

Seminar 2: What do the art industry and tech have in common

Transcript

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Good evening everybody, I hope you're all doing well. My name is Viktoria Pikovska and I'm the founder of Victory Art, and today we're going to have the seminar together. I'm really glad that you joined for the second part of our webinar and I'm really glad that we're able to share this webinar with you as well online. First of all, I'm going to give you a very short introduction about us. We're Victory Art and our main goal is breaking stereotypes and building new perceptions about Eastern Europe. I would love to kindly ask you to be mindful of others when they will be speaking, and please keep your microphone off. So, for now if you have some questions you can ask them in the end, or you can write them in the chat and mainly have a great time. I would love to mention that these webinars have 12 parts and are organised in collaboration with Norway grant. This is already the second part when we're going to talk about the Art industry and about the market, and right now on the screen you're able to see what webinars we will be doing and when we will be doing them. At the same time, I would love to mention that we're having 2 guest lectures as well, and you can find all the updated information on our website at victoryart.eu and in the section of 'seminars'. In case you have any questions, or you would love to share your portfolio with our team, you can always do it at curator@victoryart.eu.

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So, last week we spoke about the art industry and market, and we spoke about where the art market stands after the covid, how covid influenced the sales in 2019 and 2020. We compared the online sales of those two years. We discussed as well online galleries and how online galleries operate and why this is the best time to jump into an online gallery. We also discussed the diversity in Art styles and market, as well as the demand of the market. The last thing we discussed, however which we will discuss today more into depth, is future trends, and a little bit about the tech industry. So, first of all, I would love to quickly as well say: what we are going to talk about today, and it is mainly about the state of the art industry, basically what you as an artist can or cannot do, and how to improve your career, and how to take advantage of the tech and current developments of tech. Last but not least we will discuss the pricing of your artworks, which is from a certain perspective very sensitive and very complicated topic for majority of artists.

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So, please enjoy the seminar and if you have something on your mind, do not hesitate to share it with us in the chat. First of all, where are we going after Covid-19? The impact of the art industry after Covid is insane. The Art industry is a very old industry which was developing pretty slow, and not as fast as other industries. So, let's say, maybe if we look at industries like interior design, it was developing much fast than Art industry.

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As I mentioned, the difference between sales in 2020 and 2019 was massive. We should compare as

well online sales with sales in physical sales. It had a massive impact. There was more than 300% increase in online sales in 2020. At the same time, we briefly discussed the golden age for online galleries and how it was allowing current artists to share their portfolio to much broader audience than it was possible before. The educational aspect as well highly increased. There's a bigger demand from art collectors and artists to actually educate themselves about the art industry and have bigger transparency in the art industry. At the same time, we discussed diversity when we were discussing the fact that there's a massive demand for different art styles as well from the art collectors.

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So, now I would love to discuss with you the future in upcoming trends in the art industry and the collaboration between galleries and artists. With a bigger demand and bigger competition on the market, galleries and artists are literally forced to cooperate with each other more and create something extraordinary. Something that artists should always consider is the fact that the visitors of galleries, museums, and collectors are becoming more demanding and they're looking more often for extraordinary things they've never seen before.

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So, what should you know about the art industry as an artist? As an artist it is necessary to look at the art industry, not just from the general public's eye but to look and analyse it from an artist perspective. Knowing the latest trend of the art industry, reading the annual report of the art industry, and seeing what your place is in the market, are the few things that the artist should definitely do. Only when you know enough about your industry then you can make a plan and develop your career and actually make a difference. Other than this, how to distinguish between different types of buyers such as collectors, designers, hospitalities, or businesses, is going to help you come up with different marketing strategies. This is not only about marketing strategies, but as well about business strategies. There is an amazing term which is nowadays used for artists called 'Artpreneur'.

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So every artist should not just be an artist, but they should also be kind of an entrepreneur. An Artpreneur. That's where this term comes from because you as an artist have to entertain your client, you have to make them understand your value, your business model, and why you're different. So, when we're thinking about these things it's very similar to being a small company. Like why your product is unique, and how you're going to market it different from your competitors. It's very similar. So being a successful artist, there are of course many factors, but first it is always good to start with an overview about the industry.

