The Handwork Landscape: Appalachia, Eastern Kentucky

Nest Makers United Program
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building a new handworker economy
buildanest.org
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Introduction to Nest’s Makers United Program

Nest is a non-profit organization unlocking the power of craft to advance economic opportunity and gender equity in the United States and around the world. We support a global network of 2,000+ small- and micro-business leaders leveraging craft to drive financial and social impact in their communities. In the United States, our Makers United program is building a more inclusive community of U.S. maker-entrepreneurs and craftspeople by co-creating an ecosystem where BIPOC and low-income makers feel recognized and represented, and they have the tools they need to grow their businesses – and thrive.

Makers United ensures the American Makers Movement is generating equitable opportunity for all creative entrepreneurs by supporting makers who often face disproportionate barriers to accessing the training, funding, and business development resources they need to grow their small businesses and achieve their unique financial and creative goals. Our work leverages human-centered design principles and is driven by participants’ voices which ensures our programs are co-created with makers based on specific business priorities. Makers drive their experience as Nest equitably matches resources to needs.
Makers United is built on three core pillars:

1. ADDRESSING UNDERREPRESENTATION IN E-COMMERCE & BOOSTING MARKET ACCESS

Makers United bridges the ‘digital divide’ that disproportionately affects BIPOC and low-income makers by increasing access to e-commerce opportunities and building up needed skills in technology and digital tools. We also foster direct maker-to-buyer connections and provide local opportunities for brand exposure to help participants expand into new markets and/or attain larger market share.

2. DELIVERING FREE BUSINESS MANAGEMENT TRAINING & RESOURCES

Makers United offers free, in-person and virtual training on key small creative business topics such as brand identity and storytelling, building client relationships, visual merchandising, developing digital media content, leveraging social media advertising/engagement, and optimizing online sales.

3. BUILDING A STRONGER ECOSYSTEM FOR MAKER MICROBUSINESSES & ENTREPRENEURS

Makers United brings visibility to under-recognized makers and the challenges they face to inclusion in the micro- and small-business economy by mapping the regional landscape of small business supports and connecting the dots between makers and the local, national, and peer resources they need.
Introduction to Makers
United Appalachia

Eastern Kentucky (often abbreviated to EKY) is nestled in the scenic Appalachian Mountains and comprises 54 counties. It has a vibrant culture deeply rooted in its Appalachian heritage and history, characterized by its strong sense of community, resilience, and connection to the land. It has a rich tradition of craftsmanship, with artisans skilled in various crafts such as woodworking, quilting, pottery, and basket weaving. These crafts reflect the region’s resourcefulness, creativity, and appreciation for handcrafted goods. Nest has long wanted to bring our programs supporting maker entrepreneurs to Appalachia, knowing both the need and crafting traditions in these communities. The multifaceted and complex challenges facing Appalachian Kentucky are shaping the region’s socio-economic landscape.

Eastern Kentucky is also renowned for its abundant mineral deposits and natural resources, notably coal. The coal mining industry emerged as a cornerstone of the region’s economy, reaching its employment peak in 1948 with 76,000 miners and its peak production in 1992, largely driven by advancements in mechanization. Although mining served as the economic bedrock for over a century, the transition away from coal as a primary energy source in recent decades has precipitated job losses, economic challenges, and a decline in population within the region.

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Between 2000 and 2015, coal production in Eastern Kentucky declined by more than 80% with jobs in the industry declining by 50% between 2011 and 2015\(^2\). In June 2022, counties in Eastern Kentucky, namely Magoffin County (12.1%), Elliott County (9.3%), and Breathitt County (9.1%), exhibited the highest unemployment rates within the state, in contrast to the statewide unemployment rate of 3.7\(^3\). This decline has profoundly impacted the local economy and social fabric, underscoring the imperative to invest in alternative sectors like the creative and craft economy.

Since 2007, the Appalachian Regional Commission (ARC) has used an index-based county economic classification system to identify and monitor the economic status of counties in the Appalachian region. The majority of Eastern Kentucky counties were categorized as “distressed” (the highest economically disadvantaged ranking), indicating that they rank among the bottom 10 percent of the nation’s counties in terms of economic well-being. Wolfe County, the poorest in Eastern Kentucky, has a median income of about $22,000 a year and a poverty rate of 36\(^4\). Additionally, multiple Eastern Kentucky counties had a food insecurity rate of over 20% in 2020, according to data released by Feeding America\(^5\).

In 2017, the Community Economic Development Initiative of Kentucky (CEDIK) conducted a thorough examination of the digital divide across all 120 counties in the state. Utilizing a digital divide index score ranging from 0 to 100, they evaluated the extent of the gap, with higher scores indicating greater disparity. This study also integrated poverty rates, revealing a significant correlation between areas with the highest digital divide and those experiencing the highest rates of poverty. For instance, Harlan County, located in Southeastern Kentucky, exhibited a notable digital divide score of 79.47, accompanied by a poverty rate of 35.6\(^6\).

