#### **OUR OWN WORST ENEMY:**

# A CASE STUDY OF THE ETSY CRAFT ENTREPRENEURSHIP PROGRAM IN ROCKFORD, ILLINOIS

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Faculty of the Graduate School
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In Partial Fulfillment of the Requirements for the Degree Doctor of Philosophy

by ALLIE S. GROTTS

Dr. Jana Hawley, Dissertation Supervisor July 2014

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The undersigned, appointed by the dean of the Graduate School, have examined the dissertation entitled

# OUR OWN WORST ENEMY: A CASE STUDY OF THE ETSY CRAFT ENTRENEURSHIP PROGRAM IN ROCKFORD, ILLINOIS

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In loving memory of Dr. Tricia Widner Johnson.

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#### **ABSTRACT**

The purpose of this study was to explore handcraft enterprise in Rockford as an alternative sustainable approach to self-sufficiency by investigating the piloted Etsy Craft Entrepreneurship program as well as to explore the relationship between Etsy, the Rockford Housing Authority Etsians, and the leadership community of Rockford. The overarching research question was: How does the creation of social capital and strategic networks affect individual handcraft enterprise and therefore the overall success of the Etsy Craft Entrepreneurship program? After utilizing a qualitative intrinsic case study approach of semistructured interviews, participant observation, and a focus group to explore the dual perspectives represented in the Etsy Craft Entrepreneurship program, leaders in the program (i.e. Mayor of Rockford and CEO of the Rockford Housing Authority) and Rockford Housing Authority resident participants, ten emergent themes were identified. Implications derived from the results offer several important opportunities for both research and improvement for continuation of the program. The findings of this study, presented in a conceptual model, depicted the Etsy Craft Entrepreneurship program as a funnel process that could potentially serve in the identification of future candidates for participation in the program, help leaders improve various struggles for future classes, and provide direction for areas to be explored in other cities where the Etsy Craft Entrepreneurship program has been employed.

#### **CHAPTER 1: INTRODUCTION**

Chapter I contains the following sections (a) background of the study, (b) problem statement, (c) rationale and significance, (d) statement of purpose, (e) research questions, (f) overview of methodology, (g) role of the researcher, (h) researcher assumptions, and (i) organization of the dissertation.

#### **Background of Study**

"Artisans are not going to disappear in the new millennium and neither will their contributions to our daily lives and culture. The time has come to rethink their position" (Morris, 1996).

Rethinking the position of handcraft enterprise is the ideology governmental officials, community leaders and residents alike hold in Rockford, Illinois in an effort to combat a three-decade rise in unemployment (Badenhausen, 2013). Furthermore, Mayor Larry J. Morrissey saw a bigger picture for this city, once a thriving manufacturing hub, after Rockford, Illinois was ranked the 3<sup>rd</sup> most miserable city by *Forbes* magazine in 2013 (Badenhausen, 2013). Remnants of a prosperous manufacturing hub haunt the members of this community as the traditional approaches to job creation and economic development left large portions of this community behind (Badenhausen, 2013). Mayor Morrissey sent a tweet to the newly appointed Chief Executive Officer of Etsy, an e-commerce platform/community focused on handmade, vintage, and craft products,

<sup>&</sup>lt;sup>1</sup> Nine metrics were used to determine this ranking including violent crime, unemployment, foreclosures, income and property taxes, and home prices. Also included were quality-of-life issues like commute times and weather. Rockford, Illinois was third in ranking only after the number one Detroit, Michigan and number two Flint, Michigan (Badenhausen, 2013).

advocating for a partnership between the two in creation of an "Etsy Economy" for the city of Rockford (Mauriello, 2013).

Located two hours Northwest of Chicago with a population of 150,000 people, Rockford, with their less than favorable city ranking, was desperate and in dire need of a positive change (Badenhausen, 2013). A new partnership was formed that had high hopes of turning a community taken by economic downturn into a potential model for success through self-sufficiency and the Etsy platform. Moreover, the Rockford partnership with Etsy not only provided a glimpse of hope for the city and those members of the Rockford Housing Authority, but for other cities across the United States also suffering from less than favorable economic conditions (Developing craft entrepreneurship: An update, 2013).

Because numerous residents already possessed unique skills from watchmaking, sewing, and furniture making, Rockford aimed to take firm hold of its history as a manufacturing hub by utilizing these skills to reach clientele worldwide through the internet platform and e-commerce community of Etsy (Etsy's Brave New Economy, 2013). This partnership directly targeted residents of the smallest income bracket in this community, as their participants for the piloted Etsy Craft Entrepreneurship program were members of the Rockford Housing Authority (Developing craft entrepreneurship: An update, 2013). The Rockford Housing Authority, a municipal corporation, functions by the following mission statement: "A quality home is the foundation of society and community: quality home life provides hope and the pathway to our goals" (About RHA, 2013, para.1). Serving 1,922 housing units and approximately 2,155 section 8 housing

choice vouchers<sup>2</sup> the Rockford Housing Authority continually seeks to "realign our organization to not only become a better provider of public housing, but to have a more positive influence on the economy, social fabric and livability of our city" (Annual Report, 2013, para. 1). Moreover, presented in their annual report for 2013 were several "strategic priorities" that aimed at enabling the members of the housing authority community to revitalize not only themselves but contribute to the greater success of the city. These priorities included the challenge of raising the expectations for the Rockford Housing Authority residents' accountability in efforts to enhance opportunities to increase their self-sufficiency as well as economic independence (Annual Report, 2013). Consequently, while not an easy challenge, it was met with reciprocal goals from all parties including the Rockford Housing Authority, City Official in Rockford, and Etsy for improved economic opportunity through the creation of the Etsy Craft Entrepreneurship program.

#### **Problem Statement**

Rockford has experienced similar economic misfortune that various cities in the United States have faced as most manufacturing that was done between the years 1960-2000 have now moved overseas in search of lower labor costs (Geriffi, 1998; Bernard, Jensen, & Schott, 2006). Bernard et al. (2006) found that across industries manufacturing plant survival rates are lower for industries with higher exposure to imports from low wage countries. During the years 1960-2000, employment also fell from twenty-six percent to fourteen percent of the U.S. workforce (Bernard et al., 2006). Additionally,

<sup>&</sup>lt;sup>2</sup> "The housing choice voucher program is the federal government's major program for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market" (HUD.GOV, 2014, para.1).

shifts in sourcing patterns have left the opportunity for handcrafted products as a source of economic vitality in United States behind (Geriffi, 1998; Bernard, Jensen, & Schott, 2006). Today's global world problems such as environmental degradation and social injustice in developing countries are often highlighted when addressing global sustainability. Although important issues, it is *also* important to look directly within the United States for sustainable economic opportunity as the "employment situation" continues to be stagnant (The Employment Situation—March 2014, 2014). Specifically, the US Bureau of Labor Statistics (2014) depicted an unchanging rate of 6.7% or 10.5 million people as unemployed. Important to this study, discouraged workers, those who are not currently looking for a job because they believe none are available, represent a separate 1.5 million people (The Employment Situation—March 2014). This segment notes school attendance or family responsibility as reason for this belief (The Employment Situation—March 2014)—much of the same beliefs held by members of the Rockford Housing Authority.

Whereas a daunting outlook for unemployment seems to hover over cities such as Rockford in the United States, business, society, and government partnerships have the power to create a shift to a more proactive nature of business. John Elkington's (1998) prescription for creating both business and profitability through balancing the triple bottom line of social, environmental, and economic concern fostered the idea that sustainability can become inherent in business to create public benefit.

Proactive versus reactive as a stance of doing business has been formally recognized through a third party cross-industry sustainability certification, the Benefit Corporation or B Corporation for short (B Lab, INC., 2012). The B Lab is the certifying

body of the B Corporation and requires a three-step process to complete the certification. First, corporations must score a minimum 80 out of 200 or higher on a self-report "B Impact" survey. Second, the company must determine the path for their corporate structure and amend their articles of incorporation accordingly. Lastly, a corporation must make it official by signing the B Corp Declaration of Interdependence and Term sheet, as well as pay certification fees which are based upon the size of the company (B Lab, INC., 2013). The B Corporation, whose mission statement of "harnessing the power of business to create public benefit" (B Lab, INC., 2013, para.1) challenges the notions of the current dominating paradigm in today's society that gives primacy to economics and promotes a new type of economy in which business is being created with the intention of social and environmental concern (B Lab, INC., 2013). This mission truly represents a new way of doing business that embodies Elkington's (1998) idea of the balanced triple bottom line.

Through connecting the two ideas of business and benefit, Etsy originally became certified as a B Corporation with a barely passing, 80 out of 200 on their B Impact self-report assessment. However, in 2013 they reached an improved self-report score of 105 out of 200, showing their continual efforts in improving their operations to meet the mission statement of the B Corporation. Etsy, certified as a B Corporation, is making its mark in efforts to create social and environmental benefit leading to sustainable economic opportunity. Utilizing the proactive versus reactive stance, it is possible to not only meet the needs of all but extend the opportunity to all to fulfill their aspirations for a better life as proposed by the Brundtland Report created by the World Commission on Environment and Development (1987).

Demonstrating through their mission statement to "reimage commerce in ways that build a more fulfilling and lasting world" (Etsy's Brave New Economy, 2013), Etsy's internet platform serves as a community to connect local entrepreneurs to others within their city, enabling "Etsians" as they have designated themselves, to support each other through the process of developing their handcrafts as a business. Etsy, founded in June 2005, reaches 200 countries selling over 20 million different types of handcrafted or vintage products and connects over one million sellers to buyers worldwide. Due to the increasing impact of technology, Etsy has the ability to connect producers to markets that may not have been traditionally reached because of physical limitations. Additionally, the internet-enabled platform facilitates entrepreneurs' ability to build their business on their own terms accommodating both flexibility and the daily needs of the individual (Redefining entrepreneurship: Etsy sellers' economic impact, 2013). Thus, with digital communication at an all-time high, people whose manufacturing skills that once seemed obsolete now have a unique place back in the market with potential to once again harness their passion or skills to make not just a living for themselves and their families, but truly make a life (Mauriello, 2013). Therefore, this opportunity presented by Etsy embodies the theory of shared value (Porter & Kramer, 2011), later reviewed in detail, which expresses the power business holds in creating public benefit.

#### Rationale and Significance

Along with Mayor Morrissey's call for an "Etsy Economy," past academic research has supported handcraft enterprises as a vital tool to enable artisans in developing countries to successfully make a living while still achieving the expected traditional social and cultural roles (Basu, 1995; Bhatt, 2006; Grimes & Milgram, 2000;

Liebl & Roy, 2003, 2004; Littrell & Dickson, 2010; Paige-Reeves, 1998; Rosenbaum & Golding, 1997; Stephen, 1991; Tice, 1995; Turner, 2007). However, while these studies support the continual use of artisan and handcraft work in developing countries, little academic research has addressed the opportunity for what viable employment handcraft enterprises can hold in communities that have fallen victim to the economic downturn in the United States.

Handcrafts produced in developing countries have seen rising popularity for buyers in the United States, especially with the development of Fair Trade certifications (Basu, 1995; Littrell & Dickson, 1999; Littrell & Dickson, 2010). India serves as an exceptional example of the power handcrafts can hold in communities and thus impacting countries. Particularly, handcrafts contributed an astonishing \$6.1 billion dollars in sales in 2000, which was an annual increase from \$4.6 billion dollars the previous year (Littrell & Dickson, 2010). This increase demonstrated the economic stimulation handcraft enterprise can hold. Similarly, developing countries have utilized the informal or creative economy as a powerful tool to escape poverty while still satisfying cultural and societal demands (Leibl & Roy, 2003, 2004), which are often a priority over economic considerations.

### **Statement of Purpose**

The purpose of this study was to explore handcraft enterprise in Rockford as an alternative sustainable approach to self-sufficiency by investigating the piloted Etsy Craft Entrepreneurship program as well as to explore the relationship between Etsy, the Rockford Housing Authority Etsians, and the leadership community of Rockford. The overarching research question was: How does the creation of social capital and strategic

networks affect individual handcraft enterprise and therefore the overall success of the Etsy Craft Entrepreneurship program?

### **Research Questions**

This qualitative study had three objectives: (1) to document the development of the "Etsy Economy" in Rockford as a new type of maker economy building upon their past roots as a manufacturing hub, (2) to discover motivations, challenges, barriers, successes and practices in the Etsy Craft Entrepreneurship program launched in Rockford and lastly, (3) to explore the roles social capital and strategic networks play in the economic revival of Rockford. Together, these aspects are of key importance in order to explore whether other cities could potentially utilize handcraft enterprise as a means of sustainable development through promoting new economic enterprise, a goal of the Etsy Craft Entrepreneurship program (Developing craft entrepreneurship: An update, 2013).

For this research, numerous questions were explored as they related to the revival of the manufacturing and entrepreneurial heritage of Rockford, fostering an "Etsy Economy." In order to achieve all three objectives of the study, the following research questions were formed:

#### Objective 1 & 2: Exploring the Etsy Craft Entrepreneurship program

- (1) What motivates the participants from the leadership perspective and Rockford Housing Authority (RHA) resident perspective side of this program to become involved?
- (2) What challenges have been presented thus far in the development of this program from a leadership perspective and RHA resident perspective?

- (3) What are barriers to both entry into the program as well as to the continuance of the program for members of the RHA?
- (4) What are the biggest successes of the program thus far from the leadership perspective and RHA resident perspective?

#### **Objective 3: Theoretical Frameworks**

- (5) What does the strategic network look like among Etsians and how is it developed and sustained?
- (6) What does social capital look like in Rockford and how is it developed and sustained?
- (7) What does shared value look like and how is it developed and sustained?

  Overview of Methodology

This qualitative study employed an intrinsic case study approach to explore the piloted Etsy Craft Entrepreneurship program as a unique bound system of a culture-sharing group (Creswell, 2007). Utilizing a holistic analysis approach, it was important to get a range of perspectives to explore the multiple realities that exist for the participants to truly build a rounded understanding of the case (Creswell, 2007), in this study the Etsy Craft Entrepreneurship program. After submitting detailed descriptions of the research plans and interview protocols to the Internal Review Board (IRB) for review and approval for studying human subjects, data collection began.

Semi-structured long interviews and a focus group took place ranging from one and a half to two hours at multiple locations in Rockford, Illinois. For example, these locations included workshops, workspaces, personal residences (including those located in section 8 housing), the Rockford Housing Authority office, and City Hall. Moreover,

additional data were collected during a five-hour session of participant observation held at the Rockford Housing Authority office.

The sample for the participant observation included seven Rockford Housing Authority (RHA) residents, one leader who served as the main instructor of the curriculum and contact point for the RHA resident program participants, and myself. Semi-structured interviews consisted of four RHA resident perspective interviews and two leadership perspective interviews. The focus group involved three leaders for this partnership, which each felt best to discuss in a group setting due to their overlapping involvement and stance within the program. Two interview protocols were developed as a guide for the interview process: (1) RHA resident perspective protocol and (2) leader perspective protocol, based on the three objectives of the study. These protocols are located in Appendix B. Moreover, the objectives of the study were embodied by the seven research questions seeking to answer the overarching questions of how do social capital and strategic networks affect individual handcraft enterprise and therefore the overall success of the Etsy Craft Entrepreneurship program?

Furthermore, all interview and focus group participation was audio recorded for accuracy and later transcribed using ExpressScribe analysis software and Microsoft Word 2010. After transcription, open coding began, followed by the creation of categories that were then formed into themes to understand the complexity and description of the case (Creswell, 2007; Merriam, 1998). Thus, the research was grounded in the data.

#### Role of the Researcher

When collecting qualitative data, the researcher serves as the key instrument (Creswell, 2007). For this study, all data was collected, besides email follow-ups, through

a weeklong outing to Rockford, Illinois in February 2014. Data collection in Rockford was imperative in order to preserve the natural setting of the research, which enabled the participants to behave and act within their usual context (Creswell, 2007). In order to gain the most rich and descriptive data, the participants were asked to choose the place they felt most comfortable, such as their personal homes or workshops, to hold the interview. Specifically, when interviewing RHA resident participants in their homes as well as being involved in the participatory observation, I took great care in my appearance in efforts to blend in with the participants of the study. No makeup was worn and hair was fastened in a ponytail. Attire included old tennis shoes, jeans and a plain t-shirt without brand identifiers. A plain black jacket was also worn for warmth but was removed once entering the place of the interview. No electronics where brought to the interviews besides a small hand held audio recorder. I carried a black tote bag with a University of Missouri logo and all notes were taken with pen and paper.

However, during the focus group conducted at City Hall with Mayor Morrissey, Ron Clewer, and Gina Carona, I manipulated my appearance to a more professional expression in order to fit in with the audience at City Hall. I wore black dress pants and a professional University of Missouri yellow V-neck sweater with the University logo embroidered on the left chest. A professional level of makeup was worn and care was taken to style the hair in a clean fashion. The same University of Missouri bag was carried, as well as the same tape recorder as in interviews with RHA residents. However, the notebook and pen were carried in a professional University of Missouri logoed portfolio. Because of the vast difference in perspectives in this case, appearance management was an important tool to utilize in order to blend in with the surroundings

and attempt to gain rich data without disturbing the natural settings of the case (Creswell, 2007).

#### **Researcher Assumptions**

The researcher as the key instrument cannot separate what they see, hear, and understand from their own background, history, prior understandings, and context (Creswell, 2007). Thus, it was of key importance for me to keep a reflexive journal to acknowledge any biases or feelings about the data collection after interaction with each participant (Stake, 1995). Likewise, as a social constructivist, my goal was to relay, as much as possible, the participant's subjective view of the case and focus on how the participants construct and live their reality as a part of the Etsy Craft Entrepreneurship program.

Due to an interest and educational background in sustainability, it was important to approach the Etsy Craft Entrepreneurship study with an open mind about the outcome of the program and that it may or may not be a successful program. Therefore, this was a continual aspect to consider when probing for and eliciting responses that could either support *or* refute the research questions of this study.

### Organization of the Dissertation

This dissertation contains six chapters. Chapter I is comprised of the background of the study, problem statement, rationale and significance, statement of purpose, research questions, overview of methodology, role of the researcher, researcher assumptions, and organization of the dissertation. Chapter II presents the theory and literature review on the following topics: strategic network theory, the entrepreneur versus the Etsy-preneur, social capital theory, shared value, a concern for sustainability,

handcraft enterprise, handcraft enterprise in the United States, a strategy for the future, digital divide, economic history of Rockford, and a review of research questions. Chapter III discusses the methodology of this study, which includes the rationale for research approach, research setting, research sample and data sources, data collection methods, data analysis methods, and issues of trustworthiness discussing validity and reliability. Chapter IV presents the (a) demographics of the RHA resident craft entrepreneurs, (b) the study's main findings including a presentation of the data collected based on thematic category interpretations, (c) a conceptual model and (d) researcher's reflections. Chapter V contains the discussion and conclusions chapter and features the (a) analysis of each research question (b) summary of the study, (c) implications, (d) contributions, and (e) limitations and opportunities for future research. Following Chapter V are the References and Appendices.

#### **CHAPTER 2: THEORY AND LITERATURE REVIEW**

Chapter II provides the theoretical framework for this study in addition to the review of literature. First, the strategic network theory provides the framework for depicting the importance of resources in the creation of social bonds that can place both parties in beneficial relationships. Second, social capital theory is discussed for its foundation in the value that relationships can create. Next, the theory of shared value will be reviewed. The central concepts of shared value support the idea that businesses and social concerns can be created to benefit one another. Lastly, a review of literature supporting these constructs and important components in the study will be discussed.

#### **Strategic Networking Theory**

Part of the Etsy phenomena can be explored through strategic networking theory. First, the networking paradigm emerged in the marketing field by H.B. Thorelli (1986) who coined the definition of a network as "two or more organizations involved in long term relationships" (p. 37). This research was the first to examine the network in light of strategic planning that could benefit *both* individual members of a network as well as the overall system. Prior to Thorelli's (1986) introduction of a strategic approach to the network paradigm, network analysis had only referenced non-profit organizations. Consequently, this is of key importance since non-profit organizations lack the consideration of competitive behavior (Jarillo, 1987), a crucial component of for profit businesses.

The manifestation of a network paradigm focused its central concepts around the influence of power and trust. Power was defined as "the ability to influence the decisions

and actions of others" and trust as "the assumption or reliance on the part of A that if either A or B encounters a problem in the fulfillment of his implicit or explicit transactional obligations, B may be counted on to do what A would do if B's resources were at A's disposal" (Thorelli, 1986, p.38; Jarillo, 1987, p. 36). More simply, trust is viewed as confidence in the continuation of a mutually satisfying relationship based on reputation and past performance. Trust hinges on social bonds and the continuum of day-to-day interactions (Thorelli, 1988).

Similarly, the flows of power, information and trust are crucial to be understood by all parties when understanding the relationship of a developed network. The organization is even more important than that of money and utilities (Thorelli, 1986) due to the lasting relationship and resources it can provide. Barney's (1991) assumptions of the resource-based view of the firm support Thorelli's development of the network paradigm. These assumptions state that: (1) a network must be heterogeneous with respect to strategic resources they control as long as the resources are not mobile across firms and (2) the heterogeneous aspects can be long lasting (Barney, 1991). Firms should assess their strengths and weaknesses and then utilize these two assumptions of the resource-based view of the firm to enable the successful creation of a strategic network. Subsequently, the reliance on each other develops potential lasting social bonds as well as places resources in a position to be efficient and stable (Johanson and Mattisson, 1987; Jarillo, 1987, Borch & Arthur, 1995), all of which are characteristic and important to the program in Rockford, Illinois.

Jarillo (1988) found that "networking had become a fashionable topic" (p. 32) and pushed for a distinction between networking and strategic networking as separate

concepts. In contrast with Thorelli's (1986) networking theory, which emerged from a marketing perspective, Jarillo's (1988) *strategic* network paradigm emerged from a management and organizational field. This contrast resulted in two distinguished definitions. First, a "mode of organization that can be used by managers or entrepreneurs to position their firms in a stronger competitive stance" (Jarillo, 1998, p. 32) defined networking. Whereas, strategic networking emphasized the *long term, purposeful* arrangements around distinct but related for-profit organizations that allow those firms to gain or sustain competitive advantage from their competitors outside the network (Jarillo, 1998, p. 32). Jarillo's (1998) distinction between a network and strategic network conceptualized a theory that encompassed the new principles of management, which noted that cooperative behavior among firms was at the root of numerous success stories. Finally, reiterating that cooperative and competitive behavior could and were complimentary aspects of a unique reality, strategic network theory emerged as the dominating stance within the network literature.

