Disentangling the Paradoxical Alliances between Art Market and Art World

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The relationship between art and market can be rendered visible only by closely examining the actions of contemporary artists, art critics, and writers, and the efforts of gallery and auction house merchandisers. A market orientation is just one way of evaluating the activities of the art world. Art and market are not reducible to each other, no matter the prevailing ideology. While the market operates on a narrative that valorizes the latest trend in image-making, aided by the creation of new technologies, it is neither the only nor the most important arbiter of value for the viewer. Disentangling the art-market complex is a necessary first step in reclaiming a holistic view of the consumption of art. We take that step in this paper.

Keywords: Art world; Art market; Modernity and postmodernity; Creative processes; Technology; Product embellishment; Art history and art criticism; Research and development; Art museums; Commercial and parallel art galleries; Art auctions; Role of government; Pop art; Appropriated art; Web art

INTRODUCTION

While most art has almost always had a market, as a trend accelerating in the late 1970s and especially in the 1980s, the art world (artists, art critics, historians and curators) conflated with the art market (art dealers, art galleries, auction houses and, by implication, the stock market) (Sandler 1996). According to Morgan (1998: 37), art has become a hybrid of fashion, investment, and status. Such a view can be partly explained by the overwhelming economic changes in the last fifty years, that have ushered the West into the postmodern epoch and helped reconfigure notions of art, especially in the United States.

The art market in America emerged around the turn of the last century, when many artists migrated from Europe to the United States.1 The migration caused the art market epicenter to shift from Paris to New York (Moulin 1987). In the 1940s the United States art market expanded because private and institutional collectors saw the potential for speculation (Goetzman 1993). Commercial intermediaries further developed the market by promoting artists on the basis of newness, originality, and authorship (Krauss 1996).

Meanwhile in the art world, the modernist movement in the late 1800s had made artists self-conscious about the role of art in society, its proponents challenging given notions of originality and creativity. In the early 1900s, the historical avant-garde, comprising such groups as surrealism, the Bauhaus movement, and Russian constructivism, were particularly reflective: anti-bourgeois sentiment coupled with an agenda for social change propelled them to eliminate the sacred and autonomous status of art. They hoped that through their works, the total aestheticization of life with appropriate social change would be possible because art

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ISSN 1025-3866 print/ISSN 1477-223X online © 2003 Taylor & Francis Ltd
DOI: 10.1080/1025386032000153759
was inseparable from life (Burger 1984). By the 1980s, postmodern artists, especially the deconstructionists and multiculturalists, moved away from the modernists and the historical avant-garde (Krauss 1996), questioning existing ideas of authenticity, originality, and authorship in art by using new technologies.

Lash (1990) contends that the postmodern condition increases commodification. Jameson (1992) has a similar view when he locates postmodernity within techno-scientific changes that have reflexive cultural and aesthetic implications. The defining action for these theorists is the relentless advance of materialism promulgated by electronic and print media, and the subsumption of human and scientific rationality unto its logic (Lyotard 1991). Baudrillard (1983) notes that mass media have neutralized reality in several stages, at first reflecting, then masking, and ultimately substituting themselves for reality. Berman (1985: 48) goes so far as to say "there is no [longer a] pre-aesthetic dimension to social activity, since the social order has become dependent on aesthetic organization." An apocalyptic tone runs through much postmodern theorizing on aesthetics, focusing on the loss, caused by new technologies of simulation, of all that once was authentic, beautiful, and original. So it is not surprising that important questions about the legitimacy of art continue to remain unresolved.

One of the aims of contemporary artists is to reflect on the blurring of boundaries between art and commodity (Becker 1982). Some art historians argue that the aesthetization of everyday life destroys the social autonomy of art, undermining its critical potential (Berman 1985). But others contend that cultural history, especially American, must be fully integrated with the history of fine art. An explanation is in order here. The blurring of boundaries between art and society is evidenced in the growth and importance given, for instance, to graphic design and media art. Artists of an earlier period were either very closely tied to the entertainment industry or were already producing works inspired by photography and television. However, even at the outset modern art established its identity by rejecting its industrial roots. That is, the cross-pollination between fine art and commerce was not always formally recognized and rewarded. However, Pop and postmodern art have successfully bridged the gap between fine and commercial art, vacillating between non-recognition and instant acclaim. Only recently have museums recognized the importance of graphic design and other forms of commercial visual practices.

Further, instead of critically evaluating the links between art and commerce, some postmodernist writers lament that the "experience of the real" is no longer possible with particular reference to postmodern art (Baudrillard 1983: 8). If art, as an autonomous sphere, which promised such significant experiences, was no longer separable from life, then its very role in society was suspect—at least in the minds of some curators, art critics, and art historians. According to Plattner (1998: 487), the aesthetic rules that governed the arts have lost their hegemonic authority, and critics and historians are afraid to voice a considered evaluation. Consequently any new trend is acceptable today as long as the artists are from recognized schools, and is witnessed in the choice of artists at the 2000 and 2002 Whitney Biennials. As Danto (2002: 31) notes, "art really is a mirror in which culture gets to see itself reflected and today's art seems to be primarily conceptual. That is, being an artist today consists in having an idea and then using whatever means are necessary to realize it." So ignoring the links between mass media/culture and fine art will not make art less valuable in the marketplace. New art, historically speaking, did not deter the development of the art market. The market subsumed any radical tendency, such as gender, ethnicity, simulation, within its dominant narrative, bringing new meaning and an understanding to the role of technology in a late-capitalist society (Sandler 1996). Artists today use contemporary images, such as cartoons, graffiti, circus posters, and crude demotic drawing, in their work, and face no prohibitions as to who should do what with any medium. Distinctions between insider and outsider, art and craft, fine art and illustration have all but completely disappeared (Danto 2002).
New technologies drive innovations in all spheres of life. Advanced capitalism, which requires constant economic expansion, does not have to destroy or undermine the role of art as critic of society. The fact that art is part of the larger visual culture and is inseparable from life does not make it any less important as a mirror of society. There is no point in maintaining the distinction between high and low, elite and popular, authorial and industrial as some critical modernists do. The complex nature of the relation of fine art to mass media imagery requires a more subtle characterization of the interlinked identity of the two domains. There is a case to be made for art that offers resistance to a hyper-real culture, although the inundation of images tends to blur the line between the two. Guerrilla-activist “culture-jammers” mount one form of artistic resistance (Klein 1999; Lase 1999), while millenarian groups such as the Burning Man Project (Kozinet 2001), present another. Danto (2002: 35) proffers yet a third option: to find your own way like the artists themselves did in the 2002 Whitney Biennial.

In this paper we argue that art should not be reduced to the art market, even though new technologies and postmodern writing contribute to such a perception. The end of art had been proclaimed at the height of postmodernism in the 1990s, but we contend that what ended was the conflation of art with the art market (Morgan 1998). However, the art market is one of many discourses in the art world, and in so far as it indexes the changing value of artworks, it plays a fundamental role in society. Besides, viewing art as a market offers an additional industry model within which to understand consumer behavior issues (Schroeder 2002). We endorse the view that the value of postmodern theory lies in its interrogation and disruption of existing understandings (Jarvis 1998), and that its essential role is to resist authoritative narratives by emphasizing viewer experience. A minority position gaining ground in the art world contends that commitment to the anti-aesthetic does not have to ignore the experiential realm that art provides (Morgan 1998: 205). No longer does an individual have to abide by the dictums of a cultural elite—critics and historians. Now, the judgment is within the realms of viewers’ discretion. Consequently, the creation and the consumption of artworks follow an alternative trajectory and are to be understood differently (Hirschman 1983; McCracken 1990).

In so far as artworks possess power, the acquisition of this power is aided and abetted by a critical theory surrounding the art object. But art history and criticism, which together are expected to contribute to reasoned judgment, sometimes cloud decision-making, moving the art market in specific directions. Historico-critical evaluation is more cognitive in its orientation than is the perspective of either the artist or consumer. Beauty thus becomes a commercially elastic concept, despite vociferous denials by dealers, critics, and collectors (Watson 1992). Activities that take place in the art market and those that occur in the art world must be reconciled, though, if this negotiation of value is to become apparent.

