

The Hiscox Online Art Trade Report 2017
A market yet to awaken?



Foreword



The long-awaited consolidation in the online art market has yet to happen, with the notable exception of the marriage and subsequent separation of Paddle 8 and Auctionata. We all know it's going to happen – even our survey of those managing the online platforms shows that a massive 71% expect more consolidation – we just don't know when and who is going to end up on top.

So, what do we know? The online art market has continued to grow strongly (up 15% to \$3.75 billion) against the backdrop of a slowly-increasing global art market.

The established global brands in the art market such as Sotheby's and Christie's are starting to dominate The Hiscox Online Art Platform Ranking and appear to be getting to grips with the challenge of transforming a bricks-and-mortar business into a multimedia business.

The dealers continue to struggle online; maybe they are making enough elsewhere. None of us know in the gloriously-opaque art market, but my bet is that the temptation to bury your head in the sand when you are not tech savvy is all too great.

Finally when it comes to social media, Instagram is now very clearly the medium of choice.

We continue to monitor these developments and I hope you enjoy this year's report.

Robert Read

Head of Art and Private Clients, Hiscox
robert.read@hiscox.com



“For those who say the online art market has had its day – it hasn’t even had its morning yet, it’s still waking up.”

Key findings

Online sales trends

Online art market sales up despite slowing global art market. Online art market sales reached an estimated \$3.75 billion in 2016, up 15% from 2015. This gives the online art market an 8.4% share of the overall art market, up from 7.4%* in 2015.

Brick-and-clicks are gaining ground. Whilst the traditional auction houses were slow in adapting to the opportunities of the online art market, 2016 marked a significant shift in their online sales strategy with Sotheby's, Christie's and Heritage Auctions generating combined online sales of \$720 million in 2016 – accounting for 19% of the online art market. Online-only auction saw a particularly strong increase at Christie's, with an 84% jump in sales. One of the biggest online players, Heritage Auction, reported that 41% of its auction sales are now conducted online, with \$348.5 million in online sales reported in 2016 (up 1.3% from 2015).

Hesitant art buyers remain unconvinced about buying art online. The conversion of online art buyers remains static for the third consecutive year, signalling that the online art market could be struggling to convert sufficient numbers of hesitant art buyers. However, the good news is that existing online art buyers have been acquiring even more art in the last 12 months. The number of online art buyers that have bought more than a single artwork in the last 12 months has increased to 65% in 2017, up from 63% in 2016.

Obstacles to future growth. Online art sales growth can only accelerate by increasing the conversion rate of hesitant, non-online buyers by actively addressing their key concerns. These concerns are currently focused around the lack of physical inspection and worries about the work's condition, authenticity, and the seller's reputation.

Third-party sales channels are gaining in popularity. In 2013, 15% of galleries surveyed said they would generate online sales by partnering with an existing art e-commerce platform. In 2016, 26% of galleries surveyed said they planned to partner up with a third-party e-commerce platform in the near future, and this year 27% said this was their future e-commerce strategy. In 2017, 49% of galleries that sell art online say they are doing so through a third-party online platforms.

Online art sales are dominated by pieces priced below \$5,000. Despite individual examples and anecdotal evidence that works are increasingly being bought online at higher price points, the future battleground for the online art market is likely to remain in the lower price range. According to the latest survey, 79% of online art buyers spend less than \$5,000 per piece when buying art online, up from 78% in 2016 and 67% in 2015.



Jane and Louise Wilson, *Deep in Fill (Spiteful of Dream)*, 2008
C-type print

Online art platform trends

Bricks-and-clicks account for four of the top ten companies listed in The Hiscox Online Art Sales Platform Ranking. Christie's came out on top ahead of Sotheby's, Artsy, 1stdibs and Artnet. Four of the top ten ranking online art platforms were traditional art businesses, which now have an online/digital platform for bidding on, and buying, art. This suggests that the offline art world is catching up with its online-only rivals.

The balance of power could be shifting back to the traditional art market. The recent failure of the high-profile online auction house Auctionata (announced in January 2017), questions the ability of new online-only players to grow fast enough and become profitable in an increasingly congested marketplace. On the other hand, the growth in online-only auction sales from traditional auction houses, such as Christie's, shows sales growth of 84% in 2016, which suggest that the power balance might be shifting back to the incumbent art market players.

Business models are converging towards a one-stop shop. Increasing competition is already forcing online art platforms to embrace new strategies to expand their business and diversify their income streams. Among the auction aggregators, Invaluable has ventured into the gallery and dealer space by allowing visitors to buy directly from galleries through fixed-price offers.

Artsy, a platform predominantly targeting galleries, has held several online auctions in partnership with Phillips and Heritage during the last 12 months. These trends suggest we could see more consolidation in the industry over the coming years.

Online auctions will become a key battlefield in 2017. It is evident from the survey that most online art platforms see the auction space as the key battlefield in the next 12 months, as virtually every online art platform has started to offer an online auction service.

The majority of online art platforms expect to see more industry consolidation. Among the online art platforms surveyed, 71% said they expected more consolidation to happen. 48% of companies surveyed felt that 'horizontal mergers' (companies operating in the same space such as Paddle8 and Auctionata) will be the most common, while 53% believe 'vertical mergers' are more likely, i.e. companies operating in different parts of the value chain.

79%

of art buyers said they bought artworks with an average price below \$5,000 in 2017.

49%

of art buyers say Facebook is their preferred social media platform – down from 54% in 2016, with Instagram now top.

65%

of buyers bought more than one piece of art online in the past 12 months, up 2% year-on-year.

60%

of galleries said online art buyers are getting more confident buying art at higher prices.

Addressing the concerns of the hesitant art buyer

Lack of physical inspection remains the key challenge for hesitant art buyers. Buying art and collectibles online sight-unseen presents several challenges for the buyer. Many worry that the artwork will look different than it appeared in the digital image, or that the condition of the work might be different from what was stated or anticipated. This hurdle has remained the biggest challenge among hesitant art buyers in the last three years, cited by 80% and 77% respectively.

More information needed. 79% of survey respondents said they wanted more background information about the artist and the object, up from 76% in 2016.

Buyer education is key. 52% of online art buyers state that content is important to their platform choice (up from 42% in 2016). This suggests that buyers are looking for more than just buying artwork. In fact, they are attributing significant value to the educational experience.

Price transparency will become the norm rather than the exception. Although the art market is still notoriously opaque when it comes to revealing prices, 88% of online art buyers find price transparency (that is, the clear labelling of prices and the possibility to check past and comparable prices) an essential ingredient when buying art online. 67% of hesitant art buyers said they would like access to an independent valuation report (up from 51% in 2015, and down from 68% in 2016).

Human interaction is still very important. 73% said they would like to have the opportunity to talk to an expert before making a decision to buy art online (up from 69% in 2016).

Customer reviews and feedback. 65% of hesitant art buyers surveyed said that customer reviews and feedback from previous clients would be an important ingredient in the art buying process (up from 64% in 2016). Although customer reviews are not common in the art world, the growing use of social media suggests that client feedback (such as likes and followers) as well as comments and reviews could play an increasingly important role in driving the emotional consideration for proceeding with the online art buying process.

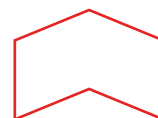
Return guarantees. The large majority (80%) of hesitant online art buyers said that the terms of the return guarantee were important in their decision to buy art online sight-unseen. In fact, 71% said that having the option to insure the artwork at time of purchase would make them feel more confident buying online and 64% said that more information and choice about the shipping options would help in the acquisition process.

Social media

Instagram overtakes Facebook as the preferred social media channel for the art world. Instagram has emerged as the most important social media channel in the art world, with 57% of art buyers surveyed saying this is the most frequent social media platform used (up from 48% in 2016 and 34% in 2015). In contrast, 49% said that Facebook was their preferred social media platform, down from 54% in 2016.

Social media is becoming an increasingly important tool for galleries and dealers. 91% of the galleries surveyed said they actively use social media to promote their gallery and their art/artists. Whilst Facebook and Twitter were the two dominant channels in 2016, Instagram is now clearly the social media channel of choice, with 57% of galleries saying they are finding Instagram the most effective in terms of raising awareness, compared to 42% who say Facebook.

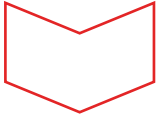
Auction houses embrace social media. Sotheby's has seen its Instagram following grow by 102% between March 2016 and March 2017, and currently has more than 430,000 followers. Christie's has in excess of 267,000 followers (up 78% from March 2016) and Phillips has over 98,000 followers (up 83% over the same period). The use of Instagram among auction house experts is proving to be an effective communications tool and potentially influences decisions among new and existing buyers.



57%

of art buyers say that Instagram is the most frequent social media platform used for art-related purposes.

Online art sales 2017

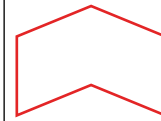


Online art market sales reached \$3.75 billion in 2016, up 15% from 2015. This gives the online art market an 8.4% share of the overall art market.*

Last year was a challenging year for the global art market. Whilst overall art sales were up 1.7% according to this year's TEFAF report, global auction sales reduced by 19% in 2016. Sotheby's reported 29% lower auction sales in 2016, and Christie's reported 22% lower sales last year.

Despite this global decline in auction sales, it is interesting to note that the same auction houses saw an increase in online sales. Sotheby's grew its online business (online bidding and online-only auctions) to \$155 million, an increase of 19% in 2016. Christie's grew its online activities (bidding and online-only auctions) by 34% from \$162 million in 2015 to \$217 million in 2016. Online-only auctions saw a particularly strong increase at Christie's, with an 84% jump in sales last year. Heritage Auction reported that 41% of its auction sales were now conducted online, with \$348.5 million in sales reported in 2016 up 1.3%. It is clear that the potential for growing the online business of traditional auction houses could be substantial. Christie's saw online-only auctions represent 1.5% of total auction sales in 2016, significantly up from 0.6% in 2015. However, if Heritage Auctions is a benchmark for what could be achieved, then the potential for online growth among the traditional auction houses is strong.

It is clear that online art sales are still outpacing the growth of the traditional art market, but it is particularly interesting to see where the growth is currently taking place. Whilst the lion's share of online art market growth between 2011 and 2014 took place among the online-only platforms, boosted by significant venture capital funding and first-to-market advantages, growth in the last two years has picked up among the traditional auction houses who are rapidly investing and adapting to the digital age.



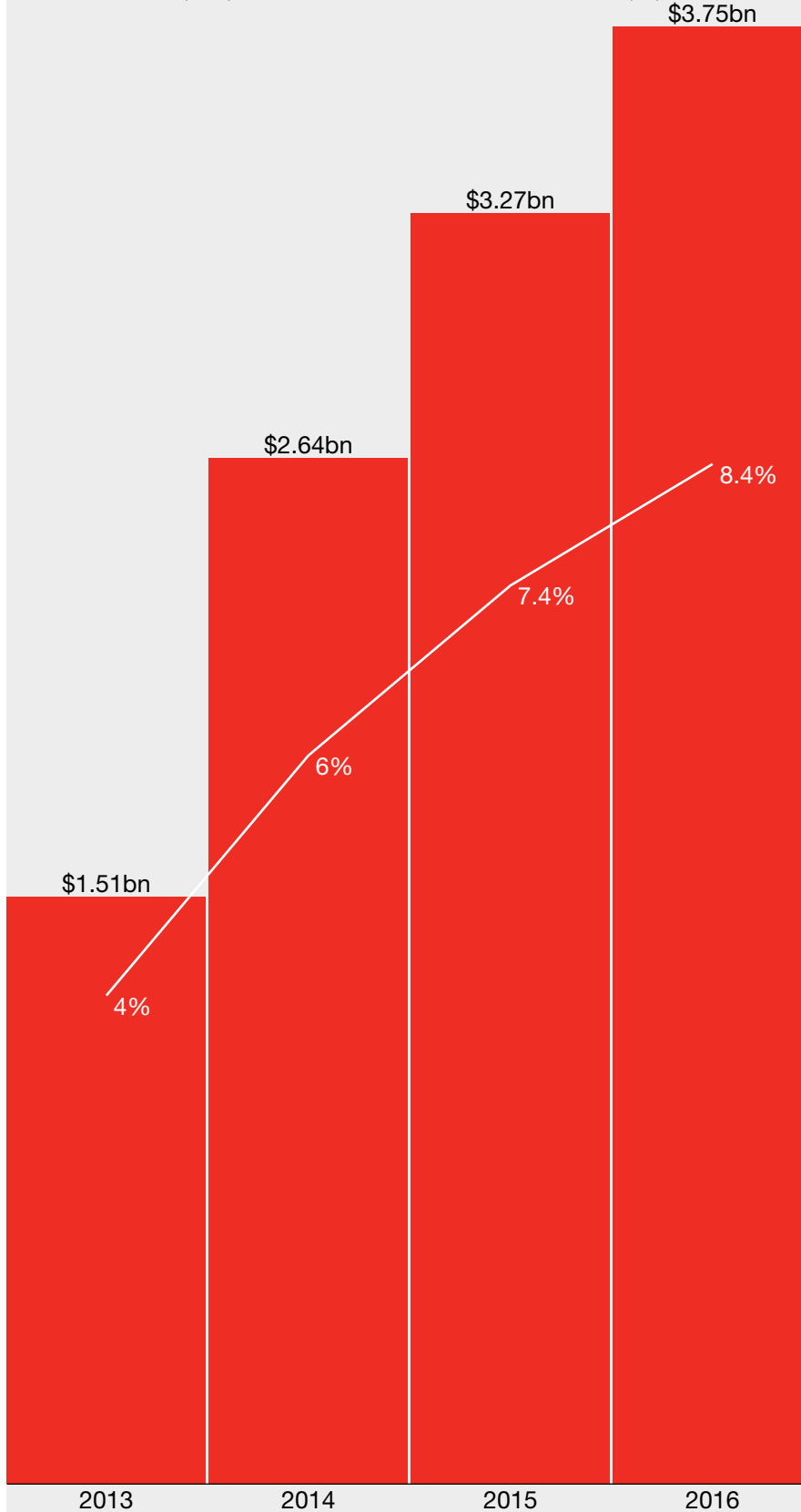
\$9.14bn

Estimated value of the online art market by 2021.



Gil Heitor Cortesao, *Bifurcacao*, 2013
Oil on plexiglass

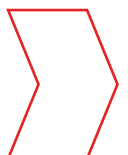
Online art sales (\$bn) versus share of the total art market (%)



Although there was a significant spread of growth rates among the different online art sales platforms in 2016, the estimated aggregate online sales figure shows an increase of 15% in 2016. This was lower than the 24% that we used to estimate future growth in last year's report, and we believe reflects both an art market facing a challenging year, as well as a marketplace which is gradually maturing. We expect growth rates to converge towards that of other online luxury markets of around 20-21%. To estimate the size of the online art market in five years' time, we have used a growth rate of 19.5% (taking an average between 2015 and 2016 growth rates). Based on this trajectory, we could expect the online art market to be worth \$9.14 billion by 2021, although this has the potential to get much bigger if the traditional art market embraces technology at a faster rate than has been the case so far.

Methodology: This year's global online estimate is based on publicly available sales figures, as well as sales estimates from the main online art and collectibles sales platforms that are mentioned in the appendix of this report. We are fully aware that these online art sales platforms do not represent the entire population of online art and collectible sales businesses, and therefore our estimates are likely to be on the conservative side. The vast majority of the Chinese online art market is also excluded from this figure, which according to the China Association of Auctioneers generated \$3.2 billion in total online auction sales in 2014.

The source for the global art market is the TEFAF Report 2017 and estimates provided by Prof. Rachel Pownall for 2013 and 2014.



Outlook for the next 12 months

ONLINE ART BUSINESSES

81% of senior management from online art platforms are positive about the online art market in the next 12 months, whilst only 5% are negative.



41%

see building consumer trust and brand recognition as a challenge.

31%

worry about consumer hesitance of buying art online without seeing the physical work.

19%

cite logistics (fulfilment and delivery) as a concern.

ART BUYERS

50% of existing online art buyers said they would be buying more art and collectibles online in the next year, up from 48% in 2016. 38% said they would buy about the same amount online this year as last year. However, 13%, said they were going to buy less (up from 8% in 2016), which could signal slower growth in online sales in 2017.



80%

worry that the work will look different in real life compared to the digital image.

77%

are concerned about not being able to inspect the physical condition of artworks.

58%

are afraid of buying a fake or an object which is not what it sets out to be.

ART GALLERIES

74% of the galleries surveyed – up from 69% in 2016 – believe online art sales will grow by less than 10% in the next 12 months. This stands in stark contrast to the growth rates experienced by many of the online art platforms in 2016.



82%

worry about reaching and finding the right clients.

55%

are concerned about not having a face-to-face relationship with their clients.

39%

cite logistics (fulfilment and delivery) as a concern.

What the art buyers said

The conversion of online art buyers remains static for the third year. This suggests that the online art market could be struggling to convert art buyers online. Similarly, in last year's report 51% of existing art buyers said they have never bought art directly online, the same proportion as in 2015 and 2016, which could be a signal that the online art market is struggling to convert hesitant art buyers to move online. The fear among non-online art buyers remain the same, where 77% of these hesitant buyers said that 'lack of physical inspection and worries about the work's condition' is one of the main reasons for not buying art online (up from 76% in 2016).



However, existing online art buyers have been acquiring more art in the last 12 months. The share of online buyers that have bought more than one artwork in the last 12 months has increased to 65% in 2017 (up from 63% in 2016). This suggests that already converted online art buyers are increasing their share of online purchases. For the fine art category, the share of buyers who bought between two and five artworks increased to 52% (up from 49% in 2016).

Large majority of art buyers stay below \$5,000 when buying fine art online. 79% of online art buyers spend less than \$5,000 per artwork when buying art online (up from 78% in 2016 and 67% in 2015). Despite anecdotal evidence that works are increasingly being bought online at higher price levels, this signals that the future battleground for the online art market will remain at the lower price range.

The lower price segment of the fine art market acts as an incubator for a new breed of collectors. This segment of the market also acts as a natural breeding ground for new and younger collectors, where 92% of new art buyers (defined as those collecting for less than three years) said the average price of fine art would be less than \$5,000, and 71% would only buy art online for less than \$1,000.

Among new art buyers the print market is the most attractive collecting segment. 85% of new art buyers said they have bought prints and editions online, which correlates with the relatively low average price point that this group is prepared to pay for fine art. This is followed by 60% saying they have bought paintings and 59% who said they have bought photography online. This could imply that although prints and editions are the preferred medium, this market acts as the confidence builder for buyers looking at unique works.

What the galleries said

E-commerce yet to become a major sales channel for the majority of traditional galleries. Out of the 33% of galleries that offer clients the opportunity to buy art directly (click-and-buy) through their website, the majority (59%) still say this channel accounts for less than 5% of total sales. However, for 18% of these galleries, direct online sales account for the majority of their sales. It's important to note that most of these galleries were dealing in collectibles such as watches, design and furniture as well as photography.



Online sales offer galleries a new channel to the global art market with a growing number of repeat buyers. Among those galleries selling art online, 60% said they experienced repeat purchasers (up from 59% in 2016), demonstrating the value and loyalty of online art buyers. 54% of galleries also said that their online sales are mostly going to international clients (up from 52% in 2016), suggesting that the online art market is an important channel for galleries to broaden their international, as well as domestic, client base.

The majority of galleries say buyers are getting increasingly confident in buying art at higher price points online. 60% of galleries (up from 42% in 2016) say that buyers are getting increasingly comfortable buying art at higher price points. However, the majority of transactions still take place below \$10,000. 79% of galleries said that the average price of online transactions remained below \$10,000, down from 82% in 2016. This still suggests that the online art market continues to cater for the lower end of the art market, with few signs of online sales expanding into the higher price segments of the art market. 51% of galleries said that the average price of online artworks sold was less than \$5,000, with 31% saying that the average price was below \$1,000.



