
Hiscox online art trade report 2021

PART TWO



Cover artwork:

Frank Walter, *Four Trees and Fence*, 1980 | Oil on card | 35.5 x 31.5cm | Courtesy the family of Frank Walter and Ingleby Gallery.

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Introduction

Welcome to the latest iteration of the Hiscox online art trade report. It feels like we are dealing with two very different universes in this report. On the one hand, there is the traditional online art market where physical objects are traded and this has matured into a significant and permanent part of the art market – it is almost business as usual. On the other hand, there is the bonkers, volatile and seductive world of NFTs, largely attracting speculators rather than art lovers. It will eventually settle down and a new hierarchy about which NFTs are valuable and which aren't will be established; currently lots want to have a flutter, even if they aren't prepared to bet the house on it. The traditional online art platforms are, in the meantime, frantically playing catch-up and trying to work out how to incorporate it into their businesses – after all, nobody likes to miss out on a party.

Robert Read

Head of Art and Private Clients
Hiscox

Key findings

THE ONLINE MARKET STILL GROWING AS PANDEMIC EFFECT WANES

Nearly two-thirds of art buyers surveyed have bought art or collectibles online, an increase on the previous two years. More than eight out of ten existing online art buyers have bought pieces online in the past 12 months, up from 67% in 2020.

ART MARKET'S MOVE ONLINE IS FOR GOOD

84% now believe the digital shift in the art market will become permanent, up from 51% in 2020.

SALES FORECAST TO HIT \$13.5 BILLION IN 2021

Astronomical sales growth of 72% in the first half means that, if the same pace was maintained for the rest of the year, overall sales would top \$13 billion for the year – a new record. Sales are expected to grow in 2022, but at a slower rate.

THE ART AND NFT MARKETS BEGIN TO COME TOGETHER

We are likely to see an increasing convergence between the traditional art market and parts of the NFT market. Over a quarter (27%) of all art buyers surveyed said they are likely to buy an NFT in the coming 12 months.

NFT BUYERS MOTIVATED BY THE MONEY, NOT THE ART

Over eight out of ten (82%) NFT buyers said that value potential was their most important motivation. Nearly all (95%) of those who had spent more than \$25,000 on NFTs in the past 12 months, said that investment return was their key motivation.

Robert Longo, *Study of Pandemic*, 2021-2022, 2021 | Ink and charcoal on vellum | 58.7 x 53.3cm | Courtesy of the artist and Pace Gallery.



Online buying behaviour and sales

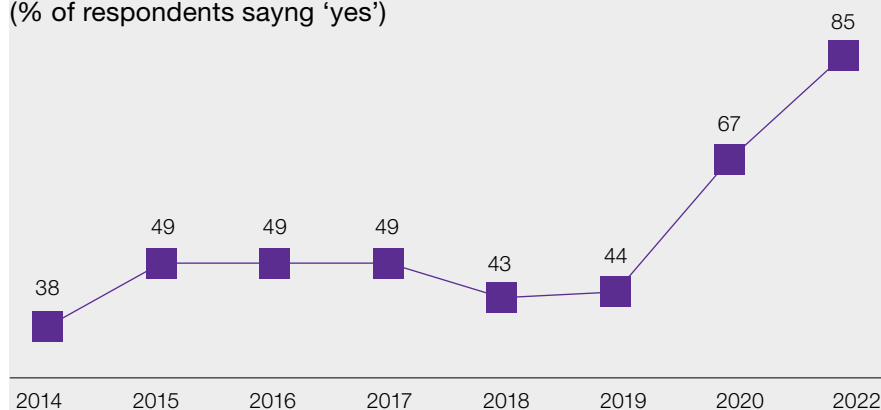


MORE ART BUYERS ARE GOING ONLINE FOR THE FIRST TIME

Have you bought art and/or collectibles directly online through a click-and-buy or click-and-bid in the last 12 months? (%)

Nearly two-thirds (65%) of art buyers surveyed said they had bought art and collectibles online at some point, up from 59% in 2020 and 43% in 2019.

Have you bought art and/or collectibles directly online through a click-and-buy or click-and-bid in the last 12 months? (% of respondents saying 'yes')



THE MAJOR AUCTION HOUSES SHOW HIGH DOUBLE-DIGIT ONLINE SALES GROWTH IN 2021

Heritage Auctions reported \$903 million in online sales in 2021 (+79% from 2020). Phillips saw online-only auction sales grow by 70% last year, while Christie's posted 41% online-only sales growth in 2021. Sotheby's online-only sales grew 22% in 2021, after phenomenal growth in 2020 (824%).

\$903m
Heritage Auction
online sales in 2021.



GROWTH RATES RACE INTO HIGH DOUBLE-DIGITS

Online art sales rocketed during the pandemic, from 4.8% in 2019 to 64% in 2020. Further strong sales growth of 72% for the first half of 2021 reported by online art sales platforms gave us projected online sales for 2021 of \$13.5 billion¹.

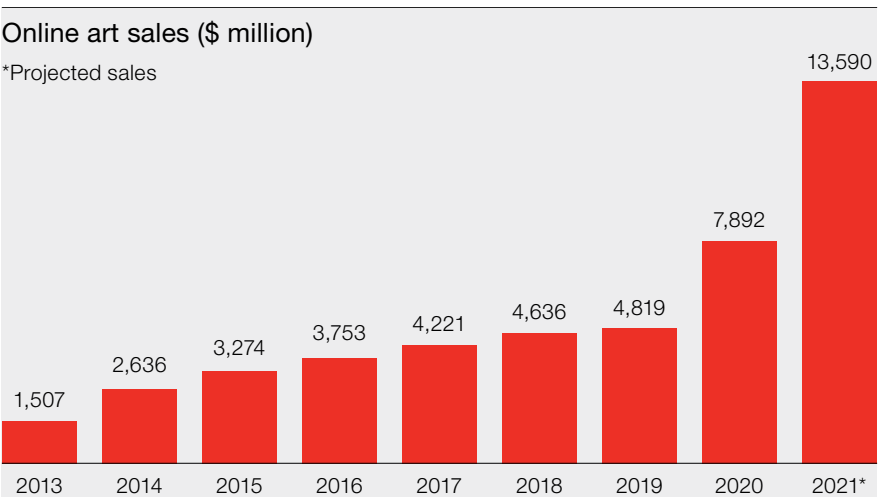
\$13.5bn
projected online sales
for 2021.

MOMENTUM IS CONTINUING

We have seen a significant jump in online buying among existing online art buyers in the past 12 months, with 85% saying they had bought art online in the past 12 months, up from 67% in 2020.

¹Here we have assumed that the second half of 2021 will grow at the same rate as the first half of 2021, i.e. 72% growth in sales. See [Hiscox Online Art Trade Report 2021 – part 1](#) for further details about the methodology.

Online art sales
(\$ million)



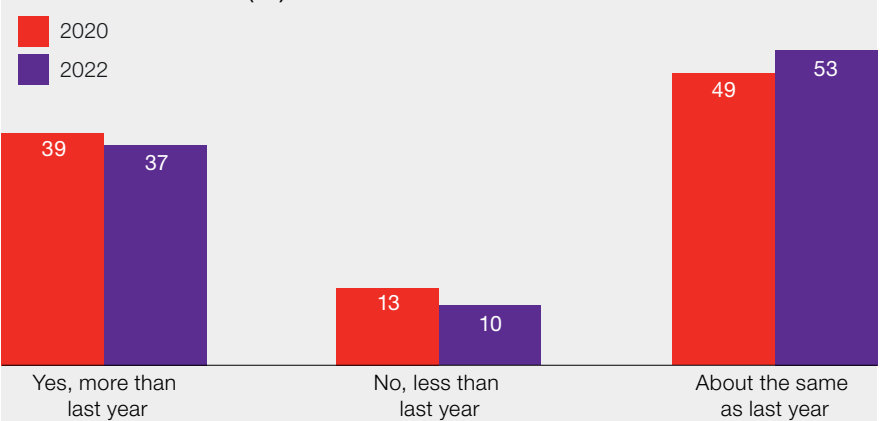
BUYER CONFIDENCE RISING

Over half (53%) of online art buyers surveyed in 2022 said that the pandemic and the art market's migration online have increased their confidence in buying art and collectibles online, up from 42% in 2020. This rising confidence is already evident in last year's rising online sales.

THE ART WORLD'S MOVE ONLINE IS PERMANENT

In 2020, half a year after the pandemic broke out, 51% of art buyers said they thought the changes would become permanent. Fast forward 18 months, and 84% now believe the digital shift in the art market will become permanent.

In the next 12 months, do you think you will buy more art and collectibles online than in 2021? (%)



ONLINE ART SALES STILL PREDICTED TO GROW FURTHER THIS YEAR

In the next 12 months, do you think you will buy more art and collectibles online than in 2021? (%)

Buyers' motivations

MORE SOCIALLY CONSCIOUS ART BUYERS?

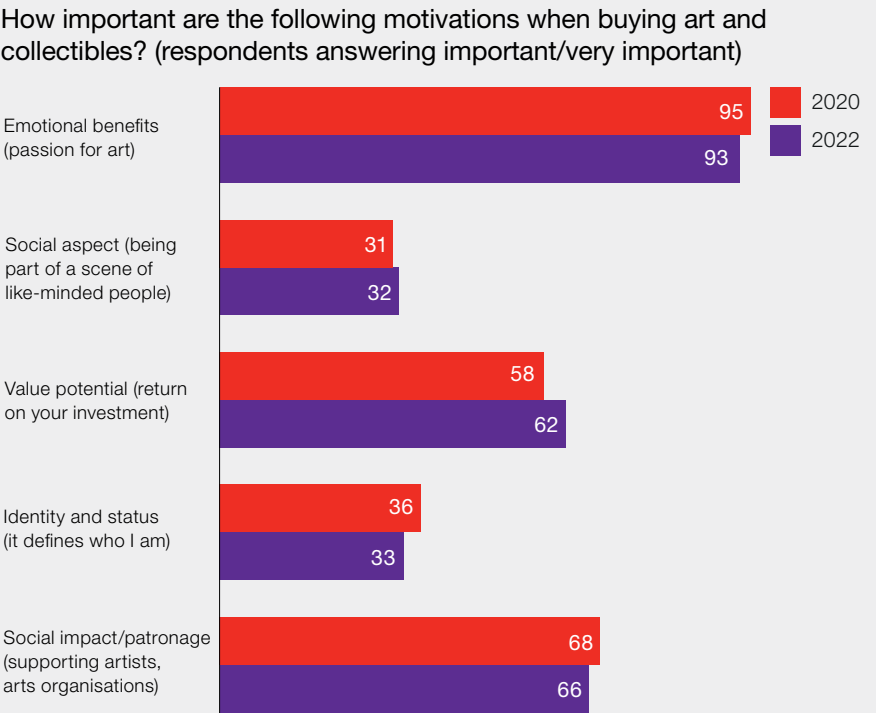
In 2020, helping and supporting the artistic community (social impact) and supporting artists (patronage) became the second highest motivation when buying art (68%). This was particularly strong among the younger generations (under 35 years old), where 76% said their main motivation for buying art was social impact.

