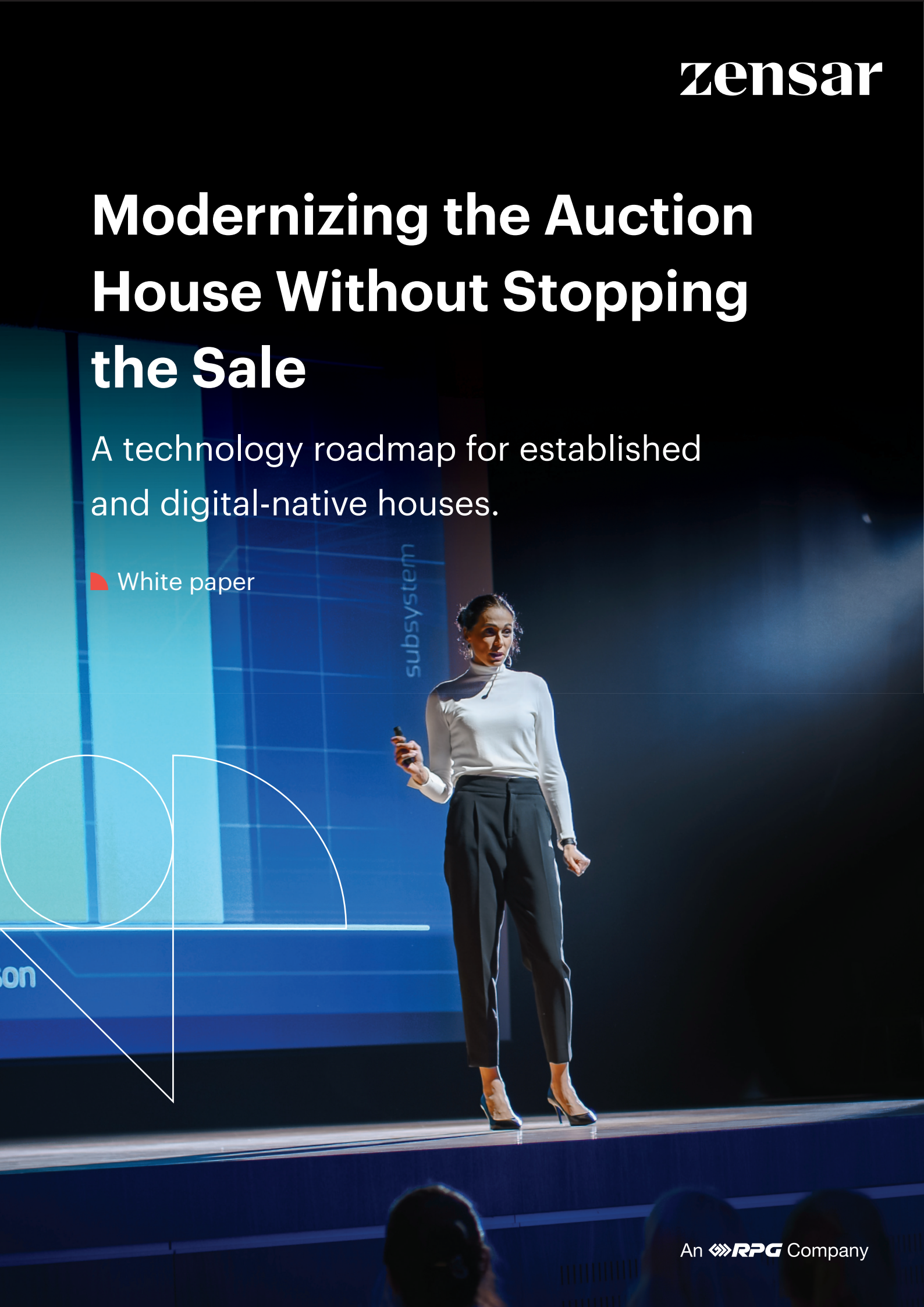
zensar

Modernizing the Auction House Without Stopping the Sale

A technology roadmap for established and digital-native houses.

