



Factors Affecting the Development of Handicrafts Products at Donkeo Village, Luang Prabang City

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Abstract

The purpose of this research were to study the overall situation of producers in Donkeo village, and analyze factors affecting the handicraft products development of Donkeo village, Luang Prabang City. Quantitative methods were used, 40 questionnaires were delivered to the weavers, and descriptive statistics and inferential statistics were used as analyses.

The results showed that environmental factors overall using SWOT analysis were at a high level ($\bar{X} = 3.81$). The five forces analysis showed overall was at a high level ($\bar{X} = 3.80$). The degree of factors affecting the level of handicraft product development overall was high level ($\bar{X} = 4.00$). The PEST analysis showed that overall was at a high level ($\bar{X} = 3.86$). The factors affecting the level of handicraft product development overall were high level ($\bar{X} = 3.78$).

Environmental factors were affected by the results of the handicraft product development of Donkeo village in Luang Prabang City consisting of opportunity X_3 ($b=0.209$). The competitiveness forces factors were affected by the results of the handicraft product development of Donkeo village in Luang Prabang City consisting of the threat of substitution ($b=0.259$), and competitive rivalry ($b=0.259$). Internal forces factors affected the results of the handicraft product development of Donkeo village in Luang Prabang city consisting of characteristics ($b=0.204$), and the external factors affected the results of the handicraft product development of Donkeo village in Luang Prabang city consists of economic ($b=0.329$).

Keywords: *handicrafts, product, development, handmade, bamboo.*

1. Introduction

These days, more focus has been placed on the cultural industries in industrialized and emerging nations. The cultural industries have received attention recently on a global scale, and this focus is regarded as a component of the new global strategies for sustainable development (UNESCO, 2007). Political initiatives in many developed and emerging nations have included the promotion of this industry sector. These

measures can significantly contribute to the eradication of poverty, the creation of jobs, the revitalization of distant cities, the development of rural areas improvement of the regional economy in isolated towns and villages, as well as a rise in self-assurance.

As a component of cultural tourism, handicrafts benefit to nations, as the industry is seen as a source of employment and revenue in these areas. Handicrafts are an essential

component of the tourist experience, serving as a symbol of the destinations and experiences of travelers, as well as the customs and Indigenous communities of the area (Mustafa, 2011). For creative entrepreneurs seeking a means of independence and survival, handicrafts are a great subject (Baber & rivoshlykova, 2006) despite several efforts to boost the handicraft industry in Iran, there remains a serious recession in this sector.

Handicrafts play a vital role in cultural tourism for many countries, serving as a significant source of employment and income. They are deeply embedded in the tourist experience, showcasing local traditions, and indigenous cultures, and serving as symbols of the destinations by tourists (Mustafa, 2011). Moreover, handicrafts offer creative entrepreneurs an ideal avenue for livelihood and independence (Barber & Krivoshlykova, 2006).

According to a group of handicraft experts, handicraft is a kind of art industry in which the final handcrafted good or object is created using locally available raw materials and involves some fundamental production steps completed by hand with hand tools. The primary characteristic that sets these handcrafted goods apart from manufactured goods is the creative sense and intellectual inventiveness of their creator (Yavari, 2011)

Handicraft: Handicraft is described by a group of scholars as an art industry where the resulting handmade products are created using local raw materials and involve basic production processes carried out by hand or with hand tools. Each piece reflects the artistic vision and intellectual creativity of its creator, distinguishing these products from those made by machines or in factories (Yavari, 2011)

Human skills and knowledge utilized in the manufacturing process are common and distinctive characteristics shared by all cultural industries, including handicrafts (UNESCO, 2007); Yavari (2010), handicrafts have the

following qualities: they can be produced in a variety of settings (urban, rural, and tribal communities); they produce mostly by hand; they can obtain the majority of their raw materials from local sources; they have cultural significance; they don't require lots of capital; they can be applied; their products have a high value-added compared to other industries; and they can be created and developed anywhere. Other benefits of handicrafts include the ability to work at home and reasonable work hours, home, autonomy in running the company, and demonstration of a high degree of self-sufficiency to people with low resources (Baber & rivoshlykova, 2006).