DYNAMICS OF THE ART MARKET: FROM MODERNITY TO POSTMODERNITY

To begin this argument, we identify the workings of the art world and the art market under modernity and the shifts that were made under postmodernity. But we confine our discussion only to the USA. Such an examination allows us to highlight the mechanisms by which art conflated with the art market. We then use this historical sketch as a springboard to discuss the challenges posed to the art world of a market orientation. Finally, we examine three important trends of the last half of the twentieth century—pop, deconstructive and Web art. The first two genres have been very successful in the art market, although they both critiqued art and the market. Web art is only emerging, but it already shows promise (Kastner 1996). Finally, we use these historical forays to disentangle art and market in our conclusion.
Artists and Artistic Practices: The Creative Process under Modernity

According to Hirschman (1983), artists create primarily to satisfy themselves, but they hope their artistic endeavors will please their patrons, as well as the public. Even Andy Warhol, who promoted himself ceaselessly and developed a brand image for his art through his various marketing activities, was inspired by the desire to provide a commentary on society.

The Typical Career Path of a Financially Successful Artist

There are a number of activities taken by artists, dealers and museums that catapult an artist from an unknown status to that of a celebrity. A gallery shows the artist’s work and places it with specific collectors. Exhibits are held either in well-established commercial or parallel galleries, and artworks are placed with more collectors and, perhaps, in museums (Crane 1987). The dealer’s activities achieve recognition for the artwork and gain a reputation for the artist with reviews. Shows in established venues, such as museums or state-run galleries that require professional curators, enjoy a high standing and offer great opportunities for official recognition. National or international awards buttress the road to fame. The artist whose work fits with the chosen trend of the curator or art critic garners more attention. Content to some extent fits format (Lisus and Ericson 1999). Good examples are the works of Andy Warhol and Cindy Sherman. The timing of these artists’ works was right. For instance, Warhol became an instant celebrity because his work (like that of other pop artists) denied the abstraction of the predecessors (Pollock, etc.) and exploded the boundaries between high and low art by incorporating popular imagery from advertising and comic strips into the picture. Likewise, Cindy Sherman shot to fame because by 1985 deconstruction art had become familiar even to the general public. As Davis (1985: 69–70) notes about deconstruction art, “where early photographers lusted to reproduce the world, the new breed lusts to reproduce, manipulate and criticize the medium itself.”

Further, the reviews of an exhibit legitimize the art. The currency of an artist’s name increases to collectors with the number of local and international shows exhibiting the work (Marcus 1995). The public display of the artwork demonstrates its stability as an object of interest (Myers 1995). Not all artists who are recognized in the art world are financially successful. The process of gaining a reputation is somewhat different for them. Exhibiting is important but it is a more difficult process. Aesthetic innovations need legitimization and alliances with curators must be developed. Often, works exhibited in parallel galleries are “really new” and controversial in nature (Joy 1998). These works require extensive viewer education, which happens over time. By and large, unless these innovations are in line with curatorial directions, the artists in this category do not become the superstars of the art world, despite the fact that they are critical for buttressing the activities of the top artists (Crane 1987).

Artists and Artistic Practices: The Creative Process under Postmodernity

Without a bona fide art degree from an established art school, an individual cannot generally enter the artist hall of fame (Luke 1992). Morgan (1998) and Sandler (1996) emphasize the importance of a fine arts degree from a recognized school in establishing oneself as an artist. Careerism and money have become important in the art world, a sequel to the revival of the economy in the early 1980s. In the 1980s, the terms originality and quality had no place in the art schools or art world; instead, pastiche, bricolage, and simulacra received much currency. Schools, such as the California Institute of the Arts, train students to be competitive
and to market themselves. Although many schools have an art history focus, career-oriented programs that prepare artists to operate in a commercial context seem to rate high (Sandler 1996). Often, the students go to New York as soon as they graduate and work with galleries there, and some of them become very successful. Danto (2002: 32) observes that, even in the 2002 Whitney Biennial, the works are considered representative if they are made by artists in their thirties and forties who have attended the main art schools and who keep up with the main art journals.

Further, one of the many outcomes of the new alliances between auction houses and collectors is that the artists often bypass the gallery or dealer. Artists also participate in this secondary market and allow their works to be auctioned. High-powered galleries still act as intermediaries between artists and collectors, but gallery space has come to reflect collector rather than artist space (O’Doherty 1986). The new alliances with auction houses also serve to create a distance between artists’ work and its evaluation by critics, historians, and curators. These evaluations are essential to the value accorded exhibits and sales to collectors. The need is filled now primarily through promotional materials (Sandler 1996).

Technology and Art-Making: The Modern Period

The most important technology that changed the creation of art in the twentieth century was the camera. Artists moved from depictions of reality in their works to explorations of the medium itself, and representation through photography became an important issue for artists. According to Krauss:

Photography is an imprint or transfer of the real; it is a photo-chemically processed trace causally connected to the thing in the world. The photograph is thus generically distinct from painting or sculpture or drawing. Technically and semiotically speaking, drawings and paintings are icons, while photographs are indexes. (Krauss 1996: 110)

Photographers exploited the medium of photography by using techniques, such as spacing and doubling reality constituted as a sign. Benjamin (1979) had already critiqued the auraetic product through the reproduction of the image in photograph. The nature of the photograph—multiple and reproducible—automatically challenged ideas of authorship, originality, and uniqueness (Krauss 1996).

In the 1950s, technological breakthroughs in the mass media forged new relationships in the art market. Image and surface changes, distortions, and layering exploded ideas of time and space and again confronted the viewer with questions of authorship, self, and place (Rindler 1997). Pop art was the exemplar in this context, with its critique of television and print. The technology of reproduction (prints, for instance) shattered the customary foci and media for artistic creativity and threatened the hitherto comfortable view of the role of art in society. The uniqueness of a work, or the signature style of the artist, had been irrevocably challenged in a system that supported the breakdown between signifiers to their corresponding objects (Baxandall 1991).

Technology and Art-Making: The Postmodern Period

Today, there are many kinds of art outside the traditional schools of painting, drawing, print making, photography, and sculpture. Conceptual (not art without objects as it was originally conceived) and performance art, in particular, have dramatically altered the visual scene. This type of art may be characterized by the following elements: it has little to do with the art market, requires little training, and is not collectible. So the question remains: is it art? The
artists would say it is a search for truth, a ritual re-enactment in many instances, with religious and communal orientations. Some of the artists/performances that were showcased in the Whitney Biennial 2002 make it imperative for the viewer—expert and novice alike—to ask what these artistic events mean in the context of the world since September 11th, 2001. There were two artists in particular who staged an event outside the museum premises where the viewer could have her foot washed and in the process choose the kind of service (for instance, a foot massage) that she desired. As Danto (2002) notes, there is a religious overtone (Jesus washed the feet of his disciples) in such a performance but we believe it is more than that, for it reflects the explosion of the service economy within which consumer desires for such modes of indulgence can be fully met.

Further, as noted above, there are a number of settings outside the museum within which a viewer may see and interpret an art object or performance. Historically performance art has occurred not in traditional exhibit spaces but in contexts that are deemed appropriate for staging such an event. The art form actually critiques the art object and the exhibition space that valorizes it. Nonetheless each vantage point provides a different meaning for the individual. The artist may lose control over the meanings of the work, as the object or concept moves away from the center. However, it is essential that the artist pay attention to issues of intellectual property, including the transfer and sales of works (Sullivan 1995), Rauschenberg, Oldenberg, Lichtenstein, and Rosenquist have all campaigned for artists’ royalties on the resale of works (Mamiya 1992).

More recently, the Internet has radically altered the production, distribution, and sale of art. Museums, public galleries, and auctions have used the electronic highway to make art widely available (Kastner 1996). Consumers with Internet access can view, buy, or sell art at their leisure from the comfort of their own home.

Cyber art can be either an interactive endeavour or a passive one. It requires entry into a virtual world space, which turns our general understanding of space inside out. According to Morse (1998: 21), “images have been transformed from static representations of the world into spaces in which events happen that involve and engage people to various degrees in physical space.” Cyber culture, as Morse argues, is personal, irrational, and perceptually elaborate.

The Internet has not yet become the permanent space for hosting and facilitating art sales that some members of the art world had hoped for. While consumers can do a number of things online, primarily because of the user-friendly and high-quality presentational technology, it does not yet duplicate being in a museum or marketplace. The Internet, however, offers exposure with the advantage of reaching people one at a time through targeted marketing. Further, much of the art that has evolved since the 1950s, including site-specific installations and video art, has thrived on the electronic advertising and a new style of writing about art.

