

# *Research on Artwork Evaluation Value*

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**Abstract:** Nowadays, with the rapid development of China's modern economy, it has gradually entered the global art market. However, there are still some problems in the development stage, such as different prices and unqualified product quality. Therefore, the value of artwork evaluation is widely concerned in various fields. First of all, the art market has risen rapidly, especially during the period of 2009-2011, surpassing the United States, and has become the first in the art market, but the art market system has not taken shape. Secondly, the research on the value of art evaluation is a difficult problem in China's financial industry. For these reasons, the paper has conducted an in-depth study on the value of artwork evaluation.

## 1. Introduction

In China, the art market takes the lead in the global art market, integrating art fairs, galleries and auctions to form the main structure of the market. However, because of the late start and the backwardness of the system reform, the modern norm system of China's art market is still immature. In the development stage, there have been many phenomena such as different prices and unqualified product quality, which has greatly restricted the development of the artwork market. In response to such problems, the state has paid great attention to it and fundamentally solved these problems.

## 2. The concept and significance of the value of art evaluation

The value of art evaluation is mainly aimed at the value composition of art and the state of art value. It summarizes the influence of art price on modern market, and based on system experience and experience data, application experience, model, data system calculation theory, method, and process for evaluating the value of art according to standard specifications. Therefore, the value of art should pay attention to the following points in the evaluation process: (1) The analysis content of the evaluation value of art includes the value composition and form of art, and then conducts in-depth discussion; (2) The value of the artwork should have a complete estimation system during the assessment process, such as experience and mathematical science; (3) Although the value of art evaluation is a project, it is a process in the true sense.

The significance of the evaluation value of art is embodied in five aspects: (1) the evaluation of art is the result of value analysis; (2) the evaluation of art is based on the system experience and market transaction data; (3) the evaluation of art The value is relatively specific and stable; (4) the results are further evaluated and certified, and issued in accordance with the legal system and norms;

(5) the value of the evaluation of art belongs to a systematic process, which needs to be implemented on the basis of the corresponding system.

## 2.1. Characteristics of artwork evaluation value

The professionalism and particularity of the evaluation value of art is very strong. According to the evaluation methods and innovative factors, we can better understand the characteristics of art assets and master the evaluation theory and principle. These features mainly include the following:

### (1) Diversified and multi-level features

From a wide range of research and discussion, it is found that the value of domestic art and art resources can be divided into several categories: market value, cultural value, physical value, historical value, and artistic value. In order to comprehensively and systematically mine and analyze the value of art evaluation, it is necessary to consider these aspects.

### (2) Non-standardized features

The characteristics of the resources of the artworks themselves have affected the non-standard characteristics of the artworks to a certain extent. Such characteristics make the value of the artworks not to be measured by standardized units. The value of each artwork must be explored and evaluated according to actual conditions.

### (3) The measurement is cumbersome and difficult

When measuring the value of art assets, the process is very cumbersome and the workload is large. This feature stems from the non-standardity and dependence of art, and the art resources are different from the mineral resources. The items value can be estimated based on unit price and weight, art resources need to undergo appreciation, evaluation and other steps to produce results, each step is extremely cumbersome.

### (4) Reusable

Art reusability refers to the fact that other physical resources have very little value in the R&D process. On the contrary, the more the art resources are used, the more the R&D value is. Therefore, the characteristics of art resources and the characteristics of resources seen in peacetime are quite different.

### (5) State complexity

Usually, the number is large, and then the type of art mainly exists in diversified and pluralistic forms. It is impossible to condense the resources of art. It is difficult to achieve standardized analysis under the conditions of aggregation, increasing the difficulty of recognizing the art resource system.

### (6) Environmentally friendly

Environmental friendliness refers to the fact that it does not have any impact on the environment when developing and utilizing artworks. Instead, it also serves to beautify the environment and clean the environment.

