

**Immigrant business in transnational contexts:
a multifocal understanding of the breakout process**

Abstract

Purpose

This paper contributes to the development of an enhanced understanding of the breakout strategies of immigrant entrepreneurs within a transnational context. It develops a dynamic notion of breakout through placing it within a wider understanding of immigrant entrepreneurial strategy characterised by multifocal embeddedness within transnational space.

Design/Methodology

This study adopted a qualitative research methodological approach. In-depth interviews were completed with 30 first- and second-generation UK-based Nigerian entrepreneurs and key informants, to provide data on business growth strategies of individual immigrant entrepreneurs in the context of opportunity structures across host, home and third countries.

Results

Nigerian immigrant entrepreneurs adopted distinctive entrepreneurial strategies related to the complex and diverse transnational context within which they were embedded. Findings demonstrated how the realisation of diversification and differentiation strategies was particularly influenced by locational and spatial strategies, the specific contextual embeddedness of the entrepreneur, and generational differences across entrepreneurs.

Originality

Conceptualising immigrant entrepreneurship from a standpoint of transnational, multifocal embeddedness produces a complex and multi-layered understanding of business breakout as a dynamic process. Drawing together the unifocal, bifocal and multifocal dimensions of embeddedness with findings on the breakout strategies being pursued by immigrant entrepreneurs, an original typology is presented which identifies different approaches to breakout across varied contexts. This has significant policy and practice implications for the content, targeting and access of business support and wider social issues, relating to the identities, social mobility and integration of immigrant entrepreneurs.

1. Introduction

Immigrant entrepreneurs make up a growing proportion of entrepreneurial activity across a range of developed and emerging economies. These entrepreneurs identify, create and exploit economic opportunities and establish economic ventures in the countries they migrate to (Dheer, 2018; Malki *et al.*, 2020). While immigrant entrepreneurial activity is often initially rooted in the need to survive within challenging host labour market conditions (Chrysostome, 2010), it also produces highly dynamic business activity and acts as a vehicle for social mobility and self-actualization, alongside stabilizing individual and household economic conditions (Portes & Rumbaut, 2006). Immigrant entrepreneurial ventures are significant therefore not only to processes of economic growth, but also to processes of social mobility and the integration of often marginalized immigrant populations within host economies.

Understanding the success or failure of immigrant businesses to grow beyond the constrained ethnic markets within which they operate initially, has for many years been dominated by the notion of ‘breakout’. Breakout, as used in this context, is associated with the (in)ability of immigrant businesses to move beyond the constraints associated with serving an often small, localised ethnic market within the host country location and operate successfully in wider and more competitive regional, national and global markets (Basu, 2011; Parzer, 2016; Ram and Hillin, 1994). Achieving breakout is a decisive moment in terms of the social and economic integration of immigrants (Griffen-El and Olabisi 2019). The breakout process demonstrates how immigrant entrepreneurs transform, leverage and overcome immigrant disadvantages, and pursue diverse pathways of entrepreneurial evolution through business transformation, scaling up and failure (Brzozowski, 2017; Curci and Mackoy, 2010; Evansloun et al 2019; Gurău *et al.*, 2020; Vershinina *et al.*, 2019).

The increasing diversity of immigrant entrepreneurs and their entrepreneurial pathways has challenged static understandings of immigrant embeddedness to emphasise a dynamic view of embeddedness and breakout (Beckers and Blumberg, 2013; Chen and Tan 2009; Yamamura and Lassalle 2022). Recent studies identify the existence of immigrant entrepreneurs that respond to opportunities across multiple locations, assume diverse identities, use heterogeneous social networks, and appear unrestrained by nationality or ethnic resources (Griffen-El and Olabisi, 2019; Sandoz *et al.*, 2021; Vershinina *et al.*, 2019). For many immigrant entrepreneurs, an evolving action space is presented through their embeddedness in a diverse, transnational context characterised by new, accessible transportation and telecommunication technologies and increasing flows of resources and people across ethnic and national boundaries. Here the immigrant entrepreneur is rooted within a context of multiple ‘simultaneous embeddedness’ (You and Zhou, 2019) or ‘multifocality’ (Solano *et al.*, 2022); one where the idea of ‘home’ is blurred and entrepreneurship is shaped not only by local market conditions but by multiple layers of transnational space.

In analysing the dynamic process of immigrant business breakout, the notion of multifocality provides recognition of how globalisation has changed structures, networks and markets to extend breakout opportunities beyond ethnic and host markets into transnational space (Solano *et al.*, 2022). Considering immigrant entrepreneurship from the standpoint of multifocal transnational embeddedness enables a more nuanced understanding of immigrant business breakout, which embraces the realities of diverse immigrant business development strategies across host, home and third countries. This paper contributes to these ongoing debates by developing a conceptualisation of entrepreneur breakout strategies which places the transnational, multifocal embeddedness of the immigrant entrepreneur at its centre. It then uses

this theoretical framing to examine empirically the various strategies adopted by first and second-generation UK-based Nigerian immigrant entrepreneurs to develop a typology of breakout approaches across varied contexts.

The paper seeks to answer two basic questions. What ‘breakout’ strategies are being adopted by these immigrant entrepreneurs? How can we best conceptualise different breakout approaches in the context of immigrant entrepreneurs’ evolving embeddedness in transnational space? Through qualitative analysis of the business growth strategies of 30 first- and second-generation Nigerian immigrant entrepreneurs based in the United Kingdom, this study identifies different breakout strategies related to the complex and diverse transnational context within which the entrepreneurs and their enterprises are embedded. Drawing on these results, an original typology is developed which provides insights into the unifocal, bifocal and multifocal dimensions of immigrant entrepreneurs and the dynamic breakout approaches adopted in practice across varied contexts.

This paper is structured into five sections. The first reviews the relevant literature on the processes and conceptualisation of immigrant entrepreneurship embedded within a multifocal transnational context. Section two sets out the methodology and section three presents findings on the diversification and differentiation strategies adopted by immigrant entrepreneurs and the significance of locational strategies, the contextual embeddedness of the entrepreneur, and generational difference to the breakout pathways pursued. These findings are then discussed in the next section through the development of a breakout typology, and the final section presents the conclusions and the implications for policy and practice.

2. Understanding immigrant enterprise breakout

The notion of ‘breakout’ has been routinely identified as a crucial moment in the growth of ethnic minority businesses, centring analysis on their (in)ability to move beyond the constrained markets in which they initially operate. In their seminal work, Ram and Hillin (1994: 19) defined breakout as: “*escaping from constraining market circumstances within which ethnic businesses found themselves*”. The authors argued that racial constraints, unfavourable opportunity structure, and resource inadequacies restricted immigrant businesses from progressing to lucrative positions in the economy and that achieving breakout was necessary for immigrant businesses to be economically sustainable. Subsequent discussion of breakout centred particularly upon the limitations of the ethnic economy and considered breakout as a process of moving out of ethnic markets (Basu, 2011), reducing reliance on ethnic resources (Parzer, 2016), and removing ethnic identification (Slavnic, 2012).

The limitations of using a restricted ethnic lens to interpret the growth trajectories of immigrant businesses was increasingly evident given the complexity and diversity of immigrant flows and populations within a globalised world. In consequence, researchers moved towards a multi-dimensional and dynamic view of breakout operating within host country markets (Curci and Mackoy 2010; Ram *et al.* 2004) and beyond (Brzozowski, 2017; Chen and Tan 2014; Gurău *et al.*, 2020). Breakout here is seen as the transition from surviving to growing, enabling immigrant businesses to venture into a contested economic arena (Ram *et al.*, 2004), moving away not just from the co-ethnic market but also from traditional sectors, marginal positions, and customers with low purchasing power (Arighetti *et al.*, 2014; Ojo, 2013; Wang and Warn, 2019). Alongside this, the complementary notion of ‘break in’ focuses analysis upon the

various multi-level market barriers that ethnic minority businesses encounter at different growth stages and when attempting to move into higher-level markets (Parzar, 2016).

