

The regional reasons to be cheerful

Latest figures reveal how salerooms outside the 'big four' are increasingly reaping the middle-market rewards. *Data analysis by Dr Lorenzo Basso, data scientist, Auction Technology Group*

The contribution of Britain's 'regional' salerooms – defined here as those outside the big London four of Sotheby's, Christie's, Bonhams and Phillips – is frequently overlooked when figures demonstrating the size of the UK auction market for art and antiques are created.

In fact, the plethora of smaller fine art auctioneers' hammer totals collectively make up roughly one quarter of the market. The grand total overall for UK auctions stood at close to £3.2bn in the calendar year of 2017.

Regional rooms' sales volumes have grown steadily in recent years – rising from £763m in 2015 to £821m in 2017 at a compound annual growth rate of 4%, according to new figures from Auction Technology Group. It adds weight to the general impression that the 'regionals' are proving increasingly successful in attracting 'middle-market' material.

Price that can be right

For more than a decade, London's top auctioneers have been stepping back from selling objects in the £500-5000 price bracket – a move that last year culminated in the closure of Christie's secondary London rooms in South Kensington.

The numbers suggest that the fruits of this change of tack have not just been harvested by a handful of 'tier-two' firms (as indicated last week in *ATG* No 2330, not all of the traditional players enjoyed a 'vintage' 2017), but rather that a steady increase in consignments has had an effect across many of the 560-or so UK auctioneers that



conduct regular sales of art, antiques or general chattels.

Many of these firms are selling more of their lots online each year and are benefiting from the greater visibility that the internet brings (if the lot sells to the room or on the phone, the internet may well have provided underbids that drove the hammer price higher).

The compound annual growth rate in total hammer of UK sales conducted via thesaleroom.com was 9% from 2015-17 – greater than the UK regional market as a whole.

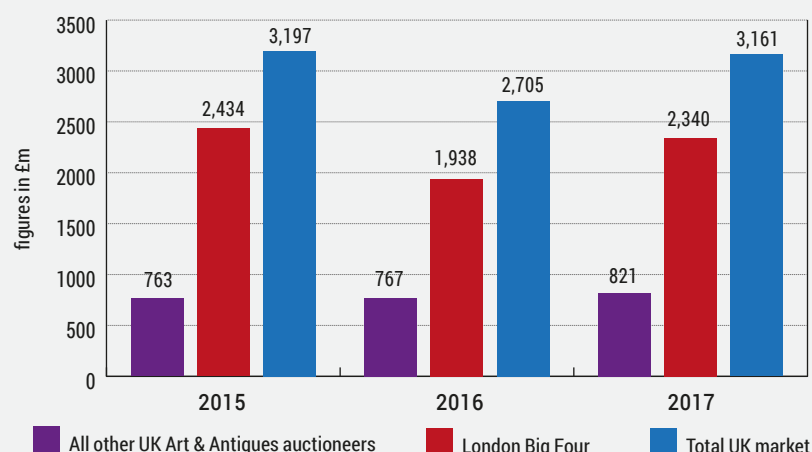
Peaks and troughs in the upper echelons of the London market are not unusual, and are most usually

accounted for by the serendipitous consignment or otherwise of a few trophy lots or major private collections.

The migration of material to other international markets – the movement of the best Chinese items to Hong Kong and 20th century pictures and sculpture to New York to avoid Artist's Resale Right duties – is a cause for concern at the top end of the London market.

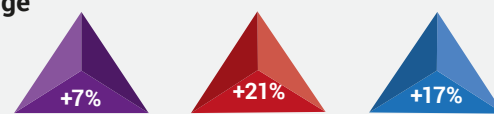
However, 2017, with the pound relatively weak in the wake of the Brexit vote, proved a very solid year for the capital's big four after a dip in 2016. ■

UK art and antiques auction market size



Year-on-year change

2017 vs 2016



Compound Annual Growth Rate

2015-17



Methodology: Data provided by Auction Technology Group, owner of *Antiques Trade Gazette* and thesaleroom.com. The overall size of the UK market for art and antiques auctions has been calculated using the following methodology:
(i) London Big Four (Sotheby's, Christie's, Bonhams, Phillips) totals are taken from results of UK sales published on their respective websites;
(ii) All other UK art and antiques auctioneers comprises: (a) overall hammer totals for live and catalogue sales on thesaleroom.com; (b) Auction Technology Group's estimate of the rest of the UK art and antiques auction market based on auctions listed in the *Antiques Trade Gazette* UK calendar and other portals. Buyer's premium is included in all the figures.

Online bids inspire sales success

With internet purchasing becoming an ever-rising feature of the regional auction scene, a survey of buyers shows that for salerooms to take full advantage customer service could be key

The data across three years shows a steady rise in the proportion of lots sold going to online bidders at the UK's regional salerooms.

An average of just under 31% of all lots sold at auctions on thesaleroom.com went to online bidders in early 2015 and by the end of last year that number had grown to 36%.

It's quite possible that the size of the online audience – one that today frequently dwarfs the number of bidders in the room – has contributed to a small increase in overall clearance rates. This figure, the key statistic for any successful regional auctioneer, has edged up two percentage points from an average of 81.9% in 2015 to 83.5% in 2017 (good news for consignors as well as auctioneers).

The upward trajectory of the graph will probably continue – most people expect the internet to play an even greater role in the future.

Those firms that respond to remote buyers' needs the best will have the opportunity to outperform the overall market.

Service expectations

Customer service will continue to evolve with the online revolution. In a survey of 399 online buyers conducted by thesaleroom.com in January 2018, most respondents said they would welcome more photographs of each lot and more information about any possible defects or condition issues (see bar chart below right).

