

A Study on The Role of E-Commerce in The Indian Handicrafts Industry: A Consumer Perspective

Gaurisha Kamthan - MBA Student, Department of Management and Commerce,
Sri Sathya Sai Institute of Higher Learning Anantapur, Andhra Pradesh.

Dr. Swetha Thiruchanuru - Assistant Professor, Department of Management and Commerce,
Sri Sathya Sai Institute of Higher Learning Anantapur, Andhra Pradesh.

Corresponding author: gaurisha989@gmail.com

Abstract

<https://doi.org/10.34047/MMR.2024.114>

India is a land of tradition and culture. This culture is passed on to generations by various means. One such means is handicrafts. Indian handicraft industry has untapped potential in the global as well as domestic markets. The new era of digitalisation has made even traditional industries like handicrafts change their mode of business. E-commerce has significantly played an important role in bringing a variety of products and services to the door of the customer. However, its contribution to the Indian handicraft industry is unknown. With changing attitudes and lifestyles, the customers' perception of the products has also changed. This study intends to investigate the consumer perception of Indian handicrafts purchased through e-commerce platforms. This study aims at understanding the factors that determine customer satisfaction after online purchases of Indian handicrafts and determining the right segment of customers to sell handicrafts through e-commerce. The study led to the conclusion that there is a need to spread awareness about Indian handicrafts, and about the e-commerce site selling them online. The results showed that variables classified under web functionality, product perception and trust are the factors that have a positive impact on customer satisfaction and a satisfied customer is likely to recommend their online purchase to others. The customer segment likely to purchase handicrafts online was also thoroughly studied.

Keywords: Consumer Perception, Customer Satisfaction, E-Commerce, Handicrafts, Online Purchase

Introduction

India has been bestowed with a suitable climate, abundant natural resources, epics like the Ramayana and Mahabharata, diversity, and great people. Each state of India has its own unique natural resources, food, clothing, climate, festivals, rituals and also culture. This multifariousness of culture and the unique talent of its people make India the land of aesthetic innovation. And one such Indian speciality is handicrafts.

The crafts, which are produced by applying exquisite craft and artistic skills, using natural resources and tools, and made with love and care, depict a story about the place and the people who made them. With digitalization and the boom in internet availability, the business environment has completely changed. Unlike the traditional way of buying products from stores and shops, customers can now select, compare, buy, track, and even post reviews about their purchase on the internet; thus, the whole process of buying and selling has become quick

and transparent. This online buying and selling of goods and services is called e-commerce. It has not only enabled businesses to go global but also made the customer open to a variety of products and services. With the shift in the pace and way of buying from offline to online, the customers' perception of the purchasing process and product have also changed.

Though e-commerce is acting as a catalyst for various industries like apparel, electronics, daily-needs products etc. its role in traditional industries like handicrafts is vaguely researched. There is a need to understand the marketing and entrepreneurial knowledge in the handicraft industry so as to benefit the artisans to scale up and use the available resources to establish their businesses.

By understanding online consumer perception of e-commerce for handicrafts, this study will help innovators, entrepreneurs, etc., to strategically design their businesses according to the growing concerns of the world and the rising expectations of consumers. This study also intends to help various stakeholders of the market in enhancing and improvising handicraft growth in India. The study aims:

1. To study the Indian customers' perception of purchasing Indian handicrafts online.
2. To determine among the factors derived from the customer perception that will have the greatest impact on customer satisfaction.
3. To elucidate the customer segment who are likely to purchase Indian handicrafts via e-commerce.

Literature Review

As culture is an ever-changing and motionless value system, it is subtle in nature and can be expressed in various forms like attire, habits, cer-

emonies, decorative items etc. One such mediator to pass on culture is handicrafts. The craftsmen require special skills which are generally passed from generation to generation and thus providing a sustained livelihood for artisans. But due to a gap in consumer awareness, high demand for western crafts, improper information dissemination, poor marketing and branding, financial constraints of craftsmen (dey, n.d.) other challenges faced by the industry, it is now on the road to downfall.

India is a country with heritage, rich culture, and artistic history. With its diverse culture, diverse climate and various utility requirement, the country has developed rich and sustainable methods of survival. India is home to 1405 million. Out of 70% of the population is depended on agriculture for its livelihood (Anon., n.d.). The second most important sector after agriculture has been agriculture-related business-like the handicrafts industry. With the rich essence of aesthetic and artistic skills, Indian handicrafts have always been a source to save and promote the culture and heritage of the country. In addition to that the handicraft industry has been a key factor in maintaining the aristocratic bar of the country (Indrajit Ghosal, 2019)

The industry is scattered all over India, with each state having its own unique traditional handicrafts. "The most popular things in Indian handicrafts include brassware, pen holders, vases, candles, and Christmas goods, ceramic pots, rugs, and other products of paper," says an expert on the country's handicrafts. Many Indian states, including Manipur, Maharashtra Tripura, Rajasthan, Kashmir, Gujarat, Tamil Nadu, and Kerala, are well known for their collections of handicrafts. Each country provides a variety of handicrafts, each with its own distinctive style." (Yadav, 2016)