Existing studies have explored how immigrant businesses progress beyond the constraints of their initial markets in search of greater growth opportunities (see Table 1). These show how immigrant businesses faced with various barriers to entry have moved to explore different market opportunities by sector, customer ethnicity, location, customer purchasing power and market niche.

Insert Table 1: Evolving dimensions of breakout

Breakout behaviour is manifested in diverse strategies to convert and exploit opportunities (Dheer, 2018). These include those specifically related to the constraints of ethnicity and highly localised markets, where integration and locational strategies seek to mitigate the impacts of ‘outsidership’ and gain integration into mainstream markets (Altinay and Altinay, 2008; Aluko *et al.*, 2022; Barret and McEvoy, 2013; Rusonovic, 2008). Strategies adopted here include removing the ‘ethnic stamp’ of the business to access non-ethnic markets through product redesign and/or workforce hybridisation (Dheer, 2018), and moving to new locations outside of a spatially segregated ethnic neighbourhood. As immigrant businesses develop their products and services for different market segments, they display various differentiation strategies (Lassalle and Scott, 2018; McPherson, 2019), which can include ‘ethnic market deepening’ to exploit regional and transnational opportunities arising from growth in diaspora communities and markets for ethnic products (Basu, 2011).

Breakout behaviour has been shown to be closely related to processes of immigrant business growth (Brzozowski and Cucculelli, 2020; Curci and Mackoy, 2010; Evansloun *et al.*, 2019; Gurău *et al.* 2020; Parzar, 2016). Curci and Mackoy (2010) observed different patterns of growth for different categories of immigrant business and subsequent studies have identified different types of breakout behaviour in relation to different growth stages (Brzozowski, 2017; Evansloun *et al.*, 2019). These studies demonstrate breakout as a dynamic process crucial to the growth pathway of immigrant business, and a contextually embedded one, where entrepreneurial agents are responding to an ever-changing external environment (Gurău *et al.*, 2020).

Theorising immigrant business breakout

The most influential theorization of how migrant embeddedness has influenced business breakout strategy has been rooted within the mixed-embeddedness approach (Kloosterman and Rath, 2001), which developed through a focus on understanding the experiences of immigrant entrepreneurs in settlement countries, particularly within developed Western economies (Verver *et al.*, 2019). This approach provides a contextualized understanding of action rooted within the interface between ethnic resources and the opportunity/constraining structures within which they operate. This emphasises the embeddedness of immigrant business in both the social networks of immigrants and the socioeconomic and politico-institutional environment of the country of settlement (Brzozowski and Cucculelli, 2020; Jones *et al.*, 2014; Kloosterman and Rath, 2001).

A major criticism of the mixed embeddedness approach has been its static and physical view of space; one increasingly problematic within a dynamic global context characterised by fluidity of exchange, super-diversity, and super connectivity (Sandoz *et al.*, 2021; Valenzuela-

Garcia *et al.*, 2018). There is now strong evidence of how immigrant entrepreneurs utilise their transnational ties, both weak and strong, to access and exploit opportunities in the host society and globally, notably in relation to home societies and diaspora populations (Chen and Tan, 2009; Rodgers *et al.*, 2019; Solano, 2019, Vershinina *et al.*, 2019). The rapid development of transnational space has expanded entrepreneurial scope across borders, providing possibilities for immigrant entrepreneurs to refashion their identity, exploit opportunities in markets previously outside their reach, and advance their individual agency to overcome breakout barriers in the ethnic and home markets (Chen and Tan 2009; Gurău *et al.*, 2020). An increasing number of immigrant entrepreneurs operate from multiple locations and are embedded in multiple contexts, mobilising resources from the country of residence, country of origin, and third countries (Valenzuela-Garcia *et al.*, 2018). Others have refocused their activities away from host economies to emerging markets with more attractive opportunities (Nkongolo-Bakenda and Chrysostom 2013), leveraging their embeddedness to advance their agency and convert their liability of foreignness (Gurău *et al.*, 2020). This newly enlarged transnational space can have emancipatory potential for vulnerable groups, serving as a conduit for negotiating, challenging and overcoming societally imposed barriers (Brzozowski, 2017; Vershinina *et al.*, 2019).

The development of transnational space as a source of opportunities, resources and markets for breakout has required broadening the mixed embeddedness concept to include institutional and social embeddedness within homeland areas/countries of origin, and transnational embeddedness in the identities, networks and spaces of diaspora groupings (Brzozowski *et al.*, 2017, Chen and Tan, 2009, Solano, 2019; Valenzuela-Garcia *et al.*, 2018; Vershinina *et al.*, 2022; Yamamura and Lassalle, 2022). Bagwell (2015) and Chen & Tan (2014) added a transnational dimension to the understanding of mixed embeddedness and Yamamura and

Lassalle (2022) developed this further to demonstrate how, in terms of action and experience, the transnationality of immigrant embeddedness is dynamic, multidimensional, and extends across borders. Consequent notions of ‘transnational mixed embeddedness’ (Bagwell, 2018), ‘multifocality’ (Solano *et al.*, 2022) and ‘simultaneous embeddedness’ (You and Zhou, 2019) share a recognition of the changed transnational context which provides the context for immigrant entrepreneurial activity; one characterised by a highly fluid, diverse and connected global economy, the facilitative role of new digital and communication technologies, and the diversity of immigrant populations, flows and statuses (Vertovec, 2009).

Notions of embeddedness here move beyond a frame of place-based action to recognise the importance of the dynamic, complex and multiple identities of immigrant entrepreneurs (Bagwell, 2018; Solano, 2019, You and Zhou, 2019). Building upon these ideas, the notion of multifocality (Solano *et al.*, 2022), provides a useful starting point for (re)conceptualising breakout. In contrast to the initial ‘unifocal’ emphasis of mixed embeddedness in its study of immigrant entrepreneurship, where attention centred only on the host location, this places transnational space and identity at its centre. It draws attention to immigrant entrepreneurs operating both bifocally, embedded in two contexts of host and home countries, and multifocally, where the multiple and multi-sited nature of diaspora relations is central to understanding how immigrants’ embeddedness extends globally beyond the home-host country milieu (Bagwell, 2018; Chen and Tan, 2009; Solano, 2019; Syrett and Keles, 2022).

In conceptualising multifocal contextual embeddedness, three dimensions are important: structural, relational and cognitive (Solano, 2019). Structural embeddedness relates to the institutions and attributes of place which influence socio-economic actions, Relational embeddedness concerns the social networks that exist within and between ethnic/immigrant

populations and other population groups, and cognitive embeddedness concerns how immigrants take up the norms, identities, and perspectives of those that live in particular places (Bagwell, 2015; Chen and Tan, 2009; Yamamura and Lassalle, 2022). Critically, immigrants' embeddedness in a wider transnational environment is 'simultaneous', in that immigrants can be embedded in more than one location/context at the same time; a factor fundamental to understanding the contemporary contextual embeddedness of the immigrant entrepreneur (You and Zhou, 2019).

This study develops this multifocal transnational embeddedness perspective towards conceptualising breakout. Given the increasing number and variation in immigrant businesses globally, analysing the strategies, markets, and pathways being pursued by immigrant entrepreneurs embedded in a transnational space is critical to understanding the current and potential growth dynamics of these businesses. Rooted within an understanding of the dynamic and contextually embedded process of breakout, this approach permits further insights into how breakout processes are evolving over time, across different generations of immigrants, and space, and their implications for policy and practice.

3. Methodology

This study adopted a qualitative research methodological approach to explore immigrant business breakout strategies and dimensions in a transnational environment. This approach permitted a detailed study of contextually embedded cases (Sanders *et al.*, 2016) through the completion of in-depth interviews with Nigerian immigrant entrepreneurs and other key actors operating within this business environment. These provided data with which to analyse the business growth strategies of individual immigrant entrepreneurs in the context of wider

opportunity structures (e.g. Kloosterman, 2010; Bagwell, 2018). Owing to the Covid-19 pandemic, all interviews were conducted online.

