

Mending market linkages to restore the grandeur of traditional Indian textiles

Ettishri B Rajput¹, Dr. Daisy Kurien²

Abstract

With the recent economic development in India and e-commerce rush, the country has found new patrons of crafts in the elite Indian craft consumer. Not only e-commerce, but several brands like Taneira by Tata, Aadhyam by Aditya Birla and Swadesh by Reliance are the new national brands selling handloom sarees. Such an unprecedented interests in crafts, which is being touted as the Indian luxury, augurs well for revival of traditional crafts. But problems faced by the marketers are considerable. The study initially draws a narrative on Indian crafts right from ancient times and shows how the narrative has changed over time, in the process affecting the stature of the rich cultural heritage. The aim of the study is to examine the supply side linkages that play a role in enriching traditional textiles from the marketer's perspective. As the variables to be studied were not very clear in the beginning, we follow a qualitative methodology. In-depth interviews were conducted with representatives of government sector, private sector, non-government organisations. Focus group discussions with primary producers like weavers and artisans associated with traditional textile crafts of Gujarat were conducted. A Grounded theory approach was followed in order to develop a conceptual framework of the supply side challenges faced by the marketers of traditional textile crafts of the Gujarat region. The qualitative inquiry shows that there are three major themes viz. Information Asymmetry, Supply Chain Systems and Product design that need to be addressed in order to address supply side challenges and externalities of the sector. Organisational/governmental budgetary allocations that aim at improvement in relevant matrices will help the restoration of the stature of traditional textile crafts. Contrary to popular belief that demand of traditional textiles is declining, we found that many constraints faced by the craftsmen and handloom weavers were unrelated to demand. The externalities of this sector have made the compromise between heritage and business a difficult one, unless the supply side linkages are strengthened. One can hope that craft may finally opt out of the preservation rhetoric for the best way to preserve something is to make it prosper. The study findings are unique as they provide a multidimensional narrative on marketing of the tangible cultural heritage of India.

Keywords: Indian crafts, handlooms, handloom supply chains, cultural heritage, handloom marketing

Introduction:

The luxurious beauty of Indian hand-crafted textiles dates back at least 6000 years where Indian craftsmen and traders adapted their "collections" to the taste of their patrons in Japan, the Americas, West Africa, Chinese Central Asia, South East Asia, the Middle Eastern regions of Jordan and Egypt. In those days, as one reads, "Courtly splendor was proclaimed by sumptuous fabrics". The website of the Victoria and Albert Museum reads, "...*The ability of Indian artisans to know their customers and adapt their making accordingly made the success of Indian textiles truly international*" (Indian Textiles · V&A). Strong supply side linkages were important for the thriving trade of textiles in ancient India. Craft-based textiles and handloom fabrics were not opposed to technology and industry, in fact they *were* the industry (Adamson, 2019) and a thriving hub of the small-town capitalistic economy of India.

Benoy K Behl, the internationally acclaimed art historian and photographer, has captured and documented several ancient paintings and sculptures including Ajanta Paintings, Buddhist art and prehistoric art among others. In one of his lectures organised by the Srijan Trust, Behl speaks of the lavishness and luxury of Indian textiles. As we take a look at the Figure 1 below, one can see that this is a scene where King Mahajanaka announced his decision to renounce the worldly life. What is interesting to see is the way ancient art gives justice to textiles produced in India, just to clarify, all women in the painting are wearing upper and lower garments both, though the upper garment seen as extremely sheer and made with very fine

¹ Ettishri B Rajput is an Assistant Professor at NIFT Gandhinagar and a Doctoral Scholar at Indus Institute of management Studies at Indus University, Rancharda, Ahmedabad, India, Ettishri.rajput@nift.ac.in

² Dr. Daisy Kurien is the Associate Professor of Marketing at Indus Institute of management Studies at Indus University, Rancharda, Ahmedabad, India

counts, which was the speciality of Indian handlooms. While the lower garment shows Ikat style of weaving. Many such paintings in different caves of India, Sri Lanka, China, dating back to ancient and medieval India show the finesse and splendour of ancient Indian textiles.

R N Bhaskar notes, *“On at least three occasions between 100 BC and 300 AD, Rome warned its senators to advise their wives to go easy on spices and silk consumption”* (Bhaskar, 2024).



Figure 1. An Ajanta Cave painting, depicting the King Mahajanaka at his palace, announcing his decision to renounce the worldly life, his mother standing behind him and his wife in front, with royal maids standing behind his wife³

(Painting photographed by Benoy K Behl)⁴

³ Mahajanaka Jataka, cave 1, north wall. Ajanta, 6th or 7th century. (From "The Ajanta Caves", Thames and Hudson, 1998, reprint 2005, page 87) (produced verbatim from (*Mahâjanaka Jâtaka 001*, 2005)

⁴ Photographed by Shri Benoy K Behl using low light photography, thus showing true colours of painting



Figure 2. Peshwaz (woman's court dress), muslin with applied tinsel, spangles and foil, Mughal empire or Deccan, late 18th or early 19th century⁵

Another master piece from the late 18th or early 19th century, where the costume shown in Fig 2 was to be worn in a formal court setting for a “small wearer”. It is a female dress with fine details and trims. Such textiles and costumes enriched the cultural heritage of India. In no way can a machine make something as luxurious and as graceful as this and many more such textiles which were produced by handlooms weavers and craftsmen of those times.

As Douglas Haynes (2012) accurately points out as the reason why the small-town capitalist economy, more importantly the craft and handloom-based textiles never seemed to recover from the severe blows of not only technology, but also flippant policy, even as the imperialists “tried”⁶ to provide succour:

“British officials continued to retain an image, derived in part from Orientalist assumptions, of the artisan as a traditional and conservative figure, using simple techniques and working within the context of family production, but subject to the interference of rapacious outsiders.”(Haynes, 2012)

Such an assumption finally reduced the stature of craft to an artisan who had been rendered unemployed and not as a reputed expert in his craft.

