

resArt



Market Exploration and Design Research Report

IED Madrid | MDI

Block II

22 May 2023

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We are a group of four professionals in the fields of architecture, graphic design and communications, creating a B2B (business-to-business) startup. It is our goal to help restaurants that value art by integrating it into their identity and increasing visibility. We also aid restaurant owners organically promote their business through art to stabilize or grow their revenue.

The purpose of this document is to provide an overview of the focus of the company as well as present the research and validations regarding the identified ecosystem.

MOTIVATION

Our passions, resources and experiences led us to the art industry in Madrid. As the research progressed we discovered an opportunity in how art is able to influence the business of retail spaces. This finding enabled us to shift our strategy in pursuit of a better focus.

Supporting the retail sector, especially restaurants and their owners who appreciate or incorporate art into their concept or display will help to grow their business by using art as a tool or channel to sustain their business.

TEAM MEMBERS



Sarah Tió
Architect



Ann Salman
Graphic Designer



G. Iñaki Garate
Communications



Renz Mina
Architect

PROJECT OBJECTIVES



Understand our 3D ecosystem thoroughly to perform a comprehensive assessment that will identify problems, opportunities, and provide unique solutions.



Investigate how the art industry in Madrid is related to retail spaces with high traffic.



Study the dynamics of retail spaces and the art market in Spain to understand the impact these elements have in Madrid; defining variables such as market size and value, potential customer segments, purchasing patterns, competition and other important factors.



Identify emerging trends, existing relationships, problems, and design challenges.



Analyze the art market related to exhibition spaces to identify benefits that would reduce risk and inform better business decisions.



Identify stakeholders in the art industry to create business opportunities in retail spaces like restaurants and expanding potential customers.



Understand the problems and goals of the identified buyer persona and relieving pains they may have.



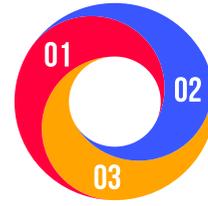
Develop a proposal for clients to accept our value proposition because it differentiates us from competitors, is consistent with market evidence, and has the potential to grow.

MARKET EXPLORATION

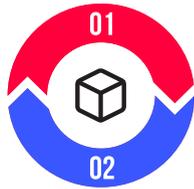
Motivation:

The market exploration's initial focus centered on emerging artists and the art industry with the intention of helping them gain visibility and career opportunities.

VISIBILITY



1 Art Industry 2 Madrid 3 Emerging artist



DISCOVER

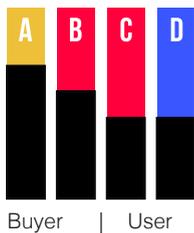
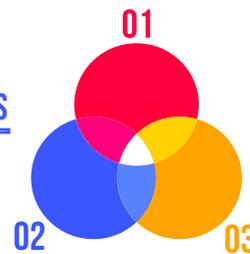
Findings:

We acquired new knowledge through our research. We observed that art affected the outcome of retail spaces. This finding motivated us to change our strategy and focus on a more promising direction.

Retail Spaces:

We shifted our focus towards aiding the retail sector as they had a larger market size in Madrid and a higher potential to invest in our business design.

FOCUS



PEOPLE

Emphasis:

We made a connection with restaurant owners and found a market for those who use art in their concept or exhibit it with the purpose of selling or enhancing their restaurant experience.

Market:

The initial market for artists was too broad for us to tackle. During the research, the market for retail spaces and restaurants yielded better opportunities. Several investigation techniques—interviews, surveys, netnography and ethnography research—aided this discovery.

VALIDATION



METHODOLOGY OVERVIEW

This research shows the relationship between the art industry and retail spaces, specifically restaurants. It shows how the opportunity exists to combine these areas and develop a value proposition for stakeholders.

To achieve the report, a set of methods and techniques were used as a framework for conducting our design research, including market research, interviews, surveys, focus groups, and ethnographic and netnographic studies for a total of **1,160** insights.

INTERVIEWS

34

SURVEY RESPONSES

40

SURVEYS

2

NETNOGRAPHIC RESEARCH

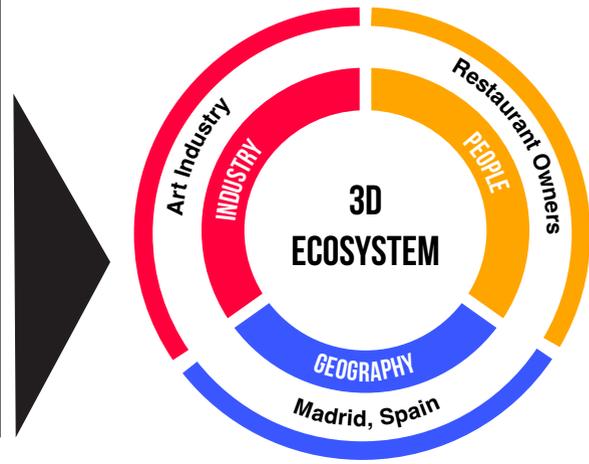
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ETHNOGRAPHIC RESEARCH

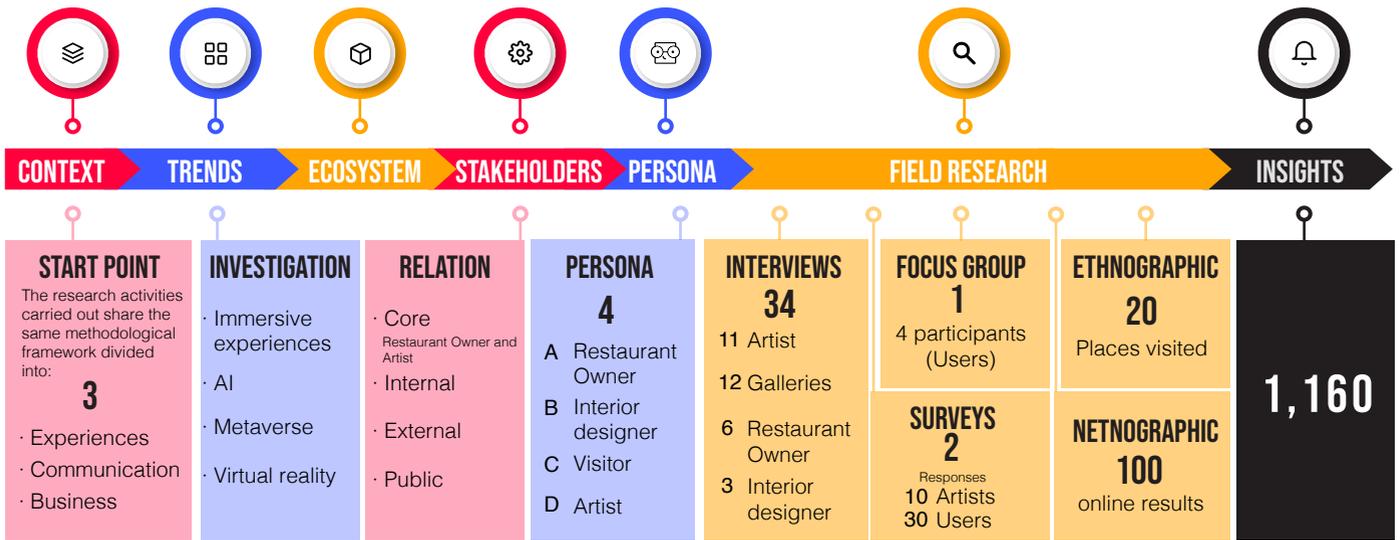
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DESIGN RESEARCH

Our business ecosystem focuses on the **art industry** with a target towards restaurant owners who use art as part of their concept in **Madrid**. Based on that, we define the design research framework and perform methods and activities to identify problems. Problems are prioritized to define the design challenge that will develop a business model.



METHODOLOGY | ACTIVITIES



We began this research by establishing the scope and framework and identifying four key domains in the art industry: Communication, Education, Creation and Business. We made four interview scripts to speak to the different profiles of industry stakeholders: Emerging Artists, Art Educators, Gallery Owners and Marketing managers. After conducting the interviews we were led to focus on the Emerging Artists and to add Mid-Career Artists as well.

We interviewed more over 11 artists and conducted digital surveys accessible through social media posts and a QR code on posters placed around IED campus.

As part of our field research, we conducted ethnographic studies by visiting more than 14 art galleries, ranging from high-end galleries to small art shops. The insights gathered from this research provided substantial information on galleries having a dominant position over an artist's success because of the visibility and promotion they provide.

