




/ 2021

DATA-DRIVEN ART MARKET INSIGHTS

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CASE STUDY



LOT-ESSAY
LENGTH -
DO WORDS
ADD VALUE?

SPRING
2021

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DO WORDS ADD VALUE?

From their illustrative rhetoric, to their revealing retellings of artists' lives and mindsets, catalogue lot-essays amplify a lot's worth and captivate potential buyers through the employment of deliberate auction house marketing tactics. But what correlation, if any, do these vivid and informative narratives, have on the ultimate sale of a work?

We have previously explored the ways in which the current global pandemic has created deep ripples in the art market (as it has across all markets). The mass migration of boisterous bidders from thronged auction houses to their digital equivalents, has led to a purposive, and arguably overdue restructuring of auction presentation, logistics and processes. As our ingrained understanding of auction intricacies has been wholly reimagined, so has the digital presentation of a lot and its corresponding essay, forcing us to reconsider its general importance. These changes, though distinctively evident now, are the culmination of decades of nuanced shifts in catalogue production and competitively motivated auction house promotional actions.

Before the clickable, impeccably designed PDF downloads and interactive lot descriptions that we are familiar with today, catalogues were far more minimalistic in approach and appearance. From the 1960's to the 1980's, catalogues were instruments of functionality. Additional photographs and descriptive texts were seldom incorporated into the bare covered, simply titled bindings.¹

Though there were small shifts in catalogue production over the twenty year period – by the early 1980's, auction houses began incorporating price estimates into lot descriptions, for example – lot-essays were far from commonplace. The uncomplicated catalogues were a reflection of the audience, one in which clients predominantly consisted of esteemed expert dealers who had little need for extensive elucidation, but where private collectors were still on the fringes of auction house business. The 1980's art market as a whole, however, was far more complicated than catalogues would suggest. Prices rose by nearly 940 percent for Impressionist paintings throughout the course of the decade, prompted by a wave of Japanese investor interest that came crashing down amid later economic stagnation and tax investigations into related fraudulent money laundering practices.²

The 1990's brought a reconceptualization of catalogue production out of a means of necessity and competitor action. Auction houses began to witness a newfound, diversified client base expand alongside growth in the financial markets. Between 1990 and 2000, the wealth share of the top one percent in the United States grew by nearly 4% (see graph below). Personal wealth was, and would continue to be on the rise, and contemporary millionaires with expendable incomes were turning to attractive alternative investments to foster their fortunes. Yet, the fresh audience of personal collectors and high-net worth individuals lacked the certain mastery of the art market that their counterparts possessed.

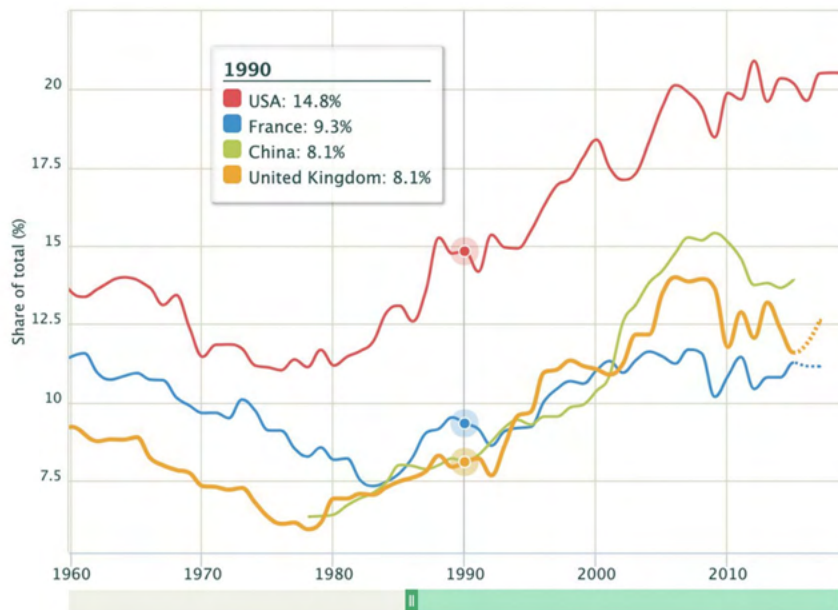
As it became clear that clientele sought further reassurance and greater context in determining their willingness to invest in a lot, auction houses embraced a new catalogue design, and a more informative lot-essay structure. Simply bound lists lent themselves to colorfully dressed coffee-table displays, abundant in details and captivating visuals. Catalogues soon became coveted collectors items, induced by their potentially limited production, and their exclusive insight. According to then Sotheby's chief executive officer worldwide, Diana D. Brooks, Sotheby's and Christie's spent nearly \$50 million on catalogue production annually, as of 1996– a total which was nearly twice the amount that was spent ten years prior.³

In select circumstances, the purchase of a catalogue would allow buyers a lottery ticket to a select in-person viewing of the lots up for sale - a clever baiting technique.