Review of Literature:

The historical context of traditional Indian textiles is of significance as we speak of cultural heritage of India. Traditional crafts, world over, are a subject of scholarly research given their heritage and cultural value, and more recently their

⁵ The website of the Victoria and Albert Museum reads the following bibliographic references

- The Indian Heritage. Court life and Arts under Mughal Rule London: The Victoria and Albert Museum, 1982 Number: ISBN 0 906969 26 3 p. 96, cat. no. 254, Veronica Murphy (*Indian Textiles* · V&A, n.d.)
- The art of India and Pakistan, a commemorative catalogue of the exhibition held at the Royal Academy of Arts, London, 1947-8. Edited by Sir Leigh Ashton. London: Faber and Faber, [1950] p. 214, cat. no. 1019 (*Indian Textiles* · V&A, 2025)

⁶ Douglas E Haynes has emphasized in his work that what the imperial govt. was made up of were clerks and not experts in the field, which contributed to further decline of a thriving local industry of small towns in India (Haynes, 2017).

commercial value. Governments, NGOs, corporates, etc. are invested in such preservation through different policies and practices with varying degrees of success. Hence the literature has been discussed from the three perspectives, viz., evolving context of Indian crafts, research and policy on traditional crafts in the world and business context of Indian crafts.

a. Indian textile crafts: Then and Now

Much later in time, around 1920s, interestingly, the entire swadeshi movement, though well intended, pivoted the perspective from the reality of luxury and enviable national heritage to a humble sense of self-sufficiency and nationalistic boycott of modern technology. Sadly, the discourse has changed little till date, save amongst the connoisseurs of arts and craft. In essence the discourse centred solely on a poor artisan whose livelihood was being snatched away by the modern cloth producers.

When handloom weavers faced massive unemployment in the 1920s, the Swadeshi movement and Gandhiji's insistence that every Indian use only Swadeshi goods brought around 20 per cent drop in sales of British goods. Even at that time, when social media messaging was unthinkable, Gandhiji could mobilize the entire nation to wear Khadi. But this impact was very short lived as economics always wins. Besides, Swadeshi movement was too expensive for the poor, one can find mentions for this in the backdrop of the famous contemporary novel *Ghare Bhaire* by Shri Rabindranath Tagore (Tagore, 1916). Several fact-finding committees and commissions were set up by the Indian Government before and shortly after Independence. But the sectors struggles could not be addressed. Post independence, by the 1950s, the co-operative movement gained strength amongst handloom weaver community, and weaver co-operatives were formed. Later in 1985, the Handloom reservation Act was passed. It reserved 22 items for manufacture by handlooms. Presently 11 textile items with certain technical specification are reserved under the act for exclusive production on handlooms by a notification dated 3.9.2008.

Besides, the terms Handlooms and Handicrafts are today used in terms of their definitions accepted in Indian law. "Handloom means any loom, other than power loom" (The Handloom (Reservation of articles for Production) Act, 1985).

The GST Council has defined Handicrafts, "Handicrafts are goods predominantly made by hand even though some tools or machinery may also have been used in the process; such goods are graced with visual appeal in the nature of ornamentation of in-lay work or some similar work of a substantial nature; possess distinctive features, which can be aesthetic, artistic, ethnic or culturally attached and are amply different from mechanically produced goods of similar utility" (GST Council, 2017).

A new definition of handlooms was also proposed later read as, "handloom means any loom, other than power loom; and includes any hybrid loom on which at least one process for weaving requires manual intervention or human energy for production" (Press Information Bureau, 2014). But this expansion of the scope of the term handloom was resisted by all stakeholders, especially weavers. All the stakeholders stressed that such an expansion in the scope of the term Handloom will adversely affect the handloom sector (Chatterjee, 2015). It is amply clear that the handloom weaver is not really looking for increasing production speeds, nor do weaving motions seem drudgery to the weaver who are more interested in creating unique designs using their skills.

Indian crafts are a huge heterogenous segment and are best dealt with accordingly. Thus, the present work deals only with the textile-based handlooms and handicrafts, and discussions will be centred around the same. Fabrics like Khadi, Patola/Ikat, Gamchha, Mekhla Chador, Innaphee, etc are handloom fabrics, while Bandhani, Ajrakh and other block prints, embroidered fabrics like phulkari, kutchhi embroidery, Kantha work, hand painted fabrics like Kalamkari, Madhubani, etc are classified as handicraft fabrics. Though all the above fabrics are essentially craft based, their classification in to handloom and handicraft is done for administrative reasons by the Government of India.

The Handloom Sector is one of the largest unorganized economic activities and it constitutes an integral part of the rural and semi-rural livelihood engaging over 35 lakh persons (Office of the Development Commissioner for Handlooms, 2023). Even as experts would strongly caution and advise the use of the term "differently organised" and not "Unorganised", for the recent framework of "organisation" is too narrow to be applied to a historically thriving activity like handlooms and handicrafts. Further, the Government of India and state governments by devolution are focussing on raw material support, design inputs, upskilling of weavers, infrastructure development by way of small cluster development, mega cluster development, urban haat, etc, technology upgradation and capacity building by partnering with educational institutes like

NIFT, NID, financial support by way of loans at subsidised rate of interest and welfare support services like insurance, export promotion (Office of the Development Commissioner for Handlooms, 2023).

b. Traditional Textile Crafts in the world:

One of the nations that puts significant premium on handmade products is Japan. Japan has made efforts to see that the handmade products remain economically viable for the producers and that they find a market (Bhagavatula, S., 2021). Just as (KoKKo & Kaipainen, 2015) have deduced that for the textile crafts of Cyprus to have a future, and a sustainable one, the modern and traditional aspects of the crafts should be combined. Khatwa, a utilitarian craft of Bihar (India), has been a metaphor of socio-economic empowerment of women who practice this craft (S. R. Sharma et al., 2024). Artisanal entrepreneurship among women is also a case study emanating from craft practice of “Kutchhi” embroidery in Gujarat, India (Gupta & Saxena, 2021). But many other studies have also found that crafts perpetrate gender stereotypes as also seen in the Spanish crafts sector (González-Martín et al., 2023). In Sweden, crafts has also been a way of social resistance of a political, ecological and cultural nature (Pérez, 2022). In Sweden, Finland and Norway, craft research has been encouraged, and “*craft research has developed strongly in architectural conservation and cultural heritage with a focus on traditional craftsmanship and the performative elements of intangible cultural heritage*”, the methodological approaches being “craft reconstruction, craft interpretations, craft elicitation, craft amplification and craft socialization” (Kokko et al., 2020).

