Social Media Communication in the Artisan Economy

Angela Au, Higher Learning Institute, Tucson, AZ, USA
Peter J. Anthony, Walden University, Minneapolis, MN, USA

ABSTRACT

Social media is a viable marketing and communication option for small businesses as it is cost-effective and easy to use. This study explores how small business owners in the artisan economy utilize social media to communicate with their customers. Artisan small businesses share similarities with small firms in other sectors, but they face unique challenges. Five artisan owners in the United States participated in semistructured interviews answering questions relating to marketing and communication. Artisan owners work in home-based businesses and rarely interact with customers in-person. Social media is a primary communication tool. Facebook, Twitter, and Instagram are sites artisan owners utilize to connect with existing and previous customers. Social media is helpful in maintaining customer relationships as well as reaching out to potential clients. When customers interact with artisan owners on social media such as liking and sharing posts, word-of-mouth marketing is created. Social media might help artisan owners increase customer loyalty and sales.

KEYWORDS
Artisan Economy, Facebook, Instagram, Small Business Communication, Social Media Marketing, Twitter

Social media is an effective communication tool as it is free to use and easy to learn. Many individuals are using social media to stay in touch with their friends and acquaintances. Companies are using social media to connect with potential and existing customers (Au & Tucker, 2015). Social media is a platform that allows customers to interact with companies directly. Customers can ask companies’ questions about a product, inquire about services, and seek help through social media platforms like Facebook and Twitter. Social media is also an effective marketing tool. Word-of-mouth marketing (WOM) happens when a friend, family member, or a colleague recommend others a company or a service provider (Kawakami, Kishiya, & Parry, 2013; Williams & Buttle, 2011). WOM can be spread in person or electronically through social media (Campbell, Pitt, Parent, & Berthon, 2011; Valerio, Herrera-Murillo, Villanueva-Puente, Herrera-Murillo, & Rodriguez-Martinez, 2015; Wang & Chang, 2013; Wang, Yu, & Wei, 2012). WOM is effective because it is from a trusted source; the person who is spreading WOM is not endorsed by a company, and therefore most consumers feel WOM is credible (Chen, Fay, & Wang, 2011; Singh & Sonnenburg, 2012). Companies, especially small businesses that has limited marketing budget, can use social media WOM as a cost-effective tool to increase sales and generate income (VanAuken, 2015).

The artisan economy is a phenomenon that explains the increasing number of craftspersons, specialized micro manufacturers, gourmet food makers, and small-scale farmers who have started their own businesses since 2008 (Institute for the Future for Intuit, 2008). Management theorists use the term artisan to describe small-scale businesses and manufactures that specialize in niche goods (Chang, 2011). Cities with a high concentration of artisan companies include Portland, OR, Brooklyn, NY, Austin, TX, and Oakland, CA (Heying, 2010). However, there are many artisan companies located...
in smaller cities and rural areas, and the artisan economy is not limited to large metropolitan areas (Heying, 2010; Reid, McLaughlin, & Moore, 2014).

Many companies in the artisan economy are highly localized that owners source from neighboring communities and sell to customers in their own city (Hwang, 2013). This is not always the case as many artisan owners are selling online directly to customers through their own ecommerce stores or social commerce sites like Etsy (Fuchs, Schreier, & van Osselaer, 2015). Heying (2010) argued the rise of the artisan economy was a negative respond to the highly-standardized global economy. Consumers are looking for original goods that are different from mass-produced products from chained retailers (Fuller, Hamilton, & Seale, 2013; Luckman, 2013). Craftspeople like bicycle framebuilders, knife makers, and dress designers make custom goods that are tailored to a customer’s needs (Fuchs et al., 2015). Through the process, from design, material selection, to production, craftspeople work with customers closely, and customers cannot get this type of authentic experience from buying mass-produced goods (Micken, Roberts, & McKenzie, 2010; Rosenfeld, 2010; Yair & Schwarz, 2011). Some artisan owners like organic farmers, coffee bean roasters, and soap makers produce products in small batches (Fuchs et al., 2015; Luckman, 2013). Even through customers are not involved in the production process, they can ask artisan owners about the food sources and production techniques (Micken et al., 2010; Yair & Schwarz, 2011). Customers receive the authentic experience and satisfaction buying from artisan owners whether customers place custom orders or buy pre-made goods (Franke, Keinz, & Steger, 2009; Franke, Schreier, & Kaiser, 2010). This contributes to the popularity of the artisan economy.

### Artisan Economy Characteristics

The artisan economy consists of craftspeople, art makers, farmers, and food producers (Heying, 2010; Holmes, McLean, & Green, 2012). Sectors in the artisan economy range from independent bookstores, microbreweries, custom bicycle framebuilders, cheese makers, indie musicians, to small goat farmers (Chang, 2011; Holmes et al., 2012). Artisan owners in different sectors face their own unique challenges, but the artisan economy as a whole share many similarities. Many of these artisan business owners work by themselves as freelancers, or are operating as microenterprises with fewer than five employees (Fuller et al., 2013; Kitching & Smallbone, 2012; Torres, 2002). One similarity artisan owners share is being flexible and resourceful when it comes to employment opportunities (Luckman, 2013; Yair & Schwarz, 2011). Many artisan owners and craftspeople only receive payments when the commission work is completed, which can take from 1 to 3 months (Aghdaie & Zardeini, 2012; Lihra, Buehlmann, & Graf, 2012). Some makers produce in batches and sell throughout the year. These makers do not receive payments until customers buy the goods. Even through artisan products are more expensive then mass-produced goods and customers are willing to pay premium prices for them, owners face financial challenges (Fuchs et al., 2015). Artisan owners do not have regular income like office workers and other corporate employees (Yair & Schwarz, 2011). Many artisan owners and craftspeople maintain part-time jobs or teach others their skills to supplement income (Yair & Schwarz, 2011). Craftspeople are knowledgeable with material selection, product design, and production methods, and many craftspeople conduct classes to teach (Fuller et al., 2013; Holmes et al., 2012). Even though artisan owners work in different fields, they share similar features such as being resourceful.

A majority of artisan business owners has a sustainable view on management as growth and generating revenue are not the only two goals. Instead, artisan owners focus on making products
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