Entrepreneurship by Design: 
The Construction of Meanings and Markets for Craft Goods

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In this paper, I posit that design is crucial to enabling the interpenetration of aesthetic and market worlds, particularly in the context of traditional crafts. In addressing the issue of how markets for cultural and aesthetic goods are created despite the opposing production logics of the two realms, I examine the case of craft-based retailers in India to propose that design confers meaning on culturally-specific craft objects, thus constructing their economic value. Through its emphasis on design as well as meaning-making in creative industries, this paper makes contributions to the literatures on markets, meaning, and value.

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An unanswered question in the study of creative industries and markets for creative and cultural goods is the issue of how the two worlds – the artistic/symbolic and the economic/material – are bridged in the first place. The creative or cultural industries are those consisting of firms that produce goods of greater symbolic than material value (Hirsch, 1972), i.e., products that possess elements of artistic creativity (Caves, 2000). Given that the artistic or creative paradigm is believed to be radically different from the governing principles of business and markets, it is important to understand how the two paradigms come to intersect in the context of the creative industries. How is economic meaning and value conferred on cultural goods? This paper attempts to address this question, proposing that design is one mode of conferring such meaning.

The institutional logics - rules and norms guiding beliefs, behavior, and practices in a particular institutional field (Thornton & Ocasio, 1999) - governing creative or artistic endeavors and those governing markets are believed to be not only different, but almost in direct opposition to one another. Markets are purportedly governed by a market logic (Friedland & Alford, 1991) that makes economic transactions and exchange possible by making goods commensurable (Espeland and Stevens, 1998); artistic creators, on the other hand, are believed to render goods incommensurable by compounding materiality with incalculable, largely symbolic worth (Mauss, 2000; Hyde, 2007; Bourdieu, 1996). By definition, then, artistic or cultural goods are created not for the purpose of engagement in economic exchange, but rather from non-pecuniary motives, such as artistic self-expression, self-actualization, and self-fulfillment. Such goods can therefore acquire economic value only through processes of sense-making, conferral of meaning, and value-construction, i.e., through the translation of artistic merit into economic value by conferring meaning that is readily interpretable by economic actors. Accordingly, the need for
the occurrence of such complex processes implies that the functioning of creative industries requires the presence of intermediaries and tastemakers, such as critics and commentators, who define meaning and construct value for the consuming public (Becker, 1982; Bourdieu, 1983; 1985). Tastemakers and other intermediaries are essentially involved in the process of converting cultural and/or symbolic value into economic value (Moeran and Pedersen, 2011). This conversion is achieved through the generation of a shared, intersubjective understanding of the “definitional antecedents of value” (Khaire and Wadhwani, 2010), i.e., the attributes that ought to be valued according to a generally accepted, institutionalized schema of what is appropriate and valuable (Wadhwani and Khaire, 2012). The value of the product resides in how well it (and its perceived attributes) align with broadly accepted criteria of worth, which in turn are historically and socio-culturally determined and circumscribed (Wadhwani and Khaire, 2012). The criteria relevant to a particular social and cultural context at a particular time, may not be applicable in a different context and/or time. Intermediaries construct the value of a cultural product either by reconfiguring through discourse prevailing value conceptions in society (Wadhwani and Khaire, 2012), or by rendering (again, through discourse) the product meaningful to consumers’ contexts (Wadhwani and Khaire, 2012). In this paper, I propose that design may perform the functions of intermediaries in the creative industries by imbuing cultural goods with the necessary meaning and relevant attributes that contribute to consumers’ perception and acceptance of their economic value.