Specifically, strategic network theory states "individuals within an organization who share resources and hold a common vision for activities and types of information that are valued will ultimately generate benefits to the business" (Miller, Besser, & Vinga, 2011, p.3). Indeed these relationships between firms in the network are essential to the competitive advantage and position (Jarillo, 1987; Borch & Arthur, 1995; Miller et al., 2011). The construct of strategic network theory is the cooperative relationship, which holds key focus. Four concepts represent this theory (1) shared vision and shared resources, (2) trust that establishes the possibility for long-term relationships, (3) reliability and reputation, and (4) reciprocal relationships (Thorelli, 1987; Jarillo, 1987;

Borch & Arthur, 1995). The concepts representing strategic network theory have been studied in businesses with rapid change due to increasing technological pace, globalization of competition, or new competitors. (Borch & Arthur, 1995; Miller et al., 2011). Characteristics that are embodied by the Etsy platform.

Strategic networks have long been investigated in business literature but have only come to recent light when looking at the role they can hold in entrepreneurial ventures (Araujo & Easton, 1996; Thornton, 1999; Hoang & Antoncic, 2003). Past studies indicated that entrepreneurial process were distinct from any other social phenomena. Furthermore, entrepreneurs are seen as "intimately tied" (p. 167) because of their social relations, to a broader network of factors (Hoang & Antoncic, 2003) that can impact success. In comparison, Aldrich and Zimmer (1986) argued that the entrepreneur is embedded in the social network that plays a critical role in the entrepreneurial process. Since both interpersonal and interorganizational relationships are viewed as the vehicle through which actors gain access to a variety of resources (Light, 1984; Aldrich & Zimmer, 1987; Bates, 1997) the strategic network proves itself of great worth in the creation of the Etsy Craft Entrepreneurship program. These two types of relationships, interpersonal and interorganizational, embody the complexity of this program which explores the relationships of the participants to each other, the relationship of the participants to the RHA, and the RHA and City of Rockford to Etsy. Current research that exists on network relations has determined that the entrepreneur's access to intangible resources is one of the key benefits. For example, support for entrepreneurial risk taking was found to enhance the entrepreneur's persistence to remain in business (Gimeno, Folta, Cooper, & Woo, 1997; Bruderl & Preisendorfer, 1998). To further

understand and demonstrate the role strategic network theory can provide to entrepreneurial processes this theory provided an appropriate theoretical framework.

#### The Entrepreneur versus the Etsy-preneur

Traditionally becoming an entrepreneur focused on understanding the competitive, economic, and cultural climates of the industry the entrepreneur wishes to pursue, as well as assessing one's own personal characteristics such as traits, skills, and needs (Granger & Sterling, 2012). Like traditional entrepreneurs, Etsy sellers spend significant time on business operations. For every hour they spend making their products, they spend, another hour doing business-related tasks, including inventory management, shipping, customer service, marketing, and accounting (Redefining entrepreneurship: Etsy sellers' economic impact, 2013).

However, the opportunity to utilize the Etsy platform to pursue entrepreneurial opportunities reaches outside the traditional means to entrepreneurship due to the unique nature of which the buyers and sellers are connected. Moreover, traditional entrepreneurs find barriers such a start-up cost requiring outsider investments in the venture as a large drawback to creating your own business (Granger & Sterling, 2012). Etsy, because of its unique nature and platform bypasses the need for higher introductory capital but places higher demands on self-reliance (Redefining entrepreneurship: Etsy sellers' economic impact, 2013). Etsy found in 2013 that 35% of their sellers reported not needed much investment to create their businesses, bypassing the barrier of start-up cost (Redefining entrepreneurship: Etsy sellers' economic impact, 2013). The U.S. Census Bureau (2007) found that only 20.8% of small businesses launched without the use of start-up capital,

demonstrating the unique entrepreneurial opportunity Etsy holds in comparison to traditional entrepreneurial outlets.

Research on the Etsy.com blog:Seller Handbook (2014) discussed four important keys to success for new Etsy-preneurs (Etsy.com blog: Seller Handbook, 2014). First, sell great products, which included information such as being inspired by what you do, doing research to support your inspiration, and advice to never stop learning. The second key to success was to add more items to your shop. The more items you have the more opportunities you have for someone to find your shop on Etsy. Third was to learn the importance of taking great photos. Photography has the ability to entire a buyer to purchase your product, they should be professional and clear so they "bring your item to life" (Etsy.com blog:Seller Handbook, 2014). The last key to success was to get found in a customer's search. To find out what buyers are currently looking, it is important to type what you sell in the search bar with Handmade, Vintage, or Supplies selected, so you know what customer's see when exploring the Etsy platform and how you can better serve the customer's needs. The terms that appear first are recent customer search terms. The blog also expressed the important of using all of the allotted tag spaces with good keywords and phrases that buyers are likely to search for. Add plenty of accurate, descriptive words in your titles was also an important aspect (Etsy.com blog:Seller Handbook, 2014). While these strategies may not be ones that are required for traditional entrepreneurial success, they are likely to highly increase the ability for someone to be successful as an Etsy-preneur.

#### **Social Capital Theory**

Bourdieu presented the first systematic definition of social capital in 1980.

However, since it was published in French it received little attention until later published in English in 1985. Bourdieu (1980, 1985) defined the concept of social capital as the "aggregate of the actual or potential resources, which are linked to possession of a durable network of more or less institutionalized relationships of mutual acquaintance or recognition" (p. 248). In comparison, Coleman (1988) noted that social capital is defined by its function in that it makes possible the achievement of certain ends that in its absence would not be possible. Bourdieu's (1985) construction of this concept stated that social networks are not a natural given and must be constructed through investment strategies oriented to the institutionalization of group relations, usable as a reliable source of other benefits. Congruent within the concept of strategic network theory, Coleman (1988) emphasized that trust is of great importance in the creation and maintenance of social capital. With trust within and between groups or firms, the ability to accomplish much more is created (Bourdieu, 1985; Coleman, 1988).

More recently, Lin (1999) examined the past conceptual work on social capital and explained a theory encompassing the phenomena of social capital. Three assumptions of social capital theory explain how embedded resources in social networks enhance the outcomes of actions. Furthermore, the term embeddedness stems from Granovetter (1985), noting that embeddedness effects the social relations, trust and cohesion, on economic outcomes and influences the tendency to repeat transaction over time given the degree to which firms are enmeshed in social networks. The first assumption is facilitating the flow of action (Lin, 1999). In the usual imperfect market situations, social ties located in certain strategic locations and/or hierarchical positions can provide an individual with useful information about opportunities and choices otherwise not

available. This type of information would reduce the transaction cost for the organization to recruit better, whether it be through skill, technical or cultural knowledge for individuals as well as for individuals to find better organizations which can use their capital and provide appropriate rewards (Lin, 1999). In this study, facilitating the flow of action is embodied through Etsy's ties to the Rockford Housing Authority who is then tied to the RHA residents through a program that is facilitating the flow of action.

The second assumption says that social ties may exert influence on agents who play a critical role in decisions (Lin, 1999). Therefore, some social ties due to their strategic locations and positions also carry more valued resources and exercise greater power in organizational decision-making (Lin, 1999). The third assumption states that social tie resources and their relationships may be conceived by the organization or its agents as certifications of the individual's social credentials, some of which reflect the individual's accessibility to resources through social networks and relations. Essentially, Lin's (1999) third assumption demonstrated the actual creation of a firms or groups social capital. Together these assumptions, produced the definition of social capital theory that "firms engage in interactions and networking, otherwise known as social relationships, with expected returns in order to produce profits" (p. 32).

Importance of social capital to strategic network theory: Building a connection. Uzzi (1996) found that "firms forming closer ties with each other within the network find more beneficial economic outcomes than those operating at arms length" (p. 676). However, others have argued that a balanced network of strong and weak ties will be stronger and more valuable to the members of a network (Coleman, 1988; Portes, 1998; Lin, 1999; Miller et al., 2011). This debate was largely popularized by

Granovetter's (1973) often-cited work the *Strength of Weak Ties*, which has continually stemmed debate between the benefit of utilizing both strong and weak ties. The article promoted the benefits of bridging social capital, which state that weak ties have the ability to create small-scale interactions that translate into large-scale patterns and in turn feedback into small groups (Granovetter, 1973). In other words, while network size and centrality measure the amount of resources an actor can access, other patterns in the network structure influence their access to a diversity of resources (Hoang & Antoncic, 1999). Granovetter's (1973) notion of weak ties, specifically described the extent to which actors can gain access to new information and ideas through ties that lie outside of their immediate cluster of contacts.

Furthermore, Woolcock (1998) made a critical contribution to this body of literature by formally naming these two types of ties, bonding and bridging social capital. Redefining what was formally known as a strong tie became bonding social capital, defined as the "kinds of relationships that provide human beings or corporations with a sense of identity and belonging and assists with meeting basic needs for material and social support" (Woolcock, 1998; O'Brien, 2012, p.218). Formally named by Woolcock (1998) as bridging social capital, was what was previously known as weak ties. Bridging social capital was defined as "social relationships that permits persons or groups to link to outside sources of information, political support, and material sources (Woolcock, 1998; O'Brien, 2012, p. 218). The debate between the usefulness of each type of bridge is the idea that while strong tie groups themselves can often be ineffective in developing bridging ties because of redundancy, several weak tie groups, each of which is held

together by a strong bonding tie, can combine together to pursue a collective goal (Olsen, 1971; O'Brien, 2012).

Combined, this literature describes the possibilities strategic partnerships in both developing and developed countries clearly have in promoting economic development. In relation to the case in this study, bridging social capital represents the relationship between each organization and the makers residing in the RHA housing system. These weak ties, or bridging social capital, enable a level of economic vitality that without the social partnerships would not be possible as they foster the persons or groups to link to outside sources of information, political support, and material sources (Woolcock, 1998; O'Brien, 2012, p. 218). In this case exploring the Etsy Craft Entrepreneurship program, I will explore this theoretical positioning.

#### **Shared Value**

According to Porter and Kramer (2011), shared value is not the equivalent to corporate social responsibly (CSR). Nor is shared value the equivalent to shared values, which solely addresses personal need. Porter and Kramer's (2011) conception of shared value creates new opportunities for profit and competitive advantage by unleashing the power of business to help solve global problems (Porter et al., 2011), nearly identical to the mission statement of the B Corporation. Similarly, this conception also parallels the mission statement of Etsy, which seeks to build commerce in ways that build a more fulfilling and lasting world (Etsy's Brave New Economy, 2014). By embodying business in a new way, corporations no longer need to see social improvement as a burden that imposes constraints on their ability to satisfy stakeholders, leaving the task of solving

social problems to NGO's and governments. Instead, societal and economic progress can hold a mutually benefitting relationship.

Unlike corporate social responsibility programs that largely serve as a reaction to external pressures, shared value seeks *innovative* ways that corporations and organizations can function by utilizing new technologies, operating methods, and management approaches that have the ability to stimulate mutually benefitting relationships between society and economics (Porter & Kramer, 2006). The framework of shared value ties economic progress and vitality indivisibly to societal impacts through mutually benefitting decisions for both parties. Etsy, through pursuing business policies that benefit its interest, as well as society at large, seeks to gain long-term prosperity. The reciprocal nature of business demands for interdependence between the triple bottom lines making the evolution of shared value from corporate social responsibility strategies more than just a response to "greening" demand but a true opportunity to seek mutually beneficial relationships for the greater good of future generations.

Porter and Kramer, (2011), defined three outlets for pursing shared value: (1) reconceiving products and markets, (2) redefining productivity in the value chain, and (3) enabling cluster development. Individually, these three shared value opportunities provide the ability to have positive impacts for both business and society since they create opportunity based on a shared need between both economy and society. Porter and Kramer (2011) note the relationships or development pursued must be sought for their benefits to help one another as the primary intention, not solely seeking to react to external pressure or the relationship will not be long lasting. The framework of shared

value and its three components to seek opportunity serve as a guiding framework for this study and will inform the type of questions developed for data collection.

#### A Concern for Sustainability

In 1987, the World Commission on Environment and Development published a crucial document titled, "Our Common Future" which summoned an agenda for change. This report, one of the first to draw concern for sustainability, recognized that new possibilities needed to be explored to cope with our dynamic population and planet (World Commission on Environment and Development, 1987). Also known as the Brundtland Report, coined the first ever definition of sustainable development as, "development that meets the needs of the present world without compromising the ability of future generations to meet their own needs" (World Commission on Environment and Development, 1987), the most prolific definition in sustainability literature internationally recognized today.

Moreover, John Elkington (1998), author of *Cannibals with Forks: Triple bottom line of the 21<sup>st</sup> Century*, called for a paradigm shift towards sustainability or a balanced triple bottom line. He promoted a balanced triple bottom line of social, environmental, and economic concern combatting the current paradigm where economics are given primacy and social and environmental concerns are seen as added benefits instead of equal concerns for the future (Jones & Grotts, 2013). Elkington's (1998) concept parallels the ambitions set forth by the Etsy Craft Entrepreneurship program and defines sustainable development as equity, justice, alleviation of poverty and redistribution of opportunity" (p.6). The Etsy Craft Entrepreneurship program represents progress towards

sustainable development by promoting a new type of economy through utilizing handcraft enterprise as a valuable economic tool.

#### **Handcraft Enterprise**

Handcraft enterprise holds a unique position for economic development. It functions to not only improve the financial standpoint of the producer, but also their well-being (Basu, 1995; Tice, 1995; Littrell & Dickson, 2010). Handcrafts along with dance, music, writing, and architecture all represent cultural industries or "those aspects of a culture that form the basis of a marketable product" (Leibl & Roy, 2004, p.2). The impact that cultural industries, such a handcrafts, can have in working towards sustainable development is exemplified by the United Nations Educational, Scientific and Cultural Organization (UNESCO) definition of cultural industries:

"Cultural industries are defined as those industries which produce tangible or intangible artistic and creative outputs, and have a potential for wealth creation and income generation through production of knowledge-based goods and services (both traditional and contemporary). What cultural industries have in common is that they all use creativity, cultural knowledge and intellectual property to produce goods and services with social and cultural impact (Askerud & Englehardt, 2007, p.11).

By starting and maintaining entrepreneurial businesses, handcraft producers hold more than just the ability to make a living for themselves, but truly make a life. Numerous organizations have partnered with communities worldwide in working towards improved economic vitality (Gottschling, Littrell, & Cockram, 2005; Stawn and Littrell, 2006; Littrell & Dickson, 2010).

Handcraft enterprise partnerships have been established in many developing countries in order to provide economic vitality to communities that lack financial resources and empowerment for self-betterment. Littrell and Dickson's (2010) book,

Artisans and Fair Trade: Crafting Development, documented the analysis and results of their case study research of the fair trade apparel group, MarketPlace: Handwork of India. MarketPlace holds two goals at the center of its establishment: (1) to generate income in the global markets and (2) to enable the generation of income to low-wage workers that provide the staff of the apparel group (Littrell & Dickson, 2010). The unique connection or "tie" between MarketPlace and the artisan workers of India creates access to resources that not only empower the workforce, but more importantly enable the women to satisfy both economic and social/cultural pressures to which they must conform. This study culminated on a lifetime of work studying artisans and development with a total of 161 artisans and 6 group leader interviews modeling how the material, social, and psychological well-being of artisans (Littrell & Dickson, 2010) can be improved with partnerships such as MarketPlace and allow people to meet both economic and socio/cultural needs.

Similarly, but on a smaller scale, Strawn and Littrell (2006) conducted three individual case studies of artisans working with a parent enterprise in order to gain the entrepreneurial skills needed to form their own business venture. Two of the three cases stemmed from the apparel group, MarketPlace: Handwork of India in Mumbai and the third from the Rehwa Society, a weaving cooperative in Maheshwar, Uttar Pradesh, India. The end goal of the aid provided for the three individuals in this case study was for the participants to grasp and acquire entrepreneurship skills to branch out on their own without the aid of the parent company. In contrast, Littrell and Dickson's (2010) study discussed explicitly that not all situations in the study led the women to individual entrepreneurial ventures, as that did not always fit their lifestyle. However, while the end

pursuit in these two studies differed, it was the relationship or ties between the parent organization and the participants that the betterment and improvement of capabilities became possible. According to Strawn & Littrell (2006), all three participants successfully formed their own entrepreneurial venture after the training and development of capabilities were gained from their parent organizations. Knowledge of textile production, understanding of the importance of product refreshment and innovation, and the importance of targeting products to a specific market, nationally or internationally, were the three most salient capabilities learned from parent organizations and found to be the most essential in pursuing their own ventures (Strawn & Littrell, 2006).

Similar partnerships or ties such as these have been studied by Gottschling et al. (2005) with a four year, 1.6 million dollar funded partnership between the United States and 5 regions in Central Asia: (1) Kazakhstan, (2) Uzbekistan, (3) Kyrgyz Republic, (4) Tajikistan and (5) Turkmenistan. This partnership came to life after Aid to Artisans' President, Clare Brett Smith, was urged by the Central Asian Ambassador to the United States to seek help for her country. Moreover, increased income, new business skills, confidence, and craft revitalization were all capabilities gained through the partnership for those involved (Gottschling et al., 2005) paralleling the two previous studies by Strawn & Littrell (2006) and Littrell & Dickson (2010).

In 2003, Gobagoba and Littrell, studied ties in Botswana with the Financial Assistance Policy (FAP) program. This multi-national program was utilized to support entrepreneurial ventures in industries other than in beef and mining. Gobagoba and Littrell (2003) found that women micro business entrepreneurs who had received assistance from the FAP program, not only contributed to private enterprise development

but also supported their community by providing personal, school, business, and wedding attire as well as textiles (Gobagoba & Littrell, 2003). This partnership or utilization of weak ties provided access to resource, information, and power that would otherwise not have been possible. Together these studies illustrate the strong impact that partnerships or ties between organizations and communities can have on the ability to successfully bind economic vitality to cultural and social constraints.

Handcraft enterprise in the United States. While handcraft enterprise has been widely researched across developing countries, academic studies addressing handcraft enterprise in the United States are less frequent. The American Planning Association's core mission is to provide leadership in the development of vital communities by advocating excellence in planning, promoting education and citizen empowerment, and providing the tools and support necessary to meet the challenges of growth and change. Moreover, the American Planning Association (2013) emphasized that the terms "creative economy," "creative class," and "cultural economy" were becoming more common (American Planning Association, 2013) showing an increased interest and growing market for these products.

"Creative economy," "creative class," and "cultural economy" describe what has previously been defined by UNESCO as cultural industries. The National Governor's Association (NGA) has also focused its concern on the creative and cultural industries for the impact they can have on state economies. NGA suggests that creative and cultural related industries have direct economic benefits for both states and communities by attracting investments, generating tax revenues, attracting tourism and consumer purchases while also enhancing the quality of life for the workers (Executive Summary,

n.d.). Many places in the United States have programs or organizations that support the creative and cultural industries within their states. These programs range from non-profit agencies to universities who see value in partnering with those workers of cultural industries, not only for the benefit of themselves or the workers but also the benefit it can provide to community development (Executive Summary, n.d.). Etsy, in an attempt to revive the creative industries that their culture was founded on in Rockford, not only provides an outlet for community development, but also seeks the opportunity to provide people with the means to not only make a living, but make a life that considers other obligations. (Developing craft entrepreneurship: An update, 2013).

Different states have enacted different objectives for the cultural and arts sector. These include programs such as development initiatives, entrepreneurial training, marketing programs, or public-private collaborations to encourage growth and invest in specific creative clusters (NGA Center for Best Practices, 2014). For example, Kentucky and California offer two instances of organizations tying themselves to their cultural industries. "Kentucky Crafted" offers a Craft Marketing Program that provides business and product development services to participating artists and helps market their product. However, the participants in this program are already established craftsmen or producers creating the highest quality of art, craft, music and film in the state (Kentucky Crafted: The Market, 2014). Similar to the Kentucky Crafted program, the University of California: Santa Cruz has partnered with their cultural industry and the city of Santa Cruz to establish the Santa Cruz Design + Innovation Center. As a government agency, the center's goal is to "leverage local design talent to grow design-based business and attract new businesses to the area" (Executive Summary, n.d.).

While these programs focusing on state economies demonstrate the ability partnerships have to foster the cultural and creative industries in the United States, they thrive on workers or makers who are *already* working in their craft and/or provide access to a buyers' market for their product. Many low-income groups in the United States have long had craft and manufacturing skills but the potential of these skills to unlock income and well-being became difficult in times of continued economic downturn when the sole concern shifted to the ability to make ends meet (Developing craft entrepreneurship: An update, 2013). Especially in places such as Rockford, where the population of low-income individuals continues to increase, many communities are shifting focus back to the cultural and creative industries and seeking partnerships with other organizations to benefit the cultural industry workers. Thus, the city of Rockford is looking at the Etsy Craft Entrepreneurship program as a unique opportunity to revive their once thriving maker community. The following outlines the Etsy Craft Entrepreneurship program vision:

"We believe that a key part of the solution is providing targeted education. We have created a curriculum with 6 modules intended to be taught in person by experienced local Etsy sellers over the course of 2 to 6 weeks. Each module includes hands-on practice on a personal Etsy.com shop, and strategies for success across a variety of platforms. We're excited to see what opportunities more independent, creative businesses can bring to these communities and beyond" (Etsy and Rockford team up on Entrepreneurship, 2013, para. 1).

By maximizing creative capabilities that already exist within the members of their community, such as craft and manufacturing skills, Rockford hopes to give their people the freedom to pursue the types of work they value and in turn improve their work satisfaction and thus well-being. Through organizational partnerships or strategic ties,

training, technology, and existing skill, handcraft enterprise may become a valuable tool for sustained economic development.

Strategy for the future. The previously reviewed literature situates handcraft enterprise as a tool that may be used to solve economic development needs affecting families, communities, and government. Viewed as an instrument of social change and long-term development (Herald, 1992), the ability handcrafts have to provide sustainable development in all Rockford, Illinois will be explored. Durham and Littrell (2000) support the need for "programs that can provide guidance for craft microenterprise development and marketing to regional and international markets" (p.260) reemphasizing the unique and important position this case study holds by exploring a potential for sustainable development in Rockford, Illinois through handcraft enterprise.

