

# PLANES, TRAINS, AND COUNTERFEIT DEALS

How post-vaccination summer travel will affect the dissemination of fake goods, and why you should be educating your customers

# **Table of Contents**

**Don't Be Fake:** How increased travel + money to spend = high counterfeit risk

**Tell Me a Story:** How the right narrative can educate your customers and boost your bottom line

**Show, Then Tell:** Why data is your new best friend





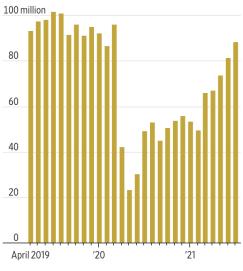
### Don't Be Fake

### How increased travel + money to spend = high counterfeit risk

The roaring 2020s are here. COVID-19 vaccinations are widely available, countries are opening their borders to tourism again and, according to the Wall Street Journal, airline "carriers say leisure fares are on track to meet or exceed 2019 levels this summer". After more than a year of going through the mental gymnastics required to constantly assess risk levels and heed COVID precautions, it's safe to say that people are ready to return to the joys of pre-pandemic life. Spending is on the rise, and we're seeing that play out in both experiences like travel and in consumer goods.

From a consumer perspective, after spending our money on things like home improvement projects and nicer loungewear for the better part of the last year (or saving it, while we can) it can feel tempting to "treat ourselves" to nice things to wear and flaunt as we emerge back into the social world. The Washington Post, among others, has reported on the boom in high-end travel and in the luxury goods space as well, noting how a "new wave of big spenders is injecting new life into storied luxury houses such as Gucci and Louis Vuitton". In the same article, The Washington Post shared how mass market brands such as Uniqlo and J. Crew are boosting the prices of their new

#### Number of scheduled seats on U.S. airlines



Source: The Wall Street Journal

arrivals, reaching for a more high-end demographic. Many of these new items are selling out across company sites and stores.

Influencer culture online will surely help fuel a spike in consumer goods, as people feel the need to keep up with the latest trends they're seeing online. One thing to be conscious of? Where people are seeking out these goods. The conflation of increased travel for leisure and consumer spending is sure to result in a spike in counterfeit sales. Those blankets loaded with fake streetwear on the streets of Madrid, or the fake Louis Vuitton in New York City—those are likely to be looking pretty enticing to people traveling and in a spending mindset. What are you doing to educate your customers on the dangers of counterfeits, and ensure their money goes where it should?



# Tell Me a Story

How the right narrative can educate your customers and boost your bottom line

Fighting counterfeits is expensive business. *Harvard Business Review* reported that "LVMH alone", the conglomerate that owns Luis Vuitton, "employs at least 60 lawyers and spends \$17 million annually on anti-counterfeiting legal action". These efforts are retroactive, and focused at combatting counterfeits that are already making it into the hands of consumers. But few consumers are aware of the battle brands are waging on counterfeiters.

With the rise of narrative-based marketing and more conscious consumerism, there's a place for brands to spin the counterfeit story in their favor. Consumers know counterfeits are available, and that they can get good knock-offs for cheap—but what if you took control of that story? Millennial buyers are interested in companies pulling back the curtain. Think about brands like Everlane and Reformation—they appeal to consumers because they're able to tell a story about their sourcing and supply chain, which ties in with their initiatives around fair labor and sustainable practices. In today's world of conscious consumerism, the whole story matters and it's one of the most effective ways to build trust with consumers. But giving consumers the whole story requires deeper visibility than many companies have.

"By relocating production to low-cost countries, luxury firms severed the centuries-old association of luxury goods with their historical places of origin. The outsourcing also led to relaxed control over supply chain, design, and manufacturing just as counterfeiters were putting unprecedented pressure on each of these processes." Harvard Business Review

Harvard Business Review argues for moving production back to a company's country of origin, to both increase the level of oversight, and the quality and type of production. Luckily, there are secure ways to get this level of oversight with newer technology—ones that give you data with pinpoint accuracy. And what do you need to tell a good story? You need good data.



# Show, Then Tell

### Why data and transparency are your new best friend

According to marketing experts at HubSpot, to tell a good brand story, you need to highlight a conflict, acknowledge the status quo, and provide a resolution. In fashion and apparel, there are many conflicts to hone in on—the fashion industry is one of the largest contributors to environmental waste, manufacturing facilities are often riddled with unsafe and unfair working conditions, and counterfeits are commonplace. It can feel good to make the decision to focus on securing raw materials from ethical and regenerative sources, hand pick which factories you want to work with, and combat counterfeits—how do you make sure those things are actually happening?

"Over the past 40 years, the \$1.3 trillion fashion industry has created a vast, complex supply chain. Most brands work with factories and mills to make clothes, but few go all the way back to the farms where the cotton, wool, or rubber is produced. That's beginning to change." Fast Company

How things have been operating over prior decades is the exact status quo narrative you want to challenge. Tell your customers how your supply chain works, where their products are coming from, and how that's different from before. Tell them about the dangers of counterfeits, and how purchasing from authentic sources further supports the other initiatives you're pushing, while buying fakes fuels unethical business practices. In order to fully educate your customers, you need to have accurate data. This is how you provide your consumers with a solution. With Vi3's suite of tools, you can trace your products through your entire supply chain—from raw materials, to the final steps of production, all the way to your consumers hands. You can provide guaranteed authentication to your consumers, and share your brand story with them via **V Connect**. The more brands change the narrative around counterfeiting, and don't keep this part of their business in the shadows, the more public knowledge around the downsides of counterfeiting will increase. It's time to take the power back into your hands. Connect with one of our experts today.

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