

Market trend analysis for art gallery

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MARKET TREND ANALYSIS FOR ART GALLERY The Art Market has seen a revival of epic proportions in the FY coming out of the shadow of the gloom that was omnipresent after the financial debacle of GFC. The story of resurrection is one that rides on the back of the major trends as prolific use of internet to augment sales and distribution of Art, better financial indexes across the globe and return of the speculative buying of art due to favorable economic conditions. There has been a mutation in the geopolitics of global art market wherein China has emerged as one of the forerunners ahead of UK and US. (artprice. com 2011)

The Dragon art gallery is highly competitive one due to its proximity to the art district, a strategic location and local identity that help in giving the market edge to this gallery. This gallery is based out of the busiest markets for contemporary art pieces on Dragon Street and has a USP of marketing the best names in contemporary art in the local perspective. The target market segment comprises of the art connoisseurs as well as the ‘ investor-collectors’ who are primarily into buying art as a discretionary spending and speculative gain. The market segment would be primarily local, yet the global market can also be targeted to some extent by virtue of listing the collections on the galleries website. The local market strategy would combine facilitating the sale to buyers by providing a point of sale and distribution, showcasing and marketing the art pieces by arranging exhibitions, providing excellent customer service to handle enquiries, process smooth transitioning of walk-ins to customers and providing delivery services for the bulky or delicate art pieces as per requirement. The online market is potentially the biggest one and needs to be catered accordingly by

keeping the websites updated with the latest collections, trends and offering competitive deals. The brownie points can be earned by providing additional value as transport and courier services to remote locations. As the transport and distribution plays a significant role in facilitating the sale it is advisable to have tie up with local courier or transport companies.

Market trends reports show that there is a growing demand for Chinese art pieces and the million dollar auction graph for 2010 reflects 401 in the US to 491 in China. (ibid artprice. com 2011) Thus in keeping with the trend of buyer demand for works from artisans from China, the gallery should plan for a theme exhibition which would showcase local and foreign talent. The media mix should include advertising and promotion by newspapers, internet and local radio shows.

The art industry is forecasted to continue to revive in the coming years with more focus on private sales and smaller auctions. (theartnewspaper. com 2010) The use of vertical co-operative advertising would help in keeping the advertising budget at minimum. The use promotional sales by giving loyalty discounts to repeat customers, awarding bonus points for referrals, help in getting patronage and increase the volume of footfalls into the gallery. The gallery should also retain the local focus by showcasing one local talent in the week which proves germane to pulling in supporters and providing deeper market reach.

The prime competitors would be the multitudes of galleries with established clientele which abound the area around Dragon street and thus there has to consistent effort to develop and maintain a loyal customer base. The Cameron Gallery, HCG gallery and others which grace the design district of

Dallas are competitors for our gallery and the primary mode of competition is divertive in nature and thus the gallery needs to focus on its USP and build a niche for itself among the competition. Customer service is vital here which helps in retaining clients and creating better reach for gathering newer customers.

Works Cited

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