1. Domestic market

Over 56% of all craftsmen in India's handicraft

sector are women, making up the majority of artisans. The nation has 744 handicraft clusters with over 212,000 artists working for them and more than 35,000 goods on offer (IBEF). Native markets in India are where local handicrafts made by Indian craftsmen are sold. Reliable statistical data is inaccurate because of the handicraft industry's fragmented domestic market. The "The development and promotion of this industry is primarily the ministries of Culture, the Department of Textiles, Khadi & Village Industries Corporation the Ministries of Small and Medium Enterprises, and the Handloom Development Officer. Several efforts, beginning with the handicrafts government, have been created, such as the "The Gandhi Shilpa Bazaar Program, the Export Promotion Program, the Bima Yojana for Craftsmen, the Babasaheb Ambedkar Hastashilpa Yojana, and other programmes are available. "These initiatives are mostly concerned with giving assistance and help financially. purchasing goods, health, insurance services, and technological expertise in successive five-year plans, the India Planning Commission discussed preserving India's culture and legacy." (Anon., 2020)

Global Market

Some early articles suggest that the handicraft industry contributes about 2% of the world handicraft market. The countries which are the biggest buyers of Indian handicrafts are American, German, British, Japanese, Italian, French, Canadian, Dutch, Saudi Arabian, and Swiss. The largest exporters of Indian handicrafts, accounting for around 50% of all goods, are the USA and Germany (Towseef Mohi-ud-din, 2014). Exports of handicrafts are projected to reach INR 28368 Cr (about US\$ 6177 million) if an average growth rate of 18% per year is maintained during the 12th Five-Year Plan. The compound annual growth rate (CAGR) between 2012–13 and 2016–17 was 18%. (Jadhav, n.d.) Handicrafts exports from India increased by almost to US \$3.39 billion in F20 (EPCH) Online

shopping differs from the traditional shopping in many ways. Online shopping is easy, convenient, less time consuming and easy to compare but it also involves higher risks of being cheating, low confidence about product quality, no price negotiation, risk of data security and online transaction frauds. Because of all such reasons, consumer perception toward the online purchase of goods and services differs from the traditional way of shopping.

Consumer views in the context of internet buying are influenced by prior experiences (andiono, 2020). Consumer perceptions determine the effectiveness of e-service quality since impression is the source of subjective norms (Pudaruth, 2017) The effectiveness and efficiency of services, the amount of time consumers spend shopping online compared to offline, and consumer perceptions of the appearance of a friendly design and their ability to pique the desire to shop online compared to offline, among other factors, all have a major role in determining the success of electronic services. (Teoh, 2013). The use of e-service qualities such site design, responsiveness, dependability, and other factors greatly influences it.

There is limited literature available that has studied website functionality in India. Online commerce is a relatively new phenomenon in India, but it is on the rise and is drawing experts to study this new field. Indian-friendly websites are more popular. According to Kiran R, 2009, Accurate product characteristics and warranty information affect Indian buyers' trust in online purchases. Reliable supply chains, a focus on reverse logistics, and security for online transactions were advised by SK, 2011. They also suggested prompt and trustworthy delivery. A website's functioning provides insight into its quality. Functionality measures how well a website conforms to its intended structure and fulfils user expectations. He also recommended trustworthy supply chains, with an emphasis on the reverse. The efficiency of a website in carrying

out particular activities, as well as its usability, atmospherics, and design, may be evaluated. Additionally, experimenters have developed standards to predict website navigation and security features. Website performing studies by (Stefani A, 2006) and (Seffah A, 2008) included security as an element and other factors like payment system-service quality, website design, information quality, delivery service and product quality are all elements that significantly impact consumer satisfaction with online marketing. Analysing the product's aesthetic appeal, quality, utility, and design may also be used to summarise consumer perceptions of handicrafts. (Kumar, 2012). The capacity of handicraft designers to include distinctive cultural elements in handicraft design is what is meant by "cultural uniqueness" in the context of the handicraft sector. (Chand, 2014)

Data Analysis

For the quantitative data analysis, primary data was collected through a self-administered questionnaire for consumers, which was distributed randomly through online in all the parts of the country. The questionnaire was quantified on five-point basis of Likert scale. The questionnaire for the customer included demographic related question like age, income, occupation etc. It also included questions studying about their awareness towards Indian handicrafts and about their perception of buying handicrafts online. The primary data was reviewed and the analysis was carried in the IBM SPSS (statistical package for the social sciences) software and WarpPLS 7.0 for SEM model.

Descriptive statistics:

In the sample of 194, consumers 116% are females and 76 % are males and 1% are others.

- The sample of 194 respondents comprises of respondents whose age ranges from 18- 35 years. The highest percentage of members

belong to the ages of 18 and 25 and the percentage is 52.3% followed by the age range of 35-50 years with 18% of the total data. It can be inferred from the figure 5.2 that 52.3 % of the respondents are of GenZ followed by 18.1% of millennials

- Out of the respondents, 17.6% monthly earn less than ₹20,000, while 16.6% earn between ₹25,000 and ₹50,000 and lastly, 36.3% prefer not to disclose their income.