Past research shows that women are often the prime targets of economic development programs in developing countries (Durham & Littrell, 2000). However, the Etsy Craft Entrepreneurship program is shaping opportunity for both men and women providing another unique aspect of the proposed site of data collection since the Etsy Craft Entrepreneurship program is expanding its reach to aid in sustainable development for both men and women within the Rockford, Illinois community. Unlike many reviewed partnerships in the United States, such as those in Kentucky and California, the Etsy Craft Entrepreneurship program is not looking to primarily satisfy the needs of the state through revival of cultural industries, but to satisfy the needs of the people who are members of their community by affording them the opportunity to learn how to uniquely sell their products through the online platform and community of Etsy. This partnership

connects the cultural industries in Rockford directly to economic development through handcraft enterprise.

## **Digital Divide**

According to the U.S. Department of Commerce (1995), a "digital divide" is represented by economic inequality between groups due to access, use, and knowledge of information and communication technologies. Specifically in the United States, digital divide typically refers to inequality in technology between individuals, businesses, and geographic areas at different socioeconomic status levels (Norris, 2001; Chinn & Farlie, 2004). The American Psychology Association (2014) defined socioeconomic status as "the social standing or class of an individual or group" (para. 1). Moreover, this status is measured through a combination of education, income, and occupation (American Psychology Association, 2014).

Past research has argued that "place matters," especially when speaking of racial segregation and concentrated poverty (Mydral, 1944; Clark, 1965). In comparison, more recent research has shown that "...serious inequities persist in poor urban communities, despite decades of civil rights and fair housing legislation" (Mossberger, Tolbert, & Gilbert, 2006, p.585). This information suggests that the strong presence of the technological age has also transformed existing disparities in poor communities, particularly inner-city neighborhoods, into a "digital divide" or inequality.

Consequently, piloting programs such as the Etsy Craft Entrepreneurship program, strictly utilizing the World Wide Web to reach commerce, with low-income housing programs appears through past research to be a contradiction. This literature suggests that Mayor Morrissey's call for an Etsy Economy, defined by the Etsy platform

as "a global online network of independent artists and designers pioneering a new model for economic prosperity," (Etsy's Brave New Economy, 2013) may have failed to consider the challenges a digital divide would present as the Etsy platform requires a certain technological aptitude to be properly utilized. This apparent and possible digital divide presents an instant challenge in using "technologies transformation value" (Etsy Craft Entrepreneurship, 2014) that even the most creative entrepreneurs would find challenging.

## **Economic History of Rockford**

In the 1880's and through the American Industrial Revolution, Rockford was the second largest furniture-manufacturing center in the United States, as well as a prominent agricultural implement industry (Molyneaux, 1997; Schwitters, 2014). Staking early manufacturing roots in the city established an economy supported by makers (Molyneaux, 1997). Furthermore, many of the companies located in Rockford functioned as cooperatives, which were viewed a different approach to income generation at this time (Moylneaux, 1997). 20<sup>th</sup> century Rockford continued to grow into a prosperous city with a strong presence of machinery and a rich manufacturing industry. Rockford's industry revolved around the production of heavy machinery, machine tools, automotive, aerospace, fastener and cabinet hardware products, and packaging devices (Molyneaux, 1997). During this time, Rockford also produced many important and unique inventions. The Nelson knitting machine, airbrush, electric brake, electric garage door opener, dollar bill changer, and electronic dartboard were all produced or invented in the city of Rockford. While now obsolete, Rockford was once home to many flourishing companies such as: Air Brush Manufacturing Company, Free Sewing Machine Company, Haddorff

Piano Company, Hanson Clock Company, Hess & Hopkins Leather Company, Norse Pottery Company, Rockford Brewing Company, Rockford Silver Plate Company, and Rockford Watch Company (Molyneaux, 1997), showing the vast diversity of manufacturing that the culture the city was built upon. However, in the 1960's patterns of competition began to change as the first overseas migration of manufacturing began. As this shift to countries outside of the United States for manufacturing continued to increase, due to greater access to low wage production in developing countries, Rockford experienced a continual decrease in business due to outsourcing production (Gereffi, 1998). Born and raised in Rockford, Mayor Morrissey, with his knowledge of the prosperous city that Rockford once represented was determined to help his city grow back to the roots it once possessed. The partnership derived from his aspirations, the Etsy Craft Entrepreneurship program, sought to embody the entrepreneurial spirit the city once held

#### **Review of Research Questions**

The following research questions will serve as modes of inquiry for this study and have been informed by the previously reviewed literature. It is important to understand what the Etsy Craft Entrepreneurship program is as well as how it functions with the relationship between the participants, community leaders, and Etsy in order to explore the possibility of economic development. Figure 1 illustrates the interpretation of the follow of information in creation, facilitation, and instruction of the Etsy Craft Entrepreneurship program. The research questions will explore the diagramed follows of communication and networks of relationships.

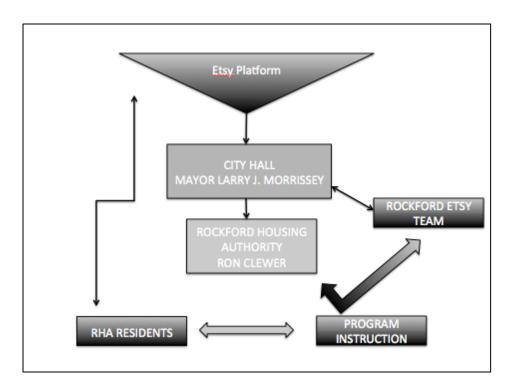


Figure 1. Flows of Communication

Specific to this study, numerous questions were explored as they related to the revival of the entrepreneurial spirit of Rockford, fostering an "Etsy Economy." In order to achieve all three objectives of the study, the following research questions were formed:

## Objective 1 and 2: Exploring the Etsy Craft Entrepreneurship program

- (1) What motivates the participants from the leadership perspective and Rockford Housing Authority (RHA) resident perspective side of this program to become involved?
- (2) What challenges have been presented thus far in the development of this program from a leadership perspective and RHA resident perspective?
- (3) What are barriers to the continuance of the program for members of the RHA?
- (4) What are the biggest successes of the program thus far from the leadership perspective and RHA resident perspective?

# **Objective 3: Theoretical Frameworks**

- (5) What does the strategic network look like among Etsians and how is it developed and sustained?
- (6) What does social capital look like in Rockford and how is it developed and sustained?
- (7) What does shared value look like and how is it developed and sustained?

### **CHAPTER III: METHODS**

This study, theoretically grounded in strategic network and social capital theory, aims to explore the effect that the Etsy Craft Entrepreneurship program, utilizing handcraft enterprise in Rockford, has on participants' self-sufficiency. Chapter III will discuss the (a) rationale for research approach, (b) research setting, (c) research sample and data sources, (d) data collection methods, (e) data analysis methods, and (f) issues of trustworthiness relating to validity and reliability.

## **Rational for Research Approach**

Constructivist Inquiry. It is widely accepted that most qualitative researchers believe knowledge is constructed rather than discovered (Guba & Lincoln, 1981).

Similarly, according to Stake (1995) the world that humans come to know is based on a construction of their understanding, furthermore no aspects of knowledge come solely from the outside world without some aspect of human construction. While external reality may be capable of creating human stimulation, it is only with personal interpretation that meaning is generated (Stake, 1995). For example, in constructivist inquiry, the researcher begins with an experience and asks questions which explore how the participants construct an experience by entering the phenomenon, gaining multiple views of it, and locating it in its web of connections and constraints (Charmaz, 2006).

Furthermore, generalizability is not the primary goal of the research, but rather to "provide readers with good raw material for their own generalizing" (Stake, 1995, p. 102). Comparably, with this approach to inquiry, it is important for the researcher to note that the interpretation of the phenomenon is also a construction of their own reality which

is impacted by their own personal, cultural, and historical perspectives (Charmaz, 2006; Creswell, 2007). By describing the complexity of the Etsy Craft Entrepreneurship program through the multiple interpretations or the realities of the participants most knowledgeable of the program a "thick description" (Geertz, 1973) will be constructed. In comparison with Geertz (1973), Stake (1995) agreed that it is not only behavior that presents such thick description, but the action of placing that behavior in the context such that it "tries to establish an empathetic understanding for the reader...conveying to the reader what the experience itself would convey" (p.39).

## **An Intrinsic Case Study**

According to Creswell (2007) case study research involves the study of an issue explored through one or more bounded systems representing a culture-sharing group. The bounded system represents the "case" selected in the study creating restrictions to a specific time and/or place (Creswell, 2007). While historically rooted in fields such as psychology, law, political science, and medicine (Creswell, 2007), social scientists have largely utilized case study methods to explore economic development programs utilizing handcraft enterprise (Durham & Littrell, 2000; Gobagoba & Littrell, 2003; Gottschling et al., 2005; Strawn & Littrell, 2006; Littrell & Dickson, 2010). This qualitative study utilized an intrinsic single case study design. Of the three approaches to case study research the *intrinsic* approach presents the appropriate framework for this study exploring the Etsy Craft Entrepreneurship program since the case itself is of primary, not secondary interest and represents an unusual or unique situation (Stake, 1995; Creswell, 2007).

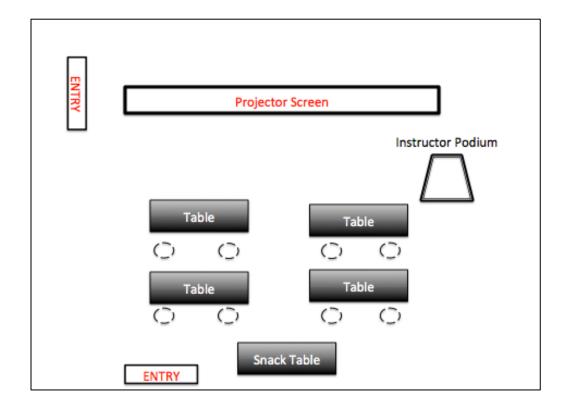
## **Research Setting**

According to Given (2008) qualitative data is collected in natural settings, leaving qualitative researchers to study things as they are. Moreover, rather than removing people from their natural setting, the researcher goes to the people, which also enables the collection of sensory data (Creswell, 2007). In comparison to an experimental study, the goal of qualitative research is not to *control* the study, but instead to focus on situating activities that locate the participants in the context of the study (Given, 2008). This natural setting can be represented by physical, social, and cultural contexts (McCracken, 1988; Creswell, 2007; Given, 2008).

This intrinsic case study observed the bounded system of the Etsy Craft

Entrepreneurship program piloted in Rockford, Illinois. No specific physical entity
represents this case. However, the instruction of the curriculum for the program was held
at the Rockford Housing Authority Central office located at 223 S Winnebago Street,
Rockford, IL 61102. This address is situated in the downtown municipal area of
Rockford. All parties must enter the building through a secured area to receive access
into the common area. Once the common area is reached, all parties must check in with
the receptionist behind a glass enclosure before access can be given to any other part of
the building. The program instruction is held in a spacious all-purpose meeting room,
utilized for other meeting purposes as well as press conferences. The room contains a
large projector screen and approximately 10 chairs featured at long tables. The style of
the room is so that the tables and chairs face the projector screen in typical lecture format
with the podium to the front right of the participants. There are two entries to the room:
(1) behind the seating area and (2) to the left of the seating. Figure 2 presents a visual

representation of the physical naturalistic setting of the Etsy Craft Entrepreneurship program. This setting also represented the location of the participant observation shop critique workshop, which is later described.



*Figure 2.* Representation of the physical setting for program instruction and shop critique workshop.

The Etsy Craft Entrepreneurship program was pre-selected in order to explore the overarching research question in this study. Selecting one critical case aided in assessing the explanatory power of social capital theory and strategic network theory. According to Yin (2009), a single case can "represent a significant contribution to knowledge and theory building" (p.47). In comparison, Stake (1995) noted the importance of understanding the embeddedness and interaction of the case within its contexts. In order to ensure the diversity in perspectives of this single case, purposeful maximal sampling

strategy (Creswell & Creswell, 2005; Creswell, 2007) was utilized. Purposeful maximal sampling is the strategy in which "the inquirer selects individuals and cites for study because they can purposely inform an understanding of the research problem and central phenomenon in the study" (Creswell, 2007, p. 125). Thus this strategy utilizes the ability to recognize differences in perspectives at the beginning of the study increasing the likelihood that the findings will illustrate differences or different perspectives in the study (Creswell & Creswell, 2005; Creswell, 2007). Diversity in perspectives of the program will be represented in this study by the two dimensions of the Etsy Craft Entrepreneurship program: (1) the leadership perspective, and (2) the Rockford Housing Authority (RHA) resident perspective. Thus, the various facets of the Etsy Craft Entrepreneurship program, which are represented by the RHA resident and leadership roles in Rockford provided the bounded system for this study.

## **Research Sample**

This qualitative research study, examining human subject participants, required approval from the University of Missouri, Institutional Review Board (IRB). After submitting detailed descriptions of the research plans, protocols, and consent forms to the IRB, permission was granted to begin the study. The IRB also approved the use of actual names in the study since the Etsy website and blog discuss these names openly on their pubic website. First, initial contact was made with Mayor Larry J. Morrissey of Rockford via email after learning of the program through the Etsy.com website and blog through personal interest and exploration of the website. Mayor Morrissey facilitated the initial contact between myself and others who held leadership roles within the program including: (a) Ron Clewer, Chief Executive Officer of the Rockford Housing Authority,

(b) Christopher Bernd, Instructor of all Etsy curriculum to RHA resident participants and Rockford Etsy Team member and leader, (c) Amy Miehode, co-leader and member of the Rockford Etsy Team and Etsy "Seams2u" shop owner, and (d) Gina Carona, Secondary Program Coordinator for Rockford public school district 5. Second, Mayor Morrissey also shared the contact information, which included name, email and phone number, of the ten RHA resident participants that had been recruited for the Etsy Craft Entrepreneurship program by the Rockford Housing Authority.

Following access to this information, all leaders were contacted via email and/or telephone and expressed interest in meeting and serving as informants in this study. Initial contact was made to all ten RHA resident participants via email correspondence. Two of ten participants responded to the initial recruitment email at which point the remaining eight RHA residents where contacted by telephone. Seven of the ten possible RHA resident participants provided verbal confirmation of their interest and willingness to be an informant in this study. The RHA resident perspectives included: (a) Terrissa Christopher, (b) Bill Benson, (c) Juanita Whittier, (d) Sam Clark, (e) Valerie Campbell, (f) Jamie Kasper, and (g) Susan Izenthaler. At the time of recruitment, all potential informants were made aware that data would be audio-recorded, actual names would be used, unless at anytime they wished to have anonymity, minimal risk was associated with the study, and that there was no compensation for participation. However, while six RHA resident participants were present during the participatory observation, only four of seven RHA residents followed through with their verbal commitment to participate in the oneon-one semi-structured interview. Multiple attempts where made to contact all participants who did not follow through with their interview schedule by both telephone

and email. These attempts were made both during my weeklong stay in Rockford and after the return home in an attempt to possibly conduct telephone interviews with the participants. However, the study sample was deemed appropriate as theoretical sufficiency (Marshall & Rossman, 2011) was reached, furthermore demonstrating that all categories had been well described and fit with the data.

#### **Data Collection Methods**

Taking a holistic analysis approach to this case study, semi-structured long interviews, participant observation and a focus group were employed as data collection methods in Rockford. Open access to the Etsy website, Etsy Craft Entrepreneurship Blog, and news articles featuring stories on the piloted Etsy Craft Entrepreneurship program also served as sources to aid in building a holistic picture of the program. First, semistructured long interviews took place ranging from one and a half to two hours and fifteen minutes at various locations of the informants choice in Rockford, Illinois. These locations included workshops, workspaces, personal residences, including those located in section 8 housing, and the Rockford Housing Authority main office. Care was taken in my appearance during the interviews with the RHA resident informants during both the semi-structured interviews and the participant observation, as not to separate myself visually from the participants following Taylor and Bogdan's (1984) prescription to not be obtrusive in dress. Specifically, no makeup was worn and hair was fastened in a ponytail. My attire included old tennis shoes, jeans and a plain t-shirt without brand identifiers. A plain black jacket was also worn for warmth but was removed before the interviews took place. No electronics, such as cellphones or laptops, were present in the interview with the exception of a small hand held black IC Sony audio recorder. The only other items present included a pen, notepad of paper, and black tote bag with a small University of Missouri logo on it. This logo was thought to be acceptable since all participants were aware prior to data collection that I was a student at the University of Missouri. All informants for semi-structured long interviews and participant observation signed and retained a copy of the IRB approved "consent to act as human participant" form, found in Appendix A. During each interview, I utilized the appropriate interview protocol depending on the informant's role in the case as a guide to questioning.

Appendix B contains the IRB approved interview protocols employed. Table 1 situates the role, scheduled location chosen by the participant, and attendance of informant for all semi-structured long interviews.

Table 1.

Semi-structured long interviews

Participant	Role	Scheduled Location	Attendance
Bill Benson	RHA resident	Workshop	Present
Christopher Bernd	Leader	RHA Main Office	Present
Valerie Campbell	RHA resident	Housing Unit	Not Present
Terrissa Christopher	RHA resident	Place of Employment	Present
Sam Clark	RHA resident	Housing Unit	Present
Susan Izenthaler	RHA resident	Housing Unit	Not Present
Jamie Kasper	RHA resident	RHA Main Office	Present
Amy Miehode	Leader	Home	Present
Juanita Whittier	RHA resident	Housing Unit	Not Present

Second, additional data were collected during a five-hour session of participatory observation held at the Rockford Housing Authority main office. This session was portrayed as a recap, Etsy shop critique, and question and answer workshop, after the curriculum instruction portion of the Etsy Craft Entrepreneurship program was completed. It was also the last scheduled meeting of the group of RHA residents for the duration of the Etsy Craft Entrepreneurship program. According to Howell (1972), there are four key stages that participant observation research includes: (1) establish rapport or get to know the people, (2) immerse oneself in the context of the site, (3) chose a method for recording the data, and (4) consolidate the information gathered. By following these steps I gained access to this workshop from both perspectives of informants. First, Christopher, the instructor of the program invited me to attend the session and participate as a RHA resident would in critiquing the shop. Second, during the first two interviews with participants, which occurred prior to the critique workshop, I was openly invited and encouraged to attend the workshop by both of the participants, indicating a level of rapport was established with the informants. I participated in the workshop from the role of a RHA resident perspective, in order to personally capture the experience of being involved in the case by taking an active role (Schatzman & Strauss, 1973; Stake, 1995). As in semi-structured interviews, I took care in my appearance to blend in with RHA participant perspective informants. Through acting as participant in workshop, including being seated amongst the participants, I was able to interpret the experience from my own involvement, recognizing, contextualizing, and passing along the experience in a "naturalistic account for reader to participate themselves in some similar reflection" (Stake, 1995).

In comparison, McCracken (1988) also argued the unique "dramatic advantage" participant observation can hold as it delivers data that are "beyond conscious understanding or even the best intentioned respondent" (p.28). Taking an active role in the critique workshop, including being seated among the RHA residents and participating in the critique, allowed me to experience and contextualize how the participants interact with each other as well as the instructor, Christopher. The basis of this critique session was formed around a document Etsy provided to the Etsy Craft Entrepreneurship program to utilize for this class titled "Shop Critique Worksheet: Make a Good Shop Great." Six RHA residents and one leader, Christopher, the main instructor of the curriculum for the Etsy Craft Entrepreneurship program, were present during the participant observation, as well myself. Table 2 situates the attendance and role of people present during the participant observation.

Table 2.

Attendance during participant observation

Participant	Role	Attendance
Bill Benson	RHA resident	Present
Christopher Bernd	Leader	Present
Valerie Campbell	RHA resident	Present
Геггissa Christopher	RHA resident	Not Present
Sam Clark	RHA resident	Present
Allie Grotts	Researcher	Present
Susan Izenthaler	RHA resident	Present
amie Kasper	RHA resident	Present
uanita Whittier	RHA resident	Present

Last, data were collected from a focus group that took place for two hours at City Hall. According to McCracken (1988) and more recently, Birks and Mills (2011), focus groups can be useful when participants are assembled with like interests thus generating conversations as each participant "responds and feeds off the others." (p. 76). This benefit was embodied by the informants, who felt it best to discuss as a dynamic group due to their overlapping involvement and stance within the program. In contrast, focus groups also allow for differences in perspectives and range of experiences within a case to come to light more readily (Lambert & Loiselle, 2008; Birks & Mills, 2011). All participants signed and retained a copy of the IRB approved "consent to act as human participant" form, found in Appendix A. I served as the moderator for the focus group and furthermore utilized the appropriate interview protocol as a guide to questioning. I dressed in a professional manner during interviews at City Hall with Mayor Morrissey, Ron Clewer, and Gina Carona. I wore black dress pants and a professional University of Missouri yellow V-neck sweater with the University logo embroidered on the left chest. Makeup was worn and care was taken to style the hair in a professional manner. The same University of Missouri bag was carried as well as the same tape recorder. However, I brought my notebook in a professional University of Missouri logoed portfolio. Because of the vast difference in perspective in this case, appearance management was an important for me to utilize in order to blend in with her surroundings and attempt to gain rich data without disturbing the natural settings of the case (Creswell, 2007).

Moreover, it was also my responsibility, acting as moderator, to maintain the focus of the discussion, called by Birks and Mills (2011) as the largest challenge in conducting focus group research. All focus group correspondence was audio recorded for

accuracy and the purpose of data analysis. While how to determine the appropriate size of a focus group has been debated, Krueger & Casey (2009) suggest that as the participant's passion about the topic, expertise with the topic, and number of questions to be asked about the topic increases, a fewer number of participants should be recruited. All three participants in the focus group represented the leadership perspective of the study and were instrumental in the inception of the program. The three focus group participants had a complex knowledge of the both the city of Rockford and the goals of the Etsy Craft Entrepreneurship program. This interview protocol is located in Appendix B. The informants of the focus group and their leadership position within the community are described in Table 3.