Research Objectives were to study the overall situation of producers in Donkeo village and analyze factors affecting the handicraft products development of Donkeo village, Luang Prabang City

2. Materials and Methods

2.1 Population and Sampling

The research was based on quantitative methods, and opinion surveys done at places in the handicraft village. The questionnaire was given to the weaver. (Cochran, 1953) When we knew the precise number of them, applied using a randomly selected, 100% number of villagers for 40 villagers' target both face-to-face collected data and drop off method for some villagers who had limited time to answer questionnaires, we completely received 40 respondents

2.2 Instrument, reliability and validity

Questionnaires were used as a tool. It was divided into 2 parts: 1) overall situation of producers, 2) Handicrafts situation, 3) five forces, 4) PEST, 5) international factor, 6) Handicrafts development product factors. The confidence test results (Reliability) find Cronbach's Alpha Reliability Coefficient of 40 questionnaires with a confidence value of 0.96 is considered reliable (Nunnally, 1978).

Questionnaires were used as a designation for Yes-or-no responses and open-ended, multiple-choice questions were used to gauge the opinion of the combination of technical concerns on a main body of the questionnaire utilizing the 5-point Likert scale (1 = strongly disagree, 5 = strongly agree). The information on the predictors and criteria variables, as well as the unique demographic profile of the respondents, was collected using a printed survey with closed-ended questions.

2.3 Data Collection

Using the purposive sampling method, face-to-face interviews and dropped off one – to two days. The research looked at the village where they are well-known as handicraft producers. A survey questionnaire was used with a descriptive study methodology to collect and analyze data using quantitative methods. This design was used to determine the demographic features of the weavers and whether they represent a unique skill in handicraft makers. It was important to decide on the patterns and trends in the entire experience of handicraft weavers.

2.4 Research Hypothesis

Swot, five forces, internal, and PEST factors affect the development of the handicrafts at Donkeo village.

2.5 Data analysis and Statistics used

1. Data analysis with descriptive statistics, analysis of personal factor data by statistics, frequency, and percentage. Analyzing for

SWOT, five forces, PEST, internal, and handicrafts development factors used mean, and standard deviation.

2. Data Analysis with Inferential Statistics and hypothesis testing with multiple regression equations. Multiple regression equation analysis is a statistical method used to study the relationship between the independent variable and the dependent variable, which is the study of a linear relationship with more than one independent variable and can write the relationship in the form of an equation as follows:

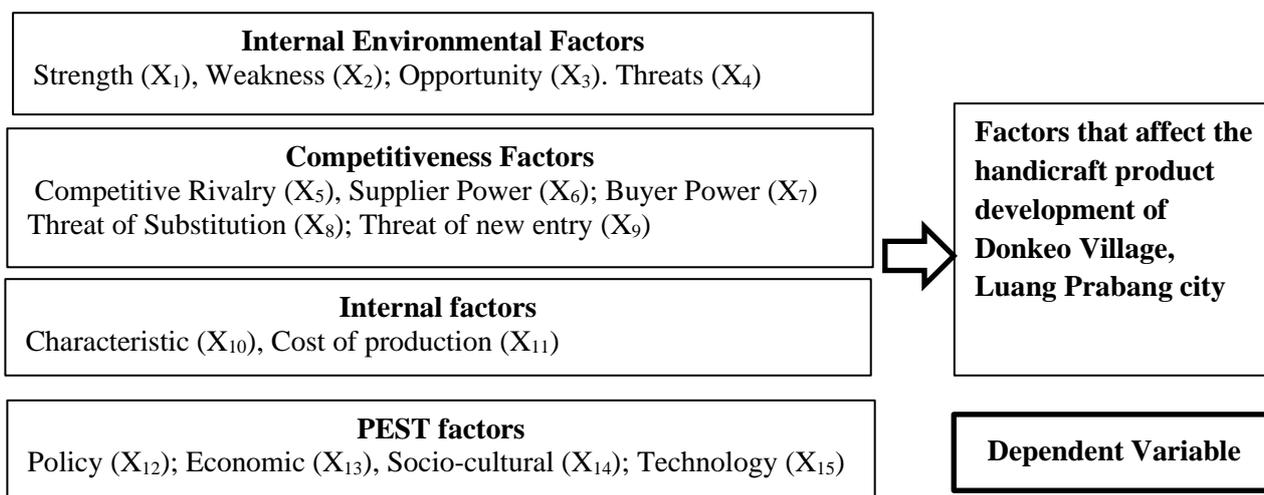
$$Y(X) = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon$$

