Marketing in Online Businesses:  
The Case of Migrant Entrepreneurial Businesses in the UK

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Abstract

The study presents an empirical investigation of the marketing activities undertaken by online businesses owned by migrant entrepreneurs and is framed by the theoretical lens of entrepreneurial marketing. Key informant interviews are undertaken with 22 entrepreneurs operating online businesses in the UK and augmented by other sources of data. The study finds that the resources available to the entrepreneurs are shaped by their migrant heritage and that they draw on these resources to market their online businesses. The study also finds that, consistent with notions from entrepreneurial marketing, the online nature of their businesses allow the entrepreneurs to meet their own needs and preferences, which are also shaped by their migrant heritage. The study is important since it provides empirical evidence and a theoretically grounded understanding of how online businesses offer migrant entrepreneurs the opportunity to break out of the low growth, low margin, vacancy chain openings and enter high growth, high margin, post-industrial sectors.

Keywords: Online businesses, Online entrepreneurs, Migrant entrepreneurial businesses.

Introduction

Much focus in entrepreneurial studies is on the initial formation of businesses, for example opportunity identification, business plan development and securing financing. Less attention has been paid to how those nascent businesses undertake marketing over the first few years of their existence. Effective marketing over this period is vital if start-up businesses are to become sustainable and grow (Moreno and
Casillas, 2008). The emergent domain of entrepreneurial marketing addresses both how small entrepreneurial businesses undertake marketing and how larger or more established firms can incorporate innovative practices in their marketing (Collinson and Shaw, 2001; Bjerke and Hultman, 2002; Grünhagen and Mishra, 2008; Fiore et al, 2013). Studies show that entrepreneurial marketing is dynamic, flexible, immersive, low cost and growth-orientated (Schindehutte et al, 2008; Morrish et al, 2010). In this paper we adopt entrepreneurial marketing as a theoretical lenses with which to explore marketing in migrant-owned online businesses. Entrepreneurial marketing is highly relevant and congruent with marketing in online businesses. For example, online marketing can be contingent, flexible, dynamic and allows entrepreneur to remain close to their customer, particularly through use of social media (Schaupp and Bélanger, 2014; Nobre and Silva, 2014).

Prior research has found that migrants in many developed countries are associated with high levels of entrepreneurship (Levie, 2007). This effect is particularly marked in liberal economies, such as the UK and which has resulted in significant growth in the number of businesses started by migrants or by latter generations of migrant families (Ram and Jones, 2008). Whilst there are significant numbers of migrant owned businesses, many are confined to ‘poorly rewarded and fiercely competitive sectors’ (Ram and Jones, 2008, p.64). In a largely conceptual study, Kloosterman (2010) identified the opportunity for migrant entrepreneurs to enter more attractive, high growth, high margin, post-industrial sectors. The formation and operation of online businesses appears to offer migrant entrepreneurs an opportunity to break out of the sectors that they are traditionally associated with and enter high growth sectors. Whilst the formation of an online business may be relatively simple and low cost, insights from entrepreneurial marketing suggest that the migrant entrepreneur must be able to access appropriate resources if they are to be able to effectively market and hence grow or sustain their business. Without the ability to access and harness appropriate resources for marketing, Kloosterman’s (2010) identification of enhanced opportunities for migrant entrepreneurs will remain conceptual, rather than a practical reality.
Research Question and Contribution

In this study we address the research question: how migrant entrepreneurs who are operating online businesses draw on the resources available to them to market their businesses. We address this question by undertaking qualitative key informant interviews with 22 migrant entrepreneurs who are operating online businesses. The study is guided by, and the findings interpreted through the theoretical lens of entrepreneurial marketing.

The study makes an empirical and theoretical contribution to the domains of online business and migrant entrepreneurship. Our findings provide empirical evidence that the affordances of online businesses provide particular opportunities for migrant entrepreneurs to break out of low margin, vacancy chain openings. Our work extends previous work in the migrant entrepreneurship domain that identifies conceptually the opportunity for break out (Kloosterman, 2010), by providing empirical evidence of businesses operating in high growth sectors. By drawing from entrepreneurial marketing theory, the study also provides a theoretical understanding of how entry into post-industrial sectors can be sustained through entrepreneurial marketing activities.

Entrepreneurial marketing

This study brings together literature from the domain of entrepreneurial marketing with literature addressing the resources and opportunity structure available to migrant entrepreneurs. We draw on both these bodies of literature to guide and interpret our exploration of marketing in migrant-owned online business.

Entrepreneurial marketing (EM) is most frequently used to describe the marketing undertaken by small entrepreneurial ventures, often at start-up or early growth phase (Carson et al, 2001; Collinson and Shaw, 2001; Morris et al, 2002). Entrepreneurial approaches to marketing are not the sole preserve of small, neophyte firms, and the term can be applied to larger or established firms that adopt innovative approaches to their marketing (Morrish and Paul, 1987; Foxall and Minkes, 1996; Jones and Rowley, 2011). However, as firms grow and mature they often evolve highly
structured and routinized approaches to marketing, sometimes referred to as administrative marketing (AM) (Morrish et al, 2010).

