



Online Selling Survey 2019

Exploring positives and challenges of
selling online for makers and craft venues

*Prepared by Craft Scotland
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Introduction

In 2019, Craft Scotland conducted a small research project into the positives and challenges of online selling for makers and craft venues based in Scotland.

We conducted 15 interviews overall, with 11 makers and 4 craft venues. We received survey responses from 79 makers and 12 craft venues.

This research was carried out in 2019 and may not reflect the online selling landscape during the Coronavirus (COVID-19).

Online selling in Scotland

From this research and our [annual tracking studies](#), we can see that more makers and craft venues have embraced online selling in the last four years. Makers' own websites generate the most sales for makers and a benefit is that it allows them to oversee every aspect of the presentation (images, story and marketing etc.) and want to be in full control of product launches and sales.

Makers and craft venues are able to sell a wide variety of styles and sizes of handmade objects online, and at a variety of price points.

Key quotes

"I'd like to do online selling. I don't have the skills or knowledge to know how."

"Potential customers who are local can look at website and then come visit me, or the other way around. In a face-to-face meeting, I might show them my website on my tablet or get them to open my website on their phone."

Summary

Shifting craft sector trends, between 2014 and 2019, show that increasingly more makers and craft venues are adopting Ecommerce, with the majority selling directly through their own websites/social media (over 60% for both makers and craft venues). This may show that customers are keen to buy directly from the maker/venue. Overwhelmingly maker respondents answered that the sales channel through which they achieved their highest price paid for one item was their own website. Makers and craft venues are increasingly becoming business and marketing savvy and selling through their own channel allows them to control every aspect of their presentation and customer experience.

While selling online broadens the customer base for craft (locally and internationally) and generates good sales for the craft sector, it is time-intensive and brings with it high expectations from the customer. Selling online is clearly a viable source of income for the craft sector, however as shown on page 3 it brings with it both positives and challenges as a route to market.

Positives and challenges of selling craft online

We collated the answers from the face-to-face interviews with makers and craft venues into a table of positives vs. challenges of online selling.

Positives of online selling	Challenges of online selling
<ul style="list-style-type: none"> • Global reach/international audience • Bulk of sales fall into £2–£150 price range which is affordable for the majority of buyers • Selling workshops is a growth area for makers (selling tickets online is important for this income stream) • Lower overheads, i.e. from holding stock, cost of running a space • More income than wholesale • Larger audience reach and visibility • Instagram is the key channel to drive sales and brand awareness • Connects your work to other artists (prestige) • Sales can be targeted to specific customers • Potential for growth • It helps to retain customers • There is a link between retail/trade and online sales/digital presence as customers can transfer from one to the other, e.g. customers seeing work at a pop-up will go online to see the full range. • It gives customers time to consider buying online after having seen the work in person 	<ul style="list-style-type: none"> • Customer service (need realistic pricing including all costs such as postage up front) • Customers do not appreciate it is not a 24hr service • Easier to compare prices online and to be undercut • Items that sell well are craft-related but may not always necessarily be craft i.e. prints (this is true for both makers and craft venues) • Trying to convey tactility of work • Increasing traffic to your website can be difficult • Time required in setting up and maintaining the Ecommerce website • Time required in promoting, SEO and copywriting • Majority spend between 4–30 hours on Ecommerce maintenance • Risks in holding stock and maintain stock levels • Reliability of supply chain • Having to add new products periodically (once a month, 3 months, 6 months, a year) • Cost & time for photography • Legality around selling online/exporting • For places, there is a challenge and a high cost around replicating the customer experience and presentation of their in-store offering online • Venues are employing between 1–4 people to man their online shop

Maker insights

We conducted interviews with 11 makers and we received survey responses from 79 makers.

Makers included those with diverse business models and sizes, from larger, more established brands, to smaller scale, part-time businesses.

Disciplines

Similar to our [annual tracking studies](#), the top 3 disciplines represented in this survey are jewellery, ceramics, and textiles.

Popularity of online selling for makers

The majority of respondents began selling online in the last five years.

On average maker respondents reported that business gained from online sales and online commissions was 41% of their income.

Selling platforms for makers

65% currently sell on their own website or other platform where they control the product content (such as Etsy).

25% of respondents plan on selling through their own website or other platform where they control the product content (such as Etsy).

Approximately 10% of makers do not sell through their own website (or any other website where they control the product content, such as Etsy) – but they do sell their work through third party websites.