Table 3. Focus group participants

Participant	Role	
Gina Carona	Secondary Program Coordinator School District 5	
Ron Clewer	Chief Executive Officer Rockford Housing Authority	
Allie Grotts	Researcher/Moderator	
Larry Morrissey	Mayor of Rockford	

### **Data Analysis Methods**

Though the analysis phase does not have a distinct beginning (Stake, 1995; Creswell, 2007) formal data analysis began with the transcription process. This process enabled me to become acquainted with the data. ExpressScribe analysis software was utilized to playback the audio recorded interviews and focus group at a slower speed to

allow manual transcription using Microsoft Word 2010. All data audio files and transcripts have been stored on my password-protected personal computer. Similarly, hard copies of the transcripts have been stored in my personal home.

Employing a holistic analysis, Creswell (2007) argued may be more abstract but best captures an entire picture of a critical case. Beginning the process of holistic analysis, I re-read all transcripts and took notes on the overall first impression of the data. Following Creswell's (2007) prescription for coding thematically, or by meaning of analysis, my initial notes were based on meaning and context. Second, open coding began by labeling relevant words, phrases, sentences, and sections that noted any differences, specific opinions, process, activities, or concepts. During this stage, it was important to not hesitate in creating new and frequent codes (Stake, 1995). Third, the open coding was used to create categories based on larger ideas conceptualizing the data. Last, categories or "analysis of themes" (Creswell, 2007, p. 75) were described, not for generalizing beyond the case but in order to understand the complexity of it. Table 4 denotes the ten emergent themes from the process of coding for holistic analysis. Moreover, Table 4 also provides descriptions supporting the themes which where the initial codes in the data analysis process, eventually synthesized into the overall theme. This analysis strategy is called "development of issues" (Stake, 1995, p.123) and identifies which participants and their perspective that informed the generation of each theme.

Table 4.

Emergent themes

			Informants & Role	
Theme	Description	RHA Resident	Leader	
Etsy Craft Entrepreneurship Development	Inception Partnership Curriculum	-	Mayor Morrissey Ron Gina Christopher Amy	
2. Etsy the Enabler	Vehicle Platform to Market Exposure	Jamie Bill Sam Terrissa	Mayor Morrissey Ron Gina Christopher Amy	
3. SES Support Group	Impact of: Social Support Emotional Support Physical Support	Jamie Bill Susan	Mayor Morrissey Ron	
4. Newfound Confidence	Increased self esteem Career Trajectory Self Betterment	Jamie Bill Sam	Mayor Morrissey Ron Christopher Amy	
5. Facets of Technology	Constraints of Access to Knowledge of Lack of Experience with	Jamie Bill Sam	Mayor Morrissey Ron Gina Amy	
6. The Road Less Traveled	Enemies & Success Hard to Escape Easy ticket not always best Persistence	Jamie Bill	Ron	
7. Bridging Tie Strength	Relationships New Opportunity Shared Resources	Jamie Bill Sam Terrissa	Mayor Morrissey Ron Amy Christopher	
8. Our Own Worst Enemy	Prioritizing Time It's in my hands I know what I need to do Lack of Resources	Jamie Bill Sam Terrissa	Christopher	
9. Breaking Barriers	Seeing self in new light Unprecedented Opportunity Community Awareness	Jamie Bill Terrissa	Mayor Morrissey	
10. Intent & Expectations	Recruitment of Participants Curriculum Changes	Jamie Bill	Mayor Morrissey Ron Christopher	

#### **Issues of Trustworthiness**

Validity and reliability were two important measures taken to enhance the quality of this case study on the piloted Etsy Craft Entrepreneurship program. Though multiple strategies exit to address these components of the research (Creswell, 2007) I specifically utilized (a) triangulation, (b) reflexivity, (c) rich, thick description as validation strategies, and (d) low inference descriptors for this study.

Triangulation of data occurs when the researcher makes use of multiple and different sources, methods, and theories in order to substantiate evidence in the study (Creswell, 2007). In this light, I utilized three different methods of data collection to "cross-check information" (Johnson, 1997): (1) semi-structured long interviews, (2) a focus group, and (3) participant observation, in order to shed light on different themes and perspectives in the case to triangulate data. Three different theoretical frameworks: (1) social capital theory, (2) strategic network theory, and (3) shared value were engaged in order to explore this case.

As a constructivist researcher, a reflexive stance was essential in the research process. The interpreter was the key instrument in the study, thus it was important to ensure continual reflection on interpretation of meanings and actions (Stake, 1995; Merriam, 2009). By utilizing a reflexive stance, the researcher enables the reader to "assess how and to what extent the researcher's interests, positions, and assumptions influenced inquiry" (Charmaz, 2006, p.188). Furthermore, this aspect made it essential that I attempted to be aware of any presumptions and acknowledged how they affected the research data collection and analysis process. A reflexive journal was kept as a way to monitor and express how my bias could influence the mode of inquiry. It was important

to remember that both researchers and informants make assumptions about what is real, possess stocks of knowledge, occupy social status, and pursue purposes that influence views as well as actions, making the researcher obligated to be reflexive about "what we bring to the scene, what we see, and how we see it" (Charmaz, 2006, p.15).

Third, by describing the complexity of the Etsy Craft Entrepreneurship program through the multiple interpretations or the realities of those most knowledgeable of the program a "thick description" (Geertz, 1973) was constructed. In comparison with Geertz (1973), Stake (1995) agreed that it is not only behavior that presents such thick description, but the action of placing that behavior in the context such that it "tries to establish an empathetic understanding for the reader...conveying to the reader what the experience itself would convey" (p.39). Last, low inference descriptors, including long and full direct quotes, were used to allow the study participants to describe their experience without the need to paraphrase. Furthermore, low inference descriptors enable the reader to better grasp the natural nature of the phenomena (Creswell, 2007).

Reliability is the second important measure in qualitative studies (Creswell, 2007). Taking detailed field notes and utilizing a quality, SONY IC, tape recorder were two measures suggested by Creswell (2007) that were taken in the data collection process to increase the reliability of this study. During transcription pauses and overlaps in speaking were included, another strategy suggested by Creswell (2007). Last, I attempted to operationalize as many steps as possible in the discussion of this study. Many different measures can be taken in qualitative research to address validity and reliability, however, it is important to choose the specific types and terms the researcher is most comfortable with and see best fit for the study (Creswell, 2007).

### **CHAPTER IV: FINDINGS**

Chapter IV presents the (a) demographics of the RHA resident craft entrepreneurs (Table 5), (b) the study's main findings including a presentation of the data collected based on thematic category interpretations, (c) a conceptual model, and (d) researcher's reflections.

Table 5.

Demographics of RHA residents

Participant	Craft	Age	Gender
Bill Benson	Woodworking/Furniture	66	Male
Valerie Campbell	Accented Mirrors	55	Male
Terrissa Christopher	No-sew Blankets	28	Female
Sam Clark	Vintage Products	54	Male
Susan Izenthaler	Jewelry	65	Female
Jamie Kasper	Drawing/Artist	28	Female
Juanita Whittier	Jewelry	31	Female

## **Theme Interpretation**

Transcripts from both the RHA residents and leaders of the Etsy Craft

Entrepreneurship program were analyzed. According to McCracken (1988), "the
objective of analysis is to determine the categories, relationships, and assumptions that
inform the respondents view of the world in general and in the topic particular" (p.42).

Moreover, the researcher comes to the undertaking of data analysis with a sense of what
the literature says ought to be out there, how the topic is constituted in the researcher's

own experience, and a glance at what took place during the actual process of interviewing (McCracken, 1988).

The overarching research question for this study—how do social capital and strategic networks affect individual handcraft enterprise and therefore overall success of the Etsy Craft Entrepreneurship program—led to the development of the interview protocol for both the RHA resident and leader roles in this study. The analysis of the transcribed interviews yielded the succeeding ten themes. Following the ten themes is a presentation of the conceptual model representing the process of the Etsy Craft Entrepreneurship program, followed by the researcher's reflection.

## **Etsy Craft Entrepreneurship Development**

In his third term as Mayor of Rockford, Mayor Morrissey felt that most economic development programs in cities across the United States focused on "creating full-time jobs and then training residents to fill them," which didn't fit the needs of his city.

Personally, Mayor Morrissey had used the Etsy website and e-commerce platform to explore handcrafted and vintage products for over three years. He also learned that his city already had a strong Etsy presence represented by the Rockford Etsy Team of approximately 200 members. The Rockford Etsy team is a "self-organized collection of handmade and vintage Etsy shop owners who live and run their businesses in and around Rockford" (Rockford Etsy Team, 2014). Amy and Christopher, both members and leaders of the Rockford Etsy Team discussed that it functions as a support group to expand creative businesses by learning, sharing, and collaborating. While an online community, Amy explained that they also physically meet every couple of months for

"workshops that support running a business with topics like taxes" or they get together for "social events."

After acquiring this new knowledge, and officially purchasing his first Etsy product, Mayor Morrissey became "enthralled" by what Etsy was doing "in connecting entrepreneurs and customers and thought what a great way to explore this opportunity for Rockford." Mayor Morrissey believed in creating a new approach to job creation that "leveraged the communities' existing skills and emphasized supplemental income through entrepreneurial opportunities." Fueled with the desire to create new opportunities for his community, specifically targeting the Rockford Housing Authority and school systems, Mayor Morrissey knew he couldn't influence change on his own. Focusing his attention first on the Rockford Housing Authority residents where he already had a connection with Ron Clewer (CEO of the Rockford Housing Authority), Mayor Morrissey successfully established a relationship from the twitter platform with the Etsy CEO, Chad Dickerson. Growing his relationship with Chad Dickerson through direct messaging via twitter, Mayor Morrissey invited Etsy to Rockford to see first hand what the city of Rockford had to offer. The two leaders gave birth to the inception of the Etsy Craft Entrepreneurship program during this visit to Rockford where they also met with Ron Clewer (CEO of the Rockford Housing Authority) and members of the Rockford Etsy Team in order to establish and develop the curriculum that would represent this new partnership.

The purpose of the Etsy Craft Entrepreneurship program and developed curriculum was not to teach people in low-income housing how to create handcrafts but rather to teach them to use Etsy. Through other self-improvement classes the Rockford

Housing Authority had offered, Mayor Morrissey and Ron felt that talented people already existed among the population of the Rockford Housing Authority. Christopher, a member of the Rockford Etsy Team, was selected as the instructor for the program due to his experience being a successful Etsy seller and his prior occupation in the education field. According to Christopher, the original program curriculum was set to run eight classes structured to cover "general information about entrepreneurship, general information about Etsy, instruction on establishing your own Etsy shop ranging from the importance of taking good quality photos to how to actually list an item, how to set your shop policies, the importance of pricing, and basically going through every component of a functioning Etsy store and trying to talk about the value of each aspect." Funded by Etsy, this curriculum was developed by members of the Rockford Etsy Team who were paid a stipend for their work. However, Christopher was compensated by the Rockford Housing Authority for his instrumental role as the instructor of the piloted Etsy Craft Entrepreneurship program. The inception and development of the curriculum for the Etsy Craft Entrepreneurship program was established with the hopes of creating a platform to enable those RHA residents with pre-existing talents more interesting and creative solutions for economic development.

### **Etsy the Enabler**

The Internet has become an essential platform for trading, distributing, and selling products between organizations, organizations to consumers, and consumers to consumers, which has brought e-commerce to a new level (Corbitt, Thanasankit, & Yi, 2003). The Etsy Craft Entrepreneurship program was established due to the continuing expansion of technology over the recent decade and the idea that the Etsy platform can

connect consumers to consumers worldwide. The participants in the Etsy Craft
Entrepreneurship program have felt the beneficial effects of being affiliated with the Etsy
platform such as connecting other talented RHA residents in the community to one
another, connecting the RHA residents with the Rockford Etsy Team, providing publicity
opportunities and media exposure that create the potential for greater sales, providing
access to a worldwide marketplace of buyers, and providing the RHA residents access to
resources that with the Etsy Craft Entrepreneurship program would not have been
possible, such as laptop computers and training on the Etsy platform.

Specifically, some of the RHA residents discussed how the program has enabled them to pursue a new opportunity for income in their struggling town. For Bill at age 65, he felt that the Etsy Craft Entrepreneurship program re-connected him to a community of people who had appreciation for the type of handcrafted woodworking he created. As a previously successful craftsman in the 1970's, Etsy provided him with an opportunity to find a market niche for consumers that had interest in his product.

**Bill:** I've never gotten involved with anything or gotten the breaks and publicity and stuff like I have because of the Etsy program. I honestly can not say anything bad about the program and I think they have been very supportive and the people...other Etsy dealers, I'm becoming friends with like tons of them and they had an Etsy magazine that came out and I never saw it but there was an article in it about me...and um...I was getting emails, about ten a day, from other dealers and about 1 out of 5 would order something, so they [Etsy sellers] knew how to support other Etsy people ...

Similarly, Jamie, a life-long resident of Rockford, energetically expressed her feelings about the Etsy partnership and how even though she had taken other classes offered through the Rockford Housing Authority, she had "never seen anything like it [the Etsy Craft Entrepreneurship program] before, where it [the program] was targeted right on crafts to make revenue or a career." Jamie felt like Etsy enabled a unique

opportunity for "people in housing." As a RHA resident, Jamie described her feelings as to why she thought that the Etsy partnership was a good fit for Rockford.

Jamie: I think they realized that Rockford is kind of like a little big city, and we have a lot of exposure with art and culture and diverse people. So I think Etsy picked up on that and it was awesome that they did and had looked and found that a lot of people had Etsy shops, so they brung the Etsy class...there was already talented people here and maybe we can put this as a platform for people who don't have access for things...because what ends up happening is you get a lot of people who have a lot of talent but they don't have a lot of financial opportunities to explore that talent so that is a big road block...but this [the program] really helps cultivate your career.

Mayor Morrissey also expressed his feelings about the access Etsy could bring to Rockford and other struggling communities enabling entrepreneurial opportunities instead of "pigeon holing people to either use your head or your hands and not mixing the two together." This was the type of environment he felt Rockford cultivated in the past and to date. His goals for the Etsy Craft Entrepreneurship program were part of a bigger picture in which "we as a community can align our resources with what the community needs," a unique opportunity enabled by the Etsy Craft Entrepreneurship program.

Mayor Morrissey: I knew I wanted to create a lot more opportunities that I couldn't just do on my own...and with Etsy you know there is alignment there. Also, there are people out there who still think we are crazy, but Etsy is a real powerhouse demonstrating the value of what can happen when you aggregate a lot of little players and I think the sales [through the Etsy platform worldwide] continue to increase and they saw the same opportunity to do things differently. Etsy is so unlike any other sphere and I think what's working for us is that we are just leveraging all aspects and trying to do something completely different.

Along with Mayor Morrissey, Ron wanted to find a unique way to not only employ the members of the Rockford Housing Authority but to "help them employ themselves."

Ron's objective enabled through the Etsy Craft Entrepreneurship program was to help the RHA resident participants find an opportunity for self-sufficiency, even if it was not full

time, as he felt this would "incrementally help them." Statistically, 74% of Etsy sellers consider their Etsy shop a business (Etsy Craft Entrepreneurship, 2014) thus Etsy sellers and the access provided by the Etsy platform represent an encouraging shift towards using manufacturing skills to generate supplemental income and flexible employment (Etsy Craft Entrepreneurship, 2014).

Etsy Communication. In a program entitled the Etsy Craft Entrepreneurship program, it would be expected that the namesake would hold an influential role in the creation and implementation of the program. However, post inception of the program, Etsy had a minor role in the curriculum instruction of the program. Other than suggesting topics for curriculum instruction, hiring people to write the curriculum, a publicity visit, and checking in with Christopher via email, launching an Etsy education for the RHA residents in the program was largely left in Christopher's hands. Christopher, the instructor for the Etsy Craft Entrepreneurship program, discussed his email communication with Etsy.

Christopher: Communication was pretty good actually we had regular emails going back and forth and when we started [the program instruction with the RHA residents] the curriculum hadn't been finished for the whole program so I was getting updates constantly and there was a lot of feedback in terms of that. And first of all as a teacher there is a weird feeling teaching someone else's curriculum...and I wanted to give them the best feedback I could for what they developed and I was trying to teach what they wanted but it became obvious to me that it wasn't going to end in a successful outcome for the participants...so I ended up telling them I was just going to completely depart from their curriculum...in terms of layout and presentation because my students needed something different and they were very supportive of that...

Christopher further explained his decision to take the curriculum for the class into his own hands with the support of Etsy. Here, Etsy enabled their hope for success in another way as Christopher had learned from his past as an educator that knowing what your

students need was extremely valuable because different curriculum works different for different types of people.

Christopher: I want to say it was after the second class [meeting] because we had run into so many computer issues and so many people were feeling totally overwhelmed and swamped with the pace that we were progressing at and trying to get through all the different topics and towards the end of the second class...because there was a transformation from the first class when everyone left really excited and then everyone was feeling like they didn't even want to be a part of the class...ya know so I really wanted to try and turn that around for everybody and try and address what their individual frustrations were and help them to be successful. I didn't feel that just cramming more stuff down their throat was going to help and it was an ambitious curriculum even for tech savvy people... their was a lot of information crammed into there...

Christopher's involvement with the RHA resident participants was truly instrumental in the development of the curriculum and the instruction of the program. During the time of the shop critique workshop, the last scheduled meeting for the group of craft entrepreneurs, only one of ten RHA residents in the program had made a sale through the Etsy platform and the majority of RHA residents didn't even have their Etsy shop live on the website. Bill, the sole successful sale maker, Jamie, and Juanita all had their shops live on the Etsy platform with multiple handcrafted items for sale. However, Terrissa had only one item listed on her website for sale.

When addressing the success of the Etsy Craft Entrepreneurship program,
Christopher said even though only one participant had made a sale on the Etsy platform,
that it was "still very satisfying to me." While having to reconstruct the curriculum to
focus on general operating issues with technology as well as the use of the Etsy platform,
Christopher expressed that a much more hands-on approach was needed versus the
original lecture style format for curriculum instruction that had originally been planned.
He discussed that in the beginning he projected a "beautiful PowerPoint with the

information" and as he would go through the information the RHA residents would seem to comprehend and say "ok, ok," and nod their heads. After he discussed a topic or action, Christopher gave the class ten minutes to try and complete a task and it would "end up taking five hours." This type of encounter really showed Christopher that "extra time was really needed to go through every step and really understand the process." Even though the program was not scheduled to meet further at the point of the shop critique workshops, Christopher discussed that he "definitely wanted to continue to work with these people because a lot of them haven't opened their shops yet so they cant make any sales, so I want to work with them to get it open...entrepreneurship is a process...even when you get success...it's still ongoing." He also noted that going forward with the program, no matter what aspects are changed the Etsy Craft Entrepreneurship program "must keep the hands on time."

## Socioeconomic Status (SES) Support Group

When exploring the relationships between the RHA members of the Etsy Craft Entrepreneurship program various types of support emerged as a unique benefit to the program, one that Mayor Morrissey hoped to establish during inception. During open coding, I identified a strong presence of data that suggested social, emotional, and physical aspects of the program. This coding led to the development of the SES Support Group theme. In the most literal sense, support groups "bring together people facing similar issues, whether illness, relationship problems, or major life changes" (Mayo Clinic Staff, 2014, para.1). By sharing advice and experiences, people receive benefits such as feeling less judged or isolated, gaining a sense of empowerment and control, reducing depression or anxiety, and getting advice about resources and information

(Mayo Clinic Staff, 2014). Both RHA resident and leadership perspectives embodied these ideas during their in-depth interviews. When speaking about her relationship with the other members of the program Jamie expressed:

**Jamie**: I think it's kind of like the unique things, I get to see the passion they have for their craft...and I also have that passion for my craft, and being able to see other people that come from my same kind of background or my economic status or whatever and they do stuff like that, to see them have the same passion about something they care about helps me say you can make this [ECEP] a big thing...

During the focus group, Mayor Morrissey expressed that one of the benefits he was hoping to see from the Etsy Craft Entrepreneurship program was that it would enable the members of the program to "team together to help the group support one another." He described his hopes about the benefits of the Etsy Craft Entrepreneurship program below.

Mayor Morrissey: ...Also deal with some individual needs...imbedding some counseling into the holistic approach and giving them [RHA residents] the mentality to keep building themselves up. And like Ron said, we have a huge issue in our city with domestic violence and its umm between 20-25 percent of our crime rate any give month...we tend to think about cops to solve this problem but we need to start bringing more interesting solutions...

Ron, the CEO of the Rockford Housing Authority, also explained the importance of the relationships between the RHA residents and how they could possibly utilize each other to rise above the challenges they face as members of the same socioeconomic grouping.

Ron: The interesting thing about the classes is the relationships between the people in the classes and this issue with domestic violence...one resident had the issue of the ladies living around her [in section 8 housing] saying... you have no right to do this [be a part of the Etsy Craft Entrepreneurship program]. You think your better than us? Because they are jealous. And while one [this RHA resident] is explaining the issue, the other [RHA resident] is coaching her through it and using her own story to say...you should continue to do what you love and do this [the program], but that is something only they [RHA residents] can do for themselves...

During the participant observation, I witnessed the interaction of six RHA resident participants while being involved and seated as a participant in the Etsy Craft Entrepreneurship program. RHA residents were seated around the long tables, two members per table. Some participants worked on their laptops and assisted one another while Christopher, the instructor, helped other RHA members. The nature of this shop critique workshop was to learn skills that would enable the RHA residents to constructively critique and progress their Etsy shops. Thus, the goal was to improve their Etsy websites to aid in increasing sales. Up to the date of this workshop, February 18, 2014, only one RHA resident, Bill, had actually made a sale via the Etsy platform.

Juanita, seated next to Jamie, was very frustrated during the workshop. She didn't understand why her jewelry wasn't selling and began doubting herself and her products. Jamie, a fellow RHA resident, quickly stopped her and reminded her that she just has not "had the right buyer yet" and that her "jewelry was beautiful." This reassurance from Jamie was a natural reaction. No one told Jamie she needed to encourage Juanita not to be discouraged. However, Jamie too had been experiencing the same frustration as she was anxiously awaiting someone to purchase from her Etsy website as well. Thus, because of their bond in sharing the same relationship and role in this program, they could share experiences and encourage one another in a way an outsider could not. I observed this support from a total of three of the six RHA residents in attendance during the critique workshop.

