

Investigating the Role and Impact of Art Management in the Contemporary Art Market

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Abstract. The importance of arts administration is growing as the public's emphasis on arts and culture, quality of life and spiritual needs continue to increase. This paper investigates the functioning and structure of the art market, the important missions of art management, the impact of art management on the contemporary art market, and challenges and future trends in art management. This paper utilizes the literature analysis method to study the collected literature on the current art ecology. This research finds that it is in a stage of development, constantly improving the art price and market mechanism, and is affected by the current social and economic influences. Research has shown that arts management needs to be continuously improved to promote the art market's sustainable development. In addition, the current professional training of art finance talents is still insufficient, to the sustainable development of the market, the education of talents needs to be combined with market practice. Finally, the dominance of market-oriented galleries in the art market makes it difficult for non-integrated or marginalized artists to develop, hence the need for comprehensive measures to promote the all-round development of artists. The sustainable development of the art market requires continuous improvement in arts management and measures to promote the formation of a digitized, diversified, and balanced arts ecosystem.

Keywords: Art management; art market; art ecology; sustainable development.

1. Introduction

The importance of arts management has become increasingly evident as society emphasizes arts and culture and as the public's demand for quality of life and spirituality continues to grow. The art market, unlike the traditional market, lacks standardization of information and does not have a perfect regulatory system [1]. To keep the art market stable and healthy, art administration is still evolving and helping to solve the problem. Through the issues and trends identified in the study, the reasons behind them are explored and the implications of the situation for future development are critically examined. The study analyzes the current state of the art market as well as the literature by observing the current state of the art market as well as the method of literature analysis, explaining the findings discussing them, and evaluating them. The study utilizes this research methodology to explore four aspects: the functioning and structure of the art market, the important missions of art management, the impact of art management on the contemporary art market, and challenges and future trends in art management. By summarizing and analyzing the current state of art management as well as the art field, the study aims to contribute to the development of art management as well as the art market.

2. The Functioning and Structure of the Art Market

In the early days, when the public did not have the demand to collect artworks, art transactions were mostly conducted by artists directly with private individuals. In the absence of a public art trading system, it is more difficult to standardize the price of an artist's work. With the development of the economy, the public began to gradually pay attention to art, and the market appeared galleries, auction houses, and other trading institutions. The market mechanism is gradually taking shape, and the art market mechanism, policies, and laws are constantly being improved. Chiyu Chen in the article mentioned that the art market is divided into different tiers of price ranges, due to the differences in the situation of collectors, professional collector investors' also public art lovers [1]. The market is differentiated according to different groups of people, and different targeted institutions are

established to facilitate more efficient art transactions. The art market will develop and continue to be refined and standardized.

3. The Important Missions of Art Management

While art history is responsible for the past of art, art management is responsible for the present and future of art. The arts management process runs through three phases. Firstly, the first stage is production, where the artist has to produce the art; secondly, the second stage is distribution, where the artwork is put on display; and finally, the third stage is consumption, where the artwork is sold to viewers or collectors. The purpose of arts management is to deliver artists (producers) to audiences (consumers). Arts administrators need to work distributed in these three phases.

In terms of the nature of arts industry organizations, arts administration will take place in both for-profit and non-profit organizations. For-profit organizations mainly focus on art market-related work, such as galleries and auction houses. Non-profit organizations whose primary function is exhibition and public education, such as art museums and art foundations.

3.1. Art Collection and Display Management

Art display technology is currently evolving, exploring the possibilities of broadening the real and the virtual. At the same time offline and online exhibition methods are in the spotlight. Museums and galleries, as the most prominent art exhibition organizations, have several institutions that offer virtual events and experiences on their websites. According to the survey, the comfort level of U.S. tourists in visiting museums will be significantly higher in 2022, and the number of augmented reality devices globally will grow from 0.44 billion in 2019 to 107 million in 2022 and is projected to reach 173 million by 2024 [2]. Museums are increasingly inclined to use technologies such as virtual reality (VR), augmented reality (AR), and other technologies to blend virtual and actual elements.

These digital and virtual elements enhance the visitor experience and provide features such as collection information, gallery navigation, and interaction using smartphones. The integration of real and virtual spaces in museums is seen as an opportunity to expand the scope and diversity of audiences, potentially attracting more visitors through a variety of technological presentations. Metaverse is one of these highly debated approaches. In this regard, Giannini, T., & Bowen, J. P. have developed a discussion of museums and Metaverse on contemporary art and life [3]. The emergence of Metaverse and its technology provides new challenges and opportunities for artists, designers, and others to create more immersive art experiences. Virtual worlds and the Internet have made art and museums more global. This allows millions of visitors from around the world to access the exhibitions of various organizations. But while Metaverse and digitization continue to expand, the real and virtual museum experiences continue to diverge.

