Buying art online VS Buying art traditionally

Dimitra Fotopoulou

SCHOOL OF ECONOMICS, BUSINESS ADMINISTRATION & LEGAL STUDIES
A thesis submitted for the degree of
Master of Arts (MA) in Art, Law and Economy

January 2017
Thessaloniki – Greece

Student Name: Dimitra Fotopoulou

SID: 2202150003

Supervisor: Prof. Athanassios Kaissis

I hereby declare that the work submitted is mine and that where I have made use of another's work, I have attributed the sources according to the Regulations set in the Student's Handbook.

January 2017
Thessaloniki - Greece

Abstract

This dissertation was written as part of the MA in Art, Law and Economy at the International Hellenic University. The dissertation belongs to the field of Visual Arts Marketing and its main purpose is to examine certain aspects of online art buyers' behavior; although the online art market is characterized by rapid growth, it has been observed that many art consumers are reluctant to buy art online. The dissertation explores this phenomenon and proposes several methods in order to make the online art venues more attractive to consumers.

According to literature review, consumers prefer buying from brick and mortar art venues because the traditional experience cannot be duplicated in the online environment and because consumers perceive a higher level of risk online. Many authors suggest that the building of online trust is of utmost importance for the reduction of consumers' perceived risk.

The research on art buyers' behavior, conducted by the author, demonstrates that art consumers desire to see the artworks in person, something that is not possible in the online market. Another concern of consumers in relation to online purchases is that they cannot be certain about the artwork's authenticity. The results of the research, point out several important dimensions that an art e-shop should have in its website and allow us to make proposals regarding art e-shops' service provision.

Keywords: visual arts marketing, online art sales, online art market, art buyers' behavior

Dimitra Fotopoulou

16/01/2017

Preface

I was engaged in researching and writing this dissertation from September 2016 to January 2017. Since I work as an art manager, I have observed how difficult it is to bring demand and supply together in the art market and I wanted to study this issue in relation to the online art market. As I was writing the dissertation I was the curator and communication manager of the sculptor Tasos Nyfadopoulos' solo exhibition in Athens and I had the chance to observe the behavior of many potential buyers. I realized that buying an artwork constitutes a complex decision and consumers need their time to decide whether to buy or not. Many consumers desired to see the artwork twice before giving their final answer. This experience made me wonder that if it is so complex to sell an artwork in a brick and mortar gallery how possible is it to realize sales online, where the buyer cannot see the artwork in person? Thus, this experience played an important role in the structure of my research.

Additionally, the online market offers many chances to artists to be seen and reach audiences from all over the world. This is extremely important for artists from countries that don't have a developed art market and through internet they can sell their works to other markets without having to leave their country. Understanding how the art consumers perceive the online environment is essential for artists, art dealers, art managers and marketers.

I hope you enjoy your reading,

Dimitra Fotopoulou

Athens, January 16, 2017

Contents

Introduction

Nowadays, World Wide Web has become an integral part of many consumers' life who search, find and buy numerous products online. Internet has revolutionized the way business is conducted in all business sectors, including the art market. In fact, it is predicted that 90 percent of the art transactions will be conducted online and art galleries have noted that they have more online visitors than visitors passing through their doors.[1]

Selling art online offers many advantages both to artists and art dealers. They are able to reach wide audience with minimum cost and accomplish increased volume of sales.[2] Artists have the opportunity to showcase their artworks worldwide through websites that are available 24/7, which is a great promotional tool, considering that traditionally they participate in one or two exhibitions per year![3] Additionally, online art sales may contribute to less art thefts, since the artworks are kept in secure locations and are shipped only when the buyer has paid the purchase price, reducing therefore the risk of art transactions.[4]

Nevertheless, it has been observed, that from all the other sectors the art world has reluctantly expanded its business activities in the online market. The most cited reasons behind this reluctancy are the following; firstly, in the beginning the available technology allowing to have quality photos of artworks was too expensive.[5] Secondly, art galleries put emphasis in the traditional model of galleries, where the most im-

---

[1] Smith, H. L., Discenza, R., & Baker, K. G. (2005). Building sustainable success in art galleries: An exploratory study of adaptive strategies. *Journal of Small Business Strategy, 16*(2), p. 31.

[2] Clarke III, I., & Flaherty, T. B. (2002). Marketing fine art on the Internet: Issues and ideas. *International Journal of Nonprofit and Voluntary Sector Marketing*, *7*(2), p. 149.

[3] Supra note 2, p. 157.

[4] Supra note 1, p. 38.

[5] Elkins, M. (2012). *A critical account of the current paradigm for art gallery websites* (Doctoral dissertation, SOTHEBY'S INSTITUTE OF ART-NEW YORK), p. 6.

portant factor is personal relationships with the buyers and therefore conducting their business through internet was unfamiliar to them.[6]

Today, the majority of art galleries have established their presence online and there are more than 20.000 art-related websites.[7] However, despite the rapid growth of the online art market there is still a significant mass of art buyers who don't want to engage in online exchanges.[8] Thus we see the reluctancy to "go online" also from the side of the demand.

Internet's impact on the art market points out the importance to study the online art market and the online buyers' behavior. The aim of this dissertation is twofold; first the dissertation investigates the reasons that consumers are reluctant to engage in online art transactions and second it provides several proposals to improve the online experience of consumers so that they will be more willing to buy art online. It should be highlighted that the dissertation deals with the sales of original works of visual arts and of signed, fine art prints that are reproduced in a limited number.

This paper suggests that there are two main reasons that the buyers prefer offline art transactions; the first reason is that the consumers' experience of buying art traditionally cannot be presently substituted by art e-shops. Secondly, the consumer's perceived risks are higher in the online environment and therefore they prefer to buy art in traditional venues, where these risks are lower or even don't exist. To further investigate the subject of the paper and support the validity of the above arguments, the author conducted a research, consisting of two parts; one quantitative and one qualitative.

---

[6] Smith, H. L., Discenza, R., & Baker, K. G. (2005). Building sustainable success in art galleries: An exploratory study of adaptive strategies. *Journal of Small Business Strategy, 16*(2), p. 38.

[7] Clarke III, I., & Flaherty, T. B. (2002). Marketing fine art on the Internet: Issues and ideas. *International Journal of Nonprofit and Voluntary Sector Marketing*, *7*(2), p. 148.

[8] The Hiscox Online Art Trade Report 2016. Available at https://www.hiscox.co.uk/online-art-trade-report/ , p.3 (Last visit 11/12/2016).

The dissertation is divided in two parts. The first part aims to analyze the main theory in relation to the addressed issue, by reviewing the existing literature. The literature review is further divided in two subchapters; the reasons behind consumers' resistance to make online art purchases and the demonstration of methods and mechanisms that may enhance the online experience of buying art. The second part of the paper presents the research on buyer's behavior in the online art market, conducted by the author. This part also consists of two subchapters; the methodology of the research and the presentation of the results and the related proposals. Finally, in the conclusion of the dissertation we sum up the important findings of the paper, we point out the research's limitations and we make several proposals for future research.

1. Literature Review

To the author's best knowledge, the issue of online art transactions and buyer's behavior hasn't been much developed in literature. Much research has been done on the buying behavior of consumers generally in the e-market, but not specifically in the field of fine art. In this field, important contributions are that of Clarke and Flaherty (2002), Quesenberry and Sykes (2008), Elkins (2011) and Bester (2015).

Quesenberry and Sykes share the view that the traditional shopping experience is better for the consumers than the online experience and that the consumers' risks are greater online.[9] Clarke and Flaherty researched the online purchasing behavior for art of interior designers and organizational buyers. They pointed out that there is a growing market of interior designers who are willing to engage in online art transactions for their job. On the contrary, their research revealed that organizational buyers avoid online purchases due to security and quality concerns and because they believe that artworks are not well represented in the digital environment.[10] Bester conducted a qualitative research regarding the art e-market in South Africa from the point of view of art gallerists. The art gallerists put emphasis in the importance of personal contact in art transactions that cannot be substituted in the e-market. Bester also identified from his research a typology of art consumers; the auction, the online, the impulse, the discerning, the gallery experience, the overseas, the 'slow', and the investment consumer.[11] Bester's typology and Clarke's and Flaherty's findings on organizational buyers and interior designers suggest that there are several types of consumers and we shouldn't confront them in the same manner. Therefore, some types of consumers are more willing to engage in online transactions than others.

---

[9] Quesenberry, L., & Sykes, B. W. (2008). Leveraging the Internet to promote fine art: Perspectives of art patrons. *The Journal of Arts Management, Law, and Society*, *38*(2), p. 122.

[10] Clarke III, I., & Flaherty, T. B. (2002). Marketing fine art on the Internet: Issues and ideas. *International Journal of Nonprofit and Voluntary Sector Marketing*, *7*(2), p. 155.

[11] Bester, K. M. (2015). *The art of online marketing* (Doctoral dissertation), p. 99.

Elkin provided a critical approach to art galleries websites. However, he focuses on the art galleries that merely present the gallery and the artworks and don't sell online. According to, him art galleries websites do not successfully engage their audiences as they are not interactive. His research shows that the design of the gallery's website plays a key role to the experience of the visitors. Overall, the participants of the research were least engaged by cluttered websites.[12]

Additionally, the Hiscox insurance company conducted in 2016 a market research that provides significant data in the online behavior of art consumers. The research showed that although art online transactions increased by 24% from 2015, the 51% of art buyers still resists in buying art online.[13]

1.1. The reluctance to buy art online

Having presented the literature concerning specifically online art transactions, a more analytical investigation of literature aiming to shed light on the main reasons consumers are reluctant to engage in online art transactions, is provided in the section below.

1.1.1. The experience of buying art

Sherry suggested that some consumers may value higher the opportunity to have a pleasurable experience during the purchase of a product than the actual purchase of the product[14]. In other words, in some product categories the experience relating with the buying process of a product is irreplaceable for the consumers, since they have linked the acquisition of the product with this experience. Fine art products constitute a product category, where the buyers' experience is an integral part of the buying pro-

---

[12] Elkins, M. (2012). *A critical account of the current paradigm for art gallery websites* (Doctoral dissertation, SOTHEBY'S INSTITUTE OF ART-NEW YORK), p. 6, 8, 30.

[13] The Hiscox Online Art Trade Report 2016. Available at https://www.hiscox.co.uk/online-art-trade-report/ (Last visit 11/12/2016).

[14] Hassanein, K., & Head, M. (2007). Manipulating perceived social presence through the web interface and its impact on attitude towards online shopping. *International Journal of Human-Computer Studies, 65*(8), p. 704.

cess. Below we analyze the most significant dimensions of the experience of buying an artwork from a traditional venue.

- The social dimension:

For many art lovers, exhibit visits and buying works of art is a hobby that gives them great pleasure and fulfills important emotional and social needs. The visits to galleries, art fairs and auction houses constitute an important part of their social life. They have the opportunity to make acquaintances with art dealers, artists, gallerists and other art lovers.[15] The feeling that they belong to this elite group of people satisfies their social need of gaining social recognition.[16] Additionally, many art buyers desire to develop personal relationships with the gallerists and receive advice from them for their purchases.[17]

- Escapism:

Exhibit visits give the opportunity to consumers to escape from their daily routine.[18] Pieces of art can successfully lead to escapism as they are linked with "otherness". In other words, they have the power to give the feeling to the viewer that he is somewhere else, where the time is not of the essence.[19] Consequently, many art consumers desire to buy artworks from traditional venues in order to escape from the routine of their daily life.

---

[15] Colbert, F. (2003). Entrepreneurship and Leadership in Marketing the Arts. *International Journal of Arts Management, 6*(1), p. 35.

[16] Chen, Y. (2009). Possession and access: Consumer desires and value perceptions regarding contemporary art collection and exhibit visits. *Journal of Consumer Research, 35(*6), p.930.

[17] Bester, K. M. (2015). *The art of online marketing* (Doctoral dissertation), p.77.

[18] Slater, A. (2007). Escaping to the gallery': understanding the motivations of visitors to galleries. *International Journal of Nonprofit and Voluntary Sector Marketing, 12*, p.159.

[19] Supra note 16.

- The sensory dimension:

Many art buyers want to physically see the quality of the artwork before the purchase, as we will explain later in the paper.[20] However, seeing physically a piece of art isn't only important for the quality check, but it is also a unique sensory experience. During the physical encounter of an artwork the viewer walks around it, explores it from different angles, sees its texture and different layers. In some occasions the viewer may even touch the artwork. Seeing the artwork in its real size from a close distance is overall an experience that awakens the viewer's emotions. This experience may be so strong that it can alter the opinion of someone for a piece of art.[21] Many art buyers cannot imagine buying an artwork without this experience. They want to be able to walk around a gallery, see the artworks and decide to buy the one that "speaks" to them.[22]

As a consequence, the experience of buying art is closely related with the visit of traditional art venues. This paper suggests that one of the main reasons art consumers prefer offline transactions to online, is that the dimensions described above are important to them and they cannot be transferred in the online environment.

In fact, previous research confirms the above suggestion. According to Quensebbery and Sykes collectors prefer the experience of visiting physical galleries.[23] Mäkinen's research shows that seeing physically the artworks is always more impressive than see-

---

[20] The Hiscox Online Art Trade Report 2016. Available at https://www.hiscox.co.uk/online-art-trade-report/ (Last visit 11/12/2016), p. 13.

[21] Bradshaw A., Kerrigan F. & Holbrook M. (2010). Challenging Conventions in Arts Marketing: Experiencing the Skull. *O'Reilly, D., & Kerrigan, F. (Eds.). Marketing the arts: A fresh approach.* Routledge, p. 14-15.

[22] Bester, K. M. (2015). *The art of online marketing* (Doctoral dissertation), p. 76.

[23] Quesenberry, L., & Sykes, B. W. (2008). Leveraging the Internet to promote fine art: Perspectives of art patrons. *The Journal of Arts Management, Law, and Society*, *38*(2), p. 122.

ing them digitally from a screen.[24] Furthermore, the social dimension of buying art-works is very hard to be transferred online. E-purchases are generally characterized by impersonal and automated transactions. Consequently, they lack the warmth of face to face contacts and it is harder to build a relationship between the seller and the buyer.[25] Moreover, many e-galleries don't have sufficient contact information (names, email addresses) and that makes them even more impersonal.[26] We should also mention that the anonymity that governs e-transactions is not always desirable to the art buyers.[27] Indeed, there are people who collect art because they want to prove their high cultural level and get social recognition.[28]

Apparently, the sensory experience of encountering the physical artwork cannot be copied, at least in the present time. Several publications in online marketing literature have documented that the inability to provide to consumers the feeling and touching of the products has a negative impact on the development of e-commerce.[29] Accordingly, other publications indicate that this also applies in the online art market.[30]

---

[24] Mäkinen, H. (2009). Web sites as new communications devices in the arts field. *Kaskinen, J., Saarimaa, R. (Eds.). Culture as innovation: The search for creative power in economies.* Turku: Finland Futures Research Centre, Turku School of Economics, p. 51.

[25] Hassanein, K., & Head, M. (2007). Manipulating perceived social presence through the web interface and its impact on attitude towards online shopping. *International Journal of Human-Computer Studies, 65*(8), p. 689.

[26] Elkins, M. (2012). *A critical account of the current paradigm for art gallery websites* (Doctoral dissertation, SOTHEBY'S INSTITUTE OF ART-NEW YORK), p. 28.

[27] Quesenberry, L., & Sykes, B. W. (2008). Leveraging the Internet to promote fine art: Perspectives of art patrons. *The Journal of Arts Management, Law, and Society*, *38*(2), p. 131.

[28] Freeland, C. A. (2001). *But is it art?: An introduction to art theory*. Oxford University Press, USA, p. 80.

[29] Insley, V., & Nunan, D. (2014). Gamification and the online retail experience. *International Journal of Retail & Distribution Management, 42*(5), p. 348.
See also: Jiang, Z., & Benbasat, I. (2004). Virtual product experience: Effects of visual and functional control of products on perceived diagnosticity and flow in electronic shopping. *Journal of Management Information Systems, 21*(3), p. 111.

1.1.2. Consumers' perceived risk and online transactions

According to Shiffman et al. one of the main reasons of consumers' hesitation to engage in online transactions is the high level of perceived risk.[31] The perceived risk refers to the consumer's uncertainty when he cannot control the consequences of his buying decisions. In other words, perceived risk is associated with the expectation of loss if the consequences of a purchase are unfavorable.[32] Within the marketing literature we find many different typologies of perceived risks. In this paper, we will focus on the types of risks relevant to online transactions of art. Two types of risk are associated mostly with online purchases in literature; the financial risk and the privacy risk.

Quenssenberry and Sykes define financial risk as the fear of consumers to face financial loss due to a transaction.[33] The fear of financial loss may be expressed in two ways. First, a consumer may be afraid of financial fraud, in the sense that he may be robbed. Secondly, according to Schiffman and Kanuk a consumer may face this kind of loss if he realizes that the product didn't deserve the money he gave.[34] In relation to online transactions the risk of financial loss is attributed mainly to the first reason.[35]

Privacy risk refers to the fear of consumers that someone may steal their personal information. This type of risk is related to online transactions, as in the online environment consumers feel that they don't control the use of the information they provide. Privacy risk is also stated as one important barrier for the development of the online

[30] Bester, K. M. (2015). *The art of online marketing* (Doctoral dissertation), p. 69.