But this doesn't seem to just have been an outpouring of generosity and solidarity towards artists during Covid. Two-thirds (66%) of art buyers surveyed in January 2022 said that social impact and patronage remains their top motivations for buying art and collectibles, with this rising to 74% of the under 35s. Among the older generation of art buyers, a third (33%) said they bought art to support the artist and art organisations in 2021, down from 49% in 2020. The sharp recovery in the art market during 2021 may well have been a factor in this. But a majority (54%) of under-35 art buyers said they had continued to buy art to support artists and art organisations during 2021, only slightly down on 2020 (59%).

FINANCIAL VALUE REMAINS A KEY MOTIVATION

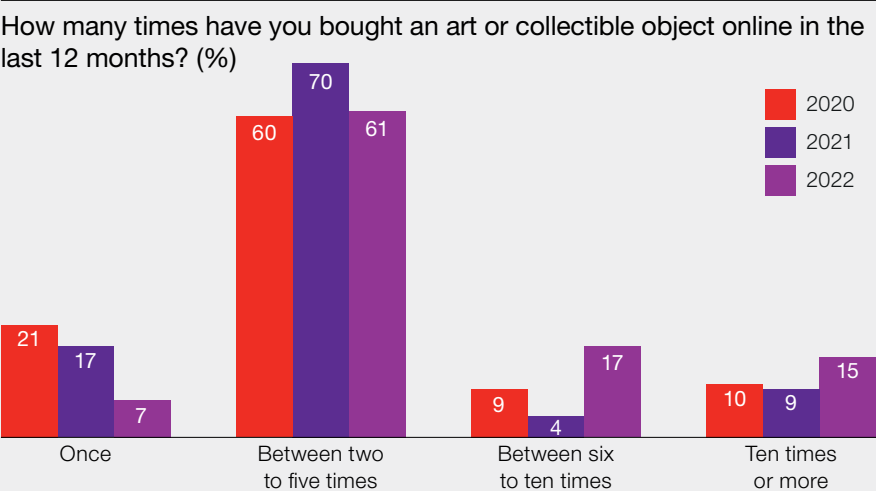
But art buyers are still keen to make a profit on their pieces. Most (62%) art buyers surveyed said that value potential and investment returns were key motivations when buying art in the past 12 months, slightly higher than in 2020 (58%).

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



ART BUYERS ARE BUYING MORE ONLINE IN 2021

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



80% of online art buyers had bought art from two or more online platforms in the past 12 months, up slightly (76%) from 2020.

Under-35s art buyers are buying from more platforms. In the past 12 months, 79% said they bought from more than two platforms, up from 68% who said the same in 2020.

80%

of online art buyers had bought art from two or more online platforms in the past 12 months, up slightly (76%) from 2020.



ART BUYERS CONTINUE BUYING FROM BROAD RANGE OF ONLINE PLATFORMS

Buyers' motivations (cont.)



THE ONLINE ART MARKET HAS BECOME AN ENTRANCE INTO THE ART WORLD FOR NEW ART BUYERS, MANY OF WHOM HAVE NEVER VENTURED INTO A GALLERY OR AN AUCTION.

A NEW GENERATION OF ART BUYERS HAVE ONLY BOUGHT ART ONLINE

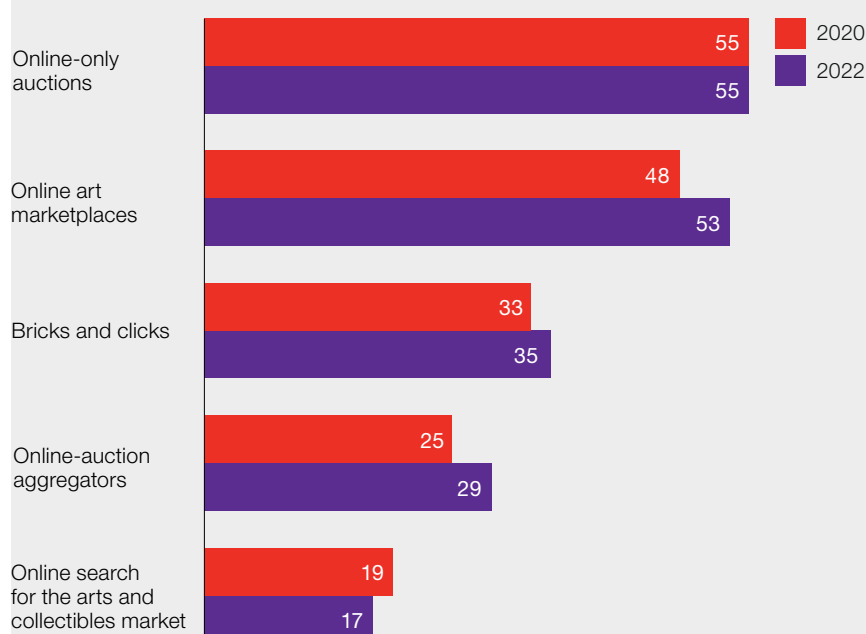
Three-in-ten (31%) young collectors said they bought their first ever artwork online, up from 14% in 2020. Nearly half (47%) of new art buyers (who started buying art less than three years ago) also said they made their first art purchases online, compared to 30% in 2020. The online art market has become an entrance into the art world for new art buyers, many of whom have never ventured into a gallery or an auction.

ONLINE BUYERS ARE RELATIVELY EVENLY SPREAD ACROSS DIFFERENT ONLINE SALES PLATFORMS, BUT AUCTION FORMAT SEEMS TO BE THE PREFERENCE

Online-only auctions are the most popular art buying platform, but 'bricks and clicks' platforms, such as those of traditional auction houses Sotheby's, Christie's, Phillips and Bonhams, have seen stronger interest from younger buyers. Nearly a third (32%) said they had bought from these, compared to 17% in 2020. This is supported by figures from these auctioneers: Sotheby's said 44%² of its bidders in 2021 were new to the auction house, while half of Phillips' buyers were new. At Christie's, 35%³ of all buyers were new, with two-thirds entering through online sales. A third of their new buyers were millennials.

What types of online platforms have you bought from? (%)

What types of online platforms have you bought from? (%)



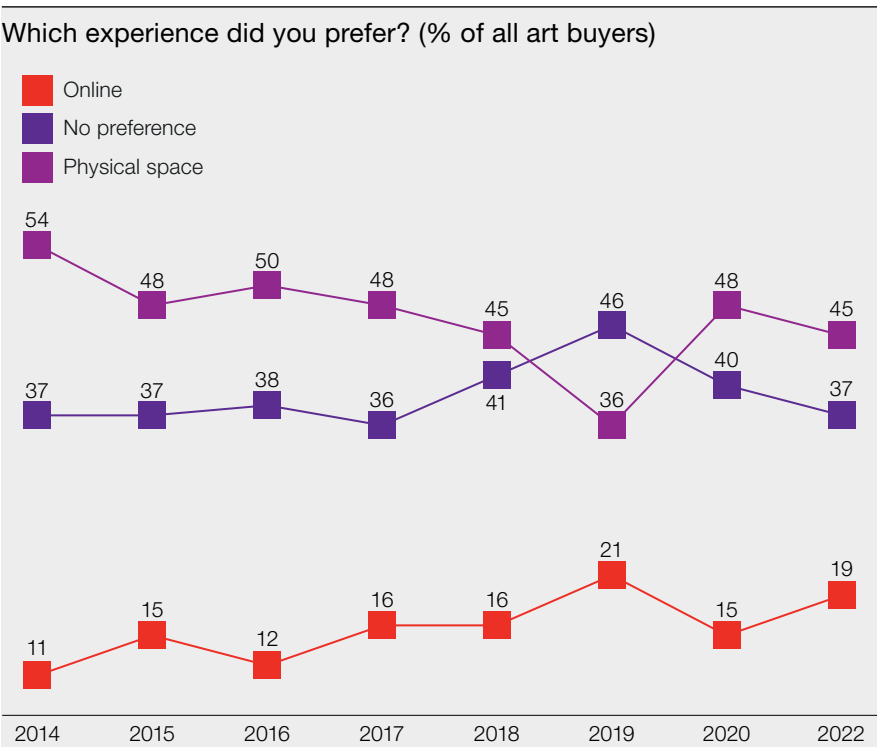
²<https://www.antiquetrade gazette.com/news/2021/sotheby-s-announces-best-ever-year-for-sales-with-new-bidders-and-online-growth-a-big-boost>

³<https://www.antiquetrade gazette.com/news/2021/christie-s-sales-hit-a-five-year-high-for-2021/>

NEW BUYERS PREFER ONLINE

Whilst 19% of art buyers preferred to buy online, 45% still preferred the buy art in-person. However, 41% of new art buyers prefer to buy art online, compared to 24% who said they preferred buying art in-person in a physical space.

Which experience did you prefer?
(% of all art buyers)



Online art spending trends



NEW MEDIA ART SALES ROCKET IN 2021

Of art buyers we surveyed, 41% said they had bought new media art online in 2021, up from only 17% in 2020. This corresponds with the rapid ascent of new media art issued as NFTs. The rise of the NFT market is likely to have increased interest in digital art during 2021 and beyond.

with 39% buying only one and 52% buying between two and five digital artworks; 4% had bought between 11 and 20 new media works last year.