Theoretical Foundations

Crafts as Cultural Goods

Craft products are characterized by “craftsmanship” (Sennett, 2008), which in turn is the result of high levels of human skill, application of appropriate and relevant technique, and
commitment (Sennett, 2008). These elements all embody craft-workers’ ability to create high-quality goods and some observers have therefore attributed to craftspeople an artist-like desire to create a good product without regard to economic gain (Sennett, 2008). But, the association of craft with routine, repetitive, and mechanical tasks (Wherry, 2008; Sennett, 2008) has caused other observers and scholars to distinguish sharply between art and craft (Becker, 1978), usually to the denigration of the latter. Furthermore, the frequent and modal association of most handicrafts in the world with religious and/or spiritual rituals, cultural ceremonies and rites, and “ethnic,” pre-industrial societies (Wherry, 2008), reinforces this distinction. Becker (1978) thus contrasts the distinct aesthetic, work-organization, and ideology of art and craft worlds and points out the different relative emphases on utility and beauty placed by artists and craftspeople.

It is precisely these acknowledged features of craft, however, that are relevant to this study; crafts are particularly appropriate objects to study for exploring the meaning-making role of design, for at least three separate reasons. First, the pre-industrial origins of handicrafts and craft-work and the contemporary predominant distribution of craft in developing countries with less-developed market economies make the craft world an especially relevant context in which to study and understand the creation of markets for cultural goods. Second, the fact that most craft products are embedded in pre-industrial social structures and norms, and created for social, religious and/or spiritual, ritualistic purposes reinforces the distance between crafts and the market; these goods were, in the truest sense, not meant to be exchanged through economic transactions in a marketplace. Finally, as Becker (1978) describes, the art world may interpenetrate the craft world, leading to a reinterpretation of some (category of) craft work and products as art, which then has economic value in a market. Thus, craft work and products are, in a sense, blank slates, particularly susceptible to processes that can confer meaning upon them.
that renders them economically valuable (either as art products or as marketable goods). While
the progression of craft along the craft-art continuum is not relevant to this paper, the existence
of such a continuum nevertheless suggests that it is possible to re-cast the value of craft goods.

Design as a Meaning-Making Device

While traditions contextualize craft, post-industrial society is believed to be design’s *sine
qua non* (Sudjic, 2009). The linkages between design, culture, and commerce are complete, in
that design is perceived to be a reflection of prevailing economic systems, while also embodying
cultural elements and values (Sudjic, 2009). In particular, design elements serve to signal identity
at multiple levels ranging from the individual to the civic, and design acts as a language used to
symbolize social values (Postrel, 2003; Sudjic, 2009). Most importantly, however, design can
influence individuals’ understanding of objects, and signal (market) value.

As a consequence of these attributes, design is crucial to conferring meaning on any
object, through the “language” of aesthetics (Postrel, 2003), which acts in a more implicit,
“subliminal” (Postrel, 2003) manner than in an explicit, articulate way. Moreover, since design
has firmly agentic connotations – *somebody* has to *actively* design an object – and because
design is a concept firmly situated in the commercial realm, it is a mechanism that confers
identity and meaning, and therefore, economic value on designed objects (Postrel, 2003). In a
manner somewhat similar to art, quality in design can be of several different kinds, due to which
the consumption of designed objects can serve as an expression of various self-identities of
consumers (Buchmann and Eisner, 1997), depending on the particular aesthetic language used by
the designer (Postrel, 2003). In other words, design is central to making culture material”
(McCracken, 1988), i.e., to objectifying cultural and social values, which in turn add layers of
meaning and therefore economic value beyond the material worth of the good.
Design, when overlaid on craft work, therefore, has the ability to transform the routine and pre-industrial in crafts into the expressive and the modern, both of which are valuable attributes in market economies today. The combination of the authenticity of crafts and the reflection of individual identity inherent in the agentic nature of design serves to confer additional meaning to a designed craft object that a similar, “un-designed” object created for ritualistic purposes does not possess for lay consumers disconnected from the relevant cultural context. As a result, a designed craft object has broader appeal beyond the sub-culture of its origin (Postrel, 2003); this constructs an economic value for the object, making it possible to now situate it in a market economy. Design may thus enable the bridging of the craft and market worlds, with their different orders of worth (Boltanski and Thevenot, 2006) and opposing logics (Thornton and Ocasio, 1999). In particular, the design process results in the creation of objects that reflect prevailing social norms, purpose, and values (Sudjic, 2009). In that sense, overlaying design over craft products has an effect akin to that of intermediaries’ discourse; the craft product is now imbued with meaning that is relevant to consumers’ social and cultural contexts and conceptions of appropriateness and value. This translates and also transforms the symbolism of traditional craft techniques and motifs into a more pragmatic meaning that, by being relevant to consumers, enables market exchange of a previously un-understood and under-appreciated good.

