



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

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## INTRODUCTION

- 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.
- Small bamboo and rattan handicraft enterprises (SBRHEs) in Vietnam create employment opportunities and contribute to rural poverty reduction (Nguyen Minh and Usha, 2011)
- Most SBRHEs currently face significant constraints such as the use of outdated technology, lack of product innovation, shortage of capital, unstable labor resource, and poor market access. This puts SBRHEs at high risk of the disappearance and may lead to unemployment and increasing poverty among handicraft households (Fanchette and Nicholas, 2009; Marsh and Demestre, 2008).

## OBJECTIVE

Determine key factors affecting small bamboo and rattan handicraft enterprises upgrading

## METHODOLOGY

### Case Study design

- 33 key informant interviews
- 06 group discussion
- Direct observation
- Reviews of official documents

### Structure Analysis and MICMAC computer software (Nader Zali et al., 2015)

- Collecting the list of factors
- Specifying the relations between factors
- Identifying key factors

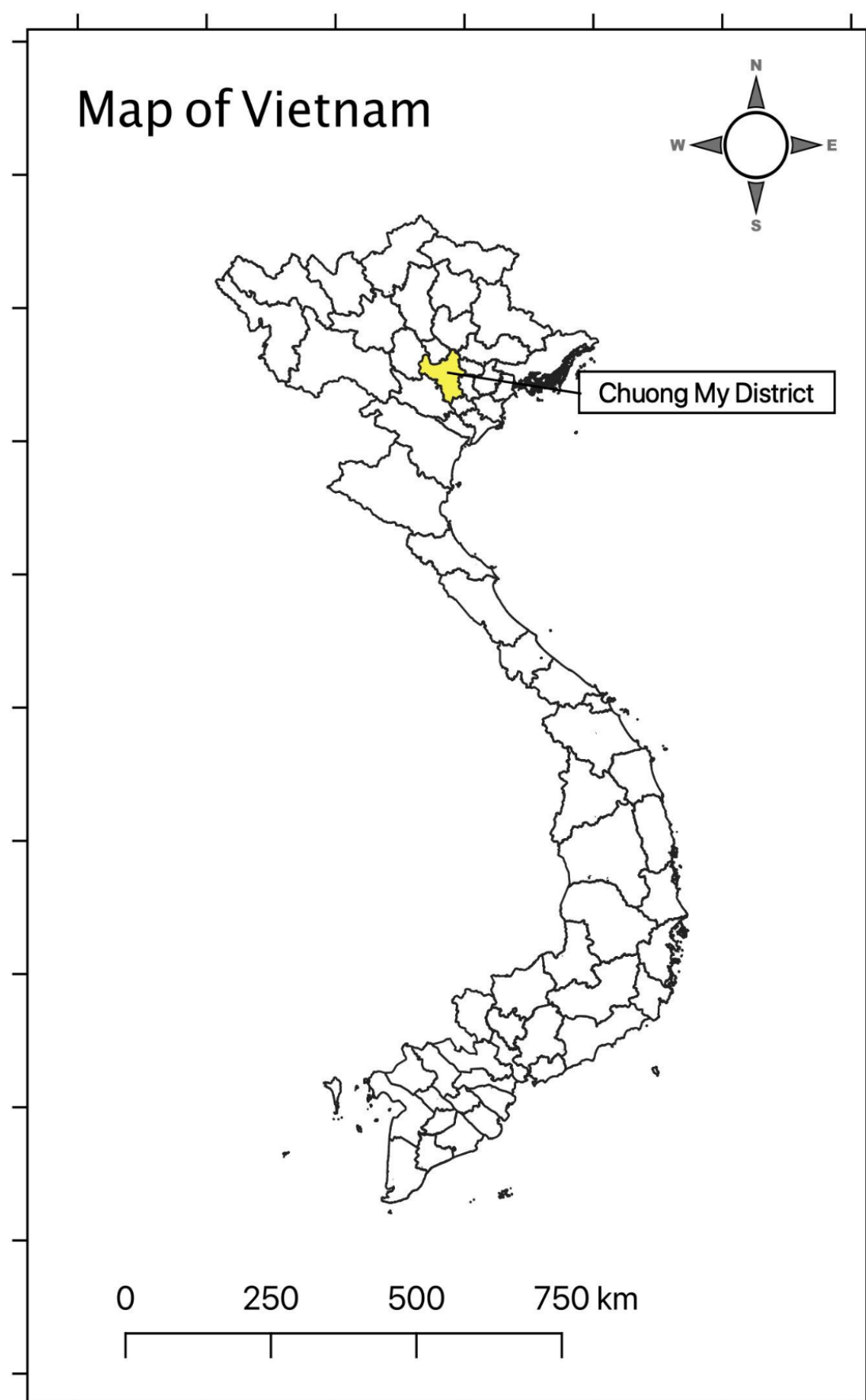


Fig. 1: Vietnam with study site



