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# MASTER THESIS

*Second Generation Migrant Entrepreneurs: How do culture and embeddedness influence opportunity perception and the resulting strategy formation?*

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## Abstract

This paper researches second generation migrant entrepreneurship in the Twente region in the Netherlands. It looks at how embeddedness and culture affect the perception of economic opportunities by second generation migrant entrepreneurs (SGMEs). Moreover, by looking at those relationships more closely, this study figures out the interdependences of these factors which finally influence the strategy formation of SGMEs. Culture has a direct influence on embeddedness and network formation and it also has direct influence on opportunity perception, less however than on embeddedness. Through these effects it indirectly affects strategy formation. Embeddedness plays a large role on opportunity perceptions of SGMEs, as well as on the strategy formation and thus has a more significant direct effect.

## 1. Introduction

According to George Bernard Shaw (26 July 1856 – 2 November 1950), economics is the art of making most in life. Since people interpret opportunities differently, it could be that some people know better how to do this art than others. This paper looks into how migrant entrepreneurs make the most of life by the way they interpret the economic situation.

In the Netherlands, migrant entrepreneurship has become a source of new economic opportunities (Kourtit, 2012). Migrant entrepreneurship has been an increasing phenomenon and there is a significantly higher business formation rate amongst first and second generation migrant entrepreneurs compared to indigenous entrepreneurs in Europe (Aldrich, 1990). The outlook of the largest Dutch cities has clearly changed since the arrival of immigrants. Because the immigrants began to start up many businesses, the cities have acquired a more cosmopolitan outlook, and they became to look more like other advanced urban economies, in which immigrants were situated for a longer time already (Rath, 2000).

Jack (2002) has examined the effects of embeddedness on the entrepreneurial process. She defines embedding as the mechanism whereby an entrepreneur becomes part of the local structure. Kloosterman (2010) emphasizes the effect of social capital on entrepreneurial success; apart from human and financial capital, social capital plays a large role in the entrepreneurial motives and success of migrant businesses. This social capital can give migrant entrepreneurs extra opportunities to exploit their resources in a more efficient way. Previous studies have found that network effects tend to be stronger in migrant communities (Kloosterman, 2010). More research about embeddedness could help to obtain a better understanding of how social structure affects economic life (Uzzi, 1997).

The way migrants are embedded in the entrepreneurial society, can make them undertake different economic actions (Portes, 1993). However, the way in which the embeddedness amongst migrants can make them react differently to economic opportunities has not been examined yet. Therefore, this study looks at the relationship between the network formation and the entrepreneurial initiatives as a result of opportunity perception, and strategies of second generation migrant entrepreneurs (SGMEs), by looking at culture as well. The main question that will be addressed is: *Second Generation Migrant Entrepreneurs: How do culture and embeddedness influence opportunity perception and the resulting strategy formation?* Because second generation migrant entrepreneurs could see new or different kinds of opportunities in the economic context due to cultural differences and to differences in

social capital formation, this research aims to find an indirect relationship between culture and embeddedness and the different strategies and initiatives set up by the migrant entrepreneurs as a respond to the regional economic situation, and the way this is perceived. Thus, by looking at how social embeddedness affects economic action amongst second generation migrant entrepreneurs, this paper aims to find patterns in the way migrant entrepreneurs set up their business strategies. This research will look at second generation migrant entrepreneurs in the Twente region in the Netherlands.

As previous research has mainly been focused on first generation migrant entrepreneurs, this paper gives important new insights for second generation migrant entrepreneurship, as previously some differences between the generations have been discovered already. The second generation migrant entrepreneur businesses have a higher success rate than first generation migrant entrepreneur businesses, due to an increase in skills and education and a higher focus on innovation and creative entrepreneurship (Kourtit, 2012). However, indigenous entrepreneurs still have a higher success rate than both first and second generation migrant entrepreneurs together (OECD, 2011). Apart from the discrimination problem, in which mainly first generation migrants prefer to start a company themselves than being employed because of discrimination on the labor market, not many differences have been found yet between entrepreneurial motives of first and second generation entrepreneurs (Masurel, 2004).

Previously many studies have been done on the impact of migrant entrepreneurship on the structural, social and geographical situation in concerning regions (Kloosterman, 2010). However, there is no study which focuses primarily on changes in the economic interpretations of the migrants and on how the entrepreneurial initiatives of the migrants are affected by their culture and embeddedness, as well as their resulting business strategies. Also there has been much research on how social embeddedness affects economic actions and business performance (Jack, 2002; Uzzy, 1996; Portes, 1993), but less research has been focused on how this relationship differs in the specific case of migrant entrepreneurship. The implications of this study are of high relevance for SGME's, as there could be a pattern in their actions which could be limiting them and their businesses. It is important to discuss the implications for SGME's as nowadays in the Netherlands many migrants live in diaspora and the focus should thus not only be on the first generation migrants anymore.

This paper will have the following structure. The second chapter of this paper will give a literature review on the embeddedness and culture amongst migrant entrepreneurs, and on how previous studies found out how this might relate to the economic actions taken and to

the strategy formation. With this information a conceptual model will be presented at the end of the chapter. The third chapter gives a review on the research methodology. The fourth chapter will give the results and analysis, the fifth chapter will discuss the results and present a revised conceptual model. Finally, the last chapter will conclude.

## 2. Literature review

### 2.1 Embeddedness

In his book 'The Great Transformation' Karl Polanyi (1944), was the first to come up with the term 'embeddedness'. He defines it as the degree to which economic activity is constrained by non-economic institutions. He proposed the position of "substantivism", in which the term 'economics' has a formal and a substantive meaning. The formal meaning is used by today's neoclassical economists; it interprets economics as rational action and decision-making, in which individuals act rational and deal rationally with scarcity. The substantive meaning of economics however, indicates that humans are constantly interacting with their social environments, and make their economic decisions based on a variety of social factors. Embeddedness here is created as a part of the substantive meaning of economics; according to Polanyi there are no real economic institutions to which classical economic models apply. In these cases, economic activities are "embedded" in non-economic institutions. To the contrary, in market society, economic action is "disembedded" from society and it follows its logic which corresponds to the original economic models. Embeddedness on itself thus does not exist in classical economic theory. Mark Granovetter (1985) further developed the concept. He argued that even in market societies, economic activity is not as disembedded from society as Polanyi suggested. He argued that substantivists had an over-socialized view of economic actors in which they ruled out that people could still act rationally in certain situations. He stated however that their behavior is instead embedded in concrete, ongoing systems of social relations. Granovetter was the first one to apply the definition of embeddedness to market societies as well; he showed that even rational economic activities are influenced by social ties (Granovetter, 1985). In his study of ethnic Chinese business networks in Indonesia, he found economic agencies embedded in networks of personal relationships, it turned out to be that economic exchanges are not necessarily carried out between strangers, but rather by individuals which are involved in continuous relationships (Granovetter, 1985).

Whereas the concept of embeddedness originally used to be a more economic term, nowadays embeddedness is used more and more as a social meaning. Portes (1993) contributed to this emerging perspective of embeddedness. He argued that embeddedness provided a useful standpoint in criticizing neo-classical economic models, but that when it comes to a proper explanation, the definition of embeddedness was rather vague. Also, Portes

was the first one to scientifically link the concept of embeddedness to immigration. He came up with mechanisms through which social systems affect economic actions and with different sources of social capital, which he categorized into value introjections, bounded solidarity, enforceable trust and community resources (Portes, 1993). Uzzi (1996; 1997), emphasizes the network effect as a consequence of embeddedness in his papers and he focused on how this network effect affects economic performance of organizations. Kloosterman and Rath (2002), link the concept embeddedness to migrant entrepreneurship in the Netherlands. They explain the success of migrant entrepreneurs by the concept of 'mixed embeddedness', in which they refer to the interaction between the social, economic and institutional context. They use the concept of mixed embeddedness to refer to the way in which the migrant businesses are influenced by the Dutch socio-economic and institutional context, but are also influenced by the migrant context which involves a different composition of financial, human, and social capital, as compared to the Dutch indigenous environment. This viewpoint is further explained in the following quote: "the rise of immigrant entrepreneurship is, theoretically, primarily located at the intersection of changes in socio-cultural frameworks on the one side and transformation processes in (urban) economies on the other" (Kloosterman and Rath 2002, p. 257). The small outlays of capital and the relatively low educational qualifications of migrant entrepreneurs are relevant factors in mixed embeddedness. Kloosterman and Rath (2002) state that mixed embeddedness is the main feature of migrant entrepreneurship in the Netherlands. However, the mixed embeddedness theory of Kloosterman and Rath has also been criticized (Brettel, 2007). Kontos (2003) observed that Kloosterman and Rath have often placed larger emphasis on the institutional and legal context of ethnic entrepreneurship. She argues that the so-called biographical embeddedness of entrepreneurial activity should become part of the theory of mixed embeddedness. According to her the self-awareness and conscious work are an important part of the entrepreneurial process, in which the individual has a central role (Kontos, 2003).

As mixed embeddedness is stated to be the most important feature of migrant entrepreneurship (Kloosterman and Rath, 2002), this study will focus mainly on this concept. Since individuals are also taken into account, and not only the legal and institutional context of migrant entrepreneurship, this research also look at biographical embeddedness of migrant entrepreneurs. By doing this the individual motives of the entrepreneurs are researched by looking at how the network affects the entrepreneur individually. This study thus looks at embeddedness in a combined way, from the perspectives of both the economic, social and individual definition. It is assumed, just like in Granovetter's book, that social relationships

and networking play a large role in economic exchanges. However, every individual has a different interpretation of culture and embeddedness. That is why both views are taken into consideration. The study will look at how the concept of mixed embeddedness, and more specifically the resulting network effect of mixed embeddedness, as in Kloosterman's explanation, affects the interpretation of the economic opportunities, and how this leads to strategy implementation of second generation migrant entrepreneurs. As the complete social environment of migrants matters for this study, the concept of mixed embeddedness combined with biographical embeddedness will represent the reality in the most complete way. New in this research is that it takes into account that the level of capital outlays and the level of education will generally differ amongst first and second generation migrants, thus the theories described before could apply in a different way to its participants.

## 2.2 Culture

Culture is defined as a set of beliefs, rituals, ideas, customs and values in a society (Nakhaie et al., 2011). Hofstede (1991, p.5) defines culture as “a collective programming of the mind which distinguishes the members of one group or category of people from another”. Hofstede's cultural dimensions are widely known as the standard source of cultural analysis. The cultural dimensions are: *Power distance*, which is defined as the extent to which the less powerful members of institutions and organizations within a country expect and accept that power is distributed unequally (The Hofstede centre, 2015), *individualism, masculinity*, which measures how much a country is driven by competition, achievement and success, *uncertainty avoidance*, the extent to which the members of a culture feel threatened by ambiguous or unknown situations and have created beliefs and institutions that try to avoid these. *Long term orientation* describes how every society has to maintain some links with its own past while dealing with the challenges of the present and future. *Indulgence* is defined as the extent to which people try to control their desires and impulses (The Hofstede Centre, 2015). Mornah, (2016) researched the influence of the cultural dimensions on entrepreneurship. This study showed that long term orientation, power distance and masculinity have positive relationships with entrepreneurial activity while uncertainty avoidance, collectivism and aggressiveness decrease entrepreneurial activity.

Hofstede's research is mainly useful when looking at how national culture affects workplace values across countries (Basu, 2002). However, these dimensions do not take the existence of different cultural groups within a country into consideration. In the case of

migrant entrepreneurship, previous research has shown the influence of different ethnic group cultures on entrepreneurship. They have shown that values like family and religious relationships enable some migrant groups to be successful in their business (Werbner, 1990; Waldinger et al., 1990). Basu (2002) has performed a research amongst several cultural minorities in London, and amongst all ethnic groups the desire for independence and improving their social status as motives for starting a business was equally strong. As an aspect of culture, also some relationships between religion and entrepreneurship were found. For example, Muslims rely significantly less on bank loans than other religious groups. Furthermore, religion can play a direct role in the nature of the business. For example, Muslims are less likely to enter a market selling alcohol or pork but ethnic groups are more likely to sell products from their country of origin (Basu, 2002).