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Something you should be aware of throughout your career. Some artists describe their career as a marathon. Being an artist is a lifelong journey. Therefore, the "bad" for everyone is different and you as an artist should not compare yourself with others. Some people got famous at the age of 20 like Basquiat, but he's one of a very few exceptions, and some got famous when they were hardly 15. So many artists would think that they would have inspiration everyday and wake up, but what mostly happens is that there are sometimes no lightbulbs or grand inspirational moments. It's ok to have unproductive days or feel not inspired, and it is as well about learning to feel joy in that. So, about these two things I would love to elaborate more.

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Victory Art is experienced in working with different kinds of artists. We're working with more established artists; we're working with new voices and as well with artists who have some experience, but they cannot be clarified as upcoming artists. And I have to tell you that each artist has a different journey, and the most successful artist we're working with were working on their career for 15 or 20 years. So, a lot of starting artists feel like 'oh I'm creating my art for 3 years and I'm like trying to exhibit for 3 years and it's not happening, people don't know me, people don't understand my art" and other stuff, it's perfectly normal. You're not alone, there are many of you in the same position and that's fine. There's no overnight success. Neither in business, neither being an artist. You're going to hear a lot of 'no'. You're going to hear a lot of people saying you should give up. You're going to hear people say you don't have talent and that's fine. That can be their opinion but that does not mean that it is true. So, I would really suggest you not to give up as far as you really believe in yourself, you really are passionate about what you're doing, and you really believe that you want to create art.

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It takes a long time. Especially the Art industry is one of the toughest industries you can be in, because there's nothing more personal than art. You cannot make people understand your art. You can explain what you wanted to do, or what you wanted to say through your art, but that doesn't mean they will connect with the message. So, it's very important to keep these things in your mind. And about the inspiration I have to say from my personal life, my professional life, and my previous life as an artist. I had periods when I was not inspired at all. I didn't touch my camera, I didn't create anything creative, and this is what I see with many artists.

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This is normal. So, if you feel that you cannot create, or you're not creative, it's ok. One of the best things you can do is to actually go out there, go to streets or nature and just relax and observe. Because the observation and new, let's say, memories, and new experiences can help you restart the creative process. Of course, as I mentioned before, never give up, I know it's hard not to get hurt by all this pressure. But art is something that really takes time and exercise. And you get to really decide what you listen to at the end of the day. So just keep it in your mind.

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Other than basically believing in yourself, you need, as well, some real skills to actually make difference on the art market. One of those skills is definitely marketing. Now, many artists will think that marketing is not their job and that only creating of art is their job, that art will sell itself. Well, that's not the case anymore, and even when you're working with galleries or promoting other organizations or doing anything with your art, the marketing is vital. You must know how to present your art, how to present yourself online and offline. That's why I mentioned the term 'artpreneur' because you literally have to think about yourself as a certain product which is going to partly entertain other people, and your art is basically a product which is going to entertain other people. So, few things which are super important are making previews that will suit your artwork. Especially nowadays, it's kind of very important to present yourself online, and when you're presenting yourself online it has to have a certain quality. It has to be presentable so when people look at it, they will really think 'this artist created amazing art piece, and an amazing preview', or it looks gorgeous in specific interior in a room. And that's very, very important.

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Another thing is that you can use captions in your social media posts, or you can record videos when

you're explaining about your art. I have to say that people nowadays love short content videos. Like you can see on TikTok, Reels, or stories, 15 seconds explaining everything quickly so they will stay entertained but at the same time connected with you. That's one of the best ways you can interact with your followers and the public, and a way to get new fans. At the end of the day, you are the best salesperson for yourself of your own work. So, you can tell the best why you created it, why you're unique, why your technique is unique, what's the story behind it, what's *your* story. That's something people will feel excited about, and do not be scared to tell your story, because not simply enthusiasm and desire but also application and perspective are required in arts, and it's a lot of effort to do these things, I'm not going to lie to you about this.

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This topic is especially interesting for me because art industry had the chance to amazingly develop in 2020. Like, the art industry developed extremely fast, and this is what makes it so unique and so amazing, because art industry is a very old industry and you could see that before 2020, people were very concerned to buy artworks online. However, now people are more open to do that, people are less scared. It's for them always like "I kind of feel like I'm not 100% sure I'm going to love this artwork but maybe I'm going to give it a try" and they're becoming braver to pay €1000 or €4000 easier than before.