ART BUYERS ARE SPENDING MORE ON BUYING ART AND COLLECTIBLES ONLINE IN 2022

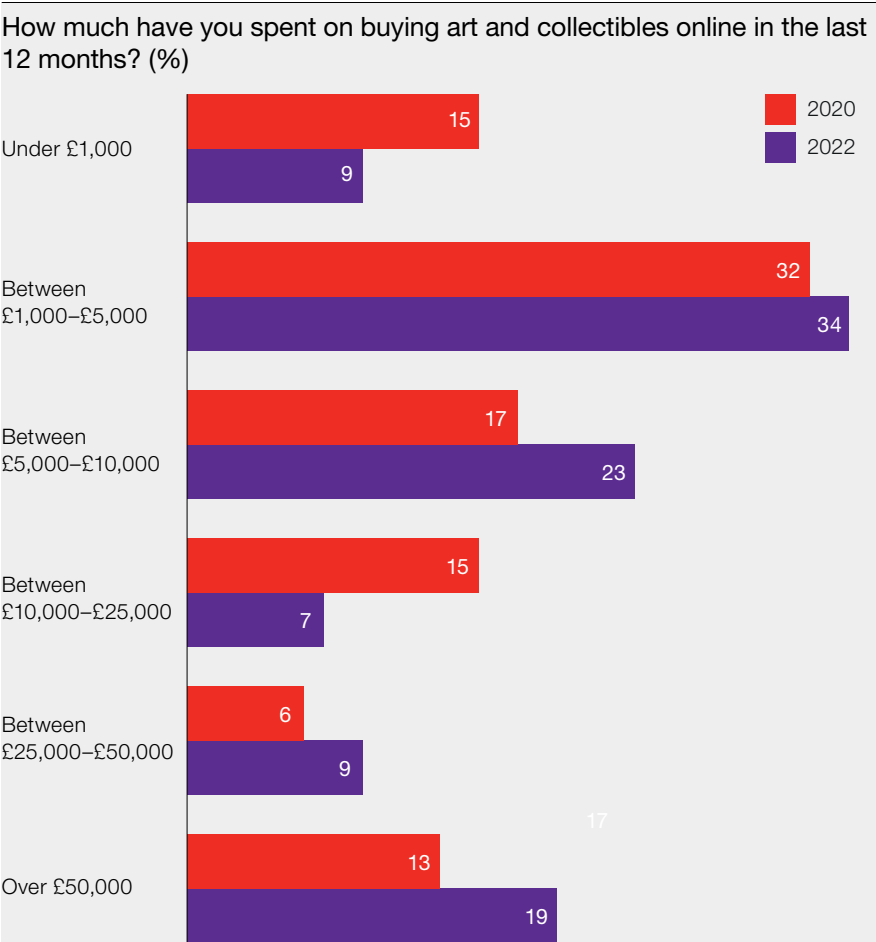
Nearly a fifth (19%) said they had bought more than £50,000 worth of art online (13% in 2020), and 58% of the respondents had spent more than \$5,000 on online art purchases last year, up from 52% in 2020.



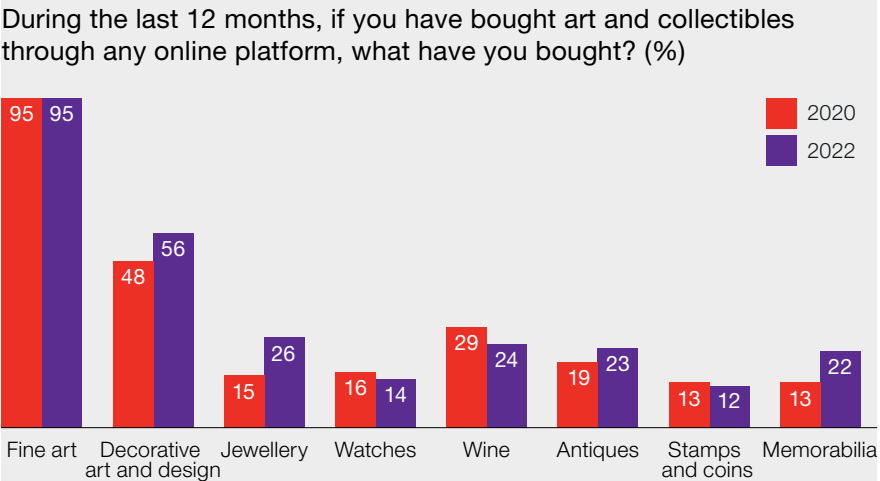
VERY MANY ART BUYERS HAVE BOUGHT LOW-VALUE DIGITAL ART

Nearly nine-in-ten (89%) said they had bought digital art with an average price below \$5,000, with most (57%) spending on average less than \$1,000. The large majority (91%) have bought less than five digital artworks in 2021,

How much have you spent on buying art and collectibles online in the last 12 months? (%)



During the last 12 months, if you have bought art and collectibles through any online platform, what have you bought? (%)



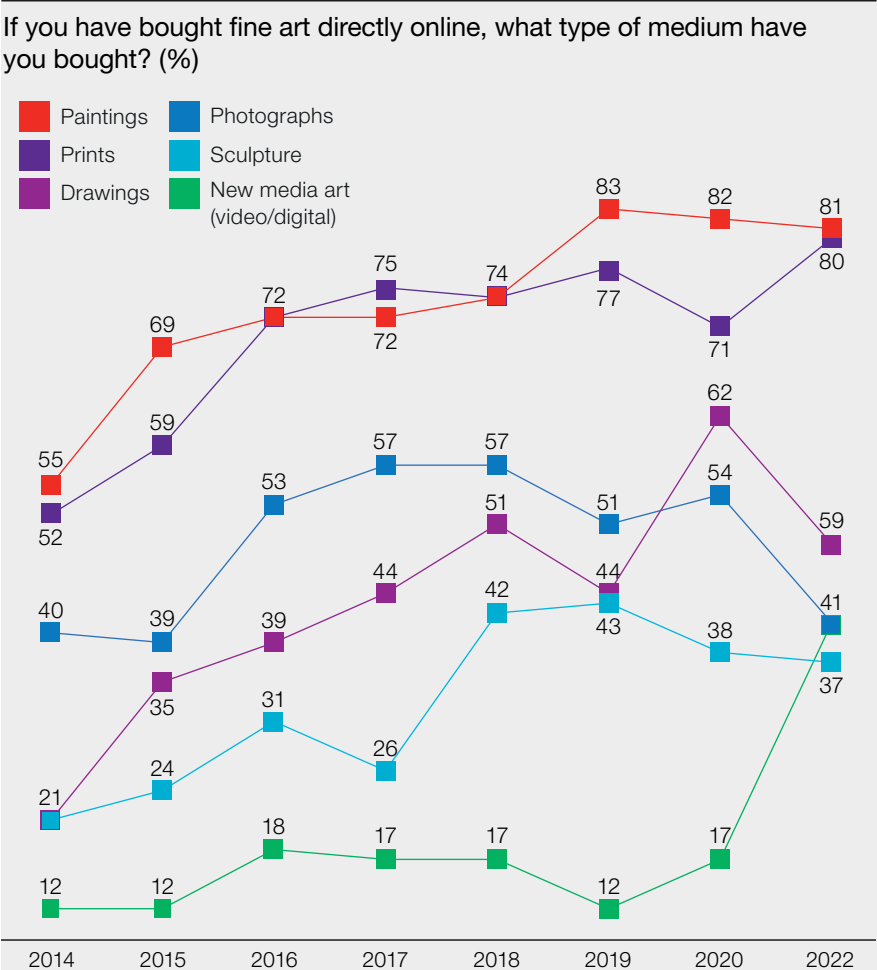
FINE ART DOMINATES PURCHASES, BUT CROSS-COLLECTING IS BECOMING MORE COMMON

95% of art buyers said they had bought fine art online in 2021, this was unchanged from 2020. However, more art buyers (56%) have bought decorative art and design online, compared to 48% in 2020. We have also seen a jump in online buying of jewellery this year,

with 26% of respondents stating that they had bought jewellery online in the last 12 months (compared to only 15% in 2020). These findings correspond with trends observed in the market for online-only sales among the big three auction houses (Sotheby's, Christie's and Phillips) seeing online-only sales grow for jewels and watches (+42% in 2021), clothing and accessories (+69% in 2021) and other collectibles (+56% in 2021)⁴.

⁴ArtTactic RawFacts Annual Auction Review 2021

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



Grayson Perry, *How I Thought of Myself*, 2000 | Glazed ceramic | 50 x 22 x 22cm | Courtesy the artist and Victoria Miro, © Grayson Perry.



Social media



SOCIAL MEDIA IS INCREASINGLY INFLUENCING ART BUYING ACTIVITY

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

Are you influenced by social media activity when buying art? (% of respondents saying 'yes')

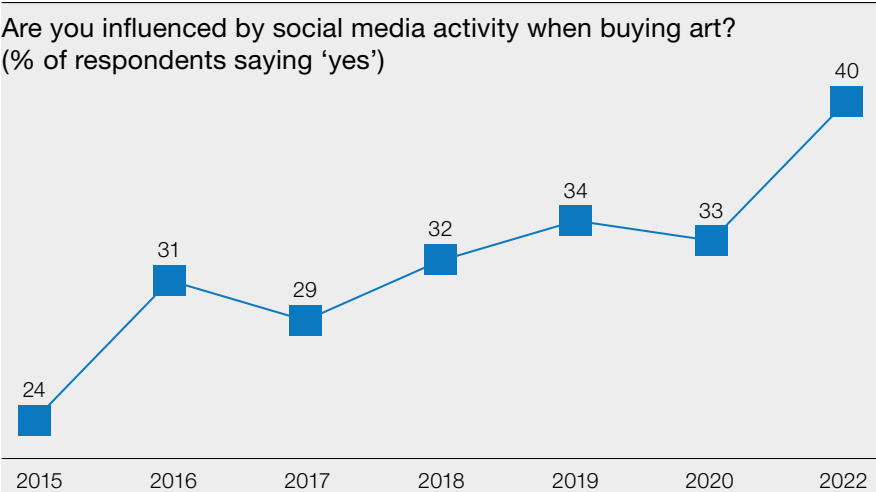
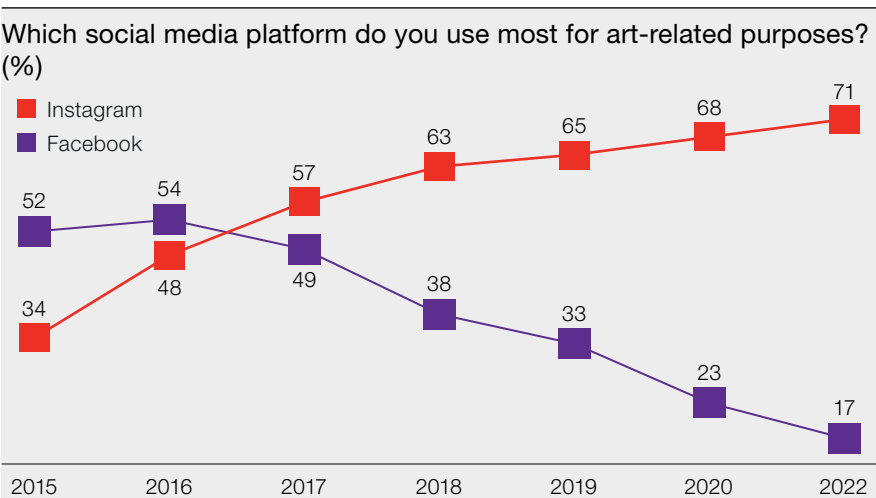
SOCIAL MEDIA FATIGUE SETTING IN AMONG FEMALES AND THE YOUNGER GENERATION OF BUYERS?