Data and Methods

I study how design confers meaning and economic value on craft objects using the case study of urban retail organizations in India that sell home furnishings, apparel, and accessories (bags, some jewelry, some stationery) that are derived from traditional Indian textile handicrafts, and sourced through a supply chain based largely in rural India. This was an ideal setting for this
study, given that India has had a long and distinguished textile craft tradition (Chishti & Jain, 2000; Mathur, 2002). Using a case methodology is justified by the exploratory nature of the study as well as the need for understanding deep details about the intersection of design and craft worlds (Eisenhardt, 1989). I use data from several sources and in different forms; interviews with officers and employees of two retail organizations form the primary source of data, which are supplemented by: visual analysis of the material products sold by these and other retailers operating in the same market segment as well as of the original craft objects that are the foundation of these products; extensive histories and descriptions of regional textile handicrafts in India; and qualitative and quantitative archival data on trends in retail and consumption in India for the last 25 years.

I purposefully sampled two retail organizations that are at opposite ends of a spectrum defined by size, age, and operations, even though they operate in the same sector. One firm – Fabindia Overseas Private Ltd. – is the largest (more than 150 stores today, but 63 stores at the time of the research) and oldest (founded in 1960) for-profit firm in this sector, while the other organization – SEWA Trade Facilitation Center (STFC) – is a not-for-profit rural women’s cooperative that was started in 2006 and operates only three stores in the country.

The similarities and differences between these organizations give me greater descriptive and explanatory power (Eisenhardt, 1991). While Fabindia’s financial performance has been on an upward trajectory for several years, STFC has struggled from the very beginning and continues to struggle. The founding missions of both organizations however, are remarkably similar – to preserve the Indian handicraft tradition and employ rural craft workers. Both organizations sell products that are modernized, designed versions of traditional textiles and textile crafts (embroidery, appliqué, other embellishments) that appeal to an urbane and urban
cliente. Both employ textile and apparel designers, who recommend patterns, motifs, and color palettes that reflect modern sensibilities and tastes to craftspeople and artisans, who then use traditional techniques and raw material to produce the specified designs.

Research Setting: The Indian Textile and Apparel Industries

India has had a strong and diverse tradition of textile weaving and fabric embellishment, i.e. dyeing, printing, and embroidery, including embellishment with beads, precious metals like gold and silver, and semiprecious stones (Irwin, and Hall, 1971; Gillow, and Barnard, 1991; Chishti, and Jain, 2000; Mathur, 2002). In fact, textiles and fabric constituted a major portion of India’s trade with other ancient civilizations (Murphy, and Crill, 1991). A unique style of weaving and embellishing textiles has evolved in each of India’s geographical regions. But British rule brought with it mill-made cloth, which soon threatened to destroy traditional handloom centers. The government of India, after India gained independence from its British rulers, was acutely aware of this threat and made conscious efforts to preserve and revive handloom and handicraft traditions. This drive was influenced also by the political importance of “khadi,” i.e. handloom fabric made from hand-spun yarn, the use of which had been exhorted by Mohandas Gandhi as a way of retaliating against the imported cloth from Britain and promoting self-reliance. Supporting the handloom and handicrafts industries in India was also seen as a way to increase employment and incomes in rural areas without uprooting villagers from their familiar surroundings. Accordingly, the Indian government initiated a program to support

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2 “It is my claim that as soon as we have completed the boycott of foreign cloth we shall have evolved so far that we shall necessarily give up the present absurdities and remodel national life in keeping with the ideal of simplicity and domesticity implanted in the bosom of the masses. […] such a transformation can come only after the complete success of the spinning wheel in India.” Mohandas Gandhi, Young India, June 29, 1921. Also see Lisa Trivedi’s characterization of khadi as not merely a material object, but also a concept and discursive symbol of the Indian nation; Lisa Trivedi, Clothing Gandhi’s Nation: Homespun and Modern India (Bloomington, IN: Indiana University Press, 2007).