[31] Bester, K. M. (2015). *The art of online marketing* (Doctoral dissertation), p. 36.

[32] Σιώμκος, Γ., Ι. (2002). *Συμπεριφορά Καταναλωτή & Στρατηγική Μάρκετινγκ.* Β' έκδοση, Εκδόσεις Αθ. Σταμούλης, p. 148.

[33] Quesenberry, L., & Sykes, B. W. (2008). Leveraging the Internet to promote fine art: Perspectives of art patrons. *The Journal of Arts Management, Law, and Society*, *38*(2), p.128.

[34] Supra note 32.

[35] Hoffman, D. L., Novak, T. P., & Peralta, M. (1999). Building consumer trust online. *Communications of the ACM*, *42*(4), p.81.

market.[36] Nevertheless, we should notice that the technology to provide secure transactions has made huge steps and recent researches show that consumers' financial risk and privacy concerns have been significantly reduced.[37]

Apart from the above risks, Quensebbery and Sykes refer to the social risk that consumers perceive especially when they buy art online. In general, social risk is defined as the fear of the consumer that his social circle won't approve his purchase decision.[38] The aforementioned authors' research suggests that it is not approved by the art-world to buy exclusively art from online venues and not participating in the art society. Art collectors interpret as well the social risk of buying art online, as the risk to lose the social interaction with the art society.[39]

Factors affecting consumers' perceived risk in online transactions

To begin with, the characteristics of the online environment are such that produce more risk to consumers. The fact that there is no face to face contact during the transactions increases the perceived risk.[40] Furthermore, the lack of control that consumers feel in relation to e-purchases reduces the level of trust and on the same time increases their insecurity.[41] The lack of trust is immediately converted to higher perceived

---

[36] Hoffman, D. L., Novak, T. P., & Peralta, M. (1999). Building consumer trust online. *Communications of the ACM*, *42*(4), p.81.

[37] Quesenberry, L., & Sykes, B. W. (2008). Leveraging the Internet to promote fine art: Perspectives of art patrons. *The Journal of Arts Management, Law, and Society*, *38*(2), p.129.

[38] Colbert, F. (2003). Entrepreneurship and leadership in marketing the arts. *International Journal of Arts Management*, p. 36.

[39] Supra note 37, p.137.

[40] Constantinides, E. (2004). Influencing the online consumer's behavior: The web experience. *Internet Research, 14*(2), p. 118.

[41] Lee, P. M. (2002). Behavioral model of online purchasers in e-commerce environment. *Electronic Commerce Research*, *2*(1-2), p.77.

risk. Additionally, the time asymmetry between the e-purchase of a product and its delivery to the consumer also increases the level of risk.[42]

On the other hand, since the above characteristics don't exist in the traditional markets, consumers feel safer to buy products from brick and mortar shops. In fact, when the perceived risk of a transaction is very high the consumer prefers to search for an alternative with a lower level of risk.[43] In our case the alternatives to art consumers are brick and mortar art venues.

1.1.3. The particularities of art transactions

Works of fine art are not alike other commodities but they present certain particularities that should be underlined. Firstly, they carry symbolic and aesthetic value that creates an emotional appeal to art consumers.[44] For instance, many art collectors are emotionally attached to their collections and carefully handpick their next acquisitions. Secondly, the prices of works of art are usually very high. Thirdly, many art consumers buy art as an investment, they employ art advisors to help them choose the artworks that have greater possibilities to appreciate and they carefully study the art market.[45] Additionally, buying a work of art carries great inherent risk as it is analyzed below:

- The financial risk of buying pieces of art

Collectors may be profited by selling artworks of their collections. Nonetheless, art is not a particularly liquid investment, in the sense that it is difficult to find a buyer and it takes time for an artwork to appreciate.[46] Additionally, collectors who have invested in

---

[42] Salam, A. F., Rao, H. R., & Pegels, C. C. (2003). Consumer-perceived risk in e-commerce transactions. *Communications of the ACM*, *46*(12), p. 327.

[43] Harridge-March, S. (2006). Can the building of trust overcome consumer perceived risk online?. *Marketing Intelligence & Planning*, *24*(7), p.748.

[44] Bester, K. M. (2015). *The art of online marketing* (Doctoral dissertation), p. 26.

[45] Mei, J., & Moses, M. (2002). Art as an investment and the underperformance of masterpieces. *The American Economic Review, 92*(5), p. 1669.

[46] Duboff, L., King, C. (2006). *Art Law in a nutshell* - fourth edition. Thomson, p. 41.

artworks that appreciate in time are not the usual case as in reality most artworks de-crease in value.[47]

- The legal risk of buying pieces of art

Apart from the financial risk, art buyers also face legal risk. They may buy stolen art-works even without knowing it and may be found in courts trying to prove that they weren't involved in an illegal act. In some jurisdictions, even when a buyer is proved to be a good faith purchaser the artwork must be returned to the legitimate owner.[48] Fortunately, the 1995 UNIDROIT Convention, provides for compensation to the good faith purchaser.[49] However, even if the buyer gets compensation he loses the object and the litigation to courts is a time consuming procedure that may also harm the rep-utation of a famous collector.[50] We should also mention that art buyers can be found in the unpleasant situation to buy a fake artwork.[51] In that case, bringing an action to courts against the seller of the artwork is again time and money costly.

Consequently, choosing an artwork can be a complicated task that needs time and thorough study. Art buyers cannot make harsh decisions but on the contrary their de-cision-making process is rather complex and extensive.[52] Another notion associated with the buying behavior of art consumers is the *level of involvement*. The level of in-volvement represents the importance of a product to the consumer. Consumers tend to be more motivated in devoting more time and effort during the buying process of

---

[47] Merryman, J. H., & Elsen, A. E. (2002). *Law, Ethics, and the Visual Arts*. 5th ed. Kluwer law international, p. 605.

[48] DeMott, D. A. (2012). Artful good faith: an essay on law, custom, and intermediaries in art markets. *Duke Law Journal, 62*, p. 608.

[49] UNIDROIT CONVENTION ON STOLEN OR ILLEGALLY EXPORTED CULTURAL OBJECTS (Rome, 24 June 1995), Art. 4(1).

[50] Stamatoudi, I. A. (2011). *Cultural property law and restitution: a commentary to internation-al conventions and European Union law*. IHC Series in Heritage Management, p.190-191.

[51] Duboff, L., King, C. (2006). *Art Law in a nutshell* - fourth edition. Thomson, p. 58.

[52] Bester, K. M. (2015). *The art of online marketing* (Doctoral dissertation), p.34.

high-involvement products. According to Kapferer and Laurent, products of high involvement have the following characteristics[53]:

- They are products of high pleasure and symbolic value
- They are closely related with the self-identification of the consumer
- The importance of the perceived risk of buying the products is high (risk importance)
- The possibility of making a purchase error is high

Having examined certain particularities of works of art, we may draw the conclusion that they constitute products of high-involvement. Consequently, art consumers try to select as much information as possible before the purchase of an artwork, in order to minimize the possibility of making a bad purchase.[54]

Undoubtedly, Internet allows consumers to have access to valuable information. They can search for artworks from all over the world and easily compare artworks from one e-shop to another.[55] Nonetheless, evaluating the artwork, its condition and its legitimacy in person is essential for many art consumers in order to proceed with a purchase. In fact, previous studies on art consumers' behavior indicate that they are reluctant to buy art online because they cannot judge the quality of the artwork from a picture.[56]

Therefore, though consumers may find information online easily and faster, e-shops cannot satisfy their need to evaluate the works from a close distance.[57]

---

[53] Laurent, G., & Kapferer, J. N. (1985). Measuring consumer involvement profiles. *Journal of marketing research*, p.41.

[54] Bester, K. M. (2015). *The art of online marketing* (Doctoral dissertation), p.96.

[55] Lee, P. M. (2002). Behavioral model of online purchasers in e-commerce environment. *Electronic Commerce Research*, *2*(1-2), p. 77.

[56] Clarke III, I., & Flaherty, T. B. (2002). Marketing fine art on the Internet: Issues and ideas. *International Journal of Nonprofit and Voluntary Sector Marketing*, *7*(2), p 155.

[57] Smith, H. L., Discenza, R., & Baker, K. G. (2005). Building sustainable success in art galleries: An exploratory study of adaptive strategies. *Journal of Small Business Strategy, 16*(2), p. 38.

1.2. Enhancing the online experience of buying art

Having presented the main reasons of art buyer's reluctance towards the online acquisition of art, it remains to elaborate mechanisms that will reduce their perceived risk and make the online experience more attractive to them.

1.2.1. Building Trust

As we show in the previous chapter one of the main reasons consumers don't want to buy art online is the high perceived risk of the online environment. Previous studies indicate that the building of trust towards the vendor is a necessary step to reduce the perceived risk.[58] The most widespread definition of trust in literature describes trust as the willingness of one party to become vulnerable concerning actions taken by the trusted party, due to the conviction that the trusted party won't take advantage of its vulnerability.[59] As we have already explained, opposite to traditional markets, in virtual markets the customer has minimum control over the vendor's actions and thus the need to trust the online vendor is even more intense.[60] As a matter of fact, Lee and Constantinides refer to the building of trust as a new step of the online buying process, in the sense that it is fundamental for an online business to build trust and confidence among its customers.[61] According to Khamalah and Suntornpithug, not only trust re-

---

[58] Constantinides, E. (2004). Influencing the online consumer's behavior: The web experience. *Internetv Research, 14*(2), p. 118.

See also: Mitchell, W. V. (1999). Consumer perceived risk: conceptualisations and models. *European Journal of Marketing, 33*(1), p. 174.

Pitta, D., Franzak, F., & Fowler, D. (2006). A strategic approach to building online customer loyalty: integrating customer profitability tiers*. Journal of consumer marketing, 23*(7), p. 422

[59] Gefen, D. (2002). Customer Loyalty in E-Commerce. *Journal of the Association for Information Systems, 3*, p. 30.

[60] Supra note 59.

[61] Supra note 58, p. 112.

See also: Lee, P. M. (2002). Behavioral model of online purchasers in e-commerce environment. *Electronic Commerce Research, 2*(1-2), p.81.

duces the perceived risk but it also directly affects the purchase intention of customers.[62]

Below we analyze the main mechanisms for building online trust:

- Website Design and Functionality

Many studies show that the website design is one of the most determinant factors for building trust and confidence.[63] In general, well organized websites with sufficient and clear information inspire more confidence than cluttered websites where one cannot find what he is looking for.[64] Additionally, it is essential that the website doesn't have links that direct to error pages or have time intervals that it is down.[65] The ordering and payment procedure should be easy, clear and fast. If the e-shop has also physical presence it is useful to have photos of it, as it enhances the credibility of the e-shop.[66]

- Information provided in the website

The clearer the information of a website is, the easier is to reduce the uncertainty of a consumer. Information about the company, its foundation, stuff, vision must be visible as it confers validity to the e-shop.[67] Guarantees and return policies are also very im-

---

[62] Suntornpithug, N., & Khamalah, J. (2010). MACHINE AND PERSON INTERACTIVITY: THE DRIVING FORCES BEHIND INFLUENCES ON CONSUMERS'WILLINGNESS TO PURCHASE ONLINE. *Journal of Electronic Commerce Research, 11*(4), p. 302.

[63] Constantinides, E. (2004). Influencing the online consumer's behavior: The web experience. *Internetv Research, Vol. 14*(2), p.120

See also: Pitta, D., Franzak, F., & Fowler, D. (2006). A strategic approach to building online customer loyalty: integrating customer profitability tiers. *Journal of consumer marketing, 23*(7), p.425.

[64] Elkins, M. (2012). *A critical account of the current paradigm for art gallery websites* (Doctoral dissertation, SOTHEBY'S INSTITUTE OF ART-NEW YORK), p. 46.

[65] Supra note 63, p. 113.

[66] Bester, K. M. (2015). *The art of online marketing* (Doctoral dissertation), p. 109.

[67] Supra note 66, p. 44.

portant as they contribute in the reduction of the financial risk.[68] Moreover, information about the artist and the authenticity of the artworks should accompany all artworks. A "Frequently Ask Questions" section is also very helpful as the less unanswered questions the consumer has, the more confident will be. Last but not least, in relation to the contact information it is preferred to have names and email addresses of the personnel than simple having a single email or a contact form. This suggests that behind the impersonal e-shop there are people whom the customer may ask for help.[69]

- Service Quality

The term service quality covers the difference between the consumer's expectation for a specific service and the service he actual gets. We may say that a service has good quality when the delivered service is up to or above the expectation of the consumer.[70] The model SERVQUAL is widely used for the measurement of service quality and it consists of five dimensions that influence consumers' perceptions on the delivered service; tangibles, responsiveness, reliability, assurance and empathy.[71] Gefen's research on service quality in e-commerce shows that from these dimensions, responsiveness, reliability and assurance increase the level of consumer trust.[72] Responsive-

---

[68] Lee, P. M. (2002). Behavioral model of online purchasers in e-commerce environment. *Electronic Commerce Research*, *2*(1-2), p. 83.

[69] Elkins, M. (2012). *A critical account of the current paradigm for art gallery websites* (Doctoral dissertation, SOTHEBY'S INSTITUTE OF ART-NEW YORK), p. 28.

[70] Wilson, A., Zeithaml, V. A., Bitner, M. J., & Gremler, D. D. (2012). *Services marketing: Integrating customer focus across the firm*. McGraw Hill, p. 51.

[71] Kassim, N., & Asiah Abdullah, N. (2010). The effect of perceived service quality dimensions on customer satisfaction, trust, and loyalty in e-commerce settings: A cross cultural analysis. *Asia Pacific Journal of Marketing and Logistics, 22*(3), p.353

[72] Gefen, D. (2002). Customer Loyalty in E-Commerce. *Journal of the Association for Information Systems, 3*, p. 41.

ness relates to the promptness and assistance of the e-shop. Reliability is to offer the promised service on time and assurance is to inspire trust and confidence.[73]

Therefore, customer service that answers on time to consumers' requests is necessary. The ideal help desk is to offer to consumers the opportunity to have live chat with a service assistant.[74] Also, many e-shops have a "call you back" system, where the consumer gives his number and he receives almost immediately a call from the customer service. However, these choices are not always applicable due to their high cost. Especially in cases of e-shops that operate internationally it is difficult to have available personnel 24/7. So, if these options are not possible, the e-shop has to daily check consumers' emails and reply as soon as possible.[75]

In order to deliver the promised service on time an e-shop needs to track its stock and update any changes in the availability of products constantly.[76] In case of fine art sales, most of the times each peace is unique, so the system must automatically put out of sale an artwork once it is sold. To accomplish fast delivery, the e-shop administrator should be automatically informed for new orders through email alert in his mobile phone.

Other factors of the service provision that increase trust is to have alternative payment and delivery options and offer order tracking system to the consumers.[77]

---

[73] Wilson, A., Zeithaml, V. A., Bitner, M. J., & Gremler, D. D. (2012). *Services marketing: Integrating customer focus across the firm*. McGraw Hill, p. 79.

[74] Ogonowski A., Montandon A., Botha E., Reyneke M. (2014). Should new online stores invest in social presence elements? The effect of social presence on initial trust formation. *Journal of Retailing and Consumer Services 21*, p. 483.

[75] Srinivasan, S. S., Anderson, R., & Ponnavolu, K. (2002). Customer loyalty in e-commerce: an exploration of its antecedents and consequences. *Journal of retailing, 78*(1), p. 42.

[76] Bester, K. M. (2015). *The art of online marketing* (Doctoral dissertation), p. 74.

[77] Constantinides, E. (2004). Influencing the online consumer's behavior: The web experience. *Internetv Research, 14*(2), p. 119.

Of course, by following the above the e-shop won't only inspire trust to consumers but also will have many strong points that will provide it a competitive advantage towards other e-shops.

1.2.2. Transferring the experience of buying art in the online environment

As we have already mentioned, it appears that consumers prefer brick and mortar galleries for art purchases because they enjoy a more satisfactory experience. Consequently, to increase the online art sales we should try to transfer the desired elements of this experience in the digital shops. Below we analyze the key-methods to succeed that.

- Virtual Reality mechanisms

Virtual reality technologies may give the impression to the visitor of an e-shop that he is actually in a physical art gallery. This feeling of "being there" is referred in literature as "physical telepresence".[78] Succeeding high levels of physical telepresence means that the digital experience is close to the actual experience. There are many ways that an e-shop may incorporate virtual reality in its website.

An e-gallery for instance, may be represented totally as a virtual gallery, where the visitor walks around the artworks and stops to the artwork he chooses. Although this gallery representation seems impressive it also has some drawbacks. Firstly, it is very expensive for an e-shop to build a complete virtual environment.[79] Secondly, if the downloading speed of the virtual gallery is slow, it may discourage the consumers to visit the e-shop.[80] Furthermore, according to recent studies, the website should give the option to the visitor to choose whether he wants to be transferred to a virtual environment or

---

[78] Jiang, Z., & Benbasat, I. (2004). Virtual product experience: Effects of visual and functional control of products on perceived diagnosticity and flow in electronic shopping. *Journal of Management Information Systems, 21*(3), p. 115.

[79] Bester, K. M. (2015). *The art of online marketing* (Doctoral dissertation), p. 75.

