

# The Digital Art Market: A Chance for Youngsters?

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On July 15, 2013 the esteemed German newspaper Frankfurter Allgemeine Zeitung headlined: “The digital momentum has reached art.”<sup>1</sup> The journalist Swantje Karich is here referring to the record price<sup>2</sup> paid for Egon Schiele’s watercolor *Liegende Frau/Reclining Woman* at the online auction house Auctionata, founded in 2012. The extraordinary success of a, till then, non-established market participant raises the question of whether the art market has been changed by such ongoing digitalization. If in the past much that concerned art dealing had played out covertly so that only a small, privy circle of dealers and clients understood how art was traded and how prices came about, today such art events are publicly discussed. What is interesting is how the Internet and an increasing shift in trade to virtual space are influencing the art market and possibly changing it. It is also questionable how much especially young, still unestablished artists or galleries can profit from a rise in the online presence of art for sale.

## **The Auction Business - The Traditional Auction Houses and Web 2.0**

An important step in the special position occupied by the auction houses, Sotheby’s and Christie’s, is -long with a global expansion - the way they are publicly perceived. Both very early recognized the economic value of their presence in the press.<sup>3</sup> As early as 1957 at an auction of various French Impressionists and Post-Impressionists, Sotheby’s hired a firm that was solely responsible for advertising the auction.<sup>4</sup> Christie’s reacted consequently and from then on likewise hired a PR company.<sup>5</sup> In 1958 Sotheby’s succeeded in taking a further important step: By means of the first color catalogue<sup>6</sup> and a live TV broadcast, Sotheby’s ensured itself a novel undertaking. The actual innovation, however, especially in view of further developments in auction practices, was that the first contact with a

bilateral buyer came about at the auction.<sup>7</sup> Buyers could bid against each other per telephone, from London as well as from New York. In 2000 Sotheby’s set its stake on collaboration with the Internet trader amazon.com and an investment of 25 million US dollars: the founding of sothebys.com. In January 2000, the Internet site went online and took 2000 dealers under contract, presenting them with the possibility of offering their objects at online auctions.<sup>8</sup> Sotheby’s also offered its own objects in the hope of selling lower and middle price segments exclusively online in the future and thus reducing its expensive catalogue publications.<sup>9</sup> The possibility of expansion, however, was not realized.<sup>10</sup> At the beginning of the 21st century, it simply did not seem feasible to sell art online. Since 2013, it has been possible to make an offer at Sotheby’s online, but only as a price suggestion; there is no influence on how high the bid goes during the auction. If another bidder raises the stake, you have no possibility to top his price. However, via live-stream, the entire auction can be followed on the Net. Christie’s auction house is further along with their digital development. Since 2013 via “Christie’s LIVE”, the bidder with a mouse click has the possibility of participating in the bidding during the ongoing auction. After a one-time registration, the bidder per mouse click can confirm the called-up tenders, similar to raising your hand in an auction room.

## **Auction Business online: The Berlin Auctionata startup**

The online auction house Auctionata was founded in Germany in 2012 by Alexander Zacke and Georg Untersalmberger.<sup>11</sup> By its own account in 2012, Auctionata runs a network of more than 200 experts from over 40 countries who assess, authenticate and curate art objects. Since the start of this assessment service in February 2012, more than 10,000 art objects



Screenshot: [www.auctionata.com](http://www.auctionata.com); called up 30/06/2014

have been evaluated and their authenticity verified.<sup>12</sup> In December 2012, the first online auction took place that was transmitted by live video stream on the Net, bringing in a total turnover of € 345,000.<sup>13</sup> Auctionata set a record with Egon Schiele's watercolor *Liegende Frau*, which was sold for 1.827 million Euro. The principle behind online auctions has become familiar no later than via the popular host, eBay, and thus does not represent any notable innovation. The question is therefore whether Auctionata actually does embody a (digital) innovation in reference to auctioning art online, as the Auctionata startup itself and the media like to portray. In the meantime there are many other companies, such as [paddle8.com](http://paddle8.com) or [artnet.com](http://artnet.com), which offer art at so-called silent auctions. Their procedure, however, is not really comparable to an "analogue live auction", which is why I will mostly dwell on Auctionata, owing to its patent for holding genuinely live auctions.

