

Essence of Craft and the Role of Social Value Judgements in the Craft and Tradition-Based Organizations

Organizations using craft methods of production have gained popularity as an antithesis to modern industrial-based production and consumption. In the age of fleeting attention, artificial intelligence, 3D printing, hyper-reality, and all technology-driven innovations, we increasingly search for authenticity and human elements in things around us. One of the reasons for reverting to the handmade and traditional forms of production in contrast with the industrial mode is that it offers a means of enchantment to the users (Suddaby, Ganzin, & Minkus, 2017). It also reflects a “reaction against the perceived loss of a personalized self in contemporary mass society, in its production techniques and its corporate organizations” (Carroll & Wheaton, 2009). The increasing homogenization of the marketplace (Beverland & Farrelly, 2010) has also led to consumers looking for alternative forms of products and methods of production.

Craft is considered a humanist approach to work that prioritizes human engagement over machine control (Kroezen, Ravasi, Sasaki, Żebrowska, & Suddaby, 2021). As a process, it has been on the ascendance in sectors like beer, food, third-wave coffee, chocolate, and wine (Bell, Dacin, & Toraldo, 2021; Beverland, 2005; Kroezen & Heugens, 2019). Craft products are typically made by hand or hand tools and have a core component of artisanal skills and knowledge. They also represent the tradition and history embedded and reflected in each specific artifact. The craft industry plays a big role in driving economic growth in rural economies providing employment in developing as well as developed countries and mitigating grand challenges of poverty alleviation, employment generation, and gender equality. Strikingly, despite the importance of the craft industry, limited research is available on understanding the true essence of craft and authenticity in crafts. Craft industries constantly face the challenge of growing businesses without compromising the perceived authenticity of their products. Scaling while maintaining authenticity requires firms to combine the economic and aesthetic aspects of their craft constructively (Austin, Hjorth, & Hessel, 2018). Yet, the complex nature of authenticity and its relationship with the scalability of craft-based businesses is to be explored fully.

Answering these questions first requires an understanding of what craft really is. But is it possible to define craft with precision? Craft is not a singularity that can be defined and constrained by a rigid, objective definition. In this paper, I view craft as a numinous concept appealing to producers, consumers, and stakeholders' aesthetic sensibility. As a practice, it is tied to processes, materials, and traditions but one that has continuously evolved. The flexible and evolving nature of craft also shows how the meaning of craft is socially constructed by consumers, makers, and institutions, with different stakeholders attaching different meanings to craft and what could be considered authentic.

To understand the true essence or spirit of craft, I draw on the theoretical perspective provided by the theory of category centrality by Sloman et. al (Ahn & Sloman, 1997; Sloman, Love, & Ahn, 1998). Category centrality theory provides a unique perspective to understand the essence of craft that is critical for the identification of a certain activity as a craft. Next, I grapple with the tensions in growth through scaling up while maintaining the perceived authenticity of the artisanal product in the craft industry relying on Grayson and Martinec's interpretation of authenticity as a social evaluation (Grayson & Martinec, 2004). Their classification of authenticity as indexical and iconic provides a broad but clear distinction between authenticity originating from the product by its being true to what it claims to be and authenticity that is socially constructed by the perception of the

observer and their interaction with the craft. Thus, it allows viewing authenticity in crafts as a dynamic concept where it is co-created by the interaction of actors within the craft field. Craftsmen being the custodians of the craft and also the creators of the artisanal product, are the first ones to imbue the product with authenticity. Therefore, in the current research, I propose to study how the essence of craft is defined and constructed from a category centrality perspective and how craft producers socially construct authenticity and shape the categorization of craft practices and products. I also suggest scaling strategies for craft organizations while maintaining the essence of craft and the perceived authenticity of their products. With this research, I expect to contribute to the literature on craft and authenticity. For practitioners, understanding the true spirit of craft from the perspective of consumers can help maintain a delicate balance between craft, tradition, innovation, and authenticity.

In the Asia-Pacific region, the craft industry combines cultural identity with economic growth. With a compound annual growth rate (CAGR) of 12.1%, the handicrafts market in Asia-Pacific is estimated to be USD 603.29 billion by 2033¹. In Japan, more than its overall economic impact, the handicrafts sector has a great cultural significance and symbolic value. A strong demand for traditional as well as contemporary crafts is expected to drive growth in the Japanese handicrafts sector by a CAGR of 10.17% from 2025 to 2033². Despite these encouraging growth figures, the number of craftspeople in Japan is dwindling, with many traditional artisans aging and fewer young people entering the field. My research on growth and scalability in craft touches upon this critical challenge.

I propose to conduct an in-depth collective (multiple) instrumental case study (Stake, 1995). The empirical site for my research is the Japanese sake brewing industry which relies on both craft and industrial modes of production and constructs a narrative of authenticity leveraging the historical roots of the craft of sake brewing. Starting in September 2025, I propose to study Shiokawa Brewery, Yoshinogawa Brewery, Hakkaisan Brewery, and Obata Sake Brewery located in the Niigata region and Ishikawa Brewery in the Tokyo region for three months collecting empirical data. The breweries have a long history ranging from 100 to 400 years but face similar challenges in constructing an authenticity narrative while facing the growth-authenticity challenge. As of 2023, there were 805 microbreweries in Japan that shows a growing interest in craft brewing³. In 2024, Japan's sake-making tradition was honored with recognition as an Intangible Cultural Heritage by UNESCO which underscores the cultural significance and craftsmanship involved in the production of sake. While the demand for sake, in particular, has continued to decline since 1970s but the luxury and overseas markets are growing which is reflected in the mix of scaling down and scaling up in the sake industry. We also witness creation of the new category of craft sake and the Craft Sake Association⁴ is a group of newly established sake breweries (mostly microbreweries) that mostly export sake.

My research also gives me an opportunity to leverage CAPI's network and collaborate with Professor Kishi Yasuyuki at the Sakeology Research Center in Niigata University, who was a CAPI visiting scholar (2022-23) and is an active sake researcher in Japan. Thus, in studying a research context that is a historically and culturally important sector in Japan, my research is closely aligned with the vision of CAPI to promote research focus on the Asia-Pacific region.

¹ <https://www.sperresearch.com/report-store/asia-pacific-handicrafts-market.aspx>

² <https://www.imarcgroup.com/japan-handicrafts-market>

³ <https://www.statista.com/statistics/1171283/japan-number-microbreweries/>

⁴ <https://craftsakebreweries.com>

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