Economic constraints are also compounded by the significant impacts of climate change in the region’s communities. Eastern Kentucky, like much of central Appalachia, is expected to face more intense storms as temperatures and humidity rise. Due to the region’s topography, this translates to a heightened risk of flash flooding. Analysts suggest that the area’s coal mining industry exacerbated climate change due to the degradation of topsoil and dense forest

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\(^2\)As the South Grows: Strong Roots, National Committee for Responsible Philanthropy and Grantmakers for Southern Progress, 2017


\(^4\)Horn, Dan. (2022, August 3) ‘They Had Nothing’: Poverty Ravaged Eastern Kentucky Long before the Flood.” Cincinnati Enquirer. Retrieved February 7, 2023

\(^5\)Childress, Rick. (September 13, 2022) “Eastern Kentucky’s food crisis is on a ‘pendulum swing.’ What’s behind the deepening issue?” Lexington Herald Leader. Retrieved February 7, 2023

\(^6\)Digital Divide Profiles, Community and Economic Development Initiative of Kentucky (CEDIK), 2017
cover, which could otherwise mitigate the impact of heavy rainfall. Eastern Kentucky counties were the hardest hit by historically devastating floods in July 2022. The counties most impacted—Breathitt, Clay, Knott, Letcher, and Perry—had a median annual income about 40 percent lower than the national average, with about a quarter of residents living below the poverty line.

Eastern Kentucky also faces higher rates of chronic health conditions such as cancer, diabetes, heart disease, and chronic obstructive pulmonary disease (COPD) compared to other parts of the state and the country. Its cancer mortality rate is 35% higher than the national rate and 18% higher than non-Appalachian Kentucky. These health issues contribute to higher rates of disability, as shown by large clusters of high disability rates in Eastern Kentucky counties in the map (see right). The prevalence of disabilities served as an incentive for pharmaceutical companies to target the region in the early 2000s, thereby contributing to the onset of the opioid crisis.

Despite these systemic issues, there are stark inequities in philanthropy directed toward Eastern Kentucky. The National Committee for Responsive Philanthropy published a series of reports in 2017 called "As The South Grows," which highlighted disparities in grant funding between Eastern Kentucky and other regions. In that report, researchers found that grantmaking by national foundations between 2010–2014 totaled $43 per person in Eastern Kentucky, as opposed to $4,095 per person in a coastal city like San Francisco. When further broken down, of that $43 per person spent in Eastern Kentucky, only 2% went to economic development, and another 2% went to power building.

While there is a critical need for continued advocacy and investment efforts to address these challenges, the economic viability of the craft sector, especially for rural and digitally disconnected communities, is evident. Our goal is to complement existing local and regional efforts, as well as establish new avenues for maker-entrepreneurs, by offering free and easily accessible capacity-building programs, market access opportunities, and connections to a national and international network of fellow artisans. This support is designed to bolster their business viability and financial stability and support them on their entrepreneurial journeys.
Meet Our Community Manager

To launch our work in Eastern Kentucky, it was essential to collaborate with a community-based partner that has deep roots, familiarity, and credibility among makers within the region. Our community managers bring a nuanced understanding of a community’s social, cultural and economic fabric and can provide insights and connections that are difficult for external organizations to establish initially. Trust is a fundamental element of stakeholder engagement and program buy-in—in this context, creating linkages to makers and ecosystem partners. Partnering with someone who is embedded within the community ensures that our programming presence is not extractive, but relevant, responsive and collaborative. To that end, Nest has been fortunate to launch its Makers United program with support from Stef Ratliff.

Hailing from Pike County, KY, Stef Ratliff now calls Louisa, KY home. She is a coal miner’s daughter, award-winning painter, National Council on Education for the Ceramic Arts (NCECA) award-winning ceramic artist, annual trophy artist for the Americana Music Association annual honors & awards, and has a decade-long tenure as a professional scenic artist in theatre. She holds a Masters in Art from Morehead State University.
Approach and Methodology

At Nest, we seek to go beyond just the numbers and elevate the voices of artisans using mixed-methods data collection. The methodology used for this landscape analysis included gathering of qualitative data through four facilitated community discussions with makers and eight semi-structured interviews with ecosystem partners. Additionally, we gathered quantitative data obtained from our in-depth landscape survey distributed to makers electronically using Qualtrics. Once data was collected, we completed quantitative cleaning and analysis using statistical software and looked at the emergent themes we gathered during the community discussions and interviews. These data collection tools provided insights into the needs and challenges of makers, existing resources, and their limitations—and identified opportunities to establish an inclusive and flourishing maker community.