Factor Analysis

Factor analysis is used for reducing the dimensions. The Kaiser adequacy value is 0.901 which is greater than the minimum value i.e. 0.5. The significance level of the test is found to be "<.001" which is less than 0.05 and hence, proves that the correlation matrix is not an identity matrix. The correlation value runs from 0.532 (lowest) to 0.737(highest) in the communalities table below. This means that all of the variables are between 53 and 73 per cent, and no acceptable parameter no changes are required.

From the table below we can interpret that there are 3 major factors pertaining to the variables in the study. The respective variance of the three variables is 26.861, 25.014 and 12.530.

1. Factor 1 comprises 7 values -0.752,0.790,0.816,0.690,0.819,0.745 and 0.685. These variables are the design of the handicraft, the durability of the handicraft, pricing, functionality of the handicraft, aesthetic appeal, quality of the handicraft and packaging of the handicraft. All these variables summarise the factor "product perception". The higher the similarity between the customers' product perception and the actual product, the higher the satisfaction from the online purchase.
2. Factor 2 comprises 6 values-0.652,0.149,

Total Variance Explained									
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	6.733	42.081	42.081	6.733	42.081	42.081	4.298	26.861	26.861
2	2.555	15.971	58.052	2.555	15.971	58.052	4.002	25.014	51.875
3	1.016	6.353	64.405	1.016	6.353	64.405	2.005	12.530	64.405
4	.730	4.565	68.970						
5	.706	4.410	73.380						
6	.589	3.682	77.062						
7	.541	3.380	80.442						
8	.461	2.878	83.320						
9	.447	2.792	86.112						
10	.430	2.687	88.799						
11	.387	2.420	91.219						
12	.362	2.265	93.484						
13	.322	2.010	95.494						
14	.272	1.703	97.197						
15	.241	1.505	98.702						
16	.208	1.298	100.000						
Extraction Method: Principal Component Analysis.									

Source: SPSS output editor

0.677,0.757,0.850 and 0.773. these variables are user-friendly sites, discounts and offers, transaction processes, easy navigation, easy returns and tracking order. These variables represent the “website functionality” factor.

- Factor 3 comprises 3 values- 0.686,0.658 and 0.823. These variables are brand name, friends and family recommendations and product reviews. These variables represent the “trust” factor which the consumers search for before making an online purchase.

SEM model

Structural Equation Model Analysis is a multivariate statistical analysis that is used to analyse the various relationships of the variables with a prime variable.

Generated through WarpPLS 7.0

Note: The above model depicts the main variables taken for the study. They are: WF - website functionality, independent variable

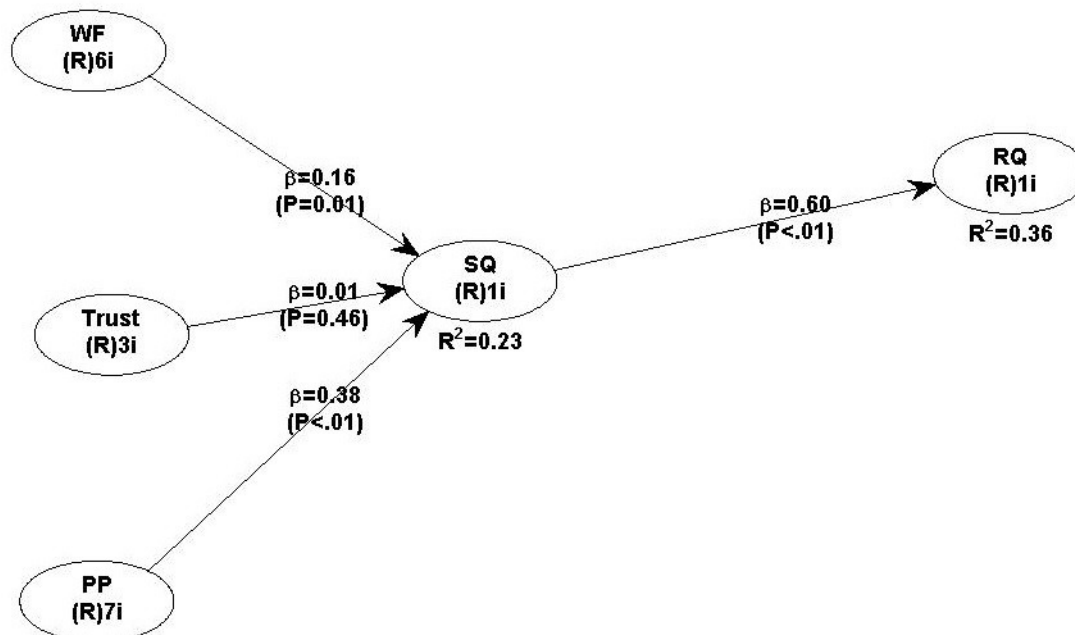
PP- product perception, independent variable

