



How is AI being used by the art business?

THE GRAY MARKET INVESTIGATES

No. 1, May 2026

TABLE OF CONTENTS

- 02** Intro
- 03** In Numbers
- 04** Galleries
- 07** Auction Houses
- 09** Art Fairs
- 10** Bottlenecks + Risks
- 11** Startup Case Studies
- 14** Conclusion
- 15** About

Intro

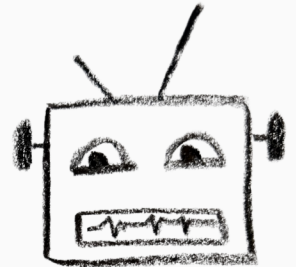
AI is an incredibly weird technology. Even five years ago in the US, it was still mostly the province of sci-fi narratives and a niche group of enthusiasts and developers confined to Silicon Valley like geriatric turtles to a terrarium. But after **ChatGPT** exploded onto the scene in late 2022, AI broke containment. It's now almost literally impossible to spend a few hours in public without overhearing someone talking about it, and its use has already infiltrated just about every aspect of daily life—whether for good, for ill, or for seemingly no reason other than that the opportunity was just sitting there when someone got bored.

Then there's the art business, historically one of the latest-adopting industries known to humankind. It's no surprise that most of the discourse about AI in this realm has fixated on image-making. Worthy as that conversation is, however, it ignores a whole other tranche of issues, challenges, and possibilities: namely, how large language models (LLMs)—the technical name for the generative, algorithmic tools popularly shorthanded as “AI”—are being used on the business side of the art and collectibles trade.

That's where this report comes in. It aims to cross-section the art industry to show where generative AI and its building block, the mass pattern-recognition algorithms known as machine learning, have already penetrated the walls of tech-backwardness.

The results distill interviews with 13 art industry and IT professionals, an unholy amount of article and podcast consumption, and the experience accumulated from writing about AI's fits and frictions with the art business since 2020. (A special thank you to **Art Market Minds–The Academy** is in order, because the core of this report stems from a lecture that I gave for its online course, “AI & the Art Market,” in late April.)

This file also inaugurates **The Gray Market Investigates**, a new monthly deep dive into a subject in the art or collectibles industry that deserves multiple weeks of reporting, thinking, analysis, occasional doodling, and probably a little humor. It's a new feature for paid subscribers to TGM. I hope you agree that the series is worth your time and money. If not, it's never been easier to just opt for whatever coverage the robots will churn out for you.



Tim Schneider
Founder, The Gray Market

In Numbers

Not everything about AI's use on the business side of art can be quantified, but trying to capture where we are without data would mean letting some vital points slip through the net. Below is a selection you can pull from during your next art world cocktail party. Just make sure that you're not talking to someone who's liable to throw a drink in your face for bringing up the subject.

Galleries

31%

Share of galleries that never uses AI for ops, per Artsy

80%

Share of galleries that dabbles in AI for writing or editing, per First Thursday

~25%

Share of small galleries reporting "regular" or "strategic" AI use, per First Thursday

Timelines

8 years

Since Sotheby's acquired machine-learning startup Thread Genius

25 months

Since Art Basel launched its in-app chatbot

384 days

Amount of human labor saved by Convelio's AI shipping-quote tool in six months

Misc

<1%

Estimated AI usage of a major auction house compared to that of McKinsey

~10 million

Number of results in Artsignal's AI-optimized auction database

\$0

Monthly cost of the chatbot versions most gallery pros are using

Galleries

Based on the available evidence, including multiple interviews with gallery and art professionals, my core message is that very few use cases of AI in the sector right now are either:
- AI-specific many ways or
- Misleadingly different between the largest and smallest galleries

Two most surveys reinforce this concept. The first is the Artzy AI Survey 2026: 'reported by Ann Kaban' it's the largest of the two studies, with responses coming from more than 300 gallery agents in February 2026. From that group, 82% said they don't use AI at all in their operational side.

But what about those who do? The most common use of AI in galleries is administrative and operational support. Kaban writes: 'More specifically, the most popular applications were:

- 51% Drafting or editing emails and communications
24% Research, archiving or data organization
21% Contract review, grant writing and financial planning
20% Scheduling, travel planning and transportation

These findings also get with the AI in Galleries Report 2026. From the self-described 'cultural intelligence' class of First Thursday which I'll come back to in a case study later.

The survey is smaller, at 103 respondents in February and March of this year. (NB: Annual reports often have been based in the UK or Europe, but I do do a different group in smaller samples, the trends were more similar.)