Share (%)

TOP 1% NATIONAL INCOME SHARE

Share (%)



SOURCE: WID (2020)*

As put by the author of a 2017 Artsy article titled, *Is Auction House Hyperbole Effective*, "As with many innovations in the auction world, competition between Christie's and Sotheby's swiftly turned catalogue production into an arms race."⁵

In this article, former Christie's chairman, Brett Gorvy, relayed his first-hand account of the catalogue transformation of the decade. To Gorvy, Christies' 1994 catalogues were vanilla fare, but in preceding years, they soon mutated into ever-larger formats as sellers requested more pages in order to offer their consignment, and auction houses copied each other's new approaches.

Over time and as standards evolved, lot-essay word counts gradually rose and composition shifted at the whims of the auction house publisher. Christie's adopted a structure dictated by lot estimates. Only lots over the \$700,000-\$900,000 estimate range and belonging to artists of "second-tier public exposure" had a corresponding lot-essay.⁶

While Sotheby's had a less obvious approach to essay production, by decade's end both auction houses were consistently incorporating lot-essays across estimated price ranges.



Example of a collector essay that appears within a lot entry.
 Christie's 1995 Impressionist and Modern Paintings,
 Drawing and Sculpture (Part 1), Sale Number William-8306.

This inconsistency in a lot-essay's length and rhetoric has remained prevalent in the 21st century. Auction houses have continued to acquire an expanded client base through economic ebbs and flows, and the interconnectedness that our global, media-dominated society affords.

Today, online auctions are inclusive of all interested buyers regardless of their time-zone, and they have the potential to garner increased virtual foot-traffic at unparalleled levels. In this newest iteration of the digital catalogue, lot-essays have morphed into mixed-medium messages to their audience.

Grandiosely written interpretations of a lot's artistic elements and the poetic motifs that it imbues are now accompanied by more prevalently displayed supporting photographs of comparable works and styles, video renderings of the lot, and external content pertaining to an artist's personal narrative and brand.

In Sotheby's 2020 Contemporary Art Evening Sale, the lot-essay for Basquiat's *Untitled (Head)* included a multi-slide comparative analysis of the lot to a similar work, an interactive timeline of "The Head Throughout Art History", and over ten supporting photographs and video visuals.⁷

Though this elaborate digital curation is expected of a big-ticket lot for a big-name artist, the interactive nature of the essay was far more visually captivating than the corresponding lot-essay for Basquiat's groundbreaking *Untitled* lot which was sold for over \$110 million in the same Sotheby's Contemporary Art Evening Sale, in 2018. This lot, which we have covered in past analyses, was accompanied by a verbose seven paragraph lot-essay and only four supporting graphics.⁸

Though the impacts of these differences in lot-essay composition and display cannot be confidently determined due to the general dissimilarity in value, medium and size, and it may be too soon to tell what benefits a virtual lot-essay can have on the overall sale of a work, it is noteworthy to mention that longer lot-essays are more likely to have an influence on a potential buyer than shorter ones (we will explore this idea further in our *Analysis*).

gender issues and an all-over flurry of typography. Held in the same private collection since being acquired in 1988, this work has been publicly exhibited since its debut on the page of *ARTforum* shortly following its creation. Unintentionally exhibited in *Fluxus*, a selection of new figurative works of Alexander Calder gallery in New York, when cited in the charge presence of *UNTITLED*, the profile to the 1982 exhibition catalog is in this step, probably because "the company of Basquiat's work-like is not lost in the transition from city walls to canvas. The graffiti, authentic and spontaneous, are today a source to the New York School's general motifs. The absence of the artist's hand concedes the work a remarkable component. These artists share an acute awareness of the times they live in, making their work tightly tethered to objective reality. Although critical, questioning and provocative, they address an unbridled, tightly complex nervous system." (Claudia L. Patterson, "Visual Poet," in *Art*, New York, Museum of Modern Art, 1982) (p. 2) In reality, the most significant work by the artist was *Head*, which was among the ultimate origins of the artist's oeuvre, and is the contemporary counterpart to Basquiat's *UNTITLED* (Head) in the collection of The Broad Museum. Its individualistic images, the pair of characters depicted in a provocative artistic style that, in its unbridled and cultural synthesis, expressed the visceral reality of urban life with striking authenticity. As an individualistic masterpiece from the singular narrative pair of Basquiat's creative career, the meaning of *UNTITLED* traces an extraordinary moment within the legacy of Contemporary Art's most prolific and awarded figure.

Publishing with creative force, *UNTITLED* in the expressive embodiment of the unprecedented new manner that emerged in Basquiat's paintings, as he championed the expressive charge of his street art into the first, staggeringly intense canvas of his mature oeuvre. A monumental fusion of visually charged figurative and abstract elements, amidst the complete denuding of color, reveals into the imperceptible layers of Basquiat's figure is a clear articulation of both the artist's past, as a central element of Manhattan's graffiti subculture, and of his remarkable future, as a contemporary art's dominant force, in the gesture of formality of the figure, its extreme dimensionality, and expression of black ink against the specific associated trends of Basquiat's graffiti after age of the late 1970s, 1980s, is readily apparent. As *SAME*, Basquiat revealed the streets of New York, embracing the complex and elusive nature of the street art scene and the acquisition of — upon the abandoned walls of the city. From the beginning, the *UNTITLED* *SAME* was known for its unique blend of the conceptual and the visual, merging a diverse linguistic arsenal of words with linguistic systems and signs that, while recognizable, were otherwise unorthodox, in combined Basquiat's own view of the secondary and directness of *SAME*, but rather, championed the expressive nature of spray paint, stencils, and various applied tools into a formal order that bypasses the artifice given before the boundaries of figurative. Searching the work, *UNTITLED* *SAME* reveals the artist's "New York brought to his canvases the abstract figurative intensity of his experience, its Blackness and narrative (urban) aspect and tactile edge, and its confused and spontaneous accumulation of visual elements." (Johnathan Green, "The Historical Division of Art in Basquiat's Work," in *Art*, New York, Museum of Modern Art, 2005) (p. 40) championing, and embracing the original conceptual influences of the street, Basquiat forged an extraordinary and intelligent gesture and aesthetic that, while entirely his own, tapped the language of the street with soaring energy. Attempting to embrace the indelible essence of Basquiat's new mode, *UNTITLED* *SAME* reflected, "the way the work is a collage of real and ideal as objects." (Claudia L. Patterson, "Visual Poet," in *Art*, New York, Museum of Modern Art, 2005) (p. 38)

