Consuming Craft
the contemporary craft market in a changing economy
Executive summary

Morris Hargreaves McIntyre

The full report – *Consuming craft: the contemporary craft market in a changing economy* – is available from www.craftscouncil.org.uk

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1 Executive summary

Morris Hargreaves McIntyre was commissioned by the Crafts Council in March 2010, to research the current size, value and characteristics of the contemporary craft market in England.

The resulting research is intended to support craft retailers, galleries and individual makers, in assessing the state of the complex and evolving markets within which they operate, and to provide evidence of the craft sector's economic impact from a market perspective.

The research has also produced a new and replicable methodology by which key market value statistics can be effectively updated in future.

1.1 Introduction

Research has shown significant shifts in consumer demand, towards value-centred products, services and experiences which meet emotional – as well as functional – needs. As markets evolve in response to recession and a changing economy, there is a need to understand how these values – and their associated behaviours – may shift and settle into new patterns of consumption relevant to contemporary craft.

This substantial quantitative research study reports on the characteristics of the craft market in 2010, providing forward-facing market intelligence and a strong basis for advocacy work and future planning, as well as essential information for contemporary craft makers and suppliers of craft.

1.2 Research

The aims of this research study are to understand:

1. The current size and growth potential of the contemporary craft market in England.
2. Within this market, where the strongest growth potential can be found.
3. How this picture (1 and 2 above) has changed since 2004, when the first study of the craft market in England was undertaken[1].
4. How we might expect the contemporary craft market to evolve during the period 2010 – 2015, in response to broader consumer trends.

Research Method
The research was conducted between April – June 2010. The statistics in this report are based on:

— Data derived from a population survey, with a representative sample of 7,000 adults aged 16 and over living in the UK. The results are based on the responses of 4,259 adults[2] and allows us to estimate the current size of the market for craft in England and to accurately describe the characteristics of those who buy, or are potential buyers, of craft (1.3 – 1.4).
— A more in-depth survey of 416 adults who buy or are pre-disposed to buying craft. Their responses provide us with greater detail about the purchasing behaviour and prevailing attitudes amongst the craft market today (1.5 – 1.8).
— Desk research undertaken in order to review literature on current consumer trends and to consider how these may influence the development and evolution of the craft market (1.9 – 1.10).

In order to create a replicable methodology for the future, the research in this study was conducted using online, self-completion questionnaires. Because the *Making it to Market* study used telephone interviews, and evidence shows that those methodologies do not produce directly comparable results, we cannot directly compare changes in market size between 2004 and 2010. The results do however, provide us with indications of growth in the craft market.

1 Morris Hargreaves McIntyre (2006), *Making it to Market: developing the market for contemporary craft*, Arts Council England.

1.3 Market size[2]

The total market – buyers plus potential buyers[3] – for craft is 26.5 million people (63% of the adult population of England).

Within this total market of 26.5 million people:

— 16.9 million people had previously bought craft, the buyers (40% of the adult population of England).
— 9.6 million people are potential buyers, that is, people who have not yet bought any craft, but would consider doing so in future (23% of the adult population of England).
— 23.9 million people, state that they would buy work by living makers, and that they would consider buying 'cutting-edge' work (90% of the total craft market).

1.4 Characteristics of the craft market (craft buyers and potential buyers)[4]

Characteristics common to buyers and potential buyers.

Compared to the rest of the adult population of England who have not bought – or would not consider buying – craft, those who buy and are interested in buying craft display the following characteristics:

— Buyers and potential buyers are more likely to be female (57% compared to 35% of those not in the market). They are also more likely to be educated to degree level or higher (25% compared to 16% of those not in the market).
— They are twice as likely to be culturally active than the population as a whole, with 18% having attended a cultural event in the past 12 months compared to 9% of those who state they are not in the market.
— They are more likely to have general or specialist knowledge about cultural subjects, and to have some type of professional or academic interest in cultural subjects. For example, 18% of them have a professional or academic interest in art or art history, compared to 7% of those who are not in the market.
— People in the craft market appear to have a more open and curious mindset, with 26% strongly agreeing with the statement, 'I like to be surrounded by different people, cultures, ideas and lifestyles,' compared to 10% of those not interested in buying craft.
— They are also more likely to strongly agree that 'the arts and culture improve quality of life for us all' than those not interested in buying craft (16% versus 2% of those not in the market).

2 Results taken from a nationally-representative population survey conducted online with 7,000 UK adults between April and May 2010. The craft buying questions were answered by 4,259 adults in England. Market sizes are calculated using *Mid-year population estimates* 2008: the most up-to-date population estimate available at the time of writing.