<table>
<thead>
<tr>
<th>CHANNEL</th>
<th>TARGET AUDIENCE</th>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Landscape Survey</td>
<td>Makers</td>
<td>Nest’s Makers United Landscape Survey (N=74) was an in-depth online questionnaire asking makers about themselves, their business, the barriers they face, and how they use resources.</td>
</tr>
<tr>
<td>Community Discussions</td>
<td>Makers</td>
<td>Each of 4 community discussions had 5-7 participants (N=23) was designed to reveal makers’ needs, challenges in the industry, availability of resources and the limitations of those resources, and uncovering opportunities for additional support.</td>
</tr>
<tr>
<td>Interviews</td>
<td>Ecosystem Partners</td>
<td>Semi-structured interviews (N=8) were conducted with people either representing organizations that support makers or highly connected in an artist community—including economic development agencies and business support organizations—to understand their perspective on offering support to makers and systemic barriers.</td>
</tr>
<tr>
<td>Resource Mapping</td>
<td>N/A</td>
<td>The resulting database includes 30+ organizations and resources for EKY makers to create a more complete picture of available resources in Eastern Kentucky makers. Nest published this as a resource for makers to discover and access existing local resources.</td>
</tr>
</tbody>
</table>
| External Resources         | N/A             | • 2014 Kentucky Creative Industry Report  
• As the South Grows Report  
• U.S. Census Bureau  
• Kentucky.gov  
Eastern Kentucky’s Maker Landscape

The landscape of creative entrepreneurship and small businesses is a blend of traditional craftsmanship, cultural tourism, and artist-driven initiatives. The region’s unique culture and natural beauty attract tourists interested in authentic Appalachian experiences. Artisans can capitalize on this by using local materials, traditional techniques, and cultural designs in their creations, offering visitors a tangible good rooted in the area’s heritage.

Whether it’s hand-woven baskets using locally sourced fibers, carved work from locally sourced timber, or artisanal pottery, these artisans express the spirit of the mountains through their handcrafted goods. They not only cater to tourists seeking authentic goods but also contribute significantly in preserving and promoting the region’s heritage. Recognizing the necessity to adapt to evolving markets and consumer preferences, entrepreneurs are seeking to improve their digital connectivity and embrace technological advancements. One Harlan County, an economic development organization, is attempting to address barriers to internet access and enhance connectivity by working alongside city agencies to provide free WiFi service in downtown Harlan. Makers are eager to integrate e-commerce, digital marketing, and online platforms into their strategies to expand their reach, while preserving the genuine rural identity that defines them.

To fully realize their business potential, makers need more accessible resources, broader peer networks and access to a wider customer base. While artisan centers like the Gateway Regional Arts Center and regional business development organizations like Mountain Association and Invest 606 are widely recognized as supportive entities for makers, there is a desire for more resources and programs. During Nest’s landscape mapping work, makers shared the value they saw in being a part of Makers United and getting access to capacity-building, financial and market access resources that could support them on their entrepreneurial journeys.
## Survey Respondent Demographics

### AGE (BY GENERATION)

<table>
<thead>
<tr>
<th>Generation</th>
<th>% Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Millennials (1981-1996)</td>
<td>26%</td>
</tr>
<tr>
<td>Generation X (1965-1980)</td>
<td>25%</td>
</tr>
<tr>
<td>Baby Boomers (1946-1964)</td>
<td>13%</td>
</tr>
<tr>
<td>Generation Z (1997-present)</td>
<td>10%</td>
</tr>
</tbody>
</table>

### EDUCATION

- **Postgraduate courses or degree**: 36%
- **College degree**: 22%
- **Some college**: 20%
- **High school diploma or GED**: 11%
- **Trade/technical degree**: 11%
- **Less than high school**: 1%
Survey Respondent Demographics

**HOUSEHOLD INCOME**

- <$15,000: 4%
- $15,000-$24,999: 12%
- $25,000-$34,999: 22%
- $35,000-$49,999: 12%
- $50,000-$74,999: 17%
- $75,000-$99,999: 16%
- $100,000-$149,999: 12%
- $150,000-$199,999: 3%
- >$200,000: 3%

**DISABILITY**

- Mental Health Disorder: 31%
- Learning: 18%
- Other: 12%
- Mobility Impairment: 10%
- Long-term Medical Illness: 10%
- Sensory Impairment: 10%
- Temporary Impairment: 8%
Survey Respondent Demographics

**GEOGRAPHY**
- Rural: 65%
- Urban: 7%
- Suburban: 3%

**GENDER**
- Woman: 79%
- Man: 19%
- Non-binary/third gender: 1%
Demographic Comparisons

To gain deeper insights into the distinctions between Eastern Kentucky (EKY) makers and those who represent our national Makers United (MU) community, we analyzed data from both subsets. Here are the key findings, along with opportunities for how we can take these learnings into account when developing programs and resources:

**INCOME**
Generally, EKY makers tend to report lower incomes compared to those reported by the overall MU community. Specifically, a higher percentage of EKY makers (48%) earn under $40,000 annually, while only 26% of MU makers fall into this income bracket. Conversely, nationally, MU makers exhibit a higher proportion of individuals earning between $55,000 and $150,000. EKY makers are predominantly in lower-income categories, whereas MU makers are more evenly distributed across the middle to higher-income brackets.