In the historic, conceptual inscription of graphic forms that rise to the surface of *UNTITLED*, Basquiat's intention in embracing it as a gesture and formal device, traces of a context and form to the grid in the upper section of the canvas are surrounded by layers of over them and accompanied letters, counterbalancing the prominent upper and lower case and the bottom left of the composition. As described by Richard D. Howard, "In Basquiat, the meaning of a work is not necessarily relevant to its image because the employed words as abstract objects that can be seen as configurations of shape and curved lines that come together to form a visual pattern. The visual and



Sotheby's Contemporary Art Evening Sale, 2018 (left) & 2020 (right) Comparison

Whether through their colorful covers or unquantifiable digital mediums, new-age catalogue lot-essays have continued to serve their fundamental purpose as the educational and encouraging tools for marketing mechanisms. In her academic thesis titled, *Evolving Auction Catalogs: How Auction Houses Convince People to Buy Art*, scholar Leanne O'Donnell claims that consumer perception of an artwork's value is influenced by the following six factors,

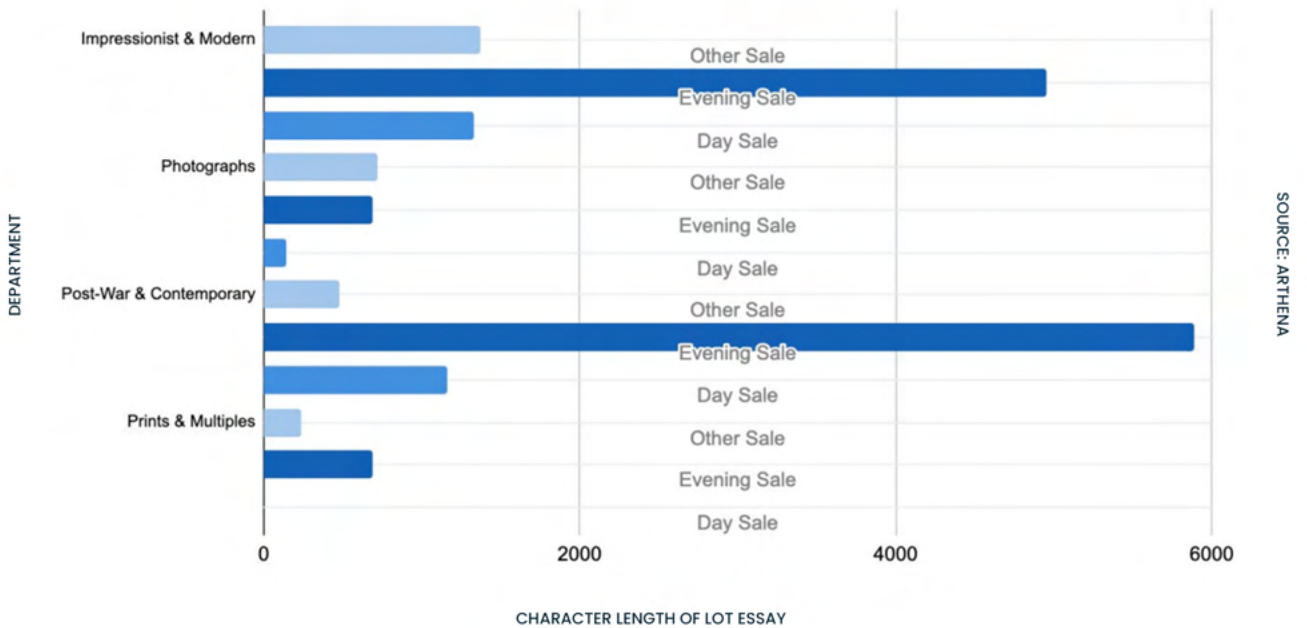
- 1) authenticity,
- 2) association to works of known monetary value,
- 3) importance to the art historical canon,
- 4) perceived scarcity or rarity,
- 5) the opinion of critical influencers such as museum and art critics, and
- 6) the opinion of market influencers such as collectors, dealers, and auction houses.⁹

These factors are largely identifiable in the catalogues we see today.

In order to further identify the impact of catalogue evolution on present day lot-essay length, we parlayed our historical context into a quantitative analysis of certain lot-length characteristics and trends over the last decade. We narrowed the scope of our analysis to New York auctions in order to isolate additional variables across locations.

