



Contemporary Craft Sector Profile and Analysis

This briefing note distils information from several sources, to summarise the craft sector's current economic impact and business profile. Key documents are:

- Making Value: Craft & the economic and social value of making (2010)
<http://www.craftscouncil.org.uk/professional-development/research-and-information/our-research/>
- Consuming Craft: the contemporary craft market in a changing economy (2010)
<http://www.craftscouncil.org.uk/professional-development/research-and-information/our-research/>
- Crafting Futures: a study of the early careers of crafts graduates from UK higher education institutions (2010)
<http://www.craftscouncil.org.uk/professional-development/research-and-information/our-research/>
- The Craft Blueprint: Creative & Cultural Skills and The Crafts Council (2009)
http://www.craftscouncil.org.uk/files/download/556f26b3db8f802c-craft_blueprint.pdf
- Craft Impact and Footprint 2008/2009: Creative & Cultural Skills (2009)
<http://www.ccskills.org.uk/LinkClick.aspx?fileticket=ur8RE0DHZ8E=&tabid=600>
- Crafts Council Strategy and Plans (2008)
http://www.craftscouncil.org.uk/files/about-us/strategy_and_plans.pdf
- Making It in the 21st Century: Crafts Council (2004)
http://www.craftscouncil.org.uk/files/learning-and-support/socio_main_report.pdf
- Making it to Market: Arts Council England (2006)
<http://www.takingpartinthearts.com/content.php?content=1204>

See footnotes for full references.

Direct Economic Impact

The whole craft sector (contemporary, traditional and heritage crafts, as defined by Creative & Cultural Skills):

- Employs 88,250 peopleⁱ in the UK.
- Makes a £3bnⁱⁱ annual contribution to the UK economy, higher than that of the visual arts, cultural heritage or literature sectors.
- Represents 13% of all those employed in the UK's creative industries.ⁱⁱⁱ
- Contributes 12% of the creative industries sector's GVA^{iv} (in comparison with music at 17% and design at 24%^v).
- Demonstrates higher employment growth rates than any other creative industries sub-sector (11% between 1997 and 2006^{vi}).

The contemporary craft sector (as defined by the Crafts Council).^{vii}

- Employs just under half the craft sector: 34,744^{viii} contemporary makers work in England, Scotland, Wales and Northern Ireland.^{ix}
- Produces a turnover in excess of £1bn per annum.^x
- Doubled in size, in terms of value of sales, between 1994 and 2004.^{xi}
- Serves a market of 16.9 million people in England, and a further potential market of 9.6 million people in England^{xii}.

Actual economic impact is likely to be significantly larger than indicated above, as available statistics exclude:

- Crucial elements of the craft sector production cycle (e.g. trade, retail, education).
- Additional, direct ways in which craft professionals contribute to the wider creative and cultural industry sectors including architecture and interior design, retail and advertising, film and television, performing and visual arts, cultural heritage and fashion; as well as to manufacturing, leisure, events and tourism. Makers working in these sectors have, for example, produced new, patentable materials innovations and manufacturing processes, enhanced visitor experiences in tourism destinations, created successful new product innovations with a strong person-centred orientation, and enhanced narrative and characterisation in film, television and digital environments^{xiii}.
- The intangible contribution made by contemporary craft as a 'core creative field' of the creative economy, i.e. as part of the current cultural milieu which inspires new thinking in other, more economically significant creative industries.
- Wider socio-economic impact: the social and / or community elements of many makers' work impacts widely on agendas including health and wellbeing, young people and older people, and place-shaping / regeneration / identity^{xiv}.

Business Profile

Strengths and Opportunities:

Portfolio working: Makers bring to their work a distinctive materials knowledge, the ability to innovate through materials and manufacturing processes, and an intimate understanding of how people relate to objects and material qualities. In addition, they often bring a supportive, empathetic approach which enables learning and development in others, whether working in community and education settings or with industry clients^{xv}. These distinctive capabilities – together with making, technical and creative skills – enable a portfolio career to be built around a core set of interests or competencies. 65% - 70% of makers work in this way, applying their making skills, materials knowledge and creativity to a wide range of making-related activities^{xvi}, and whilst this approach can create management challenges, for many makers the creative dynamic between different types of work is a key impetus to creative and business growth^{xvii}.

Impact in community settings: Makers bring materials knowledge, with making and facilitation skills, to enable people to experience for themselves the creative and social benefits from participation in craft. They work in community organisations, arts venues, environmental charities, youth groups, health projects and specialist centres, for example for children or for people with a disability.