Although the share of online art buyers who have bought art through social media in 2021 came in largely unchanged from the year before (23%, compared to 24% in 2020), those under 35 who said they had purchased art through social media fell to 28% in 2021, compared to 35% in 2020.

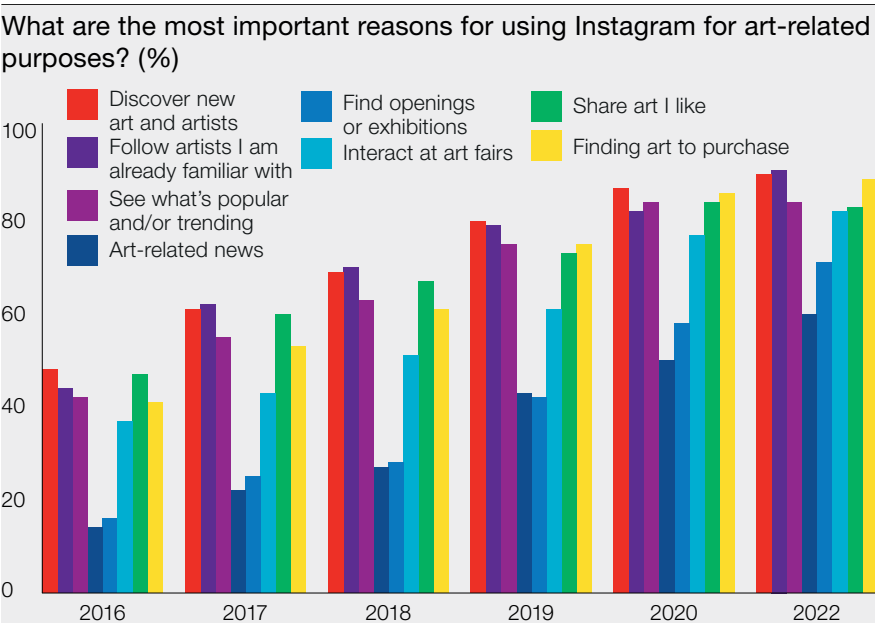
Social media has an increasing influence when buying art, said 40% of respondents – the highest reading since we began asking the question in 2015.

INSTAGRAM REMAINS DOMINANT CHANNEL, BUT LINKEDIN AND TIKTOK ARE GAINING TRACTION

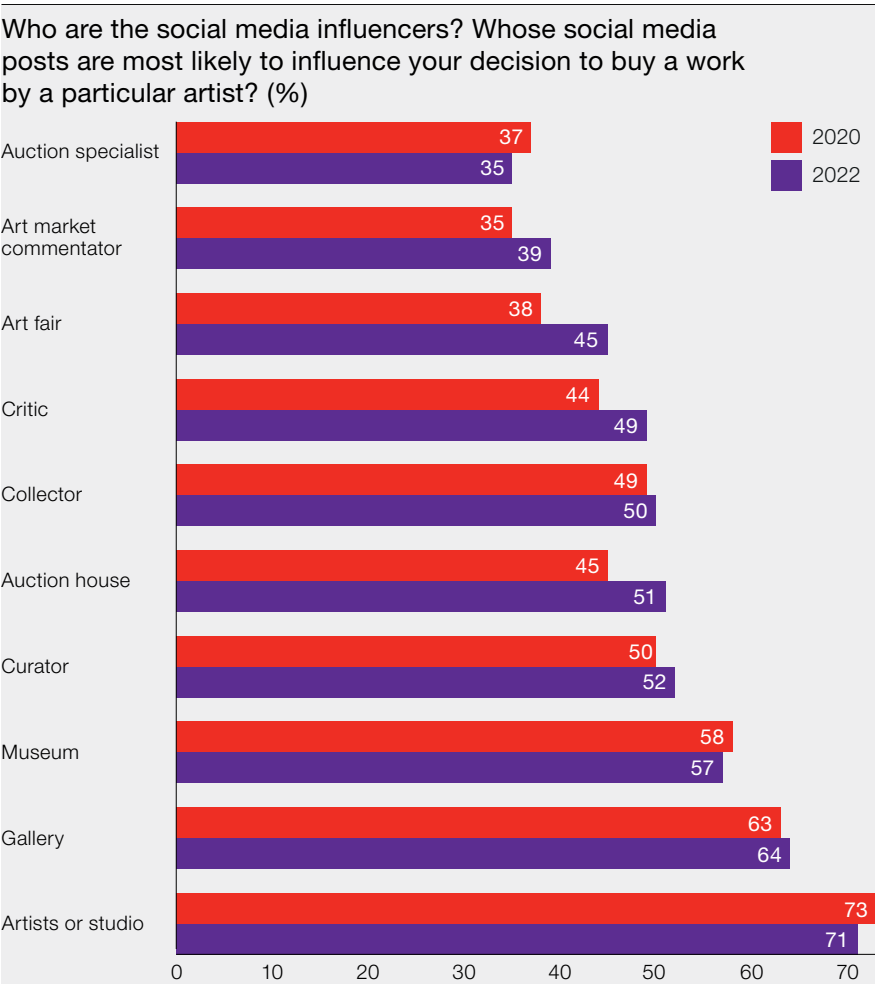
Among younger online art buyers, 26% said LinkedIn and 10% said TikTok had become important social media platforms for art-related purposes, compared to 22% and 3% in 2020.



What are the most important reasons for using Instagram for art-related purposes? (%)



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



Market friction among hesitant consumers



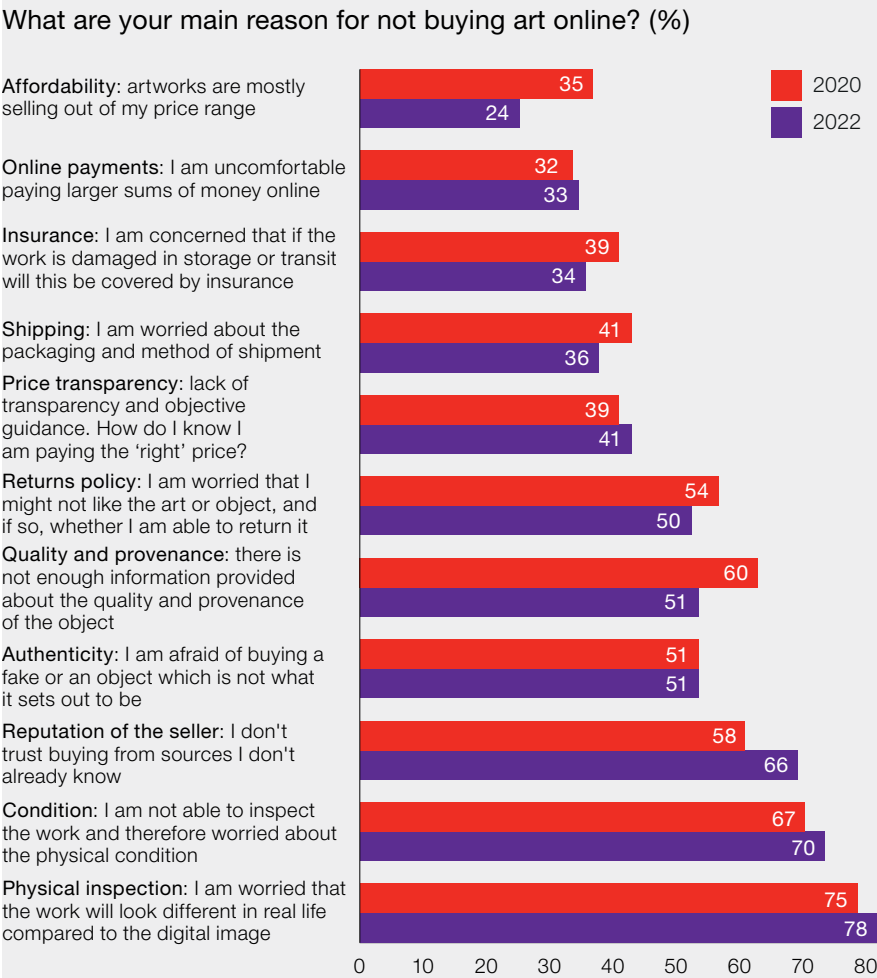
MAIN REASONS FOR NOT BUYING ONLINE

What are your main reason for not buying art online? (%)

MILLENNIAL ART BUYERS ARE HESITANT BUYING ART ONLINE

Although there was a small increase in the number who said they were likely to buy art online this year (44% compared to 41% in 2020), there are still big hurdles that online art sellers must overcome before customers are fully convinced.

Many of the worries that prevented people from buying online in the past still hold true.