3 “The primary object of developing small industries in rural areas is to extend work opportunities, raise incomes and standard of living and to bring about a more balanced and integrated rural economy. Inevitably, in rural areas,
handloom textiles and promote rural employment, setting up a Khadi and Village Industries Commission (KVIC) in 1957 with the stated objectives of increasing rural employment and creating commercial products for sale by promoting *khadi* and village industries (typically, trades that added low value to agricultural or foraged products, and crafts). Each state within India also created its own “Handloom and Handicraft Emporium,” which was a store where consumers could find the distinctive textiles and other handicrafts that were unique to the state. In both the KVIC stores and the State Emporia, salespeople were government employees, mandated to promote rural employment and to preserve and showcase local crafts and skills.

**Research Sites: Two Craft-Based Indian Retailers**

1) Fabindia

Fabindia was founded in India by John Bissell, an American, who first visited India in 1958, as part of a team sponsored by the Ford Foundation. The team was supposed to advise the Central Cottage Industries Corporation, which was run by the Indian government. Bissell had previously worked as a merchandiser and buyer at Macy’s in New York, and therefore, was aware that the demand was high for high-quality, unique, cotton fabric in the American (and more generally, the Western) market. He traveled extensively while he was in India and met weavers and artisans in several Indian states. He realized that each state had its own distinctive style of weaving and/or embroidery, and that even non-expert consumers were able to identify the origins of the fabric on the basis of the style and coloring, since these were traditional weaves and embroideries that had been repeatedly created for centuries. The diversity and quality of the fabric amazed and impressed him, but he also realized that the rural weavers and artisans had very little market knowledge and almost no access to customers. His prior experience made him

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the traditional industries have to be given immediate consideration.” Planning Commission, "Second Five-Year Plan" (1956). Also see Roy, *Artisans and Industrialization: Indian Weaving in the Twentieth Century*. 

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realize there was an entrepreneurial opportunity in bridging the gap and enabling rural weavers and artisans to find and reach markets.

Accordingly, he founded Fabindia in 1960, in New Delhi, as an exporter of hand-woven upholstery fabric and handmade rugs. The firm’s initial customers were primarily furniture and home goods retailers, located overseas in the USA and the UK. Fabindia opened its first retail store in New Delhi, in 1976. The shift from wholesale to retail entailed the need for merchandising, which, nevertheless tended to be ad hoc rather than strategically planned. However, in 1977, the store displayed, marketed, and sold a calligraphy-based home collection, designed by Riten Mazumdar, an Indian designer. This was the company’s first foray into contemporary, designed products, rather than the traditional handwoven fabrics that they were used to stocking and selling. When this first designed collection proved to be successful, the firm, newly-confident of its capability to innovate and sell directly to consumers, expanded its retail offerings, entering the garment market in the early 1980s. The garments were Indian- and Western-style clothes made out of traditional Indian textiles.

John Bissell’s son William expanded the firm’s retail operations and closed the export business when he took over control of the company in 1999, and garments (men’s and women’s apparel) became an important segment of Fabindia’s product mix. By 2006, the firm had added clothes for children and young adults to the pre-existing categories of men’s and women’s apparel. Other products sold in the store in 2006 included soft home furnishings (upholstery, curtains, bed linens) as well as furniture and home accessories, organic food and body-care products and personal accessories such as bags, purses, and jewelry. The common thread among these diverse products was that they were all sourced from rural parts of India and thus provided employment to artisans and weavers in rural India, which was in line with the social mission of
the firm. Given the mission, the underlying rule at Fabindia was that in order to be sold in Fabindia, products had to have at least one handmade element; either the fabric had to be hand-woven, for instance, or, if the cloth was manufactured in a textile mill, it had to have been block-printed by hand by skilled printers or finely hand-embroidered by artisans. In the case of organic products and furniture, the products were primarily supplied by farmers in rural India and made by rural craftsmen, respectively. By 2008, the firm had 92 stores in X cities in India, and revenues of INR Y. It was one of the largest retailers in India, and was consistently more profitable than its competitors that stocked apparel sourced from more diverse suppliers, i.e., not exclusively rural or artisanal suppliers.