### **The Presentation and Auction of Objects**

Before the customer decides to bid on an object online with Auctionata, he has the possibility to review the objects for the coming auction on the company's Internet site, while contact per telephone or e-mail is possible at any time. Similar to a conventional catalogue, Auctionata's website provides information on artist, technique, signature, provenance, etc. Besides this, the potential customer has at his disposal several high-resolution photos of the work including many close-up details and the technical possibility to zoom in. What remains questionable is how far this digital form of appraisal comes close to, or can even replace, a true physical examination. In the end, the consumer is left with the question as to whether the photo has been manipulated, not necessarily in reference to the object's genuineness, but as may concern its state. The customer must decide for himself how far he trusts the

company and its digital presentation as to the reality of the picture of the auctioned object seen on the screen. Can a layman even judge the state and the value of an artwork from a high-resolution photograph? In view of the usual auction-house practice, this remains an open question, for also many of the bidders at auctions are only represented via the telephone and have also not seen the original beforehand. Concerning the large houses with a reputation of almost 200 years experience behind them, it may be understandable that buyers trust the evaluation of the auction house. Another important factor that should suggest transparency and customer service is Auctionata's Internet auction itself. While the two persons present, the auctioneer Fabian Markus and a chosen expert, are broadcast live from a Berlin recording studio via Internet to the whole world, the bidder has the possibility in a live chat to direct questions at the auctioneer and the expert, which are then answered live. The prices for the relevant lot are called out in a live video stream, and which bidder is placing the respective price is visible per mouse click, similar to raising a hand in an auction room. The founders of Auctionata have registered a patent for this global auctioneering format.<sup>14</sup> Interaction, similar to a real auction, is therefore possible, apart from the geographical distance. The argument brought forward by traditional auction houses is that their supplying customers often do not belong to the technology-interested social class and prefer personal contact within a showroom and a concrete evaluation of the object. This will however change in the future. Tomorrow's suppliers already have a different relation to the digital world and, when they have attained the financial capital of the preceding generation, will probably think differently from the present "offline suppliers", whose number will increasingly diminish.

### **Acquiring and Maintaining Customers**

Economically viewed, the art market is marked, among other things, by the particularity that the supply cannot be replicated, since first and foremost it is rarities that come under auction. If a collector wants a specific work by a specific artist, he must buy it from the provider who is offering it; there is no other possibility, at least as regards the oeuvre of a deceased artist. As a result,

an auction house must as a rule make itself interesting to suppliers of goods, for without qualitatively high-quality items, no successful auction can take place. Anyone who sells artworks opts for an auction house that attains the highest prices possible. The more bidders participating in an auction, the higher the benefit to the seller, since in the end a higher number of bidders on average bring a higher price.<sup>15</sup> By aggressive advertising, the online auction house Auctionata tries to assure itself a large circle of customers. Once they click on its website, Auctionata will follow its potential customers on the Internet. No matter which pages you finally call up on the Net, the cookies regularly upload advertising on your newly downloaded search pages.<sup>16</sup> But also less subversively, Auctionata would like to remain in contact with interested parties through regular newsletter posting. The sending of newsletters is certainly not anything new as regards online trading businesses. It is precisely the presence of newsletters that has become routine marketing for modern enterprises. The two market leaders, Sotheby's and Christie's, do their advertising differently from Auctionata. They have a different clientele and try, through personal contact at their individual branches as well as with written invitations and the sending of catalogues, to appeal to well-to-do customers. It is in this context that a slight change through digitalization can be seen. The manner of advertising has been adapted to this manner of auctioning and been relocated to the virtual world.

### **Overcoming Physical Distance. A Problem of Trust**

An apparent big disadvantage of Internet auctions is the lack of the ability to see the objects beforehand, for which reason there is greater insecurity for the buyer. This argument can however be relativized, for although the traditional auction house always offers the possibility to see the works, many customers bid by telephone without being able to see the objects with their own eyes. Auctionata, too, offers its customers the possibility to come to their Berlin showroom and either see the objects beforehand or attend the auction as traditional bidders in the room. Thus theoretically, bridging over spatial distance is not at all necessary. The entrepreneurial strategy, however, is not to arouse in the buyer the need to come to Berlin but for him/her to



Screenshot: [www.auctionata.com](http://www.auctionata.com); called up 30/06/2014

be so trustful of the auction house that a sales contract can come into being without physical presence. To gain this trust, the innovative auction house provides the potential buyers with various arguments.

