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Beauty Premium of Working Women in Urban Indonesia

Premi Kecantikan di Antara Perempuan Bekerja di Perkotaan Indonesia

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ABSTRACT

Being attractive is believed to give many benefits in life. Economic studies have observed that physical attractiveness is associated with a higher wage. The benefits of being attractive have been perceived from early age, to the labor market, and to the marriage market. Despite all the advantages that beauty brings, efforts are being made to achieve or maintain attractiveness. People spend substantial resources, such as time and money, to enhance appearance. Using Ordinary Least Square (OLS) regression, this study examines the correlation between perceived attractiveness and earnings among urban working women in Indonesia. Findings show that the income of women who perceive themselves as attractive is 19% higher than those who are unattractive after makeup application. Meanwhile, attractiveness without makeup application is found uncorrelated with earnings. Thus, grooming behavior may be a source of the observed wage premium for female workers.

ABSTRAK

Pendapat umum memercayai bahwa penampilan fisik yang menarik memiliki keunggulan dalam kehidupan. Studi bidang ekonomi menemukan fisik yang menarik berasosiasi dengan pendapatan yang lebih tinggi. Keuntungan tersebut telah dirasakan sejak usia dini, yang juga berdampak di ke pasar tenaga kerja, dan pasar pernikahan. Terlepas dari semua keuntungan tersebut, terdapat upaya untuk mencapai atau mempertahankan daya tarik. Sumber daya seperti waktu dan uang diperlukan untuk meningkatkan penampilan. Dengan menggunakan metode regresi *Ordinary Least Squared*, penelitian ini juga bertujuan untuk melihat korelasi antara daya tarik dan pendapatan. Penelitian ini menemukan bahwa wanita cantik dengan kosmetik mendapatkan pendapatan 19% lebih banyak dari rekan kerjanya. Namun, penelitian ini menemukan bahwa kecantikan tanpa penggunaan kosmetik tidak berdampak pada pendapatan. Hal ini menunjukkan bahwa kegiatan bersolek merupakan sumber dari premi kecantikan wanita.

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1. Introduction

Many societies believe that attractive people gain advantages in many settings. Physically attractive people are considered to have an edge in multiple life stages, one of them being in the labor market. According to Biddle and Hamermesh (1998), attractive women have a “beauty premium” of which they tend to earn higher income than their plain counterparts. Attractive people experience advantages in the labor market, such as being hired sooner, having faster promotions, working in higher-ranking positions, and other benefits, because people associate attractiveness with intelligence, social skills, and health (Eagly et al., 1991). Attractive people are expected to bring more money to companies and therefore are more valuable employees (Biddle & Hamermesh, 1998). Recruiting good-looking employees is viewed as an effective business practice in the service industry (Li et al., 2019).

This study aims to modify Bose’s (2013) beauty premium model to examine whether grooming behavior is a source of the observed wage premium for female workers in urban areas in Indonesia. To analyze the topic thoroughly and to avoid false conclusion, the research aims to seek answer for the question: “Does self-perception on attractiveness have a positive effect on women’s earnings?” Self-perceived attractiveness refers to self-rated attractiveness, rather than scientifically symmetric face (which is considered attractive by science). This study also discusses the differences in people’s perspectives on their attractiveness with and without makeup. Self-esteem is not used as a controlled variable and thus is regarded as our study limitation. As an alternative, we use each respondent’s rating of their own appearance as a proxy of attractiveness.

Despite numerous advantages that attractiveness brings, efforts are being made to achieve or maintain it. Lee (2015) mentioned that across countries and periods, substantial resources, such as time and money, have been spent to enhance appearance. Over 400 billion dollars were spent in the United States for the sole purpose of grooming in 2008 even though they were going through one of the worst economic meltdowns in the history of the country. In 2014, people spent more money on grooming than on reading material. Not only the money but also a substantial chunk of time is being spent to enhance appearance (Lee, 2015). The average American husband spends 32 minutes on a typical day bathing, dressing, and grooming, whereas the average American wife spends 45 minutes on the same tasks.