### **Newfound Confidence**

Economic development programs have proven their ability to increase the capabilities of their participants in many capacities for both developing and developed

nations (Durham & Littrell, 2000; Gobagoba & Littrell, 2003; Gottschling et al., 2005; Strawn & Littrell, 2006; Littrell & Dawson, 2010). Newfound confidence emerged in several different ways because of the Etsy Craft Entrepreneurship program. Having the opportunity to share their craft and develop their technological skills needed to understand the Etsy platform and showcase their craft on the Etsy platform enabled the members of the program to see themselves in a new light. Many of the participants, especially the females, discussed that they knew they lived in the "bad area" or "poverty area" or that "people don't see talent when they see people like me." However, being a part of the program positively impacted the way the participants saw themselves and legitimized their desire and ability to sell their products on Etsy. The aspect of newfound confidence is extremely important due to the unique nature of the Etsy platform. While empowering to be your own vehicle of success, the Etsy platform unlike other traditional approaches to self-sufficiency relies more on the individual and their motivation and the workmanship for success. With newfound confidence, the RHA residents are reinforced with the idea that they can use the Etsy Craft Entrepreneurship program to create economic opportunity for themselves. Bill, Terrissa, Jamie, and Sam all discussed the impact newfound confidence had on their experience in the Etsy Craft Entrepreneurship program.

**Bill:** The feeling is unbelievable to wake up in the morning and lay in bed at night and think about things you want to make and think it [the handcraft] would be really kind of knockout, and would be really sharp, and other people would really like them...everything I did, I tried to do it a little bit more complicated...this is one of the things that I came up with...[smiling, he showed me a double-sided picture frame made from recycled wood].

**Terrissa:** ...and then it's like OK... I brought in the blankets and at first I was skeptical if I should take it out of the box and when I pulled it out

everyone was like GIRL!! Whyyyyyyy haven't you been selling those?! They are really good and they are for kids...you can make them bigger for adults and I was just like you guys are right!!! The most rewarding part [of the Etsy Craft Entrepreneurship program] was to be able to say I got my business so you know that was the thing for me when I got done, I have my own business now and now I'm just at the point where I need to add to it

**Jamie:** There is this whole atmosphere in educating yourself and proving you can do it and in high school, I didn't even drop out, I was actually kicked out my Junior year because of unexcused absences, OK.... and I was not permitted to go back so that damped my spirit a little bit...but that is why I got my GED when I was 18. When I got my certificate for graduating the Etsy class that was one of my first awards and that was something really big for me too....

Sam: I guess I always pushed, there is two [fellow RHA resident participants] in particular, that I pushed them to realize the value of the products they had, because as I looked at them they had really great products and sometimes they needed to reinforce their confidence that what they made really had the value that others were assigning to it...and they just looked at their work as average... I didn't know them so well before the class but I had been exposed to them like in my creating my creative business class. One of the girls, Jamie...and the level she reached during the Etsy program... she wasn't quite there before and I think the program just opened up opportunity and she found a new level of expression...

On a different level, for Amy, a leader perspective informant who operates her own successful Etsy shop, selling on Etsy was never something she imagined for herself. It was only after a family member asked her to make some items for her children, because she knew Amy was a skilled seamstress, that Etsy became a reality and a stable career for Amy and her family. After she finished the items, she was encouraged by friends and family to post them on Facebook and from there encouraged to open an Etsy shop. Today, Amy and her husband's sole career is operating, producing, and running their Etsy shop, Seams2u.

**Amy:** My sister has who has twin boys asked if I wanted to make little ties for them, they were like just like 6 or 7 months old at the time I think, and um I sent her a picture on Facebook and some of my friends were like "O

MY GOSS!! You should open an Etsy shop" and I went in to see what it [Etsy] was and I was just like I dunno, it sounds fun though...and I thought I might sell something every month or two but didn't think it would be that big of a thing...and I always thought I could do it on the side...and after I sold my first thing, the same lady asked if I could make a diaper cover for her, so I did and she wrote back later that she was a photographer and asked if I could make a matching bow tie too...and it really took off from there...

While Amy's case is not representative of every person's success on Etsy, as a leader in the program, it does provide an example that Etsy does have the ability to provide a means to income generation for those residents of the Rockford Housing Authority as well as reinforces the impact that newfound confidence can have on the possible success of an Etsy seller and the role it plays in building social relationships.

# **Facets of Technology**

Technology plays a pivotal role in today's society and particularly in this study. Due to Etsy's presence as an online platform and community, buyers are connected to sellers worldwide (Etsy, 2014). Thus, without technology the Etsy Craft Entrepreneurship program would not have been possible as it serves as the gatekeeper to access the Etsy platform. As previously discussed, the digital divide represents an inequality in technology between individuals, businesses, and geographic areas at different socioeconomic status levels (Norris, 2001; Chinn & Farlie, 2004). The program leaders anticipated a variation of technological ability. However, the discovered actual skill level presented many issues for the RHA residents and the success of the Etsy Craft Entrepreneurship program.

**Oversights.** Ron, the CEO of the Rockford Housing Authority, discussed that he "never imagined" the discrepancy in perceived versus actual technological ability that existed for the RHA resident participants. Mayor Morrissey and Gina also shared the

same feeling in that their lack of awareness of the technological ability of the RHA resident class was an "oversight." Christopher, the instructor for the class, also spoke about the challenge faced by technology since he was the sole leader working directly with the group of RHA residents.

Christopher: I think one of the biggest challenges we faced throughout the process was ugh almost a culture clash of technology...where, Etsy is built around a certain....technological aptitude, and I think that the majority of the Etsy sellers and the majority of the people in the Etsy community and the folks at Etsy Proper all kind of take that technical aptitude for granted because it is all such second nature to us...

The vast spectrum of technological skill represented by the participants caused an unforeseen hurdle to not only the access to the Etsy platform but also for teaching the RHA residents the planned curriculum approved and sourced by Etsy in how to create and maintain their Etsy shop.

Laptop Interference. Each RHA resident participant in this program was given a brand new laptop to work from during the class and at the completion of the course they were able to keep the laptop at no charge. The Rockford Housing Authority afforded this generous component of the program for the RHA residents and while it would seem to provide an instant solution to the gap in the digital divide, it unfortunately did not. Christopher expressed particularly that "I, I think we greatly underestimated it [technological ability of the RHA residents], I think there was some thought, in some ways like maybe their [RHA residents] typing skills aren't as fast as mine." However, the digital divide present in the Etsy Craft Entrepreneurship program was greater than expected. The following example expressed the RHA resident ability discovered by Christopher on one of the first days of class.

Christopher: Well for example in one of the first days, I put a web address up on the screen and asked them to go to that web address. The majority of the class was not able to do that...which was a lot different than I think anyone was expecting....like O! THAT IS WHERE WE ARE.... and if you look at the way the curriculum was paced there was really no time in the original curriculum to spend eight minutes on how to scroll down

Sam, an RHA resident, felt like his time was not wisely spent in the program because of his familiarity with technology and the lack of technological experience others had.

**Sam**: There was large barrier even with those who had computers, they were very uncomfortable, it was a whole new vehicle for many, and it was difficult....umm....it was my first experience with Etsy but because I tend to work across several operating systems, I was able to figure it out...

Sam, feeling comfortable with technology, felt like he was spending the program helping others instead of learning how to utilize Etsy for himself because of the pace of which other participants where learning.

Sam: At times that [helping the other members] was challenging in that umm their opportunity to ask me questions about how to work with Etsy came at times when I already had a long full day...with the people who are in leadership council so...{pausing} I would still try to help and point them in the right direction but when they come at 7:30 at night, and getting them at the skill level for the work they needed would sometimes require 90 minutes to two hours to guide them through because that is my method... if you ask me to assist you, I'm going to guide you, not do it for you...

While this experience was not representative of the majority of the class, it is important to acknowledge the different impacts that technology had on different participants and the multi-faceted role it plays in the Etsy Craft Entrepreneurship Program. While Sam was familiar with the use of technology and computers, the other RHA resident participants' lack of ability slowed the pace of the class, thus causing Sam to become disengaged.

Bill, another RHA resident participant also expressed his concern about the role of technology in the program. However, Bill's concern was not with the technological

ability of his fellow classmates but with the intent behind his cohort wanting to be a part of the class due to the incentive of receiving a free computer. Bill's number one suggestion for going forward with another Etsy Craft Entrepreneurship class in Rockford was "...don't give them a computer..." When asked to further describe the reasoning behind his feeling, because the computer clearly benefitted himself as well, he explained the following.

**Bill:** Because I feel like, maybe out of 9 or 10 people you have 2 or 3 people who are the real deal and they are... They are because they really want to start a business and they really want to make the system work and the rest of them just work the system, its just not a very clear situation...

In Bill's experience with the Etsy Craft Entrepreneurship program he felt like the computers provided incentive for his fellow RHA residents to participate in the program, even if they were disingenuous in their intentions to be a part of the Etsy Craft Entrepreneurship program. Similarly, Christopher also discussed his discovery about the impact of the laptops and his concern about the role they played in the RHA residents desire to participate in the Etsy Craft Entrepreneurship program.

**Christopher:** I think the fact that computer was being given away, I believe that there was at least one participant who pretty much participated to get a laptop out of it, and I feel pretty strongly about that. For the most part I'd like to think or believe that the majority of the participants saw that as a nice perk but weren't it in just for that...

The Rockford Housing Authority funded the procuring of laptop computers for each RHA resident to use during the curriculum instruction and further to keep after the completion of the Etsy Craft Entrepreneurship program. Christopher also hoped that most RHA residents saw the computers as "a valuable tool, opposed to getting a free toy." During his instruction with the participants, as well as the shop critique workshop, Christopher felt like he "tried to demonstrate the usefulness of the computer and the

necessity of it in terms of how it can benefit your shop." Additionally, Ron discussed that the Rockford Housing Authority "is in over 70,000 dollars on the project." Such a large amount of money on a piloted program indicated that the Rockford Housing Authority saw the job training provided in the Etsy Craft Entrepreneurship program as a true investment in the community and the futures of the Rockford Housing Authority participants. Ron said, "I don't really care what the stats are about the project, I only care about the outcomes."

Jamie, another RHA resident, also felt like the intent of program participation from some of her cohort was a concern. During the participant observation, which was at the end of the Etsy Craft Entrepreneurship program, only six of the original ten members were present. Of those six, only three brought their laptops to the workshop in order to fully utilize their time and access to Christopher to improve their Etsy shops. Other participants, who did not bring their laptops, still seemed to stay mostly engaged in the workshop, which utilized the projector screen to critique Christopher's personal Etsy shop but since they didn't have their laptops with them, they couldn't directly improve their website at that moment. Christopher used his shop, he explained, instead of asking one of the participants to volunteer their shop, so that no one felt like others in the program were "judging or being harsh" in speaking of their Etsy shop. Also, the worksheet that Etsy provided to the class for the shop critique workshop was very descriptive and the participants were not hesitant to critique Christopher's shop even though only three of them have their shop live and only one has actually made a sale through the Etsy platform since the class. A copy of the worksheet used to facilitate the shop critique workshop has been included in Appendix E. Also included in Appendix E is a post critique priorities checklist that the participants were given in order to help them decide what goals they should set for the upcoming months in improving their Etsy shop.

As Christopher said, "entrepreneurial success is an ongoing process."

### The Road Less Traveled

Economic development programs, like the Etsy Craft Entrepreneurship program, aim to help those in need provide a better life for themselves. Like Jamie discussed, the road to self-betterment is a road less traveled, and it is not always the "easy route." Unlike many programs in developing countries, where a parent company or partner serves as a regulator for the employees and creates deadlines such in the case of MarketPlace: India (Littrell & Dickson, 2010), the Etsy Craft entrepreneurs have only responsibility to themselves post completion of the program. The Etsy Craft Entrepreneurship program set no specific goals as the outcome for the program, thus leaving the participants largely responsible for their own success and motivation to continue their progress and shop development after only four-class sessions lasting approximately two hours each. Because of this lack of permanent infrastructure to the program, the RHA residents must have their own desire and motivation to pursue the opportunity for self-sufficiency through the Etsy platform. Jamie discussed her motivation to rise above her situation and continue to pursue customers after she made one sale. While the sale was not through her Etsy shop, she discussed how she utilized information learned through various programs, such as the Etsy Craft Entrepreneurship program, offered from the Rockford Housing Authority to pursue her creative career.

**Jamie:** Well, I think some people were just in it for the instant gratification you can get or quick success, but here is the thing... if you really want to have a career and you are passionate, you can't take the easy route, because usually the easy routes are not the best route...you

have to take the class and train and it may be tedious but you can do research and watch some videos... you can't just say I wanna succeed...you can't be blinded with the little things in between...

Jamie: Yeah so I learned a lot not just from the Etsy class but from the creative class, but when you make a sale you have to continue contacting that audience by sending an email or calling them or keep that dialogue open that way...and I did that....so what happened was after she bought my first picture, I shipped it to her, she sent me a check, it was AWESOME, I was like OK...this is great and I can do this ya know...and I sent her pictures of my newer sketches and she really liked some of them...one was called "take the road less traveled" and she liked that because she, like me, had also followed a opportunity in her life and she had to have courage to take so it...was perfect timing and she wanted a picture just like that and when I told her I could make her her own original and she was already coming to Rockford and could just pick it up or I could ship it to her....and she said you what I will just come to you and pick up the drawing...and see right there was another sale...

Taking the road less traveled was a challenge welcomed by few RHA residents in the Etsy Craft Entrepreneurship program. However, it was clear by their determination, that these few really wanted to pursue the opportunity Etsy could provide them in reaching a new market to sell their handcrafts. Bill discussed his fear that his success might also create enemies because of his place of residence and the situation that many of his neighbors in his section 8 housing experience.

**Bill:** It seems like anytime you get any success you make some enemies as well...every time one person gets ahead there is three people trying to drag you back and where I'm living there in the housing and stuff...it's a tough wrap you know...there is a lot of crack addicts, heroin addicts, there're not all, but there are a lot of people who leave there with their ten toes up because they haven't found out that it's time to stop...

It takes a great amount of courage to rise above the situation you currently find yourself in. Jamie and Bill both seemed to have the courage and hope to continue to try and do something better for themselves. Especially Bill, at age 65, saw this opportunity with Etsy as his "last chance."

# **Bridging Tie Strength**

Social capital is defined by its function and a variety of different entities having two characteristics: (1) they all consist of some aspect of a social structure, and (2) they facilitate certain actions of individuals who are within the structure (Lin, 1999; Coleman, 1990). Information and networks flow from the "bridges" created by this source of capital (Granovetter, 1973; Burt, 1992). In the case of the Etsy Craft Entrepreneurship program, the network connections that were found to exist enabled new bridges or links to be created forming the bridging tie strength theme. These bridges served to connect the RHA residents with new sources of information and resources "motivating people to see beyond just the idea of themselves," according to Christopher. The Etsy Craft Entrepreneurship program is shaped around bridging social capital, or weak ties, which are defined as "social relationships that permit persons or groups to link to outside resources of information, political support, and material sources (Woolcock, 1998, O'Brien, 2012, p.218). Granovetter's (1973) article titled, Strength of Weak Ties, promoted the benefits of bridging social capital being that weak tie "small scale interactions translate into large-scale patterns and in turn feedback into small groups" (p.3). This same idea was embodied by Mayor Morrissey's thoughts about what can happen when "you aggregate a lot of little players." Similarly, Christopher discussed what social ties he felt the Etsy Craft Entrepreneurship program created for the RHA residents that they would not have been able to create on their own.

Christopher: Community, I was very pleased that at the end of our third class, they [RHA residents] all started exchanging information and emails and phone numbers and started to talk about how they can share things... and that that's huge because by being able to collaborate with teach other they can accomplish a lot more than anyone could sitting by themselves with just their computer, and not only being able to access that community

with each other but the RHA housing authority community and the Rockford Etsy Team community and the Etsy community at large and having a sense of participation with the Rockford community really brought people beyond the just themselves idea...and I think that that helps provide a little extra motivation because they know someone else cares too...so it takes them to a different level of pressure...

Every RHA resident participant demonstrated notions that represent the ideas of Granovetter's (1973) bridges or networks, some in multiple respects, as one of the biggest benefits they had experienced because of the Etsy Craft Entrepreneurship program. These bridges or weak ties also affected their ability to succeed as an Etsy seller. Specifically, Bill felt like the people he had met through the program had really impacted his success, both other RHA residents as well as others from the Rockford Etsy Team. These feelings confirm Christopher's perspective that the program provided the RHA members with a new sense of community that they didn't have before. This community or weak ties provided a place for social relationships, working relationships, and continued commitment to the Etsy platform after the curriculum instruction had commenced.

Bill: I think just meeting a lot of the people I've met, I've met a lot of great people, and even from the Housing Authority, I have met a lot of really really nice people...And there is a link there....between Jamie and Juanita and Sam and I there is a good link there between all of us and I'll tell you what, creative people are the most fun to be around of all people....Some of the people I've met with the Rockford Etsy Team seemed a little standoffish at first...just at first until they got to know me well and I was actually with them at one of the local shows we went to and we got along really well..

Bill also discussed that if he needed help with his Etsy shop he would go to Sam because "he is kind of a computer wizard." He also spoke of how the two trade favors back and forth and have become "really better than friends" since they got to know each other through the Etsy Craft Entrepreneurship program. Bill also spoke further about his "link"

to Juanita and that they attend the same local art fairs and festivals to market themselves and sell their handcrafted goods and that they often even "share a booth" at a lot of the shows

Terrissa utilized her experience in the Etsy Craft Entrepreneurship program and the weak ties she created as a way to hopefully collaborate as well as support other RHA residents in the program. However, Terrissa discussed how her time commitments affect her ability to pursue the potential for bridges between her fellow entrepreneurs. Terrissa was also not present during the time of the shop critique workshop, which she had discussed that she planned to attend.

**Terrissa:** When teaching the different ways to network [in the class] I met a lot of different people there and even talked to a couple people in the class with connecting with each other to do different things like that...ya know it's like after the class I had to jump right into my tax season but the last time I was talking to Jamie I was like we are going to have to get together and work on this and that. I know she has probably forgot about me but I didn't forget and I'm still really interested in working with her and getting some of that jewelry from Nita....

Jamie, seeing her relationships and bridges as a key to her success in the Etsy Craft
Entrepreneurship program, feels strongly about communicating the opportunity she
experienced with the RHA and Etsy to others in her bonding tie group in order for them
to also receive access to the type of resources, information, and relationships, she
experienced through the program. Jamie also felt that her access to Christopher was a key
to her success in the program because she learned what she considered to be the two most
important things for her Etsy site, which were "learning your audience or your target
market and having professional looking photos."

**Jamie:** Yes they already sent out an email [for the next Etsy Class] and I tell my friends, I tell my family...my sister I actually got in the creative business class, so I try to tell everyone about it who has talent, and say hey

call housing and find out about this Etsy thing, you can open up your own shop and find out what you need...you know your own talent...and a lot of people are excited about that...there are a couple people I told to contact about the class...and they were like cool...

Jamie also felt even more needed to be done with the Etsy Craft Entrepreneurship class, "like more follow up class" because she felt even though the bridging ties had been established other RHA residents, including herself, needed help "cultivating their career and making sure they are staying committed after the program ended that way it can create a big impact." The Etsy Craft Entrepreneurship program facilitated relationships and access to information and resources that would not have been otherwise accessible if the RHA residents maintained connection solely to people in strong tie groups because of the "redundancy of information" (Granovetter, 1973) that is often present in strong tie relationships. The bridging tie relationships created in the Etsy Craft Entrepreneurship program demonstrated the true strength of weak ties.

# **Our Own Worst Enemy**

Our own worst enemy emerged as a challenging theme for the RHA residents in the Etsy Craft Entrepreneurship program. Challenges interfering with the participants' ability to pursue the Etsy platform arouse in ways such as prioritizing their time, committing to duties that result in little income or time restrictions, access to the proper resources needed to be an Etsy seller, and overcoming struggles that led the RHA residents to be a member of public housing. Ron expressed that it was "difficult to keep them at our table after we get them there." Searching for the "politically correct" way to express his feelings, Ron said that "our folks in public housing are there for a reason and they have a struggle or challenge in their personal life that may have caused them to end up there, so for some overcoming those challenges often interfere." Here, Ron's words

embody the struggle that the RHA residents must go through before they can be successful with a platform such as Etsy. They first must learn to overcome being their own worst enemy.

Time emerged as one aspect that affected the participants' ability to overcome being their own worst enemy. The different pressures of time for the RHA residents, presented both challenges for and access to the Etsy platform. For more than half of the RHA resident informants, time was the number one reason given why they were not currently selling on Etsy. For Bill, selling himself short on the value of his products affected his success.

**Bill:** I still have some good jobs in my brain and before you leave I'll show you the hall trees, I've got them in the back. Most of the stuff I made always went out to somebody else's house and I couldn't afford to buy my own time... and I figured now that I am retired and I still got time left, there is a lot of things I wanted to make that I never got a chance to...

Sam dedicates large portions of his time serving on what he described as "leadership council." He spends over 40 hours a week assisting others who live in North Main Manor, one of the low-income residences in Rockford. For this, he earns a stipend of a mere fifty dollars a month. Sam's position on this council creates an extreme restriction on his ability to pursue any economic profitability on Etsy. Ironically, Sam chose to pursue a position of which little money is earned rather than spend his time working on products to sell to a worldwide market and refine his Etsy shop after the capabilities he has gained from the Etsy Class.

Sam: And if there is a day to day impact, it [leadership council] has a grand factor of what I am doing with Etsy, and the work I am doing is just taking up huge amounts of time and that really is what my waking for that day is...ok? I obviously still have a strong interest in Etsy, and doing that...but...there is just so much activity [with leadership council], and I'm Vice President and there is another gentleman that is President of our

group and he is Vice President of our overall governing body... so I really end up acting as President here more often than he does...

For Terrissa, her time restraint in pursuing Etsy came from managing three jobs, thus not allowing her enough "time" in the day to work on her craft even though she discussed truly wanting to have more product posted and hopefully greater success with her Etsy shop.

**Terrissa:** I feel like it um... for me it could be very successful, I kind of know exactly what are the things I need to do to improve my sales. As far as time right now, I think it is probably time for me to get someone to help me out [with her blanket making], but overall I feel like this [the program] could be a big success with Etsy because it gives me an opportunity to be myself and to show a different side of what I can do. I mean I'm a caregiver by day, I could do blankets by night, I do taxes in the afternoon, so it's like ya know?...busy...

