

# Creating a Niche for your Craft Business Online

## Module 1: Why E-commerce Is Important

Say	Do
<p>We're glad you're here today and hope you're here because you are interested in making your craft business better—online! The goal of this workshop is to connect you to consumers more effectively and efficiently and therefore increase your chances of business success.</p> <p>The workshop was developed through a grant from the Southern Rural Development Center, National E-Commerce Extension Initiative. We hope you will learn a lot and hope you will let us know whether this program has helped you learn more about e-commerce for crafts.</p> <p>Let's talk first about you as an artisan, and then the artisan community as a whole, to gain a better understanding of why your profession is important to the economy. Then we'll talk about how ecommerce might be helpful to you in growing and strengthening your business.</p> <p>First, let's define <i>craft</i>. What type of craft do you make?</p> <p>I'd like you to think about this statement:</p> <p><i>“Creativity is the single most sought-after attribute in the business world today—not surprisingly, since it is unquestionably the driving force behind today’s global economy.”</i></p> <p>–Harvey Seifter, Director, Creativity Connection, Arts &amp; Business Council</p>	<p>Slide 1: Artisan E-commerce graphic with title of course</p> <p>Slide 2: Why is e-commerce important to an artisan?</p> <p>Slide 3: What is craft?            Slide 4: Craft Media Marketed Online            Slide 5: Art Glass            Slide 6: Wood and Fiber Craft            Slide 7: Tamarack Center Crafts</p> <p>Slide 8: Creativity - what does it have to do with business?</p>

Say	Do
<p>How do you apply your creativity to your business other than through what you make and how you create your product?</p> <p>Let's work in groups of three or four to learn how creativity can be applied to business management. Count off 1, 2, 3, and so forth. Introduce yourself to the other people in the group. Tell them the name of your business, how long you've been in business, and what your product is. Then share ideas on how you can be creative in managing of your business.</p> <p>You're in business, so what difference does having a Web site make for the business's success or survival?</p> <p>E-commerce is about creating awareness of your craft business, making money, and saving money—all through the Internet. You can be located anywhere in the world (direct participants to Web site on slide 8) and your Web page can be seen from anywhere in the world. Although we do not know the exact number of artisans with Web sites, we do know that fewer than 60 percent of all small businesses have a Web page.</p>	<p>Slide 9: Discussion Group Questions.</p> <p>Choose from these other questions to stimulate discussion (may be determined by the experience level of the participants).</p> <p>Ask the audience any one of the following questions:</p> <ul style="list-style-type: none"> <li>• “What is the most challenging part of being an artisan business?”</li> <li>• “What is your biggest challenge in doing business through ecommerce?”</li> </ul> <p>If the participants are not currently in business, ask</p> <ul style="list-style-type: none"> <li>• “What kind craft business do you expect to develop and why?”</li> </ul> <p>Slide 10: Impact of E-Commerce on Craft Businesses</p> <p>Slide 11: <a href="http://artofohio.com">http://artofohio.com</a></p>

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<p>We do know that artisan business owners tend to prefer a quality-of-life setting in which they can create their craft and appreciate the beauty and experience of the process. That tends to be in more rural locations. Often, these locations are a barrier to the visibility of the business and products that make sales and create profits. It is important to have an understanding of where your business is in relation to your current and potential customers.</p> <p>You're probably wondering how the Internet can be an advantage for you and your craft business. Look at the map you just used.</p> <p>Consider how your current customers find you. And then think about what draws customers to your retail location. Does tourism near your business or where you display your crafts draw enough consumers to your area? Is your business strong, is it profitable and able to withstand slow sales periods?</p> <p>Let's go to the Internet and search for your business, or for another artisan business if you don't yet have a Web page.</p> <p>Use a key word search. Did your business come up on the first page? Where did it appear? The Internet can help your business become more visible using recommended practices, your business may come up first in search engine results, or at least be near the top.</p> <p>A presence on the Web gets your most successful products out of the store, off your shelf, and into cyberspace, where they can be seen by the world. Your most prized creations can't be seen, appreciated, or sold to customers who do not or cannot come to your store, a craft fair, or a gallery where your craft is displayed. Craft retailers are increasingly using Web sites to sell their products.</p>	<p>Slide 12: Activity</p> <p>Distribute a map of the state where the workshop is being held with counties outlined. Then place a map of the U.S., or world if possible, on a board. Have everyone in the group mark on the map the location from which they sell their craft and where they have customers. This gives the owner a perspective on where potential and existing customers are for their craft products.</p> <p>Have participants make lines connecting their business to current customer locations and where potential customers could be if they have an effective e-commerce Web site.</p> <p>Slide 13: Location, Location, Location</p> <p>Have everyone use an Internet-connected computer.</p> <p>Suggest they use Google Search to find businesses.</p> <p>Slide 14: <a href="http://www.google.com">www.google.com</a></p> <p>Slide 15: Craft Retailer with Web Sites</p>