Although difficult to characterise precisely, entrepreneurial marketing has been described as informal, dynamic, responsive to customer needs and often simple in its design and execution (Collinson and Shaw, 2001; Bjerke and Hultman, 2002; Fiore et al, 2013). Marketing is often undertaken by the owner of the business, who is likely to be a generalist, rather than a marketing expert and will typically be undertaken part-time alongside other activities (Hills et al, 2008), suggesting a more seamless and integrated approach than is often evident in than administrative marketing. In this paper we follow the premise that marketing is a broader discipline than advertising and promotion, and includes activities such as product development, decisions on pricing and the choice of appropriate distribution channels (Kotler and Keller, 2006). In the latter case, our particular focus is those businesses that have adopted online as their key means of distribution. Since the owner will typically address all of the varied and broad range of marketing activities, these are likely to be iteratively addressed and hence highly integrated and synergistic. Whilst access to resources is important for all types of marketing, entrepreneurial marketing in particular is seen as ‘based on the resources available at the moment’ (Hills and Hultman, 2013 p.438). Hence, since the acquisition of certain resources may be difficult, entrepreneurs will shape their marketing strategies according to the resources they have at hand or can readily acquire. Similarly, rather than base their business and marketing strategy solely on customer needs, as suggested in administrative marketing, entrepreneurial marketing seeks to meet the desires, needs and motives of both the entrepreneur as well as the customer (Miles and Arnold, 1991). Morrish et al (2010 p. 309) therefore suggest that ‘the starting place for an entrepreneurial firm and therefore entrepreneurial marketing activity is and must be the entrepreneur’.

Entrepreneurial marketing is particularly in evidence in neophyte online ventures, and hence highly apposite for our study. Consistent with the often modest start-up costs of such businesses, marketing undertaken online is relatively low cost and can have rapid and high impact outcomes (Amit and Zott, 2001; Anwar and Daniel, 2014). It allows entrepreneurs operating online businesses to experiment with different aspects of the marketing mix, including pricing and promotion. It also allows the entrepreneur to
remain close to their customer, particularly if they stimulate, and act upon, customer feedback and dialogue, generated through social media and other online platforms and services (Schaupp and Bélanger, 2014; Nobre and Silva, 2014).

**Migrant Entrepreneurship**

Resource Based Theory posits that firms are shaped by the bundle of resources that they have available to them or can acquire (Barney, 1991; Grant, 1996). Studies of large firms have identified human and financial resources as particularly important, whilst studies of smaller firms have identified the additional salience of social resources, which include the networks of family, friends and professional contacts (Gilmore and Carson, 1999; Stokes, 2000). Studies of ethnic and migrant entrepreneurship have further added the importance of ethnic resources (Rath, 2002; Jones and Ram, 2007). Ethnic resources include: language, cultural understanding access to ethnic networks and credibility due to authenticity. These resources can give rise to knowledge and experience of products and services from specific geographies, races, cultures and religions, together with the knowledge and access to suppliers and consumers of these products and services (Kloosterman et al, 1999; Jones et al, 2012).

Hence taken together, extant literature suggests that migrant entrepreneurs will see to accumulate human, financial, social and ethnic resources. This set of resources will be used to structure the empirical phase of this study and to structure the findings and analysis.

Extant research on migrant entrepreneurship has associated such entrepreneurs with low skilled and low growth market sectors with limited economies of scale, such as small scale retailing, restaurants, fast food provision and personal services (Ram and Smallbone, 2001; Dana and Morris, 2007; Edwards and Ram, 2006; Azmat, 2010).

More latterly, Kloosterman (2010) has theorised the opportunity for migrant entrepreneurs to enter high growth, high threshold, post-industrial sectors. The formation and operation of online businesses appears highly apposite to Kloosterman’s conception of post-industrial opportunities, that is they offer growth opportunities via access to national and international markets, and hence transcend markets that are spatially restricted, or restricted to co-ethinics and co-migrants.

Online businesses, particularly online home based businesses, have also been
identified as unique sources of innovation and hence diversity in the business ecosystem (Gelderen et al, 2008).

**Method**

Kloosterman (2010) asserts that ‘*qualitative research [is required] to grasp the social embeddedness, strategies and careers of immigrant entrepreneurs*’ (p.41). We therefore adopted a qualitative and exploratory research method based on key informant interviews. Such interviews represent a well-accepted exploratory research method (Kumar et al., 1993) that enables researchers to access the multi-faceted lived-experiences of a wide range of respondents (Dibbern et al., 2008).

**Key Informant Enrolment**

The population of interest was key informants who were from a migrant background and who had formed and operated online business. We included both recent migrants to the UK and those that had been born in the UK from a migrant heritage (see Table 1). The online businesses spanned a range of sectors and included: online retailing, web design, digital marketing services, IT consultancy and business services. All of the businesses were operated from the home of the entrepreneur, a location which is well-suited to the operation of online businesses and ensured all the businesses were small and entrepreneurial in nature (Sulaiman et al, 2009; Anwar and Daniel, 2014).

