

A Study of Impact of Geographical Indication (GI) Tags on Market Access of Gorakhpur Terracotta

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Abstract

This study examines the impact of Geographical Indication (GI) tags on improving market access for traditional handicrafts in Uttar Pradesh, specifically highlighting Gorakhpur's terracotta artifacts. To preserve the special character of this centuries-old craft and increase its commercial viability, the GI tag for Terracotta art of Gorakhpur was granted in 2018. The effects of GI Tags on production, visibility, market expansion, and the socio-economic circumstances of local artisans are examined in this article in conjunction with government programs such as the One District One Product (ODOP) scheme, which was officially launched by the Uttar Pradesh Government on January 24, 2018¹. Stakeholder interviews, case studies, and contemporary quantitative data are used in this mixed-method study, which concludes that GI Tags' recognition has greatly increased artisan income, enhanced market penetration, and made it easier to access both domestic and foreign markets. However, challenges such as digital literacy, logistics access, and competition from mass-produced alternatives persist. The study concludes with policy recommendations for sustaining and scaling the positive impact of GI tagging on handicrafts.

Keywords: GI Tag, Market Access, ODOP Scheme, Terracotta.

1. Introduction

India is known for its diverse and vibrant handicrafts, which reflect the historical depth and cultural richness of its various regions. The Government of India passed the Geographical Indications of Goods (Registration and Protection) Act, 1999, to safeguard and commercially expand these traditional products². This act allowed products with particular geographical origins and unique characteristics to be granted Geographical Indication (GI) tags (Geographical Indications Act, 1999). By boosting product authenticity and customer trust, these tags not only protect traditional knowledge and skills but also have positive economic effects.

One of the top states in India for registered GI goods is Uttar Pradesh. Given the state's substantial artisanal legacy, more than 60 items have been GI-tagged as of 2024 (IBEF, 2024)³. With its GI designation in 2018, Gorakhpur Terracotta is among the most notable examples. Using age-old methods handed down through the centuries, this craft is mostly

¹ <https://www.pib.gov.in/PressReleasePage.aspx?PRID=1881486>

² Geographical Indications of Goods (Registration and Protection) Act, 1999. <https://ipindia.gov.in>

³ <https://www.ibef.org/giofindia/uttarpradesh>

done by the Prajapati community and entails creating elaborate terracotta animal figures and ornamental objects out of clay that is readily available in the area (Elets eGov, 2022).⁴

Despite its traditional importance, Gorakhpur Terracotta had struggled with lack of branding, restricted access to finance institutions, and low market recognition. To solve these problems, the Uttar Pradesh government established the One District One Product (ODOP) program in 2018, designating Gorakhpur Terracotta as the district's premier handicraft. The goals of this program and the GI recognition were to increase output, training, and provide artisans with domestic and international marketing platforms.

This study examines how Gorakhpur Terracotta's market access is affected by GI tag and state policy initiatives. It investigates the ways in which these methods have improved craftspersons' incomes, raised demand in domestic and foreign marketplaces, and improved visibility. The study provides insights into the efficacy of GI tag as a vehicle for cultural preservation and economic empowerment through a combination of primary interviews, secondary data analysis, and policy review.

2. Literature Review

The economic and cultural significance of **Geographical Indications (GIs)** has been widely studied across various disciplines.

2.1. Conceptual Foundations of GI

Given that a particular quality, reputation, or characteristic of an item, which is mostly related to its geographical origin, geographic indications are described as indicators that identify a good as originating in a specific location (WTO, 1994)⁵. GI tags are used as marketing tools in addition to being a type of intellectual property, giving goods legal protection and brand value (Rangnekar, 2004)⁶.

2.2. GI and Market Access

Several studies have demonstrated how GI tagging improves market access. *Das (2010)*⁷ asserts that by indicating authenticity and cultural heritage, GI tags can assist traditional products in reaching niche markets. In their research on Darjeeling tea, *Jena & Grote (2012)*⁸ discovered that GI tag raised export demand and prices, but the advantages were not equally shared by all parties involved.