Indonesia also shows a positive trend in the consumption of appearance-enhancing activities. In the past decades, Indonesians were becoming conscious about personal image and appearance, as daily cosmetics started becoming the basic need among working women. Asia Personal Care & Cosmetics Market Guide (2016) recorded a rapid and consistent growth of 10%–15% per annum on the demand for personal care and cosmetics, specifically skin, makeup, and hair-care products. As one of the largest economies in Southeast Asia, with a gross domestic product of US\$185,500 million in the third quarter of 2017, a population of 263 million, and a rising income, Indonesia is predicted to become one of the top five markets for cosmetics in the next 10–15 years.

Lee (2015) discussed about the cost effectiveness of investment in beauty enhancement, focusing on plastic surgery. The monetary benefits of plastic surgery are not worth its cost (Lee, 2015). Cash et al. (1989) argued that women tend to overestimate attractiveness with makeup, rather than without. Women wearing makeup are also viewed to be confident, work in high-rank positions, and have great earning potentials (Nash et al., 2006).

Mobius and Rosenblat (2006) suggested that attractiveness contributes to the development of positive personality attributes needed to thrive in the labor market; for example, self-confidence and cooperation, which shows that the prominent characteristic is not attractiveness itself, but the positive personality attribute, developed because of being beautiful. Differentiating the effect of attractiveness with and without makeup provides evidence that the beauty premium observed in daily activities is the residual effect of improved development of desirable personality traits alone.

Physical appearance matters in many situations. Some plausible explanations exist for the association between attractiveness and wage. Beauty premium is a condition where individuals with the same economic or cognitive characteristics receive high wages, evaluations or opportunities, and whose differences are systematically

correlated with the above average physical attractiveness of individuals (Biddle & Hamermesh, 1998). The premium does not only exist in the labor market but also in every stage of a woman's life. Previous studies applied different measurements from similar observations; for example, based on face symmetrical, rated by an observer, and self-perception. However, due to complexity and to avoid bias from the observer, we view that self-perception is the most suitable method for this study.

The benefits of being attractive are perceived since early age. Human capital investment attained from adolescent attractiveness can be examined through the grade point average and formal education level. Lennon (1990) suggested that adolescent attractiveness may be a factor that affects human capital development, as teachers put additional attention to attractive students. Mocan and Tekin (2010) found that unattractive high school students face disadvantages because preferential treatment may diminish human capital development. Bose (2013) stated that one of the plausible explanations for the impact of adolescent beauty on adult earnings is the contribution of developed positive personality traits acquired during pre-adulthood. Moreover, groups of attractive and unattractive people may face different social experiences during pre-adulthood, causing them to develop different characteristics later on.

Persico et al. (2004) stated that attractive people may actually be confident before entering the labor market. This statement is supported by Feingold (1992) who found that attractive people tend to have improved marketing skills. Specifically, communication skills, confidence, leadership capabilities, and test scores are highly valued in the labor market. They also complement the positive effect on attractiveness. Moreover, people perceive beauty to be correlated with intelligence, social skills, and health (Eagly et al., 1991).

The premium continues in the labor market. During the recruitment process, attractiveness is one of the many aspects that influences interviewers' judgments of interviewees, as mentioned by Watkins and Johnston (2000). Considerable empirical evidence shows that attractiveness affects hiring decision, indicating that attractiveness leads to a high chance of getting hired (Watkins & Johnston, 2000). This rationale is known as the "what is beautiful is good" stereotype (Dion et al., 1972). The bias in judgment toward attractive people is robust, with attractiveness being affiliated with several positive characteristics, such as more sociable, happier, and more successful than unattractive people (Dion et al., 1972; Eagly et al., 1991; Hatfield & Sprecher, 1986; Watkins & Johnston, 2000). In addition, research examining bias on attractiveness suggests that interviewees' attractiveness may influence the employment process even for positions that are not

considered of high-exposure (Dipboye et al., 1977; Dipboye et al., 1975; Cash, Gillen, & Burns, 1977; Watkins & Johnston, 2000). Lakoff and Scherr (1984) suggested that in the realm of competence, evidence shows that if someone is only marginally competent, then attractiveness helps them appear further competent.