### Guarantee

First of all, Auctionata accords a “25 year guarantee”. The significance of this pledge is written into the terms of trade: The guarantee operates in such a way that “goods that the buyer of the goods has proved are not genuine can be returned to the auction house, which will reimburse its purchasing price.”<sup>17</sup> For the guarantee to be effectual, the buyer must therefore prove that it is a case of a forgery. In short, the burden of proof lies with the buyer. We know from diverse forgery scandals how complicated such proof can be. The guarantee suggests security to the buyer, but tends to promote laxity in the buyer and should not be understood to guarantee quality.<sup>18</sup> This guarantee is also problematic insofar as the question arises as to what may happen in 25 years

to a company that didn’t exist on the market five years ago. In the case of bankruptcy, 1.5% of Auctionata’s gross revenue comes into effect, which according to the business management of such guarantee cases is entered on a balance sheet account.<sup>19</sup> Whether that proves sufficient, the future can only tell.

### Transparency

If you ask Auctionata why customers should at all trust this Internet platform, the answer goes: “Transparency.”<sup>20</sup> When in December 2012, doubt as to a work by Oskar Kokoschka arose, the discussion was openly aired on its Internet site.<sup>21</sup> Auctionata published evidence, and the painting was finally auctioned for a (rather low) € 7,500. Shortly before the auction, Auctionata published the negative expertise on its own website, noting that the doubts expressed rested only on photographs and “material scientific examinations were not carried out.”<sup>22</sup> How far this helps the customer is questionable. What it does is shift the responsibility onto him. Through this

apparent transparency, the customer has the possibility to hear both opinions, and it is now up to him to bid for an eventually forged artwork. The sales strategy expects the customer himself to be able to recognize what is genuine and what is a forgery, i.e., whom he should trust. Without any art historical knowledge or at least an assessment of the competence of the appraisers, the buyer/layman is confronted with an impossible task.

### **The Advantages and Disadvantages of Digitalized Art Trading in the Operation of Auctions**

It cannot be denied that digitalization has changed the auction business even though not seriously, as some in the media had suggested. A possible disadvantage is the enormous amount of acquirable objects, which because of the saving in costs and logistics will increase. At first glance you may perhaps think that a diverse amount of goods is a positive aspect, but the problem is that it becomes ever more difficult to maintain an overview: do all interested parties in a collection field follow the numerous offers? <sup>23</sup> The advantage for the seller, on the other hand, is the prompt evaluation by experts. By means of a time-saving simplification of the logistics and expertise via photo and e-mail, it will become easier for the seller to obtain different offers from competing businesses. This is especially true for sellers who are not aiming for the highest price or have little understanding of the complexity of the art market, but simply want to sell items such as heirlooms. A disadvantage for the online auction house can be a possibly high number of returned objects. Even with traditionally operated houses this problem makes up a large part of the routine work expenditure. If the Auctionata client has not seen the object before he acquired it, return consignments are more probable than with rival houses. The big advantage is easy to make out, that namely the simple bridging of distance can make less well-known art easier to present to a worldwide audience. As regards even much less known contemporary art, its marketing and sales by digital means is much less costly and more time-saving, thus opening up a market and an international career for newly established artists. Online providers offer works for sale that, although they have international access to customers, may not arouse much media interest. This factor initially seems negative but can be an advantage

