One of the longest-surviving online businesses in the world recently celebrated its 16th anniversary. This business pro- vides a unique online experience, and, at the same time, is attempting to change the world. No, the company is not Google, Facebook, eBay, or Amazon. It’s Novica, an online retailer of beautiful handmade items from Brazil, Ghana, India, Indonesia, Mexico, Peru, and Thailand. Novica’s founders were Armenia Nercessian de Oliveira, a Brazilian and longtime United Nations human rights worker; Roberto Milk, her 23-year-old son-in-law; and Roberto’s brother, Andy. Roberto and Andy are sons of a Peace Corps volunteer.

Their business plan, launched in 1997, was based on direct sales between artisans in developing countries and customers in the United States. Together, the founders had lived in or traveled to dozens of countries, spoke a number of languages, and had strong management and financial expe- rience. But despite their obvious qualifications, “everyone said it couldn’t be done: simultaneously establish offices in countries all over the world, pay artists more than they have ever made before, and ship purchases directly to customers worldwide from countries all over the world with no U.S. warehousing,” says de Oliveira. “But we did it! Novica.com [is now] the leading online world style marketplace.”

Although some companies choose globalization to reduce costs or to respond to competitive pressure, Novica is more concerned about building global communities that share products and ideas. The main goal of Novica is not “merely selling products,” de Oliveira emphasizes. “We are actively working to disseminate cultures and restore the importance and appreciation of traditional cultures and skills.” Moreover, it is important for the company that both cultures benefit and are not harmed by the exchange. “Novica has broken down the traditional international barriers to direct trade between individuals,” says Catherine Ryan, Novica’s Vice President for Communications. “Our goal is to help usher in a second, positive era of globaliza- tion that moves away from both the consolidation of the marketplace and the homogenization of culture.”

Novica’s business model shows a close fit with the cultural characteristics of both the United States and developing nations. Americans tend to want to buy luxury goods for themselves and their homes. They often prefer objects that are unique and handcrafted to ones that are mass produced. In parallel fashion, individuals from developing nations and traditional cultures often like to work with family and friends, typically from home or in a small organization. All of these preferences are supported by Novica.

Although Novica was already succeeding, the firm gained new financial strength and marketing support when National Geographic bought a minority stake in the com- pany in 2001. Today more than 11,500 artists are featured and thousands of others are employed. “Novica is all about promoting artisans as individuals and increasing apprecia- tion of all cultures—on a tremendous scale,” notes Ryan. Her employer provides an online marketplace to connect artists in developing countries with buyers in the United States. Novica is unique among sellers of international art in sustaining global culture by opening direct lines of communication and trade among a diverse group of individu- als. The company’s website gives clues to the diverse charac- teristics, motivations, and values of the artisans and buyers.

Artist biographies and detailed product information encourage cultural awareness. Pravakar Das, from Puri in India, explains his traditional Hindu temple paintings. “*Patachitra* painting originated thousands of years ago to adorn the temple of Lord Jagarnath, another name for Krishna.... [They are used in] the *Jagarnath Mandir* festi- val, where thousands of devotees offer their prayers.”

Neide Ambrosio crochets soda can tops she finds discarded on Brazil’s beaches into purses and belts. “Novica encouraged my creativity,” she says. “I realized myself as a person. My quality of life improved...I now offer employ- ment to ten young girls from *favelas*.... It’s also a good way for me to keep Brazil clean and unpolluted.” Ambrosio adds, “I feel so glad every time I read what my clients tell me. It is so motivating!”

A letter from customer Jeane Vogel tells about her bond with the artist who created the jewelry she purchased from Novica. “Rajan made me feel as if I were his cher- ished friend.... He included a hand-written note—in two langages. I felt quite beloved.... He connects in a very personal way with the recipient of his art.”

Many Novica artisans can now afford to own their own homes, buy computers, or send children to college, unheard-of luxuries for much of the population in developing regions. Even more important than financial gain, according to de Oliveira, are the social benefits. “Beyond business and the economic improvement of artisans, we are also and mainly talking about dignity, about pride, about the international recognition of extraordinary work.... We’re succeeding in transmitting human energy along with each item that is sold through us.”

1. 16-17.  Visit novica.com and unilever.com. Compare and contrast the two sites in terms of their marketing effectiveness.
2. 16-18.  What does this case illustrate about the trade- offs between economic and social benefits in international business?