

**YOU DON'T HAVE TO BE POOR TO BE AN ARTIST!**  
**REJECTING THE OLD WAYS OF THE LONDON ART MARKET, MANY**  
**ARTISTS ARE STARTING THEIR OWN ALTERNATIVE BUSINESS MODELS**

**Rita Carta Manias**

**(3531390)**

**School of Arts and Creative Industries**

**London South Bank University**

**A thesis submitted for the degree of**

**MRes in Critical Art Management**

**May 2019**

**London, United Kingdom**

**Edited version - 29 February 2020**

**Student Name:** Rita Carta Manias  
**Student Number:** 3531390  
**Supervisor:** Dave Miller  
**Wordcount:** 28646

**I hereby declare that the work submitted is mine and that where I have made use of another's work, I have attributed the sources according to the Regulations set in the Student's Handbook.**

**London, 08 May 2019**

**V.2 – London, 29 February 2020**

**Words Count 29662**

## **Abstract**

The study for this MRes thesis investigates London's contemporary art market as a form of enquiry about contemporary management practices in art environments (small galleries, artist studios, online galleries) covering the main aspects of the art leadership role and extending the enquiry into the interdependence between the traditional practices in the art market and contemporary changes in society (technological, economic, financial, social), also exploring new ways for positioning art works in the market and ways of engaging the public implemented by artists. The research thereby, responds to the question of to what extent the traditional model of gallery management is continuing to serve the artist or how it is being superseded by innovative approaches employed directly by the artist.

The research surveys the perspective of emerging artists on how to enter the contemporary art market, in order to evaluate if the traditional business model of commercial galleries is still current and valid. It investigates the extent to which the role of the artist is evolving and it aims towards an improved perception of the role of the art manager. First, it identifies the role of the art manager as perceived by practitioners and researchers. Secondly, it presents findings on how contemporary artists are increasingly developing an entrepreneurial perspective, employing innovative forms of business model approaches. Thirdly, it explores how art management practices are evolving and artists are employing new approaches in promoting and selling their art.

The following insights can be drawn from the research.

The London Art market is prolific and competitive, yet dominated by the traditional gallery model. Artists struggle to achieve recognition and support from galleries, yet their endorsement remains essential. In response to this, a new figure of "artist entrepreneur" has emerged, challenging the tradition with new ways of working and selling art. Additionally, disruptive changes in technology are enabling artists to sell in innovative ways that bypass the system.

## Table of Contents

<b>1. Introduction</b> .....	1
<b>2. Literature Review</b> .....	9
<b>3. Methodology</b> .....	22
<b>3.1 Content Analysis</b> .....	23
<b>3.2 Online survey</b> .....	25
<b>3.3 Interviews</b> .....	27
<b>3.4 Work-placement experience in an art gallery</b> .....	29
<b>4. Research Insights</b> .....	
<b>4.1 Art Management Business Models Changing Perspective</b> .....	31
<b>4.2 Financial Concerns serving Artistic Integrity</b> .....	45
<b>4.3 Art Consumption in Relation to Appreciation and Financial Value</b> .....	59
<b>4.4 Alternative Business Models (case study and new technologies)</b> .....	74
i. <b>ArtCan - not-for-profit, run by artists and not relying on public funds</b> .....	76
ii. <b>E-commerce &amp; New technology - Blockchain and Cryptocurrency</b> .....	85
<b>5. Conclusion</b> .....	95
<b>6. Bibliography</b> .....	102
<b>7. Appendix</b> .....	107

## Figures List

<b>1. The Cultural Diamond</b> .....	35
<b>2. Progress of the artist journey to stardom</b> .....	38
<b>3. The Third Sphere</b> .....	47
<b>4. Snapshot of Durer, 'Hercules and the Effects of Jealousy,1498</b> .....	66
<b>5. Screenshot of Artsy.net auction site showing Lady, 2014</b> .....	71
<b>6. ArtCan Literature (own photo)</b> .....	78
<b>7. Guests networking (own photo)</b> .....	78
<b>8. Artworks sold (own photo)</b> .....	78
<b>9. Artworks sold (own photo)</b> .....	78
<b>10. Artworks in the office (own photo)</b> .....	73
<b>11. The Hiscox online art platform ranking 2018: Top 10 extract from page 8</b> .....	79
<b>12. Extract from Hiscox Online Art Trade Report 2018</b> .....	93

## Tables List

<b>1. Summary of gallery levels .....</b>	<b>34</b>
<b>2. Extract from article published in the FT, 7th March 2019 .....</b>	<b>60</b>

## **1. Introduction**

The study for this MRes research seeks to investigate the London's contemporary art market with regard to applied management practices and assess their relevancy for the contemporary artist engaging with its vibrant and complex business relationships.

The focus is centred on the diversity of multiple art environments consisting of commercial galleries, artist-led organisations and e-commerce structures which function around a set of established rules within an elitist cultural and financial context, which has been unchallenged for centuries. The interdependence between traditional practices applied to the art market and contemporary changes in society (technological, economic, financial, social) are explored to identify innovative approaches that contemporary artists are implementing to build independent business practices able to work in a sustainable way outside the mainstream routes. The research thereby, wish to find an answer to the question about the validity of the traditional model of gallery management in continuing to serve the artist and explore how innovative approaches employed directly by the artist are shaping up a new panorama of an art market showing signs of a much needed regeneration. At this point is important to have a definitions of terms that will be used throughout the text to support the understanding of the context discussed.

The traditional business models of the art market consist of the two levels of the art market, the primary and the secondary. The primary deals with art that comes to the market for the first time, usually a direct exchange from the artist to the buyer. This could be either a collector, a commissioner, a dealer or art gallery owner. The secondary market consist of auction houses and galleries trading works for artists and acting as intermediary in the distribution system. Their objective is to give the artwork a public existence and a place in

the market' (Goodwin, 2009, p8-7) In general terms the managing, marketing, administration and distribution of artworks is encompassed within this network and has maintained the upper hand in creating the celebrity artist's name, or in marketing terms, the brand name and managing the distribution process between the artist and the buyer.

Within the framework of management literature the traditional business model encompasses a management style represented by the leading art manager with a combination of balanced skills and competences in terms of scholarship, connoisseurship and aesthetic bonded with behavioural traits such as diplomacy, fundraising ability, networking and building of relationships that holds the art organisation vision and mission and is the pivotal link between the artist and the public. A role that has developed and thrived unchallenged within the art gallery structure (for private commercial galleries driven by profit) and the public art system (not-for-profit/charity and public institutions driven by a mission). (Chong, 2010, pp10-19).

The definition of the artist-entrepreneur describe 'artists undertaking business activities within the art sector who discover and evaluate opportunities in the arts market and create a business to pursue them'. Along with creating art, they also manage, market and administer their work themselves or in collaboration with others to complete aspects of the entrepreneurial process. (Carla Walter, 2015, pp10-12).

The term 'innovative approaches' refers to ways contemporary artists are challenging the traditional art market to become financially independent and to release from contractual constraints and pressure of the gallery system and the art market as we have known it until now. Defining innovation as the application of new knowledge that results in new products (i.e digital artworks) or services and processes (i.e digital marketing and streamlined online transactions) (Rodriguez, 2016), the artist-entrepreneur is able to gain a primary role in the art eco-system.

The perspective of the artist is central to the context of the discussion because of new responsibilities generated in changing practices of marketing art, mainly due to technological developments, where the role of the artist as a result is evolving in a proactive and independent entrepreneurial one. There is a perception that the role of the art manager operating in the established model of the art gallery is questioned for its relevancy in representing the artist listed in their catalogues and continuing to manage their portfolio and their public relations.

The advent of e-commerce platforms has increasingly opened the market to fresh audiences and a certain degree of interest on art investments, either for collection purposes or financial returns, is generated in extended circles, which traditionally, were excluded on the basis of socio-economic and cultural grounds.

The research is based on an examination of business management practices related to the art sector where the main functions of selecting, promoting and selling artworks on behalf of the artist are centred on the roles of a restricted circle of figures - the collector - the dealer - the art critic - the gallery manager. They all work as enablers within the infrastructure of the art ecosystem composed by private sector (commercial galleries and auction houses), the public sector (Museums, Galleries, Government Institutions) and the not-for profit sector (Art Organisations, Charities and Local Communities) constituting the traditional art market structure underpinning this research. Studies engaging on the art market agree on an elitist perception of the sector, whereby artists achieve professional recognition through the intermediary orchestration of the figures mentioned above and their ability to foster significant relationships with art buyers. It is their principal role to assess, evaluate and appraise an artwork thorough their specialist competence and knowledge of the market and



thereafter, stimulate purchases with suitable marketing techniques (Robertson and Chong, 2008). This system has thus generated, the phenomenon of the 'Superstars', which offers enormous amount of profit to a relatively small amount of people, within certain categories of work (Rosen, 1981). The result is that the majority of artists operating at the lower level of the system are penalised in their art practice, both financially and status-wise, encouraging the notion of the 'poor artist' struggling to make a living and feeling used by those who should protect their interests (Abbing, 2006).

The literature review presents a summary of research on management approaches that have become established in the art market and it aims to understand if said practices are still valid and useful from the artist's perspective. It explore how the structure of the art gallery encompassing the high degree of competences required to represent its artist members supports the justification of the exclusive circle in which they operate. Their relevancy in the creation of culture and the consequent impact on demand and supply of artistic creation and distribution of contemporary art epitomise the business models to which artists have to compete with when attempting to develop their entrepreneurial faculties.

An overview of theories supporting the discussion of how personal taste and intellectual engagement impact on art consumption highlights some of the determinant factors on art purchases decisions by collectors and/or investors. This is, also relevant for understanding how prices for artworks are managed and how, in time, this has contributed to a development of a hierarchical structure of the art market. Latest art market reports (Hiscox 2018, Artprice List 2019, Contemporary Art Market Report 2018) inform us about the current trends in taste, listing the most successful artists achieving the most significant records of sales which makes for a relevant comparison with the lower-medium level of the art market discussed. It is in addition, an important source of information for future trends and market inclinations relevant for the artist-entrepreneur market strategy.

Lastly, recent research investigating advancements in technologies and digital innovations offers the opportunity to explore alternative ways contemporary artists can employ to challenge the established tradition and explore multiple options to be successful outside the gallery system.

The chapter on methodology explains how the research is carried out following an ethnographic approach based on a variety of activities including a direct participation through field-observation, a survey analysis and follow-up interviews, in addition to a contextualised collection of data and information from a range of sources gathered from the field of research and the industry-experts literature. This method is considered to be the most appropriate to form an overview of the current art market situation and to generate a conclusive opinion on how practices are changing due to the proactive engagement of the artist and revolutionaries marketing strategies.

The body of the research has been divided in four chapters. The first chapter is focused on a background discussion about management practices implemented in the art market. It presents the variety of interdependences building up the hierarchical structure and identifies the role of the art gallery as perceived by practitioners and researchers. Suitable models are discussed to understand the nuances of the art market and its main players - the gatekeepers - and therefore, to appreciate the workings of the relations affecting the whole system in creating cultural capital (Bordeau, 1983; Abbing, 2006). The chapter continues with an exploration of the emergence of a new role, the artist-entrepreneur (Essig, 2017) presenting findings on how contemporary artists are increasingly developing an entrepreneurial perspective and employing innovative forms of business model approaches. The discussion is interested in presenting new considerations on differences between the traditional business models and the current developments on artist-led entrepreneurial approaches.

The second chapter introduces a background discussion to understand how the role of the artist is intertwined with, and dependent to, multiple agencies - the three sphere model - which require a diversity of skills and competences for engagement and positive impact on artistic practices. Recognition and increase of the artist profile mostly depends on how these agencies respond to the artworks and the vision of the artist (Klamer and Zuidhof, 1998). The creation of cultural power directly impact on the economic power and vice versa, therefore, artists are challenged to step up to develop new set of skills, to be able to enter significant networks. The ability to develop meaningful relationships with the diverse audience it is becoming of primary importance for a successful marketable position which attracts the attention of the influential buyers.

In chapter three we touch upon the understanding of the creation of financial value and how aesthetic appreciation has a direct impact on artistic consumption. Contemporary artists mainly working in the primary market must develop and understanding of how an artwork acquires its monetary value in order to compete within the whole marketing structure. The field of research supports the discussion of how art can be considered a suitable investment based on comparative analysis of market price indexes (Frey, 1997; Greffe, 2002). Market reports also, being resourceful publications for gathering information of latest trends affect investment decisions based on the major galleries and auction houses performance. A significant factor which greatly affects investment decisions and drives demand for artworks, is the personal taste and the emotional experience generated by engaging at intellectual and cognitive level. Psychological studies have shown the relevant connection and offer stimulating insights on how artists could engage the audience with their art and most importantly attract the attention of potential buyers (Leder era all., 2014).

In chapter four we will explore how art management practices are evolving and employing new approaches in self-marketing their own art. A case of a not-for-profit

organisation (ArtCan) is considered as a relevant example of alternative approaches to art market positioning to the London area. The case study serves as comparison to traditional business practices and offers new insights of how collaborative approaches supports the objective of placing art and artists in the art market scene giving them the opportunity to build and sustain a successful art practice independently of the gallery constraints.

In addition, an example of an international artist (Joana Vasconcelos), who has reached the highest level of artistic achievements outside the traditional gallery model building a successful art business practice, corroborate the discussion of the opportunities available nowadays. The success of Joana Vasconcelos brings in a valid comparison to evidence the increased favourable position artists can reach, either from the implementation of independent entrepreneurial strategies or from a combination of cross-genre artistic collaborations.

Moreover, a brief discussion about changes brought in by the sophistication achieved in technological and digital developments has expanded the options of operating in a multi-layered e-commerce environment, leading to engagement of new audiences and a potential boost in profits linked to secure and private transactions.

Concluding the discussion of the research, it is hopeful to have presented a suitable discourse, informed by recent literature and supporting evidence from the industry experience and case studies. The London art market is certainly one of the most dynamic and competitive, but it seems to be, in my opinion, one the most significant places an artist can achieve a certain degree of success with their art practice. The constant changes in technology are enabling artists to sell in innovative ways, bypassing the gallery system, however, it is important to recognise that the foundation of the art market based on the

established gallery system and private collections, provide a strong point of reference and an influence that carries on in perpetuity.

The appendix shows evidence of the research activities carried out according to ethical practices requiring agreement of the parties involved as explained in the ethics form. Survey questions and graphic results have informed the quantitative aspect of the data collection, whilst open questions have gathered qualitative information useful to extend insights. The interview questions as well, are presented and recordings saved on a portable device, included in the printed version.

## **2. Literature review**

The literary review in support of this research topic aims to identify current issues in the art market, specifically related to the market segment of the UK London area. This will ascertain what innovative approaches are implemented for running successful art exhibitions and projects outside of the mainstream including, online promotions and alternative ways to enter the market. It also explores the role of the art manager and the personal involvement of the artists in the managerial practice with reference to innovative thinking on artworks and products, prices, marketing, market response and future trends. The intention is to understand how the traditional gallery business model is maintaining its validity or otherwise being superseded by innovative business models for selling contemporary art.

The business context in which art organisations operate has been presented in literature as the correlation of a series of relationships between systems and sub-systems known as the 'Art Ecosystem' (Art Buds, Hargreaves McIntyre, 2004). It is organised around a macro-system composed by the main players in a network of art world professionals, which includes academics, curators, dealers, critics, artists and buyers. Their role is to provide support and promotion for artworks of selected artists whom show innovative artistic potential to enter the market via multiple channels that is art exhibitions, private shows and commissions by private and public buyers (p4). This network of connections enables the exchange of ideas, the critical evaluation of the artworks and generate consensus towards the creation of particular styles of art movements. The figures in appendix (8), shows how the interdependencies work. However, in contrast with Robertson's diagram of the artist's journey from art school to stardom (2015) - presented in chapter 1 - the illustration of this model, focus, as well as the artists' achievement, on the circular motion of the relationships as a determinant of cultural benefits for the whole art community. The end point being in both

models, the acquisition of artworks by major institutions and private collectors as a recognition of legitimisation of the value of the artwork and the profile of the artist. (p6)

Numerous critics and researches suggest the idea that the purpose of the art organisation as a whole can be achieved by implementing management practices and procedures according to the business approach applied to any other business organisation via planning, organising, leading and controlling strategies (Byrnes, 2015; Di Maggio, 1987; Fayol 1949; Mintzberg, 2011). Byrnes explains also, how an understanding of the many interdependences within the art ecosystem is a valuable tool for art organisations in making a positive impact with their work. He does not claim it to be a definitive theory but a useful model to keep in mind while strategizing and planning.

The dynamics connecting the arts, artists and audience, however, acquire a more elaborate and sophisticated approach where the art manager appears to be a multi-talented and balanced figure able to self-manage their own personal artistic interests and the structured and theoretical concepts of organisation management. Chong indeed agrees with the higher professional status of the art manager when he states: ‘a successful career in the arts management requires a thorough knowledge of contemporary business practices coupled with a deep appreciation for the arts’ (2012). The underpinning knowledge and understanding related to artistic value has therefore a major impact on how one conducts their business and the relevant model that aligns to the creative model and artists' intentions. The functions of the art manager are varied and cover aspects of multiple roles that have been described with different titles in many cultural organisations, such as, art director, gallery manager, creative director, general manager or art consultant. (Di Maggio 1987; Haggort, 2004). The pleasure and satisfaction of the job derives from the ability to successfully manage a cultural organisation where art and culture can be produced, promoted and distributed within the suitable markets (high art/mass culture) and the financial context

(commercial/no-profit), matching the requirements of value-oriented characteristics of artistic leadership(Haggort, 2004; Caves, 2000).

Chong also sustains the concept of 'the high art world' as a mainstream place or 'art scene' configured as a pyramid structure with an extremely large base and a highly restricted pinnacle of successful artists at the top, where a set of interdependent and interrelated relationships occur and business develops and grows. This is based on continuous social relationships and bonds around a system of production and distribution that supports the cultural discourse and the market system on which artists depend and proliferate (Rosler, 1997; Chong, 2010). The authors seems to agree on the fact that the higher professional status of the art manager is represented by the high degree of competences the role covers and the ability the individual should possess to aspire to such positions. The same concept was felt in the worlds of Jeremy Isaac (ROH GM) in his interview on 'Speaking for Themselves' by Fitzgibbons and Kelly (1997) when he said: 'the function of arts administration is not at all to keep people [artists] happy, it is to please the public. Artists who don't care to consider that they are supposed to be addressing a public should work on their own and should not expect to be provided for'(p41). He was referring to the artist's role, however, the equivalent is applicable to the roles of other players who have the responsibility to facilitate connections within the market. In particular, the art managers who are there to support the artist and offer a safe space for them to create. Fitzgibbons and Kelly consider the conflict arising between art and management, seeing the arts as 'spontaneous and unplanned' not suitable for management structures. Another challenge worthy of note is also how all these overlapping responsibilities can be separated by personal taste in art from the goal of the gallery or business. It appears that the roles in the art market, either artist, dealer, manager or consultant, must possess the ability to manage the multiple requirements or find a way to develop them to be able to succeed as art market professionals (Van E Dyke, 2011).



An answer on how to develop such high level management skills is proposed by the study of the 3C model of Culture, Commerce and Community, (Lindermann 2005; Robinson, 2015) which presents a macro system driving art through market development, infrastructures, enablers, inhibitors and fellow collectors as key contemporary art markets players. Alongside, there are also, art dealers acting within a micro system composed of traditional business models – commercial galleries, museums, auction houses and governmental infrastructures (Chong 2012). In such eclectic environments it is, therefore, necessary to develop the ability to think quickly, observe trends and move strategically with an independent and open mind. Art managers must be able to operate within a highly impacting success network in a winner-takes-all market (Rosen, 1981), and where 'the economy of attention' (Frank, 1998; Ardizzone & Zorlonia, 2016) drives sales and sets trends. As H. Becker (1982) argues, the art world is a network of people working towards the production of art works, each bringing in organised joint knowledge and cooperative activities, with the ultimate outcome generated by the whole system and not only by the artist itself. The sociological perspective introduced by Becker affirms that, a work of art is not created in isolation but it is the product of a collective endeavour, challenging the Western idea of the artist-genius, but also introducing two important factors in the creation of art: a) art is a process – a work being made and appreciated (originality); and b) art must have an audience – if there is no audience there is not art (experiential value). Following this principle, the different roles in the art market are all responsible for the ways art is produced, distributed and received, a systematic approach that has regulated the market all the way into the current century. There is mutual agreement that New York and London are still the global centres for the art market (Rosler, 1997; Chong 2010) driving the economy and future trends, followed closely by other European and Asian cities like Paris, Berlin, Amsterdam, Milan, Abu Dhabi and Doha. London for most of the 20th century and currently in the 21st

century, has been the leading centre for international art businesses, maintaining its hegemony as the 'world's treasure house of art and at the same time the art world's biggest seller (Barker and Goodwins, 2009).

The London art scene configures three major representatives reflecting the top of the previously mentioned pyramid: Christies, Sotheby's and Philips, with Saatchi as close fourth, still leading on all art markets expertise as operatives, innovators and major sales/revenues makers. (Artnet, Hiscox, 2018). The remaining layers of the art ecosystem comprises middle/high end galleries and dealers, (mainly family run operations) and the lower level of an extensive number of contemporary galleries, again family run businesses, mainly SME structures with small numbers of employees contributing to the running of the business and charities associations, mostly community- based supported by government funding and private sponsors. In addition they have a relevant presence in the lately established art fair biennale system (1980s onward) which today includes over two hundred worldwide institutions (Fillitz, 2014). In alignment with this thinking the traditional art market has been categorised as (Singer& Lynch, 1994) :

- primary market, which means buying directly from the artist's gallery dealer, here the work of art is presented to the public for the first time;
- secondary market, it is essentially the sale of pre-owned works of art, where usually the price of the piece is sold for a premium profit, depending on networks associations;
- tertiary market, where art dealers and collectors sell works of art that entered the secondary market at auction houses.

The art business network reflecting the pyramid model continue to be successful in responding to the demand of selling works of art and establishing the stardom effect for contemporary artists. It also provides a relevant role in having a social impact in managing

the production of culture and the intervention of distributors connecting artists and creators to the consumers. Griswold's Cultural Diamond model (1986,1994) reflected well the relationship between the intermediary role between the producers and the consumers, however, V. Alexander (1993), expanded on it by attracting attention to the fact that, artists now are much more involved in the distribution system. Their intervention is more direct nowadays, and thanks to social media, their messages are received unfiltered by the audience, so, attribution of monetary value is based as well, on market trends and investment analysis rather than on the 'star-name' system alone.

Psychological research has contributed greatly to the understanding of how people develop aesthetic appreciation for an artwork. Technological advancement contributed in the 21st century, to improved conditions for laboratory research and also in the ability to collect accurate data and measurements, exploring since, into the field of contemporary and abstract art (Leder et al, 2004;2014). Relevancy has been placed on differentiating between: the psychology of art, which aims to illustrate the mechanisms involved in the appreciation of art, such as grasping an artwork's symbolism, identifying its compositional resources, or relating it to its historical context; and the psychology of aesthetics, which aims to identify and describe the psychological mechanisms that allow humans to experience appreciation of things, such as designs, styles, format, or other people, or nature, in aesthetic terms (p445).

By making this distinction, the authors wished to set the ground for developing an understanding of psychological mechanisms that generated an aesthetic appreciation of art. The interaction of intellectual and cognitive functions involved while experiencing exposure to art environments, determine the aesthetic experience when people engage with art, in particular contemporary art for its variety of meanings and dimensions eliciting strong emotions. The understanding of such implications would offer the artist and art organisations, a useful tool for targeting audiences and engage them with their artworks. In addition, it

would inform new marketing strategies for positioning artworks in spaces - either virtual and physical - that would offer the highest influence on the aesthetic experience, in order to facilitate a stimulus of positive response and elicit potential purchases.

The latest sales reporting of the art market (2018) shows how art is seen very much as beneficial to the buyer for its aesthetic and financial value, though not discounting the social status acquisition affiliated to buying. The market responds to the need of keeping the interrelationship between artists, market, education and social discourses active as part of the main infrastructure, linking the objectives of profit making, innovative operations and sharing of ideas (Byrnes 2015). Galenson in his chapter of 'The State of Advanced Art: The Late Twentieth Century and Beyond' (2009), while explaining changing styles in artistic practices, touches upon the changes in behaviour contemporary artists are employing within the market, which he finds novel within the context of art history. Conceptual artists engage with more freedom, produce works of art more quickly, have their works produced by others (Hirst), co-author works (Vasconcelo) and sometimes make works out of their lives (Emin). Galenson is convinced that artists are responding to a new market structure with a conceptual revolution, employing radical approaches as a direct result of the competitive market for art. An argument touched upon by Fillis in his research on artists' branding and celebrity status achieved through employing innovative marketing strategies (Fillis, 2015). Moreau and Sagot-Duvaroux, (2012), on the other hand, counterbalance Galenson & Weinberg's research on artistic innovation influencing artists' productivity with their research findings focusing on artistic recognition and artistic process. They also argue that, the tradition systems of selection presented by Winjberg and Gemser (2000) - 1. Market, 2. Peers, 3. Experts - may not be fully effective in establishing how artists achieve recognition. They offer a further investigation based on business models related to tradition and innovation linked to the artistic specialities and the economies associated with the artists in question. The outcome

determined four business models associated with the role of salon artist, artisan-entrepreneur artist, 360 degree artists and art fair artists. Artistic legitimacy was different for category and success was determined based on economic returns and institutional recognition. In addition, they established that different marketing strategies were applied to the different contexts, offering a new perspective on how contemporary artists may advance their career at various speeds. It appears to them that recognition is based on responses received by institutions and experts rather than the art market, placing therefore major responsibility on the audience in developing the market and its economic value.

The question of how the traditional gallery business models maintain their relevance in the contemporary art market is fitting the purpose. The so called gatekeepers, Art Managers, Consultants and Dealers have a position of primary importance in ensuring that works of art reach the public. Therefore, creating dependency on how the system filters artefacts and assigns its value, either as collectible or as form of investment. As contemporary artists are developing innovative production and branding approaches, seemingly they have developed an understanding of their market and started to employ new strategies for becoming economically independent.