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If you're an artist who is selling artwork for more than, I would say, €200, your clients must have interactions with you at least **10** times. The bigger the value of art is, the more interaction and the more education the client needs to actually really feel like "Ok, I'm not going to feel that scared and I'm going to give it a try, and I'm going to buy this art". From our experience, I can say that it takes maybe 15 interactions with our clients for them to purchase art. It takes a lot of education. We're receiving pictures from our clients like "Do you think that my artwork will fit here, do you think this is a good colour for me?" and, we're receiving a lot of questions from our clients. You just need to help them as much as possible, and the tech industry is helping you achieve this.

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The 21st century is full of technical developments and these changes are influencing everything and as well the way how buyers are purchasing art. This is huge opportunity for you as an artist. By implementing the new technologies like augmented reality or virtual reality, artists are able to come much closer to collectors and buyers, as well as museums and galleries, and better experience their art pieces. So, let's say by implementing blockchain and NFT, non-fungible token which we discussed a little bit last week, artists are better protected from abuse of their works and different art crimes.

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Well, I want to especially talk about Augmented Reality and Virtual Reality. In terms of Augmented Reality, we are offering this service to all our clients and all our artists. So, as far as you're a Victory Art artist, you're on the Victory Art website, and all your artworks are available in Augmented Reality for IOS as well as Android, which are all in 3D form. So, every single time a client comes to the Victory Art website and opens the website, there's a button he/she clicks on and then they can see on their wall how exactly the artwork would look. Before this, it was not really possible to imagine how the artwork would look like, but through your phone nowadays you can do it and it looks very stunning. And, with our clients, we had many positive reactions and at the same time we can proudly see that we are the only company in the world which is offering Augmented Reality and in such quality.

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Another thing is that Virtual Reality is more advanced. However, once you are able to do it, you are literally making people stand in your art studio or gallery and you can make them walk around your paintings and see them the way they would normally see it in a gallery or your studio. Both of these technologies require some technical background or a technical understanding, however, Virtual Reality definitely requires much more technical skill than Augmented Reality. So, if you're an artist looking into this opportunity, you can book a consultancy session with us. The free consultancy session where we can discuss these opportunities with you.

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Another thing I wanted to mention to you is about NFT and blockchain. This is especially important for digital artists. So, as far as you're a digital artist, you probably posted pictures of your artworks, or even when you're an artist creating paintings, you probably posted or showed pictures of your artworks somewhere. That's definitely a great thing and you should do it, however, this comes with specific challenges. I believe that, you do not have copyright on each picture you post. Furthermore, I believe that it's not protected, every picture you post, and that is what puts you in danger of art crime. One of our artists had an issue that she was creating amazing art which became very popular and what happened was that she found out that Walmart in America was selling posters of her artworks.

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Someone just downloaded it from her Instagram probably and they were just selling her posters. Of course, she didn't know about it, she found out I don't know how, it was very random, and of course she had to go through a lot of not pleasurable meetings with lawyers. Walmart did not help her very much, so this was very frustrating and draining experience for her. By implementing NFT, you are able to protect yourself. So, NFT, Non-Fungible Token, works the way that you basically take a picture of your artwork, or when you're a digital artist it's your artwork, you implement a token or connect it with a specific token with a specific number and that's going to track everybody and everything that does something with your artwork. So, you are able to see where the artwork is, what's happening, and you are able to see how many times it was bought.

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What's also an amazing privilege is that you are able to get commission from sale in the secondary market and each time it gets sold. So, this is a perfect opportunity for digital artists to not get scammed, to protect themselves and make sure that their art is perceived as a real art because that was kind of a tricky thing for many years. As well, big auction houses like Sothebys' or Christie's, did not want to hear about digital art until last year. So, if you're a digital artist I would strongly suggest you to actually have a look at this and think about options. Victory Art is as well slowly diving into this market. We want to as well allow or help artists who are creating painting and physical art to take advantage of this technology. So that's something you can also discuss with us at some point.

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So, the increased importance of transparency in the art market is massive. It happened for many years that art buyers were very scared of buying artworks because they felt like they don't know what the art is actually worth. This is one of the things I would say is partly still there, and from certain perspective NFT and Blockchain is kind of making this whole thing better and at the same time worse, and I'm going to explain why.

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So, the art market has been characterized by their lack of transparency and that's mainly because it's very complicated to track how these big art market players and big auction houses like Sothebys', Philips, and Christie's, are really operating and for what prices do they really sell the artworks. There is always the price which is called 'under hammer' and that means that's the artwork which basically, you go to auction and see the artwork was sold for 1 million, but this is only under hammer, and there's still different commissions. So like, it's called buyer's premium and sometimes they're charging even under commissions. So, it's kind of tough to really know what it was sold for and if it really got sold. Sometimes it happens that the artworks are not really selling in auction houses, however, someone comes there and pretends they want to buy the artwork.

