Masterpiece as a Marketing Resource: A Marketing Industry Case

Final Paper
Anton Chaika 880725-T155
Ethan Emmanuel 830709-1978
Mooyoung Son 811121-3776
“Advertising is about selling pieces of the world, whereas art is about showing its beauty and ugliness.”
- Varnedoe (1991)\

Table of Contents

SUMMARY ........................................................................................................................................... 3
ABSTRACT ............................................................................................................................................. 4
I. INTRODUCTION ..................................................................................................................................... 4
II. MASTERPIECE OF ART AS A RESOURCE OF MARKETING INSPIRATION IN BUSINESS ................................................................................................................................. 5

   Hedonic consumption ......................................................................................................................... 5
   Effect of a masterpiece ....................................................................................................................... 5
   Value-added by art ............................................................................................................................... 6
   Conditions to use masterpiece properly ............................................................................................. 7
   Strategic thinking ............................................................................................................................... 8

III. FINDINGS & LG CASE ....................................................................................................................... 9
IV. CONCLUSION ....................................................................................................................................... 11
V. REFERENCES ........................................................................................................................................ 12
VI. APPENDIX ......................................................................................................................................... 14

SUMMARY

Anton Chaika 880725-T155  Ethan Emmanuel 830709-1978  Mooyoung Son 811121-3776

“Advertising is about selling pieces of the world, whereas art is about showing its beauty and ugliness”
- Varnedoe(1991)

Ethan Emmanuel
Anton Chaika
Mooyoung Son

Masterpiece as a Marketing resource: case of marketing industry

There are several basic principles to operate business. One of the most important principles is relation between cost, price and value. Value should be higher than price and cost. Main reason why companies are introducing art to their business is to increase their value. Art is affecting to corporate activities in various areas. This paper reports relationship between art and marketing. We start with defining differences between hedonic and utilitarian consumption and consequences it brings to advertisings nowadays By combining ideas of different researchers in this area and applying own analysis, we find out motives to use fine art in marketing, the ways it is done and effect it brings. The first part of the paper ends up by stating value brought by a masterpiece in marketing.

We continue by elaborating strategic thinking and connecting “beauty” and “best” perspectives. We conclude that such advertising is customer oriented and is way closer to differentiation rather than cost leadership, since products with masterpieces are to raise product image into high quality. Customers’ life style is being changed - they love luxury rather than cheap and efficiency products. And also, all of those beautiful aspects (aesthetic, symbolic) are connected to differentiation. We find connections with Resource Based View and profitability.

In findings part we work a lot with empirics and take LG case as example of such type of marketing. As one of analysis tools we use Kapferes brand identity prism. Finally, we conclude everything written and sum up all our findings, figuring out how effective art can be as a marketing resource.

You are most welcome to go through appendix at the end of our paper which consists of lots of interesting examples from the researched topic.

---

ABSTRACT

There are several basic principles to operate a business. One of the most important principles is the relation between cost, price and value. Value should be higher than price and cost. The main reason why companies are introducing art to their business is to increase their value. Art is affecting the corporate activities in various areas. This paper reports the ongoing relationship between art and marketing.

I. INTRODUCTION

Considering the beauty in building and architecture segment within our course seminar, we found that each different type of building has its own way in artistic expression (e.g. modernism) and the art affected to architecture directly.

To talk about art, Professor Richard Gregory\(^3\) described the unique properties of pictures; He insisted that “pictures are a unique class of objects, because they are both visible of themselves, and something quite different from a sheet of paper on which they are drawn.” He also mentioned that “Artworks are paradoxical. No object can be in two places at once, no object can be both two and three-dimensional. But the picture we see in this way.” A person’s ability to imagine a situation presented in a picture is an important milestone in the development of abstract thinking.

Art itself has an enormous influence to various social and business trends. At the same time, many companies recently started infusing masterpieces of art with their product design or marketing. They infuse art into high tech products, calling this phenomenon as “techart” (tech + art). For example, LG drew their products in van Gogh’s Self-portrait with bandaged ear to add an interesting feature. (Appendix 1). Some other companies used masterpieces instead of original product design to enhance a luxury image. (Appendix 14). At least, it is clear that marketers believe that using masterpieces as a marketing resource is effective enough. This phenomenon is significant because it indicates how “art” influences contemporary business trends. Henrik et al (2008) evaluated influence of visual art on the consumer products. He demonstrated the art infusion phenomenon in both real-world and controlled environments using a variety of stimuli in the contexts of packaging, advertising, and product design.\(^4\)

In this paper we concentrate on the effect of art which is infused into marketing and advertisement. To illustrate it elaborately, this paper defines hedonic consumption and the effect of masterpieces first of all. And this paper takes a look at masterpieces as a marketing resource and finally strategically analyzes them. They make advertisement to “increase sales” and sometimes they infuse art to achieve their target.