Here, 84% of respondents said they use AI for operational use, vs just 4% who don't use AI at all. Amongst users, the top applications were:
- 70% Writing or editing individual emails, newsletters and text, and emails
- 51% Contract review
- 38% Research
- 29% Social media
- 23% Admin

Both surveys reflect the same trend: galleries are mostly leveraging AI for the largest and the most white-collar counterparts in several industries outside the culture sector. The actual use of AI by that subset largely looks like this:

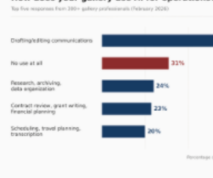
To harness the point here in a more human way here are two quotes that stuck with me from gallery pros I interviewed about their LLM usage:

'A lot of repetitive tasks show up in terms can be done by AI instead' - Gallery marketing exec
'Used AI for things that I find boring like insurance forms, and math. Things I enjoy, like content or editing, I'm including' - Gallery sales director

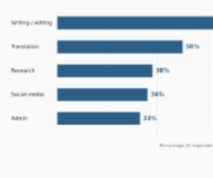
Now, I mentioned earlier that there's little evidence of a huge difference between the small and large galleries are currently using AI. The way many counterintuitive. After all, when it comes to LLMs, the more data and the more people, the more you have to turn to, the greater your advantage should be—at least in theory.

But the data and infrastructure difference between small and large galleries and understanding the most actionable difference yet. Granted, at least one of the most galleries is developing its own in-house AI agents, according to one contact with direct knowledge.

Artzy AI Survey 2026: How does your gallery use AI for operations?



First Thursday AI in Galleries Report 2026: How does your gallery use AI for operations?



The Cruise Ship vs. Speedboat Principle of AI

When it comes to AI use, think of large art businesses as cruise ships. They have much more data and more money resources embedded in a larger infrastructure, meaning the potential benefits of adopting new tech into the existing operation are huge. But they don't change course quickly or easily. Stronging the ship in a new direction requires more consensus-building and buy-in among management. A more considered onboarding process, more formal tech integration, more compliance guardrails, etc.

Small art businesses are much more like speedboats. They have much less data and fewer resources in a general infrastructure, meaning they can realize the potential benefits of adopting AI in a more agile way for larger operations. But the flip side is that small art businesses are much more at changing direction or experimenting. It's important to view the First Thursday report for a small art business, the founder's personal preferences can become the company's default policy overnight.



Auction Houses

Remember how large galleries have a theoretical advantage over small ones in the AI race based on their superior amounts of data, both personal and structural?

Well on these fronts, major auction houses are already actually doing to large galleries, what large galleries should be doing to small galleries.

This is because the major auction houses had the resources and budget to begin building their data sets before the generative AI boom, when the most advanced tech was still sold or fabricated in custom.

Well, about scores like that. Christie's and Sotheby's are in deep on business side AI with major recognition and client recommendations being their shared use cases.

But it's focus on Sotheby's because it has both a longer public history with the technology and more enthusiasm about reaching its next progress.



Sotheby's AI Power-Up

All the way back in January 2018, Sotheby's acquired a startup called Thread Genes, described in its pitch as a "data-based image-recognition and recommendation" tool. The idea was simple: Feed the tool pictures, and it would deliver you info about what the image was and what else in its category was similar—basically, just as the Spotify or Netflix recommendation algo do for music and movies. It had a user base.

Sotheby's has advanced way past this point in the early years since, according to Amy Remington, the house's chief technology officer. It's now a collection and processing methods are two big reasons why.

The first part of Sotheby's strategy and custom policies essentially says: 'Without everything you do on its website may be tracked and logged for further use, including to better understand their needs. If this is a condition to you, I have some very bad news about pretty much everything you've been going online for the past 20 years.'

So the algo, Sotheby's machine-learning-based recommendation for any particular client may be refined by a combination of their transaction data (if that client belongs to them) or their browsing data on Sotheby's dot com, and the activity of other similar users.

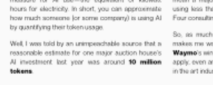
'Our bots were deployed liberally make it easier to find and source works for clients.' - Amy Remington, Chief Technology Officer, Sotheby's

But there are also other uses case in 2016, Sotheby's acquired the Mei Moses Indices, an analytics platform for valuing art. It had a million multiple times. Remington told me that Sotheby's has since re-engineered the index with machine-learning capabilities—and that the most improved version is being used with Sotheby's Financial Services, its asset-backed banking subsidiary.

