

## Recent advances in identifying and theorizing the role of immigrant entrepreneurs, ethnicity, and culture in industrial marketing

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### Abstract:

This special issue of *Industrial Marketing Management* (IMM) features four articles that cover topics related to immigrant entrepreneurs, ethnicity, and culture in industrial marketing. This introductory paper summarizes the contributions of these articles and points out future research directions.

**Keywords:** ethnicity | marketing | immigrant entrepreneurs

### Article:

#### 1. Introduction

Immigrants are growing fast in all over the world. According to the 2010 Census, 37.9% of the American population consisted of non-European ethnic groups; this proportion is expected to be at 48% in 2030 (US Census Bureau, 2011). On the contrary, the non-immigrant population is expected to have a lower growth rate of 4% to 12% over the same period. With the steady rise in immigrant population and subsequent diversity in the marketplace—particularly in North America, across Europe and Australia—immigrant entrepreneurship rose dramatically and has had a tremendous impact on the global economy. Immigrant entrepreneurial context is full of culturally diverse, sometimes even contradictory, expectations and norms that influence how ethnic entrepreneurs are linked to the mainstream markets.

The topic of cultural influences on immigrants' industrial marketing such as ethnic marketing entrepreneurship, supply chain management, network capability development, buyer-seller relationships, and ethnical financial cushion is attracting increasing attention (Jamal, Peñaloza, & Laroche, 2015; Lindgreen & Hingley, 2010; McGrath & O'Toole, 2014). More recently, Dabić et al. (2020) provided a systematic review of 514 articles and identified six major themes in the extant literature in this domain: (1) motives and entrepreneurial intentions, (2) competencies and identity building, (3) ethnic networks, (4) strategies and internationalization, (5) resources, and (6) intercultural relations. This synthesis of the literature points out the need to have a holistic and contextualized approach to study immigrant entrepreneurship.

The purpose of this special issue is to use a holistic and contextualized approach to have a deeper understanding of the role that immigrant entrepreneurs, ethnicity, and culture independently or jointly play in industrial marketing. The call for papers generated interesting inquiries and submissions. Following the *IMM* guidelines and rigorous review processes, four articles were finally selected for this special issue. They are described next based on the topics covered in these articles.

## **2. Key themes covered in the special issue**

### **2.1. Social networks, embeddedness and opportunity creation**

Lassalle, Johanson, Nicholson, and Ratajczak-Mrozek (Migrant entrepreneurship and markets: The dynamic role of embeddedness in networks on the creation of opportunities) develop a framework of migrant entrepreneurship, using the principles from effectuation theory of “bird in hand” (using available resources) and “crazy quilt” (selected use of networks). These authors interviewed Polish migrant entrepreneurs in Scotland and UK, and identified three types of networks that are useful and relevant to creating opportunities: networks back in Poland, Polish migrant networks in the UK, and UK indigenous networks. Findings indicate that immigrant entrepreneurs first become relationally, socially, and structurally embedded, often relying on bridging agents to access UK indigenous networks, and then leverage resources to create opportunities within and beyond the migrant community. Some later purposefully re-proximate to Polish migrant networks in the UK with a view to strengthen their competitive position. Getting socially and relationally embedded tends to be quicker than getting structurally embedded into the Polish migrant networks in the UK. The process of opportunity creation seems to be incremental and iterative, and relies on resources accessed through embeddedness in different networks. Their study reveals the role played by multidimensional and evolving embeddedness in different networks in the process of opportunity creation.

### **2.2. Social networking ties, resources and innovation**

Chung, Yen, and Wang (The contingent effect of social networking ties on Asian immigrant enterprises' innovation) examine the moderating role of immigrant enterprises' social network resources (business ties, political ties, and immigrant entrepreneurs' ethnic ties) in the relationship between entrepreneurial orientation and innovation. Their findings show that immigrant entrepreneurs' business ties and ethnic ties strengthen the positive effect of entrepreneurial orientation on innovation, whereas political ties exert little influence on the link between entrepreneurial orientation and innovation. This article advances the understanding of the contingent effect of different social networking ties in the context of immigrant enterprises' innovation, both of which remain at the heart of immigrant entrepreneurial marketing practices.

