

MACIEJ CZAPLEWSKI

## The use of e-commerce in the promotion and sale of hand made products

### 1. Introduction

Creativity is undoubtedly one of the basic resources of the modern economy. It is considered and described in an interdisciplinary and multidimensional way (Markiewicz et al. 2016, p. 9). Creativity combined with art, aesthetic impression and design creates the basic infrastructure for the functioning of the creative economy (Caves 2000). Nowadays, the concept of creative economy is linked to the development and use of modern information and communication technologies (ICT) (Die Kreative Ökonomie in Heidelberg, p. 7). For that reason, new forms of promotion and new products appear on the market. The main goal of the article is to present and systematize the basic possibilities of using e-commerce by the creators of hand made products. For this reason, the article has been divided into parts regarding specificity and scope of hand-made products in modern economy, e-commerce essence and the use of e-commerce by handmade product makers. The whole article is completed with conclusions.

Maciej Czaplewski, Ph.D.  
University of Szczecin  
Faculty of Management and  
Economics of Services

## 2. Specificity and scope of hand-made products in modern economy

In the classic view under the term “new product” we understand everything that the consumer could not buy before. However, the new product is a very broad concept - from unique innovations, resulting from costly and advanced technology research, to modifications of existing products (Budziejewicz-Guźlecka 2009, pp. 519-530), or hand made products. One of the elements of the creative economy is undoubtedly the handicraft market, which is increasingly known as the market for handmade products.

Handmade in direct translation means “made by hand”. These are most common objects of artisanal or artistic arts and, in the common sense, mean their own creations, including ceramics, jewelry as well as other objects, also those of everyday use ([www.biznes-firma.pl](http://www.biznes-firma.pl)).

In the broader sense, handmade is not limited to made by hand products. In that sense, the term also includes contact with the seller and the author of the work as well as the ability to establish relationships or exchanges of opinions (<http://poradnikprzedsiębiorcy.pl>).

Taking this into consideration, it is no surprise that handmade product makers have been increasingly using the opportunities created by the e-commerce industry.

## 3. E-commerce essence

The essence of e-commerce is at best reflected by two mutually complementary definitions:

1. E-commerce is the use of the Internet, digital communications and information technology applications to enable the buying and selling process.
2. E-commerce is the realization of all or at least important stages of the transaction between the seller and the buyer through electronic media (Gersch 2000, p. 2).

Basing on these definitions, it can be assumed that e-commerce is a commercial activity between counterparties using interactive electronic media such as the Internet, at least in the basic stages of the transactional process.

For proper e-commerce activities, appropriate measures are required in the following areas (Leister 2001, p. 502):

- communication,
- content,
- context,

- communities,
- convenience.

Apart from taking into consideration the aforementioned areas undoubtedly success in the e-commerce market depends to a large extent on the very first choice of the industry. According to statistics of Allegro Academy (Akademia Allegro), it is best to invest in a business that is not dominated by the largest players. A great potential lies in lifestyle-related categories, such as unusual utility items, clothing and handmade jewelry ([www.bankier.pl](http://www.bankier.pl)).

#### **4. The use of e-commerce by handmade product makers**

Thanks to e-commerce features of to the use of modern technologies, today's handmade product designers have a far greater opportunity to present their works. In addition, with the development of e-commerce they are also getting better and better opportunities to sell their products. Theoretically this is possible even on a global scale.

There are now many different opportunities and different ways to promote and sell online. We can include the following ones:

- social media,
- blogs (mostly hobbies) and online forums,
- internet auctions,
- e-shops,
- e-shopping malls (e-galleries / e-bazaars).

Regardless of the choice, it should be mentioned that even free platforms often offer also for newcomers sufficient opportunities.

##### **4.1. Social media**

Social media are still a relatively new trend. Actually, any of the more popular social networking sites (like Pinterest, Instagram, Google Plus etc.) is a good place at least for promotion purposes. However, the most recognizable portal in this category both in Poland and in the world is Facebook.

An example of a Facebook-based business is the Tell Me Why shop, which began operations in 2013 and mainly sells handmade semi-precious stone bracelets (<https://www.facebook.com> ). On the social networking site you can not directly buy products, but you will find all information about the type of sold products and where and when they will be available for sale. This site in January 2017 had over 2 thousand of the so-called likes.