*These data points highlight an opportunity to prioritize access to funding (loans, grants, microfinancing options, etc.), financial management, and literacy programs and emphasize the need to ensure resources are free or low-cost.*
DIS/ABILITY RATES
The prevalence of disabilities appears to be higher among makers in the EKY region compared to our national sample, with notable variations in the types of reported disabilities when compared to the same data from our MU community:

- Learning: EKY individuals show approximately 16.7% more instances of learning disabilities.
- Mental Health: EKY individuals exhibit a 37.6% higher prevalence of mental health disorders.
- Mobility: EKY individuals demonstrate a notable 60% higher rate of mobility impairments.

These data points reveal an opportunity for stakeholders across the EKY maker ecosystem to ensure in-person and virtual program offerings are more accessible to makers (e.g. provide closed captioning, assistive technologies, accessible venues and materials, etc.). Workshops or mini-retreats focused on mental health awareness, stress management, mindfulness and self-care techniques would also support the holistic development of makers.

RACIAL COMPOSITION
Aligned to the demographics of the EKY region, the surveyed makers are overwhelmingly white, with 90.7% representation. For context, Madison County, one of the most populous counties in Eastern Kentucky, is 91.5% white). In contrast, MU boasts a more diverse representation, including individuals of Black, Asian, Native, and Middle Eastern/North African descent. This suggests that EKY is more racially homogeneous compared to MU.

A focus on building intentional partnerships with more makers, local organizations and community leaders who represent diverse racial and ethnic backgrounds will go far to ensure outreach is supporting underrepresented communities and encouraging their participation in programming.
Variety of Crafts

In these various craft genres and methods, artisans utilize a diverse array of materials to fashion their creations. Home decor often features watercolor paintings, mixed media art, hand-dyed textiles, and ceramics. Meanwhile, in jewelry making, beads, metals, and ceramics/clay are popular choices.

Furthermore, a significant portion of artisans (61%) prioritize environmentally sustainable materials and practices in their production processes, reflecting a strong emphasis on responsible and eco-conscious approaches.

### TOP TEN PRODUCT CATEGORIES

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home Decor</td>
<td>65%</td>
</tr>
<tr>
<td>Jewelry</td>
<td>20%</td>
</tr>
<tr>
<td>Table Top</td>
<td>16%</td>
</tr>
<tr>
<td>Apparel</td>
<td>8%</td>
</tr>
<tr>
<td>Home Textiles</td>
<td>6%</td>
</tr>
<tr>
<td>Office and Stationery</td>
<td>7%</td>
</tr>
<tr>
<td>Fabric / Textiles for Apparel Use</td>
<td>7%</td>
</tr>
<tr>
<td>Fashion Accessories</td>
<td>7%</td>
</tr>
<tr>
<td>Candles</td>
<td>6%</td>
</tr>
<tr>
<td>Furniture</td>
<td>4%</td>
</tr>
</tbody>
</table>

### TOP TEN CRAFT TECHNIQUES

<table>
<thead>
<tr>
<th>Technique</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Painting</td>
<td>53%</td>
</tr>
<tr>
<td>Illustration</td>
<td>22%</td>
</tr>
<tr>
<td>Jewelry-making</td>
<td>22%</td>
</tr>
<tr>
<td>Sewing</td>
<td>19%</td>
</tr>
<tr>
<td>Printmaking</td>
<td>19%</td>
</tr>
<tr>
<td>Fiber Arts</td>
<td>19%</td>
</tr>
<tr>
<td>Other specialty or regional techniques</td>
<td>16%</td>
</tr>
<tr>
<td>Ceramics/Pottery</td>
<td>19%</td>
</tr>
<tr>
<td>Woodworking</td>
<td>16%</td>
</tr>
<tr>
<td>Embroidery</td>
<td>11%</td>
</tr>
</tbody>
</table>
Maker Profile: Art By Lacy Hale

“"I love living in a rural area-- the area where I grew up and chose to come back to. Although I live in a community that (I feel) appreciates the importance of art and artists, it is a financially depressed region. We are lucky to have certain non-profits in Eastern Kentucky who also value art and artists but very few who tailor their programming to meet artists where they are. This is why I’m excited about Makers United. The business of being an artist is already an isolating one. So often your time is spent creating by yourself. Tailor-made assistance by folks who understand artists and their businesses from the ground up sounds like a breath of fresh air and a boost for our region.”

