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eBay, Sotheby's auction partnership propelled by technology, art market growth

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Sotheby's New York headquarters

By JEN KING

International auction house Sotheby's has joined forces with online auctioneer eBay to develop a digital platform that enables consumers to easily browse artwork, antiques and collectibles.

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The partnership will likely raise eBay's stature in the auctioneer sector, as its work with Sotheby's will introduce the online shopping platform to the international art business. For Sotheby's, partnering with eBay will have a similar effect by making the auctioneer more accessible to global consumers.

"There are several motivations for this partnership," said Andrew Gully, worldwide director of communications at Sotheby's, New York. "First, the broader market view: online art sales are projected to reach \$13 billion by 2020 so we and eBay believe there is a great opportunity there. An enhanced online presence will make our sales more accessible to exponentially more collectors.

"Specifically, eBay's and Sotheby's core strengths complement each other," he said.

"Sotheby's renowned expertise gives us the ability to source and authenticate world-class artwork and collectibles and eBay provides the digital technology, unrivalled skill in marketing to online collectors and a global audience of 145 million active buyers in 190 countries.

"The combination of the two powerhouses will create an exceptional online auction experience."

On the auction block

Through the partnership, eBay will grant its 145 million active buyers access to Sotheby's expertise, auction experience and artwork and collectibles. For Sotheby's consumers, seamless access to eBay's platform and payment solutions will make the auction process easier.

In 2013, Sotheby's saw online bidders competing for 17 percent of items offered at auction. Also, the amount of lots purchased online increased 36 percent when compared to 2012.

This increase also was noted in mobile use with the number of consumers interacting with Sotheby's on tablets or smartphones doubling in 2013 versus 2012. So far in 2014, 25 percent of the auction house's Web site traffic comes from mobile devices.

Sotheby's push toward increasing its digital commerce presence is likely due to the live online purchase at auction in April 2014 of John James Audubon's elephant-folio "The Birds of America" for \$3.5 million. The purchase marked a record for the auctioneer for an item purchased online during a live auction.



John James Audubon's "The Birds of America"

The evolution of technology, notably mobile commerce, as well as growing art sales, have pushed auctioneers to adapt. eBay and Sotheby's plan to focus on categories with high collector price points such as jewelry, watches, prints, wine, photography and 20th century design.

Currently, the global art market is estimated to be approximately \$65 billion. According to a statement released by eBay and Sotheby's, online art sales may hit \$13 billion by 2020.

In the coming months, eBay and Sotheby's will host live auctions at the latter's

headquarters in New York. To support the live auctions, eBay plans to launch a new experience on its Web site tailored for collectors of rare, unique and premium art and collectibles in addition to first-time buyers.

To complement eBay's new additions, Sotheby's will serve as the "anchor tenant in the revamped marketplace" by including a new live auction feature and real-time bidding for international bidders. Sotheby's will present auctions from 18 collection categories and plans to explore theme and time-based sales.

Online bids

Sotheby's has been involved in mobile bidding for the past few years.

The British auction house launched commerce-enabled applications for iPhone and iPad in 2010 to let consumers bid on luxury items right from their mobile devices. Auction enthusiasts can use the application to browse current and upcoming auctions, view items and log-in to their Sotheby's.com accounts to place absentee bids ([see story](#)).

Online and mobile commerce has altered how auction houses interact with collectors and private bidders alike.

For example, auction house and art seller Christie's is capitalizing on the interest of fine horology with the launch of its online Watch Shop. Christie's Watch Shop has rare, vintage and luxury timepieces available for immediate purchase, year round via ecommerce ([see story](#)).

The level of trust both auctioneers have already established with consumers will benefit the partnership.

"We're really excited to work with this existing consumer base that already trusts us and act as a facilitator to introduce them to this space and this world of inventory," said Gene Cook, general manager of emerging verticals at [eBay](#), San Jose, CA.

"We were excited and found quickly that we share a similar vision. Sotheby's is interested in expanding consumer reach on a regular basis and interested in making this inventory more available," he said. "There is a strong educational and storytelling component in what we are doing as well."

With mobile and ecommerce expanding into auction houses, will the technology eliminate the in-house experience?

"I don't think [auctions] will be completely online," Mr. Cook said. "People like the experience of being in the room, but that is a limited experience because of geography and people in the room."

"There is fast growth right now, moving toward online and scaling dramatically. [Consumers] want real world experience, but accessible from their own home," he said.

Final Take

Jen King, editorial assistant on Luxury Daily, New York

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