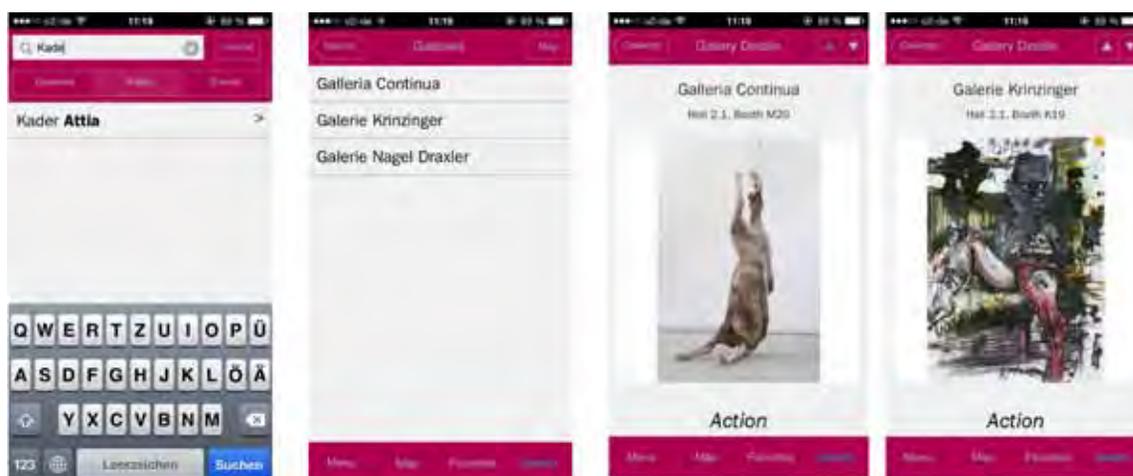
precisely for young artists, for although potential international collectors can be reached, an eventual failure, such as low prices, is presumably less spectacular. Neither an advantage nor a disadvantage is the notable fact that online auctions are not conducive to the same atmosphere as classical art auctions. If each bidder sits alone before his computer and bids, this procedure has certainly not the same affect as an organized event to which the buyers must travel, who for the most part know each other and even look their competitors in the eye. Especially in the art trade, where the vanities of the participants play a role, this is not a factor that can be underestimated, one that characteristically marks the art trade in an auction house.

### **Art Fairs**

Not only in the auction business but also at art fairs is a change notable through a rise in digitalization.

#### **A Traditional Trade Fair: Art Basel**

Founded in 1970, Art Basel has meanwhile become the most influential worldwide fair for contemporary art; the New York Times has even called it “the Holy Grail” of contemporary art fairs. <sup>24</sup> Founded by the gallerists Ernst Bayeler, Trudi Bruckner and Balz Hilt, the fair opened its first show with ninety galleries from ten countries and drew 16,300 visitors. In the meantime, the number of visitors has risen to 70,000. <sup>25</sup> In order for a gallery to participate in Art Basel, applicants must take part in a selection process that is explained in Art Basel’s AGB. <sup>26</sup> A two-step procedure is the rule. The participation decision is delegated initially to the Art Basel Committee, which is newly named each year and is meant to consist of gallerists who regularly take part in Art Basel and whose integrity and expertise are above suspicion. The problematics of this selection system is, accordingly, the lack of much flexibility in a fair that is linked to the reputation and the “distinction” of exhibiting at Art Basel. If galleries are excluded who have taken part in the past, there is an immense media attention directed at the selection committee and its way of working. A main sponsor of the fair, NetJets, is especially engaged in flying top collectors from around the world to Art Basel and finding them corresponding accommodations. Artists and museums can, of course, also be encountered at the fair. More than 60



Screenshot: App Art Basel 2013, iOS-Version, last called up 10/03/2014.

international museums keep company at Art Basel.<sup>27</sup> Art Basel is, however, not only special for the high quality of its galleries and artists but also because of its overall concept that goes beyond trade fair halls. Thus, there is collaboration with the Basel theater, the cathedral and the city's imposing museum landscape. Decisive for the success of the Swiss art fair is also its many fringe fairs. There are up to 20 of them that accompany Art Basel in changing constellations.<sup>28</sup> These satellite shows function as links between the "mother fair" and the young and flexible fairs at other locations. The advantages of these smaller off-shows are a better overview and greater flexibility when choosing their galleries. In regards to digital changes, it is interesting that since 2013, an app has been made available (gratis for iOS and android). This makes it easier for visitors to have a clear survey of the galleries, the artists and their works. With the help of this app, the user can seek out an individual artist, see his works on his smartphone and find out which galleries deal in his works and where their booths at the fair are located. In view of the over 2000 artworks on exhibit, this is an enormous simplification. Although in the past there have been exhibition catalogues, these were however sorted according to galleries so that a comparison of the different works by an artist meant leafing through the pages. The app simplifies orientation at the fair and leads the visitor to his desired booth. The "favorites function" is also very helpful: in this way you can store your favorite works, artists or galleries and then visit them or compare them digitally.