In Japan too, despite the Living National Treasure system and many other supporting policies, the overall output of traditional textiles has decreased, even as the Government aims to keep the traditional crafts alive through appropriate policy, but (Goto, 2019) prescribes that linking of crafts to markets is important for that will naturally preserve the crafts. In the UK, researchers are prescribing cluster development as a policy measure in order to synergise the overall community impact, (Row, 2016) as cited by (Bennett, 2019), confirms that clustering involves the ability ‘*to access a combination of professional support and a space for networking and exchange with other artists, particularly those artists disadvantaged by lack of social mobility, rural isolation and financial or health barriers*’. In China, the government has classified craft in to three segments, of which traditional crafts is one. Like in other countries and with the given pace of economic development many hands have been replaced by machines, and hence the Chinese Government has focused on the core essence, that the core essence of craft should not be lost in traditional crafts, craftsmen are otherwise encouraged to use advanced technology (Jiang, 2019). Ashoke Chatterjee (2016) has captured the overall approach of Indian policy towards handlooms here, “*An attitude of benign neglect would speed a sunset’s journey into night, allowing sunrise to greet a modern India, cleansed of embarrassing reminders of a primitive handcrafted past and ready to compete with Singapore and Silicon Valley*”. That India is embarrassed by such great cultural heritage of handmade products or by the forces that brought craft to its current sorry condition, the policymakers need to figure out.

Lately, though, Prime Minister Shri. Narendra Modi, who has been a proponent of the “Vocal-For-Local” campaign in addition to celebration of August 7th of every year as the National Handlooms Day (the day when the Swadeshi movement was launched in 1905), has brought heritage and crafts back to the centre stage. It is obvious that all across the world, the State has been a major force in preserving cultural heritage, however, the narrative across the world, in terms of crafts and policy remains similar as contemporary tastes and preferences do not go well with traditional textile crafts. Countries like Japan and India, given their rich cultural heritage are trying to help traditional textiles keep pace with the modern world. And yet, only the modern consumer can help make traditional textile crafts a sustainable business.

c. The Business of Craft in India

Crafts are considered an important part of the traditional knowledge and cultural heritage of India. Handloom and handicrafts are classified as a cottage industry. According to the Fourth Handloom Census, 88.7% of the weaver households are in rural areas and 11.3% are in urban areas; nearly 72% of handloom weavers are women. Around 95 per cent of the handloom fabrics of the world come from India. The sector has a broad base of artisans, mostly located in rural part of India, working with traditional techniques to develop a wide range of products. These products are made available to the urban, non-local consumer via government supported agencies, NGOs, established retailers, online stores and online marketplaces. Artisanal entrepreneurship has found some acceptance, but the financial instability and lack of digital literacy (Thounaojam & Ojha, 2025) among artisans have moderated its success. The traditional textile craft is ironically dynamic as seen in the craft sector of Assam given the role played by the mediators, agents, etc. (Jogendranath Chutia & Sarma,

2023). Other studies have emphasized the factors like *trust, generic artistic skill and inconsistency of the yarn and artefact quality* to be creating a void between supply and demand (Borsaikia et al., 2023). And yet again studies have found that a handloom textile is not just what is made on the loom, in fact handloom is not to be hyphenated with the weaver, but with the weaving eco-system (Jain, 2018).

Craft products display variety not only because of the sheer number of crafts in India, but also due to the difference in the level of details, craftsmanship, traditional versus modern usage, etc.



Figure 3. (Left) Around 120 years old Tangaliya Shawl, made in the traditional black and red colours with Indian sheep wool, (Right) Design adaptations of Tangaliya in new products, contemporary colours and fibres like viscose, cotton, etc (Image credits: Author's craft documentation, Weaver: Shri Babubhai, Dangasiya community, Surendranagar Gujarat)



Figure 4. The Pabi Handbag (left) is a commercialized derivative of the antique dowry Kutchi embroidery (right)



Figure 5. (Left) Contemporary Chikankari characterized by bigger, less time taking stitches Vs. (Right) extremely detailed fine Chikan embroidery⁷

Craft retailers can be placed on the strength of market linkage v/s craft quality continuum as shown in fig. 6. Most of the retailers selling craft products can be indicatively placed here. It is interesting to note that market economics has treated crafts just like any other consumer product that has some standard attributes, and it is only expected of the markets to do so. The supply side linkages of craft-based textiles products have been fragile and fragmented. (Frankum, 2022) has suggested several challenges that the crafts sector faces that affect its ability to work as a functioning market. The craft market fails on most of the counts as shown in Fig. 7.

⁷ (Chikankari Embroidery: Painting with the Needle, 1800). Chikankari is a GI craft from Lucknow, Uttar Pradesh.

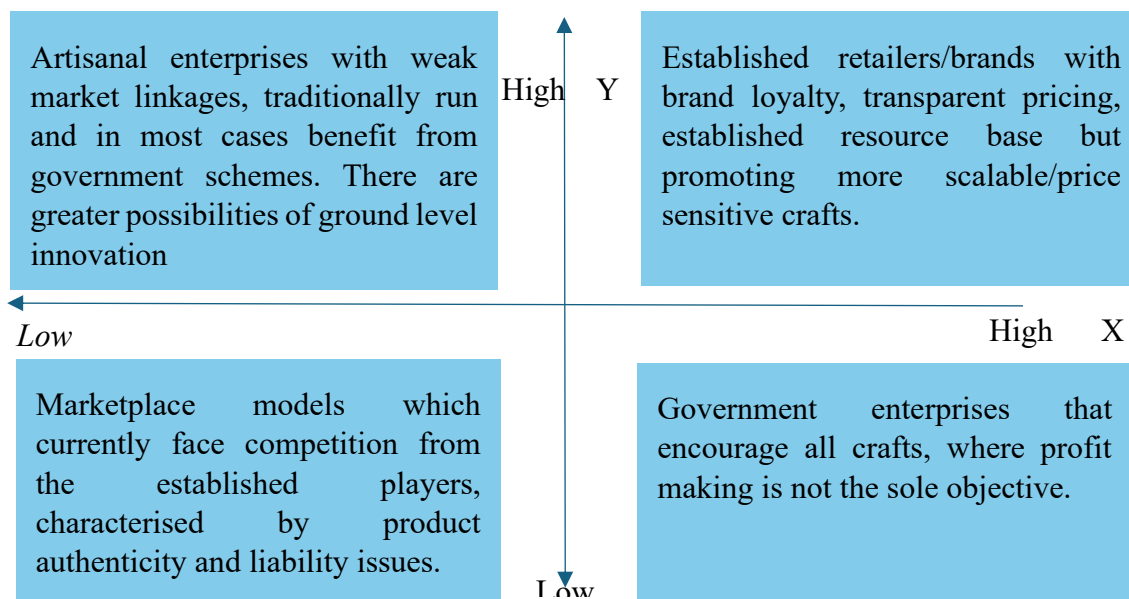


Figure 6. Indicative positioning of brands selling craft-based textiles on the basis of market linkages (X) and Price (Y)
(Source: Author's research)

The second externality, “Widespread availability of consumer and craft information”, is by far the most important step towards fixing the other three externalities.