2) SEWA Trade Facilitation Center

The SEWA Trade Facilitation Center (STFC), part of the larger Self-Employed Women’s Association (SEWA), was a non-profit organization incorporated in 2003. SEWA was incorporated in Ahmedabad, the capital of Gujarat, India, in 1971 as a trade union for urban self-employed women, who worked in the informal sectors of the economy, for piece-wages. The union was organized into different groups based on the kind of work that the women did. In 1979, the union also expanded into rural areas of Gujarat and began to organize self-employed rural women, who typically worked in agricultural trades. In their visits to the homes of the villagers, SEWA organizers were struck by the beauty and intricacy of the embroidery work done by the women, and realized that this could be an income-generating activity for the women. Accordingly, they organized a new trade group for rural women embroiderers, which later evolved into the STFC.

The women in rural Gujarat embroidered fabrics and garments according to a centuries’-old tradition, with specific patterns acting as specific social and cultural symbols. For instance,
every sub-community and caste and sub-caste had a fixed set of designs associated with it, as did every family within the community, and further segmentation was quite common. Each embroidery pattern was thus a means of communicating identity, family, caste, village, even marital status, across generations of women. Good embroidery skills were a source of pride for the woman and her family, and embroidered goods had no trade or commercial value in the tradition-bound rural communities.

The STFC was incorporated as a separate retail wing within the SEWA organization in 2003, in order to facilitate the process of bringing the embroidery work to urban(e) consumers. In 2006, the STFC stores were re-branded as Hansiba, named after the first rural embroidery worker to become a SEWA member. By 2008, STFC had consolidated the production of embroidered products into two facilities – a production and office facility in the city, with sewing-machines and assembly rooms, where urban SEWA members worked as seamstresses to start and finish the embroidered garments. With this professionalization of operations, STFC officers believed that they would be able to compete effectively and successfully with other craft-based apparel and furnishings retailers in India, such as Fabindia. The mandate of the brand, which was to “sell the skills of the artisans, not the products,” differentiated it from such competitors because every product sold in Hansiba stores had to be hand-embroidered.

By 2008, there were three Hansiba stores in India. These stores stocked apparel, home furnishings, and accessories. The performance of the stores left much to be desired in 2007, despite a 127% increase in revenues from the previous year, to INR 18.5 million (US $ 462,500).

**Findings**

*Supply Chain*
The supply chains of both firms were remarkably similar in their strong and widespread roots in rural India. The predominantly rural-based supply chain for Fabindia consisted of two kinds of suppliers: rural artisans, including weavers, embroiderers, and hand-block-printers; and, tailors/garment manufacturers, who were located in urban, or semi-urban areas. Apparel and product designers worked closely with the weavers and specified the fabric weave, color, and print, combining their knowledge of urban tastes and trends, aesthetics, and the capability of the individual weavers.

First, weavers delivered fabric, woven to designers’ specifications, to the company’s central warehouse, where it was sorted and stored by color, print, weave, and length. Tailors were issued fabric from the warehouse, depending on the design and quantity of garments, and the completed garments were delivered back to the central warehouse at a later date, for delivery to the stores.

At STFC, the supply chain began with their designers’ creating designs in Ahmedabad. Next, workers in the facility developed the pattern based on the design, and specified materials and production steps for cutting, stitching, and embroidery. A partially-stitched garment was sent in a “kit” (consisting of needles, the requisite amount of thread in the appropriate colors, and the semi-stitched pieces of the garment, with the embroidery design stamped on them) to the villages, where artisans embroidered the product (for instance, on the edges of sleeves or at necklines). The embroidered products were brought back to the facility in the city, where they were finished and then shipped to the stores. Typically, completing the embroidery work on 50 shirts would take an artisan up to five weeks.
The design process was a critical component of the supply chains of both firms. Both firms hired designers who had deep knowledge of modern, urban trends and tastes as well as of Indian textiles and crafts and were able to establish a rapport with rural artisans. Ultimately, their designs bridged the gap between rural weavers’ and artisans’ traditional aesthetic sensibilities and routines and urban consumers’ views of beauty and style.

