

# CRAFT DESIGN EFFORTS TO PROMOTE CULTURAL AND CREATIVE INDUSTRIES IN TAIWAN

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## ABSTRACT

The craft spirit in Taiwan passes down a hand-on and dedicative attitude about life, and it represents the valuable assets of Taiwanese culture. Therefore, the National Taiwan Craft Research and Development Institute started to promote the selection of "Taiwan crafts workshops" since 2004. There have been 117 senior craftsmen who were granted the honor of "Taiwan crafts workshops" until April, 2010. In addition to passing down craft techniques, these honorees play an important role in craft industry innovation in communities. They not only bring communities a new industrial type but also pass down craft culture through various learning mechanisms as well as create opportunities for sustainable management. The research results of this study were as follows: (1) Local craft cultural organizations are usually small, but when urban economies are in a downturn, these organizations become places for the further learning of community residents and bring out the function of using human resources. (2) Craft teaching and experience activities provide the public opportunities for learning crafts and enable the craft workshops to link local resources through community services to be the foundation of craft education transmission and sustainable development. (3) The cultural policies promoting the policies of Taiwan crafts workshops are helpful for the development of the crafts in Taiwan, and they have indirectly improved the life of craftsmen and facilitated the development of the craft industry. (4) Under open international competition, the managers of local cultural organizations can continuously learn and innovate, and they can strengthen the matching platform for crafts and design. This is an important factor in sustainable management. (5) By telling their own stories, craftsmen create brand value, increase the visibility of craft products, and promote the heritage spirit of local culture.

## 1. INTRODUCTION

Nurtured by rich history and culture, Taiwanese crafts have formed a unique appearance as a quality base for the development of cultural and creative industries. According to the Creative Economy Report published by the United Nations Conference on Trade and Development (UNCTAD) in 2010, when the global financial and economic crisis exploded in 2008, the volume of international trade decreased 12%. However, the global export volume of creative products and service still continued to grow in the same year and reached US\$592 thousand million dollars. The annual average growth rate of the recent six years reached 14.4%. This indicates that creative industries provide a possibility for developing countries to develop diversified economic systems, and they will become the most energetic part of the global economy. The development of the craft industry is not only an economic issue but also an issue about sustainable local development, which is more important, so human-oriented spirit should be based when the uniqueness of Taiwanese crafts, the characteristics of regions and communities, and the originality of craftsmen are considered.

## 2. RESEARCH PURPOSES

There were two purposes in this study. One was to investigate if craft workshops' promotion of community education activities is helpful for unit profit and loss, and the other one was to analyze issues related to crafts and the re-marketing of craft workshops.

## 3. LITERATURE REVIEW

### 3.1 INTRODUCTION TO THE "TAIWAN CRAFTS WORKSHOP" PROJECT

The National Taiwan Craft Research and Development Institute holds the selection of "Taiwan crafts workshops" since 2004 in order to establish a mechanism for craft development and approve the outstanding performance of good craftsmen. In total, 136 craftsmen were selected in four selections until March, 2011. Aiming at the 136 craft workshops, the National Taiwan Craft Research and Development Institute carries out various hardware and software guidance measures, such as the projects of improving workshop space, increasing service the quality of service, shaping craft brands,

matching crafts and design, and nurturing crafts in order to omni-dimensionally enhance the visibility of the craft workshops.

### 3.2 NEW ECONOMIC VALUE OF CRAFTS

Chartrand (1988) addressed that the emerging post-modern economy, traditional arts, and the disadvantage of crafts formed powerful force which drives a new wave of demographic revolution, rapidly increases the education level of the population, and further provides women and senior population more opportunities for participation. Studying the sustainable craft development of FIFE, Scotland, Ferraro (2011) argued that small units of enterprises might not have any significant influence on the overall economy of Scotland. However, flexible and small-scale enterprises usually do not need a great amount of capital to contribute to incomes, provide a safe net (Shackleton, 2004), and support individuals, workshops, and community development at critical times (McAuley & Fillis, 2007). Through a more integrated method, creative communities provide creative industries more open regional economy and help solve strategic problems in health, welfare, environment, enterprises, economy, society, and culture (Andrew & Spoehr, 2011, p.374).