- The value of t with P-value<0.05 is rejected and accepted, showing that the factors affect the development of handicrafts products at Donkeo village, Luang Prabang City.

- The value of t with P-value>0.05 is accepted and rejected, showing that the factors do not affect the development of handicrafts products at Donkeo village, Luang Prabang City at the statistical significance level of 0.05.

The analysis of the relationship between the factors that affect the development of handicraft products at Donkeo village, Luang Prabang City is a statistical analysis of multiple regression and evaluated with the method of selecting variables into the equation of enter multiples regression analysis which has the Pearson correlation coefficient, coefficient of determination (R^2) and T-test.

2.6 Conceptual Framework



Independent Variable

3. Results

3.1 The overall situation of producers in Donkeo village

The respondents were handicrafts producers 26(65%), experienced between 5 – 10 years 14(35%), and handicrafts products experience produced not more than 5 years. The main products were woven trash can 32(80%), traditional basic bowl 22(55%), labor used in family 23(57.5%), raw materials were bamboo 37(92.5%), Gramineae 35(87.5%), Long sheath Bamboo 34(85%), rattan 37(92.5%), wire rod 20(50%). Their sources of materials came from the city of Luangprabang 36(90%), another district 20(50%), and other provinces 13(32.5%). Bamboo weaving pattern 36(90%), plain weave 17(42.5%), pattern depended on ordered 8(20%), their price ceiling depended on their estimated from their cost 19(47%), depending on quantities of orders from customers 11(27.5%), depended on pattern 11(27.5%). Their sources of customers came from villagers 16(40%), hotel/resort 10(25%), mediator/online/general 24(60%), directed contact 13(32.5%). Their reason for doing handicrafts as their jobs was because the village themselves called a handicrafts village 26(65%), skills in handicrafts produce 14(35%), the family supported 11(27.5%), there is market support the products 2(5%). Their sources of knowledge learning from their own selves

27(67.5%), sample 16(40%), learn from others 16(40%), YouTube channel 2(5%), received training 5(12.5%). Their concept of developing handicraft products came from a substance resulting from the expansion of traditional production using existing traditional production processes 11(27.5%), to create new ideas in original products 15(37.5%), to produce a new type of substance that has been improved from the existing one 14(35%), to make new substances and new packaging 4(10%), to make innovative substances by making new substances 6(15%), to make a trial to give rise to creative ideas 3(7.5%).

3.2 Factors affecting the handicraft products development of Donkeo village

3.2.1 Environmental factors effects on handicrafts product development in Donkeo Village, Luangprabang city

The result of the SWOT analysis of handicrafts products in Donkeo villages showed that overall was at a high level ($\bar{X} = 3.81$). When considering each aspect, it was found all aspects exist on a high level such as strengths ($\bar{X} = 3.76$), which consisted of the village's original handicrafts producers, and their handmade were accepted by the customers, weakness ($\bar{X} = 3.64$), which was the skillful laborers are elderly ages, opportunity ($\bar{X} = 3.95$), which consisted of the village was well-known it is easily for the

villagers to earn from handicrafts produced, threats ($\bar{X} = 3.90$).

3.2.2 Competitiveness Factors Effects on Handicrafts Products Development in Donkeo Village, Luangprabang City

The result of the five-force analysis of handicrafts products development in Donkeo villages showed that overall was at a high level ($\bar{X} = 3.80$). When considering each aspect, it was found all aspects exist on a high level such as existing rivals ($\bar{X} = 3.95$), negotiation with supplier ($\bar{X} = 3.74$), negotiation to buyer ($\bar{X} = 3.73$), substitute products ($\bar{X} = 3.71$), new entrance ($\bar{X} = 3.90$).