II. MASTERPIECE OF ART AS A RESOURCE OF MARKETING INSPIRATION IN BUSINESS.

As our research is primarily oriented towards painted masterpieces (also randomly referred to as art), in our analysis we basically consider paintings.

HEDONIC CONSUMPTION

Advertising (and products) can be divided into two broad categories based on their appeal – they can appeal either to utilitarian or hedonistic feelings. To explain the difference we must clarify meanings of utilitarianism and hedonism as concepts. While utilitarianism says that value of an action is determined solely by its usefulness in maximizing utility/minimizing negative utility, hedonism states that only pleasure is worthy of value and only pain has disvalue. Using the terms from the Strategy course at SMIO – utilitarianism is concentrated on substance and hedonism – on significance. We can say that everything that is “practical” and “rational” belongs to utilitarianism, and everything characterized by words “beauty” and “vanity” belongs to hedonism.

It’s known for quite a long time that perception of advertising depends greatly on the culture of specific consumer markets. Recent research shows that even very close ethnic groups might have different levels of cultural conditioning towards hedonistic and utilitarian consumption. Even such neighbors as the Chinese and the Singaporeans have opposite levels of such type of conditioning.

It’s without a doubt that painting is the purest example of hedonic consumption. It does not bring any practical advantage (perhaps, except of investment function) and, on the contrary, brings a lot of aesthetics and beauty. The same could be said concerning advertising with paintings – they highlight a significant part of the product. When a person observes such type of visual message, functional appraisal takes place in the last turn.

EFFECT OF A MASTERPIECE

We have analyzed different ads that use famous paintings and following are the basic motives:

1. To provoke the feelings, experienced originally by the given masterpiece (Rarely used). Usually in such ads changes to the painting are minimal or often without any changes at all but the logo or some small detail connected with the promoted brand. Good examples of such ads are given in appendix 5. “Gardena” – gardening company that used van Gogh’s painting “Irises” but added a small detail – their own scissors. Another good example is given on the Appendix 6.

2. To connect the message of the masterpiece and marketing campaign (Rarely used). In this case usually philosophy of the painting is connected to peculiarities of the product advertised. Appendix 7 - VW advertised their low fuel-consumption Polo, connecting ideas of absurdity from Dali’s painting with “absurdly low consumption” of VW Polo. As well Appendix 8 is in this category.

3. To compare and oppose messages of the masterpiece and marketing campaign (Often used). In such ads paintings are changed significantly with addition of contradicting elements. Appendix 9 and 10 – the idea of proportionality and beauty of human’s body by Da Vinci is opposed by the spread of obesity nowadays.

---

4. To state that the same *masterpiece could be achieved or re-done using the product* that is promoted. (Very often used). In this case, a masterpiece is portrayed often without changes together with the promoted product. For example, one can draw the same picture as van Gogh using the pencils or vacuum cleaners of given brands (Appendix 11 and 12)

Technically all of these four motives can be realized using one of two basic techniques:

a. Quotation of painting – the way in which a painting is used, technically means that the ad “quotes” the painting, thus painting is left unchanged, simply logo or motto are added. (example together with original - Appendix 13)

b. Appropriation of painting – the way of using a painting, when the painting is changed for marketing purposes or some elements of a masterpiece are used. This way is more common nowadays.

### VALUE-ADDED BY ART

Art is the medium and method to deliver emotion to masses. People form consensus over walls of language through art and deliver feeling. According to Bell (1915), Most people are critic about art and art is divided from others in their mind. There were debates on definition of art for centuries and still we do not have a specific definition for it. It is because understanding art mostly depends on each appreciator. Hence, defining art itself is critically difficult. Morris Weitz, et al even insisted that defining art is impossible.

So, what benefits are achieved from using masterpieces of art in marketing? To understand this, one should first realize the nature of a masterpiece.

Conditions for a painting to become masterpiece:

1. **Artistic Merit** – embodiment of a certain technical virtuosity.
2. **Social Relevance** – possess characteristics held in high regard by the society as a whole.
3. **Sizable** - to get the widest possible exposure and combat losses over time.
4. **Open Heart of an artist** - the artist express his humanity, creating interest of the widest possible audience, to see a reflection of it.