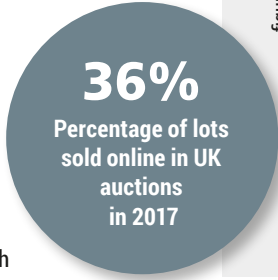
The use of the age-old auction cataloguing epithet AF (for 'as found') may no longer be sufficient for the bidders who conduct business remotely.

Fellows, the UK's largest regional auction house (see UK Auction Report 2018 – Part 1 in ATG No 2330), has set a benchmark in this respect.

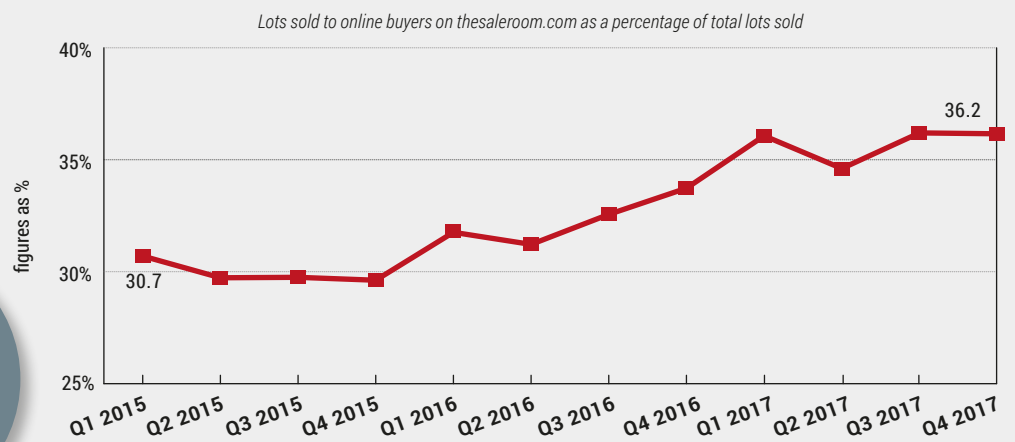
It already offers multiple images and rigorous condition reports as standard (as well as 360-degree images on its own website). The aim is to provide a better service to buyers while reducing the influx of requests for condition reports and extra images before sale time. ■



Those firms that respond to remote buyers' needs the best will have the opportunity to outperform the overall market

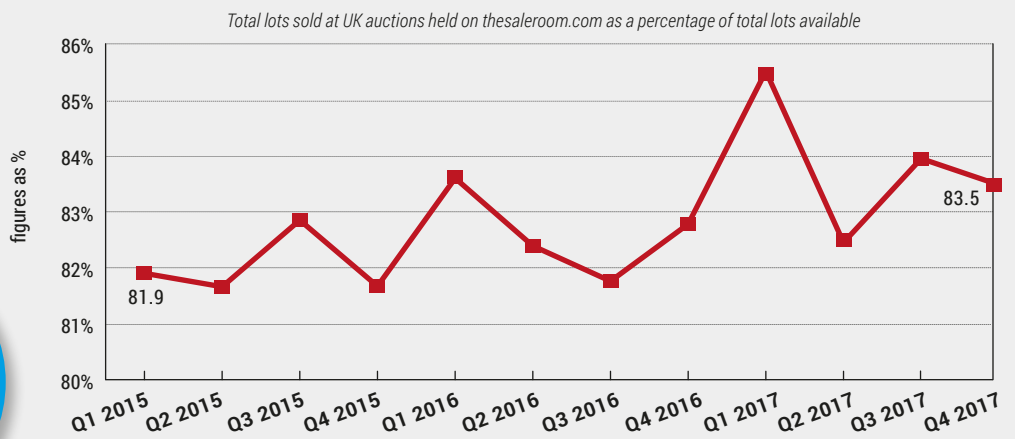


Percentage of lots sold online in UK auctions



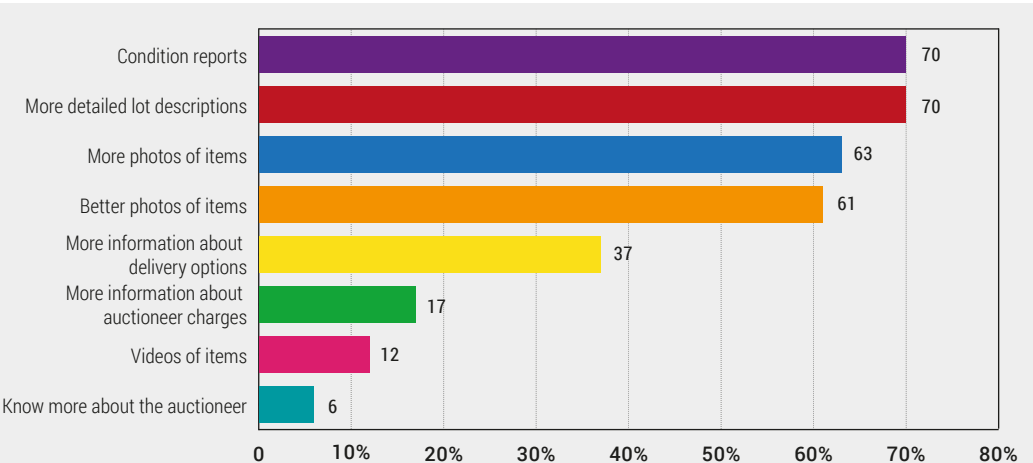
Source: thesaleroom.com

Clearance rates of UK live auctions



Source: thesaleroom.com

What online bidders want from auctioneers



Survey of 399 online buyers, January 2018

Source: thesaleroom.com

Focus on audience participation

With an online platform such as thesaleroom.com, UK regional auctioneers have the potential to attract far larger audiences than was the norm in the days of the 'standing room only' crowd.