Key moments in the last 12 months



May 2016
Auctionata and **Paddle8** merged, bringing together 800,000 registered users and \$150 million in joint annual sales, aiming to grow the global mid-market for art, collectibles and vintage luxury items.

May 2016
Barnebys launched in Hong Kong to gain entry to the Chinese art market, where there is a potential 20 million Chinese buyers and 25 million Chinese sellers.

May 2016
Artprice developed its own Art Market Blockchain with the goal of lowering transaction costs and replacing catalogue raisonnés. Through its data, **Artprice's** Blockchain can trace artworks, particularly those that have been lost or stolen.

June 2016
The **ArtAttack app** provides a social network which allows users to view, buy and sell artwork. The app focuses on emerging artists to provide young artists with a platform to sell their works.

June 2016
Rise Art bought the Irish curated sales platform **Artfetch** for an undisclosed sum. **Artfetch** brings **Rise Art** over 70 international artists to add to their selection.

June 2016
Artsy has partnered with auction houses **Phillips** and **Koller** to provide live bidding services. This was the first time **Artsy** users were able to bid in live auctions, and provides access to auctions for **Artsy's** community of global collectors.



October 2016
Sotheby's acquired **Mei Moses Art Indices**, the auctions sales database with 45,000 repeat sales, providing an index of art prices over time. **Sotheby's** intends to use the database to provide their clients with information personalised to their collections.

October 2016
American art and antiques collector Stephen Smith invested \$1.5 million in the auction and e-commerce platform **Bidsquare** for website development and to increase their international presence in the art world.

October 2016
The launch of the **TEFAF Digital Excellence Programme** powered by **Invaluable** is targeted at helping dealers to grow their businesses using digital tools. The programme aims to provide a cost-effective way for dealers to be able to grow their online presence and reach new buyers whilst emphasising the high quality of their works.

October 2016
Twyla raised \$14 million in new funding led by GV, to bring total funding raised to \$19 million. The company creates exclusive prints by collaborating with contemporary artists, which it then sells online in limited editions that are priced between \$1,000 and \$5,000.

November 2016
Online auction database and auctioneer **Artnet** acquired **Tutela Capital**. Dr. Fabian Bocart, cofounder of **Tutela Capital**, will head **Artnet Analytics** and hopes to provide accessible information to would-be buyers.

December 2016
Auction Mobility, the mobile and online auction software, announced the acquisition of **Lofty.com**, the online marketplace for fine and decorative art.



<p>June 2016 Lauritz.com launched its listing and public offering of shares on Nasdaq First North (LAUR).</p>	<p>July 2016 Wydr launched an online platform designed for mobile devices that gives users suggestions on artwork, based on accumulated likes/dislikes. The app targets first-time buyers at the lower-end of the market, and provides emerging artists with new buyers.</p>	<p>July 2016 ArtList, a platform for online secondary market sales, which allowed vendors to sell their artworks anonymously, ceased operations due to a lack of sales.</p>	<p>August 2016 The Magnus app was removed from the Apple Store due to complaints regarding copyright.</p>	<p>September 2016 The Other Art Fair was acquired by Demand Media, owner of Saatchi Art, to offer buyers the chance to buy art both online and offline. Both the fair and the online gallery provide buyers with a chance to discover emerging artists, unifying two important sectors of the art market.</p>	<p>September 2016 Online auction marketplace Invaluable appointed Bill Ruprecht as its Chairman of Advisory Board, who will be joined by Contemporary dealer Paul Kasmin in early 2017.</p>
---	--	--	--	---	---



<p>December 2016 MutualArt.com and The Artist Pension Trust merged to form the MutualArt Group which facilitates art sales by combining MutualArt.com's website and 500,000 members with The Artist Pension Trust's collection of 13,000 artworks by over 2,000 different artists.</p>	<p>December 2016 Artfinder, an online art marketplace, secured \$2.2 million of funding to improve its visual search technology and for US expansion. The investors include Oxford Capital, Wellington Partners, Cambridge Angels and entrepreneur William Tunstall-Pedoe.</p>	<p>December 2016 Venture capital company NextStage AM invested €2 million into French auction house Hôtel Drouot to launch Drouot Digital, an online platform to sell art live. The move also brings Expertissim, also funded by NextStage AM, into the partnership, and will combine Drouot Live's 120,000 members with Expertissim's 80,000 members and network of experts.</p>	<p>January 2017 Artnet acquired the intellectual property of online secondary market sales company ArtList, along with two out of three of the founders. ArtList ran from January 2015 to July 2016, and will now help Artnet expand its private sales online.</p>	<p>February 2017 Frédéric Jousset, the cofounder of Webhelp and owner of Beaux Arts magazine, purchased 30% of Artsper for €2 million. The investment will be used by the online gallery for international development and to double its staff.</p>	<p>March 2017 Auctionata announced it will cease operations. Paddle8 and ValueMyStuff have been spun out, and will now operate as independent companies.</p>
--	--	---	---	---	--

<p>Key</p> <ul style="list-style-type: none"> Partnerships Launch of online venture Fundraising/investment Online sales Mergers and acquisitions Failures Appointments
--

The Hiscox Online Art Sales Platform Ranking 2017: Top 25

2017 Rank	Company	Movement from 2016	Visitor rank	Purchase rank	Visitor experience rank	Buyer experience rank	Average rank
1	Christie's (online)*	0 ↔	3	2	1	3	2.3
2	Sotheby's (online)*	+2 ▲	4	7	4	1	4.0
3	Artsy	-1 ▼	2	5	2	10	4.8
4	1stdibs	+3 ▲	5	3	9	4	5.3
5	Artnet	-2 ▼	1	1	6	18	6.5
6	Phillips Auction (online)*	NA	11	12	3	2	7.0
7	Auctionata and Paddle8	-2 ▼	6	6	5	13	7.5
8	Saatchi Art	-2 ▼	7	8	10	5	7.5
9	Bonhams (online)*	NA	12	10	7	8	9.3
10	Invaluable	+3 ▲	10	13	13	14	12.5
11	Barnebys	+7 ▲	17	15	8	12	13.0
12	Artspace	-4 ▼	9	14	18	19	15.0
13	Artfinder	+1 ▲	13	11	22	16	15.5
14	Amazon (Art)	+2 ▲	8	4	42	9	15.8
15	Saffronart	0 ↔	21	21	17	6	16.3
16	Bukowskis Market	+4 ▲	28	20	12	7	16.8
17	LiveAuctioneers	NA	15	16	15	21	16.8
18	The-Saleroom	-7 ▼	20	18	14	15	16.8
19	Dorotheum Online	NA	22	24	16	11	18.3
20	Heritage Auctions	-8 ▼	16	17	21	20	18.5
21	Drouot Live	+1 ▲	19	19	29	24	22.8
22	ArtSlant	-3 ▼	18	25	27	25	23.8
23	Dreweatts and Bloomsbury	NA	24	23	24	25	24.0
24	Ocula	+3 ▲	29	36	11	23	24.8
25	Ebay Art	-15 ▼	14	9	44	34	25.3

*Traditional auction houses.



Methodology and limitations: conducted in January 2017, The Hiscox Online Art Sales Platform Ranking is based on the qualitative responses of 758 art buyers when asked about their visiting and purchasing habits as well as their perception and satisfaction of visiting and buying from different online art platforms mentioned in the appendix of this report. Due to the nature of the sample (81% of which are European and American art collectors), there is likely to be a bias towards online art platforms based in these countries, and the ranking is therefore not reflective of the popularity of domestic online art platforms in countries such as China, or online platforms covering a wider collectable spectrum, or where art is a smaller part of the total inventory.

Online come-back for traditional art businesses

Christie's maintains the top spot in this year's ranking, ahead of Sotheby's, Artsy, 1stdibs and Artnet.

Artsy tops the peer nomination ranking. In this year's ranking, the online art platforms were asked to nominate which three peer companies they believed were the market-leaders at the moment. Artsy was nominated the most times, followed by 1stDibs, Saatchi Art, Christie's and Artnet. This ranking is not dissimilar from the online platform ranking based on the consumer survey – where these three companies all appear in the top ten.

Traditional art businesses gain traction in the online art market. Four out of the top ten ranking online art platforms are traditional art businesses, which now have an online/digital platform for bidding on and buying art. This suggests that the offline art world is rapidly catching up with its online-only rivals. Heritage Auctions is a classic example of a traditional auction house that has managed to create a significant online business, which in 2016 generated close to 50% of its total sales.

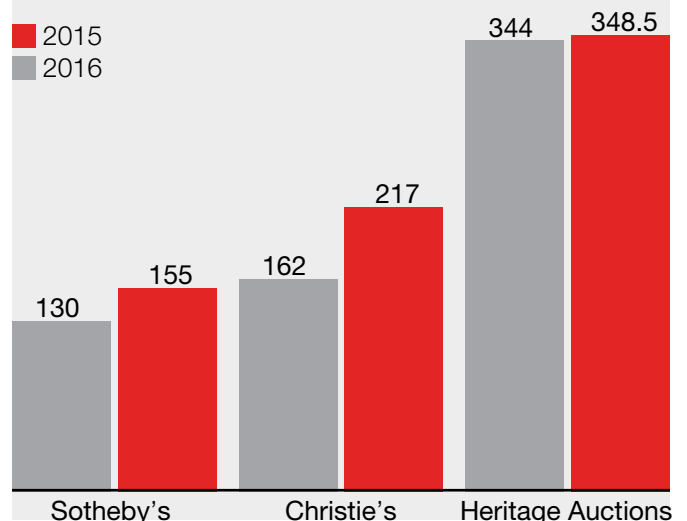
Could the balance of power be shifting back to the traditional players, and what are the implications of this? The balance of power when it comes to generating online sales has been in favour of the online art platforms. However, as the traditional art world finally gets its act together, could the pendulum swing back again? Heritage Auctions alone has generated close to \$350 million in online sales, an impressive number, and if we add both Sotheby's and Christie's to this, then more than \$720 million (19% of total online art sales) is accounted for by these three key players alone. This could suggest that the future of the online art market is one dictated by the existing traditional players rather than a new online-only player.

Increasing competition in the online auction market. Traditional auction houses are increasingly offering their own online auction platform and/or access to live auctions through auction aggregators such as Invaluable, LiveAuctioneer or The-Saleroom. What's clear from this is that the already crowded auction market is getting increasingly competitive. This is making it challenging for online-only players to create sufficient growth momentum and reach critical mass. The acquisition of Lofty by Auction Mobility and the merger between Auctionata, ValueMyStuff and Paddle8 were signs of this industry trend in 2016, and according to survey findings of online art platforms this year, 71% believe this consolidation trend will continue.

Increasing competition forces convergence of different business models and markets. Competition among auction aggregators such as Invaluable, LiveAuctioneers and The-Saleroom remains fierce, with the two first platforms dominating this segment of the market. In March 2016, Invaluable ventured into the gallery and dealer space by allowing visitors to buy directly from galleries through fixed-price offers. This strategy suggests an increasing convergence between the different online business models and could heighten the probability of further consolidation.

Click-and-buy vs. pay-per-click. Barnebys has taken a different approach to most online auction aggregators, such as Invaluable and LiveAuctioneer. It has focused on a pay-per-click advertising model, driving traffic to the auction houses' websites and auctions rather than offering the customer the opportunity to bid and buy directly through their platform. Although this pay-per-click model might sound less convenient for potential buyers as it requires them to sign up individually with different auction houses, rather than buying through one platform, the business model could prove less threatening for the auction houses as they will maintain control and ownership of the client base (both buyers and under-bidders). With traditional auction houses increasingly building their own digital presence, this approach could prove more compatible with their client strategy.

Online sales (\$m) by traditional auction houses 2015 vs. 2016



What the online art platforms said

Industry consolidation is inevitable.

71% of the online art platforms surveyed said they expected more consolidation going forward. 48% of companies surveyed felt that 'horizontal mergers' (companies operating in the same space such as Paddle8 and Auctionata) will be the most common, while 52% believe 'vertical mergers' are more likely, i.e. companies operating in different parts of the value chain.



Competition is likely to be highest in the online auction space.

Most online platforms see the auction space as the battlefield in the next 12 months, as virtually every online platform starts to offer an online auction service. 27% of respondents think this will be the case, and a further 18% believe the auction aggregation space (Invaluable, LiveAuctioneer and The-Saleroom) will intensify. 24% of respondents also believe that competition will intensify in the online gallery market.

From clicks to bricks. 29% of online art platforms surveyed have already established or are thinking of opening a bricks-and-mortar space to complement their existing online offering. This suggests that a significant number of platforms are considering offering their clients an omni-channel experience.

Top challenges. 31% of the online platforms said the biggest challenge is 'consumer hesitance of buying art online without seeing the physical work', which corresponds to the biggest hurdle mentioned by 'hesitant online buyers' above. A further 34% said that 'building consumer trust and brand recognition' are the greatest challenges for the online platforms, which again supports the recent growth in online sales for existing and established brands such as Christie's and Sotheby's. 11% of online art platforms surveyed say the biggest challenge is linked to payment, logistics and fulfilment.

What the galleries said

Gallery sector speeds up the adaption to e-commerce.

33% of galleries surveyed said they offered their clients the option to buy and pay directly online. This was up from 28% in our 2016 report. However, 30% of those respondents not currently offering their clients the ability to buy directly online indicated that they intend to offer this option within the next 12 months – suggesting that galleries are increasingly thinking about how to capture and develop an online art sales channel. There is still significant friction between the traditional relationship-based gallery/dealer model and the online click-and-buy model (often with little or no interaction between the seller and the buyer).



Third-party sales channels are gaining in popularity.

In 2013, 15% of galleries surveyed said they would generate online sales by partnering with an existing art e-commerce platform. In 2016, 26% of galleries surveyed said they planned to partner up with a third-party e-commerce platform in the near future, and this year 27% said this was their future e-commerce strategy. In 2017, 49% of those galleries that sell online are doing so through third-party online platforms. For 37% of the galleries using third-party platforms (up from 26% in 2016), online sales derived from this channel represented less than 10% of total sales. About 12% of the galleries said that more than 10% of their online sales were generated through third-party online marketplaces or platforms.

36% of galleries don't yet have a clear online sales strategy. The strategy to build an e-commerce capability in-house has increased from 15% in 2016 to 21% in 2017, which could suggest that galleries would like to maintain more control over the client acquisition process and management. Although down from 39% in 2016, 36% of galleries are yet to put in place an e-commerce strategy, which shows that a significant share of galleries are yet to develop their thinking when it comes to e-commerce and online art sales.

29%

of online platforms have already established or are thinking of opening a bricks-and-mortar space to complement their existing online offering.

31%

of online platforms said the biggest challenge is 'consumer hesitance of buying art online without seeing the physical work'.

33%

of galleries offer their clients the option to buy and pay directly online.

36%

of galleries don't yet have a clear online sales strategy and are yet to put in place an e-commerce strategy.

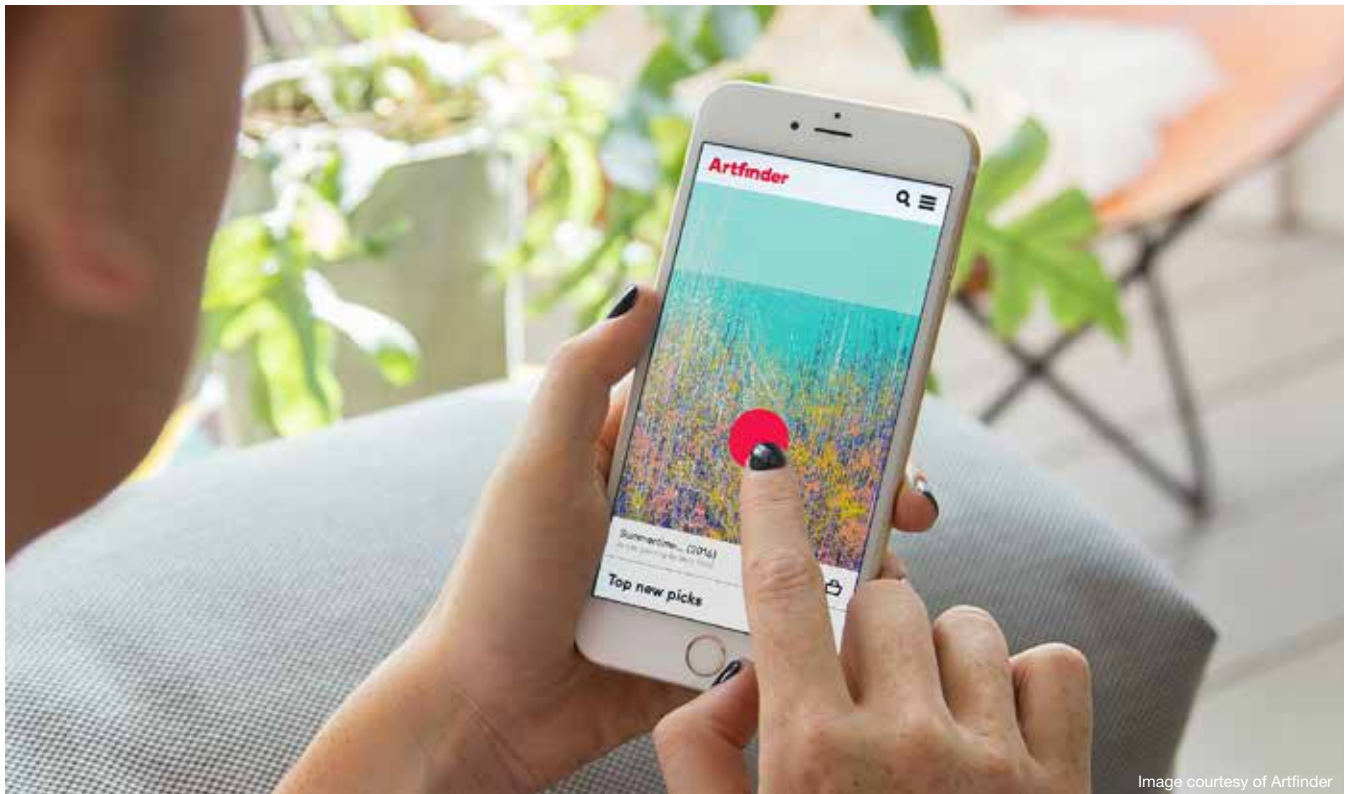


Image courtesy of Artfinder

What the art buyers said

Potential and existing art buyers are discovering online platforms through traditional mediums. 54% of respondents said that media articles are the most important channels for them when discovering online art platforms, while 51% said word-of-mouth. 45% also said they find new online platforms through social media, up from 42% in 2016.



More frequent visits to online art platforms. Among existing and potential art buyers, 52% of respondents say they are visiting online platforms on at least a weekly basis or more (up from 47% in 2016).