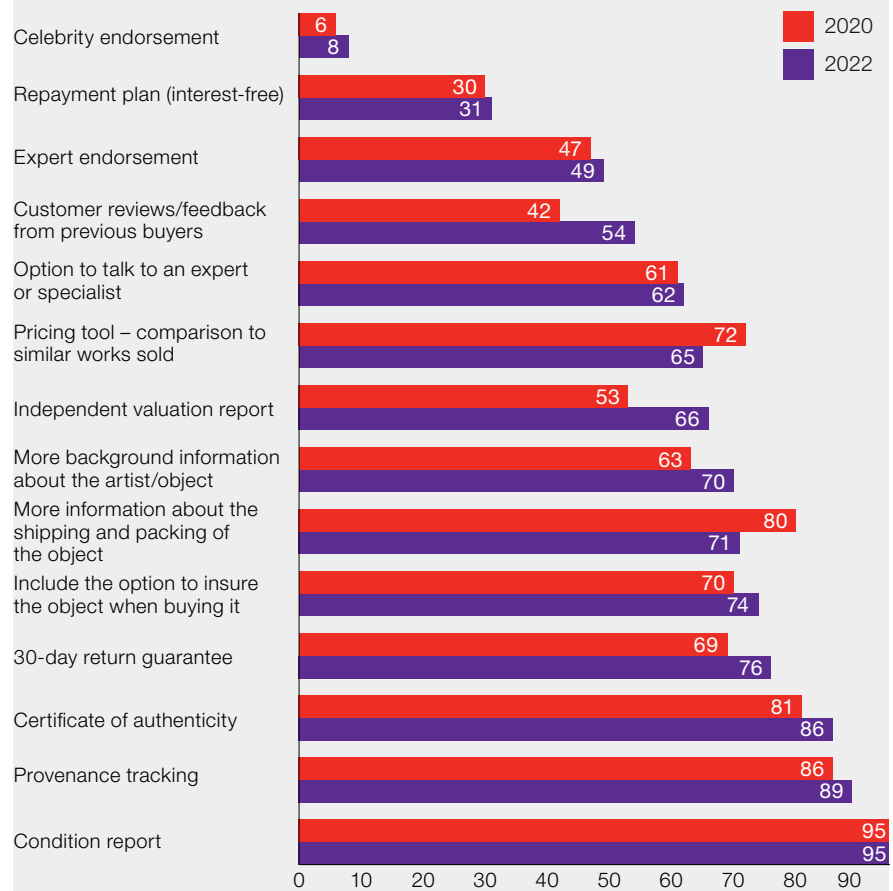




HOW TO INCREASE TRUST IN THE ONLINE ART MARKET?

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

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



Market friction among hesitant consumers (cont.)



OVER SEVEN-IN-TEN (71%) OF ART BUYERS SAID THAT CYBER CRIME WAS A WORRY TO THEM IN THE ONLINE ART MARKET, UP FROM 63% IN 2020.

How concerned are you about the following cyber crime when transacting art online? (% saying concerned/very concerned)

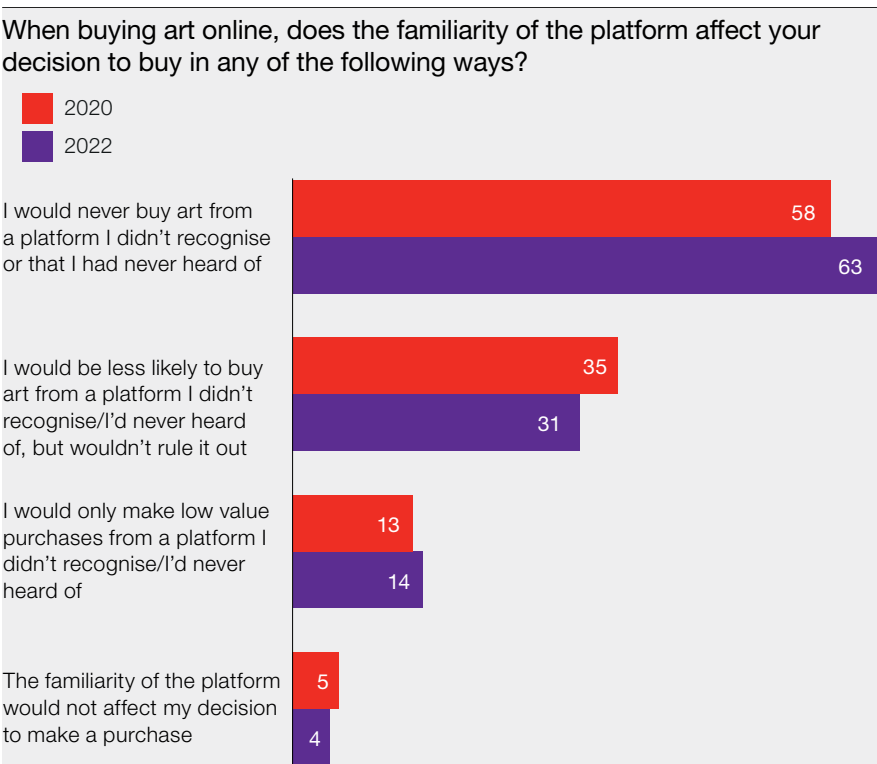
When buying art online, does the familiarity of the platform affect your decision to buy in any of the following ways (%)

CYBER CRIME

INCREASING FEAR OF BEING DEFRAUDED ONLINE

Over seven-in-ten (71%) of art buyers said that cyber crime was a worry to them in the online art market, up from 63% in 2020.

Concern was highest (75%) among big spenders (above \$100,000 a year on art). Almost a third of art buyers (31%) said they had avoided buying art above a certain amount due to fear of cyber crime, up from 23% in 2020.



Amadeo Luciano Lorenzato, *Sem título (Untitled)*, 1973 | Oil on board | 51.7 x 41.5 x 4cm | Courtesy David Zwirner.



NFT art buyer survey findings 2022

1. ARE TRADITIONAL ART BUYERS BUYING NFTS?

YOUNGER ART BUYERS ARE HESITANT, BUT BIG SPENDERS ARE PLACING THEIR BETS

Despite a year in which the art and collectibles NFT market reached an estimated \$11.9 billion according to NonFungible.com, only 19% of art buyers surveyed in 2022 said they had bought an NFT. Even the younger generation of art buyers are yet to fully embrace NFTs, with only 14% saying they had ever bought an NFT. Among new art buyers, 16% said they had bought one or more NFTs. But close to a third (31%) of big art spenders (who spend over \$100,000 on art a year), said they had bought NFTs in the last 12 months.

MORE MEN HAVE BOUGHT NFTS, BUT MORE FEMALE BUYERS ARE LIKELY THIS YEAR

Fewer than a fifth (16%) of female art buyers surveyed said they had bought one or more NFTs, compared to 22% of male buyers who said the same. But 27% of female art buyers said they would buy an NFT in the next 12 months, closing the gap with male buyers (28%).

2. WHY ARE THEY BUYING?

INVESTMENT RETURN IS THE KEY DRIVER

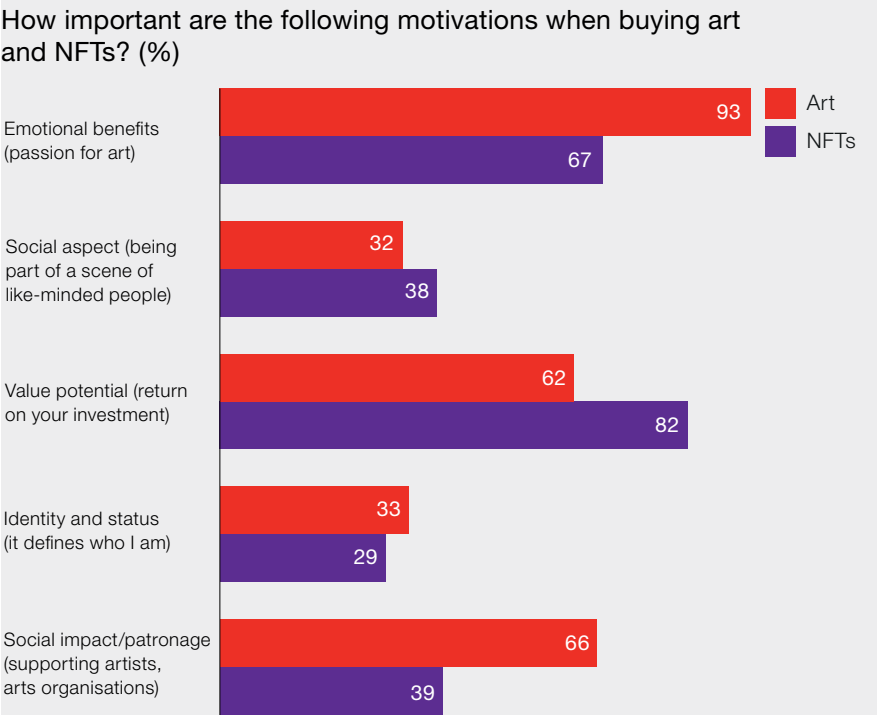
Unlike the traditional art market, where buyers are often motivated by their emotions towards an artwork or because they want to support a particular artist, the main reason for buying NFTs is the hope of turning a profit. Over eight-out-of-ten (82%) NFT buyers said that value potential was their most important motivation, while 67% said that it was their passion for art.

Over a third (39%) of NFT buyers said that social impact and patronage was a key motivation for them, and 38% said that the social and community aspect of buying NFTs was important to them. Although we are increasingly seeing celebrities using their NFTs as their avatars and profile pictures on social media, only 29% of NFT buyers from the art market said that 'identity and status' were important factors for buying NFTs. Nearly all (95%) of those who had spent more than \$25,000 on NFTs in the past 12 months, said that investment return was their key motivation.