3 People who have never bought craft but would consider doing so in future.

4 Results taken from 2010 omnibus survey.

1.5 Perceptions of craft [5]

Who are the craft buyers?

Compared with potential buyers i.e. those who are predisposed towards it but have not yet bought craft, buyers display the following characteristics:
— They are slightly older, with 53% aged 45 years or over.
— They are more likely to work in the education, health and charity sectors.
— They are more frequent attendees at a wider range of cultural events.
— They are more likely to be working in craft or related sectors: 1 in 20 of them state they have a professional or academic involvement with craft.
— There is a correlation between participating in craft activities and buying craft: 21% of buyers have taken part in a craft activity six or more times in the past 12 months, compared to 9% of potential buyers.
— They appear to be more willing to actively pursue their interests. For example, 22% strongly agree with the statement 'I like to try things that are new to me' compared to 14% of potential buyers.
— They are also more active in seeking out new cultural experiences and more likely to see culture as a high priority with 13% strongly agreeing with the statement 'the arts and culture are essential to my life'.

Who are the potential buyers?

Compared with buyers, potential buyers display the following characteristics:

— Potential buyers are significantly younger than buyers, and also younger than those not in the market: 59% are aged 44 or under, compared to 47% of buyers and 54% of those not in the market.
— They are less frequent attendees at cultural events than buyers and are also less likely to actively participate in cultural activities, and craft activities in particular.
— They appear to take a more cautious, passive approach to new experiences, and are more likely to be guided by the opinions of others' with only 18% strongly agreeing with the statement 'I am happy to do my own thing regardless of what others might think' compared to 26% of buyers.

In the survey of those in the craft market i.e. buyers and potential buyers, respondents were given a list of 29 words and asked to select the attributes that they would associate with each of four categories – craft, design, luxury brands and art.

— The results suggest that whilst the word 'craft' shares some perceived attributes with these related fields, it also has a distinctive set of associations of its own.
— The word 'craft' is most closely associated with terms suggesting authenticity and quality, particularly the words 'handmade', 'workmanship' and 'genuine'. It is also the word most likely to be seen as associated with the terms 'personal' and 'for everyone'.

5 Results taken from the detailed survey with craft market, 416 respondents.

1.6 Motivations, preferred sources of information and suppliers when considering a craft purchase

— Selected from a list, the reasons for buying or considering buying craft for half or more of the sample are that: 'Craft makes a unique gift' (58%); 'I admire the human skill involved / want to keep craft skills alive' (55%) and 'Beautiful objects appeal to me' (49%).

— The reasons chosen by over a third of the sample are: 'It means I own something that nobody else does' (41%);' I like to have beautiful objects in my home' (39%); and 'To support craft people/ makers' (35%).

— Currently, browsing in 'real life' at a shop, gallery, fair or exhibition is the most popular source of information for people interested in buying a craft object. Craft fairs, shops and markets were chosen as their preferred suppliers for craft. Online craft retailers and individual makers' websites are used or considered by a significant minority of the craft market, and their stated willingness to buy online indicates latent potential in this area.

1.7 Buying Craft

— Buyers are significantly more likely than potential buyers to be motivated by the ideas and stories behind a piece or its perceived beauty, as indicated by their agreement with the following statements:

'I am drawn in by the story behind the object or ideas it represents': 24% for buyers versus 10% of potential buyers.

'Beautiful objects appeal to me': 53% of buyers versus 42% of potential buyers.

— The majority of buyers (63%) agree that they are willing to take risks on craft purchases without the endorsement of others and without necessarily knowing about a maker's work in advance.

— Going to a fair, exhibition or event is the most significant trigger (35%) for a buyer making their first craft purchase, followed by having an occasion to buy a unique gift (29%).

— In terms of the information sources they use when considering or researching a craft purchase, buyers are more likely to use a visit to open studios (29% compared to 21% of potential buyers); and are less likely to consider using online information sources: 27% would 'look on websites that sell or show craft', compared to 41% of potential buyers.

— Most craft purchases are incidental and unplanned. When asked about the last piece of craft they bought, the majority of buyers agree with the statement: '[It was] just something that I came across in passing that caught my eye when I was out and about'.

— The vast majority of those who have bought craft in the past two years have bought five objects or fewer in this period. Most purchases are reportedly under £50, and half of the buyers state that they have never paid more than £100 for craft.