In-depth interviews were completed with 30 Nigerian first and second-generation immigrant entrepreneurs who owned and managed businesses with a principal base in the UK. These entrepreneurs operated established businesses across a range of different business sectors. The cross generational sample allowed analysis of how the generational dimension influenced the embeddedness of the entrepreneurs, which has been shown to be significant in other studies (Beckers and Blumberg, 2013), but remains underexplored in the existing literature. Earlier work by Rusonovic (2008) pointed to generational differences accounting for variations in breakout behaviour of immigrant entrepreneurs. Subsequent work showed how differences in entrepreneurial orientation, entrepreneurial capabilities and resources between first and second-generation immigrant entrepreneurs affected their dependence on ethnic resources, market focus and breakout pathways (Haggin, 2012). Analysis of generational difference therefore provides insights into understanding the heterogeneity of differentially embedded immigrant entrepreneurs (Effendic *et al.*, 2016) and the different types and dynamic of breakout they pursue.

Interviews generated data on the nature of business activities, breakout experience and the type of breakout strategies pursued. In the absence of suitable databases on Nigerian immigrant entrepreneurs, a wider population of cases was generated through initial contact with key gatekeepers, and then through subsequent snowballing and chain referrals. This generated 210 cases of Nigerian immigrant entrepreneurs (first or subsequent generation). In line with the focus upon established businesses, 86 entrepreneurs who had owned and operated a legitimate and registered business in the UK for at least three years were identified. Following contact, 46 initially agreed to participate in the study although 16 subsequently withdrew, leaving a

final sample of 30 immigrant entrepreneurs both 18 first-generation (18) and second generation (12). As where one grows up is the key determinant of immigrant generation rather than place of birth (Conway and Portes, 2009), first generation immigrants were defined as those who arrived in the UK as adults, and second generation were those who came to the UK as a child or were born in the UK.

The characteristics of the 30 Nigerian immigrant entrepreneurs studied are set out in Table 2, using pseudonyms to ensure anonymisation of the cases. Of the entrepreneurs, 14 were women and 16 men, all aged between 30 and 59 years. The vast majority (22) of the entrepreneurs had more than 10 years of business experience. The educational qualification of this sample was relatively high, with more than half possessing a degree or higher postgraduate qualification.

Insert Table 2: Profile of immigrant entrepreneurs

Businesses were generally small; just over half (16) of the businesses had a turnover of between £300,000-£800,00 per annum, seven were somewhat larger businesses with a turnover of over £1m per annum, and another seven smaller/micro businesses had a turnover below £300,000 per annum. Businesses operated across the retail, services, transportation, healthcare, entertainment, export, and construction sectors, with the service and retail sectors the most important (53% and 20% respectively). Most businesses (63%) had operated for between 5-10 years, with eight businesses in operation for over ten years, and three businesses between 3-5 years.

To understand the business environment in which the entrepreneurs were operating, a series of interviews were completed with key informant actors operating within the wider Nigerian

business sector. This generated data related to key institutions, social networks, and support bodies, and enabled triangulation of data obtained from the entrepreneurs. A list of 15 key potential respondents was generated from contact with active ethnic associations, religious groups, business groups, the Nigerian embassy, and other ethnic minority entrepreneurship researchers, with participation drawn from ethnic associations, the Nigeria-London Business Forum, Black Women Entrepreneur Forum, the UK Federation of Small Business, and academic experts on small and immigrant businesses.

Breakout studies of immigrant entrepreneurs in the UK have rarely focused on the experiences of immigrant entrepreneurs from Africa. Nigerian immigrant entrepreneurs were selected as the focus of the study due to the large size and dynamism of this group within the UK, alongside a large home market and active diaspora markets, which provided the opportunity to explore the significance of the transnational context across generations and multiple ethnic groups. Although the Nigerian diaspora is scattered across multiple global locations, the UK has remained a primary destination for Nigerians (Ojo, 2013). With an estimated population of 205,000 people, the Nigerian community is the largest group of Sub-Saharan Africans and the oldest black community in the UK. Recent studies estimated 8,000 Nigerian businesses operating principally in London, with a further 3,000 businesses outside, particularly in Birmingham and Manchester (Ojo, 2019; Nwankwo 2005). The London context is significant for the study as it is the principal concentration of Nigerian immigrant entrepreneurs in Europe and because the cosmopolitan nature of the London economy, comprising various ethnic products, customer bases, tastes, entrepreneurial orientations, and traditions, provides a diverse socio-economic space for immigrant entrepreneurs to develop breakout activities (Sepulveda *et al.*, 2010).

Data analysis

To develop a contextualised understanding of immigrant entrepreneur's business breakout strategies, thematic analysis was undertaken to identify themes or patterns across the qualitative data set generated (King, 2004). An iterative analytical method was adopted. Data generated from the entrepreneur and key informant interviews were coded, analyzed and thematised through a number of steps. First, familiarity with the data was achieved through transcription, editing, and sending copies to the respondents for confirmation. Second, coding of the interviews into categories enabled the grouping of similar categories into parent codes and linked to theory to generate second order themes and aggregate dimensions. As seen in Table 3, the various breakout activities undertaken by the immigrant entrepreneurs generated first order categories, which provided the basis for the development of second order themes related to their unifocal, bifocal and multifocal embeddedness. Aggregate dimensions were then identified through analysis of the breakout strategies with respect to their structural, relational and cognitive embeddedness. Finally, this analysis provided the basis to develop a typology of breakout, which enabled the multidimensionality of the phenomena to be addressed in a rigorous manner (Collier *et al.*, 2012). Within the qualitative method, typology development helps to mine theoretical insights and generalise findings from a restricted qualitative case study and has been used widely in immigrant entrepreneurship research (Kloosterman 2010; Sandoz, 2021; Bagwell, 2018).

Generational group was incorporated into the coding at all stages to explore the nature of generational differences. Initial differences evident in first order categories became more apparent in the identification of second order themes related to different types of strategies

used (e.g. second generation entrepreneurs making greater use of digitalisation) and the manner in which strategies were deployed (e.g. second generation entrepreneurs transnational strategies focused on wider international markets rather than the Nigerian homeland). In identifying aggregate dimensions, the cognitive dimension (e.g. identity, norms, perspectives) and the social network dimension (e.g. use of ethnic ties, professional networks, virtual networks), showed important differences in how first and second generations were embedded transnationally, as discussed further in the findings section.

Insert Table 3: Data structure, coding, thematic analysis and typology development

Analysis was informed by a contextual, transnational perspective of the breakout process considering the structural, relational and cognitive dimensions of embeddedness across first and second-generation immigrant entrepreneurs. The notion of unifocality identified entrepreneurial embeddedness restricted primarily to one spatial context, that of the host market. In the case of bifocality, embeddedness spanned two contexts, typically the homeland and host country. Where there was multifocality, entrepreneurial embeddedness extended beyond the home and host country spaces to include third countries. In developing theoretically informed aggregate dimensions, structural embeddedness was apparent in terms of the geographical coverage of entrepreneurs' activities, whether in the host country, host-home country or transnationally beyond the host-home country context. Relational embeddedness was analysed in terms of the composition of social networks both ethnic and non-ethnic, including industry, transnational and online, across unpaid and remunerated ties. Cognitive embeddedness was analysed in terms of identity, norms and perspectives, particularly in terms of generational differences which informed the actions of the immigrant entrepreneurs.

Through subsequent analysis of the interplay of the three dimensions of embeddedness across the cases studied, identifiable patterns were observed in the breakout behaviours of immigrant entrepreneurs, and six archetypes of breakout identified.

4. Findings

Breakout strategies

Entrepreneurs were asked to detail how they had set about expanding their businesses and the precise activities they undertook to realise this. Research was undertaken during the period of the Covid-19 pandemic which affected the operation of all businesses studied. Difficult market conditions reduced business revenues and necessitated consideration of new business strategies to achieve growth. Most notable here was an accelerated shift towards online trading and the greater adoption of digitalisation processes, with nearly half of the entrepreneurs citing the use of increased digital operation to enter new market segments.