Following the benefits during the recruitment process, the premium continues in the labor market. Musumeci and Shahani-Denning (1996) suggested that attractiveness influences the hiring decision, promotion, and starting salary. Eagly et al., (1991) found that attractive people are getting hired sooner, getting faster promotions, put in higher-ranking positions in various industries, and receive other extra benefits than others, as people correlate attractiveness with intelligence, social skills, and health. Moreover, attractive people show advantages in earnings. Biddle and Hamermesh (1998), Harper (2000), Hamermesh et al. (2002), and Mobius and Rosenblat (2006) discovered a positive relationship between attractiveness and wage by using all different methods. Biddle and Hamermesh (1998) found that workers who are rated by interviewers as “above average” in physical attractiveness earn about 10%–15% more than workers who are rated as less physically attractive.

According to Sierminska (2015), women are inclined to choose occupations on the basis of their own appearance. Moreover, attractive people tend to apply for jobs where appearance matters in job performance, such as lawyers. They also tend to apply for jobs in favorable sectors. Lawyers who switch from the private sector to the public sector turn out to be less attractive than those who continue practicing in the private sector (Sierminska, 2015). In addition, women and men differ in the way they make their decisions to participate in the labor market. In their case, selection based on physical appearance is small, and they have high labor force participation rates in general.

Attractiveness also gains superiority in the marriage market. Attractive faces are a biological “ornament” that signals valuable information; attractive faces advertise a “health certificate,” indicating a person’s “value” as a mate (Thornhill & Gangestad, 1999). Barro (1998) found that less attractive women are much less likely to marry than attractive women and tend to have husbands with sharply lower earnings. Although this finding does not directly affect women’s earnings, it does affect total household earnings.

Using a broadly defined measurement of well-being, the return on attractiveness to earnings can also be seen by household income, rather than considering only women’s income because their partners’ high wages may lead to high overall household income. Bose (2013) mentioned that attractive women receive beauty premium for their

own appearance, but they also pair with other attractive people and enjoy their spouse’s beauty premium. Attractive women may not receive beauty premium in the formal labor market by their own, but they receive a similar overall premium, considering the effect of attractiveness on marriage, resulting in high household income (Bose, 2013).

Different living circumstances generate different results of overall household income. Bose (2013) examined the overall income of everyone in the same house. Therefore, it is not exclusively referring to spouses. Attractiveness has a negative correlation with a high probability of living with family or roommates (Bose, 2013).

As much as beauty generates benefits, Hamermesh (2011) suggested that the bimbo effect exists, in which attractive women are associated with being less competent than unattractive coworkers. American Psychological Association (2017) showed that while generally attractive people receive favorable outcomes during the recruitment process, attractiveness may become a disadvantage when it comes to less desirable jobs, such as those with low income. Moreover, this finding is correlated to the fact that attractive women feel more entitled to good outcomes than unattractive one (American Psychological Association, 2017). Furthermore, attractive women are perceived to be less satisfied to do less desirable job than unattractive women.

Still, no single and universal beauty standard sets the ideal definition of “attractive.” Ritmann (2015) stereotyped most westernized countries share similar beauty standards. For example, Eastern countries find a rounder, healthier body more appealing than the “stick figure” that is popular in the current society; meanwhile, many Asian countries prefer pale skin as opposed to popular glowing tan (Ritmann, 2015).

Regardless of the absence of a single universal beauty standard, one plausible explanation for the impact of adolescent beauty on adult earnings is the contribution of developed positive personality traits acquired during pre-adulthood. The “halo effect” is a classic finding in social psychology, in which the physical matter of a person bleeds over into judgments about their specific traits. Dion et al. (1972) investigated the stereotype of trait attributions to attractive and unattractive students from photographs. Sociable characteristics are more often associated to attractive students than to unattractive ones, indicating that stereotype of the “beautiful is good” halo effect exists (Dion, 1986; Langlois et al. 2000). When performing the same task, attractive women are presumed as being more socially competent than unattractive women (Hope & Mindell, 1994). This finding suggests that social skills are likely preconceived by attractiveness.

Mobius and Rosenblat (2006) suggested that attractiveness may contribute to the development of positive personality characteristics, such as confidence and cooperation, which shows that the prominent characteristic is not attractiveness itself, but the positive personality traits developed as a result of being beautiful. Bose (2013) revealed that a potential approach by which attractiveness leads to high wage is attractive women tend to be more confident; as a consequence, they tend to earn more.