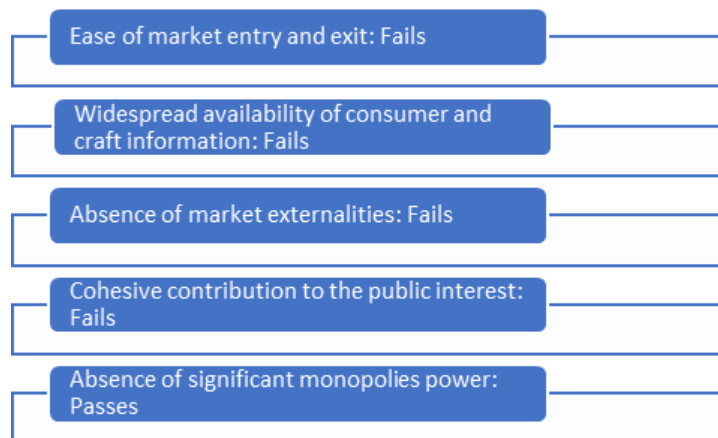


Figure 7. How craft performs on five elements of a functioning market

Source: As adapted from Frankum, S., & Yadav, N. (2021, October). *How to Fix India's Broken Crafts Market—A proposed Strategy*

An attempt at analyzing the supply side factors influencing the above externalities is the focus of this paper.

The Indian handloom and handicraft industry is seeing bigger players like Amazon (kaarigar), Flipkart, Reliance (Avantra, Swadesh), Taneira, Aadhyam, etc. enter the hand made products market. On the other hand, smaller e-tailers like Voonik, Craftsvilla, Wooplr, Jaypore, Elanic and even the likes of ShopClues have had to shut shop, pivot their business model or opt for an outright sale.” (Economic Times, 2019).

With low overall entry barriers, absence of economies of scale, high product differentiation, w local contacts and local image being of importance, this industry shows fragmentation especially at the supply side.

Statement of Problem:

Das (2016) notes that despite the upstaging of machine-made goods in India, the demand for traditional goods existed and that is how crafts survived the difficult colonial period, but later on the market linkages slowly weakened due to reasons like poor quality raw material, raw material shortage, access to markets and policy inadequacy (Das, 2016). Thus, the old robust market linkages that made Indian traditional crafts exquisite were crushed and policy was not enough to revive them. One may wonder, had it been different circumstances, what the Indian handlooms really needed at the onset of modern technological advancement in spinning and weaving was better marketing and not the boycott of modern technology.

Much of the research on hand crafted products in India has been undertaken with respect to design, sustaining rural livelihoods, bottom of pyramid producers, etc. among others (Banerjee & Mazzearella, 2022; Bhagavatula, S., 2021; Gupta & Saxena, 2021; Mamidipudi & Bijker, 2018; Mehta et al., 2024). In the domain of marketing of Indian traditional textiles, recent studies have highlighted the importance of government policy, geographical indication, awareness, story marketing, craft entrepreneurship, consumer perception and SDGs (Attri & Bairagi, 2022; Banerjee & Mazzearella, 2022; Bendi, 2012; Borsaikia et al., 2023; Cummins et al., 2016; Debbarma & Chakraborty, 2020; Faruque & Guha, 2024b, 2024a; Mohitkumar Trivedi et al., 2023). Majority of these studies have focussed on primary producers and consumers. With the entry of new national brands in this sector, the marketer's perspective holds immense potential to revolutionise the sector. A holistic picture of the craft producer and marketer's perspective on restoring the stature of Indian crafts is required. As the craft ecosystem prepares itself to address the desires of the new patrons of crafts, a marketer's perspective on the current challenges and opportunities faced in the marketing of crafts becomes necessary. The opinions of multiple stakeholders of this eco-system, viz. Government agencies, NGOs, designers, private brands, e-commerce market places are precious if the traditional knowledge is to sustain and flourish.

Objective:

The research objective was to examine the supply side linkages from the marketer's perspective. Marketers' perspective in the business of sourcing and selling of Indian handlooms and handicraft-based textiles and apparel to be studied and developed in to an enabling framework on factors that should be strengthened to rebuild the robust market linkages of Indian crafts.

Methodology:

In-depth interviews were conducted with representatives of government, private and non-government organisations in addition to primary producers like weavers and artisans. In depth interviews were conducted with twenty-one respondents (Table 1) in the Gujarat region to understand the supply side challenges in the overall handloom and handicraft supply chain. Further focus group interviews with 8 weavers, 8 craftsmen associated with traditional textile crafts of the Gujarat region were organised to understand their interactions with the major retailers to whom they are supply various handicraft and handloom products. The private sector retailers who participated in the study have a pan Indian presence and had presence in Gujarat also. Sample sizes were estimated using thematic saturation. Homogeneity of samples was maintained by adhering to sampling criteria, where samples were drawn mainly from amongst personnel working in managerial capacity with the craft and handloom sector for at least the past 5 years. Personnel selected for the study were working in various organisations, which were either government, non-government or private. But the roles played by the personnel in these organisations were the same. The two master weavers and two master craftsmen interviewed for the study were working in capacity of microentrepreneurs with several artisans working under their supervision. A thematic analysis was conducted to find the problems affecting the marketers, i.e. retailers, state-funded organisations, non-profit organisations and private players. This study adopted the qualitative grounded theory approach to understand contextually relevant aspects influencing the handmade product supply chains. Datta & Agarwal, 2017, suggest grounded theory as an exploratory method, which is particularly well suited to investigating social processes that have attracted little prior research attention; where previous research lacks breadth and depth; or where a new point of view appears promising (Datta & Agarwal, 2017). The grounded theory moves beyond description to generate or discover a theory that helps to explore the antecedents, outcomes and underlying variables related to the phenomenon under investigation. Sampling in the grounded theory research is theoretical, implying that the participants are selected because they can contribute to the emerging theory; thus, the sample size is determined by saturation. Voluntary participants willing to share their lived experiences comprise such samples (Datta & Agarwal, 2017).