In most cases, a largely informal and ad hoc approach to business development predominated rather than a deliberate and formal planned approach. Across the sample, strategies were driven by the objective of achieving market expansion and growth rather than simply survival. Breakout strategies were seen as a means not only to overcome constraints facing immigrant businesses in their host markets, particularly those related to the liabilities often associated with such business of newness, foreignness and smallness (Sandoz et al, 2021), but also to leverage their unique capacities and resources and achieve greater competitiveness.

In seeking to breakout from initial markets and sectors of operation, entrepreneurs pursued a mix of strategic elements across phases of their business development, with breakout strategies

reflecting particularities related to product type, target customers, breakout motive, and sector of business activity. The most common strategies pursued related to diversification and differentiation. Diversification was pursued by nearly all the immigrant entrepreneurs in relation to product lines, service provision and markets; a finding in line with studies of other immigrant entrepreneur groups (Lassalle and Scott, 2018; Parzar, 2011). Although diversification is frequently a survival strategy (Barret and McEvoy, 2013; Ojo, 2013; Rosales, 2013), here it was used as a breakout expansion strategy, enabling immigrant entrepreneurs to adapt to market trends, maximise the use of resources and increase competitiveness. As Dolapo, a 46-year-old owner of a household retailer set out:

‘I structured the business to adapt to changes in customers’ needs and lifestyle. I broadened the scope of wares I sell to attract new customers without discontinuing the activities I was known for. From my experience, selling assorted brands and diverse product lines helps to retain existing customers and attract new ones’.

Eight of the 30 entrepreneurs also moved into new business areas, in response to emerging opportunities and/or the difficulties they encountered in expanding their existing enterprise, a strategy in line with a tradition of portfolio entrepreneurship among black African immigrant entrepreneurs (Ojo, 2019). Ikenna, for example, in addition to his main car trading business used his existing transnational networks to develop a new seasonal food export business. This exported Ghanaian food products, which were cheaper than Nigerian food products and faced fewer trade restrictions, to Nigerian communities living in Germany and Dubai.

Businesses, predominantly serving diverse communities, actively pursued a range of strategies to differentiate themselves from competitors from the Nigerian community and other ethnic groups. These businesses focused upon marketing differentiated products and/or services that appealed to existing and new customers to increase market size and product/service value.

Activities reported included developing stronger and longer-term customer relationships, faster service, greater customisation of service provision, brand-building, and improved and higher value goods and services. Eze, an owner of a construction firm, achieved differentiation through providing superior services to the changing needs of their long-term customers: *‘we focused on customers lifetime needs by adjusting to suit the new lifestyle and accommodate new demands’*. Ada, a care-home owner, set out her differentiation strategy: *‘I call it customer intimacy...using your understanding of the customers to develop products that your customers cannot resist..., I charge them a higher price but customers are attracted because our services are valuable and responsive.’*

In the pursuit of breakout, diversification and differentiation strategies targeted markets which provided growth opportunities through increased size, higher purchasing power and relative ease of entry. These included co-migrant, online, regional, national and transnational markets, located across the UK and Nigeria, and third countries where social and economic networks existed. Common breakout market shifts included moving from local markets to homeland and transnational markets and from face-to-face to online markets. Crucial here were business digitalisation strategies which provided reach to wider heterogeneous markets and greater flexibility to customise market offerings. As Yinka, a training firm owner stated: *‘I am using digital platforms to reach my customers; this increased the depth and coverage of the market I serve’*. Ahmed, an owner of an IT firm, set out how he had used digitalization to expand his business into different countries:

‘We converted some of our products into digital forms so that we can sell them online to people in different countries. Although this method requires capital and digital skills, we were able to automate some of our processes and increase our market coverage’.

Notably, digitalization enabled two of the businesses to operate as ‘micro multinationals’, serving customers in diverse market niches around the world, through leveraging resources from the UK to enter third countries.

The majority of entrepreneurs considered their breakout strategies to have been successful, variously citing evidence of positive outcomes in relation to increased revenue, an enlarged customer base, the addition of new outlets and facilities, higher levels of customer satisfaction and a larger workforce. However, in seeking to realise effective breakout through the pursuit of diversification and differentiation strategies, certain dimensions were critical to their effectiveness, namely the use of locational and spatial strategies, the contextual embeddedness of the entrepreneur, and generational differences across the entrepreneurs.

Locational and spatial strategies

Central to the breakout strategies entrepreneurs pursued, was their businesses’ evolving customer base and its geographical location. Entrepreneurs were asked to detail their main business customers and geographical location. The majority (22 cases) served a combination of ethnic Nigerian and non-ethnic Nigerian customers, and a minority (eight) served Nigerian customers only. Geographically, half of the businesses had significant international customers, eight operated predominantly across the UK, and seven served a customer base only within London. Of those operating transnationally, Nigeria was the principal focus, although many also had satellite offices serving markets in other countries, including Holland, Belgium, South Africa, Ghana, Australia and India (see Table 2). This enabled them to move resources and finance more easily between countries. Furthermore, a number of the first-generation entrepreneurs spent considerable periods of time in Nigeria each year. For example, Aisha (travel agency owner) used to routinely winter in Nigeria permitting her to combine hands-on working with vacation time across this key business period.

For immigrant businesses operating in more traditional retail and personal services industries, location strategy within the UK was central to the breakout process, as seen in previous studies (Ram *et al.*, 2004). These immigrant businesses were initially located in relatively deprived superdiverse urban areas of London, characterised by a range of ethnic groups providing strong competition and a customer base that often extended beyond the Nigerian co-ethnic group (see also Sepulveda *et al.*, 2010; Yamamura and Lassalle, 2019). The breakout strategy for the majority of sampled retail businesses was to develop new business sites in higher income and/or up-and-coming areas locations, whilst simultaneously improving product mix. This enabled the attraction of a different mix of non-ethnic and co-migrant customers with higher spending capacity. Afam, who ran a money transfer business, exemplified how new locations provided expansion opportunities: ‘*We grew from one shop at Peckham to two shops outside London. Anytime we moved into new locations favoured by demographic trends, our customer base enlarged.*’ Whilst the initial shop in Peckham served a predominantly co-ethnic market, the new locations provided access to a more diverse market of co-migrant customers including Jamaicans, Ghanaians and Somalis.

A significant number of immigrant entrepreneurs expanded transnationally, with half of the businesses expanding beyond the UK host country. This was apparent across businesses of all sizes including microbusinesses employing less than 10 employees. For example, Aisha operated her travel agency business in Nigeria and the UK with four employees and Ikenna employed six people to run his car export business across UK, Nigeria and Holland. To achieve this, entrepreneurs made active use of their mixed transnational embeddedness, leveraging resources, contacts, and know-how derived from their home country of Nigeria, other countries they had lived in, and co-migrants contacts in the UK. Notably, all the immigrant entrepreneurs who had migrated to the UK via EU countries, namely Ahmed, Nonso and Ikenna, had

developed some business activity within these EU countries. These cases showed them actively making use of their previous migration experiences to provide a better understanding of different trading conditions, legal requirements and market opportunities in other national markets (Belgium, Holland), as well as trusted individuals they could employ there, and contacts through which they accessed business resources and raised financed.

Alongside developing business ventures in their homeland areas of Nigeria, entrepreneurs used a Nigerian base or other countries in the African continent, such as Ghana and South Africa, from which to serve wider African markets. For example, Chinedu, who owned a food items firm, chose to develop a base in Ghana rather than Nigeria due to its cheaper product and operating costs. Initially supplying Ghanaian food products to his UK retail operation, he subsequently developed a food retail operation in Accra and food exports to other African markets including the Benin Republic and Kenya. Chika used the Nigerian office of her advertising company to serve customers in four West African countries, and her South African office to serve Southern African markets. In some cases, the scope of operation was global in extent. Ahmed used his Mumbai office to provide programming and consulting services to customers in two neighbouring countries in the Asian sub-region, a Nigerian office as a hub for three African countries. and the London office, including two new online ventures, to serve customers in advanced countries.

