Fairness or Fakes? Morals, Brands, and the Counterfeit Mindset

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Counterfeit consumption in emerging economies presents a moral and psychological paradox. This study examines how moral disengagement, social comparison orientation, and perceived brand injustice influence counterfeit purchase intentions among India's Bottom of the Pyramid (BOP) and Middle of the Pyramid (MOP) consumers. Using a mixed-method approach, Structural Equation Modeling (SEM) on 400 consumers and thematic analysis of 20 in-depth interviews. The findings reveal that moral disengagement and brand injustice strongly predict counterfeit purchase intentions among BOP consumers, while social comparison is a stronger driver for MOP consumers. Qualitative insights further contextualise these psychological and moral mechanisms in everyday consumption practices.

Keywords: Counterfeit, BOP, MOP, Purchase Intention

1. Introduction

Counterfeit consumption remains a pervasive phenomenon in emerging markets where income inequality, brand aspiration, and moral rationalization intersect (Chew, 2022). Consumers knowingly or unknowingly purchase counterfeit products for reasons ranging from affordability to self-enhancement (Prasad, 2023). However, motivations differ across socioeconomic strata, particularly between Bottom of the Pyramid (BOP) and Middle of the Pyramid (MOP) consumers, whose moral and psychological processing of counterfeit

Consumption diverges (Mukherjee & Datta, 2025). This study examines how moral disengagement, social comparison orientation, and perceived brand injustice shape the purchase intention of counterfeit goods, moderated by consumer segment (BOP vs. MOP). This research investigates how consumers justify unethical purchasing under varying socioeconomic pressures using a two-phase mixed-method approach combining SEM and qualitative thematic analysis.

2. Hypotheses Development

Moral disengagement and Purchase intention of counterfeit products

Moral disengagement enables consumers to justify unethical behaviors by reframing them as socially acceptable or harmless (Youn, 2022). In the context of counterfeit consumption, individuals who exhibit higher moral disengagement are more likely to rationalize their purchase decisions by minimizing moral consequences or shifting responsibility (Samaddar et al., 2024). Thus, when consumers morally disengage, they experience less guilt and are more inclined to buy counterfeit products.

H1: Moral disengagement positively influences purchase intention of counterfeit products.

Social comparison orientation and Purchase intention of counterfeit products

Social comparison orientation drives individuals to evaluate their status relative to others (Reh et al., 2022). Consumers with strong social comparison tendencies often aspire to signal social standing through branded possessions. When authentic luxury goods are financially inaccessible, counterfeit products become a substitute for achieving symbolic social parity (Monreal-Mostrup, 2024). Hence, those high in social comparison orientation are more likely to purchase counterfeit products to maintain or enhance their social image.

H2: Social comparison orientation positively influences purchase intention of counterfeit products.

Perceived brand injustice and Purchase intention of counterfeit products

Perceived brand injustice reflects the belief that genuine brands exploit consumers through inflated pricing or unfair practices (Ahmad & Guzman, 2023). When consumers perceive such injustice, they may view counterfeit purchasing as a justified response or moral correction (Beermann & Hallmann, 2025**).** This perceived unfairness lowers ethical resistance, leading consumers to see counterfeiting as a legitimate way to counteract brand greed or inequality.

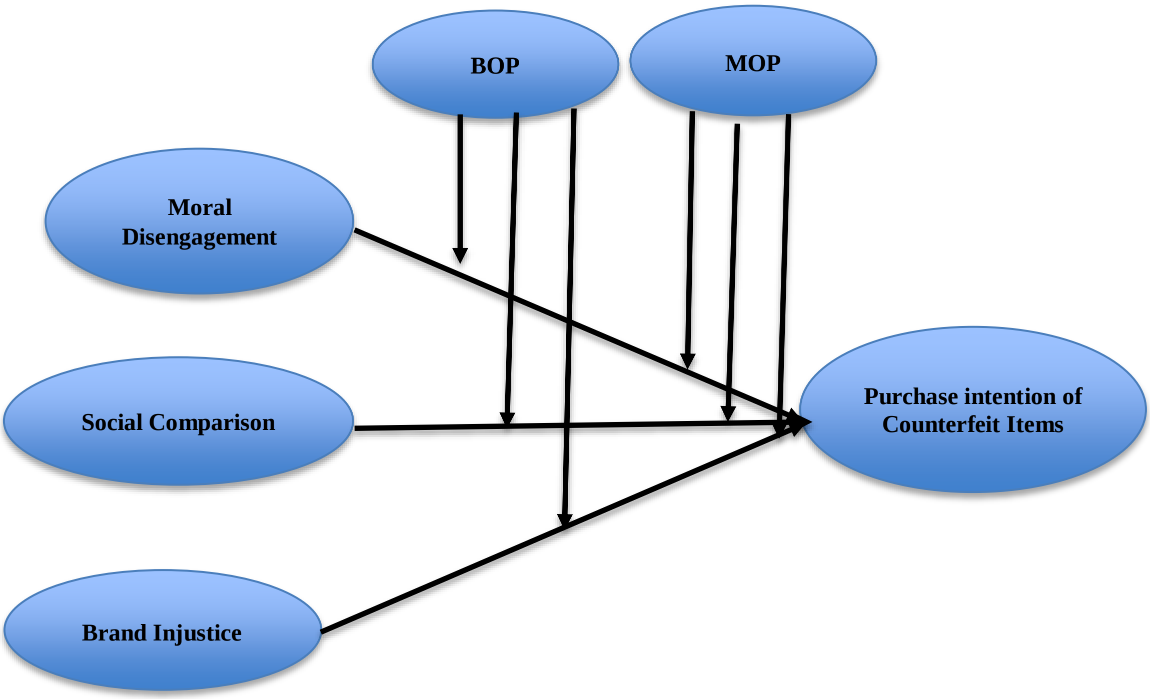
H3: Perceived brand injustice positively influences purchase intention of counterfeit products.