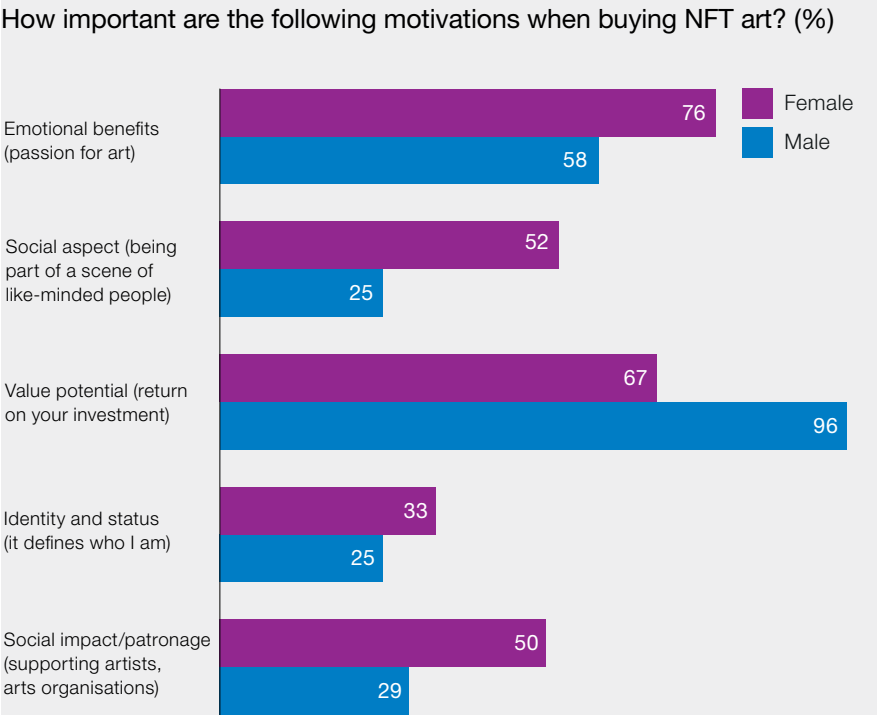
MALE BUYERS PRIMARILY MOTIVATED BY INVESTMENT, LESS SO FOR FEMALE BUYERS

We can already start to see a gender schism developing with regards to motivations for buying NFTs. While 96% of male buyers said they had bought art for investment reasons, and 58% for their passion for digital art, far fewer (67%) female buyers bought them primarily for investment reasons; 76% bought them because of their passion for art and particularly digital art.

How important are the following motivations when buying art and NFTs? (%)



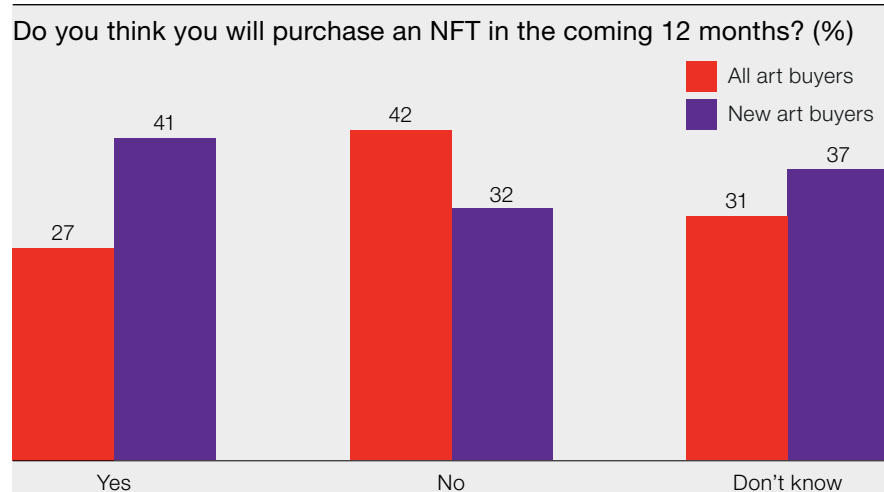
How important are the following motivations when buying NFT Art? (%)



NFT art buyer survey findings 2022 (cont.)

Do you think you will purchase an NFT in the coming 12 months? (%)

New art buyers: do you think you will purchase an NFT in the coming 12 months? (%)



3. HOW MUCH ARE THEY BUYING?

MOST NFT BUYERS ARE STILL TESTING THE WATER

Among those art buyers who had bought an NFT, 30% had bought a single NFT, while 39% had bought between two and five. Fewer than a fifth (15%) had bought between five and ten and 16% had bought more than that.

Of the most frequent buyers, two-thirds were men aged under 55, most of whom (83%) spent more than \$50,000 a year on art.

MOST ARE SPENDING RELATIVELY LITTLE ON NFTS

Among those art buyers surveyed who had bought NFTs in the past 12 months, 35% had bought NFTs with a total value of less than \$1,000, while 37% had spent up to \$5,000 on NFTs; only 15% had spent more than \$5,000 so far on NFTs. Among male NFT buyers, 38% had spent more than \$5,000 in the past year, with 12.5% of male NFT buyers saying they had spent more than \$100,000 on NFTs.

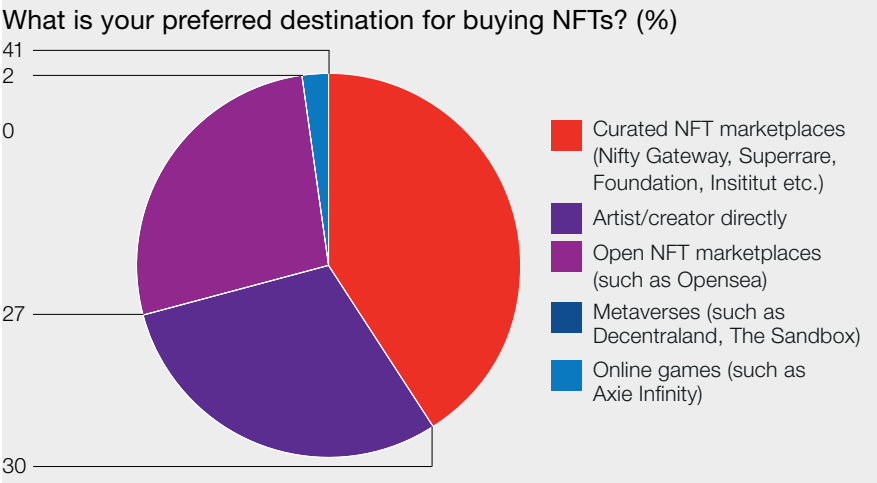
4. WHERE ARE THEY BUYING NFTS?

MARKETPLACES MOST POPULAR

Almost a third (30%) of NFT buyers said that buying them directly from the artist or creator had been the most important way of acquiring them in 2021. But curated marketplaces were where most bought their NFTs last year (41%). Nifty Gateway, Foundation, Superrare and Institut are selective and curated, rather than being platforms on which anyone can mint new NFTs.

Open platforms, such as OpenSea, are popular due to the large audience and liquidity they offer, with 27% saying these had been their top choice. More female NFT buyers (38%) rated open platforms like OpenSea as their top choice, compared to 17% of male NFT buyers. Over half (52%) of male NFT buyers showed a stronger preference for curated NFT platforms, while 30% said they had bought directly from the artists (compared to 28% of the female NFT buyers).

What is your preferred destination for buying NFTs? (%)



5. HOW TO BUY?

MARKET DYNAMICS

ARTISTIC INTEGRITY AND QUALITY

Asked which is the criteria or attribute that they believe is most important when buying an NFT, 32% said the artist's reputation and track record, followed by 25% who said it was the piece's 'artistic quality'. A further 16% said it was its rarity, whereas 5% said the large NFT projects (such as CryptoPunks or Bored Apes), with their template of 10,000 unique NFTs, were the most important attribute when buying NFTs.

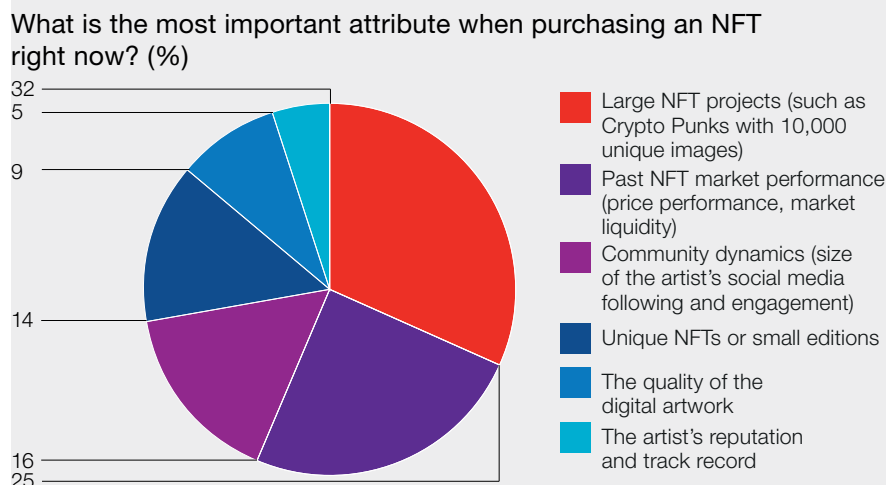
Although, most NFT buyers are driven by investment motivations, only 9% said that past price performance and market liquidity were the most important criteria and suggest that most NFT buyers are yet to trust the data enough to use this as their primary criteria when buying NFTs.

COMMUNITY

The community's dynamics (its size and engagement of social media followers) was the most important criteria when buying for 14% of respondents. A further 5% said they preferred large NFT projects (like Bored Apes). Some respondents said that it wasn't only the size of the community that mattered, but how that community had built up – the more organic this process is the better, while artists that used promotional services were frowned upon, as this often leads to bubbles.

NFT art buyer survey findings 2022 (cont.)

What is the most important attribute when purchasing an NFT right now? (%)



6. WHAT IS THE MOST IMPORTANT BENEFIT OF OWNING NFTS?

Among the top three benefits of the NFT technology, 'title and ownership' to digital art and other digital assets was ranked as the most important aspect of an NFT, with 27% of the NFT buyers saying this was the main role. A further 18% said that NFTs' most important contribution had been the 'access' and 'markets' they have created for digital art, while 14% said that NFTs could become the digital title to a physical object (digital twin), and act as the gateway to link the physical art market to blockchain and to Web 3.0⁵ in the future.

7. WHY AREN'T ART LOVERS BUYING NFTS?

Over a third (35%) of current art buyers have a strong preference for physical art and have no interest in digital art and NFTs. Another group, representing 27% of existing art buyers, said that they didn't see the 'artistic quality' in NFTs now.

Some (13%) buyers said the market for NFTs is a bubble that's about to burst, and they would wait to

see which artists and NFT projects would emerge after that. A further 11% of art buyers said their main reason for not entering was that they didn't trust the NFT market, because of its lack of regulation, which increased the risk of scams, speculation, and manipulation.

