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20039

DP/ID/SER.A/1619  
12 January 1993  
ORIGINAL: ENGLISH

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**HANDICRAFT INNOVATION THROUGH IMAGE BUILDING AND ENTREPRENEURSHIP  
CUM PRODUCT DEVELOPMENT STRATEGIES**

**DP/RAS/88/001**

**Technical report: Progress of the project\***

Prepared for the Governments of the Member States of the Regional Network  
by the United Nations Industrial Development Organization,  
acting as executing agency for the United Nations Development Programme

**Based on the work of Paola Navone and Philip Cutler,  
handicraft product development and marketing strategists**

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\* This document has not been edited.

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## I. OBJECTIVES OF THE PROJECT

The following are quoted from the original project document:

### Part II A. Development Objective

**Aim:** The project is intended to improve the image of ASEAN entrepreneurs and products in the handicraft sector, principally, but not exclusively, in key export markets, specifically Western Europe, North America and Japan.

### Part II B. Immediate Objectives

To enhance the image of ASEAN countries as a reliable source of well-designed handicraft products manufactured to a high standard of quality through:

1. A regional training venue for improving the understanding, knowledge and skills of two human resource target groups:
  - a) promotional agents (mostly from governmental institutions); and
  - b) entrepreneurial group engaged in design and production activities.
2. Regional measures for the entrepreneurial group to promote a new stronger image of ASEAN handicraft products in key markets and thus create positive impact among other handicraft producers in the region.
3. Establishing institutional mechanisms and networking arrangements to facilitate mutual support and information exchange on a sustained and long-term basis.

## II. STEPS TAKEN TO DATE FOR THE PURPOSE OF ATTAINING OBJECTIVES

1. The Western Market Trends

- Development of VISUAL TABLES illustrating the WESTERN MARKET TRENDS by International Expert (IE) Paola Navone
- Visits to each country by IE Paola Navone
- Explaining the trends through VISUAL TABLES
- Leaving a set of VISUAL TABLES for the National Experts (NEs) to study and use as an educational tool for the producers to be selected for the project
- Analyzing the local markets; reaching mutual agreement on the segments of the handicraft industry to be targeted for the project

2. Identification of potential products for development based on cultural references

- The NEs were asked to make an analysis of products already available in their countries based on the following:
  - Raw materials
    - indigenous
    - locally available
  - Cultural reference
    - ethnic
    - historical
    - popular/folk
    - actual
  - Existing condition of the manufacturers
    - level of technology
    - production potential
    - human resources
    - financial resources
    - history of the company
- As a final step, based on the above research, the NEs were to compile a list of proposed products to be developed during the project. The NEs work was supported by Paola Navone who presented a chart illustrating how each step was to be accomplished.

3. Study Tour

A two-week study tour was conducted by IE Philip Cutler with the four NEs. The two-week tour covering

the International Gift and Housewares Trade Fairs in Frankfurt and Paris took place in August-September 1990. In Paris, the tour included a visit to Scènes d'Intérieur which was the trade fair targetted for exhibiting the products being developed for this project, in September 1991.

The study tour included:

- Studying the Navone Western Market Trend VISUAL TABLES
- Reviewing/evaluating the NEs' product lists and VISUAL TABLES suggesting each country's contribution to the project
- Attending the International Frankfurter Messe "Herbst"
- Attending the series of International Trade Shows held in Paris
- Visiting shops, decorator showrooms, museums (Paris)
- Meetings with importers, manufacturers, merchants, designers
- Meeting with the Chairperson and the Public Relations Director of Scènes d'Intérieur to discuss participation in the September 1991 exhibition
- Constant meetings between the IE and the NEs to compare the products seen at the various fairs with the Navone VISUAL TABLES and the appropriate application for each of the local ASEAN markets

#### 4. Interlude between market study and product development

This period was designed to enable the NEs to review the Western Market Trends and to determine how to use that knowledge in selecting participants and developing products for the project.

#### 5. Identifying the producers

In this phase, the NEs were to identify a large number of potential producers for the project, for review by the IEs and the final selection process.

#### 6. Development of concept and product for each producer

The concept for each producer and product was determined by the IEs and the NEs, initiating the product development process.

## 7. Development of prototypes

Prototyping was done during this next phase. This consisted of constant rounds by the NEs monitoring the progress of the producers. During a five-month period between February and July 1991, constant rounds were made by the IEs auditing and editing the work of the NEs and producers.

The final prototypes were whisked off to Paris for the September trade fair.

## 8. Exhibition in Paris: Scènes d'Intérieur

Preparation of the Exhibition: 3-5 September 1991

Exhibition/Selling: 6-10 September 1991

Attendance at the Exhibition:

- ASEAN Country Representatives
- NEs
- IEs
- UNIDO personnel
- Representatives of the major producers exhibiting

The exhibition at Scènes d'Intérieur served the purpose of:

- displaying to journalists and buyers an exhibition of high-image handicrafts targeted for the Western Market
- orienting the producers to a Western-style trade fair
- enabling producers to sell and make contacts with high-image buyers from Europe and the USA

## III. RECOMMENDATIONS FOR THE REMAINING LIFE OF THE PROJECT

## 1. The NEs: Developing the market trends

The NEs have been educated and should now be able to read the market trends. Regarding the market trends, the NE should now where to look and how to gauge the trends: which are stable, which are developing, and which are descending. Now that the NEs have been given all the instruments for understanding how to read the market trends, these competencies can be used to continue updating and advising the producers in order to update them in these trends.

