

## LEVERAGING THE INDIAN CONSUMER SENTIMENT TOWARDS SUSTAINABLE CONSUMPTION IN THE CONTEXT OF HANDLOOMS AND HANDICRAFTS

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### ABSTRACT

*This paper explores how the shift in consumer behaviour towards eco-friendly and sustainable consumption is creating a favourable market scenario for strengthening the languishing handloom and handicraft sectors in India. It highlights the consumer readiness towards accepting these products as a part of their lifestyle. However, the handloom and handicraft sectors also need to incorporate changes and adapt to the tastes and preferences of the consumers to become a viable self sustaining business and a continuous source of livelihood generation while preserving the heritage skills and ethos of the sectors.*

**KEYWORDS:** *Eco-Friendly, Green Economy, Conscious Consumption, MSMEs.*

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### Introduction

Sustainable Consumption and Production (SCP) as a formal concept came into existence at the World Summit on Sustainable Development held in Johannesburg in 2002. A unanimous need was felt by all countries for adopting fundamental changes in the way they produce and consume for reaching the goal of global sustainable development. The Oslo Symposium on Sustainable Consumption held in 1994 defined Sustainable Consumption and Production as “the use of services and related products which respond to basic needs and bring a better quality of life while minimising the use of natural resources, improving resource efficiency, increasing use of renewable energy resources, reducing release of toxic materials and emissions of waste and pollutants over the life cycle of the service or product so as not to jeopardise the needs of the future generations.” The importance of Sustainable Consumption and Production for sustainable development post-2015 was underlined at the United Nations Conference on Sustainable Development held in 2012, also known as Rio+20. The conference primarily focused on two themes: a) “green economy” for sustainable development and eradication of poverty and an international framework for sustainable development.

The three pillars of the concept of “green economy” which has become a global endeavour, comprises of economic growth, protection of environment and social inclusivity. Sustainable Consumption and Production comprises of holistic and systematic approach encompassing the entire supply chain from the origin of the product to its final consumption, beginning with the producer and ending with the final consumer. It also includes aspects of effective consumer awareness, sensitization and engagement leading to sustainable consumption and lifestyle choices made by the consumer.

The principle challenge underlying the implementation of sustainable consumption and production is to develop processes and business models that result in economic growth while not contributing to environmental degradation. It involves innovations at multiple levels and aspects, change in perspectives and a determination to implement the concept and rethink business models with sustainability as a core value rather than a cosmetic change. Sustainability has to become a mainstream ideal supported by the political, economic and social climate of the nation.

However, the rising consumer trend towards “conscious consumption” and the readiness of the consumers for making sustainable purchase decisions has created a market landscape in favour of eco-friendly products and services thus leading to economic opportunities for new business models, product and process innovations and improved efficiency gains.

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India has traditionally been a nation that has a culture of sustainable consumption, resource optimisation and self-sufficiency with co-dependency of nature and human life in a symbiotic ecosystem. Indian handloom and handicraft are representative of a heritage that has been inspired by nature and the environment, using materials available in the vicinity of the craftsmen who developed and perfected their skills to create objects that were in sync with the ecological system in which they lived. These age old handlooms and handicrafts were developed with sustainability as the core premise that resulted in a peaceful co-existence.

However, with increasing impact of industrialization the Indian handloom and handicraft sectors started losing ground and became unviable. The machine made products started replacing the handmade products and the craftsmen started losing their livelihood. The economic plight of the older generations, made the youth reconsider other sources of livelihood which were more lucrative. The overall impact of this phenomenon was that the crafts as well as the craftsmen started losing their significance and becoming obsolete.

The renewed global emphasis on sustainable production and consumption has again brought the handloom and handicraft sectors in focus and with a strong consumer sentiment towards eco-friendly consumption, fresh lease of life can be infused into the sectors.

#### **Objectives**

- To summarize the key measures undertaken for promoting sustainable production and consumption.
- To underline the importance of handlooms and handicrafts in the context of sustainable economic growth.
- To suggest measures to leverage the consumer trend towards sustainable consumption in favour of upscaling the economic potential of handloom and handicraft sectors.

#### **Research Methodology**

The study has been conducted through secondary desk research and utmost effort has been made to ensure authenticity. Analysis and compilation has been done on the basis of a systematic review of research papers and reports both from offline and online sources to provide a broad understanding of the importance of handloom and handicraft sectors in the current socio-economic context.

#### **Initiatives to Focus on Sustainability**

The global drive towards making sustainability the focal point of production, consumption and the way of living has resulted in multiple initiatives at an international level. The renewed global emphasis on restoring environmental ethics and peaceful co-existence with nature is at the core of all the policies and certifications. The buzzwords like "Eco-Efficiency", "Conscious Consumption", "Clean Production", "Fair Trade" etc. has led to the integration of sustainable measures into many government policies and procedures both at an international and national level. Some of them are discussed below:

- **Eco-labels and Green Stickers**

Ecolabel is an environmental performance certification and labelling that informs consumers that the labelled product is more environment friendly than other products in the category. This has manifold benefits. It creates awareness and enables the consumer to make more sustainable choices. It also encourages other market players to adopt sustainable practices and produce environment friendly products. It is a voluntary method and practiced world over. Green Sticker, on the other hand is mandatory in nature and a pre-requisite as per legal standards. The EcoLabel Index is the largest global directory of ecolabels, of which the most popular ones are Global Organic Textile Standard (GOTS), The Better Cotton Initiative (BCI), Organic Content Standard (OCS), Fair trade, Fair Trade Organisation Mark (FTO) and Forest Stewardship Council (FSC).

