Gen Z Insights: Brands and Counterfeit Products

Mexico Country Report
Research objectives

#1 Explore the relationship between Gen Z and brands

#2 Understand Gen Z’s attitudes and perceptions of counterfeit products

#3 Unpack the importance of different considerations influencing their purchase of counterfeit products
Executive summary

• Gen Z is a cohort of individuals born from 1995 to 2010. The members of this generation are digital natives. Reports have shown that by 2020, Gen Z will comprise the most significant number of consumers globally making it critical for brand professionals to understand the relationship between Gen Z and brands, Gen Z’s attitudes towards counterfeit products, and the importance of different considerations in influencing their purchase behavior of counterfeit products.

• The study focuses on Gen Zers between 18 and 23 years of age in 10 countries: Argentina, China, India, Indonesia, Italy, Japan, Mexico, Nigeria, Russia, and the United States. Multiple factors went into selecting these countries including the population size of Gen Z in specific countries, the prevalence of counterfeit goods in those countries, and the level of economic development in the country.

• The study was conducted in two phases. Between August and September 2018, thirty respondents from Argentina, India, Russia, and the United States participated in the Virtual Qualitative Phase. Respondents were asked to complete three days’ worth of activities online. The findings of this initial phase helped shape the second Quantitative Phase which comprised of a 25-minute online survey. This second phase was conducted in all 10 countries during November 2018 and have more than 4500 respondents in total. The survey was open to respondents for approximately two weeks in each country. In both the Virtual Qualitative and Quantitative Phases, research instruments were always translated into the local languages when necessary.
Methodology details in Mexico

Quantitative: Global Gen Z Authority Online Survey

After the Virtual Qualitative phase, a 25-minute international online survey was conducted with over 4,500 Gen Z respondents across ten countries in November 2018. All 4500+ respondents had all responded that they had come across fake products when thinking about the variety of goods sold out there*. The survey was completed in each country within approximately two weeks. Survey questions and responses were in Spanish. The purpose of this survey was to robustly understand Gen Z’s relationship with brands and counterfeits and the importance of different considerations influencing their purchase of counterfeit products.

Sample and analysis call outs:

<table>
<thead>
<tr>
<th>Sample</th>
<th>Mexico</th>
</tr>
</thead>
<tbody>
<tr>
<td>Females 18-23</td>
<td>N=200</td>
</tr>
<tr>
<td>Males 18-23</td>
<td>N=200</td>
</tr>
<tr>
<td>Country Totals</td>
<td>N=400</td>
</tr>
</tbody>
</table>

**Analysis Details**

- Rounding errors may occur that cause ±1% discrepancy.
- The margin of error for the data in this report is 4.9%.
- We asked respondents a maximum of 47 distinct questions in the quantitative survey.
- In our quantitative explorations, we defined “fake products” as “an exact imitation of a brand’s product and its packaging”.
- *Respondents who qualified to the study selected “Fake products” in response to the following question: When thinking about the variety of goods being sold out there, which of the following have you come across?
Key findings in Mexico

• Gen Z’s generational identity is defined by three characteristics: individuality, morality, and flexibility.

In Mexico…

• 92% say it is important to always be true to who they are.
• 89% say they determine their own moral code.
• 90% are open to changing their views based on new things they learn.
• 82% feel that the brand name is not as important as how the product fits their needs.
• 90% believe that brands should aim to do good in the world.
• 81% have at least heard of intellectual property (IP) rights.
• 89% of those who have at least heard of IP rights believe IP rights are equally important or more important than physical property rights.
• 90% have a lot of respect for people’s ideas and creations.
• 83% believe that fake products are sold everywhere.
Key findings in Mexico

In Mexico…

• Gen Z’s top two influences when it comes to forming opinions about fakes are their income and their morals with income beating morals by 8%.

• 59% feel they cannot afford the lifestyle they want.

• 82% have purchased counterfeit products in the past year.

• The two most commonly purchased counterfeit products are apparel and shoes and accessories.

• When asked about benefits of purchasing counterfeit products, 60% say their money benefits the seller, who’s making a living for him/herself.

• When asked about barriers to purchasing counterfeit products, 79% say that fake products are unsafe.

• 56% expect to purchase fewer counterfeit products in the future.

• The top drivers which would change Gen Zers’ attitudes about counterfeit products are: if the product is dangerous or bad for their health, if fake products are bad for the environment, and if purchasing fake products means they have to pay a fine.

• Gen Z’s top three credible sources for learning about counterfeit products are: brands’ creators or employees, media personalities, and social media influencers.
Country Comparisons
Knowledge of intellectual property rights

How much do you feel you know about the topic of intellectual property rights, such as trademarks and copyrights?