[80] Clarke III, I., & Flaherty, T. B. (2002). Marketing fine art on the Internet: Issues and ideas. *International Journal of Nonprofit and Voluntary Sector Marketing, 7*(2), p. 157-158.

not. In other words, the website shouldn't be solely a simulation of a physical store as this may disturb the ease of navigation of the visitor.[81]

As the virtual environment is difficult and costly to implement, many art e-shops give the ability to the visitor to see the artwork he chooses in a virtual wall. Depending the design of the virtual room, the visitor may change the color of the wall and the floor, choose among several furniture to be shown next to the artwork or choose among different frames for paintings. By this way, the visitor understands better the size of the artwork and sees whether the artwork is suitable to his home/office.[82]

Another mechanism that allows visitors to judge the quality of artworks even from a digital screen is software that enables visual control. By visual control, we refer to the virtual reality technology that allows the visitor to zoom in, zoom out and rotate images.[83] This interactive 3d representation of artworks enables consumers to see the detail in an artwork and is very helpful for sculptures. If the quality of images is very high, the consumer will be able to see the texture of the artwork and notice details that is difficult to see even when you physically see the artwork. Jiang's and Benbasat's study shows that visual control has a positive effect to consumers' perceived diagnosticity. Perceived diagnosticity is the degree to which the consumer perceives that the shopping experience is helpful for the evaluation of a product.[84] If the consumer feels that a process is helpful in making the right purchase decision, he will be more inclined to use this process again.

---

[81] Jiang, Z., & Benbasat, I. (2004). Virtual product experience: Effects of visual and functional control of products on perceived diagnosticity and flow in electronic shopping. *Journal of Management Information Systems, 21*(3), p. 112.

[82] Bester, K. M. (2015). *The art of online marketing* (Doctoral dissertation), p. 89.

[83] Supra note 81, p. 111.

[84] Supra note 81, p. 134.

Finally, all virtual reality mechanisms introduce interactive elements in the consumer's experience. High interactivity also leads to increased physical telepresence.[85] The consumer may be transferred in another environment and forget the passage of time, making his shopping experience an enjoyable escape opportunity.[86]

- Social Telepresence

Social telepresence is the impression of internet users that despite of being alone in front of a screen they are close to other people.[87] To put it in another way, social telepresence describes the sense of human contact and warmth created by a website. As we have already explained, art consumers desire to visit brick and mortar venues for their art purchases in order to satisfy important social needs. The human contact is an integral part of their experience. Consequently, building a socially rich e-shop is necessary to cover somehow this need and make art consumers more favorable towards online buying.

In addition, Hassanein and Head have demonstrated that high levels of social telepresence lead to increased trust and enjoyment of the shopping experience.[88] To give the feeling of human contact e-shops may include text and images rich in social content, audio and video with people, chatrooms, virtual communities, social media links, users' reviews and comments, online assistants (avatars). Also, customizable service, e.g. personalized greetings, a thank-you email after sales, special treatment for certain consumers, give the impression of social telepresence.[89]

---

[85] Suntornpithug, N., & Khamalah, J. (2010). MACHINE AND PERSON INTERACTIVITY: THE DRIVING FORCES BEHIND INFLUENCES ON CONSUMERS'WILLINGNESS TO PURCHASE ONLINE. *Journal of Electronic Commerce Research, 11*(4), p. 302.

[86] Supra note 85, p. 303.

[87] Hassanein, K., & Head, M. (2007). Manipulating perceived social presence through the web interface and its impact on attitude towards online shopping. *International Journal of Human-Computer Studies, 65*(8), p. 689.

[88] Supra note 87.

[89] Bester, K. M. (2015). *The art of online marketing* (Doctoral dissertation), p. 110.

Avatars constitute the most extreme way to duplicate the human element in an e-shop. Recent studies indicate that the use of avatars increase the users' engagement and social interaction. However, it is underlined that the consumer should be able to choose whether to use an avatar or not and choose how he wants to interact with the avatar.[90] Overall, art e-shops should encourage by any means social interaction and communication, either it is a customer to customer interaction or it is a costumer to company's personnel interaction.[91]

- Gamification

The notion gamification describes the introduction of game mechanisms to non-game environments such us virtual markets with the purpose to engage users and offer them an entertaining experience.[92] Characteristic examples of gamification are the following; game quiz to win discounts, rewards, competitions, user's profile and status. For instance, an online art market could have an art-related quiz that offers free shipping or free framing to the winners. Another example could be to have collector's profiles and reward with a prize the collector of the year. The latter example could satisfy art collector's need to achieve prestige and social recognition through their collections. These mechanisms not only engage consumers but also may cover their need of escap-

---

See also: Hassanein, K., & Head, M. (2007). Manipulating perceived social presence through the web interface and its impact on attitude towards online shopping. *International Journal of Human-Computer Studies, 65*(8), p. 690, 705.

Ogonowski A., Montandon A., Botha E., Reyneke M. (2014). Should new online stores invest in social presence elements? The effect of social presence on initial trust formation. *Journal of Retailing and Consumer Services 21*, p. 489.

[90] McGoldrick, P. J., Keeling, K. A., & Beatty, S. F. (2008). A typology of roles for avatars in online retailing. *Journal of Marketing Management*, *24*(3-4), p. 434, 450.

[91] Suntornpithug, N., & Khamalah, J. (2010). MACHINE AND PERSON INTERACTIVITY: THE DRIVING FORCES BEHIND INFLUENCES ON CONSUMERS'WILLINGNESS TO PURCHASE ONLINE. *Journal of Electronic Commerce Research, 11*(4), p. 314.

[92] Insley, V., & Nunan, D. (2014). Gamification and the online retail experience. *International Journal of Retail & Distribution Management, 42*(5), p. 2, 5.

ism from daily routine.[93] Once again, it is stressed that the website should give the option to users to accept or deny the gamification.

---

[93] Insley, V., & Nunan, D. (2014). Gamification and the online retail experience. *International Journal of Retail & Distribution Management, 42*(5), p. 7, 23.

2. Research on buyer's behavior in the online art market

The main aim of the research is to define elements that characterize art consumers' buying experience, to determine what they fear mostly in online transactions and how they perceive the online experience in relation to the offline. To be more precise, through this research we try to test the theory presented in the previous chapter and answer the following research questions:

- Do art consumers prefer the offline experience of buying art and if yes why?

- Are they reluctant to buy art online? If yes, what do they fear mostly?

- What is important for them when they buy art online?

- What mechanisms may be used to offer an improved online buying experience?

Additionally, through the research we will examine the validity of the two arguments presented in the previous chapter, i.e. that the consumers are reluctant to buy art online because the perceived risks are higher in the online environment and they prefer the traditional experience.

2.1. Methodology

The research is divided in two parts, one quantitative and one qualitative. The quantitative part constitutes of an online questionnaire research and the qualitative of three in-depth interviews. The respondents of the questionnaire research are art consumers, while the participants of the interviews are directors of art e-shops. This approach was followed in order to collect data from both sides and get a better idea of how the online art market works. Furthermore, the combination of these two types of research allows us to benefit from the advantages of both types.[94]

---

[94] Σιώμκος, Γ., Ι., Μαύρος, Δ., Α. (2008). *Έρευνα Αγοράς*. Εκδόσεις Αθ. Σταμούλης, p. 32.

2.1.1. Questionnaire Research

To pretest the questionnaire, three people, who are relevant with the art market, participated in it. As a result of their feedback, the initial form of the questionnaire changed and was given back to them for a second pretest. The final form of the questionnaire became thus more clear and concise. The completion time of the questionnaire was measured approximately at 6 minutes. The questionnaire was formed by using the online platform of Polldaddy.com.

The questionnaire consists of 19 questions.[95] Out of the 19 questions, 17 are multiple choice and the other two are Likert scale questions with five scales. The four last questions concern demographics. In most multiple-choice questions, multiple answers were allowed and the respondents could also make a comment.

The target audience of the questionnaire research was adult people who buy art online or visit online art venues. This group has been selected in order to collect answers only from people who have visited online art e-shops. People who have never visited an online art venue were excluded as they couldn't express their opinion regarding the online experience. There was no limitation regarding the nationality, gender and education of the sample. Answers were collected both from people who have bought art online and people who haven't. This allowed on one hand to get a feedback on buyers' experience and on the other hand to explore the reasons for which the non-buyers haven't make a purchase yet.

In order to find respondents three distinct approaches were followed. Firstly, an email was sent to 83 companies that sell fine art online, requesting them to send the link of the survey to their email subscribers or post it on their social media pages.[96] The companies were informed for the academic purposes of the survey and promised that they will be mentioned in the acknowledgements of the dissertation. The author of this paper personally developed the list of the companies. Unfortunately, the response rate

---

[95] The questions of the questionnaire and the in-depth interviews are based in other relevant researches and personal experience in the art market.

[96] The email sent to the companies can be found in the appendix of the paper.

of the companies was very low, as only four accepted my proposal. These four posted the link on their social media pages but didn't email the survey to their clients.

Secondly, the author posted the link of the questionnaire on 8 art forums and fully informed the readers regarding the dissertation. Of the survey respondents, 18,5% found the questionnaire on these forums.

Thirdly, the author posted the link of the questionnaire and information about the survey on 60 art related group pages on Facebook. This approach proved to be the most effective as 65,7% of the respondents were from these group pages.

2.1.2. In-Depth Interviews

For the in-depth interviews three online art companies were approached, based at Australia, United Kingdom and Greece. The two of them requested to keep their anonymity and therefore we will call them "A" and "B" from now on. The other one is a Greek based company named "eshop – art.gr" and the interviewee is Mr. Michalis Sarris, the director of the e-shop. These three companies were chosen from the list of companies described above due to the following reasons:

- They are all based in different markets

- They have a different approach in relation to their physical existence

The "eshop – art.gr" has also a physical gallery under the name "Peri Technis", and thus the web visitors have the opportunity to see the artworks physically. The other two companies don't have a physical gallery.

- They have a different approach in relation to sales

The visitor of the "B" company's website cannot directly purchase an artwork but must make an inquire first. In the other two sites an option "Buy now" is available.

- They don't all sell the same medium

The "eshop – art.gr" sells both original paintings and paintings reproduced on canvas. It also sells decorative art. The "A" company only sells original paintings and fine art

prints of limited edition. The "B" company sells original paintings, sculptures and in-stallations.

- The directors of the companies were keen on this dissertation and willing to contribute to the survey

The main structure of the interview was the same for the three interviewees but some questions were added in relation to their particularities.[97] The interview constituted of open-ended questions and its format was semi structured. According to Siomkos semi structure interviews contribute in having a better flow in the conversation and the in-terviewee is more spontaneous.[98] The in-depth interviews with "A" and "B" companies were conducted through Skype, while the one with Mr. Sarris was conducted in his physical gallery. All interviews were recorded with the permission of the interview-ees.[99] As far as the duration of the interviews is concerned the interviews with Mr. Sar-ris and "A" company lasted 30 minutes and with "B" company 15 minutes.

2.2. Research's Results

In this section, we will present and analyze the results of the quantitative and the qual-itative research.

2.2.1. Results of the Questionnaire research

Finding respondents for the questionnaire research proved to be a difficult task, 70 people participated in the survey after a lot of personal effort. Interestingly, the survey had participants from 20 countries with United States gathering 41% of the respond-ents. The other countries were Canada, United Kingdom, Australia, Greece, Nether-lands, Belgium, Switzerland, Italy, India, South Africa, Thailand, Japan, Bulgaria, France, Finland, Spain, Germany and Zambia, that gathered all together 59% of the respond-

---

[97] The main structure of the interview can be found in the appendix of the dissertation.

[98] Σιώμκος, Γ., Ι., Μαύρος, Δ., Α. (2008). *Έρευνα Αγοράς*. Εκδόσεις Αθ. Σταμούλης, p. 188.

[99] The interview with Mr. Sarris can be found in the appendix. The other two interviewees re-quested not to publish their full answers.

ents. Of the respondents, 53% were men and 48% were women. Almost the half of them were over 50 years old (46%), a lot of them were between 31 and 50 years old (39%) and only a few were between 18 and 30 years old (14%). The education level of the respondents can be characterized as high, as 39% have a master's degree, 26% have attended a college, 16% are undergraduates and 6% have a Phd, while only 13% are high school graduates.

The collected data will be analyzed using descriptive statistics. The questions analyzed are divided in two groups; those concerning generally the participants' buying behavior of art and those concerning online art purchases.[100] Due to the limited size of the dissertation only the questions with the most interesting findings will be presented.[101]

- *1st group of Questions - Participants' General Buying Behavior of Art*

Question No 1: "Would you characterize yourself an art collector?"

In this question, 63% of the respondents answered affirmatively, meaning that the majority of the participants are art collectors.

---

[100] The distribution of the questions to the abovementioned groups was not presented to the participants of the survey, we only refer to this division, in order to present clearly the results.

[101] All answers can be found in the appendix.

Question No 2: "What do you mostly enjoy in buying art?"

WHAT DO YOU MOSTLY ENJOY IN BUYING ART?

■ Enriching my collections ■ Going to gallery openings ■ Other Option
■ Expanding my social circle ■ Attending auctions
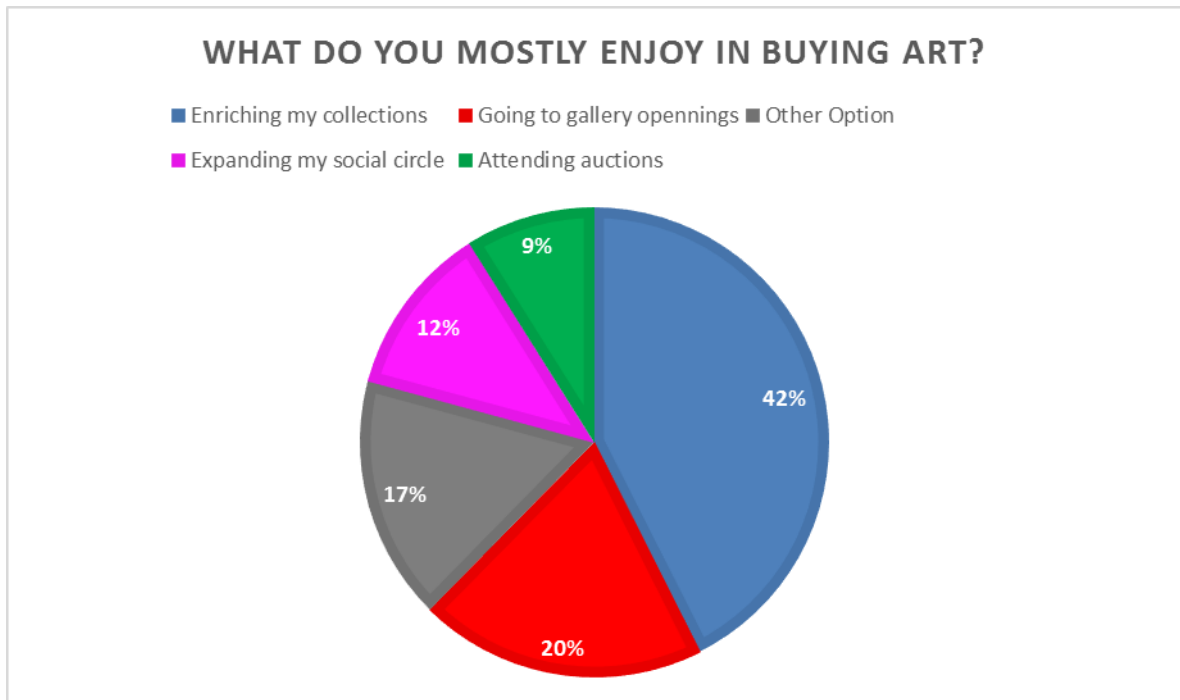
9%
12%
42%
17%
20%

Figure 1: Question No 2

From this question, we try to determine if the choices of the respondents are or not consistent to online art purchases, in the sense that the respondents may have chosen something that cannot be provided in the online environment. As it is shown in Figure 1, most of the participants enjoy in buying art the enrichment of their collections. This outcome is reasonable since most of the participants are art collectors. Enriching one's collection is possible through online art transactions. However, 20% of the respondents stated that going to gallery openings is what they find enjoyable in buying art and this is not compatible with e-purchases. Of the respondents, 17% chose the Other Option and their responses have been grouped in the categories shown below:

- Supporting artists
- Discovering art
- Gaining knowledge about art
- Owning something unique
- Admiration of art

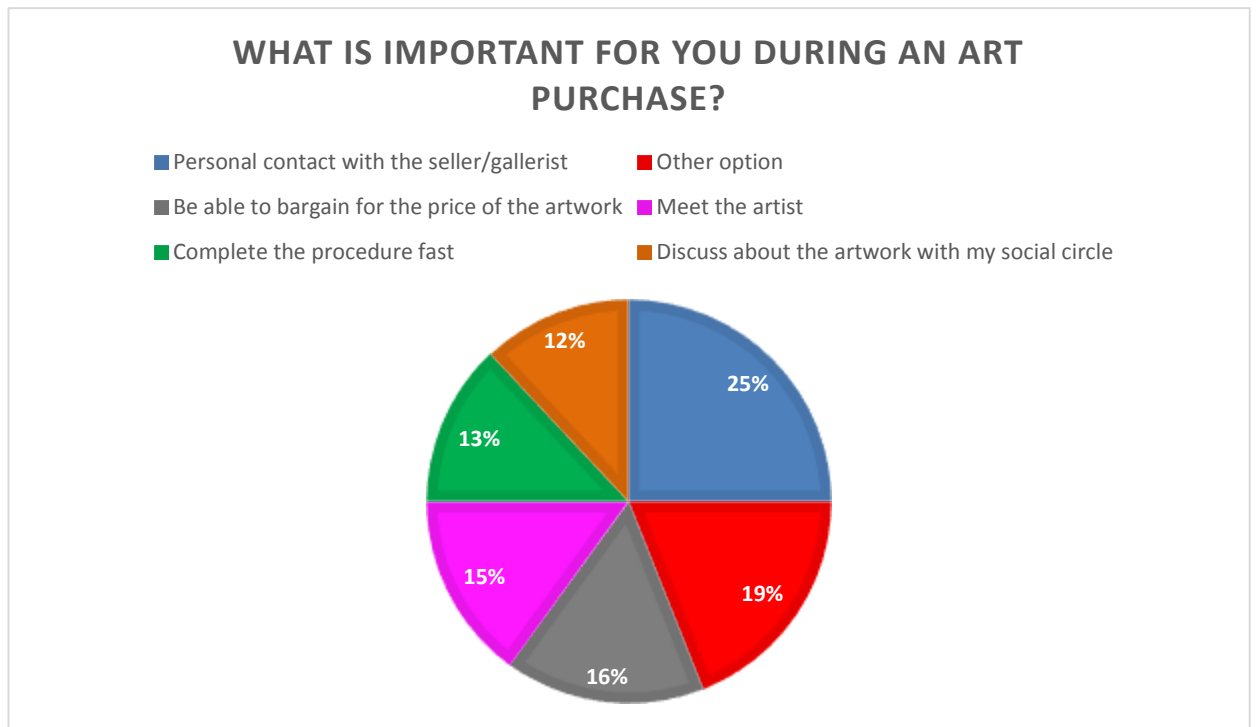*Question No 5: "What is important for you during an art purchase?"*

WHAT IS IMPORTANT FOR YOU DURING AN ART PURCHASE?