—Lacy Hale

Lacy Hale is a nationally recognized, award-winning fine artist, mural artist, printmaker and the creator of No Hate in My Holler.
Eight semi-structured interviews with strategic ecosystem partners were hosted throughout the summer and fall of 2023. These interviewees represented organizations and resources providing technical assistance programs for small business, capital access and community arts initiatives—all facets of the existing support network for creative entrepreneurs in the region. Stakeholders are an integral component of our landscape research because local resources and support are often available to makers, but the connection needed between service providers and recipients is either missing or fractured. Through our conversations with key stakeholders, we can synthesize the perspective they have as service providers and provide key insights that can help to build a more effective and intentional ecosystem of support.

Below we have highlighted five fundamental insights from those conversations:

### FUNDING OBSTACLES
Stakeholders emphasized that while there is socioeconomic diversity in the region, the lack of racial diversity often disqualifies their eligibility for grant funding. One partner in the ecosystem emphasized the potential for significant community transformation with a substantial grant. Despite the recent establishment of an artisan center in Harlan County, local government and other supportive agencies did not secure funding for operational staff.

A $200,000+ grant would not only cover staffing costs, but also provide funds for artisan business grants, workshops, and residency programs. While funding for tangible assets like equipment is available, securing support for administrative and technical needs presents a greater challenge. For instance, a stakeholder received a grant for a professional photography studio but not for a staff person to manage or provide training on how to utilize it. This underscores the urgent need for increased funding without restrictive conditions.

### TRANSPORTATION
Examining the region’s travel challenges from a geographical perspective reveals a perpetual struggle. Makers in Eastern Kentucky contend not only with a sprawling and varied landscape, but also a significant deficiency in public transportation infrastructure. The absence of buses or taxis leaves individuals with scarce transportation alternatives. Furthermore, the lack of ride-sharing services like Uber or Lyft exacerbates the already challenging task of accessing convenient and dependable transportation options. Unless makers have their own transportation, access to markets, bulk material sales, etc., are more difficult to access. In discussions with an ecosystem partner, it was noted that addressing these obstacles would enhance connectivity among makers and improve resource accessibility within the community.

### LACK OF BUSINESS DEVELOPMENT SUPPORT
Small businesses, particularly those in the creative sector, can face obstacles in accessing individualized business support that addresses their specific challenges. Despite the role typically assigned to the Chamber of Commerce in aiding businesses, there are no accredited chambers based in Eastern Kentucky. Access to coaching and business plan development is necessary, but not
Securing reliable internet access in the region has persistently posed a significant challenge. It’s not uncommon for people to lack access to broadband or fast internet services in their residential areas. For those who do have access, speeds often fall below satisfactory levels with high monthly subscription costs, as reported by participants in community discussions. Another factor is seasonal variability in signal reception, particularly in Eastern Kentucky’s mountainous terrain. Certain locations that receive signals during the winter may lose connectivity between spring and fall. The resurgence of foliage during this period can block phone and satellite services in some areas, posing a hurdle to staying connected.

INTERNET CONNECTIVITY CHALLENGES
Securing reliable internet access in the region has persistently posed a significant challenge. It’s not uncommon for people to lack access to broadband or fast internet services in their residential areas. For those who do have access, speeds often fall below satisfactory levels with high monthly subscription costs, as reported by participants in community discussions. Another factor is seasonal variability in signal reception, particularly in Eastern Kentucky’s mountainous terrain. Certain locations that receive signals during the winter may lose connectivity between spring and fall. The resurgence of foliage during this period can block phone and satellite services in some areas, posing a hurdle to staying connected.

E-COMMERCE KNOWLEDGE BARRIERS
Platforms and algorithms are evolving rapidly, and businesses are left to navigate these changes independently without someone versed in this expertise. Galleries, retail stores, and artisan centers across Eastern Kentucky acknowledge website sales play a crucial role in their financial sustainability, but there needs to be more funds to train staff to specialize in selling or dealing online. Additionally, many crafters lack the skills to effectively communicate and collaborate with institutions, hindering their ability to expand and sell their products successfully. Part of these issues stem from the lack of reliable affordable internet in the region.
Challenges to Growing a Maker Business

When it comes to business growth challenges, the responses from the survey were supported by the sentiments raised during community discussions with makers. Makers want to find ways to expand their online presence to bridge the gap between making and selling, access funding and professional expertise, improve their brand marketing and expand to new markets to increase the demand for their products. Additional notable feedback on critical barriers to growth included the time constraints of running their business as a side hustle. Sixty-five percent of surveyed makers in Eastern Kentucky note their craft business is not their primary source of income and feel overwhelmed by the need to balance building their business and their full-time job and family responsibilities.

Makers reflected similarly on the above-noted infrastructure challenges related to transportation and internet connectivity. The wide geographical spread of makers throughout rural mountainous areas can further hinder attendance and participation in in-person educational and sales opportunities, particularly during or following extreme weather events (i.e. heavy rain, flooding, etc.). This constraint can limit the ability of makers to actively participate in events critical to their business development and disconnects makers from a physical community of support which was repeatedly noted as much desired, but missing from the lives of Appalachian makers.