⁴Elets eGov (2022). *UP Government makes a move to ensure Gorakhpur's Terracotta goes global*. <https://egov.eletsonline.com/2022/08/up-government-makes-a-move-to-ensure-gorakhpurs-terracotta-goes-global>

⁵ WTO. (1994). Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS).

⁶ Rangnekar, D. (2004). The Socio-Economics of Geographical Indications. UNCTAD-ICTSD

⁷ Das, K. (2010). Prospects and Challenges of Geographical Indications in India. *Journal of World Intellectual Property*, 13(2).

⁸ Jena, P. R., & Grote, U. (2012). Impact of Geographical Indication Labels on Rural Development in India: A Case Study of Darjeeling Tea.

2.3. GI and Handicrafts in India

GI tagging has been marketed as a means of increasing artisan visibility and incomes in the context of Indian handicrafts. According to *Dhamija (2017)*⁹, since being granted GI status, crafts like Pochampally Ikat(Nalgonda district,Telengana), Channapatna toys(Karnataka), and Blue Pottery(Jaipur, Rajasthan) have become more marketable both domestically and abroad. However, because of poor institutional support and poor dissemination, *Kumar & Jain (2018)*¹⁰ contend that many craftspeople are still ignorant of the advantages of GI protection.

2.4. Challenges and Limitations

The literature notes enduring difficulties in spite of these encouraging developments. *Rao & Prasad (2020)*¹¹ point out that without concurrent investment in marketing, legal enforcement, logistics, and capacity-building, GI alone is insufficient. When it comes to Indian crafts, *Tamma (2016)*¹² discovered that while artisans continue to labor in hazardous conditions, middlemen frequently take a disproportionate amount of the GI-related profits.

3. Objectives

1. To evaluate the impact of the GI tag on market access for Gorakhpur Terracotta products.
2. To assess the role of the ODOP (One District One Product) scheme in supporting GI-tagged handicrafts.
3. To study the socio-economic benefits accrued to artisans following GI recognition.

4. Methodology

This research study adopts a **mixed-methods approach**, combining **quantitative** with **qualitative data analysis** to provide a comprehensive understanding of the impact of the GI tag on the market access of Gorakhpur Terracotta.

4.1. Research Design

The study is **descriptive and exploratory**. It aims to describe the changes in market dynamics and artisan livelihoods after GI registration and explore the mechanisms through which these changes occur.

⁹ Dhamija, R. (2017). Revival of Indian Handicrafts through GI Protection: Issues and Prospects.

¹⁰ Kumar, R., & Jain, R. (2018). Handicrafts and GI Tagging in India: A Missed Opportunity?

¹¹ Rao, K., & Prasad, V. (2020). Sustaining Traditional Knowledge in India: Role of GI Tags.

¹² Tamma, R. (2016). Geographical Indications and Inequity in Indian Crafts.

4.2. Data Collection

a) Primary Data:

- **Structured Interviews:** Conducted with 20 registered terracotta artisans in the Gorakhpur district, selected via purposive sampling to ensure representation of age, gender, and production scale.
- **Field Observation:** Artisan workshops(e.g., Gorakhpur Mahotsav), ODOP stalls at Gorakhpur Railway Station, and sales outlets in Gorakhpur were observed to assess working conditions, production methods, and customer interaction.

b) Secondary Data:

- GI Registry Reports and records from the **Intellectual Property India** website (*Geographical Indications Registry, 2024*).
- Reports and promotional material from the **One District One Product (ODOP)** scheme
- Data on exports, product sales, and artisan numbers from **MSME reports, handloom and handicraft surveys, and District Industries Centre (DIC), Gorakhpur**.
- Academic publications, news reports, and NGO studies on GI impact in India.

4.3. Sampling Method

A **non-probability purposive sampling** technique was used due to the niche and localized nature of the terracotta artisan community.