- ■ Personal contact with the seller/gallerist
- ■ Other option
- ■ Be able to bargain for the price of the artwork
- ■ Meet the artist
- ■ Complete the procedure fast
- ■ Discuss about the artwork with my social circle

12%
25%
13%
15%
16%
19%

Figure 2: Question No 5

This question allows us to determine what elements art consumers perceive important for their purchases and if their choices are compatible to an online environment. Figure 2 depicts their answers. Of the respondents, 25% perceives as important the ability to have personal contact with the seller. This result supports the theory presented in the previous chapter and indicates that building relationships is significant. E-shops may be characterized as impersonal but as we explained in the previous chapter there are ways to increase the sense of human contact.

Of the respondents 19% chose the Other Option; the most frequent answer was *"being able to see the artwork."* We may hypothesize that they meant to see the artwork in person, though that wasn't explicitly mentioned. Below we present two interesting answers provided in this question:

> *"Fully inspecting the work - a bubble in the wrong place can break a sale for me, so online I need a lot of photos and details."*

This buyer considers important to inspect carefully the work but doesn't demand to see it physically if the photos and information can satisfy her/his need. This may imply

that the proper representation of an artwork online may substitute the need of some buyers to see the artwork physically.

> ➢ *"Searching for beautiful art to touch and smell before buying."*

On the other hand, this buyer emphasizes the importance of the sensory experience of buying art traditionally.

- *2nd group of Questions - Buying behavior and online art purchases*

This group of questions is divided in two subgroups; the first concerns all the respondents, either they have bought art online or not, whilst the other one consists of answers only from the respondents who have realized an online art purchase.

Questions addressed to all the participants:

Question No 6: "Do you have any concerns regarding online art purchases?"
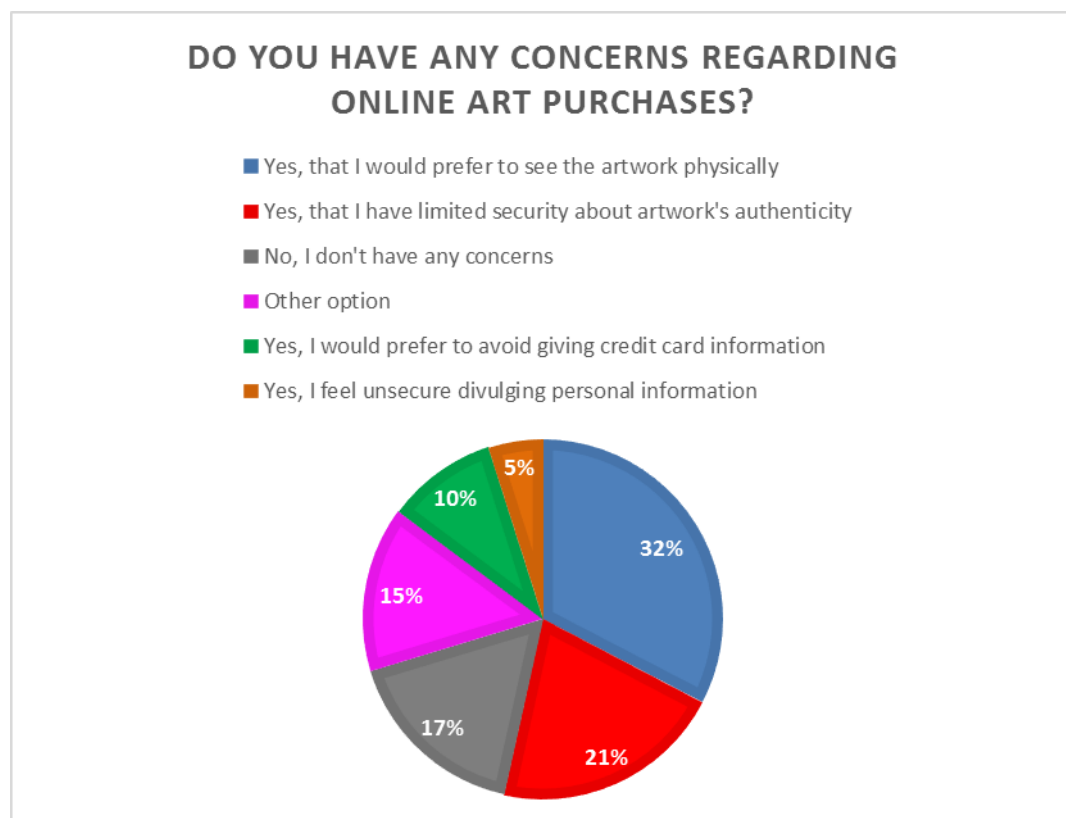
Figure 3: Question No 6

This question intents to shed the light on consumers' perceived risks in online art transactions. As we can see in Figure 3, the biggest concerns of the respondents are

that they prefer to see the artwork physically (33%) and issues of authenticity of the artwork (21%). The need of the consumers to physically see the artwork has been stressed by literature and supports the argument that consumers are reluctant towards online buying because they prefer the traditional experience. The fact that some consumers may not be certain of the artwork's authenticity in the online markets hasn't been mentioned by the literature we examined in the previous chapter. Nevertheless, Bester's qualitative research indicates that gallery owners strongly suggest that it is essential to ensure authenticity for an online art gallery to be successful.[102]

We should also highlight that a non-negligible percentage of the respondents stated that they don't have any concerns in relation to online art purchases (17%).

Of the respondents, 10% stated that they would prefer to avoid giving their credit card information. Though this percentage is not high, it suggests that despite the development of software protecting transactions from cybercrimes, there are people who perceive a financial risk.

Only 5% of the respondents have privacy concerns, suggesting that the privacy risk that the consumers may perceive is not important. The relatively small percentages of respondents who have financial and privacy risks are compatible with Quesenberry and Sykes' research, examined in the previous chapter.

Below we present some of the answers in the Other Option that are worth seeing:

> *"How to get it safely and securely delivered, poor packing could cause damage."*
> *"Appropriate packing, shipping and insurance!"*
> *"Shipping"*

These three answers indicate that it is essential to ensure that a sold artwork will arrive in good condition and companies should guarantee for the safe arrival of the package.

> *"do the photos represent the piece well"*

---

[102] Bester, K. M. (2015). *The art of online marketing* (Doctoral dissertation), p. 74-75.

> *"Sometimes not enough picture and low quality to be really able to judge the piece"*

The above answers are similar with other findings of the survey in relation to the quality of the photos, suggesting that the representation of the artworks plays a major role.

Question No 7: "Please rate how important are for you the following provisions, in order to buy an artwork online."

Table 1: Question No 7

Provisions:	Not at all	Neutral	To a small extent	Important	Very important
Be able to return the artwork if I am not satisfied and get a refund	20%	13%	19%	25%	23%
Be advised by an art expert	41%	9%	26%	16%	10%
Buy artworks on discount	23%	19%	36%	12%	10%
Be able to see the prices	1%	0%	5%	30%	64%
Be able to virtually see the artwork in my place	25%	13%	30%	19%	13%
Read reviews	25%	18%	33%	13%	10%
Chat with a salesperson	33%	27%	19%	11%	9%
Be able to zoom in and out the image of the artwork	3%	1%	9%	40%	47%
See pictures of the artwork next to other objects	28%	19%	28%	14%	17%
See the artist's profile	7%	9%	21%	43%	21%

See the certificate of authenticity	14%	12%	23%	30%	20%

This question examines how important are for the participants several factors that may reduce their perceived risks and enhance their online experience. Some of these factors have also been proposed in literature. By examining the replies of the participants shown in Table 1 we may conclude that e-shops should consider to add the following provisions in their websites:

1. Return Policy that allows a refund

As can be seen in Table 1, 25% of the respondents considers important to be able to return the artwork and get a refund and 23% considers it to be very important. Surprisingly, there is a considerable percentage of respondents who chose the "not at all" and the "neutral" options (20% and 13% correspondently). Nonetheless, the respondents who value highly this provision outweigh.

2. Prices on artworks

In some e-galleries the prices of artworks are not available on the website and consumers must make an enquiry in order to learn the price of the artwork in which they have an interest. However, the results of this question suggest that prices should be visible, as of the respondents 64% considers to be able to see the prices very important and 30% considers it to be important. Bester's qualitative research also highlights that prices constitute part of the necessary information that an art website should have.[103]

3. Visual control

As we have seen in the previous chapter, visual control refers to the ability of the user to manipulate a web image (zoom in-out, rotation). The vast majority of the respondents evaluated the sentence "to be able to zoom in and out the image of an artwork" as being "important" and "very important" (40% and 47% correspondently). Consequently, online art venues should add visual control technology to their websites.

---

[103] Bester, K. M. (2015). *The art of online marketing* (Doctoral dissertation), p. 72.

4. Artists' profiles

Of the respondents, 43% considers the ability to see the artist's profile important and 30% considers it to be very important. Therefore, a profile for each of the represented artists with information on their bios, work, activities should be part of an art e-shop's website.

5. Certificate of Authenticity

As we saw in question No 6, some of the respondents fear that they may buy a fake artwork. This is consistent with the results of question No 7 in relation to the certificate of authenticity. To be more precise, half of the respondents consider as important and very important the ability to see a certificate.

Question No 8: "Which of the following additions to the website of an e-gallery or art platform would you find appealing?"
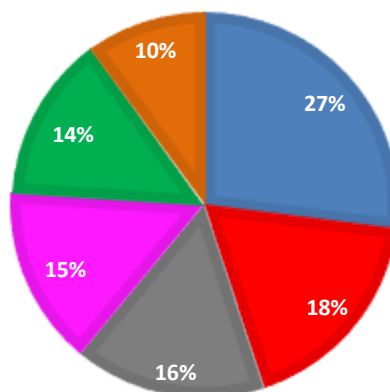

Figure 4: Question No 8

Similarly to the previous question, this particular question aims to assess how several ideas proposed in literature affect the respondents' online experience. Figure 4 presents several additions to the website of an e-gallery related with virtual reality technology (sentences 1&3), social telepresence (sentences 2, 4 & 5) and gamification (sentence 6).

As shown in Figure 4, none of the proposals gathered a high percentage. E-shops should consider this outcome in order to decide how they will allocate their budget in the design of their website.

Question No 9: Have you ever bought art online?

Of the respondents, 76% has bought art online. The high percentage of online art buyers in this survey was expected, since all the participants were found from online art platforms and communities. As previously shown, most of the non-buyers' replied that they haven't make a purchase yet because they want to see the artwork first.

Questions addressed to online art buyers:

Question No 11: "Have you ever regretted buying art online?"

Of the respondents 35% stated that they have regretted buying art online. Below we present the main reasons:

1. The artwork wasn't as expected

Of those who have regretted buying art online, 75% stated that they expected the artwork to be different, either because of the quality, or the size of the artwork. Most of them cited that the pictures or the description were misleading. *"Artwork didn't look as expected in reality. Pics online were professionally taken and photoshopped to make the artwork seem better under perfect lighting.",* one of the characteristic answers that emphasizes the problem of non-valid presentation of the artwork. The significant role of the artworks' photos has also been brought out in Questions 5 and 6.

2. Not value for money

Of those who have regretted buying art online, 15% felt that they overpaid the art-work. This is closely related with the above reason; they felt that the artwork didn't deserve the money they gave because they expected it to be better.

Question No 13: "What do you find irritating when you buy art online?"
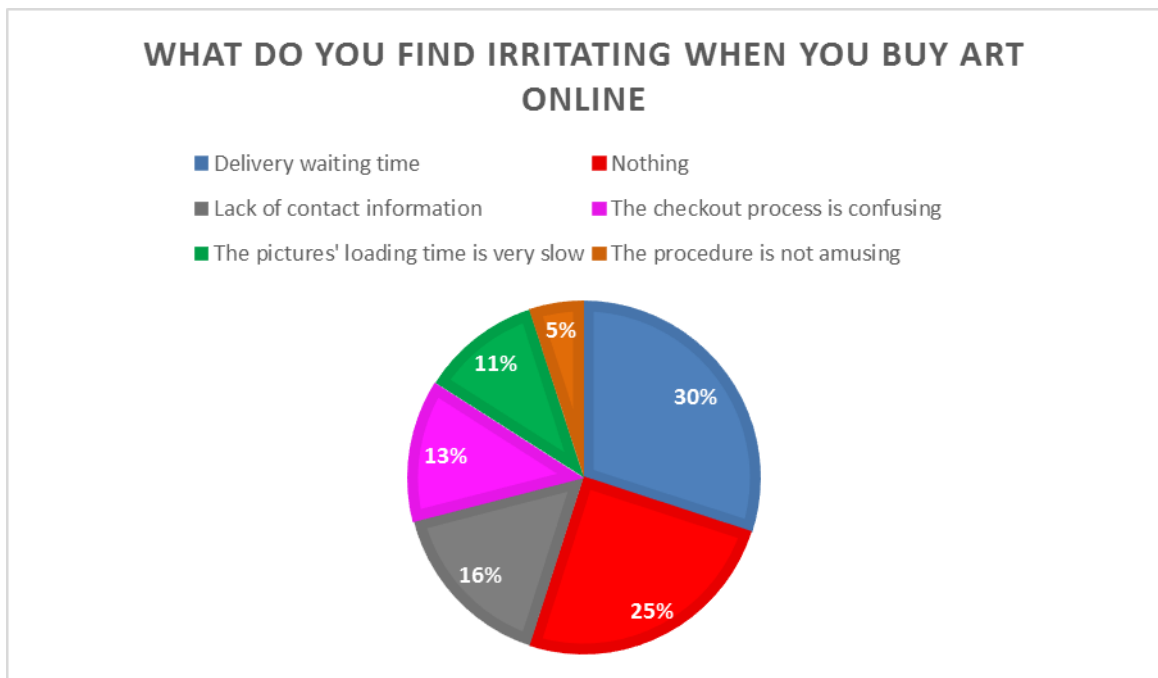

Figure 5: Question No 13

As can be seen in Figure 5, respondents are mainly annoyed from the long delivery waiting time.

Question No 14: Please rate how strongly you agree or disagree with the following statement: When I buy art online I am usually satisfied by the......

Table 2: Question No 14

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
way artworks are presented	0%	10%	50%	31%	9%
way artists are represented	2%	7%	51%	33%	7%
information provided on art-works	3%	12%	39%	33%	12%
Customer service	2%	7%	42%	42%	7%

discounts on artworks	3%	21%	**57%**	14%	3%

Table 2 indicates that most of the respondents are neither satisfied nor dissatisfied in relation to the above factors of their buying experience. On one hand, this is positive because the percentage of dissatisfied customers is small. On the other hand, this outcome suggests that art e-shops have room for improvement. Almost half of the respondents claimed to be satisfied from customer service (42% noted "agree" and 7% noted "strongly agree").

Question 14 was the last question to be analyzed from the questionnaire research.

2.2.2   Results of the In-Depth Interviews

The data provided from the interviews is analyzed using content analysis, a widely-used method for the analysis of qualitative researches.[104] Through this content analysis, we aim to categorize the data in specific topics and identify elements that appear with high frequency. The main topics are the following:

a) General information about the companies
b) Companies' approach towards sales
c) Buyer's behavior
d) Disadvantages of online art venues
e) Important elements that make an art e-shop effective

Below we analyze each topic separately:

a) General information about the companies

The company referred as "A", is not a very large business. In fact, one person is in charge for most of the business operations. It has clients from all over the world, i.e. Australia, Belgium, Germany, USA. It mainly sells 2 dimensional artworks from emerg-

---

[104] Stemler, S. (2001). An overview of content analysis. *Practical assessment, research & evaluation, Vol. 7*(17), p. 137.

ing artists. It doesn't have a physical place but at the beginning of its operations several physical events took place.