### 3.3 THINKING OF CRAFT EDUCATION

The perspective of sustainable economic development is more obvious in craft education. United Nations' Education for sustainable development (ESD) supports five fundamental learning types to provide better education and sustainable human development. The five learning types are respectively "learning to know," "learning to be," "learning to live together," "learning to do," and "learning to transform oneself and society" (UN ESD-UNESCO, 2010). The new economic value of crafts provides the thinking of sustainable development, and small-scale craft businesses provide women or seniors in communities an opportunity for having a job again. The business model of local craft manufacturing and sales decreases carbon footprints and creates a potentially good condition which sufficiently provides links with community networks and a basis for sustainable local development.

## 4. RESEARCH METHODOLOGY

In this study, questionnaire survey and structured interview were employed to investigate the current operation conditions of Taiwan Craft Workshops. The investigation was focused on various dimensions, including the output value of design, problems in craft design, the marketing of craft products, and profit and loss. As for the questionnaire survey, 117 copies of questionnaire were delivered by mail on August 11, 2009. After calling for the questionnaires by telephone calls, telephone interviews, and actual interviews, 110 valid copies of questionnaire were retrieved until October 15 while 7 copies of questionnaire were unanswered.

## 5. INVESTIGATION RESULT ANALYSIS

### 5.1 THE MORE FREQUENTLY THE CRAFT WORKSHOPS PROVIDE SERVICE AND TEACHING AT SCHOOLS AND COMMUNITIES, THE MORE PROFITS THEY CAN MAKE.

Table 1 shows that the craft workshops which did not provide teaching and service at schools or communities last year accounted for 37%, but 2.8% of the craft workshops provided more than 100 times of teaching and service. This indicates that most of the craft workshops were willing and had spare capability to craft industries and carry out teaching activities. Craft teaching activities become the best learning mechanism for the craft workshops to feedback to communities and link community resources.

Table 1 The number of times that the craft workshops provided teaching and service at schools and communities

The Number of Times	Workshops	%
0 time	40	37.0%
1~3 times	36	33.3%
4~6 times	10	9.3%
7~9 times	0	0.0%
10~29 times	9	8.3%
30~49 times	6	5.6%
50~99 times	4	3.7%
More than 100 times	3	2.8%
Valid Questionnaire	108	100.0%
Missing Value	2	

Remark: This question is a fill-in-the-blank question.

Source: Huang Shi-hui (2010); 2009 Planning and Closure Report of Craft Industry Resource Survey (Volume One)



Figure1. Community empowerment and development in tribe's cultural features



Figure2. "Tribes have classrooms" continues the conception of community empowerment to develop and pass down tribal culture through local culture and self-awareness

In Table 2, "service and teaching" was regarded as an independent variable, and "business profit" was regarded as a dependent variable for unit regression, and it was found that for the independent variable "service and teaching,"  $P=0.021$  ( $P<0.05$ ), indicating significant interpretation, and  $\beta=0.690111$ , so the independent variable and the dependent variable were significantly positively correlated ( $\beta>0$ ). In addition, 95% of confidence of Parameter  $\beta$  fell between 0.107803 and 1.272419, indicating that there was sufficient evidence in the regression analysis result to show that the more enthusiastically the craft workshops participate in service and teaching at schools or communities, the more profit they make.

Table 2 The more frequently providing teaching and service at schools or communities is, the more profit there is.

Profit and Loss	Parameter $\beta$	S.E.	t Statistic	P-value Sig.	95% Confidence Interval	
Service and Teaching	0.690111	0.293773	2.35	0.021	0.107803	1.272419



Figure3. Design of living products makes the public understand the aboriginal culture. "Aesthetic value" influences occurrence of "tribal lifestyle".

