



The Online Art Collector Report 2019



Foreword

The Online Art Collector Report

The art industry is at a crossroads. Never before have more people been engaged with art, thanks to the rise of digital channels and social media. Yet the market has largely stagnated over the past decade, and the number of artworks trading hands has decreased. As value has concentrated at the top of the market and costs have risen, galleries and auction houses are looking for new ways for their businesses to survive and thrive, to support artists, and to help connect collectors with artworks they love.

Many common business practices in the art industry are being questioned: Do galleries need a permanent location to hold their exhibitions? Does an auction house need a live auctioneer in a physical salesroom

to sell high-value work? Business-savvy leaders across the industry are undertaking nuanced analyses of how many art fairs their gallery should participate in, what categories their auction house has the best opportunity to win within, what the evolving needs of their collectors are, and how to best take advantage of new sales channels as they develop.

Among those new channels, online sales have been a key area of focus for many actors across the industry who are aiming to grow their businesses. At Artsy, we've seen 58% year-over-year growth in the volume of sales on the platform from our 3,000+ gallery and auction house partners. Meanwhile, industry leaders like Gagosian, David Zwirner, Christie's, Sotheby's,

and Phillips have all meaningfully increased their investments online.

A core driver of this investment—from the industry's titans all the way down to the newest gallery to join Artsy—is a need to connect with and cultivate new collectors. But who are these online art collectors, and how can the industry better serve them? To try to answer these questions, we surveyed nearly 1 million active Artsy users and received 5,807 responses, including 3,993 from people who buy art. In many ways, the results shatter the perception that individuals who buy art online are some drastically new breed of collector—dorm-room billionaires or flippers speculating on contemporary art's next market darling. By and large, they look like the passionate collectors, obsessed with art and artists, that the art world already knows well offline.

There are ways in which online art collectors' preferences and needs differ from traditional perceptions of people who buy art offline, however. These digitally savvy collectors have grown accustomed to immediate access to information on the internet, and are frequently inclined to undertake independent research and contact a gallery or auction house only after gaining confidence in the artist and artwork they would like to buy.

Some art collectors have been in the market for over 20 years and have migrated a portion of their annual acquisitions to online channels—but the majority are much newer to the market. Those with the least experience often said they find the offline art world intimidating, and have gravitated online as a result.

Collectors who transact online want ready access to pricing information and are likely to desire accurate estimates and price comparisons in order to get comfortable stretching to buy a work that may be at the edge of their budget. They expect from the art

world the same speed and professionalism they've become used to from the new cadre of digital-first brands that have gained their trust.

This report unpacks these similarities and differences, and lays out several ways the art industry can evolve to better serve the next generation of collectors. At Artsy, we are not unbiased bystanders in creating a better digital ecosystem for galleries, auction houses, and their customers. But it's important to note that while the collectors represented in this report conduct a portion of their transactions online, they're just as likely to transact offline.

By better understanding and supporting these online art collectors at every step of their journey, we will benefit not only the online art market, but the overall health of the art market as well—and provide more opportunities for artists.



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Key Findings

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The majority of online art buyers spend under \$5,000 on 1–2 pieces of art each year. However, the majority of respondents' budgets were equal to or marginally higher than those reported in other leading surveys of collector behavior, debunking a common perception that online art collectors are lower spenders compared to the collecting population as a whole.

2

Collectors reported purchasing an average of 8 artworks annually – a higher value than reported in other surveys, and one highly correlated with budget. This suggests that online art collectors may be more likely than art collectors as a whole to increase the volume of their purchases as they increase their expenditure on art, rather than buying the same number of artworks at higher price points.

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Nearly two-thirds of collectors (64%) reported that they had purchased art online in the past, a figure on par with broader estimates of the penetration of e-commerce among internet users. Twenty-one percent of online buyers reported that they spend 75% or more of their annual art budget online; 15.3% reported spending 50–74% of their budget online.

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Total spending has remained roughly flat among online art buyers over the past 3 years. However, one-third of buyers have increased the portion of their budget that transacts through online channels.

5

More than 50% of buyers have been collecting for fewer than 10 years, and 32% are under 35 years of age. However, collectors aged 35–44 are more likely to have purchased art online, complicating the notion that online sales are most effective in targeting the art market’s youngest collectors.

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Passion is the most important driver for art collectors. Factors like an artwork’s aesthetic qualities, the story behind it, and its ability to inspire the collector all significantly outranked investment and socially motivated factors, such as which gallery is selling the work.

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Men and women expressed several key differences in their motivations to collect. Among them: Women were 24% more likely than men to be motivated by wanting to support artists, while men were 39% more likely to buy art as an investment.

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Thirty-five percent of online art collectors said they buy art as an investment. However, only 26% reported doing so while hoping the work will appreciate in value.

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Some of the most significant motivators for buying art online that collectors cited were speed and convenience; competitive pricing; access to inventory and information; and the ability to avoid the intimidation of the art world.

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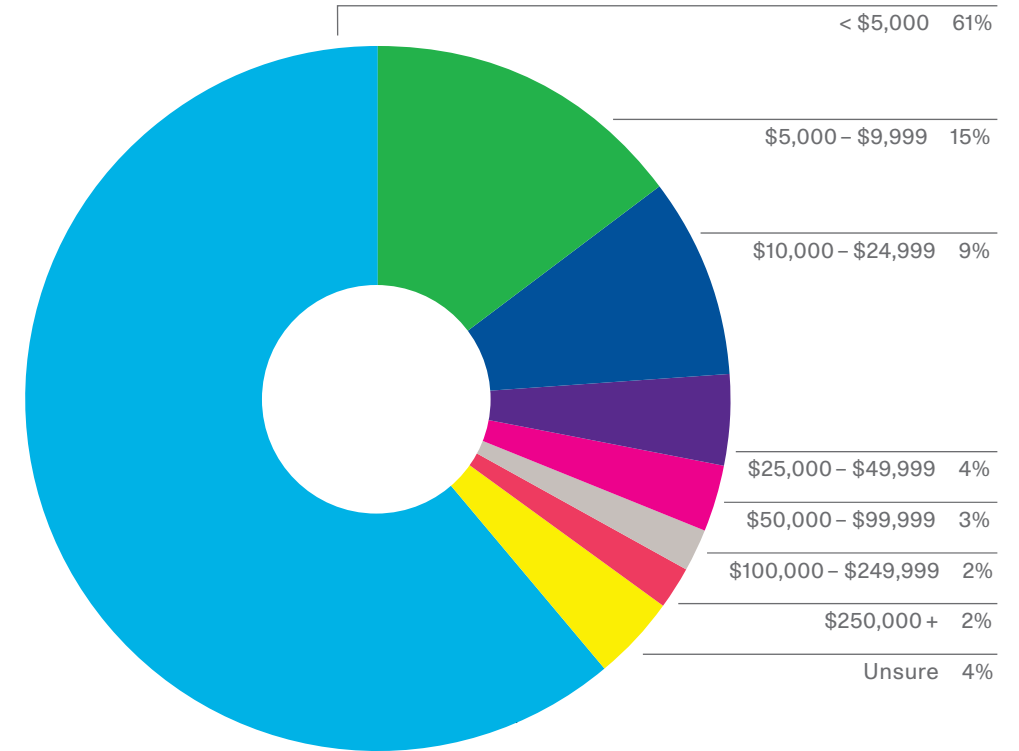
Public access to artworks’ prices was the most significant hindrance to buying more art that collectors reported.