The company referred as "B", is a curated online gallery, whose customers are mostly from Europe. An interesting fact for this company is that although it doesn't have a physical place, it organizes 5-10 pop-up exhibitions each year mostly in New York.

As far as "eshop – art.gr" is concerned, its director, Mr. Sarris is for the last 20 years the director of the physical gallery "Peri Technis" in Athens and he launched the e-shop in 2009, at the beginning of the Greek economic crisis. "E-shop – art.gr" is one of the first e-galleries in Greece. He decided to launch an e-shop when he realized the negative impact of economic crisis on the local market. He said that he couldn't just rely on making sales only to those who occasionally pass by the physical shop and he wanted to expand his buying public. With the creation of the e-shop he sells artworks all over Greece, Cyprus as well as to Greek clients in Canada, USA and Germany.

b) Companies' approach towards sales

All three companies stated that their customers are satisfied with their services and explained how their approach contributes to this result.

The director of "A" company emphasized the importance of having a personalized approach towards art sales. As a matter of fact, she personally handles every order of the e-shop in order to be sure that the artwork will arrive in time and in good condition. Moreover, though the e-shop has a clear return policy no one has ever returned an artwork.

"B" company gives weight to personal contact and relationship building. As we have already mentioned there isn't a "buy-now" option in "B" gallery's website but the customers have to make an enquiry first. The director stated that they don't have this option because they want to stimulate interaction with customers. Creating relationships with customers is considered to be extremely important for the success of the company. Therefore, by asking customers to make an enquiry, they send a message and in that way an interaction with the gallery begins. Furthermore, the artworks cost above 5000 Pounds and according to the director, it is difficult for a consumer to make a pur-

chase without any interaction with the seller. Similar to "A" company customers of "B" company are satisfied and the record of artworks' returns is zero.

The "e-shop – art.gr" puts emphasis on the quality of service, from the proper presentation of the artworks in its website, to the packing and shipping of the sold artworks. Mr. Sarris emphasized that the reason behind his satisfied customers is that they don't let customers to be unsatisfied. Service recovery plays a key role to his business, as if something is wrong they immediately fix it. Furthermore, the presentation of the artworks in the website is accurate and no one has ever said that an artwork wasn't as expected. Therefore, no one has ever returned an artwork.

c) Buyer's behavior

In relation to the buying behavior of "A" company's customers, the majority of the customers complete the buying procedure online without contacting the company through phone call or other way. This implies that the consumers are familiar with the online buying procedure and the checkout process is clear to them.

The director of "B" company stated that some of the clients buy artworks online but most of them buy at the physical exhibitions organized by the gallery. He also explained that during the buying process the company discusses a lot with each customer.

Mr. Sarris said that half of the people do completely independently their purchases, without communicating with the e-shop at any stage of the buying process. He stressed that he always calls all the customers upon the artworks' delivery to check whether the artworks arrive on time, if the customers are satisfied and if the artworks fulfill their expectations. The other half of the consumers may communicate with the e-shop for supplementary questions, e.g. the choice of the frame. In relation to the payment method that the customers choose, the director said that the clients are not reluctant to pay with credit card, but most of them choose to pay on delivery.

Since "eshop – art.gr" has also a physical place, we asked the director whether he has noticed clients who visit the e-shop to find a product but they buy it from the physical

shop. He replied that many people do that because they want to see the artworks in person.

Last but not least, Mr. Sarris explained how the buying behavior of online customers differs from the buying behavior of offline customers. He said that the customers have a totally different attitude, understanding and reaction in online shopping. He explained that in a physical shop the customer interacts with the seller: *"One cannot enter a shop without saying a word. He will say what he is looking for and even if he doesn't want to buy anything he feels that he has to say something to the seller looking at him. In an online shop the customer doesn't have to think what to say, how to act, to be polite. He may reward or reject a shop within a second. That's why e-shops have to be flawless. The smallest problem may push away a possible buyer."*

d) Disadvantages of online art venues

The director of "A" company didn't refer to the disadvantages of online art venues in relation to traditional art galleries.

The director of "B" company pointed out some of the disadvantages; lack of personal contact, the buyer cannot see the artwork in flesh and the photographs may not be accurate.

Mr. Sarris' answer in this question points out the problem of the artworks' online presentation: *"In the field of art, the biggest disadvantage is that it is very difficult to capture all the dimensions of an artwork in a photograph. An artwork may have layers, it may be embossed. The 3d dimension that the painter creates in a painting cannot accurately be attributed by a photograph. Another important factor that affects the way an artwork looks like online is the visitors' screen. In one screen the colors may look very different from another."*

e) Important elements of an art e-shop to be effective

According to the director of "A" company the most important dimensions for an online art website to be effective and to facilitate sales are the following; great products, good website experience, organized logistics. Also, she added that a feature of the

website design that enhances the online experience is to allow consumers to get updates for their favorite artists.

According to the director of "B" company, the dimensions that an online art website should have in order to succeed depend on the type of the online art venue. There are many different online art venues and for each the right formula is different. The interviewee mentioned that for an online curated gallery, essential elements are personal connections, time delivery, personal events, parties, educational events and overall to build relationships outside of the online environment. We should underline that the question addressed to the interviewee concerned the elements of a website and his response constituted mostly of offline actions. This highly emphasizes how important is for this kind of company to build personal relationships with consumers and that the online environment in not enough.

Mr. Sarris referred to the proper presentation of artworks in the website, the packing, shipping and delivery time of the works. He mainly pointed out the importance of artworks' photos: *"It is very important to carefully photograph the artworks. The photographs must show as much as possible the work as it is, they shouldn't fool the customers. For example, one may use Photoshop and alter the photos but this would result in showing a different artwork."*

As we can see the issue of the artworks' photographs is pointed out again, as well as the shipping and delivery of the artworks.

In the following picture (Picture 1), we see a frequency image depicting the words that appeared more frequent in the texts of the three interviews in relation to the important dimensions of an art e-shop, so it can be successful. The words with the higher frequency appear larger. As it can be seen, the outcome of these three interviews is to build personal relationships, organize well the packing and shipping of the artworks, deliver the artworks in time and have representative photographs of the artworks.

Picture 1: Important Dimensions

2.3. Research's conclusions and proposals

Having presented the main results of the quantitative and qualitative researches, in this section we attempt to give answers to the research questions:

- *Do art consumers prefer the offline experience of buying art and if yes why?*

The results of the research don't clearly show whether the respondents prefer more one experience from the other. What it is obvious is that they prefer to see the artwork before the purchase. We also find that a considerable percentage of the sample, perceives going to gallery openings an important part of its buying experience and desires to have personal contact with the seller/gallerist. These three facts may imply that some consumers may incline more towards the traditional experience.

- *Are they reluctant to buy art online? If yes, what do they fear mostly?*

The results indicate that some consumers may be reluctant to buy art online because they want to see the artwork in person and feel that they cannot be sure about its authenticity. Another concern brought out by the research is that the artwork may arrive damaged due to unsuitable packing and shipping. Additionally, the findings of the research suggest that most consumers don't perceive a high financial and privacy risk.

- *What is important for them when they buy art online?*

Figure 6 and Figure 7 shown below, constitute a summary of the important dimensions regarding the website design and the service quality of an art e-shop correspondently.
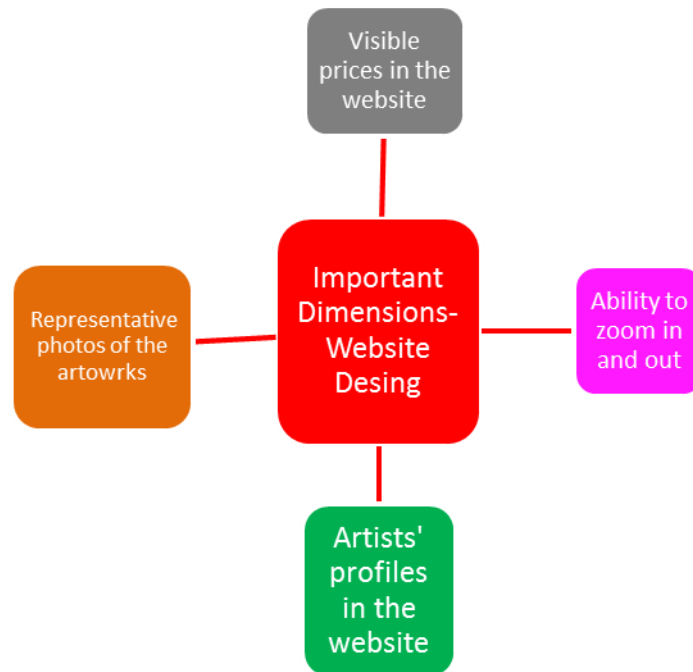
Figure 6: Important Dimensions of Website Design
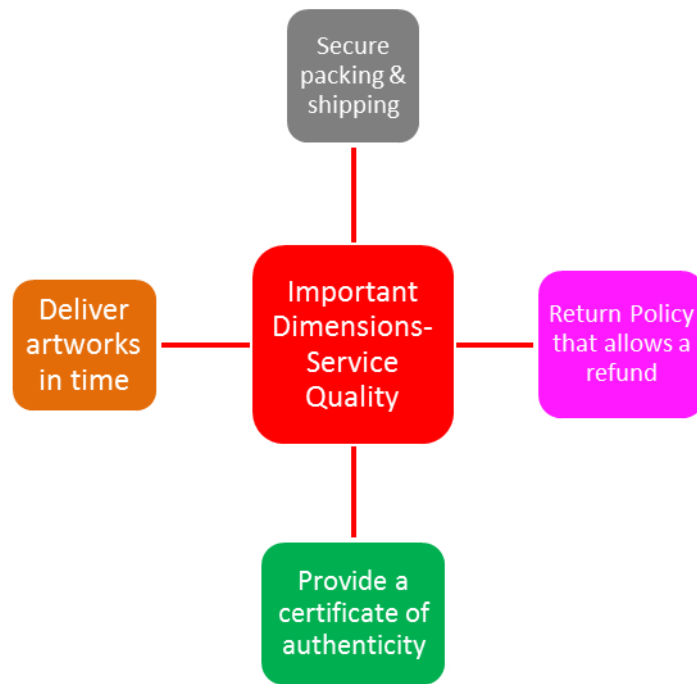
Figure 7: Important Dimensions of Service Quality

- What mechanisms may be used to offer an improved online buying experience?

Figures 6 and 7 show some of the mechanisms that can be used in order to offer an improved online buying experience. In literature review we have also mentioned other ways to enhance the online experience that are consistent with the results of the research. Gamification is the only proposal that seemed to be irrelevant with the desires of art consumers. However, it should be underlined that only one question of the questionnaire was related with the process of gamification and so this result should be tested again in a future research.

Regarding the proposals concerning social telepresence, we should underline that the results of the research showed that consumers' need of human contact concerns more the consumer-to-gallery contact and not the consumer-to-consumer contact. Therefore e-shops should consider that when they want to allocate their budget to mechanisms that increase social telepresence.

Another proposal brought out by the results of the research is the organization of events. An online art venue may not have a physical place but it is possible to organize

events throughout a year, where the consumers will be able to meet the personnel, the artists and see some of the artworks in person. By this way consumers' needs to have personal contact with the gallerist, attending openings and view the artworks can be satisfied. Events constitute an opportunity to build relationships with clients and engage them more.

Conclusions

This dissertation has contributed in providing knowledge in the field of art buyers' behavior and specifically investigates the reluctance of art buyers to buy art online. In the first part of the paper we have presented literature pointing out the main reasons behind this reluctance and we have gathered methods and tools that can be used to enhance the online experience of buying art.

Summing up the findings of the literature research, it can be concluded that the experience of buying art from brick and mortar galleries fulfils many needs of art consumers and is difficult to be substituted in the online environment. Viewing the artworks in person, attending art events and socializing with other art lovers, are some of the important parts of this experience. Consumers who value high these elements prefer buying artworks traditionally.

Furthermore, the characteristics of the online environment are such that the perceived risk of consumers is higher. In addition to that, the particularities of pieces of art, i.e. their high value and inherent risk make them products of high involvement. Therefore, consumers' buying process is more complex and avoiding making a bad purchase is more important to them. Consequently, buying art online constitutes a risky decision and some consumers avoid making online art purchases for that reason.

Building of trust is proposed as the best method to reduce the perceived risk of art consumers and can be accomplished through the website design and functionality, the information provided in the website and service quality. To transfer the experience of buying art to the online environment, we have proposed several mechanisms, i.e. virtual reality technologies, social telepresence and gamification. Based on the results of our research, apart from gamification, all the other methods and mechanisms could enhance consumers' online buying experience.

The findings of our research, as well as those provided by literature review demonstrate that there are several types of consumers as there are several types of online art venues. Each type of consumers may have different needs and a different approach

towards online buying. Accordingly, it is principal for an online art company to decide its positioning, strategy and target group. In fact, an online art venue that wishes to be closer to the concept of traditional art galleries differs a lot from art mall websites and thus should follow a different strategy.

Irrespectively from the type of the online art venue, this paper offers some proposals to the online art companies in order to address issues concerning the consumers. By highlighting the main issues, companies are able to decide where they will focus and how they will allocate their budget. The most important proposals concerning the website design of art e-shops are to have representative photos of the artworks, show the prices in the website, have artists' profiles and offer to users the ability to zoom in and out artworks' images. The most important proposals concerning the service quality are to have a return policy that allows a refund, to give a certificate of authenticity, to ensure the safety arrival of artworks and deliver artworks in time.

Last but not least, this dissertation has clearly shown that the biggest concern of consumers is that they desire to see the artwork in person before the purchase. Organizing events throughout the year and investing in virtual reality technologies could satisfy somehow this need. In addition, it should be underlined that as the technology develops it is more possible to overcome many obstacles concerning the online experience of buying art. A characteristic example of technology's progress are simulation devices that allow consumers to virtually feel and touch artifacts.[105]

Research's Limitations

It is possible that several limitations may have influenced the results obtained. To begin with, the size of the sample in the questionnaire research is relatively small and doesn't constitute a representative sample of art buyers' population. Therefore, we weren't able to make several generalizations and analyze the significant relationships between variables. Moreover, the results obtained concerned mainly e-galleries and

---

[105] Styliani, S., Fotis, L., Kostas, K., & Petros, P. (2009). Virtual museums, a survey and some issues for consideration. *Journal of cultural Heritage, 10*(4), p. 523.

not online auction houses, so we cannot tell if the conclusions and the proposed methods also apply to online auctions.

Future Research

The rapid growth of the e-market in general, as well as the small-scale research that has been conducted in the field of online art market indicates that further research addressing this issue would be of great interest.

Researchers could repeat the survey conducted in this dissertation with a bigger sample. A different research methodology aiming to determine elements enhancing the online buying experience could be to build experimental websites and measure the reactions of the sample.

Another issue that should be addressed are online fine art auctions and the bidders' buying behavior. Additionally, research is also needed to determine the buying behavior of specific target groups. For instance, one possible survey could be to locate the differences between the behavior of buyers of high-end art and low-end art in the online environment. Finally, our research didn't examine the websites of artists who sell individually their works and their perspective towards the online art market, a very interesting issue for future research.

Bibliography

Books

- Bradshaw, A., Kerrigan, F., & Holbrook, M. B. (2010). Challenging conventions in arts market-ing: experiencing the skull. *O'Reilly, D., & Kerrigan, F. (Eds.). Marketing the Arts, A Fresh Ap-proach*, Routledge, 5-17.

- Duboff, L., King, C. (2006). *Art Law in a nutshell* - fourth edition. Thomson.

- Freeland, C. A. (2001). *But is it art?: An introduction to art theory*. Oxford University Press, USA, p. 80.

- Mäkinen, H. (2009). Web sites as new communications devices in the arts field. *Kaskinen, J., Saarimaa, R. (Eds.). Culture as innovation: The search for creative power in economies.* Turku: Finland Futures Research Centre, Turku School of Economics, 47-66.

- Merryman, J. H., & Elsen, A. E. (2002). *Law, Ethics, and the Visual Arts*. 5th ed. Kluwer law in-ternational.

- Stamatoudi, I. A. (2011). *Cultural property law and restitution: a commentary to international conventions and European Union law*. IHC Series in Heritage Management.

- Wilson, A., Zeithaml, V. A., Bitner, M. J., & Gremler, D. D. (2012). *Services marketing: Integrat-ing customer focus across the firm*. McGraw Hill.

- Σιώμκος, Γ., Ι., Μαύρος, Δ., Α. (2008). *Έρευνα Αγοράς*. Εκδόσεις Αθ. Σταμούλης.

- Σιώμκος, Γ., Ι. (2002). *Συμπεριφορά Καταναλωτή & Στρατηγική Μάρκετινγκ*. Β' έκδοση, Εκδόσεις Αθ. Σταμούλης.

Articles

- Bester, K. M. (2015). *The art of online marketing* (Doctoral dissertation).

- Chen, Y. (2009). Possession and access: Consumer desires and value perceptions regarding contemporary art collection and exhibit visits. *Journal of Consumer Research*, *35*(6), 925-940.

- Clarke III, I., & Flaherty, T. B. (2002). Marketing fine art on the Internet: Issues and ide-as. *International Journal of Nonprofit and Voluntary Sector Marketing*, *7*(2), 146-160.