Entrepreneurial embeddedness in transnational space

Findings demonstrated how the nature of the breakout processes was strongly linked to the particularities of entrepreneurs' embeddedness within transnational space, The personal migratory histories of the entrepreneurs gave rise to particular identities, experiences, resources and social networks. The contextual relationship between the transnational embeddedness of

the entrepreneur and their business strategies was frequently complex and distinctive. This was demonstrated by Chidi, who ran an entertainment business, and Alex, an owner of a fitness enterprise. Both were second-generation immigrants with similar backgrounds and individual resources but whereas Chidi maximised his Nigerian identity to gain access to ethnic and non-ethnic customers in the UK, Nigeria and other global markets, Alex distanced himself from any ‘Nigerianness’, promoting his British identity and avoiding an ethnic customer base.

Others who saw themselves as ‘global’ entrepreneurs resented being considered a ‘Nigerian’ business:

‘With my training and exposure, I do not need any ethnic identity to grow my business. When I expanded to Johannesburg, I did not know Nigerians there. We will be moving into Dubai next year and we do not need to know Nigerians there. The world is a global village... you can seek opportunities anywhere in the world’ (Chika, owner of an advertising company).

However, Chika also explained how in breaking into the South African market she actively projected her African identity when relating with her clients in South Africa and stressed her British identity when serving British clients.

Entrepreneurs were explicit about how they used their multiple embeddedness to gain a business advantage. In many cases this provided a unique transnational positionality that was actively leveraged in their breakout and growth strategies via identifying and developing specific business opportunities across host and homeland markets as well as diaspora communities and third countries. Ikenna, a 48-year-old car exporter, who had lived in Spain and Holland as well as the UK and Nigeria, developed business operations from his UK base

into Holland and Nigeria, which were used also to serve ethnic market segments in Spain and Ghana respectively:

‘‘Because I had lived in different countries, I have people and knowledge of different countries making it easier for me to exploit opportunities in these markets. This is a type of business I can run without being in the location because I have the people that can manage it for me. I also have a growing Nigerian community that serves as customer base for the business in those locations....I keep the norms, identity, relationships and obligations of these four countries because the opportunity to use each of them can come up at any time’’

Chinedu, an owner of a retail food business, used his transnational positionality not only to develop new retail outlets in other African countries from his Ghanaian base, but simultaneously develop the UK product range of African food items: *‘‘Aside from the UK market, we now cover Accra and Nairobi axis. Our shops over there help us to gather items we sell here’’*. Shola, who owned a recruitment agency, explained: *‘I grow my business by focusing on nationals of other countries that wish to live in the UK. Last year, half of my clients came from Ghana, Sri Lanka, Morocco and other black people living in Europe that wish to relocate.’’*

Operating across multiple geographies and ethnicities provided sensitivity to market differences and produced strategies to address them. In the UK, Dolapo in her desire to attract a mainstream, non-ethnic customer base, spent two years learning English accents and mimicking white entrepreneurs: *‘I realized that to grow, I need to mix up with other people. I want to live and die here so I started adapting to their norms’’*. The active development of a ‘hybrid’ blended ethnic workforce to maximise market opportunities was a strategy adopted by many entrepreneurs. Blending into their existing workforce the competencies of other ethnic groups across host and homeland markets facilitated increased market understanding, opportunity recognition and acceptance. In the UK, this combined ethnic Nigerian workers

with staff from other ethnic backgrounds, with reported actions including the employment of ‘white’ managers to gain acceptance from a wider range of customers, and the introduction of non-ethnic Nigerian partners and workers to remove the ethnic label attached to their business. Emeka, a restaurant owner, explained her workforce strategy to achieve breakout: “*We formalized our HR policies and ensured that staff from key nationalities we serve are employed*”, and Afam, a 40-year-old owner of a money transfer business, simply pointed out: “*I employed a Ghanaian worker to attract Ghanaian customers*”.

Generational difference

Previous studies demonstrated differences in the effectiveness of first- and second-generation entrepreneurs operating within an ethnic enclave (Beckers and Blumberg, 2013). Findings here showed significant differences in how first and second-generation immigrant entrepreneurs adopted multifocal approaches to breakout which reflected their immigrant entrepreneurial embeddedness. Of the 18 first-generation immigrant entrepreneurs, 12 were engaged in transnational business and 11 had businesses outside the UK, compared to only four of the 12 second-generation entrepreneurs. First generation entrepreneurs were most likely to operate in ethnic niches, in the homeland Nigerian market, and serve diaspora communities in different countries. As Emeka, a first-generation restaurant owner, stated:

“...It is only a first-generation person that can do this kind of business. You need the ability to navigate two worlds to survive in this business. Some of our supplies come from Nigeria, and you need the ability to navigate the Nigerian environment and have contacts in both markets to do this...”

In contrast, second-generation immigrant entrepreneurs were less engaged in developing their businesses overseas in Nigeria and less likely to sell ethnic products or depend on ethnic

resources. They primarily pursued strategies of business expansion to compete in the UK host market or globally, through online and third-country markets, without necessarily engaging first with homeland and diaspora markets. Ahmed, a second-generation IT firm owner stated: *“Yes, we started in the UK but the story is different today, the world is our market, we serve customers in Europe, Africa and Asia”*. Where homeland engagement was evident from second generation immigrants, motivations included promoting wider homeland social development. Shola, who ran a recruitment agency and previously had little engagement and knowledge of her homeland, explained her move into Nigeria:

“Expanding into Nigeria is my way of running a charity venture. I knew it will not make much profit but I am satisfied with the impact it could make. Last year, I was honoured by the Nigerian community for helping over 600 people to relocate and find rewarding jobs”

Differences in the breakout activities of first and second-generation immigrant entrepreneurs reflected evolving differences in education, experience, social networks and the nature of their host and homeland embeddedness. First generation entrepreneurs relied more strongly on ethnic and informal social networks and highlighted discrimination, lack of access to funding, and intense competition, as particular challenges they faced as Nigerian immigrant entrepreneurs in the UK host economy. In contrast second generation entrepreneurs possessed more industry-specific and professional certifications and made greater use of formal and industry-specific social networks. Second generation entrepreneurs were less likely to identify any specific business challenges associated arising from their Nigerian heritage, for example in relation to discrimination, although Alex, a second-generation owner of a fitness business, noted:

“You need to do twice what your white competitors are doing to be accepted in the market. Being born in the UK is not enough as they still see you as an immigrant”.

Overall, first-generation immigrants predominantly engaged with breakout strategies to overcome market entry barriers, manage risks and maximise their unique capabilities whilst drawing strongly on ethnic resources. In contrast, the strategies of second-generation immigrant entrepreneurs were focused more upon achieving competitiveness, leveraging resources, and accessing international markets beyond the homeland of Nigeria, through the greater use of digitalisation and professional networks and services.

5. Discussion

A multi-focal transnational context, driven by forces of economic globalisation, technological change via digitalisation and diverse, large-scale flows of immigrant populations, has produced a significantly changed context within which immigrant entrepreneurs are structurally, relationally and cognitively embedded, and this informs the development of a widening range of business breakout strategy practice. Within a transnational environment ‘place’ is subject to a wide variety of external forces, simultaneously providing an anchor to transnational processes and being (re)constructed through its connections and interaction across countries (Vertovec, 2009). Furthermore, social networks are heterogeneous and diverse (multifocal) rather than co-ethnic (unifocal or bifocal) (Solano, 2019); and identities are multiple and complex, through simultaneous identification with different groups across host and home societies, diasporas, co-migrants, third countries and virtual communities (Bagwell, 2018; Vershinina *et al.*, 2019).