Fabindia’s strategy was to emphasize the product rather than its social mission because the Managing Director believed that “only fresh product will bring the customer in the store.” In pursuit of superior merchandising, Fabindia was always on the lookout for unique hand-woven textiles and long-forgotten block prints. The firm sourced from all over India, compiling block prints from western states, kalamkari prints and distinctive cotton from the South, and embroidered products from the North.

The firm’s sourcing strategies and its designers’ sensibilities had generated a signature style, colloquially known as “ethnic wear” or “ethnic chic” in the Indian market. The aesthetic, even with Western-style clothes, such as skirts, blouses, and trousers, was stripped-down and modern, but decidedly and recognizably Indian, owing to the type, texture, prints and colors of fabrics used. Moreover, certain simple design elements made the garments more modern and versatile, while simultaneously appealing to middle-class Indian sensibilities. For instance, Fabindia introduced “stoles,” which were smaller, less cumbersome versions of the traditional “dupatta,” which was a 2.5 metres long piece of fabric that was meant to cover a woman’s upper body. The stoles, which were shorter and narrower, were more versatile in that they could be worn as scarves even with Western clothes such as a shirt and trousers or a dress. Similarly, as more Indian women adopted jeans and trousers instead of Indian clothing for everyday wear, Fabindia introduced a shorter version of the traditionally long Indian tunic (the “kameez” or
“kurta”), called a “kurti.” The kurti is a scaled-down version of the kurta that nevertheless covers a woman’s hips when worn over trousers or jeans; this modest length made Indian women – used to having their hips covered – more comfortable with wearing trousers in public. In men’s clothing too, Fabindia introduced innovations such as the “super-short kurta,” which could be worn casually over jeans.

As Fabindia had been one of the first retailers to introduce ethnic-inspired ready-to-wear clothing in the Indian market and the only one to scale significantly, its “Fabindia style” was widely emulated and adopted, even by STFC. Although the SEWA organizers intuitively recognized the market potential of the embroidery done by the women, they, too, realized that they required an entirely new approach to producing and selling the artisans’ work; even though the embroideries were beautiful, urban customers, who did not comprehend the significance and meaning of the specific patterns, would likely not appreciate the aesthetic of the embroidered pieces. Specifically, the women used traditional motifs and colors that could be unappealing to urban consumers. Given the personal pride inherent in the embroidery, the women also tended to create heavy pieces, weighed down with dense embroidery as well as embellishments such as beads and mirrors. Such heavy pieces, too, were unlikely to appeal to urban customers with very different lifestyles.

Like Fabindia, therefore, the SEWA organizers enlisted the help of the Ahmedabad-based National Institute of Design, whose graduates helped design garments that utilized and optimally showcased the embroidery skills of the rural women. For instance, knowing the heavy embroidery to be impractical in a modern urban setting, the designers in STFC would specify a blouse design incorporating some of the embroidery patterns, but limiting the embroidery to a more discreet amount (only at the end of the sleeves, for example). The designers also began to
specify different color schemes departing from the traditional schemes that signaled the wearer’s community and social status, based on their knowledge of the market and their own aesthetic sensibilities.

The artisans and STFC management also learned what the market wanted through direct customer feedback at exhibitions and shows. For instance, after a few instances of trying to sell embroidered pieces at craft shows and exhibitions, the organizers and the artisans realized that urban customers preferred designs that used only one or two colors, or less vibrant colors, compared to the rural women’s own clothing, which, with its riot of bright colors, was too bright and less sophisticated and versatile.

STFC employees, trained at premier design schools in India, designed all Hansiba products in-house. As with the garments sold at Fabindia, Hansiba products tended to be modernized and/or Westernized versions of traditional Indian clothes, in modern colors, with limited, but masterly embroidery that accentuated the garment without overpowering it, thus making it more palatable to customers in an urban setting. The designers, however, were constrained somewhat by the mandate to showcase the skills of the artisans.