- **Reporting and Assessment of Sustainability Standards**

Sustainability reporting plays a crucial role in enabling organizations to adopt sustainable processes and perspectives by evaluating the impact of their business models on the environment. It is similar to other non-financial reporting like triple bottom line reporting, corporate social responsibility (CSR) reporting etc. and allows the organization to be more transparent and responsible. These types of corporate ownership of the goal of sustainability by the bigger market players, creates an ecosystem which motivates their supply chain partners like outsourcing partners, raw material suppliers, small and medium enterprises who are vendors of these corporate giants etc. to adopt sustainable practices in their business operations as well.

- The Government of India has developed a comprehensive framework of guidelines and regulations and initiated various several schemes to support MSMEs (Micro Small and Medium Enterprises) in its 12th Five Year Plan that engage in eco-friendly production and products.
- The “Make in India” campaign launched by the Indian Government in September 2014 covered twenty five sectors and allowed 100% Foreign Direct Investment. This campaign although has impacted the overall economy positively, there has been significant indirect impact on cottage industries by providing economic opportunities.

### **Handlooms and Handicrafts – Vehicles of Sustainable Economic Growth**

As the discourse on the linkages between industrial production and consumption on one hand and economic degradation on the other assumes mainstream significance; handlooms and handicrafts become contextually relevant as representatives of production and consumption based on ethical and sustainable principles. The handloom and handicraft sectors have been instrumental in providing economic empowerment to women engaged in the sectors. The supplementary income generated from the products allows them to have a better standard of living while also providing them higher socio-economic status. Craft is also connected to personal consumption, socio-cultural traditions, religious beliefs and economic self-sufficiency. It helps in the preservation of cultural diversity and identity. They are closely linked to values, history and identity of the communities who practice them. It is representative of tradition, knowledge and skill that are passed down from one generation to another. Crafts denote a deeper engagement between the maker and the product. It signifies a relationship which the artisan has nurtured over time in terms of material awareness, history, origin, skills and techniques.

With the onslaught of industrialization, the craft based products started being perceived as inferior and obsolete. They started being considered as decorative items without much significance to contemporary lifestyle. In spite of various government interventions the economic plight of the craftsmen continued to deteriorate as their average earnings steadily declined. The machine based imitation of crafts further adversely impacted the sector. Many artisans have not been able to access the export market. The craftsmen lack marketing, promotion and sales skills. However, with the consumer movement towards “ethical consumption”, the consumer perception of the connection between craft and sustainability has created economic opportunities for the sectors. There is an increasing trend towards eco-conscious buying behaviour especially among the millennials who demand green products. The urban consumer who is increasingly pre-disposed towards making sustainable consumption choices has emerged as a potential market for handloom and handicraft with significant upside. Several consumer surveys denote that consumers are even willing to pay relatively higher prices for green certified products and this trend is common across income brackets. They are making conscious decisions to support brands that have sustainability at the core of its business processes. This consumer trend in turn is driving companies to make ethical and eco-friendly choices as far as their business models are concerned.

The most crucial component to ensure sustainable livelihoods in the craft sector is the existence of continuous demand which ensures steady source of income for the craftsmen and motivates him to practice his craft. As the urban national and international markets open for craft based products, it will re-energize the sector. Craftspeople will begin to be perceived as dynamic entrepreneurs who are custodians of a sustainable production and consumption economy.

### **Strategies for up-scaling the Business Potential of Handlooms and Handicrafts**

In order to leverage the positive market sentiment towards handloom and handicraft product consumption, strategic interventions need to be made to make the products appealing to the consumers. Innovative measures have to be taken to increase the reach of these products and make them lucrative. Some of the suggested strategies are as below:

- It is imperative to position the traditional crafts in the contemporary context. Curatorial practices should be adopted at exhibitions and fairs which can provide a platform for interaction with the craft and craftsmen to ensure engagement. The crafts need to be showcased in their cultural context highlighting the origin, materials and techniques to make the potential consumer aware about the nuances of the craft and put it on a pedestal that it deserves.
- Organizations like All India Artisans and Craftworkers Welfare Association (AIACA) need to create more robust systems for promoting livelihood and entrepreneurship development in craft sectors.

- Regular training of the craftsmen in aspects of Business Management, Selling skills and Digital skills should be provided.
- Workshops on Skill development and market intelligence inputs should be organized at regular intervals.
- Consumer awareness regarding certifications like AIACA's Craftmark which certify the authenticity of the craft based products should be created.
- Ecolabels, certifying bodies, handloom & handicraft associations should work in a collaborative manner for increasing consumer awareness.
- Craftsmen should be enabled through market access initiative and forward linkages to tap into urban consumer markets.
- Craft based associations should work synergistically with corporate retail players who have huge market for increase the reach of these products to the urban consumers.
- Investments of private players in R&D for creating market oriented design.
- Adoption of new business models for increasing the sales of handlooms and handicrafts while creating better customer experience is crucial for the sectors. Few models that are currently being followed:
  - Creating a platform for linking rural artisans to urban consumer market by collaboratively developing products in keeping with consumers' tastes and preferences.
  - Online platforms which either work on consignment basis or as a marketplace which provides an interactive platform for artisans, designers and retailers connecting them to global markets and removing the middlemen.
  - Craft based products being positioned as High End Luxury catering to an elite niche customer segment.

### Conclusion

The environmental problems being faced today at a global level has led to a greater focus on sustainable lifestyle choices. With increasing consumer awareness about sustainable production and consumption, handloom and handicraft can become mainstay product categories that fit with the current consumer ideology. However, it is important to understand that sustainability in the sectors can be ensured only with a steady demand and the ability of the craftsmen to responsibly innovate and adapt to satisfy the demands of both national and international consumers.

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