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Overview

Artsy's survey identified several key facets of online art buyers, which combine to support a positive outlook for growth in the online market as millennial and Gen-Z buyers reach their peak earning years.

Collector Budgets



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Respondents to Artsy’s survey reported having annual art budgets that are equal to or marginally higher than those reported in a previous survey of American collectors conducted by Arts Economics and UBS for all but the highest budget buckets; a majority 53% of Artsy survey respondents who collect art said they are based in the U.S. This debunks a common perception that online art collectors are lower spenders compared to the collecting population as a whole.

The majority of collectors surveyed (61%) reported spending less than \$5,000 annually on art—both online and offline—in each of the past 3 years (buyers were asked to estimate their expected

budget for 2019), compared to 69% of respondents spending less than \$5,000 over a 2-year span in the UBS and Arts Economics survey of high-net-worth individuals (HNWIs) with non-real estate assets of \$1 million or more.

Artsy survey respondents were found at consistently higher concentrations than the comparison survey within mid-range budget levels:

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How much collectors spent on art annually (2017–2019)

Overview

- 15% reported spending \$5,000–\$10,000 on art annually, versus 13% over 2 years of spending in the comparison survey.
- 13% reported spending \$10,000–\$50,000 on art annually, versus 7% over 2 years of spending in the comparison survey.
- Just over 5% said they spend \$50,000–\$250,000 on art annually, versus 5% over 2 years of spending in the comparison survey.

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Collectors in the Arts Economics and UBS survey did have more significant concentrations at the extreme high end of the market, with 2% of their respondents spending over \$1 million across the 2 years leading up to the survey, compared to 2% of Artsy survey respondents spending over \$250,000 annually on art.

Budget Trends

Collectors' budgets remained roughly flat across the period. This is consistent with gains in the market over the past several years having concentrated among galleries with annual turnovers in excess of \$1 million. Those high-value sales have pulled up the market overall, but median sales by dealers fell in 2018

by 5%, according to the most recent edition of Art Basel and UBS's annual report "The Art Market."

However, there is upward movement within the lowest budget groups, with 4% of collectors who spent less than \$5,000 in 2017 and 2018 expecting to increase their budgets to figures between \$5,000 and \$10,000 this year, and 3% of collectors having made that jump between 2017 and 2018.

There is upward movement within the lowest budget groups, with 4% of collectors who spent less than \$5,000 in 2017 and 2018 expecting to increase their budgets to figures between \$5,000 and \$10,000 in 2019.

How many artworks collectors buy annually



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Volume of Purchases

A majority of collectors (57%) reported buying 1–2 artworks per year. However, survey-wide, collectors reported purchasing an average of 8 artworks annually. By comparison, American collectors surveyed by Arts Economics and UBS in 2017 averaged 2 artworks per year for those with less than \$5 million in assets, and 4 artworks per year for those with assets in excess of \$5 million.

In Artsy’s survey, the number of artworks that collectors reported purchasing annually rose dramatically by budget. Collectors spending less than \$5,000 annually on art reported buying an average of 2 works per year, while collectors spending \$250,000 or more reported buying an average of 17 artworks per year, with 43% of these collectors buying more than 20 artworks per year (to calculate the average, this bucket was assumed to max out at 40 artworks).

Ten percent of collectors who have purchased art online in the past reported purchasing an above-average 10 or more artworks per year, compared to just 3% of collectors who have not purchased art online. Collectors in the latter group were found to

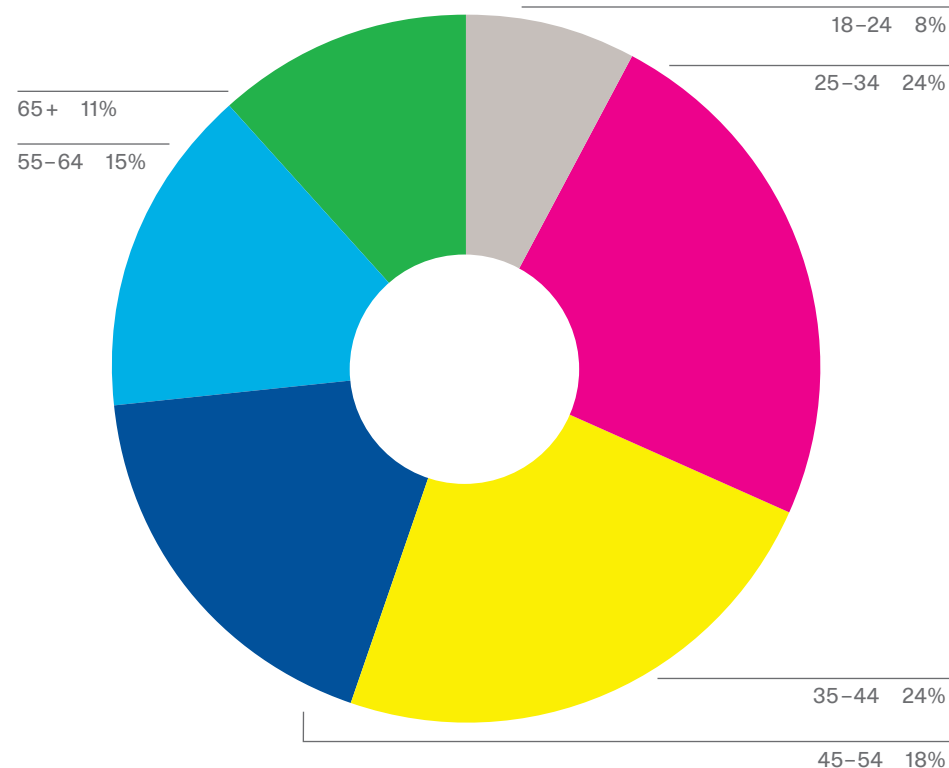
be 36% more likely to purchase just 1–2 artworks per year than online art collectors.

These results suggest that online art collectors are more likely than art collectors as a whole to increase the volume of their purchases as their budgets grow, rather than simply buying the same number of artworks at higher price points. As a result, online art collectors have a more diffuse impact on the art ecosystem, and may be more difficult to service for individual galleries and auction houses than collectors who purchase single, high-value works.

Collector experience level and potential long-term value

The Online Art Collector Report

Online art collectors are most active during their peak earning years.