The tables below show the highest numbers of online registrants for sales held on thesaleroom.com in 2017 – including the remarkable 2231 sign-ups for the JS Fine Art sale in Banbury in late January.

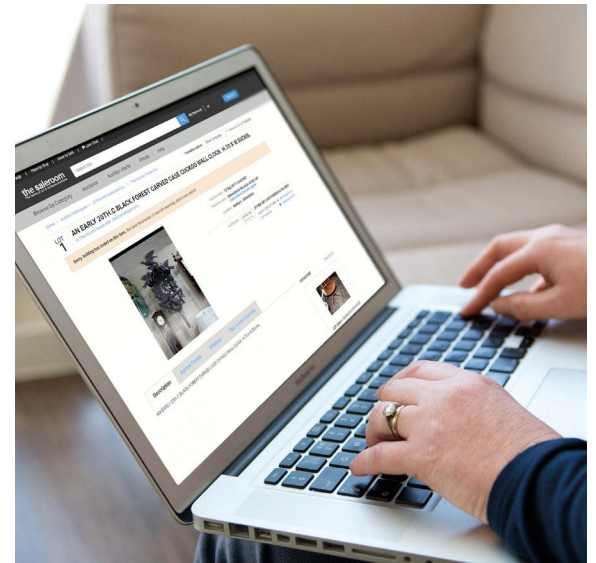
Buyer behaviour is certainly changing but the time-honoured basic instincts remain the same.

This brief list suggests choice attracts the most pre-sale interest – these are general antiques auctions with volume and variety rather than specialist events

– while the potential for a bargain remains the magic ingredient. It's perhaps no coincidence that sales at JS Fine Art carry no estimates.

Adam Partridge, who dominates the top of the two-day sales table, says: "It's definitely a source of pride that we get so many registered bidders. I'm under no illusion as to why people register with us in such numbers – it's because they know things are here to sell – estimates are low and reserves aren't on everything.

"We don't take trade stuff and we don't do trade rates. In a two-day sale we'll also get many bidders because there are lots of sections with plenty of variety and they know they have a chance of buying." ■



One-day sales

Auctioneer	Title of sale	Month	Online registrants
JS Fine Art	The Country House Sale	January	2231
JS Fine Art	Cabinet of Curiosities	January	1617
Philip Serrell	New Year Sale	January	1088
Fellows	Antiques, Silver & Collectables	February	1036
JS Fine Art	The Christmas Sale	December	1034

Two-day sales

Auctioneer	Title	Month	Online registrants
Adam Partridge	Antiques & Fine Art	April	1670
Adam Partridge	Antiques & Fine Art with evening sale of whisky	November	1524
Adam Partridge	Antiques & Fine Art	June	1383
Adam Partridge	Antiques & Fine Art	December	1381
Wotton Auction Rooms	Antiques & Collectables	December	1378

Three-day sales

Auctioneer	Title	Month	Online registrants
JS Fine Art	The Country House Sale	September	2142
Hansons	Christmas Jewellery, Silver & Fine Arts	December	1594
Lawrences of Bletchingley	Antiques & Collectables	February	1492
Bellmans	Autumn Fine Antiques & Interiors Sale	November	1456
Lawrences of Bletchingley	Antiques & Collectables	November	1341

Four and five-day sales

Auctioneer	Title	Month	Online registrants
Hansons	Antique & Collectors Auction	February	1517
Hansons	Antique & Collectors Auction	August	1484
Bamfords	Fine Art and Antique Sale	January	1476
Hansons	Antique & Collectors Auction	April	1418
Hansons	Antique & Collectors Auction	November	1328

How buyers keep watch

Rundown of online specific search terms reveals what markets the 21st century collectors have their eyes on the most

The most searched-for terms on thesaleroom.com are different from top queries on search engines such as Google which attract more generic searches such as 'antiques', 'antiques auctions' and similar. On thesaleroom.com more specific searches are typed in by users who are seeking objects of interest to bid on.

This roll-call of the top terms speaks volumes as to 21st century collecting fashion. The most popular term of all on thesaleroom.com is 'Chinese' – searches for Qianlong, Republican, jade, famille rose and so on appear much further down the list – while it is no great surprise that the equally buoyant market for mechanical wristwatches also features prominently.

Keeping watch

Year-on-year searches for Rolex watches have risen by 26.1% (third overall in the table of top searches by volume) and Omegas by 13.2% (putting it in 15th place by volume). Both appear higher up the list than the venerable longcase clock (ranked 19th in 2017 with a year-on-year fall in queries of 6%).

Alongside the luxury brand names are vintage quartz Seiko watches: this is a budget area of wristwatch collecting that is attracting a growing number of followers, often those priced out of the market for Swiss classics.

'Seiko' is top of the fastest risers in the table, with more than twice the number of searches across 2017

than in the previous 12 months.

Rather than Gillows, Sheraton or Chippendale, Mouseman (14th by volume and up 22.5% year-on-year) and Ercol (18th and up 18.9%) are the two furniture brand names that register with current searchers, while on-trend niche areas such as militaria ('sword' is in the top 10 by volume) and taxidermy feature high above older or scholarly collecting fields.

Golden oldies

Evidently, this is no longer the business of Regency chests of drawers, Staffordshire flatbacks or Georgian brass candlesticks. Royal Doulton isn't here and neither are Chelsea, Bow or first period Worcester.