### The Digital Fair: VIP Art Fair

The VIP Art Fair was founded in 2010 by James and Jane Cohan, owners of the James Cohan Gallery in New York, and by Jonas and Alessandra Almgren. The first fair that could be visited exclusively online took place from 22 to 30 January 2011. VIP does not stand for "very important person" but for "viewing in private" and refers to the person's situation of being at home while viewing. This first fair can be seen both as a great success and as a failure. After two days the server of the first digital art fair crashed because 40,000 collectors from 196 countries tried to call up the website 7,56 million times.<sup>29</sup> This extraordinarily great interest in the first online fair and the crash of the website linked to this can, among other things, be explained by the participation of major galleries and the works on offer by successful artists. At VIP 1.0, altogether 138 galleries from 30 countries showed around 2,200 works. The most reputable international galleries had reserved a booth on the homepage and hung digital photos of their artworks in the virtual gallery, including many that were first-class, such as a painting by Francis Bacon. The gallery staff waited before their computers for interested parties to make themselves known in the chat room so they could give them information on the works. In order for a gallerist to take part in VIP Art, there were no spatial limitations as in an "analogue fair", but places were awarded on a logical basis. To promote sales, the participating galleries had various tools made available to them: a basic account and a premium account. From

3 to 8 February 2012, the VIP Art Fair took place the second time under the management of Liz Parks and Lisa Kennedy. At VIP 2.0 the server problems were solved and the concept changed. The accent of VIP 2.0 was, above all, on paintings, but sculptures and videos were also offered. Several galleries proposed works for only a limited time in Live Shopping. Thaddaeus Ropac (Salzburg, Paris) each day showed a different artist and dedicated February 3rd to a 24-hour live performance by Terence Koh. Access to the fair was free; anyone could click through the gallerists' websites. For 50 US dollars or via an invitation by a gallery, the live chat function could be used. An increased integration of the social media of Twitter and Facebook allowed visitors to take part in conversations and exchange favorites. A particularity of the VIP Art Fair in comparison to other Internet-based platforms is the possibility to show artworks in the context of other works. In addition, the collectors are able to see them at the booth in their relative size. This gives the collectors a good impression of the artwork's actual dimensions, which is normally not possible on the Internet. In 2013, VIP Art Fair was bought by Artspace.com.<sup>30</sup> The around 100 gallery partners of VIP Art Fair were passed on to Artspace.com as customers. Another online fair like the original VIP Art Fair (2.0) has never again been mounted.<sup>31</sup>

#### The Advantages and Disadvantages of Art Fairs

By comparing an "analogue fair" like Art Basel with an online fair like VIP Art Fair, we note similarities but also dissimilarities. In general, we can assume that with both fairs, at least in the upper price segment, the same customers are present. An advantage of the online fair is definitely its international, uncomplicated availability. Interested parties and collectors do not have to travel to one place to see the art there but can simply, under no time pressure, see anonymous art and purchase it. This simplification in viewing art and reducing travel costs can have an impact on a buyer's interest by allowing him to invest this "saved expenditure" in additional art. It remains questionable if the simpler availability of the art fair really does reach more interested parties. The number of visitors to VIP Art Fair 2011 mentioned above (7,65 million clicks vs. Art Basel 2013: 70,000 visitors) seems to at least indicate this and speak for the virtual fair. Whereby it must be taken into account that,

in part, visitors to Art Basel with their tickets visit the fair on several different days, whereas the VIP Art Fair counts the click of every single page whether it is from the same IP address (that is by one and the same person) or not. But at least this number does indicate a certain tendency and an increasing acceptance of an online market for art. Also for gallerists an online fair provides simplified logistics, which means a saving in time and money. The events calendar is increasingly filled with fair dates, especially for internationally successful gallerists. For the galleries this means that their artworks must often be transported from one fair to the next at great cost. The costs of insurance and transportation are not to be underestimated and need not apply to an online fair. Once the gallery has photographed the works in high resolution—which is often the case when a gallery maintains an up-to-date homepage—these only need to be uploaded for an online fair and the staff (even from their homes) can answer the questions of potential buyers. Arguments such as simpler accreditation and a reduction in costs represent a chance for young, not yet established galleries to participate in the art market. What is generally problematic with a purely online presentation of art is making the authenticity and the impact of the single works clear to viewers. The online auction house Auctionata has problems that are similar to the VIP Art Fair. The fair solved its presentation problem in a way that is like that of the auction house. For one, there were very high-definition photos that the viewer could zoom into, and two, the works were shown in context. The viewer, via an avatar, could stroll through the virtual rooms and see the paintings and sculptures on show: one, in relation to the avatar, that is to a human figure, and two, in relation to other works. This detailed virtual representation combined with the possibility of personal correspondence allows the buyer a situation that is very true to life and is comparable to an "analogue fair". In this context, the only problematic fact is that reputable galleries use art fairs to present young talents along with established and well-known artists. It is questionable how far a virtual platform is capable of accurately presenting unknowns. The buyer is not always positively open to anything innovative and if, in addition, the potential work cannot be seen in the original, virtuality makes any sale more complicated.