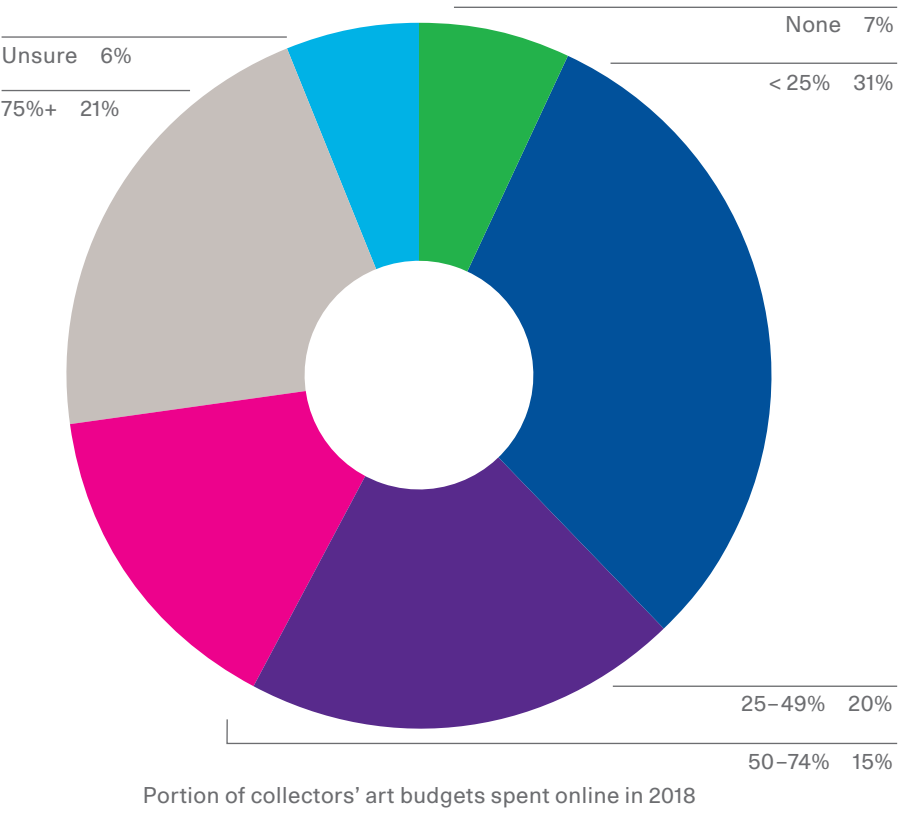
Most survey respondents were relatively new to the art market. Less than 50% of survey respondents have been collecting for 10 years or more, and 18% of current buyers said they have been collecting for 2 years or less. Thirty-two percent of respondents who actively collect online were under 35 years old—a key demographic for the art market, which currently needs to attract new buyers to support its artists, galleries, and auction houses.

Nonetheless, collectors who have been buying for longer periods tend to have higher budgets. Seventy percent of those who reported spending \$250,000 or more in 2018 said they have been collecting for more than 10 years, while an additional 22% have been collecting for 5–9 years. A similar pattern can be observed in collectors who reported spending

between \$100,000 and \$249,000 in 2018. More than 50% of collectors who spend \$5,000 or more on art annually have been collecting for at least a decade.

That pattern varies slightly when viewed by collectors' ages. Budgets peak between the ages of 45 and 54, and then begin to recede again. This suggests that online art collectors are most active during their peak earning years, and are less inclined to use accumulated wealth to maintain a high art budget as they approach and enter retirement.

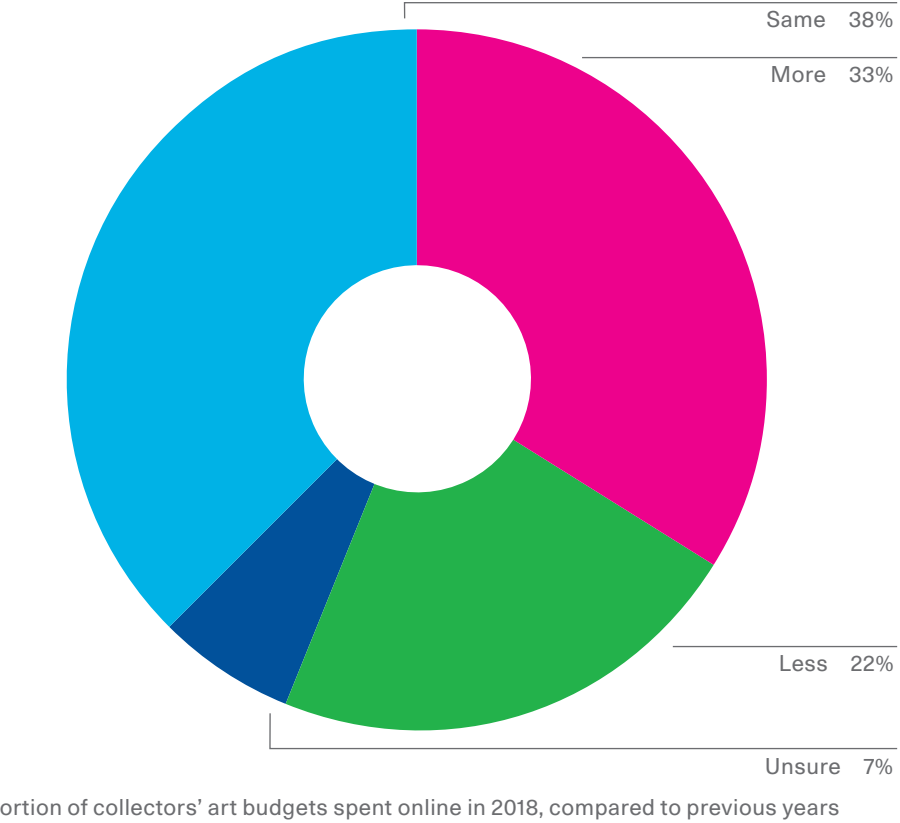
Online Spending



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Nearly two-thirds of collectors surveyed (64%) said that they have purchased art online in the past. Among these online buyers, 21% reported spending 75% or more of their annual art budget online, and another 15% reported spending 50-74% of their budget online (budget did not significantly influence the share of collectors' art spending that occurred online). This is a sea change from several years ago, when the art industry questioned whether online platforms would be a viable purchasing channel for art collectors. Despite their budgets for art remaining roughly flat over the past 3 years, one-third of respondents

said they increased the share of that budget for online spending in the last year. Another 38% reported spending about the same amount online that they did in previous years, and only 22% reported spending less of their art budget online.



57% of the newest individuals to the art market report they intend to buy more art online in the future.

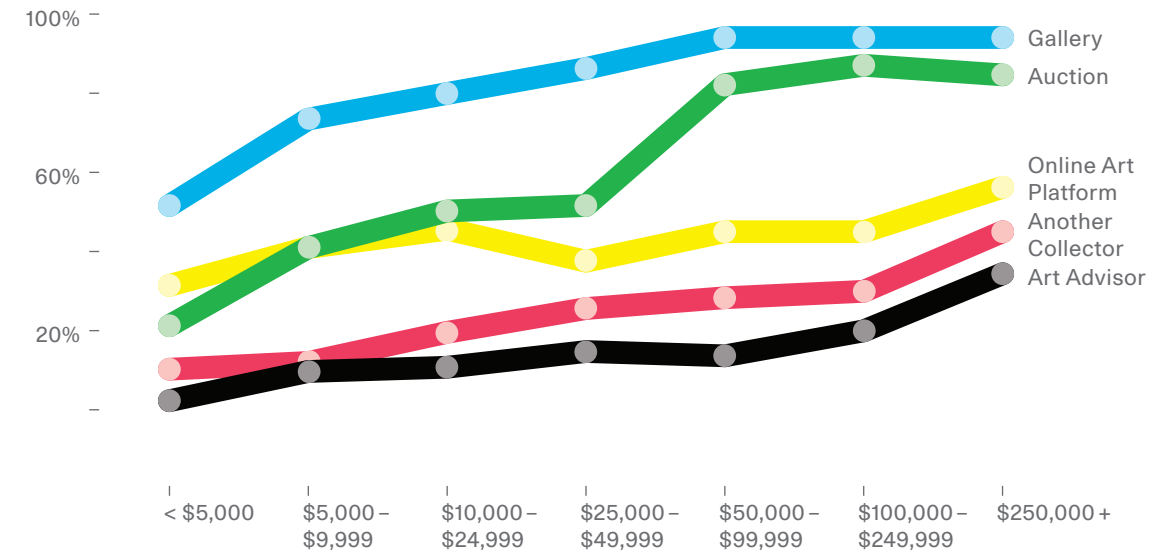
Time Spent Collecting

Collectors who began buying art in the last year were significantly more likely to say that they intend to buy more art online in the future, with 57% of the newest individuals to the art market reporting as such. Individuals buying art for 1–2 years also indicated that they plan to spend more online, at an above-average rate of 38%.