Findings illustrated the variety of different ways in which multifocal embeddedness provided increased opportunities for breakout and business growth (see Table 4). Immigrant

entrepreneurs routinely pursuing multiple breakout strategies within a dynamic and rapidly changing external environment. Alongside developing greater competitiveness in the UK host market, many had extended their agency to exploit opportunities in markets beyond the host and ethnic environment. This formed part of a wider ongoing process of reimagining identities (Vershina, *et al.*, 2019), shown here in significant differences between the first- and second-generation Nigerian entrepreneurs in terms of the ambitions and motivations driving their entrepreneurial practice and how they were embedded in host, homeland and wider transnational space. A reflexive capacity on the nature of their multiple and simultaneous embeddedness and ability to leverage this, enabled them to convert what may have been considered previously as immigrant liabilities (language skills; business cultures; ethnic workforce) into business strengths.

Although many of the immigrant entrepreneurs were operating in transnational space, opportunities and access were not evenly distributed. These were dependent on ethnic and transnational resources, as well individual skills and capacities and class resources, most notably in terms of accessing breakout opportunities in homeland areas and third countries. Transnational networks were particularly important here drawing upon a range of formal and informal ties, through personal contacts, family and friends and business support services, from both within the diaspora and outside. Key formal roles within these networks included legal and accountancy business partners that provided professional advice to maximise benefits and avoid the pitfalls of transnational operation, and diaspora associations linking entrepreneurs to customers in other countries.

To consider further how the multiple embeddedness of the Nigerian immigrant entrepreneurs shaped the pursuit of the different business strategies identified empirically, a typology was

developed setting out different approaches to breakout within this dynamic context (see Table 4). The typology draws together the findings presented on the strategies, markets and pathways to breakout pursued by immigrant entrepreneurs, with a transnational embeddedness perspective towards conceptualising breakout of immigrant entrepreneurs; one which recognises unifocal, bifocal and multifocal dimensions and the structural, cognitive, and relational embeddedness of the immigrant entrepreneurs.

Insert Table 4: Typology of immigrant entrepreneur breakout

Each approach identified displays certain common characteristics in relation to breakout behaviour, market orientation, social networks and cognitive abilities, the latter notably linked to the entrepreneur's generation. These breakout approaches exist within a dynamic context of social, economic and political change at the level of the business and the wider environment in which they operate, as well as in terms of the trajectories of individual entrepreneurs. Hence immigrant entrepreneurs may move between these various breakout approaches over time as their venture activities evolve.

Unifocal breakout

Much previous study of breakout has adopted a unifocal perspective, concerned with the ability of ethnic immigrant entrepreneurs to reduce reliance on ethnic resources and break into mainstream customer markets (Basu, 2011; Parzar 2016, Ram et al, 2004). Breakout here is pursued through adapting to the needs of mainstream customers, including strategies such as moving into new locations away from neighbourhood markets, removing ethnic labels, hybridising the workforce, and diversifying and integrating products and services to sell to ethnic and non-ethnic customers (Basu, 2011; Curci and Mackoy, 2010; Gurău *et al.*, 2020).

This limits growth to ethnic, co-migrant and mainstream markets within the host country, but does contribute to increased host country socio-economic integration.

Building upon the findings from this study for migrant entrepreneurs adopting a *unifocal breakout approach*, two pathways can be identified which particularly reflected generational difference. First, an *integration* pathway, characterised mainly by first-generation immigrant entrepreneurs who use diversification and location strategy to serve ethnic and non-ethnic customers in the host market. These entrepreneurs face intense competition as they operate in markets with low entry barriers, and predominantly use close ethnic-based ties comprising friends and relatives especially those living in the host country, with business funding coming from co-ethnic networks. As predominantly first-generation immigrants, they display a strong desire to develop a sense of belonging/acceptance within the host country's culture but show limited interest in expanding beyond the local host market, reflecting the limitations of the business and their own entrepreneurial capacities and ambitions.

The second *co-rival* pathway comprises predominantly second-generation immigrant entrepreneurs focused on serving both ethnic and non-ethnic customers in host markets using differentiation and hybridisation strategies. The term 'co-rival' captures how these entrepreneurs see their immigrant business activity as fully competitive to existing indigenous business; not a minority or marginal business but rather equal rivals with dominant host business enterprises. These immigrant entrepreneurs are often strongly motivated to prove this through outperforming existing indigenous businesses and use resources and social networks from within the host country, including non-ethnic social networks, and remunerated ties via engaging paid professional business support services.

While both the integration and co-rival breakout approaches focus only on the host UK market, they differ in their level of market coverage; the former focused on the local/neighbourhood

scale, and the latter at wider regional and national scales. In adopting a more aggressive and ambitious attitude towards competing with indigenous business and exploiting market opportunities, co-rivals make use of their wider host country social networks and a greater sense of host identity, including awareness of opportunities for ‘ethnic’ product growth within a diverse, multicultural society and allowing them to operate as ‘transcultural entrepreneurs’ (Gurău *et al.*, 2020).

Bifocal breakout

A bifocal orientation prevails among immigrant entrepreneurs seeking breakout in both host and home countries, aiming to exploit the advantages of an intermediary position between host and homeland economies to mobilise resources and identify business opportunities and social needs. Two types are apparent here. The *ethnic intermediary* pathway is pursued by predominantly first-generation immigrant entrepreneurs with bilateral competencies and enduring strong cultural and business homeland ties. This recognised breakout approach is well-documented in the existing literature which details how immigrant entrepreneurs use their unique transnational position and social networks to mobilise resources across the host and home environments to exploit business opportunities (Bagwell, 2018; Chen and Tan 2009; Gurău *et al.*, 2020). Entrepreneurs here adopt transnational diversification and differentiation strategies to develop this intermediary business role, identifying and filling market gaps and operating through a strong dependence on close homeland and ethnic group ties. Notably, in situations where global economic changes have produced stronger economic growth prospects in emerging home economies compared to stagnant host economies, the attractiveness of homeland-oriented business activity has increased (Brzozowski, 2017), and as evidenced here, a homeland business presence can be used as a hub to facilitate expansion into regional markets.

A second bifocal, *homeland identifier* pathway, is characterised by immigrant entrepreneurs from both first and second generations, developing strategies to expand business activities within their home market motivated by varied economic, social and political ambitions to support homeland development (Nkongolo-Bakenda and Chrysostome, 2013; Syrett and Keles, 2019). Business models here can include the development of social enterprises in recognition of promoting social solidarity and non-economic objectives and can often develop in partnership form (Syrett and Keles, 2022). Social networks move beyond close social ties to include wider weak ties with diaspora members and virtual friends and wider use of remunerated ties, particularly for second-generation immigrant entrepreneurs. Although both ethnic intermediary and homeland identifier entrepreneurs operate across host-homeland markets, the latter is rooted strongly within a desire to promote homeland development and cultural diaspora identity, rather than the simple pursuit of pecuniary interests, which is reflected in the business models developed.

Multifocal breakout

Immigrant entrepreneurs following a multifocal approach operate beyond host and homeland markets in the pursuit of business opportunities. These immigrant entrepreneurs often draw upon a degree of embeddedness within other third countries, where they have lived or have economic interests, mobilising resources from mainstream sources as well as from diaspora and ethnic communities. Enabled by globalisation forces, these are a new form of knowledge-based immigrant entrepreneur (Gurău *et al.*, 2022; Sandoz *et al.* 2021), sometimes operating as a type of ‘micro-multinational’, who possess valuable human capital and make strong use of digital technologies to expand into third countries. For these mobile immigrant entrepreneurs who are attracted to macro-level transnationalism (Yamamura and Lassalle, 2022), there is less or little attachment to ethnic resources and the concept of ‘home’ is blurred. These immigrant entrepreneurs consider themselves as global operators, leveraging host market resources to

exploit niche and mainstream opportunities in different countries across global markets, and they strategically locate their facilities/offices to serve multiple markets.