We used three approaches to identify and recruit possible key informants. First, we adopted a purposive sampling strategy (Easterby-Smith et al, 2008) in which the researchers identified four entrepreneurs matching the study’s requirements, and known to them personally. All agreed to take part in the study. Second, we adopted a snowballing approach (Bryman, 2004) by asking the first informants to identify others who had started businesses matching the requirements of our study. Ten additional participants were identified through this approach. Third, we used the web, particularly social networking services such as LinkedIn, in order to identify individuals who appeared to fit our population of interest. We then approached these individuals via email and asked if they would be willing to participate in the study. Eight additional informants were identified and recruited from this approach. Our total sample consisted of 22 key informants.
Table 1 presents key descriptive data for the 22 interviews conducted. The data has been presented in aggregate form in order to protect the identity of the informants. All the businesses were active and viable when the interviews took place; however, we did not set limits on how long they had been in operation. Of the key informants, 19 were male and 3 were female. Whilst we did not seek to generate a stratified sample reflecting the incidence of male or female ownership of home based businesses, our preponderance of male informants challenges the popular notion that home based businesses are more often run by females, leading to them being termed as ‘kitchen-table’ or ‘pink collar’ businesses (Walker and Webster, 2004). Consistent with the reflexive approach we adopted in our data collection and interpretation, we recognise that the heritage of our lead interviewer may have led to unintended bias into our interviewee enrolment.

Data Collection

Data collection was guided by a semi-structured interview schedule, shown in the Appendix (Punch, 2005). The schedule design followed a narrative interviewing approach (Larty and Hamilton, 2011; Bryman, 2004). Open prompts such as “tell me the story of your business - why you started it and how you started it” were employed to encourage respondents to describe their experiences and perspectives, rather than being led by the interviewer.

Most of the interviews were conducted face-to-face (18) with the remaining four being undertaken by telephone. The majority of face-to-face interviews (13) took place in the business’ location of the entrepreneur’s home. In two cases, the entrepreneur asked to meet in a public location such as a café and three interviewees attended the University where the study was based. Conducting interviews in the business’ location allowed us to observe and collect field notes on aspects relevant to marketing, such as the use of promotional signage. The interview and field note data were supplemented with other data sources (Denzin and Lincoln, 1998), such as examination of the businesses’ websites and press coverage.
Data Analysis

All of the interviews were recorded. In four cases, interviews conducted by two interviewers, allowing field note comparison to aid understanding and internal validity of the study. In all other cases, interviews were undertaken by the same single interviewer. We followed an iterative and reflexive approach to data collection (Strauss and Corbin, 1990), jointly reflecting on each interview before subsequent interviews were undertaken. Interview transcripts and field notes were coded using Nvivo software (Miles and Huberman, 1984; Dey, 1993). Due to the central role of resources in the execution of entrepreneurial marketing, coding was guided by the four resource types identified in extant migrant entrepreneurship literature: human, financial, social and ethnic. We also identified instances where the marketing approach was shaped by desires, needs and motives of the interviewee. Coding was first undertaken intra-interview and subsequently aggregated across interviews and given an appropriate label or code. Internal validity was increased by the two researchers undertaking coding of the first three interview transcripts independently. Whilst consistency was high, differences were discussed and resolved. Subsequent coding was undertaken by the lead researcher with the coding being reviewed by the second researcher.

Research Ethics

The research design was approved by the Research Ethics Committee of the researchers’ University prior to commencement of the empirical work. All stages of the research were undertaken in accordance with this approval and with the research ethics guidelines of the University. These included consideration of informant recruitment, particularly lack of coercion and informed consent, the safety of the researchers and secure data storage of research data. All informants were assured anonymity, were provided with a written description of the aims of the study and how the findings of the study would be disseminated and research data would be stored. They were assured that they could withdraw from the study at any time.

Findings

Due to the central role of accessible resources in entrepreneurial marketing, we analyse the findings of the study according to the four key resources identified in extant studies of migrant entrepreneurship: human, financial, social and ethnic.
Human Resources

Human resources refer to the skills, interests and experience that entrepreneurs bring to their businesses. Only one of the 22 interviewees had formal marketing qualifications (informant 12). However, for all of the interviewees the key elements of the marketing mix, particularly the product and services they offered were heavily influenced by their personal skills, qualifications and interests. Whilst all of the businesses were operated online, analysis of the sample suggested two distinct levels of knowledge of IT which led to two distinct types of business: those based on IT skills of the individual entrepreneur, and those that draw on other skills or interests and where the entrepreneur often has very few IT skills.