But not everything has been shoved aside in favour of the collecting zeitgeist: Moorcroft (5th by volume), Clarice Cliff (7th), Royal Worcester (20th) and Beswick (25th) all feature among the top 30 most popular searched terms.

Meanwhile, there was an unexpected return for the toby jug (up 142 places with 57.4% more searches in 2017 to finish just one place outside the top 10 fastest risers) – the 'unfashionable' item every *Bargain Hunt* TV expert advises their team to avoid when selecting items to sell at auction.

These markets might be contracting from their pomp but clearly it is way too early to be writing any obituaries.

The search term caters perfectly to niche interests – the Mamod steam-powered models are another of the



Photography by Earl Smith

16.9 million
search queries on thesaleroom.com in 2017



The roll-call of the top search terms speaks volumes as to 21st century collecting fashion

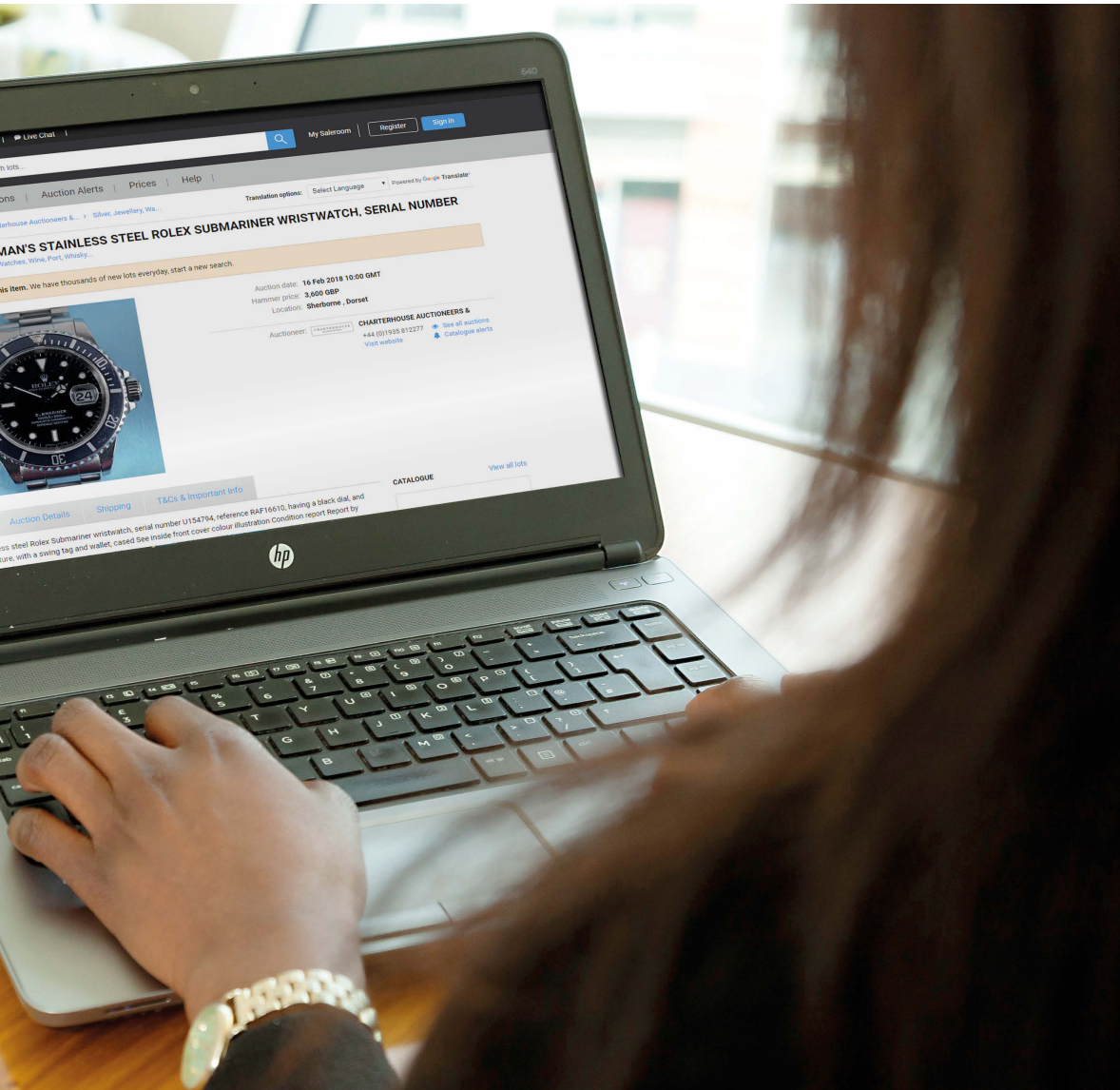
Top 10 most searched-for terms on thesaleroom.com in 2017

Source: Google Analytics

Rank 2017	Search term	Rank 2016	Change in rank year-on-year	Change in query volume year-on-year
1	Chinese	1	▶ 0	▲ 4.3%
2	Clock	2	▶ 0	▲ 8.8%
3	Rolex	3	▶ 0	▲ 26.1%
4	Taxidermy	5	▲ 1	▲ 7%
5	Moorcroft	4	▼ -1	▲ 0.4%
6	Oil	6	▶ 0	▲ 13%
7	Clarice Cliff	7	▶ 0	▲ 9.0%
8	Sword	10	▲ 2	▲ 23.7%
9	Medal	8	▼ -1	▲ 2.5%
10	Watch	11	▲ 1	▲ 20.7%

UK Auctions 2018: A report by the saleroom

The home of art & antiques auctions



Online favourites



26.1%
Year-on-year
growth in searches
for 'Rolex'
in 2017



5th
'Moorcroft' was the
fifth most searched-for
term in 2017...



