Network interactions among emerging art galleries in Manhattan: new data and findings

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Abstract (extended)

In the recent years, studying the extent and impact of network interactions in the art market has regained importance among researchers and practitioners (Schich et al. 2014). This can be justified by two main reasons. First, the growing availability of granular dataset covering different years and providing micro information on art dealers, artists and artworks (Fraiberger et al. 2018). Second, the progressive application of network-based statistical techniques initially developed in other disciplines for investigating economic phenomena and, in particular, the influence of networks on shaping cultural and creative markets (Birke 2009; Herrera-Guzmán et al. 2023). The study of network formation, characteristics (i.e. edges, nodes, etc.) and network linkages (i.e. nodal statistics, centrality measures, etc.) among art dealers like art galleries is worth investigating given the potential consequences on art prices (De Silva et al. 2022). Equally important is the knowledge about the role of networks to sustain the survival of art galleries in the market (De Silva et al. 2023), and the possible impact of network interactions on the allocation and the success of the artists in the contemporary art market (Di Gaetano et al. 2019).

Although the study of the spatial dimension of the art market is well grounded in literature (Schuetz 2014; Dellisanti 2023), there is a lack of knowledge on how art galleries develop network interactions across the space, and the possible impact on the performance of artists and the survival of galleries. Schuetz and Green (2014) for instance, look at the geographical factors, such as agglomeration economies and location-specific aspects, as driving forces to explain the presence of locally concentrated networks. The authors, however, do not explicitly investigate the interactions among emerging galleries in the contemporary art market using micro data at gallery and artist level, as we do in this work. What is lacking is the knowledge of local and global connections of emerging art galleries working in the contemporary art market. This is particularly relevant to understand in cities like New York, where there is a high concentration of artists (Andersson et al. 2014).

The objective of this study is twofold. First, to present a unique, novel dataset providing information on 47 emerging art galleries located in Manhattan (New York, US), and founded over the period 2010-2015, and 437

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artists in the contemporary art market. The selection of art galleries located in Manhattan is motivated by the importance of this area in the segment of the art market here analysed (Zanola et al. 2021) and, from an empirical perspective, given the high availability of public information for such galleries. Moreover, there is evidence that New York emerged as a world art city dating back to the 19th century, by benefiting from different favouring factors including worldwide transport connectivity and communication networks, easy to be reached from other countries. Schuetz and Green (2014) highlight that the New York PMSA has the largest number of galleries of any metropolitan area in the United States, more than twice the number in the next-ranking cities of Los Angeles and Chicago. Moreover, the large numbers of galleries, many of which have existed for decades, make New York an ideal setting for quantitative analysis of the retail art market.

Second, to develop an exploratory network analysis that provides a mapping of network interactions among the galleries in our dataset. We document specific artist- and gallery-patterns and well-defined linkages among galleries based on the exchange of artists through joint exhibitions. We finally set out the next steps of the research project.

Keywords: Art market; Art galleries; Micro data; Networks effects.
JEL Classification: C71; L13; Z11.

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