Annual Budget

The amount spent by collectors on art annually does not appear to be a significant driver in collectors' overall likelihood to transact online. Collectors who said they plan on spending either \$10,000–\$24,999 or more than \$250,000 on art in 2019 are relatively more likely to purchase art from an online platform (at 46% and 48%, respectively), while other cohorts range between 32% and 42%.

Other Purchase Channels



Artwork purchase channels that trend upward with budget

The Online Art Collector Report

Collectors spending less than \$5,000 annually on art were most likely to say they had purchased art directly from artists or during open studios, a tendency that declined as budgets increased. All other budget cohorts were most likely to have transacted through a gallery. Those with budgets greater than \$50,000 over-indexed in their propensity to buy art through auction houses.

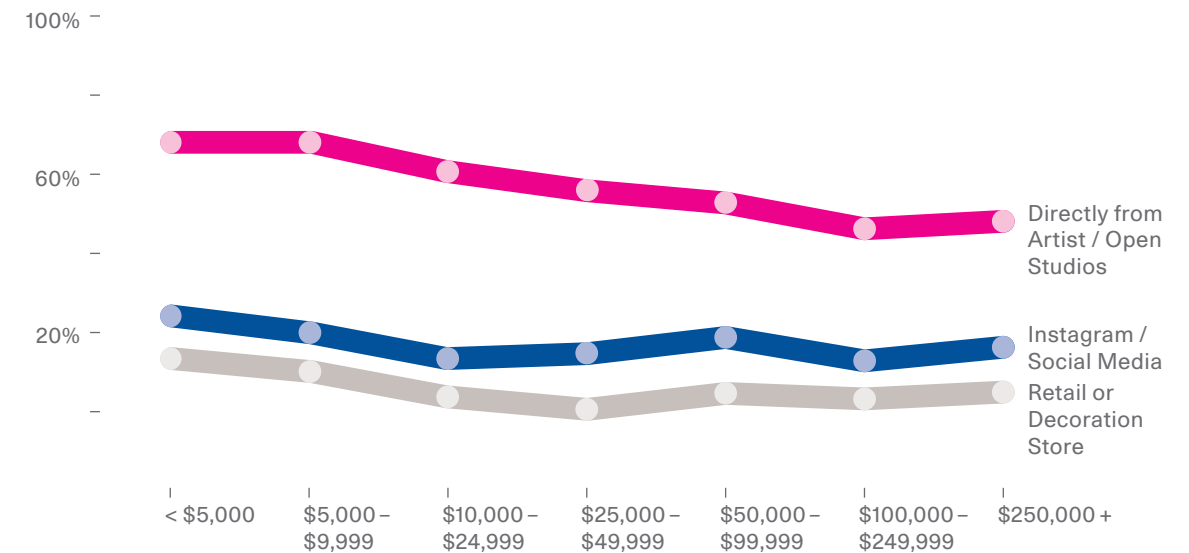
Despite their seeming ubiquity in the art world, art advisors were cited as the least common means of collecting. Less than 20% of collectors with budgets lower than \$250,000 reported transacting through art advisors. Those with annual budgets greater than \$250,000 said they use art advisors at a significantly higher rate (34%). However, this is still half of the

rate that they reported collecting directly through auction houses and galleries.

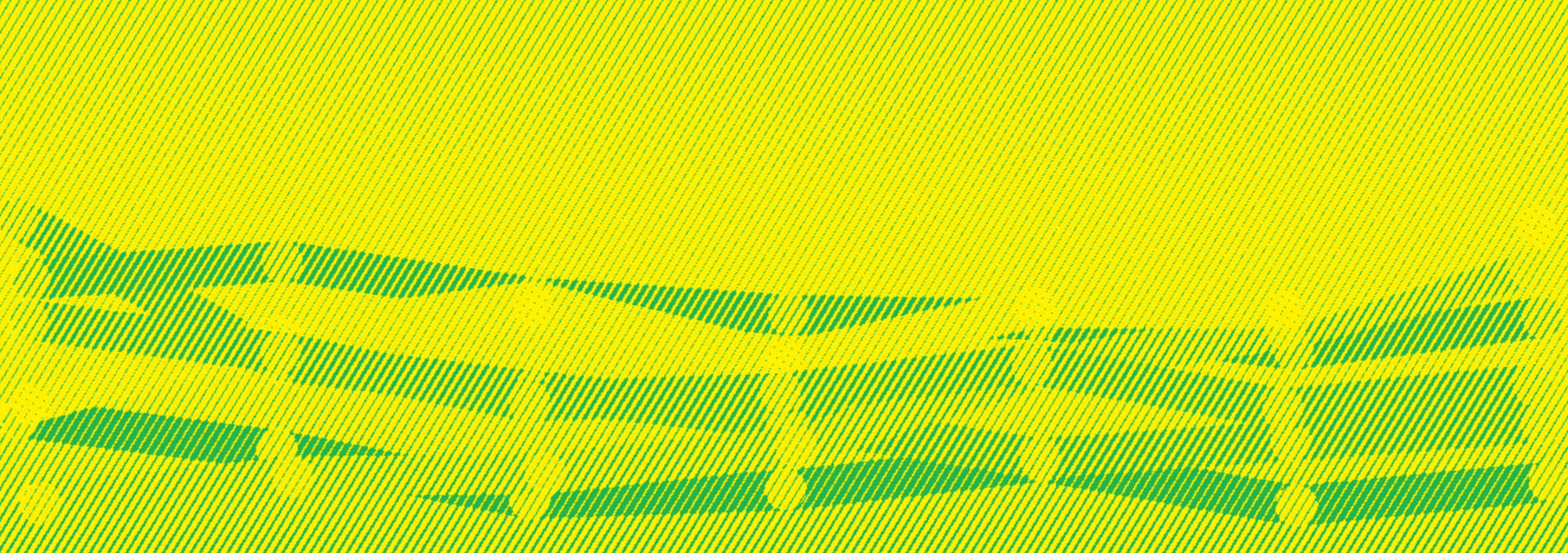
Likewise, while investment in social media has boomed in the art world over the last decade, just 26% of online art collectors reported purchasing art via Instagram or other social networks. However, social networks—particularly Instagram—ranked highly in use as a discovery mechanism, with 66% of buyers reporting that they use Instagram and other social networks to keep up with the art world.

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Overview



Artwork purchase channels that trend downward with budget



What Drives Art Buyers

While each collector is guided by a unique set of decision-making factors when acquiring works, several key themes and demographic variances stand out.