7th
... just pipping
'Clarice
Cliff'

fastest risers, jumping a grasshopper-like 363 places – but not every user of the site wishes to go straight to a recognised brand.

More general terms such as 'clock', 'medal', 'watch', and, of course 'Chinese', are popular with the bargain-seekers content to sift through lots and narrow down the search themselves.

Cataloguers might wish to include them as a matter of

course in an online description alongside more detailed information.

They will also want to check the results of thesaleroom.com's auto-categorisation which help users find lots when browsing by department and when they input a specific query into search engines.

Overall, searches on thesaleroom.com were up 7.6% year-on-year to 16.9m compared with 15.7m in 2016. ■

Top 10 fastest risers in search query volume on thesaleroom.com in 2017

Source: Google Analytics

Fastest mover rank	Search term	Change in query volume year-on-year	Overall rank 2017	Change in overall rank year-on-year
1	Seiko	▲ 118.1%	188	▲ 253
2	Mamod	▲ 98.8%	270	▲ 363
3	Whiskey	▲ 96.1%	271	▲ 350
4	Bike	▲ 92.7%	178	▲ 170
5	Eastern	▲ 84.4%	157	▲ 154
6	Tulwar	▲ 81.9%	277	▲ 288
7	Furniture	▲ 79.4%	185	▲ 152
8	Dolls	▲ 71.9%	138	▲ 98
9	Archibald Thorburn	▲ 71.9%	403	▲ 405
10	Armchair	▲ 60.5%	125	▲ 72

Coins: a clear online winner...

...but Maori flute, Aston Martin, Chinese items and Muhammad Ali boxing gloves show wider variety of lots selling via internet

Coins sold at UK auctions held on thesaleroom.com had an average overall clearance rate of 88% in 2017.

The online buyer in this field is well catered for by the specialist salerooms. Auctioneers provide good photographs of both sides of coins and lot descriptions that have an established nomenclature (even if it can be somewhat impenetrable to the more casual browser). The low delivery costs due to the small size and weight of the objects can also be attractive to the remote bidder.

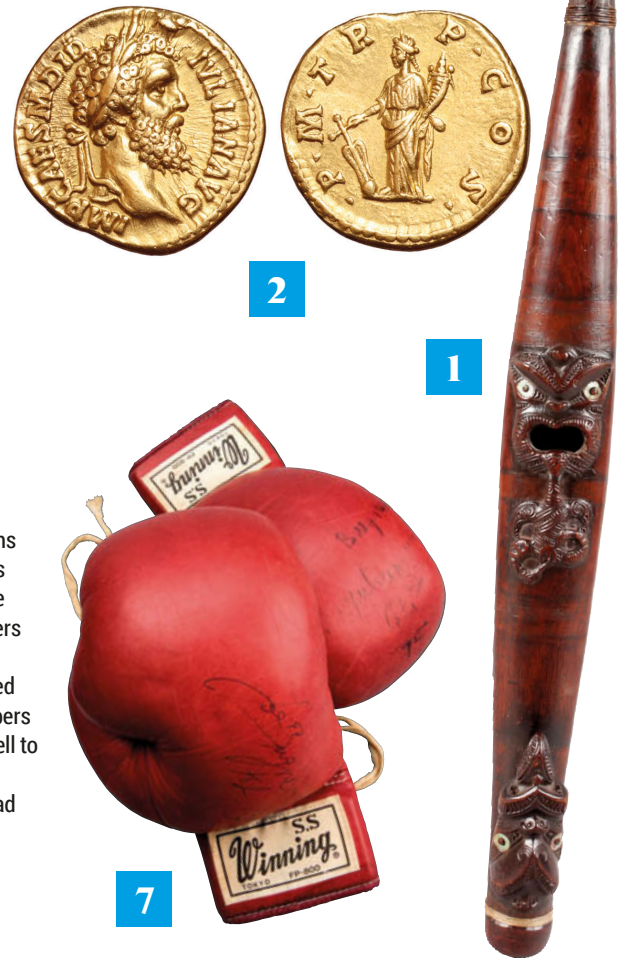
In the table below, five of the highest hammer prices for lots sold to internet bidders at UK auctions on thesaleroom.com in 2017 were coins.

Tribal art is also well served by the internet. Items taken home from Oceania and kept in private hands for generations, for example, are an exciting source of fresh-to-market material that attract online buyers around the world.

A tribal piece at John Nicholson's – a Maori carved wood bugle flute – was one of the year's major sleepers when it left its top estimate of £100 well behind to sell to a Paris dealer for £140,000.

At Anderson & Garland, an Aboriginal carved broad shield went for £37,000 to an online buyer. ■

All prices in the table exclude buyer's premium.