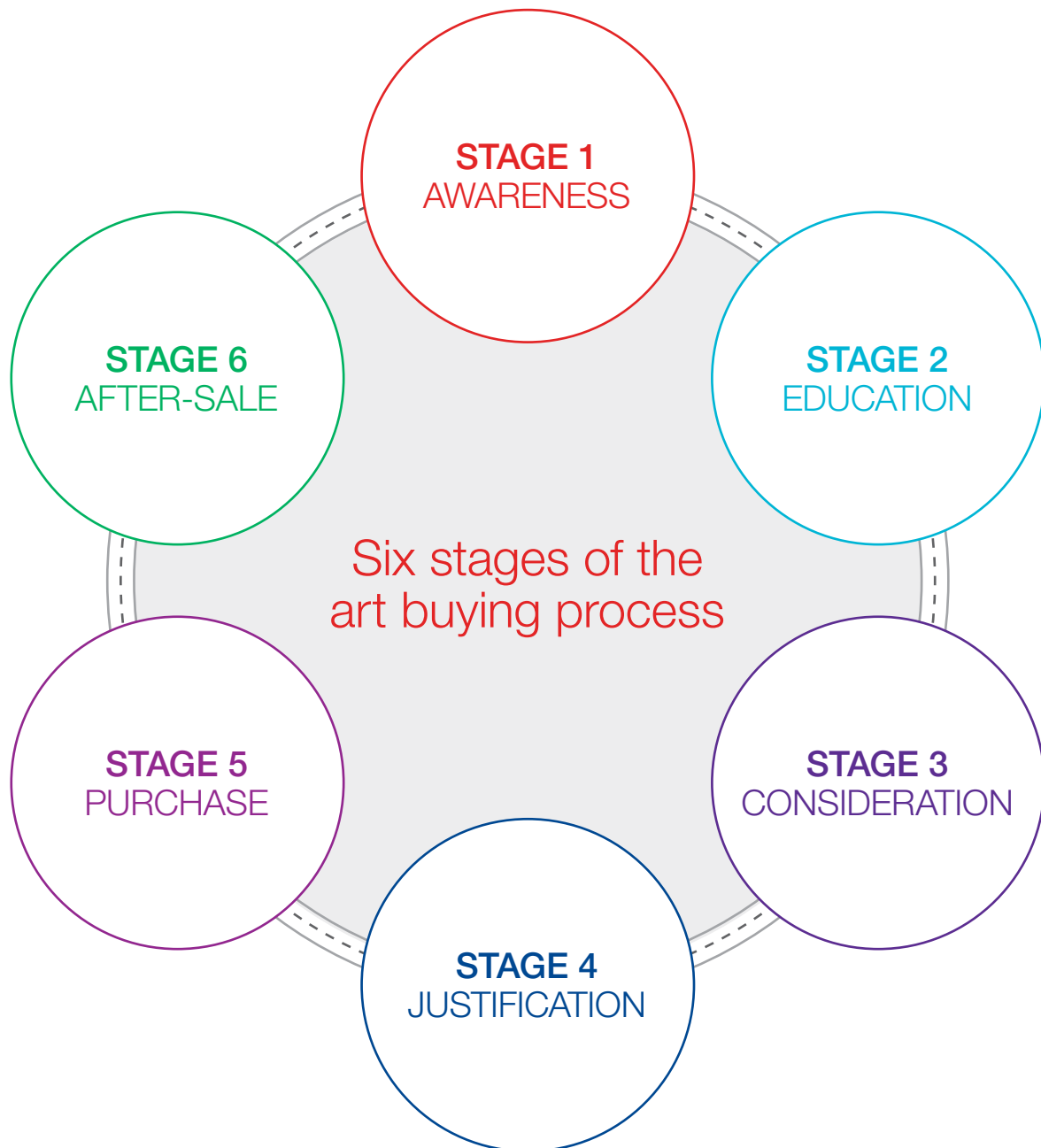
People are spending more time browsing online art platforms. 63% of visitors to online art buying platforms say they spend ten minutes or more on these websites per visit (up from 58% in 2016).

Reputation and building a trusted brand is key. 82% of online art buyers said that the reputation of the online platform/seller is key when buying art and collectibles online, with pure-play platforms competing neck-and-neck with offline brands such as Sotheby's and Christie's.

Online art marketplaces and online-only auctions remain the most popular choice of platform, although new and young art buyers prefer the non-auction format. 44% of the online art buyers surveyed have bought from online art marketplaces such as (Artfinder, Artspace, Amazon Fine Art, Saatchi Art and Rise Art), followed by 41% who have purchased art from online-only auctions such as; Paddle8 and Artnet Auctions. Among new and younger art buyers, 55% said they had bought art from online art marketplaces, compared to 29% who said they have bought through online-only auctions. This suggests that the competitive auction mechanism is less appealing to young and new art buyers, which is reflected in the relatively low level (14%) of purchases through 'bricks-and-clicks' (Sotheby's and Christie's) and 22% through online auction aggregators (i.e. The-Saleroom, Invaluable and Live Auctioneers).

Online art buyers are broadening their use of different platforms. In 2017, 77% of online art buyers surveyed said they had bought from two or more online platforms or marketplaces (up from 73% in 2016). 9% of online buyers have bought from more than five platforms (up from 6% in 2016). This could suggest that there is no single destination, but that online art buyers are experimenting and testing out different online companies to buy from.

Addressing the concerns of the hesitant art buyer



STAGE 1 – AWARENESS

Awareness raising. Word of mouth (51% of respondents, up from 35% in 2014) and social media (45% of respondents, up from 34% in 2014) have become the most important channels in the last three years in raising awareness of online art sales platforms. These viral forms of marketing suggest that a positive visitor and buyer experience is critical in attracting new visitors and converting potential buyers.

Browsing trends. The number of times people visit online art buying platforms, and the amount of time people spend browsing online art sales platforms, have both increased in the last three years. The share of frequent visitors has increased from 27% in 2014 to 32% in 2017, and the percentage of respondents that are spending more than 30 minutes per visit has increased from 13% in 2014 to 18% in 2017.

Creating a user-friendly experience for search and discovery. 85% of online art buyers attributed significant weight to the search and discovery process when selecting a specific online art platform, or when deciding to buy. With an increasing amount of art and collectibles available online, it is evident that the process and experience around search and discovery will be critical to the success of the online art market going forward.

Quality, quality, quality. 91% of online art buyers surveyed said that the ‘quality of art on offer and that the quality is on par with what is offered offline’ are the most important elements in their decision to buy art online. This suggests that online buyers are very sensitive to the perception of the online art market becoming a dumping ground for works that cannot be sold offline.

STAGE 2 – EDUCATION

More information. Buying art and collectibles online sight-unseen (that is, without having seen the physical piece) presents several challenges for the buyer at different stages in the buying cycle. A significant share of survey respondents, (79% up from 76% in 2016) said they wanted more background information about the artist and the object.

Content is king. 52% of online art buyers state that content is important to their platform choice (up from 42% in 2016), which suggests that buyers are looking for more than just buying artwork. In fact, they are attributing significant value to the educational experience. Research shows that online consumers are most likely to support transparent brands that produce informative and interesting content.

STAGE 3 – CONSIDERATION

Customer reviews and feedback stage. 65% of hesitant art buyers surveyed said that customer reviews and feedback from previous clients would be an important ingredient in the art buying process (up from 64% in 2016). Although customer reviews are not common in the art world, the growing use of social media suggests that client feedback (such as likes and followers) as well as comments and reviews could play an increasingly important role in driving the emotional consideration for proceeding with the online art buying process.



45%

of art buyers regard social media as one of the most important channels for raising awareness of online sales platforms.

85%

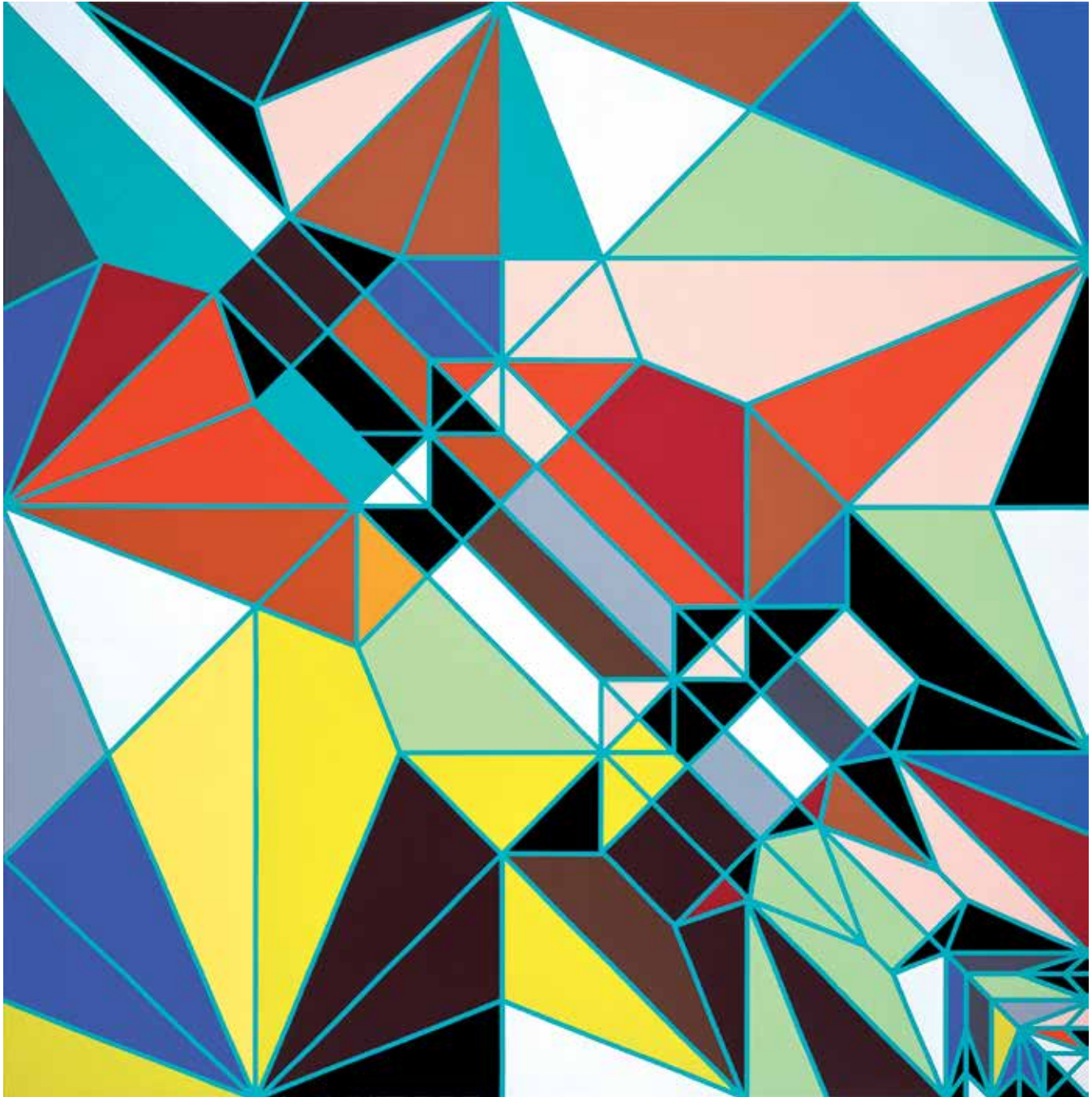
of art buyers attributed significant weight to the search and discovery process when selecting a specific online art platform.

79%

of hesitant online art buyers would like more background information about the artist and the object.

65%

of hesitant online art buyers stated that customer reviews and feedback from previous clients would be an important ingredient in the art buying process.



Sarah Morris, *Weasel (Origami)*, 2007
Household gloss paint on canvas (image courtesy of the artist and White Cube)

STAGE 4 – JUSTIFICATION

At this logical stage, the potential online art buyer is looking for verification of the value and the physical qualities of the object.

Lack of physical inspection remains the key challenge for hesitant buyers. Buying art and collectibles online sight-unseen presents several challenges for the buyer. 80% worry that the artwork will look different than it appeared in the digital image, and 77% worry that the condition of the work might be different from what was stated or anticipated. This hurdle has remained the biggest challenge among hesitant buyers in the last three years, so it is clear that hesitant buyers are looking for a number of pre-sale services with regards to these concerns. 92% of hesitant buyers said that condition reports would be essential when buying an artwork sight-unseen (up from 89% in 2016). A further 87% said that a certificate of authenticity (the same figure as in 2016) would be essential in justifying the purchase.

Price transparency will become the norm rather than the exception. Although the art market is still notoriously opaque when it comes to revealing prices, 86% of online art buyers find price transparency (that is, the clear labelling of prices and the possibility to check past and comparable prices) an essential ingredient in buying art online. With consumer pressure on price transparency, it is only a question of time before all online art platforms (including online auctions) will have to start revealing past transactions, as well as providing price comparison tools. 67% of hesitant art buyers said they would like access to an independent valuation report (up from 51% in 2015, and down 1% from 2016).

Human interaction. 73% said they would like to have the opportunity to talk to an expert at this level of the decision-making process, up from 69% in 2016.

STAGE 5 – PURCHASE

At this stage in the cycle, the buyer is looking for the facts. How much will the artwork cost – including fees, shipping and insurance? If the buyer is unhappy with the purchase, what are the terms regarding return guarantees?

Return guarantees. The large majority (80%) of hesitant online art buyers said that the terms of the return guarantee were important in their decision to buy art online sight-unseen. In fact, 71% said that having the option to insure the artwork at time of purchase would make them feel more confident buying online and 64% said that more information and choice about the shipping options would help in the acquisition process.

STAGE 6 – AFTER-SALE

The after-sale process is really about reassurance and making the client feel they have made the correct choice. This is critical for repeat purchases as well as how effectively these satisfied clients spread the word to new, potential clients.

Services related to this aspect could be informational in nature – for example, it could include sending clients emails with regular updates about how the artist's career develops (new exhibitions, critical reviews, prizes and awards etc.) or how the economic value of the artist has changed over time. This is a value-added service which would provide the buyer with potential cultural and economic gratification from the initial purchase.

80%

of hesitant online art buyers cite a lack of physical inspection as one of the biggest challenges.

87%

of hesitant online art buyers deem a certificate of authenticity (the same figure as in 2016) to be essential in justifying the purchase.

80%

of hesitant online art buyers view the terms of a return guarantee as being important in their decision to buy art online sight-unseen.

71%

of hesitant online art buyers would feel more comfortable if they had the option to insure their artwork at the time of purchase.

Social media



Alex Katz, *Black Hat IV*, 2011
Silkscreen

The interest in Instagram continues in the art world, with important art businesses, museums, artists and collectors engaging and connecting with an increasing number of followers and fans.

The Centre Pompidou saw an impressive follower growth of over 800% in the last 12 months, highlighting the importance of social media in publicity and awareness raising. Instagram is also proving to be a critical marketing tool for the commercial art market, as demonstrated by the large amount of Instagram followers among certain galleries, auction houses and art fairs.

Museums have the top Instagram accounts in the art market, particularly New York's Museum of Modern Art (MoMA), which

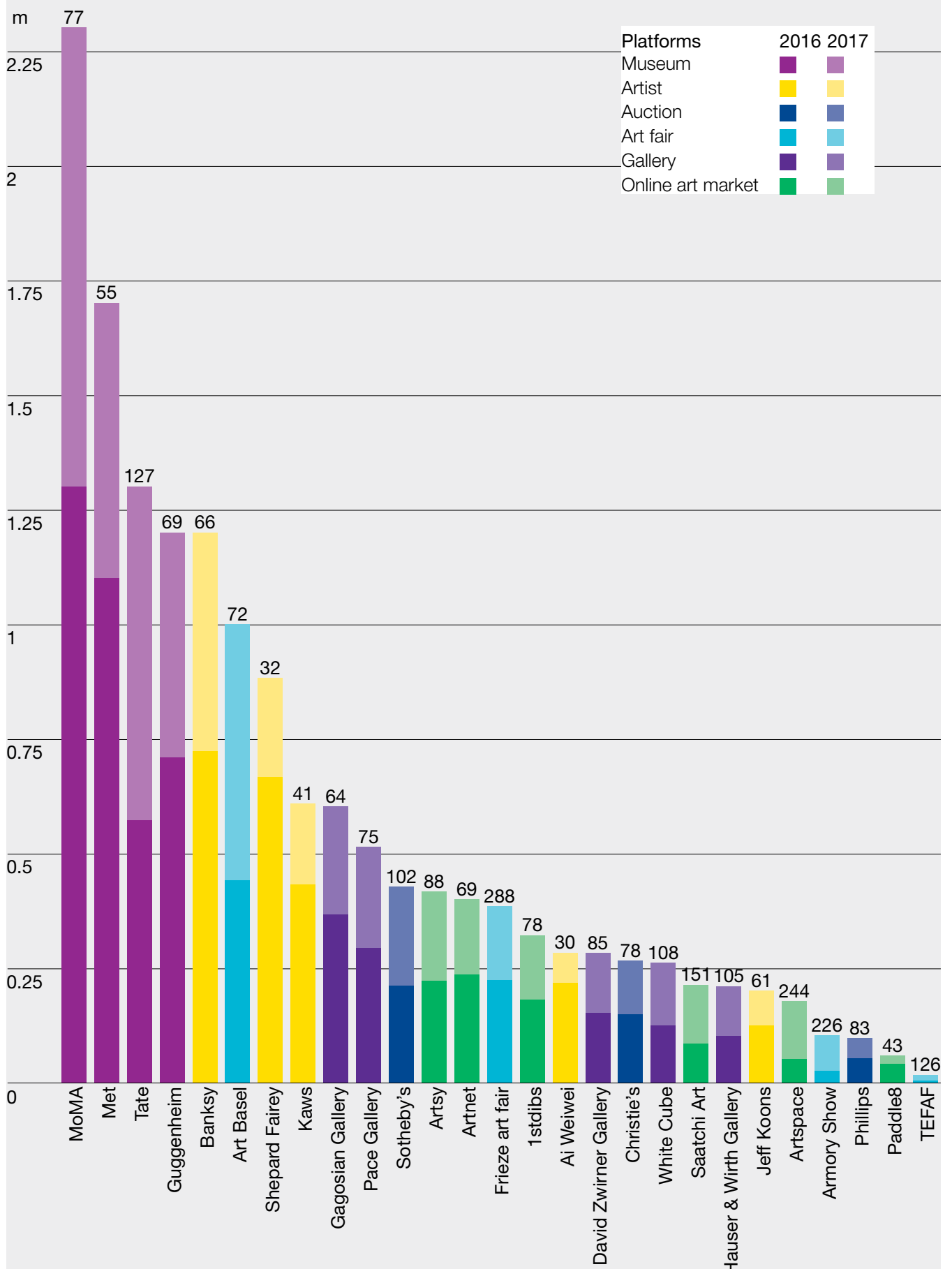
boasts 2.3 million followers, The Metropolitan Museum (Met), which has 1.7 million followers, and the Tate which has 1.3 million followers. Other extremely popular choices are the top tier art fairs, including Art Basel, Frieze and The Armory Show, and the auction houses – Sotheby's, Christie's and Phillips.

Alongside the company accounts, the top contemporary art experts at the auction houses also have their own accounts with thousands of followers. The most notable accounts are those of Matt Carey-Williams at Phillips, who has nearly 8,000 followers, and Loic Gouzer at Christie's, with over 14,000 followers – a 72% increase from 2016. A well-publicised example of the influence of auction house experts on Instagram was the posting of Jean-Michel Basquiat's 'Sugar Ray' by Brett Gorvy, former Chairman and International Head of Post-War and Contemporary Art at Christie's. He reportedly sold the painting two days later for \$24 million.

2.3 million

Instagram followers for New York's Museum of Modern Art.