All of these characteristics made some of the paintings created by mankind to be more valuable than a huge mass of the others. And since the end of 19th century marketers started using them to add value to their products or services. According to different researchers, art is an even more powerful tool to stimulate customers than the current popular tricks as sex appeal, using celebrities and neon colors. The process of adding value to the product by means of using fine art can be called art infusion. It gives two basic effects:

- **Belonging to elites.** Possession of a fine art object, which is associated with high status in society, wealth and success throughout centuries, has been a sign of belonging to the elites. Thus, by using works of fine art, marketers are “borrowing” the image of a famous piece of art and transfer it partly to the product being advertised. The symbol in this case creates a metaphorical conn

---


ection from the concrete (a painting) to the more abstract (an image). Generally speaking this improves product’s prestige which consists of: product’s high quality (shows a “wise purchase”), limited supply (the product is more demanded), brand reputation (higher product’s trustworthiness), high status of consumers (“good company” for future customers).

- **Aesthetic value.** Any piece of fine art makes advertising more appealing, even the picture of burning building positively affects evaluation of the ad by customers. Being in “higher” segment of human-made culture, different classic paintings (even the oddest) add aesthetic appeal to the objects connected with them. Additionally, according to Dewey, aesthetic experience blends subjective activity with passive reception of structure. Which means that fine art allows customer to estimate the complicated offering in simpler terms.

- **Establishing social codes to interpret the ads.** This type of value added by fine art is protected by Dr. Alexandros Baltzis. It creates the image and identity of a product and its producer. Saying it in other words, this basically means creating symbols that simplify definition of specific product or brand.

One should not forget the main aim of using different visual effects in advertising – to help sell the goods. Using right images is very important – as approximately 30-50% of an advertising budget is often staked on the usage of pictures. “Anything expensive must be effective, else it involves much waste. So art in advertising is a study of paramount importance. Pictures should not be used merely because they are interesting.”

As a result, art itself expresses abundance and the benefits that art brings in terms of sales and brand recognition is the main reason why companies use masterpiece as a marketing resource. This is a reason why many of the masterpieces can be seen more and more in places outside art galleries.

**CONDITIONS TO USE MASTERPIECE PROPERLY**

Since many companies started trying to use masterpiece in marketing, it’s quite important to do it in the most efficient way. Many of them are trying to raise their brand image through containing emotional intelligibility of masterpieces. Actually Hagtveldt and Patrick(2008) found that products designed with art masterpieces received better customer response. We summed up different ideas in 3 general advices on how to use masterpiece in the advertisement in a proper way.

Conditions to succeed in using masterpiece in marketing:

1. Masterpiece should be very well-known for the target group.
2. Transformation should be creative but still leave the opportunity to recognize the original.

3. Better response from customers in case of promoting utilitarian product.

“Managerially, these findings suggest that contrary to conventional wisdom that utilitarian products should be promoted based on functional benefits, brand managers should confer utilitarian products with hedonic benefits to enhance their aesthetic aspects, so as to set their brands apart from other competitors.” 24

STRATEGIC THINKING

To say within the best perspective, using masterpieces for marketing purpose means that marketing approach has been changed from product functional based to customers’ feeling based. So we can say that it is customer oriented. However, it is not easy to analyze effect of the masterpieces on commercial films or design strategically. Because it is a kind of marketing phenomenon related with many companies or advertisement rather than specific product or service firm as a target research. Main target in this paper is some part of design factors from commercial film or design resources. Hence, it is not possible to use strategic industry or product analysis models like as 5 forces or BCG Matrix. Instead, to compare with matrix models in general, Generic strategy model and strategic group are relevant. Within both models, it is closer to differentiation rather than cost leadership, since products with masterpieces are to raise product image into high quality and eliteness.

According to Bohee(2009), Product design with masterpiece gained better customers responses & recognized as a differentiation activity. 25 This is because customers’ life style is being changed. Having a stable life, people started considering aesthetic and symbolic values to make their lifestyle more luxurious rather than using cheap and efficient-functional products. Accordingly companies, competing in the market against competitors with similar strategies and products had to launch differentiation as their new strategy. Using masterpiece as a marketing resource is one of that differentiation strategy. It suggests building a totally different brand identity. Likewise, it is possible to connect masterpiece marketing with the Resource Based View. Daft (1983) insisted that firm resources are including not only physical assets, but also attributes, knowledge, strategy, and even ideas. 26 In this case, to take a look into relationship between masterpieces and advertisement with RBV(Resource Based View), There are several factors to be considered as resources. First of all, “Environment” - There are too many advertisements in circulation and most of them are similar. So that, those advertisements could not appeal enough to customers which drove marketers to develop different marketing resources. Second, “Strategy” - Using art masterpieces which are considered as a luxury product for marketing, they tried to achieve customers agreement and finally construct new brand identity. Third, “Activity” - They applied masterpieces into their commercials. And also they supported some art activities and introduced customers to art activities. Fourth, “Result” - And finally, using masterpieces brought an increased customers satisfaction, corporate cultures, different brand value, and longer brand life.

