
PRESS RELEASE

BASEL | NOVEMBER 2 | 2023

***The Art Basel and UBS Survey of Global Collecting in 2023* reveals insights into the behaviors and outlook of high-net-worth collectors in the first half of 2023.**

High-net-worth collector spending on art remained strong in 2023 with most optimistic about the art market in 2024, as findings may also indicate a more careful buying approach.

- Authored by cultural economist Dr. Clare McAndrew, founder of Arts Economics, ***The Art Basel and UBS Survey of Global Collecting in 2023*** presents the results of research on the activities and buying behaviors of high-net-worth (HNW) collectors in 11 key markets in the first half of 2023. Conducted by Arts Economics in collaboration with UBS, the report reviews trends in collector spending, motivations of their activities in the market, and how they interact with artists, galleries, institutions, and their environment. The collector survey in 2023 is the largest of its kind to date, with qualified responses from more than 2,800 HNW collectors across Brazil, Mainland China, France, Germany, Hong Kong, Italy, Japan, Singapore, Taiwan, the United Kingdom, and the United States.
- The report revealed strong HNW collector spending in the first half of the year, with a notable increase from Mainland China post-lockdown, as in-person buying also continued its resurgence. There were some signs that HNW collectors exhibited greater risk-aversion in their collecting so far in 2023 compared to 2022, with more spending on paintings and less on digital art, and as more HNW collectors planned to hold off selling works from their collection in the next year. Nonetheless, the HNW collectors surveyed did not gravitate to the higher end of the market, with a lower share spending on artworks at the highest price points than in previous years.
- ***The Art Basel and UBS Survey of Global Collecting in 2023* is available to download for free [here](#).**

Key findings include:

INTERNATIONAL TRADE

- **Trade statistics showed a vibrant exchange of art and antiques across borders in 2022 and early 2023.** Imports of art and antiques reached their highest-ever level of \$30.7 billion in 2022 and exports their second highest at \$33.4 billion. While global imports across all industries were down in the first quarter of 2023, the value of inflows of art to key hubs continued to grow, including double-digit increases in Hong Kong (50%), the UK (38%), and the US (15%).

SPENDING

- **HNW collector spending remained strong in the first half of 2023, signaling a potential year-on-year increase compared to 2022.** The median expenditure on art and antiques by HNW collectors reached \$65,000 in 2022, and this level was maintained in the first half of 2023, indicating a potentially substantial rise for the year if spending continues. After a decline of 6% in 2022 to \$202,000, collectors from Mainland China reported the highest median expenditure in the first half of 2023, at \$241,000, showing a strong return to spending post-lockdown.
- **Among the HNW collectors surveyed, the average allocation to art in their wealth portfolios fell in the first half of 2023.** The average allocation to art by HNW collectors fell to 19% in 2023, from a peak of 24% in 2022. This is potentially indicative of a more cautious approach to collecting, with a greater focus on more liquid financial assets, or less inclination to spend on discretionary purchases versus other investments than in previous years and higher opportunity costs.
- **A significant share of HNW collectors used credit or loans to finance purchasing.** New for this study, when HNW collectors in the sample were asked about the use of credit, 43% reported using credit or loaned funds to purchase works of art or objects for their collections at some stage, with 30% having used credit in 2022 or 2023. For those that used lending, the average share of the value of their collections financed through credit was 29%. The average share for UHNW collectors was higher at 39%, and one third of this segment had financed over 50% of their collections with loaned funds versus only 2% of those with wealth of less than \$5 million.
- **HNW collectors surveyed spent the most on paintings, with Mainland Chinese collectors spending the highest on average on the medium.** The majority of spending so far in 2023 was on paintings (at 58%), with works on paper being the second largest component (13%). Mainland Chinese collectors spent the most on paintings with an average of close to \$400,000, nearly four times the overall average and up 20% on their reported level in 2022; they were also the highest average spenders in several segments, with the notable exception of digital art.
- **HNW collectors spent less on digital art.** The share of spending on digital art accounted for just 3% HNW collectors' total expenditure in 2023 so far, and the share of digital artworks in their collections fell from 15% in 2022 to 8% in 2023, with the majority of works being linked with an NFT. This decline parallels trends on external NFT platforms, where, by mid-2023, sales of art-related NFTs had fallen to their lowest level since January 2021, with monthly turnover about 2% of the value of their previous peak in late 2021. The number of unique buyers also fell from over 40,000 during the peak in 2021 to less than 2,000 in mid-2023 with declining sales and values in both primary and resale NFT markets.
- **A lower share of HNW collectors reported spending on artworks at the highest price points.** The share of collectors focused on buying works of art priced at over \$1 million fell substantially from 12% in 2021 to 4% in 2022. There was some revival of those spending at higher price points in the first half of 2023 (9%), however, even with

these increases, levels were below those of 2021 and previous years, pointing to an increasingly thin high-end following the strong post-COVID-19 bounce-back in sales.