Core buying motivations

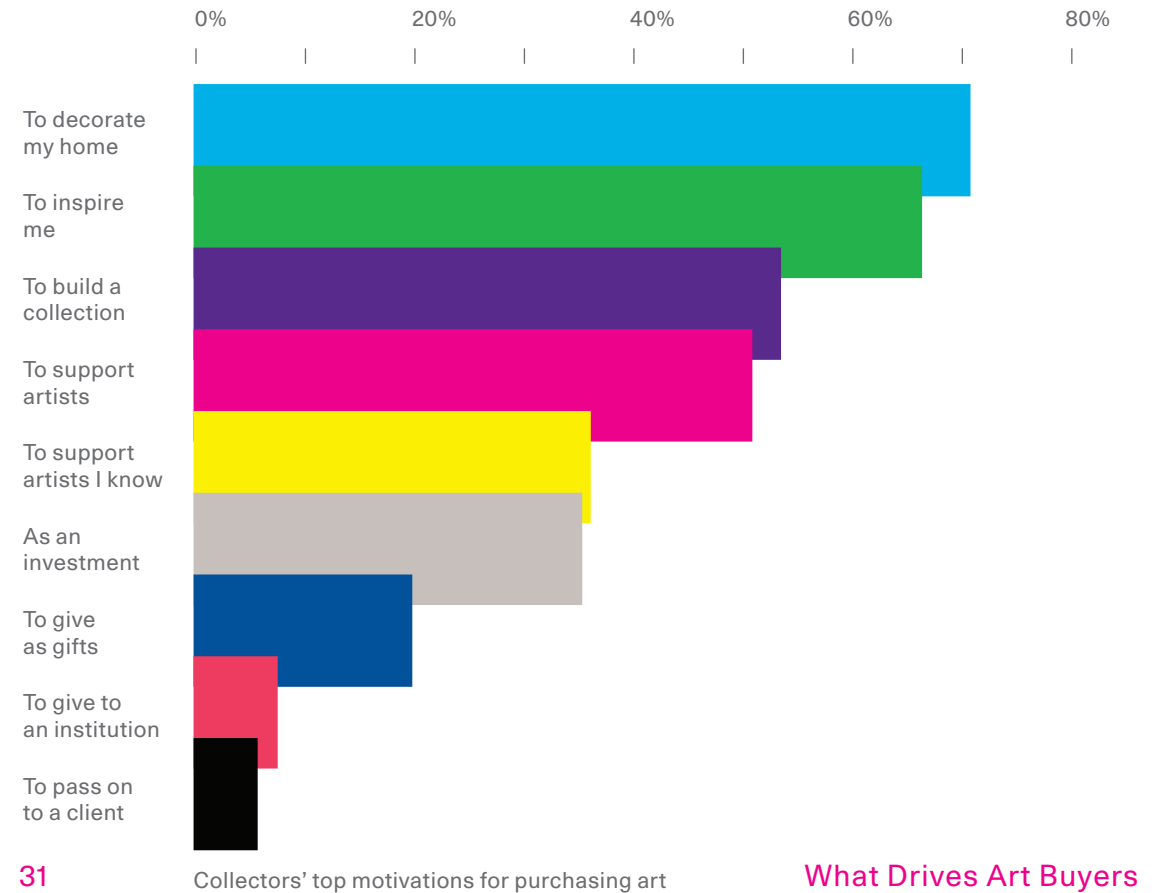
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Collectors were asked to rank the main reasons they purchase art, as well as the factors that motivate their decisions about individual artworks.

Aesthetics and a desire to live with art

Online art buyers overwhelmingly purchase art in order to live with it. Seventy-one percent of collectors surveyed said they buy art to decorate their home. Even for investment-minded collectors, this was the most frequently cited driver to buy art. The motivation here appears to be deeply personal in its origins: 67% of collectors—the second-largest group—reported buying art to provide a source of inspiration in their daily lives.

Similarly, when asked about the biggest factors to consider when making a purchase, collectors reported aesthetics as the most important, cited by 78% of respondents—three times the number that cited an artwork's potential to increase in value as a key motivating factor.



What Drives Art Buyers

A passion for artists and their stories

In interviews and answers to the survey's free-response questions, collectors indicated that a work's aesthetic appeal is frequently the gateway to a deeper exploration of the artist and their career. Among active art buyers identified in the survey, only approximately 17% reported buying art without significant consideration for the works' content or the artist's background or career trajectory.

As one collector stated, "There's definitely work where I just see it and like it, and I don't really care if the person is ever going to be worth anything, and I'll buy it. But that's become less and less common."

While both factors ranked highly, collectors seem to be relatively more motivated by the subject matter and story behind the individual work (58% of respondents) than they are by the artist's story and background (43% of respondents). Some of the interviewed collectors explained that this tendency is due to artists frequently working in multiple series with varied subject matter. And while conventional art-world behaviors see attention placed on storytelling about artists and their careers, this data suggests that equal attention—if not more—should be placed on going in-depth about individual works online.

When analyzing their reasons for collecting, the fourth and fifth most frequently cited motivations

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by online art collectors were to support artists and artist friends, with 51% and 36% of respondents, respectively. Both factors were particularly prevalent among Gen-Z buyers. This finding is consistent with broader consumer trends suggesting that Gen-Z consumers are more likely to be motivated by how the brands—in this case, the artists—they consume relate to their personal identity and community, as well as causes they care about.

This diverges significantly from the Gen-X consumers currently among the online art market's biggest spenders, who are more frequently motivated by status and a brand or artist's mass relevance.

Affordability

Consistent with online art collectors' relatively modest average budgets, affordability was the second most frequently cited factor that influences buying. This finding remains consistent across all age ranges besides 45–55 (when budgets are also highest), and all but the two highest and three lowest segments of net worth (above \$5 million and below \$10,000).

One explanation offered in interviews conducted after the survey is the propensity to collect at an increasing volume, and, in some cases, to buy more expensive works as net worth increases. Collectors' passion for art appears to be a driving factor here: Multiple interviewees mentioned continually pushing the limits of what they can afford as their wealth increases—

climbing up lists of artists they had been following, but whose works had previously been financially out of reach.

As one collector who reported spending \$10,000–\$24,000 on art annually noted,

“[When] I started, I bought things that I could afford that really spoke to me, and then luckily as my potential grew, so did my art purchases.”

What Drives Art Buyers

Additionally, interviews demonstrated a propensity among collectors to think of affordability not only in terms of their current budget, but also how well priced an artwork is relative to what they think is fair, based on the current market. Collectors expressed demand for more data to inform this estimation: “I don't have a perfect idea if I'm getting a great deal,” said another collector, “but I know where my limit is, and I'm willing to stop.”