The discipline of art marketing has been developing in the past twenty-five years taking the foundation from the main marketing discipline and adapting it to study the behaviour of producers and consumers of the art markets. Authors have tried to analyse how the multiple interrelations between the many players can be related to the production and promotion of art. However it seems to generate a sense of consensus that being such an unregulated market in terms of production and distribution with so many layers of interrelationships, that formulating marketing strategies for the art market is a challenging task. This is due to the nature of the artistic self-centred orientation of the artist, rather than a consumer-oriented nature of production (Fillis, 2006; Throsby & Zednik, 2010; Lehmann &

Wickham, 2014). Calls for exploration of new concepts have been answered in order to align art marketing to general marketing models, and attempts have been made to reconcile the divide, albeit with little success, mainly because studies' results showed that the marketing orientation moves along with the career trajectory of the artist (Lehamn & Wickham, 2014).

It is noteworthy to mention, that the art market achieves the highest volumes of sales for artworks of dead artists. The concept of scarcity in fact, drives demand and affect prices in an exponential way. For contemporary artists, though, the demand for artworks escalates when they have reached a certain degree of success and have entered the distribution process associated with the high end galleries and auction houses. They can decide to play on production and distribution strategies in order to respond to audiences' requirements.

Art market reports published in a yearly format, represent the industry overview of the global art market, constituted primarily by major auctions houses and, in recent years, art fairs, and are considered a source of data and information useful for measuring and assessing progress of sales and future trends. Their consultation offer the latest news on highest bids for artworks according to their distinct category and they present an updated list of top 100 contemporary works and artists that are reaching new highs and setting new agendas in market performance (Artnet, The Contemporary Art Market report 2018; Hiscox Online Art Trade Report 2018; ArtTactic, Global Art Market Outlook 2018). Their reports results show that contemporary art represents 14% of the total number of Fine Art auction transactions around the world, generating 12% of the world's Fine Art auction turnover. The three main Anglo-American auction houses continue to dominate the Contemporary art Market worldwide: Sotheby's (28% of global turnover), Christie's (26%) and Phillips (15%).

London, New York, Beijing and Hong Kong alone account for 82% of total worldwide sales of Contemporary art, from just 17% of the segment's total lots sold. London,

however, is not far behind with 34 works fetching above the \$2.5 million threshold in the last 12 months. The British capital remains the primary marketplace for artworks by leading European artists (including Peter Doig, Rudolf Stingel and Antony Gormley) but it also competes with New York for the most fashionable signatures of American Contemporary art with a significant proportion of works by Jean-Michel Basquiat, Mark Bradford and even George Condo being exchanged through London's auction houses. According to the six-monthly Art Market Confidence survey conducted by ArtTactic in January 2018, the global art market is expected to ride into 2018 on the positive wave of confidence generated through the course of year 2017 (Art Radar website, 2018).

With regards to the lower-medium layers of the art market, transactions are not reported and it is difficult to compare results. However, new research is focusing on the changes occurring in the art market, which have a direct impact at this level, because of the expansion of the market trajectory. The focus is on discussions around technological developments and digital advancements, which have started to be considerably significant and have already been introduced in the market.

Blockchain technology has introduced serious disruptions to the traditional business processes. The applications and transactions, which needed centralised architectures or trusted third parties to verify them, can now operate in a decentralised way with the same level of confidence. The features of blockchain architecture and design provide characteristics of transparency, robustness, auditability, and security (Casino et al., 2019). With the integration of new form of virtual currency - crypto-currencies such as Bitcoin and Ethererum - there has been a form of democratisation of transactions which have opened markets which, until recently, were considered exclusive by many (Adams et al., 2017). The art market being one of those in question.

Hiscox Online Art Trade Report 2018 has registered such changes and shows confidence in transactions executed on such platforms for the purchase of artworks in 2108 and it foresees an increase in competitiveness between organisations evolving towards this practices (p19-20). *Miceneas* is already one the first decentralised galleries set up in 2018, to run exclusively on a blockchain platform, with the aim of disrupting the art market in a significant way, for the foreseeable future (Miceneas White Paper, 2018).

As technology is refined and costs on investment decrease the minor players at local level can aspire to invest in such platforms, competing for a share of the contemporary market. Until then, they will have to make the most of the alternative e-commerce strategies available such as, websites and social media platforms, to engage with their audience and attract potential buyers. Studies shows that they have become relevant marketing tools for developing a company's brand, or artist's profile, and for building customer relations strategies. In addition, they are a relevant source of data collection and information informing marketing activities and orientation (Nistor, 2018).

A positive response in this direction comes from a research carried out by the Arts Council England, 'The Conversation', published in July 2018. Although, related to the public sector, it is relevant to notice that such changes have been picked up and included as part of the research's results. As the major public body investing in the art and culture, it is a notable source to reach for information about the art market with national spread. All the major institutions and communities supported by funds granted by the Arts Council England have an indirect impact on the contemporary art market, because of their involvement focused at increasing art participation, specifically at local level (p6). Their take with regard to technological advancements impacting on the art market seems to be, equally, on a positive note and considered one of the most important developments for arts, museums and libraries.



Digital initiatives such as live streaming of events, or being able to browse collections or exhibitions online offer the potential to open up the sector to an extended audience beyond physical and geographic boundaries. Younger audiences especially, respond well but also artists have the opportunity to experiment with a blend of different art forms. However, they share some warnings about the risk for physical spaces to become obsolete. In contrast to the commercial and private sector, which consider it as a great opportunity to diversify the art market offer (p6).

Researchers in marketing and art management seems to agree on the notion of the potential of the internet in positively impacting the industry. The research is still fresh as an emerging field of study for the perspective of art management, however, as mentioned earlier, some analysis can be carried out based on the large amount of data already available (Riffe, Lacy & Fico, 1998). A combination of off line and online marketing and sales strategies are now, simultaneously, applied in art management. This demonstrated that a diverse approach has become the norm, in contrast to established art business practices of selling privately in the gallery or at openly at auction. Every organisation and professional artist possess a website and social media pages as a matter of principle. These platforms provide a place for the audience to experience art, enjoy it and become familiar with it. The amount of information shared with the public contributes to extend knowledge and inspire all generations through the understanding and appreciation of arts. Interactive communication which is the most relevant feature for being online, offer the opportunity to art professionals to differentiate their services based on audience's feedback and boost the utility and quality delivered (S.Heo, 2008). To be used effectively, these platforms should be assessed and evaluated in terms of data collected and measurements of the level of interactivity with the audience, to identify the best and most profitable approach for their implementation. Even though, reports from the industry have shown an increment in the use of e-commerce

platforms, blending in with the personal touch and private relationship, for the promotion and sales of artworks, academic studies demonstrate that this field is in constant progression, in particular for the recent platforms - blockchain and crypto-currencies. The virtual art market is becoming a core element in art management studies; a function that is establishing its roots but equally, engaging constantly researchers in exploring new theories for the fast-moving and dynamic art market. The collection of essays by Costance DeVeraux, published in 2018, 'Arts and Cultural Management, Sense and Sensibilities in the State of the Field', is one of the latest attempts to make an assessment of where the field is now, and to add value to the cultural context as interpreted by the authors participating with their writing. In agreeing about the dynamicity of the art sector and current cultural management issues, DeVeraux also suggests, that technology and digitalisation are transforming the art fields, and academic and researchers are challenged to capture the 'state of things' with an eye on the moving target that is the [unique] reality.

### **3. Methodology**

The dissertation is based on exploratory research addressing the dynamics of the London art market, identifying the main players and discovering new management approaches applied to the sector, in specific the private. It intends to question the extent to which the traditional gallery business model is being superseded, or not, by innovative models to sell contemporary art. There is an interest in finding out how the traditional managerial approach of the art gallery model is maintaining its relevance and what type of changes are likely to be having an impact on its business performance. The outcome of the investigation aims at highlighting innovative strategies (if any) art managers and artists are employing to enter the market, engage with their target audience and ultimately achieve the desired status of 'famous artist' (Thompson, 2008).

An ethnographic research methodology approach was considered to be the most relevant to the nature of the research with the specific researcher's interest in a direct participation through field-observation, asking questions with interviews and collecting data and information to 'highlight issues that are the emergency focus of the enquiry' (Hammersley & Atkinson, 2007). The features of flexibility and re-evaluation presented by the ethnographic methodology seemed pertinent as this allowed the researcher to refine the focus of the research and align it with the changing circumstances through the course of the research.

## **Content Analysis**

A content analysis related to art management activities with direct involvement of ‘famous’ artists (Thompson, 2008) in the London circuit, has been examined using secondary data sources to determine and analyse how ‘famous’ artists engage with their audience, promote and sell their work and how they maintain their acclaimed status.

The following documentation was collected: art critic reviews of exhibitions; extracts from interviews; online resources from reputed online source such as: Artsy, ArtPrice, ArtNet, Sotheby, Christies and Saatchi; exhibition catalogues and art fairs publications such as: Royal Academy Summer Exhibition, Art Fair Basel Report, Frieze London and Masterpiece London. The literature review expanded on the relevant academic knowledge and research of the art market and its perspective, citing models of management practices that have been established for years, setting the background for questioning the conventional approaches that are being challenged. An overview of public sector research from the Arts Council England and NHBCA, has offered insights of trajectories taken at national level, which influence the art eco-system for its findings related to audience's engagement and artists involvements.

To consider a sample of ‘famous’ artists we have considered the classification made by Thompson, where a ‘famous’ artist is considered to have made a mark on the art world with innovative creations; one who has achieved premium prices and records sales at prestigious art auctions; one who is easily recognisable or his/her work is recognisable as an iconic artwork by everybody (ex. Marilyn Monroe screen prints series by Warhol, 1967). With these criteria in mind, artists emerging from the 2018 art market reports have been mentioned in the study: D. Hirst (UK), C. Brown (UK), J. Saville (UK), Banksy (UK). A focus on Joana Vasconcelo (Portugal) was considered relevant for her international profile and included as a

case study on the discussion for the way she has achieved success outside the conventional route. Lastly, an overview of current literature on e-commerce notions has supported the research in findings about how art organisations and artists are making the most through the use of modern technologies for establishing a strong virtual visual presence, as it has become a normal practice in managing a business.

This method of content analysis of contemporary literature was considered effective in gathering current knowledge on contemporary artists who, because of their success in the field, could be taken as examples of high level achievement and sources of inspiration to emerging artists and aspiring art managers. It offers an overview of the successful approaches to art management as a reading of best practices in the field and opens the discussion to innovative ways they have employed to mark their success. In addition, the strategic selection of cases may offer the opportunity for testing theoretical ideas based on traditional management approaches and evaluate their suitability and contemporary application. (Hammersley & Atkinson, 2007).

## **Online survey**

The direct investigative method of connecting with contemporary art figures for interview purposes wishes to gather insights and to explore their thinking, behaviours, perceptions and attitudes towards the current artistic and cultural environments in the London market and their response to current economic demands.

Participants to the interviews were recruited through personal connections, networking events or exhibition openings and the use of social media interaction.

Gallery managers, art consultants and artists are categorised according to their role in the public, private and not-for-profit sectors, mostly being in the form of SMEs as the familiar format of commercial galleries or not-for-profit institutions

Artists are categorised as ‘emerging’ artists and ‘established’ artists, following the identification made by Throsby and Zednik, 2010.

The online survey comprises a series of semi-structured questions addressing two category profiles in the art market: the gallery manager or art consultant and the artist. Two types of online questionnaires were developed, consisting of twelve questions with multiple choice answers and options for free comments, one directed to the artist and one to the gallery manager or consultant. The aim is to establish a first contact, to explain the rationale of the research and to gather facts and figures to obtain an overview of:

1. quantitative data related to their price strategy, their marketing activities and,
2. qualitative data related to their personal perspective on the London market and their competitors.

The online questionnaires were similar in content, with some slight variations in relation to the roles of the interviewees.

A total of twenty-four artists and thirty-two galleries were sent the online survey via email, either through referrals or direct email from art fairs and gallery listings.

The response rate was extremely low, in particular with galleries and galleries managers, supporting therefore the theory of a close knit environment, inaccessible to the researcher. Out of the survey sent to galleries, only five responded to the email, others (not counted here) with a negative feedback for not wanting to participate. The remaining thirty-three emails failed to receive a response or a completed survey. Most of the respondents (eighteen) were artists involved in communities and public not-for-profit organisations where engagement with the public and availability to meet and talk is more welcome. A limited number of respondents, seven, were happy to complete the survey but they were unavailable to meet for the interview. This was also an opportunity for them to network and promote the organisation and their working practices.

This research method was considered as a systematic and unambiguous process of collecting data with a set of clear questions, either open-ended for freedom of expression or multiple-choice options allowing for coding and graphic analysis. The positive aspect was also the ease in communication as it was sent directly via email and answers recorded and saved in Google Drive as soon as they were submitted. The downside of this method was, presumably, the lack of personal contact with the receiver, hence the low turnout of responses, which was in some cases, however, established through the follow-up interviews.

## **Interviews**

A follow up face-to-face interview was then suggested to gather additional insights of their personal engagement and perspective around their network of activities. Regardless of the limited number of interviews conducted, seven artists kindly offered their time to meet in person, the interviewing exercise brought to light some common themes and thinking which will be explored in the dissertation chapters.

Recorded interviews conducted with artists outlined their direct involvement in art marketing activities and current relationships with art galleries or other sources of exposure to the market. It is relevant to note that most artists have their own website and are prolific in social media communication. They were genuinely interested in supporting the research and they agreed to have their name made public in this paper, to have their website included as the evidence of their work and their works of art images, fully credited, to be shown if required, in support of the argument in discussion.

Only one interview was agreed and conducted with an art manager (KE from ArtCan) and explored the nature of their organisation (not-for-profit) , the type of marketing activities employed and to gauge an impression of the innovative approaches engaged to enter the market, attract the public's interest and compete with the vast number of art trade organisations in London.

A certain number of meetings generated further invitations to exhibition openings and fairs, offering thus the opportunity to visit the field of action and observe how the interviewees interacted in their own space and with their market network.

Ethical issues in this part of research may involve confidentiality and permission to use interviews or part of it and video recordings of interviews. A standard consent form was used for both the survey and the interviews to seek permission on the use of the information



received. As per the consent form, confidentiality terms were verbally reminded at the interview stage and maintained in the written form of the dissertation. Even though, all the interviewees agreed to have their name disclosed, their website and works of art credited, and their answers quoted in support of the discussion or statements in the paper, confidentiality was assured by stating their initials for quotations or statements referred to in the dissertation. No ethical issue were identified with regards to the work-experience, and therefore was not mentioned in the form.

The interview method was found to be the most interesting and most rewarding experience in research practice as it offered the researcher the opportunity to connect with the artists and understand their views and feelings about the topic of research. The semi-structured questions gave the chance to the interviewee to open up and talk freely about their business models and their perspectives on the contemporary art market. The relatively small-case studies have facilitated in-depth study of one specific not-for-profit organisation (ArtCan) that will be presented to support some relevant findings.

In respect of gallery managers and their absence of willingness to respond to the survey, confirms the general impression that the art market is a snobby and elite place accessible only to the 'right people' with the 'right connections', mostly wealthy and with exclusive access to high profile education and relevant social circles. A personal agreement though, falls with the theory that the art market - like other business - is a place where continuous communication and connections are vital, information is mostly shared within closed circles and relevant contacts are made by attending parties, openings and social gatherings. It takes time to develop contacts and build trust so that those 'doors' into the mainstream art world can be opened.

## **Work-placement experience in an art gallery**

The original research proposal suggested a workplace experience in an art gallery, as the mean of gathering direct personal insights about administrative working practices, develop an understanding of marketing strategies employed, cultivate a network of contacts and be involved in the curating and planning of exhibitions. The experience would provide the opportunity to generate evidence of working practices to support the rationale of the research, explore traditional business models and identify innovative approaches for marketing and selling contemporary art.

Through a personal connection, the gallery manager of Gabriel Fine Arts Gallery was approached and a placement of three months (June-August 2018) was agreed, on a part time basis, two days per week. Gabriel Fine Arts is a London-based art dealer providing extensive programs of exhibitions, bringing together and representing talented and respected artists from across the globe. It comprises a membership list of 32 artists, and a list of 30 represented artists, highlighting a wealth of diversity in the current art scene (Paul Mellon Centre, 2016, Gabriel Fine Art website, 2018).

With the head office based in the Canary Warf business district and exhibition spaces occupied all over in central and west London, Gabriel Fine Arts, was considered a suitable choice of a commercial gallery to be involved with, primarily as the source of the practical research enquiry and secondary as a platform for personal engagement in the art market. The calendar of events, from June to December was presented as fairly busy and engaging and would offer the opportunity to be involved in the planning, organising and participating to multiple projects across London.

Contrary to the planned three months, the work-placement lasted only one month, from June to July. At the end of July the gallery manager went on holiday and started finding excuses

for not meeting me as agreed, closing the communication and therefore terminating any opportunity for me to continue my field research. I was not able to gather a feedback or find out the reason for her going back to her word.

Based on the one month experience I would say that research in the field is extremely interesting and, had it lasted longer than it actually did, would have offered premium insights on art management practices and innovative approaches employed to continuously engage with the audience. It is certainly the best method to engage in the sector and build a network of meaningful relationships, without which the field of research falls short of personal involvement and limits the understanding of theoretical ideas applied to real case scenarios.

Following on from the interview with ArtCan and building on social media interactions, I was offered the opportunity to volunteer with the organisation and be part of the support and administrative team for the period of one year, starting in February 2019. The prospect of working in the field, being active involved in the administrative aspects of planning the calendar of events is highly welcomed in order to gather new knowledge, acquire skills and extend the network. It is one strong evidence of the theory that to make a start in the art sector, one has to build strong and relevant relationships. This is also the reason why it was referred to as a main case study amongst the many examples of organisations engaged in collaborative projects encountered in the research (at local level: APT Trust, Deptford Does Art; at national level Artlicks), which were equally relevant and interesting but missed the personal contact for acquiring data and information.

## **4. Research Insights**

### **4.1. Art Management Business Models Changing Perspectives**

This chapter is dedicated to the examination of traditional business models of art management practices employed by art galleries and art organisations within the art ecosystem (Byrnes 2015, Hargraves, McIntyre, 2004). Focusing on the Cultural Diamond Model (Griswold, 1994, Alexander, 2003) it considers its relevancy as a tool for understanding the relationship between the production of art and the way it is consumed in society and the artistic journey within the context. Expanding thereafter, on the management perspective of gallery models as defined by the literature (Robertson, 2015; Chong 2012) looking at factors behind their accomplishment in supporting artists to achieve success and stardom by citing some successful examples of contemporary British Artists. It will then, identify shortfalls in how said models are not considered sufficient for the needs of the 21<sup>st</sup> century artist. Within this context, it will also explore the perceived diminishing role of the said model and the emergence of a new figure as the artist-entrepreneur (Ellmeier, 2003) who has been observed developing in recent years due to continuous precarious employment situations and changes in the market introduced by technology and social media impact. A brief introduction of the three-sphere model (Klamer and Zuidhof, 1998) suggests how artistic production and profit is affected depending on which sphere one artist operates in, and suggests interdependencies and complex relationships influencing the value of art works exposed to the market. This will be further explored in chapter two in terms of ethics and artistic integrity versus financial concerns. The chapter will conclude by raising the question of the validity of the traditional models in supporting emerging artists in making their entrance in the art market, and it will anticipate the concerns highlighted within the research process aimed at the understanding of changes taking place within the art eco-system.

The traditional art gallery model has been dominating the art market as the operational centre of marketing, distribution, sale of works of art and the place artists would aspire to be associated with, for the enormous opportunities offered as part of the whole art system and networks. Gallery representation is believed to massively boost an artist career with their intermediary function within the art ecosystem (Thornton, 2012) playing a primary role in connecting the two major players: 1) the artist, 2) the audience – spectators, collectors, sellers, buyers, critics and so on. The latter (audience) should reference the distinction between art markets where transactions and sales take place (main players: dealers, collectors, auctions houses), and the art world where involvement is not directly linked to buying and selling (main players: critics, curators and artists themselves). It is a complex system of interrelations and exchanges, as defined by Sarah Thornton in her *Seven Days in the Art World* study, it is a 'conflicted cluster of sub-cultures' where art assumes various roles and acquires different definitions (Introduction, p 9): art as a commodity and investment (auctions); art as a leisure activity (fairs/gallery openings); art as an intellectual and occupational activity (critics); art as a mean of acquiring status and attraction (museums). The whole structure is encompassed by the figure of the artist and the need to produce interesting and thought-provoking works, either for sociological, financial or political reasons that would eventually grab the attention of the audience and make it into the market through the multiple available channels. At this point, art becomes a commodity to be traded in the art market. As per Ian Robertson's distinction (2005), contemporary works of art are classified as: 1) junk - low unit and investment value; 2) cutting-edge - one receiving support by the public funded cultural sector in the West countries; 3) alternative - derived from the Academy system and not receiving any funding support. The value of the work of art is initially determined by its place of origin and its cultural environment, so works produced in a well-developed country are deemed more valuable than works produced in the developing world or primitive cultures

(Aboriginal art as an example). This distinction will also affect in general the distribution process and the trading location, either locally, regionally or internationally. The most valuable works reach the international market, usually cutting-edge art - as they have been supported and validated by the public sector, acquiring therefore, added value and premium prices. The monetary value is mostly determined by commercial players. 'Dealers select art, then restrict supply onto the market and inform the public sector and critical worlds.'

(Robertson, 2005). The art market is a restricted market with significant barriers to entry, dominated by few strong leaders who determine the fate and career of contemporary artists. These super-dealers (Beta and Alpha Galleries) having resources and funding, have the upper-hand in acquiring information about emerging artists or categories of arts that may determine market trends. They are therefore, able to control supply and demand, set prices, acquire public sector favour and enhance an artist's reputation and status. As reported by Art Economy, contemporary art represents 14% of the total number of Fine Art auction transactions around the world, generating 12% of the world's Fine Art auction turnover. London, New York, Beijing and Hong Kong alone account for 82% of total worldwide sales of Contemporary art, from just 17% of the segment's total lots sold. London, however, is not far behind with 34 works fetching above the \$2.5 million threshold in the last 12 months. The British capital remains the primary marketplace for artworks by leading European artists (including Peter Doig, Rudolf Stingel and Antony Gormley) but, it also competes with New York for the most fashionable signatures of American Contemporary art with a significant proportion of works by Jean-Michel Basquiat, Mark Bradford and even George Condo being exchanged through London's auction houses (Art Economy, 2017). The three main Anglo-American auction houses continue to dominate the Contemporary art Market worldwide: Sotheby's (28% of global turnover), Christie's (26%) and Phillips (15%). They are what Robertson classifies as the Alpha galleries, dealing in high quality art of mainly dead artists.

The full classification of gallery levels is summarised below, with a personal adjustment including barriers to entry and an indication of the main players in the London art market:

<b>Level</b>	<b>Description</b>	<b>Barrier to entry</b>	<b>Proprietors</b>	<b>Gallery in London</b>
ALPHA	High quality art of dead artists. Old Masters paintings, Modern West & Asian high quality works and antiques - exclusively secondary market - auction and private sale - international reach	Extremely high - few living artists reach are able to enter this market	Collectors, Connoisseurs, businessmen, bankers or speculators	Sotheby, Christie's, Phillips
BETA	Blue chip securities - highest quality of contemporary art - exclusively secondary market - auction and private sale - high potential resale and investment value - international reach	High - contemporary artists selected and supported by dealers and accredited by public sector institutions (RA, Tate)	Collectors, Connoisseurs, businessmen, bankers or speculators	Bonhams, Saatchi, Finarte, Dorotheum, Tajan Ottocento White Cube Sadie Cole HQ Zwirner's Gallery
GAMMA	Index-linked bonds and futures - art that may prove worthless or aspire to Beta level - national reach	Medium -Low - contemporary artists represented by minor local galleries - primary market	Art dealers and intellectuals	ArtCan - no-profit APT - charity Gabriel Fine Art Morley College Gallery Private SMEs galleries
DELTA	Junk bonds - worthless unit value art, no resale value - oil paintings, sculptures and low value antiques (damaged) - local reach	Low - accessible to all - independent contemporary aspiring artists	Souvenir merchant, memorabilia, art supermarkets, warehouses salesmen.	Regional and local auction houses - small galleries - art schools exhibitions - independent artists or emerging artists

Table 1. summary of gallery levels adjusted from Robertson, 2005

It goes without saying that Beta and Alpha galleries dominate the market and influence cultural trends, prices, status and artists' profile represented in their catalogues and collections and, therefore, are considered in the research discussion mainly for their

prominent role as cultural and market driving forces. Their accessibility restrictions for research purposes affects direct interactions with high profile professionals involved with them, limiting therefore, the research to the use of resources of catalogue publications and published reports. The Gamma level includes galleries and arts organisations considered in this study, firstly because of the low barrier of accessibility of contacts and information, secondly, because of the relevancy with the research question aimed at investigating validity of business models and their impact on contemporary art sales and exposure of contemporary emerging artists who aspire to reach the Beta and Alpha profile level.

In terms of the Cultural Diamond model (Griswold,1994, Alexander, 2003), commercial galleries represent the 'distribution node that breaks the link between the art object and society.' (Alexander, p62). The implication is that there could never be a direct relationship between art and society, but a relationship in which the mediation of third parties, i.e art galleries, art directors, dealers, takes a prominent role between the creators of art and the receivers of art, thus influencing what cultural products reach the audience and the market.