Considering the first of these, businesses based on IT skills include web design, web hosting, IT consulting, search engine optimisation, digital marketing, IT security and IT networking. In most cases the choice of business arose from the skills of the entrepreneur, skills that were often either gained or reinforced by formal education. The majority of those running such businesses had either a bachelors or masters degree in a relevant subject. This reflects that many of the interviewees were from countries that placed a high regard on formal qualifications and had well developed education systems (Thatchenkery et al. 2004; Biswas 2004; Narasimha 2008). The pride in formal qualifications and their being seen as a basis for entrepreneurial business formation is illustrated by the comments of informant 2:

“I am from Bangladesh, but I am trying to be an entrepreneur in this country, and I want to establish my own business where I’ve got the expertise. My expertise is in computing. I have my honours in computer engineering from the University of Eastern Mediterranean, Eastern Turkey with a full scholarship. Then I had my Masters from the University of Bedfordshire.” (informant 2)

The second group of entrepreneurs (informants 15 – 22) were operating online businesses that did not offer IT products or services, rather they offered products and services that drew on other expertise and interests of the entrepreneurs. Despite operating online, these informants were forthright in stressing that they had little IT knowledge. They managed this lack of knowledge in two different ways. Some were
developing their own IT skills. Others felt that it was not necessary for them to know about IT, and like other activities related to their business, this could be outsourced, as described by informant 15, who was selling her own clothing designs online:

“‘I’ve just been trying to decide which things I need to learn about.. and which things are going to be a waste of time. For me, sewing, for example, is a waste of time. .... The same with the IT side. It just never occurred to me to do anything myself, to be honest. I thought, what's the point, there are lots of people out there who can do it for me.’” (informant 15)

The majority of the interviewees, all of whom did not have formal marketing expertise, they described how they undertook the key marketing activity of promotion by learning by doing, experimentation and by observing the marketing activities of other businesses, copying or adapting these as appropriate. For example, informant 16 who runs an online education and tuition business, described how he had experimented with advertisements for their business in the newspaper, but stopped them after getting little response. In contrast, he reported that their learning and experimentation with search engine optimisation (SEO) had been more successful:

“We do search engine optimisation for our business... what I have observed after working a bit on my website.....we have seen that our website was on the top two, top three searches in the Middle East and Africa, so we are having more clients now from Qatar, Oman, and Nigeria.” (informant 16)

In some cases the interviewees described how they had relied on others to undertake marketing related tasks for them during the start-up phase of their businesses, but they either did not want to be reliant on others for these key tasks or they were not satisfied with the quality of the work provided by others. For example, informant 17 who promoted her personal beauty treatment business online, described how she had been reliant on her sons who had developed her first website, but she was now gaining her own IT skills by attending a local college. Similarly, informant 16 described how he and his partners taught themselves how to undertake search engine optimisation (SEO) as they were not happy with the firm that had been doing this for them:
We do search engine optimisation for our business. Initially there were some people who were doing the SEO, but I did not like their work. So I learnt it and started doing by myself.” (informant 16)

In addition to maintaining their own web sites and learning how to undertake marketing activities such as SEO, interviewees described how they used online fora, not only to generate more clients, but also to develop their own learning and expertise. For example, informant 20, who operated an online accountancy and tax service, described how the use of fora provided a valuable means of keeping up with developments in his specialism:

“... I answer people's questions in online business forums, this helps a lot in generating clientele and it also keeps me up to date with the things that I am doing. Also I get a chance to read the comments/responses of people who are in practice a lot longer than me, so it's an opportunity for me to learn new tricks of the trade.” (informant 20)

Consistent with the contingency and flexibility associated with entrepreneurial marketing, although their businesses were based online, the interviewees described how they used physical marketing materials, the telephone and were happy to attend face to face promotional and networking events. For example, some of the interviewees described how they had produced business cards, leaflets and brochures for their business and delivered these to local businesses or handed them out at face to face networking events. The interviewees described how they were continually promoting their businesses and were always looking for new ways to do this. In an approach that takes the notion of harnessing human resources beyond its usual meaning of the skills and expertise of individuals, informant 20, described how he used his own body as an advertisement for his business, by wearing a braded T-shirt, even when he was outside work:
“As I said, it is not a 9 to 5 thing, therefore, you are continuously promoting your business all the time, as I take this jumper off I am wearing a branded t-shirt of my business. So while I am playing badminton or cricket, one can see me and my business. Some people make fun of it but I do not care as long as people see me and notice my business.” (informant 20)

Whilst all of the marketing activities undertaken were intended to make the interviewees’ businesses stand out from their competition, the high degree of copying and adaptation meant that they were all carrying out very similar approaches (see Discussion section and Table 2 for summary of promotional approaches). The only unique approach identified was to write a book. Informant 10 described how writing a book was intended to mark himself out as an expert in his field:

“It was the only thing that I could do to separate myself from the competition ..... Writing a book is a good way to give yourself the stamp of an expert. So if you’ve written a book about something, then, you know, the idea is that you’re an expert or you’re a credible source of information about a particular topic.” (informant 10)