**Discussion**

The examples of Fabindia and STFC demonstrate that design is crucial to bridging the art and business worlds and to creating a market for craft goods by imbuing them with a modern, consumer-oriented meaning. Absent the efforts of designers to make historically-defined, traditional crafts more relevant to the current social and economic context and to the aesthetic sensibilities of modern, urban consumers, most Indian textile crafts would have been less
meaningful to consumers, and therefore not commercially viable. Design, thus, served as a device to confer meaning upon an object that in turn, enabled its exchange in an economic transaction. In particular, design transformed the cultural and the ritual into a commodity tradable in the market.

The centrality of design to the buying decision of consumers in India was borne out by the comparatively lackluster performance of the KVIC. Despite the historical and emotional significance of khadi, strong government interest in promoting its production and consumption, a large number (7,050 across the country) of khadi outlets, and strong sales (Rs. 5.8 billion, or $129 million), khadi stores had not captured the imagination of modern consumers, particularly of the youthful middle class that was emerging in the country in the 1990s. For instance, in 2007, KVIC sales were about INR 800,000 per store, while Fabindia’s revenues were more than INR 30 million per store. Although Hansiba revenues were less than Fabindia’s, at INR 3 million per store, Hansiba’s performance was nevertheless vastly better than that of the KVIC. Moreover, Hansiba had been a late entrant in a crowded retail environment, while KVIC and Fabindia had had a long time to establish their reputation in the market. Moreover, in both Fabindia and STFC, sales of the items that had greater design inputs (garments, rather than home furnishings), comprised the bulk of the firms’ revenues; in Fabindia, garments contributed 70 percent of the firm’s revenues of INR 1.3 Billion (US $ 28.7 million at 2006 exchange rates) and at Hansiba, too, garments contributed 69% of their 2008 revenues of INR 8.5 million.

In contrast to the image and look of products in KVIC stores and the State Emporia, the design that incorporated modern stylistic elements in Fabindia and Hansiba garments conveyed a

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4 An exception to this would be a situation where some crafts were re-categorized and valorized as art by an entrepreneurial entity (Wadhwani and Khaire, 2012), which has indeed happened to some crafts in other countries (e.g. basket-weaving in Japan has been elevated to a form of fine art).
sense of youth and the garments were therefore perceived as being trendy even though they used similar traditional textiles. The primary advantage of the designs used by Fabindia and Hansiba was the fact that they were essentially derivatives of Indian-style clothing, due to which the Indian fabrics did not look completely incongruous. At the same time, they were sufficiently modern and well-suited to a new, urban middle-class lifestyle. In short, the designs succeeded because they conveyed an Indian identity, but not a traditional outlook, instead imbuing the traditional with a more relevant, current, modern meaning that increased the value of the traditional crafts in the minds of the consumer.

Most importantly, the activities and efforts of these organizations kept traditional textiles and prints current and in daily use, when they could easily have been swept away into oblivion with the increasing popularity of Western-style clothing among Indian women, and the advent of Western brands that primarily purveyed T-shirts, jeans, and shirts with a Western aesthetic (block colors, few prints, sober colors like grays, blues, and browns, rather than the vibrant hues prevalent in Indian fabrics).