## 4.2. Blogs and online forums

The promotional activities can also be based on various types of blogs and online forums. Once the use of these channels was very popular but nowadays, due to the high competition from social media, they are somewhat forgotten. This situation also arises from the fact that both blogs and online forums require more attention from the users as well as more time. It is also more difficult to update the offer as well.

It can be concluded, that with the help of social media and, to a lesser extent, other tools such as blogs and online forums, with the help of viral marketing through friends, it is possible to reach many people.

However, this opportunity opens mainly for those who would like to promote and sell their products in a comprehensive and professional way. In addition to good ideas, factors that should bring success include:

- correct, modern and transparent preparation of the sellers own website with photos of appropriate quality,
- professional service,
- wide range of help and as quickly as possible response to eventual questions.

## 4.3. Internet auctions

While some social networking sites offer the opportunity to sell their products directly, nowadays, commercial users are more likely to use online auction sites. The most popular on the Polish market are Allegro, Świstak, auctions24, Ebay and many others.

The problem for sellers on online auction sites is that most often they have to fight for potential customers among countless competitors. Of course, it does not apply to people or companies whose products or services are extremely innovative or stand out from the competition or entrepreneurs who simply find their own niche.

However, for the most sellers, successful sales activity on Allegro has to do with paying special attention to aspects like:

- professional and fully reflecting the reality photos,
- accurate descriptions and titles of auctions that will help potential customers easily find the products they are looking for.

One should not forget that unlike social networking sites, blogs, etc., most auction sites charge a fee. Sometimes these are only commissions collected for the items sold (eg Delcampe), or for special extras, such as the distinction of the

item with special graphics or positioning on the page. But very often the fees are also charged for the item itself, regardless of whether it is sold or not (this is for example the way Allegro functions).

#### 4.4. E-shops

Another form, most often a paid one, is the creation of own website, which presents data on its own activity, profile and product range, as well as other relevant and important information for interested parties. Contemporary online stores compete with the values offered to the customer by creating a package of additional benefits to the customer (Drab-Kurowska 2012, p. 183). Such method allows also a greater freedom of action. However possessing and managing own website is most often associated with:

- having own domain or hosting, which is usually paid,
- creation of a website on your own or (extra charged) commissioning the development of such a website.

Nowadays creating a website on your own is definitely easier than a several years ago. This situation is mainly due to the wide availability of various types of WYSIWYG programs<sup>1</sup> and all kinds of configurators. The degree of difficulty in using such tools is not significantly different from using an average program such as Microsoft Office. It is often compared to creation of a presentations, for example, in PowerPoint.

Well created website depicting the so-called portfolio of works and products looks much more professional than a simple link to an auction or blog. On the one hand, the process of placing orders by customers in the simplest way is possible even through the use of electronic mail or in a traditional way - even by telephone contact.

On the other hand, it should be considered whether instead of a www page, not create a more advanced version of the site with many e-shop functionalities. True, it is usually a slightly more expensive option, but it can become a fully professional and, no less important, an own sales platform. At present, many companies in Poland offer for a relatively small amount of money the possibility to create and configure own online stores (for example, a Home.pl product called Clickshop). On the other hand, an example

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<sup>1</sup> WYSIWYG (what you see is what you get). Computer-assisted acronym for determining methods that produce results that are identical or very close to the screen image. See <https://pl.wikipedia.org/wiki/WYSIWYG>.

of an online store is, for example, "Pan tu nie stał" (<https://pantuniestal.com/>)<sup>2</sup>.

The offer of companies to create and set up own electronics shop even by people without IT capabilities is quite big. For a monthly, most often fixed fee one can get a professionally created e-shop template, which only needs to be tailored to the sellers needs and filled in with all the necessary information and product descriptions. During selection of the provider of such templates, apart from the price, its reliability, scope of offer and technical background should be taken into consideration. It is also important to check what business facilities the company offers. Nowadays, more reliable companies have built-in scripts that organize the various transaction stages, such as shipping method, type of payment, etc.