AVERAGE LENGTH OF LOT-ESSAY by Department and Sale Type

New York Auctions 2010-2020

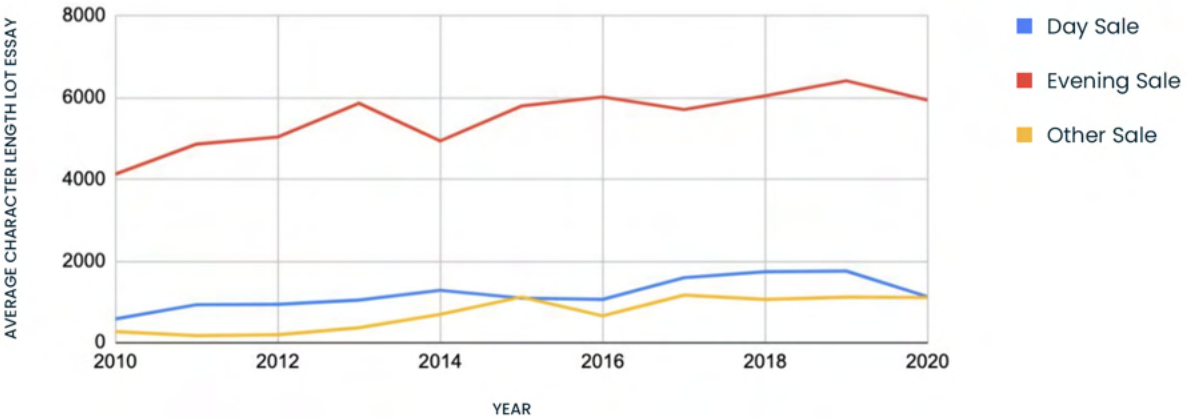


An initial exploration of auction data from 2010 to 2020 New York auctions reveals that the average length of a lot-essay is significantly higher for Evening Sales than it is for both Day Sales and Other Sales. This trend is most similar over Post-War & Contemporary auctions and Impressionist & Modern auctions, with character length for an essay being longest for the former, at an average close to 6,000 characters per essay.

Thus, we will choose to investigate artists within the Post-War & Contemporary classification going forward in our analysis. It is important to note that the structure and content of Evening Sales is inherently different from that of Day Sales, so it is necessary that we look at these two types of sales separately as we investigate trends related to the length of lot-essay in order to better delineate the effects.

AVERAGE LENGTH OF LOT-ESSAY OVER TIME

New York Post-War & Contemporary and Impressionist & Modern Actions 2010 - Present



SOURCE: ARTHENA

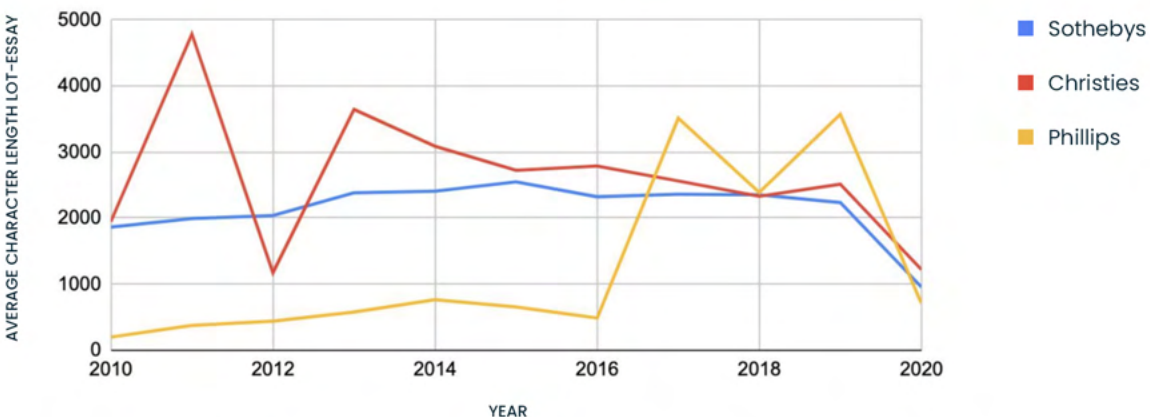
In the graph below, we explore the average length of lot-essays over time and find that while length has remained consistent for Sotheby's lots, there were large fluctuations in length for Christie's lots at the start of the decade, and length only remained consistent for Phillip's lots until 2016. Contrary to our assumption that the aforementioned transition to a digital catalogue prompted an increase in lot-essay length, lot-essay length has shown a gradual decline over the past year across all auction houses observed.

Therefore, a decrease in lot-essay length is likely a result of an external factor, namely, the pandemic.

This begs the question, are lot-essays decreasing in size because auction houses are creating shorter lot-essays for more lots with a heavier emphasis on additional mediums, or have they begun to stop writing lot-essays altogether?

