The craft sector in 2002 recovered slightly from the drop in turnover in 2001. Following a period of concern in 2001, craftspeople have received a sense of cautious optimism for the future. Overall, 70% of craft businesses increased their turnover in 2002. A minority experienced "excellent" sales over the year. Nonetheless, the performance of the industry in recent times serves to underline its exposure to the global economy. Craftspeople profess themselves to be very dependent on tourist trade, or on the luxury goods market at home, both areas very vulnerable to downturn.

Many of the challenges identified by craftspeople in 2002 are recurring issues. Aside from the environmental challenges, the difficulties arising in the 2002 research include:

- Difficulties accessing the craft customer where businesses are rurally based
- The conflict of supplier/retailer interests
- The perceived lack of human resources coupled with a reluctance to "let go" of the quality issue by employing others, and the resulting limits on production capacity
- The lack of time for marketing and product development
- Increasing competition from imports, while at the same time a low level of Irish exported craft
- Within exports, a significant dependency on US and UK markets – both vulnerable to currency fluctuations
- Reliance on reactive marketing through word of mouth
- Lack of economies of scale in small businesses, putting pressure on margins

Despite the growth of sales in 2002, and despite the fact that some business principals were keen to maintain their sales at a consistent level, craftspeople still focused, when interviewed, on negative factors which they felt were impeding growth. Most compared 2002 with their recollections of the 'good times' of the 1990's, a decade which saw annual double digit growth of the industry and its turnover. At the same time, there is an acknowledgement that growth at earlier rates is not sustainable. In general, the research confirms that the Irish craft sector is a highly cyclical sector, whose growth is intimately linked to the performance of the economy as a whole.

For those who maintained a stable business throughout 2002, it seemed to be existing customers, whether domestic retailers or international buyers through Shileacase, who assisted them in keeping a relatively steady stream of orders. Developing new customers and markets was not a priority for 2002, and many craftspeople appear to have postponed such activity until 2003.
In 2002, the craft sector had a higher representation of women than men. As the table below shows, this characteristic has been common to the sector for the past three years. As in previous years, the most highly populated disciplines for Irish craft are textiles, ceramics, woodworking and jewellery.

The table below shows the proportions of craftspeople on the Register from the two parts of Ireland, North and South.

Approximately one third of businesses have been established for longer than ten years. 20% of businesses have been established in the past 3 years, suggesting that the sector is 'refreshing' itself on an ongoing basis.

In 2001, for the first time in a decade, the sector experienced a fall in turnover. This year’s research shows that there has been a slight recovery from 2001, and that the sector grew modestly in 2002. In general, the picture told by the statistics is also born out by craftspeople’s perceptions of the sector. Craftspeople still believe that the craft industry is growing, but at a very slow rate.

The figure below shows that the approximate total income to Irish craft in 2002 was €75 million, with approximately 89% of the sector’s turnover being made by companies based in the Republic of Ireland.

In 2002, sales overall increased from approximately €176 million (note that the figure for 2001 has been recast from the earlier research, based on the new information gathered through the CCoI Register update in early 2003) to €184 million.

There is a stark contrast between the 68% of all craft businesses which have a gross turnover of €30,000 or less, and the 4% of craft businesses which have a gross turnover in excess of €250,000.