



ASSEMBLE 2010: AUDIO TRANSCRIPTS

Session: Consumer Trends

Speaker: Gerri Morris, Owner/Director, Morris Hargreaves McIntyre

Chair: Emily Campbell, Director of Design, RSA

EMILY CAMPBELL: Thanks Arantza [Vilas]. Your timing was exemplary. And that final point about the sociability of craft is I think a very interesting one, its potential to nurture relationships. That was a reassuring list of values, but I have to say, the world doesn't often feel like that. I'm not sure how much we value longevity and transparency and quality and the hand sublime. We're going to hear a bit more about the consumer market for craft now from Gerri Morris, from the consultancy Morris Hargreaves McIntyre, who have recently completed some research for the Crafts Council, a report called 'Consuming Craft', about the size of the market for contemporary crafts. Gerri.

GERRI MORRIS: [... *Consuming Craft: the contemporary craft market in a changing economy* (Crafts Council, 2010)] is a piece of work that we've just recently completed for the Crafts Council, which was revisiting research that we did for the Arts Council and the Crafts Council in 2006. It was a piece of research commissioned to look at whether the credit crunch and other consumer trends were impacting on the craft market, and what we found is - and we were very surprised at what came out of this research - that there are an awful lot of people who are interested in buying craft, and a great deal more than we found in a previous piece of research in 2006 [*Making it to Market*, Arts Council England (2006)]. There's all sorts of reasons to account for that increase, and change[s] in [the] methodology, is one of them. But nevertheless when you take that into account, you see some actual trends that point to an increase in the size of the craft market, and it does go back to the trends that Arantza [Vilas] and Martin [Raymond] have already talked about. Also what we

found is that there is a stronger and more positive image for craft now than when we looked at the image of the craft market in 2006.

So, the size of the market for craft is an astonishing 26.5 million adults in England, which is sixty-three per cent of the population. That comprises 16.9 million people who say they have ever bought a piece of craft, and I'll go into the way in which we defined craft in a minute, and a further 9.6 per cent of people who said they hadn't actually bought any yet but they were open to buying some.

And, I think it's obvious when you look back at [...] micro trends, such as the phenomena of Christmas markets in most town centres now, and a youthful renaissance in making gifts and art and craft activities, and exchange and making of gifts amongst friendship groups of teenagers. I think that this definition of craft as it was received and perceived by respondents to the survey was a very wide definition of crafts. So we'll go into what we mean by craft and the numbers of people who are buying it in more detail.

This is a picture of what some of the people who answered the survey mean by cutting-edge craft, and, obviously, it's not always the sort of work that the Crafts Council particularly promote and are trying to encourage sales of. So we have to be very clear that when we were asking whether people had bought a piece of original handmade craft, what we were saying was, any object that had been made by hand by a craft maker, that might include ceramics, wood, glass, metalwork, furniture and jewellery, and then we took people up in terms of whether it was by a living maker, and whether it was cutting-edge in design.

What we are aware of is that there are trends that have already been referred to that are actually pushing this market along. There's a trend related to Brand Me, which is reflected through the huge explosion in people dressing in vintage, people fed up with always wearing the same labels as everybody else, buying from the same shops as everybody else, identical, chain store products, and people are looking to identify themselves in a very personal way through what they're purchasing. Also, we've also already heard about authenticity, 'authenti-seeking', people wanting to buy authentically produced objects and possessions, where they know the provenance, they know the origin, they

know the maker, they know story behind it. Also, ethical plus desirable, people buying craft that, where they know and can trust where it's come from, work that is embodying ethical values. And also the value in just acquiring craft skills, the whole renaissance of knitting is an example of this, people wanting to learn to do it themselves, and that's sitting alongside the huge explosion in allotments and whatever else. And also, people are looking for new ways to signal connoisseurship, to acquire knowledge, acquire insight into how things are produced, and be able to talk about it, and acquire possessions that reflect that new knowledge and that expertise, and acquire possessions that have stories behind them, that then feed into a sort of whole load of anecdotes that people can tell on a regular basis.

What the trends seem to show and what the figures seem to show is that, whilst we know that, say, for example, people who attend COLLECT might make up a very tiny proportion of this growing craft market, the credit crunch doesn't seem to have wiped them out completely. What we found in the research is that discretionary spend hasn't dropped across the board, and that whilst people may say that they're less likely to spend on luxury goods, the figure is far lower for people who say they're less likely to spend on craft. So, while forty-three per cent of people say they're less likely to spend on craft, sixty-five per cent of people say they're less likely to spend on luxury goods. So, the trends are not parallel across the board.