Trust- includes product review, brand name and friends and family recommendation variables, independent variable

SQ- customer satisfaction from online purchase, dependent variable RQ-recommendation of website, the dependent variable

Testing of Hypothesis

H1: Impact of web functionality upon online purchase of handicrafts: Null hypothesis is website



Generated through WarpPLS 7.0

functionality has no effect on the online purchase of Indian handicrafts. Alternate hypothesis is website functionality has a positive effect on the online purchase of Indian handicrafts. Since $P = 0.01$, it is statistically highly significant thus null hypothesis is rejected. From the results, it can be inferred that the variables of website functionality that are user-friendly site, discounts and offers, transaction process, easy navigation, easy return and tracking order have a significant impact on customer satisfaction. Hence, entrepreneurs and artisans who use e-commerce for selling handicrafts must enhance these website functionalities for higher customer satisfaction.

H2: Impact of product perception upon online purchase of handicrafts. Null hypothesis is product perception has no effect on the online purchase of Indian handicrafts. Alternate hypothesis is product perception has a positive effect on the online purchase of Indian handicrafts. Since $P < 0.01$, it is statistically highly significant, thus, null hypothesis is rejected. From the results, it can be inferred that the variables of product perception are design, durability, pricing, functionality, aesthetic appeal, quality and packaging of the product are the main features that lead to customer satisfaction. Hence,

the product that the customer buys should meet all the standards to increase customer satisfaction. A study by (Debasis Pani, 2016) validates that aesthetic appeal is one of the most preferable features of Indian handicrafts.

H3: Impact of trust upon online purchase of handicrafts. Null hypothesis is trust has less effect on the online purchase of Indian handicrafts. Alternate hypothesis is trust has a positive effect on the online purchase of Indian handicrafts. Since $P = 0.46$, it is not significant. Thus, null hypothesis is accepted. From the results, it can be inferred that the trust factor has comparatively less impact on customer satisfaction than web functionality and product perception. The reason behind the low trust factor influence over customer satisfaction can be data security and privacy concerns while shopping from websites. Also, the e-commerce sites for handicrafts are in their initial stages hence the awareness of such websites is low among the customers which makes the customers doubt over their online purchase of handicrafts.

H4: Impact of customer satisfaction derived from online purchase of handicrafts. Null hypothesis: customer satisfaction does not lead to the recom-

mentation of e-commerce as a medium to purchase handicrafts. Alternate hypothesis: customer satisfaction leads to the recommendation of e-commerce as a medium to purchase handicrafts . Since the P value is highly significant we reject the null hypothesis and accept the alternate hypothesis which states that customer satisfaction leads to the recommendation of e-commerce as a medium to purchase handicrafts. From the results, it can be inferred that the variables of if the customer is

satisfied with his online purchase of handicrafts he will recommend his purchase to others.

Correlation Analysis

The correlation between all the variables as shown in table 5-12 are positive correlation implying that there exists a positive relation between the variable, with increase in one variable will lead to increase other variable.

Correlation between variables	Pearson Correlation	Inference
User friendly site and transaction process	0.596	A strong positive relationship exists between user-friendly site and transaction process variable. This can be inferred that customers believe that if transaction process is easy , the website is user-friendly.
Discounts and offers and tracking order	0.582	A strong positive relationship exists between discounts and offers and tracking order variable. This can be inferred that customers believe that customers constantly keep a track on the discounts and offers available
Transaction process and easy navigation	0.611	A strong positive relationship exists easy navigation and transaction process variable. This can be inferred that customers believe that if site is easy to navigate the transaction process will also be easy.
Easy navigation and tracking order	0.643	A very strong positive relationship exist between easy navigation and tracking order variable, implying that if site is easy to navigate so will be the tracking of order
Easy return and tracking order	0.695	A very strong positive relationship exist between easy return and tracking order variable, implying that if tracking of order on a site is easy so will the returning of product process
Brand name and friends and family recommendation	0.613	A very strong relationship exist between brand name and friends and family recommendation, implying that more of the brand name is trusted then more people are likely to recommend that brand site.
Friends and family recommendation and product review	0.510	A strong positive relationship exists between friends and family recommendation and product review, implying that people are likely to recommend those sites which have high product reviews
Product review and brand name	0.613	A very strong relationship exist between brand name and product review, implying that more of product review are posted on the site, the more that brand is trusted
Design of product and quality of the product	0.558	A strong positive relationship exists between design of product and quality of product (handicrafts).implying , if design of the product is upgraded so will be the quality.
Durability of product and quality of the product	0.679	A strong positive relationship exists between durability of product and quality of product(handicrafts) .Implying, if durability of the product is upgraded so will be the quality.
Pricing of product and durability of product	0.605	A strong positive relationship exists between pricing of product and durability of product (handicrafts). Implying, if the product is durable. The pricing of the product can be increased.