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Trends and art-world validation

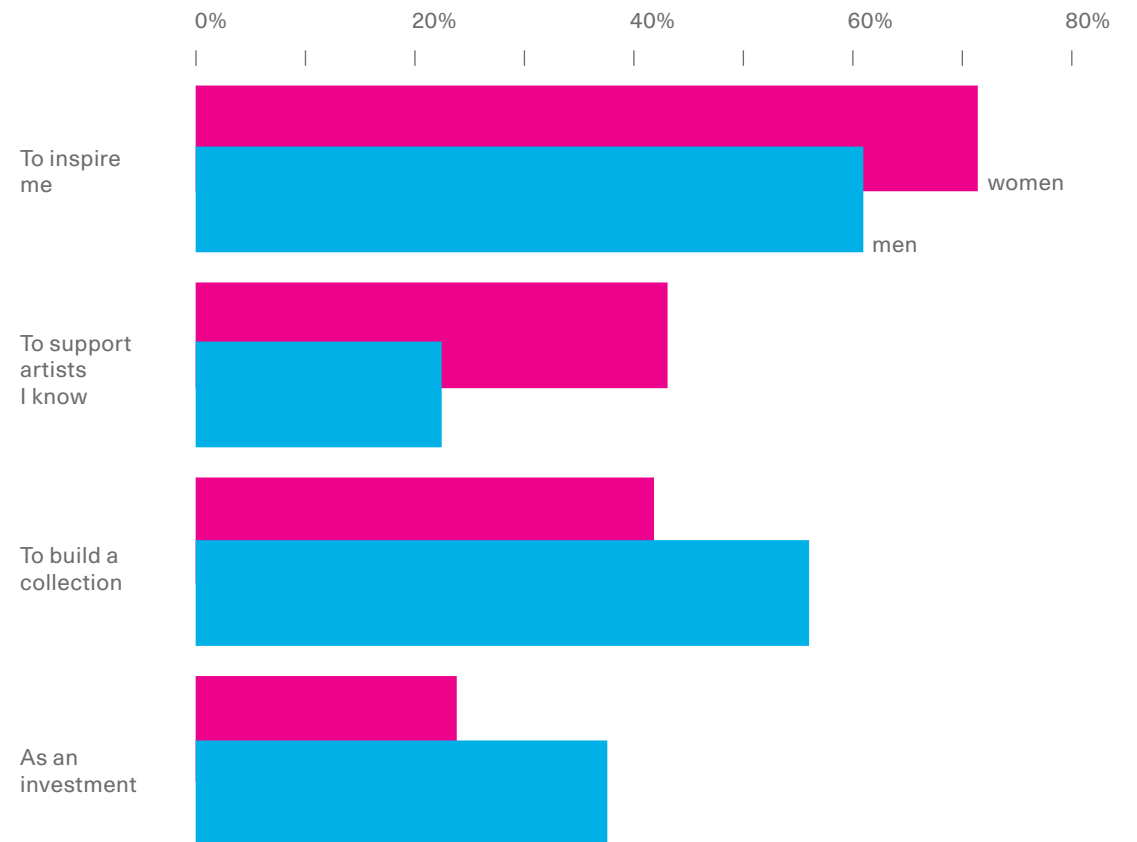
Contrary to what might be inferred from large swings in the value of certain types of art (such as the recent move towards figurative painting), trends were the least frequently cited factor driving online art collectors, at just 9% of respondents. This is consistent with the previously mentioned propensity among the majority of collectors to focus on aesthetics and individual taste when buying.

Age and net worth were not significant in determining collectors' relative propensity to factor trends into their decision-making processes. But a subset of collectors who indicated a high affinity to the art world and were twice as likely to view art as an investment (across multiple factors in the survey) were also nearly twice as likely to rank trends as a key driver.

Gender Differences

Survey respondents who identified as male or female also showed variance in their motivations for buying art and in their purchasing criteria.

Women were 24% more likely than men to report being motivated by wanting to support artists, and 35% more likely to be motivated by artist friends. While decorating and inspiration were key factors for all respondents, women were marginally but still significantly more likely to cite these as motivating factors, responding at 9% and 14% higher rates, respectively. Meanwhile, men were 39% more likely to say that they buy art as an investment.



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Gender differences in motivations for buying art

What Drives Art Buyers

Survey respondents who identified as male or female demonstrated significant differences in their behavior and how they see their role within the art world. Men were 29% more likely to say they are buying to build a collection, and over 53% more likely to say they viewed themselves as collectors. However, women were 10% more likely to say that they belonged to a social circle of collectors who regularly talk about art.

There were also significant differences in how male- or female-identifying respondents had transacted in the past. Men were 53% more likely than women to have bought art at auction, 33% more likely to have purchased through an art advisor, and 20% more likely to have purchased art online.

Art as an Investment

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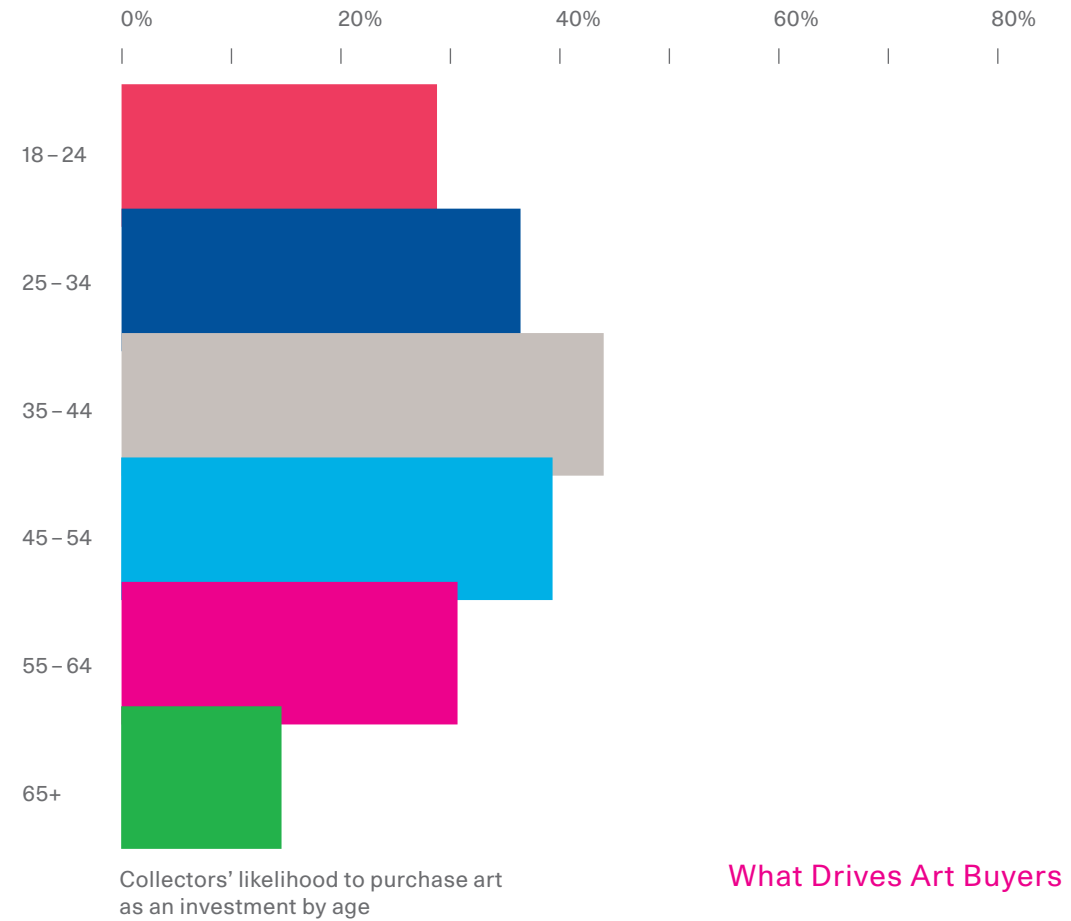
Online collectors are 37% more likely to view art as an investment than collectors who have not purchased art online in the past. Investment was ranked sixth among the most important factors for buying art among online art buyers. However, while 35% of respondents said they buy art as an investment, only 26% said they evaluate individual works based on their likelihood to gain value.