Zooming out

You may have heard someone in the AI space talk about 'tokens'. For the uninitiated, tokens are the basic unit of measure for AI use—the equivalent of kilowatt hours for electricity, in short, you can approximate how much someone is using a company in using AI by quantifying their token usage.

Well, I was told by an unimpeachable source that a reasonable estimate for one major auction house's AI investment last year was about 10 million tokens.



That sounds like a lot—and it is, relative to almost anyone else in the space of business. But for comparison, McKinsey announced that it had already blown through 1 billion tokens between January and October 2025. Which sounds like a major auction house is probably still using less than 1% of the tokens that McKinsey has consumed in using AI.

So, as much as the phrase 'We still early days' makes me want to bring a order back to the Wagners, what I cannot deny really does apply, even among the most AI-forward businesses in the art industry.



Art Fairs

The reality of the fair sector is that companies—Art Basel and Frieze—are operating in a higher class than everyone else in the space of money, both and therefore AI. But representatives of both firms declined my requests for interviews about their respective strategies around LLMs, save from a brief statement that those strategies exist.

However, there is—and has been—a public-facing application of AI in the sector for more than two years: the chatbot in the Art Basel app.

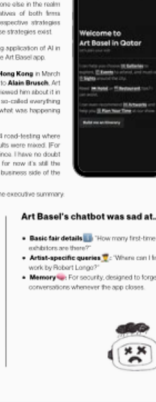
The company first tested the chatbot at Art Basel Hong Kong in March 2024 and has been refining it ever since, according to Adam Brooks, Art Basel's global head of digital platforms, who I interviewed first about in December of that year. 'The idea was for it to be a so-called everything app that could answer almost any question about what was happening now or outside for it.'

I spent my days at Art Basel Miami Beach in 2024 cod field testing the chatbot outside or fielded that most. My results were, for clarity, I have not voluntarily used the chatbot since. I have no doubt that it's improved at least somewhat. Regardless, for now it's still the most public-facing manifestation of AI's use on the business side of the fair sector.

You can find a full audit about on TOM, but here's the executive summary: Art Basel's chatbot was good at...

- Basic fact details: 'About a photo of a work in the fair get back information on it'
Locating art by type/category: 'Which dates are showing up on our architecture?'
General program info: 'Which is the most expensive work on view?'
Recs outside the fair: 'Find an artist recommended by David Lauderbach.'

Art Basel's chatbot was good at...



Bottlenecks & Risks

Why search we seeing more stronger uptake of AI in the business side of art? What's most troubling about the early adopters are using it now? And what unforeseen consequences might an industry-wide embrace of the tech trigger?

Here's what stands out to me on the list of the above:

Data Security & Free-Form Usage: The First Thursday Survey and my reporting both suggest that most AI use within galleries comes through individual employees using personal accounts—bypassing the firm's systems—rather than enterprise-level best and company accounts.

Data Debt & Disorganization: To get the best out of LLMs, you usually need well structured and well catalogued data. As we know, the average art business has never invested much in its tech stack or data infrastructure, leaving them poorly positioned to supply a ready-to-go data set.

International Firewalls: There are hard limits to what AI models are available in which countries.

None of the major American model makers can operate in China, for instance. So if you're a business with, say, one location in Shanghai and another in London or New York, the staff likely cannot use all the same tools which likely feeds into the risk of data-operations problems.

Scarcity of trade-specific tools

The major AI models can do a lot, but the art industry's nuances and complexities are deep and unmitigated enough to demand tools that are tailor-made for some aspects of the space.

Until we have more of those, there's going to be a lower ceiling on what art businesses can do with the tech. Good luck to the vixers out in the meantime.

'Ops slog': There's a deep hidden hole to get down about how to do data 'ops', but the more you know about the methods that are so easily reproduced at scale that they become inescapable.

Colleges already had demonstrated by the amount of PDFs and press releases they're getting through (mostly) manually.

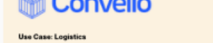
What's an industry-wide, all-encompassing upgrade of marketing and sales ops completely overhauls the marketplace? It's not an easy bet.



Startup Case Studies

Although the number of AI tools built by, and for, the art trade is too big to list, what follows are three notable examples on how startups are using machine learning of LLMs to solve a different problem space in the art ecosystem: history and collection, (NB: I'm skipping AI art verification because it's both widely covered in the trade, already and also, and, as absolute quackery, and it's ethically compromised/overpromising.)