## CONCLUSIONS

- SBRHEs are considered to have a potential development
- However,
- Highly depending on handicraft households
- Being small scale and shortage of capital
- Experiencing difficulty in expanding the markets

## REFERENCES

- [1] Fanchette, S., Nicholas, S., 2009. Discovering craft villages in Vietnam : Ten Itineraries Around Ha Noi. World Publisher
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## KEY FINDINGS

### Structure of bamboo handicraft value chain

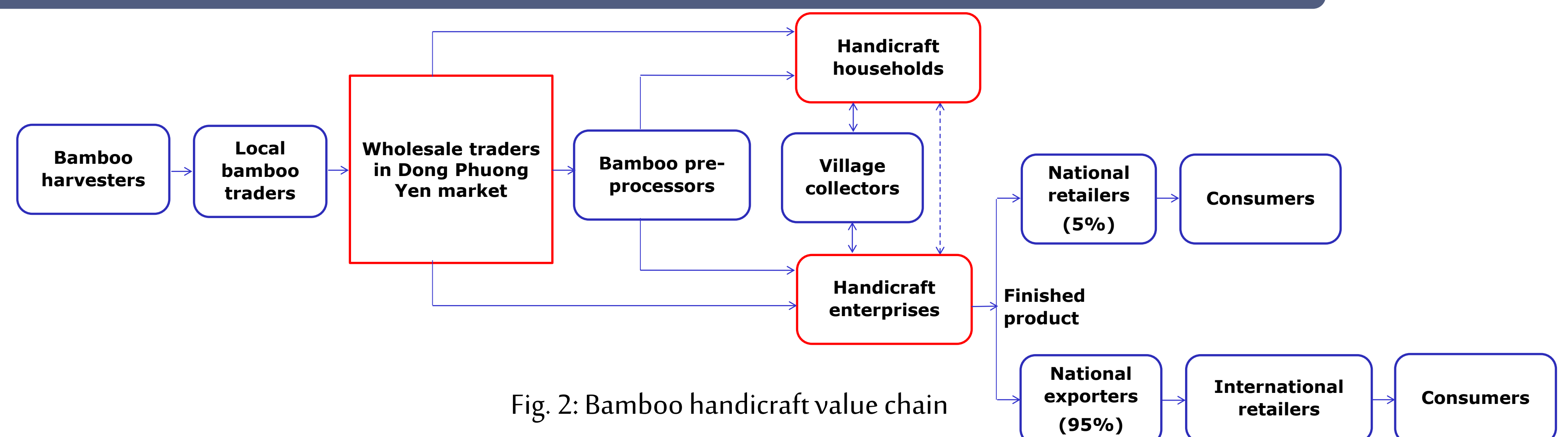


Fig. 2: Bamboo handicraft value chain

## Current situation of SBRHEs

### Institution conditions

- Interest rate and tax reduction
- Lack of training services and providing information

### Material supply

- Price increase
- Bamboo trader

### Production

- Cooperation with handicraft households
- Lack of skilled labors from handicraft villages
- Outdated machines



### Human resource

- Important role of entrepreneurs in upgrading
- Strong competition with other sectors

### Credit access

- Shortage of capital
- Complicated loan conditions

### Marketing

- Attending the trade fairs
- Website development

### Innovation

- Poor designs

### Market

- International market (95%)