## 5.2 OPERATIONAL PROBLEMS

The major operational problem is rising material costs, and the second is narrowing marketing channels. Therefore, in addition to developing products at the downstream side, future policies should also stress counseling on material costs and market environment at the upstream side.

Table 3 shows the operational problems encountered by the crafts workshops. In Order 1, the major problem is rising material costs (20.4%), and the next is narrowing marketing channels (14.8%). In Order 2, rising material costs is the major problem (15.9%), and the next is still narrowing marketing channels (13.4%). In Order 3, the major problem is narrowing marketing channels (29.5%), and the next is rising material costs (11.5%).

After the data is treated with weighted mean method, it shows that rising material costs (18.0%) and narrowing marketing channels (16.0%) are the two major operational problems faced by the crafts workshops. Therefore, in addition to developing products at the downstream side, future policies should also stress counseling on material costs and market environment at the upstream side. The least likely operational problems are the lack of learning environment (0.5%) and the lack of own brands (1.5%).

Table 3 Operational Problems

Operational Problems	Order 1	%	Order 2	%	Order 3	%	Orders 1&2&3	Total Percentage
Difficult Access to Materials	12	11.1%	8	9.8%	0	0.0%	52	9.5%
Rising Material Costs	22	20.4%	13	15.9%	7	11.5%	99	18.0%
High Packaging Costs	3	2.8%	3	3.7%	2	3.3%	17	3.1%
Lack of Designing Ability	5	4.6%	2	2.4%	4	6.6%	23	4.2%
Lack of OEM	7	6.5%	6	7.3%	4	6.6%	37	6.7%

Technicians at the Downstream Side								
Lost Craft Skills	0	0.0%	6	7.3%	2	3.3%	14	2.6%
Lack of Learning Environment	0	0.0%	1	1.2%	1	1.6%	3	0.5%
Lack of the Ability in Internationalization	6	5.6%	7	8.5%	5	8.2%	37	6.7%
Lack of Own Brands	0	0.0%	3	3.7%	2	3.3%	8	1.5%
Lack of Operational Strategies	5	4.6%	7	8.5%	5	8.2%	34	6.2%
Bounded Awareness of the Market	3	2.8%	5	6.1%	3	4.9%	22	4.0%
Narrowing Marketing Channels	16	14.8%	11	13.4%	18	29.5 %	88	16.0%
Dumping of Cheap Products from China and Southeast Asia	12	11.1%	8	9.8%	6	9.8%	58	10.6%
Others	17	15.7%	2	2.4%	2	3.3%	57	10.4%
Valid Counts	108	100.0 %	82	100.0 %	61	100.0 %	549	100.0 %
Missing Data	2		28		49		111	

Remark 1: This is a multiple-answer item.

Remark 2: The summation and total percentage are treated with weighted method. The weight for Order 1 is three, the weight for Order 2 is two, and the weight for Order 3 is one.

Source: Huang Shi-hui (2010); 2009 Planning and Closure Report of Craft Industry Resource Survey (Volume One)



Figure4. Continuous learning and innovation is the key for sustainability of local cultures in an open and competitive international market.

### 5.3 CRAFT DESIGN AND SUSTAINABLE DEVELOPMENT

The questions related to craft design and marketing included craft material procurement and attempt, crafts workshops brand building, creative design,

and product marketing. According to the sequence, they were analyzed as follows:

### 5.3.1 BRAND BUILDING AND THE ORIGIN OF THE BRAND STORY

Brand building and the origin of the brand story the brand stories of the craft workshops displayed the local vitality of Taiwan. 60% of the craft workshops already built their own brands, and 69.1% of the brand stories of the craft workshops having their own brands came from the stories of the craftsmen. The top second was “others” which accounted for 23.5%, including local stories, children’s design, culture, tribal stories, teachers’ heritage, and local life experience.