The art world and Instagram – number of followers (million) and 12-month growth rate (%)



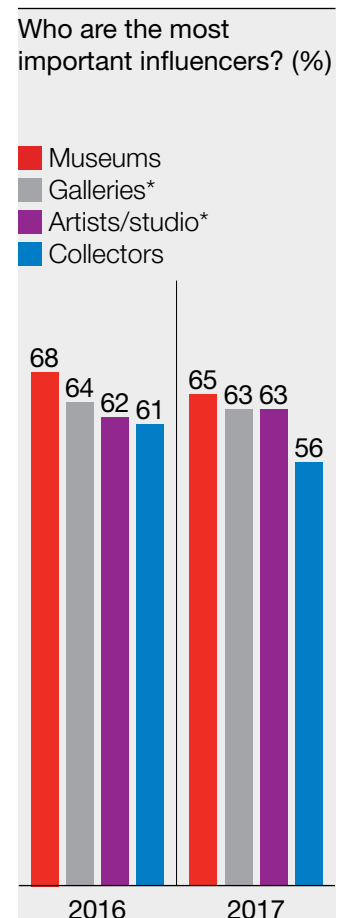
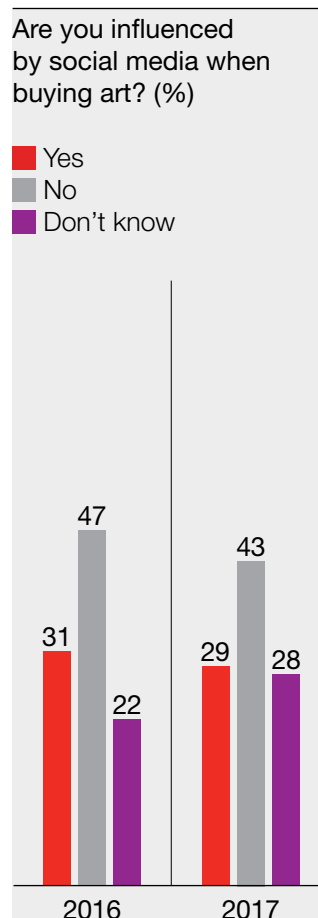
This list is not exhaustive, but is based on a selected list of key art world Instagram accounts that we started to monitor in February 2016.

For the first time, Instagram overtakes Facebook as the preferred social media channel for the art world. Instagram has emerged as the most important social media channel in the art world, with 57% of survey respondents saying this is their most frequently used social media platform (up from 48% in 2016 and 34% in 2015). Among those under aged 35, this share is significantly higher, with 70% saying Instagram was their preferred choice. Whilst Facebook was still the dominant social media platform among art buyers last year, 49% of the art buyers this year said Facebook was their preferred social media channel for art-related purposes, down from 54% in 2016.

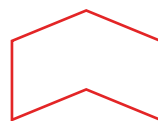
Social media is becoming an increasingly important tool for galleries and dealers.

91% of the galleries surveyed said they actively use social media to promote their gallery and their art/artists. Whilst Facebook and Twitter were the two dominant channels in 2016, Instagram is now clearly the social media channel of choice, with 57% of galleries saying they find Instagram the most effective in terms of raising awareness, compared to 42% who say Facebook. When it comes to generating direct sales or direct sales leads, again Instagram comes out as the clear winner, with 35% of the galleries saying the platform is driving direct sales, compared to only 7% of respondents mentioning Facebook.

Time spent on social media increased in the last 12 months. 56% of respondents said they spend more than one hour each day on social media, up from 53% in 2016. However, 70% of under 35 year olds were spending more than one hour each day (up from 66% in 2016), and half of these would spend between one and three hours a day on social media.



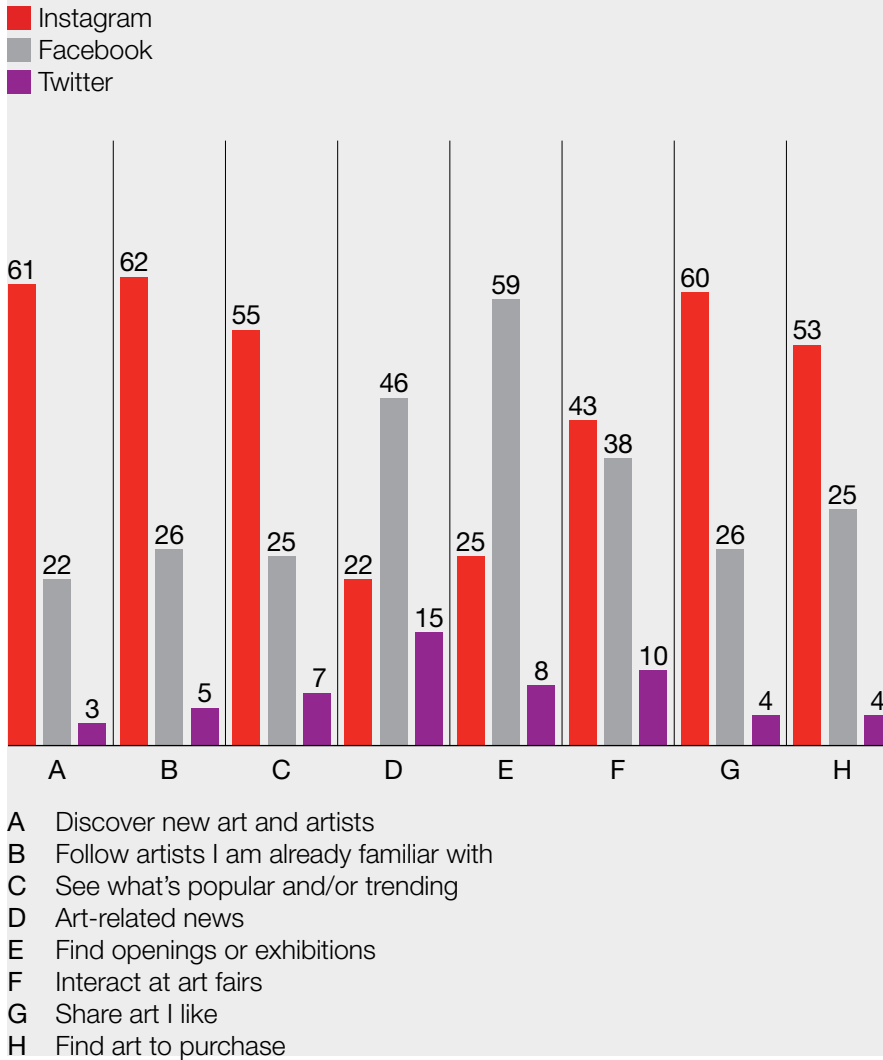
*These are more important for 35 year olds.



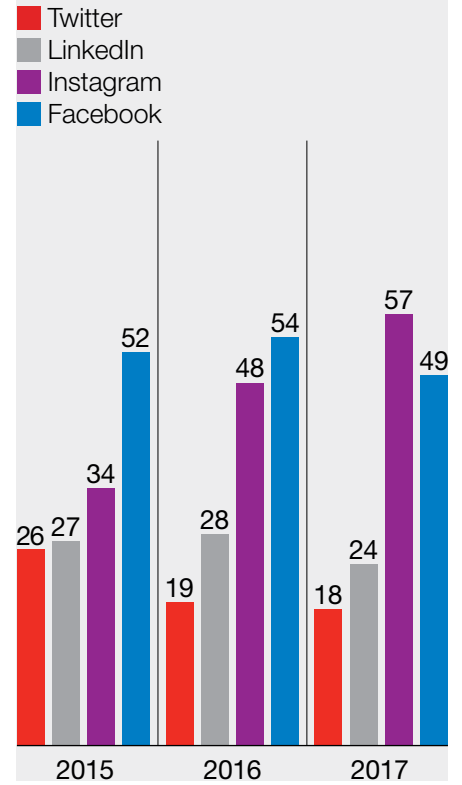
57%

of galleries say they find Instagram the most effective in terms of raising awareness.

Which social media channels do you use for the following actions? (%)



Preferred social media platforms (%)

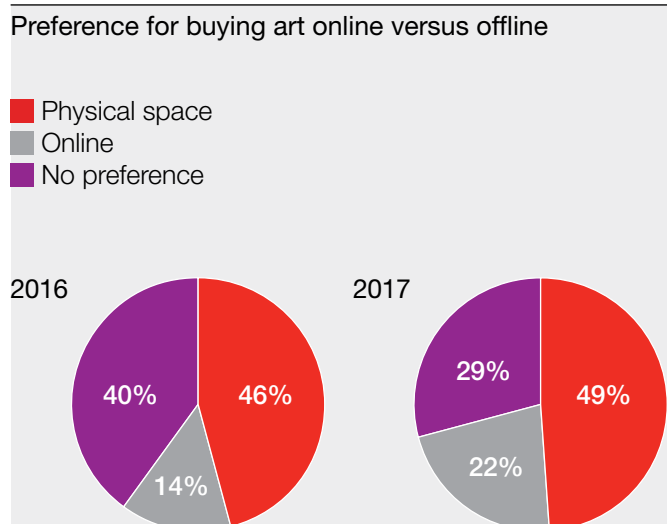
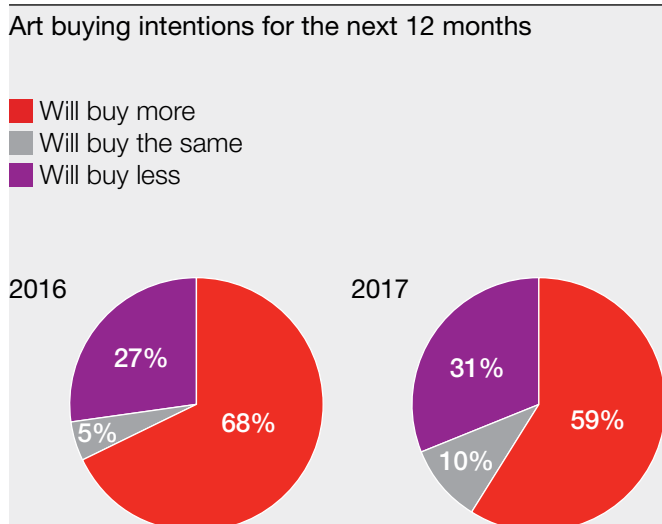
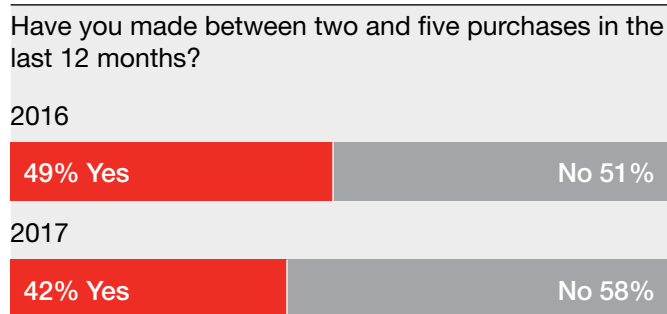
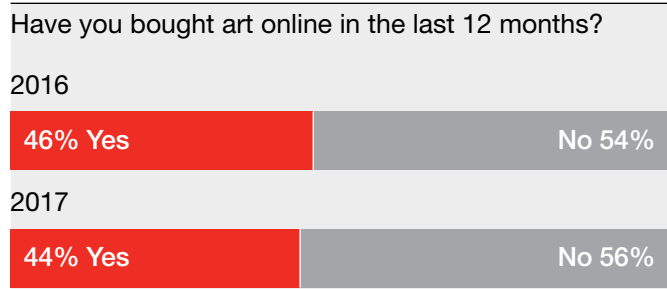
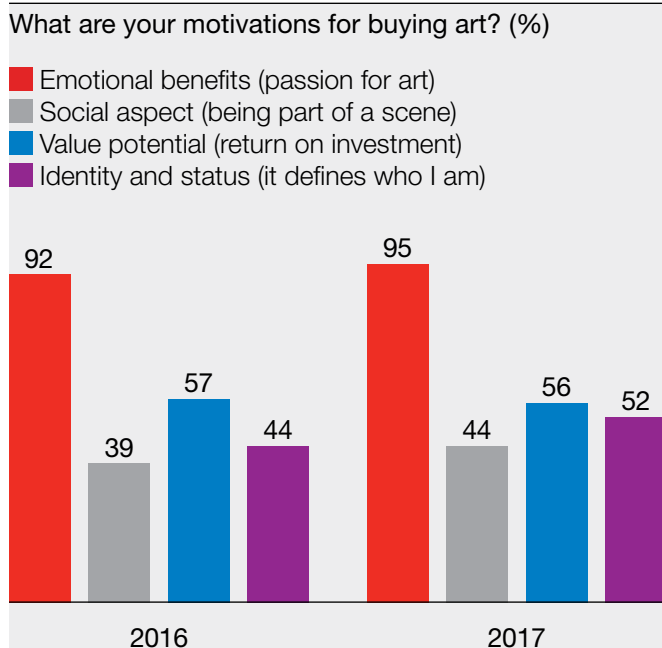
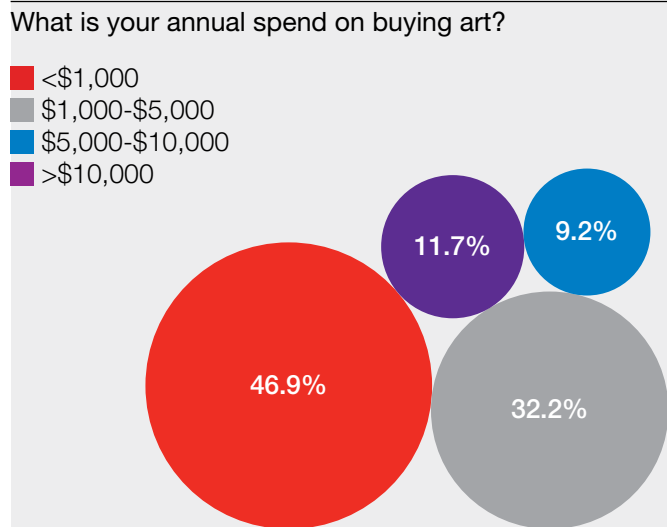
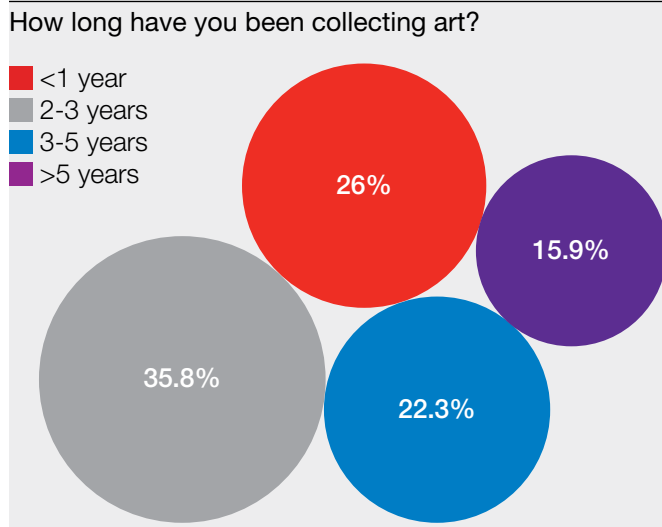


Instagram beats Facebook in six out of eight categories. Instagram is perceived as being superior to Facebook in terms of the ability to discover new artists (61% compared to Facebook's 22%), following artists you are familiar with (62% compared to Facebook's 26%), and to see what is popular and what is trending (55% compared to Facebook's 25%). The two categories that Facebook is significantly better than Instagram in are art-related news and finding openings and exhibitions.

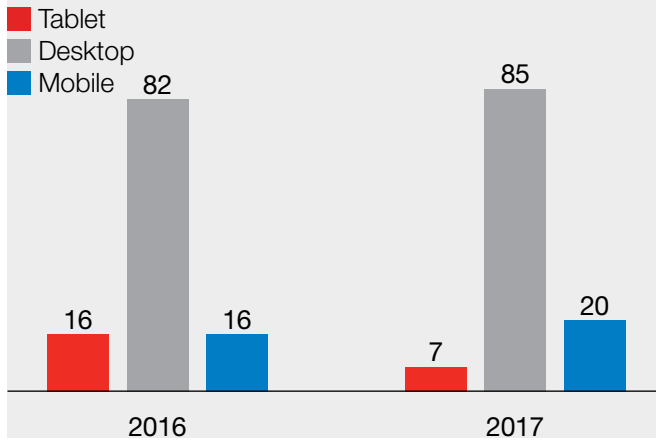


Generation Y (20-35 years)

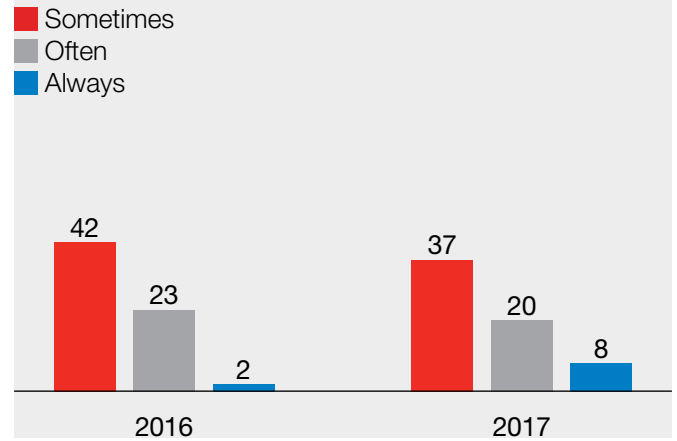
Online buying trends 2017



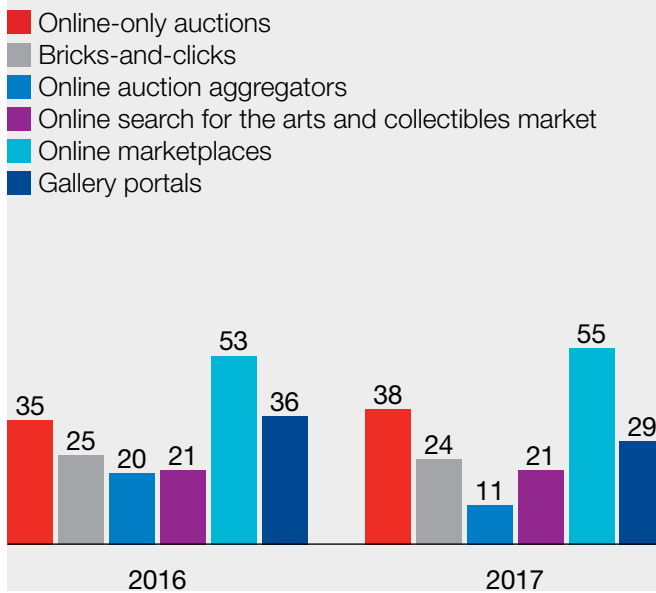
Devices used (%)



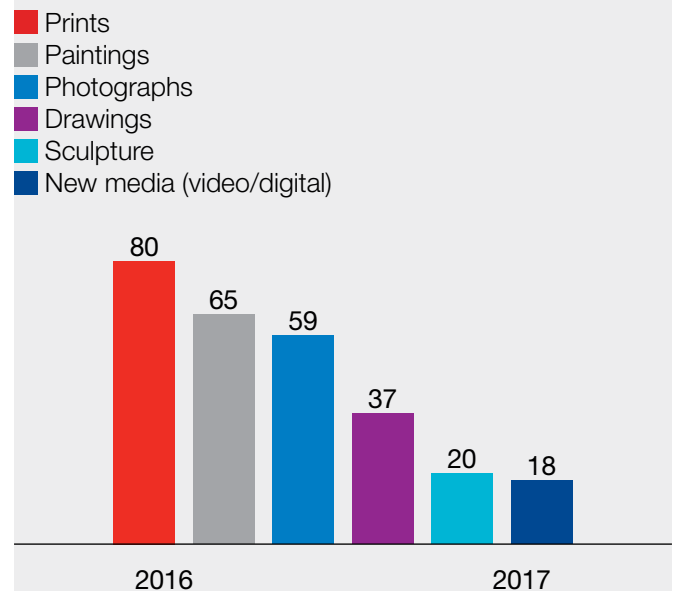
Do you feel loyal towards the online platforms you have purchased from?



