopping) trip. I feel bad to leave and having wasted my time and another person’s time by not buying. I don’t want to hurt their feelings and they are trying hard to convince me and I’ve been listening to them and have a conversation with them. [Interviewer: Would you feel the same about browsing at a store and just leaving?] No. Not really. (Lola)

Supported by environmental psychology theory, the elicited intimacy in in-home shopping parties also created a setting of trust. This is especially true as the buying and selling of counterfeit goods is illegal and immoral. For Nikki, attending purse parties with a trusted friend normalizes the counterfeit practice and she feels less immoral. Also, trust reduces anxiety and creates a comfortable shopping experience, which is enabled by the intimate setting. Spending significant dollars on counterfeit in a private setting with friends provides moral support. Nikki shares interest in attending a purse party along with a trusted friend:

I would go if my friends were going. I think that would be the biggest motivator. And if I trusted the person inviting everyone, I would go too. I think that if you do go with friends, you kind of feel more like it’s socially-acceptable to buy informal designer brands. And again, the money situation - it’s lots of money that you are spending…you feel better about buying it especially …where you are with other people buying it. (Nikki)

Originality

Retail stores are not intimate; in actuality they tend to consist of groups of strangers. This is in sharp contrast to a purse party or other in-home shopping experiences where the setting is shopping by personal invitation. More importantly, perhaps it is the originality of the merchandise; the goods sold are often unavailable in traditional channels because they are unique and handmade at one end of the spectrum, and counterfeit at the other. Product originality was evident at a party Jessica attended. Because the products were exclusively sold at the purse party, the originality of the bags was heightened, coupled with
higher prices. Jessica reflects on shopping experiences of unrecognizable, high quality bags that were strictly at the party:

The purse party seems to be held by the company, they just sell their products directly through the purse party. Those are not fake products, just some random brands, and they are actually much more expensive than I expected. (Jessica)

Most of the interviews dealt with the in-home shopping setting of counterfeit goods; however some informants were quick to point out parallels for in-home goods that are not counterfeit, but brought from other cultures and not available in U.S. stores or shopping websites. Lola specifically recalls attending in-home shopping experiences with her mother who is fond of a variety of original Indian clothing — and for bargaining for these original pieces. As she explains:

Another thing is the stuff is a lot more unique. In department stores (what is sold) is what is in style- like last season Michael Kors was into dust and pink. But when you shop at someone’s house there is more variety in the stuff they are selling. (Lola)

Lola elaborates more about how the in-home context distinguishes the shopping experience from other fashion shopping channels. While her experiences with in-home clothing shopping are not necessarily counterfeit, rather original clothing, such as saris from India, the originality of not only the clothing — but the shopping experience seems to dovetail. She continues:

I am Indian, and a lot of my mom’s friends will get clothing from overseas and sell them in their homes. You get it for a lot cheaper and find really cool stuff. I think that is the appeal…you can bargain…Especially when it is selling clothes in the home parties, these people are concerned with fashion. The parties we go to have clothes from overseas- mainly fancy Indian clothes. The people who go there have been to the stores and they were too expensive or they couldn’t find what they were looking for. They come because they are looking for something they can’t find elsewhere. (Lola)

Like Lola, Rose also recalls the originality of the in-home shopping custom of some Indian and Pakistani consumers who bring their beautiful and often hand-crafted clothing to the United States to share and sell with their peers. While these women again do not sell counterfeit brands, the originality of the shopping experience seems to overlap greatly with some aspects of the more American purse party — namely the originality and obligatory attendance — a theme which will be later elaborated. According to the Indian or Pakistani informants, upon personal invitation, attendance to in-home shopping gatherings is a customary practice among the culture. It is an original exchange experience that celebrates clothing as a cultural differentiator, and as such, these in-home exchanges include traditional Indian attire. Rose explains her take on the cultural aspect to the practice and what she witnessed growing up at in-home purchase parties:

So I’ve been to many (in home parties for clothing/accessory sales). For Indian and Pakistani people, they sell clothes and jewelry and purses at their homes. It’s like Indian attire that they sell. They all bring stuff from India, from Pakistan, that are informal products, mainly purses, or scarves or something. (Rose)
Rose explains the sense of originality first, and then she continued to talk about the invited consumer’s perception of obligatory attendance, illuminated next.