Two multifocal approaches are apparent: a *transnational diaspora* pathway, where entrepreneurs pursue growth opportunities across host, home and third countries; and a *transpreneur* pathway, global in outlook, but with little or no homeland orientation. The transnational diaspora pathway is characterised by immigrant entrepreneurs with cross-cultural competencies employing digitalisation and transnational strategies to serve customers across host, home, and third countries. These entrepreneurs mobilise a combination of both ethnic-based and non-ethnic based social networks and virtual ties. The *transpreneur* pathway is practiced primarily by second-generation entrepreneurial immigrants pursuing a business growth strategy which serves customers across different countries but displays no particular focus or attachment to homeland markets. These entrepreneurs possess cross-cultural competencies and use differentiation and work hybridisation strategies to exploit global opportunities. Entrepreneurial actors employ industry-based social networks and remunerated ties for their breakout activities, with little or no role for ethnic-based social networks.

By identifying distinctive approaches to breakout, this typology acts as a heuristic device to enable a fuller and more nuanced understanding of dynamic and contextually embedded processes of breakout, to consider how these are evolving over space and across different generations of immigrants. This also provides a basis for considering the very different current and future possibilities of these different types for immigrant business growth and wider economic development processes. The more ambitious multifocal approaches, for example, have high growth potential as they seek to compete globally, including within emerging economies in the Global South as new business opportunities arise. The bifocal approaches

have particular importance in relation to mobilising diaspora resources for homeland development, but also provide host economies with important bridges into specific developing market economies. Unifocal approaches, particularly the co-rival approach, set out a path of competitive and ambitious immigrant business growth within the host economy capable of realising growth opportunities via building upon ethnic diversity and hybridisation.

6. Conclusions

As immigrant entrepreneurship becomes an increasingly important feature of the business venturing landscape, achieving a better understanding of the diverse development trajectories of immigrant business becomes ever more significant. Although the breakout challenge for immigrant businesses has been widely recognised and discussed within the ethnic enterprise literature, the past focus has been restricted to the embeddedness of entrepreneurs from particular immigrant minority groups within the host nation of a developed economy (Basu, 2011, Rusonovic 2008). The findings from this paper demonstrate the need to conceptualise immigrant business breakout in a manner that recognises that immigrant entrepreneurs are embedded within a wider transnational space beyond their host location, comprised of homeland, third countries and global diaspora communities. Understanding immigrant business diversification and growth from this perspective provides the basis for a more complex and multi layered understanding of breakout activity.

This paper contributes to reimagining immigrant business breakout in three ways. First, in addressing the question of how immigrant entrepreneur breakout strategies can be best conceptualised, it furthers development of a theoretical understanding of immigrant entrepreneurial breakout which places the transnational, multifocal embeddedness of the immigrant entrepreneur at its centre. Building upon recent development of the breakout

literature on diversification processes and multi-focal approaches to transnational embeddedness, breakout is understood in terms of a continuum of markets and resources which extend beyond the ethnic community of the entrepreneur and host country markets, to consider the contextual embeddedness of the entrepreneur across structural, relational and cognitive dimensions. By recognizing a multifocal and multidimensional space of action, a much broader understanding of immigrant entrepreneurial breakout is achieved; one which recognises a range of diversification processes and enables understanding of transnationally embedded immigrant enterprise growth across diverse contexts.

Second, empirical findings demonstrate the existence of multiple interrelated breakout strategies pursued over time and space by UK based Nigerian immigrant entrepreneurs as their business ventures developed. This study identified a range of recognised and emergent breakout approaches of immigrant businesses, as immigrant entrepreneurs responded to opportunities arising from their transnational embeddedness to expand their business activities multifocally. Central to understanding the breakout strategies entrepreneurs used was their focus upon market segments that provided growth opportunities, whether ethnic or non-ethnic in nature, and their evolving customer base and its geographical location across host, home and third countries and global diasporas. To overcome market barriers and achieve competitiveness, immigrant entrepreneurs pursued diversification and differentiation strategies frequently involving locational and digitalisation dimensions, to extend into new markets and develop new approaches. The immigrant entrepreneurs actively used their transnational embeddedness to pursue workforce hybridisation and intercultural ventures and leveraged their multifocal networks and multiple identities to gain access to markets in co-migrant, online and diaspora spaces.

Third, informed by the conceptual framework of the multiple embeddedness of the immigrant entrepreneurs and the empirical findings on breakout practice, a novel typology of different approaches to breakout is set out. Building on previous research on firm growth pathways in ethnic and host country contexts (Curci and Mackoy, 2010), analysis extends here to identify how transnationally embedded immigrant entrepreneurs across different generations, expand their business activities in a variety of ways. This includes well recognised forms of breakout approaches within the host economy, through integration and location strategies which remain important for many immigrant entrepreneurs. However, it also identifies a wider range of types operating bifocally and multifocally in transnational space, where digital and hybrid workforce strategies are prevalent. This heuristic typology provides a basis for developing a more sophisticated understanding of how the varying embeddedness of immigrant entrepreneurs influences the development of different approaches to business growth, survival and the scalability of immigrant businesses. Embeddedness across evolving host, home, third country and transnational diaspora spaces presents different entrepreneurial opportunities which shape venturing activity. Critically however, the role of the immigrant entrepreneur is not merely one of responding to market opportunities across these contexts, but also one of actively shaping the emergent transnational space within which they operate.

The typology provides a theoretically informed basis for generalising findings beyond the specific context of UK-based Nigerian immigrant entrepreneurs and the limited sample size of this qualitative study. In seeking to move forward debate on the growth of immigrant businesses, the typology is intended to provide the basis for further qualitative and quantitative analysis of the breakout processes of other immigrant entrepreneurs, in a manner that is sensitive to dynamic changes and contexts. Particularly important here, is the need for further study of immigrant entrepreneurs hosted within emerging economies of the Global South, to

redress the overwhelming existing focus upon experiences within the economies of the Global North, and to better understand the barriers which prevent immigrant entrepreneurs breaking into new markets, not just within host countries, but wherever they are operating.

Implications for policy and practice

The findings on the emergent business strategies of immigrant entrepreneurs and their varied and significantly different approaches to breakout, have significant implications for the development of immigrant business support policy and the practice of support providers and ethnic associations in both host and homeland regions. An enhanced understanding of the role of immigrant entrepreneurs within the transnational environment provides a basis for rethinking the content, targeting, and access of existing business support. By recognising the diversity of immigrant entrepreneurial growth paths and how they differentially draw upon ethnic and non-ethnic networks and support, there is a clear challenge to develop business support capacity that is responsive to the very different needs and approaches of immigrant entrepreneurs identified here (Dheer, 2018; Sandoz *et al.*, 2021). This requires moving beyond narrow stereotypes of immigrant business as localised, low value business ventures, by actively engaging with immigrant entrepreneurs and ethnic business associations to develop responsive support frameworks,

There are implications too, for wider policy and practice debates. As increasingly important actors within wider transnational space, the activities of immigrant entrepreneurs have significance to wider development debates on the Global North and South. This is notable in relation to brain drain/brain gain arguments, and the possibilities of using immigrant entrepreneurial practice within home countries and diaspora populations to the positive benefit

of emerging economies through leveraging skills, investment and entrepreneurial know-how (Ojo, 2019). Immigrant entrepreneurial activity can and does provide routes for developing social mobility, integration and identities. Findings here point to the need for policymakers to abandon the restricted understanding of notions of identity, citizenship and social networks which inform the design of many current entrepreneurship and inclusion policies within host societies, and instead develop contextually sensitive immigrant and diaspora enterprise policies. Frequently political and policy discourses concerning social integration remain narrowly conceived rather than recognising the complex and diverse identities and global outlooks displayed by immigrant entrepreneurs. By embracing this diversity and complexity, venture activity has the possibility to contribute to the development of the new understandings of citizenship and identity required for harmonious living in diverse societies.