After reviewing the information gathered and brainstorming we found an opportunity with another stakeholder; art-loving restaurant owners who sell artwork or build the pieces into their concept to enhance the dining experience. Four interviews with

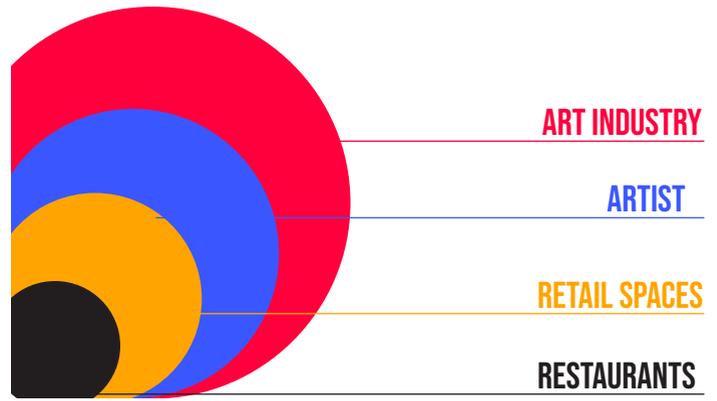
restaurant owners taught us that interior designers served as another stakeholder in the development of the visual experience of the restaurants.

We conducted additional research these two stakeholders to know more about their relationship with each other and their relationship with the art world. At the same time, we validated the interest of customers in dining-enhanced artistic concepts. We developed an additional survey to understand what people value in a restaurant and to know what is the most important thing when visiting restaurants.

A focus group offered a method of conversation with people interested in dining experiences, which informed us of the importance of art and atmosphere in restaurants. The focus group provided a broader vision on how visitors interact with visual elements in restaurants around Madrid.

To provide more insights about visitors of artistic concepts in restaurants, we went online to conduct netnographic studies. Customer reviews and articles provided a productive way of validating what actual visitors of the different restaurants were looking for and what problems restaurant owners tend to have.

After validating restaurant pain points for customers and owners, we re-established the scope and the framework of the art industry: Art as a valuable experience for retail spaces and restaurants, art as a communication tool for restaurant identity, and exposure and art sale to financially stabilize artists and restaurants.



FRAMEWORK

* Target

ART INDUSTRY

divided in 3 parts:

EXPERIENCIES *

- Focuses on concepts and ideologies behind their art.
- Aims to inspire, immerse and captivate people with their work.
- Creates meaningful, engaging, and transformative works for the audience.

COMMUNICATION *

- Writes the "manifesto" of their work.
- Uploads and shares work on social media, networking sites, and/or personal website.
- Speaks with internal and external stakeholders to promote their work.

BUSINESS & CAREER

- Sells work via gallerist, agent, or other manager.
- Sells work in art markets and events.
- Sells work to individual clients and patrons.

ARTIST

Career stage:

EMERGING *

An artist beginning their career in the art industry. They have some notable contacts that assist with the creation, communication, or business of their career. Typically, they are struggling to be noticed by a gallery and use "side jobs" to help finance their art career.

MID-CAREER *

An artist is represented by one or more galleries and is making money mostly off of their artwork. They will usually have a moderate following on social media or are making themselves known in other ways in art communities.

ESTABLISHED

An artist that is represented exclusively by a gallery or agent. They may live solely off their artwork. They are well-known in the art community and among general public. Their work and reputation will usually have a large impact on political, social, technological, and other factors.

RETAIL SPACES

Restaurant profit levels:

LOW-END *

Typically low prices, small venues, few employees, and budget or minimal materials. Those with strong concepts are moderately decorated, but typically the restaurant will have nothing that will stand out that makes them unique to patrons.

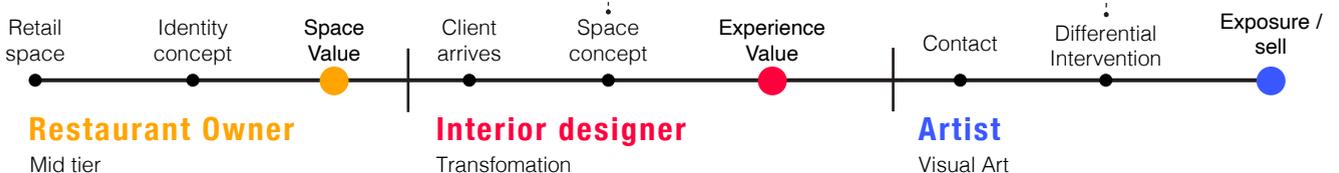
MID-TIER *

With moderate prices, venues, and number of employees. They will spend more on materials, such as menus and tableclothes, and on interior design and decorations that communicate their concept. They usually rely on foot traffic and self-promotion.

HIGH-END

With high prices, large venues in higher-end neighborhoods, and a large professional staff. Their concept is strong with high quality materials, interior design, and other decorations. High-end restaurants will also usually invest in a chain.

Art lover and Experiential



STAKEHOLDER MAP

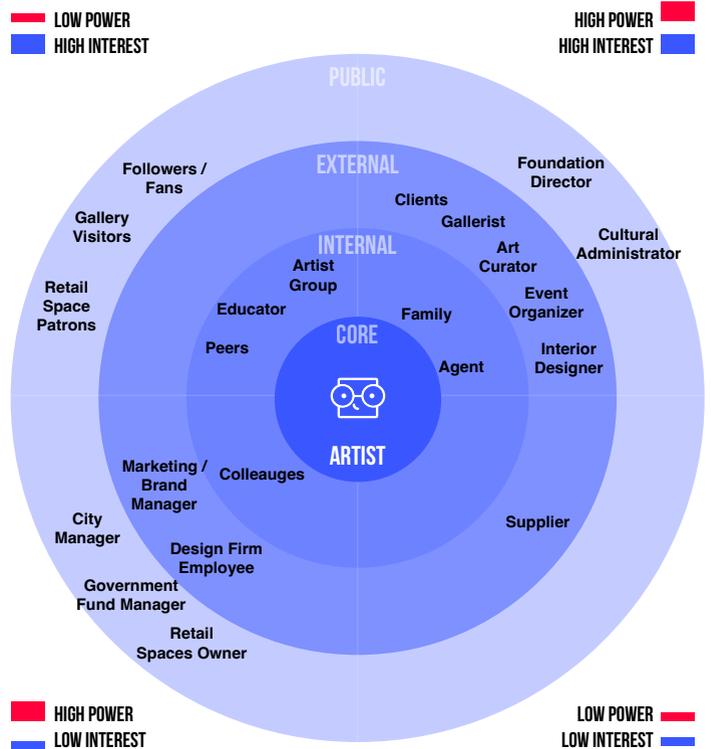
After identifying the possible stakeholders from the ecosystem map we further refined them in a separate map. Through this map we were able to identify other possible stakeholders that could play a key role in our ecosystem as well as allow us to define our personas.

- Buyers:** Restaurant owner: Art lover, Experiential; Interior designer; and Artist (potential)
- User:** Visitor and Artist: Emerging, Mid-career

At the start of the research, we mapped out our stakeholders with the artist as the core. It was through this method where we first gained the insight of retail spaces and how they could have an influence in the art industry.

As we continued with our research we felt more confident about the opportunities that the retail spaces could bring to the art industry. We started to lean into it and delve deeper in our research towards it, leading us more to the potential of restaurant owners, especially those that show an interest in art.

After gaining our insights and validations towards the restaurant owners we developed another map with them at its core and through this we directed additional research towards interior designers as the connection between restaurant owners and the art industry.