Basically, the galleries here stand with their names and perhaps long years of experience for the quality of the works they sell, and similar to Auctionata, the customer has in the end the possibility to appear at the gallery in person and see the work in the original. With an analogue fair like Art Basel, this problem does not exist, but in turn the immense interest in participation is becoming increasingly problematic. The limited space guarantees that only the “best” galleries exhibit and upholds Art Basel’s excellent reputation. However the fair is inflexible in regards to innovation and young aspiring galleries. In an art world that is rapidly changing, this is a disadvantage versus a purely virtual fair that has no trouble every year accepting as many galleries and exhibitors as agree to being shown. One advantage of an “analogue fair”, on the other hand, which shouldn’t be underestimated is that the concentration of participating actors guarantees an enormous exchange of information and knowledge. Nowhere else are so many potential customers, interested collectors and experts gathered in such a small space and such a short time. A fair is also always an exchange of expertise and ideas. Meanwhile there are often fringe events such as special shows, lectures and the curated concepts of young artists that dominate at a fair, not only the commercial aspect. Also, the increasing collaboration with the city of Basel and its cultural institutions make an expansion of the spectrum and a media-spanning observation of the arts possible. Such a comprehensive fringe program that goes beyond the sale of art cannot be achieved by an online fair. To conclude, both concepts have aspects that speak for and against them. The fact is unfortunate that, since the sale of VIP Art Fair, no other online fair has been mounted, since this online novelty--especially in times of globalization--makes the art market more accessible. Because of the strong presence and the enormous influence of the well-established “analogue fairs”, such as Art Basel, Art Cologne, Frize Art and many others, it is apparently difficult to become established on the Internet contra the analogue global players. In addition, precisely at fairs, the exchange of information and so-called networking elements are increasingly more important, which simply cannot be correspondingly offset in virtual space.

## Online Services at Artmarkets

### Artnet.com

Artnet AG is an online service provider for the international art trade with its central offices in Berlin and New York, as well as branches in China, Great Britain and Russia. The enterprise, among other things, provides an online databank of prices that, by its own account, consists of 7 million auction results from 700 international auction house.<sup>32</sup> As a result, the price developments on the market can be easily followed and the auction results of different artists easily comprehended. The Price Database Fine Art and Design comprises the auction results since 1985 and the sale results in the Price Database Decorative Art beginning in the year 2000. Thus the online market prices and the long-term price developments of artworks can be researched. The user-friendly search mask makes it possible to consult the price database for criteria such as object category, era, and collecting field, sale date, auction house or lot description.

This service makes it possible for any potential buyer or seller to undertake his “own” estimation of different works uncomplicatedly from home. If ten years ago the buyers of art, as a rule, were immensely inferior to experts, dealers, gallerists and auction houses as regards their knowhow, today it is possible for any and everyone to subscribe to Artnet.com and find out what a work possibly sells for. Even participants inexperienced at art markets can buy or sell art successfully.

The offers of these online service providers are conceived in such a way that they are interested in customers who only want to be informed once, but are also available to dealers or gallerists who need unlimited daily access to the data bank. The most favorable offer consists of activation for one day with the possibility of undertaking five searches. The most comprehensive offer consists of 1000 searches per year.

If we look back at how Artnet.com developed, we discover that the enterprise only barely escaped insolvency. Various financial analyses had placed it on the so-called “death list”, since it was supposed that it would go bankrupt and its stock become worthless.<sup>33</sup> The chairman of the board of the stock company, Hans Neundorf, explains this development as a new and changed acceptance and the use of the Internet.<sup>34</sup>

If in 2000, clients were inexperienced and skeptical of Internet companies, today, 14 years on, a changed overall mindset of society towards the virtual world has come about. Not only young people and computer-adept lone wolves use the various possibilities offered by the World Wide Web, but the whole population is online in a new bandwidth. The service that Artnet.com provides would be impossible non-virtually. Alone the elicitation of data and its storage are not feasible without the Internet. Only in this way can current information and simple access to clients be assured. A business like Artnet.com shows once again that the Internet has democratized the entire art market and made it easier to understand. The former class conceits of the better-situated class of art dealerships has been diminished and pluralized by such institutions.