More recent research by OECD has proved that cultural predisposition plays a large role in the choice whether someone will start a business (OECD, 2011). OECD calls the examples of risk aversion, and the ability to trust others as cultural variables which can influence the extent of entrepreneurial activity and strategy. Also, a culture of entrepreneurship can arise from historical factors. For example, there is a relationship between the entrepreneurial culture of Jews and their history of discrimination (OECD, 2011). Also migrants whose parents have their own business, thus coming from a more entrepreneurial culture, are much more likely to start an own business as well (Hout and Rosen, 1999). In a research performed in Germany and in the US it has appeared that some nationalities are more prone to self employment. However, this was a quantitative research; there is no precise explanation for this. This research, whilst taking previous findings into consideration, investigates in which ways the culture can affect the extent of entrepreneurialism amongst migrants and their motivations to enter specific markets and the implementation of a specific strategy. In this part of the research religion will also be taken into consideration thus religion is assumed to be a part of culture.

## 2.3 Opportunity perception

Why do some people see an opportunity sooner than others; why are some people more entrepreneurial than others? Basu (2002) has researched the different motivators for people towards self-employment such as profit, the desire to risk taking, an adventurous spirit and the access of knowledge and the wish to exploit such advantage. Apart from economic motives, the entrepreneur may also be driven by psychological motives such as the desire to innovate. A motive which is frequently advanced in migrant entrepreneurship is that they would have no other option than self-employment, in order to avoid racial discrimination on the labor market (Basu, 2002). Two main points which are crucial in this analysis of opportunity perception is firstly, the motivation to self-employment, and secondly, the motivation to enter a specific industry.

The next section gives an overview of migrants' motives for starting a business previously discussed in literature. Tüzin and Nijkamp (2009) stated that the most prominent impact of migration from a socio-economic perspective has been the increasing rate of self-employed immigrants in the labor market, also offering new employment opportunities for other migrants. The business ownership by migrants is expected to keep growing in the next years (Tüzin and Nijkamp, 2009). According to the study by Kloosterman and Rath (2002), migrants in the Netherlands have been in a difficult position. The unemployment level was significantly higher amongst immigrants, compared to the indigenous unemployment rate. Especially people with a Turkish and Moroccan background were hit by this unemployment. This exclusion from the labor market led to a high business formation rate amongst those groups of immigrants. In 1986, 11,500 firms in the Netherlands were owned by migrant entrepreneurs. The number of migrant owned firms doubled in 1992 and tripled in 1997 (Kloosterman and Rath, 2002). The survival of the businesses is difficult, and it depends strongly on long working hours, low wages, but also the embeddedness in specific social networks which leads to a decrease in transaction costs, in formal but also in informal ways (Kloosterman, 2010). Light et al. (2003) stated that when migrant networks support co-ethnic entrepreneurship they create an "immigrant economy". The immigrant network in this economy enhances migrant entrepreneurship in several ways; one way is information as a support resource. Information this can provide is i.e. the best industries to enter. Also the network has influence on the motivation to start a business in various ways (Light et al. 2003). For example, an ethnic network can come with a specific type of demand which only can be fulfilled by an ethnic entrepreneur (Basu, 2002). Thus, there is a market gap within the

network. Furthermore, migrants whose parents have their own business, are much more likely to start an own business as well (Hout and Rosen, 1999). This paper researches further motivations of the second generation migrant entrepreneurs to start a business.

The second thing to consider looking at opportunity structures, is the motivation of SGME's to enter a specific industry. Kloosterman (2010) looked into the types of opportunity structures in regions in the Netherlands, more specifically, the types of markets in which migrants tend to start their businesses. Kloosterman combined the micro level of the individual entrepreneurs, based on his or her own resources with the meso-level of the local opportunity structure, fitting this into a macro-institutional framework. This paper looks at opportunity structures in a rather economic way, similar to Kloosterman and Rath (2001), who have defined opportunities for entrepreneurs in capitalist societies as intrinsically linked to the market. All economic opportunities occur in markets; there has to be sufficient demand for a certain bundle of products or services, otherwise the businesses would not survive in the long run (Kloosterman and Rath, 2001). According to Kloosterman (2010), markets are the most important component of the opportunity structure. Economic shifts may lead to openings for new business opportunities in identifiable sectors. In order to start a new business, the entrepreneur should have the right individual resources in order to do so, meaning that markets should be accessible for entrepreneurs (Kloosterman, 2010).

Most starting entrepreneurs, and this holds even more for migrant entrepreneurs, are likely to be short of financial capital and they have difficult access to certain funds. This implies that most immigrants, when starting a business, start relatively low capital intensive firms, since higher kinds of scales are not very accessible for these new entrepreneurs (Chandler, 1994). Because of this lack of startup capital and the appropriate education qualifications, the migrant entrepreneurs set up shops with relatively low entry barriers. These businesses are in 60% of the cases wholesale, retailing or restaurants (Kloosterman, 2010). This former research was however based on first generation migrants, and there might be a difference in the starting capital of second generation migrant entrepreneurs, which influences their strategies as well. Because of this lack of capital, it is not very common to find migrant entrepreneurs that are engaged in manufacturing activities. The few times when they are found, they are mostly in industries where it is hard to achieve economies of scale. An important factor which influences the business formation when high costs cannot play a large role is the level of human capital. In migrant enterprises human capital is mostly the most important driving factor (Kloosterman, 2010). Furthermore, studies have looked into the

opportunity openings for migrant entrepreneurs. These openings do not only take place in markets that are continuously growing, but they often occur in markets that are diminishing on a long-term base (Waldinger,1996). For such openings to keep existing, the indigenous entrepreneurial activities in these fields should be slowly diminishing. This means that the patterns of socioeconomic integration of immigrant entrepreneurs and their business strategies may significantly depend on the growth potential of the market (Kloosterman, 2010).

Kloosterman (2010) divides the types of openings in the opportunity structure by the level of growth potential and the level of human capital required in 4 categories: Stagnating, high skilled migrants, vacancy chain openings (easily accessible markets), post-industrial low skilled migrants and post-industrial high skilled migrants. This is summarized in the following figure.

**Figure 1. A typology of the opportunity structure: markets split according to accessibility and growth potential.**

		< Growth potential >	
		Stagnating	Expanding
< Human capital >	High thresholds		Post-industrial/ high-skilled
	Low threshold	Vacancy- chain openings	Post-industrial/ low-skilled

Source: Kloosterman, 2010

This research looks into the way SGMEs interpret the different opportunities; what motivate them to starting a business and what makes them enter a specific market? What is specific to the second generation? It aims to find the way in which their interpretation of the opportunity structure and their motivation to enter a specific market is influenced by their culture and the level of embeddedness, using Kloosterman's market typology.

## 2.4 Strategy formation

Strategy can be defined as “*the pattern or plan that integrates an organization’s major goals, policies and action sequences into a cohesive whole*” (Mintzberg, 2003:4). This definition incorporates two major movements in strategic management theories. The first view is called logical incrementalism. This view supports the argument in which strategy is developed through micro processes or emergent patterns of managerial decision making. This view suggests that each firm has a strategy. The second view is the traditional view which says that strategy is a proactive and rational planning, implementation tool and process (Aaby, 1989). A similar division in strategy definitions can also be found in migrant entrepreneurship literature; Strategies which are used by migrant entrepreneurs according to Waldinger et al. (1990) can be divided by formal and informal strategies. Hereby the ethnic network plays a large role in mainly the informal strategy formation. This consist of i.e. obtaining information through personal ethnic networks, acquiring skills on the job and getting the right training, using family and co-ethnic labor for the business, building special relationships with and delivering special services to customers, dealing with competition through self-exploitation, business expansion, supporting ethnic associations, and strengthening ties with other families through for example marriage. Another type of strategy which Waldinger mentions in his paper is the action of seeking protection from governments officials and owners outside their ethnic communities through bribery, paying penalties, searching for loopholes, and organizing protests. According to Waldinger, migrant entrepreneurs need these distinctive strategies because it allows them to make use of the distinctive sociocultural resources they posses, it allows them to compensate for the typical drawbacks which come with the ethnic background regarding wealth, valid educational credentials, political power, and influential contacts. Also it can help them to overcome political and economic obstacles that they face as social outsiders, and that majority entrepreneurs escape. He has found that this holds for a wide type of migrant entrepreneurs from different backgrounds (Waldinger, 1990).

In the “immigrant economy” of Light et al. (2003) three ways in which migrant networks enhance entrepreneurship are defined. The first way is information as a support resource; migrant networks feed economic information to migrant entrepreneurs which concerns i.e. pricing, technology, business methods, etc. Thus the network is often used as a means of communication. Also this information is considered credible due to close relationships between the network members. Secondly, the network feeds low cost ethnic labor to migrant entrepreneurs. Furthermore, the networks provide access to different kinds of mutual support

within the network. This help can involve many business sides i.e. purchasing at lower prices, dealing with public administrations and courts, customer and supplier relations, financial and production management, labor relations, industrial engineering, quality control, marketing, and the introduction of new products or technologies (Light et al., 2003). These are all examples of how the migrant networks can influence strategies and these can apply to both formal or informal strategies.

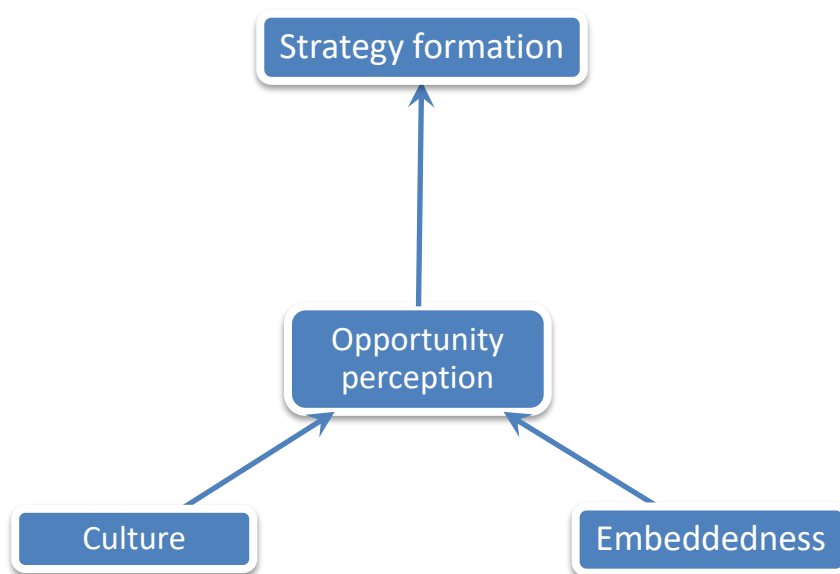
As seen in the previous section, Kloosterman (2010), has defined four types of openings in the opportunity structure. He explains how migrants may adapt their strategies to these structures. As most firms are set up in the market in the vacancy chain openings, easy accessible stagnating markets with a low level of human capital required, these entrepreneurs do everything to decrease labor costs (Kloosterman, 2010). In order to survive, many informal strategies are used in these firms, which are made possible by a high level of embeddedness in the ethnic community. Because many migrant entrepreneurs are busy in these kinds of businesses, it becomes a trap for them, and it becomes difficult for them to escape this stagnating market. A possibility to escape which is stated in the paper, is called breaking-out (Barrett, Jones, and McEvoy, 2001; Engelen, 2001). Meant by breaking-out, is the shift of a migrant business from the lower left quadrant to the lower right in most of the cases, or to the higher right quadrant (See Figure 1).

