

SUMMARY
OF

THE DUTCH
ART MARKET

IN
2021

THE GALLERY SECTOR IS MARKING TIME

The past four years have been a time of consolidation for the gallery sector. The rejuvenation observed in the 2017 survey has come to a standstill. While back then 10% of the galleries had been in existence for less than two years, now only 5% have been there for less than five years. The average age of galleries has shot up from 16 to 22 years.

CLASSIC GALLERY DOMINATES

90% of the galleries are of the classical kind, with a fixed location that is open to the public at set times. They present mainly classical media: drawing and painting (86%), sculpture (72%) and graphic art (27%). 61% of the galleries present photography, 28% installation art and 26% audiovisual, digital and media art. On average, galleries represent 17.6 artists.

FOCUS ON PRIMARY MARKET

More than half of the galleries (59%) operate almost exclusively in the primary market. This focus may be linked to their relatively low turnover and profit, which does not build up working capital necessary for trading in the secondary market. The proportion of galleries with sales below €75,000 grew from 22% in 2019 to 29% in 2020. The limited financial resources also determine the nature of the activities, which mainly consist of advice and mediation in buying and selling.

GALLERIES INVEST IN ARTISTS

The majority of galleries support their artists directly by purchasing work and by pre-financing various costs involved in exhibitions. Since 2017 the number of galleries doing this has increased.

MATCHING SUPPLY AND DEMAND

Most buyers also prefer traditional media. 85% buy drawings and paintings. Interest in sculpture (48%) and photography (44%) is lower but has increased compared to 2017. The share of audiovisual art, digital and media art has remained the same at 3%. Almost everyone (95%) buys art to enjoy it themselves. Only 7% consider the purchase of art as an investment.

INTERNATIONAL NETWORKS

Most of the surveyed galleries and art fairs are part of an international network. For example, 84% of galleries share one or more artists with a foreign gallery and in 2019 38% participated in one or more fairs abroad. By doing so, they expect to increase their international reputation, expand their number of relations and sell more.

THE WORLD OF ART FAIRS HAS EXPANDED AND REJUVENATED ITSELF

The Netherlands has eighteen art fairs that present themselves as national events. Eleven of the eighteen fairs were established in the past ten years. The focus is largely on the primary market: 60% of the fairs are aimed at galleries, at 53% of these events 45 individual artists offer their work, at 13% art dealers are welcome and 7% offer stand space to antique dealers. Only one art fair is truly international, with a field of participants of which 87% are from outside the Netherlands. The majority of fairs attract between 10 and 20% of foreign exhibitors.

GREAT DIVERSITY BETWEEN FAIRS

The diversity in the art fair landscape is great. There are events that operate with a budget of less than €50,000 and a staff of mainly volunteers; and there are organizations with more than twenty staff members and an annual budget above a million. The number of fairs in the low-budget segment (costs below €50,000) went up from four to six between 2018 and 2020. The top segment (costs higher than €1,000,000) shrank from three to one in the same time, which can be explained by the cancellations of two art fairs due to the covid pandemic.

EXPENSES AND INCOME

Stand construction is the largest budget item for trade shows, accounting for over a quarter of the costs. Location rent (18%) and personnel costs (16%) are the next most important expenditure items. Art fairs derive most of their income from the participation fees collected from exhibitors: 65% of the income comes from stand rental. Entrance fees account for 12% and sponsorships bring in 12% in cash and in kind. Remittances from the catering industry account for 2% and subsidies for 4%.

FAIRS ARE POPULAR WITH BUYERS

After galleries (64%) and studios (53%) art fairs (47%) are the favorite place to buy art. A third of the buyers consider fairs to be the first and most important place to see and purchase art. Efficiency plays an important role here. Buyers have less time and can view a large and diverse selection at a fair. The 2017 survey already showed that half of the galleries are dealing with declining visitor numbers. This trend has continued in recent years and accelerated during the covid period.

BUYING SPIRIT BUOYED UP

The frequency of art purchases has increased since 2017. The proportion of buyers who had purchased 3 to 5 works increased from 35% to 37%, and the group of buyers who purchased six or more works grew from 25% to 40%. The amounts spent on art have remained fairly stable. One in five art buyers spends between €1000 and €2500. The group that spent less than €500 grew from 18% in 2017 to 24% now, which is likely due to the increase in online purchases that typically involve smaller sums. Almost half of the buyers bought as much during the covid period as they did before. Over one quarter bought more.