Simple Marketing Skills
How to Get More Income from Our Crafts

Asia/Pacific Cultural Centre for UNESCO (ACCU)
Minda and Lena! He bought all the crafts we made, that's 1,500 rupees.

That's wonderful. I can buy some notebooks for my daughter. And still have some money to prepare for the festivals.

Today we made a profit of 600 rupees. Working together was such a good idea. Things weren't like this three years back.
Here is the story behind our success.  
Three years ago . . . . 

At that time, we knew nothing about marketing.  
We were producing the same boring crafts individually and having difficulty selling them.  
When we talked about this problem and how to solve it together, things started changing.  
First we decided to go to Minda's nephew's shop to see if there was a profitable craft we could make.
In Nephew's Craft Shop

This one is nicely made. It sells for 30 rupees?

I can use this for cooking. Dear nephew, how much did you pay the craft maker for this spoon?

25 rupees.

Why don't I make a mat like this?

But you don't know how to make such things.

Well, the skill development centre teaches some crafts. Why don't you check out the place?

If you are making crafts for income, it's very important to know the market, to know about our buyers - their needs and wants.

Check-list for simple market research

1. What products are popular and in demand?
2. How much is the selling price?
3. How many are sold in a day?
4. Who are making these products?
5. How and where are they being sold?
In the Skill Development centre

It’s better to start with a craft for which you can use locally available materials and tools. Then you don’t need big money to start with.

We want to learn how to make popular crafts to increase our income.

In our village, we have lots of coconut trees.
Minda, your nephew said that mats made from coconut fibre are selling well.

We have a class just right for that. You can learn how to make coconut handicrafts and how to sell them well in two weeks.

You are all doing very well. The equipment can be purchased from the centre.

I'm starting to enjoy making these mats.

It's going to be fun working together. I hope we can make lots of money.

We need to save money to buy this equipment.
All together we need 3,000 rupees to buy equipment and supplies.

That is 1,000 rupees from each of us.

Production cost calculation

1 Coconut ropes 60
2 Colour dye 90
3 Transportation to the market +80

Total production cost of 10 mats 230

Cost of making one mat
230 rupees ÷ 10 mats = 23 rupees

I calculated the cost of making 10 coconut mats. By calculating all the cost involved in making the crafts, I can make better decisions.

Necessary tools for mat making.
We contacted several craft shops and found out how much they would buy our handmade mats for.

Three shops are buying the same mats for different price from the makers.

Why is there a difference?

The difference is in the quality of the craft. Customers don't buy crafts that are not good. So I give good prices for good quality crafts. That's good business.
These mats are made very well, I can buy one piece for 33 rupees. When I'm checking for the quality, I check the size, colour, and how meticulously it is made. If the design is good or not, if it is useful or not. And if it's creative, it's even better.

Quality Check Points
✓ uniform size
✓ nice colour
✓ good design
✓ usefulness
✓ creativity

Let me see how much our group makes if we sell 10 mats to my nephew.

Profit calculation

\[
\text{group selling cost} = 33 \text{ rupees} \times 10 \text{ mats} = 330 \text{ rupees} \\
\text{less production cost} = 230 \text{ rupees} \\
\text{group profit} = 100 \text{ rupees}
\]
If we make 10 mats a day, in 30 days, we can get back the money we spent to buy all the equipment in the beginning.

\[
100 \text{ rupees} \times \frac{30 \text{ days}}{3000 \text{ rupees}}
\]

After that, everything will be profit. Let's introduce our mats to more craft shops.

We always talk about how to make more attractive mats.

That's a good attitude, Hasnah. I have a customer who is asking for a mat saying 'welcome'. Would you make one?
I think our craft-making is profitable because we work with a good group spirit and listen closely to good advice from experts.

By the way, Hasnah, your sweet balls are tasty. Why do not we sell them, too? I'll make a container from bamboo leaves.

Do you think so? Why not! Let's do some market research on sweets.
Review of Marketing Skills

1. Simple market research
2. Learning how to make quality crafts
3. Calculating production cost and profit
4. Checking the quality of the crafts
5. Promoting our crafts to other outlets

Guide for Utilization

Target Audience: Neo-literates at middle level

Objectives:
To enable learners to
(1) Become aware of the importance of marketing skills to increase income.
(2) Keep up reading, writing and calculating skills.
(3) Find out popular and profitable crafts by studying the market.
(4) Get an idea of production cost calculation and profit cost calculation.
(5) Understand the importance of quality control of crafts.
(6) Develop marketing skills like selling at the right place and right time.

Application:
1. Before distributing this booklet, instructor should generate an informal discussion with learners about craft-making for supplementary income-generation.
2. Then distribute this booklet to learners and ask them to read it thoroughly.
3. After reading, instructor should invite learners to discuss the importance of marketing skills and their application for their income-generation activities.
4. Then, learners should practice calculation with crafts they are making or they plan to make.
5. Instructor should show other related materials, i.e. on craft-making, co-operatives, etc. for further understanding.
6. Five leaners may role-play characters in the booklet. Hasnah, Minda and Lena are three women forming a craft-making group. And there are Minda’s nephew, who has a craft shop, and an instructor at a skill development centre who advises them.
7. After reading the booklet, a group visit to market place may be arranged for learners to practice simple market research.

Illustrated by Untung Sugiharto (Indonesia)

© Asia/Pacific Cultural Centre for UNESCO (ACCU) 1997
[6 Fukuromachi, Shinjuku-ku, Tokyo 162-8484 Japan]
e-mail: literacy@accu.or.jp URL: http://www.accu.or.jp/litdbase

Planned and produced under the Asian/Pacific Joint Production Programme of Materials for Neo-Literates in Rural Areas (AJP) in co-operation with UNESCO Bangkok