Product Embellishment: Art History and Art Criticism under Modernity

Writing about art can take many forms, from simple labels that accompany an exhibit to philosophical discussions on the merits of a particular style that are published in popular art magazines, catalogues, or academic journals. Archival research and management of visual media have been recently added to the writing process. For many viewers, words bring structure to experiences. When words are diluted or abandoned as instruments of description in favor of visual representation, some viewers feel confusion (Barolsky 1996). Writing mirrors the artwork and is itself part of the creative process (Carrier 1996). Objects acquire value in so far as they are inscribed in history (Marcus 1995).

Criticism performs a gate-keeping function that evaluates art against what has gone before and locates it within a specific genealogy. Writing about art protects it from becoming a
commodity because writers delineate the strength of the artwork by arguing whether it is a variation on a theme, a continuous innovation, or a totally new product. Through such writing, art critics, historians, and curators remove any trace of "the taint of commodity" (Belk et al. 1989).

Art criticism provides the rationale for setting disciplinary guidelines, helps to train new writers and critics, and contributes to the growth and maturity of academic concerns. The identification and promotion of new talent have long been the task of the critic. Questions about what art is and its role are quintessential pursuits of critics and historians alike. Objects that enter the process of evaluation through narration enjoy a certain privilege in the history of culture. The more complex the narrative, the greater the importance accorded the object and the higher its value (Morgan 1996).

This constant assessment contributes to the depth of both the writing and the object and anticipates emergent styles and movements. Criticism partly engages in the business of producing new styles and differences; action and reaction are what structure the history of the avant-garde (Marcus 1995). By commenting on the novelty and uniqueness of the work to consumers, art writing is deeply embedded in the market context (Marcus 1995; Myers 1995; Sullivan 1995). Although Greenberg and his aesthetic formalism were viewed suspiciously by artists of the 1970s and 1980s, there was a void in critical circles that began to be filled with writing of a more theoretical nature (Sandler 1996).

**Product Embellishment: Art History and Art Criticism under Postmodernity**

Since the early 1980s, the importance of art critics and historians in Western art criticism underwent a change that was anticipated by the use of the term "art writing". Their role in the artist-patron-auctioneer link was marginalized because the emerging criticism shifted the focus of art criticism from the experience of the viewer to theoretical concerns, hardly making reference to the experience itself. As Morgan notes:

> One of the major problems with postmodern criticism in the eighties was that the attention given to experience in relation to a work of art was nearly relinquished or usurped in favor of theory. How one experienced a work of art was either neglected or repressed in order to accommodate the deconstruction of the work's cultural infrastructure. (Morgan 1998: 35)

A promotional style, wherein art was viewed as an investment, also replaced the educational role of criticism. Critics, less privy to purchase decisions, could no longer rely on insider information to discuss artistic intent and merit. They were being elbowed out by the vast number of new players, including artists' representatives, corporate curators, and art advisors (Sandler 1996). Critics turned to a more subjective framework couched in promotional terms (Sullivan 1995). Questions of whether they should work for a gallery or as advisors to collectors were raised. Some have taken to wearing several hats to supplement their incomes, while others maintain their distance from the art market.

However, the work of art critics and historians is still important to both the creation and the marketing of art, because it is the equivalent of research and development processes within a business organization. Just as R&D is critical to the strategic thrust of an organization, so is the work of critics and historians to the art world. Their presence serves as a reminder that certain aspects of the human spirit still struggle against becoming commodities.

**Competition and Awards: Product Development under Modernity**

Competitions and awards have historically been mechanisms to help leading-edge artists gain visibility and reputation. Fitting in with a curatorial trend helps establish artists in various
stages of their careers (Lisus and Ericson 1999), and awards therefore remain an important form of recognition. Whatever criteria juries use to make decisions, unknown artists who receive awards at national and international levels go on to make a name for themselves.

**Competition and Awards: Product Development under Postmodernity**

Most of the international award-granting agencies are large corporations, such as Philip Morris or the Coutts Bank, that generate publicity through their sponsorship activities. Consequently there may be conflict of perspective between curators who wish to endorse a particular aesthetic innovation and the endorsers of the prize who may have a commercial orientation (Miller 2000). Recipient of the 1996 Hugo Boss Prize, scholar and critic Morgan asks:

> But what is the point of this prize? It would seem to have something to do with the promotion of the fashion industry through contemporary art and, concomitantly, the promotion of art through fashion. (Morgan 1998: 196–197)

Morgan concludes by saying:

> Instead of pairing visual art and the fashion industry, perhaps we should become naive again—naive enough to consider that art exists, that it has the potential to empower and liberate human consciousness. (Morgan 1998: 197)

**Research and Development in the Citadels of Knowledge: Art Museums under Modernity**

Another important component of the art world is the museum, an institution that has been associated with the growth of modern society (Belk 1995). The chief mission of a museum is to take art to the public. Museums display particular and specific visions of history, science, and art through their catalogues, shows, and collections (Lisus and Ericson 1999). The heart of the art museum from a curatorial perspective is the permanent collection. They are also vehicles of discourse. This demands that responsibility be taken for what the museum collects, exhibits, and interprets (Cuno 1997). These activities happen in time and space, and thus have a narrative history. An important consideration in the creation of such narratives is the author (the museum in this instance), who has the authority to determine aesthetic standards and frame the exhibited works.

Historically, the museum objects that are displayed convey the idea of the stability of culture. Museums are places that instruct while they conceal information. The authority with which the museum speaks is rarely challenged and the curator’s selection is frequently final. Consequently, the specialists organizing the displays hold the visitor hostage to their taste, standards, and objectives (Duncan 1995). The hitherto neutrality associated with the museum makes its caretakers and curators very powerful players in determining public taste (Ames 1992). While the traditional function of the museum has been questioned and the role of specialists subverted, aesthetic criticism and scholarly investigations continue to dominate.

**Research and Development in the Citadels of Knowledge: Art Museums under Postmodernity**

The new breed of curators are committed to research, conservation, publication, and exhibition of artworks with a market orientation. This orientation is also apparent in the satellite activities of some museums. The Guggenheim in New York City is an exemplar of
this desire to be more accessible to the consumer. It has already opened a branch in the Soho district of New York, a second in Boston, and a third in Venice. The most recent step the museum has taken is to establish a branch in Bilbao, in the Basque region of Spain (Jehlen 1999). Many museums practice less ambitious efforts of fiscal management. With current budgetary restrictions, museums can only buy good art if they are able to sell some of the art they already own for high prices. Consequently, assessing and constantly monitoring the value of holdings has become a part of the curator’s responsibilities.

This new direction in curator responsibility has also coincided with a boom in private collecting. The rise in the value of art has made collections more valuable and curators’ lives more difficult (Duncan 1995). The rapid escalation of prices has taken museums right out of the auction market, where initially they held some sway. This power shift has made museums alter their strategic focus from aesthetic to merchandising concerns (Kelly 1987; Costa and Bamossy 1995, 1998; Rosler 1997). This commercial orientation has also discounted their role in the validation of art.

The Whitney Museum of American Art, which exhibits in collaboration with art dealers, exemplifies this commercial trend. This raises the question of whether the museum is an extension of the gallery (commerce) or whether the gallery is an extension of the museum (sacred). Participation in group shows organized by the Whitney Museum of American Art, the Hirshhorn Museum, and the Sculpture Garden in Washington DC can still boost the reputation of artists (Sandler 1996). The Whitney Biennials (the foremost survey of contemporary art in America), although criticized for being subservient to the major New York galleries, are still important to artists’ careers. It is within this prevailing context of market forces that we examine the power of curators and directors.

**Curators**

The curator is the linchpin in a system that imbues art with aesthetic significance. The research and development essential to the commercial success of an artist, or the establishment of a style, is carried out by curators within museum settings. Curatorial decisions catapult an object from obscurity to international acclaim because of the research that is done. Without curators, critics would lose their primary source materials.

Curators of well-established museums are often viewed as blue-chip mediators between the processes of art making and consuming (Gurian 1991). Museum exhibits may be mounted by their own staff or by freelance curators chosen for their knowledge and expertise. Curators have personal and scholarly reputations to build and maintain, which explains their concerns to conserve an image of neutrality. This neutrality is questionable because their judgments often trigger the growth of specific styles (Sullivan 1995).