4. The Impact of Art Management on the Contemporary Art Market

4.1. Improved Transparency and Predictability of the Art Market

The art market differs from the traditional market in that it is a market that lacks standardization of information and does not have a well-developed regulatory system. The state of art market institutions greatly depends on their ability to adapt to the changing economic climate. Arts management helps an organization to cope with changing circumstances and to ensure its sustainability by adopting appropriate business models and strategies.

Based on the existing situation of the art market, many experts propose and study ways to solve the problem. Mateos-Ronco, A., & Peiro Torralba, N. study how to promote sustainable management of the Spanish art market through a Delphi survey methodology [4]. The Delphi survey is a qualitative research method where consensus is reached through multiple rounds of anonymous questionnaires and expert opinion gathering. The first step of the study, the questionnaire design phase, involved a series of questions related to the sustainable management of the contemporary art market. These

issues cover market trends, business models, marketing strategies, risk management, and financial management. The second phase is the expert collection phase. The authors invited a group of experts, including gallery operators, art market analysts, artists, and academics, to participate in the Delphi survey. The experts assessed and answered the questions in the questionnaire through multiple rounds of anonymous questionnaires. After each round of the survey, the authors statistically analyze the experts' responses and extract several consensus opinions and perspectives. These consensus views and perspectives are then integrated into the questionnaire for the next round of the survey. This process is iterated over several rounds until a consensus is reached or no further new perspectives can be obtained. By analyzing the commonalities and differences in expert opinions, the authors derive insights and recommendations on market development. These insights and recommendations can help gallery operators and relevant stakeholders to develop and implement sustainable management strategies for a sustainable art market.

4.2. Promoting the Value of Artists and Work

In the earliest stages of promoting an artist, the public often focuses first on the artist's nationality, gender, creative language, the art school from which he or she graduated, and the art gallery that represents him or her. The gallery can be said to have the role of bringing the artist into the art market initially. To keep artists active in the art market through their promotion and publicity. In the process, it will attract the attention of art critics, and then further develop the popularity of the artist. At the same time, the gallery will also take the artist's works to various fairs and biennials to raise the artist's buzz. Finally, when the artist reaches a certain stage of development, the work will enter the secondary market. The auction house's auction results are the most direct feedback from the artist.

Artists who are well-established in the art market have usually developed a more personalized style of work, which helps to enhance the recognition of the artist's work in the market. In the process of developing a personal style, the artist needs to explore and develop his or her creative techniques and ideas. At the same time, the artist can find out that the market or the audience prefers a certain artistic style of their own in the process of trading and displaying their works. Art administrators can help facilitate the process of maturing artists by analyzing how the market reflects on them through feedback from exhibitions, sales of works, and so on.

Artist brand promotion in addition to the transaction value of the artwork, the artist's IP promotion and the benefits it generates cannot be underestimated. In recent years, IP (Intellectual Property) has gradually developed in various industries and has a wide range of commercial influence. According to statistics, the global top 150 IP licensing market data to reach about \$260 billion in 2019 [5]. In the combination of art and law, an art IP is formed. Its commercial and social value is of great interest to the art industry. In the art industry, galleries have a limited scope and demographic to promote artists. By creating an art IP can promote the artist to people outside the art field. In the art industry, galleries have a limited scope and demographic to promote artists. Art IP is promoted online on multiple platforms and dimensions. At the same time, it is combined with offline marketing, such as cross-border cooperation with commercial brands, co-branding, and other marketing methods, to realize methods of experiential consumption of the artist's content and promote the influence of the artist. In the process of continuously exploring art IP, art practitioners and organizations can maximize the conversion of artists and art resources into economic and social benefits, and enhance the value of artists and their works. But art IP is still evolving, and there are still issues that need to be addressed. The legal system regarding art IP is not yet perfect and in some ways the cost of defending rights is high, thus threatening the originality of artists' IP. At the same time, when creating art IP, due to the problem of copyright maintenance will impression capital investment, the capital risk will restrict the development of art IP.

In recent years, there has been a rejuvenation of the art market collector base. At the same time, due to the COVID-19 epidemic, art transactions have taken on a multimedia online form. Artists, as well as their marketing teams, can utilize social media to increase the efficiency as well as timeliness of their promotions. Gerlieb, A.'s study analyzed feminist artists on TikTok during COVID-19 from

2020 to 2021 and compared the differences between TikTok and Instagram in terms of artists' self-presentation [6]. The study found that TikTok was able to increase an artist's reach and the likelihood of a video going viral by emphasizing activism strategies and community building, as well as reducing the number of hashtags. However, an over-reliance on feminist labels can lead to artists being viewed one-dimensionally and affect their inclusion in exhibitions. Compared to Instagram, TikTok offers more opportunities to showcase artwork and interact with an audience, but it also requires a significant investment of media usage time by the artist. Additionally, the study points out problems with TikTok, including the blocked display of videos and hashtags and bias against people of color. Therefore, the role of social media platforms in digital society and the art market deserves further research.