Knowledge. How much do you feel you know about the topic of intellectual property rights, such as trademarks and copyrights?
Purchased counterfeits in the past year

Have purchased fake products within the past year on an "at least rarely" basis

Global average purchase of fake products within the past year on an "at least rarely" basis

Global average: 79%

Argentina: 89%
China: 84%
India: 89%
Indonesia: 87%
Italy: 59%
Japan: 46%
Mexico: 82%
Nigeria: 97%
Russia: 82%
United States: 71%

FrequencyQ: Within the past year, how often did you purchase fake products within each of the following categories? [Note: FrequencyQ was only asked for categories respondents at least “rarely see”]
## Awareness with counterfeit industries

<table>
<thead>
<tr>
<th>Aware of…</th>
<th>Apparel</th>
<th>Shoes &amp; accessories</th>
<th>Sporting goods (apparel and merchandise)</th>
<th>Beauty &amp; cosmetics</th>
<th>Consumer electronics</th>
<th>Food and beverages</th>
<th>Toys</th>
<th>Personal care</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global Average</td>
<td>97%</td>
<td>98%</td>
<td>96%</td>
<td>90%</td>
<td>94%</td>
<td>78%</td>
<td>89%</td>
<td>74%</td>
</tr>
<tr>
<td>Argentina</td>
<td>99%</td>
<td>98%</td>
<td>98%</td>
<td>89%</td>
<td>97%</td>
<td>70%</td>
<td>95%</td>
<td>70%</td>
</tr>
<tr>
<td>China</td>
<td>97%</td>
<td>98%</td>
<td>97%</td>
<td>97%</td>
<td>93%</td>
<td>90%</td>
<td>92%</td>
<td>88%</td>
</tr>
<tr>
<td>India</td>
<td>97%</td>
<td>98%</td>
<td>97%</td>
<td>93%</td>
<td>95%</td>
<td>88%</td>
<td>88%</td>
<td>84%</td>
</tr>
<tr>
<td>Indonesia</td>
<td>98%</td>
<td>98%</td>
<td>97%</td>
<td>94%</td>
<td>96%</td>
<td>79%</td>
<td>90%</td>
<td>73%</td>
</tr>
<tr>
<td>Italy</td>
<td>98%</td>
<td>99%</td>
<td>97%</td>
<td>85%</td>
<td>93%</td>
<td>72%</td>
<td>89%</td>
<td>65%</td>
</tr>
<tr>
<td>Japan</td>
<td>94%</td>
<td>98%</td>
<td>88%</td>
<td>79%</td>
<td>85%</td>
<td>68%</td>
<td>83%</td>
<td>52%</td>
</tr>
<tr>
<td>Mexico</td>
<td>99%</td>
<td>99%</td>
<td>99%</td>
<td>93%</td>
<td>96%</td>
<td>75%</td>
<td>95%</td>
<td>80%</td>
</tr>
<tr>
<td>Nigeria</td>
<td>98%</td>
<td>99%</td>
<td>98%</td>
<td>95%</td>
<td>99%</td>
<td>89%</td>
<td>84%</td>
<td>88%</td>
</tr>
<tr>
<td>Russia</td>
<td>99%</td>
<td>98%</td>
<td>96%</td>
<td>89%</td>
<td>95%</td>
<td>72%</td>
<td>87%</td>
<td>64%</td>
</tr>
<tr>
<td>United States</td>
<td>96%</td>
<td>97%</td>
<td>92%</td>
<td>89%</td>
<td>95%</td>
<td>74%</td>
<td>89%</td>
<td>72%</td>
</tr>
</tbody>
</table>

*Exposure. How often do you usually see the following categories of fake products being sold? [Note: Exposure was only asked for categories respondents have at least 'heard of'].*
## Functional benefits of counterfeits

### Gen Zers’ global top 3 benefits overall (averaged across categories)

<table>
<thead>
<tr>
<th></th>
<th>Top ranked benefit</th>
<th>Second top ranked benefit</th>
<th>Third top ranked benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Global Average</strong></td>
<td>Fake products are easier/more convenient to find than genuine products</td>
<td>58%</td>
<td>I can only afford the fake version of some brands</td>
</tr>
<tr>
<td>Argentina</td>
<td>I can only afford the fake version of some brands</td>
<td>66%</td>
<td>My money benefits the seller who’s making a living for him/herself</td>
</tr>
<tr>
<td>China</td>
<td>Fake products are easier/more convenient to find than genuine products</td>
<td>61%</td>
<td>I’ve had a positive experience with a past purchase of a fake product</td>
</tr>
<tr>
<td>India</td>
<td>The quality of a fake product is good enough for the price</td>
<td>60%</td>
<td>My money benefits the seller who’s making a living for him/herself</td>
</tr>
<tr>
<td>Indonesia</td>
<td>Fake products are easier/more convenient to find than genuine products</td>
<td>73%</td>
<td>My money benefits the seller who’s making a living for him/herself</td>
</tr>
<tr>
<td>Italy</td>
<td>The quality of a fake product is good enough for the price</td>
<td>56%</td>
<td>I can only afford the fake version of some brands</td>
</tr>
<tr>
<td>Japan</td>
<td>I can only afford the fake version of some brands</td>
<td>65%</td>
<td>Fake products are easier/more convenient to find than genuine products</td>
</tr>
<tr>
<td>Mexico</td>
<td>My money benefits the seller who’s making a living for him/herself</td>
<td>60%</td>
<td>Fake products are easier/more convenient to find than genuine products</td>
</tr>
<tr>
<td>Nigeria</td>
<td>I can only afford the fake version of some brands</td>
<td>59%</td>
<td>Fake products are easier/more convenient to find than genuine products</td>
</tr>
<tr>
<td>Russia</td>
<td>Fake products are easier/more convenient to find than genuine products</td>
<td>69%</td>
<td>I’ve had a positive experience with a past purchase of a fake product</td>
</tr>
<tr>
<td>United States</td>
<td>I’ve had a positive experience with a past purchase of a fake product</td>
<td>64%</td>
<td>My money benefits the seller who’s making a living for him/herself</td>
</tr>
</tbody>
</table>

**Benefits**. How much do you agree with the following statements regarding why you might want to purchase fake products in the (CatAssign) category?
Future expectation of purchasing counterfeits

FuturePurchase. How do you expect your purchasing habits will change in the future?

