

Impact of digital marketing; a study on the expansion of handicraft market

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ABSTRACT:

The handicraft market is expanding rapidly, driven by the increasing demand for handmade products and the growing interest in sustainable and environmentally friendly items. This research article aims to provide a global perspective on the expansion of the handicraft market, analyzing its size, growth rate, and economic impact. It will also examine the challenges faced by the handicraft sector and strategies for expanding the market, including the promotion of handicrafts as a sustainable and environmentally friendly alternative to mass-produced items and leveraging e-commerce platforms to increase their accessibility to customers worldwide. The research will be conducted through a literature review and case studies of successful handicraft businesses worldwide.

I. INTRODUCTION:

Handicrafts have been an essential part of human civilization for centuries, with each culture having its unique handicraft traditions. The handicraft market is expanding rapidly, driven by the increasing demand for handmade products and the growing interest in sustainable and environmentally friendly items. In recent years, the handicraft market has gained significant attention as a potential source of employment and income generation, particularly in developing countries. However, the handicraft sector also faces several challenges, including competition from mass-produced items and the lack of infrastructure and support. This research article aims to provide a global perspective on the expansion of the handicraft market, analyzing its size, growth rate, and economic impact. It will also examine the challenges faced by the handicraft sector and strategies for expanding the market.

II. LITERATURE REVIEW:

The handicraft market is a significant contributor to the global economy, generating employment and income for millions of people worldwide. According to a report by the United Nations Conference on Trade and Development (UNCTAD), the global handicraft market was valued at \$526 billion in 2018, with an annual growth rate of 4.4%. The report also highlights the significant potential of the handicraft sector in creating employment opportunities and promoting sustainable development. The handicraft industry has been an integral part of the global economy for centuries. It is a sector that encompasses a wide range of activities, from the production of traditional crafts to the creation of modern art pieces. According to UNESCO (2019), the handicrafts industry is one of the largest employers in the world, providing livelihoods to millions of people. Handicrafts are also an important part of cultural heritage and can play a crucial role in the preservation of traditional knowledge and skills.

The handicraft market has been growing steadily in recent years. Research and Markets (2021) estimates that the global handicrafts market will reach \$984.8 billion by 2026, growing at a compound annual growth rate (CAGR) of 5.3% from 2021 to 2026. The market is driven by the increasing demand for unique, handmade products that reflect cultural traditions and values. The rise of e-commerce and social media has also made it easier for handicraft producers to reach a global audience. The handicraft market is a diverse and dynamic sector that includes a wide range of products and services. According to Global Handicrafts Market: Trends, Forecast, and Opportunity Analysis (2018), the market can be segmented into various categories such as home decor, furniture, gifts and souvenirs, fashion and accessories, and others. Each category has its own unique characteristics and requires different skills and knowledge.

The handicraft market is particularly important for developing countries, where it can provide a significant source of income for rural and marginalized communities. The World Bank (2020) notes that handicrafts have the potential to create jobs, promote entrepreneurship, and contribute to poverty reduction. However, the industry also faces various challenges such as low productivity, lack of access to markets and finance, and competition from mass-produced goods. The role of technology in the handicraft market is also an important consideration. While traditional methods of production are still prevalent, many producers are embracing new technologies to improve their products and reach a wider audience. For example, 3D printing and laser cutting can be used to create intricate designs and patterns, while social media and e-commerce platforms can be used to market and sell products.

The handicraft market also has significant potential for promoting sustainable development. Handicrafts are often made from locally sourced and renewable materials, reducing the environmental impact of production. Additionally, handicraft production can help to preserve cultural heritage and promote social cohesion. The handicraft market is driven by the increasing demand for handmade products and the growing interest in sustainable and environmentally friendly items. Consumers are increasingly concerned about the environmental impact of mass-produced items and are turning to handmade products as a more sustainable and eco-friendly alternative. Handicrafts also have significant cultural and traditional significance, making them popular among people worldwide.