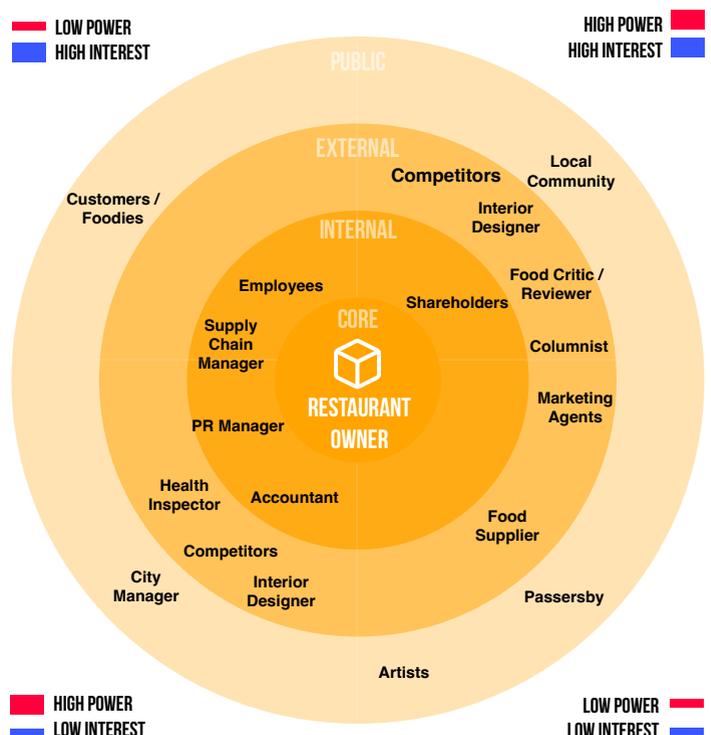


STAKEHOLDERS TO PERSONAS

We created persona profiles based off of the identified stakeholders to characterize them and define their differences. This technique affirmed stakeholder goals, motivations, needs, and challenges. The characteristics we established are based on our research and results from the interviews, surveys, and focus groups.

The personas are as follows: the restaurant owner, the artist, the interior designer, and the visitor. The restaurant owner is our project's main buyer persona, the interior designers are our secondary buyer personas, the artist is an essential user persona with the potential to become a buyer, and restaurant customers are our users.

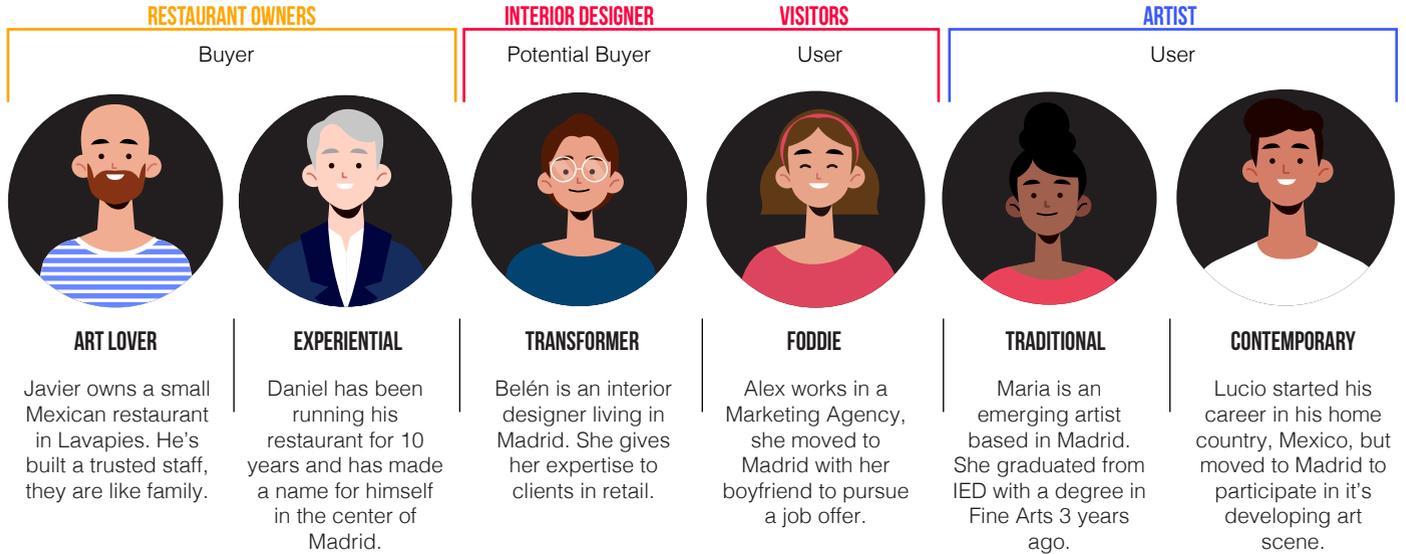
The insights gained from this method proves useful in understanding how we should model our business design and value proposition.



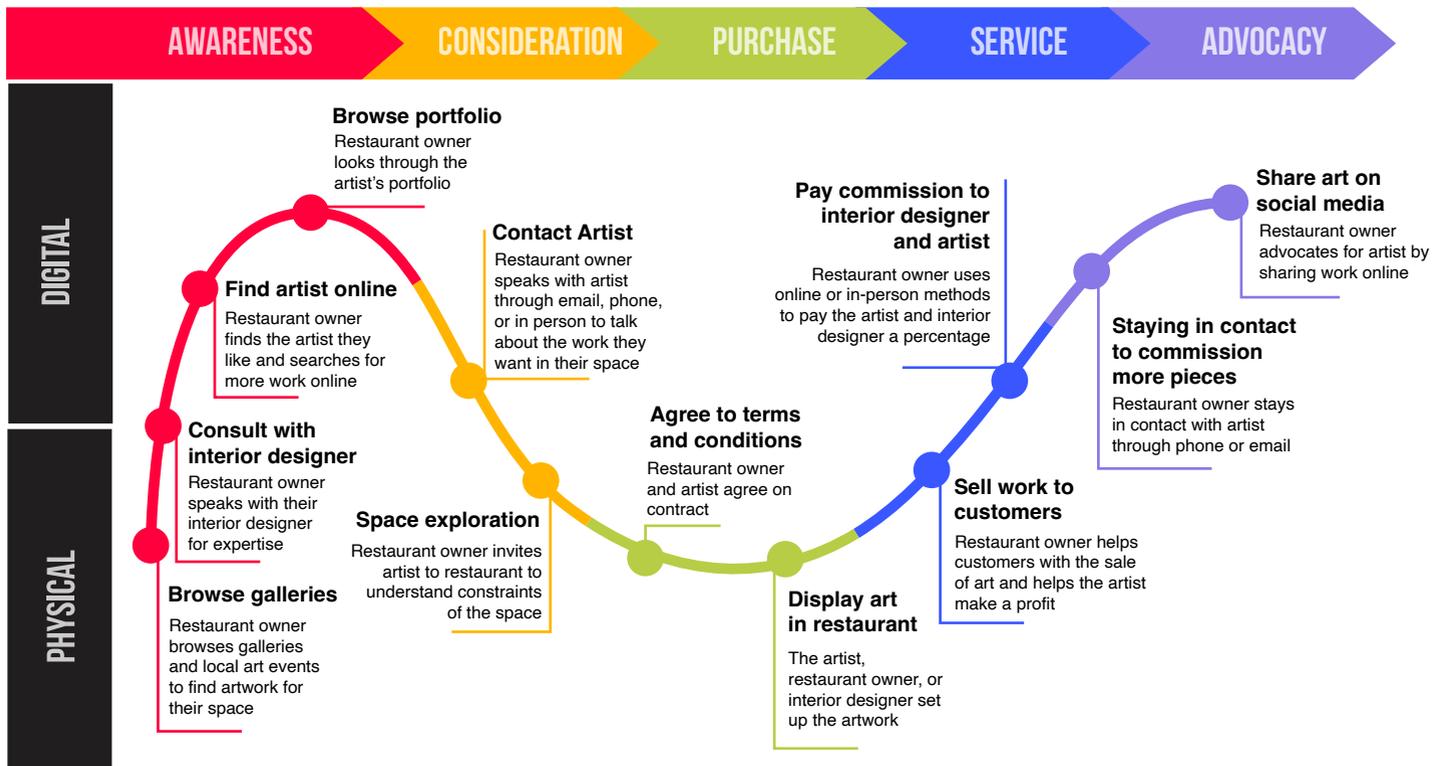
PERSONAS

We focused on two types of restaurant owners for our personas: the “Art Lover” and the “Experiential”. Established from our research information, the former owner has an appreciation for art and likes to showcase art in their restaurant while the latter is concerned with an ambience and theme to enrich their customers' dining experience.

We also defined two personas for our artists; the emerging artist, who is just starting out and looking for opportunities, and the mid-career artist, who has some experience and recognition but still needs more exposure. While we only have one interior designer persona, this stakeholder is an important factor in our business model given their expertise on the atmosphere creation. Lastly for the user, we also defined one profile. The user is essential to understand, to see the needs that they have that the other stakeholders are not addressing.