While each facing their own individual struggle, the restraint holding the RHA resident participants back from using Etsy to unlock the potential for economic development rests on their own decisions. Besides time, many of the RHA residents did not have the proper access to tools and resources needed to be an Etsy seller. It was discovered that most of the RHA residents in the Etsy Craft Entrepreneurship program did not have a bank account. Without a bank account, it is not possible to have a functioning shop on the Etsy platform because it is a requirement to receive payment when someone purchases a product. While this is a teachable skill, and the Rockford Housing Authority partnered with a local bank to help the RHA residents set up an account, it was something that the leaders in the program took for granted that everyone had and it also took up valuable time that had already been planned to be spent on other topics for instruction in program. Christopher said, "it never crossed my mind, I've had a bank account since I was like three." Banking relationships were an unexpected personal

characteristic that the majority of the RHA residents shared holding them back from success in the Etsy Craft Entrepreneurship program.

Seeing Etsy as a career. Many people, especially women in developing countries, have cultural restrictions on their time such as the women in MarketPlace: India (Littrell & Dickson, 2006), whose primary responsibility includes household tasks and taking care of the children. Thus, the ability to earn money while working in the home presents a crucial viable economic opportunity. In the United States, discouraged workers, those who are not currently looking for a job because they believe none are available, represent 1.5 million people (The Employment Situation—March 2014). This segment notes school attendance or family responsibility as reason for this belief (The Employment Situation—March 2014)—much of the same beliefs are held by members of the Rockford Housing Authority. Jamie described a similar need in her desire to sell on Etsy, while her prime concern is taking care of her daughter. By prioritizing "art as your career" Jamie attempts to overcome her situation and truly utilize the Etsy Craft Entrepreneurship to better her situation for both herself and her daughter.

Jamie: yeah...umm...that is the thing, you have to balance what you are doing with your art...that means when you are working on your art...that is your job...so if you decide you're going to work four or five hours, you need to work solely on your art or your career, because that is the time for that [Etsy] and then set out your time for other things. Taking care of the dog, the baby, you have to prioritize, and it also helps to be healthy...like I can tell you one thing, and this is personal with myself...there is a lot of outside factors that effect someone in a negative way or whatever but they are not going to be thinking creative or right brained....or thinking about how can they maximize their talents...they are just focused on what is happening right now....

Christopher, the instructor, also talked about other obstacles faced by the class in that they were unsure how much to charge for their items. He felt the prices the RHA

residents set for their products were often "selling themselves short." Christopher discussed the challenges presented by the participants.

Christopher: I think that varied from person to person because not everyone came into the first day with the same preparedness or expectations...like some people didn't have a product to sell and some already had not only A product, but TONS of product and it was a matter of trying to focus in on what should I sell or take photos of...and pricing was a huge obstacle...I don't know how many times we went over price...YOU KNOW... PAY YOUR SELF! And shipping terrified some people; we saw pretty much every obstacle that you can imagine at some point...

Pricing is a central component when it is the factor that solely decides how much money you are going to gain for your valuable time spent creating your handcrafts. If you are producing a product in hopes of making a profit or contributing to your livelihood, but only make enough money to cover the cost of your supplies, you cannot be successful in achieving your goal of income generation. Christopher's thoughts about reminding the RHA residents to pay themselves and the importance of pricing reiterates how important this factor is so that the RHA residents do not sabotage their own business. Bill, a RHA resident, spoke about his realization when it came to his craft and valuing his work.

**Bill:** I've had a lot of good customers over the years and even though they quit spending money when they did [economic crisis hit] most of them would still call me and give me a chance to bid on stuff. And most of them would say they know I'm fair and would pay whatever I wanted...and the only person I ever cheated in life was myself.... It [Etsy Craft Entrepreneurship program] gave me a second chance around, and the idea that uhhh, well it's a very forgiving program... if you have the desire and the gumption to do something it is all open...

Intent & Ability. Christopher, who held a central role in the Etsy program, also discussed an interesting characteristic discovered about some of the participants in the Etsy Craft Entrepreneurship program. He realized during his time with the participants that some of the RHA residents selected to be in the program were not actually interested

in genuinely selling on Etsy. Christopher discussed, "You know, I mean some people don't even want to sell on Etsy so why should they get to go through the program?" Clearly, the way participants were identified for the Etsy Craft Entrepreneurship program needed improvement to ensure people had the mindset and desire to pursue economic opportunity through the Etsy platform.

Christopher: We need to identify people better or make sure what their expectations of what the class is going to be... make sure their expectations involve what having a store on Etsy is all about and making sure that we identify those people up front because otherwise we are going to take people who aren't a good match for the program. And then is it reasonable to expect that they would do well?....I don't think so...

Moreover, Christopher stressed two components he felt participants needed to possess in order to be successful in the program. If participants were selected moving forward with another class of the Etsy Craft Entrepreneurship program that didn't possess these qualities, he felt that their success with the Etsy platform would be limited.

Christopher: Well the top two if you will... is they have to have a product to sell and they have to have a desire to sell it. I would say that that is by far the most important, and we had some people who showed up for the first program and didn't have a product to sell and that is not necessarily a bad thing but that is something important for a DIFFERENT class. That is a how to develop product or how to develop skill class...this class...works better for someone who already has a product or already has a skill...Well that is not to say that what we go through can't help develop that more but it is helpful to have something to start with...

Hesitantly, Christopher discussed the potential consequences of continually selecting RHA residents for the program that lack motivation and interest in strategically utilizing the program to provide economic opportunity. Christopher continued to emphasize the importance of purposefully selecting people who are truly ready for the Etsy platform, meaning holding both of the aforementioned characteristics. In his opinion, these

characteristics were crucial for the Etsy platform to be successful during the program instruction and after it is completed.

Christopher: Well you know when that is kind of the goal, to establish a shop where you sell things, if you are not motivated to sell your stuff that's a problem because then you're not motivated to...to post it...and you know... again...those attitudes can be developed or changed but *I know* that there are people who are out there who have things that they make that they would love to sell and to me, those should be the people that we identify first to put through a program like this... as opposed to people who either don't have something or don't want to sell something...lets put them through first...

# **Breaking Barriers**

Poverty impacts people in more ways than categorizing the amount of money they earn. The environment of people in poverty shape their expectations and world-view. It also pulls their attention away from developing the confidence needed to realize their fullest potential (Beegle, 2014). Jamie discussed how hard it is to overcome her situation because of social, environmental, and economic barriers that exist for her and others in poverty. However, at the same time she realized that her ability to better herself rests largely in her own control.

Jamie: I think what needs to happen is more awareness that even though this area may be poverished and have a high crime rate, that doesn't mean there isn't talent here. You need to give people a chance....and if people spend more time and open their eyes instead of criticizing the neighborhoods [of section 8 housing] for these things, we are choosing to help them [people in housing]... Just like my car thing...that could bring you down...and I didn't know that was going to happen to me...but now I have a new car and I figured out a way to get to class....and I'm confident now in doing my thing. But you still have to go through those hurdles...and I can imagine that not just in this city but in so many cities, there is such a high concentration of people who are in low income and so like it's hard for them to kind of see the hope...or see something positive come out of anything they are capable of doing, ya know if you have all these environmental and social and economical barriers...

During the participant observation of the shop critique workshop, Jamie's desire to better herself was clearly evident. She was the most engaged and continued to ask the most questions of all six RHA resident participants. She utilized her computer by having her Etsy store accessible as she continually edited her store site based on the discussion of the critique workshop. After the workshop was over, she showed me artwork she had brought with her that day and she illuminated with pride when speaking about her products. Listening to her speak about what inspired her drawings and her journey to being a part of the Etsy Craft Entrepreneurship program was inspiring. Jamie openly spoke about her life experiences and how she ended up where she was. She wasn't proud of her journey, but she wants a better life for her and her daughter. She, unlike all the other participants, seemed to see her situation from an outside perspective, almost knowing the way to break away her barriers to a better life. Unlike other RHA residents present at the workshop, Jamie had a professional business card with her and said she always carried them with her because you "never know who you will meet." While simple, her most powerful thoughts were "It's a change of attitude when people feel like they can go somewhere for help."

Jamie: Well I think what it was was that I felt like yea...this is a new market...ya know...my art career kind of propelled more as I got more involved with the community and like in 2011 early 2012 and so like I partnered with housing and learned different things that helped me a lot because I knew that there was so many talents out here but I needed a platform to build from and be able to use this stuff to make myself a independent career person and make it as a single parent...and I want to show other people that you can do it...and I feel kinda like that is what Etsy brung. That you may be in a certain environment or whatever but if you have a talent...you can market yourself to a worldwide audience...you are breaking borders as they say or barriers....

#### **Identification & Involvement**

Identification and Selection of Participants. The process of participant identification and selection elicited different responses from the RHA resident participants, Christopher, the instructor, and Mayor Morrissey, Ron, and Gina. Discussing how the participants were selected presented a confusing issue in understanding the program. Christopher discussed when selecting participants particular characteristics should be identified. However, Christopher openly admitted, "I'm not a 100% sure...umm... I kind of wasn't involved in that," when asked about how the participants were selected he said, "well I know they are all residents of the housing..."

While Christopher thought all the residents were a part of the housing, interviews with the participants discovered otherwise. Terrissa, a participant in the program, discussed that she wasn't even sure how they got her name to recruit her to be in the program because she was not a part of the Rockford Housing Authority and received no aid for housing. The following described how Terrissa saw her recruitment in the program.

Terrissa: You know that it is actually really crazy [how she became involved]...because I got a call from a Bridget [secretary at the Rockford Housing Authority], and she is telling me about this entrepreneur class and they received my name from something I filled out so I'm sure it was a while ago and maybe they were just getting caught up or just responding...so when I told Bridget that I was like I don't know how you guys got my information because I am not well... I don't receive any housing and she was like... well there is a couple different ways we could have got it, you know and she explained it [the Etsy Craft Entrepreneurship program] to me. And I was just kinda like, you know... what do I have to do? And she's like you just bring in whatever you make at home you know as long as it's hand crafted... and bring it. I was a little skeptical at first... you know they actually gave us our own laptops because we were the first class that completed it. She was like we wanna get you in... you get a laptop to keep your business going and different

stuff like that and I was like OK well ya know it don't sound like a bad idea and I can learn stuff on the way so I took a couple days off my other jobs so that way I can pursue with Etsy and it just turned out really good and I actually learned a lot of stuff I didn't know before.

Terrissa's experience is an outlier representation as she was the only participant found not to be a member of the Rockford Housing Authority receiving aid. However, it is important to recognize this outlier appearance as it indicates that not much time was put into the selection of the participants for the first round of the Etsy Craft Entrepreneurship program. Every other participant discussed that "they called me" or "they knew me" from another class they had taken in accordance with the Rockford Housing Authority. Thus, the Rockford Housing Authority personally recruited every participant in the program.

Ironically, a different perspective of RHA resident recruitment emerged during the focus group data collection. During this interview, the Mayor supported Ron's discussion of how the participants were recruited for the program, from their leadership perspective.

**Ron**: We had initially done a survey of umm well it started in the neighborhoods to explore if anyone had a creative interest, about 1200 surveys, so we filtered through those creative surveys we looked to see if you had something was saleable and then people started coming forward...

Ron, similar to Christopher discussed that it was important in the future to look for more participants that had "inventory ready to sell" and he was happy that the survey revealed so many talented people in the city of Rockford. Ron discussed that "there are a lot of really creative folks in our community so we now need to continue to select those folks and get them in our next program because the survey revealed a lot of people who did a lot of really cool creative things." However, none of the participants in the program mentioned being recruited from a survey they had taken. This survey was structured to

help the Rockford Housing Authority identify those community members who held creative talents as well as what that creative talent was. When exploring the recruitment of participants more in depth, it was discovered that nearly all of the RHA residents that were selected for the first round of the Etsy Craft Entrepreneurship program had attended other classes offered by the Rockford Housing Authority. Christopher discussed that the recruitment of RHA resident participants was one of the biggest obstacles in the program because "people didn't necessarily know what they were getting into when they signed up for the class." Upon probing for more details he explained the following situation.

Christopher: We were trying to get a group enrolled really quickly and we had a short turn around to find people and some of them were pretty obvious choices, you know people who had already demonstrated some entrepreneurship and then there were other people who we just kind of grabbed and put into the class and there were people on the first day who really didn't know what Etsy was and were necessarily the best match for that, not that they said this is terrible, but we didn't necessarily look for the perfect match for the first go around and that is something we have talked about that if we do have another round of classes...

Christopher's description depicts a "time crunch" from the other leaders of the program wanting to get the first class started and graduated. The discrepancy in detail about how the RHA resident participants were recruited for the entrepreneurship program presents an unclear issue for the class. As Christopher importantly explained, the recruitment of the right participant for this program is crucial, especially because of the working knowledge Etsy requires, as well as the self-motivation to actually make sales through the platform.

**Involvement.** During data analysis those who held active roles in the piloted Etsy Craft Entrepreneurship program became very evident from both the leadership and RHA resident perspective. I had contact with seven of the ten total RHA resident participants

through either interview or participant observation. It was clear from their responses and activity during the shop session that three people were truly pursuing entrepreneurial opportunity with the aid of Etsy and the information they learned during curriculum instruction with Christopher. In comparison, the leadership perspective was very eye opening during the process of conducting interviews and the focus group. It was clear that the true, rich information about the first Etsy Craft Entrepreneurship program was disseminated through conversations I had with Christopher, as he was the only leader with continual hands on experience with the RHA resident participants. While Ron, the CEO of the Rockford Housing Authority did make a quick "hello" appearance during the shop critique workshop, he did not specifically engage with the RHA participants during the shop critique workshop. Similarly, all the RHA resident participants discussed that Christopher was the only person they had contact with during the program. While it is important to have figureheads supporting the Etsy Craft Entrepreneurship program, Mayor Morrissey and Ron did not provide hands on assistance with the participants.

Moreover, the RHA resident participants had many positive things to say about Christopher and the benefits he provided to them as members of the Etsy Craft Entrepreneurship program. All the RHA resident participants discussed how Chris was an "awesome instructor."

**Terrissa:** ...Our teacher was Chris and um he was real excellent...he um...taught us a lot of stuff and it helped that he had his own ETSY shop that is doing really well so umm yeah ya know cause who wants someone teaching them and their shop isn't doing well so ya know he showed us a couple things on his shop, its doing really good its him and his wife and ya know it was just really like a "AGHHH HA" moment like I CAN actually make something and make money off of it, I can find different ways to appeal to different people and different age groups and stuff like that....

Sam: Well I loved the instructor [Christopher]...he was amazing as an instructor and so exciting and he did make it interesting to learn how the website itself worked and he kept you of course excited about getting your own products there...he never made any promises about a pot of gold at the end of the rainbow...there was none of those kind of things...it was simply a new way for you to offer your homemade wares to the world, and he was very good about helping the class do that...and when he said the world...he really did mean it....

Christopher's role clearly kept the participants of the program persevering through the course, even in difficult times of frustration while working through the learning curve of the program. He noted that, "they are pretty much in here with me. We certainly had some people who helped when they could but even at times the students were helping each other...but for the most part, it's me versus them. Figure 3 indicates the flow of communication and depicts the central role that Christopher held in the piloted Etsy Craft Entrepreneurship program.

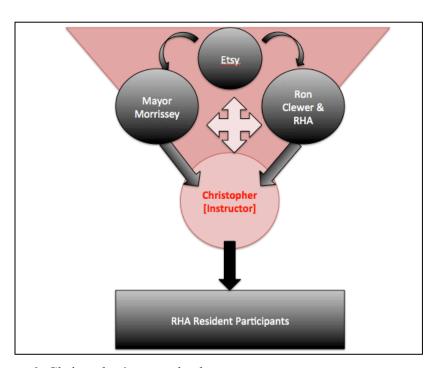


Figure 3. Christopher's central role

### **Conceptual Model**

The ten emergent themes in this study: Etsy Craft Entrepreneurship Development, Etsy the Enabler, SES Support Group, Newfound Confidence, Facets of Technology, The Road Less Traveled, Bridging Tie Strength, Our Own Worst Enemy, Breaking Barriers, and Identification and Involvement were interpreted in a holistic manner over the time of the data analysis process. Following McCracken's (1988) recommendations for the data analysis process, I created a pictorial representation of the piloted Etsy Craft Entrepreneurship Program and the effects of the theoretical frameworks of social capital, strategic network, and shared value on the Rockford Housing Authority residents' process in successfully navigating the program. The process is represented by the ten themes that emerged from data analysis. Figure 4 depicts the holistic process of the Etsy Craft Entrepreneurship program. First, the program begins with the Etsy Craft Entrepreneurship development representing the program inception and curriculum development. Second, the RHA residents create social capital through the SES Support Group and Newfound Confidence. Third, in order to reach the ability to create strategic networks, the RHA residents must successfully overcome the challenge of The Road Less Traveled and Facets of Technology. Fourth, Etsy the Enabler and Bridging Tie Strength allow the RHA residents to reach the bottom of the funnel model, where they are faced with Breaking Barriers and Our Own Worst Enemy. If successful in all of these transitions or processes in the Etsy Craft Entrepreneurship program, shared value, embodied by Etsy's mission statement, may be unlocked through success with the Etsy platform. However, Identification and Involvement is situated outside the funnel model representing the need to consider other important factors that were not included in the

piloted Etsy Craft Entrepreneurship program moving forward with a second class of RHA resident participants.

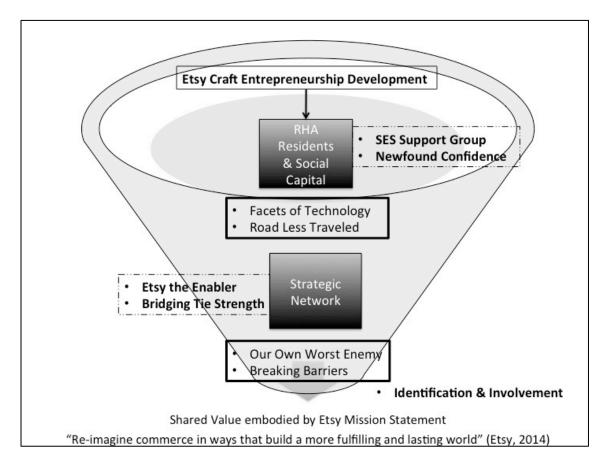


Figure 4. Representation of the holistic manner of the Etsy Craft Entrepreneurship program and effects of social capital, strategic networks, and shared value, on the Rockford Housing Authority residents' process in successfully navigating the program.

### **Researcher's Reflection**

When interviewing and interacting with those informants in the "leadership" roles of this study it was very easy to see the level of involvement that each had with the actual undertaking of the Etsy Craft Entrepreneurship program. While funding, organization, and recognition are all key aspects of putting economic development programs or any type of community program into place, it quickly was made clear that Christopher was

the "go-to-man" and dealt with the brunt work of this program. I was compelled by his dedication, compassion, and patience. He was such a valuable component of the program and I greatly appreciated all the time he spent with me as well as his facilitation of including me as a participant in the shop critique workshop.

After I participated in the shop critique workshop, everyone was visiting with each other together and speaking about their experience with the program while looking at some of the crafts they each had made. I took this opportunity to establish rapport with the participants, as I had only interviewed one RHA resident prior to the workshop. We spoke openly about our lives addressing topics you would usually speak about when first meeting someone. The topics included where we were from to how bad the winter had been this year. Conversation was friendly and we shared some snacks around the back snack table. I also took this opportunity to confirm with all the RHA residents where and when I would be meeting them for our one on one interview later in the week.

This casual time together allowed both the participants and myself to become more comfortable whenever I entered their natural setting for our long interview. During their individual interviews, all the participants were very friendly and open about all the topics we spoke about. I didn't feel like anyone was reserved in sharing information with me. I tried to be friendly and energetic and take short, quick notes so that I could maintain eye contact with them and stay engaged in our conversation. I was introduced to some of the RHA residents' children, family, and pets and even invited to a wedding! While my committee seemed to be concerned during my proposal meeting for this project about the quality of data I could collect because of our different levels of socioeconomic status, I feel like after the data collection was complete, I had actually become almost

I collected. Jamie, one of the RHA residents also added me to her LinkedIn network. I sent all the participants "Thank You" emails for welcoming me into their homes, workshops, or workspaces, and some responded that they were glad to help with my project and wished me well. I believe that much of the openness they shared with me stemmed from the fact that this program was a piloted project partnered with a worldwide platform and the RHA residents had already experienced other types of media attention such as journalistic interviews and media promotion videos for the Etsy blog. I felt like this aspect made the participants from both perspectives less skeptical of my intention to come into their natural setting and ask questions about their lives and their involvement with the Etsy Craft Entrepreneurship program. All of the participants were proud of their involvement with the program and were excited to share their experiences in hopes to help others in their similar situations.

Reflecting on the research stages of this project, I realized how truly important it is to acknowledge the multiple perspectives that can exist on one specific topic. Specifically in this study, the leaders and RHA resident participants had two very different realities of their experience in and with the Etsy Craft Entrepreneurship program. Personally, I found that by interacting with both roles in this program, I was able to strengthen my skills in conducting qualitative research. By empathizing with the RHA resident participants, as well as the leadership in the program, I was able to see a clearer picture of the Etsy Craft Entrepreneurship program and what the project really encompassed. An important "lesson learned" from this study was that people often take for granted the access to certain resources, specifically computer literacy, which directly

impacted and hindered the success of the Etsy Craft Entrepreneurship program in Rockford, Illinois.

# **Chapter V: Discussion and Conclusions**

Chapter IV contains the following sections: (a) analysis of research questions (b) summary of the study (c) implications, (d) contributions, and (d) limitations and future research opportunities.

# **Analysis of Research Questions**

The following analysis addresses the seven research questions in this study, which explored the piloted Etsy Craft Entrepreneurship program in Rockford, Illinois and how they were specifically answered by the emergent themes in this study. Research question (1), What motivates the participants from the leadership perspective and Rockford Housing Authority (RHA) resident perspective side of this program to become involved? Is answered below by **Motivations**. Question (2), What challenges have been presented thus far in the development of this program from a leadership perspective and RHA resident perspective? Is answered by **Challenges.** Research question (3), What are barriers to the continuance of the program for members of the RHA? Is answered by **Barriers.** Question (4), What are the biggest successes of the program thus far from the leadership perspective and RHA resident perspective? Is answered by **Successes**. Research question (5), What does the strategic network look like among Etsians and how is it developed and sustained? Is answered by **Strategic Networks.** Question (6), What does social capital look like in Rockford and how is it developed and sustained? Is answered by **Social Capital.** Lastly, research question (7), What does shared value look like and how is it developed and sustained? Is answered by **Shared Value**.