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Table 1 Evolving dimensions of breakout

<i>Start out</i>		<i>Breakout target markets</i>		<i>Studies</i>
Ethnic-local market	Non-ethnic local market	Non- local ethnic market	Non-ethnic/non-local market	Jones <i>et al.</i> (2000)
Traditional immigrant sector	Traditional mainstream sector	Competitive higher value sector	High growth sector	Ojo (2019); Wang and Warn (2019)
Ethnic customers	Non-ethnic customers	Middlemen markets	Mainstream niche markets	Rusonovic (2008); Arighetti <i>et al.</i> (2014)
Co-ethnic customers	Co-migrant customers	Mainstream customers	Universal customers	Jones <i>et al.</i> (2014)
Import market	Export market	Overseas firm/facility	Overseas resource markets	Portes <i>et al.</i> (2001)
Face-to-face, ethnic language market	Face-to-face, non-ethnic language market	Online market	Integrated/hybrid markets	Anwar and Daniel (2016)
Ethnic firm market	Mainstream market	Transnational market	Mainstream and transnational markets	Chen and Tan (2014)
Ethnic enclave market	Transnational market	Transcultural market	Global/knowledge-based market	Garau <i>et al.</i> , (2022)
Highly segmented market	Product integrated market	Market integrated	Highly integrated market	Curci and Mackoy (2010)

Table 2. Profile of immigrant entrepreneurs

Name	Business	Gender	Age (Years)	Education	Immigrant generation	Annual turnover (£)	Business locations
Afam	Money transfer	M	35-50	Postgraduate	First	400,000	UK, Nigeria
Ngozi	Beauty products & services	F	Above 50	Degree	First	600,000	UK, Nigeria
Ikenna	Car export and food export	M	35-50	Basic	First	260,000	UK, Nigeria, Holland, Ghana
Yinka	Training and certifications	M	35-50	Postgraduate	First	2million	UK, Nigeria, Australia
Yemi	Legal services	M	Above 50	Degree	First	500,000	UK
Alex	Fitness	M	35-50	College	Second	800,000	UK
Nneka	Fashion	F	35-50	Degree	First	400,000	UK, Nigeria
Shola	Recruitment agency	F	35-50	Degree	Second	800,000	UK, Nigeria
Emeka	Restaurant	M	50+	Degree	First	500,000	UK, Nigeria
Olumide	Security	M	35-50	Basic school	Second	2.1million	UK
Nonso	Phone/electronic retail & repairs	M	35-50	Basic	First	400,000	UK, Nigeria, Holland
Chika	Advertising agency	F	35-50	Degree	Second	3million	UK, Nigeria, South Africa
Aisha	Travel agency	F	35-50	Postgraduate	First	200,000	UK, Nigeria
Chinedu	Food item retail	M	35-50	Basic	First	300,000	UK, Ghana
Kate	Salon	F	35-50	College	Second	500,000	UK
Ada	Care home	F	35-50	Degree	Second	Nil	UK
Amaka	Textile retail	F	50+	Degree	First	100,000	UK, Nigeria
Ahmed	Programming services	M	35-50	Degree	Second	5million	UK, India, Belgium
Eze	Building contractor	M	35-50	Degree	First	10.2million	UK
Dolapo	Household items retail	F	50+	College	First	400,000	UK
Nnamdi	Consulting and training	M	50+	Postgraduate	First	2million	UK
Okey	Automobile engineering	M	50+	Basic	First	300,000	UK, Nigeria
Ayomide	Cleaning services	M	35 -50	College	First	170,000	UK
Olisa	Haulage and logistics	M	50+	College	First	300,000	UK
Blessing	Recruitment services	F	35 -50	Postgraduate	Second	400,000	UK
Chidi	Entertainment	F	35-50	Degree	Second	Nil	UK, Nigeria
Miriam	Property management	F	35-50	Degree	Second	2.4million	UK
Ekene	Security services	M	50+	Postgraduate	First	800,000	UK
Chiugo	Management consulting	F	50+	Postgraduate	Second	500,000	UK
Chigozie	Bakery	F	Under 35	College	Second	Nil	UK

Table 3: Data structure: coding, thematic analysis and typology development

Breakout activities: First order categories	2nd order themes: Breakout strategies; Unifocal (U); Bifocal (B); Multifocal (M)	Aggregate dimensions: Structural (S), Relational (R) & Cognitive (C) embeddedness	Breakout typology
Sale of assorted brands Integrate value chain activities Broaden product line	Diversification strategy (U)	Host & ethnic economy (S) Ethnic ties (R) First generation (C)	Integration
Relocate to higher income area Move to new locations Siting business in strategic location	Locational strategy (U)	Host economy (S) Non-ethnic (R) Second generation (C)	Co-rival
Build expertise for serving specific niche Build customer intimacy and long-term relationship Develop responsive and customised products	Differentiation strategy (U)		
Use of mixed ethnic workforce Use of 'white' managers Strengthen use of British accent Use of multilingual workforce	Workforce hybridisation strategy (U)		
Use of home country ties Intermediary between home and host markets Leverage of transnational knowledge and resources	Transnational strategy (B)	Home-host economy (S) Ethnic and non-ethnic ties (R) First generation (C)	Ethnic intermediary
Exploit markets for commonly used products Export and import seasonal products	Diversification strategy (B)		
Leverage brand identity Use large existing fanbase Exploit lead user endorsements	Brand building strategy (B)	Host economy & symbolic attachment to homeland (S) Non-ethnic & industry ties (R) Second generation (C)	Homeland identification
Join trade associations Focus on organisational customers Engage in missionary selling	B2B strategy (B)		
Use transnational ties Develop diaspora markets Exploit niches in countries previously resident	Transnational strategy (M)	Home-host & third countries (S) Transnational ties (R) First generation (C)	Transnational diaspora
Employ workers with international experience Integrate consultants into teams Use ethnic workforce to interface with customers	Workforce hybridisation strategy (M)		
Product adaptation and differentiated services Focusing on ignored market segments Leverage of reputation advantage	Differentiation strategy (M)	Host-third countries (S) Industry/professional ties (R) Second generation (C)	Transpreneur
Develop digital products Automate business processes Target online shoppers Active digital marketing	Digitalisation strategy (M)		

Table 4: Typology of immigrant entrepreneur breakout

Breakout approach	Description	Breakout strategy	Social network	Market coverage	Cognitive/individual characteristics	Defining breakout success
Integration	Expansion by serving ethnic and non-ethnic customers	Product/service diversification; local geographical strategy	Close ties/ethnic-based ties	Host neighbourhood/local	Bicultural flexibility/ proactive toward host ethnic and non-ethnic markets	Removing ethnic label; acceptance into local host market
Co-rival	Growth by pursuing new ethnic and non-ethnic opportunities in wider host market	Product/ service differentiation; workforce hybridisation; digitalisation; wider host locational strategy	Non-ethnic ties/remunerated ties	Host regional/national	Host country competencies/ proactive to diverse host market opportunities	Host country competitiveness; presence in wider regional/national non-ethnic markets and ethnic niche markets
Ethnic intermediary	Expansion by venturing into the home market and diversifying host products/services	Diversification; host-homeland operation	Transnational ties/group-based ties	Host/home countries	Bicultural flexibility/ proactive to host and home market opportunities	Deepening co-ethnic customer base
Homeland identification	Expansion into the home market for economic, social and cultural reasons	Differentiation through partnership/ brand building; host-homeland operation	Virtual ties/ remunerated ties	Host/home countries	Host county competencies/ leverage host market opportunities for symbolic opportunities in home market	Homeland economic, social and cultural development
Transnational diaspora	Expansion by venturing beyond home market into third countries	Transnational operation; digitalisation; product & service diversification	Virtual ties/ethnic ties	Host/home/third countries	Multicultural flexibility/ proactive in diaspora market niches	Colonising niches in diaspora markets; developing market presence in third countries
Transpreneur	Globally focused businesses moving into growth markets	Transnational operation; product & service differentiation; digitalisation; workforce hybridisation	Industry-based ties/remunerated ties	Host/third countries	Multicultural flexibility/ leverage host market resources for global opportunities	Globally competitive; serving customers across different countries