T	Competitiveness					
	1.1	When A	Art Met Economics	1		
	1.2	The De	velopment of the Creative Economy	5		
	1.3	The Ori	igin of Individual Creativity	6		
	1.4		ity as an Economic Resource	7		
	1.5	Comparative Analysis of the Innovation Potential of Leading				
			es	8		
	1.6		onomic Value of Culture in Italy	15		
	Refe	References				
2	The System of Contemporary Art					
	2.1		g the Art System	21		
	2.2	The Va	lue Chain	25		
	2.3		nic Nature of Artistic Goods: from Luxury Good			
		to Store	e of Value	26		
	2.4	The Ec	onomic Characteristics of Artistic Production	26		
	2.5	Artist N	Marketing	30		
	Refe	erences .		32		
3	Contemporary Art Markets and Supporting Sectors					
	3.1					
	3.2	Horizo	ontal Segmentation: The Primary and Secondary Markets	38		
	3.3	Vertic	al Segmentation	38		
		3.3.1	The Classic Contemporary Market	38		
		3.3.2	The Avant-Garde Market	40		
		3.3.3	The Alternative Market	41		
		3.3.4	The Junk Market	42		
	3.4	Suppo	orting Sectors and Economic Impact	42		
		3.4.1	The Publishing Industry	44		
		3.4.2	Fairs	45		
		3.4.3	Art Advisory and the Services Offered	47		
	3.5	Struct	ural Features of the Market	49		



	3.6	Problems around Asymmetry of Information	50			
		Art Market	51			
	3.7	Signalling	53			
	31,	3.7.1 Certification of Quality through Awards: Turner Prize and Hugo Boss	56			
	3.8	Organization Size and Structure of the Primary Market	58			
	3.9		60			
		Relationships Between Artist and Art Dealer	62			
	3.10					
	3.11	Auction Houses and the Secondary Market				
		3.11.1 Overview of the Economic Theory of Auctions	64			
		3.11.2 Operators' Strategies at Auctions of Paintings	65			
		3.11.3 Turnover in the Art Auctions Market	67			
		3.11.4 The Contemporary Art Market	71			
		3.11.5 Market Segments in the Contemporary Field	75			
	3.12	European Trade in Works of Art and Fiscal Asymmetries				
		for Import and Export	77			
	3.13	Impact of Resale Rights on the Art Market	78			
	3.14	Where Is It Worthwhile to Buy? Comparison of the				
		Tax Rate in 20 Countries	81			
	References					
4	Art	Appraisal and Value Creation Strategies	89			
	4.1	Variables That Influence Prices	89			
	4.2	The Media System and the Spectacularization of Art				
	4.3	Art Market and Economics of the Star System				
		4.3.1 The Effects of Network Externalities in the Contemporary				
		Art Market	96			
		4.3.2 Positive Feedback and Valorisation Strategies	97			
	4.4	The Birth of a Star: the Case of Maurizio Cattelan	102			
	4.5	Competitiveness of Countries in the Valorization				
		of Contemporary Art	103			
		4.5.1 U.S	103			
		4.5.2 Germany	104			
		4.5.3 France	106			
		4.5.4 Italy	106			
	4.6	Investment in Culture by Private Individuals				
		and Foundations	109			
	4.7	Use of Culture as a Marketing Lever	114			
	Refe	rences	116			
5	Colle	ecting: Motivations and Patterns of Consumption	119			
	5.1	Characteristics of Collector-Demand	119			
	5.2	Assessing the Demand Function				
	5.3 Theories on the Consumption of Artistic Goods and on					
		Rational Addiction	121			

	5.4	4 Income and Potential Demand						
	5.5	Audience for Contemporary Art in Italy						
	5.6	Private Demand						
	5.7		entation of Demand	133				
	5.8	Corporate Art Collecting						
	5.9	Motivations Driving the Creation of a Corporate Collection		137				
			JP Morgan	138				
		5.9.2	UBS	138				
		5.9.3	UniCredit	139				
		5.9.4	ING Group	140				
		5.9.5	Deutsche Bank	141				
		5.9.6	Unilever	141				
		5.9.7	The Akzo Nobel Foundation	142				
		5.9.8	The Generali Foundation	143				
		5.9.9	The CRT Foundation for Modern and					
			Contemporary Art	144				
	5.10	Speculative Demand		144				
	5.11		Characteristics of Speculative Demand					
	5.12	How to Evaluate Investment in Art						
	5.13			148				
	5.14	Art Investment Funds						
	Refer	rences						
A				157				
AP	Appendix							
	The Prices of Leading Contemporary Artists							
	The World's Most Expensive Contemporary Art Works							
	wenk	esource	S	177				