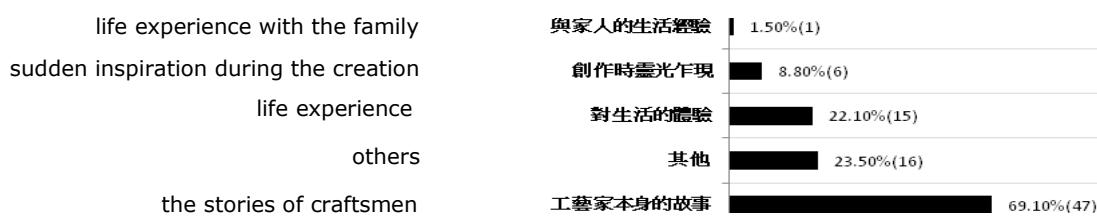


Figure5. The origins of the brand stories of the craft workshops

Remark: The missing value is 2.

### 5.3.2. PROBLEMS IN CREATIVE DESIGN – ENHANCING THE MATCHING PLATFORM OF CRAFTS AND DESIGN

The major problems that the craft workshops encountered in creative design were “not easy to protect intellectual property rights (33.3%)” in Sequence 1 and “excessive research and development cost (23.5%) and “not easy to cultivate talents (22.1%)” in Sequence 2. In Sequence 3, the greatest problem was “creative design takes too much time (29.2%)” followed by “not easy to protect intellectual property rights (16.7%)” and “not easy to link product manufacturing (16.7%).” After the weighted averages were calculated, the problems encountered in creative design were respectively “not easy to protect intellectual property rights (24.8%),” “excessive research and development cost (14.8%),” and “taking too much time (14.6%).”

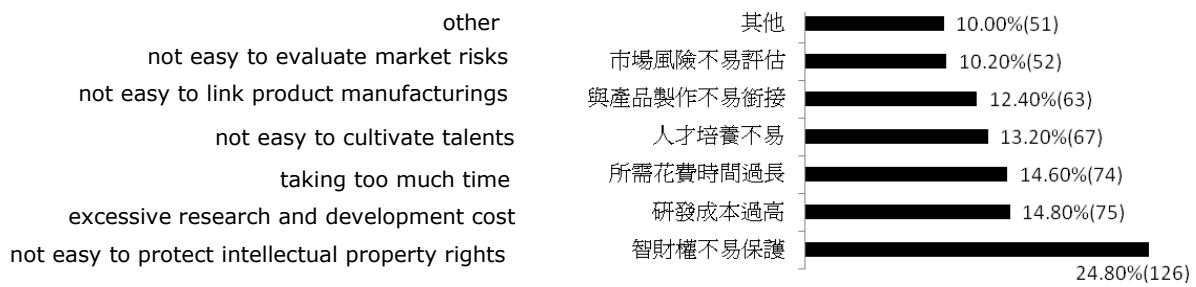


Figure 6 Problems in creative design



Figure 7. By telling their own stories, craft artists can create values for their own brands, increase product awareness, and pass on local cultures.



Figure 8. Creating a learning mechanism for community residents, the audience, and crafts workshops is helpful to the sustainability of local cultures.

### 5.3.3 HELP TO PRODUCT MARKETING AFTER BECOMING A CRAFTS WORKSHOPS – INCREASED PRODUCT PRICE AND PROFIT

This question was a multiple-choice question, and the method of “checking by the order” was employed. After the weighted averages were calculated, the help to product marketing after becoming a crafts workshops was sorted, respectively “enhanced visibility (28.2%),” “enhanced brand image (27.0%),” and “increased sales channels (8.7%).” Less helpful ones included respectively “increased average product price (2.1%),” “increased overall output value (3.3%),” “improved packaging (5.4%),” and “improved exhibition space (5.8%).”