- I expect to purchase fewer fake products than I did this past year
- I don’t expect my purchasing habits will change
- I expect to purchase more fake products than I did this past year

Global Average (expect to purchase fewer fakes): 4%
Global Average (don't expect purchasing habits will change): 44%
Global Average (expect to purchase more fakes): 52%
Mexico Deep Dive
A snapshot of Gen Z in our sample

Gender

Female 50%  Male 50%

Values

Doing what's right  Staying true to myself  Making that I'm proud of  Being open-minded
41%  33%  32%  30%

Freedom of expression  Making the most of what I have  Providing for my family  Being creative
29%  28%  26%  21%

Always presenting myself in the best way  Being different  Supporting the community  Caring about others
14%  14%  12%  10%

Supporting the economy  Participating in social and political causes
8%  4%

Education

Currently attending?

Yes, I'm in school/receiving an education full-time

Yes, I'm in school/receiving an education part-time

No, I'm not in school/receiving an education

Highest education level they have achieved...

Incomplete elementary school  Completed elementary school
0%  1%

Incomplete Middle school  Completed Middle school
1%  1%

Commercial school  Technical school
1%  4%

Incomplete High school  Completed High school
7%  28%

Incomplete Bachelor degree  Completed Bachelor degree
31%  22%

Master Degree  PhD
12%  1%

Media awareness and usage

Facebook  Instagram  Twitter  Netflix  Spotify  Snapchat  Amazon Prime  YouTube  HBO Go

Awareness

97%  92%  88%  93%  90%  81%  75%  96%  54%

Usage

93%  68%  41%  74%  57%  25%  14%  94%  6%

Gender. Are you...? IntlEd. Are you currently attending school or receiving an education? MexicoEdu. What is the highest level of education you have completed? SocialMediaA. Which of the following have you heard of? Please select all that apply. SocialMediaB. Which of the following websites, apps, or subscription services do you use or visit? Please select all that apply. Values. Which of the following values are most important to you? Please select your top 3.
A snapshot of Gen Z in our sample

Area

- Urban: 8%
- Suburban/just outside the city: 13%
- Rural/countryside: 79%

Personal income

- Less than MXN$32,400: 28%
- MXN$32,400~MXN$81,599: 18%
- MXN$81,600~MXN$139,199: 11%
- MXN$139,200~MXN$419,999: 11%
- MXN$420,000~MXN$1,020,000: 11%
- More than MXN$1,020,000: 2%

Household makeup

- My parent(s): 61%
- My partner (spouse or boyfriend/girlfriend): 20%
- My brother(s)/sister(s) aged 16 or older: 14%
- My brother(s)/sister(s) aged 15 or younger: 10%
- Other family: 8%
- Live alone: 7%
- My child(ren): 6%
- Roommate(s): 3%
- My grandparent(s): 3%

Area. You would describe where you live as being...
MexicoInc. What is your annual personal income before taxes?
HHMakeup. Who do you live with? Please select all that apply.
A snapshot of Gen Z in our sample

Personality: Gen Z’s top 15 open-ended descriptions of their personality

OEPersonality. What are 3 words you would use to describe your personality?
A snapshot of Gen Z in our sample

<table>
<thead>
<tr>
<th>Psychographics</th>
<th>We asked Gen Zers about where they learn about things and they said…</th>
</tr>
</thead>
<tbody>
<tr>
<td>It’s important for me to always be true to who I am</td>
<td>I look things up online (e.g., Google) 75%</td>
</tr>
<tr>
<td>I am open to changing my views based on new things I learn</td>
<td>I go on YouTube (e.g., how-to videos, vlogs) 59%</td>
</tr>
<tr>
<td>I have a lot of respect for other people’s ideas and creations</td>
<td>I learn from content I find on social media 32%</td>
</tr>
<tr>
<td>I determine my own moral code</td>
<td>I read newspapers or books 28%</td>
</tr>
<tr>
<td>The values I’ve learned from my family guide me to this day</td>
<td>I watch TV (e.g., live, broadcast, streaming) 26%</td>
</tr>
<tr>
<td>I feel like my core values have been evolving over time</td>
<td>I learn things in school 27%</td>
</tr>
<tr>
<td>It’s important to me to always present the best version of myself</td>
<td>I talk to my family 23%</td>
</tr>
<tr>
<td>I never waver from my core values</td>
<td>I talk to my friends 21%</td>
</tr>
<tr>
<td>I make it a priority to be an ethical shopper</td>
<td>I talk to people I know on social media 8%</td>
</tr>
<tr>
<td>I know who I am and outside influences don’t affect me</td>
<td></td>
</tr>
<tr>
<td>It’s not important what other people think of me</td>
<td></td>
</tr>
<tr>
<td>I’d rather stand out than fit in with others</td>
<td></td>
</tr>
<tr>
<td>Doing good for the world is more important to me than making money</td>
<td></td>
</tr>
<tr>
<td>Others look to me to keep up with what’s current</td>
<td></td>
</tr>
<tr>
<td>I don’t feel like I can afford the lifestyle I want</td>
<td></td>
</tr>
<tr>
<td>I look to my friends to keep up with what’s current</td>
<td></td>
</tr>
<tr>
<td>I am still figuring out aspects of who I want to be</td>
<td></td>
</tr>
<tr>
<td>I use social media to express who I am</td>
<td></td>
</tr>
<tr>
<td>I feel pressure to present myself a certain way on social media</td>
<td></td>
</tr>
</tbody>
</table>