1.8 Potential buyers' views on buying craft

- Potential buyers are likely to associate a craft purchase with uniqueness and potential future value, but are less likely to agree with statements that resonate with buyers such as 'I am fascinated by the creative process/materials', 'I am drawn in by the story behind the object or the ideas it represents' or 'Beautiful objects appeal to me'.
- Attitudinally, potential buyers tend to be relatively more risk-averse when considering a craft purchase, and this appears to be consistent with their cautious attitude towards new experiences.
- Compared to buyers, potential buyers are more likely to claim that they would look online to find information about craft.
- Whilst perceptions of expense (29%) and prioritisation of other areas of spending (23%) are frequently selected as obstacles to purchasing craft, 21% of potential buyers say one of the main reasons they have never purchased craft is because they have 'just never seen a piece of craft they like enough'.

1.9 Consumer trends relevant to the craft market

- Whilst consumer trends commentators may not agree on exactly how the current economic circumstances will affect the amount that consumers are spending in the short and long term, sources reviewed for this study seem to be in broad consensus that recent events have had a profound effect on how and why people spend.
- This research shows that 'discretionary' spend on objects has not fallen uniformly across the craft market: a small proportion of buyers have actually increased their spend now compared to five years ago. Overall, craft spending appears to be holding up better than spending on related categories – design, art and luxury goods.

Analysis of our survey data compared with a review of the consumer trends literature, suggests that the following identified key trends are influencing or likely to have an effect on the evolution of the craft market:

- Increasingly niche, personalised identities: Craft is seen as being more 'personal' than design, art and luxury goods, so may be benefiting from this trend.
- Authenticity: Craft is perceived as being more 'genuine' than other related categories, so is well placed to benefit from increased consumer concern for authentic objects. The results show that 68% of those in the craft market agree with the statement that 'if an object looks handmade, it's important to me that it really is made by hand'.
- Ethical plus desirable: For some people in the market for buying craft, craft is seen as a desirable embodiment of ethical values.
- Valuing acquisition of skills: Our survey shows a strong correlation between those who participate in craft activities themselves and those who buy craft.
- New ways to signal connoisseurship – luxury shame and status stories: Those in the craft market are disengaging with traditional luxury goods and looking for other ways to signal their connoisseurship. 68% agree with the statement that 'they are less likely to buy luxury brands now compared to five years ago', where only 43% claimed they were now 'less likely to buy craft'.

1.10 Implications for the future of the crafts market

Looking at the results of the research in relation to wider identified trends, there appear to be several areas of market opportunity for craft over the next five years:

- **Potential for further market growth:** The research exhibits a strong correlation between wider consumer trends and craft values.
- **Scope to encourage more sales from buyers:** Active buyers in particular are increasingly developing an interest in rare, hard-to-find possessions which serve as talking-points and which demonstrate the buyer's connoisseurship. They are also more inclined than potential buyers to understand buying craft is a way to 'admire the human skill involved/keep craft skills alive', 'support new talent', 'reflect my identity' and to see buying craft as 'an extension of my own creativity'. There also appears to be an opportunity to develop or encourage buyers' use of the web for browsing.
- **Scope to convert potential buyers to buyers:** The research highlights a number of areas where potential buyers could be encouraged to enter the market. For example addressing their need for endorsement and recommendation to support risk taking, particularly online; providing opportunities for them to make the positive associations with craft that motivate the buyers, especially in terms of seeing a wide range of craft in their everyday lives, encouraging them to visit the places where (affordable) craft is sold and taking part in craft activities.
- **Increasing interest in the stories and personal connections behind objects:** At a time when everything is available everywhere, objects with a genuine local connection seem well placed to continue their growth in popularity. The craft object, rich in stories, associations and provenance, fits this trend, with potential to be exploited by makers and retailers alike.
- **Commissioning craft – especially lower value:** Growing interest in customisation, niche interests and personalisation suggests there are opportunities for makers and suppliers to introduce relatively new buyers to commissioning craft.
- **Learning about craft by doing craft:** This trend can already be seen in the marketplace, with the popularity of craft activities at festivals, workshops and make-your-own kits developed by makers[6] and an integrated 'make and buy' offer.

- **Sourcing craft through recommendations and networks:** Although online resources are not currently the key way to find out about craft, buyers' and potential buyers' willingness to source purchases via the web suggests latent potential for online retailing. These sources look set to grow in significance, as does the power of peer recommendation and reviews.

A key finding from this research is that at 26.5m (or 63% of the adult population), the potential market for contemporary craft is larger than indicated by previous studies.

However, the report's greater value perhaps lies in the associations it makes between identified consumer trends, and those values which consumers associate with craft, as distinct from art, design and luxury goods. It is our hope that craft retailers, organisations, galleries and individual makers will find this analysis useful, and that contemporary craft retailing and sales continue to grow in response to clear market demand.

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6 See Yair K and Schwarz M: Making Value: Craft & the Economic and Social Contribution of Makers. London: Crafts Council.

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