Functionality of product and durability of product	0.608	A strong positive relationship exists between durability of product and functionality of product (handicrafts) .Implying , if durability of the product is upgraded then product will be more functional.
Aesthetic appeal and functionality of product	0.549	A strong positive relationship exists between durability of product and functionality of product(handicrafts) .Implying , if the product is aesthetically appealing , the functionality of the product will increase.
Quality of product and packaging of product	0.603	A very strong positive relationship exists between quality of product and packaging of product (handicrafts) .Implying , if the packaging of product is satisfaction, the quality of product is assumed to be of high standard.

Correlation matrix for website functionality, product perception and trust variables.

Correlation Matrix

		WF Q1 1_A	WF Q11 _B	WF Q11 _C	WF Q11 _D	WF Q11 _E	WF Q1 1_F	WF Q11 _G	WF Q11 _H	WF Q11 _I	PP Q1 2_A	PP Q1 2_B	PP Q1 2_C	PPQ1 2_D	PP Q1 2_E	PPQ1 2_F	PPQ1 2_G
C	WFQ11	1.0	.53	.59	.54	.46	.50	.46	.37	.471	.34	.20	.33	.23	.30	.24	.24
o	_A	00	6	6	0	2	9	0	9		5	8	1	7	6	8	9
rr																	
e	WFQ11	.53	1.0	.56	.47	.58	.50	.44	.37	.527	.40	.22	.26	.24	.29	.21	.25
	_B	6	00	4	2	2	1	6	2		4	0	6	3	0	9	6
l a																	
t i	WFQ11	.59	.56	1.0	.61	.53	.49	.39	.35	.438	.28	.15	.25	.20	.25	.15	.22
	_C	6	4	00	1	1	2	9	8		3	8	5	6	8	3	5
on																	
	WFQ11	.54	.47	.61	1.0	.64	.63	.48	.38	.408	.35	.28	.38	.32	.32	.30	.41
	_D	0	2	1	00	3	0	3	9		0	3	2	5	3	9	5
	WFQ11	.46	.58	.53	.64	1.0	.69	.44	.28	.428	.35	.11	.26	.15	.18	.17	.26
	_E	2	2	1	3	00	5	6	4		3	8	0	7	7	7	3
	WFQ11	.50	.50	.49	.63	.69	1.0	.52	.30	.519	.35	.21	.26	.25	.31	.24	.29
	_F	9	1	2	0	5	00	9	8		0	6	7	0	6	1	9
	WFQ11	.46	.44	.39	.48	.44	.52	1.0	.47	.613	.27	.27	.26	.26	.27	.28	.23
	_G	0	6	9	3	6	9	00	2		4	0	9	8	5	2	3
	WFQ11	.37	.37	.35	.38	.28	.30	.47	1.0	.510	.22	.20	.24	.28	.18	.35	.17
	_H	9	2	8	9	4	8	2	00		7	2	2	0	9	0	4
	WFQ11	.47	.52	.43	.40	.42	.51	.61	.51	1.00	.36	.12	.24	.27	.32	.24	.27
	_I	1	7	8	8	8	9	3	0	0	2	9	6	3	5	0	7
	PPQ12	.34	.40	.28	.35	.35	.35	.27	.22	.362	1.0	.51	.47	.53	.54	.55	.50
	_A	5	4	3	0	3	0	4	7		00	9	5	5	0	8	5
	PPQ12	.20	.22	.15	.28	.11	.21	.27	.20	.129	.51	1.0	.60	.60	.45	.67	.52
	_B	8	0	8	3	8	6	0	2		9	00	5	8	8	9	2
	PPQ12	.33	.26	.25	.38	.26	.26	.26	.24	.246	.47	.60	1.0	.56	.48	.57	.53

	_C	1	6	5	2	0	7	9	2		5	5	00	2	5	1	5
	PPQ12	.23	.24	.20	.32	.15	.25	.26	.28	.273	.53	.60	.56	1.0	.54	.59	.55
	_D	7	3	6	5	7	0	8	0		5	8	2	00	9	5	2
	PPQ12	.30	.29	.25	.32	.18	.31	.27	.18	.325	.54	.45	.48	.54	1.0	.49	.52
	_E	6	0	8	3	7	6	5	9		0	8	5	9	00	9	0
	PPQ12	.24	.21	.15	.30	.17	.24	.28	.35	.240	.55	.67	.57	.59	.49	1.0	.60
	_F	8	9	3	9	7	1	2	0		8	9	1	5	9	00	3
	PPQ12	.24	.25	.22	.41	.26	.29	.23	.17	.277	.50	.52	.53	.55	.52	.60	1.0
	_G	9	6	5	5	3	9	3	4		5	2	5	2	0	3	00

Source: SPSS output editor

Cluster Analysis

Cluster 1

About 29% of respondents belonged to cluster one. The demographic features of this cluster are females ageing from 25-35 years who work in the private sector as full-time employees and earn an income of ₹1-2 lakh per month. They buy handicrafts from online websites on festivals and are moderately satisfied with their online purchase of handicrafts. This cluster is overall moderately satisfied with the product and with the web functionality of the site from which they purchased handicrafts. This cluster strongly agrees that e-commerce will help in boosting the handicrafts industry. Moreover, this cluster encourages small businesses and believes that handicrafts are a tool to preserve culture. Thus, this can be inferred that marketers can use this information for positioning their product as an aesthetic appealer, culture preserver and a beautiful decoration item for festivals. The entrepreneurs can enhance the customer experience but adding more website functionality features and making this set of customers highly satisfied.