Obligatory Attendance

Also building on the socio-cultural context importance found by Eisend and Schuchert-Guler (2006), some informant’s perception that attendance felt somewhat obligatory is an emergent theme. Again, informants mentioned other factors rather than purchasing that contributed to their attendance at purse parties. In line with Phau et al. (2009), this theme also encompasses some of the informants’ perceived need to impress others. The concept of reciprocity (Cialdini, 1993) underlies the observation of obligatory attendance by some participants. Cheal (1989) argues public gift-giving could reinforce social connections. When attending and buying from a party host is considered as a public gift to the host, the stronger the social ties of the friendship between the party host and the guests, the more likely the guests would make purchases (Frenzen & Davis, 1990).

Further, while not in the domain of counterfeit exchange, Gainer and Fischer (1991) found that guests of in-home parties often buy out of a sense of obligation to the host. In fact, while the research team interviewed 28 women from different geographical and socio-economic backgrounds, only five (Renee, Kim, Anna, Olivia, Rose) actually made a purchase at the parties. For example, Renee’s purchases were based on a desire to score a deal on a faux luxury product and status-seeking interests. In contrast, Kim noted she only did personal shopping for fear of social embarrassment if she gifted someone with a fake product who would be offended.

It became apparent that some guests attended purse parties out of obligation to party hosts. This was proven true for several of the informants. Karen’s purse party attendance offered an interesting dynamic that showed differences in socio-economic classes. She has attended two parties that catered to different demographics. One party was hosted by a young adult and generally attracted lower-income guests. The second party was hosted by a middle-class, middle-age woman and was mainly attended by women of the same demographic. In both instances, Karen said she attended both parties out of obligation to the host. “My sister’s friend hosted a party...so you know we all had to go to support.” Karen reported that the younger-oriented party did not have refreshments, had a very limited product selection and children were present. Overall, this purse party had more of a communal-feel that enabled guests to show moral support because Karen reported only a few guests made purchases.

In contrast, the older-oriented party was hosted by Karen’s mothers’ friend. She noticed guests held individual conversations about the products and did
not engage with other guests. Karen also reported the party had a larger product selection, and included refreshments. In either case, Karen did not purchase any products. Karen tagged along with both her mother and sister to both parties simply to provide moral support and expressed little to no interest in the products. Karen shared she does not like fake products because of the poor quality and fear of social embarrassment.

Both Renee and Kim reported similar obligatory experiences as well. Renee attended the parties because she felt obligated to attend and show support to her aunt, even though she could not afford to make purchases. Similarly, Kim’s godparents are NFL retirees who sell counterfeit goods among other products at the flea market. Unsold products are then promoted at their home purse parties. Kim said she just attends the parties to show moral support. If she notices a high quality fake that has a nice design, she will purchase it. But the initial motivator to attend is to support her godparents. Similar to Renee and Karen, Rose and Alison shared the same obligatory experiences about their mother’s attendance at in-home purse parties.

Ladies in the community, in our religion that we knew of, who sell clothes and we just go to them. My mom will know some ladies, and the ladies will go like “oh, come to my house, I have clothes that sold at reasonable price.” So we go and check it out. (Rose)

It was one of my friend’s mom that was selling it, so she asked me if I want to come, and I said yeah. [Interviewer: did you buy anything at the party?] I didn’t, but my mom did. I think she felt bad not buying anything. (Alison)

A related reason why informants note the originality of the in-home shopping experience is that these in-home gatherings often are only women, which may further foster their sense of intimacy. In addition to in-home consumption being more intimate than retail stores, informants share the distinctness of the socialization component.

**Social Engagement**

Overall, many women reported a need for social engagement. They explained socialization was one motivator to attend the parties. Throughout the sample, each informant spoke candidly about the social aspects of the counterfeit purse parties. In some cases, social engagement was more salient among informants versus the actual display and selling of the counterfeit goods. This is supported by self-determination theory, which argues that there are three basic psychological needs that underlies intrinsic motivation of human behavior — autonomy, competence, and relatedness (Deci & Ryan, 2000). Relatedness motivates people to engage in social interactions and was found among informants, the hosts, and other guests (Deci & Ryan, 2000). Informants felt very comfortable while participating in the purse parties, the social interactions enhanced the shared experiences.
Tina reported she frequently receives invitations to purse parties. The high frequency of the parties provides a recreational opportunity outside of her busy academic life. Tina shares her personal motivations for attending the purse parties:

I have attended a good 20 parties over the last, maybe 10 years....I don’t buy anything, I really just go for the free food and drinks and to hang out with friends. (Tina)

Even more interesting, Tina also shared the purse parties are piggy-backed onto children’s birthday parties. In these instances, the social aspect of the purse parties has multiple purposes that are not directly connected to the purchase of counterfeit goods. The children birthday parties provide babysitters for mothers who wish to attend the parties. Further, they also have opportunities to fellowship with new and old friends while enjoying refreshments.