CUSTOMER OVERVIEW



JAVIER

Restaurant Owner #artlover

Age: 41
Work: Restaurant Owner
Status: Married
Income: €40,000 / year
Nationality: Spanish

BIOGRAPHY

Javier owns a small Mexican restaurant in Lavapiés. He's built a trusted staff, they are like family and he is proud of his business and what he has built.

He needs an additional revenue stream, so he displays art from local artists in his restaurant and takes a cut from the pieces sold. However, the pieces are misaligned with one another and with the restaurant's decor and don't have time or knowledge to manage the art exhibition and selling.

He has a few regular customers that love his food, but he struggles to bring in a larger audience.



"I HAVE ONE PROBLEM IN MY RESTAURANT, NOT ENOUGH CUSTOMER TRAFFIC."

INTEREST



Art



Exposure



Branding

STATS

Number of Locations



Social Media Followers



Restaurant Price Range



GOALS

- To make a steady income from his business.
- To build a stronger design concept.
- To attract more customers to come into his restaurant.

PAINS

- Struggles to keep afloat in "dry" seasons.
- Past promotion strategies have failed and lost money.
- Art and decor are misaligned so the atmosphere turns customers away.

DANIEL

Restaurant Owner #experiential

Age: 52
Work: Restaurant Owner
Status: Married
Income: €60,000 / year
Nationality: Spanish

BIOGRAPHY

Daniel has been running his restaurant for 10 years and has made a name for himself in the center of Madrid. He has been in the service industry for more than 20 years and also has a lot of marketing knowledge because he was a brand manager for a hotel chain. He has just opened his second location for his restaurant. Daniel is also very passionate about art and the visual experience of spaces, always trying to keep up or searching for new trends in the service industry.

He lost contact with his previous interior designer and is trying to find one he likes to help update his space.



"THE MOST DIFFICULT PART IS KEEPING UP WITH INNOVATING THE EXPERIENCE, IT'S AN EXPERIMENT ALL OF THE TIME. WE HAVE CONSTANT MEETINGS WITH THE TEAM AND CHEF TO KEEP IMPROVING."

INTEREST



Art



Exposure



Branding

STATS

Number of Locations



Social Media Followers



Restaurant Price Range



GOALS

- To stand out from competitors.
- To align decor with current trends and his own preferences.
- To increase profits to make up for pandemic losses.
- To update his promotion strategy.

PAINS

- Low foot traffic during certain hours and seasons.
- Feels that his restaurant gets overshadowed by neighboring businesses.
- Doesn't know how to redecorate to make a bigger impact with his target audience.
- Struggling with always improving the experience to keep up with trends.

BELÉN

Interior Designer #transformer

Age: 35
Work: Interior Designer
Status: Married
Income: €45,000 / year
Nationality: Spanish

BIOGRAPHY

Belén is an interior designer living in Madrid with her husband, Antonio. She mainly works for retail clients where she gives her expertise on the flow of a space and choosing the furniture and materials that best suit the space. She always wants to add that special touch to the spaces with her personal signature.

She often shops at local markets to find furniture and art pieces that fit with current trends. Belén also browses galleries and events with her clients to find the work that best fits their preferences. She has differentiated from the competition by finding local artisans to provide with unique products. Her clients tell her that they prefer when the art she buys doesn't have the price listed publicly; they want the artwork to reflect exclusivity for their business.



"I WOULDN'T LIKE TO SEE PRICES ON THE PLATFORM. WHEN YOU SEE THE PRICES IT TAKES THE EXCLUSIVITY COMPONENT OUT OF IT. AND CERTAINLY MY CLIENTS WOULDN'T LIKE OTHER PEOPLE TO KNOW THE PRICE OF THEIR ART PIECES."

INTEREST



STATS



GOALS

- To make an impact that increases foot traffic and revenue for her clients' businesses.
- To satisfy user needs as well as client preferences.
- Provide a unique visual experience with her own personal touch.

PAINS

- Needs easy access to the price of artwork without the price being public.
- Exhausted after an unsuccessful day of art shopping.
- Doesn't always get the information she needs to find and commission an artist.
- Doesn't know about art trends, what's valuable and what is not.

ALEX

Visitor #foodie

Age: 34
Work: Marketing Account Manager
Status: Single, dating
Income: €40,000 / year
Nationality: Mexican

BIOGRAPHY

Alex works in a Marketing Agency, she moved to Madrid with her boyfriend because she had a job offer. She accepted because she wanted new experiences. She is always searching for the hot spots in the city, while food it's her main focus, she also likes trendy bars that provide a different experience.

She finds these new places mostly by friend recommendations and sometimes she searches for places in google maps. She finds art in restaurants interesting while it's not her main interest, when she likes something she sometimes shares it on Instagram and if she likes the artist she might look for him on internet. She is not interested in buying art in commercial spaces.



"SOMETIMES I LACK CONTEXT OF THE PIECES OR MORE INFORMATION ABOUT THE ARTIST."

INTEREST



STATS



GOALS

- To find good food in restaurants that provide a good 360° experience.
- Have a wide knowledge of the food offering in the city.
- Share her experiences online and by talking to friends.

PAINS

- Visiting places is expensive.
- The promised experience doesn't comply with the actual experience.
- Restaurant and bar interior designs that make her feel uncomfortable.
- Finding herself in a place in a "Tourist trap".

MARÍA

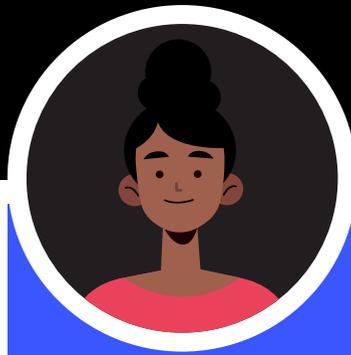
Emerging Artist #traditional

Age: 27
Work: Half time Job / Emerging artist
Status: Single
Income: €15,000 / year
Nationality: Spanish

BIOGRAPHY

Maria is an emerging artist based in Madrid. She graduated from IED with a degree in Fine Arts 3 years ago. She lives in a small apartment that also acts as her studio.

She is interested in finding better ways to promote herself and grow a larger audience. She has only sold her art to her family, friends, and a couple of clients from social media, however it is hard for her to put a price on her artwork. It is her goal to be able to fully sustain herself through her art as well as gain local recognition as an artist.



“BY THE COST OF MATERIALS, TIME AND I DON'T KNOW HOW TO DEFINE THE PRICE OF MY ART.”

INTEREST



Art



Visibility



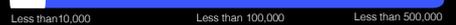
New Work Opportunities

STATS

Exposure



Social Media Followers



Art Price Range



GOALS

- To increase the value of her work.
- To gain a following/fans on social media.
- To become a well known artist.
- To be able to support herself.
- Independently through her art.
- To have galleries represent her work.

PAINS

- Funds are low.
- Doesn't know how to effectively promote herself.
- No space to practice her art.
- No contacts to help further her career.
- Having a hard time balancing work and promotion.
- Doesn't like her side job.
- Struggling to get noticed by galleries.
- Feels the art market is saturated and feels discouraged to continue her art career

LUCIO

Mid-Career Artist #contemporary

Age: 37
Work: Artist
Status: Single
Income: €28,000 / year
Location: Mexican

BIOGRAPHY

Lucio started his career in his home country, Mexico. He has since then moved to Madrid to pursue a different audience and make a career in the up-and-coming art scene.

He is being represented by a gallery back in Mexico but now is looking to find another gallery to represent him here in Madrid, he hopes that by having that representation galleries would be open for him to exhibit. He is learning to live in the city while navigating this new path of his art career.



“I HAVE PROBLEMS FINDING CLIENTS. IT'S HARD TO CONVINCE THEM OF THE VALUE OF MY WORK.”