Financial Resources
In accordance with the findings of prior studies of migrant businesses, all of the interviewees had financed the start-up and ongoing operations of their business from their own funds or from funding provided by friends or family (Aldrich and Waldinger, 1990; Kloosterman and Rath, 2001). The majority stressed that they had based their business online and operated it from their home because of the low costs involved. All of the interviewees stressed the desire to keep control of their businesses and eschewed the risks and reduced control associated with borrowing money from banks and other sources of external funding. Hence, consistent with the notion from entrepreneurial marketing, the location and distribution of their businesses were shaped by their own personal needs and preferences. The attractions of an online home based business were described by informant 10:

“If you want to start up an online business in a very cost effective way then you don’t want the overheads of office and staff and telephones and travel and all those kind of things, because typically you won’t be making money from day one.” (informant 10)
Pricing was seen as an important part of the marketing mix by the interviewees. Some felt that as new, small business they were not in a position to determine their own prices, but had to follow the prices of other providers in the market:

“We are not in a position to set a price but to take the price from the market and that’s how we have done it. ... we are a price checker at the moment, until our services and our portfolios are more glorified.” (informant 21)

Reflecting the online nature of their businesses, one interviewee described how he set his prices to cover the costs of moving into a dedicated office in the future. Hence the pricing decision reflected not only current needs but included provision for future desires for business growth.

Eight of the interviewees were either living in the UK on entrepreneurship visas or were applying for such visas. Under such visas an entrepreneur, or two entrepreneurs acting as partners, are required to invest at least £50k in their business in the UK over the three year period of the visa. During that time they must create two full time jobs, or a number of part-time jobs that are equivalent to two full time positions (UK Border Agency, 2014). The entrepreneurs on such visas had therefore been required to fund their business from their own or private sources, and like the other interviewees, were attracted to form an online business based at home, due to the low start-up and operating costs and hence the low risks.

Reliance on their own funds and a desire to avoid risk resulted in the interviewees seeking opportunities to promote their business that were either free or very low cost. The limited size of their funds also meant that they needed to find promotional approaches that had rapid impact, which was particularly important for those on entrepreneurship visas who were required to create a sustainable business within a limited and finite time. These requirements resulted in the informants making extensive use of social media and other online platforms to promote their businesses:
“... what I can do with social media, it’s all free, it doesn’t cost me anything. Whereas if I had to do the same thing, get the same kind of reach using traditional marketing, it would be quite expensive.” (informant 10)

“I get advertisements in free advertisement websites. There are many free advertisement websites on the internet such as Gumtree.” (informant 2)

“There are a quite a few online business networking fora such as 4Networking and UK Business Forum.” (informant 20)

“I use professional social media, it is called BizCloud. So, this BizCloud connects all the business professionals in the UK.” (informant 7)

In addition to considering the financial cost of various marketing approaches, the interviewees were aware of the investment of time required by different approaches, even if they were free. For example, a number of interviewees described how they did not use blogs to promote their business as they felt that they could get a greater return if they spent the time taken to write a blog on their social media accounts.

Social Resources

Social resources refer to the support, both tangible and intangible, provided by the network of people with whom an entrepreneur interacts. These may include family, friends or professional contacts such as customers, suppliers, lawyers, accountants and other business advisors. Entrepreneurial marketing and migrant entrepreneurship have both highlight the salience of social and professional networks (Gilmore and Carson, 1999; Kloosterman and Rath, 2001). The interviewees described how friends and family were a significant source of help for the business and also promoted the business to customers. For example, as mentioned previously informant 17 relied on her sons to create and update her business’ website and informant 11 described how his wife answered the phone and took orders. Whilst informant 21 described how friends had introduced customers to their businesses:

“Some of our friends and a couple of our contacts introduced a couple of clients and we started talking to them.” (informant 21)
Recommendations between customers were also very important to the businesses. For example informant 19 observed “most of my customers come from word of mouth”. The importance of advocates and personal recommendations is consistent with the need to adopt low cost, highly effective approaches to marketing discussed in the previous section and another recognised entrepreneurial marketing approach (Morrish et al, 2010).

Previous studies of migrant entrepreneurship have recognised that personal networks are often restricted to specific geographic locations, often consistent with the spatial concentration of co-ethnics or co-migrants (Lassalle, 2014). In contrast, whilst recommendations were very important to the online entrepreneurs, their personal networks existed online and hence were not limited to specific spatial geographies. For example, informant 6 described how he made use of Facebook and LinkedIn to maintain a professional network that was not restricted to a specific geographical area:

“I also use a LinkedIn account and Facebook page to keep in touch with my network. Some of the clients are from my references, so the people who know me and have known me for a long time, they just call me if they have any trouble working with the computer or network or something like that.” informant 6

**Ethnic Resources**

Ethnic resources refer to the knowledge, skills and experiences of entrepreneurs that arise from their country of origin or their family’s heritage (Kloosterman, 2010). Ethnic resources may influence a number of the key elements of marketing: it may influence the type of products and services offered, for example, offering products that originate from or reflect certain regions or cultures such as foodstuffs, clothes, music or films (Ram and Smallbone, 2001; Dana and Morris, 2007). Similarly ethnic resources provide affordances to where the products are sold, for example, to geographic areas where there is a high spatial concentration of people from the same region or culture. Or, ethnic resources may influence how a product is promoted, using language or messages that are specific to particular group. Two or more of these affordances of ethnic resources may be brought together, for example, in businesses
that provide services in areas with high migrant concentrations in languages other than English (Lassalle, 2014).

