



**ART MARKET GURU**  
MILLENNIALS

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## HOW MILLENNIALS ARE CHANGING THE ART WORLD

Today's young collectors (under the age of 40) are a diverse group with varied tastes and priorities. Nevertheless, there are some general trends and tendencies that characterize their engagement with the art world and differentiate them from previous generations of collectors. This report will cover multiple facets of millennials' involvement in the art world. It will discuss who these young collectors are, both in general terms and through individual profiles of several dozen prominent collectors. It will then explore millennials' motivations for collecting art and their preferences for viewing, consuming, and purchasing art. Finally, it will consider which genres and artists have gained the most popularity among young collectors with the intent to uncover any emerging key trends.

### KEY FINDINGS

- ▶ Young art collectors comprise around a quarter of all collectors: a 2018 article from insurance company AXA estimated that 15-25% of collectors are young, while the 2018 U.S. Trust Insights on Wealth and Worth study found that 27% of its respondents were millennials.
- ▶ Young collectors remain primarily driven by personal enjoyment of art, an appreciation for aesthetics, and a desire for self-expression. They often see their collections as a way to communicate their personalities and enhance their personal brands (Northern Trust).
- ▶ Millennials are, however, more likely than other generations to see art as a financial asset and as part of a comprehensive wealth-building strategy. 33% of millennial collectors agreed with the statement that art is "an asset that can be leveraged to build wealth" vs. only 16% of collectors overall (2018 U.S. Trust Insights on Wealth and Worth).
- ▶ Many young collectors inherit a love of art from their families, and often expect to inherit art collections as well. 87% of established art collectors intend to pass their collection on to their heirs, and roughly one third of these heirs say that they have become active art collectors themselves (2017 UBS Investor Watch).
- ▶ Millennials demonstrate a strong preference for contemporary art. Over 90% of young collectors are interested in contemporary pieces (2014 AXA Art Survey).
- ▶ 97% of U.S. millennial collectors said that they were either very or somewhat likely to purchase at least one work of art in the next year, versus 78% of collectors overall. (2018 U.S. Trust Insights on Wealth and Worth).
- ▶ 85% of millennials said they were very or somewhat likely to sell in the next year, versus 41% of Gen X collectors and only 24% of Boomers (2018 U.S. Trust Insights on Wealth and Worth).
- ▶ 78% of U.S. millennial collectors acquired art online in the last year, versus 40% of collectors from all age groups. Overall, there has been significant growth in the online art market, largely driven by young people. (2018 U.S. Trust Insights on Wealth and Worth).

- ▶ Millennials are more likely than other age groups to discover and purchase art online. A survey of U.S. collectors indicated that 44% of younger millennials and 34% of older millennials find new art and artists via platforms like Instagram and Pinterest (2016 Invaluable survey).
- ▶ 57% of younger U.S. millennials and 52% of older U.S. millennials say that they are open to purchasing art online. In contrast, only 19% of Baby Boomers said the same (2016 Invaluable survey).

## WHO ARE TODAY'S YOUNG ART ENTHUSIASTS?

For the purposes of this report, a young collector is defined as someone who is under age 40. Most of the collectors discussed and featured below belong to the millennial generation and were born between 1980 and 2000. According to a 2018 article posted by insurance company AXA, young collectors make up approximately 15 to 25% of all art collectors. In a 2014 AXA survey, the age breakdown of participants was as follows:

- ▶ Majority of respondents were middle-aged (73% were 40-69 years old).
- ▶ 9% were 70 or older.
- ▶ 13% were 30-39.
- ▶ 3% were 29 or younger.
- ▶ Overall, 16% of respondents were young/millennial collectors (under age 39).

Millennials' impact on the art and luxury goods market is steadily growing. A 2017 report by Bain & Company predicts that by 2025, millennial and generation Z consumers will account for 45% of the personal luxury goods market overall. This report highlights the need to appeal to a "millennial state of mind" rather than simply to millennials themselves. Young people's tastes and preferences influence those of other generations; millennial attitudes and preferences thus extend to other generations as well.

Millennials who develop a deep fascination with art often start their collections early, as young as their teenage years. Michael Xufu Huang and Tiffany Zabudowicz are two such examples, who both began collecting at age sixteen.

Young collectors are an international group. Prominent collectors hail from across the globe: the United States, Mexico, Germany, China, the Philippines, Malaysia, and elsewhere. In general, the United States, China, and the United Kingdom are the largest participants in the contemporary art market.

Generally speaking, millennial collectors have less money than older generations. Many collectors get started by purchasing less expensive pieces, often valued at \$5000 or under, and gradually expand their collections over time. Veteran art collector Sylvain Levy notes that in his experience, active younger collectors tend to have budgets of around \$10,000. Art collector and adviser Nilani Trent notes that in today's art market, however, it can be difficult to acquire work even by early-career artists for less than \$50,000 (Beard, Artsy). The cost of building an art collection is thus a firm barrier to the majority of millennials.

Of course, there are some noteworthy exceptions such as Robbie Antonio and Sheikha Al-Mayassa Al-Thani, whose budgets stretch into the millions. Moreover, many young collectors come from families of art collectors, who encourage and support their children's love of art, often through gifts. According to Evan Beard, writing for Artsy, millennial collectors tend to fall into two major categories: "wealth inheritors, and a burgeoning group of rising private equity, real estate, and hedge fund professionals (the young tech elite still don't collect)."

Millennials are significantly more likely than previous generations to collect with financial considerations in mind. Beard connects the cultural and social context in which millennials were raised with their collecting habits: "we collect like capitalists." In other words, millennials are more likely than Generation X and Baby Boomers to sell works from their collections and to cite financial motivations for collecting art.

Younger collectors tend to be active networkers, both on- and off-line. They prefer gaining early and direct access to works, often arranging to see a piece while it is still in the studio. In an interview with artnet News, Kenneth Schlenker noted that this propensity distinguishes millennial collectors from older generations. According to him, older collectors might hire an adviser, work closely with only one or two galleries, or read Artforum to make decisions about which pieces to acquire. Younger collectors, on the other hand, aided by new technology that makes communication easier than ever, forge connections with a broader array of artists and galleries. They seek a more personal, less mediated access to art.

French collector Joseph Kouli explained to Arterritory how this kind of active networking is especially important for collectors who are not extremely wealthy: "I am convinced (because over the years, I've proven that you can collect with limited funds) that if you're smart, you take risks, and if you approach an artist before the institutions and big collectors begin showing interest – it can be done."

## ART COLLECTING AS A FAMILY ENTERPRISE

Many millennials have inherited or expect to inherit family art collections. According to a 2017 survey (UBS Investor Watch), 87% of collectors plan to pass their collection on to their heirs. Heirs are generally honored to be given the collection (90%) and plan to keep it (81%). Around 34% of heirs who expect to inherit collections say that they have become active collectors too.

Some young collectors come from families of art connoisseurs, receiving inspiration and knowledge from their parents. Art collecting very often becomes a family enterprise. Some notable examples of art collecting families include:

- ▶ Sylvain and Dominique Levy and their daughter Karen Levy
- ▶ Andy and Christine Hall and their daughter Emma Hall
- ▶ Poju and Anita Zabłudowicz and their daughter Tiffany Zabłudowicz