Generally speaking, art is now a special asset category. In the assetization process, the special and professional issues are relatively obvious. At the same time, for such features, the value of art evaluation has become very cumbersome, requiring its own service system to be more sophisticated and specific.

## 3. Artwork evaluation principle

First, the comprehensive principle. Because the value of art is very difficult in composition, it should be considered comprehensively when constructing the appraisal and evaluation system. Further understanding of the problem and careful analysis of each indicator not only explain the universality of art, but also represent the uniqueness of other artworks.

Second, the principle of operability. Artworks should select operability indicators in the process of appreciation and evaluation, not only to meet the theoretical criteria of value assessment but also to meet market requirements. In addition, the indicator calculation method is simple and can better handle other artworks.

Finally, the principle of qualitative and quantitative integration. The value of art evaluation directly affects people's subjective view to a certain extent. Because of the different education level and cultural background, the aesthetic level is different, and there will be differences in the value of treating the same kind of art. Therefore, in the evaluation of the value of art, quantitative analysis should be carried out according to the times, regions, specifications and sizes, and the accuracy of the evaluation should be enhanced by means of social evaluation and media communication.

## **4. Prerequisites for the value of artwork evaluation**

### **4.1. Building a theoretical framework for value analysis**

The value analysis mainly includes three parts: (1) value structure. Combined with the "Introduction to Chinese Art Market", the value structure involves five aspects: the first physical value, the second artistic value, the third market value, the fourth historical value, and the fifth cultural value. Through these five aspects, the theoretical framework of art resources and value structure can be analyzed in depth. (2) Value form. The focus of value analysis is value form analysis. Since value form is the theoretical component of Chinese art value theory, it is necessary to detail different art, including content environment, structure, behavior, elements and system. This is not only a combination of theory and practice, but also a fusion of qualitative and quantitative analysis, requiring innovative theories and methods. (3) Value analysis systems and tools. There must be a detailed system approach when analyzing value, otherwise there will be a lack of a complete theoretical structure.

### **4.2. Sound market data**

Historical transaction data and forward transaction data are the core of market data. For the evaluation value, only the value analysis is far from enough, and there must be some data support. When analyzing data, it should be considered from the perspective of demand, specifically related to the following two points: (1) historical transaction data support; (2) forward transaction data support. Only by understanding and mastering market data can we ensure the accuracy of the value of the artwork.

### **4.3. Building a data mining management platform**

Data includes specific data and abstract data. The hidden behind the bulk data is the framework, rules, and situation. To explore and manage in depth, it is necessary to create a comprehensive service platform. It mainly involves two issues: the issue of credibility and the issue of comprehensive support. As we all know, the platform must have institutional regulations, the most important thing is fairness, justice and openness. (1) The platform mechanism can deal with data transparency to a certain extent. (2) Handling management issues on the basis of big data, databases and cloud services.

### **4.4. Scientific and practical tools**

Models and algorithms are a tool of science and practicality. Based on this, with the wide

application of Internet technology, big data technology and artificial intelligence technology, it is convenient for people to live and work. Because the art market is relatively special, the models and algorithms created must meet the assessment value requirements. It is necessary to follow the development trend theory, enhance the degree of confidence in the market, improve data quality. In addition, due to the birth of new technologies, especially the combination of big data and artificial intelligence, the development of the value of art evaluation has been promoted.

## **5. Common patterns of foreign art value assessment**

### **5.1. Average Price Valuation**

The average price estimate includes the transaction price of the work and the area of the work sold. The current internationally recognized vibration lifting index is the average price of each auction selected for the artworks. The advantage of the average price valuation method is that it is easy to observe and can clearly see the price situation of the art on the market. However, it ignores the individual differences between the aesthetic type, cultural characteristics and academic characteristics of art. In fact, even the same artists, in terms of their creative environment and stage, will have some differences in the aesthetic and value of the artworks.