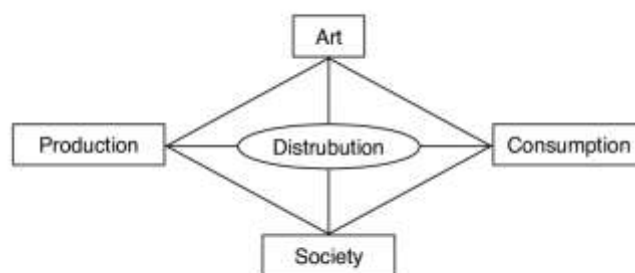


Fig 1. The Cultural Diamond (Alexander, 2003, p. 62)

The premises of this model is supported by the contribution of Becker's 'Art Worlds' (1982) on the production of culture in which he examines the relationships between creators,



distribution networks, art works and society. The focus of the approach lays on the belief that cultural objects are filtered through - and affected by - the people and systems that create and distribute them (Alexander, p68). In addition he rejects the notion of the idea of the 'solo artist', 'the artistic genius' by arguing that all forms of art are a 'collective activity' produced, and consequently, distributed with the input of many people, without which, the art work will not come into existence and will not be appreciated (Becker, p2-4). Artists produce works following a set of established conventions such as choosing certain materials, available technology, suitable techniques and formal characteristics (genre) that makes the art work understandable by the audience through different meanings. As conventions create meaning so they help in shaping, what Becker calls, 'the inner circles of the art world': the practitioners, the professionals and specialists who are positioned at the centre of the art world. The outer circle is formed by the general public who appreciates art, but, it is outside the art world and is not familiar with its conventions, although they are able to support the distribution and reception of an art work (Becker, p50). The so called inner circle, has the authority to decide what works make a valuable contribution to the art world and potentially become eligible to be considered 'High Art'. Gallery directors, curators and gallery managers have the authority to decide what is art and where it can be acquired (Moody, 2005). In addition they must be able to manage two sets of relationships, as Chong explains in his chapter about Marketing in The Art Business (2008): the relationship-based exchange, where the dealer supports the artist because he/she believes in them and their work; the transaction-based exchange with the collectors aimed at maximising revenue generation. (Chong, p118). The ability to manage successfully this dual relationship is at the heart of management specialism with the view of creating value satisfaction based on: 1. selling to meet the need of the client (collector), and, 2. selling to meet the needs of the seller (artist). The art manager/dealer/gallery director, considers the artist as a partner by developing a personal

relationship and establishing the artist's reputation within certain circles. This requires the ability to cultivate and develop contacts within the art world and with a clientele who has a potential influence in high profile environments. Who buys the work is of extreme importance for primary art market dealers as it affects the subsequent value of an art work and consequently the artist's profile. However, selling to whomever possess high disposable income is not sufficient to close a deal. Dealers are protective of art works and their client-artists as they must avoid speculative sales that can endanger the value of the work of art. They have therefore, an important role in securing ownership history which affects an artist's market value (Chong, p119). The complexity of such relationships and the entrepreneurial business nature of commercial galleries supports the crucial role of the art manager/dealer/director (mostly as the owner-operator of the gallery) whom should not be considered merely a salesman/woman but fully-rounded professionals, who, by virtue of their connoisseurship, knowledge and networking practices are able to sell an object that has no ostensible function (a commodity).

The subjective and relational factors impacting on the success of commercial art galleries has, therefore, a direct impact on the success of the artist and the opportunity to achieve the 'Stardom status' (Rosen, 1981). The subsequent price value of their artworks, is reflected still nowadays, by the historical nineteenth century ideological-dealer figure (Winjberg & Gemser, 2000) who plays a major role in certifying the innovativeness and artistic value of an individual artist or group of artists. Some suitable examples can be recalled in the gallery of Leo Castelli (d.1999) with A. Warhol, R. Rauschenberg, R. Serra, J. John, just to name a few; Charles Saatchi for the Young British Artists (YBA) of which, D. Hirst, T.Emin, R. Whiteread are still, some of the most prominent in the current market. Currently the top position as the most influential person in the art world is D. Zwirner, (the head of an expanding New York, London and Hong Kong gallery empire) representing

names such F. West, R. DeCarava, J. Mitchell, Y.Kusama and D. Arbus, continue to push boundaries and set new agendas for the role of art today (Artreview, 2019).

It is the emerging artist's aspiration to appeal and be noted by such prominent figures who have a great deal of information and resources and are able therefore, to control supply and demand (Robertson, 2005). The artist's journey, as presented by Robertson, moves from art schools into being able to attract the attention of the Gamma/Beta gallery at local level, with the aim of signing up some sort of contract and call themselves professional artist. They will start to conform to a gallery style, produce works that respond to the clientele's needs and start selling their works. Alternatively, they could also present their work independently in artist-curated shows and hope to be spotted by a dealer. In either case, their aim is to maximise their rewards in terms of achieving premium prices, make a name for themselves and accomplish a successful commercial reputation, i.e the Stardom international level, as shown on figure 2 below (Robertson, p129).

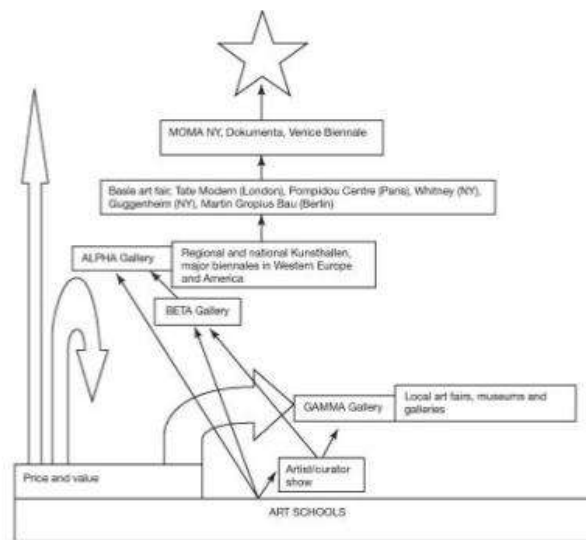


Fig. 2 - Progress of the artist journey to stardom (Robertson, 2005, p129)

It appears, though, that the journey to stardom is restricted by the artist's association to Gamma galleries and ideally to Beta and Alpha galleries. The perception of the archetypal

‘winner-takes-all’ market (Abbing, 2006), in which a very small number of artists do very well, with a significant difference in remuneration between those who do well and those who do not, seems to be highly relevant and strongly felt by emerging artists. As the 2016 research on the *Livelihood of Visual Artists* suggests, it is because of this ‘winner-takes-all’ market that ‘many artists work outside the conventions of the gallery system and eschew the art market’ (Abbing, 2006). Most of the artists interviewed as part of this research, indeed affirm that, ‘it is impossible to be noted and enlisted by such galleries’ (HP interview). Although, commissions for galleries raises the artist's profile, their visibility and profits, applications for residencies are most challenging and return of profits considered to be very marginal, mostly based on contractual obligations with the residential gallery. A notable artist (RA), disappointedly reported in his interview that a fifty percent commission was asked from most galleries who offered him to be enlisted on their catalogue. In addition, artists have to pay upfront fees to be able to submit their work for exhibitions. For instance, fees for the Summer Exhibition at Royal Academy of Arts is £25 for applying to have an art work in the final show, with no guarantee of being accepted or making a sale if on show. Most commercial galleries, as well, apply similar fees to artists for applications and although there is no guarantee of sale, exhibitions are the best place to be for exposure and play a crucial role in raising the artist’s profile, which may lead to sales and other opportunities in the future (TBR et al,2018).

The advantages of being enlisted by a gallery are multiple and artists recognise the benefits of the association, their reputation depending on the gallery and location they are showing their work at; the more reputable the venue the more opportunities for work will come in the long term. Quoting some of the responses from the artists' survey:

I would like to sell through galleries more. They are set up to do exactly that, and can dedicate more time and

resources to develop a client base and marketing work to it than I can independently.'

'That would be good to have more visibility in the mainstream market such as exhibiting in art fairs, having a solo exhibition and network with different people I could not meet if not in a gallery.'

'I would prefer to stay independent but I see that they can have a big effect on your exposure and status in the Art World.' (Q3, appendix 2)

However, research shows and artists state, that access to said galleries presents some degree of restriction as it is highly competitive and financially demanding. Themes emerge from the surveyed artists sharing similar sentiments while answering the question of 'What do you think about selling through art galleries?':

'I don't use them as they take too much commission and don't pay for materials'

'It doesn't work for me, they take too much commissions and offer ridiculous contracts'

'Depending on the gallery commission, usually the artist gets insufficient revenue'

'I think selling through galleries is becoming increasingly difficult. Galleries are struggling themselves, and often take what I would consider a too large percentage in commissions.'  
(Q3, appendix 2)

All those interviewed admitted that, although admission to galleries brings advantages related to exposure and considerable support of a formal business structure which can guarantee an entrance into the art market, the final financial rewards do not meet their expectations. The traditional business model of gallery representation formulated around the transaction-based exchange seems not to be satisfactory and it does not meet the artist's needs of financial independence.

It is well documented that artists practising at Gamma level report difficulties in financially supporting themselves through their art practice. Sales are not consistent, research and production costs are increasing and, particularly in London, access to workspace presents a great challenge and huge demand on their budget. The *Livelihood of Visual Arts Survey* 2018, revealed that the biggest challenges to artists are reported to be a lack of financial return (80%), and a lack of time to practice their art (62%). More than half of artists also reported lack of access to funding or financial support as a barrier (TBR et al, 2018, p18). Similarly, the ability to make a one year profit and the need to increase volume of sales or acquire new customers, was cause of concern for artists participating in our survey. (Q6, appendix 2). In addition, the majority of artists have additional jobs to support their art practice. Data from the TBR national survey showed that 69% of artists have additional jobs, and that 57% have non-artform related additional jobs (TBR et al, 2018, p7). In similar fashion, all artists participating in this research hold a primary job to be able to practice their art and afford the prohibitive prices of London living standards.

The notion suggested by Abbing that, despite some exceptionally high earners in the arts, the average incomes in the arts are consistently lower than in comparable profession (2006, p113) seems to be still quite relevant.

However, a change is taking place that makes a nice contrast to Abbing's explanations at point 5 and 6 (p114), which is: 1. the contemporary artist is aware of his/her talents and his/her artistic skills and because of the internet and the information available to them, they are able to quantify their rewards; 2. the average artist is very well informed nowadays about the market, the prices, trends and competitors so, they are able to name and quantify their rewards. Artists are now justly seeking the monetary rewards due to their artistic practice and demands of living standards, particularly for the high thresholds of the London area, therefore

their perspective on the dependable relationship of the gallery model is being reconsidered as a costly business relationship and a high risk investment.

What is emerging, therefore is as Ellmeier (2003) puts it, 'a new figure of the "entrepreneurial individual", that is individuals who do not follow prescribed standards but who have to try out their own combination of strategies and assert themselves on the market and in society. In addition to the general change, new technology is leading to the emergence of new job profiles in the creative cultural sector so that the image of the artist and creators is changing fundamentally. The new creative workforce is meant to be young, multi-skilled, flexible, psychologically resilient, independent and unattached to a particular location (Ellmeier, p3). The new figure of the artist-entrepreneur is challenging the traditional system of gallery representation as the main lever for success. Artists are developing diverse skills and business acumen, they are interested in business management, production and promotion as well as, having strategic vision and imagination. They are exploring innovative ways to support their art practice and see themselves increasingly as entrepreneurs, rather than, artists depending on the whims of the gallery owner. They are moving towards cross-genre collaborative projects and self-directed private enterprise approaches, they employ direct influence on digital platforms for promotion and exposure. As commented on the artists' survey about innovative approaches:

'Creating e-catalogues of my work, contacting galleries directly, exhibiting at independent art fairs, making contacts online, applying to open calls'

'more tailored content on social media, attending residency programmes, blogging, attending artists led events, completing an MA'

'I have published more posts with informative content on Instagram and Facebook - even if people don't buy they remember me and mention my art when I meet them. Then I see that they think of buying one of my pieces. I mainly sell thanks to Instagram'

'Collaborate and was commissioned to show 2 sculptures in a show garden as part of the Chelsea Flower Show Garden 2018'. (Q9, appendix 2)

Such comments raise some pertinent questions, for example: does this mean that the traditional model of the art gallery is becoming outdated and will come to extinction? As Brkic suggests (in Deveraux, 2018), art management functions and as such, the gallery model in the art market, must adapt to the changes observed recently. There seems to be a need to fine-tune the roles within the context of the process of art distribution and rethink the function of art practices model in relation to current developments in the market. The gallery model relevance in terms of managing and curating relationships on behalf of the artist seems to be shifting. Consequently, the traditional operation conducted within the three spheres of artistic creativity - the market, the government and the third sphere – is bound to change and all interested parties, in particular artists, must be aware of the rules of the game taking place in the art field.

This is where a marked distinction between traditional business models and new business approaches apt to the 21<sup>st</sup> century market is mostly highlighted. The gallery model functioned around the institutionalised figure of the art manager/director who managed business relationships, acted as a mediator between buyer and seller and represented the artist under the flagship of the gallery name. The artist in this case being professionally and financially dependent on this representation.

It appears now, that steps towards new directions are becoming regular and artists are moving with an independent stride, consequently changing the rules of the game by implementing their own marketing strategies. The business model implemented by the artist is in direct function of their creative model. Advances in digitalisation in the art markets, either via personal websites/social media channels or third parties platforms, are enabling the artist to build their own business practices under their own name and formalise their artistic



vision according to their own values. They can set their own prices and avoid high commission rates, they can trade with a diverse clientele with no need for intermediaries, and they are directly and actively involved in developing their own relationships with collectors and followers.

This form of art-entrepreneurship evolving in the contemporary art scene shows artists taking an additional informed and independent approach to the art market. That is in my view the revolutionary aspect emerging from this research. By showing interest in the business practices and developing new roles and skills to be able to compete in the art scene, artists are able to question the established tradition of depending on the art gallery for the management of their artworks and livelihood. The continuous financial struggles and dependence is not considered acceptable any longer. Innovative approaches rotating around marketing and self-promotional strategies are directly employed by artists through the use of technology to generate audience engagement and build their own brand to achieve the celebrity status. '[They] become so expert at self-marketing that they achieve celebrity status as they create and grow the market for their work as both an artist and the owner/manager of their enterprise'. Building a brand ensures a response from audiences that identifies with it generating therefore, interest and product demand (Fillis, 2015, p652).

As we go into the next chapter, we will explore the theme of how artists are engaging within the three-sphere models and how they are balancing concerns related to financial rewards and artistic integrity in contrast to the gallery business model association.

## 4.2. Financial Concerns serving Artistic Integrity

At the outset of the discussion this chapter requires a brief understanding of the three - sphere model presented by Klammer and Zuidhof (1998), to open the discussion related to financial concerns and artistic integrity faced by contemporary artists. The model will show how artists operate within the three spheres of commercial market, government funding and gift donations to support their art practice and will set the tone of the discussion on maintaining artistic integrity as long as there is an economic value. An overview of Bourdieu's perspective will inform us on the influence experts have on aesthetic value (cultural power) and how they coexist with the buyers of art who influence the market value (economic power), (Abbing, pp62-65). Artists and art organisations gravitate within these constraints and find themselves in need of building sustainable practices to succeed in the art scene. Set examples of artists who have achieved the 'stardom' status will be mentioned as evidence of their ability to manage the influential forces and build a consistently growing artistic practice of international and global reputation. Would emerging artists and artists practicing at Gamma level then need to mirror such practices to ensure they reach such level of success? The concept of performative theory by L. Fanthome (2013) may offer some insights on how activities undertaken by artists have an impact on the market, as she explains: 'an artist's activity is for many intrinsic to a question of artistic identity, which is a condition of performativity,' (Fanthome, 2013,p287). Raising their status to 'economic agents' based on her interpretation of Callons' analysis (2007), she implies certain innovative approaches in a neo-liberal market, challenging thus, the traditional context. A brief encounter with Veltius (2005) research on art market prices will conclude this chapter, and will set the scene for a discussion on art consumption in relation to appreciation and financial value and how well artists and galleries are responding to some concerns.

In terms of market positioning and its impact on an artist's career affecting the way financial arrangements are organised, I refer to the work of Klammer and Zuidhof (1998) tackling the discourse of the three-sphere model to differentiate how artistic work is financed and the differences in perceived value generated by each dimension. They suggest that the method of financing and pricing may affect the “value” of a work of art based on the nature of agreed financial arrangements. In general terms, standard economic analysis assumes that, whichever form of financing is applied - either private commercial transaction, or government funding or gift donation - would not affect the value of the work of art, that is, price equals value. (p6). They challenge this assumption by suggesting that different transactions generate different value for the traded work and the parties involved. The model presents the three dimensions on which artists are positioned within the market: 1. the private commercial transactions taking place in the art market; 2. government funding; 3. gifts and donations. Each of them presents different processes and implies a difference in relationship within the parties.

At commercial level, buyer and seller (or their intermediaries) operate within the exchange process of a good for a financial return. The price is the value of the art and involves a pure objectification of the relationship, though it generates value in terms of freedom of choice - to buy or sell. When the government is funding a work of art, the relationship differs in terms of bureaucratic procedures and demands an artist need to meet to obtain the funding. The government has control in this case, generating value of equality and solidarity. The subsidy sphere releases the artist from the negative values connected to the private sphere of commercialism, rationality, and anonymity. The third sphere differs from the previous two in terms of 'the ambiguity of the exchange' (p7). The artist does not price their artworks, they receive donations or financial support from corporate sponsors, family and friends, patrons. The relationship is much deeper and informal, it implies an exchange of

reciprocal value, not a monetary quantifiable but one based on trust, loyalty and human support, that is, the idea of the Civil Society. (p8). In sociological terms, it can be associated with the cultural and social capital concepts that cannot be exchanged for monetary value but are valuable with regard to building networks of relationships and support which greatly affects the economic value of artistic practice. (Abbing, 2006).

Klamer and Zuidhof summarise this in the figure below:

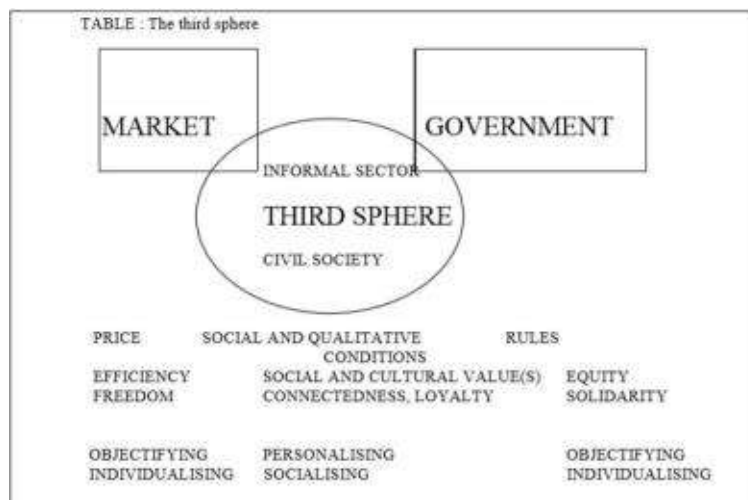


Fig 3. The Third Sphere, Klamer and Zuidhof, 1998, p8

Operating within the said spheres presupposes possession of an all rounded set of skills and knowledge that Ellmeier's (2003) artist-entrepreneurs must develop alongside their artistic practice: that include: interactions within corporations and governmental bureaucracies; networking abilities; negotiation and marketing skills; understanding prices and spending influences of the economic power; cultivating relationships with key market players and experts influencing aesthetic and market value.

Traditionally, this role within the market sphere has been embraced by the work of the gallery representation which would favour positioning of art works within the market and its correspondent monetary value. The artist would be much more inclined to cultivate informal relationships within the government and gift donation sphere, feeling much closer to the freedom of expression and negotiation inherent to their natural inclination of personal and

professional ethics. As Abbing suggests, artists are more disposed toward intrinsic motivational rewards as their satisfaction derives mainly from producing art and are willing to forsake monetary rewards if the price challenges their ethical beliefs (p88). An artist interviewed for this research, admitted to declining offers of potential buyers for his paintings if he noticed that the buying intention was not ethical, or his work would not be understood, or/and they buyer wanted to purchase it purely for pretention and exhibitionist reasons (R.A interview). The three-sphere model is useful to understand the relationships that takes place when artists are realising the value of their creative work. (Klamer & Petrova, 2007). Artists can exercise what Bourdieu called 'symbolic power', that is diverse forms of capital which are not reducible to economic capital. Two in particular are relevant: 1. symbolic capital, related to accumulated prestige, celebrity, consecration founded in a dialectic of knowledge (connaissance) and recognition(reconnaissance); 2. cultural capital, related to forms of cultural knowledge, competences or disposition. He suggests that 'a work of art has meaning and interest only for someone who possess the cultural competence, that is, the code, into which it is encoded'. Possessing this competence equips the interested parties with appreciation for the art work (Bourdieu, 1979, Johnson,1993).

The interrelationships within these set of values inform the response of artists who have to deal with those values. Cultural capital influences aesthetic value and it is exercised by experts in the field who have the power to raise the artist status and the economic value of their work; market value is as well determined by the so called deep-pocket market, that is buyers with substantial finances who are able to buy important works or raise the value of emerging artists' artworks. It is also true that experts, in addition to having cultural capital, also have economic capital, so they are able to influence both aesthetic value and economic value. However, if the social group accommodating important buyers and the social group accommodating leading experts differ in their composition of capital and consequently, in

their taste as well, economic value and aesthetic value do not always correspond (Abbing, 2007, p66). The ability to move confidently within the complexity of the three-spheres environment and the ability to speak the inherent languages increases chances and opportunities for success. Artists that were able to achieve the stardom status learned to play within this set of rules managed by the main players in the art scene: dealers, gallery owners, experts, and fellow artists. As suggested by Rosen (1981) in the winner-takes-it-all market concept, the network effect is extremely powerful. The contemporary art market functions on the predominance of a few artists in the most important cultural venues with the subsequent creation of high entry barriers. The more an artist is exhibited (in private and public collections), the more his notoriety increases and, notoriety increase boosts the chance to be selected again by other museums. In addition, notoriety increases with turnover (Ardizzone & Zorloni, 2016).

Examples of such talents worth mentioning in the British panorama, according to Artprice listing of January 2019, for the female category are:

Listed at number four :

Cecily Brown (1969 -) with an Auction turnover of \$32,480,908.

"Following a remarkable performance in 2017, the English artist Cecily Brown emerged as one of the major figures of the Contemporary Art Market in 2018. On 16 May, her painting *Suddenly Last Summer* (1999) fetched \$6,776,200 at Sotheby's New York, setting an impressive new record. The canvas, originally acquired from the Gagosian in 2000, was sold in May 2010 for \$1,082,500, at Sotheby's New York. Since then its value has multiplied by six in just eight years."

And listed at number nine:

Jenny Saville (1970 -) with Auction turnover of \$13,225,583.

" Jenny Saville (known for her participation in the Young British Artists movement) is today the most expensive living female artist in the world. A few months after David Hockney earned the same title in the male artists category, Saville saw her *Propped* (1992) acquired for \$12.5 million at Sotheby's in London. The price of her works has a lot to do with scarcity of supply: only 41 paintings by Jenny Saville have been auctioned in 20 years."

The Contemporary Art Market Report 2018, Artists' prices section, presents the Top 20 Contemporary Artists by number of lots sold (2017/2018). The male category shows the top UK artists as:

Listed in second place:

“**BANKSY** (1974). The oldest auction result ever registered on the website for an artwork by this artist is a painting sold in 2003, at Bonhams, and the most recent auction result is a painting sold in 2019. Artprice.com's price levels for this artist are based on 2,843 auction results. Turnover of \$9,898,703 with 478 lots sold.”

Listed in seventh place:

“**Damien HIRST** (1965). The oldest auction result ever registered on the website for an artwork by this artist is a sculpture-volume sold in 1992, at Sotheby's, and the most recent auction result is a painting sold in 2019. Artprice.com's price levels for this artist are based on 5,752 auction results. Turnover of \$29,230,253 with 328 lots sold.”

Such powerful names in the contemporary art market and the staggering figures associated to their works generates feelings of amusement and raises the question of how such performance can be achieved in the first place, and maintained in the long run. It

appears that the vicious cycle of the winner-takes-it-all theory is so resilient and surely so powerful that, for the network of artists engaged in this research, it may seem to be of the highest expectations and 'impossible to reach'. The selection system of such talented and potentially high-achiever artists seems, nonetheless, to be held still in the hands of a few primary roles in the art scene, the dealers and the experts. These relevant players, supported by art critics and those within the 'deep-pockets' market favour artistic innovation amongst the most valuable of competence and criteria for judging quality for potential success and artistic influence for many. Take the example of the Impressionists in the nineteenth century (Wijnberg & Gemser, 2000), or the Young British Artists (YBA) in the late eighties. The ability of artists to be innovative, either individually or as part of a group, increases their opportunities of being considered in the selection system and consequently achieve the elevated rewards of the artistic stardom positions.

The subject of performativity and counter-performativity in art practices shared by Lynne Fanthome's essay 'Am I Still An Artist?' (2013), seems to offer relevant concepts that might have potential effects on an artist's creative practices. She touches upon discourses on professional development in skills and attributes that artists should nurture to sustain their practice, the figure of the economic agent (Callon, 2007) and innovation in market approaches. In contrast to her findings, concerning matters of common struggles in artistic performance and consistency in meeting economic returns expressed by the artists she interviewed, this research has brought to light a change of conditions. Throughout this research and comments shared by artists in the interviews, the aforementioned topics seem to be still highly significant and of primary concern, although a certain awareness of own personal abilities and clarity of purpose seems to move the discourse forward. Ellmeier's artist-entrepreneur seems to be acting as Callon's 'economic agents' present in markets studied in economic sociology theories and involved in directly managing market demands.



As stated by Fanthome 'this does not presume that they all agree with market principles and activities, but it highlights the tension of artistic performativity, which operates as thought, artists are, or should be above and beyond the operations of markets (p288).' The artist - entrepreneur is becoming intrinsically involved with market activities, with promotion and price setting and increased cross-industry partnerships, especially for funding and research activities. This appears to be a close reflection of Callom's model of an innovation network consisting of: 1. the creation of collectives in which distributed actions are deployed, and 2. the strengthening of individual agencies considered to be sources of the action (p150).