Table 1: Respondent profile

Respondents	Firm type	Respondent Experience	Number of respondents	Level
Managerial	State Funded (Gujarat)	4-5 years in leadership positions in Handloom and Handicraft sector	3	Senior positions
	State funded (Gujarat)	10-12 years in the Handloom and Handicraft sector	4	Middle management (field locations)
	Established Private Retailer (Pan India presence)	12-15 years in the Handloom and Handicraft sector	4	Category leads (from different firms)
	NGO (Gujarat)	More than 30 years of experience in the field of Handlooms and Handicrafts	4	Leadership positions
	Government funded priority sector lenders (Gujarat)	10-12 years of experience in funding rural development projects in the field of crafts and handlooms	2	Middle management
Artisans	Master craftsmen (Gujarat)	Practising the craft for 15-20 years	8	Artisanal Enterprises and co-operatives
	Master weavers (Gujarat)	Working on handlooms for 15-20 years	8	

Data Analysis

Data analysis was an ongoing process and was undertaken throughout the data collection phase. Data collection was done by way of semi-structured interviews conducted with respondents by either visiting them at office, or via phone and online meetings. The transcription of the interview transcripts was manually done by the researchers as the field interviews were conducted in English, Hindi and Gujarati languages. The responses were translated to English for analysis. The interview transcripts were systematically analysed using thematic analysis. Thematic analysis involves an emergent and interactive process of interpretation of a set of messages, with some thematic structure as the typical outcome (Neuendorf, 2018). Maguire & Delahunt, 2017 have drawn on Braun & Clarke, 2006 framework and explained how to apply it in a systematic manner to describe and explain the process of thematic analysis within the context of learning and teaching research. The researchers have followed the said method of thematic analysis at the semantic level. As the processes of data analysis and data collection were taken up in parallel, both the researchers gained an understanding of the issues facing handloom and handicraft especially on the supply side in the process of data collection.

NVivo software (free version) was used to code the themes, but the themes were coded manually and not automatically by the software. The researchers also compared the narratives of the primary producers, that is the weavers and the artisans, to that of the buyers and policy makers. Hence emergence of themes was easily accommodated due to continuous and concurrent interactions primarily with buyers, government bodies, artisans/weavers and NGOs.

Deductive interview analysis methods and further confirmatory analysis were carried out by comparing data for recurrent themes across respondent groups.

Themes influencing supply side challenges of the craft sector:

i. Information Asymmetry

Handloom and handicrafts are essentially credence goods. The industry is an extremely decentralised one where information flows are not very well defined. But the asymmetry in information is not restricted to the supply side or demand side, it is present in the form of uncertainty and lack of awareness across the value chain.

Our findings show that the information flows in this sector are very much present but remain weak and undefined and that there is a need to empower stakeholders in order to make these information flows more coherent

“I am coordinating a WhatsApp group of around 300 craftsmen, that way they are able to provide leads necessary for business... What are the costs, what is the marketing cost, this is known even by a small private organization, but same cannot be said for the weavers and craftsmen in this sector? NGOs have shown that if you work systematically, it is possible to organize the craft sector.”

With regard to the information asymmetry on the demand side, many respondents stressed on the “missing patron”, the need to popularize crafts, to gain some kind of transparency that provides some certainty to the consumer in terms of the product quality they purchase and to lend authenticity to crafts. Though many leading private players certify their products with craft mark or handloom mark, there remains a vast obscure field out of the ambit of such certifications in so far as authenticity and quality of the craft is concerned:

“Consumer is not aware of real handloom or craft quality; hence low value items are purchased more often. Also, the intricacy of craft is difficult to be standardized as the value is that of skill and not only the raw material used. Hence, awareness of real handloom or craft characteristics among consumers is important, what we call the patron of craft is important. Once people are themselves aware of crafts, then the information asymmetry in pricing will itself disappear.”

“Awareness of actual price of handloom and handicraft is very rare; it takes a very aware customer to be sure of the price of a craft product. Recently my colleague bought some dupatta for around 5000 which was handwoven and used some handloom technique, but to many of us, it did not even look expensive, hence it is appropriate to question if customers are even aware of handloom, how to be sure that it is real and that I am not getting cheated, even as I purchase as a buyer...”

One of the consumers at a leading craft retailer was inspecting a Kutchhi Kala Cotton stole and she was unhappy with too many slubs in the fabric, this is what she analysed...

“This shawl has too many defects, the fabric is not smooth”

The information asymmetry thus is an all-pervading problem that has not only affected the market for crafts and handlooms but also shrouded the overall supply chain profitability in this sector.

“It is difficult for one to explain a basic shibori dyed linen blouse being sold at around Rs. 29000 or even a basic Chikankari dress at around Rs. 50,000 in the international market. It is also true that similar items are being sold by certain upmarket Indian retailers at the twentieth fraction of the price. While fashion pricing is arguably aspirational, the exploits should at least be shared equitably with the creators of this art. Honestly, the price difference for almost similar products in this market can dissuade any astute buyer to shy away from buying craft.”

“Whereas design thinking is important for a designer, the artisan is more hands on and good at execution, linkages between the designer and the artisan are nebulous at best as the profit-sharing formula is still not very well defined.”

“Pricing of the products is one such issue as customer indulges in comparisons between different products, but the pricing parity is missing on most e-commerce platforms”

“Less intricate crafts are prospering at the expense of more intricate ones, as corporates would like to promote more scalable crafts which match their price points”

The solution to the problem of information asymmetry on the consumer side has been addressed by many buyers who are also established retailers by building brands and creating strong supply side linkages in terms of quality, production management, cost control, etc. But the supply side asymmetry in information has only increased with a flourishing market for fakes and low-quality products flooding the markets. Such asymmetry on supply side has brought a significant reduction in labor pool available for this sector which has further exacerbated the supply side issues.

Further such asymmetries on the supply and demand side further affect policy interventions too, where managers mentioned:

“Blanketing of government schemes for the general artisan who are actually not a uniform entity is an ad hoc approach and such policies are not customized to their needs”

Several certifications and relevant labels have been used by retailers, co-operatives, government agencies, NGOs and artisan enterprises in order to secure consumer trust as shown in the figure. It is important to understand that the consumer trust deficit is not so much due to lack of certifications, on the contrary, there are many certifications in place. For example,

Oekotex certifies Eri silk for being chemical free, sustainable silk fibre fit for human use (PIB, 2025), handloom mark for authentic handloom fabrics, GI certification for craft products that have been registered as a Geographical Indication (DC Handicrafts, 2025; *GI Logo.Pdf*, n.d.), Craftmark which can be licensed to artisan organisations, craft-based businesses, cooperatives and NGOs for use on their products (AIACA, 2025) and more recently the “Seal of Authenticity” by the World Craft Council for products made in Kashmir (Ashiq, 2024)



Figure 8. Labels certifying authenticity of Indian Craft Products in terms of raw material used, processes followed, place of origin, among others.