This dual physical and digital divide can impede communication and information dissemination by restricting the full use of online platforms for marketing and sales, as well as impact makers’ ability to attend in-person gatherings that are so essential to building their support network.
Maker Profile: Turtle Farm Pottery

"I make pottery and teach creativity at Turtle Farm Pottery in Kentucky’s Red River Gorge Area. Since 2015 we have been making high-quality, handmade ceramics that are intended to bring thoughtful and inspiring moments to people that use them. We have 3 physical galleries set up in our local area where we make, sell, and teach the craft of shaping clay. I believe that creativity inspires more creativity and that is a good thing for the people of this world. We are thrilled to be a part of the growing creative community in Appalachia and honored to be a growing small arts biz and place of inspiration to our local community."

—Casey Papendieck

Turtle Farm Pottery creates handmade, high-quality, unique ceramics that bring joy and positive vibes to everyday routines.
Key Findings

Based on our findings, we identified these as Eastern Kentucky makers’ top needs:

1. CONNECTING WITH FELLOW MAKERS
Makers are eager for more avenues to connect with fellow makers and build their creative network.

2. ACCESS TO CAPITAL
Increasing access to resources on financial management and funding is crucial for business growth.

3. MARKET ACCESS
With constraints around developing a local customer base, there is significant interest in expanding market reach, establishing a stronger market presence, understanding sales strategies and building customer relationships.

4. BUSINESS DEVELOPMENT RESOURCES
Makers want to invest in developing their skills as a way to improve their business acumen and sales potential.
Connect with Fellow Makers

Makers are eager for more avenues to connect with fellow makers and build their creative network.

WHAT ASPECTS OF NEST’S PROGRAMMING ARE YOU MOST INTERESTED IN?

<table>
<thead>
<tr>
<th>Aspect</th>
<th>Interest</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community among fellow maker entrepreneurs</td>
<td>71%</td>
</tr>
<tr>
<td>Business capacity training &amp; educational content</td>
<td>41%</td>
</tr>
<tr>
<td>Market Access &amp; Sales Opportunities</td>
<td>41%</td>
</tr>
<tr>
<td>Other</td>
<td>9%</td>
</tr>
</tbody>
</table>

CHALLENGES

- **87%** of surveyed makers reside in rural areas
  
  Being in a rural area can pose challenges in building a broader creative network, hindering opportunities for collaboration, inspiration, and skill-sharing. Without access to a diverse community of creatives, makers may feel isolated and lack opportunities for professional development and growth.

- The majority of artisans (**79%** ) report working on their craft at home
  
  The prevalence of home-based workspaces among makers may limit their access to specialized equipment, collaborative workspaces, and networking opportunities typically found in communal studio settings. This can possibly impede creativity, innovation, and access to resources necessary for business growth and sustainability.

- Community discussion participants expressed a strong desire to connect with other makers to exchange ideas and advice
  
  The desire to connect and build relationships with fellow creatives, emphasizes the importance of social ties and support networks in fostering creativity, motivation, and skill development.
OPPORTUNITIES

- Establish a comprehensive online maker directory for Eastern Kentucky counties similar to American Craft Council's Online Artist Directory and Kentucky Crafted Artists Directory. This directory would showcase the diverse talents of local makers, facilitate connections, and promote collaboration within the regional creative community.

- Explore alternative ways to utilize local artisan centers as hubs for strengthening social ties among makers. This could include hosting regular social events, workshops, and skill-sharing sessions, providing makers with opportunities to connect, collaborate, and learn from one another in a supportive and inspiring environment.

- Since many makers are active on Facebook, create a dedicated Facebook group for Eastern Kentucky makers to facilitate meaningful conversations, collaborations, and connections—and serve as a virtual community space for sharing ideas, seeking advice, and promoting collaboration opportunities among makers.

- Organize an annual multi-day Makers Summit (similar to Nest’s American Craft Convenings) in Eastern Kentucky, bringing together makers from across the region to participate in workshops, hear from industry experts, and network with fellow creatives. This summit would provide makers with valuable learning opportunities, inspiration, and networking connections to support their professional growth and development.
Increasing access to resources on financial management and funding is crucial for business growth.

**CHALLENGES**

- **46%** of survey respondents mentioned access to capital as a barrier to business growth
- Being located in an extremely resource-constrained area
- Limited grant/funding opportunities and lack of knowledge about accessing existing opportunities
- Funding to offset costs associated with selling at markets and fairs (i.e. vendor fees, etc.)