#### 4.5. E-shopping malls

Instead of creating own website or individual online store, one can also use specialized portals aggregating people with similar business interests. Portals that allow sellers to present and sell similar types of products, but by different people or companies (often referred to as e-shopping malls, e-galleries or e-bazaars) include Dawand, Decobazaar, Dooperelle, Ellefant, Fiu Fiu Gallery, Pakamera, Pipettics and Trendsetterka.<sup>3</sup>

These platforms offer the ability to present and sell products through an online boutique. Every creator can offer his or her items. Unfortunately, every seller, in order to be able to promote its products, has to comply with the specific terms of such an aggregator. It involves bearing quite high commission fees. In addition, to reach as many potential customers as possible, it is necessary to be present at least on a few galleries. These platforms, though varying in the type of assortment, product presentation, or conditions imposed on individual creators, have at least one attribute that links them all. This feature is the uniqueness and

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2 The activity of this shop is related to the sale of articles with inscriptions and designs inspired by the style of the People's Republic of Poland and the soviet times in Poland. Shop owners admit that the passion for items from that period has eventually turned into the basic economic activity of the whole family (<http://www.bankier.pl/wiadomosc/Internauci-pokochali-hand-made-2439529.html>). The direct translation of the name of this shop is – You did not stand here – and it is referring to a situation in a que to a shop.

3 One of the major e-galleries was mybaze.com but after a dozen months of activity it ceased its functioning (<http://metro.gazeta.pl/metro/7,50144,19903128,mybaze-com-zniknal-ponad-dwatsiacle-sprzedawcow-hand-made.html>).

in many cases also the exclusivity of the products and goods promoted on them. And additionally most of them are handmade.

In general, such aggregators have at least one advantage over other forms of sales. It is mainly the excellent promotion (especially on the background of other opportunities).

That the market for handmade is developing is also evident by the fact that this trend is also noticed by large players on the e-commerce market. Amazon, which was the pioneer of e-shopping, added in 2016 the Handmade section on its regional sites in France, Germany, Italy, Spain and in the United Kingdom. The platform offers its customers approximately 30,000 products made by artisans and artists. This was the result of the success of the company's main American site. About a year earlier, Amazon opened a similar platform in the United States. From the beginning the company offered about 80 thousand handmade items, prepared by approximately 5 thousand different craftsmen. In 2016 it offered over 500 thousand position, and the number of craftsmen almost doubled ([www.dlahandlu.pl](http://www.dlahandlu.pl)).

## 5. Conclusions

Modern ICT technologies significantly change the way people, organizations and entire industries function (Gassmann, Sauer 2016, p. 375). Nowadays, people who produce various types of handmade products, thanks to modern technology have more and more opportunities to present their works. In addition, with the development of e-commerce, they are also increasingly able to sell their products.

The e-commerce industry favors young and talented artists and selling own creations on the Internet has grown steadily for several years. According to Allegro Academy data, handicraft trade is already one of the most developed e-commerce branches.

In today's world we can say that consumers, especially those from the developed countries, are increasingly aware of both the quality, where the products come from and how they are made. There is a growing number of customers who are less interested in the products produced by large international (and often global) companies. This group increasingly and more willingly decides to buy handmade products by small companies or by individuals. With the development of the Internet and basing on it e-business and e-commerce, unique products creators are now able to promote and sell their works not only in a traditional way, which is often limited to the local market but also with the use of the latest ICT technologies. also on the national, international and even in a world scale.

## Summary

### **The use of e-commerce in the promotion and sale of hand made products**

On one hand, virtually regardless of the industry, with the development of e-commerce today traders are becoming better opportunity to present as well as sell their products. On the other hand, steadily increases a group of people who more often and more willingly decide to buy custom and unique products, which are being mostly made by hand by small companies or by individuals. It should not surprise anyone, that the market of hand made products offered via the Internet is growing at a rapid pace. For this reason, the article presents and systematizes basic usability of e-commerce by the makers of hand made products.

**Keywords:** *hand-made products, e-commerce.*

## Streszczenie

### **Wykorzystywanie handlu elektronicznego w celu promocji i sprzedaży produktów typu „hand made”**

Z jednej strony, właściwie niezależnie od branży, wraz z rozwojem e-commerce dzisiejsi handlarze mają coraz lepsze możliwości prezentowania jak też sprzedawania swoich wyrobów. Z drugiej strony z roku na rok powiększa się grupa osób, które coraz częściej i coraz chętniej decydują się na zakup produktów niestandardowych, unikatowych i najczęściej wytwarzanych ręcznie przez niewielkie firmy lub też przez pojedyncze osoby. Nie dziwi zatem fakt, iż rynek wyrobów hand made oferowanych za pośrednictwem Internetu rozwija się w szybkim tempie. Z tego względu w artykule przedstawiono i usystematyzowano podstawowe możliwości wykorzystywania handlu elektronicznego przez twórców wyrobów hand made.

## Słowa

**kluczowe:** *wyroby hand made, e-handel.*

## JEL

**Classification:** L81

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