This delta and focus on aesthetics among the sample supports the view that collectors are more likely to view art as a store of value and as a diversification tool within their wider portfolio than they are to speculate on individual artworks. In interviews, collectors most often said that an artwork appreciating in value is a welcomed incidental benefit, but not a core driver of their purchases. Collectors did, however, frequently

express a desire to know that they could liquidate a work if necessary, ideally at around the price they purchased it for. “I collect what I can afford, and that I think I can resell at some point,” said one collector who spends \$5,000–\$9,999 on art annually. “I think of it as my savings account on my wall. It should hold its value.”

Millennials and Gen Z

Collectors’ relative propensity to view art as an investment is the motivating factor that saw the most significant difference across different age groups. Millennials and Gen-X collectors were more likely to report buying art as an investment compared to Gen-Z respondents and respondents from the Baby Boomer generation and above. Collectors aged



35–44 were nearly twice as likely as those above 65 to say that they view art as an investment or to be driven by its potential to gain value.

Along with the previously cited patterns in overall consumption among Gen-Z buyers, their lower propensity to view art as an investment may be attributable to their tendency to have lower budgets. Across respondents and subsequent interviews, budget—particularly on a per-artwork basis—has a strong correlation with a collector’s likelihood to purchase with the work’s future value in mind; the more a buyer is spending on a work, the more likely they are to be concerned with its future value.

Wealth and Budget

A collector’s net worth is also strongly correlated with their propensity to view art as an investment. Online collectors with a net worth above \$10 million were the most likely to cite this, at 52% of all respondents, while collectors with a net worth between \$5 million and \$10 million came in second, at 49%. By comparison, 27% of collectors with a net worth less than \$100,000 reported investment as a driving factor behind their collecting.

Increasing art budget and wealth were correlated with a decrease in affinity towards emerging art, providing further evidence to the argument that investment-focused collectors aren’t motivated by speculation, but by works that can hold value with low volatility.

Key Drivers of Online Transactions

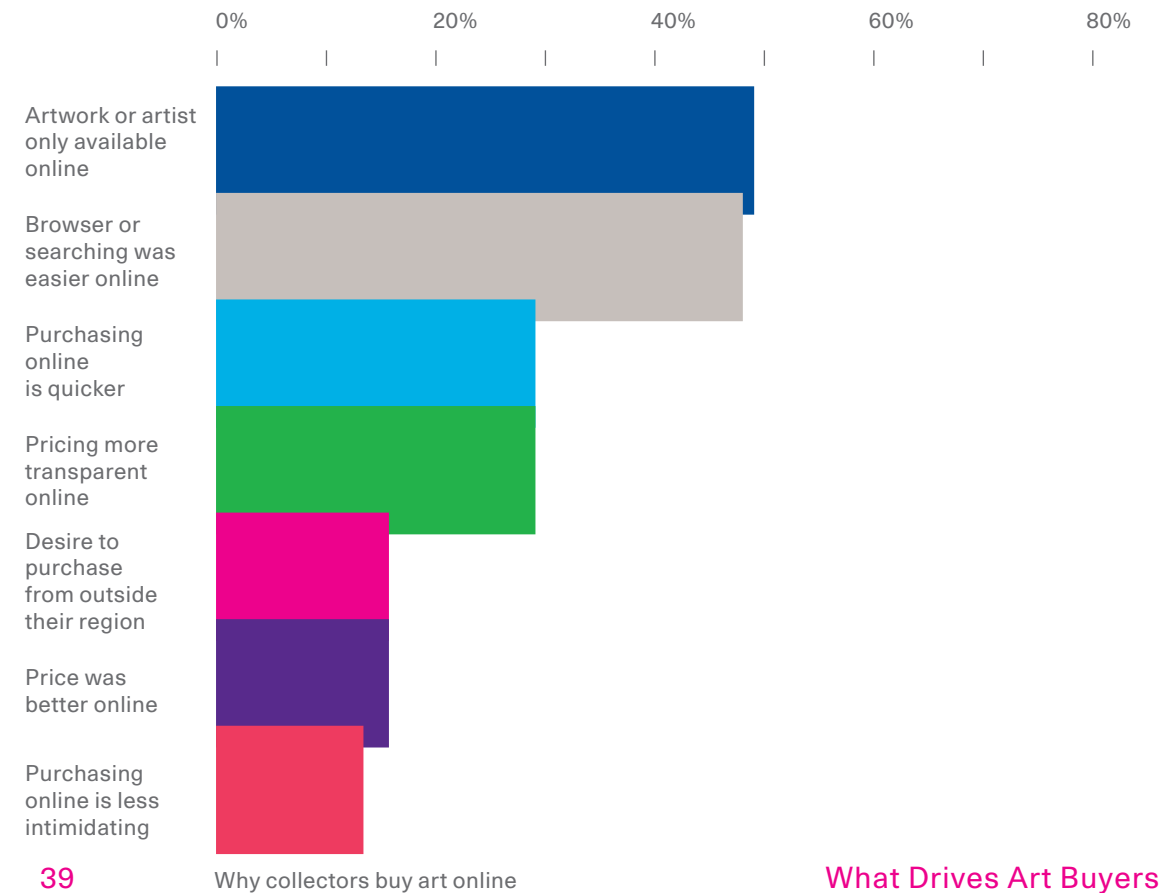
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Art collectors surveyed identified five key drivers that have pushed them to buy art online.

Access to artworks that collectors can't get elsewhere

Considering the supply-driven nature of the art market, it's no surprise that access to artworks and artists was the most frequently cited reason for collectors to transact online. This exclusive access to inventory was cited by just under half of all online art collectors, a level that remained remarkably consistent across other key characteristics like budget and the length of time collecting.

More experienced collectors with higher budgets were, however, 30% more likely to say they had purchased art online because they couldn't physically be at the art fair or gallery where it was being sold. In written responses and interviews, these collectors



What Drives Art Buyers

indicated that one of the most significant value-adds of online art platforms is being able to browse and purchase works from the hectic schedule of major fairs and international galleries they care about, but don't live near. One collector based in Portugal said:

“If we only were able to buy from galleries that we knew, and we visit, and we regularly have deals with, it would have been very limited.”

“We wouldn't be able to see and appreciate and get to know artists from such distant geographies than the ones we are in” without the help of online platforms, they said.

Convenience

The convenience of discovering and buying art online were the second and third most frequently cited reasons for collectors to buy purchase online. Collectors who have been buying art for longer periods and who have higher budgets most frequently cited in their answers the speed and lowered friction of transacting online, particularly through online auctions. Buyers newer to the market tended to more frequently cite the ability to discover works more easily and on their own schedule as attractive

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features of online buying, as well as the ability to transact immediately.