Psychographics. Please indicate how much you agree or disagree with each of the following: [% Strongly Agree + % Somewhat Agree] Learning. What are your top sources of information to learn about things? Please select your top 3.
Gen Z’s knowledge of and beliefs about intellectual property rights

For those who have at least some knowledge of intellectual property rights, they believe...

- **11%**: Physical property rights are more important than intellectual property rights
- **15%**: Intellectual property rights are more important than physical property rights
- **74%**: Intellectual property rights are equally as important as physical property rights

Knowledge. How much do you feel you know about the topic of intellectual property rights, such as trademarks and copyrights? IPRights. Which of the following do you agree with most? [Note: IPRights was asked among those who know at least "very little about it"]
Gen Z’s attitudes towards brands

We asked Gen Zers about the importance of a brand name and they said it’s...

<table>
<thead>
<tr>
<th>Statement</th>
<th>Very important</th>
<th>Somewhat important</th>
<th>Not really important</th>
<th>Not important at all</th>
</tr>
</thead>
<tbody>
<tr>
<td>The brands I use reflect something about my personality, aspirations, and/or values</td>
<td>51%</td>
<td>49%</td>
<td>31%</td>
<td>11%</td>
</tr>
<tr>
<td>I look to my friends when deciding what brands to buy</td>
<td>49%</td>
<td>52%</td>
<td>57%</td>
<td>57%</td>
</tr>
<tr>
<td>I sometimes prioritize the brand name over functional needs</td>
<td>37%</td>
<td>52%</td>
<td>56%</td>
<td>57%</td>
</tr>
<tr>
<td>I tend to buy the same brand names my friends do</td>
<td>27%</td>
<td>49%</td>
<td>56%</td>
<td>57%</td>
</tr>
<tr>
<td>I seek out brands others don’t know about</td>
<td>54%</td>
<td>52%</td>
<td>57%</td>
<td>57%</td>
</tr>
<tr>
<td>The brand names I choose help me convey a sense of status</td>
<td>52%</td>
<td>56%</td>
<td>57%</td>
<td>57%</td>
</tr>
<tr>
<td>It’s important that the brands I use help me stand out</td>
<td>37%</td>
<td>49%</td>
<td>56%</td>
<td>57%</td>
</tr>
<tr>
<td>I look to my friends when deciding what brands to buy</td>
<td>49%</td>
<td>52%</td>
<td>56%</td>
<td>57%</td>
</tr>
<tr>
<td>I carefully pick brands to express different aspects of myself</td>
<td>56%</td>
<td>52%</td>
<td>57%</td>
<td>57%</td>
</tr>
<tr>
<td>I prefer to buy lesser known brands over big brands</td>
<td>57%</td>
<td>52%</td>
<td>56%</td>
<td>57%</td>
</tr>
<tr>
<td>The brands I use reflect something about my personality, aspirations, and/or values</td>
<td>51%</td>
<td>49%</td>
<td>31%</td>
<td>11%</td>
</tr>
<tr>
<td>I just don’t care about brand names</td>
<td>61%</td>
<td>61%</td>
<td>63%</td>
<td>64%</td>
</tr>
<tr>
<td>I try to buy well-known brands whenever I can</td>
<td>61%</td>
<td>61%</td>
<td>63%</td>
<td>64%</td>
</tr>
<tr>
<td>I gravitate towards brands that celebrate my passions in their messaging</td>
<td>63%</td>
<td>64%</td>
<td>67%</td>
<td>69%</td>
</tr>
<tr>
<td>I trust well-known brands more than lesser-known brands</td>
<td>67%</td>
<td>69%</td>
<td>74%</td>
<td>76%</td>
</tr>
<tr>
<td>It’s important that a brand’s values align with my own</td>
<td>64%</td>
<td>67%</td>
<td>76%</td>
<td>83%</td>
</tr>
<tr>
<td>I gravitate towards brands with an inspiring and encouraging message</td>
<td>69%</td>
<td>76%</td>
<td>83%</td>
<td>90%</td>
</tr>
<tr>
<td>When choosing between similar products, brand names don’t matter all that much to me</td>
<td>76%</td>
<td>83%</td>
<td>86%</td>
<td>90%</td>
</tr>
<tr>
<td>It’s more important that a brand fits my style than what the brand means to others</td>
<td>74%</td>
<td>82%</td>
<td>83%</td>
<td>86%</td>
</tr>
<tr>
<td>My favorite brands make me feel good and confident about myself</td>
<td>76%</td>
<td>74%</td>
<td>83%</td>
<td>90%</td>
</tr>
<tr>
<td>Brands should aim to do good in the world</td>
<td>90%</td>
<td>90%</td>
<td>86%</td>
<td>86%</td>
</tr>
</tbody>
</table>

Gen Z’s agreement on brand attitude statements

Brand Importance. When you decide what to purchase, how important is the brand name?
Influences Counterfeiting. Which of the following would you consider to be the biggest influences when it comes to forming your opinions about fake products? Please select up to 3.