Top 15 highest prices paid by internet bidders at UK auctions on thesaleroom.com in 2017

Source: thesaleroom.com

Rank	Item description	Auctioneer	Date	Hammer price
1	A Maori bugle flute (putorino) with carved masks and paua shell (abalone) inlay	John Nicholson's, Fernhurst	3 February	£140,000
2	Gold aureus for Didius Julianus, struck in Rome, A193AD	Roma Numismatics, London	21 September	£75,000
3	Republican bitong decorated with flowers and poem in the manner of the Seven Friends of Zushan	Summersgill Auctions, York	29 July	£59,900
4	Aston Martin V8 Series IV Oscar India, 1979	Charterhouse Auctioneers, Sherborne	12 April	£52,000
4	Jiaqing (1796-1820) mark and period gilt-decorated powder blue bottle vase, 10in (26cm) tall	Sworders, Stansted Mountfitchet	9 May	£52,000
6	Gold solidus of Crispus as Caesar, Aquileia, AD320, one of just two known	Roma Numismatics, London	23 March	£48,000
7	The boxing gloves worn by Muhammad Ali in the world heavyweight championship bout v Joe Bugner in 1975	Graham Budd Auctions, London	15 May	£46,000
8	A pair of Chinese yellow ground bowls with Qianlong seal marks and labels for the Fonthill Heirlooms	Semley Auctioneers, Shaftesbury	13 May	£44,000
9	Tiffany & Co – a fancy vivid yellow diamond single-stone ring	Fellows, Birmingham	9 March	£43,000
10	Prince Paul Troubetzkoy (1866-1938), an 18in (46cm) bronze of a seated women signed and dated 1906, with exhibition history	Duke's, Dorchester	14 September	£42,000
10	Extremely rare 'grasshopper and dolphin' silver stater c.510 from Metapontion, Lucania	Roma Numismatics, London	23 March	£42,000
12	Very rare 'Poseidon' silver stater c.530-500 BC from Poseidonia, Lucania	Roma Numismatics, London	23 March	£40,000
13	A rose gold and mother of pearl inlaid phone handset designed for Vertu by Kitamura Shosai	GJ Wisdom, Sidcup	14 September	£39,800
14	An 'extremely fine' Charles I gold triple unite from the Oxford mint, 1643	Baldwin's of St James's, London	27 March	£39,000
15	An Aboriginal carved broad shield, harpoon, club and boomerang from the Murray River region	Anderson & Garland, Westerhope	12 April	£37,000

Featured auctions

Bid online at thesaleroom.com

Australia, The Kangaroo Issues
07 March 10:00 GMT



Lot 167: Kangaroo Issues third watermark
10 shillings block of four, watermark inverted


SPINK
LONDON
1666

Important Fine &
Decorative Art & Antiques
07 March 10:00 EST



Lot 65: *Jeune Femme Pensive aux
Roses Rouges*, 1923 - Jean Metzinger
(1883-1956)

SHAPIRO
AUCTIONS

Fine Clocks, Barometers
& Scientific Instruments
15 March 14:00 GMT



Lot 1: A fine and rare George III 2½ inch pocket globe
J. Newton, London, dated 1782

DREWEATTS
EST. 1759

the saleroom
The home of art & antiques auctions

A fresh category of online

Niche collecting categories are increasingly attractive options for online buyers, according to the latest figures

In this section data from thesaleroom.com is used to look at a range of categories within art and antiques.

This page highlights auction data on furniture, silver, jewellery and watches, and on the opposite page is a focus on more niche collecting areas.

The increase in average lot value for watches reflects the buoyant market for mechanical wristwatches that was also observed through the rise in search queries for brands such as Rolex and Seiko (see page 42).

Auctioneers have been responding to this trend by hiring specialists – expect a rise in dedicated watch sales in 2018. With a clearance rate close to 90%, this is an attractive sector to be in.

Silver and silver plated objects have a similar and slightly better clearance rate than watches with jewellery just a few percentage points behind. Expect the rise in popularity of mid-20th century designer jewellery to continue during 2018, which may help to push average lot values even higher.

Brown beckons

Plenty of furniture is available at auction (almost half a million lots were available at auctions run on thesaleroom.com in 2017) and, as the graphs show, the majority of it sells, with an increasing amount of the lots sold going to online buyers.

That said, its clearance rate is below the overall mid-80s auction average of the past three years and well below the other categories highlighted here.

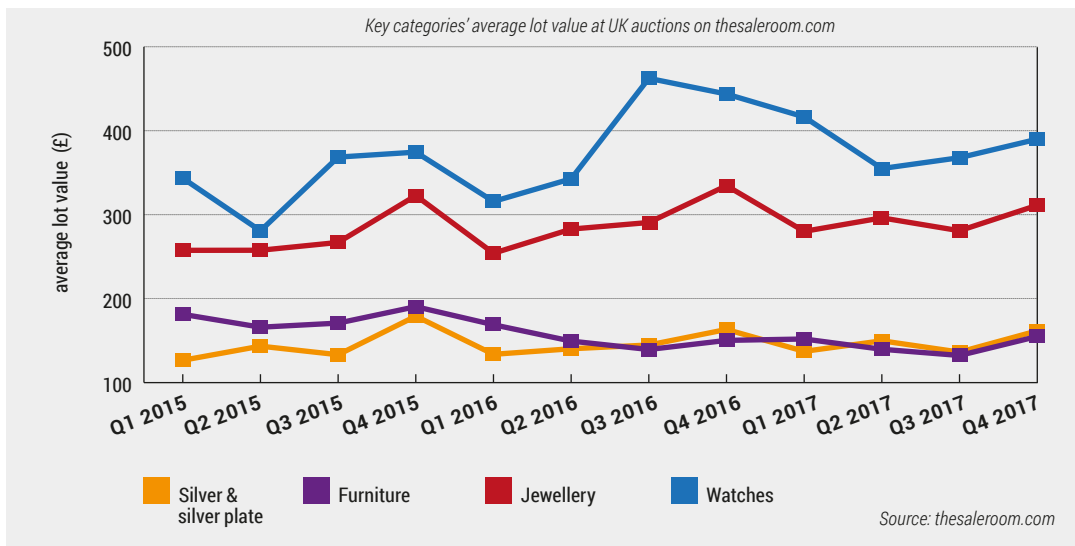
Without a more general revival in popularity of antique furniture (which would extend beyond the rise in furniture search queries recorded on thesaleroom.com) the average lot value may continue to fall further, although interesting or high-quality pieces still find bidders ready and waiting, as attested by regular tweets from auctioneers using the hashtag #BringBackBrownFurniture when they sell a choice lot.