Self-rated physical attractiveness or subjective physical attractiveness is determined by asking respondents to rate their own attractiveness on identical scales used by judges to quantify objective physical attractiveness (Murstein, 1972). Self-rated physical attractiveness is correlated with affective, cognitive, and social measures (Cash et al., 1983; Major, Carrington, & Carnevale, 1984). The relationship between judge-rated physical attractiveness and self-rated physical attractiveness is small (Berscheid & Walster, 1974), with a correlation of .24 for both sexes, indicating that these two scores are statistically independent of each other (Feingold, 1992).

Bose (2013) mentioned that beauty premium does not operate primarily through self-confidence, at least not in by self-assessed attractiveness. Still, self-confidence is a prominent wage determinant. In studies that use self-assessed beauty as the main explanatory variable, one problem is reverse causality, whereby people with a higher wages feel good about themselves and, as a result, overestimate report that they are good-looking as compared to those with lower wages.

2. Methods

Online data collection was performed to measure the impact of attractiveness on earnings. Attractiveness measures and social, economic, employment experience, and grooming variables were included. The research focused on urban women's attractiveness, considering that the impact on women evokes stronger reactions, positive and negative, than men (Hatfield & Sprecher, 1986). Moreover, the pay premium for above average-looking women is greater than that for men (Hamermesh, 2011). Our data collection was performed using Survey Monkey in February 2018. The online survey was written and implemented in Bahasa Indonesia for practicalities.

The questionnaire covered the sociodemographic characteristics of respondents, including age, marital status, education, occupation, and income. The survey also probed makeup expense, grooming time, and

specific questions about the attractiveness of each respondent in different periods.

The survey was conducted by blasting the direct link to the questionnaire through several social media platforms of authors' network, including LINE, WhatsApp, and Facebook. The technique used for the data collection was snowball sampling, as respondents also spread the link to their peers. A total of 471 respondents completed the survey with only five respondents not responding to some questions. The final sample comprised 466 women at working age ranging from 15 to 64 years old. Given the nature of online survey and considering that it was distributed through authors' network, the survey contained selectivity and biased toward similar characteristics of working women.

Data were further estimated using a regression equation from Bose's research (2013) "The Economics of Beautification and Beauty" to measure the impact of attractiveness on earnings. Bose (2013) employed the panel regression approach using the data obtained from The National Longitudinal Study of Adolescent Health to capture the effects of adolescent attractiveness and current attractiveness. Specifically, we intended to capture the impact of current attractiveness with makeup usage. The rationale of using different variables is to capture the impact of grooming decision on attractiveness. Information on attractiveness is the comparison between respondents' perceived minimum scores for women to be considered attractive and their self-rating beauty scores. By comparing these scores, people who rate themselves higher than or same as their own minimum scores are marked as attractive. The majority of the selected sample (71.97%) was marked as attractive with makeup usage, whereas this number dropped to 48.84% without makeup usage. Educational attainment, managerial level, and working sector were reclassified on the basis of Statistics Indonesia's classification. Table 1 provides variable specifications that are used in the study.

Given that the response variable used in the model, income, is a continuous one, the determinants of the impact on attractiveness to earnings were estimated using ordinary least square method with the following specifications:

$$\begin{aligned} \text{Income}_i = & \beta_0 + \beta_1 \text{Attractiveness}_i + \beta_2 \text{Education}_i + \beta_3 \\ & \text{MaritalStatus}_i + \beta_4 \text{Children}_i + \beta_5 \text{Client}_i + \beta_6 \text{Job}_i + \beta_7 \\ & \text{Sector}_i + \beta_8 \text{Turnover}_i + \beta_9 \text{Experience}_i + \beta_{10} \text{Time}_i + \\ & \beta_{11} \text{Interaction_Attractiveness_Job}_i \quad (3.1.) \end{aligned}$$

Table 1. Descriptions of Variables

Variable	Description
Dependent Variable	
Income	Take home pay
Independent Variable	
Attractiveness	Binary variable, with 1 = Attractive; 0 = Unattractive
Education	Categorical variable, with 0 = Below bachelor’s degree, 1 = Bachelor’s degree and above
Marital Status Children	Categorical variable, with 0 = Unmarried, 1 = Married/Ever married Number of children
Work Experience	Year of experience in a lifetime
Client	Categorical variable, with 1 = Never, 2 = Very infrequent, 3 = Infrequent, 4 = Often, 5 = Very often, 6 = Always
Managerial Level	Categorical variable, with 0 = Staff, 1 = Top management, 2 = Professional, 3 = Unskilled
Job Sector	Categorical variable, with 0 = Public, 1 = Private, 2 = State-owned enterprises, 3 = Entrepreneur, 4 = Others
Time	Categorical variable, with 0 = Less than 15 minutes, 1 = 15–30 minutes, 2 = 30–60 minutes, 3 = More than 60 minutes
Turnover	Number of job turnovers

