



Luxury art market

Art occupies an unusual place in the world of luxury purchases – decorative, cultural, deeply personal and financially significant – a far cry from conventional investments

For centuries, art has occupied an enviable position at the intersection of culture, wealth and status. A painting can transform a room, capture a moment in history and, in the right circumstances, become considerably more valuable over time. For today's sophisticated collector, however, buying art is rarely as simple as falling in love with a canvas. Increasingly, the art market is also considered an alternative asset, one that can offer the pleasure of ownership alongside the possibility of long-term appreciation.

The extraordinary prices achieved by headline-making works can make art investment appear deceptively

straightforward. Yet the multimillion-dollar auction result is the exception, not the rule. Successful collecting requires patience, knowledge and, perhaps most importantly, an understanding that artistic value and financial value do not always move in lockstep.

An artist's reputation, rarity, provenance and cultural relevance can all influence the desirability of a work. Changing tastes can be equally powerful. What makes the art market fascinating is this element of unpredictability: today's emerging talent may

Above: *Self-Portrait* (1887) by Vincent van Gogh painting in Rijksmuseum, Amsterdam

become tomorrow's collector favourite, while yesterday's sensation may gradually disappear from the spotlight.

For newcomers, the primary market, buying directly from galleries, dealers, art fairs or sometimes artists themselves, can be an opportunity to discover work before it reaches the auction circuit. This is particularly appealing to collectors interested in emerging artists, although there is naturally no guarantee that a young artist's reputation or market will continue to grow.

The possibilities extend well beyond the traditional canvas. At Gordon Studio Glassblowers in Australia, three generations of the Gordon-Donaldson family

have built a distinctive practice around contemporary glass. Their work demonstrates that collecting can be about exceptional craftsmanship and artistic lineage as much as paintings and sculpture. For a collector, the appeal lies in owning something individual, beautifully made and connected to a story that extends beyond the object itself.

At the other end of the spectrum is the established blue-chip market. American artist Jean-Michel Basquiat has become one of its defining figures, with his raw, expressive works commanding extraordinary sums. His 1982 *Untitled*, for example, sold for US\$85 million in 2022 – a striking illustration of the premium placed on rarity, historical importance and international demand.

Japan's Yayoi Kusama offers another fascinating route into collecting. Her instantly recognisable language of repetition has made her one of the world's most celebrated contemporary artists. ➤



Above: *The Three Dancers* (Les Trois Danseuses), a famous 1925 oil-on-canvas Picasso
Right: Lady Gaga collects avant-garde contemporary art

Her work spans painting, sculpture and immersive installations, while her influence reaches far beyond the traditional art world. For collectors, enduring cultural relevance can be part of the appeal.

The secondary market, meanwhile, offers access to established works through galleries, dealers and auction houses. Major international names such as Christie's and Sotheby's connect collectors with works from across the globe, while art fairs including Art Basel and Frieze have become destinations in their own right for discovering artists and following the market. Expert advice can be valuable, particularly when purchasing significant works. Provenance, authenticity and condition can all have a profound effect on an artwork's value, while insurance,

conservation and storage are practical considerations that accompany ownership.

Yet perhaps the most compelling philosophy for a new collector is surprisingly simple:

buy something you would be happy to own even if its value never increased.

That approach does not negate the investment potential. Rather, it acknowledges one of

art's greatest advantages.

A successful acquisition can provide aesthetic enjoyment today while potentially contributing to wealth preservation tomorrow. It can become part of a home's identity, a conversation piece for guests, or eventually an heirloom passed between generations.

The most interesting collections are rarely assembled by chasing whatever artist happens to be commanding the highest price at auction. They tend to reflect curiosity and conviction; a collector developing an eye, following artists over time and acquiring works that have meaning beyond their price tag.

Art, then, occupies a rare position in the luxury investment landscape. It can be an asset, but it can also be an experience, a cultural statement and a legacy. The smartest purchase may not be the work that appreciates fastest, but the one whose story continues to reward its owner long after the receipt has been filed away. ■