These three players aren't necessarily the only ones adopting advanced AI for their chosen niche, but they're making a strong early play to cement themselves as market leaders.



Use Case Logistics: The Pitch: Convelio's proprietary routing algorithm—based on an ungodly amount of past shipping and artwork data—can offer related transportation quotes for works valued up to \$1m. (The company's website says the capability of objects worth \$200,000, or around \$350,000.)

The Value Proposition: Convelio just built a register at a commercial gallery for one curatorial gallery in the 2020s, when it says that those features save a colossal amount of time. Edward Gruin, Convelio's chief executive and co-founder, said that from through October 2025 through March 2026, the AI routing agent alone supported the generation of more than 10,000 shipping quotes, saving Convelio on the firm around 384 days of manual work. Factor in the company's full arsenal of algorithms, tools, and the number never to more than 700 days.

The Proof of Concept: Convelio is now the preferred logistics partner for Philips and is adopting AI for has been integrated into Sotheby's IT stack too.

First Thursday

Use Case: Gallery/collection intelligence: The Pitch: 'Running your gallery is no harder than at any point in history because of all the different ways you could meet people and all the different ways that you could spend money.' - Adam Brooks, CEO, First Thursday

The Value Proposition: The platform's algorithm created a virtual world of collectors ready to explore a database of around 10 million results, with still growing to around 100 million hours of daily manual research into seconds of robot time. The output doesn't just recommend specific artwork or follow-up actions based on existing digital buying patterns. It also says a certain collector has historically spent a new piece every four months, the software might notify a dealer to check in with them on that track.

One Thing to Remember: A modestly sized gallery might get 100 to 200 new inquiries across its entire channel in an active week. What would you bet your business on keeping you manually?

artsignal

Use Case: Secondary-market intelligence: The Pitch: Below a certain valuation threshold, objects that come up for auction only get very basic cataloging and, frankly, not much else. So how do collectors, dealers, and advisors efficiently determine what's worth their time and money to pursue? What's it like to have an AI-powered tool could automate case research, reports, multiple valuation comps, and relevant auction results—all of nothing more than a single image and the basic details of an artwork (with little data sets, etc.)?

The Value Proposition: Original user major recognition (LLMs, and its own proprietary auction database of around 10 million results) really more than half the size of the ArtNet Price Database's 18 million results, will still manage to arrive hours or days of manual research into seconds of robot time. The output doesn't just recommend notes on the particular work in question, it also market outlook, the set historical context around the artist's practice, and the types of copies that appear to be overhyped in the market. It also shows users to sell and, if LLM-generated feedback for insurance reference.

The Proof of Concept: 'It's going to be among the handful of companies that has been backed by Christie's Ventures. The auction houses VC arm.

OVERSTONE
Use Case: Valuation and risk management
The pitch: 'We are building the infrastructure layer of art as an asset class by using data science and LLMs with human art specialists,' said Marco van der Oever, Overstone's CEO and chief executive.
The idea is to apply Web 2.0-level logic to assessing artworks' value, liquidity, and stability so that it can inform decisions by a diverse of major lenders, insurers, family offices, and auction houses—and ripple into other institutions that have previously considered art too costly to invest in.
The value proposition: Overstone uses LLMs to help map, fine-tune, structure, cluster, unstructured data to structure client unstructured data on how they manage a theme, year, and so on, to monitor the wider world for events that could trigger a reassessment of specific artworks' value, collect data on their owners, reputation, and funnel it to a web and cloud platform.
After all, if you have 500 works, it's a waste of time and resources to re-assess at 500 every quarter. Much wiser to focus on the few and the circumstances around

Conclusion
Historically, we've seen the same process play out over and over whenever a major new technology is introduced into an industry. It begins with current management trying to just situation the new thing into the workflows and infrastructure that already exist. But only to a point.
The inflection point often arrives a decade or more, as managers and entrepreneurs with no allegiance to the old ways come up and start their own businesses. Thinking instead of fitting someone into a rigid structure, they tend to ask, 'if we are willing to reinvent the rest of the organization around the new thing, how much more might we be able to get out of that organization?'
To make the difference, compare archival photos of a factory floor in 1901, when the assembly line was first introduced, to their counterparts in 1950. But alone were used. The change was relatively visible, but more importantly, it was structural too.
When it comes to AI, we are still being through the first stage of this process—whether in the art industry or almost any other. Major organizations are about already, seen beyond the use cases I highlighted earlier.
For instance, just as architects are already using purpose-built AI models to brainstorm rough sketches or floor plans into 3D models, high-fidelity renderings, or even simulated video walkthroughs of their designs in low cost and light weight, a select few artists, curators, and exhibition designers are doing the same for gallery installations, art fairs, and other events.
Yet this is nothing compared to what other industries are doing. For instance, Hollywood has flipped to the AI-generated AI but audiences with customizable demographic traits. In get early feedback through groups of users and TV shows.