### **2.3. Social structure, affective states and exchange strategies**

Zolfagharian and Iyer (The Effects of Intergroup Boundary Permeability and Hierarchy Legitimacy on Immigrant Entrepreneurs' Affective States, Exchange Strategies, and Intentions toward Suppliers) investigate the effect of social structure on immigrant entrepreneurs' affective

states and exchange strategies toward supplier firms. Their findings show that boundary permeability and hierarchy legitimacy are the two key structural determinants of immigrant entrepreneurs' affective states (hope, stress, and anger) and exchange strategies (status quo acceptance, upward mobility, opportunism, rationalism, preference for ethnic supplies, commitment to mainstream suppliers). Specifically, perceptions of boundary permeability embolden immigrant entrepreneurs to look beyond status quo and engage in adaptive behaviors that can facilitate upward mobility, whereas perceptions of hierarchy legitimacy inspire immigrant entrepreneurs to adhere to relationship norms and refrain from opportunistic behaviors.

## 2.4. Transnational entrepreneurship

Gurău, Dana, and Volovelsky (Spanning transnational boundaries in industrial markets: A study of Israeli entrepreneurs in China) address Israeli transnational entrepreneurs who provide B2B intermediation services in China. The study is unique in the sense that it focuses on immigrant entrepreneurs from a developed economy (Israel), who pursue professional careers and business opportunities in a transitional economy (China). Such immigrant entrepreneurs are often embedded in their home and host countries both economically and socially which means they are better placed in their ability and capacity to integrate and enact transnational resources for exploiting transnational business opportunities. Their findings show a gradual evolution of personal and professional profile among these entrepreneurs, determined by a dynamic interdependence among various forms of capital, entrepreneurial habitus, and circumstantial factors. Building upon these findings, the authors develop a comprehensive model, showing the various components and stages that lead to the development of transnational profiles and activities to enhance business success. In doing so, they point toward a gradual process of transnational development whereby Israeli entrepreneurs address organizational, country, cultural and stage boundaries and act as boundary spanners for individuals and organization to create and exploit transnational business opportunities. The research findings are quite useful for transnational entrepreneurs and organizations who are looking to achieve success in China and for scholars interested in investigating similar immigrant entrepreneurial phenomena in other countries.

## 3. Conclusion and future research directions

By adding to the body of knowledge in the ethnic B2B marketing, these articles advance our understanding of the role that immigration, ethnicity, and culture play in entrepreneurs' success. Collectively and in many different ways, these articles highlight the importance of networks for resource access and opportunity recognition for immigrant entrepreneurship.

Moreover, the notions of resilience, competency and capabilities of entrepreneurs that underpin opportunity identification, along with social networking and resource access, become obvious to readers. Furthermore, implicit in these articles included in this special issue is the use of spatial metaphors (e.g., as reflected via the use of terms like social networks back home and in host country) that can sometimes undermine our ability to fully understand the dynamic role played by the notion of space in understanding immigrant and transnational entrepreneurship. Recent scholarly work (Jamal, Kizgin, Rana, Laroche, & Dwivedi, 2019; Visconti, 2015) points to the

direction that space can not only be physical but also cultural, social, geopolitical, ideological (Visconti, 2015) and even virtual in nature.

This is further supported by a significant trend toward globalization, global consumption culture, and the use of new digital technologies both by the immigrant and majority business enterprises and their stakeholders like suppliers, government agencies, and customers. Accordingly, one critical issue that has not been addressed by these articles is how technology advancement may facilitate or hinder ethnic B2B marketing. On top of immigration, the advancement of technologies and job outsourcing create another layer of opportunities and challenges for industrial marketing. On one hand, social networks and the prevalence of Internet lower the barriers for ethnic entrepreneurship and facilitate marketing decisions and strategy in global industrial and business-to-business markets. On the other hand, the contemporary business environment demands more market intelligence to take new lenses in understanding about the impact of migration, ethnicity and culture on industrial marketing, including the issues related to global outsourcing, distribution and promotion.

We hope that future researchers can continue this stream of research, with a focus on such topics as (1) effects of technology use, migration, and ethnicity on business-to-business relationship management, (2) role of ethnicity and cultural diversity in value creation in industrial markets, (3) sustainability and business-to-business marketing in ethnicity contexts, (4) effects of new media and novel technology on industrial marketing across ethnic groups, and (5) role of immigrant entrepreneurs in highly anticipated changes in the global supply chain of networks due to the impact of COVID-19 crisis. In light of increasing uncertainties in globalization and B2B markets, research on immigrant entrepreneurs is of greater importance. From a methodological perspective, we encourage future researchers to use more longitudinal, multilevel, and/or multi-method research designs in ethnic B2B marketing contexts.

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