Business growth through collaboration: 87%^{xviii} of all contemporary craft businesses work as sole traders^{xix}, often grouping and regrouping to meet the needs of different clients and to develop new work.^{xx} This highly flexible business model, combined with low levels of capital investment and low dependency on extended supply chains, provides some resilience to economic downturn. It also plays a crucial role in enabling innovation, by drawing together disparate yet complementary knowledge and skill sets and by extending core business and creative capabilities.

Innovation through making: The new ideas, processes and capacities for innovation developed through making constitute the contemporary maker's key business assets and intellectual property, fuelling the development of new products / objects, and of the business overall^{xxi}. Business survival and progression depends on these capabilities being continually reinvigorated throughout the maker's career, and applied creatively to the marketplace.

Increasing focus on fashion and textiles related disciplines: 34% of contemporary makers work in textiles, 30% in ceramics and 21% in jewellery. The focus of newer businesses (established since 2000) shows the prevalence of textiles and jewellery increasing, together with that of fashion accessories and millinery. At the same time, work in ceramics appears to be declining to some extent, with larger proportional decreases in engagement with wood, stone carving, toy and musical instrument making, lettering and mosaic^{xxii}.

Strong growth aspirations: 72% of contemporary craft makers report business growth aspirations, and 98% report aspirations to further their professional practice^{xxiii}. This sector characteristic reflects the multiple motivations characterizing creative business, which include personal achievement and often also political, social or cultural concerns, alongside financial survival and profit.

Strong market growth potential: Pre-recession research suggested a latent 63% growth potential within the UK market for contemporary craft^{xxiv}. Current economic conditions are producing both challenges and opportunities for makers: whilst some markets are slowing, consumers' reappraisal of how and what they value is maintaining and enhancing opportunities within some market niches. 2010 research indicated strong market potential for makers tapping into consumer trends around authenticity, experience and provenance^{xxv}. At the same time, new ways of making, communicating and selling digitally are creating new markets and new types of relationship between makers and consumers,^{xxvi} on a global scale.

Challenges:

Available working capital: Micro-enterprises do not easily attract private finance or benefit from economies of scale. The resulting lack of available working capital can limit business development, and the impact of this can be experienced by makers in terms of their ability to afford suitable workspace and CPD (continuing professional development)^{xxvii}. Typically, makers invest time - rather than money - in their businesses, working long hours^{xxviii} and on average spending 41 days each year^{xxix} on developing new work. This time investment impacts directly on business turnover, which for 46% of makers is under £10,000 per annum^{xxx}. Enabling makers to overcome barriers to development resulting from limited working capital is therefore a key challenge for sector support agencies.

Diversity: Demographic data indicates a marked lack of diversity in the contemporary craft sector, not only constituting a loss for individuals and the sector, but also inhibiting the innovation which is crucial to the sector's commercial and creative progression. To summarise the relevant data, contemporary makers are predominantly white (96%), over 40 years of age (73% of makers), female (65%, in comparison to 28%^{xxxi} of the UK professional population); and based in one of the three southern regions (56%). In addition, media and leisure habits indicate a predominantly middle class orientation^{xxxii}. Improving sector diversity is a key challenge for sector support agencies.

The productivity gap: Prior to the economic downturn, 56% of contemporary makers reported difficulties in selling their work and 83% reported that production capacity could be increased if demand was stronger^{xxxiii}. This disconnect between market growth potential and latent production capacity poses a challenge for sector development agencies, increasingly pertinent in the context of economic downturn and shifting consumer trends.

Infrastructure: Because of its relative size, breadth and fragmentation, the contemporary craft sector lacks many of the infrastructures which enable growth in other creative sectors. For example, whilst 70% of makers work from home and 24% experience isolation, only 26% engage with craft networks or organizations.^{xxxiv} In addition, the lack of retail and critical infrastructures (such as writing and curating) place a unique responsibility on makers to sell direct,^{xxxv} which in turn inhibits market engagement for the 45% of makers reporting a dislike of direct selling. Developing infrastructure, leadership and the evidence base to support this work, is an ongoing challenge for the sector.

Public sector support: Successful makers invest time in their own professional development, matched by interventions from public sector agencies and Higher Education Institutions which enable start-up and catalyse growth. For many, mentoring is crucial in unlocking creative and business potential, enabling the tensions between creative focus and opportunity to be resolved and a portfolio career with strong focus to be established^{xxxvi}. For others, brokering and knowledge transfer programmes forge new connections with industry partners which result in new products, services and innovations for both parties. Generic business training is increasingly common, yet rarely 'fits' with creative business models, growth patterns or motivations^{xxxvii}, or with specific craft sector characteristics such as direct selling, home working and limited available capital. Increasing dedicated opportunities for makers to develop their work- whilst working in partnership to increase the relevance of generic business support for creative businesses - remains a challenge for sector support agencies.