An example of one such innovative network informing this study is the ArtCan organisation, based in London, but with international reach, as a not-for-profit structure to support artist members (143 listed and a new call open in 2019) to raise their professional profile through a series of annual artistic events, fundraising programmes and cross-industry projects. By developing a network of like-minded peers, ArtCan aims at removing isolation through social engagement and exhibitions, enrich thinking and assist artists in reaching a wider audience in the art world through the power of collaboration. As a not-for-profit and no-commission initiative, an artist receives one hundred percent of the profit if their artwork is sold during an ArtCan event. (ArtCan website, 2018). In the words of its Director and Funder:

"there is a gap for very good contemporary artists who are passionate about their practice and their development but haven't being able to be picked up, or lucky enough, to be picked up by an art gallery, and I thought the world was changing slightly, so that we needed as artist to adapt to, so that by doing by yourself was the right way forward... We are now basically supporting contemporary artists to continue their practice and have a voice" (KE, ArtCan)

The independence guaranteed to the artist members in pursuing their practice, via ArtCan or, via personal initiatives or, via partnerships with other galleries ensures a continuous stream of members collaborating openly, and supporting each other in a sustainable approach to the market. As two interviewed artists stated:

"ArtCan is an amazing organisation to be part of as an artist... I came in contact with ArtCan through a friend of mine who told me to get involved with [it] because it seems to be the best thing to do at the time rather than trying to navigate the art world on my own, which is very hard. You need help unless you are extremely wealthy. ArtCan is one of those things you feel right to be part of..." (HP interview).

"these galleries are quite impressive and I'm not sure how to approach them, it is almost too institutional for me that's why, probably, I went naturally to ArtCan as something more welcoming and communitarian. It is thanks to ArtCan that I have exhibitions at the moment..." (GM interview).

The perceived need of the group support and collaboration and the strong ethics inspired by the organisation governance ensure a sense of stability in being part and contributing to a growing and fast-paced professional association. Any income is utilised for the sole benefit of the organisation and it is largely generated by donations of friends, supporters and sponsors. The strategic and administrative aspects depend and rely entirely on the goodwill and dedication of a network of volunteers (mostly artists), who shares the same values of the director and the trustees. Therefore, on account of the artistic independence and the utilitarianism virtue on which the network is funded, it seems to fit comfortably within the requirements of an innovative business model presenting characteristics of sustainability, entrepreneurial creativity, shared ownership on marketing and sales management activities and ultimately, ambition and inspiration to achieve the highest artistic status. "Such network

is also dynamic; [it] can be re-configured, depending on what alliances are mobilized, what innovations are designed and which customers are to be captured (Callon, p150)". ArtCan code of ethics wish to offer an imprint for highest ethical standards as the main element of their branding, leading to long-term business advantages (Bellingham, 2008), based on good reputation, strict provenance of works of art (primary market), respect of intellectual property rights for artists, full transparency on transactions and the response to the monopolisation of the art market of commercial galleries and auction houses.

Arguably though, this innovative model responds to Fanthome's research on performativity in accepting the need of a 'requalification' of art practices. In agreement with her thinking that 'if certain operations of performativity fail, then it is useful to know when and why they do, and whether they ought to' (p295).

In this research, the struggle experienced by artists in entering the art market and build a sustainable practice remains a priority and it seems that there is a lack of response from the traditional business model of the art gallery towards this complaint. Fanthome's suggestion of the artist's disengagement of the traditional notion of being an artist, to allow the expansion and development of a new role - the artist-entrepreneur - could be a key element of the artist's performativity that frees them to engage in new markets and networks (p296).

Innovation, therefore, applies to a greater extent to different elements within the creativity spectrum, that is, the role of the artists, artistic practices, micro-entrepreneurialism, market value and financial achievements, and consequently, the interrelations within all these elements playing a significant function, as per the three-sphere model. Hence, in agreement with Klamer and Petrova (2007) we might acknowledge the concept that artists can flourish in any of the spheres depending on the interrelations within the peculiarities of

the art market (p251). ArtCan and its associated artists therefore, operates in a dual economy: 1. the economic sphere where artists directly sell their artworks to potential buyers; 2. the gift sphere as the non-profit nature of the organisation requires company sponsorships and gifts aid from friends to support the collective cultural activities (Abbing, 2006).

It appears that, as Abbing reminds us, artists are becoming less resistant to commercial attitudes, and even though the average artist still holds other jobs to support their lifestyle and art practice, they are becoming more interested in playing a direct role in selling their art without waiting to be enlisted by a commercial gallery, as was customary still some twenty years ago.

The assumption that the traditional art market is the only vehicle to enter the market is being challenged by such new practices. What can be defined as new or innovative approaches is therefore, a refreshed mindset from the artist's perspective in its ability of challenging the system to reach new levels of success and recognising that an association to the branded gallery, although still useful, it is not the only option.

We have learnt that the focus in traditional models was a development of a close relationship with the gallery dealer who informs collectors and buyers about new art movements and upcoming artists, give advice on suitable investment choices, and establish connections between the parties (Velthius, 2007; Filliz, 2014). Velthius' research on the market for contemporary art informs us of the nuances of the complex relationships between the parties involved within the social structure of the art market and how they operate within two different social worlds - the capitalist and the cultural. Gallery owners, dealers, buyers and artists perform 'within formalised rituals involving a wide variety of symbols that transfer rich meanings between people who exchange goods with each other' (p3). This would explain the complexity of the art market and its mechanisms for setting artwork prices and

launch emerging artists' careers, in order to achieve stardom level by association to a certain type of galleries. Velthuis also, focuses his research on the primary art market as being mostly disregarded by other researchers, however being of particular importance as most artists do not have a secondary market or their work will not appear on the market again once they have entered a collection (p99).

It is therefore, significant for this research with its focus on the typology of artists involved at Gamma level, on the primary market. In this respect, it is noteworthy to mention that the gallery market is based on the principles of unity and trust, a relationship between the parties based on the moral and ethical belief that art is 'sacred' or 'art has no price', because it is expressive of fundamental values of our society (Abbing, 2007; Fillitz 2014, Velthuis, 2007), what Fillitz calls 'good motive' for getting involved in the sector and buying art for the love of it (p88).

The economic aspect of the relationship is the contentious element of it, finding the artist rightly wanting to make a living from their work and the other players - collectors, dealers, critics - wanting to make a profit out of it. The dominant strategy in the art market is the building of network relationships to support the whole system, at local, national, international and global level. Once an artwork reaches the market it becomes a commodity, a cultural good, an economic asset and therefore, it becomes subject to economic interplays. By looking at the latest official reports publishing results of galleries and auction houses sales we understand how the sector is highly prolific and exciting, adapting to the changes in technology and social influence, and going strong in either of its fields, - auctions and art fairs - gallery sales - online sales.

Contemporary artists are becoming increasingly interested in these discourses and are questioning the whole structure of the art market, the strategies of sales and profit making and

the different relationships at play. Art organisations are also responding to changes taking place in the market, in particular to changes related to funding, governance, competition and technological advancements, which are opening the market to a more individualised approach by the artist, creating thus, new economic realities.

The points made in this chapter have aimed at understanding how financial concerns and artistic integrity affects the activities of contemporary artists playing a more active role in the art market. At the outset, Klamer and Zuidhof's three -sphere model was considered to show how artists operate within the market system, in particular as most relevant, with the commercial galleries and the gift donations to support their art practice. Taking from Bourdieu's socio- economic perspective and Callom's view of the artist as an economic agent, I have highlighted how artists can play a more influential role within the market by understanding their professional value and challenging set traditional models. The system at play in the art market is built on a complex structure of relationships in which artists are the pivotal element, but not necessarily the strongest link. We have seen how key players have direct influence on aesthetic value (cultural power) and how they function as an instrumental force to influence the market value (economic power) (Abbing). Artistic identity and the rise of a new role for the artist - the artist-entrepreneur - is challenging the system and showing that awareness and independence is a more powerful motive to sustain artistic practices. An understanding of how art market relationships influence the achievement of the highest level of professional achievement and the existence of a highly closed environment formed by 'deep-pocket' buyers (Abbing,2007) impacting on a so called 'superstar economy' (Rosen, 1981), raises the question of how contemporary artists can aspire to achieve such heights. A sense of increased responsibilities falls under a more well-rounded artistic professional who needs to understand the forces at play in the market and develop professional capabilities to manage economic strategies, meeting thus, the condition of performativity (Fanthome, 2013).

The possibility of recognising the presence of different art markets within the system and the understanding of how the foundation of the market and its economic success is built around an intimate system of networks (Velthuis, 2007) offers insights about the different roles at play influencing explicitly the financial value associated with an art work, in particular on the primary market sphere. Of particular relevance is, as well, the awareness raised around economic and technological changes that are impacting on art market performance and how artists and art organisations must adapt to sustain their art practices.

The case study of ArtCan as a contemporary art organisation operating at not-for-profit level in the London market which is challenging the set market parameters, has shown that changes are happening and it appears that artists are questioning the system as it has always been known.

These concerns will further the discussion on the next chapter which will take interest on a discussion about art consumption in relation to appreciation and financial value and how market forces generate and impact on an extremely diverse financial remuneration, enabling thus a hierarchical structure of artistic value.

### 4.3. Art Consumption in Relation to Appreciation and Financial Value

"In the art market, opinions are constantly changing: today's genius could be tomorrow's embarrassment. So if you buy it, buy it because you enjoy it." Adam Lindermann, *Collecting Contemporary Art*, 2006"

Collector, entrepreneur and financier Lindemann's words of wisdom set the premise for this chapter aimed at exploring how art consumption in the art market is driven by multiple stimulus, ultimately impacting on demand, prices, overall sales and artists' profile. He reminds us how personal appreciation and financial investment might appear to be at the extreme spectrum of the discussion, nevertheless, they are strongly connected and highly determinant. The function of the art manager, as we have seen in the previous chapters, is to mediate in the realm of such multiples and intricate relationships acting as balancing players, offering a space for artists to create and shine and a safety net for investors and collectors who put trust in their specialist competences for selecting, promoting and selling valuable works of art.

At the outset, determining the value of a work of art for aesthetic consumption has been considered in economic studies as a contentious exercise and focus was put on rational choice of economics theories supported by complex calculations and equations (Frey, 2003; Trosby, 1994; Mandel, 2009) to understand how investment in the arts could generate return in profits. Comparative studies of the Art Market Price Index (Baumol, 1986; Anderson, 1974; Stein, 1977) consistently reported that the rate of return in art investments is lower than alternative investments, however, the public's perceptions to the contrary is determined by sensationalist media outputs in predicting and reporting auction sales of major art objects by the top auction houses and galleries.



Commenting on the Financial Times in March 2019, Melanie Gerlis says:

Sotheby's kicked off this week's Modern and contemporary art auctions with a sprightly evening sale that made a total of £77.9m (£93.3m with fees, est £75.5m-£104.5m). Top lot was Jean-Michel Basquiat's appropriately titled "Apex" (1986), which nudged ahead of its presale estimate to sell for £7.1m (£8.3m with fees). Back in 1988, this work sold for £16,500.

Christie's equivalent auction felt faster-paced on Wednesday and also sold well (93 per cent by lot). The total £67.4m (£79.3m with fees) was within estimate and dominated by David Hockney's "Henry Geldzahler and Christopher Scott" (1969), which sold for £33m (£37.7m with fees, est £30m). Another Hockney — "A Realistic Still Life" (1965) — from the collection of the artist Frank Stella, failed to find a buyer (est £1.5m-£2m).

Both auctions made less than the evening sales last year, when each exceeded the £100m mark (including fees), but they demonstrated a London market that is still breathing, despite concerns of an uncertain Brexit ahead.

[Melanie Gerlis](https://www.ft.com/content/4bd43524-4001-11e9-9499-290979c9807a) MARCH 7, 2019 <https://www.ft.com/content/4bd43524-4001-11e9-9499-290979c9807a>

Table 2. Extract from article published in the FT, 7th March 2019

So, what is the attraction to art investments demanding such high prices, even in uncertain political and economic times? An understanding of what drives art consumption and investments might prove useful to contemporary artists engaged in the art market hoping to maintain continuity of business and attempting to achieve the stardom level with its respective price range. Theories of economic thinking of art investments and art market distribution (Grefe,2002; Frey, 2003) might provide some practical insights about determinant factors impacting on art as an investment, investors' preferences and wants, the artist's perspective and art galleries performances in responding to such demands. The case study presented in this research and insights from artists' surveys and interviews continue to support the discussion about art consumption in relation to appreciation and financial value. In addition it will reveal how innovative thinking is shaping new ways in breaking the barriers set by the traditional model of the art market that is the gallery-led exchanges, leading forward to the next chapter.

The majority of artists responding to my survey sell artworks in the bracket of the five thousand pounds, representing mostly fine arts works. Only a very small number sells in the higher category above the five thousands and up to thirty thousand pounds. It is not surprising

then, that one the major concerns highlighted by the survey is the ability to make a year profit exclusively from their artistic practice (all artists interviewed were employed on other jobs) and, equally the need to find new customers and increase volume of sales (Appendix 1, Q3-5). The staggering contrast in value of sales and prices achieved by celebrated artists as Hockney, Hirst, Saville or Brown, as mentioned above, encompasses the notion of the 'superstar effect' (Rosen,1981) and the extrinsic motivation of monetary reward for artistic innovation and output studied by Frey (1997). To envisage an art work as a worthy investment piece, contemporary artists are called in to appreciate the economic view of producing works for such reasons, in addition to producing or selling for aesthetic consumption as the chief consideration only.

Frey (2003) reminds us the main three elements to reflect upon when calculating rates of return in art investment:

1. the market equilibrium, treating the art market as any other to compare forms of investment;
2. technical virtuosity, research on the art market should be considered in the light of economics studies and technical calculations done by modern techniques, to compare the multiple and intricate elements of the art market, that is different types of markets; locations and demography; impact of the financial market; government support and taxation on financial transactions.
3. art market research results, economists and art scholars are able to offer insights from their experienced perspective, their knowledge of investors' characteristics and motivations; the cost of dealing; the motivation behind art consumption generated by the psychological need to owning art as the contrasting element in an investment appraisal (p161).

It is important to take into account two key distinguishable figures when analysing the art market, in the extreme, 'the pure collector' and the 'pure speculator'. Their behaviour and involvement in any art dealing procedure would in fact, generate, different determinants of investment decisions. Therefore, the selection criteria are judged in an atypical fashion:

- *change in risks*: when financial risks are unpredictable (price variation or uncertain attribution) the pure speculator tends to leave the market. The pure collector would not be affected as the dealing is determined by the personal appreciation, the return in investment generate a psychological benefit, rather than financial.

- *changes in costs and taxation*: if the cost of selling or taxation on works of art increases, the investor is driven out of the market as the transaction would not be favourable and the art work could not be easily resold; the pure collector would not be affected as there is no intention of re-selling the art work. High taxation will also move the speculator to other markets where taxation is more favourable or where works of art are sold but not taxed.

- *changes in taste and genres*: this relates mostly to Old Masters and Modern Art works. Considerations vary accordingly to social or political stand and the determinant is the psychological benefit of owning such works. Some important works might reach the top investment price and become unsellable or profitable; others might be of religious or political stance and appeal less to the private collector, but considered important for public institutions for art historic aspects and as a boost for the status of the collections. The pure speculator will shy away from such dealing as considered too risky for investment and not easily marketable.

In both perspectives, though, the privilege of owning an art work, for either financial or psychological reasons, is a common determinant for buying an art work. The speculator will take into account the market variables according to economics analysis while deciding on the investment. The collector will be interested in more intrinsic benefits, such as the aesthetic

pleasure of looking and owning a piece of art, regardless of the financial value of return in profit should they decide to re-sell (Frey,p172-173).

A relevant point can be made to highlight the difference in partnerships when dealing with the two set of players. An investor -speculator will direct their attention to the gallery/dealer model of business as they will find strong reassurance in the potential investment due to certification of authenticity, provenance, attribution, sale locations and the artist's reputation. The investor-collector, as well as the gallery, can directly deal with the artist on the primary market and overcome the long transactions of third party interference, cutting out the middle player. However, the risks of investing might be much higher in terms of future financial returns as the work might be difficult to re-sell, though the principal benefit of personal appreciation would be achieved, as the sole motivation for investing. In such terms, it appears that the gallery model is a better fit for financial investments as being supported by the whole organised system. J. Goodwin (2009) reminds us that the dealer or gallery manager usually specialises on a style of school of art and bet on unknown works or artist with the goal to give it a public existence and place in the market. They apply a mark-up of fifty per cent of the artist's wholesale price but they operate within narrow price bands in the secondary market to keep control of the price range. Art advisers, agents and art critics offer consultancy roles and communication links between the artists, the gallery and the audience developing important public relations as a build up for the artwork and artist's fame. Artists therefore, must realise that they need to make themselves marketable and distribution plays a critical effect on reputation (p7). It is proved that the value of a work of art increases as the 'circle' is created (Rosen, 1981). Artists are supported and nurtured by the circle, they obtain more exhibitions, their work sells well and they are asked to show at more prestigious galleries. The longer they sell, the higher the increase in prices. This also ensures a positive signal to quality and status. Dealers and artists therefore, have an interest in controlling supply

and managing scarcity of works to keep prices at the desired level. Prices function as a hierarchical reference, the higher the price the higher the value as cultural capital. It is in the interest of the whole 'circle' to fuel the status of the artist. Appreciation of art works is dependent on the social context in which they are seen (Goodwin,p15). As Rosen (1981) commented, it is no wonder that "the best artists sell their work in the great markets of New York and Paris, [and London], not Cincinnati" (p856). Demography and cultural capital go hand-in-hand in determining art prices, but income is a great driver, as well. Demand for art increases exponentially as income rises, as people become richer, they can afford to spend more, especially on commodity items such art. Growing economies like China, Russia and India have contributed in recent years to an increased demand of art works, both in the domestic market and in the western market. Thierry Ehrmann confirms in Artprice Report 2018: 'in less than ten years, China has managed to impose itself as a global giant and is now challenging the West's domination of the market' (p4).

The 2018 report shows the top three national marketplaces of the global Art Market accounting for 85% global auction turnover, generated from 44% of the total global transactions: USA 38%, China 29%, UK 18%. London and New York are still the predominant markets, with each city accounting for 98% of its respective country's auction turnover. Currently London controls Europe's high-end market, but Manhattan is a stronger magnet for the best works on offer and for international demand. Many contemporary artists are also generating strong results in many different countries simultaneously. Having established demand for their works in New York and London, they are able to enter the Asian and other markets (pp11-17). These figures shows the market movements at the major auction houses, however, most of the art market trade happens in the galleries and in private settings, therefore, such reports are mostly indicative of high-end price activities at the very top of the market and function as a source of aspiration for contemporary artists trading at lower levels.

It offers, though, an indication of how the market works and the direction one must consider to achieve certain heights of success. As testified by one of the interviewed artist, her sculpture showed at the Royal Academy Summer Show in 2018 got the interest of an American buyer who, soon after, commissioned an installation for her house in Massachusetts (Interview 7, SV). The institutional exposure boosted visibility and a direct connection with the buyer for logistical reasons, generated the development of a close personal relationship between the parties.

Getting recognition from important institutions opens doors to international markets and gives the opportunity to establish a global reputation and consequently achieve prominent results in different countries. The boom in online sales and artists dealing independently online, through their own website or third party online sites, favours this type of investment and guarantees massive global exposure. As shown in the Hiscox Online Art Trade Report 2018, there is a 12% increase in online trade compared to the year of 2017, and a boost in confidence for repeat online buyers of 25% (Key Findings, p2). Figures are encouraging and offer food for thoughts for contemporary artists because of the incredible opportunities available to extend their trading fields and attract investors and collectors. It demonstrates a stark contrast to the findings of the survey of this research, which, shows only a small number of artists dealing online, but almost a majority relying on third party websites to sell their artworks online. It is also interesting to see that galleries participating to the survey have a small online presence through their own or third parties website. A review of sale strategies would support an almost certain change of direction towards the current market and would, eventually, open up opportunities to enter higher levels of commerce and attract affluent investors.

Quoting Wan Jie (Founder of Artron Art Group): 'In the art consumption market, public desire for art is growing in everyday life. The boom in museum exhibitions, the debate

around derivative works, and the rapid rise in online sales, all reflect an increasing public demand for cultural engagement, and this new demand for higher standards of living may become a new economic driver for the auction industry.'(Artprice Report 2018, p5).

In particular, the market for 'affordable art' (artworks selling at less than \$1,000 and not above \$5,000) seems rather propitious. The report states that the Western Art Market 'reached an unprecedented density', showing a 79% ratio of sales, including paintings (40%), sculptures (8%), photography (4%), drawings (21%) and prints (22%), (p21). This type of market is therefore, not reserved for a financial elite, but open to small investors at all levels of the economic scale and offers bargains for all genres of art, from Old Masters (prints and drawings) to Modern and Contemporary works.

A personal confirmation of such opportunities was observed at London Bada Art Fair 2019, with an Italian gallery showing specialised works of Old Masters, Modern and Contemporary prints, and Fine Contemporary Figurative Art, presenting three original engravings of Albrecht Durer (1471-1528) for a very affordable price of £4,500 each. ([www.salamonfineart.com](http://www.salamonfineart.com)).



Fig 4. Snapshot of Durer, 'Hercules and the Effects of Jealously, 1498'

One example is shown above 'Hercules and the Effects of Jealously, 1498' taken from the Salamon Fine Art leaflet. Purchasing the entire lot would have offered an invaluable opportunity for an astute investor, yielding a return of a minimum of 100% of the invested amount in case of a future re-sale. Following a comparison of the current prices set for Durer's prints on the Artnet price database, we can see how highly priced similar works are being auctioned: Knight, Death and Devil, 1513, Est. 45,000–55,000 EUR; The Jerome, penitent in the Desert, 1496, Est. 18,000–22,000 EUR; The Penance of St. John Chrysostom, 1496, Est. 20,000–25,000 EUR (Artnet Artist Listing, March 2019).

Collectors would love to have those pieces in their private collection, mostly for their aesthetic and historical value and the much added prestige to include such high-quality artworks to their art collection, which will be highly appreciated by art experts and influencers who, as said earlier, determine aesthetic and social value, which in turn determines market value. Quoting and agreeing with the art dealer Sadie Coles, that 'art is an investment in money and ideas. We invest in culture to work out intellectual and emotional dilemmas. Art is fantastic investment of intellect that pays back big time' (in Linderman, 1996, p48).

Taste is a relevant factor in driving demand of art consumption, Wan Jie confirms again that 'people's pursuit of art and love, in fact, is the inner spirit of the yearning for beauty. This appeal has never been weakened by the turbulence of the external environment, provides an eternal source of strength for art trading, and contains a huge market potential.' (Artprice.com Report 2018, p5).

It is essential to understand that personal taste and inner experience for a work of art is what predominantly drives the need of buying, regardless of the financial investment associated with it. Art is important for the three dimensions of usefulness that it is related to: pleasure, emotions and knowledge (Grefe, 2002). Consequently, it offers multiple options for



different aesthetic experiences generated by the diverse source of information related to the artwork and how it is then used and understood. The evaluation and the understanding of an artwork leads to aesthetic judgement and further appreciation - cognitive experience - and the continuous interaction with the cognitive process leads to the pleasure derived from the beauty and emotions an artwork can stimulate - emotional experience. (Leder et al., 2004; Leder & Nadal, 2014). Their fascinating studies in psychological research directed to understand how information is processed over the time course of an aesthetic episode considering its perceptual, cognitive and emotional components, facilitate an understanding on how we experience a relation with a particular artwork rather than another, or why we decide to invest in a particular work regardless of the price. The model also shows a certain degree of a relative independence between aesthetic judgments and aesthetic emotions. 'It is possible to be emotionally moved by artworks we understand poorly, and it is possible to feel indifferent towards artworks we understand well and judge highly' (p447). In addition, it is possible to appreciate disgusting objects when they are disguised as artworks because of different expectations presented by the significance attributed to them and how it was cognitively processed during the aesthetic experience (p451). Social and cultural context, personal background, information, time and space have a considerable impact on how people experience aesthetic appreciation and similar research supports the understanding of how people engage with art. The way artists are continuously challenging the set rules of creativity, introducing new metaphors and symbols, create new illusions and generate curiosity in their audience and drawing the attention of buyers (Abbing, 2006).

Taking the example of Joana Vasconcelos' work (1971). She is the most popular Portuguese artist who is challenging the international art environment with an all-rounded feminine approach. She came to the forefront of success in 2005 experiencing her first taste of international recognition at the Venice Biennale with her work *A Noiva* (The Bride), a

gigantic chandelier constructed out of tens of thousands of tampons, imitating the imposing crystal chandeliers of the 19th century and, also symbolising the traditional white wedding dresses with their veils and long trains. This work clearly referred to feminine identity by granting visibility to something that is not usually spoken of in public and generated controversy and an overtly feminist interpretation due to its placement next to the works of the Guerrilla Girls in the *Always a Little Further* exhibition (Fernandes and Afonso, 2014; Juncosa, 2015). Since then, her prestige and success has grown exponentially, making her one of the most recognised Portuguese contemporary artist exhibiting for the most important museums in Europe: the Louvre in 2012, Manchester in 2014, Venice Biennale in 2015, Royal Academy Summer Exhibition in 2018, Guggenheim Bilbao in 2018. The complexity and diversity of her creations have attracted international interest because of the innovative representation of common textiles and objects into a radical interpretation of controversial thematics, in particular around the feminine discourse of the modern age, which are reworked and re-elaborated to form recognisable everyday objects in a monumental scale. When Lipovetsky and Serroy (2011) call her an artist 'who is purely, radically and intrinsically hypermodern', they are recognising her talent and industrious creative ability to offer new contemporary meaning through a re-elaboration of past experiences embodied in the materials and threads she so carefully combines from the Portuguese tradition and customs. In addition, her hypermodernity can be ascribed to the way she has organised her work and her studio. All her works are handcrafted and combined with homemade materials to create unique pieces and she avails herself of the support of numerous collaborators - carpenters, designers, assistants, waivers, metalworkers - in an environment recalling the old Renaissance workshops, where the ultimate creation is the product of a collective work and not a solo artist outcome (Fernandes and Afonso, 2014). In doing this, she asserts the mixed character of a typical creation of hypermodernity where complexification has become the rule (Lipovetsky

and Serroy, 2011). The study of Fernandes and Afonso explains how Vasconcelos started her little company Unidade Infinita, Projetos, in order to respond to the high demand of her works from collectors and requests of participation to exhibitions. She epitomises the figure of the self-made artist-entrepreneur fully managing the space she has created through the active collaboration of specialised staff (36 in 2013) and in an orderly fashion, from the sketching of an idea towards the various stages of design and implementation, taking into consideration production costs, timelines of completion for the various parts, communications plans, fundraising and budgeting and final logistics. Very much like a project management structure of production, where all roles work autonomously and democratically, but where the main leader is one only, guiding and directing with visionary talent and strategic direction in response to market demand and her own artistic message. As artist-entrepreneur, she is very much aware of her target market, divided in Fernandes and Afonso's study in four segments:

- end consumers (private collectors, art investors, sporadic buyers)
- state (government institutions and local bodies)
- sponsors and patrons
- other partners (distribution intermediaries, private galleries and dealers),

therefore, she has to respond to their demands, taste and needs and adapt her fundraising strategies accordingly in order to raise funds to meet the cost of production of her gigantic works. She also differentiates her production in order to meet the end consumer need. That is according to the authors 'at the time of writing, Vasconcelos has developed more than 40 different series and produced over 700 works, with prices ranging from €7,500 to €500,000' (pp60-61). The vast array of creations, from the smallest to the gigantic, demonstrates her ability to differentiate her work to respond to a demanding consumer society, taking Lipovetsky and Serroy (2011) to make a comparison with the likes of Warhol, Koons and Hirst, however, setting her apart in terms of her ability to transmit her message through the

recycling of consumer objects transformed by her skilful media to confer aesthetic pleasure with the ultimate artwork (p304). Vasconcelos' success as international artist, and even more as an artist-entrepreneur, is testified by auction results of some of her established pieces - Golden Independent Heart (Lot 31) was auctioned at Christie's of London for £163,250 in 2009; Marilyn (Lot 3) was auctioned at Christie's on 11 February 2010 for £505,250 - to set a few examples. Of all the works on show on the Artsy.net auctions site do not disclose the price, with the exception of a couple from the Kunzt Gallery going for a bid of €15,000 - €20,000, consolidating the feeling of affordability (in relation to price), but also of the exclusivity of the investment in relation to the bidding process involved, albeit online.