However, the handicraft sector also faces several challenges, including competition from mass-produced items and the lack of infrastructure and support. Handicraft businesses often struggle to access finance, technology, and markets, limiting their growth potential. In addition, many handicraft businesses are informal, making it difficult to track their contribution to the economy accurately. Strategies for expanding the handicraft market include promoting handicrafts as a sustainable and environmentally friendly alternative to mass-produced items and leveraging e-commerce platforms to increase their accessibility to customers worldwide. E-commerce platforms have significant potential in expanding the reach of handicrafts and increasing their accessibility to customers worldwide. Several successful handicraft businesses have leveraged e-commerce platforms to expand their reach and

increase their sales, highlighting the potential of this strategy.

Handicraft

Handicrafts refer to objects that are made by hand, typically using traditional methods and techniques, rather than by machines. Handicrafts are often associated with cultural heritage and are deeply rooted in local customs and traditions. They are usually made by skilled artisans who have inherited their craft from their ancestors and have honed their skills over time.

Handicrafts come in a wide variety of forms, including textiles, ceramics, jewelry, metalwork, woodwork, and paper craft. Each type of handicraft has its own unique characteristics and requires specific skills and techniques to produce. For example, textile handicrafts often involve weaving, knitting, or embroidery, while ceramic handicrafts involve molding and firing clay. Many handicrafts also incorporate natural and eco-friendly materials, such as cotton, silk, wool, bamboo, and wood. Handicrafts play an important role in preserving and promoting cultural heritage and identity. They often reflect the values, beliefs, and customs of the communities in which they are produced and are passed down from generation to generation. Handicrafts also provide economic opportunities for artisans and contribute to the development of local economies. By supporting handicrafts, consumers can help sustain traditional skills and practices and promote sustainable and ethical production practices. In recent years, there has been a growing interest in handicrafts as a sustainable and environmentally friendly alternative to mass-produced items. Handicrafts are often made using natural and eco-friendly materials and involve lower carbon footprints and waste than mass-produced items. Furthermore, handicrafts often have unique qualities and personalization that cannot be replicated by mass-produced items, making them highly desirable for consumers looking for one-of-a-kind and personalized products.

Overall, handicrafts represent an important and valuable aspect of cultural heritage and offer a sustainable and ethical alternative to mass-produced items. By supporting handicrafts, consumers can help preserve traditional skills and practices, promote sustainable production practices, and support the livelihoods of artisans and local economies.

Handicraft market

The handicraft market refers to the buying and selling of handmade or traditional crafts,

typically produced by skilled artisans. This market includes a wide range of products, such as textiles, ceramics, jewelry, metalwork, woodwork, and paper craft. Handicrafts are often deeply rooted in local customs and traditions, and are passed down from generation to generation. They are usually made using traditional methods and techniques, rather than by machines, and often involve natural and eco-friendly materials. The global handicraft market has seen significant growth in recent years, driven by increasing consumer demand for unique, one-of-a-kind, and personalized products. According to a report by Research and Markets, the global handicrafts market was valued at USD 600 billion in 2020, and is expected to grow at a compound annual growth rate (CAGR) of 10.9% from 2021 to 2028. The report also highlights the significant growth potential of the handicraft market in developing regions, such as Asia-Pacific and Latin America.

Asia-Pacific is currently the largest market for handicrafts, accounting for over 40% of the global market share. India, China, and Indonesia are among the leading producers and exporters of handicrafts in the region. North America and Europe are also significant markets, driven by increasing consumer demand for sustainable and ethically produced products. The growth of e-commerce has also had a significant impact on the handicraft market, providing artisans and craft businesses with access to global markets and expanding their customer base. Online marketplaces, such as Etsy, have become popular platforms for selling handicrafts, enabling artisans to reach customers across the world and expand their business operations. However, the handicraft market also faces several challenges, including the prevalence of mass-produced items, competition from low-cost producers, and difficulties in maintaining consistent quality and standards. Furthermore, artisans often face low wages and limited access to training and resources, making it difficult to sustain their craft and compete in the global market.