Collectors from both cohorts indicated in interviews that when trying to buy art online, slow response times from galleries has been a limiting factor on their purchases. Because of the perceived convenience of buying art online, there is an expectation that dealers will be quick to respond to questions in the lead-up to a sale, as well as post-sale queries around payment and shipping.

Access to information

Collectors reported that the access to information about artists that online platforms provide (or that can be attained via search) creates a strong incentive to purchase through these channels. They also mentioned that compared to art fairs—where a collector might be given information about a work, but be expected to make a decision on the spot—online platforms allow collectors to feel like they have the time to do research at their own pace without the pressure of a salesperson.

More competitive pricing

A quarter of online art collectors cited the ability to comparison-shop and find the best price as a key driver of their online transactions. More experienced collectors with higher budgets were 43% more likely than other online buyers to select this option in the survey, ranking it third among their motivations for purchasing art online. These experienced collectors are more savvy overall about pricing and more likely to be concerned about a work's potential to hold or increase in value.

Avoiding the “intimidating” art world

A third of online buyers with smaller collecting budgets and who are newer to the market said that buying art online is less intimidating than buying from a gallery, fair, or auction house directly. These new buyers were 49% more likely than other online art collectors to identify this as a driver of their purchases. They also tended to be younger than the sample as a whole, and have likely come of age making many of their non-art purchases online—a generational trend suggesting that more art sales will move online over time. It also offers an opportunity for art-world entities hoping to secure new buyers to find ways to engage them that may counter the art world's “intimidating” reputation.

Key Challenges For The Market

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There are several key challenges about how collectors discover and purchase art that emerged from the survey and subsequent interviews with respondents.

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Making Prices Available

The lack of access to artworks' prices was the most frequently mentioned roadblock for collectors when trying to buy art. More than any other factor, survey respondents cited the lack of publicly available pricing as holding them back from purchasing artworks. Public pricing was mentioned at 4 times the rate of other types of contextual information, such as biographical information about the artist or the story behind the artwork.

In interviews, collectors mentioned feeling discomfort at the prospect of asking for the price of a work that they could not afford—regardless of whether the interaction was in-person or online—and said they often opted not to ask at all, in order to avoid the potential embarrassment. Analysis of Artsy sales data backs this up: Artworks uploaded with their prices publicly available are between 2 and 6 times more likely to sell than similar works with their prices hidden.

“It’s unfortunate, because there’s this misconception that art is unavailable to everybody,” said one collector. “But if art was listed with the price, a lot of people would be surprised at how attainable it could be.”

Collectors with the highest average budgets and the most experience in the market were the most likely to mention the lack of available pricing as a pain point. This runs contrary to the notion common in the art industry that only newer entrants are put off by information asymmetries, like having to ask for a price. It also raises the financial stakes of the industry ignoring collectors' calls to update this business practice.

Embracing Collectors’ Desire To Resell Works

Finding easier and more lucrative options to sell works from their collections is another challenge collectors reported facing in the current market. This challenge spans across budget brackets and the collectors’ experience levels. But reselling works purchased on the primary market remains taboo for collectors who want to maintain access to the most sought-after inventory. And secondary market liquidity is generally limited to a small subset of a few thousand artists.

Consistent with our finding that fewer collectors are motivated by art’s ability to appreciate in value than are motivated by its ability to hold value, collectors said demand for better reselling options is driven by the desire to feel more confident in purchasing art today. They said more leeway to sell later allows them to feel more secure in purchasing a more expensive work than they might otherwise, or to buy more individual works by more artists.

“We don’t collect to sell; we collect because we enjoy these things,” said one collector who reported spending between \$10,000 and \$24,999 on art annually. “We’ve never sold anything up until now, but especially for things that are a bit more expensive, feeling that if we need to, we would be able to sell it, that’s important.”

Making Art More Affordable

Among newer buyers, finding ways to afford the works they desire is a primary concern. These newer collectors were more than twice as likely to mention affordability and the possibility of financing a work than other buyers with similar budgets who are older and have been collecting for longer periods of time.

In interviews, established collectors demonstrated that they are generally aware of many galleries’ willingness to allow collectors to pay over time, with one collector who spends between \$50,000 and \$99,999 annually on art saying he will pay for more expensive works over 4–6 installments. Newer entrants to the market, however, have not frequently been aware of this possibility in Artsy’s research. This suggests that a more widespread adoption of user-friendly payment options could help unlock a greater share of these newer art buyers’ wallets and give dealers money to invest in their businesses now, rather than 6 or 12 months after what is typically already a lengthy sales cycle.

The strategy has proven fruitful both outside and inside the art industry. Payment-plan provider Affirm reports an average 87% increase in order values across the industries where the company’s solution—which allows buyers to pay over 3–36 months—has been implemented. Meanwhile, Art Money—a company that allows collectors to finance a work interest-free over 10 months—reports that its partner galleries have seen the average price of artworks purchased by collectors who use the service increase by 2.5 times, as well as a 200% increase in the conversion rate for artworks on which Art Money is offered as a payment option.

Helping Collectors Support Regional Hubs

Several of the challenges most frequently cited by collectors as preventing them from buying more art relate to finding new art and artists outside of the mainstream Western canon. Buyers newer to the market, in particular, frequently mentioned an interest in discovering artists from specific regions—particularly those far from where they live—and in

diving into niches within the wider field of emerging artists.

This tendency echoes younger buyers' propensity to be more interested in art that can express something unique about their personal identity—especially when compared with older generations, who tend to be drawn more to trends and blue-chip artists (budget may also play a role here). This represents an opportunity for the art industry to more evenly distribute sales across galleries and artists, and to foster healthier art ecosystems globally.

Industry insiders have expressed concern about the concentration of demand for a handful of artists represented by a handful of major galleries. Art fairs have been cited as a key driver of this tendency given their incentive to attract the most prestigious galleries and collectors, sometimes in lieu of dealers within their region. Improved matching of the broad demand of these new buyers in the online ecosystem can help counterbalance these effects and support more galleries and artists.

Survey Demographics & Methodology

Conducted in May 2019, Artsy's survey generated responses from a wide range of art buyers. In order to qualify for the survey, respondents had to be subscribed to Artsy's emails and have an active Artsy account.

We received a total of 5,807 complete responses from users. The final sample used for this report included the 3,993 of those respondents who reported buying at least one artwork annually and/or who identified a specific budget level for their art purchases in any of the past 3 years. To improve the representativeness of the sample, artists were excluded from the analysis, bringing the sample down to 3,638. A survey respondent was determined to be an "online art collector" if they reported having purchased art online in the past.

In addition to the survey, 17 interviews were conducted with survey respondents to deepen our understanding of the data.

This report was prepared by Alexander Forbes. The survey was prepared and fielded by Elizabeth Derby with data analysis by Ani Petrov.

Demographics

This survey represents responses from art collectors in 99 countries. However, over half of responses (53%) came from U.S.-based collectors.

The non-artist art collectors surveyed, 64% had purchased art online in the past, 34% had not, and 2% were unsure. These collectors broke down across the following demographic groups:

Gender

50%	male
48%	female
1%	non-binary
2%	declined to answer

Age

8%	18-24
24%	25-34
21%	35-44
18%	45-54
16%	55-64
14%	65+

Net worth

8%	\$5 million+
23%	\$1 million - \$4.99 million
36%	\$100,000 - \$999,999
32%	< \$100,000



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