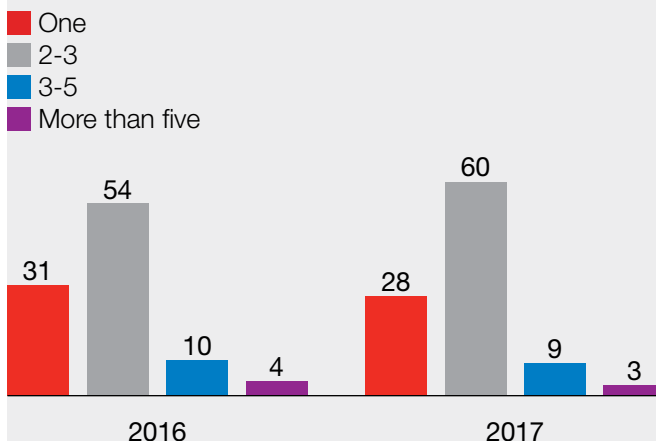
What type of platforms have you bought from? (%)



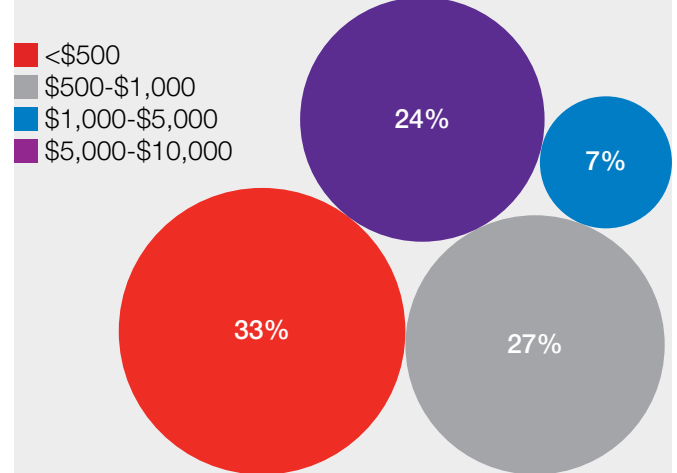
Type of art bought online? (%)



Number of platforms purchased from in the last 12 months (%)



Average price paid for online artwork

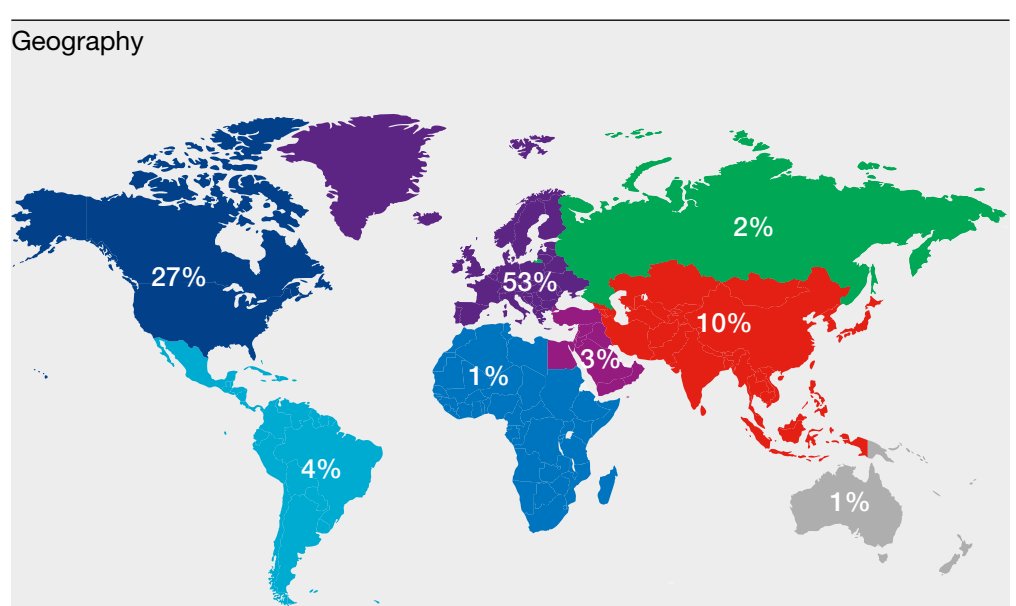
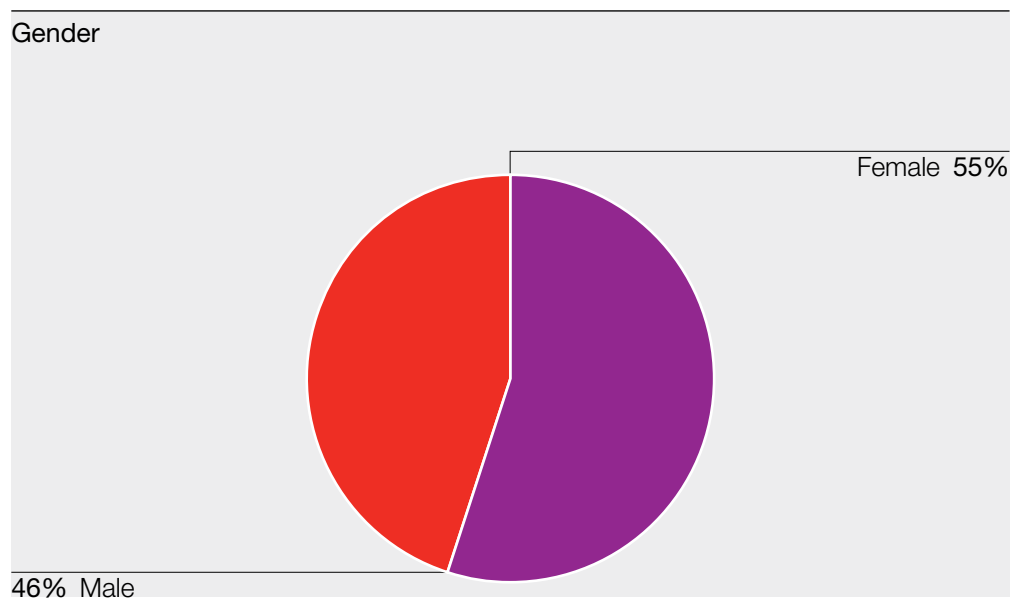
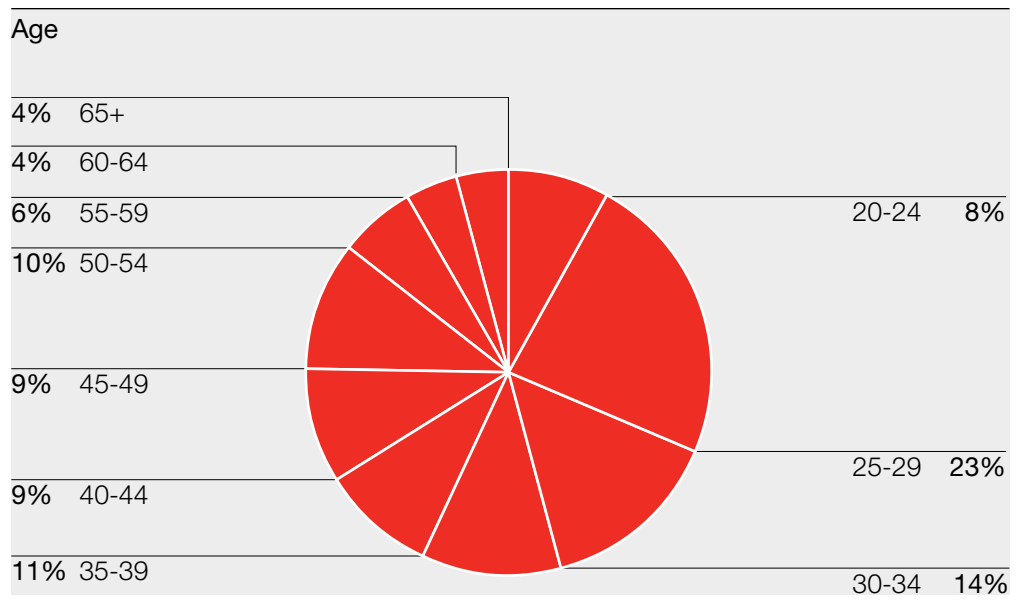


Please note, some figures may not add up due to rounding.

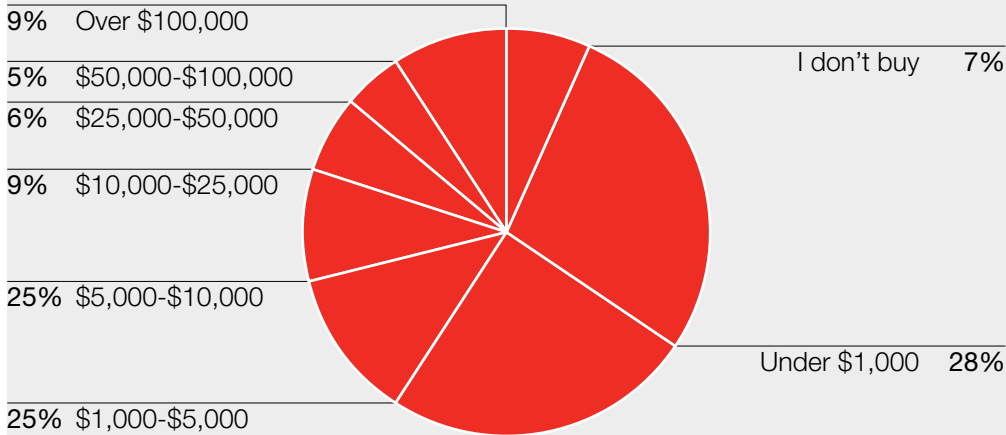
Methodology

The survey findings are based on responses from 758 art buyers surveyed through ArtTactic's client mailing list, Twitter and Facebook. This was up from 672 respondents in 2016.

Like last year, most of the survey respondents participated in this year's survey as well. However, the sample has been broadened by particularly focusing on new art buyers. This has allowed us to get a better idea of current online buying trends and behaviour among this next generation of buyers, and to better understand their concerns and future expectations with regards to buying art online. Although the central focus is around fine art, we have in this survey also explored online buying habits of other collectibles.



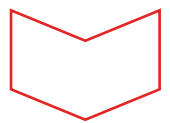
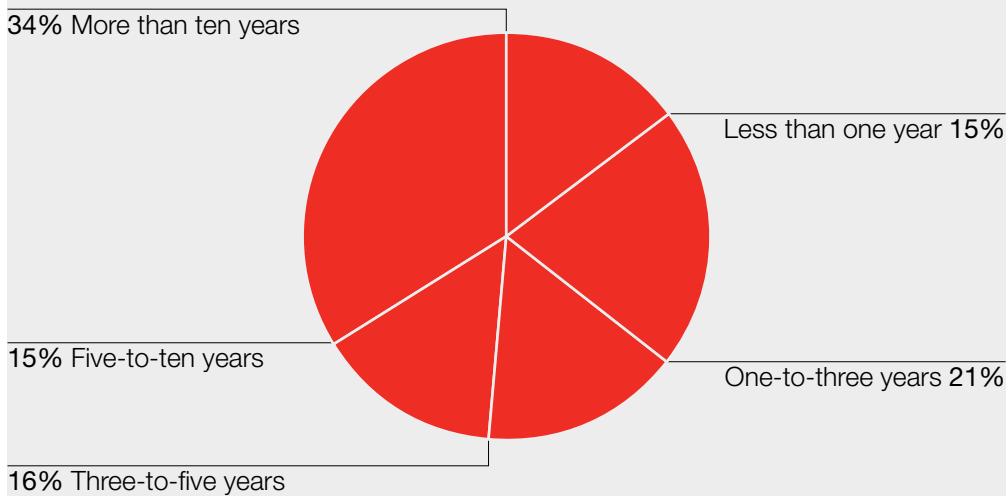
How much do you spend on art and collectibles in a year in the last 12 months?



For this report we also surveyed 132 galleries and dealers (up from 127 in 2016) representing a wider range of art and collectibles. 60% of these galleries were linked to contemporary art, whilst 40% represent a wider selection of dealers in different collectible areas (such as photography, modern and impressionist art, design, furniture, decorative art, antiquities, and old masters).

A new addition to this year's report is the survey feedback from management and key staff of the online art platforms participating in this report. In January and February 2017, ArtTactic conducted 42 one-to-one interviews and online surveys (from a total population of 75 companies profiled in the appendix).

How long have you been collecting?





Eduardo Paolozzi, *Wunderkammer*, 1990s
Cabinet of plaster casts

Databank 2014 – 2017

Online browsing behaviour

How often do you visit online art and collectible sales websites where you can buy directly through click-and-buy?

	2014	2015	2016	2017	2017 under 35s	2017 new buyers (collecting <three years)
Never	10%	10%	9%	7%	6%	6%
Once a year	9%	11%	11%	9%	10%	13%
Once a month	32%	35%	33%	31%	35%	37%
Once a week	23%	21%	20%	20%	19%	20%
A few times a week	27%	23%	27%	32%	30%	24%

On average how much time do you spend on these online art sales websites per visit?

	2014	2015	2016	2017	2017 under 35s	2017 new buyers (collecting <three years)
Five minutes or less	13%	18%	15%	13%	9%	8%
5-10 minutes	29%	25%	27%	26%	28%	30%
10-20 minutes	30%	27%	27%	30%	28%	28%
20-30 minutes	15%	15%	17%	15%	17%	18%
30 minutes or more	13%	15%	14%	18%	18%	16%

How do you find out about these online art sales websites? (you can choose more than one option)

	2014	2015	2016	2017	2017 under 35s	2017 new buyers (collecting <three years)
Word of mouth (friends, colleagues and other art buyers)	35%	54%	54%	51%	61%	59%
Google search (or other search engines)	43%	43%	48%	42%	44%	43%
Social media (Facebook, Twitter, Instagram)	34%	41%	42%	45%	53%	54%
Art fairs (through online apps launched in conjunction with traditional art fairs)	35%	35%	35%	34%	36%	36%
Auctions (through auction house websites)	48%	35%	33%	36%	30%	29%
Galleries (galleries advertising their presence/ links on online sales platforms)	53%	33%	31%	33%	30%	29%
Media articles (newspapers, specialist art magazines)	59%	56%	60%	54%	56%	52%

Motivations for buying art

How important are the following motivations when buying art and collectibles? (respondents answering important/very important)

	2015	2016	2017	2017 under 35s	2017 new buyers (collecting <three years)
Emotional benefits (passion for art)	93%	94%	95%	95%	93%
Social aspect (being part of a scene of like-minded people)	35%	32%	35%	44%	44%
Value potential (return on investment)	63%	56%	58%	56%	52%
Identity and status (it defines who I am)	39%	39%	44%	52%	51%

Online art buying trends

Have you bought art and/or collectibles directly online through a click-and-buy or click-and-bid website (with or without having seen the physical object)?

	2014	2015	2016	2017	2017 under 35s	2017 new buyers (collecting <three years)
Yes	38%	49%	49%	49%	44%	38%
No	62%	51%	51%	51%	56%	62%

How many times have you bought an art or collectible object online in the last 12 months?

	2014	2015	2016	2017	2017 under 35s	2017 new buyers (collecting <three years)
Once	36%	35%	37%	35%	48%	51%
2-5 times	47%	45%	47%	51%	42%	41%
6-10 times	7%	8%	8%	7%	3%	5%
Ten times or more	10%	12%	8%	7%	6%	3%

In the next 12 months, do you think you will buy more art and collectibles online than in 2016?

	2016	2017	2017 under 35s	2017 new buyers (collecting <three years)
Yes, more than last year	48%	50%	59%	62%
No, less than last year	8%	13%	10%	8%
About the same as last year	44%	38%	31%	30%



Online art buying trends continued

What types of online art platforms have you bought from?

	2015	2016	2017	2017 under 35s	2017 new buyers (collecting <three years)
Online-only auctions (i.e. Auctionata, Artnet Auctions)	23%	37%	41%	38%	38%
Bricks-and-clicks (i.e. Christie's 'LIVE', Sotheby's 'BIDnow', galleries with an e-commerce option)	20%	31%	32%	24%	16%
Online-auction aggregators (i.e. thesaleroom.com, Invaluable and Live Auctioneers)	10%	23%	20%	11%	15%
Online search for the arts and collectibles market (Barnebys)	5%	15%	19%	21%	24%
Online marketplaces (i.e. Artfinder, Artspace, Amazon Fine Art, SaatchiArt, Rise Art)	21%	41%	44%	55%	54%
Gallery portals (i.e. Artsy)	15%	37%	30%	29%	36%

How many different online platforms have you bought from?

	2016	2017	2017 under 35s	2017 new buyers (collecting <three years)
One	27%	23%	28%	38%
2-3	53%	55%	60%	56%
3-5	14%	13%	9%	5%
More than five	6%	9%	3%	1%

Had you purchased works from a physical gallery space, auction or art fair before purchasing an artwork/collectible online?

	2014	2015	2016	2017	2017 under 35s	New buyers (collecting less than 3 years)
Yes	90%	91%	89%	85%	72%	65%
No	10%	9%	11%	15%	28%	35%

If you have purchased works offline and online, which experience do you prefer?

	2014	2015	2016	2017	2017 under 35s	2017 new buyers (collecting <three years)
Physical space	54%	48%	50%	48%	49%	44%
Online	11%	15%	12%	16%	22%	26%
No preference	37%	37%	38%	36%	29%	30%



Online art buying trends continued

Which devices do you mostly use when buying art online?

	2014	2015	2016	2017	2017 under 35s	2017 new buyers (collecting <three years)
Tablet	25%	21%	19%	12%	7%	8%
Desktop	71%	68%	81%	82%	85%	87%
Mobile	4%	11%	13%	17%	20%	18%

Had you purchased other products online within a similar price range before buying art online?

	2016	2017	2017 under 35s	2017 new buyers (collecting <three years)
Yes	72%	71%	69%	67%
No	28%	29%	31%	33%

Do you feel loyal towards the online art sales companies that you have bought from?

	2015	2016	2017	2017 under 35s	2017 new buyers (collecting <three years)
Never	17%	20%	18%	15%	13%
Rarely	20%	23%	22%	20%	29%
Sometimes	41%	36%	36%	37%	35%
Very often	17%	18%	18%	20%	19%
Always	4%	3%	6%	8%	5%

What attributes would you say are critical when deciding on which online art sales website to potentially buy from?

	2015	2016	2017	2017 under 35s	2017 new buyers (collecting <three years)
Quality of the art on offer: is the art as good as the art I can buy offline?	93%	92%	91%	94%	92%
Price transparency: clear pricing and the possibility to check past and current prices	88%	86%	88%	88%	87%
Search/navigation: easy to find art and artists that I am interested in	88%	87%	85%	91%	91%
Information about the art: background information about the artist and the work	82%	74%	81%	83%	85%
Reputation of the online sellers of art (galleries or dealers that I already know or have heard of)	82%	84%	82%	80%	72%
Freshness: always new and interesting art available for sale	58%	64%	63%	72%	68%
Artist brands: selling well-known artists	50%	50%	40%	60%	55%
Additional content: interesting articles, commentaries and news on the website	43%	42%	52%	59%	53%
Customer reviews: ability to read other people's views and feedback	42%	48%	48%	54%	51%

Non-online art buyers – why are they hesitant?

If you haven't bought online, what are the main reasons for this?