This research looks at the way in which strategy is formulated as a result of the perceived opportunity due to culture and embeddedness; In what way do SGMEs specifically use such formal and informal strategies and how large is the influence of their culture and network in their strategy formation true the way in which they perceive opportunities?

## 2.5 Conceptual model

In this research the concepts of embeddedness, culture, opportunity structure and the business strategies of the second generation migrant entrepreneurs will be combined in the following conceptual model:

**Figure 2. Conceptual model**



This research looks at how embeddedness and culture affect the opportunity perception of SGMEs and the resulting strategy formation. It looks at embeddedness in the way in which social relationships and networking influence economic exchanges, in which every individual has a different type of input. More specifically, the network effects resulting from embeddedness. In the case of culture, the concept is used rather as a multiple culture perspective instead of looking at only national cultures, as the participants are influenced by both their ethnic culture and by the Dutch culture. The opportunity perception can be interpreted as the motivation to start a business and the motivation to enter a specific industry. The opportunity perception which follows from culture and embeddedness is expected to influence the strategy formation of SGME businesses.

### 3. Methodology

The following section presents the selection of the research strategy used in this research, the means of data collection, the sampling, the operationalization and the data analysis.

#### 3.1 Research method

This research is performed by a research group from the Nijmegen school of Management which consists of five Master students from different fields; international economics, marketing, human resource management, human geography and international management. They have conducted interviews with the SGMEs.

In order to find out how SGMEs perceive and react to economic opportunities qualitative research has been performed. Since this study is more interested in how the SGMEs perceive the opportunities, the stories, perceptions and experiences of SGMEs will be of greater relevance than quantitative data, therefore the technique of interviewing has been chosen for this research. As the point of view of the interviewee is most important in this research, and as it is focusing mainly on the understanding the cultural and social aspects of a community, ethnography is the most appropriate research method in this case (Coleman & Von Hellermann, 2012). As this study looks at the environment of the entrepreneurs and the way in which this influences his or her business, ethnography is an appropriate method to use. Within ethnographic research, interviewing is the most useful research method (Coleman & Von Hellermann 2012). For this research, more specifically, the qualitative method of semi-structured interviewing is used. Interviews are particularly useful for getting the stories behind a participant's experience. In this way, it becomes possible to pursue in-depth information about the topic and get to know more about the perception of opportunities of SGMEs and how they are formed. Rather than just testing some relationships, the method tests *why* such relationships exists.

Also ethics have been taken into consideration. Confidentiality was guaranteed to all interviewees. Furthermore, all interviewees have been freely consent to participate in this interview and they were all well informed about the interview before it started.

## 3.2 Data collection

For this research the main source of data were open interview questions. Also a questionnaire was used.

### *Questionnaire*

Before conducting the interviews, all interviewees have filled in a questionnaire (see Appendix 7) by hand. The main motivation to add a questionnaire was to save time in the face to face interviews, to get standard demographical data, and to gain more insights about the firms and entrepreneurs more specifically and about the way in which they interact with the environment. This method makes it possible to gain as much background information as possible and to understand the complete context of the business and the situation of the entrepreneur. The themes relevant for this research asked in the survey were the place of birth of the entrepreneurs' parents, whether the parents had or have an own firm, and the type of firm and sector in which the business is operating.

### *Interview*

Together with the research group and supervisors, the interview questions (see Appendix 6) were developed and tested based on the operationalizational model (see Table 2) and on the operationalization of the studies from the other students in the research group. For the open questions, which were the most important part of the research, a general interview guide approach is used, which is intended to ensure that the same general areas of information are collected from each interviewee; this provides more focus than when using a conversational or a topic list approach. Because this method is used it still allows a degree of freedom and adaptability in getting the information from the interviewee. All students have asked the same standardized, open-ended questions to all interviewees (See Appendix 6). This means that the interviews had a broad range of conversation, as all questions of all students in the research group were discussed. The approach of a general interview guide generates interviews that can be more easily analyzed and compared. The interviews were semi-structured. There has been a basis of questions, but depending on the story of every SGME, the students were free to deviate from the standard question when this could be useful for the research. The use of semi-structured interviews is mainly useful when the question asked are complicated and when it is needed to vary in the order of questions depending on the context (Saunders &

Lewis, 2012). Since the questions asked require some explanations in most cases and the aim is to receive long and detailed answers, it was often needed to deviate from the original structure. A semi-structured approach has as a benefit that stories can be discussed thoroughly which results in a result a detailed data collection. However, the drawbacks should also be taken into account; The interviewees can interpret the questions differently and it could be that some answers are not useful for the research (Saunders & Lewis, 2012). Despite these drawbacks it is still the most suitable for this research to use a semi-structured interview method. After asking the participants for their permission, the interviews were recorded. In all cases the participants have given their permission. It is taken into consideration that the interview questions were originally in Dutch and that the interviews were held and transcribed in Dutch as well, which means that there could be a translation bias.

### 3.3 Sampling

In total 29 SGMEs have been interviewed, and one Aramaic theologian. The research group has chosen to interview participants whose businesses are active in the region of Twente. As Twente is an old industrial region in the Netherlands, many migrants moved to Twente in the 1960's and 1970's (Knol, 2013). As many migrants and their children are still there, and their presence has changed the economical outlines in the region, it was a logical choice to research this area. Since the research is about second generation migrant entrepreneurs, it was exclusively looking for participants who were born in the Netherlands, but whose both parents were born in a non-western country. Also, all the interviewees have their own business. The interviewees were directly approached by the students entering shops, restaurants and firms with a foreign looking name, and asking if they are SGMEs and whether they were interested in participating in the research. It was rather difficult to find participants, as it is hard to see who is exactly the entrepreneur, and if they indeed have a different ethnic background. Initially the response was quite low, however, once spoken to somebody who wanted to participate this person often gave references to other people within their network who might be willing to help. This was the most common approach. Also, the database of some business networks and the database of the Dutch Chamber of Commerce were researched and entrepreneurs whose businesses seemed interesting for this research were approached.

Rather than random sampling, purposive sampling was more appropriate in this research.

When possible, the researchers aimed to have a sample of entrepreneurs which were not only active in one industry, but in a variety of sectors. For example, it is relatively easy and more common to find SGMEs in hospitality businesses, such as the famous kebab shops. However, to have a better overview of different opportunity structures and sector activity the researchers aimed to find participants who were active in sectors with higher growth potential, as described in Kloostermans' theory. This could however lead to a biased outcome, since a higher share of SGMEs are present in sectors with lower growth potential and that division is not taken into consideration in this research. There is also the risk that the sample is not representative for the population. However, as it is a qualitative research, each opinion counts and can give important insights individually for implications. Therefore, this was still the most useful method in analyzing different sectors and getting the opinions of different types of entrepreneurs.

Since the original response rate was relatively low, a combination of purposive sampling and snowball sampling was used; When conducting an interview with one entrepreneur, he or she gave references to other entrepreneurs.

**Table 1. Participant overview**

<i>Participant</i>	<i>Gender</i>	<i>Age</i>	<i>Education*</i>	<i>Parents' country of origin</i>	<i>Sector</i>
Part01	Male	26	University	Afghanistan	Non-profit
Part02	Male	29	HBO	Turkey	Real estate
Part03	Male	26	HBO	Syria	Financial
Part04	Female	26	MBO	Iraq	Consumer services
Part05	Male	25	HBO	Turkey	Digital media
Part 06	Male	23	University	Turkey	Digital media
Part07	Female	32	MBO	Syria	Consumer services
Part08	Male	44	HBO	Turkey	Healthcare
Part09	Male	48	HBO	Turkey	Real Estate
Part10	Male	30	HBO	Turkey	Retail
Part11	Male	55	HBO	Turkey	Tourism
Part12	Male	55	High school	Turkey	Tourism
Part13	Male	39	HBO	Turkey	Retail and hospitality
Part14	Male	49	HBO	Turkey	Healthcare
Part15	Female	44	MBO	Sierra Leone	Consumer services
Part16	Male	33	University	Sri Lanka	Telecommunications
Part17	Female	43	MBO	Turkey	Hospitality
Part18	Male	31	HBO	Iraq	Retail
Part19	Male	35	MBO	Iran	Retail
Part20	Male	45	University	Malaysia	Marketing
Part21	Female	34	University	Turkey	Consumer services
Part22	Male	37	MBO	Turkey	Hospitality
Part23	Male	34	University	Turkey	Retail
Part24	Male	38	HBO	Turkey	Finance and insurance
Part25	Male	29	HBO	Syria	Retail
Part26	Female	25	MBO	Syria	Hospitality
Part27	Male	31	MBO	Turkey	Hospitality
Part28	Male	40	High school	Turkey	Hospitality
Part29	Female	23	HBO	Turkey	Retail

\* HBO is the Dutch abbreviation for higher professional education. MBO is the Dutch abbreviation for secondary vocational education.

### 3.4 Operationalization

The main units of analysis within this research are the four groups as described before in the literature review: SGMEs extent of embeddedness and its effect on opportunity perception, SGMEs culture and its effect on opportunity perception, and the effect of the factors combined on the strategy formation. In order to research different types of opportunity perceptions and strategy formations, the study aims for a sample as diversified as possible.

In order to be able to analyze the data, the concepts from the conceptual model have to be operationalized. According to Saunders and Lewis (2012), the most appropriate way to do so is to first categorize the data, then to decide on the appropriate unit of data and finally to add relevant categories to these units of data.

The data can be easily divided into the following four categories: embeddedness, culture, opportunity perception and strategy. The following table gives an overview of the patterns which the research expects to find based on the interview questions.

**Table 2. Operationalizational model**

<b>Concepts</b>	<b>Theoretical components</b>	<b>Operationalization</b>
<b>Embeddedness</b>	- Biographical embeddedness (Kontos, 2003)	<i>Relevance of ethnic network in personal life (Kontos, 2003)</i>
	- Mixed embeddedness (Kloosterman and Rath, 2010)	<i>Customers and WOM communication in personal network Capital flow within personal network (Kloosterman and Rath, 2010)</i>
<b>Culture</b>	- Religion (Basu, 2002)	<i>Influence religion on personal and business life (Basu, 2002)</i>
	- Cultural dimensions (Hofstede, 2015)	<i>Influence ethnic background on personal and business life (OECD, 2011) Influence of historical factors on business (OECD, 2011)</i>
	- Opportunity perception	
<b>Strategy</b>	- Industry type (Kloosterman, 2010)	<i>Motivation for the sector (Kloosterman, 2010)</i>
	- Motivation for entrepreneurship (Tüzin and Nijkamp, 2009)	<i>Extent of discrimination perceived (Kloosterman and Rath, 2002) Extent of entrepreneurship in family (Hout and Rosen, 1999) Market gap in own network (Basu, 2002)</i>
	- Formal strategy (Waldinger, 1990)	<i>Rational strategy planning (Aaby, 1989)</i>
	- Informal strategy (Waldinger, 1990)	<i>Information flow through network (Light, 2003) Labor from ethnic network (Light, 2003) Customers from ethnic network (Basu, 2002)</i>

### 3.5 Data analysis

The main method of this qualitative research is the analysis of textual data. After conducting the interviews, the records were transcribed manually thus transformed from non-text (audio) to text data. The data was analyzed by means of a thematic analysis of data. By using this method, the study looks across all the data to identify the common issues that recur according to the operationalizational model given before, in order to be able to identify the main themes that summarize the stories collected (Thorne, 2000). By reading and annotating transcripts it was possible to make preliminary observations. When a specific structure in the data is noticed, this was identified in themes in order to generalize the results. This framework made it possible to structure, label and define the data (Saunders & Lewis, 2012). After this, from the framework which was identified a coding scheme was developed. In this way the data was shaped and it became possible to observe relationships between the variables. By means of the coding scheme the researchers identified recurring themes, and they looked at the range of responses in categories.