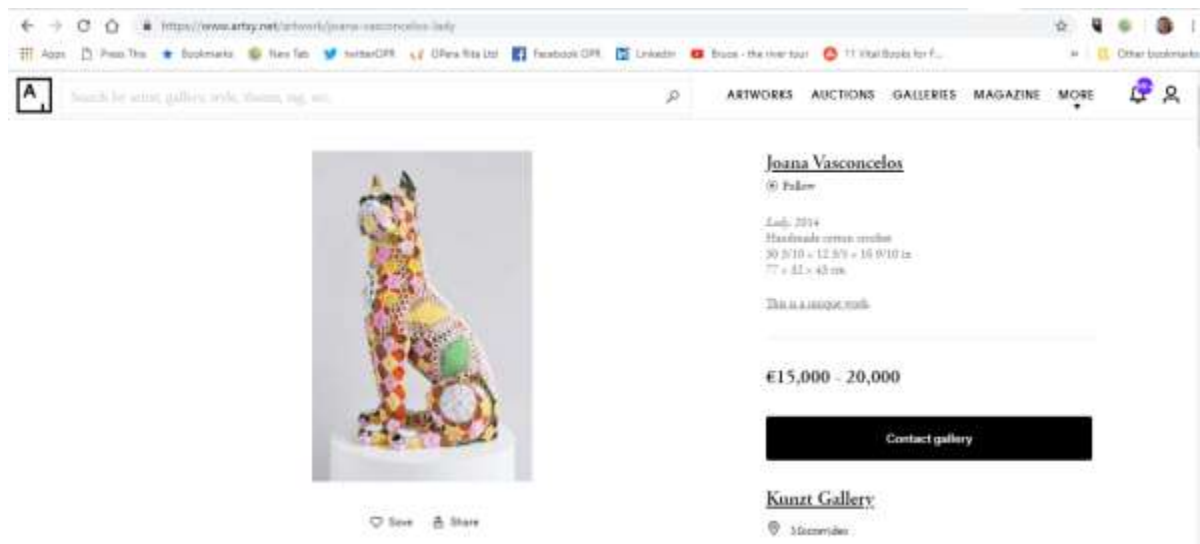


Fig 5. Screenshot of Artsy.net auction site showing Lady, 2014

Her remarkable achievements are testimony to a driven and ambitious personality who has faced the adversity of critics and confronted in a radical manner, the conformist and traditional art business rules, mainly dominated by the galleries' hegemony. In her early career she decided to sell her artworks directly from her studio and she carefully selected her international collaborators for the secondary market, managing therefore to maintain autonomy, establish business relationships and acquire institutional recognition for her innovative artistic creations. The combination of her artistic persona with a skilled and

strategic entrepreneurship style enhances her opportunities to have continuity of business and be involved in even more grandiose projects. The purchase of a Vasconcelos' piece can certainly enrich a private collection for her authentic and hypermodern artistic vision 'reshuffling the cards of the contemporary art game' (Lipovetsky and Serroy) but, it could also be regarded as a considerable piece of financial investment, seeing the evidence of the increasing price value of her work overtime.

At the outset, this chapter wanted to highlight how art consumption is driven by multiple stimulus impacting on demand, prices, overall sales and the profile of the artist. Personal appreciation appears to be the most relevant factor influencing the buyer's decision in wanting to carry on an investment in the art market. A connection, either with the artist or the gallery seems to be highly determinant in closing a deal. However, it seems to be the aesthetic experience generated by cognitive activity and emotional responses to art that elicit a psychological bond with any work of art, urging the buyer to make an offer. Psychological studies carried out in the last ten years, inform us of how art and aesthetic have an impact on our emotional state and are determinant in the final decision of purchasing a work of art. The marked difference, at the extremes, is the behaviour of the different types of buyers, either the pure collector or the pure investor, who behave radically differently because of the nature of their position within the art market. In economic terms studies of price indexes and remarkable calculations have highlighted how pure financial investors might evaluate the risks of investing in art. However multiple factors have an impact on prices and demand of important pieces by key artists of the moment, and they tend to drive transactions and deals.

For the contemporary artist, it is relevant to understand how art consumption is determined by so many variances and how they can position their works to increase their chances of making a stand. The development of digital tools to independently sell their artworks on the primary market has increased the opportunities for artists to access a portion

of the market that was traditionally off-limits. Their perception of the innovation inherent to their professional development as entrepreneurs has started to shift the scale towards the creation of new marketing practices in search of alternative audiences (i.e Generation Z, Tech investment companies, overseas markets) aided by the use of advanced technology. The example of J. Vasconcelos' marketing activities is a demonstration of a successful marketing and sales strategy in differentiating her production and distribution to reach diverse audiences.

#### **4.4 Alternative Business Models (case study and new technologies)**

This chapter introduces a brief overview of alternative models of art management and entrepreneurship encountered during the research project, mostly from the perspective of the artist, and it explores how they are moving into a more independent and alternative way of presenting their works into the art market. As discussed earlier, a new figure of artist-entrepreneur is shaping up a prominent role in the art market (London), with more proactive, business-like and self-promotional strategies, and self-directed private enterprise approaches aimed at building and developing a personal brand. Art management and traditionally gallery-led approaches have been put into discussion, evaluated and re-considered as being relatively overrated to be the sole intermediary for the purchase of contemporary artworks. Their value remains relevant if considered as a major stepping point toward celebrity status because of the link to established brand names. However, for the emerging and not yet famous artist the price and commitment required to one brand, seems to be too much of a price to pay. Market reports show positive outputs for top contemporary artists' sales generated by the most renowned galleries and auctions houses, and remain a point of attraction for those artists aiming high to make their entrance at Beta and Alpha level, but the ascent is quite steep, rejections painful, competition intense and profit almost null. The business model offered by the traditional gallery finds itself in competition with new professional spaces - either physical or virtual. Artists are responding with new strategies to align their role and function. They are moving towards ideas of peer sharing and collective authorship, testing efficient ways for gathering payments without intermediaries and reinvesting profits in a resourceful manner. Fillis research (2015) explore the new phenomenon of celebrity brand or their role as brand managers based on the exploitation of social media practices to engage with audiences that identify with their celebrity identities. There seems to be a strong link on how branding is considered extremely important in

enhancing artistic value, either for the artist as a celebrity or the artwork as a mean for cultural association, what it's called the 'power of aura' (p648 & 650). The establishment of this aura generates from marketing approaches, audience valuations, price level, media relationships and aesthetic knowledge. The customer identifying within the creation of the aura, feels involved in some sort of relationship and develop a relationship with the artwork and the artist (p650). It is relevant to note that the relationship intensifies as the artist creates the product and communicates directly with the customer, there is no intermediaries, and therefore there is a greater attachment to the artist's brand and the perceived aesthetic feeling and emotional experience related to it. In agreement with Brkic (2018) we found that in relation to the gallery model of art business practices, art management as function has to adapt and find its place in these changed scenarios for the future, either becoming more equal with other authors/creators, or sharing ideology of collective authorship with everyone else.' (p87). The case study of a non-profit organisation is presented to illustrate of the alternative approaches artists are considering to build an artistic brand and challenge the traditional paradigm.



## **ARTCAN - not-for-profit, run by artists and not relying on public funds**

"Enabling Artists To Find Their Voice And Sustain Their Practice."

(ArtCan website, 2019)

A small independent organisation born out of the vision of one artist, Kate Enters, to create and develop a space for artists from all kinds of backgrounds and experiences to collaborate on artistic projects, either in the UK and the rest of the world, in order to develop and maintain a sustainable and self-sufficient art practice. After a stint in PR, where she developed relevant contacts and significant professional skills, Kate decided to return to her art practice and explore the nuances of launching personal exhibitions and attract the interest of the London audience. She was successful in terms of making it outside 'the gallery system', however, she noticed a regular repetition of people visiting her shows and realised that to grow and extend her visibility and network, she needed to open up her ideas and discourse to other artists, who like her, shared the same solitary experience. ArtCan was born with this view in mind, aided by each participating artist's set of skills and own network, to lead on the various projects. Recognised as a not-for-profit organisation and led by Kate with respected trustees from the art world, ArtCan is making its mark in the art scene and steadily growing in terms of number of artist members and a busy programme of events every year. The 2019 programme contains a rich and complex schedule put in place to achieve this year's goals. It is a varied and organic agenda which offers curatorial opportunities to member artists who cooperate in partnership to develop their concepts into a multi-facet and cross-genre display of techniques, materials and conceptual thinking. Being volunteer-led there are not over-head costs, artists pay a little nominal fee to cover the cost of the event, and all profit generated by sales go directly to the artist. This strategy, which is ArtCan's underpinning principle, drives

the organisation and it is at the foundation of its phenomenal success of achieving a huge amount of following also, internationally. Quoting Kate:

"...essentially because we are volunteer-run and non-profit, we actually don't have huge worries because we are not relying at all on funding... it means, if we wanted to, we can just carry on as we are. We obviously have desires for growth, it will be great to get, you know, formal funding streams coming in, it will then mean, I could potentially not do a day job and juggle everything else, that will give a different place for business. So, there is a lot of potential, but because we've grown so organically as a volunteer sort of structure, there is no urgency for us to take huge risks or to push in different directions, so we can continue to organically grow."  
(KE interview, 14:17)

This model works and Kate and the Trustees are confident in the current strategy so that, it can continue into future business approaches for sustainable growth, although any new opportunity is carefully considered and tested. Taking for example, the event launched in January 2019 at the Shard, Duff and Phelps' offices, *Elevate*. Following the successful 2018 exhibition in partnership with Cavendish Avenues at 44 Hallam Street (also repeated in April 2019), ArtCan opened a show in partnership with Duff and Phelps Corporate Finance to create a vibrant and enticing work environment. The aim is to provide a unique and enriching experience to employees and visitors, to increase opportunities for business traffic but primarily, to create a stimulating artistic workspace proved to decrease stress and improve productivity (NHBCA, 2003). Artists are also, generously, offered the opportunity to spend an afternoon at the offices on the 13th and 14th floors, to observe, sketch and talk to employees about their art practice and the work with ArtCan. The photographs below were personally taken at ArtCan opening at Duff and Phelps, 2nd Feb 2019.



Fig 6. ArtCan Literature (own photo)



Fig 7. Guests networking (own photo)



Fig 8 and 9. Artworks sold (own photo)



Fig 10. Artworks in the office (own photo)

The large variety of top-quality works on display (50) provide employees feelings of engagement on emotional aesthetic experiences and intellectual stimulus normally found while visiting museums and galleries; artists' residencies offer them the chance to interact directly and understand the artwork nuances; and ultimately, but equally significant, it enhances the reputation of artists and ArtCan in the eyes of the employees and visitors, boosting therefore, major purchase decisions - five artworks were bought on the opening night alone - as expected, following feedback from employees.

ArtCan's strategy to engage with the corporate world provides insights on the innovative approach implemented in wanting to make contemporary art more accessible to collectors, but most of all, as an answer to competitive positioning in the context of a vibrant art market as London. Large organisations have implemented similar approaches, the Deutsche Bank (DB) it is for instance, one example. The German investment bank has the biggest collection of corporate art in the world, with some 60,000 art works across 900

offices in 40 countries; it offers an interactive app which tells employees more about the works they are looking at and an “Arthothek”, a place people can stop by and ask an expert for advice when it comes to choosing an artwork for the office; the bank also hosts talks by artists (The Guardian, Brewer, 2016). Quoting from her article in the words of Friedhelm Hütte, global head of art at Deutsche Bank, who confirms that:

“Art offers a window into the social, political and economic aesthetics around the world and this makes it a good inspirational fit for our business because we live on developing new ideas for clients and reacting to what is happening in the world.”

DB's collection is mostly composed by contemporary drawings and photographs, seen the most suitable medium to inspire feelings of innovation and spontaneity reflecting the moment new ideas are generated. In a similar fashion, ArtCan is inspiring Duff and Phelps' employees in engaging with the variety of artworks exhibited. However, being a public, not-for-profit organisation, (in contrast to DB as a private owner of art exhibits) the duality of the project outcome: a) enhancement of the wellbeing of the work environment; b) to boost ArtCan's brand and artists' profile; reflects the spirit of innovative thinking driving the organisation and its willingness to find a competitive positioning in the globalised art market. To paraphrase Chong in *The Art Business* (2008), contemporary art is a moving market and one of the most accessible as there is a continuous supply of artists, therefore, business reputation can be developed in a short period of time and collectors have the opportunity to invest in works with the potential to become classics. "There is a sense of opportunity, excitement and continuous innovation." (Chong, 2008, p122).

ArtCan is placing its business at the forefront of such strategic thinking and presenting a global profile, that is, marketing themselves as a strong, independent local art promoter with an upcoming global reach. Testimony to the global expansion, in addition to partnerships with

other art organisations for overseas exhibitions (Italy 2018, Austria 2018, France 2017), is the confirmed participation of artist members to overseas influential art-shows (Caroline Banks, Frieze New York, 2019; Diane Burch, New Zealand, 2019 World of WearableArt Awards; Genevieve Leavold, The Other Art Fair, Chicago, 2019). The growth foreseen by Kate relates to numbers of artist members recognising the high potential for exposure, but also as Kate emphasises, "we can keep growing as we are, and again, we are not reliant on anything, other than good will and people, so it's amazing what you can do with artists across 26 countries, yes, it's different..." (KE interview, 16:24). The different marketing philosophy of ArtCan makes it their unique selling point (USP). It is successfully reflected across the use of marketing as culture dimension, moving away from the transaction-based exchange dimension of marketing as pure strategy (Webster, 1992; Chong, 2008), which confirms it is the most relevant format in strengthening those complex relationships in the art market, based on trust, loyalty and customer appreciation. It also mirrors a combination of the business model centred on the creative project, strongly positioning itself in the local economy but in addition, focused on the figure of the artist as the leader of the business relationship (Moureau and Sagot-Duvaurox, 2012).

ArtCan has built a strong brand narrative to be successful in the market by utilising media strategies and collaborations to create an aesthetic impression with its audience. All artist members are aligned to ArtCan ethics and philosophy of collaborative support because they exercise a degree of control on their art practice and their artworks, they set their prices and they take home the entire profit. The strength of the organisation's brand assure them a clearly defined reputation by alignment with a professional label (Filli, 2015, p653-654).

Artists led and direct participation on cross-genre collaborative projects seems to be a successful strategy for artists to open doors into the market and generate interest at different levels of the art market hierarchy. The main priority is to secure value and legitimisation to

their work, which has traditionally been the task taken on by art dealers and critics, and to build a strong brand that will set them apart within the mainstream layers of the market.

In the past artists had to go through a long process of recognition winning the acceptance and support of intermediaries, mostly linked to the gallery-structure, which would invest in selected artists, and success was related to the gallery reputation and the financial status. The ability to discover, select and assign meaning to artworks is significantly affected by the selectors' status, which convinces other insiders, as well as consumers, of the value of their opinions (Lee and Lee, 2016; Bourdieu, 1983). In this hierarchical and elitist structure, artists were reliant on the whole art market cycle to achieve success and recognition, leaving the power of building their brand to the multiple actors involved in the system. The aesthetic discourse and cultural branding was, in fact, impacted by the taste and social class of each actor playing a role in legitimising the artworks, keeping the artist at the mercy of such intermediaries.

In view of the independent nature of the artist's entrepreneurship discussed in this research, a shift has been observed in independent thinking and proactive entrepreneurial activities aimed at challenging the established tradition.

Artists are evaluating the art market structure and are playing a major role in positioning themselves in the most suitable environments, collaborating in cross-genre projects and peer-sharing platforms. The case study about ArtCan organisation can be considered a successful example of this type of collaborations. Artists joining forces, skills, networks and resources to present shows that are relevant to the socio-cultural perspective represented at their respective market level - low/medium end layer (Gamma for Robertson, 2005). Here, artists are in charge of their personal brand and aligned to the ethical message of the ArtCan brand, establishing therefore, a specific cultural meaning through their works and

their affiliation. The non-profit principles of the organisation set them apart in the market, acquiring credibility and following with audiences sharing similar values, either in the corporate world or in the public organisations. The latest cross-genre project, Continuum, to be launched in September 2019, is a collaboration with Southend Cultural Assembly, as a visual art show including drama, poetry, music and dance performances in a scheduled monthly programme. In the words of the curator, Lawrence Matthias:

"Continuum is an ambitious, collaborative art exhibition an events which seeks to forge new links between artists and new audiences. It celebrates the vitality and positivity of art, along with its perennial capacity to renew itself and provide an unifying thread of continuity throughout everyone's life." (Press Release, March 2019).

The brand-wise ambition is to develop new networks of co-operations in order to expand ArtCan visibility across the regional markets of the UK building on the extensive success achieved in the London market. Most importantly, the spirit of collaboration and shared ideas will fuel new interpretations and innovative thinking on conceptual practices stimulated by the ethos of a far-reaching cultural diversity.

The two case studies presented in these chapters, the ArtCan model of artist-led entrepreneurship and the artist Joana Vasconcelo self-branded business practice, demonstrates how different approaches, equally valid, have managed to negotiate challenges related to their art environment in order to achieve organisational success. ArtCan as a no-profit organisation, led and guided by an artist supported by a solid trustees structure, has based its commercial strategy on the foundation of strict artistic collaboration of artist members who are one hundred percent rewarded with their profits from sale outputs from programmed events. J.Vasconcelo was able to build her brand as a solo artist who subsequently developed a formal business model of producing artworks through the assistance of a structured workshop of artists. Both cases establish a sense of marked willingness to distance themselves from the



constraints of the gallery representation to make it into the art market. However, although their governance models differ from each other, both have found their road to success by adhering closely to their ethos and authenticity by carefully managing their resources and their own media representation. In their own market sphere they have been able to engage with their audience and establish a connection by a skilful development of their artistic brand. In addition, in both cases, there has been a notable ability from the artist founders (Kate and Joana) of managerial effectiveness with regard to their collaborators, either volunteers (for Kate) or paid (for Joana). In addition, the implementation of strategic marketing approaches and social media usage has accelerated the process of celebrity status (for Joana) and contributed to open doors to more important international opportunities for ArtCan artists.

## **E-commerce - Blockchain and Cryptocurrency**

As discussed in the previous chapter, e-commerce is at the forefront of artwork purchases and is becoming a major platform, for artists and galleries, to increase local and global visibility and provide information to potential buyers/collectors. E-commerce includes tasks that support the buying and selling of goods, and might be interpreted in different ways based on the use applied to it: 1) a communications tool to deliver information, products or services or payments; 2) a business process systems of applied automated technology; 3) a service tool to reduce costs and increase the speed and quality of service delivery; 4) an online platform to buy and sell products and information online (Kalakota and Whinston, 1997). For the purpose of this discussion, e-commerce has been categorised in three major distinctive structures, found to be more suitable, and the most applied by the interviewed artists and organisations considered:

a) artist's own website; b) artists joining third parties websites; and c) social media platforms

The 21st century art marketing models have found it necessary to align themselves with the latest technologies and to have a fully functioning and informative website. This is not only a necessity but an imperative. Websites for art organisations and individual artists are a fundamental source of up to date and globally accessible information designed to attract and build the audience's interest, but most importantly they are a cost-effective promotional tool and distribution channel with the ultimate objective of generating revenues. The most important attribute associated with the advent of the web is the extended globalisation, which serves as a tool to share social, cultural, political and economic issues, and the arts can take advantage of such a high position because of the reduced barriers to access which have developed cultural uniformity (Heo, 2008; Cowen, 2002). The most relevant drives to adopt e-commerce and digital technology have been suggested (Chaffey, 2015) to be:

- cost efficiency in increasing speed of supply chain distribution and reduced production costs;
- competitiveness advantage in responding to customers' demands and quality of service offered.

An interactive, clean and user-friendly website allows for a vital interaction between the parties and ensures that audience is participating in the formation of the content shared via direct feedback, messages or the sharing of the content page on social media channels. Websites built to promote the sale of works of art must also be able to quickly upload images and videos, mostly because of the visual nature of the products in question. Thus, purely because of their intrinsic function of a virtual window-showroom-exhibition space they must be designed to be highly effective, following high quality visual standards.

Based on the research results, all of the artists invited to complete the survey (23) and those responding to it (18), have a personal professional website showing and selling their artworks. Similarly, all the art galleries invited to participate to the survey (34) have a business website as the virtual showroom and gallery for the artists enlisted in their portfolio. This act as an additional promotional and informative tool to the physical space of the gallery itself (Appendix 2 and 4). A point of interest identified by the survey is that, the responding galleries (5) show only a small level of sales of artworks happening online, which might imply a relative use of the website mostly as an informative tool, leaving completion of transactions through personal contact, either face-to-face or over the phone. Equally, artists responding to the survey, only a small number includes the website as a tool for concluding transactions, but merely for attracting new audience. This trend has also been confirmed by the observation of the ArtCan website, which acts as promotional window for the artist members, rather than a gallery space for the acquisition of artworks. The underpinning

principle of ArtCan is, as mentioned earlier, to connect the artist to the buyer so that transactions are dealt directly without the need of intermediaries.

The experience of buying art is strongly related to social, cultural and economic factors and is traditionally favoured through personal interaction and strong relationships. Buying art online has been a slow learning curve for interested buyers, however as latest market reports show (Hiscox,2018), it is a practice in continuous growth and is inspiring all generations across the world. Some studies have highlighted reasons for the contradictory market behaviour, discussing reasons associated to personal aesthetic experiences in seeing artworks physically spurring buying decisions, or social and classist conditions informing personal relationships with art dealers/gallery managers/artists, or knowledge and connoisseurship of artefacts developed by personal taste and by physically observing and studying an artwork directly before taking any purchase decisions (Colbert,2003; Chen,2009; Hassanein & Head,2007; Fotopoulou,2017). In actuality, the market has been having a shift of thinking and with smart digital technology improving visitors' experience, confidence in virtual galleries has steadily grown and figures are satisfactory. (Hiscox Report, 2018)

The increased popularity of third party websites offer contemporary artists a platform to raise their profile and boost sales, and it is proving to be advantageous in terms of accessibility and product differentiation and comparison. Interactive 3D representation of artworks and the vast amount of information available to potential buyers and collectors, enhances the aesthetic experience due to the clarity of details, increases the knowledge required to make a purchase decision reducing collateral risks and most importantly breaks down social barriers opening the market to multiple social strata traditionally excluded from building art collections or investments.

2018 rank	Company	Movement from 2017	Visitor rank	Purchase rank	Visitor experience rank	Buyer experience rank	Average rank
1	Christie's (online)*	0 ↔	3	3	2	1	2.3
2	Artsy	+1 ▲	2	1	3	4	2.5
3	Sotheby's (online)*	-1 ▼	4	4	1	2	2.8
4	Artnet	+1 ▲	1	2	5	8	4.0
5	1stdibs	-1 ▼	5	5	7	10	6.8
6	Phillips (online)*	0 ↔	12	8	4	3	6.8
7	Paddle8	+1 ▲	8	7	6	7	7.0
8	Etsy (art and collections) <b>NEW</b>	NA	11	9	12	5	9.3
9	Saatchi Art	-1 ▼	6	11	9	11	9.3
10	Bonhams (online)*	-1 ▼	13	12	8	6	9.8

Fig 11. The Hiscox online art platform ranking 2018: Top 10 extract from page 8

The most pertinent examples useful for our discourse might be considered to be Artsy, ranking at second post and Saatchi, ranking at tenth. Artsy is a free online platform for collecting and discovering art, featuring leading galleries, artists, art foundations, museum collections and art fairs and educational projects aimed at connecting partners and those interested in collecting. There are over 600,000 works available for sale on Artsy, ranging in price from \$100 to over \$1,000,000. (Artsy website, 2019). Saatchi Art is the world's leading online art gallery offering a phenomenal selection of artworks in a range of prices. The online platform represent artists across the global contemporary art market and aims to redefine the experience of buying and selling art by making it easy, convenient and welcoming for both collectors and artists (Saatchi Art website, 2019). Both of them are enriching the online market with vast amounts of informative resources easily accessible by the interested audience, either experienced art lovers or newbies into the fascinating realms of the art market. The contrast in usefulness is given by the ranking profile. Artsy being recently set up (2009) attracts audiences for its innovative approaches to market art, founded as a start-up database for art collections, as confirmed by M. Schuetz writing in Bloomberg: "Artsy helps customers develop their own taste in a Spotify-meets-Facebook kind of way, showing them works based on what they've liked and followed. Along with other startups with names like 1stdibs, Invaluable, Paddle8 and Artspace, Artsy has helped democratize an

opaque marketplace that traditionally has catered mostly to wealthy sophisticates."(Bloomberg, 2019). Saatchi, being a renowned name in the art world attracts with no effort artists from all over the world, who are then carefully selected and approved to place their artworks for sale on the online gallery. The mission at Saatchi online is to give "increased exposure to artists around the globe, put[s] them in front of well-known curators and consumers."(Artsbeat, NYT, Ryzik and Spiritus, 2012). The Hiscox report ranking shows Saatchi at the highest rank of buyer experience (11) and the second highest purchase rank (11). Not surprisingly, Saatchi was also the most used platform in our research survey (40% by galleries; 61% by artists). The confidence on the online platform is based on the profile of the name and the important network of connections Saatchi extends to, although commission of about 30% of the sale price is deducted before paying the artist. A compromise that many are happy to oblige to, in return of the global exposure achieved.