- Close, A. G., & Kukar-Kinney, M. (2010). Beyond buying: Motivations behind consumers' online shopping cart use. *Journal of Business Research*, *63*(9), 986-992.

- Colbert, F. (2003). Entrepreneurship and Leadership in Marketing the Arts. *International Journal of Arts Management, 6*(1), 30-39.

- Constantinides, E. (2004). Influencing the online consumer's behavior: The web experience. *Internetv Research*, *14*(2), 111–126.

- DeMott, D. A. (2012). Artful good faith: an essay on law, custom, and intermediaries in art markets. *Duke LJ*, *62*, 607-643.

- Elkins, M. (2012). *A critical account of the current paradigm for art gallery websites* (Doctoral dissertation, SOTHEBY'S INSTITUTE OF ART-NEW YORK).

- Farag, S., Schwanen, T., Dijst, M., & Faber, J. (2007). Shopping online and/or in-store? A structural equation model of the relationships between e-shopping and in-store shopping. *Transportation Research Part A: Policy and Practice*, *41*(2), 125-141.

- Gefen, D. (2002). Customer Loyalty in E-Commerce. *Journal of the Association for Information Systems*, *3*, 27-51.

- Harridge-March, S. (2006). Can the building of trust overcome consumer perceived risk online?. *Marketing Intelligence & Planning*, *24*(7), 746-761.

- Hassanein, K., & Head, M. (2007). Manipulating perceived social presence through the web interface and its impact on attitude towards online shopping. *International Journal of Human-Computer Studies*, *65*(8), 689-708.

- Hoffman, D. L., Novak, T. P., & Peralta, M. (1999). Building consumer trust online. *Communications of the ACM*, *42*(4), 80-85.

- Insley, V., & Nunan, D. (2014). Gamification and the online retail experience. *International Journal of Retail & Distribution Management*, *42*(5), 340-351.

- Jiang, Z., & Benbasat, I. (2004). Virtual product experience: Effects of visual and functional control of products on perceived diagnosticity and flow in electronic shopping. *Journal of Management Information Systems*, *21*(3), 111-147.

- Kassim, N., & Asiah Abdullah, N. (2010). The effect of perceived service quality dimensions on customer satisfaction, trust, and loyalty in e-commerce settings: A cross cultural analysis. *Asia Pacific Journal of Marketing and Logistics*, *22*(3), 351-371.

- Kazumori, E., & McMillan, J. (2005). Selling online versus live. *The Journal of Industrial Economics*, *53*(4), 543-569.

- Laurent, G., & Kapferer, J. N. (1985). Measuring consumer involvement profiles. *Journal of marketing research*, 41-53.

- Lee, P. M. (2002). Behavioral model of online purchasers in e-commerce environment. *Electronic Commerce Research*, *2*(1-2), 75-85.

- McGoldrick, P. J., Keeling, K. A., & Beatty, S. F. (2008). A typology of roles for avatars in online retailing. *Journal of Marketing Management*, *24*(3-4), 433-461.

- Mencarelli, R., Marteaux, S., & Pulh, M. (2010). Museums, consumers, and on-site experiences. *Marketing Intelligence & Planning*, *28*(3), 330-348.

- Mitchell, V. W. (1999). Consumer perceived risk: conceptualisations and models. *European Journal of marketing*, *33*(1/2), 163-195.

- Pitta, D., Franzak, F., & Fowler, D. (2006). A strategic approach to building online customer loyalty: integrating customer profitability tiers. *Journal of consumer marketing*, Vol. *23*(7), 421-429.

- Quesenberry, L., & Sykes, B. W. (2008). Leveraging the Internet to promote fine art: Perspectives of art patrons. *The Journal of Arts Management, Law, and Society*, *38*(2), 121-140.

- Salam, A. F., Rao, H. R., & Pegels, C. C. (2003). Consumer-perceived risk in e-commerce transactions. *Communications of the ACM*, *46*(12), 325-331.

- Slater, A. (2007). 'Escaping to the gallery': understanding the motivations of visitors to galleries. *International Journal of Nonprofit and Voluntary Sector Marketing*, *12*(2), 149-162.

- Smith, H. L., Discenza, R., & Baker, K. G. (2005). Building sustainable success in art galleries: An exploratory study of adaptive strategies. *Journal of Small Business Strategy*, *16*(2), 29-41.

- Stemler, S. (2001). An overview of content analysis. *Practical assessment, research & evaluation, Vol. 7*(17), p. 137-146.

- Styliani, S., Fotis, L., Kostas, K., & Petros, P. (2009). Virtual museums, a survey and some issues for consideration. *Journal of cultural Heritage*, *10*(4), 520-528.

- Suntornpithug, N., & Khamalah, J. (2010). MACHINE AND PERSON INTERACTIVITY: THE DRIVING FORCES BEHIND INFLUENCES ON CONSUMERS'WILLINGNESS TO PURCHASE ONLINE. *Journal of Electronic Commerce Research*, *11*(4), 299-325.

- Wang, Y. J., Hernandez, M. D., & Minor, M. S. (2010). Web aesthetics effects on perceived online service quality and satisfaction in an e-tail environment: The moderating role of purchase task. *Journal of Business Research*, *63*(9), 935-942.

- Zott, C., Amit, R., & Donlevy, J. (2000). Strategies for value creation in e-commerce: best practice in Europe. *European Management Journal, 18*(5), 463-475.

Convention:

- UNIDROIT CONVENTION ON STOLEN OR ILLEGALLY EXPORTED CULTURAL OBJECTS (Rome, 24 June 1995)

Report:

- The Hiscox Online Art Trade Report 2016. Available at https://www.hiscox.co.uk/online-art-trade-report/ , (Last visit 11/12/2016).

Appendix

In this section the reader may find the following:

- The email send to the companies asking their collaboration with the question-naire survey

- The questionnaire of the survey

- The answers of the questionnaire survey

- The structure of the in-depth interview

- The in-depth interview with Mr. Sarris, the director of "Eshop – art.gr"

1. *The email send to the companies asking their collaboration with the question-naire survey:*

Dear Madam or Sir,

My name is Dimitra Fotopoulou, I am a postgraduate student of Master of Arts in Art, Law and Economy at the International Hellenic University.

I would appreciate it if you would be kind enough to assist me with my dissertation "Buying art online Vs Buying art traditionally". The supervisor of the dissertation is Dr. Eleni Mavragani (e.mavragani@ihu.edu.gr).

For my dissertation I will conduct a questionnaire research targeting people who buy art online or visit e-galleries and art platforms.
The main aim of the research will be to define elements that characterize the consumer's buying experience, to determine what they fear mostly in online trans-actions and how they perceive the online experience in relation to the offline. Finally, based on the results of the research and considering as well arts marketing theory and internet marketing theory, I will make several proposals to improve the online experience of consumers so that they will be more willing to buy online.

I would be grateful If you could please send to your newsletter subscribers an email with the link found below for the completion of the questionnaire.

Link: http://fotopouloudimitra.polldaddy.com/s/buying-art-online-vs-buying-art-traditionally

Needless to say that the name of your company will be shown in the acknowledgements of the dissertation. The results of the survey and the dissertation will also be available to you.

For any further clarification, don't hesitate to contact me.

Yours Sincerely,

Dimitra Fotopoulou

2. The questionnaire of the survey

This survey aims to ameliorate the online experience of buying fine art. If you have bought art or you are searching for art online you may participate to the survey.

The survey is very brief and will only take about 6 minutes to complete. By participating, you contribute significantly in providing the knowledge to make the online experience of buying art better.

More information about the survey:

The survey is being conducted by Ms. Dimitra Fotopoulou, a postgraduate student of Master in Art, Law and Economy in the International Hellenic University as part of Ms. her Dissertation on "Buying art online Vs Buying art traditionally".

Please choose one answer for each of the following questions

1. **Would you characterize yourself as an art collector?**
a) Yes
b) No

2. What do you mostly enjoy in buying art? Multiple answers allowed

a) Enriching my collection

b) Expanding my social circle

c) Going to gallery openings

d) Attending auctions

e) Other   Please specify…………………………………….

3. When you visit e-galleries and other art platforms you intent to:
Multiple answers allowed

a) Buy an artwork

b) Get information (e.g. about an artist, an event, a gallery, etc.)

c) Spend your time

d) Other   Please specify………………………………………..

4. Where do you buy art most often?

a) A brick and mortar gallery

b) An auction

c) An Online auction

d) An E-gallery/other art platform

5. What is important for you during an art purchase? Multiple answers allowed

a) Personal contact with the seller/gallerist

a) Meet the artist

b) Be able to bargain for the price of the artwork

c) Discuss about the artwork with my social circle

d) Complete the procedure fast

e) Buy the artwork on discount

f) Other   Please specify……………………………………..

6. Do you have any concerns regarding online art purchases? Multiple answers allowed

a) Yes, I would prefer to avoid giving credit card information online

b) Yes, I feel unsecure divulging personal information

c) Yes, that I would prefer to see the artwork physically

d) Yes, I have limited security about the artwork's authenticity

e) No, I don't have any concerns

f) Other   Please specify………………………………………..

7. **Please rate how important are for you the following provisions, in order to buy an artwork online.**

Provisions:	Not at all	Neutral	To a small extent	Important	Very important
Be able to return the artwork if I am not satisfied and get a refund					
Be advised by an art expert					
Buy artworks on discount					
Be able to see the prices					
Be able to virtually see the artwork in my place					
Read reviews					
Chat with a salesperson					
Be able to zoom in and out the image of the artwork					
See pictures of the artwork next to other objects					
See the artist's profile					
See the certificate of authenticity					

8. **Which of the following additions to the website of an e-gallery or art platform would you find appealing? Multiple choice allowed**
    a) Place artworks next to each other on a virtual wall
    b) See what others have bought
    c) Chat with other buyers
    d) Make an online virtual exhibition with artworks of my choice
    e) Play art-related games for discounts
    f) Ask for help from an online assistant (avatar)

9. **Have you ever bought art online?**
    a) Yes
    b) No   Will you please state the reason? …………………………….

    If your answer is No please go to Question 15.

10. **How frequent do you buy art online?**
a) More than 3 times a year
b) 2 times a year
c) Once a year
d) Seldom
e) Only once

11. Have you ever regretted buying art online?

a) Yes   Will you please state the reason?..

b) No

12. For which of the following reasons do you buy art online? Multiple choice allowed

a) As a gift

b) For myself

c) For my job

d) For the company I work for

e) For my collection

f) Other   Please specify…………………………….

13. What do you find irritating when you buy art online? Multiple choice allowed

a) Delivery waiting time

b) The procedure is not amusing

c) The checkout process is confusing

d) The pictures' loading time is very slow

e) Lack of contact information

f) Nothing

14.   Please rate how strongly you agree or disagree with the following statement:

When I buy art online I am usually satisfied by the……

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
way artworks are presented					
way artists are represented					
information provided on artworks					
Customer service					
discounts on artworks					

15. What is your gender?

a) Male

b) Female

16. Please specify your age:

a) 18-30

b) 31-50

c) Over 50

17. Please specify your educational level:

a) Elementary

b) High School

c) College

d) Undergraduate

e) Postgraduate

f) Phd

18. **Where are you from?** …………………………………………………………….

19. **Where did you find this questionnaire?**

………………………………………………………………..

Thank you for your participation in this survey!

Wish you to enjoy your art purchases!

3. Answers of the questionnaire survey:

Question 1

WOULD YOU CHARACTERIZE YOURSELF AS AN ART COLLECTOR?

■ YES ■ NO ■   ■

37%

63%

Question 2

WHAT DO YOU MOSTLY ENJOY IN BUYING ART?

Legend:
- Enriching my collections
- Going to gallery opennings
- Other Option
- Expanding my social circle
- Attending auctions

Pie chart values:
- 42%
- 20%
- 17%
- 12%
- 9%
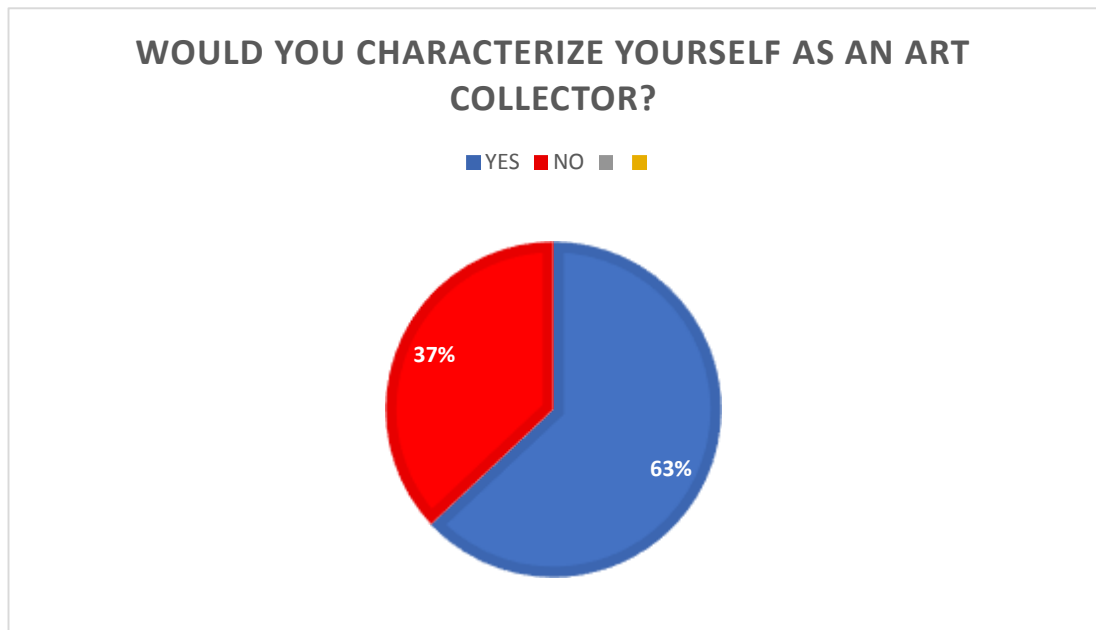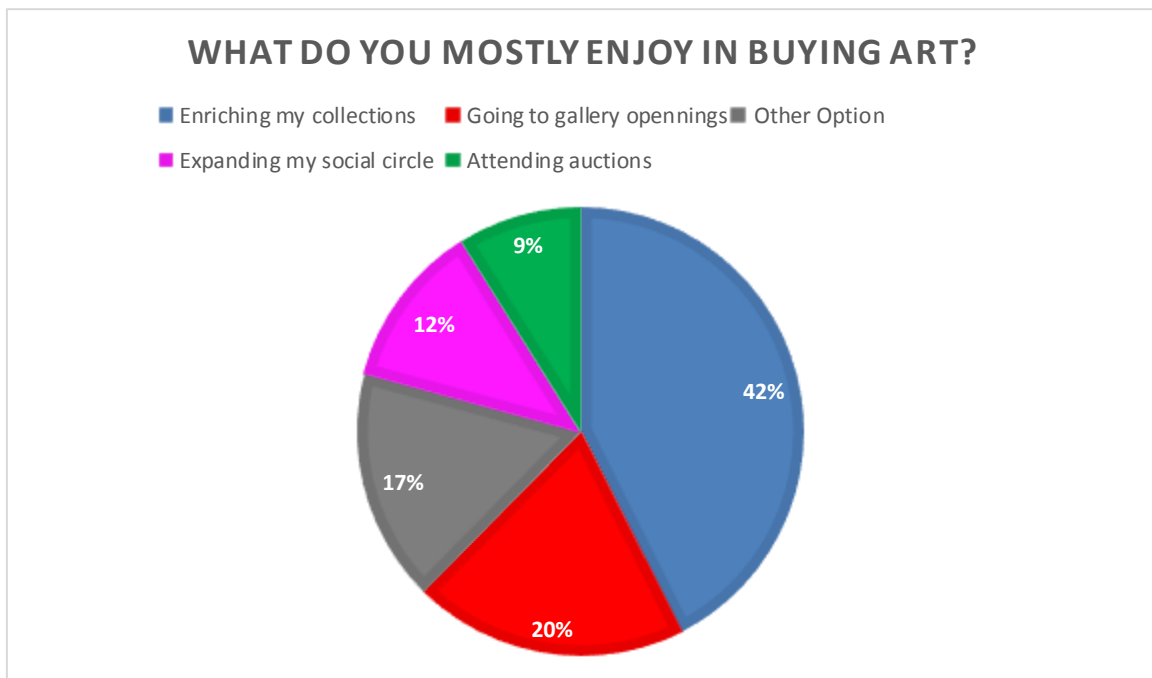
Other Option:

gaining knowledge about art, discovering new artists, supporting other artists and especially emerging artists, supporting artists and memorializing my life, searching for and viewing beautiful art, owning something created by someone who is expressing something about the human condition, obtaining the individual piece, learning about the techniques as I collect glass in its many forms, knowing the artist, it is all about the art and the feeling the particular piece gives to me, I like art, helping young artists, helping other artists to do more work, finding the unusual, finding something that gives beauty and that I can enjoy daily, and lifts my spirits, finding new artist, find lost treasure, decorate my home and see nice landscapes, buying something no one else haw, buying art in countries I travel to