Because all students have analyzed the same data in a different way, while all looking at the behavior of SGMEs, the validity is expected to be relatively high. Furthermore, the research is not only performed by interviews; but by both interviews and questionnaires. Therefore, it can be said that this research has taken a triangulation approach: *“Triangulation is a powerful technique that facilitates validation of data through cross verification from two or more sources. In particular, it refers to the application and combination of several research methods in the study of the same phenomenon.”* (Bogdan, 2006, p. 6). Reliability is expected to be of a high level, since five different students have analyzed all interviews conducted. Also for this reason research bias is expected to be low, as the data is analyzed by five different students and each student looked at the data from a different perspective. However, the research also has its limitations. As the research is only performed in one area and the sample is relatively small, the findings cannot easily be generalized.

## 4. Results

### 4.1 Sample

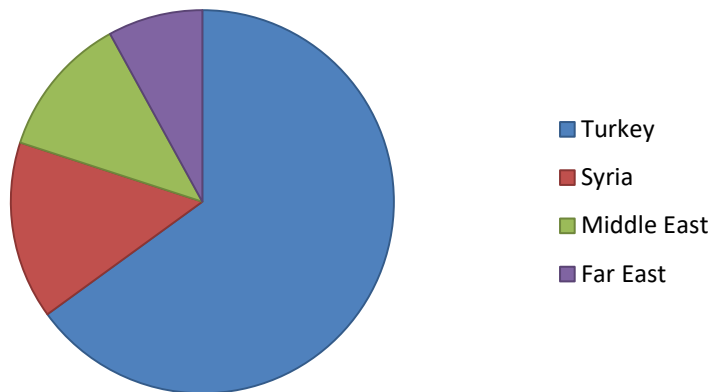
In this section the results of the interviews are discussed and analyzed. This will be structured in the same way as the literature review. After giving an overview of the characteristics of the participants, the first part will cover embeddedness, the second part covers culture, the third part covers the way the opportunity perception is influenced by various factors, and the last part covers how this all influences the strategy and the strategy formation.

Our research took place in the region of Twente, in the East of the Netherlands. This used to be an industrial region which attracted many labor migrants in that era. Because there was a lack of labor in the textile industries, the Netherlands decided to set up contracts with Italy and Spain in the 1960s. Later, in 1964 the first Turks arrived in Twente, and later in 1968 also the Moroccan labor migrants entered the country (Historisch centrum Overijssel, 2014). Contrary to what the government expected, the immigration of these laborers did not result into a return migration, but the reverse happened; the guest workers who decided to stay, started to bring over their families as well. This has led to a quick increase of Turkish and Moroccan population in the Netherlands (Rusinovic, 2006).

29% Of the sample is female and the mean age of the entrepreneurs interviewed was 35 years old, however, the standard deviation had the relatively high value of 9.

The majority of the participants were born in the Netherlands, and if not born in the Netherlands they moved to the Netherlands on a very young age.

The parents were from the following countries:

**Figure 3. The origin of participants****Origin**

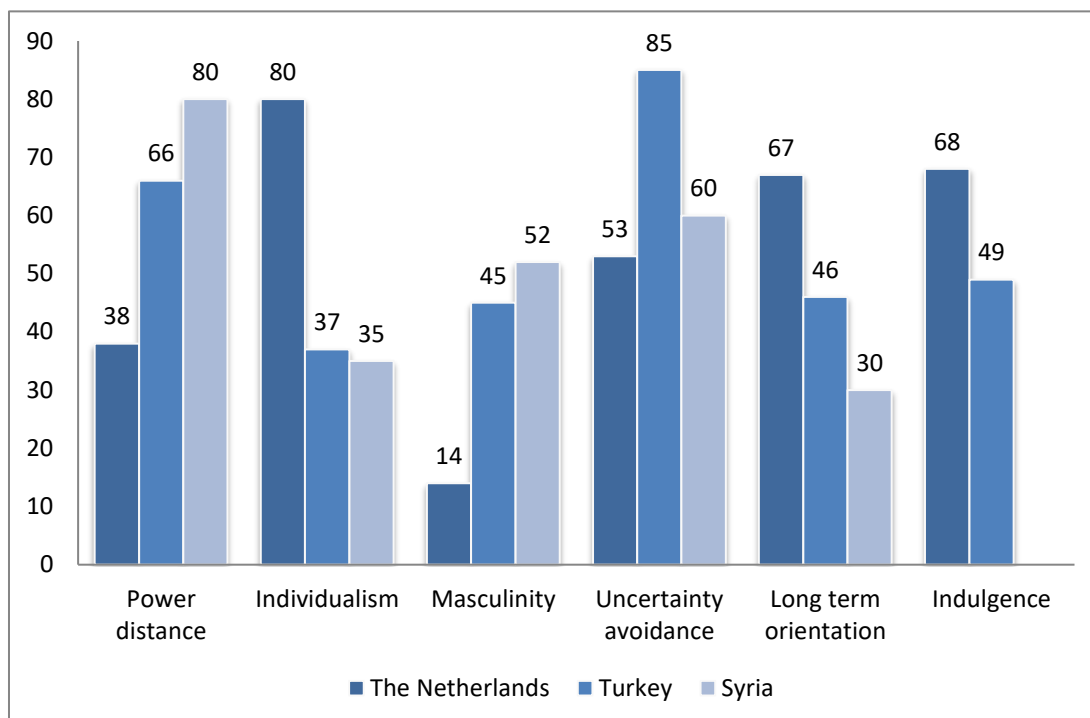
The far majority of the SGMES parents were born in Turkey. However, out of those participants, as well as the participants with their origin in Syria, almost all of them were of Aramaic origin. This is a nation with an own culture and language, which are originally from Mesopotamia, but nowadays mainly live in diasporas, due to genocide on the nation and the oppressions in their home countries. They are often called Syrian-Orthodox as well. Twente is a region where the Diaspora is highly present, due to the Syrian Orthodox Church and monarchy in the region. The next table shows the distribution of the level of education of the participants.

**Table 3. Education of participants**

Education	Answer	Response	%
1	Primary school	1	3%
2	Secondary school	2	6%
3	Secondary vocational education	8	24%
4	Higher professional education	14	41%
5	University	8	24%
6	Other:	1	3%
<b>Total</b>		<b>34</b>	<b>100%</b>

As there is no Hofstede index available on the Aramaic population, it was chosen to take a closer look at the Turkish and Syrian culture instead, as most respondents are originally from there. Figure 4 compares the Turkish, Syrian and the Dutch culture based on Hofstede's cultural dimensions. Power distance is much higher in Syria than in both the Netherlands and Turkey. This cultural difference could be large enough to affect business strategies and opportunity perception differently. The level of individualism is very high in the Netherlands. It is much lower, but of almost the same level in Syria and in Turkey. Whereas the level of masculinity is much lower in the Netherlands, it is of comparable level in Turkey and Syria. Uncertainty avoidance however, is more similar in the Netherlands and Syria while it is much higher in Turkey. This means that in the Turkish culture, there is a much larger need for laws and rules in order to minimize anxiety, which could indicate an important cultural factor leading to different interpretations of opportunities. In Syria the level of long term orientation is notably lower than in Turkey, and in Turkey it is lower than in the Netherlands. There is a difference between indulgence in the Netherlands and Turkey, but there is no measure for indulgence in Syria yet.

**Figure 4. Netherlands vs. Turkey and Syria**



Source: The Hofstede centre, 2015

## 4.2 Embeddedness

### *Relevance of ethnic network in personal life*

When asking questions about the network where the SGMEs were part of, they mostly said this network was very relevant for them in their personal lives and that they have a lot of interaction within their network. The Aramaic community in Twente is very close. Almost everybody knows each other: **(1)** *“In our community everybody knows everybody. It is a very close community. As you walk through the neighborhood, of 1,000 houses there are 700 Syrian Orthodox and everybody knows each other because the church also is a 5-minute walk away. They all live together in the neighborhood, and there is also the Church in the neighborhood where everyone goes on Sunday. (Part23)”* Also for respondents from other ethnic origins their network was of high influence in their personal life. Most of them have big families, and the relationship with their family is very important. However, others said that they know many people from the community, but that they are not so much involved. One respondent said the following about the influence of the ethnic network: **(2)** *“My parents are more involved than I am. They are from the previous generation. Here in Enschede there are extremely many Syrian people. 80% of all the Syrian people from all over the Netherlands are living in this region. (Part07)”*. The network effect seems to be the strongest in terms of family. Family relationships are strong and entrepreneurs can always count on help of their family.

### *Customers and WOM communication within network*

In the majority of the cases the clientele of the SGMEs consisted at least partly of people within their own ethnic network. Many people have said that their business started with customers within their own network, and that the clientele often expanded later. Also word of mouth communication (WOM) is considered to be very important for the companies. If the ethnic network effect is very strong, this WOM communication will lead to more customers within the ethnic network. Also one of the participants mentions that WOM communication can be strong amongst Dutch customers as well. **(3)** *“The other day there was a woman from the Rabobank you know, she bought two blazers and then the next week you see her colleague asking for the same jacket. On weddings it is more common. Everybody asks where you got that dress from. And then the name of the shop falls more often. (Part23)”* When the products and services are very background related, for example a Turkish supermarket or a Turkish travel agency, most customers stay from the own network, and does not often expand towards many Dutch customers.

### *Capital flow within personal network*

The researchers have noticed that migrant entrepreneurs in general do not like to use external credit. They however say that whenever they need financial help, they could always borrow money from a friend or family member. One of the Syrian Orthodox respondents said: **(4)** *“I am not going to spend two hours in a bank trying to explain things to them they would not understand anyway. I prefer to ask my brothers and sisters for help. I have nine brothers and sisters, all in the Netherlands, and many aunts and uncles who could perfectly provide me with any form of financing. (Part23)”* In this way migrants think it is easier for them to start a business than for Dutch people, because they receive a lot of support from within their network. It is believed that families help each other less in the Dutch culture than amongst migrant cultures. The following quote also gives an example: **(5)** *“When I started the store, which of course cost a lot, my parents had given me money. They did not lend it to me, but they just gave it to me. (Part25)”* Also, SGMEs believe that migrants are more likely to start a business with a family member than Dutch people, and that therefore it is easier for them to start a business.

## 4.3 Culture

### *Influence of religion on personal and business life*

The SGMEs' were asked directly if their religions have impact on them as entrepreneurs. Most of the participants said that this did not have any impact in their business life, but for most of them it did have impact on their personal lives. Most of the interviewees said they are religious, but they do not go to the church or mosque very often. They say that the norms and values which they have learned from their religion are very important in their lives and that finally this is also noticeable in their way of doing business. For example, honesty is perceived as a very important value, for both Christians and Muslims. This was important for them in their personal lives, but most SGMEs found it important to do business in an honest way. Other values and norms based on religion which considered important were respect for old people and helping other people. Thus, when going more into depth, it often seemed that finally the religion does have certain impact on them as well in their business life. One participant explains how his religion influences his point of view: **(6)** *Yes, I am Hindu. And does this have influence? Of course it has influence, in every aspect of my life. It makes sure that I don't close my eyes, but that I have an open view about all the things I see. I don't want*

*to judge people within the first 10 seconds I see them, like other people would do. (Part20)”*

Religion also had a direct effect on some of the SGMEs. They said that when there are bad times, the religion gives them the strength to move on. Also many SGMEs say to be very grateful towards God for all they have and for their chance to start a business. The following quote gives an example of how religion affects one of the participants: (7) *“I always say, it (religion) does give you the means. You simply have to use it, but that's entirely up to you. You have the knowledge, money, the starting capital; it's there, and if you do not use those means then it's your own fault. Then afterwards you must not eh, you know, complain. But I am grateful to Him (God) at the end of the day, you know, if I have food on my plate. I have worked for it, but he gave me the means. (Part23)”*

### *Influence ethnic background in personal and business life*

Also the interviewees were asked for the meaning of their cultural background for them personally, and for them in the business life. Many participants told that certain values which originate from their cultures are important for them and for their business. An example is hospitality. The value of hospitality is mainly an important reason for the SGMEs who have started their business in hospitality, such as cafes and restaurants. Another thing which is noticed is that for many SGMEs personal contact and relationship building with their customers is very important. SGMEs also say that in their cultures family is much more important than for Dutch people, and that therefore family members either help each other with the business or set up a business together. Another explanation was given by a Turkish woman. She said that in Turkey the children are more controlled by their parents, but also more helped by their parents. As an example she gave that Dutch children, even if they have very rich parents, have to work in supermarkets in order to earn their own money. In the Turkish culture however, this would not be normal because the parents would help the children for a longer time. Therefore, it is also more normal that parents help the children with starting their own business: this is an extra reason that foreigners might be more entrepreneurial. This is one example of the value in which people think family is most important.