Sources of Learning. Who would be the most credible sources for learning more about the topic of counterfeiting? Please select up to 3.
Gen Z’s counterfeit influences and attitudes

Counterfeit attitudes: Gen Z’s top 15 open-ended associations with counterfeit products

OEPerceptions. What are the first 3 descriptors that come to your mind when you are thinking about fake products?
### Gen Z’s agreement on counterfeit attitude statements

<table>
<thead>
<tr>
<th>Counterfeit Attitudes</th>
<th>% Strongly Agree</th>
<th>% Somewhat Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>I deserve to know if the product I’m buying is fake or genuine</td>
<td>87%</td>
<td></td>
</tr>
<tr>
<td>Fake products are sold everywhere</td>
<td>83%</td>
<td></td>
</tr>
<tr>
<td>It’s important that the product I buy is genuine</td>
<td>72%</td>
<td></td>
</tr>
<tr>
<td>Buying and selling fake products is a form of stealing from the original brand/creator</td>
<td>70%</td>
<td></td>
</tr>
<tr>
<td>Brands should be accessible to all, and fake products make that possible</td>
<td>64%</td>
<td></td>
</tr>
<tr>
<td>Being a seller/vendor of fake products is just another way to make a living</td>
<td>62%</td>
<td></td>
</tr>
<tr>
<td>It doesn’t matter if a product is fake as long as it does what I need it to do</td>
<td>60%</td>
<td></td>
</tr>
<tr>
<td>It’s pretty normal and socially acceptable to buy fake products</td>
<td>56%</td>
<td></td>
</tr>
<tr>
<td>I wouldn’t buy a fake product of a brand from my country</td>
<td>52%</td>
<td></td>
</tr>
<tr>
<td>Buying fake products is accepted among my friends</td>
<td>52%</td>
<td></td>
</tr>
<tr>
<td>I feel bad for the original brand/creator when I see a fake product</td>
<td>47%</td>
<td></td>
</tr>
<tr>
<td>I am okay with using a fake product because what matters is how it makes me feel</td>
<td>46%</td>
<td></td>
</tr>
<tr>
<td>Fake products allow me to buy luxury brands I couldn’t otherwise afford</td>
<td>46%</td>
<td></td>
</tr>
<tr>
<td>I saw my parents buy and use fake products when I was growing up</td>
<td>42%</td>
<td></td>
</tr>
<tr>
<td>I just don’t think it’s a big deal to buy fake products</td>
<td>41%</td>
<td></td>
</tr>
<tr>
<td>Fake products are sold discreetly, not openly</td>
<td>41%</td>
<td></td>
</tr>
<tr>
<td>I’m afraid what people might think if they found out I was using fake products</td>
<td>40%</td>
<td></td>
</tr>
<tr>
<td>It’s okay to buy fake products of a big brand because my purchase isn’t enough to hurt them</td>
<td>37%</td>
<td></td>
</tr>
<tr>
<td>Using a big brand’s product makes me look good even if it’s a fake product</td>
<td>31%</td>
<td></td>
</tr>
<tr>
<td>Buying fake products helps me express myself through brands I usually can’t afford</td>
<td>29%</td>
<td></td>
</tr>
<tr>
<td>I’m proud to show off a good fake to my friends</td>
<td>19%</td>
<td></td>
</tr>
</tbody>
</table>

Counterfeit Attitudes. Please indicate how much you agree or disagree with each of the following as it relates to fake products and their purchase/sale. [% Strongly Agree + % Somewhat Agree]
Gen Z’s beliefs about buying counterfeit products

Ethical views on purchasing counterfeit products

- It's totally not okay, 29%
- I don't think it's okay, 26%
- Whether it's right or wrong depends on the situation, 40%
- I think it's okay, 5%
- It's totally okay, 1%

What it would take to change their behavior:

