

COVID-19: Threat or Opportunity for Handicraft Exporters

Link to recording: https://youtu.be/_2wmPy2P490

10th April 2020: While on one hand when Coronavirus has become a global issue from the health perspective, it has equally passed on its trickle-down effect on the global economy. Having emerged from China, it is now seen as a possible threat; the buying preferences seem to be shifting in favour of mass-producing countries like India. This is expected to bring up immense export opportunities for India against China with the anti-China sentiment growing. On the other hand, it might also bring in the challenge for sectors that are import-dependent on



Mr. Rakesh Kumar, Director General, EPCH; Mr. Raj K Malhotra, Vice Chairman, EPCH; expert faculty, Dr. Tamanna Chaturvedi from IIFT, New Delhi; Mr. Rajat Asthana, eminent exporter from Agra; Mr. Kamal Soni, COA Member, EPCH; Mr. Naved-ur-Rehman, Vice Chairman, EPCH; and Mr. RK Verma, Executive Director, EPCH

China wherein Indian companies had to immediately look for reducing their import dependence on China and look for alternate sources. This webinar highlighted the



emerging opportunities and challenges for the handicraft sector, particularly of Uttar Pradesh in sectors including metalware, woodware, glassware and stoneware. The objective was to provide the required knowledge and guidance to the stakeholders who are engaged in the sector in this region.

With expert faculty, Dr. Tamanna Chaturvedi from IIFT, New Delhi, this session was also addressed by Mr. Ravi K Passi, Chairman, EPCH; Vice Chairmen, EPCH - Mr. Raj K Malhotra and Mr. Naved ur Rehman; Director General, EPCH, Mr. Rakesh Kumar; and Executive Director, EPCH, Mr. R K Verma. It was attended by 115 member exporters from Uttar Pradesh and Delhi NCR including COA members of the Council.

Dr. Tamanna Chaturvedi, in her presentation indicated that this is not the time to be sad and worry but take concrete action and plan for the time that will emerge post COVID-19. There will be tremendous shift in the business as market and buyer requirements will go through a sea change, influenced by how consumers view the world amidst this pandemic. Dr. Chaturvedi was of the view that handicraft exporters should focus on new markets like LAC and African countries, plan future strategies to cope up with the handicrafts export target, e-Commerce, post COVID handicraft export compliances which may be required by the buyers, etc. She urged the exporters to get ready to service buyers who will definitely look for other alternatives to China

For post COVID the individual product segments that would have potential Dr. Tamanna observes are, woodcrafts, glassware, metalware and stoneware. Among wood there will be demand for statuettes and other ornaments (excluding wood marquetry and inlaid wood); tableware and kitchenware; frames for paintings, photographs and mirrors; and all kinds of jewellery boxes. In glassware, sought after will be framed glass mirrors; glass beads; tableware; and decorative lamps. In metals demand will be for statuettes and other ornaments of base metal; picture and mirror frames; and a renewed interest will be for spiritual & meditation items like bells, gongs and singing bowls. She suggested of products that serve dual purposes like pen drives designed as decoratives; and using tradition as inspiration to create signature products. She also urged towards compliances and focus on sprucing up websites, updating corporate brochures and working on e-Commerce strengths as well as creating brand stories. In conclusion, she shared about how various countries are coping with the situation and how one can take cue from that.

While addressing the participants, **Mr. Rakesh Kumar, Director General, EPCH**, said, “we are at a crucial juncture right now. Soon the time before COVID will be referred as BC and after will be called AC,” and added that there will be a tremendous shift in the way business will be conducted in the future. So, this is the time for self-introspection in terms of how we worked, how our competition worked, etc. He emphasised on looking at online platforms as well as the very potential domestic market that includes various sectors that EPCH member exporters can cater to. Mr. Kumar also spoke about the virtual fair that is soon to be launched by EPCH and the related webinars for discussion would soon take place.

The other panelists offered their insights for way ahead. **Mr. R K Malhotra, Vice Chairman, EPCH**, said, “this is the time for survival and intelligent use of resources, managing expenditure, cost cutting and most importantly doing all this while also taking care of our workforce. He suggested that suitable marketing channels be explored. He stressed on the fact that buyer requirements will change and COVID related compliances will become integral to business.

WHICH PRODUCT LINES SHOULD YOU FOCUS NOW?



Mr. Kamal Soni, COA Member, EPCH, opined that we need to check the financial standing of our buyers once again before processing orders. We may take routes like ECGC covers so that risks are taken care of. He was of the view that opportunity would emerge in wooden kitchenware and tableware, and most significantly, marble products. And that, in this free time, emphasis should be on design development for seasons ahead. He added that we need to look at capacity enhancements for 2021-22, if we are seriously looking at filling the gap that China leaves. “When factories open, we will need a true analysis”, said **Mr. Rajat Asthana** and pointed out at re-securing the core team with confidence-building and incentives. “This team will need to handle the post COVID situation with strategies and trouble shooting-something one cannot do alone but can wonderfully execute with a good team,” he said and added about the importance of cost cutting and saving as “the more you save, the more you earn”. Mr. Asthana also stressed on the significance of compliance and designs that other countries cannot replicate. For this, fusion of raw materials can be aesthetically done so that product uniqueness is achieved, he shared. **Mr. R K Verma, Executive Director, EPCH**, emphasised on the need to not just think of the business upset caused by China and how India can benefit, but also look at our other Asian competitors like Vietnam and Malaysia where many buyers can turn to. He was of the view that marketing modules will change and e-platforms for trade will gain prominence. Mr. Verma thereafter mentioned of the virtual fair that EPCH is planning. ■