As mentioned earlier, the power of curators diminished in the 1970s and 1980s. In an attempt to recover some of that power, they have turned to writing in a promotional style and to educating the less knowledgeable customer. Catalogues once contained critical views on an exhibit and had a longer duration than the exhibit itself. They have now been replaced by glossy portfolios of the artworks accompanied by commercial materials (Sandler 1996). Curators are increasingly taking on the role of advisors to corporate clients or wealthy collectors. Presenting large-scale shows with high currency to the public also gives them status as authors (Cullen 1999).

**Museum Directors**

Museums have become more like the corporations they once turned to for funding, so the whole issue of governance has become critical to their survival in the new millennium. A
museum director now fills the roles of scholar, curator, manager, negotiator, and entrepreneur (Karp and Levine 1991).

Museum directors along with curators have to be aware of the changes in the art market. With auction houses becoming central to the art market, museums are beginning to lose bids on artworks to the new collectors, largely international business people who wish to aggrandize themselves by acquiring art objects (Sandler 1996). With survival at stake, museums now implement strategic changes, as illustrated by the Guggenheim’s efforts to embrace the twenty-first century. Their blockbuster shows that were introduced in the 1970s are still popular today. Also, in keeping with the merchandizing thrust of museums, directors are aware of the difficulties experienced by collectors in donating their works to museums at full value. New ways to make such attempts feasible for all parties concerned are being designed by landmark institutions such as the Metropolitan Museum of New York.

When museums sell an expensive artwork to purchase other artworks, such a strategy—regardless of its merits—generates controversy, but this is the only hope they have of realigning their collections with their respective missions. The more money a sale generates, the more works they can acquire (Hughes 1997). Consequently, museums have become openly commercial entities and work with artists, collectors, and dealers to make such deals possible. Through the actions of their savvy directors, museums have become competitive organizations with a strong culture of private enterprise.

Commercial and Parallel Galleries: Market Intelligence and Coordination under Modernity

Art dealers and galleries are small family businesses where everything from bookkeeping to liaising between collector and artist is done by the owner (Moulin 1987). Every effort is made to ensure that collectors purchase art objects, so educating consumers is critical. Gallery owners must therefore become knowledgeable about the art objects and they have a vested interest in promoting scholarship. Dealer or gallery owners kindle interest in the artworks by encouraging critics and journalists to review them, and sometimes they solicit the expertise of curators and historians to further enhance the sale.

In the 1960s, galleries cultivated a domestic atmosphere to attract consumers. In the 1970s, they adopted a warehouse or factory look, with pristine white walls and high ceilings (O’Doherty 1986). Nonetheless, gallery spaces were primarily artist spaces.

An alternative to the commercial gallery is the parallel gallery, which lacks a commercial orientation in the mounting of exhibits. Parallel galleries are often run by artists and serve as a research and development center for various kinds of art (Joy 2000). Parallel galleries seek to widen and deepen the pool from which trends emerge. They are often frequented by museum curators who cull the best from an available pool in order to exhibit their works at curatorial presentations. Dealers also visit parallel galleries to lure artists who exhibit there to more commercial galleries. Fame and power can come to both kinds of artists, with the first group exhibiting in museums and the second in private collections (Joy 1998).

The most successful galleries, such as the Mary Boone Gallery in New York, have sought internationally successful dealers to represent their artists and carefully chosen public and private collections for their artworks (Sandler 1996). High-end dealers have traditionally been involved in bringing together blue-chip artists and collectors. These dealers have also taken on the role of curators in producing scholarly accounts that consecrate the art object while observing the gate-keeping function. Galleries that pursue such a strategy are akin to museums: they engage in the circulation and interpretation of art, and are thereby able to influence and develop the collector’s taste (Walker 1988).
Commercial and Parallel Galleries: Market Intelligence and Coordination under Postmodernity

Many changes in dealership and gallery operations occurred in the 1980s and 1990s. In terms of retail atmospherics, successful galleries had nondescript exteriors but upscale interiors with polished floors, soft lighting, and skylights. They had transformed from being artist spaces of an earlier decade into collector spaces (Nairen 1996). While galleries try to mimic museums by the art they show, their mandate is to sell art. For many galleries, direct mail is a successful form of advertising. Parallel galleries, however, have goals that are more in keeping with those of a museum in terms of exhibiting and curating, but because they are run by artists' cooperatives, these galleries are willing to take greater risks. The act of showing is more critical than what is to be shown, although choices are made based on aesthetic criteria (Joy 1998). Such galleries have helped to remove the immediate connotations of art as commodity.

The newest type of gallery is the corporate gallery, which also imitates museums by showing exhibits curated by professionals (Cassullo 1988). Sales are not the goal, although the merchandising principle underlies the sponsorship of the art itself. Many artists, however, view the corporate gallery as yet another venue for exhibiting and selling their art, ensuring that they are not condemned to obscurity (Joy 1993).

Pricing of art in the 1980s and 1990s also reflected the changes in the art world. Dealers price art according to the following considerations: the type of art, the newness of the artist, the aesthetic innovations, and historical factors. Artworks with patina command high prices, largely based on historical evaluations, but newer works give the dealer more leeway. Strategies of survival include the following criteria: differentiating products from other sellers; assuming high risks when establishing new styles in the marketplace; promoting the international standing of the artist; and exporting the artists' works abroad. Commercial galleries may choose to promote the works of a few artists whom they cultivate over time, or they may identify potential stars and promote them extensively. They may also encourage a higher traffic of viewers by promoting exhibit space as theaters that encourage viewer involvement and learning. Parallel galleries, less interested in the sales of art, often facilitate the creation of specific trends. This popularizes particular styles and leads to the sales of avant-garde works. The most recent gallery trend is visibility on the World Wide Web.

The Seraglios of Commerce: Auction Houses under Modernity

According to Watson (1992: xv), the modern art market first emerged in the United States, then moved to France, and only thereafter to England. It was brought about by the confluence of three forces: the commercial and industrial changes in the United States following the civil war; the rise of the impressionists in France with alternative distribution outlets; and the passage of the Settled Lands Acts in Britain in 1882 and 1884. This Act brought treasures to the market for a quarter of a century, boosting the holdings of both Christie's and Sotheby's—the two most important auction houses in the world.

Auction houses have been in existence as long as dealers have been around. Today, they have edged out the dealer to become the natural ally of the collector (Van Heck 2000). A couple of decades ago, high-priced art would be sold by dealers; now much of it is done by established auction houses (Wiser 2000). Even the dealers are forced to buy at auction and compete with their clients for specific works. According to Pollack (2000: 12), the entire art industry is worth between $7 and 10 billion. Auctions represent a large and visible segment of that market, earning about $4 billion. Sotheby's and Christie's enjoy about 95% of that business. Hughes (1997: 591) says Sotheby's paved the way for marketing art by
unabashedly communicating to consumers that it was in the business of educating them. Christie’s soon adopted the same strategy for selling art.

Sotheby’s also went into the business of lending money to collectors. It is public knowledge that Sotheby’s lent $27 million to Alan Bond—an Australian tycoon facing bankruptcy—to buy Van Gogh’s Irises, which sold on the books for $53.9 million. Bond could not repay and Sotheby’s could not admit publicly that they had lent him the money. In the end, the Getty Museum bought the painting at auction for an undisclosed amount (Sandler 1996; Hughes 1997).

The Seraglios of Commerce: Auction Houses under Postmodernity

Auction houses often promulgate the view that art should not be viewed as an investment, yet they actively merchandise it. Buyers represent the auction houses’ main source of income, so their strategies reflect a consumer orientation. Because of the scramble for profits, a large portion of their daily operations is driven by public relations, press releases, and customer service (Pointon 1997). Sotheby’s publishes the Art Market Index (Watson 1992) which provides the novice viewer with information about the value and sales of artworks. Both Sotheby’s and Christie’s evaluate artworks free of charge. Before the auctions, both companies host wine and cheese parties to woo their buyers. The orientation that they espouse is a market orientation—that is, they try to facilitate, as best they can, a purchase decision.