## Key factors affecting SBRHEs upgrading



Fig. 3: Direct influence x dependence map

- Household (HH), technology (TE), innovation (IN), credit access (CA), and entrepreneur (EN) are key factors which have both strong influence and at the same time, strong dependence power
- Other factors: location (LO), raw material (RM), institutional conditions (IC) have limited impact as well as dependence on others

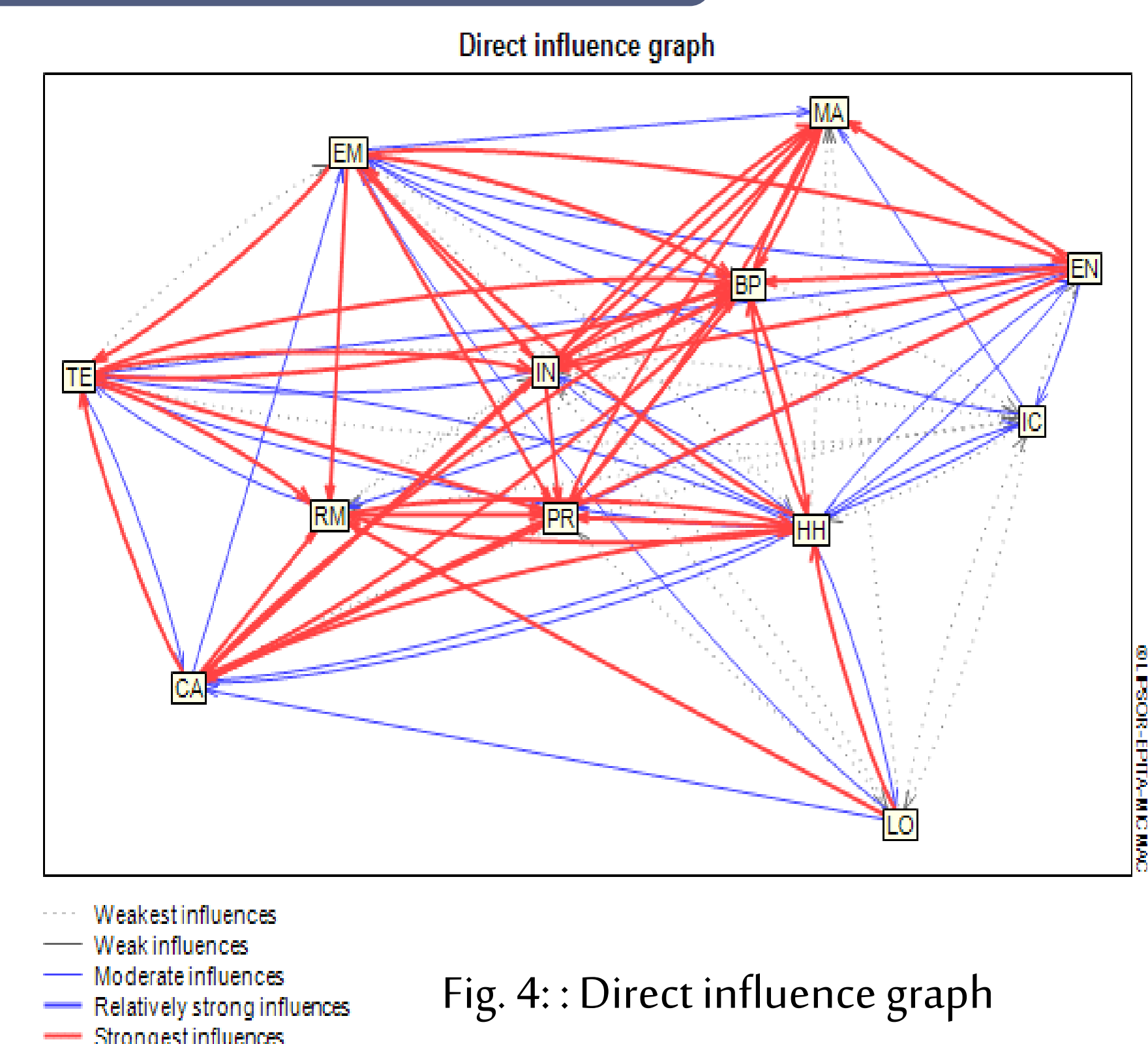


Fig. 4: Direct influence graph

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