Motivations. The Rockford Housing Authority recruited all of the RHA residents to participate in a piloted Etsy Craft Entrepreneurship program via telephone recruitment. However, the participants for the pilot were specifically identified based on their prior relationships with the RHA. Ron, CEO of the Rockford Housing Authority, described that the selection process was guided by a RHA resident survey that was conducted to identify those with pre-existing talents or skills. The different methods of participant recruitment depicted one inconsistency in the recruitment process of the program.

Nonetheless, the motivation for the RHA residents to participate in the program was individually influenced by various factors. The "time crunch" of participant recruitment explained by Christopher left the expectations of being in the program unclear as they were not distinctly explained to the RHA residents and thus participant motivation was also affected.

One motivation factor emerged from the theme *Facets of Technology*. The *Facets of Technology* contributed to why at least one of the ten total participants was motivated to participate, as they received a free computer for being a part of the program. Also, Christopher felt that only three out of ten total RHA resident participants were ready to sell at the level the Etsy platform required to be successful. He also sensed that these three had genuine interest in utilizing the power of the Etsy platform. Jamie and Bill, two RHA residents, expressed pursuing Etsy as a career for their motivation to be in the Etsy Craft Entrepreneurship program. Finally, it was believed by some RHA residents that some participants were motivated to be a part of the Etsy Craft Entrepreneurship program because they thought it would bring them "quick success."

**Challenges.** Several challenges were experienced in the development of the Etsy Craft Entrepreneurship program. First, considering that this opportunity was a piloted program, the discovered level of technological ability, embodied by the *Facets of* Technology, and personal commitment to the program, described by Our Own Worst *Enemy*, from the RHA residents seemed to be the biggest hurdle to overcome. Christopher continually emphasized two specific qualities that were important for RHA residents to have in order for the Etsy platform to be utilized successfully. These characteristics included (1) having a product ready to sell and (2) actually wanting to sell the product. Christopher, as the sole instructor for the program, seemed confused as to why some of the RHA residents had been selected for the program when either one or both of those key qualities were not characteristic of the participant. This issue presented a vast challenge in the ability for this program to be successful since some of the RHA residents were not even interested in pursuing the opportunity the Etsy Craft Entrepreneurship program sought to provide. For future entrepreneurship classes, taking the time to select the best RHA residents who have product made with the intent to sell will limit this challenge. However, it was discovered that Christopher was the most valuable informant when discussing the program, especially when pertaining to the RHA residents, because of his deep involvement with the day-to-day interaction and facilitation of the Etsy Craft Entrepreneurship curriculum, aspects that were not a part of other leadership roles.

The second challenge faced in the piloted Etsy Craft Entrepreneurship program was overcoming a digital divide in technology. The majority of the RHA residents in the program had a vast learning curve in order for them to be able to successfully operate the

computer. This struggle compounded the task of setting up an Etsy shop, the essential goal of the program, made success with this platform seem almost unattainable. As discussed in Chapter IV, digital divides are presented when economic inequality exists between groups and thus restricts access to technology (Norris, 2001; Chinn & Farlie, 2004). Mayor Morrissey's call for an Etsy Economy overlooked this disparity, as economic opportunity through Etsy is built upon a certain technological aptitude. Christopher, Mayor Morrissey, Ron, and Gina all expressively discussed that they never imagined the vast extent to which the learning curve around technological access was discovered to be for the majority of the RHA residents. Thus, unlocking "technology's transformative value" (Dickerson & Clinton, 2014) was a huge hurdle to overcome as having the product created is as important as the access to the mode of selling the product when exploring Etsy entrepreneurship.

Being successful was impeded because a digital divide surfaced in multiple ways between the RHA residents and the technological aptitude the Etsy platform requires. For the RHA resident participants, whether it was a lack in experience navigating the computer, frustration in trying to help other participants, or lack of resources needed to be an Etsy seller, technological barriers were an unforeseen challenge in the program. The ability for the participants to open a webpage and navigate the Internet was a significant task for many as discussed by Christopher in Chapter IV. Challenges such as these are unique to the Etsy Craft Entrepreneurship program because unlike many other economic development programs, such as MarketPlace: India (Littrell & Dickson, 2000), there is not a parent or partner company handling the transactions of the saleable handcrafts the program participants make. Thus Etsy requires more than just handcraft skill to become

successful as an Etsy entrepreneur. Also contributing to this challenge was that selling on a digital platform, such as Etsy, requires access to certain resources such as a bank account. Nearly the entire participant pool did not have a banking relationship established prior to commencement of the program. Together, these challenges made it difficult for Christopher to stay on track with the curriculum designed specifically for the Entrepreneurship class. As a result, Christopher diverted from the original planned curriculum, one that was created and written by several of the Etsy shop owners in Rockford. From that point, after the second class meeting, Christopher was solely responsible for the information that was taught over the four week duration of the Etsy Craft Entrepreneurship program and was faced with his own challenge of leading a recruited class of RHA residents to a goal that some did not even want to achieve.

**Barriers.** *Our Own Worst Enemy* emerged as the biggest barrier for the RHA resident participants in utilizing the Etsy Craft Entrepreneurship program. Ron's description of the participant's need to overcome their own struggles before they can be successful with the Etsy platform was clearly communicated by the RHA resident participants in this study.

For Terrissa and Sam, "time" was the number one reason they felt like they couldn't appropriately pursue an Etsy shop as a career. Terrissa's time restraint came from working two other jobs other than pursuing her handcrafts for Etsy. Sam, who received a 50-dollar monthly stipend for serving on leadership council, claimed this duty as his barrier to not utilizing his Etsy curriculum instruction experience. Besides Terrissa and Sam, none of the other RHA residents had jobs of which they currently receive any income. Thus the opportunity to be a part of a program like this was truly needed in order

to help members of the RHA community provide supplemental income for themselves. Time needs to be prioritized over other commitments, as Jamie spoke, for the RHA residents to see the Etsy platform like a career. If the RHA resident participants are able to prioritize Etsy as their career, they are closer to overcoming other struggles their life has presented them with.

Bill's vision of being his own worst enemy didn't stem from a time commitment that he was currently lacking, but from the fact that he didn't charge enough for his products in the past that allowed him to truly make a living. As he said, "the only person I ever cheated was myself..." because he has now realized that he was only hurting himself by choosing to charge a lesser price for his products, possibly lending to the situation he currently finds himself. This issue of assigning value to the handcrafts the RHA residents made was a barrier Christopher faced with many of the RHA residents, not just Bill. He spoke of continually needing to remind the participants to "pay themselves" for the time they spend creating their handcrafted products, not just the cost of materials.

Consequently, as an economic development program, strategies and specific curriculum need to be in place in order to properly enable the RHA residents to formulate prices that are both fair to the customer and fair to the producer.

**Successes.** One of the outcomes Mayor Morrissey hoped to facilitate with the development of the Etsy Craft Entrepreneurship program was to imbed some level of counseling into the holistic approach of the program and give the RHA residents the "mentality to keep building themselves up." Three themes emerged that addressed such needs. First, *SES Support Group* described the backing that the RHA residents provided to each other during the program. In efforts to overcome their current situation, especially

financially, the participants in this program grew to support each other and formed social relationships that facilitated a sense of community. Ron, RHA CEO, spoke explicitly about the jealously that surfaced with other RHA residents who were not selected to take part in the Etsy Craft Entrepreneurship program and the effect it had on some of the participants. While this opportunity was unique, it also put the selected RHA participants in the spotlight, and thus in situations that were outside their traditional experiences and comfort zones. Being able to cope with this experience as a group and provide support and encouragement (Mayo Clinic Staff, 2014) to one another was a success of the program.

During the participant observation, it was observed that support grew between the group of RHA. For example, Juanita was becoming skeptical that Etsy could be a successful outlet for her. While she did have her handcrafted jewelry on her Etsy shop, she had not made a sale through the platform yet and began doubting her skill and became discouraged. However, Jamie, a fellow RHA resident that was seated next to her, quickly provided emotional reassurance that her products were unique and special. By assuring her that the right customers had not come along to her Etsy shop yet, Jamie changed Juanita's outlook about herself and the product she was selling, providing a sense of newfound confidence. Coming from similar backgrounds and having experienced the life of living in section 8 housing, Jamie was able to provide a type of support to Juanita that an outsider would not be able to give. This type of support group was formed without the direction of anyone from a leader perspective. It was something only the RHA residents could do for themselves.

The relationships between the participants also provided a sense of validation for the worth of their handcrafts for many of the RHA resident participants in the program. Positive reinforcement from other social relationships was also the reason Amy, a leader participant, started her own Etsy shop. It was clear in this case that the power of the relationships between the members established a *Newfound Confidence* that many RHA residents did not have before the Etsy Craft Entrepreneurship program began. Terrissa, for example, described her lack of confidence in her products and discussed that when she pulled her blanket out of the container at the first class, the other participant's reaction to her product changed her mindset about her blankets. Furthermore, she discussed that maintaining the quality of her blankets became really important to her now. The support she received from the other RHA residents made her want to make sure the blankets have a quality standard that meet the consumer's expectations. Not only did *Newfound Confidence* provide Terrissa with the encouragement needed to believe in herself, but it also increased her capabilities to showcase her craft.

Newfound Confidence was also inspired within Jamie because of her participation in the Etsy Craft Entrepreneurship program. She discussed how being around other people who were also passionate about their craft really inspired her and made her even more confident and passionate about what she was doing. This newfound confidence will hopefully continue to inspire the RHA residents to pursue their Etsy shops even though the Etsy Craft Entrepreneurship curriculum instruction is over. By maintaining the relationships that have been created, a sense of community with one another has also been established.

When Bill spoke about his participation in the Etsy Craft Entrepreneurship program, he discussed that nothing he had previously experienced had provided him with the resources and assistance that he felt from being a part of the Etsy program. *Etsy the Enabler* describes experiences such as this and the impact the program had for the RHA resident participants. Jamie, a RHA resident, discussed her thoughts on the reason Etsy decided to accept the Mayors call for help in the city of Rockford. She discussed that Etsy was a unique opportunity different than any other classes she had been a part of at the Rockford Housing Authority because it presented access to a new market of buyers that she otherwise may not have had contact. She also thought that Etsy recognized the struggles that people had in Rockford and that they possibility wanted to "put this as a platform for people who don't have access for things." The online platform that Etsy offers to access a worldwide market of buyers has the ability to lead the RHA residents to the success.

Social Capital. The previously discussed SES Support Group and Newfound Confidence theme described the relationships the RHA participants had with one another and the social ties that developed over the course of the program. In the conceptual model, these two themes are represented at the top, directly under the Etsy Craft Entrepreneurship Development, of the funnel process to signify the creation of social capital through the social interactions of the RHA resident participants. Social capital theory emphasizes that the use of interactions and networking, otherwise known as social relationships, creates access and opportunities that would otherwise not be available (Lin, 1999). The social capital in the Etsy Craft Entrepreneurship program functions as a support group for the RHA residents and gives them access to confidence and

accountability that without the creation of the program would not have been possible.

Together the RHA residents create a sense of bridging social capital or weak ties.

**Strategic Networks.** Strategic network theory situates strategic networks as long term, purposeful arrangements that allow firms or individuals to gain an advantage from competitors outside the network (Thorelli, 1986; Jarillo, 1998). In order for the RHA residents to form a strategic network they must successfully move down the funnel model through the challenges presented from the themes, Facets of Technology and the Road Less Traveled. Overcoming these themes is essential for success in the Etsy Craft Entrepreneurship program process because of the challenges presented by these two themes. When participants in the program successfully overcome the technological aptitude and then learn to prioritize Etsy as a career and not let other situations in their life distract them, they are able to utilize the strategic network that the Etsy Craft Entrepreneurship program creates by connecting the RHA residents to Christopher, who provided them the curriculum they needed to access to the platform. The relationship the participant's have between one another, with Christopher, and the Rockford Housing Authority represent bridging social capital or weak ties (Granovetter, 1973). Thus, the themes Bridging Tie Strength and Etsy the Enabler represent access to creating a strategic network in the conceptual model.

Once strategic networks are reached in the funnel model, the themes *Our Own*Worst Enemy and Breaking Barriers present the last step in unlocking the potential for

RHA residents to utilize the Etsy Craft Entrepreneurship program as a mode of selfsufficiency. Our Own Worst Enemy is of the utmost importance for the case of the RHA
residents as it is something that only they can do for themselves. They must have the true

motivation and dedication to fight through whatever situations they find themselves in as well as open up their own time to pursue the opportunity for entrepreneurship that Etsy and the city of Rockford provide.

**Shared Value.** Shared value is located at the exit of the funnel model representing that if RHA residents successfully reach the exit of the funnel, shared value may be created. According to Porter and Kramer (2011), shared value is embodied by corporations that use the power of business to help solve global problems. Etsy, as a worldwide platform, connects buyers and sellers worldwide, demonstrating the power and impact that their partnership can have. Shared value seeks innovative ways that corporations and organizations can function by using new technologies, operating methods, and management approaches that have the ability to stimulate benefitting relationships between society and economics (Porter & Kramer, 2006; Porter & Kramer, 2011). Etsy's mission statement to reimagine commerce in ways that build a more fulfilling and lasting world signify why a growing corporation would be interested in creating partnerships with cities to harness the power of an Etsy Economy. A partnership that truly embodies the theory of shared value. By partnering with the city of Rockford and other cities in need, Etsy seeks to use their power in business to create benefit for the public, in this case the Rockford Housing Authority residents.

## **Summary of Study**

The aim of this study was to explore handcraft enterprise in Rockford as an alternative sustainable approach to self-sufficiency by investigating the piloted Etsy Craft Entrepreneurship program as well as to explore the relationship between Etsy, the Rockford Housing Authority Etsians, and the community of Rockford. The data analysis

exploring the case in this study. First, this study discovered the different roles the informants in the Etsy Craft Entrepreneurship program held. Those who held active roles in the piloted Etsy Craft Entrepreneurship program became very evident from both the leadership and RHA resident perspective during analysis. I had contact through either interview or observation with seven of the ten RHA residents and it was clear from their responses that three people were truly interested in pursing entrepreneurial opportunity with the aid of Etsy and the information they learned during curriculum instruction with Christopher. This intent of the RHA residents is greatly important when specifically explaining the holistic representation and process of the Etsy Craft Entrepreneurship program in Figure 4. because the transition through the funnel model relies on the participant's continued motivation and ability to overcome challenges to successfully utilize the Etsy platform.

First, the program begins with the Etsy Craft Entrepreneurship Development representing the program inception and curriculum development. Second, the RHA residents create social capital through the SES Support Groups and Newfound Confidence. Third, in order to reach the ability to create strategic networks, the RHA residents must successfully overcome the challenges presented in the themes of The Road Less Traveled and Facets of Technology. Fourth, Etsy the Enabler and Bridging Tie Strength enable the RHA residents to reach the bottom of the funnel model, where they are faced with the challenges discussed in the themes Breaking Barriers and Our Own Worst Enemy. If successful in all of these transitions or processes in the Etsy Craft

Entrepreneurship program, shared value, embodied by Etsy's mission statement, may be unlocked through success with the Etsy platform.

However, Identification and Involvement is situated outside the funnel model representing the need to consider other important factors, as lessons learned, that were not included in the piloted Etsy Craft Entrepreneurship program moving forward with a second class of RHA resident participants. Together, this conceptual model represents the process of the Etsy Craft Entrepreneurship program piloted in Rockford and presents a representation of the motivations, challenges, successes, and barriers that other cities may encounter in order to explore handcraft enterprise as a means of sustainable development in other cities. If the motivation and intent of the program participants is genuine and the entrepreneur works hard to over the challenge and barriers presented in the conceptual model, handcraft enterprise may successfully serve as an alternative sustainable approach to self-sufficiency and thus unlock the potential for shared value.

# **Implications**

This study has implications for industry, policy makers, and academics alike.

First, this study offers insights on the inception of a new type of economic development program specifically targeted to aid residents of the Rockford Housing Authority in Rockford, Illinois. The ten emergent themes in this study revealed the motivations, challenges, barriers, and successes of piloted Etsy Craft Entrepreneurship program.

Interestingly, while a learning curve was expected during the curriculum instruction of the program, the actual level of technological aptitude was well below all expectations and presented a larger issue with accessing the Etsy platform than was expected by those planning and facilitating the program. While an ambitious and creative partnership was

formed between the Rockford Housing Authority, Etsy, and the city of Rockford, other cities seeking to utilize Etsy as a form of economic development for similar population segments, may want to consider the use of the Etsy platform as a cooperative model. If a cooperative model was utilized for low-income housing residents, instead of an individual approach, the Etsy Craft Entrepreneurs may be better equipped to face the technological aptitude that the Etsy platform is build around. Moreover, a cooperative model would allow a team approach to work on key aspects of owning and operating an Etsy shop such as receiving orders, packing, shipping, pricing, photography, accounting, customer service, and utilizing the proper tags [how items are searched for on Etsy] for the products as a joint effort towards success. Many of these components were included in Etsy's blog on the Top 4 Keys to Success (2014). However, if an individual approach is still warranted, the experiences of the RHA residents in this study may still provide outsiders with valuable information about the importance of strategically selecting participants and preparing for challenges that were experienced in piloted Etsy Craft Entrepreneurship program in Rockford.

Second, since the funding for the RHA residents' laptop computers and a large amount of training dollars were provided by the Rockford Housing Authority, a government agency, policy makers could seek other opportunities to generate funding for this type of economic development program. Etsy, while not requiring a large amount of start-up funding, still rests on the seller's ability to produce a product. However, if the targeted population of the Etsy Craft Entrepreneurship program continues in Rockford, as well as in other cities to be those of low-income, having the required money to purchase resources and supplies to create handcrafts could be a potential issue. If policy makers

could advocate for grants that would help fund the participants' sourcing of raw materials, it may provide more promising sales to the participants and continue to make economic development programs such as this more successful in utilizing handcraft enterprise as a mode to self-sufficiency.

Finally, this study could provide academics with new research opportunities focusing on economic development in the United States. While much attention has been focused on economic development in developing countries, this study makes a minor contribution to bringing to light the possibilities that exist for improving the economic conditions for people with pre-existing talent around the United States. It also provides other new avenues of exploration revolving around economic development.

## **Contributions**

This study has several contributions to the existing body of literature. First, the findings of this study support Lin's (1999) theory of social capital. Social capital can be represented in two forms, bridging and bonding social capital. These two modes describe differences between strong and weak tie relationships. The RHA participants in this study formed many weak ties, or bridging social capital relationships because of their participation in the Etsy Craft Entrepreneurship program. While most of the participants were recruited to be in the program because of their previously formed weak tie relationship with the Rockford Housing Authority, these bridging tie relationships also provided the participants with a network to the other RHA residents, Christopher, and the Etsy platform. The access these bridging tie relationships created for the RHA residents supports Granovetter's (1973) notion of the streak of weak ties. Granovetter (1973) argued that weak ties provide access to new information and ideas through ties that lie

outside of their immediate cluster of contacts. Being a part of the Etsy Craft

Entrepreneurship program forced the RHA residents into a new cluster of contacts and
thus provided them access to information and resources that enabled them to aggregate a
lot of little players together to create a strategic network.

The study was also found to support Jarillo's (1988) theory of strategic networking, which emphasizes the long-term, purposeful arrangements that allow firms or individuals to gain or sustain an advantage from competitor's outside the network (Jarillo, 1987). Aldrich and Zimmer (1986) argued that the entrepreneur was embedded in the social network and that their social relations played a critical role in the entrepreneurial process. Specifically in this study, the Etsy Craft Entrepreneurship program provided the RHA residents with access to a strategic network, through their weak ties relationships, that had the ability to directly influence their success with the Etsy platform. However, many of the RHA residents faced challenges that hindered their ability to unlock the potential the program was set up to provide.

These two theories, while supported in this study, are conceptually situated in a holistic manner depicting the piloted Etsy Craft Entrepreneurship Program. Together, these two theories when successfully reached in the conceptual model led to the creation of shared value (Porter & Kramer, 2006; 2011.) However, this creation depends on whether the RHA residents are successful in navigating through the challenges and transitions of the program. Shared value seeks innovative ways for corporations and organizations to function through using new technologies to stimulate mutually benefitting relationships between society and economics (Porter & Kramer, 2006; 2011). Etsy's partnership with the city of Rockford embodies the ability to use the power of

business in an attempt to create public benefit and contributed to the existing body of social capital, strategic network, and shared value literature by focusing in on the connection the three have to each other.

While the theoretical frameworks were supported in this study, it is important to recognize the different meanings of success within the Etsy Craft Entrepreneurship program. This study and thus the Etsy Craft Entrepreneurship program, was successful in creating new relationships and ties for the RHA resident participants, as well as created new access to resources that could aid in the ability for the RHA residents to create economic profits from utilizing the Etsy platform. However, when looking at success in terms of economic livelihood or dollar amounts, the Etsy Craft Entrepreneurship program still has great strides of improvement to be made as only one participant has made a sale via the Etsy platform because of their participation in the Etsy Craft Entrepreneurship program. Without findings supporting and showing monies physically injected into the pockets of the RHA resident participants because of the Etsy partnership, it cannot be said that this program has been successful in achieving its primary goal of creating economic self sufficiency for its RHA resident participants.

# **Limitations and Future Research Opportunities**

This study had imposed limitations because of the bounded nature of this case study. Therefore, this provided opportunities for future research concerning economic development programs in the United States. As a piloted economic development program, the first class of the Etsy Craft Entrepreneurship program was initiated in Rockford, Illinois after Mayor Morrissey's inquiry to Etsy to create a partnership utilizing job training and the Etsy platform. However, since this study commenced, the

Etsy Craft Entrepreneurship program has also been launched in New York City, New York. Etsy's goal of bringing the program to New York City was to "help New Yorker's learn the technology and business skills they need to turn their crafts into businesses, and potentially serve as a model for other cities across the country" (Etsy Craft Entrepreneurship, 2014), similar to the goal of the partnership with Rockford.

