



Nikita Le Messurier, right, at Stockroom Kyneton with Tallarook texture vessel (freckles), a ceramic piece by Robyn Phelan. The first artwork she bought was by Sebastian Mader, whose work *Flamingo Kids 7* is pictured left. Below: Art Money CEO Paul Becker. MAIN PHOTO: JESSICA TREMP

MILLENNIALS ART

Buy, baby, buy

Art Money is leading the way in helping galleries woo a new generation of collectors, writes Dan F. Stapleton.

The image of a dozen or so bronzed twenty-somethings lounging on a sandy beach stopped Nikita Le Messurier in her tracks.

It was 2019, and the young cyber security specialist was walking past a commercial gallery in Melbourne on her way home. The print, by American photographer Sebastian Mader, reminded Le Messurier of the fashion crowd she ran with while at university in London.

She had never purchased an artwork before, but the photograph seemed to be calling out to her. She ducked into the gallery and asked the price.

"Of course, it was way out of my budget," she recalls. "I was two years out of uni, working my first proper job."

Then the gallerist told her about Art Money, a service that allows buyers to pay for an artwork in 10 interest-free instalments. Art Money works like a traditional lay-by scheme, with one key difference: buyers receive their purchases immediately. Le Messurier left the gallery with the Mader print under her arm.

Since then, the 30-year-old has established herself as a serious collector. She has made a further 20 purchases using Art Money, including pieces by buzzy locals Pip Ryan (Stockroom Kyneton) and Petrina Hicks (Michael Reid Gallery).

"As I do more research and get to know more about collecting, I'm coming across artists that are a little bit more expensive than the ones I was purchasing originally," she says. "Art Money has given me the opportunity to reach for those artists."



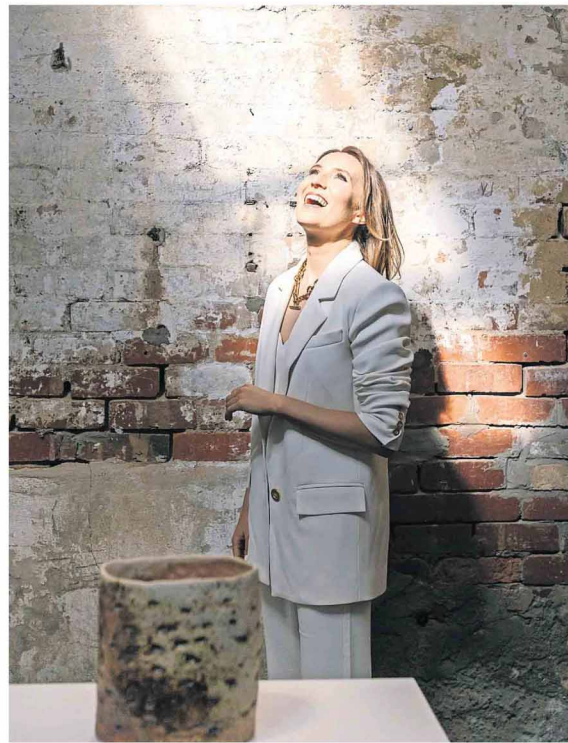
Le Messurier's collection and Art Money have grown in tandem. The service, which launched in 2015, has taken off in the past two years and now counts more than 1300 Australian, Kiwi and US galleries as partners.

Similar to other buy now, pay later services such as AfterPay, Art Money is designed to appeal to Millennials and those you younger. The key point of difference is the size of the purchases it finances: up to \$50,000 in Australia and \$US100,000 (\$138,000) in the US.

Last year, it raised \$6 million in a pre-IPO funding round and this month it launches in Britain, where it will provide finance for purchases up to £100,000 (\$186,000) with a plan to increase to £250,000 next year.

To turn a profit, it takes a 10 per cent commission from each gallery sale. In return, galleries receive the remaining 90 per cent immediately.

Art Money founder Paul Becker says sales volume has risen 75 per cent year-on-year since the start of the pandemic, partly because it has signed up more galleries and partly because the service has proved popular with Australians in lockdown.



"I wouldn't say we are the sole reason the Australian art market has remained resilient during COVID, but we have definitely supported it and made it stronger," he says.

Several gallerists contacted by *Life &*

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Bill Nuttall, Niagara Galleries

Leisure agree with that assessment.

Edward Woodley, director of the hip Sydney gallery China Heights, signed up for the program in 2016 with no great expectations. Today, some of the emerging artists he represents make 40 per cent of

their sales through Art Money.