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- ⁱ Creative & Cultural Skills. (2008) 'Craft Impact and Footprint 2008/2009'
- ⁱⁱ *ibid*
- ⁱⁱⁱ *ibid*
- ^{iv} GVA is defined as the difference between the cost of producing goods or services (including materials and labour), and their sale value in the marketplace (www.statistics.gov.uk).
- ^v Creative & Cultural Skills. (2008) 'Craft Impact and Footprint 2008/2009'
- ^{vi} DCMS (2009) 'Creative Industries Economic Estimates Statistical Bulletin'
- ^{vii} McCauley A and Finnis I (2004) 'Making it in the 21st Century' London, Crafts Council
- ^{viii} *ibid*
- ^{ix} 32,000 contemporary craft makers work in England and Wales (Crafts Council 2004). An estimated 400 work in Northern Ireland (Craft Northern Ireland recognises 300 contemporary craft businesses, of whom 85.7% are sole traders and the remainder are assumed to employ 2.5 people each). A further estimated 2344 contemporary craft makers work in Scotland (Craft Scotland recognises 3000 contemporary and traditional craft businesses, of whom 77.5% are sole traders and the remainder are assumed to employ 2.5 people each. For the purposes of this report, 50% of these businesses are assumed to work in the contemporary crafts and 50% in the traditional crafts).
- ^x In England, contemporary craft makers generate an annual sector turnover of £883m (Crafts Council 2004). In Northern Ireland, contemporary makers turn over £8m (Craft Northern Ireland 2006); and in Scotland, contemporary and traditional makers turn over between £95m and £151m (Scottish Arts Council 2002).
- ^{xi} McCauley A and Finnis I (2004) 'Making it in the 21st Century' London, Crafts Council
- ^{xii} Morris Hargreaves McIntyre (2010) 'Consuming Craft: the contemporary craft market in a changing economy' London, Crafts Council
- ^{xiii} See Schwarz M and Yair K (2010) 'Making Value: craft & the economic and social contribution of makers' London, Crafts Council
- ^{xiv} For more detail, see Schwarz M and Yair K (2010) 'Making Value: craft & the economic and social contribution of makers' London, Crafts Council
- ^{xv} Schwarz M and Yair K (2010) 'Making Value: craft & the economic and social contribution of makers' London, Crafts Council
- ^{xvi} *ibid*
- ^{xvii} Press M and Cusworth A (1998) 'New Lives in the Making: the Value of Craft Education in the Information Age' Crafts Council / Sheffield Hallam University
- ^{xviii} DTI 2002, quoted in Crafts Council (2004): 'Making it in the 21st Century' London, Crafts Council
- ^{xix} in comparison to 64% of businesses across all sectors.
- ^{xx} Press M and Cusworth A (1998): 'New Lives in the Making: the Value of Craft Education in the Information Age' Crafts Council / Sheffield Hallam University
- ^{xxi} Creative & Cultural Skills / Crafts Council (2009) 'The Craft Blueprint: a Workforce Development Plan for Craft in the UK'
- ^{xxii} McCauley A and Finnis I (2004) 'Making it in the 21st Century' London, Crafts Council
- ^{xxiii} *ibid*
- ^{xxiv} *ibid*
- ^{xxv} See Morris Hargreaves McIntyre (2010) 'Consuming craft: the contemporary craft market in a changing economy' London, Crafts Council
- ^{xxvi} Creative & Cultural Skills / Crafts Council (2009) 'The Craft Blueprint: a Workforce Development Plan for Craft in the UK'
- ^{xxvii} McCauley A and Finnis I (2004) 'Making it in the 21st Century' London, Crafts Council
- ^{xxviii} *ibid*
- ^{xxix} Creative & Cultural Skills. (2008). 'Creative and Cultural Industries: Impact and Footprint 2008'
- ^{xxx} McCauley A and Finnis I (2004) 'Making it in the 21st Century' London, Crafts Council
- ^{xxxi} Office of National Statistics, 1999
- ^{xxxii} *ibid*
- ^{xxxiii} *ibid*
- ^{xxxiv} *ibid*
- ^{xxxv} Morris Hargreaves McIntyre (2006): 'Making it to Market' London, Arts Council England
- ^{xxxvi} Schwarz M and Yair K (2010) 'Making Value: craft & the economic and social contribution of makers' London, Crafts Council
- ^{xxxvii} Rigg H (2005) 'Makers in Focus' Arts Council England, West Midlands