INTEREST



Art



Visibility



New Work Opportunities

STATS

Exposure



Social Media Followers



Art Price Range



GOALS

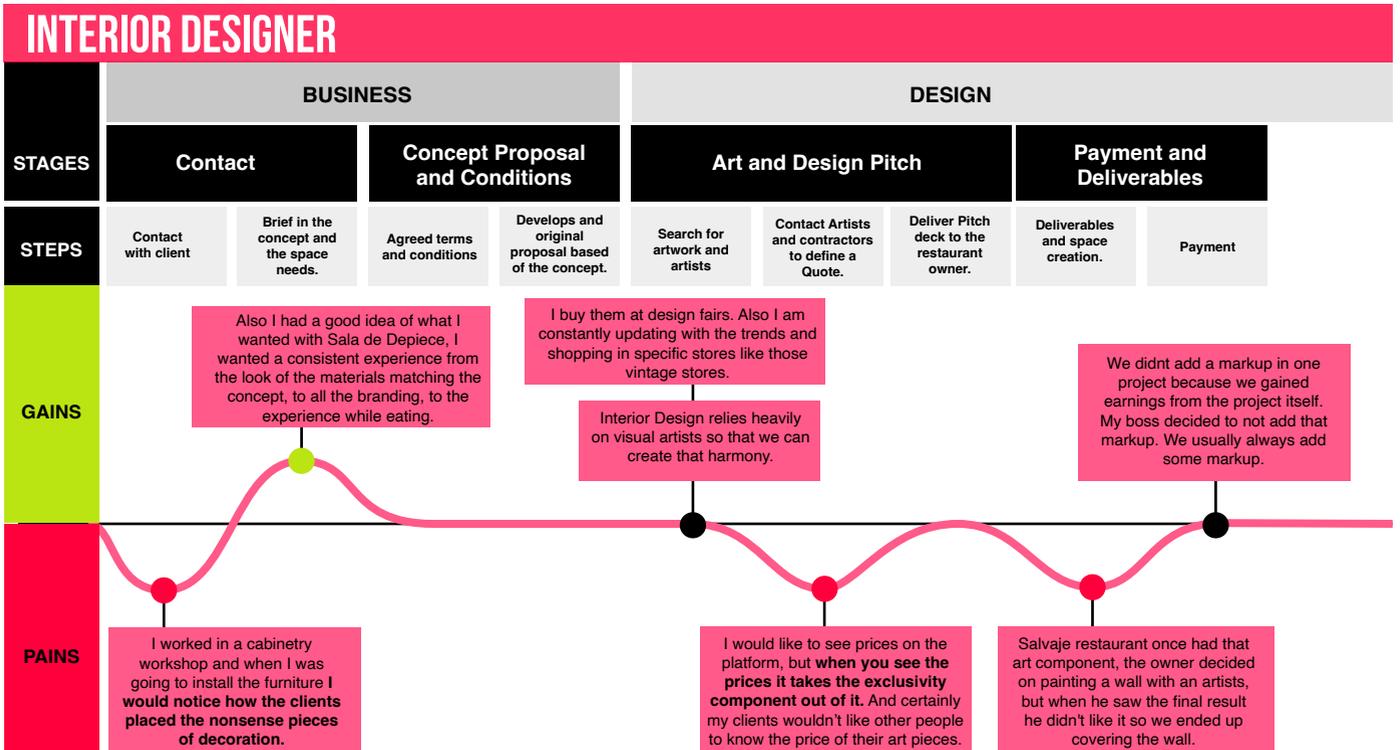
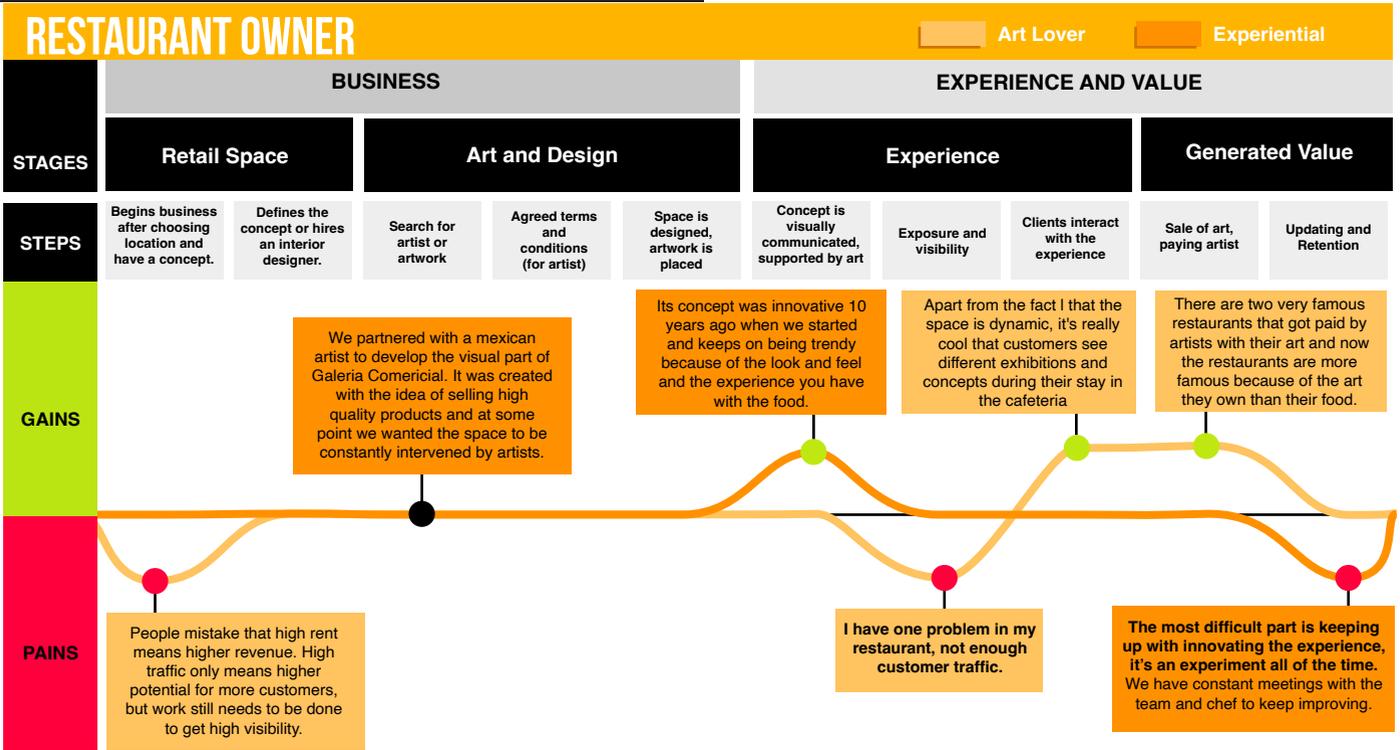
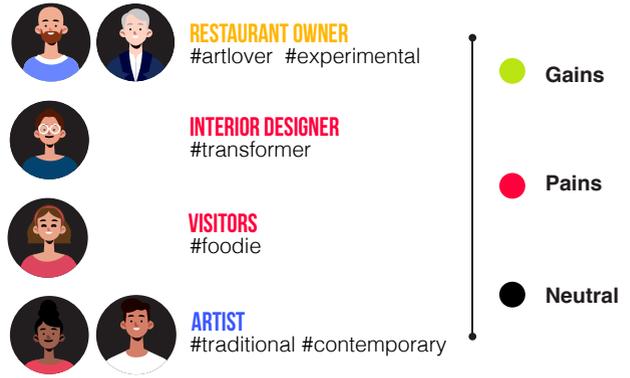
- To grow as an artist with an international career.
- To be represented by local gallery and to showcase his art in events.
- To join a collective that shares the same ideas and visions.
- To make an impact on the art industry.
- Make a collaboration with a brand.