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<p>It is also critical that you understand who shops online and why. <i>The Crafts Report</i> magazine is one of the few tools that track only artisans and their businesses. Less data is available on the artisan economy, primarily because of the range and types of products produced and sold. This segment of the business population tends to be absorbed into microbusiness and tourism demographics.</p> <p>Let's try to expand your understanding of the artisan culture. This information will help you understand your competitors and who might be excellent partners in building an e-commerce presence.</p> <p>Here are some craft-producer and retailer Web sites as examples of the type of Web sites that can be used for an artisan's business.</p>	<p>Slide 16: Craft Producers (Artisans) Using E-Commerce in Business</p> <p>Slide 17: Just the Facts, Please</p> <p>Slide 18: Internet Usage by Age Group: Who Are Your Customers?</p> <p>Slide 19: Online Activity</p> <p>Slide 20: Knowing Your Customers</p> <p><u>Activity</u> - visit artisan Web Sites</p> <p>Slide 21: Why Would the Following Web Sites Want an Online Business?</p> <p><a href="http://www.purcifuls-toys.com">www.purcifuls-toys.com</a> What do you think? Is this a handcraft site?</p> <p><a href="http://www.awildsoapbar.com">www.awildsoapbar.com</a> Do these links make sense to the viewer?</p> <p><a href="http://www.santafeweavinggallery.com">www.santafeweavinggallery.com</a> Does this make you want to buy their product?</p> <p><a href="http://www.oiseauxisters.com">www.oiseauxisters.com</a> What does this site tell you? What do they offer?</p>

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<p>We have looked at many artisan producer and retailer Web Sites. Thinking about what you know and what you want in an e-commerce site, what are your priorities for your own site (whether you already have one or are planning one).</p> <p>After learning about retail craft sites and Internet artisan sites, let's summarize the similarities and differences. Let's compare what you do now to market your business to what could be done on the Internet. It would be helpful if you had a business cards to look at. Place them on the table so others can see the information on the card. Now let's look at the sites.</p>	<p>Slide 22: What do you want from an e-commerce Web site?</p> <p>Show slides 23 through 27: Discuss the similarities and differences and have participants add to the list on the slides on paper/newsprint, or other writing materials.</p> <p>Below are some ideas:</p> <p>In store: On business cards and brochures, give name of business, logo, type of business, contact information to stimulate inquiries and potentially sales.</p> <p>Online: Brochures are like a business card placed on the Web for information and to stimulate contacts from potential customers. Even though no sales transaction takes place, it is a form of e-commerce.</p> <p>In store: Sales take place at a counter, with cash register, bags, receipts.</p> <p>Online: In addition to the type of information in a brochure, transaction sites actually allow the customer to browse the information and product selection, and then "check out" through a shopping cart, using special software services such as PayPal and Verisign.</p>

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<p>If you're feeling overwhelmed and wondering where to begin, you might want to take a look at helpful resources on the Web and in print. There are specific associations for artisans, cooperatives, guilds, specialized businesses, and state tourism and art and craft commissions and departments in some states.</p> <p>Also consider some non-U.S. organizations, such as Canada's Arts Alliance.</p> <p>You'll be learning about other resources in the remaining workshops.</p> <p>Summary: The artisan contribution to the American economy is more than \$14 billion. There are many online opportunities to promote and sell your craft. Know your products, customers, and competition before developing a Web site. There are many resources to help you plan to save and make money online.</p>	<p><b>Marketing techniques</b></p> <p>In store: Examples include yellow pages, topical index, store signage, newspaper ads, publicity, referrals.</p> <p>Online: Examples include search engines, keywords, paid placement, banner ads, links.</p> <p>In store: This includes newsletters, mailing lists, subscriptions, freebies, drawings, events, shows.</p> <p>Online: Examples are newsletters, listservs, subscriptions, freebies, drawings, events, shows.</p> <p><b>Location</b></p> <p>In home or studio: gallery, museum, exhibition, consignment.</p> <p>Retail location: stand-alone retail store, enclosed mall, strip mall, museum, Consignment.</p> <p>Online: Web mall, affiliates (consignment), special events, announcements, exhibits.</p> <p>Slide 28: Resources for Artisans</p> <p>Slide 29: Learn from Multiple Resources</p> <p>Slide 30: Summary</p>