- If the product is dangerous or bad for my health: 86% would stop, 11% would reconsider, 4% wouldn't change.
- If fake products are bad for the environment: 77% would stop, 18% would reconsider, 5% wouldn't change.
- If purchasing a fake product means I have to pay a fine: 75% would stop, 19% would reconsider, 6% wouldn't change.
- If money spent on fake products goes towards organized crime: 74% would stop, 17% would reconsider, 9% wouldn't change.
- If the workers that made these fake products are treated poorly: 72% would stop, 23% would reconsider, 5% wouldn't change.
- If purchasing genuine products created positive change in the world: 63% would stop, 27% would reconsider, 10% wouldn't change.
- If buying such products results in people losing their jobs: 62% would stop, 30% would reconsider, 8% wouldn't change.
- If the economy loses a significant amount in tax dollars as a result of the purchase of fake products: 58% would stop, 29% would reconsider, 14% wouldn't change.
- If fake products inhibit innovation: 50% would stop, 31% would reconsider, 19% wouldn't change.
- If I feel more connected to the genuine brand: 45% would stop, 34% would reconsider, 20% wouldn't change.
- If I know more about what it takes to create the genuine product: 45% would stop, 38% would reconsider, 17% wouldn't change.
- If brands/creators lose money as a result: 39% would stop, 34% would reconsider, 26% wouldn't change.
- If people I admire are against purchasing fake products: 38% would stop, 29% would reconsider, 33% wouldn't change.
- If people around me stop buying fake products: 33% would stop, 31% would reconsider, 36% wouldn't change.

EthicsA. Which of the following best describes how you feel about buying fake products in general?

Change. How would the following change your mind about purchasing fake products, if at all? [Note: Change was asked among those who at least “rarely” purchase counterfeit products]
Ethical views on selling counterfeit products

- It's totally okay, 1%
- It's totally not okay, 33%
- I don't think it's okay, 27%
- Whether it's right or wrong depends on the situation, 34%

Gen Z's beliefs about selling counterfeit products

- It's totally not okay, 1%
- It's totally okay, 5%
- I don't think it's okay, 27%
- Whether it's right or wrong depends on the situation, 34%

Is selling counterfeit products legal? Gen Zers say...

- Definitely not 55%
- Probably not 23%
- I'm not sure 16%
- Probably 5%
- Definitely 1%

Should selling counterfeit products be legal? Gen Zers say...

- It should be illegal 53%
- I'm not sure 37%
- It should be legal 11%
Counterfeit market context

**Places seen**

81% From street vendors
62% At the local marketplace where vendors gather together
43% In transit systems
40% In online ads
36% In online marketplaces
29% In branded retail stores
29% In a local store
17% Away from the public eye (e.g., the back of a store)
13% In the shopping mall

**The experience of shopping for counterfeit products in Mexico**

- 25% I don't hear sellers or shopkeepers talk about counterfeit products
- 38% Sellers discreetly talk about the counterfeit products being sold
- 35% Sellers are pretty open and honest about the counterfeit products being sold

*PlaceSeen.* Thinking about fake products, where do you usually see them offered or sold? Please select all that apply.

*Experience.* When you are shopping for or encounter fake products being sold, how do you hear sellers or shopkeepers talk about them?

---

26
Counterfeit market context

Exposure.

How often do you usually see the following categories of fake products being sold? (Note: Exposure was only asked for categories respondents have at least “heard of”)

- Apparel
- Shoes and accessories
- Sporting goods (apparel and merchandise)
- Beauty and cosmetics
- Consumer electronics
- Food and beverages
- Toys
- Personal care

Exposure: I've never heard of nor seen fake products being sold in this category
Exposure: I've heard of but have never seen fake products being sold in this category
Exposure: I rarely see it
Exposure: I occasionally see it
Exposure: I frequently see it
Exposure: I see it all the time
Gen Z’s engagement with counterfeit products

Consideration. When you intend to buy something in each of the following categories, how often do you think about buying fake products? [Note: Consideration was only asked for categories respondents have at least “heard of”.] How often do you usually see the following categories of fake products being sold? [Note: Exposure was only asked for categories respondents have at least “heard of”].

Consideration data is based on all Gen Zers’ responses in our sample, not only those who saw the question. These figures do not necessarily add up to 100%.
### Gen Z’s engagement with counterfeit products

#### Qualitative purchase frequency

<table>
<thead>
<tr>
<th>Purchase frequency in the last year</th>
<th>Apparel</th>
<th>Shoes and accessories</th>
<th>Sporting goods (apparel and merchandise)</th>
<th>Beauty and cosmetics</th>
<th>Toys</th>
<th>Consumer electronics</th>
<th>Food and beverages</th>
<th>Personal care</th>
</tr>
</thead>
<tbody>
<tr>
<td>Never</td>
<td>33%</td>
<td>40%</td>
<td>43%</td>
<td>47%</td>
<td>48%</td>
<td>52%</td>
<td>39%</td>
<td>39%</td>
</tr>
<tr>
<td>Rarely</td>
<td>28%</td>
<td>29%</td>
<td>25%</td>
<td>19%</td>
<td>24%</td>
<td>17%</td>
<td>11%</td>
<td>14%</td>
</tr>
<tr>
<td>Occasionally</td>
<td>21%</td>
<td>16%</td>
<td>17%</td>
<td>10%</td>
<td>11%</td>
<td>9%</td>
<td>7%</td>
<td>6%</td>
</tr>
<tr>
<td>Frequently</td>
<td>9%</td>
<td>7%</td>
<td>6%</td>
<td>5%</td>
<td>4%</td>
<td>5%</td>
<td>3%</td>
<td>3%</td>
</tr>
<tr>
<td>All the time</td>
<td>2%</td>
<td>3%</td>
<td>2%</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>2%</td>
<td>1%</td>
</tr>
</tbody>
</table>

