

ARTS AND ENTERTAINMENT

Luxury needs to create a dream: Artsy

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Artsy x Gucci's video series. Image credit: Artsy

By BRIELLE JAEKEL

NEW YORK – In a time where startups and Silicon Valley have steepened the competition for luxury marketers, Artsy has decided to work with its peers instead of against them to better serve the consumer.

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Two Artsy executives spoke at Luxury FirstLook 2019 on Jan. 16, sharing insights on the beginning of the company and how its business model has allowed it to navigate the confusion of today's luxury business. Artsy has been able to capture the young affluent, who are looking for a connection and a story, and brands such as Dior and Gucci have funneled this into marketing opportunities.

“Consumers are humans, not data,” said Nina Lawrence, chief revenue officer for content at [Artsy](#), New York. “Luxury marketers need to continue to do what has been done for all time, which is to create a dream.”

Luxury Daily produced Luxury FirstLook 2019: Digital Acceleration

Working together

Artsy recently worked with Gucci and Dior for special branded partnerships that were able to create significant connections between art lovers and the fashion labels.

Gucci collaborated with Artsy on a gender equality campaign centered on a series of videos on the subject. The partnership was able to maintain Gucci's status as a luxury marketer through its connection to fashion, while also setting the stage for consumers to feel good about shopping with the brand.

The film series supported Gucci's Chime for Change initiative and reflected the brand's values ([see story](#)).

For Dior, Artsy and the label selected 50 of the greatest avant-garde artists of 2018 and intertwined their work with Dior's collection.



The Artsy Vanguard project blends art and fashion. Image credit: Bergdorf Goodman

During art festival Frieze New York, windows at Bergdorf Goodman were transformed into scenes featuring work from a number of artists alongside pieces from Dior ([see story](#)).

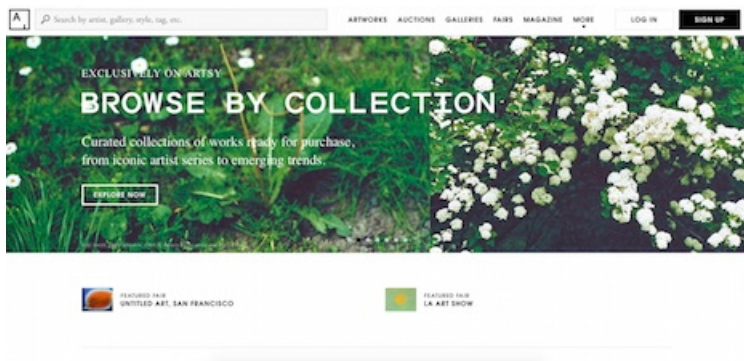
In addition to working with brands, Artsy believes that its strategy to work together with the industry instead of competing against it has allowed it to flourish so well.

The startup began by partnering with galleries, auction houses and others in the art industry to provide a collaborative space to showcase what they have to offer online, without having to worry about the digital infrastructure themselves. Artsy created a common ground in which all these players could come together and inspire art fans, allowing them to reach new audiences.

During the fireside chat, Sebastian Cwilich, cofounder and chief operating officer at Artsy, explained that the company is very much “not a disrupter,” unlike so many other startups.

The company lacked a marketing leader for the first five years of its life, focusing on building content rather than advertising.

“I certainly think in this era with younger consumers, the minute they feel they are being marketed to, you’ve lost them,” Mr. Cwilich said.



Artsy Web site

The Artsy platform works to combine commerce with editorial, as it focuses on a publication portion of the Web site, where consumers can come for art education.

Artsy innovation

The digital art destination raised \$50 million in Series D funding to accelerate its business in 2017.

Avenir Growth Capital led the funding round, and was joined by L Catterton, Thrive Capital, Shumway Capital and individuals well-versed in art, media and technology such as the founder of the Gagosian Gallery in New York, Airbnb’s cofounder and members of the Rockefeller and Acquavella families, known for their art patronage. With the \$50 million in Series D funding, Artsy has been able to facilitate marketplace growth and expand further into online and live auctions ([see story](#)).

That same year, Artsy acquired data science startup ArtAdvisor to provide deeper understanding of the current and future art market.

ArtAdvisor, a New York-based art technology startup, analyzes data about artists to glean insights about the

individual's work in the larger cultural landscape. Data analytics is becoming a common practice across sectors, including luxury retail, as brands aim to create more personalized experiences for consumers in the online space ([see story](#)).

"I would argue that our entire editorial platform is educational," Mr. Cwilich said. "There's a recent study done showing that only 2 percent of the world's millionaires collect art so far.

"It really begins with education in the investment we make and supporting the investment in educating and engaging the next generation of art collectors," he said.

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