The concept of market orientation becomes clear when we examine the activities of auction houses. Aply described as “seraglios of commerce” (Watson 1992), Christie’s and Sotheby’s have developed a strong customer orientation since the 1970s. Auction houses have shrewdly promoted auctions as theater for large audiences, with people often coming just to watch and learn. Many auction houses have galleries to cultivate new clientele who prefer to bypass the dealer to avoid paying intermediary fees. New collectors represent a very important market segment because they are willing to pay for high-priced items. Even the reappearance of a work shortly after it is sold is no longer deemed catastrophic. New buyers, who are often less knowledgeable about the object’s sales history, find it a bargain, and often delight at making a purchase. Seasoned buyers, on the other hand, often demand the complete price history of an object before the actual purchase. Auction houses, like other businesses, know how to hedge the information to satisfy their customers. Collectors often believe that auction prices are the litmus test for the fair market value of an artwork (Crane 1987), and that the most quantitative information available on the art market is produced by auction houses. Christie’s and Sotheby’s also hold private sales, the details of which they are not required to divulge. Christie’s owns a remodeled townhouse in New York that it plans to use as a gallery for private sales. While they currently do not comprise a large part of their business, private sales show promise for both auction houses (Decker 1997).

Auction prices are a good indicator of what the market can hold, serving as a benchmark for pricing artworks. Auction houses have also moved from secondary to primary markets (Hughes 2000), selling contemporary art, an act that benefits both artist and auctioneer. The former garners the kudos of high-end association while the latter generates greater revenues without much effort.

Auction catalogues are a very useful marketing tool. While scholarship is essential for creating an informative catalogue, the promotional style of auction houses better enables them to woo buyers, as evidenced by the well publicized auctions for Jackie Onassis and Marilyn Monroe. Auction houses tapped into the audience’s desires for possessing celebrity memorabilia through carefully developed marketing plans, advertising campaigns, and cocktail parties (Pollack 2000: 13).
In line with a market orientation, marketing intelligence is centered on the competition and its respective offerings. In keeping with such a philosophy information is continuously gathered. Because the art industry has knowledge as a prerequisite, employees of auction houses are educated and upwardly mobile. Since these employees are often rewarded on market-based factors, they bring greater awareness of market forces and consumer desires to the organization.

Auction houses have changed enormously in the last thirty years. In the 1970s, for example, Christie’s and Sotheby’s went public, using this event to further their own commercial ends (Watson 1992). In 1998, Christie’s was bought by French venture capitalist Francois Pinault for $1.17 billion and is now a registered company with no obligation to report its financial results (Pollack 2000). Since the 1980s, fewer artists have been able to command high prices and the nature of collections has changed in that they are more concentrated and less diverse. However, as Watson notes (1992), this centralizing tendency might create a backlash and lead to a reversal in the process of collecting. Auction houses may have to concede power back to the dealers, because individual collectors might want to spend more time looking for and learning about art, rather than making quick purchases or disposals. But perhaps the most radical change has been effected by Internet auctions like eBay (Proeller 1999; Wiser 2000), which are transforming the auction market. Initially Sotheby’s and Christie’s were eager to get into the fray, but they have become more cautious. They both have online auctions (selling high-end art and rarities) and have entered into an agreement with amazon.com to jointly trade less expensive but highly salable items (Wiser 2000). Part of the reason seems to be that an auction site such as eBay neither makes any distinctions between fine art collectibles and used computers, nor does it offer valuable information that it sells over the Internet. Ultimately, scholarship and quality are what make good art worth paying its price. As Watson observes (1992: 482), “without books, God is silent, without scholarship, the art market is rudderless.”

**Internationally Curated Exhibits: Circuits of Value under Modernity**

Exhibits have increased dramatically since the 1890s, and they are the most important mechanism for delivering art to the public (Greenberg et al. 1996). Museums regularly show their permanent collections as temporary exhibits, and art studios convert into temporary exhibition spaces. Since the 1960s many countries have hosted annual or biennial international art shows that feature blue-chip artists of various nationalities. When shows are staged on an international scale, politics become significant. Artists are often selected not because they represent the avant-garde but because they are good ambassadors for their country. These decisions are often made by a committee of internationally appointed professional curators who cull artists from a creative pool based on the theme of the show or the representative nature of their work. Good examples are the Venice Biennial and the Documenta in Germany. International exhibits are rather complex events that involve the organization and export of the artworks, remuneration of the artist, costs of insurance, framing, catalogue creation, and display which these curators assume. Thus, in addition to showing artworks from within a country, artists are able to achieve renown by participating in international exhibits.

Internationally famous artists, especially in the Documenta, seem to be Euro-American in origin with many of them having exhibited on both sides of the Atlantic (Sullivan 1995). Exhibits such as the Asia Pacific Triennial attempt to rectify this imbalance, although artists from the West are represented there as well. However, the very idea of artists showing works from their specific cultures assumes a cultural slant that is somewhat antithetical to the definition of contemporary art.
At these international exhibits, spaces are allocated to the various countries, with Europeans being more privileged than others. Currently, aboriginal art from Australia or avant-garde paintings and installations from China are exhibited next to European art, sometimes creating disjunctive cultural meanings. As Sullivan (1995) notes, the juxtaposition of paintings with sculptures and installations creates one form of framing that affects viewer perception. Another form is to juxtapose artists from various parts of the world with no concern for national boundaries.

**Internationally Curated Exhibits: Circuits of Value under Postmodernity**

In the current contexts, there are a number of internationally curated exhibits with one important difference. The Sao Paulo and Lyon biennials and the Asia Pacific triennials that bring together artists, critics, dealers, and fine art academies from all over the world are often organized by artists rather than well-known curators. The importance of being connected to, and yet different from, the centers of power, American or European, is nowhere better exemplified than at the Asia Pacific Triennial in Australia. This artist-driven event makes a conscious effort to include artistic and curatorial voices from all over Asia and the West.

In the USA, there recently has been an attempt (minor) to coordinate shows, such as the *Splendors of Egypt*, with museums abroad. Mounted in places like Florida, these blockbuster shows attract millions of tourists. Such exhibits differ from museum blockbusters in their emphasis on the hyper-real and the Disney-like appearance: if Egypt is the source of the artifacts, then deserts and palaces are configured in the exhibit to make the setting seem close to the original. While these shows have been successful, the financial outlay has been formidable, so they are not held often.

**International Art Fairs: Promotional Vehicles from Modernity to Postmodernity**

National and international fairs have historically had an explicitly commercial goal: to primarily target distributors and other intermediaries. Gallery representatives and dealers are brought under a common roof to display the works of new artists and to educate the public about them. If they can afford to do so, galleries sometimes use this opportunity to launch their artists in a global market. Thus, presence and exposure are particularly important to marketing art, although the quality of the art determines long-term success (Miller 2000).

Fairs today recognize the importance of educating and building relationships with the public. These events are usually held for three or four days, and may include seminars, workshops, and special events. In a world of dwindling national boundaries and increasing digital communications, cooperation between various intermediaries is profitable. For instance, the Tokyo International Art Fair of 1997 was touted as a fair with a higher purpose because its stated objective was to form networks and alliances between intermediaries. No art was bought or sold during the fair, although the future of commercial art transactions was negotiated (*Art in America* 1996).

**Government Intervention and Identity Politics: Limits to Creative Experience under Modernity**

Art funding has become a critical issue around the world. The United States provides an example of the type of restrictions that obtain in other parts of the western world. The National Endowment for the Arts (NEA), established in 1965, was originally created in the spirit of inquiry and experimentation to dispense monies for art-related activities and
exhibits. Museums have often received NEA grants for exhibits and been held accountable for their use. They have been transformed from being institutions with a private character, even when publicly supported, to public institutions even though they are privately supported. Where government support once allowed for mounting an additional exhibit or a special project, it now exists only in the form of tax incentives and exemptions, although even these are being dismantled.

**Government Intervention and Identity Politics: Limits to Creative Experience under Postmodernity**

In the last two decades, government censorship of the arts has become more pronounced. Art has been censored as obscene, pornographic, blasphemous, politically motivated, or degrading of national symbols, as illustrated by the photographer Mapplethorpe’s work. The NEA has come under fire from religious groups, members of Congress, and citizens for funding artists who question the status quo. The clash over funding constitutes more than a discussion of the role of art; it is a debate about competing social agendas and ideas of morality (Bolton 1992: 1).

Identity politics has also become an issue in the United States (Miller 1998, 2000). Culture wars are no longer waged with outsiders like Russia but with others within the country. This kind of factionalism (the Christian right, or the politically correct) has contributed to many forms of bland art. *Piss Christ* by Andre Serrano (1987), a plastic crucifix immersed in a container full of the artist’s urine, was criticized and denied funding by those whose sensibilities were offended. There is no question that art reflects the turbulent currents of a society (Hughes 1997).