White paper



An RPG Company

Executive Summary

Zensar's consulting work has mostly been with businesses that trade every day and cannot stop to fix their systems: consumer retailers, financial services firms, purchasing groups. From that vantage point, the first observation is how little the core of the business has changed. The saleroom has been written off several times over the last twenty years and is still trading, and a serious collector still rings the specialist before anyone else. What has moved is the starting point of the relationship. A collector now forms a view of a house, and often a specific object, before any specialist knows it exists.

> The saleroom did not go away. The relationship just stopped starting there.

The backdrop

Global art sales fell 12% to about $57.5bn in 2024, the second annual drop in a row, then recovered 4% to roughly $59.6bn in 2025. Public auction sales were up 9% to $20.7bn (Art Basel and UBS). The recovery did not come from the top of the market. Works above $10m fell 39% in 2024, while transactions rose 3%. In plain terms, more people are buying, paying less per lot on average, and spreading their spending across more categories than the previous generation did.
Three other things sit underneath those numbers.

Luxury and collectibles are growing faster than fine art. Watches, jewelry, handbags, wine, and cars are now the fastest-growing departments at the major houses, and several of them now describe themselves as art and luxury businesses. For the IT estate, this is more than a change of label, because a watch reference, a case of wine, and a painting need very different things from an object master and a cataloging workflow.

Private sales are taking share from the saleroom. A confidential, relationship-led deal depends on knowing which collector wants what, so good collector intelligence becomes more valuable. It also means fewer prices are public, so price discovery gets harder for everyone, including the house.

Art-secured lending kept growing through the downturn, to somewhere between $33.9bn and $40bn in 2025, and is expected to reach around $50bn by 2027 (Deloitte Private and ArtTactic). Over the same period, half of the non-bank art lenders reported defaults, up from 17% two years earlier. When the book and the default rate grow at the same time, lenders need to revalue collateral more often than once a year.

The shift: specialist-led, then search-led, now intent-led

For most of the industry's history, discovery began with a specialist, a printed catalog and a preview. Trust was personal and local. The collector base was largely inherited, and the relationship manager was the interface.

Online bidding arrived in 2006, and online-only sales in 2011, and discovery became search-led. A collector turns up with an artist name or a category, compares across houses and platforms, and talks to a specialist afterward, if they talk to one at all. At one headline sale in 2025, a major house reported that 48% of bidders were millennials or generation Z and 37% were bidding for the first time. For most new collectors, the first contact with a house is now a web page, not a person.

The next stage is already visible in adjacent industries. A collector will describe what they are trying to do (build a position in post-war British painting, find a particular watch reference under a budget, work out whether a piece will hold its value). An assistant will gather the evidence: comparables, provenance, market direction, what is coming up for sale. The houses that do well will be the ones whose specialists are inside that process, deciding what goes to the client and adding the judgment the software lacks.

A digital-native house will get there by extending its platform. An established house will get there by putting better tools in front of the specialists it already has. Either way, the requirement underneath is the same: one reliable view of objects, one reliable view of clients, and a single content workflow feeding every channel.

> The first impression is digital. The specialist enters later. The trust has to be in the data before it can be in the room.

The technology worth a board conversation this year

At least ten trends are worth tracking. Six deserve a decision now.

Object-level market intelligence. Platforms holding upwards of 30 million auction records now produce pricing signals for the individual object, not the artist. The houses' own data teams are already using them as reference sources.

Repeat-sales valuation. Pricing the same object across two sales removes most of the like-for-like problem. Its weakness is appetite for data. Emerging artists have few repeat sales or none, so any valuation model that depends on them has a blind spot exactly where the growth is, and something else has to fill it.

Authentication and cataloging AI. Brushwork and surface models return probability-based reports in days. Catalog drafting is being automated. No credible vendor claims certainty, and the practical risk is miscataloguing from output nobody checked, in categories where a small distinction in material or maker is the whole value. Human review is not an overhead on this process. It protects the estimate.

