

## AFFORDABLE ART FAIR HAMPSTEAD

12 – 16 JUNE 2013

### POST FAIR REPORT

#### OVERVIEW

- The third edition of AAF Hampstead welcomed 16,500 (adult) visitors over the course of four and a half days and £3 million\* of art work was sold by the 113 galleries exhibiting.
- Whilst art sales have increased slightly, we were disappointed in the significant drop in visitor numbers from previous years. We are still analysing figures but believe the main reason was hosting this year's fair only seven months after the last one in November 2012. The drop in numbers impacted gate revenue meaning profitability was much lower than forecast (we estimated a 10% increase in attendance on 2012 figures).
- AAF's charity beneficiary was New End School Association who raised a fantastic £24,000 (including gift aid) as well as utilising the fair as a platform to promote the charities fundraising targets to a wider audience.
- AAF supported local organisations including the Hampstead School of Art, City of London Corporation, Made in the Arts London, Cass Art Hampstead and Thornback and Peel.
- Laithwaites Wine and Faber-Castell sponsored sections of the fair which helped generate revenue. We hope to build on all these relationships and continue the partnerships into the future.
- The move to an annual June date has been met with a positive response from galleries, suppliers, visitors and contractors.
- Operations ran smoothly and AAF management were pleased with the newly appointed contractors. The longer daylight hours and good weather helped the build and breakdown meaning contractors ran on or ahead of schedule at all times.
- Venue and production costs increased due to the time of year.
- AAF worked with members of the local community to support and promote the Hampstead Summer Festival raising awareness by displaying posters and flyers at the fair; including information on e-newsletters and through social media channels before, during and after the art fair.
- For the duration of the fair, East Heath and Jack Straws pay and display car parks were full maximising revenue for COLC.
- On site traffic management was well executed and managed by both COLC and AAF staff.
- AAF Hampstead made a small profit of just over £8,000.

*\*AAF does not take any commission on artwork sold – this figure is solely based on the items sold by all the participating galleries*

## VISITORS

ATTENDANCE	2011	2012	2013
Wed	2500	2500	2350
Thu	2800	3000	3200
Fri	2025	3600	2900
Sat	4550	4400	3950
Sun	5125	5000	4100
<b>TOTAL</b>	<b>17,000</b>	<b>18,500</b>	<b>16,500</b>
ART SALES	2011	2012	2013
Wed	206,696	257,292	382,797
Thu	345,056	511,479	574,032
Fri	337,850	457,200	451,108
Sat	757,575	725,085	721,440
Sun	926,853	933,712	897,093
<b>TOTAL</b>	<b>2,574,030</b>	<b>2,884,768</b>	<b>3,026,470</b>
<b>Announced</b>	<b>£2.6 million</b>	<b>£2.8 million</b>	<b>£3 million</b>

- Visitor numbers decreased by 2,000 from 2012.
- The drop in numbers on the Private View and the weekend can be attributed to bad weather - torrential rain and thunder.
- 81% of the total visitors entered the fair using either a complimentary or a discounted invitation, 60% of which gained free entry.

## TICKETS

Complimentary Ticket	Visitor Redemption 2012	Visitor Redemption 2013
Complimentary invitations (Free entry)	11,515	9,924
<b>Total visitors enter for free</b>	<b>11,515 (62% total visitors)</b>	<b>9,924 (60% total visitors)</b>
Discount Ticket	Visitor Redemption	Visitor Redemption
Discount invitations (Half price, concessions)	3,786	3,439
<b>Total visitors coming in with an offer</b>	<b>3,786 (20.5% total visitors)</b>	<b>3,439 (21% total visitors)</b>
<b>TOTAL complimentary &amp; discount invitations distributed</b>	<b>15,301 (82.5% total visitors)</b>	<b>13,363 (81% total visitors)</b>

## FINANCE

- Revenue has increased overall on 2012 due to maximising the internal floor area and increasing the number of stands sold. We would have seen a significant increase in profit had we been able to build on the 2012 visitor numbers.
- Due to the change in production requirements of a summer-time event, expenses are very high. We had budgeted for the increase in expenses which include:

- Venue hire is charged at a premium due to peak event season
- Essential air conditioning is expensive to install and requires three times the amount of power and fuel as heating in previous years
- Hampstead marketing budgets increased as they are no longer shared with AAF Battersea
- Unfortunately the drop in visitors coupled with additional production costs means that our income was much lower than forecast.
- AAF offered to increase the 2013 COLC site hire fee to £35,000 – a 16.5% increase from 2012 to help towards the additional costs of using the site in June. Realistically, we are unable to increase the hire fee further in the future until AAF profits at least match the COLC revenue gained from AAF's presence on site.
- Overheads have remained the same from 2011 as we are still recovering losses from the inaugural fair.