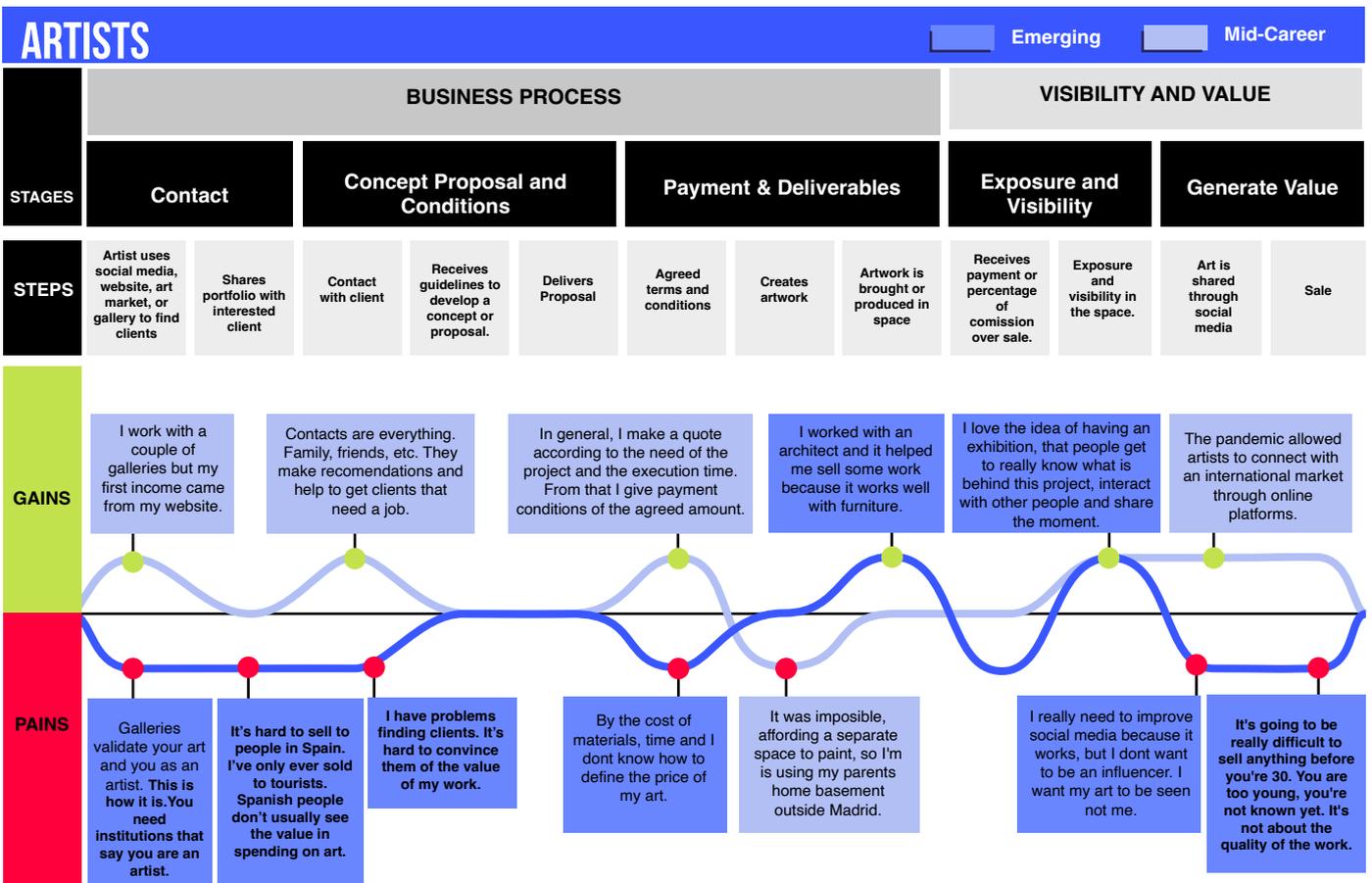
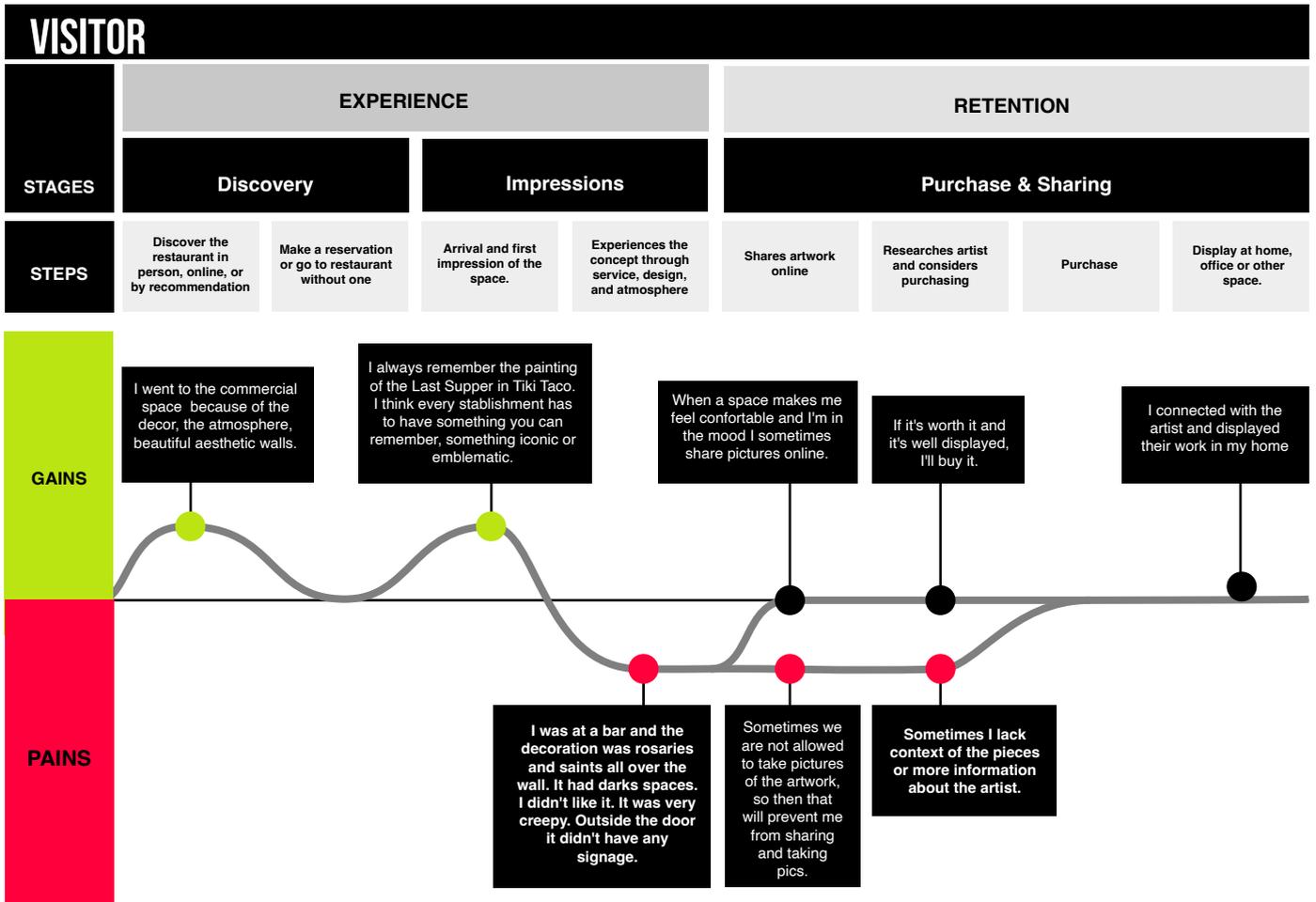
PAINS

- No local contacts.
- Having a hard time being "seen".
- Struggling to navigate the competitive art industry in Madrid.
- Finds it hard to sell to people in Spain.
- Spanish people don't see the value of his art.

CUSTOMER JOURNEY

On the customer journey map we defined the stages each persona undergoes. Stages, tasks, and activities they perform in relation to business are illustrated. During each activity, pains and gains for each persona are graphed based off of the statements we gathered from field research.