Renee also shared a similar experience. While on a college holiday break, Renee attended what she thought was just a family gathering and later learned it was a counterfeit purse party. Aside from refreshments being served, the party host also played music to enhance the shopping atmospherics. Many attendees, including Renee, began to dance amidst the display of counterfeit goods in the faux “showroom” of the host’s living room. Renee described the party as “exclusive and fun.”

The host was very fun. She offered us drinks and good food. There were door prizes as well. She had a new product catalog that really enticed new clients like myself. The sociable aspects of the party made it more of a personal shopping experience with exclusivity that generally most of the women would not normally experience because of their financial status...

I’ve also even heard of purse parties with adult male entertainers. (Renee)

As there is a trend of consumers, hosting parties or inviting friends and friends of friends over, it is of note to consider the clientele and how it is distinct from what one may expect — especially in the case of the counterfeit based gatherings. In some cases, the parties were described by informants as elite stay-at-home-moms who both have disposable time and financial resources to attend and purchase goods at the parties, which was similarly true in Gosline’s (2009) research. This is contrary to research that states demographic data, such as a lower-income status, primarily describes counterfeit consumers (Eisend & Schuchert-Guler, 2006). DeeDee shared she never attended a purse party, but is very familiar with them as her mother, and other stay-at-home-mothers, host and frequently attend parties in a Houston suburb. The mothers use the purse party environment to spend time with members of their social groups, which provides an elite consumption experience. Champagne and cookies are generally served to guests. Lola discusses the social engagement aspects found at the in-home purse parties:

I know that they (purse parties) are usually to do with people who are socialites; it is at a person’s house…it is like an auction because one person is selling them (the counterfeit goods) where everyone else is buying them...It is cool to shop with and from people you know; you...
can talk about what you get and there is wine….a lot of times the people are there because they are just looking but not for something specific- just want to check it out. (Lola)

Just as Lola did, Jess also believed social engagement, was a motivator for attendance. The social-embeddedness of the in-home purse party elicits a setting that encourages people to desire to spend time together. Informants reported enjoying shopping with family members and friends; they deemed it important to them. This was true even if no purchases were made.

I can see why people go. It’s like a time for people to spend time together, shop in one place and not need to go anywhere (in public). So I can see that, like, just spending time with people (in a private setting). (Jess)

Jess seemed to pick up on the distinctness between public and private exchange which is especially important given the illegality of counterfeit goods. This theme of social exchange consumption is so strong that multiple informants brought up the highlight of the social component more so than the product/goods/sale/exchange component. Such is likely an unintended consequence by the hostess, who often has an underlying goal of making a profit—while simultaneously having an excuse for a social gathering. For instance, it was reported that sometimes a greater a focus is on the social aspect and minimum emphasis on the purses for sale, which was quite apparent among informants. Katie shares:

I think it’s (the purse party) like a really big social thing, so sometimes it’s less about the purses….I just went for my mom. She wanted me to. (The benefit is) spending time with my mom and her friends, and my friends. (Katie)

Curiosity

Several informants shared they have not attended purse parties, but would attend out of curiosity. Curiosity-drive theory suggests when unfamiliar or uncertain stimuli are present, people will seek information and knowledge to reduce feelings of uncertainty (Loewenstein, 1994). Curiosity is derived from desires to understand unfamiliar aspects of objects or events through investigatory behavior (Loewenstein, 1994). Research studies demonstrated that the presentation of unusual stimuli motivates exploratory human behavior (Berlyne, 1954; Fowler, 1965). This theory supports our observation that purse parties tend to be intriguing for some informants. Counterfeit consumption is known to be illegal, but the informants express sentiments of intrigue, which piqued their interest in the purse parties. They were curious about the party structure, quality of the products, and event elements. Although some informants expressed interest in attending the party, they still lack desire to purchase counterfeit goods sold at the parties. DeeDee’s mother frequently, attends purse
parties in their Houston community, and would not mind joining her mother. DeeDee says:

I wouldn’t necessarily buy anything, but I would want to see what everything looks like… It’s interesting to see how far people (counterfeiters) will go with it (craftsmanship) to copy brands. (DeeDee)