4.3. Cultural Heritage and Value Transmission of Works of Art

Arts management emphasizes public education in the arts and promotes a favorable arts climate. Works of art are used as a vehicle for the dissemination of cultural values and the transmission of values to the public. The public's primary exposure to art is through museums and galleries. The position of museums and galleries in the field of art is very important. They should be to provide the public with professional, scholarly standards of art. However, museums and art galleries are non-profit-making organizations. Since art resources are limited, museums and the art market are at odds. The growing power of collectors and private galleries in the contemporary art world and the impact this trend is having on traditional museums. Quemin, A. notes that as the demand for contemporary art continues to grow, collectors and private galleries are becoming more prominent and influential in the art market. This trend poses a challenge to traditional museums, which need to compete with private institutions for limited art resources and celebrity works. The authors also discuss the interplay between private galleries and museums and how museums are responding to this new market environment [7].

The author cites the influence and initiative of collectors Bernard Arnaud and François Pinault as essential to the development and achievements of the French contemporary art scene. Both large collectors and private galleries can benefit directly from the capacity and other resources developed by the public sector. From the opposite perspective, collectors and private galleries are also able to influence the selection of public museums. This manifests itself in shaping programming decisions and providing various forms of financial support that are not usually known. In addition, the most influential galleries compete directly with museums, not least because they have the infrastructure and financial resources to offer free museum-quality exhibitions. Some analysts may disapprove of the growing influence of the private sector, especially the market, in the art world and the field of contemporary art. Other analysts may be pleased with the artistic and cultural expansion that the market has brought, at no cost to the public sector. Perhaps a balance is needed between the two. The more fundamental question is whether the growing power of the private sector (especially the market) can be sustained without compromising the aesthetic value of the art under discussion [7].

5. Challenges and Future Trends in Art Management

To allow the sustainable development of the contemporary art market, the art management program should be strengthened for the training of art market professionals. Yu Xin's thesis proposes the current emergence of art finance talent development is of great concern. He pointed out that there are currently three controversies about art finance talents: "the blurring of disciplinary concepts and standards; the lack of professional teachers and courses; and the avoidance of over-expansion in the training of art finance talents" [8]. The professional training of talents should not be limited to academic learning, but should also be combined with the market for practical practice. Through the national policy, academic seminars to solve the problems and difficulties in development can promote the development of contemporary art.

The problem of particularity can be seen in the light of the current state of the art industry. Giannini, T et al. discuss the dynamics of the art field and the role of market-oriented galleries in it, in contrast

to non-integrated or marginalized artists. At the same time, there is a gender gap observed in the visual arts, especially in the lower representation of women in market-oriented groups. It notes that "Talent" and "Love of art" play an important role in determining careers in the arts, but that women may face more subtle and less visible mechanisms of joint and informal cooperation. In addition, it refers to the dominance of galleries in the field and the barriers that female artists may face in gaining equal status with men. And examples are given in the context of Switzerland, where market logic and economic success are seen as the main indicators of artistic value and individuality, and where, unlike in other countries, the state plays a more important role in preserving cultural autonomy [9].

Arts management using concepts as well as big data can optimize market management as well as configuration [10]. Efficiently analyze the market through technological systems, promote information integration, implement more targeted measures for management, scientifically allocate resources, and summarize and predict market trends. It promotes the rationalization of the artwork price mechanism, thereby further ensuring market stability.

6. Conclusion

The art market is still in the development stage, and art prices and market mechanisms are constantly being improved. The current social and economic environment has an impact on the art market and therefore arts management needs to be constantly improved. The conclusions of the study are as follows: firstly, the art market is showing a trend towards digitization, which promotes sustainable development in the creation, presentation, and market forecasting of artworks. Secondly, the promotion of artists is diversified. In addition to traditional gallery exhibitions and fairs, art IP enhances the value and socio-economic benefits of artists and their works. However, laws related to arts IP need to be improved to reduce the risk of capital investment. At the same time, the youthful collector base makes it possible for artists to increase their influence and the likelihood that their work will become popular through multimedia publicity. In terms of the social and cultural impact of artworks, there is competition between for-profit and non-profit organizations for limited art resources, and there is a need for balanced development to avoid over-occupation of public art resources. The current professional training of art finance talents is insufficient, which needs to be combined with market practice to enhance talent education and promote the sustainable development of the art market. The dominance of market-oriented galleries has led to difficulties in the development of non-integrated or marginalized artists, and comprehensive measures are needed to promote the holistic development of artists. Art practitioners can use technology and data to analyze market trends and ensure stable market development. The sustainable development of the art market requires continuous improvement in arts management and measures to promote the formation of a digitized, diversified, and balanced arts ecosystem.

Future research should focus on the following directions: enhancing the professionalism, comprehensiveness, and refinement of arts management, and cultivating multifaceted talents. The art market needs to accumulate maturity, and there are still many problems and flaws in the links. Some art institutions will rise and some may decline. In this process of rotation, the market will see clearer changes, including the clash of regions and globalization, innovations adapted to the market, and the popularization of art.

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