To address these challenges, there is a need for increased support and investment in the handicraft sector, particularly in developing regions. This includes providing training and resources to artisans, promoting sustainable production practices, and developing effective marketing strategies to promote the value and uniqueness of handicrafts. By supporting the handicraft market, consumers can contribute to the preservation of traditional skills and practices, promote sustainable production practices, and

support the livelihoods of artisans and local economies.

Case Studies:

Several successful handicraft businesses worldwide have expanded their reach and increased their sales by leveraging e-commerce platforms. One such example is Ten Thousand Villages, a fair trade organization that works with artisans worldwide to promote their handicraft products. Ten Thousand Villages has a significant online presence, with a well-designed website and a robust social media strategy. The organization also partners with e-commerce platforms such as Amazon and Etsy, expanding its reach and increasing its sales.

Another successful handicraft business is Re-wrap, an Indian-based social enterprise that works with women artisans to create handmade bags and accessories. Re-wrap has a significant online presence, with a well-designed website and an active social media strategy. The organization also partners with e-commerce platforms such as Amazon and Etsy, expanding its reach and increasing its sales. Re-wrap is a successful Indian-based social enterprise that works with women artisans to create handmade bags and accessories. The organization has a significant online presence, with a well-designed website and an active social media strategy. Re-wrap also partners with e-commerce platforms such as Amazon and Etsy, expanding its reach and increasing its sales. Re-wrap focuses on creating sustainable and eco-friendly products while providing employment opportunities to women artisans. The organization uses eco-friendly materials such as organic cotton and natural dyes, reducing its environmental impact. Re-wrap also follows fair trade practices, ensuring that the artisans receive a fair wage and working conditions.

Through its partnership with e-commerce platforms, Re-wrap has expanded its reach and increased its sales, enabling it to provide employment opportunities to more women artisans. The organization has also been recognized for its sustainable and ethical practices, winning several awards and certifications, including the Green America Seal of Approval.

Re-wrap's success highlights the potential of promoting sustainable and eco-friendly products while providing employment opportunities to marginalized communities. By leveraging e-commerce platforms and following fair trade practices, organizations like Re-wrap can expand their reach and impact, creating a more sustainable and equitable world.

III. DISCUSSION:

The handicraft market's expansion is driven by several factors, including the increasing demand for handmade products and the growing interest in sustainable and environmentally friendly items. Consumers are becoming more aware of the environmental impact of mass-produced items and the social and economic benefits of supporting small-scale artisans and businesses. E-commerce platforms have significant potential in expanding the reach of handicrafts and increasing their accessibility to customers worldwide. These platforms enable handicraft businesses to reach a global audience, expanding their reach and increasing their sales. E-commerce platforms also offer several benefits, including lower overhead costs, increased customer engagement, and streamlined order processing.

However, the handicraft sector faces several challenges, including competition from mass-produced items and the lack of infrastructure and support. Handicraft businesses often struggle to access finance, technology, and markets, limiting their growth and impact. Governments, non-governmental organizations, and the private sector can work together to provide the necessary support and infrastructure to promote the handicraft sector's growth.

Successful handicraft businesses such as Re-wrap demonstrate the potential of promoting sustainable and eco-friendly products while providing employment opportunities to marginalized communities. By following fair trade practices and leveraging e-commerce platforms, organizations like Re-wrap can expand their reach and impact, creating a more sustainable and equitable world.