Social media platforms are the most recent add-ons to the marketing repertoire. The most used being the networking sites Facebook, Twitter and Instagram because of their visual nature and instantaneous response from active followers. Being developed for engaging with the audience through the sharing of content and news, rather than being pure promotional tools, they have acquired high importance in terms of providing benefits of long-term engagement (Nistor,2018). The sense of community spirit and the user-friendly nature of these platforms allow for a multifaceted approach to marketing that has been fully employed by art organisations. Recent statistics show Facebook to be the most used networking platform in the world (2.32 billion monthly active users at April 2019), with an audience ranging between 18 and 54 years of age; Instagram (1 Billion monthly active users at April 2019), with an audience aged 34 years or younger; Twitter (330 Million monthly active users at April 2019), audience age not collected. (Statista website, April 2019)

A similar trend has been highlighted on the Hiscox Online Art Trade report 2018 (p14) with Instagram the favourite social media platform for the art market, due to its simplicity and visual nature, it has become the best place, as a source of information and influencing trends and sales. Millennials and young professionals (under 35 years of age) use Instagram to discover new artists and follow them to be updated on new artworks. To quote Olivia Fleming, writing for Vogue:

"The social media platform is not only launching the career of under-the-radar artists, it is providing the world with an entirely new way to access art. Where artists once had to first get support of the art world elite—critics, galleries and big name collectors, which would eventually lead to museum shows—before reaching the monied masses, today artists use Instagram as their own virtual art gallery, playing both dealer and curator while their fans become critics and collectors, witnessing the creative process in real time" (O. FLEMING, Vogue, May 2014)

Social media by large has become the most prominent platform for the art market and galleries, art organisations and artists have embraced the momentum setting up their accounts and competing for followers. Social media, in particular, is relevant for attracting new buyers playing a crucial role in viral marketing, generating word of mouth interactions leading to potential sales, surpassing by far the use of websites for this particular purpose. (Padilla-Meléndez, del Águila-Obra, 2013). A combination of strategies resolved around the multiple options offered by the Web (2.0) should be used, therefore, to keep artists and galleries actively present and visible in the market. In addition, they can be easily and privately consulted for potential art investments, by following trends and price indexes as they are published or as new artworks are made available in the market.

The progression of blockchain technology and the cryptocurrency Bitcoin have disrupted traditional methods of payment opening new opportunities for peer sharing data, transfer of financial transactions without the intervention of third parties and having a secure

virtual place to collect and store private data. New research has been developing around the subject and interest in it has been increasing both from the academic, scientific and technological fields and from the numerous industries that might take advantage in the near future. Good reviews of researches carried out since 2008, year when Bitcoin was coined - provide an insightful overview on what this new technology is about and its benefits and limitation in application. (Casino et al, 2019; Adams et al, 2017; Kwell and Ward, 2017; Yli-Huumo et al, 2016). For the purpose of our study, a brief summary will suffice to put the topic in context and understand how it has entered the art market industry, challenging the traditional ways of making business.

Bitcoin - is a decentralized digital currency payment system that consists of a public transaction ledger called Blockchain. The essential feature of Bitcoin is the maintainability of the value of the currency without any organization or governmental administration in control. Bitcoin created a decentralized environment for cryptocurrency, where the participants can buy and exchange goods with digital money. Bitcoin was the first application that introduced Blockchain technology.

Blockchain - is a decentralized distributed database solution that maintains a continuously growing list of data records that are confirmed by the nodes participating in it, not requiring any third party organization in the middle. The data is recorded in a public ledger, including information of every transaction ever completed and fully shared and available to all nodes. The system is transparent and anonymous making it more secure for other nodes to confirm the transactions. The goal of Blockchain technology is to create a decentralized environment where no third party is in control of the transactions and data (Yli-Huumo et al, 2016).

Due to the significant features associated to security of direct payment transactions, integrity and accuracy of data and increased level of accessibility at multiple levels of the



economic scale, blockchain solutions could feature in any art organisation and professional artist's website as a valuable tool to increase transactions and volume of sales. Merits for an art blockchain market have been highlighted in terms of: 1) facilitating a virtual marketplace free of intermediaries (Kewell and Ward, p492); 2) a trustful virtual place providing transparency of transactions but shielding the identity of the individuals involved; 3) a system to provide visibility and traceability offering artists and owners of art a way to establish ownership and enable them to reassert some degree of control. (Adams et al, p419). Steps have already been taken to apply this technology to the art market by futurist art entrepreneurs with the aim of opening up the market to those who were traditionally cut out from the elitist market. *Maecenas* is the world's first blockchain-based fine art (decentralised) trading platform open to all, presenting the opportunity to anybody with little liquidity to own an artwork or a portion of it by removing intermediaries from the transactions and reducing management costs (Maecenas website, 2019). The way it works is by allowing investment in art portfolios by "creating tamper-proof digital certificates linked to pieces of art. These certificates are highly secure and impossible to forge thanks to the cryptographic properties of blockchain. A single artwork is broken down into thousands of certificates, similar to how a public company issues shares. Investors can then purchase these certificates to own a percentage of a given artwork, and they can sell them back to other investors at any time via the Maecenas exchange." (Maecenas White Paper, p6-7). This single example briefly shows the immense opportunities available to both sides of the art market - sellers and buyers - and it seems that some variations in the art market are slowly already happening. The Hiscox reporting sees blockchain as an enabler to open up business relationships within the fractured and centralised art ecosystem, as collection of data, high security and anonymity favour new development, research and investments.

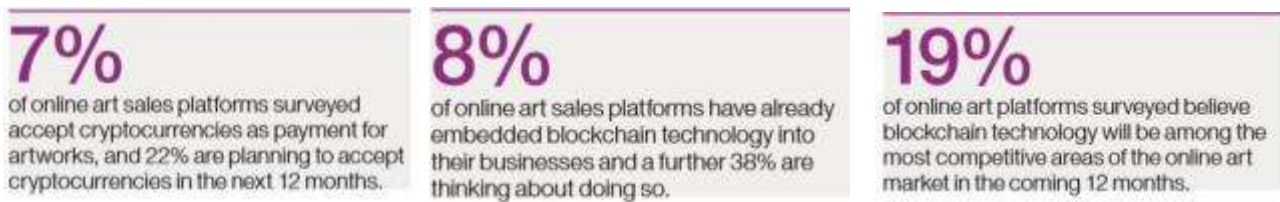


Fig 12. Extract from Hiscox Online Art Trade Report 2018, p20

Figures seem low but confidence is growing and trend for the next twelve months are positive. A relevant note, resulting from our artists and galleries interviewed, is that none of them have considered or implemented this technology in their business practice yet. It is perhaps considered too innovative and sophisticated for small organisations and individual professionals that do not have large amount of investment resources. However, it would be a differentiated approach to consider to establish competitive advantage at low-medium level of the art market ecosystem. Contradictory current of thoughts debate possibilities on the future of blockchain and cryptocurrency technology, questioning level of security, financial investments, tradability and development limitations (Casino et al, 2019). However, a disruption in the general financial ecosystem has taken hold, and expansion into business practices is likely to be a point of consideration for pioneering art entrepreneurs.

This last chapter has taken into consideration some of the innovative approaches explored in the research in order to understand the changes affecting the art market ecosystem. Undoubtedly, 21st century technological advancements have a significant impact on how art organisations and artists assess their position in the art market eco-system because of the amount of data and information they are able to collect, their independence in promoting artworks and most importantly, the opportunity to sale and make profits without the intervention of intermediaries. It also, became apparent how the myth of the solo-artist fighting to win a place in the realm of artistic stardom might be moving away from the traditional perspective, opting for alternative routes, and bravely opening for assessment and feedback by diverse and unconventional audiences. Opportunities for peer collaborations and

the use of technology encourage new forms of business practices and exploration of new ways of art consumption in society, which is breaking down social barriers in a field otherwise controlled and enjoyed by the established elite dominating a hierarchy of taste and prominent, until now, in determining the value of artworks.

## 5. Conclusions

This dissertation wished to understand the London's contemporary art market in order to explore contemporary management practices responding to changes in the socio-cultural art market ecosystem of the twenty-first century. The exploration of alternative ways for positioning artworks in the market, and innovative ways to engage audiences employed by artists and art organisations, has shed a light on how the art market is transitioning, moving from an exclusive and hierarchical structure to a more dynamic, independent and innovative approach directly servicing the financial and status ambitions of the contemporary artist. The scope was to assess the validity of the traditional model of gallery management in lights of the art market changes, and identify how artists and galleries are responding to them, making the established conventions obsolete or in need of an upgraded strategy.

Summing up the funding of the literature research, it can be concluded that alternative approaches have been encouraged by the latest technological development in e-commerce, digital and social media and advanced technological platforms. To a certain extent, new opportunities have been generated for artists to act independently and pursue a professional career that, traditionally, was considered to be under the control of a gallery. The prospect of becoming successful with their individual art practice has become a potential reality due to the opportunity of being able to access the global audience and conclude a sale directly with the client, with no need of intermediaries. This initial democratisation of the art ecosystem has also contributed to a shift on how art works are valued having a direct impact on artists' profile and status, challenging the traditional business model of the gallery representation, which traditionally affected market trends and cultural discourses. Art has now become more accessible to the different layer of financial hierarchies and a diverse clientele - global rather than local - may contribute in positive terms to the formation of new tastes in art, therefore impacting on prices, artists' promotion and fast-moving market trends.

Furthermore, galleries and auctions houses are observing these changes and responding positively by investing in new technologies and differentiating their services. The importance of the major galleries and auction houses shows a dominating position inherited by centuries of business tradition, still leading the way for entering the top-layers of the art market hierarchy. A system that might be hard to demolish because of the strong exclusivity aligned to social status and high financial standing. A position that many artists aspire to enter, even though, it requires a significant renounce of personal and professional independence. However, changes are highlighted by artists' ability to implement a more entrepreneurial approach to their art practice and achieving the sought celebrity status by implementing self-branding marketing strategies.

The findings of our research, as well as those provided by the literature review, demonstrate that the art market got his foundation on solid business practices which have been unchallenged for centuries, creating a pyramidal and restricted structure dominated by selected roles. They have constituted an ecosystem revolving around a few important names, by which artists have the aspiration of being recognised and taken on board. The advent of the internet and recent technological platforms have opened the way for artists to become more proactive towards the business aspect of their art practice. Consequently a new figure of artist-entrepreneur has emerged in the art ecosystem, leading the way for innovative thinking and independent business promotion, which is challenging the established system.

To build the foundation of the argument of the research, chapter one has presented business management models traditionally applied in the art ecosystem built upon a set of unwritten rules that have become the conventional approach for art management practices. Studies and theories have been developed around the subject by researchers involved in both fields of studies - art market and management - and a hierarchical structure has been constructed in order to explain the different steps an artist should go through for achieving

the highest status of the profession. Socio-cultural models have consolidated roles and responsibilities in the various functions of art management applied to the art world, with the artist always playing a secondary role, mostly at the whim of the multiple game-players. The advancement on technology and the open nature of the global market resulted by it, has offered the artist new opportunities for independent marketing activities to attract the interest of new audiences, challenging the said art market structure. The artist also has become to be more interested in cross-genre and collaborative projects, which generate interest at different levels. This is starting to create a disruption within the art ecosystem, breaking down barriers to access and opening up to a sort of horizontal market structure, which may offer the opportunity to achieve an extraordinary success with no need of intermediaries. The example of the Portuguese artist Joana Vasconcelos was considered appropriate to demonstrate how it is possible to achieve professional recognition outside the mainstream environments (chapt 3). The cultural power of the branded art gallery continues to be highly relevant and has a profound impact in determining market trends and artwork prices, as latest reports clearly show, and many surveys at local level have, also, highlighted the challenges contemporary artists face in sustaining their art practice. However, the artist's awareness is growing, ambition is holding strong and personal initiatives are becoming the new way of doing things. The artist-entrepreneur's figure is challenging the establishment which is called to adapt or die. The cultural power is moving from their hands into a democratised system of influences linked to generational and technological factors.

Chapter two focused the discussion on an analysis of how artistic integrity and financial concerns have a major impact on artistic management practices within the whole art ecosystem. The three sphere model was a reference point to understand how artists must be able to move around multiple and diverse perspectives in order to build an independent art practice, which would function in parallel to their ethics and values. Considering some

theoretical thinking explaining the creation of cultural power influencing economic power, and vice versa, we have seen how artists can position themselves in favourable networks to compete in the market and achieve higher levels of professional stance. Recent art market reports (2018) have underlined contemporary examples of financial achievements by major British artists, reinforcing the feeling of supremacy of the established art market conventions, highly sought by artists practicing at lower level. It is correct to say that to attract the attention of renowned galleries, artists have to compete in terms of artistic innovation to uphold the standard of quality required for potential financial investments. However, the challenge seems to be called upon the artist to confront the status-quo position in taking a proactive approach to their profession by extending and deepening their role into business thinking and entrepreneurial initiatives. A case study resulted by the contacts made for the survey and the interviews, demonstrate how certain innovative approaches are being developed and implemented successfully at local level, but also making an imprint at global level, thanks to the support and development of remote working relationships. The 'requalification of the art practice' seems to be having a positive impact on the network of artists involved, because it challenges the monopolisation of the art market, showing that new approaches can work. Artists, if they choose so, can match their ethical requirements to market demands, however, there is the need of a shift in thinking, a commitment for self-awareness and personal professional investment. Contemporary artists work in the primary market, unless they are represented by a gallery that has pre-bought their works, so it is of primary importance that they have an understanding of how an artwork acquires its monetary value in order to compete within the whole structure. However, the barriers to entry now are less rigid because of the advancement of online business practices that are accessible to everybody. The purchase power is also affected by the global audience, which

consequently affects the formation of taste and the demand of artworks by artists who happen to be in fashion, at one point in time.

Chapter three sought to examine the interdependence between the notion of art consumption and it is affected by multiple factors which end up on having a diverse impact on demand and the financial value of artworks. Economic studies from other researchers were useful tools offering comparative analysis based on art price indexes to explain how the economic value is applied to an artwork and suggested a few reasons why it might be attractive for investors. Art as an investment is deemed to be a complex and risky undertaking being subject to the will of a number of players in the art ecosystem, not necessarily involving the artist. The decision for investing might be generated by financial returns although, it seems that the aesthetic experience generated by the cognitive and emotional response to art, takes a major input in wanting to purchase an artwork, leaving the economic aspects to the realms of high finance operating at the high end of the market. There seems to be a never-ending search for beauty resulting in keeping the art market as vibrant and proactive as it has historically been. Public demand for cultural engagement coupled with an increase of disposable income - in particular for the new generation of professionals - act as a stimulus for contemporary artists to enter the market, either via the mainstream route and/or alternative ways, which challenge and increase competition.

Chapter four offered an investigation on alternative business practices being applied in terms of artists entering the art market with an intent to challenge the established tradition for a portion of the market. A case study of a not-for-profit organisation (ArtCan) was considered a suitable example to present a form of collaborative approach having its underpinning business principles as artist-centred and ethically focused. The success the organisation has achieved since being created, shows that it is a valid formula which responds well to the need of the artist to be independent and proactive on their business venture.



However, the spirit of community, the willingness to share the workload and the direct financial returns, are determinant factors impacting on its steady growth and international recognition brought in by the artist members. E-commerce seems to have a significant input on alternative practices and both artists and galleries are embracing the opportunity to have an online presence with their catalogues and listings. Websites and social media platforms are considered essential tools for engaging audiences, building a following and complete sales. The advent of new technologies - blockchain and cryptocurrency - have expanded new horizons and are starting to democratise a sector considered by many as of an elitist nature. Now with the availability of data and information open to all, it is possible to make considerations about work of arts that in the past were considered unapproachable. The same consideration could be done for entering a traditional art gallery as an experience that many would have found uncomfortable until recent years. Nowadays, one can study an artwork or an artist online, follow their work, attend exhibitions and events, and place bid online in total discretion. Artists do not have to be poor anymore, they can build a successful art business practice from their studios and not rely on galleries to promote them, if they choose so.

#### *Limitations of the research*

It is possible that certain limitations have impacted on the result of the research. This is due to the limited amount of responses gathered from the survey and the interviews, in particular responses from commercial art galleries. Their input might have expanded more on specific contexts with regard to their business perspective and enriched the discussion with contrasting opinions. The sample considered is probably too limited to offer the complete picture of the local art market, however, the information gathered were shared by artists who are fully immersed in their reality of artistic practice, so their views showed validity in terms in similarities of experiences shared across the board of the art market segment.

### *Future research interests*

The rapid advancement of new technologies requires continue studies and research in terms of how they are impacting the art market and the changes already observed. As these technologies become less expensive and even more sophisticated, a new world of opportunities will be opened to the artist, in the first place, and to art organisations which will have to invest to remain relevant and respond to the competition.

In addition, psychological and neurological research will continue to inform us on how we respond to the aesthetic experience as it will be possible to collect data directly from the use of digital devices and, therefore, estimate the response an audience might have to an artwork and its potential purchase.

I feel that there is ample scope to direct further studies towards such subjects as the future of the art market will continue to change considerably in the next ten years.

## Bibliography

- Abbing, H.** (2008). *Why Are Artists Poor?*. Amsterdam: Amsterdam University Press.
- Accominotti F.** (2009). Creativity from interaction: Artistic movements and the creativity careers of modern painters, *Poetics*, Volume 37, Issue 3, pp 267-294  
<https://www.actusnews.com/fr/ARTPRICE/cp/2019/01/07/artprice-the-top-20-female-artists-in-the-global-art-market-during-2018> [accessed on 15/01/19].
- Alexander V. D.** (2003). *Sociology of the arts*, Oxford: Blackwell Publishing.  
<https://www.a-n.co.uk/research> [accessed on 15/01/19].  
<https://www.a-n.co.uk/research/livelihoods-of-visual-artists-qualitative-evidence-report/> [accessed on 15/01/19].  
<http://www.aptstudios.org/gallery/> [accessed on 15/02/18].  
<https://www.artcan.org.uk/wp-content/uploads/2017/04/The-story-of-ArtCan.pdf> [accessed on 27/01/2019].  
<http://artlicks.com/> [accessed on 15/02/18].  
<http://www.artnet.com/artists/albrecht-d%C3%BCrer/?type=prints-and-multiples>, [Accessed 25 Apr. 2019].  
<https://www.artprice.com/artprice-reports/the-contemporary-art-market-report-2018/general-synopsis-contemporary-arts-market-performance/> [accessed on 15/01/19].  
[https://artreview.com/power\\_100/david\\_zwirner](https://artreview.com/power_100/david_zwirner) [accessed on 28/02/19].  
<https://artsbeat.blogs.nytimes.com/2012/07/18/online-gallery-to-showcase-1000-curator-selected-artists/> [accessed on 27/04/2019].  
<https://www.artnome.com/news/2017/12/22/the-blockchain-art-market-is-here> [accessed on 27/04/2019].  
<https://www.artsy.net/about> [accessed on 27/04/2019].
- ArtTactic.** (2018). Hiscox Online Art Trade Report 2018, [online] Available at: <https://arttactic.com/product/hiscox-online-art-trade-report-2018/> [Accessed 30 July. 2018].
- Becker, H.** (2012). *Art worlds*. Berkeley, Calif: University of California Press.
- Beirne, M.** (2012). Creative tension? Negotiating the space between the arts and management. *Journal of Arts & Communities*, [online] 4(3), pp.149-160. Available at: <http://www.ingentaconnect.com/content/intellect/jaac/2012/00000004/00000003/art00002#> [Accessed 30 Oct. 2018].  
<https://www.bloomberg.com/news/articles/2018-03-27/new-york-s-artsy-is-making-it-even-easier-to-buy-art-online> [accessed on 27/04/2019].
- Bilton, C. and Leary, R.** (2002). What can managers do for creativity? Brokering creativity in the creative industries. *International Journal of Cultural Policy*, [online] 8(1), pp.49-64. Available at: <http://dx.doi.org/10.1080/10286630290032431> [Accessed 31 Oct. 2018].
- Bourdieu, P.** (1983). "The Field of Cultural Production, or The Economic World Reversed." *Poetics* 12 (4-5): 311-56.
- Bourdieu, P.** (1996). *The Rules of Art of the Literary Field Genesis and Structure of the Literary Field*. Stanford, CA: Stanford University Press.
- Brkic A.,** (2018). *Death of the Art Manager*, in De Vereaux C., *Arts and Cultural Management: Sense and Sensibilities in the State of the Field*, London: Routledge.
- Britain Think, (2018). Arts Council England: The Conversation, Arts Council England
- Brewer K.,** (2016). <https://www.theguardian.com/careers/2016/jan/21/art-works-how-art-in-the-office-boosts-staff-productivity> [accessed on 26/01/16]

- Byrnes, W.** (2015). *Management and the arts*. 5<sup>th</sup> Ed, Burlington, Massachusetts; Oxfordshire, England: Focal Press.
- Caves R.E.**, (2000). *Creative Industries, Contracts between Art and Commerce*, Harvard University Press, London.
- Callon M.**, (2007). An Essay on the Growing Contribution of Economic Markets to the Proliferation of the Social, *Theory, Culture & Society*, (SAGE, Los Angeles, London, New Delhi, and Singapore), Vol. 24(7–8): 139–163
- Chaffey, D.** (2015) *Digital Business and E-Commerce Management*. Harlow: Pearson.
- Chang, W.J. and Wyszomirski, M.**, (2015). What is arts entrepreneurship? Tracking the development of its definition in scholarly journals. *Artivate: a journal of entrepreneurship in the arts*, 4(2), pp.11-31.
- Chong, D.** (2010). *Arts Management*. London [etc.]: Routledge.
- Chong, D.** (2008). “Marketing in Art Business.” In *The Art Business*, 1st ed., edited by I. Robertson and D. Chong, 115–38. New York: Routledge.
- <https://coincentral.com/blockchain-art-market-what-you-need-to-know/> [accessed on 27/04/2019].
- Dasaklis F., T. K., Patsakis C.**, (2019). A systematic literature review of blockchain-based applications: Current status, classification and open issues, *Telematics and Informatics*, 36, 55-81
- <http://www.deptforddoesart.com/> [accessed on 15/02/18].
- DeVereaux C.** (2018). *Arts and Cultural Management: Sense and Sensibilities in the State of the Field*, London: Routledge.
- Eikhof, D. and Haunschild, A.** (2007). For art's sake! Artistic and economic logics in creative production. *Journal of Organizational Behavior*, [online] 28(5), pp.523-538. Available at: <https://onlinelibrary.wiley.com/doi/pdf/10.1002/job.462> [Accessed 30 Oct. 2018].
- Ellmeier A.** (2003). Cultural entrepreneurialism: on the changing relationship between the arts, culture and employment 1. *International Journal of Cultural Policy*. Vol. 9 Issue 1, p3-16. 14p.
- Essig, L.**, 2017. Same or different? The “Cultural entrepreneurship” and “Arts entrepreneurship” constructs in European and US higher education. *Cultural Trends*, 26(2), pp.125-137.
- Fanthome L.**, (2013). 'Am I Still an Artist?' Sustaining Arts practice in an Age of Austerity, *Visual Culture in Britain*, 14:3, 281-300
- Fernandes A., Afonso L. U.**, (2011). Joana Vasconcelos: Managing an Artist’s Studio in the 21st Century, *International Journal Of Arts Management*, 54, 17, 1, pp54-64.
- Fillis I.** (2015). The production and consumption activities relating to the celebrity artist. *Journal of Marketing Management*.;31(5-6):646.
- Filliz T.** (2014). The booming global market of contemporary art, *Focaal—Journal of Global and Historical Anthropology* 69: 84–96
- Finn D. & Jedlicke J.** (1997). *On the Art of Leadership, Building Business Art Alliances*, New York: Abbeville Press.
- Fotopoulou D.** (2017). Buying art online VS Buying art traditionally (MA dissertation). International Hellenistic University, Greece
- Fitzgibbon M., Kelly A.** (1997). *From Maestro to Manager: Critical Issues in Arts and Culture Management*, Cork Ireland, Oak Tree Press.
- Frey B.S.** (2003). *Arts and Economics*, 2nd Edition, Berlin: Springer-Verlag.
- <https://www.ft.com/content/4bd43524-4001-11e9-9499-290979c9807a> [Accessed 23 Apr. 2018].