#### Quantitative purchase frequency

<table>
<thead>
<tr>
<th>Purchase frequency in the last year</th>
<th>Apparel</th>
<th>Food and beverages</th>
<th>Sporting goods (apparel and merchandise)</th>
<th>Beauty and cosmetics</th>
<th>Consumer electronics</th>
<th>Shoes and accessories</th>
<th>Toys</th>
<th>Personal care</th>
</tr>
</thead>
<tbody>
<tr>
<td>Once</td>
<td>17%</td>
<td>8%</td>
<td>21%</td>
<td>13%</td>
<td>17%</td>
<td>20%</td>
<td>18%</td>
<td>12%</td>
</tr>
<tr>
<td>2—3 times</td>
<td>25%</td>
<td>7%</td>
<td>19%</td>
<td>12%</td>
<td>9%</td>
<td>22%</td>
<td>12%</td>
<td>8%</td>
</tr>
<tr>
<td>4—5 times</td>
<td>10%</td>
<td>4%</td>
<td>6%</td>
<td>6%</td>
<td>4%</td>
<td>9%</td>
<td>8%</td>
<td>4%</td>
</tr>
<tr>
<td>6—10 times</td>
<td>7%</td>
<td>3%</td>
<td>3%</td>
<td>2%</td>
<td>1%</td>
<td>3%</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>11—15 times</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>2%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>More than 15 times</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>0%</td>
<td>1%</td>
<td>0%</td>
</tr>
</tbody>
</table>

*FrequencyQ: Within the past year, how often did you purchase fake products within each of the following categories? (Note: FrequencyQ was only asked for categories respondents at least “rarely see”)

*FrequencyN: Now, approximately how many times did you purchase fake products in the following categories within the past year? (Note: FrequencyN was only asked for categories respondents purchase at least “rarely”)

Frequency data is based on all Gen Zers’ responses in our sample, not only those who saw the question. These figures do not necessarily add up to 100%.
### Gen Z’s engagement with counterfeit products

#### Table: Place they buy counterfeit products

<table>
<thead>
<tr>
<th>Place Bought</th>
<th>Apparel</th>
<th>Shoes and accessories</th>
<th>Sporting goods (apparel and merchandise)</th>
<th>Beauty and cosmetics</th>
<th>Consumer electronics</th>
<th>Food and beverages</th>
<th>Toys</th>
<th>Personal care</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>At the local marketplace where vendors gather together</td>
<td>From street vendors</td>
<td>At the local marketplace where vendors gather together</td>
<td>From street vendors</td>
<td>From street vendors</td>
<td>From street vendors</td>
<td>At the local marketplace where vendors gather together</td>
<td>From street vendors</td>
</tr>
<tr>
<td>2</td>
<td>From street vendors</td>
<td>At the local marketplace where vendors gather together</td>
<td>From street vendors</td>
<td>At the local marketplace where vendors gather together</td>
<td>At the local marketplace where vendors gather together</td>
<td>In transit systems</td>
<td>From street vendors</td>
<td>At the local marketplace where vendors gather together</td>
</tr>
<tr>
<td>3</td>
<td>In a local store</td>
<td>From online ads</td>
<td>In a local store</td>
<td>In a local store</td>
<td>In online marketplaces</td>
<td>At the local marketplace where vendors gather together</td>
<td>In online marketplaces</td>
<td>In branded retail stores</td>
</tr>
</tbody>
</table>

Place Bought: Where have you purchased fake products in the [hCatAssign] category? Please select all that apply. (Note: hCatAssign refers to the category which respondents were asked to answer 1 of)
Gen Z’s engagement with counterfeit products

Amount spent by purchasers on counterfeit products

<table>
<thead>
<tr>
<th>Category</th>
<th>Median average spend on fake products on is under 25%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apparel</td>
<td></td>
</tr>
<tr>
<td>Shoes and accessories</td>
<td></td>
</tr>
<tr>
<td>Sporting goods (apparel and merchandise)</td>
<td></td>
</tr>
<tr>
<td>Beauty and cosmetics</td>
<td></td>
</tr>
<tr>
<td>Consumer electronics</td>
<td></td>
</tr>
<tr>
<td>Food and beverages</td>
<td></td>
</tr>
<tr>
<td>Toys</td>
<td></td>
</tr>
<tr>
<td>Personal care</td>
<td></td>
</tr>
</tbody>
</table>

Spend. Of all the money you’ve spent on products in each category within the past year, what percentage would you say you’ve spent on fake products? Your best guess is totally fine! (Note: Spend was only asked for categories respondents purchase at least “rarely”.)
### Gen Z’s engagement with counterfeit products

#### Future purchase behavior

**Reasons why Gen Zers expect to purchase more counterfeit products in the future**

- Fakes will continue to get better and more convincing: 50%
- I still won’t be able to afford brands I want: 40%
- I’ll need to save money where I can: 40%
- Fakes will continue to become more widespread and accessible: 40%
- Using fake versions of popular brand products will help me fit in: 0%
- Fakes will become more acceptable to purchase over time: 0%