92%
Clearance rate for silver & silver plated objects at UK auctions on thesaleroom.com in 2017

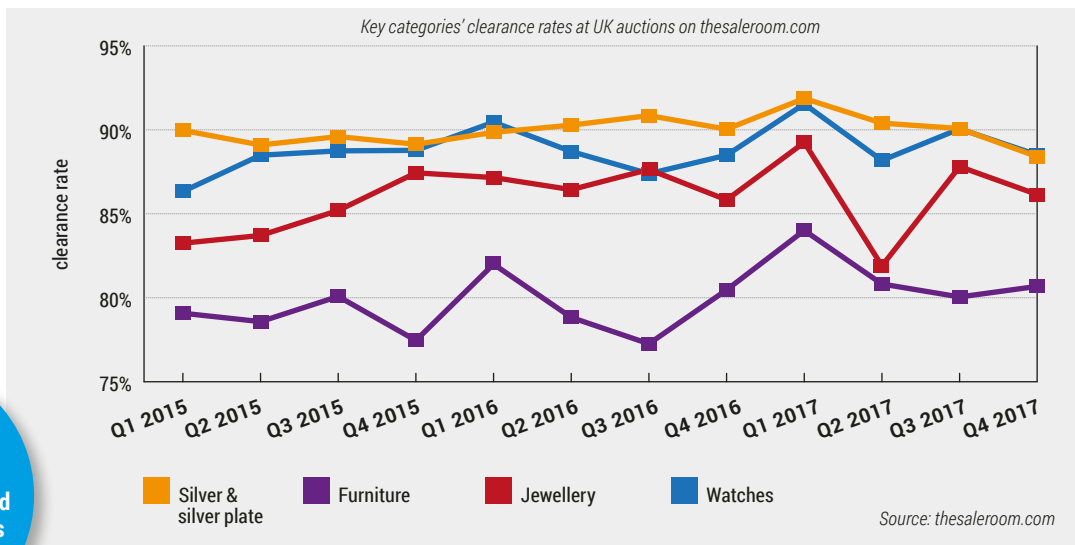


The increase in average lot value for watches reflects the buoyant market for mechanical wristwatches observed in the search queries

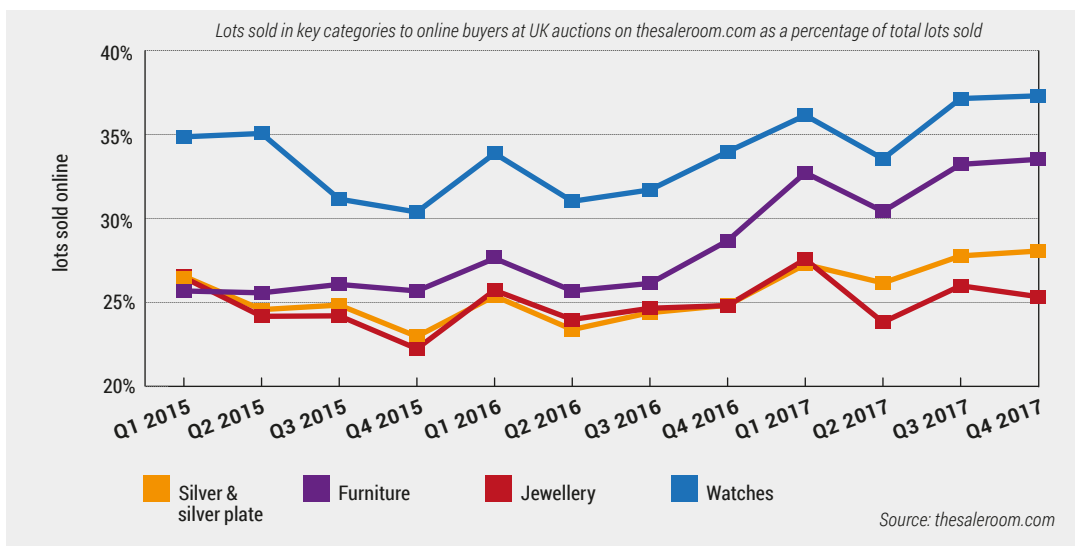
Average lot value 2015-17



Clearance rates 2015-17

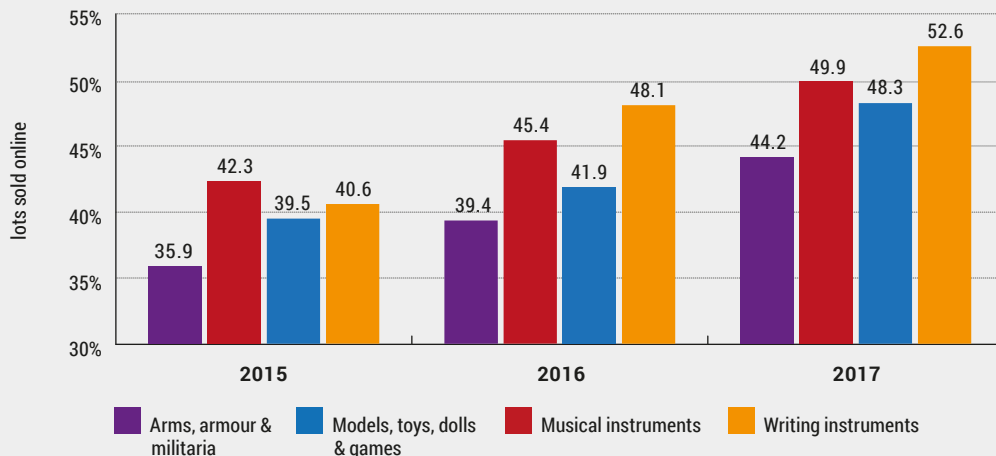


Lots sold online 2015-17



buying behaviour

Niche categories: lots sold online 2015-17



Lots sold in niche categories to online buyers at UK auctions on thesaleroom.com as a percentage of total lots sold Source: thesaleroom.com