## 2. Role of the NEs in national trade fairs

The NEs can now use their experience to help prepare entrepreneurs for national trade fairs for export.

## 3. Follow-up results of Scènes d'Intérieur

The NEs can monitor follow-up activities for producers exhibiting in Paris:

- follow up on orders taken with monthly reports
- help resolve any producer-buyer problems
- check on quality of goods being produced for shipment
- follow up on late deliveries
- public relations

4. Continuation of development work on unresolved problems

General

- Complete work on product lines not finished because deadlines were not met
- Work with producers having potential but reached too late to be included in the programme
- Work with the producers who could not be included because of technical problems. Finish was a major problem in all countries which needs to be addressed.

Specific

Indonesia

P.T. Radema

- Quality: great need for improvement
- Pricing: unrealistic
- Design: direction needed

Lombok Pottery Centre

- Marketing: assistance needed
- Outstanding product. Should encourage potters to maintain level of artistic quality achieved for this project as a constant.

Linda Garland

This producer is oriented more toward interior design than for the commercial market.

P.T. Daun Buah

- Marketing: assistance needed
- This producer persisted and developed a very attractive high-image product. This producer was not immediately successful but should be assisted in finding the right market.

P.T. Seni

Outstanding collection of Indonesian Handicrafts. No assistance needed.

P.T. Manik Amung Sidi

- Continuing market trend input
- Design: assistance needed

- Marketing: assistance needed  
This producer is an outstanding craftsman producing a product of high image and top quality. Deserves any assistance possible.

Winotosastro

Outstanding craftsman. Well-directed with no assistance needed.

Sudirman Antiques

- Design: assistance needed  
The Katok basket has great possibilities. The Katok wood trays have great potential and should be developed. The Katok basket, generally, should be developed for export.

**Malaysia**

Syarikat Rahman Kayu

(Birdcages)

- finishing: major problem

Mahir Kraf

(Sarawak Ethnic Craft)

- Design: assistance needed  
- Quality: inconsistent quality; needs attention

Kraf Holding Sdn. Bhd.

Driftwood

- Design: assistance needed  
- Finishing: assistance needed

Pottery

- Design: assistance needed  
- Finish/Color: assistance needed

Great progress has been made here. A new look has been attained. Needs further work. Good direction.

Zakaria

(Wicker)

- Design: assistance needed

Excellent weaving possible but lacks consistency and design direction.

Sin Cheak Seng

- Marketing: assistance needed  
Good product which is well-priced. Needs to find the correct market.

Pantas

(Songket)

Beautifully crafted product. Limited design and high price limit the sales potential.



**Philippines****Kalinga**

- Finish: assistance needed

**Mil Export**

- Design: assistance needed
- Finishing: needs improving

**Design House Asia**

Products interesting and well done. No assistance necessary.

**Hayahay**

Bamboo designs and color finishing are aimed in right direction. Hayahay should continue development.

**Una Pacifica**

Outstanding product. Understands marketing. Going in right direction and should continue.

**Asia Ceramics**

- Design: needs assistance
  - Finishing: needs assistance
- Asia Ceramics have made great strides. They need further development but are now headed in the right direction.

**O Designs**

- Color: needs improving
- Work in good new directions. Should continue.

**Axial Exports and Trading**

- Design: needs assistance
- Finishing: needs assistance

**Basse Handicrafts**

- Marketing: needs strong assistance
- Quality: needs careful control

**Star Philcrafts Mfg.**

Product in right direction. Should do more product development in this direction.

**Thailand****Thiennil**

- Design: needs further assistance
- Quality: needs great improvement

**Silk Avenue**

After much attention, the right look has been achieved. Having been so successful at the Paris Fair it would seem that marketing problems have been resolved as well.

Michi Intertrade

Good product. In right direction. Needs market exposure.

Kingdom of Father Ceramics

These are very talented craftsmen. However, they need great assistance in all areas if they are to target export.

Ms. Wanna

The traditional Thai flower arrangements have great charm. The product of this producer is severely limited by color restrictions. This problem needs attention if export is to be seriously considered.

N.V. Aranyik Co.

Excellent product in right direction. This producer needs more market exposure. All-round marketing assistance would be helpful.

ChiangMai Banyen

- Quality: needs improving  
 - Color/Design: needs to expand color and shapes  
 Excellent look. Laminated bamboo presents a quality problem. Product in right direction but needs expansion.

Rai Pai Ngam

- Quality: beautiful  
 - Design: excellent  
 - Marketing: a problem, as the artist does not wish to repeat designs

Umbrella-making Centre

- Design: assistance needed  
 The product is well-made. A more high-image design approach would help enlarge their market. More market exposure is needed.