

Niche markets provide big bucks for SA textiles



By [Nicholas Owsley](#)

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The success of a small handcrafted textile company in South Africa points the way for the struggling textile industry to overcome the onslaught by Asia, through niche-market-led growth.

Mohair's marvellous move

Adele's Mohair in the Eastern Cape, a small producer of handcrafted textile and clothing products, has trebled its sales and quadrupled its employment since 2003, the same period that Chinese imports made their major surge through the local economy. The business has also seen its wares exported to as many as 20 different countries worldwide.

The success of this small handcraft business alludes to the potential that lies in high-quality production. The race-to-the-bottom mentality of low-cost production appears to be a cul-de-sac for South Africa's clothing and textile industry, as it simply cannot compete with the Far East in the arena of mass production.

"[The] principal opportunities in textiles and clothing lie in the development of niche markets for products with strong local and international demand and in the move to higher-value production," states the Eastern Cape Development Corporation.

The key to Adele's Mohair's success lies in exactly this philosophy. Each of its items is handcrafted, using locally sourced wool and mohair from sheep and angora goats. Most of the products are hand-dyed and are found in a myriad of colour combinations; the range of colours offered is unmatched by global competitors and this is one of its major value-adds. Each item is shaped and accessorised by hand to give it a unique and fresh finish, an approach that has seen three of the business's accessory collections displayed at the Paris Fashion Week.

"By customising our products and focusing on the high-end of the market we've been able to keep the soul in our work and still grow sales," states owner Adele Cutten, reiterating the call made by the Department of Labour (DoL) in 2008 for local crafters to focus on product differentiation.

Its growth proves that when the emphasis is on product quality and innovation in design, businesses in the craft sector can achieve sustainability and make an economic impact. It recently celebrated 30 years of operations, making it a benchmark of sustainability in the sector. More remarkable, is that this success and longevity has been achieved in an area of typically low economic growth and high unemployment. The business currently provides employment for 40 women, many of whose skills have developed over more than 20 years with the business.

Cultural Industries Growth Strategy becomes commercial

In 1998, the South African craft sector was flagged in the Cultural Industries Growth Strategy (CIGS) as an industry that holds tremendous developmental potential, due to its labour-intensive nature and the traditionally strong place of women in the industry. Since then, the industry has seen growth and, according to the DoL's 2008 report on Creative Industries, has become more commercially minded. Research conducted by the Cape Craft and Design Institute also shows that craft producers in the Western Cape, most of which are relatively low-income earners, are achieving strong improvements in market access and increased personal incomes. The sector, however, is still saturated with survivalist micro-enterprises.

ART-AID director, John-Anthony Boerma says, "The most important thing in [craft] product development is to work from an inspiration....a lot of South African crafters try to copy foreign designs and therefore find it difficult to find a gap in the market."

The potential for the craft sector is substantial. South Africa has a history as a strong exporter of primary commodities, particularly in minerals but also in goods such as unprocessed mohair, allowing much of the value of these raw materials to be repatriated to foreign economies as they turn them into lucrative finished products overseas.

Beneficiation of local materials essential

As Cutten's case shows, local crafters have the potential to use local raw materials to produce high-value finished goods at home. This practice elevates South African production up the value chain and allows locals to gain the maximum value from our natural endowments. Furthermore, there is scope for much more work of this nature.

"The potential for high-end crafts and textiles in export markets is sky-high," states Cutten. "I recently joined the Old Mutual Legends programme, which works with entrepreneurs looking to grow their business. Even though I have been at it for thirty years already, I intend to expand my staff and production and tap into this market."

Another craft producer on the Old Mutual Legends programme, Cape Town-based Streetwires, has also seen the benefits of niche-market-led growth. At its peak, the business exported its innovative wire craft products to 26 countries and created employment for 120 people.

More craft industries needed

The dti is following a similar strategy in other segments of the manufacturing sector. In 2012, the Minister of the dti, Dr Rob Davies called for South African producers to move higher up the value chain and he has divined his sights on downstream manufacturing of mineral products. Presently however, the relatively undervalued craft sector has proven its ability to take advantage of niche markets and extract maximum value, often with direct benefits for some of the neediest elements of our society. It is now up to other local crafters and entrepreneurs to throw their authenticity into the high-end of the market and bring more people into this vibrant sector.

After 30 years of trading, Adele's Mohair has shown that with dedication and hard work and an eye for design and quality it is possible to succeed in the highly competitive hand-made fashion sector.

However as the Chinese automaton advances, continued success will depend on innovation and the ability to produce excellent 'Made in Africa' products that have people all over the world appreciate the value of authenticity.

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