Cluster 2

About 40% of the respondents fall under the category of cluster 2. The demographic features of this

cluster are female students whose ages range from 18-25 years, have a monthly income of ₹25,000-₹50,000 purchase handicrafts on festivals from online websites. This cluster is moderately satisfied with its online purchase and website experience. They moderately believe that e-commerce will help in boosting the handicraft industry. Since this cluster is still not permanently employed, it can be inferred that in the future cluster, 2 has the potential to become a loyal customer of e-commerce websites for purchasing handicrafts. Entrepreneurs and marketers must target these customers and position their products as decorative products. More than supporting small businesses, this cluster looks for aesthetic appeal, quality, durability, and the functioning of products.

Cluster 3

This cluster consists of 19% of the respondents who are male, full-time employed in the private sector. The age range of this cluster is 35-50 years and a monthly income of 50,000 to 1 lakh. The purpose behind their purchase is for festival decoration. Product review, brand name, tracking of orders and easy return are the features this cluster looks for purchasing handicrafts online. They are moderately satisfied with the purchase. However, they moderately disagree with supporting small

businesses as their motive. Rather they go for other features before making a purchase. They have a neutral perception of the product. This cluster also believes that handicrafts can be boosted by e-commerce. Hence, this cluster can also be targeted by marketers. And the entrepreneurs must build a brand image for their e-commerce site for capturing this cluster.

Cluster 4

This cluster includes female students who have never purchased handicrafts online but they do agree that e-commerce can boost the handicrafts of India. This counts for 11% of the respondents. It can be inferred from the information that the

web functionality, product perception and trust value couldn't convince the cluster to purchase handicrafts. This is an insight for marketers to know about its dissatisfied customer reviews. Since the age range of this cluster is 18-25 years, it becomes important for the entrepreneurs and the marketers to cater to the needs of this cluster and make the necessary improvement.

Thus, cluster analysis gave an insight into existing customer segments and the segments that might become customers of online handicrafts. Out of which female customer of age 18-25 years are the most specific target for handicrafts. The study by (Dr. saikumari, 2021) also found the same result in her study.

Final Cluster Centers				
	Cluster			
	1	2	3	4
Percentage	29%	40%	19%	11%
Gender	Female	Female	Male	Female
Employment	Full time private sector	Student	Full time private sector	student
Age	25-35	18-25	35-50	18-25
Support Small Business	Moderatelyagree	Neutral	Moderatelydisagree	Moderatelydisagree
Preserving Culture	Moderately agree	Moderately agree	Neutral	Neutral
Satisfaction	Moderatelysatisfied	Moderatelysatisfied	Moderatelysatisfied	Neutral
Aesthetic Appeal As Purpose	Moderately agree	Moderately agree	Neutral	Neutral
Income (monthly)	₹1 lakh-2 lakh	₹25,000-50,00	₹50,000-1 lakh	₹1 lakh-2 lakh
Aesthetic Appeal asProduct	Moderatelyagree	Moderatelyagree	Neutral	Neutral
Gifting	Moderately agree	Moderately agree	Neutral	Neutral
Decoration/Festival	Strongly agree	Moderatelyagree	Neutral	Neutral
Packaging Of Product	Moderately agree	Moderately agree	Neutral	Neutral
Quality Of Product	Moderately agree	Moderately agree	Neutral	Neutral
User Friendly Site	Moderatelyagree	Moderatelyagree	Neutral	Moderatelydisagree
Functionality of Product	Moderately agree	Moderately agree	Neutral	Neutral
Pricing Of Product	Moderatelyagree	Moderatelyagree	Neutral	Moderatelydisagree

Durability Of Product	Moderately agree	Moderately agree	Neutral	Neutral
Design Of Product	Moderately agree	Moderately agree	Neutral	Neutral
Product Review	Moderately agree	Moderately agree	Moderately agree	Moderately dissatisfied
Friends And Family Recommendation	Moderately agree	Moderately agree	Neutral	Moderately dissatisfied
Easy Navigation	Moderately agree	Moderately agree	Neutral	Moderately dissatisfied
Brand Name	Moderately agree	Moderately agree	Moderately agree	Moderately dissatisfied
Tracking Order	Moderately agree	Moderately agree	Moderately agree	Moderately dissatisfied
Easy Return	Moderately agree	Moderately agree	Moderately agree	Moderately dissatisfied
Transaction Process	Moderately agree	Moderately agree	Neutral	Moderately dissatisfied
Frequency	On festivals	On festivals	On festivals	Never
Discounts And Offer	Moderately agree	Moderately agree	Neutral	Moderately dissatisfied
Boosting Handicrafts	Strongly agree	Moderately agree	Moderately agree	Moderately agree