- **Women outspent men in the survey for the third consecutive year.** With a median of \$72,500, women in the survey outpaced spending by their male counterparts in the first half of 2023 and the two previous years. However, there were more male high-spenders than women, with double the number of men than women in the narrow segment of respondents spending more than \$1 million in each period.
- **Gen X collectors outspent their younger peers in some of the largest-value mediums.** Compared to their younger peer groups, Gen X collectors averaged the highest spending overall for paintings (\$145,000 against \$108,000 for millennials). They were also the highest spenders on works on paper, although millennials still spent more on sculptures, installations, photography, and film or video art. Gen Z collectors had the highest average expenditure on prints and digital art in the sample, indicating that these could be important and accessible mediums for younger collectors entering the art market.

COLLECTIONS

- **The share of works by women decreased in HNWI's collections.** HNWI collectors spent less on works by female artists in 2022 and 2023 (with a ratio by value of 39% female to 61% male), and the share of works by women in collections decreased by 3% year-on-year to 39% in 2023, reverting to 2020 levels. However, despite this apparent pullback, notably collectors spending over \$10 million per annum tended to have a higher share of female artists' works in their collections (54% in 2023 versus 52% in 2022) and their proportion of spending also increased from 46% in 2021 to 55% in 2023. This could indicate that, although undertaken by a minority of collectors, some of the spending at the very highest levels was on works by female artists.
- **Reselling was more common among those with financial motivations for collecting, however, many HNWI collectors in the survey traded in and out of their collections in 2022 and 2023.** In this survey, despite a low 10% of collectors identifying themselves as 'investors,' many were active in trading in and out of their collections: 38% of collectors surveyed reported having resold works from their collection during 2022 and 2023 (although this is significantly lower than previous research, including 60% of collectors reselling in 2020 and 49% in 2021). While there are likely to be various reasons for collectors reselling works, including issues related to collection content and exhibition space, financial motivations were likely to have been a significant factor for many collectors in the survey. Resales were more common among those who reported financial motivations for collecting, with 47% reselling in 2022 and 2023 versus an average of around one-third of collectors with non-financial motives.

BUYING CHANNELS

- **A continued resurgence of in-person buying.** Dealers were the most widely used channel for purchasing by HNWI collectors in 2023. 86% of HNWI collectors purchased from a dealer in 2023, and of those, 84% bought in person from their

gallery or premises, up from 73% in 2022. The majority (58%) had made a purchase at an art fair, down from 74% in 2022, although still higher than 2021 (54%). Auctions were the next most widely used sales channel for collectors, with around three-quarters of respondents having bought at auction so far in 2023.

- **HNW collectors also spent the most through dealers in 2023**, accounting for 47% of their total expenditure in 2023, up by 2% year-on-year. Including art fairs, the share of spending through dealers was higher in every market, with the narrowest margin vis-à-vis other channels in Mainland China, where spending at auction accounted for 35% of the total versus 41% through dealers (or 28% excluding art fairs). Buying at auction was the second-largest channel for spending overall (at 25%, up by 8% on the surveys in 2022).
- **HNW collectors surveyed dealt with a relatively balanced share of local and overseas galleries, with France and Japan noted among the key regions of interest for those wishing to buy abroad.** Around half of respondents preferred to buy from a gallery in their region if given the choice, down by 6% on 2022, signaling a slight shift in preferences away from local galleries in 2023. For the remainder, a stable 24% preferred overseas galleries, and the most popular regions included France and Japan, mirroring the strong interest also reported by collectors in works by French and Japanese artists. As a whole, the aggregate figures of local versus overseas galleries or artists purchased from by HNW collectors in 2023 remained on par with the level in 2019, revealing limited evidence that the pandemic had an enduring, practical impact on localizing the focus and purchasing habits of collectors.
- **HNW collectors in the survey were more selective about event attendance.** Collectors reported that they would attend 32 art-related events in 2023, nine less than in pre-pandemic 2019, with a small reduction (of 1 event) in gallery exhibitions, art fairs, and artist studio visits, and a more substantial drop in biennales and other large visual arts festivals (down by 3) and live auctions (down by 2, and paralleling a lower number of live auction sales in the major auction houses). Looking ahead to 2024, most collectors (92%) planned to continue to attend art-related exhibitions and events, either the same number (43%) or more than they did in 2023 (49%).

OUTLOOK

- **The majority of HNW collectors in the survey (54%) planned on buying art in the next 12 months, stable on 2022.** Some of the most active buying plans were reported by collectors from Mainland China, with 68% planning to purchase works in the coming year, along with large majorities in Japan, Brazil, and Italy. Millennial and Gen X collectors also had the highest majority planning to buy art (58% and 59%, respectively) versus just under half (45%) of Boomers. Paintings remained the most popular choice for planned purchases (84%), followed by sculptures and works on paper.
- **The share of collectors intending to sell works from their collections in the next year was lower compared to 2022, possibly indicative of a wait-and-see approach.** 26% of collectors surveyed planned to sell works from their collection over the next 12 months, down from 39% in 2022, with most of those reporting that they

would hold off on selling because they believed the prices of their artists' work would improve in future.