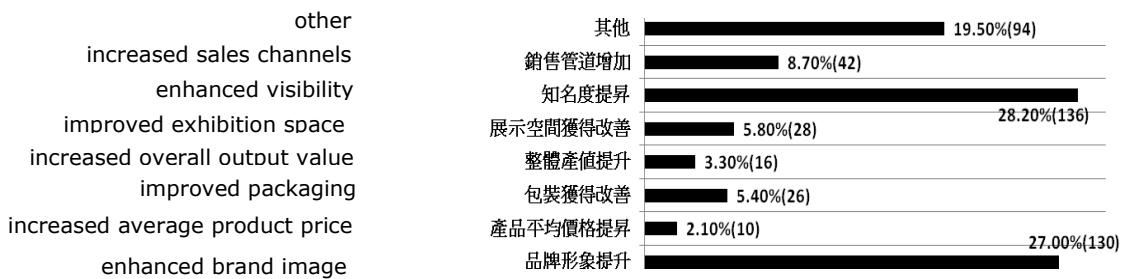


Figure 9. Help to product marketing after becoming a crafts workshops.

### 5.3.4 THE MAJOR DIFFICULTY IN MARKETING IS THE LACK OF APPROPRIATE CHANNELS.

The second major difficulty is limited display space, and the third is price dispersion. Table 4 shows the problems in marketing encountered by the crafts workshops. In Order 1, most crafts workshops believe the lack of appropriate channels is their major problem in marketing (33.6%). The second is rampant counterfeiting (10.9%). Product recognition is not regarded as a problem in marketing (1.8%). In Order 2, the major problem is limited display space (32.7%), and the second is price dispersion (23.6%). In Order 3, price dispersion is ranked number one as the major problem (25.0%). After the data is treated with weighted mean method, it shows that the major difficulties in marketing are the lack of appropriate channels (28.6%), limited display space (16.0%), and price dispersion (14.3%). Less than 10% of the crafts workshops think they have no problems in marketing.

Table 4 Problems in Marketing

Problems in Marketing	Order 1	%	Order 2	%	Order 3	%	Orders 1&2&3	Total Percentage
Difficulty in Building Brands	8	7.3 %	6	10.9 %	5	13.9 %	41	8.6%
Low Product Recognition	2	1.8 %	1	1.8 %	4	11.1 %	12	2.5%
Rampant Counterfeiting	12	10.9%	3	5.5 %	4	11.1 %	46	9.7%
Lack of Appropriate Channels	37	33.6%	10	18.2 %	5	13.9 %	136	28.6%
Price Dispersion	11	10.0%	13	23.6 %	9	25.0 %	68	14.3%
Limited Display Space	11	10.0%	18	32.7 %	7	19.4 %	76	16.0%
Short of Product	4	3.6 %	0	0.0 %	2	5.6 %	14	2.9%

Supplies								
Others	11	10.0%	4	7.3%	0	0.0%	41	8.6%
No Problems	14	12.7%	0	0.0%	0	0.0%	42	8.8%
Valid Counts	110	100.0%	55	100.0%	36	100.0%	476	100.0%
Missing Data	0		55		74		184	

Note 1: This is a multiple-answer item.

Note 2: The summation and total percentage are treated with weighted method. The weight for Order 1 is three, the weight for Order 2 is two, and the weight for Order 3 is one. Source: Huang Shi-hui (2010); 2009 Planning and Closure Report of Craft Industry Resource Survey (Volume One)

## 6. CONCLUSION AND SUGGESTIONS

The following results were obtained in this study:

- (1) The local cultural organizations of crafts are usually small, but when urban economies are in a downturn, the local organizations provide community residents a place for re-learning and bring into full play the function of human resources application.
- (2) Craft teaching and experience activities provide the public an opportunity for learning crafts and enable the craft workshops to link local resources through community service to be the foundation of sustainable development and the transmission of craft education.
- (3) The Taiwanese cultural policies promoting the policies of Taiwan crafts workshops are helpful for the development of the crafts in Taiwan, and they have indirectly improved the life of craftsmen and facilitated the development of the craft industry.
- (4) Under open international competition, the managers of local cultural organizations can continuously learn and innovate, and they can strengthen the matching platform for crafts and design. This is an important factor in sustainable management.
- (5) By telling their own stories, craftsmen create brand value, increase the visibility of craft products, and promote the heritage spirit of local culture.

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