23% say their own website is the best-selling platform, with Etsy and Instagram being the second-best platforms.

Link between online selling and other routes to market

18 respondents believe face to face selling drives online.

Sales and products for makers

77% of respondents sell products, workshops, or experiences online.

Overwhelmingly respondents answered that the sales channel through which they achieved their highest price paid for one item was their own website.

40% of respondents have between 1-20 individual SKUs on their online shop, with 16% having up to 40 SKUs*.

21% sell workshops online.

**SKU is short for stock keeping unit. SKU is a unique code consisting of letters and numbers that identify characteristics about each product, such as manufacturer, brand, style, color, and size.*

Prices for makers

Slightly over 67% of makers find that the bulk of their sales fall within £2-£150.

23% reported selling an item online priced over £500.

Time and resources for makers

1/3 of respondents spent between 1-2 weeks preparing their online shop to go live. With the rest taking anywhere between a few hours to several months.

1/3 of respondents spend between 0.5-10 hours a month on maintaining their online shop.

Between 1-2 people are involved in maintaining their online shop.

38% add new products between 1-3 months, whilst 23% add new products once every six months.

Challenges of online selling for makers

- 22 of respondents: finding time for keeping it new, fresh, updating products, and promotion and marketing
- 13 respondents felt that driving traffic, building name recognition, and reaching a wider audience were a challenge
- The cost of and time for photography was a challenge for 9 of respondents
- 4 respondents mentioned the challenge of selling products that beg to be touched and overcoming that loss of tactility online
- 4 found that maintaining enough stock was an issue
- 3 of respondents mentioned the time and cost of packing and posting
- 3 thought lead-times were an issue for some of their online customers

Positives of online selling for makers

65% mentioned global reach, making this the number one positive aspect of selling online. This global reach also ties in with being able to be based anywhere, and not being dependent on being centrally located for sales.

The second most cited positive aspect of selling online is profits. This is linked to other answers like no exhibition fees, lower overheads, and higher margins. Most respondents

who gave this answer stated that it gave them 100% of the profits versus selling through stockists. This may mean that fewer makers are selling through wholesalers online.

Control was another popular answer that was cited in reference to multiple aspects of business, from controlling the presentation of one's range in a way that cannot be duplicated in-store, at a gallery or exhibition.

Other aspects that makers value is having full control over the customer experience. Having control over stock is important for some in two ways: being able to hold little stock and taking orders for bespoke items, as well as only selling items that were in stock and not showing anything else. Being able to control the story/marketing online (including the makers' story, and the story of the objects) made was of prime importance to other maker respondents.

Promoting online selling platforms for makers

Social media, particularly Instagram, was the main method of promotion but respondents use a diverse range of online and offline marketing tools to drive traffic from newsletters to traditional advertising (42%).

Selling through social media for makers

58% sell through social media, with 43% selling informally through direct messages and comments.

Craft venue insights

We conducted face-to-face interviews with 4 craft venues and we received survey responses from 13 craft venues.

The craft venues ranged from stores and galleries that sell Scottish craft, to multi-use arts organisations with and without venues, to businesses combining craft experiences with selling products.

Types of craft venue surveyed

- 6 Galleries
- 3 Shops
- 1 Artist Collective
- 2 Multi-use arts centre / arts organisation

Popularity of online selling for craft venues

- 61% of craft venues sell online, most started selling online in the last decade
- 20% are keen to sell online in the near future

Income for craft venues

- 12% is the average percentage of craft venue income for respondents that came from online sales

Sales and products for craft venues

- 42% add new products once a month
- 57% of respondents are selling workshops or experiences on their website
- 4 craft venues have over 240 SKUs
- Prints are the highest value and volume of sales online, with glass and tableware, blankets, and catalogues mentioned by other respondents, as the specific products that generate the highest value of sales online
- Products sold online do not always represent the full range of products sold in-store, and vice versa. 2 respondents stated that 100% of the makers that they feature in-store also feature in their online shops. Another respondent featured a low of 10% of in-store makers featuring on their online shop. The average was 62% of makers who featured both in-store and online.
- 1 respondent said that 30% of the makers they featured online, also featured in-store.