Information asymmetry is in no way “lack of information”, and there obviously is a lot of information on certifications available, which is sometimes too much to process. Information overload “causes confusion and bias and thus it affects the decision-making process” (A. Sharma, 2020). Even as certifications and relevant labels have existed for a long time now, the mystery of information asymmetry remains unresolved. Nonetheless, it will definitely help if the consumer can trust these labels, whether the label actually describes the product authenticity. If fake goods can be passed off, why not fake labels, the consumer wonders. Garvi Gurjari is contemplating blockchain solutions in order to overcome counterfeit goods issues. With AI and blockchain solutions along with consumer education, such asymmetry can be addressed. But at the end, what we need is more consumers seeking these products and relevant information.

ii. Supply Chain Systems

The demand for the handmade products is growing and handlooms are expected to grow at a CAGR of 9.2 percent as per some reports (Fortune Business Insights, 2024; Future Market Insights Global and Consulting Pvt Ltd, 2025), so much that the supply side constraints are making it difficult to meet that demand. An enabling framework for the entire supply chain system may be necessary as rightly mentioned by one of the managers:

“Primary producer is not equipped to sell the product to the final customer but plays an important part in the supply chain”

Many managers also felt that the success of Farmer Producer companies can be attributed to the fact that their primary producers are resource rich, while the same can not be said about the off-farm producer companies especially in the art and culture sector. This further lends weight to the fact that interdependencies being strong in this sector, producer companies, which are essentially cooperatives, may not be able to resolve the supply side issues as stated by some of the managers:

“Other micro MSME have the wherewithal for enabling factors of production, while artisans do not have such capital. NGOs have enabled the production management, example of producer companies like ***. Costs, what is the marketing cost, this is known even by a small private organization, but same cannot be said for the weavers and craftsmen in this sector?”

Almost all managers also stressed the fact that infrastructure support to craftsmen is important if scale is to be achieved, but certain managers from the government sector expressed that their experience with the centralised facility centres has not been very positive, for the maintenance of the central facilities is neglected.

“Craft has not developed at a commercial scale even till date. Also here scaling up is important, but the orders are highly seasonal. Infrastructural support has to come to craft units otherwise there will be no scale”

“Strategy and systematic processes in this sector are missing at the ground level”

Many managers also insisted that technological input in terms of design, processing, occupational health hazards, developing work aids, etc. is the need of the hour. Where the managers expressed their concern regarding need of technological input, not as sporadic trickles, but as a sustained strategic input.

“Technology taught in leading institutes is not percolating to the ground level, we need to find what is the issue here”

Many elements associated with efficient supply chains systems are taken for granted, most important being quality assurance, service level and product liability. But the supply chain systems in this industry need further strengthening as mentioned by many managers, some of whom have been cited hereunder:

“Intricacy and quality assurance is also missing”

“E-commerce websites are not taking responsibility of products, the onus is on the artisan, who may not be well equipped to handle the reverse flow of goods. Also, the issues related to working capital, quality consistency, authenticity have not really been addressed by e-marketplace models”

“Scale” here has been used in its strict economic terms, where businesses try to gain cost advantages by making production more efficient. Now the issue of scale is a sticky issue which is not kindly taken by craft experts, artisan entrepreneurs and NGOs. And yet, many times that is what business demands. And yet handlooms and handicrafts do have a few ways to scale up, having more and trained artisans, having better looms, tools with ergonomic considerations, having quality raw material and development of modular effluent treatment plants for craft clusters. Though the situation sounds like the proverbial schrodinger’s cat experiment, we can be quite certain that this sector is similarly situated where scale and craft can and do coexist, in different market segments though, probably the same way as the Schrodinger cat states have been proven possible and very real, so are scalability and craft. But the onus of preserving all crafts cannot be handed over to the private sector retailers on account of many systemic challenges while dealing with other crafts and handlooms. Considering some crafts take lesser time than the others, most retailers, a short survey on 26 Indian retailers of textile based handmade products showed that the crafts most popularised by these retailers are ones that can be easily scaled up, e.g., Block Prints, Single Ikat. Hence on the other extreme are the state funded companies which are mandated to encourage crafts and preserve the languishing crafts.

iii. Design and Product Development

The importance of a concerted effort on design and product development can not be over emphasised given the nature of the fashion industry. Most government organisations have introduced design cells to keep up with the market trends. As a senior designer rightly mentioned

“Design and product development earlier were an integral part of craft and handloom creation. The motifs, the patterns, the colour... everything was a package deal provided by the artisan or handloom weaver. That was the original craft and it should be that way”

But alas, it is no longer the pure form in which crafts exist.

“Designs of Rajkot Patola sarees are provided to weavers, who then work on the patterns like job-workers do for daily wages”

But such is the reality. The artisans find themselves a small, but important part of a larger supply network, which they depend on equally or more than what the network depends on the artisan or weaver for. This is true, it is not craft in its unadulterated form, but it is how crafts have shaped themselves in to a business opportunity for the artisan entrepreneur. A surprising finding here is that all the popular crafts that boast a relatively strong supply side linkages are the dying crafts like Patan Patola.

Results and Findings:

The recurrent themes that stood out in all conversations with regard to supply side constraints were design, quality, supply side issues in performance of contractual obligations and consequent limitations in developing a competitive advantage for retailers. The emergent themes in [Table 2](#) have been classified according to area of concern, viz. Information Asymmetry, Supply chain systems, Design and development.

Table 2: *Emergent themes*

Information Asymmetry	Supply Chain Systems	Design
Consumer Awareness	Infrastructural support	Product development
Craft identity	Technology adoption	Product uniqueness
Pricing mechanism	Production processes	
Authenticity of craft	Production management	
Policy	Scaling up	
	Contractual performance	
	Profit sharing across Supply chain	

The findings of another study on Policy Gaps Study in Crafts Sector, (2016) by AIACA can be confirmed from the results of this research, that the sector is facing supply side challenges which can be addressed only through market forces that will shape the supply side solutions (Mubayi, 2016). But currently most of the policy designed for this sector is demand side strong, which is nonetheless helpful in fuelling further demand, but not able to take care of product liability and other supply side constraints that need to be addressed to fulfil that demand.

What it means in terms of consumer demand:

The composition of demand for normal goods deals with the time-tested factors in economic theory viz., price of the product, consumer income, price of substitutes handloom goods, consumer preferences, consumer expectations, demographics, among others. For Veblen goods, perceived status or prestige have been the two most important factors (Bagwell & Bernheim, 1996). But it will be underplaying the significance of handlooms and handicrafts to simply categorise their demand under the Veblen effect. For handlooms and handicrafts “are” intrinsically different from normal goods and hence the factors affecting the Veblen demand factors cannot be copy pasted to our unique situation of craft goods. As the findings suggest, we have specific variables that lead to formation of consumer expectation of craft goods which will directly impact purchase behaviour and eventually demand. Some factors in consumer theory that constitute such expectations besides those that have emerged as themes as a part of this study are subjective norms, advertising influence and hedonic motivation. It is interesting to see how craft awareness and cultural identity will moderate the impact of subjective norms, advertising influence and hedonic motivation on consumer expectations. The interplay between above factors and their relationship with consumer expectations is crucial in order to influence demand. The authors currently are in the process of identifying and empirically establishing the relationship between the above factors influencing demand.

