

Fake brands

[Business](#), [Marketing](#)



Fact Trade in counterfeit products poses a serious threat to luxury brands and is on the rise among different people. Issues There are many counterfeit products that are traded especially in different global markets. According to Euromonitor International (2007), counterfeit trade is estimated to have reached US\$200 Billion in 2005. The other important issue that has been highlighted in the case study is that consumers nowadays buy these fake products with full knowledge. The consumers in different parts of the globe have different motives of buying fake products and the trend differs in different parts of the globe. According to the case study, trade of counterfeit products is rampant in Asian countries that account for more than 80 % of fake products traded in that region.

Rule

As promulgated in different copyright laws in various countries, intellectual property rights ought to be observed. In terms of the right to produce and distribute certain products, only firms with patents have the right to do so (Kotler & Armstrong, 2010). Essentially, the aim of each business is to make profits and the interests of different businesses can only be protected by different copyright and intellectual property laws that are designed to protect the interests of individual companies. These laws help to prevent other unscrupulous people from reaping profits where they did not sow in the first place.

Analysis of facts

The sale of counterfeit products is regarded as a form of high degree fraud and also classified as a serious offence. Luxury brands are in most cases the victims of counterfeit trade mainly as a result of the fact that they have

premium prices that are beyond the reach of many people. In most cases, counterfeit trade is intentional but it has spiral impacts on the original producers of goods that are imitated. The companies will end up failing to realise their envisaged profits as a result of the fact that the consumers will prefer to buy affordable copycats at the expense of the producers of original brands. On the other hand, unsuspecting consumers can also be defrauded since they are hoodwinked into believing that they are buying original brands only to realise that they are fake when they have been delivered. Counterfeit trade is a problem of serious concern across the whole globe. According to The Guardian (28 April, 2014), " A specialist police unit has shut down more than 2, 500 websites selling counterfeit goods believed to be worth tens of millions of pounds." This shows the extent to which this problem is a serious cause of concern in different parts of the globe.

Conclusion

Trade of counterfeit goods is a bad product though some people may justify it seeing nothing wrong. This practice amounts to infringement of intellectual property rights and the original producers of luxury brands are the victims at the receiving end. Their businesses are negatively impacted by the influx of fake products that have cheap prices.

Alternative

In order to solve this problem, concerted efforts should be made by all countries across the globe where they ought to implement stern measures that are meant to curb the bad practice. The emergence of a market for fake goods is detrimental to the performance of the producers of original brands since consumers end up buying copycats with relatively low prices.

References

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