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What makes Small Bamboo and Rattan Handicraft Enterprises Successful? A Case Study from Chuong My District, Hanoi Capital, Vietnam

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Abstract

With a long-standing history, Vietnam is reputed for the production of handicraft bamboo and rattan products such as kitchen utensils, home decor objectives, storage bins, trays, baskets, and gifts. These products are not only commercialised but also represent Vietnamese cultural and historical values. Small bamboo and rattan handicraft enterprises (SBRHEs) in Vietnam cooperate with households in the handicraft villages to produce these handicraft products, so SBRHEs creates employment opportunities and contributes to rural poverty reduction. However, most SBRHEs currently face significant constraints such as the use of outdated technology, lack of product innovation, shortage of capital, unstable labour resource, and poor market access. In addition, the enterprises face stiff competition from international bamboo and rattan manufacturers from China and other countries. This puts SBRHEs at high risk of disappearance and may lead to unemployment and increasing poverty among handicraft households. On the other hand, a few SBRHEs from the study region have grown successfully and well established themselves in international markets over the last years. Yet, a comprehensive analysis of key factors determining the upgrading of SBRHEs is lacking to date. This paper demonstrates preliminary results from a case study undertaken to close this gap.

In-depth interviews have been conducted with representatives from six small bamboo-rattan handicraft enterprises, five bamboo traders, and twelve handicraft households in Chuong My district, Hanoi, to further complement qualitative insights, and group discussions and expert interviews have been made to validate the findings.

This paper shows that SBRHEs highly depend on handicraft households for producing handicraft bamboo and rattan products, and participating in trade fairs plays an important role in accessing the market. Moreover, we argue that the entrepreneur's education and work experience also play a significant role in explaining SBRHEs upgrading. Furthermore, the role of the government and institution support in SBRHEs upgrading are delineated.

Keywords: enterprise upgrading, handicraft, bamboo, rattan, non-timber forest products, commercialisation, rural development, small enterprises