- <http://gabrielfineart.co.uk/home> [accessed on 15/04/2018].
- Galenson, D.** (2009). *Conceptual revolutions in twentieth-century art*. Cambridge, MA: National Bureau of Economic Research.
- Galenson, D.** (2002). "Quantifying Artistic Success." *Historical Methods*, 35 (1): 519.
- Galenson, D.** (2006). "Do the Young British Artists Rule?" *World Economics*, 7 (1): 175-184.
- Goodwin J.** (2009). *The International Art Markets*, London: Koga Page.
- Grefe X.** (2002). *Arts and Artists from an Economic Perspective*, France: Economica Unesco.
- Hargreaves McIntyre M.,** (2004). "Taste Buds, How to cultivate the art market, Arts Council England, London
- Hagoort, G.** (2005). *Art management*. Delft, the Netherlands: Eburon.
- Hewison, R. and Holden, J.** (2016). *The cultural leadership handbook*. London: Routledge.
- Heo S.** (2008). *The Potential of the Internet in Arts Management*, VDM Verlag Dr Muller, Germany.
- Hutter, M.** (2010). David Galenson, Conceptual revolutions in twentieth-century art, Review. *Journal of Cultural Economics*, 34(2), pp.155-158.  
<http://joanavasconcelos.com/multimedia/bibliografia/> [Accessed 25 Apr. 2019].
- Jurevičiene D., Kostecka B.** (2014). Peculiarities Of Selection Of Investment Artworks, *Acta Oeconomica Pragensia*, 5
- Kalakota, R. and Whinston, A.** (1997). *Electronic commerce*. Reading, Mass.: Addison-Wesley.
- Klamer, A. and Zuidhof, P.W.** (1998) The role of the third sphere in the world of arts, Unpublished, Erasmus University
- Kwel B., Ward P.M.** (2017). Blockchain futures: With or without Bitcoin?, *Strategic Change*. 26(5):491–498.
- Leder, H. and Nadal, M.** (2014). Ten years of a model of aesthetic appreciation and aesthetic judgments: The aesthetic episode - Developments and challenges in empirical aesthetics. *British Journal of Psychology*, 105(4), pp.443-464.
- Lee B., Fraser I., Fillis I.,** (2018). Creative Futures for New Contemporary Artists: Opportunities and Barriers, *International Journal of Arts Management*, 20, 2, Winter, pp 9- 19
- Lehman K., Wickham M.,** (2014). Marketing orientation and activities in the arts-marketing context: Introducing a Visual Artists' Marketing Trajectory Model, *Journal of Marketing Management*, 30,7-8, 664-696
- Lindermann A.** (2005). *Collecting Contemporary*, Köln; London: Taschen.
- Lipovetsky G. and Serroy J.** (2011). Joana Vasconcelos: the re-enchanted art, Porto: Livraria Fernando Machado. pp299-308. [online]. Available at:  
[http://joanavasconcelos.com/monografias\\_en.aspx](http://joanavasconcelos.com/monografias_en.aspx) [Accessed 15 Feb. 2019]
- Lounsbury, M., Gehman, J. and Ann Glynn, M.,** 2019. Beyond Homo Entrepreneurus: Judgment and the Theory of Cultural Entrepreneurship. *Journal of Management Studies*.
- Maeceneas,** (2018). Maeceneas White Paper, [online]. Available at:  
<https://www.maecenas.co/Maecenas-WhitePaper.pdf> [Accessed 30 Oct. 2018]
- Mandel B.R.,** (2009). Art as an Investment and Conspicuous Consumption Good, *American Economic Review*, 99:4, 1653–1663.  
<https://www.maecenas.co/Maecenas-WhitePaper.pdf> [accessed on 23/03/2019].
- Moine C., Mingue J.** (2018). The Art Market in 2018, ArtPrice, Paris.
- Moureau N., Sagot-Duvaurox D.,** (2012). Four Business Models in Contemporary Art, *International Journal Of Arts Management*, 44, 3, Spring, 44-56.  
<http://nhbca.com/news-art-in-the-workplace-survey/> [accessed on 27/01/2019].

- Nistor G. C.** (2018). The Reality Of Technology Acceptance And Social Media, *Journal of Public Administration, Finance and Law*, Issue 14, 129-136.
- O'Neill P.** (2012). *The Culture of Curating and the Curating of Culture*, Cambridge, Mass.; London: MIT Press.
- Padilla-Meléndez A. & del Águila-Obra A.R.** (2013). Web and social media usage by museums: Online value creation. *International Journal of Information Management*, 33, (5), 892-898.  
<https://podcasts.apple.com/gb/podcast/the-curators-salon-the-art-podcast/id1329701125>  
 [accessed on 27/04/2019].
- PR Newswire** (2019) 'ARTEÏA launches a peer-to-peer platform whose services meet the needs of all players in the art market, using blockchain technology to bring unparalleled security, trust and liquidity to the market', *PR Newswire US*, 1 April. Available at: <https://search.ebscohost.com/login.aspx?direct=true&db=bwh&AN=201904010900PR.NEW.S.USPR.NY01495&site=eds-live> (Accessed: 2 May 2019).
- Resch, M.** (2016). *Management of Art Galleries*, London: Phaidon Press Limited.
- Rosen, S.** (1981). The economics of superstars. *American Economic Review*, 71(5), 845–858.
- Jin Woo Lee & Soo Hee Lee** (2017) "Marketing from the Art World": A Critical Review of American Research in Arts Marketing, *The Journal of Arts Management, Law, and Society*, 47:1, 17-33, DOI: 10.1080/10632921.2016.1274698. [Accessed 21 Jan. 2019].
- Rosler M.**, (1997). Money, Power, Contemporary Art, *Art Bulletin*, LXXIX, 1
- Robertson I. and D. Chong** (2008). *In The Art Business*, 1st ed., New York: Routledge
- Rubio A. P.** (2011). Interview with Joana Vasconcelos on multiculturalism, tradition, feminism and sculpture, Porto: Livraria Fernando Machado. pp. 321-325. [online]. Available at: [http://joanasvasconcelos.com/monografias\\_en.aspx](http://joanasvasconcelos.com/monografias_en.aspx) [Accessed 15 Feb. 2019]  
<https://www.saatchiart.com/about> [accessed on 27/04/2019].  
<https://www.statista.com/statistics/272014/global-social-networks-ranked-by-number-of-users/> [accessed on 26/01/16]  
<https://www.statista.com/chart/4823/teenagers-favorite-social-networks/> [accessed on 26/01/16]
- Spaenjers, C., Goetzmann, W. N., Mamonova, E.**, The Economics of Aesthetics and Record Prices for Art since 1701 (March 1, 2015). *Explorations in Economic History*, Vol. 57, 2015. Available aSSRN: <http://dx.doi.org/10.2139/ssrn.2478687> [Accessed 23 Apr. 2019].
- Stevenson, D.** (2019). *Managing organisational success in the arts*, New York: Routledge.
- Thompson, D.** (2012). *The \$12 Million Stuffed Shark: The Curious Economics of Contemporary Art*, London: Aurum.
- Thorton, S.** (2009). *Seven Days in the Art World*, Granta London.
- TBR's Creative & Cultural Team, Doeser J.** (2018). *Livelihoods of Visual Artists: Literature and Data Review*, London: a-n The Artists Information Company
- Van Dyke, T.**, Chapt 6, *Gallery Management*, in Brindle, M., Devereaux, C. (2011). *The Arts Management Handbook: New Directions For Students And Practitioners*, London: Routledge.
- Varbenova, L.** (2013). *Strategic Management in the Arts*, New York: Routledge.  
<https://www.vogue.com/article/buying-and-selling-art-on-instagram> [accessed on 27/04/2019].
- Veltius O.** (2005). *Talking Prices: Symbolic Meanings of Prices on the Market for Contemporary Art*, Princeton University Press
- Walter C.** (2015), *Arts Management: An Entrepreneurial Approach*, New York: Routledge.

- Wijnber N.M. and Gemser G.**, (2000). Adding Value to Innovation: Impressionism and the Transformation of the Selection System in Visual Arts, *Organization Science*,11,3, May-June, 323-329.
- Wisker, G.**(2008). *The Postgraduate Research Handbook*, 2<sup>nd</sup> Ed., New York: Palgrave.
- Wolff, J.** (1983). *Aesthetics and the Sociology of Art*, London: George Allen & Unwin Publishers.
- Zorloni A.,& Ardizzone A.**, (2016).The winner-take-all contemporary art market, *Creative Industries Journal*, 9, 1, 1-14

## Appendix List

### 1. Online Survey - Introduction and Ethical Approval - Artists

Dear Artist, my name is Rita Carta Manias and I am a 2019 candidate for my MA in Critical Arts Management from London Southbank University. I am currently conducting my thesis on the innovative ways artists and art galleries are employing to sell their artworks in the current market in London. I am analysing two view points: the Artist's view (marketing, wider audience engagement, organisational practice) and the Art Manager in galleries (innovation in promotion, sales, clients' engagement, translation into actual revenues). I am trying to get a general feeling about how art market professionals are engaging with the current art market and the innovative ways they are exploring to stay competitive in parallel with the traditional forms of art management, i.e auction houses and established galleries. This Survey is directed to the view of the Artist in the London art market. I appreciate all of your help and I thank you for your answers!

**For the purpose of ethical responsibility, participants should agree to take part in this research after being provided clear and accessible information about the aims of the research what they will be required to do, and what use the data is going to be used for. The researcher is obliged to protect participant anonymity and to keep information confidential. Participants can withdraw from the research at any stage.**

#### CONSENT FORM

**Title of research project: Master Research Critical Art Management, 2018**

**TO WHAT EXTENT IS THE TRADITIONAL GALLERY BUSINESS MODEL BEING SUPERSEDED BY INNOVATIVE MODELS IN SELLING CONTEMPORARY ART**

**Name of researcher: Rita Carta Manias**

**Name of participant: .....**

I have been given information about the research project and the way in which my contribution will be used, and had any questions I have answered. It has been explained to me how the information that I give the researcher or anything else that I tell them will be kept confidential, and that they identity will be protected when the researcher uses the information that I give them.

I understand that I can withdraw my consent to take part in the research at any time.

I give my permission for the information that I am about to give/have given the research for the above project to be used for research purposes only. I understand that by submitting my responses to this survey I consent to the participation in the research and to the use of data and information provided for the scope of the research.

**Signed .....**

**Date .....**



## 2. Online Survey - Qs and Answers Artists

1/8/2019

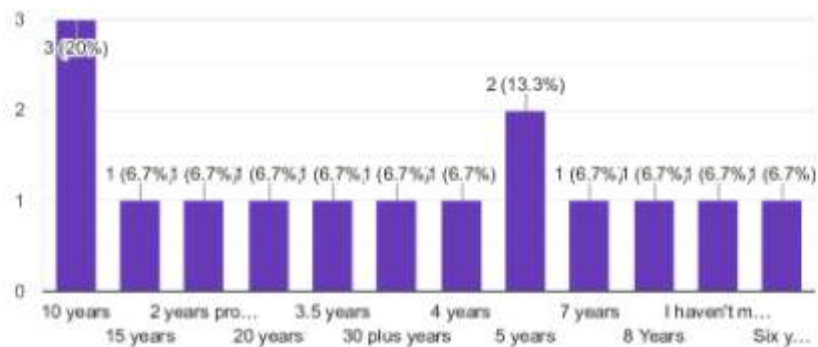
Artists, your view on London Art Market counts!

### Artists, your view on London Art Market counts!

18 responses

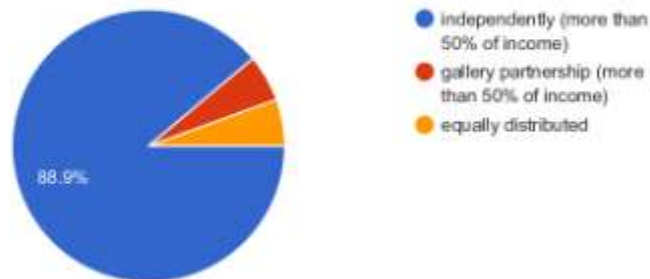
How long have you been trading as a professional artist?

15 responses



How do you sell your art works ?

18 responses



[https://docs.google.com/forms/d/e/1FAIpQLSe\\_JQZA\\_P9hB8CQitwq0DM@mmsC5hedaWbI9sTnyCwNuoQ/viewanalytics?vc=0&c=0&w=1](https://docs.google.com/forms/d/e/1FAIpQLSe_JQZA_P9hB8CQitwq0DM@mmsC5hedaWbI9sTnyCwNuoQ/viewanalytics?vc=0&c=0&w=1)

1/10

## What do you think about selling through art galleries?

16 responses

I don't

Impossible!

I would like to sell through galleries more. They are set up to do exactly that and can dedicate more time and resources to developing a strong client base and marketing work to it than I can independently.

I prefer not to sell via galleries unless I can be sure that their values are inline with my own.

I would take any opportunities but don't often get asked by galleries to show my work.

Depends on relationship- %, how much tied in& how much they value you as artist.

I have no experience

I think selling through galleries is becoming increasingly difficult. Galleries are struggling themselves and often take what I would consider a too large percentage in commission.

I love selling through art galleries when it happens, it's brilliant.

I would prefer to stay independent but i see that they can have a big effect on your exposure and status in the Art World

That would be a good to have more visibility in the mainstream market such as exhibiting in art fairs, having a solo exhibition and network with different people I could not meet if not in a gallery

not worth it, the time spent trying to find galleries that will take your work and then when you do the time spent taking it there and back for it to not sell

Useful to widen your market but commission is often too high in relation to the work the gallery does for the artist.

Depends on the Gallery Commission usually the artist gets insufficient revenues

I dont use them, as they take too much commission & dont pay for materials

It doesn't work for me, they take too much commission and offer ridiculous contracts

## How would you categorise your art works?

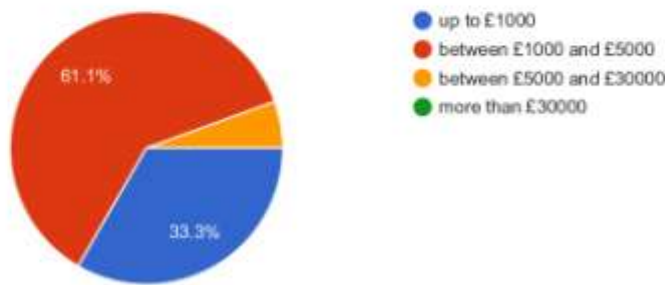
18 responses

Artists, your view on London Art Market counts!



What price bracket does your work represent?

18 responses



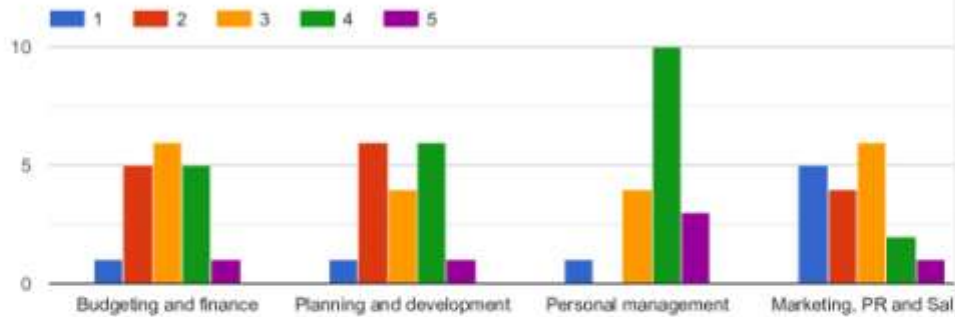
What is the main concern for you as an Artist?

18 responses



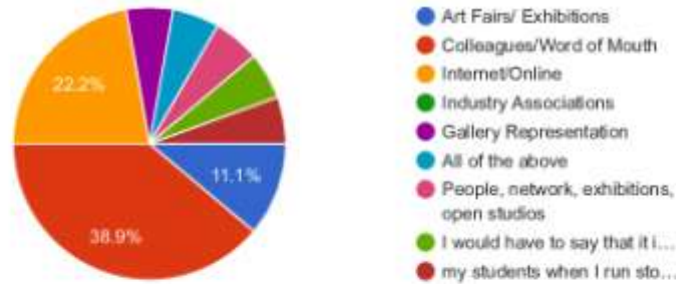
How well prepared do you feel in functions related to art management?

(1 not prepared at all, 5 extremely well prepared)



Where do you meet new prospective buyers?

18 responses



What innovative ways have you applied in the last year to acquire new customers?

16 responses

- Arranged specific exhibitions of accessible art / to introduce buyers to my work easily
- Started doing more workshops

Creating e-catalogues of my work, contacting galleries directly, exhibiting at independent artist fairs, making contacts online, applying to open calls.

More tailored content on social media, attending residency programmes, blogging, attending artist led events, completing an MA.

Not sure they are innovative but have approached pop up type spaces, co-ordinated 1 night only group shows (to avoid paying for hiring a space) had open studio events and continued to market myself online to an increasing audience of curators and collectors.

Joined ArtCan!

work with ArtCan art organization

not innovative but I have acquired new customers via other art related activities such as through a school art workshop (the head of school is considering buying for the school) and a foundation for art that gave me a grant years ago came back to me years later to buy several works.

online galleries, social media.

Just put my work out there wherever possible.

I have published more posts with informative content on Instagram and Facebook - even if people don't buy they remember me and mention my art when I meet them. Then I see that they think of buying one of my pieces. I mainly sell thanks to Instagram.

tried new mediums in art

Collaborated and was commissioned to show 2 sculptures in a show garden as part of the Chelsea Flower Show Garden 2018

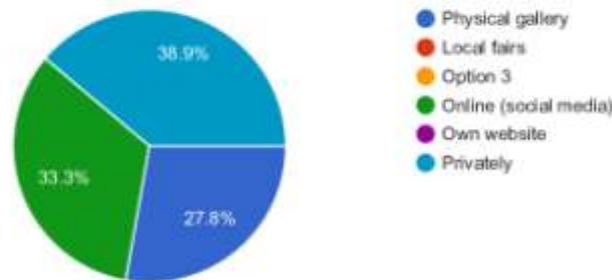
I haven't acquired new customers

Haven't been active

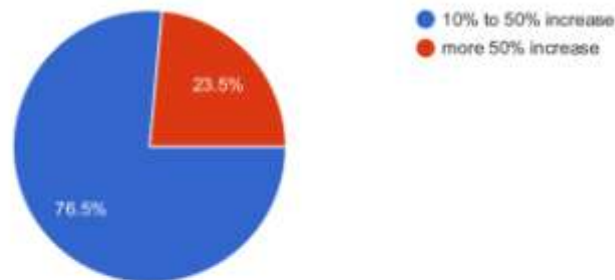
Joined social media

### What sales channels do you employ the most?

18 responses



17 responses



### What innovative ways will you apply to achieve your goal?

16 responses

Continue building opportunities for physical exhibitions and networking..

Attend local fairs and work with a management/pr office.

Continue to exhibit as widely as possible, make contacts offline, attend events to meet people in person, extend invitations to gallerists, invite people for studio visits.

I think my MA is the most innovative way i can achieve my goals as my work will improve through a new research ethic and professional development.

Starting PhD- new academic routes, opportunities

the way of perfection of artistic skills and sincerity is the only way for an artist

I aim to create great work that will help with that. Other than that mostly networking in the real world in person and via Instagram/ FB/

I don't know know yet

I don't understand this question or the previous one

I always ask myself 'what haven't i tried yet' and i am constantly researching new ideas. The next thing it to try to do some video recordings talking about particular artworks, also i am going to try some cold call email campaigns to see if that works. But honestly the best thing is to keep making as much as possible and sharing as much as possible. I have been lucky enough to get year on year increases in sales so i am hopeful that this will continue.

Increase my Artcan involvement, target interior designers and art consultants, network via attending workshops to improve my technics, exhibit in cafes and restaurants ideally French ones in london

enter more public exhibitions

Try and get my work out there more!

to be discussed

### 3. Online Survey Introduction and Ethical Approval – Galleries

**How are art market professionals engaging with the current London art market?**

**Dear Gallery Manager, my name is Rita Carta Manias and I am a 2019 candidate for my MA in Critical Arts Management from London Southbank University. I am currently conducting my thesis on the innovative ways artists and art galleries are employing to sell their artworks in the current market in London. I am analysing two view points: the Artist's view (marketing, wider audience engagement, organisational practice) and the Art Manager in galleries (innovation in promotion, sales, clients' engagement, translation into actual revenues). I am trying to get a general feeling about how art market professionals are engaging with the current art market and the innovative ways they are exploring to stay competitive in parallel with the traditional forms of art management, i.e auction houses and established galleries.**

**This Survey is directed to the view of the Gallery Manager (physical/virtual) or Art Consultants operating in the London art market.**

**I appreciate all of your help and I thank you for your answers!**

**For the purpose of ethical responsibility, participants should agree to take part in this research after being provided clear and accessible information about the aims of the research what they will be required to do, and what use the data is going to be used for. The researcher is obliged to protect participant anonymity and to keep information confidential. Participants can withdraw from the research at any stage.**

#### **CONSENT FORM**

**Title of research project: Master Research Critical Art Management, 2018**

**TO WHAT EXTENT IS THE TRADITIONAL GALLERY BUSINESS MODEL BEING SUPERSEDED BY INNOVATIVE MODELS IN SELLING CONTEMPORARY ART**

**Name of researcher: Rita Carta Manias**

**Name of participant: .....**

I have been given information about the research project and the way in which my contribution will be used, and had any questions I have answered. It has been explained to me how the information that I give the researcher or anything else that I tell them will be kept confidential, and that their identity will be protected when the researcher uses the information that I give them.

I understand that I can withdraw my consent to take part in the research at any time.

I give my permission for the information that I am about to give/have given the research for the above project to be used for research purposes only. I understand that by submitting my responses to this survey I consent to the participation in the research and to the use of data and information provided for the scope of the research.

**Signed .....**

**Date .....**

#### 4. Online Survey - Qs and Answers Galleries

### How are art market professionals engaging with the current London art market?

5 responses

### How long have you been practising as a professional gallery manager?

5 responses

I am not a professional gallery manager. Instead I manage an organisation that offers exhibition opportunities for artists at a range of spaces and places. This includes formal galleries but is not reliant on them

9 years

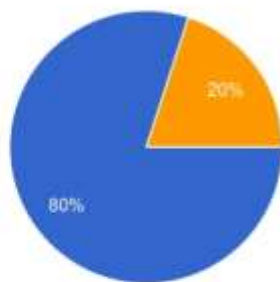
8 years in various roles mainly PR

15 years

2 years

### How does the sale of art works mainly take place?

5 responses



- personal contact with client - face to face/phone (more than 50% of income)
- gallery partnership (more than 50% of income)
- online (more than 50% of income)
- auction (more than 50% of income)

### How would you categorise art works in your catalogues?

5 responses

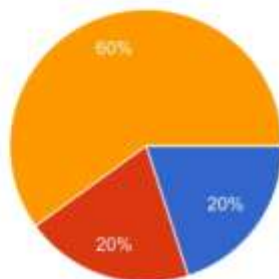




- paintings (oil, watercolours, mixed media)
- sculpture/installations
- We cover all art mediums amongst our network and often host group shows to show off this full range
- All of the above

### What price bracket does your work represent?

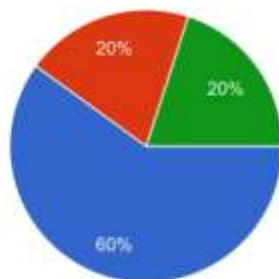
5 responses



- up to £1000
- between £1000 and £5000
- between £5000 and £30000
- more than £30000

### What is the main concern for you as an Art Gallery Manager?

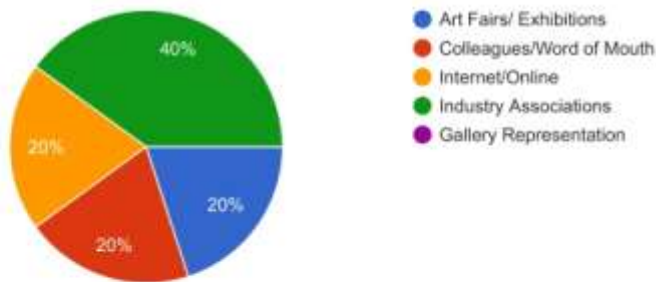
5 responses



- Increase volume of sales
- Acquire new customers or contracts
- Costs associated with business operation
- Ability to make a year profit
- Managing clients base

### Where do you meet new prospective buyers?

5 responses



### What innovative ways have you applied in the last year to acquire new customers?

5 responses

We host exhibitions in unusual spaces and without the stigma of a gallery being exclusive or unapproachable - this opens up doors and makes our exhibitions accessible to audiences outside of the art world. Most people want art in their worlds. They just don't know how to go about it. We try and bridge that gap..

We do also have great support from the artworld themselves as they see us as complementary to them rather than a challenge

Actually none, we are a well known company and potential clients normally just ask us to bid on projects

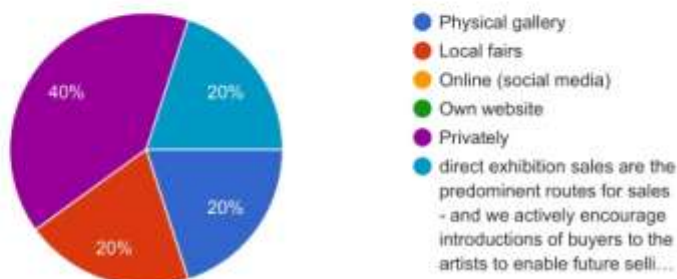
Large PR stunts that gain media attention

Increased my online platforms and increased social media

N/A

### What sales channels do you employ the most?

5 responses



## Which are the most successful for you? And Why?

5 responses

as above

Working as art consultants cannot really answer the question

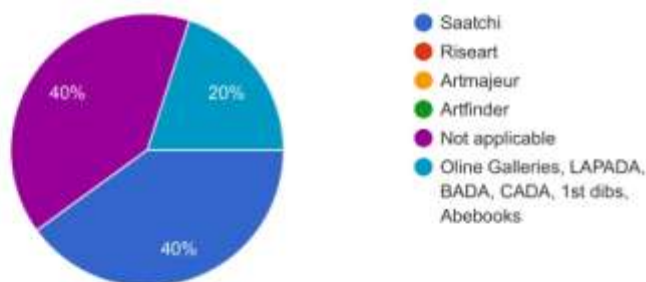
Always private, clients want one on one attention.

Fairs

N/A

## Do you any of these dedicated websites that sell arts?

5 responses



## What do you like/unlike about these platforms?

5 responses

commission levels are not tailored to the benefit of the artists - this is the wrong way round in my opinion

Easy to browse and get pricing

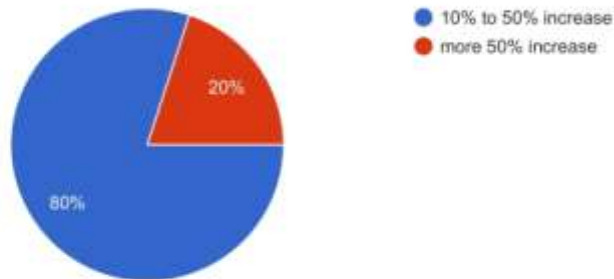
I like platforms that are open to all and make sure a significant part of the profit gets directly to the artists

The ones you mention are mostly involved in contemporary art so not for me.

