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W241 Essay 2 – Research Proposal: Price vs. Perceived Quality in Art

Research Question

Does knowledge of the price of a piece of art affect Americans' opinions of it or their perception of its quality?

Background

The retail marketing world has long championed the idea that it can drive a consumer's perception of product quality through pricing alone. If people encounter a product in a store that is ten times the price of similar items, they might not necessarily be driven to buy it, but will likely assume that it is of higher quality than the others. Marketing experts teach that actual value is meaningless; perceived value is key in their profession[1].

This idea can reach extremes in the art world. A popular refrain in the music industry is that people do not value music because it is cheap or free[2]. Savvy companies manufacture scarcity for some items in music, which drives up collectible prices due to consumers' perceived value of those items.

Fine art represents the other end of this spectrum. Original paintings can sell for hundreds, thousands, or hundreds of thousands of dollars. In some cases, artists' reputations will cause prices to rise. In others, the age and condition of a work can be drivers. Often, though, the name of the artist alone is the driving force, and this is another measure of public perceived value. Quality, of course, is a subjective measure. Technical ability can be measured much more reliably, but ultimately, someone's opinion of a work of art will come down to exactly that: opinion. I intend to explore one of the external factors that may or may not affect that opinion, thereby extending beyond reflexive "I like that" or "I don't like that" reactions.

The Experiment

This study will examine the classic marketing relationship between price and perceived quality, but also delve into the more nuanced relationship between price and actual enjoyment of art. Ideally, I will randomly select a group of at least 100 subjects from the general population and show them a series of 10-20 works of art in an online survey. The pieces will not be recognizable, but my goal will be to display items that were clearly produced by professional artists. The sample will be randomly divided: some subjects will be shown prices along with the

[1] Alexander Zauner, Monika Koller & Isabella Hatak (2015) Customer perceived value—Conceptualization and avenues for future research, Cogent Psychology, 2:1, DOI: 10.1080/23311908.2015.1061782

[2] McIntyre, Hugh. The Music Industry Has A Huge Problem With Perceived Value, Aug. 30, 2015. https://www.forbes.com/sites/hughmcintyre/2015/08/30/the-music-industry-has-a-huge-problem-with-perceived-value/#38f3a0c47035

works, and some will not. Those who do not see prices will serve as the control group. There will be two treatments for the subjects who see prices: some will be shown high prices (in the thousands of U.S. dollars) and others will be shown low, but believable, prices (in the $200 range). Subjects will be asked to examine each image for 30 seconds. Then, below each, subjects will be asked to answer two survey questions before proceeding:

1. How much do you enjoy this piece?
2. How skilled is the artist?

Each question will be accompanied by a five-point Likert-type answer scale, with some form of "a lot", "somewhat", and "no opinion" responses. Asking two questions will differentiate between subjects' personal opinions of the art and their assessments of the quality.

Subjects

Subjects will be recruited from Mechanical Turk and Facebook. I will have a minimum of 100 participants, but would prefer more, considering I will have two types of treatment groups. With this in mind, I will target 150, so that the treatment groups and the control group can each contain 50 subjects.

Risks and Biases

I have some minor concerns about true random selection. Using Mechanical Turk restricts the study to the available population on Mechanical Turk, which is likely not a representative sample of the U.S. population. Facebook recruitment will also not provide a fully representative sample. Both should provide sufficient approximations, but limiting the sample in these ways could introduce some bias.

There is some risk of participants understanding the goals of the experiment based on the materials provided to them. If this occurs, it could alter their responses. One possible control for this would be to provide the survey questions among several other dummy questions. However, I have to be sensitive to participant fatigue; each additional question will be compounded 10-20 times, depending on the number of works shown, which would increase each subject's workload to a considerable degree.

Blocking and Clustering

There may be some natural clustering along cultural lines. Opinions will vary from person to person, but the study could demonstrate substantial differences in these effects between populations in different countries based solely on cultural norms. A 2000 Madden, Hewett, and Roth study illustrated the wide variety of ways in which different countries' populations interpret and prefer colors[3], and color is just one of many elements in a piece of art. In order to minimize those clustering effects within a limited sample, I will restrict the study to American subjects.

[3] Thomas J. Madden, Kelly Hewett, Martin S. Roth (*2000*) Managing Images in Different Cultures: A Cross-National Study of Color Meanings and Preferences. Journal of International Marketing: Winter 2000, Vol. 8, No. 4, pp. 90-107.

Within that cluster, I will conduct the experiment on randomly selected individuals. Admittedly, the U.S. has its own large spectrum of cultures as well, but random selection from the population should control for those differences sufficiently.

I do not intend to implement any blocking, though it could be interesting to observe whether there are notable differences among genders.

Outcome Measures

I will focus my experimental analysis on the differences in survey question means among the treatment and control groups. I will perform regression analyses on the outcomes to determine whether there are notable causal differences.

Pilot Study and Scaling

The structure of this experiment is such that I could perform a pilot study at the outset and a full study at a later date. It will also be easily scalable; if necessary, I can expand the pool of participants without altering the methodology.

Covariates

There are many potential covariates that could affect someone's opinion of a piece of art. Some people just do not enjoy art. Some may love paintings and hate sculptures, or just not understand abstract art. Perhaps a picture will conjure images of the bully who tormented you throughout elementary school, or a particularly unsavory politician. Beyond factors that affect opinion, it is possible that there could be gender differences in outcomes. I do not anticipate any strong covariate effects, but will examine possible covariates in regression analyses of the outcomes of the study.