Ethnic resources influenced the businesses of all the informants and provided a valuable resource, but to varying degrees and had been used in varying ways. The products and services offered by informants whose businesses were not IT based (informants 15 – 22) tended to be more influenced by ethnic capital than those whose businesses were IT based. For example, informant 15 designed and sold ladies clothes. Whilst she did not want to categorised the clothes she sold as Islamic, she recognised that they were influenced by her cultural background:

*I'm Asian, I'm Bengali and you make a choice between wearing completely English clothes or Western clothes, or completely wearing Asian clothes. ....What I wanted really was to try and produce something that expressed both of those identities. ....* (informant 15)

Informants described how they spoke to customers using their shared native language. As exemplified by informant 21, this not only eased communication, but established a shared background and interests between himself and his customers which he felt was beneficial to his business:

*“We do attract some ethnic customers because of our ethnic background. It is a plus point. It’s not the limitation but people who are from the same background or at least speak the regional languages that we have spoken back in our countries. This gives that extra what do you call that – safety if you want to understand it that way. That extra factor that he’s from our side....”* (informant 21)

Others recognised that whilst the products that they offered were influenced by their ethnic background, that due to the online nature of their business, their market was not limited to co-ethnic customers or customers from a limited spatial geography. For example, informant 18 described how she attracted non-Asian customers to buy her jewellery:
You'd be surprised, not all my customers are Asians. Some of them are English, as well. Quite a few are English ladies... they get the more intricate things like earrings and so on. So, you get a variety of customers. (informant 18)

The businesses that offered IT products and services were focussed less on ethnic orientated products and services or seeking to attract ethnic customers. Indeed, they were all very focussed on producing offerings that would be attractive to as wide a customer base as possible. However, a number of them did describe drawing on ethnic resources to a limited extent. As described above, many relied heavily on introductions and recommendations from friends and family. Whilst the online nature of their businesses meant that these social networks were not limited to specific geographies, such networks often include high numbers of individuals of similar ethnic or cultural background. Hence there was a strong overlap between ethnic and social capital.

Other informants described how their background allowed them to understand the culture and business operations in other countries, particularly their country of origin where they often still had family, friends and a network of contacts. They therefore felt confident in hiring and managing staff overseas and also it attracting and servicing customers overseas, providing support for Jones et al’s (2012) observation that internationally connected ethnic entrepreneurs ‘can fruitfully exploit a mindset that is tantamount to living in two places at once, a virtual cross-border bi-location’ (p.3170). The fact that their businesses were based online, meant that they could exploit this ability managing both staff and customers overseas. For example, informant 12 and informant 5 both described that the ability to work from any location allowed them to run an office in Pakistan, although they were based in the UK and informant 3 described his ability to support customers in the USA:

“Well, I am a single owner, but I have other people who are working for me. Initially I managed like a virtual team, three contractors, and there are two in different countries, but now I have an office as well back in Pakistan, and I am here [in the UK]. So I am still managing it like virtually.” (informant 12)
“XXXX is a home business, but that home business has an office with six people in Lahore, Pakistan. We have two account managers, two developers and two designers constantly working in Lahore.” (informant 5)

“I’m working for some companies in the USA as well. I set up servers for them. We had an initial conversation, then they allowed me to access their system and I set it up. Now they are using my service from there.” (informant 3)

Studies of migrant entrepreneurship suggest that ethnic entrepreneurs in traditional offline sectors are often limited to customers located in close spatial proximity (e.g. Lassalle, 2014). If they are located in a non-affluent neighbourhood, this may result in them being restricted to customers with limited financial means. They may also be restricted to a highly homogeneous customer base, resulting in difficulty in diversifying their business, and hence limiting their ability to learn, develop new products or services and reduce their exposure to risk. In contrast, the ability to attract and serve overseas customers afforded by the online nature of their business, exposed the interviewees to a wider set of customers and hence broadened their experiences and promoted learning and opportunity for diversification. For example, informant 12 described how serving international clients allowed him to learn different skills:

“If you have your own business and different clients from different cultures, different backgrounds, different industries, so you get many, many opportunities to learn more. So, I have learnt a lot.” (informant 12)

Discussion
Consistent with notions from entrepreneurial marketing and migrant entrepreneurship, the findings show that the entrepreneurs have drawn on the resources available to them to market and hence sustain and grow their small businesses. Resources arising from their migrant heritage have formed an important part of the entrepreneurial marketing mix and hence have shaped the formation and ongoing development of these businesses. Mindful the reflexive notion of entrepreneur-venture fit (Dvir et al, 2010), our findings also highlight how the affordances of the online businesses have allowed the entrepreneurs to develop their accessible resources, particularly their skills and experience. Furthermore, consistent with the notion that entrepreneurial
marketing must meet the needs of the entrepreneur as well as their customers, the businesses and particularly their online operation have allowed the entrepreneurs to meet their own desires and needs.