<b>INCOME</b>	<b>2012</b>	<b>2013</b>
Rent of stands	749,125 (2305sqm)	794,295 (2,360sqm)
Extra stand fittings	72,000	80,121
Tickets	53,500	39,893
Sponsorship	9,500	7,500
<b>TOTAL</b>	<b>884,125</b>	<b>921,809</b>

<b>EXPENSES</b>	<b>2012</b>	<b>2013</b>
Structures	204,000	210,000
Stand build	47,900	53,100
Stand lighting	22,000	22,660
Heating/A/C & fuel	38,250	52,825
Camden Council	1,900	1,900
Carpets	14,050	14,600
Wi-Fi & Connectivity	4,500	4,500
Production	88,700	81,000
Electricity & rigging	63,000	64,890
Heras fencing & track	13,100	14,300
Toilet hire & service	18,000	18,600
Marketing & PR	133,000	150,000
Overhead	164,800	164,800
<b>TOTAL</b>	<b>813,200</b>	<b>853,175</b>

<b>COLC REVENUE</b>		
Site Fee	30,000	35,000
Operations Fee	25,000	25,000
PV Charity Donation	870	275
<b>TOTAL</b>	<b>55,870</b>	<b>60,275</b>

<b>AAF Total expenses</b>	<b>869,070</b>	<b>913,450</b>
<b>TOTAL PROFIT</b>	<b>15,055</b>	<b>8,359</b>

## CONCLUSION

Whilst the third edition of the Affordable Art Fair Hampstead was not as successful as we had hoped for in terms of visitor numbers, the overall atmosphere was positive with some good feedback from visitors. As the sales of artwork were up, despite fewer people through the door, those who did buy artwork from galleries were a quality demographic that spent with confidence. Unfortunately several of the galleries did not have a profitable fair and will not be returning to exhibit next year.

There are various factors that influenced the drop in numbers. Many galleries reported that they felt there was a very different audience to those who visited in previous years, with several commenting on the noticeable lack of presence from local Hampstead and North London residents. As the fair took place only seven months after the last one in 2012, we believe that those who visited the previous two fairs were either unaware of the date change (and therefore expecting it to take place in November 2013) or decided against visiting for the third time.

We had thought that moving the fair to an annual June date would attract more visitors because of the busier summer period on the Heath and by avoiding the school holidays. We are analysing feedback and building a marketing strategy in reaction to this year's results to ensure the 2014 edition attracts our target audience, boosts visitor numbers and makes it as profitable as possible for those exhibiting with AAF.

The decrease in visitor numbers greatly affected the overall profit of the fair. Whilst stand revenue was the highest we can achieve, the total internal floor area we are able to sell to exhibitors has reached its maximum. Therefore gate revenue is the only income we can possibly increase in the future which as we've seen from this year, will always be a risk as it is dependant of visitor numbers.

Ultimately, as the production and venue costs are very high, it will be very difficult to reach a pleasing profit for AAF and COLC unless we reduce these overheads. The addition of a second event taking place after the art fair will help lower AAF's overheads by sharing costs and maximising the use of the venue for the time on site. It will also add to the rostra of popular events on the Lower East Heath fairground site, and attract huge numbers of visitors to the area. Importantly, a second event in 2014 will increase profitability for both the City of London and the Affordable Art Fair, without which the Affordable Art Fair Hampstead has a very limited future.

Affordable Art Fair staff and exhibitors would like to take the opportunity to thank the City of London Corporation staff and members of the Consultative Committees for their continuing help and support. We are all looking forward to working together to build on the successes of the last three years and continue to establish popular cultural events on the Heath in the future.