Liberals generally argue that any infringement on the right to make art is as unacceptable as the infringement on freedom of speech. Republicans, on the other hand, think that funding from the government is a form of sponsorship and is subject to restrictions. Conservatives find the introduction of a progressive agenda in art—multiculturalism, gay and lesbian rights, and feminism—threatening to existing power structures of family and religion. Censorship is repression of an utterance and an attempt to impose order by limiting experience (Bolton 1992: 24). Many artists strongly believe that if democratic principles are to be upheld, a voice has to be given to competing agendas. Restrictions on what can be created delineate boundaries within which the art market must operate. The Chinese mainland provides the best example of restrictions in another country.

**Viewers, Connoisseurs, and Collectors: Consumers of Art under Modernity**

A work of art will ultimately find a home with a private collector, in a museum vault, or on a corporate wall. The value of an art work increases over time, and when it changes hands, this is often read as a sign of the future demand for the work (Belk 1995). As Douglas and Isherwood note (1979: 65), “goods are ritual adjuncts and consumption is a ritual process. Enjoyment of physical consumption is only part of the service yielded by goods; the other part is the enjoyment of sharing names.”

Belk (1986) identifies six types of responses to art: aesthetic, artistic, economic, moral, cognitive, and social. Aesthetic responses are an individual’s emotional responses triggered by viewing the work. The sense of surprise, joy, or sorrow that it provokes is important to both viewer and artist. The artist hopes that there is some form of dialogue between the artwork and viewers. Likewise, viewers hope to be moved by what they are viewing.
Artistic responses require knowledge of artistic techniques and the history of the artwork. For instance, an individual collector may not collect a significant work because of a lack of knowledge of art history. A museum may collect it because it marks a certain historical transition. Aesthetic innovations and historical provenance are important criteria for museum collections.

When individuals collect a piece of art because of its investment value, they exhibit an economic response. Many new collectors are economically motivated and purchase art in much the same way as they would stocks and bonds. In their opinion, the artworks are redeemable only at prices that are higher than what they had originally paid. They deny the futility of such an orientation in the absence of aesthetic or artistic understanding despite the pleas of art critics and dealers.

Moral responses to art are particularly forthcoming in the areas of forgeries and censorship. Individuals in the art world are incensed when a forgery is discovered, particularly if it fetched a handsome price. Censorship of the arts is viewed as a curtailment of individuality and freedom of expression.

Cognitive responses are the knowledge that an individual gains through exposure to a work of art. This refers to knowing the type of paint used, the media chosen, the complexity of the brushwork, or the blending of colors. It also refers to knowledge of a more abstract nature, such as the insight the viewer has into human life.

The final category of response that Belk identifies is social. Certain objects are collected by the upper classes because of their monetary value and snob appeal. Collecting posters may or may not be considered a lesser activity than collecting original works of art. Collecting kitsch, on the other hand, may be considered aesthetically inferior by the elite of a society (Belk 1986).

**Viewers, Connoisseurs, and Collectors: Consumers of Art under Postmodernity**

Art collecting is consumption writ large (Belk 1995: 1). It represents the perpetual pursuit of inessential luxury goods, a continuing quest for self-completion in the marketplace. Because it is a search for the perfect object, it is never-ending (Pollack 1997). In an otherwise secular world, collecting is a form of spiritual nourishment (Belk 1995), but it is also a form of neurosis, an obsession, a pathological avoidance of human relations replaced by attachment to objects (Belk 1995; Pollack 1997). Viewed positively, collecting is a process of making connections, of bringing order into a disordered world, and creating the world in your own image. This activity adds excitement to life, providing individuals with a sense of mastery, expertise, and accomplishment. Collections are tangible markers of the past, and a source of meaning and knowledge of the self (Belk et al. 1991; Belk 1995).

The ultimate goal of many artists is to have museums collect their artwork because they can ensure their value and provide a passport to fame and a citation for posterity. The power of museums lies in their acquisitions and in the complex narrations within which these institutions are embedded (Pearce 1992). The knowledge-based writing of curators protects any artistic work from the threat of commodification (Myers 1995). Ironically, however, this very knowledge production may be used to strengthen the brand image of a particular artist.

New collectors often lack the required knowledge or confidence to purchase contemporary art, so art professionals have taken on the role of educating them, albeit reluctantly. Also individual collectors vary in their commitment to art collections. In 1992, according to Watson (1992: 419) there were about 400,000 collectors around the world. Only 300 of these were judged to be serious; their collections were estimated to be worth millions.
According to Watson, collecting contemporary art is twice as popular as collecting twentieth-century art, three times as popular as collecting impressionists, and four times as popular as collecting Old Masters. The most important collections of contemporary art, at least until 1992, were held by Charles Saatchi in London, Peter Ludwig in Aachen, and Count Giuseppe Panza di Biumo of Varese, Italy (Watson 1992: 420). This has since changed, with Saatchi selling off many of his coveted possessions (Sandler 1996).

Corporations collect art for many reasons, chief among which is to establish a certain identity and a philanthropic image (Joy 1993). Because they are accountable to shareholders, large corporations are more risk-averse, so they often collect politically correct and bland art. As Schroeder (2002: 165) notes, “patronage is related to image control. Information technology (IT) changes, but its use remains similar. Patrons who recognize the power of the dominant IT of their time can harness it to manage their image.”

More recently governments, like the Canadian government, have assumed the role of art by creating art banks at local and national levels. They also sponsor exhibits that allow the works of artists in their collections to be shown in public spaces.

RECENT AESTHETIC MOMENTS: MANAGING UNDER MARKET CONDITIONS

In consumer markets, derivative products create incremental change and totally “new to the world” products become discontinuous innovations. These products require novel ways of communicating the capabilities of the innovation and its impact on the lives of consumers. Multimedia, simulation, and information-accelerated methodology are mechanisms by which such diffusion can be accelerated (Urban et al. 1996). Organizational profitability is predicated on the speed of new product introduction and sustained marketing effort, as well as the ability of the product to deliver specific benefits and solve identified problems (Wind and Mahajan 1997: 5). In addition, mass customization is considered the key to delivering benefits that customers are willing to pay for.

In the art market, innovation, aesthetic authority, and durability are highly prized attributes. While derivative products are easily found, really new products are what move the art world in radically new directions. Aesthetic innovations require critical writing to persuade viewers and collectors of their value. While a promotional style may be used to glamorize art, the functionality of the artwork to satiate an identified need is hardly considered. Consequently, critics need to find enough that is new to write about it at length, while curators need to find ways to incorporate these works into shows. There is no question that even when prints are reproduced by an artist, the identified limitation by numbering the prints guarantees the uniqueness that a collector desires in possessing it (Krauss 1996).

If the product is not recognized as new by other artists and gatekeepers it will not be exhibited (Schiff 1996). As Lisus and Ericson note (1999: 200), any medium’s first commitment is to itself as a legitimate format for the definition, recognition, and communication of meaning, and the content produced will be subservient to format considerations. Content must always fit format and is thus secondary to format. If artists’ work (new products) do not fit into the narratives of museum curators and art historians, they are more than likely to be bypassed. Category-defying products pose a special challenge for authenticity as well as for adoption; while proximal rather than profound difference may speed adoption or certification, the reverse may be the case for aesthetic value. By the same token, older styles can be resuscitated and revitalized by emergent narratives long after the artists are dead. Thus, the aura of the artwork lives on.
A difference between breakthrough consumer products and works of art is the speed at which product acceptance is expected to occur. In the art world, such rapid acceptance is not always possible. In the following sections, we examine three aesthetic moments—pop, appropriated and Web art—for insights into this valorization process.

**Pop Art**

When pop art burst onto the American scene in the 1950s, it revolutionized the art world in a fundamental way (Hughes 1997). By emphasizing serial production, it reflected and epitomized aspects of capitalism. Further, with its focus on both mundane consumer products and celebrities, pop art appealed to the average American, unlike abstract expressionism, which emphasized the imagination of the artist and the technique of creating art (Morgan 1996). The fact that pop artists can only paint objects according to their real appearance—as ready made signs, fresh from the assembly line—betokens the recognition that the truth of objects and products is their trademark (Baudrillard 1994: 82). Pop artists thus became the first group of artists whose work questioned the art object as a signed and consumed object. This idea was perhaps best exemplified by Andy Warhol, the most celebrated exponent of pop art.