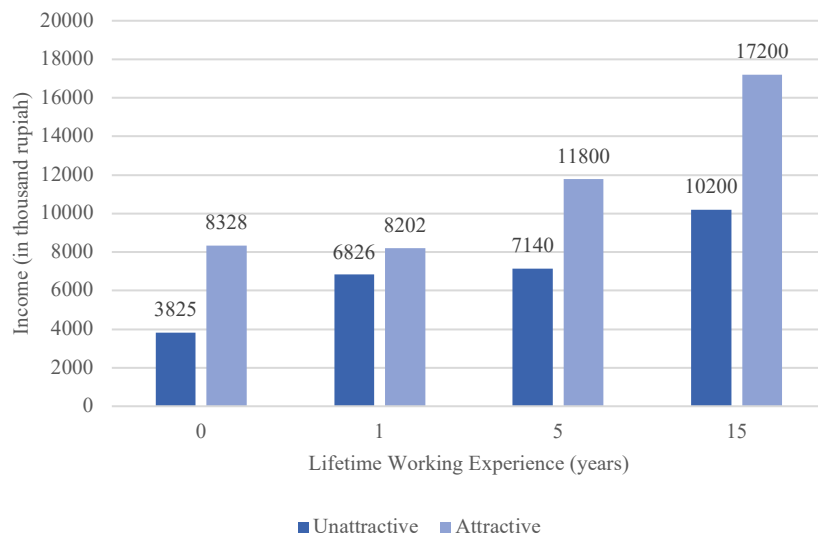


Figure 1. Average Monthly Income based on Attractiveness (in Rp 000)

where attractiveness is the main independent variable of this model. Following Bose (2013), our hypothesis is that an individual who is considered attractive likely has higher earnings than others. Attractiveness is represented as a binary variable, which indicates 1 as above average compared with a respondent’s own standard of beauty, where 0 states otherwise. In general, we used

respondents’ ratings of their own appearance as proxies of attractiveness. Information on attractiveness is the comparison between respondents’ perceived minimum scores for women to be considered attractive and their self-rating beauty scores. Individuals who rate themselves higher than or same as their own minimum scores of attractiveness are categorized as attractive.

3. Result

Figure 1 illustrates the average income based on attractiveness during the current job recruitment process among 466 respondents and categorized on the basis of years of working experience. Women who perceive themselves as attractive tend to have an advantage in terms of earnings. Even though these women lack working experience, they start with a higher income than their counterparts. Similar findings were observed through various years of work experience and still persistent within all the time frame.

Table 2 presents coefficients for the equations predicting the likelihood of attractiveness being associated with income. Significance levels of 99%, 95%, and 90% are indicated by ***, **, and *, respectively. The regression result reveals that attractiveness has a positive association with women's earnings at the 0.05 significance level. It predicts that attractive women receive 18.9% more than their plain counterparts for beauty premium. This effect is persistent even after controlling with other variables, such as education, marital status, number of children, years of work experience, client interaction, job level, job sector, time spent on grooming, and number of job turnovers.

Table 2. Determinants of Income

Variable	Coefficient		Standard Error
SOCIODEMOGRAPHIC			
<i>Education</i> (base-Below)			
Bachelor's and above	0.628	***	0.102
<i>Marital Status</i> (base-Single)			
Married and ever married	0.060		0.079
<i>Children</i>	0.038		0.024
EMPLOYMENT EXPERIENCE			
<i>Managerial Level</i> (base-Staff)			
Top management	0.531	**	0.256
Professional	(0.052)		0.132
Unskilled	(0.073)		0.361
<i>Job Sector</i> (base-Public)			
Private	0.352	***	0.067
Stated-owned enterprises	0.300	*	0.151
Entrepreneur	(0.046)		0.201
Other sectors	0.276	*	0.155
<i>Interaction of Managerial Level and Attractiveness</i> (base-Public)			
Top management	(0.129)		0.325
Professional	(0.091)		0.156
Unskilled	(0.510)		0.402
<i>Turnover</i>	0.048	**	0.020
<i>Work Experience</i>	0.013	**	0.006
<i>Client</i>	0.018		0.023
BEAUTY CHARACTERISTIC			
<i>Attractiveness</i>			
	0.189	**	0.634
<i>Time Spent</i> (base < 15 minutes)			
15–30 minutes	(0.030)		0.637
30–60 minutes	0.060		0.117
>60 minutes	0.206		0.310
Constant	14.747		0.1535
Observations	466	*	
R ²	0.25		