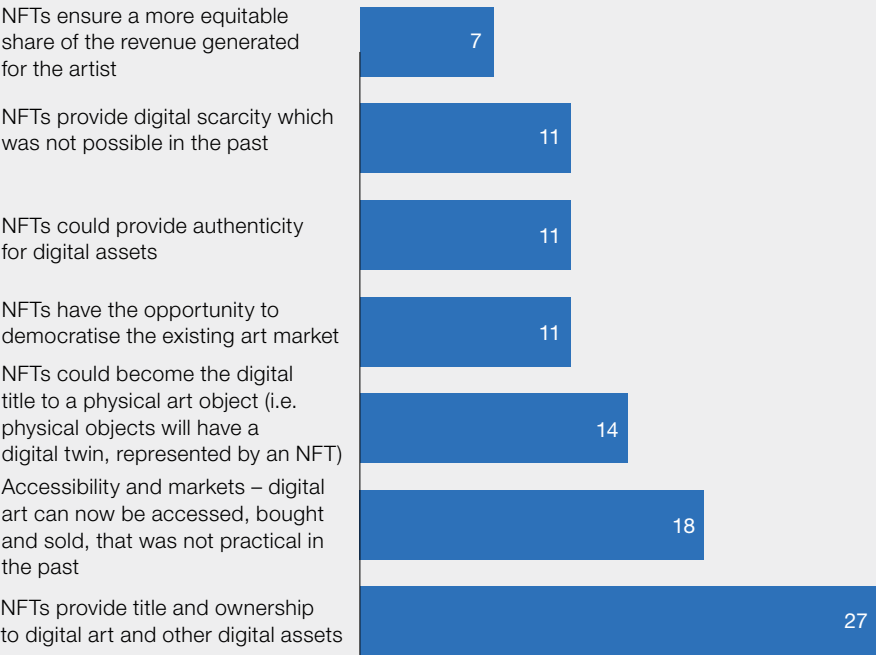
Fewer than one-in-ten (8%) existing art buyers said they hadn't bought NFTs because they didn't understand how they are priced and valued.

We are most likely experiencing a period of irrational exuberance, where investor enthusiasm and FOMO are driving asset prices higher than the NFT fundamentals would justify. But does anyone really understand the fundamental value of NFTs?

⁵Also known as the decentralised web, Web 3.0 is the third version of the Internet, which is seen as an improvement over the current Web 2.0 Internet. Web 3.0 is expected to be a decentralised version of the Internet where people have control over their data and we will have more transparency and large content that will be accessible to all.

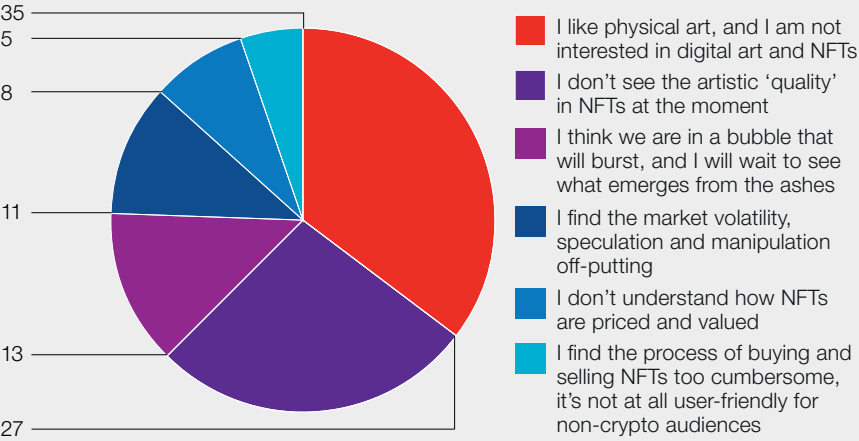
What do you believe is the most important benefit of NFTs? (%)

What do you believe is the most important benefit of NFTs? (%)



What is your main reason for not wanting to purchase an NFT? (%)

What is your main reason for not wanting to purchase an NFT? (%)



NFT art buyer survey findings 2022 (cont.)

8. WHAT COULD HELP BUILD CONFIDENCE IN NFTS?

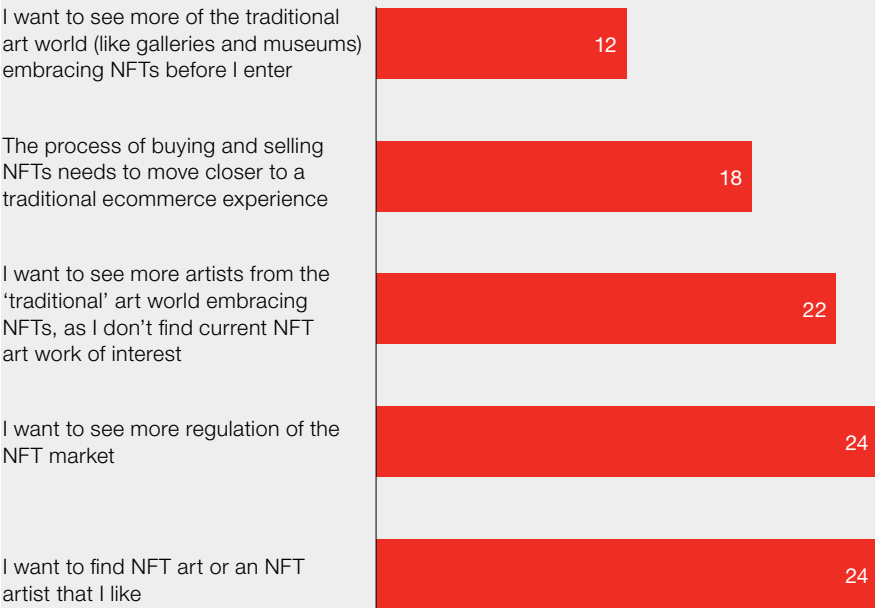
Nearly a quarter (24%) of art buyers said that what is most important for them is to find interesting NFT art that they like. Some respondents commented that real talents are getting lost in the sheer number of NFTs being minted at the moment, with a large number of copy-cat projects flooding NFT platforms in an attempt to emulate the success of Bored Apes and CryptoPunks. But just as many (24%) said they wanted better regulation of the NFT market before taking the plunge. Existing art buyers also seem to be waiting for the traditional art world to embrace NFTs, with 22% saying this would be the most important

development in terms of instilling more confidence. There are already signs that this is happening, with several initiatives, projects and partnerships having already been created. Finally, 18% of art buyers said they wanted the process of buying NFTs to become more like buying other items over the internet today.

Another factor mentioned was the NFT market's large current carbon footprint. But steps are already being taken to tackle this, as more blockchains are moving from 'proof of work' to 'proof of stake'⁶. Ethereum 2.0 (proof of stake) is estimated to be completed sometime in 2023.

What is the most important aspect that would make you more confident in purchasing an NFT in the future? (%)

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⁶Proof of stake cuts out the need for complex computations, making the process more energy efficient. In 'proof of stake', the power to validate transactions goes to those with the highest holdings of the network's native currency. The idea is those with a significant stake in the system are less likely to manipulate it. And if they do, they could have their stake destroyed.

Conclusion

THE TRADITIONAL ART MARKET AND THE NFT MARKET ARE LIKELY TO CONVERGE



It took years and a global pandemic for the established art trade to understand and embrace the potential of the internet. But the trail blazed by the online art market pioneers could mean that NFTs become a part of the mainstream art market soon. There are growing signs that the two are already starting to meet.

The premier league auction houses Sotheby's, Christie's and Phillips sold \$185 million of NFTs through their public auctions in 2021, having sold none in 2020⁷.

A few blue-chip galleries have also started to sell NFTs. Pace Gallery, for example, has launched Pace Verso, a new platform for minting, exhibiting, and collecting NFTs.

Art fairs have also got in on the act. In December 2021, Art Basel Miami launched its 'Humans + Machines: NFTs and the Ever-Evolving World of Art', an interactive NFT exhibition from the energy-efficient blockchain Tezos.

In March 2022, Art Dubai launched 'Art Dubai Digital', which included a digital section that's focused on the world of NFT art, video art and virtual reality.

Some big-name artists have also been quick to realise NFTs' potential. In July 2021, Damien Hirst launched 'The Currency', a collection of ten thousand NFTs that correspond to ten thousand unique physical artworks. Buyers have one year to decide whether to keep the NFT or trade it for a physical

artwork; whichever is not selected will be destroyed. "The Currency is an experiment in belief in which every participant is confronted with their perception of value, testing the boundaries of the digital and physical worlds and our role in both," according to Hirst's gallery Gagosian.

Jeff Koons announced in September 2021 that he was also going to release NFTs together with Pace, and his first project is titled 'Jeff Koons: Moon Phases'.

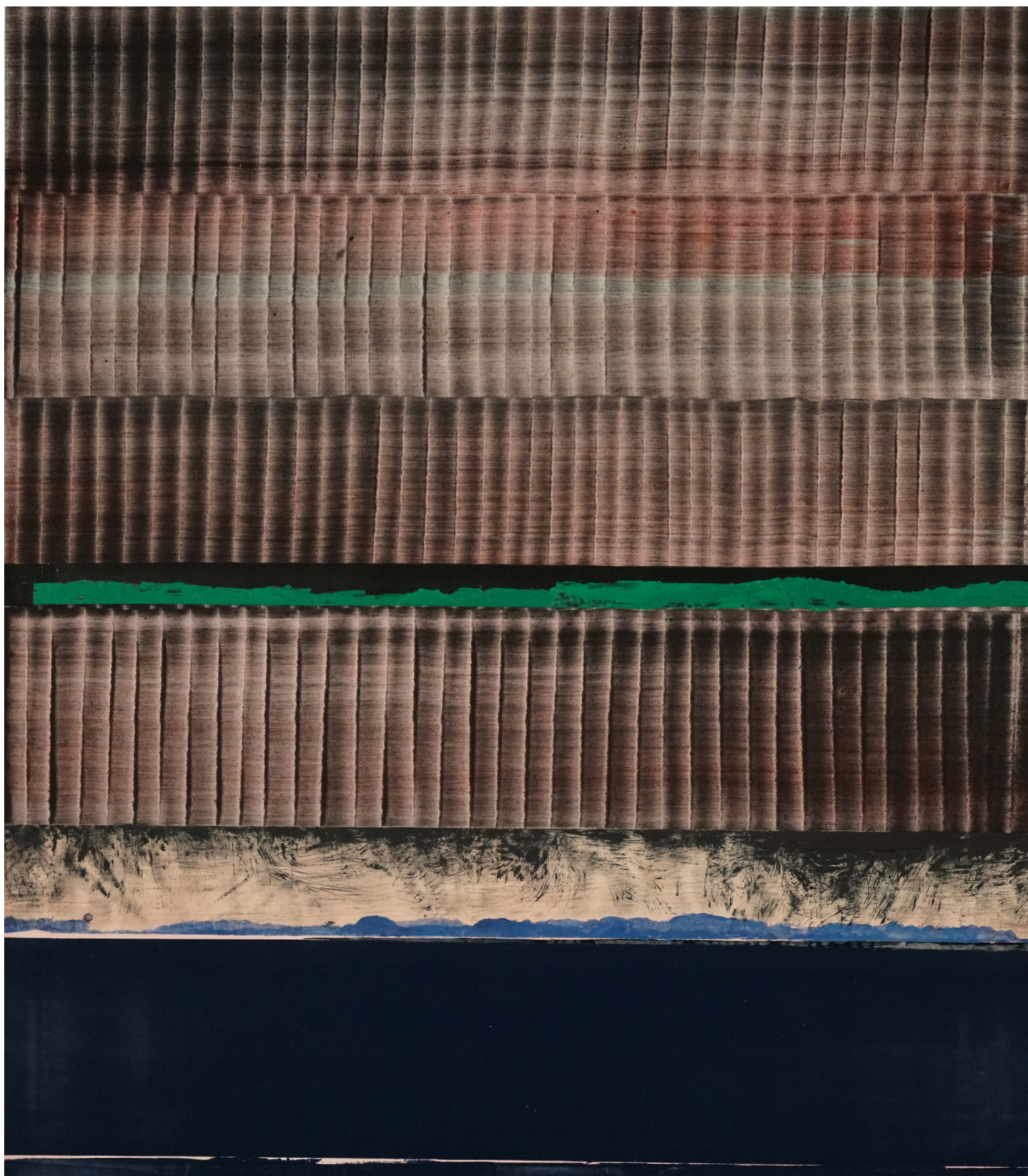
Meanwhile, the British Museum teamed up with NFT platform LaCollection in September 2021 to launch NFTs as digital Hokusai postcards. It then followed this up in January 2022 when it turned 20 of William Turner's artworks into NFTs.