Similar to DeeDee, Tina enjoys the camaraderie at the party. However, she is more curious about the product selection. Tina is motivated to see the new releases of fake luxury bags each season. She is also fascinated by the craftsmanship and likes being the “in-the-know” about the latest trends. Therefore, she attends the party frequently although she does not purchase merchandise. Tina shares:

I never buy anything. Generally, I go, you know… and check out the merchandise. See what’s on trend. But I never buy. (Tina)

Tina was adamant about her decision to not buy merchandise at the parties because she is fully aware that it is fake. Further, the price points, while reduced, are still extremely expensive. Tina is unwilling to spend money on goods that yield very little gratification. Additionally, Jess was invited by a co-worker to attend a party at her house. Since she has never been to a purse party before, she was willing to give it a try.

I’ve never been to something like that…I honestly didn’t know too much…I knew they were gonna show us stuff and so…I figured I’d try it, just go look at it. Yeah, I think that’s it. Just never having been to one, so why not. (Jess)

**Disregard for Legalities of Counterfeit Consumption/Disdain for Purse Parties**

A recurring theme throughout the data is a disregard to the legalities of counterfeit consumption by many of the participants. Recall, past work by Wilcox et al. (2009) found that self-expression is a reason some consumers purchase and display counterfeit (luxury) brands. Interestingly, the self-expression seems to be tied to the authentic brand, rather than the illegal version of it. Although informants reported guests and hosts implicitly understood that the selling and buying of counterfeit products is illegal, those discussions were never explicitly mentioned by guests at parties. Hence, the purse parties were promoted as private and exclusive to mitigate potential criminal prosecution.

As the concept of psychological resistance suggests, people sometimes refuse to discuss, remember, or think about certain parts of past experiences (Beutler, Moleiro, & Talebi, 2002). In this case, the informants were reluctant to discuss concerns of purse party legalities. Belk, Devinney, and Eckhardt (2005) found that consumers across cultures generally tend to ignore ethical consumption issues including buying counterfeiting products.
While hosts aimed to make high sales, Tina and Kim considered the role of the host and any ethical or legal considerations therein. Aside from the hosts’ implicit understandings of potential prosecution, none of the informants reported expressed concerns by guests. Informants shared the parties had approximately $1,500 of counterfeit goods, which included an assortment of purses, watches, luggage tags, and wallets from both aspirational brands and exclusive designer brands including Coach, Dooney & Bourke, DKNY, BEBE, and Prada.

Renee is now a practicing attorney and is obviously aware of the legal dangers of purse parties. But at the time of her attendance, ten years ago, the legalities were not her concern. Renee attended parties and focused on product displays and social engagements, which she considered exclusive. The exclusive opportunity to privately shop counterfeit goods afforded her and other guests a glimpse into an aspirational lifestyle, which is quite important for many consumers. Renee reported many of the guests felt privileged to again access to such an exclusive opportunity that enhanced their self-esteem. Renee shares her thoughts:

I knew that it was probably illegal, but I along with the other guests, saw it as an exclusive opportunity to gain access to goods and a lifestyle that I normally would not be exposed to. If you could see the women beaming with joy when they made a purchase, you would understand. It was almost like Christmas for them. The women felt really good about themselves. They even made plans on which products they would purchase with their next paycheck. No one cared that it was illegal… it was fun and we felt good. (Renee)

One exception was found surrounding the admission of legality and ethics of in-home purse parties. Overall, Helen begrudges counterfeit consumption although she owns a Chanel replica handbag. Helen stated counterfeits are both illegal and immoral, but she also provided an interesting insight regarding the intersection of traditional and non-traditional channels of luxury brands and ethics and legality. As a retail sales associate at a leading American retailer, Helen has encountered multiple scammers and naive customers who return counterfeit luxury goods for exchanges and refunds. Helen has been diligently trained to identify unauthentic luxury brands by checking the stitching, labels, and fabric quality. She believes that the fake handbags were purchased at purse parties, flea markets, and through internet channels. Moreover, Helen discovered one “regular scammer” who purchases discounted luxury bags, such as Michael Kors, and Coach, to sell at purse parties she frequently hosts. While authentic luxury goods are sold at the parties, the “regular scammer” sells fake luxury bags as well. Both the fake luxury and real discounted luxury bags are sold full price, which is part deceptive and part illegal. Helen describes the ethical and legality of the “regular scammer’s” purse party structure:

The stuff she’s doing with us [retailer] is ethical because it falls within our return policy, but outside of us [buying retail clearance bags and bags from other channels to sell them at full price at purse parties], is not ethical.
Given her experiences with the “regular scammer” and her personal ethos, Helen’s views contrast with others who disregarded the legalities of purse parties. Instead Helen, upholds ethics in her personal and professional life and frowns upon socially deviant behavior. Helen reported she is not interested in counterfeit luxury products nor parties. She expressed a disdain for both because of the legalities associated with it and the superficiality of fake luxury goods.