Moderating role of consumer segment on Moral disengagement, Social comparison orientation and Brand Injustice on purchase intention

For Bottom of the Pyramid (BOP) consumers, counterfeit consumption is often rationalized as a necessity rather than a moral lapse. Limited financial resources and restricted access to premium brands enhance moral disengagement and reinforce fairness-based justifications (Mukherjee & Datta, 2025). Additionally, perceptions of brand injustice, such as price unfairness or exploitation by companies, further legitimize the purchase of counterfeit products as a form of moral resistance (Monreal-Mostrup, 2024). For BOP consumers, counterfeiting serves as a practical means to “restore fairness” in a market perceived as unequal, making moral disengagement and perceived brand injustice stronger predictors of purchase intention than social signaling motives (Bose et al.,2025).

In contrast, Middle of the Pyramid (MOP) consumers, being relatively affluent and socially conscious, are more sensitive to social status and peer comparison (Chowdhury & Swaminathan, 2024). Their counterfeit consumption is primarily image-driven, aimed at maintaining social identity and conforming to aspirational expectations rather than addressing financial constraints (Stephenson, 2016). Consequently, social comparison orientation exerts a stronger influence on purchase intention for MOP consumers (Muhamad et al., 2022). Alternatively, the impact of moral disengagement and brand injustice is comparatively weaker (Youn, 2022), reflecting a focus on social signaling and prestige maintenance rather than fairness-based rationalizations.

H4a: The effect of moral disengagement on purchase intention is stronger for BOP consumers than MOP Consumers.
H4b: The effect of social comparison orientation on purchase intention is stronger for MOP consumers than BOP Consumers.
H4c: The effect of Brand Injustice on purchase intention is stronger for BOP consumers than MOP Consumers.



3. Methodology

The research commenced with a qualitative exploratory phase to uncover the underlying moral and psychological mechanisms influencing counterfeit purchase behavior. A total of 20 in-depth interviews (10 from Bottom of the Pyramid [BOP] and 10 from Middle of the Pyramid [MOP] consumers) were conducted across urban and semi-urban regions of West Bengal, India. Participants were selected using purposive sampling to ensure variation in income, education, and purchasing patterns. The interviews were semi-structured, focusing on themes of moral reasoning, social comparison, and perceived fairness of branded goods.

Data were transcribed verbatim and analyzed using thematic analysis, following the six-phase approach proposed by *Braun and Clarke (2006)*. Through iterative coding, themes were generated around the three primary antecedents identified in the conceptual framework.

3.1 Quantitative Phase

Following the qualitative exploration, a quantitative phase was conducted to empirically test the relationships among the identified constructs. Data were collected from 400 respondents (200 BOP and 200 MOP consumers) across five districts of West Bengal through structured questionnaires. Established and validated measurement scales were adapted for this study.

Moral Disengagement was assessed using the eight-item scale by *Moore et al. (2012)*, Social Comparison Orientation was measured from the scale adapted from Gibbons & Buunk (1999) and Perceived Brand Injustice was adapted from *Campbell (1999)*. The dependent variable, Purchase Intention toward Counterfeit Products, was measured using items adapted from *Yoo and Lee (2009)*. Data were analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) in Smart PLS 4.

Qualitative Findings

Thematic analysis revealed distinct rationalizations across segments. BOP consumers expressed fairness-based and necessity-driven justifications, while MOP consumers focused on social image and minor moral tension.

Table 1 below presents the qualitative theme map, outlining the key antecedents and their corresponding subthemes that emerged from the interviews. The table highlights how each antecedent—moral disengagement, social comparison orientation, and perceived brand injustice, connects to distinct rationalization patterns among BOP and MOP consumers.