Source: SPSS output editor

Findings and Suggestions

The study shows that consumers are mostly aware of the embroidery and weaving handicrafts, followed by jute, wood and bamboo handicrafts. The other category of handicrafts that some of the respondents told about are leather handicrafts, bone handicrafts, pattachitra paintings and palm leaves handicrafts. It was found that the most accessible market to purchase handicrafts is the art and craft events followed by local market and lastly e-commerce. The possible reason is due to poor marketing and advertising, the e-commerce sites are unable to reach to its customer, however about 41% of respondents have purchased handicrafts from online store. This shows the positive relation between the website visibility and purchase of handicrafts. Thus, if the handicrafts and the websites are marketed well can prove that e-commerce is a better option for purchasing handicrafts.

The factor analysis classified 16 variables into 3 factors. These are web functionality comprising of 6 variables – user-friendly site, discounts and offers, transaction process, easy navigation, easy returns and tracking orders. It was discovered that aspects such as web design, information quality, payment method, e-service reliability, product quality, and delivery service had a favourable impact on consumer satisfaction for online shopping.

The next factor is ‘product perception’ comprising of design of handicrafts, the durability of the handicraft, pricing, functionality of handicrafts, aesthetic appeal, quality of the handicraft and packaging of the product. Customer assessment of the calibre of the product/service information offered by a website is used to define product/service quality.

The third factor derived from factor analysis is ‘trust’ comprising of brand name, product reviews

and friends and family recommendations. (Belanger, 2002) says online shoppers have expressed concerns about their privacy and security, the inability to see the actual goods, financial risks, and non-delivery hazards (Thakur, 2013). Through behavioural attitude and perceived behavioural control, perceived ease of use (PEOU) and trust have emerged as the key antecedents in affecting the behaviour of online customers. (Chen, 2009)

The last data analysis is the cluster analysis. The cluster analysis gave 4 clusters of customers. One cluster had about 29% of the responses. Females between the ages of 25 and 35 who work full-time in the private sector and make between 1-2 lakh per month comprise this cluster's population. Approximately 40% of the responders fit into cluster 2. Female students who are students, tend to be between the ages of 18 and 25, make between \$25,000 and \$50,000 per month, and buy handicrafts from online stores during festivals. This cluster's satisfaction with its website visit and online purchase is average. They have a reasonable amount of faith that e-commerce will support the growth of the handicraft sector. Since no one in this cluster is now employed on a long-term basis, it can be assumed that in the future, cluster 2, has the potential to develop into a devoted buyer of handicrafts from e-commerce websites. Targeting these consumers and positioning their items as ornamental goods are essential for business owners and marketers. This cluster prioritises aesthetic appeal, quality, durability, and the environment in addition to helping small businesses.

19% of the respondents in this group are male, full-time workers in the private sector. This cluster's age ranges from 35 to 50, and its monthly income is from 50,000 to 1 lakh. When buying handicrafts online, this cluster looks for characteristics like product reviews, brand name, order tracking, and simple returns. They do, however,

have some disagreements with their motivation, which is to help small enterprises. Instead, they look at other aspects before buying. They have an unfavourable rating of the item. This cluster also thinks that e-commerce may help handicrafts. The last cluster is of female students who have never bought handicrafts online concur that e-commerce can help the Indian handicraft industry. Of the responders, 11% are affected by this. The data suggests that the cluster was not persuaded to buy handicrafts by site functionality, product perception, or trust value.

Suggestions

Entrepreneurs can capitalize on the global market and also the domestic market to increase their customer base. Since, the product is also a sustainable product, handicrafts like bamboo baskets, wooden toys, clay pottery etc. can be an effective substitute for plastic goods. Thus, Entrepreneurs can position themselves as eco-friendly and sustainable substitutes for environment harming products. The bamboo handicrafts, clay pottery, wooden utensils have a good scope of being future cutlery. Another innovation entrepreneur can take up is creating a one-stop platform for all kinds of handicrafts and handlooms where all the handicrafts of each state are available. This e-commerce site can go global and reach customers across globe.

The marketers must increase their website visibility through aggressive marketing during the festival seasons as the majority of the respondent said that they buy handicrafts online during festival seasons the most. The main target can be those people who are students or working out of their native city and belonging to the age 18-25 years. A large percentage of respondents were moderately satisfied with their online purchases, however, there is a lot of scope for improvement in the delivery of a good shopping experience of the purchase to the customers. With ease in the

transaction, tracking orders, quality of product and easy navigation, the marketers can add features like the video of the 'process of making', interviews of local artisans etc. who are making the product. This will create a brand image for the website and also connects emotionally with the brand. The role of emotional branding for the NRI customers can also increase their sales as handicrafts remind them of their home and belongingness with their family during festivals.