	2015	2016	2017	2017 under 35s	2017 new buyers (collecting <three years)
Condition: I am not able to inspect the work and therefore worried about the physical condition	77%	76%	77%	72%	67%
Physical inspection: I am worried that the work will look different in real life compared to the digital image	84%	86%	80%	75%	75%
Authenticity: I am afraid of buying a fake or an object which is not what it sets out to be	58%	62%	58%	53%	51%
Reputation of the seller: I don't trust buying from sources I don't already know	58%	61%	56%	50%	48%
Quality and provenance: there is not enough information provided about the quality and provenance of the object	61%	60%	57%	48%	47%
Returns policy: I am worried that I might not like the artwork/object, and if so, whether I am able to return it	58%	54%	57%	52%	53%
Shipping: I am worried about the packaging and method of shipment	38%	34%	33%	32%	30%
Insurance: I am concerned that if the work is damaged in storage or transit will this be covered by an insurance	40%	39%	38%	38%	35%
Online payments: I am uncomfortable paying larger sums of money online	34%	32%	30%	31%	32%

Which of the following services would make you more confident in buying art and collectibles online?

	2015	2016	2017	2017 under 35s	2017 new buyers (collecting <three years)
Condition report	91%	89%	92%	91%	91%
Certificate of authenticity	81%	87%	87%	88%	89%
30-days return guarantee	75%	81%	80%	75%	78%
Include the option to insure the object when buying it	74%	71%	71%	72%	71%
More information about the shipping and packing of the object	72%	62%	64%	61%	61%
More background information about the artist/object	64%	76%	79%	77%	91%
Comparable transactions – more information about the past sales of the object/artists	62%	71%	66%	66%	78%
Option to talk to an expert or specialist	61%	69%	73%	72%	73%
Independent valuation report	51%	68%	67%	67%	73%
Customer reviews/feedback from previous buyers	50%	64%	65%	63%	64%
Repayment plan (interest-free)	41%	44%	48%	55%	52%

What do people buy and for how much?

Had you purchased works from a physical gallery space, auction or art fair before purchasing an artwork/collectible online?

	\$100 and less	\$101- \$500	\$501- \$1,000	\$1,001- \$5,000	\$5,001- \$10,000	\$10,001- \$25,000	\$25,001- \$50,000	\$50,001 and above
Fine art	5%	21%	25%	27%	10%	7%	2%	2%
Decorative art and design	18%	34%	24%	18%	3%	2%	1%	1%
Jewellery	19%	31%	23%	12%	10%	2%	0%	4%
Watches	14%	25%	14%	28%	6%	8%	3%	3%
Wine	54%	26%	15%	3%	3%	0%	0%	0%
Antiques	20%	19%	17%	28%	7%	4%	6%	0%
Stamps and coins	36%	21%	14%	21%	7%	0%	0%	0%
Memorabilia	41%	31%	19%	6%	3%	0%	0%	0%

How many items did you buy online in the last 12 months?

	One	2-5	6-10	11-20	21 and more
Fine art	35%	52%	5%	5%	4%
Decorative art and design	37%	52%	9%	2%	0%
Jewellery	37%	55%	7%	2%	0%
Watches	74%	22%	4%	0%	0%
Wine	20%	37%	29%	6%	9%
Antiques	33%	53%	7%	4%	2%
Stamps and coins	30%	50%	10%	0%	10%
Memorabilia	48%	48%	4%	0%	0%

If you have bought fine art directly online, what type of medium have you bought?

	2014	2015	2016	2017
Paintings	55%	69%	72%	72%
Prints	52%	59%	72%	75%
Drawings	21%	35%	39%	44%
Photographs	40%	39%	53%	57%
Sculpture	21%	24%	31%	26%
New media art (video/digital)	12%	12%	18%	17%

What is the average price per fine art object bought online?

	\$100 and less	\$101- \$500	\$501- \$1,000	\$1,001- \$5,000	\$5,001- \$10,000	\$10,001- \$25,000	\$25,001- \$50,000	\$50,001 and above
Paintings	5%	15%	17%	28%	16%	9%	5%	4%
Prints	16%	35%	22%	19%	4%	3%	1%	0%
Drawings	18%	29%	21%	19%	5%	6%	2%	0%
Photographs	18%	26%	21%	26%	5%	2%	2%	0%
Sculpture	7%	22%	7%	29%	15%	12%	5%	2%
New media art (video/digital)	65%	9%	9%	13%	0%	0%	0%	4%

What do people buy and for how much? Continued

How many fine art objects did you buy online in the last 12 months?

	One	2-5	6-10	11-20	21 and more
Paintings	50%	37%	4%	8%	0%
Prints	34%	54%	8%	2%	2%
Drawings	47%	35%	6%	10%	2%
Photographs	46%	48%	1%	3%	1%
Sculpture	43%	51%	6%	0%	0%
New media art (video/digital)	50%	40%	0%	5%	5%

Social media

What would you estimate is your daily social media usage?

	2015	2016	2017	2017 under 35s	2017 new buyers (collecting <three years)
Don't use social media	9%	8%	6%	1%	2%
One hour or less	39%	39%	38%	29%	31%
1-3 hours	40%	39%	41%	49%	46%
3-8 hours	9%	11%	12%	17%	17%
8-12 hours	2%	2%	2%	3%	3%
12 hours or more	1%	1%	1%	1%	1%

Which social media platform do you use most for art-related purposes? (often/always)

	2015	2016	2017	2017 under 35s	2017 new buyers (collecting <three years)
Flickr	3%	2%	3%	2%	2%
Tumblr	5%	4%	4%	4%	4%
ArtStack	9%	9%	7%	7%	9%
Pinterest	11%	12%	12%	11%	13%
Twitter	26%	19%	18%	13%	13%
LinkedIn	27%	28%	24%	23%	22%
Instagram	34%	48%	57%	70%	63%
Facebook	52%	54%	49%	50%	49%

Are you influenced by social media activity when buying art?

	2015	2016	2017	2017 under 35s	2017 new buyers (collecting <three years)
Yes	24%	31%	29%	38%	39%
No	47%	47%	43%	29%	29%
Don't know	30%	22%	28%	33%	32%

Social media continued

Who are the social media influencers? Whose social media posts are most likely to influence your decision to buy a work by a particular artist?

	2016	2017	2017 under 35s	2017 new buyers (collecting <three years)
Artists or studio	64%	63%	68%	67%
Gallery	63%	63%	68%	69%
Museum	68%	65%	66%	66%
Auction house	50%	51%	56%	56%
Art fair	49%	49%	55%	55%
Collector	61%	56%	58%	56%
Critic	54%	53%	58%	59%
Curator	59%	55%	56%	58%
Art market commentator	52%	45%	45%	43%

Which social media network do you use most for the following actions?

	2016			2017		
	Instagram	Facebook	Twitter	Instagram	Facebook	Twitter
Discover new art and artists	48%	27%	6%	61%	22%	3%
Follow artists I am already familiar with	44%	36%	8%	62%	26%	5%
See what's popular and/or trending	42%	29%	15%	55%	25%	7%
Art-related news	14%	50%	20%	22%	46%	15%
Find openings or exhibitions	16%	65%	11%	25%	59%	8%
Interact at art fairs	37%	42%	13%	43%	38%	10%
Share art I like	47%	34%	7%	60%	26%	4%
Find art to purchase	41%	30%	5%	53%	25%	4%

Gallery survey

Do you offer clients the opportunity to buy (and pay) directly online?

	2016	2017
Yes	28%	33%
No	72%	67%

If no, are you planning to do so in the next 12 months?

	2016	2017
Yes	17%	30%
No	69%	50%
Don't know	14%	20%

What percentage of your annual total sales would you say are generated online (either through the website, social media, email etc.)

	2016	2017
Less than 5%	28%	29%
5-10%	20%	11%
10-30%	20%	20%
30-40%	10%	20%
40-50%	4%	3%
50-60%	10%	0%
60-70%	0%	3%
70-80%	2%	6%
80-90%	4%	0%
90-100%	2%	9%

How much of your online sales are generated through third-party marketplaces/websites (such as 1stdibs, Artsy, Artspace, Amazon, Ocula, etc.)

	2016	2017
None	59%	51%
Less than 5%	38%	37%
5-10%	31%	37%
10-30%	27%	23%
30-50%	2%	3%
Above 50%	2%	9%

How much do you anticipate your online sales will grow in the next 12 months?

	2016	2017
Less than 5%	38%	37%
Between 5-10%	31%	37%
Between 10-30%	27%	23%
Between 30-50%	2%	3%
Above 50%	2%	0%

Gallery survey continued

Who are your online buyers?			
	2013	2016	2017
Mostly new clients	72%	67%	68%
Mostly existing clients	28%	33%	32%

Do you see repeat sales among online buyers?			
		2016	2017
Yes		59%	60%
No		41%	40%

In your experience, the majority of these online buyers belong to the age group (years).			
		2016	2017
Under 20		0%	0%
20-30		14%	10%
30-40		44%	47%
40-60		40%	43%
Over 60		3%	0%

Are these buyers...			
		2016	2017
Mostly domestic clients (based in the same country as the gallery)		48%	46%
Mostly international clients (based outside the country of where the gallery is based)		52%	54%

What is the average price spent on works bought online?			
		2016	2017
Under \$100		0%	5%
\$100 – \$500		10%	15%
\$500 – \$1,000		7%	10%
\$1,000 – \$5,000		41%	21%
\$5,000 – \$10,000		24%	28%
\$10,000 – \$25,000		12%	13%
\$25,000 – \$50,000		4%	3%
Over \$50,000		2%	5%

Do you see a trend where online buyers are getting more comfortable buying art at higher price points?			
		2016	2017
Yes		42%	60%
No		24%	20%
Don't know		33%	20%

Gallery survey continued

What do you see as the greatest challenge in selling art online?

	2016	2017
Reaching and finding the right client	78%	82%
Not having a face-to-face relationship with the client	63%	55%
Fulfilling the client's expectations	36%	37%
Logistics (finding the best and cost effective way of shipping the work to the client)	36%	39%
Refund and return guarantees	30%	26%
Online payments	26%	20%
Insurance	25%	7%

Do you use social media (Instagram, Facebook, Twitter, etc.) to promote the gallery and your artists?

	2016	2017
Yes	81%	91%
No	19%	9%

Which social media platform do you find most effective in terms of raising awareness and promotion?

	2016	2017
Facebook	56%	42%
Twitter	55%	16%
Instagram	50%	57%
Pinterest	10%	19%
ArtStack	3%	6%
Tumblr	0%	0%
Flickr	0%	0%
LinkedIn	15%	4%

Which social media platform do you find most effective in terms of selling art/creating direct sales leads?

	2017
Facebook	7%
Twitter	4%
Instagram	35%
Pinterest	13%
ArtStack	0%
Tumblr	0%
Flickr	0%
LinkedIn	5%

What is your future e-commerce strategy?

	2013	2016	2017
We don't yet have an e-commerce strategy	41%	39%	36%
Build our own e-commerce website or app	22%	15%	21%
Partner with existing third-party e-commerce sales platforms (such as Artsy)	15%	26%	27%
Build our own e-commerce solution and partner with a third-party online platform	22%	20%	15%



John Riddy, *Palermo (Palazzo Delle Poste)*, 2012
Archival pigment print

Company profiles

1stdibs

4

Website:	www.1stdibs.com
Established:	2001
Location:	New York
Founder:	Michael Bruno
Management:	David Rosenblatt (CEO)
Investors:	Benchmark Capital, Insight Venture Partners, Index Ventures and Spark Capital
Business model:	Online marketplace

1stdibs is a global marketplace for rare and desirable objects. The website brings together more than 3,000 professional dealers from around the world specialising in design, fine art and collectibles, and serving as a source for collectors, affluent consumers and interior designers. 1stdibs' global network of over 3,000 dealers sells more than \$150 million of products on 1stdibs each year. The marketplace receives over four million visitors per month.

500px

Founded:	2009
Location:	Toronto, Canada
CEO:	Andy Yang
Founders:	Evgeny Tchegotarev and Oleg Gutsol
Management:	Andy Yang (CEO), Kelly Thompson (GM, Product, Technology and Design), Sylvia Ng, (VP of Growth and Analytics) and Dustin Plett (VP of Business Development)
Investors:	High Line Venture Partners, Deep Creek Capital, ff Venture Capital, CAA Ventures, Dustin Plett, Rugged Ventures, Harrison Metal and Andreessen Horowitz
Business model:	Photography licensing, on-demand and custom photography, photographer directory and photographer community

Launched in 2009, 500px is a global online photography community and the world's foremost photography on-demand platform. Images on 500px represent the work of over nine million professional and hobbyist photographers. Through 500px for Business, 500px works with Fortune 500 companies as well as thousands of creatives who use community-sourced images in their campaigns and products. 500px is venture backed by Andreessen Horowitz, Visual China Group and ff Venture Capital and headquartered in Toronto, Canada. In September 2014, it was reported that cofounder Oleg Gutsol had agreed to leave the company, as CEO Any Yang had a differing product vision. In October 2014, it was announced that 500px would introduce an 'in app' photo editing feature for iOS users, powered by Adobe's Creative SDK cloud system. Mobile user experience will receive continued attention from 500px. 500px has raised \$9.3 million in venture capital to date. Their seed round saw \$525,000 raised in 2011, this was followed by \$8.8 million in Series A funding in 2013.

Amazon Art

14

Website:	www.amazon.com (search for 'fine art')
Established:	August 2013
Location:	Seattle, US
CEO:	Jeff Bezos
Business model:	Online gallery, e-commerce platform

Online store that offers more than 60,000 works, according to Amazon, from over 4,500 artists supplied by more than 150 galleries and dealers. It operates in all ends of the market through a selection of affordable art as well as paintings in the multimillion Dollar range. In December 2014 Amazon added a 'make an offer' feature for the sale of fine art and collectibles which sellers can implement at their discretion. Amazon Art currently has 67,334 works on its site from 331 galleries. Approximately 70% of works currently for sale are priced between \$250 and \$2,500, with only 5% of the works for sale priced at \$10,000 or more. Less than 1% of the works currently for sale are priced at \$200,000 or above. Amazon spokesman Erik Fairleigh said people are paying top-Dollar. "We are very pleased with sales, and we are definitely selling our work at multiple price points."

Art.com

Website:	www.art.com
Founded:	1998
Location:	United States
Founders:	Joshua Chodniewicz, Michael Heinstein
Management:	Geoffrey Martin (CEO and Director),
Investors:	Stripes Group, Polaris Partners, Southern Capitol Ventures, Benchmark and Saints Capital
Business model:	Online retailer of posters, prints, and framed art products in the United States and internationally

Offers wall art products, such as posters, art prints, tapestries, photography, wall signs, limited editions, hand-painted originals, exclusive products and other wall decor products. The company also provides a range of finishing services, including custom framing, wood mounting, and canvas transfers. In addition, it provides Artist Rising, an online community of independent and emerging artists; Zenfolio, a solution for photographers to organize, display, and sell their work online; and Photographer Central, an online directory of professional photographers available for hire. Art.com Inc. was formerly known as Allwall.com Inc. and changed its name to Art.com Inc. in 2001.

Artfinder

13

Website:	www.artfinder.com
Founded:	2010
Location:	London
CEO:	Jonas Almgren
Investors:	Greylock, Wellington, Northzone, Oxford Capital, William Tunstall-Pedoe, Sherry Coutu, and others
Business model:	Online marketplace for art

Connecting buyers directly with original art from independent artists around the world. Friendly and unpretentious, they match customers up with beautiful and unique artwork, supporting artists at the same time. Artfinder raised \$2.2 million from Oxford Capital, William Tunstall-Pedoe, and previous investors. In 2016 Artfinder launched the art world's first Twitter bot, Emma, who finds art inspired by any image Tweeted to her: @ArtfinderEmma. The Artfinder marketplace has 300,000 artworks for sale, from 10,000 artists in 108 countries. The marketplace adds more than 4,000 artworks and 300 artists every week. The value of Artfinder's available artwork in stock hit \$500 million in Q4 2016. Sales continue to grow rapidly and hit \$1 million/month in 2016.

Artful	
Website:	www.theartfulproject.com
CEO:	Rachel Hotchkiss
Founders:	Rachel Hotchkiss and Joshua Blackburn
Management:	Rachel Hotchkiss and Joshua Blackburn
Business model:	Affordable online art marketplace (under £5,000)

Artful's stated goal is to inspire a new culture of art buying; where exceptional is affordable, everybody is welcome, artists are championed and customers find art they love.

artnet	5
Website:	www.artnet.com, www.artnet.com/auctions and www.news.artnet.com
Established:	1989
Location:	New York, Berlin and London
CEO:	Jacob Pabst
Founder:	Hans Neuendorf
Management:	Jacob Pabst
Business model:	Online auctions, news, price database, art market analyses and gallery network

artnet is the leading resource for the international art market. Established in 1989, artnet is dedicated to bringing transparency to the art world with a range of products that ensure easy access to latest market information and news online. With their suite of services, such as the Price Database, Gallery Network, artnet Analytics and artnet Auctions, they empower anyone with an interest in collecting or understanding art. In 2016, Dr Fabian Bocart, cofounder of Tutela Capital, joined artnet to head artnet Analytics. Kenneth Schlenker was announced as Chief Marketing Officer, having previously headed ArtList. Alicia Carbone joined as Vice President of artnet Auctions, with recent experience directing online sales at Louis Vuitton. Chris Maliwat became the Chief Product Officer, coming from eBay, Netflix, Facebook and Warby Parker. Former Artspace Editor-in-Chief Andrew Goldstein joined artnet News in February 2017.

artlead.net	
Website:	www.artlead.net
Established:	2016
Location:	Brussels and Belgium
Founder:	Thomas Caron
Business model:	Online marketplace and e-commerce platform

As the first online platform founded by a former institutional (S.M.A.K.) curator, artlead.net helps to discover, learn about and collect art by today's best artists. Through its European network of artists, museums, galleries and publishers, artlead curates a database of editions and artworks and offers these for sale – at affordable prices, safely delivered to your doorstep. Its mission is to make art accessible to everyone, and to that end artlead also develops offline initiatives – including several art in public space projects. artlead.net launched in summer 2016 and currently offers a curated selection of about 500 works, with prices ranging between €55 and €45,000.

Artplode	
Website:	www.artplode.com
Founded:	2014
Location:	London
CEO:	Maureen McCarthy
Business model:	Online C2C direct purchase platform

Artplode is a website where galleries, dealers, artists and collectors connect direct to buy and sell art. All transactions are completed without any commission charged to buyer or seller. Sellers pay a one-off fee of \$60 to list each artwork for sale on the site. Artworks for sale on Artplode must be priced at \$1,000+.

ArtSlant	22
Website:	www.artslant.com
Founded:	2006
Location:	Los Angeles
Founders:	Georgia Fee and Catherine Ruggles
Management:	Catherine Ruggles (CEO), Sara Armstrong (CTO), Joel Kuennen (COO), Sunny Tyrrell (VP Advertising) and Frances Guerin (European Operations Officer)
Business model:	News media, online gallery and e-commerce

Artslant is a digital platform offering news, exhibition, gallery, artist, and event information globally. Artslant also offers original works of art for sale via its e-commerce shop.

Artspace	12
Website:	www.artspace.com
Founded:	2011
Location:	New York
Founder:	Catherine Levene and Christopher Vroom
Management:	Emmanuèle Vinciguerra (CEO)
Business model:	Online marketplace/e-commerce

Artspace is a leading online marketplace for contemporary art and ideas, offering both established and aspiring collectors the opportunity to discover, learn about, and purchase meaningful contemporary art at the click of a button. With over 300,000 members, Artspace.com sells and ships artworks to collectors in over 30 countries.