Table 1 *Qualitative Theme Map*

Segment	Antecedent	Example Quotation
BOP	**Moral Disengagement**	"Buying a copy isn't wrong when the real ones are priced beyond people like us. Everyone does it; it's just smart."
BOP	**Moral Disengagement**	"I'm not cheating anyone; it's just a phone cover with a logo. It works the same."
MOP	**Moral Disengagement**	"I know it's fake, but it doesn't hurt anyone—it's just for casual use."
BOP	**Social Comparison**	"We can't buy original brands, but having similar things helps us fit in."
MOP	**Social Comparison**	"I buy a replica sometimes—it looks just like the real one. It's about keeping up appearances at work."
MOP	**Social Comparison**	"There's pressure when your friends wear branded stuff; you don't want to look left out."
BOP	**Brand Injustice**	"These companies charge thousands for a shirt that costs them a few hundred. It's unfair."
BOP	**Brand Injustice**	"If brands treated poor consumers fairly, we wouldn't buy fakes."
MOP	**Brand Injustice**	"Prices are ridiculous, but I guess that's the brand image—you pay for the name."

4. Quantitative Analysis and Results

4.1 Measurement Model

All constructs demonstrated acceptable reliability and validity thresholds. Composite Reliability (CR) values ranged between 0.82 and 0.91, and Average Variance Extracted (AVE) exceeded 0.50 for all constructs, indicating convergent validity. Discriminant validity was confirmed as HTMT ratios were below 0.85, and the model fit was adequate with SRMR = 0.061, satisfying the recommended criteria (*Hair et al., 2021*).

Construct	CR	AVE	HTMT Range
Moral Disengagement	0.88	0.56	0.41–0.72
Social Comparison Orientation	0.86	0.54	0.47–0.74
Perceived Brand Injustice	0.90	0.61	0.44–0.79
Purchase Intention (Counterfeit)	0.87	0.59	0.43–0.77

4.2 Structural Model (Overall Sample, n = 400)

Path	β	t-value	p-value	Result
Moral Disengagement → Purchase Intention	0.33	6.11	< 0.001	Supported
Social Comparison → Purchase Intention	0.27	4.92	< 0.001	Supported
Brand Injustice → Purchase Intention	0.38	7.84	< 0.001	Supported

Model explanatory power was satisfactory, with $R^2 = 0.58$, suggesting that the antecedents jointly explained 58% of the variance in counterfeit purchase intention. The model's predictive relevance ($Q^2 = 0.41$) further indicated strong predictive validity.

4.3 Multi-Group Analysis (BOP vs. MOP Consumers)

To examine the moderating influence of consumer segment, PLS-MGA was conducted comparing BOP (n = 200) and MOP (n = 200) samples. Results revealed significant path differences between groups, confirming the hypothesized moderation effects.

Path	BOP (β)	MOP (β)	Path Difference (Δβ)	p-value (MGA)	Supported Hypothesis
Moral Disengagement → Purchase Intention	0.41	0.24	0.17	0.021	H4a Supported
Social Comparison → Purchase Intention	0.19	0.36	–0.17	0.013	H4b Supported
Brand Injustice → Purchase Intention	0.43	0.27	0.16	0.034	H4c Supported

5. Discussion

Results indicate that BOP consumers' counterfeit purchase intentions are largely driven by moral disengagement and perceived brand injustice, suggesting moral rationalization through fairness logic. MOP consumers are influenced by social comparison motives and experience mild cognitive dissonance due to self-concept inconsistency. The moderation analysis confirmed that these effects differ significantly across consumer segments, reinforcing the contextual nature of moral reasoning in emerging markets. The significant path differences ($p < 0.05$) across groups confirm that the strength of these relationships varies by socioeconomic context.

6. Conclusion and Implications

The findings demonstrate that consumers' socioeconomic status plays a critical role in shaping the moral and psychological rationalizations that underpin counterfeit purchasing. Specifically, Bottom of the Pyramid (BOP) consumers tend to frame counterfeit buying as a fairness-driven necessity, using moral disengagement and perceptions of brand injustice to justify their actions. In contrast, Middle of the Pyramid (MOP) consumers are primarily motivated by social comparison and status considerations, treating counterfeits as symbolic tools for social signaling and identity maintenance.

From a managerial perspective, these insights suggest that anti-counterfeiting strategies should be tailored to the distinct motivations of different consumer segments. For BOP consumers, emphasizing fairness, accessibility, and equitable pricing may reduce the moral justification for counterfeit purchases. For MOP consumers, interventions that appeal to ethical identity, social responsibility, and long-term brand value may be more effective in discouraging status-driven counterfeit consumption.

Future research could build on these findings by employing longitudinal designs to examine how moral rationalizations and purchase intentions evolve, or by conducting cross-cultural comparisons to explore whether similar patterns hold in other emerging markets. Such studies would deepen our understanding of the complex interplay between socioeconomic context, moral reasoning, and consumer ethics, providing further guidance for both theory and practice in combating counterfeit consumption.

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