Provenance passports. Blockchain-backed certificates from Arcual, Artory, Verisart, and Fairchain, plus the EU Digital Product Passport, pulling the same idea into luxury goods.

Seeing the work in the room before the sale. Buyers can now place a lot into a photograph or a 3D scan of their own wall, at true scale, from a phone. Furniture and interiors retailers have offered this for years, and the conversion uplift is well documented; auction houses and online platforms are catching up. For a house, it does two things. It lowers the hesitation of a first-time bidder who cannot visit the preview, and it moves the conversation from "is this a good buy" to "where will it hang". A second-order effect is worth noting: once a collector has bought a significant work, the room tends to get redesigned around it, which is why interiors, lighting, and framing businesses are starting to treat auction buyers as a client segment. A house that owns that moment, through its own advisory or through partners, has a reason to stay in touch long after the invoice is paid.

Art loans in the capital markets. One lender priced roughly $1.6bn of art-backed bonds across 2024 and early 2026, and both were oversubscribed. Bond investors now care about collateral quality and monitoring, not only the lender.
Under it all sit cloud-first estates, zero-trust security, and governed data. Auction houses hold the identities and transaction histories of some of the wealthiest families. If that data leaks, the consequence is not a fine and a remediation plan. It is a client who quietly moves their next consignment to a competitor.

Three places the money belongs

Zensar's view is that the money belongs in three places.

The multi-generational collector. Wealth and taste are moving to a generation that discovers online, collects across categories and expects a house to remember them. The practical step is to treat the household as the unit of relationship and put collector data from auction, private sales, luxury and finance in one place. Most houses still keep much of this in specialists' personal spreadsheets and inboxes. That is information the house pays for but does not own, and it leaves when the specialist does.

Trust and access to inventory. Good consignments are scarce and go to the house the consignor trusts most. What the consignor buys from the house is confidence in the provenance work, the authentication, and the discretion; the sale itself follows. The advantage goes to the house that sees where value is heading earlier than the market and starts the consignment conversation sooner, with a specialist signing off on every recommendation before it reaches a client.

One collector experience. The collector doesn't separate the saleroom, the online bidding platform, the specialist's advice, and the loan desk. They deal with one house and judge it as one. What matters is the depth of the relationship, not how often someone bids.

> The consignor is buying confidence in provenance, authentication, and discretion. The sale follows from that.

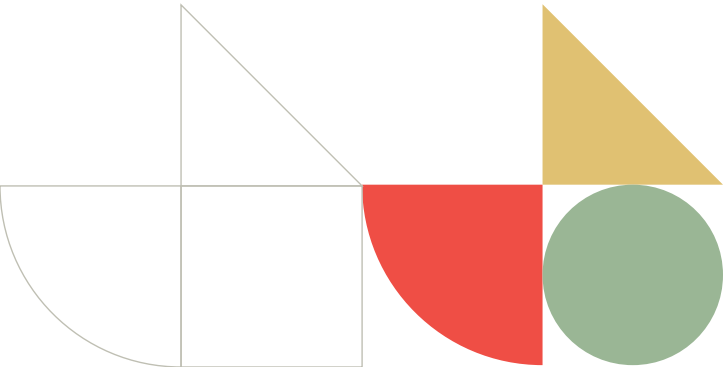
What other industries worked out first

The objects an auction house handles are unusual. The systems behind them are not. Four engagements from Zensar's own practice carry across.

A US department store group moved a legacy supply chain suite to the cloud while trading every day. The auction equivalent is modernizing collector-facing and back-office platforms in stages, while leaving the sale calendar alone. A luxury home furnishings retailer reached 97% stock accuracy with a single view of inventory, automating some 3,000 processes along the way. For a house, the equivalent is one accurate view of objects, consignments and client interest across every department, with decisions made on evidence and curated by specialists.