**EMERGENT TYPOLOGY**

Based on the themes that emerged from the data, the authors constructed a typology to explain the phenomenon at hand in Fig. 1, and specifically classify consumer attitudes toward in-home purse parties attendance and counterfeit luxury goods. The typology includes two axis points; the $x$-axis represents counterfeit luxury product interests, and the $y$-axis encompasses purse party attendance interests. It also depicts four quadrants representing different types of in-home purse party consumers reflecting key data findings: loyal, curious/social, skeptic, and disengaged. Each quadrant includes variance in attitudes (e.g., positive and negative) toward in-home purse party attendance and counterfeit luxury products. The proposed typology is in Fig. 1 and further details are explained below.

![Fig. 1. Typology of Purse Party Consumers.](image-url)
Loyal

Quadrant I represents the positive extreme segment of consumers. These consumers are identified as loyal, as they are extremely interested in attending purse parties and purchasing counterfeit luxury goods. They are frequent attendees and anticipate future parties. The loyal consumers attend with strong purchase intentions as they have positive attitudes toward counterfeit luxury goods. They are less concerned with the legality and morality of the purse party phenomenon and counterfeit consumer goods. This consumer group represents themes of distinctness of in-home purse parties and disregard for counterfeit consumption legalities.

Curious and Social

Consumers who expressed a high interest in attending purse parties/do attend, but are less interested in counterfeit luxury products sold, are depicted in Quadrant II. According to the findings, these consumers attend the parties because they are both curious and desire social engagement. Remaining abreast of new releases, examining craftsmanship quality, and exploring the phenomenon, are drivers that pique their curiosity. This quadrant also represents consumers who attend parties simply for the social engagement with friends and the hosts, in addition to, other party elements, such as refreshments and entertainment. As this consumer group was largely representative among informants, the following data themes support this quadrant: curious, social engagement, and obligatory attendance.

Skeptic

Quadrant III consists of consumers who have negative attitudes about purse parties. These consumers express a low interest in attending in-home purse parties for two reasons: either they lack a desire to attend the parties, or do not have access. Although some consumers are uninterested in attending or have not attended a party, they still have positive attitudes toward counterfeit luxury products. Hence, they disregard counterfeit consumption legalities, a key data theme. They purchase or use the counterfeit luxury products because of its perceived prestige, lower price, and replica quality. Access is also a key factor to party attendance. Informants stated they were familiar with such parties, but did not have access to them. They believed parties were more prevalent in larger U.S. cities. Hence, they were more likely to use more accessible alternative channels to purchase counterfeit goods.
Disengaged

Consumers in Quadrant IV are classified as disengaged. They express negative attitudes toward attending purse parties and purchasing counterfeit products. As Tiana shared, both the purse parties and counterfeit products seemed tacky. She also shared that this type of embedded market experience is frowned upon among her elite social groups in Miami. This sentiment is reflective of the “snob” effect, when elite consumers distance themselves away from aspirational luxury consumers who are considered “bandwagon” consumers (Eckhardt, Belk, & Wilson, 2015; Ghosh & Varshney, 2013). Drawing a clear distinction between “snobs” and “bandwagon” consumers, heightens the disengaged consumers’ self-identity. Both purse party attendance and counterfeit luxury goods are also perceived as superficial among these consumers. Tiana lacks desire to be associated with fake goods that would tarnish her reputation and undermine the brand equity of luxury brands she idolizes. Although very few informants represent this consumer segment, it is still important to sparse out from the data. This consumer segment represents the theme of disdain for purse parties and counterfeit consumption.