Also there were different responses in male and female motivations of starting a business. Female entrepreneurs say that for men from eastern cultures their pride plays a large role in the motive for opening their own business, mainly for two reasons. The first reason is to prove their status towards their network: they have to do well in their business; otherwise the whole network will know that they failed. This is however only said by women in the interviews;

they say that men would not confess this, also for pride reasons. The second reason is, and this is confirmed by men, that they feel “too good” to work for other people, but they would rather use their qualities and energy for their own business.

Another reason that SGMEs might be more entrepreneurial could be because they think you can reach things, also without an education. When asked Part29 why migrants are that entrepreneurial, she answered: **(8)** *“Foreign people have more self-confidence. They believe in themselves. They think that they will make it, even though they do not have the right education. Dutch people would not start something without an education. I believe that when you set goals, and you believe in yourself, why would a diploma matter? (Part29)”*

In this way they are willing to take more risk than a Dutch entrepreneur. Participants said that Dutch people live more according the rules and people with another cultural background do not do this. One respondent gave as an example that when he started his business, he did not keep to all the rules in the beginning in order to become successful. He did not have the right licenses to sell certain products. Hereby he emphasized that he was not scared for the rules.

### *Influence of historical factors*

Historical factors also play a role in the opportunity perception. By means of the interview with the Syrian orthodox theologian it became possible to gain more insights in the reasons Aramaic people specifically would start their own business. Aramaic people have one very important reason for their motivation to start a business, which is specifically applicable for their civilization. They believe that they have to be successful in the Netherlands because they do not have an own country to return to after they retire. Their population is spread amongst many countries and they have left because they could not live together in peace within the Islamic culture and had to flee due to political reasons. Because they cannot return, since they do not even have their own country, they have no other choice than to be successful in the Netherlands because there is no country for them to go back to, whereas people which do have their own country, such as Turkish people, often plan to return to their home country as soon as they retire. Nowadays, most of Aramaic people live in Diaspora. The theologian explained that other reasons for them to start a business could be due to their history and their geographical location. Their population has been located in an ancient trade route from Mesopotamia to Egypt, located between two rivers which made trade easier, where many people have had their own businesses for many years already. Also due to the difficulties for the Christians living in an Islamic culture, the Aramaic population had to become more self-sufficient and that is why they had to be extra entrepreneurial. This is a similar explanation

like the OECD in their report has given about Jewish entrepreneurial activity, which they related more directly to discrimination (OECD, 2011).

#### 4.4 Opportunity perception

##### *Motivation for the sector chosen*

Most of the SGMEs interviewed are present in the hospitality sector and in the retail sector. This means that also the majority of the second generation migrant entrepreneurs are in the stagnating markets, as described by Kloosterman's typology. One of the respondents who owns a cafeteria said the following about his motivation for this type of business: **(9)** *"I partly grew into it, so from our family business. I was standing in my own shop at my 19th and from there on I developed as an entrepreneur. I have never been to school. I was always good at work and at that time that was more important. If you do not have a business in your family, then school was important, but for us work was always the most important (Part27)."* Another respondent who has a clothing shop said: **(10)** *"My brother has been in the confection industry for years and I was sitting behind the sewing machine as a 13-year-old boy. So I thought of clothes. Then I started this business. (Part23)"* It is striking that many immigrants grow into their business. As expected, most of the respondents, are present in Kloosterman's vacancy chain opening industry types. The motives from SGME's were thus often because their family worked in the same business, or because they heard from this business opportunity by means of their network.

##### *Extent of discrimination perceived*

Due to discrimination, it was difficult for the first generation migrants to find a job. This was one of their motivations to start an own business; this however also holds for second generation migrant entrepreneurs. Not as strongly however, since second generation migrants mostly have a better control of the Dutch language, and are more often highly educated. Participants have admitted that they experienced difficulties getting invited to job interviews. They told that the reason for this could be that on the resumes the foreign names are visible. This is still a reason that many immigrants consider starting their own business as a better alternative. However, even starting a business is considered to be more difficult for immigrants, for the first as well as the second generation; many times they believe that the image of their firm is influenced by the fact that they have a non-Dutch background. One

participant said: **(11)** *“Look, if you put two the exact same shops next to each other, one is mine and the other one is from a Dutch person, I have to work harder in order to get the same revenue as the Dutch guy. (Part25)”* He, as well as many other participants believe that Dutch people could adapt their view of a firm based on the ethnic background of the owner; this is especially the case if the business has a non-Dutch name, or when it sells products or services which are related to the background of the entrepreneur. This has been a reason for many of the participants to give their shop a Dutch, or a neutral name. This is also the reason that even once they started they own firm, they have the feeling that they have to put in more effort into their business than Dutch entrepreneurs, in order to get a positive image.

#### *Extent of entrepreneurship in family*

Also there are many cases in which the parents of the migrant entrepreneurs have, or used to have, their own businesses as well. One of the questions of the questionnaire asked the participants whether their parents have had an own business as well. Often this was the case, and when not, other close family members almost always had their own business as well. As this is about the first generation migrants, here as well discrimination, as explained before, plays a role. Due to also, but not only discrimination, many first generation migrants have started their own business. The discrimination argument could be of direct effect on the SGMEs, because they get discriminated as well due to their name and background or different looks. However, it can also have an indirect effect simply because they have had an example of how to start a business and have lived this lifestyle already, which makes the choice to start a business easier for them.

#### *Market gap in own network*

One of the participants has a fashion retail shop. His origin is Aramaic and when he was one-year-old his parents moved from Turkey to the Netherlands, due to bad political circumstances in the area. His parents were working in the confection industry for a long time already in Turkey, and his older brother was owning a cotton mill. He was telling that because of this reason he always had a passion for clothing already. He saw the business opportunity of opening an evening dresses shop because the Aramaic people have many weddings in a year and in the area of Twente there was no place where the girls could buy evening gowns for a good price. When he had just opened the shop in 2007, his main customers were Aramaic and Turkish girls who needed dresses for the frequent weddings. He said the following about this: **(12)** *“It really has to do with the community we live in. We go to six or*

*seven weddings on a yearly base, so there has always been a large demand for such dresses. The community was very important in the beginning. Now this is less because I have a broader collection now. But the foundation was very important and I could never forget about that. It is the way I started. (Part23)*” Now he has extended his collection and the evening gowns are just a part of the available products in the shop. He does not focus on one certain kind of ethnic group of customers, and last year he opened his second affiliate of the shop. In his case the ethnic network played a large role in seeing the business opportunity, and in being able to maintain and expand the shop.

### *Other factors*

Apart from the influence of the culture and the embeddedness on the perception of opportunity, another factor related to the background also seemed to be a very relevant influence, namely the immigration background. This factor does not have to do with culture and embeddedness, but rather with the history and experience which only immigrants have, regardless of the ethnic background. One respondent from Sri Lanka explained that immigrants are more flexible since they are used to living in different places. He said that because he was used to change, he became less risk averse, and therefore it was smaller step for him to start a business: **(13)** *“I think that an immigration background... because of this you have been taught that nothing in life is permanent. That permanent structures do not exist. And if they exist, you can go against those structures. This makes it easier to be an entrepreneur. (Part16)”* This argument is however contradictory to the cultural explanation that people from eastern cultures are raised with more rules, which should be make them stricter and more risk averse (Hofstede, 2011).

## 4.5 Strategy

### *Rational strategy planning*

When asking SGMEs directly about their mission and vision, it mostly seemed that they do not have a specific strategy defined, but that they just go with the “business flow”. For example, the answer of one of the respondents: **(14)** *“Strategy, strategy... What do you exactly mean with strategy? I am still doing the things I do from the beginning. Also I kept the products from the last owner, to keep things as solid as possible. (Part27)”* From this answer it can be seen that the business strategy as defined is rather vague, but the strategy as in everyday activities is clear. Also when asking whether their ethnic background or network has influence on their strategy, respondents say that this does not have any influence. However, they do have a certain way of doing business in which they are making decisions which are influenced by their culture and network, this is thus their informal strategy. A good example can be seen from the following answer of a restaurant owner on the question whether his background has influence on his business strategy: **(15)** *“No not really. We just try to be as welcoming as possible, so that everybody feels like they are at home. With good food of course.” (Part17)”* In the first case the respondents say that the ethnic background has no influence on his business strategy, but later he emphasizes the fact that hospitality is very important. This could be an effect of the collectivistic culture in which the value of hospitality is important. The culture of the SGMEs could thus have influence on the strategy formation without that the SGMEs are aware of this. The same can be seen when talking to other SGMEs. Another way embeddedness influences the strategy is that SGMEs see opportunities through demand within their network and therefore the way of doing business is automatically influenced as well, thinking for example about the participant who started his shop with selling evening gowns. Thus, the strategy depends on the embeddedness through opportunity perception.

A small part of the participants did define a specific business strategy. For example, as mentioned before, one of the Aramaic participants who owns an insurance company is focusing on relationships with Turkish, Aramaic and Kurdish customers as well, because he speaks all the languages needed to make communication easier for them and therefore he is able to establish a relationship with such customers more easily. Other things which influence the way of doing business are the norms and values originating from the ethnic cultures and religion. The same results as in Waldinger’s research were found can also be confirmed by the

sample of this study. Getting information from the personal network, the use of family and co-ethnic labor for the business, and expanding the business and strengthening the ties within the network seemed to be of great relevance for almost all participants.

### *Information flow through network*

A more direct effect of embeddedness, as partly explained in the previous part, on the informal business strategy is that SGMEs often receive direct help from their family and friends, thus from within their network and that therefore they sooner consider the option of starting a business. The information flow in the network also influences the opportunity perception, as friends, family and acquaintances can give information about a business opportunity. Also, because they have a strong base within their network, they can count on loyal customers coming from within the network. As a consequence of the collectivism in the culture, an increase in the clientele through word of mouth communication is experienced very strongly. This is another reason that SGMEs often consider opening a business. Another way in which the immigration background, apart from network, culture and religion can increase the motivation of an SGME to start a business by an easier information flow is because of the knowledge of (an) extra language(s). This can help with reaching a larger public. One participant has an insurance company. A large part of his clientele is based on his network. Because he speaks multiple languages, he can also help people who do have more difficulties speaking Dutch. **(16)** *“I speak Dutch, English, Turkish, Kurdish and Aramaic. My clients can speak with me in whatever language they want. I do not focus on one group, but speaking the mother tongue of a customer can create a lower boundary for them, and the relationship is built easier. (Part25)”* In this example it becomes clear how speaking an extra language can help to building relationships more easily. In this way, SGMEs’ opportunity perception can be influenced directly too. They can identify an opportunity based on their network, because they have easier access to a certain group of clients by speaking an extra language.

### *Labor from ethnic network*

The participants were asked what background their employees have in order to see to what extent people from within the network are being employed by the SGMEs. It seemed to be that many employees of the business owned by SGMEs are often part of the ethnic network. This for example means that in many Turkish businesses, Turkish employees can be found.