They can experiment with the design of products by adding different colours. The artisans must pass on their artistic skills from one generation to another as these skills once lost cannot be revived back. Design schools also play an important role in bringing innovation to the handicraft industry. Intrigue designs and the process of making handicrafts should be studied and this knowledge should be passed on to bring awareness about Indian handicrafts.

The self-help groups and NGOs working in the handicraft industry can also come up with e-commerce sites for auctioning and selling handicrafts directly from artisan to customer. In such a case, no mediator will be eating up the profits of the artisans.

The Indian customers must promote and use handicrafts as they are handmade with the love and care of our Indian artisans who are not only preserving the diminishing culture but also making eco-friendly and sustainable green products. The Indian consumer should give preference to Indian handicrafts over other products during their festival purchases

Conclusion

From the study it can be concluded that though Indian handicrafts have a significant share of the global market despite being one of the oldest industries of India, the handicrafts industry still faces a shortage in domestic demand. There

is a need to spread awareness about the various kinds of handicrafts that are made with unmatched artistic skills and are a source of livelihood for many rural artisans, especially women artisans. Indian handicrafts are a sustainable and environment-friendly substitute for non-biodegradable decorative products. This industry also has a lot of scope for entrepreneurship.

The study also provides insight into the online consumer behaviour of Indian customers towards the Indian handicraft industry. If website functionality, product perception and the trust factor all together meet the customer needs and give the customer an easy and unforgettable online shopping experience, e-commerce will help in the development of the Indian handicraft industry. The right segment for handicraft products will be gen-z who are influenced by the culture of our country and are likely to earn soon. The right positioning of handicrafts will be as decorative items for festivals. As there is a positive correlation between the spread of awareness of e-commerce sites and frequency of purchase, the websites selling handicrafts must be well advertised and they should create their brand value. The study also puts forward some suggestions for the improvement of the industry. This research will be a preliminary model for further research in the same field as e-commerce in the Indian handicrafts industry is a very contemporary topic and holds a lot of scope for further research.

References

1. Anon., 2020. planning commission of India. [Online].
2. Chand, S. N. a. A., 2014. Determinants of innovation in handicraft industry of Fiji.
3. Indrajit Ghosal, B. P., 2019. Inspiring Digitalization of Handicraft Market: Parikalpana - KIIT Journal of Management (Vol. 15, Dec. 2019), p. 11.
4. Jadhav, s., n.d. Indian Handicrafts: Growing or Depleting? Jstorg andiono, J. D. B. W. C. S.

- &. H. P., 2020. Finding Customer Perception of Peer-to-Peer (P2P).
5. Belanger, F. H. J. S. &. S. W. J., 2002. trustworthiness in electronic commerce: the role of privacy, security, and site attributes. The journal of strategic Information Systems.
 6. Chen, C. A., 2009. Information-oriented on-line shopping behavior in electronic commerce environment. .. Journal of Software.
 7. Debasis Pani, D. S. K. P., 2016. An Empirical Study of Impact of Demographic Variables on Consumer Preference towards Tribal Handicraft – A Case of Rayagada District. Pacific Business Review International.
 8. Dr. saikumari, C. L. M., 2021. A Study On Demand Of Handmade Products With Reference To Chennai, Tamilnadu.. Turkish Journal of Computer and Mathematics Education.
 9. Guo X, L. K. a. L. M., 2012. Evaluating factors influencing customer satisfaction towards online shopping in China. Asian Social Science.
 10. Kiran R, S. A. a. M. K., 2009. Attitudes, preferences and profile of online buyers in India: Changing trends. South Asian Journal of Management.
 11. Kumar, G. D. S. a. P., 2012. Handicraft Products: Identify the Factors that Affecting the buying decision of consumers.
 12. Pudaruth, S. &. N. R. K., 2017. Exploring the Determining Factors Influencing Online Purchase Behaviour among Consumers in Emerging Economies: A Case of Mauritius. International Journal of Arts & Sciences, .
 13. Teoh, W. M. Y. C. S. C. L. B. &. C. J. W., 2013. Factors affecting consumers' perception of electronic payment: An empirical analysis.. internet research.
 14. Seffah A, M. T. H.-M. H. a. A. A., 2008. Reconciling usability and interactive system architecture using pattern.
 15. Shah, A. P., 2017. Problems and challenges faced by handicrafts artisans.
 16. SK, K. a. D., 2011. E-tailing in India – its issues, opportunities and effective strategies for growth and development. Zenith International Journal of Multidisciplinary Research
 17. Stefani A, V. B. a. X. M., 2006. on the equality assessment of advancement e-learning services
 18. Teoh, W. M. Y. C. S. C. L. B. &. C. J. W., 2013. Factors affecting consumers' perception of electronic payment: An empirical analysis.. internet research.
 19. Thakur, R. &. S. M. (., 2013. A study on the impact of consumer risk perception and innovativeness on online shopping in. nternational Journal of Retail & Distribution Management,.
 20. Towseef Mohi-ud-din, L. A. M., 2014. An Analysis of Current Scenario and Contribution of handicrafts in Indian economy. Journal of Economics and Sustainable Development.