AVERAGE LENGTH OF LOT-ESSAY OVER TIME

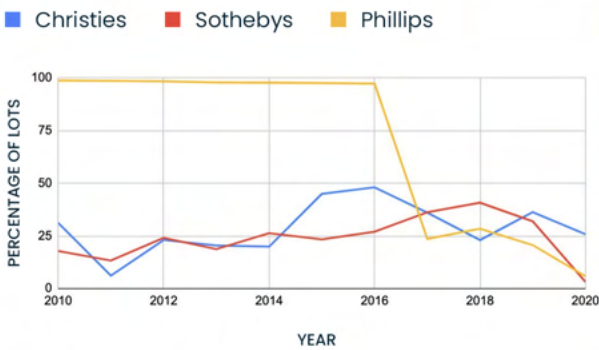
New York Post-War & Contemporary and Impressionist & Modern Actions 2010 - Present



SOURCE: ARTHENA

EXISTENCE OF LOT-ESSAY OVER TIME

New York Post-War & Contemporary and Impressionist & Modern Actions 2010 – Present

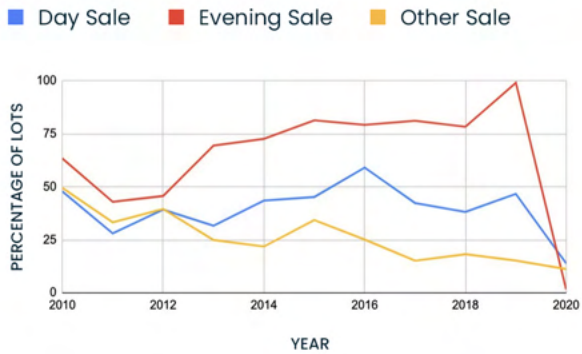


The graphs above highlight the existence of lot-essays from 2010 to 2020 across auction houses (left) and Evening, Day and Other Sales (right). They confirm an evident decrease in production of lot essays slightly prior to, and in, 2020. The graph on the left reveals that Phillips included lot-essays under 1000 characters for 100% of their lots until a sharp decline in 2016. Both Sotheby’s and Christie’s produced lot-essays between 5% and 50% of the time throughout the decade. The graph on the right further confirms the priority placed on the length of lot-essays in Evening Sales compared to Day or Other Sales.

While the reasons for the stark decline in production are unclear, we can predict that the general slowdown in lot-essay production is due to the shift to pandemic-induced digital auctions and the general reallocation of resources that it sparked. Greater incorporation of additional alternative mediums may encourage greater production time spent on visual as opposed to textual resources. Additionally, auction houses have continued to grow their social media presence and utilize platforms as an auxiliary marketing tool. Maintaining these platforms poses additional utilization of resources which may draw attention away from lot-essays.

EXISTENCE OF LOT-ESSAY OVER TIME

New York Post-War & Contemporary and Impressionist & Modern Actions 2010 – Present



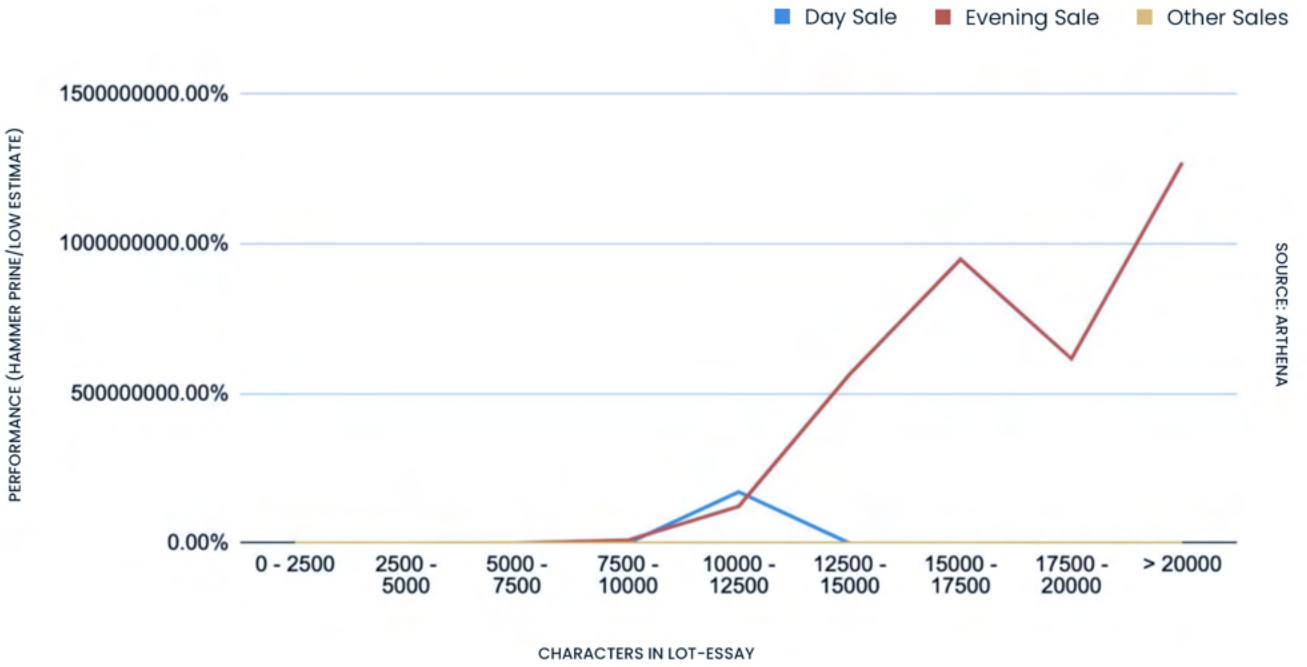
SOURCE: ARTHENA

Perhaps the most crucial aspect of our analysis to our subsequent *Case Study*, are the conclusions we were able to draw from the graph below, which displays the relation between lot essay length and performance (determined by hammer price/ low estimate) of aggregated lots for sale in New York auctions over the course of the decade.