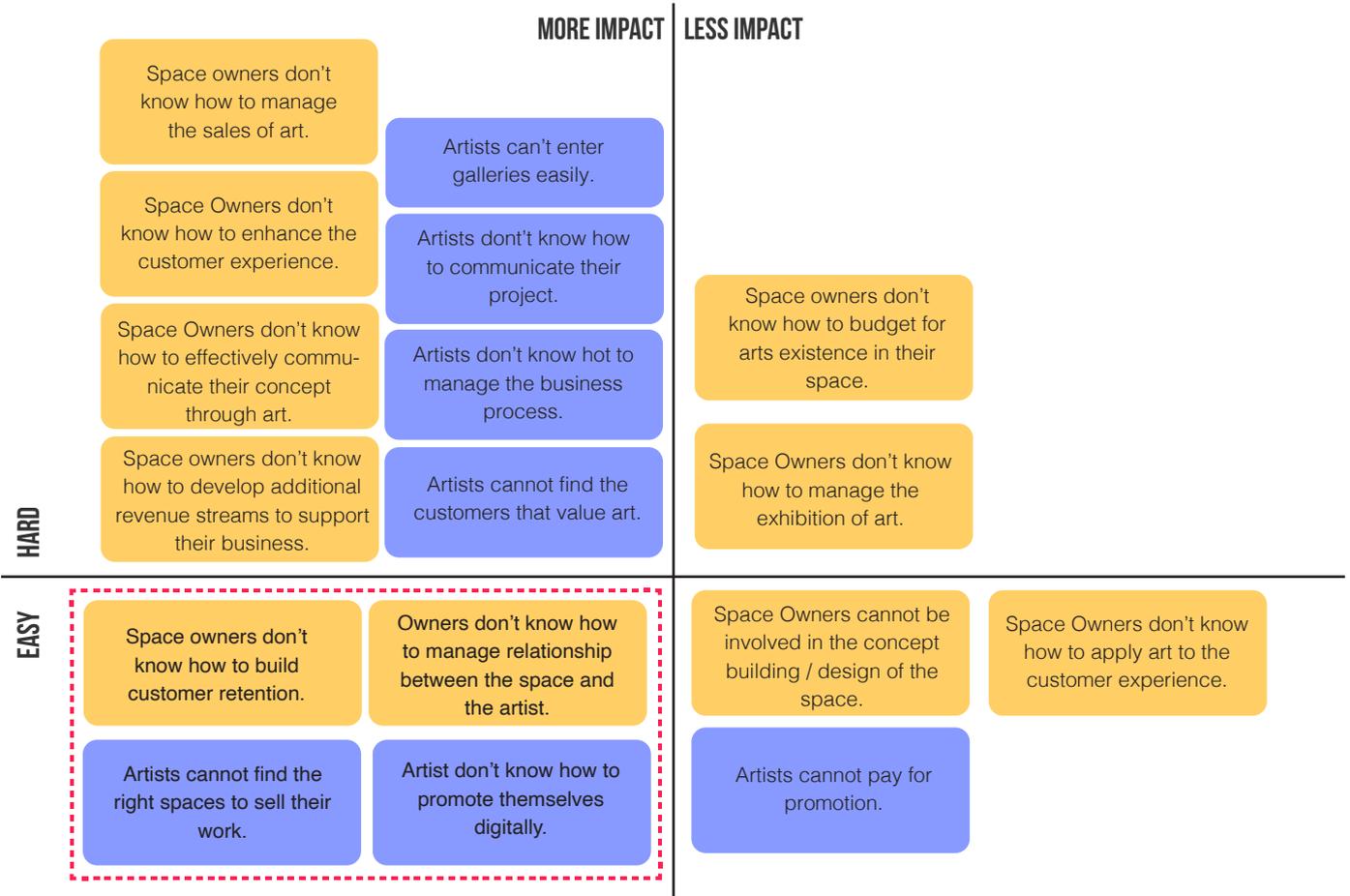
PROBLEM PRIORITIZATION

In order for us to fully define our business model we further mapped out the problems that the personas have and defined the constraints we have as a team to determine the best possible route for innovation.

With the objective of prioritizing the problems and deciding on how easy or hard to solve that problem, we conducted a design thinking exercise using a problem matrix where we combined the Space Owners' problems with the Artists' problems. We were identified where the level of impact and capability intersected so that we could direct our focus towards the most influential problems we would be able to tackle.

MATRIX IDENTIFICATION

● Restaurant owners ● Artists ● Focus



OPPORTUNITY AREAS

EXPOSURE



Restaurant owners have spaces with the opportunity to give a space to the Artists and both of them benefit from that business relationship. While the artist gains exposure the restaurant would be also benefited by the artist and artists networking.

EXPERIENCE



Restaurant owners can also benefit from the business relationship providing a different experience to their customers while adding art to the space.

Opportunity of collaboration and enhancing the experience making it multisensorial, food and art.

COMMUNICATION



Gallery's are outdated, Restaurant owners and artists have the opportunity to provide a different approach on the communication in relation to promotion.

VALUE OF ART



Artists have the opportunity to increase their art value by exhibiting their art in restaurants and adding value to their career with more people knowing about their project and in some cases it could lead to a sale.

DESIGN CHALLENGE

With the investigation and field research conducted and all the necessary information gathered, analyzed, and studied, we are now able to draw conclusions to formulate a working business model/ecosystem that is measurable and validated. The “How Might We” statement to the right defines the challenge we face in our prototyping stage of our model.

“HOW MIGHT WE...”

...help Javier’s restaurant grow visibility and reinforce his restaurant’s identity using the value of art so he can stabilize or grow their revenue?”

ANALYZED RESULTS AND RELATED INSIGHTS

- 1 Restaurants and artists both have a need for visibility and exposure.
- 2 Artists, especially emerging ones, have difficulties reaching out to galleries and most of them rely heavily on gallery representation for promotion and attaining clients.
- 3 The multiple restaurants in Madrid with art as part of their identity or are showcasing local artists’ work on their walls reflect the booming art scene.
- 4 Restaurant owners only keep up with the trends related to their industry (culinary) and need help with other trends related to their business such as branding and art.
- 5 Interior designers have a strong influence on getting artists involved in the design of their restaurants and increasing customer satisfaction.
- 6 Restaurant visitors enjoy a space more when the atmosphere and design is visually engaging.
- 7 Restaurant owners are interested in alternative sources of revenue that follow their concept and encourage customer growth.

#artlover



“It was created with the idea of selling high quality products and at some point we wanted the space to be constantly intervened by artists.”

#experiential



“The most difficult part is keeping up with innovating the experience, it’s an experiment all of the time.”

#transformer



“There are two very famous restaurants that got paid by artists with their art and now the restaurants are more famous because of the art they own than their food.”

#foodie



“I always remember the painting of the Last Supper in Tiki Taco. I think every establishment has to have something you can remember, something iconic or emblematic.”

#traditional



“Interior Design relies heavily on visual artists so that we can create that harmony.”

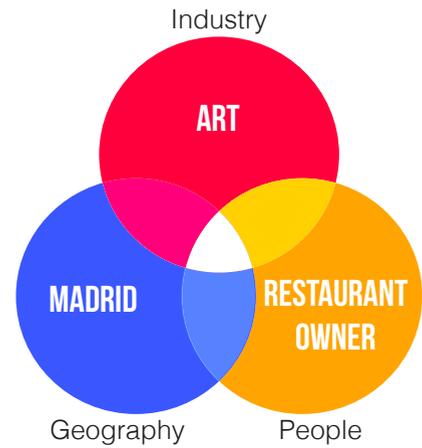
#contemporary



“Galleries validate your art and you as an artist. This is how it is. You need institutions that say you are an artist.”

BUSINESS RESEARCH

Research conducted revealed information on market size and value related to our ecosystem so that we could validate the resArt's worth and use to the restaurant and art industry.

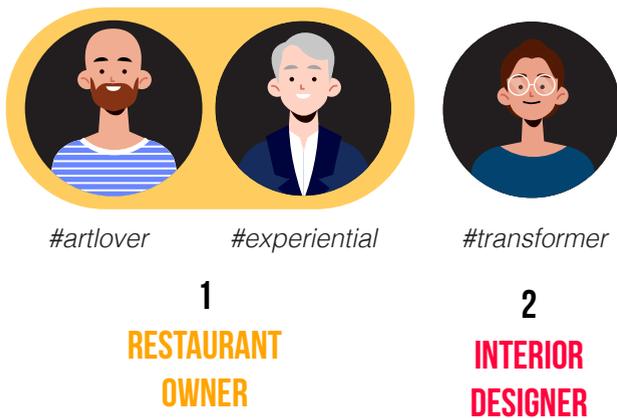


3D ECOSYSTEM APPROACH

Our business ecosystem focuses on the art industry with a target towards restaurant owners with art in their concept in Madrid.

BUYER PERSONA

The restaurant owners are our project's main buyer personas, while the interior designers are secondary buyer personas. Artists have the potential to become buyer personas in the future, but remain users for now.



USERS

The artists are our essential user personas because of their influence in our ecosystem while the visitors of the space are our other user personas.



PROBLEM

Javier is frustrated that his business isn't growing

- Why?
1 Because his customer base is stagnating
- Why?
2 Because he is not getting noticed by new potential customers
- Why?
3 Because his restaurant isn't getting enough exposure in the art or food and drink market
- Why?
4 Because while the food and service is good, the art has become an afterthought and disinterests customers
- Why?
5 Because he doesn't know how to update or communicate the artistic value in his business

VALUE PROPOSITION

Our value proposition can be summed up by this statement:

“We empower restaurants who value art by using art to enhance visibility and reinforce the restaurant’s identity with the goal of stabilizing or growing their revenue.”