The importance of the design process to making crafts more marketable came to be acknowledged by the KVIC in the early 2000s, when it set up a “Design Cell” in order to “match the quality and finish as per the expectations of modern consumers.” Similarly, a volunteer-run not-for-profit – The Crafts Council of India (CCI) – realized that in order to fulfill its mission to “fulfill the needs of artisans” and “nurture craft traditions,” it would need to “provide a bridge between India’s craft heritage and the challenges of a contemporary milieu.” The CCI achieves this by conducting craft-specific workshops, where they help artisans by providing them with “new designs, tools, technology, techniques, raw material, etc.”
I find that the purposeful and explicit design of craft objects allows consumers to make sense of objects that, due to cultural and social reasons, have no inherent meaning for them. Design transforms traditional objects into individual, novel objects that are “modern” in the sense of being untried and individually expressive (Armstrong, 2005; Gay, 2008), rather than ascribed by historical routines and norms (Slater, 1997; Zukin and Maguire, 2004). Once design makes these objects become meaningful in utilitarian as well aesthetic terms, they gain in economic value, which creates a market for craft goods. Designers thus bridge the craft and market worlds and blends the two opposing logics (Thornton, 2002) by playing the role of intermediaries and tastemakers, who, in the world of art, for instance, define the attributes that confer meaning and therefore economic value on a particular artwork. Moreover, the market-creating impact of design is not limited to the creation of economic value; rather, the availability of designed craft objects changed conceptions of appropriateness more broadly, leading to a revival of interest in textile crafts and the creation of a uniquely Indian aesthetic that combined the modern and the traditional. Of particular note is the contrarian role of design implied by its conceptualization in this setting. Design is typically believed to be the means of infusing aesthetic value into material and utilitarian goods in order to increase their economic value (Postrel, 2003), as for instance, in the case of toasters with a “retro” look, or the iMac with its molded casing (Postrel, 2003; Sudjic, 2008). In the craft setting, however, design confers meaning on goods that already possess aesthetic value, by incorporating prevailing social and cultural elements and some utilitarian (or at the very least, pragmatic) meaning to create economic value through reinterpretation of traditional rituals and techniques.

We thus see that creative entrepreneurs are critical to the bridging of the creative and business worlds. Although Indian craftsmen were creating beautiful products, which held special
meanings within their community, and which could have acquired an audience among urban Indians, it took the actions of individuals outside the community to actually create a market for these products. These outsiders brought knowledge of the market and consumers’ mindset, which was manifest in the designs of the products. The designs combined elements of the traditional craft with an understanding of the requirements of consumers in urban Indian societies, and this combination conferred meaning that made sense (Weick, 1993) within the context of consumers’ lives, upon the hitherto undervalued crafts. Design is thus a means of enabling entrepreneurs to create new markets by reconfiguring the meaning of objects and their conceptions of value.

Conclusions and Implications

This paper has implications for scholars of organizational and institutional theory, particularly those interested in market-creation, meaning-making, and the creative industries context. First and foremost, the paper contributes to our understanding of markets and meaning, particularly in contexts where opposing logics collide, by showing that a unique mode of meaning-construction – design – can render goods with limited economic appeal, economically valuable. Consequently, it adds to the growing economic sociology literature on the social construction of value (Khaire & Wadhwani, 2010; Zelizer, 1979; 1989). The study is particularly relevant to scholars of creative industries in its ability to suggest a mechanism for bringing cultural goods into the market arena by making them economically valuable. Although this particular study was restricted to material cultural objects, we can see how the insights regarding the importance of design can be applied to visual and performing arts as well. While I do not suggest or recommend that “high art” be “dumbed down” in order to make it more appealing to consumers, this instance of designed craft objects indicates how cultural goods such as folk dance or folk music that are neither highbrow art, nor elements of popular culture, can be found a
market. Cultural sociologists may worry about the diminishing of authenticity in a cultural experience through the incorporation of these insights (Wherry, 2008). In fact, the incorporation of design leads to a decoupling or loose coupling of ritual objects infused with cultural meaning from derivatives created explicitly for the purpose of economic transactions. This, in turn, preserves the cultural heritage of craft communities with its original meanings intact, while creating a new set of objects with unique meanings and values for consumers desirous of participating, albeit tangentially, in cultures foreign to their world.

Finally, this paper has practical implications as well. In particular, it suggests that creative industries can play an important role in the process of international development. Since most crafts today flourish in pre-industrial communities within developing countries, the application of design elements to craft products could enable us to bring economic development to these regions, without the loss of dignity or heritage that is often entailed by the market. In fact, several creative entrepreneurs are engaged in exactly this form of reinterpretation and re-presentation in novel business formats and models, particularly in the field of sustainable and ethical fashion (Friedman, 2011).
References