### **Conclusion and Prospect**

The general way of working with digital media has greatly changed over the past decade. ‘Digitality’ has become a matter of course. A not inconsiderable share of routine buying behavior has shifted to the Internet; collectors and gallerists meanwhile communicate via social media. The human eye has become so used to images in a digital form that many museums are worried about their number of visitors, because art can now be more intensively seen and studied online with less effort and sometimes greater effect.

Examples such as Auctionata, VIP Art Fair, as well as Artnet.com and several others demonstrate that a turning point in the art trade has taken place and a clientele exists that is prepared to acquire art and antiquities online, if not in the price segment of traditional auction houses. Via measures that create trust, such as detailed photographed depiction, the constant possibility of online contact as well as live contact, customers are prepared to participate in art auctions online. These two aspects—excellent photos and easy, personal contact—bring all the concepts together and seem to guarantee the successful dealing in art on the Net. The digital transformation that has meanwhile reached the art world was certainly not triggered by the noted

businesses. Rather the founders of these companies have recognized the zeitgeist and seized on the right moment for establishing online trading. Better infrastructure, increased assurances, methods of safe Internet payment and a more favorable technology led to the fact that online operations have generally increased.

The additional use of mobile terminal equipment allows this development to advance, opening it up to uncomplicated and less costly ways to participate in virtual life from any place. Whether and how this development will continue as regards the art market remains to be seen, for just as consumers have become used to e-books, online shopping or banking, it is perhaps only a matter of time till they are ready to spend greater sums for art auctioned online. The example of the sale of Egon Schiele’s *Liegende Frau* in any way shows that the online auction of highly valued art, even into the millions, is possible, something not imaginable ten years ago. However not everything can be simpler or better marketed online, as the example of Art Basel in turn shows. At a fair, it is not about the sale alone. An art fair offers a meeting place for the most influential protagonists and an exchange of knowledge and trends. This special atmosphere cannot be produced online and thus cannot replace personal contact. Enterprises like Artnet.com especially show that a clientele can change its access to the art market via the Internet.

Naturally in the upper price segment, the liquidity necessary for the purchase of an artwork is crucial, independent of whether it is bought online or in person. However, especially young artists and galleries seeking to establish themselves can be served increasingly by the online market. Based on simplified logistics and cost reduction, a market that is more fair can come about in a way that participants with a smaller budget and fewer international contacts are given a chance to prove themselves. Through this opening in the market, art will be more accessible to a broader social class and reach a pluralistic buyer class. This fact can only prove to be an advantage for society per se; art will have a broader and increased access to society and can in the end enjoy better appreciation.

*End Notes*

1. Karich: *Die digitale Wende erreicht die Kunst*, in: FAZNet from 15/07/2013. <http://www.faz.net/aktuell/feuilleton/kunstmarkt/auktionen/online-auktionshaus-auctionata-die-digitale-wende-erreicht-die-kunst-12280263.html> (as on 30/06/2014).
2. *The water color Liegende Frau by Egon Schiele was offered by Auctionata on 23 Jun 2013 for a start price of 1,000,00,00 Euro and auctioned for 1,827,250,00 Euro including buyer's commission.*
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4. Herrman, Frank: *Sotheby's – Portrait of an Auction House*, London 1980, p. 352 f.
5. Herbert, John: *Inside Christie's*, New York 1990, pp. 16-17.
6. *An auction catalogue completely in color photos had, up to then, never been printed. See Herbert, John: Inside Christie's*, NY 1990, p. 19.
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8. Eisenbeis, Markus: *Die Zukunft des Auktionsmarktes*, In: Poes, Lothar, Quadt, Edgar und Rissa (hrsg.): *ArtInvestor – Handbuch für Kunst und Investment*, München 2002, p. 373.
9. *Ibid.*
10. *At the end of 2000, an investment of ca. 90 million US-Dollar vs. a turnover of ca. 45 million US dollar. See Eisenbeis (2002), p. 374.*
11. *See www.auctionata.com (as on 30/06/2014).*
12. *Ibid.*
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