Region	Market Size (USD billions)	CAGR (%)
Asia-Pacific	54.2	7.5
North America	14.6	6.8
Europe	13.9	6.4
Latin America	5.3	5.3
Middle East	3.2	4.2
Africa	1.8	3.5
Total	93.0	6.9

Table 1: Global handicraft market size and growth rate by region (2020-2025)

Region	Market Size (USD billions)	CAGR (%)
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Middle East	3.2	4.2
Africa	1.8	3.5
Total	93.0	6.9

Table 2: Comparison of handicrafts and mass-produced items

Criteria	Handicrafts	Mass-produced items
Production process	Handmade	Mechanized
Materials used	Natural and eco-friendly	Synthetic and environmentally harmful
Labor conditions	Fair trade practices and artisans	Factory workers with low wages and benefits
Unique qualities	One-of-a-kind and personalized	Identical and uniform
Environmental impact	Lower carbon footprint and waste	Higher carbon footprint and waste

Table 3: Benefits and challenges of leveraging e-commerce platforms for handicraft businesses

Benefits	Challenges
Expanded reach and access to global markets	High competition and saturation of the e-commerce market
Increased sales and revenue	Dependence on technology and digital literacy
Lower overhead costs and higher profit margins	Lack of direct customer interaction and personalized service
Streamlined order processing and inventory management	Difficulty in building brand awareness and loyalty
Ability to reach niche and specialized markets	Dependence on third-party platforms and their policies and fees

Table 1 shows the estimated size and growth rate of the global handicraft market by region for the period 2020-2025. According to the table, Asia-Pacific is the largest market for handicrafts, with a market size of USD 54.2 billion and a compound annual growth rate (CAGR) of 7.5% over the forecast period. North America and Europe are the second and third largest markets, respectively, while Africa is the smallest market. The table highlights the significant growth potential of the handicraft market, particularly in the Asia-Pacific region.

Table 2 compares handicrafts and mass-produced items based on various criteria. The table shows that handicrafts are typically made using natural and eco-friendly materials, while mass-produced items are often made using synthetic and environmentally harmful materials. Handicrafts are also usually handmade by artisans, who are compensated fairly for their work, whereas mass-produced items are typically made using mechanized production processes and factory workers with low wages and benefits. Handicrafts are also often unique and one-of-a-kind, while mass-produced items are uniform and identical. The table underscores the advantages of promoting handicrafts as a sustainable and environmentally friendly alternative to mass-produced items.

Table 3 highlights the benefits and challenges of leveraging e-commerce platforms for handicraft businesses. According to the table, e-commerce platforms offer several benefits, including expanded reach and access to global markets, increased sales and revenue, and lower overhead costs and higher profit margins. E-commerce platforms also offer streamlined order processing and inventory management and enable businesses to reach niche and specialized markets. However, the table also shows that e-commerce platforms present several challenges, including high competition and saturation of the e-commerce market, dependence on technology and digital literacy, and difficulty in building brand awareness and loyalty. The table underscores the need for handicraft businesses to carefully weigh the

benefits and challenges of leveraging e-commerce platforms and to develop a comprehensive e-commerce strategy that aligns with their business goals and objectives.

Overall, the handicraft market's expansion presents significant opportunities for promoting sustainable development and creating employment opportunities worldwide. By addressing the challenges faced by the sector and promoting sustainable and eco-friendly practices, the handicraft sector can expand its reach and impact, creating a more sustainable and equitable world.

IV. RESULT:

The handicraft market is expanding rapidly, driven by the increasing demand for handmade products and the growing interest in sustainable and environmentally friendly items. Successful handicraft businesses worldwide have leveraged e-commerce platforms to expand their reach and increase their sales, highlighting the potential of this strategy. However, the handicraft sector faces several challenges, including competition from mass-produced items and the lack of infrastructure and support.

Strategies for expanding the handicraft market include promoting handicrafts as a sustainable and environmentally friendly alternative to mass-produced items and leveraging e-commerce platforms to increase their accessibility to customers worldwide. E-commerce platforms have significant potential in expanding the reach of handicrafts and increasing their accessibility to customers worldwide.

Re-wrap is a successful Indian-based social enterprise that works with women artisans to create handmade bags and accessories. The organization has a significant online presence, with a well-designed website and an active social media strategy. Re-wrap also partners with e-commerce platforms such as Amazon and Etsy, expanding its reach and increasing its sales.

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