When asking the SGMEs for what kind of employees they would prefer, some of them say to be indifferent, or that they even prefer a Dutch employee; in this way the image of the business can be adjusted, since migrants have the impression that their businesses image is suffering due to their background. The following quote clarifies: **(17)** *“If I would have two guys with the exact same capacities, the same benefits and drawbacks, then it might sound harsh, but looking from the business point of view, I would choose the Dutch guy. In personal life I would not care at all. But the facts are straight, it is like this. (Part25)”* However, it is still the case that many SGMEs have employees from the same ethnic background working for them. For example, another respondent said that he preferred migrant employees over Dutch employees because in his experience such employees are harder and more loyal workers. **(18)** *“The foreign guys will not call you and say that their grandmother is ill. When you have to work, you should just work, and that is the way I like it. Sometimes things happen you cannot influence of course, but many times I tried to employ a Dutch guy, and then after one day of work they say ‘Oh, my grandma is ill’. And then they work a night shift once, and then it is too intense for them. The mentality is just different. (Part22)”* This description could be a consequence of the difference between the individualist and the collectivist cultures, in which people with collectivist culture feel more responsibility towards their network. In this way culture also has its certain influence on embeddedness. Another example is that it seemed to be very usual that family members help each other in the businesses when there are busy times. Also many cases have been observed in which entrepreneurs either start a firm together with a family member, or get help from a family member with starting the business.

### *Customers from the ethnic network*

Even though for most SGMEs the network seemed to be very important, others see doing business within your network as a negative thing. An example which was mentioned more often was that customers within their network are always asking for discounts, because they know each other, or because they have the same background. **(19)** *“In the beginning I had many foreign customers. But they are very ungrateful. When they want a top of 30 Euros for 15 Euros, and I say yes one time, they keep ask lower prices the next times. They will only be satisfied when they get something for free and they think they can ask me just because I am a foreigner as well. That’s why I prefer to have Dutch customers. At least they have respect for your prices. (Part29)”* Also there was another type of explanation for the possible negative effect of the network in the business. SGMEs who have business with a higher growth opportunity with either high or low threshold of human capital (Kloosterman, 2011) are less

likely to do business with their own network, or in this case the network seemed to be a smaller part of the clientele. Here the network was seen as stagnation for the business; if you would focus too much on one network, your business will not expand. When asked whether he is focusing on a specific ethnic group when doing business, one participant answered: **(20)** *“No, I do not focus on a specific group. That is the worst thing you can do. Many foreign entrepreneurs do that. And that is exactly why their business is not successful; you have to focus on everyone in order to grow. (Part24)”* His answer seems to go together with Kloostermans’ typologies of the business types as another reason for which those types of business keep staying in their square with the relatively lower growth potential.

## 5. Discussion

Many patterns could be found in the responses of the interviewees, which could indicate significant results. There is an important relationship between culture and the way of doing business, as well as between culture and the way SGMEs interpret economic opportunities. Also embeddedness has an important effect on the SGMEs and their businesses. Basically, the results obtained indicate that all the relationships expected beforehand could exist; however, other factors which have not been mentioned directly in the conceptual model are also of influence on the business strategies of SGMEs, such as the immigrant background. The combination of culture and embeddedness plays a large role as well.

Our results confirm previous literature in the findings that migrants are relatively more entrepreneurial than indigenous people. The discrimination argument plays a role within the sample as well; the fact that the business is held by migrants is affecting the businesses' image, and migrants have to work harder in order to obtain a solid reputation. Also discrimination plays an indirect role in finding business opportunities; because this was stronger for the first generation, many first generation migrants have started a business. In this way it was easier for the second generation to follow this example.

The study observed that migrant businesses in Twente are relatively small sized, the average yearly profit was between 20.000 and 40.000 Euros' and the average number of employees is 6 per business, which is even much more than the OECD sample of 2011 (Appendix 5).

The industries in which the migrants are active can mainly be categorized within Kloostermans' vacancy chain opening businesses. A correlation between the educational level and the growth potential of the firm is observed as well; Usually, people with a higher education are more active in industries with higher growth potential.

Also there could be a negative correlation between the intensity of the embeddedness and the growth potential of the business.

As could be seen already in the table based on Hofstede's cultural dimensions, there are many differences between the Dutch and Eastern cultures (hereby mainly thinking about Syrian and Turkish culture).

Based on the responses, collectivism seems to play the largest role in embeddedness. Due to the collectivistic culture, migrants are more likely to be part of one close network. Also, it is expected that collectivism is the reason that families are much closer with each other in the

Eastern cultures and are helping each other more than Dutch families.

Another important factor which influences business formation amongst second generation migrants is masculinity. In Hofstede's cultural dimension of masculinity, the higher this level in a country, the more ego oriented the culture is. Other things which are typical for such cultures are that money and material things are highly valued and that working is very important. Another important feature of such cultures is that failing is seen as something terrible. Due to the in general large sizes of the ethnic networks, this phobia for failure could be explained by a mixture of the masculinity dimension and the individualism dimension. All the features of the masculinity dimension correspond to the results of this study, as in Turkey and Syria the level of masculinity is much higher than in the Netherlands. This could be a major reason for the higher entrepreneurial level amongst non-western migrants, as also most of the respondents are males, which was not directly taken into account within the conceptual model.

However, also results were found which contradict the literature. The answers of the interviewees in which they say that Dutch people would be less likely to start a business in a sector they did not study for, and that people with a different cultural background would be more willing to take this risk, is in contradiction to Hofstede's dimension of uncertainty avoidance. This example is however in accordance with the theory of relationship-based and rules-based cultures (Hooker, 2008). This theory is saying that high context cultures are more likely to have a relationship-based culture instead of a rules-based culture, which this theory matches with the low context communication cultures.

As can be seen in the results of this study, SGMEs' business strategies opportunity perceptions are much more relationship based than rules-based; in this way this pattern is in accordance with the previous literature. SGMEs' businesses are more built upon relationships, for example, by the family and other members of the network who are helping them when they are in need.

The more collectivistic the country, the more likely it will be that entrepreneurs from those countries will receive help from their network.

Also the way in which WOM communication is affecting the growth of the business could be due to the level of collectivism, as WOM communication and other factors such as reputation seemed to be relevant success factors for migrant businesses. According to previous studies, in cultures with a high context communication, word of mouth communication could be of much larger influence on the success and reputation of a business. The study does observe however a difference between more cultural related business and more general businesses. In

businesses from which a large part of the customers are from within the network, WOM is perceived as more valuable.

Embeddedness is, as explained before, directly influenced by the cultural dimension of collectivism. Apart from the cultural influence, other factors could also play a role in the network formation amongst different ethnic groups in Twente. A large part of the participants is Aramaic and because of their history in which it was difficult for them to live in Turkey, Syria and other countries, because they consist of a relatively small population, and due to the language, the ethnic network formation in Twente could be easier. When looking at the concept of embeddedness after looking at the results, this networking within the ethnic society can also be due to the higher level of collectivism. Embeddedness has a positive effect on business formation, because an entrepreneur has easier access to clients within the ethnic network and because the entrepreneur will in most cases receive help from his or her friends and family. However, this positive relation does not apply to the success rate of the businesses formed. The results of this research even imply a negative effect of embeddedness on the growth potential of a business.

Due to the high level of embeddedness, as almost all participants were part of a large ethnic network in the region of Twente, SGMEs can see an economic opportunity more easily than without their network. Because of the embeddedness they have already a solid base of customers for their firms, and because they know they would always receive help from within the network. Also many opportunities exist from within the network; due to the communication of business opportunities within the network, people get to know when somebody for example sells a business or a business location.

It can be stated confidently enough that embeddedness leads to a higher business formation rate. However, since there is a higher chance of stagnation due to having a large part of the customers only within their network, the research has to take into account that this could indicate a lower growth potential for such businesses. This could be one of the reasons why migrant businesses are relatively more present, but have a lower success rate (see appendix 1). Another reason that migrant businesses have a lower success rate is that the businesses are mostly started in an industry with relatively low growth potential.

For most participants, having an own business was more natural and they admitted to have started their business without any specific strategy. However, when taking into account that as said before, things as culture and religion affect their way of doing business, thus the informal strategies. For example, speaking other or various languages inside the business, the

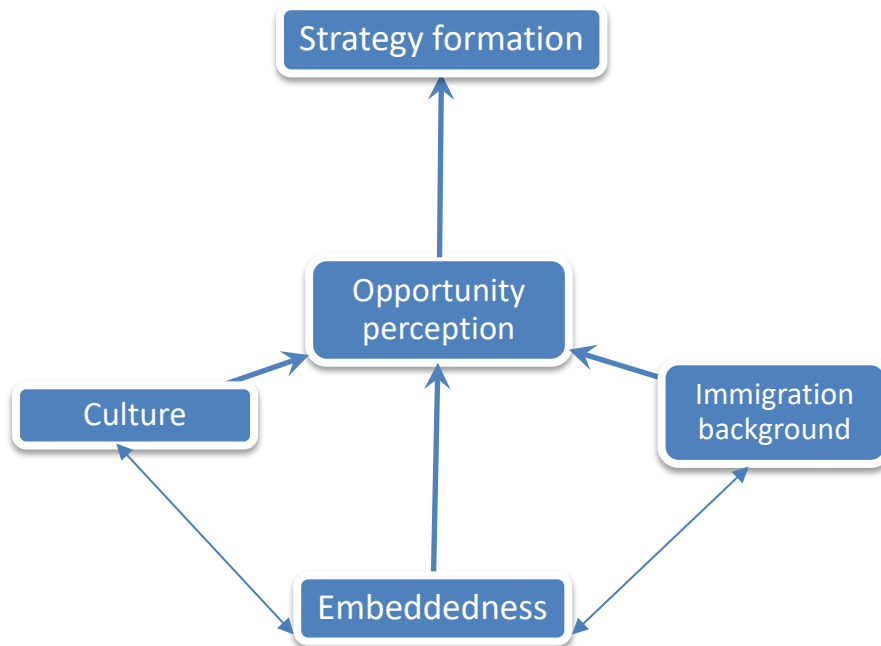
way of approaching clients and hiring personnel; it is all related to culture and embeddedness. The personal network is most important for a SGMEs strategy.

An important factor which can influence the business formation and strategies is the immigration background. The past activity of immigration to a different country can indicate a lower level of risk aversion of a person. This is a factor which is not present in the conceptual model. Even though this factor might be of larger influence on the first generation migrant entrepreneurs, because they have performed to immigration activity themselves, this could also still be of influence on the second generation, directly and indirectly, just as explained before for the discrimination argument. Other historical factor specific to the ethnic group can also play a role in the view of economic opportunities.

Overall it can be said that culture is the primary influencer of the level of embeddedness; the more collectivistic a culture, the higher the level of embeddedness in the sense of ethnic network within regions. Other factors could also be of influence on the level of embeddedness, such as the immigrant background; however, there are not clear indicators for this within the results.

Culture is influencing the interpretation of economic opportunity indirectly through its influence on embeddedness. It also has some direct influences on the way migrants see opportunities. Rather than the influence of culture on the view of economic opportunities, culture has higher direct influence on the business formation rate in general. As many migrants said that the business they started was a consequence of a random opportunity, without thinking too much of a business strategy, the effect of culture on the perception of economic opportunity is more indirect.