Question 3

WHEN YOU VISIT E-GALLERIES AND OTHER ART PLATFORMS YOU INTENT TO: MULTIPLE ANSWERS ALLOWED

■ Get information ■ Buy an artwork ■ Spend your time ■ Other Option

43%

33%

15%

9%
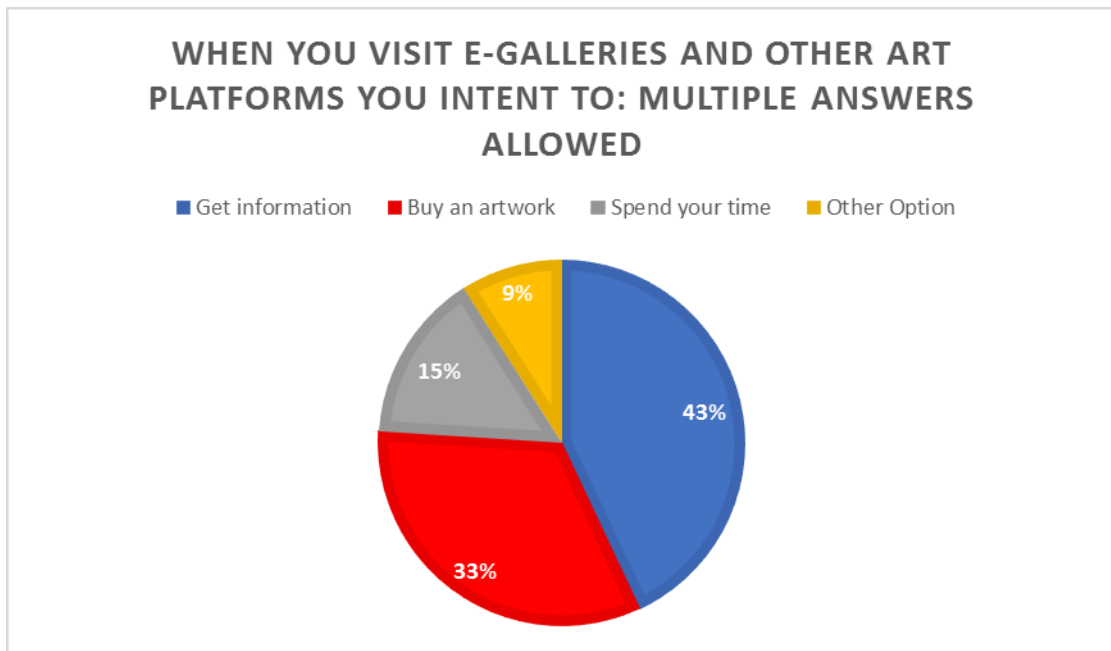
Other Option:

viewing to discover uniqueness, see the breadth of an artist's work so get a feel of the standard of a current piece, searching for and viewing beautiful art, research for selling my own art, look for inspiration, look at art and possibly buy if something moves me, learn about the art form, consider the art pieces and what they mean, see the beauty of the creations, get inspired, I like to see the diversity in the art being posting. I enjoy viewing the art like I would if attending a gallery in person, get new ideas, admire

Question 4

WHERE DO YOU BUY ART MOST OFTEN?

■ An e-gallery/other art platform ■ A brick a mortar gallery ■ An online auction ■ An auction

- 6%
- 15%
- 40%
- 39%

Question 5

WHAT IS IMPORTANT FOR YOU DURING AN ART PURCHASE?

■ Personal contact with the seller/gallerist ■ Other option
■ Be able to bargain for the price of the artwork ■ Meet the artist
■ Complete the procedure fast ■ Discuss about the artwork with my social circle

- 12%
- 13%
- 15%
- 25%
- 19%
- 16%

Other Option:

who the artist was, view the work closely, the art itself, that I like and can afford it, see the artwork, searching for beautiful art to touch and smell before buying, quality pho-

tos of the work and bio of the artist, price, learning about the inspiration and process used, it is most important that I like the work. A reputable dealer, who has vetted their inventory, is it good? invest in a living artist, I buy art on impulse because in truth I can't afford it. Yet sometimes I am seeking the entertainment and learning I get when researching and viewing and the piece will strike me as necessary to own, fully inspecting the work - a bubble in the wrong place can break a sale for me, so online I need a lot of photos and details, finding art that I am looking for…, find something I like at a good price, enjoying the new purchase, contact with the artist, I don't need to actually meet him/her, cash, art itself!

Question 6
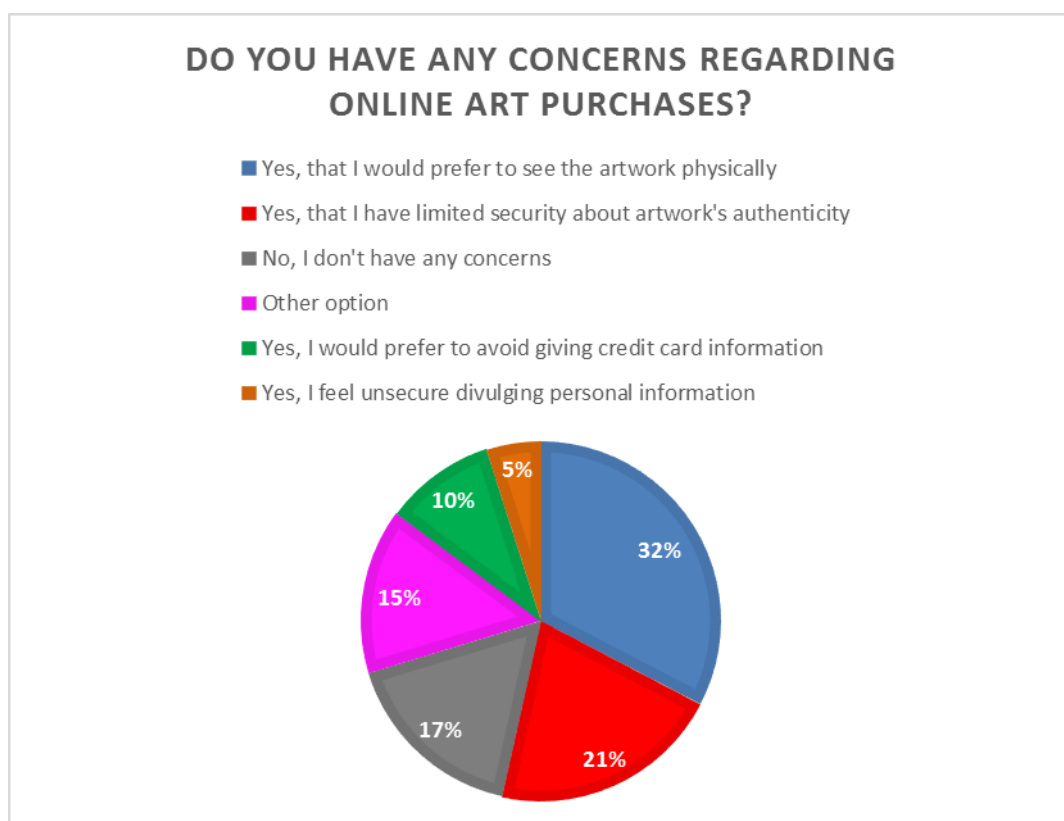
Other Option:

in real time I would like to buy from the artist or the authority of authentic art!, using a platform that ensures receipt of purchased work, the artwork isn't real or a copy, sometimes not enough picture and low quality to be really able to judge the piece, shipping, limited stock is sometimes hard to obtain with the different time zone drops,

it would depend on the painting, is survey for old rich people c'mon, if there is a money back guarantee and i am familiar with the seller, I like to receive more information from what artists post. For me it is important knowing what is used to create the art as much as it is see the completed artwork, I do want the piece to be sold by the person who created it so they are getting credit and pay for their talents, how to get it safely and securely delivered, poor packing could cause damage. Also from overseas I pay tax on the cost and on the carriage, don't like artists not coming through on commissions, do the photos represent the piece well, appropriate packing, shipping and insurance!

Question 7: Please rate how important are for you the following provisions, in order to buy an artwork online

Provisions:	Not at all	Neutral	To a small extent	Important	Very important
Be able to return the artwork if I am not satisfied and get a refund	20%	13%	19%	25%	23%
Be advised by an art expert	41%	9%	26%	16%	10%
Buy artworks on discount	23%	19%	36%	12%	10%
Be able to see the prices	1%	0%	5%	30%	64%
Be able to virtually see the artwork in my place	25%	13%	30%	19%	13%
Read reviews	25%	18%	33%	13%	10%
Chat with a salesperson	33%	27%	19%	11%	9%
Be able to zoom in and out the image of the artwork	3%	1%	9%	40%	47%
See pictures of the artwork next to other	28%	19%	28%	14%	17%

objects					
See the artist's profile	7%	9%	21%	43%	21%
See the certificate of authenticity	14%	12%	23%	30%	20%

Question 8

WHICH OF THE FOLLOWING ADDITIONS TO THE WEBSITE OF AN E-GALLERY OR ART PLATFORM WOULD YOU FIND APPEALING?

- ■ Place artworks next to each other on a virtual wall
- ■ Ask for help from an online assistant(avatar)
- ■ Make an online virtual exhibition with artworks of my choice
- ■ Chat with other buyers
- ■ See what others have bought
- ■ Play art-related games for discounts

Question 9

**HAVE YOU EVER BOUGHT
ART ONLINE?**

■ YES ■ NO ■ ■

24%

76%
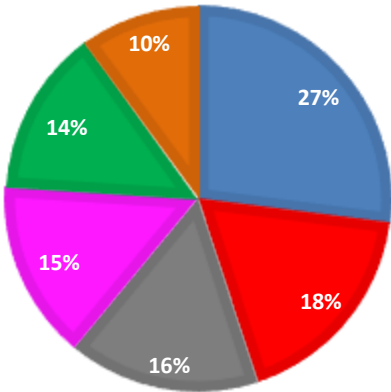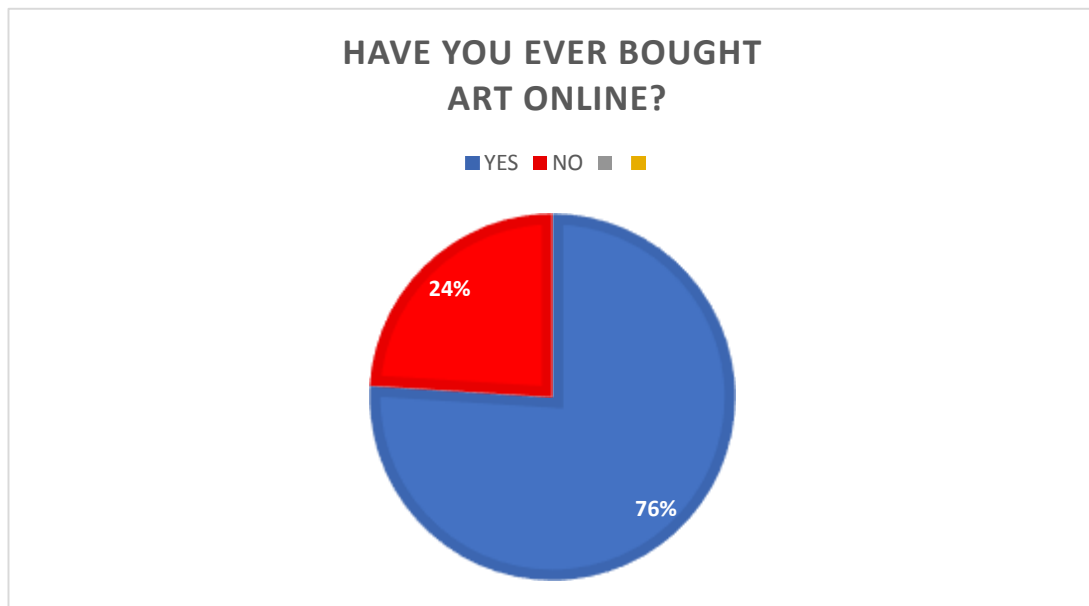
If your answer is NO will you please state the reason?

*- Not sure about the authenticity. - Because I prefer to see the actual piece. Also, if at
all possible to meet the artist. - Chance and finances. I have not looked extensively and
few of the pieces I have seen for sale have really grabbed me. - Prefer to see it first
- I am starting to collect other artists work. at this stage I have not yet bought online
but I will. The rest of your questions do not apply to me as I have not yet bought online.
-Prefer in person - I want to see it up close. - Probably not had the confidence
- I am about to do so.*

Question 10

HOW FREQUENT DO YOU BUY ART ONLINE?

■ More than 3 times a year ■ seldom ■ once a year ■ 2 times a year ■ only once

- 2%
- 12%
- 16%
- 45%
- 25%
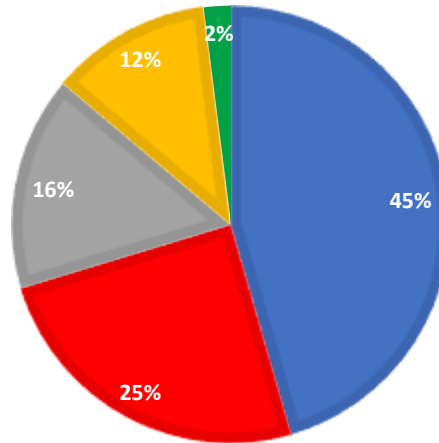
Question 11

HAVE YOU EVER REGRETTED BUYING ART ONLINE?

■ YES ■ NO ■ ■

- 35%
- 65%
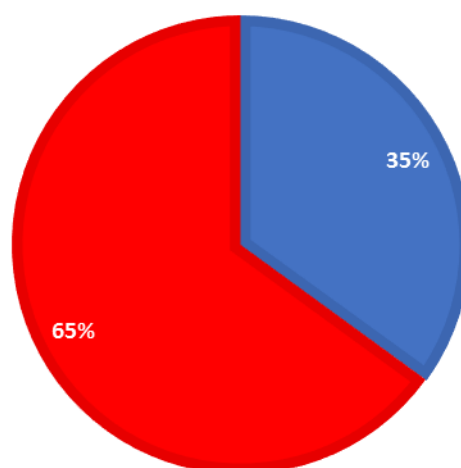
If your answer is YES will you please state the reason?

-Sometimes the description was rather discussable about the age and that having the feeling to have payed too much. Having flaws I did not notice on the pictures. - Artwork didn't look as expected in reality. Pics online were professionally taken and photoshopped to make the artwork seem better under perfect lighting. - Over paid. - Seller never sent the art. Had to chase after her for a refund. - I have sometimes gotten something that was poorly executed or damaged on arrival. - There were more bubbles than expected in the glass. However, it was not too expensive. I can spend £3000 on an object in a galley, but online I have rarely gone above £500, with the one exception of £2000 where I was extremely familiar with the work of the artist. - Purchased what I thought were signed prints and they were not. - The level of craftsmanship was not what I had believed it to be. - The photographs were a poor representation of the actual work. - bad quality / material loss. - It was not as good quality as id hoped. - Wasn't as described. - colors and condition was off. - Paid too much. Thought to buy masterworks which turn out to be rubbish. - Not able to see that it was a reproduction by the picture. - Sometimes artworks look better on photo than in real...But it can also be the other way around! - Wasn't the size I thought it would be. - length of time it takes some to ship - Ripped off by artists not completing work as agreed.