Conclusion
What did these synthetic reviews look like? What did they feel? What would have been used to buy a ticket? Galleries and museums could do the same to measure the impact of their programs. Auction houses could even model different bidding patterns to show how they might behave in a sale. How might these moves impact the entire development and launch process?
Meta has also been developing a digital AI twin of its founder, Mark Zuckerberg.
Why? Well, because we live in a flat. But more to the point, because the original physical Zuck only has so much accessibility in a given day. A digital replica infused with his knowledge and personality could only really matter if he gets the man's gallery—and, in turn, power up. Meta's ability to run the business on all kinds of fronts for friends & even better.
Now imagine if we applied the same logic to an existing legacy business. One man might build the best of the past world, what could a young, reasonably hungry digital baby do with it?
At least one that was just as capable of making calls, doing Zoom meetings, and anything else that doesn't demand a physical presence? What would this do to a conventional financial advisor?
Seemingly odd prospects like this are already happening, or nearly so, in 2025 with every money and company.
More importantly, though, they also underscore that the full AI phase shift isn't about the art and collectibles business yet—but will be out to look at how about how different they will be once it does.

About

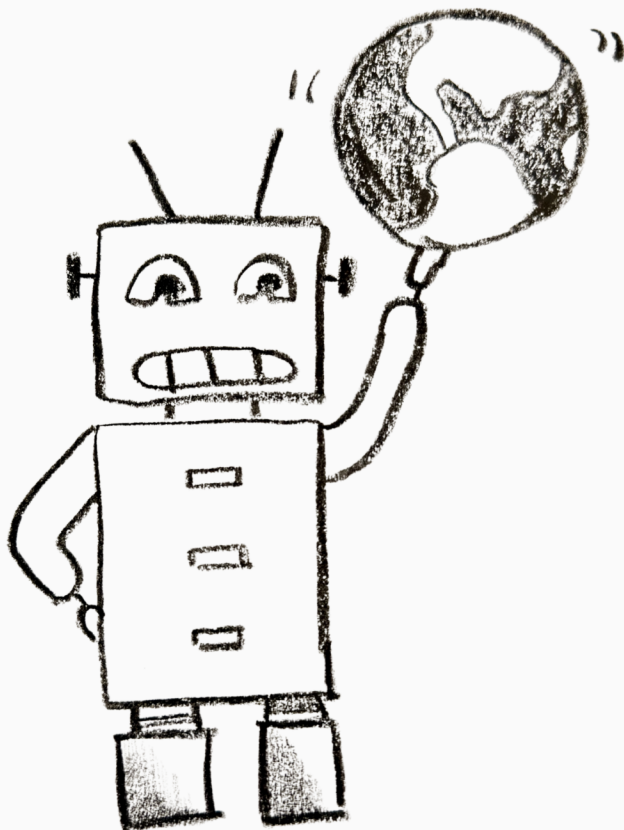
The Gray Market (TGM) is a weekly editorial project by **Tim Schneider**, a writer, analyst, and private consultant for artists and businesses in the cultural field.

TGM maps the forces shaping the business of contemporary art and collectibles, from inside and out, while keeping one eye trained on how unrepentantly absurd the results can be. Tim especially focuses on how surrounding elements—from adjacent markets like film, music, and fashion to larger industries like finance, tech, and law—impact the art ecosystem just as much as the trade itself.

You're currently reading an edition of **The Gray Market Investigates**, a monthly deep dive into a subject that deserves multiple weeks of reporting, thinking, analysis, occasional doodling, and probably a little humor. The goal is to be smart without becoming a galaxy-brained buzzkill. Because this stuff is important, but it's also usually a little bit ridiculous, too.

Tim's bylines can be found at *The New York Times*, *Financial Times*, *Business of Fashion*, *The Art Newspaper*, and more. You can subscribe to TGM at thegraymarket.substack.com.

If you're interested in working with him or advertising on TGM, reach out: tim@thegraymarket.xyz.



TGMI, no. 1, 2026
Copyright: The Gray Market
Creative Direction: JCA Studios

For advertising, subscription, and partnerships, contact:
tim@thegraymarket.xyz

thegraymarket.substack.com