CONCLUSION

The purpose of this chapter was to examine the phenomenon of counterfeit consumption through the non-traditional channel of in-home purse parties as introduced by Gosline (2009). The current research advances literature on counterfeit consumption because it extends past just discussions on the traditional channel — street vendors and flea markets and consumer relationships with authentic brands purchased in these channels. We posit that the non-traditional channel of in-home purse parties demonstrates the value in understanding the social implications of shopping with friends in a private space. Therefore, insights from this study make two theoretical contributions: (1) highlight the social implications within the non-traditional counterfeit channel; (2) introduce a typology of four purse party consumers.

The five emerging themes — (distinctiveness of in-home consumption settings, obligatory attendance, social engagement, curiosity, and disregard for counterfeit consumption/disdain for purse parties) underscore a unique attribute of this non-traditional channel that is understudied. These themes are unique to the purse party setting as they are tied to a specific space that is intimate, yet social. The social dynamics through attending and engaging in the purse party function is collaborative consumption; this is true as the party serves as a link between sharing and marketplace exchange (Belk, 2014). Although many informants did not purchase any goods, they were still consuming the purse party experience with friends and “paid” for their consumption.
by sacrificing personal time. Further, the themes also highlight stark distinctions between traditional counterfeit consumption and in-home purse parties, but disregard for legalities of counterfeit consumption or purse parties is one notable exception that is a common feature of both channels. These insights are important as consumers are inherently influenced within the private party setting, according to environmental psychology theory. And their attitudes and purchase behavior are also impacted (Donovan & Rossiter, 1982).

The second theoretical contribution advances literature regarding counterfeit consumers. Informants demonstrated one distinctive difference of counterfeit consumer behavior. Majority of the informants self-identified as middle-class consumers who still owned, purchased, or expressed interest in counterfeit luxury goods. This key finding challenges Eisend and Schuchert-Guler’s (2006) research stating counterfeiting is mostly associated with poorer consumers. In fact, purse parties have been recognized as introducing designer brands to middle-class consumers who later purchase the authentic brand at traditional retail stores after bad experiences with fake designer brands purchased at purse parties (Gosline, 2010). The other two counterfeit consumer behavior descriptors were true for informants in this study as aspects of the products (e.g., price, function, availability, uniqueness) and the social and cultural context of comfortable shopping environments (e.g., purse parties) motivated consumption as well (Eisend & Schuchert-Guler, 2006).

As the phenomenon of purse parties is relatively understudied, more theorizing about the specific consumers is helpful for marketing scholars. The proposed typology of purse party consumers provides a meaningful framework to clearly identify that uniqueness of the party setting, which ultimately influences the types of consumers in this environment. Each consumer group — loyal, curious/social, skeptic, and disengaged — represents different attitudes (positive or negative) toward purse parties and counterfeit luxury goods. More importantly, the typology underscores that the channel is just as important as the counterfeit luxury goods in some cases. Therefore, the proposed typology advances knowledge on both counterfeit consumption and non-traditional channels. The proposed typology highlights different motivations to attend or purchase counterfeit goods. Further, the wide-accessibility and privacy of purse parties may contribute to more purse party events, and in turn, increase counterfeit consumption.

**Limitations**

Majority of the informants were college students and earned college credit for participation. While many of the college students own or have purchased counterfeit luxury goods, the sample is not representative of all consumers. Thus, the research sample is a limitation that will be resolved in future research.
Secondly, due to the controversial nature of counterfeit consumption and self-imposed biases, informants may have struggled with social desirability and provided responses that may not be absolutely true. Therefore, it is believed that controversy associated with this consumption has also impacted recruitment of non-college student consumers who were not incentivized by research credit.

Implications

Potential unintended positive implications emerged from this study. Considering the majority of informants expressed a disregard for the legalities of counterfeit consumption, purse party events and consumption may increasingly grow in popularity. Some consumers may continue to purchase through this channel as it is more socially engaging and intimate than shopping at flea markets. This implication is supported by the current findings, as social engagement was more salient for informants than the actual display of the goods and they had an interest in unique shopping experiences. Similar to Gosline’s (2009) research, curiosity may continue to drive attendance and trial purchases of faux luxury goods at an affordable cost. When those goods fail, consumers may purchase authentic luxury goods at full cost (2009). Therefore, the purse party purchase acts as a gateway to the real product (2009).

Future Research

Perhaps a follow-up study with a more representative research sample of non-college students would provide broader insights about the purse party phenomenon. Also expanding recruitment to include purse party hosts would provide richer insights from the producer/channel perspective. An experiment-based study to understand the causal relationships between some of themes uncovered in this research and purse party attendance is recommended. Hence, potential findings will add further value to the literature on counterfeit consumption.

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