

APPAREL AND ACCESSORIES

Luxury needs authentication and authenticity to fight counterfeit goods

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By 2022, all Vacheron Constantin will be authenticated using blockchain technology. image credit: Vacheron Constantin

By SARAH RAMIREZ

With the proliferation of counterfeit luxury goods, high-end brands will need to emphasize craftsmanship and service while leveraging technology to combat this expensive and widespread problem.

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According to Fashionbi's "[The Problem of Counterfeit Fashion](#)" report, technology is a double-edged sword that helps fight counterfeiters while also contributing to a rise in counterfeiting. The report argues that highlighting craftsmanship and expanding after-sales services will also help luxury brands reduce counterfeiting.

Fighting fraud

Fashionbi cites research from the 2018 Global Brand Counterfeiting Report that values high-end goods sold in the counterfeit market in one year at \$98 billion. The value of fraudulent goods has only grown since ([see story](#)), while luxury brands spend millions a year in legal fees alone to fight counterfeiters.

While luxury brands such as Dior, Chanel, Prada and Gucci are among the most counterfeited, criminals are also increasingly targeting limited releases from influencers or streetwear brands.

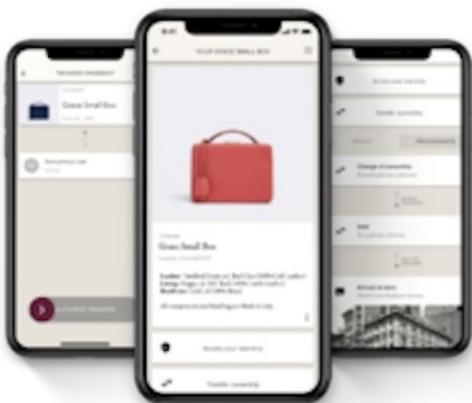


Gancini belts are one of the targets of counterfeiters. Image credit: Salvatore Ferragamo

Ecommerce, including online marketplaces such as Amazon and eBay, and social media have made it easier for counterfeiters to sell fake goods and reach shoppers who are lured by discounted prices. Additionally, a significant number of consumers believe the onus is on brands to remove inauthentic products ([see story](#)).

As luxury good prices have increased despite shifts towards offshore production, trust in brand heritage has been damaged. According to Fashionbi, luxury has also become more about status rather than high quality or craftsmanship, which by extension, allows consumers to become more comfortable with purchasing inauthentic items.

It is difficult for brands to stay on top of counterfeit online listings but forming partnerships with ecommerce marketplaces can help. Amazon has also filed joint lawsuits with Valentino and Salvatore Ferragamo against counterfeiters ([see story](#)).



The TrueTwins digital passport mobile app provides information about products' sourcing and authenticity. Image credit: TrueTwins

Brands can also help educate consumers how to differentiate between authentic and inauthentic goods with image databases or website verification tools. Others are incorporating NFC smart tags or working with blockchain platforms to allow consumers to authenticate their purchases.

Fashionbi also suggests that brands enlist third-party anti-counterfeiting agencies that offer technology that tracks and traces fake goods that are sold online, as well as services like delisting counterfeiters or legal support.

Centering craftsmanship

Using technology is helpful for fighting counterfeiters, but luxury brands also need to justify their price points to convince consumers that high-end goods are worth the investment.

Expanding after-sales services, such as maintenance of leather goods, is also beneficial. Further building community by communicating more directly with consumers and centering values will also help consumers develop brand loyalty motivating them to purchase authentic goods rather than fraudulent pieces for the status.

Brands that emphasize craftsmanship in their marketing and the products themselves can also stand out from logocentric luxury. Prioritizing local sourcing and production also bolsters perception of authentic artisanship.

For its 2020 holiday campaign, Italian fashion brand Dolce & Gabbana paid tribute to love and tradition through a cheery campaign for its holiday gift collection.

In claymation-style, "With Love from Domenico and Stefano" featured figurines of the brand's head designers revealing the artistry behind their products. The campaign is part of an ongoing run of films focusing on the brand's dedication to craftsmanship and tradition ([see story](#)).

Similarly, Italian fashion brand Fendi showcased the intricacy of the handiwork of its artisans in a film series focusing on craftsmanship.

In "Hand in Hand," the company's creative director Silvia Venturini Fendi casts light on the network of Italian craftsmen who are responsible for the various pieces in Fendi's collection. The campaign reflects Fendi's desire to evaluate its place at the end of the supply chain at a difficult time and broadcast its solidarity with its network of suppliers ([see story](#)).

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