Warhol’s purpose was to show how images are manufactured and reproduced on a massive scale and in the process to blur the line between commodity and art. Art journals of the time loved and disseminated this idea. To the editors, the creation of a form of artistic pantheism affecting all aspects of merchandising of culture, and culturalizing of merchandise was more than just appealing. It was an important managerial objective (Sandler 1996: 486). This reorientation profoundly shaped the direction of design in the second half of the twentieth century (Woodham 1997).

Warhol is perhaps best known for his depictions of ordinary consumer products such as Campbell’s soup cans and Coca-Cola bottles. He also created images of celebrities, such as Marilyn Monroe, made experimental films, wrote extensively on art practices, and produced a large number of self-portraits. These activities can be seen as variants on the theme of mass reproducibility that is definitive of contemporary American life. Without the techniques of mass production in place, this form would not have survived or flourished in the manner that it did. Pop art is an art of the common object, but the object ceases to be commonplace once it begins to signify, to be manipulated not as an instrument but as a sign. And pop demonstrates this to us (Baudrillard 1994: 84). When pop artists try to desacralize their practice, society sacralizes them even more (Joy 1993; Schroeder 2002). The art market both facilitates and responds to this dynamic. What the artists did not realize is that their actions were not enough to point to the fact that the picture is not a sacred sign—it was only the workings of the market that could turn their works into everyday objects (Sandler 1996).

In so far as pop art is viewed as a radical change in the art world, one can talk about the shift in market structures; the introduction of new technologies; the importance of consumer learning necessary to appreciate this totally new product; and finally the purchase and consumption of this product. By viewing pop art as a new product category, one can also talk about the introduction of new brands within it. Lichtenstein, Rauschenberg, and Oldenburg are three other artists with their own signature styles. Warhol is argued to be the most important artist of the second half of the last century, Lichtenstein, the most inventive, consistent and collectible artist of his time (Polsky 1995). For a number of art buyers who have little knowledge of the art market, the conviction to commit to a particular brand name depends on the auction price, which may or may not depend on the assessment of art experts and, in some instances, promotional activities of the artist.
Andy Warhol became a role model for the next generation of artists, who were largely referred to as NeoGeos and commodity artists. These artists differed from pop artists in that they created an amalgam of conceptual, pop, and minimal art, which turned out to be more spectacular in its impact. Jeff Koons, who was to make himself as popular as Warhol, presented a different version of consumerism (see Sandler 1996 for a lengthy discussion). His other source of inspiration was Duchamp, who had claimed indifference to the appropriated objects that he had used in his artworks, while Warhol had transformed commodities into cultural icons. Koons glamorized consumer products (his 1980 off-the-shelf vacuum cleaners, showcased in pristine, fluorescent-lit Plexiglas vitrines, are a good example) and made them appear salable. He was a self-made and prolific artist, and like Warhol was deeply involved in promoting himself and his career.

Warhol’s contribution to the art world can be understood at many levels. His art is about critical inquiry, non-utilitarian concerns and playfulness, and contestation of societal rules. Pop art is often described as provoking laughter or a wry smile. In Baudrillard’s opinion the viewer is questioning the sacredness of this art and yet at the same time is unsure of whether there are other meanings to be considered (Baudrillard 1994: 86). He suggests that this is not the smile of critical distance but the smile of collusion. Warhol’s opinion is:

I love America and these are some comments on it. The image is a statement of the symbols of the harsh impersonal products and brash materialistic objects on which America is built today. It is a projection of everything that can be bought and sold, the practical but important symbols that sustain us. (Warhol 1992: 78)

Art critic Skenazy is even more revealing. He notes, “Andy Warhol saw America. Through him America saw itself” (quoted in Schroeder 1997: 2; see also Schroeder 1992).

Appropriated Art

By art historical criteria, pop art was a cynical representation of—and not a major challenge to—existing views of society. Pop artists were not interested in expressing feelings or personal thoughts; instead they painted pre-created objects and left the viewer with the images. Deconstructivist and postmodern artists, on the other hand, sought to reveal the impact of technology on self and society. They questioned who created images (particularly photographic images), for whom, why and why images were so pervasive and powerful (Sandler 1996).

One such successful artist was Cindy Sherman, whose work represented a significant new trend in photography. Her work rested on the semiotic principle that nothing has meaning in itself, and an item is meaningful only in relation to its context (Barthes 1967; Derrida 1981). The relationship between a sign and what it signifies is unstable and determined by their ever shifting positions within a general field of signs and relations (Firat and Venkatesh 1995). The field is not a closed entity but open to constant reconfiguration (Crowther 1997). The consequence of such a view is that meanings are not fixed and, more importantly, the stability of self is questioned (see Grayson 2000).

Cindy Sherman primarily used photographic images that depicted social settings and everyday occurrences. Through her works she revealed the persistence of oppression and domination. The ubiquity of the photographic image questioned authorship, originality, and authenticity. All the images in her works were appropriated, so the question of where she got them from was an issue (Sandler 1996). She deconstructed the art market because the market preferred works that were original, unique, and authentic. She painted over many of her works, re-photographed them, and put herself in them in popular roles, such as career-girl, model, or film star (Cruz 1997). For some critics, Sherman acted out roles that were dictated
by male desires and fantasies, and thus offered a critique of the gaze (Bryson 1983). Her works continually called into question the idea of the stable and unique self—her images were of shifting and multiple selves (Jones 1997). The scale of some of her works was so large they resembled the neo-expressionist paintings of the 1980s that were so highly sought after by new collectors (Sandler 1996). In works that focused on mannequins and toys, she conveyed the excesses of consumer culture. Other works made references to bulimic excess, the cyborg world of freaks, the grotesque and pathetic (abject art), and to the body as a site for social, sexual, and political conflict. Like other postmodern works, contingency, insufficiency, and lack of transcendence were ideas that were important for her to convey.

Sandler sums up the significance of Sherman’s contribution in the following manner:

Sherman’s photographs commanded art-world attention, not only because of their references to art theory, feminism, the mass media, consumer society, and, in her later works, to the abject in human nature, but also because of their reference to painting, namely their size, scale, and high-keyed color—which made problematic the boundary between photography and painting. Moreover, they were related to other kinds of art—notably performance art, body art, conceptual art, media art, and deconstruction art—all of which seemed peculiarly relevant in the 1970s and 1980s. (Sandler 1996: 411)

Pop art sold well, especially between the 1970s and 1990s. The Andy Warhol Museum, with $55 million of holdings and a $2 million grant donated by the Warhol Foundation, opened in Pittsburg in 1994 (Alexander 1994: 117). Cindy Sherman also sold very well (Sandler 1996; Hughes 1997): Her film stills, which once sold for $100 a piece, were worth $20,000 by 1992 (Art News 1992). It is also important to note that all the artworks that were sold in the 1980s and 1990s were tangible, durable, and portable.

Goetzman’s (1993) data on art market sales predates digital art. Based on the sales of pop and postmodern art, he suggests that rates of return on the sales of art in the second half of the twentieth century increased substantially. There is evidence of a strong relationship between demand for art and aggregate financial wealth, as well as a positive relationship between art and the stock market: the art market thrives when the economy is on the rise. His observation that the period between 1940 and 1986 can be termed a bull market is based on the prices of art for the same period. This bull market is unprecedented, he argues, and suggests a fundamental change in the demand for works of art (Goetzman 1993: 1373). The contemporary art market in the USA today is quite strong given the economic downturn. For example, in 2001 Jeff Koons’ Michael Jackson and Bubbles sold at auction for US$5.1 million and Woman in Tub for US$2 million. According to www.artprice.com, in 2002 the price of paintings by contemporary artists (born after 1940) rose by 16%, whereas drawings and photography did not see such a spectacular rise in price. Clearly despite the great variety of art forms today, the art market focuses on drawing, painting, sculpture, photography, and installations. When documented in photograph or video format, performance art not only constitutes a form of documentation but also becomes a collectible.

Another assessment of the art market is offered by Jones:

Never full in itself, never clear in its signifiers or their signifieds, the picture is one element in a dynamic and ongoing system of our production as social subjects. We are never just a gaze nor are we only objects; we cannot, in the post 1960-era, think ourselves outside of feminism, nor for that matter, out of the awareness of black consciousness, the Chicano movement, gay and lesbian rights, etc. [one might well ask why we would want to]. Rather, as the works of artists such as Sherman suggests, we constitute ourselves as embodied subjects through technologies of representation in relation to other embodied subjects. (Jones 1997: 48).