Artsper	
Website:	www.artsper.com
Founded:	2013
Location:	Paris
Founders:	Hugo Mulliez and François-Xavier Trancart
Management:	Hugo Mulliez (CEO), François-Xavier Trancart (GM)
Investors:	Steve Roseblum, Severine Boutry, Philippe Charpentier and Alexandre Mulliez
Business model:	Marketplace and click-to-buy

Artsper is the European leader of contemporary art sales. Its ambition is to reduce the distance between the general public, art amateurs, collectors and the art market. Artsper gives access to the largest catalogue of artworks, selected by European galleries. Sold from €100 up to €100,000, Artsper gathers works from well-known artists (Banksy, JonOne, Andy Warhol, etc.) and young talents, with varied mediums like painting, sculpture, photography, publishing or even mixed techniques.

ArtStack	
Website:	www.theartstack.com
Established:	2011
Location:	London
Founders:	Ezra Konvitz, James Lindon and Alex Gezelius
Management:	Ezra Konvitz (CEO) and James Lindon
Business model:	Social media platform for art of all periods – with online sales from artists, galleries and commercial partners

ArtStack makes it easy to find and learn about all kinds of art, using social discovery and data to surface artists and artwork relevant to the individual taste of the user. 2016 saw the launch of the ArtStack Pro service for artists and galleries to promote their work and sell via the platform, and collaborations with Magnum Photos, Taschen, Absolut Art and other commercial partners. ArtStack is the largest crowd-sourced collection of fine art in the world, with over 1.1 million artworks from over 200,000 artists and a community of half a million subscribers (growth of a third over 2015).

Artsy		3
Website:	www.artsy.net	
Founded:	2009	
Location:	New York	
Management:	Carter Cleveland (Founder and CEO) and Sebastian Cwilich (President and COO)	
Investors:	Larry Gagosian – owner of Gagosian Gallery, Wendi Murdoch – collector and film producer, Jack Dorsey – creator of Twitter, Eric Schmidt – Chairman of Google, Rich Barton – founder of Expedia, Glassdoor, and Zillow, Sky Dayton – founder of Earthlink, Bob Pittman – cofounder of MTV and CEO of iHeartMedia and Dasha Zhukova – founder of Moscow's Garage Museum of Contemporary Art	
Business model:	Inquire to buy, auctions marketplace and content partnerships	

Artsy is the leading destination for exploring and collecting art from the world's top galleries, museums, art fairs, and auction houses. Artsy partners directly with the most influential players in the art world, providing collectors and enthusiasts a central resource to learn about and purchase artwork from anywhere in the world. Powered by The Art Genome Project, a personalisation system that maps the connections between artists and artworks, visitors to Artsy can browse art from the world's leading museums, collect artworks from thousands of top galleries, explore international art fairs before they open to the public, bid in auctions from leading auction houses, and read about the art world in the world's most-read arts publication. In 2016, the number of subscriber galleries on Artsy roughly doubled; traffic to Artsy's editorial pages grew by more than three times, making it the most-read online arts publication; and, following the launch of Artsy's live auction product the number of auctions hosted on Artsy (with partners like Phillips and Heritage) expanded to 41 sales, a cadence the company expects to quadruple in 2017.

ARTUNER

Website:	www.artuner.com
Established:	2013
Location:	London
Founder:	Eugenio Re Rebaudengo
Business model:	Online platform with physical pop-up projects

ARTUNER was founded in London by Eugenio Re Rebaudengo in 2013. It has distinguished itself through its hybrid approach, displaying and selling works via both its online platform and curated exhibitions. Since its inception, ARTUNER has organised an acclaimed series of shows including projects in London, Berlin, Paris, Turin and Greece. It is currently curating exhibitions at a gallery in New York City – which is its first series of shows in the US. An Italian version of ARTUNER.com launched in early 2016. In September, ARTUNER opened a seven-artist group show in New York City. This was closely followed by another large scale exhibition in a baroque palazzo in Turin, Italy. On February 28 it opened an exhibition with Toby Ziegler and Paul Kneale in New York City. In April 2017, ARTUNER will show Pietro Consagra and Ugo Mulas at the Italian Cultural Institute in London.

Artusiast	
Website:	www.artusiast.com
Founded:	2013
Location:	Berlin
CEO:	Timo Niemeyer (Managing Director)
Founders:	Kilian Jay von Seldeneck, Alice Jay von Seldeneck, Christian Boros, Christoph Maire, Karl Philipp Prinzhorn
Management:	Timo Niemeyer (CEO) and Jakob Ballestrem (CFO)
Investors:	Karl & Faber, Christophe Marie (twice named Europe's top seed investor)
Business model:	Post-auction sales

ARTUSIAST.COM offers high quality secondary market artworks by internationally recognised artists at a fair and transparent price. Artusiast unites 18 partners, all established and strategically important art market participants, renowned auction houses as well as selected print edition publishers with international customer networks in the luxury goods sector since decades and/or centuries. The platform does not require any commodity acquisition and receives from its partners every year thousands of high quality artworks (Artfacts® Top 1000) as a put option. ARTUSIAST also provides its clients with exclusive market insights, such as artists and collector interviews, and offers art consultancy services to aspiring collectors and art lovers.

ArtViatic

Website:	www.artviatic.com
Established:	2012
Location:	Monaco
Founder:	Antoine Van de Beuque
Management:	Antoine Van de Beuque (CEO)
Business model:	Peer-to-peer

International online private sales platform for high-end artworks, with a focus on impressionist, modern and contemporary art and with the lowest premiums on the market: 3% for buyers and equal for sellers. The platform accepts only artworks valued more than €20,000. Clients have free access to catalogues that include artworks valued between €20,000 and €150,000; the ones valued more than €150,000 are accessible by subscription.

Astaguru

Website:	www.astaguru.com
Founded:	2008
Location:	Kolkata
Founders:	Vickram Sethi
Management:	Vickram Sethi (Chairman) and Tushar Sethi (Director)
Business model:	Online auction

AstaGuru.com is an online auction house with an aim to connect people from all over the world to the Indian marketplace.

Auctionata		=7
Website:	www.auctionata.com	
Established:	2012	
Location:	Berlin	
Founders:	Georg Untersalmberger and Alexander Zacke	
Management:	Thomas Hesse (CEO), Lucas Hülsmann (CFO), Jan Thiel (Deputy COO) and Johannes Riedl (COO)	
Investors:	Earlybird, Groupe Arnault, HV Holtzbrinck Ventures, e.ventures, Kite Ventures, TA Ventures, Bright Capital, the Raffay Group, Yuan Capital, MCI Management and REN Invest	
Business model:	Auctionata is a transactional marketplace for art and luxury goods, with livestream auctions and a curated online shop	

Auctionata was once one of the leading online destination for art and luxury collectibles, but announced it would close in February 2017. Auctionata and Paddle8 merged in May 2016, to form the global online leader in art, collectibles and vintage luxury. In Fall 2016, seasoned media executive Thomas Hesse took over as CEO of the joint company, together with Lucas Hülsmann, its new CFO. However, insolvency proceedings began in January 2017 and the German-based parent company had already separated from its subsidiary firms, Paddle8 in the US and ValueMyStuff in the UK.

Auction Network Sweden AB	
Website:	www.auctionet.com
Established:	2011
Location:	Stockholm and Berlin
Founder(s):	Niklas Söderholm, Tom Österman, Albert Ramstedt, Mark Westphal mfl.
Management:	CEO Niklas Söderholm, CTO Albert Ramstedt, CFO Veronica Sandman and Mark Westphal
Investors:	Management
Business model:	Marketplace for auction houses

Auctionet.com was founded in 2011 by Niklas Söderholm, formerly CEO and founder of Bukowskis Market, and Tom Österman, senior expert formerly of Bukowskis and Åmells. Auctionet is a marketplace where auction houses from all over Europe sell furniture, art, design items, collectibles and more.

AUCTION AFTERSALE	
Website:	www.auctionaftersale.com
Established:	2015
Location:	Geneva Switzerland
Founder:	Jean-Baptiste Fabre
Investors:	90% owned by the JB Fabre Family
Business model:	Online marketplace

AUCTION AFTERSALE offers a service between auction houses and potential buyers. Created for art professionals and amateurs alike, it is the world's first online platform dedicated to aftersales. Its ambition: democratise the purchase of unsold lots from auction houses worldwide.

Barnebys		11
Website:	www.barnebys.com, www.barnebys.co.uk, www.barnebys.fr, www.barnebys.de, www.barnebys.se, www.barnebys.es and www.barnebys.hk	
Established:	2011 (Sweden), 2013 (UK), 2014 (DE, FR, ES), 2015 (US), 2016 (HK)	
Location:	Stockholm, London and New York	
Founder:	Christopher Barnekow (CEO), Pontus Silfverstolpe and Gustaf Grapengiesser	
Management:	Christopher Barnekow, Pontus Silfverstolpe, Gustaf Grapengiesser and Karl Hermansson	
Investors:	Industrifonden, Active Venture Partners, Inbox Capital, Monkfish, Howzat and STING	
Business model:	Traffic aggregator/cost-per-click	

Barnebys is an online auctions and dealers listing aggregator and sales database, that increases traffic (i.e. new bidders) to its affiliated websites. This means that users – for the first time – are able to search the whole market of the supply from auctions and dealers market in one user-friendly site. Barnebys also offers their users a free-to-use database of more than 30 million realised prices, dating back to the beginning of the 1980s, together with a free appraisal service. Giving consumers access to this previously inaccessible market, strengthening the auction houses and dealers' independence. Barnebys today has about two million users a month, with about 500-700,000 searchable lots and more than 30 million hammered prices of sold lots at auction.

Bidsquare	
Website:	www.bidsquare.com
Established:	2014
Location:	New York
Founders:	Leslie Hindman (Leslie Hindman Auctioneers), David Rago (Rago), Wes Cowan (Cowan's Auctions), Ron and Debra Pook (Pook & Pook, Inc.), Andrew Brunk (Brunk Auctions) and Karen Keane (Skinner)
Business model:	Online auction aggregator

Bidsquare is the global destination for online buyers of authenticated and vetted fine and decorative art, furnishings and jewellery worldwide from trusted and vetted auction houses and dealers. The platform features exclusive auctions and one-of-a-kind items with new auctions added daily.

Bonhams		9
Website:	www.bonhams.com	
Location:	Worldwide	
Business model:	Bricks-and-clicks	

Bonhams has developed a market-leading, highly personalised online sales and bidding platform. This is enhanced by the live-streaming of auctions, which connects online bidders with the physical saleroom experience. Bonhams' responsive app receives regular updates, and attracts bidders from across the world. The knowledge and passion of Bonhams' world-class specialists can be accessed via the social media hub hosted on bonhams.com.

Bukowskis	16
Website:	www.bukowskis.com and www.bukowskismarket.com
Established:	1870, (internet auctions founded in 2010)
Location:	Stockholm, Norrköping, Malmö, Göteborg and Helsinki
Founder(s):	Henryk Bukowski
Management:	CEO Anna-Karin Laurell
Investors:	100% owned by the Lundin family (oil and mining)
Business model:	Traditional auctions and online auctions

Bukowski's Market began as only a traditional bricks and mortar auctioneer of fine art and collectibles. It now offers online sales across a wide variety of categories including books, ceramics and porcelain, clocks and watches, art, coins, weaponry and medals, furniture, silver and jewellery. Bukowski's maintains showrooms across Sweden, as well as one in Helsinki.

Christie's	1
Website:	www.christies.com
Location:	Worldwide
Business model:	Bricks-and-clicks

Christie's LIVE was launched in 2006, allowing for real-time online viewing and bidding in every Christie's saleroom around the world. In 2011, Christie's hosted its first ever online-only sale, launching a dedicated platform with more than 100 sales a year across many categories. Since 2011, online sales have increased seven times to \$67.1 million in 2016. Sell through rates in 2016 were 91% by value, with an average sale price of \$6,000 per lot. Christie's, as an early adopter, has successfully embedded the online platform within the specialist departments sales calendar, ensuring year-round auctions sourced from the teams around the world. All objects are appraised and valued by Christie's specialists and carry the same guarantees of authenticity. In 2016, 33% of online buyers are new to Christie's – the number one recruiter of all new clients. Sales of £49.8 million/\$67.1 million, have increased by 109% (84% in US Dollars). Online spend grew across all regions with the greatest increase in the Americas.

CultureLabel	
Website:	www.culturelabel.com
Established:	2009
Location:	UK
Management:	Lucy Baxter, Victoria Bridgeman and Harriet Bridgeman
Business model:	Online gallery and e-commerce platform

CultureLabel is a curated e-commerce platform that allows art lovers to explore art and design-led products handpicked from influential museums, galleries, creative boutiques and direct from artists. They count over 200 partner organisations and feature over 4,000 products on-site.

Artelite (formally DegreeArt)	
Website:	www.artelite.co.uk
Established:	2003
Location:	London
Founders:	Elinor Olisa and Isobel Beauchamp
Management:	Elinor Olisa, Isobel Beauchamp, Johnny Messums (Chairman), Christopher Holder, Robert McClatchey and Peter Denison-Pender (Directors)
Business model:	Art e-commerce, click-to-buy, online galleries and handpicked marketplace

Artelite, is the e-commerce solution designed for the art world, which aims to lead the emerging, handpicked art market online. Now with over 4,000 users and more than 65,000 listed artworks. Artelite, which successfully raised a second round of investment in 2016 for technology and international development, powers brands including; www.degreeart.com – which is the UK's longest enduring e-commerce marketplace specialising in student and graduate artists; Contemporary Collective – the company's response to the development in the career of their established artists; www.degreeart.cn – a brand new department focusing on talented artists of Chinese origin studying in the UK and Asia; The Signature Art Prize – a biannual award recognising the signature style of artists at the point of graduation; and ARTPROQUO which is a secondary marketplace for collectors and galleries to list artworks for resale.

DeviantArt	
Website:	www.deviantart.com
Founded:	2000
Location:	Hollywood
Founders:	Angelo Sotira
Business model:	Online social network

Founded in August 2000, DeviantArt is the largest online social network for artists and art enthusiasts, and a platform for emerging and established artists to exhibit, promote, and share their works with an enthusiastic, art-centric community. They have over 38 million registered members and attract over 65 million unique visitors per month.

Drouot Live	21
Website:	www.drouotlive.com
Founded:	2009
Location:	Paris
Business model:	Online auction

Drouot Live is the online extension of Drouot's live auctions. It allows bidders and interested parties to bid online on a real-time basis and to access all catalogues of the Drouot sales at all times.

eBay	25
Website:	www.ebay.com
Founded:	1995
Location:	Global
Business model:	Online auction/click-to-buy

eBay is an early innovator of C2C online trading via auctions. eBay has increasingly moved to a click-to-buy transaction model due to user demand. In July 2014, it was announced that Sotheby's and eBay would partner on a fine art and collectibles auction service. In October 2014 eBay launched fine art specific auctions in collaboration with specialist auction houses. In December 2014, eBay launched 'Innovator's Collective', a marketplace for innovative consumer products designed by small and emerging businesses. On March 17, 2015, Sotheby's and eBay revealed the first listings on the new platform. The first auction to be held via this platform occurred on April 1, 2015, offering photographs and baseball related memorabilia. Items listed on the platform fall primarily within a \$1,000-50,000 price range.

EpaiLive	
Website:	www.epailive.com
Founded:	2010
Location:	Beijing
CEO:	Dr Jiang QiQi – Founder and President
Founders:	Dr Jiang QiQi
Management:	Nadia Stoye, Zheng Jie, Kandy Niu, Xi Mu and Zhang Zhongyi
Investors:	AVIC International (Hong Kong) Ltd
Business model:	Online auction aggregator

ePaiLive is Asia's leading online auction aggregator for fine art, antiques and collectibles. It connects international auction houses, galleries and dealers to a growing, influential and affluent community of 300,000 collectors and buyers in China and the Asia Pacific region. The company provides secure transactions with 100% payment guarantee within seven days to auction houses. In 2016, ePaiLive Research was formed to provide data on realised prices and art trends, and also Qing Yi Art Line, which offers timed bids for affordable artwork, luxury items and exclusively designed pieces.

Expertissim	
Website:	www.expertissim.com
Founded:	2008
Location:	Paris
Founders:	Gauthier de Vanssay, Igor Montoussé
Investors:	NextStage and Cm-cic Capital Privé
Business model:	Click-to-buy/declining price auction

Expertissim offers works of fine and decorative art and collectibles across 17 sub-categories. Works are sold using a declining bid system in which each work listed is first offered at its high estimate, after which the price is automatically lowered each week until arriving at the low estimate. One can buy a work at any point in this process, thereby winning the object straight away. Prices range from approximately €150 at the low end to €60,000 at the top end.

Heffel.com	20
Website:	www.heffel.com
Founded:	1999
Location:	Canada
CEO:	David Heffel (President), Robert Heffel (Vice President and Secretary)
Founders:	David Heffel (President) and Robert Heffel (Vice President and Secretary)
Management:	David Heffel (President) and Robert Heffel (Vice President and Secretary)
Business model:	Online auctions

Heffel Fine Art Auction House, a division of Heffel Gallery Limited, was established in 1995, and with its inaugural auction became the first western Canadian fine art auction to achieve over \$1 million in sales. Heffel is a pioneer of online sales, which started in 1999 and currently conducts live auction events semi-annually; one in the spring in Vancouver and one in the fall in Toronto.

Heritage Auctions	20
Website:	www.ha.com
Founded:	1976
Location:	Dallas (HQ), Beverly Hills, San Francisco, New York, Hong Kong, Amsterdam, Chicago, Paris and Geneva
CEO:	Steve Ivy
Management:	Jim Halperin (Co-Chairman), Steve Ivy (Co-Chairman and CEO), Greg Rohan (President), Todd Imhof (Executive VP) and Paul Minshull (COO)
Business model:	Fine art and collectibles auctioneer

Heritage Auctions seek to offer unbiased, transparent, and friction reduced trading, making the learning curve less steep and less expensive for new collectors and sellers. Their mission is to be the world's most trusted and efficient marketplace and information resource for owners of fine art, jewels, sports, wine, rare collectibles, and other precious objects. Heritage Auctions has reported that its online auction sales for 2016 totalled more than \$348 million, making it one of the most dominant online presences in the auction world.

HIHEY.COM	
Website:	www.hihey.com
Founded:	2011
Location:	Beijing, China
CEO:	He Bin
Founders:	He Bin
Investors:	Shenzhen Capital Group, CITIC Securities, China Minsheng Bank Innovation Capital, and individual investors
Business model:	Online auction and click-to-buy

HIHEY.COM is an online art sales and service platform offering exhibitions, auctions, and art financing to artists, individual and corporate collectors, galleries, financial institutions and others.

IdeelArt	
Website:	www.ideelart.com
Established:	2015
Location:	London
CEO:	Christelle Thomas
Founders:	Francis Berthomier and Christelle Thomas
Management:	Christelle Thomas
Investors:	Francis Berthomier
Business model:	Online gallery and click-to-buy

IdeelArt is the world's first online gallerist dedicated to contemporary abstract art. They offer unique services of online representation for artists, drastically increasing their online visibility from day one of joining the platform. Now, 18 months after launch, IdeelArt represents nearly 40 artists and 800 artworks, with prices ranging from £500 to £30,000.

Interencheres	
Website:	www.interencheres-live.com
Established:	2011
Location:	Paris
Founder:	Dominique Le Coënt – De Beaulieu
Management:	Julien Guisset (COO)

Interencheres Live is the first French platform of live auctions. The website offers to art collectors the possibility to bid online in live auctions taking place throughout France. Each item on sale is evaluated and guaranteed by auctioneers. The website gathers 265 auctioneers who have held more than 2,800 live auction sales in the past year. More than 220,000 lots were sold for a total amount of over €100 million. The platform welcomes 1,000 new users per week.