### **5.2. Repetitive Transaction Evaluation Method**

The principle of the repeated transaction evaluation method is: inquiring about the purchase records and transaction records of the same kind of artworks, and establishing an evaluation index according to the transaction price difference, thereby inferring the price trend. The repeated auction method can better deal with the nature of art. During 2001, Mei Jianping and Michael Moses used repeated auctions to analyze repeated auction transaction data and develop the Memo Art Index. Nowadays, the evaluation index is widely used in the financial industry and the art investment industry. The repeated auction method can understand the history of art trades and price trends. However, because it is repeated auction data, it is easy to break away from the essence of art and ignore the art.

### **5.3. Feature Analysis and Evaluation**

In the investigation of the classical painting market, British century art, impression technology and painting art, Yadson used the economic attribute method, the aesthetic attribute method and the decorative attribute method to achieve comprehensive measurement, and then established the “artistic feature analysis evaluation form”(1) Economic attributes include art creation time and auction records; (2) aesthetic attributes include auction house reputation and artist reputation; (3) decorative attributes include work specifications, size, materials, and presentation methods. As shown in Table 1. In 2008, the French Artprice website set up the Art Market Confidence Index to be completed according to the feature analysis method. The survey was conducted for each regional art trader, and the final participant's answer was taken as a reference to complete the calculation. At the same time, the social, cultural and economic factors contained in the art market are considered.

The feature analysis valuation method is a good combination of the subjective factors of art, and the rigor is outstanding. However, the sub-indicators have certain cross-cutting phenomena, such as the reputation of the auction institution, which is attributed to the aesthetic attribute or the economic attribute, whether the expression method of the artwork is decorative or aesthetic is still controversial. The above analysis and application of the evaluation value of artwork lays the foundation for constructing the value system of art evaluation.

Table 1 Yadson Feature Analysis Evaluation Form

Variable category	Common explanatory variables
Economic attribute	Pre-auction price, time of sale, time of creation, age of the artist at the time of creation, whether the artist was alive at the time of sale, the auction house and the country of sale, and the location on the auction catalogue.
Aesthetic attribute	Signature or not, reputation of the source of the auction, artist's reputation, number of entries and exhibitions, art genre
Decorative attribute	Size, preservation status, performance theme, material and expression of the work

## 6. Art evaluation method

### (1) Market comparison method

According to the recent trading price of the market, it is the most used and the most mature and practical method of evaluating value.

### (2) Cost summation method

According to the production cost of the item and the cost of creation, combined with the details, method for estimating total cost by calculating each type of cost element.

### (3) Income reduction method

The income reduction method, also known as the income present value method and the income capitalization method, uses the estimated future expected return of the assessed assets and is converted into the present value, thereby clarifying the evaluation value.

With the development of the present value method of income, the asset return and the time value of money should be fully considered. The value calculated by the income method is generally called the income price.

### (4) Expert Consultation Law

The expert consultation method is a simulated market law. The experts are regarded as market buyers, and their expertise, work experience and analytical ability are deeply studied and judged, and the price is finally clarified.

### (5) Repeat transaction comparison method

According to the insight and comparison of the transaction prices of the same kind of art in different time periods, so as to grasp the trend of the price of the art market, the contrast method and the reference method are used to clarify the value of the art evaluation.

### (6) Indicator correction method

The index quantitative method is used to determine the price of painting and calligraphy. According to the open auction price of the market, the external factors are removed and the evaluation value is obtained.

### (7) Characteristic price method

The characteristic price method is also called the utility valuation method and the model method, and the potential price is determined based on the measurement statistics. Ask the professionals, combined with the subjective weight of each variable, and finally obtain the evaluation value based on the current status of art trade and subjective judgment.

## 7. Conclusion

In summary, the rapid development of China's economy now broadens the scope of asset assessment to a certain extent, making the assessment object and content cumbersome, and more

asset assessment issues. Cultural art is a wide range of subjects and fields. Although not familiar with the art price assessment process, it is still necessary to complete the assessment quickly, accurately and fairly to meet the market economy requirements.

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