Our focus on the use of resources available to entrepreneurs and their use of these to create their new and ongoing ventures is highly consistent with an effectual approach (Sarasvathy, 2001). In contrast to the more frequent view of entrepreneurship that considers ‘the task of the entrepreneur is to discover opportunities and exploit them’ (Read et al, 2009, p. 573), effectuation posits that the role of the entrepreneur is to create opportunities by drawing on the means that they have at their disposal. An effectual approach has been associated with a number of approaches or orientations that were evidenced by the responses of our informants, including setting a low affordable loss, learning from experimentation and learning by doing. This suggests that our informants were adopting a largely effectual approach. Identification of an effectual approach provides an explanation of marketing activities that were notably absent from our findings. For example, none of the informants described undertaking formal market research either before entering their chosen market, or as a means of identifying growth opportunities. This lack of planning is consistent with studies that have sought to differentiate entrepreneurial and administrative marketing, which also find that small firms substitute formal market research with ‘an active process of market immersion’ (Hills and Hultman, 2013 p.445).

A powerful insight from the interview findings is that, whilst all the businesses were operated predominately online, and viewed as online businesses by the informants, the promotion of these businesses combined both online and offline marketing approaches. For example, all of the businesses drew heavily on their social networks of family, friends and business contacts as a source of introductions and recommendations to grow their businesses. Whilst the majority of these social ties were forged and reinforced by means of time spent together in the offline world, they led to introductions being made to new customers via online networks and those online connections being used to forge and foster further contacts, both in the online and offline world. Hence, whilst choosing to operate online businesses for the advantages that these offered, the informants have had to become skilled in moving
between both the online and offline world and learning how to effectively, and often seamlessly, blend these two domains.

Table 2 tabulates the promotional approaches adopted by the informants as part of their marketing activities. The table shows that the informants adopted a wide range of approaches spanning and at times blending both online and offline channels. This use of a range of approaches demonstrates the contingent, flexible and creative nature of the entrepreneurial marketing demonstrated by the informants. The most frequently employed approaches were the development of a website, use of social media and word-of-mouth marketing. These are highly consistent with our focus on the resources available to the entrepreneurs and their intention for the business to meet their needs, since these are relatively low cost, take limited time and draw on extant social and ethnic networks. As noted previously, the highly transparent nature of the online environment supported learning from others, which also results in the entrepreneurs being able to learn from, and even copy others. This results in a high degree of homogeneity in marketing approaches. The only examples of unique approaches were the wearing of branded clothing and the writing of a book. Interestingly both these are based in the offline domain, suggesting that whilst the online domain may ease learning from others, it is more difficult to identify and sustain unique entrepreneurial marketing approaches.

Take in Table 2 about here

**Conclusions**

In this study, we have explored the marketing activities undertaken by online entrepreneurial businesses. Rather than focus on the narrow interpretation that equates marketing with the promotion of the firm, we have considered the broader interpretation of marketing which encompasses; choices over the products and services offered, where and how products are sold, the setting of prices and the promotion of the firm and its services (Kotler and Keller, 2006). We have explored these broader elements of marketing through the theoretical lens of entrepreneurial marketing, which has not previously been applied to the domain of migrant entrepreneurship.
Consistent with notions from entrepreneurial marketing, our findings demonstrate that the marketing approaches adopted by the entrepreneurs were shaped by the resources available to them. Also, our findings demonstrate how the operation of an online business allowed the migrant entrepreneurs to meet their own needs, as well as those of their customers. Online businesses would therefore appear to have an important role in allowing the break out identified in extant migrant entrepreneurship studies (Kloosterman, 2010). Furthermore, whilst the focus on Kloosterman’s (2010) study is on business formation and market entry, our focus on the marketing activities extends the focus from market entry to the longer term sustainability and growth of such ventures. Indeed, without the ability to harness resources to effectively sustain and grow the venture, the ability to enter a market is at best of theoretical value, and at worst, potentially damaging, since migrant entrepreneurs may be attracted into market sectors where they cannot sustain their business, leading to business failure.

Certain resources and needs appear to have contributed significantly to the formation and operation of an online home-based business. These include a high level of formal education, often in a technical subject such as IT. As noted previously, the heritage of many of the informants was from countries where high regard is placed on formal education and qualifications and these are seen as a key means of social mobility and progression (Thatchenkery et al. 2004; Biswas 2004; Narasimha 2008). Whilst, due to the existence of package software and trading platforms such as eBay, strong technical skills are not a pre-requisite for operating an online business, confidence and expertise in IT will increase self-efficacy which is consistently associated with increased entrepreneurial activity (Tumasjan, and Braun, 2012; Arora et al, 2013). All of the informants either needed or preferred to form a business using their own funds or funds raised from private sources and online businesses offer a relatively low cost option for starting a business. The informants who were living in the UK on the basis of an entrepreneurship visa needed to form ventures that could offer rapid growth, which is possible with online venture, since they have a limited time in which the must grow their business to a pre-determined size. Finally, a number of the informants described how they felt confident in both hiring staff and managing customers overseas. Operating an online business allows the entrepreneurs to harness both of these opportunities, since in such businesses it is not apparent where staff are located and customers do not expect to visit the venture’s premises. The findings therefore
suggest that there is a high degree of fit between the resources available to the migrant entrepreneur and their needs and the formation and marketing of their businesses.