Limitations of the Study

The study was conducted with Gujarat based weavers, Artisans and NGOs of the Gujarat region. Such multidimensional narrative can be explored in other states of India in order to examine the structure of market linkages. Another limitation is the qualitative nature and the small sample size of the study.

Conclusion

The handcrafted products market is not homogenous. Even as the type of craft remains constant, immense variability is introduced by many factors including but not limited to intricacy, geographical location, raw material used, functional quality, design, etc. The challenges as described above are on the supply side and need further strengthening of factor market and product market linkages. One aspect that the government may consider for the growth of the handcrafted product industry is to take a holistic view of the craft/handloom value chain and to incentivise the entire chain instead of expending all efforts and assistance towards solitary participants who may not be able to prosper being a part of feeble supply chains. The study suggests that the objectives of the policy makers and that of the beneficiaries at the ground level for whom the policies have been formulated need further alignment if schemes and policies are to make any impact on the real incomes of primary producers.

Whether the new patrons will understand craft the way it exists? Whether the retailers will help craft flourish or morph it in to some unidentifiable entity? Whether the new retailers will reshape their preconceptions of a business and craft a new framework for themselves? These are the questions that only time will answer, but as long as the craft businesses are essentially a group of people who understand crafts as it has always existed, they work with the artisans in the villages of India and have been necessarily weaned on an academic diet of Indian culture and aesthetics, we have reasons to be optimistic. More important in the entire context is the role of the consumer, how will the consumer evaluate craft quality, workmanship, authenticity, cultural lineage, etc. Such consumer maturity will not be an isolated phenomenon, instead it will co-exist with cultural events, tourism, endorsements, advertising, economic growth, etc. In an age when artificial intelligence can reproduce several permutations of art, cultural wisdom and aesthetics of the Indian crafts will be most sought after, given their human ingenuity and groundedness.

References:

1. (2022). Retrieved from Pabiben.com: <https://www.pabiben.com/product/pabi-office-bag/>
2. Adamson, G. (2019). *The Invention of Craft*. Bloomsbury.
3. AIACA. (2025). *Home—Craftmark*. <https://www.craftmark.org/home>
4. Ashiq, P. (2024, November 26). ‘Seal of Authenticity’ to certify Jammu and Kashmir crafts for global market. *The Hindu*. <https://www.thehindu.com/news/national/seal-of-authenticity-to-certify-jammu-and-kashmir-crafts-for-global-market/article68915270.ece>
5. Attri, R., & Bairagi, R. (2022). Guthali – challenges in marketing Indian handicrafts and handloom. *Emerald Emerging Markets Case Studies*, 12(1), 1–23. <https://doi.org/10.1108/EEMCS-09-2021-0298>
6. Bagwell, L. S., & Bernheim, B. D. (1996). Veblen effects in a theory of conspicuous consumption. *The American Economic Review*, 349–373.
7. Banerjee, A., & Mazzarella, F. (2022). Designing Innovative Craft Enterprises in India: A Framework for Change Makers. *She Ji: The Journal of Design, Economics, and Innovation*, 8(2), 192–216. <https://doi.org/10.1016/j.sheji.2022.04.001>
8. Bendi. (n.d.). *Consumer Preference and Satisfaction for Odisha Handicrafts: A Case Study of Odisha*. Retrieved February 17, 2025, from https://scholar.google.com/citations?view_op=view_citation&hl=en&user=YJhLzo0AAAAJ&citation_for_view=YJhLzo0AAAAJ:u-x6o8ySG0sC
9. Bennett, J. (2019). *Crafts Policies in the UK* (pp. 143–153). https://doi.org/10.1007/978-3-030-02164-1_12
10. Bhagavatula, S. (2021). *Insights into Understanding Japanese Crafts & Related Policies. I. I. o. M. Bangalore*. https://www.iimb.ac.in/sites/default/files/inline-files/Prof-Suresh-Bhagavatula_Insights-Japanese-Crafts-Related-Policies.pdf
11. Bhaskar, R. N. (2024, July 14). How South India bankrupted the Roman empire. *AsiaConverge*. <https://asiaconverge.com/2024/07/how-south-india-bankrupted-the-roman-empire/>
12. Borsaikia, T., Kalita, A., & Dutta, M. (2023). Scope for Branding Dora Baran Gamosa Through Intellectual Property Rights and Technology. *Journal of Heritage Management*, 8(2), 195–209. <https://doi.org/10.1177/24559296231206942>
13. Chatterjee, A. (2015). India’s Handloom Challenge: Anatomy of a Crisis. *Economic and Political Weekly*, 50(32), 34–38. JSTOR.
14. *Chikankari Embroidery: Painting with the Needle*. (1800). <https://www.theheritagelab.in/chikankari-embroidery/>
15. Cummins, S., Peltier, J. W., & Dixon, A. (2016). Omni-channel research framework in the context of personal selling and sales management: A review and research extensions. *Journal of Research in Interactive Marketing*, 10(1), 2–16. <https://doi.org/10.1108/JRIM-12-2015-0094>
16. DC Handicrafts. (2025, May 25). *Home | Official website of Development Commissioner (Handicrafts), Ministry of Textiles, Government of India*. <https://handicrafts.nic.in/GILogos.aspx?MID=To3xuRTg1DtwFD4NbZZ92w==>
17. Debbarma, B., & Chakraborty, K. S. (2020). MARKETING COMMUNICATION FOR PROMOTION OF HANDLOOM PRODUCTS PRODUCED BY HANDLOOM CLUSTERS OF TRIPURA. *PARIPEX INDIAN JOURNAL OF RESEARCH*, 1–3. <https://doi.org/10.36106/paripex/7605659>

