Distinctive Ugliness As a Signal of Luxury

Ludovica Cesareo, Lehigh University
Claudia Townsend, University of Miami
Eugene Pavlov, University of Miami

We identify a novel consumer signal; distinctive ugliness is a signal of luxury and fashion-forward nature. Examinations of market pricing data, employing machine-based learning, and 3 lab studies reveal this and the result, that while typically consumers select high aesthetics, in the context of luxury, consumers buy distinctively ugly products.

[to cite]:

[url]:
http://www.acrwebsite.org/volumes/3000061/volumes/v49/NA-49

[copyright notice]:
This work is copyrighted by The Association for Consumer Research. For permission to copy or use this work in whole or in part, please contact the Copyright Clearance Center at http://www.copyright.com/.
Distinctive Ugliness as a Signal of Luxury
Ludovica Cesareo, Lehigh University, USA
Claudia Townsend, University of Miami, USA
Eugene Pavlov, University of Miami, USA

EXTENDED ABSTRACT
Consumers choose attractive products. Yet, luxury that is distinctly ugly (e.g., outrageous patterns, unflattering shapes, clashing color combinations) is selling well. This research identifies distinctive ugliness as a signal of luxuriousness and fashion-forward nature that consumers recognize. Thus, they choose distinctly ugly products as often as their attractive counterparts.

Drawing on costly signaling theory (e.g., Zahavi 1975; Bird, Smith, and Bird 2001), we identify the value of distinctively ugly luxury. We propose that, because beauty is universally appreciated (Bell 1914; Redies 2007), ugliness can be perceived as costly. Thus, it can signal something of equal or greater value (Zahavi 1975). However, for ugliness to signal, there must be an indication that it is a deliberate choice. Distinctiveness suggests intention; it is not a misjudgment or mistake (Kordes-de Vaal 1996). Thus, we predict that an aesthetic that is both highly unattractive and distinctive (i.e. eye-catching, non-normative, or extreme; Dinwoodie 1996; Fiore 2010) will suggest that the cost sustained was in order to gain something of equal or greater value, that is being from a luxury brand.

Hypothesis 1: A distinctively unattractive aesthetic is a signal of luxury. Distinctively unattractive products are more likely to be perceived as from a luxury brand than non-distinctively unattractive, as well as both distinctively and non-distinctively attractive, products.

Furthermore, we propose that distinctively unattractive aesthetics offer the additional signal of being fashion-forward, but only when identified as from a luxury brand. In the context of luxury, the intentional non-normativity of distinctive ugliness suggests innovation, as occurs with technological products (Truong et al. 2014).

Hypothesis 2: While generally attractive products are perceived as more fashion-forward than unattractive products, when from a luxury brand, distinctively unattractive products are perceived as more fashion-forward than non-distinctively unattractive, as well as both distinctively and non-distinctively attractive, products.

Given that luxury is purchased for its signaling power (Han et al, 2010), we propose that while ugliness will negatively impact product choice in general (Bloch 1995; Bloch et al. 2003), this will not be the case when the product is distinctive and from luxury. The downside of ugliness (Page and Herr 2002; Townsend and Shu 2010) is counterbalanced by the upside of the ability to signal luxury and being fashion-forward. This will mediate the effect of aesthetics on choice.

Hypothesis 3: While generally, choice is greater for attractive products than unattractive ones, when from a luxury brand, distinctively unattractive products are at least equally as likely to be chosen as distinctively attractive, as well as non-distinctive attractive and unattractive, products.

Study 1: Distinctive Ugliness Signals Luxury
Study 1 reveals that a distinctively ugly aesthetic signals the product is from a luxury brand (H1). Participants (1,170 Mturkers) evaluated a random four of 250 non-labeled fashion items.

A regression of luxury perceptions on attractiveness, distinctiveness, and logo prominence, controlling for brand fixed effects and clothing item gender (model adjusted $R^2 = 67\%$) reveals main effects of attractiveness ($t = 1.4, t(236) = 4.85, p < .001$), distinctiveness ($t = 1.7, t(236) = 5.07, p < .001$), logo prominence ($t = 1.2, t(236) = 4.55, p < .001$), and a three-way interaction ($p < .01$). A spotlight analysis (Spiller et al. 2013) at -1 S.D. of logo prominence (i.e., non-branded items) shows that items rated as unattractive and distinctive rated highest on luxury perceptions ($M_{distinctively\ unattractive} = 6.92, SD = .07; all ps < .01; \eta^2 > .045; H1$).

Study 2: Drivers of Choice of Distinctively Ugly Luxury
Study 2 examines Hypothesis 1-4. Participants (648 undergraduates) were randomly assigned to one of 8 conditions in a 2 (Brand: luxury vs. non-luxury) by 2 (Attractiveness: attractive vs. unattractive) by 2 (Distinctiveness: distinctive vs. non-distinctive) design. Participants saw one of eight versions of a sweatshirt as per condition, rated it, and reported likelihood of selecting the sweatshirt over 20% of its cash value.

The distinctively unattractive sweatshirt was the most likely to be perceived as from a luxury brand (all ps < .038, H1). When the sweatshirt was Dior, the distinctively unattractive one was: 1) Perceived as at least marginally more fashion forward (all ps < .082, H2); and, 2) More likely to be chosen than the attractive non-distinctive one ($t(171) = 2.073, p = .040$), and equally as likely to be chosen as the unattractive non-distinctive and the attractive distinctive ones (all ps > .247, H3). Moderated mediation (Process macro, model 8, Hayes 2013) reveals that the negative effect of aesthetics on choice, via luxury signaling and fashion forward, was significant only when the sweatshirt was from a luxury brand (H4).

Study 3: The Price of Distinctively Ugly Luxury vs. Non-Luxury
Study 3 examines the real-world list prices for 1,596 luxury and non-luxury products as a function of their attractiveness, distinctiveness, and logo prominence. We find a three-way interaction ($t(2773) = 2.19, p = .029, \eta^2 = .002$); a spotlight analysis (Spiller et al. 2013) at -1 S.D. of logo prominence finds that for distinctively unattractive luxury products there is no price premium for attractiveness ($F(1, 1669) = 21, NS$). This study identifies the exception to the rule that beauty has value; luxury brands charge the same for distinctively unattractive and attractive products.

Study 4: Logo Prominence as a Boundary Condition
Study 4 identifies logo prominence within the luxury context as a boundary condition to the signaling benefit of distinctive ugliness. Supporting H1 and H3, we predict and show that, while loud branding increases choice of an attractive luxury product, with a dis-
distinctively unattractive product, the logo is redundant and does not increase choice (interaction of aesthetics and logo prominence on choice: \( F(1, 201) = 4.72, p = .031, \eta^2 = .023 \)).

Discussion

We identify two benefits that a distinctively ugly aesthetic provides its users: it is a signal of luxury and is perceived as fashion forward. Therefore, in the context of luxury, the downside of not being attractive can be counterbalanced by these benefits of distinctively ugly fashion.

REFERENCES

Bell, Clive (1914), Art, London: Chatto & Windus.