- **77% of HNW collectors surveyed remained optimistic about the art market's performance over the next six months**, a slightly larger share than were optimistic about the stock market (74%).

Clare McAndrew, Founder, Arts Economics, said: 'Economic and political uncertainty has been looming over the art market in 2023. Although much discussed, there has been little comprehensive research on how economic and social trends actually impact the decisions and spending plans of collectors. To delve into these questions, this survey – the largest of its kind to date – examined the attitudes, behaviors, and outlook of high-net-worth collectors from different regions around the world. Collectors continued to strongly engage in sales and events in 2023, alongside some evidence of more risk-averse approaches and less impulse buying. Self-focused motivations including self-identity and the personal pleasure one derives from owning art remained the biggest drivers for buying in 2023. Though only a small minority of collectors consider themselves investors, many are highly aware of the financial impact of their collecting activities, actively using leverage and credit as well as reselling works from their collections.'

Noah Horowitz, CEO, Art Basel, said: 'This year's *Survey of Global Collecting* suggests that high-net-worth collectors may reasonably be taking a more careful approach to their spending, amid volatile economic and geopolitical conditions. Nonetheless, HNW collector confidence remained strong, with spending in the first half of 2023 already matching the whole of 2022 and with Chinese collectors recording the highest. The remarkable success of our shows in Hong Kong, Basel, and Paris thus far this year bears out this dynamic, with these fairs being propelled by the continued resurgence of in-person buying even as collectors exercise greater selectivity in their event attendance. Looking ahead, the majority of collectors surveyed remained optimistic about the art market's performance, reflecting the resilient demand for art in the largest global markets.'

Paul Donovan, UBS Global Wealth Management Chief Economist, said: '2022 was marked by an extraordinary surge in consumer spending on higher priced goods, as pandemic restrictions ended. For higher income consumers, this included the personal luxury goods market. The art market, sharing a consumer base with the luxury sector, also benefitted from this trend. However, a palpable shift is underway. In 2023 consumer spending growth has pivoted from goods towards services. Trends in the art market are also evolving, with collectors becoming more discerning and intentional in their choices, favoring meaningful connections and quality over quantity. They are spending not just their money, but also their time, delving deep into research to ensure their acquisitions truly resonate with their values and aspirations.'

Each year, Art Basel and UBS co-produce two publications which assess the global art market and trends in art collecting. Published in the spring, *The Art Basel and UBS Global Art Market Report* assesses the international trade in art. *The Art Basel and UBS Survey of Global Collecting* is released each autumn and dives more deeply into the buying behaviors of HNW collectors. Both publications are authored by Dr. Clare McAndrew of Arts Economics and are available for free at theartmarket.artbasel.com.

NOTES TO EDITORS

About Arts Economics & Clare McAndrew

Arts Economics is a research and consulting firm focused exclusively on research and analysis of the fine and decorative art market for private and institutional clients. The company was founded by Clare McAndrew in 2005. Dr McAndrew is a cultural economist who specializes in the arts, antiques, and collectibles markets. She completed her PhD in economics at Trinity College Dublin in 2001, where she also lectured and taught economics for four years. In 2002, Clare joined US firm Kusin & Company, a boutique investment banking firm specializing in art investment, as chief economist. After three years in the United States, Clare returned to Europe in 2005, and continued her work in the art market in a private research and consulting capacity for a global client base. She set up Arts Economics in 2005 to focus her efforts on art market research and analysis and works with a network of private consultants and academic scholars in different regions around the world providing research and consulting services to the global art trade and financial sector.

About UBS & Contemporary Art

Global Lead Partner of Art Basel, UBS has a long history of supporting contemporary art and artists. The firm has one of the world's most important corporate art collections. UBS seeks to advance the international conversation about the art market through its global lead partnership with Art Basel, and as co-publisher of the 'Art Basel and UBS Global Art Market Report' and the 'Art Basel and UBS Survey of Global Collecting'. UBS also supports some of the world's most important arts institutions, events and fairs. UBS provides its clients with insight into the art market, collecting, and legacy planning through its UBS Collectors Circle and UBS Art Advisory. For more information about UBS's commitment to contemporary art, visit ubs.com/art.

About UBS

UBS is the largest truly global wealth manager and the leading universal bank in Switzerland. It also provides large-scale and diversified asset management solutions and focused investment banking capabilities. UBS helps clients achieve their financial goals through personalized advice, solutions and products. Headquartered in Zurich, Switzerland, the firm has operations and offices around the globe. UBS shares are listed on the SIX Swiss Exchange and the New York Stock Exchange (NYSE).

About Art Basel

Founded in 1970 by gallerists from Basel, Art Basel today stages the world's premier art shows for Modern and contemporary art, sited in Basel, Miami Beach, Hong Kong, and Paris. Defined by its host city and region, each show is unique, which is reflected in its participating galleries, artworks presented, and the content of parallel programming produced in collaboration with local institutions for each edition. Art Basel's engagement has expanded beyond art fairs through new digital platforms and a number of new initiatives such as *The Art Basel and UBS Global Art Market Report*. For further information, please visit artbasel.com.

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