Women who have lower education than bachelor's degree receive earnings penalty at the 0.01 significance level. Women with higher education receive more than 62.76% additional income than those with lower education level. Years of work experience and number of job turnovers are shown to have positive associations with women's earnings at the 0.05 significance level. Therefore, the longer women have been in the labor market and the more women change position or workplace, the higher their earnings. Yet, client-oriented jobs significantly affect the increase of women's earnings.

Women who work at top managerial levels receive earnings premium by 53.05% compared with women who work at staff levels. Yet, women who work at professional and unskilled levels do not significantly receive higher or lower earnings than women who work at staff levels.

Sierminska (2015) mentioned that attractive women tend to apply for jobs in favorable sectors. Lawyers who switch from the private sector to the public sector turn out to be less attractive than those who continue practicing in the private sector (Sierminska, 2015). The regression result shows that women who work in the private sector earn 35.21% more than women who work in the public sector at the 0.01 significance level. Women who work in state-owned enterprises and others also earn 30% more than women who work in the public sector at the 0.05 significance level. Yet, women who work as entrepreneurs have no significant effect on their earnings.

The benefits of attractiveness are not evident in the marriage market. Barro (1998) found that unattractive women have less chance to marry and tend to have partners with sharply lower earnings than them. This finding does not directly affect attractiveness, but it may be a proxy for attractiveness. Table 2 shows that marital status does not have a significant effect on income. Hill et al. (2012) claimed that no significant effect exists when controlling for marital status. As previously predicted, time spent on grooming does not significantly affect women's earnings.

4. Discussion

Attractiveness has a positive association with women's earnings. In this manner, attractive women receive beauty premium up to 18.90% higher than their plain counterparts. This study is supported by Bose (2013) who suggested that income is associated with adolescent attractiveness and current attractiveness. Our study does not specifically identify attractiveness with makeup, but such an interpretation may also be applied to this case.

The rationale behind using a different time frame is the data availability. Bose (2013) used longitudinal data to

perform the analysis, but the only available data for our study are cross-sectional ones. Thus, the impact of adolescent attractiveness is included in our research. Another alteration made here is attractiveness with makeup, rather than current attractiveness, as Bose (2013) suggested. Unlike other physical characteristics, such as race or height, attractiveness is pliable. Robins et al. (2011) mentioned that the return on attractiveness is obtained from women's personality attractiveness and grooming decision, both of which are considered rather easily transformable aspects of human capital.

Attractiveness is scored on the basis of self-rating beauty score, in which respondents score themselves compared with their perceived minimum scores to be regarded as attractive. One problem that may occur is the score may be bias with each self-confidence level. Nevertheless, mind that beauty premium does not operate primarily through self-confidence, at least not in the form of self-perceived attractiveness, but that self-confidence is a salient determinant of wage (Bose, 2013). In addition, self-rating beauty score is the most practical method in this study, compared with any other methods, such as golden face ratio, in which attractive means a person's face length is about 1.5 times more than its width.

Although we assume that attractiveness can be self-measured, it may be perceived differently by other people. Therefore, the size of beauty premium and the analysis of the impact of grooming decision in this study are based on the average standard of beauty of each respondent. Women may also have different minimum scores for attractiveness with and without makeup, as they put high standards toward attractiveness with makeup application.

Our findings may be ambiguous between beauty premium and confidence premium. Bose (2013) stated that a potential approach by which attractiveness leads to high wage is attractive women tend to be more confident; as a consequence, they tend to earn more. Yet, income has a positive association with attractiveness with makeup, whereas attractiveness without makeup does not significantly affect income. It may be an indication that beauty premium is generated through grooming activities, rather than physical attractiveness. Analyzing the effects of attractiveness with and without makeup can determine whether the developed positive personality traits during pre-adulthood are sources of beauty premium.

