

Case Study by Craft Enterprise Developer, Leonard Shapiro of CraftSouthAfrica.

July 2008

Development and Sustainability of a Crafts Businesses in the Northern Cape Province – Raaswater Paper Craft and Design

Introduction

This case study illustrates that with the correct and well managed product development intervention, business skills training and targeted marketing, crafters in rural areas (and indeed urban areas) can develop, sustain and grow a profitable business. The steps outlined below were taken to entrench and develop a crafts business in an isolated rural village called Raaswater, 16 kilometers from Upington in the Northern Cape, South Africa.

The main position of this article is that key interventions need to be sensitively, intelligently and timeously implemented within the emerging crafts business for it to develop successfully. These include assessing the skills and materials used by the crafter and where necessary, implementing market related design such that the craft products produced will find a better fit in the market. In addition, it is imperative to introduce training and knowledge transfer in the relevant business and administrative skills.

A further position of this study is that living in a rural area does not necessarily equate with a lack of opportunities for business and job creation around craft production. The challenges of developing a crafts business in a rural area are simply to address the physical distance from the markets and retail outlets and to establish an electronic communication link (fax and if possible, email) between the crafts business and the retailer. Admittedly, close geographical proximity to urban markets do initially offer obvious opportunities and advantages with regards to market penetration, but the crafts business with the right development mix will grow whether it is in an urban area or not. Masala's business is a case in point.

This study covers 29 months of intervention by a craft enterprise developer who was funded by government Poverty alleviation Funds channeled through the Department of Arts and Culture (DAC). The craft enterprise developer is Leonard Shapiro of CraftSouthAfrica.

Background on Themba Masala and Raaswater Paper Craft and Design. Developing Trust and a Co-operative, Facilitative Relationship

Themba Masala attended art classes at the Rossing Foundation in Luderitz, Namibia where he lived from 1987 to 1988. It was here that he learned silkscreen printing, drawing and the medium of paper mache. In 1990, he moved to the Northern Cape, to a suburb of Upington called Paballelo where he lived until 2000. In early 2000, Masala moved into a 7 meter by 4 meter corrugated and wood house in a village called Raaswater which lies 16 kilometers from Upington. Drawing on his skills learned at the Rossing Foundation, Masala began making of a range of brightly decorated paper mache crafts which include fish, mythical beasts and water birds.

The different techniques that he uses in the construction of his crafts are unique and have evolved in sophistication over time. He is particularly talented in decorative techniques using a fine brush and paint.

At this stage Masala was receiving no sustained business through tourist visitors, nor any orders from shops. He had no contact with South African markets, nor was he in a position to explore the market. He didn't have his own phone line at this stage and could only be reached telephonically via his neighbor.

In the first week of May 2002, Masala was visited by Shapiro who had relocated to the Northern Cape to begin a contract in developing craft enterprises in that region. Masala recognized the need for assistance.

At this stage the shelves in Masala's home were packed to capacity with approximately 60 of his crafts. The standard of Masala's work was assessed according to technical and aesthetic criteria and it was clear that it was unique and of a high standard and would find favorable response in the urban market.

Photographs of his work were taken and emailed to a prestigious gallery in Long Street, Cape Town called Peter Visser Gallery. This gallery had a decades long history of selling antiques, fine art and fine crafts and was very selective about what it sold. There was a status that became associated with having ones work in this gallery.

Peter Visser flew to Upington 8 days after receiving the emailed pictures, met Masala and purchased 35 out of his 60 crafts for cash. This was the first largest single purchase that Masala had ever received. Following this, the same marketing technique was employed to advertise Masala's crafts to various other crafts shops in Cape Town.

Publicity was also achieved through newspaper and magazine articles.

Naturally, production increased as a result of orders for his crafts and Masala's neighbour began assisting him in production. A fax machine was installed at this neighbours home in order to receive orders. Sales were brisk out of the Peter Visser Gallery and thereafter specific colour combinations were ordered. In addition, it was found that customers preferred these crafts in smaller sizes for ease of transport, packaging and display in their homes/offices. This important market feedback was conveyed to the group and implemented.

Continued Marketing and Expansion of Business

Examples of Masala's crafts were emailed to other selected shops and more orders ensued. Masala extended his dwelling in order for the team to work more comfortably. A further 2 people joined the group. At this stage a constitution was drawn up and a bank account opened in the name, "Raaswater Paper Craft and Design".

Production had now begun with different members of the business having different responsibilities in terms of production. There were divisions of labour according to different people's skills.

Product Development

Christmas decorations were included in the product range. Masala's products needed refinement on a technical and materials level to improve their structure and overall appearance. The collective effect of the structural adjustments was to positively affect the overall aesthetic of the product.

Human Resources and Design of Production Line

A production line emerges as a natural progression of human involvement in the production process. Input was given on identifying and selecting human resources on a skills basis. The 2 main skills required for producing these crafts were technical skills needed for the actual fashioning of the structure of the crafts and decorative skills for applying the surface decorations. Individuals were selected by being allowed to demonstrate both abilities. Some people were clearly better at decoration than constructing the craft and vice versa.

Business Skills Training – Role Play

It became clear at this stage that crucial business skills were needed to be put in place within the group for the efficient running of the business. More importantly, the conventional business practices of invoicing, confirming an order in writing, banking, costing etc, needed to be taught to Masala and the group in order that retailers experienced them as professional and easy to communicate with on a business level.

Role play was used as an educational tool to create possible scenarios that might emerge when dealing with customers. These included, inter alia, 1) introducing oneself over the telephone to a retailer for the first time and making a courtesy call, 2) negotiating with a tourist who came to visit the workshop, 3) seeking an appointment with a retailer, 4) securing an order by faxing an order for as per the convention, 5) securing a 50% deposit for a first time order, 6) explaining payment terms to a retailer, 7) taking a message telephonically with relevant details, and so on.

Each role play would be viewed by the entire group and evaluated afterwards in terms of "what worked well" and "what could be improved upon next time".

Connecting Crafts Business to Meaningful Retailers. Facilitating the Crafter/Retail relationship. Self-Sustainability is the Goal

Initially some retailers expressed frustration at having to phone Masala's neighbour and wait for him to be called, which could take up to 4 minutes. If he was not available, it was difficult to leave a message. After the circumstances in the lives of most of the inhabitants of Raaswater were explained to the retailers, they generally accepted that this was the only way for them to do business and as his crafts were sought after by them, they were prepared to be accommodating.

In March 2003 Masala moved into a larger house with a friend who had become his life and business partner. A phone line was already installed and the fax machine was transferred to this new business location. Two months after moving to this location, 9 people in total were working on filling orders. By 2007 the group had expanded to 20 people.

Quality Control and Large Orders

It was found that when an order came in for a quantity larger than normally would be manufactured in a given period, the quality would often be negatively affected. The solution was to advise the retailer of the amount that could be supplied per given period and request that the balance be supplied at a later date. It was explained to the retailer that the group did not want to, “rush the job” and that they wanted to, “maintain quality”. All of the retailers accepted this explanation and still kept the order they had placed.

Dedicated Marketing Agency Increases Orders Dramatically

Twenty months into the existence of Raaswater Paper Craft and Design, orders were coming in on a regular and manageable basis. The majority of orders derive from South Africa. Two shops in France selling South African crafts are supplied, one shop in Switzerland and one in Germany.

With the introduction of a single specialist marketing agency to Raaswater Paper Craft and Design in February 2004, orders increased dramatically within 2 weeks. The volume of orders from this marketing agency grew steadily throughout 2004 as they increased their marketing efforts and accessed different markets.