**OPPORTUNITIES**

- Connect more makers to regional sources offering capital support like Invest 606, Kentucky Foundation for Women and Mountain Association
- Invite Eastern Kentucky makers to apply for Nest’s upcoming Makers Future Fund & Learning Academy program. This robust capital access and financial readiness program will include coaching/mentorship, funding and peer support elements for makers.
- Raise awareness about the viability of small maker businesses among Community Development Financial Institutions (CDFIs) and other financial lending organizations. By showcasing the economic impact and potential of maker businesses, these institutions may be more inclined to provide financial support and investment opportunities to makers in the region.
- Offer technical, hands-on assistance with identifying and applying for applicable grant and funding opportunities. Provide guidance on navigating the grant application process and developing competitive proposals to increase their chances of securing funding for their businesses.
- Provide microgrants or sponsored booths to help alleviate market vending fees. Explore the option of shared booth or vendor table spaces whenever feasible, as this approach can address both cost concerns and foster community building among makers.
3  Market Access

With constraints around developing a local customer base, there is significant interest in expanding market reach to other areas.

CHALLENGES

- 49% of makers said growing online sales is one of their biggest barriers to business growth

With nearly half of makers citing growing online sales as a significant barrier to business growth indicators challenges in effectively reaching and engaging customers digitally. Without a strong online presence and effective e-commerce strategies, makers may struggle to expand their customer base and increase sales revenue.

- Makers located outside of cities like Berea (also coined as “the Arts and Crafts Capital of Kentucky”) may face challenges in accessing potential customers who visit these more heavily trafficked and resourced areas. The tourism economy in certain areas of Eastern Kentucky creates disparities in market access, with makers in peripheral locations lacking opportunities to showcase and sell their products to tourists and visitors which hinders sales opportunities and limits revenue potential

- 31% of makers disagreed that their target customer is local to where they live

OPPORTUNITIES

- Offer specialized training programs focused on e-commerce platforms for makers looking to expand their market reach beyond their county and the region. By providing hands-on guidance, makers can enhance their online presence, optimize their e-commerce strategies, and tap into new markets outside their geographic area.

- Design a digital marketing course that focuses on topics like social media marketing, email marketing and search engine optimization (SEO)

- Create and maintain a regularly updated list of markets and fairs happening in the region, complete with application and fee guidelines.
Sunhouse Craft is a sustainable small-batch manufacturing business with a focus on traditional craft. We hand-make brooms, wooden wares, and other home goods in our storefront studio.

“I envision a future that explores the traditional crafts of the region: Inviting people to enjoy handmade things in their home, and experience craft themselves all while building a stronger regional supply chain.”

— Cynthia Main
Makers want to invest in developing their skills as a way to improve their business acumen and sales potential.

WHERE DO YOU TYPICALLY SEEK OUT BUSINESS CAPACITY RESOURCES AND SUPPORT?

<table>
<thead>
<tr>
<th>Resource</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internet</td>
<td>64%</td>
</tr>
<tr>
<td>Fellow Small Business Owner or Family Friend</td>
<td>49%</td>
</tr>
<tr>
<td>Nonprofits who have programs that support small businesses</td>
<td>39%</td>
</tr>
<tr>
<td>An artist or entrepreneur collective</td>
<td>22%</td>
</tr>
<tr>
<td>Business incubators or accelerators</td>
<td>15%</td>
</tr>
<tr>
<td>Local government programs for small business development</td>
<td>14%</td>
</tr>
<tr>
<td>An industry-specific professional development organization</td>
<td>11%</td>
</tr>
<tr>
<td>College programs and/or alumni networks</td>
<td>11%</td>
</tr>
<tr>
<td>The public library</td>
<td>11%</td>
</tr>
<tr>
<td>Other</td>
<td>8%</td>
</tr>
</tbody>
</table>

CHALLENGES

- Less than a quarter of survey (24%) respondents agreed that they are closely connected to the people and resources they need to grow compared to 43% from Nest’s 2021 Makers United national dataset.

  *Nest’s State of the Handworker Economy Report (2nd edition)* found that makers who feel connected to the people and resources they need to grow report an average annual revenue 150% higher than makers who do not perceive a similar connection to people and resources needed for growth.

- 41% cited cost as a barrier to seeking business support

- 64% say they rely on the internet to seek out capacity resources and support vs. 39% who said non-profit support
OPPORTUNITIES

- Offer more in-person and virtual educational workshops, which were cited as the most helpful resources by 61% and 51% of survey respondents, respectively. Offer hybrid learning options, combining in-person sessions with virtual components, to accommodate learning preferences and account for geographical constraints.

- Ensure access to free business development materials so cost isn’t a barrier.

- Facilitate small group or one-on-one mentorship and consultation opportunities to allow makers to connect with subject matter/industry experts so they can receive tailored guidance on their specific needs and challenges.