Prices for craft venues

- Price range of craft venue respondents ranged from £0.50-£25,000
- The majority of sales fall between this price range: £2-£50
- Highest price of an item sold, ranged anywhere from £400-£20,300

Time and resources for craft venues

- 1/3 of craft venue respondents spent between 1 to 2 weeks preparing their online shop to go live. With the rest taking anywhere between a few hours to several months
- Craft venue respondents spend anywhere from 5 hours per month right up to 50 hours per month
- Craft venue respondents have between 1-4 people helping maintain their online shop

Challenges of online selling for craft venues

- Time
- Photography
- Lack of storage space for stock
- Price-points
- Driving traffic and conversion to sales
- Difficulty of selling tactile products without customers being able to touch them

Positives of online selling for craft venues

- 6 of the 8 respondents stated that the positives aspects of selling online include extending reach and awareness
- 2 respondents mentioned lower or no overheads
- 2 respondents mentioned that their online shop overcame obstacles to foot traffic based on location.
- 1 respondent mentioned the ability to have an integrated shop window
- 1 respondent stated that it was easier to find their niche market online rather than in-store

Relationship between selling online and 'bricks n mortar' stores

- *"Online you can push the service element, direct people to see the actual object in the showroom, or in-home approval"*
- *"It's a small, ancillary part of our business, but for some reason it feels important. We hope for growth, but it requires a lot of time and energy."*
- *"Selling online is an ongoing process for us that we are currently trying to improve"*
- *"The same customers buy both online and in-store"*

- *“If they have seen the product at one of our pop-up shops, they can buy it later online.”*
- *“Online is necessary but we much prefer the interaction from selling through the premises as most items should have that care and attention.”*
- *“Necessary but time consuming.”*

Promoting online selling platforms for craft venues compared to makers

- Facebook is the number one method of communication and promotional tool for craft venues to drive traffic to their websites, with 91% of craft venue respondents using this social media platform
- Instagram is number two with 73% of craft venue respondents using it to drive traffic to their websites
 - The inverse is true for makers with Instagram being the number one method of driving traffic with 93% of maker respondents using it to drive traffic and 73% of makers using Facebook
 - One notable difference between makers and craft venues use of social media is that craft venues were twice as likely to use Twitter to promote their website as makers. 56% of craft venue respondents use Twitter, versus only 24% of makers
- 64% of craft venue respondents use emails to a client list to drive web traffic.
 - Only 54% of maker respondents use this method to drive traffic.
- Craft venues were much more likely to place advertisements, with 45% of craft venue respondents placing adverts versus only 18% of maker respondents
- 27% of craft venue respondents used brochures and other printed materials to drive traffic to their websites compared with 43% of maker respondents
- One of our face-to-face interviewees with a craft venue said that it takes seven years to develop a website to be self-sustaining

Social media and online selling

- Almost 55% of respondents use social media to sell
- 36% of respondents who do sell through social media are using informal selling through direct messages or comments
- 27% employed shoppable posts, 18% used shop tabs on Facebook

Additional insights

What product selection sells?

“Anything with birds”

“Any jewellery with a connection to the natural world.”

“Anything unique to us”

“For craft we do see quite high margins”

Shoppers crave newness

“You really should be uploading ‘newness’ every week”

This quote is from a craft venue that uploads five major campaigns a year. Within each campaign, they add 5 to 6 new makers. But they add ‘freshness’ to their online shop with new landing pages, banners, photos, concepts, and methods of engagement fortnightly.

However, this craft venue has two full-time members of staff who work exclusively on the online shop and contract an external agency to help with Ecommerce. 23% of their business is conducted online.

One maker we conducted a face-to-face interview with, added ‘newness’ in innovative ways. Although they updated their range twice a year, they added freshness to their website more frequently via their blog by adding:

- Interviews with stockists who carry their products
- Interviews with other makers including what they listen to whilst making work
- In-depth information about new collaborative projects

I craft venue stated that they test new products/makers on their online shop between 2 months and a year.

Therefore, it seems ‘newness’ can be added to your Ecommerce platform in a variety of ways including content, products, makers, storytelling and graphics. However, it may come with a heavy time or budget commitment.

Craft

SCOTLAND

Craft Scotland

Supporting Makers, Promoting Craft

Craft Scotland is the national development agency for craft.

We put makers at the heart of all we do, championing diverse and high-quality contemporary craft.

We help people learn about, appreciate and buy craft, promoting the contribution of craft to Scotland's cultural, economic and social well-being.

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Through our exhibitions and events programmes, digital platforms and strategic partnerships, we provide leadership for the sector.

We create opportunities for makers to develop their creative and business practice, and to exhibit and sell work in Scotland and beyond.

We are a registered charity supported by Creative Scotland.