The launch of this program in New York serves as an excellent opportunity for future research to explore the potential impact in economic development this program aims at establishing primarily due to the drastic increase in the amount of entrepreneurs the NYC program is producing compared to the Rockford population of entrepreneurs. The Etsy Craft Entrepreneur's shops are specially showcased on the Etsy.com website, allowing for quick access if interested in or specifically following the Etsy Craft Entrepreneurship program. Figure 5 depicts the New York City entrepreneur's items for sale on Etsy next to the Rockford entrepreneur's items for sale. Currently, New York City entrepreneurs have 105 different items for sale on their shops, while the Rockford population has 15 (Craft Entrepreneurship Program, 2014). The population of the New York City entrepreneurs is also slightly different, representing those who are under employed in New York, meaning that they "have employment but do not make enough to meet their basic needs" (Mauriello, 2013). The source of funding for the New York City partnership is also different than that of Rockford. Where the Rockford Housing Authority is the main source of resources, New York City has partnered with the Department of Small Business Services to create three rounds of curriculum instruction taught to sixty students with three teachers who are members of the New York City Etsy Team.

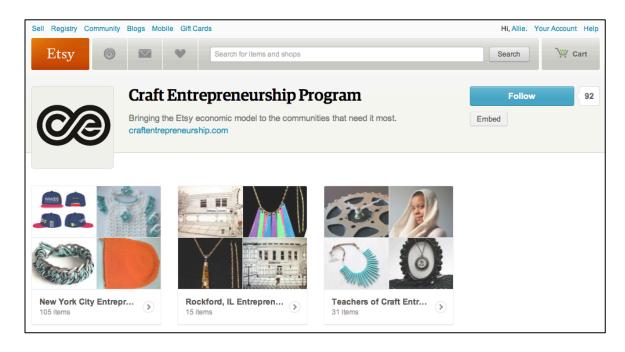


Figure 5. Etsy Craft Entrepreneurship items for sale showing visual comparison between Rockford and New York City (Craft Entrepreneurship Program, 2014).

Second, by studying the New York launch of the Etsy Craft Entrepreneurship program, even with the slight changes in population, funding, and size, this second location of this piloted program provides an excellent opportunity to confirm and expand the exploratory power of the conceptual model representing the processes or transitions necessary to successfully utilize handcrafts as the means of economic development. By conducting a case study of the Etsy Craft Entrepreneurship program in New York, cross case comparisons between Rockford and New York could be made that could potentially enable the leaders and curriculum instructors for the craft entrepreneurship programs to strengthen their effectiveness in dissemination of information.

Third, the pilot of the Etsy Craft Entrepreneurship program in Rockford included ten Rockford Housing Authority resident participants. While Rockford was the first city to call for and create the Etsy Craft Entrepreneurship program, at total of 69 participants have experienced the program since its inception almost a year ago. This number leaves the majority of the Etsy Craft Entrepreneurship program graduates coming from the New York City program as it has already completed three rounds of curriculum instruction. In total for both the cities that have launched the Etsy Craft Entrepreneurship program, Etsy craft entrepreneurs opened 22 Etsy shops and made 41 sales on Etsy. Based on the findings of this study, it is known that the vast majority of those numbers are streaming from the New York City population of entrepreneurs. Future research would include opportunities to study the second round of the Etsy Craft Entrepreneurship program in Rockford, now that specific characteristics have been identified that potential beneficiaries of this program need to hold in order for this program to be more successful in producing Etsy seller for income generation.

Fourth, a follow up study on the first class of RHA residents would be valuable to explore the use and development of the Etsy platform since the program concluded. Questions to explore would include: How are participants in the program continuing to stay motivated to use the Etsy platform? What progress has been made for each individual in developing and maintaining their Etsy shop? Are the participants still attempting to sell on Etsy? How has this program affected the participant's livelihood? This type of follow up study could be conducted as a longitudinal study over months and or years after inception of the original piloted Etsy Craft Entrepreneurship program to follow the participants development and potential growth of success with the program.

Fifth, because the RHA residents had been previously interviewed by journalists and other news media sources, I often felt like they were somewhat prepared to answer

some questions about the Etsy Craft Entrepreneurship program and what they had experienced during their time of curriculum instruction. I also felt like during a few of the interviews, the RHA residents wanted her to purchase products from them because other interviewers had done. The RHA residents' exposure to other interviewers served as both an advantage and a possible weakness in this study. If more classes of the Etsy Craft Entrepreneurship program continue, it would be beneficial to be the first researcher to hold interviews with the participants in future studies.

Sixth, specifically in the Rockford community the Mayor is currently working with the local school board to establish an Etsy Entrepreneurship class for high school students in Rockford Public Schools, as his mission is to shift training back to using both your head and hands to pursue employment opportunities. Gina, a leadership perspective participant, is a member of the local school board and was present during the focus group interview. She was very passionate and excited about the opportunity Etsy could provide for the students in Rockford Public Schools, some of which are the children of the RHA residents. Future research should follow the development of the Etsy Craft Entrepreneurship program in the Rockford Public School system. I retained Gina'a contact information for future studies involving Etsy entrepreneurship developing in high schools.

Lastly, I felt that the program in this case study, The Etsy Craft Entrepreneurship program, was currently in its infancy stages of development. As a four-week class, meeting only for approximately two hours each, once a week, Christopher could not take the class to the level he had originally hoped. While news articles, interviews, and press releases have been published on the development of the Etsy Craft Entrepreneurship

program, they all discuss the program at a very rudimentary level and discuss how inspirational and beneficial the program is to the participants. However, while it is important to remember the program is still in infancy, in June of 2013, Mayor Morrissey with support from Etsy attendant the Clinton Global Initiative America meeting and shared their ideas with government leaders and leaders of the non-profit sector. During that conference, Etsy made a commitment to launch the Craft Entrepreneurship program in Rockford and then expand to other cities (Mauriello 2013). During President Clinton's closing remarks for the conference, he discussed the commitment Etsy had made, noting that they first wanted to reach one hundred Rockford Housing Authority residents and then continue to expand, however at this time the program has only reached ten, showing a great opportunity for growth and advancement.

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# APPENDIX A

**Study Consent Form** 

## CONSENT TO ACT AS A HUMAN PARTICIPANT

Project Title: Reviving a community with an "Etsy Economy": A case study of Rockford, Illinois

Project Director: Dr. Jana Hawley, Allie Grotts

Participant's Name:

## **DESCRIPTION AND EXPLANATION OF PROCEDURES:**

The primary goal of this study is to explore handcraft enterprise in Rockford as an alternative sustainable approach to self-sufficiency by investigating the piloted Etsy Craft Entrepreneurship program as well as to explore the relationship between Etsy, the Rockford Housing Authority Etsians, and the leadership community of Rockford. Your participation in this study would help other communities as well as your own continue and further utilize the Etsy Craft Entrepreneurship program by exploring the use of handcrafts in economic development.

Your participation in this research is totally voluntary. If you agreed to be part of this study, you will be asked to participate in a semi-structured interview about your experience with the Etsy Craft Entrepreneurship program. Each interview may take 1.5-2 hours, including a collection of demographics. These processes will be audio-recorded for data verification purposes.

# **CONFIDENTIALITY:**

Data including audio recordings will be saved and kept for the research. Should any participant in the study wish to have anonymity, this request will be honored and pseudonyms will be used to honor this request.

#### **RISKS AND DISCOMFORTS:**

There are minimal physical, psychological or sociological risks involved in participating in this study.

## **BENEFITS TO SOCIETY:**

The study results will benefit society, as we will have a better understanding of the Etsy Craft Entrepreneurship program, which can directly benefit the ability to sustain/contribute to the economy. The study results may also help participants understand their role in the program and the advantages the program has provided to them.

## **COMPENSATION/INCENTIVES:**

There is no compensation or incentive for participating in this study. However, your shared perceptions could benefit in the advancement of research in the areas of handcrafts, entrepreneurship, and sustainability.

#### **CONSENT:**

By signing this consent form, you agree that you understand the procedures and any risks and benefits involved in this research. You are free to refuse to participate or to

withdraw your consent to participate in this research at any time without penalty or prejudice; your participation is entirely voluntary. If you have any questions concerning your rights as a participant, you may contact Campus Institutional Review Board at 573-882-9585. If you have any questions regarding the research itself, you may contact any of the following two investigators:

Dr. Jana Hawley at (573) 882-9638 or at hawleyj@missouri.edu Allie Grotts at (618) 972-1390 or at asggkd@mail.missouri.edu

Thank you in advance for your assistance and time. By signir	ng this form, you are
agreeing to participate in the project described to you. Please k	keep this consent form with
you for future references.	
Participant's Signature*	Date

# APPENDIX B

# **Interview Protocols**

# Interview protocol: Rockford Housing Authority participant role Name: Date: Introduction:

- Introduce myself (the researcher)
- Discuss purpose of study
- Provide informed consent
- Provide structure of interview
- Ask for questions
- Prepare recording equipment
- Smile, make the participant feel comfortable

# (RQ1)Questions about motivation/involvement in program:

- Tell me about your daily life/routine.
  - How did this impact your desire to be in the Etsy Craft Entrepreneurship program?
- How did you become interested in producing your crafts?
  - o How long have you been making said craft?
  - Have you ever performed any other work?
- How did you learn of the Etsy Craft Entrepreneurship program?

## (RQ2)Questions about challenges in program:

- What did you expect the program would be like before it began?
  - o Now?
- What motivated you to begin the program?
  - o Continue?
- Tell me about the first struggle you experienced when the program began?
  - o How did you overcome this?
- What other challenges have you faced in the program?
  - o After the program has ended?
- What has been the hardest aspect of creating your Etsy shop?

• When you had this problem, where do you go for help?

# (RQ3)Questions about barriers for involvement/continuing

- What reservations did you have about beginning this program?
  - o Why did you feel this way?
- Please tell me about how you maintain your shop on a daily basis.
- What was the biggest hurdle you encountered during the entire program?
  - o Tell me the story of how you overcame this.

# (RQ4)Questions about successes of being in program:

- Give me an example of your favorite part or most rewarding aspect of this program to you?
  - How has this changed the way you look at your craft?
  - o How you feel about yourself?
- Tell me how you define success.
  - o Do you feel this program is/has been a success?
    - Why do you feel this way?
- Tell me what you feel is your biggest strength you gained from being in the program.
  - o Can you tell me a story of how you gained that?

## (RQ5)Questions about changes in program/developments:

- As a participant, what would you suggest as changes to the program for future participants?
  - How do you feel this would strengthen the program?

# (RQ6)Questions about Strategic Networking: what is, how developed, sustained

- How do you feel the Etsy Craft Entrepreneurship program has affected your livelihood?
- How do you balance your craft with demands of the family?
  - o Can you share a story of this?
- What personal strategies do you have for success of your business?
  - How has this played out for you?
- How do you feel Etsy impacts your ability to create your craft?
- What is the biggest advantage Etsy has created for you?

- o Can you share a story of this?
- o How do you feel this will impact your business on the long term?

# (RQ7)Questions about social capital: what is, how developed, sustained

- Tell me about your relationship with your fellow participants of the program?
  - o Did you know any of these members before the program began?
  - What is your relationship with the members now that the program is complete?
  - How do you feel that these relationships impact your success? How have the leaders in the Etsy program affected your success in the program?
    - o Can you share a time/story of this?
    - How is contact with them continued after the completion of the program?
    - How do you feel the relationships between your fellow members and leaders contribute to your success?

# (RQ8)Questions about Shared Value: what is, how developed, sustained

- Give me an example of how you feel this program has impacted your livelihood.
- Why do you think Etsy wanted to partner with Rockford for this project?
- How do you think Etsy benefits from this program?

# (RQ9)Questions about relationship between Etsians and Community

- How do you feel about your presence in the community as a graduate of the Etsy Craft Entrepreneurship program?
  - Has this changed since before you were in the program?
- How do you think other members of the community view this program?
  - Can you explain to me why other community members would be interested in this program?

## **Concluding Questions & Statement**

- Is there anything else you would like to share about the program or your experience that you feel is important for me to know?
  - o Besides the things we have already discussed?

# **Demographic Information:**

- o Age
- o Gender
- o Martial Status
- o Highest level of Education
- o Length of time lived in Rockford, Illinois
  - Thank them for their participation in the study

# Interview protocol: Leadership role participants

Date:

Name:

#### **Introduction:**

- Introduce myself (the researcher)
- Discuss purpose of study
- Provide informed consent
- Provide structure of interview
- Ask for questions
- Prepare recording equipment mile,
- Smile and make the participant feel comfortable

#### (RQ1)Questions about motivation/involvement in program:

- Tell me about your role in the Community of Rockford.
  - O How did this impact your desire to be a part in the Etsy Craft Entrepreneurship program?
- How did you learn of the Etsy Craft Entrepreneurship program?
- Have you ever made any crafts? Or are you familiar with handcraft work?
  - o If so, how long have you been making said craft?
- What did you expect the program would be like before it began?
  - o Now? How would you describe the program?
  - What motivated you to begin working in the program? Continue?

#### (RQ2)Questions about challenges in program:

- Have there been any challenges in the program?
  - Tell me about the first struggle you experienced as a leader when the program began?
  - o How did you overcome this?
- What other challenges have you faced in the program as a leader?
  - o After the program has ended?

- What do you think has been the hardest aspect for the participants to create their Etsy shop?
- What has been the hardest part in retaining the members of the program?

#### (RQ3)Questions about barriers for involvement/continuing

- Did you have any reservations in the beginning of this project? If so, what reservations did you have?
- Has this project received any funding?
- What characteristics do you think the participants need to hold in order to continue their Etsy shop after graduation?
- How do you help them maintain their shop /after graduation?
  - o If so how?
  - o How often to you offer assistance?
- What was the biggest hurdle you encountered during your involvement with the program?
  - o Tell me the story of how you overcame this.

#### (RQ4)Questions about successes of being in program:

- What do you think is the biggest success of the program for the participants?
  - How do you think has this changed how they make a livelihood/personal lives?
- Tell me how you define success.
  - o Do you feel this program is/has been a success?
    - Why do you feel this way?

#### (RQ5)Questions about changes in program/developments:

- As a leader, what would you suggest as changes to the program for future classes?
  - o How do you feel this would strengthen the program?
- What other changes plan to be implemented going forward with the program?

#### (RQ6)Questions about Strategic Networking: what is, how developed, sustained

- What resources do you feel the program has provided the participants?
  - o Can you share a story of this?
- How do you feel the Etsy program impacts the participants' ability to create their craft?

- What is the biggest advantage Etsy has created for the participants?
  - o Can you share a story of this?
  - o How do you feel this can impact their business on the long term?
- How does this program provide access to unique resources for the participants?

#### (RQ7)Questions about social capital: what is, how developed, sustained

- Tell me about your relationship with your fellow leaders of the program?
  - o Did you know any of these members before the program began?
  - What is your relationship with the members now that the program is complete?
    - How do you feel that these relationships impact the success of the program?
- What value do you think this program provides to its participants?
  - o Can you provide an example of this?
- How is contact with the participants continued after the completion of the program?
- What are the relationships like between the participants of the program from your leadership perspective?
  - o Relationships between members and leaders from your perspective?

#### (RQ8)Questions about Shared Value: what is, how developed, sustained

- How can programs like this impact other communities?
- Why do you think Etsy wanted to partner with Rockford for this project?
  - o Besides the Mayor's tweet for help.
- How do you think Etsy benefits from this program?

#### (RQ9)Questions about relationship between Etsians and Community

- How do you feel your community has changed since the partnership with the Etsy Craft Entrepreneurship program?
- How do you think other members of the community view this program?
  - Can you explain to me why other community members would be interested in this program?

## **Concluding Questions & Statement**

- Is there anything else you would like to share about the program or your experience that you feel is important for me to know?
  - o Besides the things we have already discussed?

## **Demographic Information:**

- o Age
- o Gender
- o Martial Status
- Highest level of Education
- o Length of time lived in Rockford, Illinois
  - Thank them for their participation in the study

# **APPENDIX C**

## **Recruitment Materials**

#### **Telephone & Email Recruitment Script**

Hello!!! (Sound very excited)

My name is Allie Grotts and I am a student researcher at the University of Missouri in Columbia in the MU Textile and Apparel Management Department. I think the program you have been a part of is an AMAZING opportunity! I am emailing you in hopes that you would consider participating in my research study, by a group discussion of participants or one on one interview with me from the First Etsy Craft Entrepreneurship group!!! My goal from my research is to help spread the awareness and benefit of this pilot program to other cities who have also seen economic downturn and showcase Etsy and your shops as a way to not focus solely on making a living, but enabling yourself to make a valuable contribution to your livelihood! You are an inspiration to others and I would love to hear and share your stories of your experience. Your identities will be shared through academic journal publications or academic presentations. However, if you do not wish to share your identity, confidentiality can be provided to you by the use of pseudonyms at your request.

I would be more than willing to meet wherever is convenient/comfortable for you and would love to watch you make your craft if you would be willing to show me.

Thank you in advance for your time. If you have any questions please email me or contact me at 618.972.1390.

If you have any questions concerning your rights as a participant, you may contact Campus Institutional Review Board at 573.882.9585. If you have any questions regarding the research itself, you may contact me at 618.972.1390 or by e-mail at asggkd@mail.missouri.edu. Thank you in advance for your assistance and time.

Have a great week!

Allie Grotts

# APPENDIX D

# **Institutional Review Board Approval**



485 McReynolds Hall Columbia, MO 65211-1150 PHONE: (573) 882-9585 FAX: (573) 884-0663

February 17, 2014

Principal Investigator: Gensler, Allie Sue Department: Textile and Apparel Mgmt

Your Application to project entitled Reviving a community with an "Etsy Economy": A case study of Rockford, Illinois was reviewed and approved by the MU Campus Institutional Review Board according to terms and conditions described below:

IRB Project Number 1210855

Initial Application Approval Date February 17, 2014 IRB Expiration Date February 17, 2015

Level of Review Exempt

Project Status Active - Open to Enrollment

Regulation 45 CFR 46.101b(2) Risk Level Minimal Risk

The principal investigator (PI) is responsible for all aspects and conduct of this study. The PI must comply with the following conditions of the approval:

- No subjects may be involved in any study procedure prior to the IRB approval date or after the expiration date.
- 2. All unanticipated problems, serious adverse events, and deviations must be reported to the IRB within 5 days.
- All modifications must be IRB approved by submitting the Exempt Amendment prior to implementation unless they are intended to reduce risk.
- All recruitment materials and methods must be approved by the IRB prior to being used.
- The Annual Exempt Form must be submitted to the IRB for review and approval at least 30 days prior to the project expiration date.
- Maintain all research records for a period of seven years from the project completion date.
- Utilize the IRB stamped document informing subjects of the research and other approved research documents located within the document storage section of eIRB.

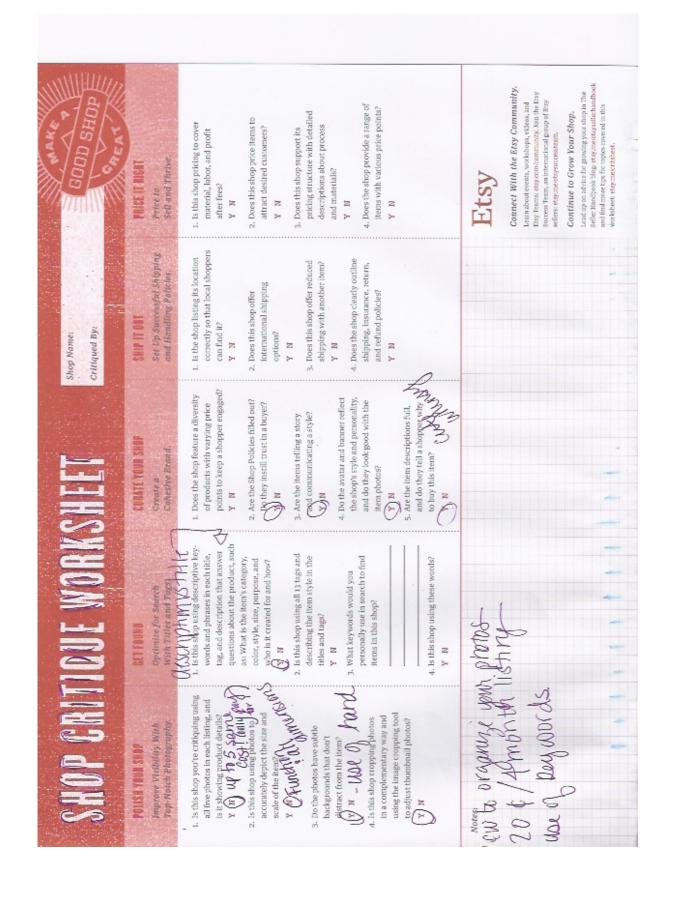
If you have any questions, please contact the Campus IRB at 573-882-9585 or umcresearchcirb@missouri.edu.

Thank you,

Charles Borduin, PhD Campus IRB Chair

# APPENDIX E

**Shop Critique Workshop Worksheet** 



My P	ost Critique Priorities:
In Fe	bruary:
1.	
2.	con the Get Found working
4.	
In M	arch:
1.	
2.	
3.	
4.	
5.	and the Price it Plans sections
	pril: Use the blank sheet to do a self- ritique and re-evaluate next steps!

#### VITA

Allie Grotts attended Eastern Illinois University in Charleston, Illinois where she earned a Bachelor of Science in Family and Consumer Sciences with a concentration in Apparel Merchandising in 2009. As an aspiring professor, she moved to Bloomington-Normal, Illinois to pursue her Master of Science from Illinois State University, majoring in Apparel Merchandising. During her Master's work, Allie worked part time as the Brand Logistics Expert at the Gap, gaining key management experience to apply in her classroom. Allie also had the opportunity to teach her first college class at Illinois State University, which was Fashion Trend and Industry Analysis. After much encouragement from her professors at Illinois State University and her family, she moved to Columbia, Missouri to begin her Doctorate in Human Environmental Sciences majoring in Textile and Apparel Management following her graduation in May of 2011. Her Master's thesis entitled Millennial Consumers' Status Consumption of Handbags was published in the *Journal of* Fashion Marketing and Management in 2013. During her academic journey at Mizzou, she has had the opportunity to teach and work with numerous classes such as Social Appearance in Time and Space, History of Western Dress, Introduction to the Textile and Apparel Industry, and Retail Entrepreneurship. Allie was also a Visiting Professor of Business at Westminster College in Fulton, Missouri in Spring of 2014, where she taught Operations Management. Allie has accepted a position at Stephens College in Columbia, Missouri as an Instructor of Fashion Merchandising and Management for the Fall 2014-Spring 2015 academic year.