**Expected change in future purchasing behaviors**

I expect to purchase more fake products than I did this past year, 56%

**Reasons why Gen Zers expect to purchase fewer counterfeit products in the future**

- I’ll want better quality things: 71%
- I’ll be able to afford the genuine product: 37%
- Buying the genuine product will be the mature thing to do: 25%
- Fakes will continue to get worse and less convincing: 22%
- Fakes will become less acceptable to purchase: 14%
- It will get increasingly difficult to find fakes: 3%

---

FuturePurchase. How do you expect your purchasing habits will change in the future? FuturePurchaseA. You mentioned you expect to purchase fake products more in the next few years. Which of the following best represents why? Please select up to 2. [Note: FuturePurchaseA was only asked for respondents who said they expect to purchase more counterfeit products in the future] FuturePurchaseB. You mentioned you expect to purchase fewer fake products in the next few years. Which of the following best represents why? Please select up to 2. [Note: FuturePurchaseB was only asked for respondents who said they expect to purchase less counterfeit products in the future]
Reasons why Gen Zers buy counterfeit products

- My money benefits the seller who’s making a living for him/herself: 60%
- Fake products are easier/more convenient to find than genuine products: 54%
- I’ve had a positive experience with a past purchase of a fake product: 54%
- The quality of a fake product is good enough for the price: 53%
- I can only afford the fake version of some brands: 46%
- I’m helping the seller of the fake products since he/she may not earn much money: 43%
- No one is able to tell if I use fake products: 39%
- Even if I can afford the genuine version, I still prefer the fake product because it’s cheaper: 31%
- Fake products allow me to express myself with brands I normally couldn’t afford: 29%
- Fake products make me look good: 24%
- I’d rather buy a fake product than give money to a big brand: 23%

Occasions for which Gen Zers buy counterfeit products

- For private use at home: 54%
- To use when I’m at work or in school: 35%
- To use when I exercise: 31%
- To give as a gift/to another person: 27%
- To use in social situations or out with friends: 24%
- For when I’m running errands: 16%
- For special occasions like a party or a wedding: 13%
- To use when I’m travelling: 12%
- When I’m travelling in a place where it’s accepted: 6%

Of those who said they had a positive experience…

- It made me more likely to buy counterfeit products: 31%
- It made me less likely to buy counterfeit products: 21%
- It had no effect on my attitude towards buying counterfeit products: 49%

Benefits. How much do you agree with the following statements regarding why you might want to purchase fake products in the [hCatAssign] category? [Note: BenefitsPosExp was only asked of respondents who indicated they had a positive experience with a past purchase of a fake product in the [hCatAssign] category.]

Did this experience make you more or less likely to buy fake products in general? [Note: BenefitsPosExp was only asked of respondents who indicated they had a positive experience with a past purchase of a fake product in the [hCatAssign] category.]

Occasions. Which of the following best reflects the occasions for which you purchased fake products in the last year? Please select all that apply. [Note: Occasions was only asked for categories respondents purchase at least “rarely”] [Note: hCatAssign refers to the category which respondents were asked to answer for]
Gen Z’s reasons against purchasing counterfeit products

<table>
<thead>
<tr>
<th>Reasons why Gen Zers don’t buy counterfeit products</th>
<th>79%</th>
<th>78%</th>
<th>78%</th>
<th>77%</th>
<th>74%</th>
<th>68%</th>
<th>68%</th>
<th>65%</th>
<th>64%</th>
<th>61%</th>
<th>57%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fake products can be unsafe</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>I’d rather purchase the genuine product</td>
<td></td>
<td></td>
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<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The quality of fake products is usually not good enough</td>
<td></td>
<td></td>
<td></td>
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<td></td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>There’s hard work that went into making the genuine product</td>
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</tr>
<tr>
<td>The genuine brand’s profits suffer when people buy fakes</td>
<td></td>
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<tr>
<td>The sale of fake products tarnishes the genuine brand’s image</td>
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<tr>
<td>The profits lost to fake products leads to loss of jobs at the genuine brand</td>
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</tr>
<tr>
<td>I don’t trust that what I’m getting is actually worth the money</td>
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</tr>
<tr>
<td>There is a negative impact on the overall economy</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fake products are too obvious/others notice that they are fake products</td>
<td></td>
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<td></td>
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<td></td>
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<td></td>
</tr>
<tr>
<td>I’ve had a negative experience with a past purchase of a fake product</td>
<td></td>
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</tr>
</tbody>
</table>

**Of those who said they had a negative experience...**

- **6%** It made me *more likely* to buy counterfeit products
- **75%** It made me *less likely* to buy counterfeit products
- **19%** It had *no effect* on my attitude towards buying counterfeit products

*Barriers*. How much do you agree with the following statements regarding why you might not want to purchase fake products in the [hCatAssign] category? *BarriersNegExp*. You mentioned you had a negative experience with a past purchase of a fake product in the [hCatAssign] category. Did this experience make you more or less likely to buy fake products in general? [Note: *BarriersNegExp* was only asked of respondents who indicated they had a negative experience with a past purchase of a counterfeit product]. [Note: hCatAssign refers to the category which respondents were asked to answer for]
Thank you!

A comprehensive, global report and country-specific reports are available upon request for the following countries:

- Argentina
- China
- India
- Indonesia
- Italy
- Japan
- Mexico
- Nigeria
- Russia
- United States

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