3.2.3 Internal environmental effects on Handicrafts products development in Donkeo Village, Luang Prabang city

The result of the analysis of the degree of factors affecting the level of handicraft product development overall was high level ($\bar{X} = 4.00$). When considering each aspect, it was found all aspects exist on a high level such as characteristics ($\bar{X} = 4.05$), and cost of production ($\bar{X} = 3.95$).

3.2.4 External environmental effects on Handicrafts products development in Donkeo Village, Luang Prabang city using PEST Analysis

The result of the PEST analysis of handicrafts products development in Donkeo villages showed that overall was at a high level ($\bar{X} = 3.86$). When considering each aspect, it was found all aspects exist on a high level such as policy, laws, and regulations factor ($\bar{X} = 3.75$), economic factor ($\bar{X} = 3.85$), socio factor ($\bar{X} = 4.14$), technology ($\bar{X} = 4.07$).

3.2.5 Factors affecting handicraft products development in Donkeo Village, Luang Prabang City

The result of the analysis of the degree of factors affecting the level of handicraft product development overall was high level ($\bar{X} = 3.78$). When considering each aspect, it was found all

aspects exist on a high level such as external factors ($\bar{X} = 3.78$). It includes revenues ($\bar{X} = 3.60$), materials ($\bar{X} = 3.71$), customers ($\bar{X} = 3.68$), village image ($\bar{X} = 3.75$), neatly ($\bar{X} = 3.89$), fashionable ($\bar{X} = 3.80$), cultural ($\bar{X} = 3.84$), usage ($\bar{X} = 3.93$), and friendly to environment ($\bar{X} = 3.85$).

Internal environmental factors consist of strength, weakness, opportunity, and threats affecting the results of the handicraft product development of Donkeo village in Luang Prabang city consists of weakness X_2 ($b=0.16$), the equation of predictive power was at 23.2% points and can write the equation following: $Y = 3.17 + 0.206^*$

External environmental factors consist of strength, weakness, opportunity, and threat affecting the results of the handicraft product development of Donkeo village in Luang Prabang city consisting of opportunity X_3 ($b=0.22$), the equation of predictive power was at 12.89% points and can write the equation following: $Y = 2.22 + 0.22^*$

Competitiveness forces factors consist of competitive rivalry, supplier power, buyer power, threat of substitution, and threat of new entry is affecting the results of the handicraft product development of Donkeo village in Luang Prabang city consists of threat substitution ($b=0.259$), and competitive rivalry ($b=0.259$), the equation of predictive power was at 79.55% points and can write the equation following: $Y = 1.439 + 0.267^* + 0.259^*$

Internal forces factors consist of characteristics and cost of production affecting the results of the handicraft product development of Donkeovillage in Luang Prabang city consists of characteristics ($b=0.204$), the equation of predictive power was at 44.8% points and can write the equation following: $Y = 2.579 + 0.204^*$

External factors consisting of policy, laws, and regulations, economic, socio-cultural, and technology affecting the results of the handicraft

product development of Donkeo village in Luang Prabang city consisting of economic ($b=0.329$), the equation of predictive power was at 59.94% points and can write the equation following: $Y=2.188 + 0.329*$

4. Discussion

The finding demonstrated that inheritance from skillful laborers elderly become a weak point of the village of Donkeo in Luang Prabang City. (Tubtim.P., 2021); (Jaidee & Sriwiriyaorn, 2002) ; (Apinya, et al, 1997); (Phongsapitch, 1998) ; (Songmee, 2000) concluded that Cultural inheritance involves the transfer of knowledge from ancestors to generations, promoting intellectual growth and creativity. It involves both direct and indirect transfer, adapting to environmental factors at family, community, and societal levels, with cultural transmitters and recipients playing crucial roles. METI (2000) cited in Yuki & Yasushi (2019) reported that the reasons behind this difficult situation indicated sluggish craft markets; difficulties in securing successors, raw materials, and tools; and legal problems in promoting necessary policies. Among these, the stagnation in the craft market was caused by structural changes in the following external and internal factors that affect the development of craft industries.