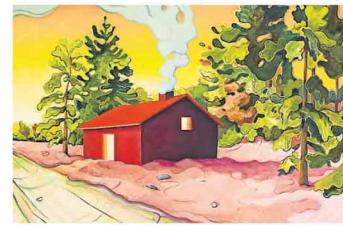
China Heights has done good business in the past 18 months, and Art Money has "absolutely helped to facilitate many of those purchases," says Woodley.

"We make it known to everybody who inquires about a purchase that we offer this thing called Art Money and, when they learn about how it works, they get excited," he says. "They often go on to buy more than one piece or become regular buyers because Art Money gives them that option."

Galleries that sell work at higher prices are also converts. "I think it's a great thing for the younger collector," says Bill Nuttall, director of Niagara Galleries in Melbourne.

Nuttall, who represents heavy hitters such as Rick Amor and Ken Whisson, says the program has broadened Niagara's buyer base. "It's setting up younger collectors with finance, which is something that galleries previously had to do themselves. It actually suits us to have Art Money do it for us."

It's been a mixed 18 months for Niagara Galleries. Nuttall says work by its mid-career artists, such as recent Archibald Prize winner Julia Ciccarone, has



Above: Jade Torres of Pwerle Gallery, with Awelye *Atrwengerrp* (2003) by Minnie Pwerle. The gallery accepts several payment methods.

sold well online. "But people tend to be reluctant to spend beyond \$100,000 unless they can actually view the work," he says.

What's more, museum sales have dropped right off. "You would have thought that, at a time like this, museums would be quite active because of government wanting to support the local art scene," says Nuttall. "But it's been quite the opposite."

As a result, online auctions have focused on developing relationships with new and younger collectors by improving its website and social media outreach.

"We've had to learn other ways of engaging people, and that's what we're doing," Nuttall says.

Auction houses have faced similar challenges. Last year, when the first lockdowns swept the country, the big houses were reluctant to shift their focus online.

"Traditionally, online auctions were B-grade," says Deutscher & Hackett executive director Chris Deutscher. "The big things always went to live auctions."

But the never-ending pandemic has forced a rethink. And, to Deutscher's relief, buyers seem to be moving with the times.

"So far this year, we've turned over about \$2 million in online-only auctions and \$12 million in live auctions," he says. "In June, at a live auction, we hammered a painting for \$2.5 million to an online bidder."

To further encourage web-based bidding, Deutscher & Hackett and Leonard Joel recently did away with the additional 5 per cent buyer's premium for online sales.

Are younger buyers fuelling the online



House on the Edge of a Forest (2020) by Max Berry, above left. Berry is represented by China Heights, which uses Art Money. Above: *The Sea Within*, a self-portrait by Archibald Prize People's Choice winner Julia Ciccarone. PHOTOS: CHINA HEIGHTS, NIAGARA GALLERY

trend? "I wouldn't be surprised," says Deutscher.

Becker from Art Money says there is "unquestionably" an appetite for online auctions among younger collectors.

He reveals that Art Money has formalised partnerships with Leonard Joel and Shapiro in Australia, with more to come, enabling clients to bid now, buy now and pay later.

And his aspirations don't stop there. "We want to be the payment method of choice for the entire art world," he says. "Whether you're at a fair in Miami or an auction in London, it shouldn't matter. You should be able to point your phone at the dealer and say, 'That's the work I want', and with a couple of taps, the deal's done. Money's in the dealer's bank account tomorrow."

Jade Torres, who founded Pwerle Gallery online in 2015 to promote Aboriginal artists from Utopia in the Northern Territory, sells work ranging from a few hundred dollars to \$500,000. She accepts Art Money, AfterPay (for purchases of up to \$2000), PayPal and traditional payment methods. "So far, we've found AfterPay to be the most popular," she says, noting that it is a better recognised among younger consumers.

Torres, a Millennial, is the daughter of long-time art dealer Fred Torres and the granddaughter of artist and politician Barbara Weir. Most of the artists she represents are family members. "One reason people buy from us is because of that provenance, and to connect with the family," she says.

Like many gallerists from previous generations, she also offers in-house lay-by as a payment option. "Customers are able to come to me and discuss what suits them," she explains. "It's a personal relationship. It's between us. If they need another week to make a payment, it's OK."

Customers who use lay-by don't receive their works until the balance is paid in full. But Torres says the service is popular with young buyers who may not be able to access Art Money or AfterPay.

"At the end of the day, it's about providing options, so the art can reach as many people as possible." **✉**