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So I see that we have 10 minutes left, so I have to hurry up a bit. I want to really say that this is making this market a little bit tougher especially for people who are only starting in this market, like small collectors because they feel like they don't understand it, they feel like they don't know anything about art. So, this is where we're stepping in, and helping collectors choose the right artwork for them.

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So one of the things which we are also doing in Victory Art is that we're helping artists create card pricing. Many artists cannot do it. They don't know how to properly price their artwork and they don't know what to really ask for. I can say that one time it happened that an artist wanted to charge €500 for an artwork, but when I looked at the artwork, I was very sure it was worth much less. So, I discussed it with that artist, and I asked her "Ok let's start with basic things, how much did you invest in canvas and colours" then it was not a lot. Then I asked her "Do you have any buyers? How many artworks have you sold to ask for such a high price for this artwork?". She told me that "Only my husband bought one of my artworks". So, this is a moment when it's important to have a reality check about what you should ask for as an artist. There are as well a few factors which can determine what your artwork is worth.

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It can be sometimes like the technique you're working on, it also depends on the different sizes, different tools you're using, it depends on your reputation in general for you as an artist. They're more than 40 factors which can determine what your artwork is worth. However, I don't want to go into such a deep discussion about that because then we would stay here for another 2 hours. If you need help with pricing of your artwork you can book a free consultancy session with the Victory Art team, and you can do it at curator@victoryart.eu.

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So there as well some factors in pricing which are really hard to see and realise like asymmetric information we already discussed like transparency and psychological bias. Those are the things which we cannot influence, but the things like medium, sizes, content, the value of the tools you're using, that's something you can definitely determine and influence as an artist.

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Other things which are influencing the price of artworks is the artist page. The work they have done before. If the artist is still alive, awards, art fairs, featuring in museums, galleries, collections. There are more than 40 factors, and one of the most important things is to really have a reality check and think about what your art could be worth. Definitely one of the main things is to have market research. I would strongly suggest you to go online, not galleries, and have a look at what artists do, who are creating something similar, similar sizing or technique, are charging. I do not suggest you go to galleries, because those prices are much higher than online prices.

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Galleries' have massive costs. One of the biggest costs is rent, art fairs, and promotion. There are many things which are influencing this but go online because there you can find really valid prices. Another thing is that what gallery you work with influences your reputation a lot. So do not even look at the galleries, look online that's much better. Look at artists who are really selling. One massive tip, I would suggest you start a little bit lower in the beginning when you're selling your art. Do not start high because when you have an exhibition or art fair, and you start selling your artwork

for €1500 people will be able to sense that it's slightly over priced and they will not purchase it. The next time they come and see you've lowered the price then they will think "This artist does not believe in him/herself", "They don't know what he/she is worth", "I cannot trust this artist because they're worth less so why should I do it". So, it's always much better to start with a lower price and then make it higher because then people will say "This artist is actually selling, there's interest in this artist" which will then influence them to start thinking about purchasing your artwork.

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In the end your art is worth what people are willing to pay for in the same category. I'm not saying that you're investing only €1000 in the tools, but you should charge €500 for the artwork. What I'm saying is please be realistic with this and really have a look at the demand in the particular market you are currently in. If you have any issues with this, do not hesitate to contact us. It's at curator@victoryart.eu and we can always help you with these things.

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So next week we are going to discuss '**Know yourself from a business perspective**', Style, and How to balance yourself as an artist. For more information about next week's seminar, you can go to victoryart.eu, to **seminars**, to have a look at what we will discuss in upcoming weeks and what you can expect. If you have any questions about today's seminar, please free to ask me right now. If you are ashamed to ask you can put your questions in the chat. If you don't know what to ask right now you can always message us afterwards. Don't forget to sign up for the free consultancy sessions which will be starting from January onwards. If you have any issues in terms of marketing, or business strategy, or you would love to discuss opportunities with us or want to get to know more about tech developments, you can always contact our team and we can discuss options and will try to help you as much as possible. At the moment I see there are no questions from your side, in that case I would like to thank you so much for joining the second part it was lovely having you here. Join us next Thursday at 6pm. Have a great day, bye-bye.