The graph on the following page demonstrates a possible relation between lot-essay and lot performance when essays are longer than 10,000-12,500 characters in length. This conclusion supports our assumption that a longer lot essay will be most likely to captivate buyer interest and potentially contribute to greater performance for the lot, as a result.

PERFORMANCE OF LOTS BASED ON LENGTH OF LOT-ESSAY

New York Post-War & Contemporary and Impressionist & Modern Actions 2010 - Present



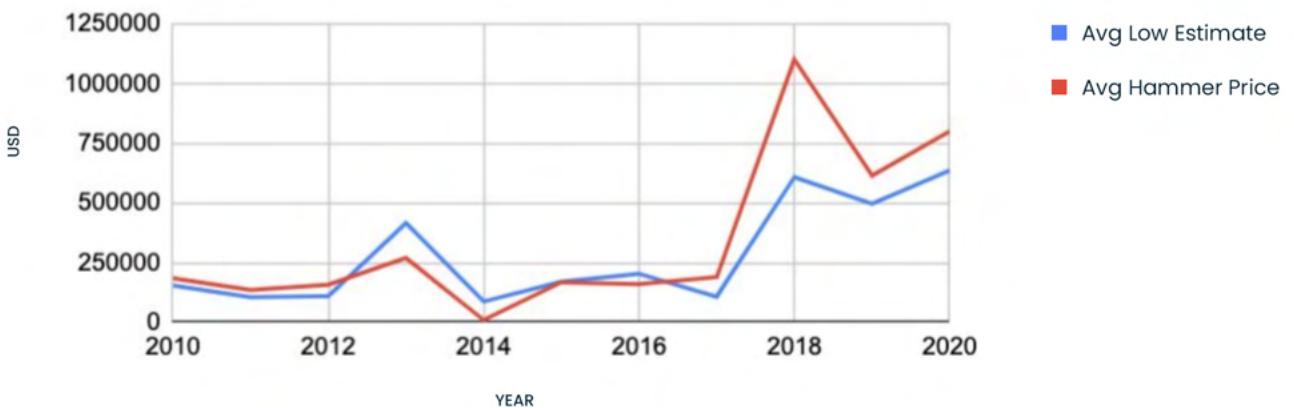
SOURCE: ARTHENA

Cecily Brown

British painter and long-time New Yorker, Cecily Brown, is an artist whose historical auction sales provide an insightful foundation for analysis on lot-essay length in combination with high-growth and performance. Brown’s distinctive works draw inspiration from the likes of Willem de Kooning, Joan Mitchell, Francisco de Goya, Francis Bacon, and others, while presenting a profound female perspective and captivating motifs. Over the past decade, and since 2017, in particular, Brown has gained prominence and seen a drastic rise in auction results, labeling her as one of a select group of female artists whose works garner consistent seven-figure hammer prices. Though this trend may be one the artist herself rejects (given her past commentary that works of a living artist should sell for no greater than \$1 million) the art market shows a prevailing fondness.¹⁰

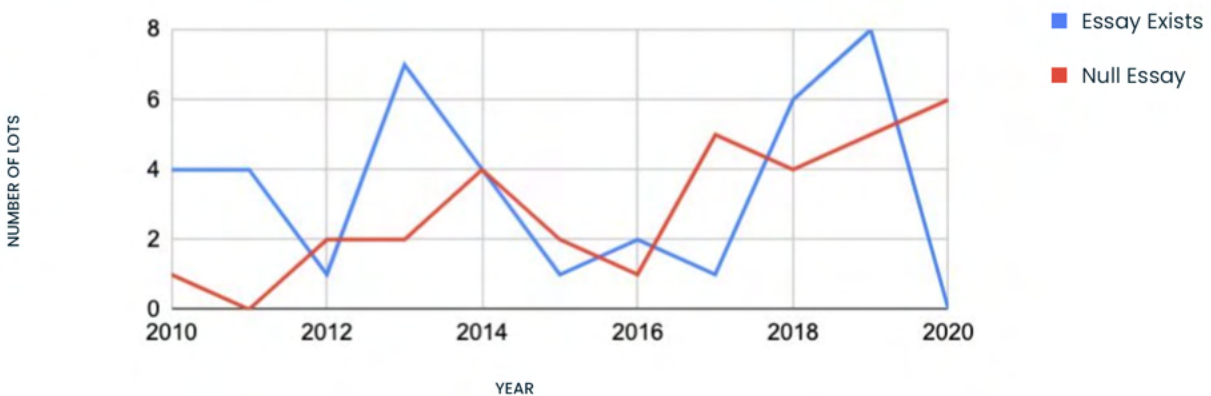
PRICING OF WORKS by Cecily Brown

New York Post-War & Contemporary and Impressionist & Modern Actions 2010 – Present