Web Art

Mitchell (1994) calls the current era the age of bio-cybernetic reproduction, a period anticipated by Donna Haraway (1990) in her discussion of the cyborg. Pop art pushed the
boundaries of the art world through its many takes on reproducibility. The postmodern art of Cindy Sherman demonstrated how easy it is to appropriate and manipulate the image analog of photography. Digital photography means that art made for the Web can be altered electronically and seamlessly. There is no original, there is only simulacra. To take it even further, the success of cloning suggests that we are pushing the boundaries of the original through bio-genetic technologies. Biological reproduction can happen without a single suture showing (Weisenthal and Bucknell 2000).

Barbara Weintraub’s Sampling Broadway, exhibited at the Whitney Biennial 2000 under the category Internet art, is a multi-media work that combines film, animation, street sounds, and voice-over narration. This work leaves viewers wondering about the relationship between map and territory: viewers feel as though they are walking along Broadway, and can click on any of the icons and enter into a specific place/neighborhood through which Broadway cuts. The zoom and wide-angle lens effect (captured in film normally) gives viewers a sense of moving through the street, while sounds transport them to the site (see the Whitney Museum Website: http://www.turbulence.org/works/broadway/index.html).

The exhibit Bit Streams at the Whitney Biennial 2002 testifies to the growing importance of Web art. However unlike its predecessors at the earlier biennials, it focuses not on interactivity per se, but on what Robert Goldwater calls “intellectual realism” as opposed to visual realism. It simply means that the work incorporates features of an object that are not normally included because they cannot be seen (Blume 2001). As Blume notes, computers allow us to explore the many dimensions of our sensorium.

It is too early to judge the dollar value of the new art, but if past experience is important, this new product will be bought and sold through the Web even more easily than portable and tangible products (Blume 1999). Already, several works, for example, thief by the artist Alys, are freely available as screen savers (http://www.diacenter.org/alyss/intro.html). Some artists may charge a downloading fee. The target market for such products is the world, so buyers can interact continuously with the new art they have acquired. Malraux’s (1978) observation that we have created a museum without walls because the camera was invented gains special status through the creation of the Internet. This museum owns nothing and everything and digital technology makes every one virtually an owner.

SOME CONCLUSIONS: REFLECTIONS ON THE VALUE OF A LOOSE COUPLING BETWEEN ART MARKET AND ART WORLD

Although art has conflated with the art market, it is misleading to claim that these two realms cannot be merged. Wood notes (1996: 263) that artworks represent a special type of goods, and their modes of production and of exchange represent specialized forms of a more general condition. Adorno argues that although art is produced under the condition of commodification (1984), it nonetheless may induce reflection upon that condition.

Art, especially playful art, often challenges an individual’s assumptions about the world, which can be subjective, holistic, and not defined by utilitarian functions (Hirschman 1983). As a cultural production, art frequently questions the following issues: the politics of race and gender; the boundaries between pornography and art; its own function as a socio-political critique; the influence of new technologies; and the interrelationships between self and community (Sandler 1996). Can independence from commodification be practically and imaginatively sustained? The answer is continuously being explored in the art world.

The paradoxical nature of art generates market considerations that are anathema to many artists, curators, historians, and philosophers. The consumer focus of marketing in most
organizations takes on a variant meaning when applied to the art world (Hirschman 1983). Both artworks and new products require novel and persuasive ways of educating the public. The value of breakthrough products might not be obvious to consumers in the early stages, but eventually the product’s functionality determines consumer acceptance and the product’s profitability. And, as already noted, commodity production has become increasingly aestheticized (Lash and Urry 1994: 137–138). In the case of aesthetic products, it is the playfulness and experience of the product that are made visible to the consumer. Artworks are inert unless they transform a viewing audience, and in so far as they have clout, they provide the basis for audience introspection and change.

Artists like Warhol played with audience involvement and deliberately sought it through self-aggrandizement and promotional materials. Pop artists regarded a collector as a friend to be seduced into making a purchase. Without the cooperation of auction houses and high-end dealers, artists could not establish such financially lucrative alliances. While artists were the superstars of the 1980s, their status was possible only through strategic marketing (Sandler 1996).

Like technology-based new-to-the-world consumer goods, the purchase of art is based on the knowledge of experts. Ironically, when they seek advice, elite connoisseurs shy away from offering the same (Plattner 1998). New collectors on the other hand rely on expert advice and knowing the prices paid at auctions. Indeed, the level of knowledge of an acquiring audience increases the value of the objects (the flip side being that the lack of knowledge of new collectors ensures reasonably-priced acquisitions for those in the know).

At the level of intermediaries, a market orientation is readily apparent. Both dealers and auction houses continuously monitor the environment, coordinate their activities, and respond to market forces when they arise. Because of their focus on educating the customer while ensuring commercial sales, they gain credibility in an otherwise hostile art world.

Museums and public galleries, along with art history and criticism, also provide grist to the mill through their educational focus. The expected outcome of long-term nurturing is an enlightened citizenry open to new trends in art. One can advisedly use the term anticipating consumer interests to apply to these coordinated efforts. The fact that pop art, deconstruction art and Web art have such cachet is due to these efforts to educate all levels of society.

Competition is fierce between dealers and auction houses, and museums and public galleries. Coordination of effort between various entities within an organization, typical of other market-oriented organizations, is applicable to galleries and auction houses. In the case of a gallery, which is primarily a small enterprise, this coordination is crucial to its success. This is also true of auction houses where art critics work closely with corporate decision-makers to reap their profits. As Morgan notes (1998: 205), “even the Whitney program that sees itself as opposing the status quo in the art market, was drawn into the process of market institutionalization of postmodern art [social and abject art].”

The World Wide Web, however, promises rapid transformations, and the question of originality becomes problematic in this new scenario. Unlike any prior technology, digital culture produces only virtual, immaterial objects and both artists and dealers recognize the importance of offering rich product-centered information. The Whitney museum does precisely that for contemporary art, for in 2000 it inaugurated the latest trend-Web-based art.

New technologies do not merely help to create art that is co-opted through corporate sponsorships and financial support of museums. As the success of Warhol, Cindy Sherman, and Barbara Weintraub suggests, they still provide a critical reading of society. A fixation with image and style, which results in what postmodern scholars refer to as hyper-consumerism (Firat and Venkatesh 1995), does not have to bypass a dialogue that focuses on
the experience of the individual. We believe, as Morgan does, that art is the material embodiment of an emotional structure within an era of globalization:

To deal with serious art requires a certain preparation of the mind, a relaxed synthesis whereby the mind comes into contact with the body, where there is a rejuvenation of seeing and where thought is required to pull the act of seeing into a sensorium of feeling. To recognize the significance of a work of art is ultimately related to how one experiences it. (Morgan 1998: xxi)

If, as Deleuze (1990) argues, the purpose of art is to create sensations, then the newest art forms, more profound in their impact than ever before, offer the promise of encounters that are at a different level of reality. Viewers may experience vertigo of the senses. On the other hand, Schmitt observes that “our organisms have not been built to undergo intense, personality-shaking experiences all the time. Somewhat mundane experiences of medium intensity—and even fake experiences—may in fact be the precondition of happiness” (Schmitt 1999: 252). The commerce of the sacred does not detract from the experience of the sacred.

A market orientation is only one of many mechanisms by which we can evaluate the contributions of the art world. It is only one discourse in a universe of discourse that spans aesthetics, economics, politics, and culture. Although money talks, the art market is merely one way of thinking about the value of art (Watson 1992). Our field awaits a consumer-centric account of aesthetic reception (or co-production) that grounds our understanding of art in the lived experience of individual consumers (Joy and Sherry 2002). We have laid the foundation for such a study by teasing apart some of the many paradoxes that art and market jointly embody.

Acknowledgements

The authors wish to thank the China Europe International Business School for the financial assistance and support to complete this manuscript. They would also like to thank Russell Belk, Marvin Goldberg, and Amnon Rapaport for their thoughtful comments on an earlier version.

NOTES

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1. Here, we confine ourselves to a discussion of traditionally recognized high art in world centers, and to Western art almost exclusively.

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