If we start looking at what this market size comprises, we've got a very small proportion of people, only ten per cent, who actually reject the idea of buying craft by a living maker or craft that is cutting-edge in style. So these are the ten per cent of people who would buy craft by a living maker, but wouldn't buy craft that is cutting-edge, or wouldn't buy craft by a living maker. And then the rest of the market is made up of people who either are buying at the moment or would buy but haven't. So we've got about 8.7 million people who say they will buy cutting-edge work but haven't done so yet; then there are 16.9 million people who have already bought craft, and that constitutes forty per cent of the population. 1.75 million say they would buy cutting-edge work, and 7.4 million people say they would sometimes buy cutting-edge work. So this is the active and committed market.

And that research is supported by the Taking Part research [conducted by Arts Council England], which is a wider cultural activity research. So we've checked and triangulated the figures, and they're not way out. And also, when you look at what people are spending on craft, of the people who say they've bought craft there are an enormous number of people who say they have bought craft and spent less than £50, that's sixty per cent of the market, have bought something and spent less than £50 on it. The proportion who spend, are willing to spend over £100 is around thirty per cent of the market. So that makes the market that the Crafts Council is interested [in] around about 7.5 million people. The value of craft for all of these buyers comes to around about £913 million, which compares to £880 million when we last looked at the value. So that increase in the number of buyers seems to be matched by an increase in the value of the market.

So we've got to look at what the profile of existing buyers is, and compare that with the profile of potential buyers. What we know from this is that, existing buyers are much more culturally switched on: they go to art galleries, they go to craft exhibitions, they go to classical music performances, they go to museums and galleries. They are active cultural consumers. Whereas potential buyers, people who say they would buy but haven't yet, are less so. Generally, existing buyers work in the creative and cultural professions, or education, and better qualified, liberal, caring professions, and existing buyers tend to be educated to degree level and beyond. And sure enough, they are middle-class, middle-aged women in the main, women who have got beyond that stage of worrying that buying something for themselves that is purely for aesthetic value has to be juggled against buying somebody a pair of trainers or paying for university fees. They tend to be empty-nesters, who can now indulge themselves without feeling guilty. And they're often engaged in a craft skill themselves, they have the language of connoisseurship, they know what they're talking about when they're talking to makers. Potential buyers are a lot younger, and so therefore there are competing priorities for their disposable income.

So the challenges to start helping potential buyers start recognising the benefits of purchasing and owning craft, and perceptions are sort of working in favour of the craft sector [...]

We asked what words people associated with craft design, luxury brands and art. And previously when we've done this exercise craft always came out looking a bit amateurish, a bit homespun, a bit sort of low cost, low value, against design and luxury goods. But I think these changing values have actually started making craft come up in terms of the way people value craft and perceive it. So now the dominant values are: personalised, handmade, genuine, decorative, and workmanship, and leaves [craft] in a positive light when compared to design and luxury goods, which are perceived to be expensive and about status. With design, it's associated with being cutting-edge and contemporary, as well as to do with function.

It's apparent from this exercise that craft is benefiting from this turning away from conspicuous consumption, and it's clear that luxury brands are having to appropriate the values of craft in order to reposition themselves in a more favourable light. So they're sort of hijacking the image of craft.

We looked at what makes people buy craft for the first time, and ask 'what is the stimulus for a purchase', in order to see how the market can make the most of the potential. And going to an event, a craft event, is one of the main drivers for a purchase; wanting to look for a unique gift is a main driver; reaching the stage where you have enough disposable income is a big driver; and having a home where you feel able to express yourself is a strong driver, as well as knowing people who make the craftwork. So we have to recognise that so many purchases of craft are spontaneous affairs, people come across things whilst on holiday, or whilst looking for special gifts, they end up buying one for themselves very often.

And what came out of the research is that, potential buyers expect to use online resources much more than existing buyers, and that's probably because they haven't started looking yet, and haven't realised how difficult it is buying craft online, which a lot of the existing buyers have already discovered for themselves, but also [they] still prefer seeing things for themselves.

The research also looked at reasons for not buying craft, [such as] 'Too expensive for me', 'just never seen anything I like', and 'other things are more important to me'. And we have to be aware that, especially in these times, there

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Consumer Trends: Gerri Morris, *Consuming Craft* (Crafts Council, 2010)

are trends that are working potentially against this market, and people, especially the potential buyers, are a lot more cautious and risk-averse than existing buyers. And so helping people overcome their caution and overcome those risks, or the perception of risk, is going to be important.

Also we have to recognise that these factors, the sort of values that people hold in these changing times, are going to be drivers for behaviour, but also potential obstacles. So, people saying, 'I only consume what I need' is obviously a trend that is a worrying one for producers of a lot of objects that are purely decorative, or non-essential items, but, 'I prefer to buy locally-produced objects' is a trend that might well stand you in good stead. And so there are mixed messages here, but generally the underlying trend is one of optimism for people who make craft. Thank you.

Our recent research reports, including 'Consuming Craft: the contemporary craft market in a changing economy' (Crafts Council, 2010), can be downloaded from our website:

www.craftscouncil.org.uk/professional-development/research-and-information/our-research.

For more information about Morris Hargreaves McIntyre, visit their website at www.lateralthinkers.com.



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