The opportunity the village was good was easy for the villagers to earn from handicrafts produced. Brilanda (2017) discussed that handicraft traditions are at risk of disappearing due to low profit. In the case of Donkeo village, the important thing is that the village's reputation in the work of the court helps to result in customers coming to contact to order production in large numbers, helping to make the female residents of the village have a career, generate income, and develop as a private business. The important uniqueness is the introduction of bamboo as the main raw material in production, causing a large increase in production orders. In addition, the manufacturer can also increase

customers through social media advertising to make it known to customers. However, Yuki & Yasushi (2019) stated that Lao handicrafts firms may miss global market opportunities due to a lack of knowledge or experience in international marketing. To improve their marketing skills, they should participate in sales promotions and PR campaigns. However, the private sector in Lao PDR has not been proactive in such activities, and most employees do not speak English. Participation in international trade fairs can help Lao firms have direct contact with potential customers and firsthand knowledge of customer needs. By understanding the importance of trade fairs, more Lao handicraft firms will invest in participating in international trade fairs abroad to learn about competitors and international market trends.

The production of handicrafts is one of the challenges of the producers as well as the competitors who have advantages in production. Donkeo Village is a producer of raw materials according to the customer's production order which relies on local wisdom as a determinant for the craftsman's work. Of course, the results of the study found: that it is easy to produce products with similar characteristics, the same style, the same color, and the same size may be made differently according to the place of production. Which is the main competitive advantage of the Donkeo Village is the handicraft work that gives confidence and memory, so it is an important reason for producing handicrafts in Donkeo Village to remain now. Koruda (2014) draws on his experience creating new items from discarded materials and underutilized resources to highlight the value of independent thought and the trial-and-error method to create "only one" of anything. Yuki & Yasushi (2019) discuss the challenge of creating something new with Lao handicraft firms looking to expand into foreign markets. Put differently, Lao handicraft companies must have a unique selling point that entices potential clients to select their goods and

services and draws attention to Lao PDR as a destination worth exploring for intriguing goods, raw materials, expertise, and business partners.

The durability of synthetic products compared to factory production is different. Many of the products of Donkeo can be replaced by products that can be produced from the factory. However, the products of Donkeo still have advantages that are difficult for competitors to overcome, such as the uniqueness of the artisans in creating colors that are difficult to imitate. In addition, machine-made products are easy to find, and the prices are close and cheaper for some items.

The personality of the artisans of Donkeo The results of the study found: that they are skilled, skilled in production, supported by their families in the profession of handicrafts, especially women who are housewives to create additional careers in the family. Also, he was used to working with the court from before. On the other hand, handicraftsmen do not engage in any other occupations except household handicrafts.

Tourism is an important factor that stimulates the generation of an important source of income for the people of Donkeo village in the production of handicrafts and stable income. Patterns and antiques are important for creating value for crafts that come with rising prices. In addition, the problem of the ever-increasing price of goods also increases the cost of handicraft production. However, craft manufacturers can still control costs by not increasing the cost of production due to the large number of orders from customers today.

5. Conclusion

In summary, the results of this research have shown that in the village of Luang Prabang City, 5 components affect handicraft product development such as opportunity, competitive rivalry and the threat of substitution, the characteristics, and the economy. The relevant sectors must raise the importance of handmade

producers, according to inherit labor challenges. To make it sustainable the public sector must closely follow up and develop this village as a tourist attraction to bring several visitors to influence the villagers to see the importance of handmade. In future research, the authors recommend the creation of handicrafts not only the basic materials. Inheriting is important for the sustainability of handmade produce in Donkeo village.

From the analysis of the factors affecting the development of Donkeo craft, it was found that there are issues: opportunity environment: which is conducive to the development of industrial products of Donkeo. Competitive pressure found that: the pressure of the threat of similar handicrafts affects the development of handicraft products of Donkeo Village; on the other hand, there is the obstacle of substitute products that affect the development of the products of the village. Individual factors affect the development of the products

6. Conflict of Interest

We certify that there is no conflict of interest with any financial organization regarding the material discussed in the manuscript.

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