There is also a growing interest in digital art among existing art buyers, according to our Online Art Buying Survey, carried out in January 2022, which offers a window into art lovers' perceptions of NFTs.

It suggests that NFTs are kickstarting a demand for digital art. Of the art buyers we surveyed, 41% said they had bought new media art online in 2021, up from only 17% in 2020. Over a quarter (27%) of all art buyers surveyed said they are likely to buy an NFT in the coming 12 months (27% of female art buyers and 28% of male buyers). Of younger buyers, 29% said they will purchase an NFT in the coming 12 months, whereas 41% of new art buyers said they will buy an NFT this year.

⁷ArtTactic RawFacts Annual Auction Review 2021

Juan Uslé, *Cruzavientos*, 2017-2018 | Vinly, dispersion and dry pigment on canvas | 61 x 46cm | Courtesy the artist and Frith Street Gallery.

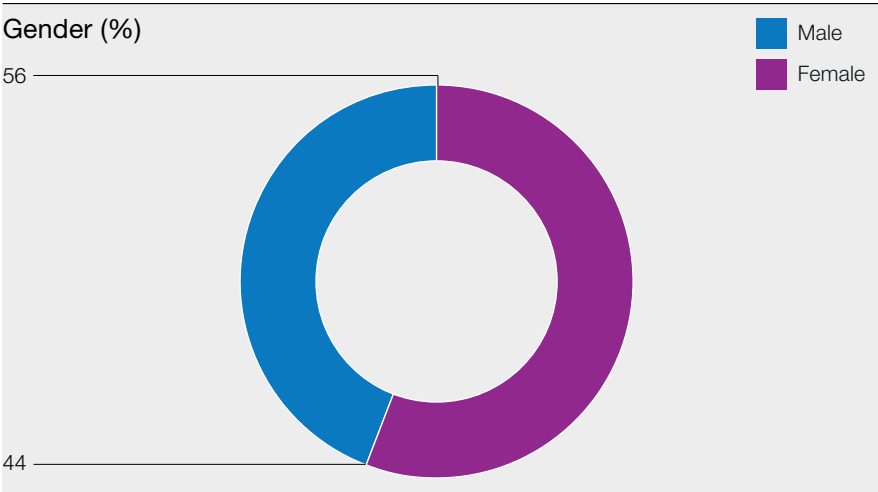
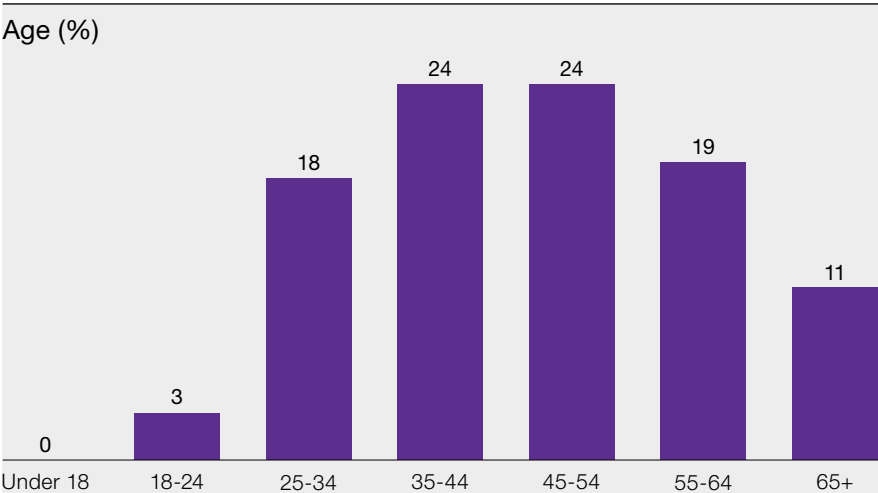
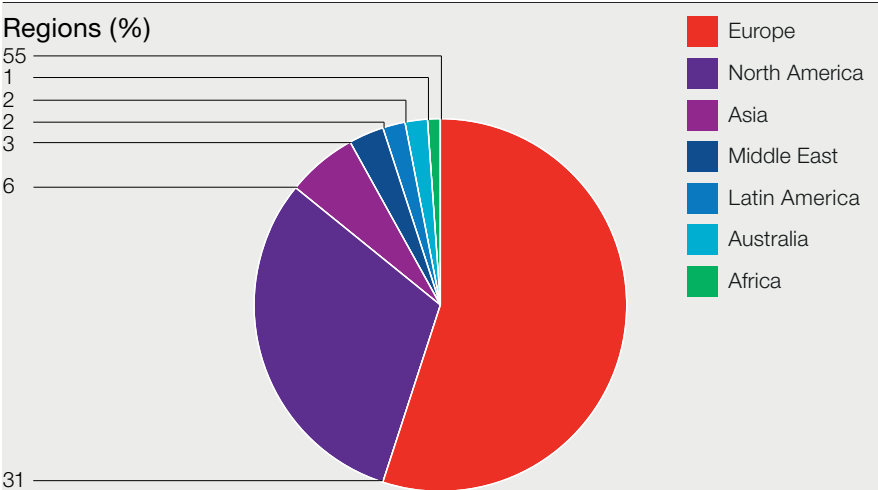


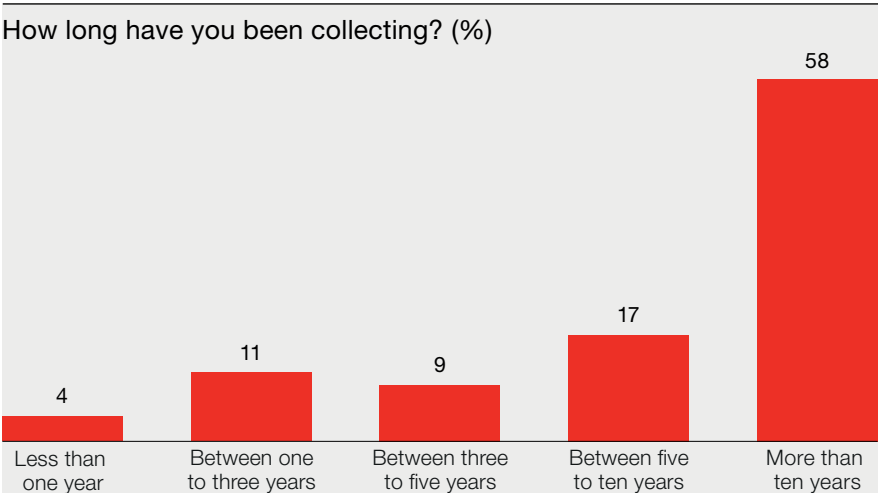
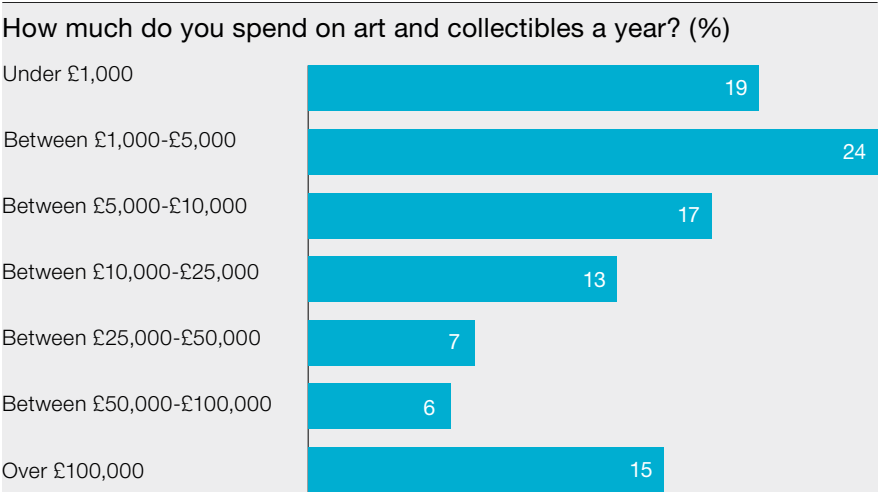
Methodology



ONLINE PLATFORM SURVEY FINDINGS

Sample structure
Findings are based on responses from 595 art buyers surveyed by ArtTactic during January 2022. The aim of this survey was to explore how online art buying behaviour has been affected by the Covid-19 pandemic, and to what extent these changes are temporary or permanent. In addition to the online art market, we have also added a section on NFTs and online art buyers attitudes towards buying NFTs.





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