4.4. Analytical Tools and Techniques

- **Descriptive Statistics:** Used to analyze artisan income levels, market reach, and market trends pre- and post-GI.
- **SWOT Analysis:** It evaluates the Strengths, Weaknesses, Opportunities, and Threats of the GI tag's impact on market access.
- **Thematic Analysis:** Applied to qualitative interview to identify patterns in artisan experiences and institutional support.
- **Trend Analysis:** Used to assess growth in sales, participation in exhibitions, and digital marketplace (e-commerce) adoption over the past six years (2018–2024).

4.5. Time Period

The study covers the period from **2015 to 2024**, with specific focus on the **post-GI period (2018–2024)** to capture before-and-after trends.

5. Data Analysis and Findings

The main conclusions from field interviews, secondary data, and observations of Gorakhpur Terracotta craftsmen following GI registration (2018–2024) are presented in this section of the study. The analysis is structured around ODOP support, artisan income, and market access.

5.1. Market Access and Expansion

a) Domestic Market Reach

The number of registered Gorakhpur terracotta vendors taking part in state and national exhibits increased by more than 60% between 2018 and 2024 following GI tagging and ODOP listing. Increased orders from emporiums, handicraft fairs, and state-sponsored stores like as "Hunar Haat" were recorded by artisans surveyed.

b) Online and Export Channels

Platforms like **GeM portal**, **Amazon Karigar**, and **ODOP Mart** have enabled some artisans to sell products online. However, only approx. **25% of the interviewed artisans** are aware of this and had access to e-commerce training which causes limit in scalability.

c) International Presence

When Gorakhpur Terracotta was displayed at Dubai Expo 2020, export queries somewhat increased. Due to a lack of bulk manufacturing capacity and quality standardization, export contribution is still less than 5% of overall production volume.

5.2. Income and Livelihood Outcomes

a) Rise in Artisan Earnings

Average monthly income among senior artisans increased approximately from ₹6,000 in 2017 to ₹10,000 in 2024 (approx. **66% rise**), mainly due to higher product prices and bulk national and international orders (*District Industries Centre, Gorakhpur, 2024*).

Year	Avg. Monthly Income (₹)	% Change
2017	6,000	—
2020	7,800	+30%
2024	10,000	+66%

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2020	7,800	+30%
2024	10,000	+66%

b) Employment Generation

Small-scale units expanded employment to include **2–3 additional workers per unit**, mostly from artisan families. However, participation of women remained below 30%, primarily due to domestic responsibilities and lack of training access.

5.3. Role of ODOP Scheme and Government Support

- **Toolkits and Raw Material Subsidy:** 65% of artisans received free terracotta toolkits under ODOP between 2019–2022.
- **Skill Development Workshops:** Over 300 artisans were trained under Skill India and ODOP programs (*Govt. of UP Report, 2023*).
- **Branding and Packaging Support:** New logos and GI certification marks were introduced, but only 40% of products on shelves bear the official GI label.

5.4. Key Challenges Identified

Challenge	Reported by
Lack of awareness of GI legal rights	80% artisans
Inconsistent raw material supply	60% artisans
Digital illiteracy and low e-commerce use	75% artisans
Competition from machine-made products	55% artisans

5.5. SWOT Analysis of GI Impact on Gorakhpur Terracotta

Strengths	Weaknesses
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- Unique design and red clay quality
- Cultural and spiritual value of products
- Low digital and legal awareness
- Poor quality control in bulk production
- Use of conventional methods

Opportunities

Threats

- ODOP, online markets, exports
- Collaboration with designers/brands
- Market imitation by machine-made replicas
- Raw material depletion (river clay) and rising costs

6. Conclusion and Policy Recommendations

6.1. Conclusion

The study demonstrates that Gorakhpur Terracotta's market access and commercial viability have been enhanced by the Geographical Indication (GI) tag in conjunction with government-led programs like One District One Product (ODOP). Particularly in domestic craft shows and state-supported retail platforms, artisans have seen quantifiable increases in revenue, product visibility, and market reach.