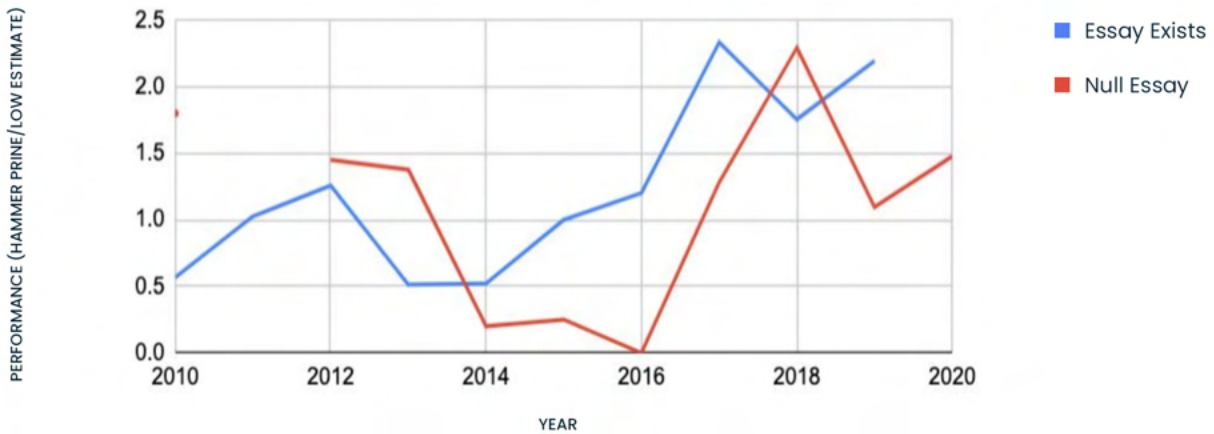
COUNT OF WORKS by Cecily Brown

New York Post-War & Contemporary and Impressionist & Modern Actions 2010 – Present



PERFORMANCE OF LOTS by Cecily Brown

New York Post-War & Contemporary and Impressionist & Modern Actions 2010 – Present



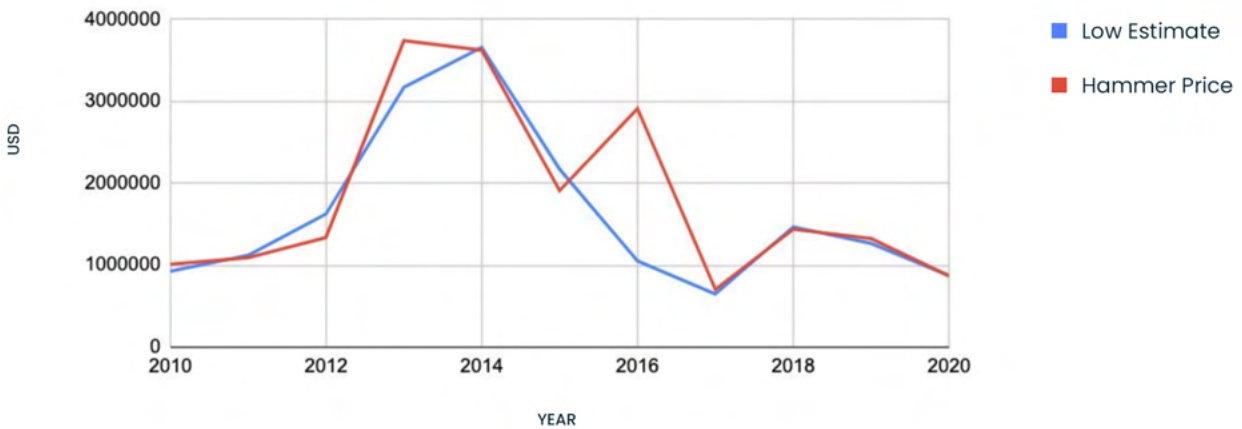
As evidenced above, works by Cecily Brown have outperformed average low hammer estimates consistently since 2017 - the start of Brown's smashing sales streak. Yet, throughout the past four years, the presence of a lot-essays in Brown's lots featured at New York auctions was not equally as consistent. The resulting performance of lots with and without essays was likewise variable, with performance generally worse for lots without essays after 2014, and until 2018. This would suggest that the presence of a lot-essay does not have great or direct bearing on the overall performance of a lot, and further emphasizes that lot length might be the most important factor to consider.

Willem de Kooning

To confirm this thinking, we similarly analyzed works by a fellow expressionist artist, and inspiration for Brown, Willem de Kooning. The price of de Kooning’s works over the last decade were reasonably higher than Brown’s, and more of his works were featured in New York auctions. Additionally, the presence of a lot-essay was more consistent than for Brown, with more lots containing essays than not, and of a greater word count, until a 2020 decline. However, the resulting performance for works by Willem de Kooning does not reflect a positive correlation to the presence of a lot, but rather, the contrary. Though close, over the course of the decade lots without essays tended to perform higher than lots with essays. This intriguing truth further solidifies the conclusion that lot-essay length does not have a predictable effect on performance.