**Practice and Policy Implications**

The study provides examples to putative entrepreneurs with a migrant heritage of the opportunity to enter post-industrial market sectors by means of online businesses, and how they can address a range of marketing activities. In particular, Table 2 provides a range of practical approaches that such entrepreneurs can harness to promote their online business.

The study also provides policy relevant findings. Many central government and local initiative seek to increase levels of employment by increasing entrepreneurship. Such initiatives should be inclusive, and hence policy makers and business advisors should also be aware of the opportunities that online businesses offer migrant entrepreneurs to break out of low growth sectors and how those opportunities may be realised. The study raises particular issues with relation to entrepreneurship visas. As reported in our findings, a number of our informants were in the UK on entrepreneurship visas. These have strict requirements about the start-up funding required and also ‘success’ measures, both of which were not developed specifically for online businesses and hence may not be appropriate. For example, previous studies have identified how many online home based entrepreneurs prefer to grow their businesses through sub-contracting rather than hiring staff, termed ‘jobless growth’ (Mason et al, 2011). Our findings show that the migrant entrepreneurs felt confident in managing staff in overseas offices, something that could offer an advantage compared to non-migrant operated businesses. However, such globally distributed employment would not meet visa requirements, denying the migrant entrepreneurs the opportunity to exploit their advantage.

**Limitations and Opportunities for Future Research**

It is important to recognise the limitations of our study. As discussed previously, we recognise that our sample contained a high proportion of male respondents with Asian heritage. It would be beneficial to explore how entrepreneurs from other migrant backgrounds have formed and marketed online businesses, for example, migrants to the UK from the EU, particularly the more recent A8 territories.
Our focus on the resources that were available to our informants results in our study being positively framed. This may be reinforced by the likely positive-bias in our sample of informants who view their ventures in a positive light and were therefore willing to participate in the research. Some interviewees in our study described challenges they faced. For example they viewed language was an important barrier to winning business with non-migrant clients. Whilst they could ensure that their websites displayed perfect English, they described how their use of social media, phone and face to face meetings could show limitations in their language proficiency. Other studies have suggested that the online environment can be as discriminatory as the offline world and that the visually and socially rich interactions that occur online do not conceal or ‘transcend racialised bodies’ (Daniels, 2009; 2012). Martinez Dy (2014) presents the notion of ‘whitewashing’, where online ethnic entrepreneurs seek to conceal their racial or ethnic identities as a means of improving the status and performance of their business. Whilst our interviewees did not report pressure to whitewash their identity, future studies should provide a counter-point to our current study, by exploring the challenges faced by migrant-owned online businesses.

References


Appendix: Interview Guide

1. Tell me the story of your business - why you started it and how you started it?
2. Why did you set your business up at home - what are the benefits and challenges of working from home?
3. Why did you start an online business - what are the benefits and challenges of an online business?
4. How long have you lived in the UK?
5. How has your background influenced your business?
6. What on-going links with [state name of country of origin/heritage] – and how do these influence your business?
7. Are your family involved in the operation of your business – or friends? How and why are they involved?
8. Describe you approach to marketing and developing your business?
9. Are there any other issues or factors that you have found important in starting and running your business?
<table>
<thead>
<tr>
<th><strong>Demographic Characteristics of Key Informants</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total number of key informants</strong></td>
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<td><strong>Gender</strong></td>
</tr>
<tr>
<td>Males</td>
</tr>
<tr>
<td>Females</td>
</tr>
<tr>
<td><strong>Age</strong></td>
</tr>
<tr>
<td>Average</td>
</tr>
<tr>
<td>Standard deviation</td>
</tr>
<tr>
<td><strong>Highest qualification</strong></td>
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<td>Masters</td>
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<tr>
<td>Batchelors</td>
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<tr>
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<td>Bangladesh</td>
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<tr>
<td>European</td>
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<tr>
<td>Caribbean</td>
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<tr>
<td><strong>Migration generation</strong></td>
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<td>Born outside UK</td>
</tr>
<tr>
<td>1&quot; generation (i.e. born in UK)</td>
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<tr>
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<tr>
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<tr>
<td>British passport holders</td>
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<tr>
<td>Other (EU passport, student visa)</td>
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</tr>
<tr>
<td>Digital marketing and search engine optimisation</td>
</tr>
<tr>
<td>IT consultancy</td>
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<tr>
<td>Online retailing</td>
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<tr>
<td>Accountancy</td>
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<td>Education</td>
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Table 2. Promotional approaches adopted by key informants

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