Invaluable		10
Established:	1989	
Location:	Boston	
Founder:	Steven Abt	
Management:	Rob Weisberg (CEO)	
Investors:	Insight Venture Partners, Commonwealth Capital Ventures and Ascent Venture Partners	
Business model:	Online marketplace for auction houses and galleries	

Invaluable is the world's leading online marketplace for buying fine art, antiques and collectibles. Working with more than 4,000 of the world's premier auction houses, dealers and galleries, Invaluable helps buyers from more than 180 countries connect with the things they love. With best-in-class online bidding technology, along with a fixed-price retail platform, Invaluable provides sellers with e-commerce and marketing solutions, as well as auction management software. Recently called 'one of the fastest growing e-commerce sites in the art world' by Blouin ArtInfo, Invaluable has also been recognised by Deloitte's Technology Fast 500™ and the EY Entrepreneur Of The Year® program in both 2015 and 2016. Headquartered in Boston, Invaluable also has offices in the United Kingdom, France, Germany, Belgium and Australia. In 2016, Invaluable grew auction revenue by 30% year on year, added more than 750 auction houses and galleries to its marketplace and grew buyers by 14%. Fine art remains Invaluable's strongest category with sales increasing 32% over 2015. During 2016, Invaluable introduced its 'Buy Now' retail offering, became the marquee sponsor of TEFAF New York and TEFAF Maastricht and launched the Invaluable advisory Board with former Sotheby's chairman, CEO and president Bill Ruprecht serving as chairman.

lauritz.com	
Website:	www.lauritz.com
Founded:	2000
Location:	Denmark
CEO:	Mette Rode Sundstrøm
Founders:	Bengt Sundstrøm
Management:	Bengt Sundstrøm (Chairman) and Mette Rode Sundstrøm (CEO)
Business model:	Online auction/agggregator

Lauritz.com has 27 auction houses located in Denmark, Sweden, Norway, Germany and Belgium and further growth is expected to come from consolidation in current and new markets. Lauritz.com Group A/S was listed on Nasdaq First Premier Stockholm with the ticker LAUR on June 22, 2016. In 2016, the number of online visits at Lauritz.com increased to around 6.2 million per month, with around two million unique visitors. Around 13,000 new customers were registered every month. They have shown a yearly average auction turnover growth of over 25% since the start in 1999 with an auction turnover in 2016 of over DKK1 billion.

Lavacow	
Website:	www.lavacow.com
Established:	2013
Location:	Bucharest
Founders:	Alexandru Bâldea, Cristina Olteanu and Manuela Plapcianu
Investors:	Artmark
Business model:	Online auction

Lavacow is the first online-only auction house from Eastern Europe. It specialises in contemporary art from young and established artists, mostly from Central and Eastern Europe. A novelty for online auctions, Lavacow displays the first virtual auction room with a fully animated auctioneer and bidders, virtually mirroring the experience of a live auction. Users benefit from commissions at half the usual brick-and-mortar auction house rate. With its inaugural auction in May 2014, Lavacow conducted 36 auctions until the end of 2016. Consignments came from 14 European countries, while buyers originated from 15 countries on three continents.

LiveAuctioneers		17
Website:	www.liveauctioneers.com	
Established:	2002	
Location:	New York	
Founders:	Julian R Ellison and John Ralston	
CEO:	Jason Finger	
Management:	Rob Cummings (CTO), Phil Michaelson (VP Product and Marketing) and Erwin Hunger-buhler (VP Client Services)	
Investors:	Bessemer Venture Partners	
Business model:	Online live-auction marketplace	

LiveAuctioneers is the leading online-auction marketplace for art and collectible goods, with over 1.2 million active collectors, dealers, museums and 'in-the-know' gift shoppers in 236 countries selecting from 31.6 million quality items since the company's inception. Auction houses in 57 countries choose LiveAuctioneers for their stable online-bidding and global digital-marketing services. In July 2016, LiveAuctioneers launched a new and updated website with best-in-class technology that drove a year-on-year 30% increase in hammer price, a 35% increase in first-time bidders, and a 50% increase in winning bidders. Over \$29 billion in bids and underbids were placed through LiveAuctioneers' website and mobile apps in 2016. Bidders from 236 countries recorded over 33 million visits during the year – a 106% increase from the previous year. Gross online sales (auction and post-auction) approached \$300 million for the calendar year.

Lofty	
Website:	www.lofty.com
Founded:	2012
Location:	New York
Founder:	Mark Lurie
Management:	Mark Lurie (Founder and CEO) and Sarah Shinn Pratt (Director)
Investors:	Founders Fund, TA Venture and Jose Marin
Business model:	Online marketplace (click-to-buy)

Lofty is an online marketplace for valuable fine art, antiques and collectibles. Each item listed is reviewed by one of Lofty's 60 plus specialists, and granted a five year authenticity guarantee. Lofty seeks to establish itself as the online market leader for fine art, antiques and collectibles priced between \$500 and \$50,000. Lofty was acquired by Auction Mobility in October 2016.

Lot-tissimo	
Website:	www.lot-tissimo.com
Founded:	2002
Location:	Hamburg
Founder:	Jörg Wisniewski
Management:	Jörg Wisniewski
Business model:	Aggregator of catalogues of classic auctions

Unlike many other online platforms Lot-tissimo started without online sales and added live bidding only five years ago. Lot-tissimo specialises in absentee bids (commission bids), which they collect from bidders and forward to traditional auction houses. Auction houses pay a fee for their catalogues on Lot-tissimo. There is no commission for absentee bids. 'Safe Commission Bids' have been introduced in 2016 and are becoming popular. Bidders who have no time to be online to bid live leave 'Safe Commission Bids', which are executed on their behalf through the live system. Knowing that the auctioneer will not know their highest amount, they have seen bids about two-times higher than regular commission bids. Lot-tissimo had €135.3 million worth of absentee bids (not the same as sales) in 2015, based on just over 11,000 bidders. This figure grew to €142 million worth of absentee bids with more than 11,000 bidders in 2016.

LotPrivé.com	
Website:	www.lotprivé.com
Founded:	2012
Location:	France
CEO:	Vincent Hutin
Founders:	Vincent Hutin and Didier Beaumelle
Business model:	Online 'members' brokerage platform

LotPrivé.com is an online platform specialising in sales of art and luxury goods, launched in December 2012 by Vincent Hutin and Didier Beaumelle. LotPrivé.com allows consumers to access a rich online catalogue of art and luxury items. This catalogue is constantly renewed by objects from more than 60 houses in European sales, fixed and preferential prices (from 30% to 70% below those practiced in the traditional market).

MasterArt	
Website:	www.masterart.com
Established:	2012
Location:	Global
Founder and CEO:	Henry Blundell
Investor:	ArtSolution
Business model:	Memberships (dealers) and advertising revenue, with no commissions on sales

MasterArt.com enjoys a solid reputation in the art market thanks to its deep-rooted commitment to excellence and integrity. Over 15,000 works of art from 300 of the world's leading art dealers are available on the website. Collectors and art professionals alike know that only long-established dealers who regularly exhibit at prestigious international art and antique fairs are invited to display their collections on the MasterArt portal. Services also include a digital library of art catalogues, art market news and virtual tours of the important fairs. In 2016, MasterArt launched a redesigned version of its website and a new directory of art-related service companies will be created along the same quality guidelines used for the galleries. A major update of the MasterArt Catalogues app will also be published. MasterArt currently lists over 15,000 works from over 300 galleries.

New Blood Art	
Website:	www.newbloodart.com
Founded:	2004
Location:	London
CEO:	Sarah Ryan
Founders:	Sarah Ryan
Management:	Sarah Ryan
Investors:	Private Angel Investor
Business model:	Online art gallery

New Blood Art is a niche/boutique online art gallery, selling unique, object based original art by carefully selected emerging artists. New Blood Art was founded with the twin aims of supporting talented artists in the early stages of their careers and making original art accessible and affordable to buyers.

Ocula		24
Website:	www.ocula.com	
Founded:	2010	
Location:	Hong Kong, London, New York, Shanghai and Auckland	
Founders:	Simon Fisher and Christopher Taylor	
Business model:	Online gallery, art media platform and private sales/advisory	

Ocula is an online platform that delivers our visitors comprehensive and in-depth access and connection to the programmes of leading contemporary galleries around the world. Aligned with commissioned and aggregated content that serves to contextualise and increase understanding of the art shown on the website. Ocula also provides market guidance and brokerage services through its art advisory department. By October 2017 Ocula will have partnered with 300 of the most highly regarded and leading contemporary art galleries from Asia Pacific, the America's and Europe. Ocula currently has partnerships with close to 200 galleries including David Zwirner, Scai The Bathhouse, Lehmann Maupin, Simon Lee, Victoria Miro, Kukje/Tina Kim, PKM, Sprüth Magers, Sadie Coles, Maureen Paley, Xavier Hufkens, Paul Kasmin, Hanart, Axel Vervoordt, Blum & Poe. Membership is by application or invitation only.

Paddle8		=7
Website:	www.paddle8.com	
Established:	2011	
Location:	New York (headquarters), London, Los Angeles, Hong Kong	
Founders:	Alexander Gilkes, Aditya Julka and Osman Khan	
Business model:	Online auction house	

Paddle8 is an online collecting destination, presenting auctions of post-war and contemporary art, prints and multiples, photographs, street art and collectibles, focusing on the middle market (\$1,000-\$100,000). Paddle8 seeks to streamline collecting by offering a remote consigning process and showcases works to a global community of more than 600,000 collectors world-wide. Paddle8 is especially proud to partner with more than 350 nonprofit organisations worldwide to present their benefit auctions to our global community, helping each organisation expand its fundraising results. Every work on Paddle8 is vetted by an expert specialist or a trusted partner institution. After merging with Auctionata in mid-2016, Paddle8 is an independent company once again and completed a management buy-back of the brand from Auctionata AG in February 2017, backed by private equity.

Phillips	6
Website:	www.phillips.com
Location:	Worldwide
Business model:	Live auctions supported by online bidding

Phillips has been and continues to be at the forefront of digital strategy, reaching the majority of our international collectors through an industry-leading emphasis on top of the line digital integration. The company's website, mobile app, and digital saleroom, along with partnerships with eBay, Invaluable, Barnebys, and Artsy, provide collectors with the ability to engage in Phillips' auctions through whichever channel they prefer. It also has partnerships with eBay, Invaluable, and Artsy. In 2016, online sales totalled \$20.1 million. Phillips hosted 40 auctions in 2016, and all were broadcast live and offered online bidding. Phillips launched both its digital saleroom and iOS app in 2015, allowing clients to livestream auctions and place bids from anywhere in the world.

Privatelot	
Website:	www.lotprive.com
Established:	2012
Location:	Paris
Founder:	Vincent Hutin
Management:	Vincent Hutin (CEO)
Investors:	Xange Capital, Xeeros
Business model:	Online marketplace

Privatelot is an online platform specialising in art and luxury. The website aggregates items coming from professional dealers and collectors and allows consumers to access a catalogue of more than 10,000 artworks and luxury items. This catalogue is constantly updated with objects coming from their European partners, at fixed and preferential prices (from 30 to 70% lower than the prices practiced on the traditional market). Privatelot's global network of over 200 dealers sells more than €10m of products online each year.

Rise Art	
Website:	www.riseart.com
Founded:	2011
Location:	London
CEO:	Scott Phillips
Founders:	Scott Phillips and Marcos Steverlyck
Investors:	Angel investors including; Jeff Fluhr, Chris Ingram, Andrew Grahame and Great Oaks Capital
Business model:	Online gallery, click-to-buy e-commerce and art rental

Rise Art is the art marketplace connecting professional artists with casual art collectors worldwide. Their 'try at home' art rentals let anyone live with art before they buy, earning credits from rental towards purchase. Featuring over 600 carefully selected and independently curated artists from around the world, Rise Art helps anyone find, own and collect extraordinary art.

thesaleroom.com	18
Website:	www.the-saleroom.com
Founded:	2001
Location:	London, Seattle
Owner:	ATG Media
Management:	John-Paul Savant (CEO)
Investors:	ECI Partners and Mobeus Equity Partners
Business model:	Online auction aggregator and marketplace

thesaleroom.com is one of Europe's leading platforms for fine art and antiques auctions. The website allows potential buyers to browse catalogues and bid online in real time. In March 2016, John-Paul Savant took over from Anne Somers as the Chief Executive Officer of the ATG Media Group. Mrs Somers will continue her 35 years' association with ATG Media in her new role as Deputy Chairman of the Board. It hosted more than 5,600 live auctions, a 14% uplift on 2015. It sold 734,000 lots through its website, a 16% increase in volume compared to 2015. It also accepted more than 1,222,000 auction registrations, a 38% uplift on 2015. The site attracted 29 million bidder visits in 2016, a 52% increase compared to 2015. Total new bidder visits also increased by 100% to 11.2 million.

Saatchi Art	8
Website:	www.saatchiart.com
Launched:	2011
Location:	Santa Monica
Management:	Sean Moriarty – CEO at Leaf Group (formerly called Demand Media), Rachel Glaser – CFO at Leaf Group, Dion Camp Sanders – EVP Marketplaces at Leaf Group, Malindi Davies – General Manager at Saatchi Art and Rebecca Wilson – Chief Curator and Vice President of Art Advisory at Saatchi Art
Investors:	Acquired by Demand Media (NYSE: DMD) in 2014; as of 2017, Demand Media now trades as Leaf Group at NYSE: LFGF
Business model:	Online art gallery offering art advisory services

Saatchi Art features the world's largest selection of original art and helps people all over the world find art and artists they love. The gallery offers more than 500,000 original paintings, drawings, sculptures and photographs by over 60,000 emerging artists from over 100 countries. Saatchi Art is redefining the experience of buying and selling art by providing art lovers with free art advisory services and an expertly curated selection of art, while giving artists a convenient and welcoming environment in which to exhibit and sell their work. In September 2016, Leaf Group acquired The Other Art Fair, the UK's leading art fair for discovering emerging artists. The Other Art Fair complements Leaf Group's leading online art gallery, Saatchi Art, allowing the company to offer buyers the ability to purchase art from emerging artists from across the globe, both digitally through Saatchi Art's online art gallery and off-line through The Other Art Fair events, thereby unifying the two fastest growing sectors of the art market and further disrupting the traditional art sales model. Saatchi Art has more than 60,000 artists listing over 500,000 original works of art on the site representing over \$1.5 billion in total retail value based on list price. The number of transactions is climbing each month, and gross transaction value for 2015 was \$12 million.

SaffronArt	15
Website:	www.saffronart.com
Founded:	2001
Location:	Mumbai
Founders:	Dinesh Vazirani and Minal Vazirani
Management:	Minal and Dinesh Vazirani (Cofounders) and Hugo Weihe (CEO)
Business model:	Online and live auctions in art, jewellery, design, collectibles, antiquities, exhibitions, private sales and prime property sales

SaffronArt began as an online auction house in 2000, holding auctions in modern and contemporary Indian art. It has diversified to hold auctions in jewellery, design, collectibles, and antiquities. SaffronArt has been holding live auctions since September 2013, and has conducted highly successful live auctions in Mumbai and New Delhi. In addition to auctions, SaffronArt has held several exhibitions, and also offers prime property through private sales. In 2013 SaffronArt launched StoryLTD, an e-commerce and online auction platform to serve a broader base of art and collectibles buyers. Expanding the category of rare books and ephemera which was launched in 2015, StoryLTD achieved a total revenue of INR 2.5 crores (\$374,328) in this category in 2016. Of the four auctions, two were highly successful, with 72% and 80% lots successfully selling. These two categories focused on rare and out of print scholarship on Indian art. Revenue generated through StoryLTD online sales in 2016: INR 11.4 crores (\$1.7 million) through 18 auctions. Revenue generated through SaffronArt online sales in 2016: INR 44.9 crores (\$ 6.7 million) through nine auctions.

Sotheby's	2
Website:	www.sothebys.com/en/auctions/watch-live.html and www.sothebys.com/en/online-auctions.html
Established:	2004
Business model:	Bricks-and-clicks

Sotheby's online bidding service, BIDnow, is available for all auctions. Auctions are broadcast on sothebys.com, and clients who have registered for a paddle may place bids as if they were in the room. In addition, Sotheby's holds a regular timed online-only sales. Sotheby's online sales grew 19% to \$155 million in 2016 with strong growth in both online-only sales and online bidding in live auction driven by a 57% increase in online bidders and a 32% increase in online buyers. 19% of all lots sold at Sotheby's in 2016 were purchased online and 53% of all online bidders were new to Sotheby's contributing significantly to the overall record number of new clients across the business in 2016. Sotheby's digital audience once again expanded over the year, with the number of editorial pages doubled, video views trebling, and social media following doubling to over one million, with viral content including over a million views of a slideshow attached to their David Bowie sale, and over five million people watching a video on their sale with Asian pop star T.O.P. In addition, last year saw the launch of Sotheby's Museum Network, a digital hub for video content created by and about the world's leading museums, featuring the original web series Treasures from Chatsworth as well as hundreds of videos from internationally-renowned public and private institutions. Sotheby's also expanded its digital product range with the launch of apps on iPhone, iPad, Android, Apple TV, Amazon Fire, and Samsung Smart TV.

UGallery	
Website:	www.ugallery.com
Established:	2006
Location:	San Francisco (headquarters) and New York
Founders:	Alex Farkas, Stephen Tanenbaum and Greg Rosborough
Investors:	Trailhead Ventures
Business model:	Curated online art gallery

UGallery represents emerging and mid-career artists from around the world. Artwork ships in custom UGallery packaging directly from artists' studios to the client. UGallery receives a commission on each sale. UGallery provides original art from a global community of 500 artists from 30 countries, with over 8,000 curated one-of-a-kind artworks for sale. To date, UGallery has received \$2.55 million in funding from Trailhead Ventures.

Value My Stuff	
Website:	www.valuemystuff.com
Founded:	2009
Location:	London
Founder:	Patrick van der Vorst
Management:	Patrick van der Vorst
Investors:	100% owned by Patrick van der Vorst since February 2017

Value My Stuff is an online art and antique valuation website, which offers deep expertise for everyone with a network of over 60 experts, who used to work either for Christie's or Sotheby's. The platform guarantees the user a valuation within 48 hours following the appraisal request. Patrick bought the business back from the parent company Auctionata – Paddle8 in February 2017. It averages 300 valuations per day with an average value of \$1,120. Its turnover during the last financial year was £7.4 million, and customer breakdowns are 38% UK customers, 58% USA and 4% rest of the world. The most popular categories have proven to be Chinese art, paintings and furniture.

WFA Online AG	
Website:	www.wengcontemporary.com
Established:	2014 (Core business – Weng Fine Art AG – established 1994)
Location:	Zug
CEO:	Rüdiger Weng
Founders:	Rüdiger K Weng/Weng Fine Art AG
Investors:	100% Weng Fine Art AG
Business model:	Online gallery, e-commerce platform

Weng Contemporary offers a one-stop-shop for everything linked to fine art editions. Acting either as publisher, copublisher or dealer, Weng Contemporary offers the best limited editions of contemporary artists available in the market, at very competitive prices. Weng Contemporary's entire inventory is owned on own account; they do not list third-party offers. They can therefore guarantee prices and availability for all listed artworks, providing a high level of transparency and reliability.

Hiscox Ltd
1 Great St Helen's
London EC3A 6HX

T +44 (0)20 7448 6000

www.hiscoxgroup.com

Cover art

Insecticide 13 by Mat Collishaw
(photogravure etching, 2009),
purchased through an online
platform by Hiscox in 2017.