Among respondents who wear makeup in their daily lives, 22.92% mention that the reason for wearing makeup is the demand from their workplace, whereas 19.10% share that their reason is because they actually enjoy wearing makeup. Still, confidence booster is the main reason why women (68.58%) choose to wear makeup. This finding is supported by the difference in

attractiveness score that they choose to grade themselves when they use makeup and when they do not. Approximately, 48.83% of the respondents score themselves as attractive, and it jumps to 71.97% when using cosmetics. This variable is also supported by Cash and Cash (1982) who found that public self-consciousness is positively related to cosmetics use, suggesting that more cosmetics are applied on women who strongly believe in the beautifying effect of cosmetics.

Although attractiveness generates benefits, costs for grooming activities should also be considered. For the group of unattractive women without makeup usage, the average makeup expense is Rp 1.800.000,00 per annum. It slightly differs from the group of attractive women who spend the average of Rp 1.940.000,00 per annum. The regression analysis shows that attractive women receive beauty premium up to 14.2% per month compared with their plain counterparts. Furthermore, self-perception on attractiveness likely has a positive impact on earnings.

5. Conclusion

Women's attractiveness is positively and significantly correlated with earnings, that is, beauty premium exists in the Indonesian context. Meanwhile, attractiveness without makeup application is not correlated with earnings. Thus, confidence is not a salient determinant of beauty premium, but the effect is generated through grooming activities. It implies that grooming behavior may be a source of the observed wage premium for female workers.

This study contributes to existing literature on beauty premium, which states that attractiveness is associated with women's high earnings. The effect of attractiveness on women's earnings has been extensively discussed, but only a few have explored it in the Indonesian context. According to Biddle and Hamermesh (1998), beauty premium is a condition where individuals with the same economic or cognitive characteristics receive high wages, evaluations or opportunities, and whose differences are systematically correlated with the above average physical attractiveness of individuals. Similarly, workers who are rated by interviewers as "above average" in physical attractiveness earn about 10%–15% more than workers who are rated as less physically attractive.

Previous research obtained different results about beauty as investment. Hamermesh (2011) suggested that as much as beauty generates benefits, the bimbo effect exists in which attractive women are perceived as less competent than their less attractive peers. Biddle and Hamermesh (1998) stated that more time spent on grooming than the average does not result in any significant effect on wage. Specifically, more time spent

on grooming results in a slight decrease in earnings. The possible explanation that contributes to the weak or negative relationship between time and income is supported by Cash and Cash (1983) who claimed that public self-consciousness is positively associated with cosmetic use. Yet, the present study reveals that unattractive women tend to spend more time on grooming than attractive ones. Meanwhile, attractive women spend more on makeup products than unattractive women.

The empirical test of the selected sample shows that attractiveness has a positive association with women's earnings. After controlling for other factors, individuals who are considered attractive receive 18, 97% more than unattractive ones. This finding is supported by empirical results obtained by Bose (2013) whose approach is largely adopted in our study to establish the general relationship between income and attractiveness. Several modifications are made to further capture the beauty premium phenomenon in the Indonesian context.

Costs on grooming activities should be considered. The average makeup expense that unattractive women spend is Rp 1.800.000,00 per annum, whereas attractive women spend Rp 1.940.000,00 per annum. Given that the benefits of attractiveness in terms of income are higher than the average makeup expenses, we can conclude that grooming activities are convenient investment means in women's careers.

However, one problem that may arise from the method used in this study is that attractiveness is scored on the basis of self-rating beauty score, in which respondents first score themselves, then compare their perceived minimum scores to be regarded as attractive. Hence, the beauty rating may be bias with each self-confidence level.

This study has several limitations. First, the endogeneity of occupation and budget for makeup is a potential issue that limit the interpretation of our results. Women who work at high management levels can splurge more money on makeup, making them appear more attractive than their counterparts. Second, the self-measurements of attractiveness can be biased due to subjectivity of the respondents. Further research can develop a set of objective criteria to assess attractiveness. Finally, the bias toward high-educated working women can be eliminated if the survey is performed using random sampling.

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