Question 12

FOR WHICH OF THE FOLLOWING REASONS DO YOU BUY ART ONLINE? MULTIPLE CHOICE ALLOWED

Legend: ■ For myself ■ For my collection ■ As a gift ■ For my job ■ other option ■ for the company I work for

- For myself: 41%
- For my collection: 25%
- As a gift: 23%
- For my job: 4%
- other option: 4%
- for the company I work for: 3%
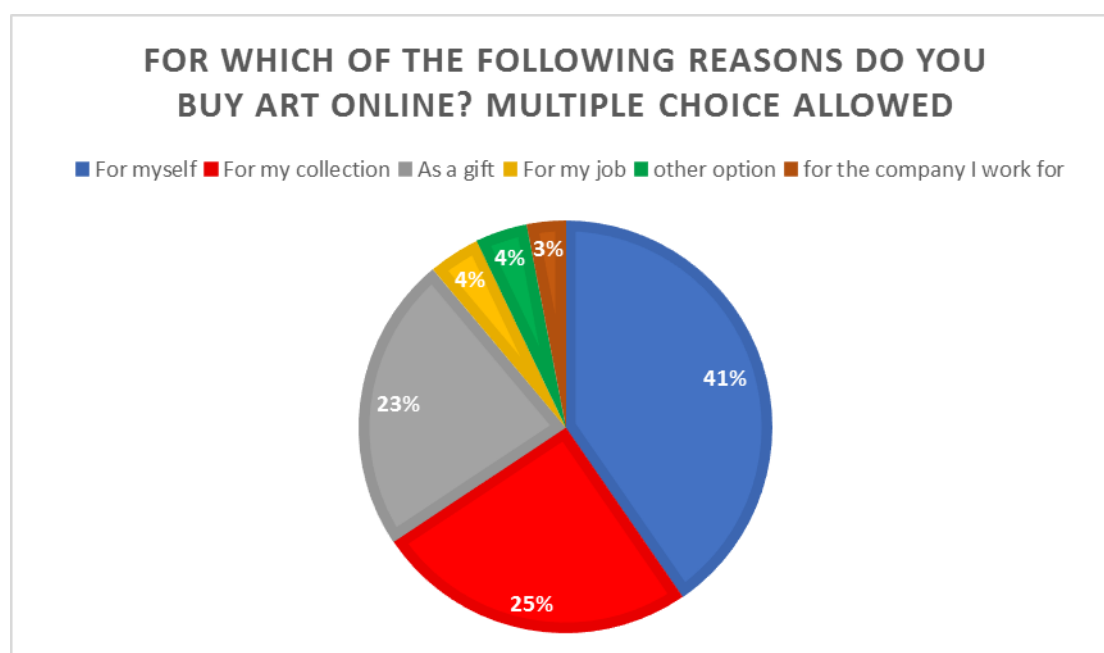
Other Option:

to support the artist, to auction for a charity, it is at a location that is not nearby, it costs too many ch to travel to the auction house or gallery, I learn from it

Question 13

WHAT DO YOU FIND IRRITATING WHEN YOU BUY ART ONLINE

- Delivery waiting time
- Nothing
- Lack of contact information
- The checkout process is confusing
- The pictures' loading time is very slow
- The procedure is not amusing

Segment	Percentage
Delivery waiting time	30%
Nothing	25%
Lack of contact information	16%
The checkout process is confusing	13%
The pictures' loading time is very slow	11%
The procedure is not amusing	5%

Question 14: Please rate how strongly you agree or disagree with the following statement:

When I buy art online I am usually satisfied by the……

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
way artworks are presented	0%	10%	50%	31%	9%
way artists are represented	2%	7%	51%	33%	7%
information provided on art-works	3%	12%	39%	33%	12%
Customer service	2%	7%	42%	42%	7%
discounts on artworks	3%	21%	57%	14%	3%

Question 15

WHAT IS YOUR GENDER?

male female

48% 52%

Question 16

PLEASE SPECIFY YOUR AGE

■ Over 50 ■ 31-50 ■ 18-30

14%

47%

39%

Question 17

PLEASE SPECIFY YOUR EDUCATIONAL LEVEL:

■ Postgraduate ■ college ■ undergraduate ■ high scholl ■ Phd ■ elementary

6% 0%

13%

39%

16%

26%
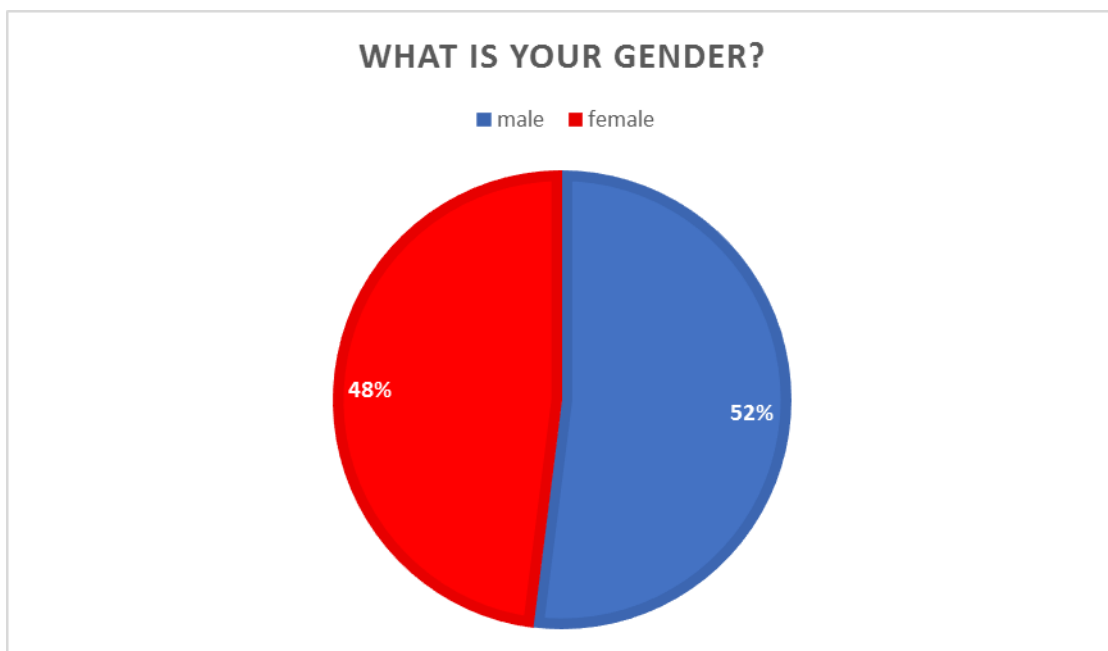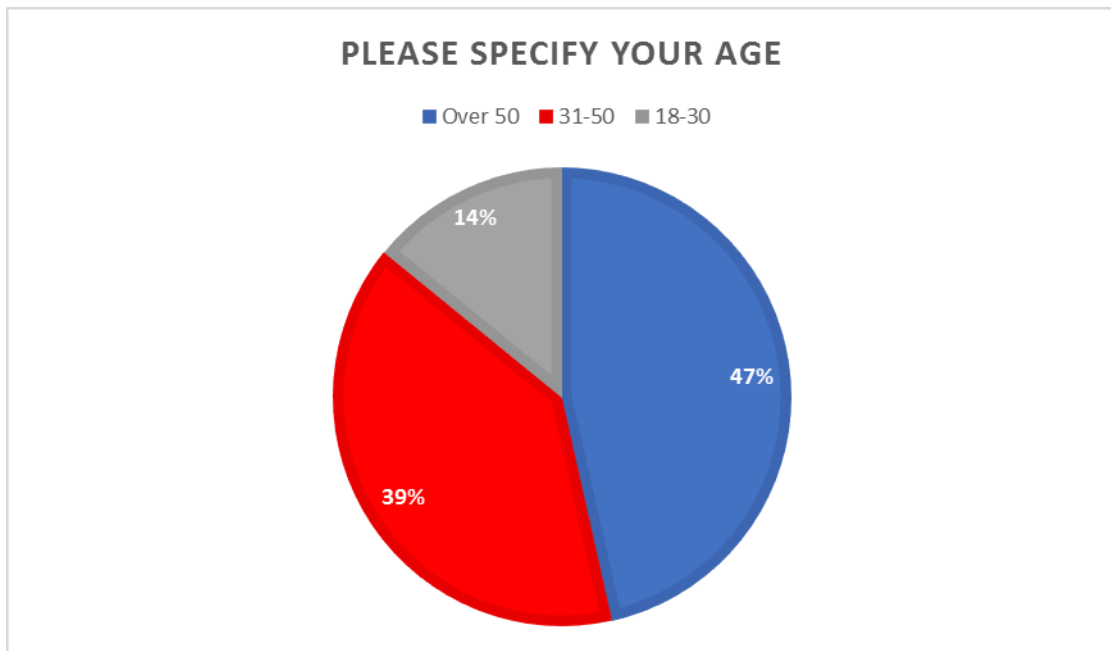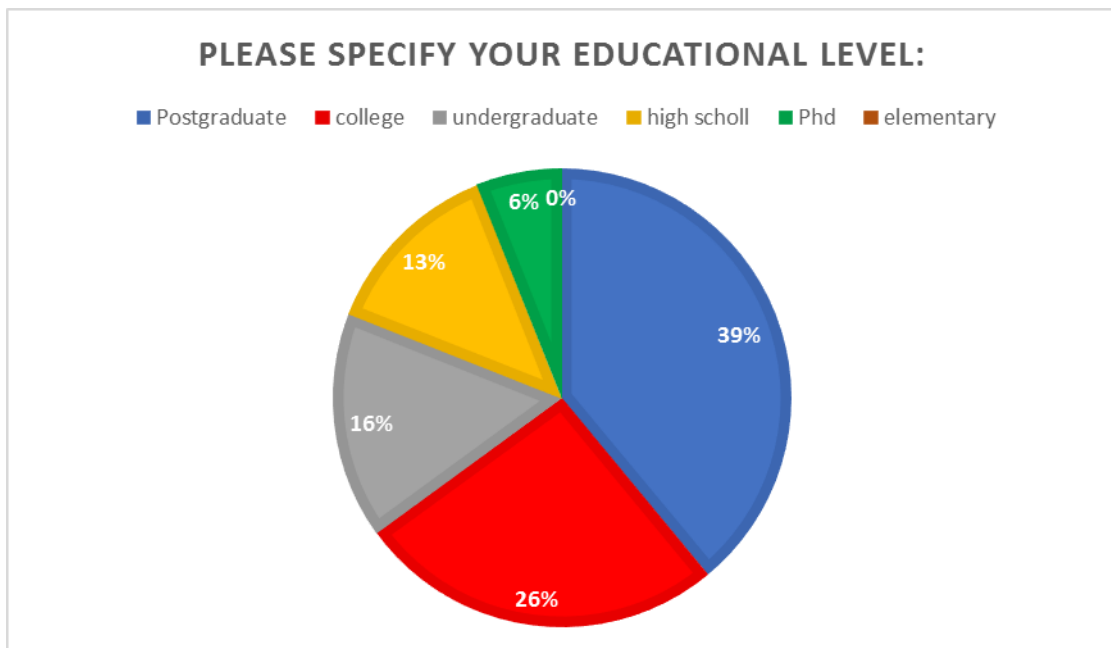
Question 18: Where are you from?

	COUNTRY	TOTAL	PERCENT
	United States	29	41%
	Canada	5	7%
	United Kingdom	5	7%
	Australia	5	7%
	Greece	4	6%
	Netherlands	3	4%
	Unknown	3	4%
	Belgium	2	3%
	Switzerland	2	3%
	Italy	2	3%
	India	1	1%
	South Africa	1	1%
	Thailand	1	1%

	Japan	1	1%
	Bulgaria	1	1%
	France	1	1%
	Finland	1	1%
	Spain	1	1%
	Germany	1	1%
	Zambia	1	1%

Question 19
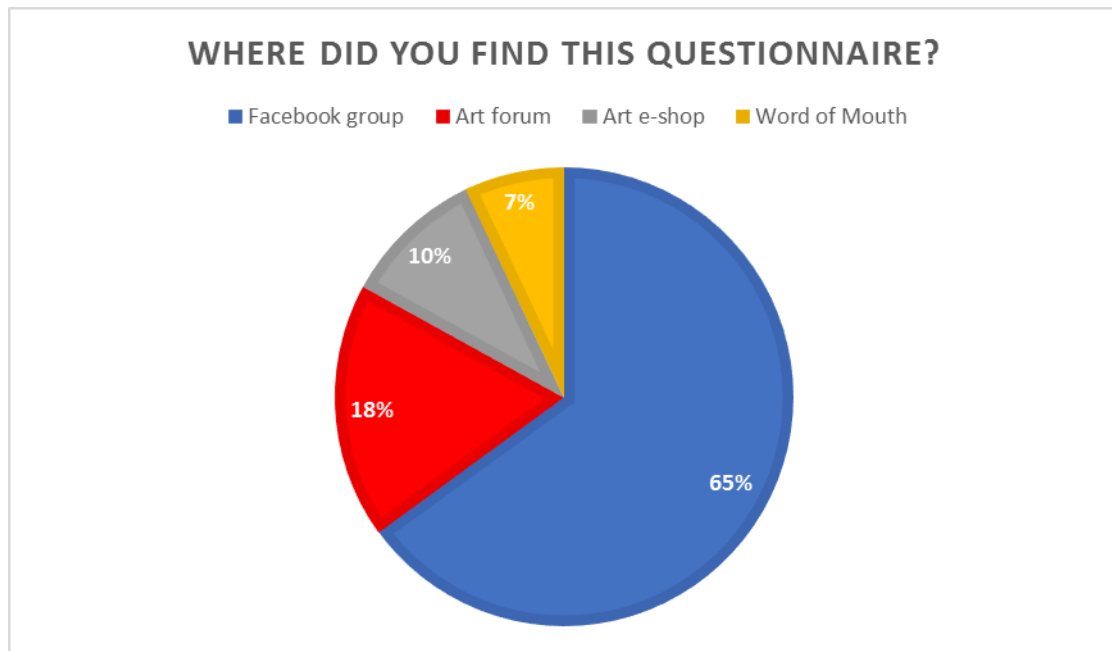
4. The structure of the in-depth interview

Introduction:

I am Dimitra Fotopoulou Thank you very much for your help with my dissertation.

Do you have any questions for me before we start?

Is it ok with you if I record our conversation? Also, I would like to inform you that if there is a question that you don't feel comfortable to answer we may skip it.

Questions[106]:

1. Can you tell me a little bit about your experience in the art field?
2. When the e-shop was launched?
3. Do you also have a physical place?
4. How would you describe the process your clients use to buy art online typically? Do they call you first or send you an email?

---

[106] For Questions 1, 4, 5, 6, 11 see Bester, K. M. (2015). *The art of online market-ing* (Doctoral dissertation), p. 125-128.

5. What is the opinion of your clients for your website? Does it meet their needs?
6. What are the typical responses you get from clients who buy online, do they buy easily, do they ask questions, what factors do they consider?
7. Do your clients hesitate to make an online purchase and why?
8. Are your clients reluctant to give their credit card information?
9. Have you noticed a lot of returns of artworks? - What is the most common reason for the return of an artwork?
10. What are in your opinion the disadvantages of online galleries in relation to traditional?
11. What you would suggest are the most important dimensions for an online art website to be effective and to facilitate sales?
12. Have you consider any improvement that you would like to do in your website?
13. Is there anything you would like to add?

5. The in-depth interview with Mr. Sarris, the director of "Eshop – art.gr"[107]

1. Can you tell me a little bit about your experience in the art field?

2O years in Peri technis

2. When was the e-shop launched?

The E-shop was launched at 2009, at the beginning of the economic crisis. It was one of the first e-galleries in Greece.

3. Why did you decided to launch an e-shop?

Seeing the negative impact of economic crisis, I figure that I have to do something else to expand my buying public. I couldn't just rely on making sales only to those who happen to pass by my physical shop. I didn't want to rely only on the local market.

4. Did you succeed in expanding your target group?

---

[107] The interview was conducted in Greek language. The author took the permission of Mr. Sarris to translate the interview.

Of course, now we sell to customers all over Greece, Cyprus and Hellenic Diaspora. For example, we have Greek clients in Canada, in USA, in Germany.

5. Do people buy more in the physical shop or online?

We don't have available any statistics in relation to that. However, from my experience, at the beginning of economic crisis we had more sales from the e-shop. Now the sales are half- half. I think that when people have the purchasing power, both the physical shop and the e-shop perform well.

6. How would you describe the process your clients use to buy art online typically? Do they call you first or send you an email?

I would say that half of the people do completely independently their purchases, without communicate with us at any level of the buying process. We always call all our customers upon the artworks' delivery to check whether the artworks arrive on time, if the customers are satisfied, if the artworks fulfill their expectations. The other half may communicate with us for other questions. For example, they may need help with the selection of the frame. For supplementary questions, they usually call.

7. A common phenomenon in online shopping is that people visit the e-shop to find a product but they buy it from the physical shop. Have you noticed that?

Yes, there are people who do that because they want to see the artworks in person. They may call us and ask where there is the physical shop to come and see the artworks.

8. What is the opinion of your clients for your website? Does it meet their needs?

The costumer research conducted the previous year showed that our customers are very satisfied. They customers have a very positive attitude towards the e-shop. Also, many clients leave their comments on the site of the e-shop.

9. Have you notice any complaints or difficulties on behalf of your customers?

No, because we don't let customers to be unsatisfied with our services. If there is any complain we do something about it immediately. If for example an artwork is damaged

during its delivery to the customer, we replace it immediately. This is the most serious problem that may occur. No one has ever told us that the artwork is not as it was appeared in the e-shop.

10. How do your customers find the function see it in a room?

This function helps a lot the customers, because they can imagine how the artwork will appear in their home. They can choose furniture and the color of the wall to help them.

11. Are your clients reluctant to give their credit card information?

No, as time goes by this isn't a problem anymore. However, the majority of our customers choose to pay on delivery.

12. What is your return policy? Is there a certain period in which the costumer may return the artwork?

We don't mention the exact period of time in the e-shop, but a customer may return an artwork within a month from the delivery of the artwork.

13. Have you noticed a lot of returns of artworks?

No, no one has returned an artwork.

14. What are in your opinion the disadvantages of online galleries in relation to traditional?

In the field of art the biggest disadvantage is that it is very difficult to capture all the dimensions of an artwork in a photograph. An artwork may have layers, it may be embossed. The 3d dimension that the painter creates in a painting cannot accurately be attributed by a photograph. Another important factor that affects the way an artwork looks like online is the visitors' screen. In one screen the colors may look very different from another.

15. What you would suggest are the most important dimensions for an online art website to be effective and to facilitate sales?

It is very important to carefully photograph the artworks. The photographs must show as much as possible the work as it is, they shouldn't fool the customers. For example, one may use Photoshop and alter the photos but this would result in showing a different artwork. Another important element is the packaging and the shipping of the works. It should be done with caution. The clients have to see that you don't play with your work. Also, the delivery time is significant. The artwork must be delivered on time. Finally, the prices play an important role, as in all other product categories.

16. Would you like to add anything?

The conclusion of our discussion could be that the customers have a totally different attitude, understanding and reaction in online shopping. In a physical shop the customer interacts with the seller. One cannot enter a shop without saying a word. He will say what he is looking for and even if he doesn't want to buy anything he feels that he has to say something to the seller looking at him. In an online shop the customer doesn't have to think what to say, how to act, to be polite. He may reward or reject a shop within a second. That's why e-shops have to be flawless. The smallest problem may push away a possible buyer.