COMPETITIVE LANDSCAPE

It was important to research current businesses, companies, and foundations that are tackling the same problems we are discovering. To identify the value they provide and spot shortfalls, we noted four key areas that competitors try to solve.

COMPETITORS

| | EXPOSURE | EXPERIENCE | COMMUNICATION | VALUE OF ART |
|-------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ARSPECT Art rental of emerging artists to corporate offices. |  Allows artists' work to be on display in spaces |  Do not provide a custom experience |  Art itself communicates the business' brand, but communication of artist journey doesn't exist |  Art provides value to the business space and the artist is paid sufficiently |
| FRANQUEARTE Provides support to the career and exposure for emerging artists. |  Exposure for artist, but not for spaces they rent |  Provides an experience for public to enjoy |  Communicates artist journey and artwork well |  Advocates for the value of art for Madrid community |
| EL IMPARCIAL Art exposure and exhibition in their space. |  Allows artists' work to be the first thing you see when you walk in |  Art is not part of the dining experience |  The art and restaurant do not communicate equal message |  Artists are paid from sold works and restaurant receives profit |
| THE FOODIE AGENCY Digital promotion and branding for restaurants. |  Provides promotional methods for restaurants |  Lacks physical experience |  Provides communication strategy for restaurants |  Art is not heavily involved |
| LOCALES Y ARTISTAS Platform that connects artists with commercial spaces for exhibition purposes. |  Art is on public display, but promotion strategy for business or artist is not involved |  Lacks integration of art to business experience |  Allows owners to choose art to communicate what they want, but lacks strategy |  Artists are not guaranteed profits |

 Solved
  Half-solved
  Not solved

DIFFERENTIATED VALUE PROPOSITION

After identifying each of the problems as well as the strengths and weaknesses of each company, we developed a differentiated value proposition that would solve outstanding problems and make us unique among the competition:

“Along with empowering restaurants with art; we integrate art into the dining experience use art in an organic way to promote their business to stabilize or grow their revenue.”

SOCIAL / SUSTAINABLE IMPACT

Our model enhances the vibrant and diverse aspects of Spanish culture that are expressed through food and art. By creating a connection between these two forms of cultural expression, we aim to celebrate and promote the richness and variety of Spanish traditions, values and identities.

Our business ecosystem helps emerging artists passionate about their craft share their vision with the world. Our model would provide them with opportunities to showcase their work and to develop communication and networking skills.

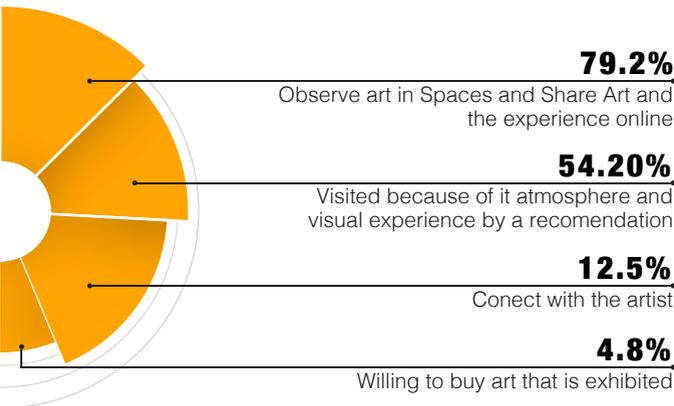
MARKET SIZE

Mid-tier restaurants in Madrid account to approximately 5,000 restaurants around the city, the whole service industry size is €26.7 BN. For instance, if resArt gets 1,000 restaurant owners to invest €1.000 we can achieve a revenue of €1.000.000. While Spain experienced a huge decline in art market size after the pandemic, global sales fully recovered and actually increased 3% since 2018. Spain remains only 1% of those sales, but we see an opportunity for growth.

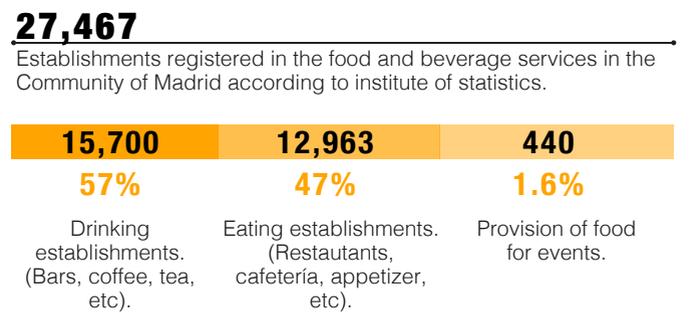
| | | |
|------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|
| <p>MID TIER IN MADRID based on 10,000 restaurants registered online</p> <p>5,102 Units</p> <p>51%</p> | <p>RESTAURANT & TAKEAWAY FOOD OPERATIONS IN SPAIN</p> <p>Market size 2023</p> <p>€ 26.7BN</p> <p>Market size Growth 2023</p> <p>8.4%</p> | <p>FACTS SPANISH ART</p> <p>Market size 2019</p> <p>€ 492,4</p> <p>Market size 2021</p> <p>€ 310,3</p> |
|------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|

RESTAURANTS with concept art in Madrid

Main user reasons to visit art-related restaurants:

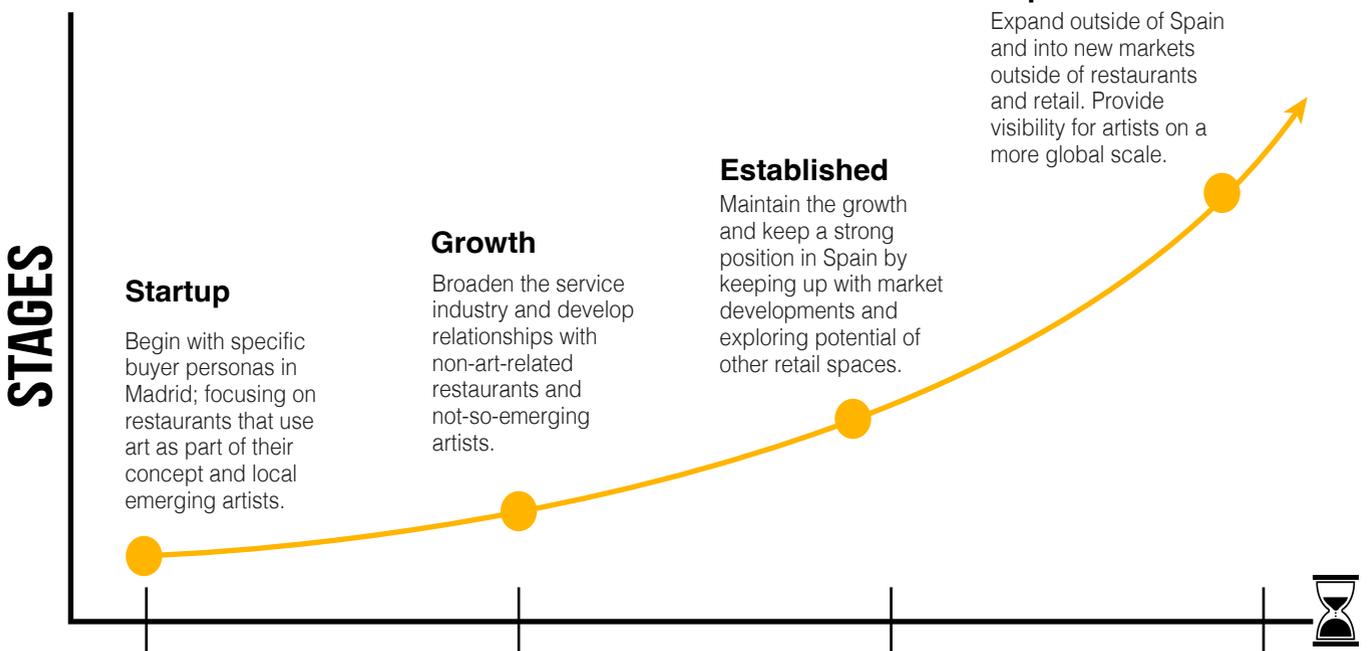


Numbers of food and drinks services in Madrid



GROWTH POTENTIAL

If we, as resArt, begin with art-related dining experiences in Madrid, we have the potential to grow in the market by broadening our focus to the service industry of retail spaces from restaurants to hotels to coffee shops. Given that the art market has made a significant recovery due to international reach after the pandemic, we see resArt extending to the rest of Europe and the US after establishing ourselves in Spain.



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