---


25 Bohee Jung(2009), influence of art infusion type on product evaluations: functional product vs. hedonic product, Seoul National University

As a result, all of those beautiful aspects (aesthetic, symbolic) are connected to differentiation and Resource Based View and finally it is driving corporate strategy towards profitability. Although beautiful aspects don’t look connected to profitability, actually it affects profitability to a huge extent. Making different advertisement and using masterpieces as marketing resources is to construct better brand value and better brand value raises profitability at last. There are various quotations talking about relationship between profitability and differentiation as a resource.

- Välimäki et al. (2005) argued that innovativeness (Differentiation) of firms has a positive effect on competitiveness and profitability. 27

- Cohen & Sinclair (1992) suggested that higher profitability is related to technologies, investments and producing value-added products. 28

III. FINDINGS & LG CASE

Previous research shows that there is a relation between the image of the brand and the product on the one hand and the use of “high” art in advertising on the other (Dyer, 1982; 29 Margolin, 199230; Hetsroni, 2005). A symbol of distinction, luxury and prestige – this status of visual arts and art masterpieces ensures a prestigious image to the firm that includes art works in its advertising campaigns. 32 A good example showing the effectiveness and efficiency of this effect of “Beauty” in marketing is LG with its recent advertisements and commercial films using high classic art masterpieces.

LG introduced art infused commercial films and advertisements in 2007. They created the slogan "Having LG in your life means your life becomes art itself" with masterpieces of van Gogh, Cezanne Paul, Gauguin, etc. in it. LG gained several tangible and intangible effects through marketing with masterpieces. Their brand value increased multifold. The use of masterpieces in marketing resulted in elevation of LG’s corporate brand image in a highly competitive market. This sort of differentiation was highly crucial in a market where Samsung and a few others are equally and competitively active. The resulting marketing campaign through advertisements and commercial films makes it fun to consumers to notice the parody of the masterpiece and at the same time acknowledging the prestige of the specific LG product. LG’s marketing director words can be quoted as “Advertisement also is a product to make customers happy”.


LG’s commercial film won the Silver prize at Asia-Pacific AD Fest #12 (TV Craft) and won the Gold prize at Customers ADFest #17 (Printed media).  

The effects of LGs brand image and identity can be analyzed briefly with Kapferer’s brand identity prism.

Kapferer’s brand identity prism shows the essence in relationship of the brand and the consumers perception and image in parallel with the internalities and externalities that come with it. The six-facets of LG according to Kapferer’s prism get uplifted an upgraded into a luxury and sophistication sphere after the usage of art masterpieces in their product and brand advertisements. Now the consumers feel like owning a piece of art and luxury, a slice of sophistication in electronics when they buy an LG branded good. The user imagery created as a result is exactly the same as LG’s motto: ‘Life’s Good’. Associated with leisure and wealth, requiring high cultural and related with power elites, the possession of art and its appreciation have been symbols of high social status, prestige and luxury and have been symbolic expressions of social stratification and distinction. LG started to fully use properties of Beauty through art marketing. Implication of masterpieces positively affected to cultural context, storytelling, branding and finally raises not only LG’s brand value, also customers’ satisfaction. LG’s usage of beauty in product and marketing gave a clear suggestion: buying and consuming their product is adding value, luxury and a blend of technology in the customers’ lifestyle. LG presents its products as masterpieces parallel to the symbolic art they are advertised with. Their specific line of product successfully establishes associations with high status in a consumers mind and in empirical terms, results in profitable sales and raise in the stakeholders’ money.

IV. CONCLUSION

The choice for art and masterpieces for design and marketing serves as a strategic tactic to differentiate in a highly competitive market. The creativity and beauty that results accompanies a feeling of honesty and trust in a customer’s perception of the product and the brand itself. A transition in customers tastes and their intentions to enjoy luxury products rather than mere economical ones fuel such marketing strategies, resulting in initially the brand attaining a premium image pushing the business into the ‘Best’ zone. These companies who use art in promotion of their product and brand value sending a message that their product is a piece of art. We can say that Beautiful perspective affected to their marketing strategy. It affects to customers’ impression on the product and finally raise product and brand value, since it has value itself. The following figure created by us can elaborate the connection between ‘Beauty’ and ‘Best’ zones:

To sum up, the effect of using masterpiece in marketing is quite obvious. First, fine art is integrated into advertising, which points towards belonging to elites, aesthetic value and establishing social codes (which can be called “beauty” part of the question) adds new value to the product and/or brand. This creates powerful foundation for differentiation strategy and finally leads to a renewed identity for the product, brand and the business itself. Finally, as the customers allured by differentiation are generally more brand loyal, following clear differentiation strategy improves financial measures of the company. Thus, we can see the clear, obvious connection between beauty, best and profitability.
V. REFERENCES


VI. APPENDIX