A foodservice purchasing group had buying data spread across hundreds of sites and no way to read it by category. Zensar made it legible. The parallel is lot-level history across dozens of departments turned into a readable picture of demand, supply and emerging value.

A UK retailer that also runs a financial services arm modernized 47 mainframe applications nobody had documented by sitting its own experts down and working through the estate persona by persona. Of the four, this is the closest to an auction house with a lending business, and the same discipline applies.



Where this lands: Auction IQ

Zensar built Auction IQ to test one idea: that a single trajectory engine can serve specialists and lenders at the same time. Every artist and asset is scored on drivers a specialist can explain to a client. An artist intelligence lens supports specialists and advisors. A collateral monitor tracks effective loan-to-value continuously and flags covenant risk months before a breach.

We built it on synthetic data, deliberately. Nothing is downgraded, and we take no action until a specialist approves it. Every downgrade goes through a bias review, and we log everything. It runs on Azure (Fabric, Azure OpenAI, Copilot Studio, and the Power Platform), and the market-index inputs are source-agnostic, so it works with whatever intelligence a house already produces or licenses.

How an engagement starts

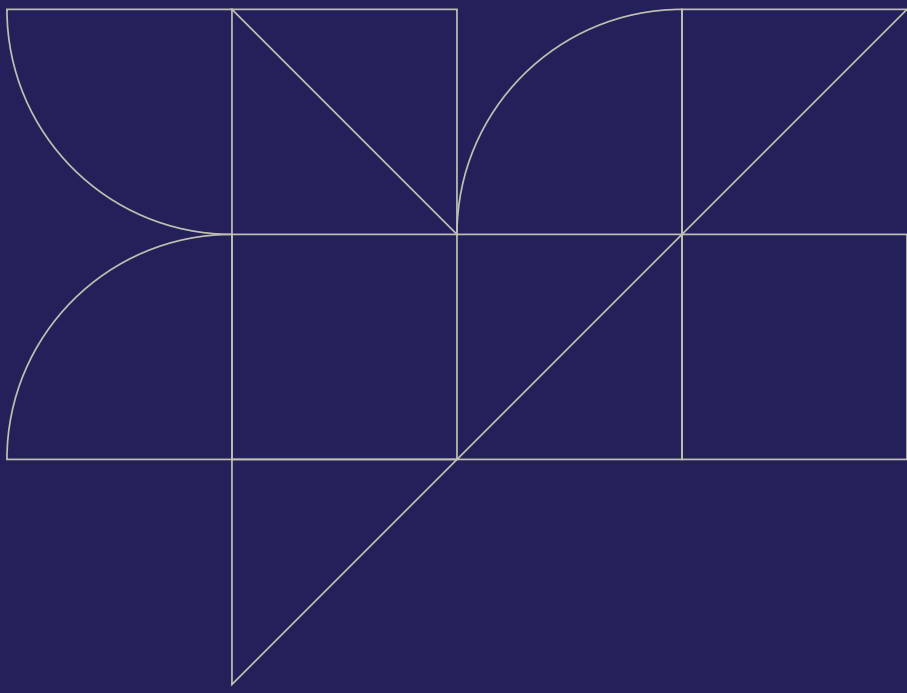
Six to eight weeks. Two use cases, used as the vehicle to set up a house's AI reference architecture once: landing zone, data access, model services, governance gates, and the integration points. Governed live data is preferred where the controls allow it, because nobody can honestly measure whether something works against made-up records. Where they do not, synthetic or masked data will do for a start. Throughout, a named person approves before the system acts, and that is written into the design rather than added later.

Collectors are not buying a channel or a tool. They are buying confidence in the object and in the house. Every investment on this list should be judged on whether it adds to that confidence, and Zensar would apply that test to all of them.

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Part of the $4.8 billion RPG Group, we are headquartered in Pune, India. Our 10,000+ employees work across 30+ locations worldwide, including Milpitas, Seattle, Princeton, Cape Town, London, Zurich, Singapore, and Mexico City.

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