- Create pathways for more makers to take advantage of resources offered by regional organizations that offer support to small business owners like Mountain Association and the Kentucky Small Business Development Center.
Craft as Business Workshop Overview

In November 2023, 17 makers attended a workshop hosted by Nest at the Rowan County Arts Center focused on developing their brand storytelling abilities and refining their DIY product photography. In the first session, creative strategist, Tara Leisure, led an in-depth discussion on three essential storytelling elements: purpose, positioning, and personality, and practiced effective communication methods. The second session included hands-on demonstrations of studio photo setups, lighting techniques, and on-site photography with feedback from professional photographer and presenter, Chrissy Perkins. The workshop emphasized translating theory into actionable strategies, highlighting the impact of visual presentations and narratives on elevating businesses. The interactive workshop fostered collaboration and dynamic discussions, with participants expressing eagerness for future workshops.

“It was a great experience. It was great getting together with other makers and sharing ideas and information. The workshop section was excellent and I came away with more information on what I don't know and need to know. Chrissy was excellent and I learned so much about how to photograph my items.”

“The presenters were wonderful. I felt welcome despite “imposter syndrome”. I have really been inspired to up my photography game.”

“I cannot wait for future workshops. I really want to be more involved with and inspired by makers in my area.”

Three workshop participants were randomly selected to receive $500 grants to put towards their unique business needs.
Where We Go From Here

Building upon the invaluable insights gained from our landscape mapping, this section outlines some of the programmatic next steps envisioned by Nest to translate learnings into impactful action. They are designed to address the identified challenges and needs of Eastern Kentucky makers and drive meaningful progress in supporting their businesses’ growth and sustainability. From tailored educational workshops to innovative funding initiatives, Nest remains committed to fostering an ecosystem of support that meets makers where they are and empowers them to grow.

EDUCATIONAL WORKSHOPS

Building on the success of the Craft a Business Workshop in late 2023 and the feedback from makers on the value of tailored support programming, Nest will design additional in-person and virtual educational workshops based on needs identified by makers in the Landscape Survey and community discussions. To address internet connectivity issues and geographical constraints, workshop and networking events will be offered in a hybrid format to increase accessibility and reach.

The first workshop will be held in the spring of 2024, and will leverage subject matter experts to build and teach a curriculum tailored specifically for makers in Eastern Kentucky. In our pursuit to build relationships with existing community resources, Nest will partner with organizations such as Mountain Association and the Kentucky Small Business Development Center—organizations that are already providing impactful services to small business owners in the region. Some workshop topics to consider include:

- Business Plan Development & Financial Management
- Digital Marketing
- Branding and Marketing Strategy
- Product Pricing
- Social Media Strategy and Website Development
LOCAL COLLABORATIONS

Makers United serves as a link between makers and business development resources, as well as collaborates with community stakeholders in program design and execution. In a commitment to provide the necessary resources for the growth and sustainability of the makers within this cohort, Nest will actively collaborate with individuals and organizations sharing aligned goals and objectives. Beyond exploring co-created capacity-building content, workshops, and joint outreach initiatives, Nest will share its Resource Directory with makers and ecosystem partners.

CAPITAL ACCESS OPPORTUNITIES

To address Makers United members’ widely expressed need for capital to support their businesses, Nest is launching its new Makers Future Fund, a transformative financial readiness and capital access program, designed to connect US maker-entrepreneurs and small business leaders with the coaching, funding, and peer support they need to achieve their financial goals and grow their craft businesses. Appalachian makers selected to join the program will receive a business grant and personalized mentorship support from financial and business coaches. This initiative aims to foster supportive mentorships that can potentially lead to ongoing relationships beyond the program duration. Applications for the program will open in April 2024.

NEST BRAND AND NATIONAL PARTNERSHIPS

Nest will also leverage its partnerships with its brand and retail partners to create more e-commerce marketplace opportunities for makers. Additionally, program participants will be considered for exclusive sourcing opportunities with Nest’s national network of brand and retail partners.

SHARED PROSPERITY STUDY

Nest has partnered with the National Endowment for the Arts (NEA) and the Kauffman Foundation to execute its “Shared Prosperity” participatory research initiative, aimed at gaining a comprehensive understanding of shared prosperity dynamics in four maker communities across the United States, including Eastern Kentucky. Coined by the World Bank, “Shared Prosperity” refers to an economic growth state benefiting all members of society, emphasizing inclusive policies and practices that provide equal opportunities for individuals to flourish and attain a high quality of life.

Throughout the first half of 2024, Nest is collaborating with a local research consultant to conduct interviews and gather insights on the obstacles to economic advancement for artisans and makers in Eastern Kentucky.
Acknowledgments

For our landscape mapping process, Nest collaborated with Stef Ratliff, a local implementer deeply engaged in the community. We are grateful for the time and effort she dedicated to bringing this project to fruition. Additionally, we extend our deepest thanks to the makers and ecosystem stakeholders who generously shared their valuable insights and experiences.

Nancy & Doug Abbey

Truist Foundation

Wells Fargo
Thank you!

To learn more about Nest’s Makers United program, please visit buildanest.org

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building a new handworker economy
buildanest.org