18. Faruque, S., & Guha, P. (2024a). Determinants of Marketing Channel Choice Among Handloom Micro-entrepreneurs: Evidence From Rural Assam, India. *International Journal of Rural Management*, 20(2), 171–191. <https://doi.org/10.1177/09730052231185412>
19. Faruque, S., & Guha, P. (2024b). Determinants of Marketing of Handloom Products Across Heterogeneous Weaving Business Units: A Study of Rural Assam. *Journal of Rural Development*, 166–182. <https://doi.org/10.25175/jrd/2023/v42/i3/173261>
20. Fortune Business Insights. (2024). *Handloom Products Market | Key Industry Developments [2032]*. <https://www.fortunebusinessinsights.com/handloom-products-market-108597>
21. Future Market Insights Global and Consulting Pvt Ltd. (2025, March 13). *Handicraft Market Poised for Exponential Growth, Projected to Reach USD 1,160.83 Billion by 2035 with a 10.5% CAGR | Future Market Insights, Inc.* GlobeNewswire News Room. <https://www.globenewswire.com/news-release/2025/03/13/3042183/0/en/Handicraft-Market-Poised-for-Exponential-Growth-Projected-to-Rreach-USD-1-160-83-Billion-by-2035-with-a-10-5-CAGR-Future-Market-Insights-Inc.html>
22. *GILogo.pdf*. (n.d.). Retrieved May 25, 2025, from <https://handicrafts.nic.in/pdf/GILogo.pdf>
23. González-Martín, C., García-López, A., Romero-Frías, E., & Cano-Martínez, M. J. (2023). Gender-based stereotyping in the Spanish artisan sector. *Craft Research*, 14(1), 117–138. https://doi.org/10.1386/crre_00097_1
24. Goto, K. (2019). Crafts Policies in Japan. In A. Mignosa & P. Kotipalli (Eds.), *A Cultural Economic Analysis of Craft* (pp. 115–127). Springer International Publishing. https://doi.org/10.1007/978-3-030-02164-1_10
25. GST Council. (2017). <https://www.handicrafts.nic.in/CraftDefinition.aspx>
26. Gupta, S., & Saxena, N. K. (2021). Revisiting Women Entrepreneurship for Emerging Digital Economy. *From the Editor-in-Chief*, 31.
27. Haynes, D. E. (Ed.). (2012). The Colonial State and the Handloom Weaver. In *Small Town Capitalism in Western India: Artisans, Merchants, and the Making of the Informal Economy, 1870–1960* (pp. 193–228). Cambridge University Press. <https://doi.org/10.1017/CBO9780511675690.008>
28. Haynes, D. E. (2017). *Small Town Capitalism in Western India: Artisans, Merchants, and the Making of the Informal Economy, 1870–1960: 20* (Reprint edition). Cambridge University Press.
29. *Indian textiles · V&A*. (2025). Victoria and Albert Museum. <https://www.vam.ac.uk/articles/indian-textiles>
30. Jain, A. (2018). *The Sheep Wool Craft Value Chain in Kachchh: Understanding it through the Viewpoint of Different Actors in the Chain*. <https://journals.sagepub.com/doi/abs/10.1177/2455929618769504>
31. Jiang, L. (2019). *Crafts in China* (pp. 61–73). https://doi.org/10.1007/978-3-030-02164-1_6
32. Jogendranath Chutia, L., & Sarma, M. K. (2023). The Commercialization Butterfly: Glimpses of Commerce of Traditional Crafts of Assam. *Space and Culture*, 12063312231213282. <https://doi.org/10.1177/12063312231213282>
33. Kokko, S., Almevik, G., Høgseth, H. C. B., & Seitamaa-Hakkarainen, P. (2020). Mapping the methodologies of the craft sciences in Finland, Sweden and Norway. *Craft Research*, 11(2), 177–209. https://doi.org/10.1386/crre_00025_1
34. KoKKo, S., & Kaipainen, M. (2015). The changing role of cultural heritage in traditional textile crafts from Cyprus. *Craft Research*, 6(1), 9–30.
35. Mamidipudi, A., & Bijker, W. E. (2018). Innovation in Indian Handloom Weaving. *Technology and Culture*, 59(3), 509–545. <https://doi.org/10.1353/tech.2018.0058>
36. Mehta, R., Singh, P., Gupta, T., & Meena, M. (2024). Researching and reinventing the Kalbelia quilts of Rajasthan. *Craft Research*, 15(2), 295–318. https://doi.org/10.1386/crre_00135_1
37. *Meister des Mahâjanaka Jâtaka 001.jpg—Wikipedia*. (2005). https://commons.wikimedia.org/wiki/File:Meister_des_Mah%C3%A2janaka_J%C3%A2taka_001.jpg
38. Mohitkumar Trivedi, P., Vasavada-Oza, F., & Krishna, R. (2023). Tell Me a Story! Antecedents to Purchase of Handloom Products in India. *Global Business Review*, 24(4), 704–720. <https://doi.org/10.1177/0972150920907251>
39. Mubayi, Y. (2016). *Policy Gaps Study on the Crafts Sector in India* (p. 25). <https://www.aiacaonline.org/wp-content/uploads/2018/06/Final-Policy-Gaps-Study.pdf>
40. Office of the Development Commissioner for Handlooms. (2023). *Revised Guidelines of National Handloom Development Programme (NHDP)*. <https://handlooms.nic.in/assets/img/Final%20Revised%20%20Guidelines%20NHDP%2012.04.2023.pdf>

41. Pérez, S. C. (2022). Craft as resistance: A case study of three Indigenous craft traditions. *Craft Research*, 13(Craft Sciences), 387–409. https://doi.org/10.1386/crre_00085_1
42. PIB. (2025, March 2). *Certification for eri silk*. <https://www.pib.gov.in/www.pib.gov.in/Pressreleaseshare.aspx?PRID=2113212>
43. Press Information Bureau. (2014). *Status Quo in the Definition Of Handloom Under Handloom Reservation Act*. <https://pib.gov.in/newsite/PrintRelease.aspx?relid=102376>
44. Row, S. (2016). Defning Space: Making Studios Work, a Vision for Studio Provision Along the Ipswich—Cambridge Rail Corridor. *Bury St. Edmunds: Smiths Row*.
45. Sharma, A. (2020). *Impact of information overload on consumer behaviour for fashion brands*. Dublin Business School.
46. Sharma, S. R., Sharma, T., & Gupta, M. (2024). Narratives of empowerment: Through the lens of Khatwa craftswomen of Bihar. In *Craft Research* (Vol. 15, Issue 2, pp. 191–218). Intellect. https://doi.org/10.1386/crre_00131_1
47. Thounaojam, S., & Ojha, J. K. (2025). Exploring the Digital Spaces of Women Artisans in Kashida Crafts: Case Stories From Thar Desert of Western Rajasthan. *Journal of Asian and African Studies*, 00219096251313548. <https://doi.org/10.1177/00219096251313548>