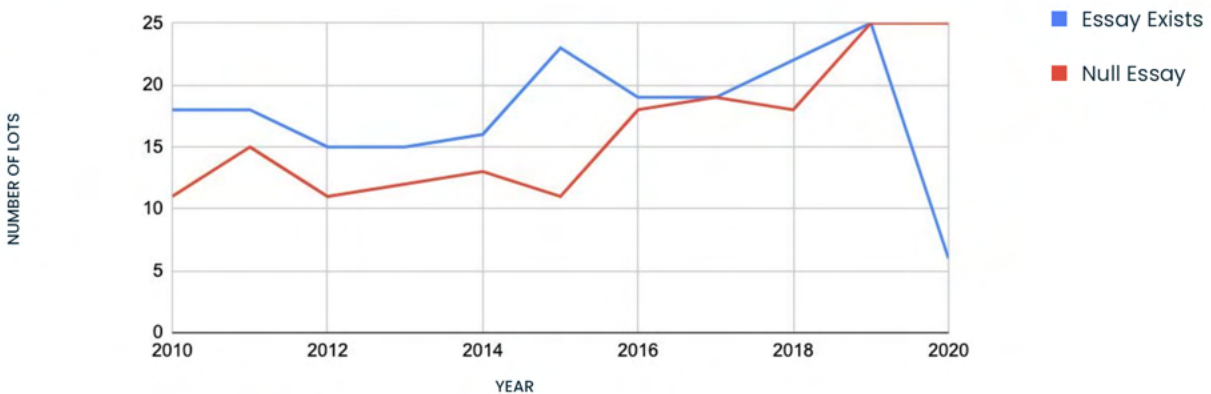
PRICING OF WORKS by Willem de Kooning

New York Post-War & Contemporary and Impressionist & Modern Actions 2010 – Present



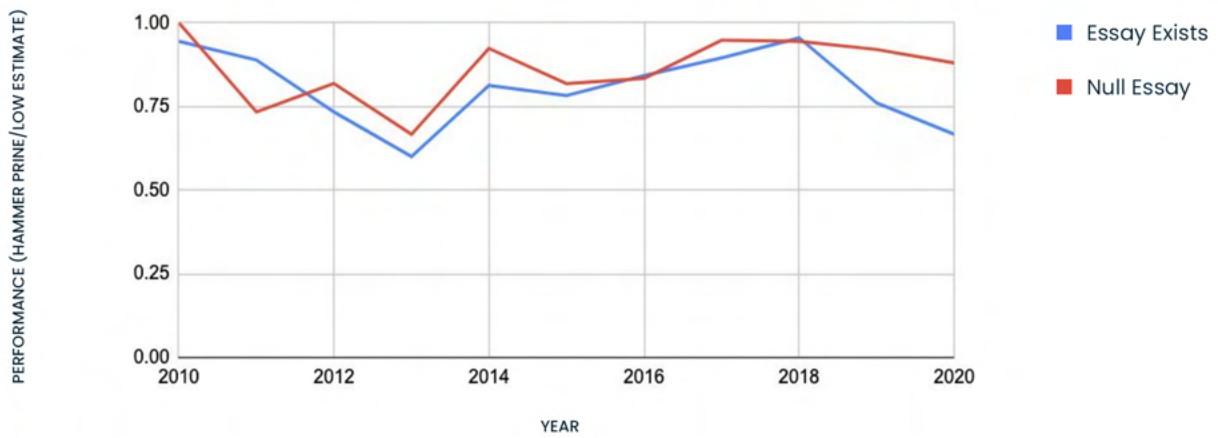
COUNT OF WORKS by Willem de Kooning Over Time

New York Post-War & Contemporary and Impressionist & Modern Actions 2010 – Present



PERFORMANCE OF WORKS by Willem de Kooning

New York Post-War & Contemporary and Impressionist & Modern Actions 2010 - Present



SOURCE: ARTHENA

CONCLUDING REMARKS

The history and structure of lot-essay has been far from linear over the later decades of the 20th century, and into the start of the 21st. While a shift in art market clientele in the 1990's drove the first direct restructuring of catalogues and corresponding lot-essays, the recent digital transformation of art auctions threaten a lot-essay's existence. Though lots with essays longer than 10,000 characters tend to correspond with higher performance for the lot, a closer look at these relationships for specific artists suggests that concrete conclusions of correlations would be unfounded. What can be concluded, is that lot-essays are simply one brushstroke in the masterpiece that is auction sales.

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FOOTNOTES

1. <https://www.nytimes.com/1996/03/06/arts/over-the-top-in-an-auction-catalogue.html>
2. https://www.christies.com/features/Auctions_That_Made_History_2-5580-1.aspx
3. Ibid.
4. https://wid.world/world/#sptinc_p99p100_z/US;FR;CN;GB/last/eu/k/p/yearly/s/false/5.084/30/curve/false/country
5. <https://www.artsy.net/article/artsy-editorial-auction-house-hyperbole-effective>
6. https://repository.tcu.edu/bitstream/handle/116099117/10402/ODonnell_Thesis_Final_pdfa.pdf?sequence=1&isAllowed=y
7. <https://www.sothebys.com/en/buy/auction/2020/contemporary-art-evening-auction/jean-michel-basquiat-untitled-head>
8. <https://www.sothebys.com/en/auctions/ecatalogue/2017/contemporary-art-evening-auction-n09761/lot.24.html>
9. Ibid.
10. <https://www.ft.com/content/05b385dc-7925-11ea-9840-1b8019d9a987>

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