We also decided to look at categories where the proportion of lots sold online (as a percentage of all lots sold in that category) was significantly above the average of mid-30s.

Among others we found four that we investigated further: arms, armour & militaria; models, toys, dolls & games; musical instruments; and the notably niche area of writing instruments.

Significant increases

In all four categories online buying has increased significantly since 2015 (the graph on the left strips out seasonal variances by showing the annual averages).

For items categorised as models, toys, dolls & games, almost half of all lots sold at UK auctions run on thesaleroom.com now go to online bidders.

Many of these sell for two-figure or three-figure amounts. For writing instruments, the percentage of lots sold online was 52.6% in 2017, up from 40.6% in 2015.

Has online buying now peaked in these categories or could this trend continue any further? Based on results of thesaleroom.com's latest survey of online buyers in these categories, it is clear the lines on the bar chart have the potential to climb even higher.

Almost 30% of buyers in the four categories expect online bidding to play an even greater part in their buying behaviour in 2018, with a notable reduction in phone bidding (see pie chart, left). They will also continue to visit auction houses to bid on premises in the room.

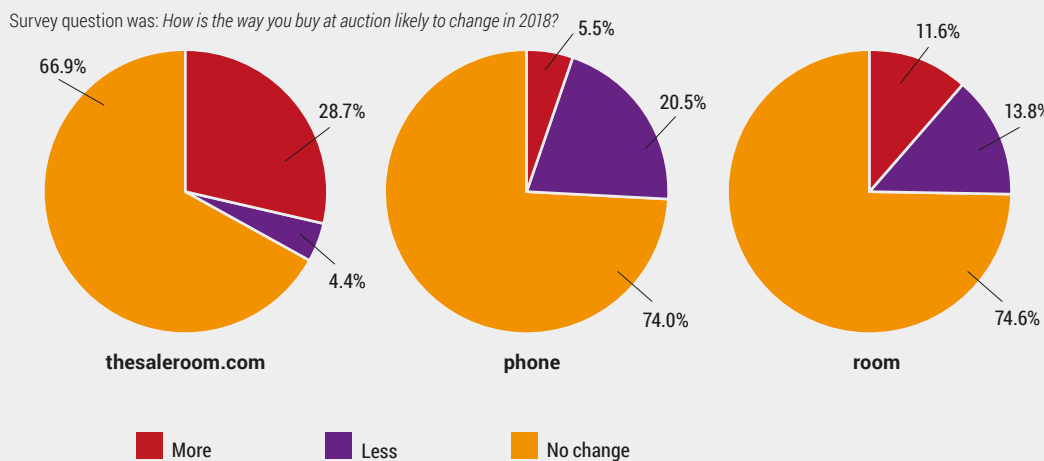
Bringing in the buyers

How can auctioneers attract such active online buyers to their sales?

The survey found pre-sale information – better lot descriptions and photography – will be key. Buyers in these categories also say they take fees into account, with just under half noting that buyer's premiums could affect their choice of which auctioneers to use.

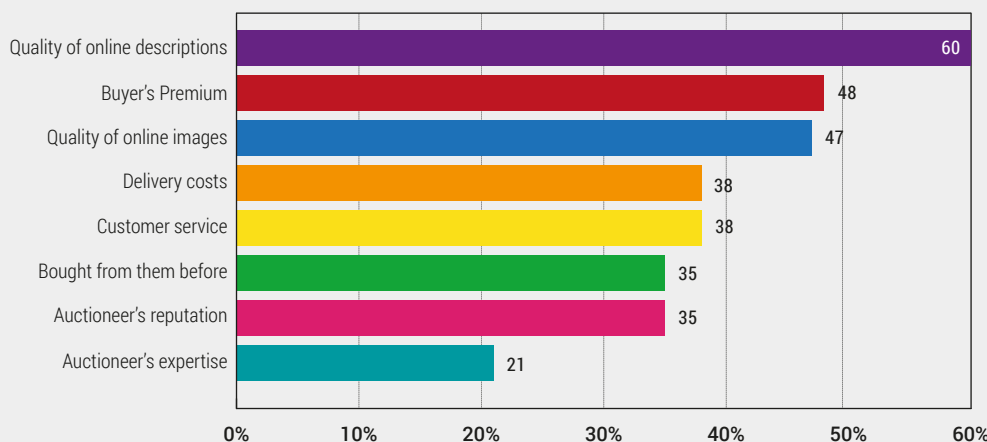
That said, the desire to acquire a particular object and the excitement of bidding at auction can override these often-stated concerns. ■

Buyers set to increase online bidding to the detriment of phone bidding



Survey of 181 online buyers of four niche categories on thesaleroom.com, January 2018 Source: thesaleroom.com

Which factors would make you choose one auctioneer over another?



Survey of 181 online buyers of four niche categories on thesaleroom.com, January 2018 Source: thesaleroom.com