## 5.1 Revised conceptual model



In general, the interviews conducted supported the literature background and the conceptual model. However, the immigration background seemed to have such a relevant impact on the opportunity perception that this factor is included in the revised conceptual model. It was considered to change the factor of 'Strategy formation' to "Informal Strategy", since most of the entrepreneurs told that they do not have a specific preset strategy but they rather just go with the flow. There are different definitions of strategy. Mintzberg (1987, p. 5) formulated five definitions of the term strategy in his book 'The Strategy Concept: Five Ps For Strategy'. The first one is '*a consciously and purposefully developed plan*'. This definition suggests that a strategy is a plan, which is thus pre defined. However, the third definition is '*a pattern in a stream of actions, whether intended or not*'. This definition thus suggests that a strategy can also be an unintended stream of actions. Because the definition of strategy can be considered quite broad, it was decided to leave this factor in the conceptual model. Culture and embeddedness seem to be indeed strong influencers of opportunity perception and strategy. Embeddedness and culture influence each other in such way, that this also has indirect influence though the other factor on opportunity perception and strategy, that is why the direction of the arrows is changed as well in the revised conceptual model.

## 6. Conclusion

The most important findings of this research are that culture and embeddedness do have a large impact on opportunity perceptions and the following strategy of second generation migrant entrepreneurs. The effect which seemed to have the highest impact in this research was the effect of embeddedness on opportunity perception. Because of the direct help which comes from within the ethnic network, because of the guarantee on customers, and sometimes even because of specific demand from within the network, SGMEs are tend to identify economic opportunities quickly. Apart from this, the network can also make the migrants more entrepreneurial because they have many examples of other people which have started their business. In the first generation this was often due to difficulties to find a regular job, due to discrimination. Culture also directly influences the opportunity perception, but more through the motivations of starting a business. Hereby the levels of collectivism and masculinity, the relationship-based culture and important values for SGMEs played a large role in their motivations to start a business, and also in their strategies. Apart from embeddedness and culture, the immigration background and historical factors which are specific to certain civilizations also play a role in the opportunity perception, which were not taken into consideration into the conceptual model before. SGMEs seemed not to define any specific structural strategies for their businesses often. However, they do have certain ways of doing business which are partly defined by their culture and their network. This means that instead of calling it a strategy, the way of doing business would fit better for this factor. The way in which family and friends help their business, by directly helping and by expanding the business through influential WOM communication, the way of doing business is certainly influenced. The way of doing business seems to be totally into accordance with Waldingers' previous research. The same holds for the cultural influences by the norms and values which are dominant in certain cultures and religions. The research also found that too much focusing on the ethnic network can lead to stagnation of a business, and that this could be one of the reasons that migrants are stuck in specific sectors with low growth opportunities. Also this could be an explanation for the fact that migrant businesses have lower success rates than indigenous businesses. To confirm this however this should be studied more specifically.

The results seem to be consistent, however the findings cannot be generalized, since it is a qualitative research and it is conducted from a relatively small sample. Also the sample cannot be generalized, since the largest part of migrants and migrant entrepreneurs were of

Aramaic origin. This means that new research should be conducted to identify specific differences between different background entrepreneurs, thus also research which only studies the Aramaic entrepreneurs. In this way common factors can also be found. This research has mainly been focused on embeddedness and culture but less on the immigration and historical background of Diaspora living in the Netherlands. Because this study found that such factors also play a large role in the motivations of business startups, looking more in depth into historical factors gives room for future research. Also this research did not look at how the economic structure in the home countries from the SGMEs influence their ideas of businesses. For example, it was often the case with the participants that their parents used to have a farm in their countries of origin. This could indicate that their families are more self-sufficient by origin, and that this as well could influence migrants' opportunity perceptions and motivations. Other interesting research would be more specifically on the difference between first and second generation entrepreneurs, and on the difference between indigenous and migrant entrepreneurs. Also there has been little research, which was mostly quantitative, on the profile of the migrant entrepreneur. Even though this research cannot be generalized, the findings are important because it gives relevant insights into the ways migrant entrepreneurs are motivated to start businesses and it shows that culture and embeddedness is of high relevance in the business flows of SGMEs. It is especially interesting because the SGMEs themselves did not think of this relationships in the first case, and most of them thought their culture would have no influence on their business lives. Since SGMEs are changing the economical and geographical structures in many European regions it is important to know the reasons for their motivations, also specific for the sectors in which they are active. By being more aware of their growth opportunities in specific sectors and motivations, their entrepreneurial activities could become more successful in the future. Also, by knowing how their strategies are set up, they could become more aware of the business flows and improving on that point as well.

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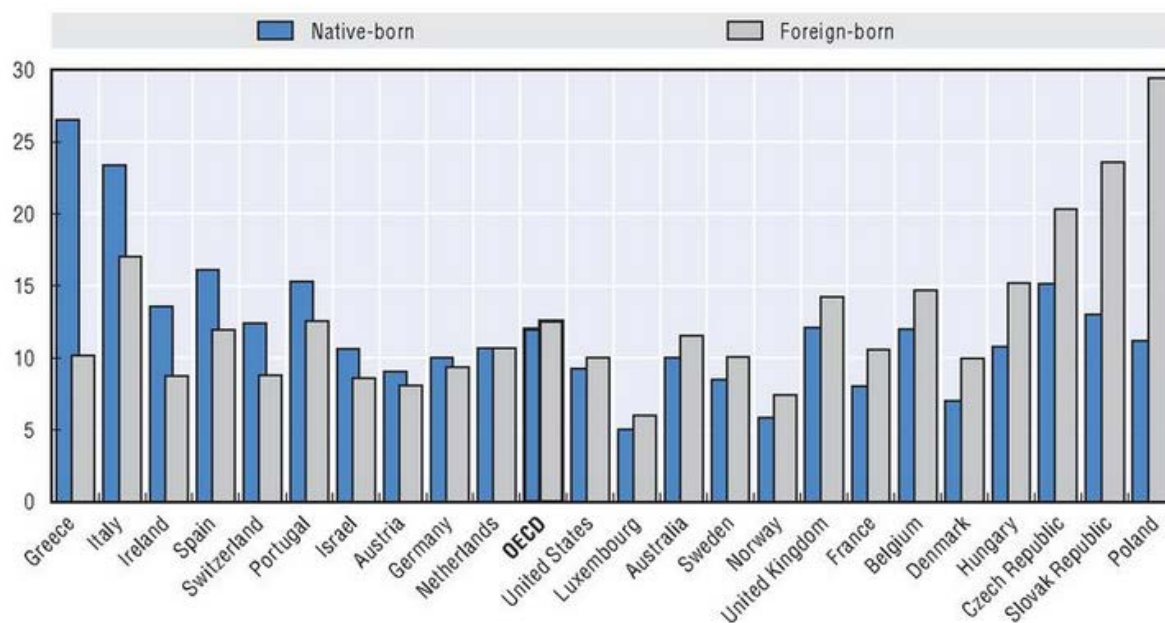
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## Appendix

### Appendix 1. Migrant business formation rate against native born formation rate.

Source: OECD.



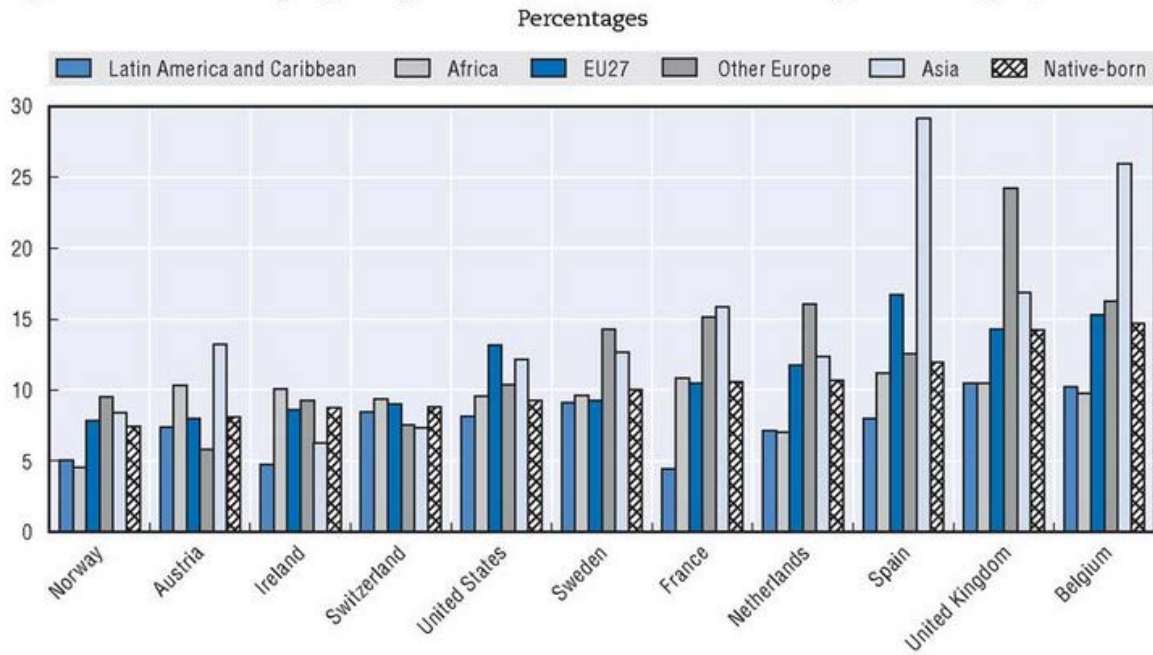
### Appendix 2. Flows into and out of self-employment, foreign- and native-born, year to year, 1998-2008.

Source: OECD.

	Percentages					
	Entry into self-employment		Exit out of self-employment		Self-employment persistence	
	Foreign-born	Native-born	Foreign-born	Native-born	Foreign-born	Native-born
Austria	13.9	10.4	14.4	8.2	85.6	91.8
Belgium	7.4	4.8	6.4	3.5	93.6	96.5
Czech Republic	20.5	16.8	13.6	9.1	86.4	90.9
France	18.0	7.7	9.5	4.9	90.5	95.1
Germany	8.3	4.9	5.4	2.0	94.6	98.0
Greece	12.0	8.6	11.9	7.2	88.1	92.8
Hungary	7.8	3.1	7.5	3.1	92.5	96.9
Ireland	13.3	11.4	7.7	8.9	92.3	91.1
Italy	14.9	11.1	7.0	5.5	93.0	94.5
Luxembourg	7.4	4.2	7.7	4.7	92.3	95.3
Netherlands	12.1	11.0	9.5	6.4	90.5	93.6
Poland	6.6	7.9	7.8	6.2	92.2	93.8
Portugal	10.9	5.7	7.7	4.0	92.3	96.0
Spain	17.0	7.2	8.6	4.3	91.4	95.7
Sweden	11.3	7.7	7.6	5.2	92.4	94.8
Switzerland	7.2	7.9	4.5	4.9	95.5	95.1
United Kingdom	17.3	14.3	10.7	9.3	89.3	90.7
<b>OECD</b>	<b>12.1</b>	<b>8.5</b>	<b>8.7</b>	<b>5.7</b>	<b>91.3</b>	<b>94.3</b>

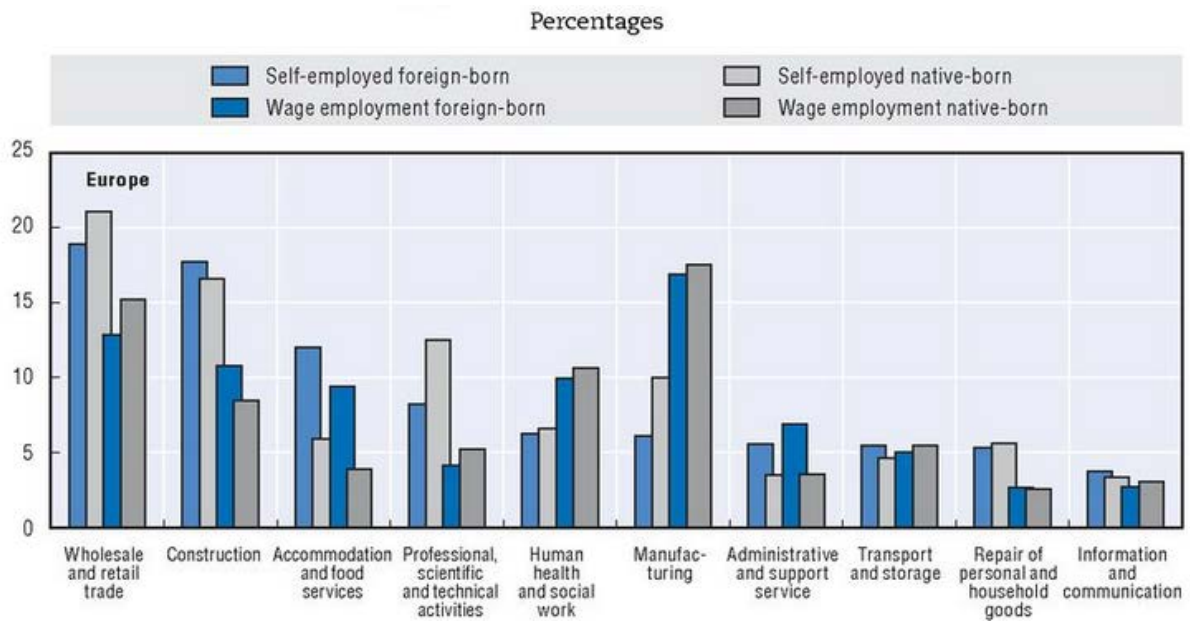
**Appendix 3. Self-employed by country of residence and region of origin, 2007-08.**

Source: OECD.