But even with these advancements, the GI mechanism's full potential is still not being fully harnessed. Long-term sustainability and equitable growth are nonetheless hampered by enduring issues like middlemen's meddling, depleting raw materials, inadequate e-commerce capability, and a lack of legal awareness (such as IPR). Furthermore, the market distinction that GI registration is intended to give is weakened because the craft is still mainly unstandardized and only a small percentage of its production wears the GI designation.

In essence, the GI tag has acted as a catalyst—but not a standalone solution—for empowering artisans. Gorakhpur Terracotta's success is indicative of a larger reality: in order to achieve equitable growth, **intellectual property protection** must be combined with **capacity-building, digital literacy, branding, and a robust policy framework**.

6.2. Policy Recommendations

Based on the findings, the following policy measures are proposed to strengthen the impact of GI tagging and ODOP initiatives on handicrafts like Gorakhpur Terracotta:

1. Strengthen Artisan Awareness and Legal Training

- Organizing **regular GI awareness workshops** in regional (local) languages to educate artisans on their rights, certification processes, and branding in detail.
- Establish **legal aid desks** within ODOP offices to assist with Intellectual Properties' disputes and registration renewals.

2. Enhance Digital and E-Commerce Capacity

- Launch targeted **digital literacy programs** to train artisans and their families in listing products on platforms like **GeM, Amazon Karigar, and ODOP Mart**.
- Provide **subsidized access to smartphones, photography kits, and packaging tools** to help artisans reach digital marketplaces.

3. Quality Certification and Standardization

- Establish a Terracotta Quality Assurance Cell in Gorakhpur to check goods for export preparedness, packaging standards, and GI compliance.
- Create product codes and grading schemes to reassure customers and guard against fakes.

4. Infrastructure and Raw Material Support

- Ensure **sustainable clay extraction and supply chains**, possibly through cooperative ownership of clay mines.
- Create **Common Facility Centres (CFCs)** equipped with shared kilns, storage, and logistics support.

5. Market Linkage and Branding Enhancement

- Collaborate with **design institutes (like NIFT, NID)** to innovate terracotta designs while maintaining traditional value.
- Promote **GI-tagged Terracotta** through national campaigns, airport shops, and tourism circuits (e.g., GI centres, craft villages).

6. Monitoring and Evaluation

- Introduce a **Monitoring Framework** under ODOP and MSME departments to track artisan progress, market growth, and GI tag compliance.
- Publish **annual impact reports** on each GI-tagged product to inform policy and research.

If these policies are implemented effectively, these measures will not only **solidify the market identity** of Gorakhpur Terracotta but will also serve as a replicable model for **other GI-tagged handicrafts** across India.

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Appendix

A1. Sample Interview Questions for Gorakhpur Terracotta Artisans

1. How long have you been involved in terracotta craft production?
2. Are you aware of the Geographical Indication (GI) tag for Gorakhpur Terracotta? If yes, how did you learn about it?
3. Has the GI tag affected your sales or market access? Please explain.
4. Do you participate in exhibitions, fairs, or online selling platforms?
5. What kind of support have you received from government schemes like ODOP?
6. What are the main challenges you face in marketing and production?
7. Are you able to protect your products against imitation or machine-made copies?
8. How has your household income changed since the GI registration in 2018?
9. Do you use digital platforms to promote or sell your products?
10. What suggestions do you have for improving the benefits of the GI tag for artisans?

A.2. Summary Table: Changes in Key Indicators Post-GI Tag (2018–2024)

Indicator	2018 (Pre-GI)	2024 (Post-GI)	% Change
Number of registered artisans	150	230	+53.3%
Average monthly artisan income (₹)	6,000	10,000	+66%
Participation in exhibitions/events		48	+60.0%
Artisans selling on e-commerce sites	10	57	+470.0%
Products bearing official GI label	20%	40%	+100.0%