N/A

## How do you expect the transactions volume to change in the future?

5 responses



## What innovative ways will you apply to achieve your goal?

4 responses

We are rapidly growing and key members of the art world are beginning to get involved as they respect this new model of exhibiting and supporting contemporary artists

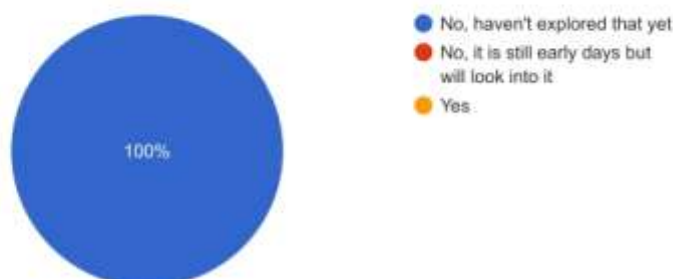
Percerviance, also I work with large public projects some of which will never be sold but the project will be used for a book or website.

Online actively accompanied by a printed catalogue

N/A

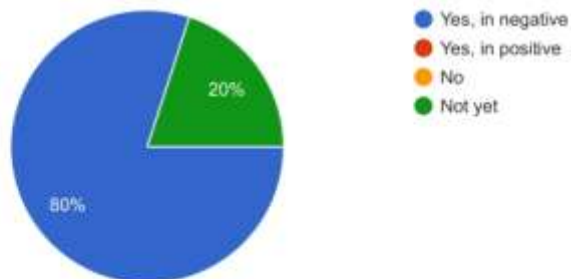
## Do you use blockchain technology and crypto currency in your sale proposition?

5 responses



Do you think Brexit is having an impact in the London art market?

5 responses



Thank you for supporting my research.

## 5. Interview Qs - Artists

**Rita Carta Manias, LSBU, Master Research Critical Art Management, 2018**

Thank you for the opportunity you are offering me and for the insights this interview will bring to my research. Your kindness and time is greatly appreciated.

### CONSENT FORM

**Title of research project: Master Research Critical Art Management, 2018**

**TO WHAT EXTENT IS THE TRADITIONAL GALLERY BUSINESS MODEL BEING SUPERSEDED BY INNOVATIVE MODELS IN SELLING CONTEMPORARY ART**

**Name of researcher: Rita Carta Manias**

**Name of participant: .....**

I have been given information about the research project and the way in which my contribution will be used, and had any questions I have answered. It has been explained to me how the information that I give the researcher or anything else that I tell them will be kept confidential, and that their identity will be protected when the researcher uses the information that I give them.

I understand that I can withdraw my consent to take part in the research at any time.

I give my permission for the information that I am about to give/have given the research for the above project to be used for research purposes only. I understand that by submitting my responses to this survey I consent to the participation in the research and to the use of data and information provided for the scope of the research.

**Signed** .....

**Date** .....

### **Interview Questions**

About your work.

Q1. Could you briefly describe the work you do and its vision?

Q2. What type of clientele is it addressing?

Q3. How do you engage with your clients and their interest?

Q4. Do you consider yourself as an artist and business person to be informed about the market, its demand and offer, prices and competition at different levels?

Q5. What is the main challenge you are facing in the current market?

Q6. I am interested in the dynamic among the artist, the market/clients and art organisations. How do you think these three elements are co-ordinated to respond to the challenge we just mentioned?

Q7. The work you do with Artcan does it address the challenges you mention?

Q7. What is the impact that the innovative approach employed by the organisation have on yourself as artist and your work?

Q9. The traditional format of gallery management representing the artist by selling their art works and keeping commissions, seems to be becoming outdated with contemporary artists finding more innovative ways to enter the market and work independently or as business people. How do you see the distribution of work of arts changing in the next years comparing to the past 20s?

Q10. Online sales, new technology, and crypto currency have entered the art market and have opened an informative platform about art works that until now was only available to experts in the field. How do you see the future of the art market will look like and what can you, as artist, do to keep up with it?

Q11. Do you think that openness, availability and accessibility will have a positive impact on the art market or will this cause saturation and consequent devaluation of art works?

Q12. Is there anything else that you would like to comment on that we have not touched upon?

Thank you!

## 6. Interview Qs – Gallery Manager

**Rita Carta Manias, LSBU, Master Research Critical Art Management, 2018**

Thank you for the opportunity you are offering me and for the insights this interview will bring to my research. Your kindness and time is greatly appreciated.

### CONSENT FORM

**Title of research project: Master Research Critical Art Management, 2018**

**TO WHAT EXTENT IS THE TRADITIONAL GALLERY BUSINESS MODEL BEING SUPERSEDED BY INNOVATIVE MODELS IN SELLING CONTEMPORARY ART**

**Name of researcher: Rita Carta Manias**

**Name of participant: .....**

I have been given information about the research project and the way in which my contribution will be used, and had any questions I have answered. It has been explained to me how the information that I give the researcher or anything else that I tell them will be kept confidential, and that their identity will be protected when the researcher uses the information that I give them.

I understand that I can withdraw my consent to take part in the research at any time.

I give my permission for the information that I am about to give/have given the research for the above project to be used for research purposes only. I understand that by submitting my responses to this survey I consent to the participation in the research and to the use of data and information provided for the scope of the research.

**Signed .....**

**Date .....**

### Interview Questions

Q1. Could you briefly describe the nature of your organisation, its vision and its clients?

Q2. What was the seed that generated the formation of the organisation and its mission?

OR

What is the innovative approach employed to form the organisation and its mission?

Q3. How many artists are part of the organisation and what type of audience do they aim to engage with?

Q4. What is the impact that the innovative approach employed by the organisation have on the artists?

Q5. Do you find artists are informed about the market, its demand and offer, prices and competition at different levels?

Q6. Where would you draw the line that distinguishes the passionate amateur artist from the professional artist?

Q7. What is the main challenge the organisation and the artists are facing in the current market?

Q8. I am interested in the dynamic among the artist, the market/clients and your organisation. How do these three elements are co-ordinated to respond to the challenge we just mentioned?

Q9. The traditional format of gallery management representing the artist by selling their art works and keeping commissions, seems to be becoming outdated with contemporary artists finding more innovative ways to enter the market and work independently or as business people. How do you see the distribution of work of arts changing in the next years comparing to the past 20s?

Q10. Online sales, new technology, and crypto currency have entered the art market and have opened an informative platform about art works that until now was only available to experts in the field. How do you see the future of the art market will look like and what can art organisations and artists can do to keep up with it?

Q11. Do you think that openness, availability and accessibility will have a positive impact on the art market or will this cause saturation and consequent devaluation of art works?

Q12. Is there anything else that you would like to comment on that we have not touched upon?

Thank you!



## 7. Ethics Form Southbank University



### Ethics Application Form

**When completing this form, please be aware that we want to process all ethics applications as quickly as possible. Please ensure you provide full details and consider ethical implications of your research fully before applying. If insufficient detail is provided, your application will be delayed while we clarify issues with you.**

**Doctoral students should seek feedback on a draft of their submission from their supervisor before it is submitted. Junior researchers or those new to LSBU may also wish to consult with their School Committee or experienced colleagues, as procedures and standards can differ between institutions.**

**Project Title: To what extent is the traditional gallery business model ~~being~~-superseded by innovative models in selling contemporary art?**

**School: School of Arts and Creative Industries**

<p><u>Lead Applicant</u></p> <p><b>Name:</b> RITA CARTA MANIAS  <b>Address:</b>          FLAT 2, REGINALD PLACE          46-50 DEPTFORD HIGH STREET          LONDON          SE8 4AE  <b>Email:</b> cartamar@lsbu.ac.uk  <b>Phone number:</b> 07914687814</p>	<p><u>Supervisor (PGR students only)</u></p> <p><b>Name:</b> David Miller  <b>Address:</b>          School of Arts and Creative Industries          London South Bank University    <b>Email:</b> millerd9@lsbu.ac.uk</p>
<p><u>Co-Applicant</u>  <b>N/A</b></p>	<p><u>Co-Applicant</u>  <b>N/A</b></p>

#### **Theoretical rationale (~500 words)**

*Please outline the rationale for your study, identifying the theoretical and / or practical need for the research and how initial hypothesis have been reached. THIS SECTION SHOULD NOT EXCEED 500 WORDS*

The investigation will consider enquiries of contemporary management practices in art environments (small galleries, artist studios, online galleries) covering the main aspects of the art leadership role and extending the enquiry into the interdependence between the traditional practices in the art market and contemporary changes in society (technological, economic, financial, social), also exploring new ways for positioning art works in the market and ways of engaging the public implemented by artists.

It will attempt to explore the extent to which the art leader role is evolving and will focus on these questions:

1. what is the role of the art leader in the contemporary art market
2. how the artist has developed into an entrepreneurial figure
3. what are the new ways of promoting and selling art and keep the public engaged

The knowledge acquired by this research will expand my managerial practices in relation to the field of art management and it is aimed ultimately at expanding my experience and understanding of the art market, the factors impacting on the evaluation and selection of work of arts to be presented to the public and the current thematic explored by artists competing in the social and current artistic environment. It will inform the question of how the traditional model of gallery management is continuing to serve the artist or how it is being superseded by innovative approaches employed directly by the artist.

### **Ethical guidelines**

*Please list the professional or association guidelines that you have read and intend to follow. See Appendix 4 of the Code of Practice for guidelines.*

Institute of Business Ethics: *Ethical Values and Codes*

#### **Codes of Ethics for Universities**

[https://www.ibe.org.uk/userassets/publicationdownloads/ibe\\_cihe\\_report\\_ethics\\_matters.pdf](https://www.ibe.org.uk/userassets/publicationdownloads/ibe_cihe_report_ethics_matters.pdf)

Art Professionals Values

<https://www.artspromotional.co.uk/about-us>

Chartered Management Institute Code of Practice

<https://www.managers.org.uk/policies/code-of-conduct-and-practice>

Art Management Network Values

<https://www.artsmangement.net/About-us>

### **Participants**

*Who will be recruited and how? Are there any gatekeepers (e.g. people whose permission must be sought to access the participant population)? Is choice to participate likely to be a sensitive issue, and if so, what safeguards are in place? Is the population under study vulnerable (and if so, what steps will be taken to ensure population is protected)? Please attach representative copies of emails and posters, which will be used during recruitment if you intend to use these.*

Participants to the interviews will be recruited through personal connections, networking events or exhibition openings and the use of social media interaction.

Gallery managers, art consultants and artists categorised according to their role in the public sector, private sector and no-profit, mostly being in the form of SMEs as the familiar format of commercial galleries or no-profit institutions

Artists will be considered based on their status in the market and mainly as 'emerging' artists and 'established' artists.

Appended is an example of the email sent to arrange interviews.

**Recruitment**

*How will recruitment take place? Participants should usually receive an information sheet or similar prior to giving consent. Please use the following documents which are available from the Staff intranet Key Documents REI category and the PGR Moodle sites:*

- *Participant Information Sheet*
- *Consent Sheet*

*Please confirm whether this is the case, and append for information about information sheets, and to see a specimen information sheet.*

Participants will be contacted via email following referrals and research in art fairs and exhibition catalogues. Participants will receive information about the research prior their consent of participation, both in verbal and written form. Example in appendix.

The same consent options will be presented at the interview stage both in verbal and written form. Questions will be also shared with the participant via email prior the interview meeting to allow appropriate preparation and eventual adjustments. See example in appendix.

**Data types:**

*Which of the following data collection method(s) will you be using? (Please complete all applicable)*

Secondary data / archival data

*For each source, please state how data will be collected, and from what sources. Please indicate if sources are anonymous at point of collection and whether they are currently password protected (e.g. are they in the public domain). (See Appendix 3 of Code of Practice)*

NOT APPLICABLESurveys / scale based measures

*For each survey, please indicate the content of the instrument and, if the tool is already published, cite the source. How will survey data be collected? Please provide full copies in the appendix. Does permission for use of the instrument need to be gained, and if so, has it been?*

Two different online questionnaires will be developed, one directed to the artist and one to the gallery manager or consultant, consisting of 12 structured questions with multiple choice answers, to establish a first contact, to explain the rationale of the research and to gather facts and figures to gather an insightful overview of:

3. quantitative data related to their price strategy, their marketing activities
4. qualitative data related to their personal perspective on the London market and their competitors.

Non-intrusive physiological data (including blood pressure, kinematics, reaction time data, eye tracking, etc.)

*What data will be collected and how?*

NOT APPLICABLEPhysiological materials / human tissue collection (incl. bloods and saliva)

*What materials will be collected and how? What Human Tissue Act issues do these present?*

NOT APPLICABLEInterviews / focus groups

*How will interviews be conducted? Please provide themes / indicative interview questions. Where will interviews take place?*

Interviews will be conducted face-to-face in a public space, at a location and time convenient to the interviewee, following previous meeting agreement established via email.

In case the interviewee is unavailable to meet in person, interview will take place online via Skype call. Interview questions will be sent advance prior the meeting for interviewee's perusal and agreement.

The interviewee will agree verbally or in writing to the treatment of data and information collected by reading and signing the consent form. Consent will be also be sought to record interviews for the purpose of aide-mémoire and reference of quotation in the dissertation.

Recorded interviews will be made available to the interviewee upon request.

Interview Questions in appendix.

Participants of the survey and interviews will have freedom of choice in terms of data and information to be disclosed and will be guarantee total anonymity and full confidentiality. Also participant will be free to withdraw from the research any time should they wish to do so.

Other forms of data / special procedures

*Please indicate what data will be collected and how. If any special ethical considerations arise from the data types you plan to collect, please comment on them here.*

NOT APPLICABLE

**Timespan**

*What is the likely timespan of the recruitment and data collection phases of the proposed research?*

Data collection will commence when ethics is granted and should be concluded by the end of November 2018.

**Disclosure and Barring Service (formerly Criminal Records Bureau check)**

*Does the investigator or anyone else connected to the project require a DBS check? (If not, please indicate why) If a DBS check is required, UEP/School Ethics Coordinator will need to see a copy of the certificate before research commences.*

NOT APPLICABLE

**Informed consent**

*Who will obtain informed consent and how? If you feel written consent is not required or*

*impossible, please indicate why and how verbal consent will be obtained or what will be considered implied consent. If appropriate, what steps are going to be taken to ensure the decision to participate (or not) does not negatively impact participants? The University's standard participant consent and participation forms must be used.*

All participants to the research, either via the online survey and the interview process will receive a consent form to sign or to agree verbally. The consent form touch upon confidentiality, data protection and the right to withdraw from the research anytime.

Consent form in appendix.

### **Anonymity & data management**

*What steps will be taken to ensure that data collected is anonymous or made anonymous? How will data be stored and when will they be destroyed? If stored electronically, what steps will be taken to secure the data? For additional information and advice please consult the University's Information Compliance Officer*

Data collected will be kept securely on a personal electronic file, protected by a password and made anonymous for the purpose of the dissertation. Initials only will be used or names will be changed when quoting or discussing sensitive information.

### **Incentives**

*Will incentives beyond reasonable compensation for time and travel being used in the proposed research be offered to participants?*

NOT APPLICABLE

### **Procedure**

*Please outline the procedure of your study step by step, beginning with the consent stage through to final debriefing. To expedite reviews it is important that the reviewers can understand exactly what your research involves so please be as clear as possible. If applicable, please make clear what the key independent and dependent variable(s) are and what the study design consists of.*

Questionnaires will be sent via email with a link to access the questions. Survey results will be saved as a PDF read-only file stored in a protected file.

Follow-up interviews will be conducted face-to-face at a location and time convenient to the interviewee, following previous meeting agreement established via email.

In case the interviewee is unavailable to meet in person, interview will take place online via Skype call. Interview questions will be sent advance prior the meeting for interviewee's perusal and agreement.

Interviewee will agree verbally or in writing to the treatment of data and information collected by reading and signing the consent form. Consent will be also sought to record interviews for the purpose of aide-mémoire and reference of quotation in the dissertation.

Recorded interviews will be made available to the interviewee and the interviewee is given a period of time to comment on this.

Also, the final dissertation will be made available to the interviewees should they find the content useful to their practices.

**Risk**

*All research carries some degree of risk to participants. Please indicate (by ticking the box) which of the following risks may be entailed by your research and explain how they have been mitigated. Please 'X' all relevant risks in the associated tick box. NOTE: Most research contains some potential risk (even if minor), and failure to complete this section is a frequent cause of applications being returned without approval.*

<b>Please tick 'X' where applicable</b>	
	<b>Use of environmentally toxic chemicals.</b>
	<b>Use of radioactive substances, ingestion of foods, fluids or drugs.</b>
	<b>Refraining from eating, drinking or usual medication.</b>
	<b>Contravention of legislation on any of: gender, race, human rights, data protection, obscenity.</b>
<b>x</b>	<b>Potential psychological intrusion from questionnaires, interview schedules, observation techniques.</b>
	<b>Bodily contact.</b>
	<b>Sampling of human tissue or body fluids (including by venepuncture).</b>
	<b>Sensory deprivation.</b>
	<b>Defamation.</b>
	<b>Misunderstanding of social / cultural boundaries nudity; loss of dignity.</b>
	<b>Compromising professional boundaries with participants, students, or colleagues.</b>
	<b>Involves the study of terrorism or radicalisation or use of any information associated with such study.</b>
	<b>Other risk (please indicate what these consist of):</b>

*How will these risks be mitigated?*

Prior consent will be sought when arranging any meeting with the participants to the research to mitigate risks of intrusion. Meetings will take place in locations and time suitable to the participant, allowing flexibility and the right to withdraw at any time.

**Debriefing**

*When and how will participants be debriefed? If not, why is debriefing not required?*

Participants will debriefed prior any meeting via email or verbally over the phone to allow understanding of their input and the reasons for the questions/observations.

**Analysis**

*Although all forms of data analysis cannot be foreseen prior to data collection, please indicate what form of analysis is currently planned.*

Data analysis might be based on the following forms:

- A "soft" method: journalistic "vox-pop" way of providing quotes by way of illustration of overall

- insights.
- Conducting a discourse analysis, to establish how arts management models are understood by interviewees.

**Collaborations**  
*Does this research involve other organisations? If so, do they have their own ethical oversight requirements, or does working alongside them raise any ethical issues?*

NOT APPLICABLE

**Training**  
*Is any special training of investigators needed to complete this research, and if so, how will this be delivered?*

NOT APPLICABLE

**Beneficiaries**  
*Are there any beneficiaries of the proposed research, if so, who are they and how will they benefit?*

NOT APPLICABLE

**Any other information**  
*Is there any other information pertinent to this proposal which you feel the ethics panel should consider?*

NONE

**References**  
*Please paste a list of cited references here*

*Appendix checklist (please X 'Yes' or 'Not applicable' for each item)*

<b>Document</b>	<b>Yes</b>	<b>Not applicable</b>
Letters requesting / confirming permission to conduct the study		x
Recruitment poster or other recruitment material		x

Indicative letter / email of invitation to the participant	x	
Participant information sheet		
Consent form	x	
Debriefing form		
Questionnaire(s)	x	
Interview guide (questions)	x	
Observation guide		x
Light Touch Review Eligibility Assessment		x
Scan of application signature page	x	
Other(s) (Please list):		

### Signatures

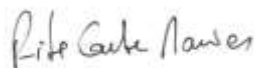
*Send your application scanned copy to the School Ethics Panel OR University Ethics panel as appropriate (see Appendix 1 in the Code of Practice).*

#### **Lead Applicant**

*I confirm that this ethics proposal accurately details the research I intend to undertake. I also confirm that I understand ethical approval must be granted before research commences.*

**Name:** RITA CARTA MANIAS

**Signature:**



**Date:** 28/05/2018

#### **Supervisor (PGR students only)**

*I confirm that I have given feedback on an initial draft of this proposal, and that this feedback has been taken into account in the submitted document.*

**Name:** David Miller

**Signature:**



**Date:** 29/05/2018

#### **Dean / School signatory (staff applications only)**

*I confirm that I have approved this research activity in principle.*

**Name:** Prof H. C. Rietveld

**Role (if not Dean):** Chair of School Ethics Panel

**Signature:**

**Date:** 30/05/2018



## APPENDIX

### 1 - Survey Information and consent form for artists

#### CONSENT FORM

**Title of research project:**

TO WHAT EXTENT IS THE TRADITIONAL GALLERY BUSINESS MODEL BEING SUPERSEDED BY INNOVATIVE MODELS IN SELLING CONTEMPORARY ART (Master Research Critical Art Management, 2018)

**Name of researcher:** Rita Carta Manias

**Name of participant:**

Dear Artist,

My name is Rita Carta Manias and I am a 2019 candidate for my MA in Critical Arts Management from London Southbank University. I am currently conducting my thesis on the innovative ways artists and art galleries are employing to sell their artworks in the current market in London. I am analysing two view points: the Artist's view (marketing, wider audience engagement, organisational practice) and the Art Manager in galleries (innovation in promotion, sales, clients' engagement, translation into actual revenues).

I am trying to get a general feeling about how art market professionals are engaging with the current art market and the innovative ways they are exploring to stay competitive in parallel with the traditional forms of art management, i.e auction houses and established galleries.

This Survey is directed to the view of the Artist in the London art market.

I appreciate all of your help and I thank you for your answers!

I have been given information about the research project and the way in which my contribution will be used, and had any questions I have answered. It has been explained to me how the information that I give the researcher or anything else that I tell them will be kept confidential, and that their identity will be protected when the researcher uses the information that I give them.

I understand that I can withdraw my consent to take part in the research at any time.

For the purpose of ethical responsibility, participants should agree to take part in this research after being provided clear and accessible information about the aims of the research what they will be required to do, and what use the data is going to be used for. The researcher is obliged to protect participant anonymity and to keep information confidential. Participants can withdraw from the research at any stage.

I give my permission for the information that I am about to give/have given the research for the above project to be used for research purposes only. I understand that by submitting my responses to this survey I consent to the participation in the research and to the use of data and information provided for the scope of the research.

Signed .....

Date .....

### 2 - Survey Information and consent form for galleries

How are art market professionals engaging with the current London art market?

**CONSENT FORM**

**Title of research project:**

TO WHAT EXTENT IS THE TRADITIONAL GALLERY BUSINESS MODEL BEING SUPERSEDED BY INNOVATIVE MODELS IN SELLING CONTEMPORARY ART (Master Research Critical Art Management, 2018)

**Name of researcher:** Rita Carta Manias

**Name of participant:**

Dear Gallery Manager,

My name is Rita Carta Manias and I am a 2019 candidate for my MA in Critical Arts Management from London Southbank University. I am currently conducting my thesis on the innovative ways artists and art galleries are employing to sell their artworks in the current market in London. I am analysing two view points: the Artist's view (marketing, wider audience engagement, organisational practice) and the Art Manager in galleries (innovation in promotion, sales, clients' engagement, translation into actual revenues). I am trying to get a general feeling about how art market professionals are engaging with the current art market and the innovative ways they are exploring to stay competitive in parallel with the traditional forms of art management, i.e auction houses and established galleries.

This Survey is directed to the view of the Gallery Manager (physical/virtual) or Art Consultants operating in the London art market.

I appreciate all of your help and I thank you for your answers!

For the purpose of ethical responsibility, participants should agree to take part in this research after being provided clear and accessible information about the aims of the research what they will be required to do, and what use the data is going to be used for. The researcher is obliged to protect participant anonymity and to keep information confidential. Participants can withdraw from the research at any stage.

I have been given information about the research project and the way in which my contribution will be used, and had any questions I have answered. It has been explained to me how the information that I give the researcher or anything else that I tell them will be kept confidential, and that their identity will be protected when the researcher uses the information that I give them.

I understand that I can withdraw my consent to take part in the research at any time.

I give my permission for the information that I am about to give/have given the research for the above project to be used for research purposes only. I understand that by submitting my responses to this survey I consent to the participation in the research and to the use of data and information provided for the scope of the research.

Signed .....

Date .....

*3 - Questionnaire Information and consent form for artists*

**Rita Carta Manias, LSBU, Master Research Critical Art Management, 2018**

Thank you for the opportunity you are offering me and for the insights this interview will bring to my research. Your kindness and time is greatly appreciated.

**CONSENT FORM**

**Title of research project: Master Research Critical Art Management, 2018**

**TO WHAT EXTENT IS THE TRADITIONAL GALLERY BUSINESS MODEL BEING SUPERSEDED BY INNOVATIVE MODELS IN SELLING CONTEMPORARY ART**

**Name of researcher: Rita Carta Manias**

**Name of participant:** .....

I have been given information about the research project and the way in which my contribution will be used, and had any questions I have answered. It has been explained to me how the information that I give the researcher or anything else that I tell them will be kept confidential, and that their identity will be protected when the researcher uses the information that I give them.

I understand that I can withdraw my consent to take part in the research at any time.

I give my permission for the information that I am about to give/have given the research for the above project to be used for research purposes only. I understand that by submitting my responses to this survey I consent to the participation in the research and to the use of data and information provided for the scope of the research.

**Signed** .....

**Date** .....

**Interview Questions**

About your work.

Q1. Could you briefly describe the work you do and its vision?

Q2. What type of clientele is it addressing?

Q3. How do you engage with your clients and their interest?

Q4. Do you consider yourself as an artist and business person to be informed about the market, its demand and offer, prices and competition at different levels?

Q5. What is the main challenge you are facing in the current market?

Q6. I am interested in the dynamic among the artist, the market/clients and art organisations. How do you think these three elements are co-ordinated to respond to the challenge we just mentioned?

Q7. The work you do with Artcan does it address the challenges you mention?

Q7. What is the impact that the innovative approach employed by the organisation have on yourself as artist and your work?

Q9. The traditional format of gallery management representing the artist by selling their art works and keeping commissions, seems to be becoming outdated with contemporary artists finding more innovative ways to enter the market and work independently or as business people. How do you see the distribution of work of arts changing in the next years comparing to the past 20s?

Q10. Online sales, new technology, and crypto currency have entered the art market and have opened an informative platform about art works that until now was only available to experts in the field. How do you see the future of the art market will look like and what can you, as artist, do to keep up with it?

Q11. Do you think that openness, availability and accessibility will have a positive impact on the art market or will this cause saturation and consequent devaluation of art works?