**Appendix 4. Ten main sectors of activity of the self-employed and distribution of wage-and-salary workers in the same sectors, by place of birth, 1998-2008.**

Source: OECD.



## Appendix 5. Persons employed in firms of immigrant entrepreneurs and their share of employment in firms of all entrepreneurs, 1998-2008

Source: OECD

	Persons employed in firms of immigrant entrepreneurs				Share of employment in firms of all entrepreneurs			
	1998-2000	2001-03	2004-06	2007-08	1998-2000	2001-03	2004-06	2007-08
	Thousands				Percentage			
Austria	52	54	59	73	7.8	8.3	7.3	8.5
Belgium	74	94	107	100	15.7	11.8	10.2	9.2
Czech Republic	..	45	50	72	..	3.7	4.0	5.3
Denmark	11	24	27	50	1.6	3.5	4.3	7.4
France	396	475	309	382	12.6	11.7	10.3	12.8
Germany	529	593	664	757	5.9	6.8	7.5	7.7
Greece	21	31	34	41	2.1	2.9	3.0	3.4
Hungary	7	23	34	33	1.8	3.4	3.3	3.9
Ireland	..	28	49	79	..	8.0	9.5	20.5
Italy	41	95	190	282	0.4	0.9	2.7	4.1
Luxembourg	10	12	11	14	22.5	36.8	34.9	41.0
Netherlands	71	36	121	115	5.1	7.6	7.4	6.3
Norway	4	8	8	14	3.7	10.3	10.2	11.2
Poland	..	..	15	56	..	..	0.6	2.0
Portugal	57	71	79	61	4.7	5.5	6.3	5.7
Slovak Republic	..	1	8	3	..	0.1	0.4	0.2
Spain	131	201	185	487	4.0	5.9	6.3	8.8
Sweden	46	61	76	84	6.0	8.1	9.4	10.7
Switzerland	..	228	315	243	..	20.8	20.2	19.2
United Kingdom	579	667	621	530	12.3	14.3	13.1	10.9

Note: Employment by foreign-born entrepreneurs is the estimated minimum number of individuals employed in a firm owned by a foreign-born self-employed. Share of employment is the ratio between the estimated minimum number of individuals employed in a firm owned by a foreign-born self-employed divided by the total population aged 15-64 employed by self-employed individuals in the country.

Source: EU Labour Force Survey, 1998-2008.

## **Appendix 6. Interview Questions (Translated from Dutch to English)**

### Business formation

- What were your motives for starting a business?
- What is the focus of your company?
- What is your vision? What do you want to accomplish with your business?
- Do you currently receive funding or have you received funding in the past?
- To what extent and in which way you use (formal) external finance? (Bank, Private investors, Microcredit, Crowd funding, Credit Unions,)
- How are you trying to achieve advantages over your competitors?
- Do you find the Twente region a favorable region for doing business?
- Are the council, economy and region contributing to your business?
- Do you feel connected to the neighborhood in which your business is located? If so, because of what?
- Do you have many personal or business contacts in the area?
- What do you do for customers to keep them happy?
- What are you doing to gain new customers? Is this a specific ethnic group to focus on?

### Culture

- What is your ethnic background?
- What does your cultural/ethnic background mean for you as an entrepreneur?
- How has your ethnic/cultural background affected your motivation to start a business?
- How does your cultural background influence your perception of economic opportunities?
- What is your religion?
- What does your religion mean for you as an entrepreneur?
- How do you think the image of your business looks like?
- Do you think your ethnic background has an impact on how customers view your business?
- Are you trying to change the image of the company based on how other people view your business? How?

### Network

- To what extent do you and your family belong to a close network of Turkish / Syrian / etc?
- What is the ethnic background of your employees? To what extent do they belong to your ethnic network?

- Can you estimate where your customers come from?
- Is there a specific way you interpret economic opportunities? Does your ethnic network have any influence on this? How do you think this is in the case of other migrants?
- How is your strategy affected by your ethnic network?

## **Appendix 7. Survey (Original version in Dutch)**

### **Inleiding**

Allereerst bedankt dat u wilt meewerken aan dit onderzoek, een afstudeerproject van de Entrepreneurship Initiative aan de Faculteit der Managementwetenschappen, Radboud Universiteit Nijmegen. In dit onderzoek gaan we in gesprek met jonge ondernemers met migratieachtergrond in de regio Twente, om te verkennen hoe deze ondernemers en hun bedrijven de innovatiekracht van de regio versterken, door het aanbieden van nieuwe producten of diensten, het creëren van werkgelegenheid, het introduceren van nieuwe vormen van bedrijfsvoering enzovoorts. De informatie die u in dit onderzoek vertrekt wordt als vertrouwelijk behandeld en slechts gebruikt voor wetenschappelijk onderzoek. De eerste vragen van deze enquête zijn uitsluitend bedoeld ter onderscheiding van de respondenten en zullen niet in de uiteindelijke resultaten worden opgenomen.

1 Wat is uw naam? \_\_\_\_\_

2 Wat is uw hoogst genoten opleiding?

- Basisonderwijs (1)
- Middelbare school (2)
- MBO (3)
- HBO (4)
- Universitair (5)
- Anders, namelijk: (6) \_\_\_\_\_

3 Wat is uw leeftijd? \_\_\_\_\_

4 Wat is uw geslacht?

Vrouw (1)

Man (2)

5 Waar bent u geboren?

\_\_\_\_\_

6 Waar zijn uw ouders geboren?

\_\_\_\_\_

\_\_\_\_\_

7 Wat is de naam van uw bedrijf?

\_\_\_\_\_

8 Welke producten en/of diensten biedt u aan?

\_\_\_\_\_

9 In welke branche bent u actief?

\_\_\_\_\_

10 In welk jaar is uw bedrijf opgericht?

\_\_\_\_\_

11 Hoeveel werknemers telt uw bedrijf (inclusief uzelf)?

\_\_\_\_\_

12 Heeft u uw bedrijf zelfstandig opgericht?

Ja

Nee, met: \_\_\_\_\_

13 Hebben of hadden uw ouders een eigen bedrijf?

Ja

Nee

14 Wat is de spreiding van de klantenkring van uw bedrijf?

- Lokaal
- Regionaal
- Landelijk
- Europees
- Mondiaal

15 Hoe ziet uw aanbod eruit?

- Een specifiek product
- Een breed aanbod aan producten

16 In welk jaar is dit pand gebouwd?

\_\_\_\_\_

17 In welk jaar heeft u zich gevestigd in het pand?

\_\_\_\_\_

18 In welk type pand is uw bedrijfsruimte gevestigd?

- Aan huis
- Kantoorpand
- Fabriekspand
- Winkelpand
- Anders, namelijk: \_\_\_\_\_

19 In welke mate hebben de volgende factoren uw keuze voor een bedrijfslocatie in deze buurt beïnvloed?

	Niet belangrijk	Nauwelijks belangrijk	Redelijk belangrijk	Belangrijk	Heel belangrijk
Geschiktheid van de bedrijfsruimte	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Betaalbaarheid van de bedrijfsruimte	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Lokale aanwezigheid van klantenkring	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Lokale aanwezigheid van concurrenten	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Toegang tot mogelijke werknemers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Bereikbaarheid en infrastructuur	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Invloed van lokale of nationale overheden	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Contacten, zoals familie en vrienden, in de buurt	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Aanwezigheid van lokale voorzieningen	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Overige redenen	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

20 Welke activiteiten heeft u ooit met buurtgenoten van uw bedrijf ondernomen met wie u een zakelijke relatie heeft:

	Nooit	Zelden	Soms	Regelmatig	Vaak
Een kopje koffie drinken	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Samen een feest geven	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Samen een blad/krant maken of uitgeven	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Een bijeenkomst organiseren	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Actie ondernemen om de buurt veiliger te maken	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Samen bezwaar indienen bij de gemeente	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Actie ondernemen om de buurt schoner te krijgen	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Afspraken maken over parkeren	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Actie ondernemen indien in de buurt een voorziening wordt gesloten	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Anders, namelijk: _____	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

21 Welke activiteiten heeft u ooit met vrienden of familie uit de buurt van uw bedrijf ondernomen:

	Nooit	Zelden	Soms	Regelmatig	Vaak
Een kopje koffie drinken	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Samen een feest geven	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Samen een blad/krant maken of uitgeven	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Een bijeenkomst organiseren	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Actie ondernemen om de buurt veiliger te maken	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Samen bezwaar indienen bij de gemeente	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Actie ondernemen om de buurt schoner te krijgen	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Afspraken maken over parkeren	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Actie ondernemen indien in de buurt een voorziening wordt gesloten	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Anders, namelijk: _____	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

22 Wat is uw omzet geweest in het afgelopen jaar?

- Minder dan 10.000 (1)
- 10.000 - 19.999 (2)
- 20.000 - 49.999 (3)
- 50.000 - 99.999 (4)
- 100.000 - 249.999 (5)
- 250.000 - 499.999 (6)
- Meer dan 500.000 (7)
- Geen antwoord (8)

23 Wat is uw winst geweest in het afgelopen jaar?

- Minder dan 2.500 (1)
- 2.500 - 9.999 (2)
- 10.000 - 19.999 (3)
- 20.000 - 39.999 (4)
- 40.000 - 59.999 (5)
- 60.000 - 99.999 (6)
- Meer dan 100.000 (7)
- Geen antwoord (8)

24 Hoe heeft de omzet van uw bedrijf zich de afgelopen twee jaar ontwikkeld?

- Sterk gedaald (1)
- Gedaald (2)
- Gelijk gebleven (3)
- Gestegen (4)
- Sterk gestegen (5)

25 Hoe heeft de winst van uw bedrijf zich de afgelopen twee jaar ontwikkeld?

- Sterk gedaald (1)
- Gedaald (2)
- Gelijk gebleven (3)
- Gestegen (4)
- Sterk gestegen (5)

26 Hoe hebben de investeringen zich de afgelopen twee jaar ontwikkeld?

- Sterk gedaald (1)
- Gedaald (2)
- Gelijk gebleven (3)
- Gestegen (4)
- Sterk gestegen (5)

27 Kunt u zeggen hoe het aantal werknemers zich de afgelopen twee jaar heeft ontwikkeld?

- Sterk gedaald (1)
- Gedaald (2)
- Gelijk gebleven (3)
- Gestegen (4)
- Sterk gestegen (5)

Dit is het einde van de vragenlijst. Mocht u interesse hebben in de resultaten van dit onderzoek, dan kunt u hier uw e-mail adres achterlaten:

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